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PROCEEDINGS AND DEBATES OF THE 111th CONGRESS, SECOND SESSION

SENATE—Tuesday, June 29, 2010

The Senate met at 10 a.m. and was called to order by the Honorable JEANNE SHAHEEN, a Senator from the State of New Hampshire.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Our Father, the giver of every good and perfect gift, we need Your power. Strengthen us for today's challenges and use us to glorify Your Name.

Empower our lawmakers to do Your will. Direct them in their labors, strengthen them to meet each challenge, and shield them from discouragement. May they not depart in words, thoughts, or deeds from Your purposes for their lives. Lord, give them the wisdom to trade in the spirit of self-importance for the spirit of self-sacrifice, inspired by the certainty that You are guiding their steps.

We pray in Your sacred Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JEANNE SHAHEEN led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. INOUE).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 29, 2010.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JEANNE SHAHEEN, a Senator from the State of New Hampshire, to perform the duties of the Chair.

DANIEL K. INOUE,
President pro tempore.

Mrs. SHAHEEN thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. REID. Madam President, following leader remarks, the Senate will turn to a period of morning business, with Senators allowed to speak for up to 10 minutes each. The majority will control the first 30 minutes, the Republicans will control the next 30 minutes. Following leader remarks, the Senate will resume consideration of the motion to proceed to H.R. 5297, the small business jobs bill. The Senate will recess from 12:30 until 2:15 p.m. to allow for the weekly caucus luncheons. At 2:15, the Senate will proceed to a roll-call vote on the motion to invoke cloture on the motion to proceed to the Small Business Jobs Act.

MEASURE PLACED ON THE CALENDAR—H.R. 5175

Mr. REID. Madam President, H.R. 5175 is at the desk and due for a second reading.

The ACTING PRESIDENT pro tempore. The clerk will read the title of the bill for the second time.

The legislative clerk read as follows:

A bill (H.R. 5175) to amend the Federal Election Campaign Act of 1971 to prohibit foreign influence in Federal elections, to prohibit government contractors from making expenditures with respect to such elections, and to establish additional disclosure requirements with respect to spending in such elections, and for other purposes.

Mr. REID. Madam President, I would object to any further proceedings at this time.

The ACTING PRESIDENT pro tempore. Objection is heard. The bill will be placed on the calendar.

Mr. REID. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCONNELL. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

NOMINATION OF GENERAL DAVID PETRAEUS

Mr. McCONNELL. Madam President, the Senate's confirmation hearing for Gen. David Petraeus is now underway. Seeing Gen. Petraeus should remind all of us of the successful counterinsurgency campaign he led in Iraq and of the sacrifices made by coalition forces there before and after the surge of forces in 2007. Regimental and brigade combat teams protected the population and fought hard battles while a counterterrorism campaign, led by General McChrystal, was conducted against insurgent leaders.

Today's hearing also reminds us of the divisive debate that preceded that successful counterinsurgency campaign and of the skepticism and criticisms leveled against General Petraeus by some of our colleagues across the aisle at the time.

Fortunately, the critics did not prevail, either in their attacks on General Petraeus or in their calls for a hasty withdrawal of troops based on political timelines rather than the security and stability of Iraq.

If we learned anything from that debate, it is that our national security and the stability of the region outweigh short-term political calculations.

It is clear that our Nation's efforts must be integrated in Afghanistan, just as they were in Iraq. It is worth remembering our forces in Afghanistan have been conducting a counterterrorism campaign for more than 8 years, and this has been insufficient to

keep the Taliban from regaining the momentum in Afghanistan. American and Afghan security forces must do more to ensure the Afghan populace that it will be protected, something undermined by withdrawal deadlines.

The surge of forces into Afghanistan ordered by the President is not yet complete. General Petraeus is the right General to command this operation and he should be confirmed quickly.

Madam President, my understanding is that the senior Senator from Washington has a unanimous-consent request she would like to propound.

The ACTING PRESIDENT pro tempore. The Senator from Washington.

UNANIMOUS-CONSENT REQUEST— S. 1237

Mrs. MURRAY. Madam President, I thank the Republican leader.

I came to the floor last week and spoke in support of S. 1237, which is the Homeless Veterans and Other Veterans Health Care Authorities Act of 2010, an extremely important and timely bill that will help many women, women with children, and men with children today who served our country, who have come home and do not have the support and services they need and end up homeless on our streets. So I come to the Senate floor today to urge our colleagues to pass this bill quickly.

I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 360, S. 1237, the Homeless Veterans and Other Veterans Health Care Authorities Act; that the committee-reported substitute amendment be considered; that an Akaka amendment, which is at the desk, be agreed to; the substitute amendment, as amended, be agreed to; the bill, as amended, be read a third time and passed; that the committee-reported title amendment be agreed to; and that the motions to reconsider be laid upon the table, with no intervening action or debate.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. McCONNELL. Madam President, reserving the right to object, and I will have to object on behalf of my colleague, Senator COBURN from Oklahoma, he has some concerns about this legislation, particularly, as he indicates in a letter I will ask to have printed in the RECORD, that it be paid for up front so the promises to America's veterans are, in fact, kept. So I object.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. McCONNELL. I ask unanimous consent that the letter from Senator COBURN to myself on this matter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, June 24, 2010.

Hon. MITCH McCONNELL,
Minority Leader, U.S. Senate,
Washington, DC.

DEAR SENATOR McCONNELL: I am requesting that I be consulted before the Senate enters into any unanimous-consent agreements regarding S. 1237, the Homeless Veterans and Other Veterans Health Care Authorities Act of 2010.

I strongly believe we must honor our commitment to our nation's veterans as well as our taxpayers. This means we must fulfill the promises made to veterans who made sacrifices defending our freedom, but in a fiscally responsible manner that doesn't bankrupt our country, endangering those very freedoms for which they sacrificed.

This bill authorizes \$3.4 billion in new spending over the next five years. Yet, the legislation does not reduce spending by other government programs to pay for this new spending. At this time, when our nation is projected to add more than a trillion dollars a year to our already unsustainable \$13 trillion national debt, it is irresponsible to authorize any new spending that is not paid for because the end result will either be a false promise to our veterans or a lower standard of living for the children and grandchildren of those veterans who will be burdened with the debt.

I would like to pay for this legislation by reducing lower priority and wasteful spending elsewhere in the government. There are many options to do this, including:

Eliminating nonessential government travel which would save \$10 billion over ten years;

Reducing unnecessary printing costs of government documents which would save \$4.4 billion over ten years;

Disposing of unneeded and unused government property which would collect up to \$15 billion;

Eliminating bonuses to government contractors whose projects are over budget or behind scheduled;

Collecting \$3 billion in unpaid federal taxes from government employees, including nearly \$2.5 million owed by Senate staff; and

Rescinding the \$100 million increase Congress approved for its own budget this year.

There are also hundreds of duplicative, outdated, and wasteful programs that could be eliminated to pay for this bill.

Several months ago, the Senate passed S. 1963, the Caregivers and Veterans Omnibus Health Services Act, which authorized \$3.6 billion in new caregiver benefits for some veterans. At that time, I warned that unless they bill was paid for—which I offered amendments to do its—passage would be “an empty promise to veterans and benefits no one except perhaps the career politicians who will claim credit for doing something to help veterans without really having to make any difficult choices.” Unfortunately, I was right.

The same is likely to be true of this bill. It contains billions of dollars of additional promises which are unaffordable to taxpayers and uncertain for veterans in need.

Veterans and taxpayers should be weary of unpaid for, election year promises made by Washington politicians. With the percentage of Americans approving of Congress' performance barely above single digits, more broken promises and red ink will only bring greater disdain to this institution.

I would, therefore, insist as a condition of my consent for the passage of this bill that the new and expanded benefits in this legis-

lation be paid for upfront so the promises it makes to veterans are kept.

Again, thank you for protecting my rights regarding S. 1237, the Homeless Veterans and Other Veterans Health Care Authorities Act of 2010.

Sincerely,

TOM A. COBURN, M.D.
U.S. Senator.

The ACTING PRESIDENT pro tempore. The Senator from Washington.

Mrs. MURRAY. Madam President, I again thank the Republican leader. I know he is objecting on behalf of another Senator. I just wish to say that this is such an important bill.

We had an amazing woman come and visit last week. Her name is Natalie, and she has two young children. She is living in Issaquah, in my home State of Washington. She has been through some very tough times. She is a Navy veteran. She is a single mom. She came home from serving our country and ended up without a place to live, and they are now living on the streets. She, like any mom, wanted to do everything she could to take care of her kids and provide them the kind of quality of life every one of us does, but she could not find a stable job or income and ended up on the streets.

Natalie became homeless in 2007 when she could not find work and had to move out of the house she was staying in.

Natalie wanted nothing more than to provide her two children with the stable and loving home every family deserves, so she fought to secure transitional housing, and she was very fortunate to find a program called Hopelink in Washington State that gave her the support she needed to get back on her feet.

Natalie is now back in stable housing, taking care of her children and advancing in her nursing career. She came to Washington, DC, last Tuesday to help make sure no other family has to face the challenges she overcame so bravely.

Unfortunately, not every family gets the support that Natalie's did.

Homeless women veterans and homeless veterans with children are two terribly vulnerable groups that are growing by the day.

Back in my home State of Washington, veterans service organizations and homeless providers have told me they are seeing more homeless veterans coming for help than ever before.

And unfortunately, more and more of these veterans are women, have young children, or both.

In fact, female veterans are between two and four times as likely to be homeless as their civilian counterparts and they have unique needs and often require specialized services.

That is why I introduced the Homeless Women Veterans and Homeless Veterans with Children Act and it is why it's so important that we move quickly to pass it.

My bill would take three big steps forward toward tackling the serious problems facing this vulnerable group.

First of all, it would make more front-line homeless service providers eligible to receive special needs grants.

This would help organizations in Washington State and across the country help support families like Natalie's.

It would also expand special needs grants to cover homeless male veterans with children as well as the dependents of homeless veterans themselves.

And it would extend the Department of Labor's Homeless Veterans Reintegration Program to provide: workforce training, job counseling, child care services, and placement services to homeless women veterans and homeless veterans with children.

It is so important that we not just provide immediate support but we also make sure our veterans have the resources and support they need to get back on their feet.

This is a very personal issue for me.

Growing up, I saw firsthand the many ways military service can affect both veterans and their families.

My father served in World War II and was among the first soldiers to land on Okinawa. He came home as a disabled veteran and was awarded the Purple Heart.

Like many soldiers of his generation, my father did not talk about his experiences during the war. In fact, we only really learned about them by reading his journals after he passed away.

And I think that experience offers a larger lesson about veterans in general. They are reluctant to call attention to their service, and they are reluctant to ask for help.

That is why we have got to publicly recognize their sacrifices and contributions.

It is up to us to make sure that they get the recognition they have earned.

And it is up to us to guarantee they get the services and support they deserve.

This bill passed through the Senate Veterans Affairs Committee with strong bi-partisan support.

Because supporting our veterans should not be about politics, it should be about what kind of country we want the United States to be. And about what our priorities are as a nation.

That is why I am proud to stand here today: for Natalie, her children, and families just like hers across the country.

At this time, with our economy struggling—it is a very tough time, particularly for our veterans who are returning home—the most vulnerable population today is our women because many of the transitional housing and projects for our veterans don't have facilities for women or for women with children or, as a matter of fact, for men who are veterans coming home to young children.

So this is an extremely important piece of legislation. This had bipartisan support coming out of our committee. I will keep coming to the floor to ask for unanimous consent because I cannot go home and look at someone who served our country with distinction and honor who today is living on the street because the Senate is objecting. I will just let my colleagues know I will keep working on this because it is the right thing to do.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period of morning business for 1 hour, with Senators permitted to speak therein for up to 10 minutes each, with the time equally divided and controlled between the two leaders or their designees, with the majority controlling the first half and the Republicans controlling the final half.

The ACTING PRESIDENT pro tempore. The Senator from Florida.

GULF OILSPILL

Mr. NELSON of Florida. Madam President, I wish to give the Senate a report on the gulf oilspill.

Mother Nature is now developing hurricane and it is very likely within a couple of days of reaching hurricane strength, which is 75 miles per hour or greater, but Mother Nature is smiling on us in that it is going on a more westerly track. It will probably go into the coast at northern Mexico, possibly southern Texas, but it will keep it away from heading into the area to the east of Louisiana where the oilspill is. Of course, if it had gone on that trajectory, then one of the worst nightmares would be that it takes all that oil on the surface, and in the rage of a hurricane, the counterclockwise rotation of the winds would take that right on to shore over the barrier islands, into the bays and estuaries where oil, once contaminating all the marsh grasses, becomes so difficult to get out.

The effects of that we don't know. It could be for years to come, just as we don't know the effects of the subsurface oil that is there, that the scientists have identified, that BP denies, that even some of our Federal officials in NOAA deny. We are waiting on their report. Of course, we won't know the effects of that for years. We have a lot of uncertainty here. But at least for the moment, the hurricane is not bearing down on the oilspill, although let me remind my colleagues that we have a very active hurricane season coming up.

What it is going to do, this first hurricane, is make the seas choppy and the waves large, even that far away. As a result, the skimming operations are going to be thwarted.

That brings me to the topic of the skimming operations.

I am grateful, since the U.S. Navy had identified 27 additional small skimmers that are stationed in ports around the country, that those have now been tasked to come to our inland waterways that are calm waters such as ports so that when the oil comes through the passes, through the inlets and gets into those calm water bays, we will have those skimmers there positioned to try to get it skimmed up before it gets into the marsh grasses. But why did it take so long? Why, of the 27, have only 9 been put on trailers and are on their way to the gulf? Why are the remaining 18 having to go through the legal ramifications, which I understand the law is the law, not to be completed until June 30, which is tomorrow, but why wasn't this done weeks ago? Because people do not have the sense of urgency that we do down on the gulf coast. They are not seeing their lives destroyed and their livelihoods eliminated and their culture completely changed.

Of course, the effects of this for years, with 60,000—now people are finally getting around to acknowledging that it is 60,000—barrels of oil a day gushing into the gulf. It is filling up the gulf. It is affecting us and our way of life.

There are how many States on the gulf? Texas, Louisiana, Mississippi, Alabama, and the big one, with the most coastline, Florida, my native land. How many is that? That is five. The remaining 45 States are not affected. They can see it nightly on the TV. They can rant and rave, and they can see that gusher that continues. It is there on TV for us to see, and we can be mad about that. But unless one lives there and understands the daily effect on people's lives, they can't get that sense of outrage we have. So is it any wonder I have such impatience when five of my counties on the gulf coast have submitted requisition forms for the moneys they have advanced and they still have not been paid? Is it any wonder I have a sense of outrage when I see people lose incomes because cancellations are coming in on a daily basis? Is it any wonder I have a sense of outrage when I see local governments not being able to plan on their budgets because they don't know what their local tax revenue is going to be because of a diminution of business? Is it any wonder those of us on the gulf have a sense of outrage as we see the fear, the trepidation, the anxiety about the future about what their livelihoods are?

I am going down to the White House now to talk about the one thing we can

make something good come out of this travesty, and that is the future of trying to wean ourselves from our dependence on oil by aggressively going after alternative energy sources. I hope out of this tragedy that will be one of the outcomes and that it will be led vigorously. But that sense of outrage I don't see. I am going to try to express it in the next few moments.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Washington.

REMEMBERING SENATOR ROBERT C. BYRD

Mrs. MURRAY. Madam President, I come to the floor this morning to pay my respects to a most amazing man who the Senate Chamber has lost, Senator ROBERT C. BYRD. It certainly is a sad day for the Senate, for all the people of West Virginia who loved this man so much, and for the entire country, as we mourn the loss of the Nation's longest serving Senator.

ROBERT C. BYRD was a historian, a poet, and he truly was a master of the Senate. We have heard a lot about this remarkable man. A lot of it bears repeating today. He was the longest serving Member in the history of this institution. He had courage. He had humility. He had intelligence. He had a vision that helped lead the Senate for many years. But he also showed us that one can change over time and admit their wrongs and move on and fight for what they believe is right.

His principled stands are what I will remember most about him. I was so proud, back in 2002, to stand with him and a total of 23 Senators who voted against the Iraq war. I will not forget how strong he was, reminding us that as a country we do not have to act out of fear. I was proud to stand with him many times since then, when he would knowingly wink at me and remind us of the 23 who stood tall in the Chamber that day.

His floor speeches were legendary. I remember so many times throughout my tenure with him as he railed on the floor about whatever passion he had at the moment, whether it was his little dog he would tell us a story about or some part of history he wanted to remind us of, always with a point at the end. I remember his compassion as he spoke, and his flailing arms. He always reminded us that we are human beings here. He had a true way with words, and he literally wrote the book on the Senate. Most importantly, he protected this institution from every attack.

To his very last days here he was weighing in on proposed changes to the filibuster rule, a rule he played a central part in reforming three decades ago.

But the true honor of serving with Senator BYRD came from his personal touch. I personally so remember my

very first meeting many years ago with Senator BYRD. I came here as a brandnew Senator in 1993. I wanted to serve on the Appropriations Committee, the committee he chaired. It is a very powerful committee. It was a big ask for a freshman Senator coming in. I was told that in order to get that seat, I would have to call him up and ask for a personal meeting. That was pretty intimidating, coming here brandnew and asking for a meeting with the chair of the entire Appropriations Committee.

He granted the meeting. I remember walking over to the Capitol to his office and not knowing what to expect. I couldn't have known what to expect because, when I walked in, I found this warm, wonderful, cordial human being. He regaled me with stories from his youth and talked about being a coal miner's son and the poverty he grew up in. He showed me his fiddle he was so proud of but that he played no more. He told me poetry he recited from memory. I remember sitting in his office and thinking: I can't believe I am sitting here with a part of history. Then, of course, he grilled me on my stance on the balanced budget amendment and the line item veto before he said: Yes, I would like you to serve on my committee.

I have been so proud to serve on that committee with him ever since. He taught me so much about protocol, about managing legislation, about the rules of the Senate, about respect. Yes, respect was what I think I learned from him most. He was a taskmaster. He believed passionately in the rules of the Senate, but he also believed in working together for the common good.

In the first year I was here, Senator Hatfield, Republican from Oregon, and Senator BYRD were the chair and ranking member on the Appropriations Committee. Senator BYRD called and asked me to come to lunch in his office with a small group of Senators, with Senator Hatfield and myself and several Democrats and Republicans. I was so honored to be asked, and I came over not knowing what to expect. Senator BYRD and Senator Hatfield, a Republican and Democrat, a chair and a ranking member of the most powerful committee, the Appropriations Committee, sat and talked to us about what they felt was being lost from the Senate and that, as new Members, it was our responsibility to return the Senate to. That was respect and listening to each other. They told us in words about how "one year I might be chair," said Senator BYRD, "but I know full well an election will change things and Senator Hatfield will become chair. So we better work together, and we better respect each other, as we put our bills together. Because you never know when you are going to be in the minority or the majority."

Their words were powerful. But even more powerful was sitting there listen-

ing to these two gentlemen, a Republican and Democrat, listen to each other, laugh together, have lunch together, and pass on a lesson to those following us about what we all need to be when we call ourselves United States Senators.

Senator BYRD earned many titles over the years: majority whip, majority leader, chairman of the Appropriations Committee. But I know the title he cherished the most was husband. His love of his family trumped everything else.

I so remember one time my husband, who lives out in the State of Washington—as my colleagues know, I travel home every weekend to be with my family—one weekend my husband came out here to be with me. Why? Because it was our anniversary. I was going to be here voting so he traveled here from Washington State and came into the Capitol. As he was coming in, I met him. Senator BYRD happened to be leaving the Senate Chamber. He saw my husband and he welcomed him and said: What are you doing out here in the other Washington? My husband said: It is our anniversary. Senator BYRD said: Well, which anniversary is it?

Rob said to him: It is our thirty-second. Senator BYRD paused and nodded, and he said: That is a good start.

He had been married for 67 years. He was going home to be with his wife. That is a moment I will cherish, because it sets in perspective all that I know about Senator BYRD. He taught by example. He taught by words. He knew humor and how to use it. But most of all, he had respect for every one of us here.

He was a gentleman. He certainly was tough. But he treated everyone with dignity and respect. Everyone here on this floor has been molded by his presence. We have learned so much from him, and he will be missed.

But I know for certain his work and his passion and his spirit will never be gone from this Senate he loved so much, and I know as I walk on this Senate floor, I will try and remember, as he taught me so well, respect of others above all.

Madam President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Illinois.

Mr. DURBIN. Madam President, how much time is remaining in morning business on our side?

The ACTING PRESIDENT pro tempore. There is 9½ minutes remaining.

Mr. DURBIN. Thank you very much.

Madam President, yesterday I joined Senator MURRAY and others in giving my tribute to Senator BYRD, and I will not repeat my remarks. But I look forward to other Members coming to the floor with their own memories and reminiscences of this great man who served this Nation and the State of West Virginia so honorably for so long

and the fact that I was honored to serve with him for 14 years in the Senate.

UNEMPLOYMENT BENEFITS

Mr. DURBIN. Madam President, I know an issue that was always important to ROBERT BYRD was the working men and women of West Virginia. If there was one thing that innervated him and inspired him, it was the memory of his youth and growing up in the most impoverished circumstances where he could not attend college and had to go to work straight out of high school. It was not until many years later that he completed college and law degrees as a Member of the Congress. It was an extraordinary feat to be able to achieve that.

I think of him when I think of the bill we considered last week because it was a bill that tried to help struggling families across America in the midst of this recession. We tried to extend unemployment benefits for those who are out of work across America. The estimates range from 8 million to 14 million Americans—people who had a job and are now out of a job through no fault of their own. There are an estimated five unemployed people for every available job. So it is not a situation, which some have said, where there is a lack of effort on their part. It is a very hard thing to find a job.

I have visited unemployment offices in Chicago, in Springfield, and all over my State and met with these people, many of whom are desperate. They put out their resumes online in an effort to try to get an opportunity for a job and just cannot get any response whatsoever. They spend day after weary day going through the want ads and going through the Internet postings in the hope of finding something.

What we have tried to do is to say to families in this distress: We are going to give you a helping hand so you can survive. That was a major part of this bill. We were going to extend unemployment benefits across America for an additional 6 months, until the end of the year. I wish I could say the economy was turning around more quickly, and it is not necessary, but I think we know better. We know many families without these unemployment benefits just cannot make it.

We had a vote last week on unemployment benefits for unemployed Americans, out of work through no fault of their own, and could not get a single Republican to vote for it—not one. Not one Republican would vote for cloture so we could move to passage of that bill.

There were many things in the bill, but that one hit home this weekend when a friend of mine, a woman whom I have known for a number of years now, called me. I respect her so much. I met her at a drug rehab facility far

away from my home in a corner of our State. She had been addicted to crack, but for the last 8 years she has been drug-free. She is a single mom, and she has three children living in her home. One of her daughters has a little boy who is 4 months old.

She called me over the weekend and said: I can't find a job. I keep looking, and I can't find a job. Now they are going to cut off the utilities to my home.

That is the reality of what a vote on the Senate floor means in the real world. I wonder sometimes how some of my colleagues can consistently decide they are not going to vote to support these American families. I struggle to understand how we can be spending billions of dollars in an effort to rebuild Afghanistan, to try to put these people back on their feet and give them a future, and turn our backs on our own. That is what happened.

This bill had many provisions in it, but that one hit home. There was another one. There was a provision in this bill to send money to the States to help them pay for Medicaid. Medicaid is health insurance for poor and unemployed people. Of course, there are more demands for Medicaid because so many people are out of work. The States are struggling to provide the medical assistance these families need, and many of us believed it was only fair that we in Washington try to help these States through these difficult times by sending this money back to the States.

Not a single Republican—not one—would vote to help us help the Governors in States that are struggling to pay these medical bills for the unemployed and poor in their State. It just strikes me that we have an obligation to our own—to our American family—and that obligation is being ignored by those who vote against it.

During the course of the day and this week Senators from the Republican side of the aisle are likely to come to the floor and ask that specific provisions in that bill pass. They do not want to help the unemployed, they do not want to help provide medical care for the poor and unemployed, but they have tax provisions they want to pass. Some of them I agree with; some of them are very important and valuable to us. But it seems to me only fair that if we are going to consider these provisions, we consider the whole bill.

So as they are making unanimous consent requests to pick out the piece they like in the bill, I will be making a unanimous consent request to pass the bill in its entirety—not just the tax provisions that help families but also help businesses and corporations, but also to make sure we help those who need a helping hand.

I often wonder why the Republicans would oppose helping the unemployed. Traditionally, it has been a bipartisan

issue. We have said if a disaster hits some part of our country, we will rally behind that part of our country. It has happened in Illinois. I have come to the floor of the Senate and the House when we have faced a natural disaster, whether it was a flood or a tornado or whatever it happened to be. Colleagues of mine from far-flung places across the United States have said: We will be there to help you because tomorrow may be a day when we need help too. We pitch in together to help one another. Yet when it comes to this bill to help those who are unemployed across America, they resist it. I try to get into the bill to try to understand why the Republicans oppose helping those who have lost their jobs through no fault of their own, why the Republicans oppose basic health care for people who are in the most dire circumstances.

It turns out that some of it has to do with the tax policy that is in this bill. You see, one of the things we are doing is closing the loophole that allows American businesses to ship jobs overseas. Yes, there are rewards in America's Tax Code for corporations that decide to close down their plants in Galesburg, IL, or in the State of New Hampshire, and move them overseas. It makes no sense. Why would we create tax incentives, financial incentives for American corporations to shut down in the United States and build overseas?

This bill closes those loopholes, and I can tell you, some of the biggest corporations in America are angry about it. They want to have a helping hand to move good-paying jobs overseas. Well, they are not going to get a helping hand from this Senator and a lot of others. Yet there are some on the other side of the aisle who happen to agree with that position.

This bill also has tax incentives to help small businesses. For goodness' sake, if we will ever get out of that recession, it will be because small businesses get back on their feet and hire more people. This is a good bill which the Republicans refuse to support. I do not know how we can go home for the Fourth of July weekend, take a week off afterwards, and ignore the obvious: that while we are at home with our families, other families will be asking themselves basic questions about whether they will have their gas or electricity cut off in their homes.

That is the reality of what we are facing.

I take a look at the estimated number of people who will lose their unemployment compensation because of this vote by the Republicans against extending unemployment compensation, and throughout the month of June it will mean some 80,000 people in my State of Illinois will be losing this kind of help. It is also a fact in States such as California, 255,000 people; Florida, 115,000 unemployed will have their benefits cut off; 40,000 in Indiana; 107,000 in

Pennsylvania; 95,000 in New York; 65,000 in Texas; 33,000 in Wisconsin. The numbers are huge in these States. Yet the Republicans refuse to give us one vote in support of moving this forward—this bill to help those who are out of work and create a better environment to create jobs in America.

I often wonder if this is part of some campaign strategy to try to slow down the economic recovery in the hopes that it has some political advantage, but that is a very cynical analysis and I believe most Senators on both sides of the aisle pray that our recovery comes sooner rather than later.

But we need their votes to show it. We need for them to step up and give us the support on the Senate floor to pass this jobs bill, a bill which they defeated last week, without a single Republican supporting it—not one.

Well, many of them have said publicly they want to have another chance to vote on some parts of it, and I am open to the suggestion. But when I look at this bill in its entirety—the tax cuts, the help to small businesses, the closing of these tax loopholes, the help to the States—I think all of these things are an important and timely package of things we need to do across America.

The ACTING PRESIDENT pro tempore. The majority's time has expired.

Mr. DURBIN. Then I yield the floor.

Since I see no Republican seeking time in morning business, I ask unanimous consent to speak for 3 additional minutes, and to extend the same 3 minutes on the Republican side, if they care to use it.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PROTECTING THE GREAT LAKES

Mr. DURBIN. Mr. President, one of the greatest assets in my part of the world would be Lake Michigan. If you ask the people of Chicago: What do you think is the greatest thing about the city of Chicago, in a recent survey they overwhelmingly responded it is Lake Michigan because it is so beautiful, and we are fortunate to be near it and take advantage of it, using beaches and being out on boats, and mainly looking out the window at this magnificent lake, which I get a chance to do when I go up to the city.

So when the issue of the future of Lake Michigan and the question about whether it is going to be the victim of invasive species comes up, we take it seriously. I do not know how many years ago some people decided a very wise thing to do would be to import into the United States a fish called the Asian carp. So they brought in this Asian carp—and I believe it was in the State of Arkansas, though I do not want to pick on them; I think this is true—and they were going to raise

these carp for some reason, and there was some flooding and the carp ended up in the Mississippi River. Now they are all over the Mississippi River and those tributaries leading to it.

Well, if we follow the Mississippi River north from Arkansas and make a right-hand turn north of St. Louis and head up the Illinois River, we are on our way up Lake Michigan. That is the route the Asian carp have been following.

Well, they are all over the Illinois River on their way up to Lake Michigan. These are fish which grow to enormous sizes and suck up everything in sight on which other fish would live. So they are an invasive species that is a danger to other species of fish, and there has been a great fear for a long time they would reach Lake Michigan and change its future as a fishery.

So I joined with Republican Congresswoman JUDY BIGGERT, and we started pouring in millions of dollars 10 years ago to stop this fish. This fish is insidious. It just grows by leaps and bounds and attacks people. Hard to imagine, isn't it? Boaters going down the Illinois River will see these fish jumping out of the river at the boaters. It is a danger. I have seen videos, and I know it is.

This is an aggressive species of fish that can destroy Lake Michigan. So Congresswoman BIGGERT and I built electronic fences that create an electrical shock at points in the river to stop the fish from moving toward Lake Michigan. We have done that twice. We now think we have to do it more. There is a real concern not only in Chicago and Illinois but around Lake Michigan, the surrounding States, about how successful this effort is going to be.

Last week, we continued to fish and look for these Asian carp, and we found one in Lake Calumet, just miles from Lake Michigan. From my point of view, that was a wake-up call. Somehow a fish had reached the other side of the electronic barrier. I do not know if it was dumped in Lake Calumet—we are doing some studies to find out—or whether it migrated there.

Regardless, what I am doing with Senator DEBBIE STABENOW of the State of Michigan is introducing legislation today calling on the Army Corps of Engineers to take a serious, comprehensive look at ways to avoid any contamination of Lake Michigan from this fish.

These studies usually take forever. Senator STABENOW and I are encouraging the corps to move on them very quickly.

Secondly, I have written to the White House and have spoken with the President's Chief of Staff about appointing a coordinator who will try to bring together all the Federal agencies that are dealing with this invasive species, the State and local efforts, and coordinating them to be more effective and

focus on stopping this fish moving forward.

We are trying to also increase the amount of money being spent to build fences and more electronic barriers to stop these fish from their migration toward Lake Michigan.

This is critical for us to do for the future of Lake Michigan and the Great Lakes. It is something we have worked on for years. We will continue to work on it. We take it very seriously.

I thank Senator STABENOW for joining me in that effort, and I encourage all the Senators from the Great Lakes area, if they would consider it, to join us as cosponsors.

Madam President, I see the Senator from Missouri has taken the floor on the Republican side. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Missouri.

CLEAN ENERGY

Mr. BOND. Madam President, today Members of the Senate will go to the White House to meet with President Obama on energy legislation. There is general agreement among Republicans that we need to do more to promote clean energy and reduce our dependence on foreign energy sources. We also need real reform of our oilspill protection laws and agencies.

However, today I talk about where we disagree, and that is on the Democratic proposal to impose a national energy tax related to carbon emissions.

The President will try to convince Senators and the public to impose a national energy tax. Of course, he will use fancy terms such as "pricing carbon." But if it walks like a duck, quacks like a duck, then it is a duck, and this duck is an energy tax.

One form the Democratic national energy tax will take is a tax on gasoline, diesel, and jet fuel. Senator HUTCHISON and I just released a new report documenting the size of the gas tax in the Kerry-Lieberman cap-and-trade bill. My colleagues can find it on our office Web sites.

The Kerry-Lieberman cap-and-trade bill includes a \$3.4 trillion gas tax—with a "t." That is an average of \$90 billion a year.

The number is so large because Americans consume a lot of fuel—over 200 billion gallons a year. Putting a price on the carbon in this fuel, as Democrats and President Obama want to do, will impose a massive new tax increase on the American people. You don't have to take my word for it. Anyone can add up the cost of this new gas tax. We used all publicly available government information, such as the fuel consumption data from the U.S. Energy Information Agency and carbon pricing estimates from the Environmental Protection Agency. The rest is just simple addition and multiplication—multiplication and multiplication and multiplication—combining

how much fuel we will use with the carbon tax rate they propose.

The \$3.4 trillion figure is based on EPA's estimates of future carbon prices. By law, as proposed by Kerry-Lieberman, the gas tax could be as high as \$7.6 trillion if carbon prices hit the price ceilings in this bill.

Kerry-Lieberman's \$3.4 trillion total gas tax will include a \$1.9 trillion gasoline tax on families, workers, and small businesses, a \$1.1 trillion diesel tax on farmers, truckers, and businesses, and a \$425 billion jet fuel tax on airline passengers.

Of course, politicians do not want to admit they support a new multitrillion-dollar gas tax. They use code words such as "pricing carbon" or "requiring the purchase of allowances."

They also try to take advantage of the current disasters, such as the gulf oilspill, to impose a new gasoline tax. I say we should be punishing BP, not the American people, with a new gas tax. A gas tax will not stop the oil from leaking, it will not clean up the oil that has been spilled, and it will not do anything to restore the environment in the coastal areas where that oil will hit.

To quote an MIT economist highlighted this week:

People are kidding themselves to believe that penalizing carbon will significantly shrink oil imports or the need for offshore drilling.

EPA's recent analysis of Kerry-Lieberman confirms this, showing that U.S. fuel consumption would decrease by only ½ percent by 2050.

All we do with a new gas tax is take trillions of dollars from American families and workers with no real impact on our oil dependency. In fact, the thing that has slowed gasoline consumption in the United States has been the recession. When people are out of work and businesses are not selling and work is not being done, then consumption goes down. Is that how we want to reduce dependence on foreign oil and reduce pollution? I say not.

Sponsors say a portion of these funds is going to the highway trust fund. However, this bill sends less than 2 percent of its value to the trust fund, or only a few billion dollars per year by my calculations. Even that will end in 2040.

Sponsors also point to their refund program where they claim they will give back two-thirds of the carbon tax revenues the government will take in. How many trust the Federal Government to return tax revenue to us once they get their tax-and-spend fingers on it? They have schemes that will send that money to politically favored groups. That is what has happened in the past, and that is what will happen in the future.

While they give back two-thirds of the revenues, the government still keeps one-third of the tax. One-third of a \$3.4 trillion gas tax means American

families and workers, even if they got it back on a fair pro rata basis—which nobody believes they will—Americans will still face \$1.1 trillion in net new taxes from the gas tax.

You know something funny must be going on when big oil actually supports this bill. You heard me right; big oil supports this bill. BP, Shell, and ConocoPhillips actually helped draft Kerry-Lieberman. Do my colleagues know why they did that? They are not worried about a tax on gasoline because they know every single penny will be shifted to the consumers with their profit margins added. It may not be a bad deal for the gas and oil companies, but it is a bad deal for all of us as consumers.

Big oil knows they can pass most of the new tax on to consumers, so they are not worried about it. But Senator HUTCHISON and I remain deeply worried about families, farmers, truckers, small businesses, and fliers who will pay this \$3.4 trillion gas tax.

There is a better way. We can come together on new incentives for hybrid and electric cars, nuclear power, advanced fuels such as cellulosic ethanol and biomass, and even higher fuel efficiency standards for vehicles. But what we should not do is punish American families, farmers, workers, and businesses with a \$3.4 trillion gas tax.

I yield the floor, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. VITTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. UDALL of New Mexico). Without objection, it is so ordered.

UNANIMOUS-CONSENT REQUEST— H.R. 5569

Mr. VITTER. Mr. President, I come to the Senate floor once again to ask all of my colleagues to come together, Democrats and Republicans, as Americans to do something we should have done weeks ago: reauthorize the National Flood Insurance Program.

The National Flood Insurance Program is a vital, necessary program to provide flood insurance to our citizens around the country to help protect their homes and property. Yet it was allowed to expire on June 1. So for almost a month, we have not had a national flood insurance program.

What does that mean? That means there have been thousands of real estate closings that have been held up, unable to move forward. There are thousands of first-time and other home buyers who want to go to their closings, who are excited about everything that means, but because of politics up here, because of that getting stuck in

the mud—even though substantively it should be completely noncontroversial—they cannot go to their closings, and all of this in the midst of an extremely serious recession. We should never allow this sort of lapse in the program, but when unemployment nationally is almost 10 percent, when we need every real estate closing we can get our hands on to help move the economy along and to try to get it to a better place, this is the last moment we should allow this program to expire.

As we all know, this reauthorization has been held hostage, and there is no more accurate way to describe what has been going on. It is completely noncontroversial. It is completely motherhood and apple pie. For that reason, it was taken hostage and put in the so-called extenders bill, which, overall, was very controversial and which had a lot of objectors, particularly because it balloons deficit and debt significantly—by tens of billions of dollars. I have asked several times over the last several weeks for that gamesmanship to stop, for the hostage to be released and for us to pass on a bipartisan basis the extension of the National Flood Insurance Program on its own.

That was rejected. Over those several weeks, one version of extenders after another was also rejected. There were four, maybe five different versions of that bill which came to the Senate floor, and none of them achieved the required 60 votes to move forward. So the necessary extension of the National Flood Insurance Program languished for days and then weeks and now almost a month.

With so many versions of the so-called extenders bill failing, let's just get back to doing the right thing on this vital program. Let's take this specific measure—the reauthorization of the National Flood Insurance Program—and pass it into law. The House has already done that. The Democratically controlled House has done exactly that—passed a full reauthorization through the end of the fiscal year. So let's take their bill and pass it and solve this problem and allow these closings to happen, give a little boost to the economy when we need every boost we can get. Certainly, people in the real world across America support that. As evidence of that, I ask unanimous consent to have printed in the RECORD a letter of strong support that the Senate take immediate action on H.R. 5569, which is signed by many different real estate and related business organizations that want to see those crucial real estate closings resume again.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JUNE 25, 2010.

Hon. HARRY REID,
Majority Leader,
U.S. Senate, Washington, DC.
Hon. MITCH MCCONNELL,
Minority Leader
U.S. Senate, Washington, DC.

DEAR MAJORITY LEADER REID AND MINORITY LEADER MCCONNELL: We respectfully request the Senate take immediate action and approve H.R. 5569 that passed the House of Representatives yesterday and would reauthorize and extend the National Flood Insurance Program (NFIP) through September 30, 2010.

The flash floods this year that inundated Oklahoma City, ripped through the Southwest and damaged residences from Montana to Tennessee are a grim reminder of the threat posed by flooding. Furthermore, the NFIP is the only protection for Gulf Coast property owners who face the threat of flooding by oil-tainted water as a result of the massive leak in the Gulf of Mexico.

The NFIP protects 5.5 million Americans. Unfortunately, no new policies have been offered to property owners who need coverage since the program expired on May 31, 2010. This is the third time this year Congress has allowed the NFIP to expire. The timing of this latest expiration—a day before the start of the hurricane season on June 1—could not have been worse for coastal residents and impaired real estate markets.

While we agree with many members of Congress the NFIP is in need of meaningful reform, America's property owners depend on this important federal program administered with the help of the property casualty insurance industry. Since the program expired, those who need insurance can't get it. Those who have it can't increase coverage. And anyone trying to buy property that requires federal flood insurance is out of luck—creating yet another disruption in a struggling real estate market.

Every day of delay in reauthorizing the NFIP contributes to the confusion and risk for families in the real world. The purchase of a new flood insurance policy in general carries a 30-day waiting period before it goes into effect (except for real estate transfers), so even if Congress acts today, a property owner seeking coverage could be without coverage well into July.

A long term extension is vital to provide needed certainty to homeowners and small businesses that depend on the program for flood damage protection, to protect our residential and commercial real estate markets from serious harm during a very difficult economic time, and to provide stability for the companies and agents that sell and administer the NFIP policies to millions of consumers across the country. We respectfully request that you act now and pass H.R. 5569 TODAY—homeowners and businesses across the country simply cannot wait.

Sincerely,

American Hotel and Lodging Association, American Insurance Association, American Land Title Association, American Resort Development Association, Building Owners and Managers Association, CCIM Institute, The Chamber Southwest LA, Credit Union National Association, Financial Services Roundtable, Greater New Orleans Incorporated, Independent Community Bankers of America, Independent Insurance Agents and Brokers of America, Institute of Real Estate Management, Mortgage Bankers Association, National Apartment Association, Na-

tional Association of Federal Credit Unions, National Association of Home Builders, National Association of Realtors, National Multi-Housing Council, National Association of Mutual Insurance Companies, Property Casualty Insurers Association of America.

Mr. VITTER. Again, the National Flood Insurance Program has universal bipartisan support. This extension does not increase the deficit. It is not a spending and debt issue. It has only been taken hostage in these larger battles over other matters. Let's release this hostage and do the right thing.

I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 5569, which was received from the House—this bill extends the authorization of the National Flood Insurance Program until September 30—that the bill be read a third time and passed and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection?

Mr. DURBIN. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. And I will object at the end of this reservation.

We had an opportunity to pass flood insurance last week, and not a single Senator from Senator VITTER's side of the aisle would vote for the package because it provided unemployment compensation for 1.2 million Americans who are out of work, including 10,000 in the State of Louisiana. I believe for that reason the Republicans voted against it. They did not want to extend unemployment benefits. Flood insurance was in there, and they wouldn't vote for it. So after I object, I will offer a unanimous-consent request, and the Senator from Louisiana will get a chance to pass flood insurance as part of the entire package. So I object to this unanimous-consent request.

The PRESIDING OFFICER. Objection is heard.

Mr. VITTER. Mr. President, reclaiming my time, here we go again—the same old gamesmanship. Through the Chair, let me correct my distinguished colleague from Illinois. The reason that bill was objected to by all Republicans, as well as some Democrats, was not the extension of unemployment insurance. If that is his understanding, let me explain to him, through the Chair, that his understanding is completely wrong. In fact, I have stood here on the Senate floor and suggested a UC to separate that part of the bill as well and to pass it. But the objection of many Senators, including mine, is the ballooning of the deficit and the debt, which every single version of that bill did by tens of billions of dollars, the original version by approximately \$180 billion.

So, Mr. President, my distinguished colleague's understanding is exactly

wrong, and here we go again. My distinguished colleague and his leadership on the Democratic side have had multiple opportunities to attempt to pass a version of this bill—four or five versions; I have lost count. Each and every time, they did not get the necessary votes, including not getting certain Democratic votes.

So can we finally, after going through that exercise, after allowing the National Flood Insurance Program to lapse for almost a month now, can we finally do the right thing and pass this noncontroversial program on its own, as Speaker PELOSI and the Democratic majority in the House have done?

Mr. DURBIN. Will the Senator from Louisiana yield for a question?

Mr. VITTER. Certainly.

Mr. DURBIN. Mr. President, I want some clarification because I thought I heard the Senator say something. Is the Senator saying that if we offer a separate measure on the floor which reauthorizes the National Flood Insurance Program—and let's add in there, for example, this \$8,000 home buyer credit we have talked about for more real estate closings, the extension of the home buyer credit, which was passed on the floor—and unemployment compensation as an emergency expenditure, is the Senator from Louisiana saying he would vote for that package?

Mr. VITTER. If that package is paid for. I will be happy to produce all of the pay-fors. I will be happy to produce ways to responsibly pay for that package. If that package is handled responsibly that way, absolutely yes.

Mr. DURBIN. Then we are still at loggerheads because unemployment compensation has been offered as emergency spending throughout this recession, and now I am not sure where the Senator's pay-fors would come from, but that creates a problem.

Mr. VITTER. To reclaim my time, they have been offered over and over. I will be happy to offer them. There are ways to solve that problem. But in the meantime, can we pass a necessary program, the cessation of which is holding up real estate closings all around the country and hurting an already ailing economy when we are experiencing almost 10 percent unemployment?

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, I am going to make a unanimous-consent request, I notify my colleague from Louisiana. This unanimous-consent request will extend and reauthorize the National Flood Insurance Program, the reason he came to the floor. It includes the provisions that are also part of the earlier discussion about the extenders package. It is a lengthy list and many of these are traditional annual reauthorizations of a number of provisions

in the Tax Code that encourage research and development, the development of biofuels, and that sort of thing.

It also includes, for the record, \$33.7 billion in emergency spending to extend unemployment compensation benefits to the end of the year. It would help 10,700 residents of the State of Louisiana who currently are being cut off from unemployment compensation. It includes \$16 billion, paid for, that is going to be given to the States to help them deal with the costs of Medicaid in this recession. It has the provision in there for the so-called Medicare doc fix and a number of other provisions.

I am going to give the Senator from Louisiana an opportunity to extend the National Flood Insurance Program by agreeing to the following unanimous consent:

I ask unanimous consent that the Chair lay before the Senate the Message from the House on H.R. 4213, the American Jobs and Closing Tax Loopholes Act; that the Senate move to concur with the House amendment to the Senate amendment to H.R. 4213 with the Baucus amendment No. 4386; that the motion to concur with an amendment be agreed to and the motion to reconsider be laid upon the table with no intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. VITTER. Mr. President, reserving my right to object and I will object in a minute, I guess this exchange is at least useful because it illustrates the gamesmanship that is continuing to go on. My distinguished colleague is giving me this opportunity. My distinguished colleague is holding a gun to my head, trying to say you have to vote to balloon the deficit, trying to say you have to vote for other irresponsible action if you simply want a necessary program for your State and the Nation, which does not cost anything in terms of increased deficit spending, to move forward. I thank my distinguished colleague for holding the gun to my head for that wonderful opportunity, but I reject it and I think the American people reject it, so I object.

The PRESIDING OFFICER. Objection is heard.

Mr. DURBIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ISAKSON. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Senate to take a few minutes to share my thoughts on the late Senator ROBERT BYRD and his tragic death a few days ago. I come with a perspective different than those who served with him for decades because this is my first term in the Senate. I was elected in 2004.

In our caucus, which then was in the majority, we were asked to take responsibility for presiding, just as the current Presiding Officer is doing today. The day I picked was Friday mornings, not knowing we would not be here on a lot of Friday mornings except for a normal business session. But I did it on every Friday morning. For 2 years I presided over the Senate from about 10 in the morning until about 12:30 in the afternoon.

Friday morning is the day ROBERT BYRD would come to the floor of the Senate and share and reshare some of his great speeches. I was here to listen to the entire speech on the tribute to mothers on Mother's Day. I heard him, oftentimes, talk so wonderfully about his lovely wife. I heard him talk about the Roman Empire, its rise and its fall. I heard him make speeches on the rules of the Senate, the details that no one in this room could ever come close to.

But, for me, the most important contribution of the Senator from West Virginia was the fact it didn't matter how experienced you were or what your party was, if you had a question on the rules of the Senate, you could go to the seat of Senator BYRD and you could get an answer that you could put in the bank. He loved sharing his knowledge. He loved the institution of the Senate. He never saw it from a partisan standpoint, he always saw it from a traditional and an institutional standpoint.

There will be a lot of great tributes paid to Senator BYRD over the next few days and they will all be well deserved. I certainly share in the sympathy that all extend to his extended family for this tragic loss. But many in this Senate today and many who served in the years since he was first elected have benefited from the wisdom and "gentleman-ness" that ROBERT BYRD represented. He is a tradition in the Senate. He is a tradition in the State of West Virginia. He will be missed, but I will be forever thankful to ROBERT BYRD for what he took the time to share with me, to help me understand the ways of the Senate. He truly was a Senator's Senator and I extend my sympathy to his family and the people of West Virginia on the tragic loss of this great Senator.

I yield the floor.

SMALL BUSINESS LENDING FUND ACT OF 2010—MOTION TO PROCEED

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the motion to proceed to H.R. 5297, which the clerk will report.

The assistant legislative clerk read as follows:

Motion to proceed to the consideration of H.R. 5297, a bill to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Ms. LANDRIEU. Mr. President, as we continue the important work of the Senate this week on a number of important bills, one of them being the small business package that is before this body now, we are always mindful, as we come to the floor with the beautiful flowers on Senator BYRD's desk, of the great loss we are all experiencing. His colleagues here and in his home State of West Virginia, the Nation and, as you know, many people around the world are mourning the death of a great Senator, a very well-known Senator, a very well-respected Senator, and a very historic figure.

So as we all do our work today, it is with heavy hearts that we work. I told my staff today walking into the building, it seems so empty and particularly quiet, and it is because of the great respect this Senator enjoyed in his life and now enjoys in his death.

But as even Senator BYRD would say if he were here, the work of the Senate, which he loved very much, needs to go on because it is the work of the people in a very special way. It is in that spirit that I come to the floor to briefly talk about a bill we are attempting to move to.

It is a major piece of legislation. It has three distinct components. It has been in shape and in the works for many months now. A part of this bill has come out of the Small Business Committee. I am extremely proud, as the chair of that committee, that the package we have contributed has been built on strong, solid bipartisan support. In fact, many of the provisions came out of our committee 17 to 0 or 17 to 1 or 18 to 0. We have had tremendous cooperation on the part of my ranking member, Senator SNOWE, who has been to the floor several times in the last couple of weeks, joining me in talking about the importance of focusing the congressional efforts and Congress's efforts on small business, on Main Street.

We have spent a lot of the last year and a half dealing with the big companies, the big companies on Wall Street,

REMEMBERING SENATOR ROBERT C. BYRD

Mr. ISAKSON. Mr. President, I come to my seat today on the floor of the

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

the big banks, the big insurance companies, the big health care companies. We have had to deal with it because it has been in a state of crisis where Wall Street was going to collapse, the financial structures were collapsing. We had to act quickly. The health care tragedies or stresses were clearly visible, and we had to work our way through that. But now it is time for this Congress, at this time, this summer, to focus on small business, because these are the businesses on the front line of the battle against this recession. And this is a battle. It is a battle to end this recession, to fight and win our way back to prosperity. Much of this can be accomplished if we would focus on the businesses in our neighborhoods, on Main Street, on the farm-to-market road, the small business owners driving those pickup trucks, delivering supplies and equipment all over America, in urban areas and in rural areas.

We would be very much helped if we could get our minds and our hearts on them, because they are going to be the ones that lead us out of this recession. Small firms created 65 percent of all new jobs from 1993 to 2009. It was true in the early 1990s. It was probably true if you would go back to the 1980s, probably true in the 1970s. It is true today. Job creation is not going to come 1,000 jobs at a time. It comes one at a time, two at a time, or three new jobs in small businesses all over America.

What we do here on tax policy, on strengthening the Small Business Administration, on freeing up capital for them, is going to make the difference between whether this recession comes to an end. So I am pleased about the work that has been done.

A portion of our bill has come through the Small Business Committee. A portion of the bill has come through the Finance Committee. I have to take my hat off to the Senator from Montana, MAX BAUCUS, and his ranking member, Senator GRASSLEY, former Chairman GRASSLEY, from Iowa. They have worked nonstop and overtime on a number of bills that have to do with our Tax Code. But they have set aside this special time for their committee to work on tax relief, tax extensions, tax relief for small businesses to add to this package.

So it is a portion of tax cuts and tax relief for small businesses that is so important, to strengthen the Small Business Administration programs that we know have been effective, not just throwing money at government programs but targeting the government programs that we know work because we have studied them, and we have gotten reports from not just the government bureaucrats—and there are many good ones here—but we have been hearing from businesses: Senator, this works for me. Can you get us more of it? That is what this bill is about.

Then finally there is a piece that has come from the leadership, from the

President himself, from the White House, through the Treasury Department, to say: What can we do to leverage some assets of the Federal Treasury to create a \$30 billion lending pool, not for the big banks—they have gotten enough of our money and enough of our attention, as far as I am concerned—but the small banks on Main Street. There are 8,000 of them. They are the ones that need a little help, a little financing to help them, not on their bottom lines in terms of their stability because they are quite stable. I am extremely proud of our small banks around this country that did not go belly up. They are strong. They have money to lend. We want to give them some additional funding to lend.

I am proud that the Independent Bankers Association has sent us a letter, which I ask unanimous consent to have printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ICBA AND 28 STATE COMMUNITY BANK ASSOCIATIONS URGE PROMPT PASSAGE OF SMALL BUSINESS LENDING FUND BILL

WASHINGTON, DC, (June 15, 2010).—The Independent Community Bankers of America (ICBA) and 28 affiliated state associations sent a letter to House Banking Committee Chairman Barney Frank (D-Mass.) and Ranking Member Spencer Bachus (R-Ala.) today urging prompt passage of the proposed Small Business Lending Fund Act of 2010 (H.R. 5297). ICBA said that the \$30 billion in capital provided by the Small Business Lending Fund (SBLF) could help community banks provide as much as \$300 billion in additional small business lending.

"On behalf of ICBA's nearly 5,000 members and our state partner community banking associations, we strongly support the proposed Small Business Lending Fund and urge prompt passage of this important legislation," said Camden R. Fine, ICBA president and CEO. "The nation's 8,000 community banks are well-positioned because of their established relationships with small businesses in their communities to use the fund to get credit flowing."

Under H.R. 5297, interested banks with less than \$1 billion in assets could receive capital investments up to 5 percent of their risk-weighted assets, and those with between \$1 billion and \$10 billion in assets could receive up to 3 percent. The SBLF has important incentives to encourage greater small business lending by reducing the dividend rate community banks pay on the capital as they increase their lending.

"ICBA firmly supports the central purpose of the program to spur further lending to small businesses by means of community banks," said Jim MacPhee, ICBA Chairman and CEO of Kalamazoo County State Bank, Schoolcraft, Mich. "We applaud the new program's focus on getting funds to Main Street small businesses using Main Street community banks. We urge all members of Congress to vote for H.R. 5297."

Ms. LANDRIEU. The Independent Community Bankers Association has sent to Senator SNOWE and me a strong recommendation. They say: On behalf of 5,000 members and our State partner community banking associations, we strongly support the proposed Small

Business Lending Fund, and urge prompt passage of this important legislation. The nation's 8,000 community bankers are well positioned because of their established relationships with small businesses in their communities to use the funds to get credit flowing.

Under the proposal that is being brought to the floor today, banks with less than \$1 billion in assets could receive capital investments up to 5 percent of their risk-weighted assets, and those with between \$1 billion and \$10 billion in assets could receive up to 3 percent.

We know community banks are the ones that small businesses do go to, some with more success than others, and that is a speech for another day. But I do know there are a number of bankers who say: Senator LANDRIEU, Senator SNOWE, we want to lend to our small businesses, and if you can help us with a few things, we could do a better job.

In addition, we also know that small businesses use their credit cards for capital. We also know our small businesses go to family members. They dig into their own savings to find the money needed to initiate or support their business. We also know they go to their uncles and aunts. Financing through family members has been a traditional way that small business owners use, and credit unions.

So everything we can do now—we cannot have a relief to the great uncle and aunt bill. That is a little bit out of our reach. But we can help our small banks, our small business agencies. We can look hard on credit card companies and their practices and make sure they are doing right by businesses. We are trying to do all of that one step at a time.

Let me take a minute or two to explain a few pieces of this bill. This is one of the most important components. This chart is startling. Two of the most important programs that SBA operates are the 7(a) and 504 loan programs. These are the loan programs that all of the Federal Government—these are the programs that focus most directly on small business loans in America. They allow a 90-percent guarantee and allow the waiver of fees.

We did this, when the recession started, so a small business could go into a bank and say: I have got a great idea. I want to expand; even though my neighborhood is a little bit in the doldrums, and even though my product is not in great demand today, I think it will be in the future. Can I have a loan? And the bank officer says: Well, we do not quite have money for you. But let me look in the 7(a) program. They can get a 90-percent loan backed up by the Federal Government, and these loans can be made without fees.

This is how low we were in 2008. We were only down to \$200 million in loans back in 2008. You can see through the

recession how low this was. When we acted, we acted back here in 2009 and started doing some increased guarantees, reducing the fees. It worked. We spiked the number of loans up to almost \$1.2 billion.

But as you can see, Congress's actions have a direct effect on this lending to small business. Look here. Now we are down below where we were 2 years ago. This bill will move this number back up, and this bill will help this number stay up. This represents thousands of loans to small businesses, without which they cannot create the jobs that we need and the country needs to get us out of the recession. This is a very important component of our bill. I am very proud of that component.

One more chart we will show. This is a startling chart. I have used this several times. I hope people understand the potential for growth. There is real potential here.

Right now in America, 1 percent of small businesses export. Think about that. We are only 4 percent of the world's population, so 96 percent of everybody else lives somewhere else. The market is very big outside of America, although we are a very important market. So we can help our small businesses learn to be better exporters. With the Internet, now it becomes so possible for them to export products, with first day, short delivery times, all on-time delivery from airplanes, trains, trucks that can deliver products everywhere. Plus, there are so many ideas now with services. The small business here that has a great idea on the Internet, it becomes a great idea in Vietnam or in Korea or a country in Africa. They can sell those products. So this bill does a great deal, with Senator SNOWE's help, where she did pioneering work in this area to help us give technical assistance to more small businesses and help them become experts on exporting so they can keep the money, the profits, and the jobs right here at home.

My colleague has been good about waiting, but I wanted to share a few of the aspects of this important bill. We are going to be voting I hope today at about 2 o'clock or so. We hope to get the 60 votes necessary to move to this package.

As a manager of this package, I can say Senator BAUCUS as well, we are open to amendments people might want to have to perfect it. But we believe this is a very good, solid package to bring up. It is time that we focus on the small businesses of America. They deserve our best efforts between now and the end of the year or as long as it takes. They have not gotten the attention they deserve. So if we can get 60 votes, we may not be able to get all our work done this week, but we believe in the next couple of weeks we can get the work done on this bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from Florida is recognized.

GULF OILSPILL

Mr. LEMIEUX. Mr. President, yesterday I had the opportunity to be in Pensacola, FL, to look at the impact the oilspill is having on my home State of Florida. I went out in the morning and walked on the beach and saw, unfortunately, the oil that has spewed across our beautiful beach in Pensacola, one of the most beautiful beaches in the world. Not only did I see the scattering of droplets of oil across the beach first thing in the morning, I also saw what I will call not just tar balls but tar rocks—rocks the size of grapefruit that had emulsified, almost petrified, and found their way to the shore.

Later in the day, I also took another trip to the beach to the place where we get naturally occurring tidal pools just a few feet from where the ocean meets the coastline. In those pools, I could see oil that had seeped into the sand. Now we are to the point where the oil is seeping into the sand faster than it can be cleaned up. The fear is, as the sand washes over that oil, it will be buried and we will continue to discover it for months and perhaps years on end. What effect it will have on the beaches and our ecosystem is unknown.

This spill has been going on for 71 days. Throughout this time, I have been calling upon greater Federal response to this tragedy in the gulf—most importantly, the need to have more skimmers off of our shoreline. Amazingly, we have not deployed the full panoply of assets we have in this country to protect our beaches, to protect our coastal waterways, to protect our estuaries. One would think every skimmer in the United States would be in the Gulf of Mexico. One would think every foreign skimmer that has offered assistance would be deployed off our shores. But one would be incorrect in thinking that because it is not the case.

When I met with the President 2 weeks ago today in Pensacola, I urged him to bring more skimmers to the gulf coast. At that time, we had about 32 skimmers off the coast of Florida. That number fell to 24 shortly thereafter. It is now, according to the State of Florida, up to 89, according to the incident report today. That is an improvement. The Feds say there are 130. The State number and the Fed number have never matched, so somewhere between 89 and 130 skimmers are off the coast of Florida.

We believe there are about 400 skimmers in the Gulf of Mexico alone. That number may sound like a lot, but when one thinks of an area going all the way from Louisiana to Panama City, FL, we look out on the beach, and we don't see a single one.

How many skimmers are available to be deployed? We found out last week

there are skimmers remaining. As of June 21, in the United States, there were 2,000 skimmers remaining. It sounds as if that is in addition to the 400 in the gulf right now. From Texas, district 8, through the Florida, Georgia, South Carolina district, which is district 7, there are 850 skimmers in whole or in part not being deployed. That makes absolutely no sense.

I have been calling for weeks now for this government, this administration to sign an Executive order releasing all skimmers in the United States to come to the Gulf of Mexico to clean up the oilspill.

When I talked about this issue with the President, I said to him: We need to get all these skimmers now. If there are 2,000, they need to be in the gulf. They need to be steaming toward the gulf now. There should be an armada of skimmers off the beaches of Florida, Mississippi, Alabama, and Louisiana.

The response I got was: Some of these skimmers have to stay in place in case there is an oilspill.

That is like saying: We can't send a firetruck to your house because there may be a fire burning someplace else. That is not much solace to you if your house is burning down.

There is some good news. We have found out that as of yesterday, the Department of Homeland Security and the Coast Guard, along with the Environmental Protection Agency, have issued an emergency order. The order is signed by Admiral Papp from the Coast Guard and Lisa Jackson, Administrator of EPA. It is a temporary suspension of certain oilspill response time requirements to support the Deepwater Horizon oilspill, the urgently needed immediate relocation of nationwide oilspill response resources to the Gulf of Mexico. It also calls upon the Navy, with which I met earlier last week, to release assets it has.

There are legal restrictions that require these skimmers to be in certain places around the country if there is a certain amount of traffic—for example, commercial traffic, the ports, or whatever. We need to keep skimmers in place. This order, which we have been calling on for weeks, releases those skimmers. It says it is done because there is an urgent need. It is not so urgent when we do it on day 70. It is welcomed, but it wasn't done urgently. It says, on page 9 of this order, that this was done in response to a memorandum Admiral Watson of the Coast Guard did on June 16 saying there was an urgent need to reallocate skimmers. I am glad to see that because that is the day after I met with the President in Pensacola. I am glad the President got the word out to the Coast Guard and got them to start working on this order. We got it done. So we hope we will now see skimmers from around the country making their way to the gulf.

I have a list today of these 2,000 skimmers and where they are located. I

am going to come to the floor every day we are here and track these skimmers to make sure they are getting where they need to go. It is only through efforts by myself and others in the Senate who have called this out, who have said: Where are these skimmers, that we have gotten the sense of urgency to get them there, albeit not so urgently when it has taken 70 days. That is the issue of the domestic skimmers. Help is on the way. The rule has been signed. We are appreciative of that. We will see if those skimmers make it there anytime soon. We need them there because the oil is washing up on the shores. It is not only oil washing up, it is failure. It is failure because these skimmers were not in place earlier.

I wish to talk about a second topic, which is international assistance. I came to the floor last week with a picture of this vessel, the Swan. It was offered on May 6 to the United States from a Dutch company, Dockwise. It had the capacity of soaking up 20,000 tons of oil a day, nearly 6 million gallons of oil a day. The Federal Government never got back to this Dutch company. Instead, an American ship was used. We are glad to see that. We want American ships used. But that ship only had one-twentieth the capability of this ship. My response is, use all of them. Use every one we can. Our country in our goodness is the first to respond when there is a disaster somewhere else. Whether it is a typhoon, an earthquake, America, through the goodness of the hearts of our people, goes forward and gives help. When other countries are offering us assistance, even when we have to pay for it, we should be taking it. This ship never got used. How much oil would have been sucked up by the Swan if it was in the gulf doing its job? How much oil would have been off the beaches of Florida, Alabama, Mississippi, and Louisiana if this ship was doing its job? This is an emblem of an opportunity missed. Now this ship is no longer available.

There were something like 56 offers of assistance from foreign countries and associations, and only 6 were accepted by the government. They tell us the Jones Act—a law that prohibits foreign flag ships—is not the reason we are not getting these ships in. They tell us the Jones Act only applies to 3 miles in, coastal waterways. Therefore, it is no prohibition to bringing these ships in. One, that is not what these folks think because they didn't get their ship in, and two, I don't care what the reason is, whether it is the Jones Act or some other law, these ships should be here. This is not a Republican issue or a Democratic issue; this is an issue of competence. These ships should be there.

Let me show you the next ship we have a chance at, and hopefully we

won't mess this up. The Swan was a very big ship. This ship is aptly named "A Whale." It is the world's largest skimmer, if reports are correct. It is making its way from Virginia to the Gulf of Mexico. The skimming capacity of this ship is at least 250 times that of the modified fishing boats currently attempting to skim the gulf. This one ship can skim as much as 250 of the skimmers that are in the gulf now in a single day. The vessel's capacity is sufficient to draw in as much as 500,000 barrels of oil. The Swan could do 20,000 barrels. This is 500,000 barrels of oil per 8- to 10-hour cycle. This is the mother of all skimmers. It is like the size of an aircraft carrier. We do not know yet whether this ship is going to be allowed in the gulf to skim up oil. It is beyond belief, it is beyond comprehension that we would not use this ship and ships like it to get the job done.

I will be doing everything I can to make sure A Whale or any other ship of this size can be in the Gulf of Mexico to help us. We want the domestic assets. We want the small skimmers we have now. The ones coming from the Navy can fit on the back of a truck or fit in a plane or on a railcar. They are small. We are happy to have them, but they pale in comparison to the size of A Whale, reportedly the world's largest skimmer. I ask the President, why aren't we letting this ship in the gulf to skim up the oil? It is beyond belief. It is beyond comprehension.

I will continue to come to the Chamber every day we are here to talk about this issue, about foreign ships that can help, about domestic ships being deployed, until we stop the oil from spilling on the bottom of the gulf, until we clean up all the oil that is in the gulf right now. It is impacting the lives of Floridians. When I was in Pensacola yesterday and talked to everyday Floridians, I could see the anguish in their eyes. I could see the stress and hear it in their voices. People move to Florida because they love the water. Ninety percent of Floridians live within 10 miles of the water. They have more recreational boaters than any State in the Union, more coastline than any State in the continental United States. It is part of our way of life. Every resource available should be used to keep this oil from coming ashore.

I yield the floor.

THE PRESIDING OFFICER. The Senator from Delaware is recognized.

MR. KAUFMAN. Mr. President, I ask unanimous consent to speak as in morning business.

THE PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. KAUFMAN are printed in today's RECORD under "Morning Business.")

IN PRAISE OF EILEEN HARRINGTON, LOIS GREISMAN, ALLEN HILE, STEPHEN WARREN, CAROLYN SHANOFF, AND LAWRENCE DEMILLE-WAGMAN

MR. KAUFMAN. Mr. President, I wish to talk about some other great Federal

employees. Many of the great achievements I have hailed from this desk concern grand challenges relating to our national security, domestic tranquility, or our economic recovery. Today, I wish to recognize a team of highly skilled, highly motivated Federal employees whose achievement has positively affected the daily lives of average Americans.

In 2003, six outstanding employees of the Federal Trade Commission worked together to implement the National Do Not Call Registry. Americans used to be plagued—I can remember it always seemed to happen around dinnertime—by telemarketer solicitations, which always seemed to come just when you least wanted them. The six men and women I am honoring today brought relief to families across the country by implementing the Do Not Call Registry. Led by Eileen Harrington, the team consisted of Lois Greisman, Allen Hile, Stephen Warren, Carolyn Shanoff, and Lawrence DeMille-Wagman. They all brought to the table a strong background in a number of fields, including law, marketing, and business.

The FTC's Do Not Call Registry launched 7 years ago this week quickly became a hit. Within the first 4 days, 10 million Americans registered their phone numbers. Just a year after it launched, a poll found—this is incredible—91 percent of adults had heard of the registry and—can you believe it—over half had already signed up. When Eileen and her team won the 2004 Service to America medal for citizen services, the registry had nearly 60 million numbers. That was in 2004. Today, that has risen to over 150 million.

To turn a good idea into a great program, the team spent several months designing and implementing the Do Not Call Registry as part of the FTC's rulemaking process. It required the participation of many at the Consumer Protection Bureau, the Economic Bureau, and the General Counsel's Office. Information system experts and legal minds worked closely together with senior executives, and they were joined by financial analysts and congressional relations staff. Once the policy had been crafted, there was a period of public comment, which saw over 64,000 suggestions on how to improve the registry, many of which were adopted in the final program.

In the 7 years since the Do Not Call Registry was launched, it has become one of the most successful government programs in terms of the number of Americans it has affected positively in such an incredibly short period of time.

I am also proud to share with my colleagues that all of the members of the FTC's "do not call" team are still serving in the Federal Government.

Eileen Harrington remained at the FTC for a few years and in 2009 was appointed as the Chief Operating Officer for the Small Business Administration.

Stephen Warren served as Chief Information Officer at the FTC until 2007, when he moved over to the Department of Veterans Affairs as Principal Deputy Assistant Secretary for Information Technology.

Lois Greisman leads the FTC's Division of Marketing Practices within the Consumer Protection Bureau, and her responsibilities include enforcing the rules against telemarketing fraud and online investment schemes.

Also with the FTC's Bureau of Consumer Protection is Carolyn Shanoff, who today serves as the Associate Director for Consumer and Business Education. In this role, she has been instrumental in the fight against identity theft.

Allen Hile and Lawrence DeMille-Wagman are also still at the FTC. Allen serves as Assistant Director, and Lawrence works as an attorney.

We are all very fortunate that accomplished men and women such as these choose to stay in government and continue working on behalf of the American people. I hope my colleagues will join me in recognizing the great work of the FTC "do not call" team and thanking them on behalf of all Americans for their important work. They are all truly great Federal employees.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. ENZI. Mr. President, I thank the Presiding Officer, and I thank the Senator from Delaware for those comments in his weekly update on Federal employees and the great job they are doing. In the Health, Education, Labor, and Pensions Committee, we know quite a few of them who are doing outstanding work, even something that would surprise America; that is, cooperation between agencies that is outstanding. So I thank the Senator for his efforts.

RECESS

Mr. ENZI. Mr. President, as under the previous order, I ask unanimous consent that the Senate stand in recess.

There being no objection, the Senate, at 12:22 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. BEGICH).

SMALL BUSINESS LENDING FUND ACT OF 2010—MOTION TO PROCEED—Resumed

CLOTURE MOTION

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant editor of the Daily Digest read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the

Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to Calendar No. 435, H.R. 5297, the Small Business Lending Fund Act of 2010.

Harry Reid, Debbie Stabenow, Dianne Feinstein, Mark Begich, Jeff Merkley, Bernard Sanders, Carl Levin, Edward E. Kaufman, Mark L. Pryor, Richard J. Durbin, Frank R. Lautenberg, Jeanne Shaheen, Daniel K. Inouye, Barbara Boxer, Roland W. Burris, Sherrod Brown, Mary L. Landrieu.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call is waived.

The question is, Is it the sense of the Senate that debate on the motion to proceed to H.R. 5297, the Small Business Lending Fund Act of 2010, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

The yeas and nays resulted—yeas 66, nays 33, as follows:

[Rollcall Vote No. 202 Leg.]

YEAS—66

Akaka	Franken	Mikulski
Baucus	Gillibrand	Murray
Bayh	Grassley	Nelson (NE)
Begich	Hagan	Nelson (FL)
Bennet	Harkin	Pryor
Bingaman	Inouye	Reed
Bond	Johnson	Reid
Boxer	Kaufman	Rockefeller
Brown (MA)	Kerry	Sanders
Brown (OH)	Klobuchar	Schumer
Burris	Kohl	Shaheen
Cantwell	Landrieu	Snowe
Cardin	Lautenberg	Specter
Carper	Leahy	Stabenow
Casey	LeMieux	Tester
Collins	Levin	Udall (CO)
Conrad	Lieberman	Udall (NM)
Dodd	Lincoln	Voinovich
Dorgan	Lugar	Warner
Durbin	McCaskill	Webb
Feingold	Menendez	Whitehouse
Feinstein	Merkley	Wyden

NAYS—33

Alexander	Crapo	Kyl
Barrasso	DeMint	McCain
Bennett	Ensign	McConnell
Brownback	Enzi	Murkowski
Bunning	Graham	Risch
Burr	Gregg	Roberts
Chambliss	Hatch	Sessions
Coburn	Hutchison	Shelby
Cochran	Inhofe	Thune
Corker	Isakson	Vitter
Cornyn	Johanns	Wicker

The PRESIDING OFFICER. On this vote, the yeas are 66, the nays are 33. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

All time is yielded back. The clerk will report the bill.

The legislative clerk read as follows:

A bill (H.R. 5297) to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant editor of the Daily Digest proceeded to call the roll.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. MIKULSKI. Mr. President, I ask unanimous consent to speak as in morning business for no more than 5 minutes on the occasion of the passing of Senator BYRD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Ms. MIKULSKI are printed in today's RECORD under "Morning Business.")

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BURRIS). Without objection, it is so ordered.

Mr. REID. Mr. President, it is my understanding the matter before the Senate is the bill that was just announced a few minutes ago; is that correct, the small business jobs bill?

The PRESIDING OFFICER. H.R. 5297 is the pending bill.

AMENDMENT NO. 4402

(Purpose: In the nature of a substitute.)

Mr. REID. On behalf of Senators Baucus and Landrieu, I call up their substitute amendment which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. BAUCUS and Ms. LANDRIEU, proposes an amendment numbered 4402.

Mr. REID. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Text of Amendments.")

Mr. REID. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4403 TO AMENDMENT NO. 4402

(Purpose: In the nature of a substitute.)

Mr. REID. I have a first-degree amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4403 to amendment No. 4402.

Mr. REID. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the amendment is printed in today's RECORD under "Text of Amendments.")

Mr. REID. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4404 TO AMENDMENT NO. 4403

Mr. REID. I have a second-degree amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4404 to amendment No. 4403.

Mr. REID. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 236, line 24:
Strike "one" and insert "five".

AMENDMENT NO. 4405

Mr. REID. I have an amendment to the bill at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4405 to the language proposed to be stricken by amendment No. 4402.

Mr. REID. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end, insert the following:
"The provisions of this Act shall become effective three days after enactment."

Mr. REID. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4406 TO AMENDMENT NO. 4405

Mr. REID. I have a second-degree amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4406 to amendment No. 4405.

Mr. REID. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the amendment, strike "three days" and insert "10 days".

MOTION TO COMMIT WITH AMENDMENT NO. 4407

(Purpose: In the nature of a substitute)

Mr. REID. I have a motion to commit with instructions at the desk.

The PRESIDING OFFICER. The clerk will report the motion.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] moves to commit H.R. 5297 to the Committee on Finance with instructions to report back forthwith with amendment No. 4407.

Mr. REID. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the amendment is printed in today's RECORD under "Text of Amendments.")

Mr. REID. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4408 TO AMENDMENT NO. 4407

Mr. REID. I have an amendment to the instructions at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4408 to the instructions of amendment No. 4407.

Mr. REID. I ask that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the amendment, insert the following:

The provisions of this Act shall become effective two days after enactment.

Mr. REID. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4409 TO AMENDMENT NO. 4408

Mr. REID. I have a second-degree amendment to the instructions at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4409 to amendment No. 4408.

The amendment is as follows:

In the amendment, strike "two days" and insert "immediately".

Mr. REID. Mr. President, in jest, I said to my Republican friends that I had kind of practiced this because we hadn't filled up the tree much at all. I say that seriously. We have had an open process here. You can compare it to what went on in the previous Congress, and it has been very open. I hope we can get into an amendment process. We will go back and forth. We will try

to have some amendments that will strengthen this bill. This is a bipartisan bill, as indicated by the vote that took place to get us to this. The Republicans were given this amendment last night. They have had ample opportunity to look it over. If they have things they want to do to try to improve it, we on this side of the aisle want to approach this on a bipartisan basis. This is a jobs bill to create jobs where most jobs are created, by small businesses, as 85 percent of all jobs are created by small business. That is why we are here focused on this today. I hope this doesn't become a partisan exercise. It should not. The Small Business Committee has operated for a long time on a bipartisan basis. SNOWE was chairman, LANDRIEU was the ranking member. Now it is just the opposite. Senator BAUCUS and Senator GRASSLEY have always worked on a bipartisan basis. I hope we can move forward on this matter.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, Winston Churchill once said:

A pessimist sees the difficulty in every opportunity; an optimist sees the opportunity in every difficulty.

The great recession has been a difficulty, to say the least.

Today we are looking for the opportunity.

One opportunity—and our first priority—is to create new jobs.

This is no easy task. Over the course of the great recession, more than 8 million jobs have been lost. But we must not shy away from this opportunity.

The first step Congress took to create jobs was to pass the Recovery Act in February of 2009. In their latest report on the Recovery Act, the non-partisan Congressional Budget Office reports that the Recovery Act has added 1.2 to 2.8 million people to America's payrolls.

And in March, Congress passed the HIRE Act. The HIRE Act includes a payroll tax exemption for new hires. That act will help to bolster job creation in the coming months.

These actions are working. In April, we learned that the economy added 290,000 jobs. And while we added fewer jobs than expected last month, May marked the fifth consecutive month of job growth. Since the beginning of 2010, the American economy has created more than half a million jobs.

We are also beginning to see economic growth. Just a year ago, in the first quarter of 2009, the economy was shrinking at a rate of 6.4 percent. In the first quarter of this year, however, the economy grew at a rate of 3.2 percent.

This was the third consecutive quarter of growth after four straight quarters of decline.

In just 1 year, the economy went from freefall to sustained growth.

These signs are encouraging. But we still have work to do.

Mr. President, 15 million Americans remain unemployed. The national unemployment rate is still near 10 percent. The Congressional Budget Office does not expect unemployment to reach its "natural state" of 5 percent until 2016.

Plainly, we must act. We must work to create jobs.

In America, the private sector is the backbone of innovation and job creation. And within the private sector, small businesses are the principal engine of job creation.

Over the past 15 years, small businesses have generated two-thirds of all new jobs. That is about 12 million new jobs.

But the great recession hit small business especially hard. Over the course of the recession, small firms have accounted for 64 percent of net job losses.

We need to focus on small business, as we seek to create jobs. When we help small businesses, we help to get Americans back to work.

The first way that we can help small business is by promoting access to capital.

Today, only half of small businesses seeking a loan are able to get the credit that they need, and nearly a quarter receive no credit at all.

Compare this to 2005, when 90 percent of small employers had their credit needs met, and only 8 percent were unable to receive credit at all.

It is clear that small businesses are facing major obstacles to getting capital.

That is why our small business bill includes a provision to completely eliminate the tax on the sale of certain small business stock purchased this year. This proposal would provide a powerful incentive to invest in small, entrepreneurial firms, right now.

We have also included a provision that would allow small businesses to carry back for 5 years their unused general business tax credits from this year. That is quite a bit. Current law is 1 year.

And we have included another provision that would allow certain small businesses to use these general business credits against the alternative minimum tax. These provisions would free up business capital for expansion and job growth.

And another provision would temporarily shorten the holding period of assets after a C corporation converts to an S corporation. This provision would allow small businesses to increase liquidity by selling assets that would otherwise be subject to an additional layer of tax.

We can also help small businesses by stimulating investment. Small businesses need to make capital investments to improve and expand.

One way to boost investment in equipment is by increasing the amount and types of property that small businesses can write off immediately, rather than expense over time. In this weak economy, the ability to deduct the costs of assets in the year that they are incurred provides an immediate benefit for small businesses.

Our bill also includes an extension of bonus depreciation. This provision would help small businesses that purchase equipment to write off those purchases more quickly. The proposal would also help the businesses that sell the equipment. Bonus depreciation sparks investment, increases cash flows, and creates jobs.

Our small business bill also includes two provisions to promote fairness and protect small businesses from costs that could slow business growth and development.

First, the act modifies the penalties for small businesses that unknowingly invest in something that the IRS considers to be a tax shelter. Businesses can be subject to penalties of up to \$300,000 for investing in a tax shelter. A penalty that large can severely jeopardize the success of a small business. Our bill would limit the penalty in relation to size of the investment.

Our bill also promotes fairness by allowing business owners to deduct against self-employment tax the cost of health insurance in 2010 for themselves and their family members. Current law does not permit the self-employed to deduct the cost of health insurance for themselves and their family members in calculating self-employment tax. But health care for employees receiving coverage through an employer is generally tax free. So our bill would put the self-employed on a more equal footing.

Our small business bill includes provisions aimed at promoting entrepreneurship. According to a recent report, from 1980 to 2005, nearly all net job creation occurred in firms less than 5 years old. In fact, without startups, net job creation would have been negative almost every year for the past three decades.

As our economy emerges from the great recession, we need to ensure that American entrepreneurs have the resources, the financing, and the opportunities they need to create jobs and realize their dreams. Our bill would help promote entrepreneurship by temporarily increasing the amount of startup costs that could be deducted. This would free capital that could be used to invest in other aspects of business.

Our bill would devote more than \$5 million to the U.S. Trade Representative to expand opportunities for U.S. small businesses in foreign markets. This would help American goods and services to reach new customers around the world, this would create

jobs right here at home, and this would help the USTR to enforce our trade agreements to ensure American startups can compete on a level playing field.

Our bill is all paid for. No deficit spending here—all paid for. Our bill would reduce the tax gap, promote retirement preparation, and close tax loopholes.

Today, we must find opportunity in a difficulty. The great recession has been a major difficulty for American workers and small businesses, but we can seize a major opportunity by helping small businesses and getting Americans back to work.

I urge my colleagues to support this important small business jobs bill.

NATIONAL FLOOD INSURANCE PROGRAM

Mrs. HUTCHISON. Mr. President, I would like to speak in morning business about the National Flood Insurance Program and talk about the importance of extending the National Flood Insurance Program as a tropical storm—that could be a hurricane—is growing in the Gulf of Mexico and moving toward my home State of Texas.

We all know the Gulf of Mexico has had a lot of trauma, and the people who live all along the gulf have suffered quite enough. Now we have a situation in which tropical storm Alex is gaining strength off the coast of south Texas. Winds are gusting upwards of 70 miles per hour, and it could reach hurricane strength at any point. Texas communities from Padre Island to Matagorda Bay are under a hurricane warning. The National Weather Service is calling for up to 20 inches of rain in some parts of our State and is warning communities to brace for life-threatening flash floods and mud slides.

However, at this very time, thousands of Texas homeowners are left vulnerable to the damage this storm could wreak on their homes and property. Why? The National Flood Insurance Program lapsed at the end of May, which means homeowners are currently unable to take out new policies. Allowing a lapse in federally backed flood insurance is unacceptable at any time, but the failure to extend it at the outset of hurricane season is unthinkable.

The very purpose of the National Flood Insurance Program is to make sure coastal residents and other flood-prone communities can purchase reliable, federally backed flood insurance. The program allows homeowners to purchase flood insurance policies in areas where private insurance is hard—and in some cases impossible—to get.

Since residents in some areas are required to have it in order to close on home purchases, many gulf coast families cannot close on mortgage contracts. My Houston office received 200 calls yesterday from people who were in the process of closing on homes which required flood insurance protection to be shown before they could

close, and they cannot get the flood insurance because it is not available out of the private sector and this program has lapsed. Today, it is the Federal Government that is standing in the way of these people being able to close on a contract.

Because of previous devastating storms, including Hurricanes Katrina and Rita, the National Flood Insurance Program has incurred billions of dollars in claims and is in an economically tenuous position. I have supported legislation to revise and update this program. It needs to meet the demands of today while still providing access to flood insurance coverage to Americans living in floodplains—Americans who are trying to do the responsible thing. They are trying to purchase insurance. It is not available in the private market, and we need to have that kind of opportunity for people to be able to purchase their own insurance for them to be able to close on homes, of course, and to be able to protect themselves from damages. These are people who do not want to have to file claims against the Federal Government. They want to be able to purchase their own insurance and know they have it.

In 2008, I, along with an overwhelming majority of my colleagues in the Senate, supported the Flood Insurance Reform and Modernization Act of 2007. Unfortunately, despite big support in the Senate and in the House, our two Chambers failed to resolve our differences. Therefore, it has operated in limbo ever since, surviving only in short-term extensions.

Now there is a bill to extend the National Flood Insurance Program through September 30. It has been approved in the House and was sent to the Senate. It is currently being held up.

My colleague from Louisiana, Senator VITTER, offered a unanimous consent request this morning to bring up this House bill, pass it in the Senate, and send it to the President. It would have extended the flood insurance program until September 30 so that people could buy insurance, know they would be covered, be able to close on their homes, and be able to get coverage while we continue to hammer out the differences in a long-term extension of the program.

Unfortunately, there was an objection raised to the House bill going through the Senate. It is so important that we do this. I asked the reason for the objection. I asked one of my colleagues on the other side: Why was this objected to?

The answer was: Is it more important than the tax extenders bill?

I cannot say it is more important because we do need to extend unemployment insurance, but they are not mutually exclusive. We can do one or the other; we can do both. There is no ob-

jection to the substance of the bill. No one on the other side of the aisle objects to the bill. They just want to pass the extenders package. We want to pass the extenders package too. We want it to be paid for.

We can do this. It is so important and so timely. It is timely because people are not able to close on contracts. Mortgage companies are saying: Our hands are tied. You have to show that you have this flood insurance to close, and there is no flood insurance available on the private market. The National Flood Insurance Program has not been extended.

This is one that Congress can resolve. We are going to be here for a few more days this week. We can do this. I implore my colleagues: Please, let's unanimously consent to letting this bill go through. The House has passed it unanimously.

A hurricane is headed right now for the Gulf of Mexico. It is time to allow our responsible citizens who want to purchase flood insurance to be able to do so in a responsible way.

We certainly need to modernize the National Flood Insurance Program, and I will work tirelessly to make that happen. But with a storm approaching right now, we need to extend this program until the end of the hurricane season. We do not want people to have to flood into the government after the fact when they are desperate, not knowing if they are going to get coverage. We do not want them to have to come to the Federal Government and ask for claims to be processed. Let them cover themselves so they can deal with the issue, knowing exactly what their coverage is. That is not too much to ask for the residents of the gulf coast.

I hope the majority leader and the majority will work with us to begin to address this issue in a timely way. The House has passed this bill unanimously. I urge my colleagues in the next 2 days to please allow the National Flood Insurance Program to be extended until September 30, a bill that has unanimously passed the House and surely should be able to go through the Senate since there is no substantive objection to this bill.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Ms. STABENOW. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. STABENOW. Mr. President, when I think of Senator BYRD and all of our great memories of him, it reminds me of how important it was to him to understand what people are going through in their lives—in this

economy, certainly. I know if he were here, he would be on the floor, speaking about the importance of helping people who have lost their jobs—people who, through no fault of their own, have gotten caught in this economic tsunami, who find themselves maybe one step away from losing their house after they lost their job, probably lost their health insurance. Maybe they are in the midst of foreclosure right now because they lost their job and cannot pay their house payment.

These are families who are counting on us to understand, as Senator BYRD always did, what it is like to be a middle-class family, a working family, where the breadwinner has lost their job or the breadwinner can no longer bring home the bread—the food, gas for the car, pay the electric bill—because they have lost a job.

We know there are five people today looking for every one job that is available. That used to be worse. It used to be six people looking for every one job. We are beginning to see things turn. When President Obama took office, as we know, we were losing about 750,000 jobs every month. By focusing on the recovery, by investing in people, by investing in making things in this country, by focusing on job training as well as helping people without jobs, we have been able to turn that around. There were zero jobs lost at the end of the year and now we are gaining jobs.

But even though it is turning around, we are still in a situation where we have five people, five Americans who are looking for every one available job. The e-mails and the phone calls I get truly are heartbreaking. They are from people who have worked all their lives. These are not people who, as some have said, are lazy. These are people who have worked hard all their lives and they have done nothing but play by the rules—take care of their families, followed the law, put a little bit aside to send their kids to college. They want to have a good American life, what they have worked hard for as their American dream.

Unfortunately, because of a lot of factors in the global economy—too much, in the last decade, of folks paying attention to cheap prices and not American jobs and losing jobs overseas, not enforcing our trade laws or not focusing on making things here in this country—we have a situation where people have lost their jobs. Then, when you add to that what happened on Wall Street—where people lost savings, pensions, 401(k)s, and maybe their job; when credit dried up and small businesses could not get loans or manufacturers couldn't get the help they needed—people found themselves in a disastrous situation through no fault of their own.

They did not create the Wall Street crisis. They were not the ones who decided whether to enforce our trade

laws. They weren't the ones to decide whether we as a country were going to invest in American manufacturing. But they are taking the brunt of it.

We have talked for 8 weeks now, 8 weeks to pass a bill that is a jobs bill, to invest in jobs in the economy and to continue help for people who are out of work through no fault of their own. Boy, they hope it is temporary. They surely hope it is temporary and we hope it is temporary.

Despite 8 weeks and a tremendous amount of negotiation, we have not been able to get the votes to stop a filibuster. We have come up short every time. I am hopeful this week we will be able to get beyond that. The people in Michigan are desperately hopeful. They are also desperate. They are also angry that we have not been able to get beyond this partisan wrangling to be able to actually help them keep a roof over their head and keep food on the table for their families. We will have another opportunity, I hope this week, to change that. It is absolutely critical that we do.

There are a lot of people who are not down in the weeds about what is going on legislatively; are not following closely what is happening here—but they know this: They know they need help. They want to know who is on their side and who is willing to understand and come forward and appreciate what families across this country are going through. I hope this week we are going to be able to say to them that finally this Senate gets what is happening to families and we are going to extend the temporary assistance that has been needed for so many families through unemployment insurance.

Mr. ENSIGN. Mr. President, I rise to talk about an amendment Senator KERRY and I will be offering as an amendment to the small business jobs bill. This amendment is to correct something we do not want the IRS enforcing right now. Senator KERRY and I have 72 Members who have cosponsored our bill that we will be offering as an amendment. There is overwhelming bipartisan support for this. I thank Chairman BAUCUS and Ranking Member GRASSLEY for committing to work with Senator KERRY and myself to get this issue addressed.

The need for the amendment is based on a little-noticed provision that was added in 1989. It has to do with cell phones and similar devices that are treated as what the IRS has known as "listed property," along with computers and automobiles. As a result, employees and employers must keep detailed records of all calls made on their employer-issued cell phones, indicating whether they are personal or business related, or have the value of the phone included as taxable income. This law is a good example of the Government attempting to micromanage the economy and why they shouldn't.

Government is not good at keeping up with the private sector.

Twenty years ago, cell phones were bulky, they were cumbersome and expensive, they were the size of a brick and weighed almost as much. When given by businesses to employees, they were considered to be an executive perk or a luxury item and were often hardwired to the floor of a car.

During the past 20 years, of course, cell phones and mobile communications devices have become incredibly small and cheap, and their use has skyrocketed. Cell phones and other mobile communications devices are now part of daily business practices at all levels. As a matter of fact, they are part of almost every American's daily life. They are an extension of the office for many employees and everyone recognizes the real motivation of employers is being able to call their employees at any time and at any place. The cost of providing coffee per employee today is likely higher than the per-employee cost of a cell phone or personal device. The mobile cell phone amendment updates the tax treatment of cell phones and mobile communications devices by repealing the requirement that employers maintain these overly burdensome, detailed usage logs. Outdated tax laws such as this must be updated to reflect 21st century realities, and this bipartisan amendment would do exactly that.

This is a small but important measure that we should be able to enact today to help small businesses, nonprofits, colleges, and employees use today's technology for business without interference from yesterday's regulation. This proposal was included in the President's budget, and if you need more reasons to vote for this bill, talk to the Internal Revenue Commissioner, Doug Shulman, who released a statement that supports repeal of the current IRS cell phones reporting rules.

In his statement Commissioner Shulman states that:

The current law, which has been on the books for many years, is burdensome, poorly understood by taxpayers, and difficult for the IRS to administer consistently.

Let me quickly summarize what we are doing. Basically, everybody who gets a cell phone from their employer, we don't want them to pay tax on that cell phone as some kind of a perk. If you think about how bills are paid today with cell phones, you have a monthly usage charge. You don't get charged per cell phone call as it used to be in the old days when cell phones were very expensive. People buy plans per month, so many minutes you get with those plans. For virtually everybody who gets a cell phone from a company, that is the way those plans are purchased today. We need to simplify the Tax Code. This is a very minor provision but an important provision because you don't want, all of a sudden,

when you are going back through an IRS audit, to have to go back years and years and go through every one of your cell phone records and determine whether that was a personal phone call, was this a business phone call, and what percentage now, and having to figure all that out.

This is a simplification of the Tax Code. It is the right thing to do. It is a very simple thing to do. As soon as the amendment process is figured out, we will be offering this as one of the first amendments to the small business tax bill.

Once again, it has been a pleasure working with my colleague Senator KERRY on this bill.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KAUFMAN). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAUCUS. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, the Senator from Nevada, Mr. ENSIGN, spoke a few moments ago about the amendment we hope we can consider shortly, the Kerry-Ensign amendment on cell phones. That amendment deals with when an employer gives a cell phone to an employee. The question is, Is that compensation to the employee or is that an investment by the employer? Under current law, the IRS expects taxpayers to document how much they use the company's cell phone for business and how much they use it for personal use. I think most people don't keep these records. Frankly, most of my colleagues don't believe they should have to. This amendment says businesses should not have to bear this onerous recordkeeping burden anymore. It is a commonsense amendment. It has broad bipartisan support. I urge colleagues to support it at the appropriate time.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

(The remarks of Mr. CONRAD are printed in today's RECORD under "Morning Business.")

Mr. CONRAD. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. HAGAN). The clerk will call the roll.

The assistant editor of the Daily Digest proceeded to call the roll.

Mr. GRASSLEY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Madam President, I wish to address my colleagues for a few minutes about the pending legislation that was recently introduced by my chairman and friend, Senator BAUCUS

of Montana. This bill is targeted at creating jobs by providing targeted relief to our Nation's job engine, and that happens to be small businesses.

Our Nation is currently facing challenging economic times, as we have now for about 20 months. While there have been some signs of improvement, such as the recent growth of our gross domestic product, job losses continue to mount and many hard-working Americans are struggling to make ends meet. According to our Bureau of Labor Statistics, around 8 million jobs have been lost since our economy officially slipped into recession in December of 2007. The unemployment rate is currently 9.7 percent, which is simply an unacceptable level.

Small businesses in particular have been hit hard, with most job losses being attributed to businesses with fewer than 500 employees. According to the ADP national employment data, from December of 2007 through May of this year, small businesses with fewer than 500 employees saw employment decline by 6.4 million, while businesses with 500 or more employees saw employment decline by 1.66 million. According to this data, small businesses—those with fewer than 500 employees—accounted, then, for nearly 80 percent of the decline in employment during that period of December 2007 through May 2010.

The lack of job creation continues despite aggressive actions taken at the Federal level to stabilize the economy. This includes the enactment of the TARP bill, also the \$800 billion stimulus bill, and more recently a bill we termed the "HIRE Act." However, these bills were all missing a critical ingredient for spurring job creation; that is, substantial tax relief targeted at small businesses. The reason for that is most small businesses hire or do not hire according to what their cash flow is. When taxes are high, there is less cash flow or when tax policy is in a state of flux, as right now—what is it going to be this year because of sunsets this year—that uncertainty causes businesses not to be as aggressive as they normally might be in hiring.

While President Obama and my Democratic colleagues agree that small businesses create 70 percent of the jobs in our economy, less than one-half of 1 percent of the stimulus bill was tax relief for small businesses—in other words, not putting the money where it would do the most good.

The HIRE Act, which the Democratic leadership sold as a so-called jobs bill, did not fare much better in providing tax relief to our Nation's job engine. There was only one provision directed solely to small business tax relief. That was a provision I supported that increased expensing equipment purchased by small businesses. But it is a very small provision, and it only gave small businesses what they have al-

ready been getting for the last couple of years. That provision was only \$35 million out of a \$21 billion bill.

With the recent introduction of the small business tax relief bill, it looks as if this body is finally starting to get serious about tackling unemployment through a true jobs bill, compared to previous stimulus or jobs bills promoted by the majority.

This small business bill has a rather modest cost of about \$12 billion to \$15 billion. It is targeted at job creation by providing small businesses incentives to invest in new equipment, expand their operations, and ultimately hire new employees.

The bill includes provisions that would encourage businesses to invest in new equipment and real property by increasing the amount of capital expenditures small businesses can expense. For equipment, the amount that can be expensed is increased to \$500,000, and for real property it is \$250,000.

Moreover, it encourages investment by providing additional first-year bonus depreciation. It promotes entrepreneurship by increasing the amount allowed as a deduction for startup expenditures. It would increase access to capital by allowing 100 percent of gain from investment and qualified small business stock to be excluded from income and taking the general business tax credit out of the alternative minimum tax for sole proprietorships, for flowthroughs and nonpublicly traded C corporations with \$50 million or less of annual gross receipts. It also increases access to capital by extending the 1-year carryback for general business credits to a 5-year carryback for small businesses.

Finally, the bill promotes small business fairness by limiting harsh penalties that have been imposed on small businesses by the IRS and equalizing the tax benefits for health insurance that self-employed individuals may receive to those received by employees.

While this small business bill would go a long way in informing small businesses Congress is very serious about reducing the burdens imposed on them, many businesses continue to struggle and will not hire new employees simply because it is the stated policy goals of Congress.

According to the most recent survey from the National Federation of Independent Businesses—and we refer to that organization around here as the NFIB—when businesses are asked what the single most important problem facing their business is, the No. 1 answer is lack of sales, but this is closely followed by taxes and then by government regulation and redtape.

I have a chart here from the most recent NFIB survey listing the top problems facing small businesses, and you can see there, as I said, that first is poor sales; secondly, taxes; and then government regulation and redtape

being the hindrances to small businesses expanding to create the jobs small businesses can create. Consequently, you can see tax policy is very important because, as I said, small businesses tend to operate out of cash flow to a greater extent than companies with equity and stock.

The small business community is currently being strangled by a climate of uncertainty. Whether we are speaking about cap and trade—some people refer to that as cap and tax—that will drastically increase energy costs or about health care reform that will require small businesses to offer health benefits that will increase the cost of labor or about the call for tax increases on so-called wealthy taxpayers earning over \$200,000, that will largely fall on the backs of small businesses. Whether you are talking about any of these three—or more that I could mention—there is a great deal out there that causes small businesses to stop and think of whether now is the time to expand and hire new workers.

Taxpayers earning above \$200,000 are frequently identified as coupon clippers by many of my friends on the other side of the aisle. A disproportionate level of business activity is attributable to small businesses owned by that group, and we have a chart here that shows evidence of this linkage. This chart is based upon Gallup survey data showing that over half of the larger small businesses—the ones with the good share of the workforce—are controlled by taxpayers who are targeted by the other side's marginal rate hikes. Twenty-seven percent of the medium-sized small businesses are controlled by taxpayers targeted by as much as a 17-percent marginal rate hike.

The owners of the smallest of the small business community are also affected. You see from the chart that it provides an example of how a fairly typical small business owner would be impacted by the increase in just the two marginal tax rates, which is the proposal of the President and I assume something we are going to be dealing with between now and the end of the year because everything sunsets on December 31. And I can tell you that nobody wants to be out there campaigning this fall with the largest tax increase in the history of the country happening without even a vote of the people and particularly as it is going to hit middle-income taxpayers.

So you have this possibility whether it is Congress legislating, in the higher tax brackets, higher taxes or whether it is just the tax increase going into effect without a vote of Congress. You can see here in the charts that a small business owner who is married and has two children, who has \$500,000 in taxable income could see a \$19,600 tax hike. That is a 13-percent increase in taxes.

One way Congress can try to put some certainty back into the lives of

small businesses and entrepreneurs is by dealing with the unfinished tax legislation business. As this chart shows—and I think I brought this chart to the floor at least four times in the last 3 weeks I have been addressing this issue of taxes—there are four major pieces of legislation dealing with expired or expiring tax provisions that have yet to be addressed by this Congress, meaning between now and adjournment this December.

I have talked about this unfinished tax legislation business several times over the past few weeks, but I cannot stress enough how important dealing with these time-sensitive matters is for the business community because one of the reasons they are not hiring is because of the uncertainty that is out there—what is Congress going to do and when are they going to do it? Without certainty in tax policy, businesses are unable to plan for the future, and many businesses are in a holding pattern waiting to see what Congress will do. So it is quite obvious this is very bad for the economy and it will not be an environment for job creation. The list of unfinished tax legislative business includes everything we have here, but I will mention them: the tax extenders, which are overdue by over a half year; it also includes the alternative minimum tax patch; another area is the death tax; and the final area is the 2001 and 2003 tax rate cuts.

I am going to discuss that policy today and its implication for small businesses because until we get small businesses confident of the future and willing to spend money and invest, we are not going to create jobs. And that is a big void that is out there—not that this Senator is the only one saying so. Many Senators on the other side, including the leader of the Senate, have said that 70 percent of new jobs are created by small businesses.

As important as the AMT patch and the death tax are, they are dwarfed by the impact of this fourth package of expiring tax provisions—the 2001 and 2003 rate cuts. This was a bipartisan tax relief package. I get so tired of people talking about the Bush tax cuts from the standpoint that it was an entirely Republican-driven effort with no support from the other side of the aisle. There were a large number of Senators in the then-Democratic minority—which soon became a majority because of the switching of one Senator from a Republican to a Democrat—who helped push through this bipartisan tax relief enacted in 2001.

Under statutory pay-as-you-go, the amount permitted in this area by the budget of last year is about \$1.4 trillion. It covers about 80 percent of extending all the marginal tax rates and family tax relief from the 2001 and 2003 bipartisan plans. That number makes sense because the bipartisan tax relief plan cuts taxes for virtually every American family who pays income tax.

How significant and how widespread is that tax relief, you may ask. This chart, drawn not by Republicans or Democrats but by the Congressional Budget Office data, sheds some light on that very point I bring up. In other words, the significant and widespread tax relief is very dramatic for most Americans.

The line above measures the effective tax rate paid by the top 5 percent of taxpayers. What is significant about that 5 percent is this is where the small business owner tax hit occurs. This group roughly represents those taxpaying families with incomes over \$250,000. Under the Democratic leadership's budget, this line will go back up to where it was in the year 2000. So you can see where the white vertical line goes is where we were in the year 2000. And this is also where the President's budget and the statutory pay-as-you-go regime would take the raise.

People on my side of the aisle—Republicans—believe this significant tax increase will be a mistake. We hope we will be able to debate this policy in the House and Senate, in committees and on the floor. That was, after all, the process we followed when the bipartisan tax relief plans were passed in 2001, 2003, and 2005. We will point out, as we did then, that the tax increase falls primarily on the backs of small businesses.

Data from the Joint Committee on Taxation—and these are the non-partisan official congressional scorekeepers on tax issues the way the CBO is on spending issues—shows that 44 percent of the flowthrough business income will be hit with the increase in the top two tax rates proposed by the President and the Democratic congressional leadership. A lot of this income is concentrated in the larger small businesses I have referred to here earlier, particularly those of up to 500 employees.

This hits small businesses particularly hard since most small businesses are organized, as I have said, as flowthrough entities. So it will increase taxes on a single small business owner who makes more than \$200,000 per year even if they plow all their income back into their small business to keep paying their workers or hire additional workers.

The top marginal rate on small business owners will rise by almost 17 percent. Democrats and Republicans agree that small businesses are the key job creators of the past and the future. President Obama correctly pointed out that small businesses create 70 percent of the new jobs.

The rest will also hit investment hard. The top capital gains rate will rise by 33 percent. The top dividend rate could nearly triple. All of this is set to occur, not at some far distant future point, it occurs about a half year from right now.

We all hope the economy is on a path to recovery, but does this heavy tax increase on small business owners and investment ever make sense? Even the most liberal Members on the other side might wonder whether it makes sense. Do we think the private sector will grow if we hit small business investors this hard 6 months from now? And think of the uncertainty between now and then. They are not going to do anything.

I remember that this President, between his election and January 20 when he was sworn in, decided that going into a recession—or by then in a recession—even though he campaigned on a promise of increasing taxes on higher income people, it was not the right thing to do at that time of a recession.

Last December the President had some of us down to talk about jobs, helping turn the economy around, getting people hired. When he called upon me I offered him that same advice that he decided by himself 12 months before, that being in a recession was no time to increase taxes. We were in a recession still in December of 2009, as we were in December of 2008, and we still have 9.7 percent unemployment. The President could help the economy if he would announce, as he did before being sworn in, that even though I campaigned on a platform of increasing taxes on higher income people, now is not the time to do it. But he seems inclined to increase taxes, even though it is detrimental to job creation, particularly job creation by small business.

You can see, then, that the bipartisan tax relief brought, at the time we passed it, the effective rate down with respect to the bottom 95 percent of the taxpayers as well. That is the bottom line of my chart right here. So it was a tax cut across the board for almost every American. I stress this because some of my colleagues on the other side of the aisle may be thinking to themselves: Sure, this is true for income taxes. But what about other Federal taxes, such as Social Security, which make up a large percentage of taxes paid by lower and middle-income individuals? This chart is not just a depiction of Federal income taxes; this includes all Federal taxes. This includes Social Security, other payroll taxes and excise taxes frequently referred to by my colleagues on the other side as "regressive taxes."

Even including all Federal taxes over the last 30 years, the top 5 percent of income earners have paid a lot higher effective tax rate than the bottom 95 percent. It has been that way no matter which party has controlled the White House, Congress, or both the White House and Congress. It shows something that you would never know if you listen to the rhetoric of the majority Members of this body or even listen to the punditry on the left and some in the media.

Here is what it shows: A progressive income tax system is deeply embedded in our culture. The bipartisan tax relief plans of 2001 and 2003 made the system yet more progressive. These plans brought the rates down for the bottom 95 percent of the taxpayers, as you can see here on the bottom line. The 2001 and 2003 tax relief plans dropped the effective tax rates for tax-paying families under \$250,000 to their lowest levels in a generation. This is the current law, the current level of taxation.

In about a half year these rates will pop back up for all of these taxpayers. That is the checkered line going across there. That is where they are going to return to. The President, as powerful as he is, cannot unilaterally hike or cut taxes. He needs a bill from Congress to do that.

On our side, we want all the tax relief made permanent. We want the opportunity to debate and to amend a bill that deals with this basic level of taxation, the basic level of taxation where the solid lines take us both for high-income people and low-income people; otherwise, they go back up to the checkered line there. This is unfinished business that affects virtually every American taxpayer.

It is clear that over the last 3½ years, Republicans do not control this Congress. We cannot decide the fate of the marginal rate cuts. It will have a fiscal consequence. There are pretty significant fiscal consequences, but if the Democratic leadership wants to keep these levels of taxation low, then they have to deal with the fiscal consequences.

Alternately, the Democratic leadership can raise taxes and claim the revenue. Not changing the law by failing to act is the same as raising rates on virtually every American taxpayer. But they will have to explain to those taxpayers why they raised taxes by almost 10 percent on average.

In the 2006 election almost 4 years ago, the American people provided the Democratic leadership with control of this Congress. In the election 18 months ago, the American people provided the Democratic leadership the largest majorities that any one party has had in this body in more than a generation. They also provided the Democratic leadership with a President of their party. The Democratic leadership spent the period of 2001 to 2006 thwarting efforts to make the bipartisan tax relief of 2001 and 2003 permanent—which, if they had not fought it, would be permanent law and we would not have this uncertainty that keeps small business from hiring and expanding.

Upon assuming control, the majority has spent 3½ years with no legislation to make permanent or even extend the marginal rate cuts and family tax relief packages. My friends in the Democratic leadership need to step to the

plate. We have had budget and statutory pay-as-you-go, we have debated and voted on the breadth and composition of the marginal rate cuts and family tax relief in those contexts. No legislative action whatsoever. No House committee or floor action. No Senate committee or floor action—as you can see by my “to do” list.

The Democratic leadership needs to step to the plate. Blaming former President George W. Bush and the Republican Congresses of many sessions ago is no substitute for running this time-sensitive tax legislative business through the legislative process. Put forward some proposals. Let's debate those proposals. Let's allow for amendments. Do the people's business. It is time to fill in each of these boxes with a checkmark instead of an X.

Fiscal history shows us that raising these marginal rates on small businesses by as much as 17 percent will not necessarily improve the fiscal picture. The relationship between higher rates and higher revenue is tenuous at best.

I have a chart that tracks this history for over 50 years, I believe. Yes, for 55 years and, who knows, maybe farther back than that. Taxpayers are not automatons. Small business taxpayers will respond dramatically to higher rates. I am afraid the response will not help the economy. It will not mean expansion. It could mean contraction. This is not the right signal to send if we want businesses to create more jobs.

I want to emphasize this chart. You can see, over a period of 55 years, the red line is the revenue coming into the Federal Treasury from all Federal taxes as a percentage of gross domestic product. Then you can see over that 55 years we have had varying years of high marginal tax rates and lower marginal tax rates. It was 93 percent under Eisenhower, down to a low of 28 percent under Ronald Reagan, back up to 35 percent for several years as a result of the Bush tax increase, continued by the Clinton tax increase. Then with the 2001 bill you see it go down, the marginal tax rates, to 35 percent from 39 percent.

What that ought to tell you is that the people of this country are smarter than we are here in the Senate. We can think we are going to increase marginal tax rates and bring in a lot of revenue. But the people of this country who have the capability of deciding whether they are going to invest and create jobs and invest so they can make more money have decided that they are only going to send so much money to Washington, DC, for those of us in the Congress to decide how the resources of this Nation are divided.

You can have 93-percent tax rates or you can have a low of 28-percent tax rates, but you still get about the same amount coming in. So we ought not

fool ourselves that we can direct to this country that we are going to force you to pay more taxes with higher marginal tax rates, because the people in this country have the ability to decide that they are going to work and produce or is it worth working and producing if you have high marginal tax rates and then maybe decide not to work and invest so hard and maybe take a life of leisure—more so. But you find when you reduce marginal tax rates you get more economic activity from it. You get more economic activity from it because, quite frankly, we in this Congress, 535 of us, when we decide what to do with the resources of this country it does not do as much economic good as when you leave the money in the pockets of 137 million taxpayers and they decide whether to spend or whether to save or to spend and save and how to save it and what to spend it on. It creates more jobs.

I hope we look at helping small business. The bill before us is a good bill with solid initiatives for small business. I compliment my friend Chairman BAUCUS for diligently pressing these issues. They would be even more effective if we could address the uncertainty a small business faces on the tax front.

When it comes to whether small business can do a better job of creating employment or whether government can do it, I wanted to ask the question: How many jobs did the stimulus bill create?

Here we were, February of 2009, passing an \$800-some billion stimulus bill supposedly to keep employment under 8 percent, and it has not been under 9½ percent for well over a year. That is government, through stimulus, trying to create jobs—and not enough in the private sector, by the way.

So in recent weeks, a number of my colleagues have come to the floor to proclaim the success of this massive, now I guess it adds up to a \$862 billion stimulus bill that Congress enacted in February of 2009. Similar statements were made earlier this very day.

Although the number of private sector jobs has increased by only half a million since 2009, my friends on the other side continue to insist the stimulus bill has created millions of new jobs. So I would like to see how they justify those claims. The stimulus bill requires certain recipients of stimulus funds to report the number of jobs they have created or saved or, more accurately, they report the number of jobs funded with stimulus dollars. The stimulus bill also requires the Congressional Budget Office, CBO, to issue a quarterly report on those numbers.

CBO is careful to point out that the number of jobs being reported by stimulus recipients is not a comprehensive estimate of the economic impact of the stimulus bill. CBO says the actual numbers could be higher or lower. According to CBO:

Estimating the law's overall effect on employment requires a more comprehensive analysis than the recipients' reports provide.

For this analysis, CBO relies upon computer models. In other words, CBO does not look at the actual jobs data; instead, it looks at a model of the economy. CBO is very upfront about this to all of us.

CBO used a computer model to predict how many jobs the stimulus bill would create before it was enacted into law. Now that the stimulus bill is law, CBO is using a computer model to tell us it did just what they said the model would do, create jobs. Why would CBO rely upon a model instead of actual data?

According to CBO:

Data on actual output and employment . . . are not as helpful in determining [the stimulus bill's] economic effects . . . because isolating those effects would require knowing what path the economy would have taken in the absence of the law. Because that path cannot be observed, there is no way to be certain about how the economy would have performed if the legislation had not been enacted.

In other words, CBO does not know how much better or worse the economy would have been if the stimulus bill had not been enacted. That means CBO does not know how much better or worse the economy is now as a result of the stimulus bill.

So, basically, CBO is saying: Trust us—or more specifically, trust our model. But if the model was wrong to begin with, then it is still wrong. According to CBO, their model relies on historical relationships to determine estimated “multipliers” for each category of taxes and spending in the stimulus bill. The problem is, there is no way to know whether these historical relationships remain constant over time or whether they change under different economic circumstances. In short, the jobs numbers attributed to the stimulus bill are based on assumptions that may or may not have any basis in reality.

The bottom line is this: CBO cannot be cited as an authority for the proposition that the stimulus bill actually created jobs. All CBO has done is confirm that its model, and I repeat, CBO's model, projected jobs would be created from the stimulus bill.

CBO has not confirmed that the stimulus bill actually created jobs. What we do know is that in 18 months, since the \$862-plus billion stimulus bill went into effect, the private sector has added a relatively small number of new jobs, about half a million. This is a small portion of the number of new jobs asserted by my friends on the other side of the aisle.

I want to make the RECORD very clear on this very important point.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. SHAHEEN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. SHAHEEN. Madam President, I am here to speak to the bill that is pending before us. Small businesses are the cornerstone of New Hampshire's economy, just as they are the cornerstone of the economies of so many of our States.

Over 96 percent of employers in New Hampshire are small businesses with fewer than 500 employees, 96 percent. The economic recovery of New Hampshire depends on the ability of those small businesses to invest in their future, to grow their businesses, and to hire new workers.

But right now many of these small businesses are hurting and they continue to have trouble accessing credit, the credit they need to help turn our economy around. While community banks in New Hampshire have increased their lending, I consistently hear from small businesses that they still need additional working capital.

Last year my office organized a financing fair to bring together lenders and small businesses who need financing. Over 500 people showed up. That is a crowd in New Hampshire. Wherever I go in the State, small business owners tell me they have run out of financing options. In some cases their only choice is to turn to credit cards, their personal credit cards where they pay exorbitant interest rates to get the working capital they need to keep their businesses growing.

That is why we need to quickly pass the Small Business Jobs Act. This legislation will help small businesses in New Hampshire and across the country access the credit they need to create jobs and to weather this economic storm. I am very proud of the work of my committee. As the President knows, the Small Business Committee does great work. It is led by Chairman LANDRIEU and Ranking Member SNOWE.

They have worked and we have worked on this committee to fashion bipartisan measures to strengthen critical SBA programs for small businesses. This afternoon I want to talk about two of those provisions in particular that I think will provide tangible credit solutions for small businesses in New Hampshire.

Many creditworthy small businesses have mortgages on their property that are coming due in the next year. In normal times these businesses would simply refinance those mortgages at reasonable rates. But with commercial real estate lending so tight, and real estate values falling, the only option for many businesses is to refinancing at very high rates. This drains them of the cash they need to pay for their workers and buy new inventory.

For small businesses that cannot refinance at all, they face foreclosure even though they may have never missed a payment on their loan. The Small Business Jobs Act will change an existing SBA program in a way that makes sense. It will change the 504 program to help small businesses refinance these mortgages at low rates. This will free up capital for these small businesses to hire workers and to make other investments to grow their operations, and we can do this in this bill at no cost to the taxpayer.

In New Hampshire, this will help small businesses of all kinds: manufacturers, hotels and restaurants, doctors offices, and many others. This will help them retain hundreds of jobs that would otherwise be lost due to a lack of credit availability. In some cases, it will stop businesses from having to close their doors altogether.

This bill will also increase the maximum loan limit of the Express Loan Program. This is another important provision of this bill that will help small businesses in New Hampshire get the working capital they need. The Express Program is popular with small business lenders in New Hampshire because it cuts redtape and provides a streamlined process for approving loans.

Unlike traditional 7(a) loans, lenders can use their own paperwork for SBA Express Loans, making it easier for them to quickly get capital into the hands of small businesses. Currently, however, Express Loans are capped at \$350,000. The Small Business Jobs Act will increase the loan limit to \$1 million, making additional working capital available to small businesses.

I thank Senators LANDRIEU and SNOWE for working with me to include this important provision. I am also pleased that the bill includes President Obama's initiative to provide over \$30 billion for two new lending funds for small business owners.

I am hopeful the small business lending fund and the State small business credit initiative will provide community banks with the capital cushion they need to expand lending to small businesses.

This bill also lowers taxes on small firms, providing over \$12 billion in tax cuts to help free up capital so small companies can invest in their future. These tax cuts are fully paid for, and they will not add to the deficit. The Small Business Jobs Act will help provide the boost that small businesses in New Hampshire and across the country need so desperately so they can create jobs and help continue to grow our economy.

I urge my colleagues to join me in supporting this critical piece of legislation.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. UDALL of New Mexico. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The remarks of Mr. UDALL of New Mexico are printed in today's RECORD under "Morning Business.")

Mr. UDALL of New Mexico. I yield the floor and I note the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant editor of the Daily Digest proceeded to call the roll.

Mr. NELSON of Florida. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The remarks of Mr. NELSON of Florida are printed in today's RECORD under "Morning Business.")

Mr. NELSON of Florida. I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. UDALL of Colorado). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CASEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HONORING OUR ARMED FORCES SERGEANT
JOSEPH CASKEY

Mr. CASEY. Mr. President, I rise tonight to talk about the war in Afghanistan, and, unfortunately tonight, as I begin my remarks, I have to report on yet another death of a soldier killed in action in Afghanistan. Yesterday, in Pennsylvania, we lost another marine. This time the marine was from West View, PA, Allegheny County, the county in which most people know the city of Pittsburgh is. SGT Joseph Caskey, 24 years old, was on his second tour and was killed in action.

If the counting is right in terms of the number killed in action from Pennsylvania, he is likely the fiftieth killed in action from Pennsylvania. We have about 260 who have been wounded. That number may be higher, but that is the most recent number I have seen. Sergeant Caskey gave us, as Abraham Lincoln said so eloquently so many years ago, the last full measure of devotion to his country. And like so many others—hundreds and hundreds who have died in the conflict in Afghanistan, and those who died in Iraq and so many other conflicts—we mourn his loss and we commend his service, but I think we also, at the same time, must recommit ourselves to making sure we are put-

ting this conflict on the floor of the Senate; that we debate it more; that we talk about it more, so that we get the policy right. I am going to speak a little while tonight about that.

In terms of the lethality or the focus we have on those who have lost their lives, June is the deadliest month on record for coalition forces. I wish we didn't have to report on that. I wish those of us who come to the floor periodically to talk about the war and to talk about individuals from our States who have perished—who have either been killed or who are suffering from grievous injuries—could come and talk about some other milestone in the life of that person—a soldier such as 24-year-old Sergeant Caskey. I wish I could come and report about some other milestone in his life instead of the news about his death.

But we have to talk more about this war. We have to make sure we are debating it more. One of the things that we know has just transpired is a change in command. Today, the Senate Armed Services Committee—and the Presiding Officer is a member of that committee—voted in favor, thank goodness, of General Petraeus's nomination to be the Commander of the ISAF forces in Afghanistan. I think to say this is bipartisan is an understatement. We know that President Obama has chosen a man worthy of this job, and we are fortunate that he has once again accepted the call to action and accepted this new responsibility.

I spoke today by telephone with General Petraeus and covered a number of issues dealing with a whole range of foreign policy and security issues, including some of those pertinent to the conflict in Afghanistan. I have full confidence, as I know so many others in this Chamber and across the country do, in his leadership. I have full confidence that he will be able to implement a strategy that contributes to the overall security of Afghanistan and also a strategy that will train the Afghan security forces and create the kind of political space the Afghan Government needs to provide security and services to its people.

This new command by General Petraeus, upon confirmation—it has not been voted on in the Senate, but I will be voting for him, and I know he will receive a great vote—will bring a new opportunity to assess where we are in the fight, and it is good that we do that. The news, unfortunately, is not all that encouraging lately. We continue to face a host of challenges in Afghanistan.

A Washington Post newspaper report this week cited allegations of blatant and rampant corruption within the senior ranks of the Afghan Government. The report detailed examples where government officials blocked corruption investigations and ordered investigators to remove names from

case files. That is just one problem. Secondly, there were allegations of individuals preventing the arrest of senior officials and not acknowledging evidence against businessmen accused of helping Afghan elites to move millions of dollars out of the country.

This was a published report. These are allegations, and we hope they are not true, but if they are, we have much deeper problems than we thought maybe even a couple of days ago. These are serious allegations that require a serious and thorough investigation and scrutiny. Those who are accused of these crimes should be prosecuted upon the review of the evidence.

As I have said in the past about this conflict, our success will be determined by a belief among Afghans that justice can be delivered by its government. The people of Afghanistan have a right to expect honest government officials working on behalf of the public good, working on behalf of the people, not to enrich themselves, not to provide advantages for the elite in Afghanistan, not just to provide advantages for the wealthy but to make sure that the people are the beneficiaries of a clean, honest government and the kind of effective services that the people should have a right to expect.

The people also have a right to expect a police force capable of protecting the population against criminals. They do have that right. They also have a right to a fair and efficient system of justice in Afghanistan, capable of delivering verdicts based upon the rule of law and not according to the barbaric code embraced by the Taliban. Unfortunately, today, we don't yet see a government in Afghanistan that is fully capable of providing this kind of justice. So we have to monitor what is happening there. We have to make sure we see results and not just rhetoric. We have to see the reality of progress on security, on justice, on the delivery of services—not just the aspiration but the delivery of results.

As we consider the nomination of General Petraeus—and as I mentioned before, a nomination I fully support—I hope this nomination will be one of the reasons we will have a more substantial discussion or debate about the policy here in the Senate. That is where that debate should take place, as it takes place in the House and outside of the Capitol and across America. We should have in the Senate a debate or a reengagement of the debate about this policy. We owe it to our fighting men and women to do nothing less than that, to be committed to examining every aspect of the conflict in the weeks and months ahead. We must continue to ask and get answers to the tough questions on security, on governance, and on the delivery of services, to mention three broad areas of review, analysis, and, of course, inquiry.

As allegations of Afghan Government corruption emerge, oversight is essential when we hear these allegations. If the Afghan national police and army are not hitting their recruitment and training targets, for example, we need to know why. The American people and the Afghan people have a right to expect that we and the Afghanistan leadership, starting with President Karzai, get answers to those tough questions about the security, and especially about the army and the police.

I spoke yesterday of my commitment, and the commitment of so many others in this Chamber, to helping stem the flow of ammonium nitrate into Afghanistan from its neighbors, particularly Pakistan and the countries of central Asia. This deadly ingredient is used in most of the IEDs found in Afghanistan—bombs which have grown more powerful in recent months. We are now getting reports of the destructive power of IEDs not only to kill and to maim our troops who happen to walk near one of these explosive devices but to literally lift up an MRAP—this great vehicle we have been able to produce that lessens the chances that an explosion under the vehicle will kill someone. The explosions are now so great that they have been lifting up the MRAP and flipping it on its head and killing or gravely injuring troops not because the bottom technology and the engineering wonder that has saved so many lives is giving out, but because the vehicle itself is being lifted up and then smashed down in a way we couldn't even imagine maybe even a year ago or months ago.

As I mention the impact of ammonium nitrate as the destructive ingredient in the IEDs, it so happens that Sergeant Caskey, the marine I spoke of earlier from Pennsylvania, who we believe is the fiftieth soldier killed in action in Afghanistan, was killed by an IED, as so many others—hundreds and hundreds—have been killed in that manner.

This concern about ammonium nitrate is just one of a series of regional concerns that we have with respect to the conflict in Afghanistan. Pakistan has recognized the severity of the threat posed by the Afghan and Pakistani Taliban. The Pakistani forces have suffered heavy losses within their own borders, and I respect the commitment they have shown as the struggle continues. While the battle has been tough and difficult, we will need more help from the Pakistani people and their security forces in the weeks and months and years ahead.

We have no better military leader to take on this challenge at this time than General Petraeus. As we confront this enormous challenge, our country has called upon him again and he has answered affirmatively to that call. I believe General Petraeus has the experience, the knowledge, the insight, and

of course the respect of not only leaders in the military but also leaders in the region and, of course, he has the respect and support of the American people. So we should be happy and affirmative about that part of the story even as we confront allegations of corruption, even as we confront more and more troops wounded and killed in action, even as we confront the challenge of this policy.

The minimum we must do in the Senate is to make sure that the oversight we provide, the debates we engage in, and all of the work that we do in the Senate that relates to this policy, at a minimum attempts to justify and to be equal to the commitment of our troops. Their job is so much more difficult than our job. We don't have to put our lives on the line. We debate and we learn and we try to move the policy forward, but the least we should do is to have a debate that matches or at least attempts to be equivalent to the sacrifice that they display every day.

When we think of our troops, we mourn, of course, those who have been killed in action, and we also remember and salute and celebrate the contributions of those who have served and who come home with an injury, sometimes grievously wounded.

Of course, we remember and salute those who serve and, fortunately, with the blessing of God, are not killed or not wounded and they can come home and be reunited with their families, with their communities.

We remember all those, as Abraham Lincoln said a long time ago: "Him who has borne the battle." Of course in 2010 we are talking about him and her, those who have borne this battle.

We have a long way to go as it relates to this policy but, as we are thinking tonight of the hope we have in General Petraeus's leadership, the confidence we have in his ability and his commitment—he is a patriot like few others—even as we are hopeful about that we remember those who lost their lives, such as Sergeant Caskey, of West View, PA, and so many others who have served, and their families, who have loved and lost.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMERICAN JOBS AND CLOSING TAX LOOPHOLES ACT OF 2010

Mr. REID. Mr. President, I ask the Chair to lay before the Senate a message from the House with respect to H.R. 4213.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Motion to concur in the House amendment to the Senate amendment with an amendment to H.R. 4213, an act to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes.

Pending:

Reid (for Baucus) motion to concur in the amendment of the House to the amendment of the Senate to the bill, with Baucus amendment No. 4386 (to the amendment of the House to the amendment of the Senate to the bill), in the nature of a substitute.

Reid (for Baucus) amendment No. 4387 (to amendment No. 4386), to change the enactment date.

Reid motion to refer in the amendment of the House to the amendment of the Senate to the bill to the Committee on finance, with instructions, Reid amendment No. 4388, to provide for a study.

Reid amendment No. 4389 (to the instructions (amendment No. 4388) of the motion to refer), of a perfecting nature.

Reid amendment No. 4390 (to amendment No. 4389), of a perfecting nature.

Mr. REID. I ask unanimous consent that the motion to refer be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I ask unanimous consent that the motion to concur in the House amendment to the Senate amendment to H.R. 4213 with the Baucus amendment 4386 be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

MOTION TO CONCUR WITH AMENDMENT NO. 4425

(Purpose: In the nature of a substitute)

Mr. REID. I now move to concur in the House amendment to the Senate amendment to H.R. 4213 with an amendment which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] moves to concur in the House amendment to the Senate amendment to H.R. 4213 with an amendment numbered 4425.

Mr. REID. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The amendment is printed in today's RECORD under "Text of Amendments.")

Mr. REID. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4426 TO AMENDMENT NO. 4425

Mr. REID. I now have a second-degree amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4426 to amendment No. 4425.

The amendment is as follows:

At the end of the amendment, insert the following:

The provisions of this Act shall become effective 3 days after enactment.

CLOTURE MOTION

Mr. REID. I have a cloture motion on the motion to concur at the desk and ask that it be stated.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to concur in the House amendment to the Senate amendment to H.R. 4213, the American Jobs and Closing Tax Loopholes Act, with a Reid amendment No. 4425.

Harry Reid, Max Baucus, Jack Reed, Edward E. Kaufman, John F. Kerry, Sheldon Whitehouse, Carl Levin, Roland W. Burris, Richard J. Durbin, Jeff Merkley, Benjamin L. Cardin, Christopher J. Dodd, John D. Rockefeller, IV, Barbara Boxer, Patty Murray, Robert P. Casey, Jr., Charles E. Schumer.

Mr. REID. I ask unanimous consent that the mandatory quorum be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

MOTION TO REFER WITH AMENDMENT NO. 4427

Mr. REID. I have a motion to refer with instructions at the desk, and I ask that that motion be stated.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] moves to refer the House message to the Senate Finance Committee with instructions to report back forthwith with an amendment numbered 4427.

The amendment is as follows:

At the end, insert the following:

The Committee on Finance is requested to study the economic impact of the delay in implementing the provisions of the Act on job creation on a national and regional level.

Mr. REID. I now ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4428 TO AMENDMENT NO. 4427

Mr. REID. I have an amendment to the instructions at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4428 to amendment No. 4427.

The amendment is as follows:

At the end, insert the following:

"and include statistical data on the specific service related positions created."

Mr. REID. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4429 TO AMENDMENT NO. 4428

Mr. REID. I now have a second-degree amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4429 to amendment No. 4428.

The amendment is as follows:

At the end, insert the following:

"and the impact on the local economy."

MORNING BUSINESS

Mr. REID. Mr. President, I now ask unanimous consent that the Senate proceed to a period of morning business, with Senators allowed to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMEMBERING SENATOR ROBERT C. BYRD

Mr. ENZI. Mr. President, I am here today to pay respects to Senator BYRD, whose desk is now adorned with a black cloth and flowers. I know we will all long remember Monday as the day we received some very sad news, for on that day, as the morning began, we each learned in our own way that our good friend and colleague ROBERT BYRD had passed away just a few hours earlier. It should not have been a sudden shock. We all had time to prepare for this moment. We knew he had been having a period of ill health, but it still seemed as if he would be here forever. That is the kind of man ROBERT BYRD was.

A man of great gifts, he loved the written word and could recite his favorite poems from memory—at length. It was amazing how many speeches, reflections, and famous quotations were there at his command, in his quiver, ever ready and waiting for him to recite so he could emphasize an important point about an issue that needed to be made. That is the kind of man ROBERT BYRD was.

While it is true he was the longest serving Member of Congress in history, he was so much more than that. He was the historian of the Senate who knew more about our roots as a legislative body than anyone else. He was a master legislative craftsman, and whenever he spoke, we all listened carefully to see what he had to say about the matter we had taken up for deliberation. That is the kind of man ROBERT BYRD was.

No one had more respect and regard for the Senate and our legislative traditions and procedures than he did. He knew the rules, he knew why they were crafted that way, and he knew how to make good use of them to further the agenda he believed to be in the best interests of the people of our Nation. Once again, that is the kind of man ROBERT BYRD was. That is why it is so difficult to sum up his life in just a few well-chosen words.

There is no greater tribute we can pay to ROBERT BYRD than for the spirit of friendship and camaraderie, which were staples of his Senate service, to bring us all to the Senate floor to express our regrets and send our condolences to his family. It will also give us a chance to share our memories of someone we will never forget.

I will always remember the orientation he organized for the incoming class of new Senators each session for as long as he was able. Besides a strong historical welcome, he presented each of us with one volume of his four-volume history of the Senate. If we read it and were able to answer questions about it, then—and only then—would we get the other three volumes. I remember asking him how he wrote them. He said he presented all of it as a series of floor speeches delivered without any notes, with most corrections made simply to clear up what the floor reporters thought they heard. He had a photographic memory, and that made it all possible. Perhaps it came from his years of study of the violin. In any event, it made him a better speaker because he spoke slowly and deliberately, carefully editing his sentences as he spoke. His style created a natural bond between himself and the listener, and that is what made him such a styled and gifted communicator.

It may be a cliché, but he was a southern gentleman through and through. He had no tolerance for any rude or impolite conduct on the floor. He instructed and expected all of us to be courteous and respectful—not because of politics but because of the great institution of which we are a part. He knew what a great honor and a privilege it is to serve in the Senate, and he expected everyone else to realize it as well and to act accordingly.

When you presided over the Senate, he expected you to pay attention to each speaker. Sometimes, the Presiding Officer is the only one in the Chamber. There was a time when there was a telephone under the Presiding Officer's desk. As the story goes, Senator BYRD was speaking when the phone under the desk rang. When the Presiding Officer answered it, Senator BYRD made sure to make him aware of the importance of courtesy in such a situation. The Presiding Officer then said: "Senator BYRD, the phone is for you." That is when the phone was taken out and a rule went into effect

that no electronic devices were to be used on the Senate floor.

Then there were his special speeches. He always commemorated each holiday the evening before a recess would begin. Each speech was very poetic and, in fact, usually had some poem he had memorized years before that would come to mind and be recited from memory. He was good at it, so good that we looked forward to his poetic observations on the passing of time.

That unique speaking style of his also helped him to build a good relationship with our pages. His "going away" speech for each graduating class often left many of them in tears. Their fondness for him only grew when they learned that if the Senate was in session after 10 p.m., they had no early morning classes the next day. They were always delighted, therefore, when the hour grew late and Senator BYRD rose to speak. They knew he could easily add the 10 or 15 or even 30 minutes needed to get them past 10 o'clock and a welcome reprieve from the early morning classes.

My favorite speech Senator BYRD gave happened when I was presiding. Over the previous weekend, he had visited some of his grandkids and asked about their studies. He was a firm believer in education and was an example of lifelong learning himself. One of his grandkids had shared a math experience with him. He was so surprised, he asked to see the math book. He brought the book to the floor to read parts of it to us. He was distressed at how math had migrated into a social textbook. He pointed out that you had to get to page 187 to find anything that resembled the math he had learned. The parts prior to that were social discourse. Anyone who heard the speech would remember his indignation.

I remember being at an inter-parliamentary trip held in West Virginia hosting the British Parliament. We went to a mountain retreat for dinner. Senator BYRD welcomed them and then got out his violin and shared some fiddle music he thought was appropriate for the occasion. He was very good.

Senator BYRD was an expert on the rules of the Senate. At our orientation, he encouraged us to learn the rules. Because of his encouragement and as a way to learn the rules, I volunteered often to chair the Senate floor. Following his instructions, I brought a list of questions with me since during the quorum calls you can ask questions of the captive-audience Parliamentarian.

I once saw a Senator come to the floor to debate an amendment, and Senator BYRD was there to debate against it. The Senator wanted to revise his amendment. For half an hour, the Senator tried different tactics to change his amendment, and Senator BYRD thwarted every attempt. The Senator was frustrated. He asked for a quorum call, and he left the floor.

At that point, I asked the Parliamentarian if there was any way the Senator could have changed his amendment. The Parliamentarian explained that all he had to do was declare his right to revise his amendment. I asked why the Parliamentarian did not tell him that. What I learned is the Parliamentarian can only give advice when asked. My first stop at the Senate floor often is at the Parliamentarian as a result.

During much of Senator BYRD's career, he was either the chairman of the Appropriations Committee or the ranking member. He was very good about taking care of orphan miners. Those are primarily coal miners whose companies have gone out of business owing benefits. After a couple of lessons from the Senator, I worked with him to take care of the orphan miner health problem in a bill that speeded up mine reclamation in many States, extended an expiring tax on coal companies with their guarded permission, and then released impounded trust fund money promised by law to the States for the impacts the States put up to produce the Nation's energy, as well as take care of the orphan miners.

At another time, Senator ISAKSON and I worked with Senators BYRD, ROCKEFELLER, and Kennedy to make the first changes in mine safety law in 28 years. He was very proud of the difference he was able to make in the lives of coal miners back home, and he never forgot them whenever we were debating an issue that might have an impact on their lives.

In the days and weeks to come, I can think of no greater compliment we could pay another Senator or greater tribute we can pay to Senator BYRD than to watch someone in action on the Senate floor who develops and implements a well-drawn strategy and say: That is the way ROBERT BYRD would have done it.

For my part, I will always remember the great love Senator BYRD had for our Constitution. I do not think anyone knew it better or more detailed than he did. When I was mayor of Gillette, I began a habit of carrying around a copy of the Constitution with me. I discovered that a lot of us knew what it said but not too many of us had a grasp for the details. It had a lot of meaning for me right from the start because it represents the blueprint from which our Nation and system of government were constructed. Then when I came to the Senate, I came to know the Constitution in a completely different way. It was now my job description, as Senator BYRD put it. So I always kept it handy.

I have no doubt that Senator BYRD had a similar reaction years before my own. I am sure he knew the better he understood our Constitution and the procedures of the Senate, the more effective he would be as a Senator. He

knew the importance of understanding the rules of our legislative process in every detail. The better he became at mastering the process by which our laws were made, the better he knew he would be at producing the outcome he was committed to achieving for the people of West Virginia and the Nation. I am sure that is why he always carried a copy with him.

The line-item veto was passed before I got to the Senate, but Senator BYRD had sued to have it stricken. Most of his Senate career had been as chairman of the Appropriations Committee or the ranking member. He pointed out that Congress, according to the Constitution, is supposed to make spending decisions, not the President. He always pointed out that we do not work for the President of the United States; we work with the President as a separate but equal branch of government. He would guard us against infringement by the President using the third branch of government, and he was successful.

Although his life was marked by many triumphs, he was not without his personal tragedies. I have always believed that the work we do begins at home, and that is why I will never forget the strength of his marriage and what a tremendous loss it was for him when his wife passed away. No one knew ROBERT BYRD better than she did, and without her by his side life became ever more difficult. His health began to fail.

I remember going to his wife's funeral. It was very well done. When my wife and I were on our way home, we commented that the endearing and astounding thing about the funeral was that it was about her. He made sure her achievements, her family, her efforts and successes were the focus. As famous as Senator BYRD was, the comments that were made that day were about her and not about him. That says a lot about the relationship they had.

Although his health was declining, he was here as often as he was able, an active part of the day-to-day workings of the Senate. He would not and could not take it easy, no matter what anyone told him. His heart was in the Senate; his soul was in West Virginia. To stop what he loved to do was for him and the people back home unthinkable.

One of Senator BYRD's favorite quotations comes to mind today. He loved the Bible and quoted from it often. When going through a difficult time in his life, he remembered the words from the Book of Ecclesiastes:

To everything there is a season and a time for every purpose under heaven.

Now Senator BYRD has come to another time, as he has reached the end of his seasons on God's green Earth. He will be greatly missed, and he will never be forgotten.

I cannot conclude my remarks without paying a final tribute to Senator BYRD by recalling his love of poetry

and the written word. We can all remember the way he would enjoy sharing a favorite verse with us, much like this one. Although the author is unknown, I am certain Senator BYRD would not only recall it but know it well:

Life is but a stopping place,
A pause in what's to be,
A resting place along the road,
To sweet eternity.

We all have different journeys,
Different paths along the way,
We all were meant to learn some things,
But never meant to stay.

Our destination is a place,
Far greater than we know.
For some the journey's quicker,
For some the journey's slow.

And when the journey finally ends,
We'll claim a great reward,
And find an everlasting peace,
Together with the Lord.

My wife Diana joins in sending our heartfelt sympathy to his family and many friends and for all the people who worked for him and with him over the years. We will miss him—the knowledge he had, the institutional memory he had, the experiences and history he had been a part of and in many instances was the main participant—the leader. Probably only once in the history of a country does someone like this come along. If he were here, he would deny it but be pleased if we noted the similarity of what he had done to what had been done in the ancient Roman Senate about which he often talked.

In the end for Senator BYRD it was never about how much time he spent in the Senate or on Earth but how well he used the time he was given.

I yield the floor.

Mr. CONRAD. Mr. President, I rise to talk about the loss of our senior colleague, Senator ROBERT C. BYRD. Senator BYRD, I had the privilege and honor of serving with for over 24 years in the Senate. I believe this body has lost a giant.

For more than five decades, ROBERT C. BYRD served his country, fought to protect the institution of the Senate, and worked tirelessly for the people of West Virginia. The people of West Virginia were never very far from the mind of ROBERT C. BYRD. I know because I worked with him every day for 24 years. Senator BYRD and his passing leave a tremendous void for this body and for the Nation. He will be greatly missed.

Senator BYRD was a great man, an exceptional person, somebody who had lost his parents and, through sheer will, made himself into a great man. He was a legend in the Senate, the longest serving Senator in the history of the United States and the longest serving lawmaker in congressional history. The people of West Virginia elected him to the Senate an amazing nine times and three times before that to the House of Representatives. He

served in almost every leadership post in the Senate, including twice as majority leader and for almost two decades as chairman of the Appropriations Committee. He took an incredible 18,500 votes, a record which will never be broken. At least that is my forecast. I do not know how anybody will ever break a record of 18,500 votes.

Senator BYRD may be remembered most as the protector of the institution of the Senate. This is an institution he loved. More than that, this is an institution he revered as part of the constitutional structure of this country. He believed it had a special place in defending the Constitution of the United States. He believed it played a special role in preventing unwise legislation from becoming law, and he believed it deeply.

He knew more about Senate history and Senate rules and procedures than any other Member, and he used that knowledge skillfully to defend this institution and to ensure it continued to function in a manner consistent with what the Founding Fathers intended. Senator BYRD did not come to those beliefs lightly. He came to those beliefs after the most thorough and very rigorous study of our history. He was a master orator. How many of us can remember Senator BYRD coming to this floor and having Members come to the floor to listen to him because very often his speeches were a history lesson—and not just drawn from American history but from world history, going back to the Roman Empire? When he was in really high excitement, he loved to go through the various Roman emperors and what brought them down, what led to the decline of the Roman Empire, and what lessons we could draw from that.

His speeches were riddled with quotes from great leaders, references to American history and law, and descriptions of that ancient Roman Senate—much of it from memory. How many times did I hear Senator BYRD stand in that spot or in the leader's spot and recite from memory a lengthy poem or a speech from history? What a remarkable, remarkable man. The extent and the breadth of his knowledge was truly amazing.

Senator BYRD was also an expert on budget matters. In fact, he was one of the principal authors of the 1974 Budget Act which established the congressional budget process. He created and vigorously defended the Byrd rule, which bears his name—a budget rule designed to stop the abuse of the fast-track reconciliation process.

Let me just remind my colleagues of something Senator BYRD did during the Clinton administration when the administration had a health care proposal that was bogged down. It could not pass because it would require 60 votes in the Senate, and there were not 60 votes to be had. The administration

wanted to use the reconciliation process, the fast-track process that allows legislation to be passed with only a simple majority. Senator BYRD said no, under no circumstances would he permit that to happen because he believed that was a violation of the whole basis of the reconciliation process which he had been involved in and which he had helped design and which was put in law solely for deficit reduction, in his view. He believed any other use was an abuse of the process—the process of reconciliation. So he said no to the President of his own party on that President's No. 1 domestic priority.

There is a lesson in that for all of us. When we were in the midst of the consideration of using the reconciliation process for that purpose during the Clinton administration years, Senator BYRD told me, as a member of the Budget Committee: Senator, always remember partisanship can go too far. Our obligation, our first obligation, is to the Nation and to this institution. If that means we have to disagree with the President of our own party, so be it.

I hope colleagues learn from that lesson as well. Partisanship can go too far.

As the Budget Committee chairman, I had the privilege and honor of working particularly close with Senator BYRD after he joined the committee in 2001. The original idea of the Budget Committee was that the chairman of the Finance Committee would serve there, the chairman of the Appropriations Committee would serve there, and the chairmen of other relevant major committees would serve there so that the Budget Committee would put together the priorities of the United States. Senator BYRD had an acute understanding of that history.

But also Senator BYRD never forgot who sent him to Washington. He tenaciously fought for West Virginia throughout his career and ensured his small, rural State had a powerful voice in the Halls of the Capitol. He never forgot where he came from. I remember well his exchange at a Budget Committee hearing in 2002 with then-Treasury Secretary Paul O'Neill, and Senator BYRD proudly and emotionally described his own humble upbringing because Senator BYRD came from very straightened circumstances. He came from a very modest background. He was an orphan. In fact, he carried a name which was not his birth name. His birth name was a different name than ROBERT C. BYRD. But when relatives took him in, they gave him their family name.

ROBERT C. BYRD remembered those earliest days. He remembered what it was to struggle. He remembered what it was to have very little. He remembered what it was to wonder where your next meal was coming from and whether you were going to have a roof

over your head. Senator BYRD remembered, and he was faithful to those memories.

Senator BYRD loved his wife Erma. He loved his daughters Mona and Marjorie and his grandchildren and great-grandchildren.

I want to say to the members of the family, Senator BYRD was intensely proud of you. I hope the children and grandchildren will get that message, that Senator BYRD was intensely proud of each and every one of you. He spoke about you often and in loving terms, and you should know that.

Of course, we all know he loved his little dog Billy, and he loved his dog Trouble. In fact, I think he had multiple dogs named Trouble.

Senator BYRD loved West Virginia, he loved this institution, and he loved our country. I am deeply saddened by the passing of Senator BYRD. His immense knowledge and his spirit will be missed. His values will be missed. But I am comforted in knowing that our friend ROBERT is now reunited with his beloved wife Erma. I know his legacy will live on in this body and this Nation forever.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. KYL. Mr. President, during a record-breaking six decades of public service, Senator BYRD served this Nation with diligence and spirit. As a legislator, Senator BYRD had many notable qualities, particularly his legendary oratory skills and his masterful knowledge of Senate procedure. Having authored a four-volume history of this Chamber, he understood its nuances and intricacies, and he was an articulate spokesman for protecting procedural rules.

Senator BYRD kept a copy of the Constitution in his pocket, and he could recite it from memory. He was always first to remind us that the Framers intended the Senate to be different from the House of Representatives and to stand as a bastion of individual and minority rights. He celebrated these distinctions serving as they do the fundamental principle of checks and balances within the legislative branch.

At a recent Rules Committee hearing, Senator BYRD said:

The Senate is the only place in government where the rights of a numerical minority are so protected. The Senate is a forum of the States, where regardless of size or population, all States have an equal voice. . . . Without the protection of unlimited debate, small States like West Virginia might be trampled. Extended deliberation and debate—when employed judiciously—protect every Senator, and the interests of their constituency, and are essential to the protection of the liberties of a free people.

Senator BYRD's insights, expertise, and constitutional scholarship will truly be missed. They are a great part of his legacy, one that I hope will be honored for generations.

On a personal note, I will mention that while Senator BYRD and I did not share a perspective on many matters of public policy, we had a common appreciation for bluegrass music. I always enjoyed talking with him about that subject. He was a talented fiddler, playing on stage, on television, and while campaigning for office. He even recorded an album entitled "Mountain Fiddler." He gave me a copy, and I was very impressed with his skill.

ROBERT BYRD's knowledge, his hard work, his high spirit, and dedication to the people of West Virginia will always be remembered. My wife Caryll and I extend our thoughts and prayers to his family.

Mr. BAUCUS. Mr. President, I, too, wish to say some words on the passing of our good friend and former leader, ROBERT C. BYRD.

It is difficult to sum up in words the thoughts and feelings one has for a departed friend whom one has known so long. I had the pleasure of serving with Senator BYRD my entire career in the Senate. I knew, I liked, and I respected ROBERT C. BYRD for more than 30 years.

It is doubly difficult to put into words thoughts that adequately reflect such a presence in the Senate. ROBERT C. BYRD was a singular Senator. He was a Senator's Senator. There was no title he prized more than that of "Senator."

When I came to the Senate, ROBERT C. BYRD had succeeded my mentor, Mike Mansfield, as majority leader. As ROBERT BYRD was fond of noting, he served as majority leader and then minority leader and then back as majority leader. He saw the leadership of the Senate from both sides, and his experience seasoned his leadership.

As proud as he was to earn the title of "Senator," he was even more proud that as a Senator he represented the people of his State. I deeply believe that is one of the finest things one can say about a fellow Senator. For more than 50 years, he was a strong voice for the people of West Virginia.

ROBERT BYRD was a strong voice for democracy. He knew the rules of the Senate better than any person alive. He fought to preserve the traditions and customs of what he truly believed is the world's greatest deliberative body.

As my colleagues know, ROBERT BYRD cast more votes than any other Senator in the history of our Republic. I can recall when he cast his 18,000th vote. That vote just happened to have been on a motion to invoke cloture on an amendment offered by this Senator. The Senate did not invoke cloture that day. That is the way the Senate's rules often work. No matter the outcome, Senator BYRD was foremost in the defense of those rules. And Senator BYRD was foremost in the defense of the Constitution of the United States.

Senator BYRD was a student of history more than any other Senator.

Those of us who were here will not soon forget Senator BYRD's series of addresses to the Senate on the history of the Senate. And those of us who were here will not soon forget his series of addresses on the Senate of the Roman Republic. He knew that Senate too.

Senator BYRD was a teacher. I can recall meeting with Senator BYRD on a highway bill. He and I both long believed passionately in the importance of our Nation's highways. At this one occasion, I recall being impatient about enacting the highway bill on which we were working. I can also recall the sage advice Senator BYRD gave me about the process, about the procedures, and about the personalities of how to get that bill through the Senate. As I look back on that meeting, I think of all the occasions Senator BYRD took the time to teach others of us about the Senate. He taught his fellow Senators. He taught visiting dignitaries from other countries.

I might add parenthetically that it was not too many years ago when he was visiting Great Britain with some Senators and meeting with some Parliamentarians in Great Britain, and the subject of British monarchs came up, and it was only Senator BYRD who knew them all. He stood up, and he gave the name of every British monarch and the dates they served, up to the present. No other person in the room, including the members of the British Parliament, could do so. ROBERT C. BYRD did.

He taught class after class of Senate pages.

ROBERT BYRD will leave a legacy in the laws of the United States. He will leave a legacy in the rules and precedents of the Senate, and he will leave a living legacy in all the people who learned about the Senate at the knee of this great master.

ROBERT BYRD was an orator. One might say he was the last of a breed. He spoke in a style that recalled his roots before microphones and amplification. He spoke memorably. He spoke like orators used to speak.

Many of us recall celebrated speeches of ROBERT C. BYRD. I will read an extended quotation from one speech that sums up ROBERT BYRD's strong feelings for the Constitution and the Senate he loved so well.

On October 13, 1989, many of us gathered to hear ROBERT C. BYRD speak. This is what ROBERT C. BYRD said:

Mr. President, I close by saying, as I began, that human ingenuity can always find a way to circumvent a process. . . . But I have regained my faith. We are told in the Scriptures: "Remove not the ancient landmark, which thy fathers have set."

The Constitution is the old landmark which they have set. And if we do not rise to the call of the moment and take a stand, take a strong stand against our own personal interests or against party interests, and stand for the Constitution, then how might we face our children and grandchildren when

they ask of us as Caesar did to the centurion, "How do we fare today?" And the centurion replied, "You will be victorious. As for myself, whether I live or die, tonight I shall have earned the praise of Caesar."

And ROBERT C. BYRD concluded:

As [Aaron] Burr bade goodbye to the Senate over which he has presided for 4 years, this is what he said. And I close with his words because I think they may well have been written for a moment like this. He said: "This House is a sanctuary; a citadel of law, of order, and of liberty, and it is here—it is here—in this exalted refuge—here, if anywhere, will resistance be made to the storms of political phrensy and the silent arts of corruption; and if the Constitution be destined ever to perish by the sacrilegious hands of the demagogue or the usurper, which God averts, its expiring agonies will be witnessed on this floor."

So today, Mr. President, I will close my words for my friend, ROBERT C. BYRD, noting that in life he was victorious. As for myself, whether I succeed or not, whether I live or die, today I can count no greater praise than to say I served with ROBERT C. BYRD.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, I think the remarks that were given by my colleague from Montana about Senator BYRD were certainly appropriate, and I know anytime we lose one of our Members who has been sitting with us for so long, there is a void to fill.

What I appreciated about Senator BYRD is how much he respected the Senate itself and protected the rights of the Senate against anyone who he believed overstepped the rights of the Senate and the decorum and protocol of the Senate. He was truly a defender of this body. He loved it, and I think we all respected him for that.

Mr. BOND. Mr. President, I rise to say a few words about our departed colleague.

This week the Senate lost its longest serving Member not only of the Senate but of the Congress. More than that, the Nation lost a true servant of the people.

From humble beginnings, Senator BYRD was, first and foremost, a champion for the people of West Virginia. Throughout his many years of service, there has been no greater student, teacher, and protector of the Senate institution. Senator BYRD was not only a guardian of the Senate institution, he was a guardian of the rights our Nation holds dear, which is why his most constant companion was the Constitution of the United States in his pocket.

I had the opportunity, when I first arrived in the Senate in 1990, to work on the acid rain trading provisions in the Clean Air Act. It was known as the Byrd-Bond amendment. We called it the Bond-Byrd amendment back in Missouri. The acid rain trading system has worked because there was technology available. The cost enabled the equitable sharing of the major utilities

which had to install expensive equipment that provided more benefit than they needed so they could sell off the other parts of their credits to smaller companies that could not afford to install expensive equipment. That was just a small success for Senator BYRD.

He was a true champion. He will be missed on the Senate floor. My thoughts and prayers are with Senator BYRD's family, his staff, and the people of West Virginia.

Ms. MIKULSKI. Mr. President, I stand today with my colleagues with a very heavy heart to express my condolences to the Byrd family and to the people of West Virginia for losing a great American patriot. It is a very sad day for America, for West Virginia, and for the Senate.

For all of us who knew Senator BYRD, we knew he had five great loves: this country, the Constitution, the Senate, the people of West Virginia, and his beloved wife Erma.

Senator BYRD was my mentor and my teacher. When I arrived in the Senate, I was the first Democratic woman elected to the Senate in her own right. He took me under his wing and taught me the rules of the Senate.

He said to me:

Senator Mikulski, he or she who knows the rules will rule. And you will know how to do it.

His advice to me—when I asked him how to be successful in the Senate—was this:

Senator Mikulski, stay loyal to the Constitution and stay loyal to your constituents and you will do okay.

From the very first day, he wanted me to succeed. He was so welcoming. He made sure I became a member of the Appropriations Committee, and he helped me learn how to use my position to meet the day-to-day needs of my constituents and the long-term needs of our Nation.

Senator BYRD's career was remarkable. We all know the facts: the longest serving Member of Congress in history, the majority leader in the Senate, chairman of the Appropriations Committee, President pro tempore of the Senate, elected nine times to the Senate. Yet he never, ever forgot where he came from. He represented the people of West Virginia.

Born in poverty in the coalfields of West Virginia, raised by an aunt and uncle, he was born with four great gifts: a deep faith, a love of learning, a strong work ethic, and always saluted the fact that he was born in the United States of America, where someone who was, by all intents and purposes, an orphan could become a U.S. Senator. He worked as a gas station attendant, as a meat butcher, and a welder—I might add, a welder in the Baltimore shipyards. He went to night school for college and law school while he was in the Senate.

Senator BYRD wrote and passed many laws, but most important to him was

that he was an appropriator. He used his position to help the people of West Virginia, and he did not apologize for that. He brought jobs, roads, and opportunity to one of the poorest States in the Nation. He did not call it pork; he called it opportunity. And this Senator would certainly agree with him.

But Senator BYRD also voted his conscience and encouraged other Members to do the same. In his 18,000 votes, he was most proud of his vote against the Iraq war. He was one of 23 Senators, and I joined him in that vote. At that time, it was deeply unpopular. Those of us who voted against the war were vilified. But we did the right thing, though it was not easy.

If you love the Senate, you love BOB BYRD. He often reminded us that the legislative branch is a coequal part of the government. He fought hard against those who wanted to give up Senate prerogatives, such as the line-item veto. No one understood Senate procedure better and no one protected Senate traditions more than Senator BOB BYRD.

He wanted to pass it on. With the new Senators, he gave each one of us a lecture on the Constitution and gave us a copy of the Constitution. He wanted us to know it and to love it in the way he did. He also taught us the decorum of the Senate—yes, the decorum of the Senate—and how, through our processes and procedures, it was meant to promote civility among us.

To me, as I said, he was a wonderful teacher. I remember going to him when I was ready to offer my first amendment on the floor, and I asked for his advice on how I could present it and how I could not, quite frankly, be rolled. He gave me good, concrete advice. On the day I offered my first amendment, there was Senator BYRD in the background. He was always there. As I said, Senator BYRD always had my back. I was so grateful for having his advice and having his encouragement.

He lived an extraordinary life and left an extraordinary legacy. He stood for citizenship, not partisanship. And maybe that is what we should all do. Follow the Constitution. Stay loyal to our Constitution. Stay loyal to our Constitution and our constituents. Use the rules of the Senate to promote civility and good government. And also make sure that at the end of the day, we respect the opportunity and greatness of the United States of America.

I mourn the passing of Senator BYRD, but his legacy will live on in the rules and the traditions and the many bills he sponsored.

The people of West Virginia have had great Senators. Senator ROCKEFELLER is a great Senator. And Senator BYRD will always be remembered, that he built a "bridge to somewhere" for all of the people of West Virginia.

Mr. LEMIEUX. Mr. President, I see the roses on the desk of our colleague

from West Virginia, as I did in the Armed Services Committee meeting I left a few minutes ago and will return to shortly. It makes me think that what we do here on a day-to-day basis seems very small compared to the legacy Senator BYRD has left us over his many years as the longest serving Member of Congress. We will do our best in the time we have to honor his legacy and thank him today and every day going forward for what he has done for this institution. He kept the flame. He understood the importance of this body constitutionally, and he understood that the rules and procedures of this body were its lifeblood and really understood them and recognized them more than anyone else who has served in this Chamber and spent his life's work protecting them and memorializing them. To him, we owe a great commendation.

Ms. STABENOW. Mr. President, I rise today to pay tribute to a great Senator and a friend and mentor of mine, Senator ROBERT C. BYRD. When I look at his desk, a place from which he spoke such powerful words so many times, it is hard to believe he will not be on the floor of the Senate speaking powerfully about what he believed in—the people of West Virginia and the great issues of our day. He will be sorely missed.

He was orphaned as a child and grew up poor. He often told us about his foster father, who was a coal miner, who had to work hard to scrape together food and shelter for their family. He always spoke of working men and women and those who were working hard and having a hard time making ends meet. I know his heart was always with them.

From a young age, Senator BYRD learned the importance of hard work, dedication, and perseverance—skills that would serve him well throughout his long and very distinguished life.

After graduating from high school at the top of his class in 1934, he married his high school sweetheart Erma. Many of us knew her, and those who didn't knew of her because he would speak continually about the love of his life, his sweetheart Erma. After school, he went on to work at a number of odd jobs. He worked as a butcher during the Great Depression, earning less than \$15 a week. He worked as a gas station attendant. During World War II, he was a welder in a shipyard in Baltimore. But he never forgot his childhood and where he came from. He knew how education had transformed his own life, and he never stopped trying to give every American that same opportunity.

After high school he couldn't afford to go to college. But after he was elected to the House of Representatives in 1953, he put himself through law school—the only Member of Congress ever to do that while in office. He joked

that Erma put three children through school, himself and their two daughters.

His wife was the most important person in the world to him, and I know he was deeply saddened when Erma died in 2006, as were all of us who served in the Senate with him at that time.

He was a great mentor, a great friend, a great advocate for working families of Michigan and of America. I was proud to join with him many times as we fought for American workers, whether they were mine workers in West Virginia or auto workers in Michigan.

He loved West Virginia, the people and the landscape. One of his favorite Bible verses was from the Psalms:

I will lift up mine eyes unto the hills, from whence cometh my help.

In my office I proudly display a painting that Senator BYRD gave to me, which he painted himself while working in Baltimore so he could remember those hills and mountains of his childhood. Today, when I see that painting, I remember that Senator who gave so much for the people of West Virginia and the people of America. I was proud to stand with him as one of the 23—as he reminded me frequently—the 23 who opposed the original war in Iraq and stood up for our men and women who have bravely served us around the world as well.

Senator ROBERT C. BYRD—the Senate is a better place because of him and he will be sorely missed.

Mr. NELSON of Florida. Mr. President, 10 years ago I gave my maiden speech on the floor of the Senate. I was at a desk on the far side of the Chamber. In the course of that speech, I happened to mention that it was my maiden speech. I had been here about a month. I went on. I can even remember the subject. It was the deficit, since we were in a unique position that we actually had a surplus in the Federal Government and I did not want to see that surplus piddled away. I started talking about the budget and why it was necessary to keep the surplus, to utilize the surplus to pay down the national debt over a 10-year period.

Some minutes later, after I had said this was my maiden speech, all of a sudden the doors to the Chamber flung open and in came Senator ROBERT BYRD. As I was giving this first speech on the floor of the Senate, the greatest deliberative body in the world, he went over to his desk—the one that is draped with black cloth, and upon it sits the vase of flowers to note his passing—he sat there and he looked at me and listened to the rest of that oration.

As I concluded, the Senator from West Virginia rose and said: Will the Senator from Florida yield?

And I said: Of course I yield.

He proceeded, off the top of his head, from that incredible, detailed memory, to lay out the history of maiden

speeches on the floor of the Senate. He had been back in his office, and he had heard me, in the course of the audio from the television, say this was my maiden speech. He came up and went into this long discourse about the importance of maiden speeches and who were the ones who had given them and how long into their service as a new Senator they had waited to give them.

Later on, as we were debating that budget, the great orator from West Virginia took the floor and began talking about a tax cut the Senate was considering; a tax cut he voted against, and so did this Senator from Florida. The Senator from West Virginia talked about this tax cut that was going to be a staggering \$1.6 trillion. This is what the great senior Senator from West Virginia said. "That is \$1,600 for every minute since Jesus Christ was born," Senator BYRD declared. He went on to say, "If we go for this big tax cut . . . that money . . . is gone."

We all like tax cuts, but what we have to have is a balance of tax cuts and spending cuts, given the position then that we had a surplus, and how to responsibly use that surplus to pay down the national debt. What we have is a reversal of that. We, of course, have a huge deficit because the revenues are not coming in to match the expenditures and, thus, additional problems that have accrued from not listening to the Senator who sat in that black-draped desk. No one else spoke like Senator BYRD or was as original as he was.

As we mark the passing of our dear colleague who, it has been said many times, was the longest serving Federal lawmaker since the founding of the Republic, as we mourn his passing, many will remember the Senator from West Virginia by the numbers and by the records he set. He made history. He brought depth and grace to the Senate. He is forever enshrined as a major part of its history.

I can tell you that 10 years ago, we freshmen had the blessing of being tutored—no, more than tutored; we were students, we were pupils of the master teacher. He taught us the rules, so important to the conduct of business in this body. But he taught us something more. He taught us decorum. He taught us how to preside as the Presiding Officer. He taught us that it is respectful that when you are presiding, you absolutely listen to the speaker. He taught us so much.

He was elected to no fewer than nine terms. He served first in the House for 6 years. He had cast over 18,000 votes. He presided over both the longest session of the Senate and the shortest. We had no fewer than 12 Presidents since he first took office.

But the numbers do not tell the full story. ROBERT BYRD was one of the greatest advocates for just plain folks and especially if they came from West

Virginia. He gave them his all, after his first and foremost love, his devotion to his wife Erma. In the spirit of Thomas Jefferson, ROBERT BYRD always put public service ahead of personal fortune.

On my desk in my Senate office, as I would suspect on many other Senators' desks, are copies of Senator BYRD's addresses on the history of the Senate—more than 100 of those speeches delivered over a 10-year period. Those are the only books that are set on my personal desk with book ends of two American eagles. That study has been called the most ambitious study of the Senate ever undertaken. Every day, those books remind me of the living history of this institution and its vital role in our democracy.

Senator BYRD made rare and noble contributions to his family, his friends, his State, his country, and to this Senate. He was, in a living person, the walking history book of the Senate, which he could recite. Now, as he has gone on to the ages, he will be known as the historian of the Senate. And now forever for history, he will be one of the major parts of the Senate's history.

We mourn his passing, we miss him personally, we grieve for his family, and we are thankful there was a public servant who surely the Lord would say: Well done, thy good and faithful servant.

Mr. UDALL of New Mexico. Mr. President, I rise today to join my colleagues as we mourn the death and celebrate the life of a man who touched all of ours; a man who loved his country, loved the Senate, and dedicated his life to preserving its traditions; a man who above all cherished his State and who every day considered it his highest honor to represent her people.

On Monday morning, Senator ROBERT BYRD took his rightful place in our history books as a titan of the Senate. On Thursday we will honor him as his body lies in state in this Chamber where he served longer than any other Senator in our history. Today, we grieve his loss with his family and with the entire country.

My family's history with Senator BYRD goes back many years. My father, before he became Secretary of the Interior, served with Senator BYRD, then Congressman BYRD, in the House of Representatives. A half century later, my father's honor became my own. I am proud to have had the privilege of serving in this Chamber with Senator BYRD, of experiencing firsthand his distinguished service and remarkable career.

Senator BYRD will be remembered for many things. He will be remembered for his historic length of service; for his rise from humble roots to the pinnacles of political power; for his encyclopedic knowledge of Senate rules and procedure; and for his love of his wife of 68 years, Erma.

What I will remember Senator BYRD for is his willingness to stand up and fight for what he believed in. Two of the most pressing issues of the past decade are perfect examples—the wars in Iraq and Afghanistan. From the very beginning, Senator BYRD was a voice of opposition to the Iraq war. He delivered what will become one of his most memorable speeches in the days leading up to the Senate's vote to authorize its funding. He spoke out against a war at a time when any opposition to the President's path meant putting his own political future in jeopardy. But he did not waiver.

Here is part of what he said:

No one supports Saddam Hussein. If he were to disappear tomorrow, no one would shed a tear around the world. I would not. My handkerchief would remain dry. But the principle of one government deciding to eliminate another government, using force to do so, and taking that action in spite of world disapproval is a very disquieting thing. I am concerned that it has the effect of destabilizing the world community of nations. I am concerned that it fosters a climate of suspicion and mistrust in U.S. relations with other nations. The United States is not a rogue nation, given to unilateral action in the face of worldwide opprobrium.

Eight years and thousands of American lives lost later, his words read as prophetic.

But he didn't stop there. Last year—this time with his party holding the reins of power in both the White House and the Congress—he did the same thing. Seven years had passed, and Senator BYRD was older and more fragile than ever before. None of that stopped him from getting to the Senate floor that day. How did I know this? I had a front row seat as the presiding officer of the Senate that day.

This time, he questioned the proposed buildup of troops in Afghanistan—a proposal I myself had questioned many times as well. Here is what Senator BYRD said:

I have become deeply concerned that in the 8 years since the September 11 attacks, the reason for the U.S. military mission in Afghanistan has become lost, consumed in some broader scheme of nation-building which has clouded our purpose and obscured our reasoning.

He continued:

... President Obama and the Congress must reassess and refocus on our original and most important objective—namely emasculating a terrorist network that has proved its ability to inflict harm on the United States.

Time will tell if Senator BYRD's concerns about Afghanistan prove as prescient as those he expressed about Iraq almost a decade ago. Time also will tell if we heed those concerns.

What is clear is that Senator BYRD understood the importance of asking the tough questions, regardless of their impact on himself personally or professionally. In this regard, we could all learn a little bit from Senator BYRD.

I know my Senate colleagues will agree with me when I say this institu-

tion, this country, this democracy lost a powerful advocate this week, and all of us in this Chamber lost a good friend.

Today I join with my colleagues in expressing my deepest sympathy to Senator BYRD's family for their loss and remembering a man whose legend and legacy will endure beyond us all.

Mr. KAUFMAN. Mr. President, I wish to spend a few minutes talking about a truly great Federal employee, and that is Senator ROBERT C. BYRD.

He personified all the things I try to talk about once a week, because ROBERT BYRD was a Federal employee. ROBERT BYRD was a creature of the U.S. Senate. ROBERT BYRD had his family, and he was a great family man, but the Senate was also his family, and he cared about everybody here.

I remember the first time I ever had contact with Senator BYRD was in 1972. On election day in 1972, JOE BIDEN, a 29-year-old candidate for the U.S. Senate, was elected to the Senate running against one of the most popular officials we ever had in the State of Delaware, a wonderful public servant and Federal employee, Caleb Boggs, who had been a Congressman and Governor before he became a Senator.

Just 6 weeks later, on December 18, when his wife and two sons and daughter were bringing their Christmas tree home, the car was hit by a tractor trailer and Senator BIDEN's wife and daughter were killed.

Shortly after that, my church, St. Mary Magdalen in Wilmington, DE, had a memorial service for his wife and daughter. I will never forget, it was a dark night. It was in December. It was just an ugly night out. The church was full, and it was a very moving ceremony. After it was over, I found out that Senator ROBERT BYRD had driven himself to Wilmington, DE, come into the church, stood in the back of the church for the entire service, and then turned around and drove home. And there are hundreds of stories like that where ROBERT BYRD demonstrated his great love for the Senate and for the people of the Senate.

There are traditions he instilled in the Senate and traditions he kept alive in the Senate. I remember when he was majority leader, I will tell you what, there were lots of things that just never happened because Senator BYRD was going to make sure we stuck to the traditions of the Senate. So I wish to recognize Senator ROBERT BYRD as a great, great Federal employee.

Mr. FEINGOLD. Mr. President, I join all Americans in mourning the passing of Senator ROBERT C. BYRD. For more than five decades, Senator ROBERT BYRD served his home State, his beloved West Virginia, with a dedication that is unsurpassed in our Nation's history.

Senator BYRD was legendary for that commitment to his State, for his outstanding service as both the Senate's

majority and minority leader, and for his staunch defense of the U.S. Constitution throughout his many years of public service.

When I arrived in the Senate, Senator BYRD was in the midst of his sixth term, President pro tempore of the Senate, chairman of the Appropriations Committee and already a giant of the institution. It was an honor to work beside him in this body.

Senator BYRD was the longest serving Member of Congress in our Nation's history, elected to an unprecedented ninth term in the Senate in 2006. It was a long road from his humble beginnings in rural West Virginia to his long and distinguished service here. Along the way, Senator BYRD's life was characterized by hard work and a steely determination.

And of all the things he was determined to do, perhaps the most significant was his determination to get an education. Senator BYRD prized education, and fought to get one for himself despite difficult odds. That long effort culminated in Senator BYRD earning his law degree, after 10 years of night classes as he served in Congress by day. He was 46 years old when he graduated, and President John F. Kennedy presented him with the diploma.

He shared that love of learning as a champion of continuing education, and through the establishment of the Robert C. Byrd Honors Scholarship Program, which provides scholarships to high school seniors who show promise of continued excellence in postsecondary education.

Senator BYRD was dedicated to the Senate and served an invaluable role as a historian of the institution. He wrote a distinguished multivolume history of the Senate, and also authored several other books. In fact when I drafted my proposed constitutional amendment on Senate vacancies, I consulted one of his volumes on Senate history. He had written a chapter on the 17th amendment to the Constitution that was very helpful in putting the issue of Senate vacancies in a historical context.

As a student of Senate history, both the U.S. Senate and the Roman Senate, he was also a passionate defender of the powers of the legislative branch. One would expect no less of a man so devoted to our Constitution. Senator BYRD was eloquent as he spoke about the need to stand up for our Constitution and its principles here in the Senate, and faithfully carried a copy of the Constitution with him every day. He was very proud of his efforts to encourage students to learn more about this document and our great democracy.

In Senator BYRD's lifetime of leadership, he worked on so many important issues. As the Senate's majority leader, he helped to lead the fight against the undue influence of money in politics in an effort with then-Senator David Boren of Oklahoma. Together they

sponsored campaign finance legislation and worked to pass it in what has been described as "one of the most extraordinary exhibitions of perseverance on the Senate floor, as BYRD led the Senate through eight unsuccessful votes to end a filibuster." While that legislation stalled, it was one of the efforts that paved the way for later reforms, and I am grateful for his efforts.

I respected him for that, and for so many of the principled stands he took during our service together, including his opposition to the Iraq war. He brought tremendous wisdom and insight to our work here and I know how much those gifts will be missed.

ROBERT C. BYRD was a man who sought to learn every day of his life, and in turn taught all of us a great deal. He taught us about our nation's history, about the people he represented, and about the institution of the Senate he loved. While Senator BYRD's passing is a loss for the nation, his legacy of innumerable achievements will live on for many, many years to come. My thoughts are with his family and many friends today.

Mr. JOHNSON. Mr. President, on Monday, we lost a colleague and dear friend with the passing of Senator ROBERT C. BYRD. My deepest sympathy goes out to his family, friends, dedicated staff, and the people of West Virginia. Senator BYRD was truly a giant among Senators. His presence will be greatly missed.

Few have had the command of history that Senator BYRD possessed, and I suspect none have matched his knowledge of the U.S. Constitution and the Senate in which he served. Senator BYRD never passed up the opportunity to give a history lesson, delivering impassioned speeches peppered with poetry, lessons from ancient Rome, and his unique understanding of the workings of this Chamber. He also never forgot to remind us of the importance of Mother's Day, the beauty of the first day of spring, or how devoted he was to his beloved wife Erma.

Senator BYRD held fiercely to his beliefs. Yet, he had the humility and wisdom to change beliefs he realized were wrong. History will remember Senator BYRD, not only for his numerous records of service, but for his unwavering commitment to education, public infrastructure, and the State of West Virginia.

This year, 19 outstanding high school students from my home State of South Dakota joined the ranks of thousands of Robert C. Byrd Honors Scholarship recipients that are furthering their education, in part, because of Senator BYRD's belief in the value of higher education. He embodied that belief in his own life, earning a law degree while serving in Congress and striving to continue learning each day.

Senator BYRD also understood the value of investing in the small, some-

times overlooked communities of his State. Where others saw "pork," he saw jobs, opportunities, and hope for hard-working Americans. He understood—better than most—that without roads, clean water, and reliable utilities, rural communities will struggle to reach their full potential.

Though he would later "walk with Kings, meet Prime Ministers and debate with Presidents," Senator BYRD never forgot his roots in the hills of West Virginia. West Virginia lost a true champion, but his mark on the State will last far longer than even his half century in Congress.

I am honored to have served with Senator BYRD. This institution is a better place for his time here.

PROTECTING AFGHAN CIVILIANS

Mr. LEAHY. Mr. President, as we take stock of the changes made last week by President Obama to the military command in Afghanistan, there is a related issue that has been discussed in the press that is of particular concern to me.

I believe the President's decision to replace General McChrystal was the right decision. The published comments of the general and his aides were unquestionably insubordinate. They portrayed extraordinarily poor judgment and disrespect, and a deterioration of discipline that was unacceptable.

But putting aside those matters, I believe General McChrystal's command was notable for his recognition, to an unprecedented extent, of the importance of protecting the lives of innocent Afghan civilians for the safety of U.S. troops and to improve the chances of success of the mission.

Before General McChrystal's tenure, the need to do more to reduce civilian casualties was discussed, particularly after each incident when civilians were inadvertently killed or injured. But far too little was done about it. The frequent reliance on air power in areas where civilians were present caused many innocent casualties. Whole villages were destroyed. Wedding parties were wiped out. Night raids also often caused civilian deaths or injuries, as well as widespread anger and resentment towards U.S. troops who were perceived as disrespectful of Afghan customs.

General McChrystal implemented stricter rules of engagement to reduce these tragic incidents. While in some cases these rules have limited our troops' actions, they do not prevent soldiers from acting in self-defense when there is a real or perceived threat. There is no basis, as far as I am aware, military or otherwise, to criticize these efforts to protect civilian lives. Indeed, I believe more can still be done, particularly to prevent such unfortunate incidents at roadblocks and

checkpoints, where those killed have, with few exceptions, turned out to be unarmed civilians who posed no threat. Their deaths caused great suffering for their families, and incited support for the Taliban in their communities.

Reducing civilian casualties, and by doing so winning the support of the Afghan people, is essential. In late April, the people of the town of Gizab, north of Kandahar, took up arms and ousted the Taliban. This is encouraging, but it is unlikely to continue to occur if the United States and our ISAF partners are perceived by the civilian population as another invader.

I have my own concerns with the President's strategy in Afghanistan, which I will discuss at a later time. But today, as General Petraeus prepares to assume command of U.S. forces in Afghanistan, it is fortunate, I believe, that he knows from Iraq that winning the support and respect of the local population means much more than the cliché it has become. Progress in Afghanistan depends on it.

RECOGNIZING THE FRATERNAL ORDER OF EAGLES

Mr. HARKIN. Mr. President, one of the great joys of my job as Senator is working with non-profit organizations dedicated to improving the lives of all Americans. I would like to take a moment to salute one such organization, the Fraternal Order of Eagles.

The Fraternal Order of Eagles is an international nonprofit organization with over 1 million members worldwide. Established in 1898, the Fraternal Order of Eagles has truly made the lives of people across the world better by raising millions of dollars to combat cancer and heart disease, help children living with disabilities, and support the elderly.

Two years ago, over 700 delegates representing the Fraternal Order of Eagles voted by unanimous consent to commit \$25 million to the University of Iowa to create the world's premier diabetes research center. Already a world leader in medical and diabetes research, the University of Iowa has the unique ability to fully maximize every dollar being donated. But that isn't the only reason the Fraternal Order of Eagles selected the University of Iowa to receive these funds; both the Eagles and the University of Iowa have had a tradition of helping those in their communities and beyond for over a century.

One of the missions of the Fraternal Order of Eagles is to lessen the ills of mankind, and I can't think of a more appropriate way to do that than to join in the fight against diabetes. In the United States, over 23 million children and adults already suffer from the diabetes, with an additional 1.6 million adults being diagnosed every year. It is said that an ounce of prevention is

worth a pound of cure, and perhaps nowhere is that more applicable than in the case of diabetes. Unlike other chronic diseases which do not appear until later in life, diabetes does not spare the young. Almost 200,000 Americans below the age of 20 suffer from diabetes. It was recently predicted that one in three children born in 2000 will eventually suffer from diabetes if current rates continue. The health care cost associated with caring for these patients is enormous, amounting to over \$170 billion in 2007. But the costs to patients and their loved ones who suffer from diabetes are even greater. Patients with diabetes are subject to an increased risk of blindness, kidney failure, high blood pressure, need for amputations, nerve damage, and premature death. The potential benefits of a cure for diabetes are truly outstanding, and that is why donations such as the one made by the Fraternal Order of Eagles are so important to improving the lives of all Americans.

Martin Luther King Jr. once said, "Life's most persistent and urgent question is: What are you doing for others?" I think it is quite clear that the Fraternal Order of Eagles is doing a great deal. For this donation and for their other good works, I commend the Fraternal Order of Eagles.

HIRA

Mr. BURRIS. Mr. President, a few months ago, my colleagues and I passed a landmark health insurance reform bill.

President Obama signed it into law, and together we ushered in a new era of transparency, accountability, and cost savings for the American people.

Now, these reforms will go a long way towards fixing our broken health care system.

They will restore responsibility to the insurance market, and impose commonsense regulations, to ensure that every American can get a fair deal.

Some of these provisions have already gone into effect. Others will take time to implement correctly.

But as we move swiftly to translate this legislation into reality, we need to be mindful of those who would take advantage of this period of transition.

Already, there are reports that some health insurance companies have drastically increased their rates, using our reform law as an excuse.

I recently heard from Charles, a small business owner from Plano, IL, who reported that his employees will see their premiums go up by an average of almost 28 percent next year.

And some folks will have to pay an arbitrary increase of 35 percent—even though their benefits haven't changed yet.

That is because a few big insurance companies have chosen to hike up their profits before our health reform law re-

quires them to improve their services as well.

Now, there is nothing wrong with making an honest buck.

But these abusive increases will make it harder for ordinary folks and small businesses to get coverage in the short term.

There is no question that they violate the spirit of our reform law—so I believe we need to take action.

It is time to close this loophole, so big companies must compete with others in an open marketplace—and so they can be held accountable for unreasonable rate hikes.

That is why I am proud to support the Health Insurance Rate Authority Act.

This legislation would require insurance companies to justify major increases in their premiums—a power that already resides with regulators in a handful of States.

Our bill would merely bring similar regulatory authority to a national level, in response to numerous claims of abuse all across the country.

Mr. President, this wouldn't put insurers out of business or prevent them from making an honest profit, but it would increase transparency, restore accountability, and ensure that these corporations can remain solvent.

In my home State of Illinois, some insurers must already supply rate increase information to the State department of insurance.

But under current law, regulators are powerless to rein in obvious abuses when they occur.

And as a result, small business owners like Charles—and countless folks in the individual market—are held hostage to the same corporate agendas that led us to pass a health reform law in the first place.

This is unacceptable. We need to pass the Health Insurance Rate Authority Act, to keep insurance providers in check until the full effects of the new law have taken hold.

I would urge my colleagues to join with me in standing up to the insurance giants.

Let's give regulators the authority to approve or deny excessive rate hikes, so we can make sure every American can get a fair deal—starting today.

REMEMBERING DONALD J. RUHL

Mr. BARRASSO. Mr. President, this weekend, the citizens of Greybull, WY gather to dedicate a monument at the Donald J. Ruhl Memorial Cemetery. This monument is the culmination of the hopes, dreams and hard work of dozens of people in the community. A true American hero was laid to rest in their cemetery, and these committed individuals wanted his memory to be honored forever. Donald served our Nation during World War II as a marine. His bravery and ultimate sacrifice

earned him our Nation's most distinguished recognition, the Medal of Honor.

Donald J. "Johnny" Ruhl, enlisted in the Marine Corps Reserve on September 12, 1942. Immediately going on active duty, the new recruit used his lifelong experience with firearms to qualify as a sharpshooter, and demonstrated his endurance by becoming a combat swimmer. Following his exemplary performance at boot camp, Private Ruhl volunteered for Parachute Training School. At the conclusion of this 5-week training, Ruhl was promoted to private first class and assigned to further training in New Caledonia.

He first saw combat at Bougainville, but it was his actions at Iwo Jima that truly demonstrated his heroism. In February 1945, Johnny departed from Saipan aboard the USS LST 481, headed for the shores of Iwo Jima. Private First Class Ruhl displayed his courage from the onset of D-day at Iwo Jima on February 19, 1945. Johnny recognized his role early on in the battle attacking a group of eight Japanese soldiers single-handedly. Private First Class Ruhl confirmed his valor and bravery by risking his own life to rescue a marine wounded ahead of the front line—ensuring that the man was transported to an aid station, regardless of the threat to Ruhl.

Ruhl continued to establish his commitment to the cause by returning from the aid station to voluntarily investigate an abandoned Japanese gun emplacement. With boundless courage, he prevented the enemy from regaining possession of the valuable site by occupying the position throughout the night. On February 21, Johnny demonstrated his true selfless nature. As Company E, 2nd Battalion, 28th Marines, 5th Marine Division pushed forward on their quest to capture Mount Suribachi, Private First Class Ruhl along with his platoon guide, pressed their position to the top of a Japanese bunker. As the marines prepared to fire upon the enemy troops, a grenade landed between them. While notifying the platoon guide, Ruhl dove onto the grenade, absorbing the full detonation with his body. This sacrifice saved the lives of all of the nearby marines. Thanks in great part to this selfless act, Company E was able to raise an American flag on the top of Mount Suribachi.

In awarding Private First Class Ruhl the Medal of Honor posthumously, President Truman recognized Johnny's efforts, stating "An indomitable fighter, PFC Ruhl rendered heroic service toward the defeat of a ruthless enemy." . . . Certainly Truman was correct when he continued praising Ruhl's dedication to our Nation and his fellow marines, ". . . his valor, initiative and unfaltering spirit of self-sacrifice in the face of almost certain

death sustained and enhanced the highest traditions of the United States Naval Service."

PFC Donald J. Ruhl embodied the Marine Corps motto, *Semper Fidelis*, committing his life, and his death, to loyalty to the Corps and his country. The community of Greynbull has done well to recognize this hero. They have demonstrated their faithfulness to his memory by renaming his eternal resting place. His gift to our country will never be forgotten—in passing his memorial, we will forever know that Donald J. Ruhl gave all so our country could remain free.

NATIONAL HEREDITARY HEMORRHAGIC TELANGIECTASIA MONTH

Mr. JOHNSON. Mr. President, I rise today in recognition of National Hereditary Hemorrhagic Telangiectasia—HHT—Month to raise awareness of this public health threat and encourage greater prevention, diagnosis and treatment efforts.

Hereditary Hemorrhagic Telangiectasia, HHT, also referred to as Osler-Weber-Rendu Syndrome, is a complex genetic blood vessel disorder that affects approximately 70,000, or 1 in 5,000, Americans. It is characterized by irregular blood vessel growths, or telangiectases, in the nasal mucosa, mouth, gastrointestinal tract, and skin of the face and hands, as well as artery-vein malformations—AVMs—in the major organs including the lungs, brain, and liver. If left misdiagnosed or untreated, HHT can result in considerable morbidity and mortality.

It is estimated that 20 to 40 percent of debilitating and life-threatening complications and sudden death due to these "vascular time bombs" are preventable. Twenty percent of those with HHT, regardless of age, suffer death or disability. HHT has been subject to underreporting for many years. Approximately 90 percent of the HHT population is not yet diagnosed and is at risk for sudden rupture of the blood vessels in major organs in the body, such as the brain and lungs, and other complications due to nosebleeds and gastrointestinal bleeding.

It is my hope that efforts throughout the month of June will increase awareness of HHT and mitigate the preventable health threats posed by this disorder.

ADDITIONAL STATEMENTS

TRIBUTE TO COLONEL CLARENCE S. PARKER

• Mr. CHAMBLISS. Mr. President, I wish to join with my colleague, Senator ISAKSON, today to honor the accomplishments of COL Clarence S. Parker of Valdosta, GA, in the RECORD of the Senate.

For most of his life, Colonel Parker has been a dedicated pilot. In 1940, when the United States was on the brink of war, Colonel Parker was prepared to fight for his loved ones and his nation. A native of Houston, TX, Colonel Parker began his lengthy career in aviation while enrolled as a student at the University of Houston.

After the Japanese attack on Pearl Harbor, Colonel Parker entered the U.S. Army Air Corps in January of 1942. He completed military flight training and was commissioned in September of that year. During World War II, Colonel Parker was an instructor pilot at Waco Army Airfield, primarily in the BT-13 and the P-40 aircraft. He flew during the early phases of the Berlin Airlift, and later ascended to a position of leadership as the chief of flight procedures from 1948 until the end of the airlift. In 1950, he returned to the U.S. to serve at the Pentagon in the U.S. Air Force Headquarters and also at Tyndall Air Force Base in Florida. Following service in Vietnam, he finished his military career as wing commander at Moody Air Force Base in Valdosta, GA, flying T-37 and T-38 aircraft.

Following his retirement in 1971, Colonel Parker made Valdosta, GA, his home. He became heavily involved in the operations and upkeep of the Valdosta Municipal Airport and began a second career in banking. During his tenure as chairman of the airport authority from 1987 to 2005, he was instrumental in earning funding for several major construction projects, including a project to lengthen the main instrument runway to 8,002 feet.

Colonel Parker remains an active pilot with over 7,500 hours of flight time. He continues to work with the Valdosta-Lowndes Chamber of Commerce to benefit the flying activities at both Moody Air Force Base and in the Valdosta civil aviation community. Additionally, he remains a consultant to the Valdosta-Lowndes County Airport Authority.

Colonel Parker has enjoyed a career that is extraordinary in length, quality of service, and leadership. For these reasons, he has been selected to receive the Federal Aviation Administration's Wright Brothers Master Pilot Award. The Wright Brothers Master Pilot Award recognizes pilots who have maintained safe flight operations for 50 or more consecutive years. We can think of no higher award for a pilot, and we are proud to recognize Colonel Parker for his receipt of the Wright Brothers Master Pilot Award.●

TRIBUTE TO SARAH MARGARET AKER

• Mr. THUNE. Mr. President, today I recognize Sarah Margaret Aker, an intern in my Washington, DC, office, for all of the hard work she has done for

me, my staff, and the State of South Dakota over the past several weeks.

Sarah is a graduate of Sturgis Brown High School, Sturgis, SD. Currently, she is attending the University of South Dakota, where she is majoring in chemistry and political science. She is a hard worker who has been dedicated to getting the most out of her internship experience.

I would like to extend my sincere thanks and appreciation to Sarah for all of the fine work she has done and wish her continued success in the years to come.●

TRIBUTE TO KEATON JACE BAUMAN

● Mr. THUNE. Mr. President, today I recognize Keaton Jace Bauman, an intern in my Washington, DC, office, for all of the hard work he has done for me, my staff, and the State of South Dakota over the past several weeks.

Keaton is a graduate of Huron High School in Huron, SD. Currently, he is attending the University of South Dakota, where he is majoring in history and political science. He is a hard worker who has been dedicated to getting the most out of his internship experience.

I would like to extend my sincere thanks and appreciation to Keaton for all of the fine work he has done and wish him continued success in the years to come.●

TRIBUTE TO ABIANE CAMPBELL

● Mr. THUNE. Mr. President, today I recognize Abiane Campbell, an intern in my Washington, DC, office, for all of the hard work she has done for me, my staff, and the State of South Dakota over the past several weeks.

Abiane is a graduate of Yankton High School in Yankton, SD. Currently, she is attending the Winona State University, where she is majoring in business administration and paralegal studies. She is a hard worker who has been dedicated to getting the most out of her internship experience.

I would like to extend my sincere thanks and appreciation to Abiane for all of the fine work she has done and wish her continued success in the years to come.●

TRIBUTE TO HAYDEN MATHIAS FUCHS

● Mr. THUNE. Mr. President, today I recognize Hayden Mathias Fuchs, an intern in my Washington, DC, office, for all of the hard work he has done for me, my staff, and the State of South Dakota over the past several weeks.

Hayden is a graduate of Stevens High School in Rapid City, SD. Currently, he is attending the University of Kansas, where he is majoring in business-fi-

nance and business-management. He is a hard worker who has been dedicated to getting the most out of his internship experience.

I would like to extend my sincere thanks and appreciation to Hayden for all of the fine work he has done and wish him continued success in the years to come.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mrs. Neiman, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting Sunday nominations and a treaty which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE RECEIVED DURING ADJOURNMENT ON JUNE 28, 2010

ENROLLED BILL SIGNED

Under the authority of the order of the Senate of January 6, 2009, the Secretary of the Senate, on June 28, 2010, during the adjournment of the Senate, received a message from the House announcing that the Speaker has signed the following enrolled bill:

H.R. 2194. An act to amend the Iran Sanctions Act of 1996 to enhance United States diplomatic efforts with respect to Iran by expanding economic sanctions against Iran.

MESSAGES FROM THE HOUSE

At 10:27 a.m., a message from the House of Representatives, delivered by Mr. Novotny, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3913. An act to direct the Mayor of the District of Columbia to establish a District of Columbia National Guard Educational Assistance Program to encourage the enlistment and retention of persons in the District of Columbia National Guard by providing financial assistance to enable members of the National Guard of the District of Columbia to attend undergraduate, vocational, or technical courses.

The message also announced that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 1510. An act to transfer statutory entitlements to pay and hours of work authorized by the District of Columbia Code for current members of the United States Secret Service Uniformed Division from the District of Columbia Code to the United States Code.

At 2:20 p.m., a message from the House of Representatives, delivered by

Mrs. Cole, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 5611. An act to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes.

At 4:56 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 5623. An act to amend the Internal Revenue Code of 1986 to extend the home-buyer tax credit for the purchase of a principal residence before October 1, 2010, in the case of a written binding contract entered into with respect to such principal residence before May 1, 2010, and for other purposes.

The message further announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 33. Joint resolution to provide for the reconsideration and revision of the proposed constitution of the United States Virgin Islands to correct provisions inconsistent with the Constitution and Federal law.

At 5:36 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House agreed to the following resolution:

H. Res. 1484. Resolution relative to the death of the Honorable ROBERT C. BYRD, a Senator from the State of West Virginia.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 3913. An act to direct the Mayor of the District of Columbia to establish a District of Columbia National Guard Educational Assistance Program to encourage the enlistment and retention of persons in the District of Columbia National Guard by providing financial assistance to enable members of the National Guard of the District of Columbia to attend undergraduate, vocational, or technical courses; to the Committee on Homeland Security and Governmental Affairs.

H.R. 5116. An act to invest in innovation through research and development, to improve the competitiveness of the United States, and for other purposes; to the Committee on Commerce, Science, and Transportation.

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

H.R. 5175. An act to amend the Federal Election Campaign Act of 1971 to prohibit foreign influence in Federal elections, to prohibit government contractors from making expenditures with respect to such elections, and to establish additional disclosure requirements with respect to spending in such elections, and for other purposes.

MEASURES READ THE FIRST TIME

The following bill was read the first time:

H.R. 5623. An act to amend the Internal Revenue Code of 1986 to extend the home-buyer tax credit for the purchase of a principal residence before October 1, 2010, in the case of a written binding contract entered into with respect to such principal residence before May 1, 2010, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC-6441. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Pasteuria usgae; Exemption from the Requirement of a Tolerance" (FRL No. 8831-9) received in the Office of the President of the Senate on June 24, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-6442. A communication from the Chief of Research and Analysis, Food and Nutrition Services, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Supplemental Nutrition Assistance Program: Quality Control Provisions of Title IV of Public Law 107-171" (RIN0584-AD31) received in the Office of the President of the Senate on June 24, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-6443. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Asian Longhorned Beetle: Quarantined Area and Regulated Articles" (Docket No. APHIS-2010-0004) received in the Office of the President of the Senate on June 25, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-6444. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Citrus Greening and Asian Citrus Psyllid; Quarantine and Interstate Movement Regulations" (RIN0579-AC85) received in the Office of the President of the Senate on June 25, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-6445. A communication from the Deputy Under Secretary of Defense (Acquisition, Technology and Logistics), transmitting, pursuant to law, a report relative to the Department's purchases from foreign entities for Fiscal Year 2009; to the Committee on Armed Services.

EC-6446. A communication from the Under Secretary of Defense (Acquisition, Technology, and Logistics), transmitting, pursuant to law, a report entitled, "Federally Funded Research and Development Center's Estimated FY 2011 Staff-years of Technical Effort (STEs) and Estimated Funding"; to the Committee on Armed Services.

EC-6447. A communication from the Assistant to the Secretary of Defense, Nuclear and Chemical and Biological Defense Programs, transmitting, pursuant to law, the Department of Defense (DoD) Chemical and Biologi-

cal Defense Program (CBDP) Annual Report to Congress for 2010; to the Committee on Armed Services.

EC-6448. A communication from the Chairman and President of the Export-Import Bank, transmitting, pursuant to law, a report relative to transactions involving U.S. exports to Mexico; to the Committee on Banking, Housing, and Urban Affairs.

EC-6449. A communication from the Chairman and President of the Export-Import Bank, transmitting, pursuant to law, a report relative to transactions involving U.S. exports to Mexico; to the Committee on Banking, Housing, and Urban Affairs.

EC-6450. A communication from the Chairman and President of the Export-Import Bank, transmitting, pursuant to law, a report relative to transactions involving U.S. exports to Brazil; to the Committee on Banking, Housing, and Urban Affairs.

EC-6451. A communication from the Chairman and President of the Export-Import Bank, transmitting, pursuant to law, a report relative to transactions involving U.S. exports to Honduras; to the Committee on Banking, Housing, and Urban Affairs.

EC-6452. A communication from the Chief Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Changes in Final Flood Elevation Determinations" ((44 CFR Part 67)(Docket No. FEMA-2010-0003)) received in the Office of the President of the Senate on June 24, 2010; to the Committee on Banking, Housing, and Urban Affairs.

EC-6453. A communication from the Associate Director, Office of Foreign Assets Control, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Republication of Appendix A to 31 CFR Chapter V" received in the Office of the President of the Senate on June 15, 2010; to the Committee on Banking, Housing, and Urban Affairs.

EC-6454. A communication from the Assistant Administrator for Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Atlantic Highly Migratory Species; 2010 Atlantic Bluefin Tuna Quota Specifications" (RIN0648-AY77) received in the Office of the President of the Senate on June 24, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6455. A communication from the Assistant Secretary for Export Administration, Bureau of Industry and Security, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Revisions to the Export Administration Regulations Based Upon a Systematic Review of the Commerce Control List: Additional Changes" (RIN0694-AE56) received in the Office of the President of the Senate on June 24, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6456. A communication from the Chief of Staff, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Culebra, Puerto Rico, Charlotte Amalie, and Christiansted, Virgin Islands)" (MB Docket No. 08-243) received in the Office of the President of the Senate on June 25, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6457. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmit-

ting, pursuant to law, the report of a rule entitled "Revisions to the California State Implementation Plan, Yolo-Solano Air Quality Management District" (FRL No. 9167-6) received in the Office of the President of the Senate on June 24, 2010; to the Committee on Environment and Public Works.

EC-6458. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Emergency Planning and Community Right-to-Know Act; Guidance on Reporting Options for Sections 311 and 312 and Interpretations" (FRL No. 9168-7) received in the Office of the President of the Senate on June 24, 2010; to the Committee on Environment and Public Works.

EC-6459. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Disapproval of California State Implementation Plan Revisions, Monterey Bay Unified Air Pollution Control District" (FRL No. 9169-3) received in the Office of the President of the Senate on June 24, 2010; to the Committee on Environment and Public Works.

EC-6460. A communication from the Chairman, Medicare Payment Advisory Commission, transmitting, pursuant to law, a report entitled "Report to the Congress: Aligning Incentives in Medicare"; to the Committee on Finance.

EC-6461. A communication from the Program Manager, Office of the National Coordinator for Health Information Technology, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Establishment of the Temporary Certification Program for Health Information Technology" (RIN0991-AB59) received in the Office of the President of the Senate on June 23, 2010; to the Committee on Health, Education, Labor, and Pensions.

EC-6462. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, (2) reports entitled "Community Services Block Grant (CSBG) Program Report" and "Community Services Block Grant Performance Measurement Report"; to the Committee on Health, Education, Labor, and Pensions.

EC-6463. A communication from the Chairman, Merit System Protection Board, transmitting, pursuant to law, a report entitled "Prohibited Personnel Practices—A Study Retrospective"; to the Committee on Homeland Security and Governmental Affairs.

EC-6464. A communication from the Secretary, Judicial Conference of the United States, transmitting, legislative proposals relative to the fiscal year 2010 supplemental proposals in the fiscal year 2011 Budget for the Department of Homeland Security; to the Committee on the Judiciary.

EC-6465. A communication from the Deputy Director, National Legislative Commission, The American Legion, transmitting, pursuant to law, a report relative to the financial condition of The American Legion as of December 31, 2009; to the Committee on the Judiciary.

EC-6466. A communication from the Staff Director, U.S. Sentencing Commission, transmitting, pursuant to law, the 2009 Annual Report and Sourcebook of Federal Sentencing Statistics; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mrs. BOXER, from the Committee on Environment and Public Works, without amendment:

S. 3373. A bill to address the health and economic development impacts of nonattainment of federally mandated air quality standards in the San Joaquin Valley, California, by designating air quality empowerment zones (Rept. No. 111-218).

By Mr. KERRY, from the Committee on Foreign Relations, with an amendment in the nature of a substitute:

S. 1382. A bill to improve and expand the Peace Corps for the 21st century, and for other purposes (Rept. No. 111-219).

By Mr. LIEBERMAN, from the Committee on Homeland Security and Governmental Affairs, without amendment:

H.R. 4861. A bill to designate the facility of the United States Postal Service located at 1343 West Irving Park Road in Chicago, Illinois, as the "Steve Goodman Post Office Building".

H.R. 5051. A bill to designate the facility of the United States Postal Service located at 23 Genesee Street in Hornell, New York, as the "Zachary Smith Post Office Building".

H.R. 5099. A bill to designate the facility of the United States Postal Service located at 15 South Main Street in Sharon, Massachusetts, as the "Michael C. Rothberg Post Office".

S. 3465. A bill to designate the facility of the United States Postal Service located at 15 South Main Street in Sharon, Massachusetts, as the "Michael C. Rothberg Post Office".

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of nominations were submitted:

By Mr. LEVIN for the Committee on Armed Services.

*Army nomination of Gen. David H. Petraeus, to be General.

*Army nomination of Lt. Gen. Lloyd J. Austin III, to be General.

*Army nomination of Gen. Raymond T. Odierno, to be General.

Army nomination of Lt. Gen. Francis H. Kearney III, to be Lieutenant General.

Marine Corps nomination of Brig. Gen. Rex C. McMillian, to be Major General.

Navy nomination of Rear Adm. (1h) Alton L. Stocks, to be Rear Admiral.

Navy nomination of Rear Adm. (1h) William A. Brown, to be Rear Admiral.

Navy nomination of Capt. Elaine C. Wagner, to be Rear Admiral (lower half).

Navy nomination of Capt. Colin G. Chinn, to be Rear Admiral (lower half).

Navy nominations beginning with Capt. Willie L. Metts and ending with Capt. Jan E. Tighe, which nominations were received by the Senate and appeared in the Congressional Record on April 14, 2010.

Navy nomination of Capt. Thomas H. Bond, Jr., to be Rear Admiral (lower half).

Navy nomination of Rear Adm. (1h) Samuel J. Cox, to be Rear Admiral.

Navy nomination of Rear Adm. (1h) Michael S. Rogers, to be Rear Admiral.

Navy nomination of Rear Adm. (1h) David G. Simpson, to be Rear Admiral.

Navy nomination of Rear Adm. (1h) David A. Dunaway, to be Rear Admiral.

Navy nominations beginning with Rear Adm. (1h) Terry J. Benedict and ending with

Rear Adm. (1h) Thomas J. Eccles, which nominations were received by the Senate and appeared in the Congressional Record on April 28, 2010.

Navy nomination of Capt. James H. Rodman, Jr., to be Rear Admiral (lower half).

Navy nomination of Capt. Victor M. Beck, to be Rear Admiral (lower half).

Navy nomination of Capt. Gerald W. Clusen, to be Rear Admiral (lower half).

Navy nomination of Capt. Bryan P. Cutchen, to be Rear Admiral (lower half).

Navy nomination of Rear Adm. (1h) Patricia E. Wolfe, to be Rear Admiral.

Navy nomination of Rear Adm. (1h) Donald R. Gintzig, to be Rear Admiral.

Navy nomination of Rear Adm. (1h) Steven M. Talson, to be Rear Admiral.

Navy nomination of Rear Adm. (1h) Lothrop S. Little, to be Rear Admiral.

Navy nominations beginning with Rear Adm. (1h) Garry J. Bonelli and ending with

Rear Adm. (1h) Robert O. Wray, Jr., which nominations were received by the Senate and appeared in the Congressional Record on May 24, 2010.

Navy nomination of Capt. Margaret A. Rykowski, to be Rear Admiral (lower half).

Navy nomination of Capt. Gregory C. Horn, to be Rear Admiral (lower half).

Navy nomination of Capt. Paula C. Brown, to be Rear Admiral (lower half).

Navy nomination of Rear Adm. (1h) Scott A. Weikert, to be Rear Admiral.

Navy nominations beginning with Captain Kelvin N. Dixon and ending with Captain

John C. Sadler, which nominations were received by the Senate and appeared in the Congressional Record on May 5, 2010, (minus 1 nominee: Captain Luke M. McCollum)

Mr. LEVIN. Mr. President, for the Committee on Armed Services I report favorably the following nomination lists which were printed in the RECORDS on the dates indicated, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar that these nominations lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

Air Force nominations beginning with Jer-

emy C. Aamold and ending with Peter W. Zumwalt, which nominations were received by the Senate and appeared in the Congressional Record on March 3, 2010.

Air Force nominations beginning with Mark J. Aguiar and ending with Melinda A. Williamson, which nominations were received by the Senate and appeared in the Congressional Record on April 21, 2010.

Air Force nominations beginning with Verona Boucher and ending with James A. Young, which nominations were received by the Senate and appeared in the Congressional Record on April 21, 2010.

Marine Corps nominations beginning with Adam M. King and ending with James D. Valentine, which nominations were received by the Senate and appeared in the Congressional Record on May 27, 2010.

Navy nomination of Lynn A. Oschmann, to be Captain.

Navy nomination of Diane C. Boettcher, to be Captain.

Navy nominations beginning with Stephen J. Lepp and ending with Melanie F. O'Brien, which nominations were received by the Senate and appeared in the Congressional Record on April 26, 2010.

Navy nomination of Caroline M. Gaghan, to be Captain.

Navy nominations beginning with David W. Howard and ending with Carl R. Torres, which nominations were received by the Senate and appeared in the Congressional Record on April 26, 2010.

Navy nominations beginning with Kevin A. Askin and ending with Craig S. Fehrle, which nominations were received by the Senate and appeared in the Congressional Record on April 26, 2010.

Navy nominations beginning with John B. Holt and ending with Christopher R. Stearns, which nominations were received by the Senate and appeared in the Congressional Record on April 26, 2010.

Navy nomination of Jeffrey S. Tandy, to be Captain.

Navy nominations beginning with Russell L. Coons and ending with Scott C. Rye, which nominations were received by the Senate and appeared in the Congressional Record on April 26, 2010.

Navy nominations beginning with Kevin P. Bennett and ending with Paul F. White, which nominations were received by the Senate and appeared in the Congressional Record on April 26, 2010.

Navy nominations beginning with Richard A. Balzano and ending with Mark J. Winter, which nominations were received by the Senate and appeared in the Congressional Record on April 26, 2010.

Navy nominations beginning with John T. Archer and ending with Andrew D. McDonald, which nominations were received by the Senate and appeared in the Congressional Record on April 26, 2010.

Navy nominations beginning with Steven T. Beldy and ending with Dan A. Starling, which nominations were received by the Senate and appeared in the Congressional Record on April 26, 2010.

Navy nominations beginning with James D. Beardsley and ending with Christopher S. Zimmerman, which nominations were received by the Senate and appeared in the Congressional Record on April 26, 2010.

Navy nominations beginning with Lloyd P. Brown, Jr. and ending with Vincentius J. Vanjoolen, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nominations beginning with Danny K. Busch and ending with Michael Ziv, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nominations beginning with William S. Dillon and ending with Michael J. Vangheem, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nominations beginning with Nora A. Burghardt and ending with Rick T. Taylor, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nominations beginning with Bruce J. Black and ending with David G. Wirth, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nominations beginning with Chad F. Acey and ending with Steven G. Weldon, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nominations beginning with James S. Biggs and ending with Harold E. Williams, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nominations beginning with Richard W. Haupt and ending with Joseph A. Surette,

which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nominations beginning with Edward A. Bradfield and ending with Scott E. Organ, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nominations beginning with Brian D. Cannon and ending with Erika L. Sauer, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nominations beginning with Conrado K. Alejo and ending with Richard D. Jones, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nominations beginning with Eric D. Cheney and ending with Cynthia M. Womble, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nominations beginning with James A. Aiken and ending with Theodore A. Zobel, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nomination of James R. Peltier, to be Captain.

Navy nominations beginning with Joseph C. Aquilina and ending with William M. Wike, which nominations were received by the Senate and appeared in the Congressional Record on May 13, 2010.

Navy nominations beginning with Stephen G. Alfano and ending with Terry D. Webb, which nominations were received by the Senate and appeared in the Congressional Record on May 13, 2010.

Navy nominations beginning with Christopher A. Blow and ending with Linda D. Youberg, which nominations were received by the Senate and appeared in the Congressional Record on May 13, 2010.

Navy nominations beginning with Jeffrey A. Fischer and ending with Tracy V. Riker, which nominations were received by the Senate and appeared in the Congressional Record on May 13, 2010.

Navy nominations beginning with Catherine A. Bayne and ending with Mary A. Yonk, which nominations were received by the Senate and appeared in the Congressional Record on May 13, 2010.

Navy nominations beginning with John D. Brughelli and ending with Polly S. Wolf, which nominations were received by the Senate and appeared in the Congressional Record on May 13, 2010.

Navy nominations beginning with Billy M. Appleton and ending with Mil A. Yi, which nominations were received by the Senate and appeared in the Congressional Record on May 13, 2010.

Navy nominations beginning with Eric M. Aaby and ending with George N. Suther, which nominations were received by the Senate and appeared in the Congressional Record on May 13, 2010.

Navy nomination of Axel L. Steiner, to be Lieutenant Commander.

Navy nomination of Clifford R. Shearer, to be Commander.

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mrs. HAGAN (for herself and Mr. FRANKEN):

S. 3543. A bill to amend title XVIII of the Social Security Act to expand access to medication therapy management services under the Medicare prescription drug program; to the Committee on Finance.

By Ms. MIKULSKI:

S. 3544. A bill to amend the Immigration and Nationality Act to modify the requirements of the visa waiver program and for other purposes; to the Committee on the Judiciary.

By Ms. LANDRIEU:

S. 3545. A bill to require a study of the effect of a 6-month moratorium on new deep-water drilling in the Gulf of Mexico on small businesses; to the Committee on Small Business and Entrepreneurship.

By Mr. SCHUMER:

S. 3546. A bill to create a penalty for automobile insurance fraud, and for other purposes; to the Committee on the Judiciary.

By Mr. NELSON of Florida:

S. 3547. A bill to prohibit price gouging relating to gasoline and diesel fuels in areas affected by major disasters, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. CASEY (for himself, Mr. BROWN of Ohio, Mr. KERRY, Mr. LEVIN, Mr. WHITEHOUSE, Ms. STABENOW, Mr. LEAHY, Mr. DODD, Mr. FRANKEN, Mr. BURRIS, and Mr. AKAKA):

S. 3548. A bill to provide for the extension of premium assistance for COBRA benefits; to the Committee on Finance.

By Mr. TESTER (for himself, Mr. BENNETT, Mr. BAYH, and Mr. VITTER):

S. 3549. A bill to amend the effective date of the gift card provisions of the Credit Card Accountability Responsibility and Disclosure Act of 2009; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. MERKLEY (for himself, Mr. CRAPO, Mr. BAUCUS, Mr. TESTER, and Mr. WYDEN):

S. 3550. A bill to amend the Federal Water Pollution Control Act to establish within the Environmental Protection Agency a Columbia Basin Restoration Program; to the Committee on Environment and Public Works.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. FEINGOLD (for himself, Ms. KLOBUCHAR, and Mr. FRANKEN):

S. Res. 573. A resolution urging the development of a comprehensive strategy to ensure stability in Somalia, and for other purposes; to the Committee on Foreign Relations.

By Mr. REID (for himself and Mr. MCCONNELL):

S. Res. 574. A resolution relative to the memorial observances of the Honorable Robert C. Byrd, late a Senator from the State of West Virginia; considered and agreed to.

By Mr. REID (for himself and Mr. MCCONNELL):

S. Con. Res. 65. A concurrent resolution providing for the use of the catafalque situ-

ated in the Exhibition Hall of the Capitol Visitor Center in connection with memorial services to be conducted in the United States Senate Chamber for the Honorable Robert C. Byrd, late a Senator from the State of West Virginia; considered and agreed to.

ADDITIONAL COSPONSORS

S. 311

At the request of Mrs. BOXER, the name of the Senator from Illinois (Mr. BURRIS) was added as a cosponsor of S. 311, a bill to prohibit the application of certain restrictive eligibility requirements to foreign nongovernmental organizations with respect to the provision of assistance under part I of the Foreign Assistance Act of 1961.

S. 941

At the request of Mr. CRAPO, the name of the Senator from New Hampshire (Mr. GREGG) was added as a cosponsor of S. 941, a bill to reform the Bureau of Alcohol, Tobacco, Firearms, and Explosives, modernize firearm laws and regulations, protect the community from criminals, and for other purposes.

S. 1450

At the request of Mr. ENSIGN, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 1450, a bill to enable State homes to furnish nursing home care to parents any of whose children died while serving in the Armed Forces.

S. 1674

At the request of Mr. WYDEN, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. 1674, a bill to provide for an exclusion under the Supplemental Security Income program and the Medicaid program for compensation provided to individuals who participate in clinical trials for rare diseases or conditions.

S. 2816

At the request of Mr. BUNNING, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 2816, a bill to repeal the sunset of the Economic Growth and Tax Relief Reconciliation Act of 2001 with respect to the expansion of the adoption credit and adoption assistance programs and to allow the adoption credit to be claimed in the year expenses are incurred, regardless of when the adoption becomes final.

S. 3034

At the request of Mr. SCHUMER, the names of the Senator from Louisiana (Ms. LANDRIEU) and the Senator from Delaware (Mr. KAUFMAN) were added as cosponsors of S. 3034, a bill to require the Secretary of the Treasury to strike medals in commemoration of the 10th anniversary of the September 11, 2001, terrorist attacks on the United States and the establishment of the National September 11 Memorial & Museum at the World Trade Center.

S. 3058

At the request of Mr. DORGAN, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 3058, a bill to amend the Public Health Service Act to reauthorize the special diabetes programs for Type I diabetes and Indians under that Act.

S. 3227

At the request of Mr. HATCH, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 3227, a bill to authorize the Archivist of the United States to make grants to States for the preservation and dissemination of historical records.

S. 3246

At the request of Mr. WYDEN, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 3246, a bill to exclude from consideration as income under the Native American Housing Assistance and Self-Determination Act of 1996 amounts received by a family from the Department of Veterans Affairs for service-related disabilities of a member of the family.

S. 3255

At the request of Mrs. LINCOLN, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 3255, a bill to amend title XVIII of the Social Security Act to provide coverage for custom fabricated breast prostheses following a mastectomy.

S. 3329

At the request of Mr. LAUTENBERG, the name of the Senator from Colorado (Mr. BENNET) was added as a cosponsor of S. 3329, a bill to provide triple credits for renewable energy on brownfields, and for other purposes.

S. 3434

At the request of Mr. BINGAMAN, the name of the Senator from Maryland (Mr. CARDIN) was added as a cosponsor of S. 3434, a bill to provide for the establishment of a Home Star Retrofit Rebate Program, and for other purposes.

S. 3477

At the request of Mr. WEBB, the name of the Senator from Nebraska (Mr. JOHANNES) was added as a cosponsor of S. 3477, a bill to ensure that the right of an individual to display the Service Flag on residential property not be abridged.

S. 3479

At the request of Mrs. HAGAN, the names of the Senator from California (Mrs. FEINSTEIN) and the Senator from Ohio (Mr. BROWN) were added as cosponsors of S. 3479, a bill to authorize the Secretary of Health and Human Services, acting through the Director of the Centers for Disease Control and Prevention, to establish and implement a birth defects prevention, risk reduction, and public awareness program.

S. 3541

At the request of Mrs. FEINSTEIN, the name of the Senator from Florida (Mr.

NELSON) was added as a cosponsor of S. 3541, a bill to prohibit royalty incentives for deepwater drilling, and for other purposes.

S. RES. 554

At the request of Mr. ENZI, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. Res. 554, a resolution designating July 24, 2010, as "National Day of the American Cowboy".

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. HAGAN (for herself and Mr. FRANKEN):

S. 3543. A bill to amend title XVIII of the Social Security Act to expand access to medication therapy management services under the Medicare prescription drug program; to the Committee on Finance.

Mrs. HAGAN. Mr. President, today, I am proud to introduce the Medication Therapy Management, MTM, Expanded Benefits Act of 2010, with my colleague from Minnesota, Senator FRANKEN.

A recent analysis conducted by the New England Healthcare Institute estimates that the overall cost of medication nonadherence is as much as \$290 billion per year. According to a recent article published in the New England Journal of Medicine, over \$100 billion is spent annually on avoidable hospitalizations because patients do not take their medications correctly.

Not only does nonadherence cost our system billions of dollars, nonadherence to medication regimens also affects the quality of life for seniors and may lead to early death. The elderly typically take many more prescription medicines than the general population and therefore are at greater risk for problems associated with improper use of medications. For example, the same New England Journal of Medicine article I just reference found that better adherence to antihypertensive treatment alone could prevent 89,000 premature deaths in the U.S. annually.

With as much as one half of all patients in the U.S. not following their doctors' orders regarding their medications, medication therapy management could help reduce some of the wasted health care costs in our system.

North Carolina has implemented some very successful MTM programs.

The Asheville Project, which focuses on diabetes, asthma, and cardiovascular disease, has seen improved health outcomes and significant savings among city employees since it began in 1997. For example, in the Asheville Project's diabetes MTM Project, they have seen a decrease in medical costs of between \$1,622 to \$3,356 per patient per year; a decrease in insurance claims of \$2,704 per patient in year 1 and a \$6,502 decrease in year 5; a 50 percent decrease in use of sick days; and increased productivity gains estimated at \$18,000 annually.

In 2007, the North Carolina Health and Wellness Trust Fund Commission launched an innovative statewide program, Checkmeds NC, to provide MTM services to North Carolina seniors. During the program's first year, more than 15,000 North Carolina seniors and 285 pharmacists participated. The seniors bring all of their prescriptions, over-the-counter medicines, vitamins and supplements to the pharmacy to be thoroughly reviewed in a one-on-one session. The pharmacist follows up and educates the patient about his or her medication regimen. The program saved an estimated \$10 million, and countless health problems were avoided.

During consideration of health care reform, I was pleased to have successfully secured language in the bill that built off these North Carolina models and implemented MTM nationally for seniors suffering from two or more chronic conditions.

The bill I am introducing today takes MTM one step further. Specifically, this bill would expand MTM eligibility to seniors with any chronic condition that accounts for high spending in our health care system, such as heart failure and diabetes. Currently, only 12.9 percent of Part D beneficiaries are eligible under the MTM criteria for multiple chronic conditions. However, of those, more than 85 percent have chosen to participate in the benefit. Clearly this program is very popular and widely utilized by those who are already eligible. By expanding eligibility to more seniors, MTM will certainly result in Medicare savings.

The bill also ensures access to MTM for seniors at a pharmacy or with a qualified health care provider of their choice.

To ensure pharmacists and health care providers are able to provide MTM to seniors, this bill ensures they are appropriately reimbursed for their time and service. This provision will permit pharmacies and other health care providers to spend considerable time and resources evaluating a person's drug routine and educating them on proper usage—all critical components of a successful MTM program.

Finally, this bill would establish standards for data collection to evaluate and improve the Part D MTM benefit.

The value of MTM is widely known and discussed. I am proud that North Carolina is a leader in this arena. Expansion of MTM to more seniors will no doubt improve their overall health, while at the same time reducing waste in our health care system.

I urge my colleagues to support this bill.

Mr. FRANKEN. Mr. President, I am proud today to be joining Senator HAGAN in introducing the MTM Expanded Benefits Act.

We all know that prescription drugs are an essential part of health care.

What a lot of people don't know is that only about 50 percent of Americans typically take their medicines as prescribed. This means that too often, the benefits of these important therapies aren't fully realized. According to a recent article in the *New England Journal of Medicine*, over \$100 billion is spent annually on avoidable hospitalizations because patients don't take their medications correctly.

The MTM Expanded Benefits Act would help improve the care for seniors by increasing access to the medication therapy management benefit—also known as MTM—in the Medicare Part D prescription drug program.

Medication therapy management is a proven set of services that helps patients get the best possible results from their medications. MTM services are provided by pharmacists who work with patients and their health care providers to make sure that seniors are taking medications as they should be. Through MTM, patients get focused education to make sure they understand their medications—what conditions the drugs treat and how to avoid drug interactions that can make medications less effective or even dangerous.

It is not uncommon for a Minnesota senior who has diabetes to be taking 10 or more medications that are prescribed by multiple providers. But right now under Medicare, you would have to have at least four chronic conditions before you would become eligible for MTM. That just doesn't make sense to me.

Under the MTM Expanded Benefits Act, seniors with any chronic condition could benefit from MTM. The bill would increase the number of people eligible for MTM, helping more seniors to access the life saving and money-saving services.

Congress recognized the value of MTM when it required Medicare Part D drug plans to offer the service as part of the Medicare Modernization Act of 2003. Furthermore, State Medicaid Programs, including ours in Minnesota, use MTM to maximize the value of their pharmacy benefits. As we reform our health care system and provide insurance coverage to more Americans, it makes sense to ensure that MTM becomes more widely adopted throughout our health care system.

And MTM isn't just good for patient health, it also saves money. A University of Minnesota study showed that when patients were able to consult with a pharmacist to determine their optimal medication regimen, total health expenditures decreased from \$11,965 to \$8,197 per patient. The reduction in total health expenditures exceeded the cost of providing MTM services by more than 12 to 1. That is huge.

The elderly typically take many more prescription medicines than the general population and therefore are at

greater risk for problems associated with improper use of medications. Improving the Medicare MTM benefit will help our Nation's seniors get the most out of their medications while also helping to reduce costs through appropriate medication use and improved outcomes. I urge my colleagues to support the MTM Expanded Benefits Act and help support efforts to improve the prescription drug benefit for Medicare beneficiaries.

By Mr. MERKLEY (for himself, Mr. CRAPO, Mr. BAUCUS, Mr. TESTER, and Mr. WYDEN):

S. 3550: A bill to amend the Federal Water Pollution Control Act to establish within the Environmental Protection Agency a Columbia Basin Restoration Program; to the Committee on Environment and Public Works.

Mr. MERKLEY. Mr. President, I rise to speak to legislation I am introducing today, with my colleagues, Senator CRAPO of Idaho, Senators BAUCUS and TESTER of Montana, and Senator WYDEN, from my home state of Oregon, to protect and restore the Columbia River Basin.

The Columbia River Basin is the great river system that defines the Pacific Northwest. It runs 1,243 miles from Columbia Lake in British Columbia to its mouth at Astoria, OR, the first permanent European settlement west of the Rocky Mountains. Its basin drains 258,000 acres in seven states, including many of great geological provinces of the West: the Yellowstone Plateau; the Rocky Mountains; the volcanic Snake River Plain; Hells Canyon, America's deepest canyon; the basalt plains and high desert of eastern Oregon and Washington; the majestic Columbia River Gorge; the volcanic slopes of the Cascade Mountains; and the temperate rain forests of the Coast Range.

The Columbia River's tributaries are the major rivers of the Northwest. The Snake River, its longest tributary, runs more than 1,000 miles from near the continental divide in Wyoming's Yellowstone Park to its mouth with the Columbia in eastern Washington. The Clark Fork is Montana's largest river by volume, draining much of western Montana and turning into the Pend Oreille River in Idaho before it flows into the Columbia just across the border in Canada.

It is also the lifeblood of our economy and has been the foundation of a trade-based economy stretching back thousands of years, even before European settlement. Today it is the cornerstone of the region's shipping network, with ports dotting the river as far upstream as Lewiston, Idaho, the farthest inland seaport in the west. It was once the world's largest wild salmon run, with as many as 30 million salmon returning to spawn in our rivers, and is still a foundation for much

of our commercial and recreational fishing industries and an important source of fish for many of our Indian tribes.

The Columbia River Basin is the backbone of our energy system, with a network of dams that provide the majority of the region's electricity, more electricity than any other river in the country generates. Indeed, when we measure generating capacity, we talk about 100- and 200-Megawatt capacity wind farms and we talk about 600- and 800-Megawatt coal plants. Well, the Grand Coulee dam in central Washington state has a capacity of 6,800 Megawatts. It was the availability of low-cost power that brought the industrial era to the Northwest and brought a host of benefits to our rural residents, from rural electrification to irrigation for agriculture, as memorialized in the 1940s by Woody Guthrie. About four million acres of income-producing farm and ranch land across the Pacific Northwest are irrigated by the Columbia River, contributing \$10 billion to our economy every year.

Unfortunately, the Columbia River Basin is also a river basin that faces serious challenges. Our rivers are severely polluted. When EPA completed its Columbia River Basin Fish Contaminant Survey, the agency looked for 131 chemicals in fish tissues that could be taken up by humans because of contamination entering the food chain. The study detected 70 percent of the chemicals EPA was looking for. All 11 species of fish they tested had some level of contamination in their tissue.

The contamination in these fish poses a health problem for people throughout our region, but it is the Indian tribes, our neighbors who have made this basin their home for thousands of years—including the Warm Springs, the Nez Perce, the Umatilla, and the Yakama—who are among the most affected. A survey conducted by the Columbia River Intertribal Fish Commission found that tribal members consume between 6 and 10 times as much fish as the national average. High consumption rates exist among all tribal members consuming fish as well as among specific high-risk groups, including breastfeeding women.

In addition, the salmon and steelhead, upon which the tribes and the fishing communities of the Northwest have so long depended, are in serious decline.

The good news is that stakeholders across the region are working to clean up and restore the river. Since the Lower Columbia River estuary was added to the National Estuary Program, a robust partnership involving 28 cities, 9 counties, and the states of Oregon and Washington has come together to coordinate habitat restoration and toxic contamination reduction in that part of the basin. The EPA has coordinated stakeholders throughout

the basin, including the states of Idaho and Montana and tribal governments, working to improve toxic pollution monitoring and reduce and clean up contamination.

But more needs to be done.

While EPA has designated the Columbia River Basin as one of the nation's Great Water Bodies and has an active program in the basin, it is the only one of these Great Water Bodies that doesn't receive designated appropriations to support its restoration. Unlike the Chesapeake Bay and the Great Lakes, where Congress has authorized and funded restoration programs, the Columbia River Basin has no such program.

It is in that context that I introduce today, along with Senate colleagues from the Northwest, the Columbia River Basin Restoration Act of 2010. The bill establishes a clear stakeholder-driven process to oversee implementation of toxic contamination reduction plans. It directs EPA to provide technical support to a Working Group of stakeholders representing important constituencies and representing every geographic area in the Basin, and it allows those stakeholders to prioritize projects to implement toxic contamination reduction and to propose those projects to the EPA for funding.

We have also included an important component related to the Flathead River Basin in this bill. As my colleague the senior Senator from Montana can tell you, the Flathead is an amazing pristine gem of a water body on the far eastern edge of our basin. It forms the western and southern boundaries of the world's first international peace park, Glacier-Waterton, and it contains Flathead Lake, the largest freshwater lake in the West. Senator BAUCUS has made protecting the Flathead Basin a major focus and has discussed it many times in our work together on the Environment and Public Works Committee, and we have been working together for several months now to make sure we could protect the Flathead River Basin in this bill. I am glad we were able to include his provision to do so.

I would particularly like to thank my colleague Senator CRAPO from our neighboring State to the east. Senator CRAPO and I have been able to work together in a true collaborative partnership to propose what we believe will be an effective, stakeholder-driven program to help our constituents reduce toxic contamination in waterways that matter so much to them, and to do so in ways that our constituents design and prioritize. This bill reflects the interests and concerns of people from every State in the Northwest, and we will continue to hear and address their interests and concerns as the legislative process continues.

I am proud to stand with my colleagues from the Northwest today as we introduce this bill.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3550

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Columbia River Basin Restoration Act of 2010".

SEC. 2. FINDINGS.

Congress finds that—

(1) the Columbia River is the largest river in the Pacific Northwest by volume;

(2) the river is 1,253 miles long, with a drainage basin that includes 259,000 square miles, extending to 7 States and British Columbia, Canada, and including all or part of—

(A) multiple national parks;

(B) components of the National Wilderness Preservation System;

(C) National Monuments;

(D) National Scenic Areas;

(E) National Recreation Areas; and

(F) other areas managed for conservation.

(3) the Columbia River Basin and associated tributaries (referred to in this Act as the "Basin") provide significant ecological and economic benefits to the Pacific Northwest and the entire United States;

(4) traditionally, the Basin includes more than 6,000,000 acres of irrigated agricultural land and produces more hydroelectric power than any other North American river;

(5) the Basin—

(A) historically constituted the largest salmon-producing river system in the world, with annual returns peaking at as many as 30,000,000 fish; and

(B) as of the date of enactment of this Act—

(i) supports economically important commercial and recreational fisheries; and

(ii) is home to 13 species of salmonids and steelhead that area listed as threatened species or endangered species under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.);

(6) the Lower Columbia River Estuary stretches 146 miles from the Bonneville Dam to the mouth of the Pacific Ocean, and much of that area is contaminated with toxic chemicals;

(7) the Middle and Upper Columbia River Basin includes 1,050 miles of the mainstem Columbia River upstream of the Bonneville Dam, including the 1,040 miles of the largest tributary, the Snake River, and all of the tributaries to both rivers;

(8) toxic contamination in the Basin poses a significant threat to the environment and human health;

(9) the nuclear and toxic contamination at the Hanford Nuclear Reservation and the toxic contamination at Superfund sites throughout the Basin present an ongoing risk of contamination throughout the Basin;

(10) polychlorinated biphenyls (commonly known as "PCBs") and polycyclic aromatic hydrocarbons that have been found in the tissues of salmonids and their prey at concentrations exceeding levels of concern;

(11) legacy contaminants, including PCBs and dichlorodiphenyltrichloroethane, the pesticide commonly known as "DDT", were

banned in 1972, but are still detected in river water, sediments, and juvenile Chinook salmon;

(12) pesticides and emerging contaminants, such as pharmaceutical and personal care products, have been detected in river water and may have effects including hormone disruption and impacts on behavior and reproduction;

(13) the Environmental Protection Agency's Columbia River Basin Fish Contaminant Survey detected the presence of 92 priority pollutants, including PCBs and DDE (a breakdown of DDT), in fish that are consumed by members of Indian tribes in the Columbia River Basin, as well as by other individuals consuming fish throughout the Columbia River Basin, and a fish consumption survey by the Columbia River Intertribal Fish Commission showed that tribal members were eating 6 to 11 times more fish than the estimated national average of the Environmental Protection Agency;

(14) toxic contamination in the Middle and Upper Columbia River Basins have a direct impact on water quality in the Lower Columbia River Estuary, and reducing toxic contamination in the Middle and Upper Columbia River Basin can have significant benefits for human health and for fish and wildlife throughout the entire Basin; and

(15) with regard to the Flathead River Basin, in the easternmost portion of the Columbia River Basin—

(A) the Flathead River Basin—

(i) has high water quality and aquatic biodiversity;

(ii) supports endangered species and species of special concern listed under United States and Canadian law;

(iii) contains Flathead Lake, the largest freshwater lake in the western United States;

(iv) is an important wildlife corridor that is home to the highest density of large and mid-sized carnivores and the highest diversity of vascular plant species in the United States; and

(v) supports traditional uses such as hunting, fishing, recreation, guiding and outfitting, and logging;

(B) the Flathead River originates in British Columbia and drains into the State of Montana;

(C) such transboundary waters are protected from pollution under the Treaty Relating to the Boundary Waters and Questions Arising Along the Boundary Between the United States and Canada, signed at Washington on January 11, 1909 (36 Stat. 2448; TS 548) (commonly known as the "Boundary Waters Treaty of 1909");

(D) in 1988, the International Joint Commission determined that the impacts of mining proposals on the environmental values of the Flathead River Basin, including on water quality, sport fish populations, and habitat, could not be fully mitigated;

(E) the Flathead River forms the western and southern boundaries of the world's first International Peace Park, Waterton-Glacier, which was inscribed as a World Heritage Site in 1995 under the auspices of the World Heritage Convention, adopted by the United Nations Educational, Scientific, and Cultural Organization General Conference on November 16, 1972;

(F) at the 33rd session of the World Heritage Committee in 2009, Decision 33 COM 7B.22 (Annex 3) 2009, the World Heritage Committee urged Canada in 2009 not to permit any mining or energy development in the Upper Flathead River Basin until the relevant environmental assessment processes

have been completed and to provide timely opportunities for the United States to participate in environmental assessment processes; and

(G) on February 18, 2010, British Columbia and Montana entered into a memorandum of understanding—

(i) to remove mining and oil and gas development as permissible land uses in the Flathead River Basin;

(ii) to cooperate on fish and wildlife management;

(iii) to collaborate on environmental assessment of projects of cross border significance with the potential to degrade land or water resources; and

(iv) to share information proactively.

SEC. 3. COLUMBIA RIVER BASIN RESTORATION.

Title I of the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) is amended by adding at the end the following:

“SEC. 123. COLUMBIA RIVER BASIN RESTORATION.

“(a) DEFINITIONS.—

“(1) ADMINISTRATOR.—The term ‘Administrator’ means the Administrator of the Environmental Protection Agency.

“(2) COLUMBIA RIVER BASIN.—The term ‘Columbia River Basin’ means the entire United States portion of the Columbia River watershed.

“(3) COLUMBIA RIVER BASIN PROVINCES.—The term ‘Columbia River Basin Provinces’ means the United States portion of each of the Columbia River Basin Provinces identified in the Fish and Wildlife Plan of the Northwest Power and Conservation Council.

“(4) COLUMBIA RIVER BASIN TOXICS REDUCTION ACTION PLAN.—

“(A) IN GENERAL.—The term ‘Columbia River Basin Toxics Reduction Action Plan’ means the plan developed by the Environmental Protection Agency and the Columbia River Toxics Reduction Working Group in 2010.

“(B) INCLUSIONS.—The term ‘Columbia River Basin Toxics Reduction Action Plan’ includes any amendments to the plan.

“(5) ESTUARY PARTNERSHIP.—The term ‘Estuary Partnership’ means the Lower Columbia River Estuary Partnership, an entity created by the States of Oregon and Washington and the Environmental Protection Agency under section 320.

“(6) ESTUARY PLAN.—

“(A) IN GENERAL.—The term ‘Estuary Plan’ means the Estuary Partnership Comprehensive Conservation and Management Plan adopted by the Environmental Protection Agency and the Governors of Oregon and Washington on October 20, 1999, under section 320.

“(B) INCLUSIONS.—The term ‘Estuary Plan’ includes any amendments to the plan.

“(7) LOWER COLUMBIA RIVER ESTUARY.—The term ‘Lower Columbia River Basin and Estuary’ means the mainstem Columbia River from the Bonneville Dam to the Pacific Ocean and tidally influenced portions of tributaries to the Columbia River in that region.

“(8) MIDDLE AND UPPER COLUMBIA RIVER BASIN.—

“(A) IN GENERAL.—The term ‘Middle and Upper Columbia River Basin’ means the region consisting of the United States portion of the Columbia River Basin above Bonneville Dam.

“(B) INCLUSIONS.—The term ‘Middle and Upper Columbia River Basin’ includes—

“(i) the Snake River and associated tributaries; and

“(ii) the Clark Fork and Pend Oreille Rivers and associated tributaries.

“(9) NORTH FORK OF THE FLATHEAD RIVER.—The term ‘North Fork of the Flathead River’

means the region consisting of the North Fork of the Flathead River watershed, beginning in British Columbia, Canada, ending at the confluence of the North Fork and the Middle Fork of the Flathead River in the State of Montana.

“(10) PROGRAM.—The term ‘Program’ means the Columbia River Basin Restoration Program established under subsection (b)(1).

“(11) TRANSBOUNDARY FLATHEAD RIVER BASIN.—The term ‘transboundary Flathead River Basin’ means the region consisting of the Flathead River watershed, beginning in British Columbia, Canada, and ending at Flathead Lake, Montana.

“(12) WORKING GROUP.—The term ‘Working Group’ means—

“(A) the Columbia River Basin Toxics Reduction Working Group established under subsection (c); and

“(B) with respect to the Lower Columbia River Estuary, the Estuary Partnership.

“(b) COLUMBIA RIVER BASIN RESTORATION PROGRAM.—

“(1) ESTABLISHMENT.—The Administrator shall establish within the Environmental Protection Agency a Columbia Basin Restoration Program.

“(2) DELEGATION OF AUTHORITY; STAFFING.—The Administrator shall delegate such authority and provide such additional staff as are necessary to carry out the Program.

“(3) SCOPE OF PROGRAM.—

“(A) IN GENERAL.—The Program shall consist of a collaborative stakeholder-based approach to reducing toxic contamination throughout the Columbia River Basin.

“(B) RELATIONSHIP TO EXISTING ACTIVITIES.—The Program shall—

“(i) build on the work and collaborative structure of the existing Columbia River Toxics Reduction Working Group representing the Federal Government, State, tribal, and local governments, industry, and nongovernmental organizations, which was convened in 2005 to develop a collaborative toxic contamination reduction approach for the Columbia River Basin;

“(ii) in the Lower Columbia River Basin and Estuary, build on the work and collaborative structure of the Estuary Partnership; and

“(iii) coordinate with other efforts, including activities of other Federal agencies in the Columbia River Basin, to avoid duplicating activities or functions.

“(C) NO EFFECT ON EXISTING AUTHORITY.—The Program shall not modify any legal or regulatory authority or program in effect as of the date of enactment of this section, including the roles of Federal agencies in the Columbia River Basin.

“(4) DUTIES.—The Administrator shall—

“(A) provide the Working Group with data, analysis, reports, or other information;

“(B) provide technical assistance to the Working Group, and to States, local government entities, and Indian tribes participating in the Working Group, to assist those agencies and entities in—

“(i) planning or evaluating potential projects;

“(ii) implementing plans;

“(iii) implementing projects; and

“(iv) monitoring and evaluating the effectiveness of projects and the implementation of plans and projects;

“(C) provide information to the Working Group on plans already developed by the Administrator or by other Federal agencies to enable the Working Group to avoid unnecessary or duplicative projects or activities;

“(D) provide coordination with other Federal agencies to avoid duplication of activities or functions;

“(E)(i) complete and periodically update the Columbia River Basin Toxics Reduction Action Plan and the Estuary Plan; and

“(ii) ensure that those plans, when considered together and in light of relevant plans developed by other Federal or State agencies, form a coherent toxic contamination reduction strategy for the entire Columbia River Basin; and

“(F) implement, including by providing grants pursuant to subsection (e), projects and conduct activities, including monitoring, assessment, and toxic contamination reduction activities, that are—

“(i) identified by the Working Group;

“(ii) included in the Columbia River Basin Toxics Reduction Action Plan and the Estuary Plan; or

“(iii) identified under subsection (d) and located in the Transboundary Flathead River Basin.

“(c) STAKEHOLDER WORKING GROUP.—

“(1) ESTABLISHMENT.—The Administrator shall establish a Columbia River Basin Toxics Reduction Working Group.

“(2) MEMBERSHIP.—The members of the Working Group shall include, at a minimum, representatives of—

“(A) each State located in whole or in part within the Columbia River Basin;

“(B) each Indian tribe with legally defined rights and authorities in the Columbia River Basin that elects to participate on the Working Group;

“(C) local governments located in the Columbia River Basin;

“(D) industries operating in the Columbia River Basin that affect or could affect water quality;

“(E) electric, water, and wastewater utilities operating in the Columbia River Basin;

“(F) private landowners in the Columbia River Basin;

“(G) soil and water conservation districts in the Columbia River Basin;

“(H) environmental organizations that have a presence in the Columbia River Basin; and

“(I) the general public in the Columbia River Basin.

“(3) GEOGRAPHIC REPRESENTATION.—The Working Group shall include representation from each of the Columbia River Basin Provinces located in the Columbia River Basin.

“(4) APPOINTMENT.—

“(A) NONTRIBAL MEMBERS.—The Administrator, with the consent of the Governor of each State located in whole or in part within the Columbia River Basin, shall appoint nontribal members of the Working Group not later than 180 days after the date of enactment of this section.

“(B) TRIBAL MEMBERS.—The governing body of each Indian tribe described in paragraph (2)(B) shall appoint tribal members of the Working Group not later than 180 days after the date of enactment of this section.

“(5) DUTIES.—The Working Group shall—

“(A) assess trends in water quality and toxic contamination or toxics reduction, including trends that affect uses of the water of the Columbia River Basin;

“(B) collect, characterize, and assess data on toxics and water quality to identify possible causes of environmental problems;

“(C) develop periodic updates to the Columbia River Basin Toxics Reduction Action Plan and, in the Estuary, the Estuary Plan;

“(D) submit to the Administrator annually a prioritized list of projects, including monitoring, assessment, and toxic contamination reduction projects, that would implement the Columbia River Basin Toxics Reduction Action Plan or, in the Lower Columbia River

Estuary, the Estuary Plan, for consideration for funding pursuant to subsection (e); and

“(E) monitor the effectiveness of actions taken pursuant to this section.

“(6) LOWER COLUMBIA RIVER ESTUARY.—In the Lower Columbia River Estuary, the Estuary Partnership shall function as the Working Group and execute the duties of the Working Group described in this subsection for such time as the Estuary Partnership is the management conference for the Lower Columbia River National Estuary Program.

“(7) PARTICIPATION BY STATES.—At the discretion of the Governor of a State, the State—

“(A) may elect not to participate in the Working Group established under this paragraph; and

“(B) may provide comments to the Administrator on the prioritized list of projects submitted pursuant to paragraph (5)(D).

“(d) TRANSBOUNDARY FLATHEAD RIVER BASIN.—

“(1) SHORT TITLE.—This subsection may be cited as the ‘Transboundary Flathead River Basin Protection Act of 2010’.

“(2) ACTION BY PRESIDENT.—The President shall take steps to preserve and protect the unique, pristine area of the transboundary Flathead River, with a particular focus on the North Fork of the Flathead River.

“(3) TRANSBOUNDARY COOPERATION.—In taking such steps, the President may engage in negotiations with the Government of Canada to establish an executive agreement, or other appropriate tool, to ensure permanent protection for the North Fork of the Flathead River watershed and the adjacent area of Glacier-Waterton National Park.

“(4) PARTICIPATION IN COOPERATIVE EFFORTS.—

“(A) IN GENERAL.—The President may participate in cross-border collaborations with Canada on environmental assessments of any project of cross-border significance that has the potential to degrade land or water resources by providing for on-going involvement of appropriate Federal agencies of the United States in such assessments.

“(B) COLLABORATION.—In carrying out subparagraph (A), the President shall include in collaborations under that subparagraph appropriate Federal agencies, such as—

“(i) the Environmental Protection Agency;

“(ii) the Department of Interior;

“(iii) the United States Fish and Wildlife Service;

“(iv) the National Park Service;

“(v) the Forest Service; and

“(vi) such other agencies as the President determines to be appropriate.

“(5) ASSESSMENTS AND PROJECTS.—The President, acting through the Administrator, may provide grants under subsection (e) for the following purposes:

“(A) Developing baseline environmental conditions in the transboundary Flathead River Basin.

“(B) Assessing the impact of any proposed projects on the natural resources, water quality, wildlife, or environmental conditions in the transboundary Flathead River Basin.

“(C) Implementation of transboundary cooperative efforts identified by the governments of the United States and Canada under subsection (b)(2).

“(D) Projects to protect and preserve the natural resources, water quality, wildlife, and environmental conditions in the transboundary Flathead River Basin.

“(e) GRANTS.—

“(1) IN GENERAL.—The Administrator may provide grants to State and regional water

pollution control agencies and entities, other State and local government entities, Indian tribes, nonprofit private agencies, institutions, organizations, and individuals for use in paying costs incurred in carrying out activities that would develop or implement plans or projects updated, developed, or authorized under this section (including for purposes described in subsection (d)(4)).

“(2) FEDERAL SHARE.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), the Federal share of the cost of any project or activity carried out using funds from a grant provided to any person (including a State, interstate, or regional agency, an Indian tribe, or a local government entity) under this subsection for a fiscal year—

“(i) shall not exceed 75 percent of the total cost of the project or activity; and

“(ii) shall be made on condition that the non-Federal share of that total cost shall be provided from non-Federal sources.

“(B) EXCEPTIONS.—With respect to cost-sharing for a grant provided under this subsection—

“(i) an Indian tribe may use Federal funds for the non-Federal share; and

“(ii) the Administrator may increase the Federal share under such circumstances as the Administrator determines to be appropriate.

“(3) ALLOCATION.—In making grants using funds appropriated to carry out this section for fiscal years 2012 and 2013, the Administrator shall use—

“(A) not less than ⅓ of the funds to make grants for projects, programs, and studies in the Lower Columbia River Estuary; and

“(B) not less than ⅓ of the funds to make grants for projects, programs, and studies in the Middle and Upper Columbia River Basin.

“(4) REPORTING.—Not later than 18 months after the date of receipt of a grant under this subsection, and biennially thereafter for the duration of the grant, a person (including a State, interstate, or regional agency, an Indian tribe, or a local government entity) that receives a grant under this subsection shall submit to the Administrator a report that describes the progress being made in achieving the purposes of this section using funds from the grant.

“(f) ANNUAL BUDGET PLAN.—The President, as part of the annual budget submission of the President to Congress under section 1105(a) of title 31, United States Code, shall submit information regarding each Federal agency involved in protection and restoration of the Columbia River Basin, including an interagency crosscut budget that displays for each Federal agency—

“(1) the amounts obligated for the preceding fiscal year for protection and restoration projects, programs, and studies relating to the Columbia River Basin;

“(2) the estimated budget for the current fiscal year for protection and restoration projects, programs, and studies relating to the Columbia River Basin; and

“(3) the proposed budget for protection and restoration projects, programs, and studies relating to the Columbia River Basin.

“(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Administrator to carry out this section \$33,000,000 for each of fiscal years 2012 through 2017, to remain available until expended.”

Mr. BAUCUS. Mr. President, I rise today with Senator MERKLEY, Senator TESTER, Senator CRAPO, and others to introduce the Columbia River Basin Restoration Act of 2010. The bill au-

thorizes much needed funds to implement toxics reduction projects throughout the basin, and it authorizes next steps in our longstanding effort to protect and preserve the transboundary Flathead Basin. The Columbia River Basin is one of the great water basins along our border with Canada that binds our two nations together. The river spans about 1,200 miles and travels through 14 dams from Columbia Lake, British Columbia all the way to the Pacific Ocean. Several of the major subbasins of the Columbia are located in Montana, including the Kootenai, the Flathead, the Clark Fork, the Blackfoot, and the Bitterroot. Toxics contamination is a problem in several of these subbasins, and I am very pleased to be a cosponsor of the Columbia River Basin Restoration Act of 2010, which will authorize much needed resources to address toxics contamination.

The Columbia River Basin Restoration Act of 2010 also includes the Transboundary Flathead Basin Protection Act of 2010. This part of the bill addresses the unique needs of one of the areas that I love about Montana. Everyone who experiences the North Fork of the Flathead in northwestern Montana is awed by its pristine waters, larger-than-life landscapes, and breathtaking views. With its headwaters in British Columbia, the North Fork of the Flathead River forms the western boundary of Glacier National Park—it is one of the last untouched places on our continent.

For decades, the North Fork has been threatened by oil and gas and mining proposals in British Columbia. For the last 35 years, I have battled these proposals, one by one. After 35 years of work, we are beginning a new chapter of international cooperation in our efforts to protect the North Fork.

In February of this year, British Columbia and Montana announced their intent to prevent mining, oil and gas, and coalbed methane development in the North Fork on the lands they control. This memorandum of understanding was a great foundation for additional efforts to establish protections that are permanent. Since 90 percent of the North Fork watershed is Federally-owned, Federal action is needed on the southern side of the U.S.-Canadian border.

So, on March 4, Senator TESTER and I introduced the North Fork Watershed Protection Act, S. 3075, which bans future mining, oil and gas, and coalbed methane development on Federal lands in the watershed. The bill enjoys support from business and conservation interests alike from all over the State, including the Kalispell Chamber, Whitefish Mountain Resort, the Billings Rod and Gun Club, and a long list of others. This breadth of support shows the importance of the North Fork for Montana's economy as well as our State's outdoor heritage.

There are some current leases in the area that have been dormant since the late 1980s, when a court decision found that they were improperly issued. Senator TESTER and I have been engaged in active discussions with the current owners to retire these old leases. On April 28, I was proud to announce that ConocoPhillips, the primary leaseholder in the North Fork watershed, elected to voluntarily relinquish its interest in 108 Federal oil and gas leases covering approximately 169,000 acres, representing 71 percent of the leased area in the North Fork watershed. On June 2, we announced that Chevron decided to voluntarily relinquish its interest in 11,000 acres of leases in the Flathead watershed. To date, we have managed to retire the primary interest in 180,000 acres in the North Fork watershed, free of charge to the American taxpayer.

These actions are further evidence of the consensus that exists between the United States and Canada and among businesses and conservationists, that the withdrawal of these Federal lands from leasing is the only path forward.

The transboundary Flathead section of the Columbia River Restoration Act of 2010 authorizes the next phase of our efforts to protect the Flathead. Just yesterday, the White House issued a statement that during the G20 meeting in Toronto, President Obama and Prime Minister Harper discussed the transboundary Flathead, recognizing the memorandum of understanding between British Columbia and Montana and exploring ways that the two governments can cooperate to ensure sustained protection of the North Fork. Senator TESTER and I asked the President to discuss this issue with the Prime Minister on June 9th, and we are very pleased that the two made this a priority in light of the agenda at the G20. This commitment from the highest levels of government sets the stage for four-party talks between the United States, Canada, British Columbia, and Montana to establish permanent protections.

The Columbia River Basin Restoration Act of 2010 takes three key steps to move things forward in the Flathead. Before I walk through those, it is important to recognize that this is an authorization bill. It authorizes specific actions by the Federal Government and authorizes appropriations in support of those actions. It is important to remember that Congress works in a two-step process—first the authorization, then, once signed into law, appropriations follow.

The bill authorizes the President to take steps to preserve and protect the transboundary Flathead River Basin. It is clear that the President has authority under the Boundary Waters Treaty of 1909, the Clean Water Act, and other statutes to take steps to prevent water pollution and protect wildlife in the

transboundary Flathead. This section requires that the President act to meet these goals and provides explicit authority for the President to negotiate with Canada to ensure permanent protection for the North Fork and Glacier-Waterton National Park.

The bill authorizes the President, acting through appropriate agencies, to participate in cross-border collaborations and environmental assessments with Canada. Federal agency participation in such assessments is anticipated in the MOU between British Columbia and Montana, and our bill provides the authority for this to occur. Finally, the bill authorizes grants for baseline environmental studies, analysis of environmental impacts of any proposed projects, implementation of transboundary cooperative efforts, and other projects to protect and preserve the transboundary Flathead River Basin.

Funds for these and other purposes in the Columbia River Restoration Act of 2010 would be provided through the appropriations process, once this bill is signed into law.

Mr. President, I want to reflect for a moment on how far we have come in Montana in efforts to protect the North Fork. In 1975, during my very first term in the House of Representatives, I introduced a bill to designate the Flathead River as a Wild and Scenic River. It was designated a Wild and Scenic River in 1976.

For me, that began a lifelong effort to protect the North Fork. At that time I said:

A hundred years from now, and perhaps much sooner, those who follow us will survey what we have left behind.

The retirement of current oil and gas leases in the Flathead, the Energy Committee's very positive hearing on April 28 on S. 3075, the North Fork Watershed Protection Act 2010, President Obama's action yesterday with Prime Minister Harper, our introducing of this bipartisan legislation today and its eventual passage are all steps in a decades-long process to protect this gem of the continent.

I know that if we continue to cooperate with Canada, that if we can all keep our eye on the ball of long-term protection for the North Fork, that every Montanan, every American, and every Canadian who follows us will have the opportunity to share our feeling of awestruck wonder that such a place still exists, almost untouched by the modern world.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 573—URGING THE DEVELOPMENT OF A COMPREHENSIVE STRATEGY TO ENSURE STABILITY IN SOMALIA, AND FOR OTHER PURPOSES

Mr. FEINGOLD (for himself, Ms. KLOBUCHAR, and Mr. FRANKEN) sub-

mitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 573

Whereas Somalia has been without a functioning central government since 1991, resulting in lawlessness and an increasingly desperate humanitarian situation;

Whereas, despite the return of the internationally recognized Transitional Federal Government (TFG) to Mogadishu and ongoing diplomatic efforts through the Djibouti Peace Process, supported by the United Nations, there has been little improvement in the governance or stability of southern and central Somalia, and armed opposition groups continue to exploit this situation;

Whereas the traditional mediation role played by Somali elders has been eroded as the dynamics of conflict and the proliferation of weapons make it difficult to influence warring parties;

Whereas, since 2007, armed violence has resulted in the deaths of at least 21,000 people in Somalia and the displacement of nearly 2,000,000 people, including over 500,000 refugees in Kenya, Yemen, Ethiopia, Eritrea, Djibouti, Tanzania, and Uganda;

Whereas the United Nations estimates that 3,200,000 people, or 43 percent of the population of Somalia, are in need of humanitarian assistance and livelihood support to survive;

Whereas the United Nations reports that almost 1,000,000 displaced Somalis in need of aid cannot be reached by United Nations refugee and food agencies because of growing insecurity and the threat of kidnappings to staff;

Whereas local humanitarian organizations are trying to meet the needs of the Somali people by restoring basic social services in urban and rural communities, which places them on the front lines of the conflict and make them vulnerable targets for killings, kidnappings, or being accused of working for foreign governments;

Whereas al Shabaab, which has been designated as a foreign terrorist organization by the Department of State, and other armed groups continue to wage war against the Transitional Federal Government in Mogadishu and one another to gain control over territory in Somalia;

Whereas al Shabaab has claimed responsibility for many bombings—including suicide attacks—in Mogadishu, as well as in central and northern Somalia, typically targeting officials of the Government of Somalia and perceived allies of the TFG;

Whereas, according to Human Rights Watch, al Shabaab is subjecting inhabitants of areas under its control in southern Somalia to executions, cruel punishments, including amputations and floggings, and repressive social control;

Whereas the human rights situation in Somalia has dramatically worsened over the past several years with increased numbers of killings, torture, kidnappings, and rape;

Whereas the 2009 Department of State Country Terrorism Report notes that "Somalia's fragile transitional Federal government, protracted state of violent instability, its long, ungarded coastline, porous borders, and proximity to the Arabian Peninsula, made the country an attractive location for international terrorists seeking a transit or launching point for operations in Somalia or elsewhere";

Whereas the situation in southern and central Somalia, particularly the activity of al Shabaab, poses direct threats to the stability of Puntland and Somaliland regions, as well

as the stability of neighboring states and the wider region;

Whereas al Shabaab leaders have stated their intent to provide recruits and support for al Qaeda in the Arabian Peninsula in Yemen;

Whereas the Government of Eritrea has provided military and financial support for armed opposition groups, including al Shebaab, in part as a proxy front in its continuing tensions with Ethiopia;

Whereas, according to the most recent report by the United Nations Somalia Monitoring Group, arms, ammunitions, and military or dual-use equipment continue to enter Somalia at a fairly steady rate, primarily from Yemen and Ethiopia;

Whereas, in July 2009, the Department of State confirmed that, in addition to other support for the TFG, it had provided cash to purchase weapons and ammunitions for the TFG's efforts "to repel the onslaught of extremist forces which are intent on destroying the Djibouti peace process";

Whereas, according to most recent report by the United Nations Somalia Monitoring Group, "[d]espite infusions of foreign training and assistance, government security forces remain ineffective, disorganized and corrupt—a composite of independent militias loyal to senior government officials and military officers who profit from the business of war and resist their integration under a single command";

Whereas, on April 24, 2010, President Barack Obama issued an executive order to sanction or freeze the assets of militants who threaten, both directly and indirectly, the stability of Somalia, as well as individuals involved in piracy off Somalia's coast;

Whereas, in March 2009, at a hearing of the Committee on Homeland Security and Government Affairs of the Senate, Andrew Liepman, Deputy Director of Intelligence at the National Counterterrorism Center, noted that "[s]ince 2006, a number of U.S. citizens [have] traveled to Somalia, possibly to train in extremist training camps";

Whereas, in September 2009, at a hearing of the Committee on Homeland Security and Government Affairs of the Senate, the Director of the National Counterterrorism Center Michael Leiter testified that "the potential for al-Qaeda operatives in Somalia to commission Americans to return to the United States and launch attacks against the Homeland remains of significant concern"; and

Whereas the extraordinary and ongoing crisis in Somalia has enormous humanitarian consequences and direct national security implications for the United States and our allies in the region: Now therefore be it

Resolved, That the Senate—

(1) acknowledges the urgency of addressing the threats to United States national security in Somalia and the conditions that foster those threats;

(2) reaffirms its commitment to stand with all the people of Somalia who aspire to a future free of terrorism and violence through advancing political reconciliation and building legitimate and inclusive governance institutions;

(3) recognizes the difficult, but very important, work being done by the African Union Mission in Somalia (AMISOM) to help secure parts of Mogadishu, and reaffirms its support for the mission;

(4) calls on the Transitional Federal Government in Somalia—

(A) to cease immediately any use of child soldiers;

(B) to ensure better accountability and transparency for all received security assistance;

(C) to renew its commitment to political reconciliation; and

(D) to take necessary steps toward becoming a more legitimate and inclusive government in the eyes of the people of Somalia;

(5) calls on all actors and governments in the region, particularly the Government of Eritrea, to play a productive role in helping to bring about peace and stability to Somalia, including ceasing to provide any financial or material support to armed opposition groups in Somalia;

(6) welcomes efforts by the President to bring greater focus and resources toward understanding and monitoring the situation in Somalia;

(7) urges the President to develop a comprehensive strategy to ensure that all United States humanitarian, diplomatic, political, and counterterrorism programs in Somalia and the wider Horn of Africa are coordinated and making progress toward the long-term goal of establishing stability, respect for human rights, and functional, inclusive governance in Somalia;

(8) urges the President and Secretary of State, as part of a comprehensive strategy—

(A) to provide greater support for a range of diplomatic initiatives to engage clan leaders, business leaders, and civil society leaders in Somalia and the Somali Diaspora in political reconciliation and consensus-building;

(B) to ensure better oversight, monitoring, and transparency of all United States security assistance provided to the TFG;

(C) to increase and strengthen the United States diplomatic team working on Somalia, including the appointment of a senior envoy, and to ensure that these officials have the necessary resources, access, and mandate;

(D) to pursue opportunities for periodic, temporary United States Government travel to Somalia, consistent with any security concerns;

(E) to expand and deepen our engagement with the regions of Somaliland and Puntland and other regional administrations in order to promote good governance, effective law enforcement, respect for human rights, and stability in these regions;

(F) to explore, in consultation with the Secretary of the Treasury, increased options for pressuring individuals, governments, and other actors who undertake economic activities that support armed opposition groups and violence in Somalia; and

(G) to develop, in consultation with the Administrator of the United States Agency for International Development, creative and flexible mechanisms for delivering basic humanitarian assistance to the people of Somalia while minimizing the risk of significant diversion to armed opposition groups.

SENATE RESOLUTION 574—RELATIVE TO THE MEMORIAL OBSERVANCES OF THE HONORABLE ROBERT C. BYRD, LATE A SENATOR FROM THE STATE OF WEST VIRGINIA

Mr. REID (for himself and Mr. McCONNELL) submitted the following resolution; which was considered and agreed to:

S. RES. 574

Whereas, The Senate has heard with profound sorrow and deep regret the announce-

ment of the death of the Honorable Robert C. Byrd, late a Senator from the State of West Virginia: Now, therefore, be it

Resolved, That the memorial observances of the Honorable Robert C. Byrd, late a Senator from the State of West Virginia be held in the Senate Chamber on Thursday, July 1, 2010, beginning at 10:00 a.m., and that the Senate attend the same.

Resolved, That paragraph 1 of Rule IV of the Rules for the Regulation of the Senate Wing of the United States Capitol (prohibiting the taking of pictures in the Senate Chamber) be temporarily suspended for the sole and specific purpose of permitting the Senate Photographic Studio to photograph this memorial observance.

Resolved, That the Sergeant at Arms be directed to make necessary and appropriate arrangements in connection with the memorial observances in the Senate Chamber.

Resolved, That the Secretary of the Senate communicate these resolutions to the House of Representatives, transmit an enrolled copy thereof to the family of the deceased, and invite the House of Representatives and the family of the deceased to attend the memorial observances in the Senate Chamber.

Resolved, That invitations be extended to the President of the United States, the Vice President of the United States, and the members of the Cabinet, the Chief Justice and Associate Justices of the Supreme Court of the United States, the Diplomatic Corps (through the Secretary of State), the Chief of Staff of the Army, the Chief of Naval Operations of the Navy, the Major General Commandant of the Marine Corps, the Chief of Staff of the Air Force, and the Commandant of the Coast Guard to attend the memorial observances in the Senate Chamber.

SENATE CONCURRENT RESOLUTION 65—PROVIDING FOR THE USE OF THE CATAFALQUE SITUATED IN THE EXHIBITION HALL OF THE CAPITOL VISITOR CENTER IN CONNECTION WITH MEMORIAL SERVICES TO BE CONDUCTED IN THE UNITED STATES SENATE CHAMBER FOR THE HONORABLE ROBERT C. BYRD, LATE A SENATOR FROM THE STATE OF WEST VIRGINIA

Mr. REID (for himself and Mr. McCONNELL) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 65

Resolved by the Senate (the House of Representatives concurring), That the Architect of the Capitol is authorized and directed to transfer the catafalque which is situated in the Exhibition Hall of the Capitol Visitor Center to the Senate Chamber so that such catafalque may be used in connection with services to be conducted there for the Honorable Robert C. Byrd, late a Senator from the State of West Virginia.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4401. Mr. BAUCUS submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small

businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table.

SA 4402. Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) proposed an amendment to the bill H.R. 5297, supra.

SA 4403. Mr. REID (for himself, Mr. BAUCUS, and Ms. LANDRIEU) proposed an amendment to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra.

SA 4404. Mr. REID proposed an amendment to amendment SA 4403 proposed by Mr. REID (for himself, Mr. BAUCUS, and Ms. LANDRIEU) to the amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra.

SA 4405. Mr. REID proposed an amendment to the bill H.R. 5297, supra.

SA 4406. Mr. REID proposed an amendment to amendment SA 4405 proposed by Mr. REID to the bill H.R. 5297, supra.

SA 4407. Mr. REID (for himself, Mr. BAUCUS, and Ms. LANDRIEU) proposed an amendment to the bill H.R. 5297, supra.

SA 4408. Mr. REID proposed an amendment to amendment SA 4407 proposed by Mr. REID (for himself, Mr. BAUCUS, and Ms. LANDRIEU) to the bill H.R. 5297, supra.

SA 4409. Mr. REID proposed an amendment to amendment SA 4408 proposed by Mr. REID to the amendment SA 4407 proposed by Mr. REID (for himself, Mr. BAUCUS, and Ms. LANDRIEU) to the bill H.R. 5297, supra.

SA 4410. Mr. KERRY (for himself and Mr. ENSIGN) submitted an amendment intended to be proposed by him to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4411. Mr. BINGAMAN (for himself and Mr. KERRY) submitted an amendment intended to be proposed by him to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4412. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4413. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4414. Mr. CARDIN submitted an amendment intended to be proposed by him to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4415. Mr. CARDIN submitted an amendment intended to be proposed by him to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4416. Mr. VITTER submitted an amendment intended to be proposed by him to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4417. Mr. BAUCUS submitted an amendment intended to be proposed by him to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4418. Mr. WHITEHOUSE (for himself, Mr. BENNET, Mr. BROWN, of Massachusetts, Mr. BROWN, of Ohio, Mr. CORKER, Mr. DURBIN, Mrs. FEINSTEIN, Mr. GRAHAM, Mr. KAUFMAN, Mr. LEAHY, Mr. LEMIEUX, Mrs. MCCASKILL, Mr. MENENDEZ, Mr. NELSON, of Florida, Mr. PRYOR, Mr. SCHUMER, Mr. SESSIONS, Mr. SPECTER, and Mr. WARNER) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4419. Mr. BURRIS submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4420. Mr. DODD (for himself, Mr. COCHRAN, and Ms. MIKULSKI) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4421. Mr. CASEY submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4422. Mr. TESTER submitted an amendment intended to be proposed by him to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4423. Mrs. SHAHEEN (for herself and Mr. COCHRAN) submitted an amendment intended to be proposed by her to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4424. Mr. WEBB (for himself and Mrs. BOXER) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4425. Mr. REID proposed an amendment to the bill H.R. 4213, to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes.

SA 4426. Mr. REID proposed an amendment to amendment SA 4425 proposed by Mr. REID to the bill H.R. 4213, supra.

SA 4427. Mr. REID proposed an amendment to the bill H.R. 4213, supra.

SA 4428. Mr. REID proposed an amendment to amendment SA 4427 proposed by Mr. REID to the bill H.R. 4213, supra.

SA 4429. Mr. REID proposed an amendment to amendment SA 4428 proposed by Mr. REID to the amendment SA 4427 proposed by Mr. REID to the bill H.R. 4213, supra.

SA 4430. Mrs. BOXER (for herself and Ms. LANDRIEU) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 4401. Mr. BAUCUS submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 115, between lines 6 and 7, insert the following:

SEC. 702. BUSINESS AND INDUSTRY DIRECT AND GUARANTEED LOANS.

(a) **TANGIBLE EQUITY REQUIREMENTS.**—Section 310B(d) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(d)) is amended by striking paragraph (6) and inserting the following:

“(6) **EQUITY.**—In the case of direct or guaranteed loans under this section, the Secretary shall use commercial lending standards in determining any equity requirement.”.

(b) **GENERAL TERMS.**—Section 310B(g) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(g)) is amended by adding at the end the following:

“(10) **GENERAL TERMS.**—

“(A) **MAXIMUM LOAN GUARANTEE AMOUNT.**—

“(i) **IN GENERAL.**—Notwithstanding any other provision of this Act, during the period beginning on the date of enactment of this paragraph and ending on December 31, 2011, the Secretary shall guarantee up to 90 percent of a business and industry loan in an amount of up to \$10,000,000 that is a high priority project, as determined based on published criteria of the Secretary that includes rural economic factors.

“(ii) **SUBSEQUENT FISCAL YEARS.**—Notwithstanding any other provision of this Act, beginning on January 1, 2012, the Secretary may guarantee up to 80 or 90 percent (as determined by the Secretary) of a business and industry loan in an amount of up to \$10,000,000 that is a high priority project, as determined based on criteria described in clause (i).

“(B) **LINE-OF-CREDIT LOANS.**—In guaranteeing business and industry loans, the Secretary shall guarantee line-of-credit loans in accordance with section 316(c).

“(C) **REFINANCING.**—

“(i) **IN GENERAL.**—A business and industry loan may be used by a small business to refinance debt in existence as of the day before the date on which the loan was made or guaranteed, if—

“(I) the project for which the debt was incurred is viable and will create or save jobs, as determined by the Secretary; and

“(II) as of the date of application for refinancing—

“(aa) the underlying loan has been current for at least 1 year; and

“(bb) the lender is providing better rates and longer terms than under the original loan.

“(ii) **SUBORDINATED OWNER DEBT.**—Subordinated owner debt shall not be eligible for inclusion in debt described in clause (i).

“(D) **AUDIT STANDARDS.**—Notwithstanding any other provision of law, the Secretary—

“(i) shall not require audited financial statements consistent with generally accepted accounting principles for business and industry loans of less than \$3,000,000; and

“(ii) may waive any requirement for audited financial statements consistent with generally accepted accounting principles for business and industry loans of at least \$3,000,000.

“(E) **CALCULATION OF DELINQUENCY RATES.**—To allow accurate comparison of delinquency rates among Federal agencies, in calculating the delinquency rate for business and industry loans, the Secretary shall use the calculation method used by the Administrator of the Small Business Administration.”.

(c) **SENSE OF CONGRESS RELATING TO THE RURAL MICROENTREPRENEUR ASSISTANCE PROGRAM.**—It is the sense of Congress that in allocating discretionary funds of the Secretary

of Agriculture, the Secretary of Agriculture should give priority to the rural microentrepreneur assistance program established under section 379E of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008s).

SA 4402. Mr. REID (for Mr. BAUCUS) proposed an amendment to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Small Business Jobs Act of 2010”.

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

TITLE I—SMALL BUSINESSES

Sec. 1001. Definitions.

Subtitle A—Small Business Access to Credit

Sec. 1101. Short title.

PART I—NEXT STEPS FOR MAIN STREET CREDIT AVAILABILITY

Sec. 1111. Section 7(a) business loans.

Sec. 1112. Maximum loan amounts under 504 program.

Sec. 1113. Maximum loan limits under microloan program.

Sec. 1114. Temporary fee reductions.

Sec. 1115. New Markets Venture Capital company investment limitations.

Sec. 1116. Alternative size standards.

Sec. 1117. Sale of 7(a) loans in secondary market.

Sec. 1118. Online lending platform.

Sec. 1119. SBA Secondary Market Guarantee Authority.

PART II—SMALL BUSINESS ACCESS TO CAPITAL

Sec. 1122. Low-interest refinancing under the local development business loan program.

PART III—OTHER MATTERS

Sec. 1131. Small business intermediary lending pilot program.

Sec. 1132. Public policy goals.

Sec. 1133. Draft floor plan pilot program extension.

Sec. 1134. Guarantees for bonds and notes issued for community or economic development purposes.

Sec. 1135. Temporary express loan enhancement.

Sec. 1136. Prohibition on using TARP funds or tax in creases.

Subtitle B—Small Business Trade and Exporting

Sec. 1201. Short title.

Sec. 1202. Definitions.

Sec. 1203. Office of International Trade.

Sec. 1204. Duties of the Office of International Trade.

Sec. 1205. Export assistance centers.

Sec. 1206. International trade finance programs.

Sec. 1207. State Trade and Export Promotion Grant Program.

Sec. 1208. Rural export promotion.

Sec. 1209. International trade cooperation by small business development centers.

Subtitle C—Small Business Contracting

PART I—CONTRACT BUNDLING

Sec. 1311. Small Business Act.

Sec. 1312. Leadership and oversight.

Sec. 1313. Consolidation of contract requirements.

Sec. 1314. Small business teams pilot program.

PART II—SUBCONTRACTING INTEGRITY

Sec. 1321. Subcontracting misrepresentations.

Sec. 1322. Small business subcontracting improvements.

PART III—ACQUISITION PROCESS

Sec. 1331. Reservation of prime contract awards for small businesses.

Sec. 1332. Micro-purchase guidelines.

Sec. 1333. Agency accountability.

Sec. 1334. Payment of subcontractors.

Sec. 1335. Repeal of Small Business Competitiveness Demonstration Program.

PART IV—SMALL BUSINESS SIZE AND STATUS INTEGRITY

Sec. 1341. Policy and presumptions.

Sec. 1342. Annual certification.

Sec. 1343. Training for contracting and enforcement personnel.

Sec. 1344. Updated size standards.

Sec. 1345. Study and report on the mentor-protégé program.

Sec. 1346. Contracting goals reports.

Sec. 1347. Small business contracting parity.

Subtitle D—Small Business Management and Counseling Assistance

Sec. 1401. Matching requirements under small business programs.

Sec. 1402. Grants for SBDCs.

Subtitle E—Disaster Loan Improvement

Sec. 1501. Aquaculture business disaster assistance.

Subtitle F—Small Business Regulatory Relief

Sec. 1601. Requirements providing for more detailed analyses.

Sec. 1602. Office of advocacy.

Subtitle G—Appropriations Provisions

Sec. 1701. Salaries and expenses.

Sec. 1702. Business loans program account.

Sec. 1703. Community Development Financial Institutions Fund program account.

TITLE II—TAX PROVISIONS

Sec. 2001. Short title.

Subtitle A—Small Business Relief

PART I—PROVIDING ACCESS TO CAPITAL

Sec. 2011. Temporary exclusion of 100 percent of gain on certain small business stock.

Sec. 2012. General business credits of eligible small businesses for 2010 carried back 5 years.

Sec. 2013. General business credits of eligible small businesses in 2010 not subject to alternative minimum tax.

Sec. 2014. Temporary reduction in recognition period for built-in gains tax.

PART II—ENCOURAGING INVESTMENT

Sec. 2021. Increased expensing limitations for 2010 and 2011; certain real property treated as section 179 property.

Sec. 2022. Additional first-year depreciation for 50 percent of the basis of certain qualified property.

PART III—PROMOTING ENTREPRENEURSHIP

Sec. 2031. Increase in amount allowed as deduction for start-up expenditures in 2010.

Sec. 2032. Authorization of appropriations for the United States Trade Representative to develop market access opportunities for United States small- and medium-sized businesses and to enforce trade agreements.

PART IV—PROMOTING SMALL BUSINESS FAIRNESS

Sec. 2041. Limitation on penalty for failure to disclose reportable transactions based on resulting tax benefits.

Sec. 2042. Deduction for health insurance costs in computing self-employment taxes in 2010.

Subtitle B—Revenue Provisions

PART I—REDUCING THE TAX GAP

Sec. 2101. Information reporting for rental property expense payments.

Sec. 2102. Increase in information return penalties.

Sec. 2103. Report on tax shelter penalties and certain other enforcement actions.

Sec. 2104. Application of levy to payments to Federal vendors relating to property.

Sec. 2105. Application of continuous levy to tax liabilities of certain Federal contractors.

Sec. 2106. Application of bad checks penalty to electronic payments.

PART II—PROMOTING RETIREMENT PREPARATION

Sec. 2111. Participants in government section 457 plans allowed to treat elective deferrals as Roth contributions.

Sec. 2112. Rollovers from elective deferral plans to designated Roth accounts.

PART III—CLOSING UNINTENDED LOOPHOLES

Sec. 2121. Crude oil ineligible for cellulosic biofuel producer credit.

PART IV—TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES

Sec. 2131. Time for payment of corporate estimated taxes.

TITLE III—SMALL BUSINESS LENDING

Subtitle A—Small Business Lending Fund

Sec. 3101. Purpose.

Sec. 3102. Definitions.

Sec. 3103. Small business lending fund.

Sec. 3104. Additional authorities of the Secretary.

Sec. 3105. Considerations.

Sec. 3106. Reports.

Sec. 3107. Oversight and audits.

Sec. 3108. Credit reform; funding.

Sec. 3109. Termination and continuation of authorities.

Sec. 3110. Preservation of authority.

Sec. 3111. Assurances.

Sec. 3112. Study and report with respect to women-owned, veteran-owned, and minority-owned businesses.

Sec. 3113. Sense of congress.

Subtitle B—State Small Business Credit Initiative

Sec. 3201. Short title.

Sec. 3202. Definitions.

Sec. 3203. Federal funds allocated to States.

- Sec. 3204. Approving States for participation.
- Sec. 3205. Approving State capital access programs.
- Sec. 3206. Approving collateral support and other innovative credit access and guarantee initiatives for small businesses and manufacturers.
- Sec. 3207. Reports.
- Sec. 3208. Remedies for State program termination or failures.
- Sec. 3209. Implementation and administration.
- Sec. 3210. Regulations.
- Sec. 3211. Oversight and audits.

TITLE IV—BUDGETARY PROVISIONS

- Sec. 4001. Determination of budgetary effects.

TITLE I—SMALL BUSINESSES

SEC. 1001. DEFINITIONS.

In this title—

(1) the terms “Administration” and “Administrator” mean the Small Business Administration and the Administrator thereof, respectively; and

(2) the term “small business concern” has the meaning given that term under section 3 of the Small Business Act (15 U.S.C. 632).

Subtitle A—Small Business Access to Credit

SEC. 1101. SHORT TITLE.

This subtitle may be cited as the “Small Business Job Creation and Access to Capital Act of 2010”.

PART I—NEXT STEPS FOR MAIN STREET CREDIT AVAILABILITY

SEC. 1111. SECTION 7(a) BUSINESS LOANS.

(a) AMENDMENT.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) in paragraph (2)(A)—

(A) in clause (i), by striking “75 percent” and inserting “90 percent”; and

(B) in clause (ii), by striking “85 percent” and inserting “90 percent”; and

(2) in paragraph (3)(A), by striking “\$1,500,000 (or if the gross loan amount would exceed \$2,000,000)” and inserting “\$4,500,000 (or if the gross loan amount would exceed \$5,000,000)”.

(b) PROSPECTIVE REPEAL.—Effective January 1, 2011, section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) in paragraph (2)(A)—

(A) in clause (i), by striking “90 percent” and inserting “75 percent”; and

(B) in clause (ii), by striking “90 percent” and inserting “85 percent”; and

(2) in paragraph (3)(A), by striking “\$4,500,000” and inserting “\$3,750,000”.

SEC. 1112. MAXIMUM LOAN AMOUNTS UNDER 504 PROGRAM.

Section 502(2)(A) of the Small Business Investment Act of 1958 (15 U.S.C. 696(2)(A)) is amended—

(1) in clause (i), by striking “\$1,500,000” and inserting “\$5,000,000”; and

(2) in clause (ii), by striking “\$2,000,000” and inserting “\$5,000,000”; and

(3) in clause (iii), by striking “\$4,000,000” and inserting “\$5,500,000”; and

(4) in clause (iv), by striking “\$4,000,000” and inserting “\$5,500,000”; and

(5) in clause (v), by striking “\$4,000,000” and inserting “\$5,500,000”.

SEC. 1113. MAXIMUM LOAN LIMITS UNDER MICROLOAN PROGRAM.

Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) is amended—

(1) in paragraph (1)(B)(iii), by striking “\$35,000” and inserting “\$50,000”; and

(2) in paragraph (3)—

(A) in subparagraph (C), by striking “\$3,500,000” and inserting “\$5,000,000”; and

(B) in subparagraph (E), by striking “\$35,000” each place that term appears and inserting “\$50,000”; and

(3) in paragraph (1)(B), by striking “\$35,000” and inserting “\$50,000”.

SEC. 1114. TEMPORARY FEE REDUCTIONS.

Section 501 of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 151) is amended by striking “September 30, 2010” each place that term appears and inserting “December 31, 2010”.

SEC. 1115. NEW MARKETS VENTURE CAPITAL COMPANY INVESTMENT LIMITATIONS.

Section 355 of the Small Business Investment Act of 1958 (15 U.S.C. 689d) is amended by adding at the end the following:

“(e) INVESTMENT LIMITATIONS.—

“(1) DEFINITION.—In this subsection, the term ‘covered New Markets Venture Capital company’ means a New Markets Venture Capital company—

“(A) granted final approval by the Administrator under section 354(e) on or after March 1, 2002; and

“(B) that has obtained a financing from the Administrator.

“(2) LIMITATION.—Except to the extent approved by the Administrator, a covered New Markets Venture Capital company may not acquire or issue commitments for securities under this title for any single enterprise in an aggregate amount equal to more than 10 percent of the sum of—

“(A) the regulatory capital of the covered New Markets Venture Capital company; and

“(B) the total amount of leverage projected in the participation agreement of the covered New Markets Venture Capital.”.

SEC. 1116. ALTERNATIVE SIZE STANDARDS.

Section 3(a) of the Small Business Act (15 U.S.C. 632(a)) is amended by adding at the end the following:

“(5) ALTERNATIVE SIZE STANDARD.—

“(A) IN GENERAL.—The Administrator shall establish an alternative size standard for applicants for business loans under section 7(a) and applicants for development company loans under title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.), that uses maximum tangible net worth and average net income as an alternative to the use of industry standards.

“(B) INTERIM RULE.—Until the date on which the alternative size standard established under subparagraph (A) is in effect, an applicant for a business loan under section 7(a) or an applicant for a development company loan under title V of the Small Business Investment Act of 1958 may be eligible for such a loan if—

“(i) the maximum tangible net worth of the applicant is not more than \$15,000,000; and

“(ii) the average net income after Federal income taxes (excluding any carry-over losses) of the applicant for the 2 full fiscal years before the date of the application is not more than \$5,000,000.”.

SEC. 1117. SALE OF 7(a) LOANS IN SECONDARY MARKET.

Section 5(g) of the Small Business Act (15 U.S.C. 634(g)) is amended by adding at the end the following:

“(6) If the amount of the guaranteed portion of any loan under section 7(a) is more than \$500,000, the Administrator shall, upon request of a pool assembler, divide the loan guarantee into increments of \$500,000 and 1 increment of any remaining amount less than \$500,000, in order to permit the maximum amount of any loan in a pool to be not more than \$500,000. Only 1 increment of any loan guarantee divided under this paragraph

may be included in the same pool. Increments of loan guarantees to different borrowers that are divided under this paragraph may be included in the same pool.”.

SEC. 1118. ONLINE LENDING PLATFORM.

It is the sense of Congress that the Administrator of the Small Business Administration should establish a website that—

(1) lists each lender that makes loans guaranteed by the Small Business Administration and provides information about the loan rates of each such lender; and

(2) allows prospective borrowers to compare rates on loans guaranteed by the Small Business Administration.

SEC. 1119. SBA SECONDARY MARKET GUARANTEE AUTHORITY.

Section 503(f) of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 155) is amended by striking “on the date 2 years after the date of enactment of this section” and inserting “2 years after the date of the first sale of a pool of first lien position 504 loans guaranteed under this section to a third-party investor”.

PART II—SMALL BUSINESS ACCESS TO CAPITAL

SEC. 1122. LOW-INTEREST REFINANCING UNDER THE LOCAL DEVELOPMENT BUSINESS LOAN PROGRAM.

(a) REFINANCING.—Section 502(7) of the Small Business Investment Act of 1958 (15 U.S.C. 696(7)) is amended by adding at the end the following:

“(C) REFINANCING NOT INVOLVING EXPANSIONS.—

“(i) DEFINITIONS.—In this subparagraph—

“(I) the term ‘borrower’ means a small business concern that submits an application to a development company for financing under this subparagraph; and

“(II) the term ‘eligible fixed asset’ means tangible property relating to which the Administrator may provide financing under this section; and

“(III) the term ‘qualified debt’ means indebtedness—

“(aa) that—

“(AA) was incurred not less than 2 years before the date of the application for assistance under this subparagraph; and

“(BB) is a commercial loan; and

“(CC) is not subject to a guarantee by a Federal agency; and

“(DD) the proceeds of which were used to acquire an eligible fixed asset; and

“(EE) was incurred for the benefit of the small business concern; and

“(FF) is collateralized by eligible fixed assets; and

“(bb) for which the borrower has been current on all payments for not less than 1 year before the date of the application.

“(ii) AUTHORITY.—A project that does not involve the expansion of a small business concern may include the refinancing of qualified debt if—

“(I) the amount of the financing is not more than 90 percent of the value of the collateral for the financing, except that, if the appraised value of the eligible fixed assets serving as collateral for the financing is less than the amount equal to 125 percent of the amount of the financing, the borrower may provide additional cash or other collateral to eliminate any deficiency; and

“(II) the borrower has been in operation for all of the 2-year period ending on the date of the loan; and

“(III) for a financing for which the Administrator determines there will be an additional cost attributable to the refinancing of the qualified debt, the borrower agrees to

pay a fee in an amount equal to the anticipated additional cost.

“(iii) FINANCING FOR BUSINESS EXPENSES.—

“(I) FINANCING FOR BUSINESS EXPENSES.—The Administrator may provide financing to a borrower that receives financing that includes a refinancing of qualified debt under clause (ii), in addition to the refinancing under clause (ii), to be used solely for the payment of business expenses.

“(II) APPLICATION FOR FINANCING.—An application for financing under subclause (I) shall include—

“(aa) a specific description of the expenses for which the additional financing is requested; and

“(bb) an itemization of the amount of each expense.

“(III) CONDITION ON ADDITIONAL FINANCING.—A borrower may not use any part of the financing under this clause for non-business purposes.

“(iv) LOANS BASED ON JOBS.—

“(I) JOB CREATION AND RETENTION GOALS.—

“(aa) IN GENERAL.—The Administrator may provide financing under this subparagraph for a borrower that meets the job creation goals under subsection (d) or (e) of section 501.

“(bb) ALTERNATE JOB RETENTION GOAL.—The Administrator may provide financing under this subparagraph to a borrower that does not meet the goals described in item (aa) in an amount that is not more than the product obtained by multiplying the number of employees of the borrower by \$65,000.

“(II) NUMBER OF EMPLOYEES.—For purposes of subclause (I), the number of employees of a borrower is equal to the sum of—

“(aa) the number of full-time employees of the borrower on the date on which the borrower applies for a loan under this subparagraph; and

“(bb) the product obtained by multiplying—

“(AA) the number of part-time employees of the borrower on the date on which the borrower applies for a loan under this subparagraph; by

“(BB) the quotient obtained by dividing the average number of hours each part time employee of the borrower works each week by 40.

“(v) NONDELEGATION.—Notwithstanding section 508(e), the Administrator may not permit a premier certified lender to approve or disapprove an application for assistance under this subparagraph.

“(vi) TOTAL AMOUNT OF LOANS.—The Administrator may provide not more than a total of \$7,500,000,000 of financing under this subparagraph for each fiscal year.”

(b) PROSPECTIVE REPEAL.—Effective 2 years after the date of enactment of this Act, section 502(7) of the Small Business Investment Act of 1958 (15 U.S.C. 696(7)) is amended by striking subparagraph (C).

(c) TECHNICAL CORRECTION.—Section 502(2)(A)(i) of the Small Business Investment Act of 1958 (15 U.S.C. 696(2)(A)(i)) is amended by striking “subparagraph (B) or (C)” and inserting “clause (ii), (iii), (iv), or (v)”.

PART III—OTHER MATTERS

SEC. 1131. SMALL BUSINESS INTERMEDIARY LENDING PILOT PROGRAM.

(a) IN GENERAL.—Section 7 of the Small Business Act (15 U.S.C. 636) is amended by striking subsection (l) and inserting the following:

“(l) SMALL BUSINESS INTERMEDIARY LENDING PILOT PROGRAM.—

“(1) DEFINITIONS.—In this subsection—

“(A) the term ‘eligible intermediary’—

“(i) means a private, nonprofit entity that—

“(I) seeks or has been awarded a loan from the Administrator to make loans to small business concerns under this subsection; and

“(II) has not less than 1 year of experience making loans to startup, newly established, or growing small business concerns; and

“(ii) includes—

“(I) a private, nonprofit community development corporation; and

“(II) a consortium of private, nonprofit organizations or nonprofit community development corporations; and

“(III) an agency of or nonprofit entity established by a Native American Tribal Government; and

“(B) the term ‘Program’ means the small business intermediary lending pilot program established under paragraph (2).

“(2) ESTABLISHMENT.—There is established a 3-year small business intermediary lending pilot program, under which the Administrator may make direct loans to eligible intermediaries, for the purpose of making loans to startup, newly established, and growing small business concerns.

“(3) PURPOSES.—The purposes of the Program are—

“(A) to assist small business concerns in areas suffering from a lack of credit due to poor economic conditions or changes in the financial market; and

“(B) to establish a loan program under which the Administrator may provide loans to eligible intermediaries to enable the eligible intermediaries to provide loans to startup, newly established, and growing small business concerns for working capital, real estate, or the acquisition of materials, supplies, or equipment.

“(4) LOANS TO ELIGIBLE INTERMEDIARIES.—

“(A) APPLICATION.—Each eligible intermediary desiring a loan under this subsection shall submit an application to the Administrator that describes—

“(i) the type of small business concerns to be assisted;

“(ii) the size and range of loans to be made;

“(iii) the interest rate and terms of loans to be made;

“(iv) the geographic area to be served and the economic, poverty, and unemployment characteristics of the area;

“(v) the status of small business concerns in the area to be served and an analysis of the availability of credit; and

“(vi) the qualifications of the applicant to carry out this subsection.

“(B) LOAN LIMITS.—No loan may be made to an eligible intermediary under this subsection if the total amount outstanding and committed to the eligible intermediary by the Administrator would, as a result of such loan, exceed \$1,000,000 during the participation of the eligible intermediary in the Program.

“(C) LOAN DURATION.—Loans made by the Administrator under this subsection shall be for a term of 20 years.

“(D) APPLICABLE INTEREST RATES.—Loans made by the Administrator to an eligible intermediary under the Program shall bear an annual interest rate equal to 1.00 percent.

“(E) FEES; COLLATERAL.—The Administrator may not charge any fees or require collateral with respect to any loan made to an eligible intermediary under this subsection.

“(F) DELAYED PAYMENTS.—The Administrator shall not require the repayment of principal or interest on a loan made to an eligible intermediary under the Program during the 2-year period beginning on the date of the initial disbursement of funds under that loan.

“(G) MAXIMUM PARTICIPANTS AND AMOUNTS.—During each of fiscal years 2011, 2012, and 2013, the Administrator may make loans under the Program—

“(i) to not more than 20 eligible intermediaries; and

“(ii) in a total amount of not more than \$20,000,000.

“(5) LOANS TO SMALL BUSINESS CONCERNS.—

“(A) IN GENERAL.—The Administrator, through an eligible intermediary, shall make loans to startup, newly established, and growing small business concerns for working capital, real estate, and the acquisition of materials, supplies, furniture, fixtures, and equipment.

“(B) MAXIMUM LOAN.—An eligible intermediary may not make a loan under this subsection of more than \$200,000 to any 1 small business concern.

“(C) APPLICABLE INTEREST RATES.—A loan made by an eligible intermediary to a small business concern under this subsection, may have a fixed or a variable interest rate, and shall bear an interest rate specified by the eligible intermediary in the application of the eligible intermediary for a loan under this subsection.

“(D) REVIEW RESTRICTIONS.—The Administrator may not review individual loans made by an eligible intermediary to a small business concern before approval of the loan by the eligible intermediary.

“(6) TERMINATION.—The authority of the Administrator to make loans under the Program shall terminate 3 years after the date of enactment of the Small Business Job Creation and Access to Capital Act of 2010.”

(b) RULEMAKING AUTHORITY.—Not later than 180 days after the date of enactment of this Act, the Administrator shall issue regulations to carry out section 7(l) of the Small Business Act, as amended by subsection (a).

(c) AVAILABILITY OF FUNDS.—Any amounts provided to the Administrator for the purposes of carrying out section 7(l) of the Small Business Act, as amended by subsection (a), shall remain available until expended.

SEC. 1132. PUBLIC POLICY GOALS.

Section 501(d)(3) of the Small Business Investment Act of 1958 (15 U.S.C. 695(d)(3)) is amended—

(1) in subparagraph (J), by striking “or” at the end;

(2) in subparagraph (K), by striking the period at the end and inserting “, or”; and

(3) by adding at the end the following:

“(L) reduction of rates of unemployment in labor surplus areas, as such areas are determined by the Secretary of Labor.”

SEC. 1133. DRAFT FLOOR PLAN PILOT PROGRAM EXTENSION.

(a) IN GENERAL.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) by redesignating paragraph (32), relating to increased veteran participation, as added by section 208 of the Military Reservist and Veteran Small Business Reauthorization and Opportunity Act of 2008 (Public Law 110-186; 122 Stat. 631), as paragraph (33); and

(2) by adding at the end the following:

“(34) DEALER FLOOR PLAN FINANCING PROGRAM.—

“(A) DEFINITION.—In this paragraph, the term ‘eligible retail good’—

“(i) means a good for which a title may be obtained under State law; and

“(ii) includes an automobile, recreational vehicle, boat, and manufactured home.

“(B) PROGRAM.—The Administrator may guarantee the timely payment of an open-end extension of credit to a small business concern, the proceeds of which may be used

for the purchase of eligible retail goods for resale.

“(C) AMOUNT.—An open-end extension of credit guaranteed under this paragraph shall be in an amount not less than \$500,000 and not more than \$5,000,000.

“(D) TERM.—An open-end extension of credit guaranteed under this paragraph shall have a term of not more than 5 years.

“(E) GUARANTEE PERCENTAGE.—The Administrator may guarantee—

“(i) not less than 60 percent of an open-end extension of credit under this paragraph; and

“(ii) not more than 75 percent of an open-end extension of credit under this paragraph.

“(F) ADVANCE RATE.—The lender for an open-end extension of credit guaranteed under this paragraph may allow the borrower to draw funds on the line of credit in an amount equal to not more than 100 percent of the value of the eligible retail goods to be purchased.”.

(b) SUNSET.—Effective September 30, 2013, section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) by striking paragraph (34); and

(2) by redesignating paragraph (35), as added by section 1206 of this Act, as paragraph (34).

SEC. 1134. GUARANTEES FOR BONDS AND NOTES ISSUED FOR COMMUNITY OR ECONOMIC DEVELOPMENT PURPOSES.

The Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4701 et seq.) is amended by inserting after section 114 (12 U.S.C. 4713) the following:

“SEC. 114A. GUARANTEES FOR BONDS AND NOTES ISSUED FOR COMMUNITY OR ECONOMIC DEVELOPMENT PURPOSES.

“(a) DEFINITIONS.—In this section, the following definitions shall apply:

“(1) ELIGIBLE COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.—The term ‘eligible community development financial institution’ means a community development financial institution (as described in section 1805.201 of title 12, Code of Federal Regulations, or any successor thereto) certified by the Secretary that has applied to a qualified issuer for, or been granted by a qualified issuer, a loan under the Program.

“(2) ELIGIBLE COMMUNITY OR ECONOMIC DEVELOPMENT PURPOSE.—The term ‘eligible community or economic development purpose’—

“(A) means any purpose described in section 108(b); and

“(B) includes the provision of community or economic development in low-income or underserved rural areas.

“(3) GUARANTEE.—The term ‘guarantee’ means a written agreement between the Secretary and a qualified issuer (or trustee), pursuant to which the Secretary ensures repayment of the verifiable losses of principal, interest, and call premium, if any, on notes or bonds issued by a qualified issuer to finance or refinance loans to eligible community development financial institutions.

“(4) LOAN.—The term ‘loan’ means any credit instrument that is extended under the Program for any eligible community or economic development purpose.

“(5) MASTER SERVICER.—

“(A) IN GENERAL.—The term ‘master servicer’ means any entity approved by the Secretary in accordance with subparagraph (B) to oversee the activities of servicers, as provided in subsection (f)(4).

“(B) APPROVAL CRITERIA FOR MASTER SERVICERS.—The Secretary shall approve or deny any application to become a master servicer under the Program not later than 90

days after the date on which all required information is submitted to the Secretary, based on the capacity and experience of the applicant in—

“(i) loan administration, servicing, and loan monitoring;

“(ii) managing regional or national loan intake, processing, or servicing operational systems and infrastructure;

“(iii) managing regional or national originator communication systems and infrastructure;

“(iv) developing and implementing training and other risk management strategies on a regional or national basis; and

“(v) compliance monitoring, investor relations, and reporting.

“(6) PROGRAM.—The term ‘Program’ means the guarantee Program for bonds and notes issued for eligible community or economic development purposes established under this section.

“(7) PROGRAM ADMINISTRATOR.—The term ‘Program administrator’ means an entity designated by the issuer to perform administrative duties, as provided in subsection (f)(2).

“(8) QUALIFIED ISSUER.—

“(A) IN GENERAL.—The term ‘qualified issuer’ means a community development financial institution (or any entity designated to issue notes or bonds on behalf of such community development financial institution) that meets the qualification requirements of this paragraph.

“(B) APPROVAL CRITERIA FOR QUALIFIED ISSUERS.—

“(i) IN GENERAL.—The Secretary shall approve a qualified issuer for a guarantee under the Program in accordance with the requirements of this paragraph, and such additional requirements as the Secretary may establish, by regulation.

“(ii) TERMS AND QUALIFICATIONS.—A qualified issuer shall—

“(I) have appropriate expertise, capacity, and experience, or otherwise be qualified to make loans for eligible community or economic development purposes;

“(II) provide to the Secretary—

“(aa) an acceptable statement of the proposed sources and uses of the funds; and

“(bb) a capital distribution plan that meets the requirements of subsection (c)(1); and

“(III) certify to the Secretary that the bonds or notes to be guaranteed are to be used for eligible community or economic development purposes.

“(C) DEPARTMENT OPINION; TIMING.—

“(i) DEPARTMENT OPINION.—Not later than 30 days after the date of a request by a qualified issuer for approval of a guarantee under the Program, the Secretary shall provide an opinion regarding compliance by the issuer with the requirements of the Program under this section.

“(ii) TIMING.—The Secretary shall approve or deny a guarantee under this section after consideration of the opinion provided to the Secretary under clause (i), and in no case later than 90 days after receipt of all required information by the Secretary with respect to a request for such guarantee.

“(9) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury.

“(10) SERVICER.—The term ‘servicer’ means an entity designated by the issuer to perform various servicing duties, as provided in subsection (f)(3).

“(b) GUARANTEES AUTHORIZED.—The Secretary shall guarantee payments on bonds or notes issued by any qualified issuer, if the proceeds of the bonds or notes are used in ac-

cordance with this section to make loans to eligible community development financial institutions—

“(1) for eligible community or economic development purposes; or

“(2) to refinance loans or notes issued for such purposes.

“(c) GENERAL PROGRAM REQUIREMENTS.—

“(1) IN GENERAL.—A capital distribution plan meets the requirements of this subsection, if not less than 90 percent of the principal amount of guaranteed bonds or notes (other than costs of issuance fees) are used to make loans for any eligible community or economic development purpose, measured annually, beginning at the end of the 1-year period beginning on the issuance date of such guaranteed bonds or notes.

“(2) RELENDING ACCOUNT.—Not more than 10 percent of the principal amount of guaranteed bonds or notes, multiplied by an amount equal to the outstanding principal balance of issued notes or bonds, minus the risk-share pool amount under subsection (d), may be held in a relending account and may be made available for new eligible community or economic development purposes.

“(3) LIMITATIONS ON UNPAID PRINCIPAL BALANCES.—The proceeds of guaranteed bonds or notes under the Program may not be used to pay fees (other than costs of issuance fees), and shall be held in—

“(A) community or economic development loans;

“(B) a relending account, to the extent authorized under paragraph (2); or

“(C) a risk-share pool established under subsection (d).

“(4) REPAYMENT.—If a qualified issuer fails to meet the requirements of paragraph (1) by the end of the 90-day period beginning at the end of the annual measurement period, repayment shall be made on that portion of bonds or notes necessary to bring the bonds or notes that remain outstanding after such repayment into compliance with the 90 percent requirement of paragraph (1).

“(5) PROHIBITED USES.—The Secretary shall, by regulation—

“(A) prohibit, as appropriate, certain uses of amounts from the guarantee of a bond or note under the Program, including the use of such funds for political activities, lobbying, outreach, counseling services, or travel expenses; and

“(B) provide that the guarantee of a bond or note under the Program may not be used for salaries or other administrative costs of—

“(i) the qualified issuer; or

“(ii) any recipient of amounts from the guarantee of a bond or note.

“(d) RISK-SHARE POOL.—Each qualified issuer shall, during the term of a guarantee provided under the Program, establish a risk-share pool, capitalized by contributions from eligible community development financial institution participants an amount equal to 3 percent of the guaranteed amount outstanding on the subject notes and bonds.

“(e) GUARANTEES.—

“(1) IN GENERAL.—A guarantee issued under the Program shall—

“(A) be for the full amount of a bond or note, including the amount of principal, interest, and call premiums;

“(B) be fully assignable and transferable to the capital market, on terms and conditions that are consistent with comparable Government-guaranteed bonds, and satisfactory to the Secretary;

“(C) represent the full faith and credit of the United States; and

“(D) not exceed 30 years.

“(2) LIMITATIONS.—

“(A) ANNUAL NUMBER OF GUARANTEES.—The Secretary shall issue not more than 10 guarantees in any calendar year under the Program.

“(B) GUARANTEE AMOUNT.—The Secretary may not guarantee any amount under the Program equal to less than \$100,000,000, but the total of all such guarantees in any fiscal year may not exceed \$1,000,000,000.

“(f) SERVICING OF TRANSACTIONS.—

“(1) IN GENERAL.—To maximize efficiencies and minimize cost and interest rates, loans made under this section may be serviced by qualified Program administrators, bond servicers, and a master servicer.

“(2) DUTIES OF PROGRAM ADMINISTRATOR.—The duties of a Program administrator shall include—

“(A) approving and qualifying eligible community development financial institution applications for participation in the Program;

“(B) compliance monitoring;

“(C) bond packaging in connection with the Program; and

“(D) all other duties and related services that are customarily expected of a Program administrator.

“(3) DUTIES OF SERVICER.—The duties of a servicer shall include—

“(A) billing and collecting loan payments;

“(B) initiating collection activities on past-due loans;

“(C) transferring loan payments to the master servicing accounts;

“(D) loan administration and servicing;

“(E) systematic and timely reporting of loan performance through remittance and servicing reports;

“(F) proper measurement of annual outstanding loan requirements; and

“(G) all other duties and related services that are customarily expected of servicers.

“(4) DUTIES OF MASTER SERVICER.—The duties of a master servicer shall include—

“(A) tracking the movement of funds between the accounts of the master servicer and any other servicer;

“(B) ensuring orderly receipt of the monthly remittance and servicing reports of the servicer;

“(C) monitoring the collection comments and foreclosure actions;

“(D) aggregating the reporting and distribution of funds to trustees and investors;

“(E) removing and replacing a servicer, as necessary;

“(F) loan administration and servicing;

“(G) systematic and timely reporting of loan performance compiled from all bond servicers' reports;

“(H) proper distribution of funds to investors; and

“(I) all other duties and related services that are customarily expected of a master servicer.

“(g) FEES.—

“(1) IN GENERAL.—A qualified issuer that receives a guarantee issued under this section on a bond or note shall pay a fee to the Secretary, in an amount equal to 10 basis points of the amount of the unpaid principal of the bond or note guaranteed.

“(2) PAYMENT.—A qualified issuer shall pay the fee required under this subsection on an annual basis.

“(3) USE OF FEES.—Fees collected by the Secretary under this subsection shall be used to reimburse the Department of the Treasury for any administrative costs incurred by the Department in implementing the Program established under this section.

“(h) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There are authorized to be appropriated to the Secretary, such sums as are necessary to carry out this section.

“(2) USE OF FEES.—To the extent that the amount of funds appropriated for a fiscal year under paragraph (1) are not sufficient to carry out this section, the Secretary may use the fees collected under subsection (g) for the cost of providing guarantees of bonds and notes under this section.

“(i) INVESTMENT IN GUARANTEED BONDS INELIGIBLE FOR COMMUNITY REINVESTMENT ACT PURPOSES.—Notwithstanding any other provision of law, any investment by a financial institution in bonds or notes guaranteed under the Program shall not be taken into account in assessing the record of such institution for purposes of the Community Reinvestment Act of 1977 (12 U.S.C. 2901).

“(j) ADMINISTRATION.—

“(1) REGULATIONS.—Not later than 1 year after the date of enactment of this section, the Secretary shall promulgate regulations to carry out this section.

“(2) IMPLEMENTATION.—Not later than 2 years after the date of enactment of this section, the Secretary shall implement this section.

“(k) TERMINATION.—This section is repealed, and the authority provided under this section shall terminate, on September 30, 2014.”.

SEC. 1135. TEMPORARY EXPRESS LOAN ENHANCEMENT.

(a) IN GENERAL.—Section 7(a)(31)(D) of the Small Business Act (15 U.S.C. 636(a)(31)(D)) is amended by striking “\$350,000” and inserting “\$1,000,000”.

(b) PROSPECTIVE REPEAL.—Effective 1 year after the date of enactment of this Act, section 7(a)(31)(D) of the Small Business Act (15 U.S.C. 636(a)(31)(D)) is amended by striking “\$1,000,000” and inserting “\$350,000”.

SEC. 1136. PROHIBITION ON USING TARP FUNDS OR TAX IN CREASES.

(a) IN GENERAL.—Except as provided in subsection (b), nothing in section 1111, 1112, 1113, 1114, 1115, 1116, 1117, 1118, 1122, or 1131, or an amendment made by such sections, shall be construed to limit the ability of Congress to appropriate funds.

(b) TARP FUNDS AND TAX INCREASES.—

(1) IN GENERAL.—Any covered amounts may not be used to carry out section 1111, 1112, 1113, 1114, 1115, 1116, 1117, 1118, 1122, or 1131, or an amendment made by such sections.

(2) DEFINITION.—In this subsection, the term “covered amounts” means—

(A) the amounts made available to the Secretary of the Treasury under title I of the Emergency Economic Stabilization Act of 2008 S.C. 5201 et seq.) to purchase (under section 101) or guarantee (under section 102) assets under that Act; and

(B) any revenue increase attributable to any amendment to the Internal Revenue Code of 1986 made during the period beginning on the date of enactment of this Act and ending on December 31, 2010.

Subtitle B—Small Business Trade and Exporting

SEC. 1201. SHORT TITLE.

This subtitle may be cited as the “Small Business Export Enhancement and International Trade Act of 2010”.

SEC. 1202. DEFINITIONS.

(a) DEFINITIONS.—In this subtitle—

(1) the term “Associate Administrator” means the Associate Administrator for International Trade appointed under section 22(a)(2) of the Small Business Act, as amended by this subtitle;

(2) the term “Export Assistance Center” means a one-stop shop referred to in section

2301(b)(8) of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4721(b)(8)); and

(3) the term “rural small business concern” means a small business concern located in a rural area, as that term is defined in section 1393(a)(2) of the Internal Revenue Code of 1986.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) DEFINITIONS.—Section 3 of the Small Business Act (15 U.S.C. 632) is amended by adding at the end the following:

“(t) SMALL BUSINESS DEVELOPMENT CENTER.—In this Act, the term ‘small business development center’ means a small business development center described in section 21.

“(u) REGION OF THE ADMINISTRATION.—In this Act, the term ‘region of the Administration’ means the geographic area served by a regional office of the Administration established under section 4(a).”.

(2) CONFORMING AMENDMENT.—Section 4(b)(3)(B)(x) of the Small Business Act (15 U.S.C. 633(b)(3)(B)(x)) is amended by striking “Administration district and region” and inserting “district and region of the Administration”.

SEC. 1203. OFFICE OF INTERNATIONAL TRADE.

(a) ESTABLISHMENT.—Section 22 of the Small Business Act (15 U.S.C. 649) is amended—

(1) by striking “SEC. 22. (a) There” and inserting the following:

“SEC. 22. OFFICE OF INTERNATIONAL TRADE.

“(a) ESTABLISHMENT.—

“(1) OFFICE.—There”; and

(2) in subsection (a)—

(A) in paragraph (1), as so designated, by striking the period and inserting “for the primary purposes of increasing—

“(A) the number of small business concerns that export; and

“(B) the volume of exports by small business concerns.”; and

(B) by adding at the end the following:

“(2) ASSOCIATE ADMINISTRATOR.—The head of the Office shall be the Associate Administrator for International Trade, who shall be responsible to the Administrator.”.

(b) AUTHORITY FOR ADDITIONAL ASSOCIATE ADMINISTRATOR.—Section 4(b)(1) of the Small Business Act (15 U.S.C. 633(b)(1)) is amended—

(1) in the fifth sentence, by striking “five Associate Administrators” and inserting “Associate Administrators”; and

(2) by adding at the end the following: “One such Associate Administrator shall be the Associate Administrator for International Trade, who shall be the head of the Office of International Trade established under section 22.”.

(c) DISCHARGE OF INTERNATIONAL TRADE RESPONSIBILITIES OF ADMINISTRATION.—Section 22 of the Small Business Act (15 U.S.C. 649) is amended by adding at the end the following:

“(h) DISCHARGE OF INTERNATIONAL TRADE RESPONSIBILITIES OF ADMINISTRATION.—The Administrator shall ensure that—

“(1) the responsibilities of the Administration regarding international trade are carried out by the Associate Administrator;

“(2) the Associate Administrator has sufficient resources to carry out such responsibilities; and

“(3) the Associate Administrator has direct supervision and control over—

“(A) the staff of the Office; and

“(B) any employee of the Administration whose principal duty station is an Export Assistance Center, or any successor entity.”.

(d) ROLE OF ASSOCIATE ADMINISTRATOR IN CARRYING OUT INTERNATIONAL TRADE POLICY.—Section 2(b)(1) of the Small Business

Act (15 U.S.C. 631(b)(1)) is amended in the matter preceding subparagraph (A)—

(1) by inserting “the Administrator of” before “the Small Business Administration”; and

(2) by inserting “through the Associate Administrator for International Trade, and” before “in cooperation with”.

(e) IMPLEMENTATION DATE.—Not later than 90 days after the date of enactment of this Act, the Administrator of the Small Business Administration shall appoint an Associate Administrator for International Trade under section 22(a) of the Small Business Act (15 U.S.C. 649(a)), as added by this section.

SEC. 1204. DUTIES OF THE OFFICE OF INTERNATIONAL TRADE.

(a) AMENDMENTS TO SECTION 22.—Section 22 of the Small Business Act (15 U.S.C. 649) is amended—

(1) by striking subsection (b) and inserting the following:

“(b) TRADE DISTRIBUTION NETWORK.—The Associate Administrator, working in close cooperation with the Secretary of Commerce, the United States Trade Representative, the Secretary of Agriculture, the Secretary of State, the President of the Export-Import Bank of the United States, the President of the Overseas Private Investment Corporation, Director of the United States Trade and Development Agency, and other relevant Federal agencies, small business development centers engaged in export promotion efforts, Export Assistance Centers, regional and district offices of the Administration, the small business community, and relevant State and local export promotion programs, shall—

“(1) maintain a distribution network, using regional and district offices of the Administration, the small business development center network, networks of women’s business centers, the Service Corps of Retired Executives authorized by section 8(b)(1), and Export Assistance Centers, for programs relating to—

- “(A) trade promotion;
- “(B) trade finance;
- “(C) trade adjustment assistance;
- “(D) trade remedy assistance; and
- “(E) trade data collection;

“(2) aggressively market the programs described in paragraph (1) and disseminate information, including computerized marketing data, to small business concerns on exporting trends, market-specific growth, industry trends, and international prospects for exports;

“(3) promote export assistance programs through the district and regional offices of the Administration, the small business development center network, Export Assistance Centers, the network of women’s business centers, chapters of the Service Corps of Retired Executives, State and local export promotion programs, and partners in the private sector; and

“(4) give preference in hiring or approving the transfer of any employee into the Office or to a position described in subsection (c)(9) to otherwise qualified applicants who are fluent in a language in addition to English, to—

“(A) accompany small business concerns on foreign trade missions; and

“(B) translate documents, interpret conversations, and facilitate multilingual transactions, including by providing referral lists for translation services, if required.”;

(2) in subsection (c)—

(A) by striking “(c) The Office” and inserting the following:

“(c) PROMOTION OF SALES OPPORTUNITIES.—The Associate Administrator”;

(B) by redesignating paragraphs (1) through (8) as paragraphs (2) through (9), respectively;

(C) by inserting before paragraph (2), as so redesignated, the following:

“(1) establish annual goals for the Office relating to—

“(A) enhancing the exporting capability of small business concerns and small manufacturers;

“(B) facilitating technology transfers;

“(C) enhancing programs and services to assist small business concerns and small manufacturers to compete effectively and efficiently against foreign entities;

“(D) increasing the ability of small business concerns to access capital; and

“(E) disseminating information concerning Federal, State, and private programs and initiatives”;

(D) in paragraph (2), as so redesignated, by striking “mechanism for” and all that follows through “(D) assisting” and inserting the following: “mechanism for—

“(A) identifying subsectors of the small business community with strong export potential;

“(B) identifying areas of demand in foreign markets;

“(C) prescreening foreign buyers for commercial and credit purposes; and

“(D) assisting”;

(E) in paragraph (3), as so redesignated, by striking “assist small businesses in the formation and utilization of” and inserting “assist small business concerns in forming and using”;

(F) in paragraph (4), as so redesignated—

(i) by striking “local” and inserting “district”;

(ii) by striking “existing”;

(iii) by striking “Small Business Development Center network” and inserting “small business development center network”; and

(iv) by striking “Small Business Development Center Program” and inserting “small business development center program”;

(G) in paragraph (5), as so redesignated—

(i) in subparagraph (A), by striking “Gross State Produce” and inserting “Gross State Product”;

(ii) in subparagraph (B), by striking “SIC” each place it appears and inserting “North American Industry Classification System”; and

(iii) in subparagraph (C), by striking “small businesses” and inserting “small business concerns”;

(H) in paragraph (6), as so redesignated, by striking the period at the end and inserting a semicolon;

(I) in paragraph (7), as so redesignated—

(i) in the matter preceding subparagraph (A)—

(I) by inserting “concerns” after “small business”; and

(II) by striking “current” and inserting “up to date”;

(ii) in subparagraph (A), by striking “Administration’s regional offices” and inserting “regional and district offices of the Administration”;

(iii) in subparagraph (B) by striking “current”;

(iv) in subparagraph (C), by striking “current”; and

(v) by striking “small businesses” each place that term appears and inserting “small business concerns”;

(J) in paragraph (8), as so redesignated, by striking and at the end;

(K) in paragraph (9), as so redesignated—

(i) in the matter preceding subparagraph (A)—

(I) by striking “full-time export development specialists to each Administration regional office and assigning”; and

(II) by striking “person in each district office. Such specialists” and inserting “individual in each district office and providing each Administration regional office with a full-time export development specialist, who”;

(ii) in subparagraph (B)—

(I) by striking “current”; and

(II) by striking “with” and inserting “in”;

(iii) in subparagraph (D)—

(I) by striking “Administration personnel involved in granting” and inserting “personnel of the Administration involved in making”; and

(II) by striking “and” at the end;

(iv) in subparagraph (E)—

(I) by striking “small businesses’ needs” and inserting “the needs of small business concerns”; and

(II) by striking the period at the end and inserting a semicolon;

(v) by adding at the end the following:

“(F) participate, jointly with employees of the Office, in an annual training program that focuses on current small business needs for exporting; and

“(G) develop and conduct training programs for exporters and lenders, in cooperation with the Export Assistance Centers, the Department of Commerce, the Department of Agriculture, small business development centers, women’s business centers, the Export-Import Bank of the United States, the Overseas Private Investment Corporation, and other relevant Federal agencies;”;

(vi) by striking “small businesses” each place that term appears and inserting “small business concerns”; and

(L) by adding at the end the following:

“(10) make available on the website of the Administration the name and contact information of each individual described in paragraph (9);

“(11) carry out a nationwide marketing effort using technology, online resources, training, and other strategies to promote exporting as a business development opportunity for small business concerns;

“(12) disseminate information to the small business community through regional and district offices of the Administration, the small business development center network, Export Assistance Centers, the network of women’s business centers, chapters of the Service Corps of Retired Executives authorized by section 8(b)(1), State and local export promotion programs, and partners in the private sector regarding exporting trends, market-specific growth, industry trends, and prospects for exporting; and

“(13) establish and carry out training programs for the staff of the regional and district offices of the Administration and resource partners of the Administration on export promotion and providing assistance relating to exports.”;

(3) in subsection (d)—

(A) by redesignating paragraphs (1) through (5) as clauses (i) through (v), respectively, and adjusting the margins accordingly;

(B) by striking “(d) The Office” and inserting the following:

“(d) EXPORT FINANCING PROGRAMS.—

“(1) IN GENERAL.—The Associate Administrator”; and

(C) by striking “To accomplish this goal, the Office shall work” and inserting the following:

“(2) TRADE FINANCE SPECIALIST.—To accomplish the goal established under paragraph (1), the Associate Administrator shall—

“(A) designate at least 1 individual within the Administration as a trade finance specialist to oversee international loan programs and assist Administration employees with trade finance issues; and

“(B) work”;

(4) in subsection (e), by striking “(e) The Office” and inserting the following:

“(e) **TRADE REMEDIES.**—The Associate Administrator”;

(5) by amending subsection (f) to read as follows:

“(f) **REPORTING REQUIREMENT.**—The Associate Administrator shall submit an annual report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives that contains—

“(1) a description of the progress of the Office in implementing the requirements of this section;

“(2) a detailed account of the results of export growth activities of the Administration, including the activities of each district and regional office of the Administration, based on the performance measures described in subsection (i);

“(3) an estimate of the total number of jobs created or retained as a result of export assistance provided by the Administration and resource partners of the Administration;

“(4) for any travel by the staff of the Office, the destination of such travel and the benefits to the Administration and to small business concerns resulting from such travel; and

“(5) a description of the participation by the Office in trade negotiations.”;

(6) in subsection (g), by striking “(g) The Office” and inserting the following:

“(g) **STUDIES.**—The Associate Administrator”;

(7) by adding after subsection (h), as added by section 1203 of this subtitle, the following:

“(i) **EXPORT AND TRADE COUNSELING.**—

“(1) **DEFINITION.**—In this subsection—

“(A) the term ‘lead small business development center’ means a small business development center that has received a grant from the Administration; and

“(B) the term ‘lead women’s business center’ means a women’s business center that has received a grant from the Administration.

“(2) **CERTIFICATION PROGRAM.**—The Administrator shall establish an export and trade counseling certification program to certify employees of lead small business development centers and lead women’s business centers in providing export assistance to small business concerns.

“(3) **NUMBER OF CERTIFIED EMPLOYEES.**—The Administrator shall ensure that the number of employees of each lead small business development center who are certified in providing export assistance is not less than the lesser of—

“(A) 5; or

“(B) 10 percent of the total number of employees of the lead small business development center.

“(4) **REIMBURSEMENT FOR CERTIFICATION.**—

“(A) **IN GENERAL.**—Subject to the availability of appropriations, the Administrator shall reimburse a lead small business development center or a lead women’s business center for costs relating to the certification of an employee of the lead small business center or lead women’s business center in providing export assistance under the program established under paragraph (2).

“(B) **LIMITATION.**—The total amount reimbursed by the Administrator under subparagraph (A) may not exceed \$350,000 in any fiscal year.

“(j) **PERFORMANCE MEASURES.**—

“(1) **IN GENERAL.**—The Associate Administrator shall develop performance measures for the Administration to support export growth goals for the activities of the Office under this section that include—

“(A) the number of small business concerns that—

“(i) receive assistance from the Administration;

“(ii) had not exported goods or services before receiving the assistance described in clause (i); and

“(iii) export goods or services;

“(B) the number of small business concerns receiving assistance from the Administration that export goods or services to a market outside the United States into which the small business concern did not export before receiving the assistance;

“(C) export revenues by small business concerns assisted by programs of the Administration;

“(D) the number of small business concerns referred to an Export Assistance Center or a small business development center by the staff of the Office;

“(E) the number of small business concerns referred to the Administration by an Export Assistance Center or a small business development center; and

“(F) the number of small business concerns referred to the Department of Commerce, the Department of Agriculture, the Department of State, the Export-Import Bank of the United States, the Overseas Private Investment Corporation, or the United States Trade and Development Agency by the staff of the Office, an Export Assistance Center, or a small business development center.

“(2) **JOINT PERFORMANCE MEASURES.**—The Associate Administrator shall develop joint performance measures for the district offices of the Administration and the Export Assistance Centers that include the number of export loans made under—

“(A) section 7(a)(16);

“(B) the Export Working Capital Program established under section 7(a)(14);

“(C) the Preferred Lenders Program, as defined in section 7(a)(2)(C)(ii); and

“(D) the export express program established under section 7(a)(34).

“(3) **CONSISTENCY OF TRACKING.**—The Associate Administrator, in coordination with the departments and agencies that are represented on the Trade Promotion Coordinating Committee established under section 2312 of the Export Enhancement Act of 1988 (15 U.S.C. 4727) and the small business development center network, shall develop a system to track exports by small business concerns, including information relating to the performance measures developed under paragraph (1), that is consistent with systems used by the departments and agencies and the network.”.

(b) **REPORT.**—Not later than 60 days after the date of enactment of this Act, the Administrator shall submit a report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives on any travel by the staff of the Office of International Trade of the Administration, during the period beginning on October 1, 2004, and ending on the date of enactment of the Act, including the destination of such travel and the benefits to the Administration and to small business concerns resulting from such travel.

SEC. 1205. EXPORT ASSISTANCE CENTERS.

(a) **EXPORT ASSISTANCE CENTERS.**—Section 22 of the Small Business Act (15 U.S.C. 649),

as amended by this subtitle, is amended by adding at the end the following:

“(k) **EXPORT ASSISTANCE CENTERS.**—

“(1) **EXPORT FINANCE SPECIALISTS.**—

“(A) **MINIMUM NUMBER OF EXPORT FINANCE SPECIALISTS.**—On and after the date that is 90 days after the date of enactment of this subsection, the Administrator, in coordination with the Secretary of Commerce, shall ensure that the number of export finance specialists is not less than the number of such employees so assigned on January 1, 2003.

“(B) **EXPORT FINANCE SPECIALISTS ASSIGNED TO EACH REGION OF THE ADMINISTRATION.**—On and after the date that is 2 years after the date of enactment of this subsection, the Administrator, in coordination with the Secretary of Commerce, shall ensure that there are not fewer than 3 export finance specialists in each region of the Administration.

“(2) **PLACEMENT OF EXPORT FINANCE SPECIALISTS.**—

“(A) **PRIORITY.**—The Administrator shall give priority, to the maximum extent practicable, to placing employees of the Administration at any Export Assistance Center that—

“(i) had an Administration employee assigned to the Export Assistance Center before January 2003; and

“(ii) has not had an Administration employee assigned to the Export Assistance Center during the period beginning January 2003, and ending on the date of enactment of this subsection, either through retirement or reassignment.

“(B) **NEEDS OF EXPORTERS.**—The Administrator shall, to the maximum extent practicable, strategically assign Administration employees to Export Assistance Centers, based on the needs of exporters.

“(C) **RULE OF CONSTRUCTION.**—Nothing in this subsection may be construed to require the Administrator to reassign or remove an export finance specialist who is assigned to an Export Assistance Center on the date of enactment of this subsection.

“(3) **GOALS.**—The Associate Administrator shall work with the Department of Commerce, the Export-Import Bank of the United States, and the Overseas Private Investment Corporation to establish shared annual goals for the Export Assistance Centers.

“(4) **OVERSIGHT.**—The Associate Administrator shall designate an individual within the Administration to oversee all activities conducted by Administration employees assigned to Export Assistance Centers.

“(1) **DEFINITIONS.**—In this section—

“(1) the term ‘Associate Administrator’ means the Associate Administrator for International Trade described in subsection (a)(2);

“(2) the term ‘Export Assistance Center’ means a one-stop shop for United States exporters established by the United States and Foreign Commercial Service of the Department of Commerce pursuant to section 2301(b)(8) of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4721(b)(8));

“(3) the term ‘export finance specialist’ means a full-time equivalent employee of the Office assigned to an Export Assistance Center to carry out the duties described in subsection (e); and

“(4) the term ‘Office’ means the Office of International Trade established under subsection (a)(1).”.

(b) **STUDY AND REPORT ON FILLING GAPS IN HIGH-AND-LOW-EXPORT VOLUME AREAS.**—

(1) **STUDY AND REPORT.**—Not later than 6 months after the date of enactment of this Act, and every 2 years thereafter, the Administrator shall—

(A) conduct a study of—
 (i) the volume of exports for each State;
 (ii) the availability of export finance specialists in each State;
 (iii) the number of exporters in each State that are small business concerns;
 (iv) the percentage of exporters in each State that are small business concerns;
 (v) the change, if any, in the number of exporters that are small business concerns in each State—

(I) for the first study conducted under this subparagraph, during the 10-year period ending on the date of enactment of this Act; and
 (II) for each subsequent study, during the 10-year period ending on the date the study is commenced;

(vi) the total value of the exports in each State by small business concerns;

(vii) the percentage of the total volume of exports in each State that is attributable to small business concerns; and

(viii) the change, if any, in the percentage of the total volume of exports in each State that is attributable to small business concerns—

(I) for the first study conducted under this subparagraph, during the 10-year period ending on the date of enactment of this Act; and

(II) for each subsequent study, during the 10-year period ending on the date the study is commenced; and

(B) submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report containing—

(i) the results of the study under subparagraph (A);

(ii) to the extent practicable, a recommendation regarding how to eliminate gaps between the supply of and demand for export finance specialists in the 15 States that have the greatest volume of exports, based upon the most recent data available from the Department of Commerce;

(iii) to the extent practicable, a recommendation regarding how to eliminate gaps between the supply of and demand for export finance specialists in the 15 States that have the lowest volume of exports, based upon the most recent data available from the Department of Commerce; and

(iv) such additional information as the Administrator determines is appropriate.

(2) **DEFINITION.**—In this subsection, the term “export finance specialist” has the meaning given that term in section 22(l) of the Small Business Act, as added by this title.

SEC. 1206. INTERNATIONAL TRADE FINANCE PROGRAMS.

(a) LOAN LIMITS.—

(1) **TOTAL AMOUNT OUTSTANDING.**—Section 7(a)(3)(B) of the Small Business Act (15 U.S.C. 636(a)(3)(B)) is amended by striking “\$1,750,000, of which not more than \$1,250,000” and inserting “\$4,500,000 (or if the gross loan amount would exceed \$5,000,000, of which not more than \$4,000,000)”.

(2) **PARTICIPATION.**—Section 7(a)(2) of the Small Business Act (15 U.S.C. 636(a)(2)) is amended—

(A) in subparagraph (A), in the matter preceding clause (i), by striking “subparagraph (B)” and inserting “subparagraphs (B), (D), and (E)”; and

(B) in subparagraph (D), by striking “Notwithstanding subparagraph (A), in” and inserting “In”; and

(C) by adding at the end the following:

“(E) **PARTICIPATION IN INTERNATIONAL TRADE LOAN.**—In an agreement to participate in a loan on a deferred basis under paragraph

(16), the participation by the Administration may not exceed 90 percent.”.

(b) **WORKING CAPITAL.**—Section 7(a)(16)(A) of the Small Business Act (15 U.S.C. 636(a)(16)(A)) is amended—

(1) in the matter preceding clause (i), by striking “in—” and inserting “—”;

(2) in clause (i)—

(A) by inserting “in” after “(i)”; and

(B) by striking “or” at the end;

(3) in clause (ii)—

(A) by inserting “in” after “(ii)”; and

(B) by striking the period at the end and inserting “, including any debt that qualifies for refinancing under any other provision of this subsection; or”; and

(4) by adding at the end the following:

“(iii) by providing working capital.”.

(c) **COLLATERAL.**—Section 7(a)(16)(B) of the Small Business Act (15 U.S.C. 636(a)(16)(B)) is amended—

(1) by striking “Each loan” and inserting the following:

“(i) **IN GENERAL.**—Except as provided in clause (ii), each loan”; and

(2) by adding at the end the following:

“(ii) **EXCEPTION.**—A loan under this paragraph may be secured by a second lien position on the property or equipment financed by the loan or on other assets of the small business concern, if the Administrator determines the lien provides adequate assurance of the payment of the loan.”.

(d) **EXPORT WORKING CAPITAL PROGRAM.**—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) in paragraph (2)(D), by striking “not exceed” and inserting “be”; and

(2) in paragraph (14)—

(A) by striking “(A) The Administration” and inserting the following: “EXPORT WORKING CAPITAL PROGRAM.—

“(A) **IN GENERAL.**—The Administrator”; and

(B) by striking “(B) When considering” and inserting the following:

“(C) **CONSIDERATIONS.**—When considering”; and

(C) by striking “(C) The Administration” and inserting the following:

“(D) **MARKETING.**—The Administrator”; and

(D) by inserting after subparagraph (A) the following:

“(B) **TERMS.**—

“(i) **LOAN AMOUNT.**—The Administrator may not guarantee a loan under this paragraph of more than \$5,000,000.

“(ii) **FEES.**—

“(I) **IN GENERAL.**—For a loan under this paragraph, the Administrator shall collect the fee assessed under paragraph (23) not more frequently than once each year.

“(II) **UNTAPPED CREDIT.**—The Administrator may not assess a fee on capital that is not accessed by the small business concern.”.

(e) **PARTICIPATION IN PREFERRED LENDERS PROGRAM.**—Section 7(a)(2)(C) of the Small Business Act (15 U.S.C. 636(a)(2)(C)) is amended—

(1) by redesignating clause (ii) as clause (iii); and

(2) by inserting after clause (i) the following:

“(ii) **EXPORT-IMPORT BANK LENDERS.**—Any lender that is participating in the Delegated Authority Lender Program of the Export-Import Bank of the United States (or any successor to the Program) shall be eligible to participate in the Preferred Lenders Program.”.

(f) **EXPORT EXPRESS PROGRAM.**—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by adding at the end the following:

“(35) **EXPORT EXPRESS PROGRAM.**—

“(A) **DEFINITIONS.**—In this paragraph—

“(i) the term ‘export development activity’ includes—

“(I) obtaining a standby letter of credit when required as a bid bond, performance bond, or advance payment guarantee;

“(II) participation in a trade show that takes place outside the United States;

“(III) translation of product brochures or catalogues for use in markets outside the United States;

“(IV) obtaining a general line of credit for export purposes;

“(V) performing a service contract from buyers located outside the United States;

“(VI) obtaining transaction-specific financing associated with completing export orders;

“(VII) purchasing real estate or equipment to be used in the production of goods or services for export;

“(VIII) providing term loans or other financing to enable a small business concern, including an export trading company and an export management company, to develop a market outside the United States; and

“(IX) acquiring, constructing, renovating, modernizing, improving, or expanding a production facility or equipment to be used in the United States in the production of goods or services for export; and

“(ii) the term ‘express loan’ means a loan in which a lender uses to the maximum extent practicable the loan analyses, procedures, and documentation of the lender to provide expedited processing of the loan application.

“(B) **AUTHORITY.**—The Administrator may guarantee the timely payment of an express loan to a small business concern made for an export development activity.

“(C) **LEVEL OF PARTICIPATION.**—

“(i) **MAXIMUM AMOUNT.**—The maximum amount of an express loan guaranteed under this paragraph shall be \$500,000.

“(ii) **PERCENTAGE.**—For an express loan guaranteed under this paragraph, the Administrator shall guarantee—

“(I) 90 percent of a loan that is not more than \$350,000; and

“(II) 75 percent of a loan that is more than \$350,000 and not more than \$500,000.”.

(g) **ANNUAL LISTING OF EXPORT FINANCE LENDERS.**—Section 7(a)(16) of the Small Business Act (15 U.S.C. 636(a)(16)) is amended by adding at the end the following:

“(F) **LIST OF EXPORT FINANCE LENDERS.**—

“(i) **PUBLICATION OF LIST REQUIRED.**—The Administrator shall publish an annual list of the banks and participating lending institutions that, during the 1-year period ending on the date of publication of the list, have made loans guaranteed by the Administration under—

“(I) this paragraph;

“(II) paragraph (14); or

“(III) paragraph (34).

“(ii) **AVAILABILITY OF LIST.**—The Administrator shall—

“(I) post the list published under clause (i) on the website of the Administration; and

“(II) make the list published under clause (i) available, upon request, at each district office of the Administration.”.

(h) **APPLICABILITY.**—The amendments made by subsections (a) through (f) shall apply with respect to any loan made after the date of enactment of this Act.

SEC. 1207. STATE TRADE AND EXPORT PROMOTION GRANT PROGRAM.

(a) **DEFINITIONS.**—In this section—

(1) the term “eligible small business concern” means a small business concern that—

(A) has been in business for not less than the 1-year period ending on the date on which assistance is provided using a grant under this section;

(B) is operating profitably, based on operations in the United States;

(C) has demonstrated understanding of the costs associated with exporting and doing business with foreign purchasers, including the costs of freight forwarding, customs brokers, packing and shipping, as determined by the Associate Administrator; and

(D) has in effect a strategic plan for exporting;

(2) the term "program" means the State Trade and Export Promotion Grant Program established under subsection (b);

(3) the term "small business concern owned and controlled by women" has the meaning given that term in section 3 of the Small Business Act (15 U.S.C. 632);

(4) the term "socially and economically disadvantaged small business concern" has the meaning given that term in section 8(a)(4)(A) of the Small Business Act (15 U.S.C. 6537(a)(4)(A)); and

(5) the term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

(b) **ESTABLISHMENT OF PROGRAM.**—The Associate Administrator shall establish a 3-year trade and export promotion pilot program to be known as the State Trade and Export Promotion Grant Program, to make grants to States to carry out export programs that assist eligible small business concerns in—

- (1) participation in a foreign trade mission;
- (2) a foreign market sales trip;
- (3) a subscription to services provided by the Department of Commerce;
- (4) the payment of website translation fees;
- (5) the design of international marketing media;
- (6) a trade show exhibition;
- (7) participation in training workshops; or
- (8) any other export initiative determined appropriate by the Associate Administrator.

(c) **GRANTS.**—

(1) **JOINT REVIEW.**—In carrying out the program, the Associate Administrator may make a grant to a State to increase the number of eligible small business concerns in the State that export or to increase the value of the exports by eligible small business concerns in the State.

(2) **CONSIDERATIONS.**—In making grants under this section, the Associate Administrator may give priority to an application by a State that proposes a program that—

(A) focuses on eligible small business concerns as part of an export promotion program;

(B) demonstrates success in promoting exports by—

- (i) socially and economically disadvantaged small business concerns;
- (ii) small business concerns owned or controlled by women; and
- (iii) rural small business concerns;

(C) promotes exports from a State that is not 1 of the 10 States with the highest percentage of exporters that are small business concerns, based upon the latest data available from the Department of Commerce; and

(D) promotes new-to-market export opportunities to the People's Republic of China for eligible small business concerns in the United States.

(3) **LIMITATIONS.**—

(A) **SINGLE APPLICATION.**—A State may not submit more than 1 application for a grant under the program in any 1 fiscal year.

(B) **PROPORTION OF AMOUNTS.**—The total value of grants under the program made during a fiscal year to the 10 States with the highest number of exporters that are small business concerns, based upon the latest data available from the Department of Commerce, shall be not more than 40 percent of the amounts appropriated for the program for that fiscal year.

(4) **APPLICATION.**—A State desiring a grant under the program shall submit an application at such time, in such manner, and accompanied by such information as the Associate Administrator may establish.

(d) **COMPETITIVE BASIS.**—The Associate Administrator shall award grants under the program on a competitive basis.

(e) **FEDERAL SHARE.**—The Federal share of the cost of an export program carried out using a grant under the program shall be—

(1) for a State that has a high export volume, as determined by the Associate Administrator, not more than 65 percent; and

(2) for a State that does not have a high export volume, as determined by the Associate Administrator, not more than 75 percent.

(f) **NON-FEDERAL SHARE.**—The non-Federal share of the cost of an export program carried using a grant under the program shall be comprised of not less than 50 percent cash and not more than 50 percent of indirect costs and in-kind contributions, except that no such costs or contributions may be derived from funds from any other Federal program.

(g) **REPORTS.**—

(1) **INITIAL REPORT.**—Not later than 120 days after the date of enactment of this Act, the Associate Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report, which shall include—

(A) a description of the structure of and procedures for the program;

(B) a management plan for the program; and

(C) a description of the merit-based review process to be used in the program.

(2) **ANNUAL REPORTS.**—The Associate Administrator shall submit an annual report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives regarding the program, which shall include—

(A) the number and amount of grants made under the program during the preceding year;

(B) a list of the States receiving a grant under the program during the preceding year, including the activities being performed with grant; and

(C) the effect of each grant on exports by eligible small business concerns in the State receiving the grant.

(h) **REVIEWS BY INSPECTOR GENERAL.**—

(1) **IN GENERAL.**—The Inspector General of the Administration shall conduct a review of—

(A) the extent to which recipients of grants under the program are measuring the performance of the activities being conducted and the results of the measurements; and

(B) the overall management and effectiveness of the program.

(2) **REPORT.**—Not later than September 30, 2012, the Inspector General of the Administration shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding the review conducted under paragraph (1).

(i) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to carry out the program \$30,000,000 for each of fiscal years 2011, 2012, and 2013.

(j) **TERMINATION.**—The authority to carry out the program shall terminate 3 years after the date on which the Associate Administrator establishes the program.

SEC. 1208. RURAL EXPORT PROMOTION.

Not later than 6 months after the date of enactment of this Act, the Administrator, in consultation with the Secretary of Agriculture and the Secretary of Commerce, shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report that contains—

(1) a description of each program of the Administration that promotes exports by rural small business concerns, including—

(A) the number of rural small business concerns served by the program;

(B) the change, if any, in the number of rural small business concerns as a result of participation in the program during the 10-year period ending on the date of enactment of this Act;

(C) the volume of exports by rural small business concerns that participate in the program; and

(D) the change, if any, in the volume of exports by rural small businesses that participate in the program during the 10-year period ending on the date of enactment of this Act;

(2) a description of the coordination between programs of the Administration and other Federal programs that promote exports by rural small business concerns;

(3) recommendations, if any, for improving the coordination described in paragraph (2);

(4) a description of any plan by the Administration to market the international trade financing programs of the Administration through lenders that—

(A) serve rural small business concerns; and

(B) are associated with financing programs of the Department of Agriculture;

(5) recommendations, if any, for improving coordination between the counseling programs and export financing programs of the Administration, in order to increase the volume of exports by rural small business concerns; and

(6) any additional information the Administrator determines is necessary.

SEC. 1209. INTERNATIONAL TRADE COOPERATION BY SMALL BUSINESS DEVELOPMENT CENTERS.

Section 21(a) of the Small Business Act (15 U.S.C. 648(a)) is amended—

(1) by striking "(2) The Small Business Development Centers" and inserting the following:

"(2) **COOPERATION TO PROVIDE INTERNATIONAL TRADE SERVICES.**—

"(A) **INFORMATION AND SERVICES.**—The small business development centers"; and

(2) in paragraph (2)—

(A) in subparagraph (A), as so designated, by inserting "(including State trade agencies)," after "local agencies"; and

(B) by adding at the end the following:

"(B) **COOPERATION WITH STATE TRADE AGENCIES AND EXPORT ASSISTANCE CENTERS.**—A small business development center that counsels a small business concern on issues relating to international trade shall—

"(i) consult with State trade agencies and Export Assistance Centers to provide appropriate services to the small business concern; and

“(ii) as necessary, refer the small business concern to a State trade agency or an Export Assistance Center for further counseling or assistance.

“(C) DEFINITION.—In this paragraph, the term ‘Export Assistance Center’ has the same meaning as in section 22.”.

Subtitle C—Small Business Contracting

PART I—CONTRACT BUNDLING

SEC. 1311. SMALL BUSINESS ACT.

Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1202, is amended by adding at the end the following:

“(v) MULTIPLE AWARD CONTRACT.—In this Act, the term ‘multiple award contract’ means—

“(1) a multiple award task order contract or delivery order contract that is entered into under the authority of sections 303H through 303K of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253h through 253k); and

“(2) any other indefinite delivery, indefinite quantity contract that is entered into by the head of a Federal agency with 2 or more sources pursuant to the same solicitation.”.

SEC. 1312. LEADERSHIP AND OVERSIGHT.

(a) IN GENERAL.—Section 15 of the Small Business Act (15 U.S.C. 644) is amended by adding at the end the following:

“(q) BUNDLING ACCOUNTABILITY MEASURES.—

“(1) TEAMING REQUIREMENTS.—Each Federal agency shall include in each solicitation for any multiple award contract above the substantial bundling threshold of the Federal agency a provision soliciting bids from any responsible source, including responsible small business concerns and teams or joint ventures of small business concerns.

“(2) POLICIES ON REDUCTION OF CONTRACT BUNDLING.—

“(A) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, the Federal Acquisition Regulatory Council established under section 25(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 4219(a)) shall amend the Federal Acquisition Regulation issued under section 25 of such Act to—

“(i) establish a Government-wide policy regarding contract bundling, including regarding the solicitation of teaming and joint ventures under paragraph (1); and

“(ii) require that the policy established under clause (i) be published on the website of each Federal agency.

“(B) RATIONALE FOR CONTRACT BUNDLING.—Not later than 30 days after the date on which the head of a Federal agency submits data certifications to the Administrator for Federal Procurement Policy, the head of the Federal agency shall publish on the website of the Federal agency a list and rationale for any bundled contract for which the Federal agency solicited bids or that was awarded by the Federal agency.

“(3) REPORTING.—Not later than 90 days after the date of enactment of this subsection, and every 3 years thereafter, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding procurement center representatives and commercial market representatives, which shall—

“(A) identify each area for which the Administration has assigned a procurement center representative or a commercial market representative;

“(B) explain why the Administration selected the areas identified under subparagraph (A); and

“(C) describe the activities performed by procurement center representatives and commercial market representatives.”.

(b) TECHNICAL CORRECTION.—Section 15(g) of the Small Business Act (15 U.S.C. 644(g)) is amended by striking “Administrator of the Office of Federal Procurement Policy” each place it appears and inserting “Administrator for Federal Procurement Policy”.

(c) REPORT.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Comptroller General of the United States shall submit to Congress a report regarding the procurement center representative program of the Administration.

(2) CONTENTS.—The report submitted under paragraph (1) shall—

(A) address ways to improve the effectiveness of the procurement center representative program in helping small business concerns obtain Federal contracts;

(B) evaluate the effectiveness of procurement center representatives and commercial marketing representatives; and

(C) include recommendations, if any, on how to improve the procurement center representative program.

(d) ELECTRONIC PROCUREMENT CENTER REPRESENTATIVE.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Administrator shall implement a 3-year pilot electronic procurement center representative program.

(2) REPORT.—Not later than 30 days after the pilot program under paragraph (1) ends, the Comptroller General of the United States shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding the pilot program.

SEC. 1313. CONSOLIDATION OF CONTRACT REQUIREMENTS.

(a) IN GENERAL.—The Small Business Act (15 U.S.C. 631 et seq.) is amended—

(1) by redesignating section 44 as section 45; and

(2) by inserting after section 43 the following:

“SEC. 44. CONSOLIDATION OF CONTRACT REQUIREMENTS.

“(a) DEFINITIONS.—In this section—

“(1) the term ‘Chief Acquisition Officer’ means the employee of a Federal agency designated as the Chief Acquisition Officer for the Federal agency under section 16(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(a));

“(2) the term ‘consolidation of contract requirements’, with respect to contract requirements of a Federal agency, means a use of a solicitation to obtain offers for a single contract or a multiple award contract to satisfy 2 or more requirements of the Federal agency for goods or services that have been provided to or performed for the Federal agency under 2 or more separate contracts lower in cost than the total cost of the contract for which the offers are solicited; and

“(3) the term ‘senior procurement executive’ means an official designated under section 16(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(c)) as the senior procurement executive for a Federal agency.

“(b) POLICY.—The head of each Federal agency shall ensure that the decisions made by the Federal agency regarding consolidation of contract requirements of the Federal

agency are made with a view to providing small business concerns with appropriate opportunities to participate as prime contractors and subcontractors in the procurements of the Federal agency.

“(c) LIMITATION ON USE OF ACQUISITION STRATEGIES INVOLVING CONSOLIDATION.—

“(1) IN GENERAL.—Subject to paragraph (4), the head of a Federal agency may not carry out an acquisition strategy that includes a consolidation of contract requirements of the Federal agency with a total value of more than \$2,000,000, unless the senior procurement executive or Chief Acquisition Officer for the Federal agency, before carrying out the acquisition strategy—

“(A) conducts market research;

“(B) identifies any alternative contracting approaches that would involve a lesser degree of consolidation of contract requirements;

“(C) makes a written determination that the consolidation of contract requirements is necessary and justified;

“(D) identifies any negative impact by the acquisition strategy on contracting with small business concerns; and

“(E) certifies to the head of the Federal agency that steps will be taken to include small business concerns in the acquisition strategy.

“(2) DETERMINATION THAT CONSOLIDATION IS NECESSARY AND JUSTIFIED.—

“(A) IN GENERAL.—A senior procurement executive or Chief Acquisition Officer may determine that an acquisition strategy involving a consolidation of contract requirements is necessary and justified for the purposes of paragraph (1)(C) if the benefits of the acquisition strategy substantially exceed the benefits of each of the possible alternative contracting approaches identified under paragraph (1)(B).

“(B) SAVINGS IN ADMINISTRATIVE OR PERSONNEL COSTS.—For purposes of subparagraph (A), savings in administrative or personnel costs alone do not constitute a sufficient justification for a consolidation of contract requirements in a procurement unless the expected total amount of the cost savings, as determined by the senior procurement executive or Chief Acquisition Officer, is expected to be substantial in relation to the total cost of the procurement.

“(3) BENEFITS TO BE CONSIDERED.—The benefits considered for the purposes of paragraphs (1) and (2) may include cost and, regardless of whether quantifiable in dollar amounts—

“(A) quality;

“(B) acquisition cycle;

“(C) terms and conditions; and

“(D) any other benefit.

“(4) DEPARTMENT OF DEFENSE.—

“(A) IN GENERAL.—The Department of Defense and each military department shall comply with this section until after the date described in subparagraph (C).

“(B) RULE.—After the date described in subparagraph (C), contracting by the Department of Defense or a military department shall be conducted in accordance with section 2382 of title 10, United States Code.

“(C) DATE.—The date described in this subparagraph is the date on which the Administrator determines the Department of Defense or a military department is in compliance with the Government-wide contracting goals under section 15.”.

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 2382(b)(1) of title 10, United States Code, is amended by striking “An official” and inserting “Subject to section 44(c)(4), an official”.

SEC. 1314. SMALL BUSINESS TEAMS PILOT PROGRAM.

(a) **DEFINITIONS.**—In this section—

(1) the term “Pilot Program” means the Small Business Teaming Pilot Program established under subsection (b); and

(2) the term “eligible organization” means a well-established national organization for small business concerns with the capacity to provide assistance to small business concerns (which may be provided with the assistance of the Administrator) relating to—

(A) customer relations and outreach;

(B) team relations and outreach; and

(C) performance measurement and quality assurance.

(b) **ESTABLISHMENT.**—The Administrator shall establish a Small Business Teaming Pilot Program for teaming and joint ventures involving small business concerns.

(c) **GRANTS.**—Under the Pilot Program, the Administrator may make grants to eligible organizations to provide assistance and guidance to teams of small business concerns seeking to compete for larger procurement contracts.

(d) **CONTRACTING OPPORTUNITIES.**—The Administrator shall work with eligible organizations receiving a grant under the Pilot Program to recommend appropriate contracting opportunities for teams or joint ventures of small business concerns.

(e) **REPORT.**—Not later than 1 year before the date on which the authority to carry out the Pilot Program terminates under subsection (f), the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report on the effectiveness of the Pilot Program.

(f) **TERMINATION.**—The authority to carry out the Pilot Program shall terminate 5 years after the date of enactment of this Act.

(g) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated for grants under subsection (c) \$5,000,000 for each of fiscal years 2010 through 2015.

PART II—SUBCONTRACTING INTEGRITY**SEC. 1321. SUBCONTRACTING MISREPRESENTATIONS.**

Not later than 1 year after the date of enactment of this Act, the Administrator, in consultation with the Administrator for Federal Procurement Policy, shall promulgate regulations relating to, and the Federal Acquisition Regulatory Council established under section 25(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(a)) shall amend the Federal Acquisition Regulation issued under section 25 of such Act to establish a policy on, subcontracting compliance relating to small business concerns, including assignment of compliance responsibilities between contracting offices, small business offices, and program offices and periodic oversight and review activities.

SEC. 1322. SMALL BUSINESS SUBCONTRACTING IMPROVEMENTS.

Section 8(d)(6) of the Small Business Act (15 U.S.C. 637(d)(6)) is amended—

(1) in subparagraph (E), by striking “and” at the end;

(2) in subparagraph (F), by striking the period at the end and inserting “; and”; and

(3) by adding at the end, the following:

“(G) a representation that the offeror or bidder will—

“(i) make a good faith effort to acquire articles, equipment, supplies, services, or materials, or obtain the performance of construction work from the small business concerns used in preparing and submitting to

the contracting agency the bid or proposal, in the same amount and quality used in preparing and submitting the bid or proposal; and

“(ii) provide to the contracting officer a written explanation if the offeror or bidder fails to acquire articles, equipment, supplies, services, or materials or obtain the performance of construction work as described in clause (i).”.

PART III—ACQUISITION PROCESS**SEC. 1331. RESERVATION OF PRIME CONTRACT AWARDS FOR SMALL BUSINESSES.**

Section 15 of the Small Business Act (15 U.S.C. 644), as amended by this Act, is amended by adding at the end the following:

“(r) **MULTIPLE AWARD CONTRACTS.**—Not later than 1 year after the date of enactment of this subsection, the Administrator for Federal Procurement Policy and the Administrator, in consultation with the Administrator of General Services, shall, by regulation, establish guidance under which Federal agencies may, at their discretion—

“(1) set aside part or parts of a multiple award contract for small business concerns, including the subcategories of small business concerns identified in subsection (g)(2);

“(2) notwithstanding the fair opportunity requirements under section 2304c(b) of title 10, United States Code, and section 303J(b) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253j(b)), set aside orders placed against multiple award contracts for small business concerns, including the subcategories of small business concerns identified in subsection (g)(2); and

“(3) reserve 1 or more contract awards for small business concerns under full and open multiple award procurements, including the subcategories of small business concerns identified in subsection (g)(2).”.

SEC. 1332. MICRO-PURCHASE GUIDELINES.

Not later than 1 year after the date of enactment of this Act, the Director of the Office of Management and Budget, in coordination with the Administrator of General Services, shall issue guidelines regarding the analysis of purchase card expenditures to identify opportunities for achieving and accurately measuring fair participation of small business concerns in purchases in an amount not in excess of the micro-purchase threshold, as defined in section 32 of the Office of Federal Procurement Policy Act (41 U.S.C. 428) (in this section referred to as “micro-purchases”), consistent with the national policy on small business participation in Federal procurements set forth in sections 2(a) and 15(g) of the Small Business Act (15 U.S.C. 631(a) and 644(g)), and dissemination of best practices for participation of small business concerns in micro-purchases.

SEC. 1333. AGENCY ACCOUNTABILITY.

Section 15(g)(2) of the Small Business Act (15 U.S.C. 644(g)(2)) is amended—

(1) by inserting “(A)” after “(2)”;

(2) by striking “Goals established” and inserting the following:

“(B) Goals established”;

(3) by striking “Whenever” and inserting the following:

“(C) Whenever”;

(4) by striking “For the purpose of” and inserting the following:

“(D) For the purpose of”;

(5) by striking “The head of each Federal agency, in attempting to attain such participation” and inserting the following:

“(E) The head of each Federal agency, in attempting to attain the participation described in subparagraph (D)”.

(6) in subparagraph (E), as so designated—

(A) by striking “(A) contracts” and inserting “(i) contracts”; and

(B) by striking “(B) contracts” and inserting “(ii) contracts”; and

(7) by adding at the end the following:

“(F)(i) Each procurement employee or program manager described in clause (ii) shall communicate to the subordinates of the procurement employee or program manager the importance of achieving small business goals.

“(ii) A procurement employee or program manager described in this clause is a senior procurement executive, senior program manager, or Director of Small and Disadvantaged Business Utilization of a Federal agency having contracting authority.”.

SEC. 1334. PAYMENT OF SUBCONTRACTORS.

Section 8(d) of the Small Business Act (15 U.S.C. 637(d)) is amended by adding at the end the following:

“(12) **PAYMENT OF SUBCONTRACTORS.**—

“(A) **DEFINITION.**—In this paragraph, the term ‘covered contract’ means a contract relating to which a prime contractor is required to develop a subcontracting plan under paragraph (4) or (5).

“(B) **NOTICE.**—

“(i) **IN GENERAL.**—A prime contractor for a covered contract shall notify in writing the contracting officer for the covered contract if the prime contractor pays a reduced price to a subcontractor for goods and services upon completion of the responsibilities of the subcontractor or the payment to a subcontractor is more than 90 days past due for goods or services provided for the covered contract for which the Federal agency has paid the prime contractor.

“(ii) **CONTENTS.**—A prime contractor shall include the reason for the reduction in a payment to or failure to pay a subcontractor in any notice made under clause (i).

“(C) **PERFORMANCE.**—A contracting officer for a covered contract shall consider the unjustified failure by a prime contractor to make a full or timely payment to a subcontractor in evaluating the performance of the prime contractor.

“(D) **CONTROL OF FUNDS.**—If the contracting officer for a covered contract determines that a prime contractor has a history of unjustified, untimely payments to contractors, the contracting officer shall record the identity of the contractor in accordance with the regulations promulgated under subparagraph (E).

“(E) **REGULATIONS.**—Not later than 1 year after the date of enactment of this paragraph, the Federal Acquisition Regulatory Council established under section 25(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(a)) shall amend the Federal Acquisition Regulation issued under section 25 of such Act to—

“(i) describe the circumstances under which a contractor may be determined to have a history of unjustified, untimely payments to subcontractors;

“(ii) establish a process for contracting officers to record the identity of a contractor described in clause (i); and

“(iii) require the identity of a contractor described in clause (i) to be incorporated in, and made publicly available through, the Federal Awardee Performance and Integrity Information System, or any successor thereto.”.

SEC. 1335. REPEAL OF SMALL BUSINESS COMPETITIVENESS DEMONSTRATION PROGRAM.

(a) **IN GENERAL.**—The Business Opportunity Development Reform Act of 1988 (Public Law 100-656) is amended by striking title VII (15 U.S.C. 644 note).

(b) EFFECTIVE DATE AND APPLICABILITY.—The amendment made by this section—

(1) shall take effect on the date of enactment of this Act; and

(2) apply to the first full fiscal year after the date of enactment of this Act.

PART IV—SMALL BUSINESS SIZE AND STATUS INTEGRITY

SEC. 1341. POLICY AND PRESUMPTIONS.

Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1311, is amended by adding at the end the following:

“(w) PRESUMPTION.—

“(1) IN GENERAL.—In every contract, subcontract, cooperative agreement, cooperative research and development agreement, or grant which is set aside, reserved, or otherwise classified as intended for award to small business concerns, there shall be a presumption of loss to the United States based on the total amount expended on the contract, subcontract, cooperative agreement, cooperative research and development agreement, or grant whenever it is established that a business concern other than a small business concern willfully sought and received the award by misrepresentation.

“(2) DEEMED CERTIFICATIONS.—The following actions shall be deemed affirmative, willful, and intentional certifications of small business size and status:

“(A) Submission of a bid or proposal for a Federal grant, contract, subcontract, cooperative agreement, or cooperative research and development agreement reserved, set aside, or otherwise classified as intended for award to small business concerns.

“(B) Submission of a bid or proposal for a Federal grant, contract, subcontract, cooperative agreement, or cooperative research and development agreement which in any way encourages a Federal agency to classify the bid or proposal, if awarded, as an award to a small business concern.

“(C) Registration on any Federal electronic database for the purpose of being considered for award of a Federal grant, contract, subcontract, cooperative agreement, or cooperative research agreement, as a small business concern.

“(3) CERTIFICATION BY SIGNATURE OF RESPONSIBLE OFFICIAL.—

“(A) IN GENERAL.—Each solicitation, bid, or application for a Federal contract, subcontract, or grant shall contain a certification concerning the small business size and status of a business concern seeking the Federal contract, subcontract, or grant.

“(B) CONTENT OF CERTIFICATIONS.—A certification that a business concern qualifies as a small business concern of the exact size and status claimed by the business concern for purposes of bidding on a Federal contract or subcontract, or applying for a Federal grant, shall contain the signature of an authorized official on the same page on which the certification is contained.

“(4) REGULATIONS.—The Administrator shall promulgate regulations to provide adequate protections to individuals and business concerns from liability under this subsection in cases of unintentional errors, technical malfunctions, and other similar situations.”.

SEC. 1342. ANNUAL CERTIFICATION.

Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1341, is amended by adding at the end the following:

“(x) ANNUAL CERTIFICATION.—

“(1) IN GENERAL.—Each business certified as a small business concern under this Act shall annually certify its small business size and, if appropriate, its small business status, by means of a confirming entry on the Online Representations and Certifications Ap-

plication database of the Administration, or any successor thereto.

“(2) REGULATIONS.—Not later than 1 year after the date of enactment of this subsection, the Administrator, in consultation with the Inspector General and the Chief Counsel for Advocacy of the Administration, shall promulgate regulations to ensure that—

“(A) no business concern continues to be certified as a small business concern on the Online Representations and Certifications Application database of the Administration, or any successor thereto, without fulfilling the requirements for annual certification under this subsection; and

“(B) the requirements of this subsection are implemented in a manner presenting the least possible regulatory burden on small business concerns.”.

SEC. 1343. TRAINING FOR CONTRACTING AND ENFORCEMENT PERSONNEL.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Federal Acquisition Institute, in consultation with the Administrator for Federal Procurement Policy, the Defense Acquisition University, and the Administrator, shall develop courses for acquisition personnel concerning proper classification of business concerns and small business size and status for purposes of Federal contracts, subcontracts, grants, cooperative agreements, and cooperative research and development agreements.

(b) POLICY ON PROSECUTIONS OF SMALL BUSINESS SIZE AND STATUS FRAUD.—Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1342, is amended by adding at the end the following:

“(y) POLICY ON PROSECUTIONS OF SMALL BUSINESS SIZE AND STATUS FRAUD.—Not later than 1 year after the date of enactment of this subsection, the Administrator, in consultation with the Attorney General, shall issue a Government-wide policy on prosecution of small business size and status fraud, which shall direct Federal agencies to appropriately publicize the policy.”.

SEC. 1344. UPDATED SIZE STANDARDS.

(a) ROLLING REVIEW.—

(1) IN GENERAL.—The Administrator shall—

(A) during the 18-month period beginning on the date of enactment of this Act, and during every 18-month period thereafter, conduct a detailed review of not less than 1/3 of the size standards for small business concerns established under section 3(a)(2) of the Small Business Act (15 U.S.C. 632(a)(2)), which shall include holding not less than 2 public forums located in different geographic regions of the United States;

(B) after completing each review under subparagraph (A) make appropriate adjustments to the size standards established under section 3(a)(2) of the Small Business Act to reflect market conditions;

(C) make publicly available—

(i) information regarding the factors evaluated as part of each review conducted under subparagraph (A); and

(ii) information regarding the criteria used for any revised size standards promulgated under subparagraph (B); and

(D) not later than 30 days after the date on which the Administrator completes each review under subparagraph (A), submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives and make publicly available a report regarding the review, including why the Administrator—

(i) used the factors and criteria described in subparagraph (C); and

(ii) adjusted or did not adjust each size standard that was reviewed under the review.

(2) COMPLETE REVIEW OF SIZE STANDARDS.—The Administrator shall ensure that each size standard for small business concerns established under section 3(a)(2) of the Small Business Act (15 U.S.C. 632(a)(2)) is reviewed under paragraph (1) not less frequently than once every 5 years.

(b) RULES.—Not later than 1 year after the date of enactment of this Act, the Administrator shall promulgate rules for conducting the reviews required under subsection (a).

SEC. 1345. STUDY AND REPORT ON THE MENTOR-PROTEGE PROGRAM.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study of the mentor-protégé program of the Administration for small business concerns participating in programs under section 8(a) of the Small Business Act (15 U.S.C. 637(a)), and other relationships and strategic alliances pairing a larger business and a small business concern partner to gain access to Federal Government contracts, to determine whether the programs and relationships are effectively supporting the goal of increasing the participation of small business concerns in Government contracting.

(b) MATTERS TO BE STUDIED.—The study conducted under this section shall include—

(1) a review of a broad cross-section of industries; and

(2) an evaluation of—

(A) how each Federal agency carrying out a program described in subsection (a) administers and monitors the program;

(B) whether there are systems in place to ensure that the mentor-protégé relationship, or similar affiliation, promotes real gain to the protégé, and is not just a mechanism to enable participants that would not otherwise qualify under section 8(a) of the Small Business Act (15 U.S.C. 637(a)) to receive contracts under that section; and

(C) the degree to which protégé businesses become able to compete for Federal contracts without the assistance of a mentor.

(c) REPORT TO CONGRESS.—Not later than 180 days after the date of enactment of this Act, the Comptroller General shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report on the results of the study conducted under this section.

SEC. 1346. CONTRACTING GOALS REPORTS.

Section 15(h)(2) of the Small Business Act (15 U.S.C. 644(h)(2)) is amended by striking “submit them” and all that follows through “the following:” and inserting “submit to the President and the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives the compilation and analysis, which shall include the following:”.

SEC. 1347. SMALL BUSINESS CONTRACTING PARITY.

(a) DEFINITIONS.—In this section—

(1) the terms “Administration” and “Administrator” mean the Small Business Administration and the Administrator thereof, respectively; and

(2) the terms “HUBZone small business concern”, “small business concern”, “small business concern owned and controlled by service-disabled veterans”, and “small business concern owned and controlled by women” have the same meanings as in section 3 of the Small Business Act (15 U.S.C. 632).

(b) CONTRACTING IMPROVEMENTS.—

(1) **CONTRACTING OPPORTUNITIES.**—Section 31(b)(2)(B) of the Small Business Act (15 U.S.C. 657a(b)(2)(B)) is amended by striking “shall” and inserting “may”.

(2) **CONTRACTING GOALS.**—Section 15(g)(1) of the Small Business Act (15 U.S.C. 644(g)(1)) is amended in the fourth sentence by inserting “and subcontract” after “not less than 3 percent of the total value of all prime contract”.

(3) **MENTOR-PROTEGE PROGRAMS.**—The Administrator may establish mentor-protége programs for small business concerns owned and controlled by service-disabled veterans, small business concerns owned and controlled by women, and HUBZone small business concerns modeled on the mentor-protége program of the Administration for small business concerns participating in programs under section 8(a) of the Small Business Act (15 U.S.C. 637(a)).

(c) **SMALL BUSINESS CONTRACTING PROGRAMS PARITY.**—Section 31(b)(2) of the Small Business Act (15 U.S.C. 657a(b)(2)) is amended—

(1) in the matter preceding subparagraph (A), by striking “Notwithstanding any other provision of law—”;

(2) in subparagraph (A)—

(A) in the matter preceding clause (i), by striking “a contracting” and inserting “SOLE SOURCE CONTRACTS.—A contracting”; and

(B) in clause (iii), by striking the semicolon at the end and inserting a period;

(3) in subparagraph (B)—

(A) by striking “a contract opportunity shall” and inserting “RESTRICTED COMPETITION.—A contract opportunity may”; and

(B) by striking “; and” and inserting a period; and

(4) in subparagraph (C), by striking “not later” and inserting “APPEALS.—Not later”.

Subtitle D—Small Business Management and Counseling Assistance

SEC. 1401. MATCHING REQUIREMENTS UNDER SMALL BUSINESS PROGRAMS.

(a) **MICROLOAN PROGRAM.**—Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) is amended—

(1) in paragraph (3)(B)—

(A) by striking “As a condition” and inserting the following:

“(i) **IN GENERAL.**—Subject to clause (ii), as a condition”;

(B) by striking “the Administration” and inserting “the Administrator”; and

(C) by adding at the end the following:

“(ii) **WAIVER OF NON-FEDERAL SHARE.**—

“(I) **IN GENERAL.**—Upon request by an intermediary, and in accordance with this clause, the Administrator may waive, in whole or in part, the requirement to obtain non-Federal funds under clause (i) for a fiscal year. The Administrator may waive the requirement to obtain non-Federal funds under this clause for successive fiscal years.

“(II) **CONSIDERATIONS.**—In determining whether to waive the requirement to obtain non-Federal funds under this clause, the Administrator shall consider—

“(aa) the economic conditions affecting the intermediary;

“(bb) the impact a waiver under this clause would have on the credibility of the microloan program under this subsection;

“(cc) the demonstrated ability of the intermediary to raise non-Federal funds; and

“(dd) the performance of the intermediary.

“(III) **LIMITATIONS.**—

“(aa) **IN GENERAL.**—The Administrator may not waive the requirement to obtain non-Federal funds under this clause if granting the waiver would undermine the credibility

of the microloan program under this subsection.

“(bb) **SUNSET.**—The Administrator may not waive the requirement to obtain non-Federal funds under this clause for fiscal year 2013 or any fiscal year thereafter.”; and

(2) in paragraph (4)(B)—

(A) by striking “As a condition” and all that follows through “the Administration shall require” and inserting the following:

“(i) **IN GENERAL.**—Subject to clause (ii), as a condition of a grant made under subparagraph (A), the Administrator shall require”; and

(B) by adding at the end the following:

“(ii) **WAIVER OF NON-FEDERAL SHARE.**—

“(I) **IN GENERAL.**—Upon request by an intermediary, and in accordance with this clause, the Administrator may waive, in whole or in part, the requirement to obtain non-Federal funds under clause (i) for a fiscal year. The Administrator may waive the requirement to obtain non-Federal funds under this clause for successive fiscal years.

“(II) **CONSIDERATIONS.**—In determining whether to waive the requirement to obtain non-Federal funds under this clause, the Administrator shall consider—

“(aa) the economic conditions affecting the intermediary;

“(bb) the impact a waiver under this clause would have on the credibility of the microloan program under this subsection;

“(cc) the demonstrated ability of the intermediary to raise non-Federal funds; and

“(dd) the performance of the intermediary.

“(III) **LIMITATIONS.**—

“(aa) **IN GENERAL.**—The Administrator may not waive the requirement to obtain non-Federal funds under this clause if granting the waiver would undermine the credibility of the microloan program under this subsection.

“(bb) **SUNSET.**—The Administrator may not waive the requirement to obtain non-Federal funds under this clause for fiscal year 2013 or any fiscal year thereafter.”.

(b) **WOMEN'S BUSINESS CENTER PROGRAM.**—Section 29(c) of the Small Business Act (15 U.S.C. 656(c)) is amended—

(1) in paragraph (1), by striking “As a condition” and inserting “Subject to paragraph (5), as a condition”; and

(2) by adding at the end the following:

“(5) **WAIVER OF NON-FEDERAL SHARE RELATING TO TECHNICAL ASSISTANCE AND COUNSELING.**—

“(A) **IN GENERAL.**—Upon request by a recipient organization, and in accordance with this paragraph, the Administrator may waive, in whole or in part, the requirement to obtain non-Federal funds under this subsection for the technical assistance and counseling activities of the recipient organization carried out using financial assistance under this section for a fiscal year. The Administrator may waive the requirement to obtain non-Federal funds under this paragraph for successive fiscal years.

“(B) **CONSIDERATIONS.**—In determining whether to waive the requirement to obtain non-Federal funds under this paragraph, the Administrator shall consider—

“(i) the economic conditions affecting the recipient organization;

“(ii) the impact a waiver under this clause would have on the credibility of the women's business center program under this section;

“(iii) the demonstrated ability of the recipient organization to raise non-Federal funds; and

“(iv) the performance of the recipient organization.

“(C) **LIMITATIONS.**—

“(i) **IN GENERAL.**—The Administrator may not waive the requirement to obtain non-Federal funds under this paragraph if granting the waiver would undermine the credibility of the women's business center program under this section.

“(ii) **SUNSET.**—The Administrator may not waive the requirement to obtain non-Federal funds under this paragraph for fiscal year 2013 or any fiscal year thereafter.”.

(c) **PROSPECTIVE REPEALS.**—Effective October 1, 2012, the Small Business Act (15 U.S.C. 631 et seq.) is amended—

(1) in section 7(m) (15 U.S.C. 636(m))—

(A) in paragraph (3)(B)—

(i) by striking “INTERMEDIARY CONTRIBUTION.—” and all that follows through “Subject to clause (ii), as” and inserting “INTERMEDIARY CONTRIBUTION.—As”; and

(ii) by striking clause (ii); and

(B) in paragraph (4)(B)—

(i) by striking “CONTRIBUTION.—” and all that follows through “Subject to clause (ii), as” and inserting “CONTRIBUTION.—As”; and

(ii) by striking clause (ii); and

(2) in section 29(c) (15 U.S.C. 656(c))—

(A) in paragraph (1), by striking “Subject to paragraph (5), as” and inserting “As”; and

(B) by striking paragraph (5).

SEC. 1402. GRANTS FOR SBDCS.

(a) **IN GENERAL.**—The Administrator may make grants to small business development centers under section 21 of the Small Business Act (15 U.S.C. 648) to provide targeted technical assistance to small business concerns seeking access to capital or credit, Federal procurement opportunities, energy efficiency audits to reduce energy bills, opportunities to export products or provide services to foreign customers, adopting, making innovations in, and using broadband technologies, or other assistance.

(b) **ALLOCATION.**—

(1) **IN GENERAL.**—Subject to paragraph (2), and notwithstanding the requirements of section 21(a)(4)(C)(iii) of the Small Business Act (15 U.S.C. 648(a)(4)(C)(iii)), the amount appropriated to carry out this section shall be allocated under the formula under section 21(a)(4)(C)(i) of that Act.

(2) **MINIMUM FUNDING.**—The amount made available under this section to each State shall be not less than \$325,000.

(3) **TYPES OF USES.**—Of the total amount of the grants awarded by the Administrator under this section—

(A) not less than 80 percent shall be used for counseling of small business concerns; and

(B) not more than 20 percent may be used for classes or seminars.

(c) **NO NON-FEDERAL SHARE REQUIRED.**—Notwithstanding section 21(a)(4)(A) of the Small Business Act (15 U.S.C. 648(a)(4)(A)), the recipient of a grant made under this section shall not be required to provide non-Federal matching funds.

(d) **DISTRIBUTION.**—Not later than 30 days after the date on which amounts are appropriated to carry out this section, the Administrator shall disburse the total amount appropriated.

(e) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to the Administrator \$50,000,000 to carry out this section.

Subtitle E—Disaster Loan Improvement

SEC. 1501. AQUACULTURE BUSINESS DISASTER ASSISTANCE.

Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1343, is amended by adding at the end the following:

“(z) AQUACULTURE BUSINESS DISASTER ASSISTANCE.—Subject to section 18(a) and notwithstanding section 18(b)(1), the Administrator may provide disaster assistance under section 7(b)(2) to aquaculture enterprises that are small businesses.”.

Subtitle F—Small Business Regulatory Relief
SEC. 1601. REQUIREMENTS PROVIDING FOR MORE DETAILED ANALYSES.

Section 604(a) of title 5, United States Code, is amended—

(1) in paragraph (1), by striking “succinct”;

(2) in paragraph (2), by striking “summary” each place it appears and inserting “statement”;

(3) by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively; and

(4) by inserting after paragraph (2) the following:

“(3) the response of the agency to any comments filed by the Chief Counsel for Advocacy of the Small Business Administration in response to the proposed rule, and a detailed statement of any change made to the proposed rule in the final rule as a result of the comments;”.

SEC. 1602. OFFICE OF ADVOCACY.

(a) IN GENERAL.—Section 203 of Public Law 94-305 (15 U.S.C. 634c) is amended—

(1) in paragraph (4), by striking “and” at the end;

(2) in paragraph (5), by striking the period and inserting “; and”; and

(3) by adding at the end the following:

“(6) carry out the responsibilities of the Office of Advocacy under chapter 6 of title 5, United States Code.”.

(b) BUDGETARY LINE ITEM AND AUTHORIZATION OF APPROPRIATIONS.—Title II of Public Law 94-305 (15 U.S.C. 634a et seq.) is amended by striking section 207 and inserting the following:

“SEC. 207. BUDGETARY LINE ITEM AND AUTHORIZATION OF APPROPRIATIONS.

“(a) APPROPRIATION REQUESTS.—Each budget of the United States Government submitted by the President under section 1105 of title 31, United States Code, shall include a separate statement of the amount of appropriations requested for the Office of Advocacy of the Small Business Administration, which shall be designated in a separate account in the General Fund of the Treasury.

“(b) ADMINISTRATIVE OPERATIONS.—The Administrator of the Small Business Administration shall provide the Office of Advocacy with appropriate and adequate office space at central and field office locations, together with such equipment, operating budget, and communications facilities and services as may be necessary, and shall provide necessary maintenance services for such offices and the equipment and facilities located in such offices.

“(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this title. Any amount appropriated under this subsection shall remain available, without fiscal year limitation, until expended.”.

Subtitle G—Appropriations Provisions

SEC. 1701. SALARIES AND EXPENSES.

(a) APPROPRIATION.—There is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2010, \$150,000,000, to remain available until September 30, 2012, for an additional amount for the appropriations account appropriated under the heading “SALARIES AND EXPENSES” under the heading “SMALL BUSINESS ADMINISTRATION”, of which—

(1) \$50,000,000 is for grants to small business development centers authorized under section 1402;

(2) \$1,000,000 is for the costs of administering grants authorized under section 1402;

(3) \$30,000,000 is for grants to States for fiscal year 2011 to carry out export programs that assist small business concerns authorized under section 1207;

(4) \$30,000,000 is for grants to States for fiscal year 2012 to carry out export programs that assist small business concerns authorized under section 1207;

(5) \$2,500,000 is for the costs of administering grants authorized under section 1207;

(6) \$5,000,000 is for grants for fiscal year 2011 under the Small Business Teaming Pilot Program under section 1314; and

(7) \$5,000,000 is for grants for fiscal year 2012 under the Small Business Teaming Pilot Program under section 1314.

(b) REPORT.—Not later than 60 days after the date of enactment of this Act, the Administrator shall submit to the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives a detailed expenditure plan for using the funds provided under subsection (a).

SEC. 1702. BUSINESS LOANS PROGRAM ACCOUNT.

(a) IN GENERAL.—There is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2010, for an additional amount for the appropriations account appropriated under the heading “BUSINESS LOANS PROGRAM ACCOUNT” under the heading “SMALL BUSINESS ADMINISTRATION”—

(1) \$8,000,000, to remain available until September 30, 2012, for fiscal year 2011 for the cost of direct loans authorized under section 7(l) of the Small Business Act, as added by section 1131 of this title, including the cost of modifying the loans;

(2) \$8,000,000, to remain available until September 30, 2012, for fiscal year 2012 for the cost of direct loans authorized under section 7(l) of the Small Business Act, as added by section 1131 of this title, including the cost of modifying the loans;

(3) \$6,500,000, to remain available until September 30, 2012, for administrative expenses to carry out the direct loan program authorized under section 7(l) of the Small Business Act, as added by section 1131 of this title, which may be transferred to and merged with the appropriations account appropriated under the heading “SALARIES AND EXPENSES” under the heading “SMALL BUSINESS ADMINISTRATION”; and

(4) \$15,000,000, to remain available until September 30, 2011, for the cost of guaranteed loans as authorized under section 7(a) of the Small Business Act, including the cost of modifying the loans.

(b) DEFINITION.—In this section, the term “cost” has the meaning given that term in section 502 of the Congressional Budget Act of 1974.

SEC. 1703. COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT.

There is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2010, for an additional amount for the appropriations account appropriated under the heading “COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT” under the heading “DEPARTMENT OF THE TREASURY”, \$13,500,000, to remain available until September 30, 2012, for the costs of administering guarantees for bonds and notes as authorized under section 114A of the Riegle

Community Development and Regulatory Improvement Act of 1994, as added by section 1134 of this Act.

TITLE II—TAX PROVISIONS

SEC. 2001. SHORT TITLE.

This title may be cited as the “Creating Small Business Jobs Act of 2010”.

Subtitle A—Small Business Relief

PART I—PROVIDING ACCESS TO CAPITAL

SEC. 2011. TEMPORARY EXCLUSION OF 100 PERCENT OF GAIN ON CERTAIN SMALL BUSINESS STOCK.

(a) IN GENERAL.—Subsection (a) of section 1202 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(4) 100 PERCENT EXCLUSION FOR STOCK ACQUIRED DURING CERTAIN PERIODS IN 2010.—In the case of qualified small business stock acquired after the date of the enactment of the Creating Small Business Jobs Act of 2010 and before January 1, 2011—

“(A) paragraph (1) shall be applied by substituting ‘100 percent’ for ‘50 percent’;

“(B) paragraph (2) shall not apply; and

“(C) paragraph (7) of section 57(a) shall not apply.”.

(b) CONFORMING AMENDMENT.—Paragraph (3) of section 1202(a) of the Internal Revenue Code of 1986 is amended—

(1) by inserting “CERTAIN PERIODS IN” before “2010” in the heading; and

(2) by striking “before January 1, 2011” and inserting “on or before the date of the enactment of the Creating Small Business Jobs Act of 2010”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to stock acquired after the date of the enactment of this Act.

SEC. 2012. GENERAL BUSINESS CREDITS OF ELIGIBLE SMALL BUSINESSES FOR 2010 CARRIED BACK 5 YEARS.

(a) IN GENERAL.—Section 39(a) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(4) 5-YEAR CARRYBACK FOR ELIGIBLE SMALL BUSINESS CREDITS.—

“(A) IN GENERAL.—Notwithstanding subsection (d), in the case of eligible small business credits determined in the first taxable year of the taxpayer beginning in 2010—

“(i) paragraph (1) shall be applied by substituting ‘each of the 5 taxable years’ for ‘the taxable year’ in subparagraph (A) thereof; and

“(ii) paragraph (2) shall be applied—

“(I) by substituting ‘25 taxable years’ for ‘21 taxable years’ in subparagraph (A) thereof; and

“(II) by substituting ‘24 taxable years’ for ‘20 taxable years’ in subparagraph (B) thereof.

“(B) ELIGIBLE SMALL BUSINESS CREDITS.—For purposes of this subsection, the term ‘eligible small business credits’ has the meaning given such term by section 38(c)(5)(B).”.

(b) CONFORMING AMENDMENT.—Section 39(a)(3)(A) of the Internal Revenue Code of 1986 is amended by inserting “or the eligible small business credits” after “credit”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to credits determined in taxable years beginning after December 31, 2009.

SEC. 2013. GENERAL BUSINESS CREDITS OF ELIGIBLE SMALL BUSINESSES IN 2010 NOT SUBJECT TO ALTERNATIVE MINIMUM TAX.

(a) IN GENERAL.—Section 38(c) of the Internal Revenue Code of 1986 is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

“(5) SPECIAL RULES FOR ELIGIBLE SMALL BUSINESS CREDITS IN 2010.—

“(A) IN GENERAL.—In the case of eligible small business credits determined in taxable years beginning in 2010—

“(i) this section and section 39 shall be applied separately with respect to such credits, and

“(ii) in applying paragraph (1) to such credits—

“(I) the tentative minimum tax shall be treated as being zero, and

“(II) the limitation under paragraph (1) (as modified by subclause (I)) shall be reduced by the credit allowed under subsection (a) for the taxable year (other than the eligible small business credits).

“(B) ELIGIBLE SMALL BUSINESS CREDITS.—For purposes of this subsection, the term ‘eligible small business credits’ means the sum of the credits listed in subsection (b) which are determined for the taxable year with respect to an eligible small business. Such credits shall not be taken into account under paragraph (2), (3), or (4).

“(C) ELIGIBLE SMALL BUSINESS.—For purposes of this subsection, the term ‘eligible small business’ means, with respect to any taxable year—

“(i) a corporation the stock of which is not publicly traded,

“(ii) a partnership, or

“(iii) a sole proprietorship,

if the average annual gross receipts of such corporation, partnership, or sole proprietorship for the 3-taxable-year period preceding such taxable year does not exceed \$50,000,000. For purposes of applying the test under the preceding sentence, rules similar to the rules of paragraphs (2) and (3) of section 448(c) shall apply.”

(b) TECHNICAL AMENDMENT.—Section 55(e)(5) of the Internal Revenue Code of 1986 is amended by striking “38(c)(3)(B)” and inserting “38(c)(4)(B)”.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to credits determined in taxable years beginning after December 31, 2009, and to carrybacks of such credits.

SEC. 2014. TEMPORARY REDUCTION IN RECOGNITION PERIOD FOR BUILT-IN GAINS TAX.

(a) IN GENERAL.—Subparagraph (B) of section 1374(d)(7) of the Internal Revenue Code of 1986 is amended to read as follows:

“(B) SPECIAL RULES FOR 2009, 2010, AND 2011.—No tax shall be imposed on the net recognized built-in gain of an S corporation—

“(i) in the case of any taxable year beginning in 2009 or 2010, if the 7th taxable year in the recognition period preceded such taxable year, or

“(ii) in the case of any taxable year beginning in 2011, if the 5th year in the recognition period preceded such taxable year. The preceding sentence shall be applied separately with respect to any asset to which paragraph (8) applies.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2010.

PART II—ENCOURAGING INVESTMENT

SEC. 2021. INCREASED EXPENSING LIMITATIONS FOR 2010 AND 2011; CERTAIN REAL PROPERTY TREATED AS SECTION 179 PROPERTY.

(a) INCREASED LIMITATIONS.—Subsection (b) of section 179 of the Internal Revenue Code of 1986 is amended—

(1) by striking “shall not exceed” and all that follows in paragraph (1) and inserting “shall not exceed—

“(A) \$250,000 in the case of taxable years beginning after 2007 and before 2010,

“(B) \$500,000 in the case of taxable years beginning in 2010 or 2011, and

“(C) \$25,000 in the case of taxable years beginning after 2011.”, and

(2) by striking “exceeds” and all that follows in paragraph (2) and inserting “exceeds—

“(A) \$800,000 in the case of taxable years beginning after 2007 and before 2010,

“(B) \$2,000,000 in the case of taxable years beginning in 2010 or 2011, and

“(C) \$200,000 in the case of taxable years beginning after 2011.”

(b) INCLUSION OF CERTAIN REAL PROPERTY.—Section 179 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(f) SPECIAL RULES FOR QUALIFIED REAL PROPERTY.—

“(1) IN GENERAL.—If a taxpayer elects the application of this subsection for any taxable year beginning in 2010 or 2011, the term ‘section 179 property’ shall include any qualified real property which is—

“(A) of a character subject to an allowance for depreciation,

“(B) acquired by purchase for use in the active conduct of a trade or business, and

“(C) not described in the last sentence of subsection (d)(1).

“(2) QUALIFIED REAL PROPERTY.—For purposes of this subsection, the term ‘qualified real property’ means—

“(A) a qualified leasehold improvement property described in section 168(e)(6),

“(B) a qualified restaurant property described in section 168(e)(7) (without regard to the dates specified in subparagraph (A)(i) thereof), and

“(C) a qualified retail improvement property described in section 168(e)(8) (without regard to subparagraph (E) thereof).

“(3) LIMITATION.—For purposes of applying the limitation under subsection (b)(1)(B), not more than \$250,000 of the aggregate cost which is taken into account under subsection (a) for any taxable year may be attributable to qualified real property.

“(4) CARRYOVER LIMITATION.—

“(A) IN GENERAL.—Notwithstanding subsection (b)(3)(B), no amount attributable to qualified real property may be carried over to a taxable year beginning after 2011.

“(B) TREATMENT OF DISALLOWED AMOUNTS.—Except as provided in subparagraph (C), to the extent that any amount is not allowed to be carried over to a taxable year beginning after 2011 by reason of subparagraph (A), this title shall be applied as if no election under this section had been made with respect to such amount.

“(C) AMOUNTS CARRIED OVER FROM 2010.—If subparagraph (B) applies to any amount (or portion of an amount) which is carried over from a taxable year other than the taxpayer’s last taxable year beginning in 2011, such amount (or portion of an amount) shall be treated for purposes of this title as attributable to property placed in service on the first day of the taxpayer’s last taxable year beginning in 2011.

“(D) ALLOCATION OF AMOUNTS.—For purposes of applying this paragraph and subsection (b)(3)(B) to any taxable year, the amount which is disallowed under subsection (b)(3)(A) for such taxable year which is attributed to qualified real property shall be the amount which bears the same ratio to the total amount so disallowed as—

“(i) the aggregate amount attributable to qualified real property placed in service during such taxable year, increased by the portion of any amount carried over to such taxable year from a prior taxable year which is attributable to such property, bears to

“(ii) the total amount of section 179 property placed in service during such taxable year, increased by the aggregate amount carried over to such taxable year from any prior taxable year.

For purposes of the preceding sentence, only section 179 property with respect to which an election was made under subsection (c)(1) (determined without regard to subparagraph (B) of this paragraph) shall be taken into account.”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2009, in taxable years beginning after such date.

SEC. 2022. ADDITIONAL FIRST-YEAR DEPRECIATION FOR 50 PERCENT OF THE BASIS OF CERTAIN QUALIFIED PROPERTY.

(a) IN GENERAL.—Paragraph (2) of section 168(k) of the Internal Revenue Code of 1986 is amended—

(1) by striking “January 1, 2011” in subparagraph (A)(iv) and inserting “January 1, 2012”, and

(2) by striking “January 1, 2010” each place it appears and inserting “January 1, 2011”.

(b) CONFORMING AMENDMENTS.—

(1) The heading for subsection (k) of section 168 of the Internal Revenue Code of 1986 is amended by striking “JANUARY 1, 2010” and inserting “JANUARY 1, 2011”.

(2) The heading for clause (ii) of section 168(k)(2)(B) of such Code is amended by striking “PRE-JANUARY 1, 2010” and inserting “PRE-JANUARY 1, 2011”.

(3) Subparagraph (D) of section 168(k)(4) of such Code is amended by striking “and” at the end of clause (ii), by striking the period at the end of clause (iii) and inserting a comma, and by adding at the end the following new clauses:

“(iv) ‘January 1, 2011’ shall be substituted for ‘January 1, 2012’ in subparagraph (A)(iv) thereof, and

“(v) ‘January 1, 2010’ shall be substituted for ‘January 1, 2011’ each place it appears in subparagraph (A) thereof.”

(4) Subparagraph (B) of section 168(l)(5) of such Code is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(5) Subparagraph (C) of section 168(n)(2) of such Code is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(6) Subparagraph (D) of section 1400L(b)(2) of such Code is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(7) Subparagraph (B) of section 1400N(d)(3) of such Code is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2009, in taxable years beginning after such date.

PART III—PROMOTING ENTREPRENEURSHIP

SEC. 2031. INCREASE IN AMOUNT ALLOWED AS DEDUCTION FOR START-UP EXPENDITURES IN 2010.

(a) START-UP EXPENDITURES.—Subsection (b) of section 195 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(3) SPECIAL RULE FOR TAXABLE YEARS BEGINNING IN 2010.—In the case of a taxable year beginning in 2010, paragraph (1)(A)(ii) shall be applied—

“(A) by substituting ‘\$10,000’ for ‘\$5,000’, and

“(B) by substituting ‘\$60,000’ for ‘\$50,000’.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2009.

SEC. 2032. AUTHORIZATION OF APPROPRIATIONS FOR THE UNITED STATES TRADE REPRESENTATIVE TO DEVELOP MARKET ACCESS OPPORTUNITIES FOR UNITED STATES SMALL- AND MEDIUM-SIZED BUSINESSES AND TO ENFORCE TRADE AGREEMENTS.

(a) IN GENERAL.—There are authorized to be appropriated to the Office of the United States Trade Representative \$5,230,000, to remain available until expended, for—

(1) analyzing and developing opportunities for businesses in the United States to access the markets of foreign countries; and

(2) enforcing trade agreements to which the United States is a party.

(b) REQUIREMENTS.—In obligating and expending the funds authorized to be appropriated under subsection (a), the United States Trade Representative shall—

(1) give preference to those initiatives that the United States Trade Representative determines will create or sustain the greatest number of jobs in the United States or result in the greatest benefit to the economy of the United States; and

(2) consider the needs of small- and medium-sized businesses in the United States with respect to—

(A) accessing the markets of foreign countries; and

(B) the enforcement of trade agreements to which the United States is a party.

PART IV—PROMOTING SMALL BUSINESS FAIRNESS

SEC. 2041. LIMITATION ON PENALTY FOR FAILURE TO DISCLOSE REPORTABLE TRANSACTIONS BASED ON RESULTING TAX BENEFITS.

(a) IN GENERAL.—Subsection (b) of section 6707A of the Internal Revenue Code of 1986 is amended to read as follows:

“(b) AMOUNT OF PENALTY.—

“(1) IN GENERAL.—Except as otherwise provided in this subsection, the amount of the penalty under subsection (a) with respect to any reportable transaction shall be 75 percent of the decrease in tax shown on the return as a result of such transaction (or which would have resulted from such transaction if such transaction were respected for Federal tax purposes).

“(2) MAXIMUM PENALTY.—The amount of the penalty under subsection (a) with respect to any reportable transaction shall not exceed—

“(A) in the case of a listed transaction, \$200,000 (\$100,000 in the case of a natural person), or

“(B) in the case of any other reportable transaction, \$50,000 (\$10,000 in the case of a natural person).

“(3) MINIMUM PENALTY.—The amount of the penalty under subsection (a) with respect to any transaction shall not be less than \$10,000 (\$5,000 in the case of a natural person).”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to penalties assessed after December 31, 2006.

SEC. 2042. DEDUCTION FOR HEALTH INSURANCE COSTS IN COMPUTING SELF-EMPLOYMENT TAXES IN 2010.

(a) IN GENERAL.—Paragraph (4) of section 162(l) of the Internal Revenue Code of 1986 is amended by inserting “for taxable years beginning before January 1, 2010, or after December 31, 2010” before the period.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

Subtitle B—Revenue Provisions

PART I—REDUCING THE TAX GAP

SEC. 2101. INFORMATION REPORTING FOR RENTAL PROPERTY EXPENSE PAYMENTS.

(a) IN GENERAL.—Section 6041 of the Internal Revenue Code of 1986, as amended by sec-

tion 9006 of the Patient Protection and Affordable Care Act, is amended by redesignating subsections (h) and (i) as subsections (i) and (j), respectively, and by inserting after subsection (g) the following new subsection:

“(h) TREATMENT OF RENTAL PROPERTY EXPENSE PAYMENTS.—

“(1) IN GENERAL.—Solely for purposes of subsection (a) and except as provided in paragraph (2), a person receiving rental income from real estate shall be considered to be engaged in a trade or business of renting property.

“(2) EXCEPTIONS.—Paragraph (1) shall not apply to—

“(A) any individual, including any individual who is an active member of the uniformed services or an employee of the intelligence community (as defined in section 121(d)(9)(C)(iv)), if substantially all rental income is derived from renting the principal residence (within the meaning of section 121) of such individual on a temporary basis,

“(B) any individual who receives rental income of not more than the minimal amount, as determined under regulations prescribed by the Secretary, and

“(C) any other individual for whom the requirements of this section would cause hardship, as determined under regulations prescribed by the Secretary.”

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to payments made after December 31, 2010.

SEC. 2102. INCREASE IN INFORMATION RETURN PENALTIES.

(a) FAILURE TO FILE CORRECT INFORMATION RETURNS.—

(1) IN GENERAL.—Subsections (a)(1), (b)(1)(A), and (b)(2)(A) of section 6721 of the Internal Revenue Code of 1986 are each amended by striking “\$50” and inserting “\$100”.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (a)(1), (d)(1)(A), and (e)(3)(A) of section 6721 of such Code are each amended by striking “\$250,000” and inserting “\$1,500,000”.

(b) REDUCTION WHERE CORRECTION WITHIN 30 DAYS.—

(1) IN GENERAL.—Subparagraph (A) of section 6721(b)(1) of the Internal Revenue Code of 1986 is amended by striking “\$15” and inserting “\$30”.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (b)(1)(B) and (d)(1)(B) of section 6721 of such Code are each amended by striking “\$75,000” and inserting “\$250,000”.

(c) REDUCTION WHERE CORRECTION ON OR BEFORE AUGUST 1.—

(1) IN GENERAL.—Subparagraph (A) of section 6721(b)(2) of the Internal Revenue Code of 1986 is amended by striking “\$30” and inserting “\$60”.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (b)(2)(B) and (d)(1)(C) of section 6721 of such Code are each amended by striking “\$150,000” and inserting “\$500,000”.

(d) AGGREGATE ANNUAL LIMITATIONS FOR PERSONS WITH GROSS RECEIPTS OF NOT MORE THAN \$5,000,000.—

(1) IN GENERAL.—Paragraph (1) of section 6721(d) of the Internal Revenue Code of 1986 is amended—

(A) by striking “\$100,000” in subparagraph (A) and inserting “\$500,000”,

(B) by striking “\$25,000” in subparagraph (B) and inserting “\$75,000”, and

(C) by striking “\$50,000” in subparagraph (C) and inserting “\$200,000”.

(2) TECHNICAL AMENDMENT.—Paragraph (1) of section 6721(d) of such Code is amended by striking “such taxable year” and inserting “such calendar year”.

(e) PENALTY IN CASE OF INTENTIONAL DISREGARD.—Paragraph (2) of section 6721(e) of the Internal Revenue Code of 1986 is amended by striking “\$100” and inserting “\$250”.

(f) ADJUSTMENT FOR INFLATION.—Section 6721 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(f) ADJUSTMENT FOR INFLATION.—

“(1) IN GENERAL.—For each fifth calendar year beginning after 2012, each of the dollar amounts under subsections (a), (b), (d) (other than paragraph (2)(A) thereof), and (e) shall be increased by such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) determined by substituting ‘calendar year 2011’ for ‘calendar year 1992’ in subparagraph (B) thereof.

“(2) ROUNDING.—If any amount adjusted under paragraph (1)—

“(A) is not less than \$75,000 and is not a multiple of \$500, such amount shall be rounded to the next lowest multiple of \$500, and

“(B) is not described in subparagraph (A) and is not a multiple of \$10, such amount shall be rounded to the next lowest multiple of \$10.”

(g) FAILURE TO FURNISH CORRECT PAYEE STATEMENTS.—Section 6722 of the Internal Revenue Code of 1986 is amended to read as follows:

“SEC. 6722. FAILURE TO FURNISH CORRECT PAYEE STATEMENTS.

“(a) IMPOSITION OF PENALTY.—

“(1) GENERAL RULE.—In the case of each failure described in paragraph (2) by any person with respect to a payee statement, such person shall pay a penalty of \$100 for each statement with respect to which such a failure occurs, but the total amount imposed on such person for all such failures during any calendar year shall not exceed \$1,500,000.

“(2) FAILURES SUBJECT TO PENALTY.—For purposes of paragraph (1), the failures described in this paragraph are—

“(A) any failure to furnish a payee statement on or before the date prescribed therefor to the person to whom such statement is required to be furnished, and

“(B) any failure to include all of the information required to be shown on a payee statement or the inclusion of incorrect information.

“(b) REDUCTION WHERE CORRECTION IN SPECIFIED PERIOD.—

“(1) CORRECTION WITHIN 30 DAYS.—If any failure described in subsection (a)(2) is corrected on or before the day 30 days after the required filing date—

“(A) the penalty imposed by subsection (a) shall be \$30 in lieu of \$100, and

“(B) the total amount imposed on the person for all such failures during any calendar year which are so corrected shall not exceed \$250,000.

“(2) FAILURES CORRECTED ON OR BEFORE AUGUST 1.—If any failure described in subsection (a)(2) is corrected after the 30th day referred to in paragraph (1) but on or before August 1 of the calendar year in which the required filing date occurs—

“(A) the penalty imposed by subsection (a) shall be \$60 in lieu of \$100, and

“(B) the total amount imposed on the person for all such failures during the calendar year which are so corrected shall not exceed \$500,000.

“(c) EXCEPTION FOR DE MINIMIS FAILURES.—

“(1) IN GENERAL.—If—

“(A) a payee statement is furnished to the person to whom such statement is required to be furnished,

“(B) there is a failure described in subsection (a)(2)(B) (determined after the application of section 6724(a)) with respect to such statement, and

“(C) such failure is corrected on or before August 1 of the calendar year in which the required filing date occurs,

for purposes of this section, such statement shall be treated as having been furnished with all of the correct required information.

“(2) LIMITATION.—The number of payee statements to which paragraph (1) applies for any calendar year shall not exceed the greater of—

“(A) 10, or

“(B) one-half of 1 percent of the total number of payee statements required to be filed by the person during the calendar year.

“(d) LOWER LIMITATIONS FOR PERSONS WITH GROSS RECEIPTS OF NOT MORE THAN \$5,000,000.—

“(1) IN GENERAL.—If any person meets the gross receipts test of paragraph (2) with respect to any calendar year, with respect to failures during such calendar year—

“(A) subsection (a)(1) shall be applied by substituting ‘\$500,000’ for ‘\$1,500,000’,

“(B) subsection (b)(1)(B) shall be applied by substituting ‘\$75,000’ for ‘\$250,000’, and

“(C) subsection (b)(2)(B) shall be applied by substituting ‘\$200,000’ for ‘\$500,000’.

“(2) GROSS RECEIPTS TEST.—A person meets the gross receipts test of this paragraph if such person meets the gross receipts test of section 6721(d)(2).

“(e) PENALTY IN CASE OF INTENTIONAL DISREGARD.—If 1 or more failures to which subsection (a) applies are due to intentional disregard of the requirement to furnish a payee statement (or the correct information reporting requirement), then, with respect to each such failure—

“(1) subsections (b), (c), and (d) shall not apply,

“(2) the penalty imposed under subsection (a)(1) shall be \$250, or, if greater—

“(A) in the case of a payee statement other than a statement required under section 6045(b), 6041A(e) (in respect of a return required under section 6041A(b)), 6050H(d), 6050J(e), 6050K(b), or 6050L(c), 10 percent of the aggregate amount of the items required to be reported correctly, or

“(B) in the case of a payee statement required under section 6045(b), 6050K(b), or 6050L(c), 5 percent of the aggregate amount of the items required to be reported correctly, and

“(3) in the case of any penalty determined under paragraph (2)—

“(A) the \$1,500,000 limitation under subsection (a) shall not apply, and

“(B) such penalty shall not be taken into account in applying such limitation to penalties not determined under paragraph (2).

“(f) ADJUSTMENT FOR INFLATION.—

“(1) IN GENERAL.—For each fifth calendar year beginning after 2012, each of the dollar amounts under subsections (a), (b), (d)(1), and (e) shall be increased by such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) determined by substituting ‘calendar year 2011’ for ‘calendar year 1992’ in subparagraph (B) thereof.

“(2) ROUNDING.—If any amount adjusted under paragraph (1)—

“(A) is not less than \$75,000 and is not a multiple of \$500, such amount shall be rounded to the next lowest multiple of \$500, and

“(B) is not described in subparagraph (A) and is not a multiple of \$10, such amount shall be rounded to the next lowest multiple of \$10.”.

(h) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to information returns required to be filed on or after January 1, 2011.

SEC. 2103. REPORT ON TAX SHELTER PENALTIES AND CERTAIN OTHER ENFORCEMENT ACTIONS.

(a) IN GENERAL.—The Commissioner of Internal Revenue, in consultation with the Secretary of the Treasury, shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate an annual report on the penalties assessed by the Internal Revenue Service during the preceding year under each of the following provisions of the Internal Revenue Code of 1986:

(1) Section 6662A (relating to accuracy-related penalty on understatements with respect to reportable transactions).

(2) Section 6700(a) (relating to promoting abusive tax shelters).

(3) Section 6707 (relating to failure to furnish information regarding reportable transactions).

(4) Section 6707A (relating to failure to include reportable transaction information with return).

(5) Section 6708 (relating to failure to maintain lists of advisees with respect to reportable transactions).

(b) ADDITIONAL INFORMATION.—The report required under subsection (a) shall also include information on the following with respect to each year:

(1) Any action taken under section 330(b) of title 31, United States Code, with respect to any reportable transaction (as defined in section 6707A(c) of the Internal Revenue Code of 1986).

(2) Any extension of the time for assessment of tax enforced, or assessment of any amount under such an extension, under paragraph (10) of section 6501(c) of the Internal Revenue Code of 1986.

(c) DATE OF REPORT.—The first report required under subsection (a) shall be submitted not later than December 31, 2010.

SEC. 2104. APPLICATION OF LEVY TO PAYMENTS TO FEDERAL VENDORS RELATING TO PROPERTY.

(a) IN GENERAL.—Section 6331(h)(3) of the Internal Revenue Code of 1986 is amended by striking “goods or services” and inserting “property, goods, or services”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to levies issued after the date of the enactment of this Act.

SEC. 2105. APPLICATION OF CONTINUOUS LEVY TO TAX LIABILITIES OF CERTAIN FEDERAL CONTRACTORS.

(a) IN GENERAL.—Subsection (f) of section 6330 of the Internal Revenue Code of 1986 is amended by striking “or” at the end of paragraph (2), by inserting “or” at the end of paragraph (3), and by inserting after paragraph (3) the following new paragraph:

“(4) the Secretary has served a Federal contractor levy.”.

(b) FEDERAL CONTRACTOR LEVY.—Subsection (h) of section 6330 of the Internal Revenue Code of 1986 is amended—

(1) by striking all that precedes “any levy in connection with the collection” and inserting the following:

“(h) DEFINITIONS RELATED TO EXCEPTIONS.—For purposes of subsection (f)—

“(1) DISQUALIFIED EMPLOYMENT TAX LEVY.—A disqualified employment tax levy is”; and

(2) by adding at the end the following new paragraph:

“(2) FEDERAL CONTRACTOR LEVY.—A Federal contractor levy is any levy if the person

whose property is subject to the levy (or any predecessor thereof) is a Federal contractor.”.

(c) CONFORMING AMENDMENT.—The heading of subsection (f) of section 6330 of the Internal Revenue Code of 1986 is amended by striking “JEOPARDY AND STATE REFUND COLLECTION” and inserting “EXCEPTIONS”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to levies issued after the date of the enactment of this Act.

SEC. 2106. APPLICATION OF BAD CHECKS PENALTY TO ELECTRONIC PAYMENTS.

(a) IN GENERAL.—Section 6657 of the Internal Revenue Code of 1986 is amended—

(1) by striking “If any check or money order in payment of any amount” and inserting “If any instrument in payment, by any commercially acceptable means, of any amount”, and

(2) by striking “such check” each place it appears and inserting “such instrument”.

(b) EFFECTIVE DATES.—The amendments made by this section shall apply to instruments tendered after the date of the enactment of this Act.

PART II—PROMOTING RETIREMENT PREPARATION

SEC. 2111. PARTICIPANTS IN GOVERNMENT SECTION 457 PLANS ALLOWED TO TREAT ELECTIVE DEFERRALS AS ROTH CONTRIBUTIONS.

(a) IN GENERAL.—Section 402A(e)(1) of the Internal Revenue Code of 1986 is amended by striking “and” at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting “, and”, and by adding at the end the following:

“(C) an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).”.

(b) ELECTIVE DEFERRALS.—Section 402A(e)(2) of the Internal Revenue Code of 1986 is amended to read as follows:

“(2) ELECTIVE DEFERRAL.—The term ‘elective deferral’ means—

“(A) any elective deferral described in subparagraph (A) or (C) of section 402(g)(3), and

“(B) any elective deferral of compensation by an individual under an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2010.

SEC. 2112. ROLLOVERS FROM ELECTIVE DEFERRAL PLANS TO DESIGNATED ROTH ACCOUNTS.

(a) IN GENERAL.—Section 402A(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(4) TAXABLE ROLLOVERS TO DESIGNATED ROTH ACCOUNTS.—

“(A) IN GENERAL.—Notwithstanding sections 402(c), 403(b)(8), and 457(e)(16), in the case of any distribution to which this paragraph applies—

“(i) there shall be included in gross income any amount which would be includible were it not part of a qualified rollover contribution,

“(ii) section 72(t) shall not apply, and

“(iii) unless the taxpayer elects not to have this clause apply, any amount required to be included in gross income for any taxable year beginning in 2010 by reason of this paragraph shall be so included ratably over the 2-taxable-year period beginning with the first taxable year beginning in 2011.

Any election under clause (iii) for any distributions during a taxable year may not be

changed after the due date for such taxable year.

“(B) DISTRIBUTIONS TO WHICH PARAGRAPH APPLIES.—In the case of an applicable retirement plan which includes a qualified Roth contribution program, this paragraph shall apply to a distribution from such plan other than from a designated Roth account which is contributed in a qualified rollover contribution (within the meaning of section 408A(e)) to the designated Roth account maintained under such plan for the benefit of the individual to whom the distribution is made.

“(C) COORDINATION WITH LIMIT.—Any distribution to which this paragraph applies shall not be taken into account for purposes of paragraph (1).

“(D) OTHER RULES.—The rules of subparagraphs (D), (E), and (F) of section 408A(d)(3) (as in effect for taxable years beginning after 2009) shall apply for purposes of this paragraph.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after the date of the enactment of this Act.

PART III—CLOSING UNINTENDED LOOPHOLES

SEC. 2121. CRUDE TALL OIL INELIGIBLE FOR CELLULOSIC BIOFUEL PRODUCER CREDIT.

(a) IN GENERAL.—Clause (iii) of section 40(b)(6)(E) of the Internal Revenue Code of 1986, as added by the Health Care and Education Reconciliation Act of 2010, is amended—

(1) by striking “or” at the end of subclause (I),

(2) by striking the period at the end of subclause (II) and inserting “, or”,

(3) by adding at the end the following new subclause:

“(III) such fuel has an acid number greater than 25.”, and

(4) by striking “UNPROCESSED” in the heading and inserting “CERTAIN”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to fuels sold or used on or after January 1, 2010.

PART IV—TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES

SEC. 2131. TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES.

The percentage under paragraph (2) of section 561 of the Hiring Incentives to Restore Employment Act in effect on the date of the enactment of this Act is increased by 36 percentage points.

TITLE III—SMALL BUSINESS LENDING

Subtitle A—Small Business Lending Fund

SEC. 3101. PURPOSE.

The purpose of this subtitle is to address the ongoing effects of the financial crisis on small businesses by providing temporary authority to the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses.

SEC. 3102. DEFINITIONS.

For purposes of this subtitle:

(1) APPROPRIATE COMMITTEES OF CONGRESS.—The term “appropriate committees of Congress” means—

(A) the Committee on Small Business and Entrepreneurship, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Banking, Housing, and Urban Affairs, the Committee on Finance, the Committee on the Budget, and the Committee on Appropriations of the Senate; and

(B) the Committee on Small Business, the Committee on Agriculture, the Committee

on Financial Services, the Committee on Ways and Means, the Committee on the Budget, and the Committee on Appropriations of the House of Representatives.

(2) APPROPRIATE FEDERAL BANKING AGENCY.—The term “appropriate Federal banking agency” has the meaning given such term under section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)).

(3) BANK HOLDING COMPANY.—The term “bank holding company” has the meaning given such term under section 2(a)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(2)(a)(1)).

(4) CALL REPORT.—The term “call report” means—

(A) reports of Condition and Income submitted to the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation;

(B) the Office of Thrift Supervision Thrift Financial Report;

(C) any report that is designated by the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, or the Office of Thrift Supervision, as applicable, as a successor to any report referred to in subparagraph (A) or (B);

(D) reports of Condition and Income as designated through guidance developed by the Secretary, in consultation with the Director of the Community Development Financial Institutions Fund; and

(E) with respect to an eligible institution for which no report exists that is described under subparagraph (A), (B), (C), or (D), such other report or set of information as the Secretary, in consultation with the Administrator of the Small Business Administration, may prescribe.

(5) CDCI.—The term “CDCI” means the Community Development Capital Initiative created by the Secretary under the Troubled Asset Relief Program established by the Emergency Economic Stabilization Act of 2008.

(6) CDCI INVESTMENT.—The term “CDCI investment” means, with respect to any eligible institution, the principal amount of any investment made by the Secretary in such eligible institution under the CDCI that has not been repaid.

(7) CDFI; COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.—The terms “CDFI” and “community development financial institution” have the meaning given the term “community development financial institution” under the Riegle Community Development and Regulatory Improvement Act of 1994.

(8) CDLF; COMMUNITY DEVELOPMENT LOAN FUND.—The terms “CDLF” and “community development loan fund” mean any entity that—

(A) is certified by the Department of the Treasury as a community development financial institution loan fund;

(B) is exempt from taxation under the Internal Revenue Code of 1986; and

(C) had assets less than or equal to \$10,000,000,000 as of the end of the fourth quarter of calendar year 2009.

(9) CPP.—The term “CPP” means the Capital Purchase Program created by the Secretary under the Troubled Asset Relief Program established by the Emergency Economic Stabilization Act of 2008.

(10) CPP INVESTMENT.—The term “CPP investment” means, with respect to any eligible institution, the principal amount of any investment made by the Secretary in such eligible institution under the CPP that has not been repaid.

(11) ELIGIBLE INSTITUTION.—The term “eligible institution” means—

(A) any insured depository institution, which—

(i) is not controlled by a bank holding company or savings and loan holding company that is also an eligible institution;

(ii) has total assets of equal to or less than \$10,000,000,000, as reported in the call report of the insured depository institution as of the end of the fourth quarter of calendar year 2009; and

(iii) is not directly or indirectly controlled by any company or other entity that has total consolidated assets of more than \$10,000,000,000, as so reported;

(B) any bank holding company which has total consolidated assets of equal to or less than \$10,000,000,000, as reported in the call report of the bank holding company as of the end of the fourth quarter of calendar year 2009;

(C) any savings and loan holding company which has total consolidated assets of equal to or less than \$10,000,000,000, as reported in the call report of the savings and loan holding company as of the end of the fourth quarter of calendar year 2009; and

(D) any community development financial institution loan fund which has total assets of equal to or less than \$10,000,000,000, as reported in audited financial statements for the fiscal year of the community development financial institution loan fund that ends in calendar year 2009.

(12) FUND.—The term “Fund” means the Small Business Lending Fund established under section 3103(a)(1).

(13) INSURED DEPOSITORY INSTITUTION.—The term “insured depository institution” has the meaning given such term under section 3(c)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1813(c)(2)).

(14) MINORITY-OWNED AND WOMEN-OWNED BUSINESS.—The terms “minority-owned business” and “women-owned business” shall have the meaning given the terms “minority-owned business” and “women’s business”, respectively, under section 21A(r)(4) of the Federal Home Loan Bank Act (12 U.S.C. 1441A(r)(4)).

(15) PROGRAM.—The term “Program” means the Small Business Lending Fund Program authorized under section 3103(a)(2).

(16) SAVINGS AND LOAN HOLDING COMPANY.—The term “savings and loan holding company” has the meaning given such term under section 10(a)(1)(D) of the Home Owners’ Loan Act (12 U.S.C. 1467a(a)(1)(D)).

(17) SECRETARY.—The term “Secretary” means the Secretary of the Treasury.

(18) SMALL BUSINESS LENDING.—

(A) IN GENERAL.—The term “small business lending” means lending, as defined by and reported in an eligible institutions’ quarterly call report, where each loan comprising such lending is one of the following types:

(i) Commercial and industrial loans.

(ii) Owner-occupied nonfarm, nonresidential real estate loans.

(iii) Loans to finance agricultural production and other loans to farmers.

(iv) Loans secured by farmland.

(B) EXCLUSION.—No loan that has an original amount greater than \$10,000,000 or that goes to a business with more than \$50,000,000 in revenues shall be included in the measure.

(C) TREATMENT OF HOLDING COMPANIES.—In the case of eligible institutions that are bank holding companies or savings and loan holding companies having one or more insured depository institution subsidiaries, small business lending shall be measured

based on the combined small business lending reported in the call report of the insured depository institution subsidiaries.

(19) VETERAN-OWNED BUSINESS.—

(A) The term “veteran-owned business” means a business—

(i) more than 50 percent of the ownership or control of which is held by 1 or more veterans;

(ii) more than 50 percent of the net profit or loss of which accrues to 1 or more veterans; and

(iii) a significant percentage of senior management positions of which are held by veterans.

(B) For purposes of this paragraph, the term “veteran” has the meaning given such term in section 101(2) of title 38, United States Code.

SEC. 3103. SMALL BUSINESS LENDING FUND.

(a) FUND AND PROGRAM.—

(1) FUND ESTABLISHED.—There is established in the Treasury of the United States a fund to be known as the “Small Business Lending Fund”, which shall be administered by the Secretary.

(2) PROGRAMS AUTHORIZED.—The Secretary is authorized to establish the Small Business Lending Fund Program for using the Fund consistent with this subtitle.

(b) USE OF FUND.—

(1) IN GENERAL.—Subject to paragraph (2), the Fund shall be available to the Secretary, without further appropriation or fiscal year limitation, for the costs of purchases (including commitments to purchase), and modifications of such purchases, of preferred stock and other financial instruments from eligible institutions on such terms and conditions as are determined by the Secretary in accordance with this subtitle. For purposes of this paragraph and with respect to an eligible institution, the term “other financial instruments” shall include only debt instruments for which such eligible institution is fully liable or equity equivalent capital of the eligible institution. Such debt instruments may be subordinated to the claims of other creditors of the eligible institution.

(2) MAXIMUM PURCHASE LIMIT.—The aggregate amount of purchases (and commitments to purchase) made pursuant to paragraph (1) may not exceed \$30,000,000,000.

(3) PROCEEDS USED TO PAY DOWN PUBLIC DEBT.—All funds received by the Secretary in connection with purchases made pursuant to paragraph (1), including interest payments, dividend payments, and proceeds from the sale of any financial instrument, shall be paid into the general fund of the Treasury for reduction of the public debt.

(4) LIMITATION ON PURCHASES FROM CDLFS.—

(A) IN GENERAL.—Not more than 1 percent of the maximum purchase limit of the Program, pursuant to paragraph (2), may be used to make purchases from community development loan funds.

(B) ELIGIBILITY STANDARDS.—The Secretary, in consultation with the Community Development Financial Institutions Fund, shall develop eligibility criteria to determine the financial ability of a CDLF to participate in the Program and repay the investment. Such criteria shall include the following:

(i) Ratio of net assets to total assets is at least 20 percent.

(ii) Ratio of loan loss reserves to loans and leases 90 days or more delinquent (including loans sold with full recourse) is at least 30 percent.

(iii) Positive net income measured on a 3-year rolling average.

(iv) Operating liquidity ratio of at least 1.0 for the 4 most recent quarters and for one or both of the two preceding years.

(v) Ratio of loans and leases 90 days or more delinquent (including loans sold with full recourse) to total equity plus loan loss reserves is less than 40 percent.

(C) REQUIREMENT TO SUBMIT AUDITED FINANCIAL STATEMENTS.—CDLFs participating in the Program shall submit audited financial statements to the Secretary, have a clean audit opinion, and have at least 3 years of operating experience.

(c) CREDITS TO THE FUND.—There shall be credited to the Fund amounts made available pursuant to section 3108, to the extent provided by appropriations Acts.

(d) TERMS.—

(1) APPLICATION.—

(A) INSTITUTIONS WITH ASSETS OF \$1,000,000,000 OR LESS.—Eligible institutions having total assets equal to or less than \$1,000,000,000, as reported in a call report as of the end of the fourth quarter of calendar year 2009, may apply to receive a capital investment from the Fund in an amount not exceeding 5 percent of risk-weighted assets, as reported in the call report immediately preceding the date of application, less the amount of any CDCI investment and any CPP investment.

(B) INSTITUTIONS WITH ASSETS OF MORE THAN \$1,000,000,000 AND LESS THAN OR EQUAL TO \$10,000,000,000.—Eligible institutions having total assets of more than \$1,000,000,000 but less than \$10,000,000,000, as of the end of the fourth quarter of calendar year 2009, may apply to receive a capital investment from the Fund in an amount not exceeding 3 percent of risk-weighted assets, as reported in the call report immediately preceding the date of application, less the amount of any CDCI investment and any CPP investment.

(C) TREATMENT OF HOLDING COMPANIES.—In the case of an eligible institution that is a bank holding company or a savings and loan holding company having one or more insured depository institution subsidiaries, total assets shall be measured based on the combined total assets reported in the call report of the insured depository institution subsidiaries as of the end of the fourth quarter of calendar year 2009 and risk-weighted assets shall be measured based on the combined risk-weighted assets of the insured depository institution subsidiaries as reported in the call report immediately preceding the date of application.

(D) TREATMENT OF APPLICANTS THAT ARE INSTITUTIONS CONTROLLED BY HOLDING COMPANIES.—If an eligible institution that applies to receive a capital investment under the Program is under the control of a bank holding company or a savings and loan holding company, then the Secretary may use the Fund to purchase preferred stock or other financial instruments from the top-tier bank holding company or savings and loan holding company of such eligible institution, as applicable. For purposes of this subparagraph, the term “control” with respect to a bank holding company shall have the same meaning as in section 2(a)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(2)(a)(2)). For purposes of this subparagraph, the term “control” with respect to a savings and loan holding company shall have the same meaning as in 10(a)(2) of the Home Owners’ Loan Act (12 U.S.C. 1467a(a)(2)).

(E) REQUIREMENT TO PROVIDE A SMALL BUSINESS LENDING PLAN.—At the time that an applicant submits an application to the Secretary for a capital investment under the Program, the applicant shall deliver to the appropriate Federal banking agency, and, for

applicants that are State-chartered banks, to the appropriate State banking regulator, a small business lending plan describing how the applicant’s business strategy and operating goals will allow it to address the needs of small businesses in the areas it serves, as well as a plan to provide linguistically and culturally appropriate outreach, where appropriate. In the case of eligible institutions that are community development loan funds, this plan shall be submitted to the Secretary. This plan shall be confidential supervisory information.

(F) TREATMENT OF APPLICANTS THAT ARE COMMUNITY DEVELOPMENT LOAN FUNDS.—Eligible institutions that are community development loan funds may apply to receive a capital investment from the Fund in an amount not exceeding 5 percent of total assets, as reported in the audited financial statements for the fiscal year of the eligible institution that ends in calendar year 2009.

(2) CONSULTATION WITH REGULATORS.—For each eligible institution that applies to receive a capital investment under the Program, the Secretary shall—

(A) consult with the appropriate Federal banking agency or, in the case of an eligible institution that is a non-depository community development financial institution, the Community Development Financial Institution Fund, for the eligible institution to determine whether the eligible institution may receive such capital investment;

(B) in the case of an eligible institution that is a State-chartered bank, consider any views received from the State banking regulator of the State of the eligible institution regarding the financial condition of the eligible institution; and

(C) in the case of a community development financial institution loan fund, consult with the Community Development Financial Institution Fund.

(3) INELIGIBILITY OF INSTITUTIONS ON FDIC PROBLEM BANK LIST.—

(A) IN GENERAL.—An eligible institution may not receive any capital investment under the Program if—

(i) such institution is on the FDIC problem bank list; or

(ii) such institution has been removed from the FDIC problem bank list for less than 90 days.

(B) CONSTRUCTION.—Nothing in subparagraph (A) shall be construed as limiting the discretion of the Secretary to deny the application of an eligible institution that is not on the FDIC problem bank list.

(C) FDIC PROBLEM BANK LIST DEFINED.—For purposes of this subparagraph, the term “FDIC problem bank list” means the list of institutions with a current rating of 4 or 5 under the Uniform Financial Institutions Rating System, or such other list designated by the Federal Deposit Insurance Corporation.

(4) INCENTIVES TO LEND.—

(A) REQUIREMENTS ON PREFERRED STOCK AND OTHER FINANCIAL INSTRUMENTS.—Any preferred stock or other financial instrument issued to Treasury by an eligible institution receiving a capital investment under the Program shall provide that—

(i) the rate at which dividends or interest are payable shall be 5 percent per annum initially;

(ii) within the first 2 years after the date of the capital investment under the Program, the rate may be adjusted based on the amount of an eligible institution’s small business lending. Changes in the amount of small business lending shall be measured

against the average amount of small business lending reported by the eligible institution in its call reports for the 4 full quarters immediately preceding the date of enactment of this Act, minus adjustments from each quarterly balance in respect of—

(I) net loan charge offs with respect to small business lending; and

(II) gains realized by the eligible institution resulting from mergers, acquisitions or purchases of loans after origination and syndication; which adjustments shall be determined in accordance with guidance promulgated by the Secretary; and

(iii) during any calendar quarter during the initial 2-year period referred to in clause (ii), an institution's rate shall be adjusted to reflect the following schedule, based on that institution's change in the amount of small business lending relative to the baseline—

(I) if the amount of small business lending has increased by less than 2.5 percent, the dividend or interest rate shall be 5 percent;

(II) if the amount of small business lending has increased by 2.5 percent or greater, but by less than 5.0 percent, the dividend or interest rate shall be 4 percent;

(III) if the amount of small business lending has increased by 5.0 percent or greater, but by less than 7.5 percent, the dividend or interest rate shall be 3 percent;

(IV) if the amount of small business lending has increased by 7.5 percent or greater, and but by less than 10.0 percent, the dividend or interest rate shall be 2 percent; or

(V) if the amount of small business lending has increased by 10 percent or greater, the dividend or interest rate shall be 1 percent.

(B) BASIS OF INITIAL RATE.—The initial dividend or interest rate shall be based on call report data published in the quarter immediately preceding the date of the capital investment under the Program.

(C) TIMING OF RATE ADJUSTMENTS.—Any rate adjustment shall occur in the calendar quarter following the publication of call report data, such that the rate based on call report data from any one calendar quarter, which is published in the first following calendar quarter, shall be adjusted in that first following calendar quarter and payable in the second following quarter.

(D) RATE FOLLOWING INITIAL 2-YEAR PERIOD.—Generally, the rate based on call report data from the eighth calendar quarter after the date of the capital investment under the Program shall be payable until the expiration of the 4½-year period that begins on the date of the investment. In the case where the amount of small business lending has remained the same or decreased relative to the institution's baseline in the eighth quarter after the date of the capital investment under the Program, the rate shall be 7 percent until the expiration of the 4½-year period that begins on the date of the investment.

(E) RATE FOLLOWING INITIAL 4½-YEAR PERIOD.—The dividend or interest rate paid on any preferred stock or other financial instrument issued by an eligible institution that receives a capital investment under the Program shall increase to 9 percent at the end of the 4½-year period that begins on the date of the capital investment under the Program.

(F) LIMITATION ON RATE REDUCTIONS WITH RESPECT TO CERTAIN AMOUNT.—The reduction in the dividend or interest rate payable to Treasury by any eligible institution shall be limited such that the rate reduction shall not apply to a dollar amount of the investment made by Treasury that is greater than the dollar amount increase in the amount of small business lending realized under this

program. The Secretary may issue guidelines that will apply to new capital investments limiting the amount of capital available to eligible institutions consistent with this limitation.

(G) RATE ADJUSTMENTS FOR S CORPORATION.—Before making a capital investment in an eligible institution that is an S corporation or a corporation organized on a mutual basis, the Secretary may adjust the dividend or interest rate on the financial instrument to be issued to the Secretary, from the dividend or interest rate that would apply under subparagraphs (A) through (F), to take into account any differential tax treatment of securities issued by such eligible institution. For purpose of this subparagraph, the term "S corporation" has the same meaning as in section 1361(a) of the Internal Revenue Code of 1986.

(H) REPAYMENT DEADLINE.—The capital investment received by an eligible institution under the Program shall be evidenced by preferred stock or other financial instrument that—

(i) includes, as a term and condition, that the capital investment will—

(I) be repaid not later than the end of the 10-year period beginning on the date of the capital investment under the Program; or

(II) at the end of such 10-year period, be subject to such additional terms as the Secretary shall prescribe, which shall include a requirement that the stock or instrument shall carry the highest dividend or interest rate payable; and

(ii) provides that the term and condition described under clause (i) shall not apply if the application of that term and condition would adversely affect the capital treatment of the stock or financial instrument under current or successor applicable capital provisions compared to a capital instrument with identical terms other than the term and condition described under clause (i).

(I) REQUIREMENTS ON FINANCIAL INSTRUMENTS ISSUED BY A COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION LOAN FUND.—Any equity equivalent capital issued to the Treasury by a community development loan fund receiving a capital investment under the Program shall provide that the rate at which interest is payable shall be 2 percent per annum for 8 years. After 8 years, the rate at which interest is payable shall be 9 percent.

(5) ADDITIONAL INCENTIVES TO REPAY.—The Secretary may, by regulation or guidance issued under section 3104(9), establish repayment incentives in addition to the incentive in paragraph (4)(E) that will apply to new capital investments in a manner that the Secretary determines to be consistent with the purposes of this subtitle.

(6) CAPITAL PURCHASE PROGRAM REFINANCE.—

(A) IN GENERAL.—The Secretary shall, in a manner that the Secretary determines to be consistent with the purposes of this subtitle, issue regulations and other guidance to permit eligible institutions to refinance securities issued to Treasury under the CDCI and the CPP for securities to be issued under the Program.

(B) PROHIBITION ON PARTICIPATION BY NON-PAYING CPP PARTICIPANTS.—Subparagraph (A) shall not apply to any eligible institution that has missed more than one dividend payment due under the CPP. For purposes of this subparagraph, a CPP dividend payment that is submitted within 60 days of the due date of such payment shall not be considered a missed dividend payment.

(7) OUTREACH TO MINORITIES, WOMEN, AND VETERANS.—The Secretary shall require eli-

gible institutions receiving capital investments under the Program to provide linguistically and culturally appropriate outreach and advertising in the applicant pool describing the availability and application process of receiving loans from the eligible institution that are made possible by the Program through the use of print, radio, television or electronic media outlets which target organizations, trade associations, and individuals that—

(A) represent or work within or are members of minority communities;

(B) represent or work with or are women; and

(C) represent or work with or are veterans.

(8) ADDITIONAL TERMS.—The Secretary may, by regulation or guidance issued under section 3104(9), make modifications that will apply to new capital investments in order to manage risks associated with the administration of the Fund in a manner consistent with the purposes of this subtitle.

(9) MINIMUM UNDERWRITING STANDARDS.—The appropriate Federal banking agency for an eligible institution that receives funds under the Program shall within 60 days issue guidance regarding prudent underwriting standards that must be used for loans made by the eligible institution using such funds..

SEC. 3104. ADDITIONAL AUTHORITIES OF THE SECRETARY.

The Secretary may take such actions as the Secretary deems necessary to carry out the authorities in this subtitle, including, without limitation, the following:

(1) The Secretary may use the services of any agency or instrumentality of the United States or component thereof on a reimbursable basis, and any such agency or instrumentality or component thereof is authorized to provide services as requested by the Secretary using all authorities vested in or delegated to that agency, instrumentality, or component.

(2) The Secretary may enter into contracts, including contracts for services authorized by section 3109 of title 5, United States Code.

(3) The Secretary may designate any bank, savings association, trust company, security broker or dealer, asset manager, or investment adviser as a financial agent of the Federal Government and such institution shall perform all such reasonable duties related to this subtitle as financial agent of the Federal Government as may be required. The Secretary shall have authority to amend existing agreements with financial agents, entered into during the 2-year period before the date of enactment of this Act, to perform reasonable duties related to this subtitle.

(4) The Secretary may exercise any rights received in connection with any preferred stock or other financial instruments or assets purchased or acquired pursuant to the authorities granted under this subtitle.

(5) Subject to section 3103(b)(3), the Secretary may manage any assets purchased under this subtitle, including revenues and portfolio risks therefrom.

(6) The Secretary may sell, dispose of, transfer, exchange or enter into securities loans, repurchase transactions, or other financial transactions in regard to, any preferred stock or other financial instrument or asset purchased or acquired under this subtitle, upon terms and conditions and at a price determined by the Secretary.

(7) The Secretary may manage or prohibit conflicts of interest that may arise in connection with the administration and execution of the authorities provided under this subtitle.

(8) The Secretary may establish and use vehicles, subject to supervision by the Secretary, to purchase, hold, and sell preferred stock or other financial instruments and issue obligations.

(9) The Secretary may, in consultation with the Administrator of the Small Business Administration, issue such regulations and other guidance as may be necessary or appropriate to define terms or carry out the authorities or purposes of this subtitle.

SEC. 3105. CONSIDERATIONS.

In exercising the authorities granted in this subtitle, the Secretary shall take into consideration—

(1) increasing the availability of credit for small businesses;

(2) providing funding to minority-owned eligible institutions and other eligible institutions that serve small businesses that are minority-, veteran-, and women-owned and that also serve low- and moderate-income, minority, and other underserved or rural communities;

(3) protecting and increasing American jobs;

(4) increasing the opportunity for small business development in areas with high unemployment rates that exceed the national average;

(5) ensuring that all eligible institutions may apply to participate in the program established under this subtitle, without discrimination based on geography;

(6) providing transparency with respect to use of funds provided under this subtitle;

(7) minimizing the cost to taxpayers of exercising the authorities;

(8) promoting and engaging in financial education to would-be borrowers; and

(9) providing funding to eligible institutions that serve small businesses directly affected by the discharge of oil arising from the explosion on and sinking of the mobile offshore drilling unit Deepwater Horizon and small businesses in communities that have suffered negative economic effects as a result of that discharge with particular consideration to States along the coast of the Gulf of Mexico.

SEC. 3106. REPORTS.

The Secretary shall provide to the appropriate committees of Congress—

(1) within 7 days of the end of each month commencing with the first month in which transactions are made under the Program, a written report describing all of the transactions made during the reporting period pursuant to the authorities granted under this subtitle;

(2) after the end of March and the end of September, commencing September 30, 2010, a written report on all projected costs and liabilities, all operating expenses, including compensation for financial agents, and all transactions made by the Fund, which shall include participating institutions and amounts each institution has received under the Program; and

(3) within 7 days of the end of each calendar quarter commencing with the first calendar quarter in which transactions are made under the Program, a written report detailing how eligible institutions participating in the Program have used the funds such institutions received under the Program.

SEC. 3107. OVERSIGHT AND AUDITS.

(a) INSPECTOR GENERAL OVERSIGHT.—The Inspector General of the Department of the Treasury shall conduct, supervise, and coordinate audits and investigations of the Program through the Office of Small Business Lending Fund Program Oversight estab-

lished within the Office of the Inspector General.

(b) OFFICE OF SMALL BUSINESS LENDING FUND PROGRAM OVERSIGHT.—

(1) ESTABLISHMENT.—There is hereby established within the Office of the Inspector General of the Department of the Treasury a new office to be named the “Office of Small Business Lending Fund Program Oversight” to provide oversight of the Program.

(2) LEADERSHIP.—The Inspector General shall appoint a Special Deputy Inspector General for SBLF Program Oversight to lead the Office, with commensurate staff, who shall report directly to the Inspector General and who shall be responsible for the performance of all auditing and investigative activities relating to the Program.

(3) REPORTING.—

(A) IN GENERAL.—The Inspector General shall issue a report no less than two times a year to the Congress and the Secretary devoted to the oversight provided by the Office, including any recommendations for improvements to the Program.

(B) RECOMMENDATIONS.—With respect to any deficiencies identified in a report under subparagraph (A), the Secretary shall either—

(i) take actions to address such deficiencies; or

(ii) certify to the appropriate committees of Congress that no action is necessary or appropriate.

(4) COORDINATION.—The Inspector General, in maximizing the effectiveness of the Office, shall work with other Offices of Inspector General, as appropriate, to minimize duplication of effort and ensure comprehensive oversight of the Program.

(5) TERMINATION.—The Office shall terminate at the end of the 6-month period beginning on the date on which all capital investments are repaid under the Program or the date on which the Secretary determines that any remaining capital investments will not be repaid.

(6) DEFINITIONS.—For purposes of this subsection:

(A) OFFICE.—The term “Office” means the Office of Small Business Lending Fund Program Oversight established under paragraph (1).

(B) INSPECTOR GENERAL.—The term “Inspector General” means the Inspector General of the Department of the Treasury.

(C) GAO AUDIT.—The Comptroller General of the United States shall perform an annual audit of the Program and issue a report to the appropriate committees of Congress containing the results of such audit.

(d) REQUIRED CERTIFICATIONS.—

(1) ELIGIBLE INSTITUTION CERTIFICATION.—Each eligible institution that participates in the Program must certify that such institution is in compliance with the requirements of section 103.121 of title 31, Code of Federal Regulations, a regulation that, at a minimum, requires financial institutions, as that term is defined in 31 U.S.C. 5312(a)(2) and (c)(1)(A), to implement reasonable procedures to verify the identity of any person seeking to open an account, to the extent reasonable and practicable, maintain records of the information used to verify the person's identity, and determine whether the person appears on any lists of known or suspected terrorists or terrorist organizations provided to the financial institution by any government agency.

(2) LOAN RECIPIENTS.—With respect to funds received by an eligible institution under the Program, any business receiving a loan from the eligible institution using such

funds after the date of the enactment of this Act shall certify to such eligible institution that the principals of such business have not been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. 16911)).

(e) PROHIBITION ON PORNOGRAPHY.—None of the funds made available under this subtitle may be used to pay the salary of any individual engaged in activities related to the Program who has been officially disciplined for violations of subpart G of the Standards of Ethical Conduct for Employees of the Executive Branch for viewing, downloading, or exchanging pornography, including child pornography, on a Federal Government computer or while performing official Federal Government duties.

SEC. 3108. CREDIT REFORM; FUNDING.

(a) CREDIT REFORM.—The cost of purchases of preferred stock and other financial instruments made as capital investments under this subtitle shall be determined as provided under the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).

(b) FUNDS MADE AVAILABLE.—There are hereby appropriated, out of funds in the Treasury not otherwise appropriated, such sums as may be necessary to pay the costs of \$30,000,000,000 of capital investments in eligible institutions, including the costs of modifying such investments, and reasonable costs of administering the program of making, holding, managing, and selling the capital investments.

SEC. 3109. TERMINATION AND CONTINUATION OF AUTHORITIES.

(a) TERMINATION OF INVESTMENT AUTHORITY.—The authority to make capital investments in eligible institutions, including commitments to purchase preferred stock or other instruments, provided under this subtitle shall terminate 1 year after the date of enactment of this Act.

(b) CONTINUATION OF OTHER AUTHORITIES.—The authorities of the Secretary under section 3104 shall not be limited by the termination date in subsection (a).

SEC. 3110. PRESERVATION OF AUTHORITY.

Nothing in this subtitle may be construed to limit the authority of the Secretary under any other provision of law.

SEC. 3111. ASSURANCES.

(a) SMALL BUSINESS LENDING FUND SEPARATE FROM TARP.—The Small Business Lending Fund Program is established as separate and distinct from the Troubled Asset Relief Program established by the Emergency Economic Stabilization Act of 2008. An institution shall not, by virtue of a capital investment under the Small Business Lending Fund Program, be considered a recipient of the Troubled Asset Relief Program.

(b) CHANGE IN LAW.—If, after a capital investment has been made in an eligible institution under the Program, there is a change in law that modifies the terms of the investment or program in a materially adverse respect for the eligible institution, the eligible institution may, after consultation with the appropriate Federal banking agency for the eligible institution, repay the investment without impediment.

SEC. 3112. STUDY AND REPORT WITH RESPECT TO WOMEN-OWNED, VETERAN-OWNED, AND MINORITY-OWNED BUSINESSES.

(a) STUDY.—The Secretary shall conduct a study of the impact of the Program on women-owned businesses, veteran-owned businesses, and minority-owned businesses.

(b) REPORT.—Not later than one year after the date of enactment of this Act, the Secretary shall submit to Congress a report on

the results of the study conducted pursuant to subsection (a). To the extent possible, the Secretary shall disaggregate the results of such study by ethnic group and gender.

(c) **INFORMATION PROVIDED TO THE SECRETARY.**—Eligible institutions that participate in the Program shall provide the Secretary with such information as the Secretary may require to carry out the study required by this section.

SEC. 3113. SENSE OF CONGRESS.

It is the sense of Congress that the Federal Deposit Insurance Corporation and other bank regulators are sending mixed messages to banks regarding regulatory capital requirements and lending standards, which is a contributing cause of decreased small business lending and increased regulatory uncertainty at community banks.

Subtitle B—State Small Business Credit Initiative

SEC. 3201. SHORT TITLE.

This subtitle may be cited as the “State Small Business Credit Initiative Act of 2010”.

SEC. 3202. DEFINITIONS.

In this subtitle, the following definitions shall apply:

(1) **APPROPRIATE COMMITTEES OF CONGRESS.**—The term “appropriate committees of Congress” means—

(A) the Committee on Small Business and Entrepreneurship, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Banking, Housing, and Urban Affairs, the Committee on Finance, the Committee on the Budget, and the Committee on Appropriations of the Senate; and

(B) the Committee on Small Business, the Committee on Agriculture, the Committee on Financial Services, the Committee on Ways and Means, the Committee on the Budget, and the Committee on Appropriations of the House of Representatives.

(2) **APPROPRIATE FEDERAL BANKING AGENCY.**—The term “appropriate Federal banking agency” means—

(A) has the same meaning as in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)); and

(B) includes the National Credit Union Administration Board in the case of any credit union the deposits of which are insured in accordance with the Federal Credit Union Act.

(3) **ENROLLED LOAN.**—The term “enrolled loan” means a loan made by a financial institution lender that is enrolled by a participating State in an approved State capital access program in accordance with this subtitle.

(4) **FEDERAL CONTRIBUTION.**—The term “Federal contribution” means the portion of the contribution made by a participating State to, or for the account of, an approved State program that is made with Federal funds allocated to the State by the Secretary under section 3203.

(5) **FINANCIAL INSTITUTION.**—The term “financial institution” means any insured depository institution, insured credit union, or community development financial institution, as those terms are each defined in section 103 of the Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4702)

(6) **PARTICIPATING STATE.**—The term “participating State” means any State that has been approved for participation in the Program under section 3204.

(7) **PROGRAM.**—The term “Program” means the State Small Business Credit Initiative established under this subtitle.

(8) **QUALIFYING LOAN OR SWAP FUNDING FACILITY.**—The term “qualifying loan or swap

funding facility” means a contractual arrangement between a participating State and a private financial entity under which—

(A) the participating State delivers funds to the entity as collateral;

(B) the entity provides funding from the arrangement back to the participating State; and

(C) the full amount of resulting funding from the arrangement, less any fees and other costs of the arrangement, is contributed to, or for the account of, an approved State program.

(9) **RESERVE FUND.**—The term “reserve fund” means a fund, established by a participating State, dedicated to a particular financial institution lender, for the purposes of—

(A) depositing all required premium charges paid by the financial institution lender and by each borrower receiving a loan under an approved State program from that financial institution lender;

(B) depositing contributions made by the participating State, including State contributions made with Federal contributions; and

(C) covering losses on enrolled loans by disbursing accumulated funds.

(10) **STATE.**—The term “State” means—

(A) a State of the United States;

(B) the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of Northern Mariana Islands, Guam, American Samoa, and the United States Virgin Islands;

(C) when designated by a State of the United States, a political subdivision of that State that the Secretary determines has the capacity to participate in the Program; and

(D) under the circumstances described in section 3204(d), a municipality of a State of the United States to which the Secretary has given a special permission under section 3204(d).

(11) **STATE CAPITAL ACCESS PROGRAM.**—The term “State capital access program” means a program of a State that—

(A) uses public resources to promote private access to credit; and

(B) meets the eligibility criteria in section 3205(c).

(12) **STATE OTHER CREDIT SUPPORT PROGRAM.**—The term “State other credit support program” means—

(A) means a program of a State that—

(i) uses public resources to promote private access to credit;

(ii) is not a State capital access program; and

(iii) meets the eligibility criteria in section 3206(c); and

(B) includes, collateral support programs, loan participation programs, State-run venture capital fund programs, and credit guarantee programs.

(13) **STATE PROGRAM.**—The term “State program” means a State capital access program or a State other credit support program.

(14) **SECRETARY.**—The term “Secretary” means the Secretary of the Treasury.

SEC. 3203. FEDERAL FUNDS ALLOCATED TO STATES.

(a) **PROGRAM ESTABLISHED; PURPOSE.**—There is established the State Small Business Credit Initiative, to be administered by the Secretary. Under the Program, the Secretary shall allocate Federal funds to participating States and make the allocated funds available to the participating States as provided in this section for the uses described in this section.

(b) **ALLOCATION FORMULA.**—

(1) **IN GENERAL.**—Not later than 30 days after the date of enactment of this Act, the

Secretary shall allocate Federal funds to participating States so that each State is eligible to receive an amount equal to the average of the respective amounts that the State—

(A) would receive under the 2009 allocation, as determined under paragraph (2); and

(B) would receive under the 2010 allocation, as determined under paragraph (3).

(2) **2009 ALLOCATION FORMULA.**—

(A) **IN GENERAL.**—The Secretary shall determine the 2009 allocation by allocating Federal funds among the States in the proportion that each such State’s 2008 State employment decline bears to the aggregate of the 2008 State employment declines for all States.

(B) **MINIMUM ALLOCATION.**—The Secretary shall adjust the allocations under subparagraph (A) for each State to the extent necessary to ensure that no State receives less than 0.9 percent of the Federal funds.

(C) **2008 STATE EMPLOYMENT DECLINE DEFINED.**—In this paragraph and with respect to a State, the term “2008 State employment decline” means the excess (if any) of—

(i) the number of individuals employed in such State determined for December 2007; over

(ii) the number of individuals employed in such State determined for December 2008.

(3) **2010 ALLOCATION FORMULA.**—

(A) **IN GENERAL.**—The Secretary shall determine the 2010 allocation by allocating Federal funds among the States in the proportion that each such State’s 2009 unemployment number bears to the aggregate of the 2009 unemployment numbers for all of the States.

(B) **MINIMUM ALLOCATION.**—The Secretary shall adjust the allocations under subparagraph (A) for each State to the extent necessary to ensure that no State receives less than 0.9 percent of the Federal funds.

(C) **2009 UNEMPLOYMENT NUMBER DEFINED.**—In this paragraph and with respect to a State, the term “2009 unemployment number” means the number of individuals within such State who were determined to be unemployed by the Bureau of Labor Statistics for December 2009.

(c) **AVAILABILITY OF ALLOCATED AMOUNT.**—The amount allocated by the Secretary to each participating State under subsection (b) shall be made available to the State as follows:

(1) **ALLOCATED AMOUNT GENERALLY TO BE AVAILABLE TO STATE IN ONE-THIRDS.**—

(A) **IN GENERAL.**—The Secretary shall—

(i) apportion the participating State’s allocated amount into thirds;

(ii) transfer to the participating State the first ⅓ when the Secretary approves the State for participation under section 3204; and

(iii) transfer to the participating State each successive ⅓ when the State has certified to the Secretary that it has expended, transferred, or obligated 80 percent of the last transferred ⅓ for Federal contributions to, or for the account of, State programs.

(B) **AUTHORITY TO WITHHOLD PENDING AUDIT.**—The Secretary may withhold the transfer of any successive ⅓ pending results of a financial audit.

(C) **INSPECTOR GENERAL AUDITS.**—

(i) **IN GENERAL.**—The Inspector General of the Department of the Treasury shall carry out an audit of the participating State’s use of allocated Federal funds transferred to the State.

(ii) **RECOUPMENT OF MISUSED TRANSFERRED FUNDS REQUIRED.**—The allocation agreement between the Secretary and the participating

State shall provide that the Secretary shall recoup any allocated Federal funds transferred to the participating State if the results of the an audit include a finding that there was an intentional or reckless misuse of transferred funds by the State.

(iii) **PENALTY FOR MISSTATEMENT.**—Any participating State that is found to have intentionally misstated any report issued to the Secretary under the Program shall be ineligible to receive any additional funds under the Program. Funds that had been allocated or that would otherwise have been allocated to such participating State shall be paid into the general fund of the Treasury for reduction of the public debt.

(iv) **MUNICIPALITIES.**—In this subparagraph, the term “participating State” shall include a municipality given special permission to participate in the Program, under section 3204(d).

(D) **EXCEPTION.**—The Secretary may, in the Secretary's discretion, transfer the full amount of the participating State's allocated amount to the State in a single transfer if the participating State applies to the Secretary for approval to use the full amount of the allocation as collateral for a qualifying loan or swap funding facility.

(2) **TRANSFERRED AMOUNTS.**—Each amount transferred to a participating State under this section shall remain available to the State until used by the State as permitted under paragraph (3).

(3) **USE OF TRANSFERRED FUNDS.**—Each participating State may use funds transferred to it under this section only—

(A) for making Federal contributions to, or for the account of, an approved State program;

(B) as collateral for a qualifying loan or swap funding facility;

(C) in the case of the first $\frac{1}{3}$ transferred, for paying administrative costs incurred by the State in implementing an approved State program in an amount not to exceed 5 percent of that first $\frac{1}{3}$; or

(D) in the case of each successive $\frac{1}{3}$ transferred, for paying administrative costs incurred by the State in implementing an approved State program in an amount not to exceed 3 percent of that successive $\frac{1}{3}$.

(4) **TERMINATION OF AVAILABILITY OF AMOUNTS NOT TRANSFERRED WITHIN 2 YEARS OF PARTICIPATION.**—Any portion of a participating State's allocated amount that has not been transferred to the State under this section by the end of the 2-year period beginning on the date that the Secretary approves the State for participation may be deemed by the Secretary to be no longer allocated to the State and no longer available to the State and shall be returned to the General Fund of the Treasury.

(5) **TRANSFERRED AMOUNTS NOT ASSISTANCE.**—The amounts transferred to a participating State under this section shall not be considered assistance for purposes of subtitle V of title 31, United States Code.

(6) **DEFINITIONS.**—In this section—

(A) the term “allocated amount” means the total amount of Federal funds allocated by the Secretary under subsection (b) to the participating State; and

(B) the term “ $\frac{1}{3}$ ” means—

(i) in the case of the first $\frac{1}{3}$ and second $\frac{1}{3}$, an amount equal to 33 percent of a participating State's allocated amount; and

(ii) in the case of the last $\frac{1}{3}$, an amount equal to 34 percent of a participating State's allocated amount.

SEC. 3204. APPROVING STATES FOR PARTICIPATION.

(a) **APPLICATION.**—Any State may apply to the Secretary for approval to be a partici-

pating State under the Program and to be eligible for an allocation of Federal funds under the Program.

(b) **GENERAL APPROVAL CRITERIA.**—The Secretary shall approve a State to be a participating State, if—

(1) a specific department, agency, or political subdivision of the State has been designated to implement a State program and participate in the Program;

(2) all legal actions necessary to enable such designated department, agency, or political subdivision to implement a State program and participate in the Program have been accomplished;

(3) the State has filed an application with the Secretary for approval of a State capital access program under section 3205 or approval as a State other credit support program under section 3206, in each case within the time period provided in the respective section; and

(4) the State and the Secretary have executed an allocation agreement that—

(A) conforms to the requirements of this subtitle;

(B) ensures that the State program complies with such national standards as are established by the Secretary under section 3209(a)(2);

(C) sets forth internal control, compliance, and reporting requirements as established by the Secretary, and such other terms and conditions necessary to carry out the purposes of this subtitle, including an agreement by the State to allow the Secretary to audit State programs;

(D) requires that the State program be fully positioned, within 90 days of the State's execution of the allocation agreement with the Secretary, to act on providing the kind of credit support that the State program was established to provide; and

(E) includes an agreement by the State to deliver to the Secretary, and update annually, a schedule describing how the State intends to apportion among its State programs the Federal funds allocated to the State.

(c) **CONTRACTUAL ARRANGEMENTS FOR IMPLEMENTATION OF STATE PROGRAMS.**—A State may be approved to be a participating State, and be eligible for an allocation of Federal funds under the Program, if the State has contractual arrangements for the implementation and administration of its State program with—

(1) an existing, approved State program administered by another State; or

(2) an authorized agent of, or entity supervised by, the State, including for-profit and not-for-profit entities.

(d) **SPECIAL PERMISSION.**—

(1) **CIRCUMSTANCES WHEN A MUNICIPALITY MAY APPLY DIRECTLY.**—If a State does not, within 60 days after the date of enactment of this Act, file with the Secretary a notice of its intent to apply for approval by the Secretary of a State program or within 9 months after the date of enactment of this Act, file with the Secretary a complete application for approval of a State program, the Secretary may grant to municipalities of that State a special permission that will allow them to apply directly to the Secretary without the State for approval to be participating municipalities.

(2) **TIMING REQUIREMENTS APPLICABLE TO MUNICIPALITIES APPLYING DIRECTLY.**—To qualify for the special permission, a municipality of a State shall be required, within 12 months after the date of enactment of this Act, to file with the Secretary a complete application for approval by the Secretary of a State program.

(3) **NOTICES OF INTENT AND APPLICATIONS FROM MORE THAN 1 MUNICIPALITY.**—A municipality of a State may combine with 1 or more other municipalities of that State to file a joint notice of intent to file and a joint application.

(4) **APPROVAL CRITERIA.**—The general approval criteria in paragraphs (2) and (4) shall apply.

(5) **ALLOCATION TO MUNICIPALITIES.**—

(A) **IF MORE THAN 3.**—If more than 3 municipalities, or combination of municipalities as provided in paragraph (3), of a State apply for approval by the Secretary to be participating municipalities under this subsection, and the applications meet the approval criteria in paragraph (4), the Secretary shall allocate Federal funds to the 3 municipalities with the largest populations.

(B) **IF 3 OR FEWER.**—If 3 or fewer municipalities, or combination of municipalities as provided in paragraph (3), of a State apply for approval by the Secretary to be participating municipalities under this subsection, and the applications meet the approval criteria in paragraph (4), the Secretary shall allocate Federal funds to each applicant municipality or combination of municipalities.

(6) **APPORTIONMENT OF ALLOCATED AMOUNT AMONG PARTICIPATING MUNICIPALITIES.**—If the Secretary approves municipalities to be participating municipalities under this subsection, the Secretary shall apportion the full amount of the Federal funds that are allocated to that State to municipalities that are approved under this subsection in amounts proportionate to the population of those municipalities, based on the most recent available decennial census.

(7) **APPROVING STATE PROGRAMS FOR MUNICIPALITIES.**—If the Secretary approves municipalities to be participating municipalities under this subsection, the Secretary shall take into account the additional considerations in section 3206(d) in making the determination under section 3205 or 3206 that the State program or programs to be implemented by the participating municipalities, including a State capital access program, is eligible for Federal contributions to, or for the account of, the State program.

SEC. 3205. APPROVING STATE CAPITAL ACCESS PROGRAMS.

(a) **APPLICATION.**—A participating State that establishes a new, or has an existing, State capital access program that meets the eligibility criteria in subsection (c) may apply to Secretary to have the State capital access program approved as eligible for Federal contributions to the reserve fund.

(b) **APPROVAL.**—The Secretary shall approve such State capital access program as eligible for Federal contributions to the reserve fund if—

(1) within 60 days after the date of enactment of this Act, the State has filed with the Secretary a notice of intent to apply for approval by the Secretary of a State capital access program;

(2) within 9 months after the date of enactment of this Act, the State has filed with the Secretary a complete application for approval by the Secretary of a capital access program;

(3) the State satisfies the requirements of subsections (a) and (b) of section 3204; and

(4) the State capital access program meets the eligibility criteria in subsection (c).

(c) **ELIGIBILITY CRITERIA FOR STATE CAPITAL ACCESS PROGRAMS.**—For a State capital access program to be approved under this section, that program shall be required to be a program of the State that—

(1) provides portfolio insurance for business loans based on a separate loan-loss reserve fund for each financial institution;

(2) requires insurance premiums to be paid by the financial institution lenders and by the business borrowers to the reserve fund to have their loans enrolled in the reserve fund;

(3) provides for contributions to be made by the State to the reserve fund in amounts at least equal to the sum of the amount of the insurance premium charges paid by the borrower and the financial institution to the reserve fund for any newly enrolled loan; and

(4) provides its portfolio insurance solely for loans that meet both the following requirements:

(A) The borrower has 500 employees or less at the time that the loan is enrolled in the Program.

(B) The loan amount does not exceed \$5,000,000.

(d) **FEDERAL CONTRIBUTIONS TO APPROVED STATE CAPITAL ACCESS PROGRAMS.**—A State capital access program approved under this section will be eligible for receiving Federal contributions to the reserve fund in an amount equal to the sum of the amount of the insurance premium charges paid by the borrowers and by the financial institution to the reserve fund for loans that meet the requirements in subsection (c)(4). A participating State may use the Federal contribution to make its contribution to the reserve fund of an approved State capital access program.

(e) **MINIMUM PROGRAM REQUIREMENTS FOR STATE CAPITAL ACCESS PROGRAMS.**—The Secretary shall, by regulation or other guidance, prescribe Program requirements that meet the following minimum requirements:

(1) **EXPERIENCE AND CAPACITY.**—The participating State shall determine for each financial institution that participates in the State capital access program, after consultation with the appropriate Federal banking agency or, in the case of a financial institution that is a nondepository community development financial institution, the Community Development Financial Institution Fund, that the financial institution has sufficient commercial lending experience and financial and managerial capacity to participate in the approved State capital access program. The determination by the State shall not be reviewable by the Secretary.

(2) **INVESTMENT AUTHORITY.**—Subject to applicable State law, the participating State may invest, or cause to be invested, funds held in a reserve fund by establishing a deposit account at the financial institution lender in the name of the participating State. In the event that funds in the reserve fund are not deposited in such an account, such funds shall be invested in a form that the participating State determines is safe and liquid.

(3) **LOAN TERMS AND CONDITIONS TO BE DETERMINED BY AGREEMENT.**—A loan to be filed for enrollment in an approved State capital access program may be made with such interest rate, fees, and other terms and conditions, and the loan may be enrolled in the approved State capital access program and claims may be filed and paid, as agreed upon by the financial institution lender and the borrower, consistent with applicable law.

(4) **LENDER CAPITAL AT-RISK.**—A loan to be filed for enrollment in the State capital access program shall require the financial institution lender to have a meaningful amount of its own capital resources at risk in the loan.

(5) **PREMIUM CHARGES MINIMUM AND MAXIMUM AMOUNTS.**—The insurance premium

charges payable to the reserve fund by the borrower and the financial institution lender shall be prescribed by the financial institution lender, within minimum and maximum limits that require that the sum of the insurance premium charges paid in connection with a loan by the borrower and the financial institution lender may not be less than 2 percent nor more than 7 percent of the amount of the loan enrolled in the approved State capital access program.

(6) **STATE CONTRIBUTIONS.**—In enrolling a loan in an approved State capital access program, the participating State may make a contribution to the reserve fund to supplement Federal contributions made under this Program.

(7) **LOAN PURPOSE.**—

(A) **PARTICULAR LOAN PURPOSE REQUIREMENTS AND PROHIBITIONS.**—In connection with the filing of a loan for enrollment in an approved State capital access program, the financial institution lender—

(i) shall obtain an assurance from each borrower that—

(I) the proceeds of the loan will be used for a business purpose;

(II) the loan will not be used to finance such business activities as the Secretary, by regulation, may proscribe as prohibited loan purposes for enrollment in an approved State capital access program; and

(III) the borrower is not—

(aa) an executive officer, director, or principal shareholder of the financial institution lender;

(bb) a member of the immediate family of an executive officer, director, or principal shareholder of the financial institution lender; or

(cc) a related interest of any such executive officer, director, principal shareholder, or member of the immediate family;

(ii) shall provide assurances to the participating State that the loan has not been made in order to place under the protection of the approved State capital access program prior debt that is not covered under the approved State capital access program and that is or was owed by the borrower to the financial institution lender or to an affiliate of the financial institution lender;

(iii) shall not allow the enrollment of a loan to a borrower that is a refinancing of a loan previously made to that borrower by the financial institution lender or an affiliate of the financial institution lender; and

(iv) may include additional restrictions on the eligibility of loans or borrowers that are not inconsistent with the provisions and purposes of this subtitle, including compliance with all applicable Federal and State laws, regulations, ordinances, and Executive orders.

(B) **DEFINITIONS.**—In this paragraph, the terms “executive officer”, “director”, “principal shareholder”, “immediate family”, and “related interest” refer to the same relationship to a financial institution lender as the relationship described in part 215 of title 12 of the Code of Federal Regulations, or any successor to such part.

(8) **CAPITAL ACCESS FOR SMALL BUSINESSES IN UNDERSERVED COMMUNITIES.**—At the time that a State applies to the Secretary to have the State capital access program approved as eligible for Federal contributions, the State shall deliver to the Secretary a report stating how the State plans to use the Federal contributions to the reserve fund to provide access to capital for small businesses in low- and moderate-income, minority, and other underserved communities, including women- and minority-owned small businesses.

SEC. 3206. APPROVING COLLATERAL SUPPORT AND OTHER INNOVATIVE CREDIT ACCESS AND GUARANTEE INITIATIVES FOR SMALL BUSINESSES AND MANUFACTURERS.

(a) **APPLICATION.**—A participating State that establishes a new, or has an existing, credit support program that meets the eligibility criteria in subsection (c) may apply to the Secretary to have the State other credit support program approved as eligible for Federal contributions to, or for the account of, the State program.

(b) **APPROVAL.**—The Secretary shall approve such State other credit support program as eligible for Federal contributions to, or for the account of, the program if—

(1) the Secretary determines that the State satisfies the requirements of paragraphs (1) through (3) of section 3205(b);

(2) the Secretary determines that the State other credit support program meets the eligibility criteria in subsection (c);

(3) the Secretary determines the State other credit support program to be eligible based on the additional considerations in subsection (d); and

(4) within 9 months after the date of enactment of this Act, the State has filed with Treasury a complete application for Treasury approval.

(c) **ELIGIBILITY CRITERIA FOR STATE OTHER CREDIT SUPPORT PROGRAMS.**—For a State other credit support program to be approved under this section, that program shall be required to be a program of the State that—

(1) can demonstrate that, at a minimum, \$1 of public investment by the State program will cause and result in \$1 of new private credit;

(2) can demonstrate a reasonable expectation that, when considered with all other State programs of the State, such State programs together have the ability to use amounts of new Federal contributions to, or for the account of, all such programs in the State to cause and result in amounts of new small business lending at least 10 times the new Federal contribution amount;

(3) for those State other credit support programs that provide their credit support through 1 or more financial institution lenders, requires the financial institution lenders to have a meaningful amount of their own capital resources at risk in their small business lending; and

(4) uses Federal funds allocated under this subtitle to extend credit support that—

(A) targets an average borrower size of 500 employees or less;

(B) does not extend credit support to borrowers that have more than 750 employees;

(C) targets support towards loans with an average principal amount of \$5,000,000 or less; and

(D) does not extend credit support to loans that exceed a principal amount of \$20,000,000.

(d) **ADDITIONAL CONSIDERATIONS.**—In making a determination that a State other credit support program is eligible for Federal contributions to, or for the account of, the State program, the Secretary shall take into account the following additional considerations:

(1) The anticipated benefits to the State, its businesses, and its residents to be derived from the Federal contributions to, or for the account of, the approved State other credit support program, including the extent to which resulting small business lending will expand economic opportunities.

(2) The operational capacity, skills, and experience of the management team of the State other credit support program.

(3) The capacity of the State other credit support program to manage increases in the volume of its small business lending.

(4) The internal accounting and administrative controls systems of the State other credit support program, and the extent to which they can provide reasonable assurance that funds of the State program are safeguarded against waste, loss, unauthorized use, or misappropriation.

(5) The soundness of the program design and implementation plan of the State other credit support program.

(e) **FEDERAL CONTRIBUTIONS TO APPROVED STATE OTHER CREDIT SUPPORT PROGRAMS.**—A State other credit support program approved under this section will be eligible for receiving Federal contributions to, or for the account of, the State program in an amount consistent with the schedule describing the apportionment of allocated Federal funds among State programs delivered by the State to the Secretary under the allocation agreement.

(f) **MINIMUM PROGRAM REQUIREMENTS FOR STATE OTHER CREDIT SUPPORT PROGRAMS.**—

(1) **FUND TO PRESCRIBE.**—The Secretary shall, by regulation or other guidance, prescribe Program requirements for approved State other credit support programs.

(2) **CONSIDERATIONS FOR FUND.**—In prescribing minimum Program requirements for approved State other credit support programs, the Secretary shall take into consideration, to the extent the Secretary determines applicable and appropriate, the minimum Program requirements for approved State capital access programs in section 3205(e).

SEC. 3207. REPORTS.

(a) **QUARTERLY USE-OF-FUNDS REPORT.**—

(1) **IN GENERAL.**—Not later than 30 days after the beginning of each calendar quarter, beginning after the first full calendar quarter to occur after the date the Secretary approves a State for participation, the participating State shall submit to the Secretary a report on the use of Federal funding by the participating State during the previous calendar quarter.

(2) **REPORT CONTENTS.**—Each report under this subsection shall—

(A) indicate the total amount of Federal funding used by the participating State; and

(B) include a certification by the participating State that—

(i) the information provided in accordance with subparagraph (A) is accurate;

(ii) funds continue to be available and legally committed to contributions by the State to, or for the account of, approved State programs, less any amount that has been contributed by the State to, or for the account of, approved State programs subsequent to the State being approved for participation in the Program; and

(iii) the participating State is implementing its approved State program or programs in accordance with this subtitle and regulations issued under section 3210.

(b) **ANNUAL REPORT.**—Not later than March 31 of each year, beginning March 31, 2011, each participating State shall submit to the Secretary an annual report that shall include the following information:

(1) The number of borrowers that received new loans originated under the approved State program or programs after the State program was approved as eligible for Federal contributions.

(2) The total amount of such new loans.

(3) Breakdowns by industry type, loan size, annual sales, and number of employees of the borrowers that received such new loans.

(4) The zip code of each borrower that received such a new loan.

(5) Such other data as the Secretary, in the Secretary's sole discretion, may require to carry out the purposes of the Program.

(c) **FORM.**—The reports and data filed under subsections (a) and (b) shall be in such form as the Secretary, in the Secretary's sole discretion, may require.

(d) **TERMINATION OF REPORTING REQUIREMENTS.**—The requirement to submit reports under subsections (a) and (b) shall terminate for a participating State with the submission of the completed reports due on the first March 31 to occur after 5 complete 12-month periods after the State is approved by the Secretary to be a participating State.

SEC. 3208. REMEDIES FOR STATE PROGRAM TERMINATION OR FAILURES.

(a) **REMEDIES.**—

(1) **IN GENERAL.**—If any of the events listed in paragraph (2) occur, the Secretary, in the Secretary's discretion, may—

(A) reduce the amount of Federal funds allocated to the State under the Program; or

(B) terminate any further transfers of allocated amounts that have not yet been transferred to the State.

(2) **CAUSAL EVENTS.**—The events referred to in paragraph (1) are—

(A) termination by a participating State of its participation in the Program;

(B) failure on the part of a participating State to submit complete reports under section 3207 on a timely basis; or

(C) noncompliance by the State with the terms of the allocation agreement between the Secretary and the State.

(b) **DEALLOCATED AMOUNTS TO BE REALLOCATED.**—If, after 13 months, any portion of the amount of Federal funds allocated to a participating State is deemed by the Secretary to be no longer allocated to the State after actions taken by the Secretary under subsection (a)(1), the Secretary shall reallocate that portion among the participating States, excluding the State whose allocated funds were deemed to be no longer allocated, as provided in section 3203(b).

SEC. 3209. IMPLEMENTATION AND ADMINISTRATION.

(a) **GENERAL AUTHORITIES AND DUTIES.**—The Secretary shall—

(1) consult with the Administrator of the Small Business Administration and the appropriate Federal banking agencies on the administration of the Program;

(2) establish minimum national standards for approved State programs;

(3) provide technical assistance to States for starting State programs and generally disseminate best practices;

(4) manage, administer, and perform necessary program integrity functions for the Program; and

(5) ensure adequate oversight of the approved State programs, including oversight of the cash flows, performance, and compliance of each approved State program.

(b) **APPROPRIATIONS.**—There is hereby appropriated to the Secretary, out of funds in the Treasury not otherwise appropriated, \$900,000,000 to carry out the Program, including to pay reasonable costs of administering the Program.

(c) **TERMINATION OF SECRETARY'S PROGRAM ADMINISTRATION FUNCTIONS.**—The authorities and duties of the Secretary to implement and administer the Program shall terminate at the end of the 7-year period beginning on the date of enactment of this Act.

(d) **EXPEDITED CONTRACTING.**—During the 1-year period beginning on the date of enactment of this Act, the Secretary may enter

into contracts without regard to any other provision of law regarding public contracts, for purposes of carrying out this subtitle.

SEC. 3210. REGULATIONS.

The Secretary, in consultation with the Administrator of the Small Business Administration, shall issue such regulations and other guidance as the Secretary determines necessary or appropriate to implement this subtitle including to define terms, to establish compliance and reporting requirements, and such other terms and conditions necessary to carry out the purposes of this subtitle.

SEC. 3211. OVERSIGHT AND AUDITS.

(a) **INSPECTOR GENERAL OVERSIGHT.**—The Inspector General of the Department of the Treasury shall conduct, supervise, and coordinate audits and investigations of the use of funds made available under the Program.

(b) **GAO AUDIT.**—The Comptroller General of the United States shall perform an annual audit of the Program and issue a report to the appropriate committees of Congress containing the results of such audit.

(c) **REQUIRED CERTIFICATION.**—

(1) **FINANCIAL INSTITUTIONS CERTIFICATION.**—With respect to funds received by a participating State under the Program, any financial institution that receives a loan, a loan guarantee, or other financial assistance using such funds after the date of the enactment of this Act shall certify that such institution is in compliance with the requirements of section 103.121 of title 31, Code of Federal Regulations, a regulation that, at a minimum, requires financial institutions, as that term is defined in section 5312 (a)(2) and (c)(1)(A) of title 31, United States Code, to implement reasonable procedures to verify the identity of any person seeking to open an account, to the extent reasonable and practicable, maintain records of the information used to verify the person's identity, and determine whether the person appears on any lists of known or suspected terrorists or terrorist organizations provided to the financial institution by any government agency.

(2) **SEX OFFENSE CERTIFICATION.**—With respect to funds received by a participating State under the Program, any private entity that receives a loan, a loan guarantee, or other financial assistance using such funds after the date of the enactment of this Act shall certify to the participating State that the principals of such entity have not been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. 16911)).

(d) **PROHIBITION ON PORNOGRAPHY.**—None of the funds made available under this subtitle may be used to pay the salary of any individual engaged in activities related to the Program who has been officially disciplined for violations of subpart G of the Standards of Ethical Conduct for Employees of the Executive Branch for viewing, downloading, or exchanging pornography, including child pornography, on a Federal Government computer or while performing official Federal Government duties.

TITLE IV—BUDGETARY PROVISIONS

SEC. 4001. DETERMINATION OF BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled "Budgetary Effects of PAYGO Legislation" for this Act, submitted for printing in the Congressional Record by the Chairman of the Senate Budget Committee, provided that

such statement has been submitted prior to the vote on passage.

SA 4403. Mr. REID (for himself, Mr. BAUCUS, and Ms. LANDRIEU) proposed an amendment to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; as follows:

Strike all after the first word, insert the following:

1. SHORT TITLE.

This Act may be cited as the “Small Business Jobs Act of 2010”.

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

TITLE I—SMALL BUSINESSES

Sec. 1001. Definitions.

Subtitle A—Small Business Access to Credit

Sec. 1101. Short title.

PART I—NEXT STEPS FOR MAIN STREET CREDIT AVAILABILITY

Sec. 1111. Section 7(a) business loans.

Sec. 1112. Maximum loan amounts under 504 program.

Sec. 1113. Maximum loan limits under microloan program.

Sec. 1114. Temporary fee reductions.

Sec. 1115. New Markets Venture Capital company investment limitations.

Sec. 1116. Alternative size standards.

Sec. 1117. Sale of 7(a) loans in secondary market.

Sec. 1118. Online lending platform.

Sec. 1119. SBA Secondary Market Guarantee Authority.

PART II—SMALL BUSINESS ACCESS TO CAPITAL

Sec. 1122. Low-interest refinancing under the local development business loan program.

PART III—OTHER MATTERS

Sec. 1131. Small business intermediary lending pilot program.

Sec. 1132. Public policy goals.

Sec. 1133. Draft floor plan pilot program extension.

Sec. 1134. Guarantees for bonds and notes issued for community or economic development purposes.

Sec. 1135. Temporary express loan enhancement.

Sec. 1136. Prohibition on using TARP funds or tax in creases.

Subtitle B—Small Business Trade and Exporting

Sec. 1201. Short title.

Sec. 1202. Definitions.

Sec. 1203. Office of International Trade.

Sec. 1204. Duties of the Office of International Trade.

Sec. 1205. Export assistance centers.

Sec. 1206. International trade finance programs.

Sec. 1207. State Trade and Export Promotion Grant Program.

Sec. 1208. Rural export promotion.

Sec. 1209. International trade cooperation by small business development centers.

Subtitle C—Small Business Contracting

PART I—CONTRACT BUNDLING

Sec. 1311. Small Business Act.

Sec. 1312. Leadership and oversight.

Sec. 1313. Consolidation of contract requirements.

Sec. 1314. Small business teams pilot program.

PART II—SUBCONTRACTING INTEGRITY

Sec. 1321. Subcontracting misrepresentations.

Sec. 1322. Small business subcontracting improvements.

PART III—ACQUISITION PROCESS

Sec. 1331. Reservation of prime contract awards for small businesses.

Sec. 1332. Micro-purchase guidelines.

Sec. 1333. Agency accountability.

Sec. 1334. Payment of subcontractors.

Sec. 1335. Repeal of Small Business Competitiveness Demonstration Program.

PART IV—SMALL BUSINESS SIZE AND STATUS INTEGRITY

Sec. 1341. Policy and presumptions.

Sec. 1342. Annual certification.

Sec. 1343. Training for contracting and enforcement personnel.

Sec. 1344. Updated size standards.

Sec. 1345. Study and report on the mentor-protégé program.

Sec. 1346. Contracting goals reports.

Sec. 1347. Small business contracting parity.

Subtitle D—Small Business Management and Counseling Assistance

Sec. 1401. Matching requirements under small business programs.

Sec. 1402. Grants for SBDCs.

Subtitle E—Disaster Loan Improvement

Sec. 1501. Aquaculture business disaster assistance.

Subtitle F—Small Business Regulatory Relief

Sec. 1601. Requirements providing for more detailed analyses.

Sec. 1602. Office of advocacy.

Subtitle G—Appropriations Provisions

Sec. 1701. Salaries and expenses.

Sec. 1702. Business loans program account.

Sec. 1703. Community Development Financial Institutions Fund program account.

TITLE II—TAX PROVISIONS

Sec. 2001. Short title.

Subtitle A—Small Business Relief

PART I—PROVIDING ACCESS TO CAPITAL

Sec. 2011. Temporary exclusion of 100 percent of gain on certain small business stock.

Sec. 2012. General business credits of eligible small businesses for 2010 carried back 5 years.

Sec. 2013. General business credits of eligible small businesses in 2010 not subject to alternative minimum tax.

Sec. 2014. Temporary reduction in recognition period for built-in gains tax.

PART II—ENCOURAGING INVESTMENT

Sec. 2021. Increased expensing limitations for 2010 and 2011; certain real property treated as section 179 property.

Sec. 2022. Additional first-year depreciation for 50 percent of the basis of certain qualified property.

PART III—PROMOTING ENTREPRENEURSHIP

Sec. 2031. Increase in amount allowed as deduction for start-up expenditures in 2010.

Sec. 2032. Authorization of appropriations for the United States Trade Representative to develop market access opportunities for United States small- and medium-sized businesses and to enforce trade agreements.

PART IV—PROMOTING SMALL BUSINESS FAIRNESS

Sec. 2041. Limitation on penalty for failure to disclose reportable transactions based on resulting tax benefits.

Sec. 2042. Deduction for health insurance costs in computing self-employment taxes in 2010.

Subtitle B—Revenue Provisions

PART I—REDUCING THE TAX GAP

Sec. 2101. Information reporting for rental property expense payments.

Sec. 2102. Increase in information return penalties.

Sec. 2103. Report on tax shelter penalties and certain other enforcement actions.

Sec. 2104. Application of levy to payments to Federal vendors relating to property.

Sec. 2105. Application of continuous levy to tax liabilities of certain Federal contractors.

Sec. 2106. Application of bad checks penalty to electronic payments.

PART II—PROMOTING RETIREMENT PREPARATION

Sec. 2111. Participants in government section 457 plans allowed to treat elective deferrals as Roth contributions.

Sec. 2112. Rollovers from elective deferral plans to designated Roth accounts.

PART III—CLOSING UNINTENDED LOOPHOLES
Sec. 2121. Crude tall oil ineligible for cellulosic biofuel producer credit.

PART IV—TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES

Sec. 2131. Time for payment of corporate estimated taxes.

TITLE III—SMALL BUSINESS LENDING

Subtitle A—Small Business Lending Fund

Sec. 3101. Purpose.

Sec. 3102. Definitions.

Sec. 3103. Small business lending fund.

Sec. 3104. Additional authorities of the Secretary.

Sec. 3105. Considerations.

Sec. 3106. Reports.

Sec. 3107. Oversight and audits.

Sec. 3108. Credit reform; funding.

Sec. 3109. Termination and continuation of authorities.

Sec. 3110. Preservation of authority.

Sec. 3111. Assurances.

Sec. 3112. Study and report with respect to women-owned, veteran-owned, and minority-owned businesses.

Sec. 3113. Sense of congress.

Subtitle B—State Small Business Credit Initiative

Sec. 3201. Short title.

Sec. 3202. Definitions.

Sec. 3203. Federal funds allocated to States.

Sec. 3204. Approving States for participation.

Sec. 3205. Approving State capital access programs.

Sec. 3206. Approving collateral support and other innovative credit access and guarantee initiatives for small businesses and manufacturers.

Sec. 3207. Reports.

Sec. 3208. Remedies for State program termination or failures.

Sec. 3209. Implementation and administration.

Sec. 3210. Regulations.

Sec. 3211. Oversight and audits.

TITLE IV—BUDGETARY PROVISIONS

Sec. 4001. Determination of budgetary effects.

TITLE I—SMALL BUSINESSES

SEC. 1001. DEFINITIONS.

In this title—

(1) the terms “Administration” and “Administrator” mean the Small Business Administration and the Administrator thereof, respectively; and

(2) the term “small business concern” has the meaning given that term under section 3 of the Small Business Act (15 U.S.C. 632).

Subtitle A—Small Business Access to Credit

SEC. 1101. SHORT TITLE.

This subtitle may be cited as the “Small Business Job Creation and Access to Capital Act of 2010”.

PART I—NEXT STEPS FOR MAIN STREET CREDIT AVAILABILITY

SEC. 1111. SECTION 7(a) BUSINESS LOANS.

(a) AMENDMENT.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) in paragraph (2)(A)—

(A) in clause (i), by striking “75 percent” and inserting “90 percent”; and

(B) in clause (ii), by striking “85 percent” and inserting “90 percent”; and

(2) in paragraph (3)(A), by striking “\$1,500,000 (or if the gross loan amount would exceed \$2,000,000)” and inserting “\$4,500,000 (or if the gross loan amount would exceed \$5,000,000”.

(b) PROSPECTIVE REPEAL.—Effective January 1, 2011, section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) in paragraph (2)(A)—

(A) in clause (i), by striking “90 percent” and inserting “75 percent”; and

(B) in clause (ii), by striking “90 percent” and inserting “85 percent”; and

(2) in paragraph (3)(A), by striking “\$4,500,000” and inserting “\$3,750,000”.

SEC. 1112. MAXIMUM LOAN AMOUNTS UNDER 504 PROGRAM.

Section 502(2)(A) of the Small Business Investment Act of 1958 (15 U.S.C. 696(2)(A)) is amended—

(1) in clause (i), by striking “\$1,500,000” and inserting “\$5,000,000”; and

(2) in clause (ii), by striking “\$2,000,000” and inserting “\$5,000,000”; and

(3) in clause (iii), by striking “\$4,000,000” and inserting “\$5,500,000”; and

(4) in clause (iv), by striking “\$4,000,000” and inserting “\$5,500,000”; and

(5) in clause (v), by striking “\$4,000,000” and inserting “\$5,500,000”.

SEC. 1113. MAXIMUM LOAN LIMITS UNDER MICROLOAN PROGRAM.

Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) is amended—

(1) in paragraph (1)(B)(iii), by striking “\$35,000” and inserting “\$50,000”; and

(2) in paragraph (3)—

(A) in subparagraph (C), by striking “\$3,500,000” and inserting “\$5,000,000”; and

(B) in subparagraph (E), by striking “\$35,000” each place that term appears and inserting “\$50,000”; and

(3) in paragraph (11)(B), by striking “\$35,000” and inserting “\$50,000”.

SEC. 1114. TEMPORARY FEE REDUCTIONS.

Section 501 of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 151) is amended by striking “September 30, 2010” each place that term appears and inserting “December 31, 2010”.

SEC. 1115. NEW MARKETS VENTURE CAPITAL COMPANY INVESTMENT LIMITATIONS.

Section 355 of the Small Business Investment Act of 1958 (15 U.S.C. 689d) is amended by adding at the end the following:

“(e) INVESTMENT LIMITATIONS.—

“(1) DEFINITION.—In this subsection, the term ‘covered New Markets Venture Capital company’ means a New Markets Venture Capital company—

“(A) granted final approval by the Administrator under section 354(e) on or after March 1, 2002; and

“(B) that has obtained a financing from the Administrator.

“(2) LIMITATION.—Except to the extent approved by the Administrator, a covered New Markets Venture Capital company may not acquire or issue commitments for securities under this title for any single enterprise in an aggregate amount equal to more than 10 percent of the sum of—

“(A) the regulatory capital of the covered New Markets Venture Capital company; and

“(B) the total amount of leverage projected in the participation agreement of the covered New Markets Venture Capital.”.

SEC. 1116. ALTERNATIVE SIZE STANDARDS.

Section 3(a) of the Small Business Act (15 U.S.C. 632(a)) is amended by adding at the end the following:

“(5) ALTERNATIVE SIZE STANDARD.—

“(A) IN GENERAL.—The Administrator shall establish an alternative size standard for applicants for business loans under section 7(a) and applicants for development company loans under title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.), that uses maximum tangible net worth and average net income as an alternative to the use of industry standards.

“(B) INTERIM RULE.—Until the date on which the alternative size standard established under subparagraph (A) is in effect, an applicant for a business loan under section 7(a) or an applicant for a development company loan under title V of the Small Business Investment Act of 1958 may be eligible for such a loan if—

“(i) the maximum tangible net worth of the applicant is not more than \$15,000,000; and

“(ii) the average net income after Federal income taxes (excluding any carry-over losses) of the applicant for the 2 full fiscal years before the date of the application is not more than \$5,000,000.”.

SEC. 1117. SALE OF 7(a) LOANS IN SECONDARY MARKET.

Section 5(g) of the Small Business Act (15 U.S.C. 634(g)) is amended by adding at the end the following:

“(6) If the amount of the guaranteed portion of any loan under section 7(a) is more than \$500,000, the Administrator shall, upon request of a pool assembler, divide the loan guarantee into increments of \$500,000 and 1 increment of any remaining amount less than \$500,000, in order to permit the maximum amount of any loan in a pool to be not more than \$500,000. Only 1 increment of any loan guarantee divided under this paragraph may be included in the same pool. Increments of loan guarantees to different borrowers that are divided under this paragraph may be included in the same pool.”.

SEC. 1118. ONLINE LENDING PLATFORM.

It is the sense of Congress that the Administrator of the Small Business Administration should establish a website that—

(1) lists each lender that makes loans guaranteed by the Small Business Administration and provides information about the loan rates of each such lender; and

(2) allows prospective borrowers to compare rates on loans guaranteed by the Small Business Administration.

SEC. 1119. SBA SECONDARY MARKET GUARANTEE AUTHORITY.

Section 503(f) of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 155) is amended by striking “on the date 2 years after the date of enactment of this section” and inserting “2 years after the date of the first sale of a pool of first lien position 504 loans guaranteed under this section to a third-party investor”.

PART II—SMALL BUSINESS ACCESS TO CAPITAL

SEC. 1122. LOW-INTEREST REFINANCING UNDER THE LOCAL DEVELOPMENT BUSINESS LOAN PROGRAM.

(a) REFINANCING.—Section 502(7) of the Small Business Investment Act of 1958 (15 U.S.C. 696(7)) is amended by adding at the end the following:

“(C) REFINANCING NOT INVOLVING EXPANSIONS.—

“(i) DEFINITIONS.—In this subparagraph—

“(I) the term ‘borrower’ means a small business concern that submits an application to a development company for financing under this subparagraph; and

“(II) the term ‘eligible fixed asset’ means tangible property relating to which the Administrator may provide financing under this section; and

“(III) the term ‘qualified debt’ means indebtedness—

“(aa) that—

“(AA) was incurred not less than 2 years before the date of the application for assistance under this subparagraph; and

“(BB) is a commercial loan; and

“(CC) is not subject to a guarantee by a Federal agency; and

“(DD) the proceeds of which were used to acquire an eligible fixed asset; and

“(EE) was incurred for the benefit of the small business concern; and

“(FF) is collateralized by eligible fixed assets; and

“(bb) for which the borrower has been current on all payments for not less than 1 year before the date of the application.

“(ii) AUTHORITY.—A project that does not involve the expansion of a small business concern may include the refinancing of qualified debt if—

“(I) the amount of the financing is not more than 90 percent of the value of the collateral for the financing, except that, if the appraised value of the eligible fixed assets serving as collateral for the financing is less than the amount equal to 125 percent of the amount of the financing, the borrower may provide additional cash or other collateral to eliminate any deficiency; and

“(II) the borrower has been in operation for all of the 2-year period ending on the date of the loan; and

“(III) for a financing for which the Administrator determines there will be an additional cost attributable to the refinancing of the qualified debt, the borrower agrees to pay a fee in an amount equal to the anticipated additional cost.

“(iii) FINANCING FOR BUSINESS EXPENSES.—

“(I) FINANCING FOR BUSINESS EXPENSES.—The Administrator may provide financing to

a borrower that receives financing that includes a refinancing of qualified debt under clause (ii), in addition to the refinancing under clause (ii), to be used solely for the payment of business expenses.

“(II) APPLICATION FOR FINANCING.—An application for financing under subclause (I) shall include—

“(aa) a specific description of the expenses for which the additional financing is requested; and

“(bb) an itemization of the amount of each expense.

“(III) CONDITION ON ADDITIONAL FINANCING.—A borrower may not use any part of the financing under this clause for non-business purposes.

“(iv) LOANS BASED ON JOBS.—

“(I) JOB CREATION AND RETENTION GOALS.—

“(aa) IN GENERAL.—The Administrator may provide financing under this subparagraph for a borrower that meets the job creation goals under subsection (d) or (e) of section 501.

“(bb) ALTERNATE JOB RETENTION GOAL.—The Administrator may provide financing under this subparagraph to a borrower that does not meet the goals described in item (aa) in an amount that is not more than the product obtained by multiplying the number of employees of the borrower by \$65,000.

“(II) NUMBER OF EMPLOYEES.—For purposes of subclause (I), the number of employees of a borrower is equal to the sum of—

“(aa) the number of full-time employees of the borrower on the date on which the borrower applies for a loan under this subparagraph; and

“(bb) the product obtained by multiplying—

“(AA) the number of part-time employees of the borrower on the date on which the borrower applies for a loan under this subparagraph; by

“(BB) the quotient obtained by dividing the average number of hours each part time employee of the borrower works each week by 40.

“(v) NONDELEGATION.—Notwithstanding section 508(e), the Administrator may not permit a premier certified lender to approve or disapprove an application for assistance under this subparagraph.

“(vi) TOTAL AMOUNT OF LOANS.—The Administrator may provide not more than a total of \$7,500,000,000 of financing under this subparagraph for each fiscal year.”.

(b) PROSPECTIVE REPEAL.—Effective 2 years after the date of enactment of this Act, section 502(7) of the Small Business Investment Act of 1958 (15 U.S.C. 696(7)) is amended by striking subparagraph (C).

(c) TECHNICAL CORRECTION.—Section 502(2)(A)(i) of the Small Business Investment Act of 1958 (15 U.S.C. 696(2)(A)(i)) is amended by striking “subparagraph (B) or (C)” and inserting “clause (ii), (iii), (iv), or (v)”.

PART III—OTHER MATTERS

SEC. 1131. SMALL BUSINESS INTERMEDIARY LENDING PILOT PROGRAM.

(a) IN GENERAL.—Section 7 of the Small Business Act (15 U.S.C. 636) is amended by striking subsection (I) and inserting the following:

“(I) SMALL BUSINESS INTERMEDIARY LENDING PILOT PROGRAM.—

“(1) DEFINITIONS.—In this subsection—

“(A) the term ‘eligible intermediary’—

“(i) means a private, nonprofit entity that—

“(I) seeks or has been awarded a loan from the Administrator to make loans to small business concerns under this subsection; and

“(II) has not less than 1 year of experience making loans to startup, newly established, or growing small business concerns; and

“(ii) includes—

“(I) a private, nonprofit community development corporation; and

“(II) a consortium of private, nonprofit organizations or nonprofit community development corporations; and

“(III) an agency of or nonprofit entity established by a Native American Tribal Government; and

“(B) the term ‘Program’ means the small business intermediary lending pilot program established under paragraph (2).

“(2) ESTABLISHMENT.—There is established a 3-year small business intermediary lending pilot program, under which the Administrator may make direct loans to eligible intermediaries, for the purpose of making loans to startup, newly established, and growing small business concerns.

“(3) PURPOSES.—The purposes of the Program are—

“(A) to assist small business concerns in areas suffering from a lack of credit due to poor economic conditions or changes in the financial market; and

“(B) to establish a loan program under which the Administrator may provide loans to eligible intermediaries to enable the eligible intermediaries to provide loans to startup, newly established, and growing small business concerns for working capital, real estate, or the acquisition of materials, supplies, or equipment.

“(4) LOANS TO ELIGIBLE INTERMEDIARIES.—

“(A) APPLICATION.—Each eligible intermediary desiring a loan under this subsection shall submit an application to the Administrator that describes—

“(i) the type of small business concerns to be assisted;

“(ii) the size and range of loans to be made;

“(iii) the interest rate and terms of loans to be made;

“(iv) the geographic area to be served and the economic, poverty, and unemployment characteristics of the area;

“(v) the status of small business concerns in the area to be served and an analysis of the availability of credit; and

“(vi) the qualifications of the applicant to carry out this subsection.

“(B) LOAN LIMITS.—No loan may be made to an eligible intermediary under this subsection if the total amount outstanding and committed to the eligible intermediary by the Administrator would, as a result of such loan, exceed \$1,000,000 during the participation of the eligible intermediary in the Program.

“(C) LOAN DURATION.—Loans made by the Administrator under this subsection shall be for a term of 20 years.

“(D) APPLICABLE INTEREST RATES.—Loans made by the Administrator to an eligible intermediary under the Program shall bear an annual interest rate equal to 1.00 percent.

“(E) FEES; COLLATERAL.—The Administrator may not charge any fees or require collateral with respect to any loan made to an eligible intermediary under this subsection.

“(F) DELAYED PAYMENTS.—The Administrator shall not require the repayment of principal or interest on a loan made to an eligible intermediary under the Program during the 2-year period beginning on the date of the initial disbursement of funds under that loan.

“(G) MAXIMUM PARTICIPANTS AND AMOUNTS.—During each of fiscal years 2011, 2012, and 2013, the Administrator may make loans under the Program—

“(i) to not more than 20 eligible intermediaries; and

“(ii) in a total amount of not more than \$20,000,000.

“(5) LOANS TO SMALL BUSINESS CONCERNS.—

“(A) IN GENERAL.—The Administrator, through an eligible intermediary, shall make loans to startup, newly established, and growing small business concerns for working capital, real estate, and the acquisition of materials, supplies, furniture, fixtures, and equipment.

“(B) MAXIMUM LOAN.—An eligible intermediary may not make a loan under this subsection of more than \$200,000 to any 1 small business concern.

“(C) APPLICABLE INTEREST RATES.—A loan made by an eligible intermediary to a small business concern under this subsection, may have a fixed or a variable interest rate, and shall bear an interest rate specified by the eligible intermediary in the application of the eligible intermediary for a loan under this subsection.

“(D) REVIEW RESTRICTIONS.—The Administrator may not review individual loans made by an eligible intermediary to a small business concern before approval of the loan by the eligible intermediary.

“(6) TERMINATION.—The authority of the Administrator to make loans under the Program shall terminate 3 years after the date of enactment of the Small Business Job Creation and Access to Capital Act of 2010.”.

(b) RULEMAKING AUTHORITY.—Not later than 180 days after the date of enactment of this Act, the Administrator shall issue regulations to carry out section 7(I) of the Small Business Act, as amended by subsection (a).

(c) AVAILABILITY OF FUNDS.—Any amounts provided to the Administrator for the purposes of carrying out section 7(I) of the Small Business Act, as amended by subsection (a), shall remain available until expended.

SEC. 1132. PUBLIC POLICY GOALS.

Section 501(d)(3) of the Small Business Investment Act of 1958 (15 U.S.C. 695(d)(3)) is amended—

(1) in subparagraph (J), by striking “or” at the end;

(2) in subparagraph (K), by striking the period at the end and inserting “, or”; and

(3) by adding at the end the following:

“(L) reduction of rates of unemployment in labor surplus areas, as such areas are determined by the Secretary of Labor.”.

SEC. 1133. DRAFT FLOOR PLAN PILOT PROGRAM EXTENSION.

(a) IN GENERAL.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) by redesignating paragraph (32), relating to increased veteran participation, as added by section 208 of the Military Reservist and Veteran Small Business Reauthorization and Opportunity Act of 2008 (Public Law 110-186; 122 Stat. 631), as paragraph (33); and

(2) by adding at the end the following:

“(34) DEALER FLOOR PLAN FINANCING PROGRAM.—

“(A) DEFINITION.—In this paragraph, the term ‘eligible retail good’—

“(i) means a good for which a title may be obtained under State law; and

“(ii) includes an automobile, recreational vehicle, boat, and manufactured home.

“(B) PROGRAM.—The Administrator may guarantee the timely payment of an open-end extension of credit to a small business concern, the proceeds of which may be used for the purchase of eligible retail goods for resale.

“(C) AMOUNT.—An open-end extension of credit guaranteed under this paragraph shall

be in an amount not less than \$500,000 and not more than \$5,000,000.

“(D) TERM.—An open-end extension of credit guaranteed under this paragraph shall have a term of not more than 5 years.

“(E) GUARANTEE PERCENTAGE.—The Administrator may guarantee—

“(i) not less than 60 percent of an open-end extension of credit under this paragraph; and

“(ii) not more than 75 percent of an open-end extension of credit under this paragraph.

“(F) ADVANCE RATE.—The lender for an open-end extension of credit guaranteed under this paragraph may allow the borrower to draw funds on the line of credit in an amount equal to not more than 100 percent of the value of the eligible retail goods to be purchased.”.

(b) SUNSET.—Effective September 30, 2013, section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) by striking paragraph (34); and

(2) by redesignating paragraph (35), as added by section 1206 of this Act, as paragraph (34).

SEC. 1134. GUARANTEES FOR BONDS AND NOTES ISSUED FOR COMMUNITY OR ECONOMIC DEVELOPMENT PURPOSES.

The Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4701 et seq.) is amended by inserting after section 114 (12 U.S.C. 4713) the following:

“SEC. 114A. GUARANTEES FOR BONDS AND NOTES ISSUED FOR COMMUNITY OR ECONOMIC DEVELOPMENT PURPOSES.

“(a) DEFINITIONS.—In this section, the following definitions shall apply:

“(1) ELIGIBLE COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.—The term ‘eligible community development financial institution’ means a community development financial institution (as described in section 1805.201 of title 12, Code of Federal Regulations, or any successor thereto) certified by the Secretary that has applied to a qualified issuer for, or been granted by a qualified issuer, a loan under the Program.

“(2) ELIGIBLE COMMUNITY OR ECONOMIC DEVELOPMENT PURPOSE.—The term ‘eligible community or economic development purpose’—

“(A) means any purpose described in section 108(b); and

“(B) includes the provision of community or economic development in low-income or underserved rural areas.

“(3) GUARANTEE.—The term ‘guarantee’ means a written agreement between the Secretary and a qualified issuer (or trustee), pursuant to which the Secretary ensures repayment of the verifiable losses of principal, interest, and call premium, if any, on notes or bonds issued by a qualified issuer to finance or refinance loans to eligible community development financial institutions.

“(4) LOAN.—The term ‘loan’ means any credit instrument that is extended under the Program for any eligible community or economic development purpose.

“(5) MASTER SERVICER.—

“(A) IN GENERAL.—The term ‘master servicer’ means any entity approved by the Secretary in accordance with subparagraph (B) to oversee the activities of servicers, as provided in subsection (f)(4).

“(B) APPROVAL CRITERIA FOR MASTER SERVICERS.—The Secretary shall approve or deny any application to become a master servicer under the Program not later than 90 days after the date on which all required information is submitted to the Secretary, based on the capacity and experience of the applicant in—

“(i) loan administration, servicing, and loan monitoring;

“(ii) managing regional or national loan intake, processing, or servicing operational systems and infrastructure;

“(iii) managing regional or national originator communication systems and infrastructure;

“(iv) developing and implementing training and other risk management strategies on a regional or national basis; and

“(v) compliance monitoring, investor relations, and reporting.

“(6) PROGRAM.—The term ‘Program’ means the guarantee Program for bonds and notes issued for eligible community or economic development purposes established under this section.

“(7) PROGRAM ADMINISTRATOR.—The term ‘Program administrator’ means an entity designated by the issuer to perform administrative duties, as provided in subsection (f)(2).

“(8) QUALIFIED ISSUER.—

“(A) IN GENERAL.—The term ‘qualified issuer’ means a community development financial institution (or any entity designated to issue notes or bonds on behalf of such community development financial institution) that meets the qualification requirements of this paragraph.

“(B) APPROVAL CRITERIA FOR QUALIFIED ISSUERS.—

“(i) IN GENERAL.—The Secretary shall approve a qualified issuer for a guarantee under the Program in accordance with the requirements of this paragraph, and such additional requirements as the Secretary may establish, by regulation.

“(ii) TERMS AND QUALIFICATIONS.—A qualified issuer shall—

“(I) have appropriate expertise, capacity, and experience, or otherwise be qualified to make loans for eligible community or economic development purposes;

“(II) provide to the Secretary—

“(aa) an acceptable statement of the proposed sources and uses of the funds; and

“(bb) a capital distribution plan that meets the requirements of subsection (c)(1); and

“(III) certify to the Secretary that the bonds or notes to be guaranteed are to be used for eligible community or economic development purposes.

“(C) DEPARTMENT OPINION; TIMING.—

“(i) DEPARTMENT OPINION.—Not later than 30 days after the date of a request by a qualified issuer for approval of a guarantee under the Program, the Secretary shall provide an opinion regarding compliance by the issuer with the requirements of the Program under this section.

“(ii) TIMING.—The Secretary shall approve or deny a guarantee under this section after consideration of the opinion provided to the Secretary under clause (i), and in no case later than 90 days after receipt of all required information by the Secretary with respect to a request for such guarantee.

“(9) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury.

“(10) SERVICER.—The term ‘servicer’ means an entity designated by the issuer to perform various servicing duties, as provided in subsection (f)(3).

“(b) GUARANTEES AUTHORIZED.—The Secretary shall guarantee payments on bonds or notes issued by any qualified issuer, if the proceeds of the bonds or notes are used in accordance with this section to make loans to eligible community development financial institutions—

“(1) for eligible community or economic development purposes; or

“(2) to refinance loans or notes issued for such purposes.

“(c) GENERAL PROGRAM REQUIREMENTS.—

“(1) IN GENERAL.—A capital distribution plan meets the requirements of this subsection, if not less than 90 percent of the principal amount of guaranteed bonds or notes (other than costs of issuance fees) are used to make loans for any eligible community or economic development purpose, measured annually, beginning at the end of the 1-year period beginning on the issuance date of such guaranteed bonds or notes.

“(2) RELENDING ACCOUNT.—Not more than 10 percent of the principal amount of guaranteed bonds or notes, multiplied by an amount equal to the outstanding principal balance of issued notes or bonds, minus the risk-share pool amount under subsection (d), may be held in a relending account and may be made available for new eligible community or economic development purposes.

“(3) LIMITATIONS ON UNPAID PRINCIPAL BALANCES.—The proceeds of guaranteed bonds or notes under the Program may not be used to pay fees (other than costs of issuance fees), and shall be held in—

“(A) community or economic development loans;

“(B) a relending account, to the extent authorized under paragraph (2); or

“(C) a risk-share pool established under subsection (d).

“(4) REPAYMENT.—If a qualified issuer fails to meet the requirements of paragraph (1) by the end of the 90-day period beginning at the end of the annual measurement period, repayment shall be made on that portion of bonds or notes necessary to bring the bonds or notes that remain outstanding after such repayment into compliance with the 90 percent requirement of paragraph (1).

“(5) PROHIBITED USES.—The Secretary shall, by regulation—

“(A) prohibit, as appropriate, certain uses of amounts from the guarantee of a bond or note under the Program, including the use of such funds for political activities, lobbying, outreach, counseling services, or travel expenses; and

“(B) provide that the guarantee of a bond or note under the Program may not be used for salaries or other administrative costs of—

“(i) the qualified issuer; or

“(ii) any recipient of amounts from the guarantee of a bond or note.

“(d) RISK-SHARE POOL.—Each qualified issuer shall, during the term of a guarantee provided under the Program, establish a risk-share pool, capitalized by contributions from eligible community development financial institution participants an amount equal to 3 percent of the guaranteed amount outstanding on the subject notes and bonds.

“(e) GUARANTEES.—

“(1) IN GENERAL.—A guarantee issued under the Program shall—

“(A) be for the full amount of a bond or note, including the amount of principal, interest, and call premiums;

“(B) be fully assignable and transferable to the capital market, on terms and conditions that are consistent with comparable Government-guaranteed bonds, and satisfactory to the Secretary;

“(C) represent the full faith and credit of the United States; and

“(D) not exceed 30 years.

“(2) LIMITATIONS.—

“(A) ANNUAL NUMBER OF GUARANTEES.—The Secretary shall issue not more than 10 guarantees in any calendar year under the Program.

“(B) GUARANTEE AMOUNT.—The Secretary may not guarantee any amount under the Program equal to less than \$100,000,000, but the total of all such guarantees in any fiscal year may not exceed \$1,000,000,000.

“(f) SERVICING OF TRANSACTIONS.—

“(1) IN GENERAL.—To maximize efficiencies and minimize cost and interest rates, loans made under this section may be serviced by qualified Program administrators, bond servicers, and a master servicer.

“(2) DUTIES OF PROGRAM ADMINISTRATOR.—The duties of a Program administrator shall include—

“(A) approving and qualifying eligible community development financial institution applications for participation in the Program;

“(B) compliance monitoring;

“(C) bond packaging in connection with the Program; and

“(D) all other duties and related services that are customarily expected of a Program administrator.

“(3) DUTIES OF SERVICER.—The duties of a servicer shall include—

“(A) billing and collecting loan payments;

“(B) initiating collection activities on past-due loans;

“(C) transferring loan payments to the master servicing accounts;

“(D) loan administration and servicing;

“(E) systematic and timely reporting of loan performance through remittance and servicing reports;

“(F) proper measurement of annual outstanding loan requirements; and

“(G) all other duties and related services that are customarily expected of servicers.

“(4) DUTIES OF MASTER SERVICER.—The duties of a master servicer shall include—

“(A) tracking the movement of funds between the accounts of the master servicer and any other servicer;

“(B) ensuring orderly receipt of the monthly remittance and servicing reports of the servicer;

“(C) monitoring the collection comments and foreclosure actions;

“(D) aggregating the reporting and distribution of funds to trustees and investors;

“(E) removing and replacing a servicer, as necessary;

“(F) loan administration and servicing;

“(G) systematic and timely reporting of loan performance compiled from all bond servicers' reports;

“(H) proper distribution of funds to investors; and

“(I) all other duties and related services that are customarily expected of a master servicer.

“(g) FEES.—

“(1) IN GENERAL.—A qualified issuer that receives a guarantee issued under this section on a bond or note shall pay a fee to the Secretary, in an amount equal to 10 basis points of the amount of the unpaid principal of the bond or note guaranteed.

“(2) PAYMENT.—A qualified issuer shall pay the fee required under this subsection on an annual basis.

“(3) USE OF FEES.—Fees collected by the Secretary under this subsection shall be used to reimburse the Department of the Treasury for any administrative costs incurred by the Department in implementing the Program established under this section.

“(h) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There are authorized to be appropriated to the Secretary, such sums as are necessary to carry out this section.

“(2) USE OF FEES.—To the extent that the amount of funds appropriated for a fiscal

year under paragraph (1) are not sufficient to carry out this section, the Secretary may use the fees collected under subsection (g) for the cost of providing guarantees of bonds and notes under this section.

“(i) INVESTMENT IN GUARANTEED BONDS INELIGIBLE FOR COMMUNITY REINVESTMENT ACT PURPOSES.—Notwithstanding any other provision of law, any investment by a financial institution in bonds or notes guaranteed under the Program shall not be taken into account in assessing the record of such institution for purposes of the Community Reinvestment Act of 1977 (12 U.S.C. 2901).

“(j) ADMINISTRATION.—

“(1) REGULATIONS.—Not later than 1 year after the date of enactment of this section, the Secretary shall promulgate regulations to carry out this section.

“(2) IMPLEMENTATION.—Not later than 2 years after the date of enactment of this section, the Secretary shall implement this section.

“(k) TERMINATION.—This section is repealed, and the authority provided under this section shall terminate, on September 30, 2014.”.

SEC. 1135. TEMPORARY EXPRESS LOAN ENHANCEMENT.

(a) IN GENERAL.—Section 7(a)(31)(D) of the Small Business Act (15 U.S.C. 636(a)(31)(D)) is amended by striking “\$350,000” and inserting “\$1,000,000”.

(b) PROSPECTIVE REPEAL.—Effective 1 year after the date of enactment of this Act, section 7(a)(31)(D) of the Small Business Act (15 U.S.C. 636(a)(31)(D)) is amended by striking “\$1,000,000” and inserting “\$350,000”.

SEC. 1136. PROHIBITION ON USING TARP FUNDS OR TAX IN CREASES.

(a) IN GENERAL.—Except as provided in subsection (b), nothing in section 1111, 1112, 1113, 1114, 1115, 1116, 1117, 1118, 1122, or 1131, or an amendment made by such sections, shall be construed to limit the ability of Congress to appropriate funds.

(b) TARP FUNDS AND TAX INCREASES.—

(1) IN GENERAL.—Any covered amounts may not be used to carry out section 1111, 1112, 1113, 1114, 1115, 1116, 1117, 1118, 1122, or 1131, or an amendment made by such sections.

(2) DEFINITION.—In this subsection, the term “covered amounts” means—

(A) the amounts made available to the Secretary of the Treasury under title I of the Emergency Economic Stabilization Act of 2008 (S.C. 5201 et seq.) to purchase (under section 101) or guarantee (under section 102) assets under that Act; and

(B) any revenue increase attributable to any amendment to the Internal Revenue Code of 1986 made during the period beginning on the date of enactment of this Act and ending on December 31, 2010.

Subtitle B—Small Business Trade and Exporting

SEC. 1201. SHORT TITLE.

This subtitle may be cited as the “Small Business Export Enhancement and International Trade Act of 2010”.

SEC. 1202. DEFINITIONS.

(a) DEFINITIONS.—In this subtitle—

(1) the term “Associate Administrator” means the Associate Administrator for International Trade appointed under section 22(a)(2) of the Small Business Act, as amended by this subtitle;

(2) the term “Export Assistance Center” means a one-stop shop referred to in section 2301(b)(8) of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4721(b)(8)); and

(3) the term “rural small business concern” means a small business concern lo-

cated in a rural area, as that term is defined in section 1393(a)(2) of the Internal Revenue Code of 1986.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) DEFINITIONS.—Section 3 of the Small Business Act (15 U.S.C. 632) is amended by adding at the end the following:

“(t) SMALL BUSINESS DEVELOPMENT CENTER.—In this Act, the term ‘small business development center’ means a small business development center described in section 21.

“(u) REGION OF THE ADMINISTRATION.—In this Act, the term ‘region of the Administration’ means the geographic area served by a regional office of the Administration established under section 4(a).”.

(2) CONFORMING AMENDMENT.—Section 4(b)(3)(B)(x) of the Small Business Act (15 U.S.C. 633(b)(3)(B)(x)) is amended by striking “Administration district and region” and inserting “district and region of the Administration”.

SEC. 1203. OFFICE OF INTERNATIONAL TRADE.

(a) ESTABLISHMENT.—Section 22 of the Small Business Act (15 U.S.C. 649) is amended—

(1) by striking “SEC. 22. (a) There” and inserting the following:

“SEC. 22. OFFICE OF INTERNATIONAL TRADE.

“(a) ESTABLISHMENT.—

“(1) OFFICE.—There”; and

(2) in subsection (a)—

(A) in paragraph (1), as so designated, by striking the period and inserting “for the primary purposes of increasing—

“(A) the number of small business concerns that export; and

“(B) the volume of exports by small business concerns.”; and

(B) by adding at the end the following:

“(2) ASSOCIATE ADMINISTRATOR.—The head of the Office shall be the Associate Administrator for International Trade, who shall be responsible to the Administrator.”.

(b) AUTHORITY FOR ADDITIONAL ASSOCIATE ADMINISTRATOR.—Section 4(b)(1) of the Small Business Act (15 U.S.C. 633(b)(1)) is amended—

(1) in the fifth sentence, by striking “five Associate Administrators” and inserting “Associate Administrators”; and

(2) by adding at the end the following: “One such Associate Administrator shall be the Associate Administrator for International Trade, who shall be the head of the Office of International Trade established under section 22.”.

(c) DISCHARGE OF INTERNATIONAL TRADE RESPONSIBILITIES OF ADMINISTRATION.—Section 22 of the Small Business Act (15 U.S.C. 649) is amended by adding at the end the following:

“(h) DISCHARGE OF INTERNATIONAL TRADE RESPONSIBILITIES OF ADMINISTRATION.—The Administrator shall ensure that—

“(1) the responsibilities of the Administration regarding international trade are carried out by the Associate Administrator;

“(2) the Associate Administrator has sufficient resources to carry out such responsibilities; and

“(3) the Associate Administrator has direct supervision and control over—

“(A) the staff of the Office; and

“(B) any employee of the Administration whose principal duty station is an Export Assistance Center, or any successor entity.”.

(d) ROLE OF ASSOCIATE ADMINISTRATOR IN CARRYING OUT INTERNATIONAL TRADE POLICY.—Section 2(b)(1) of the Small Business Act (15 U.S.C. 631(b)(1)) is amended in the matter preceding subparagraph (A)—

(1) by inserting “the Administrator of” before “the Small Business Administration”; and

(2) by inserting “through the Associate Administrator for International Trade, and” before “in cooperation with”.

(e) **IMPLEMENTATION DATE.**—Not later than 90 days after the date of enactment of this Act, the Administrator of the Small Business Administration shall appoint an Associate Administrator for International Trade under section 22(a) of the Small Business Act (15 U.S.C. 649(a)), as added by this section.

SEC. 1204. DUTIES OF THE OFFICE OF INTERNATIONAL TRADE.

(a) **AMENDMENTS TO SECTION 22.**—Section 22 of the Small Business Act (15 U.S.C. 649) is amended—

(1) by striking subsection (b) and inserting the following:

“(b) **TRADE DISTRIBUTION NETWORK.**—The Associate Administrator, working in close cooperation with the Secretary of Commerce, the United States Trade Representative, the Secretary of Agriculture, the Secretary of State, the President of the Export-Import Bank of the United States, the President of the Overseas Private Investment Corporation, Director of the United States Trade and Development Agency, and other relevant Federal agencies, small business development centers engaged in export promotion efforts, Export Assistance Centers, regional and district offices of the Administration, the small business community, and relevant State and local export promotion programs, shall—

“(1) maintain a distribution network, using regional and district offices of the Administration, the small business development center network, networks of women’s business centers, the Service Corps of Retired Executives authorized by section 8(b)(1), and Export Assistance Centers, for programs relating to—

- “(A) trade promotion;
- “(B) trade finance;
- “(C) trade adjustment assistance;
- “(D) trade remedy assistance; and
- “(E) trade data collection;

“(2) aggressively market the programs described in paragraph (1) and disseminate information, including computerized marketing data, to small business concerns on exporting trends, market-specific growth, industry trends, and international prospects for exports;

“(3) promote export assistance programs through the district and regional offices of the Administration, the small business development center network, Export Assistance Centers, the network of women’s business centers, chapters of the Service Corps of Retired Executives, State and local export promotion programs, and partners in the private sector; and

“(4) give preference in hiring or approving the transfer of any employee into the Office or to a position described in subsection (c)(9) to otherwise qualified applicants who are fluent in a language in addition to English, to—

“(A) accompany small business concerns on foreign trade missions; and

“(B) translate documents, interpret conversations, and facilitate multilingual transactions, including by providing referral lists for translation services, if required.”;

(2) in subsection (c)—

(A) by striking “(c) The Office” and inserting the following:

“(c) **PROMOTION OF SALES OPPORTUNITIES.**—The Associate Administrator”;

(B) by redesignating paragraphs (1) through (8) as paragraphs (2) through (9), respectively;

(C) by inserting before paragraph (2), as so redesignated, the following:

“(1) establish annual goals for the Office relating to—

“(A) enhancing the exporting capability of small business concerns and small manufacturers;

“(B) facilitating technology transfers;

“(C) enhancing programs and services to assist small business concerns and small manufacturers to compete effectively and efficiently against foreign entities;

“(D) increasing the ability of small business concerns to access capital; and

“(E) disseminating information concerning Federal, State, and private programs and initiatives”;

(D) in paragraph (2), as so redesignated, by striking “mechanism for” and all that follows through “(D) assisting” and inserting the following: “mechanism for—

“(A) identifying subsectors of the small business community with strong export potential;

“(B) identifying areas of demand in foreign markets;

“(C) prescreening foreign buyers for commercial and credit purposes; and

“(D) assisting”;

(E) in paragraph (3), as so redesignated, by striking “assist small businesses in the formation and utilization of” and inserting “assist small business concerns in forming and using”;

(F) in paragraph (4), as so redesignated—

(i) by striking “local” and inserting “district”;

(ii) by striking “existing”;

(iii) by striking “Small Business Development Center network” and inserting “small business development center network”; and

(iv) by striking “Small Business Development Center Program” and inserting “small business development center program”;

(G) in paragraph (5), as so redesignated—

(i) in subparagraph (A), by striking “Gross State Produce” and inserting “Gross State Product”;

(ii) in subparagraph (B), by striking “SIC” each place it appears and inserting “North American Industry Classification System”; and

(iii) in subparagraph (C), by striking “small businesses” and inserting “small business concerns”;

(H) in paragraph (6), as so redesignated, by striking the period at the end and inserting a semicolon;

(I) in paragraph (7), as so redesignated—

(i) in the matter preceding subparagraph (A)—

(I) by inserting “concerns” after “small business”; and

(II) by striking “current” and inserting “up to date”;

(ii) in subparagraph (A), by striking “Administration’s regional offices” and inserting “regional and district offices of the Administration”;

(iii) in subparagraph (B) by striking “current”;

(iv) in subparagraph (C), by striking “current”; and

(v) by striking “small businesses” each place that term appears and inserting “small business concerns”;

(J) in paragraph (8), as so redesignated, by striking and at the end;

(K) in paragraph (9), as so redesignated—

(i) in the matter preceding subparagraph (A)—

(I) by striking “full-time export development specialists to each Administration regional office and assigning”; and

(II) by striking “person in each district office. Such specialists” and inserting “individual in each district office and providing each Administration regional office with a full-time export development specialist, who”;

(ii) in subparagraph (B)—

(I) by striking “current”; and

(II) by striking “with” and inserting “in”;

(iii) in subparagraph (D)—

(I) by striking “Administration personnel involved in granting” and inserting “personnel of the Administration involved in making”; and

(II) by striking “and” at the end;

(iv) in subparagraph (E)—

(I) by striking “small businesses’ needs” and inserting “the needs of small business concerns”; and

(II) by striking the period at the end and inserting a semicolon;

(v) by adding at the end the following:

“(F) participate, jointly with employees of the Office, in an annual training program that focuses on current small business needs for exporting; and

“(G) develop and conduct training programs for exporters and lenders, in cooperation with the Export Assistance Centers, the Department of Commerce, the Department of Agriculture, small business development centers, women’s business centers, the Export-Import Bank of the United States, the Overseas Private Investment Corporation, and other relevant Federal agencies;”;

(vi) by striking “small businesses” each place that term appears and inserting “small business concerns”; and

(L) by adding at the end the following:

“(10) make available on the website of the Administration the name and contact information of each individual described in paragraph (9);

“(11) carry out a nationwide marketing effort using technology, online resources, training, and other strategies to promote exporting as a business development opportunity for small business concerns;

“(12) disseminate information to the small business community through regional and district offices of the Administration, the small business development center network, Export Assistance Centers, the network of women’s business centers, chapters of the Service Corps of Retired Executives authorized by section 8(b)(1), State and local export promotion programs, and partners in the private sector regarding exporting trends, market-specific growth, industry trends, and prospects for exporting; and

“(13) establish and carry out training programs for the staff of the regional and district offices of the Administration and resource partners of the Administration on export promotion and providing assistance relating to exports.”;

(3) in subsection (d)—

(A) by redesignating paragraphs (1) through (5) as clauses (i) through (v), respectively, and adjusting the margins accordingly;

(B) by striking “(d) The Office” and inserting the following:

“(d) **EXPORT FINANCING PROGRAMS.**—

“(1) **IN GENERAL.**—The Associate Administrator”; and

(C) by striking “To accomplish this goal, the Office shall work” and inserting the following:

“(2) **TRADE FINANCE SPECIALIST.**—To accomplish the goal established under paragraph (1), the Associate Administrator shall—

“(A) designate at least 1 individual within the Administration as a trade finance specialist to oversee international loan programs and assist Administration employees with trade finance issues; and

“(B) work”;

(4) in subsection (e), by striking “(e) The Office” and inserting the following:

“(e) **TRADE REMEDIES.**—The Associate Administrator”;

(5) by amending subsection (f) to read as follows:

“(f) **REPORTING REQUIREMENT.**—The Associate Administrator shall submit an annual report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives that contains—

“(1) a description of the progress of the Office in implementing the requirements of this section;

“(2) a detailed account of the results of export growth activities of the Administration, including the activities of each district and regional office of the Administration, based on the performance measures described in subsection (i);

“(3) an estimate of the total number of jobs created or retained as a result of export assistance provided by the Administration and resource partners of the Administration;

“(4) for any travel by the staff of the Office, the destination of such travel and the benefits to the Administration and to small business concerns resulting from such travel; and

“(5) a description of the participation by the Office in trade negotiations.”;

(6) in subsection (g), by striking “(g) The Office” and inserting the following:

“(g) **STUDIES.**—The Associate Administrator”;

(7) by adding after subsection (h), as added by section 1203 of this subtitle, the following:

“(i) **EXPORT AND TRADE COUNSELING.**—

“(1) **DEFINITION.**—In this subsection—

“(A) the term ‘lead small business development center’ means a small business development center that has received a grant from the Administration; and

“(B) the term ‘lead women’s business center’ means a women’s business center that has received a grant from the Administration.

“(2) **CERTIFICATION PROGRAM.**—The Administrator shall establish an export and trade counseling certification program to certify employees of lead small business development centers and lead women’s business centers in providing export assistance to small business concerns.

“(3) **NUMBER OF CERTIFIED EMPLOYEES.**—The Administrator shall ensure that the number of employees of each lead small business development center who are certified in providing export assistance is not less than the lesser of—

“(A) 5; or

“(B) 10 percent of the total number of employees of the lead small business development center.

“(4) **REIMBURSEMENT FOR CERTIFICATION.**—

“(A) **IN GENERAL.**—Subject to the availability of appropriations, the Administrator shall reimburse a lead small business development center or a lead women’s business center for costs relating to the certification of an employee of the lead small business center or lead women’s business center in providing export assistance under the program established under paragraph (2).

“(B) **LIMITATION.**—The total amount reimbursed by the Administrator under subparagraph (A) may not exceed \$350,000 in any fiscal year.

“(j) **PERFORMANCE MEASURES.**—

“(1) **IN GENERAL.**—The Associate Administrator shall develop performance measures for the Administration to support export growth goals for the activities of the Office under this section that include—

“(A) the number of small business concerns that—

“(i) receive assistance from the Administration;

“(ii) had not exported goods or services before receiving the assistance described in clause (i); and

“(iii) export goods or services;

“(B) the number of small business concerns receiving assistance from the Administration that export goods or services to a market outside the United States into which the small business concern did not export before receiving the assistance;

“(C) export revenues by small business concerns assisted by programs of the Administration;

“(D) the number of small business concerns referred to an Export Assistance Center or a small business development center by the staff of the Office;

“(E) the number of small business concerns referred to the Administration by an Export Assistance Center or a small business development center; and

“(F) the number of small business concerns referred to the Department of Commerce, the Department of Agriculture, the Department of State, the Export-Import Bank of the United States, the Overseas Private Investment Corporation, or the United States Trade and Development Agency by the staff of the Office, an Export Assistance Center, or a small business development center.

“(2) **JOINT PERFORMANCE MEASURES.**—The Associate Administrator shall develop joint performance measures for the district offices of the Administration and the Export Assistance Centers that include the number of export loans made under—

“(A) section 7(a)(16);

“(B) the Export Working Capital Program established under section 7(a)(14);

“(C) the Preferred Lenders Program, as defined in section 7(a)(2)(C)(ii); and

“(D) the export express program established under section 7(a)(34).

“(3) **CONSISTENCY OF TRACKING.**—The Associate Administrator, in coordination with the departments and agencies that are represented on the Trade Promotion Coordinating Committee established under section 2312 of the Export Enhancement Act of 1988 (15 U.S.C. 4727) and the small business development center network, shall develop a system to track exports by small business concerns, including information relating to the performance measures developed under paragraph (1), that is consistent with systems used by the departments and agencies and the network.”.

(b) **REPORT.**—Not later than 60 days after the date of enactment of this Act, the Administrator shall submit a report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives on any travel by the staff of the Office of International Trade of the Administration, during the period beginning on October 1, 2004, and ending on the date of enactment of the Act, including the destination of such travel and the benefits to the Administration and to small business concerns resulting from such travel.

SEC. 1205. EXPORT ASSISTANCE CENTERS.

(a) **EXPORT ASSISTANCE CENTERS.**—Section 22 of the Small Business Act (15 U.S.C. 649),

as amended by this subtitle, is amended by adding at the end the following:

“(k) **EXPORT ASSISTANCE CENTERS.**—

“(1) **EXPORT FINANCE SPECIALISTS.**—

“(A) **MINIMUM NUMBER OF EXPORT FINANCE SPECIALISTS.**—On and after the date that is 90 days after the date of enactment of this subsection, the Administrator, in coordination with the Secretary of Commerce, shall ensure that the number of export finance specialists is not less than the number of such employees so assigned on January 1, 2003.

“(B) **EXPORT FINANCE SPECIALISTS ASSIGNED TO EACH REGION OF THE ADMINISTRATION.**—On and after the date that is 2 years after the date of enactment of this subsection, the Administrator, in coordination with the Secretary of Commerce, shall ensure that there are not fewer than 3 export finance specialists in each region of the Administration.

“(2) **PLACEMENT OF EXPORT FINANCE SPECIALISTS.**—

“(A) **PRIORITY.**—The Administrator shall give priority, to the maximum extent practicable, to placing employees of the Administration at any Export Assistance Center that—

“(i) had an Administration employee assigned to the Export Assistance Center before January 2003; and

“(ii) has not had an Administration employee assigned to the Export Assistance Center during the period beginning January 2003, and ending on the date of enactment of this subsection, either through retirement or reassignment.

“(B) **NEEDS OF EXPORTERS.**—The Administrator shall, to the maximum extent practicable, strategically assign Administration employees to Export Assistance Centers, based on the needs of exporters.

“(C) **RULE OF CONSTRUCTION.**—Nothing in this subsection may be construed to require the Administrator to reassign or remove an export finance specialist who is assigned to an Export Assistance Center on the date of enactment of this subsection.

“(3) **GOALS.**—The Associate Administrator shall work with the Department of Commerce, the Export-Import Bank of the United States, and the Overseas Private Investment Corporation to establish shared annual goals for the Export Assistance Centers.

“(4) **OVERSIGHT.**—The Associate Administrator shall designate an individual within the Administration to oversee all activities conducted by Administration employees assigned to Export Assistance Centers.

“(1) **DEFINITIONS.**—In this section—

“(1) the term ‘Associate Administrator’ means the Associate Administrator for International Trade described in subsection (a)(2);

“(2) the term ‘Export Assistance Center’ means a one-stop shop for United States exporters established by the United States and Foreign Commercial Service of the Department of Commerce pursuant to section 2301(b)(8) of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4721(b)(8));

“(3) the term ‘export finance specialist’ means a full-time equivalent employee of the Office assigned to an Export Assistance Center to carry out the duties described in subsection (e); and

“(4) the term ‘Office’ means the Office of International Trade established under subsection (a)(1).”.

(b) **STUDY AND REPORT ON FILLING GAPS IN HIGH-AND-LOW-EXPORT VOLUME AREAS.**—

(1) **STUDY AND REPORT.**—Not later than 6 months after the date of enactment of this Act, and every 2 years thereafter, the Administrator shall—

(A) conduct a study of—
 (i) the volume of exports for each State;
 (ii) the availability of export finance specialists in each State;
 (iii) the number of exporters in each State that are small business concerns;
 (iv) the percentage of exporters in each State that are small business concerns;
 (v) the change, if any, in the number of exporters that are small business concerns in each State—

(I) for the first study conducted under this subparagraph, during the 10-year period ending on the date of enactment of this Act; and
 (II) for each subsequent study, during the 10-year period ending on the date the study is commenced;

(vi) the total value of the exports in each State by small business concerns;

(vii) the percentage of the total volume of exports in each State that is attributable to small business concerns; and

(viii) the change, if any, in the percentage of the total volume of exports in each State that is attributable to small business concerns—

(I) for the first study conducted under this subparagraph, during the 10-year period ending on the date of enactment of this Act; and
 (II) for each subsequent study, during the 10-year period ending on the date the study is commenced; and

(B) submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report containing—
 (i) the results of the study under subparagraph (A);
 (ii) to the extent practicable, a recommendation regarding how to eliminate gaps between the supply of and demand for export finance specialists in the 15 States that have the greatest volume of exports, based upon the most recent data available from the Department of Commerce;

(iii) to the extent practicable, a recommendation regarding how to eliminate gaps between the supply of and demand for export finance specialists in the 15 States that have the lowest volume of exports, based upon the most recent data available from the Department of Commerce; and
 (iv) such additional information as the Administrator determines is appropriate.

(2) DEFINITION.—In this subsection, the term “export finance specialist” has the meaning given that term in section 22(l) of the Small Business Act, as added by this title.

(3) DEFINITION.—In this subsection, the term “export finance specialist” has the meaning given that term in section 22(l) of the Small Business Act, as added by this title.

(4) DEFINITION.—In this subsection, the term “export finance specialist” has the meaning given that term in section 22(l) of the Small Business Act, as added by this title.

SEC. 1206. INTERNATIONAL TRADE FINANCE PROGRAMS.

(a) LOAN LIMITS.—

(1) TOTAL AMOUNT OUTSTANDING.—Section 7(a)(3)(B) of the Small Business Act (15 U.S.C. 636(a)(3)(B)) is amended by striking “\$1,750,000, of which not more than \$1,250,000” and inserting “\$4,500,000 (or if the gross loan amount would exceed \$5,000,000, of which not more than \$4,000,000)”.

(2) PARTICIPATION.—Section 7(a)(2) of the Small Business Act (15 U.S.C. 636(a)(2)) is amended—

(A) in subparagraph (A), in the matter preceding clause (i), by striking “subparagraph (B)” and inserting “subparagraphs (B), (D), and (E)”;
 (B) in subparagraph (D), by striking “Notwithstanding subparagraph (A), in” and inserting “In”; and
 (C) by adding at the end the following:

“(E) PARTICIPATION IN INTERNATIONAL TRADE LOAN.—In an agreement to participate in a loan on a deferred basis under paragraph

(16), the participation by the Administration may not exceed 90 percent.”.

(b) WORKING CAPITAL.—Section 7(a)(16)(A) of the Small Business Act (15 U.S.C. 636(a)(16)(A)) is amended—

(1) in the matter preceding clause (i), by striking “in—” and inserting “—”;

(2) in clause (i)—

(A) by inserting “in” after “(i)”; and

(B) by striking “or” at the end;

(3) in clause (ii)—

(A) by inserting “in” after “(ii)”; and

(B) by striking the period at the end and inserting “, including any debt that qualifies for refinancing under any other provision of this subsection; or”; and
 (4) by adding at the end the following:

“(iii) by providing working capital.”.

(c) COLLATERAL.—Section 7(a)(16)(B) of the Small Business Act (15 U.S.C. 636(a)(16)(B)) is amended—

(1) by striking “Each loan” and inserting the following:

“(i) IN GENERAL.—Except as provided in clause (ii), each loan”; and

(2) by adding at the end the following:

“(ii) EXCEPTION.—A loan under this paragraph may be secured by a second lien position on the property or equipment financed by the loan or on other assets of the small business concern, if the Administrator determines the lien provides adequate assurance of the payment of the loan.”.

(d) EXPORT WORKING CAPITAL PROGRAM.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) in paragraph (2)(D), by striking “not exceed” and inserting “be”; and

(2) in paragraph (14)—

(A) by striking “(A) The Administration” and inserting the following: “EXPORT WORKING CAPITAL PROGRAM.—”

“(A) IN GENERAL.—The Administrator”;
 (B) by striking “(B) When considering” and inserting the following:

“(C) CONSIDERATIONS.—When considering”;
 (C) by striking “(C) The Administration” and inserting the following:

“(D) MARKETING.—The Administrator”; and
 (D) by inserting after subparagraph (A) the following:

“(B) TERMS.—

“(i) LOAN AMOUNT.—The Administrator may not guarantee a loan under this paragraph of more than \$5,000,000.

“(ii) FEES.—

“(I) IN GENERAL.—For a loan under this paragraph, the Administrator shall collect the fee assessed under paragraph (23) not more frequently than once each year.

“(II) UNTAPPED CREDIT.—The Administrator may not assess a fee on capital that is not accessed by the small business concern.”.

(e) PARTICIPATION IN PREFERRED LENDERS PROGRAM.—Section 7(a)(2)(C) of the Small Business Act (15 U.S.C. 636(a)(2)(C)) is amended—

(1) by redesignating clause (ii) as clause (iii); and

(2) by inserting after clause (i) the following:

“(ii) EXPORT-IMPORT BANK LENDERS.—Any lender that is participating in the Delegated Authority Lender Program of the Export-Import Bank of the United States (or any successor to the Program) shall be eligible to participate in the Preferred Lenders Program.”.

(f) EXPORT EXPRESS PROGRAM.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by adding at the end the following:

“(35) EXPORT EXPRESS PROGRAM.—

“(A) DEFINITIONS.—In this paragraph—

“(i) the term ‘export development activity’ includes—

“(I) obtaining a standby letter of credit when required as a bid bond, performance bond, or advance payment guarantee;

“(II) participation in a trade show that takes place outside the United States;

“(III) translation of product brochures or catalogues for use in markets outside the United States;

“(IV) obtaining a general line of credit for export purposes;

“(V) performing a service contract from buyers located outside the United States;

“(VI) obtaining transaction-specific financing associated with completing export orders;

“(VII) purchasing real estate or equipment to be used in the production of goods or services for export;

“(VIII) providing term loans or other financing to enable a small business concern, including an export trading company and an export management company, to develop a market outside the United States; and

“(IX) acquiring, constructing, renovating, modernizing, improving, or expanding a production facility or equipment to be used in the United States in the production of goods or services for export; and

“(ii) the term ‘express loan’ means a loan in which a lender uses to the maximum extent practicable the loan analyses, procedures, and documentation of the lender to provide expedited processing of the loan application.

“(B) AUTHORITY.—The Administrator may guarantee the timely payment of an express loan to a small business concern made for an export development activity.

“(C) LEVEL OF PARTICIPATION.—

“(i) MAXIMUM AMOUNT.—The maximum amount of an express loan guaranteed under this paragraph shall be \$500,000.

“(ii) PERCENTAGE.—For an express loan guaranteed under this paragraph, the Administrator shall guarantee—

“(I) 90 percent of a loan that is not more than \$350,000; and

“(II) 75 percent of a loan that is more than \$350,000 and not more than \$500,000.”.

(g) ANNUAL LISTING OF EXPORT FINANCE LENDERS.—Section 7(a)(16) of the Small Business Act (15 U.S.C. 636(a)(16)) is amended by adding at the end the following:

“(F) LIST OF EXPORT FINANCE LENDERS.—

“(i) PUBLICATION OF LIST REQUIRED.—The Administrator shall publish an annual list of the banks and participating lending institutions that, during the 1-year period ending on the date of publication of the list, have made loans guaranteed by the Administration under—

“(I) this paragraph;

“(II) paragraph (14); or

“(III) paragraph (34).

“(ii) AVAILABILITY OF LIST.—The Administrator shall—

“(I) post the list published under clause (i) on the website of the Administration; and

“(II) make the list published under clause (i) available, upon request, at each district office of the Administration.”.

(h) APPLICABILITY.—The amendments made by subsections (a) through (f) shall apply with respect to any loan made after the date of enactment of this Act.

“(35) EXPORT EXPRESS PROGRAM.—

“(A) DEFINITIONS.—In this paragraph—

“(i) the term ‘export development activity’ includes—

“(I) obtaining a standby letter of credit when required as a bid bond, performance bond, or advance payment guarantee;

“(II) participation in a trade show that takes place outside the United States;

“(III) translation of product brochures or catalogues for use in markets outside the United States;

“(IV) obtaining a general line of credit for export purposes;

“(V) performing a service contract from buyers located outside the United States;

“(VI) obtaining transaction-specific financing associated with completing export orders;

“(VII) purchasing real estate or equipment to be used in the production of goods or services for export;

“(VIII) providing term loans or other financing to enable a small business concern, including an export trading company and an export management company, to develop a market outside the United States; and

“(IX) acquiring, constructing, renovating, modernizing, improving, or expanding a production facility or equipment to be used in the United States in the production of goods or services for export; and

“(ii) the term ‘express loan’ means a loan in which a lender uses to the maximum extent practicable the loan analyses, procedures, and documentation of the lender to provide expedited processing of the loan application.

“(B) AUTHORITY.—The Administrator may guarantee the timely payment of an express loan to a small business concern made for an export development activity.

“(C) LEVEL OF PARTICIPATION.—

“(i) MAXIMUM AMOUNT.—The maximum amount of an express loan guaranteed under this paragraph shall be \$500,000.

“(ii) PERCENTAGE.—For an express loan guaranteed under this paragraph, the Administrator shall guarantee—

“(I) 90 percent of a loan that is not more than \$350,000; and

“(II) 75 percent of a loan that is more than \$350,000 and not more than \$500,000.”.

(g) ANNUAL LISTING OF EXPORT FINANCE LENDERS.—Section 7(a)(16) of the Small Business Act (15 U.S.C. 636(a)(16)) is amended by adding at the end the following:

“(F) LIST OF EXPORT FINANCE LENDERS.—

“(i) PUBLICATION OF LIST REQUIRED.—The Administrator shall publish an annual list of the banks and participating lending institutions that, during the 1-year period ending on the date of publication of the list, have made loans guaranteed by the Administration under—

“(I) this paragraph;

“(II) paragraph (14); or

“(III) paragraph (34).

“(ii) AVAILABILITY OF LIST.—The Administrator shall—

“(I) post the list published under clause (i) on the website of the Administration; and

“(II) make the list published under clause (i) available, upon request, at each district office of the Administration.”.

(h) APPLICABILITY.—The amendments made by subsections (a) through (f) shall apply with respect to any loan made after the date of enactment of this Act.

SEC. 1207. STATE TRADE AND EXPORT PROMOTION GRANT PROGRAM.

(a) DEFINITIONS.—In this section—

(1) the term “eligible small business concern” means a small business concern that—

(A) has been in business for not less than the 1-year period ending on the date on which assistance is provided using a grant under this section;

(B) is operating profitably, based on operations in the United States;

(C) has demonstrated understanding of the costs associated with exporting and doing business with foreign purchasers, including the costs of freight forwarding, customs brokers, packing and shipping, as determined by the Associate Administrator; and

(D) has in effect a strategic plan for exporting;

(2) the term "program" means the State Trade and Export Promotion Grant Program established under subsection (b);

(3) the term "small business concern owned and controlled by women" has the meaning given that term in section 3 of the Small Business Act (15 U.S.C. 632);

(4) the term "socially and economically disadvantaged small business concern" has the meaning given that term in section 8(a)(4)(A) of the Small Business Act (15 U.S.C. 6537(a)(4)(A)); and

(5) the term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

(b) **ESTABLISHMENT OF PROGRAM.**—The Associate Administrator shall establish a 3-year trade and export promotion pilot program to be known as the State Trade and Export Promotion Grant Program, to make grants to States to carry out export programs that assist eligible small business concerns in—

(1) participation in a foreign trade mission;

(2) a foreign market sales trip;

(3) a subscription to services provided by the Department of Commerce;

(4) the payment of website translation fees;

(5) the design of international marketing media;

(6) a trade show exhibition;

(7) participation in training workshops; or

(8) any other export initiative determined appropriate by the Associate Administrator.

(c) **GRANTS.**—

(1) **JOINT REVIEW.**—In carrying out the program, the Associate Administrator may make a grant to a State to increase the number of eligible small business concerns in the State that export or to increase the value of the exports by eligible small business concerns in the State.

(2) **CONSIDERATIONS.**—In making grants under this section, the Associate Administrator may give priority to an application by a State that proposes a program that—

(A) focuses on eligible small business concerns as part of an export promotion program;

(B) demonstrates success in promoting exports by—

(i) socially and economically disadvantaged small business concerns;

(ii) small business concerns owned or controlled by women; and

(iii) rural small business concerns;

(C) promotes exports from a State that is not 1 of the 10 States with the highest percentage of exporters that are small business concerns, based upon the latest data available from the Department of Commerce; and

(D) promotes new-to-market export opportunities to the People's Republic of China for eligible small business concerns in the United States.

(3) **LIMITATIONS.**—

(A) **SINGLE APPLICATION.**—A State may not submit more than 1 application for a grant under the program in any 1 fiscal year.

(B) **PROPORTION OF AMOUNTS.**—The total value of grants under the program made during a fiscal year to the 10 States with the highest number of exporters that are small business concerns, based upon the latest data available from the Department of Commerce, shall be not more than 40 percent of the amounts appropriated for the program for that fiscal year.

(4) **APPLICATION.**—A State desiring a grant under the program shall submit an application at such time, in such manner, and accompanied by such information as the Associate Administrator may establish.

(d) **COMPETITIVE BASIS.**—The Associate Administrator shall award grants under the program on a competitive basis.

(e) **FEDERAL SHARE.**—The Federal share of the cost of an export program carried out using a grant under the program shall be—

(1) for a State that has a high export volume, as determined by the Associate Administrator, not more than 65 percent; and

(2) for a State that does not have a high export volume, as determined by the Associate Administrator, not more than 75 percent.

(f) **NON-FEDERAL SHARE.**—The non-Federal share of the cost of an export program carried using a grant under the program shall be comprised of not less than 50 percent cash and not more than 50 percent of indirect costs and in-kind contributions, except that no such costs or contributions may be derived from funds from any other Federal program.

(g) **REPORTS.**—

(1) **INITIAL REPORT.**—Not later than 120 days after the date of enactment of this Act, the Associate Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report, which shall include—

(A) a description of the structure of and procedures for the program;

(B) a management plan for the program; and

(C) a description of the merit-based review process to be used in the program.

(2) **ANNUAL REPORTS.**—The Associate Administrator shall submit an annual report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives regarding the program, which shall include—

(A) the number and amount of grants made under the program during the preceding year;

(B) a list of the States receiving a grant under the program during the preceding year, including the activities being performed with grant; and

(C) the effect of each grant on exports by eligible small business concerns in the State receiving the grant.

(h) **REVIEWS BY INSPECTOR GENERAL.**—

(1) **IN GENERAL.**—The Inspector General of the Administration shall conduct a review of—

(A) the extent to which recipients of grants under the program are measuring the performance of the activities being conducted and the results of the measurements; and

(B) the overall management and effectiveness of the program.

(2) **REPORT.**—Not later than September 30, 2012, the Inspector General of the Administration shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding the review conducted under paragraph (1).

(i) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to carry out the program \$30,000,000 for each of fiscal years 2011, 2012, and 2013.

(j) **TERMINATION.**—The authority to carry out the program shall terminate 3 years after the date on which the Associate Administrator establishes the program.

SEC. 1208. RURAL EXPORT PROMOTION.

Not later than 6 months after the date of enactment of this Act, the Administrator, in consultation with the Secretary of Agriculture and the Secretary of Commerce, shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report that contains—

(1) a description of each program of the Administration that promotes exports by rural small business concerns, including—

(A) the number of rural small business concerns served by the program;

(B) the change, if any, in the number of rural small business concerns as a result of participation in the program during the 10-year period ending on the date of enactment of this Act;

(C) the volume of exports by rural small business concerns that participate in the program; and

(D) the change, if any, in the volume of exports by rural small businesses that participate in the program during the 10-year period ending on the date of enactment of this Act;

(2) a description of the coordination between programs of the Administration and other Federal programs that promote exports by rural small business concerns;

(3) recommendations, if any, for improving the coordination described in paragraph (2);

(4) a description of any plan by the Administration to market the international trade financing programs of the Administration through lenders that—

(A) serve rural small business concerns; and

(B) are associated with financing programs of the Department of Agriculture;

(5) recommendations, if any, for improving coordination between the counseling programs and export financing programs of the Administration, in order to increase the volume of exports by rural small business concerns; and

(6) any additional information the Administrator determines is necessary.

SEC. 1209. INTERNATIONAL TRADE COOPERATION BY SMALL BUSINESS DEVELOPMENT CENTERS.

Section 21(a) of the Small Business Act (15 U.S.C. 648(a)) is amended—

(1) by striking "(2) The Small Business Development Centers" and inserting the following:

"(2) **COOPERATION TO PROVIDE INTERNATIONAL TRADE SERVICES.**—

"(A) **INFORMATION AND SERVICES.**—The small business development centers"; and

(2) in paragraph (2)—

(A) in subparagraph (A), as so designated, by inserting "(including State trade agencies)," after "local agencies"; and

(B) by adding at the end the following:

"(B) **COOPERATION WITH STATE TRADE AGENCIES AND EXPORT ASSISTANCE CENTERS.**—A small business development center that counsels a small business concern on issues relating to international trade shall—

"(i) consult with State trade agencies and Export Assistance Centers to provide appropriate services to the small business concern; and

“(ii) as necessary, refer the small business concern to a State trade agency or an Export Assistance Center for further counseling or assistance.

“(C) DEFINITION.—In this paragraph, the term ‘Export Assistance Center’ has the same meaning as in section 22.”.

Subtitle C—Small Business Contracting
PART I—CONTRACT BUNDLING

SEC. 1311. SMALL BUSINESS ACT.

Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1202, is amended by adding at the end the following:

“(v) MULTIPLE AWARD CONTRACT.—In this Act, the term ‘multiple award contract’ means—

“(1) a multiple award task order contract or delivery order contract that is entered into under the authority of sections 303H through 303K of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253h through 253k); and

“(2) any other indefinite delivery, indefinite quantity contract that is entered into by the head of a Federal agency with 2 or more sources pursuant to the same solicitation.”.

SEC. 1312. LEADERSHIP AND OVERSIGHT.

(a) IN GENERAL.—Section 15 of the Small Business Act (15 U.S.C. 644) is amended by adding at the end the following:

“(q) BUNDLING ACCOUNTABILITY MEASURES.—

“(1) TEAMING REQUIREMENTS.—Each Federal agency shall include in each solicitation for any multiple award contract above the substantial bundling threshold of the Federal agency a provision soliciting bids from any responsible source, including responsible small business concerns and teams or joint ventures of small business concerns.

“(2) POLICIES ON REDUCTION OF CONTRACT BUNDLING.—

“(A) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, the Federal Acquisition Regulatory Council established under section 25(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 4219(a)) shall amend the Federal Acquisition Regulation issued under section 25 of such Act to—

“(i) establish a Government-wide policy regarding contract bundling, including regarding the solicitation of teaming and joint ventures under paragraph (1); and

“(ii) require that the policy established under clause (i) be published on the website of each Federal agency.

“(B) RATIONALE FOR CONTRACT BUNDLING.—Not later than 30 days after the date on which the head of a Federal agency submits data certifications to the Administrator for Federal Procurement Policy, the head of the Federal agency shall publish on the website of the Federal agency a list and rationale for any bundled contract for which the Federal agency solicited bids or that was awarded by the Federal agency.

“(3) REPORTING.—Not later than 90 days after the date of enactment of this subsection, and every 3 years thereafter, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding procurement center representatives and commercial market representatives, which shall—

“(A) identify each area for which the Administration has assigned a procurement center representative or a commercial market representative;

“(B) explain why the Administration selected the areas identified under subparagraph (A); and

“(C) describe the activities performed by procurement center representatives and commercial market representatives.”.

(b) TECHNICAL CORRECTION.—Section 15(g) of the Small Business Act (15 U.S.C. 644(g)) is amended by striking “Administrator of the Office of Federal Procurement Policy” each place it appears and inserting “Administrator for Federal Procurement Policy”.

(c) REPORT.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Comptroller General of the United States shall submit to Congress a report regarding the procurement center representative program of the Administration.

(2) CONTENTS.—The report submitted under paragraph (1) shall—

(A) address ways to improve the effectiveness of the procurement center representative program in helping small business concerns obtain Federal contracts;

(B) evaluate the effectiveness of procurement center representatives and commercial marketing representatives; and

(C) include recommendations, if any, on how to improve the procurement center representative program.

(d) ELECTRONIC PROCUREMENT CENTER REPRESENTATIVE.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Administrator shall implement a 3-year pilot electronic procurement center representative program.

(2) REPORT.—Not later than 30 days after the pilot program under paragraph (1) ends, the Comptroller General of the United States shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding the pilot program.

SEC. 1313. CONSOLIDATION OF CONTRACT REQUIREMENTS.

(a) IN GENERAL.—The Small Business Act (15 U.S.C. 631 et seq.) is amended—

(1) by redesignating section 44 as section 45; and

(2) by inserting after section 43 the following:

“SEC. 44. CONSOLIDATION OF CONTRACT REQUIREMENTS.

“(a) DEFINITIONS.—In this section—

“(1) the term ‘Chief Acquisition Officer’ means the employee of a Federal agency designated as the Chief Acquisition Officer for the Federal agency under section 16(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(a));

“(2) the term ‘consolidation of contract requirements’, with respect to contract requirements of a Federal agency, means a use of a solicitation to obtain offers for a single contract or a multiple award contract to satisfy 2 or more requirements of the Federal agency for goods or services that have been provided to or performed for the Federal agency under 2 or more separate contracts lower in cost than the total cost of the contract for which the offers are solicited; and

“(3) the term ‘senior procurement executive’ means an official designated under section 16(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(c)) as the senior procurement executive for a Federal agency.

“(b) POLICY.—The head of each Federal agency shall ensure that the decisions made by the Federal agency regarding consolidation of contract requirements of the Federal

agency are made with a view to providing small business concerns with appropriate opportunities to participate as prime contractors and subcontractors in the procurements of the Federal agency.

“(c) LIMITATION ON USE OF ACQUISITION STRATEGIES INVOLVING CONSOLIDATION.—

“(1) IN GENERAL.—Subject to paragraph (4), the head of a Federal agency may not carry out an acquisition strategy that includes a consolidation of contract requirements of the Federal agency with a total value of more than \$2,000,000, unless the senior procurement executive or Chief Acquisition Officer for the Federal agency, before carrying out the acquisition strategy—

“(A) conducts market research;

“(B) identifies any alternative contracting approaches that would involve a lesser degree of consolidation of contract requirements;

“(C) makes a written determination that the consolidation of contract requirements is necessary and justified;

“(D) identifies any negative impact by the acquisition strategy on contracting with small business concerns; and

“(E) certifies to the head of the Federal agency that steps will be taken to include small business concerns in the acquisition strategy.

“(2) DETERMINATION THAT CONSOLIDATION IS NECESSARY AND JUSTIFIED.—

“(A) IN GENERAL.—A senior procurement executive or Chief Acquisition Officer may determine that an acquisition strategy involving a consolidation of contract requirements is necessary and justified for the purposes of paragraph (1)(C) if the benefits of the acquisition strategy substantially exceed the benefits of each of the possible alternative contracting approaches identified under paragraph (1)(B).

“(B) SAVINGS IN ADMINISTRATIVE OR PERSONNEL COSTS.—For purposes of subparagraph (A), savings in administrative or personnel costs alone do not constitute a sufficient justification for a consolidation of contract requirements in a procurement unless the expected total amount of the cost savings, as determined by the senior procurement executive or Chief Acquisition Officer, is expected to be substantial in relation to the total cost of the procurement.

“(3) BENEFITS TO BE CONSIDERED.—The benefits considered for the purposes of paragraphs (1) and (2) may include cost and, regardless of whether quantifiable in dollar amounts—

“(A) quality;

“(B) acquisition cycle;

“(C) terms and conditions; and

“(D) any other benefit.

“(4) DEPARTMENT OF DEFENSE.—

“(A) IN GENERAL.—The Department of Defense and each military department shall comply with this section until after the date described in subparagraph (C).

“(B) RULE.—After the date described in subparagraph (C), contracting by the Department of Defense or a military department shall be conducted in accordance with section 2382 of title 10, United States Code.

“(C) DATE.—The date described in this subparagraph is the date on which the Administrator determines the Department of Defense or a military department is in compliance with the Government-wide contracting goals under section 15.”.

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 2382(b)(1) of title 10, United States Code, is amended by striking “An official” and inserting “Subject to section 44(c)(4), an official”.

SEC. 1314. SMALL BUSINESS TEAMS PILOT PROGRAM.

(a) **DEFINITIONS.**—In this section—

(1) the term “Pilot Program” means the Small Business Teaming Pilot Program established under subsection (b); and

(2) the term “eligible organization” means a well-established national organization for small business concerns with the capacity to provide assistance to small business concerns (which may be provided with the assistance of the Administrator) relating to—

(A) customer relations and outreach;

(B) team relations and outreach; and

(C) performance measurement and quality assurance.

(b) **ESTABLISHMENT.**—The Administrator shall establish a Small Business Teaming Pilot Program for teaming and joint ventures involving small business concerns.

(c) **GRANTS.**—Under the Pilot Program, the Administrator may make grants to eligible organizations to provide assistance and guidance to teams of small business concerns seeking to compete for larger procurement contracts.

(d) **CONTRACTING OPPORTUNITIES.**—The Administrator shall work with eligible organizations receiving a grant under the Pilot Program to recommend appropriate contracting opportunities for teams or joint ventures of small business concerns.

(e) **REPORT.**—Not later than 1 year before the date on which the authority to carry out the Pilot Program terminates under subsection (f), the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report on the effectiveness of the Pilot Program.

(f) **TERMINATION.**—The authority to carry out the Pilot Program shall terminate 5 years after the date of enactment of this Act.

(g) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated for grants under subsection (c) \$5,000,000 for each of fiscal years 2010 through 2015.

PART II—SUBCONTRACTING INTEGRITY**SEC. 1321. SUBCONTRACTING MISREPRESENTATIONS.**

Not later than 1 year after the date of enactment of this Act, the Administrator, in consultation with the Administrator for Federal Procurement Policy, shall promulgate regulations relating to, and the Federal Acquisition Regulatory Council established under section 25(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(a)) shall amend the Federal Acquisition Regulation issued under section 25 of such Act to establish a policy on, subcontracting compliance relating to small business concerns, including assignment of compliance responsibilities between contracting offices, small business offices, and program offices and periodic oversight and review activities.

SEC. 1322. SMALL BUSINESS SUBCONTRACTING IMPROVEMENTS.

Section 8(d)(6) of the Small Business Act (15 U.S.C. 637(d)(6)) is amended—

(1) in subparagraph (E), by striking “and” at the end;

(2) in subparagraph (F), by striking the period at the end and inserting “; and”; and

(3) by adding at the end, the following:

“(G) a representation that the offeror or bidder will—

“(i) make a good faith effort to acquire articles, equipment, supplies, services, or materials, or obtain the performance of construction work from the small business concerns used in preparing and submitting to

the contracting agency the bid or proposal, in the same amount and quality used in preparing and submitting the bid or proposal; and

“(ii) provide to the contracting officer a written explanation if the offeror or bidder fails to acquire articles, equipment, supplies, services, or materials or obtain the performance of construction work as described in clause (i).”.

PART III—ACQUISITION PROCESS**SEC. 1331. RESERVATION OF PRIME CONTRACT AWARDS FOR SMALL BUSINESSES.**

Section 15 of the Small Business Act (15 U.S.C. 644), as amended by this Act, is amended by adding at the end the following:

“(r) **MULTIPLE AWARD CONTRACTS.**—Not later than 1 year after the date of enactment of this subsection, the Administrator for Federal Procurement Policy and the Administrator, in consultation with the Administrator of General Services, shall, by regulation, establish guidance under which Federal agencies may, at their discretion—

“(1) set aside part or parts of a multiple award contract for small business concerns, including the subcategories of small business concerns identified in subsection (g)(2);

“(2) notwithstanding the fair opportunity requirements under section 2304c(b) of title 10, United States Code, and section 303J(b) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253j(b)), set aside orders placed against multiple award contracts for small business concerns, including the subcategories of small business concerns identified in subsection (g)(2); and

“(3) reserve 1 or more contract awards for small business concerns under full and open multiple award procurements, including the subcategories of small business concerns identified in subsection (g)(2).”.

SEC. 1332. MICRO-PURCHASE GUIDELINES.

Not later than 1 year after the date of enactment of this Act, the Director of the Office of Management and Budget, in coordination with the Administrator of General Services, shall issue guidelines regarding the analysis of purchase card expenditures to identify opportunities for achieving and accurately measuring fair participation of small business concerns in purchases in an amount not in excess of the micro-purchase threshold, as defined in section 32 of the Office of Federal Procurement Policy Act (41 U.S.C. 428) (in this section referred to as “micro-purchases”), consistent with the national policy on small business participation in Federal procurements set forth in sections 2(a) and 15(g) of the Small Business Act (15 U.S.C. 631(a) and 644(g)), and dissemination of best practices for participation of small business concerns in micro-purchases.

SEC. 1333. AGENCY ACCOUNTABILITY.

Section 15(g)(2) of the Small Business Act (15 U.S.C. 644(g)(2)) is amended—

(1) by inserting “(A)” after “(2)”;

(2) by striking “Goals established” and inserting the following:

“(B) Goals established”;

(3) by striking “Whenever” and inserting the following:

“(C) Whenever”;

(4) by striking “For the purpose of” and inserting the following:

“(D) For the purpose of”;

(5) by striking “The head of each Federal agency, in attempting to attain such participation” and inserting the following:

“(E) The head of each Federal agency, in attempting to attain the participation described in subparagraph (D)”;

(6) in subparagraph (E), as so designated—

(A) by striking “(A) contracts” and inserting “(i) contracts”; and

(B) by striking “(B) contracts” and inserting “(ii) contracts”; and

(7) by adding at the end the following:

“(F)(i) Each procurement employee or program manager described in clause (ii) shall communicate to the subordinates of the procurement employee or program manager the importance of achieving small business goals.

“(ii) A procurement employee or program manager described in this clause is a senior procurement executive, senior program manager, or Director of Small and Disadvantaged Business Utilization of a Federal agency having contracting authority.”.

SEC. 1334. PAYMENT OF SUBCONTRACTORS.

Section 8(d) of the Small Business Act (15 U.S.C. 637(d)) is amended by adding at the end the following:

“(12) **PAYMENT OF SUBCONTRACTORS.**—

“(A) **DEFINITION.**—In this paragraph, the term ‘covered contract’ means a contract relating to which a prime contractor is required to develop a subcontracting plan under paragraph (4) or (5).

“(B) **NOTICE.**—

“(i) **IN GENERAL.**—A prime contractor for a covered contract shall notify in writing the contracting officer for the covered contract if the prime contractor pays a reduced price to a subcontractor for goods and services upon completion of the responsibilities of the subcontractor or the payment to a subcontractor is more than 90 days past due for goods or services provided for the covered contract for which the Federal agency has paid the prime contractor.

“(ii) **CONTENTS.**—A prime contractor shall include the reason for the reduction in a payment to or failure to pay a subcontractor in any notice made under clause (i).

“(C) **PERFORMANCE.**—A contracting officer for a covered contract shall consider the unjustified failure by a prime contractor to make a full or timely payment to a subcontractor in evaluating the performance of the prime contractor.

“(D) **CONTROL OF FUNDS.**—If the contracting officer for a covered contract determines that a prime contractor has a history of unjustified, untimely payments to contractors, the contracting officer shall record the identity of the contractor in accordance with the regulations promulgated under subparagraph (E).

“(E) **REGULATIONS.**—Not later than 1 year after the date of enactment of this paragraph, the Federal Acquisition Regulatory Council established under section 25(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(a)) shall amend the Federal Acquisition Regulation issued under section 25 of such Act to—

“(i) describe the circumstances under which a contractor may be determined to have a history of unjustified, untimely payments to subcontractors;

“(ii) establish a process for contracting officers to record the identity of a contractor described in clause (i); and

“(iii) require the identity of a contractor described in clause (i) to be incorporated in, and made publicly available through, the Federal Awardee Performance and Integrity Information System, or any successor thereto.”.

SEC. 1335. REPEAL OF SMALL BUSINESS COMPETITIVENESS DEMONSTRATION PROGRAM.

(a) **IN GENERAL.**—The Business Opportunity Development Reform Act of 1988 (Public Law 100-656) is amended by striking title VII (15 U.S.C. 644 note).

(b) EFFECTIVE DATE AND APPLICABILITY.—The amendment made by this section—

(1) shall take effect on the date of enactment of this Act; and

(2) apply to the first full fiscal year after the date of enactment of this Act.

PART IV—SMALL BUSINESS SIZE AND STATUS INTEGRITY

SEC. 1341. POLICY AND PRESUMPTIONS.

Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1311, is amended by adding at the end the following:

“(w) PRESUMPTION.—

“(1) IN GENERAL.—In every contract, subcontract, cooperative agreement, cooperative research and development agreement, or grant which is set aside, reserved, or otherwise classified as intended for award to small business concerns, there shall be a presumption of loss to the United States based on the total amount expended on the contract, subcontract, cooperative agreement, cooperative research and development agreement, or grant whenever it is established that a business concern other than a small business concern willfully sought and received the award by misrepresentation.

“(2) DEEMED CERTIFICATIONS.—The following actions shall be deemed affirmative, willful, and intentional certifications of small business size and status:

“(A) Submission of a bid or proposal for a Federal grant, contract, subcontract, cooperative agreement, or cooperative research and development agreement reserved, set aside, or otherwise classified as intended for award to small business concerns.

“(B) Submission of a bid or proposal for a Federal grant, contract, subcontract, cooperative agreement, or cooperative research and development agreement which in any way encourages a Federal agency to classify the bid or proposal, if awarded, as an award to a small business concern.

“(C) Registration on any Federal electronic database for the purpose of being considered for award of a Federal grant, contract, subcontract, cooperative agreement, or cooperative research agreement, as a small business concern.

“(3) CERTIFICATION BY SIGNATURE OF RESPONSIBLE OFFICIAL.—

“(A) IN GENERAL.—Each solicitation, bid, or application for a Federal contract, subcontract, or grant shall contain a certification concerning the small business size and status of a business concern seeking the Federal contract, subcontract, or grant.

“(B) CONTENT OF CERTIFICATIONS.—A certification that a business concern qualifies as a small business concern of the exact size and status claimed by the business concern for purposes of bidding on a Federal contract or subcontract, or applying for a Federal grant, shall contain the signature of an authorized official on the same page on which the certification is contained.

“(4) REGULATIONS.—The Administrator shall promulgate regulations to provide adequate protections to individuals and business concerns from liability under this subsection in cases of unintentional errors, technical malfunctions, and other similar situations.”.

SEC. 1342. ANNUAL CERTIFICATION.

Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1341, is amended by adding at the end the following:

“(x) ANNUAL CERTIFICATION.—

“(1) IN GENERAL.—Each business certified as a small business concern under this Act shall annually certify its small business size and, if appropriate, its small business status, by means of a confirming entry on the Online Representations and Certifications Ap-

plication database of the Administration, or any successor thereto.

“(2) REGULATIONS.—Not later than 1 year after the date of enactment of this subsection, the Administrator, in consultation with the Inspector General and the Chief Counsel for Advocacy of the Administration, shall promulgate regulations to ensure that—

“(A) no business concern continues to be certified as a small business concern on the Online Representations and Certifications Application database of the Administration, or any successor thereto, without fulfilling the requirements for annual certification under this subsection; and

“(B) the requirements of this subsection are implemented in a manner presenting the least possible regulatory burden on small business concerns.”.

SEC. 1343. TRAINING FOR CONTRACTING AND ENFORCEMENT PERSONNEL.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Federal Acquisition Institute, in consultation with the Administrator for Federal Procurement Policy, the Defense Acquisition University, and the Administrator, shall develop courses for acquisition personnel concerning proper classification of business concerns and small business size and status for purposes of Federal contracts, subcontracts, grants, cooperative agreements, and cooperative research and development agreements.

(b) POLICY ON PROSECUTIONS OF SMALL BUSINESS SIZE AND STATUS FRAUD.—Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1342, is amended by adding at the end the following:

“(y) POLICY ON PROSECUTIONS OF SMALL BUSINESS SIZE AND STATUS FRAUD.—Not later than 1 year after the date of enactment of this subsection, the Administrator, in consultation with the Attorney General, shall issue a Government-wide policy on prosecution of small business size and status fraud, which shall direct Federal agencies to appropriately publicize the policy.”.

SEC. 1344. UPDATED SIZE STANDARDS.

(a) ROLLING REVIEW.—

(1) IN GENERAL.—The Administrator shall—

(A) during the 18-month period beginning on the date of enactment of this Act, and during every 18-month period thereafter, conduct a detailed review of not less than 1/3 of the size standards for small business concerns established under section 3(a)(2) of the Small Business Act (15 U.S.C. 632(a)(2)), which shall include holding not less than 2 public forums located in different geographic regions of the United States;

(B) after completing each review under subparagraph (A) make appropriate adjustments to the size standards established under section 3(a)(2) of the Small Business Act to reflect market conditions;

(C) make publicly available—

(i) information regarding the factors evaluated as part of each review conducted under subparagraph (A); and

(ii) information regarding the criteria used for any revised size standards promulgated under subparagraph (B); and

(D) not later than 30 days after the date on which the Administrator completes each review under subparagraph (A), submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives and make publicly available a report regarding the review, including why the Administrator—

(i) used the factors and criteria described in subparagraph (C); and

(ii) adjusted or did not adjust each size standard that was reviewed under the review.

(2) COMPLETE REVIEW OF SIZE STANDARDS.—The Administrator shall ensure that each size standard for small business concerns established under section 3(a)(2) of the Small Business Act (15 U.S.C. 632(a)(2)) is reviewed under paragraph (1) not less frequently than once every 5 years.

(b) RULES.—Not later than 1 year after the date of enactment of this Act, the Administrator shall promulgate rules for conducting the reviews required under subsection (a).

SEC. 1345. STUDY AND REPORT ON THE MENTOR-PROTEGE PROGRAM.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study of the mentor-protégé program of the Administration for small business concerns participating in programs under section 8(a) of the Small Business Act (15 U.S.C. 637(a)), and other relationships and strategic alliances pairing a larger business and a small business concern partner to gain access to Federal Government contracts, to determine whether the programs and relationships are effectively supporting the goal of increasing the participation of small business concerns in Government contracting.

(b) MATTERS TO BE STUDIED.—The study conducted under this section shall include—

(1) a review of a broad cross-section of industries; and

(2) an evaluation of—

(A) how each Federal agency carrying out a program described in subsection (a) administers and monitors the program;

(B) whether there are systems in place to ensure that the mentor-protégé relationship, or similar affiliation, promotes real gain to the protégé, and is not just a mechanism to enable participants that would not otherwise qualify under section 8(a) of the Small Business Act (15 U.S.C. 637(a)) to receive contracts under that section; and

(C) the degree to which protégé businesses become able to compete for Federal contracts without the assistance of a mentor.

(c) REPORT TO CONGRESS.—Not later than 180 days after the date of enactment of this Act, the Comptroller General shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report on the results of the study conducted under this section.

SEC. 1346. CONTRACTING GOALS REPORTS.

Section 15(h)(2) of the Small Business Act (15 U.S.C. 644(h)(2)) is amended by striking “submit them” and all that follows through “the following:” and inserting “submit to the President and the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives the compilation and analysis, which shall include the following:”.

SEC. 1347. SMALL BUSINESS CONTRACTING PARITY.

(a) DEFINITIONS.—In this section—

(1) the terms “Administration” and “Administrator” mean the Small Business Administration and the Administrator thereof, respectively; and

(2) the terms “HUBZone small business concern”, “small business concern”, “small business concern owned and controlled by service-disabled veterans”, and “small business concern owned and controlled by women” have the same meanings as in section 3 of the Small Business Act (15 U.S.C. 632).

(b) CONTRACTING IMPROVEMENTS.—

(1) **CONTRACTING OPPORTUNITIES.**—Section 31(b)(2)(B) of the Small Business Act (15 U.S.C. 657a(b)(2)(B)) is amended by striking “shall” and inserting “may”.

(2) **CONTRACTING GOALS.**—Section 15(g)(1) of the Small Business Act (15 U.S.C. 644(g)(1)) is amended in the fourth sentence by inserting “and subcontract” after “not less than 3 percent of the total value of all prime contract”.

(3) **MENTOR-PROTEGE PROGRAMS.**—The Administrator may establish mentor-protége programs for small business concerns owned and controlled by service-disabled veterans, small business concerns owned and controlled by women, and HUBZone small business concerns modeled on the mentor-protége program of the Administration for small business concerns participating in programs under section 8(a) of the Small Business Act (15 U.S.C. 637(a)).

(c) **SMALL BUSINESS CONTRACTING PROGRAMS PARITY.**—Section 31(b)(2) of the Small Business Act (15 U.S.C. 657a(b)(2)) is amended—

(1) in the matter preceding subparagraph (A), by striking “Notwithstanding any other provision of law—”;

(2) in subparagraph (A)—

(A) in the matter preceding clause (i), by striking “a contracting” and inserting “SOLE SOURCE CONTRACTS.—A contracting”; and

(B) in clause (iii), by striking the semicolon at the end and inserting a period;

(3) in subparagraph (B)—

(A) by striking “a contract opportunity shall” and inserting “RESTRICTED COMPETITION.—A contract opportunity may”; and

(B) by striking “; and” and inserting a period; and

(4) in subparagraph (C), by striking “not later” and inserting “APPEALS.—Not later”.

Subtitle D—Small Business Management and Counseling Assistance

SEC. 1401. MATCHING REQUIREMENTS UNDER SMALL BUSINESS PROGRAMS.

(a) **MICROLOAN PROGRAM.**—Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) is amended—

(1) in paragraph (3)(B)—

(A) by striking “As a condition” and inserting the following:

“(i) **IN GENERAL.**—Subject to clause (ii), as a condition”;

(B) by striking “the Administration” and inserting “the Administrator”; and

(C) by adding at the end the following:

“(ii) **WAIVER OF NON-FEDERAL SHARE.**—

“(I) **IN GENERAL.**—Upon request by an intermediary, and in accordance with this clause, the Administrator may waive, in whole or in part, the requirement to obtain non-Federal funds under clause (i) for a fiscal year. The Administrator may waive the requirement to obtain non-Federal funds under this clause for successive fiscal years.

“(II) **CONSIDERATIONS.**—In determining whether to waive the requirement to obtain non-Federal funds under this clause, the Administrator shall consider—

“(aa) the economic conditions affecting the intermediary;

“(bb) the impact a waiver under this clause would have on the credibility of the microloan program under this subsection;

“(cc) the demonstrated ability of the intermediary to raise non-Federal funds; and

“(dd) the performance of the intermediary.

“(III) **LIMITATIONS.**—

“(aa) **IN GENERAL.**—The Administrator may not waive the requirement to obtain non-Federal funds under this clause if granting the waiver would undermine the credibility

of the microloan program under this subsection.

“(bb) **SUNSET.**—The Administrator may not waive the requirement to obtain non-Federal funds under this clause for fiscal year 2013 or any fiscal year thereafter.”; and

(2) in paragraph (4)(B)—

(A) by striking “As a condition” and all that follows through “the Administration shall require” and inserting the following:

“(i) **IN GENERAL.**—Subject to clause (ii), as a condition of a grant made under subparagraph (A), the Administrator shall require”; and

(B) by adding at the end the following:

“(ii) **WAIVER OF NON-FEDERAL SHARE.**—

“(I) **IN GENERAL.**—Upon request by an intermediary, and in accordance with this clause, the Administrator may waive, in whole or in part, the requirement to obtain non-Federal funds under clause (i) for a fiscal year. The Administrator may waive the requirement to obtain non-Federal funds under this clause for successive fiscal years.

“(II) **CONSIDERATIONS.**—In determining whether to waive the requirement to obtain non-Federal funds under this clause, the Administrator shall consider—

“(aa) the economic conditions affecting the intermediary;

“(bb) the impact a waiver under this clause would have on the credibility of the microloan program under this subsection;

“(cc) the demonstrated ability of the intermediary to raise non-Federal funds; and

“(dd) the performance of the intermediary.

“(III) **LIMITATIONS.**—

“(aa) **IN GENERAL.**—The Administrator may not waive the requirement to obtain non-Federal funds under this clause if granting the waiver would undermine the credibility of the microloan program under this subsection.

“(bb) **SUNSET.**—The Administrator may not waive the requirement to obtain non-Federal funds under this clause for fiscal year 2013 or any fiscal year thereafter.”.

(b) **WOMEN'S BUSINESS CENTER PROGRAM.**—Section 29(c) of the Small Business Act (15 U.S.C. 656(c)) is amended—

(1) in paragraph (1), by striking “As a condition” and inserting “Subject to paragraph (5), as a condition”; and

(2) by adding at the end the following:

“(5) **WAIVER OF NON-FEDERAL SHARE RELATING TO TECHNICAL ASSISTANCE AND COUNSELING.**—

“(A) **IN GENERAL.**—Upon request by a recipient organization, and in accordance with this paragraph, the Administrator may waive, in whole or in part, the requirement to obtain non-Federal funds under this subsection for the technical assistance and counseling activities of the recipient organization carried out using financial assistance under this section for a fiscal year. The Administrator may waive the requirement to obtain non-Federal funds under this paragraph for successive fiscal years.

“(B) **CONSIDERATIONS.**—In determining whether to waive the requirement to obtain non-Federal funds under this paragraph, the Administrator shall consider—

“(i) the economic conditions affecting the recipient organization;

“(ii) the impact a waiver under this clause would have on the credibility of the women's business center program under this section;

“(iii) the demonstrated ability of the recipient organization to raise non-Federal funds; and

“(iv) the performance of the recipient organization.

“(C) **LIMITATIONS.**—

“(i) **IN GENERAL.**—The Administrator may not waive the requirement to obtain non-Federal funds under this paragraph if granting the waiver would undermine the credibility of the women's business center program under this section.

“(ii) **SUNSET.**—The Administrator may not waive the requirement to obtain non-Federal funds under this paragraph for fiscal year 2013 or any fiscal year thereafter.”.

(c) **PROSPECTIVE REPEALS.**—Effective October 1, 2012, the Small Business Act (15 U.S.C. 631 et seq.) is amended—

(1) in section 7(m) (15 U.S.C. 636(m))—

(A) in paragraph (3)(B)—

(i) by striking “INTERMEDIARY CONTRIBUTION.—” and all that follows through “Subject to clause (ii), as” and inserting “INTERMEDIARY CONTRIBUTION.—As”; and

(ii) by striking clause (ii); and

(B) in paragraph (4)(B)—

(i) by striking “CONTRIBUTION.—” and all that follows through “Subject to clause (ii), as” and inserting “CONTRIBUTION.—As”; and

(ii) by striking clause (ii); and

(2) in section 29(c) (15 U.S.C. 656(c))—

(A) in paragraph (1), by striking “Subject to paragraph (5), as” and inserting “As”; and

(B) by striking paragraph (5).

SEC. 1402. GRANTS FOR SBDCS.

(a) **IN GENERAL.**—The Administrator may make grants to small business development centers under section 21 of the Small Business Act (15 U.S.C. 648) to provide targeted technical assistance to small business concerns seeking access to capital or credit, Federal procurement opportunities, energy efficiency audits to reduce energy bills, opportunities to export products or provide services to foreign customers, adopting, making innovations in, and using broadband technologies, or other assistance.

(b) **ALLOCATION.**—

(1) **IN GENERAL.**—Subject to paragraph (2), and notwithstanding the requirements of section 21(a)(4)(C)(iii) of the Small Business Act (15 U.S.C. 648(a)(4)(C)(iii)), the amount appropriated to carry out this section shall be allocated under the formula under section 21(a)(4)(C)(i) of that Act.

(2) **MINIMUM FUNDING.**—The amount made available under this section to each State shall be not less than \$325,000.

(3) **TYPES OF USES.**—Of the total amount of the grants awarded by the Administrator under this section—

(A) not less than 80 percent shall be used for counseling of small business concerns; and

(B) not more than 20 percent may be used for classes or seminars.

(c) **NO NON-FEDERAL SHARE REQUIRED.**—Notwithstanding section 21(a)(4)(A) of the Small Business Act (15 U.S.C. 648(a)(4)(A)), the recipient of a grant made under this section shall not be required to provide non-Federal matching funds.

(d) **DISTRIBUTION.**—Not later than 30 days after the date on which amounts are appropriated to carry out this section, the Administrator shall disburse the total amount appropriated.

(e) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to the Administrator \$50,000,000 to carry out this section.

Subtitle E—Disaster Loan Improvement

SEC. 1501. AQUACULTURE BUSINESS DISASTER ASSISTANCE.

Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1343, is amended by adding at the end the following:

“(z) AQUACULTURE BUSINESS DISASTER ASSISTANCE.—Subject to section 18(a) and notwithstanding section 18(b)(1), the Administrator may provide disaster assistance under section 7(b)(2) to aquaculture enterprises that are small businesses.”.

Subtitle F—Small Business Regulatory Relief
SEC. 1601. REQUIREMENTS PROVIDING FOR MORE DETAILED ANALYSES.

Section 604(a) of title 5, United States Code, is amended—

(1) in paragraph (1), by striking “succinct”;

(2) in paragraph (2), by striking “summary” each place it appears and inserting “statement”;

(3) by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively; and

(4) by inserting after paragraph (2) the following:

“(3) the response of the agency to any comments filed by the Chief Counsel for Advocacy of the Small Business Administration in response to the proposed rule, and a detailed statement of any change made to the proposed rule in the final rule as a result of the comments.”.

SEC. 1602. OFFICE OF ADVOCACY.

(a) IN GENERAL.—Section 203 of Public Law 94-305 (15 U.S.C. 634c) is amended—

(1) in paragraph (4), by striking “and” at the end;

(2) in paragraph (5), by striking the period and inserting “; and”; and

(3) by adding at the end the following:

“(6) carry out the responsibilities of the Office of Advocacy under chapter 6 of title 5, United States Code.”.

(b) BUDGETARY LINE ITEM AND AUTHORIZATION OF APPROPRIATIONS.—Title II of Public Law 94-305 (15 U.S.C. 634a et seq.) is amended by striking section 207 and inserting the following:

“SEC. 207. BUDGETARY LINE ITEM AND AUTHORIZATION OF APPROPRIATIONS.

“(a) APPROPRIATION REQUESTS.—Each budget of the United States Government submitted by the President under section 1105 of title 31, United States Code, shall include a separate statement of the amount of appropriations requested for the Office of Advocacy of the Small Business Administration, which shall be designated in a separate account in the General Fund of the Treasury.

“(b) ADMINISTRATIVE OPERATIONS.—The Administrator of the Small Business Administration shall provide the Office of Advocacy with appropriate and adequate office space at central and field office locations, together with such equipment, operating budget, and communications facilities and services as may be necessary, and shall provide necessary maintenance services for such offices and the equipment and facilities located in such offices.

“(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this title. Any amount appropriated under this subsection shall remain available, without fiscal year limitation, until expended.”.

Subtitle G—Appropriations Provisions

SEC. 1701. SALARIES AND EXPENSES.

(a) APPROPRIATION.—There is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2010, \$150,000,000, to remain available until September 30, 2012, for an additional amount for the appropriations account appropriated under the heading “SALARIES AND EXPENSES” under the heading “SMALL BUSINESS ADMINISTRATION”, of which—

(1) \$50,000,000 is for grants to small business development centers authorized under section 1402;

(2) \$1,000,000 is for the costs of administering grants authorized under section 1402;

(3) \$30,000,000 is for grants to States for fiscal year 2011 to carry out export programs that assist small business concerns authorized under section 1207;

(4) \$30,000,000 is for grants to States for fiscal year 2012 to carry out export programs that assist small business concerns authorized under section 1207;

(5) \$2,500,000 is for the costs of administering grants authorized under section 1207;

(6) \$5,000,000 is for grants for fiscal year 2011 under the Small Business Teaming Pilot Program under section 1314; and

(7) \$5,000,000 is for grants for fiscal year 2012 under the Small Business Teaming Pilot Program under section 1314.

(b) REPORT.—Not later than 60 days after the date of enactment of this Act, the Administrator shall submit to the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives a detailed expenditure plan for using the funds provided under subsection (a).

SEC. 1702. BUSINESS LOANS PROGRAM ACCOUNT.

(a) IN GENERAL.—There is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2010, for an additional amount for the appropriations account appropriated under the heading “BUSINESS LOANS PROGRAM ACCOUNT” under the heading “SMALL BUSINESS ADMINISTRATION”—

(1) \$8,000,000, to remain available until September 30, 2012, for fiscal year 2011 for the cost of direct loans authorized under section 7(l) of the Small Business Act, as added by section 1131 of this title, including the cost of modifying the loans;

(2) \$8,000,000, to remain available until September 30, 2012, for fiscal year 2012 for the cost of direct loans authorized under section 7(l) of the Small Business Act, as added by section 1131 of this title, including the cost of modifying the loans;

(3) \$6,500,000, to remain available until September 30, 2012, for administrative expenses to carry out the direct loan program authorized under section 7(l) of the Small Business Act, as added by section 1131 of this title, which may be transferred to and merged with the appropriations account appropriated under the heading “SALARIES AND EXPENSES” under the heading “SMALL BUSINESS ADMINISTRATION”; and

(4) \$15,000,000, to remain available until September 30, 2011, for the cost of guaranteed loans as authorized under section 7(a) of the Small Business Act, including the cost of modifying the loans.

(b) DEFINITION.—In this section, the term “cost” has the meaning given that term in section 502 of the Congressional Budget Act of 1974.

SEC. 1703. COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT.

There is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2010, for an additional amount for the appropriations account appropriated under the heading “COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT” under the heading “DEPARTMENT OF THE TREASURY”, \$13,500,000, to remain available until September 30, 2012, for the costs of administering guarantees for bonds and notes as authorized under section 114A of the Riegle

Community Development and Regulatory Improvement Act of 1994, as added by section 1134 of this Act.

TITLE II—TAX PROVISIONS

SEC. 2001. SHORT TITLE.

This title may be cited as the “Creating Small Business Jobs Act of 2010”.

Subtitle A—Small Business Relief

PART I—PROVIDING ACCESS TO CAPITAL

SEC. 2011. TEMPORARY EXCLUSION OF 100 PERCENT OF GAIN ON CERTAIN SMALL BUSINESS STOCK.

(a) IN GENERAL.—Subsection (a) of section 1202 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(4) 100 PERCENT EXCLUSION FOR STOCK ACQUIRED DURING CERTAIN PERIODS IN 2010.—In the case of qualified small business stock acquired after the date of the enactment of the Creating Small Business Jobs Act of 2010 and before January 1, 2011—

“(A) paragraph (1) shall be applied by substituting ‘100 percent’ for ‘50 percent’;

“(B) paragraph (2) shall not apply; and

“(C) paragraph (7) of section 57(a) shall not apply.”.

(b) CONFORMING AMENDMENT.—Paragraph (3) of section 1202(a) of the Internal Revenue Code of 1986 is amended—

(1) by inserting “CERTAIN PERIODS IN” before “2010” in the heading; and

(2) by striking “before January 1, 2011” and inserting “on or before the date of the enactment of the Creating Small Business Jobs Act of 2010”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to stock acquired after the date of the enactment of this Act.

SEC. 2012. GENERAL BUSINESS CREDITS OF ELIGIBLE SMALL BUSINESSES FOR 2010 CARRIED BACK 5 YEARS.

(a) IN GENERAL.—Section 39(a) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(4) 5-YEAR CARRYBACK FOR ELIGIBLE SMALL BUSINESS CREDITS.—

“(A) IN GENERAL.—Notwithstanding subsection (d), in the case of eligible small business credits determined in the first taxable year of the taxpayer beginning in 2010—

“(i) paragraph (1) shall be applied by substituting ‘each of the 5 taxable years’ for ‘the taxable year’ in subparagraph (A) thereof; and

“(ii) paragraph (2) shall be applied—

“(I) by substituting ‘25 taxable years’ for ‘21 taxable years’ in subparagraph (A) thereof; and

“(II) by substituting ‘24 taxable years’ for ‘20 taxable years’ in subparagraph (B) thereof.

“(B) ELIGIBLE SMALL BUSINESS CREDITS.—For purposes of this subsection, the term ‘eligible small business credits’ has the meaning given such term by section 38(c)(5)(B).”.

(b) CONFORMING AMENDMENT.—Section 39(a)(3)(A) of the Internal Revenue Code of 1986 is amended by inserting “or the eligible small business credits” after “credit”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to credits determined in taxable years beginning after December 31, 2009.

SEC. 2013. GENERAL BUSINESS CREDITS OF ELIGIBLE SMALL BUSINESSES IN 2010 NOT SUBJECT TO ALTERNATIVE MINIMUM TAX.

(a) IN GENERAL.—Section 38(c) of the Internal Revenue Code of 1986 is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

“(5) SPECIAL RULES FOR ELIGIBLE SMALL BUSINESS CREDITS IN 2010.—

“(A) IN GENERAL.—In the case of eligible small business credits determined in taxable years beginning in 2010—

“(i) this section and section 39 shall be applied separately with respect to such credits, and

“(ii) in applying paragraph (1) to such credits—

“(I) the tentative minimum tax shall be treated as being zero, and

“(II) the limitation under paragraph (1) (as modified by subclause (I)) shall be reduced by the credit allowed under subsection (a) for the taxable year (other than the eligible small business credits).

“(B) ELIGIBLE SMALL BUSINESS CREDITS.—For purposes of this subsection, the term ‘eligible small business credits’ means the sum of the credits listed in subsection (b) which are determined for the taxable year with respect to an eligible small business. Such credits shall not be taken into account under paragraph (2), (3), or (4).

“(C) ELIGIBLE SMALL BUSINESS.—For purposes of this subsection, the term ‘eligible small business’ means, with respect to any taxable year—

“(i) a corporation the stock of which is not publicly traded,

“(ii) a partnership, or

“(iii) a sole proprietorship,

if the average annual gross receipts of such corporation, partnership, or sole proprietorship for the 3-taxable-year period preceding such taxable year does not exceed \$50,000,000. For purposes of applying the test under the preceding sentence, rules similar to the rules of paragraphs (2) and (3) of section 448(c) shall apply.”

(b) TECHNICAL AMENDMENT.—Section 55(e)(5) of the Internal Revenue Code of 1986 is amended by striking “38(c)(3)(B)” and inserting “38(c)(4)(B)”.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to credits determined in taxable years beginning after December 31, 2009, and to carrybacks of such credits.

SEC. 2014. TEMPORARY REDUCTION IN RECOGNITION PERIOD FOR BUILT-IN GAINS TAX.

(a) IN GENERAL.—Subparagraph (B) of section 1374(d)(7) of the Internal Revenue Code of 1986 is amended to read as follows:

“(B) SPECIAL RULES FOR 2009, 2010, AND 2011.—No tax shall be imposed on the net recognized built-in gain of an S corporation—

“(i) in the case of any taxable year beginning in 2009 or 2010, if the 7th taxable year in the recognition period preceded such taxable year, or

“(ii) in the case of any taxable year beginning in 2011, if the 5th year in the recognition period preceded such taxable year.

The preceding sentence shall be applied separately with respect to any asset to which paragraph (8) applies.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2010.

PART II—ENCOURAGING INVESTMENT

SEC. 2021. INCREASED EXPENSING LIMITATIONS FOR 2010 AND 2011; CERTAIN REAL PROPERTY TREATED AS SECTION 179 PROPERTY.

(a) INCREASED LIMITATIONS.—Subsection (b) of section 179 of the Internal Revenue Code of 1986 is amended—

(1) by striking “shall not exceed” and all that follows in paragraph (1) and inserting “shall not exceed—

“(A) \$250,000 in the case of taxable years beginning after 2007 and before 2010,

“(B) \$500,000 in the case of taxable years beginning in 2010 or 2011, and

“(C) \$25,000 in the case of taxable years beginning after 2011.”, and

(2) by striking “exceeds” and all that follows in paragraph (2) and inserting “exceeds—

“(A) \$800,000 in the case of taxable years beginning after 2007 and before 2010,

“(B) \$2,000,000 in the case of taxable years beginning in 2010 or 2011, and

“(C) \$200,000 in the case of taxable years beginning after 2011.”.

(b) INCLUSION OF CERTAIN REAL PROPERTY.—Section 179 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(f) SPECIAL RULES FOR QUALIFIED REAL PROPERTY.—

“(1) IN GENERAL.—If a taxpayer elects the application of this subsection for any taxable year beginning in 2010 or 2011, the term ‘section 179 property’ shall include any qualified real property which is—

“(A) of a character subject to an allowance for depreciation,

“(B) acquired by purchase for use in the active conduct of a trade or business, and

“(C) not described in the last sentence of subsection (d)(1).

“(2) QUALIFIED REAL PROPERTY.—For purposes of this subsection, the term ‘qualified real property’ means—

“(A) a qualified leasehold improvement property described in section 168(e)(6),

“(B) qualified restaurant property described in section 168(e)(7) (without regard to the dates specified in subparagraph (A)(i) thereof), and

“(C) qualified retail improvement property described in section 168(e)(8) (without regard to subparagraph (E) thereof).

“(3) LIMITATION.—For purposes of applying the limitation under subsection (b)(1)(B), not more than \$250,000 of the aggregate cost which is taken into account under subsection (a) for any taxable year may be attributable to qualified real property.

“(4) CARRYOVER LIMITATION.—

“(A) IN GENERAL.—Notwithstanding subsection (b)(3)(B), no amount attributable to qualified real property may be carried over to a taxable year beginning after 2011.

“(B) TREATMENT OF DISALLOWED AMOUNTS.—Except as provided in subparagraph (C), to the extent that any amount is not allowed to be carried over to a taxable year beginning after 2011 by reason of subparagraph (A), this title shall be applied as if no election under this section had been made with respect to such amount.

“(C) AMOUNTS CARRIED OVER FROM 2010.—If subparagraph (B) applies to any amount (or portion of an amount) which is carried over from a taxable year other than the taxpayer’s last taxable year beginning in 2011, such amount (or portion of an amount) shall be treated for purposes of this title as attributable to property placed in service on the first day of the taxpayer’s last taxable year beginning in 2011.

“(D) ALLOCATION OF AMOUNTS.—For purposes of applying this paragraph and subsection (b)(3)(B) to any taxable year, the amount which is disallowed under subsection (b)(3)(A) for such taxable year which is attributable to qualified real property shall be the amount which bears the same ratio to the total amount so disallowed as—

“(i) the aggregate amount attributable to qualified real property placed in service during such taxable year, increased by the portion of any amount carried over to such taxable year from a prior taxable year which is attributable to such property, bears to

“(ii) the total amount of section 179 property placed in service during such taxable year, increased by the aggregate amount carried over to such taxable year from any prior taxable year.

For purposes of the preceding sentence, only section 179 property with respect to which an election was made under subsection (c)(1) (determined without regard to subparagraph (B) of this paragraph) shall be taken into account.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2009, in taxable years beginning after such date.

SEC. 2022. ADDITIONAL FIRST-YEAR DEPRECIATION FOR 50 PERCENT OF THE BASIS OF CERTAIN QUALIFIED PROPERTY.

(a) IN GENERAL.—Paragraph (2) of section 168(k) of the Internal Revenue Code of 1986 is amended—

(1) by striking “January 1, 2011” in subparagraph (A)(iv) and inserting “January 1, 2012”, and

(2) by striking “January 1, 2010” each place it appears and inserting “January 1, 2011”.

(b) CONFORMING AMENDMENTS.—

(1) The heading for subsection (k) of section 168 of the Internal Revenue Code of 1986 is amended by striking “JANUARY 1, 2010” and inserting “JANUARY 1, 2011”.

(2) The heading for clause (ii) of section 168(k)(2)(B) of such Code is amended by striking “PRE-JANUARY 1, 2010” and inserting “PRE-JANUARY 1, 2011”.

(3) Subparagraph (D) of section 168(k)(4) of such Code is amended by striking “and” at the end of clause (ii), by striking the period at the end of clause (iii) and inserting a comma, and by adding at the end the following new clauses:

“(iv) ‘January 1, 2011’ shall be substituted for ‘January 1, 2012’ in subparagraph (A)(iv) thereof, and

“(v) ‘January 1, 2010’ shall be substituted for ‘January 1, 2011’ each place it appears in subparagraph (A) thereof.”.

(4) Subparagraph (B) of section 168(l)(5) of such Code is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(5) Subparagraph (C) of section 168(n)(2) of such Code is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(6) Subparagraph (D) of section 1400L(b)(2) of such Code is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(7) Subparagraph (B) of section 1400N(d)(3) of such Code is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2009, in taxable years beginning after such date.

PART III—PROMOTING ENTREPRENEURSHIP

SEC. 2031. INCREASE IN AMOUNT ALLOWED AS DEDUCTION FOR START-UP EXPENDITURES IN 2010.

(a) START-UP EXPENDITURES.—Subsection (b) of section 195 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(3) SPECIAL RULE FOR TAXABLE YEARS BEGINNING IN 2010.—In the case of a taxable year beginning in 2010, paragraph (1)(A)(ii) shall be applied—

“(A) by substituting ‘\$10,000’ for ‘\$5,000’, and

“(B) by substituting ‘\$60,000’ for ‘\$50,000’.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2009.

SEC. 2032. AUTHORIZATION OF APPROPRIATIONS FOR THE UNITED STATES TRADE REPRESENTATIVE TO DEVELOP MARKET ACCESS OPPORTUNITIES FOR UNITED STATES SMALL- AND MEDIUM-SIZED BUSINESSES AND TO ENFORCE TRADE AGREEMENTS.

(a) IN GENERAL.—There are authorized to be appropriated to the Office of the United States Trade Representative \$5,230,000, to remain available until expended, for—

(1) analyzing and developing opportunities for businesses in the United States to access the markets of foreign countries; and

(2) enforcing trade agreements to which the United States is a party.

(b) REQUIREMENTS.—In obligating and expending the funds authorized to be appropriated under subsection (a), the United States Trade Representative shall—

(1) give preference to those initiatives that the United States Trade Representative determines will create or sustain the greatest number of jobs in the United States or result in the greatest benefit to the economy of the United States; and

(2) consider the needs of small- and medium-sized businesses in the United States with respect to—

(A) accessing the markets of foreign countries; and

(B) the enforcement of trade agreements to which the United States is a party.

PART IV—PROMOTING SMALL BUSINESS FAIRNESS

SEC. 2041. LIMITATION ON PENALTY FOR FAILURE TO DISCLOSE REPORTABLE TRANSACTIONS BASED ON RESULTING TAX BENEFITS.

(a) IN GENERAL.—Subsection (b) of section 6707A of the Internal Revenue Code of 1986 is amended to read as follows:

“(b) AMOUNT OF PENALTY.—

“(1) IN GENERAL.—Except as otherwise provided in this subsection, the amount of the penalty under subsection (a) with respect to any reportable transaction shall be 75 percent of the decrease in tax shown on the return as a result of such transaction (or which would have resulted from such transaction if such transaction were respected for Federal tax purposes).

“(2) MAXIMUM PENALTY.—The amount of the penalty under subsection (a) with respect to any reportable transaction shall not exceed—

“(A) in the case of a listed transaction, \$200,000 (\$100,000 in the case of a natural person), or

“(B) in the case of any other reportable transaction, \$50,000 (\$10,000 in the case of a natural person).

“(3) MINIMUM PENALTY.—The amount of the penalty under subsection (a) with respect to any transaction shall not be less than \$10,000 (\$5,000 in the case of a natural person).”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to penalties assessed after December 31, 2006.

SEC. 2042. DEDUCTION FOR HEALTH INSURANCE COSTS IN COMPUTING SELF-EMPLOYMENT TAXES IN 2010.

(a) IN GENERAL.—Paragraph (4) of section 162(l) of the Internal Revenue Code of 1986 is amended by inserting “for taxable years beginning before January 1, 2010, or after December 31, 2010” before the period.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

Subtitle B—Revenue Provisions

PART I—REDUCING THE TAX GAP

SEC. 2101. INFORMATION REPORTING FOR RENTAL PROPERTY EXPENSE PAYMENTS.

(a) IN GENERAL.—Section 6041 of the Internal Revenue Code of 1986, as amended by sec-

tion 9006 of the Patient Protection and Affordable Care Act, is amended by redesignating subsections (h) and (i) as subsections (i) and (j), respectively, and by inserting after subsection (g) the following new subsection:

“(h) TREATMENT OF RENTAL PROPERTY EXPENSE PAYMENTS.—

“(1) IN GENERAL.—Solely for purposes of subsection (a) and except as provided in paragraph (2), a person receiving rental income from real estate shall be considered to be engaged in a trade or business of renting property.

“(2) EXCEPTIONS.—Paragraph (1) shall not apply to—

“(A) any individual, including any individual who is an active member of the uniformed services or an employee of the intelligence community (as defined in section 121(d)(9)(C)(iv)), if substantially all rental income is derived from renting the principal residence (within the meaning of section 121) of such individual on a temporary basis,

“(B) any individual who receives rental income of not more than the minimal amount, as determined under regulations prescribed by the Secretary, and

“(C) any other individual for whom the requirements of this section would cause hardship, as determined under regulations prescribed by the Secretary.”

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to payments made after December 31, 2010.

SEC. 2102. INCREASE IN INFORMATION RETURN PENALTIES.

(a) FAILURE TO FILE CORRECT INFORMATION RETURNS.—

(1) IN GENERAL.—Subsections (a)(1), (b)(1)(A), and (b)(2)(A) of section 6721 of the Internal Revenue Code of 1986 are each amended by striking “\$50” and inserting “\$100”.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (a)(1), (d)(1)(A), and (e)(3)(A) of section 6721 of such Code are each amended by striking “\$250,000” and inserting “\$1,500,000”.

(b) REDUCTION WHERE CORRECTION WITHIN 30 DAYS.—

(1) IN GENERAL.—Subparagraph (A) of section 6721(b)(1) of the Internal Revenue Code of 1986 is amended by striking “\$15” and inserting “\$30”.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (b)(1)(B) and (d)(1)(B) of section 6721 of such Code are each amended by striking “\$75,000” and inserting “\$250,000”.

(c) REDUCTION WHERE CORRECTION ON OR BEFORE AUGUST 1.—

(1) IN GENERAL.—Subparagraph (A) of section 6721(b)(2) of the Internal Revenue Code of 1986 is amended by striking “\$30” and inserting “\$60”.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (b)(2)(B) and (d)(1)(C) of section 6721 of such Code are each amended by striking “\$150,000” and inserting “\$500,000”.

(d) AGGREGATE ANNUAL LIMITATIONS FOR PERSONS WITH GROSS RECEIPTS OF NOT MORE THAN \$5,000,000.—

(1) IN GENERAL.—Paragraph (1) of section 6721(d) of the Internal Revenue Code of 1986 is amended—

(A) by striking “\$100,000” in subparagraph (A) and inserting “\$500,000”,

(B) by striking “\$25,000” in subparagraph (B) and inserting “\$75,000”, and

(C) by striking “\$50,000” in subparagraph (C) and inserting “\$200,000”.

(2) TECHNICAL AMENDMENT.—Paragraph (1) of section 6721(d) of such Code is amended by striking “such taxable year” and inserting “such calendar year”.

(e) PENALTY IN CASE OF INTENTIONAL DISREGARD.—Paragraph (2) of section 6721(e) of the Internal Revenue Code of 1986 is amended by striking “\$100” and inserting “\$250”.

(f) ADJUSTMENT FOR INFLATION.—Section 6721 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(f) ADJUSTMENT FOR INFLATION.—

“(1) IN GENERAL.—For each fifth calendar year beginning after 2012, each of the dollar amounts under subsections (a), (b), (d) (other than paragraph (2)(A) thereof), and (e) shall be increased by such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) determined by substituting ‘calendar year 2011’ for ‘calendar year 1992’ in subparagraph (B) thereof.

“(2) ROUNDING.—If any amount adjusted under paragraph (1)—

“(A) is not less than \$75,000 and is not a multiple of \$500, such amount shall be rounded to the next lowest multiple of \$500, and

“(B) is not described in subparagraph (A) and is not a multiple of \$10, such amount shall be rounded to the next lowest multiple of \$10.”

(g) FAILURE TO FURNISH CORRECT PAYEE STATEMENTS.—Section 6722 of the Internal Revenue Code of 1986 is amended to read as follows:

“SEC. 6722. FAILURE TO FURNISH CORRECT PAYEE STATEMENTS.

“(a) IMPOSITION OF PENALTY.—

“(1) GENERAL RULE.—In the case of each failure described in paragraph (2) by any person with respect to a payee statement, such person shall pay a penalty of \$100 for each statement with respect to which such a failure occurs, but the total amount imposed on such person for all such failures during any calendar year shall not exceed \$1,500,000.

“(2) FAILURES SUBJECT TO PENALTY.—For purposes of paragraph (1), the failures described in this paragraph are—

“(A) any failure to furnish a payee statement on or before the date prescribed therefor to the person to whom such statement is required to be furnished, and

“(B) any failure to include all of the information required to be shown on a payee statement or the inclusion of incorrect information.

“(b) REDUCTION WHERE CORRECTION IN SPECIFIED PERIOD.—

“(1) CORRECTION WITHIN 30 DAYS.—If any failure described in subsection (a)(2) is corrected on or before the day 30 days after the required filing date—

“(A) the penalty imposed by subsection (a) shall be \$30 in lieu of \$100, and

“(B) the total amount imposed on the person for all such failures during any calendar year which are so corrected shall not exceed \$250,000.

“(2) FAILURES CORRECTED ON OR BEFORE AUGUST 1.—If any failure described in subsection (a)(2) is corrected after the 30th day referred to in paragraph (1) but on or before August 1 of the calendar year in which the required filing date occurs—

“(A) the penalty imposed by subsection (a) shall be \$60 in lieu of \$100, and

“(B) the total amount imposed on the person for all such failures during the calendar year which are so corrected shall not exceed \$500,000.

“(c) EXCEPTION FOR DE MINIMIS FAILURES.—

“(1) IN GENERAL.—If—

“(A) a payee statement is furnished to the person to whom such statement is required to be furnished,

“(B) there is a failure described in subsection (a)(2)(B) (determined after the application of section 6724(a)) with respect to such statement, and

“(C) such failure is corrected on or before August 1 of the calendar year in which the required filing date occurs,

for purposes of this section, such statement shall be treated as having been furnished with all of the correct required information.

“(2) LIMITATION.—The number of payee statements to which paragraph (1) applies for any calendar year shall not exceed the greater of—

“(A) 10, or

“(B) one-half of 1 percent of the total number of payee statements required to be filed by the person during the calendar year.

“(d) LOWER LIMITATIONS FOR PERSONS WITH GROSS RECEIPTS OF NOT MORE THAN \$5,000,000.—

“(1) IN GENERAL.—If any person meets the gross receipts test of paragraph (2) with respect to any calendar year, with respect to failures during such calendar year—

“(A) subsection (a)(1) shall be applied by substituting ‘\$500,000’ for ‘\$1,500,000’,

“(B) subsection (b)(1)(B) shall be applied by substituting ‘\$75,000’ for ‘\$250,000’, and

“(C) subsection (b)(2)(B) shall be applied by substituting ‘\$200,000’ for ‘\$500,000’.

“(2) GROSS RECEIPTS TEST.—A person meets the gross receipts test of this paragraph if such person meets the gross receipts test of section 6721(d)(2).

“(e) PENALTY IN CASE OF INTENTIONAL DISREGARD.—If 1 or more failures to which subsection (a) applies are due to intentional disregard of the requirement to furnish a payee statement (or the correct information reporting requirement), then, with respect to each such failure—

“(1) subsections (b), (c), and (d) shall not apply,

“(2) the penalty imposed under subsection (a)(1) shall be \$250, or, if greater—

“(A) in the case of a payee statement other than a statement required under section 6045(b), 6041A(e) (in respect of a return required under section 6041A(b)), 6050H(d), 6050J(e), 6050K(b), or 6050L(c), 10 percent of the aggregate amount of the items required to be reported correctly, or

“(B) in the case of a payee statement required under section 6045(b), 6050K(b), or 6050L(c), 5 percent of the aggregate amount of the items required to be reported correctly, and

“(3) in the case of any penalty determined under paragraph (2)—

“(A) the \$1,500,000 limitation under subsection (a) shall not apply, and

“(B) such penalty shall not be taken into account in applying such limitation to penalties not determined under paragraph (2).

“(f) ADJUSTMENT FOR INFLATION.—

“(1) IN GENERAL.—For each fifth calendar year beginning after 2012, each of the dollar amounts under subsections (a), (b), (d)(1), and (e) shall be increased by such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) determined by substituting ‘calendar year 2011’ for ‘calendar year 1992’ in subparagraph (B) thereof.

“(2) ROUNDING.—If any amount adjusted under paragraph (1)—

“(A) is not less than \$75,000 and is not a multiple of \$500, such amount shall be rounded to the next lowest multiple of \$500, and

“(B) is not described in subparagraph (A) and is not a multiple of \$10, such amount shall be rounded to the next lowest multiple of \$10.”.

(h) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to information returns required to be filed on or after January 1, 2011.

SEC. 2103. REPORT ON TAX SHELTER PENALTIES AND CERTAIN OTHER ENFORCEMENT ACTIONS.

(a) IN GENERAL.—The Commissioner of Internal Revenue, in consultation with the Secretary of the Treasury, shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate an annual report on the penalties assessed by the Internal Revenue Service during the preceding year under each of the following provisions of the Internal Revenue Code of 1986:

(1) Section 6662A (relating to accuracy-related penalty on understatements with respect to reportable transactions).

(2) Section 6700(a) (relating to promoting abusive tax shelters).

(3) Section 6707 (relating to failure to furnish information regarding reportable transactions).

(4) Section 6707A (relating to failure to include reportable transaction information with return).

(5) Section 6708 (relating to failure to maintain lists of advisees with respect to reportable transactions).

(b) ADDITIONAL INFORMATION.—The report required under subsection (a) shall also include information on the following with respect to each year:

(1) Any action taken under section 330(b) of title 31, United States Code, with respect to any reportable transaction (as defined in section 6707A(c) of the Internal Revenue Code of 1986).

(2) Any extension of the time for assessment of tax enforced, or assessment of any amount under such an extension, under paragraph (10) of section 6501(c) of the Internal Revenue Code of 1986.

(c) DATE OF REPORT.—The first report required under subsection (a) shall be submitted not later than December 31, 2010.

SEC. 2104. APPLICATION OF LEVY TO PAYMENTS TO FEDERAL VENDORS RELATING TO PROPERTY.

(a) IN GENERAL.—Section 6331(h)(3) of the Internal Revenue Code of 1986 is amended by striking “goods or services” and inserting “property, goods, or services”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to levies issued after the date of the enactment of this Act.

SEC. 2105. APPLICATION OF CONTINUOUS LEVY TO TAX LIABILITIES OF CERTAIN FEDERAL CONTRACTORS.

(a) IN GENERAL.—Subsection (f) of section 6330 of the Internal Revenue Code of 1986 is amended by striking “or” at the end of paragraph (2), by inserting “or” at the end of paragraph (3), and by inserting after paragraph (3) the following new paragraph:

“(4) the Secretary has served a Federal contractor levy.”.

(b) FEDERAL CONTRACTOR LEVY.—Subsection (h) of section 6330 of the Internal Revenue Code of 1986 is amended—

(1) by striking all that precedes “any levy in connection with the collection” and inserting the following:

“(h) DEFINITIONS RELATED TO EXCEPTIONS.—For purposes of subsection (f)—

“(1) DISQUALIFIED EMPLOYMENT TAX LEVY.—A disqualified employment tax levy is”; and

(2) by adding at the end the following new paragraph:

“(2) FEDERAL CONTRACTOR LEVY.—A Federal contractor levy is any levy if the person

whose property is subject to the levy (or any predecessor thereof) is a Federal contractor.”.

(c) CONFORMING AMENDMENT.—The heading of subsection (f) of section 6330 of the Internal Revenue Code of 1986 is amended by striking “JEOPARDY AND STATE REFUND COLLECTION” and inserting “EXCEPTIONS”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to levies issued after the date of the enactment of this Act.

SEC. 2106. APPLICATION OF BAD CHECKS PENALTY TO ELECTRONIC PAYMENTS.

(a) IN GENERAL.—Section 6657 of the Internal Revenue Code of 1986 is amended—

(1) by striking “If any check or money order in payment of any amount” and inserting “If any instrument in payment, by any commercially acceptable means, of any amount”, and

(2) by striking “such check” each place it appears and inserting “such instrument”.

(b) EFFECTIVE DATES.—The amendments made by this section shall apply to instruments tendered after the date of the enactment of this Act.

PART II—PROMOTING RETIREMENT PREPARATION

SEC. 2111. PARTICIPANTS IN GOVERNMENT SECTION 457 PLANS ALLOWED TO TREAT ELECTIVE DEFERRALS AS ROTH CONTRIBUTIONS.

(a) IN GENERAL.—Section 402A(e)(1) of the Internal Revenue Code of 1986 is amended by striking “and” at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting “, and”, and by adding at the end the following:

“(C) an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).”.

(b) ELECTIVE DEFERRALS.—Section 402A(e)(2) of the Internal Revenue Code of 1986 is amended to read as follows:

“(2) ELECTIVE DEFERRAL.—The term ‘elective deferral’ means—

“(A) any elective deferral described in subparagraph (A) or (C) of section 402(g)(3), and

“(B) any elective deferral of compensation by an individual under an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2010.

SEC. 2112. ROLLOVERS FROM ELECTIVE DEFERRAL PLANS TO DESIGNATED ROTH ACCOUNTS.

(a) IN GENERAL.—Section 402A(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(4) TAXABLE ROLLOVERS TO DESIGNATED ROTH ACCOUNTS.—

“(A) IN GENERAL.—Notwithstanding sections 402(c), 403(b)(8), and 457(e)(16), in the case of any distribution to which this paragraph applies—

“(i) there shall be included in gross income any amount which would be includible were it not part of a qualified rollover contribution,

“(ii) section 72(t) shall not apply, and

“(iii) unless the taxpayer elects not to have this clause apply, any amount required to be included in gross income for any taxable year beginning in 2010 by reason of this paragraph shall be so included ratably over the 2-taxable-year period beginning with the first taxable year beginning in 2011.

Any election under clause (iii) for any distributions during a taxable year may not be

changed after the due date for such taxable year.

“(B) DISTRIBUTIONS TO WHICH PARAGRAPH APPLIES.—In the case of an applicable retirement plan which includes a qualified Roth contribution program, this paragraph shall apply to a distribution from such plan other than from a designated Roth account which is contributed in a qualified rollover contribution (within the meaning of section 408A(e)) to the designated Roth account maintained under such plan for the benefit of the individual to whom the distribution is made.

“(C) COORDINATION WITH LIMIT.—Any distribution to which this paragraph applies shall not be taken into account for purposes of paragraph (1).

“(D) OTHER RULES.—The rules of subparagraphs (D), (E), and (F) of section 408A(d)(3) (as in effect for taxable years beginning after 2009) shall apply for purposes of this paragraph.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after the date of the enactment of this Act.

PART III—CLOSING UNINTENDED LOOPHOLES

SEC. 2121. CRUDE TALL OIL INELIGIBLE FOR CELLULOSIC BIOFUEL PRODUCER CREDIT.

(a) IN GENERAL.—Clause (iii) of section 40(b)(6)(E) of the Internal Revenue Code of 1986, as added by the Health Care and Education Reconciliation Act of 2010, is amended—

(1) by striking “or” at the end of subclause (I),

(2) by striking the period at the end of subclause (II) and inserting “, or”,

(3) by adding at the end the following new subclause:

“(III) such fuel has an acid number greater than 25.”, and

(4) by striking “UNPROCESSED” in the heading and inserting “CERTAIN”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to fuels sold or used on or after January 1, 2010.

PART IV—TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES

SEC. 2131. TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES.

The percentage under paragraph (2) of section 561 of the Hiring Incentives to Restore Employment Act in effect on the date of the enactment of this Act is increased by 36 percentage points.

TITLE III—SMALL BUSINESS LENDING

Subtitle A—Small Business Lending Fund

SEC. 3101. PURPOSE.

The purpose of this subtitle is to address the ongoing effects of the financial crisis on small businesses by providing temporary authority to the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses.

SEC. 3102. DEFINITIONS.

For purposes of this subtitle:

(1) APPROPRIATE COMMITTEES OF CONGRESS.—The term “appropriate committees of Congress” means—

(A) the Committee on Small Business and Entrepreneurship, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Banking, Housing, and Urban Affairs, the Committee on Finance, the Committee on the Budget, and the Committee on Appropriations of the Senate; and

(B) the Committee on Small Business, the Committee on Agriculture, the Committee

on Financial Services, the Committee on Ways and Means, the Committee on the Budget, and the Committee on Appropriations of the House of Representatives.

(2) APPROPRIATE FEDERAL BANKING AGENCY.—The term “appropriate Federal banking agency” has the meaning given such term under section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)).

(3) BANK HOLDING COMPANY.—The term “bank holding company” has the meaning given such term under section 2(a)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(2)(a)(1)).

(4) CALL REPORT.—The term “call report” means—

(A) reports of Condition and Income submitted to the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation;

(B) the Office of Thrift Supervision Thrift Financial Report;

(C) any report that is designated by the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, or the Office of Thrift Supervision, as applicable, as a successor to any report referred to in subparagraph (A) or (B);

(D) reports of Condition and Income as designated through guidance developed by the Secretary, in consultation with the Director of the Community Development Financial Institutions Fund; and

(E) with respect to an eligible institution for which no report exists that is described under subparagraph (A), (B), (C), or (D), such other report or set of information as the Secretary, in consultation with the Administrator of the Small Business Administration, may prescribe.

(5) CDCI.—The term “CDCI” means the Community Development Capital Initiative created by the Secretary under the Troubled Asset Relief Program established by the Emergency Economic Stabilization Act of 2008.

(6) CDCI INVESTMENT.—The term “CDCI investment” means, with respect to any eligible institution, the principal amount of any investment made by the Secretary in such eligible institution under the CDCI that has not been repaid.

(7) CDFI; COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.—The terms “CDFI” and “community development financial institution” have the meaning given the term “community development financial institution” under the Riegle Community Development and Regulatory Improvement Act of 1994.

(8) CDLF; COMMUNITY DEVELOPMENT LOAN FUND.—The terms “CDLF” and “community development loan fund” mean any entity that—

(A) is certified by the Department of the Treasury as a community development financial institution loan fund;

(B) is exempt from taxation under the Internal Revenue Code of 1986; and

(C) had assets less than or equal to \$10,000,000,000 as of the end of the fourth quarter of calendar year 2009.

(9) CPP.—The term “CPP” means the Capital Purchase Program created by the Secretary under the Troubled Asset Relief Program established by the Emergency Economic Stabilization Act of 2008.

(10) CPP INVESTMENT.—The term “CPP investment” means, with respect to any eligible institution, the principal amount of any investment made by the Secretary in such eligible institution under the CPP that has not been repaid.

(11) ELIGIBLE INSTITUTION.—The term “eligible institution” means—

(A) any insured depository institution, which—

(i) is not controlled by a bank holding company or savings and loan holding company that is also an eligible institution;

(ii) has total assets of equal to or less than \$10,000,000,000, as reported in the call report of the insured depository institution as of the end of the fourth quarter of calendar year 2009; and

(iii) is not directly or indirectly controlled by any company or other entity that has total consolidated assets of more than \$10,000,000,000, as so reported;

(B) any bank holding company which has total consolidated assets of equal to or less than \$10,000,000,000, as reported in the call report of the bank holding company as of the end of the fourth quarter of calendar year 2009;

(C) any savings and loan holding company which has total consolidated assets of equal to or less than \$10,000,000,000, as reported in the call report of the savings and loan holding company as of the end of the fourth quarter of calendar year 2009; and

(D) any community development financial institution loan fund which has total assets of equal to or less than \$10,000,000,000, as reported in audited financial statements for the fiscal year of the community development financial institution loan fund that ends in calendar year 2009.

(12) FUND.—The term “Fund” means the Small Business Lending Fund established under section 3103(a)(1).

(13) INSURED DEPOSITORY INSTITUTION.—The term “insured depository institution” has the meaning given such term under section 3(c)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1813(c)(2)).

(14) MINORITY-OWNED AND WOMEN-OWNED BUSINESS.—The terms “minority-owned business” and “women-owned business” shall have the meaning given the terms “minority-owned business” and “women’s business”, respectively, under section 21A(r)(4) of the Federal Home Loan Bank Act (12 U.S.C. 1441A(r)(4)).

(15) PROGRAM.—The term “Program” means the Small Business Lending Fund Program authorized under section 3103(a)(2).

(16) SAVINGS AND LOAN HOLDING COMPANY.—The term “savings and loan holding company” has the meaning given such term under section 10(a)(1)(D) of the Home Owners’ Loan Act (12 U.S.C. 1467a(a)(1)(D)).

(17) SECRETARY.—The term “Secretary” means the Secretary of the Treasury.

(18) SMALL BUSINESS LENDING.—

(A) IN GENERAL.—The term “small business lending” means lending, as defined by and reported in an eligible institutions’ quarterly call report, where each loan comprising such lending is one of the following types:

(i) Commercial and industrial loans.

(ii) Owner-occupied nonfarm, nonresidential real estate loans.

(iii) Loans to finance agricultural production and other loans to farmers.

(iv) Loans secured by farmland.

(B) EXCLUSION.—No loan that has an original amount greater than \$10,000,000 or that goes to a business with more than \$50,000,000 in revenues shall be included in the measure.

(C) TREATMENT OF HOLDING COMPANIES.—In the case of eligible institutions that are bank holding companies or savings and loan holding companies having one or more insured depository institution subsidiaries, small business lending shall be measured

based on the combined small business lending reported in the call report of the insured depository institution subsidiaries.

(19) VETERAN-OWNED BUSINESS.—

(A) The term “veteran-owned business” means a business—

(i) more than 50 percent of the ownership or control of which is held by 1 or more veterans;

(ii) more than 50 percent of the net profit or loss of which accrues to 1 or more veterans; and

(iii) a significant percentage of senior management positions of which are held by veterans.

(B) For purposes of this paragraph, the term “veteran” has the meaning given such term in section 101(2) of title 38, United States Code.

SEC. 3103. SMALL BUSINESS LENDING FUND.

(a) FUND AND PROGRAM.—

(1) FUND ESTABLISHED.—There is established in the Treasury of the United States a fund to be known as the “Small Business Lending Fund”, which shall be administered by the Secretary.

(2) PROGRAMS AUTHORIZED.—The Secretary is authorized to establish the Small Business Lending Fund Program for using the Fund consistent with this subtitle.

(b) USE OF FUND.—

(1) IN GENERAL.—Subject to paragraph (2), the Fund shall be available to the Secretary, without further appropriation or fiscal year limitation, for the costs of purchases (including commitments to purchase), and modifications of such purchases, of preferred stock and other financial instruments from eligible institutions on such terms and conditions as are determined by the Secretary in accordance with this subtitle. For purposes of this paragraph and with respect to an eligible institution, the term “other financial instruments” shall include only debt instruments for which such eligible institution is fully liable or equity equivalent capital of the eligible institution. Such debt instruments may be subordinated to the claims of other creditors of the eligible institution.

(2) MAXIMUM PURCHASE LIMIT.—The aggregate amount of purchases (and commitments to purchase) made pursuant to paragraph (1) may not exceed \$30,000,000,000.

(3) PROCEEDS USED TO PAY DOWN PUBLIC DEBT.—All funds received by the Secretary in connection with purchases made pursuant to paragraph (1), including interest payments, dividend payments, and proceeds from the sale of any financial instrument, shall be paid into the general fund of the Treasury for reduction of the public debt.

(4) LIMITATION ON PURCHASES FROM CDLFS.—

(A) IN GENERAL.—Not more than 1 percent of the maximum purchase limit of the Program, pursuant to paragraph (2), may be used to make purchases from community development loan funds.

(B) ELIGIBILITY STANDARDS.—The Secretary, in consultation with the Community Development Financial Institutions Fund, shall develop eligibility criteria to determine the financial ability of a CDLF to participate in the Program and repay the investment. Such criteria shall include the following:

(i) Ratio of net assets to total assets is at least 20 percent.

(ii) Ratio of loan loss reserves to loans and leases 90 days or more delinquent (including loans sold with full recourse) is at least 30 percent.

(iii) Positive net income measured on a 3-year rolling average.

(iv) Operating liquidity ratio of at least 1.0 for the 4 most recent quarters and for one or both of the two preceding years.

(v) Ratio of loans and leases 90 days or more delinquent (including loans sold with full recourse) to total equity plus loan loss reserves is less than 40 percent.

(C) REQUIREMENT TO SUBMIT AUDITED FINANCIAL STATEMENTS.—CDLFs participating in the Program shall submit audited financial statements to the Secretary, have a clean audit opinion, and have at least 3 years of operating experience.

(c) CREDITS TO THE FUND.—There shall be credited to the Fund amounts made available pursuant to section 3108, to the extent provided by appropriations Acts.

(d) TERMS.—

(1) APPLICATION.—

(A) INSTITUTIONS WITH ASSETS OF \$1,000,000,000 OR LESS.—Eligible institutions having total assets equal to or less than \$1,000,000,000, as reported in a call report as of the end of the fourth quarter of calendar year 2009, may apply to receive a capital investment from the Fund in an amount not exceeding 5 percent of risk-weighted assets, as reported in the call report immediately preceding the date of application, less the amount of any CDCI investment and any CPP investment.

(B) INSTITUTIONS WITH ASSETS OF MORE THAN \$1,000,000,000 AND LESS THAN OR EQUAL TO \$10,000,000,000.—Eligible institutions having total assets of more than \$1,000,000,000 but less than \$10,000,000,000, as of the end of the fourth quarter of calendar year 2009, may apply to receive a capital investment from the Fund in an amount not exceeding 3 percent of risk-weighted assets, as reported in the call report immediately preceding the date of application, less the amount of any CDCI investment and any CPP investment.

(C) TREATMENT OF HOLDING COMPANIES.—In the case of an eligible institution that is a bank holding company or a savings and loan holding company having one or more insured depository institution subsidiaries, total assets shall be measured based on the combined total assets reported in the call report of the insured depository institution subsidiaries as of the end of the fourth quarter of calendar year 2009 and risk-weighted assets shall be measured based on the combined risk-weighted assets of the insured depository institution subsidiaries as reported in the call report immediately preceding the date of application.

(D) TREATMENT OF APPLICANTS THAT ARE INSTITUTIONS CONTROLLED BY HOLDING COMPANIES.—If an eligible institution that applies to receive a capital investment under the Program is under the control of a bank holding company or a savings and loan holding company, then the Secretary may use the Fund to purchase preferred stock or other financial instruments from the top-tier bank holding company or savings and loan holding company of such eligible institution, as applicable. For purposes of this subparagraph, the term “control” with respect to a bank holding company shall have the same meaning as in section 2(a)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(2)(a)(2)). For purposes of this subparagraph, the term “control” with respect to a savings and loan holding company shall have the same meaning as in 10(a)(2) of the Home Owners’ Loan Act (12 U.S.C. 1467a(a)(2)).

(E) REQUIREMENT TO PROVIDE A SMALL BUSINESS LENDING PLAN.—At the time that an applicant submits an application to the Secretary for a capital investment under the Program, the applicant shall deliver to the appropriate Federal banking agency, and, for

applicants that are State-chartered banks, to the appropriate State banking regulator, a small business lending plan describing how the applicant’s business strategy and operating goals will allow it to address the needs of small businesses in the areas it serves, as well as a plan to provide linguistically and culturally appropriate outreach, where appropriate. In the case of eligible institutions that are community development loan funds, this plan shall be submitted to the Secretary. This plan shall be confidential supervisory information.

(F) TREATMENT OF APPLICANTS THAT ARE COMMUNITY DEVELOPMENT LOAN FUNDS.—Eligible institutions that are community development loan funds may apply to receive a capital investment from the Fund in an amount not exceeding 5 percent of total assets, as reported in the audited financial statements for the fiscal year of the eligible institution that ends in calendar year 2009.

(2) CONSULTATION WITH REGULATORS.—For each eligible institution that applies to receive a capital investment under the Program, the Secretary shall—

(A) consult with the appropriate Federal banking agency or, in the case of an eligible institution that is a non-depository community development financial institution, the Community Development Financial Institution Fund, for the eligible institution to determine whether the eligible institution may receive such capital investment;

(B) in the case of an eligible institution that is a State-chartered bank, consider any views received from the State banking regulator of the State of the eligible institution regarding the financial condition of the eligible institution; and

(C) in the case of a community development financial institution loan fund, consult with the Community Development Financial Institution Fund.

(3) INELIGIBILITY OF INSTITUTIONS ON FDIC PROBLEM BANK LIST.—

(A) IN GENERAL.—An eligible institution may not receive any capital investment under the Program if—

(i) such institution is on the FDIC problem bank list; or

(ii) such institution has been removed from the FDIC problem bank list for less than 90 days.

(B) CONSTRUCTION.—Nothing in subparagraph (A) shall be construed as limiting the discretion of the Secretary to deny the application of an eligible institution that is not on the FDIC problem bank list.

(C) FDIC PROBLEM BANK LIST DEFINED.—For purposes of this subparagraph, the term “FDIC problem bank list” means the list of institutions with a current rating of 4 or 5 under the Uniform Financial Institutions Rating System, or such other list designated by the Federal Deposit Insurance Corporation.

(4) INCENTIVES TO LEND.—

(A) REQUIREMENTS ON PREFERRED STOCK AND OTHER FINANCIAL INSTRUMENTS.—Any preferred stock or other financial instrument issued to Treasury by an eligible institution receiving a capital investment under the Program shall provide that—

(i) the rate at which dividends or interest are payable shall be 5 percent per annum initially;

(ii) within the first 2 years after the date of the capital investment under the Program, the rate may be adjusted based on the amount of an eligible institution’s small business lending. Changes in the amount of small business lending shall be measured

against the average amount of small business lending reported by the eligible institution in its call reports for the 4 full quarters immediately preceding the date of enactment of this Act, minus adjustments from each quarterly balance in respect of—

(I) net loan charge offs with respect to small business lending; and

(II) gains realized by the eligible institution resulting from mergers, acquisitions or purchases of loans after origination and syndication; which adjustments shall be determined in accordance with guidance promulgated by the Secretary; and

(iii) during any calendar quarter during the initial 2-year period referred to in clause (ii), an institution's rate shall be adjusted to reflect the following schedule, based on that institution's change in the amount of small business lending relative to the baseline—

(I) if the amount of small business lending has increased by less than 2.5 percent, the dividend or interest rate shall be 5 percent;

(II) if the amount of small business lending has increased by 2.5 percent or greater, but by less than 5.0 percent, the dividend or interest rate shall be 4 percent;

(III) if the amount of small business lending has increased by 5.0 percent or greater, but by less than 7.5 percent, the dividend or interest rate shall be 3 percent;

(IV) if the amount of small business lending has increased by 7.5 percent or greater, and but by less than 10.0 percent, the dividend or interest rate shall be 2 percent; or

(V) if the amount of small business lending has increased by 10 percent or greater, the dividend or interest rate shall be 1 percent.

(B) BASIS OF INITIAL RATE.—The initial dividend or interest rate shall be based on call report data published in the quarter immediately preceding the date of the capital investment under the Program.

(C) TIMING OF RATE ADJUSTMENTS.—Any rate adjustment shall occur in the calendar quarter following the publication of call report data, such that the rate based on call report data from any one calendar quarter, which is published in the first following calendar quarter, shall be adjusted in that first following calendar quarter and payable in the second following quarter.

(D) RATE FOLLOWING INITIAL 2-YEAR PERIOD.—Generally, the rate based on call report data from the eighth calendar quarter after the date of the capital investment under the Program shall be payable until the expiration of the 4½-year period that begins on the date of the investment. In the case where the amount of small business lending has remained the same or decreased relative to the institution's baseline in the eighth quarter after the date of the capital investment under the Program, the rate shall be 7 percent until the expiration of the 4½-year period that begins on the date of the investment.

(E) RATE FOLLOWING INITIAL 4½-YEAR PERIOD.—The dividend or interest rate paid on any preferred stock or other financial instrument issued by an eligible institution that receives a capital investment under the Program shall increase to 9 percent at the end of the 4½-year period that begins on the date of the capital investment under the Program.

(F) LIMITATION ON RATE REDUCTIONS WITH RESPECT TO CERTAIN AMOUNT.—The reduction in the dividend or interest rate payable to Treasury by any eligible institution shall be limited such that the rate reduction shall not apply to a dollar amount of the investment made by Treasury that is greater than the dollar amount increase in the amount of small business lending realized under this

program. The Secretary may issue guidelines that will apply to new capital investments limiting the amount of capital available to eligible institutions consistent with this limitation.

(G) RATE ADJUSTMENTS FOR S CORPORATION.—Before making a capital investment in an eligible institution that is an S corporation or a corporation organized on a mutual basis, the Secretary may adjust the dividend or interest rate on the financial instrument to be issued to the Secretary, from the dividend or interest rate that would apply under subparagraphs (A) through (F), to take into account any differential tax treatment of securities issued by such eligible institution. For purpose of this subparagraph, the term "S corporation" has the same meaning as in section 1361(a) of the Internal Revenue Code of 1986.

(H) REPAYMENT DEADLINE.—The capital investment received by an eligible institution under the Program shall be evidenced by preferred stock or other financial instrument that—

(i) includes, as a term and condition, that the capital investment will—

(I) be repaid not later than the end of the 10-year period beginning on the date of the capital investment under the Program; or

(II) at the end of such 10-year period, be subject to such additional terms as the Secretary shall prescribe, which shall include a requirement that the stock or instrument shall carry the highest dividend or interest rate payable; and

(ii) provides that the term and condition described under clause (i) shall not apply if the application of that term and condition would adversely affect the capital treatment of the stock or financial instrument under current or successor applicable capital provisions compared to a capital instrument with identical terms other than the term and condition described under clause (i).

(I) REQUIREMENTS ON FINANCIAL INSTRUMENTS ISSUED BY A COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION LOAN FUND.—Any equity equivalent capital issued to the Treasury by a community development loan fund receiving a capital investment under the Program shall provide that the rate at which interest is payable shall be 2 percent per annum for 8 years. After 8 years, the rate at which interest is payable shall be 9 percent.

(5) ADDITIONAL INCENTIVES TO REPAY.—The Secretary may, by regulation or guidance issued under section 3104(9), establish repayment incentives in addition to the incentive in paragraph (4)(E) that will apply to new capital investments in a manner that the Secretary determines to be consistent with the purposes of this subtitle.

(6) CAPITAL PURCHASE PROGRAM REFINANCE.—

(A) IN GENERAL.—The Secretary shall, in a manner that the Secretary determines to be consistent with the purposes of this subtitle, issue regulations and other guidance to permit eligible institutions to refinance securities issued to Treasury under the CDCI and the CPP for securities to be issued under the Program.

(B) PROHIBITION ON PARTICIPATION BY NON-PAYING CPP PARTICIPANTS.—Subparagraph (A) shall not apply to any eligible institution that has missed more than one dividend payment due under the CPP. For purposes of this subparagraph, a CPP dividend payment that is submitted within 60 days of the due date of such payment shall not be considered a missed dividend payment.

(7) OUTREACH TO MINORITIES, WOMEN, AND VETERANS.—The Secretary shall require eli-

gible institutions receiving capital investments under the Program to provide linguistically and culturally appropriate outreach and advertising in the applicant pool describing the availability and application process of receiving loans from the eligible institution that are made possible by the Program through the use of print, radio, television or electronic media outlets which target organizations, trade associations, and individuals that—

(A) represent or work within or are members of minority communities;

(B) represent or work with or are women; and

(C) represent or work with or are veterans.

(8) ADDITIONAL TERMS.—The Secretary may, by regulation or guidance issued under section 3104(9), make modifications that will apply to new capital investments in order to manage risks associated with the administration of the Fund in a manner consistent with the purposes of this subtitle.

(9) MINIMUM UNDERWRITING STANDARDS.—The appropriate Federal banking agency for an eligible institution that receives funds under the Program shall within 60 days issue guidance regarding prudent underwriting standards that must be used for loans made by the eligible institution using such funds..

SEC. 3104. ADDITIONAL AUTHORITIES OF THE SECRETARY.

The Secretary may take such actions as the Secretary deems necessary to carry out the authorities in this subtitle, including, without limitation, the following:

(1) The Secretary may use the services of any agency or instrumentality of the United States or component thereof on a reimbursable basis, and any such agency or instrumentality or component thereof is authorized to provide services as requested by the Secretary using all authorities vested in or delegated to that agency, instrumentality, or component.

(2) The Secretary may enter into contracts, including contracts for services authorized by section 3109 of title 5, United States Code.

(3) The Secretary may designate any bank, savings association, trust company, security broker or dealer, asset manager, or investment adviser as a financial agent of the Federal Government and such institution shall perform all such reasonable duties related to this subtitle as financial agent of the Federal Government as may be required. The Secretary shall have authority to amend existing agreements with financial agents, entered into during the 2-year period before the date of enactment of this Act, to perform reasonable duties related to this subtitle.

(4) The Secretary may exercise any rights received in connection with any preferred stock or other financial instruments or assets purchased or acquired pursuant to the authorities granted under this subtitle.

(5) Subject to section 3103(b)(3), the Secretary may manage any assets purchased under this subtitle, including revenues and portfolio risks therefrom.

(6) The Secretary may sell, dispose of, transfer, exchange or enter into securities loans, repurchase transactions, or other financial transactions in regard to, any preferred stock or other financial instrument or asset purchased or acquired under this subtitle, upon terms and conditions and at a price determined by the Secretary.

(7) The Secretary may manage or prohibit conflicts of interest that may arise in connection with the administration and execution of the authorities provided under this subtitle.

(8) The Secretary may establish and use vehicles, subject to supervision by the Secretary, to purchase, hold, and sell preferred stock or other financial instruments and issue obligations.

(9) The Secretary may, in consultation with the Administrator of the Small Business Administration, issue such regulations and other guidance as may be necessary or appropriate to define terms or carry out the authorities or purposes of this subtitle.

SEC. 3105. CONSIDERATIONS.

In exercising the authorities granted in this subtitle, the Secretary shall take into consideration—

(1) increasing the availability of credit for small businesses;

(2) providing funding to minority-owned eligible institutions and other eligible institutions that serve small businesses that are minority-, veteran-, and women-owned and that also serve low- and moderate-income, minority, and other underserved or rural communities;

(3) protecting and increasing American jobs;

(4) increasing the opportunity for small business development in areas with high unemployment rates that exceed the national average;

(5) ensuring that all eligible institutions may apply to participate in the program established under this subtitle, without discrimination based on geography;

(6) providing transparency with respect to use of funds provided under this subtitle;

(7) minimizing the cost to taxpayers of exercising the authorities;

(8) promoting and engaging in financial education to would-be borrowers; and

(9) providing funding to eligible institutions that serve small businesses directly affected by the discharge of oil arising from the explosion on and sinking of the mobile offshore drilling unit Deepwater Horizon and small businesses in communities that have suffered negative economic effects as a result of that discharge with particular consideration to States along the coast of the Gulf of Mexico.

SEC. 3106. REPORTS.

The Secretary shall provide to the appropriate committees of Congress—

(1) within 7 days of the end of each month commencing with the first month in which transactions are made under the Program, a written report describing all of the transactions made during the reporting period pursuant to the authorities granted under this subtitle;

(2) after the end of March and the end of September, commencing September 30, 2010, a written report on all projected costs and liabilities, all operating expenses, including compensation for financial agents, and all transactions made by the Fund, which shall include participating institutions and amounts each institution has received under the Program; and

(3) within 7 days of the end of each calendar quarter commencing with the first calendar quarter in which transactions are made under the Program, a written report detailing how eligible institutions participating in the Program have used the funds such institutions received under the Program.

SEC. 3107. OVERSIGHT AND AUDITS.

(a) INSPECTOR GENERAL OVERSIGHT.—The Inspector General of the Department of the Treasury shall conduct, supervise, and coordinate audits and investigations of the Program through the Office of Small Business Lending Fund Program Oversight established within the Office of the Inspector General of the Department of the Treasury.

(b) OFFICE OF SMALL BUSINESS LENDING FUND PROGRAM OVERSIGHT.—

(1) ESTABLISHMENT.—There is hereby established within the Office of the Inspector General of the Department of the Treasury a new office to be named the “Office of Small Business Lending Fund Program Oversight” to provide oversight of the Program.

(2) LEADERSHIP.—The Inspector General shall appoint a Special Deputy Inspector General for SBLF Program Oversight to lead the Office, with commensurate staff, who shall report directly to the Inspector General and who shall be responsible for the performance of all auditing and investigative activities relating to the Program.

(3) REPORTING.—

(A) IN GENERAL.—The Inspector General shall issue a report no less than two times a year to the Congress and the Secretary devoted to the oversight provided by the Office, including any recommendations for improvements to the Program.

(B) RECOMMENDATIONS.—With respect to any deficiencies identified in a report under subparagraph (A), the Secretary shall either—

(i) take actions to address such deficiencies; or

(ii) certify to the appropriate committees of Congress that no action is necessary or appropriate.

(4) COORDINATION.—The Inspector General, in maximizing the effectiveness of the Office, shall work with other Offices of Inspector General, as appropriate, to minimize duplication of effort and ensure comprehensive oversight of the Program.

(5) TERMINATION.—The Office shall terminate at the end of the 6-month period beginning on the date on which all capital investments are repaid under the Program or the date on which the Secretary determines that any remaining capital investments will not be repaid.

(6) DEFINITIONS.—For purposes of this subsection:

(A) OFFICE.—The term “Office” means the Office of Small Business Lending Fund Program Oversight established under paragraph (1).

(B) INSPECTOR GENERAL.—The term “Inspector General” means the Inspector General of the Department of the Treasury.

(C) GAO AUDIT.—The Comptroller General of the United States shall perform an annual audit of the Program and issue a report to the appropriate committees of Congress containing the results of such audit.

(d) REQUIRED CERTIFICATIONS.—

(1) ELIGIBLE INSTITUTION CERTIFICATION.—Each eligible institution that participates in the Program must certify that such institution is in compliance with the requirements of section 103.121 of title 31, Code of Federal Regulations, a regulation that, at a minimum, requires financial institutions, as that term is defined in 31 U.S.C. 5312(a)(2) and (c)(1)(A), to implement reasonable procedures to verify the identity of any person seeking to open an account, to the extent reasonable and practicable, maintain records of the information used to verify the person's identity, and determine whether the person appears on any lists of known or suspected terrorists or terrorist organizations provided to the financial institution by any government agency.

(2) LOAN RECIPIENTS.—With respect to funds received by an eligible institution under the Program, any business receiving a loan from the eligible institution using such

funds after the date of the enactment of this Act shall certify to such eligible institution that the principals of such business have not been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. 16911)).

(e) PROHIBITION ON PORNOGRAPHY.—None of the funds made available under this subtitle may be used to pay the salary of any individual engaged in activities related to the Program who has been officially disciplined for violations of subpart G of the Standards of Ethical Conduct for Employees of the Executive Branch for viewing, downloading, or exchanging pornography, including child pornography, on a Federal Government computer or while performing official Federal Government duties.

SEC. 3108. CREDIT REFORM; FUNDING.

(a) CREDIT REFORM.—The cost of purchases of preferred stock and other financial instruments made as capital investments under this subtitle shall be determined as provided under the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).

(b) FUNDS MADE AVAILABLE.—There are hereby appropriated, out of funds in the Treasury not otherwise appropriated, such sums as may be necessary to pay the costs of \$30,000,000,000 of capital investments in eligible institutions, including the costs of modifying such investments, and reasonable costs of administering the program of making, holding, managing, and selling the capital investments.

SEC. 3109. TERMINATION AND CONTINUATION OF AUTHORITIES.

(a) TERMINATION OF INVESTMENT AUTHORITY.—The authority to make capital investments in eligible institutions, including commitments to purchase preferred stock or other instruments, provided under this subtitle shall terminate 1 year after the date of enactment of this Act.

(b) CONTINUATION OF OTHER AUTHORITIES.—The authorities of the Secretary under section 3104 shall not be limited by the termination date in subsection (a).

SEC. 3110. PRESERVATION OF AUTHORITY.

Nothing in this subtitle may be construed to limit the authority of the Secretary under any other provision of law.

SEC. 3111. ASSURANCES.

(a) SMALL BUSINESS LENDING FUND SEPARATE FROM TARP.—The Small Business Lending Fund Program is established as separate and distinct from the Troubled Asset Relief Program established by the Emergency Economic Stabilization Act of 2008. An institution shall not, by virtue of a capital investment under the Small Business Lending Fund Program, be considered a recipient of the Troubled Asset Relief Program.

(b) CHANGE IN LAW.—If, after a capital investment has been made in an eligible institution under the Program, there is a change in law that modifies the terms of the investment or program in a materially adverse respect for the eligible institution, the eligible institution may, after consultation with the appropriate Federal banking agency for the eligible institution, repay the investment without impediment.

SEC. 3112. STUDY AND REPORT WITH RESPECT TO WOMEN-OWNED, VETERAN-OWNED, AND MINORITY-OWNED BUSINESSES.

(a) STUDY.—The Secretary shall conduct a study of the impact of the Program on women-owned businesses, veteran-owned businesses, and minority-owned businesses.

(b) REPORT.—Not later than one year after the date of enactment of this Act, the Secretary shall submit to Congress a report on

the results of the study conducted pursuant to subsection (a). To the extent possible, the Secretary shall disaggregate the results of such study by ethnic group and gender.

(c) INFORMATION PROVIDED TO THE SECRETARY.—Eligible institutions that participate in the Program shall provide the Secretary with such information as the Secretary may require to carry out the study required by this section.

SEC. 3113. SENSE OF CONGRESS.

It is the sense of Congress that the Federal Deposit Insurance Corporation and other bank regulators are sending mixed messages to banks regarding regulatory capital requirements and lending standards, which is a contributing cause of decreased small business lending and increased regulatory uncertainty at community banks.

Subtitle B—State Small Business Credit Initiative

SEC. 3201. SHORT TITLE.

This subtitle may be cited as the “State Small Business Credit Initiative Act of 2010”.

SEC. 3202. DEFINITIONS.

In this subtitle, the following definitions shall apply:

(1) APPROPRIATE COMMITTEES OF CONGRESS.—The term “appropriate committees of Congress” means—

(A) the Committee on Small Business and Entrepreneurship, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Banking, Housing, and Urban Affairs, the Committee on Finance, the Committee on the Budget, and the Committee on Appropriations of the Senate; and

(B) the Committee on Small Business, the Committee on Agriculture, the Committee on Financial Services, the Committee on Ways and Means, the Committee on the Budget, and the Committee on Appropriations of the House of Representatives.

(2) APPROPRIATE FEDERAL BANKING AGENCY.—The term “appropriate Federal banking agency” means—

(A) has the same meaning as in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)); and

(B) includes the National Credit Union Administration Board in the case of any credit union the deposits of which are insured in accordance with the Federal Credit Union Act.

(3) ENROLLED LOAN.—The term “enrolled loan” means a loan made by a financial institution lender that is enrolled by a participating State in an approved State capital access program in accordance with this subtitle.

(4) FEDERAL CONTRIBUTION.—The term “Federal contribution” means the portion of the contribution made by a participating State to, or for the account of, an approved State program that is made with Federal funds allocated to the State by the Secretary under section 3203.

(5) FINANCIAL INSTITUTION.—The term “financial institution” means any insured depository institution, insured credit union, or community development financial institution, as those terms are each defined in section 103 of the Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4702)

(6) PARTICIPATING STATE.—The term “participating State” means any State that has been approved for participation in the Program under section 3204.

(7) PROGRAM.—The term “Program” means the State Small Business Credit Initiative established under this subtitle.

(8) QUALIFYING LOAN OR SWAP FUNDING FACILITY.—The term “qualifying loan or swap

funding facility” means a contractual arrangement between a participating State and a private financial entity under which—

(A) the participating State delivers funds to the entity as collateral;

(B) the entity provides funding from the arrangement back to the participating State; and

(C) the full amount of resulting funding from the arrangement, less any fees and other costs of the arrangement, is contributed to, or for the account of, an approved State program.

(9) RESERVE FUND.—The term “reserve fund” means a fund, established by a participating State, dedicated to a particular financial institution lender, for the purposes of—

(A) depositing all required premium charges paid by the financial institution lender and by each borrower receiving a loan under an approved State program from that financial institution lender;

(B) depositing contributions made by the participating State, including State contributions made with Federal contributions; and

(C) covering losses on enrolled loans by disbursing accumulated funds.

(10) STATE.—The term “State” means—

(A) a State of the United States;

(B) the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of Northern Mariana Islands, Guam, American Samoa, and the United States Virgin Islands;

(C) when designated by a State of the United States, a political subdivision of that State that the Secretary determines has the capacity to participate in the Program; and

(D) under the circumstances described in section 3204(d), a municipality of a State of the United States to which the Secretary has given a special permission under section 3204(d).

(11) STATE CAPITAL ACCESS PROGRAM.—The term “State capital access program” means a program of a State that—

(A) uses public resources to promote private access to credit; and

(B) meets the eligibility criteria in section 3205(c).

(12) STATE OTHER CREDIT SUPPORT PROGRAM.—The term “State other credit support program” means—

(A) means a program of a State that—

(i) uses public resources to promote private access to credit;

(ii) is not a State capital access program; and

(iii) meets the eligibility criteria in section 3206(c); and

(B) includes, collateral support programs, loan participation programs, State-run venture capital fund programs, and credit guarantee programs.

(13) STATE PROGRAM.—The term “State program” means a State capital access program or a State other credit support program.

(14) SECRETARY.—The term “Secretary” means the Secretary of the Treasury.

SEC. 3203. FEDERAL FUNDS ALLOCATED TO STATES.

(a) PROGRAM ESTABLISHED; PURPOSE.—There is established the State Small Business Credit Initiative, to be administered by the Secretary. Under the Program, the Secretary shall allocate Federal funds to participating States and make the allocated funds available to the participating States as provided in this section for the uses described in this section.

(b) ALLOCATION FORMULA.—

(1) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the

Secretary shall allocate Federal funds to participating States so that each State is eligible to receive an amount equal to the average of the respective amounts that the State—

(A) would receive under the 2009 allocation, as determined under paragraph (2); and

(B) would receive under the 2010 allocation, as determined under paragraph (3).

(2) 2009 ALLOCATION FORMULA.—

(A) IN GENERAL.—The Secretary shall determine the 2009 allocation by allocating Federal funds among the States in the proportion that each such State’s 2008 State employment decline bears to the aggregate of the 2008 State employment declines for all States.

(B) MINIMUM ALLOCATION.—The Secretary shall adjust the allocations under subparagraph (A) for each State to the extent necessary to ensure that no State receives less than 0.9 percent of the Federal funds.

(C) 2008 STATE EMPLOYMENT DECLINE DEFINED.—In this paragraph and with respect to a State, the term “2008 State employment decline” means the excess (if any) of—

(i) the number of individuals employed in such State determined for December 2007; over

(ii) the number of individuals employed in such State determined for December 2008.

(3) 2010 ALLOCATION FORMULA.—

(A) IN GENERAL.—The Secretary shall determine the 2010 allocation by allocating Federal funds among the States in the proportion that each such State’s 2009 unemployment number bears to the aggregate of the 2009 unemployment numbers for all of the States.

(B) MINIMUM ALLOCATION.—The Secretary shall adjust the allocations under subparagraph (A) for each State to the extent necessary to ensure that no State receives less than 0.9 percent of the Federal funds.

(C) 2009 UNEMPLOYMENT NUMBER DEFINED.—In this paragraph and with respect to a State, the term “2009 unemployment number” means the number of individuals within such State who were determined to be unemployed by the Bureau of Labor Statistics for December 2009.

(c) AVAILABILITY OF ALLOCATED AMOUNT.—The amount allocated by the Secretary to each participating State under subsection (b) shall be made available to the State as follows:

(1) ALLOCATED AMOUNT GENERALLY TO BE AVAILABLE TO STATE IN ONE-THIRDS.—

(A) IN GENERAL.—The Secretary shall—

(i) apportion the participating State’s allocated amount into thirds;

(ii) transfer to the participating State the first ⅓ when the Secretary approves the State for participation under section 3204; and

(iii) transfer to the participating State each successive ⅓ when the State has certified to the Secretary that it has expended, transferred, or obligated 80 percent of the last transferred ⅓ for Federal contributions to, or for the account of, State programs.

(B) AUTHORITY TO WITHHOLD PENDING AUDIT.—The Secretary may withhold the transfer of any successive ⅓ pending results of a financial audit.

(C) INSPECTOR GENERAL AUDITS.—

(i) IN GENERAL.—The Inspector General of the Department of the Treasury shall carry out an audit of the participating State’s use of allocated Federal funds transferred to the State.

(ii) RECOUPMENT OF MISUSED TRANSFERRED FUNDS REQUIRED.—The allocation agreement between the Secretary and the participating

State shall provide that the Secretary shall recoup any allocated Federal funds transferred to the participating State if the results of the an audit include a finding that there was an intentional or reckless misuse of transferred funds by the State.

(iii) **PENALTY FOR MISSTATEMENT.**—Any participating State that is found to have intentionally misstated any report issued to the Secretary under the Program shall be ineligible to receive any additional funds under the Program. Funds that had been allocated or that would otherwise have been allocated to such participating State shall be paid into the general fund of the Treasury for reduction of the public debt.

(iv) **MUNICIPALITIES.**—In this subparagraph, the term “participating State” shall include a municipality given special permission to participate in the Program, under section 3204(d).

(D) **EXCEPTION.**—The Secretary may, in the Secretary’s discretion, transfer the full amount of the participating State’s allocated amount to the State in a single transfer if the participating State applies to the Secretary for approval to use the full amount of the allocation as collateral for a qualifying loan or swap funding facility.

(2) **TRANSFERRED AMOUNTS.**—Each amount transferred to a participating State under this section shall remain available to the State until used by the State as permitted under paragraph (3).

(3) **USE OF TRANSFERRED FUNDS.**—Each participating State may use funds transferred to it under this section only—

(A) for making Federal contributions to, or for the account of, an approved State program;

(B) as collateral for a qualifying loan or swap funding facility;

(C) in the case of the first $\frac{1}{3}$ transferred, for paying administrative costs incurred by the State in implementing an approved State program in an amount not to exceed 5 percent of that first $\frac{1}{3}$; or

(D) in the case of each successive $\frac{1}{3}$ transferred, for paying administrative costs incurred by the State in implementing an approved State program in an amount not to exceed 3 percent of that successive $\frac{1}{3}$.

(4) **TERMINATION OF AVAILABILITY OF AMOUNTS NOT TRANSFERRED WITHIN 2 YEARS OF PARTICIPATION.**—Any portion of a participating State’s allocated amount that has not been transferred to the State under this section by the end of the 2-year period beginning on the date that the Secretary approves the State for participation may be deemed by the Secretary to be no longer allocated to the State and no longer available to the State and shall be returned to the General Fund of the Treasury.

(5) **TRANSFERRED AMOUNTS NOT ASSISTANCE.**—The amounts transferred to a participating State under this section shall not be considered assistance for purposes of subtitle V of title 31, United States Code.

(6) **DEFINITIONS.**—In this section—

(A) the term “allocated amount” means the total amount of Federal funds allocated by the Secretary under subsection (b) to the participating State; and

(B) the term “ $\frac{1}{3}$ ” means—

(i) in the case of the first $\frac{1}{3}$ and second $\frac{1}{3}$, an amount equal to 33 percent of a participating State’s allocated amount; and

(ii) in the case of the last $\frac{1}{3}$, an amount equal to 34 percent of a participating State’s allocated amount.

SEC. 3204. APPROVING STATES FOR PARTICIPATION.

(a) **APPLICATION.**—Any State may apply to the Secretary for approval to be a partici-

pating State under the Program and to be eligible for an allocation of Federal funds under the Program.

(b) **GENERAL APPROVAL CRITERIA.**—The Secretary shall approve a State to be a participating State, if—

(1) a specific department, agency, or political subdivision of the State has been designated to implement a State program and participate in the Program;

(2) all legal actions necessary to enable such designated department, agency, or political subdivision to implement a State program and participate in the Program have been accomplished;

(3) the State has filed an application with the Secretary for approval of a State capital access program under section 3205 or approval as a State other credit support program under section 3206, in each case within the time period provided in the respective section; and

(4) the State and the Secretary have executed an allocation agreement that—

(A) conforms to the requirements of this subtitle;

(B) ensures that the State program complies with such national standards as are established by the Secretary under section 3209(a)(2);

(C) sets forth internal control, compliance, and reporting requirements as established by the Secretary, and such other terms and conditions necessary to carry out the purposes of this subtitle, including an agreement by the State to allow the Secretary to audit State programs;

(D) requires that the State program be fully positioned, within 90 days of the State’s execution of the allocation agreement with the Secretary, to act on providing the kind of credit support that the State program was established to provide; and

(E) includes an agreement by the State to deliver to the Secretary, and update annually, a schedule describing how the State intends to apportion among its State programs the Federal funds allocated to the State.

(c) **CONTRACTUAL ARRANGEMENTS FOR IMPLEMENTATION OF STATE PROGRAMS.**—A State may be approved to be a participating State, and be eligible for an allocation of Federal funds under the Program, if the State has contractual arrangements for the implementation and administration of its State program with—

(1) an existing, approved State program administered by another State; or

(2) an authorized agent of, or entity supervised by, the State, including for-profit and not-for-profit entities.

(d) **SPECIAL PERMISSION.**—

(1) **CIRCUMSTANCES WHEN A MUNICIPALITY MAY APPLY DIRECTLY.**—If a State does not, within 60 days after the date of enactment of this Act, file with the Secretary a notice of its intent to apply for approval by the Secretary of a State program or within 9 months after the date of enactment of this Act, file with the Secretary a complete application for approval of a State program, the Secretary may grant to municipalities of that State a special permission that will allow them to apply directly to the Secretary without the State for approval to be participating municipalities.

(2) **TIMING REQUIREMENTS APPLICABLE TO MUNICIPALITIES APPLYING DIRECTLY.**—To qualify for the special permission, a municipality of a State shall be required, within 12 months after the date of enactment of this Act, to file with the Secretary a complete application for approval by the Secretary of a State program.

(3) **NOTICES OF INTENT AND APPLICATIONS FROM MORE THAN 1 MUNICIPALITY.**—A municipality of a State may combine with 1 or more other municipalities of that State to file a joint notice of intent to file and a joint application.

(4) **APPROVAL CRITERIA.**—The general approval criteria in paragraphs (2) and (4) shall apply.

(5) **ALLOCATION TO MUNICIPALITIES.**—

(A) **IF MORE THAN 3.**—If more than 3 municipalities, or combination of municipalities as provided in paragraph (3), of a State apply for approval by the Secretary to be participating municipalities under this subsection, and the applications meet the approval criteria in paragraph (4), the Secretary shall allocate Federal funds to the 3 municipalities with the largest populations.

(B) **IF 3 OR FEWER.**—If 3 or fewer municipalities, or combination of municipalities as provided in paragraph (3), of a State apply for approval by the Secretary to be participating municipalities under this subsection, and the applications meet the approval criteria in paragraph (4), the Secretary shall allocate Federal funds to each applicant municipality or combination of municipalities.

(6) **APPORTIONMENT OF ALLOCATED AMOUNT AMONG PARTICIPATING MUNICIPALITIES.**—If the Secretary approves municipalities to be participating municipalities under this subsection, the Secretary shall apportion the full amount of the Federal funds that are allocated to that State to municipalities that are approved under this subsection in amounts proportionate to the population of those municipalities, based on the most recent available decennial census.

(7) **APPROVING STATE PROGRAMS FOR MUNICIPALITIES.**—If the Secretary approves municipalities to be participating municipalities under this subsection, the Secretary shall take into account the additional considerations in section 3206(d) in making the determination under section 3205 or 3206 that the State program or programs to be implemented by the participating municipalities, including a State capital access program, is eligible for Federal contributions to, or for the account of, the State program.

SEC. 3205. APPROVING STATE CAPITAL ACCESS PROGRAMS.

(a) **APPLICATION.**—A participating State that establishes a new, or has an existing, State capital access program that meets the eligibility criteria in subsection (c) may apply to Secretary to have the State capital access program approved as eligible for Federal contributions to the reserve fund.

(b) **APPROVAL.**—The Secretary shall approve such State capital access program as eligible for Federal contributions to the reserve fund if—

(1) within 60 days after the date of enactment of this Act, the State has filed with the Secretary a notice of intent to apply for approval by the Secretary of a State capital access program;

(2) within 9 months after the date of enactment of this Act, the State has filed with the Secretary a complete application for approval by the Secretary of a capital access program;

(3) the State satisfies the requirements of subsections (a) and (b) of section 3204; and

(4) the State capital access program meets the eligibility criteria in subsection (c).

(c) **ELIGIBILITY CRITERIA FOR STATE CAPITAL ACCESS PROGRAMS.**— For a State capital access program to be approved under this section, that program shall be required to be a program of the State that—

(1) provides portfolio insurance for business loans based on a separate loan-loss reserve fund for each financial institution;

(2) requires insurance premiums to be paid by the financial institution lenders and by the business borrowers to the reserve fund to have their loans enrolled in the reserve fund;

(3) provides for contributions to be made by the State to the reserve fund in amounts at least equal to the sum of the amount of the insurance premium charges paid by the borrower and the financial institution to the reserve fund for any newly enrolled loan; and

(4) provides its portfolio insurance solely for loans that meet both the following requirements:

(A) The borrower has 500 employees or less at the time that the loan is enrolled in the Program.

(B) The loan amount does not exceed \$5,000,000.

(d) **FEDERAL CONTRIBUTIONS TO APPROVED STATE CAPITAL ACCESS PROGRAMS.**—A State capital access program approved under this section will be eligible for receiving Federal contributions to the reserve fund in an amount equal to the sum of the amount of the insurance premium charges paid by the borrowers and by the financial institution to the reserve fund for loans that meet the requirements in subsection (c)(4). A participating State may use the Federal contribution to make its contribution to the reserve fund of an approved State capital access program.

(e) **MINIMUM PROGRAM REQUIREMENTS FOR STATE CAPITAL ACCESS PROGRAMS.**—The Secretary shall, by regulation or other guidance, prescribe Program requirements that meet the following minimum requirements:

(1) **EXPERIENCE AND CAPACITY.**—The participating State shall determine for each financial institution that participates in the State capital access program, after consultation with the appropriate Federal banking agency or, in the case of a financial institution that is a nondepository community development financial institution, the Community Development Financial Institution Fund, that the financial institution has sufficient commercial lending experience and financial and managerial capacity to participate in the approved State capital access program. The determination by the State shall not be reviewable by the Secretary.

(2) **INVESTMENT AUTHORITY.**—Subject to applicable State law, the participating State may invest, or cause to be invested, funds held in a reserve fund by establishing a deposit account at the financial institution lender in the name of the participating State. In the event that funds in the reserve fund are not deposited in such an account, such funds shall be invested in a form that the participating State determines is safe and liquid.

(3) **LOAN TERMS AND CONDITIONS TO BE DETERMINED BY AGREEMENT.**—A loan to be filed for enrollment in an approved State capital access program may be made with such interest rate, fees, and other terms and conditions, and the loan may be enrolled in the approved State capital access program and claims may be filed and paid, as agreed upon by the financial institution lender and the borrower, consistent with applicable law.

(4) **LENDER CAPITAL AT-RISK.**—A loan to be filed for enrollment in the State capital access program shall require the financial institution lender to have a meaningful amount of its own capital resources at risk in the loan.

(5) **PREMIUM CHARGES MINIMUM AND MAXIMUM AMOUNTS.**—The insurance premium

charges payable to the reserve fund by the borrower and the financial institution lender shall be prescribed by the financial institution lender, within minimum and maximum limits that require that the sum of the insurance premium charges paid in connection with a loan by the borrower and the financial institution lender may not be less than 2 percent nor more than 7 percent of the amount of the loan enrolled in the approved State capital access program.

(6) **STATE CONTRIBUTIONS.**—In enrolling a loan in an approved State capital access program, the participating State may make a contribution to the reserve fund to supplement Federal contributions made under this Program.

(7) **LOAN PURPOSE.**—

(A) **PARTICULAR LOAN PURPOSE REQUIREMENTS AND PROHIBITIONS.**—In connection with the filing of a loan for enrollment in an approved State capital access program, the financial institution lender—

(i) shall obtain an assurance from each borrower that—

(I) the proceeds of the loan will be used for a business purpose;

(II) the loan will not be used to finance such business activities as the Secretary, by regulation, may proscribe as prohibited loan purposes for enrollment in an approved State capital access program; and

(III) the borrower is not—

(aa) an executive officer, director, or principal shareholder of the financial institution lender;

(bb) a member of the immediate family of an executive officer, director, or principal shareholder of the financial institution lender; or

(cc) a related interest of any such executive officer, director, principal shareholder, or member of the immediate family;

(ii) shall provide assurances to the participating State that the loan has not been made in order to place under the protection of the approved State capital access program prior debt that is not covered under the approved State capital access program and that is or was owed by the borrower to the financial institution lender or to an affiliate of the financial institution lender;

(iii) shall not allow the enrollment of a loan to a borrower that is a refinancing of a loan previously made to that borrower by the financial institution lender or an affiliate of the financial institution lender; and

(iv) may include additional restrictions on the eligibility of loans or borrowers that are not inconsistent with the provisions and purposes of this subtitle, including compliance with all applicable Federal and State laws, regulations, ordinances, and Executive orders.

(B) **DEFINITIONS.**—In this paragraph, the terms “executive officer”, “director”, “principal shareholder”, “immediate family”, and “related interest” refer to the same relationship to a financial institution lender as the relationship described in part 215 of title 12 of the Code of Federal Regulations, or any successor to such part.

(8) **CAPITAL ACCESS FOR SMALL BUSINESSES IN UNDERSERVED COMMUNITIES.**—At the time that a State applies to the Secretary to have the State capital access program approved as eligible for Federal contributions, the State shall deliver to the Secretary a report stating how the State plans to use the Federal contributions to the reserve fund to provide access to capital for small businesses in low- and moderate-income, minority, and other underserved communities, including women- and minority-owned small businesses.

SEC. 3206. APPROVING COLLATERAL SUPPORT AND OTHER INNOVATIVE CREDIT ACCESS AND GUARANTEE INITIATIVES FOR SMALL BUSINESSES AND MANUFACTURERS.

(a) **APPLICATION.**—A participating State that establishes a new, or has an existing, credit support program that meets the eligibility criteria in subsection (c) may apply to the Secretary to have the State other credit support program approved as eligible for Federal contributions to, or for the account of, the State program.

(b) **APPROVAL.**—The Secretary shall approve such State other credit support program as eligible for Federal contributions to, or for the account of, the program if—

(1) the Secretary determines that the State satisfies the requirements of paragraphs (1) through (3) of section 3205(b);

(2) the Secretary determines that the State other credit support program meets the eligibility criteria in subsection (c);

(3) the Secretary determines the State other credit support program to be eligible based on the additional considerations in subsection (d); and

(4) within 9 months after the date of enactment of this Act, the State has filed with Treasury a complete application for Treasury approval.

(c) **ELIGIBILITY CRITERIA FOR STATE OTHER CREDIT SUPPORT PROGRAMS.**—For a State other credit support program to be approved under this section, that program shall be required to be a program of the State that—

(1) can demonstrate that, at a minimum, \$1 of public investment by the State program will cause and result in \$1 of new private credit;

(2) can demonstrate a reasonable expectation that, when considered with all other State programs of the State, such State programs together have the ability to use amounts of new Federal contributions to, or for the account of, all such programs in the State to cause and result in amounts of new small business lending at least 10 times the new Federal contribution amount;

(3) for those State other credit support programs that provide their credit support through 1 or more financial institution lenders, requires the financial institution lenders to have a meaningful amount of their own capital resources at risk in their small business lending; and

(4) uses Federal funds allocated under this subtitle to extend credit support that—

(A) targets an average borrower size of 500 employees or less;

(B) does not extend credit support to borrowers that have more than 750 employees;

(C) targets support towards loans with an average principal amount of \$5,000,000 or less; and

(D) does not extend credit support to loans that exceed a principal amount of \$20,000,000.

(d) **ADDITIONAL CONSIDERATIONS.**—In making a determination that a State other credit support program is eligible for Federal contributions to, or for the account of, the State program, the Secretary shall take into account the following additional considerations:

(1) The anticipated benefits to the State, its businesses, and its residents to be derived from the Federal contributions to, or for the account of, the approved State other credit support program, including the extent to which resulting small business lending will expand economic opportunities.

(2) The operational capacity, skills, and experience of the management team of the State other credit support program.

(3) The capacity of the State other credit support program to manage increases in the volume of its small business lending.

(4) The internal accounting and administrative controls systems of the State other credit support program, and the extent to which they can provide reasonable assurance that funds of the State program are safeguarded against waste, loss, unauthorized use, or misappropriation.

(5) The soundness of the program design and implementation plan of the State other credit support program.

(e) **FEDERAL CONTRIBUTIONS TO APPROVED STATE OTHER CREDIT SUPPORT PROGRAMS.**—A State other credit support program approved under this section will be eligible for receiving Federal contributions to, or for the account of, the State program in an amount consistent with the schedule describing the apportionment of allocated Federal funds among State programs delivered by the State to the Secretary under the allocation agreement.

(f) **MINIMUM PROGRAM REQUIREMENTS FOR STATE OTHER CREDIT SUPPORT PROGRAMS.**—

(1) **FUND TO PRESCRIBE.**—The Secretary shall, by regulation or other guidance, prescribe Program requirements for approved State other credit support programs.

(2) **CONSIDERATIONS FOR FUND.**—In prescribing minimum Program requirements for approved State other credit support programs, the Secretary shall take into consideration, to the extent the Secretary determines applicable and appropriate, the minimum Program requirements for approved State capital access programs in section 3205(e).

SEC. 3207. REPORTS.

(a) **QUARTERLY USE-OF-FUNDS REPORT.**—

(1) **IN GENERAL.**—Not later than 30 days after the beginning of each calendar quarter, beginning after the first full calendar quarter to occur after the date the Secretary approves a State for participation, the participating State shall submit to the Secretary a report on the use of Federal funding by the participating State during the previous calendar quarter.

(2) **REPORT CONTENTS.**—Each report under this subsection shall—

(A) indicate the total amount of Federal funding used by the participating State; and

(B) include a certification by the participating State that—

(i) the information provided in accordance with subparagraph (A) is accurate;

(ii) funds continue to be available and legally committed to contributions by the State to, or for the account of, approved State programs, less any amount that has been contributed by the State to, or for the account of, approved State programs subsequent to the State being approved for participation in the Program; and

(iii) the participating State is implementing its approved State program or programs in accordance with this subtitle and regulations issued under section 3210.

(b) **ANNUAL REPORT.**—Not later than March 31 of each year, beginning March 31, 2011, each participating State shall submit to the Secretary an annual report that shall include the following information:

(1) The number of borrowers that received new loans originated under the approved State program or programs after the State program was approved as eligible for Federal contributions.

(2) The total amount of such new loans.

(3) Breakdowns by industry type, loan size, annual sales, and number of employees of the borrowers that received such new loans.

(4) The zip code of each borrower that received such a new loan.

(5) Such other data as the Secretary, in the Secretary's sole discretion, may require to carry out the purposes of the Program.

(c) **FORM.**—The reports and data filed under subsections (a) and (b) shall be in such form as the Secretary, in the Secretary's sole discretion, may require.

(d) **TERMINATION OF REPORTING REQUIREMENTS.**—The requirement to submit reports under subsections (a) and (b) shall terminate for a participating State with the submission of the completed reports due on the first March 31 to occur after 5 complete 12-month periods after the State is approved by the Secretary to be a participating State.

SEC. 3208. REMEDIES FOR STATE PROGRAM TERMINATION OR FAILURES.

(a) **REMEDIES.**—

(1) **IN GENERAL.**—If any of the events listed in paragraph (2) occur, the Secretary, in the Secretary's discretion, may—

(A) reduce the amount of Federal funds allocated to the State under the Program; or

(B) terminate any further transfers of allocated amounts that have not yet been transferred to the State.

(2) **CAUSAL EVENTS.**—The events referred to in paragraph (1) are—

(A) termination by a participating State of its participation in the Program;

(B) failure on the part of a participating State to submit complete reports under section 3207 on a timely basis; or

(C) noncompliance by the State with the terms of the allocation agreement between the Secretary and the State.

(b) **DEALLOCATED AMOUNTS TO BE REALLOCATED.**—If, after 13 months, any portion of the amount of Federal funds allocated to a participating State is deemed by the Secretary to be no longer allocated to the State after actions taken by the Secretary under subsection (a)(1), the Secretary shall reallocate that portion among the participating States, excluding the State whose allocated funds were deemed to be no longer allocated, as provided in section 3203(b).

SEC. 3209. IMPLEMENTATION AND ADMINISTRATION.

(a) **GENERAL AUTHORITIES AND DUTIES.**—The Secretary shall—

(1) consult with the Administrator of the Small Business Administration and the appropriate Federal banking agencies on the administration of the Program;

(2) establish minimum national standards for approved State programs;

(3) provide technical assistance to States for starting State programs and generally disseminate best practices;

(4) manage, administer, and perform necessary program integrity functions for the Program; and

(5) ensure adequate oversight of the approved State programs, including oversight of the cash flows, performance, and compliance of each approved State program.

(b) **APPROPRIATIONS.**—There is hereby appropriated to the Secretary, out of funds in the Treasury not otherwise appropriated, \$900,000,000 to carry out the Program, including to pay reasonable costs of administering the Program.

(c) **TERMINATION OF SECRETARY'S PROGRAM ADMINISTRATION FUNCTIONS.**—The authorities and duties of the Secretary to implement and administer the Program shall terminate at the end of the 7-year period beginning on the date of enactment of this Act.

(d) **EXPEDITED CONTRACTING.**—During the 1-year period beginning on the date of enactment of this Act, the Secretary may enter

into contracts without regard to any other provision of law regarding public contracts, for purposes of carrying out this subtitle.

SEC. 3210. REGULATIONS.

The Secretary, in consultation with the Administrator of the Small Business Administration, shall issue such regulations and other guidance as the Secretary determines necessary or appropriate to implement this subtitle including to define terms, to establish compliance and reporting requirements, and such other terms and conditions necessary to carry out the purposes of this subtitle.

SEC. 3211. OVERSIGHT AND AUDITS.

(a) **INSPECTOR GENERAL OVERSIGHT.**—The Inspector General of the Department of the Treasury shall conduct, supervise, and coordinate audits and investigations of the use of funds made available under the Program.

(b) **GAO AUDIT.**—The Comptroller General of the United States shall perform an annual audit of the Program and issue a report to the appropriate committees of Congress containing the results of such audit.

(c) **REQUIRED CERTIFICATION.**—

(1) **FINANCIAL INSTITUTIONS CERTIFICATION.**—With respect to funds received by a participating State under the Program, any financial institution that receives a loan, a loan guarantee, or other financial assistance using such funds after the date of the enactment of this Act shall certify that such institution is in compliance with the requirements of section 103.121 of title 31, Code of Federal Regulations, a regulation that, at a minimum, requires financial institutions, as that term is defined in section 5312 (a)(2) and (c)(1)(A) of title 31, United States Code, to implement reasonable procedures to verify the identity of any person seeking to open an account, to the extent reasonable and practicable, maintain records of the information used to verify the person's identity, and determine whether the person appears on any lists of known or suspected terrorists or terrorist organizations provided to the financial institution by any government agency.

(2) **SEX OFFENSE CERTIFICATION.**—With respect to funds received by a participating State under the Program, any private entity that receives a loan, a loan guarantee, or other financial assistance using such funds after the date of the enactment of this Act shall certify to the participating State that the principals of such entity have not been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. 16911)).

(d) **PROHIBITION ON PORNOGRAPHY.**—None of the funds made available under this subtitle may be used to pay the salary of any individual engaged in activities related to the Program who has been officially disciplined for violations of subpart G of the Standards of Ethical Conduct for Employees of the Executive Branch for viewing, downloading, or exchanging pornography, including child pornography, on a Federal Government computer or while performing official Federal Government duties.

TITLE IV—BUDGETARY PROVISIONS

SEC. 4001. DETERMINATION OF BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled "Budgetary Effects of PAYGO Legislation" for this Act, submitted for printing in the Congressional Record by the Chairman of the Senate Budget Committee, provided that

such statement has been submitted prior to the vote on passage.

The provisions in this Act shall take effect one day after enactment.

SA 4404. Mr. REID proposed an amendment to amendment SA 4403 proposed by Mr. REID (for himself, Mr. BAUCUS, and Ms. LANDRIEU) to the amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; as follows:

On page 236, line 24, strike “one” and insert “five”.

SA 4405. Mr. REID proposed an amendment to amendment to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; as follows:

At the end, insert the following:
The provisions of this Act shall become effective three days after enactment.

SA 4406. Mr. REID proposed an amendment to amendment SA 4405 proposed by Mr. REID to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; as follows:

In the amendment, strike “three days” and insert “10 days”.

SA 4407. Mr. REID (for himself, Mr. BAUCUS, and Ms. LANDRIEU) proposed an amendment to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Small Business Jobs Act of 2010”.

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.

TITLE I—SMALL BUSINESSES

- Sec. 1001. Definitions.
- Subtitle A—Small Business Access to Credit
- Sec. 1101. Short title.

PART I—NEXT STEPS FOR MAIN STREET CREDIT AVAILABILITY

- Sec. 1111. Section 7(a) business loans.
- Sec. 1112. Maximum loan amounts under 504 program.
- Sec. 1113. Maximum loan limits under microloan program.
- Sec. 1114. Temporary fee reductions.
- Sec. 1115. New Markets Venture Capital company investment limitations.
- Sec. 1116. Alternative size standards.
- Sec. 1117. Sale of 7(a) loans in secondary market.
- Sec. 1118. Online lending platform.
- Sec. 1119. SBA Secondary Market Guarantee Authority.

PART II—SMALL BUSINESS ACCESS TO CAPITAL

- Sec. 1122. Low-interest refinancing under the local development business loan program.

PART III—OTHER MATTERS

- Sec. 1131. Small business intermediary lending pilot program.
- Sec. 1132. Public policy goals.
- Sec. 1133. Draft floor plan pilot program extension.
- Sec. 1134. Guarantees for bonds and notes issued for community or economic development purposes.
- Sec. 1135. Temporary express loan enhancement.
- Sec. 1136. Prohibition on using TARP funds or tax in creases.

Subtitle B—Small Business Trade and Exporting

- Sec. 1201. Short title.
- Sec. 1202. Definitions.
- Sec. 1203. Office of International Trade.
- Sec. 1204. Duties of the Office of International Trade.
- Sec. 1205. Export assistance centers.
- Sec. 1206. International trade finance programs.
- Sec. 1207. State Trade and Export Promotion Grant Program.
- Sec. 1208. Rural export promotion.
- Sec. 1209. International trade cooperation by small business development centers.

Subtitle C—Small Business Contracting

PART I—CONTRACT BUNDLING

- Sec. 1311. Small Business Act.
- Sec. 1312. Leadership and oversight.
- Sec. 1313. Consolidation of contract requirements.
- Sec. 1314. Small business teams pilot program.

PART II—SUBCONTRACTING INTEGRITY

- Sec. 1321. Subcontracting misrepresentations.
- Sec. 1322. Small business subcontracting improvements.

PART III—ACQUISITION PROCESS

- Sec. 1331. Reservation of prime contract awards for small businesses.
- Sec. 1332. Micro-purchase guidelines.
- Sec. 1333. Agency accountability.
- Sec. 1334. Payment of subcontractors.
- Sec. 1335. Repeal of Small Business Competitiveness Demonstration Program.

PART IV—SMALL BUSINESS SIZE AND STATUS INTEGRITY

- Sec. 1341. Policy and presumptions.

- Sec. 1342. Annual certification.
- Sec. 1343. Training for contracting and enforcement personnel.
- Sec. 1344. Updated size standards.
- Sec. 1345. Study and report on the mentor-protégé program.
- Sec. 1346. Contracting goals reports.
- Sec. 1347. Small business contracting parity.
- Subtitle D—Small Business Management and Counseling Assistance
- Sec. 1401. Matching requirements under small business programs.
- Sec. 1402. Grants for SBDCs.
- Subtitle E—Disaster Loan Improvement
- Sec. 1501. Aquaculture business disaster assistance.

Subtitle F—Small Business Regulatory Relief

- Sec. 1601. Requirements providing for more detailed analyses.
- Sec. 1602. Office of advocacy.

Subtitle G—Appropriations Provisions

- Sec. 1701. Salaries and expenses.
- Sec. 1702. Business loans program account.
- Sec. 1703. Community Development Financial Institutions Fund program account.

TITLE II—TAX PROVISIONS

- Sec. 2001. Short title.

Subtitle A—Small Business Relief

PART I—PROVIDING ACCESS TO CAPITAL

- Sec. 2011. Temporary exclusion of 100 percent of gain on certain small business stock.
- Sec. 2012. General business credits of eligible small businesses for 2010 carried back 5 years.
- Sec. 2013. General business credits of eligible small businesses in 2010 not subject to alternative minimum tax.
- Sec. 2014. Temporary reduction in recognition period for built-in gains tax.

PART II—ENCOURAGING INVESTMENT

- Sec. 2021. Increased expensing limitations for 2010 and 2011; certain real property treated as section 179 property.
- Sec. 2022. Additional first-year depreciation for 50 percent of the basis of certain qualified property.

PART III—PROMOTING ENTREPRENEURSHIP

- Sec. 2031. Increase in amount allowed as deduction for start-up expenditures in 2010.
- Sec. 2032. Authorization of appropriations for the United States Trade Representative to develop market access opportunities for United States small- and medium-sized businesses and to enforce trade agreements.

PART IV—PROMOTING SMALL BUSINESS FAIRNESS

- Sec. 2041. Limitation on penalty for failure to disclose reportable transactions based on resulting tax benefits.
- Sec. 2042. Deduction for health insurance costs in computing self-employment taxes in 2010.

Subtitle B—Revenue Provisions

PART I—REDUCING THE TAX GAP

- Sec. 2101. Information reporting for rental property expense payments.
- Sec. 2102. Increase in information return penalties.
- Sec. 2103. Report on tax shelter penalties and certain other enforcement actions.

Sec. 2104. Application of levy to payments to Federal vendors relating to property.

Sec. 2105. Application of continuous levy to tax liabilities of certain Federal contractors.

Sec. 2106. Application of bad checks penalty to electronic payments.

PART II—PROMOTING RETIREMENT PREPARATION

Sec. 2111. Participants in government section 457 plans allowed to treat elective deferrals as Roth contributions.

Sec. 2112. Rollovers from elective deferral plans to designated Roth accounts.

PART III—CLOSING UNINTENDED LOOPHOLES

Sec. 2121. Crude tall oil ineligible for cellulosic biofuel producer credit.

PART IV—TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES

Sec. 2131. Time for payment of corporate estimated taxes.

TITLE III—SMALL BUSINESS LENDING

Subtitle A—Small Business Lending Fund

Sec. 3101. Purpose.

Sec. 3102. Definitions.

Sec. 3103. Small business lending fund.

Sec. 3104. Additional authorities of the Secretary.

Sec. 3105. Considerations.

Sec. 3106. Reports.

Sec. 3107. Oversight and audits.

Sec. 3108. Credit reform; funding.

Sec. 3109. Termination and continuation of authorities.

Sec. 3110. Preservation of authority.

Sec. 3111. Assurances.

Sec. 3112. Study and report with respect to women-owned, veteran-owned, and minority-owned businesses.

Sec. 3113. Sense of congress.

Subtitle B—State Small Business Credit Initiative

Sec. 3201. Short title.

Sec. 3202. Definitions.

Sec. 3203. Federal funds allocated to States.

Sec. 3204. Approving States for participation.

Sec. 3205. Approving State capital access programs.

Sec. 3206. Approving collateral support and other innovative credit access and guarantee initiatives for small businesses and manufacturers.

Sec. 3207. Reports.

Sec. 3208. Remedies for State program termination or failures.

Sec. 3209. Implementation and administration.

Sec. 3210. Regulations.

Sec. 3211. Oversight and audits.

TITLE IV—BUDGETARY PROVISIONS

Sec. 4001. Determination of budgetary effects.

TITLE I—SMALL BUSINESSES

SEC. 1001. DEFINITIONS.

In this title—

(1) the terms “Administration” and “Administrator” mean the Small Business Administration and the Administrator thereof, respectively; and

(2) the term “small business concern” has the meaning given that term under section 3 of the Small Business Act (15 U.S.C. 632).

Subtitle A—Small Business Access to Credit

SEC. 1101. SHORT TITLE.

This subtitle may be cited as the “Small Business Job Creation and Access to Capital Act of 2010”.

PART I—NEXT STEPS FOR MAIN STREET CREDIT AVAILABILITY

SEC. 1111. SECTION 7(a) BUSINESS LOANS.

(a) AMENDMENT.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) in paragraph (2)(A)—

(A) in clause (i), by striking “75 percent” and inserting “90 percent”; and

(B) in clause (ii), by striking “85 percent” and inserting “90 percent”; and

(2) in paragraph (3)(A), by striking “\$1,500,000 (or if the gross loan amount would exceed \$2,000,000)” and inserting “\$4,500,000 (or if the gross loan amount would exceed \$5,000,000)”.

(b) PROSPECTIVE REPEAL.—Effective January 1, 2011, section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) in paragraph (2)(A)—

(A) in clause (i), by striking “90 percent” and inserting “75 percent”; and

(B) in clause (ii), by striking “90 percent” and inserting “85 percent”; and

(2) in paragraph (3)(A), by striking “\$4,500,000” and inserting “\$3,750,000”.

SEC. 1112. MAXIMUM LOAN AMOUNTS UNDER 504 PROGRAM.

Section 502(2)(A) of the Small Business Investment Act of 1958 (15 U.S.C. 696(2)(A)) is amended—

(1) in clause (i), by striking “\$1,500,000” and inserting “\$5,000,000”; and

(2) in clause (ii), by striking “\$2,000,000” and inserting “\$5,000,000”; and

(3) in clause (iii), by striking “\$4,000,000” and inserting “\$5,500,000”; and

(4) in clause (iv), by striking “\$4,000,000” and inserting “\$5,500,000”; and

(5) in clause (v), by striking “\$4,000,000” and inserting “\$5,500,000”.

SEC. 1113. MAXIMUM LOAN LIMITS UNDER MICROLOAN PROGRAM.

Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) is amended—

(1) in paragraph (1)(B)(iii), by striking “\$35,000” and inserting “\$50,000”; and

(2) in paragraph (3)—

(A) in subparagraph (C), by striking “\$3,500,000” and inserting “\$5,000,000”; and

(B) in subparagraph (E), by striking “\$35,000” each place that term appears and inserting “\$50,000”; and

(3) in paragraph (11)(B), by striking “\$35,000” and inserting “\$50,000”.

SEC. 1114. TEMPORARY FEE REDUCTIONS.

Section 501 of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 151) is amended by striking “September 30, 2010” each place that term appears and inserting “December 31, 2010”.

SEC. 1115. NEW MARKETS VENTURE CAPITAL COMPANY INVESTMENT LIMITATIONS.

Section 355 of the Small Business Investment Act of 1958 (15 U.S.C. 689d) is amended by adding at the end the following:

“(e) INVESTMENT LIMITATIONS.—

“(1) DEFINITION.—In this subsection, the term ‘covered New Markets Venture Capital company’ means a New Markets Venture Capital company—

“(A) granted final approval by the Administrator under section 354(e) on or after March 1, 2002; and

“(B) that has obtained a financing from the Administrator.

“(2) LIMITATION.—Except to the extent approved by the Administrator, a covered New Markets Venture Capital company may not acquire or issue commitments for securities under this title for any single enterprise in an aggregate amount equal to more than 10 percent of the sum of—

“(A) the regulatory capital of the covered New Markets Venture Capital company; and

“(B) the total amount of leverage projected in the participation agreement of the covered New Markets Venture Capital.”.

SEC. 1116. ALTERNATIVE SIZE STANDARDS.

Section 3(a) of the Small Business Act (15 U.S.C. 632(a)) is amended by adding at the end the following:

“(5) ALTERNATIVE SIZE STANDARD.—

“(A) IN GENERAL.—The Administrator shall establish an alternative size standard for applicants for business loans under section 7(a) and applicants for development company loans under title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.), that uses maximum tangible net worth and average net income as an alternative to the use of industry standards.

“(B) INTERIM RULE.—Until the date on which the alternative size standard established under subparagraph (A) is in effect, an applicant for a business loan under section 7(a) or an applicant for a development company loan under title V of the Small Business Investment Act of 1958 may be eligible for such a loan if—

“(i) the maximum tangible net worth of the applicant is not more than \$15,000,000; and

“(ii) the average net income after Federal income taxes (excluding any carry-over losses) of the applicant for the 2 full fiscal years before the date of the application is not more than \$5,000,000.”.

SEC. 1117. SALE OF 7(a) LOANS IN SECONDARY MARKET.

Section 5(g) of the Small Business Act (15 U.S.C. 634(g)) is amended by adding at the end the following:

“(6) If the amount of the guaranteed portion of any loan under section 7(a) is more than \$500,000, the Administrator shall, upon request of a pool assembler, divide the loan guarantee into increments of \$500,000 and 1 increment of any remaining amount less than \$500,000, in order to permit the maximum amount of any loan in a pool to be not more than \$500,000. Only 1 increment of any loan guarantee divided under this paragraph may be included in the same pool. Increments of loan guarantees to different borrowers that are divided under this paragraph may be included in the same pool.”.

SEC. 1118. ONLINE LENDING PLATFORM.

It is the sense of Congress that the Administrator of the Small Business Administration should establish a website that—

(1) lists each lender that makes loans guaranteed by the Small Business Administration and provides information about the loan rates of each such lender; and

(2) allows prospective borrowers to compare rates on loans guaranteed by the Small Business Administration.

SEC. 1119. SBA SECONDARY MARKET GUARANTEE AUTHORITY.

Section 503(f) of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 155) is amended by striking “on the date 2 years after the date of enactment of this section” and inserting “2 years after the date of the first sale of a pool of first lien position 504 loans guaranteed under this section to a third-party investor”.

PART II—SMALL BUSINESS ACCESS TO CAPITAL

SEC. 1122. LOW-INTEREST REFINANCING UNDER THE LOCAL DEVELOPMENT BUSINESS LOAN PROGRAM.

(a) REFINANCING.—Section 502(7) of the Small Business Investment Act of 1958 (15 U.S.C. 696(7)) is amended by adding at the end the following:

“(C) REFINANCING NOT INVOLVING EXPANSIONS.—

“(i) DEFINITIONS.—In this subparagraph—

“(I) the term ‘borrower’ means a small business concern that submits an application to a development company for financing under this subparagraph;

“(II) the term ‘eligible fixed asset’ means tangible property relating to which the Administrator may provide financing under this section; and

“(III) the term ‘qualified debt’ means indebtedness—

“(aa) that—

“(AA) was incurred not less than 2 years before the date of the application for assistance under this subparagraph;

“(BB) is a commercial loan;

“(CC) is not subject to a guarantee by a Federal agency;

“(DD) the proceeds of which were used to acquire an eligible fixed asset;

“(EE) was incurred for the benefit of the small business concern; and

“(FF) is collateralized by eligible fixed assets; and

“(bb) for which the borrower has been current on all payments for not less than 1 year before the date of the application.

“(ii) AUTHORITY.—A project that does not involve the expansion of a small business concern may include the refinancing of qualified debt if—

“(I) the amount of the financing is not more than 90 percent of the value of the collateral for the financing, except that, if the appraised value of the eligible fixed assets serving as collateral for the financing is less than the amount equal to 125 percent of the amount of the financing, the borrower may provide additional cash or other collateral to eliminate any deficiency;

“(II) the borrower has been in operation for all of the 2-year period ending on the date of the loan; and

“(III) for a financing for which the Administrator determines there will be an additional cost attributable to the refinancing of the qualified debt, the borrower agrees to pay a fee in an amount equal to the anticipated additional cost.

“(iii) FINANCING FOR BUSINESS EXPENSES.—

“(I) FINANCING FOR BUSINESS EXPENSES.—The Administrator may provide financing to a borrower that receives financing that includes a refinancing of qualified debt under clause (ii), in addition to the refinancing under clause (ii), to be used solely for the payment of business expenses.

“(II) APPLICATION FOR FINANCING.—An application for financing under subclause (I) shall include—

“(aa) a specific description of the expenses for which the additional financing is requested; and

“(bb) an itemization of the amount of each expense.

“(III) CONDITION ON ADDITIONAL FINANCING.—A borrower may not use any part of the financing under this clause for non-business purposes.

“(iv) LOANS BASED ON JOBS.—

“(I) JOB CREATION AND RETENTION GOALS.—

“(aa) IN GENERAL.—The Administrator may provide financing under this subparagraph for a borrower that meets the job creation goals under subsection (d) or (e) of section 501.

“(bb) ALTERNATE JOB RETENTION GOAL.—The Administrator may provide financing under this subparagraph to a borrower that does not meet the goals described in item (aa) in an amount that is not more than the product obtained by multiplying the number of employees of the borrower by \$65,000.

“(II) NUMBER OF EMPLOYEES.—For purposes of subclause (I), the number of employees of a borrower is equal to the sum of—

“(aa) the number of full-time employees of the borrower on the date on which the borrower applies for a loan under this subparagraph; and

“(bb) the product obtained by multiplying—

“(AA) the number of part-time employees of the borrower on the date on which the borrower applies for a loan under this subparagraph; by

“(BB) the quotient obtained by dividing the average number of hours each part-time employee of the borrower works each week by 40.

“(v) NONDELEGATION.—Notwithstanding section 508(e), the Administrator may not permit a premier certified lender to approve or disapprove an application for assistance under this subparagraph.

“(vi) TOTAL AMOUNT OF LOANS.—The Administrator may provide not more than a total of \$7,500,000,000 of financing under this subparagraph for each fiscal year.”.

(b) PROSPECTIVE REPEAL.—Effective 2 years after the date of enactment of this Act, section 502(7) of the Small Business Investment Act of 1958 (15 U.S.C. 696(7)) is amended by striking subparagraph (C).

(c) TECHNICAL CORRECTION.—Section 502(2)(A)(i) of the Small Business Investment Act of 1958 (15 U.S.C. 696(2)(A)(i)) is amended by striking “subparagraph (B) or (C)” and inserting “clause (ii), (iii), (iv), or (v)”.

PART III—OTHER MATTERS

SEC. 1131. SMALL BUSINESS INTERMEDIARY LENDING PILOT PROGRAM.

(a) IN GENERAL.—Section 7 of the Small Business Act (15 U.S.C. 636) is amended by striking subsection (l) and inserting the following:

“(1) SMALL BUSINESS INTERMEDIARY LENDING PILOT PROGRAM.—

“(1) DEFINITIONS.—In this subsection—

“(A) the term ‘eligible intermediary’—

“(i) means a private, nonprofit entity that—

“(I) seeks or has been awarded a loan from the Administrator to make loans to small business concerns under this subsection; and

“(II) has not less than 1 year of experience making loans to startup, newly established, or growing small business concerns; and

“(ii) includes—

“(I) a private, nonprofit community development corporation;

“(II) a consortium of private, nonprofit organizations or nonprofit community development corporations; and

“(III) an agency of or nonprofit entity established by a Native American Tribal Government; and

“(B) the term ‘Program’ means the small business intermediary lending pilot program established under paragraph (2).

“(2) ESTABLISHMENT.—There is established a 3-year small business intermediary lending pilot program, under which the Administrator may make direct loans to eligible intermediaries, for the purpose of making loans to startup, newly established, and growing small business concerns.

“(3) PURPOSES.—The purposes of the Program are—

“(A) to assist small business concerns in areas suffering from a lack of credit due to poor economic conditions or changes in the financial market; and

“(B) to establish a loan program under which the Administrator may provide loans to eligible intermediaries to enable the eligible intermediaries to provide loans to start-

up, newly established, and growing small business concerns for working capital, real estate, or the acquisition of materials, supplies, or equipment.

“(4) LOANS TO ELIGIBLE INTERMEDIARIES.—

“(A) APPLICATION.—Each eligible intermediary desiring a loan under this subsection shall submit an application to the Administrator that describes—

“(i) the type of small business concerns to be assisted;

“(ii) the size and range of loans to be made;

“(iii) the interest rate and terms of loans to be made;

“(iv) the geographic area to be served and the economic, poverty, and unemployment characteristics of the area;

“(v) the status of small business concerns in the area to be served and an analysis of the availability of credit; and

“(vi) the qualifications of the applicant to carry out this subsection.

“(B) LOAN LIMITS.—No loan may be made to an eligible intermediary under this subsection if the total amount outstanding and committed to the eligible intermediary by the Administrator would, as a result of such loan, exceed \$1,000,000 during the participation of the eligible intermediary in the Program.

“(C) LOAN DURATION.—Loans made by the Administrator under this subsection shall be for a term of 20 years.

“(D) APPLICABLE INTEREST RATES.—Loans made by the Administrator to an eligible intermediary under the Program shall bear an annual interest rate equal to 1.00 percent.

“(E) FEES; COLLATERAL.—The Administrator may not charge any fees or require collateral with respect to any loan made to an eligible intermediary under this subsection.

“(F) DELAYED PAYMENTS.—The Administrator shall not require the repayment of principal or interest on a loan made to an eligible intermediary under the Program during the 2-year period beginning on the date of the initial disbursement of funds under that loan.

“(G) MAXIMUM PARTICIPANTS AND AMOUNTS.—During each of fiscal years 2011, 2012, and 2013, the Administrator may make loans under the Program—

“(i) to not more than 20 eligible intermediaries; and

“(ii) in a total amount of not more than \$20,000,000.

“(5) LOANS TO SMALL BUSINESS CONCERNS.—

“(A) IN GENERAL.—The Administrator, through an eligible intermediary, shall make loans to startup, newly established, and growing small business concerns for working capital, real estate, and the acquisition of materials, supplies, furniture, fixtures, and equipment.

“(B) MAXIMUM LOAN.—An eligible intermediary may not make a loan under this subsection of more than \$200,000 to any 1 small business concern.

“(C) APPLICABLE INTEREST RATES.—A loan made by an eligible intermediary to a small business concern under this subsection, may have a fixed or a variable interest rate, and shall bear an interest rate specified by the eligible intermediary in the application of the eligible intermediary for a loan under this subsection.

“(D) REVIEW RESTRICTIONS.—The Administrator may not review individual loans made by an eligible intermediary to a small business concern before approval of the loan by the eligible intermediary.

“(6) TERMINATION.—The authority of the Administrator to make loans under the Program shall terminate 3 years after the date

of enactment of the Small Business Job Creation and Access to Capital Act of 2010.”.

(b) **RULEMAKING AUTHORITY.**—Not later than 180 days after the date of enactment of this Act, the Administrator shall issue regulations to carry out section 7(1) of the Small Business Act, as amended by subsection (a).

(c) **AVAILABILITY OF FUNDS.**—Any amounts provided to the Administrator for the purposes of carrying out section 7(1) of the Small Business Act, as amended by subsection (a), shall remain available until expended.

SEC. 1132. PUBLIC POLICY GOALS.

Section 501(d)(3) of the Small Business Investment Act of 1958 (15 U.S.C. 695(d)(3)) is amended—

(1) in subparagraph (J), by striking “or” at the end;

(2) in subparagraph (K), by striking the period at the end and inserting “, or”; and

(3) by adding at the end the following:

“(L) reduction of rates of unemployment in labor surplus areas, as such areas are determined by the Secretary of Labor.”.

SEC. 1133. DRAFT FLOOR PLAN PILOT PROGRAM EXTENSION.

(a) **IN GENERAL.**—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) by redesignating paragraph (32), relating to increased veteran participation, as added by section 208 of the Military Reservist and Veteran Small Business Reauthorization and Opportunity Act of 2008 (Public Law 110-186; 122 Stat. 631), as paragraph (33); and

(2) by adding at the end the following:

“(34) **DEALER FLOOR PLAN FINANCING PROGRAM.**—

“(A) **DEFINITION.**—In this paragraph, the term ‘eligible retail good’—

“(i) means a good for which a title may be obtained under State law; and

“(ii) includes an automobile, recreational vehicle, boat, and manufactured home.

“(B) **PROGRAM.**—The Administrator may guarantee the timely payment of an open-end extension of credit to a small business concern, the proceeds of which may be used for the purchase of eligible retail goods for resale.

“(C) **AMOUNT.**—An open-end extension of credit guaranteed under this paragraph shall be in an amount not less than \$500,000 and not more than \$5,000,000.

“(D) **TERM.**—An open-end extension of credit guaranteed under this paragraph shall have a term of not more than 5 years.

“(E) **GUARANTEE PERCENTAGE.**—The Administrator may guarantee—

“(i) not less than 60 percent of an open-end extension of credit under this paragraph; and

“(ii) not more than 75 percent of an open-end extension of credit under this paragraph.

“(F) **ADVANCE RATE.**—The lender for an open-end extension of credit guaranteed under this paragraph may allow the borrower to draw funds on the line of credit in an amount equal to not more than 100 percent of the value of the eligible retail goods to be purchased.”.

(b) **SUNSET.**—Effective September 30, 2013, section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) by striking paragraph (34); and

(2) by redesignating paragraph (35), as added by section 1206 of this Act, as paragraph (34).

SEC. 1134. GUARANTEES FOR BONDS AND NOTES ISSUED FOR COMMUNITY OR ECONOMIC DEVELOPMENT PURPOSES.

The Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4701 et seq.) is amended by inserting after section 114 (12 U.S.C. 4713) the following:

“SEC. 114A. GUARANTEES FOR BONDS AND NOTES ISSUED FOR COMMUNITY OR ECONOMIC DEVELOPMENT PURPOSES.

“(a) **DEFINITIONS.**—In this section, the following definitions shall apply:

“(1) **ELIGIBLE COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.**—The term ‘eligible community development financial institution’ means a community development financial institution (as described in section 1805.201 of title 12, Code of Federal Regulations, or any successor thereto) certified by the Secretary that has applied to a qualified issuer for, or been granted by a qualified issuer, a loan under the Program.

“(2) **ELIGIBLE COMMUNITY OR ECONOMIC DEVELOPMENT PURPOSE.**—The term ‘eligible community or economic development purpose’—

“(A) means any purpose described in section 108(b); and

“(B) includes the provision of community or economic development in low-income or underserved rural areas.

“(3) **GUARANTEE.**—The term ‘guarantee’ means a written agreement between the Secretary and a qualified issuer (or trustee), pursuant to which the Secretary ensures repayment of the verifiable losses of principal, interest, and call premium, if any, on notes or bonds issued by a qualified issuer to finance or refinance loans to eligible community development financial institutions.

“(4) **LOAN.**—The term ‘loan’ means any credit instrument that is extended under the Program for any eligible community or economic development purpose.

“(5) **MASTER SERVICER.**—

“(A) **IN GENERAL.**—The term ‘master servicer’ means any entity approved by the Secretary in accordance with subparagraph (B) to oversee the activities of servicers, as provided in subsection (f)(4).

“(B) **APPROVAL CRITERIA FOR MASTER SERVICERS.**—The Secretary shall approve or deny any application to become a master servicer under the Program not later than 90 days after the date on which all required information is submitted to the Secretary, based on the capacity and experience of the applicant in—

“(i) loan administration, servicing, and loan monitoring;

“(ii) managing regional or national loan intake, processing, or servicing operational systems and infrastructure;

“(iii) managing regional or national originator communication systems and infrastructure;

“(iv) developing and implementing training and other risk management strategies on a regional or national basis; and

“(v) compliance monitoring, investor relations, and reporting.

“(6) **PROGRAM.**—The term ‘Program’ means the guarantee Program for bonds and notes issued for eligible community or economic development purposes established under this section.

“(7) **PROGRAM ADMINISTRATOR.**—The term ‘Program administrator’ means an entity designated by the issuer to perform administrative duties, as provided in subsection (f)(2).

“(8) **QUALIFIED ISSUER.**—

“(A) **IN GENERAL.**—The term ‘qualified issuer’ means a community development financial institution (or any entity designated to issue notes or bonds on behalf of such community development financial institution) that meets the qualification requirements of this paragraph.

“(B) **APPROVAL CRITERIA FOR QUALIFIED ISSUERS.**—

“(i) **IN GENERAL.**—The Secretary shall approve a qualified issuer for a guarantee under the Program in accordance with the requirements of this paragraph, and such additional requirements as the Secretary may establish, by regulation.

“(ii) **TERMS AND QUALIFICATIONS.**—A qualified issuer shall—

“(I) have appropriate expertise, capacity, and experience, or otherwise be qualified to make loans for eligible community or economic development purposes;

“(II) provide to the Secretary—

“(aa) an acceptable statement of the proposed sources and uses of the funds; and

“(bb) a capital distribution plan that meets the requirements of subsection (c)(1); and

“(III) certify to the Secretary that the bonds or notes to be guaranteed are to be used for eligible community or economic development purposes.

“(C) **DEPARTMENT OPINION; TIMING.**—

“(i) **DEPARTMENT OPINION.**—Not later than 30 days after the date of a request by a qualified issuer for approval of a guarantee under the Program, the Secretary shall provide an opinion regarding compliance by the issuer with the requirements of the Program under this section.

“(ii) **TIMING.**—The Secretary shall approve or deny a guarantee under this section after consideration of the opinion provided to the Secretary under clause (i), and in no case later than 90 days after receipt of all required information by the Secretary with respect to a request for such guarantee.

“(9) **SECRETARY.**—The term ‘Secretary’ means the Secretary of the Treasury.

“(10) **SERVICER.**—The term ‘servicer’ means an entity designated by the issuer to perform various servicing duties, as provided in subsection (f)(3).

“(b) **GUARANTEES AUTHORIZED.**—The Secretary shall guarantee payments on bonds or notes issued by any qualified issuer, if the proceeds of the bonds or notes are used in accordance with this section to make loans to eligible community development financial institutions—

“(1) for eligible community or economic development purposes; or

“(2) to refinance loans or notes issued for such purposes.

“(c) **GENERAL PROGRAM REQUIREMENTS.**—

“(1) **IN GENERAL.**—A capital distribution plan meets the requirements of this subsection, if not less than 90 percent of the principal amount of guaranteed bonds or notes (other than costs of issuance fees) are used to make loans for any eligible community or economic development purpose, measured annually, beginning at the end of the 1-year period beginning on the issuance date of such guaranteed bonds or notes.

“(2) **RELENDING ACCOUNT.**—Not more than 10 percent of the principal amount of guaranteed bonds or notes, multiplied by an amount equal to the outstanding principal balance of issued notes or bonds, minus the risk-share pool amount under subsection (d), may be held in a relending account and may be made available for new eligible community or economic development purposes.

“(3) **LIMITATIONS ON UNPAID PRINCIPAL BALANCES.**—The proceeds of guaranteed bonds or notes under the Program may not be used to pay fees (other than costs of issuance fees), and shall be held in—

“(A) community or economic development loans;

“(B) a relending account, to the extent authorized under paragraph (2); or

“(C) a risk-share pool established under subsection (d).

“(4) REPAYMENT.—If a qualified issuer fails to meet the requirements of paragraph (1) by the end of the 90-day period beginning at the end of the annual measurement period, repayment shall be made on that portion of bonds or notes necessary to bring the bonds or notes that remain outstanding after such repayment into compliance with the 90 percent requirement of paragraph (1).

“(5) PROHIBITED USES.—The Secretary shall, by regulation—

“(A) prohibit, as appropriate, certain uses of amounts from the guarantee of a bond or note under the Program, including the use of such funds for political activities, lobbying, outreach, counseling services, or travel expenses; and

“(B) provide that the guarantee of a bond or note under the Program may not be used for salaries or other administrative costs of—

“(i) the qualified issuer; or

“(ii) any recipient of amounts from the guarantee of a bond or note.

“(d) RISK-SHARE POOL.—Each qualified issuer shall, during the term of a guarantee provided under the Program, establish a risk-share pool, capitalized by contributions from eligible community development financial institution participants an amount equal to 3 percent of the guaranteed amount outstanding on the subject notes and bonds.

“(e) GUARANTEES.—

“(1) IN GENERAL.—A guarantee issued under the Program shall—

“(A) be for the full amount of a bond or note, including the amount of principal, interest, and call premiums;

“(B) be fully assignable and transferable to the capital market, on terms and conditions that are consistent with comparable Government-guaranteed bonds, and satisfactory to the Secretary;

“(C) represent the full faith and credit of the United States; and

“(D) not exceed 30 years.

“(2) LIMITATIONS.—

“(A) ANNUAL NUMBER OF GUARANTEES.—The Secretary shall issue not more than 10 guarantees in any calendar year under the Program.

“(B) GUARANTEE AMOUNT.—The Secretary may not guarantee any amount under the Program equal to less than \$100,000,000, but the total of all such guarantees in any fiscal year may not exceed \$1,000,000,000.

“(f) SERVICING OF TRANSACTIONS.—

“(1) IN GENERAL.—To maximize efficiencies and minimize cost and interest rates, loans made under this section may be serviced by qualified Program administrators, bond servicers, and a master servicer.

“(2) DUTIES OF PROGRAM ADMINISTRATOR.—The duties of a Program administrator shall include—

“(A) approving and qualifying eligible community development financial institution applications for participation in the Program;

“(B) compliance monitoring;

“(C) bond packaging in connection with the Program; and

“(D) all other duties and related services that are customarily expected of a Program administrator.

“(3) DUTIES OF SERVICER.—The duties of a servicer shall include—

“(A) billing and collecting loan payments;

“(B) initiating collection activities on past-due loans;

“(C) transferring loan payments to the master servicing accounts;

“(D) loan administration and servicing;

“(E) systematic and timely reporting of loan performance through remittance and servicing reports;

“(F) proper measurement of annual outstanding loan requirements; and

“(G) all other duties and related services that are customarily expected of servicers.

“(4) DUTIES OF MASTER SERVICER.—The duties of a master servicer shall include—

“(A) tracking the movement of funds between the accounts of the master servicer and any other servicer;

“(B) ensuring orderly receipt of the monthly remittance and servicing reports of the servicer;

“(C) monitoring the collection comments and foreclosure actions;

“(D) aggregating the reporting and distribution of funds to trustees and investors;

“(E) removing and replacing a servicer, as necessary;

“(F) loan administration and servicing;

“(G) systematic and timely reporting of loan performance compiled from all bond servicers' reports;

“(H) proper distribution of funds to investors; and

“(I) all other duties and related services that are customarily expected of a master servicer.

“(g) FEES.—

“(1) IN GENERAL.—A qualified issuer that receives a guarantee issued under this section on a bond or note shall pay a fee to the Secretary, in an amount equal to 10 basis points of the amount of the unpaid principal of the bond or note guaranteed.

“(2) PAYMENT.—A qualified issuer shall pay the fee required under this subsection on an annual basis.

“(3) USE OF FEES.—Fees collected by the Secretary under this subsection shall be used to reimburse the Department of the Treasury for any administrative costs incurred by the Department in implementing the Program established under this section.

“(h) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There are authorized to be appropriated to the Secretary, such sums as are necessary to carry out this section.

“(2) USE OF FEES.—To the extent that the amount of funds appropriated for a fiscal year under paragraph (1) are not sufficient to carry out this section, the Secretary may use the fees collected under subsection (g) for the cost of providing guarantees of bonds and notes under this section.

“(i) INVESTMENT IN GUARANTEED BONDS ELIGIBLE FOR COMMUNITY REINVESTMENT ACT PURPOSES.—Notwithstanding any other provision of law, any investment by a financial institution in bonds or notes guaranteed under the Program shall not be taken into account in assessing the record of such institution for purposes of the Community Reinvestment Act of 1977 (12 U.S.C. 2901).

“(j) ADMINISTRATION.—

“(1) REGULATIONS.—Not later than 1 year after the date of enactment of this section, the Secretary shall promulgate regulations to carry out this section.

“(2) IMPLEMENTATION.—Not later than 2 years after the date of enactment of this section, the Secretary shall implement this section.

“(k) TERMINATION.—This section is repealed, and the authority provided under this section shall terminate, on September 30, 2014.”.

SEC. 1135. TEMPORARY EXPRESS LOAN ENHANCEMENT.

(a) IN GENERAL.—Section 7(a)(31)(D) of the Small Business Act (15 U.S.C. 636(a)(31)(D)) is amended by striking “\$350,000” and inserting “\$1,000,000”.

(b) PROSPECTIVE REPEAL.—Effective 1 year after the date of enactment of this Act, section 7(a)(31)(D) of the Small Business Act (15 U.S.C. 636(a)(31)(D)) is amended by striking “\$1,000,000” and inserting “\$350,000”.

SEC. 1136. PROHIBITION ON USING TARP FUNDS OR TAX INCREASES.

(a) IN GENERAL.—Except as provided in subsection (b), nothing in section 1111, 1112, 1113, 1114, 1115, 1116, 1117, 1118, 1122, or 1131, or an amendment made by such sections, shall be construed to limit the ability of Congress to appropriate funds.

(b) TARP FUNDS AND TAX INCREASES.—

(1) IN GENERAL.—Any covered amounts may not be used to carry out section 1111, 1112, 1113, 1114, 1115, 1116, 1117, 1118, 1122, or 1131, or an amendment made by such sections.

(2) DEFINITION.—In this subsection, the term “covered amounts” means—

(A) the amounts made available to the Secretary of the Treasury under title I of the Emergency Economic Stabilization Act of 2008 (S.C. 5201 et seq.) to purchase (under section 101) or guarantee (under section 102) assets under that Act; and

(B) any revenue increase attributable to any amendment to the Internal Revenue Code of 1986 made during the period beginning on the date of enactment of this Act and ending on December 31, 2010.

Subtitle B—Small Business Trade and Exporting

SEC. 1201. SHORT TITLE.

This subtitle may be cited as the “Small Business Export Enhancement and International Trade Act of 2010”.

SEC. 1202. DEFINITIONS.

(a) DEFINITIONS.—In this subtitle—

(1) the term “Associate Administrator” means the Associate Administrator for International Trade appointed under section 22(a)(2) of the Small Business Act, as amended by this subtitle;

(2) the term “Export Assistance Center” means a one-stop shop referred to in section 2301(b)(8) of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4721(b)(8)); and

(3) the term “rural small business concern” means a small business concern located in a rural area, as that term is defined in section 1393(a)(2) of the Internal Revenue Code of 1986.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) DEFINITIONS.—Section 3 of the Small Business Act (15 U.S.C. 632) is amended by adding at the end the following:

“(t) SMALL BUSINESS DEVELOPMENT CENTER.—In this Act, the term ‘small business development center’ means a small business development center described in section 21.

“(u) REGION OF THE ADMINISTRATION.—In this Act, the term ‘region of the Administration’ means the geographic area served by a regional office of the Administration established under section 4(a).”.

(2) CONFORMING AMENDMENT.—Section 4(b)(3)(B)(x) of the Small Business Act (15 U.S.C. 633(b)(3)(B)(x)) is amended by striking “Administration district and region” and inserting “district and region of the Administration”.

SEC. 1203. OFFICE OF INTERNATIONAL TRADE.

(a) ESTABLISHMENT.—Section 22 of the Small Business Act (15 U.S.C. 649) is amended—

(1) by striking “SEC. 22. (a) There” and inserting the following:

“SEC. 22. OFFICE OF INTERNATIONAL TRADE.

“(a) ESTABLISHMENT.—

“(1) OFFICE.—There”; and

(2) in subsection (a)—

(A) in paragraph (1), as so designated, by striking the period and inserting “for the primary purposes of increasing—

“(A) the number of small business concerns that export; and

“(B) the volume of exports by small business concerns.”; and

(B) by adding at the end the following:

“(2) ASSOCIATE ADMINISTRATOR.—The head of the Office shall be the Associate Administrator for International Trade, who shall be responsible to the Administrator.”.

(b) AUTHORITY FOR ADDITIONAL ASSOCIATE ADMINISTRATOR.—Section 4(b)(1) of the Small Business Act (15 U.S.C. 633(b)(1)) is amended—

(1) in the fifth sentence, by striking “five Associate Administrators” and inserting “Associate Administrators”; and

(2) by adding at the end the following: “One such Associate Administrator shall be the Associate Administrator for International Trade, who shall be the head of the Office of International Trade established under section 22.”.

(c) DISCHARGE OF INTERNATIONAL TRADE RESPONSIBILITIES OF ADMINISTRATION.—Section 22 of the Small Business Act (15 U.S.C. 649) is amended by adding at the end the following:

“(h) DISCHARGE OF INTERNATIONAL TRADE RESPONSIBILITIES OF ADMINISTRATION.—The Administrator shall ensure that—

“(1) the responsibilities of the Administration regarding international trade are carried out by the Associate Administrator;

“(2) the Associate Administrator has sufficient resources to carry out such responsibilities; and

“(3) the Associate Administrator has direct supervision and control over—

“(A) the staff of the Office; and

“(B) any employee of the Administration whose principal duty station is an Export Assistance Center, or any successor entity.”.

(d) ROLE OF ASSOCIATE ADMINISTRATOR IN CARRYING OUT INTERNATIONAL TRADE POLICY.—Section 2(b)(1) of the Small Business Act (15 U.S.C. 631(b)(1)) is amended in the matter preceding subparagraph (A)—

(1) by inserting “the Administrator of” before “the Small Business Administration”; and

(2) by inserting “through the Associate Administrator for International Trade, and” before “in cooperation with”.

(e) IMPLEMENTATION DATE.—Not later than 90 days after the date of enactment of this Act, the Administrator of the Small Business Administration shall appoint an Associate Administrator for International Trade under section 22(a) of the Small Business Act (15 U.S.C. 649(a)), as added by this section.

SEC. 1204. DUTIES OF THE OFFICE OF INTERNATIONAL TRADE.

(a) AMENDMENTS TO SECTION 22.—Section 22 of the Small Business Act (15 U.S.C. 649) is amended—

(1) by striking subsection (b) and inserting the following:

“(b) TRADE DISTRIBUTION NETWORK.—The Associate Administrator, working in close cooperation with the Secretary of Commerce, the United States Trade Representative, the Secretary of Agriculture, the Secretary of State, the President of the Export-Import Bank of the United States, the President of the Overseas Private Investment Corporation, Director of the United States Trade and Development Agency, and other relevant Federal agencies, small business development centers engaged in export promotion efforts, Export Assistance Centers, regional and district offices of the Adminis-

tration, the small business community, and relevant State and local export promotion programs, shall—

“(1) maintain a distribution network, using regional and district offices of the Administration, the small business development center network, networks of women’s business centers, the Service Corps of Retired Executives authorized by section 8(b)(1), and Export Assistance Centers, for programs relating to—

“(A) trade promotion;

“(B) trade finance;

“(C) trade adjustment assistance;

“(D) trade remedy assistance; and

“(E) trade data collection;

“(2) aggressively market the programs described in paragraph (1) and disseminate information, including computerized marketing data, to small business concerns on exporting trends, market-specific growth, industry trends, and international prospects for exports;

“(3) promote export assistance programs through the district and regional offices of the Administration, the small business development center network, Export Assistance Centers, the network of women’s business centers, chapters of the Service Corps of Retired Executives, State and local export promotion programs, and partners in the private sector; and

“(4) give preference in hiring or approving the transfer of any employee into the Office or to a position described in subsection (c)(9) to otherwise qualified applicants who are fluent in a language in addition to English, to—

“(A) accompany small business concerns on foreign trade missions; and

“(B) translate documents, interpret conversations, and facilitate multilingual transactions, including by providing referral lists for translation services, if required.”;

(2) in subsection (c)—

(A) by striking “(c) The Office” and inserting the following:

“(c) PROMOTION OF SALES OPPORTUNITIES.—The Associate Administrator”; and

(B) by redesignating paragraphs (1) through (8) as paragraphs (2) through (9), respectively;

(C) by inserting before paragraph (2), as so redesignated, the following:

“(1) establish annual goals for the Office relating to—

“(A) enhancing the exporting capability of small business concerns and small manufacturers;

“(B) facilitating technology transfers;

“(C) enhancing programs and services to assist small business concerns and small manufacturers to compete effectively and efficiently against foreign entities;

“(D) increasing the ability of small business concerns to access capital; and

“(E) disseminating information concerning Federal, State, and private programs and initiatives;”;

(D) in paragraph (2), as so redesignated, by striking “mechanism for” and all that follows through “(D) assisting” and inserting the following: “mechanism for—

“(A) identifying subsectors of the small business community with strong export potential;

“(B) identifying areas of demand in foreign markets;

“(C) prescreening foreign buyers for commercial and credit purposes; and

“(D) assisting”;

(E) in paragraph (3), as so redesignated, by striking “assist small businesses in the formation and utilization of” and inserting “as-

sist small business concerns in forming and using”;

(F) in paragraph (4), as so redesignated—

(i) by striking “local” and inserting “district”;

(ii) by striking “existing”;

(iii) by striking “Small Business Development Center network” and inserting “small business development center network”; and

(iv) by striking “Small Business Development Center Program” and inserting “small business development center program”;

(G) in paragraph (5), as so redesignated—

(i) in subparagraph (A), by striking “Gross State Produce” and inserting “Gross State Product”;

(ii) in subparagraph (B), by striking “SIC” each place it appears and inserting “North American Industry Classification System”; and

(iii) in subparagraph (C), by striking “small businesses” and inserting “small business concerns”;

(H) in paragraph (6), as so redesignated, by striking the period at the end and inserting a semicolon;

(I) in paragraph (7), as so redesignated—

(i) in the matter preceding subparagraph (A)—

(I) by inserting “concerns” after “small business”; and

(II) by striking “current” and inserting “up to date”;

(ii) in subparagraph (A), by striking “Administration’s regional offices” and inserting “regional and district offices of the Administration”;

(iii) in subparagraph (B) by striking “current”;

(iv) in subparagraph (C), by striking “current”; and

(v) by striking “small businesses” each place that term appears and inserting “small business concerns”;

(J) in paragraph (8), as so redesignated, by striking and at the end;

(K) in paragraph (9), as so redesignated—

(i) in the matter preceding subparagraph (A)—

(I) by striking “full-time export development specialists to each Administration regional office and assigning”; and

(II) by striking “person in each district office. Such specialists” and inserting “individual in each district office and providing each Administration regional office with a full-time export development specialist, who”;

(ii) in subparagraph (B)—

(I) by striking “current”; and

(II) by striking “with” and inserting “in”;

(iii) in subparagraph (D)—

(I) by striking “Administration personnel involved in granting” and inserting “personnel of the Administration involved in making”; and

(II) by striking “and” at the end;

(iv) in subparagraph (E)—

(I) by striking “small businesses’ needs” and inserting “the needs of small business concerns”; and

(II) by striking the period at the end and inserting a semicolon;

(v) by adding at the end the following:

“(F) participate, jointly with employees of the Office, in an annual training program that focuses on current small business needs for exporting; and

“(G) develop and conduct training programs for exporters and lenders, in cooperation with the Export Assistance Centers, the Department of Commerce, the Department of Agriculture, small business development centers, women’s business centers, the Export-Import Bank of the United States, the

Overseas Private Investment Corporation, and other relevant Federal agencies"; and

(vi) by striking "small businesses" each place that term appears and inserting "small business concerns"; and

(L) by adding at the end the following:

"(10) make available on the website of the Administration the name and contact information of each individual described in paragraph (9);

"(11) carry out a nationwide marketing effort using technology, online resources, training, and other strategies to promote exporting as a business development opportunity for small business concerns;

"(12) disseminate information to the small business community through regional and district offices of the Administration, the small business development center network, Export Assistance Centers, the network of women's business centers, chapters of the Service Corps of Retired Executives authorized by section 8(b)(1), State and local export promotion programs, and partners in the private sector regarding exporting trends, market-specific growth, industry trends, and prospects for exporting; and

"(13) establish and carry out training programs for the staff of the regional and district offices of the Administration and resource partners of the Administration on export promotion and providing assistance relating to exports.";

(3) in subsection (d)—

(A) by redesignating paragraphs (1) through (5) as clauses (i) through (v), respectively, and adjusting the margins accordingly;

(B) by striking "(d) The Office" and inserting the following:

"(d) EXPORT FINANCING PROGRAMS.—

"(1) IN GENERAL.—The Associate Administrator"; and

(C) by striking "To accomplish this goal, the Office shall work" and inserting the following:

"(2) TRADE FINANCE SPECIALIST.—To accomplish the goal established under paragraph (1), the Associate Administrator shall—

"(A) designate at least 1 individual within the Administration as a trade finance specialist to oversee international loan programs and assist Administration employees with trade finance issues; and

"(B) work";

(4) in subsection (e), by striking "(e) The Office" and inserting the following:

"(e) TRADE REMEDIES.—The Associate Administrator";

(5) by amending subsection (f) to read as follows:

"(f) REPORTING REQUIREMENT.—The Associate Administrator shall submit an annual report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives that contains—

"(1) a description of the progress of the Office in implementing the requirements of this section;

"(2) a detailed account of the results of export growth activities of the Administration, including the activities of each district and regional office of the Administration, based on the performance measures described in subsection (i);

"(3) an estimate of the total number of jobs created or retained as a result of export assistance provided by the Administration and resource partners of the Administration;

"(4) for any travel by the staff of the Office, the destination of such travel and the benefits to the Administration and to small business concerns resulting from such travel; and

"(5) a description of the participation by the Office in trade negotiations.";

(6) in subsection (g), by striking "(g) The Office" and inserting the following:

"(g) STUDIES.—The Associate Administrator"; and

(7) by adding after subsection (h), as added by section 1203 of this subtitle, the following:

"(i) EXPORT AND TRADE COUNSELING.—

"(1) DEFINITION.—In this subsection—

"(A) the term 'lead small business development center' means a small business development center that has received a grant from the Administration; and

"(B) the term 'lead women's business center' means a women's business center that has received a grant from the Administration.

"(2) CERTIFICATION PROGRAM.—The Administrator shall establish an export and trade counseling certification program to certify employees of lead small business development centers and lead women's business centers in providing export assistance to small business concerns.

"(3) NUMBER OF CERTIFIED EMPLOYEES.—The Administrator shall ensure that the number of employees of each lead small business development center who are certified in providing export assistance is not less than the lesser of—

"(A) 5; or

"(B) 10 percent of the total number of employees of the lead small business development center.

"(4) REIMBURSEMENT FOR CERTIFICATION.—

"(A) IN GENERAL.—Subject to the availability of appropriations, the Administrator shall reimburse a lead small business development center or a lead women's business center for costs relating to the certification of an employee of the lead small business center or lead women's business center in providing export assistance under the program established under paragraph (2).

"(B) LIMITATION.—The total amount reimbursed by the Administrator under subparagraph (A) may not exceed \$350,000 in any fiscal year.

"(j) PERFORMANCE MEASURES.—

"(1) IN GENERAL.—The Associate Administrator shall develop performance measures for the Administration to support export growth goals for the activities of the Office under this section that include—

"(A) the number of small business concerns that—

"(i) receive assistance from the Administration;

"(ii) had not exported goods or services before receiving the assistance described in clause (i); and

"(iii) export goods or services;

"(B) the number of small business concerns receiving assistance from the Administration that export goods or services to a market outside the United States into which the small business concern did not export before receiving the assistance;

"(C) export revenues by small business concerns assisted by programs of the Administration;

"(D) the number of small business concerns referred to an Export Assistance Center or a small business development center by the staff of the Office;

"(E) the number of small business concerns referred to the Administration by an Export Assistance Center or a small business development center; and

"(F) the number of small business concerns referred to the Department of Commerce, the Department of Agriculture, the Department of State, the Export-Import Bank of

the United States, the Overseas Private Investment Corporation, or the United States Trade and Development Agency by the staff of the Office, an Export Assistance Center, or a small business development center.

"(2) JOINT PERFORMANCE MEASURES.—The Associate Administrator shall develop joint performance measures for the district offices of the Administration and the Export Assistance Centers that include the number of export loans made under—

"(A) section 7(a)(16);

"(B) the Export Working Capital Program established under section 7(a)(14);

"(C) the Preferred Lenders Program, as defined in section 7(a)(2)(C)(ii); and

"(D) the export express program established under section 7(a)(34).

"(3) CONSISTENCY OF TRACKING.—The Associate Administrator, in coordination with the departments and agencies that are represented on the Trade Promotion Coordinating Committee established under section 2312 of the Export Enhancement Act of 1988 (15 U.S.C. 4727) and the small business development center network, shall develop a system to track exports by small business concerns, including information relating to the performance measures developed under paragraph (1), that is consistent with systems used by the departments and agencies and the network."

(b) REPORT.—Not later than 60 days after the date of enactment of this Act, the Administrator shall submit a report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives on any travel by the staff of the Office of International Trade of the Administration, during the period beginning on October 1, 2004, and ending on the date of enactment of the Act, including the destination of such travel and the benefits to the Administration and to small business concerns resulting from such travel.

SEC. 1205. EXPORT ASSISTANCE CENTERS.

(a) EXPORT ASSISTANCE CENTERS.—Section 22 of the Small Business Act (15 U.S.C. 649), as amended by this subtitle, is amended by adding at the end the following:

"(k) EXPORT ASSISTANCE CENTERS.—

"(1) EXPORT FINANCE SPECIALISTS.—

"(A) MINIMUM NUMBER OF EXPORT FINANCE SPECIALISTS.—On and after the date that is 90 days after the date of enactment of this subsection, the Administrator, in coordination with the Secretary of Commerce, shall ensure that the number of export finance specialists is not less than the number of such employees so assigned on January 1, 2003.

"(B) EXPORT FINANCE SPECIALISTS ASSIGNED TO EACH REGION OF THE ADMINISTRATION.—On and after the date that is 2 years after the date of enactment of this subsection, the Administrator, in coordination with the Secretary of Commerce, shall ensure that there are not fewer than 3 export finance specialists in each region of the Administration.

"(2) PLACEMENT OF EXPORT FINANCE SPECIALISTS.—

"(A) PRIORITY.—The Administrator shall give priority, to the maximum extent practicable, to placing employees of the Administration at any Export Assistance Center that—

"(i) had an Administration employee assigned to the Export Assistance Center before January 2003; and

"(ii) has not had an Administration employee assigned to the Export Assistance Center during the period beginning January 2003, and ending on the date of enactment of this subsection, either through retirement or reassignment.

“(B) NEEDS OF EXPORTERS.—The Administrator shall, to the maximum extent practicable, strategically assign Administration employees to Export Assistance Centers, based on the needs of exporters.

“(C) RULE OF CONSTRUCTION.—Nothing in this subsection may be construed to require the Administrator to reassign or remove an export finance specialist who is assigned to an Export Assistance Center on the date of enactment of this subsection.

“(3) GOALS.—The Associate Administrator shall work with the Department of Commerce, the Export-Import Bank of the United States, and the Overseas Private Investment Corporation to establish shared annual goals for the Export Assistance Centers.

“(4) OVERSIGHT.—The Associate Administrator shall designate an individual within the Administration to oversee all activities conducted by Administration employees assigned to Export Assistance Centers.

“(1) DEFINITIONS.—In this section—
“(1) the term ‘Associate Administrator’ means the Associate Administrator for International Trade described in subsection (a)(2);

“(2) the term ‘Export Assistance Center’ means a one-stop shop for United States exporters established by the United States and Foreign Commercial Service of the Department of Commerce pursuant to section 2301(b)(8) of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4721(b)(8));

“(3) the term ‘export finance specialist’ means a full-time equivalent employee of the Office assigned to an Export Assistance Center to carry out the duties described in subsection (e); and

“(4) the term ‘Office’ means the Office of International Trade established under subsection (a)(1).”

(b) STUDY AND REPORT ON FILLING GAPS IN HIGH-AND-LOW-EXPORT VOLUME AREAS.—

(1) STUDY AND REPORT.—Not later than 6 months after the date of enactment of this Act, and every 2 years thereafter, the Administrator shall—

- (A) conduct a study of—
 - (i) the volume of exports for each State;
 - (ii) the availability of export finance specialists in each State;
 - (iii) the number of exporters in each State that are small business concerns;
 - (iv) the percentage of exporters in each State that are small business concerns;
 - (v) the change, if any, in the number of exporters that are small business concerns in each State—

(I) for the first study conducted under this subparagraph, during the 10-year period ending on the date of enactment of this Act; and
(II) for each subsequent study, during the 10-year period ending on the date the study is commenced;

(vi) the total value of the exports in each State by small business concerns;

(vii) the percentage of the total volume of exports in each State that is attributable to small business concerns; and

(viii) the change, if any, in the percentage of the total volume of exports in each State that is attributable to small business concerns—

(I) for the first study conducted under this subparagraph, during the 10-year period ending on the date of enactment of this Act; and
(II) for each subsequent study, during the 10-year period ending on the date the study is commenced; and

(B) submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report containing—

(i) the results of the study under subparagraph (A);

(ii) to the extent practicable, a recommendation regarding how to eliminate gaps between the supply of and demand for export finance specialists in the 15 States that have the greatest volume of exports, based upon the most recent data available from the Department of Commerce;

(iii) to the extent practicable, a recommendation regarding how to eliminate gaps between the supply of and demand for export finance specialists in the 15 States that have the lowest volume of exports, based upon the most recent data available from the Department of Commerce; and

(iv) such additional information as the Administrator determines is appropriate.

(2) DEFINITION.—In this subsection, the term “export finance specialist” has the meaning given that term in section 22(1) of the Small Business Act, as added by this title.

SEC. 1206. INTERNATIONAL TRADE FINANCE PROGRAMS.

(a) LOAN LIMITS.—

(1) TOTAL AMOUNT OUTSTANDING.—Section 7(a)(3)(B) of the Small Business Act (15 U.S.C. 636(a)(3)(B)) is amended by striking “\$1,750,000, of which not more than \$1,250,000” and inserting “\$4,500,000 (or if the gross loan amount would exceed \$5,000,000, of which not more than \$4,000,000”.

(2) PARTICIPATION.—Section 7(a)(2) of the Small Business Act (15 U.S.C. 636(a)(2)) is amended—

(A) in subparagraph (A), in the matter preceding clause (i), by striking “subparagraph (B)” and inserting “subparagraphs (B), (D), and (E)”; and

(B) in subparagraph (D), by striking “Notwithstanding subparagraph (A), in” and inserting “In”; and

(C) by adding at the end the following:

“(E) PARTICIPATION IN INTERNATIONAL TRADE LOAN.—In an agreement to participate in a loan on a deferred basis under paragraph (16), the participation by the Administration may not exceed 90 percent.”.

(b) WORKING CAPITAL.—Section 7(a)(16)(A) of the Small Business Act (15 U.S.C. 636(a)(16)(A)) is amended—

(1) in the matter preceding clause (i), by striking “in—” and inserting “—”;

(2) in clause (i)—

(A) by inserting “in” after “(i)”; and

(B) by striking “or” at the end;

(3) in clause (ii)—

(A) by inserting “in” after “(ii)”; and

(B) by striking the period at the end and inserting “, including any debt that qualifies for refinancing under any other provision of this subsection; or”; and

(4) by adding at the end the following:

“(iii) by providing working capital.”.

(c) COLLATERAL.—Section 7(a)(16)(B) of the Small Business Act (15 U.S.C. 636(a)(16)(B)) is amended—

(1) by striking “Each loan” and inserting the following:

“(i) IN GENERAL.—Except as provided in clause (ii), each loan”; and

(2) by adding at the end the following:

“(ii) EXCEPTION.—A loan under this paragraph may be secured by a second lien position on the property or equipment financed by the loan or on other assets of the small business concern, if the Administrator determines the lien provides adequate assurance of the payment of the loan.”.

(d) EXPORT WORKING CAPITAL PROGRAM.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) in paragraph (2)(D), by striking “not exceed” and inserting “be”; and

(2) in paragraph (14)—

(A) by striking “(A) The Administration” and inserting the following: “EXPORT WORKING CAPITAL PROGRAM.—

“(A) IN GENERAL.—The Administrator”; and

(B) by striking “(B) When considering” and inserting the following:

“(C) CONSIDERATIONS.—When considering”; and

(C) by striking “(C) The Administration” and inserting the following:

“(D) MARKETING.—The Administrator”; and

(D) by inserting after subparagraph (A) the following:

“(B) TERMS.—

“(i) LOAN AMOUNT.—The Administrator may not guarantee a loan under this paragraph of more than \$5,000,000.

“(ii) FEES.—

“(I) IN GENERAL.—For a loan under this paragraph, the Administrator shall collect the fee assessed under paragraph (23) not more frequently than once each year.

“(II) UNTAPPED CREDIT.—The Administrator may not assess a fee on capital that is not accessed by the small business concern.”.

(e) PARTICIPATION IN PREFERRED LENDERS PROGRAM.—Section 7(a)(2)(C) of the Small Business Act (15 U.S.C. 636(a)(2)(C)) is amended—

(1) by redesignating clause (ii) as clause (iii); and

(2) by inserting after clause (i) the following:

“(ii) EXPORT-IMPORT BANK LENDERS.—Any lender that is participating in the Delegated Authority Lender Program of the Export-Import Bank of the United States (or any successor to the Program) shall be eligible to participate in the Preferred Lenders Program.”.

(f) EXPORT EXPRESS PROGRAM.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by adding at the end the following:

“(35) EXPORT EXPRESS PROGRAM.—

“(A) DEFINITIONS.—In this paragraph—

“(i) the term ‘export development activity’ includes—

“(I) obtaining a standby letter of credit when required as a bid bond, performance bond, or advance payment guarantee;

“(II) participation in a trade show that takes place outside the United States;

“(III) translation of product brochures or catalogues for use in markets outside the United States;

“(IV) obtaining a general line of credit for export purposes;

“(V) performing a service contract from buyers located outside the United States;

“(VI) obtaining transaction-specific financing associated with completing export orders;

“(VII) purchasing real estate or equipment to be used in the production of goods or services for export;

“(VIII) providing term loans or other financing to enable a small business concern, including an export trading company and an export management company, to develop a market outside the United States; and

“(IX) acquiring, constructing, renovating, modernizing, improving, or expanding a production facility or equipment to be used in the United States in the production of goods or services for export; and

“(ii) the term ‘express loan’ means a loan in which a lender uses to the maximum extent practicable the loan analyses, procedures, and documentation of the lender to provide expedited processing of the loan application.”.

“(B) AUTHORITY.—The Administrator may guarantee the timely payment of an express loan to a small business concern made for an export development activity.

“(C) LEVEL OF PARTICIPATION.—

“(i) MAXIMUM AMOUNT.—The maximum amount of an express loan guaranteed under this paragraph shall be \$500,000.

“(ii) PERCENTAGE.—For an express loan guaranteed under this paragraph, the Administrator shall guarantee—

“(I) 90 percent of a loan that is not more than \$350,000; and

“(II) 75 percent of a loan that is more than \$350,000 and not more than \$500,000.”.

(g) ANNUAL LISTING OF EXPORT FINANCE LENDERS.—Section 7(a)(16) of the Small Business Act (15 U.S.C. 636(a)(16)) is amended by adding at the end the following:

“(F) LIST OF EXPORT FINANCE LENDERS.—

“(i) PUBLICATION OF LIST REQUIRED.—The Administrator shall publish an annual list of the banks and participating lending institutions that, during the 1-year period ending on the date of publication of the list, have made loans guaranteed by the Administration under—

“(I) this paragraph;

“(II) paragraph (14); or

“(III) paragraph (34).

“(ii) AVAILABILITY OF LIST.—The Administrator shall—

“(I) post the list published under clause (i) on the website of the Administration; and

“(II) make the list published under clause (i) available, upon request, at each district office of the Administration.”.

(h) APPLICABILITY.—The amendments made by subsections (a) through (f) shall apply with respect to any loan made after the date of enactment of this Act.

SEC. 1207. STATE TRADE AND EXPORT PROMOTION GRANT PROGRAM.

(a) DEFINITIONS.—In this section—

(1) the term “eligible small business concern” means a small business concern that—

(A) has been in business for not less than the 1-year period ending on the date on which assistance is provided using a grant under this section;

(B) is operating profitably, based on operations in the United States;

(C) has demonstrated understanding of the costs associated with exporting and doing business with foreign purchasers, including the costs of freight forwarding, customs brokers, packing and shipping, as determined by the Associate Administrator; and

(D) has in effect a strategic plan for exporting;

(2) the term “program” means the State Trade and Export Promotion Grant Program established under subsection (b);

(3) the term “small business concern owned and controlled by women” has the meaning given that term in section 3 of the Small Business Act (15 U.S.C. 632);

(4) the term “socially and economically disadvantaged small business concern” has the meaning given that term in section 8(a)(4)(A) of the Small Business Act (15 U.S.C. 6537(a)(4)(A)); and

(5) the term “State” means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

(b) ESTABLISHMENT OF PROGRAM.—The Associate Administrator shall establish a 3-year trade and export promotion pilot program to be known as the State Trade and Export Promotion Grant Program, to make grants to States to carry out export programs that assist eligible small business concerns in—

(1) participation in a foreign trade mission;

(2) a foreign market sales trip;

(3) a subscription to services provided by the Department of Commerce;

(4) the payment of website translation fees;

(5) the design of international marketing media;

(6) a trade show exhibition;

(7) participation in training workshops; or

(8) any other export initiative determined appropriate by the Associate Administrator.

(c) GRANTS.—

(1) JOINT REVIEW.—In carrying out the program, the Associate Administrator may make a grant to a State to increase the number of eligible small business concerns in the State that export or to increase the value of the exports by eligible small business concerns in the State.

(2) CONSIDERATIONS.—In making grants under this section, the Associate Administrator may give priority to an application by a State that proposes a program that—

(A) focuses on eligible small business concerns as part of an export promotion program;

(B) demonstrates success in promoting exports by—

(i) socially and economically disadvantaged small business concerns;

(ii) small business concerns owned or controlled by women; and

(iii) rural small business concerns;

(C) promotes exports from a State that is not 1 of the 10 States with the highest percentage of exporters that are small business concerns, based upon the latest data available from the Department of Commerce; and

(D) promotes new-to-market export opportunities to the People's Republic of China for eligible small business concerns in the United States.

(3) LIMITATIONS.—

(A) SINGLE APPLICATION.—A State may not submit more than 1 application for a grant under the program in any 1 fiscal year.

(B) PROPORTION OF AMOUNTS.—The total value of grants under the program made during a fiscal year to the 10 States with the highest number of exporters that are small business concerns, based upon the latest data available from the Department of Commerce, shall be not more than 40 percent of the amounts appropriated for the program for that fiscal year.

(4) APPLICATION.—A State desiring a grant under the program shall submit an application at such time, in such manner, and accompanied by such information as the Associate Administrator may establish.

(d) COMPETITIVE BASIS.—The Associate Administrator shall award grants under the program on a competitive basis.

(e) FEDERAL SHARE.—The Federal share of the cost of an export program carried out using a grant under the program shall be—

(1) for a State that has a high export volume, as determined by the Associate Administrator, not more than 65 percent; and

(2) for a State that does not have a high export volume, as determined by the Associate Administrator, not more than 75 percent.

(f) NON-FEDERAL SHARE.—The non-Federal share of the cost of an export program carried using a grant under the program shall be comprised of not less than 50 percent cash and not more than 50 percent of indirect costs and in-kind contributions, except that no such costs or contributions may be derived from funds from any other Federal program.

(g) REPORTS.—

(1) INITIAL REPORT.—Not later than 120 days after the date of enactment of this Act,

the Associate Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report, which shall include—

(A) a description of the structure of and procedures for the program;

(B) a management plan for the program; and

(C) a description of the merit-based review process to be used in the program.

(2) ANNUAL REPORTS.—The Associate Administrator shall submit an annual report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives regarding the program, which shall include—

(A) the number and amount of grants made under the program during the preceding year;

(B) a list of the States receiving a grant under the program during the preceding year, including the activities being performed with grant; and

(C) the effect of each grant on exports by eligible small business concerns in the State receiving the grant.

(h) REVIEWS BY INSPECTOR GENERAL.—

(1) IN GENERAL.—The Inspector General of the Administration shall conduct a review of—

(A) the extent to which recipients of grants under the program are measuring the performance of the activities being conducted and the results of the measurements; and

(B) the overall management and effectiveness of the program.

(2) REPORT.—Not later than September 30, 2012, the Inspector General of the Administration shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding the review conducted under paragraph (1).

(i) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out the program \$30,000,000 for each of fiscal years 2011, 2012, and 2013.

(j) TERMINATION.—The authority to carry out the program shall terminate 3 years after the date on which the Associate Administrator establishes the program.

SEC. 1208. RURAL EXPORT PROMOTION.

Not later than 6 months after the date of enactment of this Act, the Administrator, in consultation with the Secretary of Agriculture and the Secretary of Commerce, shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report that contains—

(1) a description of each program of the Administration that promotes exports by rural small business concerns, including—

(A) the number of rural small business concerns served by the program;

(B) the change, if any, in the number of rural small business concerns as a result of participation in the program during the 10-year period ending on the date of enactment of this Act;

(C) the volume of exports by rural small business concerns that participate in the program; and

(D) the change, if any, in the volume of exports by rural small businesses that participate in the program during the 10-year period ending on the date of enactment of this Act;

(2) a description of the coordination between programs of the Administration and

other Federal programs that promote exports by rural small business concerns;

(3) recommendations, if any, for improving the coordination described in paragraph (2);

(4) a description of any plan by the Administration to market the international trade financing programs of the Administration through lenders that—

(A) serve rural small business concerns; and

(B) are associated with financing programs of the Department of Agriculture;

(5) recommendations, if any, for improving coordination between the counseling programs and export financing programs of the Administration, in order to increase the volume of exports by rural small business concerns; and

(6) any additional information the Administrator determines is necessary.

SEC. 1209. INTERNATIONAL TRADE COOPERATION BY SMALL BUSINESS DEVELOPMENT CENTERS.

Section 21(a) of the Small Business Act (15 U.S.C. 648(a)) is amended—

(1) by striking “(2) The Small Business Development Centers” and inserting the following:

“(2) COOPERATION TO PROVIDE INTERNATIONAL TRADE SERVICES.—

“(A) INFORMATION AND SERVICES.—The small business development centers”; and

(2) in paragraph (2)—

(A) in subparagraph (A), as so designated, by inserting “(including State trade agencies),” after “local agencies”; and

(B) by adding at the end the following:

“(B) COOPERATION WITH STATE TRADE AGENCIES AND EXPORT ASSISTANCE CENTERS.—A small business development center that counsels a small business concern on issues relating to international trade shall—

“(i) consult with State trade agencies and Export Assistance Centers to provide appropriate services to the small business concern; and

“(ii) as necessary, refer the small business concern to a State trade agency or an Export Assistance Center for further counseling or assistance.

“(C) DEFINITION.—In this paragraph, the term ‘Export Assistance Center’ has the same meaning as in section 22.”.

Subtitle C—Small Business Contracting PART I—CONTRACT BUNDLING

SEC. 1311. SMALL BUSINESS ACT.

Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1202, is amended by adding at the end the following:

“(v) MULTIPLE AWARD CONTRACT.—In this Act, the term ‘multiple award contract’ means—

“(1) a multiple award task order contract or delivery order contract that is entered into under the authority of sections 303H through 303K of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253h through 253k); and

“(2) any other indefinite delivery, indefinite quantity contract that is entered into by the head of a Federal agency with 2 or more sources pursuant to the same solicitation.”.

SEC. 1312. LEADERSHIP AND OVERSIGHT.

(a) IN GENERAL.—Section 15 of the Small Business Act (15 U.S.C. 644) is amended by adding at the end the following:

“(q) BUNDLING ACCOUNTABILITY MEASURES.—

“(1) TEAMING REQUIREMENTS.—Each Federal agency shall include in each solicitation for any multiple award contract above the substantial bundling threshold of the Fed-

eral agency a provision soliciting bids from any responsible source, including responsible small business concerns and teams or joint ventures of small business concerns.

“(2) POLICIES ON REDUCTION OF CONTRACT BUNDLING.—

“(A) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, the Federal Acquisition Regulatory Council established under section 25(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 4219(a)) shall amend the Federal Acquisition Regulation issued under section 25 of such Act to—

“(i) establish a Government-wide policy regarding contract bundling, including regarding the solicitation of teaming and joint ventures under paragraph (1); and

“(ii) require that the policy established under clause (i) be published on the website of each Federal agency.

“(B) RATIONALE FOR CONTRACT BUNDLING.—Not later than 30 days after the date on which the head of a Federal agency submits data certifications to the Administrator for Federal Procurement Policy, the head of the Federal agency shall publish on the website of the Federal agency a list and rationale for any bundled contract for which the Federal agency solicited bids or that was awarded by the Federal agency.

“(3) REPORTING.—Not later than 90 days after the date of enactment of this subsection, and every 3 years thereafter, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding procurement center representatives and commercial market representatives, which shall—

“(A) identify each area for which the Administration has assigned a procurement center representative or a commercial market representative;

“(B) explain why the Administration selected the areas identified under subparagraph (A); and

“(C) describe the activities performed by procurement center representatives and commercial market representatives.”.

(b) TECHNICAL CORRECTION.—Section 15(g) of the Small Business Act (15 U.S.C. 644(g)) is amended by striking “Administrator of the Office of Federal Procurement Policy” each place it appears and inserting “Administrator for Federal Procurement Policy”.

(c) REPORT.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Comptroller General of the United States shall submit to Congress a report regarding the procurement center representative program of the Administration.

(2) CONTENTS.—The report submitted under paragraph (1) shall—

(A) address ways to improve the effectiveness of the procurement center representative program in helping small business concerns obtain Federal contracts;

(B) evaluate the effectiveness of procurement center representatives and commercial marketing representatives; and

(C) include recommendations, if any, on how to improve the procurement center representative program.

(d) ELECTRONIC PROCUREMENT CENTER REPRESENTATIVE.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Administrator shall implement a 3-year pilot electronic procurement center representative program.

(2) REPORT.—Not later than 30 days after the pilot program under paragraph (1) ends,

the Comptroller General of the United States shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding the pilot program.

SEC. 1313. CONSOLIDATION OF CONTRACT REQUIREMENTS.

(a) IN GENERAL.—The Small Business Act (15 U.S.C. 631 et seq.) is amended—

(1) by redesignating section 44 as section 45; and

(2) by inserting after section 43 the following:

“SEC. 44. CONSOLIDATION OF CONTRACT REQUIREMENTS.

“(a) DEFINITIONS.—In this section—

“(1) the term ‘Chief Acquisition Officer’ means the employee of a Federal agency designated as the Chief Acquisition Officer for the Federal agency under section 16(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(a));

“(2) the term ‘consolidation of contract requirements’, with respect to contract requirements of a Federal agency, means a use of a solicitation to obtain offers for a single contract or a multiple award contract to satisfy 2 or more requirements of the Federal agency for goods or services that have been provided to or performed for the Federal agency under 2 or more separate contracts lower in cost than the total cost of the contract for which the offers are solicited; and

“(3) the term ‘senior procurement executive’ means an official designated under section 16(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(c)) as the senior procurement executive for a Federal agency.

“(b) POLICY.—The head of each Federal agency shall ensure that the decisions made by the Federal agency regarding consolidation of contract requirements of the Federal agency are made with a view to providing small business concerns with appropriate opportunities to participate as prime contractors and subcontractors in the procurements of the Federal agency.

“(c) LIMITATION ON USE OF ACQUISITION STRATEGIES INVOLVING CONSOLIDATION.—

“(1) IN GENERAL.—Subject to paragraph (4), the head of a Federal agency may not carry out an acquisition strategy that includes a consolidation of contract requirements of the Federal agency with a total value of more than \$2,000,000, unless the senior procurement executive or Chief Acquisition Officer for the Federal agency, before carrying out the acquisition strategy—

“(A) conducts market research;

“(B) identifies any alternative contracting approaches that would involve a lesser degree of consolidation of contract requirements;

“(C) makes a written determination that the consolidation of contract requirements is necessary and justified;

“(D) identifies any negative impact by the acquisition strategy on contracting with small business concerns; and

“(E) certifies to the head of the Federal agency that steps will be taken to include small business concerns in the acquisition strategy.

“(2) DETERMINATION THAT CONSOLIDATION IS NECESSARY AND JUSTIFIED.—

“(A) IN GENERAL.—A senior procurement executive or Chief Acquisition Officer may determine that an acquisition strategy involving a consolidation of contract requirements is necessary and justified for the purposes of paragraph (1)(C) if the benefits of the acquisition strategy substantially exceed

the benefits of each of the possible alternative contracting approaches identified under paragraph (1)(B).

“(B) SAVINGS IN ADMINISTRATIVE OR PERSONNEL COSTS.—For purposes of subparagraph (A), savings in administrative or personnel costs alone do not constitute a sufficient justification for a consolidation of contract requirements in a procurement unless the expected total amount of the cost savings, as determined by the senior procurement executive or Chief Acquisition Officer, is expected to be substantial in relation to the total cost of the procurement.

“(3) BENEFITS TO BE CONSIDERED.—The benefits considered for the purposes of paragraphs (1) and (2) may include cost and, regardless of whether quantifiable in dollar amounts—

- “(A) quality;
- “(B) acquisition cycle;
- “(C) terms and conditions; and
- “(D) any other benefit.

“(4) DEPARTMENT OF DEFENSE.—

“(A) IN GENERAL.—The Department of Defense and each military department shall comply with this section until after the date described in subparagraph (C).

“(B) RULE.—After the date described in subparagraph (C), contracting by the Department of Defense or a military department shall be conducted in accordance with section 2382 of title 10, United States Code.

“(C) DATE.—The date described in this subparagraph is the date on which the Administrator determines the Department of Defense or a military department is in compliance with the Government-wide contracting goals under section 15.”

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 2382(b)(1) of title 10, United States Code, is amended by striking “An official” and inserting “Subject to section 44(c)(4), an official”.

SEC. 1314. SMALL BUSINESS TEAMS PILOT PROGRAM.

(a) DEFINITIONS.—In this section—

(1) the term “Pilot Program” means the Small Business Teaming Pilot Program established under subsection (b); and

(2) the term “eligible organization” means a well-established national organization for small business concerns with the capacity to provide assistance to small business concerns (which may be provided with the assistance of the Administrator) relating to—

- (A) customer relations and outreach;
- (B) team relations and outreach; and
- (C) performance measurement and quality assurance.

(b) ESTABLISHMENT.—The Administrator shall establish a Small Business Teaming Pilot Program for teaming and joint ventures involving small business concerns.

(c) GRANTS.—Under the Pilot Program, the Administrator may make grants to eligible organizations to provide assistance and guidance to teams of small business concerns seeking to compete for larger procurement contracts.

(d) CONTRACTING OPPORTUNITIES.—The Administrator shall work with eligible organizations receiving a grant under the Pilot Program to recommend appropriate contracting opportunities for teams or joint ventures of small business concerns.

(e) REPORT.—Not later than 1 year before the date on which the authority to carry out the Pilot Program terminates under subsection (f), the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report on the effectiveness of the Pilot Program.

(f) TERMINATION.—The authority to carry out the Pilot Program shall terminate 5 years after the date of enactment of this Act.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for grants under subsection (c) \$5,000,000 for each of fiscal years 2010 through 2015.

PART II—SUBCONTRACTING INTEGRITY

SEC. 1321. SUBCONTRACTING MISREPRESENTATIONS.

Not later than 1 year after the date of enactment of this Act, the Administrator, in consultation with the Administrator for Federal Procurement Policy, shall promulgate regulations relating to, and the Federal Acquisition Regulatory Council established under section 25(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(a)) shall amend the Federal Acquisition Regulation issued under section 25 of such Act to establish a policy on, subcontracting compliance relating to small business concerns, including assignment of compliance responsibilities between contracting offices, small business offices, and program offices and periodic oversight and review activities.

SEC. 1322. SMALL BUSINESS SUBCONTRACTING IMPROVEMENTS.

Section 8(d)(6) of the Small Business Act (15 U.S.C. 637(d)(6)) is amended—

(1) in subparagraph (E), by striking “and” at the end;

(2) in subparagraph (F), by striking the period at the end and inserting “; and”; and

(3) by adding at the end, the following:

“(G) a representation that the offeror or bidder will—

“(i) make a good faith effort to acquire articles, equipment, supplies, services, or materials, or obtain the performance of construction work from the small business concerns used in preparing and submitting to the contracting agency the bid or proposal, in the same amount and quality used in preparing and submitting the bid or proposal; and

“(ii) provide to the contracting officer a written explanation if the offeror or bidder fails to acquire articles, equipment, supplies, services, or materials or obtain the performance of construction work as described in clause (i).”

PART III—ACQUISITION PROCESS

SEC. 1331. RESERVATION OF PRIME CONTRACT AWARDS FOR SMALL BUSINESSES.

Section 15 of the Small Business Act (15 U.S.C. 644), as amended by this Act, is amended by adding at the end the following:

“(r) MULTIPLE AWARD CONTRACTS.—Not later than 1 year after the date of enactment of this subsection, the Administrator for Federal Procurement Policy and the Administrator, in consultation with the Administrator of General Services, shall, by regulation, establish guidance under which Federal agencies may, at their discretion—

“(1) set aside part or parts of a multiple award contract for small business concerns, including the subcategories of small business concerns identified in subsection (g)(2);

“(2) notwithstanding the fair opportunity requirements under section 2304c(b) of title 10, United States Code, and section 303J(b) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253j(b)), set aside orders placed against multiple award contracts for small business concerns, including the subcategories of small business concerns identified in subsection (g)(2); and

“(3) reserve 1 or more contract awards for small business concerns under full and open multiple award procurements, including the

subcategories of small business concerns identified in subsection (g)(2).”

SEC. 1332. MICRO-PURCHASE GUIDELINES.

Not later than 1 year after the date of enactment of this Act, the Director of the Office of Management and Budget, in coordination with the Administrator of General Services, shall issue guidelines regarding the analysis of purchase card expenditures to identify opportunities for achieving and accurately measuring fair participation of small business concerns in purchases in an amount not in excess of the micro-purchase threshold, as defined in section 32 of the Office of Federal Procurement Policy Act (41 U.S.C. 428) (in this section referred to as “micro-purchases”), consistent with the national policy on small business participation in Federal procurements set forth in sections 2(a) and 15(g) of the Small Business Act (15 U.S.C. 631(a) and 644(g)), and dissemination of best practices for participation of small business concerns in micro-purchases.

SEC. 1333. AGENCY ACCOUNTABILITY.

Section 15(g)(2) of the Small Business Act (15 U.S.C. 644(g)(2)) is amended—

(1) by inserting “(A)” after “(2)”; and

(2) by striking “Goals established” and inserting the following:

“(B) Goals established”; and

(3) by striking “Whenever” and inserting the following:

“(C) Whenever”; and

(4) by striking “For the purpose of” and inserting the following:

“(D) For the purpose of”; and

(5) by striking “The head of each Federal agency, in attempting to attain such participation” and inserting the following:

“(E) The head of each Federal agency, in attempting to attain the participation described in subparagraph (D)”; and

(6) in subparagraph (E), as so designated—

(A) by striking “(A) contracts” and inserting “(i) contracts”; and

(B) by striking “(B) contracts” and inserting “(ii) contracts”; and

(7) by adding at the end the following:

“(F)(i) Each procurement employee or program manager described in clause (ii) shall communicate to the subordinates of the procurement employee or program manager the importance of achieving small business goals.

“(ii) A procurement employee or program manager described in this clause is a senior procurement executive, senior program manager, or Director of Small and Disadvantaged Business Utilization of a Federal agency having contracting authority.”

SEC. 1334. PAYMENT OF SUBCONTRACTORS.

Section 8(d) of the Small Business Act (15 U.S.C. 637(d)) is amended by adding at the end the following:

“(12) PAYMENT OF SUBCONTRACTORS.—

“(A) DEFINITION.—In this paragraph, the term “covered contract” means a contract relating to which a prime contractor is required to develop a subcontracting plan under paragraph (4) or (5).

“(B) NOTICE.—

“(i) IN GENERAL.—A prime contractor for a covered contract shall notify in writing the contracting officer for the covered contract if the prime contractor pays a reduced price to a subcontractor for goods and services upon completion of the responsibilities of the subcontractor or the payment to a subcontractor is more than 90 days past due for goods or services provided for the covered contract for which the Federal agency has paid the prime contractor.

“(ii) CONTENTS.—A prime contractor shall include the reason for the reduction in a payment to or failure to pay a subcontractor in any notice made under clause (i).

“(C) PERFORMANCE.—A contracting officer for a covered contract shall consider the unjustified failure by a prime contractor to make a full or timely payment to a subcontractor in evaluating the performance of the prime contractor.

“(D) CONTROL OF FUNDS.—If the contracting officer for a covered contract determines that a prime contractor has a history of unjustified, untimely payments to contractors, the contracting officer shall record the identity of the contractor in accordance with the regulations promulgated under subparagraph (E).

“(E) REGULATIONS.—Not later than 1 year after the date of enactment of this paragraph, the Federal Acquisition Regulatory Council established under section 25(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(a)) shall amend the Federal Acquisition Regulation issued under section 25 of such Act to—

“(i) describe the circumstances under which a contractor may be determined to have a history of unjustified, untimely payments to subcontractors;

“(ii) establish a process for contracting officers to record the identity of a contractor described in clause (i); and

“(iii) require the identity of a contractor described in clause (i) to be incorporated in, and made publicly available through, the Federal Awardee Performance and Integrity Information System, or any successor thereto.”

SEC. 1335. REPEAL OF SMALL BUSINESS COMPETITIVENESS DEMONSTRATION PROGRAM.

(a) IN GENERAL.—The Business Opportunity Development Reform Act of 1988 (Public Law 100-656) is amended by striking title VII (15 U.S.C. 644 note).

(b) EFFECTIVE DATE AND APPLICABILITY.—The amendment made by this section—

(1) shall take effect on the date of enactment of this Act; and

(2) apply to the first full fiscal year after the date of enactment of this Act.

PART IV—SMALL BUSINESS SIZE AND STATUS INTEGRITY

SEC. 1341. POLICY AND PRESUMPTIONS.

Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1311, is amended by adding at the end the following:

“(w) PRESUMPTION.—

“(1) IN GENERAL.—In every contract, subcontract, cooperative agreement, cooperative research and development agreement, or grant which is set aside, reserved, or otherwise classified as intended for award to small business concerns, there shall be a presumption of loss to the United States based on the total amount expended on the contract, subcontract, cooperative agreement, cooperative research and development agreement, or grant whenever it is established that a business concern other than a small business concern willfully sought and received the award by misrepresentation.

“(2) DEEMED CERTIFICATIONS.—The following actions shall be deemed affirmative, willful, and intentional certifications of small business size and status:

“(A) Submission of a bid or proposal for a Federal grant, contract, subcontract, cooperative agreement, or cooperative research and development agreement reserved, set aside, or otherwise classified as intended for award to small business concerns.

“(B) Submission of a bid or proposal for a Federal grant, contract, subcontract, cooper-

ative agreement, or cooperative research and development agreement which in any way encourages a Federal agency to classify the bid or proposal, if awarded, as an award to a small business concern.

“(C) Registration on any Federal electronic database for the purpose of being considered for award of a Federal grant, contract, subcontract, cooperative agreement, or cooperative research agreement, as a small business concern.

“(3) CERTIFICATION BY SIGNATURE OF RESPONSIBLE OFFICIAL.—

“(A) IN GENERAL.—Each solicitation, bid, or application for a Federal contract, subcontract, or grant shall contain a certification concerning the small business size and status of a business concern seeking the Federal contract, subcontract, or grant.

“(B) CONTENT OF CERTIFICATIONS.—A certification that a business concern qualifies as a small business concern of the exact size and status claimed by the business concern for purposes of bidding on a Federal contract or subcontract, or applying for a Federal grant, shall contain the signature of an authorized official on the same page on which the certification is contained.

“(4) REGULATIONS.—The Administrator shall promulgate regulations to provide adequate protections to individuals and business concerns from liability under this subsection in cases of unintentional errors, technical malfunctions, and other similar situations.”

SEC. 1342. ANNUAL CERTIFICATION.

Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1341, is amended by adding at the end the following:

“(x) ANNUAL CERTIFICATION.—

“(1) IN GENERAL.—Each business certified as a small business concern under this Act shall annually certify its small business size and, if appropriate, its small business status, by means of a confirming entry on the Online Representations and Certifications Application database of the Administration, or any successor thereto.

“(2) REGULATIONS.—Not later than 1 year after the date of enactment of this subsection, the Administrator, in consultation with the Inspector General and the Chief Counsel for Advocacy of the Administration, shall promulgate regulations to ensure that—

“(A) no business concern continues to be certified as a small business concern on the Online Representations and Certifications Application database of the Administration, or any successor thereto, without fulfilling the requirements for annual certification under this subsection; and

“(B) the requirements of this subsection are implemented in a manner presenting the least possible regulatory burden on small business concerns.”

SEC. 1343. TRAINING FOR CONTRACTING AND ENFORCEMENT PERSONNEL.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Federal Acquisition Institute, in consultation with the Administrator for Federal Procurement Policy, the Defense Acquisition University, and the Administrator, shall develop courses for acquisition personnel concerning proper classification of business concerns and small business size and status for purposes of Federal contracts, subcontracts, grants, cooperative agreements, and cooperative research and development agreements.

(b) POLICY ON PROSECUTIONS OF SMALL BUSINESS SIZE AND STATUS FRAUD.—Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1342, is amended by adding at the end the following:

“(y) POLICY ON PROSECUTIONS OF SMALL BUSINESS SIZE AND STATUS FRAUD.—Not later than 1 year after the date of enactment of this subsection, the Administrator, in consultation with the Attorney General, shall issue a Government-wide policy on prosecution of small business size and status fraud, which shall direct Federal agencies to appropriately publicize the policy.”

SEC. 1344. UPDATED SIZE STANDARDS.

(a) ROLLING REVIEW.—

(1) IN GENERAL.—The Administrator shall—

(A) during the 18-month period beginning on the date of enactment of this Act, and during every 18-month period thereafter, conduct a detailed review of not less than 1/3 of the size standards for small business concerns established under section 3(a)(2) of the Small Business Act (15 U.S.C. 632(a)(2)), which shall include holding not less than 2 public forums located in different geographic regions of the United States;

(B) after completing each review under subparagraph (A) make appropriate adjustments to the size standards established under section 3(a)(2) of the Small Business Act to reflect market conditions;

(C) make publicly available—

(i) information regarding the factors evaluated as part of each review conducted under subparagraph (A); and

(ii) information regarding the criteria used for any revised size standards promulgated under subparagraph (B); and

(D) not later than 30 days after the date on which the Administrator completes each review under subparagraph (A), submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives and make publicly available a report regarding the review, including why the Administrator—

(i) used the factors and criteria described in subparagraph (C); and

(ii) adjusted or did not adjust each size standard that was reviewed under the review.

(2) COMPLETE REVIEW OF SIZE STANDARDS.—The Administrator shall ensure that each size standard for small business concerns established under section 3(a)(2) of the Small Business Act (15 U.S.C. 632(a)(2)) is reviewed under paragraph (1) not less frequently than once every 5 years.

(b) RULES.—Not later than 1 year after the date of enactment of this Act, the Administrator shall promulgate rules for conducting the reviews required under subsection (a).

SEC. 1345. STUDY AND REPORT ON THE MENTOR-PROTEGE PROGRAM.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study of the mentor-protégé program of the Administration for small business concerns participating in programs under section 8(a) of the Small Business Act (15 U.S.C. 637(a)), and other relationships and strategic alliances pairing a larger business and a small business concern partner to gain access to Federal Government contracts, to determine whether the programs and relationships are effectively supporting the goal of increasing the participation of small business concerns in Government contracting.

(b) MATTERS TO BE STUDIED.—The study conducted under this section shall include—

(1) a review of a broad cross-section of industries; and

(2) an evaluation of—

(A) how each Federal agency carrying out a program described in subsection (a) administers and monitors the program;

(B) whether there are systems in place to ensure that the mentor-protégé relationship,

or similar affiliation, promotes real gain to the protege, and is not just a mechanism to enable participants that would not otherwise qualify under section 8(a) of the Small Business Act (15 U.S.C. 637(a)) to receive contracts under that section; and

(C) the degree to which protege businesses become able to compete for Federal contracts without the assistance of a mentor.

(c) REPORT TO CONGRESS.—Not later than 180 days after the date of enactment of this Act, the Comptroller General shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report on the results of the study conducted under this section.

SEC. 1346. CONTRACTING GOALS REPORTS.

Section 15(h)(2) of the Small Business Act (15 U.S.C. 644(h)(2)) is amended by striking “submit them” and all that follows through “the following:” and inserting “submit to the President and the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives the compilation and analysis, which shall include the following:”.

SEC. 1347. SMALL BUSINESS CONTRACTING PARITY.

(a) DEFINITIONS.—In this section—

(1) the terms “Administration” and “Administrator” mean the Small Business Administration and the Administrator thereof, respectively; and

(2) the terms “HUBZone small business concern”, “small business concern”, “small business concern owned and controlled by service-disabled veterans”, and “small business concern owned and controlled by women” have the same meanings as in section 3 of the Small Business Act (15 U.S.C. 632).

(b) CONTRACTING IMPROVEMENTS.—

(1) CONTRACTING OPPORTUNITIES.—Section 31(b)(2)(B) of the Small Business Act (15 U.S.C. 657a(b)(2)(B)) is amended by striking “shall” and inserting “may”.

(2) CONTRACTING GOALS.—Section 15(g)(1) of the Small Business Act (15 U.S.C. 644(g)(1)) is amended in the fourth sentence by inserting “and subcontract” after “not less than 3 percent of the total value of all prime contract”.

(3) MENTOR-PROTEGE PROGRAMS.—The Administrator may establish mentor-protege programs for small business concerns owned and controlled by service-disabled veterans, small business concerns owned and controlled by women, and HUBZone small business concerns modeled on the mentor-protege program of the Administration for small business concerns participating in programs under section 8(a) of the Small Business Act (15 U.S.C. 637(a)).

(c) SMALL BUSINESS CONTRACTING PROGRAMS PARITY.—Section 31(b)(2) of the Small Business Act (15 U.S.C. 657a(b)(2)) is amended—

(1) in the matter preceding subparagraph (A), by striking “Notwithstanding any other provision of law—”;

(2) in subparagraph (A)—

(A) in the matter preceding clause (i), by striking “a contracting” and inserting “SOLE SOURCE CONTRACTS.—A contracting”; and

(B) in clause (iii), by striking the semicolon at the end and inserting a period;

(3) in subparagraph (B)—

(A) by striking “a contract opportunity shall” and inserting “RESTRICTED COMPETITION.—A contract opportunity may”; and

(B) by striking “; and” and inserting a period; and

(4) in subparagraph (C), by striking “not later” and inserting “APPEALS.—Not later”.

Subtitle D—Small Business Management and Counseling Assistance

SEC. 1401. MATCHING REQUIREMENTS UNDER SMALL BUSINESS PROGRAMS.

(a) MICROLOAN PROGRAM.—Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) is amended—

(1) in paragraph (3)(B)—

(A) by striking “As a condition” and inserting the following:

“(i) IN GENERAL.—Subject to clause (ii), as a condition”;

(B) by striking “the Administration” and inserting “the Administrator”; and

(C) by adding at the end the following:

“(ii) WAIVER OF NON-FEDERAL SHARE.—

“(I) IN GENERAL.—Upon request by an intermediary, and in accordance with this clause, the Administrator may waive, in whole or in part, the requirement to obtain non-Federal funds under clause (i) for a fiscal year. The Administrator may waive the requirement to obtain non-Federal funds under this clause for successive fiscal years.

“(II) CONSIDERATIONS.—In determining whether to waive the requirement to obtain non-Federal funds under this clause, the Administrator shall consider—

“(aa) the economic conditions affecting the intermediary;

“(bb) the impact a waiver under this clause would have on the credibility of the microloan program under this subsection;

“(cc) the demonstrated ability of the intermediary to raise non-Federal funds; and

“(dd) the performance of the intermediary.

“(III) LIMITATIONS.—

“(aa) IN GENERAL.—The Administrator may not waive the requirement to obtain non-Federal funds under this clause if granting the waiver would undermine the credibility of the microloan program under this subsection.

“(bb) SUNSET.—The Administrator may not waive the requirement to obtain non-Federal funds under this clause for fiscal year 2013 or any fiscal year thereafter.”; and

(2) in paragraph (4)(B)—

(A) by striking “As a condition” and all that follows through “the Administration shall require” and inserting the following:

“(i) IN GENERAL.—Subject to clause (ii), as a condition of a grant made under subparagraph (A), the Administrator shall require”; and

(B) by adding at the end the following:

“(ii) WAIVER OF NON-FEDERAL SHARE.—

“(I) IN GENERAL.—Upon request by an intermediary, and in accordance with this clause, the Administrator may waive, in whole or in part, the requirement to obtain non-Federal funds under clause (i) for a fiscal year. The Administrator may waive the requirement to obtain non-Federal funds under this clause for successive fiscal years.

“(II) CONSIDERATIONS.—In determining whether to waive the requirement to obtain non-Federal funds under this clause, the Administrator shall consider—

“(aa) the economic conditions affecting the intermediary;

“(bb) the impact a waiver under this clause would have on the credibility of the microloan program under this subsection;

“(cc) the demonstrated ability of the intermediary to raise non-Federal funds; and

“(dd) the performance of the intermediary.

“(III) LIMITATIONS.—

“(aa) IN GENERAL.—The Administrator may not waive the requirement to obtain non-Federal funds under this clause if granting the waiver would undermine the credibility

of the microloan program under this subsection.

“(bb) SUNSET.—The Administrator may not waive the requirement to obtain non-Federal funds under this clause for fiscal year 2013 or any fiscal year thereafter.”.

(b) WOMEN'S BUSINESS CENTER PROGRAM.—Section 29(c) of the Small Business Act (15 U.S.C. 656(c)) is amended—

(1) in paragraph (1), by striking “As a condition” and inserting “Subject to paragraph (5), as a condition”; and

(2) by adding at the end the following:

“(5) WAIVER OF NON-FEDERAL SHARE RELATING TO TECHNICAL ASSISTANCE AND COUNSELING.—

“(A) IN GENERAL.—Upon request by a recipient organization, and in accordance with this paragraph, the Administrator may waive, in whole or in part, the requirement to obtain non-Federal funds under this subsection for the technical assistance and counseling activities of the recipient organization carried out using financial assistance under this section for a fiscal year. The Administrator may waive the requirement to obtain non-Federal funds under this paragraph for successive fiscal years.

“(B) CONSIDERATIONS.—In determining whether to waive the requirement to obtain non-Federal funds under this paragraph, the Administrator shall consider—

“(i) the economic conditions affecting the recipient organization;

“(ii) the impact a waiver under this clause would have on the credibility of the women's business center program under this section;

“(iii) the demonstrated ability of the recipient organization to raise non-Federal funds; and

“(iv) the performance of the recipient organization.

“(C) LIMITATIONS.—

“(i) IN GENERAL.—The Administrator may not waive the requirement to obtain non-Federal funds under this paragraph if granting the waiver would undermine the credibility of the women's business center program under this section.

“(ii) SUNSET.—The Administrator may not waive the requirement to obtain non-Federal funds under this paragraph for fiscal year 2013 or any fiscal year thereafter.”.

(c) PROSPECTIVE REPEALS.—Effective October 1, 2012, the Small Business Act (15 U.S.C. 631 et seq.) is amended—

(1) in section 7(m) (15 U.S.C. 636(m))—

(A) in paragraph (3)(B)—

(i) by striking “INTERMEDIARY CONTRIBUTION.—” and all that follows through “Subject to clause (ii), as” and inserting “INTERMEDIARY CONTRIBUTION.—As”; and

(ii) by striking clause (ii); and

(B) in paragraph (4)(B)—

(i) by striking “CONTRIBUTION.—” and all that follows through “Subject to clause (ii), as” and inserting “CONTRIBUTION.—As”; and

(ii) by striking clause (ii); and

(2) in section 29(c) (15 U.S.C. 656(c))—

(A) in paragraph (1), by striking “Subject to paragraph (5), as” and inserting “As”; and

(B) by striking paragraph (5).

SEC. 1402. GRANTS FOR SBDCS.

(a) IN GENERAL.—The Administrator may make grants to small business development centers under section 21 of the Small Business Act (15 U.S.C. 648) to provide targeted technical assistance to small business concerns seeking access to capital or credit, Federal procurement opportunities, energy efficiency audits to reduce energy bills, opportunities to export products or provide services to foreign customers, adopting, making innovations in, and using broadband technologies, or other assistance.

(b) ALLOCATION.—

(1) IN GENERAL.—Subject to paragraph (2), and notwithstanding the requirements of section 21(a)(4)(C)(iii) of the Small Business Act (15 U.S.C. 648(a)(4)(C)(iii)), the amount appropriated to carry out this section shall be allocated under the formula under section 21(a)(4)(C)(i) of that Act.

(2) MINIMUM FUNDING.—The amount made available under this section to each State shall be not less than \$325,000.

(3) TYPES OF USES.—Of the total amount of the grants awarded by the Administrator under this section—

(A) not less than 80 percent shall be used for counseling of small business concerns; and

(B) not more than 20 percent may be used for classes or seminars.

(c) NO NON-FEDERAL SHARE REQUIRED.—Notwithstanding section 21(a)(4)(A) of the Small Business Act (15 U.S.C. 648(a)(4)(A)), the recipient of a grant made under this section shall not be required to provide non-Federal matching funds.

(d) DISTRIBUTION.—Not later than 30 days after the date on which amounts are appropriated to carry out this section, the Administrator shall disburse the total amount appropriated.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Administrator \$50,000,000 to carry out this section.

Subtitle E—Disaster Loan Improvement**SEC. 1501. AQUACULTURE BUSINESS DISASTER ASSISTANCE.**

Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1343, is amended by adding at the end the following:

“(z) AQUACULTURE BUSINESS DISASTER ASSISTANCE.—Subject to section 18(a) and notwithstanding section 18(b)(1), the Administrator may provide disaster assistance under section 7(b)(2) to aquaculture enterprises that are small businesses.”.

Subtitle F—Small Business Regulatory Relief**SEC. 1601. REQUIREMENTS PROVIDING FOR MORE DETAILED ANALYSES.**

Section 604(a) of title 5, United States Code, is amended—

(1) in paragraph (1), by striking “succinct”;

(2) in paragraph (2), by striking “summary” each place it appears and inserting “statement”;

(3) by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively; and

(4) by inserting after paragraph (2) the following:

“(3) the response of the agency to any comments filed by the Chief Counsel for Advocacy of the Small Business Administration in response to the proposed rule, and a detailed statement of any change made to the proposed rule in the final rule as a result of the comments;”.

SEC. 1602. OFFICE OF ADVOCACY.

(a) IN GENERAL.—Section 203 of Public Law 94-305 (15 U.S.C. 634c) is amended—

(1) in paragraph (4), by striking “and” at the end;

(2) in paragraph (5), by striking the period and inserting “; and”; and

(3) by adding at the end the following:

“(6) carry out the responsibilities of the Office of Advocacy under chapter 6 of title 5, United States Code.”.

(b) BUDGETARY LINE ITEM AND AUTHORIZATION OF APPROPRIATIONS.—Title II of Public Law 94-305 (15 U.S.C. 634a et seq.) is amended by striking section 207 and inserting the following:

“SEC. 207. BUDGETARY LINE ITEM AND AUTHORIZATION OF APPROPRIATIONS.

“(a) APPROPRIATION REQUESTS.—Each budget of the United States Government submitted by the President under section 1105 of title 31, United States Code, shall include a separate statement of the amount of appropriations requested for the Office of Advocacy of the Small Business Administration, which shall be designated in a separate account in the General Fund of the Treasury.

“(b) ADMINISTRATIVE OPERATIONS.—The Administrator of the Small Business Administration shall provide the Office of Advocacy with appropriate and adequate office space at central and field office locations, together with such equipment, operating budget, and communications facilities and services as may be necessary, and shall provide necessary maintenance services for such offices and the equipment and facilities located in such offices.

“(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this title. Any amount appropriated under this subsection shall remain available, without fiscal year limitation, until expended.”.

Subtitle G—Appropriations Provisions**SEC. 1701. SALARIES AND EXPENSES.**

(a) APPROPRIATION.—There is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2010, \$150,000,000, to remain available until September 30, 2012, for an additional amount for the appropriations account appropriated under the heading “SALARIES AND EXPENSES” under the heading “SMALL BUSINESS ADMINISTRATION”, of which—

(1) \$50,000,000 is for grants to small business development centers authorized under section 1402;

(2) \$1,000,000 is for the costs of administering grants authorized under section 1402;

(3) \$30,000,000 is for grants to States for fiscal year 2011 to carry out export programs that assist small business concerns authorized under section 1207;

(4) \$30,000,000 is for grants to States for fiscal year 2012 to carry out export programs that assist small business concerns authorized under section 1207;

(5) \$2,500,000 is for the costs of administering grants authorized under section 1207;

(6) \$5,000,000 is for grants for fiscal year 2011 under the Small Business Teaming Pilot Program under section 1314; and

(7) \$5,000,000 is for grants for fiscal year 2012 under the Small Business Teaming Pilot Program under section 1314.

(b) REPORT.—Not later than 60 days after the date of enactment of this Act, the Administrator shall submit to the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives a detailed expenditure plan for using the funds provided under subsection (a).

SEC. 1702. BUSINESS LOANS PROGRAM ACCOUNT.

(a) IN GENERAL.—There is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2010, for an additional amount for the appropriations account appropriated under the heading “BUSINESS LOANS PROGRAM ACCOUNT” under the heading “SMALL BUSINESS ADMINISTRATION”—

(1) \$8,000,000, to remain available until September 30, 2012, for fiscal year 2011 for the cost of direct loans authorized under section 7(1) of the Small Business Act, as added by section 1131 of this title, including the cost of modifying the loans;

(2) \$8,000,000, to remain available until September 30, 2012, for fiscal year 2012 for the cost of direct loans authorized under section 7(1) of the Small Business Act, as added by section 1131 of this title, including the cost of modifying the loans;

(3) \$6,500,000, to remain available until September 30, 2012, for administrative expenses to carry out the direct loan program authorized under section 7(1) of the Small Business Act, as added by section 1131 of this title, which may be transferred to and merged with the appropriations account appropriated under the heading “SALARIES AND EXPENSES” under the heading “SMALL BUSINESS ADMINISTRATION”; and

(4) \$15,000,000, to remain available until September 30, 2011, for the cost of guaranteed loans as authorized under section 7(a) of the Small Business Act, including the cost of modifying the loans.

(b) DEFINITION.—In this section, the term “cost” has the meaning given that term in section 502 of the Congressional Budget Act of 1974.

SEC. 1703. COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT.

There is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2010, for an additional amount for the appropriations account appropriated under the heading “COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT” under the heading “DEPARTMENT OF THE TREASURY”, \$13,500,000, to remain available until September 30, 2012, for the costs of administering guarantees for bonds and notes as authorized under section 114A of the Riegle Community Development and Regulatory Improvement Act of 1994, as added by section 1134 of this Act.

TITLE II—TAX PROVISIONS**SEC. 2001. SHORT TITLE.**

This title may be cited as the “Creating Small Business Jobs Act of 2010”.

Subtitle A—Small Business Relief**PART I—PROVIDING ACCESS TO CAPITAL****SEC. 2011. TEMPORARY EXCLUSION OF 100 PERCENT OF GAIN ON CERTAIN SMALL BUSINESS STOCK.**

(a) IN GENERAL.—Subsection (a) of section 1202 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(4) 100 PERCENT EXCLUSION FOR STOCK ACQUIRED DURING CERTAIN PERIODS IN 2010.—In the case of qualified small business stock acquired after the date of the enactment of the Creating Small Business Jobs Act of 2010 and before January 1, 2011—

“(A) paragraph (1) shall be applied by substituting ‘100 percent’ for ‘50 percent’.

“(B) paragraph (2) shall not apply, and

“(C) paragraph (7) of section 57(a) shall not apply.”.

(b) CONFORMING AMENDMENT.—Paragraph (3) of section 1202(a) of the Internal Revenue Code of 1986 is amended—

(1) by inserting “CERTAIN PERIODS IN” before “2010” in the heading, and

(2) by striking “before January 1, 2011” and inserting “on or before the date of the enactment of the Creating Small Business Jobs Act of 2010”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to stock acquired after the date of the enactment of this Act.

SEC. 2012. GENERAL BUSINESS CREDITS OF ELIGIBLE SMALL BUSINESSES FOR 2010 CARRIED BACK 5 YEARS.

(a) IN GENERAL.—Section 39(a) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(4) 5-YEAR CARRYBACK FOR ELIGIBLE SMALL BUSINESS CREDITS.—

“(A) IN GENERAL.—Notwithstanding subsection (d), in the case of eligible small business credits determined in the first taxable year of the taxpayer beginning in 2010—

“(i) paragraph (1) shall be applied by substituting ‘each of the 5 taxable years’ for ‘the taxable year’ in subparagraph (A) thereof, and

“(ii) paragraph (2) shall be applied—

“(I) by substituting ‘25 taxable years’ for ‘21 taxable years’ in subparagraph (A) thereof, and

“(II) by substituting ‘24 taxable years’ for ‘20 taxable years’ in subparagraph (B) thereof.

“(B) ELIGIBLE SMALL BUSINESS CREDITS.—For purposes of this subsection, the term ‘eligible small business credits’ has the meaning given such term by section 38(c)(5)(B).”.

(b) CONFORMING AMENDMENT.—Section 39(a)(3)(A) of the Internal Revenue Code of 1986 is amended by inserting “or the eligible small business credits” after “credit”).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to credits determined in taxable years beginning after December 31, 2009.

SEC. 2013. GENERAL BUSINESS CREDITS OF ELIGIBLE SMALL BUSINESSES IN 2010 NOT SUBJECT TO ALTERNATIVE MINIMUM TAX.

(a) IN GENERAL.—Section 38(c) of the Internal Revenue Code of 1986 is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

“(5) SPECIAL RULES FOR ELIGIBLE SMALL BUSINESS CREDITS IN 2010.—

“(A) IN GENERAL.—In the case of eligible small business credits determined in taxable years beginning in 2010—

“(i) this section and section 39 shall be applied separately with respect to such credits, and

“(ii) in applying paragraph (1) to such credits—

“(I) the tentative minimum tax shall be treated as being zero, and

“(II) the limitation under paragraph (1) (as modified by subclause (I)) shall be reduced by the credit allowed under subsection (a) for the taxable year (other than the eligible small business credits).

“(B) ELIGIBLE SMALL BUSINESS CREDITS.—For purposes of this subsection, the term ‘eligible small business credits’ means the sum of the credits listed in subsection (b) which are determined for the taxable year with respect to an eligible small business. Such credits shall not be taken into account under paragraph (2), (3), or (4).

“(C) ELIGIBLE SMALL BUSINESS.—For purposes of this subsection, the term ‘eligible small business’ means, with respect to any taxable year—

“(i) a corporation the stock of which is not publicly traded,

“(ii) a partnership, or

“(iii) a sole proprietorship,

if the average annual gross receipts of such corporation, partnership, or sole proprietorship for the 3-taxable-year period preceding such taxable year does not exceed \$50,000,000. For purposes of applying the test under the preceding sentence, rules similar to the rules of paragraphs (2) and (3) of section 448(c) shall apply.”.

(b) TECHNICAL AMENDMENT.—Section 55(e)(5) of the Internal Revenue Code of 1986 is amended by striking “38(c)(3)(B)” and inserting “38(c)(4)(B)”.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to credits determined in taxable years beginning after December 31, 2009, and to carrybacks of such credits.

SEC. 2014. TEMPORARY REDUCTION IN RECOGNITION PERIOD FOR BUILT-IN GAINS TAX.

(a) IN GENERAL.—Subparagraph (B) of section 1374(d)(7) of the Internal Revenue Code of 1986 is amended to read as follows:

“(B) SPECIAL RULES FOR 2009, 2010, AND 2011.—No tax shall be imposed on the net recognized built-in gain of an S corporation—

“(i) in the case of any taxable year beginning in 2009 or 2010, if the 7th taxable year in the recognition period preceded such taxable year, or

“(ii) in the case of any taxable year beginning in 2011, if the 5th year in the recognition period preceded such taxable year.

The preceding sentence shall be applied separately with respect to any asset to which paragraph (8) applies.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2010.

PART II—ENCOURAGING INVESTMENT**SEC. 2021. INCREASED EXPENSING LIMITATIONS FOR 2010 AND 2011; CERTAIN REAL PROPERTY TREATED AS SECTION 179 PROPERTY.**

(a) INCREASED LIMITATIONS.—Subsection (b) of section 179 of the Internal Revenue Code of 1986 is amended—

(1) by striking “shall not exceed” and all that follows in paragraph (1) and inserting “shall not exceed—

“(A) \$250,000 in the case of taxable years beginning after 2007 and before 2010,

“(B) \$500,000 in the case of taxable years beginning in 2010 or 2011, and

“(C) \$25,000 in the case of taxable years beginning after 2011.”, and

(2) by striking “exceeds” and all that follows in paragraph (2) and inserting “exceeds—

“(A) \$800,000 in the case of taxable years beginning after 2007 and before 2010,

“(B) \$2,000,000 in the case of taxable years beginning in 2010 or 2011, and

“(C) \$200,000 in the case of taxable years beginning after 2011.”.

(b) INCLUSION OF CERTAIN REAL PROPERTY.—Section 179 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(f) SPECIAL RULES FOR QUALIFIED REAL PROPERTY.—

“(1) IN GENERAL.—If a taxpayer elects the application of this subsection for any taxable year beginning in 2010 or 2011, the term ‘section 179 property’ shall include any qualified real property which is—

“(A) of a character subject to an allowance for depreciation,

“(B) acquired by purchase for use in the active conduct of a trade or business, and

“(C) not described in the last sentence of subsection (d)(1).

“(2) QUALIFIED REAL PROPERTY.—For purposes of this subsection, the term ‘qualified real property’ means—

“(A) qualified leasehold improvement property described in section 168(e)(6),

“(B) qualified restaurant property described in section 168(e)(7) (without regard to the dates specified in subparagraph (A)(i) thereof), and

“(C) qualified retail improvement property described in section 168(e)(8) (without regard to subparagraph (E) thereof).

“(3) LIMITATION.—For purposes of applying the limitation under subsection (b)(1)(B), not more than \$250,000 of the aggregate cost which is taken into account under subsection (a) for any taxable year may be attributable to qualified real property.

“(4) CARRYOVER LIMITATION.—

“(A) IN GENERAL.—Notwithstanding subsection (b)(3)(B), no amount attributable to qualified real property may be carried over to a taxable year beginning after 2011.

“(B) TREATMENT OF DISALLOWED AMOUNTS.—Except as provided in subparagraph (C), to the extent that any amount is not allowed to be carried over to a taxable year beginning after 2011 by reason of subparagraph (A), this title shall be applied as if no election under this section had been made with respect to such amount.

“(C) AMOUNTS CARRIED OVER FROM 2010.—If subparagraph (B) applies to any amount (or portion of an amount) which is carried over from a taxable year other than the taxpayer’s last taxable year beginning in 2011, such amount (or portion of an amount) shall be treated for purposes of this title as attributable to property placed in service on the first day of the taxpayer’s last taxable year beginning in 2011.

“(D) ALLOCATION OF AMOUNTS.—For purposes of applying this paragraph and subsection (b)(3)(B) to any taxable year, the amount which is disallowed under subsection (b)(3)(A) for such taxable year which is attributable to qualified real property shall be the amount which bears the same ratio to the total amount so disallowed as—

“(i) the aggregate amount attributable to qualified real property placed in service during such taxable year, increased by the portion of any amount carried over to such taxable year from a prior taxable year which is attributable to such property, bears to

“(ii) the total amount of section 179 property placed in service during such taxable year, increased by the aggregate amount carried over to such taxable year from any prior taxable year.

For purposes of the preceding sentence, only section 179 property with respect to which an election was made under subsection (c)(1) (determined without regard to subparagraph (B) of this paragraph) shall be taken into account.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2009, in taxable years beginning after such date.

SEC. 2022. ADDITIONAL FIRST-YEAR DEPRECIATION FOR 50 PERCENT OF THE BASIS OF CERTAIN QUALIFIED PROPERTY.

(a) IN GENERAL.—Paragraph (2) of section 168(k) of the Internal Revenue Code of 1986 is amended—

(1) by striking “January 1, 2011” in subparagraph (A)(iv) and inserting “January 1, 2012”, and

(2) by striking “January 1, 2010” each place it appears and inserting “January 1, 2011”.

(b) CONFORMING AMENDMENTS.—

(1) The heading for subsection (k) of section 168 of the Internal Revenue Code of 1986 is amended by striking “JANUARY 1, 2010” and inserting “JANUARY 1, 2011”.

(2) The heading for clause (ii) of section 168(k)(2)(B) of such Code is amended by striking “PRE-JANUARY 1, 2010” and inserting “PRE-JANUARY 1, 2011”.

(3) Subparagraph (D) of section 168(k)(4) of such Code is amended by striking “and” at the end of clause (ii), by striking the period

at the end of clause (iii) and inserting a comma, and by adding at the end the following new clauses:

“(iv) ‘January 1, 2011’ shall be substituted for ‘January 1, 2012’ in subparagraph (A)(iv) thereof, and

“(v) ‘January 1, 2010’ shall be substituted for ‘January 1, 2011’ each place it appears in subparagraph (A) thereof.”

(4) Subparagraph (B) of section 168(l)(5) of such Code is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(5) Subparagraph (C) of section 168(n)(2) of such Code is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(6) Subparagraph (D) of section 1400L(b)(2) of such Code is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(7) Subparagraph (B) of section 1400N(d)(3) of such Code is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2009, in taxable years beginning after such date.

PART III—PROMOTING ENTREPRENEURSHIP

SEC. 2031. INCREASE IN AMOUNT ALLOWED AS DEDUCTION FOR START-UP EXPENDITURES IN 2010.

(a) START-UP EXPENDITURES.—Subsection (b) of section 195 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(3) SPECIAL RULE FOR TAXABLE YEARS BEGINNING IN 2010.—In the case of a taxable year beginning in 2010, paragraph (1)(A)(ii) shall be applied—

“(A) by substituting ‘\$10,000’ for ‘\$5,000’, and

“(B) by substituting ‘\$60,000’ for ‘\$50,000’.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2009.

SEC. 2032. AUTHORIZATION OF APPROPRIATIONS FOR THE UNITED STATES TRADE REPRESENTATIVE TO DEVELOP MARKET ACCESS OPPORTUNITIES FOR UNITED STATES SMALL AND MEDIUM-SIZED BUSINESSES AND TO ENFORCE TRADE AGREEMENTS.

(a) IN GENERAL.—There are authorized to be appropriated to the Office of the United States Trade Representative \$5,230,000, to remain available until expended, for—

(1) analyzing and developing opportunities for businesses in the United States to access the markets of foreign countries; and

(2) enforcing trade agreements to which the United States is a party.

(b) REQUIREMENTS.—In obligating and expending the funds authorized to be appropriated under subsection (a), the United States Trade Representative shall—

(1) give preference to those initiatives that the United States Trade Representative determines will create or sustain the greatest number of jobs in the United States or result in the greatest benefit to the economy of the United States; and

(2) consider the needs of small- and medium-sized businesses in the United States with respect to—

(A) accessing the markets of foreign countries; and

(B) the enforcement of trade agreements to which the United States is a party.

PART IV—PROMOTING SMALL BUSINESS FAIRNESS

SEC. 2041. LIMITATION ON PENALTY FOR FAILURE TO DISCLOSE REPORTABLE TRANSACTIONS BASED ON RESULTING TAX BENEFITS.

(a) IN GENERAL.—Subsection (b) of section 6707A of the Internal Revenue Code of 1986 is amended to read as follows:

“(b) AMOUNT OF PENALTY.—

“(1) IN GENERAL.—Except as otherwise provided in this subsection, the amount of the penalty under subsection (a) with respect to any reportable transaction shall be 75 percent of the decrease in tax shown on the return as a result of such transaction (or which would have resulted from such transaction if such transaction were respected for Federal tax purposes).

“(2) MAXIMUM PENALTY.—The amount of the penalty under subsection (a) with respect to any reportable transaction shall not exceed—

“(A) in the case of a listed transaction, \$200,000 (\$100,000 in the case of a natural person), or

“(B) in the case of any other reportable transaction, \$50,000 (\$10,000 in the case of a natural person).

“(3) MINIMUM PENALTY.—The amount of the penalty under subsection (a) with respect to any transaction shall not be less than \$10,000 (\$5,000 in the case of a natural person).”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to penalties assessed after December 31, 2006.

SEC. 2042. DEDUCTION FOR HEALTH INSURANCE COSTS IN COMPUTING SELF-EMPLOYMENT TAXES IN 2010.

(a) IN GENERAL.—Paragraph (4) of section 162(l) of the Internal Revenue Code of 1986 is amended by inserting “for taxable years beginning before January 1, 2010, or after December 31, 2010” before the period.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

Subtitle B—Revenue Provisions

PART I—REDUCING THE TAX GAP

SEC. 2101. INFORMATION REPORTING FOR RENTAL PROPERTY EXPENSE PAYMENTS.

(a) IN GENERAL.—Section 6041 of the Internal Revenue Code of 1986, as amended by section 9006 of the Patient Protection and Affordable Care Act, is amended by redesignating subsections (h) and (i) as subsections (i) and (j), respectively, and by inserting after subsection (g) the following new subsection:

“(h) TREATMENT OF RENTAL PROPERTY EXPENSE PAYMENTS.—

“(1) IN GENERAL.—Solely for purposes of subsection (a) and except as provided in paragraph (2), a person receiving rental income from real estate shall be considered to be engaged in a trade or business of renting property.

“(2) EXCEPTIONS.—Paragraph (1) shall not apply to—

“(A) any individual, including any individual who is an active member of the uniformed services or an employee of the intelligence community (as defined in section 121(d)(9)(C)(iv)), if substantially all rental income is derived from renting the principal residence (within the meaning of section 121) of such individual on a temporary basis,

“(B) any individual who receives rental income of not more than the minimal amount, as determined under regulations prescribed by the Secretary, and

“(C) any other individual for whom the requirements of this section would cause hardship, as determined under regulations prescribed by the Secretary.”

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to payments made after December 31, 2010.

SEC. 2102. INCREASE IN INFORMATION RETURN PENALTIES.

(a) FAILURE TO FILE CORRECT INFORMATION RETURNS.—

(1) IN GENERAL.—Subsections (a)(1), (b)(1)(A), and (b)(2)(A) of section 6721 of the Internal Revenue Code of 1986 are each amended by striking “\$50” and inserting “\$100”.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (a)(1), (d)(1)(A), and (e)(3)(A) of section 6721 of such Code are each amended by striking “\$250,000” and inserting “\$1,500,000”.

(b) REDUCTION WHERE CORRECTION WITHIN 30 DAYS.—

(1) IN GENERAL.—Subparagraph (A) of section 6721(b)(1) of the Internal Revenue Code of 1986 is amended by striking “\$15” and inserting “\$30”.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (b)(1)(B) and (d)(1)(B) of section 6721 of such Code are each amended by striking “\$75,000” and inserting “\$250,000”.

(c) REDUCTION WHERE CORRECTION ON OR BEFORE AUGUST 1.—

(1) IN GENERAL.—Subparagraph (A) of section 6721(b)(2) of the Internal Revenue Code of 1986 is amended by striking “\$30” and inserting “\$60”.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (b)(2)(B) and (d)(1)(C) of section 6721 of such Code are each amended by striking “\$150,000” and inserting “\$500,000”.

(d) AGGREGATE ANNUAL LIMITATIONS FOR PERSONS WITH GROSS RECEIPTS OF NOT MORE THAN \$5,000,000.—

(1) IN GENERAL.—Paragraph (1) of section 6721(d) of the Internal Revenue Code of 1986 is amended—

(A) by striking “\$100,000” in subparagraph (A) and inserting “\$500,000”,

(B) by striking “\$25,000” in subparagraph (B) and inserting “\$75,000”, and

(C) by striking “\$50,000” in subparagraph (C) and inserting “\$200,000”.

(2) TECHNICAL AMENDMENT.—Paragraph (1) of section 6721(d) of such Code is amended by striking “such taxable year” and inserting “such calendar year”.

(e) PENALTY IN CASE OF INTENTIONAL DISREGARD.—Paragraph (2) of section 6721(e) of the Internal Revenue Code of 1986 is amended by striking “\$100” and inserting “\$250”.

(f) ADJUSTMENT FOR INFLATION.—Section 6721 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(f) ADJUSTMENT FOR INFLATION.—

“(1) IN GENERAL.—For each fifth calendar year beginning after 2012, each of the dollar amounts under subsections (a), (b), (d) (other than paragraph (2)(A) thereof), and (e) shall be increased by such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) determined by substituting ‘calendar year 2011’ for ‘calendar year 1992’ in subparagraph (B) thereof.

“(2) ROUNDING.—If any amount adjusted under paragraph (1)—

“(A) is not less than \$75,000 and is not a multiple of \$500, such amount shall be rounded to the next lowest multiple of \$500, and

“(B) is not described in subparagraph (A) and is not a multiple of \$10, such amount shall be rounded to the next lowest multiple of \$10.”

(g) FAILURE TO FURNISH CORRECT PAYEE STATEMENTS.—Section 6722 of the Internal Revenue Code of 1986 is amended to read as follows:

“SEC. 6722. FAILURE TO FURNISH CORRECT PAYEE STATEMENTS.

“(a) IMPOSITION OF PENALTY.—

“(1) GENERAL RULE.—In the case of each failure described in paragraph (2) by any person with respect to a payee statement, such person shall pay a penalty of \$100 for each statement with respect to which such a failure occurs, but the total amount imposed on such person for all such failures during any calendar year shall not exceed \$1,500,000.

“(2) FAILURES SUBJECT TO PENALTY.—For purposes of paragraph (1), the failures described in this paragraph are—

“(A) any failure to furnish a payee statement on or before the date prescribed therefor to the person to whom such statement is required to be furnished, and

“(B) any failure to include all of the information required to be shown on a payee statement or the inclusion of incorrect information.

“(b) REDUCTION WHERE CORRECTION IN SPECIFIED PERIOD.—

“(1) CORRECTION WITHIN 30 DAYS.—If any failure described in subsection (a)(2) is corrected on or before the day 30 days after the required filing date—

“(A) the penalty imposed by subsection (a) shall be \$30 in lieu of \$100, and

“(B) the total amount imposed on the person for all such failures during any calendar year which are so corrected shall not exceed \$250,000.

“(2) FAILURES CORRECTED ON OR BEFORE AUGUST 1.—If any failure described in subsection (a)(2) is corrected after the 30th day referred to in paragraph (1) but on or before August 1 of the calendar year in which the required filing date occurs—

“(A) the penalty imposed by subsection (a) shall be \$60 in lieu of \$100, and

“(B) the total amount imposed on the person for all such failures during the calendar year which are so corrected shall not exceed \$500,000.

“(c) EXCEPTION FOR DE MINIMIS FAILURES.—

“(1) IN GENERAL.—If—

“(A) a payee statement is furnished to the person to whom such statement is required to be furnished,

“(B) there is a failure described in subsection (a)(2)(B) (determined after the application of section 6724(a)) with respect to such statement, and

“(C) such failure is corrected on or before August 1 of the calendar year in which the required filing date occurs,

for purposes of this section, such statement shall be treated as having been furnished with all of the correct required information.

“(2) LIMITATION.—The number of payee statements to which paragraph (1) applies for any calendar year shall not exceed the greater of—

“(A) 10, or

“(B) one-half of 1 percent of the total number of payee statements required to be filed by the person during the calendar year.

“(d) LOWER LIMITATIONS FOR PERSONS WITH GROSS RECEIPTS OF NOT MORE THAN \$5,000,000.—

“(1) IN GENERAL.—If any person meets the gross receipts test of paragraph (2) with respect to any calendar year, with respect to failures during such calendar year—

“(A) subsection (a)(1) shall be applied by substituting ‘\$500,000’ for ‘\$1,500,000’,

“(B) subsection (b)(1)(B) shall be applied by substituting ‘\$75,000’ for ‘\$250,000’, and

“(C) subsection (b)(2)(B) shall be applied by substituting ‘\$200,000’ for ‘\$500,000’.

“(2) GROSS RECEIPTS TEST.—A person meets the gross receipts test of this paragraph if

such person meets the gross receipts test of section 6721(d)(2).

“(e) PENALTY IN CASE OF INTENTIONAL DISREGARD.—If 1 or more failures to which subsection (a) applies are due to intentional disregard of the requirement to furnish a payee statement (or the correct information reporting requirement), then, with respect to each such failure—

“(1) subsections (b), (c), and (d) shall not apply,

“(2) the penalty imposed under subsection (a)(1) shall be \$250, or, if greater—

“(A) in the case of a payee statement other than a statement required under section 6045(b), 6041A(e) (in respect of a return required under section 6041A(b)), 6050H(d), 6050J(e), 6050K(b), or 6050L(c), 10 percent of the aggregate amount of the items required to be reported correctly, or

“(B) in the case of a payee statement required under section 6045(b), 6050K(b), or 6050L(c), 5 percent of the aggregate amount of the items required to be reported correctly, and

“(3) in the case of any penalty determined under paragraph (2)—

“(A) the \$1,500,000 limitation under subsection (a) shall not apply, and

“(B) such penalty shall not be taken into account in applying such limitation to penalties not determined under paragraph (2).

“(f) ADJUSTMENT FOR INFLATION.—

“(1) IN GENERAL.—For each fifth calendar year beginning after 2012, each of the dollar amounts under subsections (a), (b), (d)(1), and (e) shall be increased by such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) determined by substituting ‘calendar year 2011’ for ‘calendar year 1992’ in subparagraph (B) thereof.

“(2) ROUNDING.—If any amount adjusted under paragraph (1)—

“(A) is not less than \$75,000 and is not a multiple of \$500, such amount shall be rounded to the next lowest multiple of \$500, and

“(B) is not described in subparagraph (A) and is not a multiple of \$10, such amount shall be rounded to the next lowest multiple of \$10.”.

(h) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to information returns required to be filed on or after January 1, 2011.

SEC. 2103. REPORT ON TAX SHELTER PENALTIES AND CERTAIN OTHER ENFORCEMENT ACTIONS.

(a) IN GENERAL.—The Commissioner of Internal Revenue, in consultation with the Secretary of the Treasury, shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate an annual report on the penalties assessed by the Internal Revenue Service during the preceding year under each of the following provisions of the Internal Revenue Code of 1986:

(1) Section 6662A (relating to accuracy-related penalty on understatements with respect to reportable transactions).

(2) Section 6700(a) (relating to promoting abusive tax shelters).

(3) Section 6707 (relating to failure to furnish information regarding reportable transactions).

(4) Section 6707A (relating to failure to include reportable transaction information with return).

(5) Section 6708 (relating to failure to maintain lists of advisees with respect to reportable transactions).

(b) ADDITIONAL INFORMATION.—The report required under subsection (a) shall also in-

clude information on the following with respect to each year:

(1) Any action taken under section 330(b) of title 31, United States Code, with respect to any reportable transaction (as defined in section 6707A(c) of the Internal Revenue Code of 1986).

(2) Any extension of the time for assessment of tax enforced, or assessment of any amount under such an extension, under paragraph (10) of section 6501(c) of the Internal Revenue Code of 1986.

(c) DATE OF REPORT.—The first report required under subsection (a) shall be submitted not later than December 31, 2010.

SEC. 2104. APPLICATION OF LEVY TO PAYMENTS TO FEDERAL VENDORS RELATING TO PROPERTY.

(a) IN GENERAL.—Section 6331(h)(3) of the Internal Revenue Code of 1986 is amended by striking “goods or services” and inserting “property, goods, or services”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to levies issued after the date of the enactment of this Act.

SEC. 2105. APPLICATION OF CONTINUOUS LEVY TO TAX LIABILITIES OF CERTAIN FEDERAL CONTRACTORS.

(a) IN GENERAL.—Subsection (f) of section 6330 of the Internal Revenue Code of 1986 is amended by striking “or” at the end of paragraph (2), by inserting “or” at the end of paragraph (3), and by inserting after paragraph (3) the following new paragraph:

“(4) the Secretary has served a Federal contractor levy.”.

(b) FEDERAL CONTRACTOR LEVY.—Subsection (h) of section 6330 of the Internal Revenue Code of 1986 is amended—

(1) by striking all that precedes “any levy in connection with the collection” and inserting the following:

“(h) DEFINITIONS RELATED TO EXCEPTIONS.—For purposes of subsection (f)—

“(1) DISQUALIFIED EMPLOYMENT TAX LEVY.—A disqualified employment tax levy is”; and

(2) by adding at the end the following new paragraph:

“(2) FEDERAL CONTRACTOR LEVY.—A Federal contractor levy is any levy if the person whose property is subject to the levy (or any predecessor thereof) is a Federal contractor.”.

(c) CONFORMING AMENDMENT.—The heading of subsection (f) of section 6330 of the Internal Revenue Code of 1986 is amended by striking “JEOPARDY AND STATE REFUND COLLECTION” and inserting “EXCEPTIONS”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to levies issued after the date of the enactment of this Act.

SEC. 2106. APPLICATION OF BAD CHECKS PENALTY TO ELECTRONIC PAYMENTS.

(a) IN GENERAL.—Section 6657 of the Internal Revenue Code of 1986 is amended—

(1) by striking “If any check or money order in payment of any amount” and inserting “If any instrument in payment, by any commercially acceptable means, of any amount”, and

(2) by striking “such check” each place it appears and inserting “such instrument”.

(b) EFFECTIVE DATES.—The amendments made by this section shall apply to instruments tendered after the date of the enactment of this Act.

PART II—PROMOTING RETIREMENT PREPARATION**SEC. 2111. PARTICIPANTS IN GOVERNMENT SECTION 457 PLANS ALLOWED TO TREAT ELECTIVE DEFERRALS AS ROTH CONTRIBUTIONS.**

(a) IN GENERAL.—Section 402A(e)(1) of the Internal Revenue Code of 1986 is amended by

striking “and” at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting “, and”, and by adding at the end the following:

“(C) an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).”.

(b) **ELECTIVE DEFERRALS.**—Section 402A(e)(2) of the Internal Revenue Code of 1986 is amended to read as follows:

“(2) **ELECTIVE DEFERRAL.**—The term ‘elective deferral’ means—

“(A) any elective deferral described in subparagraph (A) or (C) of section 402(g)(3), and

“(B) any elective deferral of compensation by an individual under an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2010.

SEC. 2112. ROLLOVERS FROM ELECTIVE DEFERRAL PLANS TO DESIGNATED ROTH ACCOUNTS.

(a) **IN GENERAL.**—Section 402A(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(4) **TAXABLE ROLLOVERS TO DESIGNATED ROTH ACCOUNTS.**—

“(A) **IN GENERAL.**—Notwithstanding sections 402(c), 403(b)(8), and 457(e)(16), in the case of any distribution to which this paragraph applies—

“(i) there shall be included in gross income any amount which would be includible were it not part of a qualified rollover contribution,

“(ii) section 72(t) shall not apply, and

“(iii) unless the taxpayer elects not to have this clause apply, any amount required to be included in gross income for any taxable year beginning in 2010 by reason of this paragraph shall be so included ratably over the 2-taxable-year period beginning with the first taxable year beginning in 2011.

Any election under clause (iii) for any distributions during a taxable year may not be changed after the due date for such taxable year.

“(B) **DISTRIBUTIONS TO WHICH PARAGRAPH APPLIES.**—In the case of an applicable retirement plan which includes a qualified Roth contribution program, this paragraph shall apply to a distribution from such plan other than from a designated Roth account which is contributed in a qualified rollover contribution (within the meaning of section 408A(e)) to the designated Roth account maintained under such plan for the benefit of the individual to whom the distribution is made.

“(C) **COORDINATION WITH LIMIT.**—Any distribution to which this paragraph applies shall not be taken into account for purposes of paragraph (1).

“(D) **OTHER RULES.**—The rules of subparagraphs (D), (E), and (F) of section 408A(d)(3) (as in effect for taxable years beginning after 2009) shall apply for purposes of this paragraph.”.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to distributions after the date of the enactment of this Act.

PART III—CLOSING UNINTENDED LOOPHOLES

SEC. 2121. CRUDE TALL OIL INELIGIBLE FOR CELLULOSIC BIOFUEL PRODUCER CREDIT.

(a) **IN GENERAL.**—Clause (iii) of section 40(b)(6)(E) of the Internal Revenue Code of 1986, as added by the Health Care and Edu-

cation Reconciliation Act of 2010, is amended—

(1) by striking “or” at the end of subclause (I),

(2) by striking the period at the end of subclause (II) and inserting “, or”,

(3) by adding at the end the following new subclause:

“(III) such fuel has an acid number greater than 25.”, and

(4) by striking “UNPROCESSED” in the heading and inserting “CERTAIN”.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to fuels sold or used on or after January 1, 2010.

PART IV—TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES

SEC. 2131. TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES.

The percentage under paragraph (2) of section 561 of the Hiring Incentives to Restore Employment Act in effect on the date of the enactment of this Act is increased by 36 percentage points.

TITLE III—SMALL BUSINESS LENDING

Subtitle A—Small Business Lending Fund

SEC. 3101. PURPOSE.

The purpose of this subtitle is to address the ongoing effects of the financial crisis on small businesses by providing temporary authority to the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses.

SEC. 3102. DEFINITIONS.

For purposes of this subtitle:

(1) **APPROPRIATE COMMITTEES OF CONGRESS.**—The term “appropriate committees of Congress” means—

(A) the Committee on Small Business and Entrepreneurship, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Banking, Housing, and Urban Affairs, the Committee on Finance, the Committee on the Budget, and the Committee on Appropriations of the Senate; and

(B) the Committee on Small Business, the Committee on Agriculture, the Committee on Financial Services, the Committee on Ways and Means, the Committee on the Budget, and the Committee on Appropriations of the House of Representatives.

(2) **APPROPRIATE FEDERAL BANKING AGENCY.**—The term “appropriate Federal banking agency” has the meaning given such term under section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)).

(3) **BANK HOLDING COMPANY.**—The term “bank holding company” has the meaning given such term under section 2(a)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(2)(a)(1)).

(4) **CALL REPORT.**—The term “call report” means—

(A) reports of Condition and Income submitted to the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation;

(B) the Office of Thrift Supervision Thrift Financial Report;

(C) any report that is designated by the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, or the Office of Thrift Supervision, as applicable, as a successor to any report referred to in subparagraph (A) or (B);

(D) reports of Condition and Income as designated through guidance developed by the Secretary, in consultation with the Director of the Community Development Financial Institutions Fund; and

(E) with respect to an eligible institution for which no report exists that is described under subparagraph (A), (B), (C), or (D), such other report or set of information as the Secretary, in consultation with the Administrator of the Small Business Administration, may prescribe.

(5) **CDCI.**—The term “CDCI” means the Community Development Capital Initiative created by the Secretary under the Troubled Asset Relief Program established by the Emergency Economic Stabilization Act of 2008.

(6) **CDCI INVESTMENT.**—The term “CDCI investment” means, with respect to any eligible institution, the principal amount of any investment made by the Secretary in such eligible institution under the CDCI that has not been repaid.

(7) **CDFI; COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.**—The terms “CDFI” and “community development financial institution” have the meaning given the term “community development financial institution” under the Riegle Community Development and Regulatory Improvement Act of 1994.

(8) **CDFL; COMMUNITY DEVELOPMENT LOAN FUND.**—The terms “CDFL” and “community development loan fund” mean any entity that—

(A) is certified by the Department of the Treasury as a community development financial institution loan fund;

(B) is exempt from taxation under the Internal Revenue Code of 1986; and

(C) had assets less than or equal to \$10,000,000,000 as of the end of the fourth quarter of calendar year 2009.

(9) **CPP.**—The term “CPP” means the Capital Purchase Program created by the Secretary under the Troubled Asset Relief Program established by the Emergency Economic Stabilization Act of 2008.

(10) **CPP INVESTMENT.**—The term “CPP investment” means, with respect to any eligible institution, the principal amount of any investment made by the Secretary in such eligible institution under the CPP that has not been repaid.

(11) **ELIGIBLE INSTITUTION.**—The term “eligible institution” means—

(A) any insured depository institution, which—

(i) is not controlled by a bank holding company or savings and loan holding company that is also an eligible institution;

(ii) has total assets of equal to or less than \$10,000,000,000, as reported in the call report of the insured depository institution as of the end of the fourth quarter of calendar year 2009; and

(iii) is not directly or indirectly controlled by any company or other entity that has total consolidated assets of more than \$10,000,000,000, as so reported;

(B) any bank holding company which has total consolidated assets of equal to or less than \$10,000,000,000, as reported in the call report of the bank holding company as of the end of the fourth quarter of calendar year 2009;

(C) any savings and loan holding company which has total consolidated assets of equal to or less than \$10,000,000,000, as reported in the call report of the savings and loan holding company as of the end of the fourth quarter of calendar year 2009; and

(D) any community development financial institution loan fund which has total assets of equal to or less than \$10,000,000,000, as reported in audited financial statements for the fiscal year of the community development financial institution loan fund that ends in calendar year 2009.

(12) **FUND.**—The term “Fund” means the Small Business Lending Fund established under section 3103(a)(1).

(13) **INSURED DEPOSITORY INSTITUTION.**—The term “insured depository institution” has the meaning given such term under section 3(c)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1813(c)(2)).

(14) **MINORITY-OWNED AND WOMEN-OWNED BUSINESS.**—The terms “minority-owned business” and “women-owned business” shall have the meaning given the terms “minority-owned business” and “women’s business”, respectively, under section 21A(r)(4) of the Federal Home Loan Bank Act (12 U.S.C. 1441A(r)(4)).

(15) **PROGRAM.**—The term “Program” means the Small Business Lending Fund Program authorized under section 3103(a)(2).

(16) **SAVINGS AND LOAN HOLDING COMPANY.**—The term “savings and loan holding company” has the meaning given such term under section 10(a)(1)(D) of the Home Owners’ Loan Act (12 U.S.C. 1467a(a)(1)(D)).

(17) **SECRETARY.**—The term “Secretary” means the Secretary of the Treasury.

(18) **SMALL BUSINESS LENDING.**—

(A) **IN GENERAL.**—The term “small business lending” means lending, as defined by and reported in an eligible institutions’ quarterly call report, where each loan comprising such lending is one of the following types:

- (i) Commercial and industrial loans.
- (ii) Owner-occupied nonfarm, nonresidential real estate loans.
- (iii) Loans to finance agricultural production and other loans to farmers.
- (iv) Loans secured by farmland.

(B) **EXCLUSION.**—No loan that has an original amount greater than \$10,000,000 or that goes to a business with more than \$50,000,000 in revenues shall be included in the measure.

(C) **TREATMENT OF HOLDING COMPANIES.**—In the case of eligible institutions that are bank holding companies or savings and loan holding companies having one or more insured depository institution subsidiaries, small business lending shall be measured based on the combined small business lending reported in the call report of the insured depository institution subsidiaries.

(19) **VETERAN-OWNED BUSINESS.**—

(A) The term “veteran-owned business” means a business—

- (i) more than 50 percent of the ownership or control of which is held by 1 or more veterans;
- (ii) more than 50 percent of the net profit or loss of which accrues to 1 or more veterans; and
- (iii) a significant percentage of senior management positions of which are held by veterans.

(B) For purposes of this paragraph, the term “veteran” has the meaning given such term in section 101(2) of title 38, United States Code.

SEC. 3103. SMALL BUSINESS LENDING FUND.

(a) **FUND AND PROGRAM.**—

(1) **FUND ESTABLISHED.**—There is established in the Treasury of the United States a fund to be known as the “Small Business Lending Fund”, which shall be administered by the Secretary.

(2) **PROGRAMS AUTHORIZED.**—The Secretary is authorized to establish the Small Business Lending Fund Program for using the Fund consistent with this subtitle.

(b) **USE OF FUND.**—

(1) **IN GENERAL.**—Subject to paragraph (2), the Fund shall be available to the Secretary, without further appropriation or fiscal year limitation, for the costs of purchases (including commitments to purchase), and mod-

ifications of such purchases, of preferred stock and other financial instruments from eligible institutions on such terms and conditions as are determined by the Secretary in accordance with this subtitle. For purposes of this paragraph and with respect to an eligible institution, the term “other financial instruments” shall include only debt instruments for which such eligible institution is fully liable or equity equivalent capital of the eligible institution. Such debt instruments may be subordinated to the claims of other creditors of the eligible institution.

(2) **MAXIMUM PURCHASE LIMIT.**—The aggregate amount of purchases (and commitments to purchase) made pursuant to paragraph (1) may not exceed \$30,000,000,000.

(3) **PROCEEDS USED TO PAY DOWN PUBLIC DEBT.**—All funds received by the Secretary in connection with purchases made pursuant to paragraph (1), including interest payments, dividend payments, and proceeds from the sale of any financial instrument, shall be paid into the general fund of the Treasury for reduction of the public debt.

(4) **LIMITATION ON PURCHASES FROM CDLFS.**—

(A) **IN GENERAL.**—Not more than 1 percent of the maximum purchase limit of the Program, pursuant to paragraph (2), may be used to make purchases from community development loan funds.

(B) **ELIGIBILITY STANDARDS.**—The Secretary, in consultation with the Community Development Financial Institutions Fund, shall develop eligibility criteria to determine the financial ability of a CDLF to participate in the Program and repay the investment. Such criteria shall include the following:

- (i) Ratio of net assets to total assets is at least 20 percent.
- (ii) Ratio of loan loss reserves to loans and leases 90 days or more delinquent (including loans sold with full recourse) is at least 30 percent.
- (iii) Positive net income measured on a 3-year rolling average.
- (iv) Operating liquidity ratio of at least 1.0 for the 4 most recent quarters and for one or both of the two preceding years.
- (v) Ratio of loans and leases 90 days or more delinquent (including loans sold with full recourse) to total equity plus loan loss reserves is less than 40 percent.

(C) **REQUIREMENT TO SUBMIT AUDITED FINANCIAL STATEMENTS.**—CDLFs participating in the Program shall submit audited financial statements to the Secretary, have a clean audit opinion, and have at least 3 years of operating experience.

(c) **CREDITS TO THE FUND.**—There shall be credited to the Fund amounts made available pursuant to section 3108, to the extent provided by appropriations Acts.

(d) **TERMS.**—

(1) **APPLICATION.**—

(A) **INSTITUTIONS WITH ASSETS OF \$1,000,000,000 OR LESS.**—Eligible institutions having total assets equal to or less than \$1,000,000,000, as reported in a call report as of the end of the fourth quarter of calendar year 2009, may apply to receive a capital investment from the Fund in an amount not exceeding 5 percent of risk-weighted assets, as reported in the call report immediately preceding the date of application, less the amount of any CDCI investment and any CPP investment.

(B) **INSTITUTIONS WITH ASSETS OF MORE THAN \$1,000,000,000 AND LESS THAN OR EQUAL TO \$10,000,000,000.**—Eligible institutions having total assets of more than \$1,000,000,000 but less than \$10,000,000,000, as of the end of the fourth quarter of calendar year 2009, may

apply to receive a capital investment from the Fund in an amount not exceeding 3 percent of risk-weighted assets, as reported in the call report immediately preceding the date of application, less the amount of any CDCI investment and any CPP investment.

(C) **TREATMENT OF HOLDING COMPANIES.**—In the case of an eligible institution that is a bank holding company or a savings and loan holding company having one or more insured depository institution subsidiaries, total assets shall be measured based on the combined total assets reported in the call report of the insured depository institution subsidiaries as of the end of the fourth quarter of calendar year 2009 and risk-weighted assets shall be measured based on the combined risk-weighted assets of the insured depository institution subsidiaries as reported in the call report immediately preceding the date of application.

(D) **TREATMENT OF APPLICANTS THAT ARE INSTITUTIONS CONTROLLED BY HOLDING COMPANIES.**—If an eligible institution that applies to receive a capital investment under the Program is under the control of a bank holding company or a savings and loan holding company, then the Secretary may use the Fund to purchase preferred stock or other financial instruments from the top-tier bank holding company or savings and loan holding company of such eligible institution, as applicable. For purposes of this subparagraph, the term “control” with respect to a bank holding company shall have the same meaning as in section 2(a)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(2)(a)(2)). For purposes of this subparagraph, the term “control” with respect to a savings and loan holding company shall have the same meaning as in 10(a)(2) of the Home Owners’ Loan Act (12 U.S.C. 1467a(a)(2)).

(E) **REQUIREMENT TO PROVIDE A SMALL BUSINESS LENDING PLAN.**—At the time that an applicant submits an application to the Secretary for a capital investment under the Program, the applicant shall deliver to the appropriate Federal banking agency, and, for applicants that are State-chartered banks, to the appropriate State banking regulator, a small business lending plan describing how the applicant’s business strategy and operating goals will allow it to address the needs of small businesses in the areas it serves, as well as a plan to provide linguistically and culturally appropriate outreach, where appropriate. In the case of eligible institutions that are community development loan funds, this plan shall be submitted to the Secretary. This plan shall be confidential supervisory information.

(F) **TREATMENT OF APPLICANTS THAT ARE COMMUNITY DEVELOPMENT LOAN FUNDS.**—Eligible institutions that are community development loan funds may apply to receive a capital investment from the Fund in an amount not exceeding 5 percent of total assets, as reported in the audited financial statements for the fiscal year of the eligible institution that ends in calendar year 2009.

(2) **CONSULTATION WITH REGULATORS.**—For each eligible institution that applies to receive a capital investment under the Program, the Secretary shall—

(A) consult with the appropriate Federal banking agency or, in the case of an eligible institution that is a non-depository community development financial institution, the Community Development Financial Institution Fund, for the eligible institution to determine whether the eligible institution may receive such capital investment;

(B) in the case of an eligible institution that is a State-chartered bank, consider any

views received from the State banking regulator of the State of the eligible institution regarding the financial condition of the eligible institution; and

(C) in the case of a community development financial institution loan fund, consult with the Community Development Financial Institution Fund.

(3) INELIGIBILITY OF INSTITUTIONS ON FDIC PROBLEM BANK LIST.—

(A) IN GENERAL.—An eligible institution may not receive any capital investment under the Program if—

(i) such institution is on the FDIC problem bank list; or

(ii) such institution has been removed from the FDIC problem bank list for less than 90 days.

(B) CONSTRUCTION.—Nothing in subparagraph (A) shall be construed as limiting the discretion of the Secretary to deny the application of an eligible institution that is not on the FDIC problem bank list.

(C) FDIC PROBLEM BANK LIST DEFINED.—For purposes of this subparagraph, the term “FDIC problem bank list” means the list of institutions with a current rating of 4 or 5 under the Uniform Financial Institutions Rating System, or such other list designated by the Federal Deposit Insurance Corporation.

(4) INCENTIVES TO LEND.—

(A) REQUIREMENTS ON PREFERRED STOCK AND OTHER FINANCIAL INSTRUMENTS.—Any preferred stock or other financial instrument issued to Treasury by an eligible institution receiving a capital investment under the Program shall provide that—

(i) the rate at which dividends or interest are payable shall be 5 percent per annum initially;

(ii) within the first 2 years after the date of the capital investment under the Program, the rate may be adjusted based on the amount of an eligible institution's small business lending. Changes in the amount of small business lending shall be measured against the average amount of small business lending reported by the eligible institution in its call reports for the 4 full quarters immediately preceding the date of enactment of this Act, minus adjustments from each quarterly balance in respect of—

(I) net loan charge offs with respect to small business lending; and

(II) gains realized by the eligible institution resulting from mergers, acquisitions or purchases of loans after origination and syndication; which adjustments shall be determined in accordance with guidance promulgated by the Secretary; and

(iii) during any calendar quarter during the initial 2-year period referred to in clause (ii), an institution's rate shall be adjusted to reflect the following schedule, based on that institution's change in the amount of small business lending relative to the baseline—

(I) if the amount of small business lending has increased by less than 2.5 percent, the dividend or interest rate shall be 5 percent;

(II) if the amount of small business lending has increased by 2.5 percent or greater, but by less than 5.0 percent, the dividend or interest rate shall be 4 percent;

(III) if the amount of small business lending has increased by 5.0 percent or greater, but by less than 7.5 percent, the dividend or interest rate shall be 3 percent;

(IV) if the amount of small business lending has increased by 7.5 percent or greater, and but by less than 10.0 percent, the dividend or interest rate shall be 2 percent; or

(V) if the amount of small business lending has increased by 10 percent or greater, the dividend or interest rate shall be 1 percent.

(B) BASIS OF INITIAL RATE.—The initial dividend or interest rate shall be based on call report data published in the quarter immediately preceding the date of the capital investment under the Program.

(C) TIMING OF RATE ADJUSTMENTS.—Any rate adjustment shall occur in the calendar quarter following the publication of call report data, such that the rate based on call report data from any one calendar quarter, which is published in the first following calendar quarter, shall be adjusted in that first following calendar quarter and payable in the second following quarter.

(D) RATE FOLLOWING INITIAL 2-YEAR PERIOD.—Generally, the rate based on call report data from the eighth calendar quarter after the date of the capital investment under the Program shall be payable until the expiration of the 4½-year period that begins on the date of the investment. In the case where the amount of small business lending has remained the same or decreased relative to the institution's baseline in the eighth quarter after the date of the capital investment under the Program, the rate shall be 7 percent until the expiration of the 4½-year period that begins on the date of the investment.

(E) RATE FOLLOWING INITIAL 4½-YEAR PERIOD.—The dividend or interest rate paid on any preferred stock or other financial instrument issued by an eligible institution that receives a capital investment under the Program shall increase to 9 percent at the end of the 4½-year period that begins on the date of the capital investment under the Program.

(F) LIMITATION ON RATE REDUCTIONS WITH RESPECT TO CERTAIN AMOUNT.—The reduction in the dividend or interest rate payable to Treasury by any eligible institution shall be limited such that the rate reduction shall not apply to a dollar amount of the investment made by Treasury that is greater than the dollar amount increase in the amount of small business lending realized under this program. The Secretary may issue guidelines that will apply to new capital investments limiting the amount of capital available to eligible institutions consistent with this limitation.

(G) RATE ADJUSTMENTS FOR S CORPORATION.—Before making a capital investment in an eligible institution that is an S corporation or a corporation organized on a mutual basis, the Secretary may adjust the dividend or interest rate on the financial instrument to be issued to the Secretary, from the dividend or interest rate that would apply under subparagraphs (A) through (F), to take into account any differential tax treatment of securities issued by such eligible institution. For purpose of this subparagraph, the term “S corporation” has the same meaning as in section 1361(a) of the Internal Revenue Code of 1986.

(H) REPAYMENT DEADLINE.—The capital investment received by an eligible institution under the Program shall be evidenced by preferred stock or other financial instrument that—

(i) includes, as a term and condition, that the capital investment will—

(I) be repaid not later than the end of the 10-year period beginning on the date of the capital investment under the Program; or

(II) at the end of such 10-year period, be subject to such additional terms as the Secretary shall prescribe, which shall include a requirement that the stock or instrument shall carry the highest dividend or interest rate payable; and

(ii) provides that the term and condition described under clause (i) shall not apply if

the application of that term and condition would adversely affect the capital treatment of the stock or financial instrument under current or successor applicable capital provisions compared to a capital instrument with identical terms other than the term and condition described under clause (i).

(I) REQUIREMENTS ON FINANCIAL INSTRUMENTS ISSUED BY A COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION LOAN FUND.—Any equity equivalent capital issued to the Treasury by a community development loan fund receiving a capital investment under the Program shall provide that the rate at which interest is payable shall be 2 percent per annum for 8 years. After 8 years, the rate at which interest is payable shall be 9 percent.

(5) ADDITIONAL INCENTIVES TO REPAY.—The Secretary may, by regulation or guidance issued under section 3104(9), establish repayment incentives in addition to the incentive in paragraph (4)(E) that will apply to new capital investments in a manner that the Secretary determines to be consistent with the purposes of this subtitle.

(6) CAPITAL PURCHASE PROGRAM REFINANCE.—

(A) IN GENERAL.—The Secretary shall, in a manner that the Secretary determines to be consistent with the purposes of this subtitle, issue regulations and other guidance to permit eligible institutions to refinance securities issued to Treasury under the CDCI and the CPP for securities to be issued under the Program.

(B) PROHIBITION ON PARTICIPATION BY NON-PAYING CPP PARTICIPANTS.—Subparagraph (A) shall not apply to any eligible institution that has missed more than one dividend payment due under the CPP. For purposes of this subparagraph, a CPP dividend payment that is submitted within 60 days of the due date of such payment shall not be considered a missed dividend payment.

(7) OUTREACH TO MINORITIES, WOMEN, AND VETERANS.—The Secretary shall require eligible institutions receiving capital investments under the Program to provide linguistically and culturally appropriate outreach and advertising in the applicant pool describing the availability and application process of receiving loans from the eligible institution that are made possible by the Program through the use of print, radio, television or electronic media outlets which target organizations, trade associations, and individuals that—

(A) represent or work within or are members of minority communities;

(B) represent or work with or are women; and

(C) represent or work with or are veterans.

(8) ADDITIONAL TERMS.—The Secretary may, by regulation or guidance issued under section 3104(9), make modifications that will apply to new capital investments in order to manage risks associated with the administration of the Fund in a manner consistent with the purposes of this subtitle.

(9) MINIMUM UNDERWRITING STANDARDS.—The appropriate Federal banking agency for an eligible institution that receives funds under the Program shall within 60 days issue guidance regarding prudent underwriting standards that must be used for loans made by the eligible institution using such funds..

SEC. 3104. ADDITIONAL AUTHORITIES OF THE SECRETARY.

The Secretary may take such actions as the Secretary deems necessary to carry out the authorities in this subtitle, including, without limitation, the following:

(1) The Secretary may use the services of any agency or instrumentality of the United

States or component thereof on a reimbursable basis, and any such agency or instrumentality or component thereof is authorized to provide services as requested by the Secretary using all authorities vested in or delegated to that agency, instrumentality, or component.

(2) The Secretary may enter into contracts, including contracts for services authorized by section 3109 of title 5, United States Code.

(3) The Secretary may designate any bank, savings association, trust company, security broker or dealer, asset manager, or investment adviser as a financial agent of the Federal Government and such institution shall perform all such reasonable duties related to this subtitle as financial agent of the Federal Government as may be required. The Secretary shall have authority to amend existing agreements with financial agents, entered into during the 2-year period before the date of enactment of this Act, to perform reasonable duties related to this subtitle.

(4) The Secretary may exercise any rights received in connection with any preferred stock or other financial instruments or assets purchased or acquired pursuant to the authorities granted under this subtitle.

(5) Subject to section 3103(b)(3), the Secretary may manage any assets purchased under this subtitle, including revenues and portfolio risks therefrom.

(6) The Secretary may sell, dispose of, transfer, exchange or enter into securities loans, repurchase transactions, or other financial transactions in regard to, any preferred stock or other financial instrument or asset purchased or acquired under this subtitle, upon terms and conditions and at a price determined by the Secretary.

(7) The Secretary may manage or prohibit conflicts of interest that may arise in connection with the administration and execution of the authorities provided under this subtitle.

(8) The Secretary may establish and use vehicles, subject to supervision by the Secretary, to purchase, hold, and sell preferred stock or other financial instruments and issue obligations.

(9) The Secretary may, in consultation with the Administrator of the Small Business Administration, issue such regulations and other guidance as may be necessary or appropriate to define terms or carry out the authorities or purposes of this subtitle.

SEC. 3105. CONSIDERATIONS.

In exercising the authorities granted in this subtitle, the Secretary shall take into consideration—

(1) increasing the availability of credit for small businesses;

(2) providing funding to minority-owned eligible institutions and other eligible institutions that serve small businesses that are minority-, veteran-, and women-owned and that also serve low- and moderate-income, minority, and other underserved or rural communities;

(3) protecting and increasing American jobs;

(4) increasing the opportunity for small business development in areas with high unemployment rates that exceed the national average;

(5) ensuring that all eligible institutions may apply to participate in the program established under this subtitle, without discrimination based on geography;

(6) providing transparency with respect to use of funds provided under this subtitle;

(7) minimizing the cost to taxpayers of exercising the authorities;

(8) promoting and engaging in financial education to would-be borrowers; and

(9) providing funding to eligible institutions that serve small businesses directly affected by the discharge of oil arising from the explosion on and sinking of the mobile offshore drilling unit Deepwater Horizon and small businesses in communities that have suffered negative economic effects as a result of that discharge with particular consideration to States along the coast of the Gulf of Mexico.

SEC. 3106. REPORTS.

The Secretary shall provide to the appropriate committees of Congress—

(1) within 7 days of the end of each month commencing with the first month in which transactions are made under the Program, a written report describing all of the transactions made during the reporting period pursuant to the authorities granted under this subtitle;

(2) after the end of March and the end of September, commencing September 30, 2010, a written report on all projected costs and liabilities, all operating expenses, including compensation for financial agents, and all transactions made by the Fund, which shall include participating institutions and amounts each institution has received under the Program; and

(3) within 7 days of the end of each calendar quarter commencing with the first calendar quarter in which transactions are made under the Program, a written report detailing how eligible institutions participating in the Program have used the funds such institutions received under the Program.

SEC. 3107. OVERSIGHT AND AUDITS.

(a) INSPECTOR GENERAL OVERSIGHT.—The Inspector General of the Department of the Treasury shall conduct, supervise, and coordinate audits and investigations of the Program through the Office of Small Business Lending Fund Program Oversight established under subsection (b).

(b) OFFICE OF SMALL BUSINESS LENDING FUND PROGRAM OVERSIGHT.—

(1) ESTABLISHMENT.—There is hereby established within the Office of the Inspector General of the Department of the Treasury a new office to be named the “Office of Small Business Lending Fund Program Oversight” to provide oversight of the Program.

(2) LEADERSHIP.—The Inspector General shall appoint a Special Deputy Inspector General for SBLF Program Oversight to lead the Office, with commensurate staff, who shall report directly to the Inspector General and who shall be responsible for the performance of all auditing and investigative activities relating to the Program.

(3) REPORTING.—

(A) IN GENERAL.—The Inspector General shall issue a report no less than two times a year to the Congress and the Secretary devoted to the oversight provided by the Office, including any recommendations for improvements to the Program.

(B) RECOMMENDATIONS.—With respect to any deficiencies identified in a report under subparagraph (A), the Secretary shall either—

(i) take actions to address such deficiencies; or

(ii) certify to the appropriate committees of Congress that no action is necessary or appropriate.

(4) COORDINATION.—The Inspector General, in maximizing the effectiveness of the Office, shall work with other Offices of Inspector General, as appropriate, to minimize duplication of effort and ensure comprehensive oversight of the Program.

(5) TERMINATION.—The Office shall terminate at the end of the 6-month period beginning on the date on which all capital investments are repaid under the Program or the date on which the Secretary determines that any remaining capital investments will not be repaid.

(6) DEFINITIONS.—For purposes of this subsection:

(A) OFFICE.—The term “Office” means the Office of Small Business Lending Fund Program Oversight established under paragraph (1).

(B) INSPECTOR GENERAL.—The term “Inspector General” means the Inspector General of the Department of the Treasury.

(c) GAO AUDIT.—The Comptroller General of the United States shall perform an annual audit of the Program and issue a report to the appropriate committees of Congress containing the results of such audit.

(d) REQUIRED CERTIFICATIONS.—

(1) ELIGIBLE INSTITUTION CERTIFICATION.—Each eligible institution that participates in the Program must certify that such institution is in compliance with the requirements of section 103.121 of title 31, Code of Federal Regulations, a regulation that, at a minimum, requires financial institutions, as that term is defined in 31 U.S.C. 5312(a)(2) and (c)(1)(A), to implement reasonable procedures to verify the identity of any person seeking to open an account, to the extent reasonable and practicable, maintain records of the information used to verify the person's identity, and determine whether the person appears on any lists of known or suspected terrorists or terrorist organizations provided to the financial institution by any government agency.

(2) LOAN RECIPIENTS.—With respect to funds received by an eligible institution under the Program, any business receiving a loan from the eligible institution using such funds after the date of the enactment of this Act shall certify to such eligible institution that the principals of such business have not been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. 16911)).

(e) PROHIBITION ON PORNOGRAPHY.—None of the funds made available under this subtitle may be used to pay the salary of any individual engaged in activities related to the Program who has been officially disciplined for violations of subpart G of the Standards of Ethical Conduct for Employees of the Executive Branch for viewing, downloading, or exchanging pornography, including child pornography, on a Federal Government computer or while performing official Federal Government duties.

SEC. 3108. CREDIT REFORM; FUNDING.

(a) CREDIT REFORM.—The cost of purchases of preferred stock and other financial instruments made as capital investments under this subtitle shall be determined as provided under the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).

(b) FUNDS MADE AVAILABLE.—There are hereby appropriated, out of funds in the Treasury not otherwise appropriated, such sums as may be necessary to pay the costs of \$30,000,000,000 of capital investments in eligible institutions, including the costs of modifying such investments, and reasonable costs of administering the program of making, holding, managing, and selling the capital investments.

SEC. 3109. TERMINATION AND CONTINUATION OF AUTHORITIES.

(a) TERMINATION OF INVESTMENT AUTHORITY.—The authority to make capital investments in eligible institutions, including

commitments to purchase preferred stock or other instruments, provided under this subtitle shall terminate 1 year after the date of enactment of this Act.

(b) **CONTINUATION OF OTHER AUTHORITIES.**—The authorities of the Secretary under section 3104 shall not be limited by the termination date in subsection (a).

SEC. 3110. PRESERVATION OF AUTHORITY.

Nothing in this subtitle may be construed to limit the authority of the Secretary under any other provision of law.

SEC. 3111. ASSURANCES.

(a) **SMALL BUSINESS LENDING FUND SEPARATE FROM TARP.**—The Small Business Lending Fund Program is established as separate and distinct from the Troubled Asset Relief Program established by the Emergency Economic Stabilization Act of 2008. An institution shall not, by virtue of a capital investment under the Small Business Lending Fund Program, be considered a recipient of the Troubled Asset Relief Program.

(b) **CHANGE IN LAW.**—If, after a capital investment has been made in an eligible institution under the Program, there is a change in law that modifies the terms of the investment or program in a materially adverse respect for the eligible institution, the eligible institution may, after consultation with the appropriate Federal banking agency for the eligible institution, repay the investment without impediment.

SEC. 3112. STUDY AND REPORT WITH RESPECT TO WOMEN-OWNED, VETERAN-OWNED, AND MINORITY-OWNED BUSINESSES.

(a) **STUDY.**—The Secretary shall conduct a study of the impact of the Program on women-owned businesses, veteran-owned businesses, and minority-owned businesses.

(b) **REPORT.**—Not later than one year after the date of enactment of this Act, the Secretary shall submit to Congress a report on the results of the study conducted pursuant to subsection (a). To the extent possible, the Secretary shall disaggregate the results of such study by ethnic group and gender.

(c) **INFORMATION PROVIDED TO THE SECRETARY.**—Eligible institutions that participate in the Program shall provide the Secretary with such information as the Secretary may require to carry out the study required by this section.

SEC. 3113. SENSE OF CONGRESS.

It is the sense of Congress that the Federal Deposit Insurance Corporation and other bank regulators are sending mixed messages to banks regarding regulatory capital requirements and lending standards, which is a contributing cause of decreased small business lending and increased regulatory uncertainty at community banks.

Subtitle B—State Small Business Credit Initiative

SEC. 3201. SHORT TITLE.

This subtitle may be cited as the “State Small Business Credit Initiative Act of 2010”.

SEC. 3202. DEFINITIONS.

In this subtitle, the following definitions shall apply:

(1) **APPROPRIATE COMMITTEES OF CONGRESS.**—The term “appropriate committees of Congress” means—

(A) the Committee on Small Business and Entrepreneurship, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Banking, Housing, and Urban Affairs, the Committee on Finance, the Committee on the Budget, and the Committee on Appropriations of the Senate; and

(B) the Committee on Small Business, the Committee on Agriculture, the Committee

on Financial Services, the Committee on Ways and Means, the Committee on the Budget, and the Committee on Appropriations of the House of Representatives.

(2) **APPROPRIATE FEDERAL BANKING AGENCY.**—The term “appropriate Federal banking agency” means—

(A) has the same meaning as in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)); and

(B) includes the National Credit Union Administration Board in the case of any credit union the deposits of which are insured in accordance with the Federal Credit Union Act.

(3) **ENROLLED LOAN.**—The term “enrolled loan” means a loan made by a financial institution lender that is enrolled by a participating State in an approved State capital access program in accordance with this subtitle.

(4) **FEDERAL CONTRIBUTION.**—The term “Federal contribution” means the portion of the contribution made by a participating State to, or for the account of, an approved State program that is made with Federal funds allocated to the State by the Secretary under section 3203.

(5) **FINANCIAL INSTITUTION.**—The term “financial institution” means any insured depository institution, insured credit union, or community development financial institution, as those terms are each defined in section 103 of the Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4702).

(6) **PARTICIPATING STATE.**—The term “participating State” means any State that has been approved for participation in the Program under section 3204.

(7) **PROGRAM.**—The term “Program” means the State Small Business Credit Initiative established under this subtitle.

(8) **QUALIFYING LOAN OR SWAP FUNDING FACILITY.**—The term “qualifying loan or swap funding facility” means a contractual arrangement between a participating State and a private financial entity under which—

(A) the participating State delivers funds to the entity as collateral;

(B) the entity provides funding from the arrangement back to the participating State; and

(C) the full amount of resulting funding from the arrangement, less any fees and other costs of the arrangement, is contributed to, or for the account of, an approved State program.

(9) **RESERVE FUND.**—The term “reserve fund” means a fund, established by a participating State, dedicated to a particular financial institution lender, for the purposes of—

(A) depositing all required premium charges paid by the financial institution lender and by each borrower receiving a loan under an approved State program from that financial institution lender;

(B) depositing contributions made by the participating State, including State contributions made with Federal contributions; and

(C) covering losses on enrolled loans by disbursing accumulated funds.

(10) **STATE.**—The term “State” means—

(A) a State of the United States;

(B) the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of Northern Mariana Islands, Guam, American Samoa, and the United States Virgin Islands;

(C) when designated by a State of the United States, a political subdivision of that State that the Secretary determines has the capacity to participate in the Program; and

(D) under the circumstances described in section 3204(d), a municipality of a State of

the United States to which the Secretary has given a special permission under section 3204(d).

(11) **STATE CAPITAL ACCESS PROGRAM.**—The term “State capital access program” means a program of a State that—

(A) uses public resources to promote private access to credit; and

(B) meets the eligibility criteria in section 3205(c).

(12) **STATE OTHER CREDIT SUPPORT PROGRAM.**—The term “State other credit support program” means—

(A) means a program of a State that—

(i) uses public resources to promote private access to credit;

(ii) is not a State capital access program; and

(iii) meets the eligibility criteria in section 3206(c); and

(B) includes, collateral support programs, loan participation programs, State-run venture capital fund programs, and credit guarantee programs.

(13) **STATE PROGRAM.**—The term “State program” means a State capital access program or a State other credit support program.

(14) **SECRETARY.**—The term “Secretary” means the Secretary of the Treasury.

SEC. 3203. FEDERAL FUNDS ALLOCATED TO STATES.

(a) **PROGRAM ESTABLISHED; PURPOSE.**—There is established the State Small Business Credit Initiative, to be administered by the Secretary. Under the Program, the Secretary shall allocate Federal funds to participating States and make the allocated funds available to the participating States as provided in this section for the uses described in this section.

(b) **ALLOCATION FORMULA.**—

(1) **IN GENERAL.**—Not later than 30 days after the date of enactment of this Act, the Secretary shall allocate Federal funds to participating States so that each State is eligible to receive an amount equal to the average of the respective amounts that the State—

(A) would receive under the 2009 allocation, as determined under paragraph (2); and

(B) would receive under the 2010 allocation, as determined under paragraph (3).

(2) **2009 ALLOCATION FORMULA.**—

(A) **IN GENERAL.**—The Secretary shall determine the 2009 allocation by allocating Federal funds among the States in the proportion that each such State’s 2008 State employment decline bears to the aggregate of the 2008 State employment declines for all States.

(B) **MINIMUM ALLOCATION.**—The Secretary shall adjust the allocations under subparagraph (A) for each State to the extent necessary to ensure that no State receives less than 0.9 percent of the Federal funds.

(C) **2008 STATE EMPLOYMENT DECLINE DEFINED.**—In this paragraph and with respect to a State, the term “2008 State employment decline” means the excess (if any) of—

(i) the number of individuals employed in such State determined for December 2007; over

(ii) the number of individuals employed in such State determined for December 2008.

(3) **2010 ALLOCATION FORMULA.**—

(A) **IN GENERAL.**—The Secretary shall determine the 2010 allocation by allocating Federal funds among the States in the proportion that each such State’s 2009 unemployment number bears to the aggregate of the 2009 unemployment numbers for all of the States.

(B) **MINIMUM ALLOCATION.**—The Secretary shall adjust the allocations under subparagraph (A) for each State to the extent necessary to ensure that no State receives less than 0.9 percent of the Federal funds.

(C) **2009 UNEMPLOYMENT NUMBER DEFINED.**—In this paragraph and with respect to a State, the term “2009 unemployment number” means the number of individuals within such State who were determined to be unemployed by the Bureau of Labor Statistics for December 2009.

(c) **AVAILABILITY OF ALLOCATED AMOUNT.**—The amount allocated by the Secretary to each participating State under subsection (b) shall be made available to the State as follows:

(1) **ALLOCATED AMOUNT GENERALLY TO BE AVAILABLE TO STATE IN ONE-THIRDS.**—

(A) **IN GENERAL.**—The Secretary shall—

(i) apportion the participating State's allocated amount into thirds;

(ii) transfer to the participating State the first $\frac{1}{3}$ when the Secretary approves the State for participation under section 3204; and

(iii) transfer to the participating State each successive $\frac{1}{3}$ when the State has certified to the Secretary that it has expended, transferred, or obligated 80 percent of the last transferred $\frac{1}{3}$ for Federal contributions to, or for the account of, State programs.

(B) **AUTHORITY TO WITHHOLD PENDING AUDIT.**—The Secretary may withhold the transfer of any successive $\frac{1}{3}$ pending results of a financial audit.

(C) **INSPECTOR GENERAL AUDITS.**—

(i) **IN GENERAL.**—The Inspector General of the Department of the Treasury shall carry out an audit of the participating State's use of allocated Federal funds transferred to the State.

(ii) **RECOUPMENT OF MISUSED TRANSFERRED FUNDS REQUIRED.**—The allocation agreement between the Secretary and the participating State shall provide that the Secretary shall recoup any allocated Federal funds transferred to the participating State if the results of the an audit include a finding that there was an intentional or reckless misuse of transferred funds by the State.

(iii) **PENALTY FOR MISSTATEMENT.**—Any participating State that is found to have intentionally misstated any report issued to the Secretary under the Program shall be ineligible to receive any additional funds under the Program. Funds that had been allocated or that would otherwise have been allocated to such participating State shall be paid into the general fund of the Treasury for reduction of the public debt.

(iv) **MUNICIPALITIES.**—In this subparagraph, the term “participating State” shall include a municipality given special permission to participate in the Program, under section 3204(d).

(D) **EXCEPTION.**—The Secretary may, in the Secretary's discretion, transfer the full amount of the participating State's allocated amount to the State in a single transfer if the participating State applies to the Secretary for approval to use the full amount of the allocation as collateral for a qualifying loan or swap funding facility.

(2) **TRANSFERRED AMOUNTS.**—Each amount transferred to a participating State under this section shall remain available to the State until used by the State as permitted under paragraph (3).

(3) **USE OF TRANSFERRED FUNDS.**—Each participating State may use funds transferred to it under this section only—

(A) for making Federal contributions to, or for the account of, an approved State program;

(B) as collateral for a qualifying loan or swap funding facility;

(C) in the case of the first $\frac{1}{3}$ transferred, for paying administrative costs incurred by the State in implementing an approved State program in an amount not to exceed 5 percent of that first $\frac{1}{3}$; or

(D) in the case of each successive $\frac{1}{3}$ transferred, for paying administrative costs incurred by the State in implementing an approved State program in an amount not to exceed 3 percent of that successive $\frac{1}{3}$.

(4) **TERMINATION OF AVAILABILITY OF AMOUNTS NOT TRANSFERRED WITHIN 2 YEARS OF PARTICIPATION.**—Any portion of a participating State's allocated amount that has not been transferred to the State under this section by the end of the 2-year period beginning on the date that the Secretary approves the State for participation may be deemed by the Secretary to be no longer allocated to the State and no longer available to the State and shall be returned to the General Fund of the Treasury.

(5) **TRANSFERRED AMOUNTS NOT ASSISTANCE.**—The amounts transferred to a participating State under this section shall not be considered assistance for purposes of subtitle V of title 31, United States Code.

(6) **DEFINITIONS.**—In this section—

(A) the term “allocated amount” means the total amount of Federal funds allocated by the Secretary under subsection (b) to the participating State; and

(B) the term “ $\frac{1}{3}$ ” means—

(i) in the case of the first $\frac{1}{3}$ and second $\frac{1}{3}$, an amount equal to 33 percent of a participating State's allocated amount; and

(ii) in the case of the last $\frac{1}{3}$, an amount equal to 34 percent of a participating State's allocated amount.

SEC. 3204. APPROVING STATES FOR PARTICIPATION.

(a) **APPLICATION.**—Any State may apply to the Secretary for approval to be a participating State under the Program and to be eligible for an allocation of Federal funds under the Program.

(b) **GENERAL APPROVAL CRITERIA.**—The Secretary shall approve a State to be a participating State, if—

(1) a specific department, agency, or political subdivision of the State has been designated to implement a State program and participate in the Program;

(2) all legal actions necessary to enable such designated department, agency, or political subdivision to implement a State program and participate in the Program have been accomplished;

(3) the State has filed an application with the Secretary for approval of a State capital access program under section 3205 or approval as a State other credit support program under section 3206, in each case within the time period provided in the respective section; and

(4) the State and the Secretary have executed an allocation agreement that—

(A) conforms to the requirements of this subtitle;

(B) ensures that the State program complies with such national standards as are established by the Secretary under section 3209(a)(2);

(C) sets forth internal control, compliance, and reporting requirements as established by the Secretary, and such other terms and conditions necessary to carry out the purposes of this subtitle, including an agreement by the State to allow the Secretary to audit State programs;

(D) requires that the State program be fully positioned, within 90 days of the State's

execution of the allocation agreement with the Secretary, to act on providing the kind of credit support that the State program was established to provide; and

(E) includes an agreement by the State to deliver to the Secretary, and update annually, a schedule describing how the State intends to apportion among its State programs the Federal funds allocated to the State.

(c) **CONTRACTUAL ARRANGEMENTS FOR IMPLEMENTATION OF STATE PROGRAMS.**—A State may be approved to be a participating State, and be eligible for an allocation of Federal funds under the Program, if the State has contractual arrangements for the implementation and administration of its State program with—

(1) an existing, approved State program administered by another State; or

(2) an authorized agent of, or entity supervised by, the State, including for-profit and not-for-profit entities.

(d) **SPECIAL PERMISSION.**—

(1) **CIRCUMSTANCES WHEN A MUNICIPALITY MAY APPLY DIRECTLY.**—If a State does not, within 60 days after the date of enactment of this Act, file with the Secretary a notice of its intent to apply for approval by the Secretary of a State program or within 9 months after the date of enactment of this Act, file with the Secretary a complete application for approval of a State program, the Secretary may grant to municipalities of that State a special permission that will allow them to apply directly to the Secretary without the State for approval to be participating municipalities.

(2) **TIMING REQUIREMENTS APPLICABLE TO MUNICIPALITIES APPLYING DIRECTLY.**—To qualify for the special permission, a municipality of a State shall be required, within 12 months after the date of enactment of this Act, to file with the Secretary a complete application for approval by the Secretary of a State program.

(3) **NOTICES OF INTENT AND APPLICATIONS FROM MORE THAN 1 MUNICIPALITY.**—A municipality of a State may combine with 1 or more other municipalities of that State to file a joint notice of intent to file and a joint application.

(4) **APPROVAL CRITERIA.**—The general approval criteria in paragraphs (2) and (4) shall apply.

(5) **ALLOCATION TO MUNICIPALITIES.**—

(A) **IF MORE THAN 3.**—If more than 3 municipalities, or combination of municipalities as provided in paragraph (3), of a State apply for approval by the Secretary to be participating municipalities under this subsection, and the applications meet the approval criteria in paragraph (4), the Secretary shall allocate Federal funds to the 3 municipalities with the largest populations.

(B) **IF 3 OR FEWER.**—If 3 or fewer municipalities, or combination of municipalities as provided in paragraph (3), of a State apply for approval by the Secretary to be participating municipalities under this subsection, and the applications meet the approval criteria in paragraph (4), the Secretary shall allocate Federal funds to each applicant municipality or combination of municipalities.

(6) **APPORTIONMENT OF ALLOCATED AMOUNT AMONG PARTICIPATING MUNICIPALITIES.**—If the Secretary approves municipalities to be participating municipalities under this subsection, the Secretary shall apportion the full amount of the Federal funds that are allocated to that State to municipalities that are approved under this subsection in amounts proportionate to the population of those municipalities, based on the most recent available decennial census.

(7) **APPROVING STATE PROGRAMS FOR MUNICIPALITIES.**—If the Secretary approves municipalities to be participating municipalities under this subsection, the Secretary shall take into account the additional considerations in section 3206(d) in making the determination under section 3205 or 3206 that the State program or programs to be implemented by the participating municipalities, including a State capital access program, is eligible for Federal contributions to, or for the account of, the State program.

SEC. 3205. APPROVING STATE CAPITAL ACCESS PROGRAMS.

(a) **APPLICATION.**—A participating State that establishes a new, or has an existing, State capital access program that meets the eligibility criteria in subsection (c) may apply to Secretary to have the State capital access program approved as eligible for Federal contributions to the reserve fund.

(b) **APPROVAL.**—The Secretary shall approve such State capital access program as eligible for Federal contributions to the reserve fund if—

(1) within 60 days after the date of enactment of this Act, the State has filed with the Secretary a notice of intent to apply for approval by the Secretary of a State capital access program;

(2) within 9 months after the date of enactment of this Act, the State has filed with the Secretary a complete application for approval by the Secretary of a capital access program;

(3) the State satisfies the requirements of subsections (a) and (b) of section 3204; and

(4) the State capital access program meets the eligibility criteria in subsection (c).

(c) **ELIGIBILITY CRITERIA FOR STATE CAPITAL ACCESS PROGRAMS.**—For a State capital access program to be approved under this section, that program shall be required to be a program of the State that—

(1) provides portfolio insurance for business loans based on a separate loan-loss reserve fund for each financial institution;

(2) requires insurance premiums to be paid by the financial institution lenders and by the business borrowers to the reserve fund to have their loans enrolled in the reserve fund;

(3) provides for contributions to be made by the State to the reserve fund in amounts at least equal to the sum of the amount of the insurance premium charges paid by the borrower and the financial institution to the reserve fund for any newly enrolled loan; and

(4) provides its portfolio insurance solely for loans that meet both the following requirements:

(A) The borrower has 500 employees or less at the time that the loan is enrolled in the Program.

(B) The loan amount does not exceed \$5,000,000.

(d) **FEDERAL CONTRIBUTIONS TO APPROVED STATE CAPITAL ACCESS PROGRAMS.**—A State capital access program approved under this section will be eligible for receiving Federal contributions to the reserve fund in an amount equal to the sum of the amount of the insurance premium charges paid by the borrowers and by the financial institution to the reserve fund for loans that meet the requirements in subsection (c)(4). A participating State may use the Federal contribution to make its contribution to the reserve fund of an approved State capital access program.

(e) **MINIMUM PROGRAM REQUIREMENTS FOR STATE CAPITAL ACCESS PROGRAMS.**—The Secretary shall, by regulation or other guidance, prescribe Program requirements that meet the following minimum requirements:

(1) **EXPERIENCE AND CAPACITY.**—The participating State shall determine for each financial institution that participates in the State capital access program, after consultation with the appropriate Federal banking agency or, in the case of a financial institution that is a nondepository community development financial institution, the Community Development Financial Institution Fund, that the financial institution has sufficient commercial lending experience and financial and managerial capacity to participate in the approved State capital access program. The determination by the State shall not be reviewable by the Secretary.

(2) **INVESTMENT AUTHORITY.**—Subject to applicable State law, the participating State may invest, or cause to be invested, funds held in a reserve fund by establishing a deposit account at the financial institution lender in the name of the participating State. In the event that funds in the reserve fund are not deposited in such an account, such funds shall be invested in a form that the participating State determines is safe and liquid.

(3) **LOAN TERMS AND CONDITIONS TO BE DETERMINED BY AGREEMENT.**—A loan to be filed for enrollment in an approved State capital access program may be made with such interest rate, fees, and other terms and conditions, and the loan may be enrolled in the approved State capital access program and claims may be filed and paid, as agreed upon by the financial institution lender and the borrower, consistent with applicable law.

(4) **LENDER CAPITAL AT-RISK.**—A loan to be filed for enrollment in the State capital access program shall require the financial institution lender to have a meaningful amount of its own capital resources at risk in the loan.

(5) **PREMIUM CHARGES MINIMUM AND MAXIMUM AMOUNTS.**—The insurance premium charges payable to the reserve fund by the borrower and the financial institution lender shall be prescribed by the financial institution lender, within minimum and maximum limits that require that the sum of the insurance premium charges paid in connection with a loan by the borrower and the financial institution lender may not be less than 2 percent nor more than 7 percent of the amount of the loan enrolled in the approved State capital access program.

(6) **STATE CONTRIBUTIONS.**—In enrolling a loan in an approved State capital access program, the participating State may make a contribution to the reserve fund to supplement Federal contributions made under this Program.

(7) **LOAN PURPOSE.**—

(A) **PARTICULAR LOAN PURPOSE REQUIREMENTS AND PROHIBITIONS.**—In connection with the filing of a loan for enrollment in an approved State capital access program, the financial institution lender—

(i) shall obtain an assurance from each borrower that—

(I) the proceeds of the loan will be used for a business purpose;

(II) the loan will not be used to finance such business activities as the Secretary, by regulation, may proscribe as prohibited loan purposes for enrollment in an approved State capital access program; and

(III) the borrower is not—

(aa) an executive officer, director, or principal shareholder of the financial institution lender;

(bb) a member of the immediate family of an executive officer, director, or principal shareholder of the financial institution lender; or

(cc) a related interest of any such executive officer, director, principal shareholder, or member of the immediate family;

(ii) shall provide assurances to the participating State that the loan has not been made in order to place under the protection of the approved State capital access program prior debt that is not covered under the approved State capital access program and that is or was owed by the borrower to the financial institution lender or to an affiliate of the financial institution lender;

(iii) shall not allow the enrollment of a loan to a borrower that is a refinancing of a loan previously made to that borrower by the financial institution lender or an affiliate of the financial institution lender; and

(iv) may include additional restrictions on the eligibility of loans or borrowers that are not inconsistent with the provisions and purposes of this subtitle, including compliance with all applicable Federal and State laws, regulations, ordinances, and Executive orders.

(B) **DEFINITIONS.**—In this paragraph, the terms “executive officer”, “director”, “principal shareholder”, “immediate family”, and “related interest” refer to the same relationship to a financial institution lender as the relationship described in part 215 of title 12 of the Code of Federal Regulations, or any successor to such part.

(8) **CAPITAL ACCESS FOR SMALL BUSINESSES IN UNDERSERVED COMMUNITIES.**—At the time that a State applies to the Secretary to have the State capital access program approved as eligible for Federal contributions, the State shall deliver to the Secretary a report stating how the State plans to use the Federal contributions to the reserve fund to provide access to capital for small businesses in low- and moderate-income, minority, and other underserved communities, including women- and minority-owned small businesses.

SEC. 3206. APPROVING COLLATERAL SUPPORT AND OTHER INNOVATIVE CREDIT ACCESS AND GUARANTEE INITIATIVES FOR SMALL BUSINESSES AND MANUFACTURERS.

(a) **APPLICATION.**—A participating State that establishes a new, or has an existing, credit support program that meets the eligibility criteria in subsection (c) may apply to the Secretary to have the State other credit support program approved as eligible for Federal contributions to, or for the account of, the State program.

(b) **APPROVAL.**—The Secretary shall approve such State other credit support program as eligible for Federal contributions to, or for the account of, the program if—

(1) the Secretary determines that the State satisfies the requirements of paragraphs (1) through (3) of section 3205(b);

(2) the Secretary determines that the State other credit support program meets the eligibility criteria in subsection (c);

(3) the Secretary determines that the State other credit support program to be eligible based on the additional considerations in subsection (d); and

(4) within 9 months after the date of enactment of this Act, the State has filed with Treasury a complete application for Treasury approval.

(c) **ELIGIBILITY CRITERIA FOR STATE OTHER CREDIT SUPPORT PROGRAMS.**—For a State other credit support program to be approved under this section, that program shall be required to be a program of the State that—

(1) can demonstrate that, at a minimum, \$1 of public investment by the State program will cause and result in \$1 of new private credit;

(2) can demonstrate a reasonable expectation that, when considered with all other State programs of the State, such State programs together have the ability to use amounts of new Federal contributions to, or for the account of, all such programs in the State to cause and result in amounts of new small business lending at least 10 times the new Federal contribution amount;

(3) for those State other credit support programs that provide their credit support through 1 or more financial institution lenders, requires the financial institution lenders to have a meaningful amount of their own capital resources at risk in their small business lending; and

(4) uses Federal funds allocated under this subtitle to extend credit support that—

(A) targets an average borrower size of 500 employees or less;

(B) does not extend credit support to borrowers that have more than 750 employees;

(C) targets support towards loans with an average principal amount of \$5,000,000 or less; and

(D) does not extend credit support to loans that exceed a principal amount of \$20,000,000.

(d) **ADDITIONAL CONSIDERATIONS.**—In making a determination that a State other credit support program is eligible for Federal contributions to, or for the account of, the State program, the Secretary shall take into account the following additional considerations:

(1) The anticipated benefits to the State, its businesses, and its residents to be derived from the Federal contributions to, or for the account of, the approved State other credit support program, including the extent to which resulting small business lending will expand economic opportunities.

(2) The operational capacity, skills, and experience of the management team of the State other credit support program.

(3) The capacity of the State other credit support program to manage increases in the volume of its small business lending.

(4) The internal accounting and administrative controls systems of the State other credit support program, and the extent to which they can provide reasonable assurance that funds of the State program are safeguarded against waste, loss, unauthorized use, or misappropriation.

(5) The soundness of the program design and implementation plan of the State other credit support program.

(e) **FEDERAL CONTRIBUTIONS TO APPROVED STATE OTHER CREDIT SUPPORT PROGRAMS.**—A State other credit support program approved under this section will be eligible for receiving Federal contributions to, or for the account of, the State program in an amount consistent with the schedule describing the apportionment of allocated Federal funds among State programs delivered by the State to the Secretary under the allocation agreement.

(f) **MINIMUM PROGRAM REQUIREMENTS FOR STATE OTHER CREDIT SUPPORT PROGRAMS.**—

(1) **FUND TO PRESCRIBE.**—The Secretary shall, by regulation or other guidance, prescribe Program requirements for approved State other credit support programs.

(2) **CONSIDERATIONS FOR FUND.**—In prescribing minimum Program requirements for approved State other credit support programs, the Secretary shall take into consideration, to the extent the Secretary determines applicable and appropriate, the minimum Program requirements for approved State capital access programs in section 3205(e).

SEC. 3207. REPORTS.

(a) **QUARTERLY USE-OF-FUNDS REPORT.**—

(1) **IN GENERAL.**—Not later than 30 days after the beginning of each calendar quarter, beginning after the first full calendar quarter to occur after the date the Secretary approves a State for participation, the participating State shall submit to the Secretary a report on the use of Federal funding by the participating State during the previous calendar quarter.

(2) **REPORT CONTENTS.**—Each report under this subsection shall—

(A) indicate the total amount of Federal funding used by the participating State; and

(B) include a certification by the participating State that—

(i) the information provided in accordance with subparagraph (A) is accurate;

(ii) funds continue to be available and legally committed to contributions by the State to, or for the account of, approved State programs, less any amount that has been contributed by the State to, or for the account of, approved State programs subsequent to the State being approved for participation in the Program; and

(iii) the participating State is implementing its approved State program or programs in accordance with this subtitle and regulations issued under section 3210.

(b) **ANNUAL REPORT.**—Not later than March 31 of each year, beginning March 31, 2011, each participating State shall submit to the Secretary an annual report that shall include the following information:

(1) The number of borrowers that received new loans originated under the approved State program or programs after the State program was approved as eligible for Federal contributions.

(2) The total amount of such new loans.

(3) Breakdowns by industry type, loan size, annual sales, and number of employees of the borrowers that received such new loans.

(4) The zip code of each borrower that received such a new loan.

(5) Such other data as the Secretary, in the Secretary's sole discretion, may require to carry out the purposes of the Program.

(c) **FORM.**—The reports and data filed under subsections (a) and (b) shall be in such form as the Secretary, in the Secretary's sole discretion, may require.

(d) **TERMINATION OF REPORTING REQUIREMENTS.**—The requirement to submit reports under subsections (a) and (b) shall terminate for a participating State with the submission of the completed reports due on the first March 31 to occur after 5 complete 12-month periods after the State is approved by the Secretary to be a participating State.

SEC. 3208. REMEDIES FOR STATE PROGRAM TERMINATION OR FAILURES.

(a) **REMEDIES.**—

(1) **IN GENERAL.**—If any of the events listed in paragraph (2) occur, the Secretary, in the Secretary's discretion, may—

(A) reduce the amount of Federal funds allocated to the State under the Program; or

(B) terminate any further transfers of allocated amounts that have not yet been transferred to the State.

(2) **CAUSAL EVENTS.**—The events referred to in paragraph (1) are—

(A) termination by a participating State of its participation in the Program;

(B) failure on the part of a participating State to submit complete reports under section 3207 on a timely basis; or

(C) noncompliance by the State with the terms of the allocation agreement between the Secretary and the State.

(b) **DEALLOCATED AMOUNTS TO BE REALLOCATED.**—If, after 13 months, any portion of the amount of Federal funds allocated to a

participating State is deemed by the Secretary to be no longer allocated to the State after actions taken by the Secretary under subsection (a)(1), the Secretary shall reallocate that portion among the participating States, excluding the State whose allocated funds were deemed to be no longer allocated, as provided in section 3203(b).

SEC. 3209. IMPLEMENTATION AND ADMINISTRATION.

(a) **GENERAL AUTHORITIES AND DUTIES.**—The Secretary shall—

(1) consult with the Administrator of the Small Business Administration and the appropriate Federal banking agencies on the administration of the Program;

(2) establish minimum national standards for approved State programs;

(3) provide technical assistance to States for starting State programs and generally disseminate best practices;

(4) manage, administer, and perform necessary program integrity functions for the Program; and

(5) ensure adequate oversight of the approved State programs, including oversight of the cash flows, performance, and compliance of each approved State program.

(b) **APPROPRIATIONS.**—There is hereby appropriated to the Secretary, out of funds in the Treasury not otherwise appropriated, \$900,000,000 to carry out the Program, including to pay reasonable costs of administering the Program.

(c) **TERMINATION OF SECRETARY'S PROGRAM ADMINISTRATION FUNCTIONS.**—The authorities and duties of the Secretary to implement and administer the Program shall terminate at the end of the 7-year period beginning on the date of enactment of this Act.

(d) **EXPEDITED CONTRACTING.**—During the 1-year period beginning on the date of enactment of this Act, the Secretary may enter into contracts without regard to any other provision of law regarding public contracts, for purposes of carrying out this subtitle.

SEC. 3210. REGULATIONS.

The Secretary, in consultation with the Administrator of the Small Business Administration, shall issue such regulations and other guidance as the Secretary determines necessary or appropriate to implement this subtitle including to define terms, to establish compliance and reporting requirements, and such other terms and conditions necessary to carry out the purposes of this subtitle.

SEC. 3211. OVERSIGHT AND AUDITS.

(a) **INSPECTOR GENERAL OVERSIGHT.**—The Inspector General of the Department of the Treasury shall conduct, supervise, and coordinate audits and investigations of the use of funds made available under the Program.

(b) **GAO AUDIT.**—The Comptroller General of the United States shall perform an annual audit of the Program and issue a report to the appropriate committees of Congress containing the results of such audit.

(c) **REQUIRED CERTIFICATION.**—

(1) **FINANCIAL INSTITUTIONS CERTIFICATION.**—With respect to funds received by a participating State under the Program, any financial institution that receives a loan, a loan guarantee, or other financial assistance using such funds after the date of the enactment of this Act shall certify that such institution is in compliance with the requirements of section 103.121 of title 31, Code of Federal Regulations, a regulation that, at a minimum, requires financial institutions, as that term is defined in section 5312 (a)(2) and (c)(1)(A) of title 31, United States Code, to implement reasonable procedures to verify the identity of any person seeking to open an

account, to the extent reasonable and practicable, maintain records of the information used to verify the person's identity, and determine whether the person appears on any lists of known or suspected terrorists or terrorist organizations provided to the financial institution by any government agency.

(2) **SEX OFFENSE CERTIFICATION.**—With respect to funds received by a participating State under the Program, any private entity that receives a loan, a loan guarantee, or other financial assistance using such funds after the date of the enactment of this Act shall certify to the participating State that the principals of such entity have not been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. 16911)).

(d) **PROHIBITION ON PORNOGRAPHY.**—None of the funds made available under this subtitle may be used to pay the salary of any individual engaged in activities related to the Program who has been officially disciplined for violations of subpart G of the Standards of Ethical Conduct for Employees of the Executive Branch for viewing, downloading, or exchanging pornography, including child pornography, on a Federal Government computer or while performing official Federal Government duties.

TITLE IV—BUDGETARY PROVISIONS

SEC. 4001. DETERMINATION OF BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go-Act of 2010, shall be determined by reference to the latest statement titled "Budgetary Effects of PAYGO Legislation" for this Act, submitted for printing in the Congressional Record by the Chairman of the Senate Budget Committee, provided that such statement has been submitted prior to the vote on passage.

TITLE V

The provisions of the Act shall become effective upon enactment.

SA 4408. Mr. REID proposed an amendment to amendment SA 4407 proposed by Mr. REID (for himself, Mr. BAUCUS, and Ms. LANDRIEU) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; as follows:

At the end of the amendment, insert the following:

The provision of this Act shall become effective two days after enactment.

SA 4409. Mr. REID proposed an amendment to amendment SA 4408 proposed by Mr. REID to the amendment SA 4407 proposed by Mr. REID (for himself, Mr. BAUCUS, and Ms. LANDRIEU) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives

for small business job creation, and for other purposes; as follows:

In the amendment, strike "two days" and insert "immediately".

SA 4410. Mr. KERRY (for himself and Mr. ENSIGN) submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____ . REMOVAL OF CELLULAR TELEPHONES AND SIMILAR TELECOMMUNICATIONS EQUIPMENT FROM LISTED PROPERTY; PARTIAL ANNUITIZATION OFFSET.

(a) **REMOVAL FROM LISTED PROPERTY.**—

(1) **IN GENERAL.**—Subparagraph (A) of section 280F(d)(4) of the Internal Revenue Code of 1986 (defining listed property) is amended by adding "and" at the end of clause (iv), by striking clause (v), and by redesignating clause (vi) as clause (v).

(2) **EFFECTIVE DATE.**—The amendment made by this subsection shall apply to taxable years beginning after December 31, 2009.

(b) **SPECIAL RULES FOR ANNUITIES RECEIVED FROM ONLY A PORTION OF A CONTRACT.**—

(1) **IN GENERAL.**—Subsection (a) of section 72 of the Internal Revenue Code of 1986 is amended to read as follows:

"(a) **GENERAL RULES FOR ANNUITIES.**—

"(1) **INCOME INCLUSION.**—Except as otherwise provided in this chapter, gross income includes any amount received as an annuity (whether for a period certain or during one or more lives) under an annuity, endowment, or life insurance contract.

"(2) **PARTIAL ANNUITIZATION.**—If any amount is received as an annuity for a period of 10 years or more or during one or more lives under any portion of an annuity, endowment, or life insurance contract—

"(A) such portion shall be treated as a separate contract for purposes of this section,

"(B) for purposes of applying subsections (b), (c), and (e), the investment in the contract shall be allocated pro rata between each portion of the contract from which amounts are received as an annuity and the portion of the contract from which amounts are not received as an annuity, and

"(C) a separate annuity starting date under subsection (c)(4) shall be determined with respect to each portion of the contract from which amounts are received as an annuity."

(2) **EFFECTIVE DATE.**—The amendment made by this subsection shall apply to amounts received in taxable years beginning after December 31, 2010.

SA 4411. Mr. BINGAMAN (for himself and Mr. KERRY) submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small busi-

nesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____ . ALLOWING LOW-INCOME HOUSING CREDITS TO OFFSET 100 PERCENT OF FEDERAL INCOME TAX LIABILITY.

(a) **IN GENERAL.**—Subsection (c) of section 38 of the Internal Revenue Code of 1986, as amended by this Act, is amended by redesignating paragraph (6) as paragraph (7) and by inserting after paragraph (5) the following new paragraph:

"(6) **ALLOWING LOW-INCOME HOUSING CREDIT TO OFFSET 100 PERCENT OF FEDERAL INCOME TAX LIABILITY.**—

"(A) **IN GENERAL.**—In the case of applicable low-income housing credits—

"(i) this section and section 39 shall be applied separately with respect to such credits, and

"(ii) in applying paragraph (1) to such credits—

"(I) the tentative minimum tax and the net regular tax liability shall be treated as being zero solely for purposes of applying subparagraphs (A) and (B) thereof, and

"(II) the limitation under paragraph (1) shall be the net income tax (as defined in paragraph (1) without regard to subclause (I) of this clause) reduced by the credit allowed under subsection (a) for the taxable year (other than the applicable low-income housing credits).

"(B) **APPLICABLE LOW-INCOME HOUSING CREDITS.**—For purposes of this subpart—

"(i) **IN GENERAL.**—The term 'applicable low-income housing credit' means the credit determined under section 42 for a taxable year ending after December 31, 2008, and beginning before January 1, 2011 (including carryforwards of such credit to such years) with respect to which the taxpayer elects the application of this subparagraph, and to the extent provided in subparagraph (D).

"(ii) **ELIGIBLE TAXPAYERS.**—Clause (i) shall not apply in the case of any taxpayer which is a government-sponsored enterprise (as defined in section 1004(f) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989).

"(C) **ELECTION.**—

"(i) **IN GENERAL.**—An election under this subparagraph may be made only with respect to 1 taxable year of the taxpayer.

"(ii) **MANNER OF ELECTION.**—Any election under this subparagraph shall be made in such manner as may be prescribed by the Secretary, and shall be made by the due date (including extensions of time) for filing the return (or any amendment thereto) for the taxpayer's last taxable year beginning in 2010. Any such election, once made, shall be irrevocable.

"(D) **INVESTMENTS IN NEW SMALL BUSINESS PROJECTS.**—

"(i) **IN GENERAL.**—Subparagraph (B) shall apply to credits under section 42 for a taxable year only—

"(I) if the taxpayer has, during the applicable period, entered into 1 or more binding commitments to invest equity with respect to investments in 1 or more future qualified small business projects (which are binding on the taxpayer and all successors in interest), directly or through a fund organized for the purpose of making such investments, which specify the dollar amount of each such commitment, and

“(II) to the extent such credits do not exceed the dollar amount of such investment commitments.

“(ii) **APPLICABLE PERIOD.**—For purposes of this subparagraph, the applicable period is the period beginning on June 1, 2010, and ending on the date which is 9 months after the date of the enactment of the Creating Small Business Jobs Act of 2010.

“(iii) **QUALIFIED SMALL BUSINESS PROJECT.**—For purposes of this subparagraph, the term ‘qualified small business project’ means a low-income housing project—

“(I) the eligible basis of which (as determined under section 42(d)) does not exceed \$50,000,000,

“(II) the credit period of which begins after December 31, 2009,

“(III) for which the taxpayer has acquired ownership, and has contributed capital in an amount which is not less than 20 percent of the total amount of capital the taxpayer has committed to contribute, not later than December 31, 2011, and

“(IV) which has received an allocation of low-income housing credits under section 42 from a State housing credit agency not later than December 31, 2011.”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to taxable years beginning after December 31, 2008, and to carrybacks of credits from such taxable years.

SEC. . FIVE-YEAR CARRYBACK OF LOW-INCOME HOUSING CREDIT.

(a) **IN GENERAL.**—Subsection (a) of section 39 of the Internal Revenue Code of 1986, as amended by this Act, is amended by adding at the end the following new paragraph:

“(5) **5-YEAR CARRYBACK FOR APPLICABLE LOW-INCOME HOUSING CREDITS.**—Notwithstanding subsection (d), in the case of applicable low-income housing credits (within the meaning of section 38(c)(6)(B)), paragraph (1) shall be applied by substituting ‘each of the 5 taxable years’ for ‘the taxable year’ in subparagraph (A) thereof.”.

(b) **CONFORMING AMENDMENTS.**—

(1) Section 39(a)(3)(A) of the Internal Revenue Code of 1986 is amended by inserting “or the applicable low-income housing credits” after “credit”.

(2) Section 39(a)(3)(A) of such Code, as amended by this Act, is amended by striking “credit” or the eligible small business credits or the applicable low-income housing credits” and inserting “credit, the eligible small business credits, or the applicable low-income housing credits”.

(3) Subparagraph (A) of section 39(a)(4) of the Internal Revenue Code of 1986, as added by this Act, is amended by inserting “paragraph (5) and” after “Notwithstanding”.

(c) **EFFECTIVE DATES.**—

(1) **IN GENERAL.**—The amendments made by subsection (a) and subsection (b)(1) shall apply to credits determined in taxable years beginning after December 31, 2008, and to carrybacks of credits from such taxable years.

(2) **CONFORMING AMENDMENT.**—The amendments made by paragraphs (2) and (3) of subsection (b) shall apply to credits determined in taxable years beginning after December 31, 2009.

SA 4412. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for

small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . CLARIFICATION OF TREATMENT OF SALES OR EXCHANGES OF WETLAND MITIGATION CREDITS AS LONG-TERM CAPITAL GAIN OR LOSS.

(a) **IN GENERAL.**—Part IV of subchapter P of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 1257 the following new section:

“SEC. 1257A. GAINS OR LOSSES FROM SALES OR EXCHANGES OF WETLANDS MITIGATION CREDITS.

“(a) **GENERAL RULE.**—Gain or loss attributable to the sale or exchange of a mitigation bank credit by the sponsor of the mitigation bank who earned such credit shall be considered the sale or exchange of a capital asset held for more than 1 year.

“(b) **DEFINITIONS.**—For purposes of this section, the terms ‘mitigation bank’ and ‘mitigation bank credit’ have the respective meanings given such terms by part 332 of title 33 of the Code of Federal Regulations.”.

(b) **CLERICAL AMENDMENT.**—The table of sections for part IV of subchapter P of chapter 1 of such Code is amended by inserting after the item relating to section 1257 the following new item:

“Sec. 1257A. Gains or losses from sales or exchanges of wetlands mitigation credits.”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply with respect to sales or exchanges of mitigation bank credits occurring before, on, or after the date of enactment of this Act.

SEC. . EXEMPTION OF WETLAND MITIGATION CREDIT SALES FROM FIRPTA.

(a) **IN GENERAL.**—Section 897(c)(6) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

“(D) **EXEMPTION OF WETLAND MITIGATION CREDIT SALES.**—The term ‘United States real property interest’ does not include any mitigation bank credit (as defined in part 332 of title 33 of the Code of Federal Regulations.”.

(b) **CONFORMING AMENDMENT.**—Section 897(c)(1)(A) of such Code is amended by inserting “and paragraph (6)(C)” after “subparagraph (B)”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply with respect to sales or exchanges of mitigation bank credits occurring before, on, or after the date of enactment of this Act.

SA 4413. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . EXTENSION OF REQUIREMENT FOR REPORTS ON ACQUISITIONS OF ARTICLES, MATERIALS, AND SUPPLIES MANUFACTURED OUTSIDE THE UNITED STATES.

Section 2(b)(1) of the Buy American Act (41 U.S.C. 10a(b)(1)) is amended by striking “2011” and inserting “2016”.

SA 4414. Mr. CARDIN submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . SURETY BONDS.

Section 508(f) of division A of the American Recovery and Reinvestment Act of 2009 (15 U.S.C. 694a note) is repealed.

SA 4415. Mr. CARDIN submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . SMALL BUSINESS TRAINING.

Section 37(f)(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 433(f)(3)) is amended—

(1) by striking “For each career path,” and inserting the following:

“(A) **IN GENERAL.**—For each career path,”; and

(2) by adding at the end the following:

“(B) **CERTIFICATION PROGRAM.**—

“(i) **IN GENERAL.**—The Administrator shall establish a certification program for acquisition personnel. The certification program shall be carried out through the Federal Acquisition Institute.

“(ii) **SMALL BUSINESS TRAINING.**—The certification program under this subparagraph shall include training regarding—

“(I) small business government contracting set-aside programs, including—

“(aa) programs for HUBZone small business concerns, small business concerns owned and controlled by service-disabled veterans, and small business concerns owned and controlled by women (as those terms are defined in section 3 of the Small Business Act (15 U.S.C. 632));

“(bb) programs for socially and economically disadvantaged small business concerns (as defined in section 8(a) of the Small Business Act (15 U.S.C. 637(a))); and

“(cc) contracting under the Small Business Innovation Research Program and the Small Business Technology Transfer Program (as those terms are defined in section 9(e) of the Small Business Act (15 U.S.C. 638(e)));

“(II) determining small business size standards and using North American Industry Classification System codes in relation to contracting set-aside programs and subcontracting goals; and

“(III) any other issue relating to contracting with small business concerns (as defined under section 3 of the Small Business Act (15 U.S.C. 632)) determined appropriate by the Administrator.”.

SA 4416. Mr. VITTER submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the amendment, insert the following:

SEC. ____ . EXTENSION OF NATIONAL FLOOD INSURANCE PROGRAM.

(a) **PROGRAM EXTENSION.**—Section 1319 of the National Flood Insurance Act of 1968 (42 U.S.C. 4026) is amended by striking “September 30, 2008” and inserting “September 30, 2010”.

(b) **FINANCING.**—Section 1309(a) of such Act (42 U.S.C. 4016(a)) is amended—

(1) by striking “September 30, 2008” and inserting “September 30, 2010”; and

(2) by striking “\$20,775,000,000” and inserting “\$20,725,000,000”.

(c) **EFFECTIVE DATE.**—The amendments made by subsections (a) and (b) shall be considered to have taken effect on May 31, 2010.

(d) **BUDGET COMPLIANCE.**—The budgetary effects of this section, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this section, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

SA 4417. Mr. BAUCUS submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of part IV of subtitle A of title II, insert the following:

SEC. ____ . WORK OPPORTUNITY CREDIT FOR CERTAIN RECENTLY DISCHARGED VETERANS.

(a) **IN GENERAL.**—Subparagraph (A) of section 51(d)(3) of the Internal Revenue Code of 1986 is amended by striking “means any veteran” and all that follows and inserting “means any recently discharged veteran and any disadvantaged veteran.”

(b) **RECENTLY DISCHARGED VETERAN; DISADVANTAGED VETERAN.**—Paragraph (3) of section 51(d) of the Internal Revenue Code of 1986 is amended—

(1) by redesignating subparagraphs (B) and (C) as subparagraphs (D) and (E), respectively, and

(2) by inserting after subparagraph (A) the following new subparagraphs:

“(B) **RECENTLY DISCHARGED VETERAN.**—For purposes of subparagraph (A), the term ‘recently discharged veteran’ means—

“(i) any individual who has served on active duty (other than active duty for training) in the Armed Forces of the United States for more than 180 total days (whether consecutive or not),

“(ii) any individual who has been discharged or released from active duty in the Armed Forces of the United States for a service-connected disability, and

“(iii) any member of the National Guard who has served for more than 180 total days (whether consecutive or not) of—

“(I) active duty (within the meaning of title 32, United States Code) other than for training,

“(II) full-time National Guard duty (within the meaning of such title 32) other than for training,

“(III) duty, other than inactive duty or duty for training, in State status (within the meaning of such title 32), or

“(IV) any combination of duty described in subclause (I), (II), or (III),

who has been discharged or released from such duty at any time during the 5-year period ending on the hiring date. Such term shall not include any unemployed veteran who begins work for the employer before the date of the enactment of the Creating Small Business Jobs Act of 2010.

“(C) **DISADVANTAGED VETERAN.**—For purposes of subparagraph (A), the term ‘disadvantaged veteran’ means any veteran who is certified by the designated local agency as—

“(i) being a member of a family receiving assistance under a supplemental nutrition assistance program under the Food and Nutrition Act of 2008 for at least a 3-month period ending during the 12-month period ending on the hiring date, or

“(ii) entitled to compensation for a service-connected disability, and—

“(I) having a hiring date which is not more than 1 year after having been discharged or released from active duty in the Armed Forces of the United States, or

“(II) having aggregate periods of unemployment during the 1-year period ending on the hiring date which equal or exceed 6 months.”.

(c) **CONFORMING AMENDMENTS.**—Section 51 of the Internal Revenue Code of 1986 is amended—

(1) by striking “(d)(3)(A)(ii)” in paragraph (3) of subsection (b) and inserting “(d)(3)(C)(ii)”,

(2) by striking “For purposes of subparagraph (A)” each place it appears in subparagraphs (D) and (E) of subsection (d)(3), as redesignated by subsection (b), and inserting “For purposes of subparagraph (C)”,

(3) by adding at the end of paragraph (13) of subsection (d) the following new subparagraph:

“(D) **PRE-SCREENING OF RECENTLY DISCHARGED VETERANS.**—

“(i) **IN GENERAL.**—For purposes of subparagraph (A), the term ‘pre-screening notice’ shall include any documentation provided to an individual by the Department of Defense or the National Guard upon release or discharge from the Armed Forces or from service in the National Guard which includes information sufficient to establish that such individual is a recently discharged veteran.

“(ii) **ADDITIONAL CERTIFICATION NOT REQUIRED.**—Subparagraph (A) shall be applied without regard to clause (ii)(II) thereof in the case of a recently discharged veteran who provides to the employer documentation described in clause (i).”.

(4) by inserting “who begins work for the employer after December 31, 2008, and before the date of the enactment of the Creating Small Business Jobs Act of 2010,” after “Any unemployed veteran” in subparagraph (A) of subsection (d)(14), and

(5) by inserting a comma after “during 2009 or 2010” in subparagraph (A) of subsection (d)(14).

(d) **EFFECTIVE DATE.**—The amendments made by subsections (a), (b), and (c) shall apply to individuals whose hiring date (as defined in section 51(d)(11) of the Internal Revenue Code of 1986) is on or after the date of the enactment of this Act.

(e) **DEPARTMENT OF DEFENSE DOCUMENTATION.**—

(1) **IN GENERAL.**—The Department of Defense and the National Guard, as applicable, shall provide—

(A) to each individual who is discharged or released from active duty in the Armed Forces of the United States on or after the date of the enactment of this Act; and

(B) to each member of the National Guard who is released from duty described in section 51(d)(3)(B)(iii) of the Internal Revenue Code of 1986 (as added by this Act) on or after the date of the enactment of this Act;

in addition to the documentation which, without regard to this subsection, is provided at the time of such discharge or release, documentation described in paragraph (4). If the documentation which is provided without regard to this subsection at the time of the discharge or release described in the preceding sentence does not include information sufficient to satisfy the requirements of section 51(d)(13)(D)(i) of the Internal Revenue Code of 1986 (as added by this Act), the Department of Defense or the National Guard, whichever is applicable, shall provide additional documentation which includes such information.

(2) **INFORMATIONAL BRIEFING.**—In the case of an individual who is discharged or released from duty described in subparagraph (A) or (B) of paragraph (1) after the date of the enactment of this Act, the Department of Defense or the National Guard, whichever is applicable, shall provide a briefing to such individual before or at the time of such discharge or release to inform such individual of the credit for employment of recently discharged veterans under section 51 of the Internal Revenue Code of 1986.

(3) **REQUEST FOR DOCUMENTATION.**—The Department of Defense or the National Guard, whichever is applicable, shall provide upon request the documentation described in paragraph (1) to any individual who is discharged or released from duty described in subparagraph (A) or (B) of paragraph (1) during the 5-year period preceding and including the date of the enactment of this Act.

(4) **INSTRUCTIONS FOR USE OF WORK OPPORTUNITY CREDIT.**—The documentation described in this paragraph is a document which includes—

(A) instructions for an individual to ensure treatment as a recently discharged veteran for purposes of section 51(d)(3)(B) of the Internal Revenue Code of 1986 (as added by this Act),

(B) instructions for employers detailing the use of the credit under such section 51 with respect to such individual, and

(C) the dates during which the credit under such section 51 is available.

Such instructions shall be developed in collaboration with the Internal Revenue Service.

SA 4418. Mr. WHITEHOUSE (for himself, Mr. BENNET, Mr. BROWN of Massachusetts, Mr. BROWN of Ohio, Mr. CORKER, Mr. DURBIN, Mrs. FEINSTEIN, Mr. GRAHAM, Mr. KAUFMAN, Mr. LEAHY, Mr. LEMIEUX, Mrs. MCCASKILL, Mr. MENENDEZ, Mr. NELSON of Florida, Mr. PRYOR, Mr. SCHUMER, Mr. SESSIONS, Mr. SPECTER, and Mr. WARNER) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 236, between lines 11 and 12, insert the following:

TITLE IV—REGISTRATION OF AGENTS OF FOREIGN MANUFACTURERS AUTHORIZED TO ACCEPT SERVICE OF PROCESS

SEC. 4001. FINDINGS.

Congress makes the following findings:

(1) Each year, many people in the United States are injured by defective products manufactured or produced by foreign entities and imported into the United States.

(2) Both consumers and businesses in the United States have been harmed by injuries to people in the United States caused by defective products manufactured or produced by foreign entities.

(3) People in the United States injured by defective products manufactured or produced by foreign entities often have difficulty recovering damages from the foreign manufacturers and producers responsible for such injuries.

(4) The difficulty described in paragraph (3) is caused by the obstacles in bringing a foreign manufacturer or producer into a United States court and subsequently enforcing a judgment against that manufacturer or producer.

(5) Obstacles to holding a responsible foreign manufacturer or producer liable for an injury to a person in the United States undermine the purpose of the tort laws of the United States.

(6) The difficulty of applying the tort laws of the United States to foreign manufacturers and producers puts United States manufacturers and producers at a competitive disadvantage because United States manufacturers and producers must—

(A) abide by common law and statutory safety standards; and

(B) invest substantial resources to ensure that they do so.

(7) Foreign manufacturers and producers can avoid the expenses necessary to make their products safe if they know that they will not be held liable for violations of United States product safety laws.

(8) Businesses in the United States undertake numerous commercial relationships with foreign manufacturers, exposing the businesses to additional tort liability when foreign manufacturers or producers evade United States courts.

(9) Businesses in the United States engaged in commercial relationships with foreign manufacturers or producers often cannot vindicate their contractual rights if such manufacturers or producers seek to avoid responsibility in United States courts.

(10) One of the major obstacles facing businesses and individuals in the United States who are injured and who seek compensation for economic or personal injuries caused by foreign manufacturers and producers is the challenge of serving process on such manufacturers and producers.

(11) An individual or business injured in the United States by a foreign company must rely on a foreign government to serve process when that company is located in a country that is a signatory to the Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters done at The Hague November 15, 1965 (20 UST 361; TIAS 6638).

(12) An injured person in the United States must rely on the cumbersome system of letters rogatory to effect service in a country that did not sign the Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters. These countries do not have an enforceable obligation to serve process as requested.

(13) The procedures described in paragraphs (11) and (12) add time and expense to litigation in the United States, thereby discouraging or frustrating meritorious lawsuits brought by persons injured in the United States against foreign manufacturers and producers.

(14) Foreign manufacturers and producers often seek to avoid judicial consideration of their actions by asserting that United States courts lack personal jurisdiction over them.

(15) The due process clauses of the fifth amendment to and section 1 of the fourteenth amendment to the Constitution govern United States courts' personal jurisdiction over defendants.

(16) The due process clauses described in paragraph (15) are satisfied when a defendant consents to the jurisdiction of a court.

(17) United States markets present many opportunities for foreign manufacturers.

(18) In choosing to export products to the United States, a foreign manufacturer or producer subjects itself to the laws of the United States. Such a foreign manufacturer or producer thereby acknowledges that it is subject to the personal jurisdiction of the State and Federal courts in at least one State.

SEC. 4002. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) foreign manufacturers and producers whose products are sold in the United States should not be able to avoid liability simply because of difficulties relating to serving process upon them;

(2) to avoid such lack of accountability, foreign manufacturers and producers of foreign products distributed in the United States should be required, by regulation, to register an agent in the United States who is authorized to accept service of process for such manufacturer or producer;

(3) it is unfair to United States consumers and businesses that foreign manufacturers and producers often seek to avoid judicial consideration of their actions by asserting that United States courts lack personal jurisdiction over them;

(4) those who benefit from exporting products to United States markets should expect to be subject to the jurisdiction of at least one court within the United States;

(5) exporting products to the United States should be understood as consent to the accountability that the legal system of the United States ensures for all manufacturers and producers, foreign, and domestic;

(6) exporters recognize the scope of opportunities presented to them by United States markets but also should recognize that products imported into the United States must satisfy Federal and State safety standards established by statute, regulation, and common law;

(7) foreign manufacturers should recognize that they are responsible for the contracts they enter into with United States companies;

(8) foreign manufacturers should act responsibly and recognize that they operate within the constraints of the United States legal system when they export products to the United States;

(9) United States laws and the laws of United States trading partners should not put burdens on foreign manufacturers and producers that do not apply to domestic companies;

(10) it is fair to ensure that foreign manufacturers, whose products are distributed in commerce in the United States, are subject to the jurisdiction of State and Federal courts in at least one State because all United States manufacturers are subject to the jurisdiction of the State and Federal courts in at least one State; and

(11) it should be understood that, by registering an agent for service of process in the United States, the foreign manufacturer or producer acknowledges consent to the jurisdiction of the State in which the registered agent is located.

SEC. 4003. DEFINITIONS.

In this title:

(1) **APPLICABLE AGENCY.**—The term “applicable agency” means, with respect to covered products—

(A) described in subparagraphs (A) and (B) of paragraph (4), the Food and Drug Administration;

(B) described in paragraph (4)(C), the Consumer Product Safety Commission;

(C) described in subparagraphs (D) and (E) of paragraph (4), the Environmental Protection Agency; and

(D) described in subparagraph (F) of paragraph (4)—

(i) the Food and Drug Administration, if the item is intended to be a component part of a product described in subparagraphs (A) and (B) of paragraph (4);

(ii) the Consumer Product Safety Commission, if the item is intended to be a component part of a product described in paragraph (4)(C); and

(iii) the Environmental Protection Agency, if the item is intended to be a component part of a product described in subparagraphs (D) and (E) of paragraph (4).

(2) **COMMERCE.**—The term “commerce” means trade, traffic, commerce, or transportation—

(A) between a place in a State and any place outside of the State; or

(B) which affects trade, traffic, commerce, or transportation described in subparagraph (A).

(3) **COMMISSIONER OF U.S. CUSTOMS AND BORDER PROTECTION.**—The term “Commissioner of U.S. Customs and Border Protection” means the Commissioner responsible for U.S. Customs and Border Protection of the Department of Homeland Security.

(4) **COVERED PRODUCT.**—The term “covered product” means any of the following:

(A) Drugs, devices, and cosmetics, as such terms are defined in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

(B) A biological product, as such term is defined in section 351(i) of the Public Health Service Act (42 U.S.C. 262(i)).

(C) A consumer product, as such term is used in section 3(a) of the Consumer Product Safety Act (15 U.S.C. 2052).

(D) A chemical substance or new chemical substance, as such terms are defined in section 3 of the Toxic Substances Control Act (15 U.S.C. 2602).

(E) A pesticide, as such term is defined in section 2 of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136).

(F) An item intended to be a component part of a product described in subparagraph (A), (B), (C), (D), or (E) but is not yet a component part of such product.

(5) **DISTRIBUTE IN COMMERCE.**—The term “distribute in commerce” means to sell in commerce, to introduce or deliver for introduction into commerce, or to hold for sale or distribution after introduction into commerce.

SEC. 4004. REGISTRATION OF AGENTS OF FOREIGN MANUFACTURERS AUTHORIZED TO ACCEPT SERVICE OF PROCESS IN THE UNITED STATES.

(a) **REGISTRATION.**—

(1) **IN GENERAL.**—Not later than 180 days after the date of the enactment of this Act and except as otherwise provided in this subsection, the head of each applicable agency shall require foreign manufacturers and producers of covered products distributed in commerce to establish a registered agent in the United States who is authorized to accept service of process on behalf of such manufacturer or producer—

(A) for the purpose of any civil or regulatory proceeding in State or Federal court relating—

(i) to a covered product; and

(ii) to—

(I) commerce in the United States;

(II) an injury or damage suffered in the United States; or

(III) conduct within the United States; and

(B) if such service is made in accord with the State or Federal rules for service of process in the State of the civil or regulatory proceeding.

(2) **LOCATION.**—The head of each applicable agency shall require that an agent of a foreign manufacturer or producer registered under this subsection with respect to a covered product be located in a State with a substantial connection to the importation, distribution, or sale of the covered product.

(3) **MINIMUM SIZE.**—This subsection shall only apply to foreign manufacturers and producers that manufacture or produce covered products in excess of a minimum value or quantity the head of the applicable agency shall prescribe by rule for purposes of this section. Such rules may include different minimum values or quantities for different subcategories of covered products prescribed by the head of the applicable agency for purposes of this section.

(b) **REGISTRY OF AGENTS OF FOREIGN MANUFACTURERS.**—

(1) **IN GENERAL.**—The Secretary of Commerce shall, in cooperation with each head of an applicable agency, establish and keep up to date a registry of agents registered under subsection (a).

(2) **AVAILABILITY.**—The Secretary of Commerce shall make the registry established under paragraph (1) available—

(A) to the public through the Internet website of the Department of Commerce; and

(B) to the Commissioner of U.S. Customs and Border Protection.

(c) **CONSENT TO JURISDICTION.**—A foreign manufacturer or producer of covered products that registers an agent under this section thereby consents to the personal jurisdiction of the State or Federal courts of the State in which the registered agent is located for the purpose of any civil or regulatory proceeding relating—

(1) to a covered product; and

(2) to—

(A) commerce in the United States;

(B) an injury or damage suffered in the United States; or

(C) conduct within the United States.

(d) **DECLARATIONS.**—

(1) **IN GENERAL.**—Not later than 180 days after the date of the enactment of this Act, any person importing a covered product manufactured outside the United States shall provide a declaration to U.S. Customs and Border Protection that—

(A) the person has made appropriate inquiry, including seeking appropriate documentation from the exporter of the covered product and consulting the registry of agents of foreign manufacturers described in subsection (b); and

(B) to the best of the person's knowledge, with respect to each importation of a covered product, the foreign manufacturer or producer of the product has established a registered agent in the United States as required under subsection (a).

(2) **PENALTIES.**—Any person who fails to provide a declaration required under paragraph (1), or files a false declaration, shall be subject to any applicable civil or criminal penalty, including seizure and forfeiture, that may be imposed under the customs laws of the United States or title 18, United States Code, with respect to the importation of a covered product.

(e) **REGULATIONS.**—Not later than the date described in subsection (a)(1), the Secretary of Commerce, the Commissioner of U.S. Customs and Border Protection, and each head of an applicable agency shall prescribe regulations to carry out this section, including the establishment of minimum values and quantities under subsection (a)(3).

SEC. 4005. STUDY ON REGISTRATION OF AGENTS OF FOREIGN FOOD PRODUCERS AUTHORIZED TO ACCEPT SERVICE OF PROCESS IN THE UNITED STATES.

Not later than 1 year after the date of the enactment of this Act, the Secretary of Agriculture and the Commissioner of Food and Drugs shall jointly—

(1) complete a study on the feasibility and advisability of requiring foreign producers of food distributed in commerce to establish a registered agent in the United States who is authorized to accept service of process on behalf of such producers for the purpose of all civil and regulatory actions in State and Federal courts; and

(2) submit to Congress a report on the findings of the Secretary with respect to such study.

SEC. 4006. STUDY ON REGISTRATION OF AGENTS OF FOREIGN MANUFACTURERS AND PRODUCERS OF COMPONENT PARTS WITHIN COVERED PRODUCTS.

Not later than 1 year after the date of the enactment of this Act, the head of each applicable agency shall—

(1) complete a study on determining feasible and advisable methods of requiring manufacturers or producers of component parts within covered products manufactured or produced outside the United States and distributed in commerce to establish registered agents in the United States who are

authorized to accept service of process on behalf of such manufacturers or producers for the purpose of all civil and regulatory actions in State and Federal courts; and

(2) submit to Congress a report on the findings of the head of the applicable agency with respect to the study.

SEC. 4007. RELATIONSHIP WITH OTHER LAWS.

Nothing in this title shall affect the authority of any State to establish or continue in effect a provision of State law relating to service of process or personal jurisdiction, except to the extent that such provision of law is inconsistent with the provisions of this title, and then only to the extent of such inconsistency.

SA 4419. Mr. BURRIS submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of part IV of subtitle C of title I, add the following:

SEC. 1348. SECTION 8(a) IMPROVEMENTS.

(a) **PROGRAMS FOR SOCIALLY AND ECONOMICALLY DISADVANTAGED SMALL BUSINESS CONCERNS.**—

(1) **NET WORTH THRESHOLD.**—

(A) **IN GENERAL.**—Section 8(a)(6)(A) of the Small Business Act (15 U.S.C. 637(a)(6)(A)) is amended—

(i) by inserting “(i)” after “(6)(A)”;

(ii) by striking “In determining the degree of diminished credit” and inserting the following:

“(ii)(I) In determining the degree of diminished credit”;

(iii) by striking “In determining the economic disadvantage” and inserting the following:

“(iii) In determining the economic disadvantage”;

(iv) by inserting after clause (ii)(I), as so designated by this paragraph, the following:

“(II)(aa) Not later than 1 year after the date of enactment of the Section 8(a) Improvements Act of 2010, the Administrator shall—

“(AA) assign each North American Industry Classification System industry code to a category described in item (cc); and

“(BB) for each category described in item (cc), establish a maximum net worth for the socially disadvantaged individuals who own or control small business concerns in the category that participate in the program under this subsection.

“(bb) The maximum net worth for a category described in item (cc) shall be not less than \$2,500,000.

“(cc) The categories described in this item are—

“(AA) manufacturing;

“(BB) construction;

“(CC) professional services; and

“(DD) general services.

“(III) The Administrator shall establish procedures that—

“(aa) account for inflationary adjustments to, and include a reasonable assumption of, the average income and net worth of the

owners of business concerns that are dominant in the field of operation of the business concern; and

“(bb) require an annual inflationary adjustment to the average income and maximum net worth requirements under this clause.

“(IV) In determining the assets and net worth of a socially disadvantaged individual under this subparagraph, the Administrator shall not consider any assets of the individual that are held in a qualified retirement plan, as that term is defined in section 4974(c) of the Internal Revenue Code of 1986.”.

(B) TEMPORARY INFLATIONARY ADJUSTMENT.—

(i) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Administrator shall modify the net worth limitations established by the Administrator for purposes of the program under section 8(a) of the Small Business Act (15 U.S.C. 637(a)) by adjusting the amount of the net worth limitations for inflation during the period beginning on the date on which the Administrator established the net worth limitations and the date of enactment of this Act.

(ii) TERMINATION.—The Administrator shall apply the net worth limitations established under clause (i) until the effective date of the net worth limitations established by the Administrator under clause (ii)(II) of section 8(a)(6)(A) of the Small Business Act (15 U.S.C. 637(a)(6)(A)), as added by this paragraph.

(2) TRANSITION PERIOD.—Section 7(j)(15) of the Small Business Act (15 U.S.C. 636(j)(15)) is amended—

(A) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(B) by striking “Subject to” and inserting “(A) Except as provided in subparagraph (B), and subject to”; and

(C) by adding at the end the following:

“(B)(i) A small business concern may receive developmental assistance under the Program and contracts under section 8(a) during the 3-year period beginning on the date on which the small business concern graduates—

“(I) because the small business concern has participated in the Program for the total period authorized under subparagraph (A); or

“(II) under section 8(a)(6)(C)(ii), because the socially disadvantaged individuals who own or control the small business concern have a net worth that is more than the maximum net worth established by the Administrator.

“(ii) After the end of the 3-year period described in clause (i), a small business concern described in clause (i)—

“(I) may not receive developmental assistance under the Program or contracts under section 8(a); and

“(II) may continue to perform and receive payment under a contract received by the small business concern under section 8(a) before the end of the period, under the terms of the contract.”.

(3) GAO STUDY.—Section 8(a) of the Small Business Act (15 U.S.C. 637(a)) is amended by adding at the end the following:

“(22) REVIEW OF EFFECTIVENESS.—

“(A) GAO STUDY.—Not later than 5 years after the date of enactment of this paragraph, and every 5 years thereafter, the Comptroller General of the United States shall—

“(i) conduct an evaluation of the effectiveness of the program under this subsection, including an examination of—

“(I) the number and size of contracts applied for, as compared to the number received by, small business concerns after successfully completing the program;

“(II) the percentage of small business concerns that continue to operate during the 3-year period beginning on the date on which the small business concerns successfully complete the program;

“(III) whether the business of small business concerns increases during the 3-year period beginning on the date on which the small business concerns successfully complete the program; and

“(IV) the number of training sessions offered under the program; and

“(ii) submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding each evaluation under clause (i).

“(B) SBA REPORT.—Not later than 1 year after the date of enactment of this paragraph, and every year thereafter, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report evaluating the program under this section, including an assessment of—

“(i) the regulations promulgated to carry out the program;

“(ii) online training under the program; and

“(iii) whether the structure of the program is conducive to business development.”.

(b) SURETY BOND PILOT PROGRAM.—

(1) DEFINITIONS.—In this subsection—

(A) the terms “bid bond”, “payment bond”, “performance bond”, and “surety” have the meanings given those terms in section 410 of the Small Business Investment Act of 1958 (15 U.S.C. 694a);

(B) the term “Board” means the pilot program advisory board established under paragraph (4)(A);

(C) the term “eligible small business concern” means a socially and economically disadvantaged small business concern that is participating in the program under section 8(a) of the Small Business Act (15 U.S.C. 637(a));

(D) the term “Fund” means the Small Business Surety Bond Pilot Program Fund established under paragraph (5)(A);

(E) the term “graduated” has the meaning given that term in section 7(j)(10)(H) of the Small Business Act (15 U.S.C. 636(j)(10)(H));

(F) the term “pilot program” means the surety bond pilot program established under paragraph (2)(A); and

(G) the term “socially and economically disadvantaged small business concern” has the meaning given that term in section 8(a) of the Small Business Act (15 U.S.C. 637(a)).

(2) PROGRAM.—

(A) IN GENERAL.—The Administrator shall establish a surety bond pilot program under which the Administrator may guarantee any surety against loss resulting from a breach of the terms of a bid bond, payment bond, performance bond, or bonds ancillary thereto, by an eligible small business concern.

(B) GUARANTEE PERCENTAGE.—A guarantee under the pilot program shall obligate the Administration to pay to a surety 90 percent of the loss incurred and paid by the surety.

(C) APPLICATION.—An eligible small business concern desiring a guarantee under the pilot program shall submit an application at such time, in such manner, and accompanied by such information as the Administrator may require.

(D) REVIEW.—A surety desiring a guarantee under the pilot program against loss result-

ing from a breach of the terms of a bid bond, payment bond, performance bond, or bonds ancillary thereto by an eligible small business concern shall—

(i) submit to the Administrator a report evaluating whether the eligible small business concern meets such criteria as the Administrator may establish relating to whether a bond should be issued to the eligible small business concern; and

(ii) if the Administrator does not guarantee the surety against loss, submit an update of the report described in clause (i) every 6 months.

(3) TECHNICAL ASSISTANCE AND EDUCATIONAL TRAINING.—

(A) IN GENERAL.—The Administrator shall provide technical assistance and educational training to an eligible small business concern participating in the pilot program or desiring to participate in the pilot program for a period of not less than 3 years, to promote the growth of the eligible small business concern and assist the eligible small business concern in promoting job development.

(B) TOPICS.—

(i) TECHNICAL ASSISTANCE.—The technical assistance under subparagraph (A) shall include assistance relating to—

(I) scheduling of employees;

(II) cash flow analysis;

(III) change orders;

(IV) requisition preparation;

(V) submitting proposals;

(VI) dispute resolution; and

(VII) contract management.

(ii) EDUCATIONAL TRAINING.—The educational training under subparagraph (A) shall include training regarding—

(I) accounting;

(II) legal issues;

(III) infrastructure;

(IV) human resources;

(V) estimating costs;

(VI) scheduling; and

(VII) any other area the Administrator determines is a key area for which training is needed for eligible small business concerns.

(4) PANEL.—

(A) ESTABLISHMENT.—The Administrator shall establish a pilot program advisory board to evaluate and make recommendations regarding the pilot program.

(B) MEMBERSHIP.—The Board shall be composed of 5 members—

(i) who shall be appointed by the Administrator;

(ii) not less than 2 of whom shall have graduated from the program under section 8(a) of the Small Business Act (15 U.S.C. 637(a)); and

(iii) not more than 1 of whom may be an officer or employee of the Administration.

(C) DUTIES.—The Board shall—

(i) evaluate and make recommendations to the Administrator regarding the effectiveness of the pilot program;

(ii) make recommendations to the Administrator regarding performance measures to evaluate eligible small business concerns applying for a guarantee under the pilot program; and

(iii) not later than 90 days after the date on which all members of the Board are appointed, and every year thereafter until the authority to carry out the pilot program terminates under paragraph (6), submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding the activities of the Board.

(5) FUND.—

(A) **ESTABLISHMENT OF FUND.**—There is established in the Treasury of the United States a revolving fund to be known as the “Small Business Surety Bond Pilot Program Fund”, to be administered by the Administrator.

(B) **AVAILABILITY.**—Amounts in the Fund shall be available without fiscal year limitation or further appropriation by Congress.

(C) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to the Fund \$20,000,000.

(D) **RESCISSION.**—Effective on the day after the date on which the term of all guarantees made under the pilot program have ended, all amounts in the Fund are rescinded.

(6) **TERMINATION.**—The Administrator may not guarantee a surety against loss under the pilot program on or after the date that is 7 years after the date the date on which the Administrator makes the first guarantee under the pilot program.

SA 4420. Mr. DODD (for himself, Mr. COCHRAN, and Ms. MIKULSKI) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page __, line __, insert the following:

SEC. __. EXCLUSION FROM GROSS INCOME OF AMERICORPS EDUCATIONAL AWARDS.

(a) **IN GENERAL.**—Section 117 of the Internal Revenue Code of 1986 (relating to qualified scholarships) is amended by adding at the end the following:

“(e) **AMERICORPS EDUCATIONAL AWARDS.**—Gross income shall not include any national service educational award described in subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12601 et seq.).”

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to taxable years ending after the date of enactment of this Act.

SA 4421. Mr. CASEY submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. __. STUDY BY COMPTROLLER GENERAL.

(a) **DEFINITIONS.**—In this Act—

(1) the terms “HUBZone small business concern”, “small business concern”, “small business concern owned and controlled by

service-disabled veterans”, and “small business concern owned and controlled by women” have the meaning given those terms under section 3 of the Small Business Act (15 U.S.C. 632);

(2) the term “minority business enterprise” means a small business concern that is unconditionally owned, controlled, and managed by an individual who is—

(A) a Black American;

(B) a Hispanic American;

(C) a Native American, including an American Indian, Eskimo, Aleut, or Native Hawaiian;

(D) an Asian Pacific American, including an individual having origins in any of the original peoples of Myanmar, Thailand, Malaysia, Indonesia, Singapore, Brunei, Japan, China (including Hong Kong), Taiwan, Laos, Cambodia (Kampuchea), Vietnam, North Korea, South Korea, the Philippines, a United States Trust Territory of the Pacific Islands (including the Republic of Palau), the Republic of the Marshall Islands, the Federated States of Micronesia, the Commonwealth of the Northern Mariana Islands, Guam, Samoa, Macao, Fiji, Tonga, Kiribati, Tuvalu, or Nauru;

(E) a Subcontinent Asian American, including an individual having origins in any of the original peoples of India, Pakistan, Bangladesh, Sri Lanka, Bhutan, the Maldives Islands, or Nepal; or

(F) a member of another minority group, as determined by the Administrator of the Small Business Administration;

(3) the term “qualified HUBZone small business concern” means a HUBZone small business concern that is qualified under section 3(p)(5) of the Small Business Act (15 U.S.C. 632(p)(5)); and

(4) the term “small business concern owned and controlled by socially and economically disadvantaged individuals” has the meaning given that term in section 8(d)(3)(C) of the Small Business Act (15 U.S.C. 637(d)(3)(C)).

(b) **STUDY REQUIRED.**—The Comptroller General of the United States shall carry out a study on the participation of small business concerns owned and controlled by socially and economically disadvantaged individuals, qualified HUBZone small business concerns, minority business enterprises, and small business concerns owned and controlled by women in procurement contracts awarded using funds made available under division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 116), which shall include—

(1) determining the percentage of all contracts awarded by Federal agencies and departments using funds made available under the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) that were awarded to—

(A) small business concerns owned and controlled by socially and economically disadvantaged individuals;

(B) minority business enterprises;

(C) small business concerns owned and controlled by women; and

(D) qualified HUBZone small business concerns; and

(2) evaluating whether Federal agencies and departments have met the Government-wide goals established under section 15(g) of the Small Business Act (15 U.S.C. 644(g)) for procurement contracts awarded to small business concerns, small business concerns owned and controlled by service-disabled veterans, qualified HUBZone small business concerns, small business concerns owned and controlled by socially and economically disadvantaged individuals, and small business

concerns owned and controlled by women, with respect to procurement contracts awarded using funds made available under division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 116).

(c) **REPORT.**—Not later than 120 days after the date of enactment of this Act, the Comptroller General shall submit to Congress a report on the results of the study required under subsection (b).

SA 4422. Mr. TESTER submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page __, between lines __ and __, insert the following:

SEC. __. GAO REPORT ON POTENTIAL BARRIERS TO ENTRY IN FEDERAL CONTRACTING.

(a) **COVERED AGENCY.**—In this section, the term “covered agency” means—

(1) the General Services Administration;

(2) the Army Corps of Engineers; and

(3) the Department of Homeland Security.

(b) **STUDY.**—The Comptroller General of the United States shall conduct a study examining selected instances in which covered agencies have entered into contracts using previous experience or past performance under Federal contracts as source selection evaluation criteria.

(c) **REPORT.**—

(1) **IN GENERAL.**—Not later than 270 days after the date of the enactment of this Act, the Comptroller General shall submit to Congress a report on the study conducted under subsection (b).

(2) **CONTENT.**—The report required under paragraph (1) shall include the following:

(A) A description of the circumstances under which covered agencies entered into contracts using previous experience or past performance under Federal contracts as source selection evaluation criteria.

(B) A description of the weights assigned to these evaluation factors as compared to all other evaluation factors, including cost.

(C) An assessment of whether the use of previous experience or past performance as evaluation criteria is more or less prevalent depending on the type of item or service the agency acquires.

(D) The views of agency officials, acquisition experts, and affected stakeholders on the benefits and challenges of using previous experience or past performance as evaluation criteria, including the impact on small business concerns.

(3) **CONTRACTS COVERED.**—The report required under paragraph (1) shall include information on the awarding of contracts using full and open competition and other types of competitive procedures.

SA 4423. Mrs. SHAHEEN (for herself and Mr. COCHRAN) submitted an amendment intended to be proposed by her to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible

institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title IV, insert the following:
SECTION ____ ON-THE-JOB TRAINING.

(a) **SHORT TITLE.**—This section may be cited as the “On-the-Job Training Act of 2010”.

(b) **TRAINING.**—

(1) **IN GENERAL.**—Subtitle D of title I of the Workforce Investment Act of 1998 is amended by inserting after section 173A (29 U.S.C. 2918a) the following:

“SEC. 173B. ON-THE-JOB TRAINING.

“(a) **DEFINITION.**—In this section, the term ‘federally recognized tribal organization’ means an entity described in section 166(c)(1).

“(b) **GRANTS.**—From the amount made available under subsection (g), and subject to subsection (d)—

“(1) the Secretary shall make grants on a discretionary basis to local areas, for adult on-the-job training, or dislocated worker on-the-job training, carried out under section 134; and

“(2) using an amount that is not more than 10 percent of the funds made available under subsection (g), the Secretary shall make grants to States, local boards, and federally recognized tribal organizations for developing on-the-job training programs, in consultation with the Secretary.

“(c) **APPLICATION.**—To be eligible to receive a grant under subsection (b), a State, local board, or federally recognized tribal organization shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. In preparing such an application for a grant under subsection (b)(1), a local board shall consult with the corresponding State.

“(d) **REIMBURSEMENT OF WAGE RATES.**—Notwithstanding the limitation in section 101(31)(B), in making the grants described in subsection (b)(1) the Secretary may allow for higher levels of reimbursement of wage rates the Secretary determines are appropriate based on factors such as—

“(1) employer size, in order to facilitate the participation of small- and medium-sized employers;

“(2) target populations, in order to enhance job creation for persons with barriers to employment; and

“(3) the number of employees that will participate in the on-the-job training, the wage and benefit levels of the employees (before the training and anticipated on completion of the training), the relationship of the training to the competitiveness of the employer and employees, and the existence of other employer-provided training and advancement opportunities.

“(e) **ADMINISTRATION.**—The Secretary may use an amount that is not more than 1 percent of the funds made available under subsection (g) for the administration, management, and oversight of the programs, activities, and grants, funded under subsection (b), including the evaluation of, and dissemination of information on lessons learned through, the use of such funds.

“(f) **RULE OF CONSTRUCTION.**—Nothing in this section shall be construed to affect the manner in which subtitle B is implemented, for activities funded through amounts appropriated under section 137.

“(g) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2011 and each subsequent fiscal year.”.

(2) **TABLE OF CONTENTS.**—The table of contents in section 1(b) of the Workforce Investment Act of 1998 is amended by inserting after the item relating to section 173A the following:

“Sec. 173B. On-the-job training.”.

SA 4424. Mr. WEBB (for himself and Mrs. BOXER) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end, insert the following:

TITLE IV—TAXPAYER FAIRNESS ACT

SEC. 4001. SHORT TITLE.

This title may be cited as the “Taxpayer Fairness Act”.

SEC. 4002. FINDINGS.

Congress finds the following:

(1) During the years 2008 and 2009, the Nation’s largest financial firms received extraordinary and unprecedented assistance from the public.

(2) Such assistance was critical to the success and in many cases the survival of these firms during the year 2009.

(3) High earners at such firms should contribute a portion of any excessive bonuses obtained for the year 2009 to help the Nation reduce the public debt and recover from the recession.

SEC. 4003. EXCISE TAXES ON EXCESSIVE 2009 BONUSES RECEIVED FROM MAJOR RECIPIENTS OF FEDERAL EMERGENCY ECONOMIC ASSISTANCE.

(a) **IMPOSITION OF TAX.**—Chapter 46 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

“SEC. 4999A. EXCESSIVE 2009 BONUSES RECEIVED FROM MAJOR RECIPIENTS OF FEDERAL EMERGENCY ECONOMIC ASSISTANCE.

“(a) **IMPOSITION OF TAX.**—There is hereby imposed on any person who receives a covered excessive 2009 bonus a tax equal to 50 percent of the amount of such bonus.

“(b) **DEFINITION.**—For purposes of this section, the term ‘covered excessive 2009 bonus’ has the meaning given such term by section 2801(b).

“(c) **ADMINISTRATIVE PROVISIONS AND SPECIAL RULES.**—

“(1) **WITHHOLDING.**—

“(A) **IN GENERAL.**—In the case of any covered excessive 2009 bonus which is treated as wages for purposes of section 3402, the amount otherwise required to be deducted and withheld under such section shall be increased by the amount of the tax imposed by this section on such bonus.

“(B) **BONUSES PAID BEFORE ENACTMENT.**—In the case of any covered excessive 2009 bonus to which subparagraph (A) applies which is paid before the date of the enactment of this

section, no penalty, addition to tax, or interest shall be imposed with respect to any failure to deduct and withhold the tax imposed by this section on such bonus.

“(2) **TREATMENT OF TAX.**—For purposes of subtitle F, any tax imposed by this section shall be treated as a tax imposed by subtitle A.

“(3) **NOTICE REQUIREMENTS.**—The Secretary shall require each major Federal emergency economic assistance recipient (as defined in section 2801(d)(1)) to notify, as soon as practicable after the date of the enactment of this section and at such other times as the Secretary determines appropriate, the Secretary and each covered employee (as defined in section 2801(e)) of the amount of covered excessive 2009 bonuses to which this section applies and the amount of tax deducted and withheld on such bonuses.

“(4) **SECRETARIAL AUTHORITY.**—The Secretary may prescribe such regulations, rules, and guidance of general applicability as may be necessary to carry out the provisions of this section, including—

“(A) to prescribe the due date and manner of payment of the tax imposed by this section with respect to any covered excessive 2009 bonus paid before the date of the enactment of this section, and

“(B) to prevent—

“(i) the recharacterization of a bonus payment as a payment which is not a bonus payment in order to avoid the purposes of this section,

“(ii) the treatment as other than an additional 2009 bonus payment of any payment of increased wages or other payments to a covered employee who receives a bonus payment subject to this section in order to reimburse such covered employee for the tax imposed by this section with regard to such bonus, or

“(iii) the avoidance of the purposes of this section through the use of partnerships or other pass-thru entities.”.

(b) **CLERICAL AMENDMENTS.**—

(1) The heading and table of sections for chapter 46 of the Internal Revenue Code of 1986 are amended to read as follows:

“CHAPTER 46—TAXES ON CERTAIN EXCESSIVE REMUNERATION

“Sec. 4999. Golden parachute payments.

“Sec. 4999A. Excessive 2009 bonuses received from major recipients of Federal emergency economic assistance.”.

(2) The item relating to chapter 46 in the table of chapters for subtitle D of such Code is amended to read as follows:

“Chapter 46. Taxes on certain excessive remuneration.”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to payments of covered excessive 2009 bonuses after December 31, 2008, in taxable years ending after such date.

SEC. 4004. LIMITATION ON DEDUCTION OF AMOUNTS PAID AS EXCESSIVE 2009 BONUSES BY MAJOR RECIPIENTS OF FEDERAL EMERGENCY ECONOMIC ASSISTANCE.

(a) **IN GENERAL.**—Part IX of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

“SEC. 2801. EXCESSIVE 2009 BONUSES PAID BY MAJOR RECIPIENTS OF FEDERAL EMERGENCY ECONOMIC ASSISTANCE.

“(a) **GENERAL RULE.**—The deduction allowed under this chapter with respect to the amount of any covered excessive 2009 bonus shall not exceed 50 percent of the amount of such bonus.

“(b) COVERED EXCESSIVE 2009 BONUS.—For purposes of this section, the term ‘covered excessive 2009 bonus’ means any 2009 bonus payment paid during any calendar year to a covered employee by any major Federal emergency economic assistance recipient, to the extent that the aggregate of such 2009 bonus payments (without regard to the date on which such payments are paid) with respect to such employee exceeds the dollar amount of the compensation received by the President under section 102 of title 3, United States Code, for calendar year 2009.

“(c) 2009 BONUS PAYMENT.—

“(1) IN GENERAL.—The term ‘2009 bonus payment’ means any payment which—

“(A) is a payment for services rendered,

“(B) is in addition to any amount payable to a covered employee for services performed by such covered employee at a regular hourly, daily, weekly, monthly, or similar periodic rate,

“(C) in the case of a retention bonus, is paid for continued service during calendar year 2009 or 2010, and

“(D) in the case of a payment not described in subparagraph (C), is attributable to services performed by a covered employee during calendar year 2009 (without regard to the year in which such payment is paid).

Such term does not include payments to an employee as commissions, contributions to any qualified retirement plan (as defined in section 4974(c)), welfare and fringe benefits, overtime pay, or expense reimbursements. In the case of a payment which is attributable to services performed during multiple calendar years, such payment shall be treated as a 2009 bonus payment to the extent it is attributable to services performed during calendar year 2009.

“(2) DEFERRED DEDUCTION BONUS PAYMENTS.—

“(A) IN GENERAL.—The term ‘2009 bonus payment’ includes payments attributable to services performed in 2009 which are paid in the form of remuneration (within the meaning of section 162(m)(4)(E)) for which the deduction under this chapter (determined without regard to this section) for such payment is allowable in a subsequent taxable year.

“(B) TIMING OF DEFERRED DEDUCTION BONUS PAYMENTS.—For purposes of this section and section 4999A, the amount of any payment described in subparagraph (A) (as determined in the year in which the deduction under this chapter, determined without regard to this section, for such payment would be allowable) shall be treated as having been made in the calendar year in which any interest in such amount is granted to a covered employee (without regard to the date on which any portion of such interest vests).

“(3) RETENTION BONUS.—The term ‘retention bonus’ means any bonus payment (without regard to the date such payment is paid) to a covered employee which—

“(A) is contingent on the completion of a period of service with a major Federal emergency economic assistance recipient, the completion of a specific project or other activity for the major Federal emergency economic assistance recipient, or such other circumstances as the Secretary may prescribe, and

“(B) is not based on the performance of the covered employee (other than a requirement that the employee not be separated from employment for cause).

A bonus payment shall not be treated as based on performance for purposes of subparagraph (B) solely because the amount of the payment is determined by reference to a

previous bonus payment which was based on performance.

“(d) MAJOR FEDERAL EMERGENCY ECONOMIC ASSISTANCE RECIPIENT.—For purposes of this section—

“(1) IN GENERAL.—The term ‘major Federal emergency economic assistance recipient’ means—

“(A) any financial institution (within the meaning of section 3 of the Emergency Economic Stabilization Act of 2008) if at any time after December 31, 2007, the Federal Government acquires—

“(i) an equity interest in such person pursuant to a program authorized by the Emergency Economic Stabilization Act of 2008 or the third undesignated paragraph of section 13 of the Federal Reserve Act (12 U.S.C. 343), or

“(ii) any warrant (or other right) to acquire any equity interest with respect to such person pursuant to any such program,

but only if the total value of the equity interest described in clauses (i) and (ii) in such person is not less than \$5,000,000,000.

“(B) the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, and

“(C) any person which is a member of the same affiliated group (as defined in section 1504, determined without regard to subsection (b) thereof) as a person described in subparagraph (A) or (B).

“(2) TREATMENT OF CONTROLLED GROUPS.—All persons treated as a single employer under subsection (a) or (b) of section 52 or subsection (m) or (o) of section 414 shall be treated as a single employer with respect to any covered employee.

“(e) COVERED EMPLOYEE.—For purposes of this section, the term ‘covered employee’ means, with respect to any major Federal emergency economic assistance recipient—

“(1) any employee of such recipient, and

“(2) any director of such recipient who is not an employee.

In the case of any major Federal emergency economic assistance recipient which is a partnership or other unincorporated trade or business, the term ‘employee’ shall include employees of such recipient within the meaning of section 401(c)(1).

“(f) REGULATIONS.—The Secretary may prescribe such regulations, rules, and guidance of general applicability as may be necessary to carry out the provisions of this section, including—

“(1) to prescribe the due date and manner of reporting and payment of any increase in the tax imposed by this chapter due to the application of this section to any covered excessive 2009 bonus paid before the date of the enactment of this section, and

“(2) to prevent—

“(A) the recharacterization of a bonus payment as a payment which is not a bonus payment in order to avoid the purposes of this section, or

“(B) the avoidance of the purposes of this section through the use of partnerships or other pass-thru entities.”.

(b) CLERICAL AMENDMENT.—The table of sections for part IX of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

“Sec. 280I. Excessive 2009 bonuses paid by major recipients of Federal emergency economic assistance.”.

(c) CONFORMING AMENDMENTS.—

(1) Subparagraph (F) of section 162(m)(4) of the Internal Revenue Code of 1986 is amended—

(A) by inserting “AND EXCESSIVE 2009 BONUSES” after “PAYMENTS” in the heading,

(B) by striking “the amount” and inserting “the total amounts”, and

(C) by inserting “or 280I” before the period.

(2) Subparagraph (A) of section 3121(v)(2) of such Code is amended by inserting “, to any covered excessive 2009 bonus (as defined in section 280I(b)),” after “section 280G(b))”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to payments of covered excessive 2009 bonuses after December 31, 2008, in taxable years ending after such date.

SA 4425. Mr. REID proposed an amendment to the bill H.R. 4213, to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes; as follows:

In lieu of the matter proposed to be inserted, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Unemployment Compensation Extension Act of 2010”.

SEC. 2. EXTENSION OF UNEMPLOYMENT INSURANCE PROVISIONS.

(a) IN GENERAL.—(1) Section 4007 of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended—

(A) by striking “June 2, 2010” each place it appears and inserting “November 30, 2010”;

(B) in the heading for subsection (b)(2), by striking “JUNE 2, 2010” and inserting “NOVEMBER 30, 2010”; and

(C) in subsection (b)(3), by striking “November 6, 2010” and inserting “April 30, 2011”.

(2) Section 2005 of the Assistance for Unemployed Workers and Struggling Families Act, as contained in Public Law 111-5 (26 U.S.C. 3304 note; 123 Stat. 444), is amended—

(A) by striking “June 2, 2010” each place it appears and inserting “December 1, 2010”; and

(B) in subsection (c), by striking “November 6, 2010” and inserting “May 1, 2011”.

(3) Section 5 of the Unemployment Compensation Extension Act of 2008 (Public Law 110-449; 26 U.S.C. 3304 note) is amended by striking “November 6, 2010” and inserting “April 30, 2011”.

(b) FUNDING.—Section 4004(e)(1) of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended—

(1) in subparagraph (D), by striking “and” at the end; and

(2) by inserting after subparagraph (E) the following:

“(F) the amendments made by section 2(a)(1) of the Unemployment Compensation Extension Act of 2010; and”.

(c) CONDITIONS FOR RECEIVING EMERGENCY UNEMPLOYMENT COMPENSATION.—Section 4001(d)(2) of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended, in the matter preceding subparagraph (A), by inserting before “shall apply” the following: “(including terms and conditions relating to availability for work, active search for work, and refusal to accept work)”.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of the Continuing Extension Act of 2010 (Public Law 111-157).

SEC. 3. COORDINATION OF EMERGENCY UNEMPLOYMENT COMPENSATION WITH REGULAR COMPENSATION.

(a) CERTAIN INDIVIDUALS NOT INELIGIBLE BY REASON OF NEW ENTITLEMENT TO REGULAR

BENEFITS.—Section 4002 of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended by adding at the end the following:

“(g) COORDINATION OF EMERGENCY UNEMPLOYMENT COMPENSATION WITH REGULAR COMPENSATION.—

“(1) If—

“(A) an individual has been determined to be entitled to emergency unemployment compensation with respect to a benefit year,

“(B) that benefit year has expired,

“(C) that individual has remaining entitlement to emergency unemployment compensation with respect to that benefit year, and

“(D) that individual would qualify for a new benefit year in which the weekly benefit amount of regular compensation is at least either \$100 or 25 percent less than the individual's weekly benefit amount in the benefit year referred to in subparagraph (A), then the State shall determine eligibility for compensation as provided in paragraph (2).

“(2) For individuals described in paragraph (1), the State shall determine whether the individual is to be paid emergency unemployment compensation or regular compensation for a week of unemployment using one of the following methods:

“(A) The State shall, if permitted by State law, establish a new benefit year, but defer the payment of regular compensation with respect to that new benefit year until exhaustion of all emergency unemployment compensation payable with respect to the benefit year referred to in paragraph (1)(A);

“(B) The State shall, if permitted by State law, defer the establishment of a new benefit year (which uses all the wages and employment which would have been used to establish a benefit year but for the application of this paragraph), until exhaustion of all emergency unemployment compensation payable with respect to the benefit year referred to in paragraph (1)(A);

“(C) The State shall pay, if permitted by State law—

“(i) regular compensation equal to the weekly benefit amount established under the new benefit year, and

“(ii) emergency unemployment compensation equal to the difference between that weekly benefit amount and the weekly benefit amount for the expired benefit year; or

“(D) The State shall determine rights to emergency unemployment compensation without regard to any rights to regular compensation if the individual elects to not file a claim for regular compensation under the new benefit year.”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to individuals whose benefit years, as described in section 4002(g)(1)(B) the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note), as amended by this section, expire after the date of enactment of this Act.

SEC. 4. REQUIRING STATES TO NOT REDUCE REGULAR COMPENSATION IN ORDER TO BE ELIGIBLE FOR FUNDS UNDER THE EMERGENCY UNEMPLOYMENT COMPENSATION PROGRAM.

Section 4001 of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended by adding at the end the following new subsection:

“(g) **NONREDUCTION RULE.**—An agreement under this section shall not apply (or shall cease to apply) with respect to a State upon a determination by the Secretary that the method governing the computation of regular compensation under the State law of that State has been modified in a manner such that—

“(1) the average weekly benefit amount of regular compensation which will be payable during the period of the agreement occurring on or after June 2, 2010 (determined disregarding any additional amounts attributable to the modification described in section 2002(b)(1) of the Assistance for Unemployed Workers and Struggling Families Act, as contained in Public Law 111-5 (26 U.S.C. 3304 note; 123 Stat. 438)), will be less than

“(2) the average weekly benefit amount of regular compensation which would otherwise have been payable during such period under the State law, as in effect on June 2, 2010.”.

SEC. 5. EXTENSION OF HOMEBUYER CREDIT FOR CERTAIN PURCHASES PURSUANT TO BINDING CONTRACTS.

(a) **IN GENERAL.**—Paragraph (2) of section 36(h) of the Internal Revenue Code of 1986 is amended by striking “paragraph (1) shall be applied by substituting ‘July 1, 2010’” and inserting “and who purchases such residence before October 1, 2010, paragraph (1) shall be applied by substituting ‘October 1, 2010’”.

(b) **CONFORMING AMENDMENT.**—Subparagraph (B) of section 36(h)(3) of the Internal Revenue Code of 1986 is amended by inserting “and for ‘October 1, 2010’” after “for ‘July 1, 2010’”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to residences purchased after June 30, 2010.

SEC. 6. AMENDMENT OF TRAVEL PROMOTION ACT OF 2009.

(a) **TRAVEL PROMOTION FUND FEES.**—Section 217(h)(3)(B) of the Immigration and Nationality Act (8 U.S.C. 1187(h)(3)(B)) is amended—

(1) by striking “subsection (d) of section 11 of the Travel Promotion Act of 2009.” in clause (ii) and inserting “subsection (d) of the Travel Promotion Act of 2009 (22 U.S.C. 2131(d)).”; and

(2) by striking “September 30, 2014.” in clause (iii) and inserting “September 30, 2015.”.

(b) **IMPLEMENTATION BEGINNING IN FISCAL YEAR 2011.**—Subsection (d) of the Travel Promotion Act of 2009 (22 U.S.C. 2131(d)) is amended—

(1) by striking “For fiscal year 2010, the” in paragraph (2)(A) and inserting “The”;

(2) by striking “quarterly, beginning on January 1, 2010,” in paragraph (2)(A) and inserting “monthly, immediately following the collection of fees under section 217(h)(3)(B)(i)(I) of the Immigration and Nationality Act (8 U.S.C. 1187(h)(3)(B)(i)(I)).”; and

(3) by striking “fiscal years 2011 through 2014,” in paragraph (2)(B) and inserting “fiscal years 2012 through 2015.”;

(4) by striking “fiscal year 2010,” in paragraph (3)(A) and inserting “fiscal year 2011.”;

(5) by striking “fiscal year 2011,” each place it appears in paragraph (3)(A) and inserting “fiscal year 2012.”; and

(6) by striking “fiscal year 2010, 2011, 2012, 2013, or 2014” in paragraph (4)(B) and inserting “fiscal year 2011, 2012, 2013, 2014, or 2015”.

SEC. 7. DISCLOSURE OF PRISONER RETURN INFORMATION TO STATE PRISONS.

(a) **IN GENERAL.**—Subparagraph (A) of section 6103(k)(10) of the Internal Revenue Code of 1986 is amended—

(1) by inserting “and the head of any State agency charged with the responsibility for administration of prisons” after “the head of the Federal Bureau of Prisons”, and

(2) by striking “Federal prison” and inserting “Federal or State prison”.

(b) **RESTRICTION ON REDISCLOSURE.**—Subparagraph (B) of section 6103(k)(10) of such Code is amended—

(1) by inserting “and the head of any State agency charged with the responsibility for administration of prisons” after “the head of the Federal Bureau of Prisons”, and

(2) by inserting “or agency” after “such Bureau”.

(c) **RECORDKEEPING.**—Paragraph (4) of section 6103(p) of such Code is amended by inserting “(k)(10),” before “(l)(6),” in the matter preceding subparagraph (A).

(d) **CLERICAL AMENDMENT.**—The heading of paragraph (10) of section 6103(k) of such Code is amended by striking “OF PRISONERS TO FEDERAL BUREAU OF PRISONS” and inserting “TO CERTAIN PRISON OFFICIALS”.

(e) **EFFECTIVE DATE.**—The amendments made by this section shall apply to disclosures made after the date of the enactment of this Act.

SEC. 8. RESCISSIONS.

Of the funds appropriated in Department of Defense Appropriations Acts, the following funds are hereby rescinded from the following accounts and programs in the specified amounts:

“Research, Development, Test and Evaluation, Army, 2009/2010”, \$20,000,000.

“Research, Development, Test and Evaluation, Air Force, 2009/2010”, \$39,000,000.

“Research, Development, Test and Evaluation, Defense-Wide, 2009/2010”, \$35,000,000.

SEC. 9. TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES.

(a) **SHIFT FROM 2015 TO 2014.**—The percentage under paragraph (1) of section 202(b) of the Corporate Estimated Tax Shift Act of 2009 in effect on the date of the enactment of this Act is increased by 0.25 percentage points.

(b) **SHIFT FROM 2016 TO 2015.**—The percentage under paragraph (2) of section 561 of the Hiring Incentives to Restore Employment Act in effect on the date of the enactment of this Act is increased by 0.25 percentage points.

SEC. 10. BUDGETARY PROVISIONS.

(a) **STATUTORY PAYGO.**—The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled ‘Budgetary Effects of PAYGO Legislation’ for this Act, jointly submitted by printing in the Congressional Record by the Chairmen of the House and Senate Budget Committees, provided that such statement has been submitted prior to the vote on passage in the House acting first on this conference report or amendment between the Houses.

(b) **EMERGENCY DESIGNATIONS.**—Sections 2 and 3—

(1) are designated as an emergency requirement pursuant to section 4(g) of the Statutory Pay-As-You-Go Act of 2010 (Public Law 111-139; 2 U.S.C. 933(g));

(2) in the House of Representatives, are designated as an emergency for purposes of pay-as-you-go principles; and

(3) in the Senate, are designated as an emergency requirement pursuant to section 403(a) of S. Con. Res. 13 (111th Congress), the concurrent resolution on the budget for fiscal year 2010.

SA 4426. Mr. REID proposed an amendment to amendment SA 4425 proposed by Mr. REID to the bill H.R. 4213, to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes; as follows:

At the end of the amendment, insert the following:

The provisions of this Act shall become effective 3 days after enactment.

SA 4427. Mr. REID proposed an amendment to the bill H.R. 4213, to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes; as follows:

At the end, insert the following:

The Committee on Finance is requested to study the economic impact of the delay in implementing the provisions of the Act on job creation on a national and regional level.

SA 4428. Mr. REID proposed an amendment to amendment SA 4427 proposed by Mr. REID to the bill H.R. 4213, to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes; as follows:

At the end, insert the following:

and include statistical data on the specific service related positions created

SA 4429. Mr. REID proposed an amendment to amendment SA 4428 proposed by Mr. REID to the amendment SA 4427 proposed by Mr. REID to the bill H.R. 4213, to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes; as follows:

At the end, insert the following:

and the impact on the local economy.

SA 4430. Mrs. BOXER (for herself and Ms. LANDRIEU) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of part III of subtitle A of title II, insert the following:

SEC. ____ . STANDARD HOME OFFICE DEDUCTION.

(a) IN GENERAL.—Subsection (c) of section 280A of the Internal Revenue Code of 1986 (relating to disallowance of certain expenses in connection with business use of home, rental of vacation homes, etc.) is amended by adding at the end the following new paragraph:

“(7) STANDARD HOME OFFICE DEDUCTION.—

“(A) IN GENERAL.—In the case of an individual who is allowed a deduction for the use of a home office because of a use described in paragraphs (1), (2), or (4) of this subsection, notwithstanding the limitations of paragraph (5), if such individual elects the application of this paragraph for the taxable year, such individual shall be allowed a deduction equal to the standard home office deduction for the taxable year in lieu of the deductions otherwise allowable under this chapter for such taxable year by reason of being attributed to such use.

“(B) STANDARD HOME OFFICE DEDUCTION.—For purposes of this paragraph, the standard home office deduction is the lesser of—

“(i) \$1,200, or

“(ii) the gross income derived from the individual’s trade or business for which such use occurs.

“(C) TERMINATION.—This paragraph shall not apply to taxable years beginning after December 31, 2010.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2009.

(c) OFFSET.—Not later than 60 days after the date of the enactment of this Act, the Director of the Office of Management and Budget, in consultation with the heads of the Federal departments and agencies, shall direct the Federal departments and agencies to reduce nonessential government travel by \$158,000,000 in fiscal year 2011.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that the oversight hearing scheduled before the Subcommittee on Water and Power for Thursday, July 1, 2010, at 2:30 p.m., has been postponed.

The purpose of this oversight hearing is to examine the Federal response to the discovery of the aquatic invasive species Asian carp in Lake Calumet, Illinois.

For further information, please contact Tanya Trujillo or Gina Weinstock.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that the hearing scheduled before the Senate Committee on Energy and Natural Resources previously announced for July 1, at 9:30 a.m., has been rescheduled and will now be held on Wednesday, June 30, 2010, at 2:30 p.m., in room SD-366 of the Dirksen Senate Office Building.

The purpose of the hearing is to receive testimony on S. 3452, a bill to designate the Valles Caldera National Preserve as a unit of the National Park System, and for other purposes.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send it to the Committee on Energy and Natural Resources, United States Senate, Washington, DC 20510-6150, or by email to testimony@energy.senate.gov.

For further information, please contact David Brooks or Allison Seyferth.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. KAUFMAN. Mr. President, I ask unanimous consent that the Committee on Armed Services be author-

ized to meet during the session of the Senate on June 29, 2010, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. KAUFMAN. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on June 29, 2010, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. KAUFMAN. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet, during the session of the Senate, to conduct a hearing entitled “Examining the Continuing Needs of Workers and Communities Affected by 9/11” on June 29, 2010. The hearing will commence at 2:30 p.m. in room 430 of the Dirksen Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. KAUFMAN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on June 29, 2010, at 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. KAUFMAN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on June 29, 2010, at 9 a.m., in room SH-216 of the Hart Senate Office Building, to continue the hearing on the nomination of Elena Kagan to be an Associate Justice of the Supreme Court of the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. KAUFMAN. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on June 29, 2010 at 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. ENZI. Mr. President, I ask unanimous consent that Spencer Suffling and Casey O’Neill of Senator BINGAMAN’s office be granted the privilege of the floor for today, June 29, 2010.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the following staff of the Finance Committee be granted the privileges of the floor during consideration of the small business jobs bill:

Maia Aageson, Emilyn Anderson, Logan Baker, Mary Baker, Andrew Fishburn, Benjamin Furnas, Anders Landgren, John Merrick, Kristian Miller, Kathryn Spika, Greg Sullivan, Logan Timmerhoff, Ashley Zuelke.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREE- MENT—EXECUTIVE CALENDAR

Mr. REID. Mr. President, as in executive session, I ask unanimous consent that on Wednesday, June 30, following morning business, the Senate proceed to executive session to consider Calendar No. 963, the nomination of GEN David Petraeus, and that there be 20 minutes of debate with respect to the nomination, with the time equally divided and controlled between Senators LEVIN and MCCAIN or their designees; that upon the use or yielding back of time, the Senate proceed to vote on confirmation of the nomination; that upon confirmation, the motion to reconsider be considered made and laid upon the table, the President be immediately notified of the Senate's action, and the Senate then resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNIZING THE IMPORTANT ROLE OF FATHERS

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H. Con. Res. 285.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The assistant legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 285) recognizing the important role that fathers play in the lives of their children and families and supporting the goals and ideals of designating 2010 as the Year of the Father.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. REID. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to, the preamble be agreed to, the motions to reconsider be laid upon the table, with no intervening action or debate, and any statements related to this matter be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 285) was agreed to.

The preamble was agreed to.

NATIONAL DAY OF THE AMERICAN COWBOY

Mr. REID. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of and the Senate now proceed to S. Res. 554.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 554) designating July 24, 2010, as "National Day of the American Cowboy."

There being no objection, the Senate proceeded to consider the resolution.

Mr. REID. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motions to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 554) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 554

Whereas pioneering men and women, recognized as "cowboys", helped establish the American West;

Whereas the cowboy embodies honesty, integrity, courage, compassion, respect, a strong work ethic, and patriotism;

Whereas the cowboy spirit exemplifies strength of character, sound family values, and good common sense;

Whereas the cowboy archetype transcends ethnicity, gender, geographic boundaries, and political affiliations;

Whereas the cowboy is an excellent steward of the land and its creatures, who lives off the land and works to protect and enhance the environment;

Whereas cowboy traditions have been a part of American culture for generations;

Whereas the cowboy continues to be an important part of the economy through the work of many thousands of ranchers across the Nation who contribute to the economic well-being of every State;

Whereas millions of fans watch professional and working ranch rodeo events annually, and rodeo is one of the most-watched sports in the Nation;

Whereas membership and participation in rodeo and other organizations that promote and encompass the livelihood of cowboys span every generation and transcend race and gender;

Whereas the cowboy is a central figure in literature, film, and music and occupies a central place in the public imagination;

Whereas the cowboy is an American icon; and

Whereas the ongoing contributions made by cowboys and cowgirls to their communities should be recognized and encouraged: Now, therefore, be it

Resolved, That the Senate—

(1) designates July 24, 2010, as "National Day of the American Cowboy"; and

(2) encourages the people of the United States to observe the day with appropriate ceremonies and activities.

RECOGNIZING THE 50TH ANNIVERSARY OF THE RATIFICATION OF THE TREATY OF MUTUAL SECURITY AND COOPERATION WITH JAPAN

Mr. REID. Mr. President, I ask unanimous consent that the Foreign Rela-

tions Committee be discharged from further consideration of S. Res. 564 and that the Senate now take up that matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 564) recognizing the 50th anniversary of the ratification of the Treaty of Mutual Security and Cooperation with Japan, and affirming support for the United States-Japan security alliance and relationship.

There being no objection, the Senate proceeded to consider the resolution.

Mr. REID. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motions to reconsider be laid upon the table; that there be no intervening action or debate, and any statements relating to this matter be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 564) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 564

Whereas Japan became a treaty ally of the United States with the signing of the Treaty of Mutual Cooperation and Security on January 19, 1960;

Whereas the treaty entered into force on June 19, 1960, after its ratification by the Japanese Diet and the United States Senate;

Whereas, in furtherance of the treaty, Japan hosts approximately 36,000 members of the United States Armed Forces, 43,000 dependents, and 5,000 civilian employees of the Department of Defense, with a majority located on the island of Okinawa;

Whereas the United States and Japan signed the Roadmap for Realignment Implementation on May 1, 2006, to strengthen the alliance by maintaining defense capabilities while reducing burdens on local communities;

Whereas the United States and Japan signed the Guam Agreement on February 17, 2009, on the relocation of approximately 8,000 Marines assigned to the III Marine Expeditionary Force (MEF) personnel and their approximately 9,000 dependents from Okinawa to Guam, which would reduce the presence of the Marine Corps on Okinawa by nearly half;

Whereas the Governments of the United States and Japan maintain a strong security partnership through joint exercises between the United States Armed Forces and Japan's Self-Defense Forces;

Whereas Japan's Self-Defense Forces have contributed broadly to global security missions, including relief operations following the tsunami in Indonesia in 2005, reconstruction in Iraq from 2004 to 2006, relief assistance following the earthquake in Haiti in 2010, and maritime security operations in the Gulf of Aden;

Whereas Japan assists in the United States-led effort in Afghanistan where it ranks as the second-largest donor after the United States, pledging \$5,000,000,000 over

five years to improve infrastructure, education, and health, in addition to underwriting, with the United Kingdom, a reintegration trust fund for former Taliban fighters;

Whereas Japan's Self-Defense Forces have played a vital role in United Nations peacekeeping operations around the world, beginning in 1992 when Japan dispatched two 600-member engineering battalions to the United Nations Transitional Authority in Cambodia (UNTAC);

Whereas the sinking of the Republic of Korea's Cheonan naval ship by North Korea was a direct provocation intended to destabilize Northeast Asia and demonstrates the importance of cooperation between the United States and Japan on regional security issues;

Whereas recent maritime activities by China's People's Liberation Army Navy to challenge Japan's sovereignty claims in waters contested by Japan and China underscore the vital nature of the United States-Japan alliance to maintaining a balance of security in the region;

Whereas, on May 28, 2010, members of the United States-Japan Security Consultative Committee reconfirmed that, in this 50th anniversary year of the signing of the Treaty of Mutual Cooperation and Security, the United States-Japan alliance remains "indispensable not only to the defense of Japan, but also to the peace, security, and prosperity of the Asia-Pacific region";

Whereas the security alliance has served as the foundation for deep cultural, political, and economic ties between the people of the United States and the people of Japan; and

Whereas Japan remains a steadfast global partner with shared values of freedom, democracy, and liberty: Now, therefore, be it

Resolved, That the Senate—

(1) affirms its commitment to the United States-Japan security alliance and the deep friendship of both countries that is based on shared values;

(2) recognizes the benefits of the alliance to the national security of the United States and Japan, as well as to regional peace and security;

(3) recognizes the contributions of and expresses appreciation for the people of Japan, and in particular the people of Okinawa, in hosting members of the United States Armed Forces and their families in Japan;

(4) values the involvement of Japan's Self-Defense Forces in regional and global security operations;

(5) promotes the implementation of the Roadmap for Realignment to reduce the burden on local communities while maintaining the United States strategic posture in Asia; and

(6) anticipates the continuation of the steadfast alliance with its invaluable contribution to global peace, democracy, and security.

PROVIDING FOR THE USE OF THE CAPITOL VISITOR CENTER CATAFALQUE

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to S. Con. Res. 65.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 65) providing for the use of the catafalque situ-

ated in the Exhibition Hall of the Capitol Visitor Center in connection with memorial services to be conducted in the United States Senate Chamber for the Honorable ROBERT C. BYRD, late a Senator from the State of West Virginia.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. REID. I ask unanimous consent that the concurrent resolution be agreed to and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (S. Con. Res. 65) was agreed to, as follows:

S. CON. RES. 65

Resolved by the Senate (the House of Representatives concurring), That the Architect of the Capitol is authorized and directed to transfer the catafalque which is situated in the Exhibition Hall of the Capitol Visitor Center to the Senate Chamber so that such catafalque may be used in connection with services to be conducted there for the Honorable ROBERT C. BYRD, late a Senator from the State of West Virginia.

RELATIVE TO THE MEMORIAL OBSERVANCES OF THE HONORABLE ROBERT C. BYRD

Mr. REID. I ask unanimous consent to proceed to S. Res. 574.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 574) relative to the memorial observances of the Honorable ROBERT C. BYRD, late a Senator from the State of West Virginia.

There being no objection, the Senate proceeded to consider the resolution.

Mr. REID. Mr. President, I ask unanimous consent that the resolution and preamble be agreed to en bloc, and the motions to reconsider be laid upon the table en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 574) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 574

Whereas, The Senate has heard with profound sorrow and deep regret the announcement of the death of the Honorable ROBERT C. BYRD, late a Senator from the State of West Virginia: Now, therefore, be it

Resolve, That the memorial observances of the Honorable ROBERT C. BYRD, late a Senator from the State of West Virginia, be held in the Senate Chamber on Thursday, July 1, 2010, beginning 10:00 a.m., and that the Senate attend the same.

Resolve, That paragraph 1 of Rule IV of the Rules for the Regulation of the Senate Wing of the United States Capitol (prohibiting the taking of pictures in the Senate Chamber) be temporarily suspended for the sole and specific purpose of permitting the Senate Photographic Studio to photograph this memorial observance.

Resolved, That the Sergeant at Arms be directed to make necessary and appropriate arrangements in connection with the memorial observances in the Senate Chamber.

Resolve, That the Secretary of the Senate communicate these resolutions to the House of Representatives, transmit an enrolled copy thereof to the family of the deceased, and invite the House of Representatives and the family of the deceased to attend the memorial observance in the Senate Chamber.

Resolve, That invitations be extended to the President of the United States, the Vice President of the United States, and the members of the Cabinet, the Chief Justice and Associate Justices of the Supreme Court of the United States, the Diplomatic Corps (through the Secretary of State), the Chief of Staff of the Army, the Chief of Naval Operations of the Navy, the Major General Commandant of the Marine Corps, the Chief of Staff of the Air Force, and the Commandant of the Coast Guard to attend the memorial observances in the Senate Chamber.

MEASURE READ THE FIRST TIME—H.R. 5623

Mr. REID. Mr. President, I have been told that H.R. 5623 has been received from the House and is now at the desk. I ask for its first reading.

The PRESIDING OFFICER. The Senator is correct. The clerk will report the bill by title for the first time.

The assistant legislative clerk read as follows:

A bill (H.R. 5623) to amend the Internal Revenue Code of 1986 to extend the home-buyer tax credit for the purchase of a principal residence before October 1, 2010, in the case of a written binding contract, entered into with respect to such principal residence before May 1, 2010, and for other purposes.

Mr. REID. Mr. President, I ask for its second reading but object to my own request.

The PRESIDING OFFICER. Objection having been heard, the bill will receive its second reading on the next legislative day.

REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NO. 111-6

Mr. REID. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the following treaty transmitted to the Senate on June 29, 2010, by the President of the United States: Mutual Legal Assistance Treaty with Bermuda, Treaty Document No. 111-6. I further ask unanimous consent that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the Government of the United States of America and the Government of Bermuda relating to Mutual Legal Assistance in Criminal Matters, signed at Hamilton on January 12, 2009. I also transmit, for the information of the Senate, the report of the Department of State with respect to the Treaty.

The Treaty is one of a series of modern mutual legal assistance treaties being negotiated by the United States to more effectively counter criminal activities. The Treaty should enhance our ability to investigate and prosecute a wide variety of crimes.

The Treaty provides for a broad range of cooperation in criminal matters. Under the Treaty, the Parties agree to assist each other by, among other things: producing evidence (such as testimony, documents, or items) obtained voluntarily or, where necessary, by compulsion; arranging for persons, including persons in custody, to travel to the other country to provide evidence; serving documents; executing searches and seizures; locating and identifying persons or items; and freezing and forfeiting assets or property that may be the proceeds or instrumentalities of crime.

I recommend that the Senate give early and favorable consideration to the Treaty, and give its advice and consent to ratification.

BARACK OBAMA.

THE WHITE HOUSE, June 29, 2010.

APPOINTMENT

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, upon the recommendation of the Republican leader, pursuant to Public Law 105-292, as amended by Public Law 106-55, and as further amended by Public Law 107-228, appoints the following individual to the United States Commission on International Religious Freedom: Richard D. Land of Tennessee.

ORDER FOR MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that on Wednesday, June 30, after any leader time, there be a 2-hour period for the transaction of morning business, with Senators permitted to speak therein for up to 10 minutes each, and that during this period of time, Senators may offer tributes to the late Senator ROBERT C. BYRD.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PRINTING OF TRIBUTES

Mr. REID. Mr. President, I ask unanimous consent that tributes to ROBERT

C. BYRD, late a Senator from West Virginia, be printed as a Senate document, and that Members have until 12 noon, Friday, August 6, 2010, to submit said tributes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR WEDNESDAY, JUNE 30, 2010

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 9:30 a.m., Wednesday, June 30; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day; that following any leader remarks, the Senate proceed to a period of morning business for 2 hours with Senators permitted to speak for up to 10 minutes each; that following morning business, the Senate proceed to executive session, as provided for under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. REID. Mr. President, tomorrow, following 2 hours of morning business, the Senate will proceed to executive session to consider the nomination of David Petraeus. There will be up to 20 minutes of debate on the nomination. Senators should expect a vote around 12 noon tomorrow on the confirmation of General Petraeus.

Following the nomination, we will expect to resume consideration of the small business jobs bill. Additional rollcall votes are expected to occur throughout the afternoon in relation to amendments to the small business jobs bill and the unemployment insurance extension, if we are able to reach an agreement.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. REID. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that it adjourn under the previous order.

There being no objection, the Senate, at 8:01 p.m., adjourned until Wednesday, June 30, 2010, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate:

DEPARTMENT OF STATE

NORMAN L. EISEN, OF THE DISTRICT OF COLUMBIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE CZECH REPUBLIC.

SCOT ALAN MARCIEL, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF INDONESIA.

TERENCE PATRICK MCCULLEY, OF OREGON, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE FEDERAL REPUBLIC OF NIGERIA.

LARRY LEON PALMER, OF GEORGIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE BOLIVARIAN REPUBLIC OF VENEZUELA.

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE UNITED STATES MARINE CORPS WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. ROBERT E. SCHMIDLE, JR.

IN THE AIR FORCE

THE FOLLOWING NAMED INDIVIDUAL FOR APPOINTMENT TO THE GRADE INDICATED IN THE REGULAR AIR FORCE UNDER TITLE 10, U.S.C., SECTION 531(A):

To be major

ZENNON A. BOCHNAK

THE FOLLOWING NAMED AIR NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12212:

To be colonel

FREDRICK D. ALDRIDGE
KRAIG ANDREW ARTZ
REBECCA A. N. BAHM
MALINDA M. BEGGS
DANIEL F. BIGGS
WAYLON D. BLAKELEY
ERIC L. BRATU
ZANE E. BROWN
GERALD L. CHAMPLIN
JOHN J. CHIANESE
KEVIN DAVID CLOTFELTER
ANTHONY ASIS DEJESUS
COLLEEN ANTOINETTE DICKINSON
THOMAS W. DIXON
WILLIAM JOSEPH DORAN III
JOHN R. DOUGHERTY
FLOYD W. DUNSTAN
CRAIG E. DYE
KENNETH S. EAVES
EARL ALEXANDER EVANS
PAUL T. FITZGERALD
MARK R. FLEMMING
KENNETH CARL FOLGER
JOHN STOREY GALLAGHER
JAMES R. GALLOWAY
JUAN C. GARCIA DIAZ
ALYSON M. GIOIA
FREDERICK A. GLOAD
MICHAEL BRENDON GREIGER
ROHN H. HAMILTON
PAUL G. HAVEL
DAVID CARL HAWKINS
MURIEL L. HERMAN
DANA A. HESSHEIMER
GREGORY SCOTT HOLZHEI
JEFFREY G. HWANG
DAVID JAURIQUE
WILL LEON JOHNSON
JOHN F. KANE
MICHAEL R. KELLEY
CALVIN WILFRID KEMP
MICHAEL JON KITTO
RONALD WILLIAM KRUEGER
JOSEPH PETER MASLAR
MAREN MCAVOY
MICHAEL THOMAS MCGUIRE
JAMES L. MCKOANE III
MICHAEL C. MCMILLIN
GARY MARK MIDDLEBROOKS
DONALD CHARLES MOBY
PATRICK M. MORGAN
BRIAN P. PATTERSON
BRIAN J. REILLY
SHANE LEO SANDERS
MICHAEL W. SANDERSON
STANLEY K. SATO
TIMOTHY F. SCHUSTER
PAUL E. SHINGLEDECKER
KRISTINA LYNETTE SILBERSCHLAG
BRIAN N. SIVERTSON
CHARLES JOHN SMITH, JR.
AARON D. SMOLLER
TRACY DEWAYNE SPENCER
DAVID EUGENE SULLIVAN
KIMBERLY LYNN TERPENING
JEFFREY L. THETFORD
LEE ROY THOMPSON
MICHAEL J. TOKARZ
ERIC TURNER VAUGHN
HOWARD N. WAGNER
LINDSEY AVERELL WHITEHEAD
JOHN A. WILLIAMSON, JR.
TERENCE C. WINKLER
BRENT WRAY WRIGHT
SCOTT D. YACKLEY

IN THE ARMY

THE FOLLOWING NAMED INDIVIDUAL TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

EDWARD B. MCKEE

THE FOLLOWING NAMED INDIVIDUAL FOR REGULAR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY MEDICAL SERVICE CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

To be lieutenant colonel

JOHN D. VIA

THE FOLLOWING NAMED INDIVIDUAL FOR REGULAR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY NURSE CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

To be major

KYU LUND

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY UNDER TITLE 10, U.S.C., SECTION 624:

To be major

MATTHEW L. Y. OKUDA

THE FOLLOWING NAMED INDIVIDUAL FOR REGULAR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY MEDICAL SPECIALIST CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

To be major

ALEXANDER K. BRENNER

THE FOLLOWING NAMED INDIVIDUAL FOR REGULAR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY DENTAL CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

To be lieutenant colonel

RICHARD J. GRAY

THE FOLLOWING NAMED INDIVIDUALS FOR REGULAR APPOINTMENT TO THE GRADES INDICATED IN THE UNITED STATES ARMY MEDICAL CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

To be colonel

JOSEPH B. DORE

To be lieutenant colonel

LENA FRIEND
CHARLES B. GODFREY
PETER J. MCDONNELL

To be major

NICHOLAS JASZCZAK
DARIUSZ G. MYDLARZ
COURTNEY T. TRIPP

THE FOLLOWING NAMED OFFICERS FOR REGULAR APPOINTMENT IN THE GRADES INDICATED IN THE UNITED STATES ARMY UNDER TITLE 10, U.S.C., SECTION 531:

To be lieutenant colonel

EDWARD C. CAMACHO
PATRICK M. MIFSUD
DONALD E. PETERS

To be major

JONAS C. BRAUD
WILFREDO CORPS
ZACHARY W. COYAN
STEVEN J. GRIBSCHAW
ERIC D. KELLEY
CARLOS F. MENDEZRAMOS
MARK P. MICHEL
JESSICA V. MERRIAM
ERIC T. PHILLIPS
JON B. TIPTON

THE FOLLOWING NAMED INDIVIDUALS FOR REGULAR APPOINTMENT TO THE GRADES INDICATED IN THE UNITED STATES ARMY DENTAL CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

To be lieutenant colonel

DAVID GONZALEZ

To be major

PAMELA H. REYNOLDS

THE FOLLOWING NAMED INDIVIDUALS FOR REGULAR APPOINTMENT TO THE GRADES INDICATED IN THE UNITED STATES ARMY MEDICAL CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

To be colonel

GREGORY C. RISK

To be major

VICTOR Y. YU

THE FOLLOWING NAMED INDIVIDUALS FOR REGULAR APPOINTMENT TO THE GRADES INDICATED IN THE

UNITED STATES ARMY MEDICAL CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

To be lieutenant colonel

MARK M. JACKSON

To be major

SCOTT M. DAVIS
MATTHEW E. GOMEZ
AVINASH JADHAV

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant commander

PAUL J. JOYCE

THE FOLLOWING NAMED INDIVIDUAL FOR APPOINTMENT TO THE GRADE INDICATED IN THE REGULAR NAVY UNDER TITLE 10, U.S.C., SECTION 531:

To be captain

KERRY J. KRAUSE

THE FOLLOWING NAMED OFFICER FOR REGULAR APPOINTMENT IN THE GRADES INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant commander

MATTHEW D. BARKER

THE FOLLOWING NAMED INDIVIDUALS FOR REGULAR APPOINTMENT IN THE GRADES INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 531:

To be commander

CHRISTOPHER J. KLUGEWICZ

To be lieutenant commander

DWIGHT A. HOLLAND
DIEUTHU T. NGUYEN
BRIGHAM C. WILLIS

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

To be captain

EDGARDO MONTERO
BECKY J. WATSON

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

To be captain

DAVID B. RODRIGUEZ
BRADLEY J. THOM

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

To be captain

ROBERT C. BURTON
STEVEN K. KELLEY
TROY M. MCCLELLAND
SEAN P. MCDONELL
ROBERT A. OLIVER, JR.

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

To be captain

JERRY D. BINGHAM
HANH H. CHAU
MARK J. FAILOR
DAVID A. KLEINKE
MICHAEL E. KRIEGER
STEVEN J. MASSEE
GEORGE R. MCKEMEY
AMIN MOURAD

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

to be captain

RUBY O. ANDERSON
LAURIANN M. BROAD
JOANN W. FITZELL
MARIA M. HARBESON
DEBRA A. LOWE
JANICE D. MANARY
KAREN B. MORGAN
DIANNE M. OKONSKY
LYNN C. OMALLEY.

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

To be captain

JOHN R. CAPRA
ANTHONY Z. KALAMS
BRIAN C. LANSING
JOSEPH T. LIMJUCO

ROBERT P. MOREAN
DILLON L. ROSS

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

To be captain

PATRICIA A. FREDRICKSON
PHILBROOK S. MASON, JR.
MICHAEL L. REINEKE
JAMES M. SMITH

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

To be captain

FRANK M. GUPTON
BRADLEY H. HAJDIK
HENRY J. PIERPAN III
JAIME A. QUEJADA

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

To be captain

MICHAEL J. BATTAGLIA II
SHIU Y. L. BAXTER
HEATHER I. BLOMELEY
CHARLES A. BROWN
DAVID T. CARPENTER
CHARLES S. CHILDERS
G P. DABROWSKI
MICHAEL E. DORNEY
GERALD W. DRYDEN, JR.
MICHAEL A. MONTOPOLI
DAVID PALMER
JOSEPH E. SHERRILL II
JASON D. STONER
JAMES J. SULLIVAN, JR.
ROGER L. SUR
LESTER D. THOMPSON
KATHLEEN G. WILSON

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

ROBERTO J. ATHA, JR.
JEFFREY J. GUZIAK
RENE LAVERDE
SEAN M. MAXWELL
JAMES A. MCMULLIN III

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

THOMAS H. COTTON
LESLIE C. L. HULLRYDE
KATHLEEN S. KESLER
WILLIAM J. MARKS
TAMSEN A. REESE
GARY L. ROSS
WILLIAM H. SPEAKS
KEVIN R. STEPHENS

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

MARIANIE O. BALOLONG
ANNA C. BRYANT
MICHAEL J. COOPER
RACHAEL A. DEMPSEY
BRAD G. HARRIS
JIMMY D. HORNE, JR.
RICHARD A. KENNEDY, JR.
THOMAS A. MONEYSMAKER II
IVO J. PRKASKY
WILLIAM A. SWICK
JONATHAN J. VORRATH

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

to be commander

FRANKLIN W. BENNETT
PAUL L. CHOATE
JEFFREY J. CHOWN
KELLY T. COVEY
THOMAS M. DALL
BRIAN K. GENTON
ROBERT C. GUSTAFSON
ARTHUR E. HARVEY
DARREN T. JONES
ANTHONY S. KELLY
JACQUELINE M. LAPACEK
DEMICHAEAL T. MORGAN
ROBERT Y. PALMORE
CORY G. ROSENBERGER
EDWIN SANTANA

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

RICHARD M. ARCHER
 PETER A. ARROBIO
 LORY N. BATTAGLIA
 JAMES C. CHITKO
 ERIC M. GARDNER
 MICHAEL J. GILLIO
 LINDLEY W. GRUBBS
 SAMUEL Y. HANAKI
 MICHAEL K. KASLIK
 CHRISTINE D. MCMANUS
 SAMUEL J. MESSER
 JEFFREY L. MISHAK
 SEAN P. POLETE
 GABRIELA RODRIGUEZ
 LISA M. SULLIVAN
 NAGEL B. SULLIVAN

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT
 TO THE GRADE INDICATED IN THE UNITED STATES NAVY
 UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

WILLIAM ARIAS
 OLIVIA L. BETHEA
 DARIAN CALDWELL
 JOHN J. CALVERT, JR.
 GALO E. CHAVES
 BRENT E. COWER
 GROVER N. CRAFT, JR.
 ALPHONSO M. DOSS
 JOSE G. HERNANDEZ
 JOHN D. HUDSON
 ELENA P. INGRAM
 NATHAN J. KING
 STEVEN M. MILINKOVICH
 DARRELL L. NEELEY
 DAVID W. NIKODYM
 KATHERINE J. SCHULLIAN
 CHRISTIAN A. STOVER
 AARON J. WAGNER
 JAMES V. WALSH

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT
 TO THE GRADE INDICATED IN THE UNITED STATES NAVY
 UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

NICHOLAS E. ANDREWS
 JAMES S. BROWN
 THANONGDETH T. CHINYAVONG
 REGINA M. COX
 JOSE CRUZ, JR.
 KENNETH L. DEMICK, JR.
 JAMES E. ELLIS
 ROBERT C. FANNON
 GARY L. FUSELIER
 JAMES O. HAMMOND
 JOSEPH F. HERZIG
 TRACY L. HINES
 JASON S. JONES
 JOHN E. LARSON, JR.
 JOSEPH C. MCALEXANDER
 ERIC D. METOYER
 MARTIN J. SABEL
 MICHAEL H. SANDERS
 KEVIN H. WAGNER
 WILLIAM E. WREN, JR.

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT
 TO THE GRADE INDICATED IN THE UNITED STATES NAVY
 UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

JAMIE W. ACHEE
 CHRISTOPHER L. BOWEN
 STACY A. BOWMAN
 GREG A. BRAATEN
 DANIEL M. BROOKES
 COLIN W. CHINN
 HAROLD T. COLE
 JOHN R. DROTAR
 SHELLY V. FRANK
 BARRY L. JAMES, JR.
 JOSEPH P. LEPORATI
 RACHEL J. V. LIND
 JEFFREY S. MOORE
 OWEN M. SCHOOLSKEY
 JOSEPH D. SEARS
 VICTOR L. SPEARS III
 ROBERT J. SUH
 LUCIANA SUNG
 HENRY M. VEGTER
 DOUGLAS A. WHEATON
 WILLIAM L. WOOD
 HOLLY A. YUDISKY
 DARYK E. ZIRKLE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT
 TO THE GRADE INDICATED IN THE UNITED STATES NAVY
 UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

KEVIN L. ANDERSEN
 GREGORY L. BENTON
 SEAN I. FISCHER
 MICHAEL S. FOWLER
 THOMAS L. GIBBONS
 SCOTT A. GOBAR
 MAXINE GOODRIDGE
 RANDELL R. HARRIS

BERTRAM L. JENNINGS
 JIMMIE L. JONES
 GREGORY C. LUDWIG
 MICHAEL J. MCGINN, JR.
 EDUARDO E. MORALES
 DANIEL A. OLVERA
 STEPHEN J. PAYSEUR
 EDUARDO RAMIREZ
 VICTOR M. RIVERAS, JR.
 BRIAN K. ROTTNEK
 DAVID B. SHANER
 KEVIN L. SMITH
 RAYMOND C. SPEARS
 EDGAR S. TWINING II
 VINCENT U. WEBSTER
 MATT A. WELLS
 PAUL W. WILKES

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT
 TO THE GRADE INDICATED IN THE UNITED STATES NAVY
 UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

PATRICK L. BENNETT
 JOHN E. CAMPBELL, JR.
 PAUL D. CLIFFORD
 PATRICK A. CROLEY
 CHARLES W. EHNS
 MICHAEL S. ERICKSON
 DAVID W. GAST
 LESLIE E. GLOSBY
 JOHN B. HUGHES
 MARK E. JOHNSON
 DAVID S. KUHN
 JOSHUA J. LAFENNA
 PETER A. LASHOMB
 JEREMY T. LEGHORN
 TOBIAS J. LEMERANDE
 SETH A. MILLER
 WILLIAM L. PARTINGTON
 STEVEN J. PERCHALSKI
 JOSHUA S. PRICE
 ETHAN R. PROPER
 MICHAEL J. ROBISON
 JUAN C. RODARTE
 JOSEPH A. SAEGERT
 NATHAN A. SCHNEIDER
 WILLIAM A. SCHULTZ
 ROBERT D. SCOTT
 DJUENO S. SEARLES
 JOSEPH B. TORREZ
 RICARDO VIGIL
 DIANNA WOLFSON
 ERNEST C. WOODWARD, JR.
 TIMOTHY L. ZANE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT
 TO THE GRADE INDICATED IN THE UNITED STATES NAVY
 UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

BRIAN M. AKER
 JULIE M. ALFIERI
 LEAH AMERLINGBRAY
 RORY V. BERKE
 JAMES L. BOND
 ANTHONY V. BROCK
 KWAME O. COOKE
 SCOTT M. CORRIGAN
 CURTIS D. DEWITT
 JOSEPH P. DIEMER
 JOHN E. EAVES, JR.
 TRENT W. FINGERSON
 ROBERT T. FLICKINGER
 JAMES P. FORD
 MICHAEL N. GOAD
 RICHARD K. GOUGER
 STACY L. HANNA
 CHRISTOPHER M. HERRON
 KIMBERLY A. HIMMER
 CHRISTOPHER A. HOFFMAN
 JOSEPH M. KASPERSKI
 RAYMOND E. KENDALL
 RICHARD C. KING
 JEFFREY J. KRUPKA
 FRANCISCO J. MARTINEZ
 KEVIN J. MCHALE, JR.
 SUZANNE R. MEYER
 ERIC C. MOSTOLLER
 DENNIS S. OGRADY
 CHARLES ONEAL, JR.
 SWAPAN M. PATEL
 JAMES G. REESE, JR.
 ASHLEY C. ROSE
 THOMAS P. SCARRY
 KRISTOFER J. SCOTT
 MARCUS D. STARKS
 MICHELLE R. STONEKING
 TIMOTHY M. SULLIVAN
 HERBERT R. THOMPSON
 JONATHAN S. VANLARE
 JOSHUA B. WILSON
 BRETT A. WISE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT
 TO THE GRADE INDICATED IN THE UNITED STATES NAVY
 UNDER TITLE 10, U.S.C., SECTION 624:

to be commander

DAVID L. AAMODT
 PAUL V. ACQUAVELLA
 DEREK S. ADAMETZ

CHRISTOPHER W. ADAMS
 DOUGLAS J. ADKISSON
 JOHN E. AGER
 ALBERT A. ALARRCON
 ROBERT W. ALPIGINI, JR.
 LUIS ALVA
 ALEXANDER D. ANDERSON
 JEREMY T. ANDREW
 MATTHEW J. ANDREWS
 WAYNE W. ANDREWS III
 STEVEN W. ANTCLIFF
 CORY R. APPLEBEE
 LONNIE L. APPEGET
 DANIEL P. ARTHUR
 ROBERT S. ASHBURN
 GEORGE J. AUSTIN
 JAMES D. BAHR
 JASON W. BAILEY
 DAVID S. BAIRD
 GREGORY E. BAKER
 LINDSEY J. BAKER III
 NATHAN A. BALLOU
 PAUL V. BANDINI
 CRAIG D. BANGOR
 CHRISTOPHER M. BANKS
 MATTHEW A. BARKER
 LUKE A. BARRADELL
 JON A. BARTEE
 BRIAN L. BECK
 MICHAEL C. BECKETTE
 KENNETH R. BELKOFER, JR.
 BRIAN H. BENNETT
 RYAN J. BERNACCHI
 ROBERT A. BERNER
 JEFFREY R. BESSLER
 RICHARD A. BESTGEN
 ANTHONY J. BILOTTI
 MICHAEL A. BISBEE
 CARL M. BLAHNIK
 JOHN E. BLANKENSHIP
 KURT P. BOENISCH
 SHAWN A. BOHRER
 MATTHEW R. BOLAND
 CHAD A. BOLLMANN
 GEORGE C. BOROVINA
 PATRICK W. BOYCE
 JOHN J. BRABAZON
 MATTHEW BRADSHAW
 MICHAEL J. BRAND
 MICHAEL C. BRATLEY
 CHRIS T. BRINKAC
 GREGORY K. BROTHERTON
 LESTER A. BROWN, JR.
 RYAN J. BRYLA
 JOHN L. BUB
 MARK L. BUNN
 MICHAEL A. BURCHIK, JR.
 RICHARD G. BURGESS
 IAN P. BURGOON
 RODMAN D. BURLEY III
 JAMIE F. BURTS
 JOHN P. BUSER
 WILLIAM C. BUSHMAN, JR.
 STEPHANIE J. BUTLER
 ERIC M. BUUS
 DAVID W. BYRD
 JOHN E. CAGE
 JOHNNIE L. CALDWELL
 SHARIF H. CALFEE
 MARK J. CALLARI
 DARYLE D. CARDONE
 KEVIN L. CAREY
 ADAM T. CARLSTROM
 RICHARD W. CARNICKY
 GARY L. CAVE
 RYAN C. CECH
 JILL R. CESARI
 CLARK C. CHILDERS
 BRANDON CHRISTENSEN
 MARC R. CHRISTINO
 TODD F. CIMICATA
 FRANKIE J. CLARK
 PATRICK B. CLARK
 GABRIEL T. CLEMENS
 DWIGHT L. CLEMONS II
 JOSEPH M. COLE
 JOSEPH W. COLEMAN
 MATTHEW T. COLLINS
 JAMES J. CONATSER
 JOSEPH S. COOPER
 TODD P. COPELAND
 RICHARD G. COUTURE, JR.
 CLARKE F. CRAINE
 JAMES W. CRATE
 PAUL D. CRAWFORD
 PARIS E. CRENSHAW
 EDWARD M. GROSSMAN
 MATTHEW W. CUTTER
 JASON A. DARISH
 WESLEY S. DAUGHERTY
 COLIN P. DAY
 SAMUEL F. DECASTRO
 LARRY D. DELONG, JR.
 JEFFREY A. DERMODY
 GRAHAME A. DICKS
 BRIAN J. DIEBOLD
 CYNTHIA A. DIETERLY
 AARON W. DIMMOCK
 RICHARD L. DIVINEY
 THOMAS A. DONOVAN
 BRIAN P. DOWNEY
 MATTHEW J. DRAG

BRETT W. DRESDEN
 MATTHEW J. DUFFY
 RAYMOND N. DUMONT
 RYAN K. DUNN
 PETER J. EHLERS
 TERESA E. ELDERS
 JOEL A. ELLINGSON
 DAVID W. ERIKSEN
 KIMBERLY D. ERNST
 JESSE G. ESPE
 MARK T. EVANS
 RICHARD A. EVANS
 RUSSELL R. EVANS
 CHAD M. FALGOUT
 JEFFREY S. FARLIN
 DAVID K. FAUGHT
 JOHN J. FAY
 DAVID B. FIELDS
 LONNIE L. FIELDS
 CHRIS J. FINOCCHIO
 KURT E. FISCHL
 GREGORY W. FITZGEARLD
 BRIAN S. FITZPATRICK
 TIMOTHY S. FONTANA
 MICHAEL P. FOSTER
 WILLIAM D. FRASER
 JOHN P. FRIEDMAN
 TODD M. FRIEDMAN
 PAUL J. FRONTERA
 MARTIN B. FUERST
 STEPHEN C. FULLER
 PATRICK M. FUNK
 JOSEPH A. GAGLIANO
 ROBERT M. GALLAGHER, JR.
 WILMER B. GANGE
 THOMAS J. GARCIA
 JASON M. GARRETT
 DAVID E. GAUGLER
 RUSSELL M. GERALDI
 PATRICK M. GESCHKE
 MATTHEW G. GILLE
 RUSSELL W. GIRTY
 JOHN GIUSEPPE
 ALFRED J. GLORIA
 BENNET B. GOFF
 JAMES M. GONZALEZ
 NICHOLAS D. GOOD
 THOMAS J. GRADY
 JEREMY GRAY
 ANTHONY S. GRAYSON
 WILLIAM R. GREINER
 JULIE A. GRUNWELL
 MICHAEL A. GUSSENHOVEN
 JON R. GUSTAFSON
 JEFFREY L. HAAS
 PETER A. HAGGE
 ROBERT S. HALDEMAN
 LAWRENCE E. HALL
 PATRICK D. HANSEN
 RONALD R. HARDING, JR.
 JAMES W. HARNEY
 MATTHEW M. HARPER
 ANTHONY F. HARRELL
 MICHAEL J. HARRIS
 SCOTT B. HATTAWAY
 MARK C. HAZENBERG
 THOMAS B. HECK
 KHARY W. HEMBREE
 MICHAEL D. HIGGINS
 CHRISTOPHER F. HILL
 JESSE W. HILLIKER
 STEVEN E. HNATT
 PAUL A. HOCKRAN
 NEIL J. HOFFMAN
 ERICA L. HOFFMANN
 JEFFREY P. HOLZER
 JOHN W. HOUSE
 CHRISTOPHER J. HOVER
 FRASER P. HUDSON
 SHAWN W. HUEY
 DOUGLAS W. HUGGAN
 LIAM M. HULIN
 CHRISTOPHER N. HURST
 STEPHEN J. ILTERIS
 MICHAEL R. JARRETT, JR.
 NORMAN T. JOHNSON
 STEVEN A. JOHNSON
 THADDEUS M. JOHNSON
 SCOTT A. JONES
 JAMES J. JUSTER
 PRZEMYSLAW J. KACZYNSKI
 LUCAS P. KADAR
 STEPHEN C. KARPI
 JAMES F. KEATING
 ERIC S. KEISER
 AARON R. KELLEY
 ERIC S. KELLUM
 JOHN F. KELLY III
 JOSEPH KEMP
 JAMES P. KENNEDY IV
 JAMES R. KENNY
 SHAWN M. KERN
 HENRY S. KIM
 JONG M. KIM
 PETER S. KIM
 DERRICK W. KINGSLEY
 TIMOTHY F. KINSELLA, JR.
 DALE D. KLEIN
 RICHARD K. KOSLER

GADALA E. KRATZER
 JASON A. KRUEGER
 JOHN W. KURTZ
 DAVID P. LAMMERS
 ROBERT W. LANDIS
 MICHAEL C. LANGBEHN
 CHANDEN S. LANGHOFER
 JESSE A. LANKFORD
 CURTIS G. LARSON
 BRETT A. LASSEN
 GARY LAZZARO
 RICHARD LEBRON
 GREGORY J. LELAND
 RAYMOND C. LEUNG
 DARRELL S. LEWIS
 ANDREW G. LIGGETT
 GLENN A. LININGER
 ANTHONY C. LITTMANN
 DAVID LOO
 SEAN P. LOOFBOURROW
 RONALD B. LOTT, JR.
 CARLISLE F. LUSTENBERGER
 TRACY A. MAESTAS
 MICHAEL J. MAJEWSKI
 DAVID R. MARKLE
 ANTONIO MARTINEZ
 CHRISTOPHER E. MARTINEZ
 JOE V. MARTINEZ
 ERIC L. MASON
 JAMES D. MASON, JR.
 BRIAN M. MASTERSON
 NICOLE L. MAVERSHUE
 J. D. MCBRYDE
 CHRISTOPHER M. MCCALLUM
 ANTOINETTE M. MCCANN
 WILLIAM R. MCCOMBS
 LOUIS M. MCCRAY
 JAMES R. MCIVER
 BRYANT A. MEDEIROS
 CARLOS A. MEDINA
 JEFFREY A. MELODY
 PEDRO R. MERCADO, JR.
 MARK C. MHLEY
 ANDREW K. MICKLEY
 DYLAN MONTES
 DANIEL D. MOORE
 TODD D. MOORE
 EVAN L. MORRISON
 MICHAEL C. MOSBRUGER
 BRENDAN G. MURPHY
 CHRISTOPHER T. MURPHY
 JONATHAN R. MURPHY
 WILLIAM G. MUSSER
 THOMAS E. MYERS
 CHRISTOPHER J. NARDUCCI
 ERIK J. NEAL
 DEREK A. NELSON
 JEFFREY A. NESHEIM
 MARK C. NEWKIRK
 JOHN L. NGUYEN
 BRIAN J. NOWAK
 THEODORE J. NUNAMAKER
 ANTONIO OCHOA, JR.
 CHRISTINE R. OCONNELL
 FRANK E. OKATA
 BRIAN P. OLAVIN
 JASON W. ORENDER
 PAUL R. PAMPURO
 CHARLES G. PAQUIN
 JACK S. PARKER
 RICHARD A. PATE
 CRAIG C. PEARSON
 DAVID J. PEARSON
 MATTHEW S. PEDERSON
 BRYAN S. PEEPLES
 ANDREW M. PENCE
 DENNIS S. PENLAND
 WILLIAM C. PENNINGTON
 CHARLES L. PERRY
 ROBERT T. PETERSON
 GREGORY T. PETROVIC
 JOSEPH J. PEZZATO
 TAM N. PHAM
 KEVIN PICKARD, JR.
 ADAM S. PIEPKORN
 STEPHEN J. PLATT
 DAVIDTAVIS M. POLLARD
 ROBERT R. PORTER III
 MATTHEW T. POTTENBURGH
 RALPH F. POTTER
 RICHARD L. PRESTON
 SCOTT L. PROPST
 GLEN B. QUAST
 DIANE J. QUATTRONE
 KEITH RADONIS
 WILLIAM M. RANNEY
 NATESH A. RAO
 BRIAN P. REARDON
 JOHN D. REARDON
 MICHAEL A. REED
 DOUGLAS M. REINBOLD
 ROBERT H. REITZ
 SCOTT N. RICHARDSON
 WILLIAM C. RICHARDSON
 PETER J. RIEBE
 JEREMY Y. RIFAS
 KEVIN K. ROACH
 CHRISTOPHER A. ROBERTO
 BRYAN C. ROBERTS

CLAYTON A. ROBINSON
 JAMES T. ROBINSON
 EDWARD J. ROBLEDLO
 SEAN P. ROCHELBAU
 MIKAEL A. ROCKSTAD
 PETER G. RODGERS
 RONALD B. ROSS
 MICHAEL A. ROVENOLT
 ROBERT A. SALVIA
 THOMAS M. SANDOVAL
 CHARLES R. SARGEANT
 CHRISTOPHER J. SARTON
 MATTHEW I. SAVAGE
 GREGORY P. SAWTELL
 ZOAH SCHENEMAN
 JOHN A. SCHIAFFINO
 JAMES W. SCHMITT
 JONATHAN L. SCHMITZ
 PETER M. SCHNAPPAUF II
 HARRISON C. SCHRAMM
 BRIAN T. SCHRUM
 MATTHEW R. SCORNAVACCHI
 KURT M. SELLERBERG
 RICHARD E. SESSOMS, JR.
 THOMAS H. SHUGART III
 JOSEPH T. SHULER
 GLEN E. SIDARAS
 CHRISTOPHER S. SIMMONS
 STEPHEN E. SIMMS
 PETER M. SIWEK
 SCOTT M. SMALL
 CHRISTOPHER M. SMITH
 DANIEL A. SMITH
 JEFFREY S. SMITH
 MATTHEW W. SMITH
 MICHAEL A. SMITH
 RYAN C. SMITH
 DAVID T. SNEE
 KEVIN L. SNODE
 MICHAEL D. SNOWDEN
 JEFFREY L. SNYDER
 MARK D. SOHANEY
 CHARLES H. STAHL IV
 VERNON H. STANFIELD
 JASON C. STAPLETON
 MATTHEW J. STEENO
 BRADFORD T. STEVENS
 DANIEL C. STONE
 LINDA C. STONE
 KYLE G. STRUDTHOFF
 MICHAEL S. STUCKY
 SHANE SULLIVAN
 JEFFREY W. SUMMERS
 TORY J. SWANSON
 STEVEN R. SWEENEY
 BRIAN C. TADDIKEN
 CHRISTOPHER P. TALLON
 BRIAN J. TANAKA
 SAMUEL J. TANNER
 DONALD I. TENNEY
 DAVID C. TERRY
 RYAN T. TEWELL
 WILLIAM B. THAMES
 MICHAEL E. THOMAS
 ANDREW J. THOMSON
 MATTHEW J. THRASHER
 JAMES E. TIDWELL
 BRIAN K. TONER
 JOSEPH F. TORIAN, JR.
 BRENT K. TORNGA
 KENT W. TRANTER
 BRYANT P. TROST
 JOHN E. TURNER
 JOHN D. TUTWILER
 THOMAS A. ULMER
 STEPHEN A. URES
 RICKY M. URSERY
 PHILIP G. URSO
 TOBY S. VALKO
 BRIAN K. VANBRUNT
 JOHN F. VANJAARSVELD
 RANDY J. VANROSSUM
 JOHN W. VINYARD III
 DENNIS J. VOLPE
 DALE R. WAGGONER
 DAVID M. WALLACE
 ANTHONY W. WALLEY
 KEVIN J. WATKINS
 MICHAEL L. WEATHERFORD
 MATTHEW I. WEBER
 CHRISTOPHER K. WELLS
 SHANNON J. WELLS
 CHADWICK J. WHITE
 RICHARD W. WHITFIELD
 JAMES A. WIEST
 TIMOTHY B. WILKE
 DARREN B. WILKINS
 MARC K. WILLIAMS
 MARGARET C. WILSON
 ALAN R. WING
 HUGH E. WINKEL
 THOMAS R. WINKLER
 PATRICIA A. WITHERSPOON
 JASON L. WOOD
 COLLIN A. WYNTER
 JOHN M. YAKUBISIN
 THOMAS E. YARDLEY
 CHRISTOPHER M. YOUNG

HOUSE OF REPRESENTATIVES—Tuesday, June 29, 2010

The House met at 9:30 a.m. and was called to order by the Speaker pro tempore (Ms. EDWARDS of Maryland).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
June 29, 2010.

I hereby appoint the Honorable DONNA F. EDWARDS to act as Speaker pro tempore on this day.

NANCY PELOSI,
Speaker of the House of Representatives.

MORNING-HOUR DEBATE

The SPEAKER pro tempore. Pursuant to the order of the House of January 6, 2009, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning-hour debate.

The Chair will alternate recognition between the parties, with each party limited to 25 minutes and each Member, other than the majority and minority leaders and the minority whip, limited to 5 minutes, but in no event shall debate continue beyond 10:20 a.m.

WALL STREET REFORM

The SPEAKER pro tempore. The Chair recognizes the gentleman from Virginia (Mr. CONNOLLY) for 5 minutes.

Mr. CONNOLLY of Virginia. Madam Speaker, it would be unconscionable for this Congress to fail to enact legislative protections for the Nation's consumers after the worst economic collapse in 80 years. We must pass Wall Street reform when it comes before the House hopefully later this week.

We know what happened without adequate oversight. Under the Bush administration and previous Republican Congresses, the large financial institutions were granted free rein to undertake abusive, risky behavior, ultimately at great public expense. In the absence of well-enforced regulation, their reckless actions triggered the great recession, plunging millions of American families into economic chaos.

Starting in 2007 when the mortgage and credit crises hit, the recession accelerated in 2008 as the financial sector came perilously close to a complete collapse. Millions of Americans acutely felt that collapse through lost jobs, foreclosed homes, and the destruction

of their personal savings. Collectively, Americans lost \$17.5 trillion worth of aggregate household wealth during that recession: college funds, retirement accounts, 401(k)s, and emergency nest eggs like that.

In the midst of this economic carnage, many of the financial institutions that precipitated the collapse had the chutzpah to turn to those same American families and ask for a bailout. For example, AIG received \$170 billion through 2008's TARP bill and the Federal Reserve, despite having engaged in a number of risky actions that led to its own predicament. AIG's unbridled pursuit of profit became America's pain. We must not allow that to happen again.

I support the visionary Wall Street reform that protects consumers from the abuses and deceptive practices that led to this crisis. It will create a consumer financial protection bureau that will consolidate consumer protections currently spread out inefficiently and ineffectively over seven different Federal agencies. The bureau will ensure transparency in financial products and transactions, providing consumers with greater information and protections on mortgages, credit cards, and other financial products.

Unscrupulous mortgage lenders no longer will be able to hoodwink prospective home buyers into home loans that the home buyer cannot afford. Not only did that practice lead to individual homeowners suffering eventual foreclosures, but it drove down the equity in all homes as prices sunk and mortgage failures exacerbated the financial collapse.

I support Wall Street financial reform that properly regulates the risky aspects of the financial sector, finally bringing transparency to the shadowy world of derivatives. In 2006, the derivative markets bought and sold, and often repackaged, was worth \$668 trillion, that's with a T, an astonishingly high amount, and yet all traded virtually without oversight or regulation. The financial institutions that traded these derivatives did so in secret, and when the underlying assets failed, such as mortgage-backed securities, the financial sector was unprepared for the repercussions, and American families paid the price.

I support Wall Street reform that provides an orderly liquidation for financial institutions that fail at the institution's expense, not the taxpayers. That means never again will big banks receive taxpayer-funded bailouts. In

the event of failure, large financial institutions must be prepared for an orderly wind down that does not cause additional strain to the overall economy and does not require taxpayer assistance. This reform ensures that the firms prepare liquidation plans ahead of time in case they are ever needed, and most importantly, Wall Street reform clearly states that taxpayers will never again have to fund a failing firm's bailout or liquidation costs.

Madam Speaker, the Wall Street reform before us accomplishes the goals of protecting consumers, providing transparency to previously unregulated markets, and ending too-big-to-fail taxpayer-funded bailouts. It finally provides the financial protections for consumers and homeowners that have been lacking for far too long. Wall Street reform will help ensure that never again will American families be unprotected and left footing the bill for someone else's big mistake.

I strongly support Wall Street reform and encourage my colleagues to do so. Never again should private risk become public responsibility.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until 10:30 a.m. today.

Accordingly (at 9 o'clock and 35 minutes a.m.), the House stood in recess until 10:30 a.m.

□ 1030

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Ms. EDWARDS of Maryland) at 10 o'clock and 30 minutes a.m.

PRAYER

Reverend Dr. Paul Powell, First Baptist Church, Tyler, Texas, offered the following prayer:

Our Father in Heaven, we bow our heads and our hearts before You today to recognize You as the maker of Heaven and Earth, and the author of our liberty. We thank You for the freedom we enjoy today.

Grant that these we have chosen to lead us may have the courage and the conviction to preserve that which is good from the past and to lead us wisely into the future. And may they ever be worthy of the trust we and You have placed in them.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

We believe that righteousness exalts a nation, and so may justice and mercy and truth prevail throughout the land. Cause us always to look to You, to bow before You, and to humbly follow You is my prayer in Jesus' name. Amen.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate agreed to the following resolution:

S. RES. 572

In the Senate of the United States, June 28, 2010.

Whereas the Honorable Robert C. Byrd served the people of his beloved state of West Virginia for over 63 years, serving in the West Virginia House of Delegates, the West Virginia Senate, the United States House of Representatives, and the United States Senate;

Whereas the Honorable Robert C. Byrd is the only West Virginian to have served in both Houses of the West Virginia Legislature and in both Houses of the United States Congress;

Whereas the Honorable Robert C. Byrd has served for fifty-one years in the United States Senate and is the longest serving Senator in history, having been elected to nine full terms;

Whereas the Honorable Robert C. Byrd has cast more than 18,680 rollcall votes—more than any other Senator in American history;

Whereas the Honorable Robert C. Byrd has served in the Senate leadership as President pro tempore, Majority Leader, Majority Whip, Minority Leader, and Secretary of the Majority Conference;

Whereas the Honorable Robert C. Byrd has served on a Senate committee, the Committee on Appropriations, which he has chaired during five Congresses, longer than any other Senator;

Whereas the Honorable Robert C. Byrd is the first Senator to have authored a comprehensive history of the United States Senate;

Whereas the Honorable Robert C. Byrd has played an essential role in the development and enactment of an enormous body of national legislative initiatives and policy over many decades; and

Whereas his death has deprived his State and Nation of an outstanding lawmaker and public servant: Now, therefore, be it

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of the Honorable Robert C. Byrd, Senator from the State of West Virginia.

Resolved, That the Secretary of the Senate communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That when the Senate adjourns today, it stand adjourned as a further mark of respect to the memory of the deceased Senator.

The message also announced that the Senate has agreed to, with an amendment in which the concurrence of the House is requested, a concurrent resolution of the House of the following title:

H. Con. Res. 286. Concurrent resolution recognizing the 235th birthday of the United States Army.

The message also announced that the Senate has passed a bill of the fol-

lowing title in which the concurrence of the House is requested:

S. 3249. An act to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to reauthorize the predisaster hazard mitigation program and for other purposes.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House her approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. MELANCON. Madam Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MELANCON. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, this 15-minute vote on approval of the Journal will be followed by a 5-minute vote on suspending the rules and adopting House Resolution 1439.

The vote was taken by electronic device, and there were—yeas 219, nays 175, answered “present” 1, not voting 37, as follows:

[Roll No. 395]

YEAS—219

Ackerman
Andrews
Baca
Bachmann
Baird
Baldwin
Barrow
Bean
Becerra
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boucher
Boyd
Brady (PA)
Braley (IA)
Butterfield
Calvert
Capps
Capuano
Cardoza
Carnahan
Carson (IN)
Castle
Castor (FL)
Chaffetz
Chandler
Chu
Clarke
Clay
Cleaver
Clyburn
Conyers
Cooper
Costello
Courtney
Crowley
Cuellar
Cummings

Dahlkemper
Davis (AL)
Davis (CA)
Davis (IL)
Davis (TN)
DeFazio
DeGette
DeLauro
Dent
Deutch
Dicks
Dingell
Doggett
Doyle
Driehaus
Edwards (MD)
Edwards (TX)
Ellison
Eshoo
Etheridge
Farr
Fattah
Filner
Fortenberry
Foster
Frank (MA)
Fudge
Garamendi
Gonzalez
Goodlatte
Gordon (TN)
Graves (MO)
Grayson
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Halvorson
Hare
Harman
Harper

Hastings (FL)
Heinrich
Herseht Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Holden
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson Lee
(TX)
Johnson (GA)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick (MI)
Kind
Kissell
Klein (FL)
Kosmas
Kratovil
Kucinich
Larsen (CA)
Larson (CT)
LaTourette
Lee (CA)
Levin
Lewis (GA)
Loebach
Lofgren, Zoe
Lowey
Lujan
Lynch
Maloney

Markey (MA)
Marshall
Matheson
Matsui
McCarthy (NY)
McClintock
McCollum
McDermott
McGovern
McIntyre
McMahon
McNerney
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Murphy (CT)
Murphy, Patrick
Nadler (NY)
Napolitano
Neal (MA)
Obey
Oliver
Ortiz
Pallone
Pascarelli
Pastor (AZ)
Paulsen

Perlmutter
Pingree (ME)
Pollis (CO)
Pomeroy
Posey
Price (NC)
Quigley
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Rothman (NJ)
Roybal-Allard
Ruppersberger
Ryan (OH)
Salazar
Sanchez, Linda
T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schauer
Schiff
Schrader
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter

Sherman
Sires
Skelton
Slaughter
Smith (WA)
Snyder
Space
Speier
Spratt
Stark
Tanner
Teague
Thompson (MS)
Tierney
Titus
Tonko
Towns
Tsongas
Van Hollen
Velázquez
Visclosky
Walz
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Wilson (OH)
Yarmuth

NAYS—175

Aderholt
Adler (NJ)
Akin
Alexander
Altmire
Arcuri
Austria
Bachus
Barrett (SC)
Bartlett
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Bocchieri
Bonner
Bono Mack
Boozman
Boustany
Brady (TX)
Bright
Broun (GA)
Brown (SC)
Brown-Waite,
Ginny
Buchanan
Burgess
Buyer
Camp
Campbell
Cantor
Capito
Carney
Carter
Cassidy
Childers
Coble
Coffman (CO)
Cole
Conaway
Connolly (VA)
Crenshaw
Critz
Davis (KY)
Diaz-Balart, L.
Diaz-Balart, M.
Djou
Donnelly (IN)
Dreier
Duncan
Ehlers
Emerson
Flake
Fleming
Forbes
Fox
Franks (AZ)
Frelinghuysen

Gallegly
Garrett (NJ)
Gerlach
Gingrey (GA)
Granger
Graves (GA)
Guthrie
Hall (TX)
Hastings (WA)
Heller
Hensarling
Herger
Himes
Hunter
Inglis
Issa
Jenkins
Johnson, Sam
Jones
Jordan (OH)
Kilroy
King (IA)
King (NY)
Kingston
Kirkpatrick (AZ)
Kline (MN)
Lamborn
Lance
Latham
Latta
Lee (NY)
Lewis (CA)
Linder
LoBiondo
Lucas
Luetkemeyer
Lummis
Lungren, Daniel
E.
Mack
Manzullo
Marchant
Markey (CO)
McCarthy (CA)
McCaul
McCotter
McHenry
McKeon
McMorris
Rodgers
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Minnick
Mitchell
Moran (KS)
Murphy (NY)
Murphy, Tim
Myrick

Neugebauer
Nunes
Nye
Olson
Owens
Paul
Pence
Perriello
Peters
Peterson
Petri
Pitts
Platts
Price (GA)
Radanovich
Rehberg
Reichert
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rooney
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Scalise
Schmidt
Schock
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuler
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Stearns
Stupak
Sullivan
Terry
Thompson (CA)
Thompson (PA)
Thornberry
Tiberi
Turner
Upton
Walden
Westmoreland
Whitfield
Wilson (SC)
Wittman
Wolf
Wu
Young (FL)

ANSWERED "PRESENT"—1

Gohmert

NOT VOTING—37

Barton (TX)	Fallin	Oberstar
Berkley	Giffords	Payne
Boehner	Griffith	Poe (TX)
Boswell	Hodes	Putnam
Brown, Corrine	Hoekstra	Rush
Burton (IN)	Johnson (IL)	Sutton
Cao	Kagen	Taylor
Cohen	Kirk	Tiahrt
Costa	Langevin	Wamp
Culberson	Lipinski	Woolsey
Delahunt	Maffei	Young (AK)
Ellsworth	Moore (WI)	
Engel	Moran (VA)	

□ 1100

Messrs. ALTMIRE, SMITH of Texas, CONAWAY, and PETRI, and Ms. KILROY and Mrs. LUMMIS changed their vote from "yea" to "nay."

Mr. GRAVES of Missouri changed his vote from "nay" to "yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

Stated against:

Mr. TIAHRT. Madam Speaker, on rollcall No. 395 I was unavoidably detained. Had I been present, I would have voted "no."

MOMENT OF SILENCE IN REMEMBRANCE OF THE LATE HONORABLE ROBERT C. BYRD

(Mr. RAHALL asked and was given permission to address the House for 1 minute.)

Mr. RAHALL. Madam Speaker, as we all know, the country and our State of West Virginia has lost a true public servant. He was a dear friend to many of us. He was an individual who defended our Constitution and an individual who truly had the best interests of the American people in mind every day.

I would ask that the House take a moment of silent prayer on behalf of the late Honorable senior Senator from West Virginia, ROBERT C. BYRD.

The SPEAKER pro tempore. Members will rise and observe a moment of silence.

CONGRATULATING THE CHICAGO BLACKHAWKS

The SPEAKER pro tempore. Without objection, 5-minute voting will continue.

There was no objection.

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and agree to the resolution (H. Res. 1439) congratulating the Chicago Blackhawks on winning the 2010 Stanley Cup Championship, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from the District of Columbia (Ms. NORTON) that the House

suspend the rules and agree to the resolution.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 395, nays 5, answered "present" 1, not voting 31, as follows:

[Roll No. 396]

YEAS—395

Ackerman	Cuellar	Hoyer
Aderholt	Cummings	Hunter
Akin	Dahlkemper	Inglis
Alexander	Davis (AL)	Inslee
Altmire	Davis (CA)	Israel
Arcuri	Davis (IL)	Issa
Austria	Davis (KY)	Jackson (IL)
Baca	Davis (TN)	Jackson Lee
Bachmann	DeFazio	(TX)
Bachus	DeGette	Jenkins
Baird	DeLauro	Johnson (GA)
Baldwin	Dent	Johnson, E. B.
Barrett (SC)	Deutch	Johnson, Sam
Barrow	Diaz-Balart, L.	Jones
Bartlett	Diaz-Balart, M.	Jordan (OH)
Barton (TX)	Dicks	Kagen
Bean	Dingell	Kanjorski
Becerra	Djou	Kaptur
Berman	Doggett	Kennedy
Biggett	Donnelly (IN)	Kildee
Bilbray	Doyle	Kilpatrick (MI)
Bilirakis	Dreier	Kilroy
Bishop (GA)	Driehaus	Kind
Bishop (NY)	Duncan	King (IA)
Bishop (UT)	Edwards (MD)	King (NY)
Blackburn	Edwards (TX)	Kingston
Blumenauer	Ehlers	Kirkpatrick (AZ)
Blunt	Ellison	Kissell
Boccheri	Emerson	Klein (FL)
Bonner	Eshoo	Kline (MN)
Bono Mack	Etheridge	Kosmas
Boozman	Farr	Kratovil
Boren	Fattah	Kucinich
Boucher	Filner	Lamborn
Boustany	Flake	Lance
Boyd	Fleming	Langevin
Brady (PA)	Forbes	Larsen (WA)
Brady (TX)	Fortenberry	Larson (CT)
Braley (IA)	Foster	Latham
Bright	Fox	LaTourette
Broun (GA)	Frank (MA)	Latta
Brown (SC)	Franks (AZ)	Lee (CA)
Brown-Waite,	Frelinghuysen	Lee (NY)
Ginny	Fudge	Levin
Buchanan	Gallegly	Lewis (CA)
Burgess	Garamendi	Lewis (GA)
Butterfield	Garrett (NJ)	Linder
Buyer	Gerlach	LoBiondo
Calvert	Gohmert	Loeb
Camp	Gonzalez	Loftgren, Zoe
Campbell	Goodlatte	Lowe
Cantor	Gordon (TN)	Lucas
Capito	Granger	Luetkemeyer
Capps	Graves (GA)	Lujan
Capuano	Graves (MO)	Lummis
Cardoza	Grayson	Lunnen, Daniel
Carnahan	Green, Al	E.
Carney	Green, Gene	Lynch
Carson (IN)	Grijalva	Mack
Carter	Guthrie	Maffei
Cassidy	Gutierrez	Maloney
Castle	Hall (NY)	Manzullo
Castor (FL)	Hall (TX)	Marchant
Chandler	Halvorson	Markey (CO)
Childers	Hare	Markey (MA)
Chu	Harman	Marshall
Clarke	Harper	Matheson
Clay	Hastings (FL)	Matsui
Cleaver	Hastings (WA)	McCarthy (CA)
Clyburn	Heinrich	McCarthy (NY)
Coble	Heller	McCaul
Coffman (CO)	Hensarling	McClintock
Cole	Herger	McCormack
Conaway	Herseth Sandlin	McCotter
Connolly (VA)	Higgins	McDermott
Conyers	Hill	McGovern
Cooper	Himes	McHenry
Costa	Hinche	McIntyre
Costello	Hinojosa	McKeon
Courtney	Hirono	McMahon
Crenshaw	Holden	McMorris
Critz	Holt	Rodgers
Crowley	Honda	McNerney

Meek (FL)	Rahall	Smith (NJ)
Meeks (NY)	Rangel	Smith (TX)
Melancon	Rehberg	Smith (WA)
Mica	Reichert	Snyder
Michaud	Reyes	Space
Miller (FL)	Richardson	Speier
Miller (MI)	Rodriguez	Spratt
Miller (NC)	Roe (TN)	Stark
Miller, Gary	Rogers (AL)	Stearns
Miller, George	Rogers (KY)	Stupak
Minnick	Rogers (MI)	Sullivan
Mitchell	Rohrabacher	Sutton
Mollohan	Ros-Lehtinen	Tanner
Moore (KS)	Roskam	Teague
Moran (KS)	Ross	Terry
Murphy (CT)	Rothman (NJ)	Thompson (CA)
Murphy (NY)	Roybal-Allard	Thompson (MS)
Murphy, Patrick	Royce	Thompson (PA)
Murphy, Tim	Ruppersberger	Thornberry
Myrick	Ryan (OH)	Tiahrt
Nadler (NY)	Ryan (WI)	Tiberi
Napolitano	Salazar	Tierney
Neal (MA)	Sanchez, Linda	Titus
Neugebauer	T.	Tonko
Nunes	Sanchez, Loretta	Towns
Obey	Sarbanes	Tsongas
Olson	Scalise	Turner
Ortiz	Schakowsky	Upton
Owens	Schauer	Van Hollen
Pallone	Schiff	Velázquez
Pascarella	Schmidt	Visclosky
Pastor (AZ)	Schock	Walden
Paul	Schrader	Walz
Paulsen	Schwartz	Wasserman
Pence	Scott (GA)	Weiner
Perlmutter	Scott (VA)	Welch
Perriello	Sensenbrenner	Westmoreland
Peters	Serrano	Whitfield
Peterson	Sessions	Wilson (OH)
Petri	Sestak	Wilson (SC)
Pingree (ME)	Shadegg	Wittman
Pitts	Shea-Porter	Wolf
Platts	Sherman	Wu
Poe (TX)	Shimkus	Yarmuth
Polis (CO)	Shuler	Young (FL)
Pomeroy	Shuster	
Posey	Simpson	
Price (GA)	Sires	
Price (NC)	Skelton	
Quigley	Slaughter	
Radanovich	Smith (NE)	

NAYS—5

Adler (NJ)	Berry	Rooney
Andrews	Nye	

ANSWERED "PRESENT"—1

Chaffetz

NOT VOTING—31

Berkley	Fallin	Oberstar
Boehner	Giffords	Olver
Boswell	Gingrey (GA)	Payne
Brown, Corrine	Griffith	Putnam
Burton (IN)	Hodes	Rush
Cao	Hoekstra	Taylor
Cohen	Johnson (IL)	Wamp
Culberson	Kirk	Woolsey
Delahunt	Lipinski	Young (AK)
Ellsworth	Moore (WI)	
Engel	Moran (VA)	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Two minutes remain in this vote.

□ 1110

So (two-thirds being in the affirmative) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MOTION TO ADJOURN

Mr. BROUN of Georgia. Madam Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore. The question is on the motion to adjourn.

The question was taken; and the Speaker pro tempore announced that the yeas appeared to have it.

Mr. BROUN of Georgia. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 23, nays 379, not voting 30, as follows:

[Roll No. 397]

YEAS—23

Bartlett	Gohmert	Miller, George
Bishop (UT)	Graves (GA)	Olson
Broun (GA)	Heller	Paul
Chaffetz	Hunter	Posey
Flake	Johnson, Sam	Price (GA)
Foxx	King (IA)	Sanchez, Loretta
Garrett (NJ)	Lummis	Tiahrt
Gingrey (GA)	Maffei	

NAYS—379

Ackerman	Clarke	Grayson
Aderholt	Clay	Green, Al
Adler (NJ)	Clyburn	Green, Gene
Akin	Coble	Grijalva
Alexander	Coffman (CO)	Guthrie
Altmire	Cole	Gutierrez
Andrews	Conaway	Hall (NY)
Arcuri	Connolly (VA)	Hall (TX)
Austria	Conyers	Halvorson
Baca	Cooper	Hare
Bachmann	Costa	Harman
Bachus	Costello	Harper
Baird	Courtney	Hastings (FL)
Baldwin	Crenshaw	Hastings (WA)
Barrett (SC)	Critz	Heinrich
Barrow	Crowley	Hensarling
Barton (TX)	Cuellar	Herger
Bean	Culberson	Herseth Sandlin
Becerra	Cummings	Higgins
Berman	Dahlkemper	Hill
Berry	Davis (AL)	Himes
Biggart	Davis (CA)	Hinche
Bilbray	Davis (IL)	Hinojosa
Bilirakis	Davis (KY)	Hirono
Bishop (GA)	Davis (TN)	Holden
Bishop (NY)	DeFazio	Holt
Blackburn	DeGette	Honda
Blumenauer	DeLauro	Hoyer
Blunt	Dent	Inglis
Bocciari	Deutch	Inslee
Boehner	Diaz-Balart, L.	Israel
Bonner	Diaz-Balart, M.	Issa
Bono Mack	Dicks	Jackson (IL)
Boozman	Dingell	Jackson Lee
Boren	Djou	(TX)
Boucher	Doggett	Jenkins
Boustany	Donnelly (IN)	Johnson (GA)
Boyd	Doyle	Johnson, E. B.
Brady (PA)	Dreier	Jones
Brady (TX)	Driehaus	Jordan (OH)
Braley (IA)	Duncan	Kagen
Bright	Edwards (MD)	Kanjorski
Brown (SC)	Edwards (TX)	Kaptur
Brown-Waite,	Ehlers	Kennedy
Ginny	Ellison	Kildee
Buchanan	Emerson	Kilpatrick (MI)
Burgess	Eshoo	Kilroy
Butterfield	Etheridge	Kind
Buyer	Farr	King (NY)
Calvert	Fattah	Kingston
Camp	Filner	Kirkpatrick (AZ)
Campbell	Fleming	Kissell
Cantor	Forbes	Klein (FL)
Capito	Fortenberry	Kline (MN)
Capps	Foster	Kosmas
Capuano	Frank (MA)	Kratovil
Cardoza	Franks (AZ)	Kucinich
Carnahan	Frelinghuysen	Lamborn
Carney	Fudge	Lance
Carson (IN)	Gallegly	Langevin
Carter	Garamendi	Larsen (WA)
Cassidy	Gerlach	Larson (CT)
Castle	Gonzalez	Latham
Castor (FL)	Goodlatte	LaTourette
Chandler	Gordon (TN)	Latta
Childers	Granger	Lee (CA)
Chu	Graves (MO)	Lee (NY)

Levin	Nye	Sestak
Lewis (CA)	Obey	Shadegg
Lewis (GA)	Oliver	Shea-Porter
Linder	Ortiz	Sherman
LoBiondo	Owens	Shimkus
Loeb sack	Pallone	Shuler
Lofgren, Zoe	Pascarell	Shuster
Lowe	Pastor (AZ)	Simpson
Lucas	Paulsen	Sires
Luetkemeyer	Pence	Skelton
Lujan	Perlmutter	Slaughter
Lungren, Daniel	Perriello	Smith (NE)
E.	Peters	Smith (NJ)
Lynch	Peterson	Smith (WA)
Mack	Petri	Snyder
Maloney	Pingree (ME)	Space
Manzullo	Pitts	Speier
Marchant	Platts	Spratt
Markey (CO)	Poe (TX)	Stark
Markey (MA)	Polis (CO)	Stearns
Marshall	Pomeroy	Stupak
Matheson	Price (NC)	Sullivan
Matsui	Quigley	Sutton
McCarthy (CA)	Radanovich	Tanner
McCarthy (NY)	Rahall	Teague
McCaul	Rehberg	Terry
McClintock	Reichert	Thompson (CA)
McCollum	Reyes	Thompson (MS)
McCotter	Richardson	Thompson (PA)
McDermott	Rodriguez	Thornberry
McGovern	Roe (TN)	Tiberi
McHenry	Rogers (AL)	Tierney
McIntyre	Rogers (KY)	Titus
McKeon	Rogers (MI)	Tonko
McMahon	Rohrabacher	Towns
McMorris	Rooney	Tsongas
Rodgers	Ros-Lehtinen	Turner
McNerney	Roskam	Upton
Meek (FL)	Ross	Van Hollen
Meeks (NY)	Rothman (NJ)	Velázquez
Melancon	Roybal-Allard	Visclosky
Mica	Royce	Walden
Michaud	Ruppersberger	Walz
Miller (FL)	Ryan (OH)	Wasserman
Miller (MI)	Ryan (WI)	Schultz
Miller (NC)	Salazar	T.
Miller, Gary	Sánchez, Linda	Sarbanes
Minnick		Scalise
Mitchell		Schakowsky
Mollohan		Schauer
Moore (KS)		Schiff
Moran (KS)		Schmidt
Murphy (CT)		Schock
Murphy (NY)		Schrader
Murphy, Patrick		Schwartz
Murphy, Tim		Scott (GA)
Myrick		Scott (VA)
Nadler (NY)		Sensenbrenner
Napolitano		Serrano
Neal (MA)		Sessions
Neugebauer		Fallin
Nunes		Giffords

NOT VOTING—30

Berkley	Fallin	Oberstar
Boswell	Giffords	Payne
Brown, Corrine	Griffith	Putnam
Burton (IN)	Hodes	Rangel
Cao	Hoekstra	Rush
Cleaver	Johnson (IL)	Smith (TX)
Cohen	Kirk	Taylor
Delahunt	Lipinski	Wamp
Ellsworth	Moore (WI)	Woolsey
Engel	Moran (VA)	Young (AK)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining.

□ 1128

So the motion to adjourn was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. JOHNSON of Illinois. Madam Speaker, unfortunately this morning, Tuesday, June 29th, I was unable to cast my votes on Approving the Journal, H. Res. 1439, and on the

Motion to Adjourn and wish the RECORD to reflect my intentions had I been able to vote. Last night I was conducting a town hall meeting at the Philo City Hall in Philo, Illinois and was unable to catch an airplane that would get me to Washington, DC in time for the 10:30 a.m. votes.

Had I been present on rollcall No. 395 on Approving the Journal, I would have voted "aye."

Had I been present on rollcall No. 396 on suspending the rules and passing H. Res. 1439, Congratulating the Chicago Blackhawks on winning the 2010 Stanley Cup Championship, I would have voted "aye."

Had I been present of rollcall No. 397 on the Motion to Adjourn, I would have voted "aye."

PERSONAL EXPLANATION

Mr. BOSWELL. Madam Speaker, I regret missing morning votes in the House on June 29th due to a flight cancellation. Had I been present, I would have voted "aye" on rollcall votes 395 and 396 and "nay" on rollcall vote 397.

PERSONAL EXPLANATION

Ms. GIFFORDS. Madam Speaker, today I was absent and missed rollcall votes 395, 396, and 397.

Had I been present, I would have voted "aye" on rollcall 395, "aye" on rollcall 396, and "nay" on 397.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON) come forward and lead the House in the Pledge of Allegiance.

Ms. EDDIE BERNICE JOHNSON of Texas led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

WELCOMING THE REVEREND DR. PAUL W. POWELL

The SPEAKER pro tempore. Without objection, the gentleman from Texas (Mr. GOHMERT) is recognized for 1 minute.

There was no objection.

Mr. GOHMERT. Madam Speaker, our guest chaplain today has been Reverend Dr. Paul W. Powell. He is retired dean of Baylor University's Truett Theological Seminary and is a distinguished graduate of both Baylor and Southwestern Baptist Theological Seminary. He has also been the president of the Southern Baptist Annuity Board and Baptist General Convention of Texas, along with a vast array of offices with many charitable institutions too numerous to mention.

He is an author of 36 books and has been pastor of churches all over Texas

and spanned two decades as pastor of Green Acres Baptist Church in Tyler, Texas, leading our church from about 700 members to over 7,000, where it fed and clothed the poor through founding the Good Samaritan Outreach Center and People Attempting to Help. Under his direction, our church began Hispanic church ministries, a Korean church ministry, dental and medical outreach ministries, as well as churches in Mexico, Belize, and many other places. Green Acres became the largest single donor to missions in the entire Southern Baptist Convention.

He and his wife, Cathy, have three children: Kent, Mike, and Lori; and three grandchildren: Jordan, Katie, and Matthew.

He is now the interim pastor of First Baptist Church in Tyler. He brings wisdom, accountability, growth, life, and light wherever he serves and truly has a heart after God's own. Seeking always to serve, he has been pastor, dean, president, chairman, director, officer, trustee of so many entities, but of most importance to me, he has been a friend, mentor, confidant, encourager, and inspiration.

May God bless Paul Powell and his family.

□ 1130

JOBS AND THE ECONOMY

(Ms. EDDIE BERNICE JOHNSON of Texas asked and was given permission to address the House for 1 minute.)

Ms. EDDIE BERNICE JOHNSON of Texas. Madam Speaker, we continue to see a growing sign of economic recovery resulting from the economic policies of the Democratic Congress and the Obama administration responding to the Bush recession and the worst financial crisis since the Great Depression. More must be done to create jobs and save jobs, but the latest signs of recovery include: Industrial production has increased a cumulative 8.1 percent during the last 11 months, the largest 11-month gain since 1997.

Total industrial production rose 1.2 percent in May. The increase, slightly above market expectations, was led by a strong .9 percent growth in manufacturing output. Industrial production has grown at a rate of 7.4 percent annually for this past quarter, on the heels of 7.6 percent annualized growth in the first quarter.

Madam Speaker, we are on our way in the right direction.

ADOPTION OF THE BUDGET

(Ms. FOXX asked and was given permission to address the House for 1 minute.)

Ms. FOXX. Madam Speaker, when I'm home in the Fifth District of North Carolina, folks tell me they're concerned about the debt, the deficit, and job loss.

What's the reaction of those in charge of Congress?

Well, they canceled the adoption of the budget. House Democrats have failed in their responsibility to lead by not proposing or passing a 2011 budget resolution. The House has never failed to pass an annual budget resolution since the current budget rules were put in place in 1974.

In 2006, then House Whip, STENY HOYER, now House majority leader, said the most basic responsibility of governing is enacting a budget. Where's that responsibility now?

They plan a deeming resolution later in the week. That is not a substitute for a budget.

Democrat jobs bills have failed to create jobs. Democrats continue to spend at a near record pace. Through the first 8 months of the current fiscal year, the Federal Government amassed \$935 billion in deficit spending on track to an annual deficit approaching last year's record \$1.4 trillion.

PUTTING PEOPLE BACK TO WORK

(Ms. KILPATRICK of Michigan asked and was given permission to address the House for 1 minute.)

Ms. KILPATRICK of Michigan. Madam Speaker, I rise to talk about the emergency that our country is in. Over 15 million Americans are unemployed, unemployed presently and unemployed in the last three years. Many more are long-term unemployed. We need an emergency bill that will put people back to work.

In the 1970s and 1980s, President Reagan, President Carter started what was called the Comprehensive Employment Training Act, or CETA, put \$50 million in it, and hired 20 million Americans across the country. We need such a jobs bill today.

This Congress has done some things. The President has worked with us, and we've passed legislation and bills that helped small businesses to hire and to get tax incentives. But what America needs is to address the emergency now.

Home sales are down. Foreclosures are up. Americans want to work. It's our responsibility that we help them do so.

Today, let's pass a real jobs bill similar to the CETA Comprehensive Employment Training Act.

Is it an emergency? Yes, it is. Should it be offset? Are the American people an emergency? I believe that they are.

USC COLLEGE WORLD SERIES

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Madam Speaker, congratulations to the University of South Carolina's baseball team for a spectacular show-

ing in the College World Series at Omaha, Nebraska.

The journey to this point hasn't been the easiest for the Gamecocks. The team overcame an opening loss and then won four consecutive games for the finals. Gamecocks proved persistent. The USA Today headline says "South Carolina in command after Game 1 victory."

I'm very proud of the way these student athletes are representing the University of South Carolina on the national stage. Whit Merrifield, first cousin of congressional staffer Melissa Hite of Irmo, withstood a hard collision in South Carolina's victory on Saturday and stayed in the game, ultimately bumping his average to .300 in the College World Series.

And talk about stats. Lead-off hitter Evan Marzilli has an impressive .378 batting average, to always start things off right. Second District resident Blake Cooper last night was MVP, with an outstanding defeat over UCLA in championship game one.

Congratulations to USC Coach Ray Tanner for his leadership and determination.

HONORING WEST MESA HIGH SCHOOL IN ALBUQUERQUE, NEW MEXICO

(Mr. HEINRICH asked and was given permission to address the House for 1 minute.)

Mr. HEINRICH. Madam Speaker, I rise today in honor of West Mesa High School in Albuquerque, New Mexico, which was recently selected as one of America's best high schools by Newsweek magazine.

Since 1966, West Mesa High School has been the heart of Albuquerque's west side. Recently the school was a great partner when they hosted one of my job fairs, as well as my service academy nomination information night.

Last year the school had an outstanding 75 percent of its students enrolled in at least one advanced placement course, the kind of rigorous classes that push students to achieve their potential and lead our Nation in the 21st century.

The late educator, Jaime Escalante, associated with the film "Stand and Deliver," told his students, You do not enter the future; you create the future.

I want to thank the West Mesa Mustangs for pushing themselves and for creating a bright future for themselves and for our community. Again, congratulations on this well-deserved recognition.

HEALTHCARE AT THREE MONTHS

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Madam Speaker, you may remember that the American people were told that Congress had to pass the health care bill so they could find out what was in it.

After 3 months, the American people have found out what was in the new law, and they still don't like it. The latest Rasmussen poll from just this week shows that 55 percent oppose the law. And they have good reasons to be upset.

New HHS rules published just a few weeks ago will mean that many companies and individuals will be forced to change to plans that meet the government's new standards. So much for "if you like your plan you can keep it," as the President said.

For seniors, CBO reports that half of all Medicare Advantage plans will end in the coming years. Seniors who were receiving vision and dental coverage on these plans will now be forced to buy costly supplemental coverage. The more layers we peel away, the less there is to like about ObamaCare.

JOBS AND THE ECONOMY

(Mr. CARDOZA asked and was given permission to address the House for 1 minute.)

Mr. CARDOZA. Congressional Republicans threaten to take us back to the failed policies that created the economic crisis, siding with special interests, i.e., the Wall Street investment banks. These economic and fiscal policies created the Bush recession, the worst financial crisis since the Great Depression, with job losses of nearly 800,000 a month and nearly doubling our national debt.

Democrats in Congress will continue to take America in a new direction, creating good American jobs, lowering taxes for the middle class and for small business, and building a strong new foundation for the economy and for Main Street instead of Wall Street.

□ 1140

CONGRATULATING NEW JOURNEYS TRANSITIONAL HOME

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. I would like to recognize an outstanding south Florida organization, New Journeys Transitional Home. This home is committed to decreasing the rate of homelessness among young women in south Florida. It provides an immediate, safe, affordable, and nurturing housing environment that promotes independence and self-sufficiency.

New Journeys Transitional Home serves those who have a desire to achieve educational and employment goals, as well as those with a motiva-

tion to progress through the program. This wonderful organization provides young women with workshops to help strengthen their educational and employment goals, their interviewing skills, and improve their self-esteem.

Due to its generosity and dedication, New Journeys Transitional Home has helped so many young women in my community in south Florida. I would like to commend all the individuals involved in the organization. Through their service and support, they help our community and they help so many young women in our Nation.

Thank you for your devotion; thank you for your commitment to improving the lives of south Floridians in need.

PASS THE HOME STAR ENERGY RETROFIT BILL

(Mr. WELCH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WELCH. Madam Speaker, America needs jobs. The unemployment is too high, and there are concrete things that we can do to create jobs. One is to pass the Home Star Energy Retrofit bill into law. The Senate has to act. The House passed it on a bipartisan basis last year.

It's a partnership between homeowners, the private sector, and government. It will create 170,000 jobs where we need them the most: in manufacturing; in retail, by getting customers to the local hardware stores; and in construction, by putting out-of-work home builders to work retrofitting homes.

This is a triple play. It will allow us to save \$10 billion in energy bills, it will put 170,000 out of work folks to work, and it will help homeowners save on their energy bills.

MCDONALD V. CITY OF CHICAGO

(Mr. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Nebraska. Madam Speaker, yesterday the United States Supreme Court upheld a Federal appeals court ruling overturning a law prohibiting private citizens from possessing handguns in the City of Chicago. This is a momentous decision, and I commend the justices for protecting our right to gun ownership.

The Second Amendment guarantees an individual's right to keep and bear arms. However, for too long this right has been denied to some Americans simply because of where they reside. This 5-4 decision was the right one, though the close margin underscores the necessity to remain vigilant to future attempts to curtail our right to bear arms.

Residents across this country should be able to exercise their constitutional

rights to protect themselves and their families. I am committed to protecting the constitutional rights of all law-abiding, freedom-loving Americans, and I invite my colleagues to join me.

PUT FORWARD CONSTRUCTIVE IDEAS

(Mr. BUTTERFIELD asked and was given permission to address the House for 1 minute.)

Mr. BUTTERFIELD. Madam Speaker, as we work to resolve our Nation's fiscal crisis, we must have bipartisan cooperation to best find ways to balance economic recovery and job creation with long-term deficit reduction. Americans clearly understand the danger of debt and the need for a serious long-term plan. What they don't understand is sound bites and political rhetoric.

And so to my Republican colleagues, as you come to the well today, put your ideas on the table. It doesn't help to demagogue this issue. The fact is, and it remains, President Obama inherited a \$11 trillion debt on day one, and we are trying to recover. The American people need your constructive ideas.

FAILURE TO PASS A BUDGET

(Mr. HERGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HERGER. Madam Speaker, for the first time since 1974, the House has failed to pass a budget resolution. Instead of making tough decisions, congressional Democrats have chosen to keep their heads in the sand. A problem won't go away just by ignoring it. It will require real leadership and a commitment to fiscal discipline to tackle the out-of-control spending and debt that threatens our economic prosperity. Failure to even propose a budget fundamentally means that congressional Democrats have no plan and are content to ignore our skyrocketing debt.

Madam Speaker, the American people know it's a failure of leadership to ignore the massive tax increases and the crushing burden of debt Washington is leaving our children and grandchildren.

HONORING RUBY BATTS ARCHIE

(Mr. PERRIELLO asked and was given permission to address the House for 1 minute.)

Mr. PERRIELLO. Madam Speaker, on Saturday, southern Virginia lost a legend, a lion, and a beloved leader. Ruby Batts Archie, at the age of 76, passed away. She had been an educator in our community for 37 years. She had been the mayor of Danville from 1998 to 2000, and served on the city council for

16 years. She was just a few days from finally retiring from the council to spend more time with her grandchildren.

She was a tireless educator; she was a fearless leader. She always put the interests of the people in her community ahead, being willing to work with people from all parties, my predecessor, Mr. Goode, myself, people in the city, people in the county. For her, this was a matter of faith; it was a matter of fairness. She will be deeply missed.

We pray for her, for her family, and for all of those who served with her. It was an honor to have a chance to work with her to make Danville and southern Virginia a better place. And we look forward to what Mayor Sherman Saunders has called her everlasting legacy.

CHRISTIANS ARRESTED FOR PASSING OUT BIBLES IN AMERICA

(Mr. POE of Texas asked and was given permission to address the House for 1 minute.)

Mr. POE of Texas. Madam Speaker, four Christian missionaries were recently arrested for disorderly conduct. What was their behavior that got them arrested? These four Christians were peacefully handing out the Gospel of John outside an Arab cultural festival.

Now, the festival was not a private or even a Muslim event. It was an Arab festival, free and open to the public. A video shows the Christian group, that included a former Muslim, outside, about a block away from that event. They were standing quietly on the corner handing out Bibles, when they were arrested by no less than eight police officers.

Now, under sharia law it is forbidden to preach Christianity to a Muslim. But, Madam Speaker, these discriminatory arrests against Christians did not occur in a Muslim country; they occurred in Dearborn, Michigan.

The First Amendment of our Constitution safeguards freedom of speech and freedom of religious expression even for Christians. Maybe the police in Dearborn, Michigan, haven't read the Constitution. These arrests are shameful, whether the police in Dearborn, Michigan, like it or not.

And that's just the way it is.

SUPPORT FOR WALL STREET REFORM

(Mrs. CAPPS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. CAPPS. Madam Speaker, I rise today in strong support of Wall Street reform. After months of diligent work, the House and Senate will finally vote this week to enact Wall Street reform. This is a historic achievement. The bill is not perfect, but it's a major step for-

ward. Wall Street's unchecked greed and recklessness nearly destroyed our economy. Wall Street reform will repair our financial system and prevent another collapse.

When the House last voted on this bill, Democrats voted "yes," while Republicans all voted "no." Democrats voted to protect Main Street consumers from deceptive mortgages and predatory credit cards. Republicans voted "no." Democrats voted to shine a bright light of transparency and accountability on the shady dealings of Wall Street, but Republicans voted "no." And Democrats voted to never again use taxpayer dollars to bail out reckless, too-big-to-fail financial firms like AIG. Republicans voted "no."

It's time to show where you stand: with Main Street or with Wall Street.

I urge my Republican colleagues to finally vote "yes." Support Main Street instead of Wall Street.

FOLLOW THE TEXT OF THE CONSTITUTION

(Mr. DANIEL E. LUNGREN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANIEL E. LUNGREN of California. Madam Speaker, this week the United States Supreme Court actually decided a constitutional question of extreme importance, and it had to deal with the right of individuals to keep and bear arms. The interesting thing was they reached this conclusion by looking at the text of the Constitution, the words of the Second Amendment. What a shame we didn't do that last week when we were dealing with the DISCLOSE Act, where we essentially eviscerated the First Amendment, the First Amendment protection for political speech.

Instead of saying that it exists for all and that we should protect it for all, we decided that some are more equal than others. We auctioned off parts of the First Amendment last week. Let us hope that the Senate will not repeat that mistake, and that we understand that perhaps the best way to understand what the Constitution means is to actually look at its words. Sometimes you can find the rights expressed there far more easily than looking at penumbras and those that emanate from penumbras. At times it makes sense for us to pay attention to what the Founding Fathers actually said.

WALL STREET REFORM

(Mr. LUJÁN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUJÁN. Madam Speaker, for too long New Mexicans have been put at financial risk by the irresponsible actions of Wall Street. Because of their

risky gambles, our country lost 8 million jobs and \$17 trillion in retirement savings and net worth. That's why I voted against the Wall Street bailout in 2009, and why Wall Street reform is needed.

We need to protect consumers and hold Wall Street accountable, and the current Wall Street reform package is an important step in that direction. It will rein in banks with their big bonuses, help put an end to bailouts, help put an end to too-big-to-fail, and introduce more transparency into the financial system.

We must keep working so that Wall Street is held accountable and is never again allowed to endanger the financial security of New Mexicans and people all across our great Nation.

□ 1150

WHERE IS THE BUDGET?

(Mr. BURGESS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURGESS. Madam Speaker, it's tough economic times, and almost every family, every business back in my district knows in tough times you've got to sit down and put pen to paper and figure out a budget so you know where you stand and where you're going. But right now, people find it unbelievable that they're sitting down and going through this tough process but we, in Congress, are not.

Until this year, we've never failed to pass a budget since the Budget Act was put into place in 1974. In fact, it is astonishingly insensitive of the Democratic leadership to not do a budget this Congress.

Earlier this year, President Obama himself said in January, "Like any cash-strapped family, we will work within a budget to invest in what we need and sacrifice what we don't."

So why not do a budget this year? I can't understand it. My folks back home can't either.

Last week, Brian Garlotte of Flower Mound, Texas, posted on my Facebook page, "Where is our budget, Congressman? This is unacceptable." I agree with Brian. It is unacceptable that this year, of all years, Congress will not work on a budget.

SMALL BUSINESS

(Mrs. DAVIS of California asked and was given permission to address the House for 1 minute.)

Mrs. DAVIS of California. Madam Speaker, at roundtables that I hold with small business owners in San Diego, there are some consistent themes. They all say that they need banks to lend and people to spend. A few also pointed out that when their businesses fail or fall behind on their

taxes, the IRS is more than willing to work out a payment plan that they can afford but then slaps them with penalties that they can't afford.

The small business lending package we passed earlier this month provides small business penalty relief and \$3.5 billion in tax incentives for innovation and growth, and it gives community banks the lending leverage they need to help small businesses keep their doors open and create jobs.

This legislation is essential for businesses in my district and across our country. I hope our colleagues in the Senate see the importance of its immediate passage.

AMERICA SPEAKING OUT

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Madam Speaker, I'm here to speak about a program called America Speaking Out. You can put that into Google, "America Speaking Out," and go to YouTube, in which KEVIN MCCARTHY explains it in a little bit more detail.

But the idea behind it is to ask the American people what would they like on their agenda, what do we need to be doing in Washington. Because one of the big complaints I get back home is, you know, You folks are up there and you seem to be in a bubble. You ignore what we want to do; you attach things to bills that don't belong there, and then you force through legislation and it's out of sync with the American people.

So the idea of America Speaking Out is to give the grassroots voters back home a little bit of an opportunity, and more of an opportunity than they get now, to be heard. And you can weigh in on the Web page and say, I want you to work on education as your top priority; I want you to bring the budget in, cut spending, top priority; I want you to finish up in Afghanistan and Iraq.

Whatever it is, we seek the input of the American people so that the Republican Party can work on an agenda.

TRIBUTE TO BRIGADIER GENERAL HARRY C. ADERHOLT

(Mr. ADERHOLT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ADERHOLT. Madam Speaker, I would like to pay tribute today to Brigadier General Harry C. "Heinie" Aderholt, a true America hero and one of the founders of the United States Air Force Special Operations. On May 20 of this year, I and many others across the State and across the Nation were saddened to hear about the passing of General Aderholt.

Heinie, as he was affectionately known by all those who knew him and

loved him, began his military service with the United States Army Air Corps in 1942 and retired from the U.S. Air Force in 1976. General Heinie Aderholt will be remembered for his valor, his character, and his strength. It was an honor to have known him as a relative, friend, and great American patriot, and his leadership will be missed by all who knew him. His influence for good for all Americans will live on.

A memorial service will be held at Hurlburt Air Park at Fort Walton Beach, Florida, on July 2, 2010, at 9 a.m. Our thoughts and prayers are with his wife, Anne; his daughter, Janet; and son, George, and all of their family.

Thank you, Heinie, for all you did for America.

HONORING DAVID TAYLOR MILLER

(Mr. MURPHY of New York asked and was given permission to address the House for 1 minute.)

Mr. MURPHY of New York. I rise today with the very sad duty of reporting the tragic passing of U.S. Army Private First Class David Taylor Miller. Miller was killed in action by a suicide bomber who detonated an explosive device at a checkpoint Miller was guarding in Kunar Province of Afghanistan on Monday, June 21, 2010.

Taylor was just 19 years old, having graduated from Saratoga Springs High School in 2009. Despite his young age, his contributions to this world exceeded those of many people many times his age. The loss of so young a life is truly heart wrenching.

This tragic news comes as our community is still reeling from the loss of another young hero just last week.

Whether on the football field or on the battlefield, Taylor was a leader. He showed the strength and bravery that makes this Nation great. My heart goes out to his parents.

This true American hero made the ultimate sacrifice in defense of his Nation, and we owe him our eternal gratitude.

While it is moments like these that bring the true cost of our freedoms to the forefront of the public discussion, it is imperative that each and every one of us never forget what's at stake. We must always remember the hardships, suffering, bravery, and sacrifices for the families of those who serve our Armed Forces.

On behalf of a grateful Nation, our thoughts and prayers are with the entire Miller family during this tough time.

WE NEED TO GET THE DEFICIT UNDER CONTROL

(Mr. BRADY of Texas asked and was given permission to address the House for 1 minute.)

Mr. BRADY of Texas. Before coming to the floor, I was with two couples

from back home. Lisa and Fred Koetting and George and Jeanette Coiner and their grandchildren were up here visiting. Mr. Coiner said his goal in life is to make sure he helps leave a country that is better for his grandchildren than the one that his parents bequeathed to him.

They are, like all of us, so worried about the deep debt this country is amassing each day, \$10 trillion of new debt over the next decade if these spending plans go forward. On top of a failed stimulus bill, on top of the 2,000-page health care bill no one read, this week Congress is going to take up an almost 2,000-page bill that will institutionalize bailout and, I think, harm our economy.

We don't have a budget for the first time in 40 years, and this week they're going to make up budget numbers. We're not going to have a vote on it, not have a debate. We haven't funded our troops in Afghanistan and Iraq. They need money, but it's hung up because people here want to spend it on other things.

We've got to get this deficit under control. We have to do it or we're putting an anchor around our children's necks.

□ 1200

URGENT ECONOMIC LEGISLATION

(Mr. DEUTCH asked and was given permission to address the House for 1 minute.)

Mr. DEUTCH. Madam Speaker, for years, reckless Republican economic policies and lax oversight of the financial industry led to an historic economic collapse for which everyday Americans are still paying the price, but now we are beginning to turn the corner.

Today, we are creating jobs, not losing jobs. The unemployment rate is beginning to fall, and confidence is rising.

Just as we are beginning to grow this economy, Republicans are prepared to stop the recovery in its tracks by blocking desperately needed job creation legislation. If we don't act now, the bedrock of our communities—our teachers and police and firefighters—will be laid off. Yet Republicans have blocked needed emergency aid to State and local governments.

If we don't act now, unemployment assistance will be cut off for so many of our citizens—for the mothers and fathers who only want to find work to support their families. If we don't act now, up to 300,000 teachers will be fired.

Instead of punishing the unemployed teachers and police, Republicans must stop blocking this urgent economic legislation. The time to act is now.

PAKISTAN

(Ms. SPEIER asked and was given permission to address the House for 1

minute and to revise and extend her remarks.)

Ms. SPEIER. Madam Speaker, late last month, extremist Islamist militants attacked two Ahmadiyya mosques in the central Pakistani city of Lahore—with guns, grenades and suicide bombs—killing 94 people and injuring well over 100. The attackers claimed to be members of the Punjab Taliban. The victims are members of a minority Muslim sect, who, as a result of their beliefs, have been branded heretics who should be killed.

I urge my colleagues to join with me to condemn this hateful act and to express our sincerest condolences to the families of those killed and to those still living in fear in Pakistan because of their sincerely held beliefs. These cowardly assaults on people of prayer are attacks against people of all faiths, and these assaults cannot be tolerated.

It is time to pass House Resolution 764, which expresses the importance of interreligious dialogue and the protection of religious freedom and related human rights for persons of all faiths and nationalities in the Islamic Republic of Pakistan.

HOLDING BIG OIL ACCOUNTABLE

(Mr. MORAN of Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORAN of Virginia. Madam Speaker, the Republican Party's mantra of "drill, baby, drill" dropped from sight almost as fast as the Deepwater Horizon oil rig. Yet the fact is, while this was the worst ecological catastrophe in American history and an accident, it was also an inevitability. It was inevitable because, for 8 years, the Cheney-Bush administration allowed Big Oil to operate with almost complete disregard for the protection of our environment.

So I am proud of the fact that President Obama and the Democratic Party are now holding BP accountable for all of the costs of the cleanup and for the devastating impact on the local economy in the gulf. I am also proud of the fact that they are holding Big Oil accountable to explore and produce domestic energy on already leased lands at competitive prices in a clean and safe manner.

The gulf coast catastrophe underscores the need for comprehensive energy and climate reform to rein in Big Oil and to reduce our reliance on dirty fossil fuels and foreign sources of oil. It is what the Democratic Party wants. More importantly, it is what the American people need and want. Let's pass an energy reform bill now.

HEALTH INSURANCE REFORM

(Mr. SCOTT of Virginia asked and was given permission to address the

House for 1 minute and to revise and extend his remarks.)

Mr. SCOTT of Virginia. Madam Speaker, just months ago, the President signed the historic health care reform law, and thanks to the Affordable Health Care Act, Americans are already seeing benefits from the reform.

First, our seniors on Medicare part D have begun receiving \$250 rebate checks when they fall into the doughnut hole so that they are receiving help when they most need it. Second, the new law requires that health care insurers offer dependent coverage to allow children, up to age 26, to remain on their parents' policies, and that plan has been implemented by most policies.

Just today, the Department of Health and Human Services announced it would begin accepting applications for the Early Retiree Reinsurance Program to help early retirees get affordable coverage. Later this summer, Americans with preexisting conditions will be able to get insurance at affordable rates.

Now, we know that there are some who want to repeal all of these provisions and who want to take these benefits away from American families, but we remain dedicated to health care reform, which has expanded coverage to all Americans, and we are going to make sure that the law remains in effect.

TAMPA POLICE OFFICERS FATALLY SHOT

(Ms. CASTOR of Florida asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. CASTOR of Florida. Madam Speaker, I rise today on behalf of my community and home in Tampa, Florida, to mourn the deaths of two Tampa police officers who were fatally shot in the line of duty early this morning.

Officers David Curtis and Jeffrey Kocab simply were doing their jobs when they pulled over a car in what appeared to be a routine traffic stop at 2:15 a.m. this morning, but someone in the car was wanted on an arrest warrant. Demonstrating just how truly dangerous these jobs are for those who protect us, this stop was not routine. The officers were shot at close range, and later died at Tampa General Hospital.

Officer Curtis leaves behind a wife, Kelly, and four young sons. Officer Kocab leaves behind a wife, Sara, who is 9 months pregnant and is expected to deliver next week. Both of these young men were only 31 years old.

So I join the Tampa Police Department, Chief Jane Castor, Mayor Pam Iorio, and the entire city of Tampa in mourning the senseless loss of these two young community heroes.

EXTENDING EMERGENCY UNEMPLOYMENT BENEFITS

(Mr. AL GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AL GREEN of Texas. Madam Speaker, we must extend the emergency unemployment benefits. Why? Because the program is structured to assist those who are looking for work.

If you are not looking for work, you don't get the extension of benefits. Why? Because 1.7 million people will lose their emergency benefits in 4 days if we do not act now.

Over 100,000 will lose their benefits in the State of Texas in 4 days if we do not act now. Why? Because, for every dollar that we spend on unemployment benefits—emergency benefits, I might add—we turn over \$1.63 in economic activity.

Finally, we must do it because, but for the grace of God, there go I and because Dr. King was right. Life is an inescapable network of mutuality, tied to a single garment of destiny. What impacts one directly impacts all indirectly. It has an impact on all of us. We benefit when we spend the money.

FINANCIAL REFORM

(Ms. CHU asked and was given permission to address the House for 1 minute.)

Ms. CHU. Madam Speaker, when you buy a car, you expect to put a key in the ignition and go. When you eat at your favorite restaurant, you expect a memorable meal.

When the California Public Employees' Retirement System invested in mortgage funds with AAA ratings, it expected a safe, steady return. Instead, it lost \$1 billion when subprime mortgages, which were hidden in the funds, unraveled—wiping out the pensions of millions of public employees and leaving taxpayers high and dry.

The Wall Street reform bill ensures this won't happen again. It ends taxpayer bailouts. It lets investors know what they are buying, and it makes sure banks are never too big to fail. That is why I am backing this bill, and am helping those 1.6 million California retirees and countless others across America.

A vote against this bill is only a vote for the big banks that got us in the mess in the first place.

TRADE

(Mr. COSTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COSTA. Madam Speaker, today, I rise to encourage our leadership to expand our trade opportunities and to grow our economy by calling up and

passing our pending free trade agreements.

Just this week, President Obama reaffirmed his commitment to passing the Korea Free Trade Agreement. I applaud the President for this effort.

Korea, Colombia and Panama hold great economic potential for our country, especially for agricultural regions, such as the region I represent in the San Joaquin Valley.

Still, while these trade agreements languish, our farmers continue to face high tariffs in these countries—some as high as 80 percent. Worse yet, many of our international competitors in the European Union and in Canada are expanding market opportunities by signing their own trade agreements and by seizing markets that could and should belong to U.S. agriculture.

Madam Speaker, we are living in a global economy. If we are truly committed to economic recovery in the United States, now is the time to promote U.S. products abroad.

□ 1210

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote incurs objection under clause 6 of rule XX.

Record votes on postponed questions will be taken later.

EXPANDING ACCESS TO STATE VETERANS HOMES FOR GOLD STAR PARENTS

Mr. FILNER. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 4505) to enable State homes to furnish nursing home care to parents any of whose children died while serving in the Armed Forces.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4505

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXPANSION OF STATE HOME CARE FOR PARENTS OF VETERANS WHO DIED WHILE SERVING IN ARMED FORCES.

In administering section 51.210(d) of title 38, Code of Federal Regulations, the Secretary of Veterans Affairs shall permit a State home to provide services to, in addition to non-veterans described in such subsection, a non-veteran any of whose children died while serving in the Armed Forces.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. FILNER) and the gentleman from Indiana (Mr. BUYER) each will control 20 minutes.

The Chair recognizes the gentleman from California.

GENERAL LEAVE

Mr. FILNER. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 4505.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. FILNER. Madam Speaker, I yield myself such time as I may consume.

I rise in support of this bill, legislation to support the families of fallen service men and women. The bill offers access to State veteran homes to parents who have lost a child serving in the Armed Forces. While this service is currently available to some parents, we must recognize that any parent who has lost even one child should be given our support and care.

Madam Speaker, it is easy to understand the profound sacrifices that members of the armed services make daily in the service of their country. However, sometimes we forget that their fathers, mothers, husbands, wives and children also sacrifice deeply. When we memorialize the service of a dead servicemember, we must not forget the pain and sacrifice that their family has also endured.

Madam Speaker, this bill represents an important step forward in honoring the sacrifices of not just our servicemembers, but their families as well. I urge the support of my colleagues.

I reserve the balance of my time.

Mr. BUYER. Madam Speaker, I yield myself such time as I may consume.

Today, I rise in support of H.R. 4505 to enable State homes to furnish nursing home care to parents any of whose children died while serving in the Armed Forces.

This legislation was introduced by my good friend and colleague from Texas, MAC THORNBERRY.

The loss of a child is a heartbreaking tragedy for any parent. When that loss occurs in defense of American freedom and democracy, we as a grateful and compassionate nation, must do all that we can to ease their pain and provide for their needs.

The State Veterans Home program is a partnership between the VA and the States to provide a broad range of long-term nursing home care for our veterans in need of such care.

Although admission to a State Home is determined by each individual state, each Home is required to maintain a residency of at least seventy-five percent veterans. Non-veterans may be admitted to a State Home if they meet certain criteria. Under current law, eligible non-veterans are veteran's spouses, widows, and Gold Star parents who have lost all of their children in military service.

H.R. 4505 would allow Gold Star parents who have lost a child but not necessarily all of their children to service in the Armed Forces eligibility for admission to a State Home. This is a simple change, and simply the right thing to do.

I want to thank MAC for recognizing this gap and taking the initiative to introduce legislation

to correct the oversight and improve services for a parent who suffered the loss of a child in service to our country.

It is important to note that this bill would not result in any additional cost to the VA. And, most importantly, would not in any way impact the space available to veterans in State Veterans Homes.

Our highest admiration and respect should always lie with our servicemembers and veterans who knowingly and willingly put their lives on the line to protect our freedoms. And, we must also acknowledge and honor their beloved family members who also sacrifice in service to our country.

H.R. 4505 is supported by the Gold Star Wives of America, other major Veterans Service Organizations, and the Department of Veterans Affairs.

I urge each and every one of my colleagues to join me in supporting H.R. 4505.

Madam Speaker, I yield such time as he may consume to the author of the bill, MAC THORNBERRY of Texas.

Mr. THORNBERRY. Madam Speaker, I thank the gentleman from Indiana, who has been a very strong advocate for veterans and a respected voice in national security during the time that he has been in Congress. We will surely miss him in another year when he is no longer in our midst.

Madam Speaker, this is one of those issues that leaves people scratching their heads and saying, well, that doesn't make sense, because the way it works now is to be eligible for a State veterans home, a Gold Star parent must have lost all of their children. This bill will allow a parent to be eligible for a State veterans home if they have lost a child while serving in the military.

Now, there are 137 State veterans homes in all 50 States. Those States will still be able to determine the priority level about admissions. They still have to have 75 percent of their beds occupied by veterans. But the average occupancy rate now across the country is 86 percent. There is roughly 15 percent of empty beds in these homes, so this bill basically allows an added group of Gold Star parents who have lost a child while serving in the military to be eligible to fill those beds.

Essentially, there is no cost. The Department of Veterans Affairs has come back and said it will not cost the Federal Government anything. Our visits with the States have gotten the same result. It is supported by the American Legion, the VFW, and the Veterans Department.

Madam Speaker, I would say it has a practical benefit in that it gives an additional option for parents who have lost a child serving in the military, but in a larger sense, it gives a message of gratitude and support for the sacrifice that those parents have made.

I want to thank the chair and certainly the ranking member for bringing this to the floor. I want to express my appreciation to Dr. VIC SNYDER, the

gentleman from Arkansas, who was an original sponsor of this bill with me, as well as Senator ENSIGN, who brought this matter to my attention last year. He tried to resolve it last year and was not able to do so, but hopefully it can be solved this year. I thank the gentleman again for yielding.

Mr. BUYER. Madam Speaker, I would like to thank the gentleman for bringing this, and I also thank the gentleman for his leadership on the House Armed Services Committee. You are filling a gap here. This is supported by the Gold Star wives, along with other major veterans service organizations.

I urge all my colleagues to join me in support of H.R. 4505.

I yield back the balance of my time.

Mr. FILNER. Madam Speaker, I urge all my colleagues to support H.R. 4505, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. FILNER) that the House suspend the rules and pass the bill, H.R. 4505.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. FILNER. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

RECOGNIZING RESIDENTS OF TRACY, CALIFORNIA

Mr. FILNER. Madam Speaker, I move to suspend the rules and agree to the resolution (H. Res. 1446) recognizing the residents of the City of Tracy, California, on the occasion of the 100th anniversary of the city's incorporation, for their century of dedicated service to the United States.

The Clerk read the title of the resolution.

The text of the resolution is as follows:

H. RES. 1446

Whereas the City of Tracy is located in San Joaquin County, which is home to more than 42,000 veterans;

Whereas the Tracy area is home to the Defense Distribution Depot San Joaquin, which serves as a vital distribution center for materials and supplies for the United States Armed Forces;

Whereas the City of Tracy maintains a cherished memorial containing the names of the heroes from Tracy who made the ultimate sacrifice in service to the United States from World War I to the present;

Whereas Camp Tracy, located near the City of Tracy, played a role in intelligence operations that contributed to the war effort during World War II;

Whereas members of the United States Armed Forces from the City of Tracy served bravely, and many lost their lives, in the Ko-

rean War, Vietnam War, Persian Gulf War, and other military conflicts of the 20th century;

Whereas members of the United States Armed Forces from the City of Tracy have served with honor in the wars in Iraq and Afghanistan; and

Whereas the Tracy Press reported on November 11, 2008, that the City of Tracy has endured one of the Nation's highest per capita casualty rates in the war in Iraq: Now, therefore, be it

Resolved, That the House of Representatives—

(1) expresses its gratitude to the veterans of the City of Tracy, California, who have committed their lives to serving the United States; and

(2) expresses its gratitude to all of the residents of the City of Tracy, California, for their century-long commitment to serving the United States.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. FILNER) and the gentleman from Indiana (Mr. BUYER) each will control 20 minutes.

The Chair recognizes the gentleman from California.

GENERAL LEAVE

Mr. FILNER. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous materials on H. Res. 1446.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. FILNER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise to join the City of Tracy, California, in celebrating its 100th anniversary of its incorporation.

I join the resolution's sponsor, Mr. MCNERNEY, in recognizing Tracy residents for their century of dedicated service to the United States.

The city of Tracy has endured one of the Nation's highest per capita casualty rates in the war in Iraq. Today, I urge the House to recognize the servicemembers and veterans of the city of Tracy.

Though many return to their homes and their families, those who make the ultimate sacrifice will not be forgotten. Forever memorialized in their city's monument, the fallen of Tracy stand as a reminder of the tragedies of war and the respect that all veterans are owed.

Most recently, with solemn grief and unwavering pride, the name of Marine SSgt Daniel Hansen was added to the memorial. The city of Tracy has supported generations of men and women, willing to make the same sacrifice as Staff Sergeant Hansen.

I join Mr. MCNERNEY in also thanking the sons and daughters of Tracy who do not enter the armed forces, yet are committed to supporting the 42,000 veterans living there today.

The resolution's sponsor is Mr. MCNERNEY from California, and I yield such time as he may consume to him to explain the bill.

Mr. MCNERNEY. Madam Speaker, I thank the chairman for yielding.

Madam Speaker, I rise to honor the residents of the City of Tracy on the 100th anniversary of the city's incorporation and for their century of dedicated service to the United States. I ask all of my colleagues to join me in supporting this important resolution to recognize the service of Tracy's residents. I am fortunate to represent Tracy, which sits in the rich agricultural region of California's San Joaquin Valley.

Time and again through the last century, Tracy residents have proven their dedication to our country by serving in our armed services. Many Tracy residents have made the ultimate sacrifice, giving their lives defending the freedom we cherish and protecting our Nation from the enemies at home and abroad.

The Tracy area is home to unique military history and tradition. For instance, Camp Tracy, located not far from the city, was the site of significant intelligence operations during World War II. The area is also home to the Defense Distribution Center-San Joaquin, commonly called the Tracy Defense Depot, which plays a critical role in supplying our men and women serving overseas.

Members of the United States Armed Forces from the City of Tracy have served bravely, and many have lost their lives in World War II, the Korean war, the Vietnam war, the Persian Gulf war and other conflicts of the 20th century. Tracy residents are also serving with distinction in the current battlefields in Iraq and Afghanistan.

□ 1220

The city's newspaper, the Tracy Press, reported on November 11, 2008, that, per capita, the city of Tracy has endured one of the Nation's highest casualty rates in the war in Iraq. Just the other week, I attended an event in Tracy to honor the memory of one of those fallen heroes, and I am always humbled and made proud by the outpouring of support by Tracy residents for our men and women in uniform.

On many weekends back home in California, I visit Tracy to meet with local veterans and discuss the issues that affect their lives. I am committed to making sure that our veterans are cared for and that their families receive the support they deserve. My son Michael joined the service shortly after 9/11, and caring for our men and women in uniform is a deep personal priority. Our country should always recognize communities like Tracy whose residents answer the call to service.

I'm proud to recognize the residents of the city of Tracy on the occasion of their centennial anniversary of the city's incorporation. I ask my colleagues to join me in supporting this resolution honoring the veterans and residents of Tracy for their dedicated service to our Nation.

Mr. BUYER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I want to thank my colleague, Congressman MCNERNEY, for introducing the legislation. I ask my colleagues to support H.R. 1446.

Today, I rise in support of H. Res. 1446, a bill to recognize the residents of the city of Tracy, California, on the occasion of the 100th anniversary of the city's incorporation, for their century of dedicated service to the United States.

In 1869 the Central Pacific Railroad (now Southern Pacific) completed a rail line through the area which is now Tracy. The result of the new rail line was the founding of Tracy on September 8, 1878, named for Lathrop J. Tracy, a grain merchant and railroad director.

Tracy was incorporated in 1910 and it grew rapidly. Although railroad operations began to decline in the 1950s, Tracy continued to prosper as an agricultural area. Today, the city seal reflects this history of railroads and agriculture.

The city of Tracy has a long history of serving our nation's military during war and peacetime. During World War II, Camp Tracy played a role in the intelligence operations which contributed to the war effort. It is now the home to the Defense Distribution Depot San Joaquin, which serves as a vital distribution center for materials and supplies for the U.S. Armed Forces.

Even today, the city of Tracy continues to support our men and women of the Armed Services and our veterans. SSG Rachelle Renaud, a Tracy native, is one of 100 Army athletes competing at the inaugural Warrior Games at the U.S. Olympic Committee's Colorado Springs, CO, training facility. A veteran of two deployments to Iraq with the 720th Military Police Battalion, she endured severe back pain that led to a double lumbar fusion on her spine. She hasn't regained the feeling in her left leg, but still has the spirit to compete and overcome her injuries. She will be participating in the standing shotput, individual and relay swimming events, cycling, and shooting.

It is through the support of local communities like Tracy that our men and women in uniform find the strength and determination to continue on the tasks ahead.

Madam Speaker, I thank my colleague, Congressman MCNERNEY for introducing this legislation, and Chairman FILNER for bringing it to the floor so expeditiously. I urge my colleagues to support H. Res. 1446.

I yield back the balance of my time.

Mr. FILNER. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Ms. RICHARDSON). The question is on the motion offered by the gentleman from California (Mr. FILNER) that the House suspend the rules and agree to the resolution, H. Res. 1446.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the yeas have it.

Mr. FILNER. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the

Chair's prior announcement, further proceedings on this motion will be postponed.

HONORING VETERANS OF HELICOPTER ATTACK LIGHT SQUADRON THREE

Mr. FILNER. Madam Speaker, I move to suspend the rules and agree to the resolution (H. Res. 1228) honoring the veterans of Helicopter Attack Light Squadron Three and their families, as amended.

The Clerk read the title of the resolution.

The text of the resolution is as follows:

H. RES. 1228

Whereas Helicopter Attack Light Squadron Three (hereinafter in this resolution referred to as "HAL-3") began its history as detachments of Navy Helicopter Combat Support Squadron One (HC-1) which began helicopter gunship operations in support of Navy "Brown Water", Special Operations, and Army units in the Mekong Delta of South Vietnam on September 19, 1966;

Whereas the detachments of HC-1 adopted the name "Seawolves";

Whereas HAL-3 was officially established on April 1, 1967, in Vung Tau, South Vietnam, and was the only active duty Navy helicopter gunship squadron in the history of Naval Aviation;

Whereas during the squadron's existence, the nearly 3,000 veterans of HAL-3 displayed extraordinary courage in support of United States military and political objectives in Vietnam;

Whereas 44 veterans of HAL-3 gave their lives in support of military operations in the Mekong Delta, Vietnam;

Whereas the extraordinary performance of the veterans of HAL-3 earned numerous unit citations including 6 Presidential Unit Citations, 7 Navy Unit Commendations, 1 Meritorious Unit Commendation, a Republic of Vietnam Meritorious Unit Commendation, and the Vietnam Service Medal;

Whereas the valor of the veterans of HAL-3 earned 5 Navy Crosses, 31 Silver Stars, 2 Legion of Merit Medals, 5 Navy and Marine Corps Medals, 219 Distinguished Flying Crosses, 156 Purple Hearts, 101 Bronze Stars, 142 Republic of Vietnam Gallantry Crosses, over 16,000 Air Medals, 439 Navy Commendation Medals, and 228 Navy Achievement Medals, making it possibly the most decorated Navy squadron during the Vietnam War;

Whereas the maintenance and administrative personnel of HAL-3 contributed greatly to the successes of the nine HAL-3 detachments operating throughout the Mekong Delta by providing the detachments with superb maintenance support and logistics;

Whereas HAL-3 flew over 130,000 hours of combat and logistical support;

Whereas HAL-3 inflicted several thousand casualties on enemy forces;

Whereas HAL-3 performed 1,530 medical evacuations;

Whereas HAL-3 delivered over 37,000 passengers and over 1,000,000 pounds of cargo; and

Whereas HAL-3 was disestablished in March 1972 at Binh Thuy, South Vietnam, as part of the Vietnamization program leaving behind it a combat and humanitarian record recognized as bringing great credit upon the United States Navy and its role in the Vietnam War: Now, therefore, be it

Resolved, that the House of Representatives—

(1) honors the service, courage, and sacrifice of the veterans of HAL-3;

(2) honors the families of HAL-3 veterans for their support;

(3) expresses its condolences to the families and comrades of those killed in action; and

(4) recognizes HAL-3 as a unique squadron in the history of naval aviation.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. FILNER) and the gentleman from Indiana (Mr. BUYER) each will control 20 minutes.

The Chair recognizes the gentleman from California.

GENERAL LEAVE

Mr. FILNER. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on House Resolution 1228, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. FILNER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I want to thank first the Committee on Armed Services for working with us to bring this bill to the floor. This resolution recognizes and honors the veterans of Helicopter Attack Light Squadron Three and their families and is sponsored by Mr. BOOZMAN of Arkansas. The resolution recognizes the extraordinary courage of the nearly 3,000 veterans of Helicopter Attack Light Squadron Three, also known as HAL-3, who served in Vietnam from 1967 to March of 1972.

The resolution also serves to honor the enormous sacrifice of the 44 members of HAL-3 who gave their lives while serving alongside their comrades in support of military operations in the Mekong Delta, Vietnam. This remarkable unit earned six Presidential Unit Citations, five Navy Crosses, 31 Silver Stars, 219 Distinguished Flying Crosses, and 156 Purple Hearts, among numerous other awards and unit citations, making it possibly the most decorated Navy squadron during the Vietnam War.

Between 1967 and 1972, HAL-3 flew over 130,000 hours of combat and logistical support, inflicted thousands of casualties on enemy forces, performed 1,530 medical evacuations, carried more than 37,000 passengers, and delivered more than 1 million pounds of cargo to their destinations. The unit's expert maintenance and support personnel worked tirelessly to ensure that the squadron's aircraft were operationally ready and that its crews were provided with the daily support needed to accomplish their dangerous and critically important missions.

This resolution serves to honor the families of the HAL-3 veterans for their support and to express our condolences to the families and comrades of

those killed in action. Helicopter Attack Light Squadron Three left behind a combat and humanitarian record recognized as bringing great credit upon the United States Navy and its role in the Vietnam War. Passing this resolution is the least we can do to honor the service and enormous sacrifice of the Americans that constituted such a valorous unit in naval aviation history.

HOUSE COMMITTEE ON ARMED SERVICES,
HOUSE OF REPRESENTATIVES,
Washington, DC, June 28, 2010.

Hon. BOB FILNER,

*Chairman, Committee on Veterans' Affairs,
House of Representatives, Washington, DC.*

DEAR CHAIRMAN FILNER: I am writing to you concerning H. Res. 1228, honoring the veterans of Helicopter Attack Light Squadron Three and their families. This measure was referred to the Committee on Veterans' Affairs, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

Our Committee recognizes the importance of H. Res. 1228, and the need for the legislation to move expeditiously. Therefore, while we have a valid claim to jurisdiction over this legislation, the Committee on Armed Services will waive further consideration of H. Res. 1228. I do so with the understanding that by waiving consideration of the resolution, the Committee on Armed Services does not waive any future jurisdictional claim over the subject matters contained in the resolution which fall within its Rule X jurisdiction.

Please place this letter and a copy of your response into the Congressional Record during consideration of the measure on the House floor. Thank you for the cooperative spirit in which you have worked regarding this matter and others between our respective committees.

Very truly yours,

IKE SKELTON,
Chairman.

COMMITTEE ON VETERANS' AFFAIRS,
HOUSE OF REPRESENTATIVES,
Washington, DC, June 28, 2010.

Hon. IKE SKELTON,

*Chairman, Committee on Armed Services, House
of Representatives, Washington, DC.*

DEAR CHAIRMAN SKELTON: Thank you for your letter regarding House Resolution 1228, "Honoring the veterans of Helicopter Attack Light Squadron Three and their families." The measure was referred to the Committee on Veterans' Affairs and sequentially referred to the Committee on Armed Services.

I agree that the Committee on Armed Services has certain valid jurisdictional claims to this resolution, and I appreciate your decision to waive further consideration of H. Res. 1228 in the interest of expediting consideration of this important measure. I agree that by agreeing to waive further consideration, the Committee on Armed Services is not waiving its jurisdictional claims over similar measures in the future.

During consideration of this measure on the House floor, I will ask that this exchange of letters be included in the Congressional Record.

Sincerely,

BOB FILNER,
Chairman.

Madam Speaker, I reserve the balance of my time.

Mr. BUYER. Madam Speaker, at this point I would like to yield such time as he may consume to the author of this legislation, H.R. 1228, Dr. BOOZMAN of Arkansas. He was former chairman and now ranking member of the Economic Opportunity Subcommittee of the House Veterans' Affairs Committee.

Mr. BOOZMAN. I want to thank Ranking Member BUYER for yielding, and then also I want to thank the chairman, Mr. FILNER, and Ranking Member BUYER for allowing us to bring this resolution forward.

Madam Speaker, I was proud to introduce House Resolution 1228, honoring the veterans of Helicopter Attack Light Squadron Three and their families to recognize the veterans' sacrifices and service to America during the Vietnam War.

Despite the controversy surrounding the Vietnam War, most of the officers and enlisted men who served in the HAL-3 were volunteers. Most of the pilots were fresh out of flight training in Pensacola and most of the junior enlisted were recent graduates of Navy boot camp and technical training schools. Their leaders were also new to combat, coming mostly from shipped-based helicopter squadrons normally assigned to track submarines and haul supplies.

HAL-3 fought from 1967 to 1972. In that time, they earned the respect of Army and Navy units throughout the Mekong Delta for their courage under fire and their dedication to supporting their comrades on the ground and in small boats patrolling the canals and rivers. They supported Army troop insertions and extractions. Navy SEALs counted on their support in tight situations. Wounded sailors and soldiers benefited from battlefield medivacs. In short, the Seawolves mastered every form of combat helicopter operations.

Here are some of the statistics from the resolution: the nine detachments and home guard of HAL-3 flew 130,000 flight hours in 5 years. They performed 1,530 medical evacuations, inflicted thousands of casualties on enemy forces, transported 37,000 passengers, and hauled a million pounds of cargo. In accomplishing those milestones with a fleet of castoff gun ships and a few slicks, the veterans of HAL-3 were awarded 156 Purple Hearts, five Navy Crosses, 31 Silver Stars, 219 Distinguished Flying Crosses, 101 Bronze Stars, 142 Vietnam Gallantry Crosses, 16,000 Air Medals, and numerous other awards, including six Presidential Unit Citations, the highest recognition given to military units.

Like any combat operation, there was a cost; 44 Seawolves lost their lives and are among the 58,000 immortalized on the Vietnam Memorial. Today, the children and grandchildren of those brave souls can be justifiably proud of the heritage of courage and sacrifice of their fathers and grandfathers.

Madam Speaker, I would especially like to mention citizens of Arkansas who served with HAL-3: George Blackwell, Frank W. Butler, Wayne Campbell, Johnny P. Cruse, James L. Keyes, Terry A. McMellon, William J. Mulcahy, Charles Osborne, James N. Prater, and Mack Thomas. It's been an honor to bring this resolution honoring the HAL-3 Seawolves to the House, and I strongly urge my colleagues to add their names to the roster of those recognizing these American sailors.

□ 1230

Mr. BUYER. I yield myself such time as I may consume.

I thank the gentleman for bringing this.

I also want to recognize Hoosiers who also shared danger of combat above the rice paddies and the forests of the Mekong Delta; those who served with HAL-3 from Indiana: J. Howard Cook, Rick Hodge, Melvin Howell, Thomas H. Jackson, Robert L. Redman, and Jay Wakeland.

Madam Speaker, I rise in support of House Resolution 1228, Honoring the Veterans of Helicopter Attack Light Squadron Three and Their Families and want to express my appreciation to Dr. BOOZMAN for introducing this resolution.

This weekend, we celebrate the 234th anniversary of the signing of the Declaration of Independence. Over the years, our freedoms and the interests of the United States have been defended by over 40 million men and women and of those, over 1 million have died and 1.6 million have been wounded. I find it ironic that something as beautiful as freedom must be maintained by something as horrible as war.

Within those millions, there is a small group of Navy veterans who hold a unique place in the Navy's history. Those are the veterans of Helicopter Attack Squadron Three, better known as the HAL-3 Seawolves, the only active duty attack helicopter squadron in the Navy's history.

Using hand-me-down Army UH-1B gunships, Seawolf pilots and gunners provided air cover for Navy and Army brown water units in the Mekong Delta of Vietnam. From the squadron's commissioning in 1967 to its decommissioning in 1972, nearly 3,000 sailors wore the black beret of HAL-3, and 44 of those courageous combat veterans are listed among the dead on the Vietnam War Memorial here in Washington. Another 156 were awarded the Purple Heart for their wounds.

These veterans came from every state and every socio-economic background. Most were in their late teens and twenties. Among the officers, most wore the silver bars of a lieutenant junior grade. Most of the enlisted men were airmen and junior petty officers. They were lead by a core of officers and Chief Petty Officers who cared for them, trained them, and shared the dangers of combat above the rice paddies and forests of the Mekong Delta. The sailors who provided maintenance and administrative support to the flight crews were essential to keeping the helicopters flying and are equally worthy of our recognition.

I would especially like to recognize several Hoosiers who served in HAL-3: J. Howard Cook, Rick Hodge, Melvin Howell, Thomas H. Jackson, Robert L. Redman, Jay Wakeland.

Madam Speaker, House Resolution honors the service of all the veterans of HAL-3 and the families of these veterans for their support. We also express our condolences to the families of those 44 who gave the full measure of devotion and finally recognize the Seawolves' unique place in Naval Aviation.

I yield back the balance of my time.

Mr. BOOZMAN. Madam Speaker, I was proud to introduce House Resolution 1228, Honoring the Veterans of Helicopter Attack Light Squadron Three and Their Families, to recognize the veterans' sacrifices in service to America during the Vietnam War.

I would especially like to mention Frank Hiles who currently lives in Ozark, Arkansas who served with HAL-3. Originally from Cleveland, Ohio, Frank served in the United States Navy for 20 years as aircrewman on many different types of aircraft. After retiring he moved to Arkansas to start a business and raise his three children as a single parent. Frank continued his service to his country as an intern in the Fort Smith Congressional office last year as he worked toward his bachelor's degree.

I want to thank Frank and all of our veterans who served with the HAL-3 Seawolves.

Despite the controversy surrounding the Vietnam War, most of the officers and enlisted men who served in HAL-3 were volunteers. Most of the pilots were fresh out of flight training in Pensacola and most of the juniors enlisted were recent graduates of Navy boot camp and technical training schools. Their leaders were also new to combat, coming mostly from ship-based helicopter squadrons normally assigned to track submarines and haul supplies.

HAL-3 fought from 1967 to 1972. In that time, they earned the respect of Army and Navy units throughout the Mekong Delta for their courage under fire and their dedication to supporting their comrades on the ground and in small boats patrolling the canals and rivers. They supported Army troop insertions and extractions. Navy SEALs counted on their support in tight situations.

Wounded sailors and soldiers benefitted from battlefield medivacs. In short, the Seawolves mastered every form of combat helicopter operations.

Here are some statistics from the Resolution:

The nine detachments and home guard of HAL-3 flew 130,000 flight hours in 5 years, they performed 1530 medical evacuations, inflicted thousands of casualties on enemy forces, transported 37,000 passengers and hauled a million pounds of cargo.

In accomplishing those milestones with a fleet of cast-off gunships and a few slicks, the veterans of HAL-3 were awarded 156 Purple Hearts, 5 Navy Crosses, 31 Silver Stars, 219 Distinguished Flying Crosses, 101 Bronze Stars, 142 Vietnam Gallantry Crosses, 16,000 Air Medals, and numerous other awards including six Presidential Unit Citations, the highest recognition given to military units.

Like any combat operation, there was a cost. Forty-four Seawolves lost their lives and are among the 58,000 immortalized on the

Vietnam Memorial. Today, the children and grandchildren of those brave souls can be justifiably proud of the heritage of courage and sacrifice of their fathers and grandfathers.

It has been my honor to bring this resolution honoring the HAL-3 Seawolves to the House and I strongly urge my colleagues to add their names to the roster of those recognizing these American sailors.

Mr. FILNER. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. FILNER) that the House suspend the rules and agree to the resolution, H. Res. 1228, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. FILNER. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

ALEJANDRO RENTERIA RUIZ DEPARTMENT OF VETERANS AFFAIRS CLINIC

Mr. FILNER. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 4307) to name the Department of Veterans Affairs community-based outpatient clinic in Artesia, New Mexico, as the "Alejandro Renteria Ruiz Department of Veterans Affairs Clinic".

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4307

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. NAME OF DEPARTMENT OF VETERANS AFFAIRS COMMUNITY-BASED OUTPATIENT CLINIC, ARTESIA, NEW MEXICO.

The Department of Veterans Affairs community-based outpatient clinic in Artesia, New Mexico, shall, after the date that is 30 days after the date of the enactment of this Act, be known and designated as the "Alejandro Renteria Ruiz Department of Veterans Affairs Clinic". Any reference to such clinic in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the Alejandro Renteria Ruiz Department of Veterans Affairs Clinic.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. FILNER) and the gentleman from Indiana (Mr. BUYER) each will control 20 minutes.

The Chair recognizes the gentleman from California.

GENERAL LEAVE

Mr. FILNER. I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. FILNER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of this bill, sponsored by Mr. TEAGUE of New Mexico, that names the Department of Veterans Affairs community-based outpatient clinic in Artesia, New Mexico, as the Alejandro Renteria Ruiz Department of Veterans Affairs Clinic.

Alejandro Ruiz of Loving, New Mexico, enlisted as an infantryman in the United States Army in 1944. He went on to serve with the 27th Infantry Division in the Pacific theatre of operations during the Second World War.

While advancing with his unit on the island of Okinawa, Private First Class Ruiz and his fellow soldiers came under intense automatic weapons fire from an enemy fighting position on the slopes of a narrow ravine.

In response, Ruiz exposed himself to the hail of bullets on his own initiative and stormed the enemy position. After being repulsed once, he returned to gather more ammunition and made a second assault on the pillbox, singlehandedly neutralizing the enemy position and saving the lives of his fellow soldiers.

For his actions on Okinawa, Private First Class Alejandro Renteria Ruiz was awarded the Congressional Medal of Honor, which was presented to him by President Truman on June 26, 1946, at the White House in Washington, DC.

Mr. Ruiz went on to serve in the Korean War and eventually retired from the Army as a Master Sergeant in the 1960s.

I'm sad to say that Mr. Ruiz passed away shortly before this bill was formally introduced, but I am very proud to honor his legacy of courage and patriotism by supporting H.R. 4307.

I urge the House to join Mr. TEAGUE in support of this bill and help to commemorate the valor of this great American.

I yield such time as he may consume to the gentleman from New Mexico (Mr. TEAGUE) to explain the bill.

Mr. TEAGUE. Madam Speaker, I rise today to speak in support of my bill, H.R. 4307, which would name the VA veterans health clinic in Artesia, New Mexico, in honor of Alejandro Renteria Ruiz, a southern New Mexican who was awarded the Medal of Honor during World War II.

Alejandro Ruiz was ultimately a sergeant in the United States Army. He was born and raised in Loving, New Mexico, down in southern Eddy County. When war broke out, he traveled north to Carlsbad and enlisted in the Army. After basic training, he was assigned to the 27th Infantry Division.

The 27th Infantry Division was part of the largest amphibious operation in the Pacific theater, the Allied invasion of Okinawa, code name Operation Iceberg. It was during this invasion that, on April 28, 1945, Private Ruiz' unit was pinned down by machine gun fire from a camouflaged Japanese pillbox. They

were unable to advance until Ruiz grabbed an automatic rifle and charged the pillbox, right in the face of machine gun fire and grenades. Unfortunately, his rifle jammed, and one of the enemies attacked Ruiz. Without hesitation, he used the rifle as a club and beat back his enemy. Ruiz then returned to his original position, all the while under fire from machine guns and grenades from the pillbox. On his second attempt to free his unit, Ruiz was able to overtake the enemy pillbox and save the lives of fellow soldiers.

For his actions, he was awarded the Medal of Honor, which was presented to him by President Truman on June 26, 1946, in a ceremony at the White House.

Madam Speaker, it is with great pride that I stand before you to honor this American hero. We should all work every day to remember individuals like Sergeant Ruiz. He and the multitudes of his fellow Americans who battled for the freedom of Europe, Asia, and the Americas left the world a legacy of liberty, security, and prosperity.

After the war, Sergeant Ruiz would tell the story of how he came to serve in the Army. As a young man working for a cattle farmer in Carlsbad, he was told to transport an animal to another farm. Now, I am as familiar with the long, lonely roads of southern New Mexico as much as anyone is, and I can tell you, your mind wanders on those long drives. That day more than a half a century ago, Mr. Ruiz' mind wandered to thoughts of a girlfriend. Well, those thoughts in mind, he drove straight to Barstow, Texas, 122 miles away, to speak with that young woman, and he brought the cow with him. Seeing as he'd now stolen a cow, Mr. Ruiz was detained, and the judge told Mr. Ruiz he would either be sent to jail for taking the cow or he could enlist in the Army. He chose the Army.

Sergeant Ruiz died on November 20, 2009. He was survived by two children, Selia Ruiz and Alejandro Ruiz, Jr., a sister, seven grandchildren, and six great-grandchildren.

Madam Speaker, Sergeant Ruiz was a member of the Greatest Generation. As that generation grows older and many of them leave this Earth, it is important that their sacrifices, their acts of heroism, their accomplishments, and, of course, their names not be forgotten. It would be a great mistake for us to forget how the lives we live today, the freedoms we cherish, and the comforts we enjoy were earned by the heroism of Sergeant Ruiz, the blood of his fellow soldiers, and the sacrifice of an entire Nation.

Madam Speaker, upon enactment of this bill, the U.S. Department of Veterans Affairs community-based outpatient clinic located at 1700 West Main Street in Artesia, New Mexico, will bear the name of Alejandro Renteria Ruiz, the son, citizen, and defender of a grateful Nation.

I thank Chairman FILNER for his support, and I urge my colleagues to support this bill.

Mr. BUYER. Madam Speaker, I yield myself such time as I may consume.

I would like to thank Mr. TEAGUE for bringing this legislation and thank Mr. FILNER for bringing it to the floor.

Any time I get to read the history and hear the stories of such extraordinary Americans, it's only fitting that we can actually place their name on such buildings that are going to be able to care for so many people. This is a very fitting memorial to his service to country.

Today, I rise in support of H.R. 4307, a bill to rename the Artesia Community Outpatient Clinic after Alejandro Renteria Ruiz, a much decorated World War II veteran who served in the Pacific theater and is a recipient of the Medal of Honor.

Ruiz received the Medal of Honor during the World War II conquest of the Japanese island of Okinawa on April 28, 1945. Master Sgt. Ruiz summoned the courage to charge a Japanese pillbox under a hail of machine gun fire and was able to neutralize it. He singlehandedly saved the lives of his 165th infantry comrades and eliminated an obstacle that would have checked his unit's advance. When his comrades recommended him for the Medal of Honor, Ruiz did not want to hear their accolades, instead choosing to focus on daily battles in Okinawa. Such courage and humility makes for an extraordinary person and soldier.

Ruiz is a hero who continued to serve his nation in the military, serving in the Korean War and retiring as a Master Sergeant in the mid 1960s. He lived at the Veterans Home in Yountville, Calif., near Napa and recently passed away on November 20th, 2009.

Ruiz frequently attended veteran reunions once he retired from the military, as well as Veteran Commemorate Conventions to honor his comrades. At these conventions, he stressed the importance of Japanese and American cooperation and understanding. Even though he had fought the Japanese during the war, he agreed that today America and Japan are friends and allies and fervently upheld a message of peace.

Ruiz is also among forty-three men of Hispanic heritage who have been awarded the Medal of Honor. His story should inspire every American.

Madam Speaker, I urge my colleagues to support H.R. 4307. Passage of this bill is an appropriate way to honor a great American. I thank Mr. TEAGUE for introducing this bill, and Chairman FILNER for moving this bill to the floor for consideration.

I yield back the balance of my time. Mr. FILNER. I thank the gentleman from New Mexico (Mr. TEAGUE) for bringing us this important resolution.

I yield back the balance of my time. The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. FILNER) that the House suspend the rules and pass the bill, H.R. 4307.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. FILNER. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

□ 1240

RESTORATION OF EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 2010

Mr. LEVIN. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 5618) to continue Federal unemployment programs.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5618

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Restoration of Emergency Unemployment Compensation Act of 2010".

SEC. 2. EXTENSION OF UNEMPLOYMENT INSURANCE PROVISIONS.

(a) IN GENERAL.—(1) Section 4007 of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended—

(A) by striking "June 2, 2010" each place it appears and inserting "November 30, 2010";

(B) in the heading for subsection (b)(2), by striking "JUNE 2, 2010" and inserting "NOVEMBER 30, 2010"; and

(C) in subsection (b)(3), by striking "November 6, 2010" and inserting "April 30, 2011".

(2) Section 2005 of the Assistance for Unemployed Workers and Struggling Families Act, as contained in Public Law 111-5 (26 U.S.C. 3304 note; 123 Stat. 444), is amended—

(A) by striking "June 2, 2010" each place it appears and inserting "December 1, 2010"; and

(B) in subsection (c), by striking "November 6, 2010" and inserting "May 1, 2011".

(3) Section 5 of the Unemployment Compensation Extension Act of 2008 (Public Law 110-449; 26 U.S.C. 3304 note) is amended by striking "November 6, 2010" and inserting "April 30, 2011".

(b) FUNDING.—Section 4004(e)(1) of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended—

(1) in subparagraph (D), by striking "and" at the end; and

(2) by inserting after subparagraph (E) the following:

"(F) the amendments made by section 2(a)(1) of the Restoration of Emergency Unemployment Compensation Act of 2010; and".

(c) CONDITIONS FOR RECEIVING EMERGENCY UNEMPLOYMENT COMPENSATION.—Section 4001(d)(2) of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended, in the matter preceding subparagraph (A), by inserting before "shall apply" the following: "(including terms and conditions relating to availability for work, active search for work, and refusal to accept work)".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of the Continuing Extension Act of 2010 (Public Law 111-157).

SEC. 3. COORDINATION OF EMERGENCY UNEMPLOYMENT COMPENSATION WITH REGULAR COMPENSATION.

(a) CERTAIN INDIVIDUALS NOT INELIGIBLE BY REASON OF NEW ENTITLEMENT TO REGULAR BENEFITS.—Section 4002 of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended by adding at the end the following:

“(g) COORDINATION OF EMERGENCY UNEMPLOYMENT COMPENSATION WITH REGULAR COMPENSATION.—

“(1) If—

“(A) an individual has been determined to be entitled to emergency unemployment compensation with respect to a benefit year,

“(B) that benefit year has expired,

“(C) that individual has remaining entitlement to emergency unemployment compensation with respect to that benefit year, and

“(D) that individual would qualify for a new benefit year in which the weekly benefit amount of regular compensation is at least either \$100 or 25 percent less than the individual's weekly benefit amount in the benefit year referred to in subparagraph (A),

then the State shall determine eligibility for compensation as provided in paragraph (2).

“(2) For individuals described in paragraph (1), the State shall determine whether the individual is to be paid emergency unemployment compensation or regular compensation for a week of unemployment using one of the following methods:

“(A) The State shall, if permitted by State law, establish a new benefit year, but defer the payment of regular compensation with respect to that new benefit year until exhaustion of all emergency unemployment compensation payable with respect to the benefit year referred to in paragraph (1)(A);

“(B) The State shall, if permitted by State law, defer the establishment of a new benefit year (which uses all the wages and employment which would have been used to establish a benefit year but for the application of this paragraph), until exhaustion of all emergency unemployment compensation payable with respect to the benefit year referred to in paragraph (1)(A);

“(C) The State shall pay, if permitted by State law—

“(i) regular compensation equal to the weekly benefit amount established under the new benefit year, and

“(ii) emergency unemployment compensation equal to the difference between that weekly benefit amount and the weekly benefit amount for the expired benefit year; or

“(D) The State shall determine rights to emergency unemployment compensation without regard to any rights to regular compensation if the individual elects to not file a claim for regular compensation under the new benefit year.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to individuals whose benefit years, as described in section 4002(g)(1)(B) of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note), as amended by this section, expire after the date of enactment of this Act.

SEC. 4. REQUIRING STATES TO NOT REDUCE REGULAR COMPENSATION IN ORDER TO BE ELIGIBLE FOR FUNDS UNDER THE EMERGENCY UNEMPLOYMENT COMPENSATION PROGRAM.

Section 4001 of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended by adding at the end the following new subsection:

“(g) NONREDUCTION RULE.—An agreement under this section shall not apply (or shall

cease to apply) with respect to a State upon a determination by the Secretary that the method governing the computation of regular compensation under the State law of that State has been modified in a manner such that—

“(1) the average weekly benefit amount of regular compensation which will be payable during the period of the agreement occurring on or after June 2, 2010 (determined disregarding any additional amounts attributable to the modification described in section 2002(b)(1) of the Assistance for Unemployed Workers and Struggling Families Act, as contained in Public Law 111-5 (26 U.S.C. 3304 note; 123 Stat. 438)), will be less than

“(2) the average weekly benefit amount of regular compensation which would otherwise have been payable during such period under the State law, as in effect on June 2, 2010.”.

SEC. 5. BUDGETARY PROVISIONS.

(a) STATUTORY PAYGO.—The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled ‘Budgetary Effects of PAYGO Legislation’ for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

(b) EMERGENCY DESIGNATIONS.—Sections 2 and 3—

(1) are designated as an emergency requirement pursuant to section 4(g) of the Statutory Pay-As-You-Go Act of 2010 (Public Law 111-139; 2 U.S.C. 933(g));

(2) in the House of Representatives, are designated as an emergency for purposes of pay-as-you-go principles; and

(3) in the Senate, are designated as an emergency requirement pursuant to section 403(a) of S. Con. Res. 13 (111th Congress), the concurrent resolution on the budget for fiscal year 2010.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Michigan (Mr. LEVIN) and the gentleman from Michigan (Mr. CAMP) each will control 20 minutes.

The Chair recognizes the gentleman from Michigan (Mr. LEVIN).

Mr. LEVIN. Madam Speaker, I yield such time as he may consume to the chairman of the subcommittee, the distinguished gentleman from Washington (Mr. McDERMOTT).

Mr. McDERMOTT. Madam Speaker, if we fail to act, 1.7 million Americans will lose their unemployment benefits by the end of this week. The House tried to address this issue a month ago as part of a much larger jobs package, but Republican opposition killed the bill in the other body.

America's unemployed workers cannot wait any longer for all of us to do the right thing. Many of them have lost their benefits after just 26 weeks. And we're not talking about people who've had 99 weeks of unemployment. We're talking people 26 weeks of unemployment in a time when we have almost 10 percent unemployed. And that's even as long-term unemployment has reached the highest levels since we've been counting. And yet, only one, one of more than 200 Repub-

licans in Congress has voted to continue the benefits.

So we're bringing up a stand-alone bill to extend unemployment benefits so there can be no excuses. There's no place to hide in this. You are looking the unemployed straight in the face.

If you vote “no” you will be cutting off unemployment benefits to Americans who have worked hard and played by the rules but now find themselves with no job, no savings, and no support.

If you vote “no” you are abandoning unemployed Americans when there are five of them desperately searching for every job that's out there.

If you vote “no” you'll be helping increase the number of homes in foreclosure. If you don't get an unemployment check, you don't have money to pay your mortgage, so your house is going to go in the tank. The number of families declaring bankruptcy and the number of children going hungry will go up in America, in the richest country in the world.

If you vote “no” you're undermining economic recovery by choking consumer demand at a critical time.

And if you vote “no” I honestly don't know how you're able to go home and march in a Fourth of July parade as millions of Americans are left without any way to keep a roof over their head or food on the table for their children.

No excuses this time. No place to hide. We must pass this bill.

Mr. CAMP. Madam Speaker, I yield myself such time as I may consume.

Here we go again. Another month, another bill extending unemployment benefits and extending the Federal deficit. Only this time, the Democrats have waited now almost an entire month since these programs last expired to come up with a plan for how to extend them, leaving hundreds of thousands of long-term unemployed people without needed benefits. And it's all because the Democrats refuse to pay for these benefits, despite record Federal deficits.

Madam Speaker, I'm one of many on this side who support helping long-term unemployed people. I voted for these benefits. Even though my home State of Michigan recently ended its 4-year run, the highest unemployment rate in the Nation, the pain suffered by our residents remains real.

But the American people know it isn't right to simply add the cost of this spending to our already overdrawn national credit card. They want to help those in need. They also know that someone has to pay when the government spends money. That assistance must not put our fiscal house, as a Nation, in even worse shape. And we're already in terrible shape, thanks to the other side.

The Democrats' trillion-dollar stimulus plan created millions of unemployed workers, instead of millions of promised jobs. We can and should cut

that ineffective stimulus spending to pay for extending UI benefits, as my colleague, Mr. HELLER of Nevada, has proposed.

Stimulus hasn't worked. In its wake, nearly 3 million private-sector jobs were lost. Unemployment soared to 10 percent nationwide, and 48 out of 50 states lost jobs. The only thing we stimulated is more government jobs.

Even Democrats now question the wisdom of all that spending, as is evidenced by the fact the chairman of the Senate Finance Committee proposed last week to cut some of it to pay for expending other expired policies.

But instead of that commonsense approach, our colleagues on the other side have brought up this unpaid-for bill, under a process that prevents any amendment, including an effort to pay for this spending. So I expect, because of those reasons, this bill will be defeated. And they know that. They want a campaign issue. Not because Members on both sides oppose helping the unemployed, but because Members reflecting what they're hearing from their constituents, listening to the people they represent, are opposed to adding another \$33 billion to our \$13 trillion mountain of national debt. Our national debt is now more than 90 percent of our total economy.

Look around the world. Countries are sinking in debt. Yet, the Democrat leaders of this House seem among the last to recognize that this reckless spending cannot go on forever.

I urge my colleagues to oppose this deficit-extending bill today so that we can bring up a real bill that allows us to pass and actually pay for these benefits for the long-term unemployed. That's the only road out of this policy dead-end into which the other side's spending ways have driven us.

Madam Speaker, I reserve the balance of my time.

Mr. LEVIN. I yield 1 minute to the gentlewoman from Nevada (Ms. BERKLEY), a member of our committee.

Ms. BERKLEY. Thank you, Mr. Chairman, for extending me this courtesy.

I am not at all concerned about finding a campaign issue to run on in November. What I'm looking for is relief for the people that I represent.

Nevada's unemployment rate went up last month. We are the highest in the country, officially over 14 percent, probably closer to 20 percent, which means a fifth of the people living in the State of Nevada have no jobs. And the problem is, there's no jobs to have.

When I hear people say, well, we shouldn't extend unemployment benefits because people are going to get accustomed to being on unemployment. Not one of the people I represent that's unemployed has come to me and told me what a picnic it is living on the brink with their unemployment benefits.

You know what they're saying to me? Find me a job, Congresswoman. I want to work.

Until this economy recovers, until people can go back to work we have an obligation and responsibility to keep these families afloat. So let's stop talking about nonsense like campaign issues, and let's start talking about how we're going to save our fellow citizens from going under in such a way that they're never going to be able to bounce back, no matter what happens with this economy.

I strongly support this.

Mr. CAMP. At this time, I yield 3 minutes to a distinguished member of the Ways and Means Committee, the gentleman from Texas (Mr. BRADY).

Mr. BRADY of Texas. Madam Speaker, I appreciate and applaud the leadership of Mr. CAMP on job-creating issues in this Congress.

My friend from Washington is correct; there are no excuses on this bill. Democrat leadership has known for months that this would run out for those who need unemployment, and they did nothing. Now it's lapsed for 30 days, and the question is why.

The answer is, to Democrats deficits don't matter. They thought they could attach this bill to a big spending bill and talk the rest of Congress into adding even more to our deficit, and Congress balked. Today they think they can add another \$33 billion to our deficit and Congress will go along with it. But we won't. At a time when Democrats believe deficits don't matter, the rest of the American public says it does matter.

□ 1250

People are frightened by the amount of debt this country owes. They are frightened by how much more dangerous debt is added every day. In fact, every second in America, under the Obama-Democrat budget, every second more is added to the national debt than most average Americans make all year long, every second more debt than most of us make all year long. And there is no end in sight.

Deficits are going to drag this economy down. It's going to put an anchor around the young people's necks, those of our children and grandchildren. What I think is frustrating is it's so easy to pay for this bill. As Mr. CAMP said, a trillion-dollar stimulus bill. They spent \$3 million on a turtle crossing in Florida; \$50,000 for a hand puppet grant. They have \$390,000, this is hard to believe, they spent \$390,000 of your money at the University of New York at Buffalo to study the relationship between malt liquor beer and smoking marijuana. Those are your tax dollars. That's what we are spending this deficit on.

And what's even I think worse, as bad as the deficit is, if Democrats in Congress succeed in reinstating the moratorium

on drilling in deep water, we will add 50,000 direct unemployed to these rolls. We will lose hundreds, if not thousands, of small businesses who won't be able to survive this moratorium.

The White House is determined to reinstate it, even though a Federal judge said it was completely inappropriate. Let's not turn an environmental catastrophe into an economic catastrophe. Bills like this that get ignored, try to run up deficits, moratoriums that kill more U.S. jobs, we can do better than this. I will vote "no," and I urge commonsense Americans who support a balanced budget to vote "no" as well.

Mr. LEVIN. I simply want to say to the gentleman from Texas he will have to go home, if he votes "no," and give an explanation why he voted "no" when 113,000 residents of the State of Texas will have lost unemployment benefits by the end of this week without the enactment of this bill; 113,000.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Members should direct their remarks to the Chair.

Mr. LEVIN. I now yield 1 minute to the gentleman from Illinois (Mr. DAVIS), a distinguished member of our committee.

Mr. DAVIS of Illinois. I thank the chairman for yielding.

Madam Speaker, I received a phone call early this morning from one of my constituents. He said to me, Congressman DAVIS, I have had a job since I was 18 years old. I have always worked, but my unemployment benefits ran out at the end of May. My basement is flooded as a result of the heavy rains. My son is in college and can't find a summer job. Our house is almost in foreclosure. There are no jobs to be found. And now I have no unemployment benefits. What can I do? And the only thing I could say to him was, You can keep looking, you can have faith, and you can have hope.

But there is something that we can do. We can pass 5618, to extend unemployment benefits for you and your family, and for the other hundreds of thousands of families throughout America. That's the very least we can do, and we ought to do it now.

Mr. CAMP. I reserve the balance of my time.

Mr. LEVIN. It's now my privilege to yield 3 minutes to the distinguished gentleman from New York, CHARLES RANGEL.

Mr. RANGEL. I want to thank the chairman of the committee for yielding.

I guess my appeal has to deal with America. I think that our great country and its successes is really not just due to investments, but the investments that we have in people who are willing to leave their home country to come to this country because they have hopes, they have dreams, they

have the energy. And I don't know how you convert that into what makes America the giant that it is, but one thing is abundantly clear: everyone is trying to come to America, and no one is anxious to leave.

This quality of believing in America and believing that you have the opportunity to succeed through hard work is one of the things that I think this recession, this setback, is costing us—something that we can never recover from—and that is the lack of faith. I think the gentleman from Chicago talked about it.

It's not just those who are unemployed now. It's those who are chronically unemployed, those that don't really believe that America's going to give them another chance, and those that are holding on now by their fingernails in the hope that somebody somewhere would allow them to exist.

Some lives cannot be restored. You can't get back that house, you can't get back your credit, you can't get back your kid in college, you can't get back your reputation of being a hard-working person that takes care of their family. And these are personal crises that most people overcome. But can our country overcome it? Can we tell a person that's worked all of his life, and his father and his grandfather, can we say that we have found billions of dollars for the bankers but somehow we are concerned about the deficit when it comes to Americans?

The one quality that we have is we believe in this country, we believe in hard work, and we believe that our country supports that type of thing. We can't talk about the other House, we can't talk about the deficit, we can't talk about Republicans and Democrats. We are talking about the heart of our country, and that is the dreams and the aspirations that we will never let workers down.

So we are not talking about welfare, unwanted children, or any of those things except what our flag is made of; and our flag is made of hope and support from this great country. So I do hope, Madam Speaker, that people try to understand everybody in this Chamber knows somebody that's not going to come back the same way that this crisis has hit them. We have an ability to ease the pain and to save the faith of those people who have not yet reached that point that they know that our country has let them down.

I just thank my colleagues for being sensitive enough to know that we do care, and we want the country to know that this could happen to them. So many people are depending on us. I hope this body will not let them down.

Mr. CAMP. I continue to reserve the balance of my time.

Mr. LEVIN. It is now my privilege to yield 2 minutes to the gentleman from Massachusetts, a distinguished Member, Mr. RICH NEAL.

Mr. NEAL. Thank you for yielding, Mr. Chairman.

Some of the best speeches that I have ever listened to and/or read come from the legendary mayor of Boston, James Michael Curley. And Curley spoke with great empathy about the forgotten man, those individuals who for whatever reason have found themselves outside of the mainstream of economic life. He also would suggest that, in simplicity, that the great ally of civilization was a full stomach. And we need to be reminded of that with the grim economic statistics that America is currently witnessing.

Now, also another very pertinent reminder here that I think that we all ought to recall: in October of 2008, in record time this House voted to come to the aid of Wall Street. It didn't take us long, with the Troubled Asset Relief Program, to keep standing many of those institutions that helped create the problem that we find ourselves currently in.

Now, why is that relevant? There are millions of people across this country who have simply found themselves without work. What does that do to an individual who has spent a career, and after 30 years finds the job is gone? And we treat them as though they are simply a statistic after perhaps they served us in an honorable manner in Vietnam, or currently in Iraq, or Afghanistan, or other theaters around the world?

America's about building community, Madam Speaker. America's about a place where nobody's to be abandoned and nobody's to be left behind. The great bounty of God's work has been to ensure that most people in America have shelter and food. This opportunity to extend unemployment benefits for the American people ought to meet this moment.

Mr. CAMP. I continue to reserve the balance of my time.

Mr. LEVIN. I yield 1 minute to the gentlelady from Texas (Ms. JACKSON LEE).

□ 1300

Ms. JACKSON LEE of Texas. Madam Speaker, I was listening to the tribute to Senator BYRD yesterday on the floor of the Senate, the other body, and I was struck by one comment on his integrity. It was that if Senator BYRD gave you his word you could go to the bank on it.

I rise today to support this legislation because I want the American people to know that this Congress who has taken their vote really needs to stand by its word. That word is to be there for America during a rainy day. This unemployment insurance extension is not a handout; it's a hand up. Democrats have voted to create thousands of jobs in America but it is not enough.

All the economists will tell you that Americans are not at work because

they don't want to work. They are not at work because jobs have not been created, and one of the downfalls of the bailout, for those of us who did vote against it but because of the outpouring of our own constituents who asked us to vote "yes," we voted "yes" for small businesses and businesses in general to create jobs, but if the too-big-to-fail banks refuse to give them loans to create jobs then we are stuck with no job creation at the level we would like.

We need to be able to provide for those who need us now, provide for those without jobs or losing jobs, and get off this high horse of breaking your word to the American people.

Madam Speaker, I rise in support of H.R. 5618, Restoration of Emergency Unemployment Compensation Act. If there is a single federal program that is absolutely critical to people in communities all across this Nation at this time, it would be unemployment compensation benefits. People cannot function without some means to subsist, while continuing to look for work that in many places in the country is just not there. Families have to feed children. Unemployed workers, many of whom rely on public transportation, need to be able to get to potential employers' places of work. Utility payments must be paid.

Most people use their unemployment benefits to pay for the basics. No one is getting rich from unemployment benefits, because the weekly benefit checks are solely providing for basic food, medicine, gasoline and other necessary things many individuals with no other means of income are not able to afford.

Personal and family savings have been exhausted and 401(k)s have been tapped, leaving many individuals and families desperate for some type of assistance until the economy improves and additional jobs are created. The extension of unemployment benefits for the long-term unemployed is an emergency. You do not play with people's lives when there is an emergency. Unemployment is an emergency. Just ask someone who has been unemployed and looking for work, and they will tell you the same.

With a national unemployment rate of 9.7 percent, preventing and prolonging people from receiving unemployment benefits is a national tragedy. In the city of Houston, the unemployment rate stands at 8.3 percent, with more than 241,152 individuals remaining unemployed. Indeed, I cannot tell you how difficult it has been to explain to my constituents who are unemployed that there will be no further extension of unemployment benefits until the Congress acts. Whether the justification for inaction is the size of the debt or the need for deficit reduction, it is clear that it is more prudent to act immediately to give individuals and families looking for work a means to survive the hot summer of 2010—only made more unbearable by this nonsensical approach to their plight.

H.R. 5618 is just the right measure at the right time. The legislation will send a message to the Nation's unemployed, that this Congress is dedicated to helping those trying to help themselves. Until the economy begins to create more jobs at a much faster pace, and

the various stimulus programs continue to accelerate project activity in the economy, we cannot sit idly and ignore the unemployed. As such, I urge my colleagues to support H.R. 5618.

Mr. CAMP. I yield myself such time as I may consume.

As I said in my opening comments, there are many people on this side who have and do support helping the long-term unemployed. I voted for these benefits. This will represent the eighth extension of unemployment benefits since July of 2008. Of those eight bills, one has been paid for.

I heard my friend on the other side so eloquently speak of the forgotten man. What about the future of this country? What about the children and grandchildren who are going to be left paying this debt?

The issue isn't should we extend benefits to the unemployed. The issue is should they be paid for or should they simply add to the deficit and further compound our problems.

I happen to serve on the debt commission, the fiscal responsibility commission. We had testimony there from an expert who analyzed 200 years of world history and every country in the world and said that when your national debt gets to 90 percent of your GDP, which we're at now, you end up hurting the economic growth of the country by about 1 percent, and in America, that means 1 million jobs. That means by adding to the debt and deficit, we're costing jobs.

Now, what we need to do is help grow this economy, and let me just say that these unemployment insurance benefits are not paid for in this bill. Of the \$34 billion that would be spent on UI, not a penny is paid for. This bill is declared an emergency, and therefore, this \$34 billion will be added to our already record \$13 trillion debt, but it doesn't have to be that way.

The House actually passed, as I mentioned, one extension bill last fall that was fully paid for, and here's what a colleague of mine on the Ways and Means Committee, a senior Democrat, said in a press release, and this is also found on his Web site: "In passing the legislation . . . the bill does not increase the deficit . . . the extension is fully paid for."

And here is what the Statement of Administration Policy said about that bill: "Fiscal responsibility is central to the medium-term recovery of the economy and the creation of jobs. The administration therefore supports the fiscally responsible approach to expanding unemployment benefits embodied in the bill."

So, by the administration's logic, the fiscally irresponsible bill before us undermines the medium-term recovery of the economy and the creation of jobs.

Let's vote "no" on this bill today so that we can come back tomorrow and pass a bill that extends unemployment

benefits that is fully paid for and does not jeopardize the future of this country and the need for economic growth that is so important to getting us out of this recession.

With that, I yield back the balance of my time.

GENERAL LEAVE

Mr. LEVIN. I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 5618.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LEVIN. I yield myself the balance of my time.

I have listened to my colleague from Michigan who comes here almost alone, and I think those who vote "no" when they go back home are really going to find themselves basically alone, because those who vote "no" have no place to hide.

This is an emergency for 1.7 million people and their families right now; therefore, it's an emergency for the community of the United States of America. And that 1.7 million will grow and grow under this banner that is floated by the minority.

Look, the excuses fall of their own lack of weight. You say we did nothing on the Democratic side. Yes, we passed a bill that extended unemployment insurance. They could not find a single Republican in the Senate to vote for that bill. And so you finger point at those who acted and excuse those who refused to act?

And you bring up the deficit, a deficit that grew under the previous administration. You can't hide behind that. This is an emergency.

You can't hide behind the Republican bill either because, as I understand it, it was for 1 month paid for and that month is gone. You have not come up with any responsible, feasible way to excuse inaction.

Unemployment insurance was extended many times under Republican Presidents, so you don't even have that excuse.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. CUELLAR). Members will address their remarks to the Chair.

Mr. LEVIN. There's no excuse, and so what was done under previous administrations, Republican and Democratic, should be done right today. I'm afraid you don't see that there's an emergency for the families, soon to be 2 million.

And also, let me say in terms of economic growth, when you provide unemployment insurance to people, they spend it. So, if you're worried about growth and consumer demand, put money in the pockets of people who are desperate, who are out of work, who are looking for work. Instead, you turn your back on them.

I want to read a story. I met this person in Hazel Park, Michigan, last weekend. He served 3 years and 9 months in the U.S. Army, including a year tour in Iraq. He has an associate's degree from a community college and a bachelor's degree. He was employed by a loan company, a mortgage company, as a broker, and then the mortgage crisis came and he was laid off. He was unemployed for 3 years, and then he was hired by Kmart as an assistant store manager. He was laid off in 2009, August, due to store closings.

□ 1310

He has currently, approximately, 4 weeks left on his Tier 1 extension, due to expire on July 14. There are 1.7 million people like this gentleman already in this country.

I don't know how you look them in the face. I don't know how you explain a "no" vote. I think the flimsy arguments that are used won't work in this hall and won't work back home.

This is an emergency. I really can't believe that people from the minority are going to come here and vote "no." They are voting "no" for millions. I think they are voting "no" for what is best in the United States of America. We are a community of people. When people lose their jobs and can't find them, we don't simply stand idly by. This is the time for you to stand up, and the only way to stand up is to vote "yes."

I plead on behalf of the millions of people in this country who are out of work, who are looking for jobs, that you provide the unemployment insurance that they have worked for and that should be provided. Don't turn your backs on them. In the end, there will be no excuse, no excuse, no excuse.

Mr. VAN HOLLEN. Mr. Speaker, I rise in strong support of this much-needed legislation to extend unemployment insurance benefits through November 2010.

Though we are showing signs of economic recovery, millions of Americans remain out of work through no fault of their own. Without this extension, an estimated 1.7 million individuals will lose their unemployment benefits by July 3, 2010. This legislation would help these individuals and their families by retroactively restoring the benefits that they began losing as early as the end of May. We need to help those families who are struggling to make ends meet.

Protecting the middle class, rebuilding our economy, and providing job growth remains our top priority. While there has been five consecutive months of job growth, much more work needs to be done to make up for the 8 million jobs lost while we continue to rebuild the economy. We inherited an economic mess that favored corporate special interests at the expense of the middle class. And we are still cleaning up that mess. Extending these benefits is not only the right thing to do for these families, but at the same time it will help the economy as a whole. If individuals are unable to buy food and pay their mortgages or rent, the economy could slide back into recession.

Mr. Speaker, we wouldn't be here if our Republican colleagues in the Senate had blocked previous legislation to extend unemployment benefits. I urge all my colleagues not turn our backs on those Americans who are out of a job and continue to struggle to find work.

Mr. LEVIN. I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. LEVIN) that the House suspend the rules and pass the bill, H.R. 5618.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the yeas have it.

Mr. CAMP. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

PROVIDING FOR RECONSIDERATION AND REVISION OF PROPOSED CONSTITUTION OF THE UNITED STATES VIRGIN ISLANDS

Mrs. CHRISTENSEN. Mr. Speaker, I move to suspend the rules and pass the joint resolution (S.J. Res. 33) to provide for the reconsideration and revision of the proposed constitution of the United States Virgin Islands to correct provisions inconsistent with the Constitution and Federal law.

The Clerk read the title of the joint resolution.

The text of the joint resolution is as follows:

S.J. RES. 33

Whereas Congress, recognizing the basic democratic principle of government by the consent of the governed, enacted Public Law 94-584 (94 Stat. 2899) authorizing the people of the United States Virgin Islands to organize a government pursuant to a constitution of their own adoption;

Whereas a proposed constitution to provide for local self-government for the people of the United States Virgin Islands was submitted by the President to Congress on March 1, 2010, pursuant to Public Law 94-584;

Whereas Congress, pursuant to Public Law 94-584, after receiving a proposed United States Virgin Islands constitution from the President may approve, amend, or modify the constitution by joint resolution, but the constitution "shall be deemed to have been approved" if Congress takes no action within "sixty legislative days (not interrupted by an adjournment sine die of the Congress) after its submission by the President";

Whereas in carrying out Public Law 94-584, the President asked the Department of Justice, in consultation with the Department of the Interior, to provide views on the proposed constitution;

Whereas the Department of Justice concluded that several features of the proposed constitution warrant analysis and comment, including—

(1) the absence of an express recognition of United States sovereignty and the supremacy of Federal law;

(2) provisions for a special election on the territorial status of the United States Virgin Islands;

(3) provisions conferring legal advantages on certain groups defined by place and timing of birth, timing of residency, or ancestry;

(4) residence requirements for certain offices;

(5) provisions guaranteeing legislative representation of certain geographic areas;

(6) provisions addressing territorial waters and marine resources;

(7) imprecise language in certain provisions of the bill of rights of the proposed constitution;

(8) the possible need to repeal certain Federal laws if the proposed constitution of the United States Virgin Islands is adopted; and

(9) the effect of congressional action or inaction on the proposed constitution; and

Whereas Congress shares the concerns expressed by the executive branch of the Federal Government on certain features of the proposed constitution of the United States Virgin Islands and shares the view that consideration should be given to revising those features: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SENSE OF CONGRESS ON PROPOSED CONSTITUTION FOR UNITED STATES VIRGIN ISLANDS.

It is the sense of Congress that Congress—

(1) recognizes the commitment and efforts of the Fifth Constitutional Convention of the United States Virgin Islands to develop a proposed constitution; and

(2) urges the Fifth Constitutional Convention of the United States Virgin Islands to reconvene for the purpose of reconsidering and revising the proposed constitution in response to the views of the executive branch of the Federal Government.

SEC. 2. REVISION OF PROPOSED CONSTITUTION.

Section 5 of Public Law 94-584 (90 Stat. 2900) is amended—

(1) by designating the first, second, third, and fourth sentences as subsections (a), (b), (d), and (e), respectively;

(2) in subsection (b) (as so designated)—

(A) by striking "within" and all that follows through "after" and inserting "within 60 legislative days after"; and

(B) by inserting "or has urged the constitutional convention to reconvene," after "in whole or in part,";

(3) by inserting after subsection (b) (as so designated) the following:

"(c) REVISION OF PROPOSED CONSTITUTION.—

"(1) IN GENERAL.—If a convention reconvenes and revises the proposed constitution, the convention shall resubmit the revised proposed constitution simultaneously to the Governor of the Virgin Islands and the President.

"(2) COMMENTS OF PRESIDENT.—Not later than 60 calendar days after the date of receipt of the revised proposed constitution, the President shall—

"(A) notify the convention, the Governor, and Congress of the comments of the President on the revised proposed constitution; and

"(B) publish the comments in the Federal Register."; and

(4) in subsection (d) (as so designated), by inserting "under subsection (b) (or, if revised pursuant to subsection (c), on publication of the comments of the President in the Federal Register)" after "or modified".

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from

the Virgin Islands (Mrs. CHRISTENSEN) and the gentleman from Washington (Mr. HASTINGS) each will control 20 minutes.

The Chair recognizes the gentlewoman from the Virgin Islands.

GENERAL LEAVE

Mrs. CHRISTENSEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the joint resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from the Virgin Islands?

There was no objection.

Mrs. CHRISTENSEN. I yield myself such time as I may consume.

Mr. Speaker, Senate Joint Resolution 33 was introduced by the chairman of the Senate Energy and Natural Resources Committee, JEFF BINGAMAN, to respond to concerns raised with the fifth proposed constitution for the United States Virgin Islands.

In order to encourage the adoption of their own constitutions, Congress in 1976 enacted legislation to authorize the people of the Virgin Islands and Guam to convene constitutional conventions and write their own local constitutions. This act, Public Law 94-528, sets out parameters that the supremacy of the United States Constitution must be recognized and adhered to as well as a process for the Federal review of any proposed constitution, including 60-day periods for both Presidential and congressional reviews. We are at the very end of the time prescribed for congressional action.

The U.S. Virgin Islands, an unincorporated territory acquired by the United States from Denmark in 1917, is one of only two U.S. States and territories that does not have a constitution written by the people who determine its basic governmental organization and structure. Instead, for more than half a century, the Virgin Islands have been under the governance of a Federal law known as the Revised Organic Act of 1954. Since 1964, the people of the Virgin Islands have attempted five times to write a constitution that brings the territory governance from the people. The first four efforts were unsuccessful.

On December 31, 2009, the Governor of the Virgin Islands submitted to President Obama a constitution drafted by the Fifth Constitutional Convention of the United States Virgin Islands. As required by Public Law 94-584, the President transmitted the constitution to Congress on March 1, 2010, for consideration.

In his submittal letter to Congress, President Obama indicated that he asked the Department of Justice, in consultation with the Department of the Interior, to provide their views on the proposed constitution. The Department of Justice, in a memorandum

which accompanied the President's submittal letter, concluded that several features of the proposed constitution warranted analysis and comment and outlined at least eight areas in the proposed constitution that the Department of Justice believes should either be removed from the constitution or modified.

The resolution we are considering today attempts to respond to the concerns about the proposed constitution raised by the Justice Department by providing for its reconsideration and revision to correct provisions that are inconsistent with the United States Constitution and Federal law. It is a clear statement from Congress that the convention should consider these provisions; although, it does not dictate what the outcome of the "reconsiderations" should be.

This resolution also represents a compromise, and because of the importance of this document and the process to my constituents and to me, I would like to explain the journey that I have gone through as their Representative in the only branch of local or national government with the authority to make any changes.

Regardless of my personal opinion or understanding of the unique circumstances of the U.S. Virgin Islands, the document adopted by the convention does not meet the dictates of the act which authorized its creation.

My initial position was that we as a Congress should exercise our authority and amend it before sending the document back to the people of the Virgin Islands to vote on. I still feel strongly that the people at home are entitled to and deserve a constitutionally sound document upon which to come out and cast their votes. That has not changed.

Yet, after listening to the testimony given in the Congress—and when at home—to the many sides of the issue and after listening to the varied opinions of a broad cross-section of my community, a different position evolved. Despite my misgivings on the constitutionality of the document, my views became more consistent with my long held stance that the people of the territories should be the ones to decide on issues of their self-governance.

The people of the Virgin Islands voted for delegates to the Constitutional Convention. We as a Congress and I as their elected Representative should honor their position and their work on the people's behalf. Further, any provision that is unconstitutional would not stand, and therefore, no one need fear that any rights guaranteed by the U.S. Constitution would in any way be abridged.

The Senate felt differently. There was a degree of outrage at what appeared on the surface to be a denial of equal protection under the law. Although they first thought to reject the document outright, that was not an op-

tion, and so they were prepared to amend it.

The resolution which is before us today represents a compromise that I negotiated and which protects the right of the people of the Virgin Islands to draft and adopt a constitution of their own writing; and I do believe that, although the definitions of native and ancestral could be included to follow the dictates, however, of the authorizing act, any rights and privileges ascribed to them would need to be amended in the reconvening of the convention. There is precedent for the convention's reconvening to address administration concerns, as it happened in the case of the fourth constitutional draft document.

As I stated in my testimony before the Senate, it had been my hope that, once reconvened as prescribed in this resolution, no matter what was or was not done, the resulting document would go directly to the people of the USVI for the vote. I did not prevail in that argument, but given the constraints of time imposed by the other body's late action and the delays in reaching agreement on the resolution's being placed on the suspension calendar, I hope that we will get this to the people in time for the constitution to reconvene.

With that, I ask my colleagues to support the passage of this measure so that we can get it done today and get it to the President for his signature.

I reserve the balance of my time.

Mr. HASTINGS of Washington. I yield myself such time as I may consume.

Mr. Speaker, the adoption of a constitution by the U.S. Virgin Islands will provide additional autonomy for that territory. However, any constitution that is adopted should not be in conflict with the U.S. Constitution, as noted by the extensive comment provided by the U.S. Justice Department.

□ 1320

The House therefore should pass Senate Joint Resolution 33 today to state concerns with the Virgin Islands draft Constitution and urge remedying these issues.

Ms. BORDALLO. Mr. Speaker, I rise to address the House regarding S.J. Res. 33, which the other body passed on June 17, 2010, and which relates to a proposed Constitution of the Virgin Islands of the United States adopted by the Fifth Constitutional Convention in the territory on May 26, 2009. This particular proposed Constitution was received by the House from the President of the United States with his comments earlier this year, and was read and referred to the Committee on Natural Resources. On March 17, 2010, I chaired an oversight hearing of the Subcommittee on Insular Affairs, Oceans and Wildlife for the purpose of receiving testimony about the proposed Constitution. Testimony was received from a representative of the United States Department of Justice and from leaders in the

Virgin Islands, including the Governor and the President of and five other Delegates seated to the Fifth Constitutional Convention. Witnesses addressed both the drafting and review process for the proposed Constitution as well as its substance. Most importantly, witnesses emphasized the meaning that the drafting and adoption of a constitution by and for the people of the Virgin Islands holds for our democracy and for an increased level of self-government for them.

An Act of the 94th Congress codified in Title 48 of the United States Code provides for a Congressional review process for any proposed and locally drafted Constitution for either the Virgin Islands or Guam. Both territories are the only organized jurisdictions presently under the U.S. Flag for which local government is not organized pursuant to a locally drafted and adopted Constitution. Indeed, a principal purpose of the Act of the 94th Congress, U.S. Public Law 94-584, which governs this process, was to enable the people of both territories to organize a government pursuant to a Constitution of their own adoption and structured in accordance with their vision.

Absent such a locally adopted Constitution, the governments of the Virgin Islands and Guam have been organized by and derive legitimacy from separate Acts of Congress, which for all intents and purposes serve as de facto Constitutions for the respective territories. These statutes are the Revised Organic Act of 1954 for the Virgin Islands, which superseded the Organic Act of 1936, and the Organic Act of 1950 for Guam.

The people of the Virgin Islands have duly elected five Constitutional Conventions since the enactment of the Revised Organic Act of 1954. Two Conventions in the Virgin Islands were convened prior to the enactment of U.S. Public Law 94-584—in 1964 and 1972, respectively—and three since—in 1978, 1980, and the most recent, the fifth such Convention convened in 2007. Positive steps toward increased self-government for the people of the Virgin Islands were realized as a result of the work of the 1964 and 1972 conventions, including an amendment by Congress to the Revised Organic Act that allowed for the Governor of the Virgin Islands to be chosen by popular election beginning in 1965. The work of the third and fourth conventions resulted in transmittals of whole proposed Constitutions to the Congress, and similarly served as a continued exercise of and toward greater self-government for the people of the Virgin Islands.

In 1977, one year following the enactment of U.S. Public Law 94-584, a Constitutional Convention was convened in Guam and composed of Delegates elected by the people of Guam. The particular proposed Constitution drafted by that Convention was not ultimately adopted by the people of Guam. Discussion arose then among the voters and leaders of Guam about whether approval of local constitutional government in Guam might preclude or be prejudicial to the exercise of their right to self-determination, and efforts in subsequent years were concentrated predominately on resolving the territory's ultimate political status.

The Fifth Constitutional Convention of the Virgin Islands marks another point in the continued journey of the people of the Virgin Islands toward increased self-governance and

their commitment to a democratic form of government. The President noted such in his comments to Congress on this most recent, proposed Constitution. While certain legal questions have been raised regarding several of its features that are noted in the President's comments, the proposed Constitution in and of itself represents significant effort and work undertaken by leaders in the Virgin Islands dedicated to their community and to our democracy.

I commend the leadership that our colleague, Mrs. CHRISTENSEN, has brought to bear in this process and in all issues pertaining to governance in the territories. This body is now considering a measure that the Senate has sent to us. I would be remiss if I did not note the implications for my district, Guam. As leaders in Guam may in the future decide to again take up the work to draft and adopt a Constitution locally, it is important that Congress remain cognizant of and open to such opportunity.

S.J. Res. 33 proposes to amend the underlying statutory scheme governing such a process to allow for formal revision of a proposed Constitution after it has been initially transmitted to the President and Congress. In doing so, it requires a reconvened Constitutional Convention to resubmit a proposed Constitution in any form it may so revise it to the Governor of the Virgin Islands and the President. In amending Section 5 of U.S. Public Law 94-584 for this purpose, S.J. Res. 33 would separate and designate as separate subsections the existing four sentences of such Section. Additionally, it would insert a new subsection (c) in the middle of the existing language to provide for the resubmitting requirement. However, the proposed amendment of the Senate would only insert a reference to the Governor of the Virgin Islands in this instance despite the fact the underlying statute is structured such that the process is to apply both to the Virgin Islands and Guam, respectively. Revisiting this language may become important should leaders in Guam at any point in the future again convene a Constitutional Convention.

Ultimately, it is important for Congress to remain responsive to and supportive of leaders in both territories as they work to advance local self-government and provide for the rule of law.

Mr. HASTINGS of Washington. I yield back the balance of my time.

Mrs. CHRISTENSEN. I thank my colleague for his support. As we said, we are at the very last few days with which the Congress has been prescribed to act, and I ask for support of this measure.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN) that the House suspend the rules and pass the joint resolution, S.J. Res. 33.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the joint resolution was passed.

A motion to reconsider was laid on the table.

FOUNTAINHEAD PROPERTY LAND TRANSFER ACT

Mr. BOREN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1554) to take certain property in McIntosh County, Oklahoma, into trust for the benefit of the Muscogee (Creek) Nation, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1554

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Fountainhead Property Land Transfer Act".

SEC. 2. TRANSFER OF LAND; LAND INTO TRUST.

(a) IN GENERAL.—Immediately after completion of the survey required under subsection (b), the receipt of consideration and costs required under subsection (c), and satisfaction of all terms specified by the Secretary and the Secretary of the Army under subsection (d), administrative jurisdiction of the Property shall be transferred from the Secretary of the Army to the Secretary, and the Secretary shall take the Property into trust for the benefit of the tribe.

(b) SURVEY.—The exact acreage and legal description of the Property shall be determined by a survey satisfactory to the Secretary and the Secretary of the Army.

(c) CONSIDERATION; COSTS.—The tribe shall pay—

(1) to the Secretary of the Army fair market value of the Property, as determined by the Secretary of the Army; and

(2) all costs and administrative expenses associated with the transfer of administrative jurisdiction of the Property and taking the Property into trust pursuant to subsection (a), including costs of the survey provided for in subsection (b) and any environmental remediation.

(d) OTHER TERMS AND CONDITIONS.—The transfer of administrative jurisdiction of the Property and taking the Property into trust shall be subject to such other terms and conditions as the Secretary and the Secretary of the Army consider appropriate to protect the interests of the United States, including reservation of flowage easements consistent with the Acquisition Guide Line for Flowage Easement for the Lake Eufaula project and other applicable policies for that project.

(e) DEFINITIONS.—For the purposes of this section:

(1) PROPERTY.—The term "Property" means, subject to valid existing rights, all right, title, and interest of the United States in and to the Federal land generally described as the approximately 18 acres of Federal land located in McIntosh County, Oklahoma, within the boundary of the Muscogee (Creek) Nation and located in the northwest quarter of section 3, township 10 north, range 16 east, McIntosh County, Oklahoma, at Lake Eufaula.

(2) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(3) TRIBE.—The term "tribe" means the Muscogee (Creek) Nation.

(f) GAMING PROHIBITION.—The tribe may not conduct on any land taken into trust pursuant to this Act any gaming activities—

(1) as a matter of claimed inherent authority; or

(2) under any Federal law, including the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.) and any regulations promulgated by

the Secretary or the National Indian Gaming Commission pursuant to that Act.

(g) SAVINGS PROVISION.—Nothing in this section shall be construed to affect or limit the application of, or any obligation to comply with, any environmental law, including the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

(h) PAYGO.—The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled "Budgetary Effects of PAYGO Legislation" for this Act, submitted for printing in the Congressional Record by the chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Oklahoma (Mr. BOREN) and the gentleman from Washington (Mr. HASTINGS) each will control 20 minutes.

The Chair recognizes the gentleman from Oklahoma.

GENERAL LEAVE

Mr. BOREN. I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. BOREN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1554 would take certain property in McIntosh County, Oklahoma, into trust for the benefit of the Muscogee Creek Nation.

The Creek Nation has over 69,000 enrolled citizens at its headquarters in my district in beautiful eastern Oklahoma. As part of their effort to provide economic development in this very rural area of Oklahoma, the Nation purchased the Fountainhead Lodge and 48 surrounding acres from the State of Oklahoma.

Fountainhead was once touted as the State's premier resort lodge, but the property had fallen into disrepair. The Creek Nation hopes to turn the property into a destination resort at Lake Eufaula, bringing much-needed tourism dollars to this distressed area, one of the poorest in the Nation.

The property included a hotel, recreational building and duplex cabins, as well as 18 acres of Army Corps of Engineers land that came with the property as a lease. A subsequent survey determined that the recreational building was located entirely on the Corps' land. The Corps suggested that they transfer the ownership of the leased land to the Creek Nation to assist in the development of the property.

On April 21, 2010, the Committee on Natural Resources held a hearing on this legislation. The administration testified in support of the bill, but expressed concerns with the manner in

which it was drafted. At the full committee markup, I offered an amendment in the nature of a substitute to address their concerns. The bill as amended was favorably reported by voice vote.

Additional changes have been made to H.R. 1554. The bill now prohibits gaming on the lands that are subsequent to this legislation. Further, a provision was added to ensure that if there are hazardous materials on the lands, the Federal Government remains responsible for cleaning them up. Finally, language was added to account for any budgetary impacts this legislation may have.

Enactment of H.R. 1554 would allow the Creek Nation to move forward with their plans to build a full-scale lake resort. This project will bring hundreds of much-needed jobs and economic prosperity to the region. Resolutions of support for this project have been passed by members of the legislature from the Lake Eufaula area, Checotah Chamber of Commerce, City of Henryetta, City of Eufaula, and the Lake Eufaula Association.

I ask my colleagues to support passage of this legislation.

Mr. Speaker, I submit for the RECORD an exchange of letters between the Committee on Natural Resources and the Committee on Transportation and Infrastructure concerning H.R. 1554.

HOUSE OF REPRESENTATIVES, COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,

Washington, DC, June 28, 2010.

Hon. NICK RAHALL,
Chairman, Committee on Natural Resources,
Washington, DC.

DEAR CHAIRMAN RAHALL: I write to you regarding H.R. 1554, a bill to take certain property in McIntosh County, Oklahoma, into trust for the benefit of the Muscogee (Creek) Nation.

H.R. 1554 contains provisions that fall within the jurisdiction of the Committee on Transportation and Infrastructure. I recognize and appreciate your desire to bring this legislation before the House in an expeditious manner and, accordingly, I will not seek a sequential referral of the bill. However, I agree to waive consideration of this bill with the mutual understanding that my decision to forgo a sequential referral of the bill does not waive, reduce, or otherwise affect the jurisdiction of the Committee on Transportation and Infrastructure over H.R. 1554.

Further, the Committee on Transportation and Infrastructure reserves the right to seek the appointment of conferees during any House-Senate conference convened on this legislation on provisions of the bill that are within the Committee's jurisdiction. I ask for your commitment to support any request by the Committee on Transportation and Infrastructure for the appointment of conferees on H.R. 1554 or similar legislation.

Please place a copy of this letter and your response acknowledging the Committee on Transportation and Infrastructure's jurisdictional interest in the Committee Report on H.R. 1554 and in the Congressional Record during consideration of the measure in the House.

I look forward to working with you as we prepare to pass this important legislation.

Sincerely,

JAMES L. OBERSTAR, M.C.,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON NATURAL RESOURCES,
Washington, DC, June 28, 2010.

Hon. JAMES OBERSTAR,
Chairman, Committee on Transportation and Infrastructure, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your willingness to expedite floor consideration of H.R. 1554, a bill to take certain property in McIntosh County, Oklahoma, into trust for the benefit of the Muscogee (Creek) Nation.

I appreciate your willingness to waive rights to further consideration of H.R. 1554, notwithstanding the jurisdictional interest of the Committee on Transportation and Infrastructure. Of course, this waiver does not prejudice any further jurisdictional claims by your Committee over this legislation or similar language. Furthermore, I agree to support your request for appointment of conferees from the Committee on Transportation and Infrastructure if a conference is held on this matter.

This exchange of letters will be placed in the committee report and inserted in the Congressional Record as part of the consideration of the bill on the House floor. Thank you for the cooperative spirit in which you have worked regarding this matter and others between our respective committees.

With warm regards, I am

Sincerely,

NICK J. RAHALL II,
Chairman, Committee on Natural Resources.

I reserve the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Oklahoma has adequately described the purpose of this bill. I am pleased to lend my support to this bill, which will enable the Muscogee Creek Nation of Oklahoma to acquire land and put it into productive use at no cost to the taxpayer.

I also appreciate the sponsor, the gentleman from Oklahoma, and the chairman of the committee, for ironing out the minor technical concerns that were brought up in relation to gaming in the original version of the bill. I think those improvements add to this bill. This is a good bill as it has been amended, and I urge its adoption.

Mr. Speaker, I yield back the balance of my time.

Mr. BOREN. Mr. Speaker, I also want to particularly thank the chairman for allowing us to have the hearing and for the markup, but I really want to say a special thank you to the ranking member and his staff for working with us on these technical changes and making sure that everything was ironed out.

I want to thank the Creek Nation for all the hard work it has put into this legislation. I want to thank the Chief, the Council, and all the community leaders that have made this possible. I ask for a "yes" vote.

I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by

the gentleman from Oklahoma (Mr. BOREN) that the House suspend the rules and pass the bill, H.R. 1554, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. BOREN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

INDIAN PUEBLO CULTURAL CENTER CLARIFICATION ACT

Mr. HEINRICH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4445) to amend Public Law 95-232 to repeal a restriction on treating as Indian country certain lands held in trust for Indian pueblos in New Mexico, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4445

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Indian Pueblo Cultural Center Clarification Act".

SEC. 2. REPEAL OF RESTRICTION ON TREATING AS INDIAN COUNTRY CERTAIN LANDS HELD IN TRUST FOR INDIAN PUEBLOS IN NEW MEXICO.

Public Law 95-232 is amended in the first section in subsection (b) by striking "However, such property shall not be 'Indian country' as defined in section 1151 of title 18, United States Code."

SEC. 3. PROHIBITION ON GAMING.

Public Law 95-232 is amended in the first section by adding at the end the following:

"(e) PROHIBITION ON GAMING.—Gaming, as defined and regulated by the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.), shall be prohibited on land held in trust pursuant to subsection (b)."

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Mexico (Mr. HEINRICH) and the gentleman from Washington (Mr. HASTINGS) each will control 20 minutes.

The Chair recognizes the gentleman from New Mexico.

GENERAL LEAVE

Mr. HEINRICH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. HEINRICH. Mr. Speaker, I yield myself such time as I may consume.

The Indian Pueblo Cultural Center Clarification Act is an important step that will help keep the Indian Pueblo

Cultural Center serving our community and our Nation.

Founded in 1976 to celebrate the history and accomplishments of our State's 19 Indian Pueblos, the IPCC includes a museum that honors the continuing contributions of Pueblo people to our State in their own words. The IPCC continues to serve as a gathering space for Pueblo leaders to meet and discuss issues of importance to the 19 Indian Pueblos.

□ 1330

The IPCC property sits on land that was put into trust for New Mexico's pueblos in 1978, when the Albuquerque Indian School was closed by the Bureau of Indian Education. However, in recent years, disagreement has arisen about the land's tax status. This legislation will remove a clause in the current law that states that this land is not "Indian Country," thereby ensuring that commercial activity on this site remains exempt from State taxation, just like all other trust land.

The bill also includes a clause that explicitly prohibits gaming at the Indian Pueblo Cultural Center site, which has earned the support of the All-Indian Pueblo Council, the State of New Mexico, and the city of Albuquerque. Although it was not the intention of the All-Indian Pueblo Council to engage in gaming at this location, that provision puts to rest any concerns of residents who live nearby.

I thank each of the parties who have come to the table in this effort to bolster a place loved by so many across New Mexico's First Congressional District and across our Nation. I'd also like to thank my colleagues from New Mexico, Representative TEAGUE and Representative LUJÁN, for their support as well.

Mr. Speaker, the House Natural Resources Committee reported this bill by unanimous consent on June 16 of this year, and I would ask my colleagues to support the passage of H.R. 4445.

I reserve the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, the gentleman from New Mexico has adequately explained the purpose of H.R. 4445. As long as the Pueblos and the State of New Mexico are comfortable with this legislation, I have no objection to passing it today.

Mr. Speaker, I yield back the balance of my time.

Ms. RICHARDSON. Mr. Speaker, as a proud member of the Native American Caucus, I rise today in strong support of H.R. 4445, the Indian Pueblo Cultural Center Clarification Act.

First, I would like to acknowledge Speaker PELOSI and Majority Leader HOYER for their leadership in bringing this important bill to the floor. My colleague Congresswoman HEINRICH, the author of this legislation, has worked hard to ensure that the Indian Pueblo Cultural Center is considered a part of tribal lands.

The Indian Pueblo Cultural Center is a vital part of Pueblo history in New Mexico. Its mission is to preserve and perpetuate Pueblo culture and to advance understanding by presenting the accomplishments and evolving history of the Pueblo people of New Mexico. While the Pueblo people are located primarily in New Mexico, at one time the Pueblo's homeland reached into the states of Colorado and Arizona. Pueblo people rooted in this region of the southwest are descendants of an indigenous Native American culture that has established itself over many centuries.

H.R. 4445, the Indian Pueblo Cultural Center Clarification Act, would strike a provision in current law which prohibits the Indian Pueblo Cultural Center in New Mexico from being considered "Indian Country." When this provision is removed, it will give the Cultural Center the same tax-exempt status as other tribal trust lands and would prohibit the New Mexico Taxation and Revenue Department from levying taxes on Pueblo members who engage in business at the center. In addition, the legislation will prohibit any gaming from being conducted on the transferred property.

In conclusion, Mr. Speaker, I support H.R. 4445 because it makes an important correction to current law so that the Indian Pueblo Cultural Center can now be considered tax-exempt. This vital piece of New Mexican and Pueblo Indian Culture deserves our full support.

Mr. Speaker, I urge my colleagues to join me in supporting H.R. 4445.

Mr. HEINRICH. Mr. Speaker, I would simply urge my colleagues to support H.R. 4445, as amended, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Mexico (Mr. HEINRICH) that the House suspend the rules and pass the bill, H.R. 4445, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. HEINRICH. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

SALMON LAKE LAND SELECTION RESOLUTION ACT

Mr. HEINRICH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2340) to resolve the claims of the Bering Straits Native Corporation and the State of Alaska to land adjacent to Salmon Lake in the State of Alaska and to provide for the conveyance to the Bering Straits Native Corporation of certain other public land in partial satisfaction of the land entitlement of

the Corporation under the Alaska Native Claims Settlement Act, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2340

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Salmon Lake Land Selection Resolution Act".

SEC. 2. PURPOSE.

The purpose of this Act is to ratify the Salmon Lake Area Land Ownership Consolidation Agreement entered into by the United States, the State of Alaska, and the Bering Straits Native Corporation.

SEC. 3. DEFINITIONS.

In this Act:

(1) **AGREEMENT.**—The term "Agreement" means the document—

(A) titled "Salmon Lake Area Land Ownership Consolidation Agreement";

(B) between the United States, the State, and the Bering Straits Native Corporation on July 18, 2007, which was extended until January 1, 2011, by agreement of the parties to the Agreement effective January 1, 2009; and

(C) on file with—

(i) the Department of the Interior;

(ii) the Committee on Energy and Natural Resources of the Senate; and

(iii) the Committee on Natural Resources of the House of Representatives.

(2) **BERING STRAITS NATIVE CORPORATION.**—The term "Bering Straits Native Corporation" means an Alaska Native Regional Corporation formed under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) for the Bering Straits region of the State.

(3) **SECRETARY.**—The term "Secretary" means the Secretary of the Interior.

(4) **STATE.**—The term "State" means the State of Alaska.

SEC. 4. RATIFICATION OF AGREEMENT.

(a) **IN GENERAL.**—Subject to the provisions of this Act, Congress ratifies the Agreement.

(b) **EASEMENTS.**—The conveyance of land to the Bering Straits Native Corporation, as specified in the Agreement, shall include the reservation of the easements that—

(1) are identified in Appendix E to the Agreement; and

(2) were developed by the parties to the Agreement in accordance with section 17(b) of the Alaska Native Claims Settlement Act (43 U.S.C. 1616(b)).

(c) **CORRECTIONS.**—Beginning on the date of the enactment of this Act, the Secretary, with the consent of the other parties to the Agreement, may only make typographical or clerical corrections to the Agreement and any exhibits to the Agreement.

(d) **GENERAL AUTHORITY OF SECRETARY.**—The Secretary may carry out all actions allowed or required under the Agreement.

SEC. 5. BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled "Budgetary Effects of PAYGO Legislation" for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Mexico (Mr. HEINRICH) and the gentleman from Washington (Mr. HASTINGS) each will control 20 minutes.

The Chair recognizes the gentleman from New Mexico.

GENERAL LEAVE

Mr. HEINRICH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. HEINRICH. Mr. Speaker, I yield myself such time as I may consume.

H.R. 2340 would ratify an agreement between the United States, the Bering Straits Native Corporation, and the State of Alaska. The underlying agreement provides for the conveyance of certain Federal lands to the Bering Straits Native Corporation and to the State of Alaska. The Alaska Native Claims Settlement Act was enacted in 1971. It was intended to resolve long-standing issues surrounding native land claims in Alaska. Under this act, Alaska Native regional corporations are entitled to a certain amount of public lands. The Bering Straits Native Corporation is one of those regional corporations entitled to certain lands.

In addition, the Alaska Statehood Act grants the State of Alaska the opportunity to select a certain amount of public lands for the State's benefit. Normally, legislation is not required to implement these selections. In this case, however, both the State and the Native corporations selected some of the same lands. After years of negotiations, the parties, along with the United States, arrived at an agreement to resolve this conflict.

I want to commend our colleague, Mr. YOUNG of Alaska, for his hard work and dedication to this legislation, and I ask my colleagues to support its passage.

I reserve the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support this bill as sponsored by our colleague from Alaska (Mr. YOUNG). It resolves overlapping selections to the same parcels of land that were filed by the State of Alaska and the Bering Straits Native Corporation pursuant to the Alaska Statehood Act and the Alaska Native Claims Settlement Act. As we learned during the committee hearing on this bill, there is no opposition to its enactment. So I am pleased to support this bill.

I yield back the balance of my time.

Mr. HEINRICH. Mr. Speaker, I urge my colleagues to support H.R. 2340, as amended, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Mexico (Mr. HEINRICH) that the House suspend the rules and pass the bill, H.R. 2340, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. HEINRICH. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

SUPPORTING NATIONAL POLLINATOR WEEK

Mr. CARDOZA. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 1460) recognizing the important role pollinators play in supporting the ecosystem and supporting the goals and ideals of National Pollinator Week.

The Clerk read the title of the resolution.

The text of the resolution is as follows:

H. RES. 1460

Whereas bees, birds, butterflies, and other pollinators are vital to sustaining a healthy ecosystem;

Whereas pollinators are responsible for an estimated 1 out of every 3 bites of food that we eat;

Whereas diversity of pollinators is necessary for diversity of plant life and the security of our food supply;

Whereas a decline in pollinators would adversely impact animal species that eat pollinating plants;

Whereas colony collapse disorder has caused an alarming decline in the population of honey bees, one of the most important pollinators;

Whereas the United States Senate designated the last week of June as National Pollinator Week in 2006; and

Whereas the majority of States have recognized June 21–27, 2010, as National Pollinator Week: Now, therefore, be it

Resolved, That the House of Representatives—

(1) recognizes the importance of pollinators in agriculture and in maintaining our diverse ecosystem; and

(2) supports the goals and ideals of National Pollinator Week.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. CARDOZA) and the gentleman from Oklahoma (Mr. LUCAS) each will control 20 minutes.

The Chair recognizes the gentleman from California.

GENERAL LEAVE

Mr. CARDOZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CARDOZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of House Resolution 1460, recognizing the important role that pollinators play in supporting the ecosystem and supporting the goals and ideals of National Pollinator Week.

Approximately three-quarters of the world's 250,000 flowering plants require pollinators to facilitate reproduction. In addition, nearly 130 different crops that provide more than \$15 billion per year in farm gate value would cease to exist without our pollinators. In California alone, some 1.3 million beehives pollinate over 600,000 acres of almond trees. There is no doubt that without the healthy population of pollinators that we currently have, our Nation's farmers will not be able to continue to grow many of the high quality and nutritious foods that we enjoy today.

The House Agriculture Committee has paid special attention to the issue facing pollinators, holding several hearings in recent years to review the status of pollinator health issues and including funds in the 2008 farm bill to conduct much-needed research on pollinator health. I'm proud to support this resolution brought by my colleague today, which recognizes the importance of pollinators supporting diverse ecosystems and the crops that produce so many of the foods grown across this great Nation. I urge my colleagues to support this resolution.

I reserve the balance of my time.

□ 1340

Mr. LUCAS. Mr. Speaker, I yield myself such time as I might consume.

I rise in support of House Resolution 1460, recognizing the important role pollinators play in supporting the ecosystem and supporting the goals and ideals of National Pollinator Week.

More than 32 State Governors designated the last week of June as Pollinator Week to bring awareness to the important role pollinators play in our food supply and ecosystem. In my home State of Oklahoma, Pollinator Week was celebrated with a variety of activities and exhibits across the State, including those at the Oxley Nature Center in Tulsa. On a national level, the Pollinator Partnership has launched a Web-based program to highlight specific actions that school groups, farmers, gardeners, and others can take to support pollinators.

It is important that we bring awareness to the importance of pollinators, given the fact that most pollinating species are in a decline. Colony Collapse Disorder, commonly referred to as CCD, continues to plague honeybees and will be a major concern to beekeepers and agricultural communities.

Over the past several years, the honeybee population has experienced a dramatic decline due to a variety of

factors, including loss of habitat, introduction of diseases and pests, and migratory stress. All of these factors have contributed to higher operating costs for the pollinator industry as well as the agricultural producers who rely on a readily available supply of pollinator bees.

Pollination activities by honeybees add more than \$15 billion annually to the value of U.S. crops. With one-third of our food supply dependent upon pollination by honeybees, we need to have a solid understanding of CCD and how to eradicate it.

I commend researchers from the Federal and State level as well as the industry, State universities, and State Departments of Agriculture for coming together under the CCD Working Group. I am hopeful that this collective group of experts can get to the bottom of this very important problem.

Mr. Speaker, I urge my colleagues to join me in recognizing the valuable contribution of America's pollinator industry by supporting House Resolution 1460.

I have no further requests for time, and I reserve the balance of my time.

Mr. CARDOZA. Mr. Speaker, I thank my colleague from Oklahoma, my good friend, for his support of this resolution.

At this time, I yield such time as he may consume to the author of the resolution, the gentleman from Florida (Mr. HASTINGS), who, without his help, we would not have been able to pass the farm bill in 2008. He has been continuously an advocate for pollinator research and for making sure that specialty crops get their due day in the sun.

Mr. HASTINGS of Florida. I thank my good friend from California for yielding the time.

Mr. Speaker, today the House is going to consider H. Res. 1460, which honors National Pollinator Week. With the efforts of the Pollinator Partnership, a majority of States and a number of Federal agencies, including the Department of Agriculture, have officially recognized June 21 through June 27, 2010, as a time to reflect upon the importance of, and challenges facing, these species.

The resolution, as offered, acknowledges how vital bees and other pollinators are to our ecosystem and agriculture and supports the goals and ideals of National Pollinator Week.

As mentioned by my colleague, 75 percent of all flowering plant species rely on creatures like birds, bats, bees, and butterflies for fertilization. It would be a misconception, however, to think that pollinators are only important to plants and provide little benefit to us. In fact, one out of every three bites of food that we eat as well as \$20 billion of products in the United States alone are derived from pollinators. In light of those kinds of figures, the se-

curity of our food supply clearly hinges on the survival of these species.

National Pollinator Week is a time to reflect upon these contributions and what we can do to help preserve these animals. On a similar note, Mr. Speaker, to further emphasize the importance of this issue, I recently participated in cofounding and am now co-chair of the Congressional Pollinator Protection Caucus, along with Representative TIM JOHNSON, Representative CARDOZA, and Representative HENRY BROWN of South Carolina. The caucus is a bipartisan source of information and discussion related to how natural, political, and economic developments impact the security of pollinators and their habitats.

Last week, a briefing on the future of pollinators and in recognition of National Pollinator Week was held in conjunction with the caucus and was a tremendous success. We are planning more events and briefings to keep Members and their staffs informed on this important issue. I urge all of my colleagues to become members of the Congressional Pollinator Protection Caucus.

Mr. Speaker, National Pollinator Week provides us with an opportunity to recognize how important pollinators are to the sustainability of our environment and to our food supply.

You know, Mr. CARDOZA, several in my local media and throughout have come forward with all sorts of humor about this; you know, "It bees that way," and "It's the buzz" and a whole bunch of these things. But when all is said and done, I think we all recognize that beyond the humor, this is a critically serious matter for the food supply of this Nation and, indeed, the world.

Therefore, I strongly urge my colleagues to vote in favor of this resolution, and I thank you for yielding me the time.

Mr. LUCAS. Mr. Speaker, I yield myself such time as I may consume simply to close by thanking my colleagues Mr. CARDOZA, Mr. HASTINGS, and Mr. JOHNSON for their work on this important issue. It does make a tremendous difference in our ecology, and certainly with a \$15 billion tag, the effect of losing these pollinators on our agricultural economy, it's important to every consumer and every pocketbook.

With that, I yield back the balance of my time.

Mr. BLUMENAUER. Mr. Speaker, pollinators play a key role in the support of our ecosystem and agricultural production. Most Americans don't realize the day-to-day impact that bees, bats, birds, butterflies and other pollinators have on our crops, family gardens and natural habitats, but nearly 75 percent of the world's flowering plants and two-thirds of our agricultural crops depend on pollinators for survival. One out of every three bites of food we eat exists because of pollinators.

Pollinator species, especially bees, bats and butterflies, are extremely sensitive to changes

in their environment. In particular, Colony Collapse Disorder is threatening entire varieties of bees, including three that have recently been added to the endangered species list. One-third of all bee colonies in the United States did not survive the 2010 winter. As most pollinators are "indicator species," their declining numbers provide cause for concern and should encourage us to examine how changing climate, increased pollution levels, and the increased use of toxic products and genetically modified crops is impacting our environment and our economy.

I applaud the goals of National Pollinator Week and look forward to working with my colleagues on the newly formed Pollinator Protection Caucus.

Mr. CARDOZA. Mr. Speaker, I want to again thank my colleague from Oklahoma for his gracious advocacy on behalf of this issue.

And to my colleague from Florida, if your media were to be without the products of these bees, that really, truly would be a news story, Mr. HASTINGS. I want to thank you for your tireless advocacy on behalf of pollinators and on behalf of agriculture generally.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. CARDOZA) that the House suspend the rules and agree to the resolution, H. Res. 1460.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. CARDOZA. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

AIRPORT AND AIRWAY EXTENSION ACT OF 2010, PART II

Mr. LEWIS of Georgia. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5611) to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5611

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Airport and Airway Extension Act of 2010, Part II".

SEC. 2. EXTENSION OF TAXES FUNDING AIRPORT AND AIRWAY TRUST FUND.

(a) FUEL TAXES.—Subparagraph (B) of section 4081(d)(2) of the Internal Revenue Code of 1986 is amended by striking “July 3, 2010” and inserting “August 1, 2010”.

(b) TICKET TAXES.—

(1) PERSONS.—Clause (ii) of section 4261(j)(1)(A) of the Internal Revenue Code of 1986 is amended by striking “July 3, 2010” and inserting “August 1, 2010”.

(2) PROPERTY.—Clause (ii) of section 4271(d)(1)(A) of such Code is amended by striking “July 3, 2010” and inserting “August 1, 2010”.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on July 4, 2010.

SEC. 3. EXTENSION OF AIRPORT AND AIRWAY TRUST FUND EXPENDITURE AUTHORITY.

(a) IN GENERAL.—Paragraph (1) of section 9502(d) of the Internal Revenue Code of 1986 is amended—

(1) by striking “July 4, 2010” and inserting “August 2, 2010”; and

(2) by inserting “or the Airport and Airway Extension Act of 2010, Part II” before the semicolon at the end of subparagraph (A).

(b) CONFORMING AMENDMENT.—Paragraph (2) of section 9502(e) of such Code is amended by striking “July 4, 2010” and inserting “August 2, 2010”.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on July 4, 2010.

SEC. 4. EXTENSION OF AIRPORT IMPROVEMENT PROGRAM.

(a) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—Section 48103(7) of title 49, United States Code, is amended to read as follows:

“(7) \$3,515,000,000 for fiscal year 2010.”.

(2) AVAILABILITY OF AMOUNTS.—Sums made available pursuant to the amendment made by paragraph (1) shall remain available until expended.

(b) PROJECT GRANT AUTHORITY.—Section 47104(c) of such title is amended by striking “July 3, 2010,” and inserting “August 1, 2010.”.

SEC. 5. EXTENSION OF EXPIRING AUTHORITIES.

(a) Section 40117(l)(7) of title 49, United States Code, is amended by striking “July 4, 2010,” and inserting “August 2, 2010.”.

(b) Section 44302(f)(1) of such title is amended—

(1) by striking “July 3, 2010,” and inserting “August 1, 2010.”; and

(2) by striking “September 30, 2010,” and inserting “October 31, 2010.”.

(c) Section 44303(b) of such title is amended by striking “September 30, 2010,” and inserting “October 31, 2010.”.

(d) Section 47107(s)(3) of such title is amended by striking “July 4, 2010,” and inserting “August 2, 2010.”.

(e) Section 47115(j) of such title is amended by striking “July 4, 2010,” and inserting “August 2, 2010.”.

(f) Section 47141(f) of such title is amended by striking “July 3, 2010,” and inserting “August 1, 2010.”.

(g) Section 49108 of such title is amended by striking “July 3, 2010,” and inserting “August 1, 2010.”.

(h) Section 161 of the Vision 100—Century of Aviation Reauthorization Act (49 U.S.C. 47109 note) is amended by striking “July 4, 2010,” and inserting “August 2, 2010.”.

(i) Section 186(d) of such Act (117 Stat. 2518) is amended by striking “July 4, 2010,” and inserting “August 2, 2010.”.

(j) The amendments made by this section shall take effect on July 4, 2010.

SEC. 6. FEDERAL AVIATION ADMINISTRATION OPERATIONS.

Section 106(k)(1)(F) of title 49, United States Code, is amended to read as follows:

“(F) \$7,813,037,096 for the period beginning on October 1, 2009, and ending on August 1, 2010.”.

SEC. 7. AIR NAVIGATION FACILITIES AND EQUIPMENT.

Section 48101(a)(6) of title 49, United States Code, is amended to read as follows:

“(6) \$2,453,539,493 for the period beginning on October 1, 2009, and ending on August 1, 2010.”.

SEC. 8. RESEARCH, ENGINEERING, AND DEVELOPMENT.

Section 48102(a)(14) of title 49, United States Code, is amended to read as follows:

“(14) \$159,184,932 for the period beginning on October 1, 2009, and ending on August 1, 2010.”.

□ 1350

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Georgia (Mr. LEWIS) and the gentleman from Kentucky (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from Georgia.

GENERAL LEAVE

Mr. LEWIS of Georgia. Mr. Speaker, I ask unanimous consent to give Members 5 legislative days to revise and extend their remarks on the bill, H.R. 5611.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LEWIS of Georgia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 5611, the Airport and Airway Extension Act, Part II.

As you know, the Trust Fund taxes and spending authority are scheduled to expire on July 3. This bill simply extends the authority one more month while we work together on a long-term solution.

Air travel plays a crucial and critical role in our economy and our lives. The world's busiest airport, Hartsfield-Jackson Atlanta International Airport is located in my congressional district. This airport alone has a direct impact of more than \$32.5 billion on the State of Georgia's economy. At a time when we are considering the importance of jobs and job creation, I would like to note that the airport is the second-largest employer in Georgia with 58,000 workers.

If Congress does not pass the bill, the Trust Fund will lose the revenue that we need for airport construction and the Nation's air traffic control system.

Mr. Speaker, I ask all of my colleagues to come together and support this bipartisan legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. DAVIS of Kentucky. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise also in support of H.R. 5611. This is a straightforward and noncontroversial bill to extend for 1 month, through August 1, the existing FAA authorization law, the excise taxes that support the Airport and Airway Trust Fund, and the Trust Fund's expenditure authority. The current FAA authorization, as well as the excise taxes and spending authorities, are currently scheduled to expire on July 3.

This extension will give Congress additional time to consider longer-term FAA reauthorization legislation and to determine whether modifications to the financing structure of the Airport and Airway Trust Fund are appropriate.

I would note, Mr. Speaker, that on March 25, 2010, the House passed the Senate amendment to H.R. 1586, a 4-year FAA reauthorization with an additional amendment, and the two Chambers are continuing to work to resolve their differences.

While the House-passed version of that broader legislation remains controversial for reasons unrelated to the provision within the Ways and Means Committee's jurisdiction, I'm pleased to report that the short-term extension we are considering today is supported by the bipartisan leadership of both the Ways and Means and the Transportation and Infrastructure committees.

It's important that we take this step to extend the current FAA authorization and its related excise taxes and expenditure authorities on a temporary basis, and I'm pleased to join with my colleagues across the aisle in support of this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. LEWIS of Georgia. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. COSTELLO), chairman of the Aviation Subcommittee.

Mr. COSTELLO. Mr. Speaker, I rise in support of H.R. 5611, the Airport and Airway Extension Act of 2010, Part II.

I want to thank my friend, Mr. LEWIS, from the Ways and Means Committee for yielding time to me to allow me to speak on this important legislation. And I thank Chairman OBERSTAR, Ranking Member MICA, and ranking member Mr. PETRI for working with me and all of us together to bring this bill to the floor today.

For the past 3 months, we have been working in a bipartisan manner with our friends in the other body to bring a comprehensive Federal Aviation Administration reauthorization bill to the floor. We have worked through the majority of both bills, and only a few issues remain.

The bill before us today, H.R. 5611, will provide a short, 1-month extension of the FAA reauthorization bill through August 1, 2010, to allow us to finish our work before we adjourn for the August district work period.

This is a clean extension. Primarily, H.R. 5611 extends aviation taxes to support the Airport and Airways Trust Fund, which funds a large portion of the FAA's budget. The bill also extends the Airport Improvement Program contract authority to allow airports to continue critical safety and capacity enhancement projects.

Aviation is too critically important to our Nation's economy, contributing \$1.2 trillion in output and approximately 11.4 million jobs, to allow the taxes or the funding for critical aviation programs to expire. Congress must ensure that this extension passes today to ensure that our aviation system is not disrupted and continues to function safely.

Mr. Speaker, I urge my colleagues to support this legislation. And, again, I thank my friend from Georgia (Mr. LEWIS) for yielding me time.

Mr. DAVIS of Kentucky. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Wisconsin (Mr. PETRI).

Mr. PETRI. Mr. Speaker, I thank my colleague, Representative DAVIS from Kentucky, for yielding me this time. And I also would like to express my appreciation for the way that my subcommittee chairman, Mr. COSTELLO, and chairman, Mr. OBERSTAR, and my colleague, Mr. MICA from Florida, have all been working on this conference and on this legislation now for longer than we would have liked. It's too bad that we have to do what will be, I guess, our 14th or 15th extension of the existing law. But it is, unfortunately, necessary to do that to give us time to complete work on the conference, which actually is well underway.

In May of last year, we passed the Reauthorization Act of 2009, H.R. 915. This March the Senate passed its own FAA reauthorization bill, which the House took up, amended, passed, and sent back to the Senate. While a conference has not been called, staff from both Chambers have been in informal discussions for months to reconcile the two versions of the bill. And while these discussions have led to tentative agreement on the vast majority of provisions, and there has been good work on both sides of the aisle on this, a number of controversial issues have stalled progress on a final agreement.

I am disappointed, myself, that several issues unrelated to important safety and modernization provisions in the reauthorization package are holding up final agreement on this legislation. Nevertheless, in order to allow the FAA to continue operating uninterrupted, I support passage of the bill before us to extend FAA's funding and program authorization.

H.R. 5611, the bill before us, would extend the taxes, programs, and funding of the FAA to August 1 of this year. This bill provides just over \$3.5 billion in Airport Improvement Program fund-

ing, extends the War Risk Insurance program, and extends other authorities related to Small Community Air Service, airport, and safety programs.

That will ensure that our National Airspace System continues to operate, and that the FAA continues to fund important airport projects while the Congress completes action on a final reauthorization bill.

I want to urge my colleagues to take advantage of these extra 30 days to reach compromise on the few remaining controversial provisions in the FAA bill. This bill contains critical safety provisions that must not be delayed any longer. We owe it to the families of Flight 3407 and to the traveling public to reach agreement and send a good, bicameral, bipartisan FAA bill to our President.

I urge my colleagues to support H.R. 5611.

Mr. DAVIS of Kentucky. Mr. Speaker, I yield myself such time as I may consume to close.

Just to reiterate, this is very important to continue this extension. It's been achieved in a bipartisan manner and among the relevant committees of jurisdiction. I wholeheartedly support it and encourage my colleagues to vote "yes."

Mr. JOHNSON of Georgia. Mr. Speaker, I rise today to express my support for H.R. 5611, which extends the funding and expenditure authority of the Airport and Airway Trust Fund and to extend authorizations for the Airport Improvement Program, and for other purposes. While I support passage of this bill today, I am hopeful that the House and Senate will soon agree on a full reauthorization of these important programs.

This bill offers a necessary extension of one month of these two programs. The Transportation and Infrastructure and Ways and Means Committees each approved these extensions. First of all, the Airport and Airway Trust Fund provides funding for the federal commitment to the nation's aviation system through several aviation-related excise taxes. These taxes are vital to fund the continued maintenance, expansion, and improvement of the nation's airports and airway system. The second program, the Airport Improvement Program, works to maintain and improve the safety and efficiency of air travel.

I urge my colleagues to take advantage of the additional time that these extensions offer in order to reach a compromise with the other body regarding the Federal Aviation Administration Reauthorization Act. It is absolutely essential that the House and Senate resolve their differences quickly so that our nation's air travel system can function safely and efficiently.

This year, Congress has passed legislation to create and maintain jobs in all different sectors in order to improve our economy. If we allow the authorization of these airport programs to expire, we will take steps in the wrong direction by eliminating the jobs that employ people in these two programs. In fact, the reauthorization of the funding and authority for the Airport and Airway Trust Fund and the

Airport Improvement Program is also important for the economy of my Congressional district. The 4th district of Georgia has the second largest airport in Georgia, Dekalb Peachtree Airport, which is responsible for around 7,300 jobs and it generates \$130 million worth of personal income for these employees. If temporary or the eventual permanent reauthorization of these programs fails to pass Congress, it would evidently be devastating for my district, and the Nation.

Again, I urge my colleagues to support this legislation.

Mr. OBERSTAR. Mr. Speaker, I rise in strong support of H.R. 5611, the "Airport and Airway Extension Act of 2010, Part II".

This bill ensures that aviation programs, taxes, and Trust Fund expenditure authority will continue without interruption pending completion of a long-term Federal Aviation Administration (FAA) reauthorization act. We are very close to resolving all differences with the Senate on the long-term FAA bill. However, because the long-term bill will not be completed before the current authority for aviation programs expires at the end of this week, H.R. 5611 is needed to extend aviation programs, taxes, and expenditure authority for an additional month.

The most recent long-term FAA reauthorization act, the Vision 100—Century of Aviation Reauthorization Act (P.L. 108–176) expired on September 30, 2007. Although the House passed an FAA reauthorization bill during the 110th Congress, and again last year, the Senate failed to act until March of this year. The FAA has, therefore, been operating under a series of short-term extension acts, the most recent of which expires on July 3, 2010.

Since passage of the Senate bill in March, we have been working diligently to resolve the differences between the House and Senate bills. We have made extremely good progress and are near completion of a final bill. However, given that the current authority for aviation programs expires at the end of this week, a further extension of current law is necessary to continue the financing of aviation programs through August 1, 2010. Based on the hard work that has occurred to date, I am extremely hopeful that Congress will complete action on the long-term FAA reauthorization act in July.

I thank Chairman LEVIN of the Committee on Ways and Means for his assistance in ensuring the continued operation of aviation and highway programs. I also thank Ways and Means Committee Ranking Member CAMP and my Committee colleagues: Ranking Member MICA, Aviation Subcommittee Chairman COSTELLO, and Ranking Member PETRI, for working with me on this critical legislation.

I strongly urge my colleagues to join me in supporting H.R. 5611.

Mr. MICA. Mr. Speaker, it has been almost three years since the last reauthorization expired in September 2007. As Chairman of the Aviation Subcommittee in 2003, I guided that bill to completion in just seven months.

This had been the longest period of time between reauthorizations in the history of the FAA.

This is the fourteenth in a series of FAA extensions and the sixteenth time we have come to the Floor to keep the FAA in business.

Both bodies have been actively negotiating to produce a final bill that sets priorities and improves our airspace system.

We cannot allow needless, controversial provisions to hijack important initiatives to improve aviation safety and allow the industry to grow.

The situation has delayed bipartisan safety legislation that passed the House last fall and now sits idle. This is simply unacceptable.

I support this fourteenth extension and hope that we can quickly resolve our issues and produce a much-needed FAA Reauthorization bill.

Ms. JACKSON LEE of Texas. Mr. Speaker, I rise in support of H.R. 5611, the Airport and Airway Extension Act of 2010: Part II. This Act would extend the funding and expenditure authority of the Airport and Airway Trust Fund as well as extend authorizations for the airport improvement program. The Airport and Airway Trust Fund (AATF) provides much needed funding to assist in our Federal commitment to the Nation's aviation system. Such funding is necessary for the development of our nationwide airport and airway system as well as for investments in air traffic control facilities to meet the current and future projected growth in aviation.

The Trust Fund provides 100 percent of the funding for Federal Aviation Administration (FAA) airport grants, facilities and equipment, and research, engineering, and development. Allocations are also provided to the Airport Improvement Program (AIP), and Facilities and Equipment, (F&E) and funding from the Trust Fund also helps support basic FAA operations.

I would like to emphasize that the AATF trust fund was not created solely to finance aviation infrastructure. Throughout its history, it has financed a wide array of operations including administrative expenses, attributable to the administration of the airport improvement program and research and development, as well as general FAA operations. It is very important that this funding be continued.

While the trust fund pays a large share of the bills for the FAA to operate the national airspace system, a troubling gap has grown between the revenue that comes in and what it costs to govern the FAA. This has sharply driven down the Trust Fund's uncommitted balance; its surpluses from previous years. If this trend continues in our poor economic state where airlines are cutting benefits and increasing prices, the future of American aviation is grim.

Mr. Speaker, I am concerned for the future of American aviation—especially for the future of the George Bush Intercontinental Airport located in my home district of Houston, Texas. Current airport standards are not only threatened by decreased FAA funding but also by the proposed merger of Continental and United Airlines, the former of which is based in Houston. Should this merger be allowed, the future of American aviation in regards to customer satisfaction, safety standards, and general flight, would slowly decline. We cannot add to such destruction by denying the FAA appropriate funds through the AATF. As the airline industry continues to grow and serve more and more Americans, it is our duty to the American people to ensure that the future of airport security, infrastructure and improvement, research and development, continue to develop to better serve our needs.

For these reasons Mr. Speaker, I support H.R. 5611, the Airport and Airway Extension Act of 2010: Part II.

Mr. DAVIS of Kentucky. Mr. Speaker, I yield back the balance of my time.

Mr. LEWIS of Georgia. In closing, Mr. Speaker, I fully support H.R. 5611. I urge my colleagues on both sides of the aisle to vote "yes" for this important legislation.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Georgia (Mr. LEWIS) that the House suspend the rules and pass the bill, H.R. 5611.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

□ 1400

FIREARMS EXCISE TAX IMPROVEMENT ACT OF 2010

Mr. KIND. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5552) to amend the Internal Revenue Code of 1986 to require that the payment of the manufacturers' excise tax on recreational equipment be paid quarterly and to provide for the assessment by the Secretary of the Treasury of certain criminal restitution, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5552

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Firearms Excise Tax Improvement Act of 2010".

SEC. 2. TIME FOR PAYMENT OF MANUFACTURERS' EXCISE TAX ON RECREATIONAL EQUIPMENT.

(a) IN GENERAL.—Subsection (d) of section 6302 of the Internal Revenue Code of 1986 (relating to mode or time of collection) is amended to read as follows:

"(d) TIME FOR PAYMENT OF MANUFACTURERS' EXCISE TAX ON RECREATIONAL EQUIPMENT.—The taxes imposed by subchapter D of chapter 32 of this title (relating to taxes on recreational equipment) shall be due and payable on the date for filing the return for such taxes."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to articles sold by the manufacturer, producer, or importer after the date of the enactment of this Act.

SEC. 3. ASSESSMENT OF CERTAIN CRIMINAL RESTITUTION.

(a) IN GENERAL.—Subsection (a) of section 6201 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

"(4) CERTAIN ORDERS OF CRIMINAL RESTITUTION.—

"(A) IN GENERAL.—The Secretary shall assess and collect the amount of restitution under an order pursuant to section 3556 of

title 18, United States Code, for failure to pay any tax imposed under this title in the same manner as if such amount were such tax.

"(B) TIME OF ASSESSMENT.—An assessment of an amount of restitution under an order described in subparagraph (A) shall not be made before all appeals of such order are concluded and the right to make all such appeals has expired.

"(C) RESTRICTION ON CHALLENGE OF ASSESSMENT.—The amount of such restitution may not be challenged by the person against whom assessed on the basis of the existence or amount of the underlying tax liability in any proceeding authorized under this title (including in any suit or proceeding in court permitted under section 7422)."

(b) EXCEPTION FROM CERTAIN RESTRICTIONS ON ASSESSMENT AND COLLECTION.—

(1) NO PETITION TO TAX COURT, NO RESTRICTION ON FURTHER DEFICIENCY LETTERS, ETC.—Subsection (b) of section 6213 of such Code is amended by adding at the end the following new paragraph:

"(5) CERTAIN ORDERS OF CRIMINAL RESTITUTION.—If the taxpayer is notified that an assessment has been or will be made pursuant to section 6201(a)(4)—

"(A) such notice shall not be considered as a notice of deficiency for the purposes of subsection (a) (prohibiting assessment and collection until notice of the deficiency has been mailed), section 6212(c)(1) (restricting further deficiency letters), or section 6512(a) (prohibiting credits or refunds after petition to the Tax Court), and

"(B) subsection (a) shall not apply with respect to the amount of such assessment."

(2) TIME LIMITATIONS ON ASSESSMENT AND COLLECTION.—Subsection (c) of section 6501 of such Code is amended by adding at the end the following new paragraph:

"(11) CERTAIN ORDERS OF CRIMINAL RESTITUTION.—In the case of any amount described in section 6201(a)(4), such amount may be assessed, or a proceeding in court for the collection of such amount may be begun without assessment, at any time."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to restitution ordered after the date of the enactment of this Act.

SEC. 4. BUDGETARY PROVISIONS.

(a) TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES.—The percentage under paragraph (2) of section 561 of the Hiring Incentives to Restore Employment Act in effect on the date of the enactment of this Act is increased by 0.25 percentage points.

(b) PAYGO COMPLIANCE.—The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled "Budgetary Effects of PAYGO Legislation" for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. KIND) and the gentleman from Wisconsin (Mr. RYAN) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. KIND).

GENERAL LEAVE

Mr. KIND. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend

their remarks and insert extraneous material into the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KIND. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I rise in support of H.R. 5552, the Firearms Excise Tax Improvement Act of 2010. It's a bill that I introduced with 54 bipartisan cosponsors, along with my friend and colleague from Wisconsin (Mr. RYAN), that will strengthen wildlife conservation funding in America by helping firearm and ammunition manufacturers grow their businesses.

H.R. 5552 changes the excise tax payment schedule for firearm and ammunition manufacturers from a biweekly reporting requirement to a quarterly schedule, like every other industry in the country. The bill would also allow the IRS to collect restitution debt that has been court ordered to be paid in criminal tax cases.

This commonsense legislation will allow for the creation of jobs for working families, save money for businesses, increase investment in wildlife conservation, and simplify and make consistent the payment of excise tax across all industries, all of which is paid for and fully compliant with pay-as-you-go budgeting rules.

There is very broad and bipartisan support from both sides of the aisle for this bill. This legislation is supported by every major conservation group, along with the firearms industry. It is in short a win-win-win for families, businesses, and conservation efforts across the country.

I have long been a supporter of conservation efforts. As a former cochair of the Congressional Sportsman's Caucus, I am pleased this bill benefits sportsmen and conservationists alike and continues to contribute critical funding for the development of wildlife restoration projects across the country, ensuring that our natural resources are protected for future generations.

I regularly enjoy spending time outdoors with my family, especially my two little boys. The ability to enjoy outdoor recreational activities like hunting and fishing are not only important for our peace of mind, but back home in Wisconsin it also contributes over \$9.7 billion annually to the Wisconsin economy and supports 129,000 jobs, generating \$570 million in annual State tax revenue. I am sure this is a story that we can talk about from State to State to State.

Also, companies in Wisconsin that manufacture, distribute, and sell firearms, ammunition, and hunting equipment employ as many as 2,050 people in the State and generate an additional 2,300 jobs in supplier and ancillary industries. Across the Nation, these com-

panies employ as many as 183,000 people.

Not only does the manufacture and sale of firearms and hunting supplies create jobs, but the industry also contributes to the economy as a whole. In fact, the 2010 firearms and ammunition industry was responsible for as much as \$27.8 billion in total economic activity throughout the country.

The firearm and ammunition excise tax is the major revenue source for funding the Wildlife Restoration Trust Fund, also known as the Pittman-Robertson Trust Fund. Last year, firearm and ammunition manufacturers contributed approximately \$450 million to wildlife conservation through the excise tax payments.

All the industry is asking to do, Mr. Speaker, is change the biweekly reporting requirement of the excise tax to a quarterly reporting requirement, just like every other industry. There are stories that were brought to my attention that some of the smaller manufacturers actually had to take out loans in order to meet the biweekly excise tax requirement payment right now, which obviously interrupts their cash flow and makes it tough for them to reinvest in their businesses, expand their operations, and hire more people. We are just fixing that anomaly with this legislation.

I want to thank my friend, my colleague from Wisconsin, for his support for the legislation, as well as the chair and ranking member of the Ways and Means Committee and the staff for helping us get this legislation in order. I would also like to express my sincere gratitude to the various groups who provided invaluable feedback on this legislation, and in particular the National Shooting Sports Foundation, the Congressional Sportsmen's Foundation, the NRA, the Safari Club International, Ducks Unlimited, and many, many others.

I urge my colleagues to support this legislation, and I reserve the balance of my time.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to echo the sentiment from my friend and colleague from Wisconsin. We introduced this legislation together. We have 76 cosponsors. It's a very simple issue.

Number one, we have a Pittman-Robertson fund, which is a user-fee for hunting and fishing. If you buy firearms, you buy ammunition, there is an excise tax that is paid which goes to the Pittman-Robertson Trust Fund for conservation and habitat management.

As the cochair of the Sportsmen's Caucus here in Congress, the largest bipartisan, bicameral caucus in Congress, our job in the caucus is to make sure that we protect not only hunting and fishing rights, but also hunting and fishing habitat. And there is a snafu in

the law here, and that's simply what we are trying to clear up. This is a bill that's fully paid for.

This bill is very, very simple. Most of Pittman-Robertson taxes are collected on a quarterly basis. Unfortunately, though, with respect to ammunition and firearms, it's done on a biweekly basis. That is a huge unnecessary burden for manufacturers. There are lots of small manufacturers, Kolar in Racine, Premium Shotguns, you name it. There are lots of small manufacturers out there, and they don't get the cash flow through their business to be able to pay this excise tax on this biweekly basis. They don't get the money from the retailers in time to cover the tax expenses. And therefore what's happening is we are making these manufacturers, especially the smaller ones, have to go out and get loans in order to pay the excise taxes.

All this simply does is harmonize the tax payments schedule to jibe with the other excise taxes that are paid into the Pittman-Robertson fund to a quarterly basis. That simple.

So let's take away this very burdensome regulation, this very burdensome tax compliance regime on small and large manufacturers of firearms and ammunition, harmonize it with the rest of the Pittman-Robertson excise tax collection system, and make sure that these small businesses, which are really struggling, which are the backbone of the conservation funding system, which are huge providers of jobs and recreation in States like Wisconsin and all throughout America, let's just get this cleaned up. Let's pass it. It's bipartisan. It's paid for. This is one of those issues that's sort of rare these days where we have come together to get something that makes perfect common sense.

I yield such time as he may consume to the gentleman from Kentucky (Mr. DAVIS).

Mr. DAVIS of Kentucky. I rise today in support of H.R. 5552, the Firearms Excise Tax Improvement Act of 2010, a bill to modify the due date for the payment of certain manufacturers' excise taxes, including those imposed on firearms and ammunition.

The bill has the support of Members on both sides of the aisle, as well as the NRA and a number of wildlife conservation groups. This bill is a commonsense fix that will simplify the manner in which manufacturers make payments for excise taxes, which help to finance the Pittman-Robertson conservation fund.

The current schedule requires biweekly deposits owed on the excise taxes. That creates an undue burden on our many small sporting goods and sportsmen's outlets, small businesses like RLC Shooting, Garrett Guns, and Mark's Guns, just in my local community, that support the sportsmen community, hunters and shooters that give

a lot back, particularly in the maintenance of the nature areas where they work.

These biweekly tax payments are expensive, they create additional overhead; and, frankly, this time-consuming process consumes dollars that in fact can be used for job creation on the outside.

□ 1410

We believe it could free up as much as \$22 million for these businesses, especially with small businesses, to grow, to hire jobs, and to have a more positive effect on their community as well as expanding a base of additional customers for that excise tax in the long run. It is a great bill supported by all the associated parties.

I urge my colleagues to adopt this sensible measure.

Mr. RYAN of Wisconsin. At this time, I yield such time as he may consume to the gentleman from California (Mr. HERGER), a distinguished senior member of the Ways and Means Committee.

Mr. HERGER. I thank my friend from Wisconsin for yielding.

Yesterday, the Supreme Court delivered a victory for our constitutional freedoms by upholding the right of individual citizens to keep and bear arms. To fully honor the Second Amendment, we must also be vigilant against regulations that place unnecessary burdens on manufacturers of guns and ammunition. The requirement for manufacturers to pay Federal excise tax biweekly is costly and does not improve tax compliance or public safety.

H.R. 5552 is a commonsense bill that doesn't add to the deficit and will help ensure law-abiding Americans have access to American-made firearms. It is supported by the NRA and a number of hunting and conservation groups.

I urge the passage of this legislation.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself the balance of my time.

I simply want to say this is a commonsense solution that ought to be passed. It harmonizes the schedule. It takes a burden off of businesses, and I think the gentleman from California put it well.

Yesterday, we saw a great strike for liberty from the Supreme Court where they reaffirmed the individual's right to keep and bear arms in this country. That is now an issue that has been set by the Supreme Court where individuals have rights in this Nation and that the job of government is to protect our equal, natural rights.

So I think it is very fitting that this, on the day after the Supreme Court reaffirmed the individual's right to keep and bear arms, regardless of where they live in America, as citizens of America, that we ought to help ease this burden on the manufacturers of firearms and of ammunition so that they can get back to the business not

of just tax collecting on a biweekly basis but of producing, of selling, of creating jobs, and of getting this country moving again.

With that, Mr. Speaker, I yield back the balance of my time.

Mr. KIND. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in conclusion, I again want to thank my colleagues, Mr. RYAN and those on the Ways and Means Committee, for their strong support of the bill. It has received bipartisan support. I'm not aware of any opposition by any of my colleagues to this legislation.

There's a broad coalition of support outside Congress between the conservation and outdoor recreation community, along with the firearms industry, many people who do care about those opportunities that we enjoy as a shooting sport but also hunting, fishing, recreation.

This merely corrects, as my colleague pointed out, an anomaly that's existed in the Tax Code for too long. It's not fair to single out one industry for a biweekly reporting requirement when everyone else has a quarterly reporting requirement, and, quite frankly, cash flow problems have been an issue. That's the reason why it was brought to our attention. At a time when the economy is languishing, we need to be working with businesses, large and small, to be able to expand job-creating opportunities. This bill is a small step in achieving that.

So I would encourage my colleagues to support the bill.

Ms. JACKSON LEE of Texas. Mr. Speaker, I rise in support of H.R. 5552, the Firearms Excise Improvement Tax Act of 2010. I would like to thank Chairman LEVIN and Congressman KIND for their leadership in bringing this important bill to the floor.

H.R. 5552 will amend the Internal Revenue Code to require: (1) excise taxes on recreational equipment to be due and payable on the date for filing the return for such taxes (i.e., quarterly); and (2) the Secretary of the Treasury to assess and collect, in the same manner as delinquent taxes are assessed and collected, mandatory orders of restitution for victims of crime. The bill has the support of Members on both sides of the aisle. The funding will also create jobs for Americans across the country.

Mr. Speaker, it must be stated that in a time when firearms are being used to commit heinous crimes against individuals in this country, it is important that we remember to ensure that we use strict measures to ensure that we can track the owners of firearms and requiring such excise taxes is one way to do so.

In this Congress, I introduced H.R. 257, The Child Gun Safety and Gun Access Prevention Act of 2009—which would amend the Brady Handgun Violence Prevention Act to: (1) raise the age of handgun eligibility to 21 (currently, 18); and (2) prohibit persons under age 21 from possessing semiautomatic assault weapons or large capacity ammunition feeding devices, with exceptions.

It would also increase penalties for: (1) a second or subsequent violation by a juvenile of Brady Act provisions or for a first violation committed after an adjudication of delinquency or after a state or federal conviction for an act that, if committed by an adult, would be a serious violent felony; and (2) transferring a handgun, ammunition, semiautomatic assault weapon, or large capacity ammunition feeding device to a person who is under age 21, knowing or having reasonable cause to know that such person intended to use it in the commission of a crime of violence.

The bill also would prohibit any licensed importer, manufacturer, or dealer from transferring a firearm to any person (other than a licensed importer, manufacturer, or dealer) unless the transferee is provided with a secure gun storage or safety device. Authorizes the Attorney General to suspend or revoke any firearms license, or to subject the licensee to a civil penalty of up to \$10,000, if the licensee has knowingly violated this prohibition.

H.R. 257 would prohibit keeping a loaded firearm or an unloaded firearm and ammunition within any premises knowing or recklessly disregarding the risk that a child: (1) is capable of gaining access to it; and (2) will use the firearm to cause death or serious bodily injury. It would also require the parent or legal guardian of a child to ensure that a child attending a gun show is accompanied by an adult.

My bill would also authorize the Attorney General to provide grants to enable local law enforcement agencies to develop and sponsor gun safety classes for parents and children. The bill also expresses the sense of Congress that each school district should provide or participate in a firearms safety program for students.

Yesterday, in its second major ruling on gun rights in three years, the Supreme Court extended the federally protected right to keep and bear arms to all 50 states. We know that the decision will be hailed by gun rights advocates and comes over the opposition of gun control groups, the city of Chicago and four justices.

Justice Samuel Alito wrote for the five justice majority saying "the right to keep and bear arms must be regarded as a substantive guarantee, not a prohibition that could be ignored so long as the States legislated in an evenhanded manner."

The ruling builds upon the Court's 2008 decision in *D.C. v. Heller* that invalidated the handgun ban in the nation's capital. Moreover, that decision held that the Second Amendment right to keep and bear arms was a right the Founders specifically delegated to individuals. The justices affirmed that decision and extended its reach to the 50 states. Today's ruling also invalidates Chicago's handgun ban.

The irony is that there have been 209 homicides so far this year in 2010 in Chicago. We need to strike a reasonable balance between upholding our Second Amendment rights to bear arms, and at the same time ensure that we enact appropriate laws to address criminal behavior and to ensure the health and safety of Americans across this nation.

I hope that we can work towards a reasonable solution whereby gun owners are not deprived of their right to hunt, fish, and use their firearms in law-abiding manners, and also provide the most effective measures to control

gun violence and limit injury and death to Americans as a result of unlawful firearm use.

Mr. TIAHRT. Mr. Speaker, this legislation is long overdue. For years, there have been inconsistencies in the manner in which manufacturers pay their taxes. Under current law, firearm and ammunition manufacturers pay excise taxes into the fund on a bi-weekly basis. All other manufacturers pay on a quarterly basis. This legislation will change this inconsistency and bring a little commonsense into our crazy tax system.

I am pleased to be a cosponsor of H.R. 510, to amend the Internal Revenue Code to require that the payment of the manufacturers' excise tax on recreational equipment be paid quarterly. The frequency of tax payments for the firearm and ammunition manufacturers is a burden on the industry. In fact, some manufacturers are forced to secure short-term loans to pay their taxes, thus incurring additional expenses and adding to administrative overhead. The end result is that money is diverted away from core business areas to finance tax payments.

Through this legislation, firearm and ammunition manufacturers will now be able to reinvest more funds into researching and developing new products, purchasing new manufacturing machinery, and increasing marketing and outreach to the hunting and sport shooting community. The federal government will get their taxes, on a quarterly basis as it does from every other manufacturer, so no revenue will be lost.

I urge my colleagues to support the Firearms Excise Tax Improvement Act.

Mr. KIND. I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. KIND) that the House suspend the rules and pass the bill, H.R. 5552, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. KIND. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

HOMEBUYER ASSISTANCE AND IMPROVEMENT ACT OF 2010

Mr. LEVIN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5623) to amend the Internal Revenue Code of 1986 to extend the homebuyer tax credit for the purchase of a principal residence before October 1, 2010, in the case of a written binding contract entered into with respect to such principal residence before May 1, 2010, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5623

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Homebuyer Assistance and Improvement Act of 2010".

SEC. 2. EXTENSION OF HOMEBUYER CREDIT FOR CERTAIN PURCHASES PURSUANT TO BINDING CONTRACTS.

(a) IN GENERAL.—Paragraph (2) of section 36(h) of the Internal Revenue Code of 1986 is amended by striking "paragraph (1) shall be applied by substituting 'July 1, 2010'" and inserting "and who purchases such residence before October 1, 2010, paragraph (1) shall be applied by substituting 'October 1, 2010'".

(b) CONFORMING AMENDMENT.—Subparagraph (B) of section 36(h)(3) of such Code is amended by inserting "and for 'October 1, 2010'" after "for 'July 1, 2010'".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to residences purchased after June 30, 2010.

SEC. 3. APPLICATION OF BAD CHECKS PENALTY TO ELECTRONIC PAYMENTS.

(a) IN GENERAL.—Section 6657 of the Internal Revenue Code of 1986 is amended—

(1) by striking "If any check or money order in payment of any amount" and inserting "If any instrument in payment, by any commercially acceptable means, of any amount"; and

(2) by striking "such check" each place it appears and inserting "such instrument".

(b) EFFECTIVE DATES.—The amendments made by this section shall apply to instruments tendered after the date of the enactment of this Act.

SEC. 4. DISCLOSURE OF PRISONER RETURN INFORMATION TO STATE PRISONS.

(a) IN GENERAL.—Subparagraph (A) of section 6103(k)(10) of the Internal Revenue Code of 1986 is amended—

(1) by inserting "and the head of any State agency charged with the responsibility for administration of prisons" after "the head of the Federal Bureau of Prisons"; and

(2) by striking "Federal prison" and inserting "Federal or State prison".

(b) RESTRICTION ON REDISCLOSURE.—Subparagraph (B) of section 6103(k)(10) of such Code is amended—

(1) by inserting "and the head of any State agency charged with the responsibility for administration of prisons" after "the head of the Federal Bureau of Prisons"; and

(2) by inserting "or agency" after "such Bureau".

(c) RECORDKEEPING.—Paragraph (4) of section 6103(p) of such Code is amended by inserting "(k)(10)," before "(l)(6)," in the matter preceding subparagraph (A).

(d) CLERICAL AMENDMENT.—The heading of paragraph (10) of section 6103(k) of such Code is amended by striking "OF PRISONERS TO FEDERAL BUREAU OF PRISONS" and inserting "TO CERTAIN PRISON OFFICIALS".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to disclosures made after the date of the enactment of this Act.

SEC. 5. AMENDMENT OF TRAVEL PROMOTION ACT OF 2009.

(a) TRAVEL PROMOTION FUND FEES.—Section 217(h)(3)(B) of the Immigration and Nationality Act (8 U.S.C. 1187(h)(3)(B)) is amended—

(1) by striking "subsection (d) of section 11 of the Travel Promotion Act of 2009," in clause (ii) and inserting "subsection (d) of the Travel Promotion Act of 2009 (22 U.S.C. 2131(d))."; and

(2) by striking "September 30, 2014," in clause (iii) and inserting "September 30, 2015".

(b) IMPLEMENTATION BEGINNING IN FISCAL YEAR 2011.—Subsection (d) of the Travel Promotion Act of 2009 (22 U.S.C. 2131(d)) is amended—

(1) by striking "For fiscal year 2010, the" in paragraph (2)(A) and inserting "The";

(2) by striking "quarterly, beginning on January 1, 2010," in paragraph (2)(A) and inserting "monthly, immediately following the collection of fees under section 217(h)(3)(B)(i)(I) of the Immigration and Nationality Act (8 U.S.C. 1187(h)(3)(B)(i)(I)).";

(3) by striking "fiscal years 2011 through 2014," in paragraph (2)(B) and inserting "fiscal years 2012 through 2015";

(4) by striking "fiscal year 2010," in paragraph (3)(A) and inserting "fiscal year 2011";

(5) by striking "fiscal year 2011," each place it appears in paragraph (3)(A) and inserting "fiscal year 2012"; and

(6) by striking "fiscal year 2010, 2011, 2012, 2013, or 2014" in paragraph (4)(B) and inserting "fiscal year 2011, 2012, 2013, 2014, or 2015".

SEC. 6. PAYGO COMPLIANCE.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled "Budgetary Effects of PAYGO Legislation" for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Michigan (Mr. LEVIN) and the gentleman from Kentucky (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from Michigan.

Mr. LEVIN. Mr. Speaker, millions of American families have taken advantage of the home buyer tax credit, giving a much-needed boost to home sales at a time when our housing market needed it most. In a word, this tax credit has worked. It gave a boost to our economic recovery, and it helped first-time buyers achieve their dream, the American Dream of owning a home.

Today's legislation helps ensure the credit works for people who have followed the terms of the incentive. Under current law, taxpayers that entered into a written, binding contract to purchase a home prior to May 1, 2010, are eligible for the home buyer tax credit so long as the sale was completed prior to July 1, 2010. The bill would extend this closing date from prior to July 1, 2010, to prior to October 1, 2010. As a result, taxpayers that entered into a written, binding contract prior to May 1, 2010, will have until September 30, 2010, and I emphasize that, until September 30, 2010, to complete their home purchase transactions.

This legislation also takes important steps to eliminate instances of fraud that were recently discovered by the Treasury Inspector General for Tax Administration relating to prison inmates. Last year, the Oversight Subcommittee chair, Mr. LEWIS, took the lead in examining issues of abuse, and this clearly is one, and so this bill addresses this abuse very effectively.

Mr. Speaker, this legislation is a necessary step to extend this benefit to those who qualify and the need to facilitate their purchases, and also, it addresses the issue of fraud. This legislation is fully paid for, and I strongly encourage my colleagues to support the bill and follow through on our commitment to thousands and thousands of home buyers who have followed the rules and now should be able to follow through with their purchase.

I reserve the balance of my time.

Mr. DAVIS of Kentucky. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of H.R. 5623.

Last November, Congress extended the home buyer credit, Mr. Speaker, for buyers who entered into a binding contract by the end of April this year but only if they closed on their house by the end of June. I agree with my colleague from Michigan on the need for this extension, but only those who closed on their houses by the end of June would be eligible.

The slow grinding gears of bureaucracy have left many potential home buyers who could build equity and build for the future out in the cold on this, and by doing this extension, we buy an appropriate amount of time for those who have signed contracts by the April deadline but haven't closed yet to be able to close. In short, we just need a little more time.

This bill does not extend the deadline for signing a contract to buy a home. The contract still must have been signed before the deadline at the end of April, but it does provide relief for those home buyers who haven't yet been able to close but who might be depending on the tax credit for their down payment or closing costs. It seems unfair to leave those home buyers in limbo even though they tried to comply with the rules. Denying them the tax credit could cause the deal to collapse, which would put downward pressure on home prices and exacerbate the problems with the housing market.

□ 1420

Mr. Speaker, I am also pleased to see that this bill responds to a recent report from the Treasury Inspector General for Tax Administration, who found that almost 1,300 incarcerated prisoners claimed over \$9 million in tax credits for homes they supposedly purchased while in prison.

The bill would improve information sharing between the IRS and State prison systems so that the IRS could obtain information on just who is claiming to have bought a home. Refundable tax credits always attract fraud, and we need to do better to prevent people from claiming benefits to which they are not entitled.

I think this legislation includes sensible changes to improve the administration of the home buyer tax credit, and I urge an "aye" vote.

I reserve the balance of my time.

Mr. LEVIN. Mr. Speaker, it is now my special privilege to yield 2 minutes to the gentlewoman from Pennsylvania, KATHY DAHLKEMPER.

Mrs. DAHLKEMPER. Mr. Speaker, I rise today in support of my bill, H.R. 5623, the Homebuyers Assistance and Improvement Act of 2010.

I particularly would like to thank the leader, Chairman LEVIN, for helping advance this legislation, which will extend tomorrow's closing deadline for those eligible for the home buyer tax credit.

The National Association of Realtors estimates that 180,000 families, including over 5,800 in my home State of Pennsylvania alone, signed contracts for new homes by the April 30 deadline, but have not yet finished their closings. One realtor in my district estimated that there are 20 of these such closings which have not been able to be completed yet. Due to the turmoil in the housing market and the overwhelming success of the tax credit, lenders and Federal programs have not been able to keep up with the demand, and that is what has created the backlog.

The Homebuyers Assistance and Improvement Act will provide time to clear this bottleneck and to make sure that these new homeowners are not punished for delays that are out of their control.

As our economy continues on a slow yet steady path toward recovery, we have a responsibility to promote policies that aid in that growth. The Homebuyers Assistance and Improvement Act will do just that, so I urge my colleagues to support H.R. 5623.

Mr. DAVIS of Kentucky. Mr. Speaker, I yield such time as he may consume to a distinguished member of the Ways and Means Committee, the gentleman from California (Mr. HERGER).

Mr. HERGER. Mr. Speaker, I rise to applaud the inclusion in this bill of a provision that enhances information sharing between the IRS and State prisons.

Recently, the Treasury Inspector General for Tax Administration issued a report, finding that at least 1,295 prisoners received \$9.1 million in home buyer tax credits for homes they reported purchasing while incarcerated. We must put a stop to this fraud.

I am a long-time supporter of increased data sharing among agencies to ensure that prisoners do not illegally obtain taxpayer-funded benefits. In the 1996 welfare reform bill, I championed a program that authorized incentive payments to penal institutions for providing information on newly incarcerated individuals. This data sharing gave the Social Security Administration the information they needed to prevent checks from going to jailed beneficiaries, which saved taxpayers over \$5 billion.

Currently, the IRS shares information with Federal prisons but not with State prisons. The bill before us would change that, and I support its passage.

GENERAL LEAVE

Mr. LEVIN. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks and to insert any extraneous material in the CONGRESSIONAL RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LEVIN. Mr. Speaker, now it is my privilege to yield 2 minutes to a very vigorous Representative, the gentlewoman from Nevada (Ms. TITUS).

Ms. TITUS. Thank you, Mr. Chairman.

Mr. Speaker, I rise today in support of the Homebuyers Assistance and Improvement Act of 2010.

The first-time home buyer tax credit has helped bring stability to the struggling housing market in southern Nevada. In total, over 25,000 Nevadans have collected about \$200 million from the credit, which has dramatically reduced the State's excess housing inventory.

In southern Nevada, short sales have become more and more common as lenders and owners are able to avoid the arduous and costly process of foreclosure, and buyers can then purchase homes slightly below market value.

Unlike the traditional sale of a property between an owner and a buyer, however, a short sale must be approved by the holder of the mortgage. In many cases, although a purchase price is agreed to by the seller and the buyer, the lender may not approve the sale for months. Certainly, this has been the case in Nevada. As a result, many first-time home buyers have entered into agreements for short sales prior to the April 30 deadline, but have not yet been able to close on the purchase prices prior to the upcoming June 30 deadline.

According to local experts, the Homebuyers Assistance and Improvement Act of 2010, which is before us now, will extend to October 1, the date by which a purchaser must close a sale of a home in order to obtain the home buyer tax credit. This will allow approximately 3,800 first-time home buyers in southern Nevada to receive the credit. It is a fair solution that will help consumers who have met all of the eligibility requirements for the credit but who have had the timely processing of their loans held up through no fault of their own.

So I thank the chairman for his assistance in moving this forward, and I urge my colleagues to support the legislation.

Mr. DAVIS of Kentucky. Mr. Speaker, I yield as much time as she may consume to the distinguished member of the Ways and Means Committee, the

gentlewoman from Florida (Ms. GINNY BROWN-WAITE).

Ms. GINNY BROWN-WAITE of Florida. I thank the gentleman from Kentucky.

Mr. Speaker, I rise today in support of the bill before us, the Homebuyers Assistance and Improvement Act of 2010.

For reasons known only to them, our Democrat colleagues in the Senate have been unable or unwilling to reach a compromise addressing the bipartisan concerns about the bundle of extensions still pending across the Capitol. Due to this failure of basic leadership, the National Flood Insurance Program was allowed to expire, as well as a number of other programs.

I mention the Flood Insurance Program specifically because realtors in my district are calling my office morning, noon and night on behalf of clients who cannot close on their new homes without an extension in the Flood Insurance Program. Remember, it is Florida. You need flood insurance. Subsequently, quite a few of these individuals are going to be missing the homebuyer tax credit that they were told they would qualify for.

Say what you will about the tax credit, but in my view, if the government says it is going to do something, like anybody else, it had better follow through. Frankly, at this point, I'm not sure that the Democrat majority is even capable of doing that. If you can't muster up enough votes to ram your agenda through, despite opposition from your own Members, or you are faced with the prospect of actually having to pay for something—isn't that unique?—this government comes to a screeching halt.

On most issues, my constituents and I think this liberal legislative meltdown is a blessing; but on matters where families and small businesses have made financial decisions based on the expectation that the government would keep its word, we do demand and deserve action.

My colleagues on the other side of the aisle have control of the White House, and they have the majorities in both houses of Congress. They need to stop blaming everybody else and get their act together for the sake of the American people.

Mr. LEVIN. Before I recognize the next distinguished gentleman, I just sit here. Even on a bipartisan supported bill, we get such partisan rhetoric. I hope everybody listens to it.

It is now my privilege to yield 2 minutes, or as much time as he may consume, to a very active Member of Congress, the gentleman from the proud State of Mississippi (Mr. CHILDERS).

Mr. CHILDERS. Thank you, Mr. Chairman.

Mr. Speaker, I rise today in support of the Homebuyers Assistance and Improvement Act of 2010.

This bill is important for home buyers who have met the requirements of the first-time homebuyer tax credit program but who are now not able to close on their new homes due to circumstances which are out of their control.

□ 1430

With the passage of this act, over 1,500 home buyers in my great State of Mississippi will be able to take advantage of the Homebuyers Tax Credit program, making homes more affordable for families and individuals and creating much-needed jobs.

As a veteran realtor for over 30 years, I have seen firsthand the ups and downs associated with the housing market. Recent signs of recovery in the market are certainly encouraging, but we must follow through and sustain the progress linked to the initial benefits of the homebuyer tax credits.

I urge my colleagues to support this bill and to support the prospective homeowners in America.

Mr. DAVIS of Kentucky. Mr. Speaker, I would encourage all of my colleagues to support H.R. 5623 to continue and extend this program for those who signed up before the April 30 close.

Mr. Speaker, with that, I yield back the balance of my time.

Mr. LEVIN. Mr. Speaker, I include for the RECORD a letter from the chairman of the Homeland Security Committee, Mr. THOMPSON, to me dated June 29, 2010, and a letter from me as chairman of the Ways and Means Committee to Mr. THOMPSON.

COMMITTEE ON HOMELAND SECURITY,
HOUSE OF REPRESENTATIVES,
Washington, DC, June 29, 2010.

Hon. SANDER M. LEVIN,
Chairman, Committee on Ways and Means,
House of Representatives, Longworth House
Office Building, Washington, DC.

DEAR MR. CHAIRMAN: I am writing you regarding the "Homebuyer Assistance and Improvement Act of 2010."

This legislation contains provisions within the jurisdiction of the Committee on Homeland Security. I recognize and appreciate your desire to bring this legislation before the House in an expeditious manner and, accordingly, have waived further consideration of the measure. I have done so with the understanding that waiving consideration of the bill should not be construed as the Committee on Homeland Security waiving, altering, or otherwise affecting its jurisdiction over subject matters contained in the bill which fall within its Rule X jurisdiction.

Further, I request your support for the appointment of Homeland Security conferees during any House-Senate conference convened on this or similar legislation. I also ask that a copy of this letter and your response be placed in the Congressional Record during floor consideration of this bill.

I look forward to working with you on this legislation and other matters of great importance to this nation.

Sincerely,

BENNIE G. THOMPSON,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAYS AND MEANS,
Washington, DC, June 29, 2010.

Hon. BENNIE THOMPSON,
Chairman, Committee on Homeland Security,
Ford House Office Building, Washington,
DC.

DEAR CHAIRMAN THOMPSON, Thank you for your letter regarding H.R. 5623, the Homebuyer Assistance and Improvement Act of 2010.

I appreciate your willingness to work cooperatively on this legislation, and I acknowledge that there are provisions within the bill that are within the jurisdiction of the Committee on Homeland Security. I agree that your inaction with respect to this bill does not in any way prejudice the Committee with respect to the appointment of conferees or its jurisdictional prerogatives on this bill or similar legislation in the future.

I will ensure that our exchange of letters is included in the Congressional Record during consideration of H.R. 5623.

Sincerely,

SANDER LEVIN,
Chairman.

I can close very briefly. This bill is meritorious. It deserves bipartisan support, and I hope very much it will receive it. We owe this to the people who have essentially followed the rules who are caught by a closing date.

This is a credit. There is often question about, is the effort of the recovery program and like programs working? This is an example of it working, and in fact working so actively that now it is necessary and I think correct that we make sure that people who have advantaged themselves of it correctly are able to follow through.

So I urge a strong vote.

Ms. JACKSON LEE of Texas. Mr. Speaker, I wish to thank Congress members DAHLKEMPER, KRATOVIL and CHILDERS for introducing this important and much-needed piece of legislation.

The mortgage crisis continues to affect millions of Americans, and has greatly interfered with the American dream of home ownership. It is imperative that we help everyday Americans in their effort to remain afloat in light of the ongoing effects of the economic meltdown. For these reasons, I support the proposed amendments to this Act which will extend the closing deadline for the First-Time Homebuyer tax credit to September 30, 2010.

The housing market is an area that was, perhaps, the most largely affected by the economic crisis. As of January, 2010, there were 315,716 foreclosures on properties in the United States reported just within the month. Additionally, 1 in every 409 U.S. housing units received a foreclosure filing in the same month. Texas received the sixth highest number of foreclosure filings in January, 2010. As of March, 2010, the foreclosure rate in Houston, Texas had increased by almost ten percent from the previous month. Although our economy appears to be on the path to recovery, these statistics are still cause for concern.

The programs set in place to counteract the effects of the economic downturn have attracted many ordinary Americans who are desperate to keep their homes. The first-time homebuyer tax credit, specifically, represented

positive steps to guide ordinary Americans towards financial recovery. However, it is important to allow all who are eligible, and especially all who require the help, to benefit from the tax credit by extending the closing deadline. There has been a delay in processing due to all the new mortgages that have resulted from the tax credit. However, ordinary Americans who have attempted to obtain new mortgages, and are sincerely in need of the aid provided through the tax credit should not be punished for the backlog that resulted from factors entirely outside of their control.

We are all familiar with the ongoing effects of the economic meltdown. Jobs have been lost, homes have been foreclosed upon, and many have been left with no source of income or livelihood. In addition, many Americans have been stripped of the ability to achieve a goal that they have, in certain instances, worked decades to attain—owning a home. Extending the tax credit will provide everyday citizens with an opportunity to realize this dream, even in the midst of a recovering economy.

Mr. LEVIN. I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. LEVIN) that the House suspend the rules and pass the bill, H.R. 5623, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. LEVIN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

RECOGNIZING HEROIC EFFORTS OF WEST VIRGINIA NATIONAL GUARD AND LOCAL RESPONDERS

Mr. CRITZ. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 1153) recognizing the heroic efforts of the West Virginia National Guard and local responders for their work rescuing 17 individuals from a downed military helicopter on a rugged, snow-covered mountain on the Pocahontas-Randolph county line.

The Clerk read the title of the resolution.

The text of the resolution is as follows:

H. RES. 1153

Whereas the West Virginia National Guard and local responders safely and successfully rescued 17 individuals from a downed military helicopter on a rugged, snow-covered mountain on the Pocahontas-Randolph county line;

Whereas, on February 18, 2010, the West Virginia Army National Guard HH-60 Blackhawk helicopter, gallantly piloted by Bluefield, West Virginia, native Major Kevin Hazuka, located the downed aircraft in extremely adverse weather conditions;

Whereas two West Virginia Army National Guard Flight Medics, SSG Nicole Hopkins and SPC Casey Dunfee, were lowered to the landing site to assess the situation and to provide assistance to the injured through the night while emergency response and rescue teams worked their way to the survivors;

Whereas a C-130 Hercules aircraft from the 130th Airlift Wing of the West Virginia Air National Guard orbited the crash site to facilitate communications;

Whereas Snowshoe Mountain Ski Resort provided two snowcats and personnel that were invaluable to the safe evacuation of the injured;

Whereas local West Virginia civilians generously donated the use of their snowmobiles that enabled first responders to reach the site;

Whereas a Shavers Fork Volunteer Fire and Rescue Unit went as far as they could with special equipment and snowmobiles along a railroad grade to where it was still about a 45-minute trek in 5 feet of snow, straight up the side of a mountain with an approximate 50-degree pitch;

Whereas Valley Head Fire Department, Northern Greenbrier EMS, Greenbrier County Ambulance, White Sulphur Springs EMS, Cass Rescue, and Greenbank National Radio Astronomy Observatory operations staff all provided direct critical support for the effort;

Whereas the Pocahontas County Emergency Management, West Virginia State Police, Pocahontas County Sheriff's Department, Pocahontas County 911, and the U.S. Forest Service provided coordination and support efforts; and

Whereas the Bartow-Frank-Durbin Volunteer Fire and Rescue attempted an approach to the crash sight from the North side with support from State of West Virginia Departments of Natural Resources and Highways, neighboring Randolph and Tucker County Sheriff Departments and EMS units, Elkins, Harmon, and Huttonsville/Mill Creek Volunteer Fire Departments, and the American Red Cross: Now, therefore, be it

Resolved, That the House of Representatives—

(1) honors the heroic efforts of the West Virginia National Guard and local first responders;

(2) recognizes the countless volunteers, families, and neighbors who assisted in rescuing the 17 individuals; and

(3) recognizes the courage, ability, incredible determination, and willingness of West Virginians to lend a neighborly hand.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania (Mr. CRITZ) and the gentleman from Maryland (Mr. BARTLETT) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania.

GENERAL LEAVE

Mr. CRITZ. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CRITZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of House Resolution 1153, recognizing

the heroic efforts of the West Virginia National Guard and local responders for their work rescuing 17 people from a downed military helicopter on a rocky, snow-covered mountain on the Pocahontas-Randolph county line. I would like to thank my colleague from West Virginia, Mr. RAHALL, for putting this resolution together.

Mr. Speaker, I would like to spend this time recognizing the individuals and organizations involved in the execution of this tremendous rescue.

On February 18, 2010, a West Virginia Army National Guard HH-60 Blackhawk helicopter, skillfully piloted by a native of Bluefield, West Virginia, Major Kevin Hazuka, located the downed aircraft in extremely difficult circumstances. The snow and ice of the Pocahontas-Randolph county line at the time was treacherous, and the valor of Major Kevin Hazuka should be commended by all.

I would like to commend Staff Sergeant Nicole Hopkins and Specialist Casey Dunfee, two West Virginia Army National Guard flight medics. Sergeant Hopkins and Specialist Dunfee were lowered to the site in order to provide medical care throughout the night as rescue workers labored their way to the survivors.

Thanks are also deserved to the pilot of the 130th Airlift Wing of the West Virginia National Guard who assisted by orbiting the crash site in a C-130 Hercules aircraft in order to facilitate vital communication.

Volunteers, civilians, service men and women alike all gave a hand to help rescue the survivors. The Snowshoe Mountain Ski Resort assisted by providing invaluable machinery and staff to help evacuate the injured.

Local West Virginians helped by donating snowmobiles that enabled first responders to reach the site. The Shavers Fork Volunteer Fire and Rescue Unit was instrumental in using special equipment and snowmobiles to clear a path to the location of the crash.

The Valley Head Fire Department, Northern Greenbrier EMS, Greenbrier County Ambulance, White Sulphur Springs EMS, Cass Rescue, and Greenbank National Radio Astronomy Observatory staff all provided extremely vital support for the effort. In addition, the Pocahontas County Emergency Management, West Virginia State Police, Pocahontas County Sheriff's Department, Pocahontas County 911, and the U.S. Forest Service also lent a hand in order to help assist the victims of the crash. The coordination and support they provided was also invaluable.

Finally, the Bartow-Frank-Durbin Volunteer Fire and Rescue made a valiant attempt to approach the crash site from the north side with support from the State of West Virginia Departments of Natural Resources and Highways, neighboring Randolph and Tucker County Sheriff Departments and

EMS units, Elkins, Harmon, and Huttonsville-Mill Creek Volunteer Fire Departments, and the American Red Cross.

Mr. Speaker, this resolution acknowledges and thanks the West Virginia National Guard, local first responders, and volunteers around the area for their successful efforts to rescue the 17 individuals. House Resolution 1153 recognizes the courage, ability, and determination of West Virginians.

I reserve the balance of my time.

Mr. BARTLETT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of House Resolution 1153, which recognizes the heroic efforts of the West Virginia National Guard and local responders for rescuing 17 persons from a Navy helicopter that crashed in the wintry mountains of that State in February of this year. I want to commend Representative NICK RAHALL for sponsoring this legislation.

This incident, precipitated when a Navy helicopter was forced down in remote mountainous terrain, exemplifies all that is best about the National Guard and its ability to work cooperatively and effectively with local civilian responders in crisis situations.

Without the rapid, integrated response of the West Virginia Army and Air National Guard, the volunteer efforts of local citizens, the support of local emergency management services, and perseverance of State and local fire and rescue services and agencies, 17 people could have died from their injuries and from exposure. Thankfully, there were people at every level of government who were trained, equipped, and prepared to respond.

This resolution specifically honors those citizens of West Virginia, but it should also remind each Member to express appreciation to the people in our own States and districts, selfless Americans who willingly sacrifice their comfort and safety for others.

In my own district and State, Guardsmen and women have adopted a flexible “plug and play” organization model that enables members to report to the closest armory in time of emergency, thereby minimizing the overall response time during events like the unprecedented snowfalls we experienced this winter. Their round-the-clock vigilance exemplifies the spirit of the National Guard emergency personnel at all levels of government.

□ 1440

Thus it is fitting that we honor and thank the soldiers and airmen of the National Guard as well as the first responders and emergency and rescue personnel across our Nation, who, when disaster and tragedy strike, step forward to save and serve their fellow citizens. I urge all Members to support this resolution.

I reserve the balance of my time.

Mr. CRITZ. Mr. Speaker, I yield such time as he may consume to my friend and colleague and the sponsor of this resolution, the gentleman from West Virginia (Mr. RAHALL).

Mr. RAHALL. Mr. Speaker, I first commend the gentleman from Pennsylvania (Mr. CRITZ) for his invaluable support in helping us bring this resolution to the floor today. I know that it is a special recognition to a special group of people. I do support the heroic efforts of our West Virginia National Guard and our local responders and would urge all of my colleagues to support the pending resolution, H. Res. 1153.

I have personally visited with the National Guard members mentioned herein and the local responders and members of the Bartow, Frank, and Durbin communities' Volunteer Fire Departments in Pocahontas County a couple months ago. On Thursday, February 18, 2010, earlier this year, the heroic actions of West Virginians brought about the highly successful rescue of 17 military personnel who were on board a U.S. Navy helicopter participating in the Operation Southbound Trooper X annual military exercise, which went down in deep, snow-covered, and very rugged terrain in Pocahontas County, West Virginia.

The remarkable rescue was an outstanding and highly coordinated effort on the part of many highly trained professionals as well as private citizens, who worked under very difficult conditions to reach the crew and personnel on board the aircraft, many of whom had been injured in the crash. West Virginians are the best neighbors for whom you could ever wish. It is a truth that has been proven time and again. This historic rescue effort was, thankfully, a rare event, but it was not at all out of character for our State of West Virginia. In fact, it was merely illustrative of the best of our State.

The swift response, the astounding skills and abilities, the enormous courage, and profound determination of all those involved in the rescue operation, from those who serve in and lead our West Virginia National Guard to our local fire, rescue, law enforcement, and first responder units, and the countless volunteers, families, and neighbors nearby, most certainly made the difference between life and death. While no expression of gratitude would ever be sought for such selfless acts, the hope that one good turn deserves another never dims with our West Virginians.

On behalf of my fellow West Virginians and on behalf of my colleague from the neighboring congressional district, Representative SHELLEY MOORE CAPITO, we are pleased to support H. Res. 1153, to honor these good deeds and to illuminate them as a beacon for others. I would ask that my fel-

low Members join in support of this resolution. I, again, thank the gentleman from Pennsylvania (Mr. CRITZ) for his invaluable support as well.

Mr. BARTLETT. Mr. Speaker, I yield such time as she may consume to the gentlewoman from West Virginia (Mrs. CAPITO), an original sponsor of this resolution.

Mrs. CAPITO. I'd like to thank my friend from Maryland for recognizing me. I'd particularly like to thank my fellow member of the delegation, Mr. RAHALL, for bringing House Resolution 1153 forward. The occurrence of this crash straddled two of our counties. His is Pocahontas and mine is Randolph. We both know very well that we don't call West Virginia “Wild and Wonderful” for no reason. This is one of the wildest parts of our beautiful State. And so I want to offer my congratulations to the brave men and women of the 130th Airlift Wing, which is headquartered in Charleston, West Virginia, in my district, and all the first responders and citizens who helped with this rescue.

As we've heard, Major Hazuka of Bluefield, West Virginia, of the 130th Airlift Wing of the National Guard, discovered the Navy Kittyhawk helicopter which had crashed over Randolph and Pocahontas Counties in terrible weather conditions. They acted very, very quickly. I would also like to honor Army National Guard Flight Medics Staff Sergeant Nicole Hopkins and Specialist Casey Dunfee, who were lowered to the landing site to give emergency medical care and to help coordinate the efforts.

The 130th Airlift Wing represents the best of West Virginia, and their heroic response to this crash further establishes their importance to this State. As my colleague from West Virginia so eloquently put it, it didn't surprise any of us. This unit and those around our State and around this Nation are known for their willingness to step up when they're most needed. But the terrain and the weather on that particular day was incredibly dangerous.

I know my colleague from Pennsylvania mentioned all of the different units of first responders that responded that day, but I would like to repeat their names: the West Virginia Civil Air Patrol, the Valley Head Fire Department, the Northern Greenbrier EMS, Greenbrier County Ambulance, White Sulfur Springs EMS, Cass Rescue, and the Greenbank National Radio Astronomy Observatory, which is very close in Pocahontas. I'd also like to thank the Snowshoe Resort for their willingness to share equipment. We also had the Pocahontas County Emergency Management, West Virginia State Police, Pocahontas County Sheriffs Department, Pocahontas County 9/11, U.S. Forest Service, Bartow-Frank-Durbin Volunteer Fire and Rescue, along with the Department of Natural

Resources and sheriff departments from the surrounding areas.

As you can see, it was a collegial effort, an enormous effort, and one that when we first received the news of this accident over our local television and radio stations, really had us on the edge of our seats because I think we knew how treacherous a rescue in this area could be at this time of year.

So I'd like to say congratulations. Again, I'd like thank my colleague Mr. RAHALL for bringing this resolution forward, and I would like to ask my colleagues to join in congratulating not only our first responders and our National Guard, but also take the time to thank their local and State National Guard and local first responders for all the good work they do voluntarily every day for our benefit.

Mr. BARTLETT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. CRITZ. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. CRITZ) that the House suspend the rules and agree to the resolution, H. Res. 1153.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on motions to suspend the rules previously postponed.

Votes will be taken in the following order:

H.R. 5618, House Resolution 1244, H.R. 5552, and H.R. 5623, in each case by the yeas and nays.

Remaining postponed proceedings will resume later in the week.

The first electronic vote will be conducted as a 15-minute vote. Remaining electronic votes will be conducted as 5-minute votes.

RESTORATION OF EMERGENCY UN- EMPLOYMENT COMPENSATION ACT OF 2010

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and pass the bill (H.R. 5618) to continue Federal unemployment programs, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. LEVIN) that the House suspend the rules and pass the bill.

The vote was taken by electronic device, and there were—yeas 261, nays 155, not voting 17, as follows:

[Roll No. 398]

YEAS—261

Ackerman	Grijalva	Ortiz
Altmire	Gutierrez	Owens
Andrews	Hall (NY)	Pallone
Arcuri	Halvorson	Pascarell
Baca	Hare	Pastor (AZ)
Baldwin	Harman	Payne
Barrow	Hastings (FL)	Pelosi
Becerra	Heinrich	Perlmutter
Berkley	Heller	Perriello
Berman	Higgins	Peters
Bilbray	Himes	Peterson
Bilirakis	Hinche	Petri
Bishop (GA)	Hinojosa	Pingree (ME)
Bishop (NY)	Hirono	Platts
Blumenauer	Hodes	Polis (CO)
Boccieri	Holden	Pomeroy
Bono Mack	Holt	Posey
Boren	Honda	Price (NC)
Boswell	Hoyer	Quigley
Boucher	Inslee	Rahall
Boyd	Israel	Rangel
Brady (PA)	Jackson (IL)	Reichert
Braley (IA)	Jackson Lee	Reyes
Brown, Corrine	(TX)	Richardson
Butterfield	Johnson (GA)	Rodriguez
Capito	Johnson (IL)	Rogers (MI)
Capps	Johnson, E. B.	Ros-Lehtinen
Capuano	Jones	Ross
Cardoza	Kagen	Rothman (NJ)
Carnahan	Kanjorski	Roybal-Allard
Carney	Kaptur	Ruppersberger
Carson (IN)	Kennedy	Ryan (OH)
Castle	Kildee	Salazar
Castor (FL)	Kilpatrick (MI)	Sanchez, Linda
Chandler	Kilroy	T.
Chu	Kind	Sanchez, Loretta
Clarke	Kirkpatrick (AZ)	Sarbanes
Clay	Kissell	Schakowsky
Cleaver	Klein (FL)	Schauer
Clyburn	Kosmas	Schiff
Cohen	Kucinich	Schrader
Connolly (VA)	Langevin	Schwartz
Conyers	Larsen (WA)	Scott (GA)
Costa	Larson (CT)	Scott (VA)
Costello	LaTourette	Serrano
Courtney	Lee (CA)	Sestak
Critz	Lee (NY)	Shea-Porter
Crowley	Levin	Sherman
Cuellar	Lewis (GA)	Sires
Dahlkemper	Lipinski	Skelton
Davis (AL)	LoBlundo	Slughter
Davis (CA)	Loebbeck	Smith (NJ)
Davis (IL)	Lofgren, Zoe	Smith (WA)
Davis (TN)	Lowe	Snyder
DeFazio	Lujan	Space
DeGette	Lynch	Speier
DeLauro	Maffei	Spratt
Dent	Maloney	Stark
Deutch	Manzullo	Stupak
Diaz-Balart, L.	Markey (MA)	Sutton
Diaz-Balart, M.	Matheson	Tanner
Dicks	Matsui	Teague
Dingell	McCarthy (NY)	Thompson (CA)
Doggett	McCollum	Thompson (MS)
Doyle	McCotter	Tierney
Driehaus	McDermott	Titus
Edwards (MD)	McGovern	Tonko
Edwards (TX)	McMahon	Towns
Ehlers	McNerney	Tsongas
Ellison	Meek (FL)	Turner
Ellsworth	Meeks (NY)	Upton
Eshoo	Melancon	Van Hollen
Etheridge	Michaud	Velázquez
Farr	Miller (NC)	Visclosky
Fattah	Miller, George	Walz
Filner	Mitchell	Wasserman
Foster	Mollohan	Schultz
Frank (MA)	Moore (KS)	Waters
Fudge	Moran (VA)	Watson
Garamendi	Murphy (CT)	Watt
Gerlach	Murphy (NY)	Waxman
Giffords	Murphy, Patrick	Weiner
Gonzalez	Murphy, Tim	Welch
Gordon (TN)	Nadler (NY)	Whitfield
Grayson	Napolitano	Wilson (OH)
Green, Al	Neal (MA)	Wu
Green, Gene	Obey	Yarmuth
	Oliver	Young (FL)

NAYS—155

Aderholt	Akin	Austria
Adler (NJ)	Alexander	Bachmann

Bachus	Franks (AZ)	Mica
Baird	Frelinghuysen	Miller (FL)
Barrett (SC)	Gallely	Miller (MI)
Bartlett	Garrett (NJ)	Miller, Gary
Barton (TX)	Gingrey (GA)	Minnick
Bean	Gohmert	Moran (KS)
Berry	Goodlatte	Myrick
Biggert	Granger	Neugebauer
Blackburn	Graves (GA)	Nunes
Blunt	Graves (MO)	Nye
Boehner	Guthrie	Olson
Bonner	Hall (TX)	Paul
Boozman	Harper	Paulsen
Boustany	Hastings (WA)	Pence
Brady (TX)	Hensarling	Pitts
Bright	Herger	Poe (TX)
Broun (GA)	Herseth Sandlin	Price (GA)
Brown (SC)	Hill	Radanovich
Brown-Waite,	Hunter	Rehberg
Ginny	Inglis	Roe (TN)
Buchanan	Issa	Rogers (AL)
Burgess	Jenkins	Rogers (KY)
Burton (IN)	Johnson, Sam	Rohrabacher
Buyer	Jordan (OH)	Rooney
Calvert	King (IA)	Roskam
Camp	King (NY)	Royce
Campbell	Kingston	Ryan (WI)
Cantor	Kline (MN)	Scalise
Carter	Kratovil	Schmidt
Cassidy	Lamborn	Sensenbrenner
Chaffetz	Lance	Sessions
Childers	Latham	Shadegg
Coble	Latta	Shimkus
Coffman (CO)	Lewis (CA)	Shuler
Cole	Linder	Shuster
Conaway	Lucas	Simpson
Cooper	Luetkemeyer	Smith (NE)
Crenshaw	Lummis	Smith (TX)
Culberson	Lungren, Daniel	Stearns
Davis (KY)	E.	Sullivan
Djou	Mack	Terry
Donnelly (IN)	Marchant	Thompson (PA)
Dreier	Markey (CO)	Thornberry
Duncan	Marshall	Tiahrt
Emerson	McCarthy (CA)	Tiberi
Fallin	McCaul	Walden
Flake	McClintock	Westmoreland
Fleming	McHenry	Wilson (SC)
Forbes	McKeon	Wittman
Fortenberry	McMorris	Woff
Fox	Rodgers	

NOT VOTING—17

Bishop (UT)	Kirk	Schock
Cao	McIntyre	Taylor
Cummings	Moore (WI)	Wamp
Engel	Oberstar	Woolsey
Griffith	Putnam	Young (AK)
Hoekstra	Rush	

□ 1515

Messrs. BAIRD, McCAUL, BACHUS, and ADLER of New Jersey changed their vote from "yea" to "nay."

So (two-thirds not being in the affirmative) the motion was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. MCINTYRE. Mr. Speaker, on rollcall No. 398, on this vote, I was unavoidably detained and was unable to vote. Had I been present, I would have voted "yes."

Stated against:

Mr. LEE of New York. Mr. Speaker, on rollcall 398, to suspend the Rules and pass H.R. 5618, I intended to vote "nay." While I understand that many Americans, including some in my Congressional District in Western New York, rely on unemployment benefits to survive in these difficult economic times, I believe that it is irresponsible for this Congress to not pay for the extension. We simply cannot afford to tack on an additional \$34 billion in deficit spending.

RECOGNIZING THE NATIONAL COLLEGIATE CYBER DEFENSE COMPETITION

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and agree to the resolution (H. Res. 1244) recognizing the National Collegiate Cyber Defense Competition for its now five-year effort to promote cyber security curriculum in institutions of higher learning, as amended, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Hawaii (Ms. HIRONO) that the House suspend the rules and agree to the resolution, as amended.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 412, nays 2, not voting 18, as follows:

[Roll No. 399]

YEAS—412

Ackerman	Capito	Ehlers
Aderholt	Capps	Ellison
Adler (NJ)	Capuano	Ellsworth
Akin	Cardoza	Emerson
Alexander	Carnahan	Eshoo
Altmire	Carney	Etheridge
Andrews	Carson (IN)	Fallin
Arcuri	Carter	Farr
Austria	Cassidy	Fattah
Baca	Castle	Fiener
Bachmann	Castor (FL)	Fleming
Bachus	Chaffetz	Forbes
Baird	Chandler	Fortenberry
Baldwin	Childers	Foster
Barrett (SC)	Chu	Fox
Barrow	Clarke	Frank (MA)
Bartlett	Clay	Franks (AZ)
Barton (TX)	Cleaver	Frelinghuysen
Bean	Clyburn	Fudge
Becerra	Coble	Gallegly
Berkley	Coffman (CO)	Garamendi
Berman	Cohen	Garrett (NJ)
Berry	Cole	Gerlach
Biggert	Conaway	Giffords
Bilbray	Connolly (VA)	Gingrey (GA)
Bilirakis	Conyers	Gohmert
Bishop (GA)	Cooper	Gonzalez
Bishop (NY)	Costa	Goodlatte
Bishop (UT)	Costello	Gordon (TN)
Blackburn	Courtney	Granger
Blumenauer	Crenshaw	Graves (GA)
Blunt	Critz	Graves (MO)
Boccheri	Crowley	Grayson
Boehner	Cuellar	Green, Al
Bonner	Culberson	Green, Gene
Bono Mack	Dahlkemper	Grijalva
Boozman	Davis (AL)	Guthrie
Boren	Davis (CA)	Gutierrez
Boswell	Davis (IL)	Hall (NY)
Boucher	Davis (KY)	Hall (TX)
Boustany	Davis (TN)	Halvorson
Boyd	DeFazio	Hare
Brady (PA)	DeGette	Harman
Brady (TX)	Delahunt	Harper
Braley (IA)	DeLauro	Hastings (FL)
Bright	Dent	Hastings (WA)
Broun (GA)	Deutch	Heinrich
Brown (SC)	Diaz-Balart, L.	Heller
Brown, Corrine	Diaz-Balart, M.	Hensarling
Brown-Waite,	Dicks	Herger
Ginny	Dingell	Herseth Sandlin
Buchanan	Djou	Higgins
Burgess	Doggett	Hill
Burton (IN)	Donnelly (IN)	Himes
Butterfield	Doyle	Hinche
Buyer	Dreier	Hinojosa
Calvert	Driehaus	Hirono
Camp	Duncan	Hodes
Campbell	Edwards (MD)	Holden
Cantor	Edwards (TX)	Holt

Honda	McKeon
Hoyer	McMahon
Hunter	McMorris
Inglis	Rodgers
Inslee	McNerney
Israel	Meek (FL)
Issa	Meeks (NY)
Jackson (IL)	Melancon
Jackson Lee	Mica
(TX)	Michaud
Jenkins	Miller (FL)
Johnson (GA)	Miller (MI)
Johnson (IL)	Miller (NC)
Johnson, E. B.	Miller, Gary
Johnson, Sam	Minnick
Jones	Mitchell
Jordan (OH)	Mollohan
Kagen	Moore (KS)
Kanjorski	Moran (KS)
Kaptur	Moran (VA)
Kennedy	Murphy (CT)
Kildee	Murphy (NY)
Kilpatrick (MI)	Murphy, Patrick
Kilroy	Murphy, Tim
Kind	Myrick
King (IA)	Nadler (NY)
King (NY)	Napolitano
Kingston	Neal (MA)
Kirkpatrick (AZ)	Neugebauer
Kissell	Nunes
Klein (FL)	Nye
Kline (MN)	Obey
Kosmas	Olson
Kratovil	Oliver
Kucinich	Ortiz
Lamborn	Owens
Lance	Pallone
Langevin	Pascarella
Larsen (WA)	Pastor (AZ)
Larson (CT)	Paulsen
Latham	Payne
LaTourette	Pence
Latta	Perlmutter
Lee (CA)	Perriello
Lee (NY)	Peters
Levin	Petri
Lewis (CA)	Pingree (ME)
Lewis (GA)	Pitts
Linder	Platts
Lipinski	Poe (TX)
LoBiondo	Polis (CO)
Lofgren, Zoe	Pomeroy
Lowey	Posey
Lucas	Price (GA)
Luetkemeyer	Price (NC)
Lujan	Quigley
Lummis	Radanovich
Lungren, Daniel	Rahall
E.	Rangel
Lynch	Rehberg
Mack	Reichert
Maffei	Reyes
Maloney	Richardson
Manzullo	Rodriguez
Marchant	Roe (TN)
Markey (CO)	Rogers (AL)
Markey (MA)	Rogers (KY)
Marshall	Rogers (MI)
Matheson	Rohrabacher
Matsui	Rooney
McCarthy (CA)	Ros-Lehtinen
McCarthy (NY)	Roskam
McCaul	Ross
McClintock	Rothman (NJ)
McCollum	Roybal-Allard
McCotter	Royce
McDermott	Ruppersberger
McGovern	Rush
McHenry	Ryan (OH)
McIntyre	Ryan (WI)

NAYS—2

Paul
NOT VOTING—18

Flake	Loeb
Cao	Loeb
Cummings	Miller, George
Engel	Moore (WI)
Griffith	Oberstar
Hoekstra	Peterson
Kirk	Putnam

Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Scalise
Schauer
Schiff
Schmidt
Schock
Schwartz
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Sestak
Shadegg
Shea-Porter
Sherman
Shimkus
Shuler
Shuster
Simpson
Sires
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Space
Speier
Spratt
Stark
Stearns
Stupak
Sullivan
Sutton
Tanner
Teague
Terry
Thompson (CA)
Thompson (MS)
Thompson (PA)
Thornberry
Tiahrt
Tiberi
Tierney
Titus
Tonko
Towns
Tsongas
Turner
Upton
Van Hollen
Velázquez
Visclosky
Walden
Walz
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Westmoreland
Whitfield
Wilson (OH)
Wilson (SC)
Wittman
Wolf
Wu
Yarmuth
Young (FL)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members have 2 minutes remaining on this vote.

□ 1524

So (two-thirds being in the affirmative) the rules were suspended and the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MOMENT OF SILENCE IN MEMORY OF FORMER REPRESENTATIVE MARVIN ESCH

(Mr. DINGELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

GENERAL LEAVE

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that all Members be given 5 legislative days to revise and extend their remarks on the matter that I am about to address.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Speaker, I rise with considerable sadness to announce the death of a good friend of most of us in this body. Our former colleague and friend, Congressman Marvin Esch of Ann Arbor has died. He was 82.

Mr. Esch served in the Michigan State House of Representatives from 1965 to 1966. He was then elected to the U.S. House of Representatives, where he represented Ann Arbor and southeastern Michigan through about 1976. In 1976, he made an unsuccessful bid for the United States Senate, losing to our friend and colleague Donald Riegle in the general election.

Mr. Esch was a veteran of both the U.S. Maritime Service and the United States Army. He was indeed proud of helping his constituents to navigate the problems that they were having with the Federal Government, especially widows and veterans, as his family takes pride in saying. In Congress, he pushed for an accelerated end to the Vietnam War, and he worked to create an all-volunteer military.

He counted Gerald Ford as one of his dear friends. They were both University of Michigan graduates, and he stood by him when President Ford was sworn in as the 38th President of the United States on the day that former President Nixon resigned.

He was born in Flint, Pennsylvania, on August 4, 1927. He went on to attend the University of Michigan, where he earned an A.B. in 1950, an M.A. in 1951, and a Ph.D. in 1957. He was a lifelong supporter of University of Michigan sports and took considerable pride in the success of that great school.

After his time in politics, he served as director of public affairs for the U.S. Steel Corporation from 1977 to 1980. From 1981 to 1987, he was the director of programs and seminars for the American Enterprise Institute. After his retirement in 1992, he worked on a number of philanthropic projects with The Communication Group.

He died in his sleep Saturday, June 19, two days after celebrating his 60th anniversary. His wife, Olga, survives him. He is survived also by his brother, Gordon Esch; a sister, Emily Esch of Bigfork, Montana; son, Tom Esch and his wife, Charlene, of Kalispell, Montana; and by grandsons and numerous nieces and nephews.

We all remember him as a kind man who loved to tell and hear stories. He was an optimist who made and cherished lifelong friendships. His relationship with his wife, as well as his relationships with his colleagues, and his hope for the country could best be summed up in the phrase, "And the best is yet to be."

I now yield to my dear friend from Michigan.

Mr. UPTON. Mr. Speaker, I would just briefly like to say I echo the remarks by the dean of the House and the dean of the Michigan delegation.

I knew Marv Esch as a staffer. He was a wonderful man, dedicated to this House and to making things work.

□ 1530

We will all miss him. It is sometimes tough to be a Wolverine, and as you know, he was a great Wolverine.

Mr. DINGELL. I now ask, Mr. Speaker, that the House have a moment of silence in honor of our former colleague and friend, Marvin Esch.

The SPEAKER pro tempore. Members will rise and observe a moment of silence.

FIREARMS EXCISE TAX IMPROVEMENT ACT OF 2010

The SPEAKER pro tempore. Without objection, 5-minute voting will continue.

There was no objection.

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and pass the bill (H.R. 5552) to amend the Internal Revenue Code of 1986 to require that the payment of the manufacturers' excise tax on recreational equipment be paid quarterly and to provide for the assessment by the Secretary of the Treasury of certain criminal restitution, as amended, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. KIND) that the House suspend the rules and pass the bill, as amended.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 412, nays 6, not voting 14, as follows:

[Roll No. 400]

YEAS—412

Ackerman	Courtney	Hodes
Aderholt	Crenshaw	Holden
Adler (NJ)	Critz	Holt
Akin	Crowley	Honda
Alexander	Cuellar	Hoyer
Altmire	Culberson	Hunter
Andrews	Dahlkemper	Inglis
Arcuri	Davis (AL)	Inslee
Austria	Davis (CA)	Israel
Baca	Davis (IL)	Issa
Bachmann	Davis (KY)	Jackson (IL)
Bachus	Davis (TN)	Jackson Lee
Baird	DeFazio	(TX)
Baldwin	DeGette	Jenkins
Barrett (SC)	DeLauro	Johnson (GA)
Barrow	Dent	Johnson (IL)
Bartlett	Deutch	Johnson, E. B.
Barton (TX)	Diaz-Balart, L.	Johnson, Sam
Bean	Diaz-Balart, M.	Jones
Becerra	Dicks	Jordan (OH)
Berkley	Dingell	Kagen
Berman	Djou	Kanjorski
Berry	Doggett	Kaptur
Biggert	Donnelly (IN)	Kennedy
Bilbray	Doyle	Kildee
Bilirakis	Dreier	Kilpatrick (MI)
Bishop (GA)	Driedhaus	Kilroy
Bishop (NY)	Duncan	Kind
Bishop (UT)	Edwards (MD)	King (IA)
Blackburn	Edwards (TX)	King (NY)
Blumenauer	Ehlers	Kingston
Blunt	Ellison	Kirkpatrick (AZ)
Boccieri	Ellsworth	Kissell
Boehner	Emerson	Klein (FL)
Bonner	Eshoo	Kline (MN)
Bono Mack	Etheridge	Kosmas
Boozman	Fallin	Kratovil
Boren	Fattah	Lamborn
Boswell	Filner	Lance
Boucher	Flake	Langevin
Boustany	Fleming	Larsen (WA)
Boyd	Forbes	Larson (CT)
Brady (PA)	Fortenberry	Latham
Brady (TX)	Foster	LaTourette
Braley (IA)	Fox	Latta
Bright	Frank (MA)	Lee (CA)
Broun (GA)	Franks (AZ)	Lee (NY)
Brown (SC)	Frelinghuysen	Levin
Brown, Corrine	Fudge	Lewis (CA)
Brown-Waite,	Gallagher	Lewis (GA)
Ginny	Garamendi	Linder
Buchanan	Garrett (NJ)	Lipinski
Burgess	Gerlach	LoBiondo
Burton (IN)	Giffords	Loebach
Butterfield	Gingrey (GA)	Loftgren, Zoe
Buyer	Gohmert	Lowey
Calvert	Gonzalez	Lucas
Camp	Goodlatte	Luetkemeyer
Campbell	Gordon (TN)	Lujan
Cantor	Granger	Lummis
Capito	Graves (GA)	Lungren, Daniel
Capps	Graves (MO)	E.
Capuano	Grayson	Lynch
Cardoza	Green, Al	Mack
Carnahan	Green, Gene	Maffei
Carney	Grijalva	Maloney
Carson (IN)	Guthrie	Manzullo
Carter	Gutierrez	Marchant
Cassidy	Hall (NY)	Markey (CO)
Castle	Hall (TX)	Markey (MA)
Castor (FL)	Halvorson	Marshall
Chaffetz	Hare	Matheson
Chandler	Harman	Matsui
Childers	Harper	McCarthy (CA)
Chu	Hastings (FL)	McCarthy (NY)
Clarke	Hastings (WA)	McCaul
Clay	Heinrich	McClintock
Cleaver	Heller	McColum
Clyburn	Hensarling	McCotter
Coble	Herger	McDermott
Coffman (CO)	Herseth Sandlin	McGovern
Cohen	Higgins	McHenry
Cole	Hill	McIntyre
Conaway	Himes	McKeon
Connolly (VA)	Hinche	McMahon
Cooper	Hinojosa	McMorris
Costa	Hirono	Rodgers
Costello		McNerney

Meek (FL)	Radanovich	Smith (NE)
Meeks (NY)	Rahall	Smith (NJ)
Melancon	Rangel	Smith (TX)
Mica	Rehberg	Smith (WA)
Michaud	Reichert	Snyder
Miller (FL)	Reyes	Space
Miller (MI)	Richardson	Speier
Miller (NC)	Rodriguez	Spratt
Miller, Gary	Roe (TN)	Stark
Miller, George	Rogers (AL)	Stearns
Minnick	Rogers (KY)	Stupak
Mitchell	Rogers (MI)	Sullivan
Mollohan	Rohrabacher	Sutton
Moore (KS)	Rooney	Tanner
Moran (KS)	Ros-Lehtinen	Teague
Moran (VA)	Roskam	Terry
Murphy (CT)	Ross	Thompson (CA)
Murphy (NY)	Rothman (NJ)	Thompson (MS)
Murphy, Patrick	Roybal-Allard	Thompson (PA)
Murphy, Tim	Royce	Thornberry
Myrick	Ruppersberger	Tiahrt
Napolitano	Rush	Tiberi
Neal (MA)	Ryan (OH)	Tierney
Neugebauer	Ryan (WI)	Titus
Nunes	Salazar	Tonko
Nye	Sanchez, Linda	Towns
Obe	T.	Tsongas
Olson	Sanchez, Loretta	Turner
Olver	Sarbanes	Upton
Ortiz	Scalise	Van Hollen
Owens	Schakowsky	Velázquez
Pallone	Schauer	Visclosky
Pascarella	Schiff	Walden
Pastor (AZ)	Schmidt	Walz
Paulsen	Schock	Wasserman
Payne	Schrader	Schultz
Pence	Schwartz	Watson
Perlmutter	Scott (GA)	Watt
Perriello	Scott (VA)	Waxman
Peters	Sensenbrenner	Weiner
Peterson	Serrano	Welch
Petri	Sessions	Westmoreland
Pingree (ME)	Sestak	Whitfield
Pitts	Shadegg	Wilson (OH)
Platts	Shea-Porter	Wilson (SC)
Poe (TX)	Sherman	Wittman
Polis (CO)	Shimkus	Wolf
Pomeroy	Shuler	Wu
Posey	Shuster	Yarmuth
Price (GA)	Simpson	Young (FL)
Price (NC)	Sires	
Quigley	Skelton	

NAYS—6

Conyers	Kucinich	Paul
Farr	Nadler (NY)	Waters

NOT VOTING—14

Cao	Kirk	Taylor
Cummings	Moore (WI)	Wamp
Engel	Oberstar	Woolsey
Griffith	Putnam	Young (AK)
Hoekstra	Slaughter	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining in this vote.

□ 1538

So (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

HOMEBUYER ASSISTANCE AND IMPROVEMENT ACT OF 2010

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and pass the bill (H.R. 5623) to amend the Internal Revenue Code of 1986 to extend the homebuyer tax credit for the purchase of a principal residence before October 1, 2010, in the case of a written binding

contract entered into with respect to such principal residence before May 1, 2010, and for other purposes, as amended, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. LEVIN) that the House suspend the rules and pass the bill, as amended.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 409, nays 5, not voting 18, as follows:

[Roll No. 401]

YEAS—409

Ackerman	Chu	Goodlatte
Aderholt	Clarke	Gordon (TN)
Adler (NJ)	Clay	Granger
Akin	Cleaver	Graves (GA)
Alexander	Clyburn	Graves (MO)
Altmire	Coble	Grayson
Andrews	Coffman (CO)	Green, Al
Arcuri	Cohen	Green, Gene
Austria	Cole	Grijalva
Baca	Conaway	Guthrie
Bachmann	Connolly (VA)	Gutierrez
Bachus	Conyers	Hall (NY)
Baird	Cooper	Hall (TX)
Baldwin	Costa	Halvorson
Barrett (SC)	Costello	Hare
Barrow	Courtney	Harper
Bartlett	Crenshaw	Hastings (FL)
Barton (TX)	Critz	Hastings (WA)
Bean	Crowley	Heinrich
Becerra	Cuellar	Heller
Berkley	Culberson	Herger
Berman	Dahlkemper	Herseth Sandlin
Berry	Davis (AL)	Higgins
Biggert	Davis (CA)	Hill
Bilbray	Davis (IL)	Himes
Bilirakis	Davis (KY)	Hinchee
Bishop (GA)	Davis (TN)	Hinojosa
Bishop (NY)	DeFazio	Hirono
Bishop (UT)	DeGette	Hodes
Blackburn	Delahunt	Holden
Blumenauer	DeLauro	Holt
Blunt	Dent	Honda
Boccheri	Deutch	Hoyer
Boehner	Diaz-Balart, L.	Hunter
Bonner	Diaz-Balart, M.	Inglis
Bono Mack	Dicks	Insee
Boozman	Dingell	Israel
Boren	Djou	Issa
Boswell	Doggett	Jackson (IL)
Boucher	Donnelly (IN)	Jackson Lee
Boustany	Doyle	(TX)
Boyd	Dreier	Jenkins
Brady (PA)	Driehaus	Johnson (GA)
Brady (TX)	Duncan	Johnson (IL)
Braley (IA)	Edwards (MD)	Johnson, E. B.
Bright	Edwards (TX)	Johnson, Sam
Broun (GA)	Ehlers	Jones
Brown (SC)	Ellison	Jordan (OH)
Brown, Corrine	Ellsworth	Kagen
Brown-Waite,	Emerson	Kanjorski
Ginny	Eshoo	Kaptur
Buchanan	Etheridge	Kennedy
Burgess	Fallin	Kildee
Burton (IN)	Farr	Kilpatrick (MI)
Butterfield	Fattah	Kilroy
Buyer	Filner	Kind
Calvert	Fleming	King (IA)
Camp	Forbes	King (NY)
Cantor	Fortenberry	Kingston
Capito	Foster	Kirkpatrick (AZ)
Capps	Fox	Kissell
Capuano	Frank (MA)	Klein (FL)
Cardoza	Franks (AZ)	Kline (MN)
Carnahan	Frelinghuysen	Kosmas
Carney	Fudge	Kratovil
Carson (IN)	Gallely	Kucinich
Carter	Garamendi	Lamborn
Cassidy	Garrett (NJ)	Lance
Castle	Gerlach	Langevin
Castor (FL)	Giffords	Larsen (WA)
Chaffetz	Gingrey (GA)	Larson (CT)
Chandler	Gohmert	Latham
Childers	Gonzalez	LaTourette

Latta	Neugebauer	Scott (VA)
Lee (CA)	Nunes	Sensenbrenner
Lee (NY)	Nye	Serrano
Levin	Obey	Sestak
Lewis (CA)	Olson	Shadegg
Lewis (GA)	Olver	Shea-Porter
Lipinski	Ortiz	Sherman
LoBiondo	Owens	Shimkus
Loeb sack	Pallone	Shuler
Lofgren, Zoe	Pascarell	Shuster
Lowe y	Pastor (AZ)	Simpson
Lucas	Paul	Sires
Luetkemeyer	Paulsen	Skelton
Lujan	Payne	Slaughter
Lummis	Pence	Smith (NE)
Lungren, Daniel	Perlmutter	Smith (NJ)
E.	Perriello	Smith (TX)
Lynch	Peters	Smith (WA)
Mack	Petri	Snyder
Maffei	Pingree (ME)	Space
Maloney	Pitts	Speier
Manzullo	Platts	Spratt
Marchant	Poe (TX)	Stark
Markey (CO)	Polis (CO)	Stearns
Markey (MA)	Pomeroy	Stupak
Marshall	Posey	Sullivan
Matheson	Price (GA)	Sutton
Matsui	Price (NC)	Tanner
McCarthy (CA)	Quigley	Teague
McCarthy (NY)	Radanovich	Terry
McCaul	Rahall	Thompson (CA)
McCollum	Rangel	Thompson (MS)
McCotter	Rehberg	Thompson (PA)
McDermott	Reichert	Thornberry
McGovern	Reyes	Tiahrt
McHenry	Richardson	Tiberi
McIntyre	Rodriguez	Tierney
McKeon	Roe (TN)	Titus
McMahon	Rogers (AL)	Tonko
McMorris	Rogers (KY)	Towns
Rodgers	Rogers (MI)	Tsongas
McNerney	Rohrabacher	Turner
Meek (FL)	Rooney	Upton
Meeks (NY)	Ros-Lehtinen	Van Hollen
Melancon	Roskam	Velázquez
Mica	Ross	Walden
Michaud	Rothman (NJ)	Walz
Miller (FL)	Roybal-Allard	Wasserman
Miller (MI)	Royce	Schultz
Miller (NC)	Ruppersberger	Waters
Miller, Gary	Rush	Watson
Miller, George	Ryan (OH)	Watt
Minnick	Ryan (WI)	Waxman
Mitchell	Salazar	Weiner
Mollohan	Sánchez, Linda	Welch
Moore (KS)	T.	Westmoreland
Moran (KS)	Sanchez, Loretta	Whitfield
Moran (VA)	Sarbanes	Wilson (OH)
Murphy (CT)	Scalise	Wilson (SC)
Murphy (NY)	Schakowsky	Wittman
Murphy, Patrick	Schauer	Wolf
Murphy, Tim	Schiff	Wu
Myrick	Schmidt	Yarmuth
Nadler (NY)	Schock	Young (FL)
Napolitano	Schrader	
Neal (MA)	Scott (GA)	

NAYS—5

Campbell	Hensarling	McClintock
Flake	Linder	

NOT VOTING—18

Cao	Kirk	Sessions
Cummings	Moore (WI)	Taylor
Engel	Oberstar	Visclosky
Griffith	Peterson	Wamp
Harman	Putnam	Woolsey
Hoekstra	Schwartz	Young (AK)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Two minutes remain in this vote.

□ 1545

Mr. GARRETT of New Jersey changed his vote from “nay” to “yea.” So (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. SESSIONS. Mr. Speaker, I was inadvertently detained and missed rollcall No. 401, passage of H.R. 5623, the Homebuyers Assistance and Improvement Act of 2010. Had I been present, I would have voted “aye.”

PERSONAL EXPLANATION

Ms. MOORE of Wisconsin. Mr. Speaker, I was unable to vote today on rollcall 398 through rollcall 401. Had I been present I would have voted “yes” on all four.

EXPRESSING THE CONDOLENCES OF THE HOUSE OF REPRESENTATIVES ON THE DEATH OF THE HONORABLE ROBERT C. BYRD, A SENATOR FROM THE STATE OF WEST VIRGINIA

Mr. RAHALL. Mr. Speaker, I offer a privileged resolution and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1484

Resolved, That the House has heard with profound sorrow of the death of the Honorable Robert C. Byrd, a Senator from the State of West Virginia.

Resolved, That a committee of such Members of the House as the Speaker may designate, together with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That when the House adjourns today, it adjourn as a further mark of respect to the memory of the deceased Senator.

The SPEAKER pro tempore (Mr. MOLLOHAN). The gentleman from West Virginia is recognized for 1 hour.

Mr. RAHALL. Mr. Speaker, I yield the customary 30 minutes to the gentlewoman from West Virginia (Mrs. CAPITO).

GENERAL LEAVE

Mr. RAHALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on this resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RAHALL. Mr. Speaker, I am honored to yield 1 minute to the gentlewoman from California (Ms. PELOSI), the Speaker of the House.

Ms. PELOSI. I am honored to join you, Chairman RAHALL and Congresswoman CAPITO, in singing the praises of a great man, Senator BYRD. I rise today to remember the extraordinary life and legacy of Senator ROBERT C. BYRD of West Virginia, a man who loved his State, loved this country, and was a such important part of this Congress.

Throughout his remarkable career, he worked for all Americans, and he never stopped fighting for the people of West Virginia. While we are here, we all take pride in bearing witness to history. Senator BYRD shaped it, and in shaping history, he built a better future for all Americans.

His story was the true embodiment of the American dream. An orphan at a young age, Senator BYRD refused to allow his circumstances to limit the reach of his potential or his ability.

□ 1550

A son of West Virginia's coal country, he was the first in his family to be educated above the second grade. He worked as a butcher and a welder and entered office to serve his community and his neighbors. In doing so, he would ultimately make America a better place for every American.

Though many note his mastery of the Senate, I note that ROBERT BYRD's service began in the Congress here in the House of Representatives in 1953. His service in the House is a source of pride to all of us, though Senator BYRD remarked that he was happy to leave behind the limitations on speaking time that apply on the House floor. In fact, I checked the CONGRESSIONAL RECORD myself on that. In the year that Senator BYRD first came to Congress, I found that in one single floor speech he managed to quote the "Book of Ecclesiastes," Shakespeare's "The Merchant of Venice," Daniel Webster, and Rudyard Kipling, all while discussing trade policy. That was a sign of the great oratory that would come over the next 57 years. In that time, Senator BYRD would become Congress's foremost scholar on the institutions of our democracy. He always spoke truth to power. He served as a voice of reason. He was always a gentleman, charming any friend or foe.

Today, the entire Nation mourns the loss of this great champion, leader, and public servant. For more than 57 years, Congress has benefited from his wisdom and passion. For generations to come, ROBERT C. BYRD's name will remain etched in history books for his accomplishments and for his courage.

Senator BYRD has gone home to be with his beloved Erma. We hope it is a comfort to the Byrd family that so many join them in grieving their loss at this sad time.

Mr. RAHALL. Mr. Speaker, I yield 1 minute to the distinguished majority leader of the House of Representatives, the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. I thank the distinguished Member from West Virginia, the chairman of our Natural Resources Committee, NICK JOE RAHALL, of whom ROBERT BYRD was very proud.

I also am pleased to recognize the Speaker pro tempore, ALAN MOLLOHAN, of whom ROBERT BYRD was very proud,

and who he considered a partner. I thank Congresswoman CAPITO for allowing me to speak—in fact, out of order—on the passing of the distinguished American who was larger than life in so many respects.

Today, we honor the life of Senator ROBERT BYRD. History will reflect him as the longest-serving Member Congress has ever seen. But, of course, if it were only longevity that we were honoring, it would simply be the hand of fate that allowed that to happen. But what we really honor is that ROBERT C. BYRD used his longevity to such extraordinary benefit of the people he served in the State of West Virginia, the people of this Nation, and the legislative branch of government. I doubt that there have been any peers to ROBERT C. BYRD in standing on the floor of the United States Senate or of the House of Representatives or in any forum in which he was temporarily present, that any more strong advocacy of the equality and separateness of the legislative branch was made clear.

ROBERT C. BYRD was a giant. He was a giant in terms of character. He grew during the course of his lifetime, which is a mark of a great man. All of us are, to some degree, captives of the environment in which we are raised and in which we live. ROBERT C. BYRD is no different. But ROBERT C. BYRD grew. He grew intellectually. He grew culturally. But he did not, in growing, leave his base. He did not forget the values that he learned in West Virginia—the values of courtesy; of kindness; of caring; of helping; of making sure that the people who were not famous, who did not have power, who did not have positions of note were never, never forgotten.

Mr. Speaker, I remember an incident that I'm sure was not unique to me. Early on in my career I went over on an appropriation matter—like you, Mr. Speaker, as a member of the Appropriations Committee. Senator BYRD invited me in. He was then majority leader. He invited me into his office. We sat down. And for the next 45 minutes—which, as a junior Member of the House, I found extraordinary—he regaled me on the history of the Senate and the books he had written. I was mesmerized in the presence of this giant of the legislative body.

At the end, as I'm sure he did to so many of us, he gave me a rectangular painting of a covered bridge in West Virginia. Mr. OBEY is going to speak at some point in time—and Mr. OBEY has a similar painting hanging in his office. Now it's not the original because BOB BYRD gave it to so many of us. But I looked at that and I thought to myself, What a kind gesture. How impressed I was, this young Member of Congress being accorded this kind of respect from this giant in the United States Senate.

ROBERT C. BYRD will be dearly missed by us all, and he will be missed most of all when very difficult issues confront the legislative body and there is a clamor that the legislature agree with the executive, for whatever reasons; a clamor that all too often emanates from fear of this, that, or the other, and that fear would ignore the constitutional role played by the Congress of the United States. It is then that we will miss Senator BYRD's clarity of intellect, of conscience, of commitment to the Constitution of the United States of America, as well to the rules of the United States Senate. He was a passionate advocate for people, for principle, for the Constitution, and for our country. Senator BYRD, we will miss you. But we will remember fondly your contribution and be ever thankful that we had the opportunity to serve with you.

Some of you remember my dog Charlotte. My dog Charlotte was with me for 15½ years. Some of you will recall for 10 of those years Charlotte came to work with me every day. Charlotte was an English Springer Spaniel. I planted a tree in my yard—it's a dogwood tree—and there's a stone and a bronze plaque for Charlotte. Charlotte was one of the loves of my life. I lived alone with her for 10½ years after Judy passed away.

The first call I got the day after Charlotte passed was from ROBERT C. BYRD saying how sorry he was that I had lost Charlotte. That was an indication of his humanity, of his caring for others.

Yes, he was a great man. But he was a man who understood the pain, the aspirations, and the hopes of all with whom he came in contact.

Thank you, ROBERT C. BYRD, our good and faithful servant.

Mrs. CAPITO. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. LEWIS).

Mr. LEWIS of California. Mr. Speaker, I very much appreciate the gentlelady's yielding.

ROBERT BYRD, a colleague and associate on the Appropriations Committee, this incredible, incredible leader in our committee, has made such a difference over the years. Beyond that, I quickly developed great respect for his support of the legislative role relative to our constitutional responsibility. And over the decades he has fought administration after administration, Democrat and Republican alike, whose bureaucrats want to take away authority from the legislative branch. His voice was heard consistently reflecting the priorities of this institution. And for that I will never forget him.

□ 1600

As you have just heard from our leader, in recent years, Senator BYRD and I developed a different kind of friendship

because of our love for our dogs. Indeed, it was a reflection of this man, the wonderful human side of this man, that has been the experience for me. We will—Arlene, my dog Bruin, and I—miss Senator BYRD.

Mr. RAHALL. Mr. Speaker, it's my honor to yield such time as he may consume to the distinguished chairman of our House Appropriations Committee, the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. I thank the gentleman for the time.

Mr. Speaker, for most of the last 15 years, Senator ROBERT BYRD led the Senate Democrats on the Appropriations Committee. And for roughly that same amount of time, I had the same privilege on the House side, and I got to know him extremely well. I loved ROBERT BYRD. For one thing, he and I shared a love of bluegrass music. I daresay he was the finest fiddler in the history of the Congress, but that's not the real reason that I hold him in such high esteem.

He began as a product of a segregated background, but through sheer intense pursuit of knowledge, understanding, and wisdom, he became a person who is a powerful representative for the cause of equal opportunity for everyone. I can think of no one in the history of the Senate who demonstrated a greater capacity for personal growth than did ROBERT BYRD. He was truly unmatched in his recognition of our obligation to the Constitution and to the institution of the Congress itself.

And the greatest thing about him, in addition to his dedication, was, simply put, he had guts; and he wasn't afraid to demonstrate that on many occasions when the Nation needed to see it demonstrated. He made the point that he never served under any President. He served with many, honorably and with distinction. They really don't make them like him anymore.

Mrs. CAPITO. Mr. Speaker, I yield myself such time as I may consume.

I rise today to thank my colleague from West Virginia's Third Congressional District (Mr. RAHALL) for offering this resolution, honoring the passing of our senior Senator, Senator ROBERT C. BYRD. I want to thank the Speaker, my other colleague from West Virginia, for his dedication and friendship to Senator BYRD through many more years than I have served here in this Congress. As the three of us know, this is a difficult time for all West Virginians and the United States Senate.

As my colleagues know, Senator BYRD was an institution not only in West Virginia but also in the United States Senate. Coming from very modest beginnings, the young man from rural Raleigh County, West Virginia, rose from the mountains of Appalachia to become a lion in the greatest deliberative body on Earth, the United States Senate. His path to success is

truly emblematic of the American Dream.

Few can travel through our great State of West Virginia without recognizing the effect Senator BYRD had on our State. While he is well recognized for the many roads and buildings that are named in his honor, it is the leadership he displayed in bringing our delegation together when it mattered most for West Virginia that is truly a testament to the effect he has had on our State.

During my tenure—which for him was recent, 10 years—he rallied our delegation to save the 130th Air National Guard unit from being cut, and he began working with all of us towards a consensus on mine safety legislation after the tragic Sago mine incident. He was an able leader and led us all as leaders for West Virginia.

Senator BYRD was also a wonderful ambassador for Appalachia. West Virginians are very proud of our heritage and our strong work ethic throughout our lives, and Senator BYRD continued to share Appalachian culture—we just heard from Mr. OBEY on that—with his colleagues in Washington. Whether it was displaying his musical talents on the fiddle or his dedication to both American and world history or the process of the United States Senate or the protection of our Constitution, Senator BYRD was truly a man of many talents.

I will fondly remember, as I was attending a meeting in Charleston, West Virginia, probably 12 years ago—I knew about his fiddling, but I didn't know about his love of music and his vocal ability—when he joined Kathy Mattea in singing a duet of Amazing Grace. It was a great moment for me, but for him, he was celebrating his three loves: his music, his love of education, and his faith in God.

I also remember—and the other members of the delegation will remember this, too—we were in his office, and he served us lunch in his office. And when it came time for dessert, he asked all of us if we wanted dessert. And since we were all watching our waistlines, we sort of waived off dessert and said, No, we really don't need dessert. It's lunch. I think we are going to pass on dessert.

No, no. We must have dessert. We must have apple pie and ice cream.

And then he proudly told us how he had maintained the same weight for the last 57 years in the United States Congress. I think that's a feat to be celebrated, quite frankly.

He also talked a lot about—and we heard this, too—the love of his dogs. I remember when his beloved Billy died. He was crushed, and he wasn't afraid or ashamed or embarrassed to express the love and the compassion that he had and the companionship he felt with his dog. And I think that's a common bond that a lot of people here in the United States, but also in West Virginia, share.

So with Senator BYRD's passing, West Virginia has truly lost a favorite son. The United States Senate has lost an icon. And as any Senator will tell you, Senator BYRD served as a tremendous mentor in passing on Senate procedure to newly elected Senators. In many ways, Senator BYRD was an institution within the institution of the Senate, and the Senate will not be the same without him.

I will miss Senator BYRD's passion and ardent defense of our Nation's Constitution. He was certainly one of a kind, and I feel privileged to have served with him. I will never forget the advice that he gave me when I first sought his counsel when I first went in, in my first year serving in this body. And he said, "Shelley, you need to be a workhorse, not a show horse." Senator BYRD will always be remembered for his hard work as a workhorse and also for his dedication to representing our great State of West Virginia.

I wish to extend to Senator BYRD's family my deepest sympathies and know that he is at peace and at home with his beloved Erma.

So I would again thank Mr. RAHALL for presenting this. Senator BYRD will certainly be missed. And I want to pay tribute to his tremendous service, sacrifice, strength, honesty, and devotion to our State and Nation.

I reserve the balance of my time.

Mr. RAHALL. Mr. Speaker, I am proud to yield 2 minutes to the gentleman from Washington, Mr. NORM DICKS, the distinguished chairman of our Defense Subcommittee on Appropriations and a classmate of mine.

Mr. DICKS. I thank the gentleman for yielding.

I had the great honor of serving in the other body for 8 years as an assistant to Senator Warren G. Magnuson. And during that time, Senator BYRD became the whip in the Senate. I can remember how he was faithfully writing notes every couple of days to Senator Magnuson, "I put this in the RECORD for you." He was absolutely committed to the United States Senate, and he was a forceful advocate.

I have served, as Chairman OBEY has, in many conferences with Senator BYRD. And when there was something that he wanted—and oftentimes to protect the workers of West Virginia on coal mining issues—the Congress responded because he was such a forceful advocate.

And one of the things I respected most about Senator BYRD was his knowledge of the history of the Senate, the history of the Congress, and his devotion to that history. He would oftentimes talk about historic events and tie them in to current days.

You know, some people may have criticized him on spending issues, but he used to say, and I always used to quote him on this, the Congress can't give up the power of the purse because

the power of the purse is in the Constitution; and it's part of the Constitution of the United States, a right that was earned in England when the people of England rose up against kings and demanded that Parliament have the power of deciding how the money was to be spent.

□ 1610

And as has been said by many here, he served with many Presidents, but he was not cowed by the presidency, and he would stand up on the floor of the Senate many times and talk about different wars, different situations we were in, and demand that the Executive appreciate the power of the Congress and respect the power of the Congress. And he served—I think he was elected nine full terms. That's a record that I doubt will ever be matched.

He also went to law school during his time in the Senate. Now, how many people could do that? I mean, it just was remarkable. And I think President Kennedy gave him his degree from American University just a few months before he was, unfortunately, tragically assassinated in Texas.

But ROBERT BYRD is a legendary figure. In my time here in the Congress I had the great fortune of serving on the Appropriations Committee for 34 years. But I served with Senator Magnuson, who became chairman of the Appropriations Committee. Senator BYRD was there throughout that entire time and a lot more.

And I just rise today in respect for him, his legacy, his commitment to the Congress. He had a wonderful family, and I'm sure that they're going to miss him. But they have, I think, the satisfaction of knowing that ROBERT BYRD did a great job, a fantastic job for the State of West Virginia, but also was a great Senator in a national perspective.

And so I just want to say to my colleague and classmate from West Virginia, who I know served on Senator BYRD's staff, and it was a great learning experience that you had in the other body, as I did. And I think it helped to prepare us for work here in the House of Representatives.

So I just would say again that we have lost a great American, a man of tremendous courage and commitment, and someone we respected, and his legacy and memory will live long in the history of the United States of America and in the Congress.

Mrs. CAPITO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. RAHALL. Mr. Speaker, I yield 2 minutes to the gentlewoman from Ohio (Ms. KAPTUR), a member of the Appropriations Committee as well.

Ms. KAPTUR. I thank the distinguished dean of the delegation for yielding to me. And with Speaker MOLLOHAN in the Chair this evening, the

people of the Buckeye State of Ohio extend our deepest sympathies to the State of West Virginia, to the Byrd family, to all of the staff that served this truly remarkable human being and American, Senator ROBERT BYRD.

There's a great piece of music called "Ode to the Common Man" by Aaron Copeland, and as I'm saying these words this evening, I think of that music and of Senator BYRD's remarkable life. He truly was a wise man of the Legislative branch who belonged to the American people. He gave his life to us. His road had been a hard scramble one from the very beginning. He's the kind of American that walked a tough road, who when he came here to serve, he never forgot people who came from backgrounds like his.

I had the great joy of serving with him on the Appropriations Committee. And being one of the few women that have ever served on that committee, when I arrived there in the 1990s, I can remember him sitting across from me at a conference committee, kind of looking over his glasses with a glint in his eye at this woman who was a bit younger than he was. He exhibited a great sense of welcome with also some surprise that indeed history in America was changing.

I respected and liked him so very, very much. And I appreciated his kindness to me. He loved history. I hold in my possession an autographed copy from him of "The Roman Republic and the Rule of Law" of the Senate of that era.

I loved speaking with him. I loved being on a program with him a few years ago with Leo Gerard, president of the Steelworkers, and listening to Senator BYRD deliver an impassioned speech about the American worker. He was such an exemplary representative for the working men and women of this country.

His intellect, his humor, his knowledge of the rules and history, his love of this institution and respect for it, and his passion, his passion on every issue that he handled. He had so much to teach all of us.

I happen to be a Democrat. He was a real Democrat. He set the pointer on a compass and that needle to represent all people.

He was a gentleman, he was civil, he was enlightened, he worked so hard. I can remember his telling a story about working on the railroads as a young man. That hard work and that sense of honor he carried with him through his entire service of over a half a century to the people of our country.

I will end with saying, as I think of "Ode to the Common Man," that the enormous courage that he displayed in the last years of his life is a lesson to us all. He continued to serve, despite illness, despite difficulty, his doggedness, his determination—he truly was an heroic American. I per-

sonally shall miss him very, very much.

I thank the people of the State of West Virginia for continuing to send him to this Congress. He made us all better by serving with him. He built a better and more humane America. He was loved by this membership. We wish him Godspeed, and eternal rest grant unto him, O Lord.

I thank the gentleman from West Virginia for allowing me this time tonight to pay tribute to a great and good man and Senator for the ages. In knowing him, we have walked with history, and are grateful.

Mr. RAHALL. Mr. Speaker, it is now my deep honor to yield to a close personal friend and fellow member of our congressional delegation from West Virginia, Mr. ALAN MOLLOHAN. Mr. MOLLOHAN chairs the subcommittee on Appropriations on Commerce, Justice, Science and related agencies. He has served on many conferences with the late Senator BYRD as well. And I know Senator BYRD often said he had two sons, and that would be Alan and myself.

I'm very honored to yield such time as he may consume to ALAN MOLLOHAN.

Mr. MOLLOHAN. I thank my friend and colleague from West Virginia for yielding. And I know we have many tender memories of the Senator.

Mr. Speaker, it was with profound sadness that I learned yesterday of the passing of Senator ROBERT C. BYRD. This country knew Senator BYRD as one of the lions of the Senate, a ferocious advocate for his State and a principled spokesman for his beliefs, whether it was his opposition to the war in Iraq or his commitment to improve safety and working conditions in the coal fields of West Virginia.

This Congress, both sides of the Capitol, knew ROBERT C. BYRD as the chief defender of its constitutional prerogatives, an unequaled master of its parliamentary rules, an expert on its history, and one of the ablest legislative tacticians either Chamber has ever seen.

West Virginia knew Senator ROBERT C. BYRD as her own. It's difficult to adequately describe the bond of profound connection between the man and the State. People from outside the State might assume that this connection was built on the senator's legendary success in delivering Federal funds to West Virginia, and that would be wrong.

West Virginians understand how important that success was, of course. We know that those material contributions are literally incalculable in dollars invested, roads paved, buildings constructed, and jobs created. But the bond between Senator BYRD and West Virginia went far beyond that. It is almost as though his personal story not only inspired West Virginians, as it would most Americans, but that it captured so much of our State's culture

and our State's values. That personal history is known throughout the State.

Senator BYRD was the adopted son of a miner who graduated as class valedictorian. He was the manual worker who earned a law degree while serving in the United States Senate. He was the husband who relied for almost 70 years on his beloved wife, Erma. Those qualities of discipline, of integrity, and commitment forged in the mountains of West Virginia and exercised in the halls of Washington speak more strongly to West Virginians than any material measure of his immense contributions to the State.

□ 1620

I cannot imagine ROBERT C. BYRD representing any State other than West Virginia, and it is difficult to imagine West Virginia without Senator BYRD.

I knew Senator BYRD as a mentor. I was first elected to Congress in 1983. And after 28 years, I like to think of myself as a reasonably seasoned veteran of this body. But then I remind myself, before I took my first oath of office, Senator BYRD had already served more years than I have today. Twenty-eight years ago he was already a master of the legislative branch.

From my very first days in this House, Senator BYRD never withheld his support or his counsel. I can remember many times Senator BYRD calling Congressman RAHALL and myself over to his office just to consult, to ask what was going on in West Virginia, or to take counsel himself on what was going on in the House of Representatives, or just to find out what was going on in our personal lives, how our parents were, how our fathers were, how our mothers were. Those were touching moments.

Senator BYRD, many people have asked me, well, what is Senator BYRD really like? You know, he is such a disciplined person in public. People want to know, well, what is he like in private? And I think there are several insights that we have had glimpses of in previous speakers here this afternoon into what he was like as a man beyond a legislator. I can remember his being very touching and very concerned about his dog Billy, and bringing him to the Congress, or if he were home, worrying about how he was getting along. Very concerned and obviously loving toward a pet.

But most poignant was Senator BYRD's relationship with his wife, Erma. It was long. She was his childhood sweetheart. Senator BYRD used to tell the story about courting Erma with another young man's candy. The young man would come to school, and Senator BYRD and him would catch up, and the young man would give Senator BYRD a piece of candy. And Senator BYRD wouldn't eat that candy; he would save it and give it to his future

wife, his sweetheart, Erma. That relationship lasted and grew and was warm and inspiring throughout his life. And her passing a number of years ago was a very sad time in the life of Senator BYRD, obviously. It was also a very sad time in the State of West Virginia. They were a couple to be beloved by West Virginia.

I remember another touching moment, when my father passed almost 10 years ago. Senator BYRD attended the funeral and continued on after the service for about an hour's drive to where Dad was interred. And Senator BYRD after the service, he pulled me aside and told me what a lovely cemetery this was for Dad's resting place.

Finally, I knew Senator BYRD as a friend. I cannot remember a time when he was not in my life. And I will miss my friend. My wife, Barbara, and I offer our deepest condolences and our best wishes to Senator BYRD's family, to his staff, and to that close, wonderful circle of people who knew him and loved him.

Mr. RAHALL. How much time do I have remaining, Mr. Speaker?

The SPEAKER pro tempore (Mr. DICKS). The gentleman has 14½ minutes remaining.

Mr. RAHALL. I yield myself such time as I may consume.

Mr. Speaker, the gates of heaven opened wide early yesterday morning. West Virginia lost a faithful son, the Senate lost a father's watchful eye, and I lost my mentor and close friend.

I extend my prayers and thoughts to Senator BYRD's daughters, to his grandchildren and great grandchildren, to all his family, and to his staff, especially many of whom have been with him for so long. Sadly but surely, we will not see the likes of ROBERT C. BYRD pass our way again.

He came from humble beginnings. A virtual orphan, he was sent to be reared in the coalfields of our beloved State of West Virginia, enduring the depths of the Great Depression. But he was wealthy beyond belief with richness of values, all instilled in him by his adoptive parents.

A self-taught butcher, a welder, a Sunday school teacher, a student, a self-disciplined scholar with straight A's with 21 credit hours in his first semester of college, a young man still, he wanted to serve. Armed with little more than determination and a fiddle, he successfully entered politics. "Byrd by name, Byrd by nature, let's send Byrd to the legislature." How often he would fiddle that with a tin cup at the end of his fiddle, raising his first campaign funds. I recall, because my late father was the treasurer for those early campaigns of Senator BYRD.

But thus began what would become an unprecedented legislative service. Marshaling sharp focus, unwavering diligence, and old-fashioned hard work, old-fashioned hard work, he rose to re-

markable heights of rank and responsibility to service to the Lord, to service to our State and our Nation as well. Yet Senator BYRD always remained true to his own essential nature. He never got above his raisin'.

He could mix with kings and queens and Presidents, and while doing that he never forgot from whence he came, and he always remained deeply proud of his roots. He often remarked he would just as soon be eatin' beans and cornbread and onions and sippin' buttermilk in the hills and hollers of West Virginia as having lavish dinners with kings and queens around the world.

I recall working for him in the Senate Democratic Cloakroom in 1972. During that time, a young man from Delaware by the name of JOE BIDEN was elected to the United States Senate. Within a month or two after Senator-elect JOE BIDEN's ascension to the United States Senate, he lost his first wife in a tragic, tragic car wreck. Senator BYRD turned to me and said, NICK, do you mind if we took a drive up to Wilmington, Delaware, so that we can pay our respects to Senator BIDEN's wife? I said, Sure.

I drove the car. It was a cold, rainy night, late November that 1972. We arrived in Wilmington. We arrived at the funeral home to face a long, long, winding line that was waiting out in the rain to pay their respects. Senator BIDEN heard we were in that line and sent word out he wanted us to come up and immediately get up front and come inside where it was warm. Senator BYRD said, no, he would not use his office, he would not use his prestige or power to jump in front of anybody already in line in front of him. So we stood in that cold rain, waiting to pay our respects to Senator-elect, at that time, JOE BIDEN's first wife.

The only individual to serve in both houses of the West Virginia Legislature and the U.S. Congress, Senator BYRD also achieved the distinction of holding more elective leadership offices in the United States Senate than anyone in the body's history. His Senate service is the body's longest.

Combined with his tenure in the House, Senator BYRD holds the distinction of serving in Congress longer than anyone else. His achievements and his unrivaled archive of accomplishments were the result of one sole purpose, to serve others. And he never tired of trying to find ways to help a little more, to do a little better.

Striving for the next rung was, for Senator BYRD, a lifelong pursuit. He was forever setting goals. And he challenged himself, his staff, his colleagues, all of us to meet or exceed those goals.

And you know one other remarkable feature about ROBERT C. BYRD. He made political contests, as bitter as they may seem at the time, the foundation for future and lasting friendships.

Recall, for example, as I know the gentleman in the chair, Mr. DICKS, can recall very well, Senator BYRD's one-vote victory over the late Senator from Massachusetts, Ted Kennedy, whose son PATRICK was just here on the floor.

Perhaps many considered that a bitter contest. But what did Senator BYRD use it for? To establish a lasting and true friendship with Senator Ted Kennedy from Massachusetts, as we all know who passed shortly before Senator BYRD, and for whom Senator BYRD had nothing but the utmost and kindest words of praise, and truly defined a friendship that perhaps has not been in American politics for some time.

□ 1630

This was a defining quality and a wellspring of immeasurable joy that irrigated ever greater horizons for Senator BYRD. His penchant for setting records and then breaking his own was the inevitable result, but ultimately, we are the ones who reaped the greatest benefit.

In his later years, when anyone questioned age as somehow detrimental to service, Senator BYRD reveled in ticking off the names and ages of the ancients in the Old Testament and their continued service to the Lord: Moses was 120, Senator BYRD would say; Noah lived to be 960; Methuselah at 969 years old; and he would call out, While I am but a spry 85.

At 92, with the longest record of service in Congress well established, Senator BYRD enjoyed public service so much that it is possible he also had the longest, happiest life on record. If only we could have captured the energies produced by his immense job satisfaction. If only we could package them and share them with others.

Senator BYRD was cautious about the use of superlatives. He felt they were tossed around too casually, and although I do not doubt that he is now grimacing a bit at me for saying this, the fact is it is just not possible to speak about Senator BYRD without using superlatives: longest serving, hardest working, most revered, best loved. And the list goes on and on. Yes, he was passionate about people. He was passionate about politics. He was caring. He was all concerned about the lives of all of us in West Virginia.

As we all know, we go through personal trials and tribulations in our family—the loss of a loved one, sibling problems, loss of a job. Senator BYRD, when he was physically able, would so surprisingly show up in West Virginia offering that comforting arm around the shoulder and always telling those afflicted with tragedy to keep the faith in God, to don't let them get you down, keep plugging along. Senator BYRD himself, who never had a bad word to say about anybody despite some of the words that were said about him, was forever the true gentleman.

Many in this body had their own personal remembrances of Senator BYRD. He touched so many of us, encouraged us, taught us, even argued with us. And I can recall the last time perhaps, except for the miners' memorial that he attended this past April in honor of our 29 fallen coal miners, the only time before that he was probably in his home area of Raleigh County, Beckley, West Virginia, was a dinner in which he was a surprise guest that honored yours truly. And my wife, Melinda, and I fixed up our house, and my wife even set up the "big daddy suite" in our home in West Virginia. That big daddy suite is still there waiting, as it always was, for Senator BYRD to pay a surprise visit.

We are all better for the life of Senator ROBERT BYRD. We owe him generous helpings of gratitude and admiration, and we shall all miss him.

Again, to Senator BYRD's family, we offer our prayers, our never-ending thanks for the fact that they shared Senator BYRD's extraordinary life with a grateful State and a grateful Nation.

Now, our former senior Senator, our late senior Senator is indeed with his beloved wife, Erma, who was always a twinkle in his eye. For 69 years, they were married before her passing some 5 years ago. The Senator is with his beloved Erma, smiling down upon all of us.

We say thank you, Senator BYRD. Thank you for all you've given our great State. Thank you for all you have given our Nation, because we shall miss you.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, it is with the utmost respect and admiration for the late Senator ROBERT CARLYLE BYRD that I recognize his passing. Senator BYRD was known as a man of the people. He dedicated his life's work to the American citizens and his beloved constituency in the Mountain State of West Virginia.

Born November 20, 1917 in North Wilkesboro, North Carolina, the young BYRD moved with family to West Virginia where he grew up and would later meet his soon to be wife, Erma Ora James. Their marriage spanned more than six decades until her death in 2006. Initially, he was unable to afford college, but eventually attended Beckley College, Concord College, Morris Harvey College, and Marshall College, all in West Virginia. Senator BYRD's public service career began after he won a seat in the West Virginia House of Delegates in 1946. Six years later, he was elected to the United States House of Representatives. It was during this time he began night classes at American University's Washington College of Law in 1953. With a tenacious spirit and made up mind, he would earn his law degree some ten years later in 1963.

Along the course of his professional and academic career, BYRD was elected to the United States Senate and would serve 51 years making him the longest serving senator in history. His time in office was well-spent and fruitful where he would serve in a myriad

of leadership roles. Most notably: President Pro Tempore of the United States Senate; Democratic Caucus Senate Majority leader; Senate Minority leader; and Chairman of the Senate Committee on Appropriations.

Senator BYRD, like many of us, lived a full life filled with high peaks and valleys low. I too, had some reservations about meeting this one-time member of the Klu Klux Klan who for 14 hours filibustered the Civil Rights Act of 1964. But, when our paths crossed, I soon learned of the great character of man he truly was. He believed whole-heartedly in the United States Constitution and a clear demonstration was the pocket version he always carried in his coat pocket. Another love he had was for taking afternoon walks on the West Front side of the Capitol. It was during that time of day where I knew I could find him whenever I needed to seek the voice of wisdom.

Mr. Speaker, I will miss those afternoon strolls with the Historian of the Senate. Senator BYRD loved the American people, loved his state and loved our great nation. Although he no longer is with us on the terrestrial, his legacy will live deeply within the halls of Congress and in the hearts of humanity.

Mr. HOLT. Mr. Speaker, I rise to recognize and honor the memory of United States Senator ROBERT C. BYRD of West Virginia.

Born in West Virginia, I have known Senator BYRD my whole life. Senator BYRD faithfully served West Virginia in Congress for more than 57 years. Throughout his career in the House and the Senate, he improved the lives and welfare of the people of West Virginia for whom he cared so much. He worked endlessly to fight for democratic principles, defend the Constitution, and ensure that the American Dream was in reach for all families.

Senator BYRD grew up in the southern coalfields of West Virginia, first working as a gas station attendant briefly and then in a local food market. He started his political career in the West Virginia House of Delegates, serving from 1947 to 1950, followed by two years in the West Virginia Senate. After being elected to the U.S. House of Representatives in 1952, he enrolled in night law school classes despite not having a bachelor's degree. In 1958, West Virginia elected him to the U.S. Senate where he became its longest-serving member.

Senator BYRD was an energetic defender of the U.S. Senate as an institution, persistently seeking to preserve its dignity and traditions. He literally wrote the book on the Senate—a four-volume history of the institution that is a treasure. To read his books and to read his speeches is to see Senator BYRD as a self-taught great orator and historian, someone who could readily quote from Shakespeare, Greek tragedies, and the King James Bible.

I always will remember him for his extraordinary devotion and service to the people of West Virginia. He paid exceptional attention to his constituents and their individual concerns. Staff members told me that at night they would receive calls at home from the Senator, quizzing them on people who had signed his guestbook that day and asking how he could help them. He would recognize people in a crowd and ask them if his constituent service to them years before took care of their problem.

My thoughts and condolences go out to his daughters, his family, and all of his friends and neighbors in West Virginia. Senator BYRD dedicated every day of his service in the U.S. Congress to strengthening the institution and the country that he loved so deeply.

He will be greatly missed. May he rest in peace with his beloved wife Erma.

Mr. RAHALL. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CONGRATULATING DR. JOSEPH GRUNENWALD UPON HIS RETIREMENT FROM CLARION UNIVERSITY

(Mr. THOMPSON of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMPSON of Pennsylvania. Mr. Speaker, I rise today in warm congratulations for Dr. Joseph Grunenwald upon his retirement from Clarion University in Clarion, Pennsylvania.

Dr. Grunenwald faithfully served Clarion for more than 30 years, earning him such honors as the title of president emeritus from the Pennsylvania State system of higher education. He's one of five in the organization's 27-year history to receive this honor, which is awarded to those who exhibit an exemplary record of service. Under his leadership, Clarion's enrollment reached record levels, and the university saw marked improvement in its academic, community, and business programs.

In addition, Dr. Grunenwald serves on the boards of numerous community organizations, attesting to his sincere dedication to the welfare and advancement of Clarion. He is a true example of community service and steadfast effort and deserves to be praised and honored. I am sure that Dr. Grunenwald will continue to serve his community and foster positive progress.

Congratulations to Dr. Grunenwald. I wish you success and fulfillment in your years of retirement and look forward to working with Clarion University's 16th president, Dr. Karen Whitney.

PAYING TRIBUTE TO THE LIFE OF SENATOR BYRD

(Ms. JACKSON LEE of Texas asked and was given permission to address the House for 1 minute.)

Ms. JACKSON LEE of Texas. Madam Speaker, I was detained when my colleagues were on the floor of the House paying tribute to Senator BYRD and did

not want this time to go without acknowledging my deep sympathy to his family and to my good friend from West Virginia and to acknowledge how special this man was to the institution we call Congress and to the freedom that this Nation stands for.

I cannot account for my personal encounters with Senator BYRD, but I can tell you, as someone who respects and loves this institution, what a man who understood the Constitution and rules that were not for selfish reasons, to keep people from being in power, but really it was to empower people.

He had no qualms in standing up against Presidential authority that was wrong in the Iraq War. He had no qualms in fighting to ensure that resources came to his great State. He loved the institution. He was a holder of knowledge, and what we will lose with his passing is that special sensitivity to the rules and to the responsibility we have to not play politics with this institution. We are here to serve America, and Senator BYRD did serve America.

May God rest his soul and may he rest in peace. Senator BYRD, we will miss you.

□ 1640

SEAMAN WILLIAM ORTEGA

(Mr. MARIO DIAZ-BALART of Florida asked and was given permission to address the House for 1 minute.)

Mr. MARIO DIAZ-BALART of Florida. Madam Speaker, I rise today to honor the life of Navy Seaman William Ortega. This fallen American hero gave his life on June 18 after a bomb exploded while he was in a patrol vehicle and while he was conducting combat operations against enemy forces in the Helmand Province in Afghanistan.

Seaman Ortega, 23 years old, was a hospital corpsman to the 3rd Battalion, 1st Marine Regiment, 1st Marine Division, 1st Marine Expeditionary Force at Camp Pendleton. His battalion is nicknamed the "Thundering Third."

His family stated that Seaman Ortega cherished becoming an American citizen. He enjoyed being named "student of the month" at school and winning first place at the local youth fair. Throughout middle school and high school, he made the Honor Roll. He was involved in clubs, and he excelled in every sport that he played. After graduating from South Dade High School in 2005, Seaman Ortega went on to study at Florida Career College where he obtained a degree in Web site design.

Then Seaman Ortega joined the military because of the core values military life has to offer. He wanted to give back to a nation that had given him and his family so much opportunity. So, as a hospital corpsman, he was a Navy medic who treated those who were injured in combat.

His sister Aracely Ortega described him as an "awesome brother and an awesome friend." She also said, "He had a lot of respect for this Nation, and he paid the ultimate sacrifice, unfortunately."

For his brave service and sacrifice, Seaman Ortega was posthumously awarded the Purple Heart, the Combat Action Ribbon, the Afghanistan Campaign Medal, the NATO Non Article V Medal, and the Sea Service Deployment Ribbon.

He is survived by his parents—William and Marianela Ortega—and by his five sisters, and hundreds gathered, over the weekend in Miami, to pay respect and to pay tribute to this American fallen hero.

Our grateful Nation grieves with his family during this difficult time, and our grateful Nation will never forget William Ortega, a true American hero.

JOBS AND THE ECONOMY

(Ms. WATSON asked and was given permission to address the House for 1 minute.)

Ms. WATSON. Madam Speaker, Democrats in Congress will continue to take America in a new direction, creating good American jobs, lowering taxes for the middle class and small businesses, and building a strong new foundation for the economy and for Main Street.

We continue to see signs of economic recovery resulting from the economic policies of the Democratic Congress and the Obama administration responding to the Bush recession and the worst financial crisis since the Great Depression. More must be done to create and save jobs, but the latest signs of recovery include the HIRE Act, a bipartisan bill to create 300 jobs; American Workers, State, and Business Relief Act, tax incentives to spur business innovation and tax cuts; the Small Business and Infrastructure Jobs Tax Act extends aid to States to provide subsidies to employers, including small businesses; and the Home Star bill, which creates much-needed jobs in the manufacturing sector by providing tax rebates to homeowners who install energy-saving products.

Last week, the U.S. Department of Energy announced \$29 million in American Recovery and Reinvestment Act funding to develop and expand weatherization training centers across the country. These projects will provide green job training for local workers in energy efficiency retrofitting and weatherization services.

Congress and the President have worked together to enact an array of broad-based tax cuts for working and middle-class families and small business owners—ending an era of Republican tax breaks focused only on the wealthy. These tax cuts are injecting consumer demand into the economy and spurring job creation.

All totaled, Congress has enacted more than \$800 billion in tax cuts, with another \$285

billion making their way through Congress, such as permanent estate tax relief and the R&D tax credit to spur business innovation.

REPUBLICAN RECORD OF FAILURE

Congressional Republicans threaten to take us back to the failed policies that created the economic crisis—siding with the special interests: Wall Street banks, credit card companies, Big Oil, and insurance companies.

These economic and fiscal policies created the Bush recession—the worst financial crisis since the Great Depression—with job losses of nearly 800,000 a month—and nearly doubled our national debt.

Republicans have voted against every major piece of economic legislation—from the Recovery Act to Wall Street reform—choosing the special interests over American workers, their families and small businesses.

Democrats in Congress will continue to take America in a New Direction, working to create American jobs and a strong new foundation for the economy, protecting Main Street and the middle class. We're getting results.

During the last 3 months of the Bush administration, we lost on average 726,000 jobs. In the last 3 months, we have created an average of 186,000 jobs. The current unemployment rate is 9.9 percent.

SPECIAL ORDERS

The SPEAKER pro tempore (Mrs. HALVORSON). Under the Speaker's announced policy of January 6, 2009, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

OUR POLICY IN AFGHANISTAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. MCGOVERN) is recognized for 5 minutes.

Mr. MCGOVERN. Madam Speaker, I rise to express my continuing and growing concern over our policy in Afghanistan.

As General Petraeus appears before the Senate and as we are being asked to consider tens of billions of dollars in supplemental funding for the war, I believe that now is the time for us to ask tough questions and to demand straight answers.

Of all the problems that President Obama inherited from the Bush administration, Afghanistan is the one that keeps getting more complicated. In just the past few weeks, two brave, young soldiers from my congressional district in Fall River, Massachusetts, lost their lives in Afghanistan. So this is a big deal, and we need to get it right.

Last December, President Obama told the American people that we would begin to withdraw our forces next July. The American people deserve to know if that plan is still in place and how we are going to get there.

Much has been made about General Stanley McChrystal's comments in

Rolling Stone magazine about the Nation's civilian leadership; but frankly, Madam Speaker, this is much bigger than a few ill-considered comments. Indeed, there are other parts of the article that I find to be much more disturbing.

For instance, General McChrystal, himself, referred to the biggest military operation of the year so far, the offensive in Marja, as a "bleeding ulcer."

General McChrystal's chief of operations said that Afghanistan "is not going to look like a win, smell like a win or taste like a win. This is going to end in an argument."

Before the Marja offensive began, General McChrystal personally went to President Karzai's palace to get his consent on the operation. According to the article, "Karzai's staff, however, insisted that the President was sleeping off a cold, and could not be disturbed. After several hours of haggling, McChrystal finally enlisted the aid of Afghanistan's defense minister, who persuaded Karzai's people to wake the President from his nap."

A senior adviser to General McChrystal said, "If Americans pulled back and started paying attention to this war, it would become even less popular."

A senior military official said this, "There's a possibility we could ask for another surge of U.S. forces next summer if we see success here."

So the administration has determined General McChrystal's exit strategy, but it is the exit strategy for the rest of our brave soldiers that I am more worried about it.

Madam Speaker, I voted in 2001 to go to war in Afghanistan—to hunt down al Qaeda and to eliminate their threat, and I would cast that same vote today in a heartbeat. Though, what we are doing in Afghanistan today is far beyond that original authorization. We are engaged in extensive, expensive nation-building in Afghanistan.

Frankly, given the level of unemployment and the severe economic situation we face in the United States, I would rather do a little more nation-building here at home. We have borrowed \$350 billion—added to the debt—for the war in Afghanistan.

My Republican friends have refused to support extending unemployment benefits for our out-of-work Americans because they say we can't afford it. We are told we can't afford to help States' avoiding laying off teachers. We are told we can't afford to improve our roads and bridges or to help more families afford a college education. We are told we can't afford to prevent foreclosures or to improve child nutrition. Now we are being asked to borrow another \$33 billion for nation-building in Afghanistan.

We don't have the money to help American working families, but when

it comes to supporting a corrupt and incompetent Karzai government, we are supposed to be a bottomless pit.

Not so fast, Madam Speaker.

Last week a bipartisan group of us sent a letter to the Speaker, urging that the House not consider the supplemental before some serious questions about our policy in Afghanistan are addressed. Even if we move forward this week, I hope that we are given an opportunity to have a thorough debate on this issue and to get a clean vote on whether or not we should continue our funding at current levels. This is life and death. This is about sending our troops into harm's way. This is about whether or not we can afford to continue this policy.

Madam Speaker, I urge my colleagues to think long and hard this week about this critical issue.

U.S. ARMY SPECIALIST MATTHEW CATLETT FROM TEXAS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. POE) is recognized for 5 minutes.

Mr. POE of Texas. Madam Speaker, we honor a fallen American warrior today—a Texas soldier who gave his life serving this country, this country he loved.

U.S. Army Specialist Matthew Catlett was an infantryman with the 101st Airborne Screaming Eagles out of Fort Campbell, Kentucky—one of the most prestigious and decorated divisions in the entire United States Army.

The Screaming Eagle warriors landed in Normandy on D-day, and fought the Battle of the Bulge—the crucial turning points of World War II. The Screaming Eagles fought in the rice paddies of Vietnam. They've stood vigil in the deserts and towns of Iraq, and they're leading in Afghanistan the fight against the cowards in the desert—the Taliban.

I have been to Iraq and Afghanistan. Let me tell you something, Madam Speaker, that there is no better fighting machine in the world than the 101st. They were the first conventional unit to deploy in support of the American war on terrorism.

The 101st's "Easy Company" was portrayed in the series "Band of Brothers," and like those in the 101st who have so nobly held that line in their storied history, Matthew gave his life with four other fellow soldiers that day. It was the bloodiest day of the war so far this year.

Madam Speaker, this is a photograph of Matthew Catlett. He and his fellow soldiers were killed when their Humvee was hit by an improvised explosive device. That is called an IED. That is the cowards' way, the Taliban's way, of fighting our troops.

Though, as Shakespeare said, "They shall be remembered—we few, we happy

few, we band of brothers; for he today that sheds his blood with me shall be my brother."

□ 1650

Matthew Catlett, this young American hero, was only 23 years of age when he gave his life for this country. There is nothing as noble as the character of a man who so willingly dedicates his life for others. The American warriors serving our military understand that better than anybody. They embody what is meant to be an American, and Matthew Catlett was such a man.

He gave his life on June 7 on a battlefield in Afghanistan, fighting the terrorists who attacked America on September the 11th from that desolate, faraway land.

Matthew grew up in Cypress, Texas. He joined the United States Army right out of Cypress Ridge High School, always knowing he wanted to be a military man, a soldier in the United States Army. He served a tour of duty in Iraq 3 years ago and had just been redeployed to Afghanistan in April of this year.

Our American warriors make great sacrifices in the heat and the dust and the deserts and the rough, rugged mountains of Afghanistan, where summer temperatures reach almost 120 degrees in the parched desert landscape. Our soldiers track down terrorists under the worst possible conditions, but no matter what hole these cowards try to hide in, our soldiers are able to hunt them down and to keep America safe.

We grieve the loss of this American warrior, but we celebrate and honor his life and his service. We are fortunate that a man like Matthew ever lived. Matthew stood for the best of those American ideals and values exemplified in our fighting infantrymen.

General Robert E. Lee once said, "Duty, then, is the sublime word in our language. Do your duty in all things. You cannot do more; you should never wish to do less."

Matthew Catlett did his duty. He served this Nation as the fine soldier he always wanted to be. All of his fellow soldiers gave some, but Matthew Catlett gave all in defense of this Nation. He fought for liberty for a people he did not know in a land that he had never been. He was the American breed. He was a rare breed. So we honor our American warrior, and we honor the families left behind who grieve the loss of their loved one.

Specialist Matthew Catlett was buried with full military honors in Houston's Veterans Memorial Cemetery. His draped coffin was surrounded by flags carried by the old war horses of the Patriot Guard. Those are motorcycle riders, mainly Vietnam veterans, that surround fallen soldiers and their families during a time of grief.

So today I extend my prayers and condolences to Matthew's wife, Bryntnee; his two young daughters, Ryann and Stephanie; his parents; his relatives; and his friends. Their American warrior is home, his duty is done, and he is at peace.

George Orwell said, "We sleep safely in our beds because rough men stand ready in the night to visit violence on those who would do us harm."

Our grateful Nation will always remember that Specialist Matthew Catlett stood always ready to do his duty for us.

And that's just the way it is.

TRIBUTE TO MANUTE BOL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. PERRIELLO) is recognized for 5 minutes.

Mr. PERRIELLO. Madam Speaker, this morning I rose to honor the passing of Ruby Archie, a great hero to all of those in southern Virginia; an educator, a civic leader, and a tireless advocate for fairness. Tonight, I rise for the passing of another individual, Manute Bol, who was laid to rest at the National Cathedral earlier today.

Many know Mr. Bol as the tallest player ever to have played in the NBA. But to those of us who followed issues in Sudan and in Africa, he is a giant for other reasons. He is a giant for his humanitarian work. He is a giant for having stood up for justice and fairness, particularly in Africa's longest-running civil war against the southern Sudanese, where so many Christians and traditionalists have been suffering for so many years.

Too many in our country fight to become famous as an end in itself. Here was an individual of such tremendous character that he used fame as a means to help those less fortunate.

After growing up in Sudan and having a chance to remove himself to the United States, where he could have lived a comfortable life of riches, he chose instead to give everything he had, his money, his time, and his energy, to protect those suffering back in his homeland.

Manute Bol became a hero, not just on the basketball court, but he became a hero to many evangelical Christians, to people of all faiths, to lost boys back in Sudan, and to people all over the world for being a shining example of someone who chose to always stand for justice, a word engraved in the dais behind me, and understanding that as feared as he was as a shot-blocker, he was even more fearless in his own life in standing up. And not just doing the easy work of writing a check, but always being willing to go back and spend time on the ground, often at great personal risk to his security and to his health, and was even willing to speak out against regimes that were

not only enemies of the people of that country, but often of our own.

He was a hero to many of us who looked at the fact that many will look back through history and say, how did we allow 30,000 of God's children to die every day of hunger and preventable disease? Here was a man who not only made this town of Washington proud when he was with the then-Bullets, but all over the country inspired many to say, what can I give, what can I sacrifice, for those who are suffering or not having the blessings that we have?

And he did it all with a tremendous sense of humor. Mr. Bol spent his last few days in my district in Charlottesville, Virginia, at the University of Virginia, and we were honored to have him and so many of his loved ones in for the unfortunate and far too early passing of this great hero.

I hope today people will take a moment not only to say a prayer for him and his family and for all of those in Sudan who continue to suffer, but will take some inspiration from his legacy, of someone who came from very rough circumstances, got to the top of the world, and did nothing but look back to how he could help those less fortunate. He is an inspiration to all of those. He is a giant of a humanitarian. He has been a warrior for justice and fairness, and we honor him today.

AN NCO RECOGNIZES A FLAWED AFGHANISTAN STRATEGY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

Mr. JONES. Madam Speaker, I want to share with the House words from George Will. It was a syndicated column that he wrote on the 20th of June of this year. The title is "An NCO recognizes a flawed Afghanistan strategy."

In receipt of a recent email from a noncommissioned officer serving in Afghanistan, he explains why the rules of engagement for U.S. troops are too prohibitive for coalition forces to achieve sustained tactical success.

Receiving mortar fire during an overnight mission, his unit called for a 155 millimeter howitzer illumination round to be fired to reveal the enemy's location. The request was rejected, and I quote, Madam Speaker, "on the grounds that it may cause collateral damage." The NCO says that the only thing that comes down from an illumination round is a cannister, and the likelihood of it hitting someone or something was akin to that of being struck by lightning.

I further read from this article: "Returning from a mission, his unit took casualties from an improvised explosive device that the unit knew had been placed no more than an hour earlier."

I quote again: "There were villagers laughing at the U.S. casualties" and "two suspicious individuals were seen fleeing the scene and entering a home." U.S. forces are no longer allowed to search homes without Afghan National Security Forces personnel present. But when his unit asked the Afghan police to search the house, the police refused on grounds that the people in the house "are good people."

Madam Speaker, Afghanistan is a chaotic situation. As my friend Mr. MCGOVERN said, they have a corrupt government. There is not anything we can do to take a country that has never been a nation to make it a nation.

Madam Speaker, I, along with Congressman JEFF MILLER and Congressman DOUG LAMBORN, have asked the chairman and ranking member of the Armed Services Committee to hold classified hearings on what is called rules of engagement.

□ 1700

I wish I could read this entire article, but I can't because of time. But I want to read the close of George Will's column. And George Will is a conservative. "President Obama has counted on his 2011 run-up to re-election being smoothed by three developments in 2010—the health care legislation becoming popular after enactment, job creation accelerating briskly, and Afghanistan conditions improving significantly."

I further read: "The first two are not happening. He can decisively influence only the third, and only by adhering to his timetable for disentangling U.S. forces from this misadventure."

Madam Speaker, I am on the letter that Mr. MCGOVERN made reference to a while ago. I have Camp Lejeune Marine Base in my district and Cherry Point Marine Air Station. And we're wearing out our military. Madam Speaker, I hope the President will keep his word and have a timetable to get our troops out of Afghanistan.

With that, Madam Speaker, in closing, I would like to ask God to please bless our men and women in uniform. I ask God please bless the families of our men and women in uniform. I ask God to please in his arms hold the families who have given a child dying for freedom in Afghanistan and Iraq. Madam Speaker, I ask God to bless the House and Senate, that we will do what is right in the eyes of God. And I ask God to give wisdom, strength, and courage to President Obama that he will do what is right in the eyes of God. And three times I will say please God, please God, please God, continue to bless America.

ASKING THE RIGHT QUESTIONS FOR AFGHANISTAN

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tleman from Illinois (Mr. QUIGLEY) is recognized for 5 minutes.

Mr. QUIGLEY. I rise today because when it comes to Afghanistan, we are asking the wrong questions. And with the wrong questions come the wrong answers. Back in December, we asked, Should we send more troops to Afghanistan? We should have been asking, Will a greater military presence make America safer? Then we asked, How can we get millions of pounds of supplies to our troops scattered in remote areas of Afghanistan? We should have been asking, Could getting those supplies to the troops be fueling the very insurgency we are fighting, and is having thousands of U.S. troops stationed throughout Afghanistan making America safer? And now we are asking, Can a new commander in Afghanistan ensure we win the war there? We should have been asking, Is this war winnable, and will it make America safer?

We have to start asking the right questions. The first of these questions is, Where are the terrorists? We have put our blinders on and are so focused on the details of Afghanistan that we are missing the larger picture. The terrorists that we are fighting are no longer only in Afghanistan. They are operating in the ungoverned spaces of Pakistan, Yemen, Somalia, Sub-Saharan Africa, and even right here in the United States.

The Christmas Day bomber was from Nigeria. The Times Square bomber was Pakistani American. An increasing number of terror attacks are being plotted right here on American soil. Major Nidal Hasan, who killed 13 people at Fort Hood, Texas, was born in Virginia. An increasing number of extremists from around the world are being connected and motivated by "the virtual Afghanistan" through the Internet.

We are fighting an enemy without borders, and so we must have a strategy without borders. In a world of limited resources, the next question we need to ask is this: How can we best spend our precious tax dollars to make Americans safest? Unfortunately, right now we are allocating most of our resources to Afghanistan, where at most, only 50 to 100 al Qaeda are operating, according to CIA Director Leon Panetta. And every day we read a new report that the billions we are investing are simply flowing to drug lords, corrupt local officials, and even the Taliban.

According to a recent eye-opening report by Subcommittee Chairman Tierney, we learned that the U.S. military is funding a multibillion-dollar protection racket. A good portion of a \$2.16 billion transportation contract is being paid to corrupt public officials, war lords, and the Taliban to get needed supplies to our troops. We are funding the very insurgency we are fighting. And we recently learned that at least

\$3.18 billion in cash has been transferred out of Afghanistan since 2007, mostly to line the pockets of the nation's elite. On top of that, it has also been reported that those same Afghan elite are being shielded from attempts to investigate these cases of corruption.

We simply cannot afford to continue to send billions to Afghanistan only to see it end up in the hands of corrupt officials and the same insurgents we are fighting. We have got to start fighting smarter, not harder, and that starts with asking the right questions. A reassessment of our strategy in Afghanistan is due in December, and one question must be answered: Is this the best way to fight terrorism and keep Americans safe? I fear that with each report of Afghan corruption and each account of terrorism taking root worldwide, the answer to that question is becoming increasingly clear: no.

FINANCIAL REFORM BILL

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 60 minutes as the designee of the majority leader.

Ms. KAPTUR. Madam Speaker, tonight I want to devote extra time to talking about the proposed financial reform bill and the conference committee report that is being worked on this moment that is likely to come before the House later this week. And I wanted to put the discussion tonight into a broader context in hopes that my colleagues will listen and consider the bill to be brought before us.

Let me begin with this statement: bankers hold a very privileged position in our society because in fact they hold the awesome power to create money. Their use of that power can advance our society, or their use of that power can harm us greatly. We are living through a period of great harm. And so we have to ask, When bankers are given power, how much power do we give them and what do we give them power to do?

As we are discussing this this evening, the Financial Services Committee is meeting to take out a proposal that had been a part of the bill that would tax the banks that have done so much harm to us as a society. It is another example of too much power to too few, especially the few institutions that have hurt our entire Nation. So I rise tonight to offer comments on the so-called regulatory reform conference report, and I want to outline some principles that I hope Members and the American people will consider as this bill is debated later in the week.

One of the key principles that we should seek in trying to correct what is wrong is the type of power that we give

to these institutions to create money. Will in fact the power to create money be more broadly distributed across our society, or will the bill concentrate power in the hands of those few banks that have too much power? Will in fact the power to create money and credit accumulation be redistributed to Main Street—to where all of us live—or remain closely held by about six Wall Street and Charlotte-based megabanks? And here are their names: CitiGroup, Goldman Sachs, HSBC, Wells Fargo, Bank of America, Morgan Stanley.

They have a whole lot more power than the people in my community in the financial realm. And why is that? Because chances are, if you talk to your relatives and neighbors, you will find that over half of the money that they are spending to pay for their mortgage or pay for their car loan doesn't go to a local financial institution in the town in which you live. It goes to a distant institution somewhere else that sucks money, sucks wealth, sucks power away from your community and places it somewhere else.

□ 1710

So this is a really threshold question. What does the bill do with the power to create money? It's shocking, but today, two-thirds of the financial assets of this country are held by those six institutions. Before the financial crisis of 2008, they only held a third of the power. Now they have two-thirds of the power. I say that's way too much. That's not a competitive financial system. That's what economists would call an oligopoly, very few having very much and taking it away from the rest of us. So this issue of banking power is critical, and Members, as they read this very long conference report, ought to say, To whom does this devolve power?

Another threshold question is whether the proposed bill will encourage prudent lending or will it allow greater moral hazard by the bill itself pretending to be reform but actually offering the easy money creation of a recent history led by the big banks. What do I mean by that? It used to be when America had a strong middle class, we had a financial system that allowed credit, the creation of money, to be broadly distributed across our country. Probably, to the people in the gallery and people listening on their televisions, you actually knew bankers in your community that started banks, and you'd have several—dozens of banks locally and there was real credit competition. We've seen all that change as the banks became eaten up by bigger banks and bigger banks yet, and States lost money center banks, and power gravitated to Wall Street and Charlotte, North Carolina, banks.

But in the days when we had really competitive credit in this country,

there was a law of our land that said to banks, When you get \$1 in deposit, you can't lend more than \$10. You can't blow money up more than 10 times because, you know what? That's imprudent, and you might make a mistake and, therefore, you have to have very careful underwriting and very careful servicing of those loans. That's all changed.

One of the reasons we're in this financial mess is the Wall Street institutions took a dollar and they blew it up into \$100 where there was no underlying value, there was no way that loan could perform. It would not rise in value if it was a home. Or if it were a commercial loan, it could never produce 100 times more than it was worth at the beginning. So this issue of prudent lending versus moral hazard is an important question in the bill that will be before us.

Thirdly, we have to ask about conflicts of interest in the bill between the credit rating agencies, like Moody's and Standard & Poor's and the banks that employ them to rate them. Will there be a tight fence line that's laid between them or will it simply be finessed? So this issue of "Is conflict of interest really addressed in the bill and shuts the door tight between the rating agencies and the banks, is it sufficient?" Members have to weigh whether it is or not.

Next I would like to turn to derivatives. This is where Wall Street really created money where there's no underlying value. And you can check this in your own community, because now a majority of mortgage loans in this country are actually—the home is not worth as much as the loan is valued at. They call that underwater. They sell overvalued real estate through the derivative instrument and through the way that the loan was leveraged through the bonding of the security. We're all paying the price for this now as home values start to go down, and this year, another 2.4 million Americans appear to be on the verge of losing their homes.

So the question becomes: What kind of margin calls will there be in the bill—capital margin requirements will there be in the bill on derivatives, and how will those derivatives be traded? Will all of them be on exchanges? Will they all be transparent and electronic? What will be exempted? And who will own the exchanges?

From what I hear, it is the same big banks. They're not going to put an exchange in Toledo, Ohio, the largest city that I represent. And this is a big concern because, in fact, if what I've heard, that the capital margins in the bill are 15 to 1, that's a 150 percent increase over what we formally had as the prudent lending rules that existed in banks when we had a solid middle class and a banking system that was functioning for all the people. When it

was \$1, you could get \$1 in your bank and you could loan \$10. Now we're seeing the capital margins on derivatives are 1 to 15. Very interesting.

REPORT ON RESOLUTION WAIVING REQUIREMENT OF CLAUSE 6(a) OF RULE XIII WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS

Mr. PERLMUTTER, from the Committee on Rules, submitted a privileged report (Rept. No. 111-516) on the resolution (H. Res. 1487) waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules, and for other purposes, which was referred to the House Calendar and ordered to be printed.

FINANCIAL REFORM BILL— Continued

The SPEAKER pro tempore. The gentlewoman from Ohio may resume.

Ms. KAPTUR. I would like to next turn to the issue of mortgages and the foreclosure rates around this country which are rising in areas such as I represent. Is this bill that is coming out of the Financial Services Committee, in granting all these powers across our financial system, going to do anything to help the American people who are being foreclosed in their homes? You know what the answer is? No. This year we will lose another 2.4 million families.

None of these so-called modification programs are really working, and yet we have a major bill coming to the floor that doesn't address that issue when the very institutions being granted power are the ones that did this to us in the first place. So we should be able to exact from them some type of resolution for the American people who are paying their salaries—literally—by the taxpayer bailout, and yet we're not dealing with the mortgage foreclosure issue.

And why aren't we? Because if you look at who is holding the mortgage today and who is servicing the mortgage, guess what? There's a conflict of interest because over half of the mortgages have second mortgages, and the servicing companies owned by the banks are the same institutions that have a relationship with the banks that hold the second mortgage on the home. So, for example, if J.P. Morgan is servicing your loan but JPMorgan also owns the second mortgage, they have no interest in servicing your loan. And that's going on with all the institutions that I listed earlier. So the bill is silent on the issue of mortgage resolutions, and that is a great tragedy.

Does the bill do anything to even reference those agencies dedicated to fighting the fraud that has crippled our financial system or is the bill silent?

The bill is silent. Even though we know we need additional agents at the Department of Justice—and yes, this bill is coming out of the Financial Services Committee—the bill doesn't even have a finding that references the importance of adding financial fraud agents at the Department of Justice, at the SEC, at the FDIC, to go after the wrongdoers because these fraudulent systems were set up at the very highest levels of finance in this country, but the bill remains silent on that.

I mentioned capital margins a little bit earlier. This is really an important issue to get at the question of prudent lending and how much power we grant these institutions and the instruments they create to create money and to check it against the value of the underlying asset. The bill is quite weak on that.

Finally, I would present to my colleagues the question: Does the bill create a truly independent systemic risk council or does it merely politicize risk evaluation through the U.S. Department of Treasury, which has caused such confusion in the markets? Credit has seized up across this country, and Treasury seems to play favorites—always with a bent toward the biggest banks on Wall Street and in Charlotte. So these are threshold questions that the Members have to ask.

Now, one might wonder why I hold these concerns about the financial regulatory reform bill. And the reasons start with the fact that unless we understand how excess has been rewarded and moral hazard has been encouraged inside the financial system, it will happen again, unless we really get at what's wrong and how we've gotten ourselves into this position.

□ 1720

And one of the ways to really understand that is to add up the true cost of the financial crisis we are all living through at this point. A true counting of the cost of the big bank financial crisis to the American people is needed because, unless we understand that, we are on the verge of creating what is called a financial regulatory reform which should aim to prevent similar crises from happening. But we still don't yet have a full accounting of the crisis of 2008 and its causes, and that should really stand as a background to what we do from this point forward.

Almost 2 years ago, I fought against the Wall Street bailout that was called the TARP. I did not vote for it the first time, and I did not vote it for the second time. It gave Wall Street 100 cents on the dollar, when people in my district were being thrown out of their homes, and they were getting zero on the dollar. What's fair about that?

And it wasn't just people in my district. Twenty million Americans, American families—this is not a small number—are being directly affected,

and the real estate values of every single American are being affected by this crisis.

Now, what's coming out of Washington is the orthodox tale being spun by Wall Street's PR firms, that the mega banks are paying us back. Why, they're paying us \$700 billion, which is some of the money that they were given in the fall of 2008, and so the cost to the American taxpayer will be paid back.

Is that really true?

The big banks have narrowed the focus of what is owed back to the American people to what is called the TARP, the Troubled Assets Relief Program, and they're not really talking about the big picture, the economic cost of what they have caused to us, as a society, the real cost of the crisis, the real losses thrust on the American people that go far beyond what is called TARP.

Yes, the American taxpayers need to be paid back for all the damage the Wall Street bankers have caused. But they're taking away the tax in the committee right now, as we're standing here on the floor, to get them to give some of what they are earning back to the American people. That's how much power they have.

We get a true picture of the real cost to the American people as we see millions and millions more of our citizens disgorge out of their homes, while Wall Street's coffers fill up, and they're making greater profits every year. Their bonuses get bigger every year. When Americans are getting pink slips and small businesses can't pay health insurance, there's nothing fair about this playing field.

So tonight I want to shine a light in the very dark corner of where the true cost of the bailout sits. So come and look behind the curtain with me where the wizard is really hiding.

Secretary Geithner, and even Elizabeth Warren, say the banks are paying us back. But all they are paying back is the TARP money, and they're not even paying all of that back. Even if they paid back all \$700 billion, that could not possibly be enough. In fact, there are 12 Treasury programs to bolster Wall Street banks that have cost taxpayers \$727 billion. About half of that is what is being paid back by TARP.

Plus, there are 24 additional programs at the Federal Reserve that assist private banks, and those costs—are you sitting down—\$1.738 trillion dollars. So the total of these federally orchestrated bailouts is \$2.4 trillion, not \$700 billion; \$2.4 trillion and rising. The number is staggering. It's huge.

Wall Street has no intention of paying back \$2.4 trillion to the American people, and no one is holding them accountable, not this Congress, and not the administration.

Now, what has Wall Street done for Main Street? Nothing. All they're

doing right now is consolidating their power, as the bill that comes to us later in the week will do.

Meanwhile, Wall Street big banks are recording record profits and record bonuses last year on the backs of the American people who are struggling without jobs and fighting to keep their homes.

Now, the \$2.4 trillion immediate cost of Wall Street's excesses is expected to rise, and here is why. Treasury has promised unending support, regardless of the dollar amount, for the next 3 years, to two mortgage companies that they took over. They are called Fannie Mae and Freddie Mac. They're housing organizations. And the taxpayers are being asked to fill the holes in each institution as both companies continue their death spiral losses.

Already, our taxpayers have been billed \$61 billion on Freddie Mac, and our taxpayers have been billed \$83 billion on Fannie Mae. That's a total, just there, of an additional \$144 billion.

The spiraling bills and costs to our people go far beyond Fannie Mae and Freddie Mac. At the heart of the financial crisis is the housing crisis. So one must add in the losses of the Federal Housing Administration, the Veterans Housing Administration, the U.S. Department of Agriculture's housing programs. They are all being tapped to pick up the mistakes of the big banks.

One also has to add the cost to our economy of the decline in the value of your homes and the homes of our neighbors and friends across this country. It affects every single one of our citizens.

And add to that the total cost of all of the unemployment, the loss in earnings that people have suffered, as well as losses that people have suffered in their IRAs and their pension funds. All these losses have resulted from Wall Street's mad money game.

Just Ohio's public pension fund losses alone took a \$480 million hit with the failure of just Lehman Brothers alone. That hole, of all of these accumulated losses that sits at Wall Street's feet, is what it has cost our society.

Now, there's one organization, the Pew Financial Reform Project, that did a report called "The Cost of the Financial Crisis." And it provides some very interesting information. According to Pew, our economy plunged, and I quote, with gross domestic product falling by 5.4 percent and 6.4 percent in the last quarter of 2008 and the first quarter of 2009, the worst 6 months for economic growth since 1958.

And Pew, in their report, created some really great charts that I'm going to discuss this evening. One, that is called "the impact of the crisis on our economy," which means our economy would have grown like this, but, in fact, our economy fell like this. That gap represents huge loss, loss in jobs, loss in wages, loss in wealth.

The Pew brief states, additional negative shock to our economy from the crisis knocked off another 5.5 million jobs, leaving employment at the end of 2009 with 9.5 million jobs lower than the potential of our economy, the anticipated employment, versus what actually happened. And we all know Americans who've lost their jobs. They are actually subsidizing Wall Street with their job loss, with the loss of value in their home. The largest shift of wealth, actually, in American history is going on from Main Street to Wall Street, and Charlotte, and to those six big banks.

□ 1730

These next two charts show the impact of the crisis on household wealth and the impact of the crisis on wages. Both have been damaged severely, and the American people know it. In the district that I represent, our people have suffered this wealth shrinkage. We live it every day. The Pew report states: "American families"—imagine this—"lost \$360 billion in wages and salaries as a result of the weak economy." And the Pew study shows the anticipated wages versus the actual wages.

In addition, the bottom chart shows that the value of families' real estate, which I referenced a little bit earlier, declined sharply over the crisis as well, with a loss of \$5.9 trillion. That was from mid-2007 to March 2009. And a loss of \$3.4 trillion from mid-2008 to March 2009. We have all felt this. We all know this is happening.

Moreover, half the mortgages in our country are now controlled by the big banks. More and more families are sending their mortgage payments directed to Wall Street institutions or to the two institutions located in Charlotte, further moving capital from our local community. Where you would normally pay your mortgage to your local bank or your local credit union, over half those mortgages are flowing off somewhere else, as well now as your car loans. This raids local communities of real money.

The Pew report goes on to say that these wealth losses correspond to more than \$52,900 of loss per household, or \$30,300 per household for the shorter period. In addition, the value of families' equity holdings fell by \$10.9 trillion from the middle of 2007 to the end of March 2009, at a loss of \$97,000 per household. That is real money. That is the loss of your retirement dollars; that's a loss of your real estate. For many families it's the loss of the home itself, lost wages.

Now we are getting a real sense of what Wall Street's false money creation has cost our country. And the question really for Congress is how much do we want to reward the system that yielded us this. Main Street still keeps losing wealth while Wall Street

keeps collecting more chips. In fact, we are experiencing the largest transfer of wealth in our country in modern history.

Now, the last chart that I have here talks about the cumulative impact on household wealth from the foreclosure crisis precipitated by the big banks. With the reduction in our gross domestic product, Americans obviously have lost jobs, wages, and wealth. And as they do that, they cannot hold onto their homes. And we look at some of the projections. This is when the crisis started. You see that Americans were having trouble with foreclosures already, but then it just went down; and it continues to go down here.

We have experienced this steady decline across our country, some areas being hit harder than others. But nobody on Wall Street or in Charlotte banks really seems to care, because modifications, loan modifications aren't being done. And they aren't being done for the reason that I stated earlier, that most of these same big banks, J.P. Morgan, Citigroup, Goldman Sachs, HSBC, Wells Fargo, Bank of America, they hold a lot of the second mortgages on the loans, and they're not willing to work with the servicer to do a principal write-down. That would be the way we would normally resolve a loan on the books in past decades. But that isn't the system that we have today when Wall Street holds the power.

So it's a bleak picture right now for Main Street. And to gain a true picture of the cost of the financial crisis, much more needs to be added to the ledger, not just this little simple discussion they have here saying it's just paying back the Troubled Asset Relief Program, the TARP money. The ledger is much longer than that. And the banks have to pay back more to the American people because TARP doesn't even make a dent in what is actually owed.

One of the most disgusting practices of Wall Street involves their abusive salaries and the bonuses that just keep getting bigger. In 2000, the Standard and Poor's 500 average pay for a CEO on Wall Street was \$13 million every year, \$13 million. By 2007, that had gone up to \$54 million, over \$20 million more. And the average worker in our country at minimum wage makes about \$11,000 a year minimum wage. The average worker makes about \$26,000. And that's as of 2000. And then as of 2007, the minimum-wage worker in our country makes about \$12,000 a year, and the average worker makes about \$31,000. The pay scales are just so out of whack.

CEOs actually made over a thousand times more than someone working minimum wage. So the average wage of a worker in our country is \$32,000; the average wage of the CEOs is about \$9.2 million. We are not even talking in the same league. And I really say to myself

if you make the kind of big mistakes that they made, are they really worth that amount of money?

I think that the prudent managers at credit unions in the communities that I represent, our local community bankers, they manage the money much, much better. And that's where we should be placing the power, back in their hands. This bill will not do that.

I really do have a question: Are these big institutions really capable of caring about the American people and about the American Republic? Because they certainly seem hell bent on destroying it. The big banks remain too big; and the crisis enabled them, sadly, to get even bigger and more interconnected. Too big to fail is too big to exist.

I mentioned earlier that the banks before the crisis controlled one-third of the assets in our country. Now they control two-thirds. That means power is moving away from you to someplace far away from you. The concentration of wealth on Wall Street has sucked the lifeblood out of the rest of our economy. Mid-sized and small banks and credit unions are fighting for their lives right now. In fact, 86 more banks have failed this year alone.

Banks are doing more than just banking, the Wall Street ones for sure. They are speculating. This used to not be allowed in our country under an act called the Glass-Steagall Act, which prohibited commercial banks from doing investment, and it prohibited investment firms from taking regular bank deposits. It kept gambling and speculating separate from sound prudent commercial banking. That was until the late 1990s.

In 1999, a bill called the Gramm-Leach-Bliley bill repealed that act and created a new kind of holding company they called a financial holding company. I have introduced legislation, H.R. 4773, the Return to Prudent Lending and Banking Act, which would take the Glass-Steagall separations and carry them beyond the Federal Reserve system to all federally insured depository institutions, including national banks; and require that they separate commercial banking and investment arms, as well as repealing the financial holding company's language from the Gramm-Leach-Bliley act.

The bill before us later this week will not do that. It allows them to conduct this integrated activity under this holding company structure. But separation is what's needed; it is not what will end up being voted on on this floor.

Equally, something called the Volcker rule was watered down in the conference committee. This proposal by American economist and former Federal Reserve Chairman Paul Volcker would have restricted banks

from making certain kinds of speculative investments if they are not on behalf of their customers. Volcker has argued that such speculative activity played a key role in the financial crisis of 2007 to 2010, and he is absolutely right. But the conference report that will come before us allows them to keep their hedge funds and their private equity arms up and running. And they can still do some proprietary trading. Do we really want them to do that? Haven't we gone through enough?

Right now Wall Street is choking the life out of our local credit system and the communities they serve. And let me just give you one example of why it's so difficult for local banks. When the big banks, I call them the big six, made all these mistakes, inside the banking system local institutions, be they banks or credit unions, pay into insurance funds. Well, even if they didn't do anything wrong, they are part of the banking system; and their fees went up. They had to pay more into these insurance funds.

And so some institutions that were paying \$20,000 a year for insurance found their rates going up from \$20,000 to \$40,000 to \$70,000 to \$140,000, and this year \$700,000, both credit unions and banks in the community that I represent, to shore up the national insurance fund because of the losses of the big banks.

□ 1740

What's fair about that?

In my hometown of Toledo, Ohio, this week there was a report that talks about one of our community development credit unions being hurt, and they're being hurt all across our country because these fees are being placed on them even when they didn't do anything wrong. They simply can't earn enough to afford to pay these higher fees. Who's going to win in that game? The very big six institutions that have been rewarded again, and those at the local level trying so hard to hang on are being hurt. The little guys cannot expand, and they can't hire or lend more since revenue has to go to insuring their deposits, and they have to send that here to Washington and they can't lend it out. That's why credit has seized up across our country.

A local bakery said to me the other day, MARCY, I want to add three employees. I want to get a loan locally so that I can add some equipment. I can't get a loan. I said I know exactly why and I know right where the money is, but I can't get it because it's up on Wall Street and, frankly, I don't want Wall Street making loans to our local banks. I want local banks to make loans to local businesses.

Oh, and by the way, when credit at these small banks and credit unions is seized up and they get in trouble, what's been going on is the big banks have been coming in and buying them

up. When they can't make it anymore, they just buy up their deposit bases. So, in coming to work, going out to the airport this week to come back to Washington, I saw a sign go down, National City Bank in Ohio. The sign came down. Another sign went up called PNC out of Pittsburgh, and we are now owned by some institution far, far away from us.

According to the L.A. Times on June 26, 2010, it stated that the proposed reform bill won't help protect small banks nor keep competition alive in our banking system. A return to prudent banking would address this concern. Reinstating and strengthening Glass-Steagall would move our financial system to a more competitive mode. The bill that's proposed, from everything I know about it, will not do that.

I wanted to reference a report from Bloomberg Businessweek that has two sentences at the beginning of the article that are important, and I quote: "Legislation to overhaul financial regulation will help curb risk-taking and boost capital requirements. What it won't do is fundamentally reshape Wall Street's biggest banks or prevent another crisis." Well, if it can't do that, why would I want to vote for it?

So I want to ask my colleagues this: Does the proposed bill make the necessary changes to prevent the financial crisis of 2008? If it can't, why vote for it? Too many experts don't think it can. Look at your own communities and ask: For whom is our financial system working? When you pay your mortgage or your car loan, where do you send your money? If it isn't to your own community, is it to some distant player somewhere? Do they really care about you? If you're a small business and you're trying to expand your business—and that's the only place in our society creating any jobs right now—why should they get their loan from far away? Why shouldn't it come from an institution close to them?

This morning on the Marketplace Morning Report produced by American Public Media, Bill Radke was interviewing Henry Blodget, editor-in-chief of the Business Insider, on the subject of the financial regulatory reform bill. Mr. Radke stated, "You are one of those observers who believes that even with these new rules, we are at risk of another global crisis. What might that crisis look like?"

And Mr. Blodget responded, "I think the reason that people are saying that is that if you took this legislation and you enacted it in 2005, it would not have prevented the crisis we just had."

Well, if it can't prevent the crisis we just had, what are we doing? What are we about here? So Blodget said, if we enacted the bill that we are going to vote on in 2005, it would not have prevented the crisis we faced in 2008. This certainly can't be real financial

regulatory reform. The bill doesn't appear to encourage prudent credit accumulation. It does not allow for that power to be devolved to Main Street.

The bill allows financial power to create wealth, the bankers' awesome power, to be closely held in a few Wall Street and Charlotte-based megabanks. The bill does not address the business model of credit rating agencies or how interwoven these nongovernmental agencies are with the institutions they rate.

The bill does not require that all derivatives be traded through transparent exchanges. The bill does not adequately support both agencies dedicated to finding and fighting fraud in our financial system, and it really doesn't do anything to address the continuing mortgage foreclosure hemorrhage, the crisis going on across our country. So, if it doesn't do that, why are we just nipping at the edges?

Sadly, the so-called bill seems all too often, in the end, to support the very same big banks and not the American people and the communities in which we live, in the Main Street that all of us are sworn to represent.

The New York Times ran an editorial last week on derivatives, and I really want to reference it because it stated the following: "This is arguably the most important issue for the big banks because real reform will crimp their huge profits from derivative dealmaking."

That's where they take a dollar and turn it into \$35 or a dollar and turn it into \$100. That's gambling, actually. It's not banking; it's gambling.

"It is also arguably the most important issue for the public. The largely unregulated, multitrillion-dollar market in derivatives fed the bubble, intensified the bust, and led to the bailout. Unreformed, it will do so again."

The New York Times article says, "The final bill must ensure that derivatives are traded on transparent exchanges and processed through third-party clearinghouses to guarantee payment in case of default. That would end the opacity that masks the size and risk of derivative deals, like those that caused the bailout of American International Group," AIG. "But to be effective the new rules must be broadly applied."

Another Wall Street expert told a small group of Members of Congress that all derivatives should be openly marketed with transparency on exchanges, and if an institution creates an instrument that is too complex to go through such an open and transparent process, that institution should be subject to higher, in fact, extremely high, capital standards. The bill really doesn't do that.

The amendment offered by Senator BLANCHE LINCOLN in the other body would have forbidden any banks receiving Federal support, such as deposit insurance, from engaging in the trading

of swaps. If the amendment had not been weakened, it could have resulted in banks having to spin off their swap businesses, but it seems like it's business as usual in Washington. The amendment was weakened and too many exceptions exist.

Goldman Sachs, Morgan Stanley, Bank of America, Wells Fargo, Citigroup, and their U.S. colleagues can continue to trade derivatives that are used to specifically hedge the risk that they are undertaking, as well as still being able to trade interest rates and foreign exchange swaps.

For other types of nonstandard instruments, like some credit default swaps, the banks have 2 years to move that business to a subsidiary which is capitalized separately, and some people say there's even language in the bill that would allow them up to 15 years to try to meet some sort of standard. Well, you can't really call that reform.

□ 1750

Bloomberg Businessweek reported last Friday, "U.S. commercial banks held derivatives—" get this—"with the notional value of \$216.5 trillion in the first quarter, of which 92 percent were interest rate or foreign exchange derivatives, according to the Office of the Comptroller of the Currency."

It is not a small amount of money, and very few institutions hold the power to trade them. There are five U.S. banks with the biggest holdings of derivatives, and you probably already know the answer. JPMorgan Chase, Goldman Sachs, Bank of America, Citigroup, and Wells Fargo hold \$209 trillion, or 97 percent of the total, the Office of the Comptroller of the Currency said.

You know, when you keep running into the same rhinos, you ought to start recognizing them out there. What is interesting is these very same companies are not doing mortgage modifications through their servicers across our country. So what is allowed in the bill accounts for 92 percent of the held derivatives, and our five biggest mega banks control nearly all of that 92 percent.

So who is this bill helping? Not only are the numbers staggering, but if this is as true as I think it is, did the bill really do anything about derivatives?

With essentially, if not every, commercial end user exempted, did we really do anything to restructure the financial system to avoid letting derivatives create such exposure for an institution that is too big to fail in that we, the government, representing the people of the United States—and you, the American taxpayer—must pay hundreds of billions of dollars to prevent its demise?

So I say to my colleagues: Read the bill. Perhaps read my comments. In the end, ask yourselves the question I began with:

Which bankers do you believe should hold the awesome power to create money? Which bankers have been prudent in their practices? As this bill is debated, do we increase their power or do we decrease their power?

If all we do is abdicate more power to JPMorgan, Citigroup, Goldman Sachs, HSBC, Wells Fargo, Bank of America, and Morgan Stanley, have we really served the American people?

Madam Speaker, I yield back the balance of my time.

THE BUDGET, OUR DEBT AND THE DEFICIT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentlewoman from Wyoming (Mrs. LUMMIS) is recognized for 60 minutes as the designee of the minority leader.

Mrs. LUMMIS. Thank you, Madam Speaker.

I also would like to thank and congratulate the previous speaker for her outstanding summary of some of the issues that will be facing this House later this week. It is, as she said, a bill that will enhance big banking at the expense of small community banking. Her hard work on this issue is appreciated on both sides of the aisle. Thank you very much to the gentlelady for that excellent summary of the bill. There are so many issues about which, if we could work together on a bipartisan basis, I feel we could come up with better legislation.

What I intend to talk about this evening is an area about which we have not had much bipartisan dialogue. That is, of course, over the budget, our debt and the deficit.

It is official now. We will not have a budget this year. This will be the first time since the Budget Act of 1974 was passed, creating the system we have for budgeting and for making expenditures now, that we will not have had a budget. It is the very first time since 1974. Every year, the House has passed a budget. I believe, almost every year, the Senate has passed a budget. There were years when they haven't agreed, but every year, the House met its obligation and passed a budget.

You know, the current chairman of the House Budget Committee, who, of course, is a member of the majority party, has said, if you can't budget, you can't govern. I couldn't agree more. If you can't budget, you can't govern. We are not going to budget this year. We, therefore, are not going to be governing this year in a manner that the American people expect and deserve, so it is a source of tremendous disappointment for me.

We were also told and learned last week that we will see none of the major appropriations bills before the November election. That is an indication to me that the majority party rec-

ognizes that it has overspent for 18 months, that the American people are tired of the overspending, that they are zeroed in on the debt and the deficit, and that they are not going to take it anymore.

There are ideas that the Republican Party has had to reduce the debt and the deficit in order to bring down the size and scope of the Federal Government and to divorce ourselves from the current strategy of big government, big unions, big business. Among the big businesses are those that the gentlelady from the majority party, from Ohio, just talked about in the last half an hour. Always supporting bigger government, bigger business, bigger unions takes away from our communities, which is where the creativity is, which is where the desire to create jobs and families and businesses and households and churches and charitable institutions really grows and thrives. It deletes those kinds of opportunities around our country. It discourages those kinds of opportunities around our country.

Our country is truly at a crossroads now.

We have seen very different reactions on the part of the people in, say, Greece, which is experiencing enormous financial problems—huge debts and deficits. The people there who are demonstrating, rioting and who are out on the streets are those who receive the benefits of the Government of Greece. They are those who are living off the very, very small private sector, which is trying to fund this behemoth of a government with all kinds of social services and entitlement programs that they can't afford because the programs and services are unsustainable, which is sending—plummeting—their country into the kinds of debts and deficits that have gotten them into such deep financial trouble.

All of the world is horribly concerned.

Take that image and compare it to the image of the United States in the last 18 months. You had the so-called Tea Partiers who were out on April 15. They were protesting big spending, protesting big government and protesting later in the year this enormous health care bill that Congress passed over their objections. These are the kinds of people who are up in arms in America and who are out demonstrating and protesting. They are the taxpayers. They are the people who want less government—smaller government—and more efficient government. They are the people who want business to be more accountable and who want government to be more transparent. These are the people who are protesting in the United States, and these are the people who we should be listening to.

In fact, I want to congratulate one Governor who was listening, who has listened and who did a miraculous

thing in the last few months. He is the new Governor of the State of New Jersey, Governor Christie.

Governor Christie took over from a big-spending administration. He inherited a big-spending legislature in New Jersey. Yet he ran on an agenda that resonated with the people of New Jersey. He ran on an agenda to cut the debt in the State of New Jersey, and he has done so. He brought forward budgets that cut the government.

The majority in the legislature there said, Oh, my gosh. We can't do that.

So he said, Here is my budget. I am going to make these cuts, and I am going to make these cuts unless you submit to me a budget that is balanced.

Last night, very, very late—in the wee hours of the morning—that very legislature passed Governor Christie's budget. The State of New Jersey, in the signing of that budget by Governor Christie, has become among the most fiscally responsible States in the United States.

It is a miraculous story. It is a story of the American people—in their case, the people of New Jersey—winning out over big government, special interests, entitlement programs we can't afford, and giving new life to small business, individual initiative, freedom.

□ 1800

It is a great example of what this Congress can do come November.

I am going to put up a couple of charts that I want you to see.

This first one is about the changing priorities of this country with regard to spending over time, starting in the 1970s and moving into our current decade.

As you can see, during the late 1960s and early 1970s, the major portion of our budget, almost 50 percent of our Federal budget, was spent on defense. Obviously, this was at the height of and then followed by the waning of the war in Vietnam. This is when the draft was no longer in effect. Ever since then, defense spending has consumed a smaller and smaller part of our Federal budget. It is the brown line. So it is up a little bit with the war on terror, but compared to our other spending, it is still very, very steady, and within the realm it has been over the last 20 years.

Now let's look at Medicare and Medicaid. This is the red line. This is the line that started out as a very small 5 percent component of our budget in the 1970s and has been steadily climbing, and is climbing still to the point where Medicare and Medicaid are going to choke out all other spending if we project it forward.

The two in the middle, Social Security, which has been tremendously flat and pretty steady, actually is going to be funded until the 2030s. But when we hit the 2030s, we are going to see a 25

percent reduction in the benefits paid to those who have paid into Social Security, another problem this Congress needs to address on a bipartisan basis. Then the other, of course, is non-defense discretionary, which over time has followed a wave in between.

So the big changes are the decline in defense spending as a portion of the Federal budget and the massive replacement of this spending in Medicare and Medicaid.

Now, one could say that is a good thing, and indeed it is, that we are not having to spend as big a portion of our Federal budget on defense. But the scary part is that the growth in entitlement programs, Medicare and Medicaid, is going to be unabated and is going to crowd out other investments in our country, because we are going to have to, in addition to all the other things we do, debt finance these programs.

When we debt finance and are paying interest out of every year's budget for interest on the debt, we are crowding out other investments, and by crowding out other investments in our economy, we are marching down the road towards Greece, towards Italy, towards Spain, towards the kind of problems the U.K. has been having, but is changing course on and is going to address, and we wish them the best in those efforts.

Now, where did the money go? These are components of the 2009 deficit growth in billions. Here is the Federal budget deficit, the places where the Federal deficit tripled in one fiscal year as tax revenues fell and Congress pumped out large sums to stabilize financial institutions and stimulate the economy, creating a tripling in the Federal deficit in one fiscal year. Furthermore, the policies we have enacted will double the debt in five years and triple the debt in 10 years. So the situation that we put ourselves in in the last 18 months creates dire circumstances.

So the components of the 2009 deficit growth occurred due to lower tax receipts, and that is part of our recession, and stimulus, half in spending and half in lower taxes. The Republicans, quite frankly, had a stimulus package that would have created twice as many jobs with half the size of a stimulus, and doing it by infrastructure spending through private sector investment.

The next item, bailouts for financial institutions and the auto industry, bailouts for Fannie Mae and Freddie Mac. Unfortunately, we are not addressing the structural problems with Fannie Mae and Freddie Mac in the financial reform bill, in the conference committee, which has concluded its efforts. Then we have unemployment benefits due to the recession which have been running steadily until recently. Then the remainder is a collec-

tion of aggregation of other spending. So that explains how our Federal budget has trended the way it has.

This was before we passed ObamaCare. This budget was passed before the health care reform bill, which adds a huge other component to the debt and the deficit. We know that that bill, if you take the years 2010 to 2020, is going to cost over \$1 trillion, half of which is going to come out of cuts in Medicare and the other half out of tax increases. But we are only paying out, as you will recall, six or seven years of benefits for 10 years of taxes and Medicare cuts.

When you combine the first 10 years, where we are actually collecting taxes, cutting spending on Medicare, and combine that 10 years with 10 years of benefits, we are talking about a deficit of \$2.4 trillion, and that would be what it would be going forward.

In other words, we created a program that we knew had a long-term structural deficit that was enormous and did it knowingly, leaving for future generations the tough decisions about how to pay for it.

Creating an entitlement that you know you can't pay for and that creates structural deficits for our children kicks the can down the road to a generation that deserves to inherit a better country. No wonder when you poll the American people, they will say that we inherited a better America from our parents, but our children will not be inheriting as high a standard of living from us as we inherited from our parents. That is unconscionable.

I have been joined this evening by the gentleman from Pennsylvania, who has made his career in health care and may wish to comment further on that or anything else. I am so pleased you have chosen to join me this evening, and I yield the time to you.

Mr. THOMPSON of Pennsylvania. I thank the gentlelady from Wyoming for hosting this very important hour on this very important need.

The number one issue right now, as you have very appropriately pointed out, is the growing and massive Federal debt. Independents in this country overwhelmingly identify the debt as being the biggest threat to the future well-being of this country.

As I travel around, and the fact that the Democratic majority has not even introduced a budget, the first time since 1976, I raise the question: America is really at a critical crossroads in history. We have a choice. We have a choice to continue the path of taxing, and spending, and borrowing, and the lack of transparency that will result in a choice between that and accountable government. So America really has a choice between becoming Greece or New Jersey.

□ 1810

And Greece, we have all witnessed the fiscal meltdown and chaos that resulted in that country as a result of the

massive social spending and out-of-control government. And we've all seen most recently in the Garden State, with the election of accountable and transparent and fiscally responsible leadership, where that State has really started to put its house in order. So this is a little hard for someone who is a lifetime Keystone Stater to say I would choose New Jersey when it came between those two.

We have confirmed that the Federal budget plan for fiscal year 2011 really has been canceled. The cause? Washington Democrats' out-of-control spending spree. This is really a betrayal of hardworking American taxpayers. The House of Representatives has passed a budget every year since the Congressional Budget Act took effect in fiscal year 1976. To be completely accurate, there have been times under Democrats and Republicans when a finished budget was not passed by both Houses, but this is the first time that the House of Representatives has simply decided there's too much peril for the American public to see the numbers that they are pursuing. So they're going to stop the game before the coin is even tossed. We have more than \$13 trillion in debt and a Presidential budget that puts the deficit at \$1.6 trillion and spends \$3.8 trillion. Even the Fed chairman, Ben Bernanke, said this debt is "unsustainable."

Now, faced with similar challenges in our personal budget—and that's something we families do around this country each and every day—there would be a talk around the kitchen table and the children's allowances would be cut, along with many other luxuries. It is that discussion that the majority party in this Chamber really seems only willing to have under the theory that if they ignore it, it'll go away, or frankly, if they ignore it, maybe the American people won't notice the massive amount of debt that has been accrued over these past 18 months. Unfortunately, the debt will not go away. It is a legacy of debt for our children and grandchildren. And the pain will be transferred to those future generations in the hopes that, frankly, they'll have the guts to face reality. So I thank the gentlelady for hosting this hour on a very, very important topic.

Mrs. LUMMIS. I thank the gentleman for joining me. As some of you are aware, AmericaSpeakingOut.com is a Web site where all Americans can go to weigh in about their views on the American debt, deficit, and about ideas to reduce the size and scope of government, and right-size it, make it more efficient, and anything else you have in mind about shaping the activities of this Congress. We very much want to hear from you. AmericaSpeakingOut.com gives you a chance to share your ideas with Members of Congress. And we very much commend it to your attention.

I have a bill that I'd like to discuss that I'd like you to put in a plug for on AmericaSpeakingOut.com, and that is a bill called the Federal Workforce Reduction Act. It is a bill that I'm sponsoring and that I've used this information to help explain.

This year in Congress, when you add up all the spending we've done in the last 18 months, the great growth sector in terms of employment has been government. In fact, when we passed the stimulus bill—and we were told that if we pass the stimulus bill it will keep unemployment under 8 percent, and employment since this has been hovering at around 9.7 percent and as high as 10, 10.1 percent. During that time, 9 million private sector jobs were lost. The entrepreneurial economy lost jobs, and yet the only sector that grew was government.

Government employment has increased by 15 percent during the time when 9 million jobs were lost in the private sector. And this shows you what is happening to Federal Government employment. It actually was pretty high back in 1993, but over the decade of the nineties it declined. Then it experienced right after the 9/11 bump in employment associated with homeland security, it experienced tremendous stability in 2003, 2004, 2005, 2006, 2007.

And then you get to 2008 and 2009 and then 2010, where it goes off the charts. It shows that Federal Government employment has absolutely skyrocketed. And further, Federal Government employment has grown in terms of the salaries that are paid. They far exceed average salaries in the private sector. Even here at the U.S. Department of Education in Washington, the average employee makes twice as much as the average American teacher. Imagine that. The people here in Washington are making twice as much—the bureaucrats dealing with education issues—making twice as much as the classroom teacher in America who's actually teaching the students.

So for these reasons I sponsored the Workforce Reduction Act. And this bill does a couple of things: one, it freezes Federal Government employment; and, secondly, for every year we're running a deficit, we will take vacant positions. When someone retires or someone moves to another job, their position is vacated. Those positions then will go into an employment pool and agencies will have to seek reinstatement of that position so they can hire someone into that position from the employment pool. They'll have to justify it and they'll have to compete for those positions because for every two people who leave their job and vacate a position, only one position survives in the pool, thereby reducing the number of Federal employees through attrition.

We're not firing anybody. We're doing it through attrition. When people

retire or leave their job, the number of Federal employees would diminish. The exempt agencies from this plan are Homeland Security, Defense, and Veterans Affairs. Every other agency is subject to it. And this will continue for as long as we run deficits.

The fact that Federal employment has grown by 15 percent when the private sector lost 9 million jobs is just completely unconscionable. It is in furtherance of the big government, big unions, big business agenda that is being advanced through this Congress in the last 18 months, when we should be having small, efficient government. We should be encouraging small business where the job creation is. And we should be encouraging union membership in small relationships that can deal directly with employers on the job site rather than the huge national organizations that have their tentacles in every aspect of every bill that we pass.

So please go to AmericaSpeakingOut.com and weigh in on your thoughts.

We have been joined now by the gentleman from Florida, who is also a distinguished member of this conference. I will yield time to the gentleman from Florida. Thank you for joining us.

Mr. MARIO DIAZ-BALART of Florida. Let me first thank you for bringing us together tonight to talk about such an important issue. The news recently has been full of pictures of the G-20 meeting, where the leaders from around the world got together to speak about the economic situation in the world.

And it was rather, I thought, ironic that you had on one side the Canadian leader, plus many European Union leaders, talking about how we have to control spending, we have to control debt and how the world economies are going, frankly, are on a path towards not being sustainable. And on the other side, pretty much alone, you have the President of the United States, who continues to insist that we need to spend more money and borrow more money in order to have the economy prosper.

Now, we know how well that has worked so far. Think about it. We had the TARP bailout of Wall Street. We had then the so-called "stimulus." And the gentlewoman from Wyoming just spoke about the results of that almost trillion-dollar borrowed money that the Federal Government took from the American people, from small businesses, from families, to spend it because they said they promised that it was going to fix the employment situation and that unemployment would be capped at 8 percent and 3-plus million jobs will be created.

And we know that the only place where jobs have been created, as the gentlewoman just said and showed so eloquently, was government jobs. Yet,

private sector jobs have not been created. But wealth has been taken away from families and small businesses in order to spend and misspend and to waste that money.

□ 1820

And then we had the second part of TARP, the second expenditure of TARP, and then we had the Son of Stimulus. We're continuously told that, Well, yes, that's really helping, and it's worked.

You know, how do you know if what you're being told isn't quite accurate? Well, just listen to what they're telling you. The President himself stated that if the so-called stimulus were to pass that unemployment would be capped at 8 percent, would not reach 8 percent. Those are his numbers. That was his benchmark—not mine, not yours, not the gentleman from Pennsylvania's benchmark. That benchmark was established by the President. He established what he said was going to happen, and yet we all know what has happened.

Unemployment is way above that. Job creation has been dismal. We've actually lost millions of jobs after the stimulus passed, and yet we see our President in front of the world saying, number one, it's worked and that we need to do more of it, as if we're living in some weird time warp. Does he and does the leadership in the House not understand what's going on in Europe right now with Greece, for example, where Greece has had to get bailed out by the European Union because, frankly, their debt is so high and their expenditures are so out of control that they've had to bail them out? Do they not understand what's going on in Spain now where everybody says that they are the next one to, frankly, implode economically because their debt is so high, because their expenditures are so high?

It is my understanding that the President of the United States even called Spain and said, Hey, you have to cut back on expenses. And yet here he pretends as if we live in Disney World, that you can continue to spend people's money—let me restate that. It's not people's money anymore. It's borrowed money—and that there are no consequences, that it's fake, that the words of just about every economist that says this is unsustainable are just, frankly, not true.

So, by the way, if that were not bad enough, where have they spent this hard-earned money? Where has it gone? Now, if I were to tell you all that—I don't know. Pick your government. Pick a government, a neighboring government. I don't know, Guatemala, Argentina, wherever you want. If we said, Hey, you know, the administration there just established a Web page, and the Web page cost \$5 million. We would all go, Oh, my gosh. What have they

done? There's a word for that. It's not "waste." I mean, if that happened someplace else, we don't call it waste. We call it corruption. If we see that some government, some President has created a Web page for \$5 million, we'd look at it and we'd say, Something strange is happening here.

The Web page that was created by this administration to track the failed stimulus didn't cost \$1 million. No, it didn't cost \$5 million. The Web page cost \$18 million. Now, you know, I ask the American people, Have you ever heard of an \$18 million Web page? Does that sound like efficient use of your money? Does that make any sense? So you are wondering why it hasn't created jobs. Well, because the money has been wasted. And I am not going to use another word for it, a word that we would use if it happened someplace else. I'm not going to use the word "corruption" for an \$18 million Web page. But it sure smells funny, and it sure shows you that the money is wasted, and it sure demonstrates why it has not created jobs. And we could go on and on and on and on about money going to campaign consultants, stimulus money going to campaign consultants.

And what is the answer? Is the answer of this administration, of this Congress, "Let's take a step back. Let's look at what we've done. It hasn't worked. Our debt is unsustainable, and everybody has told us that?" When Europe tells us that our debt is unsustainable, that becomes pretty evident and pretty obvious; right? When they tell you that we're spending too much money, the Europeans, for God's sake, tell the United States that we're spending too much money and we are incurring too much debt, that should make us at least take a step back. Let's take a step back and figure out it hasn't worked. The administration has spent all this money. They said it would keep unemployment at 8 percent. It is now way over that. They said it was going to create 3.5 million jobs. That hasn't happened. The only jobs created were bureaucrats in Washington.

So you would think they would take a step back and say, okay, the American people have suffered enough through this irresponsibility. Let's do something different. No. They continue to do more of the same thing. They continue to double up, because it's not their money. It's the American people's money. So they say, Let's just double up on it. We wasted all this money and it hasn't created jobs? We're going to do more. We're going to waste more of the taxpayers' money. It is, frankly, totally unacceptable.

I just want to throw out some numbers, and I will yield back. I want to thank the gentlewoman for allowing me to have this time.

What's the problem here? Look, in 2010, the President's budget, what he

submitted—and, by the way, Congress did—was \$3.6 trillion. That's the budget that was submitted. Here's the problem: The revenues for that year were \$2.4 trillion. It doesn't require a NASA rocket scientist to understand what the problem is. But that wasn't enough. This year, the President submitted a budget—the President did—and he submitted a budget that's \$3.8 trillion. But here lies the problem: The estimated revenues for this year—remember, \$3.8 trillion. That's what he submitted after he did it last year again, and all of the reasons why last year was a special year and all the past sins and that's why it had to be done last year. Well, now, this year he submits a budget for \$3.8 trillion. But what are the revenue estimates for this year? \$2.6 trillion.

Now, if that was a company or if someone did that at home, they would be bankrupt. And that's precisely where this is leading the greatest, most prosperous, most generous, most decent nation on this planet. And that's not acceptable. That's why even the Europeans are saying, What are you guys doing? And not only are they doing this, but we have results to show how well it's worked. It has been a dismal failure—not because I say so. Because the President established the benchmark, and under the President's own benchmark it has been a dismal failure. There are consequences of this misspending of money. There are consequences for this debt.

I just want to leave you with one last number. Just in the interest payments alone—not the principal—to pay the interest payments by the year 2020, the American people are going to have to pay almost \$1 trillion just in interest payments. That's the President's budget. That's what they claim is going to be the expensing, the cost, the numbers that are going to have to be paid by the American people just to pay the debt that they are incurring.

□ 1830

You know, I want to thank the gentlewoman for bringing us here today to explain, to talk about, this is not monopoly money. This is real. This is our children's and our grandchildren's future. This is the future of this, the greatest country on Earth. And we can take a step back. We can salvage the situation. We can create jobs. We can stop this path towards bankruptcy. But we need to do so now.

And the reason the Democratic Congress is not even going to present, it seems, not even going to try to attempt, it looks like, to pass a budget out of the House is because these numbers—they're not my numbers, they're the official numbers—and they must be embarrassed to show the American people the truth so, therefore, they're not even going to present a budget.

I haven't been here that long. But, in the time that I've been here, that's

never happened. It's never happened. Not even attempting to present a budget because the numbers are so dismal under their watch. This is not inherited. Under their watch the numbers are so dismal that they don't even want the American people to see those numbers.

Well, you know something? The American people are wise. They're not dumb. You can try to hide the facts, but the facts are there. You can try to not show the numbers, but the numbers are there.

So, again, I want to thank you for this opportunity to speak to the American people, directly to the American people, as to what their government is doing with their money, with their children's money, with their grandchildren's money and with the future of our Nation. I'm sure that we'll be able to reverse it, but we need to start now.

Thank you. I yield back.

Mrs. LUMMIS. I thank the gentleman from Florida, Mr. DIAZ-BALART, for his very succinct summary of why we haven't seen a budget and why we're not going to see a budget this year. And the answer, of course, is that it is so out of balance, we are spending so much more than we take in that there is a level of embarrassment. Instead of cutting spending, instead of even making a beginning to cutting spending, the answer of the majority party is to not present a budget at all.

I return, again, to the Budget Committee chairman's own words: If you can't budget, you can't govern.

I understand that there used to be, within the Congress, a committee that was, in essence, a counterbalance to the Appropriations Committee. Since the Appropriations Committee spends money, that there was actually a committee that would determine where we could cut, what Federal agencies could be eliminated, which ones could be downsized, which ones could be more efficient. And maybe that's an idea that needs to be resurrected. If you believe that, please go to Americaspeakingout.com and let us know. Weigh in on these ideas. Give us your creative ideas.

I want to especially encourage people who have served in their state legislature to go to Americaspeakingout.com.

States are the great incubators of good ideas. States try out ideas that give the Federal Government a chance to see whether they work or fail. New Jersey's doing that right now. New Jersey's taking the lead. New Jersey's cutting spending. New Jersey's doing it at the request of their constituents. The people in New Jersey are once again in control of the government in New Jersey. And if it works in New Jersey, it's certainly worth a try here in Washington.

One other point I'd like to make that the gentleman from Florida also hit

on, and that is, when we're borrowing money from other countries, and have to pay it back with these extraordinary numbers, such as \$1 trillion, every time we borrow we're putting ourselves in the position where we have to pay higher interest.

In the last month, the U.S. Treasury issued some Treasury bonds, and that issue went undersubscribed, which means there were not enough buyers to buy U.S. Treasuries at the interest rate at which they were being offered.

Now, the alternative we have when that occurs is to raise the interest rates because, for heavens sakes, we're on track to need the money, to have to borrow the money. The Treasury can't come back to Congress and say, we couldn't sell them at that interest rate. You all are going to have to cut. That's not the Treasury's job.

The Treasury's job is to issue U.S. treasuries to cover our debt. But when nobody will buy them at the rate for which they're being offered, their only alternative is to raise the interest rate and issue them again.

So the borrower, the purchaser of those debts gets a higher return, and they get it from people who are paying taxes. So more and more of your tax dollars is going to go to pay interest on the national debt.

Problem is, as the gentleman from Florida pointed out, we're not taking in enough money this year to pay what we're going to spend this year. We didn't take in enough money last year to pay what we spent last year. We're not going to take in enough money next year, under current projections, to pay what we're spending next year. And on and on and on.

This is a structural deficit, in other words. There's no end in sight to spending more than we're taking in every year. The only way to fill the gap is to borrow more money. And when we can't sell those debts at an interest rate that will attract buyers, we have to raise the interest rate to attract more buyers. The circle is vicious. It is ugly. And the American people are going to foot the bill, especially the young people that are coming up. And they don't want this on their tab. We're hearing from younger Americans now. They don't want this on their tab. I don't want this on their tab either.

I yield again to the gentleman from Florida.

Mr. MARIO DIAZ-BALART of Florida. I think you just brought up, frankly, something that's very scary, should be very scary to us. And you mentioned what happened there is—that's how it started in Europe. That's how it started in Greece, and eventually it basically started to collapse, which is why then the European Union had to bail out Greece, and then they had to talk to Spain about not spending any money, about cutting their spending, et cetera. And so when we talk about

how—and not us, when economists—around the country, now even around the world, and leaders around the world say it's unsustainable, it's because that's where we are headed if we don't change that.

But you know what adds insult to injury to me?

I represent the great State of Florida. I will tell you it's probably the greatest place to live in the entire planet.

We have a lot of senior citizens, many of whom depend on Medicare for example. Well, we know that Medicare will be going insolvent in I think just, you know, a handful of years—2016 or 2017 is when it goes insolvent. So here we are borrowing and borrowing and spending and spending and borrowing and spending. Are we using that money? Is the Speaker and is the President using that money to shore up Medicare for our senior citizens? Are they using that money to shore up Social Security for our seniors?

No. They've now created a new entitlement that we know we can call the mother of all entitlements. So not only are they not solving the problems that we have, they're creating new entitlements, which is going to add to the fiscal problem that we're already in. So not only are they borrowing and spending more, they're doing so recklessly, while not dealing with the issues that we all know, everybody knows we have to deal with. So that just adds insult to injury.

And when you mentioned that about remember what happened in Greece, it got to the point where then the market said, we're not going to—your debt is so high that we're not going to buy it unless you pay much higher interest rates. And it gets to the point where then it becomes this vicious circle where all you're doing is paying interest, you know, like people get into with credit cards. This administration, this President are doing exactly the same thing to our country. And the American people are starting to understand.

World leaders are starting to tell the United States, slow down. What are you guys doing?

And yet, this Congress, and our President who, I guess—I don't know—I just don't exactly understand what they're looking at. They're looking at the same numbers that we're looking at. And the things they've done have been dismal failures. I mentioned obviously the stimulus.

But let's talk about one more. How about the billions of dollars that the taxpayers dished out to the car companies, automobile companies? Remember, in order for them to not go bankrupt, all right? So what happened? They didn't go bankrupt? No, they actually did go bankrupt, but after the taxpayer, who's struggling, by the way, and they're losing their jobs, and

there's no Federal bailout for them, and they're losing their homes, and there's no Federal bailout for them. No, no, no. Take their money to bail out the auto companies because we can't let them go bankrupt. And they went bankrupt anyway.

□ 1840

So I don't know. That's not a failure? Only in Washington do you say I'm going to spend all this money and it's going to stop unemployment from going above 8 percent, and then it goes way above 8 percent and they don't call that failure. Only in Washington. Only in Washington do you take taxpayers' hard-earned money, say that you are going to stop these auto companies from going bankrupt, and then they go bankrupt anyway and you say, oh, we got to do more of the same. It's nuts. It's insane.

But everybody has realized, everybody, including world leaders—again I repeat myself, and then I will stop—but when you have world leaders of France saying to the United States of America you are borrowing and spending too much, if that's not a wake-up call, then what will it take for this President and this Congress to wake up? And you are right, that's why they are not presenting a budget, because their numbers are frankly unsustainable. The American people would go ballistic if they saw their proposals. But you know something? The American people know what's going on anyway. Thank you for your time.

Mrs. LUMMIS. I thank the gentleman from Florida. Mr. DIAZ-BALART has been a powerful spokesman for responsible Federal budgeting.

I now once again would like to recognize my colleague from Pennsylvania (Mr. THOMPSON), who will be talking further about this issue. And I want to remind people, please do go to AmericaSpeakingOut.com. Also go to the whip's Web site, Mr. CANTOR, who has YouCut on it. Or you can go to the Republican Conference Web site. YouCut is the icon you want to click so you too can vote on ways to cut the Federal budget.

We have identified half a trillion dollars' worth of cuts, and we want to know whether you think they are the right cuts. So please go to YouCut in addition to AmericaSpeakingOut.com.

And again I yield to the gentleman from Pennsylvania.

Mr. THOMPSON of Pennsylvania. I thank the gentlelady for yielding.

You know, there is a very important number here that the American people need to identify with, and it's a number that brings it home. It's a number that's very personal in terms of personal responsibility, and that is over \$40,000 per person. That's the amount of debt that each man, woman, and child in this country is responsible for. And that doesn't include entitlements. If we

got into Medicare and Social Security, that number would be much larger. But just keeping it within the scheme of excluding entitlements, over \$40,000.

Now, you look at the young people that we have today, and the fact is that we are not—we don't come to each American and collect a check. If we did that, it all would be divided up evenly. And that's a heck of a lot of money. That's a tremendous amount of debt to start your life out with for a young person.

But the fact is, that's not how we do things. You know, we kind of kick the can down the road, as I heard you use that phrase earlier. You know, we divide things up. You know, not everybody pays the same amount. And so this legacy of debt we are really following the next generation, our children, our grandchildren, future generations disproportionately. So what was \$40,000 today will just grow exponentially.

And that legacy of debt is not a legacy—you know, there is not a generation that doesn't want to leave this country better than what we received from our parents. But we are failing. With this Congress, with this President we are failing at the legacy that we are leaving: today, in 2010, a debt of \$40,000 per person.

Now, I really appreciate you pointing out [AmericaSpeakingOut](http://AmericaSpeakingOut.com) and the YouCut. YouCut is just a wonderful tool. It gives the American people voice. Because you know who the experts are in terms of cutting today? The experts at living within their means, of pulling that belt a little tighter? That's the American citizens and the American families. They are the ones that live within their means. They know that in difficult times you have to make difficult choices. That's called showing leadership. That is not something this Congress has done.

And so YouCut, and YouCut, it really is brand new. It's 5 weeks old. It hasn't been around that long. The gentlelady from Wyoming pointed out that you can access that through the Republican whip's Web site. And in the first 5 weeks we have identified over \$100 billion in cuts to government. Now, that's the way to tighten the belt on the budget. And that's something the American citizens, the American families do each and every day. They live within their means.

And so that's what's so exciting about [AmericaSpeakingOut](http://AmericaSpeakingOut.com) and YouCut. This gives the American citizens a voice in this process. The Federal Government and the budget is not something that they are removed from. It's something that they have a voice, they are able to weigh in and share their ideas. And I can't wait to hear what ideas they submit in the future. And as those ideas come in, they get vetted, they may see their ideas wind up on the YouCut list, where they will

have a chance to really, they can vote, go in and pick on where are the next level of cuts that we should levy in terms of making sure that the Federal Government lives within its means just like the American families do.

So I thank the gentlelady for just pointing out those very important resources for the American citizens.

Mrs. LUMMIS. I thank the gentleman from Pennsylvania for joining me this evening, in addition to the gentleman from Florida.

We have been trying to point out the structural deficit and debt that this country can no longer absorb and that we have to address. So it does my heart good to see the gentleman from Pennsylvania get so excited about the notion of cutting spending. And we want the American people to share our enthusiasm for cutting spending. We want the American people to weigh in. AmericaSpeakingOut.com and [YouCut](http://YouCut.com) are two ways that you can do that.

I talk to people in Wyoming every weekend when I go home, and they share with me their thoughts about reducing spending. They see irresponsible spending, inefficient spending. They know where it is. And there are people all over this country who know where it is. So please share with us your ideas so we can create an exciting new agenda for this country that actually takes a slice out of inefficient government, and we get leaner and more able to maneuver, and give more room in our economy to a growing entrepreneurial sector that can create jobs and that isn't shackled by oppressive taxes, but pays an amount of taxes that are commensurate with their ability to unleash their creativity and create jobs and have the money available to borrow and expand and grow and create a vibrant America in our communities, in our churches, in our States, where the great incubators of ideas, where the great spirit of entrepreneurship is really alive and well.

I thank the gentleman from Pennsylvania for joining me. Do you have any concluding remarks?

Mr. THOMPSON of Pennsylvania. Well, I thank the gentlelady. Just the fact that we have, as our good friend from Florida pointed out, there are many nations across the western world that are working very hard to put their fiscal house in order. They have actually recognized that they have to stop the spending. They have to stop the borrowing. They can't be levying these tremendous taxes on the shoulders of their citizens. They have taken a better path, a path of fiscal responsibility.

Yet in this Congress, with our President, that's not a path we have taken. He went to the G-20 trying to encourage the other world leaders to spend more, to spend their way into prosperity. And really what you do when you spend too much, you spend your way out of prosperity. And, frankly,

this is a country that we have always been the most prosperous Nation in the world, and we are on the wrong path to sustain that. That's something we need to change.

You know, when I travel home, people talk about the spending, they talk about the borrowing, they talk about the taxing. And the thing that they talk about most as a result of that is the word "uncertainty" and how this has created uncertainty within our economy. There are over 20 million small businesses in this wonderful Nation of the United States of America. And these small businesses were created and are grown by entrepreneurs who are willing to take a risk. They work hard, they work long days, they work most days. And many times they do that and take no revenue for themselves. They reinvest in their business to grow the business and grow more jobs and create jobs, family-sustaining jobs.

But today, because of the policies we've seen over the past 18 months, they choose—they are uncertain. They don't know what's coming next. Is it more health care mandates? Is it a premium on energy under cap-and-tax, cap-and-trade? Is it more taxes levied on small businesses? You know, many small businesses are organized as limited liability corporations in such a way that they have been the victim of the increased taxes that this Congress, the Democratic majority, has passed in the past 18 months; the burdens, the tripling the size of the Environmental Protection Agency, agencies such as that that put tremendous regulatory burdens on our job creators.

□ 1850

Well, this uncertainty has created—these folks are, you know what? They're sitting on the sidelines today because they're afraid of what's coming next. As opposed to being a company, an organization, that normally would take a good portion of their profits—and that's not a bad word; that is a good word—and reinvesting those profits—instead of taking those profits, they reinvest them in their company and grow the company; they buy new capital; they build new facilities; they hire more people—they're not doing that right now, and that's why any kind of an increase that we're seeing in rebound in unemployment, which obviously isn't much because we're just under 10 percent, it's been public. It's been all those temporary jobs of the census workers. It's been temporary jobs sustained by the stimulus. And yet the private sector has really been suffering under uncertainty, and the American people deserve better.

I just thank the gentledady for hosting this hour this evening.

Mrs. LUMMIS. I thank the gentleman from Pennsylvania for joining me.

You've been hearing about our concern that this year, for the first time since we had the Budget Act in 1974, we are not going to pass a budget in the U.S. House, and it's because the majority party does not want the American people focused on how serious the situation is, how huge the gap is between the revenues we take in and the amount of money we're spending.

Imagine a Congress that gets together and is more excited about reducing spending, saving money, finding efficiency, reducing the debt, cutting the deficit, and celebrating it with the American people, in concert with the American people. Imagine going to a tea party where everyone is celebrating the fact that for the first time ever the Federal Government cut spending. That's going to be something to celebrate. That will be something to be proud of.

You can help with it. Go to americaspeakingout.com; go to YouCut, give us your ideas. Let's build the momentum so this Congress can celebrate with the American people the return to a more stable, vibrant, robust American economy, driven by the American people. The American people are still in control of this country. It can get really discouraging sitting around here voting and getting defeated on vote after vote after vote. That's been happening to me for the last 18 months. But the great reward is I know the American people are in control, and I thank you for the opportunity to discuss these issues with you this evening.

TOO MUCH GOVERNMENT CONTROL

The SPEAKER pro tempore (Mr. CRITZ). Under the Speaker's announced policy of January 6, 2009, the gentleman from Iowa (Mr. KING) is recognized for 60 minutes.

Mr. KING of Iowa. Mr. Speaker, it's a privilege to have the opportunity to address you here on the floor of the House, and a lot of subjects come up here. About every imaginable thing has been debated here on the floor. I've listened to a lot of the dialogue that's unfolded in the previous hour, and I appreciate my colleagues' presentation or discussion of especially the economic and the spending situation, the dire straits that America is in.

And it seems ironic to me, Mr. Speaker, that about a year ago, in fact a little more than a year ago, I sat in the office in Berlin just outside Reichstag and had a conversation with the Chancellor of Germany, Angela Merkel, who made the argument to us that the United States is spending too much money, that the financial crisis—this, I believe, was actually February or March of 2009, and she made the argument that the solution for our economic crisis was not the Federal Gov-

ernment spending more money, Mr. Speaker, but it was about some targeted tax cuts that they had provided for their socialized economy.

European socialized economy, government-managed business, public-private partnerships, that's been some of the problems as to why they haven't had the economic vitality that we've had in the United States, and still as this financial situation unfolded, brought to the American people's attention about September 19, 2008, before the Presidential election I might add, and these discussions were taking place in February and then again in May of 2009 with representatives of the European Union and the leadership over Western Europe, whom I've often been critical of because they didn't let free enterprise flourish, had too many government regulations, had too many taxes, and because of that their economy was bogged down. Entrepreneurs weren't allowed to have the prosperity that they would have in the United States. Our economy grew, their economy stagnated, and that's what we've seen unfold over the last generation or so in the economic comparison between Europe and the United States.

But I found myself in the improbable position of listening to the leadership of the European Union and Western Europe lecture Americans that we should spend less money, not more money. Their plan, I believe, was \$480 billion altogether, \$400 billion in loans and \$80 billion in targeted spending. And the advice was America needs to hold down the spending and we need to adopt a more fiscally responsible budget, spend less money, provide less debt, and not this pass on to the next generations.

Well, that was a year and several months ago when this began, Mr. Speaker, and during the last couple of weeks, we've heard that lecture again from the same person, Angela Merkel of Germany. I'm glad she's making this case. It ought to hit home to our President of the United States. It ought to hit all of us here in this country that we in America, this Congress, over my vociferous objections and that of many of my colleagues voted "no" on a \$700 billion TARP fund and voted "no" on a \$787 billion economic stimulus plan, and in the middle of that, while it was framed, we watched the government takeover of the three large investment banks and AIG and Fannie Mae and Freddie Mac and General Motors and Chrysler and the student loan program. We watched the nationalization of our skin and everything inside it in the form of ObamaCare, and the government has now subsequently, within that list that I've just identified, swallowed up over 50 percent of the former private sector activity of our economy and more to come.

Financial services, reaching out to tap in and regulate every credit transaction in America and setting up

boards and a whole new regulatory shield, another layer of regulation for our financial institutions, for our large banks, and to a lesser degree, for our independent banks and smaller banks, but not for Fannie Mae and Freddie Mac where a lot of this problem came from, where the taxpayers of the United States now assumed a \$7.5 trillion contingent liability if Fannie and Freddie should go under. We've dumped billions into them, \$40 billion to \$50 billion comes to mind perhaps for each. And if they should become insolvent, the American taxpayers have to keep dumping money into Fannie and Freddie to prop them up because they're part of the takeover where they used to be private. At one time, Fannie Mae and Freddie Mac were private. Then they were quasi-government. Now, they're completely under the ownership, management, or control of the Federal Government.

All of this has taken place in the last year and half or a little more. We watched it happen. I've argued against it every step of the way, so have some of my colleagues, and quite a number of my good, reliable colleagues have come to the floor, Mr. Speaker, and made this case, made it over and over and over again.

But this situation that Europe has where they have loaned money to each other, the economy of Greece has gone down and been propped up by the European Union, and the economy of Spain has the highest unemployment—I think Greece might have eclipsed them, but for a long time Spain had the highest unemployment in the industrialized world. Their economy is wobbling. Ireland's economy is wobbling, and the European Union countries have loaned money to each other. It's almost like being in a poker game.

And let's just say that, because of all the overhead that's taken out by government, all the regulations taken out by government, if you all sit down in a poker game and the house takes, let's say, 45 percent of every pot, sooner or later the people sitting around the table that are trying to exchange those dollars are exchanging IOUs instead because the house has taken the money.

□ 1900

Government has swallowed up too much of the proceeds of the private sector, and then they have loaned money to each other, and the United States is borrowing money from around the world. In fact, the amount of money that is borrowed from the Chinese is now approaching \$1 trillion. And, yes, Americans have invested into American debt. But this debt is too hard a burden for us to carry.

I put a polling question up on my Web site. The news is full every day of the environmental calamity in the gulf and it goes on every day, and it is sad, and it is tragic, and I think we should

turn all our efforts to shutting off the leak and cleaning up the mess, Mr. Speaker. But I asked in the polling question, what is the greatest threat to America, the gulf oil leak or the debt and deficit that this country is carrying? And about 80 percent of the respondents in the poll will say the debt and deficit is a greater threat to America than the gulf oil leak.

That gives me encouragement. That tells me the American people are on target here; that they understand the priorities and they understand the long-term implications of the debt and the deficit that we are carrying now in this economy.

But, Mr. Speaker, those are some of the issues that pick up on the previous speakers within the previous hour, and some concerns come to mind also aside from the economics. And perhaps I will come back to the economic side of this, but I think we need to talk about the rule of law for a little while here tonight.

I often come here to this floor and talk about the pillars of American exceptionalism, those essential components that have made America great. And I have listed them: Freedom of speech, religion, assembly, the right of the people to peaceably assemble and petition the government for redress of grievances, the right to keep and bear arms, which thankfully just this week the Supreme Court has reinforced.

First the Heller case established that it is an individual right to keep and bear arms, and in the case that was settled just this week, I think just yesterday is when the news came out, is that the Second Amendment, the right to keep and bear arms, affects not just the reach of the Federal Government to diminish the gun ownership rights of its citizens, but also the Second Amendment is guaranteed to protect the citizen's right to keep and bear arms from the reach of any political subdivision in America, whether it be States, municipalities, counties, whatever the political subdivisions are.

So the Second Amendment has been established and strengthened twice within this last half a decade or so, first the Heller case and now the case that came out this week. The Second Amendment is another pillar of American exceptionalism, because we know an armed population can defend itself against tyranny.

So the pillars of American exceptionalism being freedom of speech, religion, and the press; the right to peaceably assemble and petition the government for redress of grievances; the right to keep and bear arms shall not be infringed, and we will go right on up the line within the Bill of Rights. Some of them, including the rights to property, which have been subverted by the Kelo decision, and I hope one day that decision is overturned by a Supreme Court that is

more prudent and the past Supreme Court that made that decision; the protection against double jeopardy and the right to be tried by a jury of our peers—the list goes on. But most of those pillars of American exceptionalism are within the Constitution and the Bill of Rights.

There are a couple of other components that are part of American exceptionalism that are not defined in the Bill of Rights or the Constitution, and that is something where one of them, one of them, Mr. Speaker, is enshrined in the flashcards that are produced by USCIS, the United States Citizenship Immigration Services. These flashcards rights are little training cards, like you would imagine or see in a classroom that you can learn off of. The flashcard that says 2 plus 2, you snap it over and it says 4; 4 plus 4 is 8; and the list goes on.

But the flashcards for learning to become a naturalized American citizen ask simple questions, questions that you would need to know the answer to if you were going to be a naturalized American citizen. And it would start with, who is the Father of our country? And you flip the card over, George Washington. Who emancipated the slaves? Abraham Lincoln.

Question Number 11, I believe, is, what is the economic system of the United States? Flip that card over, and on the other side it says free enterprise capitalism, Mr. Speaker. The economic system of the United States. That is a pillar of American exceptionalism.

If we didn't have free enterprise capitalism, we would not be a great nation. Our economy could not have competed with that of the rest of the world. We could not have built the industrial giant that supported our people and our troops and the military around the world to win World War II. We would not have emerged as victors in World War II without free enterprise being a driving force that let the industry in America fulfill and supply the demand that we had for 16 million mostly men and also women in uniform in World War II.

We went all over the world with our economy, with our people. We brought American products everywhere in the world. There was a chance for profit. Our factories were running at a fever pitch day and night. We were building bombers and tanks and ships and parachutes, and we were providing supplies for a lot of the rest of the world whose industry had been destroyed. And at the end of World War II, we were the only industrialized country in the world that had an intact industry.

And the dollar was golden. The greenback was strong. It was a silver certificate at the time. And we saw American culture, American values, and American products spread all throughout the world. We provided a large share of the world's manufacturing and industry, and a lot of that

was driven because we maintained intact that pillar of American exceptionalism called free enterprise capitalism, that freedom to produce and earn, and, yes, get wealthy, if you can figure out how to do it, keep some of what you earn, keep a lot of what you earn.

And, by the way, the unemployment rate at the end of World War II in this country was 1.2 percent. And when people argue that we have been at historically low unemployment levels and argue that 4.6 percent is that, or that that is a normal unemployment level, I point them back to the lowest level that we have seen in history, 1.2 percent at the end of World War II. And then the number went up when a lot of our soldiers came home.

But free enterprise capitalism is what has driven the industrialized might of the United States. It has driven our military. It has taken our culture around the world. The desire to trade and market and profit from it has taken the American culture everywhere in the world. Free enterprise capitalism is an exceptional pillar of American exceptionalism.

And another one of those pillars of American exceptionalism is a legitimate, legal immigration system. The Constitution requires that Congress establish a uniform immigration system, so Congress is to do that. And I would say we have done that. It is uniform. It is consistent with the Constitution. We have an Immigration Reform Act that was passed here in this Congress in 1996 and signed into law. We need to have an executive branch that will follow the law.

But the beauty of America's immigration system has been that, up until the last generation or so, maybe the last generation-and-a-half, Mr. Speaker, it has been difficult to come to the United States of America. And the legal system that we had actually screened people out, those who came into Ellis Island, the millions that came into Ellis Island. And I can think of one day that set the record: 11,757 came through the great hall at Ellis Island on, I think I can remember the year and the date, April 15, 1907. A massive number, just like 11,757 people through there. But day by day by day they came through.

About 2 percent of those who had actually been screened before they got on the ship to come to the United States, to immigrate into the United States, even though they were screened, they were screened for good health, for sanity, so-to-speak, they were screened so they had an ability to take care of themselves, they arrived here in the United States of America.

America a century ago was a meritocracy. We didn't have a welfare system that had at this point evolved into a welfare state. It was a meritocracy. We wanted people that

were physically healthy, mentally healthy, able to come here and get a job and go to work or start a business and sustain themselves and provide for themselves.

□ 1910

They were screened by conditions that we had then before they got on the ship, generally in Europe at that time, and they were screened again when they arrived at Ellis Island. They were checked physically. Sometimes, yes, they were rushed through. But even though they were screened before they came, about 2 percent were sent back to their home country because they didn't meet the standards here in America.

But almost all of them who came to the United States, almost all of them aspired to the American Dream. And many of them may have believed that the streets were paved in gold and gotten here and were disappointed to find out they were actually paved in dirt, dust, mud, sometimes cobblestones, sometimes horse manure. It wasn't quite the beautiful place that was advertised on the brochures in Europe, but they came. And some of them went back voluntarily because they didn't find the promise that they thought they had.

But all of them had a dream—almost all of them had a dream. And they shared the American Dream. And when they came here, they brought with them the dreamer's vitality, the dreamer's energy, the dreamer's stick-to-it-ive-ness, and the conviction that they could start up a life for themselves, make a life for themselves, and leave this world a better place for their children than it was for them. It's always been an embodiment and a component of the American Dream.

So the legal immigration that came to America did this, Mr. Speaker. And this is the verbal definition of one of the pillars of American exceptionalism—legal immigration skimmed the cream of the crop off of every donor civilization that sent people to the United States. When that happened, we got their vigor, we got their dreams, we got some of their capital, we got all of their work, and we've got their descendants that grew up here in America with that same dream.

And even though it might have been first generation immigrants that might have lived in a shantytown and worked in a boiler factory somewhere, they worked to make life better and they pushed their children to get an education and they taught them that America has embraced us and we have our freedom, we have our liberty here. And you need to defend our country and go out and make sure that you're going to grow up in a better opportunity than the first generation had, and make sure the third generation has more opportunities than the second

and the fourth generation more opportunities than the third. And so on and so on.

And so it has been. It's been true with family after family, generation after generation. And it's embodied in a way in my family where I have a grandmother that came from Germany. She raised six sons and a daughter. Of those six sons, five of them put on the uniform to defend our country. Some of them went back to Germany in the Second World War. One was wounded at the Battle of the Bulge. My father went to the South Pacific. They didn't hesitate. They didn't hesitate to go take on the country that their mother had come from. They knew and they believed that they owed this country a debt of gratitude, and they demonstrated it. And that's part of the greatness of America, too.

But that pillar of American exceptionalism, that vitality of the Americans that come here infused with the generational tradition of that vitality, and the multiple generations, has been a significant part of American exceptionalism. And I look at the roots of these causes for American exceptionalism, and I often take this back to the Age of Reason in Greece and Roman law and how the knowledge base that was established by rational thought in the Age of Reason in Greece and the Roman law found its way through the Dark Ages and emerged in the Age of Enlightenment, the English-speaking component of the Age of Enlightenment, to be specific, Mr. Speaker.

As those qualities arrived here in the New World, in America, at the dawn of the Industrial Revolution and a continent that had at that time conceived only unlimited natural resources, low taxation, no regulation, a concept of manifest destiny, of having been the beneficiary of the Age of Enlightenment at the dawn of the Industrial Revolution and had the foundation of our Judeo-Christian values arrived here with those immigrants—most of them; that foundation of value system that comes from the birth of Christ and the redemption that comes with Christ and 1,500 years later also the Protestant reformation and Martin Luther that taught the Protestant work ethic that was picked up by the Catholics. And the Catholics did pretty good with the Protestant work ethic, is my point, Mr. Speaker.

So we've seen this vitality in this giant petri dish of America every component that we can imagine that has been positive has been here in this country, put here by providence—the natural resources, the understanding of the Adam Smithian component of economic theory, the supply and demand invisible hand component of economic theory, the Age of Reason from Greece and the Roman law that found their way through the Dark Ages and

emerged as the Age of Enlightenment, all here in the United States of America. It was unlimited natural resources that go along with it.

Those components, driven by the vitality of the immigrants that have come here, have been essential to this Nation rising through the challenges of the ages and facing off against the world when we didn't see ourselves as a world power. We didn't see ourselves as a world power when we found ourselves in the Spanish-American War. And so we have the legacy of that that exists today. Puerto Rico is one of those components. The Philippines is another. That goes around the world pretty well.

We didn't view ourselves as a global power, but we had a global reach after having had the Maine sunk in Havana Harbor. America had a global reach. Even though we didn't, again, see ourselves as a global power, we got in at the tail end of World War I and made a difference and changed the balance. And now we were a player in the world that needed to be contended with. It's not to go out and find a war to do that. They came to us because we had to defend the liberty and the freedom in the world and align ourselves with people that believed in the same values.

And a generation after World War I, along came World War II. Now, that was a cataclysmic conflict where tens of millions died, and America emerged as the world power and the dominant force in the world until such time as the Cold War began. And even then, 45 years of the Cold War, a Cold War that started I think we can see it with the Berlin Airlift, which the anniversary of it just began a few days ago, but the United States stood strong and we faced off against the Cold War and the Soviet Union, and there was a game going on, a very high-stakes, life-or-death game; even a life-or-death for the planet game going on.

And at the end of it, in about 1984, Jean Kirkpatrick, as Ambassador to the United Nations appointed under Reagan, had stepped down from that post, and she said as she stepped down—and this will be a paraphrase of her quote, Mr. Speaker. She said, What's going on between the United States and the Soviet Union—speaking of the Cold War—is chess and Monopoly on the same board. And the only question is: Will the United States of America bankrupt the Soviet Union economically before they checkmate us militarily?

That race was going on and the Soviet Union was seeking to build more and more missiles to try and gain an advantage that would cause us to have to concede to them or capitulate on foreign policy, at least, at a minimum; but Ronald Reagan came in and pushed the resurgence of our national defense, built the missiles back up again, and in the process of doing so, November 9, 1989, the Berlin Wall came down.

That's the power of an economy and the power of an ideology over a managed economy, a communist economy, a central command economy. That's the power of it all, Mr. Speaker. This country has been a powerfully strong superpower in the world and the only unchallenged superpower in the world in the aftermath of the Wall coming down on November 9, 1989, and subsequently the implosion of the Soviet Union. It took it about another year and a half to finally get itself wound down.

But we are standing here as the unchallenged superpower in the world in significant and essential part because we have a free enterprise economy. Well, we had a free enterprise economy, and now we are getting a managed economy that's someplace over there. It looks like it's to the left of Europe.

They're lecturing us, Don't spend too much money. They didn't argue we shouldn't do so much nationalization. They're guilty of that, too. But there have been a lot more dollars' worth of private sector economy nationalized by this President than by Hugo Chavez. And that's not a stretch, Mr. Speaker. It's simply a fact that as Hugo Chavez is blown away by tens of millions, hundreds of billions of dollars.

And how do we get this economy back? I'll submit that it isn't going to happen under this President. President Obama is not going to let go of companies that have been taken over by this Federal Government. I asked the question of the Secretary of the Treasury, under oath, and actually I presented it in a written form because we ran out of time in the hearing. The question is, President Obama was elected at least in part because of his challenge to President Bush for President Bush allegedly not having an exit strategy in Iraq.

□ 1920

We've all heard that. That rhetoric is old and we've forgotten about it, but it's back there, and the RECORD is full of it, Mr. Speaker.

So my question to the Secretary of the Treasury, Tim Geithner, was: If the President has been elected in part for his criticism of President Bush for not having an exit strategy in Iraq, what is the exit policy for the Obama administration to divest themselves from the takeover of the banks, insurance companies, Fannie and Freddie, the car companies that I have listed here earlier in this dialogue, Mr. Speaker. What is their strategy for divesting themselves and giving the private sector back to the private sector? The answer that I received—and granted, they're buried, and they're probably short staffed. They took a couple of months. I will give the Secretary of the Treasury credit. At least he answered my letter. Often I don't get letters from the other Cabinet members that

we have. And the answer essentially was this—a couple of months to get the letter back, a seven-page letter, and it boils down to: He would know when the time was right to divest the Federal Government from the ownership, management or control of these entities that have been nationalized. He would know when the time was right. There is no written criteria, and he could make the decision then at the right time. In other words, it's really not your business. I'm not going to write down a formula. We may or may not have an intent to divest the Federal Government from the banks and AIG and Fannie and Freddie. They don't intend to let go of Fannie and Freddie. Fannie and Freddie have an implicit guarantee—actually, it's now a specific guarantee. The taxpayers will bail them out. They are not covered in this financial regulatory reform bill, the Barney Frank/Chris Dodd bill that's designed to solve our economic woes.

I have looked down through some of these things that are not very well known about what's in the financial regulatory reform bill. Out of the House, we know it as H.R. 4173. We know that there is a conference report. They found out that even though the best judgment of the conference committee produced a result, the votes aren't there. So they're going back to change the conference report and see if they can find the votes to get it passed. I am troubled a little by the procedure, Mr. Speaker.

But here are some things that are in it, and they're not likely to come out. I want to speak to the issue of the focus on special provisions for women and minorities that are in the bill. Now I point out, Mr. Speaker, that I've dealt with this for a long time, with set-asides and had to compete against provisions that are written into Federal contracts as set-asides. I have spent a lot of my life as a contractor doing site development work of all kinds, earthmoving, pipe, concrete work, underground work, demolition work. We would do some seeding, some fencing, those kinds of things, and some concrete work.

I bid a lot of contracts in my professional life, and I can think of one in particular that I will use as an example. The Federal Government has set aside special components. Sometimes a contract is set aside for women or minorities, and no one else can bid it. Now, I had a small company, and I had to start from scratch. I didn't have any capital to begin with. I actually had a negative net worth of \$5,000. I convinced a banker to loan me enough money to buy me an old beaten-up bulldozer, and then I started to work. So I had to build capital with sweat equity and moxie and anything else that could be done that was legal and moral and ethical. I tried to outwork my competition and outsmart my competition and slowly build up an operation

where I got a second machine, a little capital, another machine, hire another man, buy another machine, hire another man, and get some capital underneath me to get to the point where I could bond these projects. And there are a lot of sad stories along the way. It's a very difficult thing to build the capital to be able to bid some of these projects.

But all the way along the way, I knew that I was disadvantaged. Big money had a big advantage over on me. The people that were wired in and entrenched, they had a significant advantage over me. I was trying to crack into that without the capital, was short on equipment, short on manpower, strong on ambition, willing to work and work longer and harder hours than anybody else would. But the deck was stacked against me. That's why there aren't a lot of people in the business, because the system and the structure is set in such a way with capital requirements, it's capital intensive with equipment and meeting the regulations for employees, et cetera. So I know how hard that is.

But I would need a project that fit our equipment. It needed to be smaller projects. When it got into the millions of dollars, we didn't have the ability to bond that, especially in the beginning. And so I needed those projects that were down there—\$100,000 project, \$3,200,000 project, maybe a \$300,000 project. And so I would look for the bid notifications to pick up those projects that fit the things that we could do, that were small enough that we could bid the project. And quite often, I would draw a set of plans and there would be a provision on there that would say "minority set-aside." I couldn't bid the projects because it's a project set aside for a minority or maybe a woman-owned business or sometimes either/or. And I have gotten a little sensitive to this.

I recall a larger project. When I got to the point where I could bond the larger projects—and this is a lifetime of work to get to that point, by the way. And I drew a set of plans for a sewer lagoon project in a city, and I remember right where it is and a lot of the details of the specs. But I was familiar with the engineering firm, familiar with the specifications, so I sat down to put the project together. I spent 4 days getting quotes from suppliers and subcontractors, calculating the volume and the quantities that are there, putting the bid together as best I knew, looking at the project and negotiating to make sure that I drew all the best bids that I could from subcontractors, all the best bids that I could from suppliers. And when I put that together, a man has an honorable responsibility to honor the low bid. I'm bidding for a low bid. The people who bid to me as subcontractors and suppliers, I want their best bid. I want

their low bid, and I will honor it, and I will keep it confidential until such time as the bids are opened. That's the standard that needs to exist in the industry.

So I spent 4 days doing that. I got my numbers all together. And right before it was time to submit my bid, I gave one last read through the specifications, and in there, it said that there was a percentage of set-asides for minority contractors. I looked—and I think I could guess at the percentage, but I probably better not guess. It is not a large percentage. I will say under 20. But to find a minority contractor that would do a small part of that project—even if I handed it to him—was an impossibility. I went to the list of contractors. I worked the phones. I called other people that I knew, suppliers and contractors, and said, Where is somebody out here that can do the seeding or the fencing or the riprap work or take on any component of this job, any part of it? Is there somebody that can, somebody that will? The answer was no. There was nobody that could be found. And I had to take that 4 days' work and just toss it in the trash and forget it because it was set aside for minority contractors, the component of it was that I couldn't meet.

Now, if somebody was a large construction company and they had an especially established minority contractor that they used to plug in to those circumstances, they had a bidding advantage, and those types of situations got set up. They got set up in part because the government created a false demand, and we couldn't find people that would do the job, and so there were sometimes contractors set up that didn't have a desire or a knowledge. They were just a straw man that was used to meet regulations.

□ 1930

I recall a project that was about \$5 million in asphalt paving. There was a minority set-aside on the project for a percentage of the project that came to a number, I'm going to guess that number was around \$250,000 to \$300,000 of that needed to be set aside for a minority contractor. They got bids from a couple of minority contractors who know they can inflate their prices because they're only competing against each other. And at the end, the prime contractors, the asphalt pavers, had to take the one minority contractor and add \$100,000 to his price because they didn't have enough dollars to meet their requirement that was set up by the Federal Government.

So think of what it would be like if you came in and did bridge railings or bridge approaches for large paving projects and you were a minority contractor and you could write your own ticket, and your conscience wouldn't let you write that ticket any higher. You'd priced that out.

And then to have them say, well, I'm going to take your bid for \$250,000 to do the bridge railings and the approach here, even though it's half again more, maybe twice as high as the going rate would be if it were bid competitively amongst the other folks in the business. And I'm going to take your price.

And they wouldn't even tell the minority contractor, they would just put the bid in. They'd add the dollars they needed to it. If they got the job they'd have to go to the minority contractor and say, we added another \$100,000 to your price because we needed to have the percentage that's required by the Federal Government. An extra \$100,000 above the asking price.

These are projects that I've worked with that I know, having been involved in them as another bidder on these projects.

So, imagine getting 10 jobs a year like that and being handed a million dollars extra more than you asked for because there's a set-aside. Now, whatever that does to destroy the work ethic and the professionalism of the minority contractor, it is a cheat on the American taxpayer, and it's got to end.

And yet, I lay all this backdrop on here because, Mr. Speaker, I've got the sheet on what happens with the Barney Frank-Chris Dodd bill. It establishes an Office of Minority and Women Inclusion. They will be an agency responsible for diversity in management, employment, and business activities.

Now, I think we ought to have equal opportunity. I've stood up and defended equal opportunity, and my voting record in this Congress is more consistent with equal opportunity than anyone I know, certainly anybody on that side of the aisle because they vote for preferences. These preferences, Ward Connerly and I agree, Proposition 209 in California, I have sought to establish that as part of the law of the land in the state of Iowa, where I believe that the State shall not discriminate against nor grant preferential treatment to any individual or group on the basis of race, creed, color, ethnicity, or national origin. I believe that would be very close to a verbatim quote of title VII of the Civil Rights Act and Proposition 209 in California. The result of that, Ward Connerly's great work in California, in 1995, when they passed Proposition 209 they had quotas. They had set-asides. There was an Asian quota at the University of California Berkeley. They wanted to make sure 12 percent of the students were Asian.

Well, Mr. Speaker, 5 years later, after the constitutional amendment in California lifted and ended the preferences, the student body at the University of the California Berkeley was 46 percent Asian, not 12 percent. I think that's a good thing, Mr. Speaker. I think it shows how merit rewards people. And

maybe it started out in the beginning that there would be a 12 percent quota, a racial set-aside for Asian minorities at the University of California Berkeley or any place else out there in California for that matter. But it got turned on its head by the ambition of the people. And when the cap came off and the Constitution protected the merits of the individuals so that no one would be discriminated for or against, shall not discriminate against or grant preferential treatment to any individual or group on the basis of race, creed, color, ethnicity, or national origin. That is a beautiful statement. It's legally sound. It's rationally sound. It's morally sound. And it's consistent with America because it rewards merit. And it says, you will have an equal opportunity with everyone in this country, and no one shall discriminate against you, and no one shall discriminate in your favor either. Equal opportunity. Compete in the marketplace.

Well, this Barney Frank-Chris Dodd financial regulatory reform bill does anything but that, Mr. Speaker. It provides this Office of Minority and Women Inclusion.

If anybody's wondering what the effect is, when you pass legislation that says, this legislation shall be set aside, these assets of America shall be set aside, these taxpayers dollars that are borrowed from the labor of our grandchildren shall be set aside for women and minorities, do you know what that says, Mr. Speaker?

In a rational world, the Greeks would have understood this. They would have probably written it in Greek, but it would have said anybody but white men. That's what the definition of women and minority set-asides are. They're set aside for anybody but white men. Now, nobody wants to say that out loud, but this legislation is replete with this language. Women and minorities, women and minorities, equal employment opportunity, and the racial, ethnic, and gender diversity of the workforce and senior management. The gender diversity of workforce. The racial, ethnic, and gender diversity of the workforce.

Now, they know they can't do this by law. They know that the Supreme Court has ruled that it has to be, in the case of the two cases of Michigan, it can't be a formula. It can't be a quota set-aside formula. It has to be an individual evaluation if they're going to be able to allow for a bias in favor of a particular minority that they might define. And even though her last dissenting opinion I agreed with strongly, Justice O'Connor's, and that was the Kelo decision—I found myself on exactly the same page with Sandra Day O'Connor, I completely disagreed with the concept that she wrote in the majority opinion in the Michigan case, or cases, but the one that I'm thinking of is when she wrote that we could per-

haps go back and revisit the equal protection clause of the Constitution in 25 years, and maybe our society would have matured to the point where we wouldn't need to have a built-in, let's say a built-in diversity quotient.

Well, you don't correct an injustice with another injustice, Mr. Speaker. Two wrongs don't make a right, to put it in simple mother-to-son language or mother-to-daughter, father-to-daughter language. Two wrongs don't make a right. You don't correct an injustice with another injustice.

But equal opportunity, Martin Luther King's dream, that's consistent, logically, morally, legally. And this bill that is now back in conference to be reshaped to try to get the votes to get it to pass, violates many of those rational principles that I think are the purest principles of America; equal opportunity under the law.

This bill provides for and requires increased participation of minority-owned and women-owned businesses and programs, and in contracts of the agency. Increased from what I don't know, but it has to be increased. And it requires that they develop standards to maximize standards and procedures to ensure—this is interesting language—to the maximum extent possible the utilization of minorities, women, and minority-owned and women-owned businesses, and all businesses and activities at all agency levels. It requires each agency to take affirmative steps to seek diversity. Okay. I'm actually pretty good with that. I think that message should go out there. I think there should be ample opportunity for all people to apply for contracts and jobs. That part is all right. They want to partner with the inner city which is, of course, a code word. And as I look down through this, it reads and drips through with politically correct language. It says at the conclusion here, it says section 113, the regulation of certain nonbank financial companies.

And again, Mr. Speaker, this is the Barney Frank-Chris Dodd bill. Those two fellows that have put this together, they didn't find a way to put any regulation on Fannie and Freddie. But their bill, under the section 113 regulation of certain nonbank financial companies, it says, the council, the regulating council, should consider, and I'll quote: "The importance of the company as a source of credit for low-income, minority, or underserved communities and the impact that the failure of such company would have on the availability of credit in such communities." And that means, when determining whether a U.S. nonbank financial company shall be supervised by the board of governors and subject to prudential standards.

In other words, this importance of the company as a source of credit for low-income minority and underserved communities, and the impact for the

failure of such company, it means the government's going to look differently at these companies if they are serving a minority community, which means their capital requirements are likely to be less. Their regulatory requirements are likely to be less. They will give special consideration; it will not be a balanced, even hand of government. That's essentially guaranteed with the language in this legislation.

This justice is not color blind. This lady justice is not color blind. And it's written into the law to give preference.

And so, what it means is, when I read the language, U.S. nonbank financial companies shall be—let's see—when these conditions, when determining whether a U.S. nonbank financial company shall be supervised by the board of governors and subject to prudential standards. We also know this legislation allows for the Federal Government to determine which financial institutions go into receivership, the standards by which they may set the conditions of that receivership, they can determine the successor owner.

□ 1940

So if a financial institution should be shaky or deemed shaky, then the Secretary of the Treasury, with the assent of the FDIC and the Fed, can close down an institution, they can turn it and sell it, they can take it over themselves and run it and operate it as a federally operated institution simply by determining that.

Maybe it's not too big to fail, though they may make that determination, too; but it might be an agency, a company that is essential to the low-income communities, low-income minority or underserved communities. That gives them the latitude to treat it differently than any other financial institution.

When government gets involved, huge money gets lost. And when liberals get involved and progressives get involved, huge principles of liberty and freedom are sacrificed away to try to reach some kind of a formula of what they think that America should be like.

Martin Luther King never asked for this. I have read almost every one of his speeches, and many of his writings. I heard all of it. I can think of nothing in his writings or his speeches that I disagree with. He stuck to American principles. But this Congress under Pelosi leadership, this President has not stuck to American principles. They have gone all the other way to driving America off the abyss, into a managed socialist economy, and trying to write formulas in here where they pick winners and losers, and giving the Federal Government the authority to shut down or subsidize or set the price on financial institutions. All of this is anathema to America and the American Dream.

We can't have this vitality of this country if we are going to have the Federal Government controlling the movement of our lives in this fashion, writing prescriptions for equality of results, and granting bureaucrats and actually charging bureaucrats with an obligation to produce equality of results as opposed to equality of opportunity.

You know, it's the outreach part I don't necessarily object to. Go ahead and do the outreach. Let the people know in the majority minority colleges that there is jobs and opportunities out there. Take it out there where they can hear it and understand those opportunities. But don't hold it away from the other institutions either. But this President has driven an agenda that pits Americans against Americans.

And I think, Mr. Speaker, that given the time that I have left I would transition into this. It's a case that I have raised over and over again. It's one I am committed to continue raising, and that is apparently the White House has given an order of more than a year ago to the Justice Department to cancel the prosecution in the most open-and-shut case of voter intimidation in the history of America. I have spoken about this before on the floor; I have spoken about it within the media. I have tracked this case, and I know a little about it.

The story I am looking at, though, is in yesterday's Washington Times. Monday, June 28, 2010, the Washington Times. The title of it is "Inside the Black Panther Case." The subtitle, "Anger, Ignorance and Lies." This is an article written by J. Christian Adams. He writes about the New Black Panther case.

Now, to lay the backdrop and the image for this, many of us have seen this on YouTube. In the elections of 2008 in Philadelphia at a polling location, the New Black Panthers were organized there, and allegedly in other places. These New Black Panthers are not like the old Black Panthers. These are, I think, more dangerous than the old Black Panthers. But they were there in paramilitary uniforms, including berets, standing in front of the polling place, with a billy club in their hand, smacking it in their hand, and intimidating voters that came in, calling people crackers and many other intimidating components of language.

We've seen that video on YouTube. This is the most open-and-shut voter intimidation case in America, and I will say in the history of America because we didn't have a voter intimidation law until the Civil Rights Act was passed in 1965.

So this article, written by Christian Adams, who has just resigned as an attorney, he is a lawyer based in Virginia, and he served as a voting rights attorney at the Justice Department until this month. And so we have J.

Christian Adams wrote this article into the Washington Times. And, Mr. Speaker, I am going to seek to put it into the RECORD:

"On the day President Obama was elected, armed men wearing the black berets and the jackboots of the New Black Panther Party were stationed at the entrance of a polling place in Philadelphia. They brandished a weapon and intimidated voters and poll watchers. After the election, the Justice Department brought a voter intimidation case against the New Black Panther Party and those armed thugs. I and other Justice attorneys diligently pursued the case and obtained an entry of default after the defendants ignored the charges. Before a final judgment could be entered in May of 2009, our superiors ordered us to dismiss the case.

"The New Black Panther case was the simplest and most obvious violation of Federal law I saw in my Justice Department career. Because of the corrupt nature of the dismissals, statements falsely characterizing the case and, most of all, indefensible orders for the career attorneys not to comply with lawful subpoenas investigating the dismissal, this month I resigned my position as a Department of Justice attorney."

I continue the article by J. Christian Adams, former DOJ attorney: "The Federal voter intimidation statutes we used against the New Black Panthers were enacted because America never realized genuine racial equality in elections. Threats of violence characterized elections from the end of the Civil War until the passage of the Voting Rights Act in 1965. Before the Voting Rights Act, blacks seeking the right to vote and those aiding them were victims of violence and intimidation. But unlike the Southern legal system, Southern violence did not discriminate. Black voters were slain, as were the white champions of their cause. Some of the bodies were tossed into bogs, and in one case in Philadelphia, Mississippi, they were buried together in an earthen dam."

Temporarily close quote and point out the irony of the brutal tragedy in Philadelphia, Mississippi, and I have been there, Mr. Speaker, and the New Black Panthers intimidating voters in Philadelphia, Pennsylvania, the City of Brotherly Love. Philadelphia, Mississippi, Philadelphia, Pennsylvania, City of Brotherly Love, billy clubs, calling people crackers, scaring them away from the polls.

I will continue with the quote: "Based on my firsthand experiences, I believe the dismissal of the Black Panther case was motivated by a lawless hostility toward equal enforcement of the law. Others still within the Department share my assessment. The Department abetted wrongdoers and abandoned law-abiding citizens victim-

ized by the New Black Panthers. The dismissal raises serious questions about the Department's enforcement neutrality in upcoming midterm elections and the subsequent 2012 Presidential election. The U.S. Commission on Civil Rights has opened an investigation into the dismissal of the DOJ's skewed enforcement priorities. Attorneys who brought the case are under subpoena to testify, but the Department ordered us to ignore the subpoena, lawlessly placing us in an unacceptable legal limbo.

"The Assistant Attorney General for Civil Rights, Tom Perez, has testified repeatedly that the facts and law did not support this case. That claim is false. If the actions in Philadelphia do not constitute voter intimidation, it is hard to imagine what would, short of the actual outbreak of violence at the polls. Let's all hope this administration has not invited that outcome through the corrupt dismissal.

"Most corrupt of all, the lawyers who ordered the dismissal—Loretta King, the Obama-appointed acting head of the Civil Rights Division, and Steve Rosenbaum—did not even read the internal Justice Department memorandums supporting the case and investigation. Just as Attorney General Eric Holder, Jr., admitted that he did not read the Arizona immigration law before he condemned it, Mr. Rosenbaum admitted that he had not bothered to read the most important Department documents detailing the investigative facts and applicable law in the New Black Panther case. Christopher Coates, the former Voting Section chief, was so outraged at this dereliction of responsibility that he actually threw the memos at Mr. Rosenbaum in the meeting where they were discussing the dismissal of the case. The Department subsequently removed all of Mr. Coates' responsibilities and sent him to South Carolina.

"Mr. Perez also inaccurately testified to the House Judiciary Committee that Federal rule number 11 required the dismissal of the lawsuit. Lawyers know that rule 11 is an ethical obligation to bring only meritorious claims, and such a charge by Mr. Perez effectively challenges the ethics and professionalism of the five attorneys who commenced the case."

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"Yet the attorneys who brought the case were voting rights experts and would never pursue a frivolous matter. Their experience in election law far surpassed the experience of the officials who ordered the dismissal.

"Some have called the actions in Philadelphia an isolated incident, not worthy of Federal attention. To the contrary, the Black Panthers in October 2008 announced a nationwide deployment for the election. We had indications that polling-place thugs were

deployed elsewhere, not only in November 2008, but also during the Democratic primaries, where they targeted white Hillary Rodham Clinton supporters. In any event, the law clearly prohibits any isolated incidents of voter intimidation.

"Others have falsely claimed that no voters were affected. Not only did the evidence rebut this claim, but the law does not require a successful effort to intimidate it; it punishes even the attempt," to intimidate.

"Most disturbing, the dismissal is part of a creeping lawlessness infusing our government institutions. Citizens would be shocked to learn about the open and pervasive hostility within the Justice Department to bringing civil rights cases against nonwhite defendants on behalf of white victims. Equal enforcement of justice is not a priority of this administration. Open contempt is voiced for these types of cases.

"Some of my co-workers argued that the law should not be used against black wrongdoers because of the long history of slavery and segregation. Less charitable individuals called it 'payback time.' Incredibly, after the case was dismissed, instructions were given that no more cases against racial minorities like the Black Panther case would be brought by the Voting Section.

"Refusing to enforce the law equally means some citizens are protected by the law while others are left to be victimized, depending on their race. Core American principles of equality before the law and freedom from racial discrimination are at risk. Hopefully, equal enforcement of the law is still a point of bipartisan, if not universal, agreement. However, after my experience with the New Black Panther dismissal and the attitudes held by officials in the Civil Rights Division, I am beginning to fear the era of agreement over these core American principles has passed."

That's the end of the article written by J. Christian Adams, Department of Justice attorney with considerable experience, and this is a case that I've been intimately familiar with for over a year.

Certainly, like many Americans, I've seen the video, and there's no excuse for canceling the most open-and-shut voter intimidation case in America, and since 1965, we've not had a case that we know of that's been this bad. I don't know what could possibly come forward that would render a case worthy of prosecution by the Holder Attorney General's office or by the President of the United States.

We know that there is significant influence from the White House into the Justice Department. One of the ways and one of the reasons we know that is because Attorney General Holder testified before the Judiciary Committee, in the same hearing where he infamously

admitted that he hadn't read Arizona's immigration law, he also conceded that the President had directed him to use the Justice Department to seek to invalidate Arizona's immigration law. Now, that's Presidential interference and influence, and for the Justice Department, and Eric Holder in particular, to testify that day that they're not a political operation, they're not influenced by politics, they're only influenced by the rule of law, I think this case that was in the Washington Times yesterday, expert and written by J. Christian Adams, belies that point.

HONORING MARK ROGERS AS PRESIDENT OF NATIONAL AUCTIONEERS ASSOCIATION

The SPEAKER pro tempore (Ms. KILROY). Under a previous order of the House, the gentlewoman from North Carolina (Ms. FOXX) is recognized for 5 minutes.

Ms. FOXX. Madam Speaker, I rise today to honor Mark Rogers of Mount Airy, North Carolina. Mark is an accomplished auctioneer and real estate broker and has been in the business for nearly 30 years.

Over his distinguished career, Mark has conducted auctions in a dozen States, selling estates, farm machinery, equipment, and real estate at public auction. As a real estate broker, he served as the regional vice president of the North Carolina Association of Realtors in the early 1990s. He was also the president of the local Board of Realtors in 1987 and was named Realtor of the Year for the local board in 1986. It should come as no surprise then to learn that Mark was elected to be president of the National Auctioneers Association last year and takes office this July.

What's remarkable about this achievement is that Mark's father, Bracky Rogers, who founded the family's real estate and auction business in 1964, has also served as the president of the National Auctioneers Association. When Mark takes over as president, he and his father will be the first father-son duo to have both been elected president of the association.

Before being elected as the National Auctioneers Association's president, Mark served as president of the North Carolina Auctioneers Association in the 1990s and in 2003 was inducted into the Auctioneers Association of North Carolina Hall of Fame. He was elected director for the National Auctioneers Association in July 2003, treasurer in July 2007, and vice president in July 2008.

Just as impressive as his professional qualifications is the personal character that commends him as an exemplary North Carolina citizen. He is known as an active participant in his community, giving back and reaching out to those who need a helping hand.

Among his many pursuits in the community is his work with Habitat for Humanity, The Shepherd's House, and with Young Life of Surry County. He's also a member of First Baptist Church of Mount Airy. He and his wife, Deidre Blackmon Rogers, have been married for more than 25 years and are active in their children's activities.

The people of Mount Airy are proud to have such a committed businessman as part of the community. He is an asset to the State of North Carolina and to the people of Mount Airy. Today, I congratulate him on becoming the president of the National Auctioneers Association and wish him the very best during his tenure.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 7 o'clock and 55 minutes p.m.), the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Ms. KILROY) at 8 o'clock and 30 minutes p.m.

CONFERENCE REPORT ON H.R. 4173, DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT

Mr. FRANK of Massachusetts submitted the following conference report and statement on the bill (H.R. 4173) to provide for financial regulatory reform, to protect consumers and investors, to enhance Federal understanding of insurance issues, to regulate the over-the-counter derivatives markets, and for other purposes:

CONFERENCE REPORT (H. REPT. 111-517)

[To accompany H.R. 4173]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4173), to provide for financial regulatory reform, to protect consumers and investors, to enhance Federal understanding of insurance issues, to regulate the over-the-counter derivatives markets, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) *SHORT TITLE.*—This Act may be cited as the "Dodd-Frank Wall Street Reform and Consumer Protection Act".

(b) *TABLE OF CONTENTS.*—The table of contents for this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Definitions.
- Sec. 3. Severability.
- Sec. 4. Effective date.
- Sec. 5. Budgetary effects.
- Sec. 6. Antitrust savings clause.

TITLE I—FINANCIAL STABILITY

- Sec. 101. Short title.
- Sec. 102. Definitions.
 - Subtitle A—Financial Stability Oversight Council
- Sec. 111. Financial Stability Oversight Council established.
- Sec. 112. Council authority.
- Sec. 113. Authority to require supervision and regulation of certain nonbank financial companies.
- Sec. 114. Registration of nonbank financial companies supervised by the Board of Governors.
- Sec. 115. Enhanced supervision and prudential standards for nonbank financial companies supervised by the Board of Governors and certain bank holding companies.
- Sec. 116. Reports.
- Sec. 117. Treatment of certain companies that cease to be bank holding companies.
- Sec. 118. Council funding.
- Sec. 119. Resolution of supervisory jurisdictional disputes among member agencies.
- Sec. 120. Additional standards applicable to activities or practices for financial stability purposes.
- Sec. 121. Mitigation of risks to financial stability.
- Sec. 122. GAO Audit of Council.
- Sec. 123. Study of the effects of size and complexity of financial institutions on capital market efficiency and economic growth.
 - Subtitle B—Office of Financial Research
- Sec. 151. Definitions.
- Sec. 152. Office of Financial Research established.
- Sec. 153. Purpose and duties of the Office.
- Sec. 154. Organizational structure; responsibilities of primary programmatic units.
- Sec. 155. Funding.
- Sec. 156. Transition oversight.
 - Subtitle C—Additional Board of Governors Authority for Certain Nonbank Financial Companies and Bank Holding Companies
- Sec. 161. Reports by and examinations of nonbank financial companies by the Board of Governors.
- Sec. 162. Enforcement.
- Sec. 163. Acquisitions.
- Sec. 164. Prohibition against management interlocks between certain financial companies.
- Sec. 165. Enhanced supervision and prudential standards for nonbank financial companies supervised by the Board of Governors and certain bank holding companies.
- Sec. 166. Early remediation requirements.
- Sec. 167. Affiliations.
- Sec. 168. Regulations.
- Sec. 169. Avoiding duplication.
- Sec. 170. Safe harbor.
- Sec. 171. Leverage and risk-based capital requirements.
- Sec. 172. Examination and enforcement actions for insurance and orderly liquidation purposes.
- Sec. 173. Access to United States financial market by foreign institutions.
- Sec. 174. Studies and reports on holding company capital requirements.

- Sec. 175. International policy coordination.
- Sec. 176. Rule of construction.

TITLE II—ORDERLY LIQUIDATION AUTHORITY

- Sec. 201. Definitions.
- Sec. 202. Judicial review.
- Sec. 203. Systemic risk determination.
- Sec. 204. Orderly liquidation of covered financial companies.
- Sec. 205. Orderly liquidation of covered brokers and dealers.
- Sec. 206. Mandatory terms and conditions for all orderly liquidation actions.
- Sec. 207. Directors not liable for acquiescing in appointment of receiver.
- Sec. 208. Dismissal and exclusion of other actions.
- Sec. 209. Rulemaking; non-conflicting law.
- Sec. 210. Powers and duties of the Corporation.
- Sec. 211. Miscellaneous provisions.
- Sec. 212. Prohibition of circumvention and prevention of conflicts of interest.
- Sec. 213. Ban on certain activities by senior executives and directors.
- Sec. 214. Prohibition on taxpayer funding.
- Sec. 215. Study on secured creditor haircuts.
- Sec. 216. Study on bankruptcy process for financial and nonbank financial institutions
- Sec. 217. Study on international coordination relating to bankruptcy process for nonbank financial institutions

TITLE III—TRANSFER OF POWERS TO THE COMPTROLLER OF THE CURRENCY, THE CORPORATION, AND THE BOARD OF GOVERNORS

- Sec. 300. Short title.
- Sec. 301. Purposes.
- Sec. 302. Definition.
 - Subtitle A—Transfer of Powers and Duties
- Sec. 311. Transfer date.
- Sec. 312. Powers and duties transferred.
- Sec. 313. Abolishment.
- Sec. 314. Amendments to the Revised Statutes.
- Sec. 315. Federal information policy.
- Sec. 316. Savings provisions.
- Sec. 317. References in Federal law to Federal banking agencies.
- Sec. 318. Funding.
- Sec. 319. Contracting and leasing authority.
 - Subtitle B—Transitional Provisions
- Sec. 321. Interim use of funds, personnel, and property of the Office of Thrift Supervision.
- Sec. 322. Transfer of employees.
- Sec. 323. Property transferred.
- Sec. 324. Funds transferred.
- Sec. 325. Disposition of affairs.
- Sec. 326. Continuation of services.
- Sec. 327. Implementation plan and reports.
 - Subtitle C—Federal Deposit Insurance Corporation
- Sec. 331. Deposit insurance reforms.
- Sec. 332. Elimination of procyclical assessments.
- Sec. 333. Enhanced access to information for deposit insurance purposes.
- Sec. 334. Transition reserve ratio requirements to reflect new assessment base.
- Sec. 335. Permanent increase in deposit and share insurance.
- Sec. 336. Management of the Federal Deposit Insurance Corporation.
 - Subtitle D—Other Matters
- Sec. 341. Branching.
- Sec. 342. Office of Minority and Women Inclusion.
- Sec. 343. Insurance of transaction accounts.
 - Subtitle E—Technical and Conforming Amendments
- Sec. 351. Effective date.
- Sec. 352. Balanced Budget and Emergency Deficit Control Act of 1985.

- Sec. 353. Bank Enterprise Act of 1991.
- Sec. 354. Bank Holding Company Act of 1956.
- Sec. 355. Bank Holding Company Act Amendments of 1970.
- Sec. 356. Bank Protection Act of 1968.
- Sec. 357. Bank Service Company Act.
- Sec. 358. Community Reinvestment Act of 1977.
- Sec. 359. Crime Control Act of 1990.
- Sec. 360. Depository Institution Management Interlocks Act.
- Sec. 361. Emergency Homeowners' Relief Act.
- Sec. 362. Federal Credit Union Act.
- Sec. 363. Federal Deposit Insurance Act.
- Sec. 364. Federal Home Loan Bank Act.
- Sec. 365. Federal Housing Enterprises Financial Safety and Soundness Act of 1992.
- Sec. 366. Federal Reserve Act.
- Sec. 367. Financial Institutions Reform, Recovery, and Enforcement Act of 1989.
- Sec. 368. Flood Disaster Protection Act of 1973.
- Sec. 369. Home Owners' Loan Act.
- Sec. 370. Housing Act of 1948.
- Sec. 371. Housing and Community Development Act of 1992.
- Sec. 372. Housing and Urban-Rural Recovery Act of 1983.
- Sec. 373. National Housing Act.
- Sec. 374. Neighborhood Reinvestment Corporation Act.
- Sec. 375. Public Law 93-100.
- Sec. 376. Securities Exchange Act of 1934.
- Sec. 377. Title 18, United States Code.
- Sec. 378. Title 31, United States Code.

TITLE IV—REGULATION OF ADVISERS TO HEDGE FUNDS AND OTHERS

- Sec. 401. Short title.
- Sec. 402. Definitions.
- Sec. 403. Elimination of private adviser exemption; limited exemption for foreign private advisers; limited intrastate exemption.
- Sec. 404. Collection of systemic risk data; reports; examinations; disclosures.
- Sec. 405. Disclosure provision amendment.
- Sec. 406. Clarification of rulemaking authority.
- Sec. 407. Exemption of venture capital fund advisers.
- Sec. 408. Exemption of and record keeping by private equity fund advisers.
- Sec. 409. Family offices.
- Sec. 410. State and Federal responsibilities; asset threshold for Federal registration of investment advisers.
- Sec. 411. Custody of client assets.
- Sec. 412. Adjusting the accredited investor standard.
- Sec. 413. GAO study and report on accredited investors.
- Sec. 414. GAO study on self-regulatory organization for private funds.
- Sec. 415. Commission study and report on short selling.
- Sec. 416. Transition period.

TITLE V—INSURANCE

Subtitle A—Office of National Insurance

- Sec. 501. Short title.
- Sec. 502. Federal Insurance Office.
 - Subtitle B—State-Based Insurance Reform
- Sec. 511. Short title.
- Sec. 512. Effective date.
 - PART I—NONADMITTED INSURANCE
- Sec. 521. Reporting, payment, and allocation of premium taxes.
- Sec. 522. Regulation of nonadmitted insurance by insured's home State.
- Sec. 523. Participation in national producer database.
- Sec. 524. Uniform standards for surplus lines eligibility.
- Sec. 525. Streamlined application for commercial purchasers.
- Sec. 526. GAO study of nonadmitted insurance market.
- Sec. 527. Definitions.

PART II—REINSURANCE

- Sec. 531. Regulation of credit for reinsurance and reinsurance agreements.
 Sec. 532. Regulation of reinsurer solvency.
 Sec. 533. Definitions.

PART III—RULE OF CONSTRUCTION

- Sec. 541. Rule of construction.
 Sec. 542. Severability.

TITLE VI—IMPROVEMENTS TO REGULATION OF BANK AND SAVINGS ASSOCIATION HOLDING COMPANIES AND DEPOSITORY INSTITUTIONS

- Sec. 601. Short title.
 Sec. 602. Definition.
 Sec. 603. Moratorium and study on treatment of credit card banks, industrial loan companies, and certain other companies under the Bank Holding Company Act of 1956.
 Sec. 604. Reports and examinations of holding companies; regulation of functionally regulated subsidiaries.
 Sec. 605. Assuring consistent oversight of permissible activities of depository institution subsidiaries of holding companies.
 Sec. 606. Requirements for financial holding companies to remain well capitalized and well managed.
 Sec. 607. Standards for interstate acquisitions.
 Sec. 608. Enhancing existing restrictions on bank transactions with affiliates.
 Sec. 609. Eliminating exceptions for transactions with financial subsidiaries.
 Sec. 610. Lending limits applicable to credit exposure on derivative transactions, repurchase agreements, reverse repurchase agreements, and securities lending and borrowing transactions.
 Sec. 611. Consistent treatment of derivative transactions in lending limits.
 Sec. 612. Restriction on conversions of troubled banks.
 Sec. 613. De novo branching into States.
 Sec. 614. Lending limits to insiders.
 Sec. 615. Limitations on purchases of assets from insiders.
 Sec. 616. Regulations regarding capital levels.
 Sec. 617. Elimination of elective investment bank holding company framework.
 Sec. 618. Securities holding companies.
 Sec. 619. Prohibitions on proprietary trading and certain relationships with hedge funds and private equity funds.
 Sec. 620. Study of bank investment activities.
 Sec. 621. Conflicts of interest.
 Sec. 622. Concentration limits on large financial firms.
 Sec. 623. Interstate merger transactions.
 Sec. 624. Qualified thrift lenders.
 Sec. 625. Treatment of dividends by certain mutual holding companies.
 Sec. 626. Intermediate holding companies.
 Sec. 627. Interest-bearing transaction accounts authorized.
 Sec. 628. Credit card bank small business lending.

TITLE VII—WALL STREET TRANSPARENCY AND ACCOUNTABILITY

- Sec. 701. Short title.

Subtitle A—Regulation of Over-the-Counter Swaps Markets

PART I—REGULATORY AUTHORITY

- Sec. 711. Definitions.
 Sec. 712. Review of regulatory authority.
 Sec. 713. Portfolio margining conforming changes.
 Sec. 714. Abusive swaps.

- Sec. 715. Authority to prohibit participation in swap activities.
 Sec. 716. Prohibition against Federal Government bailouts of swaps entities.
 Sec. 717. New product approval CFTC—SEC process.
 Sec. 718. Determining status of novel derivative products.
 Sec. 719. Studies.
 Sec. 720. Memorandum.

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- Sec. 721. Definitions.
 Sec. 722. Jurisdiction.
 Sec. 723. Clearing.
 Sec. 724. Swaps; segregation and bankruptcy treatment.
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 Sec. 727. Public reporting of swap transaction data.
 Sec. 728. Swap data repositories.
 Sec. 729. Reporting and recordkeeping.
 Sec. 730. Large swap trader reporting.
 Sec. 731. Registration and regulation of swap dealers and major swap participants.
 Sec. 732. Conflicts of interest.
 Sec. 733. Swap execution facilities.
 Sec. 734. Derivatives transaction execution facilities and exempt boards of trade.
 Sec. 735. Designated contract markets.
 Sec. 736. Margin.
 Sec. 737. Position limits.
 Sec. 738. Foreign boards of trade.
 Sec. 739. Legal certainty for swaps.
 Sec. 740. Multilateral clearing organizations.
 Sec. 741. Enforcement.
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 Sec. 744. Restitution remedies.
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 Sec. 748. Commodity whistleblower incentives and protection.
 Sec. 749. Conforming amendments.
 Sec. 750. Study on oversight of carbon markets.
 Sec. 751. Energy and environmental markets advisory committee.
 Sec. 752. International harmonization.
 Sec. 753. Anti-manipulation authority.
 Sec. 754. Effective date.

Subtitle B—Regulation of Security-Based Swap Markets

- Sec. 761. Definitions under the Securities Exchange Act of 1934.
 Sec. 762. Repeal of prohibition on regulation of security-based swap agreements.
 Sec. 763. Amendments to the Securities Exchange Act of 1934.
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 Sec. 765. Rulemaking on conflict of interest.
 Sec. 766. Reporting and recordkeeping.
 Sec. 767. State gaming and bucket shop laws.
 Sec. 768. Amendments to the Securities Act of 1933; treatment of security-based swaps.
 Sec. 769. Definitions under the Investment Company Act of 1940.
 Sec. 770. Definitions under the Investment Advisers Act of 1940.
 Sec. 771. Other authority.
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 Sec. 773. Civil penalties.
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TITLE VIII—PAYMENT, CLEARING, AND SETTLEMENT SUPERVISION

- Sec. 801. Short title.
 Sec. 802. Findings and purposes.

- Sec. 803. Definitions.
 Sec. 804. Designation of systemic importance.
 Sec. 805. Standards for systemically important financial market utilities and payment, clearing, or settlement activities.
 Sec. 806. Operations of designated financial market utilities.
 Sec. 807. Examination of and enforcement actions against designated financial market utilities.
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 Sec. 809. Requests for information, reports, or records.
 Sec. 810. Rulemaking.
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 Sec. 813. Common framework for designated clearing entity risk management.
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TITLE IX—INVESTOR PROTECTIONS AND IMPROVEMENTS TO THE REGULATION OF SECURITIES

- Sec. 901. Short title.

Subtitle A—Increasing Investor Protection

- Sec. 911. Investor Advisory Committee established.
 Sec. 912. Clarification of authority of the Commission to engage in investor testing.
 Sec. 913. Study and rulemaking regarding obligations of brokers, dealers, and investment advisers.
 Sec. 914. Study on enhancing investment adviser examinations.
 Sec. 915. Office of the Investor Advocate.
 Sec. 916. Streamlining of filing procedures for self-regulatory organizations.
 Sec. 917. Study regarding financial literacy among investors.
 Sec. 918. Study regarding mutual fund advertising.
 Sec. 919. Clarification of Commission authority to require investor disclosures before purchase of investment products and services.
 Sec. 919A. Study on conflicts of interest.
 Sec. 919B. Study on improved investor access to information on investment advisers and broker-dealers.
 Sec. 919C. Study on financial planners and the use of financial designations.
 Sec. 919D. Ombudsman.

Subtitle B—Increasing Regulatory Enforcement and Remedies

- Sec. 921. Authority to restrict mandatory pre-dispute arbitration.
 Sec. 922. Whistleblower protection.
 Sec. 923. Conforming amendments for whistleblower protection.
 Sec. 924. Implementation and transition provisions for whistleblower protection.
 Sec. 925. Collateral bars.
 Sec. 926. Disqualifying felons and other “bad actors” from Regulation D offerings.
 Sec. 927. Equal treatment of self-regulatory organization rules.
 Sec. 928. Clarification that section 205 of the Investment Advisers Act of 1940 does not apply to State-registered advisers.
 Sec. 929. Unlawful margin lending.
 Sec. 929A. Protection for employees of subsidiaries and affiliates of publicly traded companies.
 Sec. 929B. Fair Fund amendments.
 Sec. 929C. Increasing the borrowing limit on Treasury loans.
 Sec. 929D. Lost and stolen securities.

- Sec. 929E. Nationwide service of subpoenas.
 Sec. 929F. Formerly associated persons.
 Sec. 929G. Streamlined hiring authority for market specialists.
 Sec. 929H. SIPC Reforms.
 Sec. 929I. Protecting confidentiality of materials submitted to the Commission.
 Sec. 929J. Expansion of audit information to be produced and exchanged.
 Sec. 929K. Sharing privileged information with other authorities.
 Sec. 929L. Enhanced application of antifraud provisions.
 Sec. 929M. Aiding and abetting authority under the Securities Act and the Investment Company Act.
 Sec. 929N. Authority to impose penalties for aiding and abetting violations of the Investment Advisers Act.
 Sec. 929O. Aiding and abetting standard of knowledge satisfied by recklessness.
 Sec. 929P. Strengthening enforcement by the Commission.
 Sec. 929Q. Revision to recordkeeping rule.
 Sec. 929R. Beneficial ownership and short-selling profit reporting.
 Sec. 929S. Fingerprinting.
 Sec. 929T. Equal treatment of self-regulatory organization rules.
 Sec. 929U. Deadline for completing examinations, inspections and enforcement actions.
 Sec. 929V. Security Investor Protection Act amendments.
 Sec. 929W. Notice to missing security holders.
 Sec. 929X. Short sale reforms.
 Sec. 929Y. Study on extraterritorial private rights of action.
 Sec. 929Z. GAO study on securities litigation.
 Subtitle C—Improvements to the Regulation of Credit Rating Agencies
- Sec. 931. Findings.
 Sec. 932. Enhanced regulation, accountability, and transparency of nationally recognized statistical rating organizations.
 Sec. 933. State of mind in private actions.
 Sec. 934. Referring tips to law enforcement or regulatory authorities.
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SEC. 2. DEFINITIONS.

As used in this Act, the following definitions shall apply, except as the context otherwise requires or as otherwise specifically provided in this Act:

(1) **AFFILIATE.**—The term “affiliate” has the same meaning as in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).

(2) **APPROPRIATE FEDERAL BANKING AGENCY.**—On and after the transfer date, the term “appropriate Federal banking agency” has the same meaning as in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)), as amended by title III.

(3) **BOARD OF GOVERNORS.**—The term “Board of Governors” means the Board of Governors of the Federal Reserve System.

(4) **BUREAU.**—The term “Bureau” means the Bureau of Consumer Financial Protection established under title X.

(5) **COMMISSION.**—The term “Commission” means the Securities and Exchange Commission, except in the context of the Commodity Futures Trading Commission.

(6) **COMMODITY FUTURES TERMS.**—The terms “futures commission merchant”, “swap”, “swap dealer”, “swap execution facility”, “derivatives clearing organization”, “board of trade”, “commodity trading advisor”, “commodity pool”, and “commodity pool operator” have the same meanings as given the terms in section 1a of the Commodity Exchange Act (7 U.S.C. 1 et seq.).

(7) **CORPORATION.**—The term “Corporation” means the Federal Deposit Insurance Corporation.

(8) **COUNCIL.**—The term “Council” means the Financial Stability Oversight Council established under title I.

(9) **CREDIT UNION.**—The term “credit union” means a Federal credit union, State credit union, or State-chartered credit union, as those

terms are defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752).

(10) **FEDERAL BANKING AGENCY.**—The term—

(A) “Federal banking agency” means, individually, the Board of Governors, the Office of the Comptroller of the Currency, and the Corporation; and

(B) “Federal banking agencies” means all of the agencies referred to in subparagraph (A), collectively.

(11) **FUNCTIONALLY REGULATED SUBSIDIARY.**—The term “functionally regulated subsidiary” has the same meaning as in section 5(c)(5) of the Bank Holding Company Act of 1956 (12 U.S.C. 1844(c)(5)).

(12) **PRIMARY FINANCIAL REGULATORY AGENCY.**—The term “primary financial regulatory agency” means—

(A) the appropriate Federal banking agency, with respect to institutions described in section 3(q) of the Federal Deposit Insurance Act, except to the extent that an institution is or the activities of an institution are otherwise described in subparagraph (B), (C), (D), or (E);

(B) the Securities and Exchange Commission, with respect to—

(i) any broker or dealer that is registered with the Commission under the Securities Exchange Act of 1934, with respect to the activities of the broker or dealer that require the broker or dealer to be registered under that Act;

(ii) any investment company that is registered with the Commission under the Investment Company Act of 1940, with respect to the activities of the investment company that require the investment company to be registered under that Act;

(iii) any investment adviser that is registered with the Commission under the Investment Advisers Act of 1940, with respect to the investment advisory activities of such company and activities that are incidental to such advisory activities;

(iv) any clearing agency registered with the Commission under the Securities Exchange Act of 1934, with respect to the activities of the clearing agency that require the agency to be registered under such Act;

(v) any nationally recognized statistical rating organization registered with the Commission under the Securities Exchange Act of 1934;

(vi) any transfer agent registered with the Commission under the Securities Exchange Act of 1934;

(vii) any exchange registered as a national securities exchange with the Commission under the Securities Exchange Act of 1934;

(viii) any national securities association registered with the Commission under the Securities Exchange Act of 1934;

(ix) any securities information processor registered with the Commission under the Securities Exchange Act of 1934;

(x) the Municipal Securities Rulemaking Board established under the Securities Exchange Act of 1934;

(xi) the Public Company Accounting Oversight Board established under the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7211 et seq.);

(xii) the Securities Investor Protection Corporation established under the Securities Investor Protection Act of 1970 (15 U.S.C. 78aaa et seq.); and

(xiii) any security-based swap execution facility, security-based swap data repository, security-based swap dealer or major security-based swap participant registered with the Commission under the Securities Exchange Act of 1934, with respect to the security-based swap activities of the person that require such person to be registered under such Act;

(C) the Commodity Futures Trading Commission, with respect to—

(i) any futures commission merchant registered with the Commodity Futures Trading

Commission under the Commodity Exchange Act (7 U.S.C. 1 et seq.), with respect to the activities of the futures commission merchant that require the futures commission merchant to be registered under that Act;

(ii) any commodity pool operator registered with the Commodity Futures Trading Commission under the Commodity Exchange Act (7 U.S.C. 1 et seq.), with respect to the activities of the commodity pool operator that require the commodity pool operator to be registered under that Act, or a commodity pool, as defined in that Act;

(iii) any commodity trading advisor or introducing broker registered with the Commodity Futures Trading Commission under the Commodity Exchange Act (7 U.S.C. 1 et seq.), with respect to the activities of the commodity trading advisor or introducing broker to be registered under that Act;

(iv) any derivatives clearing organization registered with the Commodity Futures Trading Commission under the Commodity Exchange Act (7 U.S.C. 1 et seq.), with respect to the activities of the derivatives clearing organization that require the derivatives clearing organization to be registered under that Act;

(v) any board of trade designated as a contract market by the Commodity Futures Trading Commission under the Commodity Exchange Act (7 U.S.C. 1 et seq.);

(vi) any futures association registered with the Commodity Futures Trading Commission under the Commodity Exchange Act (7 U.S.C. 1 et seq.);

(vii) any retail foreign exchange dealer registered with the Commodity Futures Trading Commission under the Commodity Exchange Act (7 U.S.C. 1 et seq.), with respect to the activities of the retail foreign exchange dealer that require the retail foreign exchange dealer to be registered under that Act;

(viii) any swap execution facility, swap data repository, swap dealer, or major swap participant registered with the Commodity Futures Trading Commission under the Commodity Exchange Act (7 U.S.C. 1 et seq.) with respect to the swap activities of the person that require such person to be registered under that Act; and

(ix) any registered entity under the Commodity Exchange Act (7 U.S.C. 1 et seq.), with respect to the activities of the registered entity that require the registered entity to be registered under that Act;

(D) the State insurance authority of the State in which an insurance company is domiciled, with respect to the insurance activities and activities that are incidental to such insurance activities of an insurance company that is subject to supervision by the State insurance authority under State insurance law; and

(E) the Federal Housing Finance Agency, with respect to Federal Home Loan Banks or the Federal Home Loan Bank System, and with respect to the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation.

(13) **PRUDENTIAL STANDARDS.**—The term “prudential standards” means enhanced supervision and regulatory standards developed by the Board of Governors under section 165.

(14) **SECRETARY.**—The term “Secretary” means the Secretary of the Treasury.

(15) **SECURITIES TERMS.**—The

(A) terms “broker”, “dealer”, “issuer”, “nationally recognized statistical rating organization”, “security”, and “securities laws” have the same meanings as in section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c);

(B) term “investment adviser” has the same meaning as in section 202 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2); and

(C) term “investment company” has the same meaning as in section 3 of the Investment Company Act of 1940 (15 U.S.C. 80a-3).

(16) *STATE*.—The term “State” means any State, commonwealth, territory, or possession of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, or the United States Virgin Islands.

(17) *TRANSFER DATE*.—The term “transfer date” means the date established under section 311.

(18) *OTHER INCORPORATED DEFINITIONS*.—

(A) *FEDERAL DEPOSIT INSURANCE ACT*.—The terms “bank”, “bank holding company”, “control”, “deposit”, “depository institution”, “Federal depository institution”, “Federal savings association”, “foreign bank”, “including”, “insured branch”, “insured depository institution”, “national member bank”, “national nonmember bank”, “savings association”, “State bank”, “State depository institution”, “State member bank”, “State nonmember bank”, “State savings association”, and “subsidiary” have the same meanings as in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).

(B) *HOLDING COMPANIES*.—The term—

(i) “bank holding company” has the same meaning as in section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841);

(ii) “financial holding company” has the same meaning as in section 2(p) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(p)); and

(iii) “savings and loan holding company” has the same meaning as in section 10 of the Home Owners’ Loan Act (12 U.S.C. 1467a(a)).

SEC. 3. SEVERABILITY.

If any provision of this Act, an amendment made by this Act, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

SEC. 4. EFFECTIVE DATE.

Except as otherwise specifically provided in this Act or the amendments made by this Act, this Act and such amendments shall take effect 1 day after the date of enactment of this Act.

SEC. 5. BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, jointly submitted for printing in the Congressional Record by the Chairmen of the House and Senate Budget Committees, provided that such statement has been submitted prior to the vote on passage in the House acting first on this conference report or amendment between the Houses.

SEC. 6. ANTITRUST SAVINGS CLAUSE.

Nothing in this Act, or any amendment made by this Act, shall be construed to modify, impair, or supersede the operation of any of the antitrust laws, unless otherwise specified. For purposes of this section, the term “antitrust laws” has the same meaning as in subsection (a) of the first section of the Clayton Act, except that such term includes section 5 of the Federal Trade Commission Act, to the extent that such section 5 applies to unfair methods of competition.

TITLE I—FINANCIAL STABILITY

SEC. 101. SHORT TITLE.

This title may be cited as the “Financial Stability Act of 2010”.

SEC. 102. DEFINITIONS.

(a) *IN GENERAL*.—For purposes of this title, unless the context otherwise requires, the following definitions shall apply:

(1) *BANK HOLDING COMPANY*.—The term “bank holding company” has the same meaning as in

section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841). A foreign bank or company that is treated as a bank holding company for purposes of the Bank Holding Company Act of 1956, pursuant to section 8(a) of the International Banking Act of 1978 (12 U.S.C. 3106(a)), shall be treated as a bank holding company for purposes of this title.

(2) *CHAIRPERSON*.—The term “Chairperson” means the Chairperson of the Council.

(3) *MEMBER AGENCY*.—The term “member agency” means an agency represented by a voting member of the Council.

(4) *NONBANK FINANCIAL COMPANY DEFINITIONS*.—

(A) *FOREIGN NONBANK FINANCIAL COMPANY*.—The term “foreign nonbank financial company” means a company (other than a company that is, or is treated in the United States as, a bank holding company) that is—

(i) incorporated or organized in a country other than the United States; and

(ii) predominantly engaged in, including through a branch in the United States, financial activities, as defined in paragraph (6).

(B) *U.S. NONBANK FINANCIAL COMPANY*.—The term “U.S. nonbank financial company” means a company (other than a bank holding company, a Farm Credit System institution chartered and subject to the provisions of the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.), or a national securities exchange (or parent thereof), clearing agency (or parent thereof, unless the parent is a bank holding company), security-based swap execution facility, or security-based swap data repository registered with the Commission, or a board of trade designated as a contract market (or parent thereof), or a derivatives clearing organization (or parent thereof, unless the parent is a bank holding company), swap execution facility or a swap data repository registered with the Commodity Futures Trading Commission), that is—

(i) incorporated or organized under the laws of the United States or any State; and

(ii) predominantly engaged in financial activities, as defined in paragraph (6).

(C) *NONBANK FINANCIAL COMPANY*.—The term “nonbank financial company” means a U.S. nonbank financial company and a foreign nonbank financial company.

(D) *NONBANK FINANCIAL COMPANY SUPERVISED BY THE BOARD OF GOVERNORS*.—The term “nonbank financial company supervised by the Board of Governors” means a nonbank financial company that the Council has determined under section 113 shall be supervised by the Board of Governors.

(5) *OFFICE OF FINANCIAL RESEARCH*.—The term “Office of Financial Research” means the office established under section 152.

(6) *PREDOMINANTLY ENGAGED*.—A company is “predominantly engaged in financial activities” if—

(A) the annual gross revenues derived by the company and all of its subsidiaries from activities that are financial in nature (as defined in section 4(k) of the Bank Holding Company Act of 1956) and, if applicable, related to the ownership or control of one or more insured depository institutions, represents 85 percent or more of the consolidated annual gross revenues of the company; or

(B) the consolidated assets of the company and all of its subsidiaries related to activities that are financial in nature (as defined in section 4(k) of the Bank Holding Company Act of 1956) and, if applicable, related to the ownership or control of one or more insured depository institutions, represents 85 percent or more of the consolidated assets of the company.

(7) *SIGNIFICANT INSTITUTIONS*.—The terms “significant nonbank financial company” and “significant bank holding company” have the

meanings given those terms by rule of the Board of Governors, but in no instance shall the term “significant nonbank financial company” include those entities that are excluded under paragraph (4)(B).

(b) *DEFINITIONAL CRITERIA*.—The Board of Governors shall establish, by regulation, the requirements for determining if a company is predominantly engaged in financial activities, as defined in subsection (a)(6).

(c) *FOREIGN NONBANK FINANCIAL COMPANIES*.—For purposes of the application of subtitles A and C (other than section 113(b)) with respect to a foreign nonbank financial company, references in this title to “company” or “subsidiary” include only the United States activities and subsidiaries of such foreign company, except as otherwise provided.

Subtitle A—Financial Stability Oversight Council

SEC. 111. FINANCIAL STABILITY OVERSIGHT COUNCIL ESTABLISHED.

(a) *ESTABLISHMENT*.—Effective on the date of enactment of this Act, there is established the Financial Stability Oversight Council.

(b) *MEMBERSHIP*.—The Council shall consist of the following members:

(1) *VOTING MEMBERS*.—The voting members, who shall each have 1 vote on the Council shall be—

(A) the Secretary of the Treasury, who shall serve as Chairperson of the Council;

(B) the Chairman of the Board of Governors;

(C) the Comptroller of the Currency;

(D) the Director of the Bureau;

(E) the Chairman of the Commission;

(F) the Chairperson of the Corporation;

(G) the Chairperson of the Commodity Futures Trading Commission;

(H) the Director of the Federal Housing Finance Agency;

(I) the Chairman of the National Credit Union Administration Board; and

(J) an independent member appointed by the President, by and with the advice and consent of the Senate, having insurance expertise.

(2) *NONVOTING MEMBERS*.—The nonvoting members, who shall serve in an advisory capacity as a nonvoting member of the Council, shall be—

(A) the Director of the Office of Financial Research;

(B) the Director of the Federal Insurance Office;

(C) a State insurance commissioner, to be designated by a selection process determined by the State insurance commissioners;

(D) a State banking supervisor, to be designated by a selection process determined by the State banking supervisors; and

(E) a State securities commissioner (or an officer performing like functions), to be designated by a selection process determined by such State securities commissioners.

(3) *NONVOTING MEMBER PARTICIPATION*.—The nonvoting members of the Council shall not be excluded from any of the proceedings, meetings, discussions, or deliberations of the Council, except that the Chairperson may, upon an affirmative vote of the member agencies, exclude the nonvoting members from any of the proceedings, meetings, discussions, or deliberations of the Council when necessary to safeguard and promote the free exchange of confidential supervisory information.

(c) *TERMS; VACANCY*.—

(1) *TERMS*.—The independent member of the Council shall serve for a term of 6 years, and each nonvoting member described in subparagraphs (C), (D), and (E) of subsection (b)(2) shall serve for a term of 2 years.

(2) *VACANCY*.—Any vacancy on the Council shall be filled in the manner in which the original appointment was made.

(3) **ACTING OFFICIALS MAY SERVE.**—In the event of a vacancy in the office of the head of a member agency or department, and pending the appointment of a successor, or during the absence or disability of the head of a member agency or department, the acting head of the member agency or department shall serve as a member of the Council in the place of that agency or department head.

(d) **TECHNICAL AND PROFESSIONAL ADVISORY COMMITTEES.**—The Council may appoint such special advisory, technical, or professional committees as may be useful in carrying out the functions of the Council, including an advisory committee consisting of State regulators, and the members of such committees may be members of the Council, or other persons, or both.

(e) **MEETINGS.**—

(1) **TIMING.**—The Council shall meet at the call of the Chairperson or a majority of the members then serving, but not less frequently than quarterly.

(2) **RULES FOR CONDUCTING BUSINESS.**—The Council shall adopt such rules as may be necessary for the conduct of the business of the Council. Such rules shall be rules of agency organization, procedure, or practice for purposes of section 553 of title 5, United States Code.

(f) **VOTING.**—Unless otherwise specified, the Council shall make all decisions that it is authorized or required to make by a majority vote of the voting members then serving.

(g) **NONAPPLICABILITY OF FACA.**—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Council, or to any special advisory, technical, or professional committee appointed by the Council, except that, if an advisory, technical, or professional committee has one or more members who are not employees of or affiliated with the United States Government, the Council shall publish a list of the names of the members of such committee.

(h) **ASSISTANCE FROM FEDERAL AGENCIES.**—Any department or agency of the United States may provide to the Council and any special advisory, technical, or professional committee appointed by the Council, such services, funds, facilities, staff, and other support services as the Council may determine advisable.

(i) **COMPENSATION OF MEMBERS.**—

(1) **FEDERAL EMPLOYEE MEMBERS.**—All members of the Council who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(2) **COMPENSATION FOR NON-FEDERAL MEMBER.**—Section 5314 of title 5, United States Code, is amended by adding at the end the following: “Independent Member of the Financial Stability Oversight Council (1).”

(j) **DETAIL OF GOVERNMENT EMPLOYEES.**—Any employee of the Federal Government may be detailed to the Council without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege. An employee of the Federal Government detailed to the Council shall report to and be subject to oversight by the Council during the assignment to the Council, and shall be compensated by the department or agency from which the employee was detailed.

SEC. 112. COUNCIL AUTHORITY.

(a) **PURPOSES AND DUTIES OF THE COUNCIL.**—

(1) **IN GENERAL.**—The purposes of the Council are—

(A) to identify risks to the financial stability of the United States that could arise from the material financial distress or failure, or ongoing activities, of large, interconnected bank holding companies or nonbank financial companies, or that could arise outside the financial services marketplace;

(B) to promote market discipline, by eliminating expectations on the part of shareholders,

creditors, and counterparties of such companies that the Government will shield them from losses in the event of failure; and

(C) to respond to emerging threats to the stability of the United States financial system.

(2) **DUTIES.**—The Council shall, in accordance with this title—

(A) collect information from member agencies, other Federal and State financial regulatory agencies, the Federal Insurance Office and, if necessary to assess risks to the United States financial system, direct the Office of Financial Research to collect information from bank holding companies and nonbank financial companies;

(B) provide direction to, and request data and analyses from, the Office of Financial Research to support the work of the Council;

(C) monitor the financial services marketplace in order to identify potential threats to the financial stability of the United States;

(D) to monitor domestic and international financial regulatory proposals and developments, including insurance and accounting issues, and to advise Congress and make recommendations in such areas that will enhance the integrity, efficiency, competitiveness, and stability of the U.S. financial markets;

(E) facilitate information sharing and coordination among the member agencies and other Federal and State agencies regarding domestic financial services policy development, rule-making, examinations, reporting requirements, and enforcement actions;

(F) recommend to the member agencies general supervisory priorities and principles reflecting the outcome of discussions among the member agencies;

(G) identify gaps in regulation that could pose risks to the financial stability of the United States;

(H) require supervision by the Board of Governors for nonbank financial companies that may pose risks to the financial stability of the United States in the event of their material financial distress or failure, or because of their activities pursuant to section 113;

(I) make recommendations to the Board of Governors concerning the establishment of heightened prudential standards for risk-based capital, leverage, liquidity, contingent capital, resolution plans and credit exposure reports, concentration limits, enhanced public disclosures, and overall risk management for nonbank financial companies and large, interconnected bank holding companies supervised by the Board of Governors;

(J) identify systemically important financial market utilities and payment, clearing, and settlement activities (as that term is defined in title VIII);

(K) make recommendations to primary financial regulatory agencies to apply new or heightened standards and safeguards for financial activities or practices that could create or increase risks of significant liquidity, credit, or other problems spreading among bank holding companies, nonbank financial companies, and United States financial markets;

(L) review and, as appropriate, may submit comments to the Commission and any standard-setting body with respect to an existing or proposed accounting principle, standard, or procedure;

(M) provide a forum for—

(i) discussion and analysis of emerging market developments and financial regulatory issues; and

(ii) resolution of jurisdictional disputes among the members of the Council; and

(N) annually report to and testify before Congress on—

(i) the activities of the Council;

(ii) significant financial market and regulatory developments, including insurance and

accounting regulations and standards, along with an assessment of those developments on the stability of the financial system;

(iii) potential emerging threats to the financial stability of the United States;

(iv) all determinations made under section 113 or title VIII, and the basis for such determinations;

(v) all recommendations made under section 119 and the result of such recommendations; and

(vi) recommendations—

(I) to enhance the integrity, efficiency, competitiveness, and stability of United States financial markets;

(II) to promote market discipline; and

(III) to maintain investor confidence.

(b) **STATEMENTS BY VOTING MEMBERS OF THE COUNCIL.**—At the time at which each report is submitted under subsection (a), each voting member of the Council shall—

(1) if such member believes that the Council, the Government, and the private sector are taking all reasonable steps to ensure financial stability and to mitigate systemic risk that would negatively affect the economy, submit a signed statement to Congress stating such belief; or

(2) if such member does not believe that all reasonable steps described under paragraph (1) are being taken, submit a signed statement to Congress stating what actions such member believes need to be taken in order to ensure that all reasonable steps described under paragraph (1) are taken.

(c) **TESTIMONY BY THE CHAIRPERSON.**—The Chairperson shall appear before the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate at an annual hearing, after the report is submitted under subsection (a)—

(1) to discuss the efforts, activities, objectives, and plans of the Council; and

(2) to discuss and answer questions concerning such report.

(d) **AUTHORITY TO OBTAIN INFORMATION.**—

(1) **IN GENERAL.**—The Council may receive, and may request the submission of, any data or information from the Office of Financial Research, member agencies, and the Federal Insurance Office, as necessary—

(A) to monitor the financial services marketplace to identify potential risks to the financial stability of the United States; or

(B) to otherwise carry out any of the provisions of this title.

(2) **SUBMISSIONS BY THE OFFICE AND MEMBER AGENCIES.**—Notwithstanding any other provision of law, the Office of Financial Research, any member agency, and the Federal Insurance Office, are authorized to submit information to the Council.

(3) **FINANCIAL DATA COLLECTION.**—

(A) **IN GENERAL.**—The Council, acting through the Office of Financial Research, may require the submission of periodic and other reports from any nonbank financial company or bank holding company for the purpose of assessing the extent to which a financial activity or financial market in which the nonbank financial company or bank holding company participates, or the nonbank financial company or bank holding company itself, poses a threat to the financial stability of the United States.

(B) **MITIGATION OF REPORT BURDEN.**—Before requiring the submission of reports from any nonbank financial company or bank holding company that is regulated by a member agency or any primary financial regulatory agency, the Council, acting through the Office of Financial Research, shall coordinate with such agencies and shall, whenever possible, rely on information available from the Office of Financial Research or such agencies.

(C) **MITIGATION IN CASE OF FOREIGN FINANCIAL COMPANIES.**—Before requiring the submission of

reports from a company that is a foreign nonbank financial company or foreign-based bank holding company, the Council shall, acting through the Office of Financial Research, to the extent appropriate, consult with the appropriate foreign regulator of such company and, whenever possible, rely on information already being collected by such foreign regulator, with English translation.

(4) **BACK-UP EXAMINATION BY THE BOARD OF GOVERNORS.**—If the Council is unable to determine whether the financial activities of a U.S. nonbank financial company pose a threat to the financial stability of the United States, based on information or reports obtained under paragraphs (1) and (3), discussions with management, and publicly available information, the Council may request the Board of Governors, and the Board of Governors is authorized, to conduct an examination of the U.S. nonbank financial company for the sole purpose of determining whether the nonbank financial company should be supervised by the Board of Governors for purposes of this title.

(5) **CONFIDENTIALITY.**—

(A) **IN GENERAL.**—The Council, the Office of Financial Research, and the other member agencies shall maintain the confidentiality of any data, information, and reports submitted under this title.

(B) **RETENTION OF PRIVILEGE.**—The submission of any nonpublicly available data or information under this subsection and subtitle B shall not constitute a waiver of, or otherwise affect, any privilege arising under Federal or State law (including the rules of any Federal or State court) to which the data or information is otherwise subject.

(C) **FREEDOM OF INFORMATION ACT.**—Section 552 of title 5, United States Code, including the exceptions thereunder, shall apply to any data or information submitted under this subsection and subtitle B.

SEC. 113. AUTHORITY TO REQUIRE SUPERVISION AND REGULATION OF CERTAIN NONBANK FINANCIAL COMPANIES.

(a) **U.S. NONBANK FINANCIAL COMPANIES SUPERVISED BY THE BOARD OF GOVERNORS.**—

(1) **DETERMINATION.**—The Council, on a non-delegable basis and by a vote of not fewer than $\frac{2}{3}$ of the voting members then serving, including an affirmative vote by the Chairperson, may determine that a U.S. nonbank financial company shall be supervised by the Board of Governors and shall be subject to prudential standards, in accordance with this title, if the Council determines that material financial distress at the U.S. nonbank financial company, or the nature, scope, size, scale, concentration, interconnectedness, or mix of the activities of the U.S. nonbank financial company, could pose a threat to the financial stability of the United States.

(2) **CONSIDERATIONS.**—In making a determination under paragraph (1), the Council shall consider—

(A) the extent of the leverage of the company;

(B) the extent and nature of the off-balance-sheet exposures of the company;

(C) the extent and nature of the transactions and relationships of the company with other significant nonbank financial companies and significant bank holding companies;

(D) the importance of the company as a source of credit for households, businesses, and State and local governments and as a source of liquidity for the United States financial system;

(E) the importance of the company as a source of credit for low-income, minority, or underserved communities, and the impact that the failure of such company would have on the availability of credit in such communities;

(F) the extent to which assets are managed rather than owned by the company, and the extent to which ownership of assets under management is diffuse;

(G) the nature, scope, size, scale, concentration, interconnectedness, and mix of the activities of the company;

(H) the degree to which the company is already regulated by 1 or more primary financial regulatory agencies;

(I) the amount and nature of the financial assets of the company;

(J) the amount and types of the liabilities of the company, including the degree of reliance on short-term funding; and

(K) any other risk-related factors that the Council deems appropriate.

(b) **FOREIGN NONBANK FINANCIAL COMPANIES SUPERVISED BY THE BOARD OF GOVERNORS.**—

(1) **DETERMINATION.**—The Council, on a non-delegable basis and by a vote of not fewer than $\frac{2}{3}$ of the voting members then serving, including an affirmative vote by the Chairperson, may determine that a foreign nonbank financial company shall be supervised by the Board of Governors and shall be subject to prudential standards, in accordance with this title, if the Council determines that material financial distress at the foreign nonbank financial company, or the nature, scope, size, scale, concentration, interconnectedness, or mix of the activities of the foreign nonbank financial company, could pose a threat to the financial stability of the United States.

(2) **CONSIDERATIONS.**—In making a determination under paragraph (1), the Council shall consider—

(A) the extent of the leverage of the company;

(B) the extent and nature of the United States related off-balance-sheet exposures of the company;

(C) the extent and nature of the transactions and relationships of the company with other significant nonbank financial companies and significant bank holding companies;

(D) the importance of the company as a source of credit for United States households, businesses, and State and local governments and as a source of liquidity for the United States financial system;

(E) the importance of the company as a source of credit for low-income, minority, or underserved communities in the United States, and the impact that the failure of such company would have on the availability of credit in such communities;

(F) the extent to which assets are managed rather than owned by the company and the extent to which ownership of assets under management is diffuse;

(G) the nature, scope, size, scale, concentration, interconnectedness, and mix of the activities of the company;

(H) the extent to which the company is subject to prudential standards on a consolidated basis in its home country that are administered and enforced by a comparable foreign supervisory authority;

(I) the amount and nature of the United States financial assets of the company;

(J) the amount and nature of the liabilities of the company used to fund activities and operations in the United States, including the degree of reliance on short-term funding; and

(K) any other risk-related factors that the Council deems appropriate.

(c) **ANTI-EVASION.**—

(1) **DETERMINATIONS.**—In order to avoid evasion of this title, the Council, on its own initiative or at the request of the Board of Governors, may determine, on a nondelegable basis and by a vote of not fewer than $\frac{2}{3}$ of the voting members then serving, including an affirmative vote by the Chairperson, that—

(A) material financial distress related to, or the nature, scope, size, scale, concentration, interconnectedness, or mix of, the financial activities conducted directly or indirectly by a

company incorporated or organized under the laws of the United States or any State or the financial activities in the United States of a company incorporated or organized in a country other than the United States would pose a threat to the financial stability of the United States, based on consideration of the factors in subsection (a)(2) or (b)(2), as applicable;

(B) the company is organized or operates in such a manner as to evade the application of this title; and

(C) such financial activities of the company shall be supervised by the Board of Governors and subject to prudential standards in accordance with this title, consistent with paragraph (3).

(2) **REPORT.**—Upon making a determination under paragraph (1), the Council shall submit a report to the appropriate committees of Congress detailing the reasons for making such determination.

(3) **CONSOLIDATED SUPERVISION OF ONLY FINANCIAL ACTIVITIES; ESTABLISHMENT OF AN INTERMEDIATE HOLDING COMPANY.**—

(A) **ESTABLISHMENT OF AN INTERMEDIATE HOLDING COMPANY.**—Upon a determination under paragraph (1), the company that is the subject of the determination may establish an intermediate holding company in which the financial activities of such company and its subsidiaries shall be conducted (other than the activities described in section 167(b)(2)) in compliance with any regulations or guidance provided by the Board of Governors. Such intermediate holding company shall be subject to the supervision of the Board of Governors and to prudential standards under this title as if the intermediate holding company were a nonbank financial company supervised by the Board of Governors.

(B) **ACTION OF THE BOARD OF GOVERNORS.**—To facilitate the supervision of the financial activities subject to the determination in paragraph (1), the Board of Governors may require a company to establish an intermediate holding company, as provided for in section 167, which would be subject to the supervision of the Board of Governors and to prudential standards under this title, as if the intermediate holding company were a nonbank financial company supervised by the Board of Governors.

(4) **NOTICE AND OPPORTUNITY FOR HEARING AND FINAL DETERMINATION; JUDICIAL REVIEW.**—Subsections (d) through (h) shall apply to determinations made by the Council pursuant to paragraph (1) in the same manner as such subsections apply to nonbank financial companies.

(5) **COVERED FINANCIAL ACTIVITIES.**—For purposes of this subsection, the term “financial activities” —

(A) means activities that are financial in nature (as defined in section 4(k) of the Bank Holding Company Act of 1956);

(B) includes the ownership or control of one or more insured depository institutions; and

(C) does not include internal financial activities conducted for the company or any affiliate thereof, including internal treasury, investment, and employee benefit functions.

(6) **ONLY FINANCIAL ACTIVITIES SUBJECT TO PRUDENTIAL SUPERVISION.**—Nonfinancial activities of the company shall not be subject to supervision by the Board of Governors and prudential standards of the Board. For purposes of this Act, the financial activities that are the subject of the determination in paragraph (1) shall be subject to the same requirements as a nonbank financial company supervised by the Board of Governors. Nothing in this paragraph shall prohibit or limit the authority of the Board of Governors to apply prudential standards under this title to the financial activities that are subject to the determination in paragraph (1).

(d) **REEVALUATION AND RESCISSION.**—The Council shall—

(1) not less frequently than annually, reevaluate each determination made under subsections (a) and (b) with respect to such nonbank financial company supervised by the Board of Governors; and

(2) rescind any such determination, if the Council, by a vote of not fewer than $\frac{2}{3}$ of the voting members then serving, including an affirmative vote by the Chairperson, determines that the nonbank financial company no longer meets the standards under subsection (a) or (b), as applicable.

(e) **NOTICE AND OPPORTUNITY FOR HEARING AND FINAL DETERMINATION.**—

(1) **IN GENERAL.**—The Council shall provide to a nonbank financial company written notice of a proposed determination of the Council, including an explanation of the basis of the proposed determination of the Council, that a nonbank financial company shall be supervised by the Board of Governors and shall be subject to prudential standards in accordance with this title.

(2) **HEARING.**—Not later than 30 days after the date of receipt of any notice of a proposed determination under paragraph (1), the nonbank financial company may request, in writing, an opportunity for a written or oral hearing before the Council to contest the proposed determination. Upon receipt of a timely request, the Council shall fix a time (not later than 30 days after the date of receipt of the request) and place at which such company may appear, personally or through counsel, to submit written materials (or, at the sole discretion of the Council, oral testimony and oral argument).

(3) **FINAL DETERMINATION.**—Not later than 60 days after the date of a hearing under paragraph (2), the Council shall notify the nonbank financial company of the final determination of the Council, which shall contain a statement of the basis for the decision of the Council.

(4) **NO HEARING REQUESTED.**—If a nonbank financial company does not make a timely request for a hearing, the Council shall notify the nonbank financial company, in writing, of the final determination of the Council under subsection (a) or (b), as applicable, not later than 10 days after the date by which the company may request a hearing under paragraph (2).

(f) **EMERGENCY EXCEPTION.**—

(1) **IN GENERAL.**—The Council may waive or modify the requirements of subsection (e) with respect to a nonbank financial company, if the Council determines, by a vote of not fewer than $\frac{2}{3}$ of the voting members then serving, including an affirmative vote by the Chairperson, that such waiver or modification is necessary or appropriate to prevent or mitigate threats posed by the nonbank financial company to the financial stability of the United States.

(2) **NOTICE.**—The Council shall provide notice of a waiver or modification under this subsection to the nonbank financial company concerned as soon as practicable, but not later than 24 hours after the waiver or modification is granted.

(3) **INTERNATIONAL COORDINATION.**—In making a determination under paragraph (1), the Council shall consult with the appropriate home country supervisor, if any, of the foreign nonbank financial company that is being considered for such a determination.

(4) **OPPORTUNITY FOR HEARING.**—The Council shall allow a nonbank financial company to request, in writing, an opportunity for a written or oral hearing before the Council to contest a waiver or modification under this subsection, not later than 10 days after the date of receipt of notice of the waiver or modification by the company. Upon receipt of a timely request, the Council shall fix a time (not later than 15 days after the date of receipt of the request) and

place at which the nonbank financial company may appear, personally or through counsel, to submit written materials (or, at the sole discretion of the Council, oral testimony and oral argument).

(5) **NOTICE OF FINAL DETERMINATION.**—Not later than 30 days after the date of any hearing under paragraph (4), the Council shall notify the subject nonbank financial company of the final determination of the Council under this subsection, which shall contain a statement of the basis for the decision of the Council.

(g) **CONSULTATION.**—The Council shall consult with the primary financial regulatory agency, if any, for each nonbank financial company or subsidiary of a nonbank financial company that is being considered for supervision by the Board of Governors under this section before the Council makes any final determination with respect to such nonbank financial company under subsection (a), (b), or (c).

(h) **JUDICIAL REVIEW.**—If the Council makes a final determination under this section with respect to a nonbank financial company, such nonbank financial company may, not later than 30 days after the date of receipt of the notice of final determination under subsection (d)(2), (e)(3), or (f)(5), bring an action in the United States district court for the judicial district in which the home office of such nonbank financial company is located, or in the United States District Court for the District of Columbia, for an order requiring that the final determination be rescinded, and the court shall, upon review, dismiss such action or direct the final determination to be rescinded. Review of such an action shall be limited to whether the final determination made under this section was arbitrary and capricious.

(i) **INTERNATIONAL COORDINATION.**—In exercising its duties under this title with respect to foreign nonbank financial companies, foreign-based bank holding companies, and cross-border activities and markets, the Council shall consult with appropriate foreign regulatory authorities, to the extent appropriate.

SEC. 114. REGISTRATION OF NONBANK FINANCIAL COMPANIES SUPERVISED BY THE BOARD OF GOVERNORS.

Not later than 180 days after the date of a final Council determination under section 113 that a nonbank financial company is to be supervised by the Board of Governors, such company shall register with the Board of Governors, on forms prescribed by the Board of Governors, which shall include such information as the Board of Governors, in consultation with the Council, may deem necessary or appropriate to carry out this title.

SEC. 115. ENHANCED SUPERVISION AND PRUDENTIAL STANDARDS FOR NONBANK FINANCIAL COMPANIES SUPERVISED BY THE BOARD OF GOVERNORS AND CERTAIN BANK HOLDING COMPANIES.

(a) **IN GENERAL.**—

(1) **PURPOSE.**—In order to prevent or mitigate risks to the financial stability of the United States that could arise from the material financial distress, failure, or ongoing activities of large, interconnected financial institutions, the Council may make recommendations to the Board of Governors concerning the establishment and refinement of prudential standards and reporting and disclosure requirements applicable to nonbank financial companies supervised by the Board of Governors and large, interconnected bank holding companies, that—

(A) are more stringent than those applicable to other nonbank financial companies and bank holding companies that do not present similar risks to the financial stability of the United States; and

(B) increase in stringency, based on the considerations identified in subsection (b)(3).

(2) **RECOMMENDED APPLICATION OF REQUIRED STANDARDS.**—In making recommendations under this section, the Council may—

(A) differentiate among companies that are subject to heightened standards on an individual basis or by category, taking into consideration their capital structure, riskiness, complexity, financial activities (including the financial activities of their subsidiaries), size, and any other risk-related factors that the Council deems appropriate; or

(B) recommend an asset threshold that is higher than \$50,000,000,000 for the application of any standard described in subsections (c) through (g).

(b) **DEVELOPMENT OF PRUDENTIAL STANDARDS.**—

(1) **IN GENERAL.**—The recommendations of the Council under subsection (a) may include—

(A) risk-based capital requirements;

(B) leverage limits;

(C) liquidity requirements;

(D) resolution plan and credit exposure report requirements;

(E) concentration limits;

(F) a contingent capital requirement;

(G) enhanced public disclosures;

(H) short-term debt limits; and

(I) overall risk management requirements.

(2) **PRUDENTIAL STANDARDS FOR FOREIGN FINANCIAL COMPANIES.**—In making recommendations concerning the standards set forth in paragraph (1) that would apply to foreign nonbank financial companies supervised by the Board of Governors or foreign-based bank holding companies, the Council shall—

(A) give due regard to the principle of national treatment and equality of competitive opportunity; and

(B) take into account the extent to which the foreign nonbank financial company or foreign-based bank holding company is subject on a consolidated basis to home country standards that are comparable to those applied to financial companies in the United States.

(3) **CONSIDERATIONS.**—In making recommendations concerning prudential standards under paragraph (1), the Council shall—

(A) take into account differences among nonbank financial companies supervised by the Board of Governors and bank holding companies described in subsection (a), based on—

(i) the factors described in subsections (a) and (b) of section 113;

(ii) whether the company owns an insured depository institution;

(iii) nonfinancial activities and affiliations of the company; and

(iv) any other factors that the Council determines appropriate;

(B) to the extent possible, ensure that small changes in the factors listed in subsections (a) and (b) of section 113 would not result in sharp, discontinuous changes in the prudential standards established under section 165; and

(C) adapt its recommendations as appropriate in light of any predominant line of business of such company, including assets under management or other activities for which particular standards may not be appropriate.

(c) **CONTINGENT CAPITAL.**—

(1) **STUDY REQUIRED.**—The Council shall conduct a study of the feasibility, benefits, costs, and structure of a contingent capital requirement for nonbank financial companies supervised by the Board of Governors and bank holding companies described in subsection (a), which study shall include—

(A) an evaluation of the degree to which such requirement would enhance the safety and soundness of companies subject to the requirement, promote the financial stability of the United States, and reduce risks to United States taxpayers;

(B) an evaluation of the characteristics and amounts of contingent capital that should be required;

(C) an analysis of potential prudential standards that should be used to determine whether the contingent capital of a company would be converted to equity in times of financial stress;

(D) an evaluation of the costs to companies, the effects on the structure and operation of credit and other financial markets, and other economic effects of requiring contingent capital;

(E) an evaluation of the effects of such requirement on the international competitiveness of companies subject to the requirement and the prospects for international coordination in establishing such requirement; and

(F) recommendations for implementing regulations.

(2) **REPORT.**—The Council shall submit a report to Congress regarding the study required by paragraph (1) not later than 2 years after the date of enactment of this Act.

(3) **RECOMMENDATIONS.**—

(A) **IN GENERAL.**—Subsequent to submitting a report to Congress under paragraph (2), the Council may make recommendations to the Board of Governors to require any nonbank financial company supervised by the Board of Governors and any bank holding company described in subsection (a) to maintain a minimum amount of contingent capital that is convertible to equity in times of financial stress.

(B) **FACTORS TO CONSIDER.**—In making recommendations under this subsection, the Council shall consider—

(i) an appropriate transition period for implementation of a conversion under this subsection;

(ii) the factors described in subsection (b)(3);

(iii) capital requirements applicable to a nonbank financial company supervised by the Board of Governors or a bank holding company described in subsection (a), and subsidiaries thereof;

(iv) results of the study required by paragraph (1); and

(v) any other factor that the Council deems appropriate.

(d) **RESOLUTION PLAN AND CREDIT EXPOSURE REPORTS.**—

(1) **RESOLUTION PLAN.**—The Council may make recommendations to the Board of Governors concerning the requirement that each nonbank financial company supervised by the Board of Governors and each bank holding company described in subsection (a) report periodically to the Council, the Board of Governors, and the Corporation, the plan of such company for rapid and orderly resolution in the event of material financial distress or failure.

(2) **CREDIT EXPOSURE REPORT.**—The Council may make recommendations to the Board of Governors concerning the advisability of requiring each nonbank financial company supervised by the Board of Governors and bank holding company described in subsection (a) to report periodically to the Council, the Board of Governors, and the Corporation on—

(A) the nature and extent to which the company has credit exposure to other significant nonbank financial companies and significant bank holding companies; and

(B) the nature and extent to which other such significant nonbank financial companies and significant bank holding companies have credit exposure to that company.

(e) **CONCENTRATION LIMITS.**—In order to limit the risks that the failure of any individual company could pose to nonbank financial companies supervised by the Board of Governors or bank holding companies described in subsection (a), the Council may make recommendations to the Board of Governors to prescribe standards to limit such risks, as set forth in section 165.

(f) **ENHANCED PUBLIC DISCLOSURES.**—The Council may make recommendations to the

Board of Governors to require periodic public disclosures by bank holding companies described in subsection (a) and by nonbank financial companies supervised by the Board of Governors, in order to support market evaluation of the risk profile, capital adequacy, and risk management capabilities thereof.

(g) **SHORT-TERM DEBT LIMITS.**—The Council may make recommendations to the Board of Governors to require short-term debt limits to mitigate the risks that an over-accumulation of such debt could pose to bank holding companies described in subsection (a), nonbank financial companies supervised by the Board of Governors, or the financial system.

SEC. 116. REPORTS.

(a) **IN GENERAL.**—Subject to subsection (b), the Council, acting through the Office of Financial Research, may require a bank holding company with total consolidated assets of \$50,000,000,000 or greater or a nonbank financial company supervised by the Board of Governors, and any subsidiary thereof, to submit certified reports to keep the Council informed as to—

(1) the financial condition of the company;

(2) systems for monitoring and controlling financial, operating, and other risks;

(3) transactions with any subsidiary that is a depository institution; and

(4) the extent to which the activities and operations of the company and any subsidiary thereof, could, under adverse circumstances, have the potential to disrupt financial markets or affect the overall financial stability of the United States.

(b) **USE OF EXISTING REPORTS.**—

(1) **IN GENERAL.**—For purposes of compliance with subsection (a), the Council, acting through the Office of Financial Research, shall, to the fullest extent possible, use—

(A) reports that a bank holding company, nonbank financial company supervised by the Board of Governors, or any functionally regulated subsidiary of such company has been required to provide to other Federal or State regulatory agencies or to a relevant foreign supervisory authority;

(B) information that is otherwise required to be reported publicly; and

(C) externally audited financial statements.

(2) **AVAILABILITY.**—Each bank holding company described in subsection (a) and nonbank financial company supervised by the Board of Governors, and any subsidiary thereof, shall provide to the Council, at the request of the Council, copies of all reports referred to in paragraph (1).

(3) **CONFIDENTIALITY.**—The Council shall maintain the confidentiality of the reports obtained under subsection (a) and paragraph (1)(A) of this subsection.

SEC. 117. TREATMENT OF CERTAIN COMPANIES THAT CEASE TO BE BANK HOLDING COMPANIES.

(a) **APPLICABILITY.**—This section shall apply to—

(1) any entity that—

(A) was a bank holding company having total consolidated assets equal to or greater than \$50,000,000,000 as of January 1, 2010; and

(B) received financial assistance under or participated in the Capital Purchase Program established under the Troubled Asset Relief Program authorized by the Emergency Economic Stabilization Act of 2008; and

(2) any successor entity (as defined by the Board of Governors, in consultation with the Council) to an entity described in paragraph (1).

(b) **TREATMENT.**—If an entity described in subsection (a) ceases to be a bank holding company at any time after January 1, 2010, then such entity shall be treated as a nonbank financial company supervised by the Board of Governors, as if the Council had made a determina-

tion under section 113 with respect to that entity.

(c) **APPEAL.**—

(1) **REQUEST FOR HEARING.**—An entity may request, in writing, an opportunity for a written or oral hearing before the Council to appeal its treatment as a nonbank financial company supervised by the Board of Governors in accordance with this section. Upon receipt of the request, the Council shall fix a time (not later than 30 days after the date of receipt of the request) and place at which such entity may appear, personally or through counsel, to submit written materials (or, at the sole discretion of the Council, oral testimony and oral argument).

(2) **DECISION.**—

(A) **PROPOSED DECISION.**—A Council decision to grant an appeal under this subsection shall be made by a vote of not fewer than $\frac{2}{3}$ of the voting members then serving, including an affirmative vote by the Chairperson. Not later than 60 days after the date of a hearing under paragraph (1), the Council shall submit a report to, and may testify before, the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives on the proposed decision of the Council regarding an appeal under paragraph (1), which report shall include a statement of the basis for the proposed decision of the Council.

(B) **NOTICE OF FINAL DECISION.**—The Council shall notify the subject entity of the final decision of the Council regarding an appeal under paragraph (1), which notice shall contain a statement of the basis for the final decision of the Council, not later than 60 days after the later of—

(i) the date of the submission of the report under subparagraph (A); or

(ii) if, not later than 1 year after the date of submission of the report under subparagraph (A), the Committee on Banking, Housing, and Urban Affairs of the Senate or the Committee on Financial Services of the House of Representatives holds one or more hearings regarding such report, the date of the last such hearing.

(C) **CONSIDERATIONS.**—In making a decision regarding an appeal under paragraph (1), the Council shall consider whether the company meets the standards under section 113(a) or 113(b), as applicable, and the definition of the term “nonbank financial company” under section 102. The decision of the Council shall be final, subject to the review under paragraph (3).

(3) **REVIEW.**—If the Council denies an appeal under this subsection, the Council shall, not less frequently than annually, review and reevaluate the decision.

SEC. 118. COUNCIL FUNDING.

Any expenses of the Council shall be treated as expenses of, and paid by, the Office of Financial Research.

SEC. 119. RESOLUTION OF SUPERVISORY JURISDICTIONAL DISPUTES AMONG MEMBER AGENCIES.

(a) **REQUEST FOR COUNCIL RECOMMENDATION.**—The Council shall seek to resolve a dispute among 2 or more member agencies, if—

(1) a member agency has a dispute with another member agency about the respective jurisdiction over a particular bank holding company, nonbank financial company, or financial activity or product (excluding matters for which another dispute mechanism specifically has been provided under title X);

(2) the Council determines that the disputing agencies cannot, after a demonstrated good faith effort, resolve the dispute without the intervention of the Council; and

(3) any of the member agencies involved in the dispute—

(A) provides all other disputants prior notice of the intent to request dispute resolution by the Council; and

(B) requests in writing, not earlier than 14 days after providing the notice described in subparagraph (A), that the Council seek to resolve the dispute.

(b) **COUNCIL RECOMMENDATION.**—The Council shall seek to resolve each dispute described in subsection (a)—

(1) within a reasonable time after receiving the dispute resolution request;

(2) after consideration of relevant information provided by each agency party to the dispute; and

(3) by agreeing with 1 of the disputants regarding the entirety of the matter, or by determining a compromise position.

(c) **FORM OF RECOMMENDATION.**—Any Council recommendation under this section shall—

(1) be in writing;

(2) include an explanation of the reasons therefor; and

(3) be approved by the affirmative vote of $\frac{2}{3}$ of the voting members of the Council then serving.

(d) **NONBINDING EFFECT.**—Any recommendation made by the Council under subsection (c) shall not be binding on the Federal agencies that are parties to the dispute.

SEC. 120. ADDITIONAL STANDARDS APPLICABLE TO ACTIVITIES OR PRACTICES FOR FINANCIAL STABILITY PURPOSES.

(a) **IN GENERAL.**—The Council may provide for more stringent regulation of a financial activity by issuing recommendations to the primary financial regulatory agencies to apply new or heightened standards and safeguards, including standards enumerated in section 115, for a financial activity or practice conducted by bank holding companies or nonbank financial companies under their respective jurisdictions, if the Council determines that the conduct, scope, nature, size, scale, concentration, or interconnectedness of such activity or practice could create or increase the risk of significant liquidity, credit, or other problems spreading among bank holding companies and nonbank financial companies, financial markets of the United States, or low-income, minority, or underserved communities.

(b) **PROCEDURE FOR RECOMMENDATIONS TO REGULATORS.**—

(1) **NOTICE AND OPPORTUNITY FOR COMMENT.**—The Council shall consult with the primary financial regulatory agencies and provide notice to the public and opportunity for comment for any proposed recommendation that the primary financial regulatory agencies apply new or heightened standards and safeguards for a financial activity or practice.

(2) **CRITERIA.**—The new or heightened standards and safeguards for a financial activity or practice recommended under paragraph (1)—

(A) shall take costs to long-term economic growth into account; and

(B) may include prescribing the conduct of the activity or practice in specific ways (such as by limiting its scope, or applying particular capital or risk management requirements to the conduct of the activity) or prohibiting the activity or practice.

(c) **IMPLEMENTATION OF RECOMMENDED STANDARDS.**—

(1) **ROLE OF PRIMARY FINANCIAL REGULATORY AGENCY.**—

(A) **IN GENERAL.**—Each primary financial regulatory agency may impose, require reports regarding, examine for compliance with, and enforce standards in accordance with this section with respect to those entities for which it is the primary financial regulatory agency.

(B) **RULE OF CONSTRUCTION.**—The authority under this paragraph is in addition to, and does not limit, any other authority of a primary financial regulatory agency. Compliance by an entity with actions taken by a primary financial regulatory agency under this section shall be

enforceable in accordance with the statutes governing the respective jurisdiction of the primary financial regulatory agency over the entity, as if the agency action were taken under those statutes.

(2) **IMPOSITION OF STANDARDS.**—The primary financial regulatory agency shall impose the standards recommended by the Council in accordance with subsection (a), or similar standards that the Council deems acceptable, or shall explain in writing to the Council, not later than 90 days after the date on which the Council issues the recommendation, why the agency has determined not to follow the recommendation of the Council.

(d) **REPORT TO CONGRESS.**—The Council shall report to Congress on—

(1) any recommendations issued by the Council under this section;

(2) the implementation of, or failure to implement, such recommendation on the part of a primary financial regulatory agency; and

(3) in any case in which no primary financial regulatory agency exists for the nonbank financial company conducting financial activities or practices referred to in subsection (a), recommendations for legislation that would prevent such activities or practices from threatening the stability of the financial system of the United States.

(e) **EFFECT OF RESCISSION OF IDENTIFICATION.**—

(1) **NOTICE.**—The Council may recommend to the relevant primary financial regulatory agency that a financial activity or practice no longer requires any standards or safeguards implemented under this section.

(2) **DETERMINATION OF PRIMARY FINANCIAL REGULATORY AGENCY TO CONTINUE.**—

(A) **IN GENERAL.**—Upon receipt of a recommendation under paragraph (1), a primary financial regulatory agency that has imposed standards under this section shall determine whether such standards should remain in effect.

(B) **APPEAL PROCESS.**—Each primary financial regulatory agency that has imposed standards under this section shall promulgate regulations to establish a procedure under which entities under its jurisdiction may appeal a determination by such agency under this paragraph that standards imposed under this section should remain in effect.

SEC. 121. MITIGATION OF RISKS TO FINANCIAL STABILITY.

(a) **MITIGATORY ACTIONS.**—If the Board of Governors determines that a bank holding company with total consolidated assets of \$50,000,000,000 or more, or a nonbank financial company supervised by the Board of Governors, poses a grave threat to the financial stability of the United States, the Board of Governors, upon an affirmative vote of not fewer than $\frac{2}{3}$ of the voting members of the Council then serving, shall—

(1) limit the ability of the company to merge with, acquire, consolidate with, or otherwise become affiliated with another company;

(2) restrict the ability of the company to offer a financial product or products;

(3) require the company to terminate one or more activities;

(4) impose conditions on the manner in which the company conducts 1 or more activities; or

(5) if the Board of Governors determines that the actions described in paragraphs (1) through (4) are inadequate to mitigate a threat to the financial stability of the United States in its recommendation, require the company to sell or otherwise transfer assets or off-balance-sheet items to unaffiliated entities.

(b) **NOTICE AND HEARING.**—

(1) **IN GENERAL.**—The Board of Governors, in consultation with the Council, shall provide to a company described in subsection (a) written

notice that such company is being considered for mitigatory action pursuant to this section, including an explanation of the basis for, and description of, the proposed mitigatory action.

(2) **HEARING.**—Not later than 30 days after the date of receipt of notice under paragraph (1), the company may request, in writing, an opportunity for a written or oral hearing before the Board of Governors to contest the proposed mitigatory action. Upon receipt of a timely request, the Board of Governors shall fix a time (not later than 30 days after the date of receipt of the request) and place at which such company may appear, personally or through counsel, to submit written materials (or, at the discretion of the Board of Governors, in consultation with the Council, oral testimony and oral argument).

(3) **DECISION.**—Not later than 60 days after the date of a hearing under paragraph (2), or not later than 60 days after the provision of a notice under paragraph (1) if no hearing was held, the Board of Governors shall notify the company of the final decision of the Board of Governors, including the results of the vote of the Council, as described in subsection (a).

(c) **FACTORS FOR CONSIDERATION.**—The Board of Governors and the Council shall take into consideration the factors set forth in subsection (a) or (b) of section 113, as applicable, in making any determination under subsection (a).

(d) **APPLICATION TO FOREIGN FINANCIAL COMPANIES.**—The Board of Governors may prescribe regulations regarding the application of this section to foreign nonbank financial companies supervised by the Board of Governors and foreign-based bank holding companies—

(1) giving due regard to the principle of national treatment and equality of competitive opportunity; and

(2) taking into account the extent to which the foreign nonbank financial company or foreign-based bank holding company is subject on a consolidated basis to home country standards that are comparable to those applied to financial companies in the United States.

SEC. 122. GAO AUDIT OF COUNCIL.

(a) **AUTHORITY TO AUDIT.**—The Comptroller General of the United States may audit the activities of—

(1) the Council; and

(2) any person or entity acting on behalf of or under the authority of the Council, to the extent that such activities relate to work for the Council by such person or entity.

(b) **ACCESS TO INFORMATION.**—

(1) **IN GENERAL.**—Notwithstanding any other provision of law, the Comptroller General shall, upon request and at such reasonable time and in such reasonable form as the Comptroller General may request, have access to—

(A) any records or other information under the control of or used by the Council;

(B) any records or other information under the control of a person or entity acting on behalf of or under the authority of the Council, to the extent that such records or other information is relevant to an audit under subsection (a); and

(C) the officers, directors, employees, financial advisors, staff, working groups, and agents and representatives of the Council (as related to the activities on behalf of the Council of such agent or representative), at such reasonable times as the Comptroller General may request.

(2) **COPIES.**—The Comptroller General may make and retain copies of such books, accounts, and other records, access to which is granted under this section, as the Comptroller General considers appropriate.

SEC. 123. STUDY OF THE EFFECTS OF SIZE AND COMPLEXITY OF FINANCIAL INSTITUTIONS ON CAPITAL MARKET EFFICIENCY AND ECONOMIC GROWTH.

(a) **STUDY REQUIRED.**—

(1) *IN GENERAL.*—The Chairperson of the Council shall carry out a study of the economic impact of possible financial services regulatory limitations intended to reduce systemic risk. Such study shall estimate the benefits and costs on the efficiency of capital markets, on the financial sector, and on national economic growth, of—

(A) explicit or implicit limits on the maximum size of banks, bank holding companies, and other large financial institutions;

(B) limits on the organizational complexity and diversification of large financial institutions;

(C) requirements for operational separation between business units of large financial institutions in order to expedite resolution in case of failure;

(D) limits on risk transfer between business units of large financial institutions;

(E) requirements to carry contingent capital or similar mechanisms;

(F) limits on commingling of commercial and financial activities by large financial institutions;

(G) segregation requirements between traditional financial activities and trading or other high-risk operations in large financial institutions; and

(H) other limitations on the activities or structure of large financial institutions that may be useful to limit systemic risk.

(2) *RECOMMENDATIONS.*—The study required by this section shall include recommendations for the optimal structure of any limits considered in subparagraphs (A) through (E), in order to maximize their effectiveness and minimize their economic impact.

(b) *REPORT.*—Not later than the end of the 180-day period beginning on the date of enactment of this title, and not later than every 5 years thereafter, the Chairperson shall issue a report to the Congress containing any findings and determinations made in carrying out the study required under subsection (a).

Subtitle B—Office of Financial Research

SEC. 151. DEFINITIONS.

For purposes of this subtitle—

(1) the terms “Office” and “Director” mean the Office of Financial Research established under this subtitle and the Director thereof, respectively;

(2) the term “financial company” has the same meaning as in title II, and includes an insured depository institution and an insurance company;

(3) the term “Data Center” means the data center established under section 154;

(4) the term “Research and Analysis Center” means the research and analysis center established under section 154;

(5) the term “financial transaction data” means the structure and legal description of a financial contract, with sufficient detail to describe the rights and obligations between counterparties and make possible an independent valuation;

(6) the term “position data”—

(A) means data on financial assets or liabilities held on the balance sheet of a financial company, where positions are created or changed by the execution of a financial transaction; and

(B) includes information that identifies counterparties, the valuation by the financial company of the position, and information that makes possible an independent valuation of the position;

(7) the term “financial contract” means a legally binding agreement between 2 or more counterparties, describing rights and obligations relating to the future delivery of items of intrinsic or extrinsic value among the counterparties; and

(8) the term “financial instrument” means a financial contract in which the terms and conditions are publicly available, and the roles of one or more of the counterparties are assignable without the consent of any of the other counterparties (including common stock of a publicly traded company, government bonds, or exchange traded futures and options contracts).

SEC. 152. OFFICE OF FINANCIAL RESEARCH ESTABLISHED.

(a) *ESTABLISHMENT.*—There is established within the Department of the Treasury the Office of Financial Research.

(b) *DIRECTOR.*—

(1) *IN GENERAL.*—The Office shall be headed by a Director, who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) *TERM OF SERVICE.*—The Director shall serve for a term of 6 years, except that, in the event that a successor is not nominated and confirmed by the end of the term of service of a Director, the Director may continue to serve until such time as the next Director is appointed and confirmed.

(3) *EXECUTIVE LEVEL.*—The Director shall be compensated at Level III of the Executive Schedule.

(4) *PROHIBITION ON DUAL SERVICE.*—The individual serving in the position of Director may not, during such service, also serve as the head of any financial regulatory agency.

(5) *RESPONSIBILITIES, DUTIES, AND AUTHORITY.*—The Director shall have sole discretion in the manner in which the Director fulfills the responsibilities and duties and exercises the authorities described in this subtitle.

(c) *BUDGET.*—The Director, in consultation with the Chairperson, shall establish the annual budget of the Office.

(d) *OFFICE PERSONNEL.*—

(1) *IN GENERAL.*—The Director, in consultation with the Chairperson, may fix the number of, and appoint and direct, all employees of the Office.

(2) *COMPENSATION.*—The Director, in consultation with the Chairperson, shall fix, adjust, and administer the pay for all employees of the Office, without regard to chapter 51 or subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates.

(3) *COMPARABILITY.*—Section 1206(a) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b(a)) is amended—

(A) by striking “Finance Board,” and inserting “Finance Board, the Office of Financial Research, and the Bureau of Consumer Financial Protection”; and

(B) by striking “and the Office of Thrift Supervision.”.

(4) *SENIOR EXECUTIVES.*—Section 3132(a)(1)(D) of title 5, United States Code, is amended by striking “and the National Credit Union Administration;” and inserting “the National Credit Union Administration, the Bureau of Consumer Financial Protection, and the Office of Financial Research;”.

(e) *ASSISTANCE FROM FEDERAL AGENCIES.*—Any department or agency of the United States may provide to the Office and any special advisory, technical, or professional committees appointed by the Office, such services, funds, facilities, staff, and other support services as the Office may determine advisable. Any Federal Government employee may be detailed to the Office without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(f) *PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.*—The Director may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at

rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for Level V of the Executive Schedule under section 5316 of such title.

(g) *POST-EMPLOYMENT PROHIBITIONS.*—The Secretary, with the concurrence of the Director of the Office of Government Ethics, shall issue regulations prohibiting the Director and any employee of the Office who has had access to the transaction or position data maintained by the Data Center or other business confidential information about financial entities required to report to the Office from being employed by or providing advice or consulting services to a financial company, for a period of 1 year after last having had access in the course of official duties to such transaction or position data or business confidential information, regardless of whether that entity is required to report to the Office. For employees whose access to business confidential information was limited, the regulations may provide, on a case-by-case basis, for a shorter period of post-employment prohibition, provided that the shorter period does not compromise business confidential information.

(h) *TECHNICAL AND PROFESSIONAL ADVISORY COMMITTEES.*—The Office, in consultation with the Chairperson, may appoint such special advisory, technical, or professional committees as may be useful in carrying out the functions of the Office, and the members of such committees may be staff of the Office, or other persons, or both.

(i) *FELLOWSHIP PROGRAM.*—The Office, in consultation with the Chairperson, may establish and maintain an academic and professional fellowship program, under which qualified academics and professionals shall be invited to spend not longer than 2 years at the Office, to perform research and to provide advanced training for Office personnel.

(j) *EXECUTIVE SCHEDULE COMPENSATION.*—Section 5314 of title 5, United States Code, is amended by adding at the end the following new item:

“Director of the Office of Financial Research.”.

SEC. 153. PURPOSE AND DUTIES OF THE OFFICE.

(a) *PURPOSE AND DUTIES.*—The purpose of the Office is to support the Council in fulfilling the purposes and duties of the Council, as set forth in subtitle A, and to support member agencies, by—

(1) collecting data on behalf of the Council, and providing such data to the Council and member agencies;

(2) standardizing the types and formats of data reported and collected;

(3) performing applied research and essential long-term research;

(4) developing tools for risk measurement and monitoring;

(5) performing other related services;

(6) making the results of the activities of the Office available to financial regulatory agencies; and

(7) assisting such member agencies in determining the types and formats of data authorized by this Act to be collected by such member agencies.

(b) *ADMINISTRATIVE AUTHORITY.*—The Office may—

(1) share data and information, including software developed by the Office, with the Council, member agencies, and the Bureau of Economic Analysis, which shared data, information, and software—

(A) shall be maintained with at least the same level of security as is used by the Office; and

(B) may not be shared with any individual or entity without the permission of the Council;

(2) sponsor and conduct research projects; and

(3) assist, on a reimbursable basis, with financial analyses undertaken at the request of other Federal agencies that are not member agencies.

(c) RULEMAKING AUTHORITY.—

(1) SCOPE.—The Office, in consultation with the Chairperson, shall issue rules, regulations, and orders only to the extent necessary to carry out the purposes and duties described in paragraphs (1), (2), and (7) of subsection (a).

(2) STANDARDIZATION.—Member agencies, in consultation with the Office, shall implement regulations promulgated by the Office under paragraph (1) to standardize the types and formats of data reported and collected on behalf of the Council, as described in subsection (a)(2). If a member agency fails to implement such regulations prior to the expiration of the 3-year period following the date of publication of final regulations, the Office, in consultation with the Chairperson, may implement such regulations with respect to the financial entities under the jurisdiction of the member agency. This paragraph shall not supersede or interfere with the independent authority of a member agency under other law to collect data, in such format and manner as the member agency requires.

(d) TESTIMONY.—

(1) IN GENERAL.—The Director of the Office shall report to and testify before the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives annually on the activities of the Office, including the work of the Data Center and the Research and Analysis Center, and the assessment of the Office of significant financial market developments and potential emerging threats to the financial stability of the United States.

(2) NO PRIOR REVIEW.—No officer or agency of the United States shall have any authority to require the Director to submit the testimony required under paragraph (1) or other congressional testimony to any officer or agency of the United States for approval, comment, or review prior to the submission of such testimony. Any such testimony to Congress shall include a statement that the views expressed therein are those of the Director and do not necessarily represent the views of the President.

(e) ADDITIONAL REPORTS.—The Director may provide additional reports to Congress concerning the financial stability of the United States. The Director shall notify the Council of any such additional reports provided to Congress.

(f) SUBPOENA.—

(1) IN GENERAL.—The Director may require from a financial company, by subpoena, the production of the data requested under subsection (a)(1) and section 154(b)(1), but only upon a written finding by the Director that—

(A) such data is required to carry out the functions described under this subtitle; and

(B) the Office has coordinated with the relevant primary financial regulatory agency, as required under section 154(b)(1)(B)(ii).

(2) FORMAT.—Subpoenas under paragraph (1) shall bear the signature of the Director, and shall be served by any person or class of persons designated by the Director for that purpose.

(3) ENFORCEMENT.—In the case of contempt or failure to obey a subpoena, the subpoena shall be enforceable by order of any appropriate district court of the United States. Any failure to obey the order of the court may be punished by the court as a contempt of court.

SEC. 154. ORGANIZATIONAL STRUCTURE; RESPONSIBILITIES OF PRIMARY PROGRAMMATIC UNITS.

(a) IN GENERAL.—There are established within the Office, to carry out the programmatic responsibilities of the Office—

(1) the Data Center; and

(2) the Research and Analysis Center.

(b) DATA CENTER.—

(1) GENERAL DUTIES.—

(A) DATA COLLECTION.—The Data Center, on behalf of the Council, shall collect, validate,

and maintain all data necessary to carry out the duties of the Data Center, as described in this subtitle. The data assembled shall be obtained from member agencies, commercial data providers, publicly available data sources, and financial entities under subparagraph (B).

(B) AUTHORITY.—

(i) IN GENERAL.—The Office may, as determined by the Council or by the Director in consultation with the Council, require the submission of periodic and other reports from any financial company for the purpose of assessing the extent to which a financial activity or financial market in which the financial company participates, or the financial company itself, poses a threat to the financial stability of the United States.

(ii) MITIGATION OF REPORT BURDEN.—Before requiring the submission of a report from any financial company that is regulated by a member agency, any primary financial regulatory agency, a foreign supervisory authority, or the Office shall coordinate with such agencies or authority, and shall, whenever possible, rely on information available from such agencies or authority.

(iii) COLLECTION OF FINANCIAL TRANSACTION AND POSITION DATA.—The Office shall collect, on a schedule determined by the Director, in consultation with the Council, financial transaction data and position data from financial companies.

(C) RULEMAKING.—The Office shall promulgate regulations pursuant to subsections (a)(1), (a)(2), (a)(7), and (c)(1) of section 153 regarding the type and scope of the data to be collected by the Data Center under this paragraph.

(2) RESPONSIBILITIES.—

(A) PUBLICATION.—The Data Center shall prepare and publish, in a manner that is easily accessible to the public—

(i) a financial company reference database;

(ii) a financial instrument reference database; and

(iii) formats and standards for Office data, including standards for reporting financial transaction and position data to the Office.

(B) CONFIDENTIALITY.—The Data Center shall not publish any confidential data under subparagraph (A).

(3) INFORMATION SECURITY.—The Director shall ensure that data collected and maintained by the Data Center are kept secure and protected against unauthorized disclosure.

(4) CATALOG OF FINANCIAL ENTITIES AND INSTRUMENTS.—The Data Center shall maintain a catalog of the financial entities and instruments reported to the Office.

(5) AVAILABILITY TO THE COUNCIL AND MEMBER AGENCIES.—The Data Center shall make data collected and maintained by the Data Center available to the Council and member agencies, as necessary to support their regulatory responsibilities.

(6) OTHER AUTHORITY.—The Office shall, after consultation with the member agencies, provide certain data to financial industry participants and to the general public to increase market transparency and facilitate research on the financial system, to the extent that intellectual property rights are not violated, business confidential information is properly protected, and the sharing of such information poses no significant threats to the financial system of the United States.

(c) RESEARCH AND ANALYSIS CENTER.—

(1) GENERAL DUTIES.—The Research and Analysis Center, on behalf of the Council, shall develop and maintain independent analytical capabilities and computing resources—

(A) to develop and maintain metrics and reporting systems for risks to the financial stability of the United States;

(B) to monitor, investigate, and report on changes in systemwide risk levels and patterns to the Council and Congress;

(C) to conduct, coordinate, and sponsor research to support and improve regulation of financial entities and markets;

(D) to evaluate and report on stress tests or other stability-related evaluations of financial entities overseen by the member agencies;

(E) to maintain expertise in such areas as may be necessary to support specific requests for advice and assistance from financial regulators;

(F) to investigate disruptions and failures in the financial markets, report findings, and make recommendations to the Council based on those findings;

(G) to conduct studies and provide advice on the impact of policies related to systemic risk; and

(H) to promote best practices for financial risk management.

(d) REPORTING RESPONSIBILITIES.—

(1) REQUIRED REPORTS.—Not later than 2 years after the date of enactment of this Act, and not later than 120 days after the end of each fiscal year thereafter, the Office shall prepare and submit a report to Congress.

(2) CONTENT.—Each report required by this subsection shall assess the state of the United States financial system, including—

(A) an analysis of any threats to the financial stability of the United States;

(B) the status of the efforts of the Office in meeting the mission of the Office; and

(C) key findings from the research and analysis of the financial system by the Office.

SEC. 155. FUNDING.

(a) FINANCIAL RESEARCH FUND.—

(1) FUND ESTABLISHED.—There is established in the Treasury of the United States a separate fund to be known as the “Financial Research Fund”.

(2) FUND RECEIPTS.—All amounts provided to the Office under subsection (c), and all assessments that the Office receives under subsection (d) shall be deposited into the Financial Research Fund.

(3) INVESTMENTS AUTHORIZED.—

(A) AMOUNTS IN FUND MAY BE INVESTED.—The Director may request the Secretary to invest the portion of the Financial Research Fund that is not, in the judgment of the Director, required to meet the needs of the Office.

(B) ELIGIBLE INVESTMENTS.—Investments shall be made by the Secretary in obligations of the United States or obligations that are guaranteed as to principal and interest by the United States, with maturities suitable to the needs of the Financial Research Fund, as determined by the Director.

(4) INTEREST AND PROCEEDS CREDITED.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Financial Research Fund shall be credited to and form a part of the Financial Research Fund.

(b) USE OF FUNDS.—

(1) IN GENERAL.—Funds obtained by, transferred to, or credited to the Financial Research Fund shall be immediately available to the Office, and shall remain available until expended, to pay the expenses of the Office in carrying out the duties and responsibilities of the Office.

(2) FEES, ASSESSMENTS, AND OTHER FUNDS NOT GOVERNMENT FUNDS.—Funds obtained by, transferred to, or credited to the Financial Research Fund shall not be construed to be Government funds or appropriated moneys.

(3) AMOUNTS NOT SUBJECT TO APPORTIONMENT.—Notwithstanding any other provision of law, amounts in the Financial Research Fund shall not be subject to apportionment for purposes of chapter 15 of title 31, United States Code, or under any other authority, or for any other purpose.

(c) INTERIM FUNDING.—During the 2-year period following the date of enactment of this Act, the Board of Governors shall provide to the Office an amount sufficient to cover the expenses of the Office.

(d) **PERMANENT SELF-FUNDING.**—Beginning 2 years after the date of enactment of this Act, the Secretary shall establish, by regulation, and with the approval of the Council, an assessment schedule, including the assessment base and rates, applicable to bank holding companies with total consolidated assets of \$50,000,000,000 or greater and nonbank financial companies supervised by the Board of Governors, that takes into account differences among such companies, based on the considerations for establishing the prudential standards under section 115, to collect assessments equal to the total expenses of the Office.

SEC. 156. TRANSITION OVERSIGHT.

(a) **PURPOSE.**—The purpose of this section is to ensure that the Office—

- (1) has an orderly and organized startup;
- (2) attracts and retains a qualified workforce; and
- (3) establishes comprehensive employee training and benefits programs.

(b) **REPORTING REQUIREMENT.**—

(1) **IN GENERAL.**—The Office shall submit an annual report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives that includes the plans described in paragraph (2).

(2) **PLANS.**—The plans described in this paragraph are as follows:

(A) **TRAINING AND WORKFORCE DEVELOPMENT PLAN.**—The Office shall submit a training and workforce development plan that includes, to the extent practicable—

- (i) identification of skill and technical expertise needs and actions taken to meet those requirements;
- (ii) steps taken to foster innovation and creativity;
- (iii) leadership development and succession planning; and
- (iv) effective use of technology by employees.

(B) **WORKPLACE FLEXIBILITY PLAN.**—The Office shall submit a workforce flexibility plan that includes, to the extent practicable—

- (i) telework;
- (ii) flexible work schedules;
- (iii) phased retirement;
- (iv) reemployed annuitants;
- (v) part-time work;
- (vi) job sharing;
- (vii) parental leave benefits and childcare assistance;
- (viii) domestic partner benefits;
- (ix) other workplace flexibilities; or
- (x) any combination of the items described in clauses (i) through (ix).

(C) **RECRUITMENT AND RETENTION PLAN.**—The Office shall submit a recruitment and retention plan that includes, to the extent practicable, provisions relating to—

- (i) the steps necessary to target highly qualified applicant pools with diverse backgrounds;
- (ii) streamlined employment application processes;
- (iii) the provision of timely notification of the status of employment applications to applicants; and
- (iv) the collection of information to measure indicators of hiring effectiveness.

(c) **EXPIRATION.**—The reporting requirement under subsection (b) shall terminate 5 years after the date of enactment of this Act.

(d) **RULE OF CONSTRUCTION.**—Nothing in this section may be construed to affect—

- (1) a collective bargaining agreement, as that term is defined in section 7103(a)(8) of title 5, United States Code, that is in effect on the date of enactment of this Act; or
- (2) the rights of employees under chapter 71 of title 5, United States Code.

Subtitle C—Additional Board of Governors Authority for Certain Nonbank Financial Companies and Bank Holding Companies

SEC. 161. REPORTS BY AND EXAMINATIONS OF NONBANK FINANCIAL COMPANIES BY THE BOARD OF GOVERNORS.

(a) **REPORTS.**—

(1) **IN GENERAL.**—The Board of Governors may require each nonbank financial company supervised by the Board of Governors, and any subsidiary thereof, to submit reports under oath, to keep the Board of Governors informed as to—

- (A) the financial condition of the company or subsidiary, systems of the company or subsidiary for monitoring and controlling financial, operating, and other risks, and the extent to which the activities and operations of the company or subsidiary pose a threat to the financial stability of the United States; and
- (B) compliance by the company or subsidiary with the requirements of this title.

(2) **USE OF EXISTING REPORTS AND INFORMATION.**—In carrying out subsection (a), the Board of Governors shall, to the fullest extent possible, use—

- (A) reports and supervisory information that a nonbank financial company or subsidiary thereof has been required to provide to other Federal or State regulatory agencies;
- (B) information otherwise obtainable from Federal or State regulatory agencies;
- (C) information that is otherwise required to be reported publicly; and
- (D) externally audited financial statements of such company or subsidiary.

(3) **AVAILABILITY.**—Upon the request of the Board of Governors, a nonbank financial company supervised by the Board of Governors, or a subsidiary thereof, shall promptly provide to the Board of Governors any information described in paragraph (2).

(b) **EXAMINATIONS.**—

- (1) **IN GENERAL.**—Subject to paragraph (2), the Board of Governors may examine any nonbank financial company supervised by the Board of Governors and any subsidiary of such company, to inform the Board of Governors of—
 - (A) the nature of the operations and financial condition of the company and such subsidiary;
 - (B) the financial, operational, and other risks of the company or such subsidiary that may pose a threat to the safety and soundness of such company or subsidiary or to the financial stability of the United States;
 - (C) the systems for monitoring and controlling such risks; and
 - (D) compliance by the company or such subsidiary with the requirements of this title.
- (2) **USE OF EXAMINATION REPORTS AND INFORMATION.**—For purposes of this subsection, the Board of Governors shall, to the fullest extent possible, rely on reports of examination of any subsidiary depository institution or functionally regulated subsidiary made by the primary financial regulatory agency for that subsidiary, and on information described in subsection (a)(2).

(c) **COORDINATION WITH PRIMARY FINANCIAL REGULATORY AGENCY.**—The Board of Governors shall—

- (1) provide reasonable notice to, and consult with, the primary financial regulatory agency for any subsidiary before requiring a report or commencing an examination of such subsidiary under this section; and
- (2) avoid duplication of examination activities, reporting requirements, and requests for information, to the fullest extent possible.

(d) **COORDINATION WITH PRIMARY FINANCIAL REGULATORY AGENCY.**—The Board of Governors shall—

- (1) provide reasonable notice to, and consult with, the primary financial regulatory agency for any subsidiary before requiring a report or commencing an examination of such subsidiary under this section; and
- (2) avoid duplication of examination activities, reporting requirements, and requests for information, to the fullest extent possible.

SEC. 162. ENFORCEMENT.

(a) **IN GENERAL.**—Except as provided in subsection (b), a nonbank financial company supervised by the Board of Governors and any subsidiaries of such company (other than any depository institution subsidiary) shall be subject to the provisions of subsections (b) through (n)

of section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), in the same manner and to the same extent as if the company were a bank holding company, as provided in section 8(b)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1818(b)(3)).

(b) **ENFORCEMENT AUTHORITY FOR FUNCTIONALLY REGULATED SUBSIDIARIES.**—

(1) **REFERRAL.**—If the Board of Governors determines that a condition, practice, or activity of a depository institution subsidiary or functionally regulated subsidiary of a nonbank financial company supervised by the Board of Governors does not comply with the regulations or orders prescribed by the Board of Governors under this Act, or otherwise poses a threat to the financial stability of the United States, the Board of Governors may recommend, in writing, to the primary financial regulatory agency for the subsidiary that such agency initiate a supervisory action or enforcement proceeding. The recommendation shall be accompanied by a written explanation of the concerns giving rise to the recommendation.

(2) **BACK-UP AUTHORITY OF THE BOARD OF GOVERNORS.**—If, during the 60-day period beginning on the date on which the primary financial regulatory agency receives a recommendation under paragraph (1), the primary financial regulatory agency does not take supervisory or enforcement action against a subsidiary that is acceptable to the Board of Governors, the Board of Governors (upon a vote of its members) may take the recommended supervisory or enforcement action, as if the subsidiary were a bank holding company subject to supervision by the Board of Governors.

SEC. 163. ACQUISITIONS.

(a) **ACQUISITIONS OF BANKS; TREATMENT AS A BANK HOLDING COMPANY.**—For purposes of section 3 of the Bank Holding Company Act of 1956 (12 U.S.C. 1842), a nonbank financial company supervised by the Board of Governors shall be deemed to be, and shall be treated as, a bank holding company.

(b) **ACQUISITION OF NONBANK COMPANIES.**—

(1) **PRIOR NOTICE FOR LARGE ACQUISITIONS.**—Notwithstanding section 4(k)(6)(B) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(k)(6)(B)), a bank holding company with total consolidated assets equal to or greater than \$50,000,000,000 or a nonbank financial company supervised by the Board of Governors shall not acquire direct or indirect ownership or control of any voting shares of any company (other than an insured depository institution) that is engaged in activities described in section 4(k) of the Bank Holding Company Act of 1956 having total consolidated assets of \$10,000,000,000 or more, without providing written notice to the Board of Governors in advance of the transaction.

(2) **EXEMPTIONS.**—The prior notice requirement in paragraph (1) shall not apply with regard to the acquisition of shares that would qualify for the exemptions in section 4(c) or section 4(k)(4)(E) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c) and (k)(4)(E)).

(3) **NOTICE PROCEDURES.**—The notice procedures set forth in section 4(j)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(j)(1)), without regard to section 4(i)(3) of that Act, shall apply to an acquisition of any company (other than an insured depository institution) by a bank holding company with total consolidated assets equal to or greater than \$50,000,000,000 or a nonbank financial company supervised by the Board of Governors, as described in paragraph (1), including any such company engaged in activities described in section 4(k) of that Act.

(4) **STANDARDS FOR REVIEW.**—In addition to the standards provided in section 4(j)(2) of the Bank Holding Company Act of 1956 (12 U.S.C.

1843(j)(2)), the Board of Governors shall consider the extent to which the proposed acquisition would result in greater or more concentrated risks to global or United States financial stability or the United States economy.

(5) **HART-SCOTT-RODINO FILING REQUIREMENT.**—Solely for purposes of section 7A(c)(8) of the Clayton Act (15 U.S.C. 18a(c)(8)), the transactions subject to the requirements of paragraph (1) shall be treated as if Board of Governors approval is not required.

SEC. 164. PROHIBITION AGAINST MANAGEMENT INTERLOCKS BETWEEN CERTAIN FINANCIAL COMPANIES.

A nonbank financial company supervised by the Board of Governors shall be treated as a bank holding company for purposes of the Depository Institutions Management Interlocks Act (12 U.S.C. 3201 et seq.), except that the Board of Governors shall not exercise the authority provided in section 7 of that Act (12 U.S.C. 3207) to permit service by a management official of a nonbank financial company supervised by the Board of Governors as a management official of any bank holding company with total consolidated assets equal to or greater than \$50,000,000,000, or other nonaffiliated nonbank financial company supervised by the Board of Governors (other than to provide a temporary exemption for interlocks resulting from a merger, acquisition, or consolidation).

SEC. 165. ENHANCED SUPERVISION AND PRUDENTIAL STANDARDS FOR NONBANK FINANCIAL COMPANIES SUPERVISED BY THE BOARD OF GOVERNORS AND CERTAIN BANK HOLDING COMPANIES.

(a) **IN GENERAL.**—

(1) **PURPOSE.**—In order to prevent or mitigate risks to the financial stability of the United States that could arise from the material financial distress or failure, or ongoing activities, of large, interconnected financial institutions, the Board of Governors shall, on its own or pursuant to recommendations by the Council under section 115, establish prudential standards for nonbank financial companies supervised by the Board of Governors and bank holding companies with total consolidated assets equal to or greater than \$50,000,000,000 that—

(A) are more stringent than the standards and requirements applicable to nonbank financial companies and bank holding companies that do not present similar risks to the financial stability of the United States; and

(B) increase in stringency, based on the considerations identified in subsection (b)(3).

(2) **TAILORED APPLICATION.**—

(A) **IN GENERAL.**—In prescribing more stringent prudential standards under this section, the Board of Governors may, on its own or pursuant to a recommendation by the Council in accordance with section 115, differentiate among companies on an individual basis or by category, taking into consideration their capital structure, riskiness, complexity, financial activities (including the financial activities of their subsidiaries), size, and any other risk-related factors that the Board of Governors deems appropriate.

(B) **ADJUSTMENT OF THRESHOLD FOR APPLICATION OF CERTAIN STANDARDS.**—The Board of Governors may, pursuant to a recommendation by the Council in accordance with section 115, establish an asset threshold above \$50,000,000,000 for the application of any standard established under subsections (c) through (g).

(b) **DEVELOPMENT OF PRUDENTIAL STANDARDS.**—

(1) **IN GENERAL.**—

(A) **REQUIRED STANDARDS.**—The Board of Governors shall establish prudential standards for nonbank financial companies supervised by the Board of Governors and bank holding com-

panies described in subsection (a), that shall include—

(i) risk-based capital requirements and leverage limits, unless the Board of Governors, in consultation with the Council, determines that such requirements are not appropriate for a company subject to more stringent prudential standards because of the activities of such company (such as investment company activities or assets under management) or structure, in which case, the Board of Governors shall apply other standards that result in similarly stringent risk controls;

(ii) liquidity requirements;

(iii) overall risk management requirements;

(iv) resolution plan and credit exposure report requirements; and

(v) concentration limits.

(B) **ADDITIONAL STANDARDS AUTHORIZED.**—The Board of Governors may establish additional prudential standards for nonbank financial companies supervised by the Board of Governors and bank holding companies described in subsection (a), that include—

(i) a contingent capital requirement;

(ii) enhanced public disclosures;

(iii) short-term debt limits; and

(iv) such other prudential standards as the Board or Governors, on its own or pursuant to a recommendation made by the Council in accordance with section 115, determines are appropriate.

(2) **STANDARDS FOR FOREIGN FINANCIAL COMPANIES.**—In applying the standards set forth in paragraph (1) to any foreign nonbank financial company supervised by the Board of Governors or foreign-based bank holding company, the Board of Governors shall—

(A) give due regard to the principle of national treatment and equality of competitive opportunity; and

(B) take into account the extent to which the foreign financial company is subject on a consolidated basis to home country standards that are comparable to those applied to financial companies in the United States.

(3) **CONSIDERATIONS.**—In prescribing prudential standards under paragraph (1), the Board of Governors shall—

(A) take into account differences among nonbank financial companies supervised by the Board of Governors and bank holding companies described in subsection (a), based on—

(i) the factors described in subsections (a) and (b) of section 113;

(ii) whether the company owns an insured depository institution;

(iii) nonfinancial activities and affiliations of the company; and

(iv) any other risk-related factors that the Board of Governors determines appropriate;

(B) to the extent possible, ensure that small changes in the factors listed in subsections (a) and (b) of section 113 would not result in sharp, discontinuous changes in the prudential standards established under paragraph (1) of this subsection;

(C) take into account any recommendations of the Council under section 115; and

(D) adapt the required standards as appropriate in light of any predominant line of business of such company, including assets under management or other activities for which particular standards may not be appropriate.

(4) **CONSULTATION.**—Before imposing prudential standards or any other requirements pursuant to this section, including notices of deficiencies in resolution plans and more stringent requirements or divestiture orders resulting from such notices, that are likely to have a significant impact on a functionally regulated subsidiary or depository institution subsidiary of a nonbank financial company supervised by the Board of Governors or a bank holding company

described in subsection (a), the Board of Governors shall consult with each Council member that primarily supervises any such subsidiary with respect to any such standard or requirement.

(5) **REPORT.**—The Board of Governors shall submit an annual report to Congress regarding the implementation of the prudential standards required pursuant to paragraph (1), including the use of such standards to mitigate risks to the financial stability of the United States.

(c) **CONTINGENT CAPITAL.**—

(1) **IN GENERAL.**—Subsequent to submission by the Council of a report to Congress under section 115(c), the Board of Governors may issue regulations that require each nonbank financial company supervised by the Board of Governors and bank holding companies described in subsection (a) to maintain a minimum amount of contingent capital that is convertible to equity in times of financial stress.

(2) **FACTORS TO CONSIDER.**—In issuing regulations under this subsection, the Board of Governors shall consider—

(A) the results of the study undertaken by the Council, and any recommendations of the Council, under section 115(c);

(B) an appropriate transition period for implementation of contingent capital under this subsection;

(C) the factors described in subsection (b)(3)(A);

(D) capital requirements applicable to the nonbank financial company supervised by the Board of Governors or a bank holding company described in subsection (a), and subsidiaries thereof; and

(E) any other factor that the Board of Governors deems appropriate.

(d) **RESOLUTION PLAN AND CREDIT EXPOSURE REPORTS.**—

(1) **RESOLUTION PLAN.**—The Board of Governors shall require each nonbank financial company supervised by the Board of Governors and bank holding companies described in subsection (a) to report periodically to the Board of Governors, the Council, and the Corporation the plan of such company for rapid and orderly resolution in the event of material financial distress or failure, which shall include—

(A) information regarding the manner and extent to which any insured depository institution affiliated with the company is adequately protected from risks arising from the activities of any nonbank subsidiaries of the company;

(B) full descriptions of the ownership structure, assets, liabilities, and contractual obligations of the company;

(C) identification of the cross-guarantees tied to different securities, identification of major counterparties, and a process for determining to whom the collateral of the company is pledged; and

(D) any other information that the Board of Governors and the Corporation jointly require by rule or order.

(2) **CREDIT EXPOSURE REPORT.**—The Board of Governors shall require each nonbank financial company supervised by the Board of Governors and bank holding companies described in subsection (a) to report periodically to the Board of Governors, the Council, and the Corporation on—

(A) the nature and extent to which the company has credit exposure to other significant nonbank financial companies and significant bank holding companies; and

(B) the nature and extent to which other significant nonbank financial companies and significant bank holding companies have credit exposure to that company.

(3) **REVIEW.**—The Board of Governors and the Corporation shall review the information provided in accordance with this subsection by

each nonbank financial company supervised by the Board of Governors and bank holding company described in subsection (a).

(4) **NOTICE OF DEFICIENCIES.**—If the Board of Governors and the Corporation jointly determine, based on their review under paragraph (3), that the resolution plan of a nonbank financial company supervised by the Board of Governors or a bank holding company described in subsection (a) is not credible or would not facilitate an orderly resolution of the company under title 11, United States Code—

(A) the Board of Governors and the Corporation shall notify the company of the deficiencies in the resolution plan; and

(B) the company shall resubmit the resolution plan within a timeframe determined by the Board of Governors and the Corporation, with revisions demonstrating that the plan is credible and would result in an orderly resolution under title 11, United States Code, including any proposed changes in business operations and corporate structure to facilitate implementation of the plan.

(5) **FAILURE TO RESUBMIT CREDIBLE PLAN.**—

(A) **IN GENERAL.**—If a nonbank financial company supervised by the Board of Governors or a bank holding company described in subsection (a) fails to timely resubmit the resolution plan as required under paragraph (4), with such revisions as are required under subparagraph (B), the Board of Governors and the Corporation may jointly impose more stringent capital, leverage, or liquidity requirements, or restrictions on the growth, activities, or operations of the company, or any subsidiary thereof, until such time as the company resubmits a plan that remedies the deficiencies.

(B) **DIVESTITURE.**—The Board of Governors and the Corporation, in consultation with the Council, may jointly direct a nonbank financial company supervised by the Board of Governors or a bank holding company described in subsection (a), by order, to divest certain assets or operations identified by the Board of Governors and the Corporation, to facilitate an orderly resolution of such company under title 11, United States Code, in the event of the failure of such company, in any case in which—

(i) the Board of Governors and the Corporation have jointly imposed more stringent requirements on the company pursuant to subparagraph (A); and

(ii) the company has failed, within the 2-year period beginning on the date of the imposition of such requirements under subparagraph (A), to resubmit the resolution plan with such revisions as were required under paragraph (4)(B).

(6) **NO LIMITING EFFECT.**—A resolution plan submitted in accordance with this subsection shall not be binding on a bankruptcy court, a receiver appointed under title 11, or any other authority that is authorized or required to resolve the nonbank financial company supervised by the Board, any bank holding company, or any subsidiary or affiliate of the foregoing.

(7) **NO PRIVATE RIGHT OF ACTION.**—No private right of action may be based on any resolution plan submitted in accordance with this subsection.

(8) **RULES.**—Not later than 18 months after the date of enactment of this Act, the Board of Governors and the Corporation shall jointly issue final rules implementing this subsection.

(e) **CONCENTRATION LIMITS.**—

(1) **STANDARDS.**—In order to limit the risks that the failure of any individual company could pose to a nonbank financial company supervised by the Board of Governors or a bank holding company described in subsection (a), the Board of Governors, by regulation, shall prescribe standards that limit such risks.

(2) **LIMITATION ON CREDIT EXPOSURE.**—The regulations prescribed by the Board of Gov-

ernors under paragraph (1) shall prohibit each nonbank financial company supervised by the Board of Governors and bank holding company described in subsection (a) from having credit exposure to any unaffiliated company that exceeds 25 percent of the capital stock and surplus (or such lower amount as the Board of Governors may determine by regulation to be necessary to mitigate risks to the financial stability of the United States) of the company.

(3) **CREDIT EXPOSURE.**—For purposes of paragraph (2), “credit exposure” to a company means—

(A) all extensions of credit to the company, including loans, deposits, and lines of credit;

(B) all repurchase agreements and reverse repurchase agreements with the company, and all securities borrowing and lending transactions with the company, to the extent that such transactions create credit exposure for the nonbank financial company supervised by the Board of Governors or a bank holding company described in subsection (a);

(C) all guarantees, acceptances, or letters of credit (including endorsement or standby letters of credit) issued on behalf of the company;

(D) all purchases of or investment in securities issued by the company;

(E) counterparty credit exposure to the company in connection with a derivative transaction between the nonbank financial company supervised by the Board of Governors or a bank holding company described in subsection (a) and the company; and

(F) any other similar transactions that the Board of Governors, by regulation, determines to be a credit exposure for purposes of this section.

(4) **ATTRIBUTION RULE.**—For purposes of this subsection, any transaction by a nonbank financial company supervised by the Board of Governors or a bank holding company described in subsection (a) with any person is a transaction with a company, to the extent that the proceeds of the transaction are used for the benefit of, or transferred to, that company.

(5) **RULEMAKING.**—The Board of Governors may issue such regulations and orders, including definitions consistent with this section, as may be necessary to administer and carry out this subsection.

(6) **EXEMPTIONS.**—This subsection shall not apply to any Federal home loan bank. The Board of Governors may, by regulation or order, exempt transactions, in whole or in part, from the definition of the term “credit exposure” for purposes of this subsection, if the Board of Governors finds that the exemption is in the public interest and is consistent with the purpose of this subsection.

(7) **TRANSITION PERIOD.**—

(A) **IN GENERAL.**—This subsection and any regulations and orders of the Board of Governors under this subsection shall not be effective until 3 years after the date of enactment of this Act.

(B) **EXTENSION AUTHORIZED.**—The Board of Governors may extend the period specified in subparagraph (A) for not longer than an additional 2 years.

(f) **ENHANCED PUBLIC DISCLOSURES.**—The Board of Governors may prescribe, by regulation, periodic public disclosures by nonbank financial companies supervised by the Board of Governors and bank holding companies described in subsection (a) in order to support market evaluation of the risk profile, capital adequacy, and risk management capabilities thereof.

(g) **SHORT-TERM DEBT LIMITS.**—

(1) **IN GENERAL.**—In order to mitigate the risks that an over-accumulation of short-term debt could pose to financial companies and to the stability of the United States financial system,

the Board of Governors may, by regulation, prescribe a limit on the amount of short-term debt, including off-balance sheet exposures, that may be accumulated by any bank holding company described in subsection (a) and any nonbank financial company supervised by the Board of Governors.

(2) **BASIS OF LIMIT.**—Any limit prescribed under paragraph (1) shall be based on the short-term debt of the company described in paragraph (1) as a percentage of capital stock and surplus of the company or on such other measure as the Board of Governors considers appropriate.

(3) **SHORT-TERM DEBT DEFINED.**—For purposes of this subsection, the term “short-term debt” means such liabilities with short-dated maturity that the Board of Governors identifies, by regulation, except that such term does not include insured deposits.

(4) **RULEMAKING AUTHORITY.**—In addition to prescribing regulations under paragraphs (1) and (3), the Board of Governors may prescribe such regulations, including definitions consistent with this subsection, and issue such orders, as may be necessary to carry out this subsection.

(5) **AUTHORITY TO ISSUE EXEMPTIONS AND ADJUSTMENTS.**—Notwithstanding the Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.), the Board of Governors may, if it determines such action is necessary to ensure appropriate heightened prudential supervision, with respect to a company described in paragraph (1) that does not control an insured depository institution, issue to such company an exemption from or adjustment to the limit prescribed under paragraph (1).

(h) **RISK COMMITTEE.**—

(1) **NONBANK FINANCIAL COMPANIES SUPERVISED BY THE BOARD OF GOVERNORS.**—The Board of Governors shall require each nonbank financial company supervised by the Board of Governors that is a publicly traded company to establish a risk committee, as set forth in paragraph (3), not later than 1 year after the date of receipt of a notice of final determination under section 113(e)(3) with respect to such nonbank financial company supervised by the Board of Governors.

(2) **CERTAIN BANK HOLDING COMPANIES.**—

(A) **MANDATORY REGULATIONS.**—The Board of Governors shall issue regulations requiring each bank holding company that is a publicly traded company and that has total consolidated assets of not less than \$10,000,000,000 to establish a risk committee, as set forth in paragraph (3).

(B) **PERMISSIVE REGULATIONS.**—The Board of Governors may require each bank holding company that is a publicly traded company and that has total consolidated assets of less than \$10,000,000,000 to establish a risk committee, as set forth in paragraph (3), as determined necessary or appropriate by the Board of Governors to promote sound risk management practices.

(3) **RISK COMMITTEE.**—A risk committee required by this subsection shall—

(A) be responsible for the oversight of the enterprise-wide risk management practices of the nonbank financial company supervised by the Board of Governors or bank holding company described in subsection (a), as applicable;

(B) include such number of independent directors as the Board of Governors may determine appropriate, based on the nature of operations, size of assets, and other appropriate criteria related to the nonbank financial company supervised by the Board of Governors or a bank holding company described in subsection (a), as applicable; and

(C) include at least 1 risk management expert having experience in identifying, assessing, and managing risk exposures of large, complex firms.

(4) **RULEMAKING.**—The Board of Governors shall issue final rules to carry out this subsection, not later than 1 year after the transfer

date, to take effect not later than 15 months after the transfer date.

(i) **STRESS TESTS.**—

(1) **BY THE BOARD OF GOVERNORS.**—

(A) **ANNUAL TESTS REQUIRED.**—The Board of Governors, in coordination with the appropriate primary financial regulatory agencies and the Federal Insurance Office, shall conduct annual analyses in which nonbank financial companies supervised by the Board of Governors and bank holding companies described in subsection (a) are subject to evaluation of whether such companies have the capital, on a total consolidated basis, necessary to absorb losses as a result of adverse economic conditions.

(B) **TEST PARAMETERS AND CONSEQUENCES.**—The Board of Governors—

(i) shall provide for at least 3 different sets of conditions under which the evaluation required by this subsection shall be conducted, including baseline, adverse, and severely adverse;

(ii) may require the tests described in subparagraph (A) at bank holding companies and nonbank financial companies, in addition to those for which annual tests are required under subparagraph (A);

(iii) shall develop and apply such other analytic techniques as are necessary to identify, measure, and monitor risks to the financial stability of the United States;

(iv) shall require the companies described in subparagraph (A) to update their resolution plans required under subsection (d)(1), as the Board of Governors determines appropriate, based on the results of the analyses; and

(v) shall publish a summary of the results of the tests required under subparagraph (A) or clause (ii) of this subparagraph.

(2) **BY THE COMPANY.**—

(A) **REQUIREMENT.**—A nonbank financial company supervised by the Board of Governors and a bank holding company described in subsection (a) shall conduct semiannual stress tests. All other financial companies that have total consolidated assets of more than \$10,000,000,000 and are regulated by a primary Federal financial regulatory agency shall conduct annual stress tests. The tests required under this subparagraph shall be conducted in accordance with the regulations prescribed under subparagraph (C).

(B) **REPORT.**—A company required to conduct stress tests under subparagraph (A) shall submit a report to the Board of Governors and to its primary financial regulatory agency at such time, in such form, and containing such information as the primary financial regulatory agency shall require.

(C) **REGULATIONS.**—Each Federal primary financial regulatory agency, in coordination with the Board of Governors and the Federal Insurance Office, shall issue consistent and comparable regulations to implement this paragraph that shall—

(i) define the term “stress test” for purposes of this paragraph;

(ii) establish methodologies for the conduct of stress tests required by this paragraph that shall provide for at least 3 different sets of conditions, including baseline, adverse, and severely adverse;

(iii) establish the form and content of the report required by subparagraph (B); and

(iv) require companies subject to this paragraph to publish a summary of the results of the required stress tests.

(j) **LEVERAGE LIMITATION.**—

(1) **REQUIREMENT.**—The Board of Governors shall require a bank holding company with total consolidated assets equal to or greater than \$50,000,000,000 or a nonbank financial company supervised by the Board of Governors to maintain a debt to equity ratio of no more than 15 to 1, upon a determination by the Council that such company poses a grave threat to the finan-

cial stability of the United States and that the imposition of such requirement is necessary to mitigate the risk that such company poses to the financial stability of the United States. Nothing in this paragraph shall apply to a Federal home loan bank.

(2) **CONSIDERATIONS.**—In making a determination under this subsection, the Council shall consider the factors described in subsections (a) and (b) of section 113 and any other risk-related factors that the Council deems appropriate.

(3) **REGULATIONS.**—The Board of Governors shall promulgate regulations to establish procedures and timelines for complying with the requirements of this subsection.

(k) **INCLUSION OF OFF-BALANCE-SHEET ACTIVITIES IN COMPUTING CAPITAL REQUIREMENTS.**—

(1) **IN GENERAL.**—In the case of any bank holding company described in subsection (a) or nonbank financial company supervised by the Board of Governors, the computation of capital for purposes of meeting capital requirements shall take into account any off-balance-sheet activities of the company.

(2) **EXEMPTIONS.**—If the Board of Governors determines that an exemption from the requirement under paragraph (1) is appropriate, the Board of Governors may exempt a company, or any transaction or transactions engaged in by such company, from the requirements of paragraph (1).

(3) **OFF-BALANCE-SHEET ACTIVITIES DEFINED.**—For purposes of this subsection, the term “off-balance-sheet activities” means an existing liability of a company that is not currently a balance sheet liability, but may become one upon the happening of some future event, including the following transactions, to the extent that they may create a liability:

(A) Direct credit substitutes in which a bank substitutes its own credit for a third party, including standby letters of credit.

(B) Irrevocable letters of credit that guarantee repayment of commercial paper or tax-exempt securities.

(C) Risk participations in bankers’ acceptances.

(D) Sale and repurchase agreements.

(E) Asset sales with recourse against the seller.

(F) Interest rate swaps.

(G) Credit swaps.

(H) Commodities contracts.

(I) Forward contracts.

(J) Securities contracts.

(K) Such other activities or transactions as the Board of Governors may, by rule, define.

SEC. 166. EARLY REMEDIATION REQUIREMENTS.

(a) **IN GENERAL.**—The Board of Governors, in consultation with the Council and the Corporation, shall prescribe regulations establishing requirements to provide for the early remediation of financial distress of a nonbank financial company supervised by the Board of Governors or a bank holding company described in section 165(a), except that nothing in this subsection authorizes the provision of financial assistance from the Federal Government.

(b) **PURPOSE OF THE EARLY REMEDIATION REQUIREMENTS.**—The purpose of the early remediation requirements under subsection (a) shall be to establish a series of specific remedial actions to be taken by a nonbank financial company supervised by the Board of Governors or a bank holding company described in section 165(a) that is experiencing increasing financial distress, in order to minimize the probability that the company will become insolvent and the potential harm of such insolvency to the financial stability of the United States.

(c) **REMEDATION REQUIREMENTS.**—The regulations prescribed by the Board of Governors under subsection (a) shall—

(1) define measures of the financial condition of the company, including regulatory capital, li-

quidity measures, and other forward-looking indicators; and

(2) establish requirements that increase in stringency as the financial condition of the company declines, including—

(A) requirements in the initial stages of financial decline, including limits on capital distributions, acquisitions, and asset growth; and

(B) requirements at later stages of financial decline, including a capital restoration plan and capital-raising requirements, limits on transactions with affiliates, management changes, and asset sales.

SEC. 167. AFFILIATIONS.

(a) **AFFILIATIONS.**—Nothing in this subtitle shall be construed to require a nonbank financial company supervised by the Board of Governors, or a company that controls a nonbank financial company supervised by the Board of Governors, to conform the activities thereof to the requirements of section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843).

(b) **REQUIREMENT.**—

(1) **IN GENERAL.**—

(A) **BOARD AUTHORITY.**—If a nonbank financial company supervised by the Board of Governors conducts activities other than those that are determined to be financial in nature or incidental thereto under section 4(k) of the Bank Holding Company Act of 1956, the Board of Governors may require such company to establish and conduct all or a portion of such activities that are determined to be financial in nature or incidental thereto in or through an intermediate holding company established pursuant to regulation of the Board of Governors, not later than 90 days (or such longer period as the Board of Governors may deem appropriate) after the date on which the nonbank financial company supervised by the Board of Governors is notified of the determination of the Board of Governors under this section.

(B) **NECESSARY ACTIONS.**—Notwithstanding subparagraph (A), the Board of Governors shall require a nonbank financial company supervised by the Board of Governors to establish an intermediate holding company if the Board of Governors makes a determination that the establishment of such intermediate holding company is necessary to—

(i) appropriately supervise activities that are determined to be financial in nature or incidental thereto; or

(ii) to ensure that supervision by the Board of Governors does not extend to the commercial activities of such nonbank financial company.

(2) **INTERNAL FINANCIAL ACTIVITIES.**—For purposes of this subsection, activities that are determined to be financial in nature or incidental thereto under section 4(k) of the Bank Holding Company Act of 1956, as described in paragraph (1), shall not include internal financial activities, including internal treasury, investment, and employee benefit functions. With respect to any internal financial activity engaged in for the company or an affiliate and a non-affiliate of such company during the year prior to the date of enactment of this Act, such company (or an affiliate that is not an intermediate holding company or subsidiary of an intermediate holding company) may continue to engage in such activity, as long as not less than 2/3 of the assets or 2/3 of the revenues generated from the activity are from or attributable to such company or an affiliate, subject to review by the Board of Governors, to determine whether engaging in such activity presents undue risk to such company or to the financial stability of the United States.

(3) **SOURCE OF STRENGTH.**—A company that directly or indirectly controls an intermediate holding company established under this section shall serve as a source of strength to its subsidiary intermediate holding company.

(4) **PARENT COMPANY REPORTS.**—The Board of Governors may, from time to time, require reports under oath from a company that controls an intermediate holding company, and from the appropriate officers or directors of such company, solely for purposes of ensuring compliance with the provisions of this section, including assessing the ability of the company to serve as a source of strength to its subsidiary intermediate holding company pursuant to paragraph (3) and enforcing such compliance.

(5) **LIMITED PARENT COMPANY ENFORCEMENT.**—

(A) **IN GENERAL.**—In addition to any other authority of the Board of Governors, the Board of Governors may enforce compliance with the provisions of this subsection that are applicable to any company described in paragraph (1) that controls an intermediate holding company under section 8 of the Federal Deposit Insurance Act, and such company shall be subject to such section (solely for such purposes) in the same manner and to the same extent as if such company were a bank holding company.

(B) **APPLICATION OF OTHER ACT.**—Any violation of this subsection by any company that controls an intermediate holding company may also be treated as a violation of the Federal Deposit Insurance Act for purposes of subparagraph (A).

(C) **NO EFFECT ON OTHER AUTHORITY.**—No provision of this paragraph shall be construed as limiting any authority of the Board of Governors or any other Federal agency under any other provision of law.

(c) **REGULATIONS.**—The Board of Governors—

(1) shall promulgate regulations to establish the criteria for determining whether to require a nonbank financial company supervised by the Board of Governors to establish an intermediate holding company under subsection (b); and

(2) may promulgate regulations to establish any restrictions or limitations on transactions between an intermediate holding company or a nonbank financial company supervised by the Board of Governors and its affiliates, as necessary to prevent unsafe and unsound practices in connection with transactions between such company, or any subsidiary thereof, and its parent company or affiliates that are not subsidiaries of such company, except that such regulations shall not restrict or limit any transaction in connection with the bona fide acquisition or lease by an unaffiliated person of assets, goods, or services.

SEC. 168. REGULATIONS.

The Board of Governors shall have authority to issue regulations to implement subtitles A and C and the amendments made thereunder. Except as otherwise specified in subtitle A or C, not later than 18 months after the effective date of this Act, the Board of Governors shall issue final regulations to implement subtitles A and C, and the amendments made thereunder.

SEC. 169. AVOIDING DUPLICATION.

The Board of Governors shall take any action that the Board of Governors deems appropriate to avoid imposing requirements under this subtitle that are duplicative of requirements applicable to bank holding companies and nonbank financial companies under other provisions of law.

SEC. 170. SAFE HARBOR.

(a) **REGULATIONS.**—The Board of Governors shall promulgate regulations on behalf of, and in consultation with, the Council setting forth the criteria for exempting certain types or classes of U.S. nonbank financial companies or foreign nonbank financial companies from supervision by the Board of Governors.

(b) **CONSIDERATIONS.**—In developing the criteria under subsection (a), the Board of Governors shall take into account the factors for consideration described in subsections (a) and

(b) of section 113 in determining whether a U.S. nonbank financial company or foreign nonbank financial company shall be supervised by the Board of Governors.

(c) **RULE OF CONSTRUCTION.**—Nothing in this section shall be construed to require supervision by the Board of Governors of a U.S. nonbank financial company or foreign nonbank financial company, if such company does not meet the criteria for exemption established under subsection (a).

(d) **REVISIONS.**—

(1) **IN GENERAL.**—The Board of Governors shall, in consultation with the Council, review the regulations promulgated under subsection (a), not less frequently than every 5 years, and based upon the review, the Board of Governors may revise such regulations on behalf of, and in consultation with, the Council to update as necessary the criteria set forth in such regulations.

(2) **TRANSITION PERIOD.**—No revisions under paragraph (1) shall take effect before the end of the 2-year period after the date of publication of such revisions in final form.

(e) **REPORT.**—The Chairman of the Board of Governors and the Chairperson of the Council shall submit a joint report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives not later than 30 days after the date of the issuance in final form of regulations under subsection (a), or any subsequent revision to such regulations under subsection (d), as applicable. Such report shall include, at a minimum, the rationale for exemption and empirical evidence to support the criteria for exemption.

SEC. 171. LEVERAGE AND RISK-BASED CAPITAL REQUIREMENTS.

(a) **DEFINITIONS.**—For purposes of this section, the following definitions shall apply:

(1) **GENERALLY APPLICABLE LEVERAGE CAPITAL REQUIREMENTS.**—The term “generally applicable leverage capital requirements” means—

(A) the minimum ratios of tier 1 capital to average total assets, as established by the appropriate Federal banking agencies to apply to insured depository institutions under the prompt corrective action regulations implementing section 38 of the Federal Deposit Insurance Act, regardless of total consolidated asset size or foreign financial exposure; and

(B) includes the regulatory capital components in the numerator of that capital requirement, average total assets in the denominator of that capital requirement, and the required ratio of the numerator to the denominator.

(2) **GENERALLY APPLICABLE RISK-BASED CAPITAL REQUIREMENTS.**—The term “generally applicable risk-based capital requirements” means—

(A) the risk-based capital requirements, as established by the appropriate Federal banking agencies to apply to insured depository institutions under the prompt corrective action regulations implementing section 38 of the Federal Deposit Insurance Act, regardless of total consolidated asset size or foreign financial exposure; and

(B) includes the regulatory capital components in the numerator of those capital requirements, the risk-weighted assets in the denominator of those capital requirements, and the required ratio of the numerator to the denominator.

(3) **DEFINITION OF DEPOSITORY INSTITUTION HOLDING COMPANY.**—The term “depository institution holding company” means a bank holding company or a savings and loan holding company (as those terms are defined in section 3 of the Federal Deposit Insurance Act) that is organized in the United States, including any bank or savings and loan holding company that is owned or controlled by a foreign organization, but does not include the foreign organization.

(b) **MINIMUM CAPITAL REQUIREMENTS.**—

(1) **MINIMUM LEVERAGE CAPITAL REQUIREMENTS.**—The appropriate Federal banking agencies shall establish minimum leverage capital requirements on a consolidated basis for insured depository institutions, depository institution holding companies, and nonbank financial companies supervised by the Board of Governors. The minimum leverage capital requirements established under this paragraph shall not be less than the generally applicable leverage capital requirements, which shall serve as a floor for any capital requirements that the agency may require, nor quantitatively lower than the generally applicable leverage capital requirements that were in effect for insured depository institutions as of the date of enactment of this Act.

(2) **MINIMUM RISK-BASED CAPITAL REQUIREMENTS.**—The appropriate Federal banking agencies shall establish minimum risk-based capital requirements on a consolidated basis for insured depository institutions, depository institution holding companies, and nonbank financial companies supervised by the Board of Governors. The minimum risk-based capital requirements established under this paragraph shall not be less than the generally applicable risk-based capital requirements, which shall serve as a floor for any capital requirements that the agency may require, nor quantitatively lower than the generally applicable risk-based capital requirements that were in effect for insured depository institutions as of the date of enactment of this Act.

(3) **INVESTMENTS IN FINANCIAL SUBSIDIARIES.**—For purposes of this section, investments in financial subsidiaries that insured depository institutions are required to deduct from regulatory capital under section 5136A of the Revised Statutes of the United States or section 46(a)(2) of the Federal Deposit Insurance Act need not be deducted from regulatory capital by depository institution holding companies or nonbank financial companies supervised by the Board of Governors, unless such capital deduction is required by the Board of Governors or the primary financial regulatory agency in the case of nonbank financial companies supervised by the Board of Governors.

(4) **EFFECTIVE DATES AND PHASE-IN PERIODS.**—

(A) **DEBT OR EQUITY INSTRUMENTS ON OR AFTER MAY 19, 2010.**—For debt or equity instruments issued on or after May 19, 2010, by depository institution holding companies or by nonbank financial companies supervised by the Board of Governors, this section shall be deemed to have become effective as of May 19, 2010.

(B) **DEBT OR EQUITY INSTRUMENTS ISSUED BEFORE MAY 19, 2010.**—For debt or equity instruments issued before May 19, 2010, by depository institution holding companies or by nonbank financial companies supervised by the Board of Governors, any regulatory capital deductions required under this section shall be phased in incrementally over a period of 3 years, with the phase-in period to begin on January 1, 2013, except as set forth in subparagraph (C).

(C) **DEBT OR EQUITY INSTRUMENTS OF SMALLER INSTITUTIONS.**—For debt or equity instruments issued before May 19, 2010, by depository institution holding companies with total consolidated assets of less than \$15,000,000,000 as of December 31, 2009, and by organizations that were mutual holding companies on May 19, 2010, the capital deductions that would be required for other institutions under this section are not required as a result of this section.

(D) **DEPOSITORY INSTITUTION HOLDING COMPANIES NOT PREVIOUSLY SUPERVISED BY THE BOARD OF GOVERNORS.**—For any depository institution holding company that was not supervised by the Board of Governors as of May 19, 2010, the requirements of this section, except as set forth in subparagraphs (A) and (B), shall be effective 5 years after the date of enactment of this Act.

(E) CERTAIN BANK HOLDING COMPANY SUBSIDIARIES OF FOREIGN BANKING ORGANIZATIONS.—For bank holding company subsidiaries of foreign banking organizations that have relied on Supervision and Regulation Letter SR-01-1 issued by the Board of Governors (as in effect on May 19, 2010), the requirements of this section, except as set forth in subparagraph (A), shall be effective 5 years after the date of enactment of this Act.

(5) EXCEPTIONS.—This section shall not apply to—

(A) debt or equity instruments issued to the United States or any agency or instrumentality thereof pursuant to the Emergency Economic Stabilization Act of 2008, and prior to October 4, 2010;

(B) any Federal home loan bank; or

(C) any small bank holding company that is subject to the Small Bank Holding Company Policy Statement of the Board of Governors, as in effect on May 19, 2010.

(6) STUDY AND REPORT ON SMALL INSTITUTION ACCESS TO CAPITAL.—

(A) STUDY REQUIRED.—The Comptroller General of the United States, after consultation with the Federal banking agencies, shall conduct a study of access to capital by smaller insured depository institutions.

(B) SCOPE.—For purposes of this study required by subparagraph (A), the term “smaller insured depository institution” means an insured depository institution with total consolidated assets of \$5,000,000,000 or less.

(C) REPORT TO CONGRESS.—Not later than 18 months after the date of enactment of this Act, the Comptroller General of the United States shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report summarizing the results of the study conducted under subparagraph (A), together with any recommendations for legislative or regulatory action that would enhance the access to capital of smaller insured depository institutions, in a manner that is consistent with safe and sound banking operations.

(7) CAPITAL REQUIREMENTS TO ADDRESS ACTIVITIES THAT POSE RISKS TO THE FINANCIAL SYSTEM.—

(A) IN GENERAL.—Subject to the recommendations of the Council, in accordance with section 120, the Federal banking agencies shall develop capital requirements applicable to insured depository institutions, depository institution holding companies, and nonbank financial companies supervised by the Board of Governors that address the risks that the activities of such institutions pose, not only to the institution engaging in the activity, but to other public and private stakeholders in the event of adverse performance, disruption, or failure of the institution or the activity.

(B) CONTENT.—Such rules shall address, at a minimum, the risks arising from—

(i) significant volumes of activity in derivatives, securitized products purchased and sold, financial guarantees purchased and sold, securities borrowing and lending, and repurchase agreements and reverse repurchase agreements;

(ii) concentrations in assets for which the values presented in financial reports are based on models rather than historical cost or prices deriving from deep and liquid 2-way markets; and

(iii) concentrations in market share for any activity that would substantially disrupt financial markets if the institution is forced to unexpectedly cease the activity.

SEC. 172. EXAMINATION AND ENFORCEMENT ACTIONS FOR INSURANCE AND ORDERLY LIQUIDATION PURPOSES.

(a) EXAMINATIONS FOR INSURANCE AND RESOLUTION PURPOSES.—Section 10(b)(3) of the Fed-

eral Deposit Insurance Act (12 U.S.C. 1820(b)(3)) is amended—

(1) by striking “In addition” and inserting the following:

“(A) IN GENERAL.—In addition”; and

(2) by striking “whenever the board of directors determines” and all that follows through the period and inserting the following: “or nonbank financial company supervised by the Board of Governors or a bank holding company described in section 165(a) of the Financial Stability Act of 2010, whenever the Board of Directors determines that a special examination of any such depository institution is necessary to determine the condition of such depository institution for insurance purposes, or of such nonbank financial company supervised by the Board of Governors or bank holding company described in section 165(a) of the Financial Stability Act of 2010, for the purpose of implementing its authority to provide for orderly liquidation of any such company under title II of that Act, provided that such authority may not be used with respect to any such company that is in a generally sound condition.”

“(B) LIMITATION.—Before conducting a special examination of a nonbank financial company supervised by the Board of Governors or a bank holding company described in section 165(a) of the Financial Stability Act of 2010, the Corporation shall review any available and acceptable resolution plan that the company has submitted in accordance with section 165(d) of that Act, consistent with the nonbinding effect of such plan, and available reports of examination, and shall coordinate to the maximum extent practicable with the Board of Governors, in order to minimize duplicative or conflicting examinations.”

(b) ENFORCEMENT AUTHORITY.—Section 8(t) of the Federal Deposit Insurance Act (12 U.S.C. 1818(t)) is amended—

(1) in paragraph (1), by inserting “, any depository institution holding company,” before “or any institution-affiliated party”; and

(2) in paragraph (2)—

(A) by striking “or” at the end of subparagraph (B);

(B) at the end of subparagraph (C), by striking the period and inserting “or”; and

(C) by inserting at the end the following new subparagraph:

“(D) the conduct or threatened conduct (including any acts or omissions) of the depository institution holding company poses a risk to the Deposit Insurance Fund, provided that such authority may not be used with respect to a depository institution holding company that is in generally sound condition and whose conduct does not pose a foreseeable and material risk of loss to the Deposit Insurance Fund;” and

(3) by adding at the end the following:

“(6) POWERS AND DUTIES WITH RESPECT TO DEPOSITORY INSTITUTION HOLDING COMPANIES.—For purposes of exercising the backup authority provided in this subsection—

“(A) the Corporation shall have the same powers with respect to a depository institution holding company and its affiliates as the appropriate Federal banking agency has with respect to the holding company and its affiliates; and

“(B) the holding company and its affiliates shall have the same duties and obligations with respect to the Corporation as the holding company and its affiliates have with respect to the appropriate Federal banking agency.”

(c) RULE OF CONSTRUCTION.—Nothing in this Act shall be construed to limit or curtail the Corporation’s current authority to examine or bring enforcement actions with respect to any insured depository institution or institution-affiliated party.

SEC. 173. ACCESS TO UNITED STATES FINANCIAL MARKET BY FOREIGN INSTITUTIONS.

(a) ESTABLISHMENT OF FOREIGN BANK OFFICES IN THE UNITED STATES.—Section 7(d)(3) of the

International Banking Act of 1978 (12 U.S.C. 3105(d)(3)) is amended—

(1) in subparagraph (C), by striking “and” at the end;

(2) in subparagraph (D), by striking the period at the end of and inserting “; and”; and

(3) by adding at the end the following new subparagraph:

“(E) for a foreign bank that presents a risk to the stability of United States financial system, whether the home country of the foreign bank has adopted, or is making demonstrable progress toward adopting, an appropriate system of financial regulation for the financial system of such home country to mitigate such risk.”

(b) TERMINATION OF FOREIGN BANK OFFICES IN THE UNITED STATES.—Section 7(e)(1) of the International Banking Act of 1978 (12 U.S.C. 3105(e)(1)) is amended—

(1) in subparagraph (A), by striking “or” at the end;

(2) in subparagraph (B), by striking the period at the end of and inserting “; or”; and

(3) by inserting after subparagraph (B), the following new subparagraph:

“(C) for a foreign bank that presents a risk to the stability of the United States financial system, the home country of the foreign bank has not adopted, or made demonstrable progress toward adopting, an appropriate system of financial regulation to mitigate such risk.”

(c) REGISTRATION OR SUCCESSION TO A UNITED STATES BROKER OR DEALER AND TERMINATION OF SUCH REGISTRATION.—Section 15 of the Securities Exchange Act of 1934 (15 U.S.C. 78o) is amended by adding at the end the following new subsections:

“(k) REGISTRATION OR SUCCESSION TO A UNITED STATES BROKER OR DEALER.—In determining whether to permit a foreign person or an affiliate of a foreign person to register as a United States broker or dealer, or succeed to the registration of a United States broker or dealer, the Commission may consider whether, for a foreign person, or an affiliate of a foreign person that presents a risk to the stability of the United States financial system, the home country of the foreign person has adopted, or made demonstrable progress toward adopting, an appropriate system of financial regulation to mitigate such risk.

“(l) TERMINATION OF A UNITED STATES BROKER OR DEALER.—For a foreign person or an affiliate of a foreign person that presents such a risk to the stability of the United States financial system, the Commission may determine to terminate the registration of such foreign person or an affiliate of such foreign person as a broker or dealer in the United States, if the Commission determines that the home country of the foreign person has not adopted, or made demonstrable progress toward adopting, an appropriate system of financial regulation to mitigate such risk.”

SEC. 174. STUDIES AND REPORTS ON HOLDING COMPANY CAPITAL REQUIREMENTS.

(a) STUDY OF HYBRID CAPITAL INSTRUMENTS.—The Comptroller General of the United States, in consultation with the Board of Governors, the Comptroller of the Currency, and the Corporation, shall conduct a study of the use of hybrid capital instruments as a component of Tier 1 capital for banking institutions and bank holding companies. The study shall consider—

(1) the current use of hybrid capital instruments, such as trust preferred shares, as a component of Tier 1 capital;

(2) the differences between the components of capital permitted for insured depository institutions and those permitted for companies that control insured depository institutions;

(3) the benefits and risks of allowing such instruments to be used to comply with Tier 1 capital requirements;

(4) the economic impact of prohibiting the use of such capital instruments for Tier 1;

(5) a review of the consequences of disqualifying trust preferred instruments, and whether it could lead to the failure or undercapitalization of existing banking organizations;

(6) the international competitive implications prohibiting hybrid capital instruments for Tier 1;

(7) the impact on the cost and availability of credit in the United States from such a prohibition;

(8) the availability of capital for financial institutions with less than \$10,000,000,000 in total assets; and

(9) any other relevant factors relating to the safety and soundness of our financial system and potential economic impact of such a prohibition.

(b) **STUDY OF FOREIGN BANK INTERMEDIATE HOLDING COMPANY CAPITAL REQUIREMENTS.**—The Comptroller General of the United States, in consultation with the Secretary, the Board of Governors, the Comptroller of the Currency, and the Corporation, shall conduct a study of capital requirements applicable to United States intermediate holding companies of foreign banks that are bank holding companies or savings and loan holding companies. The study shall consider—

(1) current Board of Governors policy regarding the treatment of intermediate holding companies;

(2) the principle of national treatment and equality of competitive opportunity for foreign banks operating in the United States;

(3) the extent to which foreign banks are subject on a consolidated basis to home country capital standards comparable to United States capital standards;

(4) potential effects on United States banking organizations operating abroad of changes to United States policy regarding intermediate holding companies;

(5) the impact on the cost and availability of credit in the United States from a change in United States policy regarding intermediate holding companies; and

(6) any other relevant factors relating to the safety and soundness of our financial system and potential economic impact of such a prohibition.

(c) **REPORT.**—Not later than 18 months after the date of enactment of this Act, the Comptroller General of the United States shall submit reports to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives summarizing the results of the studies required under subsection (a). The reports shall include specific recommendations for legislative or regulatory action regarding the treatment of hybrid capital instruments, including trust preferred shares, and shall explain the basis for such recommendations.

SEC. 175. INTERNATIONAL POLICY COORDINATION.

(a) **BY THE PRESIDENT.**—The President, or a designee of the President, may coordinate through all available international policy channels, similar policies as those found in United States law relating to limiting the scope, nature, size, scale, concentration, and interconnectedness of financial companies, in order to protect financial stability and the global economy.

(b) **BY THE COUNCIL.**—The Chairperson of the Council, in consultation with the other members of the Council, shall regularly consult with the financial regulatory entities and other appropriate organizations of foreign governments or international organizations on matters relating to systemic risk to the international financial system.

(c) **BY THE BOARD OF GOVERNORS AND THE SECRETARY.**—The Board of Governors and the

Secretary shall consult with their foreign counterparts and through appropriate multilateral organizations to encourage comprehensive and robust prudential supervision and regulation for all highly leveraged and interconnected financial companies.

SEC. 176. RULE OF CONSTRUCTION.

No regulation or standard imposed under this title may be construed in a manner that would lessen the stringency of the requirements of any applicable primary financial regulatory agency or any other Federal or State agency that are otherwise applicable. This title, and the rules and regulations or orders prescribed pursuant to this title, do not divest any such agency of any authority derived from any other applicable law.

TITLE II—ORDERLY LIQUIDATION AUTHORITY

SEC. 201. DEFINITIONS.

(a) **IN GENERAL.**—In this title, the following definitions shall apply:

(1) **ADMINISTRATIVE EXPENSES OF THE RECEIVER.**—The term “administrative expenses of the receiver” includes—

(A) the actual, necessary costs and expenses incurred by the Corporation as receiver for a covered financial company in liquidating a covered financial company; and

(B) any obligations that the Corporation as receiver for a covered financial company determines are necessary and appropriate to facilitate the smooth and orderly liquidation of the covered financial company.

(2) **BANKRUPTCY CODE.**—The term “Bankruptcy Code” means title 11, United States Code.

(3) **BRIDGE FINANCIAL COMPANY.**—The term “bridge financial company” means a new financial company organized by the Corporation in accordance with section 210(h) for the purpose of resolving a covered financial company.

(4) **CLAIM.**—The term “claim” means any right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured.

(5) **COMPANY.**—The term “company” has the same meaning as in section 2(b) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(b)), except that such term includes any company described in paragraph (11), the majority of the securities of which are owned by the United States or any State.

(6) **COURT.**—The term “Court” means the United States District Court for the District of Columbia, unless the context otherwise requires.

(7) **COVERED BROKER OR DEALER.**—The term “covered broker or dealer” means a covered financial company that is a broker or dealer that—

(A) is registered with the Commission under section 15(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(b)); and

(B) is a member of SIPC.

(8) **COVERED FINANCIAL COMPANY.**—The term “covered financial company”—

(A) means a financial company for which a determination has been made under section 203(b); and

(B) does not include an insured depository institution.

(9) **COVERED SUBSIDIARY.**—The term “covered subsidiary” means a subsidiary of a covered financial company, other than—

(A) an insured depository institution;

(B) an insurance company; or

(C) a covered broker or dealer.

(10) **DEFINITIONS RELATING TO COVERED BROKERS AND DEALERS.**—The terms “customer”, “customer name securities”, “customer property”, and “net equity” in the context of a covered broker or dealer, have the same meanings

as in section 16 of the Securities Investor Protection Act of 1970 (15 U.S.C. 78ill).

(11) **FINANCIAL COMPANY.**—The term “financial company” means any company that—

(A) is incorporated or organized under any provision of Federal law or the laws of any State;

(B) is—

(i) a bank holding company, as defined in section 2(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(a));

(ii) a nonbank financial company supervised by the Board of Governors;

(iii) any company that is predominantly engaged in activities that the Board of Governors has determined are financial in nature or incidental thereto for purposes of section 4(k) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(k)) other than a company described in clause (i) or (ii); or

(iv) any subsidiary of any company described in any of clauses (i) through (iii) that is predominantly engaged in activities that the Board of Governors has determined are financial in nature or incidental thereto for purposes of section 4(k) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(k)) (other than a subsidiary that is an insured depository institution or an insurance company); and

(C) is not a Farm Credit System institution chartered under and subject to the provisions of the Farm Credit Act of 1971, as amended (12 U.S.C. 2001 et seq.), a governmental entity, or a regulated entity, as defined under section 1303(20) of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4502(20)).

(12) **FUND.**—The term “Fund” means the Orderly Liquidation Fund established under section 210(n).

(13) **INSURANCE COMPANY.**—The term “insurance company” means any entity that is—

(A) engaged in the business of insurance;

(B) subject to regulation by a State insurance regulator; and

(C) covered by a State law that is designed to specifically deal with the rehabilitation, liquidation, or insolvency of an insurance company.

(14) **NONBANK FINANCIAL COMPANY.**—The term “nonbank financial company” has the same meaning as in section 102(a)(4)(C).

(15) **NONBANK FINANCIAL COMPANY SUPERVISED BY THE BOARD OF GOVERNORS.**—The term “nonbank financial company supervised by the Board of Governors” has the same meaning as in section 102(a)(4)(D).

(16) **SIPC.**—The term “SIPC” means the Securities Investor Protection Corporation.

(b) **DEFINITIONAL CRITERIA.**—For purpose of the definition of the term “financial company” under subsection (a)(11), no company shall be deemed to be predominantly engaged in activities that the Board of Governors has determined are financial in nature or incidental thereto for purposes of section 4(k) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(k)), if the consolidated revenues of such company from such activities constitute less than 85 percent of the total consolidated revenues of such company, as the Corporation, in consultation with the Secretary, shall establish by regulation. In determining whether a company is a financial company under this title, the consolidated revenues derived from the ownership or control of a depository institution shall be included.

SEC. 202. JUDICIAL REVIEW.

(a) **COMMENCEMENT OF ORDERLY LIQUIDATION.**—

(1) **PETITION TO DISTRICT COURT.**—

(A) **DISTRICT COURT REVIEW.**—

(i) **PETITION TO DISTRICT COURT.**—Subsequent to a determination by the Secretary under section 203 that a financial company satisfies the criteria in section 203(b), the Secretary shall notify the Corporation and the covered financial

company. If the board of directors (or body performing similar functions) of the covered financial company acquiesces or consents to the appointment of the Corporation as receiver, the Secretary shall appoint the Corporation as receiver. If the board of directors (or body performing similar functions) of the covered financial company does not acquiesce or consent to the appointment of the Corporation as receiver, the Secretary shall petition the United States District Court for the District of Columbia for an order authorizing the Secretary to appoint the Corporation as receiver.

(ii) **FORM AND CONTENT OF ORDER.**—The Secretary shall present all relevant findings and the recommendation made pursuant to section 203(a) to the Court. The petition shall be filed under seal.

(iii) **DETERMINATION.**—On a strictly confidential basis, and without any prior public disclosure, the Court, after notice to the covered financial company and a hearing in which the covered financial company may oppose the petition, shall determine whether the determination of the Secretary that the covered financial company is in default or in danger of default and satisfies the definition of a financial company under section 201(a)(11) is arbitrary and capricious.

(iv) **ISSUANCE OF ORDER.**—If the Court determines that the determination of the Secretary that the covered financial company is in default or in danger of default and satisfies the definition of a financial company under section 201(a)(11)—

(I) is not arbitrary and capricious, the Court shall issue an order immediately authorizing the Secretary to appoint the Corporation as receiver of the covered financial company; or

(II) is arbitrary and capricious, the Court shall immediately provide to the Secretary a written statement of each reason supporting its determination, and afford the Secretary an immediate opportunity to amend and refile the petition under clause (i).

(v) **PETITION GRANTED BY OPERATION OF LAW.**—If the Court does not make a determination within 24 hours of receipt of the petition—

(I) the petition shall be granted by operation of law;

(II) the Secretary shall appoint the Corporation as receiver; and

(III) liquidation under this title shall automatically and without further notice or action be commenced and the Corporation may immediately take all actions authorized under this title.

(B) **EFFECT OF DETERMINATION.**—The determination of the Court under subparagraph (A) shall be final, and shall be subject to appeal only in accordance with paragraph (2). The decision shall not be subject to any stay or injunction pending appeal. Upon conclusion of its proceedings under subparagraph (A), the Court shall provide immediately for the record a written statement of each reason supporting the decision of the Court, and shall provide copies thereof to the Secretary and the covered financial company.

(C) **CRIMINAL PENALTIES.**—A person who recklessly discloses a determination of the Secretary under section 203(b) or a petition of the Secretary under subparagraph (A), or the pendency of court proceedings as provided for under subparagraph (A), shall be fined not more than \$250,000, or imprisoned for not more than 5 years, or both.

(2) **APPEAL OF DECISIONS OF THE DISTRICT COURT.**—

(A) **APPEAL TO COURT OF APPEALS.**—

(i) **IN GENERAL.**—Subject to clause (ii), the United States Court of Appeals for the District of Columbia Circuit shall have jurisdiction of an appeal of a final decision of the Court filed by

the Secretary or a covered financial company, through its board of directors, notwithstanding section 210(a)(1)(A)(i), not later than 30 days after the date on which the decision of the Court is rendered or deemed rendered under this subsection.

(ii) **CONDITION OF JURISDICTION.**—The Court of Appeals shall have jurisdiction of an appeal by a covered financial company only if the covered financial company did not acquiesce or consent to the appointment of a receiver by the Secretary under paragraph (1)(A).

(iii) **EXPEDITION.**—The Court of Appeals shall consider any appeal under this subparagraph on an expedited basis.

(iv) **SCOPE OF REVIEW.**—For an appeal taken under this subparagraph, review shall be limited to whether the determination of the Secretary that a covered financial company is in default or in danger of default and satisfies the definition of a financial company under section 201(a)(11) is arbitrary and capricious.

(B) **APPEAL TO THE SUPREME COURT.**—

(i) **IN GENERAL.**—A petition for a writ of certiorari to review a decision of the Court of Appeals under subparagraph (A) may be filed by the Secretary or the covered financial company, through its board of directors, notwithstanding section 210(a)(1)(A)(i), with the Supreme Court of the United States, not later than 30 days after the date of the final decision of the Court of Appeals, and the Supreme Court shall have discretionary jurisdiction to review such decision.

(ii) **WRITTEN STATEMENT.**—In the event of a petition under clause (i), the Court of Appeals shall immediately provide for the record a written statement of each reason for its decision.

(iii) **EXPEDITION.**—The Supreme Court shall consider any petition under this subparagraph on an expedited basis.

(iv) **SCOPE OF REVIEW.**—Review by the Supreme Court under this subparagraph shall be limited to whether the determination of the Secretary that the covered financial company is in default or in danger of default and satisfies the definition of a financial company under section 201(a)(11) is arbitrary and capricious.

(b) **ESTABLISHMENT AND TRANSMITTAL OF RULES AND PROCEDURES.**—

(I) **IN GENERAL.**—Not later than 6 months after the date of enactment of this Act, the Court shall establish such rules and procedures as may be necessary to ensure the orderly conduct of proceedings, including rules and procedures to ensure that the 24-hour deadline is met and that the Secretary shall have an ongoing opportunity to amend and refile petitions under subsection (a)(1).

(2) **PUBLICATION OF RULES.**—The rules and procedures established under paragraph (1), and any modifications of such rules and procedures, shall be recorded and shall be transmitted to—

(A) the Committee on the Judiciary of the Senate;

(B) the Committee on Banking, Housing, and Urban Affairs of the Senate;

(C) the Committee on the Judiciary of the House of Representatives; and

(D) the Committee on Financial Services of the House of Representatives.

(c) **PROVISIONS APPLICABLE TO FINANCIAL COMPANIES.**—

(I) **BANKRUPTCY CODE.**—Except as provided in this subsection, the provisions of the Bankruptcy Code and rules issued thereunder or otherwise applicable insolvency law, and not the provisions of this title, shall apply to financial companies that are not covered financial companies for which the Corporation has been appointed as receiver.

(2) **THIS TITLE.**—The provisions of this title shall exclusively apply to and govern all matters relating to covered financial companies for

which the Corporation is appointed as receiver, and no provisions of the Bankruptcy Code or the rules issued thereunder shall apply in such cases, except as expressly provided in this title.

(d) **TIME LIMIT ON RECEIVERSHIP AUTHORITY.**—

(1) **BASELINE PERIOD.**—Any appointment of the Corporation as receiver under this section shall terminate at the end of the 3-year period beginning on the date on which such appointment is made.

(2) **EXTENSION OF TIME LIMIT.**—The time limit established in paragraph (1) may be extended by the Corporation for up to 1 additional year, if the Chairperson of the Corporation determines and certifies in writing to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives that continuation of the receivership is necessary—

(A) to—

(i) maximize the net present value return from the sale or other disposition of the assets of the covered financial company; or

(ii) minimize the amount of loss realized upon the sale or other disposition of the assets of the covered financial company; and

(B) to protect the stability of the financial system of the United States.

(3) **SECOND EXTENSION OF TIME LIMIT.**—

(A) **IN GENERAL.**—The time limit under this subsection, as extended under paragraph (2), may be extended for up to 1 additional year, if the Chairperson of the Corporation, with the concurrence of the Secretary, submits the certifications described in paragraph (2).

(B) **ADDITIONAL REPORT REQUIRED.**—Not later than 30 days after the date of commencement of the extension under subparagraph (A), the Corporation shall submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives describing the need for the extension and the specific plan of the Corporation to conclude the receivership before the end of the second extension.

(4) **ONGOING LITIGATION.**—The time limit under this subsection, as extended under paragraph (3), may be further extended solely for the purpose of completing ongoing litigation in which the Corporation as receiver is a party, provided that the appointment of the Corporation as receiver shall terminate not later than 90 days after the date of completion of such litigation, if—

(A) the Council determines that the Corporation used its best efforts to conclude the receivership in accordance with its plan before the end of the time limit described in paragraph (3);

(B) the Council determines that the completion of longer-term responsibilities in the form of ongoing litigation justifies the need for an extension; and

(C) the Corporation submits a report approved by the Council not later than 30 days after the date of the determinations by the Council under subparagraphs (A) and (B) to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives, describing—

(i) the ongoing litigation justifying the need for an extension; and

(ii) the specific plan of the Corporation to complete the litigation and conclude the receivership.

(5) **REGULATIONS.**—The Corporation may issue regulations governing the termination of receiverships under this title.

(6) **NO LIABILITY.**—The Corporation and the Deposit Insurance Fund shall not be liable for unresolved claims arising from the receivership after the termination of the receivership.

(e) **STUDY OF BANKRUPTCY AND ORDERLY LIQUIDATION PROCESS FOR FINANCIAL COMPANIES.**—

(1) STUDY.—

(A) *IN GENERAL.*—The Administrative Office of the United States Courts and the Comptroller General of the United States shall each monitor the activities of the Court, and each such Office shall conduct separate studies regarding the bankruptcy and orderly liquidation process for financial companies under the Bankruptcy Code.

(B) *ISSUES TO BE STUDIED.*—In conducting the study under subparagraph (A), the Administrative Office of the United States Courts and the Comptroller General of the United States each shall evaluate—

(i) the effectiveness of chapter 7 or chapter 11 of the Bankruptcy Code in facilitating the orderly liquidation or reorganization of financial companies;

(ii) ways to maximize the efficiency and effectiveness of the Court; and

(iii) ways to make the orderly liquidation process under the Bankruptcy Code for financial companies more effective.

(2) *REPORTS.*—Not later than 1 year after the date of enactment of this Act, in each successive year until the third year, and every fifth year after that date of enactment, the Administrative Office of the United States Courts and the Comptroller General of the United States shall submit to the Committee on Banking, Housing, and Urban Affairs and the Committee on the Judiciary of the Senate and the Committee on Financial Services and the Committee on the Judiciary of the House of Representatives separate reports summarizing the results of the studies conducted under paragraph (1).

(f) *STUDY OF INTERNATIONAL COORDINATION RELATING TO BANKRUPTCY PROCESS FOR FINANCIAL COMPANIES.*—

(1) STUDY.—

(A) *IN GENERAL.*—The Comptroller General of the United States shall conduct a study regarding international coordination relating to the orderly liquidation of financial companies under the Bankruptcy Code.

(B) *ISSUES TO BE STUDIED.*—In conducting the study under subparagraph (A), the Comptroller General of the United States shall evaluate, with respect to the bankruptcy process for financial companies—

(i) the extent to which international coordination currently exists;

(ii) current mechanisms and structures for facilitating international cooperation;

(iii) barriers to effective international coordination; and

(iv) ways to increase and make more effective international coordination.

(2) *REPORT.*—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall submit to the Committee on Banking, Housing, and Urban Affairs and the Committee on the Judiciary of the Senate and the Committee on Financial Services and the Committee on the Judiciary of the House of Representatives and the Secretary a report summarizing the results of the study conducted under paragraph (1).

(g) *STUDY OF PROMPT CORRECTIVE ACTION IMPLEMENTATION BY THE APPROPRIATE FEDERAL AGENCIES.*—

(1) *STUDY.*—The Comptroller General of the United States shall conduct a study regarding the implementation of prompt corrective action by the appropriate Federal banking agencies.

(2) *ISSUES TO BE STUDIED.*—In conducting the study under paragraph (1), the Comptroller General shall evaluate—

(A) the effectiveness of implementation of prompt corrective action by the appropriate Federal banking agencies and the resolution of insured depository institutions by the Corporation; and

(B) ways to make prompt corrective action a more effective tool to resolve the insured depository

institutions at the least possible long-term cost to the Deposit Insurance Fund.

(3) *REPORT TO COUNCIL.*—Not later than 1 year after the date of enactment of this Act, the Comptroller General shall submit a report to the Council on the results of the study conducted under this subsection.

(4) *COUNCIL REPORT OF ACTION.*—Not later than 6 months after the date of receipt of the report from the Comptroller General under paragraph (3), the Council shall submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives on actions taken in response to the report, including any recommendations made to the Federal primary financial regulatory agencies under section 120.

SEC. 203. SYSTEMIC RISK DETERMINATION.

(a) *WRITTEN RECOMMENDATION AND DETERMINATION.*—

(1) *VOTE REQUIRED.*—

(A) *IN GENERAL.*—On their own initiative, or at the request of the Secretary, the Corporation and the Board of Governors shall consider whether to make a written recommendation described in paragraph (2) with respect to whether the Secretary should appoint the Corporation as receiver for a financial company. Such recommendation shall be made upon a vote of not fewer than $\frac{2}{3}$ of the members of the Board of Governors then serving and $\frac{2}{3}$ of the members of the board of directors of the Corporation then serving.

(B) *CASES INVOLVING BROKERS OR DEALERS.*—In the case of a broker or dealer, or in which the largest United States subsidiary (as measured by total assets as of the end of the previous calendar quarter) of a financial company is a broker or dealer, the Commission and the Board of Governors, at the request of the Secretary, or on their own initiative, shall consider whether to make the written recommendation described in paragraph (2) with respect to the financial company. Subject to the requirements in paragraph (2), such recommendation shall be made upon a vote of not fewer than $\frac{2}{3}$ of the members of the Board of Governors then serving and $\frac{2}{3}$ of the members of the Commission then serving, and in consultation with the Corporation.

(C) *CASES INVOLVING INSURANCE COMPANIES.*—In the case of an insurance company, or in which the largest United States subsidiary (as measured by total assets as of the end of the previous calendar quarter) of a financial company is an insurance company, the Director of the Federal Insurance Office and the Board of Governors, at the request of the Secretary or on their own initiative, shall consider whether to make the written recommendation described in paragraph (2) with respect to the financial company. Subject to the requirements in paragraph (2), such recommendation shall be made upon a vote of not fewer than $\frac{2}{3}$ of the Board of Governors then serving and the affirmative approval of the Director of the Federal Insurance Office, and in consultation with the Corporation.

(2) *RECOMMENDATION REQUIRED.*—Any written recommendation pursuant to paragraph (1) shall contain—

(A) an evaluation of whether the financial company is in default or in danger of default;

(B) a description of the effect that the default of the financial company would have on financial stability in the United States;

(C) a description of the effect that the default of the financial company would have on economic conditions or financial stability for low income, minority, or underserved communities;

(D) a recommendation regarding the nature and the extent of actions to be taken under this title regarding the financial company;

(E) an evaluation of the likelihood of a private sector alternative to prevent the default of the financial company;

(F) an evaluation of why a case under the Bankruptcy Code is not appropriate for the financial company;

(G) an evaluation of the effects on creditors, counterparties, and shareholders of the financial company and other market participants; and

(H) an evaluation of whether the company satisfies the definition of a financial company under section 201.

(b) *DETERMINATION BY THE SECRETARY.*—Notwithstanding any other provision of Federal or State law, the Secretary shall take action in accordance with section 202(a)(1)(A), if, upon the written recommendation under subsection (a), the Secretary (in consultation with the President) determines that—

(1) the financial company is in default or in danger of default;

(2) the failure of the financial company and its resolution under otherwise applicable Federal or State law would have serious adverse effects on financial stability in the United States;

(3) no viable private sector alternative is available to prevent the default of the financial company;

(4) any effect on the claims or interests of creditors, counterparties, and shareholders of the financial company and other market participants as a result of actions to be taken under this title is appropriate, given the impact that any action taken under this title would have on financial stability in the United States;

(5) any action under section 204 would avoid or mitigate such adverse effects, taking into consideration the effectiveness of the action in mitigating potential adverse effects on the financial system, the cost to the general fund of the Treasury, and the potential to increase excessive risk taking on the part of creditors, counterparties, and shareholders in the financial company;

(6) a Federal regulatory agency has ordered the financial company to convert all of its convertible debt instruments that are subject to the regulatory order; and

(7) the company satisfies the definition of a financial company under section 201.

(c) *DOCUMENTATION AND REVIEW.*—(1) *IN GENERAL.*—The Secretary shall—

(A) document any determination under subsection (b);

(B) retain the documentation for review under paragraph (2); and

(C) notify the covered financial company and the Corporation of such determination.

(2) *REPORT TO CONGRESS.*—Not later than 24 hours after the date of appointment of the Corporation as receiver for a covered financial company, the Secretary shall provide written notice of the recommendations and determinations reached in accordance with subsections (a) and (b) to the Majority Leader and the Minority Leader of the Senate and the Speaker and the Minority Leader of the House of Representatives, the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Financial Services of the House of Representatives, which shall consist of a summary of the basis for the determination, including, to the extent available at the time of the determination—

(A) the size and financial condition of the covered financial company;

(B) the sources of capital and credit support that were available to the covered financial company;

(C) the operations of the covered financial company that could have had a significant impact on financial stability, markets, or both;

(D) identification of the banks and financial companies which may be able to provide the services offered by the covered financial company;

(E) any potential international ramifications of resolution of the covered financial company under other applicable insolvency law;

(F) an estimate of the potential effect of the resolution of the covered financial company under other applicable insolvency law on the financial stability of the United States;

(G) the potential effect of the appointment of a receiver by the Secretary on consumers;

(H) the potential effect of the appointment of a receiver by the Secretary on the financial system, financial markets, and banks and other financial companies; and

(I) whether resolution of the covered financial company under other applicable insolvency law would cause banks or other financial companies to experience severe liquidity distress.

(3) REPORTS TO CONGRESS AND THE PUBLIC.—

(A) **IN GENERAL.**—Not later than 60 days after the date of appointment of the Corporation as receiver for a covered financial company, the Corporation shall file a report with the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives—

(i) setting forth information on the financial condition of the covered financial company as of the date of the appointment, including a description of its assets and liabilities;

(ii) describing the plan of, and actions taken by, the Corporation to wind down the covered financial company;

(iii) explaining each instance in which the Corporation waived any applicable requirements of part 366 of title 12, Code of Federal Regulations (or any successor thereto) with respect to conflicts of interest by any person in the private sector who was retained to provide services to the Corporation in connection with such receivership;

(iv) describing the reasons for the provision of any funding to the receivership out of the Fund;

(v) setting forth the expected costs of the orderly liquidation of the covered financial company;

(vi) setting forth the identity of any claimant that is treated in a manner different from other similarly situated claimants under subsection (b)(4), (d)(4), or (h)(5)(E), the amount of any additional payment to such claimant under subsection (d)(4), and the reason for any such action; and

(vii) which report the Corporation shall publish on an online website maintained by the Corporation, subject to maintaining appropriate confidentiality.

(B) **AMENDMENTS.**—The Corporation shall, on a timely basis, not less frequently than quarterly, amend or revise and resubmit the reports prepared under this paragraph, as necessary.

(C) **CONGRESSIONAL TESTIMONY.**—The Corporation and the primary financial regulatory agency, if any, of the financial company for which the Corporation was appointed receiver under this title shall appear before Congress, if requested, not later than 30 days after the date on which the Corporation first files the reports required under subparagraph (A).

(4) **DEFAULT OR IN DANGER OF DEFAULT.**—For purposes of this title, a financial company shall be considered to be in default or in danger of default if, as determined in accordance with subsection (b)—

(A) a case has been, or likely will promptly be, commenced with respect to the financial company under the Bankruptcy Code;

(B) the financial company has incurred, or is likely to incur, losses that will deplete all or substantially all of its capital, and there is no reasonable prospect for the company to avoid such depletion;

(C) the assets of the financial company are, or are likely to be, less than its obligations to creditors and others; or

(D) the financial company is, or is likely to be, unable to pay its obligations (other than those subject to a bona fide dispute) in the normal course of business.

(5) **GAO REVIEW.**—The Comptroller General of the United States shall review and report to Congress on any determination under subsection (b), that results in the appointment of the Corporation as receiver, including—

(A) the basis for the determination;

(B) the purpose for which any action was taken pursuant thereto;

(C) the likely effect of the determination and such action on the incentives and conduct of financial companies and their creditors, counterparties, and shareholders; and

(D) the likely disruptive effect of the determination and such action on the reasonable expectations of creditors, counterparties, and shareholders, taking into account the impact any action under this title would have on financial stability in the United States, including whether the rights of such parties will be disrupted.

(d) **CORPORATION POLICIES AND PROCEDURES.**—As soon as is practicable after the date of enactment of this Act, the Corporation shall establish policies and procedures that are acceptable to the Secretary governing the use of funds available to the Corporation to carry out this title, including the terms and conditions for the provision and use of funds under sections 204(d), 210(h)(2)(G)(iv), and 210(h)(9).

(e) **TREATMENT OF INSURANCE COMPANIES AND INSURANCE COMPANY SUBSIDIARIES.**—

(1) **IN GENERAL.**—Notwithstanding subsection (b), if an insurance company is a covered financial company or a subsidiary or affiliate of a covered financial company, the liquidation or rehabilitation of such insurance company, and any subsidiary or affiliate of such company that is not excepted under paragraph (2), shall be conducted as provided under applicable State law.

(2) **EXCEPTION FOR SUBSIDIARIES AND AFFILIATES.**—The requirement of paragraph (1) shall not apply with respect to any subsidiary or affiliate of an insurance company that is not itself an insurance company.

(3) **BACKUP AUTHORITY.**—Notwithstanding paragraph (1), with respect to a covered financial company described in paragraph (1), if, after the end of the 60-day period beginning on the date on which a determination is made under section 202(a) with respect to such company, the appropriate regulatory agency has not filed the appropriate judicial action in the appropriate State court to place such company into orderly liquidation under the laws and requirements of the State, the Corporation shall have the authority to stand in the place of the appropriate regulatory agency and file the appropriate judicial action in the appropriate State court to place such company into orderly liquidation under the laws and requirements of the State.

SEC. 204. ORDERLY LIQUIDATION OF COVERED FINANCIAL COMPANIES.

(a) **PURPOSE OF ORDERLY LIQUIDATION AUTHORITY.**—It is the purpose of this title to provide the necessary authority to liquidate failing financial companies that pose a significant risk to the financial stability of the United States in a manner that mitigates such risk and minimizes moral hazard. The authority provided in this title shall be exercised in the manner that best fulfills such purpose, so that—

(1) creditors and shareholders will bear the losses of the financial company;

(2) management responsible for the condition of the financial company will not be retained; and

(3) the Corporation and other appropriate agencies will take all steps necessary and appropriate to assure that all parties, including management, directors, and third parties, having responsibility for the condition of the financial company bear losses consistent with their re-

sponsibility, including actions for damages, restitution, and recoupment of compensation and other gains not compatible with such responsibility.

(b) **CORPORATION AS RECEIVER.**—Upon the appointment of the Corporation under section 202, the Corporation shall act as the receiver for the covered financial company, with all of the rights and obligations set forth in this title.

(c) **CONSULTATION.**—The Corporation, as receiver—

(1) shall consult with the primary financial regulatory agency or agencies of the covered financial company and its covered subsidiaries for purposes of ensuring an orderly liquidation of the covered financial company;

(2) may consult with, or under subsection (a)(1)(B)(v) or (a)(1)(L) of section 210, acquire the services of, any outside experts, as appropriate to inform and aid the Corporation in the orderly liquidation process;

(3) shall consult with the primary financial regulatory agency or agencies of any subsidiaries of the covered financial company that are not covered subsidiaries, and coordinate with such regulators regarding the treatment of such solvent subsidiaries and the separate resolution of any such insolvent subsidiaries under other governmental authority, as appropriate; and

(4) shall consult with the Commission and the Securities Investor Protection Corporation in the case of any covered financial company for which the Corporation has been appointed as receiver that is a broker or dealer registered with the Commission under section 15(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(b)) and is a member of the Securities Investor Protection Corporation, for the purpose of determining whether to transfer to a bridge financial company organized by the Corporation as receiver, without consent of any customer, customer accounts of the covered financial company.

(d) **FUNDING FOR ORDERLY LIQUIDATION.**—Upon its appointment as receiver for a covered financial company, and thereafter as the Corporation may, in its discretion, determine to be necessary or appropriate, the Corporation may make available to the receivership, subject to the conditions set forth in section 206 and subject to the plan described in section 210(n)(9), funds for the orderly liquidation of the covered financial company. All funds provided by the Corporation under this subsection shall have a priority of claims under subparagraph (A) or (B) of section 210(b)(1), as applicable, including funds used for—

(1) making loans to, or purchasing any debt obligation of, the covered financial company or any covered subsidiary;

(2) purchasing or guaranteeing against loss the assets of the covered financial company or any covered subsidiary, directly or through an entity established by the Corporation for such purpose;

(3) assuming or guaranteeing the obligations of the covered financial company or any covered subsidiary to 1 or more third parties;

(4) taking a lien on any or all assets of the covered financial company or any covered subsidiary, including a first priority lien on all unencumbered assets of the covered financial company or any covered subsidiary to secure repayment of any transactions conducted under this subsection;

(5) selling or transferring all, or any part, of such acquired assets, liabilities, or obligations of the covered financial company or any covered subsidiary; and

(6) making payments pursuant to subsections (b)(4), (d)(4), and (h)(5)(E) of section 210.

SEC. 205. ORDERLY LIQUIDATION OF COVERED BROKERS AND DEALERS.

(a) **APPOINTMENT OF SIPC AS TRUSTEE.**—

(1) **APPOINTMENT.**—Upon the appointment of the Corporation as receiver for any covered broker or dealer, the Corporation shall appoint, without any need for court approval, the Securities Investor Protection Corporation to act as trustee for the liquidation under the Securities Investor Protection Act of 1970 (15 U.S.C. 78aaa et seq.) of the covered broker or dealer.

(2) **ACTIONS BY SIPC.**—

(A) **FILING.**—Upon appointment of SIPC under paragraph (1), SIPC shall promptly file with any Federal district court of competent jurisdiction specified in section 21 or 27 of the Securities Exchange Act of 1934 (15 U.S.C. 78u, 78aa), an application for a protective decree under the Securities Investor Protection Act of 1970 (15 U.S.C. 78aaa et seq.) as to the covered broker or dealer. The Federal district court shall accept and approve the filing, including outside of normal business hours, and shall immediately issue the protective decree as to the covered broker or dealer.

(B) **ADMINISTRATION BY SIPC.**—Following entry of the protective decree, and except as otherwise provided in this section, the determination of claims and the liquidation of assets retained in the receivership of the covered broker or dealer and not transferred to the bridge financial company shall be administered under the Securities Investor Protection Act of 1970 (15 U.S.C. 78aaa et seq.) by SIPC, as trustee for the covered broker or dealer.

(C) **DEFINITION OF FILING DATE.**—For purposes of the liquidation proceeding, the term “filing date” means the date on which the Corporation is appointed as receiver of the covered broker or dealer.

(D) **DETERMINATION OF CLAIMS.**—As trustee for the covered broker or dealer, SIPC shall determine and satisfy, consistent with this title and with the Securities Investor Protection Act of 1970 (15 U.S.C. 78aaa et seq.), all claims against the covered broker or dealer arising on or before the filing date.

(b) **POWERS AND DUTIES OF SIPC.**—

(1) **IN GENERAL.**—Except as provided in this section, upon its appointment as trustee for the liquidation of a covered broker or dealer, SIPC shall have all of the powers and duties provided by the Securities Investor Protection Act of 1970 (15 U.S.C. 78aaa et seq.), including, without limitation, all rights of action against third parties, and shall conduct such liquidation in accordance with the terms of the Securities Investor Protection Act of 1970 (15 U.S.C. 78aaa et seq.), except that SIPC shall have no powers or duties with respect to assets and liabilities transferred by the Corporation from the covered broker or dealer to any bridge financial company established in accordance with this title.

(2) **LIMITATION OF POWERS.**—The exercise by SIPC of powers and functions as trustee under subsection (a) shall not impair or impede the exercise of the powers and duties of the Corporation with regard to—

(A) any action, except as otherwise provided in this title—

(i) to make funds available under section 204(d);

(ii) to organize, establish, operate, or terminate any bridge financial company;

(iii) to transfer assets and liabilities;

(iv) to enforce or repudiate contracts; or

(v) to take any other action relating to such bridge financial company under section 210; or

(B) determining claims under subsection (e).

(3) **PROTECTIVE DECREE.**—SIPC and the Corporation, in consultation with the Commission, shall jointly determine the terms of the protective decree to be filed by SIPC with any court of competent jurisdiction under section 21 or 27 of the Securities Exchange Act of 1934 (15 U.S.C. 78u, 78aa), as required by subsection (a).

(4) **QUALIFIED FINANCIAL CONTRACTS.**—Notwithstanding any provision of the Securities In-

vestor Protection Act of 1970 (15 U.S.C. 78aaa et seq.) to the contrary (including section 5(b)(2)(C) of that Act (15 U.S.C. 78eee(b)(2)(C))), the rights and obligations of any party to a qualified financial contract (as that term is defined in section 210(c)(8)) to which a covered broker or dealer for which the Corporation has been appointed receiver is a party shall be governed exclusively by section 210, including the limitations and restrictions contained in section 210(c)(10)(B).

(c) **LIMITATION ON COURT ACTION.**—Except as otherwise provided in this title, no court may take any action, including any action pursuant to the Securities Investor Protection Act of 1970 (15 U.S.C. 78aaa et seq.) or the Bankruptcy Code, to restrain or affect the exercise of powers or functions of the Corporation as receiver for a covered broker or dealer and any claims against the Corporation as such receiver shall be determined in accordance with subsection (e) and such claims shall be limited to money damages.

(d) **ACTIONS BY CORPORATION AS RECEIVER.**—

(1) **IN GENERAL.**—Notwithstanding any other provision of this title, no action taken by the Corporation as receiver with respect to a covered broker or dealer shall—

(A) adversely affect the rights of a customer to customer property or customer name securities;

(B) diminish the amount or timely payment of net equity claims of customers; or

(C) otherwise impair the recoveries provided to a customer under the Securities Investor Protection Act of 1970 (15 U.S.C. 78aaa et seq.).

(2) **NET PROCEEDS.**—The net proceeds from any transfer, sale, or disposition of assets of the covered broker or dealer, or proceeds thereof by the Corporation as receiver for the covered broker or dealer shall be for the benefit of the estate of the covered broker or dealer, as provided in this title.

(e) **CLAIMS AGAINST THE CORPORATION AS RECEIVER.**—Any claim against the Corporation as receiver for a covered broker or dealer for assets transferred to a bridge financial company established with respect to such covered broker or dealer—

(1) shall be determined in accordance with section 210(a)(2); and

(2) may be reviewed by the appropriate district or territorial court of the United States in accordance with section 210(a)(5).

(f) **SATISFACTION OF CUSTOMER CLAIMS.**—

(1) **OBLIGATIONS TO CUSTOMERS.**—Notwithstanding any other provision of this title, all obligations of a covered broker or dealer or of any bridge financial company established with respect to such covered broker or dealer to a customer relating to, or net equity claims based upon, customer property or customer name securities shall be promptly discharged by SIPC, the Corporation, or the bridge financial company, as applicable, by the delivery of securities or the making of payments to or for the account of such customer, in a manner and in an amount at least as beneficial to the customer as would have been the case had the actual proceeds realized from the liquidation of the covered broker or dealer under this title been distributed in a proceeding under the Securities Investor Protection Act of 1970 (15 U.S.C. 78aaa et seq.) without the appointment of the Corporation as receiver and without any transfer of assets or liabilities to a bridge financial company, and with a filing date as of the date on which the Corporation is appointed as receiver.

(2) **SATISFACTION OF CLAIMS BY SIPC.**—SIPC, as trustee for a covered broker or dealer, shall satisfy customer claims in the manner and amount provided under the Securities Investor Protection Act of 1970 (15 U.S.C. 78aaa et seq.), as if the appointment of the Corporation as receiver had not occurred, and with a filing date as of the date on which the Corporation is ap-

pointed as receiver. The Corporation shall satisfy customer claims, to the extent that a customer would have received more securities or cash with respect to the allocation of customer property had the covered financial company been subject to a proceeding under the Securities Investor Protection Act (15 U.S.C. 78aaa et seq.) without the appointment of the Corporation as receiver, and with a filing date as of the date on which the Corporation is appointed as receiver.

(g) **PRIORITIES.**—

(1) **CUSTOMER PROPERTY.**—As trustee for a covered broker or dealer, SIPC shall allocate customer property and deliver customer name securities in accordance with section 8(c) of the Securities Investor Protection Act of 1970 (15 U.S.C. 78fff-2(c)).

(2) **OTHER CLAIMS.**—All claims other than those described in paragraph (1) (including any unpaid claim by a customer for the allowed net equity claim of such customer from customer property) shall be paid in accordance with the priorities in section 210(b).

(h) **RULEMAKING.**—The Commission and the Corporation, after consultation with SIPC, shall jointly issue rules to implement this section.

SEC. 206. MANDATORY TERMS AND CONDITIONS FOR ALL ORDERLY LIQUIDATION ACTIONS.

In taking action under this title, the Corporation shall—

(1) determine that such action is necessary for purposes of the financial stability of the United States, and not for the purpose of preserving the covered financial company;

(2) ensure that the shareholders of a covered financial company do not receive payment until after all other claims and the Fund are fully paid;

(3) ensure that unsecured creditors bear losses in accordance with the priority of claim provisions in section 210;

(4) ensure that management responsible for the failed condition of the covered financial company is removed (if such management has not already been removed at the time at which the Corporation is appointed receiver);

(5) ensure that the members of the board of directors (or body performing similar functions) responsible for the failed condition of the covered financial company are removed, if such members have not already been removed at the time the Corporation is appointed as receiver; and

(6) not take an equity interest in or become a shareholder of any covered financial company or any covered subsidiary.

SEC. 207. DIRECTORS NOT LIABLE FOR ACQUIESCING IN APPOINTMENT OF RECEIVER.

The members of the board of directors (or body performing similar functions) of a covered financial company shall not be liable to the shareholders or creditors thereof for acquiescing in or consenting in good faith to the appointment of the Corporation as receiver for the covered financial company under section 203.

SEC. 208. DISMISSAL AND EXCLUSION OF OTHER ACTIONS.

(a) **IN GENERAL.**—Effective as of the date of the appointment of the Corporation as receiver for the covered financial company under section 202 or the appointment of SIPC as trustee for a covered broker or dealer under section 205, as applicable, any case or proceeding commenced with respect to the covered financial company under the Bankruptcy Code or the Securities Investor Protection Act of 1970 (15 U.S.C. 78aaa et seq.) shall be dismissed, upon notice to the bankruptcy court (with respect to a case commenced under the Bankruptcy Code), and upon notice to SIPC (with respect to a covered broker or dealer) and no such case or proceeding may

be commenced with respect to a covered financial company at any time while the orderly liquidation is pending.

(b) **REVESTING OF ASSETS.**—Effective as of the date of appointment of the Corporation as receiver, the assets of a covered financial company shall, to the extent they have vested in any entity other than the covered financial company as a result of any case or proceeding commenced with respect to the covered financial company under the Bankruptcy Code, the Securities Investor Protection Act of 1970 (15 U.S.C. 78aaa et seq.), or any similar provision of State liquidation or insolvency law applicable to the covered financial company, revert in the covered financial company.

(c) **LIMITATION.**—Notwithstanding subsections (a) and (b), any order entered or other relief granted by a bankruptcy court prior to the date of appointment of the Corporation as receiver shall continue with the same validity as if an orderly liquidation had not been commenced.

SEC. 209. RULEMAKING; NON-CONFLICTING LAW.

The Corporation shall, in consultation with the Council, prescribe such rules or regulations as the Corporation considers necessary or appropriate to implement this title, including rules and regulations with respect to the rights, interests, and priorities of creditors, counterparties, security entitlement holders, or other persons with respect to any covered financial company or any assets or other property of or held by such covered financial company, and address the potential for conflicts of interest between or among individual receiverships established under this title or under the Federal Deposit Insurance Act. To the extent possible, the Corporation shall seek to harmonize applicable rules and regulations promulgated under this section with the insolvency laws that would otherwise apply to a covered financial company.

SEC. 210. POWERS AND DUTIES OF THE CORPORATION.

(a) **POWERS AND AUTHORITIES.**—

(i) **GENERAL POWERS.**—

(A) **SUCCESSOR TO COVERED FINANCIAL COMPANY.**—The Corporation shall, upon appointment as receiver for a covered financial company under this title, succeed to—

(i) all rights, titles, powers, and privileges of the covered financial company and its assets, and of any stockholder, member, officer, or director of such company; and

(ii) title to the books, records, and assets of any previous receiver or other legal custodian of such covered financial company.

(B) **OPERATION OF THE COVERED FINANCIAL COMPANY DURING THE PERIOD OF ORDERLY LIQUIDATION.**—The Corporation, as receiver for a covered financial company, may—

(i) take over the assets of and operate the covered financial company with all of the powers of the members or shareholders, the directors, and the officers of the covered financial company, and conduct all business of the covered financial company;

(ii) collect all obligations and money owed to the covered financial company;

(iii) perform all functions of the covered financial company, in the name of the covered financial company;

(iv) manage the assets and property of the covered financial company, consistent with maximization of the value of the assets in the context of the orderly liquidation; and

(v) provide by contract for assistance in fulfilling any function, activity, action, or duty of the Corporation as receiver.

(C) **FUNCTIONS OF COVERED FINANCIAL COMPANY OFFICERS, DIRECTORS, AND SHAREHOLDERS.**—The Corporation may provide for the exercise of any function by any member or stockholder, director, or officer of any covered financial company for which the Corporation has been appointed as receiver under this title.

(D) **ADDITIONAL POWERS AS RECEIVER.**—The Corporation shall, as receiver for a covered financial company, and subject to all legally enforceable and perfected security interests and all legally enforceable security entitlements in respect of assets held by the covered financial company, liquidate, and wind-up the affairs of a covered financial company, including taking steps to realize upon the assets of the covered financial company, in such manner as the Corporation deems appropriate, including through the sale of assets, the transfer of assets to a bridge financial company established under subsection (h), or the exercise of any other rights or privileges granted to the receiver under this section.

(E) **ADDITIONAL POWERS WITH RESPECT TO FAILING SUBSIDIARIES OF A COVERED FINANCIAL COMPANY.**—

(i) **IN GENERAL.**—In any case in which a receiver is appointed for a covered financial company under section 202, the Corporation may appoint itself as receiver of any covered subsidiary of the covered financial company that is organized under Federal law or the laws of any State, if the Corporation and the Secretary jointly determine that—

(I) the covered subsidiary is in default or in danger of default;

(II) such action would avoid or mitigate serious adverse effects on the financial stability or economic conditions of the United States; and

(III) such action would facilitate the orderly liquidation of the covered financial company.

(ii) **TREATMENT AS COVERED FINANCIAL COMPANY.**—If the Corporation is appointed as receiver of a covered subsidiary of a covered financial company under clause (i), the covered subsidiary shall thereafter be considered a covered financial company under this title, and the Corporation shall thereafter have all the powers and rights with respect to that covered subsidiary as it has with respect to a covered financial company under this title.

(F) **ORGANIZATION OF BRIDGE COMPANIES.**—The Corporation, as receiver for a covered financial company, may organize a bridge financial company under subsection (h).

(G) **MERGER; TRANSFER OF ASSETS AND LIABILITIES.**—

(i) **IN GENERAL.**—Subject to clauses (ii) and (iii), the Corporation, as receiver for a covered financial company, may—

(I) merge the covered financial company with another company; or

(II) transfer any asset or liability of the covered financial company (including any assets and liabilities held by the covered financial company for security entitlement holders, any customer property, or any assets and liabilities associated with any trust or custody business) without obtaining any approval, assignment, or consent with respect to such transfer.

(ii) **FEDERAL AGENCY APPROVAL; ANTITRUST REVIEW.**—With respect to a transaction described in clause (i)(I) that requires approval by a Federal agency—

(I) the transaction may not be consummated before the 5th calendar day after the date of approval by the Federal agency responsible for such approval;

(II) if, in connection with any such approval, a report on competitive factors is required, the Federal agency responsible for such approval shall promptly notify the Attorney General of the United States of the proposed transaction, and the Attorney General shall provide the required report not later than 10 days after the date of the request; and

(III) if notification under section 7A of the Clayton Act is required with respect to such transaction, then the required waiting period shall end on the 15th day after the date on which the Attorney General and the Federal

Trade Commission receive such notification, unless the waiting period is terminated earlier under subsection (b)(2) of such section 7A, or is extended pursuant to subsection (e)(2) of such section 7A.

(iii) **SETOFF.**—Subject to the other provisions of this title, any transferee of assets from a receiver, including a bridge financial company, shall be subject to such claims or rights as would prevail over the rights of such transferee in such assets under applicable noninsolvency law.

(H) **PAYMENT OF VALID OBLIGATIONS.**—The Corporation, as receiver for a covered financial company, shall, to the extent that funds are available, pay all valid obligations of the covered financial company that are due and payable at the time of the appointment of the Corporation as receiver, in accordance with the prescriptions and limitations of this title.

(I) **APPLICABLE NONINSOLVENCY LAW.**—Except as may otherwise be provided in this title, the applicable noninsolvency law shall be determined by the noninsolvency choice of law rules otherwise applicable to the claims, rights, titles, persons, or entities at issue.

(J) **SUBPOENA AUTHORITY.**—

(i) **IN GENERAL.**—The Corporation, as receiver for a covered financial company, may, for purposes of carrying out any power, authority, or duty with respect to the covered financial company (including determining any claim against the covered financial company and determining and realizing upon any asset of any person in the course of collecting money due the covered financial company), exercise any power established under section 8(n) of the Federal Deposit Insurance Act, as if the Corporation were the appropriate Federal banking agency for the covered financial company, and the covered financial company were an insured depository institution.

(ii) **RULE OF CONSTRUCTION.**—This subparagraph may not be construed as limiting any rights that the Corporation, in any capacity, might otherwise have to exercise any powers described in clause (i) or under any other provision of law.

(K) **INCIDENTAL POWERS.**—The Corporation, as receiver for a covered financial company, may exercise all powers and authorities specifically granted to receivers under this title, and such incidental powers as shall be necessary to carry out such powers under this title.

(L) **UTILIZATION OF PRIVATE SECTOR.**—In carrying out its responsibilities in the management and disposition of assets from the covered financial company, the Corporation, as receiver for a covered financial company, may utilize the services of private persons, including real estate and loan portfolio asset management, property management, auction marketing, legal, and brokerage services, if such services are available in the private sector, and the Corporation determines that utilization of such services is practicable, efficient, and cost effective.

(M) **SHAREHOLDERS AND CREDITORS OF COVERED FINANCIAL COMPANY.**—Notwithstanding any other provision of law, the Corporation, as receiver for a covered financial company, shall succeed by operation of law to the rights, titles, powers, and privileges described in subparagraph (A), and shall terminate all rights and claims that the stockholders and creditors of the covered financial company may have against the assets of the covered financial company or the Corporation arising out of their status as stockholders or creditors, except for their right to payment, resolution, or other satisfaction of their claims, as permitted under this section. The Corporation shall ensure that shareholders and unsecured creditors bear losses, consistent with the priority of claims provisions under this section.

(N) **COORDINATION WITH FOREIGN FINANCIAL AUTHORITIES.**—The Corporation, as receiver for a covered financial company, shall coordinate, to the maximum extent possible, with the appropriate foreign financial authorities regarding the orderly liquidation of any covered financial company that has assets or operations in a country other than the United States.

(O) **RESTRICTION ON TRANSFERS.**—

(i) **SELECTION OF ACCOUNTS FOR TRANSFER.**—If the Corporation establishes one or more bridge financial companies with respect to a covered broker or dealer, the Corporation shall transfer to one of such bridge financial companies, all customer accounts of the covered broker or dealer, and all associated customer name securities and customer property, unless the Corporation, after consulting with the Commission and SIPC, determines that—

(I) the customer accounts, customer name securities, and customer property are likely to be promptly transferred to another broker or dealer that is registered with the Commission under section 15(b) of the Securities Exchange Act of 1934 (15 U.S.C. 73o(b)) and is a member of SIPC; or

(II) the transfer of the accounts to a bridge financial company would materially interfere with the ability of the Corporation to avoid or mitigate serious adverse effects on financial stability or economic conditions in the United States.

(ii) **TRANSFER OF PROPERTY.**—SIPC, as trustee for the liquidation of the covered broker or dealer, and the Commission shall provide any and all reasonable assistance necessary to complete such transfers by the Corporation.

(iii) **CUSTOMER CONSENT AND COURT APPROVAL NOT REQUIRED.**—Neither customer consent nor court approval shall be required to transfer any customer accounts or associated customer name securities or customer property to a bridge financial company in accordance with this section.

(iv) **NOTIFICATION OF SIPC AND SHARING OF INFORMATION.**—The Corporation shall identify to SIPC the customer accounts and associated customer name securities and customer property transferred to the bridge financial company. The Corporation and SIPC shall cooperate in the sharing of any information necessary for each entity to discharge its obligations under this title and under the Securities Investor Protection Act of 1970 (15 U.S.C. 78aaa et seq.) including by providing access to the books and records of the covered financial company and any bridge financial company established in accordance with this title.

(2) **DETERMINATION OF CLAIMS.**—

(A) **IN GENERAL.**—The Corporation, as receiver for a covered financial company, shall report on claims, as set forth in section 203(c)(3). Subject to paragraph (4) of this subsection, the Corporation, as receiver for a covered financial company, shall determine claims in accordance with the requirements of this subsection and regulations prescribed under section 209.

(B) **NOTICE REQUIREMENTS.**—The Corporation, as receiver for a covered financial company, in any case involving the liquidation or winding up of the affairs of a covered financial company, shall—

(i) promptly publish a notice to the creditors of the covered financial company to present their claims, together with proof, to the receiver by a date specified in the notice, which shall be not earlier than 90 days after the date of publication of such notice; and

(ii) republish such notice 1 month and 2 months, respectively, after the date of publication under clause (i).

(C) **MAILING REQUIRED.**—The Corporation as receiver shall mail a notice similar to the notice published under clause (i) or (ii) of subpara-

graph (B), at the time of such publication, to any creditor shown on the books and records of the covered financial company—

(i) at the last address of the creditor appearing in such books;

(ii) in any claim filed by the claimant; or

(iii) upon discovery of the name and address of a claimant not appearing on the books and records of the covered financial company, not later than 30 days after the date of the discovery of such name and address.

(3) **PROCEDURES FOR RESOLUTION OF CLAIMS.**—

(A) **DECISION PERIOD.**—

(i) **IN GENERAL.**—Prior to the 180th day after the date on which a claim against a covered financial company is filed with the Corporation as receiver, or such later date as may be agreed as provided in clause (ii), the Corporation shall notify the claimant whether it allows or disallows the claim, in accordance with subparagraphs (B), (C), and (D).

(ii) **EXTENSION OF TIME.**—By written agreement executed not later than 180 days after the date on which a claim against a covered financial company is filed with the Corporation, the period described in clause (i) may be extended by written agreement between the claimant and the Corporation. Failure to notify the claimant of any disallowance within the time period set forth in clause (i), as it may be extended by agreement under this clause, shall be deemed to be a disallowance of such claim, and the claimant may file or continue an action in court, as provided in paragraph (4).

(iii) **MAILING OF NOTICE SUFFICIENT.**—The requirements of clause (i) shall be deemed to be satisfied if the notice of any decision with respect to any claim is mailed to the last address of the claimant which appears—

(I) on the books, records, or both of the covered financial company;

(II) in the claim filed by the claimant; or

(III) in documents submitted in proof of the claim.

(iv) **CONTENTS OF NOTICE OF DISALLOWANCE.**—If the Corporation as receiver disallows any claim filed under clause (i), the notice to the claimant shall contain—

(I) a statement of each reason for the disallowance; and

(II) the procedures required to file or continue an action in court, as provided in paragraph (4).

(B) **ALLOWANCE OF PROVEN CLAIM.**—The receiver shall allow any claim received by the receiver on or before the date specified in the notice under paragraph (2)(B)(i), which is proved to the satisfaction of the receiver.

(C) **DISALLOWANCE OF CLAIMS FILED AFTER END OF FILING PERIOD.**—

(i) **IN GENERAL.**—Except as provided in clause (ii), claims filed after the date specified in the notice published under paragraph (2)(B)(i) shall be disallowed, and such disallowance shall be final.

(ii) **CERTAIN EXCEPTIONS.**—Clause (i) shall not apply with respect to any claim filed by a claimant after the date specified in the notice published under paragraph (2)(B)(i), and such claim may be considered by the receiver under subparagraph (B), if—

(I) the claimant did not receive notice of the appointment of the receiver in time to file such claim before such date; and

(II) such claim is filed in time to permit payment of such claim.

(D) **AUTHORITY TO DISALLOW CLAIMS.**—

(i) **IN GENERAL.**—The Corporation may disallow any portion of any claim by a creditor or claim of a security, preference, setoff, or priority which is not proved to the satisfaction of the Corporation.

(ii) **PAYMENTS TO UNDERSECURED CREDITORS.**—In the case of a claim against a covered finan-

cial company that is secured by any property or other asset of such covered financial company, the receiver—

(I) may treat the portion of such claim which exceeds an amount equal to the fair market value of such property or other asset as an unsecured claim; and

(II) may not make any payment with respect to such unsecured portion of the claim, other than in connection with the disposition of all claims of unsecured creditors of the covered financial company.

(iii) **EXCEPTIONS.**—No provision of this paragraph shall apply with respect to—

(I) any extension of credit from any Federal reserve bank, or the Corporation, to any covered financial company; or

(II) subject to clause (ii), any legally enforceable and perfected security interest in the assets of the covered financial company securing any such extension of credit.

(E) **LEGAL EFFECT OF FILING.**—

(i) **STATUTE OF LIMITATIONS TOLLED.**—For purposes of any applicable statute of limitations, the filing of a claim with the receiver shall constitute a commencement of an action.

(ii) **NO PREJUDICE TO OTHER ACTIONS.**—Subject to paragraph (8), the filing of a claim with the receiver shall not prejudice any right of the claimant to continue any action which was filed before the date of appointment of the receiver for the covered financial company.

(4) **JUDICIAL DETERMINATION OF CLAIMS.**—

(A) **IN GENERAL.**—Subject to subparagraph (B), a claimant may file suit on a claim (or continue an action commenced before the date of appointment of the Corporation as receiver) in the district or territorial court of the United States for the district within which the principal place of business of the covered financial company is located (and such court shall have jurisdiction to hear such claim).

(B) **TIMING.**—A claim under subparagraph (A) may be filed before the end of the 60-day period beginning on the earlier of—

(i) the end of the period described in paragraph (3)(A)(i) (or, if extended by agreement of the Corporation and the claimant, the period described in paragraph (3)(A)(ii)) with respect to any claim against a covered financial company for which the Corporation is receiver; or

(ii) the date of any notice of disallowance of such claim pursuant to paragraph (3)(A)(i).

(C) **STATUTE OF LIMITATIONS.**—If any claimant fails to file suit on such claim (or to continue an action on such claim commenced before the date of appointment of the Corporation as receiver) prior to the end of the 60-day period described in subparagraph (B), the claim shall be deemed to be disallowed (other than any portion of such claim which was allowed by the receiver) as of the end of such period, such disallowance shall be final, and the claimant shall have no further rights or remedies with respect to such claim.

(5) **EXPEDITED DETERMINATION OF CLAIMS.**—

(A) **PROCEDURE REQUIRED.**—The Corporation shall establish a procedure for expedited relief outside of the claims process established under paragraph (3), for any claimant that alleges—

(i) having a legally valid and enforceable or perfected security interest in property of a covered financial company or control of any legally valid and enforceable security entitlement in respect of any asset held by the covered financial company for which the Corporation has been appointed receiver; and

(ii) that irreparable injury will occur if the claims procedure established under paragraph (3) is followed.

(B) **DETERMINATION PERIOD.**—Prior to the end of the 90-day period beginning on the date on which a claim is filed in accordance with the procedures established pursuant to subparagraph (A), the Corporation shall—

(i) determine—

(I) whether to allow or disallow such claim, or any portion thereof; or

(II) whether such claim should be determined pursuant to the procedures established pursuant to paragraph (3);

(ii) notify the claimant of the determination; and

(iii) if the claim is disallowed, provide a statement of each reason for the disallowance and the procedure for obtaining a judicial determination.

(C) PERIOD FOR FILING OR RENEWING SUIT.—Any claimant who files a request for expedited relief shall be permitted to file suit (or continue a suit filed before the date of appointment of the Corporation as receiver seeking a determination of the rights of the claimant with respect to such security interest (or such security entitlement) after the earlier of—

(i) the end of the 90-day period beginning on the date of the filing of a request for expedited relief; or

(ii) the date on which the Corporation denies the claim or a portion thereof.

(D) STATUTE OF LIMITATIONS.—If an action described in subparagraph (C) is not filed, or the motion to renew a previously filed suit is not made, before the end of the 30-day period beginning on the date on which such action or motion may be filed in accordance with subparagraph (C), the claim shall be deemed to be disallowed as of the end of such period (other than any portion of such claim which was allowed by the receiver), such disallowance shall be final, and the claimant shall have no further rights or remedies with respect to such claim.

(E) LEGAL EFFECT OF FILING.—

(i) STATUTE OF LIMITATIONS TOLLED.—For purposes of any applicable statute of limitations, the filing of a claim with the receiver shall constitute a commencement of an action.

(ii) NO PREJUDICE TO OTHER ACTIONS.—Subject to paragraph (8), the filing of a claim with the receiver shall not prejudice any right of the claimant to continue any action which was filed before the appointment of the Corporation as receiver for the covered financial company.

(6) AGREEMENTS AGAINST INTEREST OF THE RECEIVER.—No agreement that tends to diminish or defeat the interest of the Corporation as receiver in any asset acquired by the receiver under this section shall be valid against the receiver, unless such agreement—

(A) is in writing;

(B) was executed by an authorized officer or representative of the covered financial company, or confirmed in the ordinary course of business by the covered financial company; and

(C) has been, since the time of its execution, an official record of the company or the party claiming under the agreement provides documentation, acceptable to the receiver, of such agreement and its authorized execution or confirmation by the covered financial company.

(7) PAYMENT OF CLAIMS.—

(A) IN GENERAL.—Subject to subparagraph (B), the Corporation as receiver may, in its discretion and to the extent that funds are available, pay creditor claims, in such manner and amounts as are authorized under this section, which are—

(i) allowed by the receiver;

(ii) approved by the receiver pursuant to a final determination pursuant to paragraph (3) or (5), as applicable; or

(iii) determined by the final judgment of a court of competent jurisdiction.

(B) LIMITATION.—A creditor shall, in no event, receive less than the amount that the creditor is entitled to receive under paragraphs (2) and (3) of subsection (d), as applicable.

(C) PAYMENT OF DIVIDENDS ON CLAIMS.—The Corporation as receiver may, in its sole discre-

tion, and to the extent otherwise permitted by this section, pay dividends on proven claims at any time, and no liability shall attach to the Corporation as receiver, by reason of any such payment or for failure to pay dividends to a claimant whose claim is not proved at the time of any such payment.

(D) RULEMAKING BY THE CORPORATION.—The Corporation may prescribe such rules, including definitions of terms, as the Corporation deems appropriate to establish an interest rate for or to make payments of post-insolvency interest to creditors holding proven claims against the receivership estate of a covered financial company, except that no such interest shall be paid until the Corporation as receiver has satisfied the principal amount of all creditor claims.

(8) SUSPENSION OF LEGAL ACTIONS.—

(A) IN GENERAL.—After the appointment of the Corporation as receiver for a covered financial company, the Corporation may request a stay in any judicial action or proceeding in which such covered financial company is or becomes a party, for a period of not to exceed 90 days.

(B) GRANT OF STAY BY ALL COURTS REQUIRED.—Upon receipt of a request by the Corporation pursuant to subparagraph (A), the court shall grant such stay as to all parties.

(9) ADDITIONAL RIGHTS AND DUTIES.—

(A) PRIOR FINAL ADJUDICATION.—The Corporation shall abide by any final, non-appealable judgment of any court of competent jurisdiction that was rendered before the appointment of the Corporation as receiver.

(B) RIGHTS AND REMEDIES OF RECEIVER.—In the event of any appealable judgment, the Corporation as receiver shall—

(i) have all the rights and remedies available to the covered financial company (before the date of appointment of the Corporation as receiver under section 202) and the Corporation, including removal to Federal court and all appellate rights; and

(ii) not be required to post any bond in order to pursue such remedies.

(C) NO ATTACHMENT OR EXECUTION.—No attachment or execution may be issued by any court upon assets in the possession of the Corporation as receiver for a covered financial company.

(D) LIMITATION ON JUDICIAL REVIEW.—Except as otherwise provided in this title, no court shall have jurisdiction over—

(i) any claim or action for payment from, or any action seeking a determination of rights with respect to, the assets of any covered financial company for which the Corporation has been appointed receiver, including any assets which the Corporation may acquire from itself as such receiver; or

(ii) any claim relating to any act or omission of such covered financial company or the Corporation as receiver.

(E) DISPOSITION OF ASSETS.—In exercising any right, power, privilege, or authority as receiver in connection with any covered financial company for which the Corporation is acting as receiver under this section, the Corporation shall, to the greatest extent practicable, conduct its operations in a manner that—

(i) maximizes the net present value return from the sale or disposition of such assets;

(ii) minimizes the amount of any loss realized in the resolution of cases;

(iii) mitigates the potential for serious adverse effects to the financial system;

(iv) ensures timely and adequate competition and fair and consistent treatment of offerors; and

(v) prohibits discrimination on the basis of race, sex, or ethnic group in the solicitation and consideration of offers.

(10) STATUTE OF LIMITATIONS FOR ACTIONS BROUGHT BY RECEIVER.—

(A) IN GENERAL.—Notwithstanding any provision of any contract, the applicable statute of limitations with regard to any action brought by the Corporation as receiver for a covered financial company shall be—

(i) in the case of any contract claim, the longer of—

(I) the 6-year period beginning on the date on which the claim accrues; or

(II) the period applicable under State law; and

(ii) in the case of any tort claim, the longer of—

(I) the 3-year period beginning on the date on which the claim accrues; or

(II) the period applicable under State law.

(B) DATE ON WHICH A CLAIM ACCRUES.—For purposes of subparagraph (A), the date on which the statute of limitations begins to run on any claim described in subparagraph (A) shall be the later of—

(i) the date of the appointment of the Corporation as receiver under this title; or

(ii) the date on which the cause of action accrues.

(C) REVIVAL OF EXPIRED STATE CAUSES OF ACTION.—

(i) IN GENERAL.—In the case of any tort claim described in clause (ii) for which the applicable statute of limitations under State law has expired not more than 5 years before the date of appointment of the Corporation as receiver for a covered financial company, the Corporation may bring an action as receiver on such claim without regard to the expiration of the statute of limitations.

(ii) CLAIMS DESCRIBED.—A tort claim referred to in clause (i) is a claim arising from fraud, intentional misconduct resulting in unjust enrichment, or intentional misconduct resulting in substantial loss to the covered financial company.

(11) AVOIDABLE TRANSFERS.—

(A) FRAUDULENT TRANSFERS.—The Corporation, as receiver for any covered financial company, may avoid a transfer of any interest of the covered financial company in property, or any obligation incurred by the covered financial company, that was made or incurred at or within 2 years before the date on which the Corporation was appointed receiver, if—

(i) the covered financial company voluntarily or involuntarily—

(I) made such transfer or incurred such obligation with actual intent to hinder, delay, or defraud any entity to which the covered financial company was or became, on or after the date on which such transfer was made or such obligation was incurred, indebted; or

(II) received less than a reasonably equivalent value in exchange for such transfer or obligation; and

(ii) the covered financial company voluntarily or involuntarily—

(I) was insolvent on the date that such transfer was made or such obligation was incurred, or became insolvent as a result of such transfer or obligation;

(II) was engaged in business or a transaction, or was about to engage in business or a transaction, for which any property remaining with the covered financial company was an unreasonably small capital;

(III) intended to incur, or believed that the covered financial company would incur, debts that would be beyond the ability of the covered financial company to pay as such debts matured; or

(IV) made such transfer to or for the benefit of an insider, or incurred such obligation to or for the benefit of an insider, under an employment contract and not in the ordinary course of business.

(B) PREFERENTIAL TRANSFERS.—The Corporation as receiver for any covered financial company may avoid a transfer of an interest of the covered financial company in property—

(i) to or for the benefit of a creditor;
 (ii) for or on account of an antecedent debt that was owed by the covered financial company before the transfer was made;
 (iii) that was made while the covered financial company was insolvent;
 (iv) that was made—

(I) 90 days or less before the date on which the Corporation was appointed receiver; or

(II) more than 90 days, but less than 1 year before the date on which the Corporation was appointed receiver, if such creditor at the time of the transfer was an insider; and

(v) that enables the creditor to receive more than the creditor would receive if—

(I) the covered financial company had been liquidated under chapter 7 of the Bankruptcy Code;

(II) the transfer had not been made; and

(III) the creditor received payment of such debt to the extent provided by the provisions of chapter 7 of the Bankruptcy Code.

(C) **POST-RECEIVERSHIP TRANSACTIONS.**—The Corporation as receiver for any covered financial company may avoid a transfer of property of the receivership that occurred after the Corporation was appointed receiver that was not authorized under this title by the Corporation as receiver.

(D) **RIGHT OF RECOVERY.**—To the extent that a transfer is avoided under subparagraph (A), (B), or (C), the Corporation may recover, for the benefit of the covered financial company, the property transferred or, if a court so orders, the value of such property (at the time of such transfer) from—

(i) the initial transferee of such transfer or the person for whose benefit such transfer was made; or

(ii) any immediate or mediate transferee of any such initial transferee.

(E) **RIGHTS OF TRANSFEEE OR OBLIGEE.**—The Corporation may not recover under subparagraph (D)(i) from—

(i) any transferee that takes for value, including in satisfaction of or to secure a present or antecedent debt, in good faith, and without knowledge of the voidability of the transfer avoided; or

(ii) any immediate or mediate good faith transferee of such transferee.

(F) **DEFENSES.**—Subject to the other provisions of this title—

(i) a transferee or obligee from which the Corporation seeks to recover a transfer or to avoid an obligation under subparagraph (A), (B), (C), or (D) shall have the same defenses available to a transferee or obligee from which a trustee seeks to recover a transfer or avoid an obligation under sections 547, 548, and 549 of the Bankruptcy Code; and

(ii) the authority of the Corporation to recover a transfer or avoid an obligation shall be subject to subsections (b) and (c) of section 546, section 547(c), and section 548(c) of the Bankruptcy Code.

(G) **RIGHTS UNDER THIS SECTION.**—The rights of the Corporation as receiver under this section shall be superior to any rights of a trustee or any other party (other than a Federal agency) under the Bankruptcy Code.

(H) **RULES OF CONSTRUCTION; DEFINITIONS.**—For purposes of—

(i) subparagraphs (A) and (B)—

(I) the term “insider” has the same meaning as in section 101(31) of the Bankruptcy Code;

(II) a transfer is made when such transfer is so perfected that a bona fide purchaser from the covered financial company against whom applicable law permits such transfer to be perfected cannot acquire an interest in the property transferred that is superior to the interest in such property of the transferee, but if such transfer is not so perfected before the date on

which the Corporation is appointed as receiver for the covered financial company, such transfer is made immediately before the date of such appointment; and

(III) the term “value” means property, or satisfaction or securing of a present or antecedent debt of the covered financial company, but does not include an unperformed promise to furnish support to the covered financial company; and

(ii) subparagraph (B)—

(I) the covered financial company is presumed to have been insolvent on and during the 90-day period immediately preceding the date of appointment of the Corporation as receiver; and

(II) the term “insolvent” has the same meaning as in section 101(32) of the Bankruptcy Code.

(12) **SETOFF.**—

(A) **GENERALLY.**—Except as otherwise provided in this title, any right of a creditor to offset a mutual debt owed by the creditor to any covered financial company that arose before the Corporation was appointed as receiver for the covered financial company against a claim of such creditor may be asserted if enforceable under applicable noninsolvency law, except to the extent that—

(i) the claim of the creditor against the covered financial company is disallowed;

(ii) the claim was transferred, by an entity other than the covered financial company, to the creditor—

(I) after the Corporation was appointed as receiver of the covered financial company; or

(II)(aa) after the 90-day period preceding the date on which the Corporation was appointed as receiver for the covered financial company; and

(bb) while the covered financial company was insolvent (except for a setoff in connection with a qualified financial contract); or

(iii) the debt owed to the covered financial company was incurred by the covered financial company—

(I) after the 90-day period preceding the date on which the Corporation was appointed as receiver for the covered financial company;

(II) while the covered financial company was insolvent; and

(III) for the purpose of obtaining a right of setoff against the covered financial company (except for a setoff in connection with a qualified financial contract).

(B) **INSUFFICIENCY.**—

(i) **IN GENERAL.**—Except with respect to a setoff in connection with a qualified financial contract, if a creditor offsets a mutual debt owed to the covered financial company against a claim of the covered financial company on or within the 90-day period preceding the date on which the Corporation is appointed as receiver for the covered financial company, the Corporation may recover from the creditor the amount so offset, to the extent that any insufficiency on the date of such setoff is less than the insufficiency on the later of—

(I) the date that is 90 days before the date on which the Corporation is appointed as receiver for the covered financial company; or

(II) the first day on which there is an insufficiency during the 90-day period preceding the date on which the Corporation is appointed as receiver for the covered financial company.

(ii) **DEFINITION OF INSUFFICIENCY.**—In this subparagraph, the term “insufficiency” means the amount, if any, by which a claim against the covered financial company exceeds a mutual debt owed to the covered financial company by the holder of such claim.

(C) **INSOLVENCY.**—The term “insolvent” has the same meaning as in section 101(32) of the Bankruptcy Code.

(D) **PRESUMPTION OF INSOLVENCY.**—For purposes of this paragraph, the covered financial

company is presumed to have been insolvent on and during the 90-day period preceding the date of appointment of the Corporation as receiver.

(E) **LIMITATION.**—Nothing in this paragraph (12) shall be the basis for any right of setoff where no such right exists under applicable noninsolvency law.

(F) **PRIORITY CLAIM.**—Except as otherwise provided in this title, the Corporation as receiver for the covered financial company may sell or transfer any assets free and clear of the setoff rights of any party, except that such party shall be entitled to a claim, subordinate to the claims payable under subparagraphs (A), (B), (C), and (D) of subsection (b)(1), but senior to all other unsecured liabilities defined in subsection (b)(1)(E), in an amount equal to the value of such setoff rights.

(13) **ATTACHMENT OF ASSETS AND OTHER INJUNCTIVE RELIEF.**—Subject to paragraph (14), any court of competent jurisdiction may, at the request of the Corporation as receiver for a covered financial company, issue an order in accordance with Rule 65 of the Federal Rules of Civil Procedure, including an order placing the assets of any person designated by the Corporation under the control of the court and appointing a trustee to hold such assets.

(14) **STANDARDS.**—

(A) **SHOWING.**—Rule 65 of the Federal Rules of Civil Procedure shall apply with respect to any proceeding under paragraph (13), without regard to the requirement that the applicant show that the injury, loss, or damage is irreparable and immediate.

(B) **STATE PROCEEDING.**—If, in the case of any proceeding in a State court, the court determines that rules of civil procedure available under the laws of the State provide substantially similar protections of the right of the parties to due process as provided under Rule 65 (as modified with respect to such proceeding by subparagraph (A)), the relief sought by the Corporation pursuant to paragraph (14) may be requested under the laws of such State.

(15) **TREATMENT OF CLAIMS ARISING FROM BREACH OF CONTRACTS EXECUTED BY THE CORPORATION AS RECEIVER.**—Notwithstanding any other provision of this title, any final and nonappealable judgment for monetary damages entered against the Corporation as receiver for a covered financial company for the breach of an agreement executed or approved by the Corporation after the date of its appointment shall be paid as an administrative expense of the receiver. Nothing in this paragraph shall be construed to limit the power of a receiver to exercise any rights under contract or law, including to terminate, breach, cancel, or otherwise discontinue such agreement.

(16) **ACCOUNTING AND RECORDKEEPING REQUIREMENTS.**—

(A) **IN GENERAL.**—The Corporation as receiver for a covered financial company shall, consistent with the accounting and reporting practices and procedures established by the Corporation, maintain a full accounting of each receivership or other disposition of any covered financial company.

(B) **ANNUAL ACCOUNTING OR REPORT.**—With respect to each receivership to which the Corporation is appointed, the Corporation shall make an annual accounting or report, as appropriate, available to the Secretary and the Comptroller General of the United States.

(C) **AVAILABILITY OF REPORTS.**—Any report prepared pursuant to subparagraph (B) and section 203(c)(3) shall be made available to the public by the Corporation.

(D) **RECORDKEEPING REQUIREMENT.**—

(i) **IN GENERAL.**—The Corporation shall prescribe such regulations and establish such retention schedules as are necessary to maintain the documents and records of the Corporation generated in exercising the authorities of this title

and the records of a covered financial company for which the Corporation is appointed receiver, with due regard for—

(I) the avoidance of duplicative record retention; and

(II) the expected evidentiary needs of the Corporation as receiver for a covered financial company and the public regarding the records of covered financial companies.

(ii) **RETENTION OF RECORDS.**—Unless otherwise required by applicable Federal law or court order, the Corporation may not, at any time, destroy any records that are subject to clause (i).

(iii) **RECORDS DEFINED.**—As used in this subparagraph, the terms “records” and “records of a covered financial company” mean any document, book, paper, map, photograph, microfiche, microfilm, computer or electronically-created record generated or maintained by the covered financial company in the course of and necessary to its transaction of business.

(b) **PRIORITY OF EXPENSES AND UNSECURED CLAIMS.**—

(1) **IN GENERAL.**—Unsecured claims against a covered financial company, or the Corporation as receiver for such covered financial company under this section, that are proven to the satisfaction of the receiver shall have priority in the following order:

(A) Administrative expenses of the receiver.

(B) Any amounts owed to the United States, unless the United States agrees or consents otherwise.

(C) Wages, salaries, or commissions, including vacation, severance, and sick leave pay earned by an individual (other than an individual described in subparagraph (G)), but only to the extent of \$11,725 for each individual (as indexed for inflation, by regulation of the Corporation) earned not later than 180 days before the date of appointment of the Corporation as receiver.

(D) Contributions owed to employee benefit plans arising from services rendered not later than 180 days before the date of appointment of the Corporation as receiver, to the extent of the number of employees covered by each such plan, multiplied by \$11,725 (as indexed for inflation, by regulation of the Corporation), less the aggregate amount paid to such employees under subparagraph (C), plus the aggregate amount paid by the receivership on behalf of such employees to any other employee benefit plan.

(E) Any other general or senior liability of the covered financial company (which is not a liability described under subparagraph (F), (G), or (H)).

(F) Any obligation subordinated to general creditors (which is not an obligation described under subparagraph (G) or (H)).

(G) Any wages, salaries, or commissions, including vacation, severance, and sick leave pay earned, owed to senior executives and directors of the covered financial company.

(H) Any obligation to shareholders, members, general partners, limited partners, or other persons, with interests in the equity of the covered financial company arising as a result of their status as shareholders, members, general partners, limited partners, or other persons with interests in the equity of the covered financial company.

(2) **POST-RECEIVERSHIP FINANCING PRIORITY.**—In the event that the Corporation, as receiver for a covered financial company, is unable to obtain unsecured credit for the covered financial company from commercial sources, the Corporation as receiver may obtain credit or incur debt on the part of the covered financial company, which shall have priority over any or all administrative expenses of the receiver under paragraph (1)(A).

(3) **CLAIMS OF THE UNITED STATES.**—Unsecured claims of the United States shall, at a minimum, have a higher priority than liabilities of the cov-

ered financial company that count as regulatory capital.

(4) **CREDITORS SIMILARLY SITUATED.**—All claimants of a covered financial company that are similarly situated under paragraph (1) shall be treated in a similar manner, except that the Corporation may take any action (including making payments, subject to subsection (o)(1)(D)(i)) that does not comply with this subsection, if—

(A) the Corporation determines that such action is necessary—

(i) to maximize the value of the assets of the covered financial company;

(ii) to initiate and continue operations essential to implementation of the receivership or any bridge financial company;

(iii) to maximize the present value return from the sale or other disposition of the assets of the covered financial company; or

(iv) to minimize the amount of any loss realized upon the sale or other disposition of the assets of the covered financial company; and

(B) all claimants that are similarly situated under paragraph (1) receive not less than the amount provided in paragraphs (2) and (3) of subsection (d).

(5) **SECURED CLAIMS UNAFFECTED.**—This section shall not affect secured claims or security entitlements in respect of assets or property held by the covered financial company, except to the extent that the security is insufficient to satisfy the claim, and then only with regard to the difference between the claim and the amount realized from the security.

(6) **PRIORITY OF EXPENSES AND UNSECURED CLAIMS IN THE ORDERLY LIQUIDATION OF SIPC MEMBER.**—Where the Corporation is appointed as receiver for a covered broker or dealer, unsecured claims against such covered broker or dealer, or the Corporation as receiver for such covered broker or dealer under this section, that are proven to the satisfaction of the receiver under section 205(e), shall have the priority prescribed in paragraph (1), except that—

(A) SIPC shall be entitled to recover administrative expenses incurred in performing its responsibilities under section 205 on an equal basis with the Corporation, in accordance with paragraph (1)(A);

(B) the Corporation shall be entitled to recover any amounts paid to customers or to SIPC pursuant to section 205(f), in accordance with paragraph (1)(B);

(C) SIPC shall be entitled to recover any amounts paid out of the SIPC Fund to meet its obligations under section 205 and under the Securities Investor Protection Act of 1970 (15 U.S.C. 78aaa et seq.), which claim shall be subordinate to the claims payable under subparagraphs (A) and (B) of paragraph (1), but senior to all other claims; and

(D) the Corporation may, after paying any proven claims to customers under section 205 and the Securities Investor Protection Act of 1970 (15 U.S.C. 78aaa et seq.), and as provided above, pay dividends on other proven claims, in its discretion, and to the extent that funds are available, in accordance with the priorities set forth in paragraph (1).

(c) **PROVISIONS RELATING TO CONTRACTS ENTERED INTO BEFORE APPOINTMENT OF RECEIVER.**—

(1) **AUTHORITY TO REPUDIATE CONTRACTS.**—In addition to any other rights that a receiver may have, the Corporation as receiver for any covered financial company may disaffirm or repudiate any contract or lease—

(A) to which the covered financial company is a party;

(B) the performance of which the Corporation as receiver, in the discretion of the Corporation, determines to be burdensome; and

(C) the disaffirmance or repudiation of which the Corporation as receiver determines, in the

discretion of the Corporation, will promote the orderly administration of the affairs of the covered financial company.

(2) **TIMING OF REPUDIATION.**—The Corporation, as receiver for any covered financial company, shall determine whether or not to exercise the rights of repudiation under this section within a reasonable period of time.

(3) **CLAIMS FOR DAMAGES FOR REPUDIATION.**—

(A) **IN GENERAL.**—Except as provided in paragraphs (4), (5), and (6) and in subparagraphs (C), (D), and (E) of this paragraph, the liability of the Corporation as receiver for a covered financial company for the disaffirmance or repudiation of any contract pursuant to paragraph (1) shall be—

(i) limited to actual direct compensatory damages; and

(ii) determined as of—

(I) the date of the appointment of the Corporation as receiver; or

(II) in the case of any contract or agreement referred to in paragraph (8), the date of the disaffirmance or repudiation of such contract or agreement.

(B) **NO LIABILITY FOR OTHER DAMAGES.**—For purposes of subparagraph (A), the term “actual direct compensatory damages” does not include—

(i) punitive or exemplary damages;

(ii) damages for lost profits or opportunity; or

(iii) damages for pain and suffering.

(C) **MEASURE OF DAMAGES FOR REPUDIATION OF QUALIFIED FINANCIAL CONTRACTS.**—In the case of any qualified financial contract or agreement to which paragraph (8) applies, compensatory damages shall be—

(i) deemed to include normal and reasonable costs of cover or other reasonable measures of damages utilized in the industries for such contract and agreement claims; and

(ii) paid in accordance with this paragraph and subsection (d), except as otherwise specifically provided in this subsection.

(D) **MEASURE OF DAMAGES FOR REPUDIATION OR DISAFFIRMANCE OF DEBT OBLIGATION.**—In the case of any debt for borrowed money or evidenced by a security, actual direct compensatory damages shall be no less than the amount lent plus accrued interest plus any accreted original issue discount as of the date the Corporation was appointed receiver of the covered financial company and, to the extent that an allowed secured claim is secured by property the value of which is greater than the amount of such claim and any accrued interest through the date of repudiation or disaffirmance, such accrued interest pursuant to paragraph (1).

(E) **MEASURE OF DAMAGES FOR REPUDIATION OR DISAFFIRMANCE OF CONTINGENT OBLIGATION.**—In the case of any contingent obligation of a covered financial company consisting of any obligation under a guarantee, letter of credit, loan commitment, or similar credit obligation, the Corporation may, by rule or regulation, prescribe that actual direct compensatory damages shall be no less than the estimated value of the claim as of the date the Corporation was appointed receiver of the covered financial company, as such value is measured based on the likelihood that such contingent claim would become fixed and the probable magnitude thereof.

(4) **LEASES UNDER WHICH THE COVERED FINANCIAL COMPANY IS THE LESSEE.**—

(A) **IN GENERAL.**—If the Corporation as receiver disaffirms or repudiates a lease under which the covered financial company is the lessee, the receiver shall not be liable for any damages (other than damages determined pursuant to subparagraph (B)) for the disaffirmance or repudiation of such lease.

(B) **PAYMENTS OF RENT.**—Notwithstanding subparagraph (A), the lessor under a lease to which subparagraph (A) would otherwise apply shall—

(i) be entitled to the contractual rent accruing before the later of the date on which—

(I) the notice of disaffirmance or repudiation is mailed; or

(II) the disaffirmance or repudiation becomes effective, unless the lessor is in default or breach of the terms of the lease;

(ii) have no claim for damages under any acceleration clause or other penalty provision in the lease; and

(iii) have a claim for any unpaid rent, subject to all appropriate offsets and defenses, due as of the date of the appointment which shall be paid in accordance with this paragraph and subsection (d).

(5) LEASES UNDER WHICH THE COVERED FINANCIAL COMPANY IS THE LESSOR.—

(A) IN GENERAL.—If the Corporation as receiver for a covered financial company repudiates an unexpired written lease of real property of the covered financial company under which the covered financial company is the lessor and the lessee is not, as of the date of such repudiation, in default, the lessee under such lease may either—

(i) treat the lease as terminated by such repudiation; or

(ii) remain in possession of the leasehold interest for the balance of the term of the lease, unless the lessee defaults under the terms of the lease after the date of such repudiation.

(B) PROVISIONS APPLICABLE TO LESSEE REMAINING IN POSSESSION.—If any lessee under a lease described in subparagraph (A) remains in possession of a leasehold interest pursuant to clause (ii) of subparagraph (A)—

(i) the lessee—

(I) shall continue to pay the contractual rent pursuant to the terms of the lease after the date of the repudiation of such lease; and

(II) may offset against any rent payment which accrues after the date of the repudiation of the lease, any damages which accrue after such date due to the nonperformance of any obligation of the covered financial company under the lease after such date; and

(ii) the Corporation as receiver shall not be liable to the lessee for any damages arising after such date as a result of the repudiation, other than the amount of any offset allowed under clause (i)(II).

(6) CONTRACTS FOR THE SALE OF REAL PROPERTY.—

(A) IN GENERAL.—If the receiver repudiates any contract (which meets the requirements of subsection (a)(6)) for the sale of real property, and the purchaser of such real property under such contract is in possession and is not, as of the date of such repudiation, in default, such purchaser may either—

(i) treat the contract as terminated by such repudiation; or

(ii) remain in possession of such real property.

(B) PROVISIONS APPLICABLE TO PURCHASER REMAINING IN POSSESSION.—If any purchaser of real property under any contract described in subparagraph (A) remains in possession of such property pursuant to clause (ii) of subparagraph (A)—

(i) the purchaser—

(I) shall continue to make all payments due under the contract after the date of the repudiation of the contract; and

(II) may offset against any such payments any damages which accrue after such date due to the nonperformance (after such date) of any obligation of the covered financial company under the contract; and

(ii) the Corporation as receiver shall—

(I) not be liable to the purchaser for any damages arising after such date as a result of the repudiation, other than the amount of any offset allowed under clause (i)(II);

(II) deliver title to the purchaser in accordance with the provisions of the contract; and

(III) have no obligation under the contract other than the performance required under subclause (II).

(C) ASSIGNMENT AND SALE ALLOWED.—

(i) IN GENERAL.—No provision of this paragraph shall be construed as limiting the right of the Corporation as receiver to assign the contract described in subparagraph (A) and sell the property, subject to the contract and the provisions of this paragraph.

(ii) NO LIABILITY AFTER ASSIGNMENT AND SALE.—If an assignment and sale described in clause (i) is consummated, the Corporation as receiver shall have no further liability under the contract described in subparagraph (A) or with respect to the real property which was the subject of such contract.

(7) PROVISIONS APPLICABLE TO SERVICE CONTRACTS.—

(A) SERVICES PERFORMED BEFORE APPOINTMENT.—In the case of any contract for services between any person and any covered financial company for which the Corporation has been appointed receiver, any claim of such person for services performed before the date of appointment shall be—

(i) a claim to be paid in accordance with subsections (a), (b), and (d); and

(ii) deemed to have arisen as of the date on which the receiver was appointed.

(B) SERVICES PERFORMED AFTER APPOINTMENT AND PRIOR TO REPUDIATION.—If, in the case of any contract for services described in subparagraph (A), the Corporation as receiver accepts performance by the other person before making any determination to exercise the right of repudiation of such contract under this section—

(i) the other party shall be paid under the terms of the contract for the services performed; and

(ii) the amount of such payment shall be treated as an administrative expense of the receivership.

(C) ACCEPTANCE OF PERFORMANCE NO BAR TO SUBSEQUENT REPUDIATION.—The acceptance by the Corporation as receiver for services referred to in subparagraph (B) in connection with a contract described in subparagraph (B) shall not affect the right of the Corporation as receiver to repudiate such contract under this section at any time after such performance.

(8) CERTAIN QUALIFIED FINANCIAL CONTRACTS.—

(A) RIGHTS OF PARTIES TO CONTRACTS.—Subject to subsection (a)(8) and paragraphs (9) and (10) of this subsection, and notwithstanding any other provision of this section, any other provision of Federal law, or the law of any State, no person shall be stayed or prohibited from exercising—

(i) any right that such person has to cause the termination, liquidation, or acceleration of any qualified financial contract with a covered financial company which arises upon the date of appointment of the Corporation as receiver for such covered financial company or at any time after such appointment;

(ii) any right under any security agreement or arrangement or other credit enhancement related to one or more qualified financial contracts described in clause (i); or

(iii) any right to offset or net out any termination value, payment amount, or other transfer obligation arising under or in connection with 1 or more contracts or agreements described in clause (i), including any master agreement for such contracts or agreements.

(B) APPLICABILITY OF OTHER PROVISIONS.—Subsection (a)(8) shall apply in the case of any judicial action or proceeding brought against the Corporation as receiver referred to in subparagraph (A), or the subject covered financial company, by any party to a contract or agreement described in subparagraph (A)(i) with such covered financial company.

(C) CERTAIN TRANSFERS NOT AVOIDABLE.—

(i) IN GENERAL.—Notwithstanding subsection (a)(11), (a)(12), or (c)(12), section 542 of the Revised Statutes of the United States, or any other provision of Federal or State law relating to the avoidance of preferential or fraudulent transfers, the Corporation, whether acting as the Corporation or as receiver for a covered financial company, may not avoid any transfer of money or other property in connection with any qualified financial contract with a covered financial company.

(ii) EXCEPTION FOR CERTAIN TRANSFERS.—Clause (i) shall not apply to any transfer of money or other property in connection with any qualified financial contract with a covered financial company if the transferee had actual intent to hinder, delay, or defraud such company, the creditors of such company, or the Corporation as receiver appointed for such company.

(D) CERTAIN CONTRACTS AND AGREEMENTS DEFINED.—For purposes of this subsection, the following definitions shall apply:

(i) QUALIFIED FINANCIAL CONTRACT.—The term “qualified financial contract” means any securities contract, commodity contract, forward contract, repurchase agreement, swap agreement, and any similar agreement that the Corporation determines by regulation, resolution, or order to be a qualified financial contract for purposes of this paragraph.

(ii) SECURITIES CONTRACT.—The term “securities contract” —

(I) means a contract for the purchase, sale, or loan of a security, a certificate of deposit, a mortgage loan, any interest in a mortgage loan, a group or index of securities, certificates of deposit, or mortgage loans or interests therein (including any interest therein or based on the value thereof), or any option on any of the foregoing, including any option to purchase or sell any such security, certificate of deposit, mortgage loan, interest, group or index, or option, and including any repurchase or reverse repurchase transaction on any such security, certificate of deposit, mortgage loan, interest, group or index, or option (whether or not such repurchase or reverse repurchase transaction is a “repurchase agreement”, as defined in clause (v));

(II) does not include any purchase, sale, or repurchase obligation under a participation in a commercial mortgage loan unless the Corporation determines by regulation, resolution, or order to include any such agreement within the meaning of such term;

(III) means any option entered into on a national securities exchange relating to foreign currencies;

(IV) means the guarantee (including by novation) by or to any securities clearing agency of any settlement of cash, securities, certificates of deposit, mortgage loans or interests therein, group or index of securities, certificates of deposit or mortgage loans or interests therein (including any interest therein or based on the value thereof) or an option on any of the foregoing, including any option to purchase or sell any such security, certificate of deposit, mortgage loan, interest, group or index, or option (whether or not such settlement is in connection with any agreement or transaction referred to in subclauses (I) through (XII) (other than subclause (II)));

(V) means any margin loan;

(VI) means any extension of credit for the clearance or settlement of securities transactions;

(VII) means any loan transaction coupled with a securities collar transaction, any prepaid securities forward transaction, or any total return swap transaction coupled with a securities sale transaction;

(VIII) means any other agreement or transaction that is similar to any agreement or transaction referred to in this clause;

(IX) means any combination of the agreements or transactions referred to in this clause;

(X) means any option to enter into any agreement or transaction referred to in this clause;

(XI) means a master agreement that provides for an agreement or transaction referred to in any of subclauses (I) through (X), other than subclause (II), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a securities contract under this clause, except that the master agreement shall be considered to be a securities contract under this clause only with respect to each agreement or transaction under the master agreement that is referred to in any of subclauses (I) through (X), other than subclause (II); and

(XII) means any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in this clause, including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in this clause.

(iii) **COMMODITY CONTRACT.**—The term “commodity contract” means—

(I) with respect to a futures commission merchant, a contract for the purchase or sale of a commodity for future delivery on, or subject to the rules of, a contract market or board of trade;

(II) with respect to a foreign futures commission merchant, a foreign future;

(III) with respect to a leverage transaction merchant, a leverage transaction;

(IV) with respect to a clearing organization, a contract for the purchase or sale of a commodity for future delivery on, or subject to the rules of, a contract market or board of trade that is cleared by such clearing organization, or commodity option traded on, or subject to the rules of, a contract market or board of trade that is cleared by such clearing organization;

(V) with respect to a commodity options dealer, a commodity option;

(VI) any other agreement or transaction that is similar to any agreement or transaction referred to in this clause;

(VII) any combination of the agreements or transactions referred to in this clause;

(VIII) any option to enter into any agreement or transaction referred to in this clause;

(IX) a master agreement that provides for an agreement or transaction referred to in any of subclauses (I) through (VIII), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a commodity contract under this clause, except that the master agreement shall be considered to be a commodity contract under this clause only with respect to each agreement or transaction under the master agreement that is referred to in any of subclauses (I) through (VIII); or

(X) any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in this clause, including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in this clause.

(iv) **FORWARD CONTRACT.**—The term “forward contract” means—

(I) a contract (other than a commodity contract) for the purchase, sale, or transfer of a commodity or any similar good, article, service, right, or interest which is presently or in the future becomes the subject of dealing in the forward contract trade, or product or byproduct thereof, with a maturity date that is more than 2 days after the date on which the contract is entered into, including a repurchase or reverse repurchase transaction (whether or not such repurchase or reverse repurchase transaction is a

“repurchase agreement”, as defined in clause (v)), consignment, lease, swap, hedge transaction, deposit, loan, option, allocated transaction, unallocated transaction, or any other similar agreement;

(II) any combination of agreements or transactions referred to in subclauses (I) and (III);

(III) any option to enter into any agreement or transaction referred to in subclause (I) or (II);

(IV) a master agreement that provides for an agreement or transaction referred to in subclause (I), (II), or (III), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a forward contract under this clause, except that the master agreement shall be considered to be a forward contract under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (II), or (III); or

(V) any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in subclause (I), (II), (III), or (IV), including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in any such subclause.

(v) **REPURCHASE AGREEMENT.**—The term “repurchase agreement” (which definition also applies to a reverse repurchase agreement)—

(I) means an agreement, including related terms, which provides for the transfer of one or more certificates of deposit, mortgage related securities (as such term is defined in section 3 of the Securities Exchange Act of 1934), mortgage loans, interests in mortgage-related securities or mortgage loans, eligible bankers' acceptances, qualified foreign government securities (which, for purposes of this clause, means a security that is a direct obligation of, or that is fully guaranteed by, the central government of a member of the Organization for Economic Co-operation and Development, as determined by regulation or order adopted by the Board of Governors), or securities that are direct obligations of, or that are fully guaranteed by, the United States or any agency of the United States against the transfer of funds by the transferee of such certificates of deposit, eligible bankers' acceptances, securities, mortgage loans, or interests with a simultaneous agreement by such transferee to transfer to the transferor thereof certificates of deposit, eligible bankers' acceptances, securities, mortgage loans, or interests as described above, at a date certain not later than 1 year after such transfers or on demand, against the transfer of funds, or any other similar agreement;

(II) does not include any repurchase obligation under a participation in a commercial mortgage loan, unless the Corporation determines, by regulation, resolution, or order to include any such participation within the meaning of such term;

(III) means any combination of agreements or transactions referred to in subclauses (I) and (IV);

(IV) means any option to enter into any agreement or transaction referred to in subclause (I) or (III);

(V) means a master agreement that provides for an agreement or transaction referred to in subclause (I), (III), or (IV), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a repurchase agreement under this clause, except that the master agreement shall be considered to be a repurchase agreement under this subclause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (III), or (IV); and

(VI) means any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in subclause (I), (III), (IV), or (V), including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in any such subclause.

(vi) **SWAP AGREEMENT.**—The term “swap agreement” means—

(I) any agreement, including the terms and conditions incorporated by reference in any such agreement, which is an interest rate swap, option, future, or forward agreement, including a rate floor, rate cap, rate collar, cross-currency rate swap, and basis swap; a spot, same day-to-morrow, tomorrow-next, forward, or other foreign exchange, precious metals, or other commodity agreement; a currency swap, option, future, or forward agreement; an equity index or equity swap, option, future, or forward agreement; a debt index or debt swap, option, future, or forward agreement; a total return, credit spread or credit swap, option, future, or forward agreement; a commodity index or commodity swap, option, future, or forward agreement; weather swap, option, future, or forward agreement; an emissions swap, option, future, or forward agreement; or an inflation swap, option, future, or forward agreement;

(II) any agreement or transaction that is similar to any other agreement or transaction referred to in this clause and that is of a type that has been, is presently, or in the future becomes, the subject of recurrent dealings in the swap or other derivatives markets (including terms and conditions incorporated by reference in such agreement) and that is a forward, swap, future, option, or spot transaction on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, quantitative measures associated with an occurrence, extent of an occurrence, or contingency associated with a financial, commercial, or economic consequence, or economic or financial indices or measures of economic or financial risk or value;

(III) any combination of agreements or transactions referred to in this clause;

(IV) any option to enter into any agreement or transaction referred to in this clause;

(V) a master agreement that provides for an agreement or transaction referred to in subclause (I), (II), (III), or (IV), together with all supplements to any such master agreement, without regard to whether the master agreement contains an agreement or transaction that is not a swap agreement under this clause, except that the master agreement shall be considered to be a swap agreement under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (II), (III), or (IV); and

(VI) any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in any of subclauses (I) through (V), including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in any such clause.

(vii) **DEFINITIONS RELATING TO DEFAULT.**—When used in this paragraph and paragraphs (9) and (10)—

(I) the term “default” means, with respect to a covered financial company, any adjudication or other official decision by any court of competent jurisdiction, or other public authority pursuant to which the Corporation has been appointed receiver; and

(II) the term “in danger of default” means a covered financial company with respect to which the Corporation or appropriate State authority has determined that—

(aa) in the opinion of the Corporation or such authority—

(AA) the covered financial company is not likely to be able to pay its obligations in the normal course of business; and

(BB) there is no reasonable prospect that the covered financial company will be able to pay such obligations without Federal assistance; or

(bb) in the opinion of the Corporation or such authority—

(AA) the covered financial company has incurred or is likely to incur losses that will deplete all or substantially all of its capital; and

(BB) there is no reasonable prospect that the capital will be replenished without Federal assistance.

(viii) **TREATMENT OF MASTER AGREEMENT AS ONE AGREEMENT.**—Any master agreement for any contract or agreement described in any of clauses (i) through (vi) (or any master agreement for such master agreement or agreements), together with all supplements to such master agreement, shall be treated as a single agreement and a single qualified financial contract. If a master agreement contains provisions relating to agreements or transactions that are not themselves qualified financial contracts, the master agreement shall be deemed to be a qualified financial contract only with respect to those transactions that are themselves qualified financial contracts.

(ix) **TRANSFER.**—The term “transfer” means every mode, direct or indirect, absolute or conditional, voluntary or involuntary, of disposing of or parting with property or with an interest in property, including retention of title as a security interest and foreclosure of the equity of redemption of the covered financial company.

(x) **PERSON.**—The term “person” includes any governmental entity in addition to any entity included in the definition of such term in section 1, title 1, United States Code.

(E) **CLARIFICATION.**—No provision of law shall be construed as limiting the right or power of the Corporation, or authorizing any court or agency to limit or delay, in any manner, the right or power of the Corporation to transfer any qualified financial contract or to disaffirm or repudiate any such contract in accordance with this subsection.

(F) **WALKAWAY CLAUSES NOT EFFECTIVE.**—

(i) **IN GENERAL.**—Notwithstanding the provisions of subparagraph (A) of this paragraph and sections 403 and 404 of the Federal Deposit Insurance Corporation Improvement Act of 1991, no walkaway clause shall be enforceable in a qualified financial contract of a covered financial company in default.

(ii) **LIMITED SUSPENSION OF CERTAIN OBLIGATIONS.**—In the case of a qualified financial contract referred to in clause (i), any payment or delivery obligations otherwise due from a party pursuant to the qualified financial contract shall be suspended from the time at which the Corporation is appointed as receiver until the earlier of—

(I) the time at which such party receives notice that such contract has been transferred pursuant to paragraph (10)(A); or

(II) 5:00 p.m. (eastern time) on the business day following the date of the appointment of the Corporation as receiver.

(iii) **WALKAWAY CLAUSE DEFINED.**—For purposes of this subparagraph, the term “walkaway clause” means any provision in a qualified financial contract that suspends, conditions, or extinguishes a payment obligation of a party, in whole or in part, or does not create a payment obligation of a party that would otherwise exist, solely because of the status of such party as a nondefaulting party in connection with the insolvency of a covered financial company that is a party to the contract or the appointment of or the exercise of rights or powers by the Corporation as receiver for such covered financial company, and not as a result of the

exercise by a party of any right to offset, setoff, or net obligations that exist under the contract, any other contract between those parties, or applicable law.

(G) **CERTAIN OBLIGATIONS TO CLEARING ORGANIZATIONS.**—In the event that the Corporation has been appointed as receiver for a covered financial company which is a party to any qualified financial contract cleared by or subject to the rules of a clearing organization (as defined in paragraph (9)(D)), the receiver shall use its best efforts to meet all margin, collateral, and settlement obligations of the covered financial company that arise under qualified financial contracts (other than any margin, collateral, or settlement obligation that is not enforceable against the receiver under paragraph (8)(F)(i) or paragraph (10)(B)), as required by the rules of the clearing organization when due. Notwithstanding any other provision of this title, if the receiver fails to satisfy any such margin, collateral, or settlement obligations under the rules of the clearing organization, the clearing organization shall have the immediate right to exercise, and shall not be stayed from exercising, all of its rights and remedies under its rules and applicable law with respect to any qualified financial contract of the covered financial company, including, without limitation, the right to liquidate all positions and collateral of such covered financial company under the company's qualified financial contracts, and suspend or cease to act for such covered financial company, all in accordance with the rules of the clearing organization.

(H) **RECORDKEEPING.**—

(i) **JOINT RULEMAKING.**—The Federal primary financial regulatory agencies shall jointly prescribe regulations requiring that financial companies maintain such records with respect to qualified financial contracts (including market valuations) that the Federal primary financial regulatory agencies determine to be necessary or appropriate in order to assist the Corporation as receiver for a covered financial company in being able to exercise its rights and fulfill its obligations under this paragraph or paragraph (9) or (10).

(ii) **TIME FRAME.**—The Federal primary financial regulatory agencies shall prescribe joint final or interim final regulations not later than 24 months after the date of enactment of this Act.

(iii) **BACK-UP RULEMAKING AUTHORITY.**—If the Federal primary financial regulatory agencies do not prescribe joint final or interim final regulations within the time frame in clause (ii), the Chairperson of the Council shall prescribe, in consultation with the Corporation, the regulations required by clause (i).

(iv) **CATEGORIZATION AND TIERING.**—The joint regulations prescribed under clause (i) shall, as appropriate, differentiate among financial companies by taking into consideration their size, risk, complexity, leverage, frequency and dollar amount of qualified financial contracts, interconnectedness to the financial system, and any other factors deemed appropriate.

(9) **TRANSFER OF QUALIFIED FINANCIAL CONTRACTS.**—

(A) **IN GENERAL.**—In making any transfer of assets or liabilities of a covered financial company in default, which includes any qualified financial contract, the Corporation as receiver for such covered financial company shall either—

(i) transfer to one financial institution, other than a financial institution for which a conservator, receiver, trustee in bankruptcy, or other legal custodian has been appointed or which is otherwise the subject of a bankruptcy or insolvency proceeding—

(I) all qualified financial contracts between any person or any affiliate of such person and the covered financial company in default;

(II) all claims of such person or any affiliate of such person against such covered financial company under any such contract (other than any claim which, under the terms of any such contract, is subordinated to the claims of general unsecured creditors of such company);

(III) all claims of such covered financial company against such person or any affiliate of such person under any such contract; and

(IV) all property securing or any other credit enhancement for any contract described in subclause (I) or any claim described in subclause (II) or (III) under any such contract; or

(ii) transfer none of the qualified financial contracts, claims, property or other credit enhancement referred to in clause (i) (with respect to such person and any affiliate of such person).

(B) **TRANSFER TO FOREIGN BANK, FINANCIAL INSTITUTION, OR BRANCH OR AGENCY THEREOF.**—In transferring any qualified financial contracts and related claims and property under subparagraph (A)(i), the Corporation as receiver for the covered financial company shall not make such transfer to a foreign bank, financial institution organized under the laws of a foreign country, or a branch or agency of a foreign bank or financial institution unless, under the law applicable to such bank, financial institution, branch or agency, to the qualified financial contracts, and to any netting contract, any security agreement or arrangement or other credit enhancement related to one or more qualified financial contracts, the contractual rights of the parties to such qualified financial contracts, netting contracts, security agreements or arrangements, or other credit enhancements are enforceable substantially to the same extent as permitted under this section.

(C) **TRANSFER OF CONTRACTS SUBJECT TO THE RULES OF A CLEARING ORGANIZATION.**—In the event that the Corporation as receiver for a financial institution transfers any qualified financial contract and related claims, property, or credit enhancement pursuant to subparagraph (A)(i) and such contract is cleared by or subject to the rules of a clearing organization, the clearing organization shall not be required to accept the transferee as a member by virtue of the transfer.

(D) **DEFINITIONS.**—For purposes of this paragraph—

(i) the term “financial institution” means a broker or dealer, a depository institution, a futures commission merchant, a bridge financial company, or any other institution determined by the Corporation, by regulation, to be a financial institution; and

(ii) the term “clearing organization” has the same meaning as in section 402 of the Federal Deposit Insurance Corporation Improvement Act of 1991.

(10) **NOTIFICATION OF TRANSFER.**—

(A) **IN GENERAL.**—

(i) **NOTICE.**—The Corporation shall provide notice in accordance with clause (ii), if—

(I) the Corporation as receiver for a covered financial company in default or in danger of default transfers any assets or liabilities of the covered financial company; and

(II) the transfer includes any qualified financial contract.

(ii) **TIMING.**—The Corporation as receiver for a covered financial company shall notify any person who is a party to any contract described in clause (i) of such transfer not later than 5:00 p.m. (eastern time) on the business day following the date of the appointment of the Corporation as receiver.

(B) **CERTAIN RIGHTS NOT ENFORCEABLE.**—

(i) **RECEIVERSHIP.**—A person who is a party to a qualified financial contract with a covered financial company may not exercise any right that such person has to terminate, liquidate, or

net such contract under paragraph (8)(A) solely by reason of or incidental to the appointment under this section of the Corporation as receiver for the covered financial company (or the insolvency or financial condition of the covered financial company for which the Corporation has been appointed as receiver)—

(I) until 5:00 p.m. (eastern time) on the business day following the date of the appointment; or

(II) after the person has received notice that the contract has been transferred pursuant to paragraph (9)(A).

(ii) NOTICE.—For purposes of this paragraph, the Corporation as receiver for a covered financial company shall be deemed to have notified a person who is a party to a qualified financial contract with such covered financial company, if the Corporation has taken steps reasonably calculated to provide notice to such person by the time specified in subparagraph (A).

(C) TREATMENT OF BRIDGE FINANCIAL COMPANY.—For purposes of paragraph (9), a bridge financial company shall not be considered to be a financial institution for which a conservator, receiver, trustee in bankruptcy, or other legal custodian has been appointed, or which is otherwise the subject of a bankruptcy or insolvency proceeding.

(D) BUSINESS DAY DEFINED.—For purposes of this paragraph, the term “business day” means any day other than any Saturday, Sunday, or any day on which either the New York Stock Exchange or the Federal Reserve Bank of New York is closed.

(11) DISAFFIRMANCE OR REPUDIATION OF QUALIFIED FINANCIAL CONTRACTS.—In exercising the rights of disaffirmance or repudiation of the Corporation as receiver with respect to any qualified financial contract to which a covered financial company is a party, the Corporation shall either—

(A) disaffirm or repudiate all qualified financial contracts between—

(i) any person or any affiliate of such person; and

(ii) the covered financial company in default; or

(B) disaffirm or repudiate none of the qualified financial contracts referred to in subparagraph (A) (with respect to such person or any affiliate of such person).

(12) CERTAIN SECURITY AND CUSTOMER INTERESTS NOT AVOIDABLE.—No provision of this subsection shall be construed as permitting the avoidance of any—

(A) legally enforceable or perfected security interest in any of the assets of any covered financial company, except in accordance with subsection (a)(11); or

(B) legally enforceable interest in customer property, security entitlements in respect of assets or property held by the covered financial company for any security entitlement holder.

(13) AUTHORITY TO ENFORCE CONTRACTS.—

(A) IN GENERAL.—The Corporation, as receiver for a covered financial company, may enforce any contract, other than a liability insurance contract of a director or officer, a financial institution bond entered into by the covered financial company, notwithstanding any provision of the contract providing for termination, default, acceleration, or exercise of rights upon, or solely by reason of, insolvency, the appointment of or the exercise of rights or powers by the Corporation as receiver, the filing of the petition pursuant to section 202(a)(1), or the issuance of the recommendations or determination, or any actions or events occurring in connection therewith or as a result thereof, pursuant to section 203.

(B) CERTAIN RIGHTS NOT AFFECTED.—No provision of this paragraph may be construed as impairing or affecting any right of the Corpora-

tion as receiver to enforce or recover under a liability insurance contract of a director or officer or financial institution bond under other applicable law.

(C) CONSENT REQUIREMENT AND IPSO FACTO CLAUSES.—

(i) IN GENERAL.—Except as otherwise provided by this section, no person may exercise any right or power to terminate, accelerate, or declare a default under any contract to which the covered financial company is a party (and no provision in any such contract providing for such default, termination, or acceleration shall be enforceable), or to obtain possession of or exercise control over any property of the covered financial company or affect any contractual rights of the covered financial company, without the consent of the Corporation as receiver for the covered financial company during the 90 day period beginning from the appointment of the Corporation as receiver.

(ii) EXCEPTIONS.—No provision of this subparagraph shall apply to a director or officer liability insurance contract or a financial institution bond, to the rights of parties to certain qualified financial contracts pursuant to paragraph (8), or to the rights of parties to netting contracts pursuant to subtitle A of title IV of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 4401 et seq.), or shall be construed as permitting the Corporation as receiver to fail to comply with otherwise enforceable provisions of such contract.

(D) CONTRACTS TO EXTEND CREDIT.—Notwithstanding any other provision in this title, if the Corporation as receiver enforces any contract to extend credit to the covered financial company or bridge financial company, any valid and enforceable obligation to repay such debt shall be paid by the Corporation as receiver, as an administrative expense of the receivership.

(14) EXCEPTION FOR FEDERAL RESERVE BANKS AND CORPORATION SECURITY INTEREST.—No provision of this subsection shall apply with respect to—

(A) any extension of credit from any Federal reserve bank or the Corporation to any covered financial company; or

(B) any security interest in the assets of the covered financial company securing any such extension of credit.

(15) SAVINGS CLAUSE.—The meanings of terms used in this subsection are applicable for purposes of this subsection only, and shall not be construed or applied so as to challenge or affect the characterization, definition, or treatment of any similar terms under any other statute, regulation, or rule, including the Gramm-Leach-Bliley Act, the Legal Certainty for Bank Products Act of 2000, the securities laws (as that term is defined in section 3(a)(47) of the Securities Exchange Act of 1934), and the Commodity Exchange Act.

(16) ENFORCEMENT OF CONTRACTS GUARANTEED BY THE COVERED FINANCIAL COMPANY.—

(A) IN GENERAL.—The Corporation, as receiver for a covered financial company or as receiver for a subsidiary of a covered financial company (including an insured depository institution) shall have the power to enforce contracts of subsidiaries or affiliates of the covered financial company, the obligations under which are guaranteed or otherwise supported by or linked to the covered financial company, notwithstanding any contractual right to cause the termination, liquidation, or acceleration of such contracts based solely on the insolvency, financial condition, or receivership of the covered financial company, if—

(i) such guaranty or other support and all related assets and liabilities are transferred to and assumed by a bridge financial company or a third party (other than a third party for which a conservator, receiver, trustee in bankruptcy,

or other legal custodian has been appointed, or which is otherwise the subject of a bankruptcy or insolvency proceeding) within the same period of time as the Corporation is entitled to transfer the qualified financial contracts of such covered financial company; or

(ii) the Corporation, as receiver, otherwise provides adequate protection with respect to such obligations.

(B) RULE OF CONSTRUCTION.—For purposes of this paragraph, a bridge financial company shall not be considered to be a third party for which a conservator, receiver, trustee in bankruptcy, or other legal custodian has been appointed, or which is otherwise the subject of a bankruptcy or insolvency proceeding.

(d) VALUATION OF CLAIMS IN DEFAULT.—

(1) IN GENERAL.—Notwithstanding any other provision of Federal law or the law of any State, and regardless of the method utilized by the Corporation for a covered financial company, including transactions authorized under subsection (h), this subsection shall govern the rights of the creditors of any such covered financial company.

(2) MAXIMUM LIABILITY.—The maximum liability of the Corporation, acting as receiver for a covered financial company or in any other capacity, to any person having a claim against the Corporation as receiver or the covered financial company for which the Corporation is appointed shall equal the amount that such claimant would have received if—

(A) the Corporation had not been appointed receiver with respect to the covered financial company; and

(B) the covered financial company had been liquidated under chapter 7 of the Bankruptcy Code, or any similar provision of State insolvency law applicable to the covered financial company.

(3) SPECIAL PROVISION FOR ORDERLY LIQUIDATION BY SIPC.—The maximum liability of the Corporation, acting as receiver or in its corporate capacity for any covered broker or dealer to any customer of such covered broker or dealer, with respect to customer property of such customer, shall be—

(A) equal to the amount that such customer would have received with respect to such customer property in a case initiated by SIPC under the Securities Investor Protection Act of 1970 (15 U.S.C. 78aaa et seq.); and

(B) determined as of the close of business on the date on which the Corporation is appointed as receiver.

(4) ADDITIONAL PAYMENTS AUTHORIZED.—

(A) IN GENERAL.—Subject to subsection (o)(1)(D)(i), the Corporation, with the approval of the Secretary, may make additional payments or credit additional amounts to or with respect to or for the account of any claimant or category of claimants of the covered financial company, if the Corporation determines that such payments or credits are necessary or appropriate to minimize losses to the Corporation as receiver from the orderly liquidation of the covered financial company under this section.

(B) LIMITATIONS.—

(i) PROHIBITION.—The Corporation shall not make any payments or credit amounts to any claimant or category of claimants that would result in any claimant receiving more than the face value amount of any claim that is proven to the satisfaction of the Corporation.

(ii) NO OBLIGATION.—Notwithstanding any other provision of Federal or State law, or the Constitution of any State, the Corporation shall not be obligated, as a result of having made any payment under subparagraph (A) or credited any amount described in subparagraph (A) to or with respect to, or for the account, of any claimant or category of claimants, to make payments to any other claimant or category of claimants.

(C) **MANNER OF PAYMENT.**—The Corporation may make payments or credit amounts under subparagraph (A) directly to the claimants or may make such payments or credit such amounts to a company other than a covered financial company or a bridge financial company established with respect thereto in order to induce such other company to accept liability for such claims.

(e) **LIMITATION ON COURT ACTION.**—Except as provided in this title, no court may take any action to restrain or affect the exercise of powers or functions of the receiver hereunder, and any remedy against the Corporation or receiver shall be limited to money damages determined in accordance with this title.

(f) **LIABILITY OF DIRECTORS AND OFFICERS.**—

(1) **IN GENERAL.**—A director or officer of a covered financial company may be held personally liable for monetary damages in any civil action described in paragraph (2) by, on behalf of, or at the request or direction of the Corporation, which action is prosecuted wholly or partially for the benefit of the Corporation—

(A) acting as receiver for such covered financial company;

(B) acting based upon a suit, claim, or cause of action purchased from, assigned by, or otherwise conveyed by the Corporation as receiver; or

(C) acting based upon a suit, claim, or cause of action purchased from, assigned by, or otherwise conveyed in whole or in part by a covered financial company or its affiliate in connection with assistance provided under this title.

(2) **ACTIONS COVERED.**—Paragraph (1) shall apply with respect to actions for gross negligence, including any similar conduct or conduct that demonstrates a greater disregard of a duty of care (than gross negligence) including intentional tortious conduct, as such terms are defined and determined under applicable State law.

(3) **SAVINGS CLAUSE.**—Nothing in this subsection shall impair or affect any right of the Corporation under other applicable law.

(g) **DAMAGES.**—In any proceeding related to any claim against a director, officer, employee, agent, attorney, accountant, or appraiser of a covered financial company, or any other party employed by or providing services to a covered financial company, recoverable damages determined to result from the improvident or otherwise improper use or investment of any assets of the covered financial company shall include principal losses and appropriate interest.

(h) **BRIDGE FINANCIAL COMPANIES.**—

(1) **ORGANIZATION.**—

(A) **PURPOSE.**—The Corporation, as receiver for one or more covered financial companies or in anticipation of being appointed receiver for one or more covered financial companies, may organize one or more bridge financial companies in accordance with this subsection.

(B) **AUTHORITIES.**—Upon the creation of a bridge financial company under subparagraph (A) with respect to a covered financial company, such bridge financial company may—

(i) assume such liabilities (including liabilities associated with any trust or custody business, but excluding any liabilities that count as regulatory capital) of such covered financial company as the Corporation may, in its discretion, determine to be appropriate;

(ii) purchase such assets (including assets associated with any trust or custody business) of such covered financial company as the Corporation may, in its discretion, determine to be appropriate; and

(iii) perform any other temporary function which the Corporation may, in its discretion, prescribe in accordance with this section.

(2) **CHARTER AND ESTABLISHMENT.**—

(A) **ESTABLISHMENT.**—Except as provided in subparagraph (H), where the covered financial

company is a covered broker or dealer, the Corporation, as receiver for a covered financial company, may grant a Federal charter to and approve articles of association for one or more bridge financial company or companies, with respect to such covered financial company which shall, by operation of law and immediately upon issuance of its charter and approval of its articles of association, be established and operate in accordance with, and subject to, such charter, articles, and this section.

(B) **MANAGEMENT.**—Upon its establishment, a bridge financial company shall be under the management of a board of directors appointed by the Corporation.

(C) **ARTICLES OF ASSOCIATION.**—The articles of association and organization certificate of a bridge financial company shall have such terms as the Corporation may provide, and shall be executed by such representatives as the Corporation may designate.

(D) **TERMS OF CHARTER; RIGHTS AND PRIVILEGES.**—Subject to and in accordance with the provisions of this subsection, the Corporation shall—

(i) establish the terms of the charter of a bridge financial company and the rights, powers, authorities, and privileges of a bridge financial company granted by the charter or as an incident thereto; and

(ii) provide for, and establish the terms and conditions governing, the management (including the bylaws and the number of directors of the board of directors) and operations of the bridge financial company.

(E) **TRANSFER OF RIGHTS AND PRIVILEGES OF COVERED FINANCIAL COMPANY.**—

(i) **IN GENERAL.**—Notwithstanding any other provision of Federal or State law, the Corporation may provide for a bridge financial company to succeed to and assume any rights, powers, authorities, or privileges of the covered financial company with respect to which the bridge financial company was established and, upon such determination by the Corporation, the bridge financial company shall immediately and by operation of law succeed to and assume such rights, powers, authorities, and privileges.

(ii) **EFFECTIVE WITHOUT APPROVAL.**—Any succession to or assumption by a bridge financial company of rights, powers, authorities, or privileges of a covered financial company under clause (i) or otherwise shall be effective without any further approval under Federal or State law, assignment, or consent with respect thereto.

(F) **CORPORATE GOVERNANCE AND ELECTION AND DESIGNATION OF BODY OF LAW.**—To the extent permitted by the Corporation and consistent with this section and any rules, regulations, or directives issued by the Corporation under this section, a bridge financial company may elect to follow the corporate governance practices and procedures that are applicable to a corporation incorporated under the general corporation law of the State of Delaware, or the State of incorporation or organization of the covered financial company with respect to which the bridge financial company was established, as such law may be amended from time to time.

(G) **CAPITAL.**—

(i) **CAPITAL NOT REQUIRED.**—Notwithstanding any other provision of Federal or State law, a bridge financial company may, if permitted by the Corporation, operate without any capital or surplus, or with such capital or surplus as the Corporation may in its discretion determine to be appropriate.

(ii) **NO CONTRIBUTION BY THE CORPORATION REQUIRED.**—The Corporation is not required to pay capital into a bridge financial company or to issue any capital stock on behalf of a bridge financial company established under this subsection.

(iii) **AUTHORITY.**—If the Corporation determines that such action is advisable, the Corporation may cause capital stock or other securities of a bridge financial company established with respect to a covered financial company to be issued and offered for sale in such amounts and on such terms and conditions as the Corporation may, in its discretion, determine.

(iv) **OPERATING FUNDS IN LIEU OF CAPITAL AND IMPLEMENTATION PLAN.**—Upon the organization of a bridge financial company, and thereafter as the Corporation may, in its discretion, determine to be necessary or advisable, the Corporation may make available to the bridge financial company, subject to the plan described in subsection (n)(9), funds for the operation of the bridge financial company in lieu of capital.

(H) **BRIDGE BROKERS OR DEALERS.**—

(i) **IN GENERAL.**—The Corporation, as receiver for a covered broker or dealer, may approve articles of association for one or more bridge financial companies with respect to such covered broker or dealer, which bridge financial company or companies shall, by operation of law and immediately upon approval of its articles of association—

(I) be established and deemed registered with the Commission under the Securities Exchange Act of 1934 and a member of SIPC;

(II) operate in accordance with such articles and this section; and

(III) succeed to any and all registrations and memberships of the covered financial company with or in any self-regulatory organizations.

(ii) **OTHER REQUIREMENTS.**—Except as provided in clause (i), and notwithstanding any other provision of this section, the bridge financial company shall be subject to the Federal securities laws and all requirements with respect to being a member of a self-regulatory organization, unless exempted from any such requirements by the Commission, as is necessary or appropriate in the public interest or for the protection of investors.

(iii) **TREATMENT OF CUSTOMERS.**—Except as otherwise provided by this title, any customer of the covered broker or dealer whose account is transferred to a bridge financial company shall have all the rights, privileges, and protections under section 205(f) and under the Securities Investor Protection Act of 1970 (15 U.S.C. 78aaa et seq.), that such customer would have had if the account were not transferred from the covered financial company under this subparagraph.

(iv) **OPERATION OF BRIDGE BROKERS OR DEALERS.**—Notwithstanding any other provision of this title, the Corporation shall not operate any bridge financial company created by the Corporation under this title with respect to a covered broker or dealer in such a manner as to adversely affect the ability of customers to promptly access their customer property in accordance with applicable law.

(3) **INTERESTS IN AND ASSETS AND OBLIGATIONS OF COVERED FINANCIAL COMPANY.**—Notwithstanding paragraph (1) or (2) or any other provision of law—

(A) a bridge financial company shall assume, acquire, or succeed to the assets or liabilities of a covered financial company (including the assets or liabilities associated with any trust or custody business) only to the extent that such assets or liabilities are transferred by the Corporation to the bridge financial company in accordance with, and subject to the restrictions set forth in, paragraph (1)(B); and

(B) a bridge financial company shall not assume, acquire, or succeed to any obligation that a covered financial company for which the Corporation has been appointed receiver may have to any shareholder, member, general partner, limited partner, or other person with an interest in the equity of the covered financial company that arises as a result of the status of that person having an equity claim in the covered financial company.

(4) **BRIDGE FINANCIAL COMPANY TREATED AS BEING IN DEFAULT FOR CERTAIN PURPOSES.**—A bridge financial company shall be treated as a covered financial company in default at such times and for such purposes as the Corporation may, in its discretion, determine.

(5) **TRANSFER OF ASSETS AND LIABILITIES.**—

(A) **AUTHORITY OF CORPORATION.**—The Corporation, as receiver for a covered financial company, may transfer any assets and liabilities of a covered financial company (including any assets or liabilities associated with any trust or custody business) to one or more bridge financial companies, in accordance with and subject to the restrictions of paragraph (1).

(B) **SUBSEQUENT TRANSFERS.**—At any time after the establishment of a bridge financial company with respect to a covered financial company, the Corporation, as receiver, may transfer any assets and liabilities of such covered financial company as the Corporation may, in its discretion, determine to be appropriate in accordance with and subject to the restrictions of paragraph (1).

(C) **TREATMENT OF TRUST OR CUSTODY BUSINESS.**—For purposes of this paragraph, the trust or custody business, including fiduciary appointments, held by any covered financial company is included among its assets and liabilities.

(D) **EFFECTIVE WITHOUT APPROVAL.**—The transfer of any assets or liabilities, including those associated with any trust or custody business of a covered financial company, to a bridge financial company shall be effective without any further approval under Federal or State law, assignment, or consent with respect thereto.

(E) **EQUITABLE TREATMENT OF SIMILARLY SITUATED CREDITORS.**—The Corporation shall treat all creditors of a covered financial company that are similarly situated under subsection (b)(1), in a similar manner in exercising the authority of the Corporation under this subsection to transfer any assets or liabilities of the covered financial company to one or more bridge financial companies established with respect to such covered financial company, except that the Corporation may take any action (including making payments, subject to subsection (o)(1)(D)(i)) that does not comply with this subparagraph, if—

(i) the Corporation determines that such action is necessary—

(I) to maximize the value of the assets of the covered financial company;

(II) to maximize the present value return from the sale or other disposition of the assets of the covered financial company; or

(III) to minimize the amount of any loss realized upon the sale or other disposition of the assets of the covered financial company; and

(ii) all creditors that are similarly situated under subsection (b)(1) receive not less than the amount provided under paragraphs (2) and (3) of subsection (d).

(F) **LIMITATION ON TRANSFER OF LIABILITIES.**—Notwithstanding any other provision of law, the aggregate amount of liabilities of a covered financial company that are transferred to, or assumed by, a bridge financial company from a covered financial company may not exceed the aggregate amount of the assets of the covered financial company that are transferred to, or purchased by, the bridge financial company from the covered financial company.

(6) **STAY OF JUDICIAL ACTION.**—Any judicial action to which a bridge financial company becomes a party by virtue of its acquisition of any assets or assumption of any liabilities of a covered financial company shall be stayed from further proceedings for a period of not longer than 45 days (or such longer period as may be agreed to upon the consent of all parties) at the request of the bridge financial company.

(7) **AGREEMENTS AGAINST INTEREST OF THE BRIDGE FINANCIAL COMPANY.**—No agreement that tends to diminish or defeat the interest of the bridge financial company in any asset of a covered financial company acquired by the bridge financial company shall be valid against the bridge financial company, unless such agreement—

(A) is in writing;

(B) was executed by an authorized officer or representative of the covered financial company or confirmed in the ordinary course of business by the covered financial company; and

(C) has been on the official record of the company, since the time of its execution, or with which, the party claiming under the agreement provides documentation of such agreement and its authorized execution or confirmation by the covered financial company that is acceptable to the receiver.

(8) **NO FEDERAL STATUS.**—

(A) **AGENCY STATUS.**—A bridge financial company is not an agency, establishment, or instrumentality of the United States.

(B) **EMPLOYEE STATUS.**—Representatives for purposes of paragraph (1)(B), directors, officers, employees, or agents of a bridge financial company are not, solely by virtue of service in any such capacity, officers or employees of the United States. Any employee of the Corporation or of any Federal instrumentality who serves at the request of the Corporation as a representative for purposes of paragraph (1)(B), director, officer, employee, or agent of a bridge financial company shall not—

(i) solely by virtue of service in any such capacity lose any existing status as an officer or employee of the United States for purposes of title 5, United States Code, or any other provision of law; or

(ii) receive any salary or benefits for service in any such capacity with respect to a bridge financial company in addition to such salary or benefits as are obtained through employment with the Corporation or such Federal instrumentality.

(9) **FUNDING AUTHORIZED.**—The Corporation may, subject to the plan described in subsection (n)(9), provide funding to facilitate any transaction described in subparagraph (A), (B), (C), or (D) of paragraph (13) with respect to any bridge financial company, or facilitate the acquisition by a bridge financial company of any assets, or the assumption of any liabilities, of a covered financial company for which the Corporation has been appointed receiver.

(10) **EXEMPT TAX STATUS.**—Notwithstanding any other provision of Federal or State law, a bridge financial company, its franchise, property, and income shall be exempt from all taxation now or hereafter imposed by the United States, by any territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority.

(11) **FEDERAL AGENCY APPROVAL; ANTITRUST REVIEW.**—If a transaction involving the merger or sale of a bridge financial company requires approval by a Federal agency, the transaction may not be consummated before the 5th calendar day after the date of approval by the Federal agency responsible for such approval with respect thereto. If, in connection with any such approval a report on competitive factors from the Attorney General is required, the Federal agency responsible for such approval shall promptly notify the Attorney General of the proposed transaction and the Attorney General shall provide the required report within 10 days of the request. If a notification is required under section 7A of the Clayton Act with respect to such transaction, the required waiting period shall end on the 15th day after the date on which the Attorney General and the Federal Trade Commission receive such notification, un-

less the waiting period is terminated earlier under section 7A(b)(2) of the Clayton Act, or extended under section 7A(e)(2) of that Act.

(12) **DURATION OF BRIDGE FINANCIAL COMPANY.**—Subject to paragraphs (13) and (14), the status of a bridge financial company as such shall terminate at the end of the 2-year period following the date on which it was granted a charter. The Corporation may, in its discretion, extend the status of the bridge financial company as such for no more than 3 additional 1-year periods.

(13) **TERMINATION OF BRIDGE FINANCIAL COMPANY STATUS.**—The status of any bridge financial company as such shall terminate upon the earliest of—

(A) the date of the merger or consolidation of the bridge financial company with a company that is not a bridge financial company;

(B) at the election of the Corporation, the sale of a majority of the capital stock of the bridge financial company to a company other than the Corporation and other than another bridge financial company;

(C) the sale of 80 percent, or more, of the capital stock of the bridge financial company to a person other than the Corporation and other than another bridge financial company;

(D) at the election of the Corporation, either the assumption of all or substantially all of the liabilities of the bridge financial company by a company that is not a bridge financial company, or the acquisition of all or substantially all of the assets of the bridge financial company by a company that is not a bridge financial company, or other entity as permitted under applicable law; and

(E) the expiration of the period provided in paragraph (12), or the earlier dissolution of the bridge financial company, as provided in paragraph (15).

(14) **EFFECT OF TERMINATION EVENTS.**—

(A) **MERGER OR CONSOLIDATION.**—A merger or consolidation, described in paragraph (13)(A) shall be conducted in accordance with, and shall have the effect provided in, the provisions of applicable law. For the purpose of effecting such a merger or consolidation, the bridge financial company shall be treated as a corporation organized under the laws of the State of Delaware (unless the law of another State has been selected by the bridge financial company in accordance with paragraph (2)(F)), and the Corporation shall be treated as the sole shareholder thereof, notwithstanding any other provision of State or Federal law.

(B) **CHARTER CONVERSION.**—Following the sale of a majority of the capital stock of the bridge financial company, as provided in paragraph (13)(B), the Corporation may amend the charter of the bridge financial company to reflect the termination of the status of the bridge financial company as such, whereupon the company shall have all of the rights, powers, and privileges under its constituent documents and applicable Federal or State law. In connection therewith, the Corporation may take such steps as may be necessary or convenient to reincorporate the bridge financial company under the laws of a State and, notwithstanding any provisions of Federal or State law, such State-chartered corporation shall be deemed to succeed by operation of law to such rights, titles, powers, and interests of the bridge financial company as the Corporation may provide, with the same effect as if the bridge financial company had merged with the State-chartered corporation under provisions of the corporate laws of such State.

(C) **SALE OF STOCK.**—Following the sale of 80 percent or more of the capital stock of a bridge financial company, as provided in paragraph (13)(C), the company shall have all of the rights, powers, and privileges under its constituent documents and applicable Federal or State law. In

connection therewith, the Corporation may take such steps as may be necessary or convenient to reincorporate the bridge financial company under the laws of a State and, notwithstanding any provisions of Federal or State law, the State-chartered corporation shall be deemed to succeed by operation of law to such rights, titles, powers and interests of the bridge financial company as the Corporation may provide, with the same effect as if the bridge financial company had merged with the State-chartered corporation under provisions of the corporate laws of such State.

(D) ASSUMPTION OF LIABILITIES AND SALE OF ASSETS.—Following the assumption of all or substantially all of the liabilities of the bridge financial company, or the sale of all or substantially all of the assets of the bridge financial company, as provided in paragraph (13)(D), at the election of the Corporation, the bridge financial company may retain its status as such for the period provided in paragraph (12) or may be dissolved at the election of the Corporation.

(E) AMENDMENTS TO CHARTER.—Following the consummation of a transaction described in subparagraph (A), (B), (C), or (D) of paragraph (13), the charter of the resulting company shall be amended to reflect the termination of bridge financial company status, if appropriate.

(15) DISSOLUTION OF BRIDGE FINANCIAL COMPANY.—

(A) IN GENERAL.—Notwithstanding any other provision of Federal or State law, if the status of a bridge financial company as such has not previously been terminated by the occurrence of an event specified in subparagraph (A), (B), (C), or (D) of paragraph (13)—

(i) the Corporation may, in its discretion, dissolve the bridge financial company in accordance with this paragraph at any time; and

(ii) the Corporation shall promptly commence dissolution proceedings in accordance with this paragraph upon the expiration of the 2-year period following the date on which the bridge financial company was chartered, or any extension thereof, as provided in paragraph (12).

(B) PROCEDURES.—The Corporation shall remain the receiver for a bridge financial company for the purpose of dissolving the bridge financial company. The Corporation as receiver for a bridge financial company shall wind up the affairs of the bridge financial company in conformity with the provisions of law relating to the liquidation of covered financial companies under this title. With respect to any such bridge financial company, the Corporation as receiver shall have all the rights, powers, and privileges and shall perform the duties related to the exercise of such rights, powers, or privileges granted by law to the Corporation as receiver for a covered financial company under this title and, notwithstanding any other provision of law, in the exercise of such rights, powers, and privileges, the Corporation shall not be subject to the direction or supervision of any State agency or other Federal agency.

(16) AUTHORITY TO OBTAIN CREDIT.—

(A) IN GENERAL.—A bridge financial company may obtain unsecured credit and issue unsecured debt.

(B) INABILITY TO OBTAIN CREDIT.—If a bridge financial company is unable to obtain unsecured credit or issue unsecured debt, the Corporation may authorize the obtaining of credit or the issuance of debt by the bridge financial company—

(i) with priority over any or all of the obligations of the bridge financial company;

(ii) secured by a lien on property of the bridge financial company that is not otherwise subject to a lien; or

(iii) secured by a junior lien on property of the bridge financial company that is subject to a lien.

(C) LIMITATIONS.—

(i) IN GENERAL.—The Corporation, after notice and a hearing, may authorize the obtaining of credit or the issuance of debt by a bridge financial company that is secured by a senior or equal lien on property of the bridge financial company that is subject to a lien, only if—

(I) the bridge financial company is unable to otherwise obtain such credit or issue such debt; and

(II) there is adequate protection of the interest of the holder of the lien on the property with respect to which such senior or equal lien is proposed to be granted.

(ii) HEARING.—The hearing required pursuant to this subparagraph shall be before a court of the United States, which shall have jurisdiction to conduct such hearing and to authorize a bridge financial company to obtain secured credit under clause (i).

(D) BURDEN OF PROOF.—In any hearing under this paragraph, the Corporation has the burden of proof on the issue of adequate protection.

(E) QUALIFIED FINANCIAL CONTRACTS.—No credit or debt obtained or issued by a bridge financial company may contain terms that impair the rights of a counterparty to a qualified financial contract upon a default by the bridge financial company, other than the priority of such counterparty's unsecured claim (after the exercise of rights) relative to the priority of the bridge financial company's obligations in respect of such credit or debt, unless such counterparty consents in writing to any such impairment.

(17) EFFECT ON DEBTS AND LIENS.—The reversal or modification on appeal of an authorization under this subsection to obtain credit or issue debt, or of a grant under this section of a priority or a lien, does not affect the validity of any debt so issued, or any priority or lien so granted, to an entity that extended such credit in good faith, whether or not such entity knew of the pendency of the appeal, unless such authorization and the issuance of such debt, or the granting of such priority or lien, were stayed pending appeal.

(i) SHARING RECORDS.—If the Corporation has been appointed as receiver for a covered financial company, other Federal regulators shall make all records relating to the covered financial company available to the Corporation, which may be used by the Corporation in any manner that the Corporation determines to be appropriate.

(j) EXPEDITED PROCEDURES FOR CERTAIN CLAIMS.—

(1) TIME FOR FILING NOTICE OF APPEAL.—The notice of appeal of any order, whether interlocutory or final, entered in any case brought by the Corporation against a director, officer, employee, agent, attorney, accountant, or appraiser of the covered financial company, or any other person employed by or providing services to a covered financial company, shall be filed not later than 30 days after the date of entry of the order. The hearing of the appeal shall be held not later than 120 days after the date of the notice of appeal. The appeal shall be decided not later than 180 days after the date of the notice of appeal.

(2) SCHEDULING.—The court shall expedite the consideration of any case brought by the Corporation against a director, officer, employee, agent, attorney, accountant, or appraiser of a covered financial company or any other person employed by or providing services to a covered financial company. As far as practicable, the court shall give such case priority on its docket.

(3) JUDICIAL DISCRETION.—The court may modify the schedule and limitations stated in paragraphs (1) and (2) in a particular case, based on a specific finding that the ends of justice that would be served by making such a

modification would outweigh the best interest of the public in having the case resolved expeditiously.

(k) FOREIGN INVESTIGATIONS.—The Corporation, as receiver for any covered financial company, and for purposes of carrying out any power, authority, or duty with respect to a covered financial company—

(1) may request the assistance of any foreign financial authority and provide assistance to any foreign financial authority in accordance with section 8(v) of the Federal Deposit Insurance Act, as if the covered financial company were an insured depository institution, the Corporation were the appropriate Federal banking agency for the company, and any foreign financial authority were the foreign banking authority; and

(2) may maintain an office to coordinate foreign investigations or investigations on behalf of foreign financial authorities.

(l) PROHIBITION ON ENTERING SECRECY AGREEMENTS AND PROTECTIVE ORDERS.—The Corporation may not enter into any agreement or approve any protective order which prohibits the Corporation from disclosing the terms of any settlement of an administrative or other action for damages or restitution brought by the Corporation in its capacity as receiver for a covered financial company.

(m) LIQUIDATION OF CERTAIN COVERED FINANCIAL COMPANIES OR BRIDGE FINANCIAL COMPANIES.—

(1) IN GENERAL.—Except as specifically provided in this section, and notwithstanding any other provision of law, the Corporation, in connection with the liquidation of any covered financial company or bridge financial company with respect to which the Corporation has been appointed as receiver, shall—

(A) in the case of any covered financial company or bridge financial company that is a stockbroker, but is not a member of the Securities Investor Protection Corporation, apply the provisions of subchapter III of chapter 7 of the Bankruptcy Code, in respect of the distribution to any customer of all customer name security and customer property and member property, as if such covered financial company or bridge financial company were a debtor for purposes of such subchapter; or

(B) in the case of any covered financial company or bridge financial company that is a commodity broker, apply the provisions of subchapter IV of chapter 7 the Bankruptcy Code, in respect of the distribution to any customer of all customer property and member property, as if such covered financial company or bridge financial company were a debtor for purposes of such subchapter.

(2) DEFINITIONS.—For purposes of this subsection—

(A) the terms “customer”, “customer name security”, and “customer property and member property” have the same meanings as in sections 741 and 761 of title 11, United States Code; and

(B) the terms “commodity broker” and “stockbroker” have the same meanings as in section 101 of the Bankruptcy Code.

(n) ORDERLY LIQUIDATION FUND.—

(1) ESTABLISHMENT.—There is established in the Treasury of the United States a separate fund to be known as the “Orderly Liquidation Fund”, which shall be available to the Corporation to carry out the authorities contained in this title, for the cost of actions authorized by this title, including the orderly liquidation of covered financial companies, payment of administrative expenses, the payment of principal and interest by the Corporation on obligations issued under paragraph (5), and the exercise of the authorities of the Corporation under this title.

(2) PROCEEDS.—Amounts received by the Corporation, including assessments received under

subsection (o), proceeds of obligations issued under paragraph (5), interest and other earnings from investments, and repayments to the Corporation by covered financial companies, shall be deposited into the Fund.

(3) **MANAGEMENT.**—The Corporation shall manage the Fund in accordance with this subsection and the policies and procedures established under section 203(d).

(4) **INVESTMENTS.**—At the request of the Corporation, the Secretary may invest such portion of amounts held in the Fund that are not, in the judgment of the Corporation, required to meet the current needs of the Corporation, in obligations of the United States having suitable maturities, as determined by the Corporation. The interest on and the proceeds from the sale or redemption of such obligations shall be credited to the Fund.

(5) **AUTHORITY TO ISSUE OBLIGATIONS.**—

(A) **CORPORATION AUTHORIZED TO ISSUE OBLIGATIONS.**—Upon appointment by the Secretary of the Corporation as receiver for a covered financial company, the Corporation is authorized to issue obligations to the Secretary.

(B) **SECRETARY AUTHORIZED TO PURCHASE OBLIGATIONS.**—The Secretary may, under such terms and conditions as the Secretary may require, purchase or agree to purchase any obligations issued under subparagraph (A), and for such purpose, the Secretary is authorized to use as a public debt transaction the proceeds of the sale of any securities issued under chapter 31 of title 31, United States Code, and the purposes for which securities may be issued under chapter 31 of title 31, United States Code, are extended to include such purchases.

(C) **INTEREST RATE.**—Each purchase of obligations by the Secretary under this paragraph shall be upon such terms and conditions as to yield a return at a rate determined by the Secretary, taking into consideration the current average yield on outstanding marketable obligations of the United States of comparable maturity, plus an interest rate surcharge to be determined by the Secretary, which shall be greater than the difference between—

(i) the current average rate on an index of corporate obligations of comparable maturity; and

(ii) the current average rate on outstanding marketable obligations of the United States of comparable maturity.

(D) **SECRETARY AUTHORIZED TO SELL OBLIGATIONS.**—The Secretary may sell, upon such terms and conditions as the Secretary shall determine, any of the obligations acquired under this paragraph.

(E) **PUBLIC DEBT TRANSACTIONS.**—All purchases and sales by the Secretary of such obligations under this paragraph shall be treated as public debt transactions of the United States, and the proceeds from the sale of any obligations acquired by the Secretary under this paragraph shall be deposited into the Treasury of the United States as miscellaneous receipts.

(6) **MAXIMUM OBLIGATION LIMITATION.**—The Corporation may not, in connection with the orderly liquidation of a covered financial company, issue or incur any obligation, if, after issuing or incurring the obligation, the aggregate amount of such obligations outstanding under this subsection for each covered financial company would exceed—

(A) an amount that is equal to 10 percent of the total consolidated assets of the covered financial company, based on the most recent financial statement available, during the 30-day period immediately following the date of appointment of the Corporation as receiver (or a shorter time period if the Corporation has calculated the amount described under subparagraph (B)); and

(B) the amount that is equal to 90 percent of the fair value of the total consolidated assets of

each covered financial company that are available for repayment, after the time period described in subparagraph (A).

(7) **RULEMAKING.**—The Corporation and the Secretary shall jointly, in consultation with the Council, prescribe regulations governing the calculation of the maximum obligation limitation defined in this paragraph.

(8) **RULE OF CONSTRUCTION.**—

(A) **IN GENERAL.**—Nothing in this section shall be construed to affect the authority of the Corporation under subsection (a) or (b) of section 14 or section 15(c)(5) of the Federal Deposit Insurance Act (12 U.S.C. 1824, 1825(c)(5)), the management of the Deposit Insurance Fund by the Corporation, or the resolution of insured depository institutions, provided that—

(i) the authorities of the Corporation contained in this title shall not be used to assist the Deposit Insurance Fund or to assist any financial company under applicable law other than this Act;

(ii) the authorities of the Corporation relating to the Deposit Insurance Fund, or any other responsibilities of the Corporation under applicable law other than this title, shall not be used to assist a covered financial company pursuant to this title; and

(iii) the Deposit Insurance Fund may not be used in any manner to otherwise circumvent the purposes of this title.

(B) **VALUATION.**—For purposes of determining the amount of obligations under this subsection—

(i) the Corporation shall include as an obligation any contingent liability of the Corporation pursuant to this title; and

(ii) the Corporation shall value any contingent liability at its expected cost to the Corporation.

(9) **ORDERLY LIQUIDATION AND REPAYMENT PLANS.**—

(A) **ORDERLY LIQUIDATION PLAN.**—Amounts in the Fund shall be available to the Corporation with regard to a covered financial company for which the Corporation is appointed receiver after the Corporation has developed an orderly liquidation plan that is acceptable to the Secretary with regard to such covered financial company, including the provision and use of funds, including taking any actions specified under section 204(d) and subsection (h)(2)(G)(iv) and (h)(9) of this section, and payments to third parties. The orderly liquidation plan shall take into account actions to avoid or mitigate potential adverse effects on low income, minority, or underserved communities affected by the failure of the covered financial company, and shall provide for coordination with the primary financial regulatory agencies, as appropriate, to ensure that such actions are taken. The Corporation may, at any time, amend any orderly liquidation plan approved by the Secretary with the concurrence of the Secretary.

(B) **MANDATORY REPAYMENT PLAN.**—

(i) **IN GENERAL.**—No amount authorized under paragraph (6)(B) may be provided by the Secretary to the Corporation under paragraph (5), unless an agreement is in effect between the Secretary and the Corporation that—

(I) provides a specific plan and schedule to achieve the repayment of the outstanding amount of any borrowing under paragraph (5); and

(II) demonstrates that income to the Corporation from the liquidated assets of the covered financial company and assessments under subsection (o) will be sufficient to amortize the outstanding balance within the period established in the repayment schedule and pay the interest accruing on such balance within the time provided in subsection (o)(1)(B).

(ii) **CONSULTATION WITH AND REPORT TO CONGRESS.**—The Secretary and the Corporation shall—

(I) consult with the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives on the terms of any repayment schedule agreement; and

(II) submit a copy of the repayment schedule agreement to the Committees described in subclause (I) before the end of the 30-day period beginning on the date on which any amount is provided by the Secretary to the Corporation under paragraph (5).

(10) **IMPLEMENTATION EXPENSES.**—

(A) **IN GENERAL.**—Reasonable implementation expenses of the Corporation incurred after the date of enactment of this Act shall be treated as expenses of the Council.

(B) **REQUESTS FOR REIMBURSEMENT.**—The Corporation shall periodically submit a request for reimbursement for implementation expenses to the Chairperson of the Council, who shall arrange for prompt reimbursement to the Corporation of reasonable implementation expenses.

(C) **DEFINITION.**—As used in this paragraph, the term “implementation expenses”—

(i) means costs incurred by the Corporation beginning on the date of enactment of this Act, as part of its efforts to implement this title that do not relate to a particular covered financial company; and

(ii) includes the costs incurred in connection with the development of policies, procedures, rules, and regulations and other planning activities of the Corporation consistent with carrying out this title.

(o) **ASSESSMENTS.**—

(1) **RISK-BASED ASSESSMENTS.**—

(A) **ELIGIBLE FINANCIAL COMPANIES DEFINED.**—For purposes of this subsection, the term “eligible financial company” means any bank holding company with total consolidated assets equal to or greater than \$50,000,000,000 and any nonbank financial company supervised by the Board of Governors.

(B) **ASSESSMENTS.**—The Corporation shall charge one or more risk-based assessments in accordance with the provisions of subparagraph (D), if such assessments are necessary to pay in full the obligations issued by the Corporation to the Secretary under this title within 60 months of the date of issuance of such obligations.

(C) **EXTENSIONS AUTHORIZED.**—The Corporation may, with the approval of the Secretary, extend the time period under subparagraph (B), if the Corporation determines that an extension is necessary to avoid a serious adverse effect on the financial system of the United States.

(D) **APPLICATION OF ASSESSMENTS.**—To meet the requirements of subparagraph (B), the Corporation shall—

(i) impose assessments, as soon as practicable, on any claimant that received additional payments or amounts from the Corporation pursuant to subsection (b)(4), (d)(4), or (h)(5)(E), except for payments or amounts necessary to initiate and continue operations essential to implementation of the receivership or any bridge financial company, to recover on a cumulative basis, the entire difference between—

(I) the aggregate value the claimant received from the Corporation on a claim pursuant to this title (including pursuant to subsection (b)(4), (d)(4), and (h)(5)(E)), as of the date on which such value was received; and

(II) the value the claimant was entitled to receive from the Corporation on such claim solely from the proceeds of the liquidation of the covered financial company under this title; and

(ii) if the amounts to be recovered on a cumulative basis under clause (i) are insufficient to meet the requirements of subparagraph (B), after taking into account the considerations set forth in paragraph (4), impose assessments on—

(I) eligible financial companies; and

(II) financial companies with total consolidated assets equal to or greater than

\$50,000,000,000 that are not eligible financial companies.

(E) **PROVISION OF FINANCING.**—Payments or amounts necessary to initiate and continue operations essential to implementation of the receivership or any bridge financial company described in subparagraph (D)(i) shall not include the provision of financing, as defined by rule of the Corporation, to third parties.

(2) **GRADUATED ASSESSMENT RATE.**—The Corporation shall impose assessments on a graduated basis, with financial companies having greater assets and risk being assessed at a higher rate.

(3) **NOTIFICATION AND PAYMENT.**—The Corporation shall notify each financial company of that company's assessment under this subsection. Any financial company subject to assessment under this subsection shall pay such assessment in accordance with the regulations prescribed pursuant to paragraph (6).

(4) **RISK-BASED ASSESSMENT CONSIDERATIONS.**—In imposing assessments under paragraph (1)(D)(ii), the Corporation shall use a risk matrix. The Council shall make a recommendation to the Corporation on the risk matrix to be used in imposing such assessments, and the Corporation shall take into account any such recommendation in the establishment of the risk matrix to be used to impose such assessments. In recommending or establishing such risk matrix, the Council and the Corporation, respectively, shall take into account—

(A) economic conditions generally affecting financial companies so as to allow assessments to increase during more favorable economic conditions and to decrease during less favorable economic conditions;

(B) any assessments imposed on a financial company or an affiliate of a financial company that—

(i) is an insured depository institution, assessed pursuant to section 7 or 13(c)(4)(G) of the Federal Deposit Insurance Act;

(ii) is a member of the Securities Investor Protection Corporation, assessed pursuant to section 4 of the Securities Investor Protection Act of 1970 (15 U.S.C. 78ddd);

(iii) is an insured credit union, assessed pursuant to section 202(c)(1)(A)(i) of the Federal Credit Union Act (12 U.S.C. 1782(c)(1)(A)(i)); or

(iv) is an insurance company, assessed pursuant to applicable State law to cover (or reimburse payments made to cover) the costs of the rehabilitation, liquidation, or other State insolvency proceeding with respect to 1 or more insurance companies;

(C) the risks presented by the financial company to the financial system and the extent to which the financial company has benefitted, or likely would benefit, from the orderly liquidation of a financial company under this title, including—

(i) the amount, different categories, and concentrations of assets of the financial company and its affiliates, including both on-balance sheet and off-balance sheet assets;

(ii) the activities of the financial company and its affiliates;

(iii) the relevant market share of the financial company and its affiliates;

(iv) the extent to which the financial company is leveraged;

(v) the potential exposure to sudden calls on liquidity precipitated by economic distress;

(vi) the amount, maturity, volatility, and stability of the company's financial obligations to, and relationship with, other financial companies;

(vii) the amount, maturity, volatility, and stability of the liabilities of the company, including the degree of reliance on short-term funding, taking into consideration existing systems for measuring a company's risk-based capital;

(viii) the stability and variety of the company's sources of funding;

(ix) the company's importance as a source of credit for households, businesses, and State and local governments and as a source of liquidity for the financial system;

(x) the extent to which assets are simply managed and not owned by the financial company and the extent to which ownership of assets under management is diffuse; and

(xi) the amount, different categories, and concentrations of liabilities, both insured and uninsured, contingent and noncontingent, including both on-balance sheet and off-balance sheet liabilities, of the financial company and its affiliates;

(D) any risks presented by the financial company during the 10-year period immediately prior to the appointment of the Corporation as receiver for the covered financial company that contributed to the failure of the covered financial company; and

(E) such other risk-related factors as the Corporation, or the Council, as applicable, may determine to be appropriate.

(5) **COLLECTION OF INFORMATION.**—The Corporation may impose on covered financial companies such collection of information requirements as the Corporation deems necessary to carry out this subsection after the appointment of the Corporation as receiver under this title.

(6) **RULEMAKING.**—

(A) **IN GENERAL.**—The Corporation shall prescribe regulations to carry out this subsection. The Corporation shall consult with the Secretary in the development and finalization of such regulations.

(B) **EQUITABLE TREATMENT.**—The regulations prescribed under subparagraph (A) shall take into account the differences in risks posed to the financial stability of the United States by financial companies, the differences in the liability structures of financial companies, and the different bases for other assessments that such financial companies may be required to pay, to ensure that assessed financial companies are treated equitably and that assessments under this subsection reflect such differences.

(p) **UNENFORCEABILITY OF CERTAIN AGREEMENTS.**—

(1) **IN GENERAL.**—No provision described in paragraph (2) shall be enforceable against or impose any liability on any person, as such enforcement or liability shall be contrary to public policy.

(2) **PROHIBITED PROVISIONS.**—A provision described in this paragraph is any term contained in any existing or future standstill, confidentiality, or other agreement that, directly or indirectly—

(A) affects, restricts, or limits the ability of any person to offer to acquire or acquire;

(B) prohibits any person from offering to acquire or acquiring; or

(C) prohibits any person from using any previously disclosed information in connection with any such offer to acquire or acquisition of,

all or part of any covered financial company, including any liabilities, assets, or interest therein, in connection with any transaction in which the Corporation exercises its authority under this title.

(q) **OTHER EXEMPTIONS.**—

(1) **IN GENERAL.**—When acting as a receiver under this title—

(A) the Corporation, including its franchise, its capital, reserves and surplus, and its income, shall be exempt from all taxation imposed by any State, county, municipality, or local taxing authority, except that any real property of the Corporation shall be subject to State, territorial, county, municipal, or local taxation to the same extent according to its value as other real property is taxed, except that, notwithstanding the

failure of any person to challenge an assessment under State law of the value of such property, such value, and the tax thereon, shall be determined as of the period for which such tax is imposed;

(B) no property of the Corporation shall be subject to levy, attachment, garnishment, foreclosure, or sale without the consent of the Corporation, nor shall any involuntary lien attach to the property of the Corporation; and

(C) the Corporation shall not be liable for any amounts in the nature of penalties or fines, including those arising from the failure of any person to pay any real property, personal property, probate, or recording tax or any recording or filing fees when due; and

(D) the Corporation shall be exempt from all prosecution by the United States or any State, county, municipality, or local authority for any criminal offense arising under Federal, State, county, municipal, or local law, which was allegedly committed by the covered financial company, or persons acting on behalf of the covered financial company, prior to the appointment of the Corporation as receiver.

(2) **LIMITATION.**—Paragraph (1) shall not apply with respect to any tax imposed (or other amount arising) under the Internal Revenue Code of 1986.

(r) **CERTAIN SALES OF ASSETS PROHIBITED.**—

(1) **PERSONS WHO ENGAGED IN IMPROPER CONDUCT WITH, OR CAUSED LOSSES TO, COVERED FINANCIAL COMPANIES.**—The Corporation shall prescribe regulations which, at a minimum, shall prohibit the sale of assets of a covered financial company by the Corporation to—

(A) any person who—

(i) has defaulted, or was a member of a partnership or an officer or director of a corporation that has defaulted, on 1 or more obligations, the aggregate amount of which exceeds \$1,000,000, to such covered financial company;

(ii) has been found to have engaged in fraudulent activity in connection with any obligation referred to in clause (i); and

(iii) proposes to purchase any such asset in whole or in part through the use of the proceeds of a loan or advance of credit from the Corporation or from any covered financial company;

(B) any person who participated, as an officer or director of such covered financial company or of any affiliate of such company, in a material way in any transaction that resulted in a substantial loss to such covered financial company; or

(C) any person who has demonstrated a pattern or practice of defalcation regarding obligations to such covered financial company.

(2) **CONVICTED DEBTORS.**—Except as provided in paragraph (3), a person may not purchase any asset of such institution from the receiver, if that person—

(A) has been convicted of an offense under section 215, 656, 657, 1005, 1006, 1007, 1008, 1014, 1032, 1341, 1343, or 1344 of title 18, United States Code, or of conspiring to commit such an offense, affecting any covered financial company; and

(B) is in default on any loan or other extension of credit from such covered financial company which, if not paid, will cause substantial loss to the Fund or the Corporation.

(3) **SETTLEMENT OF CLAIMS.**—Paragraphs (1) and (2) shall not apply to the sale or transfer by the Corporation of any asset of any covered financial company to any person, if the sale or transfer of the asset resolves or settles, or is part of the resolution or settlement, of 1 or more claims that have been, or could have been, asserted by the Corporation against the person.

(4) **DEFINITION OF DEFAULT.**—For purposes of this subsection, the term "default" means a failure to comply with the terms of a loan or other obligation to such an extent that the property securing the obligation is foreclosed upon.

(s) RECOUPMENT OF COMPENSATION FROM SENIOR EXECUTIVES AND DIRECTORS.—

(1) IN GENERAL.—The Corporation, as receiver of a covered financial company, may recover from any current or former senior executive or director substantially responsible for the failed condition of the covered financial company any compensation received during the 2-year period preceding the date on which the Corporation was appointed as the receiver of the covered financial company, except that, in the case of fraud, no time limit shall apply.

(2) COST CONSIDERATIONS.—In seeking to recover any such compensation, the Corporation shall weigh the financial and deterrent benefits of such recovery against the cost of executing the recovery.

(3) RULEMAKING.—The Corporation shall promulgate regulations to implement the requirements of this subsection, including defining the term “compensation” to mean any financial remuneration, including salary, bonuses, incentives, benefits, severance, deferred compensation, or golden parachute benefits, and any profits realized from the sale of the securities of the covered financial company.

SEC. 211. MISCELLANEOUS PROVISIONS.

(a) CLARIFICATION OF PROHIBITION REGARDING CONCEALMENT OF ASSETS FROM RECEIVER OR LIQUIDATING AGENT.—Section 1032(1) of title 18, United States Code, is amended by inserting “the Federal Deposit Insurance Corporation acting as receiver for a covered financial company, in accordance with title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act,” before “or the National Credit”.

(b) CONFORMING AMENDMENT.—Section 1032 of title 18, United States Code, is amended in the section heading, by striking “of financial institution”.

(c) FEDERAL DEPOSIT INSURANCE CORPORATION IMPROVEMENT ACT OF 1991.—Section 403(a) of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 4403(a)) is amended by inserting “section 210(c) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, section 1367 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4617(d)),” after “section 11(e) of the Federal Deposit Insurance Act.”.

(d) FDIC INSPECTOR GENERAL REVIEWS.—

(1) SCOPE.—The Inspector General of the Corporation shall conduct, supervise, and coordinate audits and investigations of the liquidation of any covered financial company by the Corporation as receiver under this title, including collecting and summarizing—

(A) a description of actions taken by the Corporation as receiver;

(B) a description of any material sales, transfers, mergers, obligations, purchases, and other material transactions entered into by the Corporation;

(C) an evaluation of the adequacy of the policies and procedures of the Corporation under section 203(d) and orderly liquidation plan under section 210(n)(14);

(D) an evaluation of the utilization by the Corporation of the private sector in carrying out its functions, including the adequacy of any conflict-of-interest reviews; and

(E) an evaluation of the overall performance of the Corporation in liquidating the covered financial company, including administrative costs, timeliness of liquidation process, and impact on the financial system.

(2) FREQUENCY.—Not later than 6 months after the date of appointment of the Corporation as receiver under this title and every 6 months thereafter, the Inspector General of the Corporation shall conduct the audit and investigation described in paragraph (1).

(3) REPORTS AND TESTIMONY.—The Inspector General of the Corporation shall include in the

semiannual reports required by section 5(a) of the Inspector General Act of 1978 (5 U.S.C. App.), a summary of the findings and evaluations under paragraph (1), and shall appear before the appropriate committees of Congress, if requested, to present each such report.

(4) FUNDING.—

(A) INITIAL FUNDING.—The expenses of the Inspector General of the Corporation in carrying out this subsection shall be considered administrative expenses of the receivership.

(B) ADDITIONAL FUNDING.—If the maximum amount available to the Corporation as receiver under this title is insufficient to enable the Inspector General of the Corporation to carry out the duties under this subsection, the Corporation shall pay such additional amounts from assessments imposed under section 210.

(5) TERMINATION OF RESPONSIBILITIES.—The duties and responsibilities of the Inspector General of the Corporation under this subsection shall terminate 1 year after the date of termination of the receivership under this title.

(e) TREASURY INSPECTOR GENERAL REVIEWS.—

(1) SCOPE.—The Inspector General of the Department of the Treasury shall conduct, supervise, and coordinate audits and investigations of actions taken by the Secretary related to the liquidation of any covered financial company under this title, including collecting and summarizing—

(A) a description of actions taken by the Secretary under this title;

(B) an analysis of the approval by the Secretary of the policies and procedures of the Corporation under section 203 and acceptance of the orderly liquidation plan of the Corporation under section 210; and

(C) an assessment of the terms and conditions underlying the purchase by the Secretary of obligations of the Corporation under section 210.

(2) FREQUENCY.—Not later than 6 months after the date of appointment of the Corporation as receiver under this title and every 6 months thereafter, the Inspector General of the Department of the Treasury shall conduct the audit and investigation described in paragraph (1).

(3) REPORTS AND TESTIMONY.—The Inspector General of the Department of the Treasury shall include in the semiannual reports required by section 5(a) of the Inspector General Act of 1978 (5 U.S.C. App.), a summary of the findings and assessments under paragraph (1), and shall appear before the appropriate committees of Congress, if requested, to present each such report.

(4) TERMINATION OF RESPONSIBILITIES.—The duties and responsibilities of the Inspector General of the Department of the Treasury under this subsection shall terminate 1 year after the date on which the obligations purchased by the Secretary from the Corporation under section 210 are fully redeemed.

(f) PRIMARY FINANCIAL REGULATORY AGENCY INSPECTOR GENERAL REVIEWS.—

(1) SCOPE.—Upon the appointment of the Corporation as receiver for a covered financial company supervised by a Federal primary financial regulatory agency or the Board of Governors under section 165, the Inspector General of the agency or the Board of Governors shall make a written report reviewing the supervision by the agency or the Board of Governors of the covered financial company, which shall—

(A) evaluate the effectiveness of the agency or the Board of Governors in carrying out its supervisory responsibilities with respect to the covered financial company;

(B) identify any acts or omissions on the part of agency or Board of Governors officials that contributed to the covered financial company being in default or in danger of default;

(C) identify any actions that could have been taken by the agency or the Board of Governors that would have prevented the company from being in default or in danger of default; and

(D) recommend appropriate administrative or legislative action.

(2) REPORTS AND TESTIMONY.—Not later than 1 year after the date of appointment of the Corporation as receiver under this title, the Inspector General of the Federal primary financial regulatory agency or the Board of Governors shall provide the report required by paragraph (1) to such agency or the Board of Governors, and along with such agency or the Board of Governors, as applicable, shall appear before the appropriate committees of Congress, if requested, to present the report required by paragraph (1). Not later than 90 days after the date of receipt of the report required by paragraph (1), such agency or the Board of Governors, as applicable, shall provide a written report to Congress describing any actions taken in response to the recommendations in the report, and if no such actions were taken, describing the reasons why no actions were taken.

SEC. 212. PROHIBITION OF CIRCUMVENTION AND PREVENTION OF CONFLICTS OF INTEREST.

(a) NO OTHER FUNDING.—Funds for the orderly liquidation of any covered financial company under this title shall only be provided as specified under this title.

(b) LIMIT ON GOVERNMENTAL ACTIONS.—No governmental entity may take any action to circumvent the purposes of this title.

(c) CONFLICT OF INTEREST.—In the event that the Corporation is appointed receiver for more than 1 covered financial company or is appointed receiver for a covered financial company and receiver for any insured depository institution that is an affiliate of such covered financial company, the Corporation shall take appropriate action, as necessary to avoid any conflicts of interest that may arise in connection with multiple receiverships.

SEC. 213. BAN ON CERTAIN ACTIVITIES BY SENIOR EXECUTIVES AND DIRECTORS.

(a) PROHIBITION AUTHORITY.—The Board of Governors or, if the covered financial company was not supervised by the Board of Governors, the Corporation, may exercise the authority provided by this section.

(b) AUTHORITY TO ISSUE ORDER.—The appropriate agency described in subsection (a) may take any action authorized by subsection (c), if the agency determines that—

(1) a senior executive or a director of the covered financial company, prior to the appointment of the Corporation as receiver, has, directly or indirectly—

(A) violated—

(i) any law or regulation;

(ii) any cease-and-desist order which has become final;

(iii) any condition imposed in writing by a Federal agency in connection with any action on any application, notice, or request by such company or senior executive; or

(iv) any written agreement between such company and such agency;

(B) engaged or participated in any unsafe or unsound practice in connection with any financial company; or

(C) committed or engaged in any act, omission, or practice which constitutes a breach of the fiduciary duty of such senior executive or director;

(2) by reason of the violation, practice, or breach described in any subparagraph of paragraph (1), such senior executive or director has received financial gain or other benefit by reason of such violation, practice, or breach and such violation, practice, or breach contributed to the failure of the company; and

(3) such violation, practice, or breach—

(A) involves personal dishonesty on the part of such senior executive or director; or

(B) demonstrates willful or continuing disregard by such senior executive or director for the safety or soundness of such company.

(c) **AUTHORIZED ACTIONS.**—

(1) **IN GENERAL.**—The appropriate agency for a financial company, as described in subsection (a), may serve upon a senior executive or director described in subsection (b) a written notice of the intention of the agency to prohibit any further participation by such person, in any manner, in the conduct of the affairs of any financial company for a period of time determined by the appropriate agency to be commensurate with such violation, practice, or breach, provided such period shall be not less than 2 years.

(2) **PROCEDURES.**—The due process requirements and other procedures under section 8(e) of the Federal Deposit Insurance Act (12 U.S.C. 1818(e)) shall apply to actions under this section as if the covered financial company were an insured depository institution and the senior executive or director were an institution-affiliated party, as those terms are defined in that Act.

(d) **REGULATIONS.**—The Corporation and the Board of Governors, in consultation with the Council, shall jointly prescribe rules or regulations to administer and carry out this section, including rules, regulations, or guidelines to further define the term senior executive for the purposes of this title.

SEC. 214. PROHIBITION ON TAXPAYER FUNDING.

(a) **LIQUIDATION REQUIRED.**—All financial companies put into receivership under this title shall be liquidated. No taxpayer funds shall be used to prevent the liquidation of any financial company under this title.

(b) **RECOVERY OF FUNDS.**—All funds expended in the liquidation of a financial company under this title shall be recovered from the disposition of assets of such financial company, or shall be the responsibility of the financial sector, through assessments.

(c) **NO LOSSES TO TAXPAYERS.**—Taxpayers shall bear no losses from the exercise of any authority under this title.

SEC. 215. STUDY ON SECURED CREDITOR HAIRCUTS.

(a) **STUDY REQUIRED.**—The Council shall conduct a study evaluating the importance of maximizing United States taxpayer protections and promoting market discipline with respect to the treatment of fully secured creditors in the utilization of the orderly liquidation authority authorized by this Act. In carrying out such study, the Council shall—

(1) not be prejudicial to current or past laws or regulations with respect to secured creditor treatment in a resolution process;

(2) study the similarities and differences between the resolution mechanisms authorized by the Bankruptcy Code, the Federal Deposit Insurance Corporation Improvement Act of 1991, and the orderly liquidation authority authorized by this Act;

(3) determine how various secured creditors are treated in such resolution mechanisms and examine how a haircut (of various degrees) on secured creditors could improve market discipline and protect taxpayers;

(4) compare the benefits and dynamics of prudent lending practices by depository institutions in secured loans for consumers and small businesses to the lending practices of secured creditors to large, interconnected financial firms;

(5) consider whether credit differs according to different types of collateral and different terms and timing of the extension of credit; and

(6) include an examination of stakeholders who were unsecured or under-collateralized and seek collateral when a firm is failing, and the impact that such behavior has on financial stability and an orderly resolution that protects taxpayers if the firm fails.

(b) **REPORT.**—Not later than the end of the 1-year period beginning on the date of enactment of this Act, the Council shall issue a report to the Congress containing all findings and con-

clusions made by the Council in carrying out the study required under subsection (a).

SEC. 216. STUDY ON BANKRUPTCY PROCESS FOR FINANCIAL AND NONBANK FINANCIAL INSTITUTIONS.(a) **STUDY.**—

(1) **IN GENERAL.**—Upon enactment of this Act, the Board of Governors, in consultation with the Administrative Office of the United States Courts, shall conduct a study regarding the resolution of financial companies under the Bankruptcy Code, under chapter 7 or 11 thereof.

(2) **ISSUES TO BE STUDIED.**—Issues to be studied under this section include—

(A) the effectiveness of chapter 7 and chapter 11 of the Bankruptcy Code in facilitating the orderly resolution or reorganization of systemic financial companies;

(B) whether a special financial resolution court or panel of special masters or judges should be established to oversee cases involving financial companies to provide for the resolution of such companies under the Bankruptcy Code, in a manner that minimizes adverse impacts on financial markets without creating moral hazard;

(C) whether amendments to the Bankruptcy Code should be adopted to enhance the ability of the Code to resolve financial companies in a manner that minimizes adverse impacts on financial markets without creating moral hazard;

(D) whether amendments should be made to the Bankruptcy Code, the Federal Deposit Insurance Act, and other insolvency laws to address the manner in which qualified financial contracts of financial companies are treated; and

(E) the implications, challenges, and benefits to creating a new chapter or subchapter of the Bankruptcy Code to deal with financial companies.

(b) **REPORTS TO CONGRESS.**—Not later than 1 year after the date of enactment of this Act, and in each successive year until the fifth year after the date of enactment of this Act, the Administrative Office of the United States courts shall submit to the Committees on Banking, Housing, and Urban Affairs and the Judiciary of the Senate and the Committees on Financial Services and the Judiciary of the House of Representatives a report summarizing the results of the study conducted under subsection (a).

SEC. 217. STUDY ON INTERNATIONAL COORDINATION RELATING TO BANKRUPTCY PROCESS FOR NONBANK FINANCIAL INSTITUTIONS.(a) **STUDY.**—

(1) **IN GENERAL.**—The Board of Governors, in consultation with the Administrative Office of the United States Courts, shall conduct a study regarding international coordination relating to the resolution of systemic financial companies under the United States Bankruptcy Code and applicable foreign law.

(2) **ISSUES TO BE STUDIED.**—With respect to the bankruptcy process for financial companies, issues to be studied under this section include—

(A) the extent to which international coordination currently exists;

(B) current mechanisms and structures for facilitating international cooperation;

(C) barriers to effective international coordination; and

(D) ways to increase and make more effective international coordination of the resolution of financial companies, so as to minimize the impact on the financial system without creating moral hazard.

(b) **REPORT TO CONGRESS.**—Not later than 1 year after the date of enactment of this Act, the Administrative office of the United States Courts shall submit to the Committees on Banking, Housing, and Urban Affairs and the Judiciary of the Senate and the Committees on Financial Services and the Judiciary of the House of Rep-

resentatives a report summarizing the results of the study conducted under subsection (a).

TITLE III—TRANSFER OF POWERS TO THE COMPTROLLER OF THE CURRENCY, THE CORPORATION, AND THE BOARD OF GOVERNORS**SEC. 300. SHORT TITLE.**

This title may be cited as the “Enhancing Financial Institution Safety and Soundness Act of 2010”.

SEC. 301. PURPOSES.

The purposes of this title are—

(1) to provide for the safe and sound operation of the banking system of the United States;

(2) to preserve and protect the dual system of Federal and State-chartered depository institutions;

(3) to ensure the fair and appropriate supervision of each depository institution, regardless of the size or type of charter of the depository institution; and

(4) to streamline and rationalize the supervision of depository institutions and the holding companies of depository institutions.

SEC. 302. DEFINITION.

In this title, the term “transferred employee” means, as the context requires, an employee transferred to the Office of the Comptroller of the Currency or the Corporation under section 322.

Subtitle A—Transfer of Powers and Duties**SEC. 311. TRANSFER DATE.**

(a) **TRANSFER DATE.**—Except as provided in subsection (b), the term “transfer date” means the date that is 1 year after the date of enactment of this Act.

(b) **EXTENSION PERMITTED.**—

(1) **NOTICE REQUIRED.**—The Secretary, in consultation with the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the Chairman of the Board of Governors, and the Chairperson of the Corporation, may extend the period under subsection (a) and designate a transfer date that is not later than 18 months after the date of enactment of this Act, if the Secretary transmits to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives—

(A) a written determination that commencement of the orderly process to implement this title is not feasible by the date that is 1 year after the date of enactment of this Act;

(B) an explanation of why an extension is necessary to commence the process of orderly implementation of this title;

(C) the transfer date designated under this subsection; and

(D) a description of the steps that will be taken to initiate the process of an orderly and timely implementation of this title within the extended time period.

(2) **PUBLICATION OF NOTICE.**—Not later than 270 days after the date of enactment of this Act, the Secretary shall publish in the Federal Register notice of any transfer date designated under paragraph (1).

SEC. 312. POWERS AND DUTIES TRANSFERRED.

(a) **EFFECTIVE DATE.**—This section, and the amendments made by this section, shall take effect on the transfer date.

(b) **FUNCTIONS OF THE OFFICE OF THRIFT SUPERVISION.**—

(1) **SAVINGS AND LOAN HOLDING COMPANY FUNCTIONS TRANSFERRED.**—

(A) **TRANSFER OF FUNCTIONS.**—There are transferred to the Board of Governors all functions of the Office of Thrift Supervision and the Director of the Office of Thrift Supervision (including the authority to issue orders) relating to—

(i) the supervision of—

(I) any savings and loan holding company; and

(II) any subsidiary (other than a depository institution) of a savings and loan holding company; and

(ii) all rulemaking authority of the Office of Thrift Supervision and the Director of the Office of Thrift Supervision relating to savings and loan holding companies.

(B) **POWERS, AUTHORITIES, RIGHTS, AND DUTIES.**—The Board of Governors shall succeed to all powers, authorities, rights, and duties that were vested in the Office of Thrift Supervision and the Director of the Office of Thrift Supervision on the day before the transfer date relating to the functions and authority transferred under subparagraph (A).

(2) **ALL OTHER FUNCTIONS TRANSFERRED.**—

(A) **BOARD OF GOVERNORS.**—All rulemaking authority of the Office of Thrift Supervision and the Director of the Office of Thrift Supervision under section 11 of the Home Owners' Loan Act (12 U.S.C. 1468) relating to transactions with affiliates and extensions of credit to executive officers, directors, and principal shareholders and under section 5(q) of such Act relating to tying arrangements is transferred to the Board of Governors.

(B) **COMPTROLLER OF THE CURRENCY.**—Except as provided in paragraph (1) and subparagraph (A)—

(i) there are transferred to the Office of the Comptroller of the Currency and the Comptroller of the Currency—

(I) all functions of the Office of Thrift Supervision and the Director of the Office of Thrift Supervision, respectively, relating to Federal savings associations; and

(II) all rulemaking authority of the Office of Thrift Supervision and the Director of the Office of Thrift Supervision, respectively, relating to savings associations; and

(ii) the Office of the Comptroller of the Currency and the Comptroller of the Currency shall succeed to all powers, authorities, rights, and duties that were vested in the Office of Thrift Supervision and the Director of the Office of Thrift Supervision, respectively, on the day before the transfer date relating to the functions and authority transferred under clause (i).

(C) **CORPORATION.**—Except as provided in paragraph (1) and subparagraphs (A) and (B)—

(i) all functions of the Office of Thrift Supervision and the Director of the Office of Thrift Supervision relating to State savings associations are transferred to the Corporation; and

(ii) the Corporation shall succeed to all powers, authorities, rights, and duties that were vested in the Office of Thrift Supervision and the Director of the Office of Thrift Supervision on the day before the transfer date relating to the functions transferred under clause (i).

(c) **CONFORMING AMENDMENTS.**—Section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813) is amended—

(1) in subsection (q), by striking paragraphs (1) through (4) and inserting the following:

“(1) the Office of the Comptroller of the Currency, in the case of—

“(A) any national banking association;

“(B) any Federal branch or agency of a foreign bank; and

“(C) any Federal savings association;

“(2) the Federal Deposit Insurance Corporation, in the case of—

“(A) any State nonmember insured bank;

“(B) any foreign bank having an insured branch; and

“(C) any State savings association;

“(3) the Board of Governors of the Federal Reserve System, in the case of—

“(A) any State member bank;

“(B) any branch or agency of a foreign bank with respect to any provision of the Federal Re-

serve Act which is made applicable under the International Banking Act of 1978;

“(C) any foreign bank which does not operate an insured branch;

“(D) any agency or commercial lending company other than a Federal agency;

“(E) supervisory or regulatory proceedings arising from the authority given to the Board of Governors under section 7(c)(1) of the International Banking Act of 1978, including such proceedings under the Financial Institutions Supervisory Act of 1966;

“(F) any bank holding company and any subsidiary (other than a depository institution) of a bank holding company; and

“(G) any savings and loan holding company and any subsidiary (other than a depository institution) of a savings and loan holding company.”; and

(2) in paragraphs (1) and (3) of subsection (u), by striking “(other than a bank holding company)” and inserting “(other than a bank holding company or savings and loan holding company)”.

(d) **CONSUMER PROTECTION.**—Nothing in this section may be construed to limit or otherwise affect the transfer of powers under title X.

SEC. 313. ABOLISHMENT.

Effective 90 days after the transfer date, the Office of Thrift Supervision and the position of Director of the Office of Thrift Supervision are abolished.

SEC. 314. AMENDMENTS TO THE REVISED STATUTES.

(a) **AMENDMENT TO SECTION 324.**—Section 324 of the Revised Statutes of the United States (12 U.S.C. 1) is amended to read as follows:

“SEC. 324. COMPTROLLER OF THE CURRENCY.

“(a) **OFFICE OF THE COMPTROLLER OF THE CURRENCY ESTABLISHED.**—There is established in the Department of the Treasury a bureau to be known as the ‘Office of the Comptroller of the Currency’ which is charged with assuring the safety and soundness of, and compliance with laws and regulations, fair access to financial services, and fair treatment of customers by, the institutions and other persons subject to its jurisdiction.

“(b) **COMPTROLLER OF THE CURRENCY.**—

“(1) **IN GENERAL.**—The chief officer of the Office of the Comptroller of the Currency shall be known as the Comptroller of the Currency. The Comptroller of the Currency shall perform the duties of the Comptroller of the Currency under the general direction of the Secretary of the Treasury. The Secretary of the Treasury may not delay or prevent the issuance of any rule or the promulgation of any regulation by the Comptroller of the Currency, and may not intervene in any matter or proceeding before the Comptroller of the Currency (including agency enforcement actions), unless otherwise specifically provided by law.

“(2) **ADDITIONAL AUTHORITY.**—The Comptroller of the Currency shall have the same authority with respect to functions transferred to the Comptroller of the Currency under the Enhancing Financial Institution Safety and Soundness Act of 2010 as was vested in the Director of the Office of Thrift Supervision on the transfer date, as defined in section 311 of that Act.”.

(b) **SUPERVISION OF FEDERAL SAVINGS ASSOCIATIONS.**—Chapter 9 of title VII of the Revised Statutes of the United States (12 U.S.C. 1 et seq.) is amended by inserting after section 327A (12 U.S.C. 4a) the following:

“SEC. 327B. DEPUTY COMPTROLLER FOR THE SUPERVISION AND EXAMINATION OF FEDERAL SAVINGS ASSOCIATIONS.

“The Comptroller of the Currency shall designate a Deputy Comptroller, who shall be responsible for the supervision and examination of Federal savings associations.”.

(c) **AMENDMENT TO SECTION 329.**—Section 329 of the Revised Statutes of the United States (12 U.S.C. 11) is amended by inserting before the period at the end the following: “or any Federal savings association”.

(d) **EFFECTIVE DATE.**—This section, and the amendments made by this section, shall take effect on the transfer date.

SEC. 315. FEDERAL INFORMATION POLICY.

Section 3502(5) of title 44, United States Code, is amended by inserting “Office of the Comptroller of the Currency,” after “the Securities and Exchange Commission.”.

SEC. 316. SAVINGS PROVISIONS.

(a) **OFFICE OF THRIFT SUPERVISION.**—

(1) **EXISTING RIGHTS, DUTIES, AND OBLIGATIONS NOT AFFECTED.**—Sections 312(b) and 313 shall not affect the validity of any right, duty, or obligation of the United States, the Director of the Office of Thrift Supervision, the Office of Thrift Supervision, or any other person, that existed on the day before the transfer date.

(2) **CONTINUATION OF SUITS.**—This title shall not abate any action or proceeding commenced by or against the Director of the Office of Thrift Supervision or the Office of Thrift Supervision before the transfer date, except that—

(A) for any action or proceeding arising out of a function of the Office of Thrift Supervision or the Director of the Office of Thrift Supervision transferred to the Board of Governors by this title, the Board of Governors shall be substituted for the Office of Thrift Supervision or the Director of the Office of Thrift Supervision as a party to the action or proceeding on and after the transfer date;

(B) for any action or proceeding arising out of a function of the Office of Thrift Supervision or the Director of the Office of Thrift Supervision transferred to the Office of the Comptroller of the Currency or the Comptroller of the Currency by this title, the Office of the Comptroller of the Currency or the Comptroller of the Currency shall be substituted for the Office of Thrift Supervision or the Director of the Office of Thrift Supervision, as the case may be, as a party to the action or proceeding on and after the transfer date; and

(C) for any action or proceeding arising out of a function of the Office of Thrift Supervision or the Director of the Office of Thrift Supervision transferred to the Corporation by this title, the Corporation shall be substituted for the Office of Thrift Supervision or the Director of the Office of Thrift Supervision as a party to the action or proceeding on and after the transfer date.

(b) **CONTINUATION OF EXISTING OTS ORDERS, RESOLUTIONS, DETERMINATIONS, AGREEMENTS, REGULATIONS, ETC.**—All orders, resolutions, determinations, agreements, and regulations, interpretative rules, other interpretations, guidelines, procedures, and other advisory materials, that have been issued, made, prescribed, or allowed to become effective by the Office of Thrift Supervision or the Director of the Office of Thrift Supervision, or by a court of competent jurisdiction, in the performance of functions that are transferred by this title and that are in effect on the day before the transfer date, shall continue in effect according to the terms of such orders, resolutions, determinations, agreements, and regulations, interpretative rules, other interpretations, guidelines, procedures, and other advisory materials, and shall be enforceable by or against—

(1) the Board of Governors, in the case of a function of the Office of Thrift Supervision or the Director of the Office of Thrift Supervision transferred to the Board of Governors, until modified, terminated, set aside, or superseded in accordance with applicable law by the Board of Governors, by any court of competent jurisdiction, or by operation of law;

(2) the Office of the Comptroller of the Currency or the Comptroller of the Currency, in the case of a function of the Office of Thrift Supervision or the Director of the Office of Thrift Supervision transferred to the Office of the Comptroller of the Currency or the Comptroller of the Currency, respectively, until modified, terminated, set aside, or superseded in accordance with applicable law by the Office of the Comptroller of the Currency or the Comptroller of the Currency, by any court of competent jurisdiction, or by operation of law; and

(3) the Corporation, in the case of a function of the Office of Thrift Supervision or the Director of the Office of Thrift Supervision transferred to the Corporation, until modified, terminated, set aside, or superseded in accordance with applicable law by the Corporation, by any court of competent jurisdiction, or by operation of law.

(c) IDENTIFICATION OF REGULATIONS CONTINUED.—

(1) BY THE BOARD OF GOVERNORS.—Not later than the transfer date, the Board of Governors shall—

(A) identify the regulations continued under subsection (b) that will be enforced by the Board of Governors; and

(B) publish a list of the regulations identified under subparagraph (A) in the Federal Register.

(2) BY OFFICE OF THE COMPTROLLER OF THE CURRENCY.—Not later than the transfer date, the Office of the Comptroller of the Currency shall—

(A) after consultation with the Corporation, identify the regulations continued under subsection (b) that will be enforced by the Office of the Comptroller of the Currency; and

(B) publish a list of the regulations identified under subparagraph (A) in the Federal Register.

(3) BY THE CORPORATION.—Not later than the transfer date, the Corporation shall—

(A) after consultation with the Office of the Comptroller of the Currency, identify the regulations continued under subsection (b) that will be enforced by the Corporation; and

(B) publish a list of the regulations identified under subparagraph (A) in the Federal Register.

(d) STATUS OF REGULATIONS PROPOSED OR NOT YET EFFECTIVE.—

(1) PROPOSED REGULATIONS.—Any proposed regulation of the Office of Thrift Supervision, which the Office of Thrift Supervision in performing functions transferred by this title, has proposed before the transfer date but has not published as a final regulation before such date, shall be deemed to be a proposed regulation of the Office of the Comptroller of the Currency or the Board of Governors, as appropriate, according to the terms of the proposed regulation.

(2) REGULATIONS NOT YET EFFECTIVE.—Any interim or final regulation of the Office of Thrift Supervision, which the Office of Thrift Supervision, in performing functions transferred by this title, has published before the transfer date but which has not become effective before that date, shall become effective as a regulation of the Office of the Comptroller of the Currency or the Board of Governors, as appropriate, according to the terms of the interim or final regulation, unless modified, terminated, set aside, or superseded in accordance with applicable law by the Office of the Comptroller of the Currency or the Board of Governors, as appropriate, by any court of competent jurisdiction, or by operation of law.

SEC. 317. REFERENCES IN FEDERAL LAW TO FEDERAL BANKING AGENCIES.

On and after the transfer date, any reference in Federal law to the Director of the Office of Thrift Supervision or the Office of Thrift Supervision, in connection with any function of the Director of the Office of Thrift Supervision or the Office of Thrift Supervision transferred

under section 312(b) or any other provision of this subtitle, shall be deemed to be a reference to the Comptroller of the Currency, the Office of the Comptroller of the Currency, the Chairperson of the Corporation, the Corporation, the Chairman of the Board of Governors, or the Board of Governors, as appropriate and consistent with the amendments made in subtitle E.

SEC. 318. FUNDING.

(a) COMPENSATION OF EXAMINERS.—Section 5240 of the Revised Statutes of the United States (12 U.S.C. 481 et seq.) is amended—

(1) in the second undesignated paragraph (12 U.S.C. 481), in the fourth sentence, by striking “without regard to the provisions of other laws applicable to officers or employees of the United States” and inserting the following: “set and adjusted subject to chapter 71 of title 5, United States Code, and without regard to the provisions of other laws applicable to officers or employees of the United States”; and

(2) in the third undesignated paragraph (12 U.S.C. 482), in the first sentence, by striking “shall fix” and inserting “shall, subject to chapter 71 of title 5, United States Code, fix”.

(b) FUNDING OF OFFICE OF THE COMPTROLLER OF THE CURRENCY.—Chapter 4 of title LXII of the Revised Statutes is amended by inserting after section 5240 (12 U.S.C. 481, 482) the following:

“SEC. 5240A. The Comptroller of the Currency may collect an assessment, fee, or other charge from any entity described in section 3(q)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)(1)), as the Comptroller determines is necessary or appropriate to carry out the responsibilities of the Office of the Comptroller of the Currency. In establishing the amount of an assessment, fee, or charge collected from an entity under this section, the Comptroller of the Currency may take into account the nature and scope of the activities of the entity, the amount and type of assets that the entity holds, the financial and managerial condition of the entity, and any other factor, as the Comptroller of the Currency determines is appropriate. Funds derived from any assessment, fee, or charge collected or payment made pursuant to this section may be deposited by the Comptroller of the Currency in accordance with the provisions of section 5234. Such funds shall not be construed to be Government funds or appropriated monies, and shall not be subject to apportionment for purposes of chapter 15 of title 31, United States Code, or any other provision of law. The authority of the Comptroller of the Currency under this section shall be in addition to the authority under section 5240.

“The Comptroller of the Currency shall have sole authority to determine the manner in which the obligations of the Office of the Comptroller of the Currency shall be incurred and its disbursements and expenses allowed and paid, in accordance with this section, except as provided in chapter 71 of title 5, United States Code (with respect to compensation).”.

(c) FUNDING OF BOARD OF GOVERNORS.—Section 11 of the Federal Reserve Act (12 U.S.C. 248) is amended by adding at the end the following:

“(s) ASSESSMENTS, FEES, AND OTHER CHARGES FOR CERTAIN COMPANIES.—

“(1) IN GENERAL.—The Board shall collect a total amount of assessments, fees, or other charges from the companies described in paragraph (2) that is equal to the total expenses the Board estimates are necessary or appropriate to carry out the supervisory and regulatory responsibilities of the Board with respect to such companies.

“(2) COMPANIES.—The companies described in this paragraph are—

“(A) all bank holding companies having total consolidated assets of \$50,000,000,000 or more;

“(B) all savings and loan holding companies having total consolidated assets of \$50,000,000,000 or more; and

“(C) all nonbank financial companies supervised by the Board under section 113 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.”.

(d) CORPORATION EXAMINATION FEES.—Section 10(e) of the Federal Deposit Insurance Act (12 U.S.C. 1820(e)) is amended by striking paragraph (1) and inserting the following:

“(1) REGULAR AND SPECIAL EXAMINATIONS OF DEPOSITORY INSTITUTIONS.—The cost of conducting any regular examination or special examination of any depository institution under subsection (b)(2), (b)(3), or (d) or of any entity described in section 3(q)(2) may be assessed by the Corporation against the institution or entity to meet the expenses of the Corporation in carrying out such examinations.”.

(e) EFFECTIVE DATE.—This section, and the amendments made by this section, shall take effect on the transfer date.

SEC. 319. CONTRACTING AND LEASING AUTHORITY.

Notwithstanding the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.) or any other provision of law (except the full and open competition requirements of the Competition in Contracting Act), the Office of the Comptroller of the Currency may—

(1) enter into and perform contracts, execute instruments, and acquire real property (or property interest) as the Comptroller deems necessary to carry out the duties and responsibilities of the Office of the Comptroller of the Currency; and

(2) hold, maintain, sell, lease, or otherwise dispose of the property (or property interest) acquired under paragraph (1).

Subtitle B—Transitional Provisions

SEC. 321. INTERIM USE OF FUNDS, PERSONNEL, AND PROPERTY OF THE OFFICE OF THRIFT SUPERVISION.

(a) IN GENERAL.—Before the transfer date, the Office of the Comptroller of the Currency, the Corporation, and the Board of Governors shall—

(1) consult and cooperate with the Office of Thrift Supervision to facilitate the orderly transfer of functions to the Office of the Comptroller of the Currency, the Corporation, and the Board of Governors in accordance with this title;

(2) determine jointly, from time to time—

(A) the amount of funds necessary to pay any expenses associated with the transfer of functions (including expenses for personnel, property, and administrative services) during the period beginning on the date of enactment of this Act and ending on the transfer date;

(B) which personnel are appropriate to facilitate the orderly transfer of functions by this title; and

(C) what property and administrative services are necessary to support the Office of the Comptroller of the Currency, the Corporation, and the Board of Governors during the period beginning on the date of enactment of this Act and ending on the transfer date; and

(3) take such actions as may be necessary to provide for the orderly implementation of this title.

(b) AGENCY CONSULTATION.—When requested jointly by the Office of the Comptroller of the Currency, the Corporation, and the Board of Governors to do so before the transfer date, the Office of Thrift Supervision shall—

(1) pay to the Office of the Comptroller of the Currency, the Corporation, or the Board of Governors, as applicable, from funds obtained by the Office of Thrift Supervision through assessments, fees, or other charges that the Office of Thrift Supervision is authorized by law to impose, such amounts as the Office of the Comptroller of the Currency, the Corporation, and

the Board of Governors jointly determine to be necessary under subsection (a);

(2) detail to the Office of the Comptroller of the Currency, the Corporation, or the Board of Governors, as applicable, such personnel as the Office of the Comptroller of the Currency, the Corporation, and the Board of Governors jointly determine to be appropriate under subsection (a); and

(3) make available to the Office of the Comptroller of the Currency, the Corporation, or the Board of Governors, as applicable, such property and provide to the Office of the Comptroller of the Currency, the Corporation, or the Board of Governors, as applicable, such administrative services as the Office of the Comptroller of the Currency, the Corporation, and the Board of Governors jointly determine to be necessary under subsection (b).

(c) **NOTICE REQUIRED.**—The Office of the Comptroller of the Currency, the Corporation, and the Board of Governors shall jointly give the Office of Thrift Supervision reasonable prior notice of any request that the Office of the Comptroller of the Currency, the Corporation, and the Board of Governors jointly intend to make under subsection (b).

SEC. 322. TRANSFER OF EMPLOYEES.

(a) **IN GENERAL.**—

(1) **OFFICE OF THRIFT SUPERVISION EMPLOYEES.**—

(A) **IN GENERAL.**—Except as provided in section 1064, all employees of the Office of Thrift Supervision shall be transferred to the Office of the Comptroller of the Currency or the Corporation for employment in accordance with this section.

(B) **ALLOCATING EMPLOYEES FOR TRANSFER TO RECEIVING AGENCIES.**—The Director of the Office of Thrift Supervision, the Comptroller of the Currency, and the Chairperson of the Corporation shall—

(i) jointly determine the number of employees of the Office of Thrift Supervision necessary to perform or support the functions that are transferred to the Office of the Comptroller of the Currency or the Corporation by this title; and

(ii) consistent with the determination under clause (i), jointly identify employees of the Office of Thrift Supervision for transfer to the Office of the Comptroller of the Currency or the Corporation.

(2) **EMPLOYEES TRANSFERRED; SERVICE PERIODS CREDITED.**—For purposes of this section, periods of service with a Federal home loan bank, a joint office of Federal home loan banks, or a Federal reserve bank shall be credited as periods of service with a Federal agency.

(3) **APPOINTMENT AUTHORITY FOR EXCEPTED SERVICE TRANSFERRED.**—

(A) **IN GENERAL.**—Except as provided in subparagraph (B), any appointment authority of the Office of Thrift Supervision under Federal law that relates to the functions transferred under section 312, including the regulations of the Office of Personnel Management, for filling the positions of employees in the excepted service shall be transferred to the Comptroller of the Currency or the Chairperson of the Corporation, as appropriate.

(B) **DECLINING TRANSFERS ALLOWED.**—The Comptroller of the Currency or the Chairperson of the Corporation may decline to accept a transfer of authority under subparagraph (A) (and the employees appointed under that authority) to the extent that such authority relates to positions excepted from the competitive service because of their confidential, policy-making, policy-determining, or policy-advocating character.

(4) **ADDITIONAL APPOINTMENT AUTHORITY.**—Notwithstanding any other provision of law, the Office of the Comptroller of the Currency and the Corporation may appoint transferred em-

ployees to positions in the Office of the Comptroller of the Currency or the Corporation, respectively.

(b) **TIMING OF TRANSFERS AND POSITION ASSIGNMENTS.**—Each employee to be transferred under subsection (a)(1) shall—

(1) be transferred not later than 90 days after the transfer date; and

(2) receive notice of the position assignment of the employee not later than 120 days after the effective date of the transfer of the employee.

(c) **TRANSFER OF FUNCTIONS.**—

(1) **IN GENERAL.**—Notwithstanding any other provision of law, the transfer of employees under this subtitle shall be deemed a transfer of functions for the purpose of section 3503 of title 5, United States Code.

(2) **PRIORITY.**—If any provision of this subtitle conflicts with any protection provided to a transferred employee under section 3503 of title 5, United States Code, the provisions of this subtitle shall control.

(d) **EMPLOYEE STATUS AND ELIGIBILITY.**—The transfer of functions and employees under this subtitle, and the abolishment of the Office of Thrift Supervision under section 313, shall not affect the status of the transferred employees as employees of an agency of the United States under any provision of law.

(e) **EQUAL STATUS AND TENURE POSITIONS.**—

(1) **STATUS AND TENURE.**—Each transferred employee from the Office of Thrift Supervision shall be placed in a position at the Office of the Comptroller of the Currency or the Corporation with the same status and tenure as the transferred employee held on the day before the date on which the employee was transferred.

(2) **FUNCTIONS.**—To the extent practicable, each transferred employee shall be placed in a position at the Office of the Comptroller of the Currency or the Corporation, as applicable, responsible for the same functions and duties as the transferred employee had on the day before the date on which the employee was transferred, in accordance with the expertise and preferences of the transferred employee.

(f) **NO ADDITIONAL CERTIFICATION REQUIREMENTS.**—An examiner who is a transferred employee shall not be subject to any additional certification requirements before being placed in a comparable position at the Office of the Comptroller of the Currency or the Corporation, if the examiner carries out examinations of the same type of institutions as an employee of the Office of the Comptroller of the Currency or the Corporation as the employee was responsible for carrying out before the date on which the employee was transferred.

(g) **PERSONNEL ACTIONS LIMITED.**—

(1) **PROTECTION.**—

(A) **IN GENERAL.**—Except as provided in paragraph (2), each affected employee shall not, during the 30-month period beginning on the transfer date, be involuntarily separated, or involuntarily reassigned outside his or her locality pay area.

(B) **AFFECTED EMPLOYEES.**—For purposes of this paragraph, the term “affected employee” means—

(i) an employee transferred from the Office of Thrift Supervision holding a permanent position on the day before the transfer date; and

(ii) an employee of the Office of the Comptroller of the Currency or the Corporation holding a permanent position on the day before the transfer date.

(2) **EXCEPTIONS.**—Paragraph (1) does not limit the right of the Office of the Comptroller of the Currency or the Corporation to—

(A) separate an employee for cause or for unacceptable performance;

(B) terminate an appointment to a position excepted from the competitive service because of its confidential policy-making, policy-determining, or policy-advocating character; or

(C) reassign an employee outside such employee's locality pay area when the Office of the Comptroller of the Currency or the Corporation determines that the reassignment is necessary for the efficient operation of the agency.

(h) **PAY.**—

(1) **30-MONTH PROTECTION.**—Except as provided in paragraph (2), during the 30-month period beginning on the date on which the employee was transferred under this subtitle, a transferred employee shall be paid at a rate that is not less than the basic rate of pay, including any geographic differential, that the transferred employee received during the pay period immediately preceding the date on which the employee was transferred. Notwithstanding the preceding sentence, if the employee was receiving a higher rate of basic pay on a temporary basis (because of a temporary assignment, temporary promotion, or other temporary action) immediately before the transfer, the Agency may reduce the rate of basic pay on the date the rate would have been reduced but for the transfer, and the protected rate for the remainder of the 30-month period will be the reduced rate that would have applied but for the transfer.

(2) **EXCEPTIONS.**—The Comptroller of the Currency or the Corporation may reduce the rate of basic pay of a transferred employee—

(A) for cause, including for unacceptable performance; or

(B) with the consent of the transferred employee.

(3) **PROTECTION ONLY WHILE EMPLOYED.**—This subsection shall apply to a transferred employee only during the period that the transferred employee remains employed by Office of the Comptroller of the Currency or the Corporation.

(4) **PAY INCREASES PERMITTED.**—Nothing in this subsection shall limit the authority of the Comptroller of the Currency or the Chairperson of the Corporation to increase the pay of a transferred employee.

(i) **BENEFITS.**—

(1) **RETIREMENT BENEFITS FOR TRANSFERRED EMPLOYEES.**—

(A) **IN GENERAL.**—

(i) **CONTINUATION OF EXISTING RETIREMENT PLAN.**—Each transferred employee shall remain enrolled in the retirement plan of the transferred employee, for as long as the transferred employee is employed by the Office of the Comptroller of the Currency or the Corporation.

(ii) **EMPLOYER'S CONTRIBUTION.**—The Comptroller of the Currency or the Chairperson of the Corporation, as appropriate, shall pay any employer contributions to the existing retirement plan of each transferred employee, as required under each such existing retirement plan.

(B) **DEFINITION.**—In this paragraph, the term “existing retirement plan” means, with respect to a transferred employee, the retirement plan (including the Financial Institutions Retirement Fund), and any associated thrift savings plan, of the agency from which the employee was transferred in which the employee was enrolled on the day before the date on which the employee was transferred.

(2) **BENEFITS OTHER THAN RETIREMENT BENEFITS.**—

(A) **DURING FIRST YEAR.**—

(i) **EXISTING PLANS CONTINUE.**—During the 1-year period following the transfer date, each transferred employee may retain membership in any employee benefit program (other than a retirement benefit program) of the agency from which the employee was transferred under this title, including any dental, vision, long term care, or life insurance program to which the employee belonged on the day before the transfer date.

(ii) **EMPLOYER'S CONTRIBUTION.**—The Office of the Comptroller of the Currency or the Corporation, as appropriate, shall pay any employer

cost required to extend coverage in the benefit program to the transferred employee as required under that program or negotiated agreements.

(B) DENTAL, VISION, OR LIFE INSURANCE AFTER FIRST YEAR.—If, after the 1-year period beginning on the transfer date, the Office of the Comptroller of the Currency or the Corporation determines that the Office of the Comptroller of the Currency or the Corporation, as the case may be, will not continue to participate in any dental, vision, or life insurance program of an agency from which an employee was transferred, a transferred employee who is a member of the program may, before the decision takes effect and without regard to any regularly scheduled open season, elect to enroll in—

(i) the enhanced dental benefits program established under chapter 89A of title 5, United States Code;

(ii) the enhanced vision benefits established under chapter 89B of title 5, United States Code; and

(iii) the Federal Employees' Group Life Insurance Program established under chapter 87 of title 5, United States Code, without regard to any requirement of insurability.

(C) LONG TERM CARE INSURANCE AFTER 1ST YEAR.—If, after the 1-year period beginning on the transfer date, the Office of the Comptroller of the Currency or the Corporation determines that the Office of the Comptroller of the Currency or the Corporation, as appropriate, will not continue to participate in any long term care insurance program of an agency from which an employee transferred, a transferred employee who is a member of such a program may, before the decision takes effect, elect to apply for coverage under the Federal Long Term Care Insurance Program established under chapter 90 of title 5, United States Code, under the underwriting requirements applicable to a new active workforce member, as described in part 875 of title 5, Code of Federal Regulations (or any successor thereto).

(D) CONTRIBUTION OF TRANSFERRED EMPLOYEE.—

(i) IN GENERAL.—Subject to clause (ii), a transferred employee who is enrolled in a plan under the Federal Employees Health Benefits Program shall pay any employee contribution required under the plan.

(ii) COST DIFFERENTIAL.—The Office of the Comptroller of the Currency or the Corporation, as applicable, shall pay any difference in cost between the employee contribution required under the plan provided to transferred employees by the agency from which the employee transferred on the date of enactment of this Act and the plan provided by the Office of the Comptroller of the Currency or the Corporation, as the case may be, under this section.

(iii) FUNDS TRANSFER.—The Office of the Comptroller of the Currency or the Corporation, as the case may be, shall transfer to the Employees Health Benefits Fund established under section 8909 of title 5, United States Code, an amount determined by the Director of the Office of Personnel Management, after consultation with the Comptroller of the Currency or the Chairperson of the Corporation, as the case may be, and the Office of Management and Budget, to be necessary to reimburse the Fund for the cost to the Fund of providing any benefits under this subparagraph that are not otherwise paid for by a transferred employee under clause (i).

(E) SPECIAL PROVISIONS TO ENSURE CONTINUATION OF LIFE INSURANCE BENEFITS.—

(i) IN GENERAL.—An annuitant, as defined in section 8901 of title 5, United States Code, who is enrolled in a life insurance plan administered by an agency from which employees are transferred under this title on the day before the transfer date shall be eligible for coverage by a life insurance plan under sections 8706(b), 8714a,

8714b, or 8714c of title 5, United States Code, or by a life insurance plan established by the Office of the Comptroller of the Currency or the Corporation, as applicable, without regard to any regularly scheduled open season or any requirement of insurability.

(ii) CONTRIBUTION OF TRANSFERRED EMPLOYEE.—

(I) IN GENERAL.—Subject to subclause (II), a transferred employee enrolled in a life insurance plan under this subparagraph shall pay any employee contribution required by the plan.

(II) COST DIFFERENTIAL.—The Office of the Comptroller of the Currency or the Corporation, as the case may be, shall pay any difference in cost between the benefits provided by the agency from which the employee transferred on the date of enactment of this Act and the benefits provided under this section.

(III) FUNDS TRANSFER.—The Office of the Comptroller of the Currency or the Corporation, as the case may be, shall transfer to the Federal Employees' Group Life Insurance Fund established under section 8714 of title 5, United States Code, an amount determined by the Director of the Office of Personnel Management, after consultation with the Comptroller of the Currency or the Chairperson of the Corporation, as the case may be, and the Office of Management and Budget, to be necessary to reimburse the Federal Employees' Group Life Insurance Fund for the cost to the Federal Employees' Group Life Insurance Fund of providing benefits under this subparagraph not otherwise paid for by a transferred employee under subclause (I).

(IV) CREDIT FOR TIME ENROLLED IN OTHER PLANS.—For any transferred employee, enrollment in a life insurance plan administered by the agency from which the employee transferred, immediately before enrollment in a life insurance plan under chapter 87 of title 5, United States Code, shall be considered as enrollment in a life insurance plan under that chapter for purposes of section 8706(b)(1)(A) of title 5, United States Code.

(j) INCORPORATION INTO AGENCY PAY SYSTEM.—Not later than 30 months after the transfer date, the Comptroller of the Currency and the Chairperson of the Corporation shall place each transferred employee into the established pay system and structure of the appropriate employing agency.

(k) EQUITABLE TREATMENT.—In administering the provisions of this section, the Comptroller of the Currency and the Chairperson of the Corporation—

(1) may not take any action that would unfairly disadvantage a transferred employee relative to any other employee of the Office of the Comptroller of the Currency or the Corporation on the basis of prior employment by the Office of Thrift Supervision;

(2) may take such action as is appropriate in an individual case to ensure that a transferred employee receives equitable treatment, with respect to the status, tenure, pay, benefits (other than benefits under programs administered by the Office of Personnel Management), and accrued leave or vacation time for prior periods of service with any Federal agency of the transferred employee;

(3) shall, jointly with the Director of the Office of Thrift Supervision, develop and adopt procedures and safeguards designed to ensure that the requirements of this subsection are met; and

(4) shall conduct a study detailing the position assignments of all employees transferred pursuant to subsection (a), describing the procedures and safeguards adopted pursuant to paragraph (3), and demonstrating that the requirements of this subsection have been met; and shall, not later than 365 days after the transfer date, submit a copy of such study to Congress.

(l) REORGANIZATION.—

(I) IN GENERAL.—If the Comptroller of the Currency or the Chairperson of the Corporation determines, during the 2-year period beginning 1 year after the transfer date, that a reorganization of the staff of the Office of the Comptroller of the Currency or the Corporation, respectively, is required, the reorganization shall be deemed a "major reorganization" for purposes of affording affected employees retirement under section 8336(d)(2) or 8414(b)(1)(B) of title 5, United States Code.

(2) SERVICE CREDIT.—For purposes of this subsection, periods of service with a Federal home loan bank or a joint office of Federal home loan banks shall be credited as periods of service with a Federal agency.

SEC. 323. PROPERTY TRANSFERRED.

(a) PROPERTY DEFINED.—For purposes of this section, the term "property" includes all real property (including leaseholds) and all personal property, including computers, furniture, fixtures, equipment, books, accounts, records, reports, files, memoranda, paper, reports of examination, work papers, and correspondence related to such reports, and any other information or materials.

(b) PROPERTY OF THE OFFICE OF THRIFT SUPERVISION.—

(1) IN GENERAL.—No later than 90 days after the transfer date, all property of the Office of Thrift Supervision (other than property described under paragraph (b)(2)) that the Comptroller of the Currency and the Chairperson of the Corporation jointly determine is used, on the day before the transfer date, to perform or support the functions of the Office of Thrift Supervision transferred to the Office of the Comptroller of the Currency or the Corporation under this title, shall be transferred to the Office of the Comptroller of the Currency or the Corporation in a manner consistent with the transfer of employees under this subtitle.

(2) PERSONAL PROPERTY.—All books, accounts, records, reports, files, memoranda, papers, documents, reports of examination, work papers, and correspondence of the Office of Thrift Supervision that the Comptroller of the Currency, the Chairperson of the Corporation, and the Chairman of the Board of Governors jointly determine is used, on the day before the transfer date, to perform or support the functions of the Office of Thrift Supervision transferred to the Board of Governors under this title shall be transferred to the Board of Governors in a manner consistent with the purposes of this title.

(c) CONTRACTS RELATED TO PROPERTY TRANSFERRED.—Each contract, agreement, lease, license, permit, and similar arrangement relating to property transferred to the Office of the Comptroller of the Currency or the Corporation by this section shall be transferred to the Office of the Comptroller of the Currency or the Corporation, as appropriate, together with the property to which it relates.

(d) PRESERVATION OF PROPERTY.—Property identified for transfer under this section shall not be altered, destroyed, or deleted before transfer under this section.

SEC. 324. FUNDS TRANSFERRED.

The funds that, on the day before the transfer date, the Director of the Office of Thrift Supervision (in consultation with the Comptroller of the Currency, the Chairperson of the Corporation, and the Chairman of the Board of Governors) determines are not necessary to dispose of the affairs of the Office of Thrift Supervision under section 325 and are available to the Office of Thrift Supervision to pay the expenses of the Office of Thrift Supervision—

(1) relating to the functions of the Office of Thrift Supervision transferred under section 312(b)(2)(B), shall be transferred to the Office of the Comptroller of the Currency on the transfer date;

(2) relating to the functions of the Office of Thrift Supervision transferred under section 312(b)(2)(C), shall be transferred to the Corporation on the transfer date; and

(3) relating to the functions of the Office of Thrift Supervision transferred under section 312(b)(1)(A), shall be transferred to the Board of Governors on the transfer date.

SEC. 325. DISPOSITION OF AFFAIRS.

(a) **AUTHORITY OF DIRECTOR.**—During the 90-day period beginning on the transfer date, the Director of the Office of Thrift Supervision—

(1) shall, solely for the purpose of winding up the affairs of the Office of Thrift Supervision relating to any function transferred to the Office of the Comptroller of the Currency, the Corporation, or the Board of Governors under this title—

(A) manage the employees of the Office of Thrift Supervision who have not yet been transferred and provide for the payment of the compensation and benefits of the employees that accrue before the date on which the employees are transferred under this title; and

(B) manage any property of the Office of Thrift Supervision, until the date on which the property is transferred under section 323; and

(2) may take any other action necessary to wind up the affairs of the Office of Thrift Supervision.

(b) **STATUS OF DIRECTOR.**—

(1) **IN GENERAL.**—Notwithstanding the transfer of functions under this subtitle, during the 90-day period beginning on the transfer date, the Director of the Office of Thrift Supervision shall retain and may exercise any authority vested in the Director of the Office of Thrift Supervision on the day before the transfer date, only to the extent necessary—

(A) to wind up the Office of Thrift Supervision; and

(B) to carry out the transfer under this subtitle during such 90-day period.

(2) **OTHER PROVISIONS.**—For purposes of paragraph (1), the Director of the Office of Thrift Supervision shall, during the 90-day period beginning on the transfer date, continue to be—

(A) treated as an officer of the United States; and

(B) entitled to receive compensation at the same annual rate of basic pay that the Director of the Office of Thrift Supervision received on the day before the transfer date.

SEC. 326. CONTINUATION OF SERVICES.

Any agency, department, or other instrumentality of the United States, and any successor to any such agency, department, or instrumentality, that was, before the transfer date, providing support services to the Office of Thrift Supervision in connection with functions transferred to the Office of the Comptroller of the Currency, the Corporation or the Board of Governors under this title, shall—

(1) continue to provide such services, subject to reimbursement by the Office of the Comptroller of the Currency, the Corporation, or the Board of Governors, until the transfer of functions under this title is complete; and

(2) consult with the Comptroller of the Currency, the Chairperson of the Corporation, or the Chairman of the Board of Governors, as appropriate, to coordinate and facilitate a prompt and orderly transition.

SEC. 327. IMPLEMENTATION PLAN AND REPORTS.

(a) **PLAN SUBMISSION.**—Within 180 days of the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Board of Governors, the Corporation, the Office of the Comptroller of the Currency, and the Office of Thrift Supervision, shall jointly submit a plan to the Committee on Banking, Housing, and Urban Affairs of the Senate, the Committee on Financial Services of the House of Representatives, and the Inspectors General of the Depart-

ment of the Treasury, the Corporation, and the Board of Governors detailing the steps the Board of Governors, the Corporation, the Office of the Comptroller of the Currency, and the Office of Thrift Supervision will take to implement the provisions of sections 301 through 326, and the provisions of the amendments made by such sections.

(b) **INSPECTORS GENERAL REVIEW OF THE PLAN.**—Within 60 days of receiving the plan required under subsection (a), the Inspectors General of the Department of the Treasury, the Corporation, and the Board of Governors shall jointly provide a written report to the Board of Governors, the Corporation, the Office of the Comptroller of the Currency, and the Office of Thrift Supervision and shall submit a copy to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives detailing whether the plan conforms with the provisions of sections 301 through 326, and the provisions of the amendments made by such sections, including—

(1) whether the plan sufficiently takes into consideration the orderly transfer of personnel;

(2) whether the plan describes procedures and safeguards to ensure that the Office of Thrift Supervision employees are not unfairly disadvantaged relative to employees of the Office of the Comptroller of the Currency and the Corporation;

(3) whether the plan sufficiently takes into consideration the orderly transfer of authority and responsibilities;

(4) whether the plan sufficiently takes into consideration the effective transfer of funds;

(5) whether the plan sufficiently takes into consideration the orderly transfer of property; and

(6) any additional recommendations for an orderly and effective process.

(c) **IMPLEMENTATION REPORTS.**—Not later than 6 months after the date on which the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives receives the report required under subsection (b), and every 6 months thereafter until all aspects of the plan have been implemented, the Inspectors General of the Department of the Treasury, the Corporation, and the Board of Governors shall jointly provide a written report on the status of the implementation of the plan to the Board of Governors, the Corporation, the Office of the Comptroller of the Currency, and the Office of Thrift Supervision and shall submit a copy to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives.

Subtitle C—Federal Deposit Insurance Corporation

SEC. 331. DEPOSIT INSURANCE REFORMS.

(a) **SIZE DISTINCTIONS.**—Section 7(b)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(2)) is amended—

(1) by striking subparagraph (D); and

(2) by redesignating subparagraph (C) as subparagraph (D).

(b) **ASSESSMENT BASE.**—The Corporation shall amend the regulations issued by the Corporation under section 7(b)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(2)) to define the term “assessment base” with respect to an insured depository institution for purposes of that section 7(b)(2), as an amount equal to—

(1) the average consolidated total assets of the insured depository institution during the assessment period; minus

(2) the sum of—

(A) the average tangible equity of the insured depository institution during the assessment period; and

(B) in the case of an insured depository institution that is a custodial bank (as defined by

the Corporation, based on factors including the percentage of total revenues generated by custodial businesses and the level of assets under custody) or a banker's bank (as that term is used in section 5136 of the Revised Statutes (12 U.S.C. 24)), an amount that the Corporation determines is necessary to establish assessments consistent with the definition under section 7(b)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(1)) for a custodial bank or a banker's bank.

SEC. 332. ELIMINATION OF PROCYCLICAL ASSESSMENTS.

Section 7(e) of the Federal Deposit Insurance Act is amended—

(1) in paragraph (2)—

(A) by amending subparagraph (B) to read as follows:

“(B) **LIMITATION.**—The Board of Directors may, in its sole discretion, suspend or limit the declaration of payment of dividends under subparagraph (A).”;

(B) by amending subparagraph (C) to read as follows:

“(C) **NOTICE AND OPPORTUNITY FOR COMMENT.**—The Corporation shall prescribe, by regulation, after notice and opportunity for comment, the method for the declaration, calculation, distribution, and payment of dividends under this paragraph”; and

(C) by striking subparagraphs (D) through (G); and

(2) in paragraph (4)(A) by striking “paragraphs (2)(D) and” and inserting “paragraphs (2) and”.

SEC. 333. ENHANCED ACCESS TO INFORMATION FOR DEPOSIT INSURANCE PURPOSES.

(a) Section 7(a)(2)(B) of the Federal Deposit Insurance Act is amended by striking “agreement” and inserting “consultation”.

(b) Section 7(b)(1)(E) of the Federal Deposit Insurance Act is amended—

(1) in clause (i), by striking “such as” and inserting “including”; and

(2) in clause (iii), by striking “Corporation” and inserting “Corporation, except as provided in section 7(a)(2)(B)”.

SEC. 334. TRANSITION RESERVE RATIO REQUIREMENTS TO REFLECT NEW ASSESSMENT BASE.

(a) Section 7(b)(3)(B) of the Federal Deposit Insurance Act is amended to read as follows:

“(B) **MINIMUM RESERVE RATIO.**—The reserve ratio designated by the Board of Directors for any year may not be less than 1.35 percent of estimated insured deposits, or the comparable percentage of the assessment base set forth in paragraph (2)(C).”.

(b) Section 3(y)(3) of the Federal Deposit Insurance Act is amended by inserting “, or such comparable percentage of the assessment base set forth in section 7(b)(2)(C)” before the period.

(c) For a period of not less than 5 years after the date of the enactment of this title, the Federal Deposit Insurance Corporation shall make available to the public the reserve ratio and the designated reserve ratio using both estimated insured deposits and the assessment base under section 7(b)(2)(C) of the Federal Deposit Insurance Act.

(d) **RESERVE RATIO.**—Notwithstanding the timing requirements of section 7(b)(3)(E)(ii) of the Federal Deposit Insurance Act, the Corporation shall take such steps as may be necessary for the reserve ratio of the Deposit Insurance Fund to reach 1.35 percent of estimated insured deposits by September 30, 2020.

(e) **OFFSET.**—In setting the assessments necessary to meet the requirements of subsection (d), the Corporation shall offset the effect of subsection (d) on insured depository institutions with total consolidated assets of less than \$10,000,000,000.

SEC. 335. PERMANENT INCREASE IN DEPOSIT AND SHARE INSURANCE.

(a) **PERMANENT INCREASE IN DEPOSIT INSURANCE.**—Section 11(a)(1)(E) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(1)(E)) is amended—

(1) by striking “\$100,000” and inserting “\$250,000”; and

(2) by adding at the end the following new sentences: “Notwithstanding any other provision of law, the increase in the standard maximum deposit insurance amount to \$250,000 shall apply to depositors in any institution for which the Corporation was appointed as receiver or conservator on or after January 1, 2008, and before October 3, 2008. The Corporation shall take such actions as are necessary to carry out the requirements of this section with respect to such depositors, without regard to any time limitations under this Act. In implementing this and the preceding 2 sentences, any payment on a deposit claim made by the Corporation as receiver or conservator to a depositor above the standard maximum deposit insurance amount in effect at the time of the appointment of the Corporation as receiver or conservator shall be deemed to be part of the net amount due to the depositor under subparagraph (B).”

(b) **PERMANENT INCREASE IN SHARE INSURANCE.**—Section 207(k)(5) of the Federal Credit Union Act (12 U.S.C. 1787(k)(5)) is amended by striking “\$100,000” and inserting “\$250,000”.

SEC. 336. MANAGEMENT OF THE FEDERAL DEPOSIT INSURANCE CORPORATION.

(a) **IN GENERAL.**—Section 2 of the Federal Deposit Insurance Act (12 U.S.C. 1812) is amended—

(1) in subsection (a)(1)(B), by striking “Director of the Office of Thrift Supervision” and inserting “Director of the Consumer Financial Protection Bureau”; and

(2) by amending subsection (d)(2) to read as follows:

“(2) **ACTING OFFICIALS MAY SERVE.**—In the event of a vacancy in the office of the Comptroller of the Currency or the office of Director of the Consumer Financial Protection Bureau and pending the appointment of a successor, or during the absence or disability of the Comptroller of the Currency or the Director of the Consumer Financial Protection Bureau, the acting Comptroller of the Currency or the acting Director of the Consumer Financial Protection Bureau, as the case may be, shall be a member of the Board of Directors in the place of the Comptroller or Director.”; and

(3) in subsection (f)(2), by striking “Office of Thrift Supervision” and inserting “Consumer Financial Protection Bureau”.

(b) **EFFECTIVE DATE.**—This section, and the amendments made by this section, shall take effect on the transfer date.

Subtitle D—Other Matters**SEC. 341. BRANCHING.**

Notwithstanding the Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.), the Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.), or any other provision of Federal or State law, a savings association that becomes a bank may—

(1) continue to operate any branch or agency that the savings association operated immediately before the savings association became a bank; and

(2) establish, acquire, and operate additional branches and agencies at any location within any State in which the savings association operated a branch immediately before the savings association became a bank, if the law of the State in which the branch is located, or is to be located, would permit establishment of the branch if the bank were a State bank chartered by such State.

SEC. 342. OFFICE OF MINORITY AND WOMEN INCLUSION.

(a) **OFFICE OF MINORITY AND WOMEN INCLUSION.**—

(1) **ESTABLISHMENT.**—

(A) **IN GENERAL.**—Except as provided in subparagraph (B), not later than 6 months after the date of enactment of this Act, each agency shall establish an Office of Minority and Women Inclusion that shall be responsible for all matters of the agency relating to diversity in management, employment, and business activities.

(B) **BUREAU.**—The Bureau shall establish an Office of Minority and Women Inclusion not later than 6 months after the designated transfer date established under section 1062.

(2) **TRANSFER OF RESPONSIBILITIES.**—Each agency that, on the day before the date of enactment of this Act, assigned the responsibilities described in paragraph (1) (or comparable responsibilities) to another office of the agency shall ensure that such responsibilities are transferred to the Office.

(3) **DUTIES WITH RESPECT TO CIVIL RIGHTS LAWS.**—The responsibilities described in paragraph (1) do not include enforcement of statutes, regulations, or executive orders pertaining to civil rights, except each Director shall coordinate with the agency administrator, or the designee of the agency administrator, regarding the design and implementation of any remedies resulting from violations of such statutes, regulations, or executive orders.

(b) **DIRECTOR.**—

(1) **IN GENERAL.**—The Director of each Office shall be appointed by, and shall report to, the agency administrator. The position of Director shall be a career reserved position in the Senior Executive Service, as that position is defined in section 3132 of title 5, United States Code, or an equivalent designation.

(2) **DUTIES.**—Each Director shall develop standards for—

(A) equal employment opportunity and the racial, ethnic, and gender diversity of the workforce and senior management of the agency;

(B) increased participation of minority-owned and women-owned businesses in the programs and contracts of the agency, including standards for coordinating technical assistance to such businesses; and

(C) assessing the diversity policies and practices of entities regulated by the agency.

(3) **OTHER DUTIES.**—Each Director shall advise the agency administrator on the impact of the policies and regulations of the agency on minority-owned and women-owned businesses.

(4) **RULE OF CONSTRUCTION.**—Nothing in paragraph (2)(C) may be construed to mandate any requirement on or otherwise affect the lending policies and practices of any regulated entity, or to require any specific action based on the findings of the assessment.

(c) **INCLUSION IN ALL LEVELS OF BUSINESS ACTIVITIES.**—

(1) **IN GENERAL.**—The Director of each Office shall develop and implement standards and procedures to ensure, to the maximum extent possible, the fair inclusion and utilization of minorities, women, and minority-owned and women-owned businesses in all business and activities of the agency at all levels, including in procurement, insurance, and all types of contracts.

(2) **CONTRACTS.**—The procedures established by each agency for review and evaluation of contract proposals and for hiring service providers shall include, to the extent consistent with applicable law, a component that gives consideration to the diversity of the applicant. Such procedure shall include a written statement, in a form and with such content as the Director shall prescribe, that a contractor shall ensure, to the maximum extent possible, the fair inclusion of women and minorities in the work-

force of the contractor and, as applicable, subcontractors.

(3) **TERMINATION.**—

(A) **DETERMINATION.**—The standards and procedures developed and implemented under this subsection shall include a procedure for the Director to make a determination whether an agency contractor, and, as applicable, a subcontractor has failed to make a good faith effort to include minorities and women in their workforce.

(B) **EFFECT OF DETERMINATION.**—

(i) **RECOMMENDATION TO AGENCY ADMINISTRATOR.**—Upon a determination described in subparagraph (A), the Director shall make a recommendation to the agency administrator that the contract be terminated.

(ii) **ACTION BY AGENCY ADMINISTRATOR.**—Upon receipt of a recommendation under clause (i), the agency administrator may—

(I) terminate the contract;

(II) make a referral to the Office of Federal Contract Compliance Programs of the Department of Labor; or

(III) take other appropriate action.

(d) **APPLICABILITY.**—This section shall apply to all contracts of an agency for services of any kind, including the services of financial institutions, investment banking firms, mortgage banking firms, asset management firms, brokers, dealers, financial services entities, underwriters, accountants, investment consultants, and providers of legal services. The contracts referred to in this subsection include all contracts for all business and activities of an agency, at all levels, including contracts for the issuance or guarantee of any debt, equity, or security, the sale of assets, the management of the assets of the agency, the making of equity investments by the agency, and the implementation by the agency of programs to address economic recovery.

(e) **REPORTS.**—Each Office shall submit to Congress an annual report regarding the actions taken by the agency and the Office pursuant to this section, which shall include—

(1) a statement of the total amounts paid by the agency to contractors since the previous report;

(2) the percentage of the amounts described in paragraph (1) that were paid to contractors described in subsection (c)(1);

(3) the successes achieved and challenges faced by the agency in operating minority and women outreach programs;

(4) the challenges the agency may face in hiring qualified minority and women employees and contracting with qualified minority-owned and women-owned businesses; and

(5) any other information, findings, conclusions, and recommendations for legislative or agency action, as the Director determines appropriate.

(f) **DIVERSITY IN AGENCY WORKFORCE.**—Each agency shall take affirmative steps to seek diversity in the workforce of the agency at all levels of the agency in a manner consistent with applicable law. Such steps shall include—

(1) recruiting at historically black colleges and universities, Hispanic-serving institutions, women's colleges, and colleges that typically serve majority minority populations;

(2) sponsoring and recruiting at job fairs in urban communities;

(3) placing employment advertisements in newspapers and magazines oriented toward minorities and women;

(4) partnering with organizations that are focused on developing opportunities for minorities and women to place talented young minorities and women in industry internships, summer employment, and full-time positions;

(5) where feasible, partnering with inner-city high schools, girls' high schools, and high schools with majority minority populations to

establish or enhance financial literacy programs and provide mentoring; and

(6) any other mass media communications that the Office determines necessary.

(g) **DEFINITIONS.**—For purposes of this section, the following definitions shall apply:

(1) **AGENCY.**—The term “agency” means—

(A) the Departmental Offices of the Department of the Treasury;

(B) the Corporation;

(C) the Federal Housing Finance Agency;

(D) each of the Federal reserve banks;

(E) the Board;

(F) the National Credit Union Administration;

(G) the Office of the Comptroller of the Currency;

(H) the Commission; and

(I) the Bureau.

(2) **AGENCY ADMINISTRATOR.**—The term “agency administrator” means the head of an agency.

(3) **MINORITY.**—The term “minority” has the same meaning as in section 1204(c) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1811 note).

(4) **MINORITY-OWNED BUSINESS.**—The term “minority-owned business” has the same meaning as in section 21A(r)(4)(A) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(r)(4)(A)), as in effect on the day before the transfer date.

(5) **OFFICE.**—The term “Office” means the Office of Minority and Women Inclusion established by an agency under subsection (a).

(6) **WOMEN-OWNED BUSINESS.**—The term “women-owned business” has the meaning given the term “women’s business” in section 21A(r)(4)(B) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(r)(4)(B)), as in effect on the day before the transfer date.

SEC. 343. INSURANCE OF TRANSACTION ACCOUNTS.

(a) **BANKS AND SAVINGS ASSOCIATIONS.**—

(1) **AMENDMENTS.**—Section 11(a)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(1)) is amended—

(A) in subparagraph (B)—

(i) by striking “The net amount” and inserting the following:

“(i) **IN GENERAL.**—Subject to clause (ii), the net amount”; and

(ii) by adding at the end the following new clauses:

“(ii) **INSURANCE FOR NONINTEREST-BEARING TRANSACTION ACCOUNTS.**—Notwithstanding clause (i), the Corporation shall fully insure the net amount that any depositor at an insured depository institution maintains in a noninterest-bearing transaction account. Such amount shall not be taken into account when computing the net amount due to such depositor under clause (i).

“(iii) **NONINTEREST-BEARING TRANSACTION ACCOUNT DEFINED.**—For purposes of this subparagraph, the term ‘noninterest-bearing transaction account’ means a deposit or account maintained at an insured depository institution—

“(I) with respect to which interest is neither accrued nor paid;

“(II) on which the depositor or account holder is permitted to make withdrawals by negotiable or transferable instrument, payment orders of withdrawal, telephone or other electronic media transfers, or other similar items for the purpose of making payments or transfers to third parties or others; and

“(III) on which the insured depository institution does not reserve the right to require advance notice of an intended withdrawal.”; and

(B) in subparagraph (C), by striking “subparagraph (B)” and inserting “subparagraph (B)(i)”.

(2) **EFFECTIVE DATE.**—The amendments made by paragraph (1) shall take effect on December 31, 2010.

(3) **PROSPECTIVE REPEAL.**—Effective January 1, 2013, section 11(a)(1) of the Federal Deposit

Insurance Act (12 U.S.C. 1821(a)(1)), as amended by paragraph (1), is amended—

(A) in subparagraph (B)—

(i) by striking “DEPOSIT.” and all that follows through “clause (ii), the net amount” and insert “DEPOSIT.—The net amount”; and

(ii) by striking clauses (ii) and (iii); and

(B) in subparagraph (C), by striking “subparagraph (B)(i)” and inserting “subparagraph (B)”.

(b) **CREDIT UNIONS.**—

(1) **AMENDMENTS.**—Section 207(k)(1) of the Federal Credit Union Act (12 U.S.C. 1787(k)(1)) is amended—

(A) in subparagraph (A)—

(i) by striking “Subject to the provisions of paragraph (2), the net amount” and inserting the following:

“(i) **NET AMOUNT OF INSURANCE PAYABLE.**—Subject to clause (ii) and the provisions of paragraph (2), the net amount”; and

(ii) by adding at the end the following new clauses:

“(ii) **INSURANCE FOR NONINTEREST-BEARING TRANSACTION ACCOUNTS.**—Notwithstanding clause (i), the Board shall fully insure the net amount that any member or depositor at an insured credit union maintains in a noninterest-bearing transaction account. Such amount shall not be taken into account when computing the net amount due to such member or depositor under clause (i).

“(iii) **NONINTEREST-BEARING TRANSACTION ACCOUNT DEFINED.**—For purposes of this subparagraph, the term ‘noninterest-bearing transaction account’ means an account or deposit maintained at an insured credit union—

“(I) with respect to which interest is neither accrued nor paid;

“(II) on which the account holder or depositor is permitted to make withdrawals by negotiable or transferable instrument, payment orders of withdrawal, telephone or other electronic media transfers, or other similar items for the purpose of making payments or transfers to third parties or others; and

“(III) on which the insured credit union does not reserve the right to require advance notice of an intended withdrawal.”; and

(B) in subparagraph (B), by striking “subparagraph (A)” and inserting “subparagraph (A)(i)”.

(2) **EFFECTIVE DATE.**—The amendments made by paragraph (1) shall take effect upon the date of the enactment of this Act.

(3) **PROSPECTIVE REPEAL.**—Effective January 1, 2013, section 207(k)(1) of the Federal Credit Union Act (12 U.S.C. 1787(k)(1)), as amended by paragraph (1), is amended—

(A) in subparagraph (A)—

(i) by striking “(i) **NET AMOUNT OF INSURANCE PAYABLE.**—” and all that follows through “paragraph (2), the net amount” and inserting “Subject to the provisions of paragraph (2), the net amount”; and

(ii) by striking clauses (ii) and (iii); and

(B) in subparagraph (B), by striking “subparagraph (A)(i)” and inserting “subparagraph (A)”.

Subtitle E—Technical and Conforming Amendments

SEC. 351. EFFECTIVE DATE.

Except as provided in section 364(a), the amendments made by this subtitle shall take effect on the transfer date.

SEC. 352. BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.

Section 256(h) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 906(h)) is amended—

(1) in paragraph (4), by striking subparagraphs (C) and (G); and

(2) by redesignating subparagraphs (D), (E), (F), and (H) as subparagraphs (C), (D), (E), and (F), respectively.

SEC. 353. BANK ENTERPRISE ACT OF 1991.

Section 232(a) of the Bank Enterprise Act of 1991 (12 U.S.C. 1834(a)) is amended—

(1) in the subsection heading, by striking “BY FEDERAL RESERVE BOARD”;

(2) in paragraph (1)—

(A) by striking “The Board of Governors of the Federal Reserve System,” and inserting “The Comptroller of the Currency”; and

(B) by striking “section 7(b)(2)(H)” and inserting “section 7(b)(2)(E)”;

(3) in paragraph (2)(A), by striking “Board” and inserting “Comptroller”; and

(4) in paragraph (3)—

(A) by redesignating subparagraphs (A) through (C) as subparagraphs (B) through (D), respectively; and

(B) by inserting before subparagraph (B) the following:

“(A) **COMPTROLLER.**—The term ‘Comptroller’ means the Comptroller of the Currency.”.

SEC. 354. BANK HOLDING COMPANY ACT OF 1956.

The Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.) is amended—

(1) in section 2(j)(3) (12 U.S.C. 1841(j)(3)), strike “Director of the Office of Thrift Supervision” and inserting “appropriate Federal banking agency”;

(2) in section 4 (12 U.S.C. 1843)—

(A) in subsection (i)—

(i) in paragraph (4)—

(I) in subparagraph (A)—

(aa) in the subparagraph heading, by striking “TO DIRECTOR”; and

(bb) by striking “Board” and all that follows through the end of the subparagraph and inserting “Board shall solicit comments and recommendations from—

“(i) the Comptroller of the Currency, with respect to the acquisition of a Federal savings association; and

“(ii) the Federal Deposit Insurance Corporation, with respect to the acquisition of a State savings association.”.

(II) in subparagraph (B), by striking “Director” each place that term appears and inserting “Comptroller of the Currency or the Federal Deposit Insurance Corporation, as applicable.”;

(i) in paragraph (5)—

(I) in subparagraph (B), by striking “Director with” and inserting “Comptroller of the Currency or the Federal Deposit Insurance Corporation, as applicable, with”; and

(II) by striking “Director” each place that term appears and inserting “Comptroller of the Currency or the Federal Deposit Insurance Corporation”;

(iii) in paragraph (6), by striking “Director” and inserting “Comptroller of the Currency or the Federal Deposit Insurance Corporation, as applicable.”; and

(iv) by striking paragraph (7); and

(3) in section 5(f) (12 U.S.C. 1844(f))—

(A) by striking “subpena” each place that term appears and inserting “subpoena”;

(B) by striking “subpenas” each place that term appears and inserting “subpoenas”; and

(C) by striking “subpenaed” and inserting “subpoenaed”.

SEC. 355. BANK HOLDING COMPANY ACT AMENDMENTS OF 1970.

Section 106(b)(1) of the Bank Holding Company Act Amendments of 1970 (12 U.S.C. 1972(1)) is amended in the undesignated matter following subparagraph (E) by inserting “issue such regulations as are necessary to carry out this section, and, in consultation with the Comptroller of the Currency and the Federal Deposit Insurance Company, may” after “The Board may”.

SEC. 356. BANK PROTECTION ACT OF 1968.

The Bank Protection Act of 1968 (12 U.S.C. 1881 et seq.) is amended—

(1) in section 2 (12 U.S.C. 1881), by striking “the term” and all that follows through the end

of the section and inserting “the term ‘Federal supervisory agency’ means the appropriate Federal banking agency, as defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)).”;

(2) in section 3 (12 U.S.C. 1882), by striking “and loan” each place that term appears; and

(3) in section 5 (12 U.S.C. 1884), by striking “and loan”.

SEC. 357. BANK SERVICE COMPANY ACT.

The Bank Service Company Act (12 U.S.C. 1861 et seq.) is amended—

(1) in section 1(b)(4) (12 U.S.C. 1861(b)(4))—

(A) by inserting after “an insured bank,” the following: “a savings association.”;

(B) by striking “Director of the Office of Thrift Supervision” and inserting “appropriate Federal banking agency”; and

(C) by striking “, the Federal Savings and Loan Insurance Corporation.”;

(2) in section 1(b)(5), by striking “term ‘insured depository institution’ has the same meaning as in section 3(c)” and inserting “terms ‘depository institution’ and ‘savings association’ have the same meanings as in section 3”; and

(3) in section 7(c)(2) (12 U.S.C. 1867(c)(2)), by inserting “each” after “notify”.

SEC. 358. COMMUNITY REINVESTMENT ACT OF 1977.

The Community Reinvestment Act of 1977 (12 U.S.C. 2901 et seq.) is amended—

(1) in section 803 (12 U.S.C. 2902)—

(A) in paragraph (1)—

(i) in subparagraph (A), by inserting “and Federal savings associations (the deposits of which are insured by the Federal Deposit Insurance Corporation)” after “banks”;

(ii) in subparagraph (B), by striking “and bank holding companies” and inserting “, bank holding companies, and savings and loan holding companies”; and

(iii) in subparagraph (C), by striking “; and” and inserting “, and State savings associations (the deposits of which are insured by the Federal Deposit Insurance Corporation).”; and

(B) by striking paragraph (2) (relating to the Office of Thrift Supervision), as added by section 744(q) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (Public Law 101-73; 103 Stat. 440); and

(2) in section 806 (12 U.S.C. 2905), by inserting “, except that the Comptroller of the Currency shall prescribe regulations applicable to savings associations and the Board of Governors shall prescribe regulations applicable to insured State member banks, bank holding companies and savings and loan holding companies,” after “supervisory agency”.

SEC. 359. CRIME CONTROL ACT OF 1990.

The Crime Control Act of 1990 is amended—

(1) in section 2539(c)(2) (28 U.S.C. 509 note)—

(A) by striking subparagraphs (C) and (D); and

(B) by redesignating subparagraphs (E) through (H) as subparagraphs (C) through (G), respectively; and

(2) in section 2554(b)(2) (Public Law 101-647; 104 Stat. 4890)—

(A) in subparagraph (A), by striking “, the Director of the Office of Thrift Supervision,” and inserting “the Comptroller of the Currency”; and

(B) in subparagraph (B), by striking “, the Director” and all that follows through “Trust Corporation” and inserting “or the Federal Deposit Insurance Corporation”.

SEC. 360. DEPOSITORY INSTITUTION MANAGEMENT INTERLOCKS ACT.

The Depository Institution Management Interlocks Act (12 U.S.C. 3201 et seq.) is amended—

(1) in section 207 (12 U.S.C. 3206)—

(A) in paragraph (1), by inserting before the comma at the end the following: “and Federal

savings associations (the deposits of which are insured by the Federal Deposit Insurance Corporation)”;

(B) in paragraph (2), by striking “, and bank holding companies” and inserting “, bank holding companies, and savings and loan holding companies”;

(C) in paragraph (3), by striking “Corporation,” and inserting “Corporation and State savings associations (the deposits of which are insured by the Federal Deposit Insurance Corporation).”; and

(D) by striking paragraph (4);

(E) by redesignating paragraphs (5) and (6) as paragraphs (4) and (5), respectively; and

(F) in paragraph (5), as so redesignated, by striking “through (5)” and inserting “through (4)”;

(2) in section 209 (12 U.S.C. 3207)—

(A) in paragraph (1), by inserting before the comma at the end the following: “and Federal savings associations (the deposits of which are insured by the Federal Deposit Insurance Corporation).”; and

(B) in paragraph (2), by striking “, and bank holding companies” and inserting “, bank holding companies, and savings and loan holding companies”;

(C) in paragraph (3), by striking “Corporation,” and inserting “Corporation and State savings associations (the deposits of which are insured by the Federal Deposit Insurance Corporation).”; and

(D) by striking paragraph (4); and

(E) by redesignating paragraph (5) as paragraph (4); and

(3) in section 210(a) (12 U.S.C. 3208(a))—

(A) by striking “his” and inserting “the”; and

(B) by inserting “of the Attorney General” after “enforcement functions”.

SEC. 361. EMERGENCY HOMEOWNERS’ RELIEF ACT.

Section 110 of the Emergency Homeowners’ Relief Act (12 U.S.C. 2709) is amended in the second sentence, by striking “Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation” and inserting “Housing Finance Agency”.

SEC. 362. FEDERAL CREDIT UNION ACT.

The Federal Credit Union Act (12 U.S.C. 1751 et seq.) is amended—

(1) in section 107(8) (12 U.S.C. 1757(8)), by striking “or the Federal Savings and Loan Insurance Corporation”;

(2) in section 205 (12 U.S.C. 1785)—

(A) in subsection (b)(2)(G)(i), by striking “the Office of Thrift Supervision and”; and

(B) in subsection (i)(1), by striking “or the Federal Savings and Loan Insurance Corporation”;

(3) in section 206(g)(7) (12 U.S.C. 1786(g)(7))—

(A) in subparagraph (A)—

(i) in clause (ii), by striking “(b)(8)” and inserting “(b)(9)”;

(ii) in clause (v)—

(I) by striking “depository” and inserting “financial”; and

(II) by adding “and” at the end;

(iii) in clause (vi)—

(I) by striking “Board” and inserting “Agency”; and

(II) by striking “; and” and inserting a period; and

(iv) by striking clause (vii); and

(B) in subparagraph (D)—

(i) in clause (iii), by adding “and” at the end;

(ii) in clause (iv)—

(I) by striking “Board” and inserting “Agency”; and

(II) by striking “and” at the end; and

(iii) by striking clause (v).

SEC. 363. FEDERAL DEPOSIT INSURANCE ACT.

The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended—

(1) in section 3 (12 U.S.C. 1813)—

(A) in subsection (b)(1)(C), by striking “Director of the Office of Thrift Supervision” and inserting “Comptroller of the Currency”;

(B) in subsection (1)(5), in the matter preceding subparagraph (A), by striking “Director of the Office of Thrift Supervision.”; and

(C) in subsection (2), by striking “the Director of the Office of Thrift Supervision.”;

(2) in section 7 (12 U.S.C. 1817)—

(A) in subsection (a)—

(i) in paragraph (2)—

(I) in subparagraph (A)—

(aa) in the first sentence, by striking “the Director of the Office of Thrift Supervision.”;

(bb) in the second sentence—

(AA) by striking “the Director of the Office of Thrift Supervision,” and inserting “to”; and

(BB) by inserting “to” before “any Federal home”; and

(cc) by striking “Finance Board” each place that term appears and inserting “Finance Agency”; and

(II) in subparagraph (B), by striking “the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Director of the Office of Thrift Supervision,” and inserting “the Comptroller of the Currency and the Board of Governors of the Federal Reserve System.”;

(ii) in paragraph (3), in the first sentence, by striking “Comptroller of the Currency, the Chairman of the Board of Governors of the Federal Reserve System, and the Director of the Office of Thrift Supervision.” and inserting “Comptroller of the Currency, and the Chairman of the Board of Governors of the Federal Reserve System.”;

(iii) in paragraph (6), by striking “section 232(a)(3)(C)” and inserting “section 232(a)(3)(D)”;

(iv) in paragraph (7), by striking “, the Director of the Office of Thrift Supervision.”; and

(B) in subsection (n)—

(i) in the heading, by striking “DIRECTOR OF THE OFFICE OF THRIFT SUPERVISION” and inserting “COMPTROLLER OF THE CURRENCY”;

(ii) in the first sentence—

(I) by striking “the Director of the Office of Thrift Supervision” and inserting “the Comptroller of the Currency”; and

(II) by inserting “Federal” before “savings associations”;

(iii) in the third sentence, by striking “, the Financing Corporation, and the Resolution Funding Corporation”; and

(iv) by striking “the Director” each place that term appears and inserting “the Comptroller”;

(3) in section 8 (12 U.S.C. 1818)—

(A) in subsection (a)(8)(B)(ii), in the last sentence, by striking “Director of the Office of Thrift Supervision” each place that term appears and inserting “Comptroller of the Currency”;

(B) in subsection (b)(3)—

(i) by inserting “any savings and loan holding company and any subsidiary (other than a depository institution) of a savings and loan holding company (as such terms are defined in section 10 of Home Owners’ Loan Act), any non-insured State member bank” after “Bank Holding Company Act of 1956.”; and

(ii) by inserting “or against a savings and loan holding company or any subsidiary thereof (other than a depository institution or a subsidiary of such depository institution)” before the period at the end;

(C) by striking paragraph (9) of subsection (b) and inserting the following new paragraph:

“(9) [Repealed].”

(D) in subsection (e)(7)—

(i) in subparagraph (A)—

(I) in clause (v), by inserting “and” after the semicolon;

(II) in clause (vi)—
(aa) by striking “Board” and inserting “Agency”; and
(bb) by striking “; and” and inserting a period; and

(III) by striking clause (vii); and
(ii) in subparagraph (D)—

(I) in clause (iii), by inserting “and” after the semicolon;

(II) in clause (iv)—
(aa) by striking “Board” and inserting “Agency”; and
(bb) by striking “; and” and inserting a period; and

(III) by striking clause (v);
(E) in subsection (j)—

(i) in paragraph (2), by striking “, or as a savings association under subsection (b)(9) of this section”;

(ii) in paragraph (3), by inserting “or” after the semicolon;

(iii) in paragraph (4), by striking “; or” and inserting a comma; and

(iv) by striking paragraph (5);
(F) in subsection (o), by striking “Director of the Office of Thrift Supervision” and inserting “Comptroller of the Currency”; and

(G) in subsection (w)(3)(A), by striking “and the Office of Thrift Supervision”;

(4) in section 10 (12 U.S.C. 1820)—

(A) in subsection (d)(5), by striking “or the Resolution Trust Corporation” each place that term appears; and

(B) in subsection (k)(5)(B)—
(i) in clause (ii), by inserting “and” after the semicolon;

(ii) in clause (iii), by striking “; and” and inserting a period; and

(iii) by striking clause (iv);
(5) in section 11 (12 U.S.C. 1821)—

(A) in subsection (c)—

(i) in paragraph (2)(A)(ii), by striking “(other than section 21A of the Federal Home Loan Bank Act)”;

(ii) in paragraph (4), by striking “Except as otherwise provided in section 21A of the Federal Home Loan Bank Act and notwithstanding” and inserting “Notwithstanding”;

(iii) in paragraph (6)—

(I) in the heading, by striking “DIRECTOR OF THE OFFICE OF THRIFT SUPERVISION” and inserting “COMPTROLLER OF THE CURRENCY”;

(II) in subparagraph (A)—

(aa) by striking “or the Resolution Trust Corporation”; and

(bb) by striking “Director of the Office of Thrift Supervision” and inserting “Comptroller of the Currency”; and

(III) by amending subparagraph (B) to read as follows:

“(B) RECEIVER.—The Corporation may, at the discretion of the Comptroller of the Currency, be appointed receiver and the Corporation may accept any such appointment.”;

(iv) in paragraph (12)(A), by striking “or the Resolution Trust Corporation”;

(B) in subsection (d)—

(i) in paragraph (17)(A), by striking “or the Director of the Office of Thrift Supervision”; and

(ii) in paragraph (18)(B), by striking “or the Director of the Office of Thrift Supervision”;

(C) in subsection (m)—

(i) in paragraph (9), by striking “or the Director of the Office of Thrift Supervision, as appropriate”;

(ii) in paragraph (16), by striking “or the Director of the Office of Thrift Supervision, as appropriate” each place that term appears; and

(iii) in paragraph (18), by striking “or the Director of the Office of Thrift Supervision, as appropriate” each place that term appears;

(D) in subsection (n)—

(i) in paragraph (1)(A)—

(I) by striking “, or the Director of the Office of Thrift Supervision, with respect to” and inserting “or”; and

(II) by striking “applicable,” and inserting “applicable.”;

(ii) in paragraph (2)(A), by striking “or the Director of the Office of Thrift Supervision”;

(iii) in paragraph (4)(D), by striking “and the Director of the Office of Thrift Supervision, as appropriate.”;

(iv) in paragraph (4)(G), by striking “and the Director of the Office of Thrift Supervision, as appropriate.”; and

(v) in paragraph (12)(B)—

(I) by inserting “as” after “shall appoint the Corporation”;

(II) by striking “or the Director of the Office of Thrift Supervision, as appropriate,” each place such term appears;

(E) in subsection (p)—

(i) in paragraph (2)(B), by striking “the Corporation, the FSLIC Resolution Fund, or the Resolution Trust Corporation,” and inserting “or the Corporation.”; and

(ii) in paragraph (3)(B), by striking “, the FSLIC Resolution Fund, the Resolution Trust Corporation.”; and

(F) in subsection (r), by striking “and the Resolution Trust Corporation”;

(6) in section 13(k)(1)(A)(iv) (12 U.S.C. 1823(k)(1)(A)(iv)), by striking “Director of the Office of Thrift Supervision” and inserting “Comptroller of the Currency”;

(7) in section 18 (12 U.S.C. 1828)—

(A) in subsection (c)(2)—

(i) in subparagraph (A), by inserting “or a Federal savings association” before the semicolon;

(ii) in subparagraph (B), by adding “and” at the end;

(iii) in subparagraph (C), by striking “(except” and all that follows through “; and” and inserting “or a State savings association.”; and

(iv) by striking subparagraph (D);

(B) in subsection (g)(1), by striking “the Director of the Office of Thrift Supervision” and inserting “the Comptroller of the Currency”;

(C) in subsection (i)(2)(C), by striking “Director of the Office of Thrift Supervision” and inserting “Corporation”; and

(D) in subsection (m)—

(i) in paragraph (1)—

(I) in subparagraph (A), by striking “and the Director of the Office of Thrift Supervision” and inserting “or the Comptroller of the Currency, as appropriate.”; and

(II) in subparagraph (B), by striking “and orders of the Director of the Office of Thrift Supervision” and inserting “of the Comptroller of the Currency and orders of the Corporation and the Comptroller of the Currency”;

(ii) in paragraph (2)—

(I) in subparagraph (A), by striking “Director of the Office of Thrift Supervision” and inserting “Comptroller of the Currency, as appropriate.”; and

(II) in subparagraph (B)—

(aa) in the matter before clause (i), by striking “Director of the Office of Thrift Supervision” and inserting “Corporation or the Comptroller of the Currency, as appropriate.”; and

(bb) in the matter following clause (ii)—
(AA) in the first sentence, by striking “Director of the Office of Thrift Supervision” and inserting “Office of the Comptroller of the Currency, as appropriate.”; and

(BB) by striking the second sentence and inserting the following: “The Corporation or the Comptroller of the Currency, as appropriate, may take any other corrective measures with respect to the subsidiary, including the authority to require the subsidiary to terminate the activities or operations posing such risks, as the Corporation or the Comptroller of the Currency, respectively, may deem appropriate.”; and

(iii) in paragraph (3)—

(I) in subparagraph (A), in the second sentence—

(aa) by inserting “, in the case of a Federal savings association,” before “consult with”; and

(bb) by striking “Director of the Office of Thrift Supervision” and inserting “Comptroller of the Currency”; and

(II) in subparagraph (B)—

(aa) in the subparagraph heading, by striking “DIRECTOR” and inserting “COMPTROLLER OF THE CURRENCY”;

(bb) by striking “Office of Thrift Supervision” and inserting “Comptroller of the Currency”;

(cc) by inserting a comma after “soundness”; and

(dd) by inserting “as to Federal savings associations” after “compliance”;

(8) in section 19(e) (12 U.S.C. 1829(e))—

(A) in paragraph (1), by striking “Director of the Office of Thrift Supervision” and inserting “Board of Governors of the Federal Reserve System”; and

(B) in paragraph (2), by striking “Director of the Office of Thrift Supervision” and inserting “Board of Governors of the Federal Reserve System”;

(9) in section 28 (12 U.S.C. 1831e)—

(A) in subsection (e)—

(i) in paragraph (2)—

(I) in subparagraph (A)(ii), by striking “Director of the Office of Thrift Supervision” and inserting “Comptroller of the Currency or the Corporation, as appropriate”;

(II) in subparagraph (C), by striking “Director of the Office of Thrift Supervision” and inserting “Comptroller of the Currency or the Corporation, as appropriate.”; and

(III) in subparagraph (F), by striking “Director of the Office of Thrift Supervision” and inserting “Comptroller of the Currency or the Corporation, as appropriate.”; and

(ii) in paragraph (3)—

(I) in subparagraph (A), by striking “Director of the Office of Thrift Supervision” and inserting “Comptroller of the Currency or the Corporation, as appropriate”; and

(II) in subparagraph (B), by striking “Director of the Office of Thrift Supervision” and inserting “Comptroller of the Currency or the Corporation, as appropriate.”; and

(B) in subsection (h)(2), by striking “Director of the Office of Thrift Supervision” and inserting “Comptroller of the Currency, of the Corporation.”; and

(10) in section 33(e) (12 U.S.C. 1831j(e)), by striking “Federal Housing Finance Board, the Comptroller of the Currency, and the Director of the Office of Thrift Supervision” and inserting “Federal Housing Finance Agency and the Comptroller of the Currency”.

SEC. 364. FEDERAL HOME LOAN BANK ACT.

(a) REPEAL OF SECTION 18(c).—Effective 90 days after the transfer date, section 18(c) of the Federal Home Loan Bank Act (12 U.S.C. 1438(c)) is repealed.

(b) REPEAL OF SECTION 21A.—Section 21A of the Federal Home Loan Bank Act (12 U.S.C. 1441a) is repealed.

SEC. 365. FEDERAL HOUSING ENTERPRISES FINANCIAL SAFETY AND SOUNDNESS ACT OF 1992.

The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4501 et seq.) is amended—

(1) in section 1315(b) (12 U.S.C. 4515(b)), by striking “the Federal Deposit Insurance Corporation, and the Office of Thrift Supervision.” and inserting “and the Federal Deposit Insurance Corporation.”; and

(2) in section 1317(c) (12 U.S.C. 4517(c)), by striking “the Federal Deposit Insurance Corporation, or the Director of the Office of Thrift

Supervision" and inserting "or the Federal Deposit Insurance Corporation".

SEC. 366. FEDERAL RESERVE ACT.

The Federal Reserve Act (12 U.S.C. 221 et seq.) is amended—

(1) in section 11(a)(2) (12 U.S.C. 248(a)(2))—

(A) by inserting "State savings associations that are insured depository institutions (as defined in section 3 of the Federal Deposit Insurance Act)," after "case of insured";

(B) by striking "Director of the Office of Thrift Supervision" and inserting "Comptroller of the Currency";

(C) by inserting "Federal" before "savings association which"; and

(D) by striking "savings and loan association" and inserting "savings association"; and

(2) in section 19(b) (12 U.S.C. 461(b))—

(A) in paragraph (1)(F), by striking "Director of the Office of Thrift Supervision" and inserting "Comptroller of the Currency"; and

(B) in paragraph (4)(B), by striking "Director of the Office of Thrift Supervision" and inserting "Comptroller of the Currency".

SEC. 367. FINANCIAL INSTITUTIONS REFORM, RECOVERY, AND ENFORCEMENT ACT OF 1989.

The Financial Institutions Reform, Recovery, and Enforcement Act of 1989 is amended—

(1) in section 203 (12 U.S.C. 1812 note), by striking subsection (b);

(2) in section 302(1) (12 U.S.C. 1467a note), by striking "Director of the Office of Thrift Supervision" and inserting "Comptroller of the Currency";

(3) in section 305(12 U.S.C. 1464 note), by striking subsection (b);

(4) in section 308 (12 U.S.C. 1463 note)—

(A) in subsection (a), by striking "Director of the Office of Thrift Supervision" and inserting "Chairman of the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Chairman of the National Credit Union Administration,"; and

(B) by adding at the end the following new subsection:

"(c) **REPORTS.**—The Secretary of the Treasury, the Chairman of the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Chairman of the National Credit Union Administration, and the Chairperson of Board of Directors of the Federal Deposit Insurance Corporation shall each submit an annual report to the Congress containing a description of actions taken to carry out this section.";

(5) in section 402 (12 U.S.C. 1437 note)—

(A) in subsection (a), by striking "Director of the Office of Thrift Supervision" and inserting "Comptroller of the Currency";

(B) by striking subsection (b);

(C) in subsection (e)—

(i) in paragraph (1), by striking "Office of Thrift Supervision" and inserting "Comptroller of the Currency"; and

(ii) in each of paragraphs (2), (3), and (4), by striking "Director of the Office of Thrift Supervision" each place that term appears and inserting "Comptroller of the Currency"; and

(D) by striking "Federal Housing Finance Board" each place that term appears and inserting "Federal Housing Finance Agency";

(6) in section 1103(a) (12 U.S.C. 3332(a)), by striking "and the Resolution Trust Corporation";

(7) in section 1205(b) (12 U.S.C. 1818 note)—

(A) in paragraph (1)—

(i) by striking subparagraph (B); and

(ii) by redesignating subparagraphs (C) through (F) as subparagraphs (B) through (E), respectively; and

(B) in paragraph (2), by striking "paragraph (1)(F)" and inserting "paragraph (1)(E)";

(8) in section 1206 (12 U.S.C. 1833b)—

(A) by striking "Board, the Oversight Board of the Resolution Trust Corporation" and inserting "Agency, and"; and

(B) by striking "and the Office of Thrift Supervision";

(9) in section 1216 (12 U.S.C. 1833e)—

(A) in subsection (a)—

(i) in paragraph (3), by adding "and" at the end;

(ii) in paragraph (4), by striking the semicolon at the end and inserting a period;

(iii) by striking paragraphs (2), (5), and (6); and

(iv) by redesignating paragraphs (3) and (4), as paragraphs (2) and (3), respectively;

(B) in subsection (c)—

(i) by striking "the Director of the Office of Thrift Supervision," and inserting "and"; and

(ii) by striking "the Thrift Depositor Protection Oversight Board of the Resolution Trust Corporation, and the Resolution Trust Corporation"; and

(C) in subsection (d)—

(i) by striking paragraphs (3), (5), and (6); and

(ii) by redesignating paragraphs (4), (7), and (8) as paragraphs (3), (4), and (5), respectively.

SEC. 368. FLOOD DISASTER PROTECTION ACT OF 1973.

Section 3(a)(5) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4003(a)(5)) is amended by striking "the Office of Thrift Supervision".

SEC. 369. HOME OWNERS' LOAN ACT.

The Home Owners' Loan Act (12 U.S.C. 1461 et seq.) is amended—

(1) in section 1 (12 U.S.C. 1461), by striking the table of contents;

(2) in section 2 (12 U.S.C. 1462), as amended by this Act—

(A) by striking paragraphs (1) and (3);

(B) by redesignating paragraph (2) as paragraph (1);

(C) by redesignating paragraphs (4) through (9) as paragraphs (2) through (7), respectively; and

(D) by adding at the end the following:

"(8) **BOARD.**—The term 'Board', other than in the context of the Board of Directors of the Corporation, means the Board of Governors of the Federal Reserve System.

"(9) **COMPTROLLER.**—The term 'Comptroller' means the Comptroller of the Currency.";

(3) in section 3 (12 U.S.C. 1462a)—

(A) by striking the section heading and inserting the following:

"SEC. 3. ADMINISTRATIVE PROVISIONS.";

(B) by striking subsections (a), (b), (c), (d), (g), (h), (i), and (j);

(C) by redesignating subsections (e) and (f) as subsections (a) and (b), respectively;

(D) in subsection (a), as so redesignated—

(i) in the heading by striking "OF THE DIRECTOR"; and

(ii) in the matter preceding paragraph (1), by striking "The Director" and inserting "In accordance with subtitle A of title III of the Dodd-Frank Wall Street Reform and Consumer Protection Act, the appropriate Federal banking agency"; and

(E) in subsection (b), as so redesignated, by striking "Director" and inserting "appropriate Federal banking agency";

(4) in section 4 (12 U.S.C. 1463)—

(A) in subsection (a)—

(i) in the subsection heading, by striking "FEDERAL";

(ii) by striking paragraphs (1) and (2) and inserting the following:

"(1) **EXAMINATION AND SAFE AND SOUND OPERATION.**—

"(A) **FEDERAL SAVINGS ASSOCIATIONS.**—The Comptroller shall provide for the examination and safe and sound operation of Federal savings associations.

"(B) **STATE SAVINGS ASSOCIATIONS.**—The Corporation shall provide for the examination and safe and sound operation of State savings associations.

"(2) **REGULATIONS FOR SAVINGS ASSOCIATIONS.**—The Comptroller may prescribe regulations with respect to savings associations, as the Comptroller determines to be appropriate to carry out the purposes of this Act."; and

(iii) in paragraph (3), by striking "Director" each place that term appears and inserting "Comptroller and the Corporation";

(B) in subsection (b)—

(i) in paragraph (2)—

(I) in subparagraph (A), by adding "and" at the end;

(II) in subparagraph (B), by striking "and" and inserting a period; and

(III) by striking subparagraph (C); and

(ii) by striking "Director" each place that term appears and inserting "Comptroller";

(C) in subsection (c)—

(i) by striking "All regulations and policies of the Director" and inserting "The regulations of the Comptroller and the policies of the Comptroller and the Corporation"; and

(ii) by striking "of the Currency";

(D) in subsection (e)(5), by striking "Director" and inserting "Comptroller";

(E) in subsection (f), by striking "Director" each place that term appears and inserting "appropriate Federal banking agency"; and

(F) in subsection (h), by striking "Director" each place that term appears and inserting "appropriate Federal banking agency";

(5) in section 5 (12 U.S.C. 1464)—

(A) in subsection (a), by striking "Director", each place such term appears and inserting "Comptroller of the Currency";

(B) in subsection (b), by striking "Director", each place such term appears and inserting "Comptroller of the Currency";

(C) in subsection (c)—

(i) in paragraph (5)—

(I) in subparagraph (A), by striking "Director" and inserting "appropriate Federal banking agency"; and

(II) in subparagraph (B)—

(aa) by striking "The Director" and inserting "The appropriate Federal banking agency"; and

(bb) by striking "the Director" and inserting "the appropriate Federal banking agency";

(D) in subsection (d)—

(i) in paragraph (1)—

(I) in subparagraph (A)—

(aa) in the first sentence, by striking "Director" and inserting "appropriate Federal banking agency";

(bb) in the second sentence—

(AA) by striking "Director's own name and through the Director's own attorneys" and inserting "name of the appropriate Federal banking agency and through the attorneys of the appropriate Federal banking agency"; and

(BB) by striking "Director" each place that term appears and inserting "appropriate Federal banking agency"; and

(cc) in the third sentence, by striking "Director" each place that term appears and inserting "Comptroller";

(II) in subparagraph (B)—

(aa) in clauses (i) through (iv), by striking "Director" each place that term appears and inserting "appropriate Federal banking agency";

(III) in clause (v)—

(aa) in the matter preceding subclause (I), by striking "Director" and inserting "appropriate Federal banking agency";

(bb) in subclause (II), by striking "subpenas" and inserting "subpoenas"; and

(cc) in the matter following subclause (II), by striking "subpena" and inserting "subpoena";

(IV) in clause (vi)—

(aa) in the first sentence, by striking “Director” and inserting “appropriate Federal banking agency”; and

(bb) in the second sentence, by striking “Director” and inserting “Comptroller”;

(V) in clause (vii)—

(aa) in the first sentence, by striking “subpena” and inserting “subpoena”;

(bb) in the second sentence, by striking “subpenaed” and inserting “subpoenaed”; and

(cc) in the third sentence, by striking “Director” and inserting “appropriate Federal banking agency”;

(ii) in paragraph (2)—

(I) in subparagraph (A)—

(aa) by striking “Director of the Office of Thrift Supervision” and inserting “appropriate Federal banking agency”;

(bb) by striking “any insured savings association” and inserting “an insured savings association”; and

(cc) by striking “Director determines, in the Director’s discretion” and inserting “appropriate Federal banking agency determines, in the discretion of the appropriate Federal banking agency”;

(II) in subparagraph (B), by striking “Director” each place that term appears and inserting “appropriate Federal banking agency”;

(III) in subparagraphs (C) and (D), by striking “Director” and inserting “appropriate Federal banking agency”;

(IV) in subparagraph (E)—

(aa) in clause (ii)—

(AA) in the clause heading, by striking “OR RTC”; and

(BB) by striking “or the Resolution Trust Corporation, as appropriate,” each place that term appears; and

(bb) by striking “Director” each place that term appears and inserting “appropriate Federal banking agency”; and

(iii) in paragraph (3)—

(I) in subparagraph (A), by striking “Director” each place that term appears and inserting “Comptroller”; and

(II) in subparagraph (B)—

(aa) in the subparagraph heading, by striking “OR RTC”;

(bb) by striking “Corporation or the Resolution Trust”; and

(cc) by striking “Director” and inserting “Comptroller”;

(iv) in paragraph (4), by striking “Director” and inserting “appropriate Federal banking agency”;

(v) in paragraph (6)—

(I) in subparagraph (A), by striking “Director” and inserting “Comptroller”; and

(II) in subparagraphs (B) and (C), by striking “Director” each place that term appears and inserting “appropriate Federal banking agency”;

(vi) in paragraph (7)—

(I) in subparagraphs (A), (B), and (D), by striking “Director” each place that term appears and inserting “appropriate Federal banking agency”;

(II) in subparagraph (C), by striking “Director” and inserting “Federal Deposit Insurance Corporation or the Comptroller, as appropriate.”; and

(III) by striking subparagraph (E) and inserting the following:

“(E) ADMINISTRATION BY THE COMPTROLLER AND THE CORPORATION.—The Comptroller may issue such regulations, and the appropriate Federal banking agency may issue such orders, including those issued pursuant to section 8 of the Federal Deposit Insurance Act, as may be necessary to administer and carry out this paragraph and to prevent evasion of this paragraph.”;

(E) in subsection (e)(2), strike “Director” and insert “Comptroller”;

(F) in subsection (i)—

(i) by striking “Director”, each place such term appears, and inserting “Comptroller”;

(ii) in paragraph (2), in the heading, by striking “DIRECTOR” and inserting “COMPTROLLER”;

(iii) in paragraph (5)(A), by striking “of the Currency”; and

(iv) except as provided in clauses (i) through (iii), by striking “Director” each place such term appears and inserting “Comptroller”;

(G) in subsection (o)—

(i) in paragraph (1), by striking “Director” and inserting “Comptroller”; and

(ii) in paragraph (2)(B), by striking “Director’s determination” and inserting “determination of the Comptroller”;

(H) in subsections (m), (n), (o), and (p), by striking “Director”, each place such term appears, and inserting “Comptroller”;

(I) in subsection (q)—

(i) in paragraph (6), by striking “of Governors of the Federal Reserve System”;

(ii) by striking “Director” each place that term appears and inserting “Board”; and

(iii) by inserting “in consultation with the Comptroller and the Corporation,” before “considers”;

(J) in subsection (r)(3), by striking “Director” and inserting “Comptroller of the Currency”;

(K) in subsection (s)—

(i) in paragraph (1), strike “Director” and insert “Comptroller of the Currency”;

(ii) in paragraph (2), strike “Director” and insert “Comptroller of the Currency”;

(iii) in paragraph (3), by striking “Director’s discretion, the Director” and inserting “discretion of the appropriate Federal banking agency, the appropriate Federal banking agency.”;

(iv) in paragraph (4), by striking “Director” each place that term appears and inserting “appropriate Federal banking agency”; and

(v) in paragraph (5)—

(I) by striking “Director”, each place such term appears, and inserting “appropriate Federal banking agency”; and

(II) by striking “Director’s approval” and inserting “approval of the appropriate Federal banking agency”;

(L) in subsection (t)—

(i) in paragraph (1), by striking subparagraph (D);

(ii) by striking paragraph (3) and inserting the following:

“(3) [Repealed].”;

(iii) in paragraph (5)—

(I) in subparagraph (B), by striking “Corporation, in its sole discretion” and inserting “appropriate Federal banking agency, in the sole discretion of the appropriate Federal banking agency”; and

(II) by striking subparagraph (D);

(iv) in paragraph (6)—

(I) by striking subparagraph (A) and inserting the following:

“(A) [Reserved].”;

(II) in subparagraph (B), by striking “Director” each place that term appears and inserting “appropriate Federal banking agency”;

(III) in subparagraph (C)—

(aa) in clause (i), by striking “Director’s prior approval” and inserting “prior approval of the appropriate Federal banking agency”;

(bb) in clause (ii), by striking “Director’s discretion” and inserting “discretion of the appropriate Federal banking agency”; and

(cc) by striking “Director” each place that term appears and inserting “appropriate Federal banking agency”;

(IV) in subparagraph (E), by striking “Director shall” and inserting “appropriate Federal banking agency may”; and

(V) in subparagraph (F), by striking “Director” and all that follows through the end of the subparagraph and inserting “appropriate Fed-

eral banking agency under this Act or any other provision of law.”;

(v) in paragraph (7), by striking “Director” each place that term appears and inserting “appropriate Federal banking agency”;

(vi) by striking paragraph (8) and inserting the following:

“(8) [Repealed].”;

(vii) in paragraph (9)—

(I) in subparagraph (A), by striking “Director” and inserting “Comptroller”;

(II) in subparagraph (C), by striking “of the Currency”; and

(III) by striking subparagraph (B) and redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively; and

(viii) except as provided in clauses (i) through (vii), by striking “Director” each place that term appears and inserting “appropriate Federal banking agency”;

(M) in subsection (u), by striking “Director” each place that term appears and inserting “appropriate Federal banking agency”;

(N) in subsection (v)—

(i) in paragraph (2), by striking “Director’s determinations” and inserting “determinations of the appropriate Federal banking agency”; and

(ii) by striking “Director” each place that term appears and inserting “appropriate Federal banking agency”;

(O) in subsection (w)(1)—

(i) in subparagraph (A)(II), by striking “Director’s intention” and inserting “intention of the Comptroller”; and

(ii) in subparagraph (B), by striking “Director’s intention” and inserting “intention of the Comptroller”; and

(P) except as provided in subparagraphs (A) through (J), by striking “Director” each place that term appears and inserting “Comptroller”;

(6) in section 8 (12 U.S.C. 1466a), by striking “Director” each place that term appears and inserting “Comptroller”;

(7) in section 9 (12 U.S.C. 1467)—

(A) in subsection (a), by striking “assessed by the Director” and all that follows through the end of the subsection and inserting the following: “assessed by—

“(1) the Comptroller, against each such Federal savings association, as the Comptroller deems necessary or appropriate; and

“(2) the Corporation, against each such State savings association, as the Corporation deems necessary or appropriate.”;

(B) in subsection (b), by striking “Director”, each place such term appears, and inserting “Comptroller or Corporation, as appropriate”;

(C) in subsection (e)—

(i) by striking “Only the Director” and inserting “The Comptroller”; and

(ii) by striking “Director’s designee” and inserting “designee of the Comptroller”;

(D) by striking subsection (f) and inserting the following:

“(f) [Reserved].”;

(E) in subsection (g)—

(i) in paragraph (1), by striking “Director” and inserting “appropriate Federal banking agency”; and

(ii) in paragraph (2), by striking “Director, or the Corporation, as the case may be,” and inserting “appropriate Federal banking agency for the savings association”;

(F) in subsection (i), by striking “Director” each place that term appears and inserting “appropriate Federal banking agency”;

(G) in subsection (j), by striking “Director’s sole discretion” and inserting “sole discretion of the appropriate Federal banking agency”;

(H) in subsection (k), by striking “Director may assess against institutions for which the Director is the appropriate Federal banking agency, as defined in section 3 of the Federal

Deposit Insurance Act,” and inserting “appropriate Federal banking agency may assess against an institution”; and

(I) except as provided in subparagraphs (A) through (G), by striking “Director” each place that term appears and inserting “appropriate Federal banking agency”;

(8) in section 10 (12 U.S.C. 1467a)—

(A) in subsection (a)(1), by striking “Director” each place that term appears and inserting “appropriate Federal banking agency”;

(B) in subsection (b)—

(i) in paragraph (2), by striking “and the regional office of the Director of the district in which its principal office is located,”; and

(ii) in paragraph (6), by striking “Director’s own motion or application” and inserting “motion or application of the Board”;

(C) in subsection (c)—

(i) in paragraph (2)(F), by striking “of Governors of the Federal Reserve System”;

(ii) in paragraph (4)(B), in the subparagraph heading, by striking “BY DIRECTOR”;

(iii) in paragraph (6)(D), in the subparagraph heading, by striking “BY DIRECTOR”;

(iv) in paragraph (9)(E), by inserting “(in consultation with the appropriate Federal banking agency)” after “including a determination”;

(D) in subsection (g)(5)(B), by striking “the Director’s discretion” and inserting “the discretion of the Board”;

(E) in subsection (I), by striking “Director” each place that term appears and inserting “appropriate Federal banking agency”;

(F) in subsection (m), by striking “Director” and inserting “appropriate Federal banking agency”;

(G) in subsection (p)—

(i) in paragraph (1)—

(I) by striking “Director determines” the 1st place such term appears and inserting “Board or the appropriate Federal banking agency for the savings association determines”;

(II) by striking “Director may” and inserting “Board may”; and

(III) by striking “Director determines” the 2nd place such term appears and inserting “Board, in consultation with the appropriate Federal banking agency for the savings association determines”;

(ii) in paragraph (2), by striking “Director”, each place such term appears, and inserting “Board”;

(H) in subsection (q), by striking “Director”, each place such term appears, and inserting “Board”;

(I) in subsection (r), by striking “Director”, each place such term appears, and inserting “Board or appropriate Federal banking agency”;

(J) in subsection (s)—

(i) in paragraph (2)—

(I) in subparagraph (B)(ii), by striking “Director’s judgment” and inserting “judgment of the appropriate Federal banking agency for the savings association”; and

(II) by striking “Director” each place that term appears and inserting “appropriate Federal banking agency for the savings association”;

(ii) in paragraph (4), by striking “Director” and inserting “Comptroller”; and

(K) except as provided in subparagraphs (A) through (J), by striking “Director” each place that term appears and inserting “Board”;

(9) in section 11 (12 U.S.C. 1468), by striking “Director” each place that term appears and inserting “appropriate Federal banking agency”;

(10) in section 12 (12 U.S.C. 1468a), by striking “the Director” and inserting “a Federal banking agency”; and

(11) in section 13 (12 U.S.C. 1468a) is amended by striking “Director” and inserting “a Federal banking agency”.

SEC. 370. HOUSING ACT OF 1948.

Section 502(c) of the Housing Act of 1948 (12 U.S.C. 1701c(c)) is amended—

(1) in the matter preceding paragraph (1), by striking “and the Director of the Office of Thrift Supervision” and inserting “, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation”; and

(2) in paragraph (3), by striking “Board” and inserting “Agency”.

SEC. 371. HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1992.

Section 543 of the Housing and Community Development Act of 1992 (Public Law 102–550; 106 Stat. 3798) is amended—

(1) in subsection (c)(1)—

(A) by striking subparagraphs (D) through (F); and

(B) by redesignating subparagraphs (G) and (H) as subparagraphs (D) and (E), respectively; and

(2) in subsection (f)—

(A) in paragraph (2), by striking “the Office of Thrift Supervision,” each place that term appears; and

(B) in paragraph (3)—

(i) in the matter preceding subparagraph (A), by striking “the Office of Thrift Supervision,”; and

(ii) in subparagraph (D), by striking “Office of Thrift Supervision,”.

SEC. 372. HOUSING AND URBAN-RURAL RECOVERY ACT OF 1983.

Section 469 of the Housing and Urban-Rural Recovery Act of 1983 (12 U.S.C. 1701p–1) is amended in the first sentence, by striking “Federal Home Loan Bank Board” and inserting “Federal Housing Finance Agency”.

SEC. 373. NATIONAL HOUSING ACT.

Section 202(f) of the National Housing Act (12 U.S.C. 1708(f)) is amended—

(1) by striking paragraph (5) and inserting the following:

“(5) if the mortgagee is a national bank, a subsidiary or affiliate of such bank, a Federal savings association or a subsidiary or affiliate of a savings association, the Comptroller of the Currency”;;

(2) in paragraph (6), by adding “and” at the end;

(3) in paragraph (7)—

(A) by inserting “or State savings association” after “State bank”; and

(B) by striking “; and” and inserting a period; and

(4) by striking paragraph (8).

SEC. 374. NEIGHBORHOOD REINVESTMENT CORPORATION ACT.

Section 606(c)(3) of the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8105(c)(3)) is amended by striking “Federal Home Loan Bank Board” and inserting “Federal Housing Finance Agency”.

SEC. 375. PUBLIC LAW 93–100.

Section 5(d) of Public Law 93–100 (12 U.S.C. 1470(a)) is amended—

(1) in paragraph (1), by striking “Federal Savings and Loan Insurance Corporation with respect to insured institutions, the Board of Governors of the Federal Reserve System with respect to State member insured banks, and the Federal Deposit Insurance Corporation with respect to State nonmember insured banks” and inserting “appropriate Federal banking agency, with respect to the institutions subject to the jurisdiction of each such agency,”; and

(2) in paragraph (2), by striking “supervisory” and inserting “banking”.

SEC. 376. SECURITIES EXCHANGE ACT OF 1934.

The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended—

(1) in section 3(a)(34) (15 U.S.C. 78c(a)(34))—

(A) in subparagraph (A)—

(i) in clause (i), by striking “or a subsidiary or a department or division of any such bank” and inserting “a subsidiary or a department or division of any such bank, a Federal savings association (as defined in section 3(b)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1813(b)(2))), the deposits of which are insured by the Federal Deposit Insurance Corporation, or a subsidiary or department or division of any such Federal savings association”;

(ii) in clause (ii), by striking “or a subsidiary or a department or division of such subsidiary” and inserting “a subsidiary or a department or division of such subsidiary, or a savings and loan holding company”;

(iii) in clause (iii), by striking “or a subsidiary or department or division thereof,” and inserting “a subsidiary or department or division of any such bank, a State savings association (as defined in section 3(b)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1813(b)(3))), the deposits of which are insured by the Federal Deposit Insurance Corporation, or a subsidiary or a department or division of any such State savings association; and”;

(iv) by striking clause (iv); and

(v) by redesignating clause (v) as clause (iv);

(B) in subparagraph (B)—

(i) in clause (i), by striking “or a subsidiary of any such bank” and inserting “a subsidiary of any such bank, a Federal savings association (as defined in section 3(b)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1813(b)(2))), the deposits of which are insured by the Federal Deposit Insurance Corporation, or a subsidiary of any such Federal savings association”;

(ii) in clause (ii), by striking “or a subsidiary of a bank holding company which is a bank other than a bank specified in clause (i), (iii), or (iv) of this subparagraph” and inserting “a subsidiary of a bank holding company that is a bank other than a bank specified in clause (i) or (iii) of this subparagraph, or a savings and loan holding company”;

(iii) in clause (iii), by striking “or a subsidiary thereof,” and inserting “a subsidiary of any such bank, a State savings association (as defined in section 3(b)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1813(b)(3))), the deposits of which are insured by the Federal Deposit Insurance Corporation, or a subsidiary of any such State savings association; and”;

(iv) by striking clause (iv); and

(v) by redesignating clause (v) as clause (iv);

(C) in subparagraph (C)—

(i) in clause (i), by striking “bank” and inserting “bank or a Federal savings association (as defined in section 3(b)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1813(b)(2))), the deposits of which are insured by the Federal Deposit Insurance Corporation”;

(ii) in clause (ii), by striking “or a subsidiary of a bank holding company which is a bank other than a bank specified in clause (i), (iii), or (iv) of this subparagraph” and inserting “a subsidiary of a bank holding company that is a bank other than a bank specified in clause (i) or (iii) of this subparagraph, or a savings and loan holding company”;

(iii) in clause (iii), by striking “(System)” and inserting, “(System) or a State savings association (as defined in section 3(b)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1813(b)(3))), the deposits of which are insured by the Federal Deposit Insurance Corporation; and”;

(iv) by striking clause (iv); and

(v) by redesignating clause (v) as clause (iv);

(D) in subparagraph (D)—

(i) in clause (i), by inserting after “bank” the following: “or a Federal savings association (as defined in section 3(b)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1813(b)(2))), the deposits of which are insured by the Federal Deposit Insurance Corporation”;

(ii) in clause (ii), by adding “and” at the end;
(iii) by striking clause (iii);
(iv) by redesignating clause (iv) as clause (iii);
and

(v) in clause (iii), as so redesignated, by inserting after “bank” the following: “or a State savings association (as defined in section 3(b)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1813(b)(3))), the deposits of which are insured by the Federal Deposit Insurance Corporation”;

(E) in subparagraph (F)—

(i) in clause (i), by inserting after “bank” the following: “or a Federal savings association (as defined in section 3(b)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1813(b)(2))), the deposits of which are insured by the Federal Deposit Insurance Corporation”;

(ii) by striking clause (ii);

(iii) by redesignating clauses (iii), (iv), and (v) as clauses (ii), (iii), and (iv), respectively; and
(iv) in clause (iii), as so redesignated, by inserting before the semicolon the following: “or a State savings association (as defined in section 3(b)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1813(b)(3))), the deposits of which are insured by the Federal Deposit Insurance Corporation”;

(F) in subparagraph (G)—

(i) in clause (i), by inserting after “national bank” the following: “, a Federal savings association (as defined in section 3(b)(2) of the Federal Deposit Insurance Act), the deposits of which are insured by the Federal Deposit Insurance Corporation,”;

(ii) in clause (iii)—

(I) by inserting after “bank”) the following: “, a State savings association (as defined in section 3(b)(3) of the Federal Deposit Insurance Act), the deposits of which are insured by the Federal Deposit Insurance Corporation,”; and
(II) by adding “and” at the end;

(iii) by striking clause (iv); and

(iv) by redesignating clause (v) as clause (iv);
and

(G) in the undesignated matter following subparagraph (H), by striking “, and the term ‘District of Columbia savings and loan association’ means any association subject to examination and supervision by the Office of Thrift Supervision under section 8 of the Home Owners’ Loan Act of 1933”;

(2) in section 12(i) (15 U.S.C. 781(i))—

(A) in paragraph (1), by inserting after “national banks” the following: “and Federal savings associations, the accounts of which are insured by the Federal Deposit Insurance Corporation”;

(B) by striking “(3)” and all that follows through “vested in the Office of Thrift Supervision” and inserting “and (3) with respect to all other insured banks and State savings associations, the accounts of which are insured by the Federal Deposit Insurance Corporation, are vested in the Federal Deposit Insurance Corporation”;

(C) in the second sentence, by striking “the Federal Deposit Insurance Corporation, and the Office of Thrift Supervision” and inserting “and the Federal Deposit Insurance Corporation”;

(3) in section 15C(g)(1) (15 U.S.C. 78o-5(g)(1)), by striking “the Director of the Office of Thrift Supervision, the Federal Savings and Loan Insurance Corporation,”; and

(4) in section 23(b)(1) (15 U.S.C. 78w(b)(1)), by striking “, other than the Office of Thrift Supervision,”.

SEC. 377. TITLE 18, UNITED STATES CODE.

Title 18, United States Code, is amended—

(1) in section 212(c)(2)—

(A) by striking subparagraph (C); and

(B) by redesignating subparagraphs (D) through (H) as subparagraphs (C) through (G), respectively;

(2) in section 657, by striking “Office of Thrift Supervision, the Resolution Trust Corporation,”;

(3) in section 981(a)(1)(D)—

(A) by striking “Resolution Trust Corporation,”; and

(B) by striking “or the Office of Thrift Supervision”;

(4) in section 982(a)(3)—

(A) by striking “Resolution Trust Corporation,”; and

(B) by striking “or the Office of Thrift Supervision”;

(5) in section 1006—

(A) by striking “Office of Thrift Supervision,”; and

(B) by striking “the Resolution Trust Corporation,”;

(6) in section 1014—

(A) by striking “the Office of Thrift Supervision,”; and

(B) by striking “the Resolution Trust Corporation,”; and

(7) in section 1032(1)—

(A) by striking “the Resolution Trust Corporation,”; and

(B) by striking “or the Director of the Office of Thrift Supervision”.

SEC. 378. TITLE 31, UNITED STATES CODE.

Title 31, United States Code, is amended—

(1) in section 321—

(A) in subsection (c)—

(i) in paragraph (1), by adding “and” at the end;

(ii) in paragraph (2), by striking “; and” and inserting a period; and

(iii) by striking paragraph (3); and

(B) by striking subsection (e); and

(2) in section 714(a), by striking “the Office of the Comptroller of the Currency, and the Office of Thrift Supervision.” and inserting “and the Office of the Comptroller of the Currency.”.

TITLE IV—REGULATION OF ADVISERS TO HEDGE FUNDS AND OTHERS

SEC. 401. SHORT TITLE.

This title may be cited as the “Private Fund Investment Advisers Registration Act of 2010”.

SEC. 402. DEFINITIONS.

(a) INVESTMENT ADVISERS ACT OF 1940 DEFINITIONS.—Section 202(a) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)) is amended by adding at the end the following:

“(29) The term ‘private fund’ means an issuer that would be an investment company, as defined in section 3 of the Investment Company Act of 1940 (15 U.S.C. 80a-3), but for section 3(c)(1) or 3(c)(7) of that Act.

“(30) The term ‘foreign private adviser’ means any investment adviser who—

“(A) has no place of business in the United States;

“(B) has, in total, fewer than 15 clients and investors in the United States in private funds advised by the investment adviser;

“(C) has aggregate assets under management attributable to clients in the United States and investors in the United States in private funds advised by the investment adviser of less than \$25,000,000, or such higher amount as the Commission may, by rule, deem appropriate in accordance with the purposes of this title; and

“(D) neither—

“(i) holds itself out generally to the public in the United States as an investment adviser; nor

“(ii) acts as—

“(I) an investment adviser to any investment company registered under the Investment Company Act of 1940; or

“(II) a company that has elected to be a business development company pursuant to section 54 of the Investment Company Act of 1940 (15 U.S.C. 80a-53), and has not withdrawn its election.”.

(b) OTHER DEFINITIONS.—As used in this title, the terms “investment adviser” and “private fund” have the same meanings as in section 202 of the Investment Advisers Act of 1940, as amended by this title.

SEC. 403. ELIMINATION OF PRIVATE ADVISER EXEMPTION; LIMITED EXEMPTION FOR FOREIGN PRIVATE ADVISERS; LIMITED INTRASTATE EXEMPTION.

Section 203(b) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-3(b)) is amended—

(1) in paragraph (1), by inserting “, other than an investment adviser who acts as an investment adviser to any private fund,” before “all of whose”;

(2) by striking paragraph (3) and inserting the following:

“(3) any investment adviser that is a foreign private adviser;”;

(3) in paragraph (5), by striking “or” at the end;

(4) in paragraph (6)—

(A) by striking “any investment adviser” and inserting “(A) any investment adviser”;

(B) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(C) in clause (ii) (as so redesignated), by striking the period at the end and inserting “; or”;

and

(D) by adding at the end the following:

“(B) any investment adviser that is registered with the Commodity Futures Trading Commission as a commodity trading advisor and advises a private fund, provided that, if after the date of enactment of the Private Fund Investment Advisers Registration Act of 2010, the business of the advisor should become predominately the provision of securities-related advice, then such advisor shall register with the Commission.”.

(5) by adding at the end the following:

“(7) any investment adviser, other than any entity that has elected to be regulated or is regulated as a business development company pursuant to section 54 of the Investment Company Act of 1940 (15 U.S.C. 80a-54), who solely advises—

“(A) small business investment companies that are licensees under the Small Business Investment Act of 1958;

“(B) entities that have received from the Small Business Administration notice to proceed to qualify for a license as a small business investment company under the Small Business Investment Act of 1958, which notice or license has not been revoked; or

“(C) applicants that are affiliated with 1 or more licensed small business investment companies described in subparagraph (A) and that have applied for another license under the Small Business Investment Act of 1958, which application remains pending.”.

SEC. 404. COLLECTION OF SYSTEMIC RISK DATA; REPORTS; EXAMINATIONS; DISCLOSURES.

Section 204 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-4) is amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(2) by inserting after subsection (a) the following:

“(b) RECORDS AND REPORTS OF PRIVATE FUNDS.—

“(1) IN GENERAL.—The Commission may require any investment adviser registered under this title—

“(A) to maintain such records of, and file with the Commission such reports regarding, private funds advised by the investment adviser, as necessary and appropriate in the public interest and for the protection of investors, or for the assessment of systemic risk by the Financial Stability Oversight Council (in this subsection referred to as the ‘Council’); and

“(B) to provide or make available to the Council those reports or records or the information contained therein.

“(2) **TREATMENT OF RECORDS.**—The records and reports of any private fund to which an investment adviser registered under this title provides investment advice shall be deemed to be the records and reports of the investment adviser.

“(3) **REQUIRED INFORMATION.**—The records and reports required to be maintained by an investment adviser and subject to inspection by the Commission under this subsection shall include, for each private fund advised by the investment adviser, a description of—

“(A) the amount of assets under management and use of leverage, including off-balance-sheet leverage;

“(B) counterparty credit risk exposure;

“(C) trading and investment positions;

“(D) valuation policies and practices of the fund;

“(E) types of assets held;

“(F) side arrangements or side letters, whereby certain investors in a fund obtain more favorable rights or entitlements than other investors;

“(G) trading practices; and

“(H) such other information as the Commission, in consultation with the Council, determines is necessary and appropriate in the public interest and for the protection of investors or for the assessment of systemic risk, which may include the establishment of different reporting requirements for different classes of fund advisers, based on the type or size of private fund being advised.

“(4) **MAINTENANCE OF RECORDS.**—An investment adviser registered under this title shall maintain such records of private funds advised by the investment adviser for such period or periods as the Commission, by rule, may prescribe as necessary and appropriate in the public interest and for the protection of investors, or for the assessment of systemic risk.

“(5) **FILING OF RECORDS.**—The Commission shall issue rules requiring each investment adviser to a private fund to file reports containing such information as the Commission deems necessary and appropriate in the public interest and for the protection of investors or for the assessment of systemic risk.

“(6) **EXAMINATION OF RECORDS.**—

“(A) **PERIODIC AND SPECIAL EXAMINATIONS.**—The Commission—

“(i) shall conduct periodic inspections of the records of private funds maintained by an investment adviser registered under this title in accordance with a schedule established by the Commission; and

“(ii) may conduct at any time and from time to time such additional, special, and other examinations as the Commission may prescribe as necessary and appropriate in the public interest and for the protection of investors, or for the assessment of systemic risk.

“(B) **AVAILABILITY OF RECORDS.**—An investment adviser registered under this title shall make available to the Commission any copies or extracts from such records as may be prepared without undue effort, expense, or delay, as the Commission or its representatives may reasonably request.

“(7) **INFORMATION SHARING.**—

“(A) **IN GENERAL.**—The Commission shall make available to the Council copies of all reports, documents, records, and information filed with or provided to the Commission by an investment adviser under this subsection as the Council may consider necessary for the purpose of assessing the systemic risk posed by a private fund.

“(B) **CONFIDENTIALITY.**—The Council shall maintain the confidentiality of information received under this paragraph in all such reports, documents, records, and information, in a manner consistent with the level of confidentiality

established for the Commission pursuant to paragraph (8). The Council shall be exempt from section 552 of title 5, United States Code, with respect to any information in any report, document, record, or information made available, to the Council under this subsection.”

“(8) **COMMISSION CONFIDENTIALITY OF REPORTS.**—Notwithstanding any other provision of law, the Commission may not be compelled to disclose any report or information contained therein required to be filed with the Commission under this subsection, except that nothing in this subsection authorizes the Commission—

“(A) to withhold information from Congress, upon an agreement of confidentiality; or

“(B) prevent the Commission from complying with—

“(i) a request for information from any other Federal department or agency or any self-regulatory organization requesting the report or information for purposes within the scope of its jurisdiction; or

“(ii) an order of a court of the United States in an action brought by the United States or the Commission.

“(9) **OTHER RECIPIENTS CONFIDENTIALITY.**—Any department, agency, or self-regulatory organization that receives reports or information from the Commission under this subsection shall maintain the confidentiality of such reports, documents, records, and information in a manner consistent with the level of confidentiality established for the Commission under paragraph (8).

“(10) **PUBLIC INFORMATION EXCEPTION.**—

“(A) **IN GENERAL.**—The Commission, the Council, and any other department, agency, or self-regulatory organization that receives information, reports, documents, records, or information from the Commission under this subsection, shall be exempt from the provisions of section 552 of title 5, United States Code, with respect to any such report, document, record, or information. Any proprietary information of an investment adviser ascertained by the Commission from any report required to be filed with the Commission pursuant to this subsection shall be subject to the same limitations on public disclosure as any facts ascertained during an examination, as provided by section 210(b) of this title.

“(B) **PROPRIETARY INFORMATION.**—For purposes of this paragraph, proprietary information includes sensitive, non-public information regarding—

“(i) the investment or trading strategies of the investment adviser;

“(ii) analytical or research methodologies;

“(iii) trading data;

“(iv) computer hardware or software containing intellectual property; and

“(v) any additional information that the Commission determines to be proprietary.

“(11) **ANNUAL REPORT TO CONGRESS.**—The Commission shall report annually to Congress on how the Commission has used the data collected pursuant to this subsection to monitor the markets for the protection of investors and the integrity of the markets.”

SEC. 405. DISCLOSURE PROVISION AMENDMENT.

Section 210(c) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-10(c)) is amended by inserting: “or for purposes of assessment of potential systemic risk”.

SEC. 406. CLARIFICATION OF RULEMAKING AUTHORITY.

Section 211 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-11) is amended—

(1) in subsection (a), by inserting before the period at the end of the first sentence the following: “, including rules and regulations defining technical, trade, and other terms used in this title, except that the Commission may not

define the term ‘client’ for purposes of paragraphs (1) and (2) of section 206 to include an investor in a private fund managed by an investment adviser, if such private fund has entered into an advisory contract with such adviser”; and

(2) by adding at the end the following:

“(e) **DISCLOSURE RULES ON PRIVATE FUNDS.**—The Commission and the Commodity Futures Trading Commission shall, after consultation with the Council but not later than 12 months after the date of enactment of the Private Fund Investment Advisers Registration Act of 2010, jointly promulgate rules to establish the form and content of the reports required to be filed with the Commission under subsection 204(b) and with the Commodity Futures Trading Commission by investment advisers that are registered both under this title and the Commodity Exchange Act (7 U.S.C. 1a et seq.).”

SEC. 407. EXEMPTION OF AND REPORTING BY VENTURE CAPITAL FUND ADVISERS.

Section 203 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-3) is amended by adding at the end the following:

“(l) **EXEMPTION OF VENTURE CAPITAL FUND ADVISERS.**—No investment adviser that acts as an investment adviser solely to 1 or more venture capital funds shall be subject to the registration requirements of this title with respect to the provision of investment advice relating to a venture capital fund. Not later than 1 year after the date of enactment of this subsection, the Commission shall issue final rules to define the term ‘venture capital fund’ for purposes of this subsection. The Commission shall require such advisers to maintain such records and provide to the Commission such annual or other reports as the Commission determines necessary or appropriate in the public interest or for the protection of investors.”

SEC. 408. EXEMPTION OF AND REPORTING BY CERTAIN PRIVATE FUND ADVISERS.

Section 203 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-3) is amended by adding at the end the following:

“(m) **EXEMPTION OF AND REPORTING BY CERTAIN PRIVATE FUND ADVISERS.**—

“(1) **IN GENERAL.**—The Commission shall provide an exemption from the registration requirements under this section to any investment adviser of private funds, if each of such investment adviser acts solely as an adviser to private funds and has assets under management in the United States of less than \$150,000,000.

“(2) **REPORTING.**—The Commission shall require investment advisers exempted by reason of this subsection to maintain such records and provide to the Commission such annual or other reports as the Commission determines necessary or appropriate in the public interest or for the protection of investors.

“(n) **REGISTRATION AND EXAMINATION OF MID-SIZED PRIVATE FUND ADVISERS.**—In prescribing regulations to carry out the requirements of this section with respect to investment advisers acting as investment advisers to mid-sized private funds, the Commission shall take into account the size, governance, and investment strategy of such funds to determine whether they pose systemic risk, and shall provide for registration and examination procedures with respect to the investment advisers of such funds which reflect the level of systemic risk posed by such funds.”

SEC. 409. FAMILY OFFICES.

(a) **IN GENERAL.**—Section 202(a)(11) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(11)) is amended by striking “or (G)” and inserting the following: “; (G) any family office, as defined by rule, regulation, or order of the Commission, in accordance with the purposes of this title; or (H)”.

(b) **RULEMAKING.**—The rules, regulations, or orders issued by the Commission pursuant to

section 202(a)(11)(G) of the Investment Advisers Act of 1940, as added by this section, regarding the definition of the term “family office” shall provide for an exemption that—

(1) is consistent with the previous exemptive policy of the Commission, as reflected in exemptive orders for family offices in effect on the date of enactment of this Act, and the grandfathering provisions in paragraph (3);

(2) recognizes the range of organizational, management, and employment structures and arrangements employed by family offices; and

(3) does not exclude any person who was not registered or required to be registered under the Investment Advisers Act of 1940 on January 1, 2010 from the definition of the term “family office”, solely because such person provides investment advice to, and was engaged before January 1, 2010 in providing investment advice to—

(A) natural persons who, at the time of their applicable investment, are officers, directors, or employees of the family office who—

(i) have invested with the family office before January 1, 2010; and

(ii) are accredited investors, as defined in Regulation D of the Commission (or any successor thereto) under the Securities Act of 1933, or, as the Commission may prescribe by rule, the successors-in-interest thereto;

(B) any company owned exclusively and controlled by members of the family of the family office, or as the Commission may prescribe by rule;

(C) any investment adviser registered under the Investment Adviser Act of 1940 that provides investment advice to the family office and who identifies investment opportunities to the family office, and invests in such transactions on substantially the same terms as the family office invests, but does not invest in other funds advised by the family office, and whose assets as to which the family office directly or indirectly provides investment advice represent, in the aggregate, not more than 5 percent of the value of the total assets as to which the family office provides investment advice.

(c) **ANTIFRAUD AUTHORITY.**—A family office that would not be a family office, but for subsection (b)(3), shall be deemed to be an investment adviser for the purposes of paragraphs (1), (2) and (4) of section 206 of the Investment Advisers Act of 1940.

SEC. 410. STATE AND FEDERAL RESPONSIBILITIES; ASSET THRESHOLD FOR FEDERAL REGISTRATION OF INVESTMENT ADVISERS.

Section 203A(a) of the of the Investment Advisers Act of 1940 (15 U.S.C. 80b-3a(a)) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1) the following:

“(2) **TREATMENT OF MID-SIZED INVESTMENT ADVISERS.**—

“(A) **IN GENERAL.**—No investment adviser described in subparagraph (B) shall register under section 203, unless the investment adviser is an adviser to an investment company registered under the Investment Company Act of 1940, or a company which has elected to be a business development company pursuant to section 54 of the Investment Company Act of 1940, and has not withdrawn the election, except that, if by effect of this paragraph an investment adviser would be required to register with 15 or more States, then the adviser may register under section 203.

“(B) **COVERED PERSONS.**—An investment adviser described in this subparagraph is an investment adviser that—

“(i) is required to be registered as an investment adviser with the securities commissioner (or any agency or office performing like functions) of the State in which it maintains its

principal office and place of business and, if registered, would be subject to examination as an investment adviser by any such commissioner, agency, or office; and

“(ii) has assets under management between—

“(I) the amount specified under subparagraph (A) of paragraph (1), as such amount may have been adjusted by the Commission pursuant to that subparagraph; and

“(II) \$100,000,000, or such higher amount as the Commission may, by rule, deem appropriate in accordance with the purposes of this title.”.

SEC. 411. CUSTODY OF CLIENT ASSETS.

The Investment Advisers Act of 1940 (15 U.S.C. 80b-1 et seq.) is amended by adding at the end the following new section:

“SEC. 223. CUSTODY OF CLIENT ACCOUNTS.

“An investment adviser registered under this title shall take such steps to safeguard client assets over which such adviser has custody, including, without limitation, verification of such assets by an independent public accountant, as the Commission may, by rule, prescribe.”.

SEC. 412. COMPTROLLER GENERAL STUDY ON CUSTODY RULE COSTS.

The Comptroller General of the United States shall—

(1) conduct a study of—

(A) the compliance costs associated with the current Securities and Exchange Commission rules 204-2 (17 C.F.R. Parts 275.204-2) and rule 206(4)-2 (17 C.F.R. 275.206(4)-2) under the Investment Advisers Act of 1940 regarding custody of funds or securities of clients by investment advisers; and

(B) the additional costs if subsection (b)(6) of rule 206(4)-2 (17 C.F.R. 275.206(4)-2(b)(6)) relating to operational independence were eliminated; and

(2) submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives on the results of such study, not later than 3 years after the date of enactment of this Act.

SEC. 413. ADJUSTING THE ACCREDITED INVESTOR STANDARD.

(a) **IN GENERAL.**—The Commission shall adjust any net worth standard for an accredited investor, as set forth in the rules of the Commission under the Securities Act of 1933, so that the individual net worth of any natural person, or joint net worth with the spouse of that person, at the time of purchase, is more than \$1,000,000 (as such amount is adjusted periodically by rule of the Commission), excluding the value of the primary residence of such natural person, except that during the 4-year period that begins on the date of enactment of this Act, any net worth standard shall be \$1,000,000, excluding the value of the primary residence of such natural person.

(b) **REVIEW AND ADJUSTMENT.**—

(1) **INITIAL REVIEW AND ADJUSTMENT.**—

(A) **INITIAL REVIEW.**—The Commission may undertake a review of the definition of the term “accredited investor”, as such term applies to natural persons, to determine whether the requirements of the definition, excluding the requirement relating to the net worth standard described in subsection (a), should be adjusted or modified for the protection of investors, in the public interest, and in light of the economy.

(B) **ADJUSTMENT OR MODIFICATION.**—Upon completion of a review under subparagraph (A), the Commission may, by notice and comment rulemaking, make such adjustments to the definition of the term “accredited investor”, excluding adjusting or modifying the requirement relating to the net worth standard described in subsection (a), as such term applies to natural persons, as the Commission may deem appropriate for the protection of investors, in the public interest, and in light of the economy.

(2) **SUBSEQUENT REVIEWS AND ADJUSTMENT.**—

(A) **SUBSEQUENT REVIEWS.**—Not earlier than 4 years after the date of enactment of this Act, and not less frequently than once every 4 years thereafter, the Commission shall undertake a review of the definition, in its entirety, of the term “accredited investor”, as defined in section 230.215 of title 17, Code of Federal Regulations, or any successor thereto, as such term applies to natural persons, to determine whether the requirements of the definition should be adjusted or modified for the protection of investors, in the public interest, and in light of the economy.

(B) **ADJUSTMENT OR MODIFICATION.**—Upon completion of a review under subparagraph (A), the Commission may, by notice and comment rulemaking, make such adjustments to the definition of the term “accredited investor”, as defined in section 230.215 of title 17, Code of Federal Regulations, or any successor thereto, as such term applies to natural persons, as the Commission may deem appropriate for the protection of investors, in the public interest, and in light of the economy.

SEC. 414. RULE OF CONSTRUCTION RELATING TO THE COMMODITIES EXCHANGE ACT.

The Investment Advisers Act of 1940 (15 U.S.C. 80b-1 et seq.) is further amended by adding at the end the following new section:

“SEC. 224. RULE OF CONSTRUCTION RELATING TO THE COMMODITIES EXCHANGE ACT.

“Nothing in this title shall relieve any person of any obligation or duty, or affect the availability of any right or remedy available to the Commodity Futures Trading Commission or any private party, arising under the Commodity Exchange Act (7 U.S.C. 1 et seq.) governing commodity pools, commodity pool operators, or commodity trading advisors.”.

SEC. 415. GAO STUDY AND REPORT ON ACCREDITED INVESTORS.

The Comptroller General of the United States shall conduct a study on the appropriate criteria for determining the financial thresholds or other criteria needed to qualify for accredited investor status and eligibility to invest in private funds, and shall submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives on the results of such study not later than 3 years after the date of enactment of this Act.

SEC. 416. GAO STUDY ON SELF-REGULATORY ORGANIZATION FOR PRIVATE FUNDS.

The Comptroller General of the United States shall—

(1) conduct a study of the feasibility of forming a self-regulatory organization to oversee private funds; and

(2) submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives on the results of such study, not later than 1 year after the date of enactment of this Act.

SEC. 417. COMMISSION STUDY AND REPORT ON SHORT SELLING.

(a) **STUDIES.**—The Division of Risk, Strategy, and Financial Innovation of the Commission shall conduct—

(1) a study, taking into account current scholarship, on the state of short selling on national securities exchanges and in the over-the-counter markets, with particular attention to the impact of recent rule changes and the incidence of—

(A) the failure to deliver shares sold short; or

(B) delivery of shares on the fourth day following the short sale transaction; and

(2) a study of—

(A) the feasibility, benefits, and costs of requiring reporting publicly, in real time short sale positions of publicly listed securities, or, in the alternative, reporting such short positions in

real time only to the Commission and the Financial Industry Regulatory Authority; and

(B) the feasibility, benefits, and costs of conducting a voluntary pilot program in which public companies will agree to have all trades of their shares marked “short”, “market maker short”, “buy”, “buy-to-cover”, or “long”, and reported in real time through the Consolidated Tape.

(b) **REPORTS.**—The Commission shall submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives—

(1) on the results of the study required under subsection (a)(1), including recommendations for market improvements, not later than 2 years after the date of enactment of this Act; and

(2) on the results of the study required under subsection (a)(2), not later than 1 year after the date of enactment of this Act.

SEC. 418. QUALIFIED CLIENT STANDARD.

Section 205(e) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-5(e)) is amended by adding at the end the following: “With respect to any factor used in any rule or regulation by the Commission in making a determination under this subsection, if the Commission uses a dollar amount test in connection with such factor, such as a net asset threshold, the Commission shall, by order, not later than 1 year after the date of enactment of the Private Fund Investment Advisers Registration Act of 2010, and every 5 years thereafter, adjust for the effects of inflation on such test. Any such adjustment that is not a multiple of \$100,000 shall be rounded to the nearest multiple of \$100,000.”.

SEC. 419. TRANSITION PERIOD.

Except as otherwise provided in this title, this title and the amendments made by this title shall become effective 1 year after the date of enactment of this Act, except that any investment adviser may, at the discretion of the investment adviser, register with the Commission under the Investment Advisers Act of 1940 during that 1-year period, subject to the rules of the Commission.

TITLE V—INSURANCE

Subtitle A—Federal Insurance Office

SEC. 501. SHORT TITLE.

This subtitle may be cited as the “Federal Insurance Office Act of 2010”.

SEC. 502. FEDERAL INSURANCE OFFICE.

(a) **ESTABLISHMENT OF OFFICE.**—Subchapter I of chapter 3 of subtitle I of title 31, United States Code, is amended—

(1) by redesignating section 312 as section 315; and

(2) by redesignating section 313 as section 312; and

(3) by inserting after section 312 (as so redesignated) the following new sections:

“SEC. 313. FEDERAL INSURANCE OFFICE.

“(a) **ESTABLISHMENT.**—There is established within the Department of the Treasury the Federal Insurance Office.

“(b) **LEADERSHIP.**—The Office shall be headed by a Director, who shall be appointed by the Secretary of the Treasury. The position of Director shall be a career reserved position in the Senior Executive Service, as that position is defined under section 3132 of title 5, United States Code.

“(c) **FUNCTIONS.**—

“(1) **AUTHORITY PURSUANT TO DIRECTION OF SECRETARY.**—The Office, pursuant to the direction of the Secretary, shall have the authority—

“(A) to monitor all aspects of the insurance industry, including identifying issues or gaps in the regulation of insurers that could contribute to a systemic crisis in the insurance industry or the United States financial system;

“(B) to monitor the extent to which traditionally underserved communities and consumers,

minorities (as such term is defined in section 1204(c) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1811 note)), and low- and moderate-income persons have access to affordable insurance products regarding all lines of insurance, except health insurance;

“(C) to recommend to the Financial Stability Oversight Council that it designate an insurer, including the affiliates of such insurer, as an entity subject to regulation as a nonbank financial company supervised by the Board of Governors pursuant to title I of the Dodd-Frank Wall Street Reform and Consumer Protection Act;

“(D) to assist the Secretary in administering the Terrorism Insurance Program established in the Department of the Treasury under the Terrorism Risk Insurance Act of 2002 (15 U.S.C. 6701 note);

“(E) to coordinate Federal efforts and develop Federal policy on prudential aspects of international insurance matters, including representing the United States, as appropriate, in the International Association of Insurance Supervisors (or a successor entity) and assisting the Secretary in negotiating covered agreements (as such term is defined in subsection (r));

“(F) to determine, in accordance with subsection (f), whether State insurance measures are preempted by covered agreements;

“(G) to consult with the States (including State insurance regulators) regarding insurance matters of national importance and prudential insurance matters of international importance; and

“(H) to perform such other related duties and authorities as may be assigned to the Office by the Secretary.

“(2) **ADVISORY FUNCTIONS.**—The Office shall advise the Secretary on major domestic and prudential international insurance policy issues.

“(3) **ADVISORY CAPACITY ON COUNCIL.**—The Director shall serve in an advisory capacity on the Financial Stability Oversight Council established under the Financial Stability Act of 2010.

“(d) **SCOPE.**—The authority of the Office shall extend to all lines of insurance except—

“(1) health insurance, as determined by the Secretary in coordination with the Secretary of Health and Human Services based on section 2791 of the Public Health Service Act (42 U.S.C. 300gg-91);

“(2) long-term care insurance, except long-term care insurance that is included with life or annuity insurance components, as determined by the Secretary in coordination with the Secretary of Health and Human Services, and in the case of long-term care insurance that is included with such components, the Secretary shall coordinate with the Secretary of Health and Human Services in performing the functions of the Office; and

“(3) crop insurance, as established by the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

“(e) **GATHERING OF INFORMATION.**—

“(1) **IN GENERAL.**—In carrying out the functions required under subsection (c), the Office may—

“(A) receive and collect data and information on and from the insurance industry and insurers;

“(B) enter into information-sharing agreements;

“(C) analyze and disseminate data and information; and

“(D) issue reports regarding all lines of insurance except health insurance.

“(2) **COLLECTION OF INFORMATION FROM INSURERS AND AFFILIATES.**—

“(A) **IN GENERAL.**—Except as provided in paragraph (3), the Office may require an insurer, or any affiliate of an insurer, to submit

such data or information as the Office may reasonably require in carrying out the functions described under subsection (c).

“(B) **RULE OF CONSTRUCTION.**—Notwithstanding any other provision of this section, for purposes of subparagraph (A), the term ‘insurer’ means any entity that writes insurance or reinsures risks and issues contracts or policies in 1 or more States.

“(3) **EXCEPTION FOR SMALL INSURERS.**—Paragraph (2) shall not apply with respect to any insurer or affiliate thereof that meets a minimum size threshold that the Office may establish, whether by order or rule.

“(4) **ADVANCE COORDINATION.**—Before collecting any data or information under paragraph (2) from an insurer, or affiliate of an insurer, the Office shall coordinate with each relevant Federal agency and State insurance regulator (or other relevant Federal or State regulatory agency, if any, in the case of an affiliate of an insurer) and any publicly available sources to determine if the information to be collected is available from, and may be obtained in a timely manner by, such Federal agency or State insurance regulator, individually or collectively, other regulatory agency, or publicly available sources. If the Director determines that such data or information is available, and may be obtained in a timely manner, from such an agency, regulator, regulatory agency, or source, the Director shall obtain the data or information from such agency, regulator, regulatory agency, or source. If the Director determines that such data or information is not so available, the Director may collect such data or information from an insurer (or affiliate) only if the Director complies with the requirements of subchapter I of chapter 35 of title 44, United States Code (relating to Federal information policy; commonly known as the Paperwork Reduction Act), in collecting such data or information. Notwithstanding any other provision of law, each such relevant Federal agency and State insurance regulator or other Federal or State regulatory agency is authorized to provide to the Office such data or information.

“(5) **CONFIDENTIALITY.**—

“(A) **RETENTION OF PRIVILEGE.**—The submission of any nonpublicly available data and information to the Office under this subsection shall not constitute a waiver of, or otherwise affect, any privilege arising under Federal or State law (including the rules of any Federal or State court) to which the data or information is otherwise subject.

“(B) **CONTINUED APPLICATION OF PRIOR CONFIDENTIALITY AGREEMENTS.**—Any requirement under Federal or State law to the extent otherwise applicable, or any requirement pursuant to a written agreement in effect between the original source of any nonpublicly available data or information and the source of such data or information to the Office, regarding the privacy or confidentiality of any data or information in the possession of the source to the Office, shall continue to apply to such data or information after the data or information has been provided pursuant to this subsection to the Office.

“(C) **INFORMATION-SHARING AGREEMENT.**—Any data or information obtained by the Office may be made available to State insurance regulators, individually or collectively, through an information-sharing agreement that—

“(i) shall comply with applicable Federal law; and

“(ii) shall not constitute a waiver of, or otherwise affect, any privilege under Federal or State law (including the rules of any Federal or State court) to which the data or information is otherwise subject.

“(D) **AGENCY DISCLOSURE REQUIREMENTS.**—Section 552 of title 5, United States Code, shall apply to any data or information submitted to

the Office by an insurer or an affiliate of an insurer.

“(6) **SUBPOENAS AND ENFORCEMENT.**—The Director shall have the power to require by subpoena the production of the data or information requested under paragraph (2), but only upon a written finding by the Director that such data or information is required to carry out the functions described under subsection (c) and that the Office has coordinated with such regulator or agency as required under paragraph (4). Subpoenas shall bear the signature of the Director and shall be served by any person or class of persons designated by the Director for that purpose. In the case of contumacy or failure to obey a subpoena, the subpoena shall be enforceable by order of any appropriate district court of the United States. Any failure to obey the order of the court may be punished by the court as a contempt of court.

“(f) **PREEMPTION OF STATE INSURANCE MEASURES.**—

“(1) **STANDARD.**—A State insurance measure shall be preempted pursuant to this section or section 314 if, and only to the extent that the Director determines, in accordance with this subsection, that the measure—

“(A) results in less favorable treatment of a non-United States insurer domiciled in a foreign jurisdiction that is subject to a covered agreement than a United States insurer domiciled, licensed, or otherwise admitted in that State; and

“(B) is inconsistent with a covered agreement.

“(2) **DETERMINATION.**—

“(A) **NOTICE OF POTENTIAL INCONSISTENCY.**—Before making any determination under paragraph (1), the Director shall—

“(i) notify and consult with the appropriate State regarding any potential inconsistency or preemption;

“(ii) notify and consult with the United States Trade Representative regarding any potential inconsistency or preemption;

“(iii) cause to be published in the Federal Register notice of the issue regarding the potential inconsistency or preemption, including a description of each State insurance measure at issue and any applicable covered agreement;

“(iv) provide interested parties a reasonable opportunity to submit written comments to the Office; and

“(v) consider any comments received.

“(B) **SCOPE OF REVIEW.**—For purposes of this subsection, any determination of the Director regarding State insurance measures, and any preemption under paragraph (1) as a result of such determination, shall be limited to the subject matter contained within the covered agreement involved and shall achieve a level of protection for insurance or reinsurance consumers that is substantially equivalent to the level of protection achieved under State insurance or reinsurance regulation.

“(C) **NOTICE OF DETERMINATION OF INCONSISTENCY.**—Upon making any determination under paragraph (1), the Director shall—

“(i) notify the appropriate State of the determination and the extent of the inconsistency;

“(ii) establish a reasonable period of time, which shall not be less than 30 days, before the determination shall become effective; and

“(iii) notify the Committees on Financial Services and Ways and Means of the House of Representatives and the Committees on Banking, Housing, and Urban Affairs and Finance of the Senate.

“(3) **NOTICE OF EFFECTIVENESS.**—Upon the conclusion of the period referred to in paragraph (2)(C)(ii), if the basis for such determination still exists, the determination shall become effective and the Director shall—

“(A) cause to be published a notice in the Federal Register that the preemption has become effective, as well as the effective date; and

“(B) notify the appropriate State.

“(4) **LIMITATION.**—No State may enforce a State insurance measure to the extent that such measure has been preempted under this subsection.

“(g) **APPLICABILITY OF ADMINISTRATIVE PROCEDURES ACT.**—Determinations of inconsistency made pursuant to subsection (f)(2) shall be subject to the applicable provisions of subchapter II of chapter 5 of title 5, United States Code (relating to administrative procedure), and chapter 7 of such title (relating to judicial review), except that in any action for judicial review of a determination of inconsistency, the court shall determine the matter de novo.

“(h) **REGULATIONS, POLICIES, AND PROCEDURES.**—The Secretary may issue orders, regulations, policies, and procedures to implement this section.

“(i) **CONSULTATION.**—The Director shall consult with State insurance regulators, individually or collectively, to the extent the Director determines appropriate, in carrying out the functions of the Office.

“(j) **SAVINGS PROVISIONS.**—Nothing in this section shall—

“(1) preempt—

“(A) any State insurance measure that governs any insurer's rates, premiums, underwriting, or sales practices;

“(B) any State coverage requirements for insurance;

“(C) the application of the antitrust laws of any State to the business of insurance; or

“(D) any State insurance measure governing the capital or solvency of an insurer, except to the extent that such State insurance measure results in less favorable treatment of a non-United States insurer than a United States insurer;

“(2) be construed to alter, amend, or limit any provision of the Consumer Financial Protection Agency Act of 2010; or

“(3) affect the preemption of any State insurance measure otherwise inconsistent with and preempted by Federal law.

“(k) **RETENTION OF EXISTING STATE REGULATORY AUTHORITY.**—Nothing in this section or section 314 shall be construed to establish or provide the Office or the Department of the Treasury with general supervisory or regulatory authority over the business of insurance.

“(l) **RETENTION OF AUTHORITY OF FEDERAL FINANCIAL REGULATORY AGENCIES.**—Nothing in this section or section 314 shall be construed to limit the authority of any Federal financial regulatory agency, including the authority to develop and coordinate policy, negotiate, and enter into agreements with foreign governments, authorities, regulators, and multinational regulatory committees and to preempt State measures to affect uniformity with international regulatory agreements.

“(m) **RETENTION OF AUTHORITY OF UNITED STATES TRADE REPRESENTATIVE.**—Nothing in this section or section 314 shall be construed to affect the authority of the Office of the United States Trade Representative pursuant to section 141 of the Trade Act of 1974 (19 U.S.C. 2171) or any other provision of law, including authority over the development and coordination of United States international trade policy and the administration of the United States trade agreements program.

“(n) **ANNUAL REPORTS TO CONGRESS.**—

“(1) **SECTION 313(f) REPORTS.**—Beginning September 30, 2011, the Director shall submit a report on or before September 30 of each calendar year to the President and to the Committees on Financial Services and Ways and Means of the House of Representatives and the Committees on Banking, Housing, and Urban Affairs and Finance of the Senate on any actions taken by the Office pursuant to subsection (f) (regarding preemption of inconsistent State insurance measures).

“(2) **INSURANCE INDUSTRY.**—Beginning September 30, 2011, the Director shall submit a report on or before September 30 of each calendar year to the President and to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate on the insurance industry and any other information as deemed relevant by the Director or requested by such Committees.

“(o) **REPORTS ON U.S. AND GLOBAL REINSURANCE MARKET.**—The Director shall submit to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate—

“(1) a report received not later than September 30, 2012, describing the breadth and scope of the global reinsurance market and the critical role such market plays in supporting insurance in the United States; and

“(2) a report received not later than January 1, 2013, and updated not later than January 1, 2015, describing the impact of part II of the Non-admitted and Reinsurance Reform Act of 2010 on the ability of State regulators to access reinsurance information for regulated companies in their jurisdictions.

“(p) **STUDY AND REPORT ON REGULATION OF INSURANCE.**—

“(1) **IN GENERAL.**—Not later than 18 months after the date of enactment of this section, the Director shall conduct a study and submit a report to Congress on how to modernize and improve the system of insurance regulation in the United States.

“(2) **CONSIDERATIONS.**—The study and report required under paragraph (1) shall be based on and guided by the following considerations:

“(A) Systemic risk regulation with respect to insurance.

“(B) Capital standards and the relationship between capital allocation and liabilities, including standards relating to liquidity and duration risk.

“(C) Consumer protection for insurance products and practices, including gaps in State regulation.

“(D) The degree of national uniformity of State insurance regulation.

“(E) The regulation of insurance companies and affiliates on a consolidated basis.

“(F) International coordination of insurance regulation.

“(3) **ADDITIONAL FACTORS.**—The study and report required under paragraph (1) shall also examine the following factors:

“(A) The costs and benefits of potential Federal regulation of insurance across various lines of insurance (except health insurance).

“(B) The feasibility of regulating only certain lines of insurance at the Federal level, while leaving other lines of insurance to be regulated at the State level.

“(C) The ability of any potential Federal regulation or Federal regulators to eliminate or minimize regulatory arbitrage.

“(D) The impact that developments in the regulation of insurance in foreign jurisdictions might have on the potential Federal regulation of insurance.

“(E) The ability of any potential Federal regulation or Federal regulator to provide robust consumer protection for policyholders.

“(F) The potential consequences of subjecting insurance companies to a Federal resolution authority, including the effects of any Federal resolution authority—

“(i) on the operation of State insurance guaranty fund systems, including the loss of guaranty fund coverage if an insurance company is subject to a Federal resolution authority;

“(ii) on policyholder protection, including the loss of the priority status of policyholder claims over other unsecured general creditor claims;

“(iii) in the case of life insurance companies, on the loss of the special status of separate account assets and separate account liabilities; and

“(iv) on the international competitiveness of insurance companies.

“(G) Such other factors as the Director determines necessary or appropriate, consistent with the principles set forth in paragraph (2).

“(4) REQUIRED RECOMMENDATIONS.—The study and report required under paragraph (1) shall also contain any legislative, administrative, or regulatory recommendations, as the Director determines appropriate, to carry out or effectuate the findings set forth in such report.

“(5) CONSULTATION.—With respect to the study and report required under paragraph (1), the Director shall consult with the State insurance regulators, consumer organizations, representatives of the insurance industry and policyholders, and other organizations and experts, as appropriate.

“(g) USE OF EXISTING RESOURCES.—To carry out this section, the Office may employ personnel, facilities, and any other resource of the Department of the Treasury available to the Secretary and the Secretary shall dedicate specific personnel to the Office.

“(r) DEFINITIONS.—In this section and section 314, the following definitions shall apply:

“(1) AFFILIATE.—The term ‘affiliate’ means, with respect to an insurer, any person who controls, is controlled by, or is under common control with the insurer.

“(2) COVERED AGREEMENT.—The term ‘covered agreement’ means a written bilateral or multilateral agreement regarding prudential measures with respect to the business of insurance or reinsurance that—

“(A) is entered into between the United States and one or more foreign governments, authorities, or regulatory entities; and

“(B) relates to the recognition of prudential measures with respect to the business of insurance or reinsurance that achieves a level of protection for insurance or reinsurance consumers that is substantially equivalent to the level of protection achieved under State insurance or reinsurance regulation.

“(3) INSURER.—The term ‘insurer’ means any person engaged in the business of insurance, including reinsurance.

“(4) FEDERAL FINANCIAL REGULATORY AGENCY.—The term ‘Federal financial regulatory agency’ means the Department of the Treasury, the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, the Office of Thrift Supervision, the Securities and Exchange Commission, the Commodity Futures Trading Commission, the Federal Deposit Insurance Corporation, the Federal Housing Finance Agency, or the National Credit Union Administration.

“(5) NON-UNITED STATES INSURER.—The term ‘non-United States insurer’ means an insurer that is organized under the laws of a jurisdiction other than a State, but does not include any United States branch of such an insurer.

“(6) OFFICE.—The term ‘Office’ means the Federal Insurance Office established by this section.

“(7) STATE INSURANCE MEASURE.—The term ‘State insurance measure’ means any State law, regulation, administrative ruling, bulletin, guideline, or practice relating to or affecting prudential measures applicable to insurance or reinsurance.

“(8) STATE INSURANCE REGULATOR.—The term ‘State insurance regulator’ means any State regulatory authority responsible for the supervision of insurers.

“(9) SUBSTANTIALLY EQUIVALENT TO THE LEVEL OF PROTECTION ACHIEVED.—The term ‘substantially equivalent to the level of protec-

tion achieved’ means the prudential measures of a foreign government, authority, or regulatory entity achieve a similar outcome in consumer protection as the outcome achieved under State insurance or reinsurance regulation.

“(10) UNITED STATES INSURER.—The term ‘United States insurer’ means—

“(A) an insurer that is organized under the laws of a State; or

“(B) a United States branch of a non-United States insurer.

“(s) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the Office for each fiscal year such sums as may be necessary.

“SEC. 314. COVERED AGREEMENTS.

“(a) AUTHORITY.—The Secretary and the United States Trade Representative are authorized, jointly, to negotiate and enter into covered agreements on behalf of the United States.

“(b) REQUIREMENTS FOR CONSULTATION WITH CONGRESS.—

“(1) IN GENERAL.—Before initiating negotiations to enter into a covered agreement under subsection (a), during such negotiations, and before entering into any such agreement, the Secretary and the United States Trade Representative shall jointly consult with the Committee on Financial Services and the Committee on Ways and Means of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs and the Committee on Finance of the Senate.

“(2) SCOPE.—The consultation described in paragraph (1) shall include consultation with respect to—

“(A) the nature of the agreement;

“(B) how and to what extent the agreement will achieve the applicable purposes, policies, priorities, and objectives of section 313 and this section; and

“(C) the implementation of the agreement, including the general effect of the agreement on existing State laws.

“(c) SUBMISSION AND LAYOVER PROVISIONS.—A covered agreement under subsection (a) may enter into force with respect to the United States only if—

“(1) the Secretary and the United States Trade Representative jointly submit to the congressional committees specified in subsection (b)(1), on a day on which both Houses of Congress are in session, a copy of the final legal text of the agreement; and

“(2) a period of 90 calendar days beginning on the date on which the copy of the final legal text of the agreement is submitted to the congressional committees under paragraph (1) has expired.”.

(b) DUTIES OF SECRETARY.—Section 321(a) of title 31, United States Code, is amended—

(1) in paragraph (7), by striking “; and” and inserting a semicolon;

(2) in paragraph (8)(C), by striking the period at the end and inserting “; and”; and

(3) by adding at the end the following new paragraph:

“(9) advise the President on major domestic and international prudential policy issues in connection with all lines of insurance except health insurance.”.

(c) CLERICAL AMENDMENT.—The table of sections for subchapter I of chapter 3 of title 31, United States Code, is amended by striking the item relating to section 312 and inserting the following new items:

“Sec. 312. Terrorism and financial intelligence.

“Sec. 313. Federal Insurance Office.

“Sec. 314. Covered agreements.

“Sec. 315. Continuing in office.”.

Subtitle B—State-Based Insurance Reform

SEC. 511. SHORT TITLE.

This subtitle may be cited as the “Non-admitted and Reinsurance Reform Act of 2010”.

SEC. 512. EFFECTIVE DATE.

Except as otherwise specifically provided in this subtitle, this subtitle shall take effect upon the expiration of the 12-month period beginning on the date of the enactment of this subtitle.

PART I—NONADMITTED INSURANCE

SEC. 521. REPORTING, PAYMENT, AND ALLOCATION OF PREMIUM TAXES.

(a) HOME STATE’S EXCLUSIVE AUTHORITY.—No State other than the home State of an insured may require any premium tax payment for non-admitted insurance.

(b) ALLOCATION OF NONADMITTED PREMIUM TAXES.—

(1) IN GENERAL.—The States may enter into a compact or otherwise establish procedures to allocate among the States the premium taxes paid to an insured’s home State described in subsection (a).

(2) EFFECTIVE DATE.—Except as expressly otherwise provided in such compact or other procedures, any such compact or other procedures—

(A) if adopted on or before the expiration of the 330-day period that begins on the date of the enactment of this subtitle, shall apply to any premium taxes that, on or after such date of enactment, are required to be paid to any State that is subject to such compact or procedures; and

(B) if adopted after the expiration of such 330-day period, shall apply to any premium taxes that, on or after January 1 of the first calendar year that begins after the expiration of such 330-day period, are required to be paid to any State that is subject to such compact or procedures.

(3) REPORT.—Upon the expiration of the 330-day period referred to in paragraph (2), the NAIC may submit a report to the Committee on Financial Services and the Committee on the Judiciary of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate identifying and describing any compact or other procedures for allocation among the States of premium taxes that have been adopted during such period by any States.

(4) NATIONWIDE SYSTEM.—The Congress intends that each State adopt nationwide uniform requirements, forms, and procedures, such as an interstate compact, that provide for the reporting, payment, collection, and allocation of premium taxes for nonadmitted insurance consistent with this section.

(c) ALLOCATION BASED ON TAX ALLOCATION REPORT.—To facilitate the payment of premium taxes among the States, an insured’s home State may require surplus lines brokers and insureds who have independently procured insurance to annually file tax allocation reports with the insured’s home State detailing the portion of the nonadmitted insurance policy premium or premiums attributable to properties, risks, or exposures located in each State. The filing of a non-admitted insurance tax allocation report and the payment of tax may be made by a person authorized by the insured to act as its agent.

SEC. 522. REGULATION OF NONADMITTED INSURANCE BY INSURED’S HOME STATE.

(a) HOME STATE AUTHORITY.—Except as otherwise provided in this section, the placement of nonadmitted insurance shall be subject to the statutory and regulatory requirements solely of the insured’s home State.

(b) BROKER LICENSING.—No State other than an insured’s home State may require a surplus lines broker to be licensed in order to sell, solicit, or negotiate nonadmitted insurance with respect to such insured.

(c) ENFORCEMENT PROVISION.—With respect to section 521 and subsections (a) and (b) of this section, any law, regulation, provision, or action of any State that applies or purports to apply to nonadmitted insurance sold to, solicited by, or negotiated with an insured whose

home State is another State shall be preempted with respect to such application.

(d) **WORKERS' COMPENSATION EXCEPTION.**—This section may not be construed to preempt any State law, rule, or regulation that restricts the placement of workers' compensation insurance or excess insurance for self-funded workers' compensation plans with a nonadmitted insurer.

SEC. 523. PARTICIPATION IN NATIONAL PRODUCER DATABASE.

After the expiration of the 2-year period beginning on the date of the enactment of this subtitle, a State may not collect any fees relating to licensing of an individual or entity as a surplus lines broker in the State unless the State has in effect at such time laws or regulations that provide for participation by the State in the national insurance producer database of the NAIC, or any other equivalent uniform national database, for the licensure of surplus lines brokers and the renewal of such licenses.

SEC. 524. UNIFORM STANDARDS FOR SURPLUS LINES ELIGIBILITY.

A State may not—

(1) impose eligibility requirements on, or otherwise establish eligibility criteria for, nonadmitted insurers domiciled in a United States jurisdiction, except in conformance with such requirements and criteria in sections 5A(2) and 5C(2)(a) of the Non-Admitted Insurance Model Act, unless the State has adopted nationwide uniform requirements, forms, and procedures developed in accordance with section 521(b) of this subtitle that include alternative nationwide uniform eligibility requirements; or

(2) prohibit a surplus lines broker from placing nonadmitted insurance with, or procuring nonadmitted insurance from, a nonadmitted insurer domiciled outside the United States that is listed on the Quarterly Listing of Alien Insurers maintained by the International Insurers Department of the NAIC.

SEC. 525. STREAMLINED APPLICATION FOR COMMERCIAL PURCHASERS.

A surplus lines broker seeking to procure or place nonadmitted insurance in a State for an exempt commercial purchaser shall not be required to satisfy any State requirement to make a due diligence search to determine whether the full amount or type of insurance sought by such exempt commercial purchaser can be obtained from admitted insurers if—

(1) the broker procuring or placing the surplus lines insurance has disclosed to the exempt commercial purchaser that such insurance may or may not be available from the admitted market that may provide greater protection with more regulatory oversight; and

(2) the exempt commercial purchaser has subsequently requested in writing the broker to procure or place such insurance from a nonadmitted insurer.

SEC. 526. GAO STUDY OF NONADMITTED INSURANCE MARKET.

(a) **IN GENERAL.**—The Comptroller General of the United States shall conduct a study of the nonadmitted insurance market to determine the effect of the enactment of this part on the size and market share of the nonadmitted insurance market for providing coverage typically provided by the admitted insurance market.

(b) **CONTENTS.**—The study shall determine and analyze—

(1) the change in the size and market share of the nonadmitted insurance market and in the number of insurance companies and insurance holding companies providing such business in the 18-month period that begins upon the effective date of this subtitle;

(2) the extent to which insurance coverage typically provided by the admitted insurance market has shifted to the nonadmitted insurance market;

(3) the consequences of any change in the size and market share of the nonadmitted insurance market, including differences in the price and availability of coverage available in both the admitted and nonadmitted insurance markets;

(4) the extent to which insurance companies and insurance holding companies that provide both admitted and nonadmitted insurance have experienced shifts in the volume of business between admitted and nonadmitted insurance; and

(5) the extent to which there has been a change in the number of individuals who have nonadmitted insurance policies, the type of coverage provided under such policies, and whether such coverage is available in the admitted insurance market.

(c) **CONSULTATION WITH NAIC.**—In conducting the study under this section, the Comptroller General shall consult with the NAIC.

(d) **REPORT.**—The Comptroller General shall complete the study under this section and submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives regarding the findings of the study not later than 30 months after the effective date of this subtitle.

SEC. 527. DEFINITIONS.

For purposes of this part, the following definitions shall apply:

(1) **ADMITTED INSURER.**—The term “admitted insurer” means, with respect to a State, an insurer licensed to engage in the business of insurance in such State.

(2) **AFFILIATE.**—The term “affiliate” means, with respect to an insured, any entity that controls, is controlled by, or is under common control with the insured.

(3) **AFFILIATED GROUP.**—The term “affiliated group” means any group of entities that are all affiliated.

(4) **CONTROL.**—An entity has “control” over another entity if—

(A) the entity directly or indirectly or acting through 1 or more other persons owns, controls, or has the power to vote 25 percent or more of any class of voting securities of the other entity; or

(B) the entity controls in any manner the election of a majority of the directors or trustees of the other entity.

(5) **EXEMPT COMMERCIAL PURCHASER.**—The term “exempt commercial purchaser” means any person purchasing commercial insurance that, at the time of placement, meets the following requirements:

(A) The person employs or retains a qualified risk manager to negotiate insurance coverage.

(B) The person has paid aggregate nationwide commercial property and casualty insurance premiums in excess of \$100,000 in the immediately preceding 12 months.

(C)(i) The person meets at least 1 of the following criteria:

(I) The person possesses a net worth in excess of \$20,000,000, as such amount is adjusted pursuant to clause (ii).

(II) The person generates annual revenues in excess of \$50,000,000, as such amount is adjusted pursuant to clause (ii).

(III) The person employs more than 500 full-time or full-time equivalent employees per individual insured or is a member of an affiliated group employing more than 1,000 employees in the aggregate.

(IV) The person is a not-for-profit organization or public entity generating annual budgeted expenditures of at least \$30,000,000, as such amount is adjusted pursuant to clause (ii).

(V) The person is a municipality with a population in excess of 50,000 persons.

(ii) Effective on the fifth January 1 occurring after the date of the enactment of this subtitle

and each fifth January 1 occurring thereafter, the amounts in subclauses (I), (II), and (IV) of clause (i) shall be adjusted to reflect the percentage change for such 5-year period in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor.

(6) **HOME STATE.**—

(A) **IN GENERAL.**—Except as provided in subparagraph (B), the term “home State” means, with respect to an insured—

(i) the State in which an insured maintains its principal place of business or, in the case of an individual, the individual's principal residence; or

(ii) if 100 percent of the insured risk is located out of the State referred to in clause (i), the State to which the greatest percentage of the insured's taxable premium for that insurance contract is allocated.

(B) **AFFILIATED GROUPS.**—If more than 1 insured from an affiliated group are named insureds on a single nonadmitted insurance contract, the term “home State” means the home State, as determined pursuant to subparagraph (A), of the member of the affiliated group that has the largest percentage of premium attributed to it under such insurance contract.

(7) **INDEPENDENTLY PROCURED INSURANCE.**—The term “independently procured insurance” means insurance procured directly by an insured from a nonadmitted insurer.

(8) **NAIC.**—The term “NAIC” means the National Association of Insurance Commissioners or any successor entity.

(9) **NONADMITTED INSURANCE.**—The term “nonadmitted insurance” means any property and casualty insurance permitted to be placed directly or through a surplus lines broker with a nonadmitted insurer eligible to accept such insurance.

(10) **NON-ADMITTED INSURANCE MODEL ACT.**—The term “Non-Admitted Insurance Model Act” means the provisions of the Non-Admitted Insurance Model Act, as adopted by the NAIC on August 3, 1994, and amended on September 30, 1996, December 6, 1997, October 2, 1999, and June 8, 2002.

(11) **NONADMITTED INSURER.**—The term “nonadmitted insurer”—

(A) means, with respect to a State, an insurer not licensed to engage in the business of insurance in such State; but

(B) does not include a risk retention group, as that term is defined in section 2(a)(4) of the Liability Risk Retention Act of 1986 (15 U.S.C. 3901(a)(4)).

(12) **PREMIUM TAX.**—The term “premium tax” means, with respect to surplus lines or independently procured insurance coverage, any tax, fee, assessment, or other charge imposed by a government entity directly or indirectly based on any payment made as consideration for an insurance contract for such insurance, including premium deposits, assessments, registration fees, and any other compensation given in consideration for a contract of insurance.

(13) **QUALIFIED RISK MANAGER.**—The term “qualified risk manager” means, with respect to a policyholder of commercial insurance, a person who meets all of the following requirements:

(A) The person is an employee of, or third-party consultant retained by, the commercial policyholder.

(B) The person provides skilled services in loss prevention, loss reduction, or risk and insurance coverage analysis, and purchase of insurance.

(C) The person—

(i) has a bachelor's degree or higher from an accredited college or university in risk management, business administration, finance, economics, or any other field determined by a State insurance commissioner or other State regulatory official or entity to demonstrate minimum competence in risk management; and

(II)(aa) has 3 years of experience in risk financing, claims administration, loss prevention, risk and insurance analysis, or purchasing commercial lines of insurance; or

(bb) has—

(AA) a designation as a Chartered Property and Casualty Underwriter (in this subparagraph referred to as “CPCU”) issued by the American Institute for CPCU/Insurance Institute of America;

(BB) a designation as an Associate in Risk Management (ARM) issued by the American Institute for CPCU/Insurance Institute of America;

(CC) a designation as Certified Risk Manager (CRM) issued by the National Alliance for Insurance Education & Research;

(DD) a designation as a RIMS Fellow (RF) issued by the Global Risk Management Institute; or

(EE) any other designation, certification, or license determined by a State insurance commissioner or other State insurance regulatory official or entity to demonstrate minimum competency in risk management;

(ii)(I) has at least 7 years of experience in risk financing, claims administration, loss prevention, risk and insurance coverage analysis, or purchasing commercial lines of insurance; and

(II) has any 1 of the designations specified in subitems (AA) through (EE) of clause (i)(II)(bb);

(iii) has at least 10 years of experience in risk financing, claims administration, loss prevention, risk and insurance coverage analysis, or purchasing commercial lines of insurance; or

(iv) has a graduate degree from an accredited college or university in risk management, business administration, finance, economics, or any other field determined by a State insurance commissioner or other State regulatory official or entity to demonstrate minimum competence in risk management.

(14) REINSURANCE.—The term “reinsurance” means the assumption by an insurer of all or part of a risk undertaken originally by another insurer.

(15) SURPLUS LINES BROKER.—The term “surplus lines broker” means an individual, firm, or corporation which is licensed in a State to sell, solicit, or negotiate insurance on properties, risks, or exposures located or to be performed in a State with nonadmitted insurers.

(16) STATE.—The term “State” includes any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Northern Mariana Islands, the Virgin Islands, and American Samoa.

PART II—REINSURANCE

SEC. 531. REGULATION OF CREDIT FOR REINSURANCE AND REINSURANCE AGREEMENTS.

(a) CREDIT FOR REINSURANCE.—If the State of domicile of a ceding insurer is an NAIC-accredited State, or has financial solvency requirements substantially similar to the requirements necessary for NAIC accreditation, and recognizes credit for reinsurance for the insurer’s ceded risk, then no other State may deny such credit for reinsurance.

(b) ADDITIONAL PREEMPTION OF EXTRATERRITORIAL APPLICATION OF STATE LAW.—In addition to the application of subsection (a), all laws, regulations, provisions, or other actions of a State that is not the domiciliary State of the ceding insurer, except those with respect to taxes and assessments on insurance companies or insurance income, are preempted to the extent that they—

(1) restrict or eliminate the rights of the ceding insurer or the assuming insurer to resolve disputes pursuant to contractual arbitration to the extent such contractual provision is not inconsistent with the provisions of title 9, United States Code;

(2) require that a certain State’s law shall govern the reinsurance contract, disputes arising

from the reinsurance contract, or requirements of the reinsurance contract;

(3) attempt to enforce a reinsurance contract on terms different than those set forth in the reinsurance contract, to the extent that the terms are not inconsistent with this part; or

(4) otherwise apply the laws of the State to reinsurance agreements of ceding insurers not domiciled in that State.

SEC. 532. REGULATION OF REINSURER SOLVENCY.

(a) DOMICILIARY STATE REGULATION.—If the State of domicile of a reinsurer is an NAIC-accredited State or has financial solvency requirements substantially similar to the requirements necessary for NAIC accreditation, such State shall be solely responsible for regulating the financial solvency of the reinsurer.

(b) NONDOMICILIARY STATES.—

(1) LIMITATION ON FINANCIAL INFORMATION REQUIREMENTS.—If the State of domicile of a reinsurer is an NAIC-accredited State or has financial solvency requirements substantially similar to the requirements necessary for NAIC accreditation, no other State may require the reinsurer to provide any additional financial information other than the information the reinsurer is required to file with its domiciliary State.

(2) RECEIPT OF INFORMATION.—No provision of this section shall be construed as preventing or prohibiting a State that is not the State of domicile of a reinsurer from receiving a copy of any financial statement filed with its domiciliary State.

SEC. 533. DEFINITIONS.

For purposes of this part, the following definitions shall apply:

(1) CEDING INSURER.—The term “ceding insurer” means an insurer that purchases reinsurance.

(2) DOMICILIARY STATE.—The terms “State of domicile” and “domiciliary State” mean, with respect to an insurer or reinsurer, the State in which the insurer or reinsurer is incorporated or entered through, and licensed.

(3) NAIC.—The term “NAIC” means the National Association of Insurance Commissioners or any successor entity.

(4) REINSURANCE.—The term “reinsurance” means the assumption by an insurer of all or part of a risk undertaken originally by another insurer.

(5) REINSURER.—

(A) IN GENERAL.—The term “reinsurer” means an insurer to the extent that the insurer—

(i) is principally engaged in the business of reinsurance;

(ii) does not conduct significant amounts of direct insurance as a percentage of its net premiums; and

(iii) is not engaged in an ongoing basis in the business of soliciting direct insurance.

(B) DETERMINATION.—A determination of whether an insurer is a reinsurer shall be made under the laws of the State of domicile in accordance with this paragraph.

(6) STATE.—The term “State” includes any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Northern Mariana Islands, the Virgin Islands, and American Samoa.

PART III—RULE OF CONSTRUCTION

SEC. 541. RULE OF CONSTRUCTION.

Nothing in this subtitle or the amendments made by this subtitle shall be construed to modify, impair, or supersede the application of the antitrust laws. Any implied or actual conflict between this subtitle and any amendments to this subtitle and the antitrust laws shall be resolved in favor of the operation of the antitrust laws.

SEC. 542. SEVERABILITY.

If any section or subsection of this subtitle, or any application of such provision to any person

or circumstance, is held to be unconstitutional, the remainder of this subtitle, and the application of the provision to any other person or circumstance, shall not be affected.

TITLE VI—IMPROVEMENTS TO REGULATION OF BANK AND SAVINGS ASSOCIATION HOLDING COMPANIES AND DEPOSITORY INSTITUTIONS

SEC. 601. SHORT TITLE.

This title may be cited as the “Bank and Savings Association Holding Company and Depository Institution Regulatory Improvements Act of 2010”.

SEC. 602. DEFINITION.

For purposes of this title, a company is a “commercial firm” if the annual gross revenues derived by the company and all of its affiliates from activities that are financial in nature (as defined in section 4(k) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(k))) and, if applicable, from the ownership or control of one or more insured depository institutions, represent less than 15 percent of the consolidated annual gross revenues of the company.

SEC. 603. MORATORIUM AND STUDY ON TREATMENT OF CREDIT CARD BANKS, INDUSTRIAL LOAN COMPANIES, AND CERTAIN OTHER COMPANIES UNDER THE BANK HOLDING COMPANY ACT OF 1956.

(a) MORATORIUM.—

(1) DEFINITIONS.—In this subsection—

(A) the term “credit card bank” means an institution described in section 2(c)(2)(F) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c)(2)(F));

(B) the term “industrial bank” means an institution described in section 2(c)(2)(H) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c)(2)(H)); and

(C) the term “trust bank” means an institution described in section 2(c)(2)(D) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c)(2)(D)).

(2) MORATORIUM ON PROVISION OF DEPOSIT INSURANCE.—The Corporation may not approve an application for deposit insurance under section 5 of the Federal Deposit Insurance Act (12 U.S.C. 1815) that is received after November 23, 2009, for an industrial bank, a credit card bank, or a trust bank that is directly or indirectly owned or controlled by a commercial firm.

(3) CHANGE IN CONTROL.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the appropriate Federal banking agency shall disapprove a change in control, as provided in section 7(j) of the Federal Deposit Insurance Act (12 U.S.C. 1817(j)), of an industrial bank, a credit card bank, or a trust bank if the change in control would result in direct or indirect control of the industrial bank, credit card bank, or trust bank by a commercial firm.

(B) EXCEPTIONS.—Subparagraph (A) shall not apply to a change in control of an industrial bank, credit card bank, or trust bank—

(i) that—

(I) is in danger of default, as determined by the appropriate Federal banking agency;

(II) results from the merger or whole acquisition of a commercial firm that directly or indirectly controls the industrial bank, credit card bank, or trust bank in a bona fide merger with or acquisition by another commercial firm, as determined by the appropriate Federal banking agency; or

(III) results from an acquisition of voting shares of a publicly traded company that controls an industrial bank, credit card bank, or trust bank, if, after the acquisition, the acquiring shareholder (or group of shareholders acting in concert) holds less than 25 percent of any class of the voting shares of the company; and

(ii) that has obtained all regulatory approvals otherwise required for such change of control

under any applicable Federal or State law, including section 7(j) of the Federal Deposit Insurance Act (12 U.S.C. 1817(j)).

(4) **SUNSET.**—This subsection shall cease to have effect 3 years after the date of enactment of this Act.

(b) **GOVERNMENT ACCOUNTABILITY OFFICE STUDY OF EXCEPTIONS UNDER THE BANK HOLDING COMPANY ACT OF 1956.**—

(1) **STUDY REQUIRED.**—The Comptroller General of the United States shall carry out a study to determine whether it is necessary, in order to strengthen the safety and soundness of institutions or the stability of the financial system, to eliminate the exceptions under section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841) for institutions described in—

(A) section 2(a)(5)(E) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(a)(5)(E));

(B) section 2(a)(5)(F) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(a)(5)(F));

(C) section 2(c)(2)(D) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c)(2)(D));

(D) section 2(c)(2)(F) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c)(2)(F));

(E) section 2(c)(2)(H) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c)(2)(H)); and

(F) section 2(c)(2)(B) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c)(2)(B)).

(2) **CONTENT OF STUDY.**—

(A) **IN GENERAL.**—The study required under paragraph (1), with respect to the institutions referenced in each of subparagraphs (A) through (E) of paragraph (1), shall, to the extent feasible be based on information provided to the Comptroller General by the appropriate Federal or State regulator, and shall—

(i) identify the types and number of institutions excepted from section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841) under each of the subparagraphs described in subparagraphs (A) through (E) of paragraph (1);

(ii) generally describe the size and geographic locations of the institutions described in clause (i);

(iii) determine the extent to which the institutions described in clause (i) are held by holding companies that are commercial firms;

(iv) determine whether the institutions described in clause (i) have any affiliates that are commercial firms;

(v) identify the Federal banking agency responsible for the supervision of the institutions described in clause (i) on and after the transfer date;

(vi) determine the adequacy of the Federal bank regulatory framework applicable to each category of institution described in clause (i), including any restrictions (including limitations on affiliate transactions or cross-marketing) that apply to transactions between an institution, the holding company of the institution, and any other affiliate of the institution; and

(vii) evaluate the potential consequences of subjecting the institutions described in clause (i) to the requirements of the Bank Holding Company Act of 1956, including with respect to the availability and allocation of credit, the stability of the financial system and the economy, the safe and sound operation of each category of institution, and the impact on the types of activities in which such institutions, and the holding companies of such institutions, may engage.

(B) **SAVINGS ASSOCIATIONS.**—With respect to institutions described in paragraph (1)(F), the study required under paragraph (1) shall—

(i) determine the adequacy of the Federal bank regulatory framework applicable to such institutions, including any restrictions (including limitations on affiliate transactions or cross-marketing) that apply to transactions between an institution, the holding company of the insti-

tution, and any other affiliate of the institution; and

(ii) evaluate the potential consequences of subjecting the institutions described in paragraph (1)(F) to the requirements of the Bank Holding Company Act of 1956, including with respect to the availability and allocation of credit, the stability of the financial system and the economy, the safe and sound operation of such institutions, and the impact on the types of activities in which such institutions, and the holding companies of such institutions, may engage.

(3) **REPORT.**—Not later than 18 months after the date of enactment of this Act, the Comptroller General shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report on the study required under paragraph (1).

SEC. 604. REPORTS AND EXAMINATIONS OF HOLDING COMPANIES; REGULATION OF FUNCTIONALLY REGULATED SUBSIDIARIES.

(a) **REPORTS BY BANK HOLDING COMPANIES.**—Sections 5(c)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1844(c)(1)) is amended—

(1) by striking subclause (A)(ii) and inserting the following:

“(ii) compliance by the bank holding company or subsidiary with—

“(I) this Act;

“(II) Federal laws that the Board has specific jurisdiction to enforce against the company or subsidiary; and

“(III) other than in the case of an insured depository institution or functionally regulated subsidiary, any other applicable provision of Federal law.”;

(2) by striking subparagraph (B) and inserting the following:

“(B) **USE OF EXISTING REPORTS AND OTHER SUPERVISORY INFORMATION.**—The Board shall, to the fullest extent possible, use—

“(i) reports and other supervisory information that the bank holding company or any subsidiary thereof has been required to provide to other Federal or State regulatory agencies;

“(ii) externally audited financial statements of the bank holding company or subsidiary;

“(iii) information otherwise available from Federal or State regulatory agencies; and

“(iv) information that is otherwise required to be reported publicly.”; and

(3) by adding at the end the following:

“(C) **AVAILABILITY.**—Upon the request of the Board, the bank holding company or a subsidiary of the bank holding company shall promptly provide to the Board any information described in clauses (i) through (iii) of subparagraph (B).”.

(b) **EXAMINATIONS OF BANK HOLDING COMPANIES.**—Section 5(c)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1844(c)(2)) is amended to read as follows:

“(2) **EXAMINATIONS.**—

“(A) **IN GENERAL.**—Subject to subtitle B of the Consumer Financial Protection Act of 2010, the Board may make examinations of a bank holding company and each subsidiary of a bank holding company in order to—

“(i) inform the Board of—

“(I) the nature of the operations and financial condition of the bank holding company and the subsidiary;

“(II) the financial, operational, and other risks within the bank holding company system that may pose a threat to—

“(aa) the safety and soundness of the bank holding company or of any depository institution subsidiary of the bank holding company; or

“(bb) the stability of the financial system of the United States; and

“(III) the systems of the bank holding company for monitoring and controlling the risks described in subclause (II); and

“(ii) monitor the compliance of the bank holding company and the subsidiary with—

“(I) this Act;

“(II) Federal laws that the Board has specific jurisdiction to enforce against the company or subsidiary; and

“(III) other than in the case of an insured depository institution or functionally regulated subsidiary, any other applicable provisions of Federal law.

“(B) **USE OF REPORTS TO REDUCE EXAMINATIONS.**—For purposes of this paragraph, the Board shall, to the fullest extent possible, rely on—

“(i) examination reports made by other Federal or State regulatory agencies relating to a bank holding company and any subsidiary of a bank holding company; and

“(ii) the reports and other information required under paragraph (1).

“(C) **COORDINATION WITH OTHER REGULATORS.**—The Board shall—

“(i) provide reasonable notice to, and consult with, the appropriate Federal banking agency, the Securities and Exchange Commission, the Commodity Futures Trading Commission, or State regulatory agency, as appropriate, for a subsidiary that is a depository institution or a functionally regulated subsidiary of a bank holding company before commencing an examination of the subsidiary under this section; and

“(ii) to the fullest extent possible, avoid duplication of examination activities, reporting requirements, and requests for information.”.

(c) **AUTHORITY TO REGULATE FUNCTIONALLY REGULATED SUBSIDIARIES OF BANK HOLDING COMPANIES.**—The Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.) is amended—

(1) in section 5(c)(5)(B) (12 U.S.C. 1844(c)(5)(B)), by striking clause (v) and inserting the following:

“(v) an entity that is subject to regulation by, or registration with, the Commodity Futures Trading Commission, with respect to activities conducted as a futures commission merchant, commodity trading adviser, commodity pool, commodity pool operator, swap execution facility, swap data repository, swap dealer, major swap participant, and activities that are incidental to such commodities and swaps activities.”; and

(2) by striking section 10A (12 U.S.C. 1848a).

(d) **ACQUISITIONS OF BANKS.**—Section 3(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(c)) is amended by adding at the end the following:

“(7) **FINANCIAL STABILITY.**—In every case, the Board shall take into consideration the extent to which a proposed acquisition, merger, or consolidation would result in greater or more concentrated risks to the stability of the United States banking or financial system.”.

(e) **ACQUISITIONS OF NONBANKS.**—

(1) **NOTICE PROCEDURES.**—Section 4(j)(2)(A) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(j)(2)(A)) is amended by striking “or unsound banking practices” and inserting “unsound banking practices, or risk to the stability of the United States banking or financial system”.

(2) **ACTIVITIES THAT ARE FINANCIAL IN NATURE.**—Section 4(k)(6)(B) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(k)(6)(B)) is amended to read as follows:

“(B) **APPROVAL NOT REQUIRED FOR CERTAIN FINANCIAL ACTIVITIES.**—

“(i) **IN GENERAL.**—Except as provided in subsection (j) with regard to the acquisition of a savings association and clause (ii), a financial holding company may commence any activity, or acquire any company, pursuant to paragraph (4) or any regulation prescribed or order issued under paragraph (5), without prior approval of the Board.

“(ii) EXCEPTION.—A financial holding company may not acquire a company, without the prior approval of the Board, in a transaction in which the total consolidated assets to be acquired by the financial holding company exceed \$10,000,000,000.

“(iii) HART-SCOTT-RODINO FILING REQUIREMENT.—Solely for purposes of section 7A(c)(8) of the Clayton Act (15 U.S.C. 18a(c)(8)), the transactions subject to the requirements of this paragraph shall be treated as if the approval of the Board is not required.”.

(f) BANK MERGER ACT TRANSACTIONS.—Section 18(c)(5) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)(5)) is amended, in the matter immediately following subparagraph (B), by striking “and the convenience and needs of the community to be served” and inserting “the convenience and needs of the community to be served, and the risk to the stability of the United States banking or financial system”.

(g) REPORTS BY SAVINGS AND LOAN HOLDING COMPANIES.—Section 10(b)(2) of the Home Owners’ Loan Act (12 U.S.C. 1467a(b)(2)) is amended—

(1) by striking “Each savings” and inserting the following:

“(A) IN GENERAL.—Each savings”; and

(2) by adding at the end the following:

“(B) USE OF EXISTING REPORTS AND OTHER SUPERVISORY INFORMATION.—The Board shall, to the fullest extent possible, use—

“(i) reports and other supervisory information that the savings and loan holding company or any subsidiary thereof has been required to provide to other Federal or State regulatory agencies;

“(ii) externally audited financial statements of the savings and loan holding company or subsidiary;

“(iii) information that is otherwise available from Federal or State regulatory agencies; and

“(iv) information that is otherwise required to be reported publicly.

“(C) AVAILABILITY.—Upon the request of the Board, a savings and loan holding company or a subsidiary of a savings and loan holding company shall promptly provide to the Board any information described in clauses (i) through (iii) of subparagraph (B).”.

(h) EXAMINATION OF SAVINGS AND LOAN HOLDING COMPANIES.—

(1) DEFINITIONS.—Section 2 of the Home Owners’ Loan Act (12 U.S.C. 1462) is amended by adding at the end the following:

“(10) APPROPRIATE FEDERAL BANKING AGENCY.—The term ‘appropriate Federal banking agency’ has the same meaning as in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)).

“(11) FUNCTIONALLY REGULATED SUBSIDIARY.—The term ‘functionally regulated subsidiary’ has the same meaning as in section 5(c)(5) of the Bank Holding Company Act of 1956 (12 U.S.C. 1844(c)(5)).”.

(2) EXAMINATION.—Section 10(b) of the Home Owners’ Loan Act (12 U.S.C. 1467a(b)) is amended by striking paragraph (4) and inserting the following:

“(4) EXAMINATIONS.—

“(A) IN GENERAL.—Subject to subtitle B of the Consumer Financial Protection Act of 2010, the Board may make examinations of a savings and loan holding company and each subsidiary of a savings and loan holding company system, in order to—

“(i) inform the Board of—

“(I) the nature of the operations and financial condition of the savings and loan holding company and the subsidiary;

“(II) the financial, operational, and other risks within the savings and loan holding company system that may pose a threat to—

“(aa) the safety and soundness of the savings and loan holding company or of any depository

institution subsidiary of the savings and loan holding company; or

“(bb) the stability of the financial system of the United States; and

“(III) the systems of the savings and loan holding company for monitoring and controlling the risks described in subclause (I); and

“(ii) monitor the compliance of the savings and loan holding company and the subsidiary with—

“(I) this Act;

“(II) Federal laws that the Board has specific jurisdiction to enforce against the company or subsidiary; and

“(III) other than in the case of an insured depository institution or functionally regulated subsidiary, any other applicable provisions of Federal law.

“(B) USE OF REPORTS TO REDUCE EXAMINATIONS.—For purposes of this subsection, the Board shall, to the fullest extent possible, rely on—

“(i) the examination reports made by other Federal or State regulatory agencies relating to a savings and loan holding company and any subsidiary; and

“(ii) the reports and other information required under paragraph (2).

“(C) COORDINATION WITH OTHER REGULATORS.—The Board shall—

“(i) provide reasonable notice to, and consult with, the appropriate Federal banking agency, the Securities and Exchange Commission, the Commodity Futures Trading Commission, or State regulatory agency, as appropriate, for a subsidiary that is a depository institution or a functionally regulated subsidiary of a savings and loan holding company before commencing an examination of the subsidiary under this section; and

“(ii) to the fullest extent possible, avoid duplication of examination activities, reporting requirements, and requests for information.”.

(i) DEFINITION OF THE TERM “SAVINGS AND LOAN HOLDING COMPANY”.—Section 10(a)(1)(D)(ii) of the Home Owners’ Loan Act (12 U.S.C. 1467a(a)(1)(D)(ii)) is amended to read as follows:

“(ii) EXCLUSION.—The term ‘savings and loan holding company’ does not include—

“(I) a bank holding company that is registered under, and subject to, the Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.), or to any company directly or indirectly controlled by such company (other than a savings association);

“(II) a company that controls a savings association that functions solely in a trust or fiduciary capacity as described in section 2(c)(2)(D) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c)(2)(D)); or

“(III) a company described in subsection (c)(9)(C) solely by virtue of such company’s control of an intermediate holding company established pursuant to section 10A.”.

(j) EFFECTIVE DATE.—The amendments made by this section shall take effect on the transfer date.

SEC. 605. ASSURING CONSISTENT OVERSIGHT OF PERMISSIBLE ACTIVITIES OF DEPOSITORY INSTITUTION SUBSIDIARIES OF HOLDING COMPANIES.

(a) IN GENERAL.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by inserting after section 25 the following new section:

“SEC. 26. ASSURING CONSISTENT OVERSIGHT OF SUBSIDIARIES OF HOLDING COMPANIES.

“(a) DEFINITIONS.—For purposes of this section:

“(1) BOARD.—The term ‘Board’ means the Board of Governors of the Federal Reserve System.

“(2) FUNCTIONALLY REGULATED SUBSIDIARY.—The term ‘functionally regulated subsidiary’ has

the same meaning as in section 5(c)(5) of the Bank Holding Company Act.

“(3) LEAD INSURED DEPOSITORY INSTITUTION.—The term ‘lead insured depository institution’ has the same meaning as in section 2(o)(8) of the Bank Holding Company Act.

“(b) EXAMINATION REQUIREMENTS.—Subject to subtitle B of the Consumer Financial Protection Act of 2010, the Board shall examine the activities of a nondepository institution subsidiary (other than a functionally regulated subsidiary or a subsidiary of a depository institution) of a depository institution holding company that are permissible for the insured depository institution subsidiaries of the depository institution holding company in the same manner, subject to the same standards, and with the same frequency as would be required if such activities were conducted in the lead insured depository institution of the depository institution holding company.

“(c) STATE COORDINATION.—

“(1) CONSULTATION AND COORDINATION.—If a nondepository institution subsidiary is supervised by a State bank supervisor or other State regulatory authority, the Board, in conducting the examinations required in subsection (b), shall consult and coordinate with such State regulator.

“(2) ALTERNATING EXAMINATIONS PERMITTED.—The examinations required under subsection (b) may be conducted in joint or alternating manner with a State regulator, if the Board determines that an examination of a nondepository institution subsidiary conducted by the State carries out the purposes of this section.

“(d) APPROPRIATE FEDERAL BANKING AGENCY BACKUP EXAMINATION AUTHORITY.—

“(1) IN GENERAL.—In the event that the Board does not conduct examinations required under subsection (b) in the same manner, subject to the same standards, and with the same frequency as would be required if such activities were conducted by the lead insured depository institution subsidiary of the depository institution holding company, the appropriate Federal banking agency for the lead insured depository institution may recommend in writing (which shall include a written explanation of the concerns giving rise to the recommendation) that the Board perform the examination required under subsection (b).

“(2) EXAMINATION BY AN APPROPRIATE FEDERAL BANKING AGENCY.—If the Board does not, before the end of the 60-day period beginning on the date on which the Board receives a recommendation under paragraph (1), begin an examination as required under subsection (b) or provide a written explanation or plan to the appropriate Federal banking agency making such recommendation responding to the concerns raised by the appropriate Federal banking agency for the lead insured depository institution, the appropriate Federal banking agency for the lead insured depository institution may, subject to the Consumer Financial Protection Act of 2010, examine the activities that are permissible for a depository institution subsidiary conducted by such nondepository institution subsidiary (other than a functionally regulated subsidiary or a subsidiary of a depository institution) of the depository institution holding company as if the nondepository institution subsidiary were an insured depository institution for which the appropriate Federal banking agency of the lead insured depository institution was the appropriate Federal banking agency, to determine whether the activities—

“(A) pose a material threat to the safety and soundness of any insured depository institution subsidiary of the depository institution holding company;

“(B) are conducted in accordance with applicable Federal law; and

“(C) are subject to appropriate systems for monitoring and controlling the financial, operating, and other material risks of the activities that may pose a material threat to the safety and soundness of the insured depository institution subsidiaries of the holding company.

“(3) AGENCY COORDINATION WITH THE BOARD.—An appropriate Federal banking agency that conducts an examination pursuant to paragraph (2) shall coordinate examination of the activities of nondepository institution subsidiaries described in subsection (b) with the Board in a manner that—

“(A) avoids duplication;

“(B) shares information relevant to the supervision of the depository institution holding company;

“(C) achieves the objectives of subsection (b); and

“(D) ensures that the depository institution holding company and the subsidiaries of the depository institution holding company are not subject to conflicting supervisory demands by such agency and the Board.

“(4) FEE PERMITTED FOR EXAMINATION COSTS.—An appropriate Federal banking agency that conducts an examination or enforcement action pursuant to this section may collect an assessment, fee, or such other charge from the subsidiary as the appropriate Federal banking agency determines necessary or appropriate to carry out the responsibilities of the appropriate Federal banking agency in connection with such examination.

“(e) REFERRALS FOR ENFORCEMENT BY APPROPRIATE FEDERAL BANKING AGENCY.—

“(1) RECOMMENDATION OF ENFORCEMENT ACTION.—The appropriate Federal banking agency for the lead insured depository institution, based upon its examination of a nondepository institution subsidiary conducted pursuant to subsection (d), or other relevant information, may submit to the Board, in writing, a recommendation that the Board take enforcement action against such nondepository institution subsidiary, together with an explanation of the concerns giving rise to the recommendation, if the appropriate Federal banking agency determines (by a vote of its members, if applicable) that the activities of the nondepository institution subsidiary pose a material threat to the safety and soundness of any insured depository institution subsidiary of the depository institution holding company.

“(2) BACK-UP AUTHORITY OF THE APPROPRIATE FEDERAL BANKING AGENCY.—If, within the 60-day period beginning on the date on which the Board receives a recommendation under paragraph (1), the Board does not take enforcement action against the nondepository institution subsidiary or provide a plan for supervisory or enforcement action that is acceptable to the appropriate Federal banking agency that made the recommendation pursuant to paragraph (1), such agency may take the recommended enforcement action against the nondepository institution subsidiary, in the same manner as if the nondepository institution subsidiary were an insured depository institution for which the agency was the appropriate Federal banking agency.

“(f) COORDINATION AMONG APPROPRIATE FEDERAL BANKING AGENCIES.—Each Federal banking agency, prior to or when exercising authority under subsection (d) or (e) shall—

“(1) provide reasonable notice to, and consult with, the appropriate Federal banking agency or State bank supervisor (or other State regulatory agency) of the nondepository institution subsidiary of a depository institution holding company that is described in subsection (d) before commencing any examination of the subsidiary;

“(2) to the fullest extent possible—

“(A) rely on the examinations, inspections, and reports of the appropriate Federal banking agency or the State bank supervisor (or other State regulatory agency) of the subsidiary;

“(B) avoid duplication of examination activities, reporting requirements, and requests for information; and

“(C) ensure that the depository institution holding company and the subsidiaries of the depository institution holding company are not subject to conflicting supervisory demands by the appropriate Federal banking agencies.

“(g) RULE OF CONSTRUCTION.—No provision of this section shall be construed as limiting any authority of the Board, the Corporation, or the Comptroller of the Currency under any other provision of law.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the transfer date.

SEC. 606. REQUIREMENTS FOR FINANCIAL HOLDING COMPANIES TO REMAIN WELL CAPITALIZED AND WELL MANAGED.

(a) AMENDMENT.—Section 4(l)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(l)(1)) is amended—

(1) in subparagraph (B), by striking “and” at the end;

(2) by redesignating subparagraph (C) as subparagraph (D);

(3) by inserting after subparagraph (B) the following:

“(C) the bank holding company is well capitalized and well managed; and”; and

(4) in subparagraph (D)(ii), as so redesignated, by striking “subparagraphs (A) and (B)” and inserting “subparagraphs (A), (B), and (C)”.

(b) HOME OWNERS’ LOAN ACT AMENDMENT.—Section 10(c)(2) of the Home Owners’ Loan Act (12 U.S.C. 1467a(c)(2)) is amended by adding at the end the following new subparagraph:

“(H) Any activity that is permissible for a financial holding company (as such term is defined under section 2(p) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(p)) to conduct under section 4(k) of the Bank Holding Company Act of 1956 if—

“(i) the savings and loan holding company meets all of the criteria to qualify as a financial holding company, and complies with all of the requirements applicable to a financial holding company, under sections 4(l) and 4(m) of the Bank Holding Company Act and section 804(c) of the Community Reinvestment Act of 1977 (12 U.S.C. 2903(c)) as if the savings and loan holding company was a bank holding company; and

“(ii) the savings and loan holding company conducts the activity in accordance with the same terms, conditions, and requirements that apply to the conduct of such activity by a bank holding company under the Bank Holding Company Act of 1956 and the Board’s regulations and interpretations under such Act.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the transfer date.

SEC. 607. STANDARDS FOR INTERSTATE ACQUISITIONS.

(a) ACQUISITION OF BANKS.—Section 3(d)(1)(A) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(d)(1)(A)) is amended by striking “adequately capitalized and adequately managed” and inserting “well capitalized and well managed”.

(b) INTERSTATE BANK MERGERS.—Section 44(b)(4)(B) of the Federal Deposit Insurance Act (12 U.S.C. 1831u(b)(4)(B)) is amended by striking “will continue to be adequately capitalized and adequately managed” and inserting “will be well capitalized and well managed”.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the transfer date.

SEC. 608. ENHANCING EXISTING RESTRICTIONS ON BANK TRANSACTIONS WITH AFFILIATES.

(a) AFFILIATE TRANSACTIONS.—Section 23A of the Federal Reserve Act (12 U.S.C. 371c) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking subparagraph (D) and inserting the following:

“(D) any investment fund with respect to which a member bank or affiliate thereof is an investment adviser; and”; and

(B) in paragraph (7)—

(i) in subparagraph (A), by inserting before the semicolon at the end the following: “, including a purchase of assets subject to an agreement to repurchase”;.

(ii) in subparagraph (C), by striking “, including assets subject to an agreement to repurchase,”;

(iii) in subparagraph (D)—

(I) by inserting “or other debt obligations” after “acceptance of securities”; and

(II) by striking “or” at the end; and

(iv) by adding at the end the following:

“(F) a transaction with an affiliate that involves the borrowing or lending of securities, to the extent that the transaction causes a member bank or a subsidiary to have credit exposure to the affiliate; or

“(G) a derivative transaction, as defined in paragraph (3) of section 5200(b) of the Revised Statutes of the United States (12 U.S.C. 84(b)), with an affiliate, to the extent that the transaction causes a member bank or a subsidiary to have credit exposure to the affiliate;”;

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking “subsidiary” and all that follows through “time of the transaction” and inserting “subsidiary, and any credit exposure of a member bank or a subsidiary to an affiliate resulting from a securities borrowing or lending transaction, or a derivative transaction, shall be secured at all times”; and

(ii) in each of subparagraphs (A) through (D), by striking “or letter of credit” and inserting “letter of credit, or credit exposure”;.

(B) by striking paragraph (2);

(C) by redesignating paragraphs (3) through (5) as paragraphs (2) through (4), respectively;

(D) in paragraph (2), as so redesignated, by inserting before the period at the end “, or credit exposure to an affiliate resulting from a securities borrowing or lending transaction, or derivative transaction”; and

(E) in paragraph (3), as so redesignated—

(i) by inserting “or other debt obligations” after “securities”; and

(ii) by striking “or guarantee” and all that follows through “behalf of,” and inserting “guarantee, acceptance, or letter of credit issued on behalf of, or credit exposure from a securities borrowing or lending transaction, or derivative transaction to,”;

(3) in subsection (d)(4), in the matter preceding subparagraph (A), by striking “or issuing” and all that follows through “behalf of,” and inserting “issuing a guarantee, acceptance, or letter of credit on behalf of, or having credit exposure resulting from a securities borrowing or lending transaction, or derivative transaction to,”; and

(4) in subsection (f)—

(A) in paragraph (2)—

(i) by striking “or order”;

(ii) by striking “if it finds” and all that follows through the end of the paragraph and inserting the following: “if—

“(i) the Board finds the exemption to be in the public interest and consistent with the purposes of this section, and notifies the Federal Deposit Insurance Corporation of such finding; and

“(ii) before the end of the 60-day period beginning on the date on which the Federal Deposit

Insurance Corporation receives notice of the finding under clause (i), the Federal Deposit Insurance Corporation does not object, in writing, to the finding, based on a determination that the exemption presents an unacceptable risk to the Deposit Insurance Fund.”;

(iii) by striking the Board and inserting the following:

“(A) IN GENERAL.—The Board”; and

(iv) by adding at the end the following:

“(B) ADDITIONAL EXEMPTIONS.—

“(i) NATIONAL BANKS.—The Comptroller of the Currency may, by order, exempt a transaction of a national bank from the requirements of this section if—

“(I) the Board and the Office of the Comptroller of the Currency jointly find the exemption to be in the public interest and consistent with the purposes of this section and notify the Federal Deposit Insurance Corporation of such finding; and

“(II) before the end of the 60-day period beginning on the date on which the Federal Deposit Insurance Corporation receives notice of the finding under subclause (I), the Federal Deposit Insurance Corporation does not object, in writing, to the finding, based on a determination that the exemption presents an unacceptable risk to the Deposit Insurance Fund.

“(ii) STATE BANKS.—The Federal Deposit Insurance Corporation may, by order, exempt a transaction of a State nonmember bank, and the Board may, by order, exempt a transaction of a State member bank, from the requirements of this section if—

“(I) the Board and the Federal Deposit Insurance Corporation jointly find that the exemption is in the public interest and consistent with the purposes of this section; and

“(II) the Federal Deposit Insurance Corporation finds that the exemption does not present an unacceptable risk to the Deposit Insurance Fund.”; and

(B) by adding at the end the following:

“(4) AMOUNTS OF COVERED TRANSACTIONS.—The Board may issue such regulations or interpretations as the Board determines are necessary or appropriate with respect to the manner in which a netting agreement may be taken into account in determining the amount of a covered transaction between a member bank or a subsidiary and an affiliate, including the extent to which netting agreements between a member bank or a subsidiary and an affiliate may be taken into account in determining whether a covered transaction is fully secured for purposes of subsection (d)(4). An interpretation under this paragraph with respect to a specific member bank, subsidiary, or affiliate shall be issued jointly with the appropriate Federal banking agency for such member bank, subsidiary, or affiliate.”.

(b) TRANSACTIONS WITH AFFILIATES.—Section 23B(e) of the Federal Reserve Act (12 U.S.C. 371c-1(e)) is amended—

(1) by striking the undesignated matter following subparagraph (B);

(2) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and adjusting the clause margins accordingly;

(3) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and adjusting the subparagraph margins accordingly;

(4) by striking “The Board” and inserting the following:

“(1) IN GENERAL.—The Board”;

(5) in paragraph (1)(B), as so redesignated—

(A) in the matter preceding clause (i), by inserting before “regulations” the following: “subject to paragraph (2), if the Board finds that an exemption or exclusion is in the public interest and is consistent with the purposes of this section, and notifies the Federal Deposit Insurance Corporation of such finding,”; and

(B) in clause (ii), by striking the comma at the end and inserting a period; and

(6) by adding at the end the following:

“(2) EXCEPTION.—The Board may grant an exemption or exclusion under this subsection only if, during the 60-day period beginning on the date of receipt of notice of the finding from the Board under paragraph (1)(B), the Federal Deposit Insurance Corporation does not object, in writing, to such exemption or exclusion, based on a determination that the exemption presents an unacceptable risk to the Deposit Insurance Fund.”.

(c) HOME OWNERS’ LOAN ACT.—Section 11 of the Home Owners’ Loan Act (12 U.S.C. 1468) is amended by adding at the end the following:

“(d) EXEMPTIONS.—

“(1) FEDERAL SAVINGS ASSOCIATIONS.—The Comptroller of the Currency may, by order, exempt a transaction of a Federal savings association from the requirements of this section if—

“(A) the Board and the Office of the Comptroller of the Currency jointly find the exemption to be in the public interest and consistent with the purposes of this section and notify the Federal Deposit Insurance Corporation of such finding; and

“(B) before the end of the 60-day period beginning on the date on which the Federal Deposit Insurance Corporation receives notice of the finding under subparagraph (A), the Federal Deposit Insurance Corporation does not object, in writing, to the finding, based on a determination that the exemption presents an unacceptable risk to the Deposit Insurance Fund.

“(2) STATE SAVINGS ASSOCIATION.—The Federal Deposit Insurance Corporation may, by order, exempt a transaction of a State savings association from the requirements of this section if the Board and the Federal Deposit Insurance Corporation jointly find that—

“(A) the exemption is in the public interest and consistent with the purposes of this section; and

“(B) the exemption does not present an unacceptable risk to the Deposit Insurance Fund.”.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect 1 year after the transfer date.

SEC. 609. ELIMINATING EXCEPTIONS FOR TRANSACTIONS WITH FINANCIAL SUBSIDIARIES.

(a) AMENDMENT.—Section 23A(e) of the Federal Reserve Act (12 U.S.C. 371c(e)) is amended—

(1) by striking paragraph (3); and

(2) by redesignating paragraph (4) as paragraph (3).

(b) PROSPECTIVE APPLICATION OF AMENDMENT.—The amendments made by this section shall apply with respect to any covered transaction between a bank and a subsidiary of the bank, as those terms are defined in section 23A of the Federal Reserve Act (12 U.S.C. 371c), that is entered into on or after the date of enactment of this Act.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect 1 year after the transfer date.

SEC. 610. LENDING LIMITS APPLICABLE TO CREDIT EXPOSURE ON DERIVATIVE TRANSACTIONS, REPURCHASE AGREEMENTS, REVERSE REPURCHASE AGREEMENTS, AND SECURITIES LENDING AND BORROWING TRANSACTIONS.

(a) NATIONAL BANKS.—Section 5200(b) of the Revised Statutes of the United States (12 U.S.C. 84(b)) is amended—

(1) in paragraph (1), by striking “shall include” and all that follows through the end of the paragraph and inserting the following: “shall include—

“(A) all direct or indirect advances of funds to a person made on the basis of any obligation of that person to repay the funds or repayable

from specific property pledged by or on behalf of the person; and

“(B) to the extent specified by the Comptroller of the Currency, any liability of a national banking association to advance funds to or on behalf of a person pursuant to a contractual commitment; and

“(C) any credit exposure to a person arising from a derivative transaction, repurchase agreement, reverse repurchase agreement, securities lending transaction, or securities borrowing transaction between the national banking association and the person.”;

(2) in paragraph (2), by striking the period at the end and inserting “; and”; and

(3) by adding at the end the following:

“(3) the term ‘derivative transaction’ includes any transaction that is a contract, agreement, swap, warrant, note, or option that is based, in whole or in part, on the value of, any interest in, or any quantitative measure or the occurrence of any event relating to, one or more commodities, securities, currencies, interest or other rates, indices, or other assets.”.

(b) SAVINGS ASSOCIATIONS.—Section 5(u)(3) of the Home Owners’ Loan Act (12 U.S.C. 1464(u)(3)) is amended by striking “Director” each place that term appears and inserting “Comptroller of the Currency”.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect 1 year after the transfer date.

SEC. 611. CONSISTENT TREATMENT OF DERIVATIVE TRANSACTIONS IN LENDING LIMITS.

(a) AMENDMENT.—Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended by adding at the end the following:

“(y) STATE LENDING LIMIT TREATMENT OF DERIVATIVES TRANSACTIONS.—An insured State bank may engage in a derivative transaction, as defined in section 5200(b)(3) of the Revised Statutes of the United States (12 U.S.C. 84(b)(3)), only if the law with respect to lending limits of the State in which the insured State bank is chartered takes into consideration credit exposure to derivative transactions.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect 18 months after the transfer date.

SEC. 612. RESTRICTION ON CONVERSIONS OF TROUBLED BANKS.

(a) CONVERSION OF A NATIONAL BANKING ASSOCIATION.—The Act entitled “An Act to provide for the conversion of national banking associations into and their merger or consolidation with State banks, and for other purposes.” (12 U.S.C. 214 et seq.) is amended by adding at the end the following:

“SEC. 10. PROHIBITION ON CONVERSION.

“A national banking association may not convert to a State bank or State savings association during any period in which the national banking association is subject to a cease and desist order (or other formal enforcement order) issued by, or a memorandum of understanding entered into with, the Comptroller of the Currency with respect to a significant supervisory matter.”.

(b) CONVERSION OF A STATE BANK OR SAVINGS ASSOCIATION.—Section 5154 of the Revised Statutes of the United States (12 U.S.C. 35) is amended by adding at the end the following: “The Comptroller of the Currency may not approve the conversion of a State bank or State savings association to a national banking association or Federal savings association during any period in which the State bank or State savings association is subject to a cease and desist order (or other formal enforcement order) issued by, or a memorandum of understanding entered into with, a State bank supervisor or the appropriate Federal banking agency with respect to a significant supervisory matter or a final enforcement action by a State Attorney General.”.

(c) **CONVERSION OF A FEDERAL SAVINGS ASSOCIATION.**—Section 5(i) of the Home Owners' Loan Act (12 U.S.C. 1464(i)) is amended by adding at the end the following:

“(6) **LIMITATION ON CERTAIN CONVERSIONS BY FEDERAL SAVINGS ASSOCIATIONS.**—A Federal savings association may not convert to a State bank or State savings association during any period in which the Federal savings association is subject to a cease and desist order (or other formal enforcement order) issued by, or a memorandum of understanding entered into with, the Office of Thrift Supervision or the Comptroller of the Currency with respect to a significant supervisory matter.”.

(d) **EXCEPTION.**—The prohibition on the approval of conversions under the amendments made by subsections (a), (b), and (c) shall not apply, if—

(1) the Federal banking agency that would be the appropriate Federal banking agency after the proposed conversion gives the appropriate Federal banking agency or State bank supervisor that issued the cease and desist order (or other formal enforcement order) or memorandum of understanding, as appropriate, written notice of the proposed conversion including a plan to address the significant supervisory matter in a manner that is consistent with the safe and sound operation of the institution;

(2) within 30 days of receipt of the written notice required under paragraph (1), the appropriate Federal banking agency or State bank supervisor that issued the cease and desist order (or other formal enforcement order) or memorandum of understanding, as appropriate, does not object to the conversion or the plan to address the significant supervisory matter;

(3) after conversion of the insured depository institution, the appropriate Federal banking agency after the conversion implements such plan; and

(4) in the case of a final enforcement action by a State Attorney General, approval of the conversion is conditioned on compliance by the insured depository institution with the terms of such final enforcement action.

(e) **NOTIFICATION OF PENDING ENFORCEMENT ACTIONS.**—

(1) **COPY OF CONVERSION APPLICATION.**—At the time an insured depository institution files a conversion application, the insured depository institution shall transmit a copy of the conversion application to—

(A) the appropriate Federal banking agency for the insured depository institution; and

(B) the Federal banking agency that would be the appropriate Federal banking agency of the insured depository institution after the proposed conversion.

(2) **NOTIFICATION AND ACCESS TO INFORMATION.**—Upon receipt of a copy of the application described in paragraph (1), the appropriate Federal banking agency for the insured depository institution proposing the conversion shall—

(A) notify the Federal banking agency that would be the appropriate Federal banking agency for the institution after the proposed conversion in writing of any ongoing supervisory or investigative proceedings that the appropriate Federal banking agency for the institution proposing to convert believes is likely to result, in the near term and absent the proposed conversion, in a cease and desist order (or other formal enforcement order) or memorandum of understanding with respect to a significant supervisory matter; and

(B) provide the Federal banking agency that would be the appropriate Federal banking agency for the institution after the proposed conversion access to all investigative and supervisory information relating to the proceedings described in subparagraph (A).

SEC. 613. DE NOVO BRANCHING INTO STATES.

(a) **NATIONAL BANKS.**—Section 5155(g)(1)(A) of the Revised Statutes of the United States (12

U.S.C. 36(g)(1)(A)) is amended to read as follows:

“(A) the law of the State in which the branch is located, or is to be located, would permit establishment of the branch, if the national bank were a State bank chartered by such State; and”.

(b) **STATE INSURED BANKS.**—Section 18(d)(4)(A)(i) of the Federal Deposit Insurance Act (12 U.S.C. 1828(d)(4)(A)(i)) is amended to read as follows:

“(i) the law of the State in which the branch is located, or is to be located, would permit establishment of the branch, if the bank were a State bank chartered by such State; and”.

SEC. 614. LENDING LIMITS TO INSIDERS.

(a) **EXTENSIONS OF CREDIT.**—Section 22(h)(9)(D)(i) of the Federal Reserve Act (12 U.S.C. 375b(9)(D)(i)) is amended—

(1) by striking the period at the end and inserting “; or”;

(2) by striking “a person” and inserting “the person”;

(3) by striking “extends credit by making” and inserting the following: “extends credit to a person by—

“(1) making”; and

(4) by adding at the end the following:

“(1) having credit exposure to the person arising from a derivative transaction (as defined in section 5200(b) of the Revised Statutes of the United States (12 U.S.C. 84(b))), repurchase agreement, reverse repurchase agreement, securities lending transaction, or securities borrowing transaction between the member bank and the person.”.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall take effect 1 year after the transfer date.

SEC. 615. LIMITATIONS ON PURCHASES OF ASSETS FROM INSIDERS.

(a) **AMENDMENT TO THE FEDERAL DEPOSIT INSURANCE ACT.**—Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended by adding at the end the following:

“(2) **GENERAL PROHIBITION ON SALE OF ASSETS.**—

“(1) **IN GENERAL.**—An insured depository institution may not purchase an asset from, or sell an asset to, an executive officer, director, or principal shareholder of the insured depository institution, or any related interest of such person (as such terms are defined in section 22(h) of Federal Reserve Act), unless—

“(A) the transaction is on market terms; and

“(B) if the transaction represents more than 10 percent of the capital stock and surplus of the insured depository institution, the transaction has been approved in advance by a majority of the members of the board of directors of the insured depository institution who do not have an interest in the transaction.

“(2) **RULEMAKING.**—The Board of Governors of the Federal Reserve System may issue such rules as may be necessary to define terms and to carry out the purposes this subsection. Before proposing or adopting a rule under this paragraph, the Board of Governors of the Federal Reserve System shall consult with the Comptroller of the Currency and the Corporation as to the terms of the rule.”.

(b) **AMENDMENTS TO THE FEDERAL RESERVE ACT.**—Section 22(d) of the Federal Reserve Act (12 U.S.C. 375) is amended to read as follows:

“(d) [Reserved].”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall take effect on the transfer date.

SEC. 616. REGULATIONS REGARDING CAPITAL LEVELS.

(a) **CAPITAL LEVELS OF BANK HOLDING COMPANIES.**—Section 5(b) of the Bank Holding Company Act of 1956 (12 U.S.C. 1844(b)) is amended—

(1) by inserting after “orders” the following: “, including regulations and orders relating to the capital requirements for bank holding companies,”; and

(2) by adding at the end the following: “In establishing capital regulations pursuant to this subsection, the Board shall seek to make such requirements countercyclical, so that the amount of capital required to be maintained by a company increases in times of economic expansion and decreases in times of economic contraction, consistent with the safety and soundness of the company.”.

(b) **CAPITAL LEVELS OF SAVINGS AND LOAN HOLDING COMPANIES.**—Section 10(g)(1) of the Home Owners' Loan Act (12 U.S.C. 1467a(g)(1)) is amended—

(1) by inserting after “orders” the following: “, including regulations and orders relating to capital requirements for savings and loan holding companies,”; and

(2) by inserting at the end the following: “In establishing capital regulations pursuant to this subsection, the appropriate Federal banking agency shall seek to make such requirements countercyclical so that the amount of capital required to be maintained by a company increases in times of economic expansion and decreases in times of economic contraction, consistent with the safety and soundness of the company.”.

(c) **CAPITAL LEVELS OF INSURED DEPOSITORY INSTITUTIONS.**—Section 908(a)(1) of the International Lending Supervision Act of 1983 (12 U.S.C. 3907(a)(1)) is amended by adding at the end the following: “Each appropriate Federal banking agency shall seek to make the capital standards required under this section or other provisions of Federal law for insured depository institutions countercyclical so that the amount of capital required to be maintained by an insured depository institution increases in times of economic expansion and decreases in times of economic contraction, consistent with the safety and soundness of the insured depository institution.”.

(d) **SOURCE OF STRENGTH.**—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by inserting after section 38 (12 U.S.C. 1831o) the following:

“SEC. 38A. SOURCE OF STRENGTH.

“(a) **HOLDING COMPANIES.**—The appropriate Federal banking agency for a bank holding company or savings and loan holding company shall require the bank holding company or savings and loan holding company to serve as a source of financial strength for any subsidiary of the bank holding company or savings and loan holding company that is a depository institution.

“(b) **OTHER COMPANIES.**—If an insured depository institution is not the subsidiary of a bank holding company or savings and loan holding company, the appropriate Federal banking agency for the insured depository institution shall require any company that directly or indirectly controls the insured depository institution to serve as a source of financial strength for such institution.

“(c) **REPORTS.**—The appropriate Federal banking agency for an insured depository institution described in subsection (b) may, from time to time, require the company, or a company that directly or indirectly controls the insured depository institution, to submit a report, under oath, for the purposes of—

“(1) assessing the ability of such company to comply with the requirement under subsection (b); and

“(2) enforcing the compliance of such company with the requirement under subsection (b).

“(d) **RULES.**—Not later than 1 year after the transfer date, as defined in section 311 of the Enhancing Financial Institution Safety and Soundness Act of 2010, the appropriate Federal

banking agencies shall jointly issue final rules to carry out this section.

“(e) **DEFINITION.**—In this section, the term ‘source of financial strength’ means the ability of a company that directly or indirectly owns or controls an insured depository institution to provide financial assistance to such insured depository institution in the event of the financial distress of the insured depository institution.”.

(e) **EFFECTIVE DATE.**—The amendments made by this section shall take effect on the transfer date.

SEC. 617. ELIMINATION OF ELECTIVE INVESTMENT BANK HOLDING COMPANY FRAMEWORK.

(a) **AMENDMENT.**—Section 17 of the Securities Exchange Act of 1934 (15 U.S.C. 78q) is amended—

(1) by striking subsection (i); and
(2) by redesignating subsections (j) and (k) as subsections (i) and (j), respectively.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall take effect on the transfer date.

SEC. 618. SECURITIES HOLDING COMPANIES.

(a) **DEFINITIONS.**—In this section—

(i) the term “associated person of a securities holding company” means a person directly or indirectly controlling, controlled by, or under common control with, a securities holding company;

(2) the term “foreign bank” has the same meaning as in section 1(b)(7) of the International Banking Act of 1978 (12 U.S.C. 3101(7));

(3) the term “insured bank” has the same meaning as in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813);

(4) the term “securities holding company”—

(A) means—

(i) a person (other than a natural person) that owns or controls 1 or more brokers or dealers registered with the Commission; and

(ii) the associated persons of a person described in clause (i); and

(B) does not include a person that is—

(i) a nonbank financial company supervised by the Board under title I;

(ii) an insured bank (other than an institution described in subparagraphs (D), (F), or (H) of section 2(c)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c)(2)) or a savings association;

(iii) an affiliate of an insured bank (other than an institution described in subparagraphs (D), (F), or (H) of section 2(c)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c)(2)) or an affiliate of a savings association;

(iv) a foreign bank, foreign company, or company that is described in section 8(a) of the International Banking Act of 1978 (12 U.S.C. 3106(a));

(v) a foreign bank that controls, directly or indirectly, a corporation chartered under section 25A of the Federal Reserve Act (12 U.S.C. 611 et seq.); or

(vi) subject to comprehensive consolidated supervision by a foreign regulator;

(5) the term “supervised securities holding company” means a securities holding company that is supervised by the Board of Governors under this section; and

(6) the terms “affiliate”, “bank”, “bank holding company”, “company”, “control”, “savings association”, and “subsidiary” have the same meanings as in section 2 of the Bank Holding Company Act of 1956.

(b) **SUPERVISION OF A SECURITIES HOLDING COMPANY NOT HAVING A BANK OR SAVINGS ASSOCIATION AFFILIATE.**—

(1) **IN GENERAL.**—A securities holding company that is required by a foreign regulator or provision of foreign law to be subject to comprehensive consolidated supervision may register

with the Board of Governors under paragraph (2) to become a supervised securities holding company. Any securities holding company filing such a registration shall be supervised in accordance with this section, and shall comply with the rules and orders prescribed by the Board of Governors applicable to supervised securities holding companies.

(2) **REGISTRATION AS A SUPERVISED SECURITIES HOLDING COMPANY.**—

(A) **REGISTRATION.**—A securities holding company that elects to be subject to comprehensive consolidated supervision shall register by filing with the Board of Governors such information and documents as the Board of Governors, by regulation, may prescribe as necessary or appropriate in furtherance of the purposes of this section.

(B) **EFFECTIVE DATE.**—A securities holding company that registers under subparagraph (A) shall be deemed to be a supervised securities holding company, effective on the date that is 45 days after the date of receipt of the registration information and documents under subparagraph (A) by the Board of Governors, or within such shorter period as the Board of Governors, by rule or order, may determine.

(c) **SUPERVISION OF SECURITIES HOLDING COMPANIES.**—

(1) **RECORDKEEPING AND REPORTING.**—

(A) **RECORDKEEPING AND REPORTING REQUIRED.**—Each supervised securities holding company and each affiliate of a supervised securities holding company shall make and keep for periods determined by the Board of Governors such records, furnish copies of such records, and make such reports, as the Board of Governors determines to be necessary or appropriate to carry out this section, to prevent evasions thereof, and to monitor compliance by the supervised securities holding company or affiliate with applicable provisions of law.

(B) **FORM AND CONTENTS.**—

(i) **IN GENERAL.**—Any record or report required to be made, furnished, or kept under this paragraph shall—

(I) be prepared in such form and according to such specifications (including certification by a registered public accounting firm), as the Board of Governors may require; and

(II) be provided promptly to the Board of Governors at any time, upon request by the Board of Governors.

(ii) **CONTENTS.**—Records and reports required to be made, furnished, or kept under this paragraph may include—

(I) a balance sheet or income statement of the supervised securities holding company or an affiliate of a supervised securities holding company;

(II) an assessment of the consolidated capital and liquidity of the supervised securities holding company;

(III) a report by an independent auditor attesting to the compliance of the supervised securities holding company with the internal risk management and internal control objectives of the supervised securities holding company; and

(IV) a report concerning the extent to which the supervised securities holding company or affiliate has complied with the provisions of this section and any regulations prescribed and orders issued under this section.

(2) **USE OF EXISTING REPORTS.**—

(A) **IN GENERAL.**—The Board of Governors shall, to the fullest extent possible, accept reports in fulfillment of the requirements of this paragraph that a supervised securities holding company or an affiliate of a supervised securities holding company has been required to provide to another regulatory agency or a self-regulatory organization.

(B) **AVAILABILITY.**—A supervised securities holding company or an affiliate of a supervised

securities holding company shall promptly provide to the Board of Governors, at the request of the Board of Governors, any report described in subparagraph (A), as permitted by law.

(3) **EXAMINATION AUTHORITY.**—

(A) **FOCUS OF EXAMINATION AUTHORITY.**—The Board of Governors may make examinations of any supervised securities holding company and any affiliate of a supervised securities holding company to carry out this subsection, to prevent evasions thereof, and to monitor compliance by the supervised securities holding company or affiliate with applicable provisions of law.

(B) **DEFERENCE TO OTHER EXAMINATIONS.**—For purposes of this subparagraph, the Board of Governors shall, to the fullest extent possible, use the reports of examination made by other appropriate Federal or State regulatory authorities with respect to any functionally regulated subsidiary or any institution described in subparagraph (D), (F), or (H) of section 2(c)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c)(2)).

(d) **CAPITAL AND RISK MANAGEMENT.**—

(1) **IN GENERAL.**—The Board of Governors shall, by regulation or order, prescribe capital adequacy and other risk management standards for supervised securities holding companies that are appropriate to protect the safety and soundness of the supervised securities holding companies and address the risks posed to financial stability by supervised securities holding companies.

(2) **DIFFERENTIATION.**—In imposing standards under this subsection, the Board of Governors may differentiate among supervised securities holding companies on an individual basis, or by category, taking into consideration the requirements under paragraph (3).

(3) **CONTENT.**—Any standards imposed on a supervised securities holding company under this subsection shall take into account—

(A) the differences among types of business activities carried out by the supervised securities holding company;

(B) the amount and nature of the financial assets of the supervised securities holding company;

(C) the amount and nature of the liabilities of the supervised securities holding company, including the degree of reliance on short-term funding;

(D) the extent and nature of the off-balance sheet exposures of the supervised securities holding company;

(E) the extent and nature of the transactions and relationships of the supervised securities holding company with other financial companies;

(F) the importance of the supervised securities holding company as a source of credit for households, businesses, and State and local governments, and as a source of liquidity for the financial system; and

(G) the nature, scope, and mix of the activities of the supervised securities holding company.

(4) **NOTICE.**—A capital requirement imposed under this subsection may not take effect earlier than 180 days after the date on which a supervised securities holding company is provided notice of the capital requirement.

(e) **OTHER PROVISIONS OF LAW APPLICABLE TO SUPERVISED SECURITIES HOLDING COMPANIES.**—

(1) **FEDERAL DEPOSIT INSURANCE ACT.**—Subsections (b), (c) through (s), and (u) of section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) shall apply to any supervised securities holding company, and to any subsidiary (other than a bank or an institution described in subparagraph (D), (F), or (H) of section 2(c)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c)(2))) of a supervised securities holding company, in the same manner as such subsections apply to a bank holding company for which the Board of Governors is the

appropriate Federal banking agency. For purposes of applying such subsections to a supervised securities holding company or a subsidiary (other than a bank or an institution described in subparagraph (D), (F), or (H) of section 2(c)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c)(2))) of a supervised securities holding company, the Board of Governors shall be deemed the appropriate Federal banking agency for the supervised securities holding company or subsidiary.

(2) **BANK HOLDING COMPANY ACT OF 1956.**—Except as the Board of Governors may otherwise provide by regulation or order, a supervised securities holding company shall be subject to the provisions of the Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.) in the same manner and to the same extent a bank holding company is subject to such provisions, except that a supervised securities holding company may not, by reason of this paragraph, be deemed to be a bank holding company for purposes of section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843).

SEC. 619. PROHIBITIONS ON PROPRIETARY TRADING AND CERTAIN RELATIONSHIPS WITH HEDGE FUNDS AND PRIVATE EQUITY FUNDS.

The Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.) is amended by adding at the end the following:

“SEC. 13. PROHIBITIONS ON PROPRIETARY TRADING AND CERTAIN RELATIONSHIPS WITH HEDGE FUNDS AND PRIVATE EQUITY FUNDS.

“(a) **IN GENERAL.**—

“(1) **PROHIBITION.**—Unless otherwise provided in this section, a banking entity shall not—

“(A) engage in proprietary trading; or

“(B) acquire or retain any equity, partnership, or other ownership interest in or sponsor a hedge fund or a private equity fund.

“(2) **NONBANK FINANCIAL COMPANIES SUPERVISED BY THE BOARD.**—Any nonbank financial company supervised by the Board that engages in proprietary trading or takes or retains any equity, partnership, or other ownership interest in or sponsors a hedge fund or a private equity fund shall be subject, by rule, as provided in subsection (b)(2), to additional capital requirements for and additional quantitative limits with regards to such proprietary trading and taking or retaining any equity, partnership, or other ownership interest in or sponsorship of a hedge fund or a private equity fund, except that permitted activities as described in subsection (d) shall not be subject to the additional capital and additional quantitative limits except as provided in subsection (d)(3), as if the nonbank financial company supervised by the Board were a banking entity.

“(b) **STUDY AND RULEMAKING.**—

“(1) **STUDY.**—Not later than 6 months after the date of enactment of this section, the Financial Stability Oversight Council shall study and make recommendations on implementing the provisions of this section so as to—

“(A) promote and enhance the safety and soundness of banking entities;

“(B) protect taxpayers and consumers and enhance financial stability by minimizing the risk that insured depository institutions and the affiliates of insured depository institutions will engage in unsafe and unsound activities;

“(C) limit the inappropriate transfer of Federal subsidies from institutions that benefit from deposit insurance and liquidity facilities of the Federal Government to unregulated entities;

“(D) reduce conflicts of interest between the self-interest of banking entities and nonbank financial companies supervised by the Board, and the interests of the customers of such entities and companies;

“(E) limit activities that have caused undue risk or loss in banking entities and nonbank fi-

nancial companies supervised by the Board, or that might reasonably be expected to create undue risk or loss in such banking entities and nonbank financial companies supervised by the Board;

“(F) appropriately accommodate the business of insurance within an insurance company, subject to regulation in accordance with the relevant insurance company investment laws, while protecting the safety and soundness of any banking entity with which such insurance company is affiliated and of the United States financial system; and

“(G) appropriately time the divestiture of illiquid assets that are affected by the implementation of the prohibitions under subsection (a).

“(2) **RULEMAKING.**—

“(A) **IN GENERAL.**—Unless otherwise provided in this section, not later than 9 months after the completion of the study under paragraph (1), the appropriate Federal banking agencies, the Securities and Exchange Commission, and the Commodity Futures Trading Commission, shall consider the findings of the study under paragraph (1) and adopt rules to carry out this section, as provided in subparagraph (B).

“(B) **COORDINATED RULEMAKING.**—

“(i) **REGULATORY AUTHORITY.**—The regulations issued under this paragraph shall be issued by—

“(I) the appropriate Federal banking agencies, jointly, with respect to insured depository institutions;

“(II) the Board, with respect to any company that controls an insured depository institution, or that is treated as a bank holding company for purposes of section 8 of the International Banking Act, any nonbank financial company supervised by the Board, and any subsidiary of any of the foregoing (other than a subsidiary for which an agency described in subclause (I), (III), or (IV) is the primary financial regulatory agency);

“(III) the Commodity Futures Trading Commission, with respect to any entity for which the Commodity Futures Trading Commission is the primary financial regulatory agency, as defined in section 2 of the Dodd-Frank Wall Street Reform and Consumer Protection Act; and

“(IV) the Securities and Exchange Commission, with respect to any entity for which the Securities and Exchange Commission is the primary financial regulatory agency, as defined in section 2 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

“(ii) **COORDINATION, CONSISTENCY, AND COMPARABILITY.**—In developing and issuing regulations pursuant to this section, the appropriate Federal banking agencies, the Securities and Exchange Commission, and the Commodity Futures Trading Commission shall consult and coordinate with each other, as appropriate, for the purposes of assuring, to the extent possible, that such regulations are comparable and provide for consistent application and implementation of the applicable provisions of this section to avoid providing advantages or imposing disadvantages to the companies affected by this subsection and to protect the safety and soundness of banking entities and nonbank financial companies supervised by the Board.

“(iii) **COUNCIL ROLE.**—The Chairperson of the Financial Stability Oversight Council shall be responsible for coordination of the regulations issued under this section.

“(c) **EFFECTIVE DATE.**—

“(1) **IN GENERAL.**—Except as provided in paragraphs (2) and (3), this section shall take effect on the earlier of—

“(A) 12 months after the date of the issuance of final rules under subsection (b); or

“(B) 2 years after the date of enactment of this section.

“(2) **CONFORMANCE PERIOD FOR DIVESTITURE.**—A banking entity or nonbank financial

company supervised by the Board shall bring its activities and investments into compliance with the requirements of this section not later than 2 years after the date on which the requirements become effective pursuant to this section or 2 years after the date on which the entity or company becomes a nonbank financial company supervised by the Board. The Board may, by rule or order, extend this two-year period for not more than one year at a time, if, in the judgment of the Board, such an extension is consistent with the purposes of this section and would not be detrimental to the public interest. The extensions made by the Board under the preceding sentence may not exceed an aggregate of 3 years.

“(3) **EXTENDED TRANSITION FOR ILLIQUID FUNDS.**—

“(A) **APPLICATION.**—The Board may, upon the application of a banking entity, extend the period during which the banking entity, to the extent necessary to fulfill a contractual obligation that was in effect on May 1, 2010, may take or retain its equity, partnership, or other ownership interest in, or otherwise provide additional capital to, an illiquid fund.

“(B) **TIME LIMIT ON APPROVAL.**—The Board may grant 1 extension under subparagraph (A), which may not exceed 5 years.

“(4) **DIVESTITURE REQUIRED.**—Except as otherwise provided in subsection (d)(1)(G), a banking entity may not engage in any activity prohibited under subsection (a)(1)(B) after the earlier of—

“(A) the date on which the contractual obligation to invest in the illiquid fund terminates; and

“(B) the date on which any extensions granted by the Board under paragraph (3) expire.

“(5) **ADDITIONAL CAPITAL DURING TRANSITION PERIOD.**—Notwithstanding paragraph (2), on the date on which the rules are issued under subsection (b)(2), the appropriate Federal banking agencies, the Securities and Exchange Commission, and the Commodity Futures Trading Commission shall issue rules, as provided in subsection (b)(2), to impose additional capital requirements, and any other restrictions, as appropriate, on any equity, partnership, or ownership interest in or sponsorship of a hedge fund or private equity fund by a banking entity.

“(6) **SPECIAL RULEMAKING.**—Not later than 6 months after the date of enactment of this section, the Board shall issue rules to implement paragraphs (2) and (3).

“(d) **PERMITTED ACTIVITIES.**—

“(1) **IN GENERAL.**—Notwithstanding the restrictions under subsection (a), to the extent permitted by any other provision of Federal or State law, and subject to the limitations under paragraph (2) and any restrictions or limitations that the appropriate Federal banking agencies, the Securities and Exchange Commission, and the Commodity Futures Trading Commission, may determine, the following activities (in this section referred to as ‘permitted activities’) are permitted:

“(A) The purchase, sale, acquisition, or disposition of obligations of the United States or any agency thereof, obligations, participations, or other instruments of or issued by the Government National Mortgage Association, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, a Federal Home Loan Bank, the Federal Agricultural Mortgage Corporation, or a Farm Credit System institution chartered under and subject to the provisions of the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.), and obligations of any State or of any political subdivision thereof.

“(B) The purchase, sale, acquisition, or disposition of securities and other instruments described in subsection (h)(4) in connection with underwriting or market-making-related activities, to the extent that any such activities permitted by this subparagraph are designed not to

exceed the reasonably expected near term demands of clients, customers, or counterparties.

“(C) Risk-mitigating hedging activities in connection with and related to individual or aggregated positions, contracts, or other holdings of a banking entity that are designed to reduce the specific risks to the banking entity in connection with and related to such positions, contracts, or other holdings.

“(D) The purchase, sale, acquisition, or disposition of securities and other instruments described in subsection (h)(4) on behalf of customers.

“(E) Investments in one or more small business investment companies, as defined in section 102 of the Small Business Investment Act of 1958 (15 U.S.C. 662), investments designed primarily to promote the public welfare, of the type permitted under paragraph (11) of section 5136 of the Revised Statutes of the United States (12 U.S.C. 24), or investments that are qualified rehabilitation expenditures with respect to a qualified rehabilitated building or certified historic structure, as such terms are defined in section 47 of the Internal Revenue Code of 1986 or a similar State historic tax credit program.

“(F) The purchase, sale, acquisition, or disposition of securities and other instruments described in subsection (h)(4) by a regulated insurance company directly engaged in the business of insurance for the general account of the company and by any affiliate of such regulated insurance company, provided that such activities by any affiliate are solely for the general account of the regulated insurance company, if—

“(i) the purchase, sale, acquisition, or disposition is conducted in compliance with, and subject to, the insurance company investment laws, regulations, and written guidance of the State or jurisdiction in which each such insurance company is domiciled; and

“(ii) the appropriate Federal banking agencies, after consultation with the Financial Stability Oversight Council and the relevant insurance commissioners of the States and territories of the United States, have not jointly determined, after notice and comment, that a particular law, regulation, or written guidance described in clause (i) is insufficient to protect the safety and soundness of the banking entity, or of the financial stability of the United States.

“(G) Organizing and offering a private equity or hedge fund, including serving as a general partner, managing member, or trustee of the fund and in any manner selecting or controlling (or having employees, officers, directors, or agents who constitute) a majority of the directors, trustees, or management of the fund, including any necessary expenses for the foregoing, only if—

“(i) the banking entity provides bona fide trust, fiduciary, or investment advisory services;

“(ii) the fund is organized and offered only in connection with the provision of bona fide trust, fiduciary, or investment advisory services and only to persons that are customers of such services of the banking entity;

“(iii) the banking entity does not acquire or retain an equity interest, partnership interest, or other ownership interest in the funds except for a de minimis investment subject to and in compliance with paragraph (4);

“(iv) the banking entity complies with the restrictions under paragraphs (1) and (2) of subparagraph (f);

“(v) the banking entity does not, directly or indirectly, guarantee, assume, or otherwise insure the obligations or performance of the hedge fund or private equity fund or of any hedge fund or private equity fund in which such hedge fund or private equity fund invests;

“(vi) the banking entity does not share with the hedge fund or private equity fund, for corporate, marketing, promotional, or other pur-

poses, the same name or a variation of the same name;

“(vii) no director or employee of the banking entity takes or retains an equity interest, partnership interest, or other ownership interest in the hedge fund or private equity fund, except for any director or employee of the banking entity who is directly engaged in providing investment advisory or other services to the hedge fund or private equity fund; and

“(viii) the banking entity discloses to prospective and actual investors in the fund, in writing, that any losses in such hedge fund or private equity fund are borne solely by investors in the fund and not by the banking entity, and otherwise complies with any additional rules of the appropriate Federal banking agencies, the Securities and Exchange Commission, or the Commodity Futures Trading Commission, as provided in subsection (b)(2), designed to ensure that losses in such hedge fund or private equity fund are borne solely by investors in the fund and not by the banking entity.

“(H) Proprietary trading conducted by a banking entity pursuant to paragraph (9) or (13) of section 4(c), provided that the trading occurs solely outside of the United States and that the banking entity is not directly or indirectly controlled by a banking entity that is organized under the laws of the United States or of one or more States.

“(I) The acquisition or retention of any equity, partnership, or other ownership interest in, or the sponsorship of, a hedge fund or a private equity fund by a banking entity pursuant to paragraph (9) or (13) of section 4(c) solely outside of the United States, provided that no ownership interest in such hedge fund or private equity fund is offered for sale or sold to a resident of the United States and that the banking entity is not directly or indirectly controlled by a banking entity that is organized under the laws of the United States or of one or more States.

“(J) Such other activity as the appropriate Federal banking agencies, the Securities and Exchange Commission, and the Commodity Futures Trading Commission determine, by rule, as provided in subsection (b)(2), would promote and protect the safety and soundness of the banking entity and the financial stability of the United States.

“(2) LIMITATION ON PERMITTED ACTIVITIES.—

“(A) IN GENERAL.—No transaction, class of transactions, or activity may be deemed a permitted activity under paragraph (1) if the transaction, class of transactions, or activity—

“(i) would involve or result in a material conflict of interest (as such term shall be defined by rule as provided in subsection (b)(2)) between the banking entity and its clients, customers, or counterparties;

“(ii) would result, directly or indirectly, in a material exposure by the banking entity to high-risk assets or high-risk trading strategies (as such terms shall be defined by rule as provided in subsection (b)(2));

“(iii) would pose a threat to the safety and soundness of such banking entity; or

“(iv) would pose a threat to the financial stability of the United States.

“(B) RULEMAKING.—The appropriate Federal banking agencies, the Securities and Exchange Commission, and the Commodity Futures Trading Commission shall issue regulations to implement subparagraph (A), as part of the regulations issued under subsection (b)(2).

“(3) CAPITAL AND QUANTITATIVE LIMITATIONS.—The appropriate Federal banking agencies, the Securities and Exchange Commission, and the Commodity Futures Trading Commission shall, as provided in subsection (b)(2), adopt rules imposing additional capital requirements and quantitative limitations, including

diversification requirements, regarding the activities permitted under this section if the appropriate Federal banking agencies, the Securities and Exchange Commission, and the Commodity Futures Trading Commission determine that additional capital and quantitative limitations are appropriate to protect the safety and soundness of banking entities engaged in such activities.

“(4) DE MINIMIS INVESTMENT.—

“(A) IN GENERAL.—A banking entity may make and retain an investment in a hedge fund or private equity fund that the banking entity organizes and offers, subject to the limitations and restrictions in subparagraph (B) for the purposes of—

“(i) establishing the fund and providing the fund with sufficient initial equity for investment to permit the fund to attract unaffiliated investors; or

“(ii) making a de minimis investment.

“(B) LIMITATIONS AND RESTRICTIONS ON INVESTMENTS.—

“(i) REQUIREMENT TO SEEK OTHER INVESTORS.—A banking entity shall actively seek unaffiliated investors to reduce or dilute the investment of the banking entity to the amount permitted under clause (ii).

“(ii) LIMITATIONS ON SIZE OF INVESTMENTS.—Notwithstanding any other provision of law, investments by a banking entity in a hedge fund or private equity fund shall—

“(I) not later than 1 year after the date of establishment of the fund, be reduced through redemption, sale, or dilution to an amount that is not more than 3 percent of the total ownership interests of the fund;

“(II) be immaterial to the banking entity, as defined, by rule, pursuant to subsection (b)(2), but in no case may the aggregate of all of the interests of the banking entity in all such funds exceed 3 percent of the Tier 1 capital of the banking entity.

“(iii) CAPITAL.—For purposes of determining compliance with applicable capital standards under paragraph (3), the aggregate amount of the outstanding investments by a banking entity under this paragraph, including retained earnings, shall be deducted from the assets and tangible equity of the banking entity, and the amount of the deduction shall increase commensurate with the leverage of the hedge fund or private equity fund.

“(C) EXTENSION.—Upon an application by a banking entity, the Board may extend the period of time to meet the requirements under subparagraph (B)(ii)(I) for 2 additional years, if the Board finds that an extension would be consistent with safety and soundness and in the public interest.

“(e) ANTI-EVASION.—

“(1) RULEMAKING.—The appropriate Federal banking agencies, the Securities and Exchange Commission, and the Commodity Futures Trading Commission shall issue regulations, as part of the rulemaking provided for in subsection (b)(2), regarding internal controls and record-keeping, in order to insure compliance with this section.

“(2) TERMINATION OF ACTIVITIES OR INVESTMENT.—Notwithstanding any other provision of law, whenever an appropriate Federal banking agency, the Securities and Exchange Commission, or the Commodity Futures Trading Commission, as appropriate, has reasonable cause to believe that a banking entity or nonbank financial company supervised by the Board under the respective agency's jurisdiction has made an investment or engaged in an activity in a manner that functions as an evasion of the requirements of this section (including through an abuse of any permitted activity) or otherwise violates the restrictions under this section, the appropriate Federal banking agency, the Securities and Exchange Commission, or the Commodity Futures

Trading Commission, as appropriate, shall order, after due notice and opportunity for hearing, the banking entity or nonbank financial company supervised by the Board to terminate the activity and, as relevant, dispose of the investment. Nothing in this paragraph shall be construed to limit the inherent authority of any Federal agency or State regulatory authority to further restrict any investments or activities under otherwise applicable provisions of law.

“(f) LIMITATIONS ON RELATIONSHIPS WITH HEDGE FUNDS AND PRIVATE EQUITY FUNDS.—

“(1) IN GENERAL.—No banking entity that serves, directly or indirectly, as the investment manager, investment adviser, or sponsor to a hedge fund or private equity fund, or that organizes and offers a hedge fund or private equity fund pursuant to paragraph (d)(1)(G), and no affiliate of such entity, may enter into a transaction with the fund, or with any other hedge fund or private equity fund that is controlled by such fund, that would be a covered transaction, as defined in section 23A of the Federal Reserve Act (12 U.S.C. 371c), with the hedge fund or private equity fund, as if such banking entity and the affiliate thereof were a member bank and the hedge fund or private equity fund were an affiliate thereof.

“(2) TREATMENT AS MEMBER BANK.—A banking entity that serves, directly or indirectly, as the investment manager, investment adviser, or sponsor to a hedge fund or private equity fund, or that organizes and offers a hedge fund or private equity fund pursuant to paragraph (d)(1)(G), shall be subject to section 23B of the Federal Reserve Act (12 U.S.C. 371c-1), as if such banking entity were a member bank and such hedge fund or private equity fund were an affiliate thereof.

“(3) PERMITTED SERVICES.—

“(A) IN GENERAL.—Notwithstanding paragraph (1), the Board may permit a banking entity to enter into any prime brokerage transaction with any hedge fund or private equity fund in which a hedge fund or private equity fund managed, sponsored, or advised by such banking entity has taken an equity, partnership, or other ownership interest, if—

“(i) the banking entity is in compliance with each of the limitations set forth in subsection (d)(1)(G) with regard to a hedge fund or private equity fund organized and offered by such banking entity;

“(ii) the chief executive officer (or equivalent officer) of the banking entity certifies in writing annually (with a duty to update the certification if the information in the certification materially changes) that the conditions specified in subsection (d)(1)(g)(v) are satisfied; and

“(iii) the Board has determined that such transaction is consistent with the safe and sound operation and condition of the banking entity.

“(B) TREATMENT OF PRIME BROKERAGE TRANSACTIONS.—For purposes of subparagraph (A), a prime brokerage transaction described in subparagraph (A) shall be subject to section 23B of the Federal Reserve Act (12 U.S.C. 371c-1) as if the counterparty were an affiliate of the banking entity.

“(4) APPLICATION TO NONBANK FINANCIAL COMPANIES SUPERVISED BY THE BOARD.—The appropriate Federal banking agencies, the Securities and Exchange Commission, and the Commodity Futures Trading Commission shall adopt rules, as provided in subsection (b)(2), imposing additional capital charges or other restrictions for nonbank financial companies supervised by the Board to address the risks to and conflicts of interest of banking entities described in paragraphs (1), (2), and (3) of this subsection.

“(g) RULES OF CONSTRUCTION.—

“(1) LIMITATION ON CONTRARY AUTHORITY.—Except as provided in this section, notwith-

standing any other provision of law, the prohibitions and restrictions under this section shall apply to activities of a banking entity or nonbank financial company supervised by the Board, even if such activities are authorized for a banking entity or nonbank financial company supervised by the Board.

“(2) SALE OR SECURITIZATION OF LOANS.—Nothing in this section shall be construed to limit or restrict the ability of a banking entity or nonbank financial company supervised by the Board to sell or securitize loans in a manner otherwise permitted by law.

“(3) AUTHORITY OF FEDERAL AGENCIES AND STATE REGULATORY AUTHORITIES.—Nothing in this section shall be construed to limit the inherent authority of any Federal agency or State regulatory authority under otherwise applicable provisions of law.

“(h) DEFINITIONS.—In this section, the following definitions shall apply:

“(1) BANKING ENTITY.—The term ‘banking entity’ means any insured depository institution (as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813)), any company that controls an insured depository institution, or that is treated as a bank holding company for purposes of section 8 of the International Banking Act of 1978, and any affiliate or subsidiary of any such entity. For purposes of this paragraph, the term ‘insured depository institution’ does not include an institution that functions solely in a trust or fiduciary capacity, if—

“(A) all or substantially all of the deposits of such institution are in trust funds and are received in a bona fide fiduciary capacity;

“(B) no deposits of such institution which are insured by the Federal Deposit Insurance Corporation are offered or marketed by or through an affiliate of such institution;

“(C) such institution does not accept demand deposits or deposits that the depositor may withdraw by check or similar means for payment to third parties or others or make commercial loans; and

“(D) such institution does not—

“(i) obtain payment or payment related services from any Federal Reserve bank, including any service referred to in section 11A of the Federal Reserve Act (12 U.S.C. 248a); or

“(ii) exercise discount or borrowing privileges pursuant to section 19(b)(7) of the Federal Reserve Act (12 U.S.C. 461(b)(7)).

“(2) HEDGE FUND; PRIVATE EQUITY FUND.—The terms ‘hedge fund’ and ‘private equity fund’ mean an issuer that would be an investment company, as defined in the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.), but for section 3(c)(1) or 3(c)(7) of that Act, or such similar funds as the appropriate Federal banking agencies, the Securities and Exchange Commission, and the Commodity Futures Trading Commission may, by rule, as provided in subsection (b)(2), determine.

“(3) NONBANK FINANCIAL COMPANY SUPERVISED BY THE BOARD.—The term ‘nonbank financial company supervised by the Board’ means a nonbank financial company supervised by the Board of Governors, as defined in section 102 of the Financial Stability Act of 2010.

“(4) PROPRIETARY TRADING.—The term ‘proprietary trading’, when used with respect to a banking entity or nonbank financial company supervised by the Board, means engaging as a principal for the trading account of the banking entity or nonbank financial company supervised by the Board in any transaction to purchase or sell, or otherwise acquire or dispose of, any security, any derivative, any contract of sale of a commodity for future delivery, any option on any such security, derivative, or contract, or any other security or financial instrument that the appropriate Federal banking agencies, the Securities and Exchange Commission, and the

Commodity Futures Trading Commission may, by rule as provided in subsection (b)(2), determine.

“(5) SPONSOR.—The term to ‘sponsor’ a fund means—

“(A) to serve as a general partner, managing member, or trustee of a fund;

“(B) in any manner to select or to control (or to have employees, officers, or directors, or agents who constitute) a majority of the directors, trustees, or management of a fund; or

“(C) to share with a fund, for corporate, marketing, promotional, or other purposes, the same name or a variation of the same name.

“(6) TRADING ACCOUNT.—The term ‘trading account’ means any account used for acquiring or taking positions in the securities and instruments described in paragraph (4) principally for the purpose of selling in the near term (or otherwise with the intent to resell in order to profit from short-term price movements), and any such other accounts as the appropriate Federal banking agencies, the Securities and Exchange Commission, and the Commodity Futures Trading Commission may, by rule as provided in subsection (b)(2), determine.

“(7) ILLIQUID FUND.—

“(A) IN GENERAL.—The term ‘illiquid fund’ means a hedge fund or private equity fund that—

“(i) as of May 1, 2010, was principally invested in, or was invested and contractually committed to principally invest in, illiquid assets, such as portfolio companies, real estate investments, and venture capital investments; and

“(ii) makes all investments pursuant to, and consistent with, an investment strategy to principally invest in illiquid assets. In issuing rules regarding this subparagraph, the Board shall take into consideration the terms of investment for the hedge fund or private equity fund, including contractual obligations, the ability of the fund to divest of assets held by the fund, and any other factors that the Board determines are appropriate.

“(B) HEDGE FUND.—For the purposes of this paragraph, the term ‘hedge fund’ means any fund identified under subsection (h)(2), and does not include a private equity fund, as such term is used in section 203(m) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-3(m)).”

SEC. 620. STUDY OF BANK INVESTMENT ACTIVITIES.

(a) STUDY.—

(1) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the appropriate Federal banking agencies shall jointly review and prepare a report on the activities that a banking entity, as such term is defined in the Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.), may engage in under Federal and State law, including activities authorized by statute and by order, interpretation and guidance.

(2) CONTENT.—In carrying out the study under paragraph (1), the appropriate Federal banking agencies shall review and consider—

(A) the type of activities or investments;

(B) any financial, operational, managerial, or reputation risks associated with or presented as a result of the banking entity engaged in the activity or making the investment; and

(C) risk mitigation activities undertaken by the banking entity with regard to the risks.

(b) REPORT AND RECOMMENDATIONS TO THE COUNCIL AND TO CONGRESS.—The appropriate Federal banking agencies shall submit to the Council, the Committee on Financial Services of the House of Representatives, and the Committee on Banking, Housing, and Urban Affairs of the Senate the study conducted pursuant to subsection (a) no later than 2 months after its completion. In addition to the information described in subsection (a), the report shall include recommendations regarding—

(1) whether each activity or investment has or could have a negative effect on the safety and soundness of the banking entity or the United States financial system;

(2) the appropriateness of the conduct of each activity or type of investment by banking entities; and

(3) additional restrictions as may be necessary to address risks to safety and soundness arising from the activities or types of investments described in subsection (a).

SEC. 621. CONFLICTS OF INTEREST.

(a) IN GENERAL.—The Securities Act of 1933 (15 U.S.C. 77a et seq.) is amended by inserting after section 27A the following:

“SEC. 27B. CONFLICTS OF INTEREST RELATING TO CERTAIN SECURITIZATIONS.

“(a) IN GENERAL.—An underwriter, placement agent, initial purchaser, or sponsor, or any affiliate or subsidiary of any such entity, of an asset-backed security (as such term is defined in section 3 of the Securities and Exchange Act of 1934 (15 U.S.C. 78c), which for the purposes of this section shall include a synthetic asset-backed security), shall not, at any time for a period ending on the date that is one year after the date of the first closing of the sale of the asset-backed security, engage in any transaction that would involve or result in any material conflict of interest with respect to any investor in a transaction arising out of such activity.

“(b) RULEMAKING.—Not later than 270 days after the date of enactment of this section, the Commission shall issue rules for the purpose of implementing subsection (a).

“(c) EXCEPTION.—The prohibitions of subsection (a) shall not apply to—

“(I) risk-mitigating hedging activities in connection with positions or holdings arising out of the underwriting, placement, initial purchase, or sponsorship of an asset-backed security, provided that such activities are designed to reduce the specific risks to the underwriter, placement agent, initial purchaser, or sponsor associated with positions or holdings arising out of such underwriting, placement, initial purchase, or sponsorship; or

“(2) purchases or sales of asset-backed securities made pursuant to and consistent with—

“(A) commitments of the underwriter, placement agent, initial purchaser, or sponsor, or any affiliate or subsidiary of any such entity, to provide liquidity for the asset-backed security, or

“(B) bona fide market-making in the asset backed security.

“(d) RULE OF CONSTRUCTION.—This subsection shall not otherwise limit the application of section 15G of the Securities Exchange Act of 1934.”

(b) EFFECTIVE DATE.—Section 27B of the Securities Act of 1933, as added by this section, shall take effect on the effective date of final rules issued by the Commission under subsection (b) of such section 27B, except that subsections (b) and (d) of such section 27B shall take effect on the date of enactment of this Act.

SEC. 622. CONCENTRATION LIMITS ON LARGE FINANCIAL FIRMS.

The Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.) is amended by adding at the end the following:

“SEC. 14. CONCENTRATION LIMITS ON LARGE FINANCIAL FIRMS.

“(a) DEFINITIONS.—In this section—

“(1) the term ‘Council’ means the Financial Stability Oversight Council;

“(2) the term ‘financial company’ means—

“(A) an insured depository institution;

“(B) a bank holding company;

“(C) a savings and loan holding company;

“(D) a company that controls an insured depository institution;

“(E) a nonbank financial company supervised by the Board under title I of the Dodd-Frank Wall Street Reform and Consumer Protection Act; and

“(F) a foreign bank or company that is treated as a bank holding company for purposes of this Act; and

“(3) the term ‘liabilities’ means—

“(A) with respect to a United States financial company—

“(i) the total risk-weighted assets of the financial company, as determined under the risk-based capital rules applicable to bank holding companies, as adjusted to reflect exposures that are deducted from regulatory capital; less

“(ii) the total regulatory capital of the financial company under the risk-based capital rules applicable to bank holding companies;

“(B) with respect to a foreign-based financial company—

“(i) the total risk-weighted assets of the United States operations of the financial company, as determined under the applicable risk-based capital rules, as adjusted to reflect exposures that are deducted from regulatory capital; less

“(ii) the total regulatory capital of the United States operations of the financial company, as determined under the applicable risk-based capital rules; and

“(C) with respect to an insurance company or other nonbank financial company supervised by the Board, such assets of the company as the Board shall specify by rule, in order to provide for consistent and equitable treatment of such companies.

“(b) CONCENTRATION LIMIT.—Subject to the recommendations by the Council under subsection (e), a financial company may not merge or consolidate with, acquire all or substantially all of the assets of, or otherwise acquire control of, another company, if the total consolidated liabilities of the acquiring financial company upon consummation of the transaction would exceed 10 percent of the aggregate consolidated liabilities of all financial companies at the end of the calendar year preceding the transaction.

“(c) EXCEPTION TO CONCENTRATION LIMIT.—With the prior written consent of the Board, the concentration limit under subsection (b) shall not apply to an acquisition—

“(1) of a bank in default or in danger of default;

“(2) with respect to which assistance is provided by the Federal Deposit Insurance Corporation under section 13(c) of the Federal Deposit Insurance Act (12 U.S.C. 1823(c)); or

“(3) that would result only in a de minimis increase in the liabilities of the financial company.

“(d) RULEMAKING AND GUIDANCE.—The Board shall issue regulations implementing this section in accordance with the recommendations of the Council under subsection (e), including the definition of terms, as necessary. The Board may issue interpretations or guidance regarding the application of this section to an individual financial company or to financial companies in general.

“(e) COUNCIL STUDY AND RULEMAKING.—

“(1) STUDY AND RECOMMENDATIONS.—Not later than 6 months after the date of enactment of this section, the Council shall—

“(A) complete a study of the extent to which the concentration limit under this section would affect financial stability, moral hazard in the financial system, the efficiency and competitiveness of United States financial firms and financial markets, and the cost and availability of credit and other financial services to households and businesses in the United States; and

“(B) make recommendations regarding any modifications to the concentration limit that the Council determines would more effectively implement this section.

“(2) RULEMAKING.—Not later than 9 months after the date of completion of the study under paragraph (1), and notwithstanding subsections (b) and (d), the Board shall issue final regulations implementing this section, which shall reflect any recommendations by the Council under paragraph (1)(B).”

SEC. 623. INTERSTATE MERGER TRANSACTIONS.

(a) INTERSTATE MERGER TRANSACTIONS.—Section 18(c) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)) is amended by adding at the end the following:

“(13)(A) Except as provided in subparagraph (B), the responsible agency may not approve an application for an interstate merger transaction if the resulting insured depository institution (including all insured depository institutions which are affiliates of the resulting insured depository institution), upon consummation of the transaction, would control more than 10 percent of the total amount of deposits of insured depository institutions in the United States.

“(B) Subparagraph (A) shall not apply to an interstate merger transaction that involves 1 or more insured depository institutions in default or in danger of default, or with respect to which the Corporation provides assistance under section 13.

“(C) In this paragraph—

“(i) the term ‘interstate merger transaction’ means a merger transaction involving 2 or more insured depository institutions that have different home States and that are not affiliates; and

“(ii) the term ‘home State’ means—

“(I) with respect to a national bank, the State in which the main office of the bank is located;

“(II) with respect to a State bank or State savings association, the State by which the State bank or State savings association is chartered; and

“(III) with respect to a Federal savings association, the State in which the home office (as defined by the regulations of the Director of the Office of Thrift Supervision, or, on and after the transfer date, the Comptroller of the Currency) of the Federal savings association is located.”

(b) ACQUISITIONS BY BANK HOLDING COMPANIES.—

(1) IN GENERAL.—Section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843) is amended—

(A) in subsection (i), by adding at the end the following:

“(8) INTERSTATE ACQUISITIONS.—

“(A) IN GENERAL.—The Board may not approve an application by a bank holding company to acquire an insured depository institution under subsection (c)(8) or any other provision of this Act if—

“(i) the home State of such insured depository institution is a State other than the home State of the bank holding company; and

“(ii) the applicant (including all insured depository institutions which are affiliates of the applicant) controls, or upon consummation of the transaction would control, more than 10 percent of the total amount of deposits of insured depository institutions in the United States.

“(B) EXCEPTION.—Subparagraph (A) shall not apply to an acquisition that involves an insured depository institution in default or in danger of default, or with respect to which the Federal Deposit Insurance Corporation provides assistance under section 13 of the Federal Deposit Insurance Act (12 U.S.C. 1823).”; and

(B) in subsection (k)(6)(B), by striking “savings association” and inserting “insured depository institution”.

(2) DEFINITIONS.—Section 2(o)(4) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(o)(4)) is amended—

(A) in subparagraph (B), by striking “and” at the end;

(B) in subparagraph (C)(ii), by striking the period at the end and inserting a semicolon; and (C) by adding at the end the following:

“(D) with respect to a State savings association, the State by which the savings association is chartered; and

“(E) with respect to a Federal savings association, the State in which the home office (as defined by the regulations of the Director of the Office of Thrift Supervision, or, on and after the transfer date, the Comptroller of the Currency) of the Federal savings association is located.”.

(c) **ACQUISITIONS BY SAVINGS AND LOAN HOLDING COMPANIES.**—Section 10(e)(2) of the Home Owners’ Loan Act (12 U.S.C. 1467a(e)(2)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (C), by striking “or” at the end;

(B) in subparagraph (D), by striking the period at the end and inserting “, or”; and

(C) by adding at the end the following:

“(E) in the case of an application by a savings and loan holding company to acquire an insured depository institution, if—

“(i) the home State of the insured depository institution is a State other than the home State of the savings and loan holding company;

“(ii) the applicant (including all insured depository institutions which are affiliates of the applicant) controls, or upon consummation of the transaction would control, more than 10 percent of the total amount of deposits of insured depository institutions in the United States; and

“(iii) the acquisition does not involve an insured depository institution in default or in danger of default, or with respect to which the Federal Deposit Insurance Corporation provides assistance under section 13 of the Federal Deposit Insurance Act (12 U.S.C. 1823).”; and

(2) by adding at the end the following:

“(7) **DEFINITIONS.**—For purposes of paragraph (2)(E)—

“(A) the terms ‘default’, ‘in danger of default’, and ‘insured depository institution’ have the same meanings as in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813); and

“(B) the term ‘home State’ means—

“(i) with respect to a national bank, the State in which the main office of the bank is located;

“(ii) with respect to a State bank or State savings association, the State by which the savings association is chartered;

“(iii) with respect to a Federal savings association, the State in which the home office (as defined by the regulations of the Director of the Office of Thrift Supervision, or, on and after the transfer date, the Comptroller of the Currency) of the Federal savings association is located; and

“(iv) with respect to a savings and loan holding company, the State in which the amount of total deposits of all insured depository institution subsidiaries of such company was the greatest on the date on which the company became a savings and loan holding company.”.

SEC. 624. QUALIFIED THRIFT LENDERS.

Section 10(m)(3) of the Home Owners’ Loan Act (12 U.S.C. 1467a(m)(3)) is amended—

(1) by striking subparagraph (A) and inserting the following:

“(A) **IN GENERAL.**—A savings association that fails to become or remain a qualified thrift lender shall immediately be subject to the restrictions under subparagraph (B).”; and

(2) in subparagraph (B)(i), by striking subclause (III) and inserting the following:

“(III) **DIVIDENDS.**—The savings association may not pay dividends, except for dividends that—

“(aa) would be permissible for a national bank;

“(bb) are necessary to meet obligations of a company that controls such savings association; and

“(cc) are specifically approved by the Comptroller of the Currency and the Board after a written request submitted to the Comptroller of the Currency and the Board by the savings association not later than 30 days before the date of the proposed payment.

“(IV) **REGULATORY AUTHORITY.**—A savings association that fails to become or remain a qualified thrift lender shall be deemed to have violated section 5 of the Home Owners’ Loan Act (12 U.S.C. 1464) and subject to actions authorized by section 5(d) of the Home Owners’ Loan Act (12 U.S.C. 1464(d)).”.

SEC. 625. TREATMENT OF DIVIDENDS BY CERTAIN MUTUAL HOLDING COMPANIES.

(a) **IN GENERAL.**—Section 10(o) of the Home Owners’ Loan Act (12 U.S.C. 1467a(o)) is amended by adding at the end the following:

“(11) **DIVIDENDS.**—

“(A) **DECLARATION OF DIVIDENDS.**—

“(i) **ADVANCE NOTICE REQUIRED.**—Each subsidiary of a mutual holding company that is a savings association shall give the appropriate Federal banking agency and the Board notice not later than 30 days before the date of a proposed declaration by the board of directors of the savings association of any dividend on the guaranty, permanent, or other nonwithdrawable stock of the savings association.

“(ii) **INVALID DIVIDENDS.**—Any dividend described in clause (i) that is declared without giving notice to the appropriate Federal banking agency and the Board under clause (i), or that is declared during the 30-day period preceding the date of a proposed declaration for which notice is given to the appropriate Federal banking agency and the Board under clause (i), shall be invalid and shall confer no rights or benefits upon the holder of any such stock.

“(B) **WAIVER OF DIVIDENDS.**—A mutual holding company may waive the right to receive any dividend declared by a subsidiary of the mutual holding company, if—

“(i) no insider of the mutual holding company, associate of an insider, or tax-qualified or non-tax-qualified employee stock benefit plan of the mutual holding company holds any share of the stock in the class of stock to which the waiver would apply; or

“(ii) the mutual holding company gives written notice to the Board of the intent of the mutual holding company to waive the right to receive dividends, not later than 30 days before the date of the proposed date of payment of the dividend, and the Board does not object to the waiver.

“(C) **RESOLUTION INCLUDED IN WAIVER NOTICE.**—A notice of a waiver under subparagraph (B) shall include a copy of the resolution of the board of directors of the mutual holding company, in such form and substance as the Board may determine, together with any supporting materials relied upon by the board of directors of the mutual holding company, concluding that the proposed dividend waiver is consistent with the fiduciary duties of the board of directors to the mutual members of the mutual holding company.

“(D) **STANDARDS FOR WAIVER OF DIVIDEND.**—The Board may not object to a waiver of dividends under subparagraph (B) if—

“(i) the waiver would not be detrimental to the safe and sound operation of the savings association;

“(ii) the board of directors of the mutual holding company expressly determines that a waiver of the dividend by the mutual holding company is consistent with the fiduciary duties of the board of directors to the mutual members of the mutual holding company; and

“(iii) the mutual holding company has, prior to December 1, 2009—

“(I) reorganized into a mutual holding company under subsection (o);

“(II) issued minority stock either from its mid-tier stock holding company or its subsidiary stock savings association; and

“(III) waived dividends it had a right to receive from the subsidiary stock savings association.

“(E) **VALUATION.**—

“(i) **IN GENERAL.**—The appropriate Federal banking agency shall consider waived dividends in determining an appropriate exchange ratio in the event of a full conversion to stock form.

“(ii) **EXCEPTION.**—In the case of a savings association that has reorganized into a mutual holding company, has issued minority stock from a mid-tier stock holding company or a subsidiary stock savings association of the mutual holding company, and has waived dividends it had a right to receive from a subsidiary savings association before December 1, 2009, the appropriate Federal banking agency shall not consider waived dividends in determining an appropriate exchange ratio in the event of a full conversion to stock form.”.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall take effect on the transfer date.

SEC. 626. INTERMEDIATE HOLDING COMPANIES.

The Home Owners’ Loan Act (12 U.S.C. 1461 et seq.) is amended by inserting after section 10 (12 U.S.C. 1467a) the following new section:

“SEC. 10A. INTERMEDIATE HOLDING COMPANIES.

“(a) **DEFINITION.**—For purposes of this section:

“(1) **FINANCIAL ACTIVITIES.**—The term ‘financial activities’ means activities described in clauses (i) and (ii) of section 10(c)(9)(A).

“(2) **GRANDFATHERED UNITARY SAVINGS AND LOAN HOLDING COMPANY.**—The term ‘grandfathered unitary savings and loan holding company’ means a company described in section 10(c)(9)(C).

“(3) **INTERNAL FINANCIAL ACTIVITIES.**—The term ‘internal financial activities’ includes—

“(A) internal financial activities conducted by a grandfathered savings and loan holding company or any affiliate; and

“(B) internal treasury, investment, and employee benefit functions.

“(b) **REQUIREMENT.**—

“(1) **IN GENERAL.**—

“(A) **ACTIVITIES OTHER THAN FINANCIAL ACTIVITIES.**—If a grandfathered unitary savings and loan holding company conducts activities other than financial activities, the Board may require such company to establish and conduct all or a portion of such financial activities in or through an intermediate holding company, which shall be a savings and loan holding company, established pursuant to regulations of the Board, not later than 90 days (or such longer period as the Board may deem appropriate) after the transfer date.

“(B) **OTHER ACTIVITIES.**—Notwithstanding subparagraph (A), the Board shall require a grandfathered unitary savings and loan holding company to establish an intermediate holding company if the Board makes a determination that the establishment of such intermediate holding company is necessary—

“(i) to appropriately supervise activities that are determined to be financial activities; or

“(ii) to ensure that supervision by the Board does not extend to the activities of such company that are not financial activities.

“(2) **INTERNAL FINANCIAL ACTIVITIES.**—

“(A) **TREATMENT OF INTERNAL FINANCIAL ACTIVITIES.**—For purposes of this subsection, the internal financial activities of a grandfathered unitary savings and loan holding company shall not be required to be placed in an intermediate holding company.

“(B) **GRANDFATHERED ACTIVITIES.**—A grandfathered unitary savings and loan holding company may continue to engage in an internal financial activity, subject to review by the Board

to determine whether engaging in such activity presents undue risk to the grandfathered unitary savings and loan holding company or to the financial stability of the United States, if—

“(i) the grandfathered unitary savings and loan holding company engaged in the activity during the year before the date of enactment of this section; and

“(ii) at least $\frac{2}{3}$ of the assets or $\frac{2}{3}$ of the revenues generated from the activity are from or attributable to the grandfathered unitary savings and loan holding company.

“(3) **SOURCE OF STRENGTH.**—A grandfathered unitary savings and loan holding company that directly or indirectly controls an intermediate holding company established under this section shall serve as a source of strength to its subsidiary intermediate holding company.

“(4) **PARENT COMPANY REPORTS.**—The Board, may from time to time, examine and require reports under oath from a grandfathered unitary savings and loan holding company that controls an intermediate holding company, and from the appropriate officers or directors of such company, solely for purposes of ensuring compliance with the provisions of this section, including assessing the ability of the company to serve as a source of strength to its subsidiary intermediate holding company as required under paragraph (3) and enforcing compliance with such requirement.

“(5) **LIMITED PARENT COMPANY ENFORCEMENT.**—

“(A) **IN GENERAL.**—In addition to any other authority of the Board, the Board may enforce compliance with the provisions of this subsection that are applicable to any company described in paragraph (1)(A) that controls an intermediate holding company under section 8 of the Federal Deposit Insurance Act, and a company described in paragraph (1)(A) shall be subject to such section (solely for purposes of this subparagraph) in the same manner and to the same extent as if the company described in paragraph (1)(A) were a savings and loan holding company.

“(B) **APPLICATION OF OTHER ACT.**—Any violation of this subsection by a grandfathered unitary savings and loan holding company that controls an intermediate holding company may also be treated as a violation of the Federal Deposit Insurance Act for purposes of subparagraph (A).

“(C) **NO EFFECT ON OTHER AUTHORITY.**—No provision of this paragraph shall be construed as limiting any authority of the Board or any other Federal agency under any other provision of law.

“(c) **REGULATIONS.**—The Board—

“(1) shall promulgate regulations to establish the criteria for determining whether to require a grandfathered unitary savings and loan holding company to establish an intermediate holding company under subsection (b); and

“(2) may promulgate regulations to establish any restrictions or limitations on transactions between an intermediate holding company or a parent of such company and its affiliates, as necessary to prevent unsafe and unsound practices in connection with transactions between the intermediate holding company, or any subsidiary thereof, and its parent company or affiliates that are not subsidiaries of the intermediate holding company, except that such regulations shall not restrict or limit any transaction in connection with the bona fide acquisition or lease by an unaffiliated person of assets, goods, or services.

“(d) **RULES OF CONSTRUCTION.**—

“(1) **ACTIVITIES.**—Nothing in this section shall be construed to require a grandfathered unitary savings and loan holding company to conform its activities to permissible activities.

“(2) **PERMISSIBLE CORPORATE REORGANIZATION.**—The formation of an intermediate hold-

ing company as required in subsection (b) shall be presumed to be a permissible corporate reorganization as described in section 10(c)(9)(D).”.

SEC. 627. INTEREST-BEARING TRANSACTION ACCOUNTS AUTHORIZED.

(a) **REPEAL OF PROHIBITION ON PAYMENT OF INTEREST ON DEMAND DEPOSITS.**—

(1) **FEDERAL RESERVE ACT.**—Section 19(i) of the Federal Reserve Act (12 U.S.C. 371a) is amended to read as follows:

“(i) [Repealed].”.

(2) **HOME OWNERS’ LOAN ACT.**—The first sentence of section 5(b)(1)(B) of the Home Owners’ Loan Act (12 U.S.C. 1464(b)(1)(B)) is amended by striking “savings association may not—” and all that follows through “(ii) permit any” and inserting “savings association may not permit any”.

(3) **FEDERAL DEPOSIT INSURANCE ACT.**—Section 18(g) of the Federal Deposit Insurance Act (12 U.S.C. 1828(g)) is amended to read as follows:

“(g) [Repealed].”.

(b) **EFFECTIVE DATE.**—The amendments made by subsection (a) shall take effect 1 year after the date of the enactment of this Act.

SEC. 628. CREDIT CARD BANK SMALL BUSINESS LENDING.

Section 2(c)(2)(F)(v) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c)(2)(F)(v)) is amended by inserting before the period the following: “, other than credit card loans that are made to businesses that meet the criteria for a small business concern to be eligible for business loans under regulations established by the Small Business Administration under part 121 of title 13, Code of Federal Regulations”.

TITLE VII—WALL STREET TRANSPARENCY AND ACCOUNTABILITY

SEC. 701. SHORT TITLE.

This title may be cited as the “Wall Street Transparency and Accountability Act of 2010”.

Subtitle A—Regulation of Over-the-Counter Swaps Markets

PART I—REGULATORY AUTHORITY

SEC. 711. DEFINITIONS.

In this subtitle, the terms “prudential regulator”, “swap”, “swap dealer”, “major swap participant”, “swap data repository”, “associated person of a swap dealer or major swap participant”, “eligible contract participant”, “swap execution facility”, “security-based swap”, “security-based swap dealer”, “major security-based swap participant”, and “associated person of a security-based swap dealer or major security-based swap participant” have the meanings given the terms in section 1a of the Commodity Exchange Act (7 U.S.C. 1a), including any modification of the meanings under section 721(b) of this Act.

SEC. 712. REVIEW OF REGULATORY AUTHORITY.

(a) **CONSULTATION.**—

(1) **COMMODITY FUTURES TRADING COMMISSION.**—Before commencing any rulemaking or issuing an order regarding swaps, swap dealers, major swap participants, swap data repositories, derivative clearing organizations with regard to swaps, persons associated with a swap dealer or major swap participant, eligible contract participants, or swap execution facilities pursuant to this subtitle, the Commodity Futures Trading Commission shall consult and coordinate to the extent possible with the Securities and Exchange Commission and the prudential regulators for the purposes of assuring regulatory consistency and comparability, to the extent possible.

(2) **SECURITIES AND EXCHANGE COMMISSION.**—Before commencing any rulemaking or issuing an order regarding security-based swaps, security-based swap dealers, major security-based swap participants, security-based swap data repositories, clearing agencies with regard to secu-

rity-based swaps, persons associated with a security-based swap dealer or major security-based swap participant, eligible contract participants with regard to security-based swaps, or security-based swap execution facilities pursuant to subtitle B, the Securities and Exchange Commission shall consult and coordinate to the extent possible with the Commodity Futures Trading Commission and the prudential regulators for the purposes of assuring regulatory consistency and comparability, to the extent possible.

(3) **PROCEDURES AND DEADLINE.**—Such regulations shall be prescribed in accordance with applicable requirements of title 5, United States Code, and shall be issued in final form not later than 360 days after the date of enactment of this Act.

(4) **APPLICABILITY.**—The requirements of paragraphs (1) and (2) shall not apply to an order issued—

(A) in connection with or arising from a violation or potential violation of any provision of the Commodity Exchange Act (7 U.S.C. 1 et seq.);

(B) in connection with or arising from a violation or potential violation of any provision of the securities laws; or

(C) in any proceeding that is conducted on the record in accordance with sections 556 and 557 of title 5, United States Code.

(5) **EFFECT.**—Nothing in this subsection authorizes any consultation or procedure for consultation that is not consistent with the requirements of subchapter II of chapter 5, and chapter 7, of title 5, United States Code (commonly known as the “Administrative Procedure Act”).

(6) **RULES; ORDERS.**—In developing and promulgating rules or orders pursuant to this subsection, each Commission shall consider the views of the prudential regulators.

(7) **TREATMENT OF SIMILAR PRODUCTS AND ENTITIES.**—

(A) **IN GENERAL.**—In adopting rules and orders under this subsection, the Commodity Futures Trading Commission and the Securities and Exchange Commission shall treat functionally or economically similar products or entities described in paragraphs (1) and (2) in a similar manner.

(B) **EFFECT.**—Nothing in this subtitle requires the Commodity Futures Trading Commission or the Securities and Exchange Commission to adopt joint rules or orders that treat functionally or economically similar products or entities described in paragraphs (1) and (2) in an identical manner.

(8) **MIXED SWAPS.**—The Commodity Futures Trading Commission and the Securities and Exchange Commission, after consultation with the Board of Governors, shall jointly prescribe such regulations regarding mixed swaps, as described in section 1a(47)(D) of the Commodity Exchange Act (7 U.S.C. 1a(47)(D)) and in section 3(a)(68)(D) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(68)(D)), as may be necessary to carry out the purposes of this title.

(b) **LIMITATION.**—

(1) **COMMODITY FUTURES TRADING COMMISSION.**—Nothing in this title, unless specifically provided, confers jurisdiction on the Commodity Futures Trading Commission to issue a rule, regulation, or order providing for oversight or regulation of—

(A) security-based swaps; or

(B) with regard to its activities or functions concerning security-based swaps—

(i) security-based swap dealers;

(ii) major security-based swap participants;

(iii) security-based swap data repositories;

(iv) associated persons of a security-based swap dealer or major security-based swap participant;

(v) eligible contract participants with respect to security-based swaps; or

(vi) swap execution facilities with respect to security-based swaps.

(2) **SECURITIES AND EXCHANGE COMMISSION.**—Nothing in this title, unless specifically provided, confers jurisdiction on the Securities and Exchange Commission or State securities regulators to issue a rule, regulation, or order providing for oversight or regulation of—

(A) swaps; or
(B) with regard to its activities or functions concerning swaps—

(i) swap dealers;
(ii) major swap participants;
(iii) swap data repositories;
(iv) persons associated with a swap dealer or major swap participant;
(v) eligible contract participants with respect to swaps; or
(vi) swap execution facilities with respect to swaps.

(3) **PROHIBITION ON CERTAIN FUTURES ASSOCIATIONS AND NATIONAL SECURITIES ASSOCIATIONS.**—

(A) **FUTURES ASSOCIATIONS.**—Notwithstanding any other provision of law (including regulations), unless otherwise authorized by this title, no futures association registered under section 17 of the Commodity Exchange Act (7 U.S.C. 21) may issue a rule, regulation, or order for the oversight or regulation of, or otherwise assert jurisdiction over, for any purpose, any security-based swap, except that this subparagraph shall not limit the authority of a registered futures association to examine for compliance with, and enforce, its rules on capital adequacy.

(B) **NATIONAL SECURITIES ASSOCIATIONS.**—Notwithstanding any other provision of law (including regulations), unless otherwise authorized by this title, no national securities association registered under section 15A of the Securities Exchange Act of 1934 (15 U.S.C. 78o-3) may issue a rule, regulation, or order for the oversight or regulation of, or otherwise assert jurisdiction over, for any purpose, any swap, except that this subparagraph shall not limit the authority of a national securities association to examine for compliance with, and enforce, its rules on capital adequacy.

(C) **OBJECTION TO COMMISSION REGULATION.**—

(1) **FILING OF PETITION FOR REVIEW.**—

(A) **IN GENERAL.**—If either Commission referred to in this section determines that a final rule, regulation, or order of the other Commission conflicts with subsection (a)(7) or (b), then the complaining Commission may obtain review of the final rule, regulation, or order in the United States Court of Appeals for the District of Columbia Circuit by filing in the court, not later than 60 days after the date of publication of the final rule, regulation, or order, a written petition requesting that the rule, regulation, or order be set aside.

(B) **EXPEDITED PROCEEDING.**—A proceeding described in subparagraph (A) shall be expedited by the United States Court of Appeals for the District of Columbia Circuit.

(2) **TRANSMITTAL OF PETITION AND RECORD.**—

(A) **IN GENERAL.**—A copy of a petition described in paragraph (1) shall be transmitted not later than 1 business day after the date of filing by the complaining Commission to the Secretary of the responding Commission.

(B) **DUTY OF RESPONDING COMMISSION.**—On receipt of the copy of a petition described in paragraph (1), the responding Commission shall file with the United States Court of Appeals for the District of Columbia Circuit—

(i) a copy of the rule, regulation, or order under review (including any documents referred to therein); and

(ii) any other materials prescribed by the United States Court of Appeals for the District of Columbia Circuit.

(3) **STANDARD OF REVIEW.**—The United States Court of Appeals for the District of Columbia Circuit shall—

(A) give deference to the views of neither Commission; and

(B) determine to affirm or set aside a rule, regulation, or order of the responding Commission under this subsection, based on the determination of the court as to whether the rule, regulation, or order is in conflict with subsection (a)(7) or (b), as applicable.

(4) **JUDICIAL STAY.**—The filing of a petition by the complaining Commission pursuant to paragraph (1) shall operate as a stay of the rule, regulation, or order until the date on which the determination of the United States Court of Appeals for the District of Columbia Circuit is final (including any appeal of the determination).

(d) **JOINT RULEMAKING.**—

(1) **IN GENERAL.**—Notwithstanding any other provision of this title and subsections (b) and (c), the Commodity Futures Trading Commission and the Securities and Exchange Commission, in consultation with the Board of Governors, shall further define the terms “swap”, “security-based swap”, “swap dealer”, “security-based swap dealer”, “major swap participant”, “major security-based swap participant”, “eligible contract participant”, and “security-based swap agreement” in section 1a(47)(A)(v) of the Commodity Exchange Act (7 U.S.C. 1a(47)(A)(v)) and section 3(a)(78) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(78)).

(2) **AUTHORITY OF THE COMMISSIONS.**—

(A) **IN GENERAL.**—Notwithstanding any other provision of this title, the Commodity Futures Trading Commission and the Securities and Exchange Commission, in consultation with the Board of Governors, shall jointly adopt such other rules regarding such definitions as the Commodity Futures Trading Commission and the Securities and Exchange Commission determine are necessary and appropriate, in the public interest, and for the protection of investors.

(B) **TRADE REPOSITORY RECORDKEEPING.**—Notwithstanding any other provision of this title, the Commodity Futures Trading Commission and the Securities and Exchange Commission, in consultation with the Board of Governors, shall engage in joint rulemaking to jointly adopt a rule or rules governing the books and records that are required to be kept and maintained regarding security-based swap agreements by persons that are registered as swap data repositories under the Commodity Exchange Act, including uniform rules that specify the data elements that shall be collected and maintained by each repository.

(C) **BOOKS AND RECORDS.**—Notwithstanding any other provision of this title, the Commodity Futures Trading Commission and the Securities and Exchange Commission, in consultation with the Board of Governors, shall engage in joint rulemaking to jointly adopt a rule or rules governing books and records regarding security-based swap agreements, including daily trading records, for swap dealers, major swap participants, security-based swap dealers, and security-based swap participants.

(D) **COMPARABLE RULES.**—Rules and regulations prescribed jointly under this title by the Commodity Futures Trading Commission and the Securities and Exchange Commission shall be comparable to the maximum extent possible, taking into consideration differences in instruments and in the applicable statutory requirements.

(E) **TRACKING UNCLEARED TRANSACTIONS.**—Any rules prescribed under subparagraph (A) shall require the maintenance of records of all activities relating to security-based swap agreement transactions defined under subparagraph (A) that are not cleared.

(F) **SHARING OF INFORMATION.**—The Commodity Futures Trading Commission shall make available to the Securities and Exchange Commission information relating to security-based

swap agreement transactions defined in subparagraph (A) that are not cleared.

(3) **FINANCIAL STABILITY OVERSIGHT COUNCIL.**—In the event that the Commodity Futures Trading Commission and the Securities and Exchange Commission fail to jointly prescribe rules pursuant to paragraph (1) or (2) in a timely manner, at the request of either Commission, the Financial Stability Oversight Council shall resolve the dispute—

(A) within a reasonable time after receiving the request;

(B) after consideration of relevant information provided by each Commission; and

(C) by agreeing with 1 of the Commissions regarding the entirety of the matter or by determining a compromise position.

(4) **JOINT INTERPRETATION.**—Any interpretation of, or guidance by either Commission regarding, a provision of this title, shall be effective only if issued jointly by the Commodity Futures Trading Commission and the Securities and Exchange Commission, after consultation with the Board of Governors, if this title requires the Commodity Futures Trading Commission and the Securities and Exchange Commission to issue joint regulations to implement the provision.

(e) **GLOBAL RULEMAKING TIMEFRAME.**—Unless otherwise provided in this title, or an amendment made by this title, the Commodity Futures Trading Commission or the Securities and Exchange Commission, or both, shall individually, and not jointly, promulgate rules and regulations required of each Commission under this title or an amendment made by this title not later than 360 days after the date of enactment of this Act.

(f) **RULES AND REGISTRATION BEFORE FINAL EFFECTIVE DATES.**—Beginning on the date of enactment of this Act and notwithstanding the effective date of any provision of this Act, the Commodity Futures Trading Commission and the Securities and Exchange Commission may, in order to prepare for the effective dates of the provisions of this Act—

(1) promulgate rules, regulations, or orders permitted or required by this Act;

(2) conduct studies and prepare reports and recommendations required by this Act;

(3) register persons under the provisions of this Act; and

(4) exempt persons, agreements, contracts, or transactions from provisions of this Act, under the terms contained in this Act, provided, however, that no action by the Commodity Futures Trading Commission or the Securities and Exchange Commission described in paragraphs (1) through (4) shall become effective prior to the effective date applicable to such action under the provisions of this Act.

SEC. 713. PORTFOLIO MARGINING CONFORMING CHANGES.

(a) **SECURITIES EXCHANGE ACT OF 1934.**—Section 15(c)(3) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(c)(3)) is amended by adding at the end the following:

“(C) Notwithstanding any provision of sections 2(a)(1)(C)(i) or 4d(a)(2) of the Commodity Exchange Act and the rules and regulations thereunder, and pursuant to an exemption granted by the Commission under section 36 of this title or pursuant to a rule or regulation, cash and securities may be held by a broker or dealer registered pursuant to subsection (b)(1) and also registered as a futures commission merchant pursuant to section 4f(a)(1) of the Commodity Exchange Act, in a portfolio margining account carried as a futures account subject to section 4d of the Commodity Exchange Act and the rules and regulations thereunder, pursuant to a portfolio margining program approved by the Commodity Futures Trading Commission, and subject to subchapter IV of chapter 7 of title

11 of the United States Code and the rules and regulations thereunder. The Commission shall consult with the Commodity Futures Trading Commission to adopt rules to ensure that such transactions and accounts are subject to comparable requirements to the extent practicable for similar products.”.

(b) COMMODITY EXCHANGE ACT.—Section 4d of the Commodity Exchange Act (7 U.S.C. 6d) is amended by adding at the end the following:

“(h) Notwithstanding subsection (a)(2) or the rules and regulations thereunder, and pursuant to an exemption granted by the Commission under section 4(c) of this Act or pursuant to a rule or regulation, a futures commission merchant that is registered pursuant to section 4f(a)(1) of this Act and also registered as a broker or dealer pursuant to section 15(b)(1) of the Securities Exchange Act of 1934 may, pursuant to a portfolio margining program approved by the Securities and Exchange Commission pursuant to section 19(b) of the Securities Exchange Act of 1934, hold in a portfolio margining account carried as a securities account subject to section 15(c)(3) of the Securities Exchange Act of 1934 and the rules and regulations thereunder, a contract for the purchase or sale of a commodity for future delivery or an option on such a contract, and any money, securities or other property received from a customer to margin, guarantee or secure such a contract, or accruing to a customer as the result of such a contract. The Commission shall consult with the Securities and Exchange Commission to adopt rules to ensure that such transactions and accounts are subject to comparable requirements to the extent practical for similar products.”.

(c) DUTY OF COMMODITY FUTURES TRADING COMMISSION.—Section 20 of the Commodity Exchange Act (7 U.S.C. 24) is amended by adding at the end the following:

“(c) The Commission shall exercise its authority to ensure that securities held in a portfolio margining account carried as a futures account are customer property and the owners of those accounts are customers for the purposes of subchapter IV of chapter 7 of title 11 of the United States Code.”.

SEC. 714. ABUSIVE SWAPS.

The Commodity Futures Trading Commission or the Securities and Exchange Commission, or both, individually may, by rule or order—

(1) collect information as may be necessary concerning the markets for any types of—

(A) swap (as defined in section 1a of the Commodity Exchange Act (7 U.S.C. 1a)); or

(B) security-based swap (as defined in section 1a of the Commodity Exchange Act (7 U.S.C. 1a)); and

(2) issue a report with respect to any types of swaps or security-based swaps that the Commodity Futures Trading Commission or the Securities and Exchange Commission determines to be detrimental to—

(A) the stability of a financial market; or

(B) participants in a financial market.

SEC. 715. AUTHORITY TO PROHIBIT PARTICIPATION IN SWAP ACTIVITIES.

Except as provided in section 4 of the Commodity Exchange Act (7 U.S.C. 6), if the Commodity Futures Trading Commission or the Securities and Exchange Commission determines that the regulation of swaps or security-based swaps markets in a foreign country undermines the stability of the United States financial system, either Commission, in consultation with the Secretary of the Treasury, may prohibit an entity domiciled in the foreign country from participating in the United States in any swap or security-based swap activities.

SEC. 716. PROHIBITION AGAINST FEDERAL GOVERNMENT BAILOUTS OF SWAPS ENTITIES.

(a) PROHIBITION ON FEDERAL ASSISTANCE.—Notwithstanding any other provision of law (in-

cluding regulations), no Federal assistance may be provided to any swaps entity with respect to any swap, security-based swap, or other activity of the swaps entity.

(b) DEFINITIONS.—In this section:

(1) FEDERAL ASSISTANCE.—The term “Federal assistance” means the use of any advances from any Federal Reserve credit facility or discount window that is not part of a program or facility with broad-based eligibility under section 13(3)(A) of the Federal Reserve Act, Federal Deposit Insurance Corporation insurance or guarantees for the purpose of—

(A) making any loan to, or purchasing any stock, equity interest, or debt obligation of, any swaps entity;

(B) purchasing the assets of any swaps entity;

(C) guaranteeing any loan or debt issuance of any swaps entity; or

(D) entering into any assistance arrangement (including tax breaks), loss sharing, or profit sharing with any swaps entity.

(2) SWAPS ENTITY.—

(A) IN GENERAL.—The term “swaps entity” means any swap dealer, security-based swap dealer, major swap participant, major security-based swap participant, that is registered under—

(i) the Commodity Exchange Act (7 U.S.C. 1 et seq.); or

(ii) the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.).

(B) EXCLUSION.—The term “swaps entity” does not include any major swap participant or major security-based swap participant that is an insured depository institution.

(c) AFFILIATES OF INSURED DEPOSITORY INSTITUTIONS.—The prohibition on Federal assistance contained in subsection (a) does not apply to and shall not prevent an insured depository institution from having or establishing an affiliate which is a swaps entity, as long as such insured depository institution is part of a bank holding company, or savings and loan holding company, that is supervised by the Federal Reserve and such swaps entity affiliate complies with sections 23A and 23B of the Federal Reserve Act and such other requirements as the Commodity Futures Trading Commission or the Securities Exchange Commission, as appropriate, and the Board of Governors of the Federal Reserve System, may determine to be necessary and appropriate.

(d) ONLY BONA FIDE HEDGING AND TRADITIONAL BANK ACTIVITIES PERMITTED.—The prohibition in subsection (a) shall apply to any insured depository institution unless the insured depository institution limits its swap or security-based swap activities to:

(1) Hedging and other similar risk mitigating activities directly related to the insured depository institution’s activities.

(2) Acting as a swaps entity for swaps or security-based swaps involving rates or reference assets that are permissible for investment by a national bank under the paragraph designated as “Seventh.” of section 5136 of the Revised Statutes of the United States (12 U.S.C. 24), other than as described in paragraph (3).

(3) LIMITATION ON CREDIT DEFAULT SWAPS.—Acting as a swaps entity for credit default swaps, including swaps or security-based swaps referencing the credit risk of asset-backed securities as defined in section 3(a)(77) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(77)) (as amended by this Act) shall not be considered a bank permissible activity for purposes of subsection (d)(2) unless such swaps or security-based swaps are cleared by a derivatives clearing organization (as such term is defined in section 1a of the Commodity Exchange Act (7 U.S.C. 1a)) or a clearing agency (as such term is defined in section 3 of the Securities Exchange Act (15 U.S.C. 78c)) that is registered, or exempt

from registration, as a derivatives clearing organization under the Commodity Exchange Act or as a clearing agency under the Securities Exchange Act, respectively.

(e) EXISTING SWAPS AND SECURITY-BASED SWAPS.—The prohibition in subsection (a) shall only apply to swaps or security-based swaps entered into by an insured depository institution after the end of the transition period described in subsection (f).

(f) TRANSITION PERIOD.—To the extent an insured depository institution qualifies as a “swaps entity” and would be subject to the Federal assistance prohibition in subsection (a), the appropriate Federal banking agency, after consulting with and considering the views of the Commodity Futures Trading Commission or the Securities Exchange Commission, as appropriate, shall permit the insured depository institution up to 24 months to divest the swaps entity or cease the activities that require registration as a swaps entity. In establishing the appropriate transition period to effect such divestiture or cessation of activities, which may include making the swaps entity an affiliate of the insured depository institution, the appropriate Federal banking agency shall take into account and make written findings regarding the potential impact of such divestiture or cessation of activities on the insured depository institution’s (1) mortgage lending, (2) small business lending, (3) job creation, and (4) capital formation versus the potential negative impact on insured depositories and the Deposit Insurance Fund of the Federal Deposit Insurance Corporation. The appropriate Federal banking agency may consider such other factors as may be appropriate. The appropriate Federal banking agency may place such conditions on the insured depository institution’s divestiture or ceasing of activities of the swaps entity as it deems necessary and appropriate. The transition period under this subsection may be extended by the appropriate Federal banking agency, after consultation with the Commodity Futures Trading Commission and the Securities and Exchange Commission, for a period of up to 1 additional year.

(g) EXCLUDED ENTITIES.—For purposes of this section, the term “swaps entity” shall not include any insured depository institution under the Federal Deposit Insurance Act or a covered financial company under title II which is in a conservatorship, receivership, or a bridge bank operated by the Federal Deposit Insurance Corporation.

(h) EFFECTIVE DATE.—The prohibition in subsection (a) shall be effective 2 years following the date on which this Act is effective.

(i) LIQUIDATION REQUIRED.—

(1) IN GENERAL.—

(A) FDIC INSURED INSTITUTIONS.—All swaps entities that are FDIC insured institutions that are put into receivership or declared insolvent as a result of swap or security-based swap activity of the swaps entities shall be subject to the termination or transfer of that swap or security-based swap activity in accordance with applicable law prescribing the treatment of those contracts. No taxpayer funds shall be used to prevent the receivership of any swap entity resulting from swap or security-based swap activity of the swaps entity.

(B) INSTITUTIONS THAT POSE A SYSTEMIC RISK AND ARE SUBJECT TO HEIGHTENED PRUDENTIAL SUPERVISION AS REGULATED UNDER SECTION 113.—All swaps entities that are institutions that pose a systemic risk and are subject to heightened prudential supervision as regulated under section 113, that are put into receivership or declared insolvent as a result of swap or security-based swap activity of the swaps entities shall be subject to the termination or transfer of that

swap or security-based swap activity in accordance with applicable law prescribing the treatment of those contracts. No taxpayer funds shall be used to prevent the receivership of any swap entity resulting from swap or security-based swap activity of the swaps entity.

(C) **NON-FDIC INSURED, NON-SYSTEMICALLY SIGNIFICANT INSTITUTIONS NOT SUBJECT TO HEIGHTENED PRUDENTIAL SUPERVISION AS REGULATED UNDER SECTION 113.**—No taxpayer resources shall be used for the orderly liquidation of any swaps entities that are non-FDIC insured, non-systemically significant institutions not subject to heightened prudential supervision as regulated under section 113.

(2) **RECOVERY OF FUNDS.**—All funds expended on the termination or transfer of the swap or security-based swap activity of the swaps entity shall be recovered in accordance with applicable law from the disposition of assets of such swap entity or through assessments, including on the financial sector as provided under applicable law.

(3) **NO LOSSES TO TAXPAYERS.**—Taxpayers shall bear no losses from the exercise of any authority under this title.

(j) **PROHIBITION ON UNREGULATED COMBINATION OF SWAPS ENTITIES AND BANKING.**—At no time following adoption of the rules in subsection (k) may a bank or bank holding company be permitted to be or become a swap entity unless it conducts its swap or security-based swap activity in compliance with such minimum standards set by its prudential regulator as are reasonably calculated to permit the swaps entity to conduct its swap or security-based swap activities in a safe and sound manner and mitigate systemic risk.

(k) **RULES.**—In prescribing rules, the prudential regulator for a swaps entity shall consider the following factors:

(1) The expertise and managerial strength of the swaps entity, including systems for effective oversight.

(2) The financial strength of the swaps entity.

(3) Systems for identifying, measuring and controlling risks arising from the swaps entity's operations.

(4) Systems for identifying, measuring and controlling the swaps entity's participation in existing markets.

(5) Systems for controlling the swaps entity's participation or entry into in new markets and products.

(l) **AUTHORITY OF THE FINANCIAL STABILITY OVERSIGHT COUNCIL.**—The Financial Stability Oversight Council may determine that, when other provisions established by this Act are insufficient to effectively mitigate systemic risk and protect taxpayers, that swaps entities may no longer access Federal assistance with respect to any swap, security-based swap, or other activity of the swaps entity. Any such determination by the Financial Stability Oversight Council of a prohibition of federal assistance shall be made on an institution-by-institution basis, and shall require the vote of not fewer than two-thirds of the members of the Financial Stability Oversight Council, which must include the vote by the Chairman of the Council, the Chairman of the Board of Governors of the Federal Reserve System, and the Chairperson of the Federal Deposit Insurance Corporation. Notice and hearing requirements for such determinations shall be consistent with the standards provided in title I.

(m) **BAN ON PROPRIETARY TRADING IN DERIVATIVES.**—An insured depository institution shall comply with the prohibition on proprietary trading in derivatives as required by section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

SEC. 717. NEW PRODUCT APPROVAL CFTC—SEC PROCESS.

(a) **AMENDMENTS TO THE COMMODITY EXCHANGE ACT.**—Section 2(a)(1)(C) of the Com-

modity Exchange Act (7 U.S.C. 2(a)(1)(C)) is amended—

(1) in clause (i) by striking “This” and inserting “(I) Except as provided in subclause (II), this”; and

(2) by adding at the end of clause (i) the following:

“(II) This Act shall apply to and the Commission shall have jurisdiction with respect to accounts, agreements, and transactions involving, and may permit the listing for trading pursuant to section 5c(c) of, a put, call, or other option on 1 or more securities (as defined in section 2(a)(1) of the Securities Act of 1933 or section 3(a)(10) of the Securities Exchange Act of 1934 on the date of enactment of the Futures Trading Act of 1982), including any group or index of such securities, or any interest therein or based on the value thereof, that is exempted by the Securities and Exchange Commission pursuant to section 36(a)(1) of the Securities Exchange Act of 1934 with the condition that the Commission exercise concurrent jurisdiction over such put, call, or other option; provided, however, that nothing in this paragraph shall be construed to affect the jurisdiction and authority of the Securities and Exchange Commission over such put, call, or other option.”.

(b) **AMENDMENTS TO THE SECURITIES EXCHANGE ACT OF 1934.**—The Securities Exchange Act of 1934 is amended by adding the following section after section 3A (15 U.S.C. 78c-1):

“SEC. 3B. SECURITIES-RELATED DERIVATIVES.

“(a) Any agreement, contract, or transaction (or class thereof) that is exempted by the Commodity Futures Trading Commission pursuant to section 4(c)(1) of the Commodity Exchange Act (7 U.S.C. 6(c)(1)) with the condition that the Commission exercise concurrent jurisdiction over such agreement, contract, or transaction (or class thereof) shall be deemed a security for purposes of the securities laws.

“(b) With respect to any agreement, contract, or transaction (or class thereof) that is exempted by the Commodity Futures Trading Commission pursuant to section 4(c)(1) of the Commodity Exchange Act (7 U.S.C. 6(c)(1)) with the condition that the Commission exercise concurrent jurisdiction over such agreement, contract, or transaction (or class thereof), references in the securities laws to the ‘purchase’ or ‘sale’ of a security shall be deemed to include the execution, termination (prior to its scheduled maturity date), assignment, exchange, or similar transfer or conveyance of, or extinguishing of rights or obligations under such agreement, contract, or transaction, as the context may require.”.

(c) **AMENDMENT TO SECURITIES EXCHANGE ACT OF 1934.**—Section 19(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78s(b)) is amended by adding at the end the following:

“(10) Notwithstanding paragraph (2), the time period within which the Commission is required by order to approve a proposed rule change or institute proceedings to determine whether the proposed rule change should be disapproved is stayed pending a determination by the Commission upon the request of the Commodity Futures Trading Commission or its Chairman that the Commission issue a determination as to whether a product that is the subject of such proposed rule change is a security pursuant to section 718 of the Wall Street Transparency and Accountability Act of 2010.”.

(d) **AMENDMENT TO COMMODITY EXCHANGE ACT.**—Section 5c(c)(1) of the Commodity Exchange Act (7 U.S.C. 7a-2(c)(1)) is amended—

(1) by striking “Subject to paragraph (2)” and inserting the following:

“(A) **ELECTION.**—Subject to paragraph (2)”; and

(2) by adding at the end the following:

“(B) **CERTIFICATION.**—The certification of a product pursuant to this paragraph shall be

stayed pending a determination by the Commission upon the request of the Securities and Exchange Commission or its Chairman that the Commission issue a determination as to whether the product that is the subject of such certification is a contract of sale of a commodity for future delivery, an option on such a contract, or an option on a commodity pursuant to section 718 of the Wall Street Transparency and Accountability Act of 2010.”.

SEC. 718. DETERMINING STATUS OF NOVEL DERIVATIVE PRODUCTS.

(a) **PROCESS FOR DETERMINING THE STATUS OF A NOVEL DERIVATIVE PRODUCT.**—

(1) **NOTICE.**—

(A) **IN GENERAL.**—Any person filing a proposal to list or trade a novel derivative product that may have elements of both securities and contracts of sale of a commodity for future delivery (or options on such contracts or options on commodities) may concurrently provide notice and furnish a copy of such filing with the Securities and Exchange Commission and the Commodity Futures Trading Commission. Any such notice shall state that notice has been made with both Commissions.

(B) **NOTIFICATION.**—If no concurrent notice is made pursuant to subparagraph (A), within 5 business days after determining that a proposal that seeks to list or trade a novel derivative product may have elements of both securities and contracts of sale of a commodity for future delivery (or options on such contracts or options on commodities), the Securities and Exchange Commission or the Commodity Futures Trading Commission, as applicable, shall notify the other Commission and provide a copy of such filing to the other Commission.

(2) **REQUEST FOR DETERMINATION.**—

(A) **IN GENERAL.**—No later than 21 days after receipt of a notice under paragraph (1), or upon its own initiative if no such notice is received, the Commodity Futures Trading Commission may request that the Securities and Exchange Commission issue a determination as to whether a product is a security, as defined in section 3(a)(10) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(10)).

(B) **REQUEST.**—No later than 21 days after receipt of a notice under paragraph (1), or upon its own initiative if no such notice is received, the Securities and Exchange Commission may request that the Commodity Futures Trading Commission issue a determination as to whether a product is a contract of sale of a commodity for future delivery, an option on such a contract, or an option on a commodity subject to the Commodity Futures Trading Commission's exclusive jurisdiction under section 2(a)(1)(A) of the Commodity Exchange Act (7 U.S.C. 2(a)(1)(A)).

(C) **REQUIREMENT RELATING TO REQUEST.**—A request under subparagraph (A) or (B) shall be made by submitting such request, in writing, to the Securities and Exchange Commission or the Commodity Futures Trading Commission, as applicable.

(D) **EFFECT.**—Nothing in this paragraph shall be construed to prevent—

(i) the Commodity Futures Trading Commission from requesting that the Securities and Exchange Commission grant an exemption pursuant to section 36(a)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78mm(a)(1)) with respect to a product that is the subject of a filing under paragraph (1); or

(ii) the Securities and Exchange Commission from requesting that the Commodity Futures Trading Commission grant an exemption pursuant to section 4(c)(1) of the Commodity Exchange Act (7 U.S.C. 6(c)(1)) with respect to a product that is the subject of a filing under paragraph (1),

Provided, however, that nothing in this subparagraph shall be construed to require the

Commodity Futures Trading Commission or the Securities and Exchange Commission to issue an exemption requested pursuant to this subparagraph; provided further, That an order granting or denying an exemption described in this subparagraph and issued under paragraph (3)(B) shall not be subject to judicial review pursuant to subsection (b).

(E) **WITHDRAWAL OF REQUEST.**—A request under subparagraph (A) or (B) may be withdrawn by the Commission making the request at any time prior to a determination being made pursuant to paragraph (3) for any reason by providing written notice to the head of the other Commission.

(3) **DETERMINATION.**—Notwithstanding any other provision of law, no later than 120 days after the date of receipt of a request—

(A) under subparagraph (A) or (B) of paragraph (2), unless such request has been withdrawn pursuant to paragraph (2)(E), the Securities and Exchange Commission or the Commodity Futures Trading Commission, as applicable, shall, by order, issue the determination requested in subparagraph (A) or (B) of paragraph (2), as applicable, and the reasons therefor; or

(B) under paragraph (2)(D), unless such request has been withdrawn, the Securities and Exchange Commission or the Commodity Futures Trading Commission, as applicable, shall grant an exemption or provide reasons for not granting such exemption, provided that any decision by the Securities and Exchange Commission not to grant such exemption shall not be reviewable under section 25 of the Securities Exchange Act of 1934 (15 U.S.C. 78y).

(b) **JUDICIAL RESOLUTION.**—

(1) **IN GENERAL.**—The Commodity Futures Trading Commission or the Securities and Exchange Commission may petition the United States Court of Appeals for the District of Columbia Circuit for review of a final order of the other Commission issued pursuant to subsection (a)(3)(A), with respect to a novel derivative product that may have elements of both securities and contracts of sale of a commodity for future delivery (or options on such contracts or options on commodities) that it believes affects its statutory jurisdiction within 60 days after the date of entry of such order, a written petition requesting a review of the order. Any such proceeding shall be expedited by the Court of Appeals.

(2) **TRANSMITTAL OF PETITION AND RECORD.**—A copy of a petition described in paragraph (1) shall be transmitted not later than 1 business day after filing by the complaining Commission to the responding Commission. On receipt of the petition, the responding Commission shall file with the court a copy of the order under review and any documents referred to therein, and any other materials prescribed by the court.

(3) **STANDARD OF REVIEW.**—The court, in considering a petition filed pursuant to paragraph (1), shall give no deference to, or presumption in favor of, the views of either Commission.

(4) **JUDICIAL STAY.**—The filing of a petition by the complaining Commission pursuant to paragraph (1) shall operate as a stay of the order, until the date on which the determination of the court is final (including any appeal of the determination).

SEC. 719. STUDIES.

(a) **STUDY ON EFFECTS OF POSITION LIMITS ON TRADING ON EXCHANGES IN THE UNITED STATES.**—

(1) **STUDY.**—The Commodity Futures Trading Commission, in consultation with each entity that is a designated contract market under the Commodity Exchange Act, shall conduct a study of the effects (if any) of the position limits imposed pursuant to the other provisions of this title on excessive speculation and on the move-

ment of transactions from exchanges in the United States to trading venues outside the United States.

(2) **REPORT TO THE CONGRESS.**—Within 12 months after the imposition of position limits pursuant to the other provisions of this title, the Commodity Futures Trading Commission, in consultation with each entity that is a designated contract market under the Commodity Exchange Act, shall submit to the Congress a report on the matters described in paragraph (1).

(3) **REQUIRED HEARING.**—Within 30 legislative days after the submission to the Congress of the report described in paragraph (2), the Committee on Agriculture of the House of Representatives shall hold a hearing examining the findings of the report.

(4) **BIENNIAL REPORTING.**—In addition to the study required in paragraph (1), the Chairman of the Commodity Futures Trading Commission shall prepare and submit to the Congress biennial reports on the growth or decline of the derivatives markets in the United States and abroad, which shall include assessments of the causes of any such growth or decline, the effectiveness of regulatory regimes in managing systemic risk, a comparison of the costs of compliance at the time of the report for market participants subject to regulation by the United States with the costs of compliance in December 2008 for the market participants, and the quality of the available data. In preparing the report, the Chairman shall solicit the views of, consult with, and address the concerns raised by, market participants, regulators, legislators, and other interested parties.

(b) **STUDY ON FEASIBILITY OF REQUIRING USE OF STANDARDIZED ALGORITHMIC DESCRIPTIONS FOR FINANCIAL DERIVATIVES.**—

(1) **IN GENERAL.**—The Securities and Exchange Commission and the Commodity Futures Trading Commission shall conduct a joint study of the feasibility of requiring the derivatives industry to adopt standardized computer-readable algorithmic descriptions which may be used to describe complex and standardized financial derivatives.

(2) **GOALS.**—The algorithmic descriptions defined in the study shall be designed to facilitate computerized analysis of individual derivative contracts and to calculate net exposures to complex derivatives. The algorithmic descriptions shall be optimized for simultaneous use by—

(A) commercial users and traders of derivatives;

(B) derivative clearing houses, exchanges and electronic trading platforms;

(C) trade repositories and regulator investigations of market activities; and

(D) systemic risk regulators. The study will also examine the extent to which the algorithmic description, together with standardized and extensible legal definitions, may serve as the binding legal definition of derivative contracts. The study will examine the logistics of possible implementations of standardized algorithmic descriptions for derivatives contracts. The study shall be limited to electronic formats for exchange of derivative contract descriptions and will not contemplate disclosure of proprietary valuation models.

(3) **INTERNATIONAL COORDINATION.**—In conducting the study, the Securities and Exchange Commission and the Commodity Futures Trading Commission shall coordinate the study with international financial institutions and regulators as appropriate and practical.

(4) **REPORT.**—Within 8 months after the date of the enactment of this Act, the Securities and Exchange Commission and the Commodity Futures Trading Commission shall jointly submit to the Committees on Agriculture and on Financial Services of the House of Representatives and the Committees on Agriculture, Nutrition, and For-

estry and on Banking, Housing, and Urban Affairs of the Senate a written report which contains the results of the study required by paragraphs (1) through (3).

(c) **INTERNATIONAL SWAP REGULATION.**—

(1) **IN GENERAL.**—The Commodity Futures Trading Commission and the Securities and Exchange Commission shall jointly conduct a study—

(A) relating to—

(i) swap regulation in the United States, Asia, and Europe; and

(ii) clearing house and clearing agency regulation in the United States, Asia, and Europe; and

(B) that identifies areas of regulation that are similar in the United States, Asia and Europe and other areas of regulation that could be harmonized

(2) **REPORT.**—Not later than 18 months after the date of enactment of this Act, the Commodity Futures Trading Commission and the Securities and Exchange Commission shall submit to the Committee on Agriculture, Nutrition, and Forestry and the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Agriculture and the Committee on Financial Services of the House of Representatives a report that includes a description of the results of the study under subsection (a), including—

(A) identification of the major exchanges and their regulator in each geographic area for the trading of swaps and security-based swaps including a listing of the major contracts and their trading volumes and notional values as well as identification of the major swap dealers participating in such markets;

(B) identification of the major clearing houses and clearing agencies and their regulator in each geographic area for the clearing of swaps and security-based swaps, including a listing of the major contracts and the clearing volumes and notional values as well as identification of the major clearing members of such clearing houses and clearing agencies in such markets;

(C) a description of the comparative methods of clearing swaps in the United States, Asia, and Europe; and

(D) a description of the various systems used for establishing margin on individual swaps, security-based swaps, and swap portfolios.

(d) **STABLE VALUE CONTRACTS.**—

(1) **DEFINITION.**—

(A) **STATUS.**—Not later than 15 months after the date of the enactment of this Act, the Securities and Exchange Commission and the Commodity Futures Trading Commission shall, jointly, conduct a study to determine whether stable value contracts fall within the definition of a swap. In making the determination required under this subparagraph, the Commissions jointly shall consult with the Department of Labor, the Department of the Treasury, and the State entities that regulate the issuers of stable value contracts.

(B) **REGULATIONS.**—If the Commissions determine that stable value contracts fall within the definition of a swap, the Commissions jointly shall determine if an exemption for stable value contracts from the definition of swap is appropriate and in the public interest. The Commissions shall issue regulations implementing the determinations required under this paragraph. Until the effective date of such regulations, and notwithstanding any other provision of this title, the requirements of this title shall not apply to stable value contracts.

(C) **LEGAL CERTAINTY.**—Stable value contracts in effect prior to the effective date of the regulations described in subparagraph (B) shall not be considered swaps.

(2) **DEFINITION.**—For purposes of this subsection, the term “stable value contract” means

any contract, agreement, or transaction that provides a crediting interest rate and guaranty or financial assurance of liquidity at contract or book value prior to maturity offered by a bank, insurance company, or other State or federally regulated financial institution for the benefit of any individual or commingled fund available as an investment in an employee benefit plan (as defined in section 3(3) of the Employee Retirement Income Security Act of 1974, including plans described in section 3(32) of such Act) subject to participant direction, an eligible deferred compensation plan (as defined in section 457(b) of the Internal Revenue Code of 1986) that is maintained by an eligible employer described in section 457(e)(1)(A) of such Code, an arrangement described in section 403(b) of such Code, or a qualified tuition program (as defined in section 529 of such Code).

SEC. 720. MEMORANDUM.

(a)(1) The Commodity Futures Trading Commission and the Federal Energy Regulatory Commission shall, not later than 180 days after the date of the enactment of this Act, negotiate a memorandum of understanding to establish procedures for—

(A) applying their respective authorities in a manner so as to ensure effective and efficient regulation in the public interest;

(B) resolving conflicts concerning overlapping jurisdiction between the 2 agencies; and

(C) avoiding, to the extent possible, conflicting or duplicative regulation.

(2) Such memorandum and any subsequent amendments to the memorandum shall be promptly submitted to the appropriate committees of Congress.

(b) The Commodity Futures Trading Commission and the Federal Energy Regulatory Commission shall, not later than 180 days after the date of the enactment of this section, negotiate a memorandum of understanding to share information that may be requested where either Commission is conducting an investigation into potential manipulation, fraud, or market power abuse in markets subject to such Commission's regulation or oversight. Shared information shall remain subject to the same restrictions on disclosure applicable to the Commission initially holding the information.

PART II—REGULATION OF SWAP MARKETS

SEC. 721. DEFINITIONS.

(a) IN GENERAL.—Section 1a of the Commodity Exchange Act (7 U.S.C. 1a) is amended—

(1) by redesignating paragraphs (2), (3) and (4), (5) through (17), (18) through (23), (24) through (28), (29), (30), (31) through (33), and (34) as paragraphs (6), (8) and (9), (11) through (23), (26) through (31), (34) through (38), (40), (41), (44) through (46), and (51), respectively;

(2) by inserting after paragraph (1) the following:

“(2) APPROPRIATE FEDERAL BANKING AGENCY.—The term ‘appropriate Federal banking agency’—

“(A) has the meaning given the term in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813);

“(B) means the Board in the case of a non-insured State bank; and

“(C) is the Farm Credit Administration for farm credit system institutions.

“(3) ASSOCIATED PERSON OF A SECURITY-BASED SWAP DEALER OR MAJOR SECURITY-BASED SWAP PARTICIPANT.—The term ‘associated person of a security-based swap dealer or major security-based swap participant’ has the meaning given the term in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)).

“(4) ASSOCIATED PERSON OF A SWAP DEALER OR MAJOR SWAP PARTICIPANT.—

“(A) IN GENERAL.—The term ‘associated person of a swap dealer or major swap participant’ means a person who is associated with a swap

dealer or major swap participant as a partner, officer, employee, or agent (or any person occupying a similar status or performing similar functions), in any capacity that involves—

“(i) the solicitation or acceptance of swaps; or

“(ii) the supervision of any person or persons so engaged.

“(B) EXCLUSION.—Other than for purposes of section 4s(b)(6), the term ‘associated person of a swap dealer or major swap participant’ does not include any person associated with a swap dealer or major swap participant the functions of which are solely clerical or ministerial.

“(5) BOARD.—The term ‘Board’ means the Board of Governors of the Federal Reserve System.”;

(3) by inserting after paragraph (6) (as redesignated by paragraph (1)) the following:

“(7) CLEARED SWAP.—The term ‘cleared swap’ means any swap that is, directly or indirectly, submitted to and cleared by a derivatives clearing organization registered with the Commission.”;

(4) in paragraph (9) (as redesignated by paragraph (1)), by striking “except onions” and all that follows through the period at the end and inserting the following: “except onions (as provided by the first section of Public Law 85-839 (7 U.S.C. 13-1)) and motion picture box office receipts (or any index, measure, value, or data related to such receipts), and all services, rights, and interests (except motion picture box office receipts, or any index, measure, value or data related to such receipts) in which contracts for future delivery are presently or in the future dealt in.”;

(5) by inserting after paragraph (9) (as redesignated by paragraph (1)) the following:

“(10) COMMODITY POOL.—

“(A) IN GENERAL.—The term ‘commodity pool’ means any investment trust, syndicate, or similar form of enterprise operated for the purpose of trading in commodity interests, including any—

“(i) commodity for future delivery, security futures product, or swap;

“(ii) agreement, contract, or transaction described in section 2(c)(2)(C)(i) or section 2(c)(2)(D)(i);

“(iii) commodity option authorized under section 4c; or

“(iv) leverage transaction authorized under section 19.

“(B) FURTHER DEFINITION.—The Commission, by rule or regulation, may include within, or exclude from, the term ‘commodity pool’ any investment trust, syndicate, or similar form of enterprise if the Commission determines that the rule or regulation will effectuate the purposes of this Act.”;

(6) by striking paragraph (11) (as redesignated by paragraph (1)) and inserting the following:

“(11) COMMODITY POOL OPERATOR.—

“(A) IN GENERAL.—The term ‘commodity pool operator’ means any person—

“(i) engaged in a business that is of the nature of a commodity pool, investment trust, syndicate, or similar form of enterprise, and who, in connection therewith, solicits, accepts, or receives from others, funds, securities, or property, either directly or through capital contributions, the sale of stock or other forms of securities, or otherwise, for the purpose of trading in commodity interests, including any—

“(I) commodity for future delivery, security futures product, or swap;

“(II) agreement, contract, or transaction described in section 2(c)(2)(C)(i) or section 2(c)(2)(D)(i);

“(III) commodity option authorized under section 4c; or

“(IV) leverage transaction authorized under section 19; or

“(ii) who is registered with the Commission as a commodity pool operator.

“(B) FURTHER DEFINITION.—The Commission, by rule or regulation, may include within, or exclude from, the term ‘commodity pool operator’ any person engaged in a business that is of the nature of a commodity pool, investment trust, syndicate, or similar form of enterprise if the Commission determines that the rule or regulation will effectuate the purposes of this Act.”;

(7) in paragraph (12) (as redesignated by paragraph (1)), in subparagraph (A)—

(A) in clause (i)—

(i) in subclause (I), by striking “made or to be made on or subject to the rules of a contract market or derivatives transaction execution facility” and inserting “, security futures product, or swap”;

(ii) by redesignating subclauses (II) and (III) as subclauses (III) and (IV);

(iii) by inserting after subclause (I) the following:

“(II) any agreement, contract, or transaction described in section 2(c)(2)(C)(i) or section 2(c)(2)(D)(i)”;

(iv) in subclause (IV) (as so redesignated), by striking “or”;

(B) in clause (ii), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

“(iii) is registered with the Commission as a commodity trading advisor; or

“(iv) the Commission, by rule or regulation, may include if the Commission determines that the rule or regulation will effectuate the purposes of this Act.”;

(8) in paragraph (17) (as redesignated by paragraph (1)), in subparagraph (A), in the matter preceding clause (i), by striking “paragraph (12)(A)” and inserting “paragraph (18)(A)”;

(9) in paragraph (18) (as redesignated by paragraph (1))—

(A) in subparagraph (A)—

(i) in the matter following clause (vii)(III)—

(I) by striking “section 1a (11)(A)” and inserting “paragraph (17)(A)”;

(II) by striking “\$25,000,000” and inserting “\$50,000,000”; and

(ii) in clause (xi), in the matter preceding subclause (I), by striking “total assets in an amount” and inserting “amounts invested on a discretionary basis, the aggregate of which is”;

(10) by striking paragraph (22) (as redesignated by paragraph (1)) and inserting the following:

“(22) FLOOR BROKER.—

“(A) IN GENERAL.—The term ‘floor broker’ means any person—

“(i) who, in or surrounding any pit, ring, post, or other place provided by a contract market for the meeting of persons similarly engaged, shall purchase or sell for any other person—

“(I) any commodity for future delivery, security futures product, or swap; or

“(II) any commodity option authorized under section 4c; or

“(ii) who is registered with the Commission as a floor broker.

“(B) FURTHER DEFINITION.—The Commission, by rule or regulation, may include within, or exclude from, the term ‘floor broker’ any person in or surrounding any pit, ring, post, or other place provided by a contract market for the meeting of persons similarly engaged who trades for any other person if the Commission determines that the rule or regulation will effectuate the purposes of this Act.”;

(11) by striking paragraph (23) (as redesignated by paragraph (1)) and inserting the following:

“(23) FLOOR TRADER.—

“(A) IN GENERAL.—The term ‘floor trader’ means any person—

“(i) who, in or surrounding any pit, ring, post, or other place provided by a contract market for the meeting of persons similarly engaged,

purchases, or sells solely for such person's own account—

“(I) any commodity for future delivery, security futures product, or swap; or

“(II) any commodity option authorized under section 4c; or

“(ii) who is registered with the Commission as a floor trader.

“(B) FURTHER DEFINITION.—The Commission, by rule or regulation, may include within, or exclude from, the term ‘floor trader’ any person in or surrounding any pit, ring, post, or other place provided by a contract market for the meeting of persons similarly engaged who trades solely for such person's own account if the Commission determines that the rule or regulation will effectuate the purposes of this Act.”;

(12) by inserting after paragraph (23) (as redesignated by paragraph (1)) the following:

“(24) FOREIGN EXCHANGE FORWARD.—The term ‘foreign exchange forward’ means a transaction that solely involves the exchange of 2 different currencies on a specific future date at a fixed rate agreed upon on the inception of the contract covering the exchange.

“(25) FOREIGN EXCHANGE SWAP.—The term ‘foreign exchange swap’ means a transaction that solely involves—

“(A) an exchange of 2 different currencies on a specific date at a fixed rate that is agreed upon on the inception of the contract covering the exchange; and

“(B) a reverse exchange of the 2 currencies described in subparagraph (A) at a later date and at a fixed rate that is agreed upon on the inception of the contract covering the exchange.”;

(13) by striking paragraph (28) (as redesignated by paragraph (1)) and inserting the following:

“(28) FUTURES COMMISSION MERCHANT.—

“(A) IN GENERAL.—The term ‘futures commission merchant’ means an individual, association, partnership, corporation, or trust—

“(i) that—

“(I) is—

“(aa) engaged in soliciting or in accepting orders for—

“(AA) the purchase or sale of a commodity for future delivery;

“(BB) a security futures product;

“(CC) a swap;

“(DD) any agreement, contract, or transaction described in section 2(c)(2)(C)(i) or section 2(c)(2)(D)(i);

“(EE) any commodity option authorized under section 4c; or

“(FF) any leverage transaction authorized under section 19; or

“(bb) acting as a counterparty in any agreement, contract, or transaction described in section 2(c)(2)(C)(i) or section 2(c)(2)(D)(i); and

“(II) in or in connection with the activities described in items (aa) or (bb) of subclause (I), accepts any money, securities, or property (or extends credit in lieu thereof) to margin, guarantee, or secure any trades or contracts that result or may result therefrom; or

“(ii) that is registered with the Commission as a futures commission merchant.

“(B) FURTHER DEFINITION.—The Commission, by rule or regulation, may include within, or exclude from, the term ‘futures commission merchant’ any person who engages in soliciting or accepting orders for, or acting as a counterparty in, any agreement, contract, or transaction subject to this Act, and who accepts any money, securities, or property (or extends credit in lieu thereof) to margin, guarantee, or secure any trades or contracts that result or may result therefrom, if the Commission determines that the rule or regulation will effectuate the purposes of this Act.”;

(14) in paragraph (30) (as redesignated by paragraph (1)), in subparagraph (B), by striking “state” and inserting “State”;

(15) by striking paragraph (31) (as redesignated by paragraph (1)) and inserting the following:

“(31) INTRODUCING BROKER.—

“(A) IN GENERAL.—The term ‘introducing broker’ means any person (except an individual who elects to be and is registered as an associated person of a futures commission merchant)—

“(i) who—

“(I) is engaged in soliciting or in accepting orders for—

“(aa) the purchase or sale of any commodity for future delivery, security futures product, or swap;

“(bb) any agreement, contract, or transaction described in section 2(c)(2)(C)(i) or section 2(c)(2)(D)(i);

“(cc) any commodity option authorized under section 4c; or

“(dd) any leverage transaction authorized under section 19; and

“(II) does not accept any money, securities, or property (or extend credit in lieu thereof) to margin, guarantee, or secure any trades or contracts that result or may result therefrom; or

“(ii) who is registered with the Commission as an introducing broker.

“(B) FURTHER DEFINITION.—The Commission, by rule or regulation, may include within, or exclude from, the term ‘introducing broker’ any person who engages in soliciting or accepting orders for any agreement, contract, or transaction subject to this Act, and who does not accept any money, securities, or property (or extend credit in lieu thereof) to margin, guarantee, or secure any trades or contracts that result or may result therefrom, if the Commission determines that the rule or regulation will effectuate the purposes of this Act.”;

(16) by inserting after paragraph (31) (as redesignated by paragraph (1)) the following:

“(32) MAJOR SECURITY-BASED SWAP PARTICIPANT.—The term ‘major security-based swap participant’ has the meaning given the term in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)).

“(33) MAJOR SWAP PARTICIPANT.—

“(A) IN GENERAL.—The term ‘major swap participant’ means any person who is not a swap dealer, and—

“(i) maintains a substantial position in swaps for any of the major swap categories as determined by the Commission, excluding—

“(I) positions held for hedging or mitigating commercial risk; and

“(II) positions maintained by any employee benefit plan (or any contract held by such a plan) as defined in paragraphs (3) and (32) of section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002) for the primary purpose of hedging or mitigating any risk directly associated with the operation of the plan;

“(ii) whose outstanding swaps create substantial counterparty exposure that could have serious adverse effects on the financial stability of the United States banking system or financial markets; or

“(iii) (I) is a financial entity that is highly leveraged relative to the amount of capital it holds and that is not subject to capital requirements established by an appropriate Federal banking agency; and

“(II) maintains a substantial position in outstanding swaps in any major swap category as determined by the Commission.

“(B) DEFINITION OF SUBSTANTIAL POSITION.—For purposes of subparagraph (A), the Commission shall define by rule or regulation the term ‘substantial position’ at the threshold that the Commission determines to be prudent for the effective monitoring, management, and oversight of entities that are systemically important or can significantly impact the financial system of

the United States. In setting the definition under this subparagraph, the Commission shall consider the person's relative position in uncleared as opposed to cleared swaps and may take into consideration the value and quality of collateral held against counterparty exposures.

“(C) SCOPE OF DESIGNATION.—For purposes of subparagraph (A), a person may be designated as a major swap participant for 1 or more categories of swaps without being classified as a major swap participant for all classes of swaps.

“(D) EXCLUSIONS.—The definition under this paragraph shall not include an entity whose primary business is providing financing, and uses derivatives for the purpose of hedging underlying commercial risks related to interest rate and foreign currency exposures, 90 percent or more of which arise from financing that facilitates the purchase or lease of products, 90 percent or more of which are manufactured by the parent company or another subsidiary of the parent company.”;

(17) by inserting after paragraph (38) (as redesignated by paragraph (1)) the following:

“(39) PRUDENTIAL REGULATOR.—The term ‘prudential regulator’ means—

“(A) the Board in the case of a swap dealer, major swap participant, security-based swap dealer, or major security-based swap participant that is—

“(i) a State-chartered bank that is a member of the Federal Reserve System;

“(ii) a State-chartered branch or agency of a foreign bank;

“(iii) any foreign bank which does not operate an insured branch;

“(iv) any organization operating under section 25A of the Federal Reserve Act or having an agreement with the Board under section 225 of the Federal Reserve Act;

“(v) any bank holding company (as defined in section 2 of the Bank Holding Company Act of 1965 (12 U.S.C. 1841)), any foreign bank (as defined in section 1(b)(7) of the International Banking Act of 1978 (12 U.S.C. 3101(b)(7)) that is treated as a bank holding company under section 8(a) of the International Banking Act of 1978 (12 U.S.C. 3106(a)), and any subsidiary of such a company or foreign bank (other than a subsidiary that is described in subparagraph (A) or (B) or that is required to be registered with the Commission as a swap dealer or major swap participant under this Act or with the Securities and Exchange Commission as a security-based swap dealer or major security-based swap participant);

“(vi) after the transfer date (as defined in section 311 of the Dodd-Frank Wall Street Reform and Consumer Protection Act), any savings and loan holding company (as defined in section 10 of the Home Owners' Loan Act (12 U.S.C. 1467a)) and any subsidiary of such company (other than a subsidiary that is described in subparagraph (A) or (B) or that is required to be registered as a swap dealer or major swap participant with the Commission under this Act or with the Securities and Exchange Commission as a security-based swap dealer or major security-based swap participant); or

“(vii) any organization operating under section 25A of the Federal Reserve Act (12 U.S.C. 611 et seq.) or having an agreement with the Board under section 25 of the Federal Reserve Act (12 U.S.C. 601 et seq.);

“(B) the Office of the Comptroller of the Currency in the case of a swap dealer, major swap participant, security-based swap dealer, or major security-based swap participant that is—

“(i) a national bank;

“(ii) a federally chartered branch or agency of a foreign bank; or

“(iii) any Federal savings association;

“(C) the Federal Deposit Insurance Corporation in the case of a swap dealer, major swap

participant, security-based swap dealer, or major security-based swap participant that is—

“(i) a State-chartered bank that is not a member of the Federal Reserve System; or

“(ii) any State savings association;

“(D) the Farm Credit Administration, in the case of a swap dealer, major swap participant, security-based swap dealer, or major security-based swap participant that is an institution chartered under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.); and

“(E) the Federal Housing Finance Agency in the case of a swap dealer, major swap participant, security-based swap dealer, or major security-based swap participant that is a regulated entity (as such term is defined in section 1303 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992).”;

(18) in paragraph (40) (as redesignated by paragraph (1))—

(A) by striking subparagraph (B);

(B) by redesignating subparagraphs (C), (D), and (E) as subparagraphs (B), (C), and (F), respectively;

(C) in subparagraph (C) (as so redesignated), by striking “and”; and

(D) by inserting after subparagraph (C) (as so redesignated) the following:

“(D) a swap execution facility registered under section 5h;

“(E) a swap data repository registered under section 2l; and”;

(19) by inserting after paragraph (41) (as redesignated by paragraph (1)) the following:

“(42) SECURITY-BASED SWAP.—The term ‘security-based swap’ has the meaning given the term in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)).”;

“(43) SECURITY-BASED SWAP DEALER.—The term ‘security-based swap dealer’ has the meaning given the term in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)).”;

(20) in paragraph (46) (as redesignated by paragraph (1)), by striking “subject to section 2(h)(7)” and inserting “subject to section 2(h)(5)”;

(21) by inserting after paragraph (46) (as redesignated by paragraph (1)) the following:

“(47) SWAP.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), the term ‘swap’ means any agreement, contract, or transaction—

“(i) that is a put, call, cap, floor, collar, or similar option of any kind that is for the purchase or sale, or based on the value, of 1 or more interest or other rates, currencies, commodities, securities, instruments of indebtedness, indices, quantitative measures, or other financial or economic interests or property of any kind;

“(ii) that provides for any purchase, sale, payment, or delivery (other than a dividend on an equity security) that is dependent on the occurrence, nonoccurrence, or the extent of the occurrence of an event or contingency associated with a potential financial, economic, or commercial consequence;

“(iii) that provides on an executory basis for the exchange, on a fixed or contingent basis, of 1 or more payments based on the value or level of 1 or more interest or other rates, currencies, commodities, securities, instruments of indebtedness, indices, quantitative measures, or other financial or economic interests or property of any kind, or any interest therein or based on the value thereof, and that transfers, as between the parties to the transaction, in whole or in part, the financial risk associated with a future change in any such value or level without also conveying a current or future direct or indirect ownership interest in an asset (including any enterprise or investment pool) or liability that incorporates the financial risk so transferred, including any agreement, contract, or transaction commonly known as—

“(I) an interest rate swap;

“(II) a rate floor;

“(III) a rate cap;

“(IV) a rate collar;

“(V) a cross-currency rate swap;

“(VI) a basis swap;

“(VII) a currency swap;

“(VIII) a foreign exchange swap;

“(IX) a total return swap;

“(X) an equity index swap;

“(XI) an equity swap;

“(XII) a debt index swap;

“(XIII) a debt swap;

“(XIV) a credit spread;

“(XV) a credit default swap;

“(XVI) a credit swap;

“(XVII) a weather swap;

“(XVIII) an energy swap;

“(XIX) a metal swap;

“(XX) an agricultural swap;

“(XXI) an emissions swap; and

“(XXII) a commodity swap;

“(iv) that is an agreement, contract, or transaction that is, or in the future becomes, commonly known to the trade as a swap;

“(v) including any security-based swap agreement which meets the definition of ‘swap agreement’ as defined in section 206A of the Gramm-Leach-Bliley Act (15 U.S.C. 78c note) of which a material term is based on the price, yield, value, or volatility of any security or any group or index of securities, or any interest therein; or

“(vi) that is any combination or permutation of, or option on, any agreement, contract, or transaction described in any of clauses (i) through (v).

“(B) EXCLUSIONS.—The term ‘swap’ does not include—

“(i) any contract of sale of a commodity for future delivery (or option on such a contract), leverage contract authorized under section 19, security futures product, or agreement, contract, or transaction described in section 2(c)(2)(C)(i) or section 2(c)(2)(D)(i);

“(ii) any sale of a nonfinancial commodity or security for deferred shipment or delivery, so long as the transaction is intended to be physically settled;

“(iii) any put, call, straddle, option, or privilege on any security, certificate of deposit, or group or index of securities, including any interest therein or based on the value thereof, that is subject to—

“(I) the Securities Act of 1933 (15 U.S.C. 77a et seq.); and

“(II) the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.);

“(iv) any put, call, straddle, option, or privilege relating to a foreign currency entered into on a national securities exchange registered pursuant to section 6(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78f(a));

“(v) any agreement, contract, or transaction providing for the purchase or sale of 1 or more securities on a fixed basis that is subject to—

“(I) the Securities Act of 1933 (15 U.S.C. 77a et seq.); and

“(II) the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.);

“(vi) any agreement, contract, or transaction providing for the purchase or sale of 1 or more securities on a contingent basis that is subject to the Securities Act of 1933 (15 U.S.C. 77a et seq.) and the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.), unless the agreement, contract, or transaction predicates the purchase or sale on the occurrence of a bona fide contingency that might reasonably be expected to affect or be affected by the creditworthiness of a party other than a party to the agreement, contract, or transaction;

“(vii) any note, bond, or evidence of indebtedness that is a security, as defined in section 2(a)(1) of the Securities Act of 1933 (15 U.S.C. 77b(a)(1));

“(viii) any agreement, contract, or transaction that is—

“(I) based on a security; and

“(II) entered into directly or through an underwriter (as defined in section 2(a)(11) of the Securities Act of 1933 (15 U.S.C. 77b(a)(11)) by the issuer of such security for the purposes of raising capital, unless the agreement, contract, or transaction is entered into to manage a risk associated with capital raising;

“(ix) any agreement, contract, or transaction a counterparty of which is a Federal Reserve bank, the Federal Government, or a Federal agency that is expressly backed by the full faith and credit of the United States; and

“(x) any security-based swap, other than a security-based swap as described in subparagraph (D).

“(C) RULE OF CONSTRUCTION REGARDING MASTER AGREEMENTS.—

“(i) IN GENERAL.—Except as provided in clause (ii), the term ‘swap’ includes a master agreement that provides for an agreement, contract, or transaction that is a swap under subparagraph (A), together with each supplement to any master agreement, without regard to whether the master agreement contains an agreement, contract, or transaction that is not a swap pursuant to subparagraph (A).

“(ii) EXCEPTION.—For purposes of clause (i), the master agreement shall be considered to be a swap only with respect to each agreement, contract, or transaction covered by the master agreement that is a swap pursuant to subparagraph (A).

“(D) MIXED SWAP.—The term ‘security-based swap’ includes any agreement, contract, or transaction that is as described in section 3(a)(68)(A) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(68)(A)) and also is based on the value of 1 or more interest or other rates, currencies, commodities, instruments of indebtedness, indices, quantitative measures, other financial or economic interest or property of any kind (other than a single security or a narrow-based security index), or the occurrence, non-occurrence, or the extent of the occurrence of an event or contingency associated with a potential financial, economic, or commercial consequence (other than an event described in subparagraph (A)(iii)).

“(E) TREATMENT OF FOREIGN EXCHANGE SWAPS AND FORWARDS.—

“(i) IN GENERAL.—Foreign exchange swaps and foreign exchange forwards shall be considered swaps under this paragraph unless the Secretary makes a written determination under section 1b that either foreign exchange swaps or foreign exchange forwards or both—

“(I) should be not be regulated as swaps under this Act; and

“(II) are not structured to evade the Dodd-Frank Wall Street Reform and Consumer Protection Act in violation of any rule promulgated by the Commission pursuant to section 721(c) of that Act.

“(ii) CONGRESSIONAL NOTICE; EFFECTIVENESS.—The Secretary shall submit any written determination under clause (i) to the appropriate committees of Congress, including the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House of Representatives. Any such written determination by the Secretary shall not be effective until it is submitted to the appropriate committees of Congress.

“(iii) REPORTING.—Notwithstanding a written determination by the Secretary under clause (i), all foreign exchange swaps and foreign exchange forwards shall be reported to either a swap data repository, or, if there is no swap data repository that would accept such swaps or forwards, to the Commission pursuant to section 4r within such time period as the Commission may by rule or regulation prescribe.

“(iv) **BUSINESS STANDARDS.**—Notwithstanding a written determination by the Secretary pursuant to clause (i), any party to a foreign exchange swap or forward that is a swap dealer or major swap participant shall conform to the business conduct standards contained in section 4s(h).

“(v) **SECRETARY.**—For purposes of this subparagraph, the term ‘Secretary’ means the Secretary of the Treasury.

“(F) **EXCEPTION FOR CERTAIN FOREIGN EXCHANGE SWAPS AND FORWARDS.**—

“(i) **REGISTERED ENTITIES.**—Any foreign exchange swap and any foreign exchange forward that is listed and traded on or subject to the rules of a designated contract market or a swap execution facility, or that is cleared by a derivatives clearing organization, shall not be exempt from any provision of this Act or amendments made by the Wall Street Transparency and Accountability Act of 2010 prohibiting fraud or manipulation.

“(ii) **RETAIL TRANSACTIONS.**—Nothing in subparagraph (E) shall affect, or be construed to affect, the applicability of this Act or the jurisdiction of the Commission with respect to agreements, contracts, or transactions in foreign currency pursuant to section 2(c)(2).

“(48) **SWAP DATA REPOSITORY.**—The term ‘swap data repository’ means any person that collects and maintains information or records with respect to transactions or positions in, or the terms and conditions of, swaps entered into by third parties for the purpose of providing a centralized recordkeeping facility for swaps.

“(49) **SWAP DEALER.**—

“(A) **IN GENERAL.**—The term ‘swap dealer’ means any person who—

“(i) holds itself out as a dealer in swaps;

“(ii) makes a market in swaps;

“(iii) regularly enters into swaps with counterparties as an ordinary course of business for its own account; or

“(iv) engages in any activity causing the person to be commonly known in the trade as a dealer or market maker in swaps, provided however, in no event shall an insured depository institution be considered to be a swap dealer to the extent it offers to enter into a swap with a customer in connection with originating a loan with that customer.

“(B) **INCLUSION.**—A person may be designated as a swap dealer for a single type or single class or category of swap or activities and considered not to be a swap dealer for other types, classes, or categories of swaps or activities.

“(C) **EXCEPTION.**—The term ‘swap dealer’ does not include a person that enters into swaps for such person’s own account, either individually or in a fiduciary capacity, but not as a part of a regular business.

“(D) **DE MINIMIS EXCEPTION.**—The Commission shall exempt from designation as a swap dealer an entity that engages in a de minimis quantity of swap dealing in connection with transactions with or on behalf of its customers. The Commission shall promulgate regulations to establish factors with respect to the making of this determination to exempt.

“(50) **SWAP EXECUTION FACILITY.**—The term ‘swap execution facility’ means a trading system or platform in which multiple participants have the ability to execute or trade swaps by accepting bids and offers made by multiple participants in the facility or system, through any means of interstate commerce, including any trading facility, that—

“(A) facilitates the execution of swaps between persons; and

“(B) is not a designated contract market.”.

(22) in paragraph (51) (as redesignated by paragraph (1)), in subparagraph (A)(i), by striking “participants” and inserting “participants”.

(b) **AUTHORITY TO DEFINE TERMS.**—The Commodity Futures Trading Commission may adopt a rule to define—

(1) the term “commercial risk”; and

(2) any other term included in an amendment to the Commodity Exchange Act (7 U.S.C. 1 et seq.) made by this subtitle.

(c) **MODIFICATION OF DEFINITIONS.**—To include transactions and entities that have been structured to evade this subtitle (or an amendment made by this subtitle), the Commodity Futures Trading Commission shall adopt a rule to further define the terms “swap”, “swap dealer”, “major swap participant”, and “eligible contract participant”.

(d) **EXEMPTIONS.**—Section 4(c)(1) of the Commodity Exchange Act (7 U.S.C. 6(c)(1)) is amended by striking “except that” and all that follows through the period at the end and inserting the following: “except that—

“(A) unless the Commission is expressly authorized by any provision described in this subparagraph to grant exemptions, with respect to amendments made by subtitle A of the Wall Street Transparency and Accountability Act of 2010—

“(i) with respect to—

“(I) paragraphs (2), (3), (4), (5), and (7), paragraph (18)(A)(vii)(III), paragraphs (23), (24), (31), (32), (38), (39), (41), (42), (46), (47), (48), and (49) of section 1a, and sections 2(a)(13), 2(c)(1)(D), 4a(a), 4a(b), 4d(c), 4d(d), 4r, 4s, 5b(a), 5b(b), 5(d), 5(g), 5(h), 5b(c), 5b(i), 8e, and 21; and

“(II) section 206(e) of the Gramm-Leach-Bliley Act (Public Law 106-102; 15 U.S.C. 78c note); and

“(ii) in sections 721(c) and 742 of the Dodd-Frank Wall Street Reform and Consumer Protection Act; and

“(B) the Commission and the Securities and Exchange Commission may by rule, regulation, or order jointly exclude any agreement, contract, or transaction from section 2(a)(1)(D) if the Commissions determine that the exemption would be consistent with the public interest.”.

(e) **CONFORMING AMENDMENTS.**—

(1) Section 2(c)(2)(B)(i)(II) of the Commodity Exchange Act (7 U.S.C. 2(c)(2)(B)(i)(II)) is amended—

(A) in item (cc)—

(i) in subitem (AA), by striking “section 1a(20)” and inserting “section 1a”; and

(ii) in subitem (BB), by striking “section 1a(20)” and inserting “section 1a”; and

(B) in item (dd), by striking “section 1a(12)(A)(ii)” and inserting “section 1a(18)(A)(ii)”.

(2) Section 4m(3) of the Commodity Exchange Act (7 U.S.C. 6m(3)) is amended by striking “section 1a(6)” and inserting “section 1a”.

(3) Section 4q(a)(1) of the Commodity Exchange Act (7 U.S.C. 60-1(a)(1)) is amended by striking “section 1a(4)” and inserting “section 1a(9)”.

(4) Section 5(e)(1) of the Commodity Exchange Act (7 U.S.C. 7(e)(1)) is amended by striking “section 1a(4)” and inserting “section 1a(9)”.

(5) Section 5a(b)(2)(F) of the Commodity Exchange Act (7 U.S.C. 7a(b)(2)(F)) is amended by striking “section 1a(4)” and inserting “section 1a(9)”.

(6) Section 5b(a) of the Commodity Exchange Act (7 U.S.C. 7a-1(a)) is amended, in the matter preceding paragraph (1), by striking “section 1a(9)” and inserting “section 1a”.

(7) Section 5c(c)(2)(B) of the Commodity Exchange Act (7 U.S.C. 7a-2(c)(2)(B)) is amended by striking “section 1a(4)” and inserting “section 1a(9)”.

(8) Section 6(g)(5)(B)(i) of the Securities Exchange Act of 1934 (15 U.S.C. 78f(g)(5)(B)(i)) is amended—

(A) in subclause (I), by striking “section 1a(12)(B)(ii)” and inserting “section 1a(18)(B)(ii)”; and

(B) in subclause (II), by striking “section 1a(12)” and inserting “section 1a(18)”.

(9) Section 402 of the Legal Certainty for Bank Products Act of 2000 (7 U.S.C. 27 et seq.) is amended—

(A) in subsection (a)(7), by striking “section 1a(20)” and inserting “section 1a”; and

(B) in subsection (b)(2), by striking “section 1a(12)” and inserting “section 1a”; and

(C) in subsection (c), by striking “section 1a(4)” and inserting “section 1a”.

(10) The first section of Public Law 85-839 (7 U.S.C. 13-1) is amended in subsection (a), in the first sentence, by inserting “motion picture box office receipts (or any index, measure, value, or data related to such receipts) or” after “sale of”.

(f) **EFFECTIVE DATE.**—Notwithstanding any other provision of this Act, the amendments made by subsection (a)(4) shall take effect on June 1, 2010.

SEC. 722. JURISDICTION.

(a) **EXCLUSIVE JURISDICTION.**—Section 2(a)(1) of the Commodity Exchange Act (7 U.S.C. 2(a)(1)) is amended—

(1) in subparagraph (A), in the first sentence—

(A) by inserting “the Wall Street Transparency and Accountability Act of 2010 (including an amendment made by that Act) and” after “otherwise provided in”;

(B) by striking “(C) and (D)” and inserting “(C), (D), and (I)”;

(C) by striking “(c) through (i) of this section” and inserting “(c) and (f)”;

(D) by striking “contracts of sale” and inserting “swaps or contracts of sale”; and

(E) by striking “or derivatives transaction execution facility registered pursuant to section 5 or 5a” and inserting “pursuant to section 5 or a swap execution facility pursuant to section 5h”; and

(2) by adding at the end the following:

“(G)(i) Nothing in this paragraph shall limit the jurisdiction conferred on the Securities and Exchange Commission by the Wall Street Transparency and Accountability Act of 2010 with regard to security-based swap agreements as defined pursuant to section 3(a)(78) of the Securities Exchange Act of 1934, and security-based swaps.

“(ii) In addition to the authority of the Securities and Exchange Commission described in clause (i), nothing in this subparagraph shall limit or affect any statutory authority of the Commission with respect to an agreement, contract, or transaction described in clause (i).

“(H) Notwithstanding any other provision of law, the Wall Street Transparency and Accountability Act of 2010 shall not apply to, and the Commodity Futures Trading Commission shall have no jurisdiction under such Act (or any amendments to the Commodity Exchange Act made by such Act) with respect to, any security other than a security-based swap.”.

(b) **REGULATION OF SWAPS UNDER FEDERAL AND STATE LAW.**—Section 12 of the Commodity Exchange Act (7 U.S.C. 16) is amended by adding at the end the following:

“(h) **REGULATION OF SWAPS AS INSURANCE UNDER STATE LAW.**—A swap—

“(1) shall not be considered to be insurance; and

“(2) may not be regulated as an insurance contract under the law of any State.”.

(c) **AGREEMENTS, CONTRACTS, AND TRANSACTIONS TRADED ON AN ORGANIZED EXCHANGE.**—Section 2(c)(2)(A) of the Commodity Exchange Act (7 U.S.C. 2(c)(2)(A)) is amended—

(1) in clause (i), by striking “or” at the end;

(2) by redesignating clause (ii) as clause (iii); and

(3) by inserting after clause (i) the following:

“(ii) a swap; or”.

(d) **APPLICABILITY.**—Section 2 of the Commodity Exchange Act (7 U.S.C. 2) (as amended

by section 723(a)(3)) is amended by adding at the end the following:

“(i) **APPLICABILITY.**—The provisions of this Act relating to swaps that were enacted by the Wall Street Transparency and Accountability Act of 2010 (including any rule prescribed or regulation promulgated under that Act), shall not apply to activities outside the United States unless those activities—

“(1) have a direct and significant connection with activities in, or effect on, commerce of the United States; or

“(2) contravene such rules or regulations as the Commission may prescribe or promulgate as are necessary or appropriate to prevent the evasion of any provision of this Act that was enacted by the Wall Street Transparency and Accountability Act of 2010.”.

(e) **FEDERAL ENERGY REGULATORY COMMISSION.**—Section 2(a)(1) of the Commodity Exchange Act (7 U.S.C. 2(a)(1)) is amended by adding at the end the following:

“(I)(i) Nothing in this Act shall limit or affect any statutory authority of the Federal Energy Regulatory Commission or a State regulatory authority (as defined in section 3(21) of the Federal Power Act (16 U.S.C. 796(21)) with respect to an agreement, contract, or transaction that is entered into pursuant to a tariff or rate schedule approved by the Federal Energy Regulatory Commission or a State regulatory authority and is—

“(I) not executed, traded, or cleared on a registered entity or trading facility; or

“(II) executed, traded, or cleared on a registered entity or trading facility owned or operated by a regional transmission organization or independent system operator.

“(ii) In addition to the authority of the Federal Energy Regulatory Commission or a State regulatory authority described in clause (i), nothing in this subparagraph shall limit or affect—

“(I) any statutory authority of the Commission with respect to an agreement, contract, or transaction described in clause (i); or

“(II) the jurisdiction of the Commission under subparagraph (A) with respect to an agreement, contract, or transaction that is executed, traded, or cleared on a registered entity or trading facility that is not owned or operated by a regional transmission organization or independent system operator (as defined by sections 3(27) and (28) of the Federal Power Act (16 U.S.C. 796(27), 796(28)).”.

(f) **PUBLIC INTEREST WAIVER.**—Section 4(c) of the Commodity Exchange Act (7 U.S.C. 6(c)) (as amended by section 721(d)) is amended by adding at the end the following:

“(6) If the Commission determines that the exemption would be consistent with the public interest and the purposes of this Act, the Commission shall, in accordance with paragraphs (1) and (2), exempt from the requirements of this Act an agreement, contract, or transaction that is entered into—

“(A) pursuant to a tariff or rate schedule approved or permitted to take effect by the Federal Energy Regulatory Commission;

“(B) pursuant to a tariff or rate schedule establishing rates or charges for, or protocols governing, the sale of electric energy approved or permitted to take effect by the regulatory authority of the State or municipality having jurisdiction to regulate rates and charges for the sale of electric energy within the State or municipality; or

“(C) between entities described in section 201(f) of the Federal Power Act (16 U.S.C. 824(f)).”.

(g) **AUTHORITY OF FERC.**—Nothing in the Wall Street Transparency and Accountability Act of 2010 or the amendments to the Commodity Exchange Act made by such Act shall limit or

affect any statutory enforcement authority of the Federal Energy Regulatory Commission pursuant to section 222 of the Federal Power Act and section 4A of the Natural Gas Act that existed prior to the date of enactment of the Wall Street Transparency and Accountability Act of 2010.

(h) **DETERMINATION.**—The Commodity Exchange Act is amended by inserting after section 1a (7 U.S.C. 1a) the following:

“SEC. 1b. REQUIREMENTS OF SECRETARY OF THE TREASURY REGARDING EXEMPTION OF FOREIGN EXCHANGE SWAPS AND FOREIGN EXCHANGE FORWARDS FROM DEFINITION OF THE TERM ‘SWAP’.

“(a) **REQUIRED CONSIDERATIONS.**—In determining whether to exempt foreign exchange swaps and foreign exchange forwards from the definition of the term ‘swap’, the Secretary of the Treasury (referred to in this section as the ‘Secretary’) shall consider—

“(1) whether the required trading and clearing of foreign exchange swaps and foreign exchange forwards would create systemic risk, lower transparency, or threaten the financial stability of the United States;

“(2) whether foreign exchange swaps and foreign exchange forwards are already subject to a regulatory scheme that is materially comparable to that established by this Act for other classes of swaps;

“(3) the extent to which bank regulators of participants in the foreign exchange market provide adequate supervision, including capital and margin requirements;

“(4) the extent of adequate payment and settlement systems; and

“(5) the use of a potential exemption of foreign exchange swaps and foreign exchange forwards to evade otherwise applicable regulatory requirements.

“(b) **DETERMINATION.**—If the Secretary makes a determination to exempt foreign exchange swaps and foreign exchange forwards from the definition of the term ‘swap’, the Secretary shall submit to the appropriate committees of Congress a determination that contains—

“(1) an explanation regarding why foreign exchange swaps and foreign exchange forwards are qualitatively different from other classes of swaps in a way that would make the foreign exchange swaps and foreign exchange forwards ill-suited for regulation as swaps; and

“(2) an identification of the objective differences of foreign exchange swaps and foreign exchange forwards with respect to standard swaps that warrant an exempted status.

“(c) **EFFECT OF DETERMINATION.**—A determination by the Secretary under subsection (b) shall not exempt any foreign exchange swaps and foreign exchange forwards traded on a designated contract market or swap execution facility from any applicable antifraud and antimanipulation provision under this title.”.

SEC. 723. CLEARING.

(a) **CLEARING REQUIREMENT.**—

(1) **IN GENERAL.**—Section 2 of the Commodity Exchange Act (7 U.S.C. 2) is amended—

(A) by striking subsections (d), (e), (g), and (h); and

(B) by redesignating subsection (i) as subsection (g).

(2) **SWAPS; LIMITATION ON PARTICIPATION.**—Section 2 of the Commodity Exchange Act (7 U.S.C. 2) (as amended by paragraph (1)) is amended by inserting after subsection (c) the following:

“(d) **SWAPS.**—Nothing in this Act (other than subparagraphs (A), (B), (C), (D), (G), and (H) of subsection (a)(1), subsections (f) and (g), sections 1a, 2(a)(13), 2(c)(2)(A)(ii), 2(e), 2(h), 4(c), 4a, 4b, and 4b–1, subsections (a), (b), and (g) of section 4c, sections 4d, 4e, 4f, 4g, 4h, 4i, 4j, 4k, 4l, 4m, 4n, 4o, 4p, 4r, 4s, 4t, 5, 5b, 5c, 5e, and 5h,

subsections (c) and (d) of section 6, sections 6c, 6d, 8, 8a, and 9, subsections (e)(2), (f), and (h) of section 12, subsections (a) and (b) of section 13, sections 17, 20, 21, and 22(a)(4), and any other provision of this Act that is applicable to registered entities or Commission registrants) governs or applies to a swap.

“(e) **LIMITATION ON PARTICIPATION.**—It shall be unlawful for any person, other than an eligible contract participant, to enter into a swap unless the swap is entered into on, or subject to the rules of, a board of trade designated as a contract market under section 5.”.

(3) **MANDATORY CLEARING OF SWAPS.**—Section 2 of the Commodity Exchange Act (7 U.S.C. 2) is amended by inserting after subsection (g) (as redesignated by paragraph (1)(B)) the following:

“(h) **CLEARING REQUIREMENT.**—

“(1) **IN GENERAL.**—

“(A) **STANDARD FOR CLEARING.**—It shall be unlawful for any person to engage in a swap unless that person submits such swap for clearing to a derivatives clearing organization that is registered under this Act or a derivatives clearing organization that is exempt from registration under this Act if the swap is required to be cleared.

“(B) **OPEN ACCESS.**—The rules of a derivatives clearing organization described in subparagraph (A) shall—

“(i) prescribe that all swaps (but not contracts of sale of a commodity for future delivery or options on such contracts) submitted to the derivatives clearing organization with the same terms and conditions are economically equivalent within the derivatives clearing organization and may be offset with each other within the derivatives clearing organization; and

“(ii) provide for non-discriminatory clearing of a swap (but not a contract of sale of a commodity for future delivery or option on such contract) executed bilaterally or on or through the rules of an unaffiliated designated contract market or swap execution facility.

“(2) **COMMISSION REVIEW.**—

“(A) **COMMISSION-INITIATED REVIEW.**—

“(i) The Commission on an ongoing basis shall review each swap, or any group, category, type, or class of swaps to make a determination as to whether the swap or group, category, type, or class of swaps should be required to be cleared.

“(ii) The Commission shall provide at least a 30-day public comment period regarding any determination made under clause (i).

“(B) **SWAP SUBMISSIONS.**—

“(i) A derivatives clearing organization shall submit to the Commission each swap, or any group, category, type, or class of swaps that it plans to accept for clearing, and provide notice to its members (in a manner to be determined by the Commission) of the submission.

“(ii) Any swap or group, category, type, or class of swaps listed for clearing by a derivative clearing organization as of the date of enactment of this subsection shall be considered submitted to the Commission.

“(iii) The Commission shall—

“(I) make available to the public submissions received under clauses (i) and (ii);

“(II) review each submission made under clauses (i) and (ii), and determine whether the swap, or group, category, type, or class of swaps described in the submission is required to be cleared; and

“(III) provide at least a 30-day public comment period regarding its determination as to whether the clearing requirement under paragraph (1)(A) shall apply to the submission.

“(C) **DEADLINE.**—The Commission shall make its determination under subparagraph (B)(iii) not later than 90 days after receiving a submission made under subparagraphs (B)(i) and (B)(ii), unless the submitting derivatives clearing organization agrees to an extension for the

time limitation established under this subparagraph.

“(D) DETERMINATION.—

“(i) In reviewing a submission made under subparagraph (B), the Commission shall review whether the submission is consistent with section 5b(c)(2).

“(ii) In reviewing a swap, group of swaps, or class of swaps pursuant to subparagraph (A) or a submission made under subparagraph (B), the Commission shall take into account the following factors:

“(I) The existence of significant outstanding notional exposures, trading liquidity, and adequate pricing data.

“(II) The availability of rule framework, capacity, operational expertise and resources, and credit support infrastructure to clear the contract on terms that are consistent with the material terms and trading conventions on which the contract is then traded.

“(III) The effect on the mitigation of systemic risk, taking into account the size of the market for such contract and the resources of the derivatives clearing organization available to clear the contract.

“(IV) The effect on competition, including appropriate fees and charges applied to clearing.

“(V) The existence of reasonable legal certainty in the event of the insolvency of the relevant derivatives clearing organization or 1 or more of its clearing members with regard to the treatment of customer and swap counterparty positions, funds, and property.

“(iii) In making a determination under subparagraph (A) or (B)(iii) that the clearing requirement shall apply, the Commission may require such terms and conditions to the requirement as the Commission determines to be appropriate.

“(E) RULES.—Not later than 1 year after the date of the enactment of this subsection, the Commission shall adopt rules for a derivatives clearing organization's submission for review, pursuant to this paragraph, of a swap, or a group, category, type, or class of swaps, that it seeks to accept for clearing. Nothing in this subparagraph limits the Commission from making a determination under subparagraph (B)(iii) for swaps described in subparagraph (B)(ii).

“(3) STAY OF CLEARING REQUIREMENT.—

“(A) IN GENERAL.—After making a determination pursuant to paragraph (2)(B), the Commission, on application of a counterparty to a swap or on its own initiative, may stay the clearing requirement of paragraph (1) until the Commission completes a review of the terms of the swap (or the group, category, type, or class of swaps) and the clearing arrangement.

“(B) DEADLINE.—The Commission shall complete a review undertaken pursuant to subparagraph (A) not later than 90 days after issuance of the stay, unless the derivatives clearing organization that clears the swap, or group, category, type, or class of swaps agrees to an extension of the time limitation established under this subparagraph.

“(C) DETERMINATION.—Upon completion of the review undertaken pursuant to subparagraph (A), the Commission may—

“(i) determine, unconditionally or subject to such terms and conditions as the Commission determines to be appropriate, that the swap, or group, category, type, or class of swaps must be cleared pursuant to this subsection if it finds that such clearing is consistent with paragraph (2)(D); or

“(ii) determine that the clearing requirement of paragraph (1) shall not apply to the swap, or group, category, type, or class of swaps.

“(D) RULES.—Not later than 1 year after the date of the enactment of the Wall Street Transparency and Accountability Act of 2010, the Commission shall adopt rules for reviewing, pur-

suant to this paragraph, a derivatives clearing organization's clearing of a swap, or a group, category, type, or class of swaps, that it has accepted for clearing.

“(4) PREVENTION OF EVASION.—

“(A) IN GENERAL.—The Commission shall prescribe rules under this subsection (and issue interpretations of rules prescribed under this subsection) as determined by the Commission to be necessary to prevent evasions of the mandatory clearing requirements under this Act.

“(B) DUTY OF COMMISSION TO INVESTIGATE AND TAKE CERTAIN ACTIONS.—To the extent the Commission finds that a particular swap, group, category, type, or class of swaps would otherwise be subject to mandatory clearing but no derivatives clearing organization has listed the swap, group, category, type, or class of swaps for clearing, the Commission shall—

“(i) investigate the relevant facts and circumstances;

“(ii) within 30 days issue a public report containing the results of the investigation; and

“(iii) take such actions as the Commission determines to be necessary and in the public interest, which may include requiring the retaining of adequate margin or capital by parties to the swap, group, category, type, or class of swaps.

“(C) EFFECT ON AUTHORITY.—Nothing in this paragraph—

“(i) authorizes the Commission to adopt rules requiring a derivatives clearing organization to list for clearing a swap, group, category, type, or class of swaps if the clearing of the swap, group, category, type, or class of swaps would threaten the financial integrity of the derivatives clearing organization; and

“(ii) affects the authority of the Commission to enforce the open access provisions of paragraph (1)(B) with respect to a swap, group, category, type, or class of swaps that is listed for clearing by a derivatives clearing organization.

“(5) REPORTING TRANSITION RULES.—Rules adopted by the Commission under this section shall provide for the reporting of data, as follows:

“(A) Swaps entered into before the date of the enactment of this subsection shall be reported to a registered swap data repository or the Commission no later than 180 days after the effective date of this subsection.

“(B) Swaps entered into on or after such date of enactment shall be reported to a registered swap data repository or the Commission no later than the later of—

“(i) 90 days after such effective date; or

“(ii) such other time after entering into the swap as the Commission may prescribe by rule or regulation.

“(6) CLEARING TRANSITION RULES.—

“(A) Swaps entered into before the date of the enactment of this subsection are exempt from the clearing requirements of this subsection if reported pursuant to paragraph (5)(A).

“(B) Swaps entered into before application of the clearing requirement pursuant to this subsection are exempt from the clearing requirements of this subsection if reported pursuant to paragraph (5)(B).

“(7) EXCEPTIONS.—

“(A) IN GENERAL.—The requirements of paragraph (1)(A) shall not apply to a swap if 1 of the counterparties to the swap—

“(i) is not a financial entity;

“(ii) is using swaps to hedge or mitigate commercial risk; and

“(iii) notifies the Commission, in a manner set forth by the Commission, how it generally meets its financial obligations associated with entering into non-cleared swaps.

“(B) OPTION TO CLEAR.—The application of the clearing exception in subparagraph (A) is solely at the discretion of the counterparty to the swap that meets the conditions of clauses (i) through (iii) of subparagraph (A).

“(C) FINANCIAL ENTITY DEFINITION.—

“(i) IN GENERAL.—For the purposes of this paragraph, the term ‘financial entity’ means—

“(I) a swap dealer;

“(II) a security-based swap dealer;

“(III) a major swap participant;

“(IV) a major security-based swap participant;

“(V) a commodity pool;

“(VI) a private fund as defined in section 202(a) of the Investment Advisers Act of 1940 (15 U.S.C. 80-b-2(a));

“(VII) an employee benefit plan as defined in paragraphs (3) and (32) of section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002);

“(VIII) a person predominantly engaged in activities that are in the business of banking, or in activities that are financial in nature, as defined in section 4(k) of the Bank Holding Company Act of 1956.

“(ii) EXCLUSION.—The Commission shall consider whether to exempt small banks, savings associations, farm credit system institutions, and credit unions, including—

“(I) depository institutions with total assets of \$10,000,000,000 or less;

“(II) farm credit system institutions with total assets of \$10,000,000,000 or less; or

“(III) credit unions with total assets of \$10,000,000,000 or less.

“(iii) LIMITATION.—Such definition shall not include an entity whose primary business is providing financing, and uses derivatives for the purpose of hedging underlying commercial risks related to interest rate and foreign currency exposures, 90 percent or more of which arise from financing that facilitates the purchase or lease of products, 90 percent or more of which are manufactured by the parent company or another subsidiary of the parent company.

“(D) TREATMENT OF AFFILIATES.—

“(i) IN GENERAL.—An affiliate of a person that qualifies for an exception under subparagraph (A) (including affiliate entities predominantly engaged in providing financing for the purchase of the merchandise or manufactured goods of the person) may qualify for the exception only if the affiliate, acting on behalf of the person and as an agent, uses the swap to hedge or mitigate the commercial risk of the person or other affiliate of the person that is not a financial entity.

“(ii) PROHIBITION RELATING TO CERTAIN AFFILIATES.—The exception in clause (i) shall not apply if the affiliate is—

“(I) a swap dealer;

“(II) a security-based swap dealer;

“(III) a major swap participant;

“(IV) a major security-based swap participant;

“(V) an issuer that would be an investment company, as defined in section 3 of the Investment Company Act of 1940 (15 U.S.C. 80a-3), but for paragraph (1) or (7) of subsection (c) of that Act (15 U.S.C. 80a-3(c));

“(VI) a commodity pool; or

“(VII) a bank holding company with over \$50,000,000,000 in consolidated assets.

“(iii) TRANSITION RULE FOR AFFILIATES.—An affiliate, subsidiary, or a wholly owned entity of a person that qualifies for an exception under subparagraph (A) and is predominantly engaged in providing financing for the purchase or lease of merchandise or manufactured goods of the person shall be exempt from the margin requirement described in section 4s(e) and the clearing requirement described in paragraph (1) with regard to swaps entered into to mitigate the risk of the financing activities for not less than a 2-year period beginning on the date of enactment of this clause.

“(E) ELECTION OF COUNTERPARTY.—

“(i) SWAPS REQUIRED TO BE CLEARED.—With respect to any swap that is subject to the mandatory clearing requirement under this subsection and entered into by a swap dealer or a

major swap participant with a counterparty that is not a swap dealer, major swap participant, security-based swap dealer, or major security-based swap participant, the counterparty shall have the sole right to select the derivatives clearing organization at which the swap will be cleared.

“(ii) **SWAPS NOT REQUIRED TO BE CLEARED.**—With respect to any swap that is not subject to the mandatory clearing requirement under this subsection and entered into by a swap dealer or a major swap participant with a counterparty that is not a swap dealer, major swap participant, security-based swap dealer, or major security-based swap participant, the counterparty—

“(I) may elect to require clearing of the swap; and

“(II) shall have the sole right to select the derivatives clearing organization at which the swap will be cleared.

“(F) **ABUSE OF EXCEPTION.**—The Commission may prescribe such rules or issue interpretations of the rules as the Commission determines to be necessary to prevent abuse of the exceptions described in this paragraph. The Commission may also request information from those persons claiming the clearing exception as necessary to prevent abuse of the exceptions described in this paragraph.

“(8) **TRADE EXECUTION.**—

“(A) **IN GENERAL.**—With respect to transactions involving swaps subject to the clearing requirement of paragraph (1), counterparties shall—

“(i) execute the transaction on a board of trade designated as a contract market under section 5; or

“(ii) execute the transaction on a swap execution facility registered under 5h or a swap execution facility that is exempt from registration under section 5h(f) of this Act.

“(B) **EXCEPTION.**—The requirements of clauses (i) and (ii) of subparagraph (A) shall not apply if no board of trade or swap execution facility makes the swap available to trade or for swap transactions subject to the clearing exception under paragraph (7).”.

(b) **COMMODITY EXCHANGE ACT.**—Section 2 of the Commodity Exchange Act (7 U.S.C. 2) is amended by adding at the end the following:

“(j) **COMMITTEE APPROVAL BY BOARD.**—Exemptions from the requirements of subsection (h)(1) to clear a swap and subsection (h)(8) to execute a swap through a board of trade or swap execution facility shall be available to a counterparty that is an issuer of securities that are registered under section 12 of the Securities Exchange Act of 1934 (15 U.S.C. 78l) or that is required to file reports pursuant to section 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78o) only if an appropriate committee of the issuer's board or governing body has reviewed and approved its decision to enter into swaps that are subject to such exemptions.”.

(c) **GRANDFATHER PROVISIONS.**—

(1) **LEGAL CERTAINTY FOR CERTAIN TRANSACTIONS IN EXEMPT COMMODITIES.**—Not later than 60 days after the date of enactment of this Act, a person may submit to the Commodity Futures Trading Commission a petition to remain subject to section 2(h) of the Commodity Exchange Act (7 U.S.C. 2(h)) (as in effect on the day before the date of enactment of this Act).

(2) **CONSIDERATION; AUTHORITY OF COMMODITY FUTURES TRADING COMMISSION.**—The Commodity Futures Trading Commission—

(A) shall consider any petition submitted under subparagraph (A) in a prompt manner; and

(B) may allow a person to continue operating subject to section 2(h) of the Commodity Exchange Act (7 U.S.C. 2(h)) (as in effect on the day before the date of enactment of this Act) for not longer than a 1-year period.

(3) **AGRICULTURAL SWAPS.**—

(A) **IN GENERAL.**—Except as provided in subparagraph (B), no person shall offer to enter into, enter into, or confirm the execution of, any swap in an agricultural commodity (as defined by the Commodity Futures Trading Commission).

(B) **EXCEPTION.**—Notwithstanding subparagraph (A), a person may offer to enter into, enter into, or confirm the execution of, any swap in an agricultural commodity pursuant to section 4(c) of the Commodity Exchange Act (7 U.S.C. 6(c)) or any rule, regulation, or order issued thereunder (including any rule, regulation, or order in effect as of the date of enactment of this Act) by the Commodity Futures Trading Commission to allow swaps under such terms and conditions as the Commission shall prescribe.

(4) **REQUIRED REPORTING.**—If the exception described in section 2(h)(8)(B) of the Commodity Exchange Act applies, the counterparties shall comply with any recordkeeping and transaction reporting requirements that may be prescribed by the Commission with respect to swaps subject to section 2(h)(8)(B) of the Commodity Exchange Act.

SEC. 724. SWAPS; SEGREGATION AND BANKRUPTCY TREATMENT.

(a) **SEGREGATION REQUIREMENTS FOR CLEARED SWAPS.**—Section 4d of the Commodity Exchange Act (7 U.S.C. 6d) (as amended by section 732) is amended by adding at the end the following:

“(f) **SWAPS.**—

“(1) **REGISTRATION REQUIREMENT.**—It shall be unlawful for any person to accept any money, securities, or property (or to extend any credit in lieu of money, securities, or property) from, for, or on behalf of a swaps customer to margin, guarantee, or secure a swap cleared by or through a derivatives clearing organization (including money, securities, or property accruing to the customer as the result of such a swap), unless the person shall have registered under this Act with the Commission as a futures commission merchant, and the registration shall not have expired nor been suspended nor revoked.

“(2) **CLEARED SWAPS.**—

“(A) **SEGREGATION REQUIRED.**—A futures commission merchant shall treat and deal with all money, securities, and property of any swaps customer received to margin, guarantee, or secure a swap cleared by or through a derivatives clearing organization (including money, securities, or property accruing to the swaps customer as the result of such a swap) as belonging to the swaps customer.

“(B) **COMMINGLING PROHIBITED.**—Money, securities, and property of a swaps customer described in subparagraph (A) shall be separately accounted for and shall not be commingled with the funds of the futures commission merchant or be used to margin, secure, or guarantee any trades or contracts of any swaps customer or person other than the person for whom the same are held.

“(3) **EXCEPTIONS.**—

“(A) **USE OF FUNDS.**—

“(i) **IN GENERAL.**—Notwithstanding paragraph (2), money, securities, and property of swap customers of a futures commission merchant described in paragraph (2) may, for convenience, be commingled and deposited in the same account or accounts with any bank or trust company or with a derivatives clearing organization.

“(ii) **WITHDRAWAL.**—Notwithstanding paragraph (2), such share of the money, securities, and property described in clause (i) as in the normal course of business shall be necessary to margin, guarantee, secure, transfer, adjust, or settle a cleared swap with a derivatives clearing organization, or with any member of the derivatives clearing organization, may be withdrawn

and applied to such purposes, including the payment of commissions, brokerage, interest, taxes, storage, and other charges, lawfully accruing in connection with the cleared swap.

“(B) **COMMISSION ACTION.**—Notwithstanding paragraph (2), in accordance with such terms and conditions as the Commission may prescribe by rule, regulation, or order, any money, securities, or property of the swaps customers of a futures commission merchant described in paragraph (2) may be commingled and deposited in customer accounts with any other money, securities, or property received by the futures commission merchant and required by the Commission to be separately accounted for and treated and dealt with as belonging to the swaps customer of the futures commission merchant.

“(4) **PERMITTED INVESTMENTS.**—Money described in paragraph (2) may be invested in obligations of the United States, in general obligations of any State or of any political subdivision of a State, and in obligations fully guaranteed as to principal and interest by the United States, or in any other investment that the Commission may by rule or regulation prescribe, and such investments shall be made in accordance with such rules and regulations and subject to such conditions as the Commission may prescribe.

“(5) **COMMODITY CONTRACT.**—A swap cleared by or through a derivatives clearing organization shall be considered to be a commodity contract as such term is defined in section 761 of title 11, United States Code, with regard to all money, securities, and property of any swaps customer received by a futures commission merchant or a derivatives clearing organization to margin, guarantee, or secure the swap (including money, securities, or property accruing to the customer as the result of the swap).

“(6) **PROHIBITION.**—It shall be unlawful for any person, including any derivatives clearing organization and any depository institution, that has received any money, securities, or property for deposit in a separate account or accounts as provided in paragraph (2) to hold, dispose of, or use any such money, securities, or property as belonging to the depositing futures commission merchant or any person other than the swaps customer of the futures commission merchant.”.

(b) **BANKRUPTCY TREATMENT OF CLEARED SWAPS.**—Section 761 of title 11, United States Code, is amended—

(1) in paragraph (4), by striking subparagraph (F) and inserting the following:

“(F)(i) any other contract, option, agreement, or transaction that is similar to a contract, option, agreement, or transaction referred to in this paragraph; and

“(ii) with respect to a futures commission merchant or a clearing organization, any other contract, option, agreement, or transaction, in each case, that is cleared by a clearing organization;”;

(2) in paragraph (9)(A)(i), by striking “the commodity futures account” and inserting “a commodity contract account”.

(c) **SEGREGATION REQUIREMENTS FOR UNCLEARED SWAPS.**—Section 4s of the Commodity Exchange Act (as added by section 731) is amended by adding at the end the following:

“(l) **SEGREGATION REQUIREMENTS.**—

“(1) **SEGREGATION OF ASSETS HELD AS COLLATERAL IN UNCLEARED SWAP TRANSACTIONS.**—

“(A) **NOTIFICATION.**—A swap dealer or major swap participant shall be required to notify the counterparty of the swap dealer or major swap participant at the beginning of a swap transaction that the counterparty has the right to require segregation of the funds or other property supplied to margin, guarantee, or secure the obligations of the counterparty.

“(B) **SEGREGATION AND MAINTENANCE OF FUNDS.**—At the request of a counterparty to a

swap that provides funds or other property to a swap dealer or major swap participant to margin, guarantee, or secure the obligations of the counterparty, the swap dealer or major swap participant shall—

“(i) segregate the funds or other property for the benefit of the counterparty; and

“(ii) in accordance with such rules and regulations as the Commission may promulgate, maintain the funds or other property in a segregated account separate from the assets and other interests of the swap dealer or major swap participant.

“(2) **APPLICABILITY.**—The requirements described in paragraph (1) shall—

“(A) apply only to a swap between a counterparty and a swap dealer or major swap participant that is not submitted for clearing to a derivatives clearing organization; and

“(B)(i) not apply to variation margin payments; or

“(ii) not preclude any commercial arrangement regarding—

“(I) the investment of segregated funds or other property that may only be invested in such investments as the Commission may permit by rule or regulation; and

“(II) the related allocation of gains and losses resulting from any investment of the segregated funds or other property.

“(3) **USE OF INDEPENDENT THIRD-PARTY CUSTODIANS.**—The segregated account described in paragraph (1) shall be—

“(A) carried by an independent third-party custodian; and

“(B) designated as a segregated account for and on behalf of the counterparty.

“(4) **REPORTING REQUIREMENT.**—If the counterparty does not choose to require segregation of the funds or other property supplied to margin, guarantee, or secure the obligations of the counterparty, the swap dealer or major swap participant shall report to the counterparty of the swap dealer or major swap participant on a quarterly basis that the back office procedures of the swap dealer or major swap participant relating to margin and collateral requirements are in compliance with the agreement of the counterparties.”.

SEC. 725. DERIVATIVES CLEARING ORGANIZATIONS.

(a) **REGISTRATION REQUIREMENT.**—Section 5b of the Commodity Exchange Act (7 U.S.C. 7a–1) is amended by striking subsections (a) and (b) and inserting the following:

“(a) **REGISTRATION REQUIREMENT.**—

“(1) **IN GENERAL.**—Except as provided in paragraph (2), it shall be unlawful for a derivatives clearing organization, directly or indirectly, to make use of the mails or any means or instrumentality of interstate commerce to perform the functions of a derivatives clearing organization with respect to—

“(A) a contract of sale of a commodity for future delivery (or an option on the contract of sale) or option on a commodity, in each case, unless the contract or option is—

“(i) excluded from this Act by subsection (a)(1)(C)(i), (c), or (f) of section 2; or

“(ii) a security futures product cleared by a clearing agency registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.); or

“(B) a swap.

“(2) **EXCEPTION.**—Paragraph (1) shall not apply to a derivatives clearing organization that is registered with the Commission.

“(b) **VOLUNTARY REGISTRATION.**—A person that clears 1 or more agreements, contracts, or transactions that are not required to be cleared under this Act may register with the Commission as a derivatives clearing organization.”.

(b) **REGISTRATION FOR DEPOSITORY INSTITUTIONS AND CLEARING AGENCIES; EXEMPTIONS;**

COMPLIANCE OFFICER; ANNUAL REPORTS.—Section 5b of the Commodity Exchange Act (7 U.S.C. 7a–1) is amended by adding at the end the following:

“(g) **EXISTING DEPOSITORY INSTITUTIONS AND CLEARING AGENCIES.**—

“(1) **IN GENERAL.**—A depository institution or clearing agency registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) that is required to be registered as a derivatives clearing organization under this section is deemed to be registered under this section to the extent that, before the date of enactment of this subsection—

“(A) the depository institution cleared swaps as a multilateral clearing organization; or

“(B) the clearing agency cleared swaps.

“(2) **CONVERSION OF DEPOSITORY INSTITUTIONS.**—A depository institution to which this subsection applies may, by the vote of the shareholders owning not less than 51 percent of the voting interests of the depository institution, be converted into a State corporation, partnership, limited liability company, or similar legal form pursuant to a plan of conversion, if the conversion is not in contravention of applicable State law.

“(3) **SHARING OF INFORMATION.**—The Securities and Exchange Commission shall make available to the Commission, upon request, all information determined to be relevant by the Securities and Exchange Commission regarding a clearing agency deemed to be registered with the Commission under paragraph (1).

“(h) **EXEMPTIONS.**—The Commission may exempt, conditionally or unconditionally, a derivatives clearing organization from registration under this section for the clearing of swaps if the Commission determines that the derivatives clearing organization is subject to comparable, comprehensive supervision and regulation by the Securities and Exchange Commission or the appropriate government authorities in the home country of the organization. Such conditions may include, but are not limited to, requiring that the derivatives clearing organization be available for inspection by the Commission and make available all information requested by the Commission.

“(i) **DESIGNATION OF CHIEF COMPLIANCE OFFICER.**—

“(1) **IN GENERAL.**—Each derivatives clearing organization shall designate an individual to serve as a chief compliance officer.

“(2) **DUTIES.**—The chief compliance officer shall—

“(A) report directly to the board or to the senior officer of the derivatives clearing organization;

“(B) review the compliance of the derivatives clearing organization with respect to the core principles described in subsection (c)(2);

“(C) in consultation with the board of the derivatives clearing organization, a body performing a function similar to the board of the derivatives clearing organization, or the senior officer of the derivatives clearing organization, resolve any conflicts of interest that may arise;

“(D) be responsible for administering each policy and procedure that is required to be established pursuant to this section;

“(E) ensure compliance with this Act (including regulations) relating to agreements, contracts, or transactions, including each rule prescribed by the Commission under this section;

“(F) establish procedures for the remediation of noncompliance issues identified by the compliance officer through any—

“(i) compliance office review;

“(ii) look-back;

“(iii) internal or external audit finding;

“(iv) self-reported error; or

“(v) validated complaint; and

“(G) establish and follow appropriate procedures for the handling, management response, remediation, retesting, and closing of non-compliance issues.

“(3) **ANNUAL REPORTS.**—

“(A) **IN GENERAL.**—In accordance with rules prescribed by the Commission, the chief compliance officer shall annually prepare and sign a report that contains a description of—

“(i) the compliance of the derivatives clearing organization of the compliance officer with respect to this Act (including regulations); and

“(ii) each policy and procedure of the derivatives clearing organization of the compliance officer (including the code of ethics and conflict of interest policies of the derivatives clearing organization).

“(B) **REQUIREMENTS.**—A compliance report under subparagraph (A) shall—

“(i) accompany each appropriate financial report of the derivatives clearing organization that is required to be furnished to the Commission pursuant to this section; and

“(ii) include a certification that, under penalty of law, the compliance report is accurate and complete.”.

(c) **CORE PRINCIPLES FOR DERIVATIVES CLEARING ORGANIZATIONS.**—Section 5b(c) of the Commodity Exchange Act (7 U.S.C. 7a–1(c)) is amended by striking paragraph (2) and inserting the following:

“(2) **CORE PRINCIPLES FOR DERIVATIVES CLEARING ORGANIZATIONS.**—

“(A) **COMPLIANCE.**—

“(i) **IN GENERAL.**—To be registered and to maintain registration as a derivatives clearing organization, a derivatives clearing organization shall comply with each core principle described in this paragraph and any requirement that the Commission may impose by rule or regulation pursuant to section 8a(5).

“(ii) **DISCRETION OF DERIVATIVES CLEARING ORGANIZATION.**—Subject to any rule or regulation prescribed by the Commission, a derivatives clearing organization shall have reasonable discretion in establishing the manner by which the derivatives clearing organization complies with each core principle described in this paragraph.

“(B) **FINANCIAL RESOURCES.**—

“(i) **IN GENERAL.**—Each derivatives clearing organization shall have adequate financial, operational, and managerial resources, as determined by the Commission, to discharge each responsibility of the derivatives clearing organization.

“(ii) **MINIMUM AMOUNT OF FINANCIAL RESOURCES.**—Each derivatives clearing organization shall possess financial resources that, at a minimum, exceed the total amount that would—

“(I) enable the organization to meet its financial obligations to its members and participants notwithstanding a default by the member or participant creating the largest financial exposure for that organization in extreme but plausible market conditions; and

“(II) enable the derivatives clearing organization to cover the operating costs of the derivatives clearing organization for a period of 1 year (as calculated on a rolling basis).

“(C) **PARTICIPANT AND PRODUCT ELIGIBILITY.**—

“(i) **IN GENERAL.**—Each derivatives clearing organization shall establish—

“(I) appropriate admission and continuing eligibility standards (including sufficient financial resources and operational capacity to meet obligations arising from participation in the derivatives clearing organization) for members of, and participants in, the derivatives clearing organization; and

“(II) appropriate standards for determining the eligibility of agreements, contracts, or transactions submitted to the derivatives clearing organization for clearing.

“(ii) **REQUIRED PROCEDURES.**—Each derivatives clearing organization shall establish and implement procedures to verify, on an ongoing basis, the compliance of each participation and membership requirement of the derivatives clearing organization.

“(iii) **REQUIREMENTS.**—The participation and membership requirements of each derivatives clearing organization shall—

“(I) be objective;

“(II) be publicly disclosed; and

“(III) permit fair and open access.

“(D) **RISK MANAGEMENT.**—

“(i) **IN GENERAL.**—Each derivatives clearing organization shall ensure that the derivatives clearing organization possesses the ability to manage the risks associated with discharging the responsibilities of the derivatives clearing organization through the use of appropriate tools and procedures.

“(ii) **MEASUREMENT OF CREDIT EXPOSURE.**—Each derivatives clearing organization shall—

“(I) not less than once during each business day of the derivatives clearing organization, measure the credit exposures of the derivatives clearing organization to each member and participant of the derivatives clearing organization; and

“(II) monitor each exposure described in subclause (I) periodically during the business day of the derivatives clearing organization.

“(iii) **LIMITATION OF EXPOSURE TO POTENTIAL LOSSES FROM DEFAULTS.**—Each derivatives clearing organization, through margin requirements and other risk control mechanisms, shall limit the exposure of the derivatives clearing organization to potential losses from defaults by members and participants of the derivatives clearing organization to ensure that—

“(I) the operations of the derivatives clearing organization would not be disrupted; and

“(II) nondefaulting members or participants would not be exposed to losses that nondefaulting members or participants cannot anticipate or control.

“(iv) **MARGIN REQUIREMENTS.**—The margin required from each member and participant of a derivatives clearing organization shall be sufficient to cover potential exposures in normal market conditions.

“(v) **REQUIREMENTS REGARDING MODELS AND PARAMETERS.**—Each model and parameter used in setting margin requirements under clause (iv) shall be—

“(I) risk-based; and

“(II) reviewed on a regular basis.

“(E) **SETTLEMENT PROCEDURES.**—Each derivatives clearing organization shall—

“(i) complete money settlements on a timely basis (but not less frequently than once each business day);

“(ii) employ money settlement arrangements to eliminate or strictly limit the exposure of the derivatives clearing organization to settlement bank risks (including credit and liquidity risks from the use of banks to effect money settlements);

“(iii) ensure that money settlements are final when effected;

“(iv) maintain an accurate record of the flow of funds associated with each money settlement;

“(v) possess the ability to comply with each term and condition of any permitted netting or offset arrangement with any other clearing organization;

“(vi) regarding physical settlements, establish rules that clearly state each obligation of the derivatives clearing organization with respect to physical deliveries; and

“(vii) ensure that each risk arising from an obligation described in clause (vi) is identified and managed.

“(F) **TREATMENT OF FUNDS.**—

“(i) **REQUIRED STANDARDS AND PROCEDURES.**—Each derivatives clearing organization shall es-

tablish standards and procedures that are designed to protect and ensure the safety of member and participant funds and assets.

“(ii) **HOLDING OF FUNDS AND ASSETS.**—Each derivatives clearing organization shall hold member and participant funds and assets in a manner by which to minimize the risk of loss or of delay in the access by the derivatives clearing organization to the assets and funds.

“(iii) **PERMISSIBLE INVESTMENTS.**—Funds and assets invested by a derivatives clearing organization shall be held in instruments with minimal credit, market, and liquidity risks.

“(G) **DEFAULT RULES AND PROCEDURES.**—

“(i) **IN GENERAL.**—Each derivatives clearing organization shall have rules and procedures designed to allow for the efficient, fair, and safe management of events during which members or participants—

“(I) become insolvent; or

“(II) otherwise default on the obligations of the members or participants to the derivatives clearing organization.

“(ii) **DEFAULT PROCEDURES.**—Each derivatives clearing organization shall—

“(I) clearly state the default procedures of the derivatives clearing organization;

“(II) make publicly available the default rules of the derivatives clearing organization; and

“(III) ensure that the derivatives clearing organization may take timely action—

“(aa) to contain losses and liquidity pressures; and

“(bb) to continue meeting each obligation of the derivatives clearing organization.

“(H) **RULE ENFORCEMENT.**—Each derivatives clearing organization shall—

“(i) maintain adequate arrangements and resources for—

“(I) the effective monitoring and enforcement of compliance with the rules of the derivatives clearing organization; and

“(II) the resolution of disputes;

“(ii) have the authority and ability to discipline, limit, suspend, or terminate the activities of a member or participant due to a violation by the member or participant of any rule of the derivatives clearing organization; and

“(iii) report to the Commission regarding rule enforcement activities and sanctions imposed against members and participants as provided in clause (ii).

“(I) **SYSTEM SAFEGUARDS.**—Each derivatives clearing organization shall—

“(i) establish and maintain a program of risk analysis and oversight to identify and minimize sources of operational risk through the development of appropriate controls and procedures, and automated systems, that are reliable, secure, and have adequate scalable capacity;

“(ii) establish and maintain emergency procedures, backup facilities, and a plan for disaster recovery that allows for—

“(I) the timely recovery and resumption of operations of the derivatives clearing organization; and

“(II) the fulfillment of each obligation and responsibility of the derivatives clearing organization; and

“(iii) periodically conduct tests to verify that the backup resources of the derivatives clearing organization are sufficient to ensure daily processing, clearing, and settlement.

“(J) **REPORTING.**—Each derivatives clearing organization shall provide to the Commission all information that the Commission determines to be necessary to conduct oversight of the derivatives clearing organization.

“(K) **RECORDKEEPING.**—Each derivatives clearing organization shall maintain records of all activities related to the business of the derivatives clearing organization as a derivatives clearing organization—

“(i) in a form and manner that is acceptable to the Commission; and

“(ii) for a period of not less than 5 years.

“(L) **PUBLIC INFORMATION.**—

“(i) **IN GENERAL.**—Each derivatives clearing organization shall provide to market participants sufficient information to enable the market participants to identify and evaluate accurately the risks and costs associated with using the services of the derivatives clearing organization.

“(ii) **AVAILABILITY OF INFORMATION.**—Each derivatives clearing organization shall make information concerning the rules and operating and default procedures governing the clearing and settlement systems of the derivatives clearing organization available to market participants.

“(iii) **PUBLIC DISCLOSURE.**—Each derivatives clearing organization shall disclose publicly and to the Commission information concerning—

“(I) the terms and conditions of each contract, agreement, and transaction cleared and settled by the derivatives clearing organization;

“(II) each clearing and other fee that the derivatives clearing organization charges the members and participants of the derivatives clearing organization;

“(III) the margin-setting methodology, and the size and composition, of the financial resource package of the derivatives clearing organization;

“(IV) daily settlement prices, volume, and open interest for each contract settled or cleared by the derivatives clearing organization; and

“(V) any other matter relevant to participation in the settlement and clearing activities of the derivatives clearing organization.

“(M) **INFORMATION-SHARING.**—Each derivatives clearing organization shall—

“(i) enter into, and abide by the terms of, each appropriate and applicable domestic and international information-sharing agreement; and

“(ii) use relevant information obtained from each agreement described in clause (i) in carrying out the risk management program of the derivatives clearing organization.

“(N) **ANTITRUST CONSIDERATIONS.**—Unless necessary or appropriate to achieve the purposes of this Act, a derivatives clearing organization shall not—

“(i) adopt any rule or take any action that results in any unreasonable restraint of trade; or

“(ii) impose any material anticompetitive burden.

“(O) **GOVERNANCE FITNESS STANDARDS.**—

“(i) **GOVERNANCE ARRANGEMENTS.**—Each derivatives clearing organization shall establish governance arrangements that are transparent—

“(I) to fulfill public interest requirements; and

“(II) to permit the consideration of the views of owners and participants.

“(ii) **FITNESS STANDARDS.**—Each derivatives clearing organization shall establish and enforce appropriate fitness standards for—

“(I) directors;

“(II) members of any disciplinary committee;

“(III) members of the derivatives clearing organization;

“(IV) any other individual or entity with direct access to the settlement or clearing activities of the derivatives clearing organization; and

“(V) any party affiliated with any individual or entity described in this clause.

“(P) **CONFLICTS OF INTEREST.**—Each derivatives clearing organization shall—

“(i) establish and enforce rules to minimize conflicts of interest in the decision-making process of the derivatives clearing organization; and

“(ii) establish a process for resolving conflicts of interest described in clause (i).

“(Q) **COMPOSITION OF GOVERNING BOARDS.**—Each derivatives clearing organization shall ensure that the composition of the governing board or committee of the derivatives clearing organization includes market participants.

“(R) **LEGAL RISK.**—Each derivatives clearing organization shall have a well-founded, transparent, and enforceable legal framework for each aspect of the activities of the derivatives clearing organization.”.

(d) **CONFLICTS OF INTEREST.**—The Commodity Futures Trading Commission shall adopt rules mitigating conflicts of interest in connection with the conduct of business by a swap dealer or a major swap participant with a derivatives clearing organization, board of trade, or a swap execution facility that clears or trades swaps in which the swap dealer or major swap participant has a material debt or material equity investment.

(e) **REPORTING REQUIREMENTS.**—Section 5b of the Commodity Exchange Act (7 U.S.C. 7a-1) (as amended by subsection (b)) is amended by adding at the end the following:

“(k) **REPORTING REQUIREMENTS.**—

“(1) **DUTY OF DERIVATIVES CLEARING ORGANIZATIONS.**—Each derivatives clearing organization that clears swaps shall provide to the Commission all information that is determined by the Commission to be necessary to perform each responsibility of the Commission under this Act.

“(2) **DATA COLLECTION AND MAINTENANCE REQUIREMENTS.**—The Commission shall adopt data collection and maintenance requirements for swaps cleared by derivatives clearing organizations that are comparable to the corresponding requirements for—

“(A) swaps data reported to swap data repositories; and

“(B) swaps traded on swap execution facilities.

“(3) **REPORTS ON SECURITY-BASED SWAP AGREEMENTS TO BE SHARED WITH THE SECURITIES AND EXCHANGE COMMISSION.**—

“(A) **IN GENERAL.**—A derivatives clearing organization that clears security-based swap agreements (as defined in section 1a(47)(A)(v)) shall, upon request, open to inspection and examination to the Securities and Exchange Commission all books and records relating to such security-based swap agreements, consistent with the confidentiality and disclosure requirements of section 8.

“(B) **JURISDICTION.**—Nothing in this paragraph shall affect the exclusive jurisdiction of the Commission to prescribe recordkeeping and reporting requirements for a derivatives clearing organization that is registered with the Commission.

“(4) **INFORMATION SHARING.**—Subject to section 8, and upon request, the Commission shall share information collected under paragraph (2) with—

“(A) the Board;

“(B) the Securities and Exchange Commission;

“(C) each appropriate prudential regulator;

“(D) the Financial Stability Oversight Council;

“(E) the Department of Justice; and

“(F) any other person that the Commission determines to be appropriate, including—

“(i) foreign financial supervisors (including foreign futures authorities);

“(ii) foreign central banks; and

“(iii) foreign ministries.

“(5) **CONFIDENTIALITY AND INDEMNIFICATION AGREEMENT.**—Before the Commission may share information with any entity described in paragraph (4)—

“(A) the Commission shall receive a written agreement from each entity stating that the entity shall abide by the confidentiality requirements described in section 8 relating to the information on swap transactions that is provided; and

“(B) each entity shall agree to indemnify the Commission for any expenses arising from litigation relating to the information provided under section 8.

“(6) **PUBLIC INFORMATION.**—Each derivatives clearing organization that clears swaps shall provide to the Commission (including any designee of the Commission) information under paragraph (2) in such form and at such frequency as is required by the Commission to comply with the public reporting requirements contained in section 2(a)(13).”.

(f) **PUBLIC DISCLOSURE.**—Section 8(e) of the Commodity Exchange Act (7 U.S.C. 12(e)) is amended in the last sentence—

(1) by inserting “, central bank and ministries,” after “department” each place it appears; and

(2) by striking “, is a party.” and inserting “, is a party.”.

(g) **LEGAL CERTAINTY FOR IDENTIFIED BANKING PRODUCTS.**—

(1) **REPEALS.**—The Legal Certainty for Bank Products Act of 2000 (7 U.S.C. 27 et seq.) is amended—

(A) by striking sections 404 and 407 (7 U.S.C. 27b, 27e);

(B) in section 402 (7 U.S.C. 27), by striking subsection (d); and

(C) in section 408 (7 U.S.C. 27f)—

(i) in subsection (c)—

(I) by striking “in the case” and all that follows through “a hybrid” and inserting “in the case of a hybrid”; and

(II) by striking “; or” and inserting a period; and

(III) by striking paragraph (2);

(ii) by striking subsection (b); and

(iii) by redesignating subsection (c) as subsection (b).

(2) **LEGAL CERTAINTY FOR BANK PRODUCTS ACT OF 2000.**—Section 403 of the Legal Certainty for Bank Products Act of 2000 (7 U.S.C. 27a) is amended to read as follows:

“**SEC. 403. EXCLUSION OF IDENTIFIED BANKING PRODUCT.**

“(a) **EXCLUSION.**—Except as provided in subsection (b) or (c)—

“(1) the Commodity Exchange Act (7 U.S.C. 1 et seq.) shall not apply to, and the Commodity Futures Trading Commission shall not exercise regulatory authority under the Commodity Exchange Act (7 U.S.C. 1 et seq.) with respect to, an identified banking product; and

“(2) the definitions of ‘security-based swap’ in section 3(a)(68) of the Securities Exchange Act of 1934 and ‘security-based swap agreement’ in section 1a(47)(A)(v) of the Commodity Exchange Act and section 3(a)(78) of the Securities Exchange Act of 1934 do not include any identified bank product.

“(b) **EXCEPTION.**—An appropriate Federal banking agency may except an identified banking product of a bank under its regulatory jurisdiction from the exclusion in subsection (a) if the agency determines, in consultation with the Commodity Futures Trading Commission and the Securities and Exchange Commission, that the product—

“(1) would meet the definition of a ‘swap’ under section 1a(47) of the Commodity Exchange Act (7 U.S.C. 1a) or a ‘security-based swap’ under that section 3(a)(68) of the Securities Exchange Act of 1934; and

“(2) has become known to the trade as a swap or security-based swap, or otherwise has been structured as an identified banking product for the purpose of evading the provisions of the Commodity Exchange Act (7 U.S.C. 1 et seq.), the Securities Act of 1933 (15 U.S.C. 77a et seq.), or the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.).

“(c) **EXCEPTION.**—The exclusions in subsection (a) shall not apply to an identified bank product that—

“(1) is a product of a bank that is not under the regulatory jurisdiction of an appropriate Federal banking agency;

“(2) meets the definition of swap in section 1a(47) of the Commodity Exchange Act or security-based swap in section 3(a)(68) of the Securities Exchange Act of 1934; and

“(3) has become known to the trade as a swap or security-based swap, or otherwise has been structured as an identified banking product for the purpose of evading the provisions of the Commodity Exchange Act (7 U.S.C. 1 et seq.), the Securities Act of 1933 (15 U.S.C. 77a et seq.), or the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.).”.

(h) **REDUCING CLEARING SYSTEMIC RISK.**—Section 5b(f)(1) of the Commodity Exchange Act (7 U.S.C. 7a-1(F)(i)) is amended by adding at the end the following: “In order to minimize systemic risk, under no circumstances shall a derivatives clearing organization be compelled to accept the counterparty credit risk of another clearing organization.”.

SEC. 726. RULEMAKING ON CONFLICT OF INTEREST.

(a) **IN GENERAL.**—In order to mitigate conflicts of interest, not later than 180 days after the date of enactment of the Wall Street Transparency and Accountability Act of 2010, the Commodity Futures Trading Commission shall adopt rules which may include numerical limits on the control of, or the voting rights with respect to, any derivatives clearing organization that clears swaps, or swap execution facility or board of trade designated as a contract market that posts swaps or makes swaps available for trading, by a bank holding company (as defined in section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841)) with total consolidated assets of \$50,000,000,000 or more, a nonbank financial company (as defined in section 102) supervised by the Board, an affiliate of such a bank holding company or nonbank financial company, a swap dealer, major swap participant, or associated person of a swap dealer or major swap participant.

(b) **PURPOSES.**—The Commission shall adopt rules if it determines, after the review described in subsection (a), that such rules are necessary or appropriate to improve the governance of, or to mitigate systemic risk, promote competition, or mitigate conflicts of interest in connection with a swap dealer or major swap participant’s conduct of business with, a derivatives clearing organization, contract market, or swap execution facility that clears or posts swaps or makes swaps available for trading and in which such swap dealer or major swap participant has a material debt or equity investment.

(c) **CONSIDERATIONS.**—In adopting rules pursuant to this section, the Commodity Futures Trading Commission shall consider any conflicts of interest arising from the amount of equity owned by a single investor, the ability to vote, cause the vote of, or withhold votes entitled to be cast on any matters by the holders of the ownership interest, and the governance arrangements of any derivatives clearing organization that clears swaps, or swap execution facility or board of trade designated as a contract market that posts swaps or makes swaps available for trading.

SEC. 727. PUBLIC REPORTING OF SWAP TRANSACTION DATA.

Section 2(a) of the Commodity Exchange Act (7 U.S.C. 2(a)) is amended by adding at the end the following:

“(13) **PUBLIC AVAILABILITY OF SWAP TRANSACTION DATA.**—

“(A) **DEFINITION OF REAL-TIME PUBLIC REPORTING.**—In this paragraph, the term ‘real-time public reporting’ means to report data relating to a swap transaction, including price and volume, as soon as technologically practicable after the time at which the swap transaction has been executed.

“(B) **PURPOSE.**—The purpose of this section is to authorize the Commission to make swap

transaction and pricing data available to the public in such form and at such times as the Commission determines appropriate to enhance price discovery.

“(C) GENERAL RULE.—The Commission is authorized and required to provide by rule for the public availability of swap transaction and pricing data as follows:

“(i) With respect to those swaps that are subject to the mandatory clearing requirement described in subsection (h)(1) (including those swaps that are excepted from the requirement pursuant to subsection (h)(7)), the Commission shall require real-time public reporting for such transactions.

“(ii) With respect to those swaps that are not subject to the mandatory clearing requirement described in subsection (h)(1), but are cleared at a registered derivatives clearing organization, the Commission shall require real-time public reporting for such transactions.

“(iii) With respect to swaps that are not cleared at a registered derivatives clearing organization and which are reported to a swap data repository or the Commission under subsection (h)(6), the Commission shall require real-time public reporting for such transactions, in a manner that does not disclose the business transactions and market positions of any person.

“(iv) With respect to swaps that are determined to be required to be cleared under subsection (h)(2) but are not cleared, the Commission shall require real-time public reporting for such transactions.

“(D) REGISTERED ENTITIES AND PUBLIC REPORTING.—The Commission may require registered entities to publicly disseminate the swap transaction and pricing data required to be reported under this paragraph.

“(E) RULEMAKING REQUIRED.—With respect to the rule providing for the public availability of transaction and pricing data for swaps described in clauses (i) and (ii) of subparagraph (C), the rule promulgated by the Commission shall contain provisions—

“(i) to ensure such information does not identify the participants;

“(ii) to specify the criteria for determining what constitutes a large notional swap transaction (block trade) for particular markets and contracts;

“(iii) to specify the appropriate time delay for reporting large notional swap transactions (block trades) to the public; and

“(iv) that take into account whether the public disclosure will materially reduce market liquidity.

“(F) TIMELINESS OF REPORTING.—Parties to a swap (including agents of the parties to a swap) shall be responsible for reporting swap transaction information to the appropriate registered entity in a timely manner as may be prescribed by the Commission.

“(G) REPORTING OF SWAPS TO REGISTERED SWAP DATA REPOSITORIES.—Each swap (whether cleared or uncleared) shall be reported to a registered swap data repository.

“(14) SEMIANNUAL AND ANNUAL PUBLIC REPORTING OF AGGREGATE SWAP DATA.—

“(A) IN GENERAL.—In accordance with subparagraph (B), the Commission shall issue a written report on a semiannual and annual basis to make available to the public information relating to—

“(i) the trading and clearing in the major swap categories; and

“(ii) the market participants and developments in new products.

“(B) USE; CONSULTATION.—In preparing a report under subparagraph (A), the Commission shall—

“(i) use information from swap data repositories and derivatives clearing organizations; and

“(ii) consult with the Office of the Comptroller of the Currency, the Bank for International Settlements, and such other regulatory bodies as may be necessary.

“(C) AUTHORITY OF THE COMMISSION.—The Commission may, by rule, regulation, or order, delegate the public reporting responsibilities of the Commission under this paragraph in accordance with such terms and conditions as the Commission determines to be appropriate and in the public interest.”.

SEC. 728. SWAP DATA REPOSITORIES.

The Commodity Exchange Act is amended by inserting after section 20 (7 U.S.C. 24) the following:

“SEC. 21. SWAP DATA REPOSITORIES.

“(a) REGISTRATION REQUIREMENT.—

“(1) REQUIREMENT; AUTHORITY OF DERIVATIVES CLEARING ORGANIZATION.—

“(A) IN GENERAL.—It shall be unlawful for any person, unless registered with the Commission, directly or indirectly to make use of the mails or any means or instrumentality of interstate commerce to perform the functions of a swap data repository.

“(B) REGISTRATION OF DERIVATIVES CLEARING ORGANIZATIONS.—A derivatives clearing organization may register as a swap data repository.

“(2) INSPECTION AND EXAMINATION.—Each registered swap data repository shall be subject to inspection and examination by any representative of the Commission.

“(3) COMPLIANCE WITH CORE PRINCIPLES.—

“(A) IN GENERAL.—To be registered, and maintain registration, as a swap data repository, the swap data repository shall comply with—

“(i) the requirements and core principles described in this section; and

“(ii) any requirement that the Commission may impose by rule or regulation pursuant to section 8a(5).

“(B) REASONABLE DISCRETION OF SWAP DATA REPOSITORY.—Unless otherwise determined by the Commission by rule or regulation, a swap data repository described in subparagraph (A) shall have reasonable discretion in establishing the manner in which the swap data repository complies with the core principles described in this section.

“(b) STANDARD SETTING.—

“(1) DATA IDENTIFICATION.—

“(A) IN GENERAL.—In accordance with subparagraph (B), the Commission shall prescribe standards that specify the data elements for each swap that shall be collected and maintained by each registered swap data repository.

“(B) REQUIREMENT.—In carrying out subparagraph (A), the Commission shall prescribe consistent data element standards applicable to registered entities and reporting counterparties.

“(2) DATA COLLECTION AND MAINTENANCE.—The Commission shall prescribe data collection and data maintenance standards for swap data repositories.

“(3) COMPARABILITY.—The standards prescribed by the Commission under this subsection shall be comparable to the data standards imposed by the Commission on derivatives clearing organizations in connection with their clearing of swaps.

“(c) DUTIES.—A swap data repository shall—

“(1) accept data prescribed by the Commission for each swap under subsection (b);

“(2) confirm with both counterparties to the swap the accuracy of the data that was submitted;

“(3) maintain the data described in paragraph (1) in such form, in such manner, and for such period as may be required by the Commission;

“(4)(A) provide direct electronic access to the Commission (or any designee of the Commission, including another registered entity); and

“(B) provide the information described in paragraph (1) in such form and at such fre-

quency as the Commission may require to comply with the public reporting requirements contained in section 2(a)(13);

“(5) at the direction of the Commission, establish automated systems for monitoring, screening, and analyzing swap data, including compliance and frequency of end user clearing exemption claims by individual and affiliated entities;

“(6) maintain the privacy of any and all swap transaction information that the swap data repository receives from a swap dealer, counterparty, or any other registered entity; and

“(7) on a confidential basis pursuant to section 8, upon request, and after notifying the Commission of the request, make available all data obtained by the swap data repository, including individual counterparty trade and position data, to—

“(A) each appropriate prudential regulator;

“(B) the Financial Stability Oversight Council;

“(C) the Securities and Exchange Commission;

“(D) the Department of Justice; and

“(E) any other person that the Commission determines to be appropriate, including—

“(i) foreign financial supervisors (including foreign futures authorities);

“(ii) foreign central banks; and

“(iii) foreign ministries; and

“(8) establish and maintain emergency procedures, backup facilities, and a plan for disaster recovery that allows for the timely recovery and resumption of operations and the fulfillment of the responsibilities and obligations of the organization.

“(d) CONFIDENTIALITY AND INDEMNIFICATION AGREEMENT.—Before the swap data repository may share information with any entity described in subsection (c)(7)—

“(1) the swap data repository shall receive a written agreement from each entity stating that the entity shall abide by the confidentiality requirements described in section 8 relating to the information on swap transactions that is provided; and

“(2) each entity shall agree to indemnify the swap data repository and the Commission for any expenses arising from litigation relating to the information provided under section 8.

“(e) DESIGNATION OF CHIEF COMPLIANCE OFFICER.—

“(1) IN GENERAL.—Each swap data repository shall designate an individual to serve as a chief compliance officer.

“(2) DUTIES.—The chief compliance officer shall—

“(A) report directly to the board or to the senior officer of the swap data repository;

“(B) review the compliance of the swap data repository with respect to the requirements and core principles described in this section;

“(C) in consultation with the board of the swap data repository, a body performing a function similar to the board of the swap data repository, or the senior officer of the swap data repository, resolve any conflicts of interest that may arise;

“(D) be responsible for administering each policy and procedure that is required to be established pursuant to this section;

“(E) ensure compliance with this Act (including regulations) relating to agreements, contracts, or transactions, including each rule prescribed by the Commission under this section;

“(F) establish procedures for the remediation of noncompliance issues identified by the chief compliance officer through any—

“(i) compliance office review;

“(ii) look-back;

“(iii) internal or external audit finding;

“(iv) self-reported error; or

“(v) validated complaint; and

“(G) establish and follow appropriate procedures for the handling, management response,

remediation, retesting, and closing of non-compliance issues.

“(3) ANNUAL REPORTS.—

“(A) IN GENERAL.—In accordance with rules prescribed by the Commission, the chief compliance officer shall annually prepare and sign a report that contains a description of—

“(i) the compliance of the swap data repository of the chief compliance officer with respect to this Act (including regulations); and

“(ii) each policy and procedure of the swap data repository of the chief compliance officer (including the code of ethics and conflict of interest policies of the swap data repository)."

“(B) REQUIREMENTS.—A compliance report under subparagraph (A) shall—

“(i) accompany each appropriate financial report of the swap data repository that is required to be furnished to the Commission pursuant to this section; and

“(ii) include a certification that, under penalty of law, the compliance report is accurate and complete."

“(f) CORE PRINCIPLES APPLICABLE TO SWAP DATA REPOSITORIES.—

“(1) ANTITRUST CONSIDERATIONS.—Unless necessary or appropriate to achieve the purposes of this Act, a swap data repository shall not—

“(A) adopt any rule or take any action that results in any unreasonable restraint of trade; or

“(B) impose any material anticompetitive burden on the trading, clearing, or reporting of transactions."

“(2) GOVERNANCE ARRANGEMENTS.—Each swap data repository shall establish governance arrangements that are transparent—

“(A) to fulfill public interest requirements; and

“(B) to support the objectives of the Federal Government, owners, and participants."

“(3) CONFLICTS OF INTEREST.—Each swap data repository shall—

“(A) establish and enforce rules to minimize conflicts of interest in the decision-making process of the swap data repository; and

“(B) establish a process for resolving conflicts of interest described in subparagraph (A)."

“(4) ADDITIONAL DUTIES DEVELOPED BY COMMISSION.—

“(A) IN GENERAL.—The Commission may develop 1 or more additional duties applicable to swap data repositories.

“(B) CONSIDERATION OF EVOLVING STANDARDS.—In developing additional duties under subparagraph (A), the Commission may take into consideration any evolving standard of the United States or the international community.

“(C) ADDITIONAL DUTIES FOR COMMISSION DESIGNATEES.—The Commission shall establish additional duties for any registrant described in section 1a(48) in order to minimize conflicts of interest, protect data, ensure compliance, and guarantee the safety and security of the swap data repository.

“(g) REQUIRED REGISTRATION FOR SWAP DATA REPOSITORIES.—Any person that is required to be registered as a swap data repository under this section shall register with the Commission regardless of whether that person is also licensed as a bank or registered with the Securities and Exchange Commission as a swap data repository.

“(h) RULES.—The Commission shall adopt rules governing persons that are registered under this section.”

SEC. 729. REPORTING AND RECORDKEEPING.

The Commodity Exchange Act is amended by inserting after section 4q (7 U.S.C. 60–1) the following:

“SEC. 4r. REPORTING AND RECORDKEEPING FOR UNCLEARED SWAPS.

“(a) REQUIRED REPORTING OF SWAPS NOT ACCEPTED BY ANY DERIVATIVES CLEARING ORGANIZATION.—

“(1) IN GENERAL.—Each swap that is not accepted for clearing by any derivatives clearing organization shall be reported to—

“(A) a swap data repository described in section 21; or

“(B) in the case in which there is no swap data repository that would accept the swap, to the Commission pursuant to this section within such time period as the Commission may by rule or regulation prescribe."

“(2) TRANSITION RULE FOR PREENACTMENT SWAPS.—

“(A) SWAPS ENTERED INTO BEFORE THE DATE OF ENACTMENT OF THE WALL STREET TRANSPARENCY AND ACCOUNTABILITY ACT OF 2010.—Each swap entered into before the date of enactment of the Wall Street Transparency and Accountability Act of 2010, the terms of which have not expired as of the date of enactment of that Act, shall be reported to a registered swap data repository or the Commission by a date that is not later than—

“(i) 30 days after issuance of the interim final rule; or

“(ii) such other period as the Commission determines to be appropriate."

“(B) COMMISSION RULEMAKING.—The Commission shall promulgate an interim final rule within 90 days of the date of enactment of this section providing for the reporting of each swap entered into before the date of enactment as referenced in subparagraph (A).

“(C) EFFECTIVE DATE.—The reporting provisions described in this section shall be effective upon the enactment of this section.

“(3) REPORTING OBLIGATIONS.—

“(A) SWAPS IN WHICH ONLY 1 COUNTERPARTY IS A SWAP DEALER OR MAJOR SWAP PARTICIPANT.—With respect to a swap in which only 1 counterparty is a swap dealer or major swap participant, the swap dealer or major swap participant shall report the swap as required under paragraphs (1) and (2).

“(B) SWAPS IN WHICH 1 COUNTERPARTY IS A SWAP DEALER AND THE OTHER A MAJOR SWAP PARTICIPANT.—With respect to a swap in which 1 counterparty is a swap dealer and the other a major swap participant, the swap dealer shall report the swap as required under paragraphs (1) and (2).

“(C) OTHER SWAPS.—With respect to any other swap not described in subparagraph (A) or (B), the counterparties to the swap shall select a counterparty to report the swap as required under paragraphs (1) and (2).

“(b) DUTIES OF CERTAIN INDIVIDUALS.—Any individual or entity that enters into a swap shall meet each requirement described in subsection (c) if the individual or entity did not—

“(1) clear the swap in accordance with section 2(h)(1); or

“(2) have the data regarding the swap accepted by a swap data repository in accordance with rules (including timeframes) adopted by the Commission under section 21."

“(c) REQUIREMENTS.—An individual or entity described in subsection (b) shall—

“(1) upon written request from the Commission, provide reports regarding the swaps held by the individual or entity to the Commission in such form and in such manner as the Commission may request; and

“(2) maintain books and records pertaining to the swaps held by the individual or entity in such form, in such manner, and for such period as the Commission may require, which shall be open to inspection by—

“(A) any representative of the Commission;

“(B) an appropriate prudential regulator;

“(C) the Securities and Exchange Commission;

“(D) the Financial Stability Oversight Council; and

“(E) the Department of Justice."

“(d) IDENTICAL DATA.—In prescribing rules under this section, the Commission shall require

individuals and entities described in subsection (b) to submit to the Commission a report that contains data that is not less comprehensive than the data required to be collected by swap data repositories under section 21.”

SEC. 730. LARGE SWAP TRADER REPORTING.

The Commodity Exchange Act (7 U.S.C. 1 et seq.) is amended by adding after section 4s (as added by section 731) the following:

“SEC. 4t. LARGE SWAP TRADER REPORTING.

“(a) PROHIBITION.—

“(1) IN GENERAL.—Except as provided in paragraph (2), it shall be unlawful for any person to enter into any swap that the Commission determines to perform a significant price discovery function with respect to registered entities if—

“(A) the person directly or indirectly enters into the swap during any 1 day in an amount equal to or in excess of such amount as shall be established periodically by the Commission; and

“(B) the person directly or indirectly has or obtains a position in the swap equal to or in excess of such amount as shall be established periodically by the Commission."

“(2) EXCEPTION.—Paragraph (1) shall not apply if—

“(A) the person files or causes to be filed with the properly designated officer of the Commission such reports regarding any transactions or positions described in subparagraphs (A) and (B) of paragraph (1) as the Commission may require by rule or regulation; and

“(B) in accordance with the rules and regulations of the Commission, the person keeps books and records of all such swaps and any transactions and positions in any related commodity traded on or subject to the rules of any designated contract market or swap execution facility, and of cash or spot transactions in, inventories of, and purchase and sale commitments of, such a commodity."

“(b) REQUIREMENTS.—

“(1) IN GENERAL.—Books and records described in subsection (a)(2)(B) shall—

“(A) show such complete details concerning all transactions and positions as the Commission may prescribe by rule or regulation;

“(B) be open at all times to inspection and examination by any representative of the Commission; and

“(C) be open at all times to inspection and examination by the Securities and Exchange Commission, to the extent such books and records relate to transactions in swaps (as that term is defined in section 1a(47)(A)(v)), and consistent with the confidentiality and disclosure requirements of section 8."

“(2) JURISDICTION.—Nothing in paragraph (1) shall affect the exclusive jurisdiction of the Commission to prescribe recordkeeping and reporting requirements for large swap traders under this section.

“(c) APPLICABILITY.—For purposes of this section, the swaps, futures, and cash or spot transactions and positions of any person shall include the swaps, futures, and cash or spot transactions and positions of any persons directly or indirectly controlled by the person.

“(d) SIGNIFICANT PRICE DISCOVERY FUNCTION.—In making a determination as to whether a swap performs or affects a significant price discovery function with respect to registered entities, the Commission shall consider the factors described in section 4a(a)(3).”

SEC. 731. REGISTRATION AND REGULATION OF SWAP DEALERS AND MAJOR SWAP PARTICIPANTS.

The Commodity Exchange Act (7 U.S.C. 1 et seq.) is amended by inserting after section 4r (as added by section 729) the following:

“SEC. 4s. REGISTRATION AND REGULATION OF SWAP DEALERS AND MAJOR SWAP PARTICIPANTS.

“(a) REGISTRATION.—

“(1) **SWAP DEALERS.**—It shall be unlawful for any person to act as a swap dealer unless the person is registered as a swap dealer with the Commission.

“(2) **MAJOR SWAP PARTICIPANTS.**—It shall be unlawful for any person to act as a major swap participant unless the person is registered as a major swap participant with the Commission.

“(b) **REQUIREMENTS.**—

“(1) **IN GENERAL.**—A person shall register as a swap dealer or major swap participant by filing a registration application with the Commission.

“(2) **CONTENTS.**—

“(A) **IN GENERAL.**—The application shall be made in such form and manner as prescribed by the Commission, and shall contain such information, as the Commission considers necessary concerning the business in which the applicant is or will be engaged.

“(B) **CONTINUAL REPORTING.**—A person that is registered as a swap dealer or major swap participant shall continue to submit to the Commission reports that contain such information pertaining to the business of the person as the Commission may require.

“(3) **EXPIRATION.**—Each registration under this section shall expire at such time as the Commission may prescribe by rule or regulation.

“(4) **RULES.**—Except as provided in subsections (d) and (e), the Commission may prescribe rules applicable to swap dealers and major swap participants, including rules that limit the activities of swap dealers and major swap participants.

“(5) **TRANSITION.**—Rules under this section shall provide for the registration of swap dealers and major swap participants not later than 1 year after the date of enactment of the Wall Street Transparency and Accountability Act of 2010.

“(6) **STATUTORY DISQUALIFICATION.**—Except to the extent otherwise specifically provided by rule, regulation, or order, it shall be unlawful for a swap dealer or a major swap participant to permit any person associated with a swap dealer or a major swap participant who is subject to a statutory disqualification to effect or be involved in effecting swaps on behalf of the swap dealer or major swap participant, if the swap dealer or major swap participant knew, or in the exercise of reasonable care should have known, of the statutory disqualification.

“(c) **DUAL REGISTRATION.**—

“(1) **SWAP DEALER.**—Any person that is required to be registered as a swap dealer under this section shall register with the Commission regardless of whether the person also is a depository institution or is registered with the Securities and Exchange Commission as a security-based swap dealer.

“(2) **MAJOR SWAP PARTICIPANT.**—Any person that is required to be registered as a major swap participant under this section shall register with the Commission regardless of whether the person also is a depository institution or is registered with the Securities and Exchange Commission as a major security-based swap participant.

“(d) **RULEMAKINGS.**—

“(1) **IN GENERAL.**—The Commission shall adopt rules for persons that are registered as swap dealers or major swap participants under this section.

“(2) **EXCEPTION FOR PRUDENTIAL REQUIREMENTS.**—

“(A) **IN GENERAL.**—The Commission may not prescribe rules imposing prudential requirements on swap dealers or major swap participants for which there is a prudential regulator.

“(B) **APPLICABILITY.**—Subparagraph (A) does not limit the authority of the Commission to prescribe rules as directed under this section.

“(e) **CAPITAL AND MARGIN REQUIREMENTS.**—

“(1) **IN GENERAL.**—

“(A) **SWAP DEALERS AND MAJOR SWAP PARTICIPANTS THAT ARE BANKS.**—Each registered swap

dealer and major swap participant for which there is a prudential regulator shall meet such minimum capital requirements and minimum initial and variation margin requirements as the prudential regulator shall by rule or regulation prescribe under paragraph (2)(A).

“(B) **SWAP DEALERS AND MAJOR SWAP PARTICIPANTS THAT ARE NOT BANKS.**—Each registered swap dealer and major swap participant for which there is not a prudential regulator shall meet such minimum capital requirements and minimum initial and variation margin requirements as the Commission shall by rule or regulation prescribe under paragraph (2)(B).

“(2) **RULES.**—

“(A) **SWAP DEALERS AND MAJOR SWAP PARTICIPANTS THAT ARE BANKS.**—The prudential regulators, in consultation with the Commission and the Securities and Exchange Commission, shall jointly adopt rules for swap dealers and major swap participants, with respect to their activities as a swap dealer or major swap participant, for which there is a prudential regulator imposing—

“(i) capital requirements; and

“(ii) both initial and variation margin requirements on all swaps that are not cleared by a registered derivatives clearing organization.

“(B) **SWAP DEALERS AND MAJOR SWAP PARTICIPANTS THAT ARE NOT BANKS.**—The Commission shall adopt rules for swap dealers and major swap participants, with respect to their activities as a swap dealer or major swap participant, for which there is not a prudential regulator imposing—

“(i) capital requirements; and

“(ii) both initial and variation margin requirements on all swaps that are not cleared by a registered derivatives clearing organization.

“(C) **CAPITAL.**—In setting capital requirements for a person that is designated as a swap dealer or a major swap participant for a single type or single class or category of swap or activities, the prudential regulator and the Commission shall take into account the risks associated with other types of swaps or classes of swaps or categories of swaps engaged in and the other activities conducted by that person that are not otherwise subject to regulation applicable to that person by virtue of the status of the person as a swap dealer or a major swap participant.

“(3) **STANDARDS FOR CAPITAL AND MARGIN.**—

“(A) **IN GENERAL.**—To offset the greater risk to the swap dealer or major swap participant and the financial system arising from the use of swaps that are not cleared, the requirements imposed under paragraph (2) shall—

“(i) help ensure the safety and soundness of the swap dealer or major swap participant; and

“(ii) be appropriate for the risk associated with the non-cleared swaps held as a swap dealer or major swap participant.

“(B) **RULE OF CONSTRUCTION.**—

“(i) **IN GENERAL.**—Nothing in this section shall limit, or be construed to limit, the authority—

“(I) of the Commission to set financial responsibility rules for a futures commission merchant or introducing broker registered pursuant to section 4f(a) (except for section 4f(a)(3)) in accordance with section 4f(b); or

“(II) of the Securities and Exchange Commission to set financial responsibility rules for a broker or dealer registered pursuant to section 15(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(b)) (except for section 15(b)(11) of that Act (15 U.S.C. 78o(b)(11)) in accordance with section 15(c)(3) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(c)(3)).

“(ii) **FUTURES COMMISSION MERCHANTS AND OTHER DEALERS.**—A futures commission merchant, introducing broker, broker, or dealer shall maintain sufficient capital to comply with

the stricter of any applicable capital requirements to which such futures commission merchant, introducing broker, broker, or dealer is subject to under this Act or the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.).

“(C) **MARGIN REQUIREMENTS.**—In prescribing margin requirements under this subsection, the prudential regulator with respect to swap dealers and major swap participants for which it is the prudential regulator and the Commission with respect to swap dealers and major swap participants for which there is no prudential regulator shall permit the use of noncash collateral, as the regulator or the Commission determines to be consistent with—

“(i) preserving the financial integrity of markets trading swaps; and

“(ii) preserving the stability of the United States financial system.

“(D) **COMPARABILITY OF CAPITAL AND MARGIN REQUIREMENTS.**—

“(i) **IN GENERAL.**—The prudential regulators, the Commission, and the Securities and Exchange Commission shall periodically (but not less frequently than annually) consult on minimum capital requirements and minimum initial and variation margin requirements.

“(ii) **COMPARABILITY.**—The entities described in clause (i) shall, to the maximum extent practicable, establish and maintain comparable minimum capital requirements and minimum initial and variation margin requirements, including the use of non cash collateral, for—

“(I) swap dealers; and

“(II) major swap participants.

“(f) **REPORTING AND RECORDKEEPING.**—

“(1) **IN GENERAL.**—Each registered swap dealer and major swap participant—

“(A) shall make such reports as are required by the Commission by rule or regulation regarding the transactions and positions and financial condition of the registered swap dealer or major swap participant;

“(B)(i) for which there is a prudential regulator, shall keep books and records of all activities related to the business as a swap dealer or major swap participant in such form and manner and for such period as may be prescribed by the Commission by rule or regulation; and

“(ii) for which there is no prudential regulator, shall keep books and records in such form and manner and for such period as may be prescribed by the Commission by rule or regulation;

“(C) shall keep books and records described in subparagraph (B) open to inspection and examination by any representative of the Commission; and

“(D) shall keep any such books and records relating to swaps defined in section 1a(47)(A)(v) open to inspection and examination by the Securities and Exchange Commission.

“(2) **RULES.**—The Commission shall adopt rules governing reporting and recordkeeping for swap dealers and major swap participants.

“(g) **DAILY TRADING RECORDS.**—

“(1) **IN GENERAL.**—Each registered swap dealer and major swap participant shall maintain daily trading records of the swaps of the registered swap dealer and major swap participant and all related records (including related cash or forward transactions) and recorded communications, including electronic mail, instant messages, and recordings of telephone calls, for such period as may be required by the Commission by rule or regulation.

“(2) **INFORMATION REQUIREMENTS.**—The daily trading records shall include such information as the Commission shall require by rule or regulation.

“(3) **COUNTERPARTY RECORDS.**—Each registered swap dealer and major swap participant shall maintain daily trading records for each counterparty in a manner and form that is identifiable with each swap transaction.

“(4) **AUDIT TRAIL.**—Each registered swap dealer and major swap participant shall maintain a complete audit trail for conducting comprehensive and accurate trade reconstructions.

“(5) **RULES.**—The Commission shall adopt rules governing daily trading records for swap dealers and major swap participants.

“(h) **BUSINESS CONDUCT STANDARDS.**—

“(1) **IN GENERAL.**—Each registered swap dealer and major swap participant shall conform with such business conduct standards as prescribed in paragraph (3) and as may be prescribed by the Commission by rule or regulation that relate to—

“(A) fraud, manipulation, and other abusive practices involving swaps (including swaps that are offered but not entered into);

“(B) diligent supervision of the business of the registered swap dealer and major swap participant;

“(C) adherence to all applicable position limits; and

“(D) such other matters as the Commission determines to be appropriate.

“(2) **RESPONSIBILITIES WITH RESPECT TO SPECIAL ENTITIES.**—

“(A) **ADVISING SPECIAL ENTITIES.**—A swap dealer or major swap participant that acts as an advisor to a special entity regarding a swap shall comply with the requirements of subparagraph (4) with respect to such Special Entity.

“(B) **ENTERING OF SWAPS WITH RESPECT TO SPECIAL ENTITIES.**—A swap dealer that enters into or offers to enter into swap with a Special Entity shall comply with the requirements of subparagraph (5) with respect to such Special Entity.

“(C) **SPECIAL ENTITY DEFINED.**—For purposes of this subsection, the term ‘special entity’ means—

“(i) a Federal agency;

“(ii) a State, State agency, city, county, municipality, or other political subdivision of a State;

“(iii) any employee benefit plan, as defined in section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002);

“(iv) any governmental plan, as defined in section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002); or

“(v) any endowment, including an endowment that is an organization described in section 501(c)(3) of the Internal Revenue Code of 1986.

“(3) **BUSINESS CONDUCT REQUIREMENTS.**—Business conduct requirements adopted by the Commission shall—

“(A) establish a duty for a swap dealer or major swap participant to verify that any counterparty meets the eligibility standards for an eligible contract participant;

“(B) require disclosure by the swap dealer or major swap participant to any counterparty to the transaction (other than a swap dealer, major swap participant, security-based swap dealer, or major security-based swap participant) of—

“(i) information about the material risks and characteristics of the swap;

“(ii) any material incentives or conflicts of interest that the swap dealer or major swap participant may have in connection with the swap; and

“(iii) (I) for cleared swaps, upon the request of the counterparty, receipt of the daily mark of the transaction from the appropriate derivatives clearing organization; and

“(II) for uncleared swaps, receipt of the daily mark of the transaction from the swap dealer or the major swap participant;

“(C) establish a duty for a swap dealer or major swap participant to communicate in a fair and balanced manner based on principles of fair dealing and good faith; and

“(D) establish such other standards and requirements as the Commission may determine

are appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of this Act.

“(4) **SPECIAL REQUIREMENTS FOR SWAP DEALERS ACTING AS ADVISORS.**—

“(A) **IN GENERAL.**—It shall be unlawful for a swap dealer or major swap participant—

“(i) to employ any device, scheme, or artifice to defraud any Special Entity or prospective customer who is a Special Entity;

“(ii) to engage in any transaction, practice, or course of business that operates as a fraud or deceit on any Special Entity or prospective customer who is a Special Entity; or

“(iii) to engage in any act, practice, or course of business that is fraudulent, deceptive or manipulative.

“(B) **DUTY.**—Any swap dealer that acts as an advisor to a Special Entity shall have a duty to act in the best interests of the Special Entity.

“(C) **REASONABLE EFFORTS.**—Any swap dealer that acts as an advisor to a Special Entity shall make reasonable efforts to obtain such information as is necessary to make a reasonable determination that any swap recommended by the swap dealer is in the best interests of the Special Entity, including information relating to—

“(i) the financial status of the Special Entity;

“(ii) the tax status of the Special Entity;

“(iii) the investment or financing objectives of the Special Entity; and

“(iv) any other information that the Commission may prescribe by rule or regulation.

“(5) **SPECIAL REQUIREMENTS FOR SWAP DEALERS AS COUNTERPARTIES TO SPECIAL ENTITIES.**—

“(A) Any swap dealer or major swap participant that offers to enter or enters into a swap with a Special Entity shall—

“(i) comply with any duty established by the Commission for a swap dealer or major swap participant, with respect to a counterparty that is an eligible contract participant within the meaning of subclause (I) or (II) of clause (vii) of section 1a(18) of this Act, that requires the swap dealer or major swap participant to have a reasonable basis to believe that the counterparty that is a Special Entity has an independent representative that—

“(I) has sufficient knowledge to evaluate the transaction and risks;

“(II) is not subject to a statutory disqualification;

“(III) is independent of the swap dealer or major swap participant;

“(IV) undertakes a duty to act in the best interests of the counterparty it represents;

“(V) makes appropriate disclosures;

“(VI) will provide written representations to the Special Entity regarding fair pricing and the appropriateness of the transaction; and

“(VII) in the case of employee benefit plans subject to the Employee Retirement Income Security Act of 1974, is a fiduciary as defined in section 3 of that Act (29 U.S.C. 1002); and

“(ii) before the initiation of the transaction, disclose to the Special Entity in writing the capacity in which the swap dealer is acting; and

“(B) the Commission may establish such other standards and requirements as the Commission may determine are appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of this Act.

“(6) **RULES.**—The Commission shall prescribe rules under this subsection governing business conduct standards for swap dealers and major swap participants.

“(7) **APPLICABILITY.**—This section shall not apply with respect to a transaction that is—

“(A) initiated by a Special Entity on an exchange or swap execution facility; and

“(B) one in which the swap dealer or major swap participant does not know the identity of the counterparty to the transaction.

“(i) **DOCUMENTATION STANDARDS.**—

“(1) **IN GENERAL.**—Each registered swap dealer and major swap participant shall conform with such standards as may be prescribed by the Commission by rule or regulation that relate to timely and accurate confirmation, processing, netting, documentation, and valuation of all swaps.

“(2) **RULES.**—The Commission shall adopt rules governing documentation standards for swap dealers and major swap participants.

“(f) **DUTIES.**—Each registered swap dealer and major swap participant at all times shall comply with the following requirements:

“(1) **MONITORING OF TRADING.**—The swap dealer or major swap participant shall monitor its trading in swaps to prevent violations of applicable position limits.

“(2) **RISK MANAGEMENT PROCEDURES.**—The swap dealer or major swap participant shall establish robust and professional risk management systems adequate for managing the day-to-day business of the swap dealer or major swap participant.

“(3) **DISCLOSURE OF GENERAL INFORMATION.**—The swap dealer or major swap participant shall disclose to the Commission and to the prudential regulator for the swap dealer or major swap participant, as applicable, information concerning—

“(A) terms and conditions of its swaps;

“(B) swap trading operations, mechanisms, and practices;

“(C) financial integrity protections relating to swaps; and

“(D) other information relevant to its trading in swaps.

“(4) **ABILITY TO OBTAIN INFORMATION.**—The swap dealer or major swap participant shall—

“(A) establish and enforce internal systems and procedures to obtain any necessary information to perform any of the functions described in this section; and

“(B) provide the information to the Commission and to the prudential regulator for the swap dealer or major swap participant, as applicable, on request.

“(5) **CONFLICTS OF INTEREST.**—The swap dealer and major swap participant shall implement conflict-of-interest systems and procedures that—

“(A) establish structural and institutional safeguards to ensure that the activities of any person within the firm relating to research or analysis of the price or market for any commodity or swap or acting in a role of providing clearing activities or making determinations as to accepting clearing customers are separated by appropriate informational partitions within the firm from the review, pressure, or oversight of persons whose involvement in pricing, trading, or clearing activities might potentially bias their judgment or supervision and contravene the core principles of open access and the business conduct standards described in this Act; and

“(B) address such other issues as the Commission determines to be appropriate.

“(6) **ANTITRUST CONSIDERATIONS.**—Unless necessary or appropriate to achieve the purposes of this Act, a swap dealer or major swap participant shall not—

“(A) adopt any process or take any action that results in any unreasonable restraint of trade; or

“(B) impose any material anticompetitive burden on trading or clearing.

“(7) **RULES.**—The Commission shall prescribe rules under this subsection governing duties of swap dealers and major swap participants.

“(k) **DESIGNATION OF CHIEF COMPLIANCE OFFICER.**—

“(1) **IN GENERAL.**—Each swap dealer and major swap participant shall designate an individual to serve as a chief compliance officer.

“(2) **DUTIES.**—The chief compliance officer shall—

“(A) report directly to the board or to the senior officer of the swap dealer or major swap participant;

“(B) review the compliance of the swap dealer or major swap participant with respect to the swap dealer and major swap participant requirements described in this section;

“(C) in consultation with the board of directors, a body performing a function similar to the board, or the senior officer of the organization, resolve any conflicts of interest that may arise;

“(D) be responsible for administering each policy and procedure that is required to be established pursuant to this section;

“(E) ensure compliance with this Act (including regulations) relating to swaps, including each rule prescribed by the Commission under this section;

“(F) establish procedures for the remediation of noncompliance issues identified by the chief compliance officer through any—

“(i) compliance office review;

“(ii) look-back;

“(iii) internal or external audit finding;

“(iv) self-reported error; or

“(v) validated complaint; and

“(G) establish and follow appropriate procedures for the handling, management response, remediation, retesting, and closing of non-compliance issues.

“(3) ANNUAL REPORTS.—

“(A) IN GENERAL.—In accordance with rules prescribed by the Commission, the chief compliance officer shall annually prepare and sign a report that contains a description of—

“(i) the compliance of the swap dealer or major swap participant with respect to this Act (including regulations); and

“(ii) each policy and procedure of the swap dealer or major swap participant of the chief compliance officer (including the code of ethics and conflict of interest policies).

“(B) REQUIREMENTS.—A compliance report under subparagraph (A) shall—

“(i) accompany each appropriate financial report of the swap dealer or major swap participant that is required to be furnished to the Commission pursuant to this section; and

“(ii) include a certification that, under penalty of law, the compliance report is accurate and complete.”.

SEC. 732. CONFLICTS OF INTEREST.

Section 4d of the Commodity Exchange Act (7 U.S.C. 6d) is amended—

(1) by redesignating subsection (c) as subsection (e); and

(2) by inserting after subsection (b) the following:

“(c) CONFLICTS OF INTEREST.—The Commission shall require that futures commission merchants and introducing brokers implement conflict-of-interest systems and procedures that—

“(1) establish structural and institutional safeguards to ensure that the activities of any person within the firm relating to research or analysis of the price or market for any commodity are separated by appropriate informational partitions within the firm from the review, pressure, or oversight of persons whose involvement in trading or clearing activities might potentially bias the judgment or supervision of the persons; and

“(2) address such other issues as the Commission determines to be appropriate.

“(d) DESIGNATION OF CHIEF COMPLIANCE OFFICER.—Each futures commission merchant shall designate an individual to serve as its Chief Compliance Officer and perform such duties and responsibilities as shall be set forth in regulations to be adopted by the Commission or rules to be adopted by a futures association registered under section 17.”.

SEC. 733. SWAP EXECUTION FACILITIES.

The Commodity Exchange Act is amended by inserting after section 5g (7 U.S.C. 7b–2) the following:

“SEC. 5h. SWAP EXECUTION FACILITIES.

“(a) REGISTRATION.—

“(1) IN GENERAL.—No person may operate a facility for the trading or processing of swaps unless the facility is registered as a swap execution facility or as a designated contract market under this section.

“(2) DUAL REGISTRATION.—Any person that is registered as a swap execution facility under this section shall register with the Commission regardless of whether the person also is registered with the Securities and Exchange Commission as a swap execution facility.

“(b) TRADING AND TRADE PROCESSING.—

“(1) IN GENERAL.—Except as specified in paragraph (2), a swap execution facility that is registered under subsection (a) may—

“(A) make available for trading any swap; and

“(B) facilitate trade processing of any swap.

“(2) AGRICULTURAL SWAPS.—A swap execution facility may not list for trading or confirm the execution of any swap in an agricultural commodity (as defined by the Commission) except pursuant to a rule or regulation of the Commission allowing the swap under such terms and conditions as the Commission shall prescribe.

“(c) IDENTIFICATION OF FACILITY USED TO TRADE SWAPS BY CONTRACT MARKETS.—A board of trade that operates a contract market shall, to the extent that the board of trade also operates a swap execution facility and uses the same electronic trade execution system for listing and executing trades of swaps on or through the contract market and the swap execution facility, identify whether the electronic trading of such swaps is taking place on or through the contract market or the swap execution facility.

“(d) RULE-WRITING.—

“(1) The Securities and Exchange Commission and Commodity Futures Trading Commission may promulgate rules defining the universe of swaps that can be executed on a swap execution facility. These rules shall take into account the price and nonprice requirements of the counterparties to a swap and the goal of this section as set forth in subsection (e).

“(2) For all swaps that are not required to be executed through a swap execution facility as defined in paragraph (1), such trades may be executed through any other available means of interstate commerce.

“(3) The Securities and Exchange Commission and Commodity Futures Trading Commission shall update these rules as necessary to account for technological and other innovation.

“(e) RULE OF CONSTRUCTION.—The goal of this section is to promote the trading of swaps on swap execution facilities and to promote pre-trade price transparency in the swaps market.

“(f) CORE PRINCIPLES FOR SWAP EXECUTION FACILITIES.—

“(1) COMPLIANCE WITH CORE PRINCIPLES.—

“(A) IN GENERAL.—To be registered, and maintain registration, as a swap execution facility, the swap execution facility shall comply with—

“(i) the core principles described in this subsection; and

“(ii) any requirement that the Commission may impose by rule or regulation pursuant to section 8a(5).

“(B) REASONABLE DISCRETION OF SWAP EXECUTION FACILITY.—Unless otherwise determined by the Commission by rule or regulation, a swap execution facility described in subparagraph (A) shall have reasonable discretion in establishing the manner in which the swap execution facility complies with the core principles described in this subsection.

“(2) COMPLIANCE WITH RULES.—A swap execution facility shall—

“(A) establish and enforce compliance with any rule of the swap execution facility, including—

“(i) the terms and conditions of the swaps traded or processed on or through the swap execution facility; and

“(ii) any limitation on access to the swap execution facility;

“(B) establish and enforce trading, trade processing, and participation rules that will deter abuses and have the capacity to detect, investigate, and enforce those rules, including means—

“(i) to provide market participants with impartial access to the market; and

“(ii) to capture information that may be used in establishing whether rule violations have occurred;

“(C) establish rules governing the operation of the facility, including rules specifying trading procedures to be used in entering and executing orders traded or posted on the facility, including block trades; and

“(D) provide by its rules that when a swap dealer or major swap participant enters into or facilitates a swap that is subject to the mandatory clearing requirement of section 2(h), the swap dealer or major swap participant shall be responsible for compliance with the mandatory trading requirement under section 2(h)(8).

“(3) SWAPS NOT READILY SUSCEPTIBLE TO MANIPULATION.—The swap execution facility shall permit trading only in swaps that are not readily susceptible to manipulation.

“(4) MONITORING OF TRADING AND TRADE PROCESSING.—The swap execution facility shall—

“(A) establish and enforce rules or terms and conditions defining, or specifications detailing—

“(i) trading procedures to be used in entering and executing orders traded on or through the facilities of the swap execution facility; and

“(ii) procedures for trade processing of swaps on or through the facilities of the swap execution facility; and

“(B) monitor trading in swaps to prevent manipulation, price distortion, and disruptions of the delivery or cash settlement process through surveillance, compliance, and disciplinary practices and procedures, including methods for conducting real-time monitoring of trading and comprehensive and accurate trade reconstructions.

“(5) ABILITY TO OBTAIN INFORMATION.—The swap execution facility shall—

“(A) establish and enforce rules that will allow the facility to obtain any necessary information to perform any of the functions described in this section;

“(B) provide the information to the Commission on request; and

“(C) have the capacity to carry out such international information-sharing agreements as the Commission may require.

“(6) POSITION LIMITS OR ACCOUNTABILITY.—

“(A) IN GENERAL.—To reduce the potential threat of market manipulation or congestion, especially during trading in the delivery month, a swap execution facility that is a trading facility shall adopt for each of the contracts of the facility, as is necessary and appropriate, position limitations or position accountability for speculators.

“(B) POSITION LIMITS.—For any contract that is subject to a position limitation established by the Commission pursuant to section 4a(a), the swap execution facility shall—

“(i) set its position limitation at a level no higher than the Commission limitation; and

“(ii) monitor positions established on or through the swap execution facility for compliance with the limit set by the Commission and the limit, if any, set by the swap execution facility.

“(7) FINANCIAL INTEGRITY OF TRANSACTIONS.—The swap execution facility shall establish and enforce rules and procedures for ensuring the financial integrity of swaps entered on or

through the facilities of the swap execution facility, including the clearance and settlement of the swaps pursuant to section 2(h)(1).

“(8) **EMERGENCY AUTHORITY.**—The swap execution facility shall adopt rules to provide for the exercise of emergency authority, in consultation or cooperation with the Commission, as is necessary and appropriate, including the authority to liquidate or transfer open positions in any swap or to suspend or curtail trading in a swap.

“(9) **TIMELY PUBLICATION OF TRADING INFORMATION.**—

“(A) **IN GENERAL.**—The swap execution facility shall make public timely information on price, trading volume, and other trading data on swaps to the extent prescribed by the Commission.

“(B) **CAPACITY OF SWAP EXECUTION FACILITY.**—The swap execution facility shall be required to have the capacity to electronically capture and transmit trade information with respect to transactions executed on the facility.

“(10) **RECORDKEEPING AND REPORTING.**—

“(A) **IN GENERAL.**—A swap execution facility shall—

“(i) maintain records of all activities relating to the business of the facility, including a complete audit trail, in a form and manner acceptable to the Commission for a period of 5 years;

“(ii) report to the Commission, in a form and manner acceptable to the Commission, such information as the Commission determines to be necessary or appropriate for the Commission to perform the duties of the Commission under this Act; and

“(iii) shall keep any such records relating to swaps defined in section 1a(47)(A)(v) open to inspection and examination by the Securities and Exchange Commission.”

“(B) **REQUIREMENTS.**—The Commission shall adopt data collection and reporting requirements for swap execution facilities that are comparable to corresponding requirements for derivatives clearing organizations and swap data repositories.

“(11) **ANTITRUST CONSIDERATIONS.**—Unless necessary or appropriate to achieve the purposes of this Act, the swap execution facility shall not—

“(A) adopt any rules or taking any actions that result in any unreasonable restraint of trade; or

“(B) impose any material anticompetitive burden on trading or clearing.

“(12) **CONFLICTS OF INTEREST.**—The swap execution facility shall—

“(A) establish and enforce rules to minimize conflicts of interest in its decision-making process; and

“(B) establish a process for resolving the conflicts of interest.

“(13) **FINANCIAL RESOURCES.**—

“(A) **IN GENERAL.**—The swap execution facility shall have adequate financial, operational, and managerial resources to discharge each responsibility of the swap execution facility.

“(B) **DETERMINATION OF RESOURCE ADEQUACY.**—The financial resources of a swap execution facility shall be considered to be adequate if the value of the financial resources exceeds the total amount that would enable the swap execution facility to cover the operating costs of the swap execution facility for a 1-year period, as calculated on a rolling basis.

“(14) **SYSTEM SAFEGUARDS.**—The swap execution facility shall—

“(A) establish and maintain a program of risk analysis and oversight to identify and minimize sources of operational risk, through the development of appropriate controls and procedures, and automated systems, that—

“(i) are reliable and secure; and

“(ii) have adequate scalable capacity;

“(B) establish and maintain emergency procedures, backup facilities, and a plan for disaster recovery that allow for—

“(i) the timely recovery and resumption of operations; and

“(ii) the fulfillment of the responsibilities and obligations of the swap execution facility; and

“(C) periodically conduct tests to verify that the backup resources of the swap execution facility are sufficient to ensure continued—

“(i) order processing and trade matching;

“(ii) price reporting;

“(iii) market surveillance and

“(iv) maintenance of a comprehensive and accurate audit trail.

“(15) **DESIGNATION OF CHIEF COMPLIANCE OFFICER.**—

“(A) **IN GENERAL.**—Each swap execution facility shall designate an individual to serve as a chief compliance officer.

“(B) **DUTIES.**—The chief compliance officer shall—

“(i) report directly to the board or to the senior officer of the facility;

“(ii) review compliance with the core principles in this subsection;

“(iii) in consultation with the board of the facility, a body performing a function similar to that of a board, or the senior officer of the facility, resolve any conflicts of interest that may arise;

“(iv) be responsible for establishing and administering the policies and procedures required to be established pursuant to this section;

“(v) ensure compliance with this Act and the rules and regulations issued under this Act, including rules prescribed by the Commission pursuant to this section; and

“(vi) establish procedures for the remediation of noncompliance issues found during compliance office reviews, look backs, internal or external audit findings, self-reported errors, or through validated complaints.

“(C) **REQUIREMENTS FOR PROCEDURES.**—In establishing procedures under subparagraph (B)(vi), the chief compliance officer shall design the procedures to establish the handling, management response, remediation, retesting, and closing of noncompliance issues.

“(D) **ANNUAL REPORTS.**—

“(i) **IN GENERAL.**—In accordance with rules prescribed by the Commission, the chief compliance officer shall annually prepare and sign a report that contains a description of—

“(I) the compliance of the swap execution facility with this Act; and

“(II) the policies and procedures, including the code of ethics and conflict of interest policies, of the swap execution facility.

“(ii) **REQUIREMENTS.**—The chief compliance officer shall—

“(I) submit each report described in clause (i) with the appropriate financial report of the swap execution facility that is required to be submitted to the Commission pursuant to this section; and

“(II) include in the report a certification that, under penalty of law, the report is accurate and complete.

“(g) **EXEMPTIONS.**—The Commission may exempt, conditionally or unconditionally, a swap execution facility from registration under this section if the Commission finds that the facility is subject to comparable, comprehensive supervision and regulation on a consolidated basis by the Securities and Exchange Commission, a prudential regulator, or the appropriate governmental authorities in the home country of the facility.

“(h) **RULES.**—The Commission shall prescribe rules governing the regulation of alternative swap execution facilities under this section.”

SEC. 734. DERIVATIVES TRANSACTION EXECUTION FACILITIES AND EXEMPT BOARDS OF TRADE.

(a) **IN GENERAL.**—Sections 5a and 5d of the Commodity Exchange Act (7 U.S.C. 7a, 7a–3) are repealed.

(b) **CONFORMING AMENDMENTS.**—

(1) Section 2 of the Commodity Exchange Act (7 U.S.C. 2) is amended—

(A) in subsection (a)(1)(A), in the first sentence, by striking “or 5a”; and

(B) in paragraph (2) of subsection (g) (as redesignated by section 723(a)(1)(B)), by striking “section 5a of this Act” and all that follows through “5d of this Act” and inserting “section 5b of this Act”.

(2) Section 6(g)(1)(A) of the Securities Exchange Act of 1934 (15 U.S.C. 78f(g)(1)(A)) is amended—

(A) by striking “that—” and all that follows through “(i) has been designated” and inserting “that has been designated”;

(B) by striking “; or” and inserting “; and” and

(C) by striking clause (ii).

(c) **ABILITY TO PETITION COMMISSION.**—

(1) **IN GENERAL.**—Prior to the final effective dates in this title, a person may petition the Commodity Futures Trading Commission to remain subject to the provisions of section 5d of the Commodity Exchange Act, as such provisions existed prior to the effective date of this subtitle.

(2) **CONSIDERATION OF PETITION.**—The Commodity Futures Trading Commission shall consider any petition submitted under paragraph (1) in a prompt manner and may allow a person to continue operating subject to the provisions of section 5d of the Commodity Exchange Act for up to 1 year after the effective date of this subtitle.

SEC. 735. DESIGNATED CONTRACT MARKETS.

(a) **CRITERIA FOR DESIGNATION.**—Section 5 of the Commodity Exchange Act (7 U.S.C. 7) is amended by striking subsection (b).

(b) **CORE PRINCIPLES FOR CONTRACT MARKETS.**—Section 5 of the Commodity Exchange Act (7 U.S.C. 7) is amended by striking subsection (d) and inserting the following:

“(d) **CORE PRINCIPLES FOR CONTRACT MARKETS.**—

“(1) **DESIGNATION AS CONTRACT MARKET.**—

“(A) **IN GENERAL.**—To be designated, and maintain a designation, as a contract market, a board of trade shall comply with—

“(i) any core principle described in this subsection; and

“(ii) any requirement that the Commission may impose by rule or regulation pursuant to section 8a(5).

“(B) **REASONABLE DISCRETION OF CONTRACT MARKET.**—Unless otherwise determined by the Commission by rule or regulation, a board of trade described in subparagraph (A) shall have reasonable discretion in establishing the manner in which the board of trade complies with the core principles described in this subsection.

“(2) **COMPLIANCE WITH RULES.**—

“(A) **IN GENERAL.**—The board of trade shall establish, monitor, and enforce compliance with the rules of the contract market, including—

“(i) access requirements;

“(ii) the terms and conditions of any contracts to be traded on the contract market; and

“(iii) rules prohibiting abusive trade practices on the contract market.

“(B) **CAPACITY OF CONTRACT MARKET.**—The board of trade shall have the capacity to detect, investigate, and apply appropriate sanctions to any person that violates any rule of the contract market.

“(C) **REQUIREMENT OF RULES.**—The rules of the contract market shall provide the board of trade with the ability and authority to obtain

any necessary information to perform any function described in this subsection, including the capacity to carry out such international information-sharing agreements as the Commission may require.

“(3) **CONTRACTS NOT READILY SUBJECT TO MANIPULATION.**—The board of trade shall list on the contract market only contracts that are not readily susceptible to manipulation.

“(4) **PREVENTION OF MARKET DISRUPTION.**—The board of trade shall have the capacity and responsibility to prevent manipulation, price distortion, and disruptions of the delivery or cash-settlement process through market surveillance, compliance, and enforcement practices and procedures, including—

“(A) methods for conducting real-time monitoring of trading; and

“(B) comprehensive and accurate trade reconstructions.

“(5) **POSITION LIMITATIONS OR ACCOUNTABILITY.**—

“(A) **IN GENERAL.**—To reduce the potential threat of market manipulation or congestion (especially during trading in the delivery month), the board of trade shall adopt for each contract of the board of trade, as is necessary and appropriate, position limitations or position accountability for speculators.

“(B) **MAXIMUM ALLOWABLE POSITION LIMITATION.**—For any contract that is subject to a position limitation established by the Commission pursuant to section 4a(a), the board of trade shall set the position limitation of the board of trade at a level not higher than the position limitation established by the Commission.

“(6) **EMERGENCY AUTHORITY.**—The board of trade, in consultation or cooperation with the Commission, shall adopt rules to provide for the exercise of emergency authority, as is necessary and appropriate, including the authority—

“(A) to liquidate or transfer open positions in any contract;

“(B) to suspend or curtail trading in any contract; and

“(C) to require market participants in any contract to meet special margin requirements.

“(7) **AVAILABILITY OF GENERAL INFORMATION.**—The board of trade shall make available to market authorities, market participants, and the public accurate information concerning—

“(A) the terms and conditions of the contracts of the contract market; and

“(B)(i) the rules, regulations, and mechanisms for executing transactions on or through the facilities of the contract market; and

“(ii) the rules and specifications describing the operation of the contract market’s—

“(I) electronic matching platform; or

“(II) trade execution facility.

“(8) **DAILY PUBLICATION OF TRADING INFORMATION.**—The board of trade shall make public daily information on settlement prices, volume, open interest, and opening and closing ranges for actively traded contracts on the contract market.

“(9) **EXECUTION OF TRANSACTIONS.**—

“(A) **IN GENERAL.**—The board of trade shall provide a competitive, open, and efficient market and mechanism for executing transactions that protects the price discovery process of trading in the centralized market of the board of trade.

“(B) **RULES.**—The rules of the board of trade may authorize, for bona fide business purposes—

“(i) transfer trades or office trades;

“(ii) an exchange of—

“(I) futures in connection with a cash commodity transaction;

“(II) futures for cash commodities; or

“(III) futures for swaps; or

“(iii) a futures commission merchant, acting as principal or agent, to enter into or confirm

the execution of a contract for the purchase or sale of a commodity for future delivery if the contract is reported, recorded, or cleared in accordance with the rules of the contract market or a derivatives clearing organization.

“(10) **TRADE INFORMATION.**—The board of trade shall maintain rules and procedures to provide for the recording and safe storage of all identifying trade information in a manner that enables the contract market to use the information—

“(A) to assist in the prevention of customer and market abuses; and

“(B) to provide evidence of any violations of the rules of the contract market.

“(11) **FINANCIAL INTEGRITY OF TRANSACTIONS.**—The board of trade shall establish and enforce—

“(A) rules and procedures for ensuring the financial integrity of transactions entered into on or through the facilities of the contract market (including the clearance and settlement of the transactions with a derivatives clearing organization); and

“(B) rules to ensure—

“(i) the financial integrity of any—

“(I) futures commission merchant; and

“(II) introducing broker; and

“(ii) the protection of customer funds.

“(12) **PROTECTION OF MARKETS AND MARKET PARTICIPANTS.**—The board of trade shall establish and enforce rules—

“(A) to protect markets and market participants from abusive practices committed by any party, including abusive practices committed by a party acting as an agent for a participant; and

“(B) to promote fair and equitable trading on the contract market.

“(13) **DISCIPLINARY PROCEDURES.**—The board of trade shall establish and enforce disciplinary procedures that authorize the board of trade to discipline, suspend, or expel members or market participants that violate the rules of the board of trade, or similar methods for performing the same functions, including delegation of the functions to third parties.

“(14) **DISPUTE RESOLUTION.**—The board of trade shall establish and enforce rules regarding, and provide facilities for alternative dispute resolution as appropriate for, market participants and any market intermediaries.

“(15) **GOVERNANCE FITNESS STANDARDS.**—The board of trade shall establish and enforce appropriate fitness standards for directors, members of any disciplinary committee, members of the contract market, and any other person with direct access to the facility (including any party affiliated with any person described in this paragraph).

“(16) **CONFLICTS OF INTEREST.**—The board of trade shall establish and enforce rules—

“(A) to minimize conflicts of interest in the decision-making process of the contract market; and

“(B) to establish a process for resolving conflicts of interest described in subparagraph (A).

“(17) **COMPOSITION OF GOVERNING BOARDS OF CONTRACT MARKETS.**—The governance arrangements of the board of trade shall be designed to permit consideration of the views of market participants.

“(18) **RECORDKEEPING.**—The board of trade shall maintain records of all activities relating to the business of the contract market—

“(A) in a form and manner that is acceptable to the Commission; and

“(B) for a period of at least 5 years.

“(19) **ANTITRUST CONSIDERATIONS.**—Unless necessary or appropriate to achieve the purposes of this Act, the board of trade shall not—

“(A) adopt any rule or taking any action that results in any unreasonable restraint of trade; or

“(B) impose any material anticompetitive burden on trading on the contract market.

“(20) **SYSTEM SAFEGUARDS.**—The board of trade shall—

“(A) establish and maintain a program of risk analysis and oversight to identify and minimize sources of operational risk, through the development of appropriate controls and procedures, and the development of automated systems, that are reliable, secure, and have adequate scalable capacity;

“(B) establish and maintain emergency procedures, backup facilities, and a plan for disaster recovery that allow for the timely recovery and resumption of operations and the fulfillment of the responsibilities and obligations of the board of trade; and

“(C) periodically conduct tests to verify that backup resources are sufficient to ensure continued order processing and trade matching, price reporting, market surveillance, and maintenance of a comprehensive and accurate audit trail.

“(21) **FINANCIAL RESOURCES.**—

“(A) **IN GENERAL.**—The board of trade shall have adequate financial, operational, and managerial resources to discharge each responsibility of the board of trade.

“(B) **DETERMINATION OF ADEQUACY.**—The financial resources of the board of trade shall be considered to be adequate if the value of the financial resources exceeds the total amount that would enable the contract market to cover the operating costs of the contract market for a 1-year period, as calculated on a rolling basis.

“(22) **DIVERSITY OF BOARD OF DIRECTORS.**—The board of trade, if a publicly traded company, shall endeavor to recruit individuals to serve on the board of directors and the other decision-making bodies (as determined by the Commission) of the board of trade from among, and to have the composition of the bodies reflect, a broad and culturally diverse pool of qualified candidates.

“(23) **SECURITIES AND EXCHANGE COMMISSION.**—The board of trade shall keep any such records relating to swaps defined in section 1a(47)(A)(v) open to inspection and examination by the Securities and Exchange Commission.”

SEC. 736. MARGIN.

Section 8a(7) of the Commodity Exchange Act (7 U.S.C. 12a(7)) is amended—

(1) in subparagraph (C), by striking “, excepting the setting of levels of margin”;

(2) by redesignating subparagraphs (D) through (F) as subparagraphs (E) through (G), respectively; and

(3) by inserting after subparagraph (C) the following:

“(D) margin requirements, provided that the rules, regulations, or orders shall—

“(i) be limited to protecting the financial integrity of the derivatives clearing organization;

“(ii) be designed for risk management purposes to protect the financial integrity of transactions; and

“(iii) not set specific margin amounts.”

SEC. 737. POSITION LIMITS.

(a) **AGGREGATE POSITION LIMITS.**—Section 4a(a) of the Commodity Exchange Act (7 U.S.C. 6a(a)) is amended—

(1) by inserting after “(a)” the following:

“(1) **IN GENERAL.**—”;

(2) in the first sentence, by striking “on electronic trading facilities with respect to a significant price discovery contract” and inserting “swaps that perform or affect a significant price discovery function with respect to registered entities”;

(3) in the second sentence—

(A) by inserting “, including any group or class of traders,” after “held by any person”; and

(B) by striking “on an electronic trading facility with respect to a significant price discovery

contract,” and inserting “swaps traded on or subject to the rules of a designated contract market or a swap execution facility, or swaps not traded on or subject to the rules of a designated contract market or a swap execution facility that performs a significant price discovery function with respect to a registered entity,”; and

(4) by adding at the end the following:

“(2) ESTABLISHMENT OF LIMITATIONS.—

“(A) IN GENERAL.—In accordance with the standards set forth in paragraph (1) of this subsection and consistent with the good faith exception cited in subsection (b)(2), with respect to physical commodities other than excluded commodities as defined by the Commission, the Commission shall by rule, regulation, or order establish limits on the amount of positions, as appropriate, other than bona fide hedge positions, that may be held by any person with respect to contracts of sale for future delivery or with respect to options on the contracts or commodities traded on or subject to the rules of a designated contract market.

“(B) TIMING.—

“(i) EXEMPT COMMODITIES.—For exempt commodities, the limits required under subparagraph (A) shall be established within 180 days after the date of the enactment of this paragraph.

“(ii) AGRICULTURAL COMMODITIES.—For agricultural commodities, the limits required under subparagraph (A) shall be established within 270 days after the date of the enactment of this paragraph.

“(C) GOAL.—In establishing the limits required under subparagraph (A), the Commission shall strive to ensure that trading on foreign boards of trade in the same commodity will be subject to comparable limits and that any limits to be imposed by the Commission will not cause price discovery in the commodity to shift to trading on the foreign boards of trade.

“(3) SPECIFIC LIMITATIONS.—In establishing the limits required in paragraph (2), the Commission, as appropriate, shall set limits—

“(A) on the number of positions that may be held by any person for the spot month, each other month, and the aggregate number of positions that may be held by any person for all months; and

“(B) to the maximum extent practicable, in its discretion—

“(i) to diminish, eliminate, or prevent excessive speculation as described under this section;

“(ii) to deter and prevent market manipulation, squeezes, and corners;

“(iii) to ensure sufficient market liquidity for bona fide hedgers; and

“(iv) to ensure that the price discovery function of the underlying market is not disrupted.

“(4) SIGNIFICANT PRICE DISCOVERY FUNCTION.—In making a determination whether a swap performs or affects a significant price discovery function with respect to regulated markets, the Commission shall consider, as appropriate:

“(A) PRICE LINKAGE.—The extent to which the swap uses or otherwise relies on a daily or final settlement price, or other major price parameter, of another contract traded on a regulated market based upon the same underlying commodity, to value a position, transfer or convert a position, financially settle a position, or close out a position.

“(B) ARBITRAGE.—The extent to which the price for the swap is sufficiently related to the price of another contract traded on a regulated market based upon the same underlying commodity so as to permit market participants to effectively arbitrage between the markets by simultaneously maintaining positions or executing trades in the swaps on a frequent and recurring basis.

“(C) MATERIAL PRICE REFERENCE.—The extent to which, on a frequent and recurring basis, bids, offers, or transactions in a contract traded on a regulated market are directly based on, or are determined by referencing, the price generated by the swap.

“(D) MATERIAL LIQUIDITY.—The extent to which the volume of swaps being traded in the commodity is sufficient to have a material effect on another contract traded on a regulated market.

“(E) OTHER MATERIAL FACTORS.—Such other material factors as the Commission specifies by rule or regulation as relevant to determine whether a swap serves a significant price discovery function with respect to a regulated market.

“(5) ECONOMICALLY EQUIVALENT CONTRACTS.—

“(A) Notwithstanding any other provision of this section, the Commission shall establish limits on the amount of positions, including aggregate position limits, as appropriate, other than bona fide hedge positions, that may be held by any person with respect to swaps that are economically equivalent to contracts of sale for future delivery or to options on the contracts or commodities traded on or subject to the rules of a designated contract market subject to paragraph (2).

“(B) In establishing limits pursuant to subparagraph (A), the Commission shall—

“(i) develop the limits concurrently with limits established under paragraph (2), and the limits shall have similar requirements as under paragraph (3)(B); and

“(ii) establish the limits simultaneously with limits established under paragraph (2).

“(6) AGGREGATE POSITION LIMITS.—The Commission shall, by rule or regulation, establish limits (including related hedge exemption provisions) on the aggregate number or amount of positions in contracts based upon the same underlying commodity (as defined by the Commission) that may be held by any person, including any group or class of traders, for each month across—

“(A) contracts listed by designated contract markets;

“(B) with respect to an agreement contract, or transaction that settles against any price (including the daily or final settlement price) of 1 or more contracts listed for trading on a registered entity, contracts traded on a foreign board of trade that provides members or other participants located in the United States with direct access to its electronic trading and order matching system; and

“(C) swap contracts that perform or affect a significant price discovery function with respect to regulated entities.

“(7) EXEMPTIONS.—The Commission, by rule, regulation, or order, may exempt, conditionally or unconditionally, any person or class of persons, any swap or class of swaps, any contract of sale of a commodity for future delivery or class of such contracts, any option or class of options, or any transaction or class of transactions from any requirement it may establish under this section with respect to position limits.”

(b) CONFORMING AMENDMENTS.—Section 4a(b) of the Commodity Exchange Act (7 U.S.C. 6a(b)) is amended—

(1) in paragraph (1), by striking “or derivatives transaction execution facility or facilities or electronic trading facility” and inserting “or swap execution facility or facilities”; and

(2) in paragraph (2), by striking “or derivatives transaction execution facility or facilities or electronic trading facility” and inserting “or swap execution facility”.

(c) BONA FIDE HEDGING TRANSACTION.—Section 4a(c) of the Commodity Exchange Act is amended—

(1) by inserting “(1)” after “(c)”; and

(2) by adding at the end the following:

“(2) For the purposes of implementation of subsection (a)(2) for contracts of sale for future delivery or options on the contracts or commodities, the Commission shall define what constitutes a bona fide hedging transaction or position as a transaction or position that—

“(A)(i) represents a substitute for transactions made or to be made or positions taken or to be taken at a later time in a physical marketing channel;

“(ii) is economically appropriate to the reduction of risks in the conduct and management of a commercial enterprise; and

“(iii) arises from the potential change in the value of—

“(I) assets that a person owns, produces, manufactures, processes, or merchandises or anticipates owning, producing, manufacturing, processing, or merchandising;

“(II) liabilities that a person owns or anticipates incurring; or

“(III) services that a person provides, purchases, or anticipates providing or purchasing; or

“(B) reduces risks attendant to a position resulting from a swap that—

“(i) was executed opposite a counterparty for which the transaction would qualify as a bona fide hedging transaction pursuant to subparagraph (A); or

“(ii) meets the requirements of subparagraph (A).”

(d) EFFECTIVE DATE.—This section and the amendments made by this section shall become effective on the date of the enactment of this section.

SEC. 738. FOREIGN BOARDS OF TRADE.

(a) IN GENERAL.—Section 4(b) of the Commodity Exchange Act (7 U.S.C. 6(b)) is amended—

(1) in the first sentence, by striking “The Commission” and inserting the following:

“(2) PERSONS LOCATED IN THE UNITED STATES.—

“(A) IN GENERAL.—The Commission”; and

(2) in the second sentence, by striking “Such rules and regulations” and inserting the following:

“(B) DIFFERENT REQUIREMENTS.—Rules and regulations described in subparagraph (A)”; and

(3) in the third sentence—

(A) by striking “No rule or regulation” and inserting the following:

“(C) PROHIBITION.—Except as provided in paragraphs (1) and (2), no rule or regulation”; and

(B) by striking “that (1) requires” and inserting the following: “that—

“(i) requires”; and

(C) by striking “market, or (2) governs” and inserting the following: “market; or

“(ii) governs”; and

(4) by inserting before paragraph (2) (as designated by paragraph (1)) the following:

“(1) FOREIGN BOARDS OF TRADE.—

“(A) REGISTRATION.—The Commission may adopt rules and regulations requiring registration with the Commission for a foreign board of trade that provides the members of the foreign board of trade or other participants located in the United States with direct access to the electronic trading and order matching system of the foreign board of trade, including rules and regulations prescribing procedures and requirements applicable to the registration of such foreign boards of trade. For purposes of this paragraph, ‘direct access’ refers to an explicit grant of authority by a foreign board of trade to an identified member or other participant located in the United States to enter trades directly into the trade matching system of the foreign board of trade. In adopting such rules and regulations, the commission shall consider—

“(i) whether any such foreign board of trade is subject to comparable, comprehensive supervision and regulation by the appropriate governmental authorities in the foreign board of trade’s home country; and

“(ii) any previous commission findings that the foreign board of trade is subject to comparable comprehensive supervision and regulation by the appropriate government authorities in the foreign board of trade’s home country.

“(B) **LINKED CONTRACTS.**—The Commission may not permit a foreign board of trade to provide to the members of the foreign board of trade or other participants located in the United States direct access to the electronic trading and order-matching system of the foreign board of trade with respect to an agreement, contract, or transaction that settles against any price (including the daily or final settlement price) of 1 or more contracts listed for trading on a registered entity, unless the Commission determines that—

“(i) the foreign board of trade makes public daily trading information regarding the agreement, contract, or transaction that is comparable to the daily trading information published by the registered entity for the 1 or more contracts against which the agreement, contract, or transaction traded on the foreign board of trade settles; and

“(ii) the foreign board of trade (or the foreign futures authority that oversees the foreign board of trade)—

“(I) adopts position limits (including related hedge exemption provisions) for the agreement, contract, or transaction that are comparable to the position limits (including related hedge exemption provisions) adopted by the registered entity for the 1 or more contracts against which the agreement, contract, or transaction traded on the foreign board of trade settles;

“(II) has the authority to require or direct market participants to limit, reduce, or liquidate any position the foreign board of trade (or the foreign futures authority that oversees the foreign board of trade) determines to be necessary to prevent or reduce the threat of price manipulation, excessive speculation as described in section 4a, price distortion, or disruption of delivery or the cash settlement process;

“(III) agrees to promptly notify the Commission, with regard to the agreement, contract, or transaction that settles against any price (including the daily or final settlement price) of 1 or more contracts listed for trading on a registered entity, of any change regarding—

“(aa) the information that the foreign board of trade will make publicly available;

“(bb) the position limits that the foreign board of trade or foreign futures authority will adopt and enforce;

“(cc) the position reductions required to prevent manipulation, excessive speculation as described in section 4a, price distortion, or disruption of delivery or the cash settlement process; and

“(dd) any other area of interest expressed by the Commission to the foreign board of trade or foreign futures authority;

“(IV) provides information to the Commission regarding large trader positions in the agreement, contract, or transaction that is comparable to the large trader position information collected by the Commission for the 1 or more contracts against which the agreement, contract, or transaction traded on the foreign board of trade settles; and

“(V) provides the Commission such information as is necessary to publish reports on aggregate trader positions for the agreement, contract, or transaction traded on the foreign board of trade that are comparable to such reports on aggregate trader positions for the 1 or more contracts against which the agreement, contract, or

transaction traded on the foreign board of trade settles.

“(C) **EXISTING FOREIGN BOARDS OF TRADE.**—Subparagraphs (A) and (B) shall not be effective with respect to any foreign board of trade to which, prior to the date of enactment of this paragraph, the Commission granted direct access permission until the date that is 180 days after that date of enactment.”

(b) **LIABILITY OF REGISTERED PERSONS TRADING ON A FOREIGN BOARD OF TRADE.**—Section 4 of the Commodity Exchange Act (7 U.S.C. 6) is amended—

(1) in subsection (a), in the matter preceding paragraph (1), by inserting “or by subsection (e)” after “Unless exempted by the Commission pursuant to subsection (c)”; and

(2) by adding at the end the following:

“(e) **LIABILITY OF REGISTERED PERSONS TRADING ON A FOREIGN BOARD OF TRADE.**—

“(1) **IN GENERAL.**—A person registered with the Commission, or exempt from registration by the Commission, under this Act may not be found to have violated subsection (a) with respect to a transaction in, or in connection with, a contract of sale of a commodity for future delivery if the person—

“(A) has reason to believe that the transaction and the contract is made on or subject to the rules of a foreign board of trade that is—

“(i) legally organized under the laws of a foreign country;

“(ii) authorized to act as a board of trade by a foreign futures authority; and

“(iii) subject to regulation by the foreign futures authority; and

“(B) has not been determined by the Commission to be operating in violation of subsection (a).

“(2) **RULE OF CONSTRUCTION.**—Nothing in this subsection shall be construed as implying or creating any presumption that a board of trade, exchange, or market is located outside the United States, or its territories or possessions, for purposes of subsection (a).”

(c) **CONTRACT ENFORCEMENT FOR FOREIGN FUTURES CONTRACTS.**—Section 22(a) of the Commodity Exchange Act (7 U.S.C. 25(a)) (as amended by section 739) is amended by adding at the end the following:

“(6) **CONTRACT ENFORCEMENT FOR FOREIGN FUTURES CONTRACTS.**—A contract of sale of a commodity for future delivery traded or executed on or through the facilities of a board of trade, exchange, or market located outside the United States for purposes of section 4(a) shall not be void, voidable, or unenforceable, and a party to such a contract shall not be entitled to rescind or recover any payment made with respect to the contract, based on the failure of the foreign board of trade to comply with any provision of this Act.”

SEC. 739. LEGAL CERTAINTY FOR SWAPS.

Section 22(a) of the Commodity Exchange Act (7 U.S.C. 25(a)) is amended by striking paragraph (4) and inserting the following:

“(4) **CONTRACT ENFORCEMENT BETWEEN ELIGIBLE COUNTERPARTIES.**—

“(A) **IN GENERAL.**—No hybrid instrument sold to any investor shall be void, voidable, or unenforceable, and no party to a hybrid instrument shall be entitled to rescind, or recover any payment made with respect to, the hybrid instrument under this section or any other provision of Federal or State law, based solely on the failure of the hybrid instrument to comply with the terms or conditions of section 2(f) or regulations of the Commission.

“(B) **SWAPS.**—No agreement, contract, or transaction between eligible contract participants or persons reasonably believed to be eligible contract participants shall be void, voidable, or unenforceable, and no party to such agreement, contract, or transaction shall be entitled

to rescind, or recover any payment made with respect to, the agreement, contract, or transaction under this section or any other provision of Federal or State law, based solely on the failure of the agreement, contract, or transaction—

“(i) to meet the definition of a swap under section 1a; or

“(ii) to be cleared in accordance with section 2(h)(1).

“(5) **LEGAL CERTAINTY FOR LONG-TERM SWAPS ENTERED INTO BEFORE THE DATE OF ENACTMENT OF THE WALL STREET TRANSPARENCY AND ACCOUNTABILITY ACT OF 2010.**—

“(A) **EFFECT ON SWAPS.**—Unless specifically reserved in the applicable swap, neither the enactment of the Wall Street Transparency and Accountability Act of 2010, nor any requirement under that Act or an amendment made by that Act, shall constitute a termination event, force majeure, illegality, increased costs, regulatory change, or similar event under a swap (including any related credit support arrangement) that would permit a party to terminate, renegotiate, modify, amend, or supplement 1 or more transactions under the swap.

“(B) **POSITION LIMITS.**—Any position limit established under the Wall Street Transparency and Accountability Act of 2010 shall not apply to a position acquired in good faith prior to the effective date of any rule, regulation, or order under the Act that establishes the position limit; provided, however, that such positions shall be attributed to the trader if the trader’s position is increased after the effective date of such position limit rule, regulation, or order.”

SEC. 740. MULTILATERAL CLEARING ORGANIZATIONS.

Sections 408 and 409 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 4421, 4422) are repealed.

SEC. 741. ENFORCEMENT.

(a) **ENFORCEMENT AUTHORITY.**—The Commodity Exchange Act is amended by inserting after section 4b (7 U.S.C. 6b) the following:

“SEC. 4b-1. ENFORCEMENT AUTHORITY.

“(a) **COMMODITY FUTURES TRADING COMMISSION.**—Except as provided in subsections (b), (c), and (d), the Commission shall have exclusive authority to enforce the provisions of subtitle A of the Wall Street Transparency and Accountability Act of 2010 with respect to any person.

“(b) **PRUDENTIAL REGULATORS.**—The prudential regulators shall have exclusive authority to enforce the provisions of section 4s(e) with respect to swap dealers or major swap participants for which they are the prudential regulator.

“(c) REFERRALS.

“(1) **PRUDENTIAL REGULATORS.**—If the prudential regulator for a swap dealer or major swap participant has cause to believe that the swap dealer or major swap participant, or any affiliate or division of the swap dealer or major swap participant, may have engaged in conduct that constitutes a violation of the nonprudential requirements of this Act (including section 4s or rules adopted by the Commission under that section), the prudential regulator may promptly notify the Commission in a written report that includes—

“(A) a request that the Commission initiate an enforcement proceeding under this Act; and

“(B) an explanation of the facts and circumstances that led to the preparation of the written report.

“(2) **COMMISSION.**—If the Commission has cause to believe that a swap dealer or major swap participant that has a prudential regulator may have engaged in conduct that constitutes a violation of any prudential requirement of section 4s or rules adopted by the Commission under that section, the Commission may notify the prudential regulator of the conduct in a written report that includes—

“(A) a request that the prudential regulator initiate an enforcement proceeding under this

Act or any other Federal law (including regulations); and

“(B) an explanation of the concerns of the Commission, and a description of the facts and circumstances, that led to the preparation of the written report.

“(d) BACKSTOP ENFORCEMENT AUTHORITY.—

“(1) INITIATION OF ENFORCEMENT PROCEEDING BY PRUDENTIAL REGULATOR.—If the Commission does not initiate an enforcement proceeding before the end of the 90-day period beginning on the date on which the Commission receives a written report under subsection (c)(1), the prudential regulator may initiate an enforcement proceeding.

“(2) INITIATION OF ENFORCEMENT PROCEEDING BY COMMISSION.—If the prudential regulator does not initiate an enforcement proceeding before the end of the 90-day period beginning on the date on which the prudential regulator receives a written report under subsection (c)(2), the Commission may initiate an enforcement proceeding.”.

(b) CONFORMING AMENDMENTS.—

(1) Section 4b of the Commodity Exchange Act (7 U.S.C. 6b) is amended—

(A) in subsection (a)(2), by striking “or other agreement, contract, or transaction subject to paragraphs (1) and (2) of section 5a(g),” and inserting “or swap,”;

(B) in subsection (b), by striking “or other agreement, contract or transaction subject to paragraphs (1) and (2) of section 5a(g),” and inserting “or swap,”; and

(C) by adding at the end the following:

“(e) It shall be unlawful for any person, directly or indirectly, by the use of any means or instrumentality of interstate commerce, or of the mails, or of any facility of any registered entity, in or in connection with any order to make, or the making of, any contract of sale of any commodity for future delivery (or option on such a contract), or any swap, on a group or index of securities (or any interest therein or based on the value thereof)—

“(1) to employ any device, scheme, or artifice to defraud;

“(2) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or

“(3) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.”.

(2) Section 4c(a)(1) of the Commodity Exchange Act (7 U.S.C. 6c(a)(1)) is amended by inserting “or swap” before “if the transaction is used or may be used”.

(3) Section 6(c) of the Commodity Exchange Act (7 U.S.C. 9) is amended in the first sentence by inserting “or of any swap,” before “or has willfully made”.

(4) Section 6(d) of the Commodity Exchange Act (7 U.S.C. 13b) is amended in the first sentence, in the matter preceding the proviso, by inserting “or of any swap,” before “or otherwise is violating”.

(5) Section 6c(a) of the Commodity Exchange Act (7 U.S.C. 13a-1(a)) is amended in the matter preceding the proviso by inserting “or any swap” after “commodity for future delivery”.

(6) Section 9 of the Commodity Exchange Act (7 U.S.C. 13) is amended—

(A) in subsection (a)—

(i) in paragraph (2), by inserting “or of any swap,” before “or to corner”; and

(ii) in paragraph (4), by inserting “swap data repository,” before “or futures association” and (B) in subsection (e)(1)—

(i) by inserting “swap data repository,” before “or registered futures association”; and

(ii) by inserting “, or swaps,” before “on the basis”.

(7) Section 9(a) of the Commodity Exchange Act (7 U.S.C. 13(a)) is amended by adding at the end the following:

“(6) Any person to abuse the end user clearing exemption under section 2(h)(4), as determined by the Commission.”.

(8) Section 2(c)(2)(B) of the Commodity Exchange Act (7 U.S.C. 2(c)(2)(B)) is amended—

(A) by striking “(dd),” each place it appears;

(B) in clause (iii), by inserting “, and accounts or pooled investment vehicles described in clause (vi),” before “shall be subject to”; and

(C) by adding at the end the following:

“(vi) This Act applies to, and the Commission shall have jurisdiction over, an account or pooled investment vehicle that is offered for the purpose of trading, or that trades, any agreement, contract, or transaction in foreign currency described in clause (i).”.

(9) Section 2(c)(2)(C) of the Commodity Exchange Act (7 U.S.C. 2(c)(2)(C)) is amended—

(A) by striking “(dd),” each place it appears;

(B) in clause (ii)(I), by inserting “, and accounts or pooled investment vehicles described in clause (vii),” before “shall be subject to”; and

(C) by adding at the end the following:

“(vii) This Act applies to, and the Commission shall have jurisdiction over, an account or pooled investment vehicle that is offered for the purpose of trading, or that trades, any agreement, contract, or transaction in foreign currency described in clause (i).”.

(10) Section 1a(19)(A)(iv)(II) of the Commodity Exchange Act (7 U.S.C. 1a(19)(A)(iv)(II)) (as redesignated by section 721(a)(1)) is amended by inserting before the semicolon at the end the following: “provided, however, that for purposes of section 2(c)(2)(B)(vi) and section 2(c)(2)(C)(vii), the term ‘eligible contract participant’ shall not include a commodity pool in which any participant is not otherwise an eligible contract participant”.

(11) Section 6(e) of the Commodity Exchange Act (7 U.S.C. 9a) is amended by adding at the end the following:

“(4) Any designated clearing organization that knowingly or recklessly evades or participates in or facilitates an evasion of the requirements of section 2(h) shall be liable for a civil money penalty in twice the amount otherwise available for a violation of section 2(h).

“(5) Any swap dealer or major swap participant that knowingly or recklessly evades or participates in or facilitates an evasion of the requirements of section 2(h) shall be liable for a civil money penalty in twice the amount otherwise available for a violation of section 2(h).”.

(c) SAVINGS CLAUSE.—Notwithstanding any other provision of this title, nothing in this subtitle shall be construed as divesting any appropriate Federal banking agency of any authority it may have to establish or enforce, with respect to a person for which such agency is the appropriate Federal banking agency, prudential or other standards pursuant to authority granted by Federal law other than this title.

SEC. 742. RETAIL COMMODITY TRANSACTIONS.

(a) IN GENERAL.—Section 2(c) of the Commodity Exchange Act (7 U.S.C. 2(c)) is amended—

(1) in paragraph (1), by striking “5a (to the extent provided in section 5a(g)), 5b, 5d, or 12(e)(2)(B))” and inserting “, 5b, or 12(e)(2)(B))”; and

(2) in paragraph (2), by adding at the end the following:

“(D) RETAIL COMMODITY TRANSACTIONS.—

“(i) APPLICABILITY.—Except as provided in clause (ii), this subparagraph shall apply to any agreement, contract, or transaction in any commodity that is—

“(I) entered into with, or offered to (even if not entered into with), a person that is not an

eligible contract participant or eligible commercial entity; and

“(II) entered into, or offered (even if not entered into), on a leveraged or margined basis, or financed by the offeror, the counterparty, or a person acting in concert with the offeror or counterparty on a similar basis.

“(ii) EXCEPTIONS.—This subparagraph shall not apply to—

“(I) an agreement, contract, or transaction described in paragraph (1) or subparagraphs (A), (B), or (C), including any agreement, contract, or transaction specifically excluded from subparagraph (A), (B), or (C);

“(II) any security;

“(III) a contract of sale that—

“(aa) results in actual delivery within 28 days or such other longer period as the Commission may determine by rule or regulation based upon the typical commercial practice in cash or spot markets for the commodity involved; or

“(bb) creates an enforceable obligation to deliver between a seller and a buyer that have the ability to deliver and accept delivery, respectively, in connection with the line of business of the seller and buyer; or

“(IV) an agreement, contract, or transaction that is listed on a national securities exchange registered under section 6(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78f(a)); or

“(V) an identified banking product, as defined in section 402(b) of the Legal Certainty for Bank Products Act of 2000 (7 U.S.C. 27 (b)).

“(iii) ENFORCEMENT.—Sections 4(a), 4(b), and 4b apply to any agreement, contract, or transaction described in clause (i), as if the agreement, contract, or transaction was a contract of sale of a commodity for future delivery.

“(iv) ELIGIBLE COMMERCIAL ENTITY.—For purposes of this subparagraph, an agricultural producer, packer, or handler shall be considered to be an eligible commercial entity for any agreement, contract, or transaction for a commodity in connection with the line of business of the agricultural producer, packer, or handler.”.

(b) GRAMM-LEACH-BLILEY ACT.—Section 206(a) of the Gramm-Leach-Bliley Act (Public Law 106-102; 15 U.S.C. 78c note) is amended, in the matter preceding paragraph (1), by striking “For purposes of” and inserting “Except as provided in subsection (e), for purposes of”.

(c) CONFORMING AMENDMENTS RELATING TO RETAIL FOREIGN EXCHANGE TRANSACTIONS.—

(1) Section 2(c)(2)(B)(i)(II) of the Commodity Exchange Act (7 U.S.C. 2(c)(2)(B)(i)(II)) is amended—

(A) in item (aa), by inserting “United States” before “financial institution”; and

(B) by striking items (dd) and (ff);

(C) by redesignating items (ee) and (gg) as items (dd) and (ff), respectively; and

(D) in item (dd) (as so redesignated), by striking the semicolon and inserting “; or”.

(2) Section 2(c)(2) of the Commodity Exchange Act (7 U.S.C. 2(c)(2)) (as amended by subsection (a)(2)) is amended by adding at the end the following:

“(E) PROHIBITION.—

“(i) DEFINITION OF FEDERAL REGULATORY AGENCY.—In this subparagraph, the term ‘Federal regulatory agency’ means—

“(I) the Commission;

“(II) the Securities and Exchange Commission;

“(III) an appropriate Federal banking agency;

“(IV) the National Credit Union Association; and

“(V) the Farm Credit Administration.

“(ii) PROHIBITION.—

“(I) IN GENERAL.—Except as provided in subclause (II), a person described in subparagraph (B)(i)(II) for which there is a Federal regulatory agency shall not offer to, or enter into with, a

person that is not an eligible contract participant, any agreement, contract, or transaction in foreign currency described in subparagraph (B)(i)(I) except pursuant to a rule or regulation of a Federal regulatory agency allowing the agreement, contract, or transaction under such terms and conditions as the Federal regulatory agency shall prescribe.

“(II) **EFFECTIVE DATE.**—With regard to persons described in subparagraph (B)(i)(II) for which a Federal regulatory agency has issued a proposed rule concerning agreements, contracts, or transactions in foreign currency described in subparagraph (B)(i)(I) prior to the date of enactment of this subclause, subclause (I) shall take effect 90 days after the date of enactment of this subclause.

“(iii) **REQUIREMENTS OF RULES AND REGULATIONS.**—

“(I) **IN GENERAL.**—The rules and regulations described in clause (ii) shall prescribe appropriate requirements with respect to—

- “(aa) disclosure;
- “(bb) recordkeeping;
- “(cc) capital and margin;
- “(dd) reporting;
- “(ee) business conduct;
- “(ff) documentation; and
- “(gg) such other standards or requirements as the Federal regulatory agency shall determine to be necessary.

“(II) **TREATMENT.**—The rules or regulations described in clause (ii) shall treat all agreements, contracts, and transactions in foreign currency described in subparagraph (B)(i)(I), and all agreements, contracts, and transactions in foreign currency that are functionally or economically similar to agreements, contracts, or transactions described in subparagraph (B)(i)(I), similarly.”.

SEC. 743. OTHER AUTHORITY.

Unless otherwise provided by the amendments made by this subtitle, the amendments made by this subtitle do not divest any appropriate Federal banking agency, the Commodity Futures Trading Commission, the Securities and Exchange Commission, or other Federal or State agency of any authority derived from any other applicable law.

SEC. 744. RESTITUTION REMEDIES.

Section 6c(d) of the Commodity Exchange Act (7 U.S.C. 13a–1(d)) is amended by adding at the end the following:

“(3) **EQUITABLE REMEDIES.**—In any action brought under this section, the Commission may seek, and the court may impose, on a proper showing, on any person found in the action to have committed any violation, equitable remedies including—

“(A) restitution to persons who have sustained losses proximately caused by such violation (in the amount of such losses); and

“(B) disgorgement of gains received in connection with such violation.”.

SEC. 745. ENHANCED COMPLIANCE BY REGISTERED ENTITIES.

(a) **EFFECT OF INTERPRETATION.**—Section 5c(a) of the Commodity Exchange Act (7 U.S.C. 7a–2(a)) is amended by striking paragraph (2) and inserting the following:

“(2) **EFFECT OF INTERPRETATION.**—An interpretation issued under paragraph (1) may provide the exclusive means for complying with each section described in paragraph (1).”.

(b) **NEW CONTRACTS, NEW RULES, AND RULE AMENDMENTS.**—Section 5c of the Commodity Exchange Act (7 U.S.C. 7a–2) is amended by striking subsection (c) and inserting the following:

“(c) **NEW CONTRACTS, NEW RULES, AND RULE AMENDMENTS.**—

“(I) **IN GENERAL.**—A registered entity may elect to list for trading or accept for clearing any new contract, or other instrument, or may elect to approve and implement any new rule or

rule amendment, by providing to the Commission (and the Secretary of the Treasury, in the case of a contract of sale of a government security for future delivery (or option on such a contract) or a rule or rule amendment specifically related to such a contract) a written certification that the new contract or instrument or clearing of the new contract or instrument, new rule, or rule amendment complies with this Act (including regulations under this Act).

“(2) **RULE REVIEW.**—The new rule or rule amendment described in paragraph (1) shall become effective, pursuant to the certification of the registered entity and notice of such certification to its members (in a manner to be determined by the Commission), on the date that is 10 business days after the date on which the Commission receives the certification (or such shorter period as determined by the Commission by rule or regulation) unless the Commission notifies the registered entity within such time that it is staying the certification because there exist novel or complex issues that require additional time to analyze, an inadequate explanation by the submitting registered entity, or a potential inconsistency with this Act (including regulations under this Act).

“(3) **STAY OF CERTIFICATION FOR RULES.**—

“(A) A notification by the Commission pursuant to paragraph (2) shall stay the certification of the new rule or rule amendment for up to an additional 90 days from the date of the notification.

“(B) A rule or rule amendment subject to a stay pursuant to subparagraph (A) shall become effective, pursuant to the certification of the registered entity, at the expiration of the period described in subparagraph (A) unless the Commission—

“(i) withdraws the stay prior to that time; or

“(ii) notifies the registered entity during such period that it objects to the proposed certification on the grounds that it is inconsistent with this Act (including regulations under this Act).

“(C) The Commission shall provide a not less than 30-day public comment period, within the 90-day period in which the stay is in effect as described in subparagraph (A), whenever the Commission reviews a rule or rule amendment pursuant to a notification by the Commission under this paragraph.

“(4) **PRIOR APPROVAL.**—

“(A) **IN GENERAL.**—A registered entity may request that the Commission grant prior approval to any new contract or other instrument, new rule, or rule amendment.

“(B) **PRIOR APPROVAL REQUIRED.**—Notwithstanding any other provision of this section, a designated contract market shall submit to the Commission for prior approval each rule amendment that materially changes the terms and conditions, as determined by the Commission, in any contract of sale for future delivery of a commodity specifically enumerated in section 1a(10) (or any option thereon) traded through its facilities if the rule amendment applies to contracts and delivery months which have already been listed for trading and have open interest.

“(C) **DEADLINE.**—If prior approval is requested under subparagraph (A), the Commission shall take final action on the request not later than 90 days after submission of the request, unless the person submitting the request agrees to an extension of the time limitation established under this subparagraph.

“(5) **APPROVAL.**—

“(A) **RULES.**—The Commission shall approve a new rule, or rule amendment, of a registered entity unless the Commission finds that the new rule, or rule amendment, is inconsistent with this subtitle (including regulations).

“(B) **CONTRACTS AND INSTRUMENTS.**—The Commission shall approve a new contract or

other instrument unless the Commission finds that the new contract or other instrument would violate this Act (including regulations).

“(C) **SPECIAL RULE FOR REVIEW AND APPROVAL OF EVENT CONTRACTS AND SWAPS CONTRACTS.**—

“(i) **EVENT CONTRACTS.**—In connection with the listing of agreements, contracts, transactions, or swaps in excluded commodities that are based upon the occurrence, extent of an occurrence, or contingency (other than a change in the price, rate, value, or levels of a commodity described in section 1a(2)(i)), by a designated contract market or swap execution facility, the Commission may determine that such agreements, contracts, or transactions are contrary to the public interest if the agreements, contracts, or transactions involve—

“(I) activity that is unlawful under any Federal or State law;

“(II) terrorism;

“(III) assassination;

“(IV) war;

“(V) gaming; or

“(VI) other similar activity determined by the Commission, by rule or regulation, to be contrary to the public interest.

“(ii) **PROHIBITION.**—No agreement, contract, or transaction determined by the Commission to be contrary to the public interest under clause (i) may be listed or made available for clearing or trading on or through a registered entity.

“(iii) **SWAPS CONTRACTS.**—

“(I) **IN GENERAL.**—In connection with the listing of a swap for clearing by a derivatives clearing organization, the Commission shall determine, upon request or on its own motion, the initial eligibility, or the continuing qualification, of a derivatives clearing organization to clear such a swap under those criteria, conditions, or rules that the Commission, in its discretion, determines.

“(II) **REQUIREMENTS.**—Any such criteria, conditions, or rules shall consider—

“(aa) the financial integrity of the derivatives clearing organization; and

“(bb) any other factors which the Commission determines may be appropriate.

“(iv) **DEADLINE.**—The Commission shall take final action under clauses (i) and (ii) in not later than 90 days from the commencement of its review unless the party seeking to offer the contract or swap agrees to an extension of this time limitation.”.

(c) **VIOLATION OF CORE PRINCIPLES.**—Section 5c of the Commodity Exchange Act (7 U.S.C. 7a–2) is amended by striking subsection (d).

SEC. 746. INSIDER TRADING.

Section 4c(a) of the Commodity Exchange Act (7 U.S.C. 6c(a)) is amended by adding at the end the following:

“(3) **CONTRACT OF SALE.**—It shall be unlawful for any employee or agent of any department or agency of the Federal Government who, by virtue of the employment or position of the employee or agent, acquires information that may affect or tend to affect the price of any commodity in interstate commerce, or for future delivery, or any swap, and which information has not been disseminated by the department or agency of the Federal Government holding or creating the information in a manner which makes it generally available to the trading public, or disclosed in a criminal, civil, or administrative hearing, or in a congressional, administrative, or Government Accountability Office report, hearing, audit, or investigation, to use the information in his personal capacity and for personal gain to enter into, or offer to enter into—

“(A) a contract of sale of a commodity for future delivery (or option on such a contract);

“(B) an option (other than an option executed or traded on a national securities exchange registered pursuant to section 6(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78f(a))); or

“(C) a swap.”

(4) NONPUBLIC INFORMATION.—

(A) IMPARTING OF NONPUBLIC INFORMATION.—It shall be unlawful for any employee or agent of any department or agency of the Federal Government who, by virtue of the employment or position of the employee or agent, acquires information that may affect or tend to affect the price of any commodity in interstate commerce, or for future delivery, or any swap, and which information has not been disseminated by the department or agency of the Federal Government holding or creating the information in a manner which makes it generally available to the trading public, or disclosed in a criminal, civil, or administrative hearing, or in a congressional, administrative, or Government Accountability Office report, hearing, audit, or investigation, to use the information in his personal capacity and for personal gain to enter into, or offer to enter into—

“(i) a contract of sale of a commodity for future delivery (or option on such a contract);

“(ii) an option (other than an option executed or traded on a national securities exchange registered pursuant to section 6(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78f(a)); or

“(iii) a swap.

“(B) KNOWING USE.—It shall be unlawful for any person who receives information imparted by any employee or agent of any department or agency of the Federal Government as described in subparagraph (A) to knowingly use such information to enter into, or offer to enter into—

“(i) a contract of sale of a commodity for future delivery (or option on such a contract);

“(ii) an option (other than an option executed or traded on a national securities exchange registered pursuant to section 6(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78f(a)); or

“(iii) a swap.

“(C) THEFT OF NONPUBLIC INFORMATION.—It shall be unlawful for any person to steal, convert, or misappropriate, by any means whatsoever, information held or created by any department or agency of the Federal Government that may affect or tend to affect the price of any commodity in interstate commerce, or for future delivery, or any swap, where such person knows, or acts in reckless disregard of the fact, that such information has not been disseminated by the department or agency of the Federal Government holding or creating the information in a manner which makes it generally available to the trading public, or disclosed in a criminal, civil, or administrative hearing, or in a congressional, administrative, or Government Accountability Office report, hearing, audit, or investigation, and to use such information, or to impart such information with the intent to assist another person, directly or indirectly, to use such information to enter into, or offer to enter into—

“(i) a contract of sale of a commodity for future delivery (or option on such a contract);

“(ii) an option (other than an option executed or traded on a national securities exchange registered pursuant to section 6(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78f(a)); or

“(iii) a swap, provided, however, that nothing in this subparagraph shall preclude a person that has provided information concerning, or generated by, the person, its operations or activities, to any employee or agent of any department or agency of the Federal Government, voluntarily or as required by law, from using such information to enter into, or offer to enter into, a contract of sale, option, or swap described in clauses (i), (ii), or (iii).”

SEC. 747. ANTIDISRUPTIVE PRACTICES AUTHORITY.

Section 4c(a) of the Commodity Exchange Act (7 U.S.C. 6c(a)) (as amended by section 746) is amended by adding at the end the following:

“(5) DISRUPTIVE PRACTICES.—It shall be unlawful for any person to engage in any trading, practice, or conduct on or subject to the rules of a registered entity that—

“(A) violates bids or offers;

“(B) demonstrates intentional or reckless disregard for the orderly execution of transactions during the closing period; or

“(C) is, of the character of, or is commonly known to the trade as, ‘spoofing’ (bidding or offering with the intent to cancel the bid or offer before execution).

“(6) RULEMAKING AUTHORITY.—The Commission may make and promulgate such rules and regulations as, in the judgment of the Commission, are reasonably necessary to prohibit the trading practices described in paragraph (5) and any other trading practice that is disruptive of fair and equitable trading.

“(7) USE OF SWAPS TO DEFRAUD.—It shall be unlawful for any person to enter into a swap knowing, or acting in reckless disregard of the fact, that its counterparty will use the swap as part of a device, scheme, or artifice to defraud any third party.”

SEC. 748. COMMODITY WHISTLEBLOWER INCENTIVES AND PROTECTION.

The Commodity Exchange Act (7 U.S.C. 1 et seq.) is amended by adding at the end the following:

“SEC. 23. COMMODITY WHISTLEBLOWER INCENTIVES AND PROTECTION.

“(a) DEFINITIONS.—In this section:

“(1) COVERED JUDICIAL OR ADMINISTRATIVE ACTION.—The term ‘covered judicial or administrative action’ means any judicial or administrative action brought by the Commission under this Act that results in monetary sanctions exceeding \$1,000,000.

“(2) FUND.—The term ‘Fund’ means the Commodity Futures Trading Commission Customer Protection Fund established under subsection (g).

“(3) MONETARY SANCTIONS.—The term ‘monetary sanctions’, when used with respect to any judicial or administrative action means—

“(A) any monies, including penalties, disgorgement, restitution, and interest ordered to be paid; and

“(B) any monies deposited into a disgorgement fund or other fund pursuant to section 308(b) of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7246(b)), as a result of such action or any settlement of such action.

“(4) ORIGINAL INFORMATION.—The term ‘original information’ means information that—

“(A) is derived from the independent knowledge or analysis of a whistleblower;

“(B) is not known to the Commission from any other source, unless the whistleblower is the original source of the information; and

“(C) is not exclusively derived from an allegation made in a judicial or administrative hearing, in a governmental report, hearing, audit, or investigation, or from the news media, unless the whistleblower is a source of the information.

“(5) RELATED ACTION.—The term ‘related action’, when used with respect to any judicial or administrative action brought by the Commission under this Act, means any judicial or administrative action brought by an entity described in subclauses (I) through (VI) of subsection (h)(2)(C) that is based upon the original information provided by a whistleblower pursuant to subsection (a) that led to the successful enforcement of the Commission action.

“(6) SUCCESSFUL RESOLUTION.—The term ‘successful resolution’, when used with respect to any judicial or administrative action brought by the Commission under this Act, includes any settlement of such action.

“(7) WHISTLEBLOWER.—The term ‘whistleblower’ means any individual, or 2 or more individuals acting jointly, who provides information

relating to a violation of this Act to the Commission, in a manner established by rule or regulation by the Commission.

“(b) AWARDS.—

“(1) IN GENERAL.—In any covered judicial or administrative action, or related action, the Commission, under regulations prescribed by the Commission and subject to subsection (c), shall pay an award or awards to 1 or more whistleblowers who voluntarily provided original information to the Commission that led to the successful enforcement of the covered judicial or administrative action, or related action, in an aggregate amount equal to—

“(A) not less than 10 percent, in total, of what has been collected of the monetary sanctions imposed in the action or related actions; and

“(B) not more than 30 percent, in total, of what has been collected of the monetary sanctions imposed in the action or related actions.

“(2) PAYMENT OF AWARDS.—Any amount paid under paragraph (1) shall be paid from the Fund.

“(c) DETERMINATION OF AMOUNT OF AWARD; DENIAL OF AWARD.—

“(1) DETERMINATION OF AMOUNT OF AWARD.—

“(A) DISCRETION.—The determination of the amount of an award made under subsection (b) shall be in the discretion of the Commission.

“(B) CRITERIA.—In determining the amount of an award made under subsection (b), the Commission—

“(i) shall take into consideration—

“(I) the significance of the information provided by the whistleblower to the success of the covered judicial or administrative action;

“(II) the degree of assistance provided by the whistleblower and any legal representative of the whistleblower in a covered judicial or administrative action;

“(III) the programmatic interest of the Commission in deterring violations of the Act (including regulations under the Act) by making awards to whistleblowers who provide information that leads to the successful enforcement of such laws; and

“(IV) such additional relevant factors as the Commission may establish by rule or regulation; and

“(ii) shall not take into consideration the balance of the Fund.

“(2) DENIAL OF AWARD.—No award under subsection (b) shall be made—

“(A) to any whistleblower who is, or was at the time the whistleblower acquired the original information submitted to the Commission, a member, officer, or employee of—

“(i) a appropriate regulatory agency;

“(ii) the Department of Justice;

“(iii) a registered entity;

“(iv) a registered futures association;

“(v) a self-regulatory organization as defined in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)); or

“(vi) a law enforcement organization;

“(B) to any whistleblower who is convicted of a criminal violation related to the judicial or administrative action for which the whistleblower otherwise could receive an award under this section;

“(C) to any whistleblower who submits information to the Commission that is based on the facts underlying the covered action submitted previously by another whistleblower;

“(D) to any whistleblower who fails to submit information to the Commission in such form as the Commission may, by rule or regulation, require.

“(d) REPRESENTATION.—

“(1) PERMITTED REPRESENTATION.—Any whistleblower who makes a claim for an award under subsection (b) may be represented by counsel.

“(2) REQUIRED REPRESENTATION.—

“(A) *IN GENERAL.*—Any whistleblower who anonymously makes a claim for an award under subsection (b) shall be represented by counsel if the whistleblower submits the information upon which the claim is based.

“(B) *DISCLOSURE OF IDENTITY.*—Prior to the payment of an award, a whistleblower shall disclose the identity of the whistleblower and provide such other information as the Commission may require, directly or through counsel for the whistleblower.

“(e) *NO CONTRACT NECESSARY.*—No contract with the Commission is necessary for any whistleblower to receive an award under subsection (b), unless otherwise required by the Commission, by rule or regulation.

“(f) *APPEALS.*—

“(1) *IN GENERAL.*—Any determination made under this section, including whether, to whom, or in what amount to make awards, shall be in the discretion of the Commission.

“(2) *APPEALS.*—Any determination described in paragraph (1) may be appealed to the appropriate court of appeals of the United States not more than 30 days after the determination is issued by the Commission.

“(3) *REVIEW.*—The court shall review the determination made by the Commission in accordance with section 7064 of title 5, United States Code.

“(g) *COMMODITY FUTURES TRADING COMMISSION CUSTOMER PROTECTION FUND.*—

“(1) *ESTABLISHMENT.*—There is established in the Treasury of the United States a revolving fund to be known as the ‘Commodity Futures Trading Commission Customer Protection Fund’.

“(2) *USE OF FUND.*—The Fund shall be available to the Commission, without further appropriation or fiscal year limitation, for—

“(A) the payment of awards to whistleblowers as provided in subsection (a); and

“(B) the funding of customer education initiatives designed to help customers protect themselves against fraud or other violations of this Act, or the rules and regulations thereunder.

“(3) *DEPOSITS AND CREDITS.*—There shall be deposited into or credited to the Fund:

“(A) *MONETARY SANCTIONS.*—Any monetary sanctions collected by the Commission in any covered judicial or administrative action that is not otherwise distributed to victims of a violation of this Act or the rules and regulations thereunder underlying such action, unless the balance of the Fund at the time the monetary judgment is collected exceeds \$100,000,000.

“(B) *ADDITIONAL AMOUNTS.*—If the amounts deposited into or credited to the Fund under subparagraph (A) are not sufficient to satisfy an award made under subsection (b), there shall be deposited into or credited to the Fund an amount equal to the unsatisfied portion of the award from any monetary sanction collected by the Commission in any judicial or administrative action brought by the Commission under this Act that is based on information provided by a whistleblower.

“(C) *INVESTMENT INCOME.*—All income from investments made under paragraph (4).

“(4) *INVESTMENTS.*—

“(A) *AMOUNTS IN FUND MAY BE INVESTED.*—The Commission may request the Secretary of the Treasury to invest the portion of the Fund that is not, in the Commission’s judgment, required to meet the current needs of the Fund.

“(B) *ELIGIBLE INVESTMENTS.*—Investments shall be made by the Secretary of the Treasury in obligations of the United States or obligations that are guaranteed as to principal and interest by the United States, with maturities suitable to the needs of the Fund as determined by the Commission.

“(C) *INTEREST AND PROCEEDS CREDITED.*—The interest on, and the proceeds from the sale or re-

demption of, any obligations held in the Fund shall be credited to, and form a part of, the Fund.

“(5) *REPORTS TO CONGRESS.*—Not later than October 30 of each year, the Commission shall transmit to the Committee on Agriculture, Nutrition, and Forestry of the Senate, and the Committee on Agriculture of the House of Representatives a report on—

“(A) the Commission’s whistleblower award program under this section, including a description of the number of awards granted and the types of cases in which awards were granted during the preceding fiscal year;

“(B) customer education initiatives described in paragraph (2)(B) that were funded by the Fund during the preceding fiscal year;

“(C) the balance of the Fund at the beginning of the preceding fiscal year;

“(D) the amounts deposited into or credited to the Fund during the preceding fiscal year;

“(E) the amount of earnings on investments of amounts in the Fund during the preceding fiscal year;

“(F) the amount paid from the Fund during the preceding fiscal year to whistleblowers pursuant to subsection (b);

“(G) the amount paid from the Fund during the preceding fiscal year for customer education initiatives described in paragraph (2)(B);

“(H) the balance of the Fund at the end of the preceding fiscal year; and

“(I) a complete set of audited financial statements, including a balance sheet, income statement, and cash flow analysis.

“(h) *PROTECTION OF WHISTLEBLOWERS.*—

“(1) *PROHIBITION AGAINST RETALIATION.*—

“(A) *IN GENERAL.*—No employer may discharge, demote, suspend, threaten, harass, directly or indirectly, or in any other manner discriminate against, a whistleblower in the terms and conditions of employment because of any lawful act done by the whistleblower—

“(i) in providing information to the Commission in accordance with subsection (b); or

“(ii) in assisting in any investigation or judicial or administrative action of the Commission based upon or related to such information.

“(B) *ENFORCEMENT.*—

“(i) *CAUSE OF ACTION.*—An individual who alleges discharge or other discrimination in violation of subparagraph (A) may bring an action under this subsection in the appropriate district court of the United States for the relief provided in subparagraph (C), unless the individual who is alleging discharge or other discrimination in violation of subparagraph (A) is an employee of the Federal Government, in which case the individual shall only bring an action under section 1221 of title 5, United States Code.

“(ii) *SUBPOENAS.*—A subpoena requiring the attendance of a witness at a trial or hearing conducted under this subsection may be served at any place in the United States.

“(iii) *STATUTE OF LIMITATIONS.*—An action under this subsection may not be brought more than 2 years after the date on which the violation reported in subparagraph (A) is committed.

“(C) *RELIEF.*—Relief for an individual prevailing in an action brought under subparagraph (B) shall include—

“(i) reinstatement with the same seniority status that the individual would have had, but for the discrimination;

“(ii) the amount of back pay otherwise owed to the individual, with interest; and

“(iii) compensation for any special damages sustained as a result of the discharge or discrimination, including litigation costs, expert witness fees, and reasonable attorney’s fees.

“(2) *CONFIDENTIALITY.*—

“(A) *IN GENERAL.*—Except as provided in subparagraphs (B) and (C), the Commission, and any officer or employee of the Commission, shall

not disclose any information, including information provided by a whistleblower to the Commission, which could reasonably be expected to reveal the identity of a whistleblower, except in accordance with the provisions of section 552a of title 5, United States Code, unless and until required to be disclosed to a defendant or respondent in connection with a public proceeding instituted by the Commission or any entity described in subparagraph (C). For purposes of section 552 of title 5, United States Code, this paragraph shall be considered a statute described in subsection (b)(3)(B) of such section 552.

“(B) *EFFECT.*—Nothing in this paragraph is intended to limit the ability of the Attorney General to present such evidence to a grand jury or to share such evidence with potential witnesses or defendants in the course of an ongoing criminal investigation.

“(C) *AVAILABILITY TO GOVERNMENT AGENCIES.*—

“(i) *IN GENERAL.*—Without the loss of its status as confidential in the hands of the Commission, all information referred to in subparagraph (A) may, in the discretion of the Commission, when determined by the Commission to be necessary or appropriate to accomplish the purposes of this Act and protect customers and in accordance with clause (ii), be made available to—

“(I) the Department of Justice;

“(II) an appropriate department or agency of the Federal Government, acting within the scope of its jurisdiction;

“(III) a registered entity, registered futures association, or self-regulatory organization as defined in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a));

“(IV) a State attorney general in connection with any criminal investigation;

“(V) an appropriate department or agency of any State, acting within the scope of its jurisdiction; and

“(VI) a foreign futures authority.

“(ii) *MAINTENANCE OF INFORMATION.*—Each of the entities, agencies, or persons described in clause (i) shall maintain information described in that clause as confidential, in accordance with the requirements in subparagraph (A).

“(iii) *STUDY ON IMPACT OF FOIA EXEMPTION ON COMMODITY FUTURES TRADING COMMISSION.*—

“(I) *STUDY.*—The Inspector General of the Commission shall conduct a study—

“(aa) on whether the exemption under section 552(b)(3) of title 5, United States Code (known as the Freedom of Information Act) established in paragraph (2)(A) aids whistleblowers in disclosing information to the Commission;

“(bb) on what impact the exemption has had on the public’s ability to access information about the Commission’s regulation of commodity futures and option markets; and

“(cc) to make any recommendations on whether the Commission should continue to use the exemption.

“(II) *REPORT.*—Not later than 30 months after the date of enactment of this clause, the Inspector General shall—

“(aa) submit a report on the findings of the study required under this clause to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives; and

“(bb) make the report available to the public through publication of a report on the website of the Commission.

“(3) *RIGHTS RETAINED.*—Nothing in this section shall be deemed to diminish the rights, privileges, or remedies of any whistleblower under any Federal or State law, or under any collective bargaining agreement.

“(i) *RULEMAKING AUTHORITY.*—The Commission shall have the authority to issue such rules

and regulations as may be necessary or appropriate to implement the provisions of this section consistent with the purposes of this section.

“(j) **IMPLEMENTING RULES.**—The Commission shall issue final rules or regulations implementing the provisions of this section not later than 270 days after the date of enactment of the Wall Street Transparency and Accountability Act of 2010.

“(k) **ORIGINAL INFORMATION.**—Information submitted to the Commission by a whistleblower in accordance with rules or regulations implementing this section shall not lose its status as original information solely because the whistleblower submitted such information prior to the effective date of such rules or regulations, provided such information was submitted after the date of enactment of the Wall Street Transparency and Accountability Act of 2010.

“(l) **AWARDS.**—A whistleblower may receive an award pursuant to this section regardless of whether any violation of a provision of this Act, or a rule or regulation thereunder, underlying the judicial or administrative action upon which the award is based occurred prior to the date of enactment of the Wall Street Transparency and Accountability Act of 2010.

“(m) **PROVISION OF FALSE INFORMATION.**—A whistleblower who knowingly and willfully makes any false, fictitious, or fraudulent statement or representation, or who makes or uses any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement or entry, shall not be entitled to an award under this section and shall be subject to prosecution under section 1001 of title 18, United States Code.

“(n) **NONENFORCEABILITY OF CERTAIN PROVISIONS WAIVING RIGHTS AND REMEDIES OR REQUIRING ARBITRATION OF DISPUTES.**—

“(1) **WAIVER OF RIGHTS AND REMEDIES.**—The rights and remedies provided for in this section may not be waived by any agreement, policy form, or condition of employment including by a predispute arbitration agreement.

“(2) **PREDISPUTE ARBITRATION AGREEMENTS.**—No predispute arbitration agreement shall be valid or enforceable, if the agreement requires arbitration of a dispute arising under this section.”

SEC. 749. CONFORMING AMENDMENTS.

(a) Section 4d of the Commodity Exchange Act (7 U.S.C. 6d) (as amended by section 724) is amended—

(1) in subsection (a)—
(A) in the matter preceding paragraph (1)—
(i) by striking “engage as” and inserting “be a”; and

(ii) by striking “or introducing broker” and all that follows through “or derivatives transaction execution facility”;

(B) in paragraph (1), by striking “or introducing broker”; and

(C) in paragraph (2), by striking “if a futures commission merchant,”; and

(2) by adding at the end the following:

“(g) It shall be unlawful for any person to be an introducing broker unless such person shall have registered under this Act with the Commission as an introducing broker and such registration shall not have expired nor been suspended nor revoked.”

(b) Section 4m(3) of the Commodity Exchange Act (7 U.S.C. 6m(3)) is amended—

(1) by striking “(3) Subsection (1) of this section” and inserting the following:

“(3) **EXCEPTION.**—

“(A) **IN GENERAL.**—Paragraph (1)”; and
(2) by striking “to any investment trust” and all that follows through the period at the end and inserting the following: “to any commodity pool that is engaged primarily in trading commodity interests.”

“(B) **ENGAGED PRIMARILY.**—For purposes of subparagraph (A), a commodity trading advisor

or a commodity pool shall be considered to be ‘engaged primarily’ in the business of being a commodity trading advisor or commodity pool if it is or holds itself out to the public as being engaged primarily, or proposes to engage primarily, in the business of advising on commodity interests or investing, reinvesting, owning, holding, or trading in commodity interests, respectively.

“(C) **COMMODITY INTERESTS.**—For purposes of this paragraph, commodity interests shall include contracts of sale of a commodity for future delivery, options on such contracts, security futures, swaps, leverage contracts, foreign exchange, spot and forward contracts on physical commodities, and any monies held in an account used for trading commodity interests.”

(c) Section 5c of the Commodity Exchange Act (7 U.S.C. 7a–2) is amended—

(1) in subsection (a)(1)—

(A) by striking “, 5a(d),”; and

(B) by striking “and section (2)(h)(7) with respect to significant price discovery contracts,”; and

(2) in subsection (f)(1), by striking “section 4d(c) of this Act” and inserting “section 4d(e)”.

(d) Section 5e of the Commodity Exchange Act (7 U.S.C. 7b) is amended by striking “or revocation of the right of an electronic trading facility to rely on the exemption set forth in section 2(h)(3) with respect to a significant price discovery contract.”

(e) Section 6(b) of the Commodity Exchange Act (7 U.S.C. 8(b)) is amended in the first sentence by striking “, or to revoke the right of an electronic trading facility to rely on the exemption set forth in section 2(h)(3) with respect to a significant price discovery contract.”

(f) Section 12(e)(2)(B) of the Commodity Exchange Act (7 U.S.C. 16(e)(2)(B)) is amended—

(1) by striking “section 2(c), 2(d), 2(f), or 2(g) of this Act” and inserting “section 2(c) or 2(f) of this Act”; and

(2) by striking “2(h) or”.

(g) Section 17(r)(1) of the Commodity Exchange Act (7 U.S.C. 21(r)(1)) is amended by striking “section 4d(c) of this Act” and inserting “section 4d(e)”.

(h) Section 22 of the Commodity Exchange Act is amended—

(1) in subsection (a)(1)(B), by—

(A) inserting “or any swap” after “commodity”; and

(B) inserting “or any swap” after “such contract”;

(2) in subsection (a)(1)(C), by adding at the end the following:

“(iv) a swap; or”; and

(3) in subsection (b)(1)(A), by striking “section 2(h)(7) or sections 5 through 5c” and inserting “section 5, 5b, 5c, 5h, or 21”.

(i) Section 408(2)(C) of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 4421(2)(C)) is amended—

(1) by striking “section 2(c), 2(d), 2(f), or 2(g) of such Act” and inserting “section 2(c), 2(f), or 2(i) of that Act”; and

(2) by striking “2(h) or”.

SEC. 750. STUDY ON OVERSIGHT OF CARBON MARKETS.

(a) **INTERAGENCY WORKING GROUP.**—There is established to carry out this section an interagency working group (referred to in this section as the “interagency group”) composed of the following members or designees:

(1) The Chairman of the Commodity Futures Trading Commission (referred to in this section as the “Commission”), who shall serve as Chairman of the interagency group.

(2) The Secretary of Agriculture.

(3) The Secretary of the Treasury.

(4) The Chairman of the Securities and Exchange Commission.

(5) The Administrator of the Environmental Protection Agency.

(6) The Chairman of the Federal Energy Regulatory Commission.

(7) The Commissioner of the Federal Trade Commission.

(8) The Administrator of the Energy Information Administration.

(b) **ADMINISTRATIVE SUPPORT.**—The Commission shall provide the interagency group such administrative support services as are necessary to enable the interagency group to carry out the functions of the interagency group under this section.

(c) **CONSULTATION.**—In carrying out this section, the interagency group shall consult with representatives of exchanges, clearinghouses, self-regulatory bodies, major carbon market participants, consumers, and the general public, as the interagency group determines to be appropriate.

(d) **STUDY.**—The interagency group shall conduct a study on the oversight of existing and prospective carbon markets to ensure an efficient, secure, and transparent carbon market, including oversight of spot markets and derivative markets.

(e) **REPORT.**—Not later than 180 days after the date of enactment of this Act, the interagency group shall submit to Congress a report on the results of the study conducted under subsection (b), including recommendations for the oversight of existing and prospective carbon markets to ensure an efficient, secure, and transparent carbon market, including oversight of spot markets and derivative markets.

SEC. 751. ENERGY AND ENVIRONMENTAL MARKETS ADVISORY COMMITTEE.

Section 2(a) of the Commodity Exchange Act (7 U.S.C. 2(a)) (as amended by section 727) is amended by adding at the end the following:

“(15) **ENERGY AND ENVIRONMENTAL MARKETS ADVISORY COMMITTEE.**—

“(A) **ESTABLISHMENT.**—

“(i) **IN GENERAL.**—An Energy and Environmental Markets Advisory Committee is hereby established.

“(ii) **MEMBERSHIP.**—The Committee shall have 9 members.

“(iii) **ACTIVITIES.**—The Committee’s objectives and scope of activities shall be—

“(I) to conduct public meetings;

“(II) to submit reports and recommendations to the Commission (including dissenting or minority views, if any); and

“(III) otherwise to serve as a vehicle for discussion and communication on matters of concern to exchanges, firms, end users, and regulators regarding energy and environmental markets and their regulation by the Commission.

“(B) **REQUIREMENTS.**—

“(i) **IN GENERAL.**—The Committee shall hold public meetings at such intervals as are necessary to carry out the functions of the Committee, but not less frequently than 2 times per year.

“(ii) **MEMBERS.**—Members shall be appointed to 3-year terms, but may be removed for cause by vote of the Commission.

“(C) **APPOINTMENT.**—The Commission shall appoint members with a wide diversity of opinion and who represent a broad spectrum of interests, including hedgers and consumers.

“(D) **REIMBURSEMENT.**—Members shall be entitled to per diem and travel expense reimbursement by the Commission.

“(E) **FACA.**—The Committee shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.).”

SEC. 752. INTERNATIONAL HARMONIZATION.

(a) In order to promote effective and consistent global regulation of swaps and security-based swaps, the Commodity Futures Trading Commission, the Securities and Exchange Commission, and the prudential regulators (as that term is defined in section 1a(39) of the Commodity Exchange Act), as appropriate, shall

consult and coordinate with foreign regulatory authorities on the establishment of consistent international standards with respect to the regulation (including fees) of swaps, security-based swaps, swap entities, and security-based swap entities and may agree to such information-sharing arrangements as may be deemed to be necessary or appropriate in the public interest or for the protection of investors, swap counterparties, and security-based swap counterparties.

(b) In order to promote effective and consistent global regulation of contracts of sale of a commodity for future delivery and options on such contracts, the Commodity Futures Trading Commission shall consult and coordinate with foreign regulatory authorities on the establishment of consistent international standards with respect to the regulation of contracts of sale of a commodity for future delivery and options on such contracts, and may agree to such information-sharing arrangements as may be deemed necessary or appropriate in the public interest for the protection of users of contracts of sale of a commodity for future delivery.

SEC. 753. ANTI-MANIPULATION AUTHORITY.

(a) PROHIBITION REGARDING MANIPULATION AND FALSE INFORMATION.—Subsection (c) of section 6 of the Commodity Exchange Act (7 U.S.C. 9, 15) is amended to read as follows:

“(c) PROHIBITION REGARDING MANIPULATION AND FALSE INFORMATION.—

“(1) PROHIBITION AGAINST MANIPULATION.—It shall be unlawful for any person, directly or indirectly, to use or employ, or attempt to use or employ, in connection with any swap, or a contract of sale of any commodity in interstate commerce, or for future delivery on or subject to the rules of any registered entity, any manipulative or deceptive device or contrivance, in contravention of such rules and regulations as the Commission shall promulgate by not later than 1 year after the date of enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act, provided no rule or regulation promulgated by the Commission shall require any person to disclose to another person nonpublic information that may be material to the market price, rate, or level of the commodity transaction, except as necessary to make any statement made to the other person in or in connection with the transaction not misleading in any material respect.

“(A) SPECIAL PROVISION FOR MANIPULATION BY FALSE REPORTING.—Unlawful manipulation for purposes of this paragraph shall include, but not be limited to, delivering, or causing to be delivered for transmission through the mails or interstate commerce, by any means of communication whatsoever, a false or misleading or inaccurate report concerning crop or market information or conditions that affect or tend to affect the price of any commodity in interstate commerce, knowing, or acting in reckless disregard of the fact that such report is false, misleading or inaccurate.

“(B) EFFECT ON OTHER LAW.—Nothing in this paragraph shall affect, or be construed to affect, the applicability of section 9(a)(2).

“(C) GOOD FAITH MISTAKES.—Mistakenly transmitting, in good faith, false or misleading or inaccurate information to a price reporting service would not be sufficient to violate subsection (c)(1)(A).

“(2) PROHIBITION REGARDING FALSE INFORMATION.—It shall be unlawful for any person to make any false or misleading statement of a material fact to the Commission, including in any registration application or any report filed with the Commission under this Act, or any other information relating to a swap, or a contract of sale of a commodity, in interstate commerce, or for future delivery on or subject to the rules of any registered entity, or to omit to state in any such statement any material fact that is nec-

essary to make any statement of a material fact made not misleading in any material respect, if the person knew, or reasonably should have known, the statement to be false or misleading.

“(3) OTHER MANIPULATION.—In addition to the prohibition in paragraph (1), it shall be unlawful for any person, directly or indirectly, to manipulate or attempt to manipulate the price of any swap, or of any commodity in interstate commerce, or for future delivery on or subject to the rules of any registered entity.

“(4) ENFORCEMENT.—

“(A) AUTHORITY OF COMMISSION.—If the Commission has reason to believe that any person (other than a registered entity) is violating or has violated this subsection, or any other provision of this Act (including any rule, regulation, or order of the Commission promulgated in accordance with this subsection or any other provision of this Act), the Commission may serve upon the person a complaint.

“(B) CONTENTS OF COMPLAINT.—A complaint under subparagraph (A) shall—

“(i) contain a description of the charges against the person that is the subject of the complaint; and

“(ii) have attached or contain a notice of hearing that specifies the date and location of the hearing regarding the complaint.

“(C) HEARING.—A hearing described in subparagraph (B)(ii)—

“(i) shall be held not later than 3 days after service of the complaint described in subparagraph (A);

“(ii) shall require the person to show cause regarding why—

“(I) an order should not be made—

“(aa) to prohibit the person from trading on, or subject to the rules of, any registered entity; and

“(bb) to direct all registered entities to refuse all privileges to the person until further notice of the Commission; and

“(II) the registration of the person, if registered with the Commission in any capacity, should not be suspended or revoked; and

“(iii) may be held before—

“(I) the Commission; or

“(II) an administrative law judge designated by the Commission, under which the administrative law judge shall ensure that all evidence is recorded in written form and submitted to the Commission.

“(5) SUBPOENA.—For the purpose of securing effective enforcement of the provisions of this Act, for the purpose of any investigation or proceeding under this Act, and for the purpose of any action taken under section 12(f), any member of the Commission or any Administrative Law Judge or other officer designated by the Commission (except as provided in paragraph (7)) may administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, or other records that the Commission deems relevant or material to the inquiry.

“(6) WITNESSES.—The attendance of witnesses and the production of any such records may be required from any place in the United States, any State, or any foreign country or jurisdiction at any designated place of hearing.

“(7) SERVICE.—A subpoena issued under this section may be served upon any person who is not to be found within the territorial jurisdiction of any court of the United States in such manner as the Federal Rules of Civil Procedure prescribe for service of process in a foreign country, except that a subpoena to be served on a person who is not to be found within the territorial jurisdiction of any court of the United States may be issued only on the prior approval of the Commission.

“(8) REFUSAL TO OBEY.—In case of contumacy by, or refusal to obey a subpoena issued to, any

person, the Commission may invoke the aid of any court of the United States within the jurisdiction in which the investigation or proceeding is conducted, or where such person resides or transacts business, in requiring the attendance and testimony of witnesses and the production of books, papers, correspondence, memoranda, and other records. Such court may issue an order requiring such person to appear before the Commission or member or Administrative Law Judge or other officer designated by the Commission, there to produce records, if so ordered, or to give testimony touching the matter under investigation or in question.

“(9) FAILURE TO OBEY.—Any failure to obey such order of the court may be punished by the court as a contempt thereof. All process in any such case may be served in the judicial district wherein such person is an inhabitant or transacts business or wherever such person may be found.

“(10) EVIDENCE.—On the receipt of evidence under paragraph (4)(C)(iii), the Commission may—

“(A) prohibit the person that is the subject of the hearing from trading on, or subject to the rules of, any registered entity and require all registered entities to refuse the person all privileges on the registered entities for such period as the Commission may require in the order;

“(B) if the person is registered with the Commission in any capacity, suspend, for a period not to exceed 180 days, or revoke, the registration of the person;

“(C) assess such person—

“(i) a civil penalty of not more than an amount equal to the greater of—

“(I) \$140,000; or

“(II) triple the monetary gain to such person for each such violation; or

“(ii) in any case of manipulation or attempted manipulation in violation of this subsection or section 9(a)(2), a civil penalty of not more than an amount equal to the greater of—

“(I) \$1,000,000; or

“(II) triple the monetary gain to the person for each such violation; and

“(D) require restitution to customers of damages proximately caused by violations of the person.

“(11) ORDERS.—

“(A) NOTICE.—The Commission shall provide to a person described in paragraph (10) and the appropriate governing board of the registered entity notice of the order described in paragraph (10) by—

“(i) registered mail;

“(ii) certified mail; or

“(iii) personal delivery.

“(B) REVIEW.—

“(i) IN GENERAL.—A person described in paragraph (10) may obtain a review of the order or such other equitable relief as determined to be appropriate by a court described in clause (ii).

“(ii) PETITION.—To obtain a review or other relief under clause (i), a person may, not later than 15 days after notice is given to the person under clause (i), file a written petition to set aside the order with the United States Court of Appeals—

“(I) for the circuit in which the petitioner carries out the business of the petitioner; or

“(II) in the case of an order denying registration, the circuit in which the principal place of business of the petitioner is located, as listed on the application for registration of the petitioner.

“(C) PROCEDURE.—

“(i) DUTY OF CLERK OF APPROPRIATE COURT.—The clerk of the appropriate court under subparagraph (B)(ii) shall transmit to the Commission a copy of a petition filed under subparagraph (B)(ii).

“(ii) DUTY OF COMMISSION.—In accordance with section 2112 of title 28, United States Code,

the Commission shall file in the appropriate court described in subparagraph (B)(ii) the record theretofore made.

“(iii) JURISDICTION OF APPROPRIATE COURT.—Upon the filing of a petition under subparagraph (B)(ii), the appropriate court described in subparagraph (B)(ii) may affirm, set aside, or modify the order of the Commission.”.

(b) CEASE AND DESIST ORDERS, FINES.—Section 6(d) of the Commodity Exchange Act (7 U.S.C. 13b) is amended to read as follows:

“(d) If any person (other than a registered entity), is violating or has violated subsection (c) or any other provisions of this Act or of the rules, regulations, or orders of the Commission thereunder, the Commission may, upon notice and hearing, and subject to appeal as in other cases provided for in subsection (c), make and enter an order directing that such person shall cease and desist therefrom and, if such person thereafter and after the lapse of the period allowed for appeal of such order or after the affirmation of such order, shall knowingly fail or refuse to obey or comply with such order, such person, upon conviction thereof, shall be fined not more than the higher of \$140,000 or triple the monetary gain to such person, or imprisoned for not more than 1 year, or both, except that if such knowing failure or refusal to obey or comply with such order involves any offense within subsection (a) or (b) of section 9, such person, upon conviction thereof, shall be subject to the penalties of said subsection (a) or (b): Provided, That any such cease and desist order under this subsection against any respondent in any case of manipulation shall be issued only in conjunction with an order issued against such respondent under subsection (c).”.

(c) MANIPULATIONS; PRIVATE RIGHTS OF ACTION.—Section 22(a)(1) of the Commodity Exchange Act (7 U.S.C. 25(a)(1)) is amended by striking subparagraph (D) and inserting the following:

“(D) who purchased or sold a contract referred to in subparagraph (B) hereof or swap if the violation constitutes—

“(i) the use or employment of, or an attempt to use or employ, in connection with a swap, or a contract of sale of a commodity, in interstate commerce, or for future delivery on or subject to the rules of any registered entity, any manipulative device or contrivance in contravention of such rules and regulations as the Commission shall promulgate by not later than 1 year after the date of enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act; or

“(ii) a manipulation of the price of any such contract or swap or the price of the commodity underlying such contract or swap.”.

(d) EFFECTIVE DATE.—

(1) The amendments made by this section shall take effect on the date on which the final rule promulgated by the Commodity Futures Trading Commission pursuant to this Act takes effect.

(2) Paragraph (1) shall not preclude the Commission from undertaking prior to the effective date any rulemaking necessary to implement the amendments contained in this section.

SEC. 754. EFFECTIVE DATE.

Unless otherwise provided in this title, the provisions of this subtitle shall take effect on the later of 360 days after the date of the enactment of this subtitle or, to the extent a provision of this subtitle requires a rulemaking, not less than 60 days after publication of the final rule or regulation implementing such provision of this subtitle.

Subtitle B—Regulation of Security-Based Swap Markets

SEC. 761. DEFINITIONS UNDER THE SECURITIES EXCHANGE ACT OF 1934.

(a) DEFINITIONS.—Section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)) is amended—

(1) in subparagraphs (A) and (B) of paragraph (5), by inserting “(not including security-based swaps, other than security-based swaps with or for persons that are not eligible contract participants)” after “securities” each place that term appears;

(2) in paragraph (10), by inserting “security-based swap,” after “security future,”;

(3) in paragraph (13), by adding at the end the following: “For security-based swaps, such terms include the execution, termination (prior to its scheduled maturity date), assignment, exchange, or similar transfer or conveyance of, or extinguishing of rights or obligations under, a security-based swap, as the context may require.”;

(4) in paragraph (14), by adding at the end the following: “For security-based swaps, such terms include the execution, termination (prior to its scheduled maturity date), assignment, exchange, or similar transfer or conveyance of, or extinguishing of rights or obligations under, a security-based swap, as the context may require.”;

(5) in paragraph (39)—

(A) in subparagraph (B)(i)—

(i) in subclause (I), by striking “or government securities dealer” and inserting “government securities dealer, security-based swap dealer, or major security-based swap participant”; and

(ii) in subclause (II), by inserting “security-based swap dealer, major security-based swap participant,” after “government securities dealer,”;

(B) in subparagraph (C), by striking “or government securities dealer” and inserting “government securities dealer, security-based swap dealer, or major security-based swap participant”; and

(C) in subparagraph (D), by inserting “security-based swap dealer, major security-based swap participant,” after “government securities dealer,”; and

(6) by adding at the end the following:

“(65) ELIGIBLE CONTRACT PARTICIPANT.—The term ‘eligible contract participant’ has the same meaning as in section 1a of the Commodity Exchange Act (7 U.S.C. 1a).

“(66) MAJOR SWAP PARTICIPANT.—The term ‘major swap participant’ has the same meaning as in section 1a of the Commodity Exchange Act (7 U.S.C. 1a).

“(67) MAJOR SECURITY-BASED SWAP PARTICIPANT.—

“(A) IN GENERAL.—The term ‘major security-based swap participant’ means any person—

“(i) who is not a security-based swap dealer; and

“(ii) (I) who maintains a substantial position in security-based swaps for any of the major security-based swap categories, as such categories are determined by the Commission, excluding both positions held for hedging or mitigating commercial risk and positions maintained by any employee benefit plan (or any contract held by such a plan) as defined in paragraphs (3) and (32) of section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002) for the primary purpose of hedging or mitigating any risk directly associated with the operation of the plan;

“(II) whose outstanding security-based swaps create substantial counterparty exposure that could have serious adverse effects on the financial stability of the United States banking system or financial markets; or

“(III) that is a financial entity that—

“(aa) is highly leveraged relative to the amount of capital such entity holds and that is not subject to capital requirements established by an appropriate Federal banking agency; and

“(bb) maintains a substantial position in outstanding security-based swaps in any major se-

curity-based swap category, as such categories are determined by the Commission.

“(B) DEFINITION OF SUBSTANTIAL POSITION.—For purposes of subparagraph (A), the Commission shall define, by rule or regulation, the term ‘substantial position’ at the threshold that the Commission determines to be prudent for the effective monitoring, management, and oversight of entities that are systemically important or can significantly impact the financial system of the United States. In setting the definition under this subparagraph, the Commission shall consider the person’s relative position in uncleared as opposed to cleared security-based swaps and may take into consideration the value and quality of collateral held against counterparty exposures.

“(C) SCOPE OF DESIGNATION.—For purposes of subparagraph (A), a person may be designated as a major security-based swap participant for 1 or more categories of security-based swaps without being classified as a major security-based swap participant for all classes of security-based swaps.

“(68) SECURITY-BASED SWAP.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), the term ‘security-based swap’ means any agreement, contract, or transaction that—

“(i) is a swap, as that term is defined under section 1a of the Commodity Exchange Act (without regard to paragraph (47)(B)(x) of such section); and

“(ii) is based on—

“(I) an index that is a narrow-based security index, including any interest therein or on the value thereof;

“(II) a single security or loan, including any interest therein or on the value thereof; or

“(III) the occurrence, nonoccurrence, or extent of the occurrence of an event relating to a single issuer of a security or the issuers of securities in a narrow-based security index, provided that such event directly affects the financial statements, financial condition, or financial obligations of the issuer.

“(B) RULE OF CONSTRUCTION REGARDING MASTER AGREEMENTS.—The term ‘security-based swap’ shall be construed to include a master agreement that provides for an agreement, contract, or transaction that is a security-based swap pursuant to subparagraph (A), together with all supplements to any such master agreement, without regard to whether the master agreement contains an agreement, contract, or transaction that is not a security-based swap pursuant to subparagraph (A), except that the master agreement shall be considered to be a security-based swap only with respect to each agreement, contract, or transaction under the master agreement that is a security-based swap pursuant to subparagraph (A).

“(C) EXCLUSIONS.—The term ‘security-based swap’ does not include any agreement, contract, or transaction that meets the definition of a security-based swap only because such agreement, contract, or transaction references, is based upon, or settles through the transfer, delivery, or receipt of an exempted security under paragraph (12), as in effect on the date of enactment of the Futures Trading Act of 1982 (other than any municipal security as defined in paragraph (29) as in effect on the date of enactment of the Futures Trading Act of 1982), unless such agreement, contract, or transaction is of the character of, or is commonly known in the trade as, a put, call, or other option.

“(D) MIXED SWAP.—The term ‘security-based swap’ includes any agreement, contract, or transaction that is as described in subparagraph (A) and also is based on the value of 1 or more interest or other rates, currencies, commodities, instruments of indebtedness, indices, quantitative measures, other financial or economic

interest or property of any kind (other than a single security or a narrow-based security index), or the occurrence, non-occurrence, or the extent of the occurrence of an event or contingency associated with a potential financial, economic, or commercial consequence (other than an event described in subparagraph (A)(ii)(III)).

“(E) **RULE OF CONSTRUCTION REGARDING USE OF THE TERM INDEX.**—The term ‘index’ means an index or group of securities, including any interest therein or based on the value thereof.

“(69) **SWAP.**—The term ‘swap’ has the same meaning as in section 1a of the Commodity Exchange Act (7 U.S.C. 1a).

“(70) **PERSON ASSOCIATED WITH A SECURITY-BASED SWAP DEALER OR MAJOR SECURITY-BASED SWAP PARTICIPANT.**—

“(A) **IN GENERAL.**—The term ‘person associated with a security-based swap dealer or major security-based swap participant’ or ‘associated person of a security-based swap dealer or major security-based swap participant’ means—

“(i) any partner, officer, director, or branch manager of such security-based swap dealer or major security-based swap participant (or any person occupying a similar status or performing similar functions);

“(ii) any person directly or indirectly controlling, controlled by, or under common control with such security-based swap dealer or major security-based swap participant; or

“(iii) any employee of such security-based swap dealer or major security-based swap participant.

“(B) **EXCLUSION.**—Other than for purposes of section 15F(l)(2), the term ‘person associated with a security-based swap dealer or major security-based swap participant’ or ‘associated person of a security-based swap dealer or major security-based swap participant’ does not include any person associated with a security-based swap dealer or major security-based swap participant whose functions are solely clerical or ministerial.

“(71) **SECURITY-BASED SWAP DEALER.**—

“(A) **IN GENERAL.**—The term ‘security-based swap dealer’ means any person who—

“(i) holds himself out as a dealer in security-based swaps;

“(ii) makes a market in security-based swaps;

“(iii) regularly enters into security-based swaps with counterparties as an ordinary course of business for its own account; or

“(iv) engages in any activity causing it to be commonly known in the trade as a dealer or market maker in security-based swaps.

“(B) **DESIGNATION BY TYPE OR CLASS.**—A person may be designated as a security-based swap dealer for a single type or single class or category of security-based swap or activities and considered not to be a security-based swap dealer for other types, classes, or categories of security-based swaps or activities.

“(C) **EXCEPTION.**—The term ‘security-based swap dealer’ does not include a person that enters into security-based swaps for such person’s own account, either individually or in a fiduciary capacity, but not as a part of regular business.

“(D) **DE MINIMIS EXCEPTION.**—The Commission shall exempt from designation as a security-based swap dealer an entity that engages in a de minimis quantity of security-based swap dealing in connection with transactions with or on behalf of its customers. The Commission shall promulgate regulations to establish factors with respect to the making of any determination to exempt.

“(72) **APPROPRIATE FEDERAL BANKING AGENCY.**—The term ‘appropriate Federal banking agency’ has the same meaning as in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)).

“(73) **BOARD.**—The term ‘Board’ means the Board of Governors of the Federal Reserve System.

“(74) **PRUDENTIAL REGULATOR.**—The term ‘prudential regulator’ has the same meaning as in section 1a of the Commodity Exchange Act (7 U.S.C. 1a).

“(75) **SECURITY-BASED SWAP DATA REPOSITORY.**—The term ‘security-based swap data repository’ means any person that collects and maintains information or records with respect to transactions or positions in, or the terms and conditions of, security-based swaps entered into by third parties for the purpose of providing a centralized recordkeeping facility for security-based swaps.

“(76) **SWAP DEALER.**—The term ‘swap dealer’ has the same meaning as in section 1a of the Commodity Exchange Act (7 U.S.C. 1a).

“(77) **SECURITY-BASED SWAP EXECUTION FACILITY.**—The term ‘security-based swap execution facility’ means a trading system or platform in which multiple participants have the ability to execute or trade security-based swaps by accepting bids and offers made by multiple participants in the facility or system, through any means of interstate commerce, including any trading facility, that—

“(A) facilitates the execution of security-based swaps between persons; and

“(B) is not a national securities exchange.

“(78) **SECURITY-BASED SWAP AGREEMENT.**—

“(A) **IN GENERAL.**—For purposes of sections 9, 10, 16, 20, and 21A of this Act, and section 17 of the Securities Act of 1933 (15 U.S.C. 77q), the term ‘security-based swap agreement’ means a swap agreement as defined in section 206A of the Gramm-Leach-Bliley Act (15 U.S.C. 78c note) of which a material term is based on the price, yield, value, or volatility of any security or any group or index of securities, or any interest therein.

“(B) **EXCLUSIONS.**—The term ‘security-based swap agreement’ does not include any security-based swap.”

(b) **AUTHORITY TO FURTHER DEFINE TERMS.**—The Securities and Exchange Commission may, by rule, further define—

(1) the term “commercial risk”;

(2) any other term included in an amendment to the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)) made by this subtitle; and

(3) the terms “security-based swap”, “security-based swap dealer”, “major security-based swap participant”, and “eligible contract participant”, with regard to security-based swaps (as such terms are defined in the amendments made by subsection (a)) for the purpose of including transactions and entities that have been structured to evade this subtitle or the amendments made by this subtitle.

SEC. 762. REPEAL OF PROHIBITION ON REGULATION OF SECURITY-BASED SWAP AGREEMENTS.

(a) **REPEAL.**—Sections 206B and 206C of the Gramm-Leach-Bliley Act (Public Law 106-102; 15 U.S.C. 78c note) are repealed.

(b) **CONFORMING AMENDMENTS TO GRAMM-LEACH-BLILEY.**—Section 206A(a) of the Gramm-Leach-Bliley Act (15 U.S.C. 78c note) is amended in the material preceding paragraph (1), by striking “Except as” and all that follows through “that—” and inserting the following: “Except as provided in subsection (b), as used in this section, the term ‘swap agreement’ means any agreement, contract, or transaction that—”.

(c) **CONFORMING AMENDMENTS TO THE SECURITIES ACT OF 1933.**—

(1) Section 2A of the Securities Act of 1933 (15 U.S.C. 77b-1) is amended—

(A) by striking subsection (a) and reserving that subsection; and

(B) by striking “(as defined in section 206B of the Gramm-Leach-Bliley Act)” each place that

such term appears and inserting “(as defined in section 3(a)(78) of the Securities Exchange Act of 1934)”.

(2) Section 17 of the Securities Act of 1933 (15 U.S.C. 77q) is amended—

(A) in subsection (a)—

(i) by inserting “(including security-based swaps)” after “securities”; and

(ii) by striking “(as defined in section 206B of the Gramm-Leach-Bliley Act)” and inserting “(as defined in section 3(a)(78) of the Securities Exchange Act)”;

(B) in subsection (d), by striking “206B of the Gramm-Leach-Bliley Act” and inserting “3(a)(78) of the Securities Exchange Act of 1934”.

(d) **CONFORMING AMENDMENTS TO THE SECURITIES EXCHANGE ACT OF 1934.**—The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended—

(1) in section 3A (15 U.S.C. 78c-1)—

(A) by striking subsection (a) and reserving that subsection; and

(B) by striking “(as defined in section 206B of the Gramm-Leach-Bliley Act)” each place that the term appears;

(2) in section 9 (15 U.S.C. 78i)—

(A) in subsection (a), by striking paragraphs (2) through (5) and inserting the following:

“(2) To effect, alone or with 1 or more other persons, a series of transactions in any security registered on a national securities exchange, any security not so registered, or in connection with any security-based swap or security-based swap agreement with respect to such security creating actual or apparent active trading in such security, or raising or depressing the price of such security, for the purpose of inducing the purchase or sale of such security by others.

“(3) If a dealer, broker, security-based swap dealer, major security-based swap participant, or other person selling or offering for sale or purchasing or offering to purchase the security, a security-based swap, or a security-based swap agreement with respect to such security, to induce the purchase or sale of any security registered on a national securities exchange, any security not so registered, any security-based swap, or any security-based swap agreement with respect to such security by the circulation or dissemination in the ordinary course of business of information to the effect that the price of any such security will or is likely to rise or fall because of market operations of any 1 or more persons conducted for the purpose of raising or depressing the price of such security.

“(4) If a dealer, broker, security-based swap dealer, major security-based swap participant, or other person selling or offering for sale or purchasing or offering to purchase the security, a security-based swap, or security-based swap agreement with respect to such security, to make, regarding any security registered on a national securities exchange, any security not so registered, any security-based swap, or any security-based swap agreement with respect to such security, for the purpose of inducing the purchase or sale of such security, such security-based swap, or such security-based swap agreement any statement which was at the time and in the light of the circumstances under which it was made, false or misleading with respect to any material fact, and which that person knew or had reasonable ground to believe was so false or misleading.

“(5) For a consideration, received directly or indirectly from a broker, dealer, security-based swap dealer, major security-based swap participant, or other person selling or offering for sale or purchasing or offering to purchase the security, a security-based swap, or security-based swap agreement with respect to such security, to induce the purchase of any security registered on a national securities exchange, any security

not so registered, any security-based swap, or any security-based swap agreement with respect to such security by the circulation or dissemination of information to the effect that the price of any such security will or is likely to rise or fall because of the market operations of any 1 or more persons conducted for the purpose of raising or depressing the price of such security.”; and

(B) in subsection (i), by striking “(as defined in section 206B of the Gramm-Leach-Bliley Act)”;

(3) in section 10 (15 U.S.C. 78j)—

(A) in subsection (b), by striking “(as defined in section 206B of the Gramm-Leach-Bliley Act)” each place that term appears; and

(B) in the matter following subsection (b), by striking “(as defined in section 206B of the Gramm-Leach-Bliley Act), in each place that such terms appear”;

(4) in section 15 (15 U.S.C. 78o)—

(A) in subsection (c)(1)(A), by striking “(as defined in section 206B of the Gramm-Leach-Bliley Act)”;

(B) in subparagraphs (B) and (C) of subsection (c)(1), by striking “(as defined in section 206B of the Gramm-Leach-Bliley Act)” each place that term appears;

(C) by redesignating subsection (i), as added by section 303(f) of the Commodity Futures Modernization Act of 2000 (Public Law 106-554; 114 Stat. 2763A-455), as subsection (j); and

(D) in subsection (j), as redesignated by subparagraph (C), by striking “(as defined in section 206B of the Gramm-Leach-Bliley Act)”;

(5) in section 16 (15 U.S.C. 78p)—

(A) in subsection (a)(2)(C), by striking “(as defined in section 206(b) of the Gramm-Leach-Bliley Act (15 U.S.C. 78c note))”;

(B) in subsection (a)(3)(B), by inserting “or security-based swaps” after “security-based swap agreement”;

(C) in the first sentence of subsection (b), by striking “(as defined in section 206B of the Gramm-Leach-Bliley Act)”;

(D) in the third sentence of subsection (b), by striking “(as defined in section 206B of the Gramm-Leach-Bliley Act)” and inserting “or a security-based swap”; and

(E) in subsection (g), by striking “(as defined in section 206B of the Gramm-Leach-Bliley Act)”;

(6) in section 20 (15 U.S.C. 78t),

(A) in subsection (d), by striking “(as defined in section 206B of the Gramm-Leach-Bliley Act)”;

(B) in subsection (f), by striking “(as defined in section 206B of the Gramm-Leach-Bliley Act)”;

(7) in section 21A (15 U.S.C. 78u-1)—

(A) in subsection (a)(1), by striking “(as defined in section 206B of the Gramm-Leach-Bliley Act)”;

(B) in subsection (g), by striking “(as defined in section 206B of the Gramm-Leach-Bliley Act)”.

SEC. 763. AMENDMENTS TO THE SECURITIES EXCHANGE ACT OF 1934.

(a) **CLEARING FOR SECURITY-BASED SWAPS.**—The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended by inserting after section 3B (as added by section 717 of this Act):

“SEC. 3C. CLEARING FOR SECURITY-BASED SWAPS.

“(a) **IN GENERAL.**—

“(1) **STANDARD FOR CLEARING.**—It shall be unlawful for any person to engage in a security-based swap unless that person submits such security-based swap for clearing to a clearing agency that is registered under this Act or a clearing agency that is exempt from registration under this Act if the security-based swap is required to be cleared.

“(2) **OPEN ACCESS.**—The rules of a clearing agency described in paragraph (1) shall—

“(A) prescribe that all security-based swaps submitted to the clearing agency with the same terms and conditions are economically equivalent within the clearing agency and may be offset with each other within the clearing agency; and

“(B) provide for non-discriminatory clearing of a security-based swap executed bilaterally or on or through the rules of an unaffiliated national securities exchange or security-based swap execution facility.

“(b) **COMMISSION REVIEW.**—

“(1) **COMMISSION-INITIATED REVIEW.**—

“(A) The Commission on an ongoing basis shall review each security-based swap, or any group, category, type, or class of security-based swaps to make a determination that such security-based swap, or group, category, type, or class of security-based swaps should be required to be cleared.

“(B) The Commission shall provide at least a 30-day public comment period regarding any determination under subparagraph (A).

“(2) **SWAP SUBMISSIONS.**—

“(A) A clearing agency shall submit to the Commission each security-based swap, or any group, category, type, or class of security-based swaps that it plans to accept for clearing and provide notice to its members (in a manner to be determined by the Commission) of such submission.

“(B) Any security-based swap or group, category, type, or class of security-based swaps listed for clearing by a clearing agency as of the date of enactment of this subsection shall be considered submitted to the Commission.

“(C) The Commission shall—

“(i) make available to the public any submission received under subparagraphs (A) and (B);

“(ii) review each submission made under subparagraphs (A) and (B), and determine whether the security-based swap, or group, category, type, or class of security-based swaps, described in the submission is required to be cleared; and

“(iii) provide at least a 30-day public comment period regarding its determination whether the clearing requirement under subsection (a)(1) shall apply to the submission.

“(3) **DEADLINE.**—The Commission shall make its determination under paragraph (2)(C) not later than 90 days after receiving a submission made under paragraphs (2)(A) and (2)(B), unless the submitting clearing agency agrees to an extension for the time limitation established under this paragraph.

“(4) **DETERMINATION.**—

“(A) In reviewing a submission made under paragraph (2), the Commission shall review whether the submission is consistent with section 17A.

“(B) In reviewing a security-based swap, group of security-based swaps or class of security-based swaps pursuant to paragraph (1) or a submission made under paragraph (2), the Commission shall take into account the following factors:

“(i) The existence of significant outstanding notional exposures, trading liquidity and adequate pricing data.

“(ii) The availability of rule framework, capacity, operational expertise and resources, and credit support infrastructure to clear the contract on terms that are consistent with the material terms and trading conventions on which the contract is then traded.

“(iii) The effect on the mitigation of systemic risk, taking into account the size of the market for such contract and the resources of the clearing agency available to clear the contract.

“(iv) The effect on competition, including appropriate fees and charges applied to clearing.

“(v) The existence of reasonable legal certainty in the event of the insolvency of the relevant clearing agency or 1 or more of its clear-

ing members with regard to the treatment of customer and security-based swap counterparty positions, funds, and property.

“(C) In making a determination under subsection (b)(1) or paragraph (2)(C) that the clearing requirement shall apply, the Commission may require such terms and conditions to the requirement as the Commission determines to be appropriate.

“(5) **RULES.**—Not later than 1 year after the date of the enactment of this section, the Commission shall adopt rules for a clearing agency’s submission for review, pursuant to this subsection, of a security-based swap, or a group, category, type, or class of security-based swaps, that it seeks to accept for clearing. Nothing in this paragraph limits the Commission from making a determination under paragraph (2)(C) for security-based swaps described in paragraph (2)(B).

“(c) **STAY OF CLEARING REQUIREMENT.**—

“(1) **IN GENERAL.**—After making a determination pursuant to subsection (b)(2), the Commission, on application of a counterparty to a security-based swap or on its own initiative, may stay the clearing requirement of subsection (a)(1) until the Commission completes a review of the terms of the security-based swap (or the group, category, type, or class of security-based swaps) and the clearing arrangement.

“(2) **DEADLINE.**—The Commission shall complete a review undertaken pursuant to paragraph (1) not later than 90 days after issuance of the stay, unless the clearing agency that clears the security-based swap, or group, category, type, or class of security-based swaps, agrees to an extension of the time limitation established under this paragraph.

“(3) **DETERMINATION.**—Upon completion of the review undertaken pursuant to paragraph (1), the Commission may—

“(A) determine, unconditionally or subject to such terms and conditions as the Commission determines to be appropriate, that the security-based swap, or group, category, type, or class of security-based swaps, must be cleared pursuant to this subsection if it finds that such clearing is consistent with subsection (b)(4); or

“(B) determine that the clearing requirement of subsection (a)(1) shall not apply to the security-based swap, or group, category, type, or class of security-based swaps.

“(4) **RULES.**—Not later than 1 year after the date of the enactment of this section, the Commission shall adopt rules for reviewing, pursuant to this subsection, a clearing agency’s clearing of a security-based swap, or a group, category, type, or class of security-based swaps, that it has accepted for clearing.

“(d) **PREVENTION OF EVASION.**—

“(1) **IN GENERAL.**—The Commission shall prescribe rules under this section (and issue interpretations of rules prescribed under this section), as determined by the Commission to be necessary to prevent evasions of the mandatory clearing requirements under this Act.

“(2) **DUTY OF COMMISSION TO INVESTIGATE AND TAKE CERTAIN ACTIONS.**—To the extent the Commission finds that a particular security-based swap or any group, category, type, or class of security-based swaps that would otherwise be subject to mandatory clearing but no clearing agency has listed the security-based swap or the group, category, type, or class of security-based swaps for clearing, the Commission shall—

“(A) investigate the relevant facts and circumstances;

“(B) within 30 days issue a public report containing the results of the investigation; and

“(C) take such actions as the Commission determines to be necessary and in the public interest, which may include requiring the retaining of adequate margin or capital by parties to the security-based swap or the group, category, type, or class of security-based swaps.

“(3) EFFECT ON AUTHORITY.—Nothing in this subsection—

“(A) authorizes the Commission to adopt rules requiring a clearing agency to list for clearing a security-based swap or any group, category, type, or class of security-based swaps if the clearing of the security-based swap or the group, category, type, or class of security-based swaps would threaten the financial integrity of the clearing agency; and

“(B) affects the authority of the Commission to enforce the open access provisions of subsection (a)(2) with respect to a security-based swap or the group, category, type, or class of security-based swaps that is listed for clearing by a clearing agency.

“(e) REPORTING TRANSITION RULES.—Rules adopted by the Commission under this section shall provide for the reporting of data, as follows:

“(1) Security-based swaps entered into before the date of the enactment of this section shall be reported to a registered security-based swap data repository or the Commission no later than 180 days after the effective date of this section.

“(2) Security-based swaps entered into on or after such date of enactment shall be reported to a registered security-based swap data repository or the Commission no later than the later of—

“(A) 90 days after such effective date; or

“(B) such other time after entering into the security-based swap as the Commission may prescribe by rule or regulation.

“(f) CLEARING TRANSITION RULES.—

“(1) Security-based swaps entered into before the date of the enactment of this section are exempt from the clearing requirements of this subsection if reported pursuant to subsection (e)(1).

“(2) Security-based swaps entered into before application of the clearing requirement pursuant to this section are exempt from the clearing requirements of this section if reported pursuant to subsection (e)(2).

“(g) EXCEPTIONS.—

“(1) IN GENERAL.—The requirements of subsection (a)(1) shall not apply to a security-based swap if 1 of the counterparties to the security-based swap—

“(A) is not a financial entity;

“(B) is using security-based swaps to hedge or mitigate commercial risk; and

“(C) notifies the Commission, in a manner set forth by the Commission, how it generally meets its financial obligations associated with entering into non-cleared security-based swaps.

“(2) OPTION TO CLEAR.—The application of the clearing exception in paragraph (1) is solely at the discretion of the counterparty to the security-based swap that meets the conditions of subparagraphs (A) through (C) of paragraph (1).

“(3) FINANCIAL ENTITY DEFINITION.—

“(A) IN GENERAL.—For the purposes of this subsection, the term ‘financial entity’ means—

“(i) a swap dealer;

“(ii) a security-based swap dealer;

“(iii) a major swap participant;

“(iv) a major security-based swap participant;

“(v) a commodity pool as defined in section 1a(10) of the Commodity Exchange Act;

“(vi) a private fund as defined in section 202(a) of the Investment Advisers Act of 1940 (15 U.S.C. 80–b–2(a));

“(vii) an employee benefit plan as defined in paragraphs (3) and (32) of section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002);

“(viii) a person predominantly engaged in activities that are in the business of banking or financial in nature, as defined in section 4(k) of the Bank Holding Company Act of 1956.

“(B) EXCLUSION.—The Commission shall consider whether to exempt small banks, savings associations, farm credit system institutions, and credit unions, including—

“(i) depository institutions with total assets of \$10,000,000,000 or less;

“(ii) farm credit system institutions with total assets of \$10,000,000,000 or less; or

“(iii) credit unions with total assets of \$10,000,000,000 or less.

“(4) TREATMENT OF AFFILIATES.—

“(A) IN GENERAL.—An affiliate of a person that qualifies for an exception under this subsection (including affiliate entities predominantly engaged in providing financing for the purchase of the merchandise or manufactured goods of the person) may qualify for the exception only if the affiliate, acting on behalf of the person and as an agent, uses the security-based swap to hedge or mitigate the commercial risk of the person or other affiliate of the person that is not a financial entity.

“(B) PROHIBITION RELATING TO CERTAIN AFFILIATES.—The exception in subparagraph (A) shall not apply if the affiliate is—

“(i) a swap dealer;

“(ii) a security-based swap dealer;

“(iii) a major swap participant;

“(iv) a major security-based swap participant;

“(v) an issuer that would be an investment company, as defined in section 3 of the Investment Company Act of 1940 (15 U.S.C. 80a–3), but for paragraph (1) or (7) of subsection (c) of that Act (15 U.S.C. 80a–3(c));

“(vi) a commodity pool; or

“(vii) a bank holding company with over \$50,000,000,000 in consolidated assets.

“(C) TRANSITION RULE FOR AFFILIATES.—An affiliate, subsidiary, or a wholly owned entity of a person that qualifies for an exception under subparagraph (A) and is predominantly engaged in providing financing for the purchase or lease of merchandise or manufactured goods of the person shall be exempt from the margin requirement described in section 15F(e) and the clearing requirement described in subsection (a) with regard to security-based swaps entered into to mitigate the risk of the financing activities for not less than a 2-year period beginning on the date of enactment of this subparagraph.

“(5) ELECTION OF COUNTERPARTY.—

“(A) SECURITY-BASED SWAPS REQUIRED TO BE CLEARED.—With respect to any security-based swap that is subject to the mandatory clearing requirement under subsection (a) and entered into by a security-based swap dealer or a major security-based swap participant with a counterparty that is not a swap dealer, major swap participant, security-based swap dealer, or major security-based swap participant, the counterparty shall have the sole right to select the clearing agency at which the security-based swap will be cleared.

“(B) SECURITY-BASED SWAPS NOT REQUIRED TO BE CLEARED.—With respect to any security-based swap that is not subject to the mandatory clearing requirement under subsection (a) and entered into by a security-based swap dealer or a major security-based swap participant with a counterparty that is not a swap dealer, major swap participant, security-based swap dealer, or major security-based swap participant, the counterparty—

“(i) may elect to require clearing of the security-based swap; and

“(ii) shall have the sole right to select the clearing agency at which the security-based swap will be cleared.

“(6) ABUSE OF EXCEPTION.—The Commission may prescribe such rules or issue interpretations of the rules as the Commission determines to be necessary to prevent abuse of the exceptions described in this subsection. The Commission may also request information from those persons claiming the clearing exception as necessary to prevent abuse of the exceptions described in this subsection.

“(h) TRADE EXECUTION.—

“(1) IN GENERAL.—With respect to transactions involving security-based swaps subject to the clearing requirement of subsection (a)(1), counterparties shall—

“(A) execute the transaction on an exchange; or

“(B) execute the transaction on a security-based swap execution facility registered under section 3D or a security-based swap execution facility that is exempt from registration under section 3D(e).

“(2) EXCEPTION.—The requirements of subparagraphs (A) and (B) of paragraph (1) shall not apply if no exchange or security-based swap execution facility makes the security-based swap available to trade or for security-based swap transactions subject to the clearing exception under subsection (g).

“(i) BOARD APPROVAL.—Exemptions from the requirements of this section to clear a security-based swap or execute a security-based swap through a national securities exchange or security-based swap execution facility shall be available to a counterparty that is an issuer of securities that are registered under section 12 or that is required to file reports pursuant to section 15(d), only if an appropriate committee of the issuer's board or governing body has reviewed and approved the issuer's decision to enter into security-based swaps that are subject to such exemptions.

“(j) DESIGNATION OF CHIEF COMPLIANCE OFFICER.—

“(1) IN GENERAL.—Each registered clearing agency shall designate an individual to serve as a chief compliance officer.

“(2) DUTIES.—The chief compliance officer shall—

“(A) report directly to the board or to the senior officer of the clearing agency;

“(B) in consultation with its board, a body performing a function similar thereto, or the senior officer of the registered clearing agency, resolve any conflicts of interest that may arise;

“(C) be responsible for administering each policy and procedure that is required to be established pursuant to this section;

“(D) ensure compliance with this title (including regulations issued under this title) relating to agreements, contracts, or transactions, including each rule prescribed by the Commission under this section;

“(E) establish procedures for the remediation of noncompliance issues identified by the compliance officer through any—

“(i) compliance office review;

“(ii) look-back;

“(iii) internal or external audit finding;

“(iv) self-reported error; or

“(v) validated complaint; and

“(F) establish and follow appropriate procedures for the handling, management response, remediation, retesting, and closing of non-compliance issues.

“(3) ANNUAL REPORTS.—

“(A) IN GENERAL.—In accordance with rules prescribed by the Commission, the chief compliance officer shall annually prepare and sign a report that contains a description of—

“(i) the compliance of the registered clearing agency or security-based swap execution facility of the compliance officer with respect to this title (including regulations under this title); and

“(ii) each policy and procedure of the registered clearing agency of the compliance officer (including the code of ethics and conflict of interest policies of the registered clearing agency).

“(B) REQUIREMENTS.—A compliance report under subparagraph (A) shall—

“(i) accompany each appropriate financial report of the registered clearing agency that is required to be furnished to the Commission pursuant to this section; and

“(ii) include a certification that, under penalty of law, the compliance report is accurate and complete.”.

(b) **CLEARING AGENCY REQUIREMENTS.**—Section 17A of the Securities Exchange Act of 1934 (15 U.S.C. 78q-1) is amended by adding at the end the following:

“(g) **REGISTRATION REQUIREMENT.**—It shall be unlawful for a clearing agency, unless registered with the Commission, directly or indirectly to make use of the mails or any means or instrumentality of interstate commerce to perform the functions of a clearing agency with respect to a security-based swap.

“(h) **VOLUNTARY REGISTRATION.**—A person that clears agreements, contracts, or transactions that are not required to be cleared under this title may register with the Commission as a clearing agency.

“(i) **STANDARDS FOR CLEARING AGENCIES CLEARING SECURITY-BASED SWAP TRANSACTIONS.**—To be registered and to maintain registration as a clearing agency that clears security-based swap transactions, a clearing agency shall comply with such standards as the Commission may establish by rule. In establishing any such standards, and in the exercise of its oversight of such a clearing agency pursuant to this title, the Commission may conform such standards or oversight to reflect evolving United States and international standards. Except where the Commission determines otherwise by rule or regulation, a clearing agency shall have reasonable discretion in establishing the manner in which it complies with any such standards.

“(j) **RULES.**—The Commission shall adopt rules governing persons that are registered as clearing agencies for security-based swaps under this title.

“(k) **EXEMPTIONS.**—The Commission may exempt, conditionally or unconditionally, a clearing agency from registration under this section for the clearing of security-based swaps if the Commission determines that the clearing agency is subject to comparable, comprehensive supervision and regulation by the Commodity Futures Trading Commission or the appropriate government authorities in the home country of the agency. Such conditions may include, but are not limited to, requiring that the clearing agency be available for inspection by the Commission and make available all information requested by the Commission.

“(l) **EXISTING DEPOSITORY INSTITUTIONS AND DERIVATIVE CLEARING ORGANIZATIONS.**—

“(1) **IN GENERAL.**—A depository institution or derivative clearing organization registered with the Commodity Futures Trading Commission under the Commodity Exchange Act that is required to be registered as a clearing agency under this section is deemed to be registered under this section solely for the purpose of clearing security-based swaps to the extent that, before the date of enactment of this subsection—

“(A) the depository institution cleared swaps as a multilateral clearing organization; or

“(B) the derivative clearing organization cleared swaps pursuant to an exemption from registration as a clearing agency.

“(2) **CONVERSION OF DEPOSITORY INSTITUTIONS.**—A depository institution to which this subsection applies may, by the vote of the shareholders owning not less than 51 percent of the voting interests of the depository institution, be converted into a State corporation, partnership, limited liability company, or similar legal form pursuant to a plan of conversion, if the conversion is not in contravention of applicable State law.

“(3) **SHARING OF INFORMATION.**—The Commodity Futures Trading Commission shall make available to the Commission, upon request, all information determined to be relevant by the Commodity Futures Trading Commission regarding a derivatives clearing organization deemed to be registered with the Commission under paragraph (1).

“(m) **MODIFICATION OF CORE PRINCIPLES.**—The Commission may conform the core principles established in this section to reflect evolving United States and international standards.”.

(c) **SECURITY-BASED SWAP EXECUTION FACILITIES.**—The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended by inserting after section 3C (as added by subsection (a) of this section) the following:

“SEC. 3D. SECURITY-BASED SWAP EXECUTION FACILITIES.

“(a) **REGISTRATION.**—

“(1) **IN GENERAL.**—No person may operate a facility for the trading or processing of security-based swaps, unless the facility is registered as a security-based swap execution facility or as a national securities exchange under this section.

“(2) **DUAL REGISTRATION.**—Any person that is registered as a security-based swap execution facility under this section shall register with the Commission regardless of whether the person also is registered with the Commodity Futures Trading Commission as a swap execution facility.

“(b) **TRADING AND TRADE PROCESSING.**—A security-based swap execution facility that is registered under subsection (a) may—

“(1) make available for trading any security-based swap; and

“(2) facilitate trade processing of any security-based swap.

“(c) **IDENTIFICATION OF FACILITY USED TO TRADE SECURITY-BASED SWAPS BY NATIONAL SECURITIES EXCHANGES.**—A national securities exchange shall, to the extent that the exchange also operates a security-based swap execution facility and uses the same electronic trade execution system for listing and executing trades of security-based swaps on or through the exchange and the facility, identify whether electronic trading of such security-based swaps is taking place on or through the national securities exchange or the security-based swap execution facility.

“(d) **CORE PRINCIPLES FOR SECURITY-BASED SWAP EXECUTION FACILITIES.**—

“(1) **COMPLIANCE WITH CORE PRINCIPLES.**—

“(A) **IN GENERAL.**—To be registered, and maintain registration, as a security-based swap execution facility, the security-based swap execution facility shall comply with—

“(i) the core principles described in this subsection; and

“(ii) any requirement that the Commission may impose by rule or regulation.

“(B) **REASONABLE DISCRETION OF SECURITY-BASED SWAP EXECUTION FACILITY.**—Unless otherwise determined by the Commission, by rule or regulation, a security-based swap execution facility described in subparagraph (A) shall have reasonable discretion in establishing the manner in which it complies with the core principles described in this subsection.

“(2) **COMPLIANCE WITH RULES.**—A security-based swap execution facility shall—

“(A) establish and enforce compliance with any rule established by such security-based swap execution facility, including—

“(i) the terms and conditions of the security-based swaps traded or processed on or through the facility; and

“(ii) any limitation on access to the facility;

“(B) establish and enforce trading, trade processing, and participation rules that will deter abuses and have the capacity to detect, investigate, and enforce those rules, including means—

“(i) to provide market participants with impartial access to the market; and

“(ii) to capture information that may be used in establishing whether rule violations have occurred; and

“(C) establish rules governing the operation of the facility, including rules specifying trading

procedures to be used in entering and executing orders traded or posted on the facility, including block trades.

“(3) **SECURITY-BASED SWAPS NOT READILY SUSCEPTIBLE TO MANIPULATION.**—The security-based swap execution facility shall permit trading only in security-based swaps that are not readily susceptible to manipulation.

“(4) **MONITORING OF TRADING AND TRADE PROCESSING.**—The security-based swap execution facility shall—

“(A) establish and enforce rules or terms and conditions defining, or specifications detailing—

“(i) trading procedures to be used in entering and executing orders traded on or through the facilities of the security-based swap execution facility; and

“(ii) procedures for trade processing of security-based swaps on or through the facilities of the security-based swap execution facility; and

“(B) monitor trading in security-based swaps to prevent manipulation, price distortion, and disruptions of the delivery or cash settlement process through surveillance, compliance, and disciplinary practices and procedures, including methods for conducting real-time monitoring of trading and comprehensive and accurate trade reconstructions.

“(5) **ABILITY TO OBTAIN INFORMATION.**—The security-based swap execution facility shall—

“(A) establish and enforce rules that will allow the facility to obtain any necessary information to perform any of the functions described in this subsection;

“(B) provide the information to the Commission on request; and

“(C) have the capacity to carry out such international information-sharing agreements as the Commission may require.

“(6) **FINANCIAL INTEGRITY OF TRANSACTIONS.**—The security-based swap execution facility shall establish and enforce rules and procedures for ensuring the financial integrity of security-based swaps entered on or through the facilities of the security-based swap execution facility, including the clearance and settlement of security-based swaps pursuant to section 3C(a)(1).

“(7) **EMERGENCY AUTHORITY.**—The security-based swap execution facility shall adopt rules to provide for the exercise of emergency authority, in consultation or cooperation with the Commission, as is necessary and appropriate, including the authority to liquidate or transfer open positions in any security-based swap or to suspend or curtail trading in a security-based swap.

“(8) **TIMELY PUBLICATION OF TRADING INFORMATION.**—

“(A) **IN GENERAL.**—The security-based swap execution facility shall make public timely information on price, trading volume, and other trading data on security-based swaps to the extent prescribed by the Commission.

“(B) **CAPACITY OF SECURITY-BASED SWAP EXECUTION FACILITY.**—The security-based swap execution facility shall be required to have the capacity to electronically capture and transmit and disseminate trade information with respect to transactions executed on or through the facility.

“(9) **RECORDKEEPING AND REPORTING.**—

“(A) **IN GENERAL.**—A security-based swap execution facility shall—

“(i) maintain records of all activities relating to the business of the facility, including a complete audit trail, in a form and manner acceptable to the Commission for a period of 5 years; and

“(ii) report to the Commission, in a form and manner acceptable to the Commission, such information as the Commission determines to be necessary or appropriate for the Commission to perform the duties of the Commission under this title.

“(B) REQUIREMENTS.—The Commission shall adopt data collection and reporting requirements for security-based swap execution facilities that are comparable to corresponding requirements for clearing agencies and security-based swap data repositories.

“(10) ANTITRUST CONSIDERATIONS.—Unless necessary or appropriate to achieve the purposes of this title, the security-based swap execution facility shall not—

“(A) adopt any rules or taking any actions that result in any unreasonable restraint of trade; or

“(B) impose any material anticompetitive burden on trading or clearing.

“(11) CONFLICTS OF INTEREST.—The security-based swap execution facility shall—

“(A) establish and enforce rules to minimize conflicts of interest in its decision-making process; and

“(B) establish a process for resolving the conflicts of interest.

“(12) FINANCIAL RESOURCES.—

“(A) IN GENERAL.—The security-based swap execution facility shall have adequate financial, operational, and managerial resources to discharge each responsibility of the security-based swap execution facility, as determined by the Commission.

“(B) DETERMINATION OF RESOURCE ADEQUACY.—The financial resources of a security-based swap execution facility shall be considered to be adequate if the value of the financial resources—

“(i) enables the organization to meet its financial obligations to its members and participants notwithstanding a default by the member or participant creating the largest financial exposure for that organization in extreme but plausible market conditions; and

“(ii) exceeds the total amount that would enable the security-based swap execution facility to cover the operating costs of the security-based swap execution facility for a 1-year period, as calculated on a rolling basis.

“(13) SYSTEM SAFEGUARDS.—The security-based swap execution facility shall—

“(A) establish and maintain a program of risk analysis and oversight to identify and minimize sources of operational risk, through the development of appropriate controls and procedures, and automated systems, that—

“(i) are reliable and secure; and

“(ii) have adequate scalable capacity;

“(B) establish and maintain emergency procedures, backup facilities, and a plan for disaster recovery that allow for—

“(i) the timely recovery and resumption of operations; and

“(ii) the fulfillment of the responsibilities and obligations of the security-based swap execution facility; and

“(C) periodically conduct tests to verify that the backup resources of the security-based swap execution facility are sufficient to ensure continued—

“(i) order processing and trade matching;

“(ii) price reporting;

“(iii) market surveillance; and

“(iv) maintenance of a comprehensive and accurate audit trail.

“(14) DESIGNATION OF CHIEF COMPLIANCE OFFICER.—

“(A) IN GENERAL.—Each security-based swap execution facility shall designate an individual to serve as a chief compliance officer.

“(B) DUTIES.—The chief compliance officer shall—

“(i) report directly to the board or to the senior officer of the facility;

“(ii) review compliance with the core principles in this subsection;

“(iii) in consultation with the board of the facility, a body performing a function similar to

that of a board, or the senior officer of the facility, resolve any conflicts of interest that may arise;

“(iv) be responsible for establishing and administering the policies and procedures required to be established pursuant to this section;

“(v) ensure compliance with this title and the rules and regulations issued under this title, including rules prescribed by the Commission pursuant to this section;

“(vi) establish procedures for the remediation of noncompliance issues found during—

“(I) compliance office reviews;

“(II) look backs;

“(III) internal or external audit findings;

“(IV) self-reported errors; or

“(V) through validated complaints; and

“(vii) establish and follow appropriate procedures for the handling, management response, remediation, retesting, and closing of non-compliance issues.

“(C) ANNUAL REPORTS.—

“(i) IN GENERAL.—In accordance with rules prescribed by the Commission, the chief compliance officer shall annually prepare and sign a report that contains a description of—

“(I) the compliance of the security-based swap execution facility with this title; and

“(II) the policies and procedures, including the code of ethics and conflict of interest policies, of the security-based security-based swap execution facility.

“(ii) REQUIREMENTS.—The chief compliance officer shall—

“(I) submit each report described in clause (i) with the appropriate financial report of the security-based swap execution facility that is required to be submitted to the Commission pursuant to this section; and

“(II) include in the report a certification that, under penalty of law, the report is accurate and complete.

“(e) EXEMPTIONS.—The Commission may exempt, conditionally or unconditionally, a security-based swap execution facility from registration under this section if the Commission finds that the facility is subject to comparable, comprehensive supervision and regulation on a consolidated basis by the Commodity Futures Trading Commission.

“(f) RULES.—The Commission shall prescribe rules governing the regulation of security-based swap execution facilities under this section.”.

(d) SEGREGATION OF ASSETS HELD AS COLLATERAL IN SECURITY-BASED SWAP TRANSACTIONS.—The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended by inserting after section 3D (as added by subsection (b)) the following:

“SEC. 3E. SEGREGATION OF ASSETS HELD AS COLLATERAL IN SECURITY-BASED SWAP TRANSACTIONS.

“(a) REGISTRATION REQUIREMENT.—It shall be unlawful for any person to accept any money, securities, or property (or to extend any credit in lieu of money, securities, or property) from, for, or on behalf of a security-based swaps customer to margin, guarantee, or secure a security-based swap cleared by or through a clearing agency (including money, securities, or property accruing to the customer as the result of such a security-based swap), unless the person shall have registered under this title with the Commission as a broker, dealer, or security-based swap dealer, and the registration shall not have expired nor been suspended nor revoked.

“(b) CLEARED SECURITY-BASED SWAPS.—

“(1) SEGREGATION REQUIRED.—A broker, dealer, or security-based swap dealer shall treat and deal with all money, securities, and property of any security-based swaps customer received to margin, guarantee, or secure a security-based swap cleared by or through a clearing agency (including money, securities, or property accruing to the security-based swaps customer as the

result of such a security-based swap) as belonging to the security-based swaps customer.

“(2) COMMINGLING PROHIBITED.—Money, securities, and property of a security-based swaps customer described in paragraph (1) shall be separately accounted for and shall not be commingled with the funds of the broker, dealer, or security-based swap dealer or be used to margin, secure, or guarantee any trades or contracts of any security-based swaps customer or person other than the person for whom the same are held.

“(c) EXCEPTIONS.—

“(1) USE OF FUNDS.—

“(A) IN GENERAL.—Notwithstanding subsection (b), money, securities, and property of a security-based swaps customer of a broker, dealer, or security-based swap dealer described in subsection (b) may, for convenience, be commingled and deposited in the same 1 or more accounts with any bank or trust company or with a clearing agency.

“(B) WITHDRAWAL.—Notwithstanding subsection (b), such share of the money, securities, and property described in subparagraph (A) as in the normal course of business shall be necessary to margin, guarantee, secure, transfer, adjust, or settle a cleared security-based swap with a clearing agency, or with any member of the clearing agency, may be withdrawn and applied to such purposes, including the payment of commissions, brokerage, interest, taxes, storage, and other charges, lawfully accruing in connection with the cleared security-based swap.

“(2) COMMISSION ACTION.—Notwithstanding subsection (b), in accordance with such terms and conditions as the Commission may prescribe by rule, regulation, or order, any money, securities, or property of the security-based swaps customer of a broker, dealer, or security-based swap dealer described in subsection (b) may be commingled and deposited as provided in this section with any other money, securities, or property received by the broker, dealer, or security-based swap dealer and required by the Commission to be separately accounted for and treated and dealt with as belonging to the security-based swaps customer of the broker, dealer, or security-based swap dealer.

“(d) PERMITTED INVESTMENTS.—Money described in subsection (b) may be invested in obligations of the United States, in general obligations of any State or of any political subdivision of a State, and in obligations fully guaranteed as to principal and interest by the United States, or in any other investment that the Commission may by rule or regulation prescribe, and such investments shall be made in accordance with such rules and regulations and subject to such conditions as the Commission may prescribe.

“(e) PROHIBITION.—It shall be unlawful for any person, including any clearing agency and any depository institution, that has received any money, securities, or property for deposit in a separate account or accounts as provided in subsection (b) to hold, dispose of, or use any such money, securities, or property as belonging to the depositing broker, dealer, or security-based swap dealer or any person other than the swaps customer of the broker, dealer, or security-based swap dealer.

“(f) SEGREGATION REQUIREMENTS FOR UNCLEARED SECURITY-BASED SWAPS.—

“(1) SEGREGATION OF ASSETS HELD AS COLLATERAL IN UNCLEARED SECURITY-BASED SWAP TRANSACTIONS.—

“(A) NOTIFICATION.—A security-based swap dealer or major security-based swap participant shall be required to notify the counterparty of the security-based swap dealer or major security-based swap participant at the beginning of a security-based swap transaction that the

counterparty has the right to require segregation of the funds of other property supplied to margin, guarantee, or secure the obligations of the counterparty.

“(B) SEGREGATION AND MAINTENANCE OF FUNDS.—At the request of a counterparty to a security-based swap that provides funds or other property to a security-based swap dealer or major security-based swap participant to margin, guarantee, or secure the obligations of the counterparty, the security-based swap dealer or major security-based swap participant shall—

“(i) segregate the funds or other property for the benefit of the counterparty; and

“(ii) in accordance with such rules and regulations as the Commission may promulgate, maintain the funds or other property in a segregated account separate from the assets and other interests of the security-based swap dealer or major security-based swap participant.

“(2) APPLICABILITY.—The requirements described in paragraph (1) shall—

“(A) apply only to a security-based swap between a counterparty and a security-based swap dealer or major security-based swap participant that is not submitted for clearing to a clearing agency; and

“(B)(i) not apply to variation margin payments; or

“(ii) not preclude any commercial arrangement regarding—

“(I) the investment of segregated funds or other property that may only be invested in such investments as the Commission may permit by rule or regulation; and

“(II) the related allocation of gains and losses resulting from any investment of the segregated funds or other property.

“(3) USE OF INDEPENDENT THIRD-PARTY CUSTODIANS.—The segregated account described in paragraph (1) shall be—

“(A) carried by an independent third-party custodian; and

“(B) designated as a segregated account for and on behalf of the counterparty.

“(4) REPORTING REQUIREMENT.—If the counterparty does not choose to require segregation of the funds or other property supplied to margin, guarantee, or secure the obligations of the counterparty, the security-based swap dealer or major security-based swap participant shall report to the counterparty of the security-based swap dealer or major security-based swap participant on a quarterly basis that the back office procedures of the security-based swap dealer or major security-based swap participant relating to margin and collateral requirements are in compliance with the agreement of the counterparties.

“(g) BANKRUPTCY.—A security-based swap, as defined in section 3(a)(68) shall be considered to be a security as such term is used in section 101(53A)(B) and subchapter III of title 11, United States Code. An account that holds a security-based swap, other than a portfolio margining account referred to in section 15(c)(3)(C) shall be considered to be a securities account, as that term is defined in section 741 of title 11, United States Code. The definitions of the terms ‘purchase’ and ‘sale’ in section 3(a)(13) and (14) shall be applied to the terms ‘purchase’ and ‘sale’, as used in section 741 of title 11, United States Code. The term ‘customer’, as defined in section 741 of title 11, United States Code, excludes any person, to the extent that such person has a claim based on any open repurchase agreement, open reverse repurchase agreement, stock borrowed agreement, non-cleared option, or non-cleared security-based swap except to the extent of any margin delivered to or by the customer with respect to which there is a customer protection requirement under section 15(c)(3) or a segregation requirement.”.

(e) TRADING IN SECURITY-BASED SWAPS.—Section 6 of the Securities Exchange Act of 1934 (15 U.S.C. 78f) is amended by adding at the end the following:

“(1) SECURITY-BASED SWAPS.—It shall be unlawful for any person to effect a transaction in a security-based swap with or for a person that is not an eligible contract participant, unless such transaction is effected on a national securities exchange registered pursuant to subsection (b).”.

(f) ADDITIONS OF SECURITY-BASED SWAPS TO CERTAIN ENFORCEMENT PROVISIONS.—Section 9(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78i(b)) is amended by striking paragraphs (1) through (3) and inserting the following:

“(1) any transaction in connection with any security whereby any party to such transaction acquires—

“(A) any put, call, straddle, or other option or privilege of buying the security from or selling the security to another without being bound to do so;

“(B) any security futures product on the security; or

“(C) any security-based swap involving the security or the issuer of the security;

“(2) any transaction in connection with any security with relation to which such person has, directly or indirectly, any interest in any—

“(A) such put, call, straddle, option, or privilege;

“(B) such security futures product; or

“(C) such security-based swap; or

“(3) any transaction in any security for the account of any person who such person has reason to believe has, and who actually has, directly or indirectly, any interest in any—

“(A) such put, call, straddle, option, or privilege;

“(B) such security futures product with relation to such security; or

“(C) any security-based swap involving such security or the issuer of such security.”.

(g) RULEMAKING AUTHORITY TO PREVENT FRAUD, MANIPULATION AND DECEPTIVE CONDUCT IN SECURITY-BASED SWAPS.—Section 9 of the Securities Exchange Act of 1934 (15 U.S.C. 78i) is amended by adding at the end the following:

“(j) It shall be unlawful for any person, directly or indirectly, by the use of any means or instrumentality of interstate commerce or of the mails, or of any facility of any national securities exchange, to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any security-based swap, in connection with which such person engages in any fraudulent, deceptive, or manipulative act or practice, makes any fictitious quotation, or engages in any transaction, practice, or course of business which operates as a fraud or deceit upon any person. The Commission shall, for the purposes of this subsection, by rules and regulations define, and prescribe means reasonably designed to prevent, such transactions, acts, practices, and courses of business as are fraudulent, deceptive, or manipulative, and such quotations as are fictitious.”.

(h) POSITION LIMITS AND POSITION ACCOUNTABILITY FOR SECURITY-BASED SWAPS.—The Securities Exchange Act of 1934 is amended by inserting after section 10A (15 U.S.C. 78j-1) the following:

“SEC. 10B. POSITION LIMITS AND POSITION ACCOUNTABILITY FOR SECURITY-BASED SWAPS AND LARGE TRADER REPORTING.

“(a) POSITION LIMITS.—As a means reasonably designed to prevent fraud and manipulation, the Commission shall, by rule or regulation, as necessary or appropriate in the public interest or for the protection of investors, establish limits (including related hedge exemption provisions) on the size of positions in any secu-

rity-based swap that may be held by any person. In establishing such limits, the Commission may require any person to aggregate positions in—

“(1) any security-based swap and any security or loan or group of securities or loans on which such security-based swap is based, which such security-based swap references, or to which such security-based swap is related as described in paragraph (68) of section 3(a), and any other instrument relating to such security or loan or group or index of securities or loans; or

“(2) any security-based swap and—

“(A) any security or group or index of securities, the price, yield, value, or volatility of which, or of which any interest therein, is the basis for a material term of such security-based swap as described in paragraph (68) of section 3(a); and

“(B) any other instrument relating to the same security or group or index of securities described under subparagraph (A).

“(b) EXEMPTIONS.—The Commission, by rule, regulation, or order, may conditionally or unconditionally exempt any person or class of persons, any security-based swap or class of security-based swaps, or any transaction or class of transactions from any requirement the Commission may establish under this section with respect to position limits.

“(c) SRO RULES.—

“(1) IN GENERAL.—As a means reasonably designed to prevent fraud or manipulation, the Commission, by rule, regulation, or order, as necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of this title, may direct a self-regulatory organization—

“(A) to adopt rules regarding the size of positions in any security-based swap that may be held by—

“(i) any member of such self-regulatory organization; or

“(ii) any person for whom a member of such self-regulatory organization effects transactions in such security-based swap; and

“(B) to adopt rules reasonably designed to ensure compliance with requirements prescribed by the Commission under this subsection.

“(2) REQUIREMENT TO AGGREGATE POSITIONS.—In establishing the limits under paragraph (1), the self-regulatory organization may require such member or person to aggregate positions in—

“(A) any security-based swap and any security or loan or group or narrow-based security index of securities or loans on which such security-based swap is based, which such security-based swap references, or to which such security-based swap is related as described in section 3(a)(68), and any other instrument relating to such security or loan or group or narrow-based security index of securities or loans; or

“(B)(i) any security-based swap; and

“(ii) any security-based swap and any other instrument relating to the same security or group or narrow-based security index of securities.

“(d) LARGE TRADER REPORTING.—The Commission, by rule or regulation, may require any person that effects transactions for such person's own account or the account of others in any securities-based swap or uncleared security-based swap and any security or loan or group or narrow-based security index of securities or loans as set forth in paragraphs (1) and (2) of subsection (a) under this section to report such information as the Commission may prescribe regarding any position or positions in any security-based swap or uncleared security-based swap and any security or loan or group or narrow-based security index of securities or loans and any other instrument relating to such security or loan or group or narrow-based security

index of securities or loans as set forth in paragraphs (1) and (2) of subsection (a) under this section.”

(i) **PUBLIC REPORTING AND REPOSITORIES FOR SECURITY-BASED SWAPS.**—Section 13 of the Securities Exchange Act of 1934 (15 U.S.C. 78m) is amended by adding at the end the following:

“(m) **PUBLIC AVAILABILITY OF SECURITY-BASED SWAP TRANSACTION DATA.**—

“(1) **IN GENERAL.**—

“(A) **DEFINITION OF REAL-TIME PUBLIC REPORTING.**—In this paragraph, the term ‘real-time public reporting’ means to report data relating to a security-based swap transaction, including price and volume, as soon as technologically practicable after the time at which the security-based swap transaction has been executed.

“(B) **PURPOSE.**—The purpose of this subsection is to authorize the Commission to make security-based swap transaction and pricing data available to the public in such form and at such times as the Commission determines appropriate to enhance price discovery.

“(C) **GENERAL RULE.**—The Commission is authorized to provide by rule for the public availability of security-based swap transaction, volume, and pricing data as follows:

“(i) With respect to those security-based swaps that are subject to the mandatory clearing requirement described in section 3C(a)(1) (including those security-based swaps that are excepted from the requirement pursuant to section 3C(g)), the Commission shall require real-time public reporting for such transactions.

“(ii) With respect to those security-based swaps that are not subject to the mandatory clearing requirement described in section 3C(a)(1), but are cleared at a registered clearing agency, the Commission shall require real-time public reporting for such transactions.

“(iii) With respect to security-based swaps that are not cleared at a registered clearing agency and which are reported to a security-based swap data repository or the Commission under section 3C(a)(6), the Commission shall require real-time public reporting for such transactions, in a manner that does not disclose the business transactions and market positions of any person.

“(iv) With respect to security-based swaps that are determined to be required to be cleared under section 3C(b) but are not cleared, the Commission shall require real-time public reporting for such transactions.

“(D) **REGISTERED ENTITIES AND PUBLIC REPORTING.**—The Commission may require registered entities to publicly disseminate the security-based swap transaction and pricing data required to be reported under this paragraph.

“(E) **RULEMAKING REQUIRED.**—With respect to the rule providing for the public availability of transaction and pricing data for security-based swaps described in clauses (i) and (ii) of subparagraph (C), the rule promulgated by the Commission shall contain provisions—

“(i) to ensure such information does not identify the participants;

“(ii) to specify the criteria for determining what constitutes a large notional security-based swap transaction (block trade) for particular markets and contracts;

“(iii) to specify the appropriate time delay for reporting large notional security-based swap transactions (block trades) to the public; and

“(iv) that take into account whether the public disclosure will materially reduce market liquidity.

“(F) **TIMELINESS OF REPORTING.**—Parties to a security-based swap (including agents of the parties to a security-based swap) shall be responsible for reporting security-based swap transaction information to the appropriate registered entity in a timely manner as may be prescribed by the Commission.

“(G) **REPORTING OF SWAPS TO REGISTERED SECURITY-BASED SWAP DATA REPOSITORIES.**—Each security-based swap (whether cleared or uncleared) shall be reported to a registered security-based swap data repository.

“(H) **REGISTRATION OF CLEARING AGENCIES.**—A clearing agency may register as a security-based swap data repository.

“(2) **SEMIANNUAL AND ANNUAL PUBLIC REPORTING OF AGGREGATE SECURITY-BASED SWAP DATA.**—

“(A) **IN GENERAL.**—In accordance with subparagraph (B), the Commission shall issue a written report on a semiannual and annual basis to make available to the public information relating to—

“(i) the trading and clearing in the major security-based swap categories; and

“(ii) the market participants and developments in new products.

“(B) **USE; CONSULTATION.**—In preparing a report under subparagraph (A), the Commission shall—

“(i) use information from security-based swap data repositories and clearing agencies; and

“(ii) consult with the Office of the Comptroller of the Currency, the Bank for International Settlements, and such other regulatory bodies as may be necessary.

“(C) **AUTHORITY OF COMMISSION.**—The Commission may, by rule, regulation, or order, delegate the public reporting responsibilities of the Commission under this paragraph in accordance with such terms and conditions as the Commission determines to be appropriate and in the public interest.

“(n) **SECURITY-BASED SWAP DATA REPOSITORIES.**—

“(1) **REGISTRATION REQUIREMENT.**—It shall be unlawful for any person, unless registered with the Commission, directly or indirectly, to make use of the mails or any means or instrumentality of interstate commerce to perform the functions of a security-based swap data repository.

“(2) **INSPECTION AND EXAMINATION.**—Each registered security-based swap data repository shall be subject to inspection and examination by any representative of the Commission.

“(3) **COMPLIANCE WITH CORE PRINCIPLES.**—

“(A) **IN GENERAL.**—To be registered, and maintain registration, as a security-based swap data repository, the security-based swap data repository shall comply with—

“(i) the requirements and core principles described in this subsection; and

“(ii) any requirement that the Commission may impose by rule or regulation.

“(B) **REASONABLE DISCRETION OF SECURITY-BASED SWAP DATA REPOSITORY.**—Unless otherwise determined by the Commission, by rule or regulation, a security-based swap data repository described in subparagraph (A) shall have reasonable discretion in establishing the manner in which the security-based swap data repository complies with the core principles described in this subsection.

“(4) **STANDARD SETTING.**—

“(A) **DATA IDENTIFICATION.**—

“(i) **IN GENERAL.**—In accordance with clause (ii), the Commission shall prescribe standards that specify the data elements for each security-based swap that shall be collected and maintained by each registered security-based swap data repository.

“(ii) **REQUIREMENT.**—In carrying out clause (i), the Commission shall prescribe consistent data element standards applicable to registered entities and reporting counterparties.

“(B) **DATA COLLECTION AND MAINTENANCE.**—The Commission shall prescribe data collection and data maintenance standards for security-based swap data repositories.

“(C) **COMPARABILITY.**—The standards prescribed by the Commission under this subsection

shall be comparable to the data standards imposed by the Commission on clearing agencies in connection with their clearing of security-based swaps.

“(5) **DUTIES.**—A security-based swap data repository shall—

“(A) accept data prescribed by the Commission for each security-based swap under subsection (b);

“(B) confirm with both counterparties to the security-based swap the accuracy of the data that was submitted;

“(C) maintain the data described in subparagraph (A) in such form, in such manner, and for such period as may be required by the Commission;

“(D)(i) provide direct electronic access to the Commission (or any designee of the Commission, including another registered entity); and

“(ii) provide the information described in subparagraph (A) in such form and at such frequency as the Commission may require to comply with the public reporting requirements set forth in subsection (m);

“(E) at the direction of the Commission, establish automated systems for monitoring, screening, and analyzing security-based swap data;

“(F) maintain the privacy of any and all security-based swap transaction information that the security-based swap data repository receives from a security-based swap dealer, counterparty, or any other registered entity; and

“(G) on a confidential basis pursuant to section 24, upon request, and after notifying the Commission of the request, make available all data obtained by the security-based swap data repository, including individual counterparty trade and position data, to—

“(i) each appropriate prudential regulator;

“(ii) the Financial Stability Oversight Council;

“(iii) the Commodity Futures Trading Commission;

“(iv) the Department of Justice; and

“(v) any other person that the Commission determines to be appropriate, including—

“(I) foreign financial supervisors (including foreign futures authorities);

“(II) foreign central banks; and

“(III) foreign ministries.

“(H) **CONFIDENTIALITY AND INDEMNIFICATION AGREEMENT.**—Before the security-based swap data repository may share information with any entity described in subparagraph (G)—

“(i) the security-based swap data repository shall receive a written agreement from each entity stating that the entity shall abide by the confidentiality requirements described in section 24 relating to the information on security-based swap transactions that is provided; and

“(ii) each entity shall agree to indemnify the security-based swap data repository and the Commission for any expenses arising from litigation relating to the information provided under section 24.

“(6) **DESIGNATION OF CHIEF COMPLIANCE OFFICER.**—

“(A) **IN GENERAL.**—Each security-based swap data repository shall designate an individual to serve as a chief compliance officer.

“(B) **DUTIES.**—The chief compliance officer shall—

“(i) report directly to the board or to the senior officer of the security-based swap data repository;

“(ii) review the compliance of the security-based swap data repository with respect to the requirements and core principles described in this subsection;

“(iii) in consultation with the board of the security-based swap data repository, a body performing a function similar to the board of the security-based swap data repository, or the senior officer of the security-based swap data repository, resolve any conflicts of interest that may arise;

“(iv) be responsible for administering each policy and procedure that is required to be established pursuant to this section;

“(v) ensure compliance with this title (including regulations) relating to agreements, contracts, or transactions, including each rule prescribed by the Commission under this section;

“(vi) establish procedures for the remediation of noncompliance issues identified by the chief compliance officer through any—

“(I) compliance office review;

“(II) look-back;

“(III) internal or external audit finding;

“(IV) self-reported error; or

“(V) validated complaint; and

“(vii) establish and follow appropriate procedures for the handling, management response, remediation, retesting, and closing of non-compliance issues.

“(C) ANNUAL REPORTS.—

“(i) IN GENERAL.—In accordance with rules prescribed by the Commission, the chief compliance officer shall annually prepare and sign a report that contains a description of—

“(I) the compliance of the security-based swap data repository of the chief compliance officer with respect to this title (including regulations); and

“(II) each policy and procedure of the security-based swap data repository of the chief compliance officer (including the code of ethics and conflict of interest policies of the security-based swap data repository).

“(ii) REQUIREMENTS.—A compliance report under clause (i) shall—

“(I) accompany each appropriate financial report of the security-based swap data repository that is required to be furnished to the Commission pursuant to this section; and

“(II) include a certification that, under penalty of law, the compliance report is accurate and complete.

“(7) CORE PRINCIPLES APPLICABLE TO SECURITY-BASED SWAP DATA REPOSITORIES.—

“(A) ANTITRUST CONSIDERATIONS.—Unless necessary or appropriate to achieve the purposes of this title, the swap data repository shall not—

“(i) adopt any rule or take any action that results in any unreasonable restraint of trade; or

“(ii) impose any material anticompetitive burden on the trading, clearing, or reporting of transactions.

“(B) GOVERNANCE ARRANGEMENTS.—Each security-based swap data repository shall establish governance arrangements that are transparent—

“(i) to fulfill public interest requirements; and

“(ii) to support the objectives of the Federal Government, owners, and participants.

“(C) CONFLICTS OF INTEREST.—Each security-based swap data repository shall—

“(i) establish and enforce rules to minimize conflicts of interest in the decision-making process of the security-based swap data repository; and

“(ii) establish a process for resolving any conflicts of interest described in clause (i).

“(D) ADDITIONAL DUTIES DEVELOPED BY COMMISSION.—

“(i) IN GENERAL.—The Commission may develop 1 or more additional duties applicable to security-based swap data repositories.

“(ii) CONSIDERATION OF EVOLVING STANDARDS.—In developing additional duties under subparagraph (A), the Commission may take into consideration any evolving standard of the United States or the international community.

“(iii) ADDITIONAL DUTIES FOR COMMISSION DESIGNEES.—The Commission shall establish additional duties for any registrant described in section 13(m)(2)(C) in order to minimize conflicts of interest, protect data, ensure compliance, and guarantee the safety and security of the security-based swap data repository.

“(8) REQUIRED REGISTRATION FOR SECURITY-BASED SWAP DATA REPOSITORIES.—Any person that is required to be registered as a security-based swap data repository under this subsection shall register with the Commission, regardless of whether that person is also licensed under the Commodity Exchange Act as a swap data repository.

“(9) RULES.—The Commission shall adopt rules governing persons that are registered under this subsection.”.

SEC. 764. REGISTRATION AND REGULATION OF SECURITY-BASED SWAP DEALERS AND MAJOR SECURITY-BASED SWAP PARTICIPANTS.

(a) IN GENERAL.—The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended by inserting after section 15E (15 U.S.C. 78o-7) the following:

“SEC. 15F. REGISTRATION AND REGULATION OF SECURITY-BASED SWAP DEALERS AND MAJOR SECURITY-BASED SWAP PARTICIPANTS.

“(a) REGISTRATION.—

“(1) SECURITY-BASED SWAP DEALERS.—It shall be unlawful for any person to act as a security-based swap dealer unless the person is registered as a security-based swap dealer with the Commission.

“(2) MAJOR SECURITY-BASED SWAP PARTICIPANTS.—It shall be unlawful for any person to act as a major security-based swap participant unless the person is registered as a major security-based swap participant with the Commission.

“(b) REQUIREMENTS.—

“(1) IN GENERAL.—A person shall register as a security-based swap dealer or major security-based swap participant by filing a registration application with the Commission.

“(2) CONTENTS.—

“(A) IN GENERAL.—The application shall be made in such form and manner as prescribed by the Commission, and shall contain such information, as the Commission considers necessary concerning the business in which the applicant is or will be engaged.

“(B) CONTINUAL REPORTING.—A person that is registered as a security-based swap dealer or major security-based swap participant shall continue to submit to the Commission reports that contain such information pertaining to the business of the person as the Commission may require.

“(3) EXPIRATION.—Each registration under this section shall expire at such time as the Commission may prescribe by rule or regulation.

“(4) RULES.—Except as provided in subsections (d) and (e), the Commission may prescribe rules applicable to security-based swap dealers and major security-based swap participants, including rules that limit the activities of non-bank security-based swap dealers and major security-based swap participants.

“(5) TRANSITION.—Not later than 1 year after the date of enactment of the Wall Street Transparency and Accountability Act of 2010, the Commission shall issue rules under this section to provide for the registration of security-based swap dealers and major security-based swap participants.

“(6) STATUTORY DISQUALIFICATION.—Except to the extent otherwise specifically provided by rule, regulation, or order of the Commission, it shall be unlawful for a security-based swap dealer or a major security-based swap participant to permit any person associated with a security-based swap dealer or a major security-based swap participant who is subject to a statutory disqualification to effect or be involved in effecting security-based swaps on behalf of the security-based swap dealer or major security-based swap participant, if the security-based swap dealer or major security-based swap participant knew, or in the exercise of reasonable

care should have known, of the statutory disqualification.

“(c) DUAL REGISTRATION.—

“(1) SECURITY-BASED SWAP DEALER.—Any person that is required to be registered as a security-based swap dealer under this section shall register with the Commission, regardless of whether the person also is registered with the Commodity Futures Trading Commission as a swap dealer.

“(2) MAJOR SECURITY-BASED SWAP PARTICIPANT.—Any person that is required to be registered as a major security-based swap participant under this section shall register with the Commission, regardless of whether the person also is registered with the Commodity Futures Trading Commission as a major swap participant.

“(d) RULEMAKING.—

“(1) IN GENERAL.—The Commission shall adopt rules for persons that are registered as security-based swap dealers or major security-based swap participants under this section.

“(2) EXCEPTION FOR PRUDENTIAL REQUIREMENTS.—

“(A) IN GENERAL.—The Commission may not prescribe rules imposing prudential requirements on security-based swap dealers or major security-based swap participants for which there is a prudential regulator.

“(B) APPLICABILITY.—Subparagraph (A) does not limit the authority of the Commission to prescribe rules as directed under this section.

“(e) CAPITAL AND MARGIN REQUIREMENTS.—

“(1) IN GENERAL.—

“(A) SECURITY-BASED SWAP DEALERS AND MAJOR SECURITY-BASED SWAP PARTICIPANTS THAT ARE BANKS.—Each registered security-based swap dealer and major security-based swap participant for which there is not a prudential regulator shall meet such minimum capital requirements and minimum initial and variation margin requirements as the prudential regulator shall by rule or regulation prescribe under paragraph (2)(A).

“(B) SECURITY-BASED SWAP DEALERS AND MAJOR SECURITY-BASED SWAP PARTICIPANTS THAT ARE NOT BANKS.—Each registered security-based swap dealer and major security-based swap participant for which there is not a prudential regulator shall meet such minimum capital requirements and minimum initial and variation margin requirements as the Commission shall by rule or regulation prescribe under paragraph (2)(B).

“(2) RULES.—

“(A) SECURITY-BASED SWAP DEALERS AND MAJOR SECURITY-BASED SWAP PARTICIPANTS THAT ARE BANKS.—The prudential regulators, in consultation with the Commission and the Commodity Futures Trading Commission, shall adopt rules for security-based swap dealers and major security-based swap participants, with respect to their activities as a swap dealer or major swap participant, for which there is a prudential regulator imposing—

“(i) capital requirements; and

“(ii) both initial and variation margin requirements on all security-based swaps that are not cleared by a registered clearing agency.

“(B) SECURITY-BASED SWAP DEALERS AND MAJOR SECURITY-BASED SWAP PARTICIPANTS THAT ARE NOT BANKS.—The Commission shall adopt rules for security-based swap dealers and major security-based swap participants, with respect to their activities as a swap dealer or major swap participant, for which there is not a prudential regulator imposing—

“(i) capital requirements; and

“(ii) both initial and variation margin requirements on all swaps that are not cleared by a registered clearing agency.

“(C) CAPITAL.—In setting capital requirements for a person that is designated as a security-based swap dealer or a major security-based

swap participant for a single type or single class or category of security-based swap or activities, the prudential regulator and the Commission shall take into account the risks associated with other types of security-based swaps or classes of security-based swaps or categories of security-based swaps engaged in and the other activities conducted by that person that are not otherwise subject to regulation applicable to that person by virtue of the status of the person.

“(3) STANDARDS FOR CAPITAL AND MARGIN.—

“(A) IN GENERAL.—To offset the greater risk to the security-based swap dealer or major security-based swap participant and the financial system arising from the use of security-based swaps that are not cleared, the requirements imposed under paragraph (2) shall—

“(i) help ensure the safety and soundness of the security-based swap dealer or major security-based swap participant; and

“(ii) be appropriate for the risk associated with the non-cleared security-based swaps held as a security-based swap dealer or major security-based swap participant.

“(B) RULE OF CONSTRUCTION.—

“(i) IN GENERAL.—Nothing in this section shall limit, or be construed to limit, the authority—

“(I) of the Commission to set financial responsibility rules for a broker or dealer registered pursuant to section 15(b) (except for section 15(b)(1) thereof) in accordance with section 15(c)(3); or

“(II) of the Commodity Futures Trading Commission to set financial responsibility rules for a futures commission merchant or introducing broker registered pursuant to section 4f(a) of the Commodity Exchange Act (except for section 4f(a)(3) thereof) in accordance with section 4f(b) of the Commodity Exchange Act.

“(ii) FUTURES COMMISSION MERCHANTS AND OTHER DEALERS.—A futures commission merchant, introducing broker, broker, or dealer shall maintain sufficient capital to comply with the stricter of any applicable capital requirements to which such futures commission merchant, introducing broker, broker, or dealer is subject to under this title or the Commodity Exchange Act.

“(C) MARGIN REQUIREMENTS.—In prescribing margin requirements under this subsection, the prudential regulator with respect to security-based swap dealers and major security-based swap participants that are depository institutions, and the Commission with respect to security-based swap dealers and major security-based swap participants that are not depository institutions shall permit the use of noncash collateral, as the regulator or the Commission determines to be consistent with—

“(i) preserving the financial integrity of markets trading security-based swaps; and

“(ii) preserving the stability of the United States financial system.

“(D) COMPARABILITY OF CAPITAL AND MARGIN REQUIREMENTS.—

“(i) IN GENERAL.—The prudential regulators, the Commission, and the Securities and Exchange Commission shall periodically (but not less frequently than annually) consult on minimum capital requirements and minimum initial and variation margin requirements.

“(ii) COMPARABILITY.—The entities described in clause (i) shall, to the maximum extent practicable, establish and maintain comparable minimum capital requirements and minimum initial and variation margin requirements, including the use of noncash collateral, for—

“(I) security-based swap dealers; and

“(II) major security-based swap participants.

“(f) REPORTING AND RECORDKEEPING.—

“(1) IN GENERAL.—Each registered security-based swap dealer and major security-based swap participant—

“(A) shall make such reports as are required by the Commission, by rule or regulation, regarding the transactions and positions and financial condition of the registered security-based swap dealer or major security-based swap participant;

“(B)(i) for which there is a prudential regulator, shall keep books and records of all activities related to the business as a security-based swap dealer or major security-based swap participant in such form and manner and for such period as may be prescribed by the Commission by rule or regulation; and

“(ii) for which there is no prudential regulator, shall keep books and records in such form and manner and for such period as may be prescribed by the Commission by rule or regulation; and

“(C) shall keep books and records described in subparagraph (B) open to inspection and examination by any representative of the Commission.

“(2) RULES.—The Commission shall adopt rules governing reporting and recordkeeping for security-based swap dealers and major security-based swap participants.

“(g) DAILY TRADING RECORDS.—

“(1) IN GENERAL.—Each registered security-based swap dealer and major security-based swap participant shall maintain daily trading records of the security-based swaps of the registered security-based swap dealer and major security-based swap participant and all related records (including related cash or forward transactions) and recorded communications, including electronic mail, instant messages, and recordings of telephone calls, for such period as may be required by the Commission by rule or regulation.

“(2) INFORMATION REQUIREMENTS.—The daily trading records shall include such information as the Commission shall require by rule or regulation.

“(3) COUNTERPARTY RECORDS.—Each registered security-based swap dealer and major security-based swap participant shall maintain daily trading records for each counterparty in a manner and form that is identifiable with each security-based swap transaction.

“(4) AUDIT TRAIL.—Each registered security-based swap dealer and major security-based swap participant shall maintain a complete audit trail for conducting comprehensive and accurate trade reconstructions.

“(5) RULES.—The Commission shall adopt rules governing daily trading records for security-based swap dealers and major security-based swap participants.

“(h) BUSINESS CONDUCT STANDARDS.—

“(1) IN GENERAL.—Each registered security-based swap dealer and major security-based swap participant shall conform with such business conduct standards as prescribed in paragraph (3) and as may be prescribed by the Commission by rule or regulation that relate to—

“(A) fraud, manipulation, and other abusive practices involving security-based swaps (including security-based swaps that are offered but not entered into);

“(B) diligent supervision of the business of the registered security-based swap dealer and major security-based swap participant;

“(C) adherence to all applicable position limits; and

“(D) such other matters as the Commission determines to be appropriate.

“(2) RESPONSIBILITIES WITH RESPECT TO SPECIAL ENTITIES.—

“(A) ADVISING SPECIAL ENTITIES.—A security-based swap dealer or major security-based swap participant that acts as an advisor to special entity regarding a security-based swap shall comply with the requirements of paragraph (4) with respect to such special entity.

“(B) ENTERING OF SECURITY-BASED SWAPS WITH RESPECT TO SPECIAL ENTITIES.—A security-based swap dealer that enters into or offers to enter into security-based swap with a special entity shall comply with the requirements of paragraph (5) with respect to such special entity.

“(C) SPECIAL ENTITY DEFINED.—For purposes of this subsection, the term ‘special entity’ means—

“(i) a Federal agency;

“(ii) a State, State agency, city, county, municipality, or other political subdivision of a State or;

“(iii) any employee benefit plan, as defined in section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002);

“(iv) any governmental plan, as defined in section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002); or

“(v) any endowment, including an endowment that is an organization described in section 501(c)(3) of the Internal Revenue Code of 1986.

“(3) BUSINESS CONDUCT REQUIREMENTS.—Business conduct requirements adopted by the Commission shall—

“(A) establish a duty for a security-based swap dealer or major security-based swap participant to verify that any counterparty meets the eligibility standards for an eligible contract participant;

“(B) require disclosure by the security-based swap dealer or major security-based swap participant to any counterparty to the transaction (other than a security-based swap dealer, major security-based swap participant, security-based swap dealer, or major security-based swap participant) of—

“(i) information about the material risks and characteristics of the security-based swap;

“(ii) any material incentives or conflicts of interest that the security-based swap dealer or major security-based swap participant may have in connection with the security-based swap; and

“(iii)(I) for cleared security-based swaps, upon the request of the counterparty, receipt of the daily mark of the transaction from the appropriate derivatives clearing organization; and

“(II) for uncleared security-based swaps, receipt of the daily mark of the transaction from the security-based swap dealer or the major security-based swap participant;

“(C) establish a duty for a security-based swap dealer or major security-based swap participant to communicate in a fair and balanced manner based on principles of fair dealing and good faith; and

“(D) establish such other standards and requirements as the Commission may determine are appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of this Act.

“(4) SPECIAL REQUIREMENTS FOR SECURITY-BASED SWAP DEALERS ACTING AS ADVISORS.—

“(A) IN GENERAL.—It shall be unlawful for a security-based swap dealer or major security-based swap participant—

“(i) to employ any device, scheme, or artifice to defraud any special entity or prospective customer who is a special entity;

“(ii) to engage in any transaction, practice, or course of business that operates as a fraud or deceit on any special entity or prospective customer who is a special entity; or

“(iii) to engage in any act, practice, or course of business that is fraudulent, deceptive, or manipulative.

“(B) DUTY.—Any security-based swap dealer that acts as an advisor to a special entity shall have a duty to act in the best interests of the special entity.

“(C) REASONABLE EFFORTS.—Any security-based swap dealer that acts as an advisor to a special entity shall make reasonable efforts to

obtain such information as is necessary to make a reasonable determination that any security-based swap recommended by the security-based swap dealer is in the best interests of the special entity, including information relating to—

- “(i) the financial status of the special entity;
- “(ii) the tax status of the special entity;
- “(iii) the investment or financing objectives of the special entity; and
- “(iv) any other information that the Commission may prescribe by rule or regulation.

“(5) SPECIAL REQUIREMENTS FOR SECURITY-BASED SWAP DEALERS AS COUNTERPARTIES TO SPECIAL ENTITIES.—

“(A) IN GENERAL.—Any security-based swap dealer or major security-based swap participant that offers to or enters into a security-based swap with a special entity shall—

- “(i) comply with any duty established by the Commission for a security-based swap dealer or major security-based swap participant, with respect to a counterparty that is an eligible contract participant within the meaning of subclause (I) or (II) of clause (vii) of section 1a(18) of the Commodity Exchange Act, that requires the security-based swap dealer or major security-based swap participant to have a reasonable basis to believe that the counterparty that is a special entity has an independent representative that—

“(I) has sufficient knowledge to evaluate the transaction and risks;

“(II) is not subject to a statutory disqualification;

“(III) is independent of the security-based swap dealer or major security-based swap participant;

“(IV) undertakes a duty to act in the best interests of the counterparty it represents;

“(V) makes appropriate disclosures;

“(VI) will provide written representations to the special entity regarding fair pricing and the appropriateness of the transaction; and

“(VII) in the case of employee benefit plans subject to the Employee Retirement Income Security Act of 1974, is a fiduciary as defined in section 3 of that Act (29 U.S.C. 1002); and

“(ii) before the initiation of the transaction, disclose to the special entity in writing the capacity in which the security-based swap dealer is acting.

“(B) COMMISSION AUTHORITY.—The Commission may establish such other standards and requirements under this paragraph as the Commission may determine are appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of this Act.

“(6) RULES.—The Commission shall prescribe rules under this subsection governing business conduct standards for security-based swap dealers and major security-based swap participants.

“(7) APPLICABILITY.—This subsection shall not apply with respect to a transaction that is—

“(A) initiated by a special entity on an exchange or security-based swaps execution facility; and

“(B) the security-based swap dealer or major security-based swap participant does not know the identity of the counterparty to the transaction.”

“(i) DOCUMENTATION STANDARDS.—

“(1) IN GENERAL.—Each registered security-based swap dealer and major security-based swap participant shall conform with such standards as may be prescribed by the Commission, by rule or regulation, that relate to timely and accurate confirmation, processing, netting, documentation, and valuation of all security-based swaps.

“(2) RULES.—The Commission shall adopt rules governing documentation standards for security-based swap dealers and major security-based swap participants.

“(j) DUTIES.—Each registered security-based swap dealer and major security-based swap participant shall, at all times, comply with the following requirements:

“(1) MONITORING OF TRADING.—The security-based swap dealer or major security-based swap participant shall monitor its trading in security-based swaps to prevent violations of applicable position limits.

“(2) RISK MANAGEMENT PROCEDURES.—The security-based swap dealer or major security-based swap participant shall establish robust and professional risk management systems adequate for managing the day-to-day business of the security-based swap dealer or major security-based swap participant.

“(3) DISCLOSURE OF GENERAL INFORMATION.—The security-based swap dealer or major security-based swap participant shall disclose to the Commission and to the prudential regulator for the security-based swap dealer or major security-based swap participant, as applicable, information concerning—

“(A) terms and conditions of its security-based swaps;

“(B) security-based swap trading operations, mechanisms, and practices;

“(C) financial integrity protections relating to security-based swaps; and

“(D) other information relevant to its trading in security-based swaps.

“(4) ABILITY TO OBTAIN INFORMATION.—The security-based swap dealer or major security-based swap participant shall—

“(A) establish and enforce internal systems and procedures to obtain any necessary information to perform any of the functions described in this section; and

“(B) provide the information to the Commission and to the prudential regulator for the security-based swap dealer or major security-based swap participant, as applicable, on request.

“(5) CONFLICTS OF INTEREST.—The security-based swap dealer and major security-based swap participant shall implement conflict-of-interest systems and procedures that—

“(A) establish structural and institutional safeguards to ensure that the activities of any person within the firm relating to research or analysis of the price or market for any security-based swap or acting in a role of providing clearing activities or making determinations as to accepting clearing customers are separated by appropriate informational partitions within the firm from the review, pressure, or oversight of persons whose involvement in pricing, trading, or clearing activities might potentially bias their judgment or supervision and contravene the core principles of open access and the business conduct standards described in this title; and

“(B) address such other issues as the Commission determines to be appropriate.

“(6) ANTITRUST CONSIDERATIONS.—Unless necessary or appropriate to achieve the purposes of this title, the security-based swap dealer or major security-based swap participant shall not—

“(A) adopt any process or take any action that results in any unreasonable restraint of trade; or

“(B) impose any material anticompetitive burden on trading or clearing.

“(7) RULES.—The Commission shall prescribe rules under this subsection governing duties of security-based swap dealers and major security-based swap participants.

“(k) DESIGNATION OF CHIEF COMPLIANCE OFFICER.—

“(1) IN GENERAL.—Each security-based swap dealer and major security-based swap participant shall designate an individual to serve as a chief compliance officer.

“(2) DUTIES.—The chief compliance officer shall—

“(A) report directly to the board or to the senior officer of the security-based swap dealer or major security-based swap participant;

“(B) review the compliance of the security-based swap dealer or major security-based swap participant with respect to the security-based swap dealer and major security-based swap participant requirements described in this section;

“(C) in consultation with the board of directors, a body performing a function similar to the board, or the senior officer of the organization, resolve any conflicts of interest that may arise;

“(D) be responsible for administering each policy and procedure that is required to be established pursuant to this section;

“(E) ensure compliance with this title (including regulations) relating to security-based swaps, including each rule prescribed by the Commission under this section;

“(F) establish procedures for the remediation of noncompliance issues identified by the chief compliance officer through any—

“(i) compliance office review;

“(ii) look-back;

“(iii) internal or external audit finding;

“(iv) self-reported error; or

“(v) validated complaint; and

“(G) establish and follow appropriate procedures for the handling, management response, remediation, retesting, and closing of noncompliance issues.

“(3) ANNUAL REPORTS.—

“(A) IN GENERAL.—In accordance with rules prescribed by the Commission, the chief compliance officer shall annually prepare and sign a report that contains a description of—

“(i) the compliance of the security-based swap dealer or major swap participant with respect to this title (including regulations); and

“(ii) each policy and procedure of the security-based swap dealer or major security-based swap participant of the chief compliance officer (including the code of ethics and conflict of interest policies).

“(B) REQUIREMENTS.—A compliance report under subparagraph (A) shall—

“(i) accompany each appropriate financial report of the security-based swap dealer or major security-based swap participant that is required to be furnished to the Commission pursuant to this section; and

“(ii) include a certification that, under penalty of law, the compliance report is accurate and complete.

“(l) ENFORCEMENT AND ADMINISTRATIVE PROCEEDING AUTHORITY.—

“(1) PRIMARY ENFORCEMENT AUTHORITY.—

“(A) SECURITIES AND EXCHANGE COMMISSION.—Except as provided in subparagraph (B), (C), or (D), the Commission shall have primary authority to enforce subtitle B, and the amendments made by subtitle B of the Wall Street Transparency and Accountability Act of 2010, with respect to any person.

“(B) PRUDENTIAL REGULATORS.—The prudential regulators shall have exclusive authority to enforce the provisions of subsection (e) and other prudential requirements of this title (including risk management standards), with respect to security-based swap dealers or major security-based swap participants for which they are the prudential regulator.

“(C) REFERRAL.—

“(i) VIOLATIONS OF NONPRUDENTIAL REQUIREMENTS.—If the appropriate Federal banking agency for security-based swap dealers or major security-based swap participants that are depository institutions has cause to believe that such security-based swap dealer or major security-based swap participant may have engaged in conduct that constitutes a violation of the nonprudential requirements of this section or rules adopted by the Commission thereunder, the agency may recommend in writing to the Commission that the Commission initiate an enforcement proceeding as authorized under this title.

The recommendation shall be accompanied by a written explanation of the concerns giving rise to the recommendation.

“(ii) VIOLATIONS OF PRUDENTIAL REQUIREMENTS.—If the Commission has cause to believe that a securities-based swap dealer or major securities-based swap participant that has a prudential regulator may have engaged in conduct that constitute a violation of the prudential requirements of subsection (e) or rules adopted thereunder, the Commission may recommend in writing to the prudential regulator that the prudential regulator initiate an enforcement proceeding as authorized under this title. The recommendation shall be accompanied by a written explanation of the concerns giving rise to the recommendation.

“(D) BACKSTOP ENFORCEMENT AUTHORITY.—

“(i) INITIATION OF ENFORCEMENT PROCEEDING BY PRUDENTIAL REGULATOR.—If the Commission does not initiate an enforcement proceeding before the end of the 90-day period beginning on the date on which the Commission receives a written report under subsection (C)(i), the prudential regulator may initiate an enforcement proceeding.

“(ii) INITIATION OF ENFORCEMENT PROCEEDING BY COMMISSION.—If the prudential regulator does not initiate an enforcement proceeding before the end of the 90-day period beginning on the date on which the prudential regulator receives a written report under subsection (C)(ii), the Commission may initiate an enforcement proceeding.

“(2) CENSURE, DENIAL, SUSPENSION; NOTICE AND HEARING.—The Commission, by order, shall censure, place limitations on the activities, functions, or operations of, or revoke the registration of any security-based swap dealer or major security-based swap participant that has registered with the Commission pursuant to subsection (b) if the Commission finds, on the record after notice and opportunity for hearing, that such censure, placing of limitations, or revocation is in the public interest and that such security-based swap dealer or major security-based swap participant, or any person associated with such security-based swap dealer or major security-based swap participant effecting or involved in effecting transactions in security-based swaps on behalf of such security-based swap dealer or major security-based swap participant, whether prior or subsequent to becoming so associated—

“(A) has committed or omitted any act, or is subject to an order or finding, enumerated in subparagraph (A), (D), or (E) of paragraph (4) of section 15(b);

“(B) has been convicted of any offense specified in subparagraph (B) of such paragraph (4) within 10 years of the commencement of the proceedings under this subsection;

“(C) is enjoined from any action, conduct, or practice specified in subparagraph (C) of such paragraph (4);

“(D) is subject to an order or a final order specified in subparagraph (F) or (H), respectively, of such paragraph (4); or

“(E) has been found by a foreign financial regulatory authority to have committed or omitted any act, or violated any foreign statute or regulation, enumerated in subparagraph (G) of such paragraph (4).

“(3) ASSOCIATED PERSONS.—With respect to any person who is associated, who is seeking to become associated, or, at the time of the alleged misconduct, who was associated or was seeking to become associated with a security-based swap dealer or major security-based swap participant for the purpose of effecting or being involved in effecting security-based swaps on behalf of such security-based swap dealer or major security-based swap participant, the Commission, by order, shall censure, place limitations on the ac-

tivities or functions of such person, or suspend for a period not exceeding 12 months, or bar such person from being associated with a security-based swap dealer or major security-based swap participant, if the Commission finds, on the record after notice and opportunity for a hearing, that such censure, placing of limitations, suspension, or bar is in the public interest and that such person—

“(A) has committed or omitted any act, or is subject to an order or finding, enumerated in subparagraph (A), (D), or (E) of paragraph (4) of section 15(b);

“(B) has been convicted of any offense specified in subparagraph (B) of such paragraph (4) within 10 years of the commencement of the proceedings under this subsection;

“(C) is enjoined from any action, conduct, or practice specified in subparagraph (C) of such paragraph (4);

“(D) is subject to an order or a final order specified in subparagraph (F) or (H), respectively, of such paragraph (4); or

“(E) has been found by a foreign financial regulatory authority to have committed or omitted any act, or violated any foreign statute or regulation, enumerated in subparagraph (G) of such paragraph (4).

“(4) UNLAWFUL CONDUCT.—It shall be unlawful—

“(A) for any person as to whom an order under paragraph (3) is in effect, without the consent of the Commission, willfully to become, or to be, associated with a security-based swap dealer or major security-based swap participant in contravention of such order; or

“(B) for any security-based swap dealer or major security-based swap participant to permit such a person, without the consent of the Commission, to become or remain a person associated with the security-based swap dealer or major security-based swap participant in contravention of such order, if such security-based swap dealer or major security-based swap participant knew, or in the exercise of reasonable care should have known, of such order.”

(b) SAVINGS CLAUSE.—Notwithstanding any other provision of this title, nothing in this subtitle shall be construed as divesting any appropriate Federal banking agency of any authority it may have to establish or enforce, with respect to a person for which such agency is the appropriate Federal banking agency, prudential or other standards pursuant to authority by Federal law other than this title.

SEC. 765. RULEMAKING ON CONFLICT OF INTEREST.

(a) IN GENERAL.—In order to mitigate conflicts of interest, not later than 180 days after the date of enactment of the Wall Street Transparency and Accountability Act of 2010, the Securities and Exchange Commission shall adopt rules which may include numerical limits on the control of, or the voting rights with respect to, any clearing agency that clears security-based swaps, or on the control of any security-based swap execution facility or national securities exchange that posts or makes available for trading security-based swaps, by a bank holding company (as defined in section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841)) with total consolidated assets of \$50,000,000,000 or more, a nonbank financial company (as defined in section 102) supervised by the Board of Governors of the Federal Reserve System, affiliate of such a bank holding company or nonbank financial company, a security-based swap dealer, major security-based swap participant, or person associated with a security-based swap dealer or major security-based swap participant.

(b) PURPOSES.—The Securities and Exchange Commission shall adopt rules if the Commission determines, after the review described in subsection (a), that such rules are necessary or ap-

propriate to improve the governance of, or to mitigate systemic risk, promote competition, or mitigate conflicts of interest in connection with a security-based swap dealer or major security-based swap participant's conduct of business with, a clearing agency, national securities exchange, or security-based swap execution facility that clears, posts, or makes available for trading security-based swaps and in which such security-based swap dealer or major security-based swap participant has a material debt or equity investment.

(c) CONSIDERATIONS.—In adopting rules pursuant to this section, the Securities and Exchange Commission shall consider any conflicts of interest arising from the amount of equity owned by a single investor, the ability to vote, cause the vote of, or withhold votes entitled to be cast on any matters by the holders of the ownership interest, and the governance arrangements of any derivatives clearing organization that clears swaps, or swap execution facility or board of trade designated as a contract market that posts swaps or makes swaps available for trading.

SEC. 766. REPORTING AND RECORDKEEPING.

(a) IN GENERAL.—The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended by inserting after section 13 the following:

“SEC. 13A. REPORTING AND RECORDKEEPING FOR CERTAIN SECURITY-BASED SWAPS.

“(a) REQUIRED REPORTING OF SECURITY-BASED SWAPS NOT ACCEPTED BY ANY CLEARING AGENCY OR DERIVATIVES CLEARING ORGANIZATION.—

“(1) IN GENERAL.—Each security-based swap that is not accepted for clearing by any clearing agency or derivatives clearing organization shall be reported to—

“(A) a security-based swap data repository described in section 13(n); or

“(B) in the case in which there is no security-based swap data repository that would accept the security-based swap, to the Commission pursuant to this section within such time period as the Commission may by rule or regulation prescribe.

“(2) TRANSITION RULE FOR PREENACTMENT SECURITY-BASED SWAPS.—

“(A) SECURITY-BASED SWAPS ENTERED INTO BEFORE THE DATE OF ENACTMENT OF THE WALL STREET TRANSPARENCY AND ACCOUNTABILITY ACT OF 2010.—Each security-based swap entered into before the date of enactment of the Wall Street Transparency and Accountability Act of 2010, the terms of which have not expired as of the date of enactment of that Act, shall be reported to a registered security-based swap data repository or the Commission by a date that is not later than—

“(i) 30 days after issuance of the interim final rule; or

“(ii) such other period as the Commission determines to be appropriate.

“(B) COMMISSION RULEMAKING.—The Commission shall promulgate an interim final rule within 90 days of the date of enactment of this section providing for the reporting of each security-based swap entered into before the date of enactment as referenced in subparagraph (A).

“(C) EFFECTIVE DATE.—The reporting provisions described in this section shall be effective upon the date of the enactment of this section.

“(3) REPORTING OBLIGATIONS.—

“(A) SECURITY-BASED SWAPS IN WHICH ONLY 1 COUNTERPARTY IS A SECURITY-BASED SWAP DEALER OR MAJOR SECURITY-BASED SWAP PARTICIPANT.—With respect to a security-based swap in which only 1 counterparty is a security-based swap dealer or major security-based swap participant, the security-based swap dealer or major security-based swap participant shall report the security-based swap as required under paragraphs (1) and (2).

“(B) SECURITY-BASED SWAPS IN WHICH 1 COUNTERPARTY IS A SECURITY-BASED SWAP DEALER AND THE OTHER A MAJOR SECURITY-BASED SWAP PARTICIPANT.—With respect to a security-based swap in which 1 counterparty is a security-based swap dealer and the other a major security-based swap participant, the security-based swap dealer shall report the security-based swap as required under paragraphs (1) and (2).”

“(C) OTHER SECURITY-BASED SWAPS.—With respect to any other security-based swap not described in subparagraph (A) or (B), the counterparties to the security-based swap shall select a counterparty to report the security-based swap as required under paragraphs (1) and (2).”

“(b) DUTIES OF CERTAIN INDIVIDUALS.—Any individual or entity that enters into a security-based swap shall meet each requirement described in subsection (c) if the individual or entity did not—

“(1) clear the security-based swap in accordance with section 3C(a)(1); or

“(2) have the data regarding the security-based swap accepted by a security-based swap data repository in accordance with rules (including timeframes) adopted by the Commission under this title.

“(c) REQUIREMENTS.—An individual or entity described in subsection (b) shall—

“(1) upon written request from the Commission, provide reports regarding the security-based swaps held by the individual or entity to the Commission in such form and in such manner as the Commission may request; and

“(2) maintain books and records pertaining to the security-based swaps held by the individual or entity in such form, in such manner, and for such period as the Commission may require, which shall be open to inspection by—

“(A) any representative of the Commission;

“(B) an appropriate prudential regulator;

“(C) the Commodity Futures Trading Commission;

“(D) the Financial Stability Oversight Council; and

“(E) the Department of Justice.

“(d) IDENTICAL DATA.—In prescribing rules under this section, the Commission shall require individuals and entities described in subsection (b) to submit to the Commission a report that contains data that is not less comprehensive than the data required to be collected by security-based swap data repositories under this title.”

(b) BENEFICIAL OWNERSHIP REPORTING.—Section 13 of the Securities Exchange Act of 1934 (15 U.S.C. 78m) is amended—

(1) in subsection (d)(1), by inserting “or otherwise becomes or is deemed to become a beneficial owner of any of the foregoing upon the purchase or sale of a security-based swap that the Commission may define by rule, and” after “Alaska Native Claims Settlement Act,”; and

(2) in subsection (g)(1), by inserting “or otherwise becomes or is deemed to become a beneficial owner of any security of a class described in subsection (d)(1) upon the purchase or sale of a security-based swap that the Commission may define by rule” after “subsection (d)(1) of this section”.

(c) REPORTS BY INSTITUTIONAL INVESTMENT MANAGERS.—Section 13(f)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(f)(1)) is amended by inserting “or otherwise becomes or is deemed to become a beneficial owner of any security of a class described in subsection (d)(1) upon the purchase or sale of a security-based swap that the Commission may define by rule,” after “subsection (d)(1) of this section”.

(d) ADMINISTRATIVE PROCEEDING AUTHORITY.—Section 15(b)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(b)(4)) is amended—

(1) in subparagraph (C), by inserting “security-based swap dealer, major security-based

swap participant,” after “government securities dealer,”; and

(2) in subparagraph (F), by striking “broker or dealer” and inserting “broker, dealer, security-based swap dealer, or a major security-based swap participant”.

(e) SECURITY-BASED SWAP BENEFICIAL OWNERSHIP.—Section 13 of the Securities Exchange Act of 1934 (15 U.S.C. 78m) is amended by adding at the end the following:

“(o) BENEFICIAL OWNERSHIP.—For purposes of this section and section 16, a person shall be deemed to acquire beneficial ownership of an equity security based on the purchase or sale of a security-based swap, only to the extent that the Commission, by rule, determines after consultation with the prudential regulators and the Secretary of the Treasury, that the purchase or sale of the security-based swap, or class of security-based swap, provides incidents of ownership comparable to direct ownership of the equity security, and that it is necessary to achieve the purposes of this section that the purchase or sale of the security-based swaps, or class of security-based swap, be deemed the acquisition of beneficial ownership of the equity security.”

SEC. 767. STATE GAMING AND BUCKET SHOP LAWS.

Section 28(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78bb(a)) is amended to read as follows:

“(a) LIMITATION ON JUDGMENTS.—

“(1) IN GENERAL.—No person permitted to maintain a suit for damages under the provisions of this title shall recover, through satisfaction of judgment in 1 or more actions, a total amount in excess of the actual damages to that person on account of the act complained of. Except as otherwise specifically provided in this title, nothing in this title shall affect the jurisdiction of the securities commission (or any agency or officer performing like functions) of any State over any security or any person insofar as it does not conflict with the provisions of this title or the rules and regulations under this title.

“(2) RULE OF CONSTRUCTION.—Except as provided in subsection (f), the rights and remedies provided by this title shall be in addition to any and all other rights and remedies that may exist at law or in equity.

“(3) STATE BUCKET SHOP LAWS.—No State law which prohibits or regulates the making or promoting of wagering or gaming contracts, or the operation of ‘bucket shops’ or other similar or related activities, shall invalidate—

“(A) any put, call, straddle, option, privilege, or other security subject to this title (except any security that has a pari-mutuel payout or otherwise is determined by the Commission, acting by rule, regulation, or order, to be appropriately subject to such laws), or apply to any activity which is incidental or related to the offer, purchase, sale, exercise, settlement, or closeout of any such security;

“(B) any security-based swap between eligible contract participants; or

“(C) any security-based swap effected on a national securities exchange registered pursuant to section 6(b).

“(4) OTHER STATE PROVISIONS.—No provision of State law regarding the offer, sale, or distribution of securities shall apply to any transaction in a security-based swap or a security futures product, except that this paragraph may not be construed as limiting any State antifraud law of general applicability. A security-based swap may not be regulated as an insurance contract under any provision of State law.”

SEC. 768. AMENDMENTS TO THE SECURITIES ACT OF 1933; TREATMENT OF SECURITY-BASED SWAPS.

(a) DEFINITIONS.—Section 2(a) of the Securities Act of 1933 (15 U.S.C. 77b(a)) is amended—

(1) in paragraph (1), by inserting “security-based swap,” after “security future,”;

(2) in paragraph (3), by adding at the end the following: “Any offer or sale of a security-based swap by or on behalf of the issuer of the securities upon which such security-based swap is based or is referenced, an affiliate of the issuer, or an underwriter, shall constitute a contract for sale of, sale of, offer for sale, or offer to sell such securities.”; and

(3) by adding at the end the following:

“(17) The terms ‘swap’ and ‘security-based swap’ have the same meanings as in section 1a of the Commodity Exchange Act (7 U.S.C. 1a).

“(18) The terms ‘purchase’ or ‘sale’ of a security-based swap shall be deemed to mean the execution, termination (prior to its scheduled maturity date), assignment, exchange, or similar transfer or conveyance of, or extinguishing of rights or obligations under, a security-based swap, as the context may require.”

(b) REGISTRATION OF SECURITY-BASED SWAPS.—Section 5 of the Securities Act of 1933 (15 U.S.C. 77e) is amended by adding at the end the following:

“(d) Notwithstanding the provisions of section 3 or 4, unless a registration statement meeting the requirements of section 10(a) is in effect as to a security-based swap, it shall be unlawful for any person, directly or indirectly, to make use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell, offer to buy or purchase or sell a security-based swap to any person who is not an eligible contract participant as defined in section 1a(18) of the Commodity Exchange Act (7 U.S.C. 1a(18)).”

SEC. 769. DEFINITIONS UNDER THE INVESTMENT COMPANY ACT OF 1940.

Section 2(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-2) is amended by adding at the end the following:

“(54) The terms ‘commodity pool’, ‘commodity pool operator’, ‘commodity trading advisor’, ‘major swap participant’, ‘swap’, ‘swap dealer’, and ‘swap execution facility’ have the same meanings as in section 1a of the Commodity Exchange Act (7 U.S.C. 1a).”

SEC. 770. DEFINITIONS UNDER THE INVESTMENT ADVISERS ACT OF 1940.

Section 202(a) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2) is amended by adding at the end the following:

“(29) The terms ‘commodity pool’, ‘commodity pool operator’, ‘commodity trading advisor’, ‘major swap participant’, ‘swap’, ‘swap dealer’, and ‘swap execution facility’ have the same meanings as in section 1a of the Commodity Exchange Act (7 U.S.C. 1a).”

SEC. 771. OTHER AUTHORITY.

Unless otherwise provided by its terms, this subtitle does not divest any appropriate Federal banking agency, the Securities and Exchange Commission, the Commodity Futures Trading Commission, or any other Federal or State agency, of any authority derived from any other provision of applicable law.

SEC. 772. JURISDICTION.

(a) IN GENERAL.—Section 36 of the Securities Exchange Act of 1934 (15 U.S.C. 78mm) is amended by adding at the end the following:

“(c) DERIVATIVES.—Unless the Commission is expressly authorized by any provision described in this subsection to grant exemptions, the Commission shall not grant exemptions, with respect to amendments made by subtitle B of the Wall Street Transparency and Accountability Act of 2010, with respect to paragraphs (65), (66), (68), (69), (70), (71), (72), (73), (74), (75), (76), and (79) of section 3(a), and sections 10B(a), 10B(b), 10B(c), 13A, 15F, 17A(g), 17A(h), 17A(i), 17A(j), 17A(k), and 17A(l); provided that the Commission shall have exemptive authority under this title with respect to security-based swaps as to

the same matters that the Commodity Futures Trading Commission has under the Wall Street Transparency and Accountability Act of 2010 with respect to swaps, including under section 4(c) of the Commodity Exchange Act.”.

(b) **RULE OF CONSTRUCTION.**—Section 30 of the Securities Exchange Act of 1934 (15 U.S.C. 78dd) is amended by adding at the end the following:

“(c) **RULE OF CONSTRUCTION.**—No provision of this title that was added by the Wall Street Transparency and Accountability Act of 2010, or any rule or regulation thereunder, shall apply to any person insofar as such person transacts a business in security-based swaps without the jurisdiction of the United States, unless such person transacts such business in contravention of such rules and regulations as the Commission may prescribe as necessary or appropriate to prevent the evasion of any provision of this title that was added by the Wall Street Transparency and Accountability Act of 2010. This subsection shall not be construed to limit the jurisdiction of the Commission under any provision of this title, as in effect prior to the date of enactment of the Wall Street Transparency and Accountability Act of 2010.”.

SEC. 773. CIVIL PENALTIES.

Section 21B of the Securities Exchange Act of 1934 (15 U.S.C. 78p-2) is amended by adding at the end the following:

“(f) **SECURITY-BASED SWAPS.**—

“(1) **CLEARING AGENCY.**—Any clearing agency that knowingly or recklessly evades or participates in or facilitates an evasion of the requirements of section 3C shall be liable for a civil money penalty in twice the amount otherwise available for a violation of section 3C.

“(2) **SECURITY-BASED SWAP DEALER OR MAJOR SECURITY-BASED SWAP PARTICIPANT.**—Any security-based swap dealer or major security-based swap participant that knowingly or recklessly evades or participates in or facilitates an evasion of the requirements of section 3C shall be liable for a civil money penalty in twice the amount otherwise available for a violation of section 3C.”.

SEC. 774. EFFECTIVE DATE.

Unless otherwise provided, the provisions of this subtitle shall take effect on the later of 360 days after the date of the enactment of this subtitle or, to the extent a provision of this subtitle requires a rulemaking, not less than 60 days after publication of the final rule or regulation implementing such provision of this subtitle.

TITLE VIII—PAYMENT, CLEARING, AND SETTLEMENT SUPERVISION

SEC. 801. SHORT TITLE.

This title may be cited as the “Payment, Clearing, and Settlement Supervision Act of 2010”.

SEC. 802. FINDINGS AND PURPOSES.

(a) **FINDINGS.**—Congress finds the following:

(1) The proper functioning of the financial markets is dependent upon safe and efficient arrangements for the clearing and settlement of payment, securities, and other financial transactions.

(2) Financial market utilities that conduct or support multilateral payment, clearing, or settlement activities may reduce risks for their participants and the broader financial system, but such utilities may also concentrate and create new risks and thus must be well designed and operated in a safe and sound manner.

(3) Payment, clearing, and settlement activities conducted by financial institutions also present important risks to the participating financial institutions and to the financial system.

(4) Enhancements to the regulation and supervision of systemically important financial market utilities and the conduct of systemically important payment, clearing, and settlement activities by financial institutions are necessary—

(A) to provide consistency;

(B) to promote robust risk management and safety and soundness;

(C) to reduce systemic risks; and

(D) to support the stability of the broader financial system.

(b) **PURPOSE.**—The purpose of this title is to mitigate systemic risk in the financial system and promote financial stability by—

(1) authorizing the Board of Governors to promote uniform standards for the—

(A) management of risks by systemically important financial market utilities; and

(B) conduct of systemically important payment, clearing, and settlement activities by financial institutions;

(2) providing the Board of Governors an enhanced role in the supervision of risk management standards for systemically important financial market utilities;

(3) strengthening the liquidity of systemically important financial market utilities; and

(4) providing the Board of Governors an enhanced role in the supervision of risk management standards for systemically important payment, clearing, and settlement activities by financial institutions.

SEC. 803. DEFINITIONS.

In this title, the following definitions shall apply:

(1) **APPROPRIATE FINANCIAL REGULATOR.**—The term “appropriate financial regulator” means—

(A) the primary financial regulatory agency, as defined in section 2 of this Act;

(B) the National Credit Union Administration, with respect to any insured credit union under the Federal Credit Union Act (12 U.S.C. 1751 et seq.); and

(C) the Board of Governors, with respect to organizations operating under section 25A of the Federal Reserve Act (12 U.S.C. 611), and any other financial institution engaged in a designated activity.

(2) **DESIGNATED ACTIVITY.**—The term “designated activity” means a payment, clearing, or settlement activity that the Council has designated as systemically important under section 804.

(3) **DESIGNATED CLEARING ENTITY.**—The term “designated clearing entity” means a designated financial market utility that is a derivatives clearing organization registered under section 5b of the Commodity Exchange Act (7 U.S.C. 7a-1) or a clearing agency registered with the Securities and Exchange Commission under section 17A of the Securities Exchange Act of 1934 (15 U.S.C. 78q-1).

(4) **DESIGNATED FINANCIAL MARKET UTILITY.**—The term “designated financial market utility” means a financial market utility that the Council has designated as systemically important under section 804.

(5) **FINANCIAL INSTITUTION.**—

(A) **IN GENERAL.**—The term “financial institution” means—

(i) a depository institution, as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813);

(ii) a branch or agency of a foreign bank, as defined in section 1(b) of the International Banking Act of 1978 (12 U.S.C. 3101);

(iii) an organization operating under section 25 or 25A of the Federal Reserve Act (12 U.S.C. 601–604a and 611 through 631);

(iv) a credit union, as defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752);

(v) a broker or dealer, as defined in section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c);

(vi) an investment company, as defined in section 3 of the Investment Company Act of 1940 (15 U.S.C. 80a-3);

(vii) an insurance company, as defined in section 2 of the Investment Company Act of 1940 (15 U.S.C. 80a-2);

(viii) an investment adviser, as defined in section 202 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2);

(ix) a futures commission merchant, commodity trading advisor, or commodity pool operator, as defined in section 1a of the Commodity Exchange Act (7 U.S.C. 1a); and

(x) any company engaged in activities that are financial in nature or incidental to a financial activity, as described in section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(k)).

(B) **EXCLUSIONS.**—The term “financial institution” does not include designated contract markets, registered futures associations, swap data repositories, and swap execution facilities registered under the Commodity Exchange Act (7 U.S.C. 1 et seq.), or national securities exchanges, national securities associations, alternative trading systems, securities information processors solely with respect to the activities of the entity as a securities information processor, security-based swap data repositories, and swap execution facilities registered under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.), or designated clearing entities, provided that the exclusions in this subparagraph apply only with respect to the activities that require the entity to be so registered.

(6) **FINANCIAL MARKET UTILITY.**—

(A) **INCLUSION.**—The term “financial market utility” means any person that manages or operates a multilateral system for the purpose of transferring, clearing, or settling payments, securities, or other financial transactions among financial institutions or between financial institutions and the person.

(B) **EXCLUSIONS.**—The term “financial market utility” does not include—

(i) designated contract markets, registered futures associations, swap data repositories, and swap execution facilities registered under the Commodity Exchange Act (7 U.S.C. 1 et seq.), or national securities exchanges, national securities associations, alternative trading systems, security-based swap data repositories, and swap execution facilities registered under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.), solely by reason of their providing facilities for comparison of data respecting the terms of settlement of securities or futures transactions effected on such exchange or by means of any electronic system operated or controlled by such entities, provided that the exclusions in this clause apply only with respect to the activities that require the entity to be so registered; and

(ii) any broker, dealer, transfer agent, or investment company, or any futures commission merchant, introducing broker, commodity trading advisor, or commodity pool operator, solely by reason of functions performed by such institution as part of brokerage, dealing, transfer agency, or investment company activities, or solely by reason of acting on behalf of a financial market utility or a participant therein in connection with the furnishing by the financial market utility of services to its participants or the use of services of the financial market utility by its participants, provided that services performed by such institution do not constitute critical risk management or processing functions of the financial market utility.

(7) **PAYMENT, CLEARING, OR SETTLEMENT ACTIVITY.**—

(A) **IN GENERAL.**—The term “payment, clearing, or settlement activity” means an activity carried out by 1 or more financial institutions to facilitate the completion of financial transactions, but shall not include any offer or sale of a security under the Securities Act of 1933 (15 U.S.C. 77a et seq.), or any quotation, order entry, negotiation, or other pre-trade activity or execution activity.

(B) **FINANCIAL TRANSACTION.**—For the purposes of subparagraph (A), the term “financial transaction” includes—

(i) funds transfers;
 (ii) securities contracts;
 (iii) contracts of sale of a commodity for future delivery;
 (iv) forward contracts;
 (v) repurchase agreements;
 (vi) swaps;
 (vii) security-based swaps;
 (viii) swap agreements;
 (ix) security-based swap agreements;
 (x) foreign exchange contracts;
 (xi) financial derivatives contracts; and
 (xii) any similar transaction that the Council determines to be a financial transaction for purposes of this title.

(C) INCLUDED ACTIVITIES.—When conducted with respect to a financial transaction, payment, clearing, and settlement activities may include—

(i) the calculation and communication of unsettled financial transactions between counterparties;
 (ii) the netting of transactions;
 (iii) provision and maintenance of trade, contract, or instrument information;
 (iv) the management of risks and activities associated with continuing financial transactions;
 (v) transmittal and storage of payment instructions;
 (vi) the movement of funds;
 (vii) the final settlement of financial transactions; and
 (viii) other similar functions that the Council may determine.

(D) EXCLUSION.—Payment, clearing, and settlement activities shall not include public reporting of swap transaction data under section 727 or 763(i) of the Wall Street Transparency and Accountability Act of 2010.

(8) SUPERVISORY AGENCY.—

(A) IN GENERAL.—The term “Supervisory Agency” means the Federal agency that has primary jurisdiction over a designated financial market utility under Federal banking, securities, or commodity futures laws, as follows:

(i) The Securities and Exchange Commission, with respect to a designated financial market utility that is a clearing agency registered with the Securities and Exchange Commission.

(ii) The Commodity Futures Trading Commission, with respect to a designated financial market utility that is a derivatives clearing organization registered with the Commodity Futures Trading Commission.

(iii) The appropriate Federal banking agency, with respect to a designated financial market utility that is an institution described in section 3(g) of the Federal Deposit Insurance Act.

(iv) The Board of Governors, with respect to a designated financial market utility that is otherwise not subject to the jurisdiction of any agency listed in clauses (i), (ii), and (iii).

(B) MULTIPLE AGENCY JURISDICTION.—If a designated financial market utility is subject to the jurisdictional supervision of more than 1 agency listed in subparagraph (A), then such agencies should agree on 1 agency to act as the Supervisory Agency, and if such agencies cannot agree on which agency has primary jurisdiction, the Council shall decide which agency is the Supervisory Agency for purposes of this title.

(9) SYSTEMICALLY IMPORTANT AND SYSTEMIC IMPORTANCE.—The terms “systemically important” and “systemic importance” mean a situation where the failure of or a disruption to the functioning of a financial market utility or the conduct of a payment, clearing, or settlement activity could create, or increase, the risk of significant liquidity or credit problems spreading among financial institutions or markets and thereby threaten the stability of the financial system of the United States.

SEC. 804. DESIGNATION OF SYSTEMIC IMPORTANCE.

(a) DESIGNATION.—

(1) FINANCIAL STABILITY OVERSIGHT COUNCIL.—The Council, on a nondelegable basis and by a vote of not fewer than $\frac{2}{3}$ of members then serving, including an affirmative vote by the Chairperson of the Council, shall designate those financial market utilities or payment, clearing, or settlement activities that the Council determines are, or are likely to become, systemically important.

(2) CONSIDERATIONS.—In determining whether a financial market utility or payment, clearing, or settlement activity is, or is likely to become, systemically important, the Council shall take into consideration the following:

(A) The aggregate monetary value of transactions processed by the financial market utility or carried out through the payment, clearing, or settlement activity.

(B) The aggregate exposure of the financial market utility or a financial institution engaged in payment, clearing, or settlement activities to its counterparties.

(C) The relationship, interdependencies, or other interactions of the financial market utility or payment, clearing, or settlement activity with other financial market utilities or payment, clearing, or settlement activities.

(D) The effect that the failure of or a disruption to the financial market utility or payment, clearing, or settlement activity would have on critical markets, financial institutions, or the broader financial system.

(E) Any other factors that the Council deems appropriate.

(b) RESCISSION OF DESIGNATION.—

(1) IN GENERAL.—The Council, on a nondelegable basis and by a vote of not fewer than $\frac{2}{3}$ of members then serving, including an affirmative vote by the Chairperson of the Council, shall rescind a designation of systemic importance for a designated financial market utility or designated activity if the Council determines that the utility or activity no longer meets the standards for systemic importance.

(2) EFFECT OF RESCISSION.—Upon rescission, the financial market utility or financial institutions conducting the activity will no longer be subject to the provisions of this title or any rules or orders prescribed under this title.

(c) CONSULTATION AND NOTICE AND OPPORTUNITY FOR HEARING.—

(1) CONSULTATION.—Before making any determination under subsection (a) or (b), the Council shall consult with the relevant Supervisory Agency and the Board of Governors.

(2) ADVANCE NOTICE AND OPPORTUNITY FOR HEARING.—

(A) IN GENERAL.—Before making any determination under subsection (a) or (b), the Council shall provide the financial market utility or, in the case of a payment, clearing, or settlement activity, financial institutions with advance notice of the proposed determination of the Council.

(B) NOTICE IN FEDERAL REGISTER.—The Council shall provide such advance notice to financial institutions by publishing a notice in the Federal Register.

(C) REQUESTS FOR HEARING.—Within 30 days from the date of any notice of the proposed determination of the Council, the financial market utility or, in the case of a payment, clearing, or settlement activity, a financial institution engaged in the designated activity may request, in writing, an opportunity for a written or oral hearing before the Council to demonstrate that the proposed designation or rescission of designation is not supported by substantial evidence.

(D) WRITTEN SUBMISSIONS.—Upon receipt of a timely request, the Council shall fix a time, not more than 30 days after receipt of the request, unless extended at the request of the financial market utility or financial institution, and place

at which the financial market utility or financial institution may appear, personally or through counsel, to submit written materials, or, at the sole discretion of the Council, oral testimony or oral argument.

(3) EMERGENCY EXCEPTION.—

(A) WAIVER OR MODIFICATION BY VOTE OF THE COUNCIL.—The Council may waive or modify the requirements of paragraph (2) if the Council determines, by an affirmative vote of not fewer than $\frac{2}{3}$ of members then serving, including an affirmative vote by the Chairperson of the Council, that the waiver or modification is necessary to prevent or mitigate an immediate threat to the financial system posed by the financial market utility or the payment, clearing, or settlement activity.

(B) NOTICE OF WAIVER OR MODIFICATION.—The Council shall provide notice of the waiver or modification to the financial market utility concerned or, in the case of a payment, clearing, or settlement activity, to financial institutions, as soon as practicable, which shall be no later than 24 hours after the waiver or modification in the case of a financial market utility and 3 business days in the case of financial institutions. The Council shall provide the notice to financial institutions by posting a notice on the website of the Council and by publishing a notice in the Federal Register.

(d) NOTIFICATION OF FINAL DETERMINATION.—

(1) AFTER HEARING.—Within 60 days of any hearing under subsection (c)(2), the Council shall notify the financial market utility or financial institutions of the final determination of the Council in writing, which shall include findings of fact upon which the determination of the Council is based.

(2) WHEN NO HEARING REQUESTED.—If the Council does not receive a timely request for a hearing under subsection (c)(2), the Council shall notify the financial market utility or financial institutions of the final determination of the Council in writing not later than 30 days after the expiration of the date by which a financial market utility or a financial institution could have requested a hearing. All notices to financial institutions under this subsection shall be published in the Federal Register.

(e) EXTENSION OF TIME PERIODS.—The Council may extend the time periods established in subsections (c) and (d) as the Council determines to be necessary or appropriate.

SEC. 805. STANDARDS FOR SYSTEMICALLY IMPORTANT FINANCIAL MARKET UTILITIES AND PAYMENT, CLEARING, OR SETTLEMENT ACTIVITIES.

(a) AUTHORITY TO PRESCRIBE STANDARDS.—

(1) BOARD OF GOVERNORS.—Except as provided in paragraph (2), the Board of Governors, by rule or order, and in consultation with the Council and the Supervisory Agencies, shall prescribe risk management standards, taking into consideration relevant international standards and existing prudential requirements, governing—

(A) the operations related to the payment, clearing, and settlement activities of designated financial market utilities; and

(B) the conduct of designated activities by financial institutions.

(2) SPECIAL PROCEDURES FOR DESIGNATED CLEARING ENTITIES AND DESIGNATED ACTIVITIES OF CERTAIN FINANCIAL INSTITUTIONS.—

(A) CFTC AND COMMISSION.—The Commodity Futures Trading Commission and the Commission may each prescribe regulations, in consultation with the Council and the Board of Governors, containing risk management standards, taking into consideration relevant international standards and existing prudential requirements, for those designated clearing entities and financial institutions engaged in designated activities for which each is the Supervisory Agency or the appropriate financial regulator, governing—

(i) the operations related to payment, clearing, and settlement activities of such designated clearing entities; and

(ii) the conduct of designated activities by such financial institutions.

(B) **REVIEW AND DETERMINATION.**—The Board of Governors may determine that existing prudential requirements of the Commodity Futures Trading Commission, the Commission, or both (including requirements prescribed pursuant to subparagraph (A)) with respect to designated clearing entities and financial institutions engaged in designated activities for which the Commission or the Commodity Futures Trading Commission is the Supervisory Agency or the appropriate financial regulator are insufficient to prevent or mitigate significant liquidity, credit, operational, or other risks to the financial markets or to the financial stability of the United States.

(C) **WRITTEN DETERMINATION.**—Any determination by the Board of Governors under subparagraph (B) shall be provided in writing to the Commodity Futures Trading Commission or the Commission, as applicable, and the Council, and shall explain why existing prudential requirements, considered as a whole, are insufficient to ensure that the operations and activities of the designated clearing entities or the activities of financial institutions described in subparagraph (B) will not pose significant liquidity, credit, operational, or other risks to the financial markets or to the financial stability of the United States. The Board of Governors' determination shall contain a detailed analysis supporting its findings and identify the specific prudential requirements that are insufficient.

(D) **CFTC AND COMMISSION RESPONSE.**—The Commodity Futures Trading Commission or the Commission, as applicable, shall within 60 days either object to the Board of Governors' determination with a detailed analysis as to why existing prudential requirements are sufficient, or submit an explanation to the Council and the Board of Governors describing the actions to be taken in response to the Board of Governors' determination.

(E) **AUTHORIZATION.**—Upon an affirmative vote by not fewer than $\frac{2}{3}$ of members then serving on the Council, the Council shall either find that the response submitted under subparagraph (D) is sufficient, or require the Commodity Futures Trading Commission, or the Commission, as applicable, to prescribe such risk management standards as the Council determines is necessary to address the specific prudential requirements that are determined to be insufficient."

(b) **OBJECTIVES AND PRINCIPLES.**—The objectives and principles for the risk management standards prescribed under subsection (a) shall be to—

- (1) promote robust risk management;
- (2) promote safety and soundness;
- (3) reduce systemic risks; and
- (4) support the stability of the broader financial system.

(c) **SCOPE.**—The standards prescribed under subsection (a) may address areas such as—

- (1) risk management policies and procedures;
- (2) margin and collateral requirements;
- (3) participant or counterparty default policies and procedures;
- (4) the ability to complete timely clearing and settlement of financial transactions;
- (5) capital and financial resource requirements for designated financial market utilities; and
- (6) other areas that are necessary to achieve the objectives and principles in subsection (b).

(d) **LIMITATION ON SCOPE.**—Except as provided in subsections (e) and (f) of section 807, nothing in this title shall be construed to permit the Council or the Board of Governors to take

any action or exercise any authority granted to the Commodity Futures Trading Commission under section 2(h) of the Commodity Exchange Act or the Securities and Exchange Commission under section 3C(a) of the Securities Exchange Act of 1934, including—

(1) the approval of, disapproval of, or stay of the clearing requirement for any group, category, type, or class of swaps that a designated clearing entity may accept for clearing;

(2) the determination that any group, category, type, or class of swaps shall be subject to the mandatory clearing requirement of section 2(h)(1) of the Commodity Exchange Act or section 3C(a)(1) of the Securities Exchange Act of 1934;

(3) the determination that any person is exempt from the mandatory clearing requirement of section 2(h)(1) of the Commodity Exchange Act or section 3C(a)(1) of the Securities Exchange Act of 1934; or

(4) any authority granted to the Commodity Futures Trading Commission or the Securities and Exchange Commission with respect to transaction reporting or trade execution.

(e) **THRESHOLD LEVEL.**—The standards prescribed under subsection (a) governing the conduct of designated activities by financial institutions shall, where appropriate, establish a threshold as to the level or significance of engagement in the activity at which a financial institution will become subject to the standards with respect to that activity.

(f) **COMPLIANCE REQUIRED.**—Designated financial market utilities and financial institutions subject to the standards prescribed under subsection (a) for a designated activity shall conduct their operations in compliance with the applicable risk management standards.

SEC. 806. OPERATIONS OF DESIGNATED FINANCIAL MARKET UTILITIES.

(a) **FEDERAL RESERVE ACCOUNT AND SERVICES.**—The Board of Governors may authorize a Federal Reserve Bank to establish and maintain an account for a designated financial market utility and provide the services listed in section 11A(b) of the Federal Reserve Act (12 U.S.C. 248a(b)) and deposit accounts under the first undesignated paragraph of section 13 of the Federal Reserve Act (12 U.S.C. 342) to the designated financial market utility that the Federal Reserve Bank is authorized under the Federal Reserve Act to provide to a depository institution, subject to any applicable rules, orders, standards, or guidelines prescribed by the Board of Governors.

(b) **ADVANCES.**—The Board of Governors may authorize a Federal Reserve bank under section 10B of the Federal Reserve Act (12 U.S.C. 347b) to provide to a designated financial market utility discount and borrowing privileges only in unusual or exigent circumstances, upon the affirmative vote of a majority of the Board of Governors then serving (or such other number in accordance with the provisions of section 11(r)(2) of the Federal Reserve Act (12 U.S.C. 248(r)(2)) after consultation with the Secretary, and upon a showing by the designated financial market utility that it is unable to secure adequate credit accommodations from other banking institutions. All such discounts and borrowing privileges shall be subject to such other limitations, restrictions, and regulations as the Board of Governors may prescribe. Access to discount and borrowing privileges under section 10B of the Federal Reserve Act as authorized in this section does not require a designated financial market utility to be or become a bank or bank holding company.

(c) **EARNINGS ON FEDERAL RESERVE BALANCES.**—A Federal Reserve Bank may pay earnings on balances maintained by or on behalf of a designated financial market utility in the same manner and to the same extent as the Fed-

eral Reserve Bank may pay earnings to a depository institution under the Federal Reserve Act, subject to any applicable rules, orders, standards, or guidelines prescribed by the Board of Governors.

(d) **RESERVE REQUIREMENTS.**—The Board of Governors may exempt a designated financial market utility from, or modify any, reserve requirements under section 19 of the Federal Reserve Act (12 U.S.C. 461) applicable to a designated financial market utility.

(e) **CHANGES TO RULES, PROCEDURES, OR OPERATIONS.**—

(1) **ADVANCE NOTICE.**—

(A) **ADVANCE NOTICE OF PROPOSED CHANGES REQUIRED.**—A designated financial market utility shall provide notice 60 days in advance notice to its Supervisory Agency of any proposed change to its rules, procedures, or operations that could, as defined in rules of each Supervisory Agency, materially affect, the nature or level of risks presented by the designated financial market utility.

(B) **TERMS AND STANDARDS PRESCRIBED BY THE SUPERVISORY AGENCIES.**—Each Supervisory Agency, in consultation with the Board of Governors, shall prescribe regulations that define and describe the standards for determining when notice is required to be provided under subparagraph (A).

(C) **CONTENTS OF NOTICE.**—The notice of a proposed change shall describe—

- (i) the nature of the change and expected effects on risks to the designated financial market utility, its participants, or the market; and
- (ii) how the designated financial market utility plans to manage any identified risks.

(D) **ADDITIONAL INFORMATION.**—The Supervisory Agency may require a designated financial market utility to provide any information necessary to assess the effect the proposed change would have on the nature or level of risks associated with the designated financial market utility's payment, clearing, or settlement activities and the sufficiency of any proposed risk management techniques.

(E) **NOTICE OF OBJECTION.**—The Supervisory Agency shall notify the designated financial market utility of any objection regarding the proposed change within 60 days from the later of—

- (i) the date that the notice of the proposed change is received; or
- (ii) the date any further information requested for consideration of the notice is received.

(F) **CHANGE NOT ALLOWED IF OBJECTION.**—A designated financial market utility shall not implement a change to which the Supervisory Agency has an objection.

(G) **CHANGE ALLOWED IF NO OBJECTION WITHIN 60 DAYS.**—A designated financial market utility may implement a change if it has not received an objection to the proposed change within 60 days of the later of—

- (i) the date that the Supervisory Agency receives the notice of proposed change; or
- (ii) the date the Supervisory Agency receives any further information it requests for consideration of the notice.

(H) **REVIEW EXTENSION FOR NOVEL OR COMPLEX ISSUES.**—The Supervisory Agency may, during the 60-day review period, extend the review period for an additional 60 days for proposed changes that raise novel or complex issues, subject to the Supervisory Agency providing the designated financial market utility with prompt written notice of the extension. Any extension under this subparagraph will extend the time periods under subparagraphs (E) and (G).

(I) **CHANGE ALLOWED EARLIER IF NOTIFIED OF NO OBJECTION.**—A designated financial market utility may implement a change in less than 60 days from the date of receipt of the notice of

proposed change by the Supervisory Agency, or the date the Supervisory Agency receives any further information it requested, if the Supervisory Agency notifies the designated financial market utility in writing that it does not object to the proposed change and authorizes the designated financial market utility to implement the change on an earlier date, subject to any conditions imposed by the Supervisory Agency.

(2) **EMERGENCY CHANGES.**—

(A) **IN GENERAL.**—A designated financial market utility may implement a change that would otherwise require advance notice under this subsection if it determines that—

- (i) an emergency exists; and
- (ii) immediate implementation of the change is necessary for the designated financial market utility to continue to provide its services in a safe and sound manner.

(B) **NOTICE REQUIRED WITHIN 24 HOURS.**—The designated financial market utility shall provide notice of any such emergency change to its Supervisory Agency, as soon as practicable, which shall be no later than 24 hours after implementation of the change.

(C) **CONTENTS OF EMERGENCY NOTICE.**—In addition to the information required for changes requiring advance notice, the notice of an emergency change shall describe—

- (i) the nature of the emergency; and
- (ii) the reason the change was necessary for the designated financial market utility to continue to provide its services in a safe and sound manner.

(D) **MODIFICATION OR RESCISSION OF CHANGE MAY BE REQUIRED.**—The Supervisory Agency may require modification or rescission of the change if it finds that the change is not consistent with the purposes of this Act or any applicable rules, orders, or standards prescribed under section 805(a).

(3) **COPYING THE BOARD OF GOVERNORS.**—The Supervisory Agency shall provide the Board of Governors concurrently with a complete copy of any notice, request, or other information it issues, submits, or receives under this subsection.

(4) **CONSULTATION WITH BOARD OF GOVERNORS.**—Before taking any action on, or completing its review of, a change proposed by a designated financial market utility, the Supervisory Agency shall consult with the Board of Governors.

SEC. 807. EXAMINATION OF AND ENFORCEMENT ACTIONS AGAINST DESIGNATED FINANCIAL MARKET UTILITIES.

(a) **EXAMINATION.**—Notwithstanding any other provision of law and subject to subsection (d), the Supervisory Agency shall conduct examinations of a designated financial market utility at least once annually in order to determine the following:

- (1) The nature of the operations of, and the risks borne by, the designated financial market utility.
- (2) The financial and operational risks presented by the designated financial market utility to financial institutions, critical markets, or the broader financial system.
- (3) The resources and capabilities of the designated financial market utility to monitor and control such risks.
- (4) The safety and soundness of the designated financial market utility.
- (5) The designated financial market utility's compliance with—
 - (A) this title; and
 - (B) the rules and orders prescribed under this title.

(b) **SERVICE PROVIDERS.**—Whenever a service integral to the operation of a designated financial market utility is performed for the designated financial market utility by another entity, whether an affiliate or non-affiliate and

whether on or off the premises of the designated financial market utility, the Supervisory Agency may examine whether the provision of that service is in compliance with applicable law, rules, orders, and standards to the same extent as if the designated financial market utility were performing the service on its own premises.

(c) **ENFORCEMENT.**—For purposes of enforcing the provisions of this title, a designated financial market utility shall be subject to, and the appropriate Supervisory Agency shall have authority under the provisions of subsections (b) through (n) of section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) in the same manner and to the same extent as if the designated financial market utility was an insured depository institution and the Supervisory Agency was the appropriate Federal banking agency for such insured depository institution.

(d) **BOARD OF GOVERNORS INVOLVEMENT IN EXAMINATIONS.**—

(1) **BOARD OF GOVERNORS CONSULTATION ON EXAMINATION PLANNING.**—The Supervisory Agency shall consult annually with the Board of Governors regarding the scope and methodology of any examination conducted under subsections (a) and (b). The Supervisory Agency shall lead all examinations conducted under subsections (a) and (b).

(2) **BOARD OF GOVERNORS PARTICIPATION IN EXAMINATION.**—The Board of Governors may, in its discretion, participate in any examination led by a Supervisory Agency and conducted under subsections (a) and (b).

(e) **BOARD OF GOVERNORS ENFORCEMENT RECOMMENDATIONS.**—

(1) **RECOMMENDATION.**—The Board of Governors may, after consulting with the Council and the Supervisory Agency, at any time recommend to the Supervisory Agency that such agency take enforcement action against a designated financial market utility in order to prevent or mitigate significant liquidity, credit, operational, or other risks to the financial markets or to the financial stability of the United States. Any such recommendation for enforcement action shall provide a detailed analysis supporting the recommendation of the Board of Governors.

(2) **CONSIDERATION.**—The Supervisory Agency shall consider the recommendation of the Board of Governors and submit a response to the Board of Governors within 60 days.

(3) **BINDING ARBITRATION.**—If the Supervisory Agency rejects, in whole or in part, the recommendation of the Board of Governors, the Board of Governors may refer the recommendation to the Council for a binding decision on whether an enforcement action is warranted.

(4) **ENFORCEMENT ACTION.**—Upon an affirmative vote by a majority of the Council in favor of the Board of Governors' recommendation under paragraph (3), the Council may require the Supervisory Agency to—

- (A) exercise the enforcement authority referenced in subsection (c); and
- (B) take enforcement action against the designated financial market utility.

(f) **EMERGENCY ENFORCEMENT ACTIONS BY THE BOARD OF GOVERNORS.**—

(1) **IMMINENT RISK OF SUBSTANTIAL HARM.**—The Board of Governors may, after consulting with the Supervisory Agency and upon an affirmative vote by a majority the Council, take enforcement action against a designated financial market utility if the Board of Governors has reasonable cause to conclude that—

- (A) either—
 - (i) an action engaged in, or contemplated by, a designated financial market utility (including any change proposed by the designated financial market utility to its rules, procedures, or operations that would otherwise be subject to section 806(e)) poses an imminent risk of substan-

tial harm to financial institutions, critical markets, or the broader financial system of the United States; or

- (ii) the condition of a designated financial market utility poses an imminent risk of substantial harm to financial institutions, critical markets, or the broader financial system; and

(B) the imminent risk of substantial harm precludes the Board of Governors' use of the procedures in subsection (e).

(2) **ENFORCEMENT AUTHORITY.**—For purposes of taking enforcement action under paragraph (1), a designated financial market utility shall be subject to, and the Board of Governors shall have authority under the provisions of subsections (b) through (n) of section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) in the same manner and to the same extent as if the designated financial market utility was an insured depository institution and the Board of Governors was the appropriate Federal banking agency for such insured depository institution.

SEC. 808. EXAMINATION OF AND ENFORCEMENT ACTIONS AGAINST FINANCIAL INSTITUTIONS SUBJECT TO STANDARDS FOR DESIGNATED ACTIVITIES.

(a) **EXAMINATION.**—The appropriate financial regulator is authorized to examine a financial institution subject to the standards prescribed under section 805(a) for a designated activity in order to determine the following:

- (1) The nature and scope of the designated activities engaged in by the financial institution.
- (2) The financial and operational risks the designated activities engaged in by the financial institution may pose to the safety and soundness of the financial institution.
- (3) The financial and operational risks the designated activities engaged in by the financial institution may pose to other financial institutions, critical markets, or the broader financial system.
- (4) The resources available to and the capabilities of the financial institution to monitor and control the risks described in paragraphs (2) and (3).
- (5) The financial institution's compliance with this title and the rules and orders prescribed under section 805(a).

(b) **ENFORCEMENT.**—For purposes of enforcing the provisions of this title, and the rules and orders prescribed under this section, a financial institution subject to the standards prescribed under section 805(a) for a designated activity shall be subject to, and the appropriate financial regulator shall have authority under the provisions of subsections (b) through (n) of section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) in the same manner and to the same extent as if the financial institution was an insured depository institution and the appropriate financial regulator was the appropriate Federal banking agency for such insured depository institution.

(c) **TECHNICAL ASSISTANCE.**—The Board of Governors shall consult with and provide such technical assistance as may be required by the appropriate financial regulators to ensure that the rules and orders prescribed under this title are interpreted and applied in as consistent and uniform a manner as practicable.

(d) **DELEGATION.**—

(1) **EXAMINATION.**—

(A) **REQUEST TO BOARD OF GOVERNORS.**—The appropriate financial regulator may request the Board of Governors to conduct or participate in an examination of a financial institution subject to the standards prescribed under section 805(a) for a designated activity in order to assess the compliance of such financial institution with—

- (i) this title; or
 - (ii) the rules or orders prescribed under this title.
- (B) **EXAMINATION BY BOARD OF GOVERNORS.**—Upon receipt of an appropriate written request,

the Board of Governors will conduct the examination under such terms and conditions to which the Board of Governors and the appropriate financial regulator mutually agree.

(2) **ENFORCEMENT.**—

(A) **REQUEST TO BOARD OF GOVERNORS.**—The appropriate financial regulator may request the Board of Governors to enforce this title or the rules or orders prescribed under this title against a financial institution that is subject to the standards prescribed under section 805(a) for a designated activity.

(B) **ENFORCEMENT BY BOARD OF GOVERNORS.**—Upon receipt of an appropriate written request, the Board of Governors shall determine whether an enforcement action is warranted, and, if so, it shall enforce compliance with this title or the rules or orders prescribed under this title and, if so, the financial institution shall be subject to, and the Board of Governors shall have authority under the provisions of subsections (b) through (n) of section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) in the same manner and to the same extent as if the financial institution was an insured depository institution and the Board of Governors was the appropriate Federal banking agency for such insured depository institution.

(e) **BACK-UP AUTHORITY OF THE BOARD OF GOVERNORS.**—

(1) **EXAMINATION AND ENFORCEMENT.**—Notwithstanding any other provision of law, the Board of Governors may—

(A) conduct an examination of the type described in subsection (a) of any financial institution that is subject to the standards prescribed under section 805(a) for a designated activity; and

(B) enforce the provisions of this title or any rules or orders prescribed under this title against any financial institution that is subject to the standards prescribed under section 805(a) for a designated activity.

(2) **LIMITATIONS.**—

(A) **EXAMINATION.**—The Board of Governors may exercise the authority described in paragraph (1)(A) only if the Board of Governors has—

(i) reasonable cause to believe that a financial institution is not in compliance with this title or the rules or orders prescribed under this title with respect to a designated activity;

(ii) notified, in writing, the appropriate financial regulator and the Council of its belief under clause (i) with supporting documentation included;

(iii) requested the appropriate financial regulator to conduct a prompt examination of the financial institution;

(iv) either—

(I) not been afforded a reasonable opportunity to participate in an examination of the financial institution by the appropriate financial regulator within 30 days after the date of the Board's notification under clause (ii); or

(II) reasonable cause to believe that the financial institution's noncompliance with this title or the rules or orders prescribed under this title poses a substantial risk to other financial institutions, critical markets, or the broader financial system, subject to the Board of Governors affording the appropriate financial regulator a reasonable opportunity to participate in the examination; and

(v) obtained the approval of the Council upon an affirmative vote by a majority of the Council.

(B) **ENFORCEMENT.**—The Board of Governors may exercise the authority described in paragraph (1)(B) only if the Board of Governors has—

(i) reasonable cause to believe that a financial institution is not in compliance with this title or the rules or orders prescribed under this title with respect to a designated activity;

(ii) notified, in writing, the appropriate financial regulator and the Council of its belief under clause (i) with supporting documentation included and with a recommendation that the appropriate financial regulator take 1 or more specific enforcement actions against the financial institution;

(iii) either—

(I) not been notified, in writing, by the appropriate financial regulator of the commencement of an enforcement action recommended by the Board of Governors against the financial institution within 60 days from the date of the notification under clause (ii); or

(II) reasonable cause to believe that the financial institution's noncompliance with this title or the rules or orders prescribed under this title poses significant liquidity, credit, operational, or other risks to the financial markets or to the financial stability of the United States, subject to the Board of Governors notifying the appropriate financial regulator of the Board's enforcement action; and

(iv) obtained the approval of the Council upon an affirmative vote by a majority of the Council.

(3) **ENFORCEMENT PROVISIONS.**—For purposes of taking enforcement action under paragraph (1), the financial institution shall be subject to, and the Board of Governors shall have authority under the provisions of subsections (b) through (n) of section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) in the same manner and to the same extent as if the financial institution was an insured depository institution and the Board of Governors was the appropriate Federal banking agency for such insured depository institution.

SEC. 809. REQUESTS FOR INFORMATION, REPORTS, OR RECORDS.

(a) **INFORMATION TO ASSESS SYSTEMIC IMPORTANCE.**—

(1) **FINANCIAL MARKET UTILITIES.**—The Council is authorized to require any financial market utility to submit such information as the Council may require for the sole purpose of assessing whether that financial market utility is systemically important, but only if the Council has reasonable cause to believe that the financial market utility meets the standards for systemic importance set forth in section 804.

(2) **FINANCIAL INSTITUTIONS ENGAGED IN PAYMENT, CLEARING, OR SETTLEMENT ACTIVITIES.**—The Council is authorized to require any financial institution to submit such information as the Council may require for the sole purpose of assessing whether any payment, clearing, or settlement activity engaged in or supported by a financial institution is systemically important, but only if the Council has reasonable cause to believe that the activity meets the standards for systemic importance set forth in section 804.

(b) **REPORTING AFTER DESIGNATION.**—

(1) **DESIGNATED FINANCIAL MARKET UTILITIES.**—The Board of Governors and the Council may each require a designated financial market utility to submit reports or data to the Board of Governors and the Council in such frequency and form as deemed necessary by the Board of Governors or the Council in order to assess the safety and soundness of the utility and the systemic risk that the utility's operations pose to the financial system.

(2) **FINANCIAL INSTITUTIONS SUBJECT TO STANDARDS FOR DESIGNATED ACTIVITIES.**—The Board of Governors and the Council may each require 1 or more financial institutions subject to the standards prescribed under section 805(a) for a designated activity to submit, in such frequency and form as deemed necessary by the Board of Governors or the Council, reports and data to the Board of Governors and the Council solely with respect to the conduct of the designated activity and solely to assess whether—

(A) the rules, orders, or standards prescribed under section 805(a) with respect to the des-

ignated activity appropriately address the risks to the financial system presented by such activity; and

(B) the financial institutions are in compliance with this title and the rules and orders prescribed under section 805(a) with respect to the designated activity.

(3) **LIMITATION.**—The Board of Governors may, upon an affirmative vote by a majority of the Council, prescribe regulations under this section that impose a recordkeeping or reporting requirement on designated clearing entities or financial institutions engaged in designated activities that are subject to standards that have been prescribed under section 805(a)(2).

(c) **COORDINATION WITH APPROPRIATE FEDERAL SUPERVISORY AGENCY.**—

(1) **ADVANCE COORDINATION.**—Before requesting any material information from, or imposing reporting or recordkeeping requirements on, any financial market utility or any financial institution engaged in a payment, clearing, or settlement activity, the Board of Governors or the Council shall coordinate with the Supervisory Agency for a financial market utility or the appropriate financial regulator for a financial institution to determine if the information is available from or may be obtained by the agency in the form, format, or detail required by the Board of Governors or the Council.

(2) **SUPERVISORY REPORTS.**—Notwithstanding any other provision of law, the Supervisory Agency, the appropriate financial regulator, and the Board of Governors are authorized to disclose to each other and the Council copies of its examination reports or similar reports regarding any financial market utility or any financial institution engaged in payment, clearing, or settlement activities.

(d) **TIMING OF RESPONSE FROM APPROPRIATE FEDERAL SUPERVISORY AGENCY.**—If the information, report, records, or data requested by the Board of Governors or the Council under subsection (c)(1) are not provided in full by the Supervisory Agency or the appropriate financial regulator in less than 15 days after the date on which the material is requested, the Board of Governors or the Council may request the information or impose recordkeeping or reporting requirements directly on such persons as provided in subsections (a) and (b) with notice to the agency.

(e) **SHARING OF INFORMATION.**—

(1) **MATERIAL CONCERNS.**—Notwithstanding any other provision of law, the Board of Governors, the Council, the appropriate financial regulator, and any Supervisory Agency are authorized to—

(A) promptly notify each other of material concerns about a designated financial market utility or any financial institution engaged in designated activities; and

(B) share appropriate reports, information, or data relating to such concerns.

(2) **OTHER INFORMATION.**—Notwithstanding any other provision of law, the Board of Governors, the Council, the appropriate financial regulator, or any Supervisory Agency may, under such terms and conditions as it deems appropriate, provide confidential supervisory information and other information obtained under this title to each other, and to the Secretary, Federal Reserve Banks, State financial institution supervisory agencies, foreign financial supervisors, foreign central banks, and foreign finance ministries, subject to reasonable assurances of confidentiality, provided, however, that no person or entity receiving information pursuant to this section may disseminate such information to entities or persons other than those listed in this paragraph without complying with applicable law, including section 8 of the Commodity Exchange Act (7 U.S.C. 12).

(f) **PRIVILEGE MAINTAINED.**—The Board of Governors, the Council, the appropriate financial regulator, and any Supervisory Agency providing reports or data under this section shall not be deemed to have waived any privilege applicable to those reports or data, or any portion thereof, by providing the reports or data to the other party or by permitting the reports or data, or any copies thereof, to be used by the other party.

(g) **DISCLOSURE EXEMPTION.**—Information obtained by the Board of Governors, the Supervisory Agencies, or the Council under this section and any materials prepared by the Board of Governors, the Supervisory Agencies, or the Council regarding their assessment of the systemic importance of financial market utilities or any payment, clearing, or settlement activities engaged in by financial institutions, and in connection with their supervision of designated financial market utilities and designated activities, shall be confidential supervisory information exempt from disclosure under section 552 of title 5, United States Code. For purposes of such section 552, this subsection shall be considered a statute described in subsection (b)(3) of such section 552.

SEC. 810. RULEMAKING.

The Board of Governors, the Supervisory Agencies, and the Council are authorized to prescribe such rules and issue such orders as may be necessary to administer and carry out their respective authorities and duties granted under this title and prevent evasions thereof.

SEC. 811. OTHER AUTHORITY.

Unless otherwise provided by its terms, this title does not divest any appropriate financial regulator, any Supervisory Agency, or any other Federal or State agency, of any authority derived from any other applicable law, except that any standards prescribed by the Board of Governors under section 805 shall supersede any less stringent requirements established under other authority to the extent of any conflict.

SEC. 812. CONSULTATION.

(a) **CFTC.**—The Commodity Futures Trading Commission shall consult with the Board of Governors—

(1) prior to exercising its authorities under sections 2(h)(2)(C), 2(h)(3)(A), 2(h)(3)(C), 2(h)(4)(A), and 2(h)(4)(B) of the Commodity Exchange Act, as amended by the Wall Street Transparency and Accountability Act of 2010;

(2) with respect to any rule or rule amendment of a derivatives clearing organization for which a stay of certification has been issued under section 745(b)(3) of the Wall Street Transparency and Accountability Act of 2010; and

(3) prior to exercising its rulemaking authorities under section 728 of the Wall Street Transparency and Accountability Act of 2010.

(b) **SEC.**—The Commission shall consult with the Board of Governors—

(1) prior to exercising its authorities under sections 3C(a)(2)(C), 3C(a)(3)(A), 3C(a)(3)(C), 3C(a)(4)(A), and 3C(a)(4)(B) of the Securities Exchange Act of 1934, as amended by the Wall Street Transparency and Accountability Act of 2010;

(2) with respect to any proposed rule change of a clearing agency for which an extension of the time for review has been designated under section 19(b)(2) of the Securities Exchange Act of 1934; and

(3) prior to exercising its rulemaking authorities under section 13(n) of the Securities Exchange Act of 1934, as added by section 763(i) of the Wall Street Transparency and Accountability Act of 2010.

SEC. 813. COMMON FRAMEWORK FOR DESIGNATED CLEARING ENTITY RISK MANAGEMENT.

The Commodity Futures Trading Commission and the Commission shall coordinate with the

Board of Governors to jointly develop risk management supervision programs for designated clearing entities. Not later than 1 year after the date of enactment of this Act, the Commodity Futures Trading Commission, the Commission, and the Board of Governors shall submit a joint report to the Committee on Banking, Housing, and Urban Affairs and the Committee on Agriculture, Nutrition, and Forestry of the Senate, and the Committee on Financial Services and the Committee on Agriculture of the House of Representatives recommendations for—

(1) improving consistency in the designated clearing entity oversight programs of the Commission and the Commodity Futures Trading Commission;

(2) promoting robust risk management by designated clearing entities;

(3) promoting robust risk management oversight by regulators of designated clearing entities; and

(4) improving regulators' ability to monitor the potential effects of designated clearing entity risk management on the stability of the financial system of the United States.

SEC. 814. EFFECTIVE DATE.

This title is effective as of the date of enactment of this Act.

TITLE IX—INVESTOR PROTECTIONS AND IMPROVEMENTS TO THE REGULATION OF SECURITIES

SEC. 901. SHORT TITLE.

This title may be cited as the "Investor Protection and Securities Reform Act of 2010".

Subtitle A—Increasing Investor Protection

SEC. 911. INVESTOR ADVISORY COMMITTEE ESTABLISHED.

Title I of the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended by adding at the end the following:

"SEC. 39. INVESTOR ADVISORY COMMITTEE.

"(a) **ESTABLISHMENT AND PURPOSE.**—

"(1) **ESTABLISHMENT.**—There is established within the Commission the Investor Advisory Committee (referred to in this section as the 'Committee').

"(2) **PURPOSE.**—The Committee shall—

"(A) advise and consult with the Commission on—

"(i) regulatory priorities of the Commission;

"(ii) issues relating to the regulation of securities products, trading strategies, and fee structures, and the effectiveness of disclosure;

"(iii) initiatives to protect investor interest; and

"(iv) initiatives to promote investor confidence and the integrity of the securities marketplace; and

"(B) submit to the Commission such findings and recommendations as the Committee determines are appropriate, including recommendations for proposed legislative changes.

"(b) **MEMBERSHIP.**—

"(1) **IN GENERAL.**—The members of the Committee shall be—

"(A) the Investor Advocate;

"(B) a representative of State securities commissions;

"(C) a representative of the interests of senior citizens; and

"(D) not fewer than 10, and not more than 20, members appointed by the Commission, from among individuals who—

"(i) represent the interests of individual equity and debt investors, including investors in mutual funds;

"(ii) represent the interests of institutional investors, including the interests of pension funds and registered investment companies;

"(iii) are knowledgeable about investment issues and decisions; and

"(iv) have reputations of integrity.

"(2) **TERM.**—Each member of the Committee appointed under paragraph (1)(B) shall serve for a term of 4 years.

"(3) **MEMBERS NOT COMMISSION EMPLOYEES.**—Members appointed under paragraph (1)(B) shall not be deemed to be employees or agents of the Commission solely because of membership on the Committee.

"(c) **CHAIRMAN; VICE CHAIRMAN; SECRETARY; ASSISTANT SECRETARY.**—

"(1) **IN GENERAL.**—The members of the Committee shall elect, from among the members of the Committee—

"(A) a chairman, who may not be employed by an issuer;

"(B) a vice chairman, who may not be employed by an issuer;

"(C) a secretary; and

"(D) an assistant secretary.

"(2) **TERM.**—Each member elected under paragraph (1) shall serve for a term of 3 years in the capacity for which the member was elected under paragraph (1).

"(d) **MEETINGS.**—

"(1) **FREQUENCY OF MEETINGS.**—The Committee shall meet—

"(A) not less frequently than twice annually, at the call of the chairman of the Committee; and

"(B) from time to time, at the call of the Committee.

"(2) **NOTICE.**—The chairman of the Committee shall give the members of the Committee written notice of each meeting, not later than 2 weeks before the date of the meeting.

"(e) **COMPENSATION AND TRAVEL EXPENSES.**—Each member of the Committee who is not a full-time employee of the United States shall—

"(1) be entitled to receive compensation at a rate not to exceed the daily equivalent of the annual rate of basic pay in effect for a position at level V of the Executive Schedule under section 5316 of title 5, United States Code, for each day during which the member is engaged in the actual performance of the duties of the Committee; and

"(2) while away from the home or regular place of business of the member in the performance of services for the Committee, be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5, United States Code.

"(f) **STAFF.**—The Commission shall make available to the Committee such staff as the chairman of the Committee determines are necessary to carry out this section.

"(g) **REVIEW BY COMMISSION.**—The Commission shall—

"(1) review the findings and recommendations of the Committee; and

"(2) each time the Committee submits a finding or recommendation to the Commission, promptly issue a public statement—

"(A) assessing the finding or recommendation of the Committee; and

"(B) disclosing the action, if any, the Commission intends to take with respect to the finding or recommendation.

"(h) **COMMITTEE FINDINGS.**—Nothing in this section shall require the Commission to agree to or act upon any finding or recommendation of the Committee.

"(i) **FEDERAL ADVISORY COMMITTEE ACT.**—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply with respect to the Committee and its activities.

"(j) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to the Commission such sums as are necessary to carry out this section."

SEC. 912. CLARIFICATION OF AUTHORITY OF THE COMMISSION TO ENGAGE IN INVESTOR TESTING.

Section 19 of the Securities Act of 1933 (15 U.S.C. 77s) is amended by adding at the end the following:

“(e) **EVALUATION OF RULES OR PROGRAMS.**—For the purpose of evaluating any rule or program of the Commission issued or carried out under any provision of the securities laws, as defined in section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c), and the purposes of considering, proposing, adopting, or engaging in any such rule or program or developing new rules or programs, the Commission may—

“(1) gather information from and communicate with investors or other members of the public;

“(2) engage in such temporary investor testing programs as the Commission determines are in the public interest or would protect investors; and

“(3) consult with academics and consultants, as necessary to carry out this subsection.

“(f) **RULE OF CONSTRUCTION.**—For purposes of the Paperwork Reduction Act (44 U.S.C. 3501 et seq.), any action taken under subsection (e) shall not be construed to be a collection of information.”.

SEC. 913. STUDY AND RULEMAKING REGARDING OBLIGATIONS OF BROKERS, DEALERS, AND INVESTMENT ADVISERS.

(a) **DEFINITION.**—For purposes of this section, the term “retail customer” means a natural person, or the legal representative of such natural person, who—

(1) receives personalized investment advice about securities from a broker or dealer or investment adviser; and

(2) uses such advice primarily for personal, family, or household purposes.

(b) **STUDY.**—The Commission shall conduct a study to evaluate—

(1) the effectiveness of existing legal or regulatory standards of care for brokers, dealers, investment advisers, persons associated with brokers or dealers, and persons associated with investment advisers for providing personalized investment advice and recommendations about securities to retail customers imposed by the Commission and a national securities association, and other Federal and State legal or regulatory standards; and

(2) whether there are legal or regulatory gaps, shortcomings, or overlaps in legal or regulatory standards in the protection of retail customers relating to the standards of care for brokers, dealers, investment advisers, persons associated with brokers or dealers, and persons associated with investment advisers for providing personalized investment advice about securities to retail customers that should be addressed by rule or statute.

(c) **CONSIDERATIONS.**—In conducting the study required under subsection (b), the Commission shall consider—

(1) the effectiveness of existing legal or regulatory standards of care for brokers, dealers, investment advisers, persons associated with brokers or dealers, and persons associated with investment advisers for providing personalized investment advice and recommendations about securities to retail customers imposed by the Commission and a national securities association, and other Federal and State legal or regulatory standards;

(2) whether there are legal or regulatory gaps, shortcomings, or overlaps in legal or regulatory standards in the protection of retail customers relating to the standards of care for brokers, dealers, investment advisers, persons associated with brokers or dealers, and persons associated with investment advisers for providing personalized investment advice about securities to retail customers that should be addressed by rule or statute;

(3) whether retail customers understand that there are different standards of care applicable to brokers, dealers, investment advisers, persons associated with brokers or dealers, and persons

associated with investment advisers in the provision of personalized investment advice about securities to retail customers;

(4) whether the existence of different standards of care applicable to brokers, dealers, investment advisers, persons associated with brokers or dealers, and persons associated with investment advisers is a source of confusion for retail customers regarding the quality of personalized investment advice that retail customers receive;

(5) the regulatory, examination, and enforcement resources devoted to, and activities of, the Commission, the States, and a national securities association to enforce the standards of care for brokers, dealers, investment advisers, persons associated with brokers or dealers, and persons associated with investment advisers when providing personalized investment advice and recommendations about securities to retail customers, including—

(A) the effectiveness of the examinations of brokers, dealers, and investment advisers in determining compliance with regulations;

(B) the frequency of the examinations; and

(C) the length of time of the examinations;

(6) the substantive differences in the regulation of brokers, dealers, and investment advisers, when providing personalized investment advice and recommendations about securities to retail customers;

(7) the specific instances related to the provision of personalized investment advice about securities in which—

(A) the regulation and oversight of investment advisers provide greater protection to retail customers than the regulation and oversight of brokers and dealers; and

(B) the regulation and oversight of brokers and dealers provide greater protection to retail customers than the regulation and oversight of investment advisers;

(8) the existing legal or regulatory standards of State securities regulators and other regulators intended to protect retail customers;

(9) the potential impact on retail customers, including the potential impact on access of retail customers to the range of products and services offered by brokers and dealers, of imposing upon brokers, dealers, and persons associated with brokers or dealers—

(A) the standard of care applied under the Investment Advisers Act of 1940 (15 U.S.C. 80b-1 et seq.) for providing personalized investment advice about securities to retail customers of investment advisers, as interpreted by the Commission and the courts; and

(B) other requirements of the Investment Advisers Act of 1940 (15 U.S.C. 80b-1 et seq.);

(10) the potential impact of eliminating the broker and dealer exclusion from the definition of “investment adviser” under section 202(a)(11)(C) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(11)(C)), in terms of—

(A) the impact and potential benefits and harm to retail customers that could result from such a change, including any potential impact on access to personalized investment advice and recommendations about securities to retail customers or the availability of such advice and recommendations;

(B) the number of additional entities and individuals that would be required to register under, or become subject to, the Investment Advisers Act of 1940 (15 U.S.C. 80b-1 et seq.), and the additional requirements to which brokers, dealers, and persons associated with brokers and dealers would become subject, including—

(i) any potential additional associated person licensing, registration, and examination requirements; and

(ii) the additional costs, if any, to the additional entities and individuals; and

(C) the impact on Commission and State resources to—

(i) conduct examinations of registered investment advisers and the representatives of registered investment advisers, including the impact on the examination cycle; and

(ii) enforce the standard of care and other applicable requirements imposed under the Investment Advisers Act of 1940 (15 U.S.C. 80b-1 et seq.);

(11) the varying level of services provided by brokers, dealers, investment advisers, persons associated with brokers or dealers, and persons associated with investment advisers to retail customers and the varying scope and terms of retail customer relationships of brokers, dealers, investment advisers, persons associated with brokers or dealers, and persons associated with investment advisers with such retail customers;

(12) the potential impact upon retail customers that could result from potential changes in the regulatory requirements or legal standards of care affecting brokers, dealers, investment advisers, persons associated with brokers or dealers, and persons associated with investment advisers relating to their obligations to retail customers regarding the provision of investment advice, including any potential impact on—

(A) protection from fraud;

(B) access to personalized investment advice, and recommendations about securities to retail customers; or

(C) the availability of such advice and recommendations;

(13) the potential additional costs and expenses to—

(A) retail customers regarding and the potential impact on the profitability of their investment decisions; and

(B) brokers, dealers, and investment advisers resulting from potential changes in the regulatory requirements or legal standards affecting brokers, dealers, investment advisers, persons associated with brokers or dealers, and persons associated with investment advisers relating to their obligations, including duty of care, to retail customers; and

(14) any other consideration that the Commission considers necessary and appropriate in determining whether to conduct a rulemaking under subsection (f).

(d) **REPORT.**—

(1) **IN GENERAL.**—Not later than 6 months after the date of enactment of this Act, the Commission shall submit a report on the study required under subsection (b) to—

(A) the Committee on Banking, Housing, and Urban Affairs of the Senate; and

(B) the Committee on Financial Services of the House of Representatives.

(2) **CONTENT REQUIREMENTS.**—The report required under paragraph (1) shall describe the findings, conclusions, and recommendations of the Commission from the study required under subsection (b), including—

(A) a description of the considerations, analysis, and public and industry input that the Commission considered, as required under subsection (b), to make such findings, conclusions, and policy recommendations; and

(B) an analysis of whether any identified legal or regulatory gaps, shortcomings, or overlap in legal or regulatory standards in the protection of retail customers relating to the standards of care for brokers, dealers, investment advisers, persons associated with brokers or dealers, and persons associated with investment advisers for providing personalized investment advice about securities to retail customers.

(e) **PUBLIC COMMENT.**—The Commission shall seek and consider public input, comments, and data in order to prepare the report required under subsection (d).

(f) **RULEMAKING.**—The Commission may commence a rulemaking, as necessary or appropriate in the public interest and for the protection of retail customers (and such other customers as the Commission may by rule provide),

to address the legal or regulatory standards of care for brokers, dealers, investment advisers, persons associated with brokers or dealers, and persons associated with investment advisers for providing personalized investment advice about securities to such retail customers. The Commission shall consider the findings conclusions, and recommendations of the study required under subsection (b).

(g) **AUTHORITY TO ESTABLISH A FIDUCIARY DUTY FOR BROKERS AND DEALERS.**—

(1) **SECURITIES EXCHANGE ACT OF 1934.**—Section 15 of the Securities Exchange Act of 1934 (15 U.S.C. 78o) is amended by adding at the end the following:

“(k) **STANDARD OF CONDUCT.**—

“(1) **IN GENERAL.**—Notwithstanding any other provision of this Act or the Investment Advisers Act of 1940, the Commission may promulgate rules to provide that, with respect to a broker or dealer, when providing personalized investment advice about securities to a retail customer (and such other customers as the Commission may by rule provide), the standard of conduct for such broker or dealer with respect to such customer shall be the same as the standard of conduct applicable to an investment adviser under section 211 of the Investment Advisers Act of 1940. The receipt of compensation based on commission or other standard compensation for the sale of securities shall not, in and of itself, be considered a violation of such standard applied to a broker or dealer. Nothing in this section shall require a broker or dealer or registered representative to have a continuing duty of care or loyalty to the customer after providing personalized investment advice about securities.

“(2) **DISCLOSURE OF RANGE OF PRODUCTS OFFERED.**—Where a broker or dealer sells only proprietary or other limited range of products, as determined by the Commission, the Commission may by rule require that such broker or dealer provide notice to each retail customer and obtain the consent or acknowledgment of the customer. The sale of only proprietary or other limited range of products by a broker or dealer shall not, in and of itself, be considered a violation of the standard set forth in paragraph (1).

“(l) **OTHER MATTERS.**—The Commission shall—

“(1) facilitate the provision of simple and clear disclosures to investors regarding the terms of their relationships with brokers, dealers, and investment advisers, including any material conflicts of interest; and

“(2) examine and, where appropriate, promulgate rules prohibiting or restricting certain sales practices, conflicts of interest, and compensation schemes for brokers, dealers, and investment advisers that the Commission deems contrary to the public interest and the protection of investors.”

(2) **INVESTMENT ADVISERS ACT OF 1940.**—Section 211 of the Investment Advisers Act of 1940, is further amended by adding at the end the following new subsections:

“(g) **STANDARD OF CONDUCT.**—

“(1) **IN GENERAL.**—The Commission may promulgate rules to provide that the standard of conduct for all brokers, dealers, and investment advisers, when providing personalized investment advice about securities to retail customers (and such other customers as the Commission may by rule provide), shall be to act in the best interest of the customer without regard to the financial or other interest of the broker, dealer, or investment adviser providing the advice. In accordance with such rules, any material conflicts of interest shall be disclosed and may be consented to by the customer. Such rules shall provide that such standard of conduct shall be no less stringent than the standard applicable to investment advisers under section 206(1) and (2) of this Act when providing personalized invest-

ment advice about securities, except the Commission shall not ascribe a meaning to the term ‘customer’ that would include an investor in a private fund managed by an investment adviser, where such private fund has entered into an advisory contract with such adviser. The receipt of compensation based on commission or fees shall not, in and of itself, be considered a violation of such standard applied to a broker, dealer, or investment adviser.

“(2) **RETAIL CUSTOMER DEFINED.**—For purposes of this subsection, the term ‘retail customer’ means a natural person, or the legal representative of such natural person, who—

“(A) receives personalized investment advice about securities from a broker, dealer, or investment adviser; and

“(B) uses such advice primarily for personal, family, or household purposes.

“(h) **OTHER MATTERS.**—The Commission shall—

“(1) facilitate the provision of simple and clear disclosures to investors regarding the terms of their relationships with brokers, dealers, and investment advisers, including any material conflicts of interest; and

“(2) examine and, where appropriate, promulgate rules prohibiting or restricting certain sales practices, conflicts of interest, and compensation schemes for brokers, dealers, and investment advisers that the Commission deems contrary to the public interest and the protection of investors.”

(h) **HARMONIZATION OF ENFORCEMENT.**—

(1) **SECURITIES EXCHANGE ACT OF 1934.**—Section 15 of the Securities Exchange Act of 1934, as amended by subsection (g)(1), is further amended by adding at the end the following new subsection:

“(m) **HARMONIZATION OF ENFORCEMENT.**—The enforcement authority of the Commission with respect to violations of the standard of conduct applicable to a broker or dealer providing personalized investment advice about securities to a retail customer shall include—

“(1) the enforcement authority of the Commission with respect to such violations provided under this Act; and

“(2) the enforcement authority of the Commission with respect to violations of the standard of conduct applicable to an investment adviser under the Investment Advisers Act of 1940, including the authority to impose sanctions for such violations, and

the Commission shall seek to prosecute and sanction violators of the standard of conduct applicable to a broker or dealer providing personalized investment advice about securities to a retail customer under this Act to same extent as the Commission prosecutes and sanctions violators of the standard of conduct applicable to an investment advisor under the Investment Advisers Act of 1940.”

(2) **INVESTMENT ADVISERS ACT OF 1940.**—Section 211 of the Investment Advisers Act of 1940, as amended by subsection (g)(2), is further amended by adding at the end the following new subsection:

“(i) **HARMONIZATION OF ENFORCEMENT.**—The enforcement authority of the Commission with respect to violations of the standard of conduct applicable to an investment adviser shall include—

“(1) the enforcement authority of the Commission with respect to such violations provided under this Act; and

“(2) the enforcement authority of the Commission with respect to violations of the standard of conduct applicable to a broker or dealer providing personalized investment advice about securities to a retail customer under the Securities Exchange Act of 1934, including the authority to impose sanctions for such violations, and

the Commission shall seek to prosecute and sanction violators of the standard of conduct

applicable to an investment adviser under this Act to same extent as the Commission prosecutes and sanctions violators of the standard of conduct applicable to a broker or dealer providing personalized investment advice about securities to a retail customer under the Securities Exchange Act of 1934.”

SEC. 914. STUDY ON ENHANCING INVESTMENT ADVISER EXAMINATIONS.

(a) **STUDY REQUIRED.**—

(1) **IN GENERAL.**—The Commission shall review and analyze the need for enhanced examination and enforcement resources for investment advisers.

(2) **AREAS OF CONSIDERATION.**—The study required by this subsection shall examine—

(A) the number and frequency of examinations of investment advisers by the Commission over the 5 years preceding the date of the enactment of this subtitle;

(B) the extent to which having Congress authorize the Commission to designate one or more self-regulatory organizations to augment the Commission’s efforts in overseeing investment advisers would improve the frequency of examinations of investment advisers; and

(C) current and potential approaches to examining the investment advisory activities of dually registered broker-dealers and investment advisers or affiliated broker-dealers and investment advisers.

(b) **REPORT REQUIRED.**—The Commission shall report its findings to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, not later than 180 days after the date of enactment of this subtitle, and shall use such findings to revise its rules and regulations, as necessary. The report shall include a discussion of regulatory or legislative steps that are recommended or that may be necessary to address concerns identified in the study.

SEC. 915. OFFICE OF THE INVESTOR ADVOCATE.

Section 4 of the Securities Exchange Act of 1934 (15 U.S.C. 78d) is amended by adding at the end the following:

“(g) **OFFICE OF THE INVESTOR ADVOCATE.**—

“(1) **OFFICE ESTABLISHED.**—There is established within the Commission the Office of the Investor Advocate (in this subsection referred to as the ‘Office’).

“(2) **INVESTOR ADVOCATE.**—

“(A) **IN GENERAL.**—The head of the Office shall be the Investor Advocate, who shall—

“(i) report directly to the Chairman; and

“(ii) be appointed by the Chairman, in consultation with the Commission, from among individuals having experience in advocating for the interests of investors in securities and investor protection issues, from the perspective of investors.

“(B) **COMPENSATION.**—The annual rate of pay for the Investor Advocate shall be equal to the highest rate of annual pay for other senior executives who report to the Chairman of the Commission.

“(C) **LIMITATION ON SERVICE.**—An individual who serves as the Investor Advocate may not be employed by the Commission—

“(i) during the 2-year period ending on the date of appointment as Investor Advocate; or

“(ii) during the 5-year period beginning on the date on which the person ceases to serve as the Investor Advocate.

“(3) **STAFF OF OFFICE.**—The Investor Advocate, after consultation with the Chairman of the Commission, may retain or employ independent counsel, research staff, and service staff, as the Investor Advocate deems necessary to carry out the functions, powers, and duties of the Office.

“(4) **FUNCTIONS OF THE INVESTOR ADVOCATE.**—The Investor Advocate shall—

“(A) assist retail investors in resolving significant problems such investors may have with the Commission or with self-regulatory organizations;

“(B) identify areas in which investors would benefit from changes in the regulations of the Commission or the rules of self-regulatory organizations;

“(C) identify problems that investors have with financial service providers and investment products;

“(D) analyze the potential impact on investors of—

“(i) proposed regulations of the Commission; and

“(ii) proposed rules of self-regulatory organizations registered under this title; and

“(E) to the extent practicable, propose to the Commission changes in the regulations or orders of the Commission and to Congress any legislative, administrative, or personnel changes that may be appropriate to mitigate problems identified under this paragraph and to promote the interests of investors.

“(5) ACCESS TO DOCUMENTS.—The Commission shall ensure that the Investor Advocate has full access to the documents of the Commission and any self-regulatory organization, as necessary to carry out the functions of the Office.

“(6) ANNUAL REPORTS.—

“(A) REPORT ON OBJECTIVES.—

“(i) IN GENERAL.—Not later than June 30 of each year after 2010, the Investor Advocate shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report on the objectives of the Investor Advocate for the following fiscal year.

“(ii) CONTENTS.—Each report required under clause (i) shall contain full and substantive analysis and explanation.

“(B) REPORT ON ACTIVITIES.—

“(i) IN GENERAL.—Not later than December 31 of each year after 2010, the Investor Advocate shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report on the activities of the Investor Advocate during the immediately preceding fiscal year.

“(ii) CONTENTS.—Each report required under clause (i) shall include—

“(I) appropriate statistical information and full and substantive analysis;

“(II) information on steps that the Investor Advocate has taken during the reporting period to improve investor services and the responsiveness of the Commission and self-regulatory organizations to investor concerns;

“(III) a summary of the most serious problems encountered by investors during the reporting period;

“(IV) an inventory of the items described in subclause (III) that includes—

“(aa) identification of any action taken by the Commission or the self-regulatory organization and the result of such action;

“(bb) the length of time that each item has remained on such inventory; and

“(cc) for items on which no action has been taken, the reasons for inaction, and an identification of any official who is responsible for such action;

“(V) recommendations for such administrative and legislative actions as may be appropriate to resolve problems encountered by investors; and

“(VI) any other information, as determined appropriate by the Investor Advocate.

“(iii) INDEPENDENCE.—Each report required under this paragraph shall be provided directly to the Committees listed in clause (i) without any prior review or comment from the Commission, any commissioner, any other officer or employee of the Commission, or the Office of Management and Budget.

“(iv) CONFIDENTIALITY.—No report required under clause (i) may contain confidential information.

“(7) REGULATIONS.—The Commission shall, by regulation, establish procedures requiring a formal response to all recommendations submitted to the Commission by the Investor Advocate, not later than 3 months after the date of such submission.”

SEC. 916. STREAMLINING OF FILING PROCEDURES FOR SELF-REGULATORY ORGANIZATIONS.

(a) FILING PROCEDURES.—Section 19(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78s(b)) is amended by striking paragraph (2) (including the undesignated matter immediately following subparagraph (B)) and inserting the following:

“(2) APPROVAL PROCESS.—

“(A) APPROVAL PROCESS ESTABLISHED.—

“(i) IN GENERAL.—Except as provided in clause (ii), not later than 45 days after the date of publication of a proposed rule change under paragraph (1), the Commission shall—

“(I) by order, approve or disapprove the proposed rule change; or

“(II) institute proceedings under subparagraph (B) to determine whether the proposed rule change should be disapproved.

“(ii) EXTENSION OF TIME PERIOD.—The Commission may extend the period established under clause (i) by not more than an additional 45 days, if—

“(I) the Commission determines that a longer period is appropriate and publishes the reasons for such determination; or

“(II) the self-regulatory organization that filed the proposed rule change consents to the longer period.

“(B) PROCEEDINGS.—

“(i) NOTICE AND HEARING.—If the Commission does not approve or disapprove a proposed rule change under subparagraph (A), the Commission shall provide to the self-regulatory organization that filed the proposed rule change—

“(I) notice of the grounds for disapproval under consideration; and

“(II) opportunity for hearing, to be concluded not later than 180 days after the date of publication of notice of the filing of the proposed rule change.

“(ii) ORDER OF APPROVAL OR DISAPPROVAL.—

“(I) IN GENERAL.—Except as provided in subclause (II), not later than 180 days after the date of publication under paragraph (1), the Commission shall issue an order approving or disapproving the proposed rule change.

“(II) EXTENSION OF TIME PERIOD.—The Commission may extend the period for issuance under clause (I) by not more than 60 days, if—

“(aa) the Commission determines that a longer period is appropriate and publishes the reasons for such determination; or

“(bb) the self-regulatory organization that filed the proposed rule change consents to the longer period.

“(C) STANDARDS FOR APPROVAL AND DISAPPROVAL.—

“(i) APPROVAL.—The Commission shall approve a proposed rule change of a self-regulatory organization if it finds that such proposed rule change is consistent with the requirements of this title and the rules and regulations issued under this title that are applicable to such organization.

“(ii) DISAPPROVAL.—The Commission shall disapprove a proposed rule change of a self-regulatory organization if it does not make a finding described in clause (i).

“(iii) TIME FOR APPROVAL.—The Commission may not approve a proposed rule change earlier than 30 days after the date of publication under paragraph (1), unless the Commission finds good cause for so doing and publishes the reason for the finding.

“(D) RESULT OF FAILURE TO INSTITUTE OR CONCLUDE PROCEEDINGS.—A proposed rule change shall be deemed to have been approved by the Commission, if—

“(i) the Commission does not approve or disapprove the proposed rule change or begin proceedings under subparagraph (B) within the period described in subparagraph (A); or

“(ii) the Commission does not issue an order approving or disapproving the proposed rule change under subparagraph (B) within the period described in subparagraph (B)(ii).

“(E) PUBLICATION DATE BASED ON FEDERAL REGISTER PUBLISHING.—For purposes of this paragraph, if, after filing a proposed rule change with the Commission pursuant to paragraph (1), a self-regulatory organization publishes a notice of the filing of such proposed rule change, together with the substantive terms of such proposed rule change, on a publicly accessible website, the Commission shall thereafter send the notice to the Federal Register for publication thereof under paragraph (1) within 15 days of the date on which such website publication is made. If the Commission fails to send the notice for publication thereof within such 15 day period, then the date of publication shall be deemed to be the date on which such website publication was made.

“(F) RULEMAKING.—

“(i) IN GENERAL.—Not later than 180 days after the date of enactment of the Investor Protection and Securities Reform Act of 2010, after consultation with other regulatory agencies, the Commission shall promulgate rules setting forth the procedural requirements of the proceedings required under this paragraph.

“(ii) NOTICE AND COMMENT NOT REQUIRED.—The rules promulgated by the Commission under clause (i) are not required to include republication of proposed rule changes or solicitation of public comment.”

(b) CLARIFICATION OF FILING DATE.—

(1) RULE OF CONSTRUCTION.—Section 19(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78s(b)) is amended by adding at the end the following:

“(10) RULE OF CONSTRUCTION RELATING TO FILING DATE OF PROPOSED RULE CHANGES.—

“(A) IN GENERAL.—For purposes of this subsection, the date of filing of a proposed rule change shall be deemed to be the date on which the Commission receives the proposed rule change.

“(B) EXCEPTION.—A proposed rule change has not been received by the Commission for purposes of subparagraph (A) if, not later than 7 business days after the date of receipt by the Commission, the Commission notifies the self-regulatory organization that such proposed rule change does not comply with the rules of the Commission relating to the required form of a proposed rule change, except that if the Commission determines that the proposed rule change is unusually lengthy and is complex or raises novel regulatory issues, the Commission shall inform the self-regulatory organization of such determination not later than 7 business days after the date of receipt by the Commission and, for the purposes of subparagraph (A), a proposed rule change has not been received by the Commission, if, not later than 21 days after the date of receipt by the Commission, the Commission notifies the self-regulatory organization that such proposed rule change does not comply with the rules of the Commission relating to the required form of a proposed rule change.”

(2) PUBLICATION.—Section 19(b)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78s(b)(1)) is amended by striking “upon” and inserting “as soon as practicable after the date of”.

(c) EFFECTIVE DATE OF PROPOSED RULES.—Section 19(b)(3) of the Securities Exchange Act of 1934 (15 U.S.C. 78s(b)(3)) is amended—

(1) in subparagraph (A)—
(A) by striking “may take effect” and inserting “shall take effect”; and

(B) by inserting “on any person, whether or not the person is a member of the self-regulatory organization” after “charge imposed by the self-regulatory organization”; and

(2) in subparagraph (C)—

(A) by amending the second sentence to read as follows: “At any time within the 60-day period beginning on the date of filing of such a proposed rule change in accordance with the provisions of paragraph (1), the Commission summarily may temporarily suspend the change in the rules of the self-regulatory organization made thereby, if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of this title.”;

(B) by inserting after the second sentence the following: “If the Commission takes such action, the Commission shall institute proceedings under paragraph (2)(B) to determine whether the proposed rule should be approved or disapproved.”; and

(C) in the third sentence, by striking “the preceding sentence” and inserting “this subparagraph”.

(d) CONFORMING CHANGE.—Section 19(b)(4)(D) of the Securities Exchange Act of 1934 (15 U.S.C. 78s(b)(4)(D)) is amended to read as follows:

“(D)(i) The Commission shall order the temporary suspension of any change in the rules of a clearing agency made by a proposed rule change that has taken effect under paragraph (3), if the appropriate regulatory agency for the clearing agency notifies the Commission not later than 30 days after the date on which the proposed rule change was filed of—

“(I) the determination by the appropriate regulatory agency that the rules of such clearing agency, as so changed, may be inconsistent with the safeguarding of securities or funds in the custody or control of such clearing agency or for which it is responsible; and

“(II) the reasons for the determination described in subclause (I).

“(ii) If the Commission takes action under clause (i), the Commission shall institute proceedings under paragraph (2)(B) to determine if the proposed rule change should be approved or disapproved.”.

SEC. 917. STUDY REGARDING FINANCIAL LITERACY AMONG INVESTORS.

(a) IN GENERAL.—The Commission shall conduct a study to identify—

(1) the existing level of financial literacy among retail investors, including subgroups of investors identified by the Commission;

(2) methods to improve the timing, content, and format of disclosures to investors with respect to financial intermediaries, investment products, and investment services;

(3) the most useful and understandable relevant information that retail investors need to make informed financial decisions before engaging a financial intermediary or purchasing an investment product or service that is typically sold to retail investors, including shares of open-end companies, as that term is defined in section 5 of the Investment Company Act of 1940 (15 U.S.C. 80a-5) that are registered under section 8 of that Act;

(4) methods to increase the transparency of expenses and conflicts of interests in transactions involving investment services and products, including shares of open-end companies described in paragraph (3);

(5) the most effective existing private and public efforts to educate investors; and

(6) in consultation with the Financial Literacy and Education Commission, a strategy (including, to the extent practicable, measurable

goals and objectives) to increase the financial literacy of investors in order to bring about a positive change in investor behavior.

(b) REPORT.—Not later than 2 years after the date of enactment of this Act, the Commission shall submit a report on the study required under subsection (a) to—

(1) the Committee on Banking, Housing, and Urban Affairs of the Senate; and

(2) the Committee on Financial Services of the House of Representatives.

SEC. 918. STUDY REGARDING MUTUAL FUND ADVERTISING.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study on mutual fund advertising to identify—

(1) existing and proposed regulatory requirements for open-end investment company advertisements;

(2) current marketing practices for the sale of open-end investment company shares, including the use of past performance data, funds that have merged, and incubator funds;

(3) the impact of such advertising on consumers; and

(4) recommendations to improve investor protections in mutual fund advertising and additional information necessary to ensure that investors can make informed financial decisions when purchasing shares.

(b) REPORT.—Not later than 18 months after the date of enactment of this Act, the Comptroller General of the United States shall submit a report on the results of the study conducted under subsection (a) to—

(1) the Committee on Banking, Housing, and Urban Affairs of the United States Senate; and

(2) the Committee on Financial Services of the House of Representatives.

SEC. 919. CLARIFICATION OF COMMISSION AUTHORITY TO REQUIRE INVESTOR DISCLOSURES BEFORE PURCHASE OF INVESTMENT PRODUCTS AND SERVICES.

Section 15 of the Securities Exchange Act of 1934 (15 U.S.C. 78o) is amended by adding at the end the following:

“(n) DISCLOSURES TO RETAIL INVESTORS.—

“(1) IN GENERAL.—Notwithstanding any other provision of the securities laws, the Commission may issue rules designating documents or information that shall be provided by a broker or dealer to a retail investor before the purchase of an investment product or service by the retail investor.

“(2) CONSIDERATIONS.—In developing any rules under paragraph (1), the Commission shall consider whether the rules will promote investor protection, efficiency, competition, and capital formation.

“(3) FORM AND CONTENTS OF DOCUMENTS AND INFORMATION.—Any documents or information designated under a rule promulgated under paragraph (1) shall—

“(A) be in a summary format; and

“(B) contain clear and concise information about—

“(i) investment objectives, strategies, costs, and risks; and

“(ii) any compensation or other financial incentive received by a broker, dealer, or other intermediary in connection with the purchase of retail investment products.”.

SEC. 919A. STUDY ON CONFLICTS OF INTEREST.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study—

(1) to identify and examine potential conflicts of interest that exist between the staffs of the investment banking and equity and fixed income securities analyst functions within the same firm; and

(2) to make recommendations to Congress designed to protect investors in light of such conflicts.

(b) CONSIDERATIONS.—In conducting the study under subsection (a), the Comptroller General shall—

(1) consider—

(A) the potential for investor harm resulting from conflicts, including consideration of the forms of misconduct engaged in by the several securities firms and individuals that entered into the Global Analyst Research Settlements in 2003 (also known as the “Global Settlement”);

(B) the nature and benefits of the undertakings to which those firms agreed in enforcement proceedings, including firewalls between research and investment banking, separate reporting lines, dedicated legal and compliance staffs, allocation of budget, physical separation, compensation, employee performance evaluations, coverage decisions, limitations on soliciting investment banking business, disclosures, transparency, and other measures;

(C) whether any such undertakings should be codified and applied permanently to securities firms, or whether the Commission should adopt rules applying any such undertakings to securities firms; and

(D) whether to recommend regulatory or legislative measures designed to mitigate possible adverse consequences to investors arising from the conflicts of interest or to enhance investor protection or confidence in the integrity of the securities markets; and

(2) consult with State attorneys general, State securities officials, the Commission, the Financial Industry Regulatory Authority (“FINRA”), NYSE Regulation, investor advocates, brokers, dealers, retail investors, institutional investors, and academics.

(c) REPORT.—The Comptroller General shall submit a report on the results of the study required by this section to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives, not later than 18 months after the date of enactment of this Act.

SEC. 919B. STUDY ON IMPROVED INVESTOR ACCESS TO INFORMATION ON INVESTMENT ADVISERS AND BROKER-DEALERS.

(a) STUDY.—

(1) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the Commission shall complete a study, including recommendations, of ways to improve the access of investors to registration information (including disciplinary actions, regulatory, judicial, and arbitration proceedings, and other information) about registered and previously registered investment advisers, associated persons of investment advisers, brokers and dealers and their associated persons on the existing Central Registration Depository and Investment Adviser Registration Depository systems, as well as identify additional information that should be made publicly available.

(2) CONTENTS.—The study required by subsection (a) shall include an analysis of the advantages and disadvantages of further centralizing access to the information contained in the 2 systems, including—

(A) identification of those data pertinent to investors; and

(B) the identification of the method and format for displaying and publishing such data to enhance accessibility by and utility to investors.

(b) IMPLEMENTATION.—Not later than 18 months after the date of completion of the study required by subsection (a), the Commission shall implement any recommendations of the study.

SEC. 919C. STUDY ON FINANCIAL PLANNERS AND THE USE OF FINANCIAL DESIGNATIONS.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study to evaluate—

(1) the effectiveness of State and Federal regulations to protect investors and other consumers from individuals who hold themselves out as financial planners through the use of misleading titles, designations, or marketing materials;

(2) current State and Federal oversight structure and regulations for financial planners; and

(3) legal or regulatory gaps in the regulation of financial planners and other individuals who provide or offer to provide financial planning services to consumers.

(b) **CONSIDERATIONS.**—In conducting the study required under subsection (a), the Comptroller General shall consider—

(1) the role of financial planners in providing advice regarding the management of financial resources, including investment planning, income tax planning, education planning, retirement planning, estate planning, and risk management;

(2) whether current regulations at the State and Federal level provide adequate ethical and professional standards for financial planners;

(3) the possible risk posed to investors and other consumers by individuals who hold themselves out as financial planners or as otherwise providing financial planning services in connection with the sale of financial products, including insurance and securities;

(4) the possible risk posed to investors and other consumers by individuals who otherwise use titles, designations, or marketing materials in a misleading way in connection with the delivery of financial advice;

(6) the ability of investors and other consumers to understand licensing requirements and standards of care that apply to individuals who hold themselves out as financial planners or as otherwise providing financial planning services;

(7) the possible benefits to investors and other consumers of regulation and professional oversight of financial planners; and

(8) any other consideration that the Comptroller General deems necessary or appropriate to effectively execute the study required under subsection (a).

(c) **RECOMMENDATIONS.**—In providing recommendations for the appropriate regulation of financial planners and other individuals who provide or offer to provide financial planning services, in order to protect investors and other consumers of financial planning services, the Comptroller General shall consider—

(1) the appropriate structure for regulation of financial planners and individuals providing financial planning services; and

(2) the appropriate scope of the regulations needed to protect investors and other consumers, including but not limited to the need to establish competency standards, practice standards, ethical guidelines, disciplinary authority, and transparency to investors and other consumers.

(d) **REPORT.**—

(1) **IN GENERAL.**—Not later than 180 days after the date of enactment of this Act, the Comptroller General shall submit a report on the study required under subsection (a) to—

(A) the Committee on Banking, Housing, and Urban Affairs of the Senate;

(B) the Special Committee on Aging of the Senate; and

(C) the Committee on Financial Services of the House of Representatives.

(2) **CONTENT REQUIREMENTS.**—The report required under paragraph (1) shall describe the findings and determinations made by the Comptroller General in carrying out the study required under subsection (a), including a description of the considerations, analysis, and government, public, industry, nonprofit and consumer input that the Comptroller General considered to make such findings, conclusions, and legislative, regulatory, or other recommendations.

SEC. 919D. OMBUDSMAN.

Section 4(g) of the Securities Exchange Act of 1934, as added by section 914, is amended by adding at the end the following:

“(8) OMBUDSMAN.—

“(A) **APPOINTMENT.**—Not later than 180 days after the date on which the first Investor Advocate is appointed under paragraph (2)(A)(i), the Investor Advocate shall appoint an Ombudsman, who shall report directly to the Investor Advocate.

“(B) **DUTIES.**—The Ombudsman appointed under subparagraph (A) shall—

“(i) act as a liaison between the Commission and any retail investor in resolving problems that retail investors may have with the Commission or with self-regulatory organizations;

“(ii) review and make recommendations regarding policies and procedures to encourage persons to present questions to the Investor Advocate regarding compliance with the securities laws; and

“(iii) establish safeguards to maintain the confidentiality of communications between the persons described in clause (ii) and the Ombudsman.

“(C) **LIMITATION.**—In carrying out the duties of the Ombudsman under subparagraph (B), the Ombudsman shall utilize personnel of the Commission to the extent practicable. Nothing in this paragraph shall be construed as replacing, altering, or diminishing the activities of any ombudsman or similar office of any other agency.

“(D) **REPORT.**—The Ombudsman shall submit a semiannual report to the Investor Advocate that describes the activities and evaluates the effectiveness of the Ombudsman during the preceding year. The Investor Advocate shall include the reports required under this section in the reports required to be submitted by the Inspector Advocate under paragraph (6).”

Subtitle B—Increasing Regulatory Enforcement and Remedies

SEC. 921. AUTHORITY TO RESTRICT MANDATORY PRE-DISPUTE ARBITRATION.

(a) **AMENDMENT TO SECURITIES EXCHANGE ACT OF 1934.**—Section 15 of the Securities Exchange Act of 1934 (15 U.S.C. 78o), as amended by this title, is further amended by adding at the end the following new subsection:

“(o) **AUTHORITY TO RESTRICT MANDATORY PRE-DISPUTE ARBITRATION.**—The Commission, by rule, may prohibit, or impose conditions or limitations on the use of, agreements that require customers or clients of any broker, dealer, or municipal securities dealer to arbitrate any future dispute between them arising under the Federal securities laws, the rules and regulations thereunder, or the rules of a self-regulatory organization if it finds that such prohibition, imposition of conditions, or limitations are in the public interest and for the protection of investors.”

(b) **AMENDMENT TO INVESTMENT ADVISERS ACT OF 1940.**—Section 205 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-5) is amended by adding at the end the following new subsection:

“(f) **AUTHORITY TO RESTRICT MANDATORY PRE-DISPUTE ARBITRATION.**—The Commission, by rule, may prohibit, or impose conditions or limitations on the use of, agreements that require customers or clients of any investment adviser to arbitrate any future dispute between them arising under the Federal securities laws, the rules and regulations thereunder, or the rules of a self-regulatory organization if it finds that such prohibition, imposition of conditions, or limitations are in the public interest and for the protection of investors.”

SEC. 922. WHISTLEBLOWER PROTECTION.

(a) **IN GENERAL.**—The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended by inserting after section 21E the following:

“SEC. 21F. SECURITIES WHISTLEBLOWER INCENTIVES AND PROTECTION.

“(a) **DEFINITIONS.**—In this section the following definitions shall apply:

“(1) **COVERED JUDICIAL OR ADMINISTRATIVE ACTION.**—The term ‘covered judicial or administrative action’ means any judicial or administrative action brought by the Commission under the securities laws that results in monetary sanctions exceeding \$1,000,000.

“(2) **FUND.**—The term ‘Fund’ means the Securities and Exchange Commission Investor Protection Fund.

“(3) **ORIGINAL INFORMATION.**—The term ‘original information’ means information that—

“(A) is derived from the independent knowledge or analysis of a whistleblower;

“(B) is not known to the Commission from any other source, unless the whistleblower is the original source of the information; and

“(C) is not exclusively derived from an allegation made in a judicial or administrative hearing, in a governmental report, hearing, audit, or investigation, or from the news media, unless the whistleblower is a source of the information.

“(4) **MONETARY SANCTIONS.**—The term ‘monetary sanctions’, when used with respect to any judicial or administrative action, means—

“(A) any monies, including penalties, disgorgement, and interest, ordered to be paid; and

“(B) any monies deposited into a disgorgement fund or other fund pursuant to section 308(b) of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7246(b)), as a result of such action or any settlement of such action.

“(5) **RELATED ACTION.**—The term ‘related action’, when used with respect to any judicial or administrative action brought by the Commission under the securities laws, means any judicial or administrative action brought by an entity described in subclauses (I) through (IV) of subsection (h)(2)(D)(i) that is based upon the original information provided by a whistleblower pursuant to subsection (a) that led to the successful enforcement of the Commission action.

“(6) **WHISTLEBLOWER.**—The term ‘whistleblower’ means any individual who provides, or 2 or more individuals acting jointly who provide, information relating to a violation of the securities laws to the Commission, in a manner established, by rule or regulation, by the Commission.

“(b) **AWARDS.**—

“(1) **IN GENERAL.**—In any covered judicial or administrative action, or related action, the Commission, under regulations prescribed by the Commission and subject to subsection (c), shall pay an award or awards to 1 or more whistleblowers who voluntarily provided original information to the Commission that led to the successful enforcement of the covered judicial or administrative action, or related action, in an aggregate amount equal to—

“(A) not less than 10 percent, in total, of what has been collected of the monetary sanctions imposed in the action or related actions; and

“(B) not more than 30 percent, in total, of what has been collected of the monetary sanctions imposed in the action or related actions.

“(2) **PAYMENT OF AWARDS.**—Any amount paid under paragraph (1) shall be paid from the Fund.

“(c) **DETERMINATION OF AMOUNT OF AWARD; DENIAL OF AWARD.**—

“(1) **DETERMINATION OF AMOUNT OF AWARD.**—

“(A) **DISCRETION.**—The determination of the amount of an award made under subsection (b) shall be in the discretion of the Commission.

“(B) **CRITERIA.**—In determining the amount of an award made under subsection (b), the Commission—

“(i) shall take into consideration—

“(I) the significance of the information provided by the whistleblower to the success of the covered judicial or administrative action;

“(II) the degree of assistance provided by the whistleblower and any legal representative of the whistleblower in a covered judicial or administrative action;

“(III) the programmatic interest of the Commission in deterring violations of the securities laws by making awards to whistleblowers who provide information that lead to the successful enforcement of such laws; and

“(IV) such additional relevant factors as the Commission may establish by rule or regulation; and

“(ii) shall not take into consideration the balance of the Fund.

“(2) DENIAL OF AWARD.—No award under subsection (b) shall be made—

“(A) to any whistleblower who is, or was at the time the whistleblower acquired the original information submitted to the Commission, a member, officer, or employee of—

“(i) an appropriate regulatory agency;

“(ii) the Department of Justice;

“(iii) a self-regulatory organization;

“(iv) the Public Company Accounting Oversight Board; or

“(v) a law enforcement organization;

“(B) to any whistleblower who is convicted of a criminal violation related to the judicial or administrative action for which the whistleblower otherwise could receive an award under this section;

“(C) to any whistleblower who gains the information through the performance of an audit of financial statements required under the securities laws and for whom such submission would be contrary to the requirements of section 10A of the Securities Exchange Act of 1934 (15 U.S.C. 78j-1); or

“(D) to any whistleblower who fails to submit information to the Commission in such form as the Commission may, by rule, require.

“(d) REPRESENTATION.—

“(1) PERMITTED REPRESENTATION.—Any whistleblower who makes a claim for an award under subsection (b) may be represented by counsel.

“(2) REQUIRED REPRESENTATION.—

“(A) IN GENERAL.—Any whistleblower who anonymously makes a claim for an award under subsection (b) shall be represented by counsel if the whistleblower anonymously submits the information upon which the claim is based.

“(B) DISCLOSURE OF IDENTITY.—Prior to the payment of an award, a whistleblower shall disclose the identity of the whistleblower and provide such other information as the Commission may require, directly or through counsel for the whistleblower.

“(e) NO CONTRACT NECESSARY.—No contract with the Commission is necessary for any whistleblower to receive an award under subsection (b), unless otherwise required by the Commission by rule or regulation.

“(f) APPEALS.—Any determination made under this section, including whether, to whom, or in what amount to make awards, shall be in the discretion of the Commission. Any such determination, except the determination of the amount of an award if the award was made in accordance with subsection (b), may be appealed to the appropriate court of appeals of the United States not more than 30 days after the determination is issued by the Commission. The court shall review the determination made by the Commission in accordance with section 706 of title 5, United States Code.

“(g) INVESTOR PROTECTION FUND.—

“(1) FUND ESTABLISHED.—There is established in the Treasury of the United States a fund to be known as the ‘Securities and Exchange Commission Investor Protection Fund’.

“(2) USE OF FUND.—The Fund shall be available to the Commission, without further appropriation or fiscal year limitation, for—

“(A) paying awards to whistleblowers as provided in subsection (b); and

“(B) funding the activities of the Inspector General of the Commission under section 4(i).

“(3) DEPOSITS AND CREDITS.—

“(A) IN GENERAL.—There shall be deposited into or credited to the Fund an amount equal to—

“(i) any monetary sanction collected by the Commission in any judicial or administrative action brought by the Commission under the securities laws that is not added to a disgorgement fund or other fund under section 308 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7246) or otherwise distributed to victims of a violation of the securities laws, or the rules and regulations thereunder, underlying such action, unless the balance of the Fund at the time the monetary sanction is collected exceeds \$300,000,000;

“(ii) any monetary sanction added to a disgorgement fund or other fund under section 308 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7246) that is not distributed to the victims for whom the Fund was established, unless the balance of the disgorgement fund at the time the determination is made not to distribute the monetary sanction to such victims exceeds \$200,000,000; and

“(iii) all income from investments made under paragraph (4).

“(B) ADDITIONAL AMOUNTS.—If the amounts deposited into or credited to the Fund under subparagraph (A) are not sufficient to satisfy an award made under subsection (b), there shall be deposited into or credited to the Fund an amount equal to the unsatisfied portion of the award from any monetary sanction collected by the Commission in the covered judicial or administrative action on which the award is based.

“(4) INVESTMENTS.—

“(A) AMOUNTS IN FUND MAY BE INVESTED.—The Commission may request the Secretary of the Treasury to invest the portion of the Fund that is not, in the discretion of the Commission, required to meet the current needs of the Fund.

“(B) ELIGIBLE INVESTMENTS.—Investments shall be made by the Secretary of the Treasury in obligations of the United States or obligations that are guaranteed as to principal and interest by the United States, with maturities suitable to the needs of the Fund as determined by the Commission on the record.

“(C) INTEREST AND PROCEEDS CREDITED.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Fund shall be credited to the Fund.

“(5) REPORTS TO CONGRESS.—Not later than October 30 of each fiscal year beginning after the date of enactment of this subsection, the Commission shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Financial Services of the House of Representatives a report on—

“(A) the whistleblower award program, established under this section, including—

“(i) a description of the number of awards granted; and

“(ii) the types of cases in which awards were granted during the preceding fiscal year;

“(B) the balance of the Fund at the beginning of the preceding fiscal year;

“(C) the amounts deposited into or credited to the Fund during the preceding fiscal year;

“(D) the amount of earnings on investments made under paragraph (4) during the preceding fiscal year;

“(E) the amount paid from the Fund during the preceding fiscal year to whistleblowers pursuant to subsection (b);

“(F) the balance of the Fund at the end of the preceding fiscal year; and

“(G) a complete set of audited financial statements, including—

“(i) a balance sheet;

“(ii) income statement; and

“(iii) cash flow analysis.

“(h) PROTECTION OF WHISTLEBLOWERS.—

“(1) PROHIBITION AGAINST RETALIATION.—

“(A) IN GENERAL.—No employer may discharge, demote, suspend, threaten, harass, directly or indirectly, or in any other manner discriminate against, a whistleblower in the terms and conditions of employment because of any lawful act done by the whistleblower—

“(i) in providing information to the Commission in accordance with this section;

“(ii) in initiating, testifying in, or assisting in any investigation or judicial or administrative action of the Commission based upon or related to such information; or

“(iii) in making disclosures that are required or protected under the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7201 et seq.), the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.), including section 10A(m) of such Act (15 U.S.C. 78f(m)), section 1513(e) of title 18, United States Code, and any other law, rule, or regulation subject to the jurisdiction of the Commission.

“(B) ENFORCEMENT.—

“(i) CAUSE OF ACTION.—An individual who alleges discharge or other discrimination in violation of subparagraph (A) may bring an action under this subsection in the appropriate district court of the United States for the relief provided in subparagraph (C).

“(ii) SUBPOENAS.—A subpoena requiring the attendance of a witness at a trial or hearing conducted under this section may be served at any place in the United States.

“(iii) STATUTE OF LIMITATIONS.—

“(I) IN GENERAL.—An action under this subsection may not be brought—

“(aa) more than 6 years after the date on which the violation of subparagraph (A) occurred; or

“(bb) more than 3 years after the date when facts material to the right of action are known or reasonably should have been known by the employee alleging a violation of subparagraph (A).

“(II) REQUIRED ACTION WITHIN 10 YEARS.—Notwithstanding subclause (I), an action under this subsection may not in any circumstance be brought more than 10 years after the date on which the violation occurs.

“(C) RELIEF.—Relief for an individual prevailing in an action brought under subparagraph (B) shall include—

“(i) reinstatement with the same seniority status that the individual would have had, but for the discrimination;

“(ii) 2 times the amount of back pay otherwise owed to the individual, with interest; and

“(iii) compensation for litigation costs, expert witness fees, and reasonable attorneys' fees.

“(2) CONFIDENTIALITY.—

“(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), the Commission and any officer or employee of the Commission shall not disclose any information, including information provided by a whistleblower to the Commission, which could reasonably be expected to reveal the identity of a whistleblower, except in accordance with the provisions of section 552a of title 5, United States Code, unless and until required to be disclosed to a defendant or respondent in connection with a public proceeding instituted by the Commission or any entity described in subparagraph (C). For purposes of section 552 of title 5, United States Code, this paragraph shall be considered a statute described in subsection (b)(3)(B) of such section.

“(B) EXEMPTED STATUTE.—For purposes of section 552 of title 5, United States Code, this paragraph shall be considered a statute described in subsection (b)(3)(B) of such section 552.

“(C) **RULE OF CONSTRUCTION.**—Nothing in this section is intended to limit, or shall be construed to limit, the ability of the Attorney General to present such evidence to a grand jury or to share such evidence with potential witnesses or defendants in the course of an ongoing criminal investigation.

“(D) **AVAILABILITY TO GOVERNMENT AGENCIES.**—

“(i) **IN GENERAL.**—Without the loss of its status as confidential in the hands of the Commission, all information referred to in subparagraph (A) may, in the discretion of the Commission, when determined by the Commission to be necessary to accomplish the purposes of this Act and to protect investors, be made available to—

“(I) the Attorney General of the United States;

“(II) an appropriate regulatory authority;

“(III) a self-regulatory organization;

“(IV) a State attorney general in connection with any criminal investigation;

“(V) any appropriate State regulatory authority;

“(VI) the Public Company Accounting Oversight Board;

“(VII) a foreign securities authority; and

“(VIII) a foreign law enforcement authority.

“(i) **CONFIDENTIALITY.**—

“(I) **IN GENERAL.**—Each of the entities described in subclauses (I) through (VI) of clause (i) shall maintain such information as confidential in accordance with the requirements established under subparagraph (A).

“(II) **FOREIGN AUTHORITIES.**—Each of the entities described in subclauses (VII) and (VIII) of clause (i) shall maintain such information in accordance with such assurances of confidentiality as the Commission determines appropriate.

“(3) **RIGHTS RETAINED.**—Nothing in this section shall be deemed to diminish the rights, privileges, or remedies of any whistleblower under any Federal or State law, or under any collective bargaining agreement.

“(i) **PROVISION OF FALSE INFORMATION.**—A whistleblower shall not be entitled to an award under this section if the whistleblower—

“(1) knowingly and willfully makes any false, fictitious, or fraudulent statement or representation; or

“(2) uses any false writing or document knowing the writing or document contains any false, fictitious, or fraudulent statement or entry.

“(j) **RULEMAKING AUTHORITY.**—The Commission shall have the authority to issue such rules and regulations as may be necessary or appropriate to implement the provisions of this section consistent with the purposes of this section.”.

(b) **PROTECTION FOR EMPLOYEES OF NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATIONS.**—Section 1514A(a) of title 18, United States Code, is amended—

(1) by inserting “or nationally recognized statistical rating organization (as defined in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c),” after “78o(d),”; and

(2) by inserting “or nationally recognized statistical rating organization” after “such company”.

(c) **SECTION 1514A OF TITLE 18, UNITED STATES CODE.**—

(1) **STATUTE OF LIMITATIONS; JURY TRIAL.**—Section 1514A(b)(2) of title 18, United States Code, is amended—

(A) in subparagraph (D)—

(i) by striking “90” and inserting “180”; and

(ii) by striking the period at the end and inserting “, or after the date on which the employee became aware of the violation.”; and

(B) by adding at the end the following:

“(E) **JURY TRIAL.**—A party to an action brought under paragraph (1)(B) shall be entitled to trial by jury.”.

(2) **PRIVATE SECURITIES LITIGATION WITNESSES; NONENFORCEABILITY; INFORMATION.**—Section 1514A of title 18, United States Code, is amended by adding at the end the following:

“(e) **NONENFORCEABILITY OF CERTAIN PROVISIONS WAIVING RIGHTS AND REMEDIES OR REQUIRING ARBITRATION OF DISPUTES.**—

“(1) **WAIVER OF RIGHTS AND REMEDIES.**—The rights and remedies provided for in this section may not be waived by any agreement, policy form, or condition of employment, including by a predispute arbitration agreement.

“(2) **PREDISPUTE ARBITRATION AGREEMENTS.**—No predispute arbitration agreement shall be valid or enforceable, if the agreement requires arbitration of a dispute arising under this section.”.

(d) **STUDY OF WHISTLEBLOWER PROTECTION PROGRAM.**—

(1) **STUDY.**—The Inspector General of the Commission shall conduct a study of the whistleblower protections established under the amendments made by this section, including—

(A) whether the final rules and regulation issued under the amendments made by this section have made the whistleblower protection program (referred to in this subsection as the “program”) clearly defined and user-friendly;

(B) whether the program is promoted on the website of the Commission and has been widely publicized;

(C) whether the Commission is prompt in—

(i) responding to—

(i) information provided by whistleblowers;

and

(ii) applications for awards filed by whistleblowers;

(iii) updating whistleblowers about the status of their applications; and

(iii) otherwise communicating with the interested parties;

(D) whether the minimum and maximum reward levels are adequate to entice whistleblowers to come forward with information and whether the reward levels are so high as to encourage illegitimate whistleblower claims;

(E) whether the appeals process has been unduly burdensome for the Commission;

(F) whether the funding mechanism for the Investor Protection Fund is adequate;

(G) whether, in the interest of protecting investors and identifying and preventing fraud, it would be useful for Congress to consider empowering whistleblowers or other individuals, who have already attempted to pursue the case through the Commission, to have a private right of action to bring suit based on the facts of the same case, on behalf of the Government and themselves, against persons who have committed securities fraud;

(H)(i) whether the exemption under section 552(b)(3) of title 5 (known as the Freedom of Information Act) established in section 21F(h)(2)(A) of the Securities Exchange Act of 1934, as added by this Act, aids whistleblowers in disclosing information to the Commission;

(ii) what impact the exemption described in clause (i) has had on the ability of the public to access information about the regulation and enforcement by the Commission of securities; and

(iii) any recommendations on whether the exemption described in clause (i) should remain in effect; and

(I) such other matters as the Inspector General deems appropriate.

(2) **REPORT.**—Not later than 30 months after the date of enactment of this Act, the Inspector General shall—

(A) submit a report on the findings of the study required under paragraph (1) to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House; and

(B) make the report described in subparagraph (A) available to the public through publi-

cation of the report on the website of the Commission.

SEC. 923. CONFORMING AMENDMENTS FOR WHISTLEBLOWER PROTECTION.

(a) **IN GENERAL.**—

(1) **SECURITIES ACT OF 1933.**—Section 20(d)(3)(A) of the Securities Act of 1933 (15 U.S.C. 77t(d)(3)(A)) is amended by inserting “and section 21F of the Securities Exchange Act of 1934” after “the Sarbanes-Oxley Act of 2002”.

(2) **INVESTMENT COMPANY ACT OF 1940.**—Section 42(e)(3)(A) of the Investment Company Act of 1940 (15 U.S.C. 80a-41(e)(3)(A)) is amended by inserting “and section 21F of the Securities Exchange Act of 1934” after “the Sarbanes-Oxley Act of 2002”.

(3) **INVESTMENT ADVISERS ACT OF 1940.**—Section 209(e)(3)(A) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-9(e)(3)(A)) is amended by inserting “and section 21F of the Securities Exchange Act of 1934” after “the Sarbanes-Oxley Act of 2002”.

(b) **SECURITIES EXCHANGE ACT.**—

(1) **SECTION 21.**—Section 21(d)(3)(C)(i) of the Securities Exchange Act of 1934 (15 U.S.C. 78u(d)(3)(C)(i)) is amended by inserting “and section 21F of this title” after “the Sarbanes-Oxley Act of 2002”.

(2) **SECTION 21A.**—Section 21A of the Securities Exchange Act of 1934 (15 U.S.C. 78u-1) is amended—

(A) in subsection (d)(1) by—

(i) striking “(subject to subsection (e))”; and

(ii) inserting “and section 21F of this title” after “the Sarbanes-Oxley Act of 2002”; and

(B) by striking subsection (e); and

(C) by redesignating subsections (f) and (g) as subsections (e) and (f), respectively.

SEC. 924. IMPLEMENTATION AND TRANSITION PROVISIONS FOR WHISTLEBLOWER PROTECTION.

(a) **IMPLEMENTING RULES.**—The Commission shall issue final regulations implementing the provisions of section 21F of the Securities Exchange Act of 1934, as added by this subtitle, not later than 270 days after the date of enactment of this Act.

(b) **ORIGINAL INFORMATION.**—Information provided to the Commission in writing by a whistleblower shall not lose the status of original information (as defined in section 21F(a)(3) of the Securities Exchange Act of 1934, as added by this subtitle) solely because the whistleblower provided the information prior to the effective date of the regulations, if the information is provided by the whistleblower after the date of enactment of this subtitle.

(c) **AWARDS.**—A whistleblower may receive an award pursuant to section 21F of the Securities Exchange Act of 1934, as added by this subtitle, regardless of whether any violation of a provision of the securities laws, or a rule or regulation thereunder, underlying the judicial or administrative action upon which the award is based, occurred prior to the date of enactment of this subtitle.

(d) **ADMINISTRATION AND ENFORCEMENT.**—The Securities and Exchange Commission shall establish a separate office within the Commission to administer and enforce the provisions of section 21F of the Securities Exchange Act of 1934 (as added by section 922(a)). Such office shall report annually to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives on its activities, whistleblower complaints, and the response of the Commission to such complaints.

SEC. 925. COLLATERAL BARS.

(a) **SECURITIES EXCHANGE ACT OF 1934.**—

(1) **SECTION 15.**—Section 15(b)(6)(A) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(b)(6)(A)) is amended by striking “12 months, or bar such person from being associated with a

broker or dealer,” and inserting “12 months, or bar any such person from being associated with a broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.”.

(2) **SECTION 15B.**—Section 15B(c)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78o-4(c)(4)) is amended by striking “twelve months or bar any such person from being associated with a municipal securities dealer,” and inserting “12 months or bar any such person from being associated with a broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.”.

(3) **SECTION 17A.**—Section 17A(c)(4)(C) of the Securities Exchange Act of 1934 (15 U.S.C. 78q-1(c)(4)(C)) is amended by striking “twelve months or bar any such person from being associated with the transfer agent,” and inserting “12 months or bar any such person from being associated with any transfer agent, broker, dealer, investment adviser, municipal securities dealer, municipal advisor, or nationally recognized statistical rating organization.”.

(b) **INVESTMENT ADVISERS ACT OF 1940.**—Section 203(f) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-3(f)) is amended by striking “twelve months or bar any such person from being associated with an investment adviser,” and inserting “12 months or bar any such person from being associated with an investment adviser, broker, dealer, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.”.

SEC. 926. DISQUALIFYING FELONS AND OTHER “BAD ACTORS” FROM REGULATION D OFFERS.

Not later than 1 year after the date of enactment of this Act, the Commission shall issue rules for the disqualification of offerings and sales of securities made under section 230.506 of title 17, Code of Federal Regulations, that—

(1) are substantially similar to the provisions of section 230.262 of title 17, Code of Federal Regulations, or any successor thereto; and

(2) disqualify any offering or sale of securities by a person that—

(A) is subject to a final order of a State securities commission (or an agency or officer of a State performing like functions), a State authority that supervises or examines banks, savings associations, or credit unions, a State insurance commission (or an agency or officer of a State performing like functions), an appropriate Federal banking agency, or the National Credit Union Administration, that—

(i) bars the person from—

(I) association with an entity regulated by such commission, authority, agency, or officer;

(II) engaging in the business of securities, insurance, or banking; or

(III) engaging in savings association or credit union activities; or

(ii) constitutes a final order based on a violation of any law or regulation that prohibits fraudulent, manipulative, or deceptive conduct within the 10-year period ending on the date of the filing of the offer or sale; or

(B) has been convicted of any felony or misdemeanor in connection with the purchase or sale of any security or involving the making of any false filing with the Commission.

SEC. 927. EQUAL TREATMENT OF SELF-REGULATORY ORGANIZATION RULES.

Section 29(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78cc(a)) is amended by striking “an exchange required thereby” and inserting “a self-regulatory organization.”.

SEC. 928. CLARIFICATION THAT SECTION 205 OF THE INVESTMENT ADVISERS ACT OF 1940 DOES NOT APPLY TO STATE-REGISTERED ADVISERS.

Section 205(a) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-5(a)) is amended, in the matter preceding paragraph (1)—

(1) by striking “, unless exempt from registration pursuant to section 203(b),” and inserting “registered or required to be registered with the Commission”;

(2) by striking “make use of the mails or any means or instrumentality of interstate commerce, directly or indirectly, to”; and

(3) by striking “to” after “in any way”.

SEC. 929. UNLAWFUL MARGIN LENDING.

Section 7(c)(1)(A) of the Securities Exchange Act of 1934 (15 U.S.C. 78g(c)(1)(A)) is amended by striking “; and” and inserting “; or”.

SEC. 929A. PROTECTION FOR EMPLOYEES OF SUBSIDIARIES AND AFFILIATES OF PUBLICLY TRADED COMPANIES.

Section 1514A of title 18, United States Code, is amended by inserting “including any subsidiary or affiliate whose financial information is included in the consolidated financial statements of such company” after “the Securities Exchange Act of 1934 (15 U.S.C. 78o(d))”.

SEC. 929B. FAIR FUND AMENDMENTS.

Section 308 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7246(a)) is amended—

(1) by striking subsection (a) and inserting the following:

“(a) **CIVIL PENALTIES TO BE USED FOR THE RELIEF OF VICTIMS.**—If, in any judicial or administrative action brought by the Commission under the securities laws, the Commission obtains a civil penalty against any person for a violation of such laws, or such person agrees, in settlement of any such action, to such civil penalty, the amount of such civil penalty shall, on the motion or at the direction of the Commission, be added to and become part of a disgorgement fund or other fund established for the benefit of the victims of such violation.”;

(2) in subsection (b)—

(A) by striking “for a disgorgement fund described in subsection (a)” and inserting “for a disgorgement fund or other fund described in subsection (a)”;

(B) by striking “in the disgorgement fund” and inserting “in such fund”; and

(3) by striking subsection (e).

SEC. 929C. INCREASING THE BORROWING LIMIT ON TREASURY LOANS.

Section 4(h) of the Securities Investor Protection Act of 1970 (15 U.S.C. 78ddd(h)) is amended in the first sentence, by striking “\$1,000,000,000” and inserting “\$2,500,000,000”.

SEC. 929D. LOST AND STOLEN SECURITIES.

Section 17(f)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78q(f)(1)) is amended—

(1) in subparagraph (A), by striking “missing, lost, counterfeit, or stolen securities” and inserting “securities that are missing, lost, counterfeit, stolen, or cancelled”; and

(2) in subparagraph (B), by striking “or stolen” and inserting “stolen, cancelled, or reported in such other manner as the Commission, by rule, may prescribe”.

SEC. 929E. NATIONWIDE SERVICE OF SUBPOENAS.

(a) **SECURITIES ACT OF 1933.**—Section 22(a) of the Securities Act of 1933 (15 U.S.C. 77v(a)) is amended by inserting after the second sentence the following: “In any action or proceeding instituted by the Commission under this title in a United States district court for any judicial district, a subpoena issued to compel the attendance of a witness or the production of documents or tangible things (or both) at a hearing or trial may be served at any place within the United States. Rule 45(c)(3)(A)(ii) of the Federal Rules of Civil Procedure shall not apply to a subpoena issued under the preceding sentence.”.

(b) **SECURITIES EXCHANGE ACT OF 1934.**—Section 27 of the Securities Exchange Act of 1934 (15 U.S.C. 78aa) is amended by inserting after the third sentence the following: “In any action or proceeding instituted by the Commission under this title in a United States district court for any judicial district, a subpoena issued to compel the attendance of a witness or the production of documents or tangible things (or both) at a hearing or trial may be served at any place within the United States. Rule 45(c)(3)(A)(ii) of the Federal Rules of Civil Procedure shall not apply to a subpoena issued under the preceding sentence.”.

(c) **INVESTMENT COMPANY ACT OF 1940.**—Section 44 of the Investment Company Act of 1940 (15 U.S.C. 80a-43) is amended by inserting after the fourth sentence the following: “In any action or proceeding instituted by the Commission under this title in a United States district court for any judicial district, a subpoena issued to compel the attendance of a witness or the production of documents or tangible things (or both) at a hearing or trial may be served at any place within the United States. Rule 45(c)(3)(A)(ii) of the Federal Rules of Civil Procedure shall not apply to a subpoena issued under the preceding sentence.”.

(d) **INVESTMENT ADVISERS ACT OF 1940.**—Section 214 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-14) is amended by inserting after the third sentence the following: “In any action or proceeding instituted by the Commission under this title in a United States district court for any judicial district, a subpoena issued to compel the attendance of a witness or the production of documents or tangible things (or both) at a hearing or trial may be served at any place within the United States. Rule 45(c)(3)(A)(ii) of the Federal Rules of Civil Procedure shall not apply to a subpoena issued under the preceding sentence.”.

SEC. 929F. FORMERLY ASSOCIATED PERSONS.

(a) **MEMBER OR EMPLOYEE OF THE MUNICIPAL SECURITIES RULEMAKING BOARD.**—Section 15B(c)(8) of the Securities Exchange Act of 1934 (15 U.S.C. 78o-4(c)(8)) is amended by striking “any member or employee” and inserting “any person who is, or at the time of the alleged violation or abuse was, a member or employee”.

(b) **PERSON ASSOCIATED WITH A GOVERNMENT SECURITIES BROKER OR DEALER.**—Section 15C(c) of the Securities Exchange Act of 1934 (15 U.S.C. 78o-5(c)) is amended—

(1) in paragraph (1)(C), by striking “any person associated, or seeking to become associated,” and inserting “any person who is, or at the time of the alleged misconduct was, associated or seeking to become associated”; and

(2) in paragraph (2)—

(A) in subparagraph (A), by inserting “, seeking to become associated, or, at the time of the alleged misconduct, associated or seeking to become associated” after “any person associated”; and

(B) in subparagraph (B), by inserting “, seeking to become associated, or, at the time of the alleged misconduct, associated or seeking to become associated” after “any person associated”.

(c) **PERSON ASSOCIATED WITH A MEMBER OF A NATIONAL SECURITIES EXCHANGE OR REGISTERED SECURITIES ASSOCIATION.**—Section 21(a)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78u(a)(1)) is amended, in the first sentence, by inserting “, or, as to any act or practice, or omission to act, while associated with a member, formerly associated” after “member or a person associated”.

(d) **PARTICIPANT OF A REGISTERED CLEARING AGENCY.**—Section 21(a)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78u(a)(1)) is amended, in the first sentence, by inserting “or, as to any act or practice, or omission to act, while a participant, was a participant,” after “in which such person is a participant.”.

(e) OFFICER OR DIRECTOR OF A SELF-REGULATORY ORGANIZATION.—Section 19(h)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78s(h)(4)) is amended—

(1) by striking “any officer or director” and inserting “any person who is, or at the time of the alleged misconduct was, an officer or director”; and

(2) by striking “such officer or director” and inserting “such person”.

(f) OFFICER OR DIRECTOR OF AN INVESTMENT COMPANY.—Section 36(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-35(a)) is amended—

(1) by striking “a person serving or acting” and inserting “a person who is, or at the time of the alleged misconduct was, serving or acting”; and

(2) by striking “such person so serves or acts” and inserting “such person so serves or acts, or at the time of the alleged misconduct, so served or acted”.

(g) PERSON ASSOCIATED WITH A PUBLIC ACCOUNTING FIRM.—

(1) SARBANES-OXLEY ACT OF 2002 AMENDMENT.—Section 2(a)(9) of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7201(9)) is amended by adding at the end the following:

“(C) INVESTIGATIVE AND ENFORCEMENT AUTHORITY.—For purposes of sections 3(c), 101(c), 105, and 107(c) and the rules of the Board and Commission issued thereunder, except to the extent specifically excepted by such rules, the terms defined in subparagraph (A) shall include any person associated, seeking to become associated, or formerly associated with a public accounting firm, except that—

“(i) the authority to conduct an investigation of such person under section 105(b) shall apply only with respect to any act or practice, or omission to act, by the person while such person was associated or seeking to become associated with a registered public accounting firm; and

“(ii) the authority to commence a disciplinary proceeding under section 105(c)(1), or impose sanctions under section 105(c)(4), against such person shall apply only with respect to—

“(I) conduct occurring while such person was associated or seeking to become associated with a registered public accounting firm; or

“(II) non-cooperation, as described in section 105(b)(3), with respect to a demand in a Board investigation for testimony, documents, or other information relating to a period when such person was associated or seeking to become associated with a registered public accounting firm.”.

(2) SECURITIES EXCHANGE ACT OF 1934 AMENDMENT.—Section 21(a)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78u(a)(1)) is amended by striking “or a person associated with such a firm” and inserting “, a person associated with such a firm, or, as to any act, practice, or omission to act, while associated with such firm, a person formerly associated with such a firm”.

(h) SUPERVISORY PERSONNEL OF AN AUDIT FIRM.—Section 105(c)(6) of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7215(c)(6)) is amended—

(1) in subparagraph (A), by striking “the supervisory personnel” and inserting “any person who is, or at the time of the alleged failure reasonably to supervise was, a supervisory person”; and

(2) in subparagraph (B)—

(A) by striking “No associated person” and inserting “No current or former supervisory person”; and

(B) by striking “any other person” and inserting “any associated person”.

(i) MEMBER OF THE PUBLIC COMPANY ACCOUNTING OVERSIGHT BOARD.—Section 107(d)(3) of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7217(d)(3)) is amended by striking “any member” and inserting “any person who is, or at the time of the alleged misconduct was, a member”.

SEC. 929G. STREAMLINED HIRING AUTHORITY FOR MARKET SPECIALISTS.

(a) APPOINTMENT AUTHORITY.—Section 3114 of title 5, United States Code, is amended by striking the section heading and all that follows through the end of subsection (a) and inserting the following:

“§3114. Appointment of candidates to certain positions in the competitive service by the Securities and Exchange Commission

“(a) APPLICABILITY.—This section applies with respect to any position of accountant, economist, and securities compliance examiner at the Commission that is in the competitive service, and any position at the Commission in the competitive service that requires specialized knowledge of financial and capital market formation or regulation, financial market structures or surveillance, or information technology.”.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 31 of title 5, United States Code, is amended by striking the item relating to section 3114 and inserting the following:

“3114. Appointment of candidates to positions in the competitive service by the Securities and Exchange Commission.”.

(c) PAY AUTHORITY.—The Commission may set the rate of pay for experts and consultants appointed under the authority of section 3109 of title 5, United States Code, in the same manner in which it sets the rate of pay for employees of the Commission.

SEC. 929H. SIPC REFORMS.

(a) INCREASING THE CASH LIMIT OF PROTECTION.—Section 9 of the Securities Investor Protection Act of 1970 (15 U.S.C. 78fff-3) is amended—

(1) in subsection (a)(1), by striking “\$100,000 for each such customer” and inserting “the standard maximum cash advance amount for each such customer, as determined in accordance with subsection (d)”; and

(2) by adding the following new subsections:

“(d) STANDARD MAXIMUM CASH ADVANCE AMOUNT DEFINED.—For purposes of this section, the term ‘standard maximum cash advance amount’ means \$250,000, as such amount may be adjusted after December 31, 2010, as provided under subsection (e).

“(e) INFLATION ADJUSTMENT.—

“(1) IN GENERAL.—Not later than January 1, 2011, and every 5 years thereafter, and subject to the approval of the Commission as provided under section 3(e)(2), the Board of Directors of SIPC shall determine whether an inflation adjustment to the standard maximum cash advance amount is appropriate. If the Board of Directors of SIPC determines such an adjustment is appropriate, then the standard maximum cash advance amount shall be an amount equal to—

“(A) \$250,000 multiplied by—

“(B) the ratio of the annual value of the Personal Consumption Expenditures Chain-Type Price Index (or any successor index thereto), published by the Department of Commerce, for the calendar year preceding the year in which such determination is made, to the published annual value of such index for the calendar year preceding the year in which this subsection was enacted.

The index values used in calculations under this paragraph shall be, as of the date of the calculation, the values most recently published by the Department of Commerce.

“(2) ROUNDING.—If the standard maximum cash advance amount determined under paragraph (1) for any period is not a multiple of \$10,000, the amount so determined shall be rounded down to the nearest \$10,000.

“(3) PUBLICATION AND REPORT TO THE CONGRESS.—Not later than April 5 of any calendar

year in which a determination is required to be made under paragraph (1)—

“(A) the Commission shall publish in the Federal Register the standard maximum cash advance amount; and

“(B) the Board of Directors of SIPC shall submit a report to the Congress stating the standard maximum cash advance amount.

“(4) IMPLEMENTATION PERIOD.—Any adjustment to the standard maximum cash advance amount shall take effect on January 1 of the year immediately succeeding the calendar year in which such adjustment is made.

“(5) INFLATION ADJUSTMENT CONSIDERATIONS.—In making any determination under paragraph (1) to increase the standard maximum cash advance amount, the Board of Directors of SIPC shall consider—

“(A) the overall state of the fund and the economic conditions affecting members of SIPC;

“(B) the potential problems affecting members of SIPC; and

“(C) such other factors as the Board of Directors of SIPC may determine appropriate.”.

(b) LIQUIDATION OF A CARRYING BROKER-DEALER.—Section 5(a)(3) of the Securities Investor Protection Act of 1970 (15 U.S.C. 78ee(a)(3)) is amended—

(1) by striking the undesignated matter immediately following subparagraph (B);

(2) in subparagraph (A), by striking “any member of SIPC” and inserting “the member”; and

(3) in subparagraph (B), by striking the comma at the end and inserting a period;

(4) by striking “If SIPC” and inserting the following:

“(A) IN GENERAL.—SIPC may, upon notice to a member of SIPC, file an application for a protective decree with any court of competent jurisdiction specified in section 21(e) or 27 of the Securities Exchange Act of 1934, except that no such application shall be filed with respect to a member, the only customers of which are persons whose claims could not be satisfied by SIPC advances pursuant to section 9, if SIPC”; and

(5) by adding at the end the following:

“(B) CONSENT REQUIRED.—No member of SIPC that has a customer may enter into an insolvency, receivership, or bankruptcy proceeding, under Federal or State law, without the specific consent of SIPC, except as provided in title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act.”.

SEC. 929I. PROTECTING CONFIDENTIALITY OF MATERIALS SUBMITTED TO THE COMMISSION.

(a) SECURITIES EXCHANGE ACT OF 1934.—Section 24 of the Securities Exchange Act of 1934 (15 U.S.C. 78z) is amended—

(1) in subsection (d), by striking “subsection (e)” and inserting “subsection (f)”; and

(2) by redesignating subsection (e) as subsection (f); and

(3) by inserting after subsection (d) the following:

“(e) RECORDS OBTAINED FROM REGISTERED PERSONS.—

“(1) IN GENERAL.—Except as provided in subsection (f), the Commission shall not be compelled to disclose records or information obtained pursuant to section 17(b), or records or information based upon or derived from such records or information, if such records or information have been obtained by the Commission for use in furtherance of the purposes of this title, including surveillance, risk assessments, or other regulatory and oversight activities.

“(2) TREATMENT OF INFORMATION.—For purposes of section 552 of title 5, United States Code, this subsection shall be considered a statute described in subsection (b)(3)(B) of such section 552. Collection of information pursuant to section 17 shall be an administrative action involving an agency against specific individuals

or agencies pursuant to section 3518(c)(1) of title 44, United States Code.”.

(b) INVESTMENT COMPANY ACT OF 1940.—Section 31 of the Investment Company Act of 1940 (15 U.S.C. 80a-30) is amended—

(1) by striking subsection (c) and inserting the following:

“(c) LIMITATIONS ON DISCLOSURE BY COMMISSION.—Notwithstanding any other provision of law, the Commission shall not be compelled to disclose any records or information provided to the Commission under this section, or records or information based upon or derived from such records or information, if such records or information have been obtained by the Commission for use in furtherance of the purposes of this title, including surveillance, risk assessments, or other regulatory and oversight activities. Nothing in this subsection authorizes the Commission to withhold information from the Congress or prevent the Commission from complying with a request for information from any other Federal department or agency requesting the information for purposes within the scope of jurisdiction of that department or agency, or complying with an order of a court of the United States in an action brought by the United States or the Commission. For purposes of section 552 of title 5, United States Code, this section shall be considered a statute described in subsection (b)(3)(B) of such section 552. Collection of information pursuant to section 31 shall be an administrative action involving an agency against specific individuals or agencies pursuant to section 3518(c)(1) of title 44, United States Code.”;

(2) by striking subsection (d); and

(3) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

(c) INVESTMENT ADVISERS ACT OF 1940.—Section 210 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-10) is amended by adding at the end the following:

“(d) LIMITATIONS ON DISCLOSURE BY THE COMMISSION.—Notwithstanding any other provision of law, the Commission shall not be compelled to disclose any records or information provided to the Commission under section 204, or records or information based upon or derived from such records or information, if such records or information have been obtained by the Commission for use in furtherance of the purposes of this title, including surveillance, risk assessments, or other regulatory and oversight activities. Nothing in this subsection authorizes the Commission to withhold information from the Congress or prevent the Commission from complying with a request for information from any other Federal department or agency requesting the information for purposes within the scope of jurisdiction of that department or agency, or complying with an order of a court of the United States in an action brought by the United States or the Commission. For purposes of section 552 of title 5, United States Code, this subsection shall be considered a statute described in subsection (b)(3)(B) of such section 552. Collection of information pursuant to section 204 shall be an administrative action involving an agency against specific individuals or agencies pursuant to section 3518(c)(1) of title 44, United States Code.”.

SEC. 929J. EXPANSION OF AUDIT INFORMATION TO BE PRODUCED AND EXCHANGED.

Section 106 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7216) is amended—

(1) by striking subsection (b) and inserting the following:

“(b) PRODUCTION OF DOCUMENTS.—

“(1) PRODUCTION BY FOREIGN FIRMS.—If a foreign public accounting firm performs material services upon which a registered public accounting firm relies in the conduct of an audit or interim review, issues an audit report, performs audit work, or conducts interim reviews, the foreign public accounting firm shall—

“(A) produce the audit work papers of the foreign public accounting firm and all other documents of the firm related to any such audit work or interim review to the Commission or the Board, upon request of the Commission or the Board; and

“(B) be subject to the jurisdiction of the courts of the United States for purposes of enforcement of any request for such documents.

“(2) OTHER PRODUCTION.—Any registered public accounting firm that relies, in whole or in part, on the work of a foreign public accounting firm in issuing an audit report, performing audit work, or conducting an interim review, shall—

“(A) produce the audit work papers of the foreign public accounting firm and all other documents related to any such work in response to a request for production by the Commission or the Board; and

“(B) secure the agreement of any foreign public accounting firm to such production, as a condition of the reliance by the registered public accounting firm on the work of that foreign public accounting firm.”;

(2) by redesignating subsection (d) as subsection (g); and

(3) by inserting after subsection (c) the following:

“(d) SERVICE OF REQUESTS OR PROCESS.—

“(1) IN GENERAL.—Any foreign public accounting firm that performs work for a domestic registered public accounting firm shall furnish to the domestic registered public accounting firm a written irrevocable consent and power of attorney that designates the domestic registered public accounting firm as an agent upon whom may be served any request by the Commission or the Board under this section or upon whom may be served any process, pleadings, or other papers in any action brought to enforce this section.

“(2) SPECIFIC AUDIT WORK.—Any foreign public accounting firm that performs material services upon which a registered public accounting firm relies in the conduct of an audit or interim review, issues an audit report, performs audit work, or, performs interim reviews, shall designate to the Commission or the Board an agent in the United States upon whom may be served any request by the Commission or the Board under this section or upon whom may be served any process, pleading, or other papers in any action brought to enforce this section.

“(e) SANCTIONS.—A willful refusal to comply, in whole in or in part, with any request by the Commission or the Board under this section, shall be deemed a violation of this Act.

“(f) OTHER MEANS OF SATISFYING PRODUCTION OBLIGATIONS.—Notwithstanding any other provisions of this section, the staff of the Commission or the Board may allow a foreign public accounting firm that is subject to this section to meet production obligations under this section through alternate means, such as through foreign counterparts of the Commission or the Board.”.

SEC. 929K. SHARING PRIVILEGED INFORMATION WITH OTHER AUTHORITIES.

Section 24 of the Securities Exchange Act of 1934 (15 U.S.C. 78x) is amended—

(1) in subsection (d), as amended by subsection (d)(1)(A), by striking “subsection (f)” and inserting “subsection (g)”;

(2) in subsection (e), as added by subsection (d)(1)(C), by striking “subsection (f)” and inserting “subsection (g)”;

(3) by redesignating subsection (f) as subsection (g); and

(4) by inserting after subsection (e) the following:

“(f) SHARING PRIVILEGED INFORMATION WITH OTHER AUTHORITIES.—

“(1) PRIVILEGED INFORMATION PROVIDED BY THE COMMISSION.—The Commission shall not be

deemed to have waived any privilege applicable to any information by transferring that information to or permitting that information to be used by—

“(A) any agency (as defined in section 6 of title 18, United States Code);

“(B) the Public Company Accounting Oversight Board;

“(C) any self-regulatory organization;

“(D) any foreign securities authority;

“(E) any foreign law enforcement authority;

or

“(F) any State securities or law enforcement authority.

“(2) NONDISCLOSURE OF PRIVILEGED INFORMATION PROVIDED TO THE COMMISSION.—The Commission shall not be compelled to disclose privileged information obtained from any foreign securities authority, or foreign law enforcement authority, if the authority has in good faith determined and represented to the Commission that the information is privileged.

“(3) NONWAIVER OF PRIVILEGED INFORMATION PROVIDED TO THE COMMISSION.—

“(A) IN GENERAL.—Federal agencies, State securities and law enforcement authorities, self-regulatory organizations, and the Public Company Accounting Oversight Board shall not be deemed to have waived any privilege applicable to any information by transferring that information to or permitting that information to be used by the Commission.

“(B) EXCEPTION.—The provisions of subparagraph (A) shall not apply to a self-regulatory organization or the Public Company Accounting Oversight Board with respect to information used by the Commission in an action against such organization.

“(4) DEFINITIONS.—For purposes of this subsection—

“(A) the term ‘privilege’ includes any work-product privilege, attorney-client privilege, governmental privilege, or other privilege recognized under Federal, State, or foreign law;

“(B) the term ‘foreign law enforcement authority’ means any foreign authority that is empowered under foreign law to detect, investigate or prosecute potential violations of law; and

“(C) the term ‘State securities or law enforcement authority’ means the authority of any State or territory that is empowered under State or territory law to detect, investigate, or prosecute potential violations of law.”.

SEC. 929L. ENHANCED APPLICATION OF ANTI-FRAUD PROVISIONS.

The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended—

(1) in section 9—

(A) by striking “registered on a national securities exchange” each place that term appears and inserting “other than a government security”;

(B) in subsection (b), by striking “by use of any facility of a national securities exchange,”; and

(C) in subsection (c), by inserting after “unlawful for any” the following: “broker, dealer, or”;

(2) in section 10(a)(1), by striking “registered on a national securities exchange” and inserting “other than a government security”; and

(3) in section 15(c)(1)(A), by striking “other than on a national securities exchange of which it is a member”.

SEC. 929M. AIDING AND ABETTING AUTHORITY UNDER THE SECURITIES ACT AND THE INVESTMENT COMPANY ACT.

(a) UNDER THE SECURITIES ACT OF 1933.—Section 15 of the Securities Act of 1933 (15 U.S.C. 77o) is amended—

(1) by striking “Every person who” and inserting “(a) CONTROLLING PERSONS.—Every person who”; and

(2) by adding at the end the following:

“(b) PROSECUTION OF PERSONS WHO AID AND ABET VIOLATIONS.—For purposes of any action brought by the Commission under subparagraph (b) or (d) of section 20, any person that knowingly or recklessly provides substantial assistance to another person in violation of a provision of this Act, or of any rule or regulation issued under this Act, shall be deemed to be in violation of such provision to the same extent as the person to whom such assistance is provided.”.

(b) UNDER THE INVESTMENT COMPANY ACT OF 1940.—Section 48 of the Investment Company Act of 1940 (15 U.S.C. 80a-48) is amended by redesignating subsection (b) as subsection (c) and inserting after subsection (a) the following:

“(b) For purposes of any action brought by the Commission under subsection (d) or (e) of section 42, any person that knowingly or recklessly provides substantial assistance to another person in violation of a provision of this Act, or of any rule or regulation issued under this Act, shall be deemed to be in violation of such provision to the same extent as the person to whom such assistance is provided.”.

SEC. 929N. AUTHORITY TO IMPOSE PENALTIES FOR AIDING AND ABETTING VIOLATIONS OF THE INVESTMENT ADVISERS ACT.

Section 209 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-9) is amended by inserting at the end the following new subsection:

“(f) AIDING AND ABETTING.—For purposes of any action brought by the Commission under subsection (e), any person that knowingly or recklessly has aided, abetted, counseled, commanded, induced, or procured a violation of any provision of this Act, or of any rule, regulation, or order hereunder, shall be deemed to be in violation of such provision, rule, regulation, or order to the same extent as the person that committed such violation.”.

SEC. 929O. AIDING AND ABETTING STANDARD OF KNOWLEDGE SATISFIED BY RECKLESSNESS.

Section 20(e) of the Securities Exchange Act of 1934 (15 U.S.C. 78t(e)) is amended by inserting “or recklessly” after “knowingly”.

SEC. 929P. STRENGTHENING ENFORCEMENT BY THE COMMISSION.

(a) AUTHORITY TO IMPOSE CIVIL PENALTIES IN CEASE AND DESIST PROCEEDINGS.—

(1) UNDER THE SECURITIES ACT OF 1933.—Section 8A of the Securities Act of 1933 (15 U.S.C. 77h-1) is amended by adding at the end the following new subsection:

“(g) AUTHORITY TO IMPOSE MONEY PENALTIES.—

“(1) GROUNDS.—In any cease-and-desist proceeding under subsection (a), the Commission may impose a civil penalty on a person if the Commission finds, on the record, after notice and opportunity for hearing, that—

“(A) such person—

“(i) is violating or has violated any provision of this title, or any rule or regulation issued under this title; or

“(ii) is or was a cause of the violation of any provision of this title, or any rule or regulation thereunder; and

“(B) such penalty is in the public interest.

“(2) MAXIMUM AMOUNT OF PENALTY.—

“(A) FIRST TIER.—The maximum amount of a penalty for each act or omission described in paragraph (1) shall be \$7,500 for a natural person or \$75,000 for any other person.

“(B) SECOND TIER.—Notwithstanding subparagraph (A), the maximum amount of penalty for each such act or omission shall be \$75,000 for a natural person or \$375,000 for any other person, if the act or omission described in paragraph (1) involved fraud, deceit, manipulation, or deliberate or reckless disregard of a regulatory requirement.

“(C) THIRD TIER.—Notwithstanding subparagraphs (A) and (B), the maximum amount of penalty for each such act or omission shall be \$150,000 for a natural person or \$725,000 for any other person, if—

“(i) the act or omission described in paragraph (1) involved fraud, deceit, manipulation, or deliberate or reckless disregard of a regulatory requirement; and

“(ii) such act or omission directly or indirectly resulted in—

“(I) substantial losses or created a significant risk of substantial losses to other persons; or

“(II) substantial pecuniary gain to the person who committed the act or omission.

“(3) EVIDENCE CONCERNING ABILITY TO PAY.—In any proceeding in which the Commission may impose a penalty under this section, a respondent may present evidence of the ability of the respondent to pay such penalty. The Commission may, in its discretion, consider such evidence in determining whether such penalty is in the public interest. Such evidence may relate to the extent of the ability of the respondent to continue in business and the collectability of a penalty, taking into account any other claims of the United States or third parties upon the assets of the respondent and the amount of the assets of the respondent.”.

(2) UNDER THE SECURITIES EXCHANGE ACT OF 1934.—Section 21B(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78u-2(a)) is amended—

(A) by striking the matter following paragraph (4);

(B) in the matter preceding paragraph (1), by inserting after “opportunity for hearing,” the following: “that such penalty is in the public interest and”; and

(C) by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D), respectively, and adjusting the margins accordingly;

(D) by striking “In any proceeding” and inserting the following:

“(1) IN GENERAL.—In any proceeding”; and

(E) by adding at the end the following:

“(2) CEASE-AND-DESIST PROCEEDINGS.—In any proceeding instituted under section 21C against any person, the Commission may impose a civil penalty, if the Commission finds, on the record after notice and opportunity for hearing, that such person—

“(A) is violating or has violated any provision of this title, or any rule or regulation issued under this title; or

“(B) is or was a cause of the violation of any provision of this title, or any rule or regulation issued under this title.”.

(3) UNDER THE INVESTMENT COMPANY ACT OF 1940.—Section 9(d)(1) of the Investment Company Act of 1940 (15 U.S.C. 80a-9(d)(1)) is amended—

(A) by striking the matter following subparagraph (C);

(B) in the matter preceding subparagraph (A), by inserting after “opportunity for hearing,” the following: “that such penalty is in the public interest, and”; and

(C) by redesignating subparagraphs (A) through (C) as clauses (i) through (iii), respectively, and adjusting the margins accordingly;

(D) by striking “In any proceeding” and inserting the following:

“(A) IN GENERAL.—In any proceeding”; and

(E) by adding at the end the following:

“(B) CEASE-AND-DESIST PROCEEDINGS.—In any proceeding instituted pursuant to subsection (f) against any person, the Commission may impose a civil penalty if the Commission finds, on the record, after notice and opportunity for hearing, that such person—

“(i) is violating or has violated any provision of this title, or any rule or regulation issued under this title; or

“(ii) is or was a cause of the violation of any provision of this title, or any rule or regulation issued under this title.”.

(4) UNDER THE INVESTMENT ADVISERS ACT OF 1940.—Section 203(i)(1) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-3(i)(1)) is amended—

(A) by striking the matter following subparagraph (D);

(B) in the matter preceding subparagraph (A), by inserting after “opportunity for hearing,” the following: “that such penalty is in the public interest and”; and

(C) by redesignating subparagraphs (A) through (D) as clauses (i) through (iv), respectively, and adjusting the margins accordingly;

(D) by striking “In any proceeding” and inserting the following:

“(A) IN GENERAL.—In any proceeding”; and

(E) by adding at the end the following new subparagraph:

“(B) CEASE-AND-DESIST PROCEEDINGS.—In any proceeding instituted pursuant to subsection (k) against any person, the Commission may impose a civil penalty if the Commission finds, on the record, after notice and opportunity for hearing, that such person—

“(i) is violating or has violated any provision of this title, or any rule or regulation issued under this title; or

“(ii) is or was a cause of the violation of any provision of this title, or any rule or regulation issued under this title.”.

(b) EXTRATERRITORIAL JURISDICTION OF THE ANTIFRAUD PROVISIONS OF THE FEDERAL SECURITIES LAWS.—

(1) UNDER THE SECURITIES ACT OF 1933.—Section 22 of the Securities Act of 1933 (15 U.S.C. 77v(a)) is amended by adding at the end the following new subsection:

“(c) EXTRATERRITORIAL JURISDICTION.—The district courts of the United States and the United States courts of any Territory shall have jurisdiction of an action or proceeding brought or instituted by the Commission or the United States alleging a violation of section 17(a) involving—

“(1) conduct within the United States that constitutes significant steps in furtherance of the violation, even if the securities transaction occurs outside the United States and involves only foreign investors; or

“(2) conduct occurring outside the United States that has a foreseeable substantial effect within the United States.”.

(2) UNDER THE SECURITIES EXCHANGE ACT OF 1934.—Section 27 of the Securities Exchange Act of 1934 (15 U.S.C. 78aa) is amended—

(A) by striking “The district” and inserting the following:

“(a) IN GENERAL.—The district”; and

(B) by adding at the end the following new subsection:

“(b) EXTRATERRITORIAL JURISDICTION.—The district courts of the United States and the United States courts of any Territory shall have jurisdiction of an action or proceeding brought or instituted by the Commission or the United States alleging a violation of the antifraud provisions of this title involving—

“(1) conduct within the United States that constitutes significant steps in furtherance of the violation, even if the securities transaction occurs outside the United States and involves only foreign investors; or

“(2) conduct occurring outside the United States that has a foreseeable substantial effect within the United States.”.

(3) UNDER THE INVESTMENT ADVISERS ACT OF 1940.—Section 214 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-14) is amended—

(A) by striking “The district” and inserting the following:

“(a) IN GENERAL.—The district”; and

(B) by adding at the end the following new subsection:

“(b) EXTRATERRITORIAL JURISDICTION.—The district courts of the United States and the

United States courts of any Territory shall have jurisdiction of an action or proceeding brought or instituted by the Commission or the United States alleging a violation of section 206 involving—

“(1) conduct within the United States that constitutes significant steps in furtherance of the violation, even if the violation is committed by a foreign adviser and involves only foreign investors; or

“(2) conduct occurring outside the United States that has a foreseeable substantial effect within the United States.”.

(c) **CONTROL PERSON LIABILITY UNDER THE SECURITIES EXCHANGE ACT OF 1934.**—Section 20(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78t(a)) is amended by inserting after “controlled person is liable” the following: “(including to the Commission in any action brought under paragraph (1) or (3) of section 21(d)).”.

SEC. 929Q. REVISION TO RECORDKEEPING RULE.

(a) **INVESTMENT COMPANY ACT OF 1940 AMENDMENTS.**—Section 31 of the Investment Company Act of 1940 (15 U.S.C. 80a-30) is amended—

(1) in subsection (a)(1), by adding at the end the following: “Each person having custody or use of the securities, deposits, or credits of a registered investment company shall maintain and preserve all records that relate to the custody or use by such person of the securities, deposits, or credits of the registered investment company for such period or periods as the Commission, by rule or regulation, may prescribe, as necessary or appropriate in the public interest or for the protection of investors.”; and

(2) in subsection (b), by adding at the end the following:

“(4) **RECORDS OF PERSONS WITH CUSTODY OR USE.**—

“(A) **IN GENERAL.**—Records of persons having custody or use of the securities, deposits, or credits of a registered investment company that relate to such custody or use, are subject at any time, or from time to time, to such reasonable periodic, special, or other examinations and other information and document requests by representatives of the Commission, as the Commission deems necessary or appropriate in the public interest or for the protection of investors.

“(B) **CERTAIN PERSONS SUBJECT TO OTHER REGULATION.**—Any person that is subject to regulation and examination by a Federal financial institution regulatory agency (as such term is defined under section 212(c)(2) of title 18, United States Code) may satisfy any examination request, information request, or document request described under subparagraph (A), by providing to the Commission a detailed listing, in writing, of the securities, deposits, or credits of the registered investment company within the custody or use of such person.”.

(b) **INVESTMENT ADVISERS ACT OF 1940 AMENDMENT.**—Section 204 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-4) is amended by adding at the end the following new subsection:

“(d) **RECORDS OF PERSONS WITH CUSTODY OR USE.**—

“(1) **IN GENERAL.**—Records of persons having custody or use of the securities, deposits, or credits of a client, that relate to such custody or use, are subject at any time, or from time to time, to such reasonable periodic, special, or other examinations and other information and document requests by representatives of the Commission, as the Commission deems necessary or appropriate in the public interest or for the protection of investors.

“(2) **CERTAIN PERSONS SUBJECT TO OTHER REGULATION.**—Any person that is subject to regulation and examination by a Federal financial institution regulatory agency (as such term is defined under section 212(c)(2) of title 18, United

States Code) may satisfy any examination request, information request, or document request described under paragraph (1), by providing the Commission with a detailed listing, in writing, of the securities, deposits, or credits of the client within the custody or use of such person.”.

SEC. 929R. BENEFICIAL OWNERSHIP AND SHORT-SWING PROFIT REPORTING.

(a) **BENEFICIAL OWNERSHIP REPORTING.**—Section 13 of the Securities Exchange Act of 1934 (15 U.S.C. 78m) is amended—

(1) in subsection (d)(1)—

(A) by inserting after “within ten days after such acquisition” the following: “or within such shorter time as the Commission may establish by rule”; and

(B) by striking “send to the issuer of the security at its principal executive office, by registered or certified mail, send to each exchange where the security is traded, and”; and

(2) in subsection (d)(2)—

(A) by striking “in the statements to the issuer and the exchange, and”; and

(B) by striking “shall be transmitted to the issuer and the exchange and”; and

(3) in subsection (g)(1), by striking “shall send to the issuer of the security and”; and

(4) in subsection (g)(2)—

(A) by striking “sent to the issuer and”; and

(B) by striking “shall be transmitted to the issuer and”.

(b) **SHORT-SWING PROFIT REPORTING.**—Section 16(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78p(a)) is amended—

(1) in paragraph (1), by striking “(and, if such security is registered on a national securities exchange, also with the exchange)”; and

(2) in paragraph (2)(B), by inserting after “officer” the following: “, or within such shorter time as the Commission may establish by rule”.

SEC. 929S. FINGERPRINTING.

Section 17(f)(2) of the Securities Exchange Act of 1934 (15 U.S.C. 78q(f)(2)) is amended—

(1) in the first sentence, by striking “and registered clearing agency,” and inserting “registered clearing agency, registered securities information processor, national securities exchange, and national securities association”; and

(2) in the second sentence, by striking “or clearing agency,” and inserting “clearing agency, securities information processor, national securities exchange, or national securities association.”.

SEC. 929T. EQUAL TREATMENT OF SELF-REGULATORY ORGANIZATION RULES.

Section 29(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78cc(a)) is amended by striking “an exchange required thereby” and inserting “a self-regulatory organization.”.

SEC. 929U. DEADLINE FOR COMPLETING EXAMINATIONS, INSPECTIONS AND ENFORCEMENT ACTIONS.

The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended by inserting after section 4D the following new section:

“SEC. 4E. DEADLINE FOR COMPLETING ENFORCEMENT INVESTIGATIONS AND COMPLIANCE EXAMINATIONS AND INSPECTIONS.

“(a) ENFORCEMENT INVESTIGATIONS.—

“(1) IN GENERAL.—Not later than 180 days after the date on which Commission staff provide a written Wells notification to any person, the Commission staff shall either file an action against such person or provide notice to the Director of the Division of Enforcement of its intent to not file an action.

“(2) EXCEPTIONS FOR CERTAIN COMPLEX ACTIONS.—Notwithstanding paragraph (1), if the Director of the Division of Enforcement of the Commission or the Director’s designee determines that a particular enforcement investigation is sufficiently complex such that a deter-

mination regarding the filing of an action against a person cannot be completed within the deadline specified in paragraph (1), the Director of the Division of Enforcement of the Commission or the Director’s designee may, after providing notice to the Chairman of the Commission, extend such deadline as needed for one additional 180-day period. If after the additional 180-day period the Director of the Division of Enforcement of the Commission or the Director’s designee determines that a particular enforcement investigation is sufficiently complex such that a determination regarding the filing of an action against a person cannot be completed within the additional 180-day period, the Director of the Division of Enforcement of the Commission or the Director’s designee may, after providing notice to and receiving approval of the Commission, extend such deadline as needed for one or more additional successive 180-day periods.

“(b) COMPLIANCE EXAMINATIONS AND INSPECTIONS.—

“(1) IN GENERAL.—Not later than 180 days after the date on which Commission staff completes the on-site portion of its compliance examination or inspection or receives all records requested from the entity being examined or inspected, whichever is later, Commission staff shall provide the entity being examined or inspected with written notification indicating either that the examination or inspection has concluded, has concluded without findings, or that the staff requests the entity undertake corrective action.

“(2) EXCEPTION FOR CERTAIN COMPLEX ACTIONS.—Notwithstanding paragraph (1), if the head of any division or office within the Commission responsible for compliance examinations and inspections or his designee determines that a particular compliance examination or inspection is sufficiently complex such that a determination regarding concluding the examination or inspection, or regarding the staff requests the entity undertake corrective action, cannot be completed within the deadline specified in paragraph (1), the head of any division or office within the Commission responsible for compliance examinations and inspections or his designee may, after providing notice to the Chairman of the Commission, extend such deadline as needed for one additional 180-day period.”.

SEC. 929V. SECURITY INVESTOR PROTECTION ACT AMENDMENTS.

(a) **INCREASING THE MINIMUM ASSESSMENT PAID BY SIPC MEMBERS.**—Section 4(d)(1)(C) of the Securities Investor Protection Act of 1970 (15 U.S.C. 78ddd(d)(1)(C)) is amended by striking “\$150 per annum” and inserting the following: “0.02 percent of the gross revenues from the securities business of such member of SIPC”.

(b) **INCREASING THE FINE FOR PROHIBITED ACTS UNDER SIPA.**—Section 14(c) of the Securities Investor Protection Act of 1970 (15 U.S.C. 78jjj(c)) is amended—

(1) in paragraph (1), by striking “\$50,000” and inserting “\$250,000”; and

(2) in paragraph (2), by striking “\$50,000” and inserting “\$250,000”.

(c) **PENALTY FOR MISREPRESENTATION OF SIPC MEMBERSHIP OR PROTECTION.**—Section 14 of the Securities Investor Protection Act of 1970 (15 U.S.C. 78jjj) is amended by adding at the end the following new subsection:

“(d) MISREPRESENTATION OF SIPC MEMBERSHIP OR PROTECTION.—

“(1) IN GENERAL.—Any person who falsely represents by any means (including, without limitation, through the Internet or any other medium of mass communication), with actual knowledge of the falsity of the representation and with an intent to deceive or cause injury to another, that such person, or another person, is a member of SIPC or that any person or account

is protected or is eligible for protection under this Act or by SIPC, shall be liable for any damages caused thereby and shall be fined not more than \$250,000 or imprisoned for not more than 5 years.

“(2) **INJUNCTIONS.**—Any court having jurisdiction of a civil action arising under this Act may grant temporary injunctions and final injunctions on such terms as the court deems reasonable to prevent or restrain any violation of paragraph (1). Any such injunction may be served anywhere in the United States on the person enjoined, shall be operative throughout the United States, and shall be enforceable, by proceedings in contempt or otherwise, by any United States court having jurisdiction over that person. The clerk of the court granting the injunction shall, when requested by any other court in which enforcement of the injunction is sought, transmit promptly to the other court a certified copy of all papers in the case on file in such clerk's office.”.

SEC. 929W. NOTICE TO MISSING SECURITY HOLDERS.

Section 17A of the Securities Exchange Act of 1934 (15 U.S.C. 78q-1) is amended by adding at the end the following new subsection:

“(g) **DUE DILIGENCE FOR THE DELIVERY OF DIVIDENDS, INTEREST, AND OTHER VALUABLE PROPERTY RIGHTS.**—

“(1) **REVISION OF RULES REQUIRED.**—The Commission shall revise its regulations in section 240.17Ad-17 of title 17, Code of Federal Regulations, as in effect on December 8, 1997, to extend the application of such section to brokers and dealers and to provide for the following:

“(A) A requirement that the paying agent provide a single written notification to each missing security holder that the missing security holder has been sent a check that has not yet been negotiated. The written notification may be sent along with a check or other mailing subsequently sent to the missing security holder but must be provided no later than 7 months after the sending of the not yet negotiated check.

“(B) An exclusion for paying agents from the notification requirements when the value of the not yet negotiated check is less than \$25.

“(C) A provision clarifying that the requirements described in subparagraph (A) shall have no effect on State escheatment laws.

“(D) For purposes of such revised regulations—

“(i) a security holder shall be considered a ‘missing security holder’ if a check is sent to the security holder and the check is not negotiated before the earlier of the paying agent sending the next regularly scheduled check or the elapsing of 6 months after the sending of the not yet negotiated check; and

“(ii) the term ‘paying agent’ includes any issuer, transfer agent, broker, dealer, investment adviser, indenture trustee, custodian, or any other person that accepts payments from the issuer of a security and distributes the payments to the holders of the security.

“(2) **RULEMAKING.**—The Commission shall adopt such rules, regulations, and orders necessary to implement this subsection no later than 1 year after the date of enactment of this subsection. In proposing such rules, the Commission shall seek to minimize disruptions to current systems used by or on behalf of paying agents to process payment to account holders and avoid requiring multiple paying agents to send written notification to a missing security holder regarding the same not yet negotiated check.”.

SEC. 929X. SHORT SALE REFORMS.

(a) **SHORT SALE DISCLOSURE.**—Section 13(f) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(f)) is amended by redesignating paragraphs (2), (3), (4), and (5) as paragraphs (3), (4), (5), and (6), respectively, and inserting after paragraph (1) the following:

“(2) The Commission shall prescribe rules providing for the public disclosure of the name of the issuer and the title, class, CUSIP number, aggregate amount of the number of short sales of each security, and any additional information determined by the Commission following the end of the reporting period. At a minimum, such public disclosure shall occur every month.”.

(b) **SHORT SELLING ENFORCEMENT.**—Section 9 of the Securities Exchange Act of 1934 (15 U.S.C. 78i) is amended—

(1) by redesignating subsections (d), (e), (f), (g), (h), and (i) as subsections (e), (f), (g), (h), (i), and (j), respectively; and

(2) inserting after subsection (c), the following new subsection:

“(d) **TRANSACTIONS RELATING TO SHORT SALES OF SECURITIES.**—It shall be unlawful for any person, directly or indirectly, by the use of the mails or any means or instrumentality of interstate commerce, or of any facility of any national securities exchange, or for any member of a national securities exchange to effect, alone or with one or more other persons, a manipulative short sale of any security. The Commission shall issue such other rules as are necessary or appropriate to ensure that the appropriate enforcement options and remedies are available for violations of this subsection in the public interest or for the protection of investors.”.

(e) **INVESTOR NOTIFICATION.**—Section 15 of the Securities Exchange Act of 1934 (15 U.S.C. 78o) is amended—

(1) by redesignating subsections (e), (f), (g), (h), and (i) as subsections (f), (g), (h), (i), and (j), respectively; and

(2) inserting after subsection (d) the following new subsection:

“(e) **NOTICES TO CUSTOMERS REGARDING SECURITIES LENDING.**—Every registered broker or dealer shall provide notice to its customers that they may elect not to allow their fully paid securities to be used in connection with short sales. If a broker or dealer uses a customer's securities in connection with short sales, the broker or dealer shall provide notice to its customer that the broker or dealer may receive compensation in connection with lending the customer's securities. The Commission, by rule, as it deems necessary or appropriate in the public interest and for the protection of investors, may prescribe the form, content, time, and manner of delivery of any notice required under this paragraph.”.

SEC. 929Y. STUDY ON EXTRATERRITORIAL PRIVATE RIGHTS OF ACTION.

(a) **IN GENERAL.**—The Securities and Exchange Commission of the United States shall solicit public comment and thereafter conduct a study to determine the extent to which private rights of action under the antifraud provisions of the Securities and Exchange Act of 1934 (15 U.S.C. 78u-4) should be extended to cover—

(1) conduct within the United States that constitutes a significant step in the furtherance of the violation, even if the securities transaction occurs outside the United States and involves only foreign investors; and

(2) conduct occurring outside the United States that has a foreseeable substantial effect within the United States.

(b) **CONTENTS.**—The study shall consider and analyze, among other things—

(1) the scope of such a private right of action, including whether it should extend to all private actors or whether it should be more limited to extend just to institutional investors or otherwise;

(2) what implications such a private right of action would have on international comity;

(3) the economic costs and benefits of extending a private right of action for transnational securities frauds; and

(4) whether a narrower extraterritorial standard should be adopted.

(c) **REPORT.**—A report of the study shall be submitted and recommendations made to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House not later than 18 months after the date of enactment of this Act.

SEC. 929Z. GAO STUDY ON SECURITIES LITIGATION.

(a) **STUDY.**—The Comptroller General of the United States shall conduct a study on the impact of authorizing a private right of action against any person who aids or abets another person in violation of the securities laws. To the extent feasible, this study shall include—

(1) a review of the role of secondary actors in companies issuance of securities;

(2) the courts interpretation of the scope of liability for secondary actors under Federal securities laws after January 14, 2008; and

(3) the types of lawsuits decided under the Private Securities Litigation Act of 1995.

(b) **REPORT.**—Not later than 1 year after the date of enactment of this Act, the Comptroller General shall submit a report to Congress on the findings of the study required under subsection (a).

Subtitle C—Improvements to the Regulation of Credit Rating Agencies

SEC. 931. FINDINGS.

Congress finds the following:

(1) Because of the systemic importance of credit ratings and the reliance placed on credit ratings by individual and institutional investors and financial regulators, the activities and performances of credit rating agencies, including nationally recognized statistical rating organizations, are matters of national public interest, as credit rating agencies are central to capital formation, investor confidence, and the efficient performance of the United States economy.

(2) Credit rating agencies, including nationally recognized statistical rating organizations, play a critical “gatekeeper” role in the debt market that is functionally similar to that of securities analysts, who evaluate the quality of securities in the equity market, and auditors, who review the financial statements of firms. Such role justifies a similar level of public oversight and accountability.

(3) Because credit rating agencies perform evaluative and analytical services on behalf of clients, much as other financial “gatekeepers” do, the activities of credit rating agencies are fundamentally commercial in character and should be subject to the same standards of liability and oversight as apply to auditors, securities analysts, and investment bankers.

(4) In certain activities, particularly in advising arrangers of structured financial products on potential ratings of such products, credit rating agencies face conflicts of interest that need to be carefully monitored and that therefore should be addressed explicitly in legislation in order to give clearer authority to the Securities and Exchange Commission.

(5) In the recent financial crisis, the ratings on structured financial products have proven to be inaccurate. This inaccuracy contributed significantly to the mismanagement of risks by financial institutions and investors, which in turn adversely impacted the health of the economy in the United States and around the world. Such inaccuracy necessitates increased accountability on the part of credit rating agencies.

SEC. 932. ENHANCED REGULATION, ACCOUNTABILITY, AND TRANSPARENCY OF NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATIONS.

(a) **IN GENERAL.**—Section 15E of the Securities Exchange Act of 1934 (15 U.S.C. 78o-7) is amended—

(1) in subsection (b)—

(A) in paragraph (1)(A), by striking “furnished” and inserting “filed” and by striking “furnishing” and inserting “filing”;

(B) in paragraph (1)(B), by striking “furnishing” and inserting “filing”; and

(C) in the first sentence of paragraph (2), by striking “furnish to” and inserting “file with”; (2) in subsection (c)—

(A) in paragraph (2)—

(i) in the second sentence, by inserting “any other provision of this section, or” after “Notwithstanding”; and

(ii) by inserting after the period at the end the following: “Nothing in this paragraph may be construed to afford a defense against any action or proceeding brought by the Commission to enforce the antifraud provisions of the securities laws.”; and

(B) by adding at the end the following:

“(3) INTERNAL CONTROLS OVER PROCESSES FOR DETERMINING CREDIT RATINGS.—

“(A) IN GENERAL.—Each nationally recognized statistical rating organization shall establish, maintain, enforce, and document an effective internal control structure governing the implementation of and adherence to policies, procedures, and methodologies for determining credit ratings, taking into consideration such factors as the Commission may prescribe, by rule.

“(B) ATTESTATION REQUIREMENT.—The Commission shall prescribe rules requiring each nationally recognized statistical rating organization to submit to the Commission an annual internal controls report, which shall contain—

“(i) a description of the responsibility of the management of the nationally recognized statistical rating organization in establishing and maintaining an effective internal control structure under subparagraph (A);

“(ii) an assessment of the effectiveness of the internal control structure of the nationally recognized statistical rating organization; and

“(iii) the attestation of the chief executive officer, or equivalent individual, of the nationally recognized statistical rating organization.”;

(3) in subsection (d)—

(A) by inserting after “or revoke the registration of any nationally recognized statistical rating organization” the following: “, or with respect to any person who is associated with, who is seeking to become associated with, or, at the time of the alleged misconduct, who was associated or was seeking to become associated with a nationally recognized statistical rating organization, the Commission, by order, shall censure, place limitations on the activities or functions of such person, suspend for a period not exceeding 1 year, or bar such person from being associated with a nationally recognized statistical rating organization.”;

(B) by inserting “bar” after “placing of limitations, suspension.”;

(C) in paragraph (2), by striking “furnished to” and inserting “filed with”; and

(D) in paragraph (2), by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and adjusting the clause margins accordingly;

(E) by redesignating paragraphs (1) through (5) as subparagraphs (A) through (E), respectively, and adjusting the subparagraph margins accordingly;

(F) in the matter preceding subparagraph (A), as so redesignated, by striking “The Commission” and inserting the following:

“(1) IN GENERAL.—The Commission”;

(G) in subparagraph (D), as so redesignated—

(i) by striking “furnish” and inserting “file”; and

(ii) by striking “or” at the end.

(H) in subparagraph (E), as so redesignated, by striking the period at the end and inserting a semicolon; and

(I) by adding at the end the following:

“(F) has failed reasonably to supervise, with a view to preventing a violation of the securities

laws, an individual who commits such a violation, if the individual is subject to the supervision of that person.

“(2) SUSPENSION OR REVOCATION FOR PARTICULAR CLASS OF SECURITIES.—

“(A) IN GENERAL.—The Commission may temporarily suspend or permanently revoke the registration of a nationally recognized statistical rating organization with respect to a particular class or subclass of securities, if the Commission finds, on the record after notice and opportunity for hearing, that the nationally recognized statistical rating organization does not have adequate financial and managerial resources to consistently produce credit ratings with integrity.

“(B) CONSIDERATIONS.—In making any determination under subparagraph (A), the Commission shall consider—

“(i) whether the nationally recognized statistical rating organization has failed over a sustained period of time, as determined by the Commission, to produce ratings that are accurate for that class or subclass of securities; and

“(ii) such other factors as the Commission may determine.”;

(4) in subsection (h), by adding at the end the following:

“(3) SEPARATION OF RATINGS FROM SALES AND MARKETING.—

“(A) RULES REQUIRED.—The Commission shall issue rules to prevent the sales and marketing considerations of a nationally recognized statistical rating organization from influencing the production of ratings by the nationally recognized statistical rating organization.

“(B) CONTENTS OF RULES.—The rules issued under subparagraph (A) shall provide for—

“(i) exceptions for small nationally recognized statistical rating organizations with respect to which the Commission determines that the separation of the production of ratings and sales and marketing activities is not appropriate; and

“(ii) suspension or revocation of the registration of a nationally recognized statistical rating organization, if the Commission finds, on the record, after notice and opportunity for a hearing, that—

“(I) the nationally recognized statistical rating organization has committed a violation of a rule issued under this subsection; and

“(II) the violation of a rule issued under this subsection affected a rating.

“(4) LOOK-BACK REQUIREMENT.—

“(A) REVIEW BY THE NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION.—Each nationally recognized statistical rating organization shall establish, maintain, and enforce policies and procedures reasonably designed to ensure that, in any case in which an employee of a person subject to a credit rating of the nationally recognized statistical rating organization or the issuer, underwriter, or sponsor of a security or money market instrument subject to a credit rating of the nationally recognized statistical rating organization was employed by the nationally recognized statistical rating organization and participated in any capacity in determining credit ratings for the person or the securities or money market instruments during the 1-year period preceding the date an action was taken with respect to the credit rating, the nationally recognized statistical rating organization shall—

“(i) conduct a review to determine whether any conflicts of interest of the employee influenced the credit rating; and

“(ii) take action to revise the rating if appropriate, in accordance with such rules as the Commission shall prescribe.

“(B) REVIEW BY COMMISSION.—

“(i) IN GENERAL.—The Commission shall conduct periodic reviews of the policies described in subparagraph (A) and the implementation of the

policies at each nationally recognized statistical rating organization to ensure they are reasonably designed and implemented to most effectively eliminate conflicts of interest.

“(ii) TIMING OF REVIEWS.—The Commission shall review the code of ethics and conflict of interest policy of each nationally recognized statistical rating organization—

“(I) not less frequently than annually; and

“(II) whenever such policies are materially modified or amended.

“(5) REPORT TO COMMISSION ON CERTAIN EMPLOYMENT TRANSITIONS.—

“(A) REPORT REQUIRED.—Each nationally recognized statistical rating organization shall report to the Commission any case such organization knows or can reasonably be expected to know where a person associated with such organization within the previous 5 years obtains employment with any obligor, issuer, underwriter, or sponsor of a security or money market instrument for which the organization issued a credit rating during the 12-month period prior to such employment, if such employee—

“(i) was a senior officer of such organization;

“(ii) participated in any capacity in determining credit ratings for such obligor, issuer, underwriter, or sponsor; or

“(iii) supervised an employee described in clause (ii).

“(B) PUBLIC DISCLOSURE.—Upon receiving such a report, the Commission shall make such information publicly available.”;

(5) in subsection (j)—

(A) by striking “Each” and inserting the following:

“(1) IN GENERAL.—Each”; and

(B) by adding at the end the following:

“(2) LIMITATIONS.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), an individual designated under paragraph (1) may not, while serving in the designated capacity—

“(i) perform credit ratings;

“(ii) participate in the development of ratings methodologies or models;

“(iii) perform marketing or sales functions; or

“(iv) participate in establishing compensation levels, other than for employees working for that individual.

“(B) EXCEPTION.—The Commission may exempt a small nationally recognized statistical rating organization from the limitations under this paragraph, if the Commission finds that compliance with such limitations would impose an unreasonable burden on the nationally recognized statistical rating organization.

“(3) OTHER DUTIES.—Each individual designated under paragraph (1) shall establish procedures for the receipt, retention, and treatment of—

“(A) complaints regarding credit ratings, models, methodologies, and compliance with the securities laws and the policies and procedures developed under this section; and

“(B) confidential, anonymous complaints by employees or users of credit ratings.

“(4) COMPENSATION.—The compensation of each compliance officer appointed under paragraph (1) shall not be linked to the financial performance of the nationally recognized statistical rating organization and shall be arranged so as to ensure the independence of the officer's judgment.

“(5) ANNUAL REPORTS REQUIRED.—

“(A) ANNUAL REPORTS REQUIRED.—Each individual designated under paragraph (1) shall submit to the nationally recognized statistical rating organization an annual report on the compliance of the nationally recognized statistical rating organization with the securities laws and the policies and procedures of the nationally recognized statistical rating organization that includes—

“(i) a description of any material changes to the code of ethics and conflict of interest policies of the nationally recognized statistical rating organization; and

“(ii) a certification that the report is accurate and complete.

“(B) SUBMISSION OF REPORTS TO THE COMMISSION.—Each nationally recognized statistical rating organization shall file the reports required under subparagraph (A) together with the financial report that is required to be submitted to the Commission under this section.”;

(6) in subsection (k), by striking “furnish to” and inserting “file with”;

(7) in subsection (l)(2)(A)(i), by striking “furnished” and inserting “filed”;

(8) by striking subsection (p) and inserting the following:

“(p) REGULATION OF NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATIONS.—

“(1) ESTABLISHMENT OF OFFICE OF CREDIT RATINGS.—

“(A) OFFICE ESTABLISHED.—The Commission shall establish within the Commission an Office of Credit Ratings (referred to in this subsection as the ‘Office’) to administer the rules of the Commission—

“(i) with respect to the practices of nationally recognized statistical rating organizations in determining ratings, for the protection of users of credit ratings and in the public interest;

“(ii) to promote accuracy in credit ratings issued by nationally recognized statistical rating organizations; and

“(iii) to ensure that such ratings are not unduly influenced by conflicts of interest.

“(B) DIRECTOR OF THE OFFICE.—The head of the Office shall be the Director, who shall report to the Chairman.

“(2) STAFFING.—The Office established under this subsection shall be staffed sufficiently to carry out fully the requirements of this section. The staff shall include persons with knowledge of and expertise in corporate, municipal, and structured debt finance.

“(3) COMMISSION EXAMINATIONS.—

“(A) ANNUAL EXAMINATIONS REQUIRED.—The Office shall conduct an examination of each nationally recognized statistical rating organization at least annually.

“(B) CONDUCT OF EXAMINATIONS.—Each examination under subparagraph (A) shall include a review of—

“(i) whether the nationally recognized statistical rating organization conducts business in accordance with the policies, procedures, and rating methodologies of the nationally recognized statistical rating organization;

“(ii) the management of conflicts of interest by the nationally recognized statistical rating organization;

“(iii) implementation of ethics policies by the nationally recognized statistical rating organization;

“(iv) the internal supervisory controls of the nationally recognized statistical rating organization;

“(v) the governance of the nationally recognized statistical rating organization;

“(vi) the activities of the individual designated by the nationally recognized statistical rating organization under subsection (j)(1);

“(vii) the processing of complaints by the nationally recognized statistical rating organization; and

“(viii) the policies of the nationally recognized statistical rating organization governing the post-employment activities of former staff of the nationally recognized statistical rating organization.

“(C) INSPECTION REPORTS.—The Commission shall make available to the public, in an easily understandable format, an annual report summarizing—

“(i) the essential findings of all examinations conducted under subparagraph (A), as deemed appropriate by the Commission;

“(ii) the responses by the nationally recognized statistical rating organizations to any material regulatory deficiencies identified by the Commission under clause (i); and

“(iii) whether the nationally recognized statistical rating organizations have appropriately addressed the recommendations of the Commission contained in previous reports under this subparagraph.

“(4) RULEMAKING AUTHORITY.—The Commission shall—

“(A) establish, by rule, fines, and other penalties applicable to any nationally recognized statistical rating organization that violates the requirements of this section and the rules thereunder; and

“(B) issue such rules as may be necessary to carry out this section.

“(q) TRANSPARENCY OF RATINGS PERFORMANCE.—

“(1) RULEMAKING REQUIRED.—The Commission shall, by rule, require that each nationally recognized statistical rating organization publicly disclose information on the initial credit ratings determined by the nationally recognized statistical rating organization for each type of obligor, security, and money market instrument, and any subsequent changes to such credit ratings, for the purpose of allowing users of credit ratings to evaluate the accuracy of ratings and compare the performance of ratings by different nationally recognized statistical rating organizations.

“(2) CONTENT.—The rules of the Commission under this subsection shall require, at a minimum, disclosures that—

“(A) are comparable among nationally recognized statistical rating organizations, to allow users of credit ratings to compare the performance of credit ratings across nationally recognized statistical rating organizations;

“(B) are clear and informative for investors having a wide range of sophistication who use or might use credit ratings;

“(C) include performance information over a range of years and for a variety of types of credit ratings, including for credit ratings withdrawn by the nationally recognized statistical rating organization;

“(D) are published and made freely available by the nationally recognized statistical rating organization, on an easily accessible portion of its website, and in writing, when requested;

“(E) are appropriate to the business model of a nationally recognized statistical rating organization; and

“(F) each nationally recognized statistical rating organization include an attestation with any credit rating it issues affirming that no part of the rating was influenced by any other business activities, that the rating was based solely on the merits of the instruments being rated, and that such rating was an independent evaluation of the risks and merits of the instrument.

“(r) CREDIT RATINGS METHODOLOGIES.—The Commission shall prescribe rules, for the protection of investors and in the public interest, with respect to the procedures and methodologies, including qualitative and quantitative data and models, used by nationally recognized statistical rating organizations that require each nationally recognized statistical rating organization—

“(1) to ensure that credit ratings are determined using procedures and methodologies, including qualitative and quantitative data and models, that are—

“(A) approved by the board of the nationally recognized statistical rating organization, a body performing a function similar to that of a board; and

“(B) in accordance with the policies and procedures of the nationally recognized statistical

rating organization for the development and modification of credit rating procedures and methodologies;

“(2) to ensure that when material changes to credit rating procedures and methodologies (including changes to qualitative and quantitative data and models) are made, that—

“(A) the changes are applied consistently to all credit ratings to which the changed procedures and methodologies apply;

“(B) to the extent that changes are made to credit rating surveillance procedures and methodologies, the changes are applied to then-current credit ratings by the nationally recognized statistical rating organization within a reasonable time period determined by the Commission, by rule; and

“(C) the nationally recognized statistical rating organization publicly discloses the reason for the change; and

“(3) to notify users of credit ratings—

“(A) of the version of a procedure or methodology, including the qualitative methodology or quantitative inputs, used with respect to a particular credit rating;

“(B) when a material change is made to a procedure or methodology, including to a qualitative model or quantitative inputs;

“(C) when a significant error is identified in a procedure or methodology, including a qualitative or quantitative model, that may result in credit rating actions; and

“(D) of the likelihood of a material change described in subparagraph (B) resulting in a change in current credit ratings.

“(s) TRANSPARENCY OF CREDIT RATING METHODOLOGIES AND INFORMATION REVIEWED.—

“(1) FORM FOR DISCLOSURES.—The Commission shall require, by rule, each nationally recognized statistical rating organization to prescribe a form to accompany the publication of each credit rating that discloses—

“(A) information relating to—

“(i) the assumptions underlying the credit rating procedures and methodologies;

“(ii) the data that was relied on to determine the credit rating; and

“(iii) if applicable, how the nationally recognized statistical rating organization used servicer or remittance reports, and with what frequency, to conduct surveillance of the credit rating; and

“(B) information that can be used by investors and other users of credit ratings to better understand credit ratings in each class of credit rating issued by the nationally recognized statistical rating organization.

“(2) FORMAT.—The form developed under paragraph (1) shall—

“(A) be easy to use and helpful for users of credit ratings to understand the information contained in the report;

“(B) require the nationally recognized statistical rating organization to provide the content described in paragraph (3)(B) in a manner that is directly comparable across types of securities; and

“(C) be made readily available to users of credit ratings, in electronic or paper form, as the Commission may, by rule, determine.

“(3) CONTENT OF FORM.—

“(A) QUALITATIVE CONTENT.—Each nationally recognized statistical rating organization shall disclose on the form developed under paragraph (1)—

“(i) the credit ratings produced by the nationally recognized statistical rating organization;

“(ii) the main assumptions and principles used in constructing procedures and methodologies, including qualitative methodologies and quantitative inputs and assumptions about the correlation of defaults across underlying assets used in rating structured products;

“(iii) the potential limitations of the credit ratings, and the types of risks excluded from the

credit ratings that the nationally recognized statistical rating organization does not comment on, including liquidity, market, and other risks;

“(iv) information on the uncertainty of the credit rating, including—

“(I) information on the reliability, accuracy, and quality of the data relied on in determining the credit rating; and

“(II) a statement relating to the extent to which data essential to the determination of the credit rating were reliable or limited, including—

“(aa) any limits on the scope of historical data; and

“(bb) any limits in accessibility to certain documents or other types of information that would have better informed the credit rating;

“(v) whether and to what extent third party due diligence services have been used by the nationally recognized statistical rating organization, a description of the information that such third party reviewed in conducting due diligence services, and a description of the findings or conclusions of such third party;

“(vi) a description of the data about any obligor, issuer, security, or money market instrument that were relied upon for the purpose of determining the credit rating;

“(vii) a statement containing an overall assessment of the quality of information available and considered in producing a rating for an obligor, security, or money market instrument, in relation to the quality of information available to the nationally recognized statistical rating organization in rating similar issuances;

“(viii) information relating to conflicts of interest of the nationally recognized statistical rating organization; and

“(ix) such additional information as the Commission may require.

“(B) QUANTITATIVE CONTENT.—Each nationally recognized statistical rating organization shall disclose on the form developed under this subsection—

“(i) an explanation or measure of the potential volatility of the credit rating, including—

“(I) any factors that might lead to a change in the credit ratings; and

“(II) the magnitude of the change that a user can expect under different market conditions;

“(ii) information on the content of the rating, including—

“(I) the historical performance of the rating; and

“(II) the expected probability of default and the expected loss in the event of default;

“(iii) information on the sensitivity of the rating to assumptions made by the nationally recognized statistical rating organization, including—

“(I) 5 assumptions made in the ratings process that, without accounting for any other factor, would have the greatest impact on a rating if the assumptions were proven false or inaccurate; and

“(II) an analysis, using specific examples, of how each of the 5 assumptions identified under subclause (I) impacts a rating;

“(iv) such additional information as may be required by the Commission.

“(4) DUE DILIGENCE SERVICES FOR ASSET-BACKED SECURITIES.—

“(A) FINDINGS.—The issuer or underwriter of any asset-backed security shall make publicly available the findings and conclusions of any third-party due diligence report obtained by the issuer or underwriter.

“(B) CERTIFICATION REQUIRED.—In any case in which third-party due diligence services are employed by a nationally recognized statistical rating organization, an issuer, or an underwriter, the person providing the due diligence services shall provide to any nationally recognized statistical rating organization that pro-

duces a rating to which such services relate, written certification, as provided in subparagraph (C).

“(C) FORMAT AND CONTENT.—The Commission shall establish the appropriate format and content for the written certifications required under subparagraph (B), to ensure that providers of due diligence services have conducted a thorough review of data, documentation, and other relevant information necessary for a nationally recognized statistical rating organization to provide an accurate rating.

“(D) DISCLOSURE OF CERTIFICATION.—The Commission shall adopt rules requiring a nationally recognized statistical rating organization, at the time at which the nationally recognized statistical rating organization produces a rating, to disclose the certification described in subparagraph (B) to the public in a manner that allows the public to determine the adequacy and level of due diligence services provided by a third party.

“(t) CORPORATE GOVERNANCE, ORGANIZATION, AND MANAGEMENT OF CONFLICTS OF INTEREST.—

“(1) BOARD OF DIRECTORS.—Each nationally recognized statistical rating organization shall have a board of directors.

“(2) INDEPENDENT DIRECTORS.—

“(A) IN GENERAL.—At least 1/2 of the board of directors, but not fewer than 2 of the members thereof, shall be independent of the nationally recognized statistical rating agency. A portion of the independent directors shall include users of ratings from a nationally recognized statistical rating organization.

“(B) INDEPENDENCE DETERMINATION.—In order to be considered independent for purposes of this subsection, a member of the board of directors of a nationally recognized statistical rating organization—

“(i) may not, other than in his or her capacity as a member of the board of directors or any committee thereof—

“(I) accept any consulting, advisory, or other compensatory fee from the nationally recognized statistical rating organization; or

“(II) be a person associated with the nationally recognized statistical rating organization or with any affiliated company thereof; and

“(ii) shall be disqualified from any deliberation involving a specific rating in which the independent board member has a financial interest in the outcome of the rating.

“(C) COMPENSATION AND TERM.—The compensation of the independent members of the board of directors of a nationally recognized statistical rating organization shall not be linked to the business performance of the nationally recognized statistical rating organization, and shall be arranged so as to ensure the independence of their judgment. The term of office of the independent directors shall be for a pre-agreed fixed period, not to exceed 5 years, and shall not be renewable.

“(3) DUTIES OF BOARD OF DIRECTORS.—In addition to the overall responsibilities of the board of directors, the board shall oversee—

“(A) the establishment, maintenance, and enforcement of policies and procedures for determining credit ratings;

“(B) the establishment, maintenance, and enforcement of policies and procedures to address, manage, and disclose any conflicts of interest;

“(C) the effectiveness of the internal control system with respect to policies and procedures for determining credit ratings; and

“(D) the compensation and promotion policies and practices of the nationally recognized statistical rating organization.

“(4) TREATMENT OF NRSRO SUBSIDIARIES.—If a nationally recognized statistical rating organization is a subsidiary of a parent entity, the board of the directors of the parent entity may satisfy the requirements of this subsection by as-

signing to a committee of such board of directors the duties under paragraph (3), if—

“(A) at least 1/2 of the members of the committee (including the chairperson of the committee) are independent, as defined in this section; and

“(B) at least 1 member of the committee is a user of ratings from a nationally recognized statistical rating organization.

“(5) EXCEPTION AUTHORITY.—If the Commission finds that compliance with the provisions of this subsection present an unreasonable burden on a small nationally recognized statistical rating organization, the Commission may permit the nationally recognized statistical rating organization to delegate such responsibilities to a committee that includes at least one individual who is a user of ratings of a nationally recognized statistical rating organization.”

(b) CONFORMING AMENDMENT.—Section 3(a)(62) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(62)) is amended by striking subparagraph (A) and redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively.

SEC. 933. STATE OF MIND IN PRIVATE ACTIONS.

(a) ACCOUNTABILITY.—Section 15E(m) of the Securities Exchange Act of 1934 (15 U.S.C. 78o-7(m)) is amended to read as follows:

“(m) ACCOUNTABILITY.—

“(1) IN GENERAL.—The enforcement and penalty provisions of this title shall apply to statements made by a credit rating agency in the same manner and to the same extent as such provisions apply to statements made by a registered public accounting firm or a securities analyst under the securities laws, and such statements shall not be deemed forward-looking statements for the purposes of section 21E.

“(2) RULEMAKING.—The Commission shall issue such rules as may be necessary to carry out this subsection.”

(b) STATE OF MIND.—Section 21D(b)(2) of the Securities Exchange Act of 1934 (15 U.S.C. 78u-4(b)(2)) is amended—

(1) by striking “In any” and inserting the following:

“(A) IN GENERAL.—Except as provided in subparagraph (B), in any”; and

(2) by adding at the end the following:

“(B) EXCEPTION.—In the case of an action for money damages brought against a credit rating agency or a controlling person under this title, it shall be sufficient, for purposes of pleading any required state of mind in relation to such action, that the complaint state with particularity facts giving rise to a strong inference that the credit rating agency knowingly or recklessly failed—

“(i) to conduct a reasonable investigation of the rated security with respect to the factual elements relied upon by its own methodology for evaluating credit risk; or

“(ii) to obtain reasonable verification of such factual elements (which verification may be based on a sampling technique that does not amount to an audit) from other sources that the credit rating agency considered to be competent and that were independent of the issuer and underwriter.”

SEC. 934. REFERRING TIPS TO LAW ENFORCEMENT OR REGULATORY AUTHORITIES.

Section 15E of the Securities Exchange Act of 1934 (15 U.S.C. 78o-7), as amended by this subtitle, is amended by adding at the end the following:

“(u) DUTY TO REPORT TIPS ALLEGING MATERIAL VIOLATIONS OF LAW.—

“(1) DUTY TO REPORT.—Each nationally recognized statistical rating organization shall refer to the appropriate law enforcement or regulatory authorities any information that the nationally recognized statistical rating organization receives from a third party and finds credible that alleges that an issuer of securities

rated by the nationally recognized statistical rating organization has committed or is committing a material violation of law that has not been adjudicated by a Federal or State court.

“(2) **RULE OF CONSTRUCTION.**—Nothing in paragraph (1) may be construed to require a nationally recognized statistical rating organization to verify the accuracy of the information described in paragraph (1).”.

SEC. 935. CONSIDERATION OF INFORMATION FROM SOURCES OTHER THAN THE ISSUER IN RATING DECISIONS.

Section 15E of the Securities Exchange Act of 1934 (15 U.S.C. 78o-7), as amended by this subtitle, is amended by adding at the end the following:

“(v) **INFORMATION FROM SOURCES OTHER THAN THE ISSUER.**—In producing a credit rating, a nationally recognized statistical rating organization shall consider information about an issuer that the nationally recognized statistical rating organization has, or receives from a source other than the issuer or underwriter, that the nationally recognized statistical rating organization finds credible and potentially significant to a rating decision.”.

SEC. 936. QUALIFICATION STANDARDS FOR CREDIT RATING ANALYSTS.

Not later than 1 year after the date of enactment of this Act, the Commission shall issue rules that are reasonably designed to ensure that any person employed by a nationally recognized statistical rating organization to perform credit ratings—

(1) meets standards of training, experience, and competence necessary to produce accurate ratings for the categories of issuers whose securities the person rates; and

(2) is tested for knowledge of the credit rating process.

SEC. 937. TIMING OF REGULATIONS.

Unless otherwise specifically provided in this subtitle, the Commission shall issue final regulations, as required by this subtitle and the amendments made by this subtitle, not later than 1 year after the date of enactment of this Act.

SEC. 938. UNIVERSAL RATINGS SYMBOLS.

(a) **RULEMAKING.**—The Commission shall require, by rule, each nationally recognized statistical rating organization to establish, maintain, and enforce written policies and procedures that—

(1) assess the probability that an issuer of a security or money market instrument will default, fail to make timely payments, or otherwise not make payments to investors in accordance with the terms of the security or money market instrument;

(2) clearly define and disclose the meaning of any symbol used by the nationally recognized statistical rating organization to denote a credit rating; and

(3) apply any symbol described in paragraph (2) in a manner that is consistent for all types of securities and money market instruments for which the symbol is used.

(b) **RULE OF CONSTRUCTION.**—Nothing in this section shall prohibit a nationally recognized statistical rating organization from using distinct sets of symbols to denote credit ratings for different types of securities or money market instruments.

SEC. 939. REMOVAL OF STATUTORY REFERENCES TO CREDIT RATINGS.

(a) **FEDERAL DEPOSIT INSURANCE ACT.**—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended—

(1) in section 7(b)(1)(E)(i), by striking “credit rating entities, and other private economic” and insert “private economic, credit,”;

(2) in section 28(d)—

(A) in the subsection heading, by striking “NOT OF INVESTMENT GRADE”;

(B) in paragraph (1), by striking “not of investment grade” and inserting “that does not meet standards of credit-worthiness as established by the Corporation”;

(C) in paragraph (2), by striking “not of investment grade”;

(D) by striking paragraph (3);

(E) by redesignating paragraph (4) as paragraph (3); and

(F) in paragraph (3), as so redesignated—

(i) by striking subparagraph (A);

(ii) by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively; and

(iii) in subparagraph (B), as so redesignated, by striking “not of investment grade” and inserting “that does not meet standards of credit-worthiness as established by the Corporation”;

(3) in section 28(e)—

(A) in the subsection heading, by striking “NOT OF INVESTMENT GRADE”;

(B) in paragraph (1), by striking “not of investment grade” and inserting “that does not meet standards of credit-worthiness as established by the Corporation”;

(C) in paragraphs (2) and (3), by striking “not of investment grade” each place that it appears and inserting “that does not meet standards of credit-worthiness established by the Corporation”.

(b) **FEDERAL HOUSING ENTERPRISES FINANCIAL SAFETY AND SOUNDNESS ACT OF 1992.**—Section 1319 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4519) is amended by striking “that is a nationally recognized statistical rating organization, as such term is defined in section 3(a) of the Securities Exchange Act of 1934.”.

(c) **INVESTMENT COMPANY ACT OF 1940.**—Section 6(a)(5)(A)(iv)(I) Investment Company Act of 1940 (15 U.S.C. 80a-6(a)(5)(A)(iv)(I)) is amended by striking “is rated investment grade by not less than 1 nationally recognized statistical rating organization” and inserting “meets such standards of credit-worthiness as the Commission shall adopt”.

(d) **REVISED STATUTES.**—Section 5136A of title LXII of the Revised Statutes of the United States (12 U.S.C. 24a) is amended—

(1) in subsection (a)(2)(E), by striking “any applicable rating” and inserting “standards of credit-worthiness established by the Comptroller of the Currency”;

(2) in the heading for subsection (a)(3) by striking “RATING OR COMPARABLE REQUIREMENT” and inserting “REQUIREMENT”;

(3) subsection (a)(3), by amending subparagraph (A) to read as follows:

“(A) **IN GENERAL.**—A national bank meets the requirements of this paragraph if the bank is one of the 100 largest insured banks and has not fewer than 1 issue of outstanding debt that meets standards of credit-worthiness or other criteria as the Secretary of the Treasury and the Board of Governors of the Federal Reserve System may jointly establish.”.

(4) in the heading for subsection (f), by striking “MAINTAIN PUBLIC RATING OR” and inserting “MEET STANDARDS OF CREDIT-WORTHINESS”;

(5) in subsection (f)(1), by striking “any applicable rating” and inserting “standards of credit-worthiness established by the Comptroller of the Currency”.

(e) **SECURITIES EXCHANGE ACT OF 1934.**—Section 3(a) Securities Exchange Act of 1934 (15 U.S.C. 78a(3)(a)) is amended—

(1) in paragraph (41), by striking “is rated in one of the two highest rating categories by at least one nationally recognized statistical rating organization” and inserting “meets standards of credit-worthiness as established by the Commission”;

(2) in paragraph (53)(A), by striking “is rated in 1 of the 4 highest rating categories by at least 1 nationally recognized statistical rating organization” and inserting “meets standards of credit-worthiness as established by the Commission”.

(f) **WORLD BANK DISCUSSIONS.**—Section 3(a)(6) of the amendment in the nature of a substitute to the text of H.R. 4645, as ordered reported from the Committee on Banking, Finance and Urban Affairs on September 22, 1988, as enacted into law by section 555 of Public Law 100-461, (22 U.S.C. 286hh(a)(6)), is amended by striking “credit rating” and inserting “credit-worthiness”.

(g) **EFFECTIVE DATE.**—The amendments made by this section shall take effect 2 years after the date of enactment of this Act.

(h) **STUDY AND REPORT.**—

(1) **IN GENERAL.**—Commission shall undertake a study on the feasibility and desirability of—

(A) standardizing credit ratings terminology, so that all credit rating agencies issue credit ratings using identical terms;

(B) standardizing the market stress conditions under which ratings are evaluated;

(C) requiring a quantitative correspondence between credit ratings and a range of default probabilities and loss expectations under standardized conditions of economic stress; and

(D) standardizing credit rating terminology across asset classes, so that named ratings correspond to a standard range of default probabilities and expected losses independent of asset class and issuing entity.

(2) **REPORT.**—Not later than 1 year after the date of enactment of this Act, the Commission shall submit to Congress a report containing the findings of the study under paragraph (1) and the recommendations, if any, of the Commission with respect to the study.

SEC. 939A. REVIEW OF RELIANCE ON RATINGS.

(a) **AGENCY REVIEW.**—Not later than 1 year after the date of the enactment of this subtitle, each Federal agency shall, to the extent applicable, review—

(1) any regulation issued by such agency that requires the use of an assessment of the credit-worthiness of a security or money market instrument; and

(2) any references to or requirements in such regulations regarding credit ratings.

(b) **MODIFICATIONS REQUIRED.**—Each such agency shall modify any such regulations identified by the review conducted under subsection (a) to remove any reference to or requirement of reliance on credit ratings and to substitute in such regulations such standard of credit-worthiness as each respective agency shall determine as appropriate for such regulations. In making such determination, such agencies shall seek to establish, to the extent feasible, uniform standards of credit-worthiness for use by each such agency, taking into account the entities regulated by each such agency and the purposes for which such entities would rely on such standards of credit-worthiness.

(c) **REPORT.**—Upon conclusion of the review required under subsection (a), each Federal agency shall transmit a report to Congress containing a description of any modification of any regulation such agency made pursuant to subsection (b).

SEC. 939B. ELIMINATION OF EXEMPTION FROM FAIR DISCLOSURE RULE.

Not later than 90 days after the date of enactment of this subtitle, the Securities Exchange Commission shall revise Regulation FD (17 C.F.R. 243.100) to remove from such regulation the exemption for entities whose primary business is the issuance of credit ratings (17 C.F.R. 243.100(b)(2)(iii)).

SEC. 939C. SECURITIES AND EXCHANGE COMMISSION STUDY ON STRENGTHENING CREDIT RATING AGENCY INDEPENDENCE.

(a) **STUDY.**—The Commission shall conduct a study of—

(1) the independence of nationally recognized statistical rating organizations; and

(2) how the independence of nationally recognized statistical rating organizations affects the ratings issued by the nationally recognized statistical rating organizations.

(b) **SUBJECTS FOR EVALUATION.**—In conducting the study under subsection (a), the Commission shall evaluate—

(1) the management of conflicts of interest raised by a nationally recognized statistical rating organization providing other services, including risk management advisory services, ancillary assistance, or consulting services;

(2) the potential impact of rules prohibiting a nationally recognized statistical rating organization that provides a rating to an issuer from providing other services to the issuer; and

(3) any other issue relating to nationally recognized statistical rating organizations, as the Chairman of the Commission determines is appropriate.

(c) **REPORT.**—Not later than 3 years after the date of enactment of this Act, the Chairman of the Commission shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report on the results of the study conducted under subsection (a), including recommendations, if any, for improving the integrity of ratings issued by nationally recognized statistical rating organizations.

SEC. 939D. GOVERNMENT ACCOUNTABILITY OFFICE STUDY ON ALTERNATIVE BUSINESS MODELS.

(a) **STUDY.**—The Comptroller General of the United States shall conduct a study on alternative means for compensating nationally recognized statistical rating organizations in order to create incentives for nationally recognized statistical rating organizations to provide more accurate credit ratings, including any statutory changes that would be required to facilitate the use of an alternative means of compensation.

(b) **REPORT.**—Not later than 18 months after the date of enactment of this Act, the Comptroller General shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report on the results of the study conducted under subsection (a), including recommendations, if any, for providing incentives to credit rating agencies to improve the credit rating process.

SEC. 939E. GOVERNMENT ACCOUNTABILITY OFFICE STUDY ON THE CREATION OF AN INDEPENDENT PROFESSIONAL ANALYST ORGANIZATION.

(a) **STUDY.**—The Comptroller General of the United States shall conduct a study on the feasibility and merits of creating an independent professional organization for rating analysts employed by nationally recognized statistical rating organizations that would be responsible for—

(1) establishing independent standards for governing the profession of rating analysts;

(2) establishing a code of ethical conduct; and

(3) overseeing the profession of rating analysts.

(b) **REPORT.**—Not later than 1 year after the date of publication of the rules issued by the Commission pursuant to section 936, the Comptroller General shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report on the results of the study conducted under subsection (a).

SEC. 939F. STUDY AND RULEMAKING ON AS-SIGNED CREDIT RATINGS.

(a) **DEFINITION.**—In this section, the term “structured finance product” means an asset-backed security, as defined in section 3(a)(77) of the Securities Exchange Act of 1934, as added by section 941, and any structured product based on an asset-backed security, as determined by the Commission, by rule.

(b) **STUDY.**—The Commission shall carry out a study of—

(1) the credit rating process for structured finance products and the conflicts of interest associated with the issuer-pay and the subscriber-pay models;

(2) the feasibility of establishing a system in which a public or private utility or a self-regulatory organization assigns nationally recognized statistical rating organizations to determine the credit ratings of structured finance products, including—

(A) an assessment of potential mechanisms for determining fees for the nationally recognized statistical rating organizations;

(B) appropriate methods for paying fees to the nationally recognized statistical rating organizations;

(C) the extent to which the creation of such a system would be viewed as the creation of moral hazard by the Federal Government; and

(D) any constitutional or other issues concerning the establishment of such a system;

(3) the range of metrics that could be used to determine the accuracy of credit ratings; and

(4) alternative means for compensating nationally recognized statistical rating organizations that would create incentives for accurate credit ratings.

(c) **REPORT AND RECOMMENDATION.**—Not later than 24 months after the date of enactment of this Act, the Commission shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report that contains—

(1) the findings of the study required under subsection (b); and

(2) any recommendations for regulatory or statutory changes that the Commission determines should be made to implement the findings of the study required under subsection (b).

(d) **RULEMAKING.**—

(1) **RULEMAKING.**—After submission of the report under subsection (c), the Commission shall, by rule, as the Commission determines is necessary or appropriate in the public interest or for the protection of investors, establish a system for the assignment of nationally recognized statistical rating organizations to determine the initial credit ratings of structured finance products, in a manner that prevents the issuer, sponsor, or underwriter of the structured finance product from selecting the nationally recognized statistical rating organization that will determine the initial credit ratings and monitor such credit ratings. In issuing any rule under this paragraph, the Commission shall give thorough consideration to the provisions of section 15E(w) of the Securities Exchange Act of 1934, as that provision would have been added by section 939D of H.R. 4173 (111th Congress), as passed by the Senate on May 20, 2010, and shall implement the system described in such section 939D unless the Commission determines that an alternative system would better serve the public interest and the protection of investors.

(2) **RULE OF CONSTRUCTION.**—Nothing in this subsection may be construed to limit or suspend any other rulemaking authority of the Commission.

SEC. 939G. EFFECT OF RULE 436(G).

Rule 436(g), promulgated by the Securities and Exchange Commission under the Securities Act of 1933, shall have no force or effect.

SEC. 939H. SENSE OF CONGRESS.

It is the sense of Congress that the Securities and Exchange Commission should exercise the rulemaking authority of the Commission under section 15E(h)(2)(B) of the Securities Exchange Act of 1934 (15 U.S.C. 78o-7(h)(2)(B)) to prevent improper conflicts of interest arising from employees of nationally recognized statistical rating organizations providing services to issuers of securities that are unrelated to the issuance of credit ratings, including consulting, advisory, and other services.

Subtitle D—Improvements to the Asset-Backed Securitization Process

SEC. 941. REGULATION OF CREDIT RISK RETENTION.

(a) **DEFINITION OF ASSET-BACKED SECURITY.**—Section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)) is amended by adding at the end the following:

“(77) **ASSET-BACKED SECURITY.**—The term ‘asset-backed security’—

“(A) means a fixed-income or other security collateralized by any type of self-liquidating financial asset (including a loan, a lease, a mortgage, or a secured or unsecured receivable) that allows the holder of the security to receive payments that depend primarily on cash flow from the asset, including—

“(i) a collateralized mortgage obligation;

“(ii) a collateralized debt obligation;

“(iii) a collateralized bond obligation;

“(iv) a collateralized debt obligation of asset-backed securities;

“(v) a collateralized debt obligation of collateralized debt obligations; and

“(vi) a security that the Commission, by rule, determines to be an asset-backed security for purposes of this section; and

“(B) does not include a security issued by a finance subsidiary held by the parent company or a company controlled by the parent company, if none of the securities issued by the finance subsidiary are held by an entity that is not controlled by the parent company.”.

(b) **CREDIT RISK RETENTION.**—The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended by inserting after section 15F, as added by this Act, the following:

“SEC. 15G. CREDIT RISK RETENTION.

“(a) **DEFINITIONS.**—In this section—

“(1) the term ‘Federal banking agencies’ means the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation;

“(2) the term ‘insured depository institution’ has the same meaning as in section 3(c) of the Federal Deposit Insurance Act (12 U.S.C. 1813(c));

“(3) the term ‘securitizer’ means—

“(A) an issuer of an asset-backed security; or

“(B) a person who organizes and initiates an asset-backed securities transaction by selling or transferring assets, either directly or indirectly, including through an affiliate, to the issuer; and

“(4) the term ‘originator’ means a person who—

“(A) through the extension of credit or otherwise, creates a financial asset that collateralizes an asset-backed security; and

“(B) sells an asset directly or indirectly to a securitizer.

“(b) **REGULATIONS REQUIRED.**—

“(1) **IN GENERAL.**—Not later than 270 days after the date of enactment of this section, the Federal banking agencies and the Commission shall jointly prescribe regulations to require any securitizer to retain an economic interest in a portion of the credit risk for any asset that the securitizer, through the issuance of an asset-backed security, transfers, sells, or conveys to a third party.

“(2) **RESIDENTIAL MORTGAGES.**—Not later than 270 days after the date of the enactment of this section, the Federal banking agencies, the Commission, the Secretary of Housing and Urban Development, and the Federal Housing Finance Agency, shall jointly prescribe regulations to require any securitizer to retain an economic interest in a portion of the credit risk for any residential mortgage asset that the securitizer, through the issuance of an asset-backed security, transfers, sells, or conveys to a third party.

“(c) **STANDARDS FOR REGULATIONS.**—

“(1) **STANDARDS.**—The regulations prescribed under subsection (b) shall—

“(A) prohibit a securitizer from directly or indirectly hedging or otherwise transferring the credit risk that the securitizer is required to retain with respect to an asset;

“(B) require a securitizer to retain—

“(i) not less than 5 percent of the credit risk for any asset—

“(I) that is not a qualified residential mortgage that is transferred, sold, or conveyed through the issuance of an asset-backed security by the securitizer; or

“(II) that is a qualified residential mortgage that is transferred, sold, or conveyed through the issuance of an asset-backed security by the securitizer, if 1 or more of the assets that collateralize the asset-backed security are not qualified residential mortgages; or

“(ii) less than 5 percent of the credit risk for an asset that is not a qualified residential mortgage that is transferred, sold, or conveyed through the issuance of an asset-backed security by the securitizer, if the originator of the asset meets the underwriting standards prescribed under paragraph (2)(B);

“(C) specify—

“(i) the permissible forms of risk retention for purposes of this section;

“(ii) the minimum duration of the risk retention required under this section; and

“(iii) that a securitizer is not required to retain any part of the credit risk for an asset that is transferred, sold or conveyed through the issuance of an asset-backed security by the securitizer, if all of the assets that collateralize the asset-backed security are qualified residential mortgages;

“(D) apply, regardless of whether the securitizer is an insured depository institution;

“(E) with respect to a commercial mortgage, specify the permissible types, forms, and amounts of risk retention that would meet the requirements of subparagraph (B), which in the determination of the Federal banking agencies and the Commission may include—

“(i) retention of a specified amount or percentage of the total credit risk of the asset;

“(ii) retention of the first-loss position by a third-party purchaser that specifically negotiates for the purchase of such first loss position, holds adequate financial resources to back losses, provides due diligence on all individual assets in the pool before the issuance of the asset-backed securities, and meets the same standards for risk retention as the Federal banking agencies and the Commission require of the securitizer;

“(iii) a determination by the Federal banking agencies and the Commission that the underwriting standards and controls for the asset are adequate; and

“(iv) provision of adequate representations and warranties and related enforcement mechanisms; and

“(F) establish appropriate standards for retention of an economic interest with respect to collateralized debt obligations, securities collateralized by collateralized debt obligations, and similar instruments collateralized by other asset-backed securities; and

“(G) provide for—

“(i) a total or partial exemption of any securitization, as may be appropriate in the public interest and for the protection of investors;

“(ii) a total or partial exemption for the securitization of an asset issued or guaranteed by the United States, or an agency of the United States, as the Federal banking agencies and the Commission jointly determine appropriate in the public interest and for the protection of investors, except that, for purposes of this clause, the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation are not agencies of the United States;

“(iii) a total or partial exemption for any asset-backed security that is a security issued or guaranteed by any State of the United States, or by any political subdivision of a State or territory, or by any public instrumentality of a State or territory that is exempt from the registration requirements of the Securities Act of 1933 by reason of section 3(a)(2) of that Act (15 U.S.C. 77c(a)(2)), or a security defined as a qualified scholarship funding bond in section 150(d)(2) of the Internal Revenue Code of 1986, as may be appropriate in the public interest and for the protection of investors; and

“(iv) the allocation of risk retention obligations between a securitizer and an originator in the case of a securitizer that purchases assets from an originator, as the Federal banking agencies and the Commission jointly determine appropriate.

“(2) **ASSET CLASSES.**—

“(A) **ASSET CLASSES.**—The regulations prescribed under subsection (b) shall establish asset classes with separate rules for securitizers of different classes of assets, including residential mortgages, commercial mortgages, commercial loans, auto loans, and any other class of assets that the Federal banking agencies and the Commission deem appropriate.

“(B) **CONTENTS.**—For each asset class established under subparagraph (A), the regulations prescribed under subsection (b) shall include underwriting standards established by the Federal banking agencies that specify the terms, conditions, and characteristics of a loan within the asset class that indicate a low credit risk with respect to the loan.

“(d) **ORIGINATORS.**—In determining how to allocate risk retention obligations between a securitizer and an originator under subsection (c)(1)(E)(iv), the Federal banking agencies and the Commission shall—

“(I) reduce the percentage of risk retention obligations required of the securitizer by the percentage of risk retention obligations required of the originator; and

“(2) consider—

“(A) whether the assets sold to the securitizer have terms, conditions, and characteristics that reflect low credit risk;

“(B) whether the form or volume of transactions in securitization markets creates incentives for imprudent origination of the type of loan or asset to be sold to the securitizer; and

“(C) the potential impact of the risk retention obligations on the access of consumers and businesses to credit on reasonable terms, which may not include the transfer of credit risk to a third party.

“(e) **EXEMPTIONS, EXCEPTIONS, AND ADJUSTMENTS.**—

“(1) **IN GENERAL.**—The Federal banking agencies and the Commission may jointly adopt or issue exemptions, exceptions, or adjustments to the rules issued under this section, including exemptions, exceptions, or adjustments for classes of institutions or assets relating to the risk retention requirement and the prohibition on hedging under subsection (c)(1).

“(2) **APPLICABLE STANDARDS.**—Any exemption, exception, or adjustment adopted or issued by

the Federal banking agencies and the Commission under this paragraph shall—

“(A) help ensure high quality underwriting standards for the securitizers and originators of assets that are securitized or available for securitization; and

“(B) encourage appropriate risk management practices by the securitizers and originators of assets, improve the access of consumers and businesses to credit on reasonable terms, or otherwise be in the public interest and for the protection of investors.

“(3) **CERTAIN INSTITUTIONS AND PROGRAMS EXEMPT.**—

“(A) **FARM CREDIT SYSTEM INSTITUTIONS.**—Notwithstanding any other provision of this section, the requirements of this section shall not apply to any loan or other financial asset made, insured, guaranteed, or purchased by any institution that is subject to the supervision of the Farm Credit Administration, including the Federal Agricultural Mortgage Corporation.

“(B) **OTHER FEDERAL PROGRAMS.**—This section shall not apply to any residential, multifamily, or health care facility mortgage loan asset, or securitization based directly or indirectly on such an asset, which is insured or guaranteed by the United States or an agency of the United States. For purposes of this subsection, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Federal home loan banks shall not be considered an agency of the United States.

“(4) **EXEMPTION FOR QUALIFIED RESIDENTIAL MORTGAGES.**—

“(A) **IN GENERAL.**—The Federal banking agencies, the Commission, the Secretary of Housing and Urban Development, and the Director of the Federal Housing Finance Agency shall jointly issue regulations to exempt qualified residential mortgages from the risk retention requirements of this subsection.

“(B) **QUALIFIED RESIDENTIAL MORTGAGE.**—The Federal banking agencies, the Commission, the Secretary of Housing and Urban Development, and the Director of the Federal Housing Finance Agency shall jointly define the term ‘qualified residential mortgage’ for purposes of this subsection, taking into consideration underwriting and product features that historical loan performance data indicate result in a lower risk of default, such as—

“(i) documentation and verification of the financial resources relied upon to qualify the mortgage;

“(ii) standards with respect to—

“(I) the residual income of the mortgagor after all monthly obligations;

“(II) the ratio of the housing payments of the mortgagor to the monthly income of the mortgagor;

“(III) the ratio of total monthly installment payments of the mortgagor to the income of the mortgagor;

“(iii) mitigating the potential for payment shock on adjustable rate mortgages through product features and underwriting standards;

“(iv) mortgage guarantee insurance or other types of insurance or credit enhancement obtained at the time of origination, to the extent such insurance or credit enhancement reduces the risk of default; and

“(v) prohibiting or restricting the use of balloon payments, negative amortization, prepayment penalties, interest-only payments, and other features that have been demonstrated to exhibit a higher risk of borrower default.

“(C) **LIMITATION ON DEFINITION.**—The Federal banking agencies, the Commission, the Secretary of Housing and Urban Development, and the Director of the Federal Housing Finance Agency in defining the term ‘qualified residential mortgage’, as required by subparagraph (B), shall define that term to be no broader than the definition ‘qualified mortgage’ as the term is defined

under section 129C(c)(2) of the Truth in Lending Act, as amended by the Consumer Financial Protection Act of 2010, and regulations adopted thereunder.

“(5) **CONDITION FOR QUALIFIED RESIDENTIAL MORTGAGE EXEMPTION.**—The regulations issued under paragraph (4) shall provide that an asset-backed security that is collateralized by tranches of other asset-backed securities shall not be exempt from the risk retention requirements of this subsection.

“(6) **CERTIFICATION.**—The Commission shall require an issuer to certify, for each issuance of an asset-backed security collateralized exclusively by qualified residential mortgages, that the issuer has evaluated the effectiveness of the internal supervisory controls of the issuer with respect to the process for ensuring that all assets that collateralize the asset-backed security are qualified residential mortgages.

“(f) **ENFORCEMENT.**—The regulations issued under this section shall be enforced by—
“(1) the appropriate Federal banking agency, with respect to any securitizer that is an insured depository institution; and
“(2) the Commission, with respect to any securitizer that is not an insured depository institution.

“(g) **AUTHORITY OF COMMISSION.**—The authority of the Commission under this section shall be in addition to the authority of the Commission to otherwise enforce the securities laws.
“(h) **AUTHORITY TO COORDINATE ON RULE-MAKING.**—The Chairperson of the Financial Stability Oversight Council shall coordinate all joint rulemaking required under this section.

“(i) **EFFECTIVE DATE OF REGULATIONS.**—The regulations issued under this section shall become effective—
“(1) with respect to securitizers and originators of asset-backed securities backed by residential mortgages, 1 year after the date on which final rules under this section are published in the Federal Register; and
“(2) with respect to securitizers and originators of all other classes of asset-backed securities, 2 years after the date on which final rules under this section are published in the Federal Register.”.

(c) **STUDY ON RISK RETENTION.**—

(1) **STUDY.**—The Board of Governors of the Federal Reserve System, in coordination and consultation with the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the Chairperson of the Federal Deposit Insurance Corporation, and the Securities and Exchange Commission shall conduct a study of the combined impact on each individual class of asset-backed security established under section 15G(c)(2) of the Securities Exchange Act of 1934, as added by subsection (b), of—

(A) the new credit risk retention requirements contained in the amendment made by subsection (b), including the effect credit risk retention requirements have on increasing the market for Federally subsidized loans; and
(B) the Financial Accounting Statements 166 and 167 issued by the Financial Accounting Standards Board.

(2) **REPORT.**—Not later than 90 days after the date of enactment of this Act, the Board of Governors of the Federal Reserve System shall submit to Congress a report on the study conducted under paragraph (1). Such report shall include statutory and regulatory recommendations for eliminating any negative impacts on the continued viability of the asset-backed securitization markets and on the availability of credit for new lending identified by the study conducted under paragraph (1).

SEC. 942. DISCLOSURES AND REPORTING FOR ASSET-BACKED SECURITIES.

(a) **SECURITIES EXCHANGE ACT OF 1934.**—Section 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(d)) is amended—

(1) by striking “(d) Each” and inserting the following:

“(d) **SUPPLEMENTARY AND PERIODIC INFORMATION.**—

“(1) **IN GENERAL.**—Each”;

(2) in the third sentence, by inserting after “securities of each class” the following: “, other than any class of asset-backed securities,”; and
(3) by adding at the end the following:

“(2) **ASSET-BACKED SECURITIES.**—

“(A) **SUSPENSION OF DUTY TO FILE.**—The Commission may, by rule or regulation, provide for the suspension or termination of the duty to file under this subsection for any class of asset-backed security, on such terms and conditions and for such period or periods as the Commission deems necessary or appropriate in the public interest or for the protection of investors.
“(B) **CLASSIFICATION OF ISSUERS.**—The Commission may, for purposes of this subsection, classify issuers and prescribe requirements appropriate for each class of issuers of asset-backed securities.”.

(b) **SECURITIES ACT OF 1933.**—Section 7 of the Securities Act of 1933 (15 U.S.C. 77g) is amended by adding at the end the following:

“(c) **DISCLOSURE REQUIREMENTS.**—

“(1) **IN GENERAL.**—The Commission shall adopt regulations under this subsection requiring each issuer of an asset-backed security to disclose, for each tranche or class of security, information regarding the assets backing that security.
“(2) **CONTENT OF REGULATIONS.**—In adopting regulations under this subsection, the Commission shall—
“(A) set standards for the format of the data provided by issuers of an asset-backed security, which shall, to the extent feasible, facilitate comparison of such data across securities in similar types of asset classes; and
“(B) require issuers of asset-backed securities, at a minimum, to disclose asset-level or loan-level data, if such data are necessary for investors to independently perform due diligence, including—
“(i) data having unique identifiers relating to loan brokers or originators;
“(ii) the nature and extent of the compensation of the broker or originator of the assets backing the security; and
“(iii) the amount of risk retention by the originator and the securitizer of such assets.”.

(c) **SEC. 943. REPRESENTATIONS AND WARRANTIES IN ASSET-BACKED OFFERINGS.**

Not later than 180 days after the date of enactment of this Act, the Securities and Exchange Commission shall prescribe regulations on the use of representations and warranties in the market for asset-backed securities (as that term is defined in section 3(a)(77) of the Securities Exchange Act of 1934, as added by this subtitle) that—

(1) require each national recognized statistical rating organization to include in any report accompanying a credit rating a description of—
(A) the representations, warranties, and enforcement mechanisms available to investors; and
(B) how they differ from the representations, warranties, and enforcement mechanisms in issuances of similar securities; and
(2) require any securitizer (as that term is defined in section 15G(a) of the Securities Exchange Act of 1934, as added by this subtitle) to disclose fulfilled and unfulfilled repurchase requests across all trusts aggregated by the securitizer, so that investors may identify asset originators with clear underwriting deficiencies.

SEC. 944. EXEMPTED TRANSACTIONS UNDER THE SECURITIES ACT OF 1933.

(a) **EXEMPTION ELIMINATED.**—Section 4 of the Securities Act of 1933 (15 U.S.C. 77d) is amended—

(1) by striking paragraph (5); and

(2) by striking “(6) transactions” and inserting the following:

“(5) transactions”.

(b) **CONFORMING AMENDMENT.**—Section 3(a)(4)(B)(vii)(I) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(4)(B)(vii)(I)) is amended by striking “(4)(6)” and inserting “(4)(5)”.

SEC. 945. DUE DILIGENCE ANALYSIS AND DISCLOSURE IN ASSET-BACKED SECURITIES ISSUES.

Section 7 of the Securities Act of 1933 (15 U.S.C. 77g), as amended by this subtitle, is amended by adding at the end the following:

“(d) **REGISTRATION STATEMENT FOR ASSET-BACKED SECURITIES.**—Not later than 180 days after the date of enactment of this subsection, the Commission shall issue rules relating to the registration statement required to be filed by any issuer of an asset-backed security (as that term is defined in section 3(a)(77) of the Securities Exchange Act of 1934) that require any issuer of an asset-backed security—
“(1) to perform a review of the assets underlying the asset-backed security; and
“(2) to disclose the nature of the review under paragraph (1).”.

SEC. 946. STUDY ON THE MACROECONOMIC EFFECTS OF RISK RETENTION REQUIREMENTS.

(a) **STUDY REQUIRED.**—The Chairman of the Financial Services Oversight Council shall carry out a study on the macroeconomic effects of the risk retention requirements under this subtitle, and the amendments made by this subtitle, with emphasis placed on potential beneficial effects with respect to stabilizing the real estate market. Such study shall include—

(1) an analysis of the effects of risk retention on real estate asset price bubbles, including a retrospective estimate of what fraction of real estate losses may have been averted had such requirements been in force in recent years;
(2) an analysis of the feasibility of minimizing real estate price bubbles by proactively adjusting the percentage of risk retention that must be borne by creditors and securitizers of real estate debt, as a function of regional or national market conditions;
(3) a comparable analysis for proactively adjusting mortgage origination requirements;

(4) an assessment of whether such proactive adjustments should be made by an independent regulator, or in a formulaic and transparent manner;

(5) an assessment of whether such adjustments should take place independently or in concert with monetary policy; and
(6) recommendations for implementation and enabling legislation.

(b) **REPORT.**—Not later than the end of the 180-day period beginning on the date of the enactment of this title, the Chairman of the Financial Services Oversight Council shall issue a report to the Congress containing any findings and determinations made in carrying out the study required under subsection (a).

Subtitle E—Accountability and Executive Compensation

SEC. 951. SHAREHOLDER VOTE ON EXECUTIVE COMPENSATION DISCLOSURES.

The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended by inserting after section 14 (15 U.S.C. 78n) the following:

“**SEC. 14A. SHAREHOLDER APPROVAL OF EXECUTIVE COMPENSATION.**

“(a) **SEPARATE RESOLUTION REQUIRED.**—

“(1) **IN GENERAL.**—Not less frequently than once every 3 years, a proxy or consent or authorization for an annual or other meeting of the shareholders for which the proxy solicitation rules of the Commission require compensation disclosure shall include a separate resolution subject to shareholder vote to approve the

“**SEC. 14A. SHAREHOLDER APPROVAL OF EXECUTIVE COMPENSATION.**

“(a) **SEPARATE RESOLUTION REQUIRED.**—

“(1) **IN GENERAL.**—Not less frequently than once every 3 years, a proxy or consent or authorization for an annual or other meeting of the shareholders for which the proxy solicitation rules of the Commission require compensation disclosure shall include a separate resolution subject to shareholder vote to approve the

compensation of executives, as disclosed pursuant to section 229.402 of title 17, Code of Federal Regulations, or any successor thereto.

“(2) **FREQUENCY OF VOTE.**—Not less frequently than once every 6 years, a proxy or consent or authorization for an annual or other meeting of the shareholders for which the proxy solicitation rules of the Commission require compensation disclosure shall include a separate resolution subject to shareholder vote to determine whether votes on the resolutions required under paragraph (1) will occur every 1, 2, or 3 years.

“(3) **EFFECTIVE DATE.**—The proxy or consent or authorization for the first annual or other meeting of the shareholders occurring after the end of the 6-month period beginning on the date of enactment of this section shall include—

“(A) the resolution described in paragraph (1); and

“(B) a separate resolution subject to shareholder vote to determine whether votes on the resolutions required under paragraph (1) will occur every 1, 2, or 3 years.

“(b) **SHAREHOLDER APPROVAL OF GOLDEN PARACHUTE COMPENSATION.**—

“(1) **DISCLOSURE.**—In any proxy or consent solicitation material (the solicitation of which is subject to the rules of the Commission pursuant to subsection (a)) for a meeting of the shareholders occurring after the end of the 6-month period beginning on the date of enactment of this section, at which shareholders are asked to approve an acquisition, merger, consolidation, or proposed sale or other disposition of all or substantially all the assets of an issuer, the person making such solicitation shall disclose in the proxy or consent solicitation material, in a clear and simple form in accordance with regulations to be promulgated by the Commission, any agreements or understandings that such person has with any named executive officers of such issuer (or of the acquiring issuer, if such issuer is not the acquiring issuer) concerning any type of compensation (whether present, deferred, or contingent) that is based on or otherwise relates to the acquisition, merger, consolidation, sale, or other disposition of all or substantially all of the assets of the issuer and the aggregate total of all such compensation that may (and the conditions upon which it may) be paid or become payable to or on behalf of such executive officer.

“(2) **SHAREHOLDER APPROVAL.**—Any proxy or consent or authorization relating to the proxy or consent solicitation material containing the disclosure required by paragraph (1) shall include a separate resolution subject to shareholder vote to approve such agreements or understandings and compensation as disclosed, unless such agreements or understandings have been subject to a shareholder vote under subsection (a).

“(c) **RULE OF CONSTRUCTION.**—The shareholder vote referred to in subsections (a) and (b) shall not be binding on the issuer or the board of directors of an issuer, and may not be construed—

“(1) as overruling a decision by such issuer or board of directors;

“(2) to create or imply any change to the fiduciary duties of such issuer or board of directors;

“(3) to create or imply any additional fiduciary duties for such issuer or board of directors; or

“(4) to restrict or limit the ability of shareholders to make proposals for inclusion in proxy materials related to executive compensation.

“(d) **DISCLOSURE OF VOTES.**—Every institutional investment manager subject to section 13(f) shall report at least annually how it voted on any shareholder vote pursuant to subsections (a) and (b), unless such vote is otherwise required to be reported publicly by rule or regulation of the Commission.

“(e) **EXEMPTION.**—The Commission may, by rule or order, exempt an issuer or class of issuers

from the requirement under subsection (a) or (b). In determining whether to make an exemption under this subsection, the Commission shall take into account, among other considerations, whether the requirements under subsections (a) and (b) disproportionately burdens small issuers.”.

SEC. 952. COMPENSATION COMMITTEE INDEPENDENCE.

(a) **IN GENERAL.**—The Securities Exchange Act of 1934 (15 U.S.C. 78 et seq.) is amended by inserting after section 10B, as added by section 753, the following:

“SEC. 10C. COMPENSATION COMMITTEES.

“(a) **INDEPENDENCE OF COMPENSATION COMMITTEES.**—

“(1) **LISTING STANDARDS.**—The Commission shall, by rule, direct the national securities exchanges and national securities associations to prohibit the listing of any equity security of an issuer, other than an issuer that is a controlled company, limited partnership, company in bankruptcy proceedings, open-ended management investment company that is registered under the Investment Company Act of 1940, or a foreign private issuer that provides annual disclosures to shareholders of the reasons that the foreign private issuer does not have an independent compensation committee, that does not comply with the requirements of this subsection.

“(2) **INDEPENDENCE OF COMPENSATION COMMITTEES.**—The rules of the Commission under paragraph (1) shall require that each member of the compensation committee of the board of directors of an issuer be—

“(A) a member of the board of directors of the issuer; and

“(B) independent.

“(3) **INDEPENDENCE.**—The rules of the Commission under paragraph (1) shall require that, in determining the definition of the term ‘independence’ for purposes of paragraph (2), the national securities exchanges and the national securities associations shall consider relevant factors, including—

“(A) the source of compensation of a member of the board of directors of an issuer, including any consulting, advisory, or other compensatory fee paid by the issuer to such member of the board of directors; and

“(B) whether a member of the board of directors of an issuer is affiliated with the issuer, a subsidiary of the issuer, or an affiliate of a subsidiary of the issuer.

“(4) **EXEMPTION AUTHORITY.**—The rules of the Commission under paragraph (1) shall permit a national securities exchange or a national securities association to exempt a particular relationship from the requirements of paragraph (2), with respect to the members of a compensation committee, as the national securities exchange or national securities association determines is appropriate, taking into consideration the size of an issuer and any other relevant factors.

“(b) **INDEPENDENCE OF COMPENSATION CONSULTANTS AND OTHER COMPENSATION COMMITTEE ADVISERS.**—

“(1) **IN GENERAL.**—The compensation committee of an issuer may only select a compensation consultant, legal counsel, or other adviser to the compensation committee after taking into consideration the factors identified by the Commission under paragraph (2).

“(2) **RULES.**—The Commission shall identify factors that affect the independence of a compensation consultant, legal counsel, or other adviser to a compensation committee of an issuer. Such factors shall be competitively neutral among categories of consultants, legal counsel, or other advisers and preserve the ability of compensation committees to retain the services of members of any such category, and shall include—

“(A) the provision of other services to the issuer by the person that employs the compensation consultant, legal counsel, or other adviser;

“(B) the amount of fees received from the issuer by the person that employs the compensation consultant, legal counsel, or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel, or other adviser;

“(C) the policies and procedures of the person that employs the compensation consultant, legal counsel, or other adviser that are designed to prevent conflicts of interest;

“(D) any business or personal relationship of the compensation consultant, legal counsel, or other adviser with a member of the compensation committee; and

“(E) any stock of the issuer owned by the compensation consultant, legal counsel, or other adviser.

“(c) **COMPENSATION COMMITTEE AUTHORITY RELATING TO COMPENSATION CONSULTANTS.**—

“(1) **AUTHORITY TO RETAIN COMPENSATION CONSULTANT.**—

“(A) **IN GENERAL.**—The compensation committee of an issuer, in its capacity as a committee of the board of directors, may, in its sole discretion, retain or obtain the advice of a compensation consultant.

“(B) **DIRECT RESPONSIBILITY OF COMPENSATION COMMITTEE.**—The compensation committee of an issuer shall be directly responsible for the appointment, compensation, and oversight of the work of a compensation consultant.

“(C) **RULE OF CONSTRUCTION.**—This paragraph may not be construed—

“(i) to require the compensation committee to implement or act consistently with the advice or recommendations of the compensation consultant; or

“(ii) to affect the ability or obligation of a compensation committee to exercise its own judgment in fulfillment of the duties of the compensation committee.

“(2) **DISCLOSURE.**—In any proxy or consent solicitation material for an annual meeting of the shareholders (or a special meeting in lieu of the annual meeting) occurring on or after the date that is 1 year after the date of enactment of this section, each issuer shall disclose in the proxy or consent material, in accordance with regulations of the Commission, whether—

“(A) the compensation committee of the issuer retained or obtained the advice of a compensation consultant; and

“(B) the work of the compensation consultant has raised any conflict of interest and, if so, the nature of the conflict and how the conflict is being addressed.

“(d) **AUTHORITY TO ENGAGE INDEPENDENT LEGAL COUNSEL AND OTHER ADVISERS.**—

“(1) **IN GENERAL.**—The compensation committee of an issuer, in its capacity as a committee of the board of directors, may, in its sole discretion, retain and obtain the advice of independent legal counsel and other advisers.

“(2) **DIRECT RESPONSIBILITY OF COMPENSATION COMMITTEE.**—The compensation committee of an issuer shall be directly responsible for the appointment, compensation, and oversight of the work of independent legal counsel and other advisers.

“(3) **RULE OF CONSTRUCTION.**—This subsection may not be construed—

“(A) to require a compensation committee to implement or act consistently with the advice or recommendations of independent legal counsel or other advisers under this subsection; or

“(B) to affect the ability or obligation of a compensation committee to exercise its own judgment in fulfillment of the duties of the compensation committee.

“(e) **COMPENSATION OF COMPENSATION CONSULTANTS, INDEPENDENT LEGAL COUNSEL, AND OTHER ADVISERS.**—Each issuer shall provide for appropriate funding, as determined by the compensation committee in its capacity as a committee of the board of directors, for payment of reasonable compensation—

“(1) to a compensation consultant; and
 “(2) to independent legal counsel or any other adviser to the compensation committee.

“(f) COMMISSION RULES.—

“(1) IN GENERAL.—Not later than 360 days after the date of enactment of this section, the Commission shall, by rule, direct the national securities exchanges and national securities associations to prohibit the listing of any security of an issuer that is not in compliance with the requirements of this section.

“(2) OPPORTUNITY TO CURE DEFECTS.—The rules of the Commission under paragraph (1) shall provide for appropriate procedures for an issuer to have a reasonable opportunity to cure any defects that would be the basis for the prohibition under paragraph (1), before the imposition of such prohibition.

“(3) EXEMPTION AUTHORITY.—

“(A) IN GENERAL.—The rules of the Commission under paragraph (1) shall permit a national securities exchange or a national securities association to exempt a category of issuers from the requirements under this section, as the national securities exchange or the national securities association determines is appropriate.

“(B) CONSIDERATIONS.—In determining appropriate exemptions under subparagraph (A), the national securities exchange or the national securities association shall take into account the potential impact of the requirements of this section on smaller reporting issuers.

“(g) CONTROLLED COMPANY EXEMPTION.—

“(1) IN GENERAL.—This section shall not apply to any controlled company.

“(2) DEFINITION.—For purposes of this section, the term ‘controlled company’ means an issuer—

“(A) that is listed on a national securities exchange or by a national securities association; and

“(B) that holds an election for the board of directors of the issuer in which more than 50 percent of the voting power is held by an individual, a group, or another issuer.”.

(b) STUDY AND REPORT.—

(1) STUDY.—The Securities and Exchange Commission shall conduct a study and review of the use of compensation consultants and the effects of such use.

(2) REPORT.—Not later than 2 years after the date of the enactment of this Act, the Commission shall submit a report to Congress on the results of the study and review required by this subsection.

SEC. 953. EXECUTIVE COMPENSATION DISCLOSURES.

(a) DISCLOSURE OF PAY VERSUS PERFORMANCE.—Section 14 of the Securities Exchange Act of 1934 (15 U.S.C. 78n), as amended by this title, is amended by adding at the end the following:

“(i) DISCLOSURE OF PAY VERSUS PERFORMANCE.—The Commission shall, by rule, require each issuer to disclose in any proxy or consent solicitation material for an annual meeting of the shareholders of the issuer a clear description of any compensation required to be disclosed by the issuer under section 229.402 of title 17, Code of Federal Regulations (or any successor thereto), including information that shows the relationship between executive compensation actually paid and the financial performance of the issuer, taking into account any change in the value of the shares of stock and dividends of the issuer and any distributions. The disclosure under this subsection may include a graphic representation of the information required to be disclosed.”.

(b) ADDITIONAL DISCLOSURE REQUIREMENTS.—

(1) IN GENERAL.—The Commission shall amend section 229.402 of title 17, Code of Federal Regulations, to require each issuer to disclose in any filing of the issuer described in section 229.10(a)

of title 17, Code of Federal Regulations (or any successor thereto)—

(A) the median of the annual total compensation of all employees of the issuer, except the chief executive officer (or any equivalent position) of the issuer;

(B) the annual total compensation of the chief executive officer (or any equivalent position) of the issuer; and

(C) the ratio of the amount described in subparagraph (A) to the amount described in subparagraph (B).

(2) TOTAL COMPENSATION.—For purposes of this subsection, the total compensation of an employee of an issuer shall be determined in accordance with section 229.402(c)(2)(x) of title 17, Code of Federal Regulations, as in effect on the day before the date of enactment of this Act.

SEC. 954. RECOVERY OF ERRONEOUSLY AWARDED COMPENSATION.

The Securities Exchange Act of 1934 is amended by inserting after section 10C, as added by section 952, the following:

“SEC. 10D. RECOVERY OF ERRONEOUSLY AWARDED COMPENSATION POLICY.

“(a) LISTING STANDARDS.—The Commission shall, by rule, direct the national securities exchanges and national securities associations to prohibit the listing of any security of an issuer that does not comply with the requirements of this section.

“(b) RECOVERY OF FUNDS.—The rules of the Commission under subsection (a) shall require each issuer to develop and implement a policy providing—

“(1) for disclosure of the policy of the issuer on incentive-based compensation that is based on financial information required to be reported under the securities laws; and

“(2) that, in the event that the issuer is required to prepare an accounting restatement due to the material noncompliance of the issuer with any financial reporting requirement under the securities laws, the issuer will recover from any current or former executive officer of the issuer who received incentive-based compensation (including stock options awarded as compensation) during the 3-year period preceding the date on which the issuer is required to prepare an accounting restatement, based on the erroneous data, in excess of what would have been paid to the executive officer under the accounting restatement.”.

SEC. 955. DISCLOSURE REGARDING EMPLOYEE AND DIRECTOR HEDGING.

Section 14 of the Securities Exchange Act of 1934 (15 U.S.C. 78n), as amended by this title, is amended by adding at the end the following:

“(j) DISCLOSURE OF HEDGING BY EMPLOYEES AND DIRECTORS.—The Commission shall, by rule, require each issuer to disclose in any proxy or consent solicitation material for an annual meeting of the shareholders of the issuer whether any employee or member of the board of directors of the issuer, or any designee of such employee or member, is permitted to purchase financial instruments (including prepaid variable forward contracts, equity swaps, collars, and exchange funds) that are designed to hedge or offset any decrease in the market value of equity securities—

“(1) granted to the employee or member of the board of directors by the issuer as part of the compensation of the employee or member of the board of directors; or

“(2) held, directly or indirectly, by the employee or member of the board of directors.”.

SEC. 956. ENHANCED COMPENSATION STRUCTURE REPORTING.

(a) ENHANCED DISCLOSURE AND REPORTING OF COMPENSATION ARRANGEMENTS.—

(1) IN GENERAL.—Not later than 9 months after the date of enactment of this title, the appropriate Federal regulators jointly shall pre-

scribe regulations or guidelines to require each covered financial institution to disclose to the appropriate Federal regulator the structures of all incentive-based compensation arrangements offered by such covered financial institutions sufficient to determine whether the compensation structure—

(A) provides an executive officer, employee, director, or principal shareholder of the covered financial institution with excessive compensation, fees, or benefits; or

(B) could lead to material financial loss to the covered financial institution.

(2) RULES OF CONSTRUCTION.—Nothing in this section shall be construed as requiring the reporting of the actual compensation of particular individuals. Nothing in this section shall be construed to require a covered financial institution that does not have an incentive-based payment arrangement to make the disclosures required under this subsection.

(b) PROHIBITION ON CERTAIN COMPENSATION ARRANGEMENTS.—Not later than 9 months after the date of enactment of this title, the appropriate Federal regulators shall jointly prescribe regulations or guidelines that prohibit any types of incentive-based payment arrangement, or any feature of any such arrangement, that the regulators determine encourages inappropriate risks by covered financial institutions—

(1) by providing an executive officer, employee, director, or principal shareholder of the covered financial institution with excessive compensation, fees, or benefits; or

(2) that could lead to material financial loss to the covered financial institution.

(c) STANDARDS.—The appropriate Federal regulators shall—

(1) ensure that any standards for compensation established under subsections (a) or (b) are comparable to the standards established under section of the Federal Deposit Insurance Act (12 U.S.C. 2 1831p-1) for insured depository institutions; and

(2) in establishing such standards under such subsections, take into consideration the compensation standards described in section 39(c) of the Federal Deposit Insurance Act (12 U.S.C. 1831p-9 1(c)).

(d) ENFORCEMENT.—The provisions of this section and the regulations issued under this section shall be enforced under section 505 of the Gramm-Leach-Bliley Act and, for purposes of such section, a violation of this section or such regulations shall be treated as a violation of subtitle A of title V of such Act.

(e) DEFINITIONS.—As used in this section—

(1) the term “appropriate Federal regulator” means the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, the Board of Directors of the Federal Deposit Insurance Corporation, the Director of the Office of Thrift Supervision, the National Credit Union Administration Board, the Securities and Exchange Commission, the Federal Housing Finance Agency; and

(2) the term “covered financial institution” means—

(A) a depository institution or depository institution holding company, as such terms are defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813);

(B) a broker-dealer registered under section 15 of the Securities Exchange Act of 1934 (15 U.S.C. 78o);

(C) a credit union, as described in section 19(b)(1)(A)(iv) of the Federal Reserve Act;

(D) an investment advisor, as such term is defined in section 202(a)(11) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(11));

(E) the Federal National Mortgage Association;

(F) the Federal Home Loan Mortgage Corporation; and

(G) any other financial institution that the appropriate Federal regulators, jointly, by rule, determine should be treated as a covered financial institution for purposes of this section.

(f) EXEMPTION FOR CERTAIN FINANCIAL INSTITUTIONS.—The requirements of this section shall not apply to covered financial institutions with assets of less than \$1,000,000,000.

SEC. 957. VOTING BY BROKERS.

Section 6(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78f(b)) is amended—

(1) in paragraph (9)—

(A) in subparagraph (A), by redesignating clauses (i) through (v) as subclauses (I) through (V), respectively, and adjusting the margins accordingly;

(B) by redesignating subparagraphs (A) through (D) as clauses (i) through (iv), respectively, and adjusting the margins accordingly;

(C) by inserting “(A)” after “(9)”; and

(D) in the matter immediately following clause (iv), as so redesignated, by striking “As used” and inserting the following:

“(B) As used”.

(2) by adding at the end the following:

“(10)(A) The rules of the exchange prohibit any member that is not the beneficial owner of a security registered under section 12 from granting a proxy to vote the security in connection with a shareholder vote described in subparagraph (B), unless the beneficial owner of the security has instructed the member to vote the proxy in accordance with the voting instructions of the beneficial owner.

“(B) A shareholder vote described in this subparagraph is a shareholder vote with respect to the election of a member of the board of directors of an issuer, executive compensation, or any other significant matter, as determined by the Commission, by rule, and does not include a vote with respect to the uncontested election of a member of the board of directors of any investment company registered under the Investment Company Act of 1940 (15 U.S.C. 80b-1 et seq.).

“(C) Nothing in this paragraph shall be construed to prohibit a national securities exchange from prohibiting a member that is not the beneficial owner of a security registered under section 12 from granting a proxy to vote the security in connection with a shareholder vote not described in subparagraph (A).”.

Subtitle F—Improvements to the Management of the Securities and Exchange Commission

SEC. 961. REPORT AND CERTIFICATION OF INTERNAL SUPERVISORY CONTROLS.

(a) ANNUAL REPORTS AND CERTIFICATION.—Not later than 90 days after the end of each fiscal year, the Commission shall submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives on the conduct by the Commission of examinations of registered entities, enforcement investigations, and review of corporate financial securities filings.

(b) CONTENTS OF REPORTS.—Each report under subsection (a) shall contain—

(1) an assessment, as of the end of the most recent fiscal year, of the effectiveness of—

(A) the internal supervisory controls of the Commission; and

(B) the procedures of the Commission applicable to the staff of the Commission who perform examinations of registered entities, enforcement investigations, and reviews of corporate financial securities filings;

(2) a certification that the Commission has adequate internal supervisory controls to carry out the duties of the Commission described in paragraph (1)(B); and

(3) a summary by the Comptroller General of the United States of the review carried out under subsection (d).

(c) CERTIFICATION.—

(1) SIGNATURE.—The certification under subsection (b)(2) shall be signed by the Director of the Division of Enforcement, the Director of the Division of Corporate Finance, and the Director of the Office of Compliance Inspections and Examinations (or the head of any successor division or office).

(2) CONTENT OF CERTIFICATION.—Each individual described in paragraph (1) shall certify that the individual—

(A) is directly responsible for establishing and maintaining the internal supervisory controls of the Division or Office of which the individual is the head;

(B) is knowledgeable about the internal supervisory controls of the Division or Office of which the individual is the head;

(C) has evaluated the effectiveness of the internal supervisory controls during the 90-day period ending on the final day of the fiscal year to which the report relates; and

(D) has disclosed to the Commission any significant deficiencies in the design or operation of internal supervisory controls that could adversely affect the ability of the Division or Office to consistently conduct inspections, or investigations, or reviews of filings with professional competence and integrity.

(d) NEW DIRECTOR OR ACTING DIRECTOR.—Notwithstanding subsection (a), if the Director of the Division of Enforcement, the Director of the Division of Corporate Finance, or the Director of the Office of Compliance Inspections and Examinations has served as Director of the Division or Office for less than 90 days on the date on which a report is required to be submitted under subsection (a), the Commission may submit the report on the date on which the Director has served as Director for 90 days. If there is no Director of the Division of Enforcement, the Division of Corporate Finance, or the Office of Compliance Inspections and Examinations, on the date on which a report is required to be submitted under subsection (a), the Acting Director of the Division or Office may make the certification required under subsection (c).

(e) REVIEW BY THE COMPTROLLER GENERAL.—

(1) REPORT.—The Comptroller General of the United States shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report that contains a review of the adequacy and effectiveness of the internal supervisory control structure and procedures described in subsection (b)(1), not less frequently than once every 3 years, at a time to coincide with the publication of the reports of the Commission under this section.

(2) AUTHORITY TO HIRE EXPERTS.—The Comptroller General of the United States may hire independent consultants with specialized expertise in any area relevant to the duties of the Comptroller General described in this section, in order to assist the Comptroller General in carrying out such duties.

SEC. 962. TRIENNIAL REPORT ON PERSONNEL MANAGEMENT.

(a) TRIENNIAL REPORT REQUIRED.—Once every 3 years, the Comptroller General of the United States shall submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives on the quality of personnel management by the Commission.

(b) CONTENTS OF REPORT.—Each report under subsection (a) shall include—

(1) an evaluation of—

(A) the effectiveness of supervisors in using the skills, talents, and motivation of the employees of the Commission to achieve the goals of the Commission;

(B) the criteria for promoting employees of the Commission to supervisory positions;

(C) the fairness of the application of the promotion criteria to the decisions of the Commission;

(D) the competence of the professional staff of the Commission;

(E) the efficiency of communication between the units of the Commission regarding the work of the Commission (including communication between divisions and between subunits of a division) and the efforts by the Commission to promote such communication;

(F) the turnover within subunits of the Commission, including the consideration of supervisors whose subordinates have an unusually high rate of turnover;

(G) whether there are excessive numbers of low-level, mid-level, or senior-level managers;

(H) any initiatives of the Commission that increase the competence of the staff of the Commission;

(I) the actions taken by the Commission regarding employees of the Commission who have failed to perform their duties and circumstances under which the Commission has issued to employees a notice of termination; and

(J) such other factors relating to the management of the Commission as the Comptroller General determines are appropriate;

(2) an evaluation of any improvements made with respect to the areas described in paragraph (1) since the date of submission of the previous report; and

(3) recommendations for how the Commission can use the human resources of the Commission more effectively and efficiently to carry out the mission of the Commission.

(c) CONSULTATION.—In preparing the report under subsection (a), the Comptroller General shall consult with current employees of the Commission, retired employees and other former employees of the Commission, the Inspector General of the Commission, persons that have business before the Commission, any union representing the employees of the Commission, private management consultants, academics, and any other source that the Comptroller General deems appropriate.

(d) REPORT BY COMMISSION.—Not later than 90 days after the date on which the Comptroller General submits each report under subsection (a), the Commission shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report describing the actions taken by the Commission in response to the recommendations contained in the report under subsection (a).

(e) REIMBURSEMENTS FOR COST OF REPORTS.—

(1) REIMBURSEMENTS REQUIRED.—The Commission shall reimburse the Government Accountability Office for the full cost of making the reports under this section, as billed therefor by the Comptroller General.

(2) CREDITING AND USE OF REIMBURSEMENTS.—Such reimbursements shall—

(A) be credited to the appropriation account “Salaries and Expenses, Government Accountability Office” current when the payment is received; and

(B) remain available until expended.

(f) AUTHORITY TO HIRE EXPERTS.—The Comptroller General of the United States may hire independent consultants with specialized expertise in any area relevant to the duties of the Comptroller General described in this section, in order to assist the Comptroller General in carrying out such duties.

SEC. 963. ANNUAL FINANCIAL CONTROLS AUDIT.

(a) REPORTS OF COMMISSION.—

(1) ANNUAL REPORTS REQUIRED.—Not later than 6 months after the end of each fiscal year, the Commission shall publish and submit to Congress a report that—

(A) describes the responsibility of the management of the Commission for establishing and

maintaining an adequate internal control structure and procedures for financial reporting; and

(B) contains an assessment of the effectiveness of the internal control structure and procedures for financial reporting of the Commission during that fiscal year.

(2) **ATTESTATION.**—The reports required under paragraph (1) shall be attested to by the Chairman and chief financial officer of the Commission.

(b) **REPORT BY COMPTROLLER GENERAL.**—

(1) **REPORT REQUIRED.**—Not later than 6 months after the end of the first fiscal year after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to Congress that assesses—

(A) the effectiveness of the internal control structure and procedures of the Commission for financial reporting; and

(B) the assessment of the Commission under subsection (a)(1)(B).

(2) **ATTESTATION.**—The Comptroller General shall attest to, and report on, the assessment made by the Commission under subsection (a).

(c) **REIMBURSEMENTS FOR COST OF REPORTS.**—

(1) **REIMBURSEMENTS REQUIRED.**—The Commission shall reimburse the Government Accountability Office for the full cost of making the reports under subsection (b), as billed therefor by the Comptroller General.

(2) **CREDITING AND USE OF REIMBURSEMENTS.**—Such reimbursements shall—

(A) be credited to the appropriation account “Salaries and Expenses, Government Accountability Office” current when the payment is received; and

(B) remain available until expended.

SEC. 964. REPORT ON OVERSIGHT OF NATIONAL SECURITIES ASSOCIATIONS.

(a) **REPORT REQUIRED.**—Not later than 2 years after the date of enactment of this Act, and every 3 years thereafter, the Comptroller General of the United States shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report that includes an evaluation of the oversight by the Commission of national securities associations registered under section 15A of the Securities Exchange Act of 1934 (15 U.S.C. 78o-3) with respect to—

(1) the governance of such national securities associations, including the identification and management of conflicts of interest by such national securities associations, together with an analysis of the impact of any conflicts of interest on the regulatory enforcement or rulemaking by such national securities associations;

(2) the examinations carried out by the national securities associations, including the expertise of the examiners;

(3) the executive compensation practices of such national securities associations;

(4) the arbitration services provided by the national securities associations;

(5) the review performed by national securities associations of advertising by the members of the national securities associations;

(6) the cooperation with and assistance to State securities administrators by the national securities associations to promote investor protection;

(7) how the funding of national securities associations is used to support the mission of the national securities associations, including—

(A) the methods of funding;

(B) the sufficiency of funds;

(C) how funds are invested by the national securities association pending use; and

(D) the impact of the methods, sufficiency, and investment of funds on regulatory enforcement by the national securities associations;

(8) the policies regarding the employment of former employees of national securities associations by regulated entities;

(9) the ongoing effectiveness of the rules of the national securities associations in achieving the goals of the rules;

(10) the transparency of governance and activities of the national securities associations; and

(11) any other issue that has an impact, as determined by the Comptroller General, on the effectiveness of such national securities associations in performing their mission and in dealing fairly with investors and members;

(b) **REIMBURSEMENTS FOR COST OF REPORTS.**—

(1) **REIMBURSEMENTS REQUIRED.**—The Commission shall reimburse the Government Accountability Office for the full cost of making the reports under subsection (a), as billed therefor by the Comptroller General.

(2) **CREDITING AND USE OF REIMBURSEMENTS.**—Such reimbursements shall—

(A) be credited to the appropriation account “Salaries and Expenses, Government Accountability Office” current when the payment is received; and

(B) remain available until expended.

SEC. 965. COMPLIANCE EXAMINERS.

Section 4 of the Securities Exchange Act of 1934 (15 U.S.C. 78d) is amended by adding at the end the following:

“(h) **EXAMINERS.**—

“(1) **DIVISION OF TRADING AND MARKETS.**—The Division of Trading and Markets of the Commission, or any successor organizational unit, shall have a staff of examiners who shall—

“(A) perform compliance inspections and examinations of entities under the jurisdiction of that Division; and

“(B) report to the Director of that Division.

“(2) **DIVISION OF INVESTMENT MANAGEMENT.**—The Division of Investment Management of the Commission, or any successor organizational unit, shall have a staff of examiners who shall—

“(A) perform compliance inspections and examinations of entities under the jurisdiction of that Division; and

“(B) report to the Director of that Division.”.

SEC. 966. SUGGESTION PROGRAM FOR EMPLOYEES OF THE COMMISSION.

The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended by inserting after section 4C (15 U.S.C. 78d-3) the following:

“SEC. 4D. ADDITIONAL DUTIES OF INSPECTOR GENERAL.

“(a) **SUGGESTION SUBMISSIONS BY COMMISSION EMPLOYEES.**—

“(1) **HOTLINE ESTABLISHED.**—The Inspector General of the Commission shall establish and maintain a telephone hotline or other electronic means for the receipt of—

“(A) suggestions by employees of the Commission for improvements in the work efficiency, effectiveness, and productivity, and the use of the resources, of the Commission; and

“(B) allegations by employees of the Commission of waste, abuse, misconduct, or mismanagement within the Commission.

“(2) **CONFIDENTIALITY.**—The Inspector General shall maintain as confidential—

“(A) the identity of any individual who provides information by the means established under paragraph (1), unless the individual requests otherwise, in writing; and

“(B) at the request of any such individual, any specific information provided by the individual.

“(b) **CONSIDERATION OF REPORTS.**—The Inspector General shall consider any suggestions or allegations received by the means established under subsection (a)(1), and shall recommend appropriate action in relation to such suggestions or allegations.

“(c) **RECOGNITION.**—The Inspector General may recognize any employee who makes a suggestion under subsection (a)(1) (or by other means) that would or does—

“(1) increase the work efficiency, effectiveness, or productivity of the Commission; or

“(2) reduce waste, abuse, misconduct, or mismanagement within the Commission.

“(d) **REPORT.**—The Inspector General of the Commission shall submit to Congress an annual report containing a description of—

“(1) the nature, number, and potential benefits of any suggestions received under subsection (a);

“(2) the nature, number, and seriousness of any allegations received under subsection (a);

“(3) any recommendations made or actions taken by the Inspector General in response to substantiated allegations received under subsection (a); and

“(4) any action the Commission has taken in response to suggestions or allegations received under subsection (a).

“(e) **FUNDING.**—The activities of the Inspector General under this subsection shall be funded by the Securities and Exchange Commission Investor Protection Fund established under section 21F.”.

SEC. 967. COMMISSION ORGANIZATIONAL STUDY AND REFORM.

(a) **STUDY REQUIRED.**—

(1) **IN GENERAL.**—Not later than the end of the 90-day period beginning on the date of the enactment of this subtitle, the Securities and Exchange Commission (hereinafter in this section referred to as the “SEC”) shall hire an independent consultant of high caliber and with expertise in organizational restructuring and the operations of capital markets to examine the internal operations, structure, funding, and the need for comprehensive reform of the SEC, as well as the SEC’s relationship with and the reliance on self-regulatory organizations and other entities relevant to the regulation of securities and the protection of securities investors that are under the SEC’s oversight.

(2) **SPECIFIC AREAS FOR STUDY.**—The study required under paragraph (1) shall, at a minimum, include the study of—

(A) the possible elimination of unnecessary or redundant units at the SEC;

(B) improving communications between SEC offices and divisions;

(C) the need to put in place a clear chain-of-command structure, particularly for enforcement examinations and compliance inspections;

(D) the effect of high-frequency trading and other technological advances on the market and what the SEC requires to monitor the effect of such trading and advances on the market;

(E) the SEC’s hiring authorities, workplace policies, and personal practices, including—

(i) whether there is a need to further streamline hiring authorities for those who are not lawyers, accountants, compliance examiners, or economists;

(ii) whether there is a need for further pay reforms;

(iii) the diversity of skill sets of SEC employees and whether the present skill set diversity efficiently and effectively fosters the SEC’s mission of investor protection; and

(iv) the application of civil service laws by the SEC;

(F) whether the SEC’s oversight and reliance on self-regulatory organizations promotes efficient and effective governance for the securities markets; and

(G) whether adjusting the SEC’s reliance on self-regulatory organizations is necessary to promote more efficient and effective governance for the securities markets.

(b) **CONSULTANT REPORT.**—Not later than the end of the 150-day period after being retained, the independent consultant hired pursuant to subsection (a)(1) shall issue a report to the SEC and the Congress containing—

(1) a detailed description of any findings and conclusions made while carrying out the study required under subsection (a)(1); and

(2) recommendations for legislative, regulatory, or administrative action that the consultant determines appropriate to enable the SEC and other entities on which the consultant reports to perform their statutorily or otherwise mandated missions.

(c) **SEC REPORT.**—Not later than the end of the 6-month period beginning on the date the consultant issues the report under subsection (b), and every 6-months thereafter during the 2-year period following the date on which the consultant issues such report, the SEC shall issue a report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate describing the SEC's implementation of the regulatory and administrative recommendations contained in the consultant's report.

SEC. 968. STUDY ON SEC REVOLVING DOOR.

(a) **GOVERNMENT ACCOUNTABILITY OFFICE STUDY.**—The Comptroller General of the United States shall conduct a study that will—

(1) review the number of employees who leave the Securities and Exchange Commission to work for financial institutions regulated by such Commission;

(2) determine how many employees who leave the Securities and Exchange Commission worked on cases that involved financial institutions regulated by such Commission;

(3) review the length of time employees work for the Securities and Exchange Commission before leaving to be employed by financial institutions regulated by such Commission;

(4) review existing internal controls and make recommendations on strengthening such controls to ensure that employees of the Securities and Exchange Commission who are later employed by financial institutions did not assist such institutions in violating any rules or regulations of the Commission during the course of their employment with such Commission;

(5) determine if greater post-employment restrictions are necessary to prevent employees of the Securities and Exchange Commission from being employed by financial institutions after employment with such Commission;

(6) determine if the volume of employees of the Securities and Exchange Commission who are later employed by financial institutions has led to inefficiencies in enforcement;

(7) determine if employees of the Securities and Exchange Commission who are later employed by financial institutions assisted such institutions in circumventing Federal rules and regulations while employed by such Commission;

(8) review any information that may address the volume of employees of the Securities and Exchange Commission who are later employed by financial institutions, and make recommendations to Congress; and

(9) review other additional issues as may be raised during the course of the study conducted under this subsection.

(b) **REPORT.**—Not later than 1 year after the date of the enactment of this subtitle, the Comptroller General of the United States shall submit to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a report on the results of the study required by subsection (a).

Subtitle G—Strengthening Corporate Governance

SEC. 971. PROXY ACCESS.

(a) **PROXY ACCESS.**—Section 14(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78n(a)) is amended—

(1) by inserting “(1)” after “(a)”; and

(2) by adding at the end the following:

“(2) The rules and regulations prescribed by the Commission under paragraph (1) may include—

“(A) a requirement that a solicitation of proxy, consent, or authorization by (or on behalf of) an issuer include a nominee submitted by a shareholder to serve on the board of directors of the issuer; and

“(B) a requirement that an issuer follow a certain procedure in relation to a solicitation described in subparagraph (A).”

(b) **REGULATIONS.**—The Commission may issue rules permitting the use by a shareholder of proxy solicitation materials supplied by an issuer of securities for the purpose of nominating individuals to membership on the board of directors of the issuer, under such terms and conditions as the Commission determines are in the interests of shareholders and for the protection of investors.

(c) **EXEMPTIONS.**—The Commission may, by rule or order, exempt an issuer or class of issuers from the requirement made by this section or an amendment made by this section. In determining whether to make an exemption under this subsection, the Commission shall take into account, among other considerations, whether the requirement in the amendment made by subsection (a) disproportionately burdens small issuers.

SEC. 972. DISCLOSURES REGARDING CHAIRMAN AND CEO STRUCTURES.

The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended by inserting after section 14A, as added by this title, the following:

“SEC. 14B. CORPORATE GOVERNANCE.

“Not later than 180 days after the date of enactment of this subsection, the Commission shall issue rules that require an issuer to disclose in the annual proxy sent to investors the reasons why the issuer has chosen—

“(1) the same person to serve as chairman of the board of directors and chief executive officer (or in equivalent positions); or

“(2) different individuals to serve as chairman of the board of directors and chief executive officer (or in equivalent positions of the issuer).”

Subtitle H—Municipal Securities

SEC. 975. REGULATION OF MUNICIPAL SECURITIES AND CHANGES TO THE BOARD OF THE MSRB.

(a) **REGISTRATION OF MUNICIPAL SECURITIES DEALERS AND MUNICIPAL ADVISORS.**—Section 15B(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78o-4(a)) is amended—

(1) in paragraph (1)—

(A) by inserting “(A)” after “(1)”; and

(B) by adding at the end the following:

“(B) It shall be unlawful for a municipal advisor to provide advice to or on behalf of a municipal entity or obligated person with respect to municipal financial products or the issuance of municipal securities, or to undertake a solicitation of a municipal entity or obligated person, unless the municipal advisor is registered in accordance with this subsection.”

(2) in paragraph (2), by inserting “or municipal advisor” after “municipal securities dealer” each place that term appears;

(3) in paragraph (3), by inserting “or municipal advisor” after “municipal securities dealer” each place that term appears;

(4) in paragraph (4), by striking “dealer, or municipal securities dealer or class of brokers, dealers, or municipal securities dealers” and inserting “dealer, municipal securities dealer, or municipal advisor, or class of brokers, dealers, municipal securities dealers, or municipal advisors”; and

(5) by adding at the end the following:

“(5) No municipal advisor shall make use of the mails or any means or instrumentality of interstate commerce to provide advice to or on behalf of a municipal entity or obligated person with respect to municipal financial products, the issuance of municipal securities, or to undertake a solicitation of a municipal entity or obligated person, in connection with which such

municipal advisor engages in any fraudulent, deceptive, or manipulative act or practice.”

(b) **MUNICIPAL SECURITIES RULEMAKING BOARD.**—Section 15B(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78o-4(b)) is amended—

(1) in paragraph (1)—

(A) in the first sentence, by striking “Not later than” and all that follows through “appointed by the Commission” and inserting “The Municipal Securities Rulemaking Board shall be composed of 15 members, or such other number of members as specified by rules of the Board pursuant to paragraph (2)(B),”; and

(B) by striking the second sentence and inserting the following: “The members of the Board shall serve as members for a term of 3 years or for such other terms as specified by rules of the Board pursuant to paragraph (2)(B), and shall consist of (A) 8 individuals who are independent of any municipal securities broker, municipal securities dealer, or municipal advisor, at least 1 of whom shall be representative of institutional or retail investors in municipal securities, at least 1 of whom shall be representative of municipal entities, and at least 1 of whom shall be a member of the public with knowledge of or experience in the municipal industry (which members are hereinafter referred to as ‘public representatives’); and (B) 7 individuals who are associated with a broker, dealer, municipal securities dealer, or municipal advisor, including at least 1 individual who is associated with and representative of brokers, dealers, or municipal securities dealers that are not banks or subsidiaries or departments or divisions of banks (which members are hereinafter referred to as ‘broker-dealer representatives’), at least 1 individual who is associated with and representative of municipal securities dealers which are banks or subsidiaries or departments or divisions of banks (which members are hereinafter referred to as ‘bank representatives’), and at least 1 individual who is associated with a municipal advisor (which members are hereinafter referred to as ‘advisor representatives’ and, together with the broker-dealer representatives and the bank representatives, are referred to as ‘regulated representatives’). Each member of the board shall be knowledgeable of matters related to the municipal securities markets.”; and

(C) in the third sentence, by striking “initial”;

(2) in paragraph (2)—

(A) in the matter preceding subparagraph (A)—

(i) by inserting before the period at the end of the first sentence the following: “and advice provided to or on behalf of municipal entities or obligated persons by brokers, dealers, municipal securities dealers, and municipal advisors with respect to municipal financial products, the issuance of municipal securities, and solicitations of municipal entities or obligated persons undertaken by brokers, dealers, municipal securities dealers, and municipal advisors”; and

(ii) by striking the second sentence;

(B) in subparagraph (A)—

(i) in the matter preceding clause (i)—

(I) by inserting “, and no broker, dealer, municipal securities dealer, or municipal advisor shall provide advice to or on behalf of a municipal entity or obligated person with respect to municipal financial products or the issuance of municipal securities,” after “sale of, any municipal security”; and

(II) by inserting “and municipal entities or obligated persons” after “protection of investors”;

(ii) in clause (i), by striking “municipal securities brokers and municipal securities dealers” each place that term appears and inserting “municipal securities brokers, municipal securities dealers, and municipal advisors”;

(iii) in clause (ii), by adding “and” at the end;

(iv) in clause (iii), by striking “; and” and inserting a period; and

(v) by striking clause (iv);

(C) by amending subparagraph (B) to read as follows:

“(B) establish fair procedures for the nomination and election of members of the Board and assure fair representation in such nominations and elections of public representatives, broker dealer representatives, bank representatives, and advisor representatives. Such rules—

“(i) shall provide that the number of public representatives of the Board shall at all times exceed the total number of regulated representatives and that the membership shall at all times be as evenly divided in number as possible between public representatives and regulated representatives;

“(ii) shall specify the length or lengths of terms members shall serve;

“(iii) may increase the number of members which shall constitute the whole Board, provided that such number is an odd number; and

“(iv) shall establish requirements regarding the independence of public representatives.”.

(D) in subparagraph (C)—

(i) by inserting “and municipal financial products” after “municipal securities” the first two times that term appears;

(ii) by inserting “, municipal entities, obligated persons,” before “and the public interest”;

(iii) by striking “between” and inserting “among”;

(iv) by striking “issuers, municipal securities brokers, or municipal securities dealers, to fix” and inserting “municipal entities, obligated persons, municipal securities brokers, municipal securities dealers, or municipal advisors, to fix”;

(v) by striking “brokers or municipal securities dealers, to regulate” and inserting “brokers, municipal securities dealers, or municipal advisors, to regulate”;

(E) in subparagraph (D)—

(i) by inserting “and advice concerning municipal financial products” after “transactions in municipal securities”;

(ii) by striking “That no” and inserting “that no”;

(iii) by inserting “municipal advisor,” before “or person associated”;

(iv) by striking “a municipal securities broker or municipal securities dealer may be compelled” and inserting “a municipal securities broker, municipal securities dealer, or municipal advisor may be compelled”;

(F) in subparagraph (E)—

(i) by striking “municipal securities brokers and municipal securities dealers” and inserting “municipal securities brokers, municipal securities dealers, and municipal advisors”;

(ii) by striking “municipal securities broker or municipal securities dealer” and inserting “municipal securities broker, municipal securities dealer, or municipal advisor”;

(G) in subparagraph (G), by striking “municipal securities brokers and municipal securities dealers” and inserting “municipal securities brokers, municipal securities dealers, and municipal advisors”;

(H) in subparagraph (J)—

(i) by striking “municipal securities broker and each municipal securities dealer” and inserting “municipal securities broker, municipal securities dealer, and municipal advisor”;

(ii) by striking the period at the end of the second sentence and inserting “, which may include charges for failure to submit to the Board, or to any information system operated by the Board, within the prescribed timeframes, any items of information or documents required to be submitted under any rule issued by the Board.”;

(I) in subparagraph (K)—

(i) by inserting “broker, dealer, or” before “municipal securities dealer” each place that term appears; and

(ii) by striking “municipal securities investment portfolio” and inserting “related account of a broker, dealer, or municipal securities dealer”;

(J) by adding at the end the following:

“(L) with respect to municipal advisors—

“(i) prescribe means reasonably designed to prevent acts, practices, and courses of business as are not consistent with a municipal advisor’s fiduciary duty to its clients;

“(ii) provide continuing education requirements for municipal advisors;

“(iii) provide professional standards; and

“(iv) not impose a regulatory burden on small municipal advisors that is not necessary or appropriate in the public interest and for the protection of investors, municipal entities, and obligated persons, provided that there is robust protection of investors against fraud.”;

(3) by redesignating paragraph (3) as paragraph (7); and

(4) by inserting after paragraph (2) the following:

“(3) The Board, in conjunction with or on behalf of any Federal financial regulator or self-regulatory organization, may—

“(A) establish information systems; and

“(B) assess such reasonable fees and charges for the submission of information to, or the receipt of information from, such systems from any persons which systems may be developed for the purposes of serving as a repository of information from municipal market participants or otherwise in furtherance of the purposes of the Board, a Federal financial regulator, or a self-regulatory organization, except that the Board—

“(i) may not charge a fee to municipal entities or obligated persons to submit documents or other information to the Board or charge a fee to any person to obtain, directly from the Internet site of the Board, documents or information submitted by municipal entities, obligated persons, brokers, dealers, municipal securities dealers, or municipal advisors, including documents submitted under the rules of the Board or the Commission; and

“(ii) shall not be prohibited from charging commercially reasonable fees for automated subscription-based feeds or similar services, or for charging for other data or document-based services customized upon request of any person, made available to commercial enterprises, municipal securities market professionals, or the general public, whether delivered through the Internet or any other means, that contain all or part of the documents or information, subject to approval of the fees by the Commission under section 19(b).

“(4) The Board may provide guidance and assistance in the enforcement of, and examination for, compliance with the rules of the Board to the Commission, a registered securities association under section 15A, or any other appropriate regulatory agency, as applicable.

“(5) The Board, the Commission, and a registered securities association under section 15A, or the designees of the Board, the Commission, or such association, shall meet not less frequently than 2 times a year—

“(A) to describe the work of the Board, the Commission, and the registered securities association involving the regulation of municipal securities; and

“(B) to share information about—

“(i) the interpretation of the Board, the Commission, and the registered securities association of Board rules; and

“(ii) examination and enforcement of compliance with Board rules.”.

(c) DISCIPLINE OF BROKERS, DEALERS, MUNICIPAL SECURITIES DEALERS AND MUNICIPAL ADVISORS; FIDUCIARY DUTY OF MUNICIPAL ADVISORS.—Section 15B(c) of the Securities Exchange Act of 1934 (15 U.S.C. 78o-4(c)) is amended—

(1) in paragraph (1), by inserting “, and no broker, dealer, municipal securities dealer, or municipal advisor shall make use of the mails or any means or instrumentality of interstate commerce to provide advice to or on behalf of a municipal entity or obligated person with respect to municipal financial products, the issuance of municipal securities, or to undertake a solicitation of a municipal entity or obligated person,” after “any municipal security”;

(2) by adding at the end of paragraph (1) the following: “A municipal advisor and any person associated with such municipal advisor shall be deemed to have a fiduciary duty to any municipal entity for whom such municipal advisor acts as a municipal advisor, and no municipal advisor may engage in any act, practice, or course of business which is not consistent with a municipal advisor’s fiduciary duty or that is in contravention of any rule of the Board.”.

(3) in paragraph (2), by inserting “or municipal advisor” after “municipal securities dealer” each place that term appears;

(4) in paragraph (3)—

(A) by inserting “or municipal entities or obligated person” after “protection of investors” each place that term appears; and

(B) by inserting “or municipal advisor” after “municipal securities dealer” each place that term appears;

(5) in paragraph (4), by inserting “or municipal advisor” after “municipal securities dealer or obligated person” each place that term appears;

(6) in paragraph (6)(B), by inserting “or municipal entities or obligated person” after “protection of investors”;

(7) in paragraph (7)—

(A) in subparagraph (A)—

(i) in clause (i), by striking “; and” and inserting a semicolon;

(ii) in clause (ii), by striking the period and inserting “; and”;

(iii) by adding at the end the following:

“(iii) the Commission, or its designee, in the case of municipal advisors.”.

(B) in subparagraph (B), by inserting “or municipal entities or obligated person” after “protection of investors”;

(8) by adding at the end the following:

“(9)(A) Fines collected by the Commission for violations of the rules of the Board shall be equally divided between the Commission and the Board.

“(B) Fines collected by a registered securities association under section 15A(7) with respect to violations of the rules of the Board shall be accounted for by such registered securities association separately from other fines collected under section 15A(7) and shall be allocated between such registered securities association and the Board, and such allocation shall require the registered securities association to pay to the Board 1/5 of all fines collected by the registered securities association reasonably allocable to violations of the rules of the Board, or such other portion of such fines as may be directed by the Commission upon agreement between the registered securities association and the Board.”.

(d) ISSUANCE OF MUNICIPAL SECURITIES.—Section 15B(d)(2) of the Securities Exchange Act of 1934 (15 U.S.C. 78o-4(d)) is amended—

(1) by striking “through a municipal securities broker or municipal securities dealer or otherwise” and inserting “through a municipal securities broker, municipal securities dealer, municipal advisor, or otherwise”;

(2) by inserting “or municipal advisors” before “to furnish”.

(e) **DEFINITIONS.**—Section 15B of the Securities Exchange Act of 1934 (15 U.S.C. 78o-4) is amended by adding at the end the following:

“(e) **DEFINITIONS.**—For purposes of this section—

“(1) the term ‘Board’ means the Municipal Securities Rulemaking Board established under subsection (b)(1);

“(2) the term ‘guaranteed investment contract’ includes any investment that has specified withdrawal or reinvestment provisions and a specifically negotiated or bid interest rate, and also includes any agreement to supply investments on 2 or more future dates, such as a forward supply contract;

“(3) the term ‘investment strategies’ includes plans or programs for the investment of the proceeds of municipal securities that are not municipal derivatives, guaranteed investment contracts, and the recommendation of and brokerage of municipal escrow investments;

“(4) the term ‘municipal advisor’—

“(A) means a person (who is not a municipal entity or an employee of a municipal entity) that—

“(i) provides advice to or on behalf of a municipal entity or obligated person with respect to municipal financial products or the issuance of municipal securities, including advice with respect to the structure, timing, terms, and other similar matters concerning such financial products or issues; or

“(ii) undertakes a solicitation of a municipal entity;

“(B) includes financial advisors, guaranteed investment contract brokers, third-party marketers, placement agents, solicitors, finders, and swap advisors, if such persons are described in any of clauses (i) through (iii) of subparagraph (A); and

“(C) does not include a broker, dealer, or municipal securities dealer serving as an underwriter (as defined in section 2(a)(11) of the Securities Act of 1933) (15 U.S.C. 77b(a)(11)), any investment adviser registered under the Investment Advisers Act of 1940, or persons associated with such investment advisers who are providing investment advice, any commodity trading advisor registered under the Commodity Exchange Act or persons associated with a commodity trading advisor who are providing advice related to swaps, attorneys offering legal advice or providing services that are of a traditional legal nature, or engineers providing engineering advice;

“(5) the term ‘municipal financial product’ means municipal derivatives, guaranteed investment contracts, and investment strategies;

“(6) the term ‘rules of the Board’ means the rules proposed and adopted by the Board under subsection (b)(2);

“(7) the term ‘person associated with a municipal advisor’ or ‘associated person of an advisor’ means—

“(A) any partner, officer, director, or branch manager of such municipal advisor (or any person occupying a similar status or performing similar functions);

“(B) any other employee of such municipal advisor who is engaged in the management, direction, supervision, or performance of any activities relating to the provision of advice to or on behalf of a municipal entity or obligated person with respect to municipal financial products or the issuance of municipal securities; and

“(C) any person directly or indirectly controlling, controlled by, or under common control with such municipal advisor;

“(8) the term ‘municipal entity’ means any State, political subdivision of a State, or municipal corporate instrumentality of a State, including—

“(A) any agency, authority, or instrumentality of the State, political subdivision, or municipal corporate instrumentality;

“(B) any plan, program, or pool of assets sponsored or established by the State, political subdivision, or municipal corporate instrumentality or any agency, authority, or instrumentality thereof; and

“(C) any other issuer of municipal securities;

“(9) the term ‘solicitation of a municipal entity or obligated person’ means a direct or indirect communication with a municipal entity or obligated person made by a person, for direct or indirect compensation, on behalf of a broker, dealer, municipal securities dealer, municipal advisor, or investment adviser (as defined in section 202 of the Investment Advisers Act of 1940) that does not control, is not controlled by, or is not under common control with the person undertaking such solicitation for the purpose of obtaining or retaining an engagement by a municipal entity or obligated person of a broker, dealer, municipal securities dealer, or municipal advisor for or in connection with municipal financial products, the issuance of municipal securities, or of an investment adviser to provide investment advisory services to or on behalf of a municipal entity; and

“(10) the term ‘obligated person’ means any person, including an issuer of municipal securities, who is either generally or through an enterprise, fund, or account of such person, committed by contract or other arrangement to support the payment of all or part of the obligations on the municipal securities to be sold in an offering of municipal securities.”

(f) **REGISTERED SECURITIES ASSOCIATION.**—Section 15A(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78o-3(b)) is amended by adding at the end the following:

“(15) The rules of the association provide that the association shall—

“(A) request guidance from the Municipal Securities Rulemaking Board in interpretation of the rules of the Municipal Securities Rulemaking Board; and

“(B) provide information to the Municipal Securities Rulemaking Board about the enforcement actions and examinations of the association under section 15B(b)(2)(E), so that the Municipal Securities Rulemaking Board may—

“(i) assist in such enforcement actions and examinations; and

“(ii) evaluate the ongoing effectiveness of the rules of the Board.”

(g) **REGISTRATION AND REGULATION OF BROKERS AND DEALERS.**—Section 15 of the Securities Exchange Act of 1934 is amended—

(1) in subsection (b)(4), by inserting “municipal advisor,” after “municipal securities dealer” each place that term appears; and

(2) in subsection (c), by inserting “broker, dealer, or” before “municipal securities dealer” each place that term appears.

(h) **ACCOUNTS AND RECORDS, REPORTS, EXAMINATIONS OF EXCHANGES, MEMBERS, AND OTHERS.**—Section 17(a)(1) of the Securities Exchange Act of 1934 is amended by inserting “municipal advisor,” after “municipal securities dealer”.

(i) **EFFECTIVE DATE.**—This section, and the amendments made by this section, shall take effect on October 1, 2010.

SEC. 976. GOVERNMENT ACCOUNTABILITY OFFICE STUDY OF INCREASED DISCLOSURE TO INVESTORS.

(a) **STUDY.**—The Comptroller General of the United States shall conduct a study and review of the disclosure required to be made by issuers of municipal securities.

(b) **SUBJECTS FOR EVALUATION.**—In conducting the study under subsection (a), the Comptroller General of the United States shall—

(1) broadly describe—

(A) the size of the municipal securities markets and the issuers and investors; and

(B) the disclosures provided by issuers to investors;

(2) compare the amount, frequency, and quality of disclosures that issuers of municipal securities are required by law to provide for the benefit of municipal securities holders, including the amount of and frequency of disclosures actually provided by issuers of municipal securities, with the amount of and frequency of disclosures that issuers of corporate securities provide for the benefit of corporate securities holders, taking into account the differences between issuers of municipal securities and issuers of corporate securities;

(3) evaluate the costs and benefits to various types of issuers of municipal securities of requiring issuers of municipal bonds to provide additional financial disclosures for the benefit of investors;

(4) evaluate the potential benefit to investors from additional financial disclosures by issuers of municipal bonds; and

(5) make recommendations relating to disclosure requirements for municipal issuers, including the advisability of the repeal or retention of section 15B(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78o-4(d)) (commonly known as the “Tower Amendment”).

(c) **REPORT.**—Not later than 24 months after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to Congress on the results of the study conducted under subsection (a), including recommendations for how to improve disclosure by issuers of municipal securities.

SEC. 977. GOVERNMENT ACCOUNTABILITY OFFICE STUDY ON THE MUNICIPAL SECURITIES MARKETS.

(a) **STUDY.**—The Comptroller General of the United States shall conduct a study of the municipal securities markets.

(b) **REPORT.**—Not later than 18 months after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Financial Services of the House of Representatives, with copies to the Special Committee on Aging of the Senate and the Commission, on the results of the study conducted under subsection (a), including—

(1) an analysis of the mechanisms for trading, quality of trade executions, market transparency, trade reporting, price discovery, settlement clearing, and credit enhancements;

(2) the needs of the markets and investors and the impact of recent innovations;

(3) recommendations for how to improve the transparency, efficiency, fairness, and liquidity of trading in the municipal securities markets, including with reference to items listed in paragraph (1); and

(4) potential uses of derivatives in the municipal securities markets.

(c) **RESPONSES.**—Not later than 180 days after receipt of the report required under subsection (b), the Commission shall submit a response to the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Financial Services of the House of Representatives, with a copy to the Special Committee on Aging of the Senate, stating the actions the Commission has taken in response to the recommendations contained in such report.

SEC. 978. FUNDING FOR GOVERNMENTAL ACCOUNTING STANDARDS BOARD.

(a) **AMENDMENT TO THE SECURITIES ACT OF 1933.**—Section 19 of the Securities Act of 1933 (15 U.S.C. 77s), as amended by section 912, is further amended by adding at the end the following:

“(g) **FUNDING FOR THE GASB.**—

“(1) **IN GENERAL.**—The Commission may, subject to the limitations imposed by section 15B of the Securities Exchange Act of 1934 (15 U.S.C. 78o-4), require a national securities association

registered under the Securities Exchange Act of 1934 to establish—

“(A) a reasonable annual accounting support fee to adequately fund the annual budget of the Governmental Accounting Standards Board (referred to in this subsection as the ‘GASB’); and

“(B) rules and procedures, in consultation with the principal organizations representing State governors, legislators, local elected officials, and State and local finance officers, to provide for the equitable allocation, assessment, and collection of the accounting support fee established under subparagraph (A) from the members of the association, and the remittance of all such accounting support fees to the Financial Accounting Foundation.

“(2) ANNUAL BUDGET.—For purposes of this subsection, the annual budget of the GASB is the annual budget reviewed and approved according to the internal procedures of the Financial Accounting Foundation.

“(3) USE OF FUNDS.—Any fees or funds collected under this subsection shall be used to support the efforts of the GASB to establish standards of financial accounting and reporting recognized as generally accepted accounting principles applicable to State and local governments of the United States.

“(4) LIMITATION ON FEE.—The annual accounting support fees collected under this subsection for a fiscal year shall not exceed the recoverable annual budgeted expenses of the GASB (which may include operating expenses, capital, and accrued items).

“(5) RULES OF CONSTRUCTION.—

“(A) FEES NOT PUBLIC MONIES.—Accounting support fees collected under this subsection and other receipts of the GASB shall not be considered public monies of the United States.

“(B) LIMITATION ON AUTHORITY OF THE COMMISSION.—Nothing in this subsection shall be construed to—

“(i) provide the Commission or any national securities association direct or indirect oversight of the budget or technical agenda of the GASB; or

“(ii) affect the setting of generally accepted accounting principles by the GASB.

“(C) NONINTERFERENCE WITH STATES.—Nothing in this subsection shall be construed to impair or limit the authority of a State or local government to establish accounting and financial reporting standards.”

(b) STUDY OF FUNDING FOR GOVERNMENTAL ACCOUNTING STANDARDS BOARD.—

(1) STUDY.—The Comptroller General of the United States shall conduct a study that evaluates—

(A) the role and importance of the Governmental Accounting Standards Board in the municipal securities markets; and

(B) the manner and the level at which the Governmental Accounting Standards Board has been funded.

(2) CONSULTATION.—In conducting the study required under paragraph (1), the Comptroller General shall consult with the principal organizations representing State governors, legislators, local elected officials, and State and local finance officers.

(3) REPORT.—Not later than 180 days after the date of enactment of this Act, the Comptroller General shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report on the study required under paragraph (1).

SEC. 979. COMMISSION OFFICE OF MUNICIPAL SECURITIES.

(a) IN GENERAL.—There shall be in the Commission an Office of Municipal Securities, which shall—

(1) administer the rules of the Commission with respect to the practices of municipal securi-

ties brokers and dealers, municipal securities advisors, municipal securities investors, and municipal securities issuers; and

(2) coordinate with the Municipal Securities Rulemaking Board for rulemaking and enforcement actions as required by law.

(b) DIRECTOR OF THE OFFICE.—The head of the Office of Municipal Securities shall be the Director, who shall report to the Chairman.

(c) STAFFING.—

(1) IN GENERAL.—The Office of Municipal Securities shall be staffed sufficiently to carry out the requirements of this section.

(2) REQUIREMENT.—The staff of the Office of Municipal Securities shall include individuals with knowledge of and expertise in municipal finance.

Subtitle I—Public Company Accounting Oversight Board, Portfolio Margining, and Other Matters

SEC. 981. AUTHORITY TO SHARE CERTAIN INFORMATION WITH FOREIGN AUTHORITIES.

(a) DEFINITION.—Section 2(a) of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7201(a)) is amended by adding at the end the following:

“(17) FOREIGN AUDITOR OVERSIGHT AUTHORITY.—The term ‘foreign auditor oversight authority’ means any governmental body or other entity empowered by a foreign government to conduct inspections of public accounting firms or otherwise to administer or enforce laws related to the regulation of public accounting firms.”

(b) AVAILABILITY TO SHARE INFORMATION.—Section 105(b)(5) of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7215(b)(5)) is amended by adding at the end the following:

“(C) AVAILABILITY TO FOREIGN OVERSIGHT AUTHORITIES.—Without the loss of its status as confidential and privileged in the hands of the Board, all information referred to in subparagraph (A) that relates to a public accounting firm that a foreign government has empowered a foreign auditor oversight authority to inspect or otherwise enforce laws with respect to, may, at the discretion of the Board, be made available to the foreign auditor oversight authority, if—

“(i) the Board finds that it is necessary to accomplish the purposes of this Act or to protect investors;

“(ii) the foreign auditor oversight authority provides—

“(I) such assurances of confidentiality as the Board may request;

“(II) a description of the applicable information systems and controls of the foreign auditor oversight authority; and

“(III) a description of the laws and regulations of the foreign government of the foreign auditor oversight authority that are relevant to information access; and

“(iii) the Board determines that it is appropriate to share such information.”

(c) CONFORMING AMENDMENT.—Section 105(b)(5)(A) of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7215(b)(5)(A)) is amended by striking “subparagraph (B)” and inserting “subparagraphs (B) and (C)”.

SEC. 982. OVERSIGHT OF BROKERS AND DEALERS.

(a) DEFINITIONS.—

(1) DEFINITIONS AMENDED.—Title I of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7201 et seq.) is amended by adding at the end the following new section:

“SEC. 110. DEFINITIONS.

“For the purposes of this title, the following definitions shall apply:

“(1) AUDIT.—The term ‘audit’ means an examination of the financial statements, reports, documents, procedures, controls, or notices of any issuer, broker, or dealer by an independent public accounting firm in accordance with the rules of the Board or the Commission, for the purpose

of expressing an opinion on the financial statements or providing an audit report.

“(2) AUDIT REPORT.—The term ‘audit report’ means a document, report, notice, or other record—

“(A) prepared following an audit performed for purposes of compliance by an issuer, broker, or dealer with the requirements of the securities laws; and

“(B) in which a public accounting firm either—

“(i) sets forth the opinion of that firm regarding a financial statement, report, notice, or other document, procedures, or controls; or

“(ii) asserts that no such opinion can be expressed.

“(3) BROKER.—The term ‘broker’ means a broker (as such term is defined in section 3(a)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(4))) that is required to file a balance sheet, income statement, or other financial statement under section 17(e)(1)(A) of such Act (15 U.S.C. 78q(e)(1)(A)), where such balance sheet, income statement, or financial statement is required to be certified by a registered public accounting firm.

“(4) DEALER.—The term ‘dealer’ means a dealer (as such term is defined in section 3(a)(5) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(5))) that is required to file a balance sheet, income statement, or other financial statement under section 17(e)(1)(A) of such Act (15 U.S.C. 78q(e)(1)(A)), where such balance sheet, income statement, or financial statement is required to be certified by a registered public accounting firm.

“(5) PROFESSIONAL STANDARDS.—The term ‘professional standards’ means—

“(A) accounting principles that are—

“(i) established by the standard setting body described in section 19(b) of the Securities Act of 1933, as amended by this Act, or prescribed by the Commission under section 19(a) of that Act (15 U.S.C. 17a(s)) or section 13(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78a(m)); and

“(ii) relevant to audit reports for particular issuers, brokers, or dealers, or dealt with in the quality control system of a particular registered public accounting firm; and

“(B) auditing standards, standards for attestation engagements, quality control policies and procedures, ethical and competency standards, and independence standards (including rules implementing title II) that the Board or the Commission determines—

“(i) relate to the preparation or issuance of audit reports for issuers, brokers, or dealers; and

“(ii) are established or adopted by the Board under section 103(a), or are promulgated as rules of the Commission.

“(6) SELF-REGULATORY ORGANIZATION.—The term ‘self-regulatory organization’ has the same meaning as in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)).”

(2) CONFORMING AMENDMENT.—Section 2(a) of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7201(a)) is amended in the matter preceding paragraph (1), by striking “In this” and inserting “Except as otherwise specifically provided in this Act, in this”.

(b) ESTABLISHMENT AND ADMINISTRATION OF THE PUBLIC COMPANY ACCOUNTING OVERSIGHT BOARD.—Section 101 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7211) is amended—

(1) by striking “issuers” each place that term appears and inserting “issuers, brokers, and dealers”; and

(2) in subsection (a)—

(A) by striking “public companies” and inserting “companies”; and

(B) by striking “for companies the securities of which are sold to, and held by and for, public investors”.

(c) **REGISTRATION WITH THE BOARD.**—Section 102 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7212) is amended—

(1) in subsection (a)—

(A) by striking “Beginning 180” and all that follows through “101(d), it” and inserting “It”; and

(B) by striking “issuer” and inserting “issuer, broker, or dealer”;

(2) in subsection (b)—

(A) in paragraph (2)(A), by striking “issuers” and inserting “issuers, brokers, and dealers”; and

(B) by striking “issuer” each place that term appears and inserting “issuer, broker, or dealer”.

(d) **AUDITING AND INDEPENDENCE.**—Section 103(a) of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7213(a)) is amended—

(1) in paragraph (1), by striking “and such ethics standards” and inserting “such ethics standards, and such independence standards”;

(2) in paragraph (2)(A)(iii), by striking “describe in each audit report” and inserting “in each audit report for an issuer, describe”; and

(3) in paragraph (2)(B)(i), by striking “issuers” and inserting “issuers, brokers, and dealers”.

(e) **INSPECTIONS OF REGISTERED PUBLIC ACCOUNTING FIRMS.**—

(1) **AMENDMENTS.**—Section 104(a) of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7214(a)) is amended—

(A) by striking “The Board shall” and inserting the following:

“(1) **INSPECTIONS GENERALLY.**—The Board shall”; and

(B) by adding at the end the following:

“(2) **INSPECTIONS OF AUDIT REPORTS FOR BROKERS AND DEALERS.**—

“(A) The Board may, by rule, conduct and require a program of inspection in accordance with paragraph (1), on a basis to be determined by the Board, of registered public accounting firms that provide one or more audit reports for a broker or dealer. The Board, in establishing such a program, may allow for differentiation among classes of brokers and dealers, as appropriate.

“(B) If the Board determines to establish a program of inspection pursuant to subparagraph (A), the Board shall consider in establishing any inspection schedules whether differing schedules would be appropriate with respect to registered public accounting firms that issue audit reports only for one or more brokers or dealers that do not receive, handle, or hold customer securities or cash or are not a member of the Securities Investor Protection Corporation.

“(C) Any rules of the Board pursuant to this paragraph shall be subject to prior approval by the Commission pursuant to section 107(b) before the rules become effective, including an opportunity for public notice and comment.

“(D) Notwithstanding anything to the contrary in section 102 of this Act, a public accounting firm shall not be required to register with the Board if the public accounting firm is exempt from the inspection program which may be established by the Board under subparagraph (A).”

(2) **CONFORMING AMENDMENT.**—Section 17(e)(1)(A) of the Securities Exchange Act of 1934 (15 U.S.C. 78q(e)(1)(A)) is amended by striking “registered public accounting firm” and inserting “independent public accounting firm, or by a registered public accounting firm if the firm is required to be registered under the Sarbanes-Oxley Act of 2002.”

(f) **INVESTIGATIONS AND DISCIPLINARY PROCEEDINGS.**—Section 105(c)(7)(B) of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7215(c)(7)(B)) is amended—

(1) in the subparagraph heading, by inserting “, BROKER, OR DEALER” after “ISSUER”;

(2) by striking “any issuer” each place that term appears and inserting “any issuer, broker, or dealer”; and

(3) by striking “an issuer under this subsection” and inserting “a registered public accounting firm under this subsection”.

(g) **FOREIGN PUBLIC ACCOUNTING FIRMS.**—Section 106(a) of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7216(a)) is amended—

(1) in paragraph (1), by striking “issuer” and inserting “issuer, broker, or dealer”; and

(2) in paragraph (2), by striking “issuers” and inserting “issuers, brokers, or dealers”.

(h) **FUNDING.**—Section 109 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7219) is amended—

(1) in subsection (c)(2), by striking “subsection (i)” and inserting “subsection (j)”;

(2) in subsection (d)—

(A) in paragraph (2), by striking “allowing for differentiation among classes of issuers, as appropriate” and inserting “and among brokers and dealers, in accordance with subsection (h), and allowing for differentiation among classes of issuers, brokers and dealers, as appropriate”; and

(B) by adding at the end the following:

“(3) **BROKERS AND DEALERS.**—The Board shall begin the allocation, assessment, and collection of fees under paragraph (2) with respect to brokers and dealers with the payment of support fees to fund the first full fiscal year beginning after the date of enactment of the Investor Protection and Securities Reform Act of 2010.”;

(3) by redesignating subsections (h), (i), and (j) as subsections (i), (j), and (k), respectively; and

(4) by inserting after subsection (g) the following:

“(h) **ALLOCATION OF ACCOUNTING SUPPORT FEES AMONG BROKERS AND DEALERS.**—

“(1) **OBLIGATION TO PAY.**—Each broker or dealer shall pay to the Board the annual accounting support fee allocated to such broker or dealer under this section.

“(2) **ALLOCATION.**—Any amount due from a broker or dealer (or from a particular class of brokers and dealers) under this section shall be allocated among brokers and dealers and payable by the broker or dealer (or the brokers and dealers in the particular class, as applicable).

“(3) **PROPORTIONALITY.**—The amount due from a broker or dealer shall be in proportion to the net capital of the broker or dealer (before or after any adjustments), compared to the total net capital of all brokers and dealers (before or after any adjustments), in accordance with rules issued by the Board.”

(i) **REFERRAL OF INVESTIGATIONS TO A SELF-REGULATORY ORGANIZATION.**—Section

105(b)(4)(B) of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7215(b)(4)(B)) is amended—

(1) by redesignating clauses (ii) and (iii) as clauses (iii) and (iv), respectively; and

(2) by inserting after clause (i) the following:

“(ii) to a self-regulatory organization, in the case of an investigation that concerns an audit report for a broker or dealer that is under the jurisdiction of such self-regulatory organization.”

(j) **USE OF DOCUMENTS RELATED TO AN INSPECTION OR INVESTIGATION.**—Section

105(b)(5)(B)(ii) of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7215(b)(5)(B)(ii)) is amended—

(1) in subclause (III), by striking “and” at the end;

(2) in subclause (IV), by striking the comma and inserting “; and”; and

(3) by inserting after subclause (IV) the following:

“(V) a self-regulatory organization, with respect to an audit report for a broker or dealer that is under the jurisdiction of such self-regulatory organization.”

SEC. 983. PORTFOLIO MARGINING.

(a) **ADVANCES.**—Section 9(a)(1) of the Securities Investor Protection Act of 1970 (15 U.S.C. 78fff3(a)(1)) is amended by inserting “or options on commodity futures contracts” after “claim for securities”.

(b) **DEFINITIONS.**—Section 16 of the Securities Investor Protection Act of 1970 (15 U.S.C. 78lll) is amended—

(1) by striking paragraph (2) and inserting the following:

“(2) **CUSTOMER.**—

“(A) **IN GENERAL.**—The term ‘customer’ of a debtor means any person (including any person with whom the debtor deals as principal or agent) who has a claim on account of securities received, acquired, or held by the debtor in the ordinary course of its business as a broker or dealer from or for the securities accounts of such person for safekeeping, with a view to sale, to cover consummated sales, pursuant to purchases, as collateral, security, or for purposes of effecting transfer.

“(B) **INCLUDED PERSONS.**—The term ‘customer’ includes—

“(i) any person who has deposited cash with the debtor for the purpose of purchasing securities;

“(ii) any person who has a claim against the debtor for cash, securities, futures contracts, or options on futures contracts received, acquired, or held in a portfolio margining account carried as a securities account pursuant to a portfolio margining program approved by the Commission; and

“(iii) any person who has a claim against the debtor arising out of sales or conversions of such securities.

“(C) **EXCLUDED PERSONS.**—The term ‘customer’ does not include any person, to the extent that—

“(i) the claim of such person arises out of transactions with a foreign subsidiary of a member of SIPC; or

“(ii) such person has a claim for cash or securities which by contract, agreement, or understanding, or by operation of law, is part of the capital of the debtor, or is subordinated to the claims of any or all creditors of the debtor, notwithstanding that some ground exists for declaring such contract, agreement, or understanding void or voidable in a suit between the claimant and the debtor.”;

(2) in paragraph (4)—

(A) in subparagraph (C), by striking “and” at the end;

(B) by redesignating subparagraph (D) as subparagraph (E); and

(C) by inserting after subparagraph (C) the following:

“(D) in the case of a portfolio margining account of a customer that is carried as a securities account pursuant to a portfolio margining program approved by the Commission, a futures contract or an option on a futures contract received, acquired, or held by or for the account of a debtor from or for such portfolio margining account, and the proceeds thereof; and”;

(3) in paragraph (9), in the matter following subparagraph (L), by inserting after “Such term” the following: “includes revenues earned by a broker or dealer in connection with a transaction in the portfolio margining account of a customer carried as securities accounts pursuant to a portfolio margining program approved by the Commission. Such term”; and

(4) in paragraph (11)—

(A) in subparagraph (A)—

(i) by striking “filing date, all” and all that follows through the end of the subparagraph and inserting the following: “filing date—

“(i) all securities positions of such customer (other than customer name securities reclaimed by such customer); and

“(ii) all positions in futures contracts and options on futures contracts held in a portfolio margining account carried as a securities account pursuant to a portfolio margining program approved by the Commission, including all property collateralizing such positions, to the extent that such property is not otherwise included herein; minus”; and

(B) in the matter following subparagraph (C), by striking “In determining” and inserting the following: “A claim for a commodity futures contract received, acquired, or held in a portfolio margining account pursuant to a portfolio margining program approved by the Commission or a claim for a security futures contract, shall be deemed to be a claim with respect to such contract as of the filing date, and such claim shall be treated as a claim for cash. In determining”.

SEC. 984. LOAN OR BORROWING OF SECURITIES.

(a) RULEMAKING AUTHORITY.—Section 10 of the Securities Exchange Act of 1934 (15 U.S.C. 78j) is amended by adding at the end the following:

“(c)(1) To effect, accept, or facilitate a transaction involving the loan or borrowing of securities in contravention of such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors.

“(2) Nothing in paragraph (1) may be construed to limit the authority of the appropriate Federal banking agency (as defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q))), the National Credit Union Administration, or any other Federal department or agency having a responsibility under Federal law to prescribe rules or regulations restricting transactions involving the loan or borrowing of securities in order to protect the safety and soundness of a financial institution or to protect the financial system from systemic risk.”.

(b) RULEMAKING REQUIRED.—Not later than 2 years after the date of enactment of this Act, the Commission shall promulgate rules that are designed to increase the transparency of information available to brokers, dealers, and investors, with respect to the loan or borrowing of securities.

SEC. 985. TECHNICAL CORRECTIONS TO FEDERAL SECURITIES LAWS.

(a) SECURITIES ACT OF 1933.—The Securities Act of 1933 (15 U.S.C. 77a et seq.) is amended—

(1) in section 3(a)(4) (15 U.S.C. 77c(a)(4)), by striking “individual,” and inserting “individual,”;

(2) in section 18 (15 U.S.C. 77r)—

(A) in subsection (b)(1)(C), by striking “is a security” and inserting “a security”; and

(B) in subsection (c)(2)(B)(i), by striking “State, or” and inserting “State or”;

(3) in section 19(d)(6)(A) (15 U.S.C. 77s(d)(6)(A)), by striking “in paragraph (1) of (3)” and inserting “in paragraph (1) or (3)”; and

(4) in section 27A(c)(1)(B)(ii) (15 U.S.C. 77z-2(c)(1)(B)(ii)), by striking “business entity;” and inserting “business entity.”.

(b) SECURITIES EXCHANGE ACT OF 1934.—The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended—

(1) in section 2 (15 U.S.C. 78b), by striking “affected” and inserting “effected”;

(2) in section 3 (15 U.S.C. 78c)—

(A) in subsection (a)(55)(A), by striking “section 3(a)(12) of the Securities Exchange Act of 1934” and inserting “section 3(a)(12) of this title”; and

(B) in subsection (g), by striking “company, account person, or entity” and inserting “company, account, person, or entity”;

(3) in section 10A(i)(1)(B) (15 U.S.C. 78j-1(i)(1)(B))—

(A) in the subparagraph heading, by striking “MINIMUS” and inserting “MINIMIS”; and

(B) in clause (i), by striking “nonaudit” and inserting “non-audit”;

(4) in section 13(b)(1) (15 U.S.C. 78m(b)(1)), by striking “earnings statement” and inserting “earnings statement”;

(5) in section 15 (15 U.S.C. 78o)—

(A) in subsection (b)(1)—

(i) in subparagraph (B), by striking “The order granting” and all that follows through “from such membership.”; and

(ii) in the undesignated matter immediately following subparagraph (B), by inserting after the first sentence the following: “The order granting registration shall not be effective until such broker or dealer has become a member of a registered securities association, or until such broker or dealer has become a member of a national securities exchange, if such broker or dealer effects transactions solely on that exchange, unless the Commission has exempted such broker or dealer, by rule or order, from such membership.”;

(6) in section 15C(a)(2) (15 U.S.C. 78o-5(a)(2))—

(A) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively, and adjusting the subparagraph margins accordingly;

(B) in subparagraph (B), as so redesignated, by striking “The order granting” and all that follows through “from such membership.”; and

(C) in the matter following subparagraph (B), as so redesignated, by inserting after the first sentence the following: “The order granting registration shall not be effective until such government securities broker or government securities dealer has become a member of a national securities exchange registered under section 6 of this title, or a securities association registered under section 15A of this title, unless the Commission has exempted such government securities broker or government securities dealer, by rule or order, from such membership.”;

(7) in section 17(b)(1)(B) (15 U.S.C. 78q(b)(1)(B)), by striking “15A(k) gives” and inserting “15A(k), give”; and

(8) in section 21C(c)(2) (15 U.S.C. 78u-3(c)(2)), by striking “paragraph (1) subsection” and inserting “Paragraph (1)”.

(c) TRUST INDENTURE ACT OF 1939.—The Trust Indenture Act of 1939 (15 U.S.C. 77aaa et seq.) is amended—

(1) in section 304(b) (15 U.S.C. 77ddd(b)), by striking “section 2 of such Act” and inserting “section 2(a) of such Act”; and

(2) in section 317(a)(1) (15 U.S.C. 77qqq(a)(1)), by striking “, in the” and inserting “in the”.

(d) INVESTMENT COMPANY ACT OF 1940.—The Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.) is amended—

(1) in section 2(a)(19) (15 U.S.C. 80a-2(a)(19)), in the matter following subparagraph (B)(vii)—

(A) by striking “clause (vi)” each place that term appears and inserting “clause (vii)”;

(B) in each of subparagraphs (A)(vi) and (B)(vi), by adding “and” at the end of sub-clause (III);

(2) in section 9(b)(4)(B) (15 U.S.C. 80a-9(b)(4)(B)), by adding “or” after the semicolon at the end;

(3) in section 12(d)(1)(J) (15 U.S.C. 80a-12(d)(1)(J)), by striking “any provision of this subsection” and inserting “any provision of this paragraph”;

(4) in section 17(f) (15 U.S.C. 80a-17(f))—

(A) in paragraph (4), by striking “No such member” and inserting “No member of a national securities exchange”; and

(B) in paragraph (6), by striking “company may serve” and inserting “company, may serve”; and

(5) in section 61(a)(3)(B)(iii) (15 U.S.C. 80a-60(a)(3)(B)(iii))—

(A) by striking “paragraph (1) of section 205” and inserting “section 205(a)(1)”; and

(B) by striking “clause (A) or (B) of that section” and inserting “paragraph (1) or (2) of section 205(b)”.

(e) INVESTMENT ADVISERS ACT OF 1940.—The Investment Advisers Act of 1940 (15 U.S.C. 80b-1 et seq.) is amended—

(1) in section 203 (15 U.S.C. 80b-3)—

(A) in subsection (c)(1)(A), by striking “principal business office and” and inserting “principal office, principal place of business, and”; and

(B) in subsection (k)(4)(B), in the matter following clause (ii), by striking “principal place of business” and inserting “principal office or place of business”;

(2) in section 206(3) (15 U.S.C. 80b-6(3)), by adding “or” after the semicolon at the end;

(3) in section 213(a) (15 U.S.C. 80b-13(a)), by striking “principal place of business” and inserting “principal office or place of business”; and

(4) in section 222 (15 U.S.C. 80b-18a), by striking “principal place of business” each place that term appears and inserting “principal office and place of business”.

SEC. 986. CONFORMING AMENDMENTS RELATING TO REPEAL OF THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935.

(a) SECURITIES EXCHANGE ACT OF 1934.—The Securities Exchange Act of 1934 (15 U.S.C. 78 et seq.) is amended—

(1) in section 3(a)(47) (15 U.S.C. 78c(a)(47)), by striking “the Public Utility Holding Company Act of 1935 (15 U.S.C. 79a et seq.)”; and

(2) in section 12(k) (15 U.S.C. 78l(k)), by amending paragraph (7) to read as follows:

“(7) DEFINITION.—For purposes of this subsection, the term ‘emergency’ means—

“(A) a major market disturbance characterized by or constituting—

“(i) sudden and excessive fluctuations of securities prices generally, or a substantial threat thereof, that threaten fair and orderly markets; or

“(ii) a substantial disruption of the safe or efficient operation of the national system for clearance and settlement of transactions in securities, or a substantial threat thereof; or

“(B) a major disturbance that substantially disrupts, or threatens to substantially disrupt—

“(i) the functioning of securities markets, investment companies, or any other significant portion or segment of the securities markets; or

“(ii) the transmission or processing of securities transactions.”; and

(3) in section 21(h)(2) (15 U.S.C. 78u(h)(2)), by striking “section 18(c) of the Public Utility Holding Company Act of 1935,”.

(b) TRUST INDENTURE ACT OF 1939.—The Trust Indenture Act of 1939 (15 U.S.C. 77aaa et seq.) is amended—

(1) in section 303 (15 U.S.C. 77ccc), by striking paragraph (17) and inserting the following:

“(17) The terms ‘Securities Act of 1933’ and ‘Securities Exchange Act of 1934’ shall be deemed to refer, respectively, to such Acts, as amended, whether amended prior to or after the enactment of this title.”;

(2) in section 308 (15 U.S.C. 77hhh), by striking “Securities Act of 1933, the Securities Exchange Act of 1934, or the Public Utility Holding Company Act of 1935” each place that term appears and inserting “Securities Act of 1933 or the Securities Exchange Act of 1934”;

(3) in section 310 (15 U.S.C. 77jjj), by striking subsection (c);

(4) in section 311 (15 U.S.C. 77kkk), by striking subsection (c);

(5) in section 323(b) (15 U.S.C. 77www(b)), by striking “Securities Act of 1933, or the Securities Exchange Act of 1934, or the Public Utility Holding Company Act of 1935” and inserting “Securities Act of 1933 or the Securities Exchange Act of 1934”; and

(6) in section 326 (15 U.S.C. 77zzz), by striking “Securities Act of 1933, or the Securities Exchange Act of 1934, or the Public Utility Holding Company Act of 1935,” and inserting “Securities Act of 1933 or the Securities Exchange Act of 1934”.

(c) INVESTMENT COMPANY ACT OF 1940.—The Investment Company Act of 1940 (15 U.S.C. 80a–1 et seq.) is amended—

(1) in section 2(a)(44) (15 U.S.C. 80a–2(a)(44)), by striking “Public Utility Holding Company Act of 1935,”;

(2) in section 3(c) (15 U.S.C. 80a–3(c)), by striking paragraph (8) and inserting the following:

“(8) [Repealed];”;

(3) in section 38(b) (15 U.S.C. 80a–37(b)), by striking “the Public Utility Holding Company Act of 1935,”; and

(4) in section 50 (15 U.S.C. 80a–49), by striking “the Public Utility Holding Company Act of 1935,”.

(d) INVESTMENT ADVISERS ACT OF 1940.—Section 202(a)(21) of the Investment Advisers Act of 1940 (15 U.S.C. 80b–2(a)(21)) is amended by striking “Public Utility Holding Company Act of 1935,”.

SEC. 987. AMENDMENT TO DEFINITION OF MATERIAL LOSS AND NONMATERIAL LOSSES TO THE DEPOSIT INSURANCE FUND FOR PURPOSES OF INSPECTOR GENERAL REVIEWS.

(a) IN GENERAL.—Section 38(k) of the Federal Deposit Insurance Act (U.S.C. 1831o(k)) is amended—

(1) in paragraph (2), by striking subparagraph (B) and inserting the following:

“(B) MATERIAL LOSS DEFINED.—The term ‘material loss’ means any estimated loss in excess of—

“(i) \$200,000,000, if the loss occurs during the period beginning on January 1, 2010, and ending on December 31, 2011;

“(ii) \$150,000,000, if the loss occurs during the period beginning on January 1, 2012, and ending on December 31, 2013; and

“(iii) \$50,000,000, if the loss occurs on or after January 1, 2014, provided that if the inspector general of a Federal banking agency certifies to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives that the number of projected failures of depository institutions that would require material loss reviews for the following 12 months will be greater than 30 and would hinder the effectiveness of its oversight functions, then the definition of ‘material loss’ shall be \$75,000,000 for a duration of 1 year from the date of the certification.”;

(2) in paragraph (4)(A) by striking “the report” and inserting “any report on losses required under this subsection,”;

(3) by striking paragraph (6);

(4) by redesignating paragraph (5) as paragraph (6); and

(5) by inserting after paragraph (4) the following:

“(5) LOSSES THAT ARE NOT MATERIAL.—

“(A) SEMIANNUAL REPORT.—For the 6-month period ending on March 31, 2010, and each 6-month period thereafter, the Inspector General of each Federal banking agency shall—

“(i) identify losses that the Inspector General estimates have been incurred by the Deposit Insurance Fund during that 6-month period, with respect to the insured depository institutions supervised by the Federal banking agency;

“(ii) for each loss incurred by the Deposit Insurance Fund that is not a material loss, determine—

“(I) the grounds identified by the Federal banking agency or State bank supervisor for appointing the Corporation as receiver under section 11(c)(5); and

“(II) whether any unusual circumstances exist that might warrant an in-depth review of the loss; and

“(iii) prepare and submit a written report to the appropriate Federal banking agency and to Congress on the results of any determination by the Inspector General, including—

“(I) an identification of any loss that warrants an in-depth review, together with the reasons why such review is warranted, or, if the Inspector General determines that no review is warranted, an explanation of such determination; and

“(II) for each loss identified under subclause (I) that warrants an in-depth review, the date by which such review, and a report on such review prepared in a manner consistent with reports under paragraph (1)(A), will be completed and submitted to the Federal banking agency and Congress.

“(B) DEADLINE FOR SEMIANNUAL REPORT.—The Inspector General of each Federal banking agency shall—

“(i) submit each report required under paragraph (A) expeditiously, and not later than 90 days after the end of the 6-month period covered by the report; and

“(ii) provide a copy of the report required under paragraph (A) to any Member of Congress, upon request.”.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The heading for subsection (k) of section 38 of the Federal Deposit Insurance Act (U.S.C. 1831o(k)) is amended to read as follows:

“(k) REVIEWS REQUIRED WHEN DEPOSIT INSURANCE FUND INCURS LOSSES.—”.

SEC. 988. AMENDMENT TO DEFINITION OF MATERIAL LOSS AND NONMATERIAL LOSSES TO THE NATIONAL CREDIT UNION SHARE INSURANCE FUND FOR PURPOSES OF INSPECTOR GENERAL REVIEWS.

(a) IN GENERAL.—Section 216(j) of the Federal Credit Union Act (12 U.S.C. 1790d(j)) is amended to read as follows:

“(j) REVIEWS REQUIRED WHEN SHARE INSURANCE FUND EXPERIENCES LOSSES.—

“(I) IN GENERAL.—If the Fund incurs a material loss with respect to an insured credit union, the Inspector General of the Board shall—

“(A) submit to the Board a written report reviewing the supervision of the credit union by the Administration (including the implementation of this section by the Administration), which shall include—

“(i) a description of the reasons why the problems of the credit union resulted in a material loss to the Fund; and

“(ii) recommendations for preventing any such loss in the future; and

“(B) submit a copy of the report under subparagraph (A) to—

“(i) the Comptroller General of the United States;

“(ii) the Corporation;

“(iii) in the case of a report relating to a State credit union, the appropriate State supervisor; and

“(iv) to any Member of Congress, upon request.

“(2) MATERIAL LOSS DEFINED.—For purposes of determining whether the Fund has incurred a material loss with respect to an insured credit union, a loss is material if it exceeds the sum of—

“(A) \$25,000,000; and

“(B) an amount equal to 10 percent of the total assets of the credit union on the date on which the Board initiated assistance under section 208 or was appointed liquidating agent.

“(3) PUBLIC DISCLOSURE REQUIRED.—

“(A) IN GENERAL.—The Board shall disclose a report under this subsection, upon request under section 552 of title 5, United States Code, without excising—

“(i) any portion under section 552(b)(5) of title 5, United States Code; or

“(ii) any information about the insured credit union (other than trade secrets) under section 552(b)(8) of title 5, United States Code.

“(B) RULE OF CONSTRUCTION.—Subparagraph (A) may not be construed as requiring the agency to disclose the name of any customer of the insured credit union (other than an institution-affiliated party), or information from which the identity of such customer could reasonably be ascertained.

“(4) LOSSES THAT ARE NOT MATERIAL.—

“(A) SEMIANNUAL REPORT.—For the 6-month period ending on March 31, 2010, and each 6-month period thereafter, the Inspector General of the Board shall—

“(i) identify any losses that the Inspector General estimates were incurred by the Fund during such 6-month period, with respect to insured credit unions;

“(ii) for each loss to the Fund that is not a material loss, determine—

“(I) the grounds identified by the Board or the State official having jurisdiction over a State credit union for appointing the Board as the liquidating agent for any Federal or State credit union; and

“(II) whether any unusual circumstances exist that might warrant an in-depth review of the loss; and

“(iii) prepare and submit a written report to the Board and to Congress on the results of the determinations of the Inspector General that includes—

“(I) an identification of any loss that warrants an in-depth review, and the reasons such review is warranted, or if the Inspector General determines that no review is warranted, an explanation of such determination; and

“(II) for each loss identified in subclause (I) that warrants an in-depth review, the date by which such review, and a report on the review prepared in a manner consistent with reports under paragraph (1)(A), will be completed.

“(B) DEADLINE FOR SEMIANNUAL REPORT.—The Inspector General of the Board shall—

“(i) submit each report required under subparagraph (A) expeditiously, and not later than 90 days after the end of the 6-month period covered by the report; and

“(ii) provide a copy of the report required under subparagraph (A) to any Member of Congress, upon request.

“(5) GAO REVIEW.—The Comptroller General of the United States shall, under such conditions as the Comptroller General determines to be appropriate—

“(A) review each report made under paragraph (1), including the extent to which the Inspector General of the Board complied with the requirements under section 8L of the Inspector General Act of 1978 (5 U.S.C. App.) with respect to each such report; and

“(B) recommend improvements to the supervision of insured credit unions (including improvements relating to the implementation of this section).”.

SEC. 989. GOVERNMENT ACCOUNTABILITY OFFICE STUDY ON PROPRIETARY TRADING.

(a) DEFINITIONS.—In this section—

(1) the term “covered entity” means—

(A) an insured depository institution, an affiliate of an insured depository institution, a bank holding company, a financial holding company, or a subsidiary of a bank holding company or a financial holding company, as those terms are defined in the Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.); and

(B) any other entity, as the Comptroller General of the United States may determine; and

(2) the term “proprietary trading” means the act of a covered entity investing as a principal

in securities, commodities, derivatives, hedge funds, private equity firms, or such other financial products or entities as the Comptroller General may determine.

(b) **STUDY.**—

(1) **IN GENERAL.**—The Comptroller General of the United States shall conduct a study regarding the risks and conflicts associated with proprietary trading by and within covered entities, including an evaluation of—

(A) whether proprietary trading presents a material systemic risk to the stability of the United States financial system, and if so, the costs and benefits of options for mitigating such systemic risk;

(B) whether proprietary trading presents material risks to the safety and soundness of the covered entities that engage in such activities, and if so, the costs and benefits of options for mitigating such risks;

(C) whether proprietary trading presents material conflicts of interest between covered entities that engage in proprietary trading and the clients of the institutions who use the firm to execute trades or who rely on the firm to manage assets, and if so, the costs and benefits of options for mitigating such conflicts of interest;

(D) whether adequate disclosure regarding the risks and conflicts of proprietary trading is provided to the depositors, trading and asset management clients, and investors of covered entities that engage in proprietary trading, and if not, the costs and benefits of options for the improvement of such disclosure; and

(E) whether the banking, securities, and commodities regulators of institutions that engage in proprietary trading have in place adequate systems and controls to monitor and contain any risks and conflicts of interest related to proprietary trading, and if not, the costs and benefits of options for the improvement of such systems and controls.

(2) **CONSIDERATIONS.**—In carrying out the study required under paragraph (1), the Comptroller General shall consider—

(A) current practice relating to proprietary trading;

(B) the advisability of a complete ban on proprietary trading;

(C) limitations on the scope of activities that covered entities may engage in with respect to proprietary trading;

(D) the advisability of additional capital requirements for covered entities that engage in proprietary trading;

(E) enhanced restrictions on transactions between affiliates related to proprietary trading;

(F) enhanced accounting disclosures relating to proprietary trading;

(G) enhanced public disclosure relating to proprietary trading; and

(H) any other options the Comptroller General deems appropriate.

(c) **REPORT TO CONGRESS.**—Not later than 15 months after the date of enactment of this Act, the Comptroller General shall submit a report to Congress on the results of the study conducted under subsection (b).

(d) **ACCESS BY COMPTROLLER GENERAL.**—For purposes of conducting the study required under subsection (b), the Comptroller General shall have access, upon request, to any information, data, schedules, books, accounts, financial records, reports, files, electronic communications, or other papers, things, or property belonging to or in use by a covered entity that engages in proprietary trading, and to the officers, directors, employees, independent public accountants, financial advisors, staff, and agents and representatives of a covered entity (as related to the activities of the agent or representative on behalf of the covered entity), at such reasonable times as the Comptroller General may request. The Comptroller General may

make and retain copies of books, records, accounts, and other records, as the Comptroller General deems appropriate.

(e) **CONFIDENTIALITY OF REPORTS.**—

(1) **IN GENERAL.**—Except as provided in paragraph (2), the Comptroller General may not disclose information regarding—

(A) any proprietary trading activity of a covered entity, unless such information is disclosed at a level of generality that does not reveal the investment or trading position or strategy of the covered entity for any specific security, commodity, derivative, or other investment or financial product; or

(B) any individual interviewed by the Comptroller General for purposes of the study under subsection (b), unless such information is disclosed at a level of generality that does not reveal—

(i) the name of or identifying details relating to such individual; or

(ii) in the case of an individual who is an employee of a third party that provides professional services to a covered entity believed to be engaged in proprietary trading, the name of or any identifying details relating to such third party.

(2) **EXCEPTIONS.**—The Comptroller General may disclose the information described in paragraph (1)—

(A) to a department, agency, or official of the Federal Government, for official use, upon request;

(B) to a committee of Congress, upon request; and

(C) to a court, upon an order of such court.

SEC. 989A. SENIOR INVESTOR PROTECTIONS.

(a) **DEFINITIONS.**—As used in this section—

(1) the term “eligible entity” means—

(A) a securities commission (or any agency or office performing like functions) of a State that the Office determines has adopted rules on the appropriate use of designations in the offer or sale of securities or the provision of investment advice that meet or exceed the minimum requirements of the NASAA Model Rule on the Use of Senior-Specific Certifications and Professional Designations (or any successor thereto);

(B) the insurance commission (or any agency or office performing like functions) of any State that the Office determines has—

(i) adopted rules on the appropriate use of designations in the sale of insurance products that, to the extent practicable, conform to the minimum requirements of the National Association of Insurance Commissioners Model Regulation on the Use of Senior-Specific Certifications and Professional Designations in the Sale of Life Insurance and Annuities (or any successor thereto); and

(ii) adopted rules with respect to fiduciary or suitability requirements in the sale of annuities that meet or exceed the minimum requirements established by the Suitability in Annuity Transactions Model Regulation of the National Association of Insurance Commissioners (or any successor thereto); or

(C) a consumer protection agency of any State, if—

(i) the securities commission (or any agency or office performing like functions) of the State is eligible under subparagraph (A); or

(ii) the insurance commission (or any agency or office performing like functions) of the State is eligible under subparagraph (B);

(2) the term “financial product” means a security, an insurance product (including an insurance product that pays a return, whether fixed or variable), a bank product, and a loan product;

(3) the term “misleading designation”—

(A) means a certification, professional designation, or other purported credential that indicates or implies that a salesperson or adviser

has special certification or training in advising or servicing seniors; and

(B) does not include a certification, professional designation, license, or other credential that—

(i) was issued by or obtained from an academic institution having regional accreditation;

(ii) meets the standards for certifications and professional designations outlined by the NASAA Model Rule on the Use of Senior-Specific Certifications and Professional Designations (or any successor thereto) or by the Model Regulations on the Use of Senior-Specific Certifications and Professional Designations in the Sale of Life Insurance and Annuities, adopted by the National Association of Insurance Commissioners (or any successor thereto); or

(iii) was issued by or obtained from a State;

(4) the term “misleading or fraudulent marketing” means the use of a misleading designation by a person that sells to or advises a senior in connection with the sale of a financial product;

(5) the term “NASAA” means the North American Securities Administrators Association;

(6) the term “Office” means the Office of Financial Literacy of the Bureau;

(7) the term “senior” means any individual who has attained the age of 62 years or older; and

(8) the term “State” has the same meaning as in section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)).

(b) **GRANTS TO STATES FOR ENHANCED PROTECTION OF SENIORS FROM BEING MISLED BY FALSE DESIGNATIONS.**—The Office shall establish a program under which the Office may make grants to States or eligible entities—

(1) to hire staff to identify, investigate, and prosecute (through civil, administrative, or criminal enforcement actions) cases involving misleading or fraudulent marketing;

(2) to fund technology, equipment, and training for regulators, prosecutors, and law enforcement officers, in order to identify salespersons and advisers who target seniors through the use of misleading designations;

(3) to fund technology, equipment, and training for prosecutors to increase the successful prosecution of salespersons and advisers who target seniors with the use of misleading designations;

(4) to provide educational materials and training to regulators on the appropriateness of the use of designations by salespersons and advisers in connection with the sale and marketing of financial products;

(5) to provide educational materials and training to seniors to increase awareness and understanding of misleading or fraudulent marketing;

(6) to develop comprehensive plans to combat misleading or fraudulent marketing of financial products to seniors; and

(7) to enhance provisions of State law to provide protection for seniors against misleading or fraudulent marketing.

(c) **APPLICATIONS.**—A State or eligible entity desiring a grant under this section shall submit an application to the Office, in such form and in such a manner as the Office may determine, that includes—

(1) a proposal for activities to protect seniors from misleading or fraudulent marketing that are proposed to be funded using a grant under this section, including—

(A) an identification of the scope of the problem of misleading or fraudulent marketing in the State;

(B) a description of how the proposed activities would—

(i) protect seniors from misleading or fraudulent marketing in the sale of financial products, including by proactively identifying victims of misleading and fraudulent marketing who are seniors;

(ii) assist in the investigation and prosecution of those using misleading or fraudulent marketing; and

(iii) discourage and reduce cases of misleading or fraudulent marketing; and

(C) a description of how the proposed activities would be coordinated with other State efforts; and

(2) any other information, as the Office determines is appropriate.

(d) **PERFORMANCE OBJECTIVES AND REPORTING REQUIREMENTS.**—The Office may establish such performance objectives and reporting requirements for States and eligible entities receiving a grant under this section as the Office determines are necessary to carry out and assess the effectiveness of the program under this section.

(e) **MAXIMUM AMOUNT.**—The amount of a grant under this section may not exceed—

(1) \$500,000 for each of 3 consecutive fiscal years, if the recipient is a State, or an eligible entity of a State, that has adopted rules—

(A) on the appropriate use of designations in the offer or sale of securities or investment advice that meet or exceed the minimum requirements of the NASAA Model Rule on the Use of Senior-Specific Certifications and Professional Designations (or any successor thereto);

(B) on the appropriate use of designations in the sale of insurance products that, to the extent practicable, conform to the minimum requirements of the National Association of Insurance Commissioners Model Regulation on the Use of Senior-Specific Certifications and Professional Designations in the Sale of Life Insurance and Annuities (or any successor thereto); and

(C) with respect to fiduciary or suitability requirements in the sale of annuities that meet or exceed the minimum requirements established by the Suitability in Annuity Transactions Model Regulation of the National Association of Insurance Commissioners (or any successor thereto); and

(2) \$100,000 for each of 3 consecutive fiscal years, if the recipient is a State, or an eligible entity of a State, that has adopted—

(A) rules on the appropriate use of designations in the offer or sale of securities or investment advice that meet or exceed the minimum requirements of the NASAA Model Rule on the Use of Senior-Specific Certifications and Professional Designations (or any successor thereto); or

(B) rules—

(i) on the appropriate use of designations in the sale of insurance products that, to the extent practicable, conform to the minimum requirements of the National Association of Insurance Commissioners Model Regulation on the Use of Senior-Specific Certifications and Professional Designations in the Sale of Life Insurance and Annuities (or any successor thereto); and

(ii) with respect to fiduciary or suitability requirements in the sale of annuities that meet or exceed the minimum requirements established by the Suitability in Annuity Transactions Model Regulation of the National Association of Insurance Commissioners (or any successor thereto).

(f) **SUBGRANTS.**—A State or eligible entity that receives a grant under this section may make a subgrant, as the State or eligible entity determines is necessary to carry out the activities funded using a grant under this section.

(g) **REAPPLICATION.**—A State or eligible entity that receives a grant under this section may reapply for a grant under this section, notwithstanding the limitations on grant amounts under subsection (e).

(h) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to carry out this section, \$8,000,000 for each of fiscal years 2011 through 2015.

SEC. 989B. DESIGNATED FEDERAL ENTITY INSPECTORS GENERAL INDEPENDENCE.

Section 8G of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) in subsection (a)(4)—

(A) in the matter preceding subparagraph (A), by inserting “the board or commission of the designated Federal entity, or in the event the designated Federal entity does not have a board or commission,” after “means”;

(B) in subparagraph (A), by striking “and” after the semicolon; and

(C) by adding after subparagraph (B) the following:

“(C) with respect to the Federal Labor Relations Authority, such term means the members of the Authority (described under section 7104 of title 5, United States Code);

“(D) with respect to the National Archives and Records Administration, such term means the Archivist of the United States;

“(E) with respect to the National Credit Union Administration, such term means the National Credit Union Administration Board (described under section 102 of the Federal Credit Union Act (12 U.S.C. 1752a);

“(F) with respect to the National Endowment of the Arts, such term means the National Council on the Arts;

“(G) with respect to the National Endowment for the Humanities, such term means the National Council on the Humanities; and

“(H) with respect to the Peace Corps, such term means the Director of the Peace Corps;”;

(2) in subsection (h), by inserting “if the designated Federal entity is not a board or commission, include” after “designated Federal entities and”.

SEC. 989C. STRENGTHENING INSPECTOR GENERAL ACCOUNTABILITY.

Section 5(a) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) in paragraph (12), by striking “and” after the semicolon;

(2) in paragraph (13), by striking the period and inserting a semicolon; and

(3) by adding at the end the following:

“(14)(A) an appendix containing the results of any peer review conducted by another Office of Inspector General during the reporting period; or

“(B) if no peer review was conducted within that reporting period, a statement identifying the date of the last peer review conducted by another Office of Inspector General;

“(15) a list of any outstanding recommendations from any peer review conducted by another Office of Inspector General that have not been fully implemented, including a statement describing the status of the implementation and why implementation is not complete; and

“(16) a list of any peer reviews conducted by the Inspector General of another Office of the Inspector General during the reporting period, including a list of any outstanding recommendations made from any previous peer review (including any peer review conducted before the reporting period) that remain outstanding or have not been fully implemented.”.

SEC. 989D. REMOVAL OF INSPECTORS GENERAL OF DESIGNATED FEDERAL ENTITIES.

Section 8G(e) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) by redesignating the sentences following “(e)” as paragraph (2); and

(2) by striking “(e)” and inserting the following:

“(e)(1) In the case of a designated Federal entity for which a board or commission is the head of the designated Federal entity, a removal under this subsection may only be made upon the written concurrence of a $\frac{2}{3}$ majority of the board or commission.”.

SEC. 989E. ADDITIONAL OVERSIGHT OF FINANCIAL REGULATORY SYSTEM.

(a) **COUNCIL OF INSPECTORS GENERAL ON FINANCIAL OVERSIGHT.**—

(1) **ESTABLISHMENT AND MEMBERSHIP.**—There is established a Council of Inspectors General on Financial Oversight (in this section referred to as the “Council of Inspectors General”) chaired by the Inspector General of the Department of the Treasury and composed of the inspectors general of the following:

(A) The Board of Governors of the Federal Reserve System.

(B) The Commodity Futures Trading Commission.

(C) The Department of Housing and Urban Development.

(D) The Department of the Treasury.

(E) The Federal Deposit Insurance Corporation.

(F) The Federal Housing Finance Agency.

(G) The National Credit Union Administration.

(H) The Securities and Exchange Commission.

(I) The Troubled Asset Relief Program (until the termination of the authority of the Special Inspector General for such program under section 121(k) of the Emergency Economic Stabilization Act of 2008 (12 U.S.C. 5231(k))).

(2) **DUTIES.**—

(A) **MEETINGS.**—The Council of Inspectors General shall meet not less than once each quarter, or more frequently if the chair considers it appropriate, to facilitate the sharing of information among inspectors general and to discuss the ongoing work of each inspector general who is a member of the Council of Inspectors General, with a focus on concerns that may apply to the broader financial sector and ways to improve financial oversight.

(B) **ANNUAL REPORT.**—Each year the Council of Inspectors General shall submit to the Council and to Congress a report including—

(i) for each inspector general who is a member of the Council of Inspectors General, a section within the exclusive editorial control of such inspector general that highlights the concerns and recommendations of such inspector general in such inspector general's ongoing and completed work, with a focus on issues that may apply to the broader financial sector; and

(ii) a summary of the general observations of the Council of Inspectors General based on the views expressed by each inspector general as required by clause (i), with a focus on measures that should be taken to improve financial oversight.

(3) **WORKING GROUPS TO EVALUATE COUNCIL.**—

(A) **CONVENING A WORKING GROUP.**—The Council of Inspectors General may, by majority vote, convene a Council of Inspectors General Working Group to evaluate the effectiveness and internal operations of the Council.

(B) **PERSONNEL AND RESOURCES.**—The inspectors general who are members of the Council of Inspectors General may detail staff and resources to a Council of Inspectors General Working Group established under this paragraph to enable it to carry out its duties.

(C) **REPORTS.**—A Council of Inspectors General Working Group established under this paragraph shall submit regular reports to the Council and to Congress on its evaluations pursuant to this paragraph.

(b) **RESPONSE TO REPORT BY COUNCIL.**—The Council shall respond to the concerns raised in the report of the Council of Inspectors General under subsection (a)(2)(B) for such year.

SEC. 989F. GAO STUDY OF PERSON TO PERSON LENDING.

(a) **STUDY.**—

(1) **IN GENERAL.**—The Comptroller General of the United States shall conduct a study of person to person lending to determine the optimal Federal regulatory structure.

(2) **CONSULTATION.**—In conducting the study required under paragraph (1), the Comptroller General shall consult with Federal banking agencies, the Commission, consumer groups, outside experts, and the person to person lending industry.

(3) **CONTENT OF STUDY.**—The study required under paragraph (1) shall include an examination of—

(A) the regulatory structure as it exists on the date of enactment of this Act, as determined by the Commission, with particular attention to—

(i) the application of the Securities Act of 1933 to person to person lending platforms;

(ii) the posting of consumer loan information on the EDGAR database of the Commission; and

(iii) the treatment of privately held person to person lending platforms as public companies;

(B) the State and other Federal regulators responsible for the oversight and regulation of person to person lending markets;

(C) any Federal, State, or local government or private studies of person to person lending completed or in progress on the date of enactment of this Act;

(D) consumer privacy and data protections, minimum credit standards, anti-money laundering and risk management in the regulatory structure as it exists on the date of enactment of this Act, and whether additional or alternative safeguards are needed; and

(E) the uses of person to person lending.

(b) **REPORT.**—

(1) **IN GENERAL.**—Not later than 1 year after the date of enactment of this Act, the Comptroller General shall submit a report on the study required under subsection (a) to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives.

(2) **CONTENT OF REPORT.**—The report required under paragraph (1) shall include alternative regulatory options, including—

(A) the involvement of other Federal agencies; and

(B) alternative approaches by the Commission and recommendations on whether the alternative approaches are effective.

SEC. 989G. EXEMPTION FOR NONACCELERATED FILERS.

(a) **EXEMPTION.**—Section 404 of the Sarbanes-Oxley Act of 2002 is amended by adding at the end the following:

“(c) **EXEMPTION FOR SMALLER ISSUERS.**—Subsection (b) shall not apply with respect to any audit report prepared for an issuer that is neither a ‘large accelerated filer’ nor an ‘accelerated filer’ as those terms are defined in Rule 12b-2 of the Commission (17 C.F.R. 240.12b-2).”

(b) **STUDY.**—The Securities and Exchange Commission shall conduct a study to determine how the Commission could reduce the burden of complying with section 404(b) of the Sarbanes-Oxley Act of 2002 for companies whose market capitalization is between \$75,000,000 and \$250,000,000 for the relevant reporting period while maintaining investor protections for such companies. The study shall also consider whether any such methods of reducing the compliance burden or a complete exemption for such companies from compliance with such section would encourage companies to list on exchanges in the United States in their initial public offerings. Not later than 9 months after the date of the enactment of this subtitle, the Commission shall transmit a report of such study to Congress.

SEC. 989H. CORRECTIVE RESPONSES BY HEADS OF CERTAIN ESTABLISHMENTS TO DEFICIENCIES IDENTIFIED BY INSPECTORS GENERAL.

The Chairman of the Board of Governors of the Federal Reserve System, the Chairman of the Commodity Futures Trading Commission, the Chairman of the National Credit Union Ad-

ministration, the Director of the Pension Benefit Guaranty Corporation, and the Chairman of the Securities and Exchange Commission shall each—

(1) take action to address deficiencies identified by a report or investigation of the Inspector General of the establishment concerned; or

(2) certify to both Houses of Congress that no action is necessary or appropriate in connection with a deficiency described in paragraph (1).

SEC. 989I. GAO STUDY REGARDING EXEMPTION FOR SMALLER ISSUERS.

(a) **STUDY REGARDING EXEMPTION FOR SMALLER ISSUERS.**—The Comptroller General of the United States shall carry out a study on the impact of the amendments made by this Act to section 404(b) of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7262(b)), which shall include an analysis of—

(1) whether issuers that are exempt from such section 404(b) have fewer or more restatements of published accounting statements than issuers that are required to comply with such section 404(b);

(2) the cost of capital for issuers that are exempt from such section 404(b) compared to the cost of capital for issuers that are required to comply with such section 404(b);

(3) whether there is any difference in the confidence of investors in the integrity of financial statements of issuers that comply with such section 404(b) and issuers that are exempt from compliance with such section 404(b);

(4) whether issuers that do not receive the attestation for internal controls required under such section 404(b) should be required to disclose the lack of such attestation to investors; and

(5) the costs and benefits to issuers that are exempt from such section 404(b) that voluntarily have obtained the attestation of an independent auditor.

(b) **REPORT.**—Not later than 3 years after the date of enactment of this Act, the Comptroller General shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report on the results of the study required under subsection (a).

SEC. 989J. FURTHER PROMOTING THE ADOPTION OF THE NAIC MODEL REGULATIONS THAT ENHANCE PROTECTION OF SENIORS AND OTHER CONSUMERS.

(a) **IN GENERAL.**—The Commission shall treat as exempt securities described under section 3(a)(8) of the Securities Act of 1933 (15 U.S.C. 77c(a)(8)) any insurance or endowment policy or annuity contract or optional annuity contract—

(1) the value of which does not vary according to the performance of a separate account;

(2) that—

(A) satisfies standard nonforfeiture laws or similar requirements of the applicable State at the time of issue; or

(B) in the absence of applicable standard nonforfeiture laws or requirements, satisfies the Model Standard Nonforfeiture Law for Life Insurance or Model Standard Nonforfeiture Law for Individual Deferred Annuities, or any successor model law, as published by the National Association of Insurance Commissioners; and

(3) that is issued—

(A) on and after June 16, 2013, in a State, or issued by an insurance company that is domiciled in a State, that—

(i) adopts rules that govern suitability requirements in the sale of an insurance or endowment policy or annuity contract or optional annuity contract, which shall substantially meet or exceed the minimum requirements established by the Suitability in Annuity Transactions Model Regulation adopted by the National Association of Insurance Commissioners in March 2010; and

(ii) adopts rules that substantially meet or exceed the minimum requirements of any successor

modifications to the model regulations described in subparagraph (A) within 5 years of the adoption by the Association of any further successors thereto; or

(B) by an insurance company that adopts and implements practices on a nationwide basis for the sale of any insurance or endowment policy or annuity contract or optional annuity contract that meet or exceed the minimum requirements established by the National Association of Insurance Commissioners Suitability in Annuity Transactions Model Regulation (Model 275), and any successor thereto, and is therefore subject to examination by the State of domicile of the insurance company, or by any other State where the insurance company conducts sales of such products, for the purpose of monitoring compliance under this section.

(b) **RULE OF CONSTRUCTION.**—Nothing in this section shall be construed to affect whether any insurance or endowment policy or annuity contract or optional annuity contract that is not described in this section is or is not an exempt security under section 3(a)(8) of the Securities Act of 1933 (15 U.S.C. 77c(a)(8)).

Subtitle J—Securities and Exchange Commission Match Funding

SEC. 991. SECURITIES AND EXCHANGE COMMISSION MATCH FUNDING.

(a) **MATCH FUNDING AUTHORITY.**—

(1) **AMENDMENTS.**—Section 31 of the Securities Exchange Act of 1934 (15 U.S.C. 78ee) is amended—

(A) by striking subsection (a) and inserting the following:

“(a) **RECOVERY OF COSTS OF ANNUAL APPROPRIATION.**—The Commission shall, in accordance with this section, collect transaction fees and assessments that are designed to recover the costs to the Government of the annual appropriation to the Commission by Congress.”;

(B) in subsection (e)(2), by striking “September 30” and inserting “September 25”;

(C) in subsection (g), by striking “April 30 of the fiscal year preceding the fiscal year to which such rate applies” and inserting “30 days after the date on which an Act making a regular appropriation to the Commission for such fiscal year is enacted”;

(D) by striking subsection (j) and inserting the following:

“(j) **ADJUSTMENTS TO FEE RATES.**—

“(1) **ANNUAL ADJUSTMENT.**—Subject to subsections (i)(1)(B) and (k), for each fiscal year, the Commission shall by order adjust each of the rates applicable under subsections (b) and (c) for such fiscal year to a uniform adjusted rate that, when applied to the baseline estimate of the aggregate dollar amount of sales for such fiscal year, is reasonably likely to produce aggregate fee collections under this section (including assessments collected under subsection (d) of this section) that are equal to the regular appropriation to the Commission by Congress for such fiscal year.

“(2) **MID-YEAR ADJUSTMENT.**—Subject to subsections (i)(1)(B) and (k), for each fiscal year, the Commission shall determine, by March 1 of such fiscal year, whether, based on the actual aggregate dollar volume of sales during the first 5 months of such fiscal year, the baseline estimate of the aggregate dollar volume of sales used under paragraph (1) for such fiscal year is reasonably likely to be 10 percent (or more) greater or less than the actual aggregate dollar volume of sales for such fiscal year. If the Commission so determines, the Commission shall by order, no later than March 1, adjust each of the rates applicable under subsections (b) and (c) for such fiscal year to a uniform adjusted rate that, when applied to the revised estimate of the aggregate dollar amount of sales for the remainder of such fiscal year, is reasonably likely to produce aggregate fee collections under this section (including fees collected during such five-

month period and assessments collected under subsection (d) of this section) that are equal to the regular appropriation to the Commission by Congress for such fiscal year. In making such revised estimate, the Commission shall, after consultation with the Congressional Budget Office and the Office of Management and Budget, use the same methodology required by subsection (l).

“(3) REVIEW.—In exercising its authority under this subsection, the Commission shall not be required to comply with the provisions of section 553 of title 5, United States Code. An adjusted rate prescribed under paragraph (1) or (2) and published under subsection (g) shall not be subject to judicial review.

“(4) EFFECTIVE DATE.—

“(A) ANNUAL ADJUSTMENT.—Subject to subsections (i)(1)(B) and (k), an adjusted rate prescribed under paragraph (1) shall take effect on the later of—

“(i) the first day of the fiscal year to which such rate applies; or

“(ii) 60 days after the date on which an Act making a regular appropriation to the Commission for such fiscal year is enacted.

“(B) MID-YEAR ADJUSTMENT.—An adjusted rate prescribed under paragraph (2) shall take effect on April 1 of the fiscal year to which such rate applies.”

(E) in subsection (k), by striking “30 days” and inserting “60 days”; and

(F) in subsection (l), by striking “DEFINITIONS.—” and all that follows through “SALES.—The baseline” and inserting “BASELINE ESTIMATE OF THE AGGREGATE DOLLAR AMOUNT OF SALES.—The baseline”.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the later of—

(A) October 1, 2011; or

(B) the date of enactment of an Act making a regular appropriation to the Commission for fiscal year 2012.

(b) AMENDMENTS TO REGISTRATION FEE PROVISIONS.—

(1) SECTION 6(b) OF THE SECURITIES ACT OF 1933.—Section 6(b) of the Securities Act of 1933 (15 U.S.C. 77f(b)) is amended—

(A) by striking “offsetting” each place that term appears and inserting “fee”; and

(B) by striking paragraphs (1), (3), (4), (6), (8), and (9);

(C) by redesignating paragraph (2) as paragraph (1);

(D) by redesignating paragraph (5) as paragraph (2);

(E) by redesignating paragraph (7) as paragraph (3);

(F) by redesignating paragraph (10) as paragraph (5);

(G) by redesignating paragraph (11) as paragraph (6);

(H) in paragraph (1), as so redesignated, by striking “paragraph (5) or (6).” and inserting “paragraph (2).”;

(I) in paragraph (2), as so redesignated—

(i) by striking “of the fiscal years 2003 through 2011” and inserting “fiscal year”; and

(ii) by striking “paragraph (2)” and inserting “paragraph (1)”;

(J) by inserting after paragraph (3), as so redesignated, the following:

“(4) REVIEW AND EFFECTIVE DATE.—In exercising its authority under this subsection, the Commission shall not be required to comply with the provisions of section 553 of title 5, United States Code. An adjusted rate prescribed under paragraph (2) and published under paragraph (5) shall not be subject to judicial review. An adjusted rate prescribed under paragraph (2) shall take effect on the first day of the fiscal year to which such rate applies.”;

(K) in paragraph (5), as redesignated, by striking “April 30” and inserting “August 31”;

(L) in paragraph (6), as so redesignated—

(i) by striking “of the fiscal years 2002 through 2011” and inserting “fiscal year”; and

(ii) by inserting at the end of the table in subparagraph (A) the following:

“2012	\$425,000,000
2013	\$455,000,000
2014	\$485,000,000
2015	\$515,000,000
2016	\$550,000,000
2017	\$585,000,000
2018	\$620,000,000
2019	\$660,000,000
2020	\$705,000,000
2021 and each fiscal year thereafter.	An amount that is equal to the target fee collection amount for the prior fiscal year, adjusted by the rate of inflation.”.

(2) SECTION 13(e) OF THE SECURITIES EXCHANGE ACT OF 1934.—Section 13(e) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(e)) is amended—

(A) in paragraph (3), by striking “paragraphs (5) and (6)” and inserting “paragraph (4)”;

(B) by striking paragraphs (4), (5), and (6);

(C) by inserting after paragraph (3) the following:

“(4) ANNUAL ADJUSTMENT.—For each fiscal year, the Commission shall by order adjust the rate required by paragraph (3) for such fiscal year to a rate that is equal to the rate (expressed in dollars per million) that is applicable under section 6(b) of the Securities Act of 1933 for such fiscal year.

“(5) FEE COLLECTIONS.—Fees collected pursuant to this subsection for fiscal year 2012 and each fiscal year thereafter shall be deposited and credited as general revenue of the Treasury and shall not be available for obligation.

“(6) EFFECTIVE DATE; PUBLICATION.—In exercising its authority under this subsection, the Commission shall not be required to comply with the provisions of section 553 of title 5, United States Code. An adjusted rate prescribed under paragraph (4) shall be published and take effect in accordance with section 6(b) of the Securities Act of 1933 (15 U.S.C. 77f(b)).”;

(D) by striking paragraphs (8), (9), and (10).

(3) SECTION 14(g) OF THE SECURITIES EXCHANGE ACT OF 1934.—Section 14(g) of the Securities Exchange Act of 1934 (15 U.S.C. 78n(g)) is amended—

(A) in paragraph (1), by striking “paragraphs (5) and (6)” each time that term appears and inserting “paragraph (4)”;

(B) in paragraph (3), by striking “paragraphs (5) and (6)” and inserting “paragraph (4)”;

(C) by striking paragraphs (4), (5), and (6);

(D) by inserting after paragraph (3) the following:

“(4) ANNUAL ADJUSTMENT.—For each fiscal year, the Commission shall by order adjust the rate required by paragraphs (1) and (3) for such fiscal year to a rate that is equal to the rate (expressed in dollars per million) that is applicable under section 6(b) of the Securities Act of 1933 (15 U.S.C. 77f(b)) for such fiscal year.

“(5) FEE COLLECTION.—Fees collected pursuant to this subsection for fiscal year 2012 and each fiscal year thereafter shall be deposited and credited as general revenue of the Treasury and shall not be available for obligation.

“(6) REVIEW; EFFECTIVE DATE; PUBLICATION.—In exercising its authority under this subsection, the Commission shall not be required to comply with the provisions of section 553 of title 5, United States Code. An adjusted rate prescribed under paragraph (4) shall be published and take effect in accordance with section 6(b) of the Securities Act of 1933 (15 U.S.C. 77f(b)).”;

(E) by striking paragraphs (8), (9), and (10); and

(F) by redesignating paragraph (11) as paragraph (8).

(4) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on October 1, 2011, except that for fiscal year 2012, the Commission shall publish the rate established under section 6(b) of the Securities Act of 1933 (15 U.S.C. 77f(b)), as amended by this Act, on August 31, 2011.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 35 of the Securities Exchange Act of 1934 (15 U.S.C. 78kk) is amended to read as follows:

“SEC. 35. AUTHORIZATION OF APPROPRIATIONS.

“In addition to any other funds authorized to be appropriated to the Commission, there are authorized to be appropriated to carry out the functions, powers, and duties of the Commission—

“(1) for fiscal year 2011, \$1,300,000,000;

“(2) for fiscal year 2012, \$1,500,000,000;

“(3) for fiscal year 2013, \$1,750,000,000;

“(4) for fiscal year 2014, \$2,000,000,000; and

“(5) for fiscal year 2015, \$2,250,000,000.”.

(d) TRANSMITTAL OF BUDGET REQUESTS.—

(1) AMENDMENT.—Section 31 of the Securities Exchange Act of 1934 (15 U.S.C. 78ee) is amended by adding at the end the following:

“(m) TRANSMITTAL OF COMMISSION BUDGET REQUESTS.—

“(1) BUDGET REQUIRED.—For fiscal year 2012, and each fiscal year thereafter, the Commission shall prepare and submit a budget to the President. Whenever the Commission submits a budget estimate or request to the President or the Office of Management and Budget, the Commission shall concurrently transmit copies of the estimate or request to the Committee on Appropriations of the Senate, the Committee on Appropriations of the House of Representatives, the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Financial Services of the House of Representatives.

“(2) SUBMISSION TO CONGRESS.—The President shall submit each budget submitted under paragraph (1) to Congress, in unaltered form, together with the annual budget for the Administration submitted by the President.

“(3) CONTENTS.—The Commission shall include in each budget submitted under paragraph (1)—

“(A) an itemization of the amount of funds necessary to carry out the functions of the Commission.

“(B) an amount to be designated as contingency funding to be used by the Commission to address unanticipated needs; and

“(C) a designation of any activities of the Commission for which multi-year budget authority would be suitable.”.

(2) BUDGET OF THE PRESIDENT.—For fiscal year 2012, and each fiscal year thereafter, the annual budget for the Administration submitted by the President to Congress shall reflect the amendments made by this section.

(e) SECURITIES AND EXCHANGE COMMISSION RESERVE FUND.—

(1) AMENDMENT.—Section 4 of the Securities Exchange Act of 1934 (15 U.S.C. 78d), as amended by this Act, is amended by adding at the end the following:

“(i) SECURITIES AND EXCHANGE COMMISSION RESERVE FUND.—

“(1) RESERVE FUND ESTABLISHED.—There is established in the Treasury of the United States a separate fund, to be known as the ‘Securities and Exchange Commission Reserve Fund’ (referred to in this subsection as the ‘Reserve Fund’).

“(2) RESERVE FUND AMOUNTS.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), any registration fees collected by the Commission under section 6(b) of the Securities Act of 1933 (15 U.S.C. 77f(b)) or section 24(f)

of the Investment Company Act of 1940 (15 U.S.C. 80a-24(f)) shall be deposited into the Reserve Fund.

“(B) LIMITATIONS.—For any 1 fiscal year—

“(i) the amount deposited in the Fund may not exceed \$50,000,000; and

“(ii) the balance in the Fund may not exceed \$100,000,000.

“(C) EXCESS FEES.—Any amounts in excess of the limitations described in subparagraph (B) that the Commission collects from registration fees under section 6(b) of the Securities Act of 1933 (15 U.S.C. 77f(b)) or section 24(f) of the Investment Company Act of 1940 (15 U.S.C. 80a-24(f)) shall be deposited in the General Fund of the Treasury of the United States and shall not be available for obligation by the Commission.

“(3) USE OF AMOUNTS IN RESERVE FUND.—The Commission may obligate amounts in the Reserve Fund, not to exceed a total of \$100,000,000 in any 1 fiscal year, as the Commission determines is necessary to carry out the functions of the Commission. Any amounts in the reserve fund shall remain available until expended. Not later than 10 days after the date on which the Commission obligates amounts under this paragraph, the Commission shall notify Congress of the date, amount, and purpose of the obligation.

“(4) RULE OF CONSTRUCTION.—Amounts collected and deposited in the Reserve Fund shall not be construed to be Government funds or appropriated monies and shall not be subject to apportionment for the purpose of chapter 15 of title 31, United States Code, or under any other authority.”.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect on October 1, 2011.

TITLE X—BUREAU OF CONSUMER FINANCIAL PROTECTION

SEC. 1001. SHORT TITLE.

This title may be cited as the “Consumer Financial Protection Act of 2010”.

SEC. 1002. DEFINITIONS.

Except as otherwise provided in this title, for purposes of this title, the following definitions shall apply:

(1) AFFILIATE.—The term “affiliate” means any person that controls, is controlled by, or is under common control with another person.

(2) BUREAU.—The term “Bureau” means the Bureau of Consumer Financial Protection.

(3) BUSINESS OF INSURANCE.—The term “business of insurance” means the writing of insurance or the reinsuring of risks by an insurer, including all acts necessary to such writing or reinsuring and the activities relating to the writing of insurance or the reinsuring of risks conducted by persons who act as, or are, officers, directors, agents, or employees of insurers or who are other persons authorized to act on behalf of such persons.

(4) CONSUMER.—The term “consumer” means an individual or an agent, trustee, or representative acting on behalf of an individual.

(5) CONSUMER FINANCIAL PRODUCT OR SERVICE.—The term “consumer financial product or service” means any financial product or service that is described in one or more categories under—

(A) paragraph (15) and is offered or provided for use by consumers primarily for personal, family, or household purposes; or

(B) clause (i), (iii), (ix), or (x) of paragraph (15)(A), and is delivered, offered, or provided in connection with a consumer financial product or service referred to in subparagraph (A).

(6) COVERED PERSON.—The term “covered person” means—

(A) any person that engages in offering or providing a consumer financial product or service; and

(B) any affiliate of a person described in subparagraph (A) if such affiliate acts as a service provider to such person.

(7) CREDIT.—The term “credit” means the right granted by a person to a consumer to defer payment of a debt, incur debt and defer its payment, or purchase property or services and defer payment for such purchase.

(8) DEPOSIT-TAKING ACTIVITY.—The term “deposit-taking activity” means—

(A) the acceptance of deposits, maintenance of deposit accounts, or the provision of services related to the acceptance of deposits or the maintenance of deposit accounts;

(B) the acceptance of funds, the provision of other services related to the acceptance of funds, or the maintenance of member share accounts by a credit union; or

(C) the receipt of funds or the equivalent thereof, as the Bureau may determine by rule or order, received or held by a covered person (or an agent for a covered person) for the purpose of facilitating a payment or transferring funds or value of funds between a consumer and a third party.

(9) DESIGNATED TRANSFER DATE.—The term “designated transfer date” means the date established under section 1062.

(10) DIRECTOR.—The term “Director” means the Director of the Bureau.

(11) ELECTRONIC CONDUIT SERVICES.—The term “electronic conduit services” means—

(A) means the provision, by a person, of electronic data transmission, routing, intermediate or transient storage, or connections to a telecommunications system or network; and

(B) does not include a person that provides electronic conduit services if, when providing such services, the person—

(i) selects or modifies the content of the electronic data;

(ii) transmits, routes, stores, or provides connections for electronic data, including financial data, in a manner that such financial data is differentiated from other types of data of the same form that such person transmits, routes, or stores, or with respect to which, provides connections; or

(iii) is a payee, payor, correspondent, or similar party to a payment transaction with a consumer.

(12) ENUMERATED CONSUMER LAWS.—Except as otherwise specifically provided in section 1029, subtitle G or subtitle H, the term “enumerated consumer laws” means—

(A) the Alternative Mortgage Transaction Parity Act of 1982 (12 U.S.C. 3801 et seq.);

(B) the Consumer Leasing Act of 1976 (15 U.S.C. 1667 et seq.);

(C) the Electronic Fund Transfer Act (15 U.S.C. 1693 et seq.), except with respect to section 920 of that Act;

(D) the Equal Credit Opportunity Act (15 U.S.C. 1691 et seq.);

(E) the Fair Credit Billing Act (15 U.S.C. 1666 et seq.);

(F) the Fair Credit Reporting Act (15 U.S.C. 1681 et seq.), except with respect to sections 615(e) and 628 of that Act (15 U.S.C. 1681m(e), 1681w);

(G) the Home Owners Protection Act of 1998 (12 U.S.C. 4901 et seq.);

(H) the Fair Debt Collection Practices Act (15 U.S.C. 1692 et seq.);

(I) subsections (b) through (f) of section 43 of the Federal Deposit Insurance Act (12 U.S.C. 1831t(c)–(f));

(J) sections 502 through 509 of the Gramm-Leach-Bliley Act (15 U.S.C. 6802–6809) except for section 505 as it applies to section 501(b);

(K) the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2801 et seq.);

(L) the Home Ownership and Equity Protection Act of 1994 (15 U.S.C. 1601 note);

(M) the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2601 et seq.);

(N) the S.A.F.E. Mortgage Licensing Act of 2008 (12 U.S.C. 5101 et seq.);

(O) the Truth in Lending Act (15 U.S.C. 1601 et seq.);

(P) the Truth in Savings Act (12 U.S.C. 4301 et seq.);

(Q) section 626 of the Omnibus Appropriations Act, 2009 (Public Law 111–8); and

(R) the Interstate Land Sales Full Disclosure Act (15 U.S.C. 1701).

(13) FAIR LENDING.—The term “fair lending” means fair, equitable, and nondiscriminatory access to credit for consumers.

(14) FEDERAL CONSUMER FINANCIAL LAW.—The term “Federal consumer financial law” means the provisions of this title, the enumerated consumer laws, the laws for which authorities are transferred under subtitles F and H, and any rule or order prescribed by the Bureau under this title, an enumerated consumer law, or pursuant to the authorities transferred under subtitles F and H. The term does not include the Federal Trade Commission Act.

(15) FINANCIAL PRODUCT OR SERVICE.—

(A) IN GENERAL.—The term “financial product or service” means—

(i) extending credit and servicing loans, including acquiring, purchasing, selling, brokering, or other extensions of credit (other than solely extending commercial credit to a person who originates consumer credit transactions);

(ii) extending or brokering leases of personal or real property that are the functional equivalent of purchase finance arrangements, if—

(I) the lease is on a non-operating basis;

(II) the initial term of the lease is at least 90 days; and

(III) in the case of a lease involving real property, at the inception of the initial lease, the transaction is intended to result in ownership of the leased property to be transferred to the lessee, subject to standards prescribed by the Bureau;

(iii) providing real estate settlement services, except such services excluded under subparagraph (C), or performing appraisals of real estate or personal property;

(iv) engaging in deposit-taking activities, transmitting or exchanging funds, or otherwise acting as a custodian of funds or any financial instrument for use by or on behalf of a consumer;

(v) selling, providing, or issuing stored value or payment instruments, except that, in the case of a sale of, or transaction to reload, stored value, only if the seller exercises substantial control over the terms or conditions of the stored value provided to the consumer where, for purposes of this clause—

(I) a seller shall not be found to exercise substantial control over the terms or conditions of the stored value if the seller is not a party to the contract with the consumer for the stored value product, and another person is principally responsible for establishing the terms or conditions of the stored value; and

(II) advertising the nonfinancial goods or services of the seller on the stored value card or device is not in itself an exercise of substantial control over the terms or conditions;

(vi) providing check cashing, check collection, or check guaranty services;

(vii) providing payments or other financial data processing products or services to a consumer by any technological means, including processing or storing financial or banking data for any payment instrument, or through any payments systems or network used for processing payments data, including payments made through an online banking system or mobile telecommunications network, except that a person shall not be deemed to be a covered person with respect to financial data processing solely because the person—

(I) is a merchant, retailer, or seller of any nonfinancial good or service who engages in financial data processing by transmitting or storing payments data about a consumer exclusively for purpose of initiating payments instructions by the consumer to pay such person for the purchase of, or to complete a commercial transaction for, such nonfinancial good or service sold directly by such person to the consumer; or

(II) provides access to a host server to a person for purposes of enabling that person to establish and maintain a website;

(viii) providing financial advisory services (other than services relating to securities provided by a person regulated by the Commission or a person regulated by a State securities Commission, but only to the extent that such person acts in a regulated capacity) to consumers on individual financial matters or relating to proprietary financial products or services (other than by publishing any bona fide newspaper, news magazine, or business or financial publication of general and regular circulation, including publishing market data, news, or data analytics or investment information or recommendations that are not tailored to the individual needs of a particular consumer), including—

(I) providing credit counseling to any consumer; and

(II) providing services to assist a consumer with debt management or debt settlement, modifying the terms of any extension of credit, or avoiding foreclosure;

(ix) collecting, analyzing, maintaining, or providing consumer report information or other account information, including information relating to the credit history of consumers, used or expected to be used in connection with any decision regarding the offering or provision of a consumer financial product or service, except to the extent that—

(I) a person—

(aa) collects, analyzes, or maintains information that relates solely to the transactions between a consumer and such person;

(bb) provides the information described in item (aa) to an affiliate of such person; or

(cc) provides information that is used or expected to be used solely in any decision regarding the offering or provision of a product or service that is not a consumer financial product or service, including a decision for employment, government licensing, or a residential lease or tenancy involving a consumer; and

(II) the information described in subclause (I)(aa) is not used by such person or affiliate in connection with any decision regarding the offering or provision of a consumer financial product or service to the consumer, other than credit described in section 1027(a)(2)(A);

(x) collecting debt related to any consumer financial product or service; and

(xi) such other financial product or service as may be defined by the Bureau, by regulation, for purposes of this title, if the Bureau finds that such financial product or service is—

(I) entered into or conducted as a subterfuge or with a purpose to evade any Federal consumer financial law; or

(II) permissible for a bank or for a financial holding company to offer or to provide under any provision of a Federal law or regulation applicable to a bank or a financial holding company, and has, or likely will have, a material impact on consumers.

(B) **RULE OF CONSTRUCTION.**—

(i) **IN GENERAL.**—For purposes of subparagraph (A)(xi)(II), and subject to clause (ii) of this subparagraph, the following activities provided to a covered person shall not, for purposes of this title, be considered incidental or complementary to a financial activity permissible for a financial holding company to engage in under any provision of a Federal law or regulation applicable to a financial holding company:

(I) Providing information products or services to a covered person for identity authentication.

(II) Providing information products or services for fraud or identify theft detection, prevention, or investigation.

(III) Providing document retrieval or delivery services.

(IV) Providing public records information retrieval.

(V) Providing information products or services for anti-money laundering activities.

(ii) **LIMITATION.**—Nothing in clause (i) may be construed as modifying or limiting the authority of the Bureau to exercise any—

(I) examination or enforcement powers authority under this title with respect to a covered person or service provider engaging in an activity described in subparagraph (A)(ix); or

(II) powers authorized by this title to prescribe rules, issue orders, or take other actions under any enumerated consumer law or law for which the authorities are transferred under subtitle F or H.

(C) **EXCLUSIONS.**—The term “financial product or service” does not include—

(i) the business of insurance; or

(ii) electronic conduit services.

(16) **FOREIGN EXCHANGE.**—The term “foreign exchange” means the exchange, for compensation, of currency of the United States or of a foreign government for currency of another government.

(17) **INSURED CREDIT UNION.**—The term “insured credit union” has the same meaning as in section 101 of the Federal Credit Union Act (12 U.S.C. 1752).

(18) **PAYMENT INSTRUMENT.**—The term “payment instrument” means a check, draft, warrant, money order, traveler's check, electronic instrument, or other instrument, payment of funds, or monetary value (other than currency).

(19) **PERSON.**—The term “person” means an individual, partnership, company, corporation, association (incorporated or unincorporated), trust, estate, cooperative organization, or other entity.

(20) **PERSON REGULATED BY THE COMMODITY FUTURES TRADING COMMISSION.**—The term “person regulated by the Commodity Futures Trading Commission” means any person that is registered, or required by statute or regulation to be registered, with the Commodity Futures Trading Commission, but only to the extent that the activities of such person are subject to the jurisdiction of the Commodity Futures Trading Commission under the Commodity Exchange Act.

(21) **PERSON REGULATED BY THE COMMISSION.**—The term “person regulated by the Commission” means a person who is—

(A) a broker or dealer that is required to be registered under the Securities Exchange Act of 1934;

(B) an investment adviser that is registered under the Investment Advisers Act of 1940;

(C) an investment company that is required to be registered under the Investment Company Act of 1940, and any company that has elected to be regulated as a business development company under that Act;

(D) a national securities exchange that is required to be registered under the Securities Exchange Act of 1934;

(E) a transfer agent that is required to be registered under the Securities Exchange Act of 1934;

(F) a clearing corporation that is required to be registered under the Securities Exchange Act of 1934;

(G) any self-regulatory organization that is required to be registered with the Commission;

(H) any nationally recognized statistical rating organization that is required to be registered with the Commission;

(I) any securities information processor that is required to be registered with the Commission;

(J) any municipal securities dealer that is required to be registered with the Commission;

(K) any other person that is required to be registered with the Commission under the Securities Exchange Act of 1934; and

(L) any employee, agent, or contractor acting on behalf of, registered with, or providing services to, any person described in any of subparagraphs (A) through (K), but only to the extent that any person described in any of subparagraphs (A) through (K), or the employee, agent, or contractor of such person, acts in a regulated capacity.

(22) **PERSON REGULATED BY A STATE INSURANCE REGULATOR.**—The term “person regulated by a State insurance regulator” means any person that is engaged in the business of insurance and subject to regulation by any State insurance regulator, but only to the extent that such person acts in such capacity.

(23) **PERSON THAT PERFORMS INCOME TAX PREPARATION ACTIVITIES FOR CONSUMERS.**—The term “person that performs income tax preparation activities for consumers” means—

(A) any tax return preparer (as defined in section 7701(a)(36) of the Internal Revenue Code of 1986), regardless of whether compensated, but only to the extent that the person acts in such capacity;

(B) any person regulated by the Secretary under section 330 of title 31, United States Code, but only to the extent that the person acts in such capacity; and

(C) any authorized IRS e-file Providers (as defined for purposes of section 7216 of the Internal Revenue Code of 1986), but only to the extent that the person acts in such capacity.

(24) **PRUDENTIAL REGULATOR.**—The term “prudential regulator” means—

(A) in the case of an insured depository institution or depository institution holding company (as defined in section 3 of the Federal Deposit Insurance Act), or subsidiary of such institution or company, the appropriate Federal banking agency, as that term is defined in section 3 of the Federal Deposit Insurance Act; and

(B) in the case of an insured credit union, the National Credit Union Administration.

(25) **RELATED PERSON.**—The term “related person”—

(A) shall apply only with respect to a covered person that is not a bank holding company (as that term is defined in section 2 of the Bank Holding Company Act of 1956), credit union, or depository institution;

(B) shall be deemed to mean a covered person for all purposes of any provision of Federal consumer financial law; and

(C) means—

(i) any director, officer, or employee charged with managerial responsibility for, or controlling shareholder of, or agent for, such covered person;

(ii) any shareholder, consultant, joint venture partner, or other person, as determined by the Bureau (by rule or on a case-by-case basis) who materially participates in the conduct of the affairs of such covered person; and

(iii) any independent contractor (including any attorney, appraiser, or accountant) who knowingly or recklessly participates in any—

(I) violation of any provision of law or regulation; or

(II) breach of a fiduciary duty.

(26) **SERVICE PROVIDER.**—

(A) **IN GENERAL.**—The term “service provider” means any person that provides a material service to a covered person in connection with the offering or provision by such covered person of a consumer financial product or service, including a person that—

(i) participates in designing, operating, or maintaining the consumer financial product or service; or

(ii) processes transactions relating to the consumer financial product or service (other than unknowingly or incidentally transmitting or processing financial data in a manner that such data is undifferentiated from other types of data of the same form as the person transmits or processes).

(B) **EXCEPTIONS.**—The term “service provider” does not include a person solely by virtue of such person offering or providing to a covered person—

(i) a support service of a type provided to businesses generally or a similar ministerial service; or

(ii) time or space for an advertisement for a consumer financial product or service through print, newspaper, or electronic media.

(C) **RULE OF CONSTRUCTION.**—A person that is a service provider shall be deemed to be a covered person to the extent that such person engages in the offering or provision of its own consumer financial product or service.

(27) **STATE.**—The term “State” means any State, territory, or possession of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, American Samoa, or the United States Virgin Islands or any federally recognized Indian tribe, as defined by the Secretary of the Interior under section 104(a) of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a–1(a)).

(28) **STORED VALUE.**—

(A) **IN GENERAL.**—The term “stored value” means funds or monetary value represented in any electronic format, whether or not specially encrypted, and stored or capable of storage on electronic media in such a way as to be retrievable and transferred electronically, and includes a prepaid debit card or product, or any other similar product, regardless of whether the amount of the funds or monetary value may be increased or reloaded.

(B) **EXCLUSION.**—Notwithstanding subparagraph (A), the term “stored value” does not include a special purpose card or certificate, which shall be defined for purposes of this paragraph as funds or monetary value represented in any electronic format, whether or not specially encrypted, that is—

(i) issued by a merchant, retailer, or other seller of nonfinancial goods or services;

(ii) redeemable only for transactions with the merchant, retailer, or seller of nonfinancial goods or services or with an affiliate of such person, which affiliate itself is a merchant, retailer, or seller of nonfinancial goods or services;

(iii) issued in a specified amount that, except in the case of a card or product used solely for telephone services, may not be increased or reloaded;

(iv) purchased on a prepaid basis in exchange for payment; and

(v) honored upon presentation to such merchant, retailer, or seller of nonfinancial goods or services or an affiliate of such person, which affiliate itself is a merchant, retailer, or seller of nonfinancial goods or services, only for any nonfinancial goods or services.

(29) **TRANSMITTING OR EXCHANGING FUNDS.**—The term “transmitting or exchanging funds” means receiving currency, monetary value, or payment instruments from a consumer for the purpose of exchanging or transmitting the same by any means, including transmission by wire, facsimile, electronic transfer, courier, the Internet, or through bill payment services or through other businesses that facilitate third-party transfers within the United States or to or from the United States.

Subtitle A—Bureau of Consumer Financial Protection

SEC. 1011. ESTABLISHMENT OF THE BUREAU OF CONSUMER FINANCIAL PROTECTION.

(a) **BUREAU ESTABLISHED.**—There is established in the Federal Reserve System, an independent bureau to be known as the “Bureau of Consumer Financial Protection”, which shall regulate the offering and provision of consumer financial products or services under the Federal consumer financial laws. The Bureau shall be considered an Executive agency, as defined in section 105 of title 5, United States Code. Except as otherwise provided expressly by law, all Federal laws dealing with public or Federal contracts, property, works, officers, employees, budgets, or funds, including the provisions of chapters 5 and 7 of title 5, shall apply to the exercise of the powers of the Bureau.

(b) **DIRECTOR AND DEPUTY DIRECTOR.**—

(1) **IN GENERAL.**—There is established the position of the Director, who shall serve as the head of the Bureau.

(2) **APPOINTMENT.**—Subject to paragraph (3), the Director shall be appointed by the President, by and with the advice and consent of the Senate.

(3) **QUALIFICATION.**—The President shall nominate the Director from among individuals who are citizens of the United States.

(4) **COMPENSATION.**—The Director shall be compensated at the rate prescribed for level II of the Executive Schedule under section 5313 of title 5, United States Code.

(5) **DEPUTY DIRECTOR.**—There is established the position of Deputy Director, who shall—

(A) be appointed by the Director; and

(B) serve as acting Director in the absence or unavailability of the Director.

(c) **TERM.**—

(1) **IN GENERAL.**—The Director shall serve for a term of 5 years.

(2) **EXPIRATION OF TERM.**—An individual may serve as Director after the expiration of the term for which appointed, until a successor has been appointed and qualified.

(3) **REMOVAL FOR CAUSE.**—The President may remove the Director for inefficiency, neglect of duty, or malfeasance in office.

(d) **SERVICE RESTRICTION.**—No Director or Deputy Director may hold any office, position, or employment in any Federal reserve bank, Federal home loan bank, covered person, or service provider during the period of service of such person as Director or Deputy Director.

(e) **OFFICES.**—The principal office of the Bureau shall be in the District of Columbia. The Director may establish regional offices of the Bureau, including in cities in which the Federal reserve banks, or branches of such banks, are located, in order to carry out the responsibilities assigned to the Bureau under the Federal consumer financial laws.

SEC. 1012. EXECUTIVE AND ADMINISTRATIVE POWERS.

(a) **POWERS OF THE BUREAU.**—The Bureau is authorized to establish the general policies of the Bureau with respect to all executive and administrative functions, including—

(1) the establishment of rules for conducting the general business of the Bureau, in a manner not inconsistent with this title;

(2) to bind the Bureau and enter into contracts;

(3) directing the establishment and maintenance of divisions or other offices within the Bureau, in order to carry out the responsibilities under the Federal consumer financial laws, and to satisfy the requirements of other applicable law;

(4) to coordinate and oversee the operation of all administrative, enforcement, and research activities of the Bureau;

(5) to adopt and use a seal;

(6) to determine the character of and the necessity for the obligations and expenditures of the Bureau;

(7) the appointment and supervision of personnel employed by the Bureau;

(8) the distribution of business among personnel appointed and supervised by the Director and among administrative units of the Bureau;

(9) the use and expenditure of funds;

(10) implementing the Federal consumer financial laws through rules, orders, guidance, interpretations, statements of policy, examinations, and enforcement actions; and

(11) performing such other functions as may be authorized or required by law.

(b) **DELEGATION OF AUTHORITY.**—The Director of the Bureau may delegate to any duly authorized employee, representative, or agent any power vested in the Bureau by law.

(c) **AUTONOMY OF THE BUREAU.**—

(1) **COORDINATION WITH THE BOARD OF GOVERNORS.**—Notwithstanding any other provision of law applicable to the supervision or examination of persons with respect to Federal consumer financial laws, the Board of Governors may delegate to the Bureau the authorities to examine persons subject to the jurisdiction of the Board of Governors for compliance with the Federal consumer financial laws.

(2) **AUTONOMY.**—Notwithstanding the authorities granted to the Board of Governors under the Federal Reserve Act, the Board of Governors may not—

(A) intervene in any matter or proceeding before the Director, including examinations or enforcement actions, unless otherwise specifically provided by law;

(B) appoint, direct, or remove any officer or employee of the Bureau; or

(C) merge or consolidate the Bureau, or any of the functions or responsibilities of the Bureau, with any division or office of the Board of Governors or the Federal reserve banks.

(3) **RULES AND ORDERS.**—No rule or order of the Bureau shall be subject to approval or review by the Board of Governors. The Board of Governors may not delay or prevent the issuance of any rule or order of the Bureau.

(4) **RECOMMENDATIONS AND TESTIMONY.**—No officer or agency of the United States shall have any authority to require the Director or any other officer of the Bureau to submit legislative recommendations, or testimony or comments on legislation, to any officer or agency of the United States for approval, comments, or review prior to the submission of such recommendations, testimony, or comments to the Congress, if such recommendations, testimony, or comments to the Congress include a statement indicating that the views expressed therein are those of the Director or such officer, and do not necessarily reflect the views of the Board of Governors or the President.

(5) **CLARIFICATION OF AUTONOMY OF THE BUREAU IN LEGAL PROCEEDINGS.**—The Bureau shall not be liable under any provision of law for any action or inaction of the Board of Governors, and the Board of Governors shall not be liable under any provision of law for any action or inaction of the Bureau.

SEC. 1013. ADMINISTRATION.

(a) **PERSONNEL.**—

(1) **APPOINTMENT.**—

(A) **IN GENERAL.**—The Director may fix the number of, and appoint and direct, all employees of the Bureau, in accordance with the applicable provisions of title 5, United States Code.

(B) **EMPLOYEES OF THE BUREAU.**—The Director is authorized to employ attorneys, compliance examiners, compliance supervision analysts, economists, statisticians, and other employees as may be deemed necessary to conduct the business of the Bureau. Unless otherwise provided

expressly by law, any individual appointed under this section shall be an employee as defined in section 2105 of title 5, United States Code, and subject to the provisions of such title and other laws generally applicable to the employees of an Executive agency.

(C) **WAIVER AUTHORITY.**—

(i) **IN GENERAL.**—In making any appointment under subparagraph (A), the Director may waive the requirements of chapter 33 of title 5, United States Code, and the regulations implementing such chapter, to the extent necessary to appoint employees on terms and conditions that are consistent with those set forth in section 11(1) of the Federal Reserve Act (12 U.S.C. 248(1)), while providing for—

(I) fair, credible, and transparent methods of establishing qualification requirements for, recruitment for, and appointments to positions;

(II) fair and open competition and equitable treatment in the consideration and selection of individuals to positions;

(III) fair, credible, and transparent methods of assigning, reassigning, detailing, transferring, and promoting employees.

(ii) **VETERANS PREFERENCES.**—In implementing this subparagraph, the Director shall comply with the provisions of section 2302(b)(11), regarding veterans' preference requirements, in a manner consistent with that in which such provisions are applied under chapter 33 of title 5, United States Code. The authority under this subparagraph to waive the requirements of that chapter 33 shall expire 5 years after the date of enactment of this Act.

(2) **COMPENSATION.**—Notwithstanding any otherwise applicable provision of title 5, United States Code, concerning compensation, including the provisions of chapter 51 and chapter 53, the following provisions shall apply with respect to employees of the Bureau:

(A) The rates of basic pay for all employees of the Bureau may be set and adjusted by the Director.

(B) The Director shall at all times provide compensation (including benefits) to each class of employees that, at a minimum, are comparable to the compensation and benefits then being provided by the Board of Governors for the corresponding class of employees.

(C) All such employees shall be compensated (including benefits) on terms and conditions that are consistent with the terms and conditions set forth in section 11(1) of the Federal Reserve Act (12 U.S.C. 248(1)).

(3) **BUREAU PARTICIPATION IN FEDERAL RESERVE SYSTEM RETIREMENT PLAN AND FEDERAL RESERVE SYSTEM THRIFT PLAN.**—

(A) **EMPLOYEE ELECTION.**—Employees appointed to the Bureau may elect to participate in either—

(i) both the Federal Reserve System Retirement Plan and the Federal Reserve System Thrift Plan, under the same terms on which such participation is offered to employees of the Board of Governors who participate in such plans and under the terms and conditions specified under section 1064(i)(1)(C); or

(ii) the Civil Service Retirement System under chapter 83 of title 5, United States Code, or the Federal Employees Retirement System under chapter 84 of title 5, United States Code, if previously covered under one of those Federal employee retirement systems.

(B) **ELECTION PERIOD.**—Bureau employees shall make an election under this paragraph not later than 1 year after the date of appointment by, or transfer under subtitle F to, the Bureau. Participation in, and benefit accruals under, any other retirement plan established or maintained by the Federal Government shall end not later than the date on which participation in, and benefit accruals under, the Federal Reserve System Retirement Plan and Federal Reserve System Thrift Plan begin.

(C) **EMPLOYER CONTRIBUTION.**—The Bureau shall pay an employer contribution to the Federal Reserve System Retirement Plan, in the amount established as an employer contribution under the Federal Employees Retirement System, as established under chapter 84 of title 5, United States Code, for each Bureau employee who elects to participate in the Federal Reserve System Retirement Plan. The Bureau shall pay an employer contribution to the Federal Reserve System Thrift Plan for each Bureau employee who elects to participate in such plan, as required under the terms of such plan.

(D) **CONTROLLED GROUP STATUS.**—The Bureau is the same employer as the Federal Reserve System (as comprised of the Board of Governors and each of the 12 Federal reserve banks prior to the date of enactment of this Act) for purposes of subsections (b), (c), (m), and (o) of section 414 of the Internal Revenue Code of 1986, (26 U.S.C. 414).

(4) **LABOR-MANAGEMENT RELATIONS.**—Chapter 71 of title 5, United States Code, shall apply to the Bureau and the employees of the Bureau.

(5) **AGENCY OMBUDSMAN.**—

(A) **ESTABLISHMENT REQUIRED.**—Not later than 180 days after the designated transfer date, the Bureau shall appoint an ombudsman.

(B) **DUTIES OF OMBUDSMAN.**—The ombudsman appointed in accordance with subparagraph (A) shall—

(i) act as a liaison between the Bureau and any affected person with respect to any problem that such party may have in dealing with the Bureau, resulting from the regulatory activities of the Bureau; and

(ii) assure that safeguards exist to encourage complainants to come forward and preserve confidentiality.

(b) **SPECIFIC FUNCTIONAL UNITS.**—

(1) **RESEARCH.**—The Director shall establish a unit whose functions shall include researching, analyzing, and reporting on—

(A) developments in markets for consumer financial products or services, including market areas of alternative consumer financial products or services with high growth rates and areas of risk to consumers;

(B) access to fair and affordable credit for traditionally underserved communities;

(C) consumer awareness, understanding, and use of disclosures and communications regarding consumer financial products or services;

(D) consumer awareness and understanding of costs, risks, and benefits of consumer financial products or services;

(E) consumer behavior with respect to consumer financial products or services, including performance on mortgage loans; and

(F) experiences of traditionally underserved consumers, including un-banked and under-banked consumers.

(2) **COMMUNITY AFFAIRS.**—The Director shall establish a unit whose functions shall include providing information, guidance, and technical assistance regarding the offering and provision of consumer financial products or services to traditionally underserved consumers and communities.

(3) **COLLECTING AND TRACKING COMPLAINTS.**—

(A) **IN GENERAL.**—The Director shall establish a unit whose functions shall include establishing a single, toll-free telephone number, a website, and a database or utilizing an existing database to facilitate the centralized collection of, monitoring of, and response to consumer complaints regarding consumer financial products or services. The Director shall coordinate with the Federal Trade Commission or other Federal agencies to route complaints to such agencies, where appropriate.

(B) **ROUTING CALLS TO STATES.**—To the extent practicable, State agencies may receive appropriate complaints from the systems established under subparagraph (A), if—

(i) the State agency system has the functional capacity to receive calls or electronic reports routed by the Bureau systems;

(ii) the State agency has satisfied any conditions of participation in the system that the Bureau may establish, including treatment of personally identifiable information and sharing of information on complaint resolution or related compliance procedures and resources; and

(iii) participation by the State agency includes measures necessary to provide for protection of personally identifiable information that conform to the standards for protection of the confidentiality of personally identifiable information and for data integrity and security that apply to the Federal agencies described in subparagraph (D).

(C) **REPORTS TO THE CONGRESS.**—The Director shall present an annual report to Congress not later than March 31 of each year on the complaints received by the Bureau in the prior year regarding consumer financial products and services. Such report shall include information and analysis about complaint numbers, complaint types, and, where applicable, information about resolution of complaints.

(D) **DATA SHARING REQUIRED.**—To facilitate preparation of the reports required under subparagraph (C), supervision and enforcement activities, and monitoring of the market for consumer financial products and services, the Bureau shall share consumer complaint information with prudential regulators, the Federal Trade Commission, other Federal agencies, and State agencies, subject to the standards applicable to Federal agencies for protection of the confidentiality of personally identifiable information and for data security and integrity. The prudential regulators, the Federal Trade Commission, and other Federal agencies shall share data relating to consumer complaints regarding consumer financial products and services with the Bureau, subject to the standards applicable to Federal agencies for protection of confidentiality of personally identifiable information and for data security and integrity.

(c) **OFFICE OF FAIR LENDING AND EQUAL OPPORTUNITY.**—

(1) **ESTABLISHMENT.**—The Director shall establish within the Bureau the Office of Fair Lending and Equal Opportunity.

(2) **FUNCTIONS.**—The Office of Fair Lending and Equal Opportunity shall have such powers and duties as the Director may delegate to the Office, including—

(A) providing oversight and enforcement of Federal laws intended to ensure the fair, equitable, and nondiscriminatory access to credit for both individuals and communities that are enforced by the Bureau, including the Equal Credit Opportunity Act and the Home Mortgage Disclosure Act;

(B) coordinating fair lending efforts of the Bureau with other Federal agencies and State regulators, as appropriate, to promote consistent, efficient, and effective enforcement of Federal fair lending laws;

(C) working with private industry, fair lending, civil rights, consumer and community advocates on the promotion of fair lending compliance and education; and

(D) providing annual reports to Congress on the efforts of the Bureau to fulfill its fair lending mandate.

(3) **ADMINISTRATION OF OFFICE.**—There is established the position of Assistant Director of the Bureau for Fair Lending and Equal Opportunity, who—

(A) shall be appointed by the Director; and

(B) shall carry out such duties as the Director may delegate to such Assistant Director.

(d) **OFFICE OF FINANCIAL EDUCATION.**—

(1) **ESTABLISHMENT.**—The Director shall establish an Office of Financial Education, which

shall be responsible for developing and implementing initiatives intended to educate and empower consumers to make better informed financial decisions.

(2) **OTHER DUTIES.**—The Office of Financial Education shall develop and implement a strategy to improve the financial literacy of consumers that includes measurable goals and objectives, in consultation with the Financial Literacy and Education Commission, consistent with the National Strategy for Financial Literacy, through activities including providing opportunities for consumers to access—

(A) financial counseling, including community-based financial counseling, where practicable;

(B) information to assist with the evaluation of credit products and the understanding of credit histories and scores;

(C) savings, borrowing, and other services found at mainstream financial institutions;

(D) activities intended to—

(i) prepare the consumer for educational expenses and the submission of financial aid applications, and other major purchases;

(ii) reduce debt; and

(iii) improve the financial situation of the consumer;

(E) assistance in developing long-term savings strategies; and

(F) wealth building and financial services during the preparation process to claim earned income tax credits and Federal benefits.

(3) **COORDINATION.**—The Office of Financial Education shall coordinate with other units within the Bureau in carrying out its functions, including—

(A) working with the Community Affairs Office to implement the strategy to improve financial literacy of consumers; and

(B) working with the research unit established by the Director to conduct research related to consumer financial education and counseling.

(4) **REPORT.**—Not later than 24 months after the designated transfer date, and annually thereafter, the Director shall submit a report on its financial literacy activities and strategy to improve financial literacy of consumers to—

(A) the Committee on Banking, Housing, and Urban Affairs of the Senate; and

(B) the Committee on Financial Services of the House of Representatives.

(5) **MEMBERSHIP IN FINANCIAL LITERACY AND EDUCATION COMMISSION.**—Section 513(c)(1) of the Financial Literacy and Education Improvement Act (20 U.S.C. 9702(c)(1)) is amended—

(A) in subparagraph (B), by striking “and” at the end;

(B) by redesignating subparagraph (C) as subparagraph (D); and

(C) by inserting after subparagraph (B) the following new subparagraph:

“(C) the Director of the Bureau of Consumer Financial Protection; and”.

(6) **CONFORMING AMENDMENT.**—Section 513(d) of the Financial Literacy and Education Improvement Act (20 U.S.C. 9702(d)) is amended by adding at the end the following: “The Director of the Bureau of Consumer Financial Protection shall serve as the Vice Chairman.”.

(7) **STUDY AND REPORT ON FINANCIAL LITERACY PROGRAM.**—

(A) **IN GENERAL.**—The Comptroller General of the United States shall conduct a study to identify—

(i) the feasibility of certification of persons providing the programs or performing the activities described in paragraph (2), including recognizing outstanding programs, and developing guidelines and resources for community-based practitioners, including—

(I) a potential certification process and standards for certification;

(II) appropriate certifying entities;

(III) resources required for funding such a process; and

(IV) a cost-benefit analysis of such certification;

(ii) technological resources intended to collect, analyze, evaluate, or promote financial literacy and counseling programs;

(iii) effective methods, tools, and strategies intended to educate and empower consumers about personal finance management; and

(iv) recommendations intended to encourage the development of programs that effectively improve financial education outcomes and empower consumers to make better informed financial decisions based on findings.

(B) **REPORT.**—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall submit a report on the results of the study conducted under this paragraph to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives.

(e) **OFFICE OF SERVICE MEMBER AFFAIRS.**—

(1) **IN GENERAL.**—The Director shall establish an Office of Service Member Affairs, which shall be responsible for developing and implementing initiatives for service members and their families intended to—

(A) educate and empower service members and their families to make better informed decisions regarding consumer financial products and services;

(B) coordinate with the unit of the Bureau established under subsection (b)(3), in order to monitor complaints by service members and their families and responses to those complaints by the Bureau or other appropriate Federal or State agency; and

(C) coordinate efforts among Federal and State agencies, as appropriate, regarding consumer protection measures relating to consumer financial products and services offered to, or used by, service members and their families.

(2) **COORDINATION.**—

(A) **REGIONAL SERVICES.**—The Director is authorized to assign employees of the Bureau as may be deemed necessary to conduct the business of the Office of Service Member Affairs, including by establishing and maintaining the functions of the Office in regional offices of the Bureau located near military bases, military treatment facilities, or other similar military facilities.

(B) **AGREEMENTS.**—The Director is authorized to enter into memoranda of understanding and similar agreements with the Department of Defense, including any branch or agency as authorized by the department, in order to carry out the business of the Office of Service Member Affairs.

(3) **DEFINITION.**—As used in this subsection, the term “service member” means any member of the United States Armed Forces and any member of the National Guard or Reserves.

(f) **TIMING.**—The Office of Fair Lending and Equal Opportunity, the Office of Financial Education, and the Office of Service Member Affairs shall each be established not later than 1 year after the designated transfer date.

(g) **OFFICE OF FINANCIAL PROTECTION FOR OLDER AMERICANS.**—

(1) **ESTABLISHMENT.**—Before the end of the 180-day period beginning on the designated transfer date, the Director shall establish the Office of Financial Protection for Older Americans, the functions of which shall include activities designed to facilitate the financial literacy of individuals who have attained the age of 62 years or more (in this subsection, referred to as “seniors”) on protection from unfair, deceptive, and abusive practices and on current and future financial choices, including through the dissemination of materials to seniors on such topics.

(2) **ASSISTANT DIRECTOR.**—The Office of Financial Protection for Older Americans (in this subsection referred to as the “Office”) shall be headed by an assistant director.

(3) **DUTIES.**—The Office shall—

(A) develop goals for programs that provide seniors financial literacy and counseling, including programs that—

(i) help seniors recognize warning signs of unfair, deceptive, or abusive practices, protect themselves from such practices;

(ii) provide one-on-one financial counseling on issues including long-term savings and later-life economic security; and

(iii) provide personal consumer credit advocacy to respond to consumer problems caused by unfair, deceptive, or abusive practices;

(B) monitor certifications or designations of financial advisors who advise seniors and alert the Commission and State regulators of certifications or designations that are identified as unfair, deceptive, or abusive;

(C) not later than 18 months after the date of the establishment of the Office, submit to Congress and the Commission any legislative and regulatory recommendations on the best practices for—

(i) disseminating information regarding the legitimacy of certifications of financial advisers who advise seniors;

(ii) methods in which a senior can identify the financial advisor most appropriate for the senior's needs; and

(iii) methods in which a senior can verify a financial advisor's credentials;

(D) conduct research to identify best practices and effective methods, tools, technology and strategies to educate and counsel seniors about personal finance management with a focus on—

(i) protecting themselves from unfair, deceptive, and abusive practices;

(ii) long-term savings; and

(iii) planning for retirement and long-term care;

(E) coordinate consumer protection efforts of seniors with other Federal agencies and State regulators, as appropriate, to promote consistent, effective, and efficient enforcement; and

(F) work with community organizations, nonprofit organizations, and other entities that are involved with educating or assisting seniors (including the National Education and Resource Center on Women and Retirement Planning).

SEC. 1014. CONSUMER ADVISORY BOARD.

(a) **ESTABLISHMENT REQUIRED.**—The Director shall establish a Consumer Advisory Board to advise and consult with the Bureau in the exercise of its functions under the Federal consumer financial laws, and to provide information on emerging practices in the consumer financial products or services industry, including regional trends, concerns, and other relevant information.

(b) **MEMBERSHIP.**—In appointing the members of the Consumer Advisory Board, the Director shall seek to assemble experts in consumer protection, financial services, community development, fair lending and civil rights, and consumer financial products or services and representatives of depository institutions that primarily serve underserved communities, and representatives of communities that have been significantly impacted by higher-priced mortgage loans, and seek representation of the interests of covered persons and consumers, without regard to party affiliation. Not fewer than 6 members shall be appointed upon the recommendation of the regional Federal Reserve Bank Presidents, on a rotating basis.

(c) **MEETINGS.**—The Consumer Advisory Board shall meet from time to time at the call of the Director, but, at a minimum, shall meet at least twice in each year.

(d) **COMPENSATION AND TRAVEL EXPENSES.**—Members of the Consumer Advisory Board who

are not full-time employees of the United States shall—

(1) be entitled to receive compensation at a rate fixed by the Director while attending meetings of the Consumer Advisory Board, including travel time; and

(2) be allowed travel expenses, including transportation and subsistence, while away from their homes or regular places of business.

SEC. 1015. COORDINATION.

The Bureau shall coordinate with the Commission, the Commodity Futures Trading Commission, the Federal Trade Commission, and other Federal agencies and State regulators, as appropriate, to promote consistent regulatory treatment of consumer financial and investment products and services.

SEC. 1016. APPEARANCES BEFORE AND REPORTS TO CONGRESS.

(a) **APPEARANCES BEFORE CONGRESS.**—The Director of the Bureau shall appear before the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services and the Committee on Energy and Commerce of the House of Representatives at semi-annual hearings regarding the reports required under subsection (b).

(b) **REPORTS REQUIRED.**—The Bureau shall, concurrent with each semi-annual hearing referred to in subsection (a), prepare and submit to the President and to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services and the Committee on Energy and Commerce of the House of Representatives, a report, beginning with the session following the designated transfer date. The Bureau may also submit such report to the Committee on Commerce, Science, and Transportation of the Senate.

(c) **CONTENTS.**—The reports required by subsection (b) shall include—

(1) a discussion of the significant problems faced by consumers in shopping for or obtaining consumer financial products or services;

(2) a justification of the budget request of the previous year;

(3) a list of the significant rules and orders adopted by the Bureau, as well as other significant initiatives conducted by the Bureau, during the preceding year and the plan of the Bureau for rules, orders, or other initiatives to be undertaken during the upcoming period;

(4) an analysis of complaints about consumer financial products or services that the Bureau has received and collected in its central database on complaints during the preceding year;

(5) a list, with a brief statement of the issues, of the public supervisory and enforcement actions to which the Bureau was a party during the preceding year;

(6) the actions taken regarding rules, orders, and supervisory actions with respect to covered persons which are not credit unions or depository institutions;

(7) an assessment of significant actions by State attorneys general or State regulators relating to Federal consumer financial law;

(8) an analysis of the efforts of the Bureau to fulfill the fair lending mission of the Bureau; and

(9) an analysis of the efforts of the Bureau to increase workforce and contracting diversity consistent with the procedures established by the Office of Minority and Women Inclusion.

SEC. 1017. FUNDING; PENALTIES AND FINES.

(a) **TRANSFER OF FUNDS FROM BOARD OF GOVERNORS.**—

(1) **IN GENERAL.**—Each year (or quarter of such year), beginning on the designated transfer date, and each quarter thereafter, the Board of Governors shall transfer to the Bureau from the combined earnings of the Federal Reserve System, the amount determined by the Director to be reasonably necessary to carry out the au-

thorities of the Bureau under Federal consumer financial law, taking into account such other sums made available to the Bureau from the preceding year (or quarter of such year).

(2) FUNDING CAP.—

(A) **IN GENERAL.**—Notwithstanding paragraph (1), and in accordance with this paragraph, the amount that shall be transferred to the Bureau in each fiscal year shall not exceed a fixed percentage of the total operating expenses of the Federal Reserve System, as reported in the Annual Report, 2009, of the Board of Governors, equal to—

(i) 10 percent of such expenses in fiscal year 2011;

(ii) 11 percent of such expenses in fiscal year 2012; and

(iii) 12 percent of such expenses in fiscal year 2013, and in each year thereafter.

(B) **ADJUSTMENT OF AMOUNT.**—The dollar amount referred to in subparagraph (A)(iii) shall be adjusted annually, using the percent increase, if any, in the employment cost index for total compensation for State and local government workers published by the Federal Government, or the successor index thereto, for the 12-month period ending on September 30 of the year preceding the transfer.

(C) **REVIEWABILITY.**—Notwithstanding any other provision in this title, the funds derived from the Federal Reserve System pursuant to this subsection shall not be subject to review by the Committees on Appropriations of the House of Representatives and the Senate.

(3) **TRANSITION PERIOD.**—Beginning on the date of enactment of this Act and until the designated transfer date, the Board of Governors shall transfer to the Bureau the amount estimated by the Secretary needed to carry out the authorities granted to the Bureau under Federal consumer financial law, from the date of enactment of this Act until the designated transfer date.

(4) BUDGET AND FINANCIAL MANAGEMENT.—

(A) **FINANCIAL OPERATING PLANS AND FORECASTS.**—The Director shall provide to the Director of the Office of Management and Budget copies of the financial operating plans and forecasts of the Director, as prepared by the Director in the ordinary course of the operations of the Bureau, and copies of the quarterly reports of the financial condition and results of operations of the Bureau, as prepared by the Director in the ordinary course of the operations of the Bureau.

(B) **FINANCIAL STATEMENTS.**—The Bureau shall prepare annually a statement of—

(i) assets and liabilities and surplus or deficit;

(ii) income and expenses; and

(iii) sources and application of funds.

(C) **FINANCIAL MANAGEMENT SYSTEMS.**—The Bureau shall implement and maintain financial management systems that comply substantially with Federal financial management systems requirements and applicable Federal accounting standards.

(D) **ASSERTION OF INTERNAL CONTROLS.**—The Director shall provide to the Comptroller General of the United States an assertion as to the effectiveness of the internal controls that apply to financial reporting by the Bureau, using the standards established in section 3512(c) of title 31, United States Code.

(E) **RULE OF CONSTRUCTION.**—This subsection may not be construed as implying any obligation on the part of the Director to consult with or obtain the consent or approval of the Director of the Office of Management and Budget with respect to any report, plan, forecast, or other information referred to in subparagraph (A) or any jurisdiction or oversight over the affairs or operations of the Bureau.

(F) **FINANCIAL STATEMENTS.**—The financial statements of the Bureau shall not be consoli-

dated with the financial statements of either the Board of Governors or the Federal Reserve System.

(5) AUDIT OF THE BUREAU.—

(A) **IN GENERAL.**—The Comptroller General shall annually audit the financial transactions of the Bureau in accordance with the United States generally accepted government auditing standards, as may be prescribed by the Comptroller General of the United States. The audit shall be conducted at the place or places where accounts of the Bureau are normally kept. The representatives of the Government Accountability Office shall have access to the personnel and to all books, accounts, documents, papers, records (including electronic records), reports, files, and all other papers, automated data, things, or property belonging to or under the control of or used or employed by the Bureau pertaining to its financial transactions and necessary to facilitate the audit, and such representatives shall be afforded full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians. All such books, accounts, documents, records, reports, files, papers, and property of the Bureau shall remain in possession and custody of the Bureau. The Comptroller General may obtain and duplicate any such books, accounts, documents, records, working papers, automated data and files, or other information relevant to such audit without cost to the Comptroller General, and the right of access of the Comptroller General to such information shall be enforceable pursuant to section 716(c) of title 31, United States Code.

(B) **REPORT.**—The Comptroller General shall submit to the Congress a report of each annual audit conducted under this subsection. The report to the Congress shall set forth the scope of the audit and shall include the statement of assets and liabilities and surplus or deficit, the statement of income and expenses, the statement of sources and application of funds, and such comments and information as may be deemed necessary to inform Congress of the financial operations and condition of the Bureau, together with such recommendations with respect thereto as the Comptroller General may deem advisable. A copy of each report shall be furnished to the President and to the Bureau at the time submitted to the Congress.

(C) **ASSISTANCE AND COSTS.**—For the purpose of conducting an audit under this subsection, the Comptroller General may, in the discretion of the Comptroller General, employ by contract, without regard to section 3709 of the Revised Statutes of the United States (41 U.S.C. 5), professional services of firms and organizations of certified public accountants for temporary periods or for special purposes. Upon the request of the Comptroller General, the Director of the Bureau shall transfer to the Government Accountability Office from funds available, the amount requested by the Comptroller General to cover the full costs of any audit and report conducted by the Comptroller General. The Comptroller General shall credit funds transferred to the account established for salaries and expenses of the Government Accountability Office, and such amount shall be available upon receipt and without fiscal year limitation to cover the full costs of the audit and report.

(b) CONSUMER FINANCIAL PROTECTION FUND.—

(1) **SEPARATE FUND IN FEDERAL RESERVE ESTABLISHED.**—There is established in the Federal Reserve a separate fund, to be known as the "Bureau of Consumer Financial Protection Fund" (referred to in this section as the "Bureau Fund"). The Bureau Fund shall be maintained and established at a Federal reserve bank, in accordance with such requirements as the Board of Governors may impose.

(2) **FUND RECEIPTS.**—All amounts transferred to the Bureau under subsection (a) shall be deposited into the Bureau Fund.

(3) **INVESTMENT AUTHORITY.**—

(A) **AMOUNTS IN BUREAU FUND MAY BE INVESTED.**—The Bureau may request the Board of Governors to direct the investment of the portion of the Bureau Fund that is not, in the judgment of the Bureau, required to meet the current needs of the Bureau.

(B) **ELIGIBLE INVESTMENTS.**—Investments authorized by this paragraph shall be made in obligations of the United States or obligations that are guaranteed as to principal and interest by the United States, with maturities suitable to the needs of the Bureau Fund, as determined by the Bureau.

(C) **INTEREST AND PROCEEDS CREDITED.**—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Bureau Fund shall be credited to the Bureau Fund.

(c) **USE OF FUNDS.**—

(1) **IN GENERAL.**—Funds obtained by, transferred to, or credited to the Bureau Fund shall be immediately available to the Bureau and under the control of the Director, and shall remain available until expended, to pay the expenses of the Bureau in carrying out its duties and responsibilities. The compensation of the Director and other employees of the Bureau and all other expenses thereof may be paid from, obtained by, transferred to, or credited to the Bureau Fund under this section.

(2) **FUNDS THAT ARE NOT GOVERNMENT FUNDS.**—Funds obtained by or transferred to the Bureau Fund shall not be construed to be Government funds or appropriated monies.

(3) **AMOUNTS NOT SUBJECT TO APPORTIONMENT.**—Notwithstanding any other provision of law, amounts in the Bureau Fund and in the Civil Penalty Fund established under subsection (d) shall not be subject to apportionment for purposes of chapter 15 of title 31, United States Code, or under any other authority.

(d) **PENALTIES AND FINES.**—

(1) **ESTABLISHMENT OF VICTIMS RELIEF FUND.**—There is established in the Federal Reserve a separate fund, to be known as the “Consumer Financial Civil Penalty Fund” (referred to in this section as the “Civil Penalty Fund”). The Civil Penalty Fund shall be maintained and established at a Federal reserve bank, in accordance with such requirements as the Board of Governors may impose. If the Bureau obtains a civil penalty against any person in any judicial or administrative action under Federal consumer financial laws, the Bureau shall deposit into the Civil Penalty Fund, the amount of the penalty collected.

(2) **PAYMENT TO VICTIMS.**—Amounts in the Civil Penalty Fund shall be available to the Bureau, without fiscal year limitation, for payments to the victims of activities for which civil penalties have been imposed under the Federal consumer financial laws. To the extent that such victims cannot be located or such payments are otherwise not practicable, the Bureau may use such funds for the purpose of consumer education and financial literacy programs.

(e) **AUTHORIZATION OF APPROPRIATIONS; ANNUAL REPORT.**—

(1) **DETERMINATION REGARDING NEED FOR APPROPRIATED FUNDS.**—

(A) **IN GENERAL.**—The Director is authorized to determine that sums available to the Bureau under this section will not be sufficient to carry out the authorities of the Bureau under Federal consumer financial law for the upcoming year.

(B) **REPORT REQUIRED.**—When making a determination under subparagraph (A), the Director shall prepare a report regarding the funding of the Bureau, including the assets and liabilities of the Bureau, and the extent to which the funding needs of the Bureau are anticipated to

exceed the level of the amount set forth in subsection (a)(2). The Director shall submit the report to the President and to the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives.

(2) **AUTHORIZATION OF APPROPRIATIONS.**—If the Director makes the determination and submits the report pursuant to paragraph (1), there are hereby authorized to be appropriated to the Bureau, for the purposes of carrying out the authorities granted in Federal consumer financial law, \$200,000,000 for each of fiscal years 2010, 2011, 2012, 2013, and 2014.

(3) **APPORTIONMENT.**—Notwithstanding any other provision of law, the amounts in paragraph (2) shall be subject to apportionment under section 1517 of title 31, United States Code, and restrictions that generally apply to the use of appropriated funds in title 31, United States Code, and other laws.

(4) **ANNUAL REPORT.**—The Director shall prepare and submit a report, on an annual basis, to the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives regarding the financial operating plans and forecasts of the Director, the financial condition and results of operations of the Bureau, and the sources and application of funds of the Bureau, including any funds appropriated in accordance with this subsection.

SEC. 1018. EFFECTIVE DATE.

This subtitle shall become effective on the date of enactment of this Act.

Subtitle B—General Powers of the Bureau

SEC. 1021. PURPOSE, OBJECTIVES, AND FUNCTIONS.

(a) **PURPOSE.**—The Bureau shall seek to implement and, where applicable, enforce Federal consumer financial law consistently for the purpose of ensuring that all consumers have access to markets for consumer financial products and services and that markets for consumer financial products and services are fair, transparent, and competitive.

(b) **OBJECTIVES.**—The Bureau is authorized to exercise its authorities under Federal consumer financial law for the purposes of ensuring that, with respect to consumer financial products and services—

(1) consumers are provided with timely and understandable information to make responsible decisions about financial transactions;

(2) consumers are protected from unfair, deceptive, or abusive acts and practices and from discrimination;

(3) outdated, unnecessary, or unduly burdensome regulations are regularly identified and addressed in order to reduce unwarranted regulatory burdens;

(4) Federal consumer financial law is enforced consistently, without regard to the status of a person as a depository institution, in order to promote fair competition; and

(5) markets for consumer financial products and services operate transparently and efficiently to facilitate access and innovation.

(c) **FUNCTIONS.**—The primary functions of the Bureau are—

(1) conducting financial education programs;

(2) collecting, investigating, and responding to consumer complaints;

(3) collecting, researching, monitoring, and publishing information relevant to the functioning of markets for consumer financial products and services to identify risks to consumers and the proper functioning of such markets;

(4) subject to sections 1024 through 1026, supervising covered persons for compliance with Federal consumer financial law, and taking appropriate enforcement action to address violations of Federal consumer financial law;

(5) issuing rules, orders, and guidance implementing Federal consumer financial law; and

(6) performing such support activities as may be necessary or useful to facilitate the other functions of the Bureau.

SEC. 1022. RULEMAKING AUTHORITY.

(a) **IN GENERAL.**—The Bureau is authorized to exercise its authorities under Federal consumer financial law to administer, enforce, and otherwise implement the provisions of Federal consumer financial law.

(b) **RULEMAKING, ORDERS, AND GUIDANCE.**—

(1) **GENERAL AUTHORITY.**—The Director may prescribe rules and issue orders and guidance, as may be necessary or appropriate to enable the Bureau to administer and carry out the purposes and objectives of the Federal consumer financial laws, and to prevent evasions thereof.

(2) **STANDARDS FOR RULEMAKING.**—In prescribing a rule under the Federal consumer financial laws—

(A) the Bureau shall consider—

(i) the potential benefits and costs to consumers and covered persons, including the potential reduction of access by consumers to consumer financial products or services resulting from such rule; and

(ii) the impact of proposed rules on covered persons, as described in section 1026, and the impact on consumers in rural areas;

(B) the Bureau shall consult with the appropriate prudential regulators or other Federal agencies prior to proposing a rule and during the comment process regarding consistency with prudential, market, or systemic objectives administered by such agencies; and

(C) if, during the consultation process described in subparagraph (B), a prudential regulator provides the Bureau with a written objection to the proposed rule of the Bureau or a portion thereof, the Bureau shall include in the adopting release a description of the objection and the basis for the Bureau decision, if any, regarding such objection, except that nothing in this clause shall be construed as altering or limiting the procedures under section 1023 that may apply to any rule prescribed by the Bureau.

(3) **EXEMPTIONS.**—

(A) **IN GENERAL.**—The Bureau, by rule, may conditionally or unconditionally exempt any class of covered persons, service providers, or consumer financial products or services, from any provision of this title, or from any rule issued under this title, as the Bureau determines necessary or appropriate to carry out the purposes and objectives of this title, taking into consideration the factors in subparagraph (B).

(B) **FACTORS.**—In issuing an exemption, as permitted under subparagraph (A), the Bureau shall, as appropriate, take into consideration—

(i) the total assets of the class of covered persons;

(ii) the volume of transactions involving consumer financial products or services in which the class of covered persons engages; and

(iii) existing provisions of law which are applicable to the consumer financial product or service and the extent to which such provisions provide consumers with adequate protections.

(4) **EXCLUSIVE RULEMAKING AUTHORITY.**—

(A) **IN GENERAL.**—Notwithstanding any other provisions of Federal law and except as provided in section 1061(b)(5), to the extent that a provision of Federal consumer financial law authorizes the Bureau and another Federal agency to issue regulations under that provision of law for purposes of assuring compliance with Federal consumer financial law and any regulations thereunder, the Bureau shall have the exclusive authority to prescribe rules subject to those provisions of law.

(B) **DEFERENCE.**—Notwithstanding any power granted to any Federal agency or to the Council under this title, and subject to section 1061(b)(5)(E), the deference that a court affords to the Bureau with respect to a determination

by the Bureau regarding the meaning or interpretation of any provision of a Federal consumer financial law shall be applied as if the Bureau were the only agency authorized to apply, enforce, interpret, or administer the provisions of such Federal consumer financial law.

(c) **MONITORING.**—

(1) **IN GENERAL.**—In order to support its rule-making and other functions, the Bureau shall monitor for risks to consumers in the offering or provision of consumer financial products or services, including developments in markets for such products or services.

(2) **CONSIDERATIONS.**—In allocating its resources to perform the monitoring required by this section, the Bureau may consider, among other factors—

(A) likely risks and costs to consumers associated with buying or using a type of consumer financial product or service;

(B) understanding by consumers of the risks of a type of consumer financial product or service;

(C) the legal protections applicable to the offering or provision of a consumer financial product or service, including the extent to which the law is likely to adequately protect consumers;

(D) rates of growth in the offering or provision of a consumer financial product or service;

(E) the extent, if any, to which the risks of a consumer financial product or service may disproportionately affect traditionally underserved consumers; or

(F) the types, number, and other pertinent characteristics of covered persons that offer or provide the consumer financial product or service.

(3) **SIGNIFICANT FINDINGS.**—

(A) **IN GENERAL.**—The Bureau shall publish not fewer than 1 report of significant findings of its monitoring required by this subsection in each calendar year, beginning with the first calendar year that begins at least 1 year after the designated transfer date.

(B) **CONFIDENTIAL INFORMATION.**—The Bureau may make public such information obtained by the Bureau under this section as is in the public interest, through aggregated reports or other appropriate formats designed to protect confidential information in accordance with paragraphs (4), (6), (8), and (9).

(4) **COLLECTION OF INFORMATION.**—

(A) **IN GENERAL.**—In conducting any monitoring or assessment required by this section, the Bureau shall have the authority to gather information from time to time regarding the organization, business conduct, markets, and activities of covered persons and service providers.

(B) **METHODOLOGY.**—In order to gather information described in subparagraph (A), the Bureau may—

(i) gather and compile information from a variety of sources, including examination reports concerning covered persons or service providers, consumer complaints, voluntary surveys and voluntary interviews of consumers, surveys and interviews with covered persons and service providers, and review of available databases; and

(ii) require covered persons and service providers participating in consumer financial services markets to file with the Bureau, under oath or otherwise, in such form and within such reasonable period of time as the Bureau may prescribe by rule or order, annual or special reports, or answers in writing to specific questions, furnishing information described in paragraph (4), as necessary for the Bureau to fulfill the monitoring, assessment, and reporting responsibilities imposed by Congress.

(C) **LIMITATION.**—The Bureau may not use its authorities under this paragraph to obtain records from covered persons and service providers participating in consumer financial serv-

ices markets for purposes of gathering or analyzing the personally identifiable financial information of consumers.

(5) **LIMITED INFORMATION GATHERING.**—In order to assess whether a nondepository is a covered person, as defined in section 1002, the Bureau may require such nondepository to file with the Bureau, under oath or otherwise, in such form and within such reasonable period of time as the Bureau may prescribe by rule or order, annual or special reports, or answers in writing to specific questions.

(6) **CONFIDENTIALITY RULES.**—

(A) **RULEMAKING.**—The Bureau shall prescribe rules regarding the confidential treatment of information obtained from persons in connection with the exercise of its authorities under Federal consumer financial law.

(B) **ACCESS BY THE BUREAU TO REPORTS OF OTHER REGULATORS.**—

(i) **EXAMINATION AND FINANCIAL CONDITION REPORTS.**—Upon providing reasonable assurances of confidentiality, the Bureau shall have access to any report of examination or financial condition made by a prudential regulator or other Federal agency having jurisdiction over a covered person or service provider, and to all revisions made to any such report.

(ii) **PROVISION OF OTHER REPORTS TO THE BUREAU.**—In addition to the reports described in clause (i), a prudential regulator or other Federal agency having jurisdiction over a covered person or service provider may, in its discretion, furnish to the Bureau any other report or other confidential supervisory information concerning any insured depository institution, credit union, or other entity examined by such agency under authority of any provision of Federal law.

(C) **ACCESS BY OTHER REGULATORS TO REPORTS OF THE BUREAU.**—

(i) **EXAMINATION REPORTS.**—Upon providing reasonable assurances of confidentiality, a prudential regulator, a State regulator, or any other Federal agency having jurisdiction over a covered person or service provider shall have access to any report of examination made by the Bureau with respect to such person, and to all revisions made to any such report.

(ii) **PROVISION OF OTHER REPORTS TO OTHER REGULATORS.**—In addition to the reports described in clause (i), the Bureau may, in its discretion, furnish to a prudential regulator or other agency having jurisdiction over a covered person or service provider any other report or other confidential supervisory information concerning such person examined by the Bureau under the authority of any other provision of Federal law.

(7) **REGISTRATION.**—

(A) **IN GENERAL.**—The Bureau may prescribe rules regarding registration requirements applicable to a covered person, other than an insured depository institution, insured credit union, or related person.

(B) **REGISTRATION INFORMATION.**—Subject to rules prescribed by the Bureau, the Bureau may publicly disclose registration information to facilitate the ability of consumers to identify covered persons that are registered with the Bureau.

(C) **CONSULTATION WITH STATE AGENCIES.**—In developing and implementing registration requirements under this paragraph, the Bureau shall consult with State agencies regarding requirements or systems (including coordinated or combined systems for registration), where appropriate.

(8) **PRIVACY CONSIDERATIONS.**—In collecting information from any person, publicly releasing information held by the Bureau, or requiring covered persons to publicly report information, the Bureau shall take steps to ensure that proprietary, personal, or confidential consumer information that is protected from public disclo-

sure under section 552(b) or 552a of title 5, United States Code, or any other provision of law, is not made public under this title.

(9) **CONSUMER PRIVACY.**—

(A) **IN GENERAL.**—The Bureau may not obtain from a covered person or service provider any personally identifiable financial information about a consumer from the financial records of the covered person or service provider, except—

(i) if the financial records are reasonably described in a request by the Bureau and the consumer provides written permission for the disclosure of such information by the covered person or service provider to the Bureau; or

(ii) as may be specifically permitted or required under other applicable provisions of law and in accordance with the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401 et seq.).

(B) **TREATMENT OF COVERED PERSON OR SERVICE PROVIDER.**—With respect to the application of any provision of the Right to Financial Privacy Act of 1978, to a disclosure by a covered person or service provider subject to this subsection, the covered person or service provider shall be treated as if it were a “financial institution”, as defined in section 1101 of that Act (12 U.S.C. 3401).

(d) **ASSESSMENT OF SIGNIFICANT RULES.**—

(1) **IN GENERAL.**—The Bureau shall conduct an assessment of each significant rule or order adopted by the Bureau under Federal consumer financial law. The assessment shall address, among other relevant factors, the effectiveness of the rule or order in meeting the purposes and objectives of this title and the specific goals stated by the Bureau. The assessment shall reflect available evidence and any data that the Bureau reasonably may collect.

(2) **REPORTS.**—The Bureau shall publish a report of its assessment under this subsection not later than 5 years after the effective date of the subject rule or order.

(3) **PUBLIC COMMENT REQUIRED.**—Before publishing a report of its assessment, the Bureau shall invite public comment on recommendations for modifying, expanding, or eliminating the newly adopted significant rule or order.

SEC. 1023. REVIEW OF BUREAU REGULATIONS.

(a) **REVIEW OF BUREAU REGULATIONS.**—On the petition of a member agency of the Council, the Council may set aside a final regulation prescribed by the Bureau, or any provision thereof, if the Council decides, in accordance with subsection (c), that the regulation or provision would put the safety and soundness of the United States banking system or the stability of the financial system of the United States at risk.

(b) **PETITION.**—

(1) **PROCEDURE.**—An agency represented by a member of the Council may petition the Council, in writing, and in accordance with rules prescribed pursuant to subsection (f), to stay the effectiveness of, or set aside, a regulation if the member agency filing the petition—

(A) has in good faith attempted to work with the Bureau to resolve concerns regarding the effect of the rule on the safety and soundness of the United States banking system or the stability of the financial system of the United States; and

(B) files the petition with the Council not later than 10 days after the date on which the regulation has been published in the Federal Register.

(2) **PUBLICATION.**—Any petition filed with the Council under this section shall be published in the Federal Register and transmitted contemporaneously with filing to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives.

(c) **STAYS AND SET ASIDES.**—

(1) **STAY.**—

(A) **IN GENERAL.**—Upon the request of any member agency, the Chairperson of the Council

may stay the effectiveness of a regulation for the purpose of allowing appropriate consideration of the petition by the Council.

(B) EXPIRATION.—A stay issued under this paragraph shall expire on the earlier of—

(i) 90 days after the date of filing of the petition under subsection (b); or

(ii) the date on which the Council makes a decision under paragraph (3).

(2) NO ADVERSE INFERENCE.—After the expiration of any stay imposed under this section, no inference shall be drawn regarding the validity or enforceability of a regulation which was the subject of the petition.

(3) VOTE.—

(A) IN GENERAL.—The decision to issue a stay of, or set aside, any regulation under this section shall be made only with the affirmative vote in accordance with subparagraph (B) of $\frac{2}{3}$ of the members of the Council then serving.

(B) AUTHORIZATION TO VOTE.—A member of the Council may vote to stay the effectiveness of, or set aside, a final regulation prescribed by the Bureau only if the agency or department represented by that member has—

(i) considered any relevant information provided by the agency submitting the petition and by the Bureau; and

(ii) made an official determination, at a public meeting where applicable, that the regulation which is the subject of the petition would put the safety and soundness of the United States banking system or the stability of the financial system of the United States at risk.

(4) DECISIONS TO SET ASIDE.—

(A) EFFECT OF DECISION.—A decision by the Council to set aside a regulation prescribed by the Bureau, or provision thereof, shall render such regulation, or provision thereof, unenforceable.

(B) TIMELY ACTION REQUIRED.—The Council may not issue a decision to set aside a regulation, or provision thereof, which is the subject of a petition under this section after the expiration of the later of—

(i) 45 days following the date of filing of the petition, unless a stay is issued under paragraph (1); or

(ii) the expiration of a stay issued by the Council under this section.

(C) SEPARATE AUTHORITY.—The issuance of a stay under this section does not affect the authority of the Council to set aside a regulation.

(5) DISMISSAL DUE TO INACTION.—A petition under this section shall be deemed dismissed if the Council has not issued a decision to set aside a regulation, or provision thereof, within the period for timely action under paragraph (4)(B).

(6) PUBLICATION OF DECISION.—Any decision under this subsection to issue a stay of, or set aside, a regulation or provision thereof shall be published by the Council in the Federal Register as soon as practicable after the decision is made, with an explanation of the reasons for the decision.

(7) RULEMAKING PROCEDURES INAPPLICABLE.—The notice and comment procedures under section 553 of title 5, United States Code, shall not apply to any decision under this section of the Council to issue a stay of, or set aside, a regulation.

(8) JUDICIAL REVIEW OF DECISIONS BY THE COUNCIL.—A decision by the Council to set aside a regulation prescribed by the Bureau, or provision thereof, shall be subject to review under chapter 7 of title 5, United States Code.

(d) APPLICATION OF OTHER LAW.—Nothing in this section shall be construed as altering, limiting, or restricting the application of any other provision of law, except as otherwise specifically provided in this section, including chapter 5 and chapter 7 of title 5, United States Code, to a regulation which is the subject of a petition filed under this section.

(e) SAVINGS CLAUSE.—Nothing in this section shall be construed as limiting or restricting the Bureau from engaging in a rulemaking in accordance with applicable law.

(f) IMPLEMENTING RULES.—The Council shall prescribe procedural rules to implement this section.

SEC. 1024. SUPERVISION OF NONDEPOSITORY COVERED PERSONS.

(a) SCOPE OF COVERAGE.—

(1) APPLICABILITY.—Notwithstanding any other provision of this title, and except as provided in paragraph (3), this section shall apply to any covered person who—

(A) offers or provides origination, brokerage, or servicing of loans secured by real estate for use by consumers primarily for personal, family, or household purposes, or loan modification or foreclosure relief services in connection with such loans;

(B) is a larger participant of a market for other consumer financial products or services, as defined by rule in accordance with paragraph (2);

(C) the Bureau has reasonable cause to determine, by order, after notice to the covered person and a reasonable opportunity for such covered person to respond, based on complaints collected through the system under section 1013(b)(3) or information from other sources, that such covered person is engaging, or has engaged, in conduct that poses risks to consumers with regard to the offering or provision of consumer financial products or services;

(D) offers or provides to a consumer any private education loan, as defined in section 140 of the Truth in Lending Act (15 U.S.C. 1650), notwithstanding section 1027(a)(2)(A) and subject to section 1027(a)(2)(C); or

(E) offers or provides to a consumer a payday loan.

(2) RULEMAKING TO DEFINE COVERED PERSONS SUBJECT TO THIS SECTION.—The Bureau shall consult with the Federal Trade Commission prior to issuing a rule, in accordance with paragraph (1)(B), to define covered persons subject to this section. The Bureau shall issue its initial rule not later than 1 year after the designated transfer date.

(3) RULES OF CONSTRUCTION.—

(A) CERTAIN PERSONS EXCLUDED.—This section shall not apply to persons described in section 1025(a) or 1026(a).

(B) ACTIVITY LEVELS.—For purposes of computing activity levels under paragraph (1) or rules issued thereunder, activities of affiliated companies (other than insured depository institutions or insured credit unions) shall be aggregated.

(b) SUPERVISION.—

(1) IN GENERAL.—The Bureau shall require reports and conduct examinations on a periodic basis of persons described in subsection (a)(1) for purposes of—

(A) assessing compliance with the requirements of Federal consumer financial law;

(B) obtaining information about the activities and compliance systems or procedures of such person; and

(C) detecting and assessing risks to consumers and to markets for consumer financial products and services.

(2) RISK-BASED SUPERVISION PROGRAM.—The Bureau shall exercise its authority under paragraph (1) in a manner designed to ensure that such exercise, with respect to persons described in subsection (a)(1), is based on the assessment by the Bureau of the risks posed to consumers in the relevant product markets and geographic markets, and taking into consideration, as applicable—

(A) the asset size of the covered person;

(B) the volume of transactions involving consumer financial products or services in which the covered person engages;

(C) the risks to consumers created by the provision of such consumer financial products or services;

(D) the extent to which such institutions are subject to oversight by State authorities for consumer protection; and

(E) any other factors that the Bureau determines to be relevant to a class of covered persons.

(3) COORDINATION.—To minimize regulatory burden, the Bureau shall coordinate its supervisory activities with the supervisory activities conducted by prudential regulators and the State bank regulatory authorities, including establishing their respective schedules for examining persons described in subsection (a)(1) and requirements regarding reports to be submitted by such persons.

(4) USE OF EXISTING REPORTS.—The Bureau shall, to the fullest extent possible, use—

(A) reports pertaining to persons described in subsection (a)(1) that have been provided or required to have been provided to a Federal or State agency; and

(B) information that has been reported publicly.

(5) PRESERVATION OF AUTHORITY.—Nothing in this title may be construed as limiting the authority of the Director to require reports from persons described in subsection (a)(1), as permitted under paragraph (1), regarding information owned or under the control of such person, regardless of whether such information is maintained, stored, or processed by another person.

(6) REPORTS OF TAX LAW NONCOMPLIANCE.—The Bureau shall provide the Commissioner of Internal Revenue with any report of examination or related information identifying possible tax law noncompliance.

(7) REGISTRATION, RECORDKEEPING AND OTHER REQUIREMENTS FOR CERTAIN PERSONS.—

(A) IN GENERAL.—The Bureau shall prescribe rules to facilitate supervision of persons described in subsection (a)(1) and assessment and detection of risks to consumers.

(B) RECORDKEEPING.—The Bureau may require a person described in subsection (a)(1), to generate, provide, or retain records for the purposes of facilitating supervision of such persons and assessing and detecting risks to consumers.

(C) REQUIREMENTS CONCERNING OBLIGATIONS.—The Bureau may prescribe rules regarding a person described in subsection (a)(1), to ensure that such persons are legitimate entities and are able to perform their obligations to consumers. Such requirements may include background checks for principals, officers, directors, or key personnel and bonding or other appropriate financial requirements.

(D) CONSULTATION WITH STATE AGENCIES.—In developing and implementing requirements under this paragraph, the Bureau shall consult with State agencies regarding requirements or systems (including coordinated or combined systems for registration), where appropriate.

(c) ENFORCEMENT AUTHORITY.—

(1) THE BUREAU TO HAVE ENFORCEMENT AUTHORITY.—Except as provided in paragraph (3) and section 1061, with respect to any person described in subsection (a)(1), to the extent that Federal law authorizes the Bureau and another Federal agency to enforce Federal consumer financial law, the Bureau shall have exclusive authority to enforce that Federal consumer financial law.

(2) REFERRAL.—Any Federal agency authorized to enforce a Federal consumer financial law described in paragraph (1) may recommend in writing to the Bureau that the Bureau initiate an enforcement proceeding, as the Bureau is authorized by that Federal law or by this title.

(3) COORDINATION WITH THE FEDERAL TRADE COMMISSION.—

(A) IN GENERAL.—The Bureau and the Federal Trade Commission shall negotiate an agreement

for coordinating with respect to enforcement actions by each agency regarding the offering or provision of consumer financial products or services by any covered person that is described in subsection (a)(1), or service providers thereto. The agreement shall include procedures for notice to the other agency, where feasible, prior to initiating a civil action to enforce any Federal law regarding the offering or provision of consumer financial products or services.

(B) **CIVIL ACTIONS.**—Whenever a civil action has been filed by, or on behalf of, the Bureau or the Federal Trade Commission for any violation of any provision of Federal law described in subparagraph (A), or any regulation prescribed under such provision of law—

(i) the other agency may not, during the pendency of that action, institute a civil action under such provision of law against any defendant named in the complaint in such pending action for any violation alleged in the complaint; and

(ii) the Bureau or the Federal Trade Commission may intervene as a party in any such action brought by the other agency, and, upon intervening—

(I) be heard on all matters arising in such enforcement action; and

(II) file petitions for appeal in such actions.

(C) **AGREEMENT TERMS.**—The terms of any agreement negotiated under subparagraph (A) may modify or supersede the provisions of subparagraph (B).

(D) **DEADLINE.**—The agencies shall reach the agreement required under subparagraph (A) not later than 6 months after the designated transfer date.

(d) **EXCLUSIVE RULEMAKING AND EXAMINATION AUTHORITY.**—Notwithstanding any other provision of Federal law and except as provided in section 1061, to the extent that Federal law authorizes the Bureau and another Federal agency to issue regulations or guidance, conduct examinations, or require reports from a person described in subsection (a)(1) under such law for purposes of assuring compliance with Federal consumer financial law and any regulations thereunder, the Bureau shall have the exclusive authority to prescribe rules, issue guidance, conduct examinations, require reports, or issue exemptions with regard to a person described in subsection (a)(1), subject to those provisions of law.

(e) **SERVICE PROVIDERS.**—A service provider to a person described in subsection (a)(1) shall be subject to the authority of the Bureau under this section, to the same extent as if such service provider were engaged in a service relationship with a bank, and the Bureau were an appropriate Federal banking agency under section 7(c) of the Bank Service Company Act (12 U.S.C. 1867(c)). In conducting any examination or requiring any report from a service provider subject to this subsection, the Bureau shall coordinate with the appropriate prudential regulator, as applicable.

(f) **PRESERVATION OF FARM CREDIT ADMINISTRATION AUTHORITY.**—No provision of this title may be construed as modifying, limiting, or otherwise affecting the authority of the Farm Credit Administration.

SEC. 1025. SUPERVISION OF VERY LARGE BANKS, SAVINGS ASSOCIATIONS, AND CREDIT UNIONS.

(a) **SCOPE OF COVERAGE.**—This section shall apply to any covered person that is—

(1) an insured depository institution with total assets of more than \$10,000,000,000 and any affiliate thereof; or

(2) an insured credit union with total assets of more than \$10,000,000,000 and any affiliate thereof.

(b) **SUPERVISION.**—

(1) **IN GENERAL.**—The Bureau shall have exclusive authority to require reports and conduct

examinations on a periodic basis of persons described in subsection (a) for purposes of—

(A) assessing compliance with the requirements of Federal consumer financial laws;

(B) obtaining information about the activities subject to such laws and the associated compliance systems or procedures of such persons; and

(C) detecting and assessing associated risks to consumers and to markets for consumer financial products and services.

(2) **COORDINATION.**—To minimize regulatory burden, the Bureau shall coordinate its supervisory activities with the supervisory activities conducted by prudential regulators and the State bank regulatory authorities, including consultation regarding their respective schedules for examining such persons described in subsection (a) and requirements regarding reports to be submitted by such persons.

(3) **USE OF EXISTING REPORTS.**—The Bureau shall, to the fullest extent possible, use—

(A) reports pertaining to a person described in subsection (a) that have been provided or required to have been provided to a Federal or State agency; and

(B) information that has been reported publicly.

(4) **PRESERVATION OF AUTHORITY.**—Nothing in this title may be construed as limiting the authority of the Director to require reports from a person described in subsection (a), as permitted under paragraph (1), regarding information owned or under the control of such person, regardless of whether such information is maintained, stored, or processed by another person.

(5) **REPORTS OF TAX LAW NONCOMPLIANCE.**—The Bureau shall provide the Commissioner of Internal Revenue with any report of examination or related information identifying possible tax law noncompliance.

(c) **PRIMARY ENFORCEMENT AUTHORITY.**—

(1) **THE BUREAU TO HAVE PRIMARY ENFORCEMENT AUTHORITY.**—To the extent that the Bureau and another Federal agency are authorized to enforce a Federal consumer financial law, the Bureau shall have primary authority to enforce that Federal consumer financial law with respect to any person described in subsection (a).

(2) **REFERRAL.**—Any Federal agency, other than the Federal Trade Commission, that is authorized to enforce a Federal consumer financial law may recommend, in writing, to the Bureau that the Bureau initiate an enforcement proceeding with respect to a person described in subsection (a), as the Bureau is authorized to do by that Federal consumer financial law.

(3) **BACKUP ENFORCEMENT AUTHORITY OF OTHER FEDERAL AGENCY.**—If the Bureau does not, before the end of the 120-day period beginning on the date on which the Bureau receives a recommendation under paragraph (2), initiate an enforcement proceeding, the other agency referred to in paragraph (2) may initiate an enforcement proceeding, including performing follow up supervisory and support functions incidental thereto, to assure compliance with such proceeding.

(d) **SERVICE PROVIDERS.**—A service provider to a person described in subsection (a) shall be subject to the authority of the Bureau under this section, to the same extent as if the Bureau were an appropriate Federal banking agency under section 7(c) of the Bank Service Company Act 12 U.S.C. 1867(c). In conducting any examination or requiring any report from a service provider subject to this subsection, the Bureau shall coordinate with the appropriate prudential regulator.

(e) **SIMULTANEOUS AND COORDINATED SUPERVISORY ACTION.**—

(1) **EXAMINATIONS.**—A prudential regulator and the Bureau shall, with respect to each insured depository institution, insured credit

union, or other covered person described in subsection (a) that is supervised by the prudential regulator and the Bureau, respectively—

(A) coordinate the scheduling of examinations of the insured depository institution, insured credit union, or other covered person described in subsection (a);

(B) conduct simultaneous examinations of each insured depository institution or insured credit union, unless such institution requests examinations to be conducted separately;

(C) share each draft report of examination with the other agency and permit the receiving agency a reasonable opportunity (which shall not be less than a period of 30 days after the date of receipt) to comment on the draft report before such report is made final; and

(D) prior to issuing a final report of examination or taking supervisory action, take into consideration concerns, if any, raised in the comments made by the other agency.

(2) **COORDINATION WITH STATE BANK SUPERVISORS.**—The Bureau shall pursue arrangements and agreements with State bank supervisors to coordinate examinations, consistent with paragraph (1).

(3) **AVOIDANCE OF CONFLICT IN SUPERVISION.**—

(A) **REQUEST.**—If the proposed supervisory determinations of the Bureau and a prudential regulator (in this section referred to collectively as the “agencies”) are conflicting, an insured depository institution, insured credit union, or other covered person described in subsection (a) may request the agencies to coordinate and present a joint statement of coordinated supervisory action.

(B) **JOINT STATEMENT.**—The agencies shall provide a joint statement under subparagraph (A), not later than 30 days after the date of receipt of the request of the insured depository institution, credit union, or covered person described in subsection (a).

(4) **APPEALS TO GOVERNING PANEL.**—

(A) **IN GENERAL.**—If the agencies do not resolve the conflict or issue a joint statement required by subparagraph (B), or if either of the agencies takes or attempts to take any supervisory action relating to the request for the joint statement without the consent of the other agency, an insured depository institution, insured credit union, or other covered person described in subsection (a) may institute an appeal to a governing panel, as provided in this subsection, not later than 30 days after the expiration of the period during which a joint statement is required to be filed under paragraph (3)(B).

(B) **COMPOSITION OF GOVERNING PANEL.**—The governing panel for an appeal under this paragraph shall be composed of—

(i) a representative from the Bureau and a representative of the prudential regulator, both of whom—

(I) have not participated in the material supervisory determinations under appeal; and

(II) do not directly or indirectly report to the person who participated materially in the supervisory determinations under appeal; and

(ii) one individual representative, to be determined on a rotating basis, from among the Board of Governors, the Corporation, the National Credit Union Administration, and the Office of the Comptroller of the Currency, other than any agency involved in the subject dispute.

(C) **CONDUCT OF APPEAL.**—In an appeal under this paragraph—

(i) the insured depository institution, insured credit union, or other covered person described in subsection (a)—

(I) shall include in its appeal all the facts and legal arguments pertaining to the matter; and

(II) may, through counsel, employees, or representatives, appear before the governing panel in person or by telephone; and

(ii) the governing panel—

(I) may request the insured depository institution, insured credit union, or other covered person described in subsection (a), the Bureau, or the prudential regulator to produce additional information relevant to the appeal; and

(II) by a majority vote of its members, shall provide a final determination, in writing, not later than 30 days after the date of filing of an informationally complete appeal, or such longer period as the panel and the insured depository institution, insured credit union, or other covered person described in subsection (a) may jointly agree.

(D) PUBLIC AVAILABILITY OF DETERMINATIONS.—A governing panel shall publish all information contained in a determination by the governing panel, with appropriate redactions of information that would be subject to an exemption from disclosure under section 552 of title 5, United States Code.

(E) PROHIBITION AGAINST RETALIATION.—The Bureau and the prudential regulators shall prescribe rules to provide safeguards from retaliation against the insured depository institution, insured credit union, or other covered person described in subsection (a) instituting an appeal under this paragraph, as well as their officers and employees.

(F) LIMITATION.—The process provided in this paragraph shall not apply to a determination by a prudential regulator to appoint a conservator or receiver for an insured depository institution or a liquidating agent for an insured credit union, as the case may be, or a decision to take action pursuant to section 38 of the Federal Deposit Insurance Act (12 U.S.C. 1831o) or section 212 of the Federal Credit Union Act (112 U.S.C. 1790a), as applicable.

(G) EFFECT ON OTHER AUTHORITY.—Nothing in this section shall modify or limit the authority of the Bureau to interpret, or take enforcement action under, any Federal consumer financial law, or the authority of a prudential regulator to interpret or take enforcement action under any other provision of Federal law for safety and soundness purposes.

SEC. 1026. OTHER BANKS, SAVINGS ASSOCIATIONS, AND CREDIT UNIONS.

(a) SCOPE OF COVERAGE.—This section shall apply to any covered person that is—

- (1) an insured depository institution with total assets of \$10,000,000,000 or less; or
- (2) an insured credit union with total assets of \$10,000,000,000 or less.

(b) REPORTS.—The Director may require reports from a person described in subsection (a), as necessary to support the role of the Bureau in implementing Federal consumer financial law, to support its examination activities under subsection (c), and to assess and detect risks to consumers and consumer financial markets.

(1) USE OF EXISTING REPORTS.—The Bureau shall, to the fullest extent possible, use—

(A) reports pertaining to a person described in subsection (a) that have been provided or required to have been provided to a Federal or State agency; and

(B) information that has been reported publicly.

(2) PRESERVATION OF AUTHORITY.—Nothing in this subsection may be construed as limiting the authority of the Director from requiring from a person described in subsection (a), as permitted under paragraph (1), information owned or under the control of such person, regardless of whether such information is maintained, stored, or processed by another person.

(3) REPORTS OF TAX LAW NONCOMPLIANCE.—The Bureau shall provide the Commissioner of Internal Revenue with any report of examination or related information identifying possible tax law noncompliance.

(c) EXAMINATIONS.—

(1) IN GENERAL.—The Bureau may, at its discretion, include examiners on a sampling basis of the examinations performed by the prudential regulator to assess compliance with the requirements of Federal consumer financial law of persons described in subsection (a).

(2) AGENCY COORDINATION.—The prudential regulator shall—

(A) provide all reports, records, and documentation related to the examination process for any institution included in the sample referred to in paragraph (1) to the Bureau on a timely and continual basis;

(B) involve such Bureau examiner in the entire examination process for such person; and

(C) consider input of the Bureau concerning the scope of an examination, conduct of the examination, the contents of the examination report, the designation of matters requiring attention, and examination ratings.

(d) ENFORCEMENT.—

(1) IN GENERAL.—Except for requiring reports under subsection (b), the prudential regulator is authorized to enforce the requirements of Federal consumer financial laws and, with respect to a covered person described in subsection (a), shall have exclusive authority (relative to the Bureau) to enforce such laws.

(2) COORDINATION WITH PRUDENTIAL REGULATOR.—

(A) REFERRAL.—When the Bureau has reason to believe that a person described in subsection (a) has engaged in a material violation of a Federal consumer financial law, the Bureau shall notify the prudential regulator in writing and recommend appropriate action to respond.

(B) RESPONSE.—Upon receiving a recommendation under subparagraph (A), the prudential regulator shall provide a written response to the Bureau not later than 60 days thereafter.

(e) SERVICE PROVIDERS.—A service provider to a substantial number of persons described in subsection (a) shall be subject to the authority of the Bureau under section 1025 to the same extent as if the Bureau were an appropriate Federal bank agency under section 7(c) of the Bank Service Company Act (12 U.S.C. 1867(c)). When conducting any examination or requiring any report from a service provider subject to this subsection, the Bureau shall coordinate with the appropriate prudential regulator.

SEC. 1027. LIMITATIONS ON AUTHORITIES OF THE BUREAU; PRESERVATION OF AUTHORITIES.

(a) EXCLUSION FOR MERCHANTS, RETAILERS, AND OTHER SELLERS OF NONFINANCIAL GOODS OR SERVICES.—

(1) SALE OR BROKERAGE OF NONFINANCIAL GOOD OR SERVICE.—The Bureau may not exercise any rulemaking, supervisory, enforcement or other authority under this title with respect to a person who is a merchant, retailer, or seller of any nonfinancial good or service and is engaged in the sale or brokerage of such nonfinancial good or service, except to the extent that such person is engaged in offering or providing any consumer financial product or service, or is otherwise subject to any enumerated consumer law or any law for which authorities are transferred under subtitle F or H.

(2) OFFERING OR PROVISION OF CERTAIN CONSUMER FINANCIAL PRODUCTS OR SERVICES IN CONNECTION WITH THE SALE OR BROKERAGE OF NONFINANCIAL GOOD OR SERVICE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), and subject to subparagraph (C), the Bureau may not exercise any rulemaking, supervisory, enforcement, or other authority under this title with respect to a merchant, retailer, or seller of nonfinancial goods or services, but only to the extent that such person—

(i) extends credit directly to a consumer, in a case in which the good or service being provided

is not itself a consumer financial product or service (other than credit described in this subparagraph), exclusively for the purpose of enabling that consumer to purchase such nonfinancial good or service directly from the merchant, retailer, or seller;

(ii) directly, or through an agreement with another person, collects debt arising from credit extended as described in clause (i); or

(iii) sells or conveys debt described in clause (i) that is delinquent or otherwise in default.

(B) APPLICABILITY.—Subparagraph (A) does not apply to any credit transaction or collection of debt, other than as described in subparagraph (C)(i), arising from a transaction described in subparagraph (A)—

(i) in which the merchant, retailer, or seller of nonfinancial goods or services assigns, sells or otherwise conveys to another person such debt owed by the consumer (except for a sale of debt that is delinquent or otherwise in default, as described in subparagraph (A)(iii));

(ii) in which the credit extended significantly exceeds the market value of the nonfinancial good or service provided, or the Bureau otherwise finds that the sale of the nonfinancial good or service is done as a subterfuge, so as to evade or circumvent the provisions of this title; or

(iii) in which the merchant, retailer, or seller of nonfinancial goods or services regularly extends credit and the credit is subject to a finance charge.

(C) LIMITATIONS.—

(i) IN GENERAL.—Notwithstanding subparagraph (B), subparagraph (A) shall apply with respect to a merchant, retailer, or seller of nonfinancial goods or services that is not engaged significantly in offering or providing consumer financial products or services.

(ii) EXCEPTION.—Subparagraph (A) and clause (i) of this subparagraph do not apply to any merchant, retailer, or seller of nonfinancial goods or services—

(I) if such merchant, retailer, or seller of nonfinancial goods or services is engaged in a transaction described in subparagraph (B)(i) or (B)(ii); or

(II) to the extent that such merchant, retailer, or seller is subject to any enumerated consumer law or any law for which authorities are transferred under subtitle F or H, but the Bureau may exercise such authority only with respect to that law.

(D) RULES.—

(i) AUTHORITY OF OTHER AGENCIES.—No provision of this title shall be construed as modifying, limiting, or superseding the supervisory or enforcement authority of the Federal Trade Commission or any other agency (other than the Bureau) with respect to credit extended, or the collection of debt arising from such extension, directly by a merchant or retailer to a consumer exclusively for the purpose of enabling that consumer to purchase nonfinancial goods or services directly from the merchant or retailer.

(ii) SMALL BUSINESSES.—A merchant, retailer, or seller of nonfinancial goods or services that would otherwise be subject to the authority of the Bureau solely by virtue of the application of subparagraph (B)(iii) shall be deemed not to be engaged significantly in offering or providing consumer financial products or services under subparagraph (C)(i), if such person—

(I) only extends credit for the sale of nonfinancial goods or services, as described in subparagraph (A)(i);

(II) retains such credit on its own accounts (except to sell or convey such debt that is delinquent or otherwise in default); and

(III) meets the relevant industry size threshold to be a small business concern, based on annual receipts, pursuant to section 3 of the Small Business Act (15 U.S.C. 632) and the implementing rules thereunder.

(iii) **INITIAL YEAR.**—A merchant, retailer, or seller of nonfinancial goods or services shall be deemed to meet the relevant industry size threshold described in clause (ii)(III) during the first year of operations of that business concern if, during that year, the receipts of that business concern reasonably are expected to meet that size threshold.

(iv) **OTHER STANDARDS FOR SMALL BUSINESS.**—With respect to a merchant, retailer, or seller of nonfinancial goods or services that is a classified on a basis other than annual receipts for the purposes of section 3 of the Small Business Act (15 U.S.C. 632) and the implementing rules thereunder, such merchant, retailer, or seller shall be deemed to meet the relevant industry size threshold described in clause (ii)(III) if such merchant, retailer, or seller meets the relevant industry size threshold to be a small business concern based on the number of employees, or other such applicable measure, established under that Act.

(E) **EXCEPTION FROM STATE ENFORCEMENT.**—To the extent that the Bureau may not exercise authority under this subsection with respect to a merchant, retailer, or seller of nonfinancial goods or services, no action by a State attorney general or State regulator with respect to a claim made under this title may be brought under subsection 1042(a), with respect to an activity described in any of clauses (i) through (iii) of subparagraph (A) by such merchant, retailer, or seller of nonfinancial goods or services.

(b) **EXCLUSION FOR REAL ESTATE BROKERAGE ACTIVITIES.**—

(1) **REAL ESTATE BROKERAGE ACTIVITIES EXCLUDED.**—Without limiting subsection (a), and except as permitted in paragraph (2), the Bureau may not exercise any rulemaking, supervisory, enforcement, or other authority under this title with respect to a person that is licensed or registered as a real estate broker or real estate agent, in accordance with State law, to the extent that such person—

(A) acts as a real estate agent or broker for a buyer, seller, lessor, or lessee of real property;

(B) brings together parties interested in the sale, purchase, lease, rental, or exchange of real property;

(C) negotiates, on behalf of any party, any portion of a contract relating to the sale, purchase, lease, rental, or exchange of real property (other than in connection with the provision of financing with respect to any such transaction); or

(D) offers to engage in any activity, or act in any capacity, described in subparagraph (A), (B), or (C).

(2) **DESCRIPTION OF ACTIVITIES.**—The Bureau may exercise rulemaking, supervisory, enforcement, or other authority under this title with respect to a person described in paragraph (1) when such person is—

(A) engaged in an activity of offering or providing any consumer financial product or service, except that the Bureau may exercise such authority only with respect to that activity; or

(B) otherwise subject to any enumerated consumer law or any law for which authorities are transferred under subtitle F or H, but the Bureau may exercise such authority only with respect to that law.

(c) **EXCLUSION FOR MANUFACTURED HOME RETAILERS AND MODULAR HOME RETAILERS.**—

(1) **IN GENERAL.**—The Director may not exercise any rulemaking, supervisory, enforcement, or other authority over a person to the extent that—

(A) such person is not described in paragraph (2); and

(B) such person—

(i) acts as an agent or broker for a buyer or seller of a manufactured home or a modular home;

(ii) facilitates the purchase by a consumer of a manufactured home or modular home, by negotiating the purchase price or terms of the sales contract (other than providing financing with respect to such transaction); or

(iii) offers to engage in any activity described in clause (i) or (ii).

(2) **DESCRIPTION OF ACTIVITIES.**—A person is described in this paragraph to the extent that such person is engaged in the offering or provision of any consumer financial product or service or is otherwise subject to any enumerated consumer law or any law for which authorities are transferred under subtitle F or H.

(3) **DEFINITIONS.**—For purposes of this subsection, the following definitions shall apply:

(A) **MANUFACTURED HOME.**—The term “manufactured home” has the same meaning as in section 603 of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5402).

(B) **MODULAR HOME.**—The term “modular home” means a house built in a factory in 2 or more modules that meet the State or local building codes where the house will be located, and where such modules are transported to the building site, installed on foundations, and completed.

(d) **EXCLUSION FOR ACCOUNTANTS AND TAX PREPARERS.**—

(1) **IN GENERAL.**—Except as permitted in paragraph (2), the Bureau may not exercise any rulemaking, supervisory, enforcement, or other authority over—

(A) any person that is a certified public accountant, permitted to practice as a certified public accounting firm, or certified or licensed for such purpose by a State, or any individual who is employed by or holds an ownership interest with respect to a person described in this subparagraph, when such person is performing or offering to perform—

(i) customary and usual accounting activities, including the provision of accounting, tax, advisory, or other services that are subject to the regulatory authority of a State board of accountancy or a Federal authority; or

(ii) other services that are incidental to such customary and usual accounting activities, to the extent that such incidental services are not offered or provided—

(I) by the person separate and apart from such customary and usual accounting activities; or

(II) to consumers who are not receiving such customary and usual accounting activities; or

(B) any person, other than a person described in subparagraph (A) that performs income tax preparation activities for consumers.

(2) **DESCRIPTION OF ACTIVITIES.**—

(A) **IN GENERAL.**—Paragraph (1) shall not apply to any person described in paragraph (1)(A) or (1)(B) to the extent that such person is engaged in any activity which is not a customary and usual accounting activity described in paragraph (1)(A) or incidental thereto but which is the offering or provision of any consumer financial product or service, except to the extent that a person described in paragraph (1)(A) is engaged in an activity which is a customary and usual accounting activity described in paragraph (1)(A), or incidental thereto.

(B) **NOT A CUSTOMARY AND USUAL ACCOUNTING ACTIVITY.**—For purposes of this subsection, extending or brokering credit is not a customary and usual accounting activity, or incidental thereto.

(C) **RULE OF CONSTRUCTION.**—For purposes of subparagraphs (A) and (B), a person described in paragraph (1)(A) shall not be deemed to be extending credit, if such person is only extending credit directly to a consumer, exclusively for the purpose of enabling such consumer to purchase services described in clause (i) or (ii) of

paragraph (1)(A) directly from such person, and such credit is—

(i) not subject to a finance charge; and

(ii) not payable by written agreement in more than 4 installments.

(D) **OTHER LIMITATIONS.**—Paragraph (1) does not apply to any person described in paragraph (1)(A) or (1)(B) that is otherwise subject to any enumerated consumer law or any law for which authorities are transferred under subtitle F or H.

(e) **EXCLUSION FOR PRACTICE OF LAW.**—

(1) **IN GENERAL.**—Except as provided under paragraph (2), the Bureau may not exercise any supervisory or enforcement authority with respect to an activity engaged in by an attorney as part of the practice of law under the laws of a State in which the attorney is licensed to practice law.

(2) **RULE OF CONSTRUCTION.**—Paragraph (1) shall not be construed so as to limit the exercise by the Bureau of any supervisory, enforcement, or other authority regarding the offering or provision of a consumer financial product or service described in any subparagraph of section 1002(5)—

(A) that is not offered or provided as part of, or incidental to, the practice of law, occurring exclusively within the scope of the attorney-client relationship; or

(B) that is otherwise offered or provided by the attorney in question with respect to any consumer who is not receiving legal advice or services from the attorney in connection with such financial product or service.

(3) **EXISTING AUTHORITY.**—Paragraph (1) shall not be construed so as to limit the authority of the Bureau with respect to any attorney, to the extent that such attorney is otherwise subject to any of the enumerated consumer laws or the authorities transferred under subtitle F or H.

(f) **EXCLUSION FOR PERSONS REGULATED BY A STATE INSURANCE REGULATOR.**—

(1) **IN GENERAL.**—No provision of this title shall be construed as altering, amending, or affecting the authority of any State insurance regulator to adopt rules, initiate enforcement proceedings, or take any other action with respect to a person regulated by a State insurance regulator. Except as provided in paragraph (2), the Bureau shall have no authority to exercise any power to enforce this title with respect to a person regulated by a State insurance regulator.

(2) **DESCRIPTION OF ACTIVITIES.**—Paragraph (1) does not apply to any person described in such paragraph to the extent that such person is engaged in the offering or provision of any consumer financial product or service or is otherwise subject to any enumerated consumer law or any law for which authorities are transferred under subtitle F or H.

(3) **STATE INSURANCE AUTHORITY UNDER GRAMM-LEACH-BLILEY.**—Notwithstanding paragraph (2), the Bureau shall not exercise any authorities that are granted a State insurance authority under section 505(a)(6) of the Gramm-Leach-Bliley Act with respect to a person regulated by a State insurance authority.

(g) **EXCLUSION FOR EMPLOYEE BENEFIT AND COMPENSATION PLANS AND CERTAIN OTHER ARRANGEMENTS UNDER THE INTERNAL REVENUE CODE OF 1986.**—

(1) **PRESERVATION OF AUTHORITY OF OTHER AGENCIES.**—No provision of this title shall be construed as altering, amending, or affecting the authority of the Secretary of the Treasury, the Secretary of Labor, or the Commissioner of Internal Revenue to adopt regulations, initiate enforcement proceedings, or take any actions with respect to any specified plan or arrangement.

(2) **ACTIVITIES NOT CONSTITUTING THE OFFERING OR PROVISION OF ANY CONSUMER FINANCIAL PRODUCT OR SERVICE.**—For purposes of this title,

a person shall not be treated as having engaged in the offering or provision of any consumer financial product or service solely because such person is—

(A) a specified plan or arrangement;

(B) engaged in the activity of establishing or maintaining, for the benefit of employees of such person (or for members of an employee organization), any specified plan or arrangement; or

(C) engaged in the activity of establishing or maintaining a qualified tuition program under section 529(b)(1) of the Internal Revenue Code of 1986 offered by a State or other prepaid tuition program offered by a State.

(3) LIMITATION ON BUREAU AUTHORITY.—

(A) IN GENERAL.—Except as provided under subparagraphs (B) and (C), the Bureau may not exercise any rulemaking or enforcement authority with respect to products or services that relate to any specified plan or arrangement.

(B) BUREAU ACTION PURSUANT TO AGENCY REQUEST.—

(i) AGENCY REQUEST.—The Secretary and the Secretary of Labor may jointly issue a written request to the Bureau regarding implementation of appropriate consumer protection standards under this title with respect to the provision of services relating to any specified plan or arrangement.

(ii) AGENCY RESPONSE.—In response to a request by the Bureau, the Secretary and the Secretary of Labor shall jointly issue a written response, not later than 90 days after receipt of such request, to grant or deny the request of the Bureau regarding implementation of appropriate consumer protection standards under this title with respect to the provision of services relating to any specified plan or arrangement.

(iii) SCOPE OF BUREAU ACTION.—Subject to a request or response pursuant to clause (i) or clause (ii) by the agencies made under this subparagraph, the Bureau may exercise rulemaking authority, and may act to enforce a rule prescribed pursuant to such request or response, in accordance with the provisions of this title. A request or response made by the Secretary and the Secretary of Labor under this subparagraph shall describe the basis for, and scope of, appropriate consumer protection standards to be implemented under this title with respect to the provision of services relating to any specified plan or arrangement.

(C) DESCRIPTION OF PRODUCTS OR SERVICES.—To the extent that a person engaged in providing products or services relating to any specified plan or arrangement is subject to any enumerated consumer law or any law for which authorities are transferred under subtitle F or H, subparagraph (A) shall not apply with respect to that law.

(4) SPECIFIED PLAN OR ARRANGEMENT.—For purposes of this subsection, the term “specified plan or arrangement” means any plan, account, or arrangement described in section 220, 223, 401(a), 403(a), 403(b), 408, 408A, 529, or 530 of the Internal Revenue Code of 1986, or any employee benefit or compensation plan or arrangement, including a plan that is subject to title I of the Employee Retirement Income Security Act of 1974, or any prepaid tuition program offered by a State.

(h) PERSONS REGULATED BY A STATE SECURITIES COMMISSION.—

(1) IN GENERAL.—No provision of this title shall be construed as altering, amending, or affecting the authority of any securities commission (or any agency or office performing like functions) of any State to adopt rules, initiate enforcement proceedings, or take any other action with respect to a person regulated by any securities commission (or any agency or office performing like functions) of any State. Except as permitted in paragraph (2) and subsection (f),

the Bureau shall have no authority to exercise any power to enforce this title with respect to a person regulated by any securities commission (or any agency or office performing like functions) of any State, but only to the extent that the person acts in such regulated capacity.

(2) DESCRIPTION OF ACTIVITIES.—Paragraph (1) shall not apply to any person to the extent such person is engaged in the offering or provision of any consumer financial product or service, or is otherwise subject to any enumerated consumer law or any law for which authorities are transferred under subtitle F or H.

(i) EXCLUSION FOR PERSONS REGULATED BY THE COMMISSION.—

(1) IN GENERAL.—No provision of this title may be construed as altering, amending, or affecting the authority of the Commission to adopt rules, initiate enforcement proceedings, or take any other action with respect to a person regulated by the Commission. The Bureau shall have no authority to exercise any power to enforce this title with respect to a person regulated by the Commission.

(2) CONSULTATION AND COORDINATION.—Notwithstanding paragraph (1), the Commission shall consult and coordinate, where feasible, with the Bureau with respect to any rule (including any advance notice of proposed rulemaking) regarding an investment product or service that is the same type of product as, or that competes directly with, a consumer financial product or service that is subject to the jurisdiction of the Bureau under this title or under any other law. In carrying out this paragraph, the agencies shall negotiate an agreement to establish procedures for such coordination, including procedures for providing advance notice to the Bureau when the Commission is initiating a rulemaking.

(j) EXCLUSION FOR PERSONS REGULATED BY THE COMMODITY FUTURES TRADING COMMISSION.—

(1) IN GENERAL.—No provision of this title shall be construed as altering, amending, or affecting the authority of the Commodity Futures Trading Commission to adopt rules, initiate enforcement proceedings, or take any other action with respect to a person regulated by the Commodity Futures Trading Commission. The Bureau shall have no authority to exercise any power to enforce this title with respect to a person regulated by the Commodity Futures Trading Commission.

(2) CONSULTATION AND COORDINATION.—Notwithstanding paragraph (1), the Commodity Futures Trading Commission shall consult and coordinate with the Bureau with respect to any rule (including any advance notice of proposed rulemaking) regarding a product or service that is the same type of product as, or that competes directly with, a consumer financial product or service that is subject to the jurisdiction of the Bureau under this title or under any other law.

(k) EXCLUSION FOR PERSONS REGULATED BY THE FARM CREDIT ADMINISTRATION.—

(1) IN GENERAL.—No provision of this title shall be construed as altering, amending, or affecting the authority of the Farm Credit Administration to adopt rules, initiate enforcement proceedings, or take any other action with respect to a person regulated by the Farm Credit Administration. The Bureau shall have no authority to exercise any power to enforce this title with respect to a person regulated by the Farm Credit Administration.

(2) DEFINITION.—For purposes of this subsection, the term “person regulated by the Farm Credit Administration” means any Farm Credit System institution that is chartered and subject to the provisions of the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.).

(l) EXCLUSION FOR ACTIVITIES RELATING TO CHARITABLE CONTRIBUTIONS.—

(1) IN GENERAL.—The Director and the Bureau may not exercise any rulemaking, supervisory, enforcement, or other authority, including authority to order penalties, over any activities related to the solicitation or making of voluntary contributions to a tax-exempt organization as recognized by the Internal Revenue Service, by any agent, volunteer, or representative of such organizations to the extent the organization, agent, volunteer, or representative thereof is soliciting or providing advice, information, education, or instruction to any donor or potential donor relating to a contribution to the organization.

(2) LIMITATION.—The exclusion in paragraph (1) does not apply to other activities not described in paragraph (1) that are the offering or provision of any consumer financial product or service, or are otherwise subject to any enumerated consumer law or any law for which authorities are transferred under subtitle F or H.

(m) INSURANCE.—The Bureau may not define as a financial product or service, by regulation or otherwise, engaging in the business of insurance.

(n) LIMITED AUTHORITY OF THE BUREAU.—Notwithstanding subsections (a) through (h) and (l), a person subject to or described in one or more of such provisions—

(1) may be a service provider; and

(2) may be subject to requests from, or requirements imposed by, the Bureau regarding information in order to carry out the responsibilities and functions of the Bureau and in accordance with section 1022, 1052, or 1053.

(o) NO AUTHORITY TO IMPOSE USURY LIMIT.—No provision of this title shall be construed as conferring authority on the Bureau to establish a usury limit applicable to an extension of credit offered or made by a covered person to a consumer, unless explicitly authorized by law.

(p) ATTORNEY GENERAL.—No provision of this title, including section 1024(c)(1), shall affect the authorities of the Attorney General under otherwise applicable provisions of law.

(q) SECRETARY OF THE TREASURY.—No provision of this title shall affect the authorities of the Secretary, including with respect to prescribing rules, initiating enforcement proceedings, or taking other actions with respect to a person that performs income tax preparation activities for consumers.

(r) DEPOSIT INSURANCE AND SHARE INSURANCE.—Nothing in this title shall affect the authority of the Corporation under the Federal Deposit Insurance Act or the National Credit Union Administration Board under the Federal Credit Union Act as to matters related to deposit insurance and share insurance, respectively.

(s) FAIR HOUSING ACT.—No provision of this title shall be construed as affecting any authority arising under the Fair Housing Act.

SEC. 1028. AUTHORITY TO RESTRICT MANDATORY PRE-DISPUTE ARBITRATION.

(a) STUDY AND REPORT.—The Bureau shall conduct a study of, and shall provide a report to Congress concerning, the use of agreements providing for arbitration of any future dispute between covered persons and consumers in connection with the offering or providing of consumer financial products or services.

(b) FURTHER AUTHORITY.—The Bureau, by regulation, may prohibit or impose conditions or limitations on the use of an agreement between a covered person and a consumer for a consumer financial product or service providing for arbitration of any future dispute between the parties, if the Bureau finds that such a prohibition or imposition of conditions or limitations is in the public interest and for the protection of consumers. The findings in such rule shall be consistent with the study conducted under subsection (a).

(c) LIMITATION.—The authority described in subsection (b) may not be construed to prohibit

or restrict a consumer from entering into a voluntary arbitration agreement with a covered person after a dispute has arisen.

(d) **EFFECTIVE DATE.**—Notwithstanding any other provision of law, any regulation prescribed by the Bureau under subsection (b) shall apply, consistent with the terms of the regulation, to any agreement between a consumer and a covered person entered into after the end of the 180-day period beginning on the effective date of the regulation, as established by the Bureau.

SEC. 1029. EXCLUSION FOR AUTO DEALERS.

(a) **SALE, SERVICING, AND LEASING OF MOTOR VEHICLES EXCLUDED.**—Except as permitted in subsection (b), the Bureau may not exercise any rulemaking, supervisory, enforcement or any other authority, including any authority to order assessments, over a motor vehicle dealer that is predominantly engaged in the sale and servicing of motor vehicles, the leasing and servicing of motor vehicles, or both.

(b) **CERTAIN FUNCTIONS EXCEPTED.**—Subsection (a) shall not apply to any person, to the extent that such person—

(1) provides consumers with any services related to residential or commercial mortgages or self-financing transactions involving real property;

(2) operates a line of business—

(A) that involves the extension of retail credit or retail leases involving motor vehicles; and

(B) in which—

(i) the extension of retail credit or retail leases are provided directly to consumers; and

(ii) the contract governing such extension of retail credit or retail leases is not routinely assigned to an unaffiliated third party finance or leasing source; or

(3) offers or provides a consumer financial product or service not involving or related to the sale, financing, leasing, rental, repair, refurbishment, maintenance, or other servicing of motor vehicles, motor vehicle parts, or any related or ancillary product or service.

(c) **PRESERVATION OF AUTHORITIES OF OTHER AGENCIES.**—Except as provided in subsections (b) and (d), nothing in this title, including subtitle F, shall be construed as modifying, limiting, or superseding the operation of any provision of Federal law, or otherwise affecting the authority of the Board of Governors, the Federal Trade Commission, or any other Federal agency, with respect to a person described in subsection (a).

(d) **FEDERAL TRADE COMMISSION AUTHORITY.**—Notwithstanding section 18 of the Federal Trade Commission Act, the Federal Trade Commission is authorized to prescribe rules under sections 5 and 18(a)(1)(B) of the Federal Trade Commission Act, in accordance with section 553 of title 5, United States Code, with respect to a person described in subsection (a).

(e) **COORDINATION WITH OFFICE OF SERVICE MEMBER AFFAIRS.**—The Board of Governors and the Federal Trade Commission shall coordinate with the Office of Service Member Affairs, to ensure that—

(1) service members and their families are educated and empowered to make better informed decisions regarding consumer financial products and services offered by motor vehicle dealers, with a focus on motor vehicle dealers in the proximity of military installations; and

(2) complaints by service members and their families concerning such motor vehicle dealers are effectively monitored and responded to, and where appropriate, enforcement action is pursued by the authorized agencies.

(f) **DEFINITIONS.**—For purposes of this section, the following definitions shall apply:

(1) **MOTOR VEHICLE.**—The term “motor vehicle” means—

(A) any self-propelled vehicle designed for transporting persons or property on a street, highway, or other road;

(B) recreational boats and marine equipment;

(C) motorcycles;

(D) motor homes, recreational vehicle trailers, and slide-in campers, as those terms are defined in sections 571.3 and 575.103 (d) of title 49, Code of Federal Regulations, or any successor thereto; and

(E) other vehicles that are titled and sold through dealers.

(2) **MOTOR VEHICLE DEALER.**—The term “motor vehicle dealer” means any person or resident in the United States, or any territory of the United States, who—

(A) is licensed by a State, a territory of the United States, or the District of Columbia to engage in the sale of motor vehicles; and

(B) takes title to, holds an ownership in, or takes physical custody of motor vehicles.

SEC. 1029A. EFFECTIVE DATE.

This subtitle shall become effective on the designated transfer date, except that sections 1022, 1024, and 1025(e) shall become effective on the date of enactment of this Act.

Subtitle C—Specific Bureau Authorities

SEC. 1031. PROHIBITING UNFAIR, DECEPTIVE, OR ABUSIVE ACTS OR PRACTICES.

(a) **IN GENERAL.**—The Bureau may take any action authorized under subtitle E to prevent a covered person or service provider from committing or engaging in an unfair, deceptive, or abusive act or practice under Federal law in connection with any transaction with a consumer for a consumer financial product or service, or the offering of a consumer financial product or service.

(b) **RULEMAKING.**—The Bureau may prescribe rules applicable to a covered person or service provider identifying as unlawful unfair, deceptive, or abusive acts or practices in connection with any transaction with a consumer for a consumer financial product or service, or the offering of a consumer financial product or service. Rules under this section may include requirements for the purpose of preventing such acts or practices.

(c) **UNFAIRNESS.**—

(1) **IN GENERAL.**—The Bureau shall have no authority under this section to declare an act or practice in connection with a transaction with a consumer for a consumer financial product or service, or the offering of a consumer financial product or service, to be unlawful on the grounds that such act or practice is unfair, unless the Bureau has a reasonable basis to conclude that—

(A) the act or practice causes or is likely to cause substantial injury to consumers which is not reasonably avoidable by consumers; and

(B) such substantial injury is not outweighed by countervailing benefits to consumers or to competition.

(2) **CONSIDERATION OF PUBLIC POLICIES.**—In determining whether an act or practice is unfair, the Bureau may consider established public policies as evidence to be considered with all other evidence. Such public policy considerations may not serve as a primary basis for such determination.

(d) **ABUSIVE.**—The Bureau shall have no authority under this section to declare an act or practice abusive in connection with the provision of a consumer financial product or service, unless the act or practice—

(1) materially interferes with the ability of a consumer to understand a term or condition of a consumer financial product or service; or

(2) takes unreasonable advantage of—

(A) a lack of understanding on the part of the consumer of the material risks, costs, or conditions of the product or service;

(B) the inability of the consumer to protect the interests of the consumer in selecting or using a consumer financial product or service; or

(C) the reasonable reliance by the consumer on a covered person to act in the interests of the consumer.

(e) **CONSULTATION.**—In prescribing rules under this section, the Bureau shall consult with the Federal banking agencies, or other Federal agencies, as appropriate, concerning the consistency of the proposed rule with prudential, market, or systemic objectives administered by such agencies.

(f) **CONSIDERATION OF SEASONAL INCOME.**—The rules of the Bureau under this section shall provide, with respect to an extension of credit secured by residential real estate or a dwelling, if documented income of the borrower, including income from a small business, is a repayment source for an extension of credit secured by residential real estate or a dwelling, the creditor may consider the seasonality and irregularity of such income in the underwriting of and scheduling of payments for such credit.

SEC. 1032. DISCLOSURES.

(a) **IN GENERAL.**—The Bureau may prescribe rules to ensure that the features of any consumer financial product or service, both initially and over the term of the product or service, are fully, accurately, and effectively disclosed to consumers in a manner that permits consumers to understand the costs, benefits, and risks associated with the product or service, in light of the facts and circumstances.

(b) **MODEL DISCLOSURES.**—

(1) **IN GENERAL.**—Any final rule prescribed by the Bureau under this section requiring disclosures may include a model form that may be used at the option of the covered person for provision of the required disclosures.

(2) **FORMAT.**—A model form issued pursuant to paragraph (1) shall contain a clear and conspicuous disclosure that, at a minimum—

(A) uses plain language comprehensible to consumers;

(B) contains a clear format and design, such as an easily readable type font; and

(C) succinctly explains the information that must be communicated to the consumer.

(3) **CONSUMER TESTING.**—Any model form issued pursuant to this subsection shall be validated through consumer testing.

(c) **BASIS FOR RULEMAKING.**—In prescribing rules under this section, the Bureau shall consider available evidence about consumer awareness, understanding of, and responses to disclosures or communications about the risks, costs, and benefits of consumer financial products or services.

(d) **SAFE HARBOR.**—Any covered person that uses a model form included with a rule issued under this section shall be deemed to be in compliance with the disclosure requirements of this section with respect to such model form.

(e) **TRIAL DISCLOSURE PROGRAMS.**—

(1) **IN GENERAL.**—The Bureau may permit a covered person to conduct a trial program that is limited in time and scope, subject to specified standards and procedures, for the purpose of providing trial disclosures to consumers that are designed to improve upon any model form issued pursuant to subsection (b)(1), or any other model form issued to implement an enumerated statute, as applicable.

(2) **SAFE HARBOR.**—The standards and procedures issued by the Bureau shall be designed to encourage covered persons to conduct trial disclosure programs. For the purposes of administering this subsection, the Bureau may establish a limited period during which a covered person conducting a trial disclosure program shall be deemed to be in compliance with, or may be exempted from, a requirement of a rule or an enumerated consumer law.

(3) **PUBLIC DISCLOSURE.**—The rules of the Bureau shall provide for public disclosure of trial disclosure programs, which public disclosure

may be limited, to the extent necessary to encourage covered persons to conduct effective trials.

(f) **COMBINED MORTGAGE LOAN DISCLOSURE.**—Not later than 1 year after the designated transfer date, the Bureau shall propose for public comment rules and model disclosures that combine the disclosures required under the Truth in Lending Act and sections 4 and 5 of the Real Estate Settlement Procedures Act of 1974, into a single, integrated disclosure for mortgage loan transactions covered by those laws, unless the Bureau determines that any proposal issued by the Board of Governors and the Secretary of Housing and Urban Development carries out the same purpose.

SEC. 1033. CONSUMER RIGHTS TO ACCESS INFORMATION.

(a) **IN GENERAL.**—Subject to rules prescribed by the Bureau, a covered person shall make available to a consumer, upon request, information in the control or possession of the covered person concerning the consumer financial product or service that the consumer obtained from such covered person, including information relating to any transaction, series of transactions, or to the account including costs, charges and usage data. The information shall be made available in an electronic form usable by consumers.

(b) **EXCEPTIONS.**—A covered person may not be required by this section to make available to the consumer—

(1) any confidential commercial information, including an algorithm used to derive credit scores or other risk scores or predictors;

(2) any information collected by the covered person for the purpose of preventing fraud or money laundering, or detecting, or making any report regarding other unlawful or potentially unlawful conduct;

(3) any information required to be kept confidential by any other provision of law; or

(4) any information that the covered person cannot retrieve in the ordinary course of its business with respect to that information.

(c) **NO DUTY TO MAINTAIN RECORDS.**—Nothing in this section shall be construed to impose any duty on a covered person to maintain or keep any information about a consumer.

(d) **STANDARDIZED FORMATS FOR DATA.**—The Bureau, by rule, shall prescribe standards applicable to covered persons to promote the development and use of standardized formats for information, including through the use of machine readable files, to be made available to consumers under this section.

(e) **CONSULTATION.**—The Bureau shall, when prescribing any rule under this section, consult with the Federal banking agencies and the Federal Trade Commission to ensure, to the extent appropriate, that the rules—

(1) impose substantively similar requirements on covered persons;

(2) take into account conditions under which covered persons do business both in the United States and in other countries; and

(3) do not require or promote the use of any particular technology in order to develop systems for compliance.

SEC. 1034. RESPONSE TO CONSUMER COMPLAINTS AND INQUIRIES.

(a) **TIMELY REGULATOR RESPONSE TO CONSUMERS.**—The Bureau shall establish, in consultation with the appropriate Federal regulatory agencies, reasonable procedures to provide a timely response to consumers, in writing where appropriate, to complaints against, or inquiries concerning, a covered person, including—

(1) steps that have been taken by the regulator in response to the complaint or inquiry of the consumer;

(2) any responses received by the regulator from the covered person; and

(3) any follow-up actions or planned follow-up actions by the regulator in response to the complaint or inquiry of the consumer.

(b) **TIMELY RESPONSE TO REGULATOR BY COVERED PERSON.**—A covered person subject to supervision and primary enforcement by the Bureau pursuant to section 1025 shall provide a timely response, in writing where appropriate, to the Bureau, the prudential regulators, and any other agency having jurisdiction over such covered person concerning a consumer complaint or inquiry, including—

(1) steps that have been taken by the covered person to respond to the complaint or inquiry of the consumer;

(2) responses received by the covered person from the consumer; and

(3) follow-up actions or planned follow-up actions by the covered person to respond to the complaint or inquiry of the consumer.

(c) **PROVISION OF INFORMATION TO CONSUMERS.**

(1) **IN GENERAL.**—A covered person subject to supervision and primary enforcement by the Bureau pursuant to section 1025 shall, in a timely manner, comply with a consumer request for information in the control or possession of such covered person concerning the consumer financial product or service that the consumer obtained from such covered person, including supporting written documentation, concerning the account of the consumer.

(2) **EXCEPTIONS.**—A covered person subject to supervision and primary enforcement by the Bureau pursuant to section 1025, a prudential regulator, and any other agency having jurisdiction over a covered person subject to supervision and primary enforcement by the Bureau pursuant to section 1025 may not be required by this section to make available to the consumer—

(A) any confidential commercial information, including an algorithm used to derive credit scores or other risk scores or predictors;

(B) any information collected by the covered person for the purpose of preventing fraud or money laundering, or detecting or making any report regarding other unlawful or potentially unlawful conduct;

(C) any information required to be kept confidential by any other provision of law; or

(D) any nonpublic or confidential information, including confidential supervisory information.

(d) **AGREEMENTS WITH OTHER AGENCIES.**—The Bureau shall enter into a memorandum of understanding with any affected Federal regulatory agency regarding procedures by which any covered person, and the prudential regulators, and any other agency having jurisdiction over a covered person, including the Secretary of the Department of Housing and Urban Development and the Secretary of Education, shall comply with this section.

SEC. 1035. PRIVATE EDUCATION LOAN OMBUDSMAN.

(a) **ESTABLISHMENT.**—The Secretary, in consultation with the Director, shall designate a Private Education Loan Ombudsman (in this section referred to as the “Ombudsman”) within the Bureau, to provide timely assistance to borrowers of private education loans.

(b) **PUBLIC INFORMATION.**—The Secretary and the Director shall disseminate information about the availability and functions of the Ombudsman to borrowers and potential borrowers, as well as institutions of higher education, lenders, guaranty agencies, loan servicers, and other participants in private education student loan programs.

(c) **FUNCTIONS OF OMBUDSMAN.**—The Ombudsman designated under this subsection shall—

(1) in accordance with regulations of the Director, receive, review, and attempt to resolve informally complaints from borrowers of loans

described in subsection (a), including, as appropriate, attempts to resolve such complaints in collaboration with the Department of Education and with institutions of higher education, lenders, guaranty agencies, loan servicers, and other participants in private education loan programs;

(2) not later than 90 days after the designated transfer date, establish a memorandum of understanding with the student loan ombudsman established under section 141(f) of the Higher Education Act of 1965 (20 U.S.C. 1018(f)), to ensure coordination in providing assistance to and serving borrowers seeking to resolve complaints related to their private education or Federal student loans;

(3) compile and analyze data on borrower complaints regarding private education loans; and

(4) make appropriate recommendations to the Director, the Secretary, the Secretary of Education, the Committee on Banking, Housing, and Urban Affairs and the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Financial Services and the Committee on Education and Labor of the House of Representatives.

(d) **ANNUAL REPORTS.**

(1) **IN GENERAL.**—The Ombudsman shall prepare an annual report that describes the activities, and evaluates the effectiveness of the Ombudsman during the preceding year.

(2) **SUBMISSION.**—The report required by paragraph (1) shall be submitted on the same date annually to the Secretary, the Secretary of Education, the Committee on Banking, Housing, and Urban Affairs and the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Financial Services and the Committee on Education and Labor of the House of Representatives.

(e) **DEFINITIONS.**—For purposes of this section, the terms “private education loan” and “institution of higher education” have the same meanings as in section 140 of the Truth in Lending Act (15 U.S.C. 1650).

SEC. 1036. PROHIBITED ACTS.

(a) **IN GENERAL.**—It shall be unlawful for—

(1) any covered person or service provider—

(A) to offer or provide to a consumer any financial product or service not in conformity with Federal consumer financial law, or otherwise commit any act or omission in violation of a Federal consumer financial law; or

(B) to engage in any unfair, deceptive, or abusive act or practice;

(2) any covered person or service provider to fail or refuse, as required by Federal consumer financial law, or any rule or order issued by the Bureau thereunder—

(A) to permit access to or copying of records;

(B) to establish or maintain records; or

(C) to make reports or provide information to the Bureau; or

(3) any person to knowingly or recklessly provide substantial assistance to a covered person or service provider in violation of the provisions of section 1031, or any rule or order issued thereunder, and notwithstanding any provision of this title, the provider of such substantial assistance shall be deemed to be in violation of that section to the same extent as the person to whom such assistance is provided.

(b) **EXCEPTION.**—No person shall be held to have violated subsection (a)(1) solely by virtue of providing or selling time or space to a covered person or service provider placing an advertisement.

SEC. 1037. EFFECTIVE DATE.

This subtitle shall take effect on the designated transfer date.

Subtitle D—Preservation of State Law

SEC. 1041. RELATION TO STATE LAW.

(a) **IN GENERAL.**—

(1) **RULE OF CONSTRUCTION.**—This title, other than sections 1044 through 1048, may not be construed as annulling, altering, or affecting, or exempting any person subject to the provisions of this title from complying with, the statutes, regulations, orders, or interpretations in effect in any State, except to the extent that any such provision of law is inconsistent with the provisions of this title, and then only to the extent of the inconsistency.

(2) **GREATER PROTECTION UNDER STATE LAW.**—For purposes of this subsection, a statute, regulation, order, or interpretation in effect in any State is not inconsistent with the provisions of this title if the protection that such statute, regulation, order, or interpretation affords to consumers is greater than the protection provided under this title. A determination regarding whether a statute, regulation, order, or interpretation in effect in any State is inconsistent with the provisions of this title may be made by the Bureau on its own motion or in response to a nonfrivolous petition initiated by any interested person.

(b) **RELATION TO OTHER PROVISIONS OF ENUMERATED CONSUMER LAWS THAT RELATE TO STATE LAW.**—No provision of this title, except as provided in section 1083, shall be construed as modifying, limiting, or superseding the operation of any provision of an enumerated consumer law that relates to the application of a law in effect in any State with respect to such Federal law.

(c) **ADDITIONAL CONSUMER PROTECTION REGULATIONS IN RESPONSE TO STATE ACTION.**—

(1) **NOTICE OF PROPOSED RULE REQUIRED.**—The Bureau shall issue a notice of proposed rulemaking whenever a majority of the States has enacted a resolution in support of the establishment or modification of a consumer protection regulation by the Bureau.

(2) **BUREAU CONSIDERATIONS REQUIRED FOR ISSUANCE OF FINAL REGULATION.**—Before prescribing a final regulation based upon a notice issued pursuant to paragraph (1), the Bureau shall take into account whether—

(A) the proposed regulation would afford greater protection to consumers than any existing regulation;

(B) the intended benefits of the proposed regulation for consumers would outweigh any increased costs or inconveniences for consumers, and would not discriminate unfairly against any category or class of consumers; and

(C) a Federal banking agency has advised that the proposed regulation is likely to present an unacceptable safety and soundness risk to insured depository institutions.

(3) **EXPLANATION OF CONSIDERATIONS.**—The Bureau—

(A) shall include a discussion of the considerations required in paragraph (2) in the Federal Register notice of a final regulation prescribed pursuant to this subsection; and

(B) whenever the Bureau determines not to prescribe a final regulation, shall publish an explanation of such determination in the Federal Register, and provide a copy of such explanation to each State that enacted a resolution in support of the proposed regulation, the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Financial Services of the House of Representatives.

(4) **RESERVATION OF AUTHORITY.**—No provision of this subsection shall be construed as limiting or restricting the authority of the Bureau to enhance consumer protection standards established pursuant to this title in response to its own motion or in response to a request by any other interested person.

(5) **RULE OF CONSTRUCTION.**—No provision of this subsection shall be construed as exempting the Bureau from complying with subchapter II of chapter 5 of title 5, United States Code.

(6) **DEFINITION.**—For purposes of this subsection, the term “consumer protection regulation” means a regulation that the Bureau is authorized to prescribe under the Federal consumer financial laws.

SEC. 1042. PRESERVATION OF ENFORCEMENT POWERS OF STATES.

(a) **IN GENERAL.**—

(1) **ACTION BY STATE.**—Except as provided in paragraph (2), the attorney general (or the equivalent thereof) of any State may bring a civil action in the name of such State in any district court of the United States in that State or in State court that is located in that State and that has jurisdiction over the defendant, to enforce provisions of this title or regulations issued under this title, and to secure remedies under provisions of this title or remedies otherwise provided under other law. A State regulator may bring a civil action or other appropriate proceeding to enforce the provisions of this title or regulations issued under this title with respect to any entity that is State-chartered, incorporated, licensed, or otherwise authorized to do business under State law (except as provided in paragraph (2)), and to secure remedies under provisions of this title or remedies otherwise provided under other provisions of law with respect to such an entity.

(2) **ACTION BY STATE AGAINST NATIONAL BANK OR FEDERAL SAVINGS ASSOCIATION TO ENFORCE RULES.**—

(A) **IN GENERAL.**—Except as permitted under subparagraph (B), the attorney general (or equivalent thereof) of any State may not bring a civil action in the name of such State against a national bank or Federal savings association to enforce a provision of this title.

(B) **ENFORCEMENT OF RULES PERMITTED.**—The attorney general (or the equivalent thereof) of any State may bring a civil action in the name of such State against a national bank or Federal savings association in any district court of the United States in the State or in State court that is located in that State and that has jurisdiction over the defendant to enforce a regulation prescribed by the Bureau under a provision of this title and to secure remedies under provisions of this title or remedies otherwise provided under other law.

(3) **RULE OF CONSTRUCTION.**—No provision of this title shall be construed as modifying, limiting, or superseding the operation of any provision of an enumerated consumer law that relates to the authority of a State attorney general or State regulator to enforce such Federal law.

(b) **CONSULTATION REQUIRED.**—

(1) **NOTICE.**—

(A) **IN GENERAL.**—Before initiating any action in a court or other administrative or regulatory proceeding against any covered person as authorized by subsection (a) to enforce any provision of this title, including any regulation prescribed by the Bureau under this title, a State attorney general or State regulator shall timely provide a copy of the complete complaint to be filed and written notice describing such action or proceeding to the Bureau and the prudential regulator, if any, or the designee thereof.

(B) **EMERGENCY ACTION.**—If prior notice is not practicable, the State attorney general or State regulator shall provide a copy of the complete complaint and the notice to the Bureau and the prudential regulator, if any, immediately upon instituting the action or proceeding.

(C) **CONTENTS OF NOTICE.**—The notification required under this paragraph shall, at a minimum, describe—

(i) the identity of the parties;

(ii) the alleged facts underlying the proceeding; and

(iii) whether there may be a need to coordinate the prosecution of the proceeding so as not

to interfere with any action, including any rulemaking, undertaken by the Bureau, a prudential regulator, or another Federal agency.

(2) **BUREAU RESPONSE.**—In any action described in paragraph (1), the Bureau may—

(A) intervene in the action as a party;

(B) upon intervening—

(i) remove the action to the appropriate United States district court, if the action was not originally brought there; and

(ii) be heard on all matters arising in the action; and

(C) appeal any order or judgment, to the same extent as any other party in the proceeding may.

(c) **REGULATIONS.**—The Bureau shall prescribe regulations to implement the requirements of this section and, from time to time, provide guidance in order to further coordinate actions with the State attorneys general and other regulators.

(d) **PRESERVATION OF STATE AUTHORITY.**—

(1) **STATE CLAIMS.**—No provision of this section shall be construed as altering, limiting, or affecting the authority of a State attorney general or any other regulatory or enforcement agency or authority to bring an action or other regulatory proceeding arising solely under the law in effect in that State.

(2) **STATE SECURITIES REGULATORS.**—No provision of this title shall be construed as altering, limiting, or affecting the authority of a State securities commission (or any agency or office performing like functions) under State law to adopt rules, initiate enforcement proceedings, or take any other action with respect to a person regulated by such commission or authority.

(3) **STATE INSURANCE REGULATORS.**—No provision of this title shall be construed as altering, limiting, or affecting the authority of a State insurance commission or State insurance regulator under State law to adopt rules, initiate enforcement proceedings, or take any other action with respect to a person regulated by such commission or regulator.

SEC. 1043. PRESERVATION OF EXISTING CONTRACTS.

This title, and regulations, orders, guidance, and interpretations prescribed, issued, or established by the Bureau, shall not be construed to alter or affect the applicability of any regulation, order, guidance, or interpretation prescribed, issued, and established by the Comptroller of the Currency or the Director of the Office of Thrift Supervision regarding the applicability of State law under Federal banking law to any contract entered into on or before the date of enactment of this Act, by national banks, Federal savings associations, or subsidiaries thereof that are regulated and supervised by the Comptroller of the Currency or the Director of the Office of Thrift Supervision, respectively.

SEC. 1044. STATE LAW PREEMPTION STANDARDS FOR NATIONAL BANKS AND SUBSIDIARIES CLARIFIED.

(a) **IN GENERAL.**—Chapter one of title LXII of the Revised Statutes of the United States (12 U.S.C. 21 et seq.) is amended by inserting after section 5136B the following new section:

“SEC. 5136C. STATE LAW PREEMPTION STANDARDS FOR NATIONAL BANKS AND SUBSIDIARIES CLARIFIED.

“(a) **DEFINITIONS.**—For purposes of this section, the following definitions shall apply:

“(1) **NATIONAL BANK.**—The term ‘national bank’ includes—

“(A) any bank organized under the laws of the United States; and

“(B) any Federal branch established in accordance with the International Banking Act of 1978.

“(2) **STATE CONSUMER FINANCIAL LAWS.**—The term ‘State consumer financial law’ means a State law that does not directly or indirectly

discriminate against national banks and that directly and specifically regulates the manner, content, or terms and conditions of any financial transaction (as may be authorized for national banks to engage in), or any account related thereto, with respect to a consumer.

“(3) OTHER DEFINITIONS.—The terms ‘affiliate’, ‘subsidiary’, ‘includes’, and ‘including’ have the same meanings as in section 3 of the Federal Deposit Insurance Act.

“(b) PREEMPTION STANDARD.—

“(1) IN GENERAL.—State consumer financial laws are preempted, only if—

“(A) application of a State consumer financial law would have a discriminatory effect on national banks, in comparison with the effect of the law on a bank chartered by that State;

“(B) in accordance with the legal standard for preemption in the decision of the Supreme Court of the United States in *Barnett Bank of Marion County, N. A. v. Nelson*, Florida Insurance Commissioner, et al., 517 U.S. 25 (1996), the State consumer financial law prevents or significantly interferes with the exercise by the national bank of its powers; and any preemption determination under this subparagraph may be made by a court, or by regulation or order of the Comptroller of the Currency on a case-by-case basis, in accordance with applicable law; or

“(C) the State consumer financial law is preempted by a provision of Federal law other than this title.

“(2) SAVINGS CLAUSE.—This title and section 24 of the Federal Reserve Act (12 U.S.C. 371) do not preempt, annul, or affect the applicability of any State law to any subsidiary or affiliate of a national bank (other than a subsidiary or affiliate that is chartered as a national bank).

“(3) CASE-BY-CASE BASIS.—

“(A) DEFINITION.—As used in this section the term ‘case-by-case basis’ refers to a determination pursuant to this section made by the Comptroller concerning the impact of a particular State consumer financial law on any national bank that is subject to that law, or the law of any other State with substantively equivalent terms.

“(B) CONSULTATION.—When making a determination on a case-by-case basis that a State consumer financial law of another State has substantively equivalent terms as one that the Comptroller is preempting, the Comptroller shall first consult with the Bureau of Consumer Financial Protection and shall take the views of the Bureau into account when making the determination.

“(4) RULE OF CONSTRUCTION.—This title does not occupy the field in any area of State law.

“(5) STANDARDS OF REVIEW.—

“(A) PREEMPTION.—A court reviewing any determinations made by the Comptroller regarding preemption of a State law by this title or section 24 of the Federal Reserve Act (12 U.S.C. 371) shall assess the validity of such determinations, depending upon the thoroughness evident in the consideration of the agency, the validity of the reasoning of the agency, the consistency with other valid determinations made by the agency, and other factors which the court finds persuasive and relevant to its decision.

“(B) SAVINGS CLAUSE.—Except as provided in subparagraph (A), nothing in this section shall affect the deference that a court may afford to the Comptroller in making determinations regarding the meaning or interpretation of title LXII of the Revised Statutes of the United States or other Federal laws.

“(6) COMPTROLLER DETERMINATION NOT DELEGABLE.—Any regulation, order, or determination made by the Comptroller of the Currency under paragraph (1)(B) shall be made by the Comptroller, and shall not be delegable to another officer or employee of the Comptroller of the Currency.

“(c) SUBSTANTIAL EVIDENCE.—No regulation or order of the Comptroller of the Currency prescribed under subsection (b)(1)(B), shall be interpreted or applied so as to invalidate, or otherwise declare inapplicable to a national bank, the provision of the State consumer financial law, unless substantial evidence, made on the record of the proceeding, supports the specific finding regarding the preemption of such provision in accordance with the legal standard of the decision of the Supreme Court of the United States in *Barnett Bank of Marion County, N. A. v. Nelson*, Florida Insurance Commissioner, et al., 517 U.S. 25 (1996).

“(d) PERIODIC REVIEW OF PREEMPTION DETERMINATIONS.—

“(1) IN GENERAL.—The Comptroller of the Currency shall periodically conduct a review, through notice and public comment, of each determination that a provision of Federal law preempts a State consumer financial law. The agency shall conduct such review within the 5-year period after prescribing or otherwise issuing such determination, and at least once during each 5-year period thereafter. After conducting the review of, and inspecting the comments made on, the determination, the agency shall publish a notice in the Federal Register announcing the decision to continue or rescind the determination or a proposal to amend the determination. Any such notice of a proposal to amend a determination and the subsequent resolution of such proposal shall comply with the procedures set forth in subsections (a) and (b) of section 5244 of the Revised Statutes of the United States (12 U.S.C. 43 (a), (b)).

“(2) REPORTS TO CONGRESS.—At the time of issuing a review conducted under paragraph (1), the Comptroller of the Currency shall submit a report regarding such review to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate. The report submitted to the respective committees shall address whether the agency intends to continue, rescind, or propose to amend any determination that a provision of Federal law preempts a State consumer financial law, and the reasons therefor.

“(e) APPLICATION OF STATE CONSUMER FINANCIAL LAW TO SUBSIDIARIES AND AFFILIATES.—Notwithstanding any provision of this title or section 24 of Federal Reserve Act (12 U.S.C. 371), a State consumer financial law shall apply to a subsidiary or affiliate of a national bank (other than a subsidiary or affiliate that is chartered as a national bank) to the same extent that the State consumer financial law applies to any person, corporation, or other entity subject to such State law.

“(f) PRESERVATION OF POWERS RELATED TO CHARGING INTEREST.—No provision of this title shall be construed as altering or otherwise affecting the authority conferred by section 5197 of the Revised Statutes of the United States (12 U.S.C. 85) for the charging of interest by a national bank at the rate allowed by the laws of the State, territory, or district where the bank is located, including with respect to the meaning of ‘interest’ under such provision.

“(g) TRANSPARENCY OF OCC PREEMPTION DETERMINATIONS.—The Comptroller of the Currency shall publish and update no less frequently than quarterly, a list of preemption determinations by the Comptroller of the Currency then in effect that identifies the activities and practices covered by each determination and the requirements and constraints determined to be preempted.”.

(b) CLERICAL AMENDMENT.—The table of sections for chapter one of title LXII of the Revised Statutes of the United States is amended by inserting after the item relating to section 5136B the following new item:

“Sec. 5136C. State law preemption standards for national banks and subsidiaries clarified.”.

SEC. 1045. CLARIFICATION OF LAW APPLICABLE TO NONDEPOSITORY INSTITUTION SUBSIDIARIES.

Section 5136C of the Revised Statutes of the United States (as added by this subtitle) is amended by adding at the end the following:

“(h) CLARIFICATION OF LAW APPLICABLE TO NONDEPOSITORY INSTITUTION SUBSIDIARIES AND AFFILIATES OF NATIONAL BANKS.—

“(1) DEFINITIONS.—For purposes of this subsection, the terms ‘depository institution’, ‘subsidiary’, and ‘affiliate’ have the same meanings as in section 3 of the Federal Deposit Insurance Act.

“(2) RULE OF CONSTRUCTION.—No provision of this title or section 24 of the Federal Reserve Act (12 U.S.C. 371) shall be construed as preempting, annulling, or affecting the applicability of State law to any subsidiary, affiliate, or agent of a national bank (other than a subsidiary, affiliate, or agent that is chartered as a national bank).”.

SEC. 1046. STATE LAW PREEMPTION STANDARDS FOR FEDERAL SAVINGS ASSOCIATIONS AND SUBSIDIARIES CLARIFIED.

(a) IN GENERAL.—The Home Owners’ Loan Act (12 U.S.C. 1461 et seq.) is amended by inserting after section 5 the following new section:

“SEC. 6. STATE LAW PREEMPTION STANDARDS FOR FEDERAL SAVINGS ASSOCIATIONS CLARIFIED.

“(a) IN GENERAL.—Any determination by a court or by the Director or any successor officer or agency regarding the relation of State law to a provision of this Act or any regulation or order prescribed under this Act shall be made in accordance with the laws and legal standards applicable to national banks regarding the preemption of State law.

“(b) PRINCIPLES OF CONFLICT PREEMPTION APPLICABLE.—Notwithstanding the authorities granted under sections 4 and 5, this Act does not occupy the field in any area of State law.”.

(b) CLERICAL AMENDMENT.—The table of sections for the Home Owners’ Loan Act (12 U.S.C. 1461 et seq.) is amended by striking the item relating to section 6 and inserting the following new item:

“Sec. 6. State law preemption standards for Federal savings associations and subsidiaries clarified.”.

SEC. 1047. VISITORIAL STANDARDS FOR NATIONAL BANKS AND SAVINGS ASSOCIATIONS.

(a) NATIONAL BANKS.—Section 5136C of the Revised Statutes of the United States (as added by this subtitle) is amended by adding at the end the following:

“(i) VISITORIAL POWERS.—

“(1) IN GENERAL.—In accordance with the decision of the Supreme Court of the United States in *Cuomo v. Clearing House Assn., L. L. C.* (129 S. Ct. 2710 (2009)), no provision of this title which relates to visitorial powers or otherwise limits or restricts the visitorial authority to which any national bank is subject shall be construed as limiting or restricting the authority of any attorney general (or other chief law enforcement officer) of any State to bring an action against a national bank in a court of appropriate jurisdiction to enforce an applicable law and to seek relief as authorized by such law.

“(j) ENFORCEMENT ACTIONS.—The ability of the Comptroller of the Currency to bring an enforcement action under this title or section 5 of the Federal Trade Commission Act does not preclude any private party from enforcing rights granted under Federal or State law in the courts.”.

(b) SAVINGS ASSOCIATIONS.—Section 6 of the Home Owners' Loan Act (as added by this title) is amended by adding at the end the following:

“(c) VISITORIAL POWERS.—The provisions of sections 5136C(i) of the Revised Statutes of the United States shall apply to Federal savings associations, and any subsidiary thereof, to the same extent and in the same manner as if such savings associations, or subsidiaries thereof, were national banks or subsidiaries of national banks, respectively.”

“(d) ENFORCEMENT ACTIONS.—The ability of the Comptroller of the Currency to bring an enforcement action under this Act or section 5 of the Federal Trade Commission Act does not preclude any private party from enforcing rights granted under Federal or State law in the courts.”.

SEC. 1048. EFFECTIVE DATE.

This subtitle shall become effective on the designated transfer date.

Subtitle E—Enforcement Powers

SEC. 1051. DEFINITIONS.

For purposes of this subtitle, the following definitions shall apply:

(1) BUREAU INVESTIGATION.—The term “Bureau investigation” means any inquiry conducted by a Bureau investigator for the purpose of ascertaining whether any person is or has been engaged in any conduct that is a violation, as defined in this section.

(2) BUREAU INVESTIGATOR.—The term “Bureau investigator” means any attorney or investigator employed by the Bureau who is charged with the duty of enforcing or carrying into effect any Federal consumer financial law.

(3) CUSTODIAN.—The term “custodian” means the custodian or any deputy custodian designated by the Bureau.

(4) DOCUMENTARY MATERIAL.—The term “documentary material” includes the original or any copy of any book, document, record, report, memorandum, paper, communication, tabulation, chart, logs, electronic files, or other data or data compilations stored in any medium.

(5) VIOLATION.—The term “violation” means any act or omission that, if proved, would constitute a violation of any provision of Federal consumer financial law.

SEC. 1052. INVESTIGATIONS AND ADMINISTRATIVE DISCOVERY.

(a) JOINT INVESTIGATIONS.—

(1) IN GENERAL.—The Bureau or, where appropriate, a Bureau investigator, may engage in joint investigations and requests for information, as authorized under this title.

(2) FAIR LENDING.—The authority under paragraph (1) includes matters relating to fair lending, and where appropriate, joint investigations with, and requests for information from, the Secretary of Housing and Urban Development, the Attorney General of the United States, or both.

(b) SUBPOENAS.—

(1) IN GENERAL.—The Bureau or a Bureau investigator may issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books, documents, or other material in connection with hearings under this title.

(2) FAILURE TO OBEY.—In the case of contumacy or refusal to obey a subpoena issued pursuant to this paragraph and served upon any person, the district court of the United States for any district in which such person is found, resides, or transacts business, upon application by the Bureau or a Bureau investigator and after notice to such person, may issue an order requiring such person to appear and give testimony or to appear and produce documents or other material.

(3) CONTEMPT.—Any failure to obey an order of the court under this subsection may be punished by the court as a contempt thereof.

(c) DEMANDS.—

(1) IN GENERAL.—Whenever the Bureau has reason to believe that any person may be in possession, custody, or control of any documentary material or tangible things, or may have any information, relevant to a violation, the Bureau may, before the institution of any proceedings under the Federal consumer financial law, issue in writing, and cause to be served upon such person, a civil investigative demand requiring such person to—

(A) produce such documentary material for inspection and copying or reproduction in the form or medium requested by the Bureau;

(B) submit such tangible things;

(C) file written reports or answers to questions;

(D) give oral testimony concerning documentary material, tangible things, or other information; or

(E) furnish any combination of such material, answers, or testimony.

(2) REQUIREMENTS.—Each civil investigative demand shall state the nature of the conduct constituting the alleged violation which is under investigation and the provision of law applicable to such violation.

(3) PRODUCTION OF DOCUMENTS.—Each civil investigative demand for the production of documentary material shall—

(A) describe each class of documentary material to be produced under the demand with such definiteness and certainty as to permit such material to be fairly identified;

(B) prescribe a return date or dates which will provide a reasonable period of time within which the material so demanded may be assembled and made available for inspection and copying or reproduction; and

(C) identify the custodian to whom such material shall be made available.

(4) PRODUCTION OF THINGS.—Each civil investigative demand for the submission of tangible things shall—

(A) describe each class of tangible things to be submitted under the demand with such definiteness and certainty as to permit such things to be fairly identified;

(B) prescribe a return date or dates which will provide a reasonable period of time within which the things so demanded may be assembled and submitted; and

(C) identify the custodian to whom such things shall be submitted.

(5) DEMAND FOR WRITTEN REPORTS OR ANSWERS.—Each civil investigative demand for written reports or answers to questions shall—

(A) propound with definiteness and certainty the reports to be produced or the questions to be answered;

(B) prescribe a date or dates at which time written reports or answers to questions shall be submitted; and

(C) identify the custodian to whom such reports or answers shall be submitted.

(6) ORAL TESTIMONY.—Each civil investigative demand for the giving of oral testimony shall—

(A) prescribe a date, time, and place at which oral testimony shall be commenced; and

(B) identify a Bureau investigator who shall conduct the investigation and the custodian to whom the transcript of such investigation shall be submitted.

(7) SERVICE.—Any civil investigative demand issued, and any enforcement petition filed, under this section may be served—

(A) by any Bureau investigator at any place within the territorial jurisdiction of any court of the United States; and

(B) upon any person who is not found within the territorial jurisdiction of any court of the United States—

(i) in such manner as the Federal Rules of Civil Procedure prescribe for service in a foreign nation; and

(ii) to the extent that the courts of the United States have authority to assert jurisdiction over such person, consistent with due process, the United States District Court for the District of Columbia shall have the same jurisdiction to take any action respecting compliance with this section by such person that such district court would have if such person were personally within the jurisdiction of such district court.

(8) METHOD OF SERVICE.—Service of any civil investigative demand or any enforcement petition filed under this section may be made upon a person, including any legal entity, by—

(A) delivering a duly executed copy of such demand or petition to the individual or to any partner, executive officer, managing agent, or general agent of such person, or to any agent of such person authorized by appointment or by law to receive service of process on behalf of such person;

(B) delivering a duly executed copy of such demand or petition to the principal office or place of business of the person to be served; or

(C) depositing a duly executed copy in the United States mails, by registered or certified mail, return receipt requested, duly addressed to such person at the principal office or place of business of such person.

(9) PROOF OF SERVICE.—

(A) IN GENERAL.—A verified return by the individual serving any civil investigative demand or any enforcement petition filed under this section setting forth the manner of such service shall be proof of such service.

(B) RETURN RECEIPTS.—In the case of service by registered or certified mail, such return shall be accompanied by the return post office receipt of delivery of such demand or enforcement petition.

(10) PRODUCTION OF DOCUMENTARY MATERIAL.—The production of documentary material in response to a civil investigative demand shall be made under a sworn certificate, in such form as the demand designates, by the person, if a natural person, to whom the demand is directed or, if not a natural person, by any person having knowledge of the facts and circumstances relating to such production, to the effect that all of the documentary material required by the demand and in the possession, custody, or control of the person to whom the demand is directed has been produced and made available to the custodian.

(11) SUBMISSION OF TANGIBLE THINGS.—The submission of tangible things in response to a civil investigative demand shall be made under a sworn certificate, in such form as the demand designates, by the person to whom the demand is directed or, if not a natural person, by any person having knowledge of the facts and circumstances relating to such production, to the effect that all of the tangible things required by the demand and in the possession, custody, or control of the person to whom the demand is directed have been submitted to the custodian.

(12) SEPARATE ANSWERS.—Each reporting requirement or question in a civil investigative demand shall be answered separately and fully in writing under oath, unless it is objected to, in which event the reasons for the objection shall be stated in lieu of an answer, and it shall be submitted under a sworn certificate, in such form as the demand designates, by the person, if a natural person, to whom the demand is directed or, if not a natural person, by any person responsible for answering each reporting requirement or question, to the effect that all information required by the demand and in the possession, custody, control, or knowledge of the person to whom the demand is directed has been submitted.

(13) TESTIMONY.—

(A) IN GENERAL.—

(i) OATH AND RECORDATION.—The examination of any person pursuant to a demand for oral

testimony served under this subsection shall be taken before an officer authorized to administer oaths and affirmations by the laws of the United States or of the place at which the examination is held. The officer before whom oral testimony is to be taken shall put the witness on oath or affirmation and shall personally, or by any individual acting under the direction of and in the presence of the officer, record the testimony of the witness.

(ii) **TRANSCRIPTION.**—The testimony shall be taken stenographically and transcribed.

(iii) **TRANSMISSION TO CUSTODIAN.**—After the testimony is fully transcribed, the officer investigator before whom the testimony is taken shall promptly transmit a copy of the transcript of the testimony to the custodian.

(B) **PARTIES PRESENT.**—Any Bureau investigator before whom oral testimony is to be taken shall exclude from the place where the testimony is to be taken all other persons, except the person giving the testimony, the attorney for that person, the officer before whom the testimony is to be taken, an investigator or representative of an agency with which the Bureau is engaged in a joint investigation, and any stenographer taking such testimony.

(C) **LOCATION.**—The oral testimony of any person taken pursuant to a civil investigative demand shall be taken in the judicial district of the United States in which such person resides, is found, or transacts business, or in such other place as may be agreed upon by the Bureau investigator before whom the oral testimony of such person is to be taken and such person.

(D) **ATTORNEY REPRESENTATION.**—

(i) **IN GENERAL.**—Any person compelled to appear under a civil investigative demand for oral testimony pursuant to this section may be accompanied, represented, and advised by an attorney.

(ii) **AUTHORITY.**—The attorney may advise a person described in clause (i), in confidence, either upon the request of such person or upon the initiative of the attorney, with respect to any question asked of such person.

(iii) **OBJECTIONS.**—A person described in clause (i), or the attorney for that person, may object on the record to any question, in whole or in part, and such person shall briefly state for the record the reason for the objection. An objection may properly be made, received, and entered upon the record when it is claimed that such person is entitled to refuse to answer the question on grounds of any constitutional or other legal right or privilege, including the privilege against self-incrimination, but such person shall not otherwise object to or refuse to answer any question, and such person or attorney shall not otherwise interrupt the oral examination.

(iv) **REFUSAL TO ANSWER.**—If a person described in clause (i) refuses to answer any question—

(I) the Bureau may petition the district court of the United States pursuant to this section for an order compelling such person to answer such question; and

(II) if the refusal is on grounds of the privilege against self-incrimination, the testimony of such person may be compelled in accordance with the provisions of section 6004 of title 18, United States Code.

(E) **TRANSCRIPTS.**—For purposes of this subsection—

(i) after the testimony of any witness is fully transcribed, the Bureau investigator shall afford the witness (who may be accompanied by an attorney) a reasonable opportunity to examine the transcript;

(ii) the transcript shall be read to or by the witness, unless such examination and reading are waived by the witness;

(iii) any changes in form or substance which the witness desires to make shall be entered and

identified upon the transcript by the Bureau investigator, with a statement of the reasons given by the witness for making such changes;

(iv) the transcript shall be signed by the witness, unless the witness in writing waives the signing, is ill, cannot be found, or refuses to sign; and

(v) if the transcript is not signed by the witness during the 30-day period following the date on which the witness is first afforded a reasonable opportunity to examine the transcript, the Bureau investigator shall sign the transcript and state on the record the fact of the waiver, illness, absence of the witness, or the refusal to sign, together with any reasons given for the failure to sign.

(F) **CERTIFICATION BY INVESTIGATOR.**—The Bureau investigator shall certify on the transcript that the witness was duly sworn by him or her and that the transcript is a true record of the testimony given by the witness, and the Bureau investigator shall promptly deliver the transcript or send it by registered or certified mail to the custodian.

(G) **COPY OF TRANSCRIPT.**—The Bureau investigator shall furnish a copy of the transcript (upon payment of reasonable charges for the transcript) to the witness only, except that the Bureau may for good cause limit such witness to inspection of the official transcript of his testimony.

(H) **WITNESS FEES.**—Any witness appearing for the taking of oral testimony pursuant to a civil investigative demand shall be entitled to the same fees and mileage which are paid to witnesses in the district courts of the United States.

(d) **CONFIDENTIAL TREATMENT OF DEMAND MATERIAL.**—

(1) **IN GENERAL.**—Documentary materials and tangible things received as a result of a civil investigative demand shall be subject to requirements and procedures regarding confidentiality, in accordance with rules established by the Bureau.

(2) **DISCLOSURE TO CONGRESS.**—No rule established by the Bureau regarding the confidentiality of materials submitted to, or otherwise obtained by, the Bureau shall be intended to prevent disclosure to either House of Congress or to an appropriate committee of the Congress, except that the Bureau is permitted to adopt rules allowing prior notice to any party that owns or otherwise provided the material to the Bureau and had designated such material as confidential.

(e) **PETITION FOR ENFORCEMENT.**—

(1) **IN GENERAL.**—Whenever any person fails to comply with any civil investigative demand duly served upon him under this section, or whenever satisfactory copying or reproduction of material requested pursuant to the demand cannot be accomplished and such person refuses to surrender such material, the Bureau, through such officers or attorneys as it may designate, may file, in the district court of the United States for any judicial district in which such person resides, is found, or transacts business, and serve upon such person, a petition for an order of such court for the enforcement of this section.

(2) **SERVICE OF PROCESS.**—All process of any court to which application may be made as provided in this subsection may be served in any judicial district.

(f) **PETITION FOR ORDER MODIFYING OR SETTING ASIDE DEMAND.**—

(1) **IN GENERAL.**—Not later than 20 days after the service of any civil investigative demand upon any person under subsection (b), or at any time before the return date specified in the demand, whichever period is shorter, or within such period exceeding 20 days after service or in excess of such return date as may be prescribed in writing, subsequent to service, by any Bureau investigator named in the demand, such person

may file with the Bureau a petition for an order by the Bureau modifying or setting aside the demand.

(2) **COMPLIANCE DURING PENDENCY.**—The time permitted for compliance with the demand in whole or in part, as determined proper and ordered by the Bureau, shall not run during the pendency of a petition under paragraph (1) at the Bureau, except that such person shall comply with any portions of the demand not sought to be modified or set aside.

(3) **SPECIFIC GROUNDS.**—A petition under paragraph (1) shall specify each ground upon which the petitioner relies in seeking relief, and may be based upon any failure of the demand to comply with the provisions of this section, or upon any constitutional or other legal right or privilege of such person.

(g) **CUSTODIAL CONTROL.**—At any time during which any custodian is in custody or control of any documentary material, tangible things, reports, answers to questions, or transcripts of oral testimony given by any person in compliance with any civil investigative demand, such person may file, in the district court of the United States for the judicial district within which the office of such custodian is situated, and serve upon such custodian, a petition for an order of such court requiring the performance by such custodian of any duty imposed upon him by this section or rule promulgated by the Bureau.

(h) **JURISDICTION OF COURT.**—

(1) **IN GENERAL.**—Whenever any petition is filed in any district court of the United States under this section, such court shall have jurisdiction to hear and determine the matter so presented, and to enter such order or orders as may be required to carry out the provisions of this section.

(2) **APPEAL.**—Any final order entered as described in paragraph (1) shall be subject to appeal pursuant to section 1291 of title 28, United States Code.

SEC. 1053. HEARINGS AND ADJUDICATION PROCEEDINGS.

(a) **IN GENERAL.**—The Bureau is authorized to conduct hearings and adjudication proceedings with respect to any person in the manner prescribed by chapter 5 of title 5, United States Code in order to ensure or enforce compliance with—

(1) the provisions of this title, including any rules prescribed by the Bureau under this title; and

(2) any other Federal law that the Bureau is authorized to enforce, including an enumerated consumer law, and any regulations or order prescribed thereunder, unless such Federal law specifically limits the Bureau from conducting a hearing or adjudication proceeding and only to the extent of such limitation.

(b) **SPECIAL RULES FOR CEASE-AND-DESIST PROCEEDINGS.**—

(1) **ORDERS AUTHORIZED.**—

(A) **IN GENERAL.**—If, in the opinion of the Bureau, any covered person or service provider is engaging or has engaged in an activity that violates a law, rule, or any condition imposed in writing on the person by the Bureau, the Bureau may, subject to sections 1024, 1025, and 1026, issue and serve upon the covered person or service provider a notice of charges in respect thereof.

(B) **CONTENT OF NOTICE.**—The notice under subparagraph (A) shall contain a statement of the facts constituting the alleged violation or violations, and shall fix a time and place at which a hearing will be held to determine whether an order to cease and desist should issue against the covered person or service provider, such hearing to be held not earlier than 30 days nor later than 60 days after the date of service of such notice, unless an earlier or a

later date is set by the Bureau, at the request of any party so served.

(C) **CONSENT.**—Unless the party or parties served under subparagraph (B) appear at the hearing personally or by a duly authorized representative, such person shall be deemed to have consented to the issuance of the cease-and-desist order.

(D) **PROCEDURE.**—In the event of consent under subparagraph (C), or if, upon the record, made at any such hearing, the Bureau finds that any violation specified in the notice of charges has been established, the Bureau may issue and serve upon the covered person or service provider an order to cease and desist from the violation or practice. Such order may, by provisions which may be mandatory or otherwise, require the covered person or service provider to cease and desist from the subject activity, and to take affirmative action to correct the conditions resulting from any such violation.

(2) **EFFECTIVENESS OF ORDER.**—A cease-and-desist order shall become effective at the expiration of 30 days after the date of service of an order under paragraph (1) upon the covered person or service provider concerned (except in the case of a cease-and-desist order issued upon consent, which shall become effective at the time specified therein), and shall remain effective and enforceable as provided therein, except to such extent as the order is stayed, modified, terminated, or set aside by action of the Bureau or a reviewing court.

(3) **DECISION AND APPEAL.**—Any hearing provided for in this subsection shall be held in the Federal judicial district or in the territory in which the residence or principal office or place of business of the person is located unless the person consents to another place, and shall be conducted in accordance with the provisions of chapter 5 of title 5 of the United States Code. After such hearing, and within 90 days after the Bureau has notified the parties that the case has been submitted to the Bureau for final decision, the Bureau shall render its decision (which shall include findings of fact upon which its decision is predicated) and shall issue and serve upon each party to the proceeding an order or orders consistent with the provisions of this section. Judicial review of any such order shall be exclusively as provided in this subsection. Unless a petition for review is timely filed in a court of appeals of the United States, as provided in paragraph (4), and thereafter until the record in the proceeding has been filed as provided in paragraph (4), the Bureau may at any time, upon such notice and in such manner as the Bureau shall determine proper, modify, terminate, or set aside any such order with permission of the court.

(4) **APPEAL TO COURT OF APPEALS.**—Any party to any proceeding under this subsection may obtain a review of any order served pursuant to this subsection (other than an order issued with the consent of the person concerned) by the filing in the court of appeals of the United States for the circuit in which the principal office of the covered person is located, or in the United States Court of Appeals for the District of Columbia Circuit, within 30 days after the date of service of such order, a written petition praying that the order of the Bureau be modified, terminated, or set aside. A copy of such petition shall be forthwith transmitted by the clerk of the court to the Bureau, and thereupon the Bureau shall file in the court the record in the proceeding, as provided in section 2112 of title 28 of the United States Code. Upon the filing of such petition, such court shall have jurisdiction, which upon the filing of the record shall except as provided in the last sentence of paragraph (3) be exclusive, to affirm, modify, terminate, or set

aside, in whole or in part, the order of the Bureau. Review of such proceedings shall be had as provided in chapter 7 of title 5 of the United States Code. The judgment and decree of the court shall be final, except that the same shall be subject to review by the Supreme Court of the United States, upon certiorari, as provided in section 1254 of title 28 of the United States Code.

(5) **NO STAY.**—The commencement of proceedings for judicial review under paragraph (4) shall not, unless specifically ordered by the court, operate as a stay of any order issued by the Bureau.

(c) **SPECIAL RULES FOR TEMPORARY CEASE-AND-DESIST PROCEEDINGS.**—

(1) **IN GENERAL.**—Whenever the Bureau determines that the violation specified in the notice of charges served upon a person, including a service provider, pursuant to subsection (b), or the continuation thereof, is likely to cause the person to be insolvent or otherwise prejudice the interests of consumers before the completion of the proceedings conducted pursuant to subsection (b), the Bureau may issue a temporary order requiring the person to cease and desist from any such violation or practice and to take affirmative action to prevent or remedy such insolvency or other condition pending completion of such proceedings. Such order may include any requirement authorized under this subtitle. Such order shall become effective upon service upon the person and, unless set aside, limited, or suspended by a court in proceedings authorized by paragraph (2), shall remain effective and enforceable pending the completion of the administrative proceedings pursuant to such notice and until such time as the Bureau shall dismiss the charges specified in such notice, or if a cease-and-desist order is issued against the person, until the effective date of such order.

(2) **APPEAL.**—Not later than 10 days after the covered person or service provider concerned has been served with a temporary cease-and-desist order, the person may apply to the United States district court for the judicial district in which the residence or principal office or place of business of the person is located, or the United States District Court for the District of Columbia, for an injunction setting aside, limiting, or suspending the enforcement, operation, or effectiveness of such order pending the completion of the administrative proceedings pursuant to the notice of charges served upon the person under subsection (b), and such court shall have jurisdiction to issue such injunction.

(3) **INCOMPLETE OR INACCURATE RECORDS.**—

(A) **TEMPORARY ORDER.**—If a notice of charges served under subsection (b) specifies, on the basis of particular facts and circumstances, that the books and records of a covered person or service provider are so incomplete or inaccurate that the Bureau is unable to determine the financial condition of that person or the details or purpose of any transaction or transactions that may have a material effect on the financial condition of that person, the Bureau may issue a temporary order requiring—

(i) the cessation of any activity or practice which gave rise, whether in whole or in part, to the incomplete or inaccurate state of the books or records; or

(ii) affirmative action to restore such books or records to a complete and accurate state, until the completion of the proceedings under subsection (b)(1).

(B) **EFFECTIVE PERIOD.**—Any temporary order issued under subparagraph (A)—

(i) shall become effective upon service; and

(ii) unless set aside, limited, or suspended by a court in proceedings under paragraph (2), shall remain in effect and enforceable until the earlier of—

(1) the completion of the proceeding initiated under subsection (b) in connection with the notice of charges; or

(2) the date the Bureau determines, by examination or otherwise, that the books and records of the covered person or service provider are accurate and reflect the financial condition thereof.

(d) **SPECIAL RULES FOR ENFORCEMENT OF ORDERS.**—

(1) **IN GENERAL.**—The Bureau may in its discretion apply to the United States district court within the jurisdiction of which the principal office or place of business of the person is located, for the enforcement of any effective and outstanding notice or order issued under this section, and such court shall have jurisdiction and power to order and require compliance herewith.

(2) **EXCEPTION.**—Except as otherwise provided in this subsection, no court shall have jurisdiction to affect by injunction or otherwise the issuance or enforcement of any notice or order or to review, modify, suspend, terminate, or set aside any such notice or order.

(e) **RULES.**—The Bureau shall prescribe rules establishing such procedures as may be necessary to carry out this section.

SEC. 1054. LITIGATION AUTHORITY.

(a) **IN GENERAL.**—If any person violates a Federal consumer financial law, the Bureau may, subject to sections 1024, 1025, and 1026, commence a civil action against such person to impose a civil penalty or to seek all appropriate legal and equitable relief including a permanent or temporary injunction as permitted by law.

(b) **REPRESENTATION.**—The Bureau may act in its own name and through its own attorneys in enforcing any provision of this title, rules thereunder, or any other law or regulation, or in any action, suit, or proceeding to which the Bureau is a party.

(c) **COMPROMISE OF ACTIONS.**—The Bureau may compromise or settle any action if such compromise is approved by the court.

(d) **NOTICE TO THE ATTORNEY GENERAL.**—

(1) **IN GENERAL.**—When commencing a civil action under Federal consumer financial law, or any rule thereunder, the Bureau shall notify the Attorney General and, with respect to a civil action against an insured depository institution or insured credit union, the appropriate prudential regulator.

(2) **NOTICE AND COORDINATION.**—

(A) **NOTICE OF OTHER ACTIONS.**—In addition to any notice required under paragraph (1), the Bureau shall notify the Attorney General concerning any action, suit, or proceeding to which the Bureau is a party, except an action, suit, or proceeding that involves the offering or provision of consumer financial products or services.

(B) **COORDINATION.**—In order to avoid conflicts and promote consistency regarding litigation of matters under Federal law, the Attorney General and the Bureau shall consult regarding the coordination of investigations and proceedings, including by negotiating an agreement for coordination by not later than 180 days after the designated transfer date. The agreement under this subparagraph shall include provisions to ensure that parallel investigations and proceedings involving the Federal consumer financial laws are conducted in a manner that avoids conflicts and does not impede the ability of the Attorney General to prosecute violations of Federal criminal laws.

(C) **RULE OF CONSTRUCTION.**—Nothing in this paragraph shall be construed to limit the authority of the Bureau under this title, including the authority to interpret Federal consumer financial law.

(e) **APPEARANCE BEFORE THE SUPREME COURT.**—The Bureau may represent itself in its own name before the Supreme Court of the United States, provided that the Bureau makes a written request to the Attorney General within the 10-day period which begins on the date of

entry of the judgment which would permit any party to file a petition for writ of certiorari, and the Attorney General concurs with such request or fails to take action within 60 days of the request of the Bureau.

(f) **FORUM.**—Any civil action brought under this title may be brought in a United States district court or in any court of competent jurisdiction of a state in a district in which the defendant is located or resides or is doing business, and such court shall have jurisdiction to enjoin such person and to require compliance with any Federal consumer financial law.

(g) **TIME FOR BRINGING ACTION.**—

(1) **IN GENERAL.**—Except as otherwise permitted by law or equity, no action may be brought under this title more than 3 years after the date of discovery of the violation to which an action relates.

(2) **LIMITATIONS UNDER OTHER FEDERAL LAWS.**—

(A) **IN GENERAL.**—An action arising under this title does not include claims arising solely under enumerated consumer laws.

(B) **BUREAU AUTHORITY.**—In any action arising solely under an enumerated consumer law, the Bureau may commence, defend, or intervene in the action in accordance with the requirements of that provision of law, as applicable.

(C) **TRANSFERRED AUTHORITY.**—In any action arising solely under laws for which authorities were transferred under subtitles F and H, the Bureau may commence, defend, or intervene in the action in accordance with the requirements of that provision of law, as applicable.

SEC. 1055. RELIEF AVAILABLE.

(a) **ADMINISTRATIVE PROCEEDINGS OR COURT ACTIONS.**—

(1) **JURISDICTION.**—The court (or the Bureau, as the case may be) in an action or adjudication proceeding brought under Federal consumer financial law, shall have jurisdiction to grant any appropriate legal or equitable relief with respect to a violation of Federal consumer financial law, including a violation of a rule or order prescribed under a Federal consumer financial law.

(2) **RELIEF.**—Relief under this section may include, without limitation—

(A) rescission or reformation of contracts;

(B) refund of moneys or return of real property;

(C) restitution;

(D) disgorgement or compensation for unjust enrichment;

(E) payment of damages or other monetary relief;

(F) public notification regarding the violation, including the costs of notification;

(G) limits on the activities or functions of the person; and

(H) civil money penalties, as set forth more fully in subsection (c).

(3) **NO EXEMPLARY OR PUNITIVE DAMAGES.**—Nothing in this subsection shall be construed as authorizing the imposition of exemplary or punitive damages.

(b) **RECOVERY OF COSTS.**—In any action brought by the Bureau, a State attorney general, or any State regulator to enforce any Federal consumer financial law, the Bureau, the State attorney general, or the State regulator may recover its costs in connection with prosecuting such action if the Bureau, the State attorney general, or the State regulator is the prevailing party in the action.

(c) **CIVIL MONEY PENALTY IN COURT AND ADMINISTRATIVE ACTIONS.**—

(1) **IN GENERAL.**—Any person that violates, through any act or omission, any provision of Federal consumer financial law shall forfeit and pay a civil penalty pursuant to this subsection.

(2) **PENALTY AMOUNTS.**—

(A) **FIRST TIER.**—For any violation of a law, rule, or final order or condition imposed in writ-

ing by the Bureau, a civil penalty may not exceed \$5,000 for each day during which such violation or failure to pay continues.

(B) **SECOND TIER.**—Notwithstanding paragraph (A), for any person that recklessly engages in a violation of a Federal consumer financial law, a civil penalty may not exceed \$25,000 for each day during which such violation continues.

(C) **THIRD TIER.**—Notwithstanding subparagraphs (A) and (B), for any person that knowingly violates a Federal consumer financial law, a civil penalty may not exceed \$1,000,000 for each day during which such violation continues.

(3) **MITIGATING FACTORS.**—In determining the amount of any penalty assessed under paragraph (2), the Bureau or the court shall take into account the appropriateness of the penalty with respect to—

(A) the size of financial resources and good faith of the person charged;

(B) the gravity of the violation or failure to pay;

(C) the severity of the risks to or losses of the consumer, which may take into account the number of products or services sold or provided;

(D) the history of previous violations; and

(E) such other matters as justice may require.

(4) **AUTHORITY TO MODIFY OR REMIT PENALTY.**—The Bureau may compromise, modify, or remit any penalty which may be assessed or had already been assessed under paragraph (2). The amount of such penalty, when finally determined, shall be exclusive of any sums owed by the person to the United States in connection with the costs of the proceeding, and may be deducted from any sums owing by the United States to the person charged.

(5) **NOTICE AND HEARING.**—No civil penalty may be assessed under this subsection with respect to a violation of any Federal consumer financial law, unless—

(A) the Bureau gives notice and an opportunity for a hearing to the person accused of the violation; or

(B) the appropriate court has ordered such assessment and entered judgment in favor of the Bureau.

SEC. 1056. REFERRALS FOR CRIMINAL PROCEEDINGS.

If the Bureau obtains evidence that any person, domestic or foreign, has engaged in conduct that may constitute a violation of Federal criminal law, the Bureau shall transmit such evidence to the Attorney General of the United States, who may institute criminal proceedings under appropriate law. Nothing in this section affects any other authority of the Bureau to disclose information.

SEC. 1057. EMPLOYEE PROTECTION.

(a) **IN GENERAL.**—No covered person or service provider shall terminate or in any other way discriminate against, or cause to be terminated or discriminated against, any covered employee or any authorized representative of covered employees by reason of the fact that such employee or representative, whether at the initiative of the employee or in the ordinary course of the duties of the employee (or any person acting pursuant to a request of the employee), has—

(1) provided, caused to be provided, or is about to provide or cause to be provided, information to the employer, the Bureau, or any other State, local, or Federal, government authority or law enforcement agency relating to any violation of, or any act or omission that the employee reasonably believes to be a violation of, any provision of this title or any other provision of law that is subject to the jurisdiction of the Bureau, or any rule, order, standard, or prohibition prescribed by the Bureau;

(2) testified or will testify in any proceeding resulting from the administration or enforce-

ment of any provision of this title or any other provision of law that is subject to the jurisdiction of the Bureau, or any rule, order, standard, or prohibition prescribed by the Bureau;

(3) filed, instituted, or caused to be filed or instituted any proceeding under any Federal consumer financial law; or

(4) objected to, or refused to participate in, any activity, policy, practice, or assigned task that the employee (or other such person) reasonably believed to be in violation of any law, rule, order, standard, or prohibition, subject to the jurisdiction of, or enforceable by, the Bureau.

(b) **DEFINITION OF COVERED EMPLOYEE.**—For the purposes of this section, the term “covered employee” means any individual performing tasks related to the offering or provision of a consumer financial product or service.

(c) **PROCEDURES AND TIMETABLES.**—

(1) **COMPLAINT.**—

(A) **IN GENERAL.**—A person who believes that he or she has been discharged or otherwise discriminated against by any person in violation of subsection (a) may, not later than 180 days after the date on which such alleged violation occurs, file (or have any person file on his or her behalf) a complaint with the Secretary of Labor alleging such discharge or discrimination and identifying the person responsible for such act.

(B) **ACTIONS OF SECRETARY OF LABOR.**—Upon receipt of such a complaint, the Secretary of Labor shall notify, in writing, the person named in the complaint who is alleged to have committed the violation, of—

(i) the filing of the complaint;

(ii) the allegations contained in the complaint;

(iii) the substance of evidence supporting the complaint; and

(iv) opportunities that will be afforded to such person under paragraph (2).

(2) **INVESTIGATION BY SECRETARY OF LABOR.**—

(A) **IN GENERAL.**—Not later than 60 days after the date of receipt of a complaint filed under paragraph (1), and after affording the complainant and the person named in the complaint who is alleged to have committed the violation that is the basis for the complaint an opportunity to submit to the Secretary of Labor a written response to the complaint and an opportunity to meet with a representative of the Secretary of Labor to present statements from witnesses, the Secretary of Labor shall—

(i) initiate an investigation and determine whether there is reasonable cause to believe that the complaint has merit; and

(ii) notify the complainant and the person alleged to have committed the violation of subsection (a), in writing, of such determination.

(B) **NOTICE OF RELIEF AVAILABLE.**—If the Secretary of Labor concludes that there is reasonable cause to believe that a violation of subsection (a) has occurred, the Secretary of Labor shall, together with the notice under subparagraph (A)(ii), issue a preliminary order providing the relief prescribed by paragraph (4)(B).

(C) **REQUEST FOR HEARING.**—Not later than 30 days after the date of receipt of notification of a determination of the Secretary of Labor under this paragraph, either the person alleged to have committed the violation or the complainant may file objections to the findings or preliminary order, or both, and request a hearing on the record. The filing of such objections shall not operate to stay any reinstatement remedy contained in the preliminary order. Any such hearing shall be conducted expeditiously, and if a hearing is not requested in such 30-day period, the preliminary order shall be deemed a final order that is not subject to judicial review.

(3) **GROUND FOR DETERMINATION OF COMPLAINTS.**—

(A) **IN GENERAL.**—The Secretary of Labor shall dismiss a complaint filed under this subsection, and shall not conduct an investigation otherwise required under paragraph (2), unless the

complainant makes a *prima facie* showing that any behavior described in paragraphs (1) through (4) of subsection (a) was a contributing factor in the unfavorable personnel action alleged in the complaint.

(B) **REBUTTAL EVIDENCE.**—Notwithstanding a finding by the Secretary of Labor that the complainant has made the showing required under subparagraph (A), no investigation otherwise required under paragraph (2) shall be conducted, if the employer demonstrates, by clear and convincing evidence, that the employer would have taken the same unfavorable personnel action in the absence of that behavior.

(C) **EVIDENTIARY STANDARDS.**—The Secretary of Labor may determine that a violation of subsection (a) has occurred only if the complainant demonstrates that any behavior described in paragraphs (1) through (4) of subsection (a) was a contributing factor in the unfavorable personnel action alleged in the complaint. Relief may not be ordered under subparagraph (A) if the employer demonstrates by clear and convincing evidence that the employer would have taken the same unfavorable personnel action in the absence of that behavior.

(4) **ISSUANCE OF FINAL ORDERS; REVIEW PROCEDURES.**—

(A) **TIMING.**—Not later than 120 days after the date of conclusion of any hearing under paragraph (2), the Secretary of Labor shall issue a final order providing the relief prescribed by this paragraph or denying the complaint. At any time before issuance of a final order, a proceeding under this subsection may be terminated on the basis of a settlement agreement entered into by the Secretary of Labor, the complainant, and the person alleged to have committed the violation.

(B) **PENALTIES.**—

(i) **ORDER OF SECRETARY OF LABOR.**—If, in response to a complaint filed under paragraph (1), the Secretary of Labor determines that a violation of subsection (a) has occurred, the Secretary of Labor shall order the person who committed such violation—

(I) to take affirmative action to abate the violation;

(II) to reinstate the complainant to his or her former position, together with compensation (including back pay) and restore the terms, conditions, and privileges associated with his or her employment; and

(III) to provide compensatory damages to the complainant.

(ii) **PENALTY.**—If an order is issued under clause (i), the Secretary of Labor, at the request of the complainant, shall assess against the person against whom the order is issued, a sum equal to the aggregate amount of all costs and expenses (including attorney fees and expert witness fees) reasonably incurred, as determined by the Secretary of Labor, by the complainant for, or in connection with, the bringing of the complaint upon which the order was issued.

(C) **PENALTY FOR FRIVOLOUS CLAIMS.**—If the Secretary of Labor finds that a complaint under paragraph (1) is frivolous or has been brought in bad faith, the Secretary of Labor may award to the prevailing employer a reasonable attorney fee, not exceeding \$1,000, to be paid by the complainant.

(D) **DE NOVO REVIEW.**—

(i) **FAILURE OF THE SECRETARY TO ACT.**—If the Secretary of Labor has not issued a final order within 210 days after the date of filing of a complaint under this subsection, or within 90 days after the date of receipt of a written determination, the complainant may bring an action at law or equity for de novo review in the appropriate district court of the United States having jurisdiction, which shall have jurisdiction over such an action without regard to the amount in controversy, and which action shall, at the re-

quest of either party to such action, be tried by the court with a jury.

(ii) **PROCEDURES.**—A proceeding under clause (i) shall be governed by the same legal burdens of proof specified in paragraph (3). The court shall have jurisdiction to grant all relief necessary to make the employee whole, including injunctive relief and compensatory damages, including—

(I) reinstatement with the same seniority status that the employee would have had, but for the discharge or discrimination;

(II) the amount of back pay, with interest; and

(III) compensation for any special damages sustained as a result of the discharge or discrimination, including litigation costs, expert witness fees, and reasonable attorney fees.

(E) **OTHER APPEALS.**—Unless the complainant brings an action under subparagraph (D), any person adversely affected or aggrieved by a final order issued under subparagraph (A) may file a petition for review of the order in the United States Court of Appeals for the circuit in which the violation with respect to which the order was issued, allegedly occurred or the circuit in which the complainant resided on the date of such violation, not later than 60 days after the date of the issuance of the final order of the Secretary of Labor under subparagraph (A). Review shall conform to chapter 7 of title 5, United States Code. The commencement of proceedings under this subparagraph shall not, unless ordered by the court, operate as a stay of the order. An order of the Secretary of Labor with respect to which review could have been obtained under this subparagraph shall not be subject to judicial review in any criminal or other civil proceeding.

(5) **FAILURE TO COMPLY WITH ORDER.**—

(A) **ACTIONS BY THE SECRETARY.**—If any person has failed to comply with a final order issued under paragraph (4), the Secretary of Labor may file a civil action in the United States district court for the district in which the violation was found to have occurred, or in the United States district court for the District of Columbia, to enforce such order. In actions brought under this paragraph, the district courts shall have jurisdiction to grant all appropriate relief including injunctive relief and compensatory damages.

(B) **CIVIL ACTIONS TO COMPEL COMPLIANCE.**—A person on whose behalf an order was issued under paragraph (4) may commence a civil action against the person to whom such order was issued to require compliance with such order. The appropriate United States district court shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce such order.

(C) **AWARD OF COSTS AUTHORIZED.**—The court, in issuing any final order under this paragraph, may award costs of litigation (including reasonable attorney and expert witness fees) to any party, whenever the court determines such award is appropriate.

(D) **MANDAMUS PROCEEDINGS.**—Any nondiscretionary duty imposed by this section shall be enforceable in a mandamus proceeding brought under section 1361 of title 28, United States Code.

(d) **UNENFORCEABILITY OF CERTAIN AGREEMENTS.**—

(1) **NO WAIVER OF RIGHTS AND REMEDIES.**—Except as provided under paragraph (3), and notwithstanding any other provision of law, the rights and remedies provided for in this section may not be waived by any agreement, policy, form, or condition of employment, including by any predispute arbitration agreement.

(2) **NO PREDISPUTE ARBITRATION AGREEMENTS.**—Except as provided under paragraph (3), and notwithstanding any other provision of

law, no predispute arbitration agreement shall be valid or enforceable to the extent that it requires arbitration of a dispute arising under this section.

(3) **EXCEPTION.**—Notwithstanding paragraphs (1) and (2), an arbitration provision in a collective bargaining agreement shall be enforceable as to disputes arising under subsection (a)(4), unless the Bureau determines, by rule, that such provision is inconsistent with the purposes of this title.

SEC. 1058. EFFECTIVE DATE.

This subtitle shall become effective on the designated transfer date.

Subtitle F—Transfer of Functions and Personnel; Transitional Provisions

SEC. 1061. TRANSFER OF CONSUMER FINANCIAL PROTECTION FUNCTIONS.

(a) **DEFINED TERMS.**—For purposes of this subtitle—

(1) the term “consumer financial protection functions” means—

(A) all authority to prescribe rules or issue orders or guidelines pursuant to any Federal consumer financial law, including performing appropriate functions to promulgate and review such rules, orders, and guidelines; and

(B) the examination authority described in subsection (c)(1), with respect to a person described in subsection 1025(a); and

(2) the terms “transferor agency” and “transferor agencies” mean, respectively—

(A) the Board of Governors (and any Federal reserve bank, as the context requires), the Federal Deposit Insurance Corporation, the Federal Trade Commission, the National Credit Union Administration, the Office of the Comptroller of the Currency, the Office of Thrift Supervision, and the Department of Housing and Urban Development, and the heads of those agencies; and

(B) the agencies listed in subparagraph (A), collectively.

(b) **IN GENERAL.**—Except as provided in subsection (c), consumer financial protection functions are transferred as follows:

(1) **BOARD OF GOVERNORS.**—

(A) **TRANSFER OF FUNCTIONS.**—All consumer financial protection functions of the Board of Governors are transferred to the Bureau.

(B) **BOARD OF GOVERNORS AUTHORITY.**—The Bureau shall have all powers and duties that were vested in the Board of Governors, relating to consumer financial protection functions, on the day before the designated transfer date.

(2) **COMPTROLLER OF THE CURRENCY.**—

(A) **TRANSFER OF FUNCTIONS.**—All consumer financial protection functions of the Comptroller of the Currency are transferred to the Bureau.

(B) **COMPTROLLER AUTHORITY.**—The Bureau shall have all powers and duties that were vested in the Comptroller of the Currency, relating to consumer financial protection functions, on the day before the designated transfer date.

(3) **DIRECTOR OF THE OFFICE OF THRIFT SUPERVISION.**—

(A) **TRANSFER OF FUNCTIONS.**—All consumer financial protection functions of the Director of the Office of Thrift Supervision are transferred to the Bureau.

(B) **DIRECTOR AUTHORITY.**—The Bureau shall have all powers and duties that were vested in the Director of the Office of Thrift Supervision, relating to consumer financial protection functions, on the day before the designated transfer date.

(4) **FEDERAL DEPOSIT INSURANCE CORPORATION.**—

(A) **TRANSFER OF FUNCTIONS.**—All consumer financial protection functions of the Federal Deposit Insurance Corporation are transferred to the Bureau.

(B) **CORPORATION AUTHORITY.**—The Bureau shall have all powers and duties that were vested in the Federal Deposit Insurance Corporation, relating to consumer financial protection

functions, on the day before the designated transfer date.

(5) **FEDERAL TRADE COMMISSION.**—

(A) **TRANSFER OF FUNCTIONS.**—The authority of the Federal Trade Commission under an enumerated consumer law to prescribe rules, issue guidelines, or conduct a study or issue a report mandated under such law shall be transferred to the Bureau on the designated transfer date. Nothing in this title shall be construed to require a mandatory transfer of any employee of the Federal Trade Commission.

(B) **BUREAU AUTHORITY.**—

(i) **IN GENERAL.**—The Bureau shall have all powers and duties under the enumerated consumer laws to prescribe rules, issue guidelines, or to conduct studies or issue reports mandated by such laws, that were vested in the Federal Trade Commission on the day before the designated transfer date.

(ii) **FEDERAL TRADE COMMISSION ACT.**—Subject to subtitle B, the Bureau may enforce a rule prescribed under the Federal Trade Commission Act by the Federal Trade Commission with respect to an unfair or deceptive act or practice to the extent that such rule applies to a covered person or service provider with respect to the offering or provision of a consumer financial product or service as if it were a rule prescribed under section 1031 of this title.

(C) **AUTHORITY OF THE FEDERAL TRADE COMMISSION.**—

(i) **IN GENERAL.**—No provision of this title shall be construed as modifying, limiting, or otherwise affecting the authority of the Federal Trade Commission (including its authority with respect to affiliates described in section 1025(a)(1)) under the Federal Trade Commission Act or any other law, other than the authority under an enumerated consumer law to prescribe rules, issue official guidelines, or conduct a study or issue a report mandated under such law.

(ii) **COMMISSION AUTHORITY RELATING TO RULES PRESCRIBED BY THE BUREAU.**—Subject to subtitle B, the Federal Trade Commission shall have authority to enforce under the Federal Trade Commission Act (15 U.S.C. 41 et seq.) a rule prescribed by the Bureau under this title with respect to a covered person subject to the jurisdiction of the Federal Trade Commission under that Act, and a violation of such a rule by such a person shall be treated as a violation of a rule issued under section 18 of that Act (15 U.S.C. 57a) with respect to unfair or deceptive acts or practices.

(D) **COORDINATION.**—To avoid duplication of or conflict between rules prescribed by the Bureau under section 1031 of this title and the Federal Trade Commission under section 18(a)(1)(B) of the Federal Trade Commission Act that apply to a covered person or service provider with respect to the offering or provision of consumer financial products or services, the agencies shall negotiate an agreement with respect to rule-making by each agency, including consultation with the other agency prior to proposing a rule and during the comment period.

(E) **DEFERENCE.**—No provision of this title shall be construed as altering, limiting, expanding, or otherwise affecting the deference that a court affords to the—

(i) Federal Trade Commission in making determinations regarding the meaning or interpretation of any provision of the Federal Trade Commission Act, or of any other Federal law for which the Commission has authority to prescribe rules; or

(ii) Bureau in making determinations regarding the meaning or interpretation of any provision of a Federal consumer financial law (other than any law described in clause (i)).

(6) **NATIONAL CREDIT UNION ADMINISTRATION.**—

(A) **TRANSFER OF FUNCTIONS.**—All consumer financial protection functions of the National Credit Union Administration are transferred to the Bureau.

(B) **NATIONAL CREDIT UNION ADMINISTRATION AUTHORITY.**—The Bureau shall have all powers and duties that were vested in the National Credit Union Administration, relating to consumer financial protection functions, on the day before the designated transfer date.

(7) **DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.**—

(A) **TRANSFER OF FUNCTIONS.**—All consumer protection functions of the Secretary of the Department of Housing and Urban Development relating to the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2601 et seq.), the Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (12 U.S.C. 5102 et seq.), and the Interstate Land Sales Full Disclosure Act (15 U.S.C. 1701 et seq.) are transferred to the Bureau.

(B) **AUTHORITY OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.**—The Bureau shall have all powers and duties that were vested in the Secretary of the Department of Housing and Urban Development relating to the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2601 et seq.), the Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (12 U.S.C. 5101 et seq.), and the Interstate Land Sales Full Disclosure Act (15 U.S.C. 1701 et seq.), on the day before the designated transfer date.

(C) **AUTHORITIES OF THE PRUDENTIAL REGULATORS.**—

(1) **EXAMINATION.**—A transferor agency that is a prudential regulator shall have—

(A) authority to require reports from and conduct examinations for compliance with Federal consumer financial laws with respect to a person described in section 1025(a), that is incidental to the backup and enforcement procedures provided to the regulator under section 1025(c); and

(B) exclusive authority (relative to the Bureau) to require reports from and conduct examinations for compliance with Federal consumer financial laws with respect to a person described in section 1026(a), except as provided to the Bureau under subsections (b) and (c) of section 1026.

(2) **ENFORCEMENT.**—

(A) **LIMITATION.**—The authority of a transferor agency that is a prudential regulator to enforce compliance with Federal consumer financial laws with respect to a person described in section 1025(a), shall be limited to the backup and enforcement procedures in described in section 1025(c).

(B) **EXCLUSIVE AUTHORITY.**—A transferor agency that is a prudential regulator shall have exclusive authority (relative to the Bureau) to enforce compliance with Federal consumer financial laws with respect to a person described in section 1026(a), except as provided to the Bureau under subsections (b) and (c) of section 1026.

(C) **STATUTORY ENFORCEMENT.**—For purposes of carrying out the authorities under, and subject to the limitations of, subtitle B, each prudential regulator may enforce compliance with the requirements imposed under this title, and any rule or order prescribed by the Bureau under this title, under—

(i) the Federal Credit Union Act (12 U.S.C. 1751 et seq.), by the National Credit Union Administration Board with respect to any covered person or service provider that is an insured credit union, or service provider thereto, or any affiliate of an insured credit union, who is subject to the jurisdiction of the Board under that Act; and

(ii) section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), by the appropriate Federal

banking agency, as defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)), with respect to a covered person or service provider that is a person described in section 3(q) of that Act and who is subject to the jurisdiction of that agency, as set forth in sections 3(q) and 8 of the Federal Deposit Insurance Act; or

(iii) the Bank Service Company Act (12 U.S.C. 1861 et seq.).

(d) **EFFECTIVE DATE.**—Subsections (b) and (c) shall become effective on the designated transfer date.

SEC. 1062. DESIGNATED TRANSFER DATE.

(a) **IN GENERAL.**—Not later than 60 days after the date of enactment of this Act, the Secretary shall—

(1) in consultation with the Chairman of the Board of Governors, the Chairperson of the Corporation, the Chairman of the Federal Trade Commission, the Chairman of the National Credit Union Administration Board, the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the Secretary of the Department of Housing and Urban Development, and the Director of the Office of Management and Budget, designate a single calendar date for the transfer of functions to the Bureau under section 1061; and

(2) publish notice of that designated date in the Federal Register.

(b) **CHANGING DESIGNATION.**—The Secretary—

(1) may, in consultation with the Chairman of the Board of Governors, the Chairperson of the Federal Deposit Insurance Corporation, the Chairman of the Federal Trade Commission, the Chairman of the National Credit Union Administration Board, the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the Secretary of the Department of Housing and Urban Development, and the Director of the Office of Management and Budget, change the date designated under subsection (a); and

(2) shall publish notice of any changed designated date in the Federal Register.

(c) **PERMISSIBLE DATES.**—

(1) **IN GENERAL.**—Except as provided in paragraph (2), any date designated under this section shall be not earlier than 180 days, nor later than 12 months, after the date of enactment of this Act.

(2) **EXTENSION OF TIME.**—The Secretary may designate a date that is later than 12 months after the date of enactment of this Act if the Secretary transmits to appropriate committees of Congress—

(A) a written determination that orderly implementation of this title is not feasible before the date that is 12 months after the date of enactment of this Act;

(B) an explanation of why an extension is necessary for the orderly implementation of this title; and

(C) a description of the steps that will be taken to effect an orderly and timely implementation of this title within the extended time period.

(3) **EXTENSION LIMITED.**—In no case may any date designated under this section be later than 18 months after the date of enactment of this Act.

SEC. 1063. SAVINGS PROVISIONS.

(a) **BOARD OF GOVERNORS.**—

(1) **EXISTING RIGHTS, DUTIES, AND OBLIGATIONS NOT AFFECTED.**—Section 1061(b)(1) does not affect the validity of any right, duty, or obligation of the United States, the Board of Governors (or any Federal reserve bank), or any other person that—

(A) arises under any provision of law relating to any consumer financial protection function of the Board of Governors transferred to the Bureau by this title; and

(B) existed on the day before the designated transfer date.

(2) **CONTINUATION OF SUITS.**—No provision of this Act shall abate any proceeding commenced by or against the Board of Governors (or any Federal reserve bank) before the designated transfer date with respect to any consumer financial protection function of the Board of Governors (or any Federal reserve bank) transferred to the Bureau by this title, except that the Bureau, subject to sections 1024, 1025, and 1026, shall be substituted for the Board of Governors (or Federal reserve bank) as a party to any such proceeding as of the designated transfer date.

(b) **FEDERAL DEPOSIT INSURANCE CORPORATION.**—

(1) **EXISTING RIGHTS, DUTIES, AND OBLIGATIONS NOT AFFECTED.**—Section 1061(b)(4) does not affect the validity of any right, duty, or obligation of the United States, the Federal Deposit Insurance Corporation, the Board of Directors of that Corporation, or any other person, that—

(A) arises under any provision of law relating to any consumer financial protection function of the Federal Deposit Insurance Corporation transferred to the Bureau by this title; and

(B) existed on the day before the designated transfer date.

(2) **CONTINUATION OF SUITS.**—No provision of this Act shall abate any proceeding commenced by or against the Federal Deposit Insurance Corporation (or the Board of Directors of that Corporation) before the designated transfer date with respect to any consumer financial protection function of the Federal Deposit Insurance Corporation transferred to the Bureau by this title, except that the Bureau, subject to sections 1024, 1025, and 1026, shall be substituted for the Federal Deposit Insurance Corporation (or Board of Directors) as a party to any such proceeding as of the designated transfer date.

(c) **FEDERAL TRADE COMMISSION.**—Section 1061(b)(5) does not affect the validity of any right, duty, or obligation of the United States, the Federal Trade Commission, or any other person, that—

(1) arises under any provision of law relating to any consumer financial protection function of the Federal Trade Commission transferred to the Bureau by this title; and

(2) existed on the day before the designated transfer date.

(d) **NATIONAL CREDIT UNION ADMINISTRATION.**—

(1) **EXISTING RIGHTS, DUTIES, AND OBLIGATIONS NOT AFFECTED.**—Section 1061(b)(6) does not affect the validity of any right, duty, or obligation of the United States, the National Credit Union Administration, the National Credit Union Administration Board, or any other person, that—

(A) arises under any provision of law relating to any consumer financial protection function of the National Credit Union Administration transferred to the Bureau by this title; and

(B) existed on the day before the designated transfer date.

(2) **CONTINUATION OF SUITS.**—No provision of this Act shall abate any proceeding commenced by or against the National Credit Union Administration (or the National Credit Union Administration Board) before the designated transfer date with respect to any consumer financial protection function of the National Credit Union Administration transferred to the Bureau by this title, except that the Bureau, subject to sections 1024, 1025, and 1026, shall be substituted for the National Credit Union Administration (or National Credit Union Administration Board) as a party to any such proceeding as of the designated transfer date.

(e) **OFFICE OF THE COMPTROLLER OF THE CURRENCY.**—

(1) **EXISTING RIGHTS, DUTIES, AND OBLIGATIONS NOT AFFECTED.**—Section 1061(b)(2) does not affect the validity of any right, duty, or obligation of the United States, the Comptroller of the Cur-

rency, the Office of the Comptroller of the Currency, or any other person, that—

(A) arises under any provision of law relating to any consumer financial protection function of the Comptroller of the Currency transferred to the Bureau by this title; and

(B) existed on the day before the designated transfer date.

(2) **CONTINUATION OF SUITS.**—No provision of this Act shall abate any proceeding commenced by or against the Comptroller of the Currency (or the Office of the Comptroller of the Currency) with respect to any consumer financial protection function of the Comptroller of the Currency transferred to the Bureau by this title before the designated transfer date, except that the Bureau, subject to sections 1024, 1025, and 1026, shall be substituted for the Comptroller of the Currency (or the Office of the Comptroller of the Currency) as a party to any such proceeding as of the designated transfer date.

(f) **OFFICE OF THRIFT SUPERVISION.**—

(1) **EXISTING RIGHTS, DUTIES, AND OBLIGATIONS NOT AFFECTED.**—Section 1061(b)(3) does not affect the validity of any right, duty, or obligation of the United States, the Director of the Office of Thrift Supervision, the Office of Thrift Supervision, or any other person, that—

(A) arises under any provision of law relating to any consumer financial protection function of the Director of the Office of Thrift Supervision transferred to the Bureau by this title; and

(B) that existed on the day before the designated transfer date.

(2) **CONTINUATION OF SUITS.**—No provision of this Act shall abate any proceeding commenced by or against the Director of the Office of Thrift Supervision (or the Office of Thrift Supervision) with respect to any consumer financial protection function of the Director of the Office of Thrift Supervision transferred to the Bureau by this title before the designated transfer date, except that the Bureau, subject to sections 1024, 1025, and 1026, shall be substituted for the Director (or the Office of Thrift Supervision) as a party to any such proceeding as of the designated transfer date.

(g) **DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.**—

(1) **EXISTING RIGHTS, DUTIES, AND OBLIGATIONS NOT AFFECTED.**—Section 1061(b)(7) shall not affect the validity of any right, duty, or obligation of the United States, the Secretary of the Department of Housing and Urban Development (or the Department of Housing and Urban Development), or any other person, that—

(A) arises under any provision of law relating to any function of the Secretary of the Department of Housing and Urban Development with respect to the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2601 et seq.), the Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (12 U.S.C. 5102 et seq.), or the Interstate Land Sales Full Disclosure Act (15 U.S.C. 1701 et seq) transferred to the Bureau by this title; and

(B) existed on the day before the designated transfer date.

(2) **CONTINUATION OF SUITS.**—This title shall not abate any proceeding commenced by or against the Secretary of the Department of Housing and Urban Development (or the Department of Housing and Urban Development) with respect to any consumer financial protection function of the Secretary of the Department of Housing and Urban Development transferred to the Bureau by this title before the designated transfer date, except that the Bureau, subject to sections 1024, 1025, and 1026, shall be substituted for the Secretary of the Department of Housing and Urban Development (or the Department of Housing and Urban Development) as a party to any such proceeding as of the designated transfer date.

(h) **CONTINUATION OF EXISTING ORDERS, RULINGS, DETERMINATIONS, AGREEMENTS, AND RESOLUTIONS.**—

(1) **IN GENERAL.**—Except as provided in paragraph (2) and under subsection (i), all orders, resolutions, determinations, agreements, and rulings that have been issued, made, prescribed, or allowed to become effective by any transferor agency or by a court of competent jurisdiction, in the performance of consumer financial protection functions that are transferred by this title and that are in effect on the day before the designated transfer date, shall continue in effect, and shall continue to be enforceable by the appropriate transferor agency, according to the terms of those orders, resolutions, determinations, agreements, and rulings, and shall not be enforceable by or against the Bureau.

(2) **EXCEPTION FOR ORDERS APPLICABLE TO PERSONS DESCRIBED IN SECTION 1025(a).**—All orders, resolutions, determinations, agreements, and rulings that have been issued, made, prescribed, or allowed to become effective by any transferor agency or by a court of competent jurisdiction, in the performance of consumer financial protection functions that are transferred by this title and that are in effect on the day before the designated transfer date with respect to any person described in section 1025(a), shall continue in effect, according to the terms of those orders, resolutions, determinations, agreements, and rulings, and shall be enforceable by or against the Bureau or transferor agency.

(i) **IDENTIFICATION OF RULES AND ORDERS CONTINUED.**—Not later than the designated transfer date, the Bureau—

(1) shall, after consultation with the head of each transferor agency, identify the rules and orders that will be enforced by the Bureau; and

(2) shall publish a list of such rules and orders in the Federal Register.

(j) **STATUS OF RULES PROPOSED OR NOT YET EFFECTIVE.**—

(1) **PROPOSED RULES.**—Any proposed rule of a transferor agency which that agency, in performing consumer financial protection functions transferred by this title, has proposed before the designated transfer date, but has not been published as a final rule before that date, shall be deemed to be a proposed rule of the Bureau.

(2) **RULES NOT YET EFFECTIVE.**—Any interim or final rule of a transferor agency which that agency, in performing consumer financial protection functions transferred by this title, has published before the designated transfer date, but which has not become effective before that date, shall become effective as a rule of the Bureau according to its terms.

SEC. 1064. TRANSFER OF CERTAIN PERSONNEL.

(a) **IN GENERAL.**—

(1) **CERTAIN FEDERAL RESERVE SYSTEM EMPLOYEES TRANSFERRED.**—

(A) **IDENTIFYING EMPLOYEES FOR TRANSFER.**—The Bureau and the Board of Governors shall—

(i) jointly determine the number of employees of the Board of Governors necessary to perform or support the consumer financial protection functions of the Board of Governors that are transferred to the Bureau by this title; and

(ii) consistent with the number determined under clause (i), jointly identify employees of the Board of Governors for transfer to the Bureau, in a manner that the Bureau and the Board of Governors, in their sole discretion, determine equitable.

(B) **IDENTIFIED EMPLOYEES TRANSFERRED.**—All employees of the Board of Governors identified under subparagraph (A)(ii) shall be transferred to the Bureau for employment.

(C) **FEDERAL RESERVE BANK EMPLOYEES.**—Employees of any Federal reserve bank who are performing consumer financial protection functions on behalf of the Board of Governors shall

be treated as employees of the Board of Governors for purposes of subparagraphs (A) and (B).

(2) CERTAIN FDIC EMPLOYEES TRANSFERRED.—

(A) IDENTIFYING EMPLOYEES FOR TRANSFER.—The Bureau and the Board of Directors of the Federal Deposit Insurance Corporation shall—

(i) jointly determine the number of employees of that Corporation necessary to perform or support the consumer financial protection functions of the Corporation that are transferred to the Bureau by this title; and

(ii) consistent with the number determined under clause (i), jointly identify employees of the Corporation for transfer to the Bureau, in a manner that the Bureau and the Board of Directors of the Corporation, in their sole discretion, determine equitable.

(B) IDENTIFIED EMPLOYEES TRANSFERRED.—All employees of the Corporation identified under subparagraph (A)(ii) shall be transferred to the Bureau for employment.

(3) CERTAIN NCUA EMPLOYEES TRANSFERRED.—

(A) IDENTIFYING EMPLOYEES FOR TRANSFER.—The Bureau and the National Credit Union Administration Board shall—

(i) jointly determine the number of employees of the National Credit Union Administration necessary to perform or support the consumer financial protection functions of the National Credit Union Administration that are transferred to the Bureau by this title; and

(ii) consistent with the number determined under clause (i), jointly identify employees of the National Credit Union Administration for transfer to the Bureau, in a manner that the Bureau and the National Credit Union Administration Board, in their sole discretion, determine equitable.

(B) IDENTIFIED EMPLOYEES TRANSFERRED.—All employees of the National Credit Union Administration identified under subparagraph (A)(ii) shall be transferred to the Bureau for employment.

(4) CERTAIN OFFICE OF THE COMPTROLLER OF THE CURRENCY EMPLOYEES TRANSFERRED.—

(A) IDENTIFYING EMPLOYEES FOR TRANSFER.—The Bureau and the Comptroller of the Currency shall—

(i) jointly determine the number of employees of the Office of the Comptroller of the Currency necessary to perform or support the consumer financial protection functions of the Office of the Comptroller of the Currency that are transferred to the Bureau by this title; and

(ii) consistent with the number determined under clause (i), jointly identify employees of the Office of the Comptroller of the Currency for transfer to the Bureau, in a manner that the Bureau and the Office of the Comptroller of the Currency, in their sole discretion, determine equitable.

(B) IDENTIFIED EMPLOYEES TRANSFERRED.—All employees of the Office of the Comptroller of the Currency identified under subparagraph (A)(ii) shall be transferred to the Bureau for employment.

(5) CERTAIN OFFICE OF THRIFT SUPERVISION EMPLOYEES TRANSFERRED.—

(A) IDENTIFYING EMPLOYEES FOR TRANSFER.—The Bureau and the Director of the Office of Thrift Supervision shall—

(i) jointly determine the number of employees of the Office of Thrift Supervision necessary to perform or support the consumer financial protection functions of the Office of Thrift Supervision that are transferred to the Bureau by this title; and

(ii) consistent with the number determined under clause (i), jointly identify employees of the Office of Thrift Supervision for transfer to the Bureau, in a manner that the Bureau and the Office of Thrift Supervision, in their sole discretion, determine equitable.

(B) IDENTIFIED EMPLOYEES TRANSFERRED.—All employees of the Office of Thrift Supervision identified under subparagraph (A)(ii) shall be transferred to the Bureau for employment.

(6) CERTAIN EMPLOYEES OF DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT TRANSFERRED.—

(A) IDENTIFYING EMPLOYEES FOR TRANSFER.—The Bureau and the Secretary of the Department of Housing and Urban Development shall—

(i) jointly determine the number of employees of the Department of Housing and Urban Development necessary to perform or support the consumer protection functions of the Department that are transferred to the Bureau by this title; and

(ii) consistent with the number determined under clause (i), jointly identify employees of the Department of Housing and Urban Development for transfer to the Bureau in a manner that the Bureau and the Secretary of the Department of Housing and Urban Development, in their sole discretion, deem equitable.

(B) IDENTIFIED EMPLOYEES TRANSFERRED.—All employees of the Department of Housing and Urban Development identified under subparagraph (A)(ii) shall be transferred to the Bureau for employment.

(7) CONSUMER EDUCATION, FINANCIAL LITERACY, CONSUMER COMPLAINTS, AND RESEARCH FUNCTIONS.—The Bureau and each of the transferor agencies (except the Federal Trade Commission) shall jointly determine the number of employees and the types and grades of employees necessary to perform the functions of the Bureau under subtitle A, including consumer education, financial literacy, policy analysis, responses to consumer complaints and inquiries, research, and similar functions. All employees jointly identified under this paragraph shall be transferred to the Bureau for employment.

(8) AUTHORITY OF THE PRESIDENT TO RESOLVE DISPUTES.—

(A) ACTION AUTHORIZED.—In the event that the Bureau and a transferor agency are unable to reach an agreement under paragraphs (1) through (7) by the designated transfer date, the President, or the designee thereof, may issue an order or directive to the transferor agency to effect the transfer of personnel and property under this subtitle.

(B) TRANSMITTAL TO CONGRESS REQUIRED.—If an order or directive is issued under subparagraph (A), the President shall transmit a copy of the written determination made with respect to such order or directive, including an explanation for the need for the order or directive, to the Committee on Banking, Housing, and Urban Affairs and the Committee on Appropriations of the Senate and the Committee on Financial Services and the Committee on Appropriations of the House of Representatives.

(C) SUNSET.—The authority provided in this paragraph shall terminate 3 years after the designated transfer date.

(9) APPOINTMENT AUTHORITY FOR EXCEPTED SERVICE AND SENIOR EXECUTIVE SERVICE TRANSFERRED.—

(A) IN GENERAL.—In the case of an employee occupying a position in the excepted service or the Senior Executive Service, any appointment authority established pursuant to law or regulations of the Office of Personnel Management for filling such positions shall be transferred, subject to subparagraph (B).

(B) DECLINING TRANSFERS ALLOWED.—An agency or entity may decline to make a transfer of authority under subparagraph (A) (and the employees appointed pursuant thereto) to the extent that such authority relates to positions excepted from the competitive service because of their confidential, policy-making, policy-determining, or policy-advocating character, and

non-career positions in the Senior Executive Service (within the meaning of section 3132(a)(7) of title 5, United States Code).

(b) TIMING OF TRANSFERS AND POSITION ASSIGNMENTS.—Each employee to be transferred under this section shall—

(1) be transferred not later than 90 days after the designated transfer date; and

(2) receive notice of a position assignment not later than 120 days after the effective date of his or her transfer.

(c) TRANSFER OF FUNCTION.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the transfer of employees shall be deemed a transfer of functions for the purpose of section 3503 of title 5, United States Code.

(2) PRIORITY OF THIS TITLE.—If any provisions of this title conflict with any protection provided to transferred employees under section 3503 of title 5, United States Code, the provisions of this title shall control.

(d) EQUAL STATUS AND TENURE POSITIONS.—

(1) EMPLOYEES TRANSFERRED FROM THE FEDERAL RESERVE SYSTEM, FDIC, HUD, NCUA, OCC, AND OTS.—Each employee transferred to the Bureau from the Board of Governors, a Federal reserve bank, the Federal Deposit Insurance Corporation, the Department of Housing and Urban Development, the National Credit Union Administration, the Office of the Comptroller of the Currency, or the Office of Thrift Supervision shall be placed in a position at the Bureau with the same status and tenure as that employee held on the day before the designated transfer date.

(2) EMPLOYEES TRANSFERRED FROM THE FEDERAL RESERVE SYSTEM.—For purposes of determining the status and position placement of a transferred employee, any period of service with the Board of Governors or a Federal reserve bank shall be credited as a period of service with a Federal agency.

(e) ADDITIONAL CERTIFICATION REQUIREMENTS LIMITED.—Examiners transferred to the Bureau are not subject to any additional certification requirements before being placed in a comparable examiner position at the Bureau examining the same types of institutions as they examined before they were transferred.

(f) PERSONNEL ACTIONS LIMITED.—

(1) 2-YEAR PROTECTION.—Except as provided in paragraph (2), each transferred employee holding a permanent position on the day before the designated transfer date may not, during the 2-year period beginning on the designated transfer date, be involuntarily separated, or involuntarily reassigned outside his or her locality pay area.

(2) EXCEPTIONS.—Paragraph (1) does not limit the right of the Bureau—

(A) to separate an employee for cause or for unacceptable performance;

(B) to terminate an appointment to a position excepted from the competitive service because of its confidential policy-making, policy-determining, or policy-advocating character; or

(C) to reassign a supervisory employee outside of his or her locality pay area when the Bureau determines that the reassignment is necessary for the efficient operation of the Bureau.

(g) PAY.—

(1) 2-YEAR PROTECTION.—

(A) IN GENERAL.—Except as provided in paragraph (2), each transferred employee shall, during the 2-year period beginning on the designated transfer date, receive pay at a rate equal to not less than the basic rate of pay (including any geographic differential) that the employee received during the pay period immediately preceding the date of transfer.

(B) LIMITATION.—Notwithstanding subparagraph (A), if the employee was receiving a higher rate of basic pay on a temporary basis (because of a temporary assignment, temporary

promotion, or other temporary action) immediately before the date of transfer, the Bureau may reduce the rate of basic pay on the date on which the rate would have been reduced but for the transfer, and the protected rate for the remainder of the 2-year period shall be the reduced rate that would have applied, but for the transfer.

(2) **EXCEPTIONS.**—Paragraph (1) does not limit the right of the Bureau to reduce the rate of basic pay of a transferred employee—

(A) for cause;

(B) for unacceptable performance; or

(C) with the consent of the employee.

(3) **PROTECTION ONLY WHILE EMPLOYED.**—Paragraph (1) applies to a transferred employee only while that employee remains employed by the Bureau.

(4) **PAY INCREASES PERMITTED.**—Paragraph (1) does not limit the authority of the Bureau to increase the pay of a transferred employee.

(h) **REORGANIZATION.**—

(1) **BETWEEN 1ST AND 3RD YEAR.**—

(A) **IN GENERAL.**—If the Bureau determines, during the 2-year period beginning 1 year after the designated transfer date, that a reorganization of the staff of the Bureau is required—

(i) that reorganization shall be deemed a “substantial reorganization” for purposes of affording affected employees retirement under section 8336(d)(2) or 8414(b)(1)(B) of title 5, United States Code;

(ii) before the reorganization occurs, all employees in the same locality pay area as defined by the Office of Personnel Management shall be placed in a uniform position classification system; and

(iii) any resulting reduction in force shall be governed by the provisions of chapter 35 of title 5, United States Code, except that the Bureau shall—

(I) establish competitive areas (as that term is defined in regulations issued by the Office of Personnel Management) to include at a minimum all employees in the same locality pay area as defined by the Office of Personnel Management;

(II) establish competitive levels (as that term is defined in regulations issued by the Office of Personnel Management) without regard to whether the particular employees have been appointed to positions in the competitive service or the excepted service; and

(III) afford employees appointed to positions in the excepted service (other than to a position excepted from the competitive service because of its confidential policy-making, policy-determining, or policy-advocating character) the same assignment rights to positions within the Bureau as employees appointed to positions in the competitive service.

(B) **SERVICE CREDIT FOR REDUCTIONS IN FORCE.**—For purposes of this paragraph, periods of service with a Federal home loan bank, a joint office of the Federal home loan banks, the Board of Governors, a Federal reserve bank, the Federal Deposit Insurance Corporation, or the National Credit Union Administration shall be credited as periods of service with a Federal agency.

(2) **AFTER 3RD YEAR.**—

(A) **IN GENERAL.**—If the Bureau determines, at any time after the 3-year period beginning on the designated transfer date, that a reorganization of the staff of the Bureau is required, any resulting reduction in force shall be governed by the provisions of chapter 35 of title 5, United States Code, except that the Bureau shall establish competitive levels (as that term is defined in regulations issued by the Office of Personnel Management) without regard to types of appointment held by particular employees transferred under this section.

(B) **SERVICE CREDIT FOR REDUCTIONS IN FORCE.**—For purposes of this paragraph, periods

of service with a Federal home loan bank, a joint office of the Federal home loan banks, the Board of Governors, a Federal reserve bank, the Federal Deposit Insurance Corporation, or the National Credit Union Administration shall be credited as periods of service with a Federal agency.

(i) **BENEFITS.**—

(1) **RETIREMENT BENEFITS FOR TRANSFERRED EMPLOYEES.**—

(A) **IN GENERAL.**—

(i) **CONTINUATION OF EXISTING RETIREMENT PLAN.**—Unless an election is made under clause (iii) or subparagraph (B), each employee transferred pursuant to this subtitle shall remain enrolled in the existing retirement plan of that employee as of the date of transfer, through any period of continuous employment with the Bureau.

(ii) **EMPLOYER CONTRIBUTION.**—The Bureau shall pay any employer contributions to the existing retirement plan of each transferred employee, as required under that plan.

(iii) **OPTION TO ELECT INTO THE FEDERAL RESERVE SYSTEM RETIREMENT PLAN AND FEDERAL RESERVE SYSTEM THRIFT PLAN.**—Any employee transferred pursuant to this subtitle may, during the 1-year period beginning 6 months after the designated transfer date, elect to end their participation and benefit accruals under their existing retirement plan or plans and elect to participate in both the Federal Reserve System Retirement Plan and the Federal Reserve System Thrift Plan, through any period of continuous employment with the Bureau, under the same terms as are applicable to Federal Reserve System transferred employees, as provided in subparagraph (C). An election of coverage by the Federal Reserve System Retirement Plan and the Federal Reserve System Thrift Plan shall begin on the day following the end of the 18-month period beginning on the designated transfer date, and benefit accruals under the existing retirement plan of the transferred employee shall end on the last day of the 18-month period beginning on the designated transfer date. If an employee elects to participate in the Federal Reserve System Retirement Plan and the Federal Reserve System Thrift Plan, all of the service of the employee that was creditable under their existing retirement plan shall be transferred to the Federal Reserve System Retirement Plan on the day following the end of the 18-month period beginning on the designated transfer date.

(iv) **BUREAU CONTRIBUTION.**—The Bureau shall pay an employer contribution to the Federal Reserve System Retirement Plan, in the amount established as an employer contribution under the Federal Employees Retirement System, as established under chapter 84 of title 5, United States Code, for each Bureau employee who elects to participate in the Federal Reserve System Retirement Plan under this subparagraph. The Bureau shall pay an employer contribution to the Federal Reserve System Thrift Plan for each Bureau employee who elects to participate in such plan, as required under the terms of the Federal Reserve System Thrift Plan.

(v) **ADDITIONAL FUNDING.**—The Bureau shall transfer to the Federal Reserve System Retirement Plan an amount determined by the Board of Governors, in consultation with the Bureau, to be necessary to reimburse the Federal Reserve System Retirement Plan for the costs to such plan of providing benefits to employees electing coverage under the Federal Reserve System Retirement Plan under subparagraph (iii), and who were transferred to the Bureau from outside of the Federal Reserve System.

(vi) **OPTION TO ELECT INTO THRIFT PLAN CREATED BY THE BUREAU.**—If the Bureau chooses to establish a thrift plan, the employees transferred pursuant to this subtitle shall have the

option to elect, under such terms and conditions as the Bureau may establish, coverage under such a thrift plan established by the Bureau. Transferred employees may not remain in the thrift plan of the agency from which the employee transferred under this subtitle, if the employee elects to participate in a thrift plan established by the Bureau.

(B) **OPTION FOR EMPLOYEES TRANSFERRED FROM FEDERAL RESERVE SYSTEM TO BE SUBJECT TO THE FEDERAL EMPLOYEE RETIREMENT PROGRAM.**—

(i) **ELECTION.**—Any Federal Reserve System transferred employee who was enrolled in the Federal Reserve System Retirement Plan on the day before the date of his or her transfer to the Bureau may, during the 1-year period beginning 6 months after the designated transfer date, elect to be subject to the Federal Employee Retirement Program.

(ii) **EFFECTIVE DATE OF COVERAGE.**—An election of coverage by the Federal Employee Retirement Program under this subparagraph shall begin on the day following the end of the 18-month period beginning on the designated transfer date, and benefit accruals under the existing retirement plan of the Federal Reserve System transferred employee shall end on the last day of the 18-month period beginning on the designated transfer date.

(C) **BUREAU PARTICIPATION IN FEDERAL RESERVE SYSTEM RETIREMENT PLAN.**—

(i) **BENEFITS PROVIDED.**—Federal Reserve System employees transferred pursuant to this subtitle shall continue to be eligible to participate in the Federal Reserve System Retirement Plan and Federal Reserve System Thrift Plan through any period of continuous employment with the Bureau, unless the employee makes an election under subparagraph (A)(vi) or (B). The retirement benefits, formulas, and features offered to the Federal Reserve System transferred employees shall be the same as those offered to employees of the Board of Governors who participate in the Federal Reserve System Retirement Plan and the Federal Reserve System Thrift Plan, as amended from time to time.

(ii) **LIMITATION.**—The Bureau shall not have responsibility or authority—

(I) to amend an existing retirement plan (including the Federal Reserve System Retirement Plan or Federal Reserve System Thrift Plan);

(II) for administering an existing retirement plan (including the Federal Reserve System Retirement Plan or Federal Reserve System Thrift Plan); or

(III) for ensuring the plans comply with applicable laws, fiduciary rules, and related responsibilities.

(iii) **TAX QUALIFIED STATUS.**—Notwithstanding any other provision of law, providing benefits to Federal Reserve System employees transferred to the Bureau pursuant to this subtitle, and to employees who elect coverage pursuant to subparagraph (A)(iii) or under section 1013(a)(2)(B), shall not cause any existing retirement plan (including the Federal Reserve System Retirement Plan and the Federal Reserve System Thrift Plan) to lose its tax-qualified status under sections 401(a) and 501(a) of the Internal Revenue Code of 1986.

(iv) **BUREAU CONTRIBUTION.**—The Bureau shall pay any employer contributions to the existing retirement plan (including the Federal Reserve System Retirement Plan and the Federal Reserve System Thrift Plan) for each Federal Reserve System transferred employee participating in those plans, as required under the plan, after the designated transfer date.

(v) **CONTROLLED GROUP STATUS.**—The Bureau is the same employer as the Federal Reserve System (as comprised of the Board of Governors and each of the 12 Federal reserve banks prior

to the date of enactment of this Act) for purposes of subsections (b), (c), (m), and (o) of section 414 of the Internal Revenue Code of 1986 (26 U.S.C. 414).

(D) DEFINITIONS.—For purposes of this paragraph—

(i) the term “existing retirement plan” means, with respect to an employee transferred pursuant to this subtitle, the retirement plan (including the Financial Institutions Retirement Fund) and any associated thrift savings plan, of the agency from which the employee was transferred under this subtitle, in which the employee was enrolled on the day before the date on which the employee was transferred;

(ii) the term “Federal Employee Retirement Program” means either the Civil Service Retirement System established under chapter 83 of title 5, United States Code, or the Federal Employees Retirement System established under chapter 84 of title 5, United States Code, depending upon the service history of the individual;

(iii) the term “Federal Reserve System transferred employee” means a transferred employee who is an employee of the Board of Governors or a Federal reserve bank on the day before the designated transfer date, and who is transferred to the Bureau on the designated transfer date pursuant to this subtitle;

(iv) the term “Federal Reserve System Retirement Plan” means the Retirement Plan for Employees of the Federal Reserve System; and

(v) the term “Federal Reserve System Thrift Plan” means the Thrift Plan for Employees of the Federal Reserve System.

(2) BENEFITS OTHER THAN RETIREMENT BENEFITS FOR TRANSFERRED EMPLOYEES.—

(A) DURING 1ST YEAR.—

(i) EXISTING PLANS CONTINUE.—Each employee transferred pursuant to this subtitle may, for 1 year after the designated transfer date, retain membership in any other employee benefit program of the agency or bank from which the employee transferred, including a medical, dental, vision, long term care, or life insurance program, to which the employee belonged on the day before the designated transfer date.

(ii) EMPLOYER CONTRIBUTION.—The Bureau shall reimburse the agency or bank from which an employee was transferred for any cost incurred by that agency or bank in continuing to extend coverage in the benefit program to the employee, as required under that program or negotiated agreements.

(B) MEDICAL, DENTAL, VISION, OR LIFE INSURANCE AFTER FIRST YEAR.—If, at the end of the 1-year period beginning on the designated transfer date, the Bureau has not established its own, or arranged for participation in another entity's, medical, dental, vision, or life insurance program, an employee transferred pursuant to this subtitle who was a member of such a program at the agency or Federal reserve bank from which the employee transferred may, before the coverage of that employee ends under subparagraph (A)(i), elect to enroll, without regard to any regularly scheduled open season, in—

(i) the enhanced dental benefits program established under chapter 89A of title 5, United States Code;

(ii) the enhanced vision benefits established under chapter 89B of title 5, United States Code;

(iii) the Federal Employees Group Life Insurance Program established under chapter 87 of title 5, United States Code, without regard to any requirement of insurability; and

(iv) the Federal Employees Health Benefits Program established under chapter 89 of title 5, United States Code.

(C) LONG TERM CARE INSURANCE AFTER 1ST YEAR.—If, at the end of the 1-year period beginning on the designated transfer date, the Bu-

reau has not established its own, or arranged for participation in another entity's, long term care insurance program, an employee transferred pursuant to this subtitle who was a member of such a program at the agency or Federal reserve bank from which the employee transferred may, before the coverage of that employee ends under subparagraph (A)(i), elect to apply for coverage under the Federal Long Term Care Insurance Program established under chapter 90 of title 5, United States Code, under the underwriting requirements applicable to a new active workforce member (as defined in part 875 of title 5, Code of Federal Regulations).

(D) EMPLOYEE CONTRIBUTION.—An individual enrolled in the Federal Employees Health Benefits program shall pay any employee contribution required by the plan.

(E) ADDITIONAL FUNDING.—The Bureau shall transfer to the Federal Employees Health Benefits Fund established under section 8909 of title 5, United States Code, an amount determined by the Director of the Office of Personnel Management, after consultation with the Bureau and the Office of Management and Budget, to be necessary to reimburse the Fund for the cost to the Fund of providing benefits under this paragraph.

(F) CREDIT FOR TIME ENROLLED IN OTHER PLANS.—For employees transferred under this title, enrollment in a health benefits plan administered by a transferor agency or a Federal reserve bank, as the case may be, immediately before enrollment in a health benefits plan under chapter 89 of title 5, United States Code, shall be considered as enrollment in a health benefits plan under that chapter for purposes of section 8905(b)(1)(A) of title 5, United States Code.

(G) SPECIAL PROVISIONS TO ENSURE CONTINUATION OF LIFE INSURANCE BENEFITS.—

(i) IN GENERAL.—An annuitant (as defined in section 8901(3) of title 5, United States Code) who is enrolled in a life insurance plan administered by a transferor agency on the day before the designated transfer date shall be eligible for coverage by a life insurance plan under sections 8706(b), 8714a, 8714b, and 8714c of title 5, United States Code, or in a life insurance plan established by the Bureau, without regard to any regularly scheduled open season and requirement of insurability.

(ii) EMPLOYEE CONTRIBUTION.—An individual enrolled in a life insurance plan under this subparagraph shall pay any employee contribution required by the plan.

(iii) ADDITIONAL FUNDING.—The Bureau shall transfer to the Employees' Life Insurance Fund established under section 8714 of title 5, United States Code, an amount determined by the Director of the Office of Personnel Management, after consultation with the Bureau and the Office of Management and Budget, to be necessary to reimburse the Fund for the cost to the Fund of providing benefits under this subparagraph not otherwise paid for by the employee under clause (ii).

(iv) CREDIT FOR TIME ENROLLED IN OTHER PLANS.—For employees transferred under this title, enrollment in a life insurance plan administered by a transferor agency immediately before enrollment in a life insurance plan under chapter 87 of title 5, United States Code, shall be considered as enrollment in a life insurance plan under that chapter for purposes of section 8706(b)(1)(A) of title 5, United States Code.

(3) OPM RULES.—The Office of Personnel Management shall issue such rules as are necessary to carry out this subsection.

(j) IMPLEMENTATION OF UNIFORM PAY AND CLASSIFICATION SYSTEM.—Not later than 2 years after the designated transfer date, the Bureau shall implement a uniform pay and classification system for all employees transferred under this title.

(k) EQUITABLE TREATMENT.—In administering the provisions of this section, the Bureau—

(1) shall take no action that would unfairly disadvantage transferred employees relative to each other based on their prior employment by the Board of Governors, the Federal Deposit Insurance Corporation, the Department of Housing and Urban Development, the National Credit Union Administration, the Office of the Comptroller of the Currency, the Office of Thrift Supervision, a Federal reserve bank, a Federal home loan bank, or a joint office of the Federal home loan banks; and

(2) may take such action as is appropriate in individual cases so that employees transferred under this section receive equitable treatment, with respect to the status, tenure, pay, benefits (other than benefits under programs administered by the Office of Personnel Management), and accrued leave or vacation time of those employees, for prior periods of service with any Federal agency, including the Board of Governors, the Corporation, the Department of Housing and Urban Development, the National Credit Union Administration, the Office of the Comptroller of the Currency, the Office of Thrift Supervision, a Federal reserve bank, a Federal home loan bank, or a joint office of the Federal home loan banks.

(l) IMPLEMENTATION.—In implementing the provisions of this section, the Bureau shall coordinate with the Office of Personnel Management and other entities having expertise in matters related to employment to ensure a fair and orderly transition for affected employees.

SEC. 1065. INCIDENTAL TRANSFERS.

(a) INCIDENTAL TRANSFERS AUTHORIZED.—The Director of the Office of Management and Budget, in consultation with the Secretary, shall make such additional incidental transfers and dispositions of assets and liabilities held, used, arising from, available, or to be made available, in connection with the functions transferred by this title, as the Director may determine necessary to accomplish the purposes of this title.

(b) SUNSET.—The authority provided in this section shall terminate 5 years after the date of enactment of this Act.

SEC. 1066. INTERIM AUTHORITY OF THE SECRETARY.

(a) IN GENERAL.—The Secretary is authorized to perform the functions of the Bureau under this subtitle until the Director of the Bureau is confirmed by the Senate in accordance with section 1011.

(b) INTERIM ADMINISTRATIVE SERVICES BY THE DEPARTMENT OF THE TREASURY.—The Department of the Treasury may provide administrative services necessary to support the Bureau before the designated transfer date.

SEC. 1067. TRANSITION OVERSIGHT.

(a) PURPOSE.—The purpose of this section is to ensure that the Bureau—

(1) has an orderly and organized startup;

(2) attracts and retains a qualified workforce; and

(3) establishes comprehensive employee training and benefits programs.

(b) REPORTING REQUIREMENT.—

(1) IN GENERAL.—The Bureau shall submit an annual report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives that includes the plans described in paragraph (2).

(2) PLANS.—The plans described in this paragraph are as follows:

(A) TRAINING AND WORKFORCE DEVELOPMENT PLAN.—The Bureau shall submit a training and workforce development plan that includes, to the extent practicable—

(i) identification of skill and technical expertise needs and actions taken to meet those requirements;

(ii) steps taken to foster innovation and creativity;

(iii) leadership development and succession planning; and

(iv) effective use of technology by employees.

(B) **WORKPLACE FLEXIBILITIES PLAN.**—The Bureau shall submit a workforce flexibility plan that includes, to the extent practicable—

- (i) telework;
- (ii) flexible work schedules;
- (iii) phased retirement;
- (iv) reemployed annuitants;
- (v) part-time work;
- (vi) job sharing;
- (vii) parental leave benefits and childcare assistance;
- (viii) domestic partner benefits;
- (ix) other workplace flexibilities; or
- (x) any combination of the items described in clauses (i) through (ix).

(C) **RECRUITMENT AND RETENTION PLAN.**—The Bureau shall submit a recruitment and retention plan that includes, to the extent practicable, provisions relating to—

- (i) the steps necessary to target highly qualified applicant pools with diverse backgrounds;
- (ii) streamlined employment application processes;
- (iii) the provision of timely notification of the status of employment applications to applicants; and
- (iv) the collection of information to measure indicators of hiring effectiveness.

(c) **EXPIRATION.**—The reporting requirement under subsection (b) shall terminate 5 years after the date of enactment of this Act.

(d) **RULE OF CONSTRUCTION.**—Nothing in this section may be construed to affect—

(1) a collective bargaining agreement, as that term is defined in section 7103(a)(8) of title 5, United States Code, that is in effect on the date of enactment of this Act; or

(2) the rights of employees under chapter 71 of title 5, United States Code.

(e) **PARTICIPATION IN EXAMINATIONS.**—In order to prepare the Bureau to conduct examinations under section 1025 upon the designated transfer date, the Bureau and the applicable prudential regulator may agree to include, on a sampling basis, examiners on examinations of the compliance with Federal consumer financial law of institutions described in section 1025(a) conducted by the prudential regulators prior to the designated transfer date.

Subtitle G—Regulatory Improvements

SEC. 1071. **SMALL BUSINESS DATA COLLECTION.**

(a) **IN GENERAL.**—The Equal Credit Opportunity Act (15 U.S.C. 1691 et seq.) is amended by inserting after section 704A the following:

“SEC. 704B. **SMALL BUSINESS LOAN DATA COLLECTION.**

“(a) **PURPOSE.**—The purpose of this section is to facilitate enforcement of fair lending laws and enable communities, governmental entities, and creditors to identify business and community development needs and opportunities of women-owned, minority-owned, and small businesses.

“(b) **INFORMATION GATHERING.**—Subject to the requirements of this section, in the case of any application to a financial institution for credit for women-owned, minority-owned, or small business, the financial institution shall—

“(1) inquire whether the business is a women-owned, minority-owned, or small business, without regard to whether such application is received in person, by mail, by telephone, by electronic mail or other form of electronic transmission, or by any other means, and whether or not such application is in response to a solicitation by the financial institution; and

“(2) maintain a record of the responses to such inquiry, separate from the application and accompanying information.

“(c) **RIGHT TO REFUSE.**—Any applicant for credit may refuse to provide any information requested pursuant to subsection (b) in connection with any application for credit.

“(d) **NO ACCESS BY UNDERWRITERS.**—

“(1) **LIMITATION.**—Where feasible, no loan underwriter or other officer or employee of a financial institution, or any affiliate of a financial institution, involved in making any determination concerning an application for credit shall have access to any information provided by the applicant pursuant to a request under subsection (b) in connection with such application.

“(2) **LIMITED ACCESS.**—If a financial institution determines that a loan underwriter or other officer or employee of a financial institution, or any affiliate of a financial institution, involved in making any determination concerning an application for credit should have access to any information provided by the applicant pursuant to a request under subsection (b), the financial institution shall provide notice to the applicant of the access of the underwriter to such information, along with notice that the financial institution may not discriminate on the basis of such information.

“(e) **FORM AND MANNER OF INFORMATION.**—

“(1) **IN GENERAL.**—Each financial institution shall compile and maintain, in accordance with regulations of the Bureau, a record of the information provided by any loan applicant pursuant to a request under subsection (b).

“(2) **ITEMIZATION.**—Information compiled and maintained under paragraph (1) shall be itemized in order to clearly and conspicuously disclose—

“(A) the number of the application and the date on which the application was received;

“(B) the type and purpose of the loan or other credit being applied for;

“(C) the amount of the credit or credit limit applied for, and the amount of the credit transaction or the credit limit approved for such applicant;

“(D) the type of action taken with respect to such application, and the date of such action;

“(E) the census tract in which is located the principal place of business of the women-owned, minority-owned, or small business loan applicant;

“(F) the gross annual revenue of the business in the last fiscal year of the women-owned, minority-owned, or small business loan applicant preceding the date of the application;

“(G) the race, sex, and ethnicity of the principal owners of the business; and

“(H) any additional data that the Bureau determines would aid in fulfilling the purposes of this section.

“(3) **NO PERSONALLY IDENTIFIABLE INFORMATION.**—In compiling and maintaining any record of information under this section, a financial institution may not include in such record the name, specific address (other than the census tract required under paragraph (1)(E)), telephone number, electronic mail address, or any other personally identifiable information concerning any individual who is, or is connected with, the women-owned, minority-owned, or small business loan applicant.

“(4) **DISCRETION TO DELETE OR MODIFY PUBLICLY AVAILABLE DATA.**—The Bureau may, at its discretion, delete or modify data collected under this section which is or will be available to the public, if the Bureau determines that the deletion or modification of the data would advance a privacy interest.

“(f) **AVAILABILITY OF INFORMATION.**—

“(1) **SUBMISSION TO BUREAU.**—The data required to be compiled and maintained under this section by any financial institution shall be submitted annually to the Bureau.

“(2) **AVAILABILITY OF INFORMATION.**—Information compiled and maintained under this section shall be—

“(A) retained for not less than 3 years after the date of preparation;

“(B) made available to any member of the public, upon request, in the form required under regulations prescribed by the Bureau;

“(C) annually made available to the public generally by the Bureau, in such form and in such manner as is determined by the Bureau, by regulation.

“(3) **COMPILATION OF AGGREGATE DATA.**—The Bureau may, at its discretion—

“(A) compile and aggregate data collected under this section for its own use; and

“(B) make public such compilations of aggregate data.

“(g) **BUREAU ACTION.**—

“(1) **IN GENERAL.**—The Bureau shall prescribe such rules and issue such guidance as may be necessary to carry out, enforce, and compile data pursuant to this section.

“(2) **EXCEPTIONS.**—The Bureau, by rule or order, may adopt exceptions to any requirement of this section and may, conditionally or unconditionally, exempt any financial institution or class of financial institutions from the requirements of this section, as the Bureau deems necessary or appropriate to carry out the purposes of this section.

“(3) **GUIDANCE.**—The Bureau shall issue guidance designed to facilitate compliance with the requirements of this section, including assisting financial institutions in working with applicants to determine whether the applicants are women-owned, minority-owned, or small businesses for purposes of this section.

“(h) **DEFINITIONS.**—For purposes of this section, the following definitions shall apply:

“(1) **FINANCIAL INSTITUTION.**—The term ‘financial institution’ means any partnership, company, corporation, association (incorporated or unincorporated), trust, estate, cooperative organization, or other entity that engages in any financial activity.

“(2) **SMALL BUSINESS.**—The term ‘small business’ has the same meaning as the term ‘small business concern’ in section 3 of the Small Business Act (15 U.S.C. 632).

“(3) **SMALL BUSINESS LOAN.**—The term ‘small business loan’ means a loan made to a small business.

“(4) **MINORITY.**—The term ‘minority’ has the same meaning as in section 1204(c)(3) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

“(5) **MINORITY-OWNED BUSINESS.**—The term ‘minority-owned business’ means a business—

“(A) more than 50 percent of the ownership or control of which is held by 1 or more minority individuals; and

“(B) more than 50 percent of the net profit or loss of which accrues to 1 or more minority individuals.

“(6) **WOMEN-OWNED BUSINESS.**—The term ‘women-owned business’ means a business—

“(A) more than 50 percent of the ownership or control of which is held by 1 or more women; and

“(B) more than 50 percent of the net profit or loss of which accrues to 1 or more women.”.

(b) **TECHNICAL AND CONFORMING AMENDMENTS.**—Section 701(b) of the Equal Credit Opportunity Act (15 U.S.C. 1691(b)) is amended—

(1) in paragraph (3), by striking “or” at the end;

(2) in paragraph (4), by striking the period at the end and inserting “; or”; and

(3) by inserting after paragraph (4), the following:

“(5) to make an inquiry under section 704B, in accordance with the requirements of that section.”.

(c) **CLERICAL AMENDMENT.**—The table of sections for title VII of the Consumer Credit Protection Act is amended by inserting after the item relating to section 704A the following new item: “704B. Small business loan data collection.”.

(d) **EFFECTIVE DATE.**—This section shall become effective on the designated transfer date.

SEC. 1072. ASSISTANCE FOR ECONOMICALLY VULNERABLE INDIVIDUALS AND FAMILIES.

(a) **HERA AMENDMENTS.**—Section 1132 of the Housing and Economic Recovery Act of 2008 (12 U.S.C. 1701x note) is amended—

(1) in subsection (a), by inserting in each of paragraphs (1), (2), (3), and (4) “or economically vulnerable individuals and families” after “homebuyers” each place that term appears;

(2) in subsection (b)(1), by inserting “or economically vulnerable individuals and families” after “homebuyers”;

(3) in subsection (c)(1)—

(A) in subparagraph (A), by striking “or” at the end;

(B) in subparagraph (B), by striking the period at the end and inserting “; or”; and

(C) by adding at the end the following:

“(C) a nonprofit corporation that—

“(i) is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986; and

“(ii) specializes or has expertise in working with economically vulnerable individuals and families, but whose primary purpose is not provision of credit counseling services.”; and

(4) in subsection (d)(1), by striking “not more than 5”.

(b) **APPLICABILITY.**—Amendments made by subsection (a) shall not apply to programs authorized by section 1132 of the Housing and Economic Recovery Act of 2008 (12 U.S.C. 1701x note) that are funded with appropriations prior to fiscal year 2011.

SEC. 1073. REMITTANCE TRANSFERS.

(a) **TREATMENT OF REMITTANCE TRANSFERS.**—The Electronic Fund Transfer Act (15 U.S.C. 1693 et seq.) is amended—

(1) in section 902(b) (15 U.S.C. 1693(b)), by inserting “and remittance” after “electronic fund”;

(2) in section 904(c) (15 U.S.C. 1693b(c)), in the first sentence, by inserting “or remittance transfers” after “electronic fund transfers”;

(3) by redesignating sections 919, 920, 921, and 922 as sections 920, 921, 922, and 923, respectively; and

(4) by inserting after section 918 the following:

“SEC. 919. REMITTANCE TRANSFERS.

“(a) DISCLOSURES REQUIRED FOR REMITTANCE TRANSFERS.—

“(1) IN GENERAL.—Each remittance transfer provider shall make disclosures as required under this section and in accordance with rules prescribed by the Board. Disclosures required under this section shall be in addition to any other disclosures applicable under this title.

“(2) DISCLOSURES.—Subject to rules prescribed by the Board, a remittance transfer provider shall provide, in writing and in a form that the sender may keep, to each sender requesting a remittance transfer, as applicable to the transaction—

“(A) at the time at which the sender requests a remittance transfer to be initiated, and prior to the sender making any payment in connection with the remittance transfer, a disclosure describing—

“(i) the amount of currency that will be received by the designated recipient, using the values of the currency into which the funds will be exchanged;

“(ii) the amount of transfer and any other fees charged by the remittance transfer provider for the remittance transfer; and

“(iii) any exchange rate to be used by the remittance transfer provider for the remittance transfer, to the nearest 1/100th of a point; and

“(B) at the time at which the sender makes payment in connection with the remittance transfer—

“(i) a receipt showing—

“(I) the information described in subparagraph (A);

“(II) the promised date of delivery to the designated recipient; and

“(III) the name and either the telephone number or the address of the designated recipient, if either the telephone number or the address of the designated recipient is provided by the sender; and

“(ii) a statement containing—

“(I) information about the rights of the sender under this section regarding the resolution of errors; and

“(II) appropriate contact information for—

“(aa) the remittance transfer provider; and

“(bb) the State agency that regulates the remittance transfer provider and the Board, including the toll-free telephone number established under section 1013 of the Consumer Financial Protection Act of 2010.

“(3) REQUIREMENTS RELATING TO DISCLOSURES.—With respect to each disclosure required to be provided under paragraph (2) a remittance transfer provider shall—

“(A) provide an initial notice and receipt, as required by subparagraphs (A) and (B) of paragraph (2), and an error resolution statement, as required by subsection (d), that clearly and conspicuously describe the information required to be disclosed therein; and

“(B) with respect to any transaction that a sender conducts electronically, comply with the Electronic Signatures in Global and National Commerce Act (15 U.S.C. 7001 et seq.).

“(4) EXCEPTION FOR DISCLOSURES OF AMOUNT RECEIVED.—

“(A) IN GENERAL.—Subject to the rules prescribed by the Board, and except as provided under subparagraph (B), the disclosures required regarding the amount of currency that will be received by the designated recipient shall be deemed to be accurate, so long as the disclosures provide a reasonably accurate estimate of the foreign currency to be received. This paragraph shall apply only to a remittance transfer provider who is an insured depository institution, as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813), or an insured credit union, as defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752), and if—

“(i) a remittance transfer is conducted through a demand deposit, savings deposit, or other asset account that the sender holds with such remittance transfer provider; and

“(ii) at the time at which the sender requests the transaction, the remittance transfer provider is unable to know, for reasons beyond its control, the amount of currency that will be made available to the designated recipient.

“(B) DEADLINE.—The application of subparagraph (A) shall terminate 5 years after the date of enactment of the Consumer Financial Protection Act of 2010, unless the Board determines that termination of such provision would negatively affect the ability of remittance transfer providers described in subparagraph (A) to send remittances to locations in foreign countries, in which case, the Board may, by rule, extend the application of subparagraph (A) to not longer than 10 years after the date of enactment of the Consumer Financial Protection Act of 2010.

“(5) EXEMPTION AUTHORITY.—The Board may, by rule, permit a remittance transfer provider to satisfy the requirements of—

“(A) paragraph (2)(A) orally, if the transaction is conducted entirely by telephone;

“(B) paragraph (2)(B), in the case of a transaction conducted entirely by telephone, by mailing the disclosures required under such subparagraph to the sender, not later than 1 business day after the date on which the transaction is conducted, or by including such docu-

ments in the next periodic statement, if the telephone transaction is conducted through a demand deposit, savings deposit, or other asset account that the sender holds with the remittance transfer provider;

“(C) subparagraphs (A) and (B) of paragraph (2) together in one written disclosure, but only to the extent that the information provided in accordance with paragraph (3)(A) is accurate at the time at which payment is made in connection with the subject remittance transfer; and

“(D) paragraph (2)(A), without compliance with section 101(c) of the Electronic Signatures in Global Commerce Act, if a sender initiates the transaction electronically and the information is displayed electronically in a manner that the sender can keep.

“(6) STOREFRONT AND INTERNET NOTICES.—

“(A) IN GENERAL.—

“(i) PROMINENT POSTING.—Subject to subparagraph (B), the Board may prescribe rules to require a remittance transfer provider to prominently post, and timely update, a notice describing a model remittance transfer for one or more amounts, as the Board may determine, which notice shall show the amount of currency that will be received by the designated recipient, using the values of the currency into which the funds will be exchanged.

“(ii) ONSITE DISPLAYS.—The Board may require the notice prescribed under this subparagraph to be displayed in every physical storefront location owned or controlled by the remittance transfer provider.

“(iii) INTERNET NOTICES.—Subject to paragraph (3), the Board shall prescribe rules to require a remittance transfer provider that provides remittance transfers via the Internet to provide a notice, comparable to a storefront notice described in this subparagraph, located on the home page or landing page (with respect to such remittance transfer services) owned or controlled by the remittance transfer provider.

“(iv) RULEMAKING AUTHORITY.—In prescribing rules under this subparagraph, the Board may impose standards or requirements regarding the provision of the storefront and Internet notices required under this subparagraph and the provision of the disclosures required under paragraphs (2) and (3).

“(B) STUDY AND ANALYSIS.—Prior to proposing rules under subparagraph (A), the Board shall undertake appropriate studies and analyses, which shall be consistent with section 904(a)(2), and may include an advanced notice of proposed rulemaking, to determine whether a storefront notice or Internet notice facilitates the ability of a consumer—

“(i) to compare prices for remittance transfers; and

“(ii) to understand the types and amounts of any fees or costs imposed on remittance transfers.

“(b) FOREIGN LANGUAGE DISCLOSURES.—The disclosures required under this section shall be made in English and in each of the foreign languages principally used by the remittance transfer provider, or any of its agents, to advertise, solicit, or market, either orally or in writing, at that office.

“(c) REGULATIONS REGARDING TRANSFERS TO CERTAIN NATIONS.—If the Board determines that a recipient nation does not legally allow, or the method by which transactions are made in the recipient country do not allow, a remittance transfer provider to know the amount of currency that will be received by the designated recipient, the Board may prescribe rules (not later than 18 months after the date of enactment of the Consumer Financial Protection Act of 2010) addressing the issue, which rules shall include standards for a remittance transfer provider to provide—

“(I) a receipt that is consistent with subsections (a) and (b); and

“(2) a reasonably accurate estimate of the foreign currency to be received, based on the rate provided to the sender by the remittance transfer provider at the time at which the transaction was initiated by the sender.

“(d) REMITTANCE TRANSFER ERRORS.—

“(1) ERROR RESOLUTION.—

“(A) IN GENERAL.—If a remittance transfer provider receives oral or written notice from the sender within 180 days of the promised date of delivery that an error occurred with respect to a remittance transfer, including the amount of currency designated in subsection (a)(3)(A) that was to be sent to the designated recipient of the remittance transfer, using the values of the currency into which the funds should have been exchanged, but was not made available to the designated recipient in the foreign country, the remittance transfer provider shall resolve the error pursuant to this subsection and investigate the reason for the error.

“(B) REMEDIES.—Not later than 90 days after the date of receipt of a notice from the sender pursuant to subparagraph (A), the remittance transfer provider shall, as applicable to the error and as designated by the sender—

“(i) refund to the sender the total amount of funds tendered by the sender in connection with the remittance transfer which was not properly transmitted;

“(ii) make available to the designated recipient, without additional cost to the designated recipient or to the sender, the amount appropriate to resolve the error;

“(iii) provide such other remedy, as determined appropriate by rule of the Board for the protection of senders; or

“(iv) provide written notice to the sender that there was no error with an explanation responding to the specific complaint of the sender.

“(2) RULES.—The Board shall establish, by rule issued not later than 18 months after the date of enactment of the Consumer Financial Protection Act of 2010, clear and appropriate standards for remittance transfer providers with respect to error resolution relating to remittance transfers, to protect senders from such errors. Standards prescribed under this paragraph shall include appropriate standards regarding record keeping, as required, including documentation—

“(A) of the complaint of the sender;

“(B) that the sender provides the remittance transfer provider with respect to the alleged error; and

“(C) of the findings of the remittance transfer provider regarding the investigation of the alleged error that the sender brought to their attention.

“(3) CANCELLATION AND REFUND POLICY RULES.—Not later than 18 months after the date of enactment of the Consumer Financial Protection Act of 2010, the Board shall issue final rules regarding appropriate remittance transfer cancellation and refund policies for consumers.

“(e) APPLICABILITY OF THIS TITLE.—

“(1) IN GENERAL.—A remittance transfer that is not an electronic fund transfer, as defined in section 903, shall not be subject to any of the provisions of sections 905 through 913. A remittance transfer that is an electronic fund transfer, as defined in section 903, shall be subject to all provisions of this title, except for section 908, that are otherwise applicable to electronic fund transfers under this title.

“(2) RULE OF CONSTRUCTION.—Nothing in this section shall be construed—

“(A) to affect the application to any transaction, to any remittance provider, or to any other person of any of the provisions of subchapter II of chapter 53 of title 31, United States Code, section 21 of the Federal Deposit Insurance Act (12 U.S.C. 1829b), or chapter 2 of title I of Public Law 91–508 (12 U.S.C. 1951–1959), or any regulations promulgated thereunder; or

“(B) to cause any fund transfer that would not otherwise be treated as such under paragraph (1) to be treated as an electronic fund transfer, or as otherwise subject to this title, for the purposes of any of the provisions referred to in subparagraph (A) or any regulations promulgated thereunder.

“(f) ACTS OF AGENTS.—

“(1) IN GENERAL.—A remittance transfer provider shall be liable for any violation of this section by any agent, authorized delegate, or person affiliated with such provider, when such agent, authorized delegate, or affiliate acts for that remittance transfer provider.

“(2) OBLIGATIONS OF REMITTANCE TRANSFER PROVIDERS.—The Board shall prescribe rules to implement appropriate standards or conditions of, liability of a remittance transfer provider, including a provider who acts through an agent or authorized delegate. An agency charged with enforcing the requirements of this section, or rules prescribed by the Board under this section, may consider, in any action or other proceeding against a remittance transfer provider, the extent to which the provider had established and maintained policies or procedures for compliance, including policies, procedures, or other appropriate oversight measures designed to assure compliance by an agent or authorized delegate acting for such provider.

“(g) DEFINITIONS.—As used in this section—

“(1) the term ‘designated recipient’ means any person located in a foreign country and identified by the sender as the authorized recipient of a remittance transfer to be made by a remittance transfer provider, except that a designated recipient shall not be deemed to be a consumer for purposes of this Act;

“(2) the term ‘remittance transfer’—

“(A) means the electronic (as defined in section 106(2) of the Electronic Signatures in Global and National Commerce Act (15 U.S.C. 7006(2))) transfer of funds requested by a sender located in any State to a designated recipient that is initiated by a remittance transfer provider, whether or not the sender holds an account with the remittance transfer provider or whether or not the remittance transfer is also an electronic fund transfer, as defined in section 903; and

“(B) does not include a transfer described in subparagraph (A) in an amount that is equal to or lesser than the amount of a small-value transaction determined, by rule, to be excluded from the requirements under section 906(a);

“(3) the term ‘remittance transfer provider’ means any person or financial institution that provides remittance transfers for a consumer in the normal course of its business, whether or not the consumer holds an account with such person or financial institution; and

“(4) the term ‘sender’ means a consumer who requests a remittance provider to send a remittance transfer for the consumer to a designated recipient.”.

(b) AUTOMATED CLEARINGHOUSE SYSTEM.—

(1) EXPANSION OF SYSTEM.—The Board of Governors shall work with the Federal reserve banks and the Department of the Treasury to expand the use of the automated clearinghouse system and other payment mechanisms for remittance transfers to foreign countries, with a focus on countries that receive significant remittance transfers from the United States, based on—

(A) the number, volume, and size of such transfers;

(B) the significance of the volume of such transfers relative to the external financial flows of the receiving country, including—

(i) the total amount transferred; and

(ii) the total volume of payments made by United States Government agencies to beneficiaries and retirees living abroad;

(C) the feasibility of such an expansion; and
(D) the ability of the Federal Reserve System to establish payment gateways in different geographic regions and currency zones to receive remittance transfers and route them through the payments systems in the destination countries.

(2) REPORT TO CONGRESS.—Not later than one calendar year after the date of enactment of this Act, and on April 30 biennially thereafter during the 10-year period beginning on that date of enactment, the Board of Governors shall submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives on the status of the automated clearinghouse system and its progress in complying with the requirements of this subsection. The report shall include an analysis of adoption rates of International ACH Transactions rules and formats, the efficacy of increasing adoption rates, and potential recommendations to increase adoption.

(c) EXPANSION OF FINANCIAL INSTITUTION PROVISION OF REMITTANCE TRANSFERS.—

(1) PROVISION OF GUIDELINES TO INSTITUTIONS.—Each of the Federal banking agencies and the National Credit Union Administration shall provide guidelines to financial institutions under the jurisdiction of the agency regarding the offering of low-cost remittance transfers and no-cost or low-cost basic consumer accounts, as well as agency services to remittance transfer providers.

(2) ASSISTANCE TO FINANCIAL LITERACY COMMISSION.—As part of its duties as members of the Financial Literacy and Education Commission, the Bureau, the Federal banking agencies, and the National Credit Union Administration shall assist the Financial Literacy and Education Commission in executing the Strategy for Assuring Financial Empowerment (or the “SAFE Strategy”), as it relates to remittances.

(d) FEDERAL CREDIT UNION ACT CONFORMING AMENDMENT.—Paragraph (12) of section 107 of the Federal Credit Union Act (12 U.S.C. 1757) is amended to read as follows:

“(12) in accordance with regulations prescribed by the Board—

“(A) to sell, to persons in the field of membership, negotiable checks (including travelers checks), money orders, and other similar money transfer instruments (including international and domestic electronic fund transfers and remittance transfers, as defined in section 919 of the Electronic Fund Transfer Act); and

“(B) to cash checks and money orders for persons in the field of membership for a fee.”.

(e) REPORT ON FEASIBILITY OF AND IMPEDIMENTS TO USE OF REMITTANCE HISTORY IN CALCULATION OF CREDIT SCORE.—Before the end of the 365-day period beginning on the date of enactment of this Act, the Director shall submit a report to the President, the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Financial Services of the House of Representatives regarding—

(1) the manner in which the remittance history of a consumer could be used to enhance the credit score of the consumer;

(2) the current legal and business model barriers and impediments that impede the use of the remittance history of the consumer to enhance the credit score of the consumer; and

(3) recommendations on the manner in which maximum transparency and disclosure to consumers of exchange rates for remittance transfers subject to this title and the amendments made by this title may be accomplished, whether or not such exchange rates are known at the time of origination or payment by the consumer for the remittance transfer, including disclosure to the sender of the actual exchange rate used and the amount of currency that the recipient of the remittance transfer received, using the

values of the currency into which the funds were exchanged, as contained in sections 919(a)(2)(D) and 919(a)(3) of the Electronic Fund Transfer Act (as amended by this section).

SEC. 1074. DEPARTMENT OF THE TREASURY STUDY ON ENDING THE CONSERVATORSHIP OF FANNIE MAE, FREDDIE MAC, AND REFORMING THE HOUSING FINANCE SYSTEM.

(a) STUDY REQUIRED.—

(1) **IN GENERAL.**—The Secretary of the Treasury shall conduct a study of and develop recommendations regarding the options for ending the conservatorship of the Federal National Mortgage Association (in this section referred to as “Fannie Mae”) and the Federal Home Loan Mortgage Corporation (in this section referred to as “Freddie Mac”), while minimizing the cost to taxpayers, including such options as—

(A) the gradual wind-down and liquidation of such entities;

(B) the privatization of such entities;

(C) the incorporation of the functions of such entities into a Federal agency;

(D) the dissolution of Fannie Mae and Freddie Mac into smaller companies; or

(E) any other measures the Secretary determines appropriate.

(2) **ANALYSES.**—The study required under paragraph (1) shall include an analysis of—

(A) the role of the Federal Government in supporting a stable, well-functioning housing finance system, and whether and to what extent the Federal Government should bear risks in meeting Federal housing finance objectives;

(B) how the current structure of the housing finance system can be improved;

(C) how the housing finance system should support the continued availability of mortgage credit to all segments of the market;

(D) how the housing finance system should be structured to ensure that consumers continue to have access to 30-year, fixed rate, pre-payable mortgages and other mortgage products that have simple terms that can be easily understood;

(E) the role of the Federal Housing Administration and the Department of Veterans Affairs in a future housing system;

(F) the impact of reforms of the housing finance system on the financing of rental housing;

(G) the impact of reforms of the housing finance system on secondary market liquidity;

(H) the role of standardization in the housing finance system;

(I) how housing finance systems in other countries offer insights that can help inform options for reform in the United States; and

(J) the options for transition to a reformed housing finance system.

(b) **REPORT AND RECOMMENDATIONS.**—Not later than January 31, 2011, the Secretary of the Treasury shall submit the report and recommendations required under subsection (a) to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives.

SEC. 1075. REASONABLE FEES AND RULES FOR PAYMENT CARD TRANSACTIONS.

(a) **IN GENERAL.**—The Electronic Fund Transfer Act (15 U.S.C. 1693 et seq.) is amended—

(1) by redesignating sections 920 and 921 as sections 921 and 922, respectively; and

(2) by inserting after section 919 the following:

“SEC. 920. REASONABLE FEES AND RULES FOR PAYMENT CARD TRANSACTIONS.

“(a) REASONABLE INTERCHANGE TRANSACTION FEES FOR ELECTRONIC DEBIT TRANSACTIONS.—

“(1) REGULATORY AUTHORITY OVER INTERCHANGE TRANSACTION FEES.—The Board may prescribe regulations, pursuant to section 553 of title 5, United States Code, regarding any interchange transaction fee that an issuer may re-

ceive or charge with respect to an electronic debit transaction, to implement this subsection (including related definitions), and to prevent circumvention or evasion of this subsection.

“(2) REASONABLE INTERCHANGE TRANSACTION FEES.—The amount of any interchange transaction fee that an issuer may receive or charge with respect to an electronic debit transaction shall be reasonable and proportional to the cost incurred by the issuer with respect to the transaction.

“(3) RULEMAKING REQUIRED.—

“(A) IN GENERAL.—The Board shall prescribe regulations in final form not later than 9 months after the date of enactment of the Consumer Financial Protection Act of 2010, to establish standards for assessing whether the amount of any interchange transaction fee described in paragraph (2) is reasonable and proportional to the cost incurred by the issuer with respect to the transaction.

“(B) INFORMATION COLLECTION.—The Board may require any issuer (or agent of an issuer) or payment card network to provide the Board with such information as may be necessary to carry out the provisions of this subsection and the Board, in issuing rules under subparagraph (A) and on at least a bi-annual basis thereafter, shall disclose such aggregate or summary information concerning the costs incurred, and interchange transaction fees charged or received, by issuers or payment card networks in connection with the authorization, clearance or settlement of electronic debit transactions as the Board considers appropriate and in the public interest.

“(4) CONSIDERATIONS; CONSULTATION.—In prescribing regulations under paragraph (3)(A), the Board shall—

“(A) consider the functional similarity between—

“(i) electronic debit transactions; and

“(ii) checking transactions that are required within the Federal Reserve bank system to clear at par;

“(B) distinguish between—

“(i) the incremental cost incurred by an issuer for the role of the issuer in the authorization, clearance, or settlement of a particular electronic debit transaction, which cost shall be considered under paragraph (2); and

“(ii) other costs incurred by an issuer which are not specific to a particular electronic debit transaction, which costs shall not be considered under paragraph (2); and

“(C) consult, as appropriate, with the Comptroller of the Currency, the Board of Directors of the Federal Deposit Insurance Corporation, the Director of the Office of Thrift Supervision, the National Credit Union Administration Board, the Administrator of the Small Business Administration, and the Director of the Bureau of Consumer Financial Protection.

“(5) ADJUSTMENTS TO INTERCHANGE TRANSACTION FEES FOR FRAUD PREVENTION COSTS.—

“(A) ADJUSTMENTS.—The Board may allow for an adjustment to the fee amount received or charged by an issuer under paragraph (2), if—

“(i) such adjustment is reasonably necessary to make allowance for costs incurred by the issuer in preventing fraud in relation to electronic debit transactions involving that issuer; and

“(ii) the issuer complies with the fraud-related standards established by the Board under subparagraph (B), which standards shall—

“(I) be designed to ensure that any fraud-related adjustment of the issuer is limited to the amount described in clause (i) and takes into account any fraud-related reimbursements (including amounts from charge-backs) received from consumers, merchants, or payment card networks in relation to electronic debit transactions involving the issuer; and

“(II) require issuers to take effective steps to reduce the occurrence of, and costs from, fraud

in relation to electronic debit transactions, including through the development and implementation of cost-effective fraud prevention technology.

“(B) RULEMAKING REQUIRED.—

“(i) IN GENERAL.—The Board shall prescribe regulations in final form not later than 9 months after the date of enactment of the Consumer Financial Protection Act of 2010, to establish standards for making adjustments under this paragraph.

“(ii) FACTORS FOR CONSIDERATION.—In issuing the standards and prescribing regulations under this paragraph, the Board shall consider—

“(I) the nature, type, and occurrence of fraud in electronic debit transactions;

“(II) the extent to which the occurrence of fraud depends on whether authorization in an electronic debit transaction is based on signature, PIN, or other means;

“(III) the available and economical means by which fraud on electronic debit transactions may be reduced;

“(IV) the fraud prevention and data security costs expended by each party involved in electronic debit transactions (including consumers, persons who accept debit cards as a form of payment, financial institutions, retailers and payment card networks);

“(V) the costs of fraudulent transactions absorbed by each party involved in such transactions (including consumers, persons who accept debit cards as a form of payment, financial institutions, retailers and payment card networks);

“(VI) the extent to which interchange transaction fees have in the past reduced or increased incentives for parties involved in electronic debit transactions to reduce fraud on such transactions; and

“(VII) such other factors as the Board considers appropriate.

“(6) EXEMPTION FOR SMALL ISSUERS.—

“(A) IN GENERAL.—This subsection shall not apply to any issuer that, together with its affiliates, has assets of less than \$10,000,000,000, and the Board shall exempt such issuers from regulations prescribed under paragraph (3)(A).

“(B) DEFINITION.—For purposes of this paragraph, the term “issuer” shall be limited to the person holding the asset account that is debited through an electronic debit transaction.

“(7) EXEMPTION FOR GOVERNMENT-ADMINISTERED PAYMENT PROGRAMS AND RELOADABLE PREPAID CARDS.—

“(A) IN GENERAL.—This subsection shall not apply to an interchange transaction fee charged or received with respect to an electronic debit transaction in which a person uses—

“(i) a debit card or general-use prepaid card that has been provided to a person pursuant to a Federal, State or local government-administered payment program, in which the person may only use the debit card or general-use prepaid card to transfer or debit funds, monetary value, or other assets that have been provided pursuant to such program; or

“(ii) a plastic card, payment code, or device that is—

“(I) linked to funds, monetary value, or assets which are purchased or loaded on a prepaid basis;

“(II) not issued or approved for use to access or debit any account held by or for the benefit of the card holder (other than a subaccount or other method of recording or tracking funds purchased or loaded on the card on a prepaid basis);

“(III) redeemable at multiple, unaffiliated merchants or service providers, or automated teller machines;

“(IV) used to transfer or debit funds, monetary value, or other assets; and

“(V) reloadable and not marketed or labeled as a gift card or gift certificate.

“(B) EXCEPTION.—Notwithstanding subparagraph (A), after the end of the 1-year period beginning on the effective date provided in paragraph (9), this subsection shall apply to an interchange transaction fee charged or received with respect to an electronic debit transaction described in subparagraph (A)(i) in which a person uses a general-use prepaid card, or an electronic debit transaction described in subparagraph (A)(ii), if any of the following fees may be charged to a person with respect to the card:

“(i) A fee for an overdraft, including a shortage of funds or a transaction processed for an amount exceeding the account balance.

“(ii) A fee imposed by the issuer for the first withdrawal per month from an automated teller machine that is part of the issuer’s designated automated teller machine network.

“(C) DEFINITION.—For purposes of subparagraph (B), the term ‘designated automated teller machine network’ means either—

“(i) all automated teller machines identified in the name of the issuer; or

“(ii) any network of automated teller machines identified by the issuer that provides reasonable and convenient access to the issuer’s customers.

“(D) REPORTING.—Beginning 12 months after the date of enactment of the Consumer Financial Protection Act of 2010, the Board shall annually provide a report to the Congress regarding—

“(i) the prevalence of the use of general-use prepaid cards in Federal, State or local government-administered payment programs; and

“(ii) the interchange transaction fees and cardholder fees charged with respect to the use of such general-use prepaid cards.

“(8) REGULATORY AUTHORITY OVER NETWORK FEES.—

“(A) IN GENERAL.—The Board may prescribe regulations, pursuant to section 553 of title 5, United States Code, regarding any network fee.

“(B) LIMITATION.—The authority under subparagraph (A) to prescribe regulations shall be limited to regulations to ensure that—

“(i) a network fee is not used to directly or indirectly compensate an issuer with respect to an electronic debit transaction; and

“(ii) a network fee is not used to circumvent or evade the restrictions of this subsection and regulations prescribed under such subsection.

“(C) RULEMAKING REQUIRED.—The Board shall prescribe regulations in final form before the end of the 9-month period beginning on the date of the enactment of the Consumer Financial Protection Act of 2010, to carry out the authorities provided under subparagraph (A).

“(9) EFFECTIVE DATE.—This subsection shall take effect at the end of the 12-month period beginning on the date of the enactment of the Consumer Financial Protection Act of 2010.

“(b) LIMITATION ON PAYMENT CARD NETWORK RESTRICTIONS.—

“(1) PROHIBITIONS AGAINST EXCLUSIVITY ARRANGEMENTS.—

“(A) NO EXCLUSIVE NETWORK.—The Board shall, before the end of the 1-year period beginning on the date of the enactment of the Consumer Financial Protection Act of 2010, prescribe regulations providing that an issuer or payment card network shall not directly or through any agent, processor, or licensed member of a payment card network, by contract, requirement, condition, penalty, or otherwise, restrict the number of payment card networks on which an electronic debit transaction may be processed to—

“(i) 1 such network; or

“(ii) 2 or more such networks which are owned, controlled, or otherwise operated by—

“(I) affiliated persons; or

“(II) networks affiliated with such issuer.

“(B) NO ROUTING RESTRICTIONS.—The Board shall, before the end of the 1-year period begin-

ning on the date of the enactment of the Consumer Financial Protection Act of 2010, prescribe regulations providing that an issuer or payment card network shall not, directly or through any agent, processor, or licensed member of the network, by contract, requirement, condition, penalty, or otherwise, inhibit the ability of any person who accepts debit cards for payments to direct the routing of electronic debit transactions for processing over any payment card network that may process such transactions.

“(2) LIMITATION ON RESTRICTIONS ON OFFERING DISCOUNTS FOR USE OF A FORM OF PAYMENT.—

“(A) IN GENERAL.—A payment card network shall not, directly or through any agent, processor, or licensed member of the network, by contract, requirement, condition, penalty, or otherwise, inhibit the ability of any person to provide a discount or in-kind incentive for payment by the use of cash, checks, debit cards, or credit cards to the extent that—

“(i) in the case of a discount or in-kind incentive for payment by the use of debit cards, the discount or in-kind incentive does not differentiate on the basis of the issuer or the payment card network;

“(ii) in the case of a discount or in-kind incentive for payment by the use of credit cards, the discount or in-kind incentive does not differentiate on the basis of the issuer or the payment card network; and

“(iii) to the extent required by Federal law and applicable State law, such discount or in-kind incentive is offered to all prospective buyers and disclosed clearly and conspicuously.

“(B) LAWFUL DISCOUNTS.—For purposes of this paragraph, the network may not penalize any person for the providing of a discount that is in compliance with Federal law and applicable State law.

“(3) LIMITATION ON RESTRICTIONS ON SETTING TRANSACTION MINIMUMS OR MAXIMUMS.—

“(A) IN GENERAL.—A payment card network shall not, directly or through any agent, processor, or licensed member of the network, by contract, requirement, condition, penalty, or otherwise, inhibit the ability—

“(i) of any person to set a minimum dollar value for the acceptance by that person of credit cards, to the extent that—

“(I) such minimum dollar value does not differentiate between issuers or between payment card networks; and

“(II) such minimum dollar value does not exceed \$10.00; or

“(ii) of any Federal agency or institution of higher education to set a maximum dollar value for the acceptance by that Federal agency or institution of higher education of credit cards, to the extent that such maximum dollar value does not differentiate between issuers or between payment card networks.

“(B) INCREASE IN MINIMUM DOLLAR AMOUNT.—The Board may, by regulation prescribed pursuant to section 553 of title 5, United States Code, increase the amount of the dollar value listed in subparagraph (A)(i)(II).

“(4) RULE OF CONSTRUCTION.—No provision of this subsection shall be construed to authorize any person—

“(A) to discriminate between debit cards within a payment card network on the basis of the issuer that issued the debit card; or

“(B) to discriminate between credit cards within a payment card network on the basis of the issuer that issued the credit card.

“(c) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

“(1) AFFILIATE.—The term ‘affiliate’ means any company that controls, is controlled by, or is under common control with another company.

“(2) DEBIT CARD.—The term ‘debit card’—

“(A) means any card, or other payment code or device, issued or approved for use through a payment card network to debit an asset account (regardless of the purpose for which the account is established), whether authorization is based on signature, PIN, or other means;

“(B) includes a general-use prepaid card, as that term is defined in section 915(a)(2)(A); and

“(C) does not include paper checks.

“(3) CREDIT CARD.—The term ‘credit card’ has the same meaning as in section 103 of the Truth in Lending Act.

“(4) DISCOUNT.—The term ‘discount’—

“(A) means a reduction made from the price that customers are informed is the regular price; and

“(B) does not include any means of increasing the price that customers are informed is the regular price.

“(5) ELECTRONIC DEBIT TRANSACTION.—The term ‘electronic debit transaction’ means a transaction in which a person uses a debit card.

“(6) FEDERAL AGENCY.—The term ‘Federal agency’ means—

“(A) an agency (as defined in section 101 of title 31, United States Code); and

“(B) a Government corporation (as defined in section 103 of title 5, United States Code).

“(7) INSTITUTION OF HIGHER EDUCATION.—The term ‘institution of higher education’ means the same meaning as in 101 and 102 of the Higher Education Act of 1965 (20 U.S.C. 1001, 1002).

“(8) INTERCHANGE TRANSACTION FEE.—The term ‘interchange transaction fee’ means any fee established, charged or received by a payment card network for the purpose of compensating an issuer for its involvement in an electronic debit transaction.

“(9) ISSUER.—The term ‘issuer’ means any person who issues a debit card, or credit card, or the agent of such person with respect to such card.

“(10) NETWORK FEE.—The term ‘network fee’ means any fee charged and received by a payment card network with respect to an electronic debit transaction, other than an interchange transaction fee.

“(11) PAYMENT CARD NETWORK.—The term ‘payment card network’ means an entity that directly, or through licensed members, processors, or agents, provides the proprietary services, infrastructure, and software that route information and data to conduct debit card or credit card transaction authorization, clearance, and settlement, and that a person uses in order to accept as a form of payment a brand of debit card, credit card or other device that may be used to carry out debit or credit transactions.

“(d) ENFORCEMENT.—

“(1) IN GENERAL.—Compliance with the requirements imposed under this section shall be enforced under section 918.

“(2) EXCEPTION.—Sections 916 and 917 shall not apply with respect to this section or the requirements imposed pursuant to this section.”.

(b) AMENDMENT TO THE FOOD AND NUTRITION ACT OF 2008.—Section 7(h)(10) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(h)(10)) is amended to read as follows:

“(10) FEDERAL LAW NOT APPLICABLE.—Section 920 of the Electronic Fund Transfer Act shall not apply to electronic benefit transfer or reimbursement systems under this Act.”.

(c) AMENDMENT TO THE FARM SECURITY AND RURAL INVESTMENT ACT OF 2002.—Section 4402 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3007) is amended by adding at the end the following new subsection:

“(f) FEDERAL LAW NOT APPLICABLE.—Section 920 of the Electronic Fund Transfer Act shall not apply to electronic benefit transfer systems established under this section.”.

(d) AMENDMENT TO THE CHILD NUTRITION ACT OF 1966.—Section 11 of the Child Nutrition Act

of 1966 (42 U.S.C. 1780) is amended by adding at the end the following:

“(c) **FEDERAL LAW NOT APPLICABLE.**—Section 920 of the Electronic Fund Transfer Act shall not apply to electronic benefit transfer systems established under this Act or the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.).”.

SEC. 1076. REVERSE MORTGAGE STUDY AND REGULATIONS.

(a) **STUDY.**—Not later than 1 year after the designated transfer date, the Bureau shall conduct a study on reverse mortgage transactions.

(b) **REGULATIONS.**—

(1) **IN GENERAL.**—If the Bureau determines through the study required under subsection (a) that conditions or limitations on reverse mortgage transactions are necessary or appropriate for accomplishing the purposes and objectives of this title, including protecting borrowers with respect to the obtaining of reverse mortgage loans for the purpose of funding investments, annuities, and other investment products and the suitability of a borrower in obtaining a reverse mortgage for such purpose.

(2) **IDENTIFIED PRACTICES AND INTEGRATED DISCLOSURES.**—The regulations prescribed under paragraph (1) may, as the Bureau may so determine—

(A) identify any practice as unfair, deceptive, or abusive in connection with a reverse mortgage transaction; and

(B) provide for an integrated disclosure standard and model disclosures for reverse mortgage transactions, consistent with section 4302(d), that combines the relevant disclosures required under the Truth in Lending Act (15 U.S.C. 1601 et seq.) and the Real Estate Settlement Procedures Act, with the disclosures required to be provided to consumers for Home Equity Conversion Mortgages under section 255 of the National Housing Act.

(c) **RULE OF CONSTRUCTION.**—This section shall not be construed as limiting the authority of the Bureau to issue regulations, orders, or guidance that apply to reverse mortgages prior to the completion of the study required under subsection (a).

SEC. 1077. REPORT ON PRIVATE EDUCATION LOANS AND PRIVATE EDUCATIONAL LENDERS.

(a) **REPORT.**—Not later than 2 years after the date of enactment of this Act, the Director and the Secretary of Education, in consultation with the Commissioners of the Federal Trade Commission, and the Attorney General of the United States, shall submit a report to the Committee on Banking, Housing, and Urban Affairs and the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Financial Services and the Committee on Education and Labor of the House of Representatives, on private education loans (as that term is defined in section 140 of the Truth in Lending Act (15 U.S.C. 1650)) and private educational lenders (as that term is defined in such section).

(b) **CONTENT.**—The report required by this section shall examine, at a minimum—

(1) the growth and changes of the private education loan market in the United States;

(2) factors influencing such growth and changes;

(3) the extent to which students and parents of students rely on private education loans to finance postsecondary education and the private education loan indebtedness of borrowers;

(4) the characteristics of private education loan borrowers, including—

(A) the types of institutions of higher education that they attend;

(B) socioeconomic characteristics (including income and education levels, racial characteristics, geographical background, age, and gender);

(C) what other forms of financing borrowers use to pay for education;

(D) whether they exhaust their Federal loan options before taking out a private loan;

(E) whether such borrowers are dependent or independent students (as determined under part F of title IV of the Higher Education Act of 1965) or parents of such students;

(F) whether such borrowers are students enrolled in a program leading to a certificate, license, or credential other than a degree, an associates degree, a baccalaureate degree, or a graduate or professional degree; and

(G) if practicable, employment and repayment behaviors;

(5) the characteristics of private educational lenders, including whether such creditors are for-profit, non-profit, or institutions of higher education;

(6) the underwriting criteria used by private educational lenders, including the use of cohort default rate (as such term is defined in section 435(m) of the Higher Education Act of 1965);

(7) the terms, conditions, and pricing of private education loans;

(8) the consumer protections available to private education loan borrowers, including the effectiveness of existing disclosures and requirements and borrowers' awareness and understanding about terms and conditions of various financial products;

(9) whether Federal regulators and the public have access to information sufficient to provide them with assurances that private education loans are provided in accord with the Nation's fair lending laws and that allows public officials to determine lender compliance with fair lending laws; and

(10) any statutory or legislative recommendations necessary to improve consumer protections for private education loan borrowers and to better enable Federal regulators and the public to ascertain private educational lender compliance with fair lending laws.

SEC. 1078. STUDY AND REPORT ON CREDIT SCORES.

(a) **STUDY.**—The Bureau shall conduct a study on the nature, range, and size of variations between the credit scores sold to creditors and those sold to consumers by consumer reporting agencies that compile and maintain files on consumers on a nationwide basis (as defined in section 603(p) of the Fair Credit Reporting Act; 15 U.S.C. 1681a(p)), and whether such variations disadvantage consumers.

(b) **REPORT TO CONGRESS.**—The Bureau shall submit a report to Congress on the results of the study conducted under subsection (a) not later than 1 year after the date of enactment of this Act.

SEC. 1079. REVIEW, REPORT, AND PROGRAM WITH RESPECT TO EXCHANGE FACILITATORS.

(a) **REVIEW.**—The Director shall review all Federal laws and regulations relating to the protection of consumers who use exchange facilitators for transactions primarily for personal, family, or household purposes.

(b) **REPORT.**—Not later than 1 year after the designated transfer date, the Director shall submit to Congress a report describing—

(1) recommendations for legislation to ensure the appropriate protection of consumers who use exchange facilitators for transactions primarily for personal, family, or household purposes;

(2) recommendations for updating the regulations of Federal departments and agencies to ensure the appropriate protection of such consumers; and

(3) recommendations for regulations to ensure the appropriate protection of such consumers.

(c) **PROGRAM.**—Not later than 2 years after the date of the submission of the report under subsection (b), the Bureau shall, consistent with

subtitle B, propose regulations or otherwise establish a program to protect consumers who use exchange facilitators.

(d) **EXCHANGE FACILITATOR DEFINED.**—In this section, the term “exchange facilitator” means a person that—

(1) facilitates, for a fee, an exchange of like kind property by entering into an agreement with a taxpayer by which the exchange facilitator acquires from the taxpayer the contractual rights to sell the taxpayer's relinquished property and transfers a replacement property to the taxpayer as a qualified intermediary (within the meaning of Treasury Regulations section 1.1031(k)-1(g)(4)) or enters into an agreement with the taxpayer to take title to a property as an exchange accommodation titleholder (within the meaning of Revenue Procedure 2000-37) or enters into an agreement with a taxpayer to act as a qualified trustee or qualified escrow holder (within the meaning of Treasury Regulations section 1.1031(k)-1(g)(3));

(2) maintains an office for the purpose of soliciting business to perform the services described in paragraph (1); or

(3) advertises any of the services described in paragraph (1) or solicits clients in printed publications, direct mail, television or radio advertisements, telephone calls, facsimile transmissions, or other electronic communications directed to the general public for purposes of providing any such services.

SEC. 1079A. FINANCIAL FRAUD PROVISIONS.

(a) **SENTENCING GUIDELINES.**—

(1) **SECURITIES FRAUD.**—

(A) **DIRECTIVE.**—Pursuant to its authority under section 994 of title 28, United States Code, and in accordance with this paragraph, the United States Sentencing Commission shall review and, if appropriate, amend the Federal Sentencing Guidelines and policy statements applicable to persons convicted of offenses relating to securities fraud or any other similar provision of law, in order to reflect the intent of Congress that penalties for the offenses under the guidelines and policy statements appropriately account for the potential and actual harm to the public and the financial markets from the offenses.

(B) **REQUIREMENTS.**—In making any amendments to the Federal Sentencing Guidelines and policy statements under subparagraph (A), the United States Sentencing Commission shall—

(i) ensure that the guidelines and policy statements, particularly section 2B1.1(b)(14) and section 2B1.1(b)(17) (and any successors thereto), reflect—

(I) the serious nature of the offenses described in subparagraph (A);

(II) the need for an effective deterrent and appropriate punishment to prevent the offenses; and

(III) the effectiveness of incarceration in furthering the objectives described in subclauses (I) and (II);

(ii) consider the extent to which the guidelines appropriately account for the potential and actual harm to the public and the financial markets resulting from the offenses;

(iii) ensure reasonable consistency with other relevant directives and guidelines and Federal statutes;

(iv) make any necessary conforming changes to guidelines; and

(v) ensure that the guidelines adequately meet the purposes of sentencing, as set forth in section 3553(a)(2) of title 18, United States Code.

(2) **FINANCIAL INSTITUTION FRAUD.**—

(A) **DIRECTIVE.**—Pursuant to its authority under section 994 of title 28, United States Code, and in accordance with this paragraph, the United States Sentencing Commission shall review and, if appropriate, amend the Federal Sentencing Guidelines and policy statements applicable to persons convicted of fraud offenses

relating to financial institutions or federally regulated mortgage loans and any other similar provisions of law, to reflect the intent of Congress that the penalties for the offenses under the guidelines and policy statements ensure appropriate terms of imprisonment for offenders involved in substantial bank frauds or other frauds relating to financial institutions.

(B) REQUIREMENTS.—In making any amendments to the Federal Sentencing Guidelines and policy statements under subparagraph (A), the United States Sentencing Commission shall—

(i) ensure that the guidelines and policy statements reflect—

(I) the serious nature of the offenses described in subparagraph (A);

(II) the need for an effective deterrent and appropriate punishment to prevent the offenses; and

(III) the effectiveness of incarceration in furthering the objectives described in subclauses (I) and (II);

(ii) consider the extent to which the guidelines appropriately account for the potential and actual harm to the public and the financial markets resulting from the offenses;

(iii) ensure reasonable consistency with other relevant directives and guidelines and Federal statutes;

(iv) make any necessary conforming changes to guidelines; and

(v) ensure that the guidelines adequately meet the purposes of sentencing, as set forth in section 3553(a)(2) of title 18, United States Code.

(b) EXTENSION OF STATUTE OF LIMITATIONS FOR SECURITIES FRAUD VIOLATIONS.—

(1) IN GENERAL.—Chapter 213 of title 18, United States Code, is amended by adding at the end the following:

“§3301. Securities fraud offenses

“(a) DEFINITION.—In this section, the term ‘securities fraud offense’ means a violation of, or a conspiracy or an attempt to violate—

“(1) section 1348;

“(2) section 32(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78ff(a));

“(3) section 24 of the Securities Act of 1933 (15 U.S.C. 77x);

“(4) section 217 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-17);

“(5) section 49 of the Investment Company Act of 1940 (15 U.S.C. 80a-48); or

“(6) section 325 of the Trust Indenture Act of 1939 (15 U.S.C. 77yyy).

“(b) LIMITATION.—No person shall be prosecuted, tried, or punished for a securities fraud offense, unless the indictment is found or the information is instituted within 6 years after the commission of the offense.”.

(2) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 213 of title 18, United States Code, is amended by adding at the end the following:

“3301. Securities fraud offenses.”.

(c) AMENDMENTS TO THE FALSE CLAIMS ACT RELATING TO LIMITATIONS ON ACTIONS.—Section 3730(h) of title 31, United States Code, is amended—

(1) in paragraph (1), by striking “or agent on behalf of the employee, contractor, or agent or associated others in furtherance of other efforts to stop 1 or more violations of this subchapter” and inserting “agent or associated others in furtherance of an action under this section or other efforts to stop 1 or more violations of this subchapter”; and

(2) by adding at the end the following:

“(3) LIMITATION ON BRINGING CIVIL ACTION.—A civil action under this subsection may not be brought more than 3 years after the date when the retaliation occurred.”.

Subtitle H—Conforming Amendments

SEC. 1081. AMENDMENTS TO THE INSPECTOR GENERAL ACT.

Effective on the date of enactment of this Act, the Inspector General Act of 1978 (5 U.S.C. App. 3) is amended—

(1) in section 8G(a)(2), by inserting “and the Bureau of Consumer Financial Protection” after “Board of Governors of the Federal Reserve System”; and

(2) in section 8G(c), by adding at the end the following: “For purposes of implementing this section, the Chairman of the Board of Governors of the Federal Reserve System shall appoint the Inspector General of the Board of Governors of the Federal Reserve System and the Bureau of Consumer Financial Protection. The Inspector General of the Board of Governors of the Federal Reserve System and the Bureau of Consumer Financial Protection shall have all of the authorities and responsibilities provided by this Act with respect to the Bureau of Consumer Financial Protection, as if the Bureau were part of the Board of Governors of the Federal Reserve System.”; and

(3) in section 8G(g)(3), by inserting “and the Bureau of Consumer Financial Protection” after “Board of Governors of the Federal Reserve System” the first place that term appears.

SEC. 1082. AMENDMENTS TO THE PRIVACY ACT OF 1974.

Effective on the date of enactment of this Act, section 552a of title 5, United States Code, is amended by adding at the end the following:

“(u) APPLICABILITY TO BUREAU OF CONSUMER FINANCIAL PROTECTION.—Except as provided in the Consumer Financial Protection Act of 2010, this section shall apply with respect to the Bureau of Consumer Financial Protection.”.

SEC. 1083. AMENDMENTS TO THE ALTERNATIVE MORTGAGE TRANSACTION PARITY ACT OF 1982.

(a) IN GENERAL.—The Alternative Mortgage Transaction Parity Act of 1982 (12 U.S.C. 3801 et seq.) is amended—

(1) in section 803 (12 U.S.C. 3802(1)), by striking “1974” and all that follows through “described and defined” and inserting the following: “1974, in which the interest rate or finance charge may be adjusted or renegotiated, described and defined”; and

(2) in section 804 (12 U.S.C. 3803)—

(A) in subsection (a)—

(i) in each of paragraphs (1), (2), and (3), by inserting after “transactions made” each place that term appears “on or before the designated transfer date, as determined under section 1062 of the Consumer Financial Protection Act of 2010.”;

(ii) in paragraph (2), by striking “and” at the end;

(iii) in paragraph (3), by striking the period at the end and inserting “; and”; and

(iv) by adding at the end the following new paragraph:

“(4) with respect to transactions made after the designated transfer date, only in accordance with regulations governing alternative mortgage transactions, as issued by the Bureau of Consumer Financial Protection for federally chartered housing creditors, in accordance with the rulemaking authority granted to the Bureau of Consumer Financial Protection with regard to federally chartered housing creditors under provisions of law other than this section.”;

(B) by striking subsection (c) and inserting the following:

“(c) PREEMPTION OF STATE LAW.—An alternative mortgage transaction may be made by a housing creditor in accordance with this section, notwithstanding any State constitution, law, or regulation that prohibits an alternative mortgage transaction. For purposes of this subsection, a State constitution, law, or regulation

that prohibits an alternative mortgage transaction does not include any State constitution, law, or regulation that regulates mortgage transactions generally, including any restriction on prepayment penalties or late charges.”; and

(C) by adding at the end the following:

“(d) BUREAU ACTIONS.—The Bureau of Consumer Financial Protection shall—

“(1) review the regulations identified by the Comptroller of the Currency and the National Credit Union Administration, (as those rules exist on the designated transfer date), as applicable under paragraphs (1) through (3) of subsection (a);

“(2) determine whether such regulations are fair and not deceptive and otherwise meet the objectives of the Consumer Financial Protection Act of 2010; and

“(3) promulgate regulations under subsection (a)(4) after the designated transfer date.

“(e) DESIGNATED TRANSFER DATE.—As used in this section, the term ‘designated transfer date’ means the date determined under section 1062 of the Consumer Financial Protection Act of 2010.”.

(b) EFFECTIVE DATE.—This section and the amendments made by this section shall become effective on the designated transfer date.

(c) RULE OF CONSTRUCTION.—The amendments made by subsection (a) shall not affect any transaction covered by the Alternative Mortgage Transaction Parity Act of 1982 (12 U.S.C. 3801 et seq.) and entered into on or before the designated transfer date.

SEC. 1084. AMENDMENTS TO THE ELECTRONIC FUND TRANSFER ACT.

The Electronic Fund Transfer Act (15 U.S.C. 1693 et seq.) is amended—

(1) by striking “Board” each place that term appears and inserting “Bureau”, except in subsections (a) and (e) of section 904 (as amended in paragraph (3) of this section) and in 918 (15 U.S.C. 1693o) (as so designated by the Credit Card Act of 2009) and section 920 (as added by section 1076);

(2) in section 903 (15 U.S.C. 1693a)—

(A) by redesignating paragraphs (3) through (11) as paragraphs (4) through (12), respectively; and

(B) by inserting after paragraph (3) the following:

“(4) the term ‘Bureau’ means the Bureau of Consumer Financial Protection;”;

(3) in section 904 (15 U.S.C. 1693b)—

(A) in subsection (a), by striking “(a) PRESCRIPTION BY BOARD.—The Board shall prescribe regulations to carry out the purposes of this title.” and inserting the following:

“(a) PRESCRIPTION BY THE BUREAU AND THE BOARD.—

“(1) IN GENERAL.—Except as provided in paragraph (2), the Bureau shall prescribe rules to carry out the purposes of this title.

“(2) AUTHORITY OF THE BOARD.—The Board shall have sole authority to prescribe rules—

“(A) to carry out the purposes of this title with respect to a person described in section 1029(a) of the Consumer Financial Protection Act of 2010; and

“(B) to carry out the purposes of section 920.”; and

(B) by adding at the end the following new subsection:

“(e) DEFERENCE.—No provision of this title may be construed as altering, limiting, or otherwise affecting the deference that a court affords to—

“(1) the Bureau in making determinations regarding the meaning or interpretation of any provision of this title for which the Bureau has authority to prescribe regulations; or

“(2) the Board in making determinations regarding the meaning or interpretation of section 920.”.

(4) in section 916(d) (15 U.S.C. 1693m) (as so designated by the Credit CARD Act of 2009)—

(A) in the subsection heading, by striking “OF BOARD OR APPROVAL OF DULY AUTHORIZED OFFICIAL OR EMPLOYEE OF FEDERAL RESERVE SYSTEM”;

(B) by inserting “Bureau or the” before “Board” each place that term appears; and

(C) by inserting “Bureau of Consumer Financial Protection or the” before “Federal Reserve System”;

(5) in section 918 (15 U.S.C. 1693o) (as so designated by the Credit CARD Act of 2009)—

(A) in subsection (a)—

(i) by striking “Compliance” and inserting “Subject to subtitle B of the Consumer Financial Protection Act of 2010, compliance”;

(ii) by striking paragraphs (1) and (2), and inserting the following:

“(1) section 8 of the Federal Deposit Insurance Act, by the appropriate Federal banking agency, as defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)), with respect to—

“(A) national banks, Federal savings associations, and Federal branches and Federal agencies of foreign banks;

“(B) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25A of the Federal Reserve Act; and

“(C) banks and State savings associations insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), and insured State branches of foreign banks”;

(iii) by redesignating paragraphs (3) through (5) as paragraphs (2) through (4), respectively;

(iv) in paragraph (2) (as so redesignated), by striking the period at the end and inserting a semicolon;

(v) in paragraph (3) (as so redesignated), by striking “and” at the end;

(vi) in paragraph (4) (as so redesignated), by striking the period at the end and inserting “and”;

(vii) by adding at the end the following:

“(5) subtitle E of the Consumer Financial Protection Act of 2010, by the Bureau, with respect to any person subject to this title, except that the Bureau shall not have authority to enforce the requirements of section 920 or any regulations prescribed by the Board under section 920.”;

(B) in subsection (b), by inserting “any of paragraphs (1) through (4) of” before “subsection (a)” each place that term appears; and

(C) by striking subsection (c) and inserting the following:

“(c) OVERALL ENFORCEMENT AUTHORITY OF THE FEDERAL TRADE COMMISSION.—Except to the extent that enforcement of the requirements imposed under this title is specifically committed to some other Government agency under any of paragraphs (1) through (4) of subsection (a), and subject to subtitle B of the Consumer Financial Protection Act of 2010, the Federal Trade Commission shall be authorized to enforce such requirements. For the purpose of the exercise by the Federal Trade Commission of its functions and powers under the Federal Trade Commission Act, a violation of any requirement imposed under this title shall be deemed a violation of a requirement imposed under that Act. All of the functions and powers of the Federal Trade Commission under the Federal Trade Commission Act are available to the Federal Trade Commission to enforce compliance by any person subject to the jurisdiction of the Federal

Trade Commission with the requirements imposed under this title, irrespective of whether that person is engaged in commerce or meets any other jurisdictional tests under the Federal Trade Commission Act.”.

SEC. 1085. AMENDMENTS TO THE EQUAL CREDIT OPPORTUNITY ACT.

The Equal Credit Opportunity Act (15 U.S.C. 1691 et seq.) is amended—

(1) by striking “Board” each place that term appears, other than in section 703(f) (as added by this section) and section 704(a)(4) (15 U.S.C. 1691c(a)(4)), and inserting “Bureau”;

(2) in section 702 (15 U.S.C. 1691a), by striking subsection (c) and inserting the following:

“(c) The term ‘Bureau’ means the Bureau of Consumer Financial Protection.”;

(3) in section 703 (15 U.S.C. 1691b)—

(A) by striking the section heading and inserting the following:

“SEC. 703. PROMULGATION OF REGULATIONS BY THE BUREAU.”;

(B) by striking “(a) REGULATIONS.—”;

(C) by striking subsection (b);

(D) by redesignating paragraphs (1) through (5) as subsections (a) through (e), respectively;

(E) in subsection (c), as so redesignated, by striking “paragraph (2)” and inserting “subsection (b)”;

(F) by adding at the end the following:

“(f) BOARD AUTHORITY.—Notwithstanding subsection (a), the Board shall prescribe regulations to carry out the purposes of this title with respect to a person described in section 1029(a) of the Consumer Financial Protection Act of 2010. These regulations may contain but are not limited to such classifications, differentiation, or other provision, and may provide for such adjustments and exceptions for any class of transactions, as in the judgment of the Board are necessary or proper to effectuate the purposes of this title, to prevent circumvention or evasion thereof, or to facilitate or substantiate compliance therewith.

“(g) DEFERENCE.—Notwithstanding any power granted to any Federal agency under this title, the deference that a court affords to a Federal agency with respect to a determination made by such agency relating to the meaning or interpretation of any provision of this title that is subject to the jurisdiction of such agency shall be applied as if that agency were the only agency authorized to apply, enforce, interpret, or administer the provisions of this title”;

(4) in section 704 (15 U.S.C. 1691c)—

(A) in subsection (a)—

(i) by striking “Compliance” and inserting “Subject to subtitle B of the Consumer Financial Protection Act of 2010”;

(ii) by striking paragraphs (1) and (2) and inserting the following:

“(1) section 8 of the Federal Deposit Insurance Act, by the appropriate Federal banking agency, as defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)), with respect to—

“(A) national banks, Federal savings associations, and Federal branches and Federal agencies of foreign banks;

“(B) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25A of the Federal Reserve Act; and

“(C) banks and State savings associations insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), and insured State branches of foreign banks”;

(iii) by redesignating paragraphs (3) through (9) as paragraphs (2) through (8), respectively;

(iv) in paragraph (7) (as so redesignated), by striking “and” at the end;

(v) in paragraph (8) (as so redesignated), by striking the period at the end, and inserting “; and”;

(vi) by adding at the end the following:

“(9) Subtitle E of the Consumer Financial Protection Act of 2010, by the Bureau, with respect to any person subject to this title.”;

(B) by striking subsection (c) and inserting the following:

“(c) OVERALL ENFORCEMENT AUTHORITY OF FEDERAL TRADE COMMISSION.—Except to the extent that enforcement of the requirements imposed under this title is specifically committed to some other Government agency under any of paragraphs (1) through (8) of subsection (a), and subject to subtitle B of the Consumer Financial Protection Act of 2010, the Federal Trade Commission shall be authorized to enforce such requirements. For the purpose of the exercise by the Federal Trade Commission of its functions and powers under the Federal Trade Commission Act (15 U.S.C. 41 et seq.), a violation of any requirement imposed under this subchapter shall be deemed a violation of a requirement imposed under that Act. All of the functions and powers of the Federal Trade Commission under the Federal Trade Commission Act are available to the Federal Trade Commission to enforce compliance by any person with the requirements imposed under this title, irrespective of whether that person is engaged in commerce or meets any other jurisdictional tests under the Federal Trade Commission Act, including the power to enforce any rule prescribed by the Bureau under this title in the same manner as if the violation had been a violation of a Federal Trade Commission trade regulation rule.”; and

(C) in subsection (d), by striking “Board” and inserting “Bureau”;

(5) in section 706(e) (15 U.S.C. 1691e(e))—

(A) in the subsection heading—

(i) by striking “BOARD” each place that term appears and inserting “BUREAU”; and

(ii) by striking “FEDERAL RESERVE SYSTEM” and inserting “BUREAU OF CONSUMER FINANCIAL PROTECTION”;

(B) by striking “Federal Reserve System” and inserting “Bureau of Consumer Financial Protection”;

(6) in section 706(g) (15 U.S.C. 1691e(g)), by striking “(3)” and inserting “(9)”;

(7) in section 706(f) (15 U.S.C. 1691e(f)), by striking “two years from” each place that term appears and inserting “5 years after”.

SEC. 1086. AMENDMENTS TO THE EXPEDITED FUNDS AVAILABILITY ACT.

(a) AMENDMENT TO SECTION 603.—Section 603(d)(1) of the Expedited Funds Availability Act (12 U.S.C. 4002) is amended by inserting after “Board” the following “, jointly with the Director of the Bureau of Consumer Financial Protection,”.

(b) AMENDMENTS TO SECTION 604.—Section 604 of the Expedited Funds Availability Act (12 U.S.C. 4003) is amended—

(1) by inserting after “Board” each place that term appears, other than in subsection (f), the following: “, jointly with the Director of the Bureau of Consumer Financial Protection.”;

(2) in subsection (f), by striking “Board.” each place that term appears and inserting the following: “Board, jointly with the Director of the Bureau of Consumer Financial Protection.”.

(c) AMENDMENTS TO SECTION 605.—Section 605 of the Expedited Funds Availability Act (12 U.S.C. 4004) is amended—

(1) by inserting after “Board” each place that term appears, other than in the heading for section 605(f)(1), the following: “, jointly with the Director of the Bureau of Consumer Financial Protection,”; and

(2) in subsection (f)(1), in the paragraph heading, by inserting “AND BUREAU” after “BOARD”;

(d) AMENDMENTS TO SECTION 609.—Section 609 of the Expedited Funds Availability Act (12 U.S.C. 4008) is amended:

(1) in subsection (a), by inserting after “Board” the following “, jointly with the Director of the Bureau of Consumer Financial Protection,”; and

(2) by striking subsection (e) and inserting the following:

“(e) CONSULTATIONS.—In prescribing regulations under subsections (a) and (b), the Board and the Director of the Bureau of Consumer Financial Protection, in the case of subsection (a), and the Board, in the case of subsection (b), shall consult with the Comptroller of the Currency, the Board of Directors of the Federal Deposit Insurance Corporation, and the National Credit Union Administration Board.”.

(e) EXPEDITED FUNDS AVAILABILITY IMPROVEMENTS.—Section 603 of the Expedited Funds Availability Act (12 U.S.C. 4002) is amended—

(1) in subsection (a)(2)(D), by striking “\$100” and inserting “\$200”; and

(2) in subsection (b)(3)(C), in the subparagraph heading, by striking “\$100” and inserting “\$200”; and

(3) in subsection (c)(1)(B)(iii), in the clause heading, by striking “\$100” and inserting “\$200”.

(f) REGULAR ADJUSTMENTS FOR INFLATION.—Section 607 of the Expedited Funds Availability Act (12 U.S.C. 4006) is amended by adding at the end the following:

“(f) ADJUSTMENTS TO DOLLAR AMOUNTS FOR INFLATION.—The dollar amounts under this title shall be adjusted every 5 years after December 31, 2011, by the annual percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers, as published by the Bureau of Labor Statistics, rounded to the nearest multiple of \$25.”.

SEC. 1087. AMENDMENTS TO THE FAIR CREDIT BILLING ACT.

The Fair Credit Billing Act (15 U.S.C. 1666–1666j) is amended by striking “Board” each place that term appears, other than in section 105(i) (as added by this subtitle) and inserting “Bureau”.

SEC. 1088. AMENDMENTS TO THE FAIR CREDIT REPORTING ACT AND THE FAIR AND ACCURATE CREDIT TRANSACTIONS ACT OF 2003.

(a) FAIR CREDIT REPORTING ACT.—The Fair Credit Reporting Act (15 U.S.C. 1681 et seq.) is amended—

(1) in section 603 (15 U.S.C. 1681a)—

(A) by redesignating subsections (w) and (x) as subsections (x) and (y), respectively; and

(B) by inserting after subsection (v) the following:

“(w) The term ‘Bureau’ means the Bureau of Consumer Financial Protection.”; and

(2) except as otherwise specifically provided in this subsection—

(A) by striking “Federal Trade Commission” each place that term appears and inserting “Bureau”;

(B) by striking “FTC” each place that term appears and inserting “Bureau”;

(C) by striking “the Commission” each place that term appears, other than sections 615(e) (15 U.S.C. 1681m(e)) and 628(a)(1) (15 U.S.C. 1681w(a)(1)), and inserting “the Bureau”; and

(D) by striking “The Federal banking agencies, the National Credit Union Administration, and the Commission shall jointly” each place that term appears, other than section 615(e)(1) (15 U.S.C. 1681m(e)) and section 628(a)(1) (15 U.S.C. 1681w(a)(1)), and inserting “The Bureau shall”;

(3) in section 603(k)(2) (15 U.S.C. 1681a(k)(2)), by striking “Board of Governors of the Federal Reserve System” and inserting “Bureau”;

(4) in section 604(g) (15 U.S.C. 1681b(g))—

(A) in paragraph (3), by striking subparagraph (C) and inserting the following:

“(C) as otherwise determined to be necessary and appropriate, by regulation or order, by the Bureau or the applicable State insurance authority (with respect to any person engaged in providing insurance or annuities).”; and

(B) by striking paragraph (5) and inserting the following:

“(5) REGULATIONS AND EFFECTIVE DATE FOR PARAGRAPH (2).—

“(A) REGULATIONS REQUIRED.—The Bureau may, after notice and opportunity for comment, prescribe regulations that permit transactions under paragraph (2) that are determined to be necessary and appropriate to protect legitimate operational, transactional, risk, consumer, and other needs (and which shall include permitting actions necessary for administrative verification purposes), consistent with the intent of paragraph (2) to restrict the use of medical information for inappropriate purposes.”;

(5) in section 605(h)(2)(A) (15 U.S.C. 1681c(h)(2)(A)), by striking “with respect to the entities that are subject to their respective enforcement authority under section 621” and inserting “, in consultation with the Federal banking agencies, the National Credit Union Administration, and the Federal Trade Commission.”;

(6) in section 611(e)(2) (15 U.S.C. 1681i(e)), by striking paragraph (2) and inserting the following:

“(2) EXCLUSION.—Complaints received or obtained by the Bureau pursuant to its investigative authority under the Consumer Financial Protection Act of 2010 shall not be subject to paragraph (1).”;

(7) in section 615(d)(2)(B) (15 U.S.C. 1681m(d)(2)(B)), by striking “the Federal banking agencies” and inserting “the Federal Trade Commission, the Federal banking agencies,”;

(8) in section 615(e)(1) (15 U.S.C. 1681m(e)(1)), by striking “and the Commission” and inserting “the Federal Trade Commission, the Commodity Futures Trading Commission, and the Securities and Exchange Commission”;

(9) in section 615(h)(6) (15 U.S.C. 1681m(h)(6)), by striking subparagraph (A) and inserting the following:

“(A) RULES REQUIRED.—The Bureau shall prescribe rules to carry out this subsection.”;

(10) in section 621 (15 U.S.C. 1681s)—

(A) by striking subsection (a) and inserting the following:

“(a) ENFORCEMENT BY FEDERAL TRADE COMMISSION.—

“(1) IN GENERAL.—The Federal Trade Commission shall be authorized to enforce compliance with the requirements imposed by this title under the Federal Trade Commission Act (15 U.S.C. 41 et seq.), with respect to consumer reporting agencies and all other persons subject thereto, except to the extent that enforcement of the requirements imposed under this title is specifically committed to some other Government agency under any of subparagraphs (A) through (G) of subsection (b)(1), and subject to subtitle B of the Consumer Financial Protection Act of 2010, subsection (b). For the purpose of the exercise by the Federal Trade Commission of its functions and powers under the Federal Trade Commission Act, a violation of any requirement or prohibition imposed under this title shall constitute an unfair or deceptive act or practice in commerce, in violation of section 5(a) of the Federal Trade Commission Act (15 U.S.C. 45(a)), and shall be subject to enforcement by the Federal Trade Commission under section 5(b) of that Act with respect to any consumer reporting agency or person that is subject to enforcement by the Federal Trade Commission pursuant to this subsection, irrespective of

whether that person is engaged in commerce or meets any other jurisdictional tests under the Federal Trade Commission Act. The Federal Trade Commission shall have such procedural, investigative, and enforcement powers, including the power to issue procedural rules in enforcing compliance with the requirements imposed under this title and to require the filing of reports, the production of documents, and the appearance of witnesses, as though the applicable terms and conditions of the Federal Trade Commission Act were part of this title. Any person violating any of the provisions of this title shall be subject to the penalties and entitled to the privileges and immunities provided in the Federal Trade Commission Act as though the applicable terms and provisions of such Act are part of this title.

“(2) PENALTIES.—

“(A) KNOWING VIOLATIONS.—Except as otherwise provided by subtitle B of the Consumer Financial Protection Act of 2010, in the event of a knowing violation, which constitutes a pattern or practice of violations of this title, the Federal Trade Commission may commence a civil action to recover a civil penalty in a district court of the United States against any person that violates this title. In such action, such person shall be liable for a civil penalty of not more than \$2,500 per violation.

“(B) DETERMINING PENALTY AMOUNT.—In determining the amount of a civil penalty under subparagraph (A), the court shall take into account the degree of culpability, any history of such prior conduct, ability to pay, effect on ability to continue to do business, and such other matters as justice may require.

“(C) LIMITATION.—Notwithstanding paragraph (2), a court may not impose any civil penalty on a person for a violation of section 623(a)(1), unless the person has been enjoined from committing the violation, or ordered not to commit the violation, in an action or proceeding brought by or on behalf of the Federal Trade Commission, and has violated the injunction or order, and the court may not impose any civil penalty for any violation occurring before the date of the violation of the injunction or order.”;

(B) by striking subsection (b) and inserting the following:

“(b) ENFORCEMENT BY OTHER AGENCIES.—

“(1) IN GENERAL.—Subject to subtitle B of the Consumer Financial Protection Act of 2010, compliance with the requirements imposed under this title with respect to consumer reporting agencies, persons who use consumer reports from such agencies, persons who furnish information to such agencies, and users of information that are subject to section 615(d) shall be enforced under—

“(A) section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), by the appropriate Federal banking agency, as defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)), with respect to—

“(i) any national bank or State savings association, and any Federal branch or Federal agency of a foreign bank;

“(ii) any member bank of the Federal Reserve System (other than a national bank), a branch or agency of a foreign bank (other than a Federal branch, Federal agency, or insured State branch of a foreign bank), a commercial lending company owned or controlled by a foreign bank, and any organization operating under section 25 or 25A of the Federal Reserve Act; and

“(iii) any bank or Federal savings association insured by the Federal Deposit Insurance Corporation (other than a member of the Federal Reserve System) and any insured State branch of a foreign bank;

“(B) the Federal Credit Union Act (12 U.S.C. 1751 et seq.), by the Administrator of the National Credit Union Administration with respect to any Federal credit union;

“(C) subtitle IV of title 49, United States Code, by the Secretary of Transportation, with respect to all carriers subject to the jurisdiction of the Surface Transportation Board;

“(D) the Federal Aviation Act of 1958 (49 U.S.C. App. 1301 et seq.), by the Secretary of Transportation, with respect to any air carrier or foreign air carrier subject to that Act;

“(E) the Packers and Stockyards Act, 1921 (7 U.S.C. 181 et seq.) (except as provided in section 406 of that Act), by the Secretary of Agriculture, with respect to any activities subject to that Act;

“(F) the Commodity Exchange Act, with respect to a person subject to the jurisdiction of the Commodity Futures Trading Commission;

“(G) the Federal securities laws, and any other laws that are subject to the jurisdiction of the Securities and Exchange Commission, with respect to a person that is subject to the jurisdiction of the Securities and Exchange Commission; and

“(H) subtitle E of the Consumer Financial Protection Act of 2010, by the Bureau, with respect to any person subject to this title.

“(2) INCORPORATED DEFINITIONS.—The terms used in paragraph (1) that are not defined in this title or otherwise defined in section 3(s) of the Federal Deposit Insurance Act (12 U.S.C. 1813(s)) have the same meanings as in section 1(b) of the International Banking Act of 1978 (12 U.S.C. 3101).”;

(C) in subsection (c)(2)—

(i) by inserting “and the Federal Trade Commission” before “or the appropriate”; and

(ii) by inserting “and the Federal Trade Commission” before “or appropriate” each place that term appears;

(D) in subsection (c)(4), by inserting before “or the appropriate” each place that term appears the following: “, the Federal Trade Commission.”;

(E) by striking subsection (e) and inserting the following:

“(e) REGULATORY AUTHORITY.—

“(1) IN GENERAL.—The Bureau shall prescribe such regulations as are necessary to carry out the purposes of this title, except with respect to sections 615(e) and 628. The Bureau may prescribe regulations as may be necessary or appropriate to administer and carry out the purposes and objectives of this title, and to prevent evasions thereof or to facilitate compliance therewith. Except as provided in section 1029(a) of the Consumer Financial Protection Act of 2010, the regulations prescribed by the Bureau under this title shall apply to any person that is subject to this title, notwithstanding the enforcement authorities granted to other agencies under this section.

“(2) DEFERENCE.—Notwithstanding any power granted to any Federal agency under this title, the deference that a court affords to a Federal agency with respect to a determination made by such agency relating to the meaning or interpretation of any provision of this title that is subject to the jurisdiction of such agency shall be applied as if that agency were the only agency authorized to apply, enforce, interpret, or administer the provisions of this title. The regulations prescribed by the Bureau under this title shall apply to any person that is subject to this title, notwithstanding the enforcement authorities granted to other agencies under this section.”; and

(F) in subsection (f)(2), by striking “the Federal banking agencies” and insert “the Federal Trade Commission, the Federal banking agencies,”;

(11) in section 623 (15 U.S.C. 1681s-2)—

(A) in subsection (a)(7), by striking subparagraph (D) and inserting the following:

“(D) MODEL DISCLOSURE.—

“(i) DUTY OF BUREAU.—The Bureau shall prescribe a brief model disclosure that a financial

institution may use to comply with subparagraph (A), which shall not exceed 30 words.

“(ii) USE OF MODEL NOT REQUIRED.—No provision of this paragraph may be construed to require a financial institution to use any such model form prescribed by the Bureau.

“(iii) COMPLIANCE USING MODEL.—A financial institution shall be deemed to be in compliance with subparagraph (A) if the financial institution uses any model form prescribed by the Bureau under this subparagraph, or the financial institution uses any such model form and rearranges its format.”;

(B) in subsection (a)(8), by inserting “, in consultation with the Federal Trade Commission, the Federal banking agencies, and the National Credit Union Administration,” before “shall jointly”; and

(C) by striking subsection (e) and inserting the following:

“(e) ACCURACY GUIDELINES AND REGULATIONS REQUIRED.—

“(1) GUIDELINES.—The Bureau shall, with respect to persons or entities that are subject to the enforcement authority of the Bureau under section 621—

(A) establish and maintain guidelines for use by each person that furnishes information to a consumer reporting agency regarding the accuracy and integrity of the information relating to consumers that such entities furnish to consumer reporting agencies, and update such guidelines as often as necessary; and

(B) prescribe regulations requiring each person that furnishes information to a consumer reporting agency to establish reasonable policies and procedures for implementing the guidelines established pursuant to subparagraph (A).

“(2) CRITERIA.—In developing the guidelines required by paragraph (1)(A), the Bureau shall—

(A) identify patterns, practices, and specific forms of activity that can compromise the accuracy and integrity of information furnished to consumer reporting agencies;

(B) review the methods (including technological means) used to furnish information relating to consumers to consumer reporting agencies;

(C) determine whether persons that furnish information to consumer reporting agencies maintain and enforce policies to ensure the accuracy and integrity of information furnished to consumer reporting agencies; and

(D) examine the policies and processes that persons that furnish information to consumer reporting agencies employ to conduct reinvestigations and correct inaccurate information relating to consumers that has been furnished to consumer reporting agencies.”;

(12) in section 628(a)(1) (15 U.S.C. 1681w(a)(1)), by striking “Not later than” and all that follows through “Exchange Commission,” and inserting “The Federal Trade Commission, the Securities and Exchange Commission, the Commodity Futures Trading Commission, the Federal banking agencies, and the National Credit Union Administration, with respect to the entities that are subject to their respective enforcement authority under section 621.”; and

(13) in section 628(a)(3) (15 U.S.C. 1681w(a)(3)), by striking “the Federal banking agencies, the National Credit Union Administration, the Commission, and the Securities and Exchange Commission” and inserting “the agencies identified in paragraph (1).”

(b) FAIR AND ACCURATE CREDIT TRANSACTIONS ACT OF 2003.—The Fair and Accurate Credit Transactions Act of 2003 (Public Law 108-159) is amended—

(1) in section 112(b) (15 U.S.C. 1681c-1 note), by striking “Commission” and inserting “Bureau”;

(2) in section 211(d) (15 U.S.C. 1681j note), by striking “Commission” each place that term appears and inserting “Bureau”;

(3) in section 214(b) (15 U.S.C. 1681s-3 note), by striking paragraph (1) and inserting the following:

“(1) IN GENERAL.—Regulations to carry out section 624 of the Fair Credit Reporting Act (15 U.S.C. 1681s-3), shall be prescribed, as described in paragraph (2), by—

“(A) the Commodity Futures Trading Commission, with respect to entities subject to its enforcement authorities;

“(B) the Securities and Exchange Commission, with respect to entities subject to its enforcement authorities; and

“(C) the Bureau, with respect to other entities subject to this Act.”; and

(4) in section 214(e)(1) (15 U.S.C. 1681s-3 note), by striking “Commission” and inserting “Bureau”.

SEC. 1089. AMENDMENTS TO THE FAIR DEBT COLLECTION PRACTICES ACT.

The Fair Debt Collection Practices Act (15 U.S.C. 1692 et seq.) is amended—

(1) by striking “Commission” each place that term appears and inserting “Bureau”;

(2) in section 803 (15 U.S.C. 1692a)—

(A) by striking paragraph (1) and inserting the following:

“(1) The term ‘Bureau’ means the Bureau of Consumer Financial Protection.”;

(3) in section 814 (15 U.S.C. 1692l)—

(A) by striking subsection (a) and inserting the following:

“(a) FEDERAL TRADE COMMISSION.—The Federal Trade Commission shall be authorized to enforce compliance with this title, except to the extent that enforcement of the requirements imposed under this title is specifically committed to another Government agency under any of paragraphs (1) through (5) of subsection (b), subject to subtitle B of the Consumer Financial Protection Act of 2010. For purpose of the exercise by the Federal Trade Commission of its functions and powers under the Federal Trade Commission Act (15 U.S.C. 41 et seq.), a violation of this title shall be deemed an unfair or deceptive act or practice in violation of that Act. All of the functions and powers of the Federal Trade Commission under the Federal Trade Commission Act are available to the Federal Trade Commission to enforce compliance by any person with this title, irrespective of whether that person is engaged in commerce or meets any other jurisdictional tests under the Federal Trade Commission Act, including the power to enforce the provisions of this title, in the same manner as if the violation had been a violation of a Federal Trade Commission trade regulation rule.”; and

(B) in subsection (b)—

(i) by striking “Compliance” and inserting “Subject to subtitle B of the Consumer Financial Protection Act of 2010, compliance”;

(ii) by striking paragraphs (1) and (2) and inserting the following:

“(1) section 8 of the Federal Deposit Insurance Act, by the appropriate Federal banking agency, as defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)), with respect to—

“(A) national banks, Federal savings associations, and Federal branches and Federal agencies of foreign banks;

“(B) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25A of the Federal Reserve Act; and

“(C) banks and State savings associations insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), and insured State branches of foreign banks;”;

(iii) by redesignating paragraphs (3) through (6), as paragraphs (2) through (5), respectively;

(iv) in paragraph (4) (as so redesignated), by striking “and” at the end;

(v) in paragraph (5) (as so redesignated), by striking the period at the end and inserting “; and”;

(vi) by inserting before the undesignated matter at the end the following:

“(6) subtitle E of the Consumer Financial Protection Act of 2010, by the Bureau, with respect to any person subject to this title.”.

(4) in subsection (d), by striking “Neither the Commission” and all that follows through the end of the subsection and inserting the following: “Except as provided in section 1029(a) of the Consumer Financial Protection Act of 2010, the Bureau may prescribe rules with respect to the collection of debts by debt collectors, as defined in this title.”.

SEC. 1090. AMENDMENTS TO THE FEDERAL DEPOSIT INSURANCE ACT.

The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended—

(1) in section 8(t) (12 U.S.C. 1818(t)), by adding at the end the following:

“(6) REFERRAL TO BUREAU OF CONSUMER FINANCIAL PROTECTION.—Subject to subtitle B of the Consumer Financial Protection Act of 2010, each appropriate Federal banking agency shall make a referral to the Bureau of Consumer Financial Protection when the Federal banking agency has a reasonable belief that a violation of an enumerated consumer law, as defined in the Consumer Financial Protection Act of 2010, has been committed by any insured depository institution or institution-affiliated party within the jurisdiction of that appropriate Federal banking agency.”; and

(2) in section 43 (12 U.S.C. 1831t)—

(A) in subsection (c), by striking “Federal Trade Commission” and inserting “Bureau”;

(B) in subsection (d), by striking “Federal Trade Commission” and inserting “Bureau”;

(C) in subsection (e)—

(i) in paragraph (2), by striking “Federal Trade Commission” and inserting “Bureau”;

(ii) by adding at the end the following new paragraph:

“(5) BUREAU.—The term ‘Bureau’ means the Bureau of Consumer Financial Protection.”; and

(D) in subsection (f)—

(i) by striking paragraph (1) and inserting the following:

“(1) LIMITED ENFORCEMENT AUTHORITY.—Compliance with the requirements of subsections (b), (c), and (e), and any regulation prescribed or order issued under such subsection, shall be enforced under the Consumer Financial Protection Act of 2010, by the Bureau, subject to subtitle B of the Consumer Financial Protection Act of 2010, and under the Federal Trade Commission Act (15 U.S.C. 41 et seq.) by the Federal Trade Commission.”; and

(ii) in paragraph (2), by striking subparagraph (C) and inserting the following:

“(C) LIMITATION ON STATE ACTION WHILE FEDERAL ACTION PENDING.—If the Bureau or Federal Trade Commission has instituted an enforcement action for a violation of this section, no appropriate State supervisory agency may, during the pendency of such action, bring an action under this section against any defendant named in the complaint of the Bureau or Federal Trade Commission for any violation of this section that is alleged in that complaint.”.

SEC. 1091. AMENDMENT TO FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL ACT OF 1978.

Section 1004(a)(4) of the Federal Financial Institutions Examination Council Act of 1978 (12 U.S.C. 3303(a)(4)) is amended by striking “Director, Office of Thrift Supervision” and inserting “Director of the Consumer Financial Protection Bureau”.

SEC. 1092. AMENDMENTS TO THE FEDERAL TRADE COMMISSION ACT.

Section 18(f) of the Federal Trade Commission Act (15 U.S.C. 57a(f)) is amended—

(1) by striking the subsection heading and inserting the following:

“(f) DEFINITIONS OF BANKS, SAVINGS AND LOAN INSTITUTIONS, AND FEDERAL CREDIT UNIONS.—”

(2) by striking paragraph (1) and inserting the following:

“(1) [Repealed.]”;

(3) by striking paragraphs (5) through (7);

(4) in paragraph (2)—

(A) by striking “(2) ENFORCEMENT” and all that follows through “in the case of” and inserting the following:

“(2) DEFINITION.—For purposes of this Act, the term ‘bank’ means”;

(B) in subparagraph (A), by striking “, by the division” and all that follows through “Currency”;

(C) in subparagraph (B)—

(i) by striking “, by the division” and all that follows through “System”;

(ii) by striking “25(a)” and inserting “25A”;

(D) in subparagraph (C)—

(i) by striking “(other)” and inserting “(other than)”;

(ii) by striking “, by the division” and all that follows through “Corporation”;

(5) in paragraph (3), by striking “Compliance” and all that follows through “as defined in” and inserting the following: “For purposes of this Act, the term ‘savings and loan institution’ has the same meaning as in”;

(6) in paragraph (4), by striking “Compliance” and all that follows through “credit unions under” and inserting the following: “For purposes of this Act, the term ‘Federal credit union’ has the same meaning as in”.

SEC. 1093. AMENDMENTS TO THE GRAMM-LEACH-BLILEY ACT.

Title V of the Gramm-Leach-Bliley Act (15 U.S.C. 6801 et seq.) is amended—

(1) in section 501(b) (15 U.S.C. 6801(b)), by inserting “, other than the Bureau of Consumer Financial Protection,” after “505(a)”;

(2) in section 502(e)(5) (15 U.S.C. 6802(e)(5)), by inserting “the Bureau of Consumer Financial Protection” after “(including)”;

(3) in section 504(a) (15 U.S.C. 6804(a))—

(A) by striking paragraphs (1) and (2) and inserting the following:

“(1) RULEMAKING.—

“(A) IN GENERAL.—Except as provided in subparagraph (C), the Bureau of Consumer Financial Protection and the Securities and Exchange Commission shall have authority to prescribe such regulations as may be necessary to carry out the purposes of this subtitle with respect to financial institutions and other persons subject to their respective jurisdiction under section 505 (and notwithstanding subtitle B of the Consumer Financial Protection Act of 2010), except that the Bureau of Consumer Financial Protection shall not have authority to prescribe regulations with respect to the standards under section 501.

“(B) CFTC.—The Commodity Futures Trading Commission shall have authority to prescribe such regulations as may be necessary to carry out the purposes of this subtitle with respect to financial institutions and other persons subject

to the jurisdiction of the Commodity Futures Trading Commission under section 5g of the Commodity Exchange Act.

“(C) FEDERAL TRADE COMMISSION AUTHORITY.—Notwithstanding the authority of the Bureau of Consumer Financial Protection under subparagraph (A), the Federal Trade Commission shall have authority to prescribe such regulations as may be necessary to carry out the purposes of this subtitle with respect to any financial institution that is a person described in section 1029(a) of the Consumer Financial Protection Act of 2010.

“(D) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to alter, affect, or otherwise limit the authority of a State insurance authority to adopt regulations to carry out this subtitle.

“(2) COORDINATION, CONSISTENCY, AND COMPARABILITY.—Each of the agencies authorized under paragraph (1) to prescribe regulations shall consult and coordinate with the other such agencies and, as appropriate, and with representatives of State insurance authorities designated by the National Association of Insurance Commissioners, for the purpose of assuring, to the extent possible, that the regulations prescribed by each such agency are consistent and comparable with the regulations prescribed by the other such agencies.”; and

(B) in paragraph (3), by striking “, and shall be issued in final form not later than 6 months after the date of enactment of this Act”;

(4) in section 505(a) (15 U.S.C. 6805(a))—

(A) by striking “This subtitle” and all that follows through “as follows:” and inserting “Subject to subtitle B of the Consumer Financial Protection Act of 2010, this subtitle and the regulations prescribed thereunder shall be enforced by the Bureau of Consumer Financial Protection, the Federal functional regulators, the State insurance authorities, and the Federal Trade Commission with respect to financial institutions and other persons subject to their jurisdiction under applicable law, as follows:”;

(B) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by inserting “by the appropriate Federal banking agency, as defined in section 3(q) of the Federal Deposit Insurance Act,” after “Act,”;

(ii) in subparagraph (A), by striking “, by the Office of the Comptroller of the Currency”;

(iii) in subparagraph (B), by striking “, by the Board of Governors of the Federal Reserve System”;

(iv) in subparagraph (C), by striking “, by the Board of Directors of the Federal Deposit Insurance Corporation”;

(v) in subparagraph (D), by striking “, by the Director of the Office of Thrift Supervision”;

and

(C) by adding at the end the following:

“(8) Under subtitle E of the Consumer Financial Protection Act of 2010, by the Bureau of Consumer Financial Protection, in the case of any financial institution and other covered person or service provider that is subject to the jurisdiction of the Bureau and any person subject to this subtitle, but not with respect to the standards under section 501.”;

(5) in section 505(b)(1) (15 U.S.C. 6805(b)(1)), by inserting “, other than the Bureau of Consumer Financial Protection,” after “subsection (a)”;

(6) in section 507(b) (15 U.S.C. 6807), by striking “Federal Trade Commission” and inserting “Bureau of Consumer Financial Protection”.

SEC. 1094. AMENDMENTS TO THE HOME MORTGAGE DISCLOSURE ACT OF 1975.

The Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2801 et seq.) is amended—

(1) by striking “Board” each place that term appears, other than in sections 303, 304(h), 305(b) (as amended by this section), and 307(a)

(as amended by this section) and inserting “Bureau”.

(2) in section 303 (12 U.S.C. 2802)—

(A) by redesignating paragraphs (1) through (6) as paragraphs (2) through (7), respectively; and

(B) by inserting before paragraph (2) the following:

“(1) the term ‘Bureau’ means the Bureau of Consumer Financial Protection;”;

(3) in section 304 (12 U.S.C. 2803)—

(A) in subsection (b)—

(i) in paragraph (4), by inserting “age,” before “and gender”;;

(ii) in paragraph (3), by striking “and” at the end;

(iii) in paragraph (4), by striking the period at the end and inserting a semicolon; and

(iv) by adding at the end the following:

“(5) the number and dollar amount of mortgage loans grouped according to measurements of—

“(A) the total points and fees payable at origination in connection with the mortgage as determined by the Bureau, taking into account 15 U.S.C. 1602(aa)(4);

“(B) the difference between the annual percentage rate associated with the loan and a benchmark rate or rates for all loans;

“(C) the term in months of any prepayment penalty or other fee or charge payable on repayment of some portion of principal or the entire principal in advance of scheduled payments; and

“(D) such other information as the Bureau may require; and

“(6) the number and dollar amount of mortgage loans and completed applications grouped according to measurements of—

“(A) the value of the real property pledged or proposed to be pledged as collateral;

“(B) the actual or proposed term in months of any introductory period after which the rate of interest may change;

“(C) the presence of contractual terms or proposed contractual terms that would allow the mortgagor or applicant to make payments other than fully amortizing payments during any portion of the loan term;

“(D) the actual or proposed term in months of the mortgage loan;

“(E) the channel through which application was made, including retail, broker, and other relevant categories;

“(F) as the Bureau may determine to be appropriate, a unique identifier that identifies the loan originator as set forth in section 1503 of the S.A.F.E. Mortgage Licensing Act of 2008;

“(G) as the Bureau may determine to be appropriate, a universal loan identifier;

“(H) as the Bureau may determine to be appropriate, the parcel number that corresponds to the real property pledged or proposed to be pledged as collateral;

“(I) the credit score of mortgage applicants and mortgagors, in such form as the Bureau may prescribe; and

“(J) such other information as the Bureau may require.”;

(B) by striking subsection (h) and inserting the following:

“(h) SUBMISSION TO AGENCIES.—

“(1) IN GENERAL.—The data required to be disclosed under subsection (b) shall be submitted to the Bureau or to the appropriate agency for the institution reporting under this title, in accordance with rules prescribed by the Bureau. Notwithstanding the requirement of subsection (a)(2)(A) for disclosure by census tract, the Bureau, in consultation with other appropriate agencies described in paragraph (2) and, after notice and comment, shall develop regulations that—

“(A) prescribe the format for such disclosures, the method for submission of the data to the ap-

propriate agency, and the procedures for disclosing the information to the public;

“(B) require the collection of data required to be disclosed under subsection (b) with respect to loans sold by each institution reporting under this title;

“(C) require disclosure of the class of the purchaser of such loans;

“(D) permit any reporting institution to submit in writing to the Bureau or to the appropriate agency such additional data or explanations as it deems relevant to the decision to originate or purchase mortgage loans; and

“(E) modify or require modification of itemized information, for the purpose of protecting the privacy interests of the mortgage applicants or mortgagors, that is or will be available to the public.

“(2) OTHER APPROPRIATE AGENCIES.—The appropriate agencies described in this paragraph are—

“(A) the appropriate Federal banking agencies, as defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)), with respect to the entities that are subject to the jurisdiction of each such agency, respectively;

“(B) the Federal Deposit Insurance Corporation for banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), mutual savings banks, insured State branches of foreign banks, and any other depository institution described in section 303(2)(A) which is not otherwise referred to in this paragraph;

“(C) the National Credit Union Administration Board with respect to credit unions; and

“(D) the Secretary of Housing and Urban Development with respect to other lending institutions not regulated by the agencies referred to in subparagraph (A) or (B).

“(3) RULES FOR MODIFICATIONS UNDER PARAGRAPH (1).—

“(A) APPLICATION.—A modification under paragraph (1)(E) shall apply to information concerning—

“(i) credit score data described in subsection (b)(6)(I), in a manner that is consistent with the purpose described in paragraph (1)(E); and

“(ii) age or any other category of data described in paragraph (5) or (6) of subsection (b), as the Bureau determines to be necessary to satisfy the purpose described in paragraph (1)(E), and in a manner consistent with that purpose.

“(B) STANDARDS.—The Bureau shall prescribe standards for any modification under paragraph (1)(E) to effectuate the purposes of this title, in light of the privacy interests of mortgage applicants or mortgagors. Where necessary to protect the privacy interests of mortgage applicants or mortgagors, the Bureau shall provide for the disclosure of information described in subparagraph (A) in aggregate or other reasonably modified form, in order to effectuate the purposes of this title.”;

(C) in subsection (i), by striking “subsection (b)(4)” and inserting “subsections (b)(4), (b)(5), and (b)(6)”;

(D) in subsection (j)—

(i) by striking paragraph (3) and inserting the following:

“(3) CHANGE OF FORM NOT REQUIRED.—A depository institution meets the disclosure requirement of paragraph (1) if the institution provides the information required under such paragraph in such formats as the Bureau may require”; and

(ii) in paragraph (2)(A), by striking “in the format in which such information is maintained by the institution” and inserting “in such formats as the Bureau may require”;

(E) in subsection (m), by striking paragraph (2) and inserting the following:

“(2) FORM OF INFORMATION.—In complying with paragraph (1), a depository institution

shall provide the person requesting the information with a copy of the information requested in such formats as the Bureau may require.”; and

(F) by adding at the end the following:

“(n) TIMING OF CERTAIN DISCLOSURES.—The data required to be disclosed under subsection (b) shall be submitted to the Bureau or to the appropriate agency for any institution reporting under this title, in accordance with regulations prescribed by the Bureau. Institutions shall not be required to report new data under paragraph (5) or (6) of subsection (b) before the first January 1 that occurs after the end of the 9-month period beginning on the date on which regulations are issued by the Bureau in final form with respect to such disclosures.”;

(4) in section 305 (12 U.S.C. 2804)—

(A) by striking subsection (b) and inserting the following:

“(b) POWERS OF CERTAIN OTHER AGENCIES.—

“(1) IN GENERAL.—Subject to subtitle B of the Consumer Financial Protection Act of 2010, compliance with the requirements of this title shall be enforced—

“(A) under section 8 of the Federal Deposit Insurance Act, the appropriate Federal banking agency, as defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)), with respect to—

“(i) any national bank or Federal savings association, and any Federal branch or Federal agency of a foreign bank;

“(ii) any member bank of the Federal Reserve System (other than a national bank), branch or agency of a foreign bank (other than a Federal branch, Federal agency, and insured State branch of a foreign bank), commercial lending company owned or controlled by a foreign bank, and any organization operating under section 25 or 25A of the Federal Reserve Act; and

“(iii) any bank or State savings association insured by the Federal Deposit Insurance Corporation (other than a member of the Federal Reserve System), any mutual savings bank as defined in section 3(f) of the Federal Deposit Insurance Act (12 U.S.C. 1813(f)), any insured State branch of a foreign bank, and any other depository institution not referred to in this paragraph or subparagraph (B) or (C);

“(B) under subtitle E of the Consumer Financial Protection Act of 2010, by the Bureau, with respect to any person subject to this subtitle;

“(C) under the Federal Credit Union Act, by the Administrator of the National Credit Union Administration with respect to any insured credit union; and

“(D) with respect to other lending institutions, by the Secretary of Housing and Urban Development.

“(2) INCORPORATED DEFINITIONS.—The terms used in paragraph (1) that are not defined in this title or otherwise defined in section 3(s) of the Federal Deposit Insurance Act (12 U.S.C. 1813(s)) shall have the same meanings as in section 1(b) of the International Banking Act of 1978 (12 U.S.C. 3101).”; and

(B) by adding at the end the following:

“(d) OVERALL ENFORCEMENT AUTHORITY OF THE BUREAU OF CONSUMER FINANCIAL PROTECTION.—Subject to subtitle B of the Consumer Financial Protection Act of 2010, enforcement of the requirements imposed under this title is committed to each of the agencies under subsection (b). To facilitate research, examinations, and enforcement, all data collected pursuant to section 304 shall be available to the entities listed under subsection (b). The Bureau may exercise its authorities under the Consumer Financial Protection Act of 2010 to exercise principal authority to examine and enforce compliance by any person with the requirements of this title.”;

(5) in section 306 (12 U.S.C. 2805(b)), by striking subsection (b) and inserting the following:

“(b) **EXEMPTION AUTHORITY.**—The Bureau may, by regulation, exempt from the requirements of this title any State-chartered depository institution within any State or subdivision thereof, if the agency determines that, under the law of such State or subdivision, that institution is subject to requirements that are substantially similar to those imposed under this title, and that such law contains adequate provisions for enforcement. Notwithstanding any other provision of this subsection, compliance with the requirements imposed under this subsection shall be enforced by the Office of the Comptroller of the Currency under section 8 of the Federal Deposit Insurance Act, in the case of national banks and Federal savings associations, the deposits of which are insured by the Federal Deposit Insurance Corporation.”; and

(6) by striking section 307 (12 U.S.C. 2806) and inserting the following:

“SEC. 307. COMPLIANCE IMPROVEMENT METHODS.

“(a) **IN GENERAL.**—

“(1) **CONSULTATION REQUIRED.**—The Director of the Bureau of Consumer Financial Protection, with the assistance of the Secretary, the Director of the Bureau of the Census, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and such other persons as the Bureau deems appropriate, shall develop or assist in the improvement of, methods of matching addresses and census tracts to facilitate compliance by depository institutions in as economical a manner as possible with the requirements of this title.

“(2) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated, such sums as may be necessary to carry out this subsection.

“(3) **CONTRACTING AUTHORITY.**—The Director of the Bureau of Consumer Financial Protection is authorized to utilize, contract with, act through, or compensate any person or agency in order to carry out this subsection.

“(b) **RECOMMENDATIONS TO CONGRESS.**—The Director of the Bureau of Consumer Financial Protection shall recommend to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives, such additional legislation as the Director of the Bureau of Consumer Financial Protection deems appropriate to carry out the purpose of this title.”.

SEC. 1095. AMENDMENTS TO THE HOMEOWNERS PROTECTION ACT OF 1998.

Section 10 of the Homeowners Protection Act of 1998 (12 U.S.C. 4909) is amended—

(1) in subsection (a)—

(A) by striking “Compliance” and all that follows through the end of paragraph (1) and inserting the following: “Subject to subtitle B of the Consumer Financial Protection Act of 2010, compliance with the requirements imposed under this Act shall be enforced under—

“(1) section 8 of the Federal Deposit Insurance Act, by the appropriate Federal banking agency (as defined in section 3(q) of that Act), with respect to—

“(A) insured depository institutions (as defined in section 3(c)(2) of that Act);

“(B) depository institutions described in clause (i), (ii), or (iii) of section 19(b)(1)(A) of the Federal Reserve Act which are not insured depository institutions (as defined in section 3(c)(2) of the Federal Deposit Insurance Act); and

“(C) depository institutions described in clause (v) or (vi) of section 19(b)(1)(A) of the Federal Reserve Act which are not insured depository institutions (as defined in section 3(c)(2) of the Federal Deposit Insurance Act);”;

(B) in paragraph (2), by striking “and” at the end;

(C) in paragraph (3), by striking the period at the end and inserting “; and”; and

(D) by adding at the end the following:

“(4) subtitle E of the Consumer Financial Protection Act of 2010, by the Bureau of Consumer Financial Protection, with respect to any person subject to this Act.”; and

(2) in subsection (b)(2), by inserting before the period at the end the following: “, subject to subtitle B of the Consumer Financial Protection Act of 2010”.

SEC. 1096. AMENDMENTS TO THE HOME OWNERSHIP AND EQUITY PROTECTION ACT OF 1994.

The Home Ownership and Equity Protection Act of 1994 (15 U.S.C. 1601 note) is amended—

(1) in section 158(a), by striking “Board of Governors of the Federal Reserve System, in consultation with the Consumer Advisory Council of the Board” and inserting “Bureau, in consultation with the Advisory Board to the Bureau”; and

(2) in section 158(b), by striking “Board of Governors of the Federal Reserve System” and inserting “Bureau”.

SEC. 1097. AMENDMENTS TO THE OMNIBUS APPROPRIATIONS ACT, 2009.

Section 626 of the Omnibus Appropriations Act, 2009 (15 U.S.C. 1638 note) is amended—

(1) by striking subsection (a) and inserting the following:

“(a)(1) The Bureau of Consumer Financial Protection shall have authority to prescribe rules with respect to mortgage loans in accordance with section 553 of title 5, United States Code. Such rulemaking shall relate to unfair or deceptive acts or practices regarding mortgage loans, which may include unfair or deceptive acts or practices involving loan modification and foreclosure rescue services. Any violation of a rule prescribed under this paragraph shall be treated as a violation of a rule prohibiting unfair, deceptive, or abusive acts or practices under the Consumer Financial Protection Act of 2010 and a violation of a rule under section 18 of the Federal Trade Commission Act (15 U.S.C. 57a) regarding unfair or deceptive acts or practices.

“(2) The Bureau of Consumer Financial Protection shall enforce the rules issued under paragraph (1) in the same manner, by the same means, and with the same jurisdiction, powers, and duties, as though all applicable terms and provisions of the Consumer Financial Protection Act of 2010 were incorporated into and made part of this subsection.

“(3) Subject to subtitle B of the Consumer Financial Protection Act of 2010, the Federal Trade Commission shall enforce the rules issued under paragraph (1), in the same manner, by the same means, and with the same jurisdiction, as though all applicable terms and provisions of the Federal Trade Commission Act were incorporated into and made part of this section.”; and

(2) in subsection (b)—

(A) by striking paragraph (1) and inserting the following:

“(1) Except as provided in paragraph (6), in any case in which the attorney general of a State has reason to believe that an interest of the residents of the State has been or is threatened or adversely affected by the engagement of any person subject to a rule prescribed under subsection (a) in practices that violate such rule, the State, as *parens patriae*, may bring a civil action on behalf of its residents in an appropriate district court of the United States or other court of competent jurisdiction—

“(A) to enjoin that practice;

“(B) to enforce compliance with the rule;

“(C) to obtain damages, restitution, or other compensation on behalf of the residents of the State; or

“(D) to obtain penalties and relief provided under the Consumer Financial Protection Act of

2010, the Federal Trade Commission Act, and such other relief as the court deems appropriate.”;

(B) in paragraphs (2) and (3), by striking “the primary Federal regulator” each time the term appears and inserting “the Bureau of Consumer Financial Protection or the Commission, as appropriate”;

(C) in paragraph (3), by inserting “and subject to subtitle B of the Consumer Financial Protection Act of 2010,” after “paragraph (2),”; and

(D) in paragraph (6), by striking “the primary Federal regulator” each place that term appears and inserting “the Bureau of Consumer Financial Protection or the Commission”.

SEC. 1098. AMENDMENTS TO THE REAL ESTATE SETTLEMENT PROCEDURES ACT OF 1974.

The Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2601 et seq.) is amended—

(1) in section 3 (12 U.S.C. 2602)—

(A) in paragraph (7), by striking “and” at the end;

(B) in paragraph (8), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(9) the term ‘Bureau’ means the Bureau of Consumer Financial Protection.”;

(2) in section 4 (12 U.S.C. 2603)—

(A) in subsection (a), by striking the first sentence and inserting the following: “The Bureau shall publish a single, integrated disclosure for mortgage loan transactions (including real estate settlement cost statements) which includes the disclosure requirements of this section and section 5, in conjunction with the disclosure requirements of the Truth in Lending Act that, taken together, may apply to a transaction that is subject to both or either provisions of law. The purpose of such model disclosure shall be to facilitate compliance with the disclosure requirements of this title and the Truth in Lending Act, and to aid the borrower or lessee in understanding the transaction by utilizing readily understandable language to simplify the technical nature of the disclosures.”;

(B) by striking “Secretary” each place that term appears and inserting “Bureau”; and

(C) by striking “form” each place that term appears and inserting “forms”;

(3) in section 5 (12 U.S.C. 2604)—

(A) by striking “Secretary” each place that term appears and inserting “Bureau”; and

(B) in subsection (a), by striking the first sentence and inserting the following: “The Bureau shall prepare and distribute booklets jointly addressing compliance with the requirements of the Truth in Lending Act and the provisions of this title, in order to help persons borrowing money to finance the purchase of residential real estate better to understand the nature and costs of real estate settlement services.”;

(4) in section 6(j)(3) (12 U.S.C. 2605(j)(3))—

(A) by striking “Secretary” and inserting “Bureau”; and

(B) by striking “, by regulations that shall take effect not later than April 20, 1991,”;

(5) in section 7(b) (12 U.S.C. 2606(b)) by striking “Secretary” and inserting “Bureau”;

(6) in section 8(c)(5) (12 U.S.C. 2607(c)(5)), by striking “Secretary” and inserting “Bureau”;

(7) in section 8(d) (12 U.S.C. 2607(d))—

(A) in the subsection heading, by inserting “BUREAU AND” before “SECRETARY”; and

(B) by striking paragraph (4), and inserting the following:

“(4) The Bureau, the Secretary, or the attorney general or the insurance commissioner of any State may bring an action to enjoin violations of this section. Except, to the extent that a person is subject to the jurisdiction of the Bureau, the Secretary, or the attorney general or the insurance commissioner of any State, the

Bureau shall have primary authority to enforce or administer this section, subject to subtitle B of the Consumer Financial Protection Act of 2010.”;

(8) in section 10(c) (12 U.S.C. 2609(c) and (d)), by striking “Secretary” and inserting “Bureau”;

(9) in section 16 (12 U.S.C. 2614), by inserting “the Bureau,” before “the Secretary”;

(10) in section 18 (12 U.S.C. 2616), by striking “Secretary” each place that term appears and inserting “Bureau”;

(11) in section 19 (12 U.S.C. 2617)—

(A) in the section heading by striking “**SECRETARY**” and inserting “**BUREAU**”;

(B) in subsection (a), by striking “Secretary” each place that term appears and inserting “Bureau”;

(C) in subsections (b) and (c), by striking “the Secretary” each place that term appears and inserting “the Bureau”.

SEC. 1098A. AMENDMENTS TO THE INTERSTATE LAND SALES FULL DISCLOSURE ACT.

The Interstate Land Sales Full Disclosure Act (15 U.S.C. 1701 et seq.) is amended—

(1) by striking “Secretary” each place that term appears and inserting “Director”;

(2) by striking “Department of Housing and Urban Development” each place that term appears and inserting “Bureau of Consumer Financial Protection”;

(3) by striking “Department” each place that term appears and inserting “Bureau”;

(4) in section 1402 (15 U.S.C. 1701)—

(A) by striking paragraph (1) and inserting the following:

“(1) ‘Director’ means the Director of the Bureau of Consumer Financial Protection.”;

(B) in paragraph (10), by striking “and” at the end;

(C) in paragraph (11), by striking the period at the end and inserting “; and”;

(D) by adding at the end the following:

“(12) ‘Bureau’ means the Bureau of Consumer Financial Protection.”;

(5) in section 1416(a) (15 U.S.C. 1715(a)), by striking “Secretary of Housing and Urban Development” and inserting “Director of the Bureau of Consumer Financial Protection”.

SEC. 1099. AMENDMENTS TO THE RIGHT TO FINANCIAL PRIVACY ACT OF 1978.

The Right to Financial Privacy Act of 1978 (12 U.S.C. 3401 et seq.) is amended—

(1) in section 1101—

(A) in paragraph (6)—

(i) in subparagraph (A), by inserting “and” after the semicolon;

(ii) in subparagraph (B), by striking “and” at the end; and

(iii) by striking subparagraph (C); and

(B) in paragraph (7), by striking subparagraph (B), and inserting the following:

“(B) the Bureau of Consumer Financial Protection.”;

(2) in section 1112(e) (12 U.S.C. 3412(e)), by striking “and the Commodity Futures Trading Commission is permitted” and inserting “the Commodity Futures Trading Commission, and the Bureau of Consumer Financial Protection is permitted”;

(3) in section 1113 (12 U.S.C. 3413), by adding at the end the following new subsection:

“(r) **DISCLOSURE TO THE BUREAU OF CONSUMER FINANCIAL PROTECTION.**—Nothing in this title shall apply to the examination by or disclosure to the Bureau of Consumer Financial Protection of financial records or information in the exercise of its authority with respect to a financial institution.”.

SEC. 1100. AMENDMENTS TO THE SECURE AND FAIR ENFORCEMENT FOR MORTGAGE LICENSING ACT OF 2008.

The S.A.F.E. Mortgage Licensing Act of 2008 (12 U.S.C. 5101 et seq.) is amended—

(1) by striking “a Federal banking agency” each place that term appears, other than in paragraphs (7) and (11) of section 1503 and section 1507(a)(1), and inserting “the Bureau”;

(2) by striking “Federal banking agencies” each place that term appears and inserting “Bureau”;

(3) by striking “Secretary” each place that term appears and inserting “Director”;

(4) in section 1503 (12 U.S.C. 5102)—

(A) by redesignating paragraphs (2) through (12) as (3) through (13), respectively;

(B) by striking paragraph (1) and inserting the following:

“(1) **BUREAU.**—The term ‘Bureau’ means the Bureau of Consumer Financial Protection.

“(2) **FEDERAL BANKING AGENCY.**—The term ‘Federal banking agency’ means the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, the National Credit Union Administration, and the Federal Deposit Insurance Corporation.”;

(C) by striking paragraph (10), as so designated by this section, and inserting the following:

“(10) **DIRECTOR.**—The term ‘Director’ means the Director of the Bureau of Consumer Financial Protection.”;

(5) in section 1507 (12 U.S.C. 5106)—

(A) in subsection (a)—

(i) by striking paragraph (1) and inserting the following:

“(1) **IN GENERAL.**—The Bureau shall develop and maintain a system for registering employees of a depository institution, employees of a subsidiary that is owned and controlled by a depository institution and regulated by a Federal banking agency, or employees of an institution regulated by the Farm Credit Administration, as registered loan originators with the Nationwide Mortgage Licensing System and Registry. The system shall be implemented before the end of the 1-year period beginning on the date of enactment of the Consumer Financial Protection Act of 2010.”;

(ii) in paragraph (2)—

(I) by striking “appropriate Federal banking agency and the Farm Credit Administration” and inserting “Bureau”;

(II) by striking “employees’s identity” and inserting “identity of the employee”;

(B) in subsection (b), by striking “through the Financial Institutions Examination Council, and the Farm Credit Administration”, and inserting “and the Bureau of Consumer Financial Protection”;

(6) in section 1508 (12 U.S.C. 5107)—

(A) by striking the section heading and inserting the following: “**SEC. 1508. BUREAU OF CONSUMER FINANCIAL PROTECTION BACKUP AUTHORITY TO ESTABLISH LOAN ORIGINATOR LICENSING SYSTEM.**”;

(B) by adding at the end the following:

“(f) **REGULATION AUTHORITY.**—

“(1) **IN GENERAL.**—The Bureau is authorized to promulgate regulations setting minimum net worth or surety bond requirements for residential mortgage loan originators and minimum requirements for recovery funds paid into by loan originators.

“(2) **CONSIDERATIONS.**—In issuing regulations under paragraph (1), the Bureau shall take into account the need to provide originators adequate incentives to originate affordable and sustainable mortgage loans, as well as the need to ensure a competitive origination market that maximizes consumer access to affordable and sustainable mortgage loans.”;

(7) by striking section 1510 (12 U.S.C. 5109) and inserting the following:

“**SEC. 1510. FEES.**

“The Bureau, the Farm Credit Administration, and the Nationwide Mortgage Licensing System and Registry may charge reasonable fees

to cover the costs of maintaining and providing access to information from the Nationwide Mortgage Licensing System and Registry, to the extent that such fees are not charged to consumers for access to such system and registry.”;

(8) by striking section 1513 (12 U.S.C. 5112) and inserting the following:

“**SEC. 1513. LIABILITY PROVISIONS.**

“The Bureau, any State official or agency, or any organization serving as the administrator of the Nationwide Mortgage Licensing System and Registry or a system established by the Director under section 1509, or any officer or employee of any such entity, shall not be subject to any civil action or proceeding for monetary damages by reason of the good faith action or omission of any officer or employee of any such entity, while acting within the scope of office or employment, relating to the collection, furnishing, or dissemination of information concerning persons who are loan originators or are applying for licensing or registration as loan originators.”;

(9) in section 1514 (12 U.S.C. 5113) in the section heading, by striking “**UNDER HUD BACKUP LICENSING SYSTEM**” and inserting “**BY THE BUREAU**”.

SEC. 1100A. AMENDMENTS TO THE TRUTH IN LENDING ACT.

The Truth in Lending Act (15 U.S.C. 1601 et seq.) is amended—

(1) in section 103 (15 U.S.C. 1602)—

(A) by redesignating subsections (b) through (bb) as subsections (c) through (cc), respectively; and

(B) by inserting after subsection (a) the following:

“(b) **BUREAU.**—The term ‘Bureau’ means the Bureau of Consumer Financial Protection.”;

(2) by striking “Board” each place that term appears, other than in section 140(d) and sections 105(i) and 108(a), as amended by this section, and inserting “Bureau”;

(3) by striking “Federal Trade Commission” each place that term appears, other than in section 108(c) and section 129(m), as amended by this Act, and other than in the context of a reference to the Federal Trade Commission Act, and inserting “Bureau”;

(4) in section 105(a) (15 U.S.C. 1604(a)), in the second sentence—

(A) by striking “Except in the case of a mortgage referred to in section 103(aa), these regulations may contain such” and inserting “Except with respect to the provisions of section 129 that apply to a mortgage referred to in section 103(aa), such regulations may contain such additional requirements.”;

(B) by inserting “all or” after “exceptions for”;

(5) in section 105(b) (15 U.S.C. 1604(b)), by striking the first sentence and inserting the following: “The Bureau shall publish a single, integrated disclosure for mortgage loan transactions (including real estate settlement cost statements) which includes the disclosure requirements of this title in conjunction with the disclosure requirements of the Real Estate Settlement Procedures Act of 1974 that, taken together, may apply to a transaction that is subject to both or either provisions of law. The purpose of such model disclosure shall be to facilitate compliance with the disclosure requirements of this title and the Real Estate Settlement Procedures Act of 1974, and to aid the borrower or lessee in understanding the transaction by utilizing readily understandable language to simplify the technical nature of the disclosures.”;

(6) in section 105(f)(1) (15 U.S.C. 1604(f)(1)), by inserting “all or” after “from all or part of this title”;

(7) in section 105 (15 U.S.C. 1604), by adding at the end the following:

“(i) **AUTHORITY OF THE BOARD TO PRESCRIBE RULES.**—Notwithstanding subsection (a), the

Board shall have authority to prescribe rules under this title with respect to a person described in section 1029(a) of the Consumer Financial Protection Act of 2010. Regulations prescribed under this subsection may contain such classifications, differentiations, or other provisions, as in the judgment of the Board are necessary or proper to effectuate the purposes of this title, to prevent circumvention or evasion thereof, or to facilitate compliance therewith.”;

(8) in section 108 (15 U.S.C. 1604), by adding at the end the following:

(A) by striking subsection (a) and inserting the following:

“(a) ENFORCING AGENCIES.—Subject to subtitle B of the Consumer Financial Protection Act of 2010, compliance with the requirements imposed under this title shall be enforced under—

“(1) section 8 of the Federal Deposit Insurance Act, by the appropriate Federal banking agency, as defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)), with respect to—

“(A) national banks, Federal savings associations, and Federal branches and Federal agencies of foreign banks;

“(B) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25A of the Federal Reserve Act; and

“(C) banks and State savings associations insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), and insured State branches of foreign banks;

“(2) the Federal Credit Union Act, by the Director of the National Credit Union Administration, with respect to any Federal credit union;

“(3) the Federal Aviation Act of 1958, by the Secretary of Transportation, with respect to any air carrier or foreign air carrier subject to that Act;

“(4) the Packers and Stockyards Act, 1921 (except as provided in section 406 of that Act), by the Secretary of Agriculture, with respect to any activities subject to that Act;

“(5) the Farm Credit Act of 1971, by the Farm Credit Administration with respect to any Federal land bank, Federal land bank association, Federal intermediate credit bank, or production credit association; and

“(6) subtitle E of the Consumer Financial Protection Act of 2010, by the Bureau, with respect to any person subject to this title.”; and

(B) by striking subsection (c) and inserting the following:

“(c) OVERALL ENFORCEMENT AUTHORITY OF THE FEDERAL TRADE COMMISSION.—Except to the extent that enforcement of the requirements imposed under this title is specifically committed to some other Government agency under any of paragraphs (1) through (5) of subsection (a), and subject to subtitle B of the Consumer Financial Protection Act of 2010, the Federal Trade Commission shall be authorized to enforce such requirements. For the purpose of the exercise by the Federal Trade Commission of its functions and powers under the Federal Trade Commission Act, a violation of any requirement imposed under this title shall be deemed a violation of a requirement imposed under that Act. All of the functions and powers of the Federal Trade Commission under the Federal Trade Commission Act are available to the Federal Trade Commission to enforce compliance by any person with the requirements under this title, irrespective of whether that person is engaged in commerce or meets any other jurisdictional tests under the Federal Trade Commission Act.”; and

(9) in section 129 (15 U.S.C. 1639), by striking subsection (m) and inserting the following:

“(m) CIVIL PENALTIES IN FEDERAL TRADE COMMISSION ENFORCEMENT ACTIONS.—For purposes of enforcement by the Federal Trade Commission, any violation of a regulation issued by the Bureau pursuant to subsection (l)(2) shall be treated as a violation of a rule promulgated under section 18 of the Federal Trade Commission Act (15 U.S.C. 57a) regarding unfair or deceptive acts or practices.”; and

(10) in chapter 5 (15 U.S.C. 1667 et seq.)—

(A) by striking “the Board” each place that term appears and inserting “the Bureau”; and

(B) by striking “The Board” each place that term appears and inserting “The Bureau”.

SEC. 1100B. AMENDMENTS TO THE TRUTH IN SAVINGS ACT.

The Truth in Savings Act (12 U.S.C. 4301 et seq.) is amended—

(1) by striking “Board” each place that term appears, other than in section 272(b) (12 U.S.C. 4311), and inserting “Bureau”; and

(2) in section 270(a) (12 U.S.C. 4309)—

(A) by striking “Compliance” and all that follows through the end of paragraph (1) and inserting: “Subject to subtitle B of the Consumer Financial Protection Act of 2010, compliance with the requirements imposed under this subtitle shall be enforced under—

“(1) section 8 of the Federal Deposit Insurance Act by the appropriate Federal banking agency (as defined in section 3(q) of that Act), with respect to—

“(A) insured depository institutions (as defined in section 3(c)(2) of that Act);

“(B) depository institutions described in clause (i), (ii), or (iii) of section 19(b)(1)(A) of the Federal Reserve Act which are not insured depository institutions (as defined in section 3(c)(2) of the Federal Deposit Insurance Act); and

“(C) depository institutions described in clause (v) or (vi) of section 19(b)(1)(A) of the Federal Reserve Act which are not insured depository institutions (as defined in section 3(c)(2) of the Federal Deposit Insurance Act);”;

(B) in paragraph (2), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(3) subtitle E of the Consumer Financial Protection Act of 2010, by the Bureau, with respect to any person subject to this subtitle.”;

(3) in section 272(b) (12 U.S.C. 4311(b)), by striking “regulation prescribed by the Board” each place that term appears and inserting “regulation prescribed by the Bureau”; and

(4) in section 274 (12 U.S.C. 4313), by striking paragraph (4) and inserting the following:

“(4) BUREAU.—The term ‘Bureau’ means the Bureau of Consumer Financial Protection.”.

SEC. 1100C. AMENDMENTS TO THE TELEMARKETING AND CONSUMER FRAUD AND ABUSE PREVENTION ACT.

(a) AMENDMENTS TO SECTION 3.—Section 3 of the Telemarketing and Consumer Fraud and Abuse Prevention Act (15 U.S.C. 6102) is amended by striking subsections (b) and (c) and inserting the following:

“(b) RULEMAKING AUTHORITY.—The Commission shall have authority to prescribe rules under subsection (a), in accordance with section 553 of title 5, United States Code. In prescribing a rule under this section that relates to the provision of a consumer financial product or service that is subject to the Consumer Financial Protection Act of 2010, including any enumerated consumer law thereunder, the Commission shall consult with the Bureau of Consumer Financial Protection regarding the consistency of a proposed rule with standards, purposes, or objectives administered by the Bureau of Consumer Financial Protection.

“(c) VIOLATIONS.—Any violation of any rule prescribed under subsection (a)—

“(1) shall be treated as a violation of a rule under section 18 of the Federal Trade Commission Act regarding unfair or deceptive acts or practices; and

“(2) that is committed by a person subject to the Consumer Financial Protection Act of 2010 shall be treated as a violation of a rule under section 1031 of that Act regarding unfair, deceptive, or abusive acts or practices.”.

(b) AMENDMENTS TO SECTION 4.—Section 4(d) of the Telemarketing and Consumer Fraud and Abuse Prevention Act (15 U.S.C. 6103(d)) is amended by inserting after “Commission” each place that term appears the following: “or the Bureau of Consumer Financial Protection”.

(c) AMENDMENTS TO SECTION 5.—Section 5(c) of the Telemarketing and Consumer Fraud and Abuse Prevention Act (15 U.S.C. 6104(c)) is amended by inserting after “Commission” each place that term appears the following: “or the Bureau of Consumer Financial Protection”.

(d) AMENDMENT TO SECTION 6.—Section 6 of the Telemarketing and Consumer Fraud and Abuse Prevention Act (15 U.S.C. 6105) is amended by adding at the end the following:

“(d) ENFORCEMENT BY BUREAU OF CONSUMER FINANCIAL PROTECTION.—Except as otherwise provided in sections 3(d), 3(e), 4, and 5, and subject to subtitle B of the Consumer Financial Protection Act of 2010, this Act shall be enforced by the Bureau of Consumer Financial Protection under subtitle E of the Consumer Financial Protection Act of 2010, with respect to the offering or provision of a consumer financial product or service subject to that Act.”.

SEC. 1100D. AMENDMENTS TO THE PAPERWORK REDUCTION ACT.

(a) DESIGNATION AS AN INDEPENDENT AGENCY.—Section 2(5) of the Paperwork Reduction Act (44 U.S.C. 3502(5)) is amended by inserting “the Bureau of Consumer Financial Protection, the Office of Financial Research,” after “the Securities and Exchange Commission.”.

(b) COMPARABLE TREATMENT.—Section 3513 of title 44, United States Code, is amended by adding at the end the following:

“(c) COMPARABLE TREATMENT.—Notwithstanding any other provision of law, the Director shall treat or review a rule or order prescribed or proposed by the Director of the Bureau of Consumer Financial Protection on the same terms and conditions as apply to any rule or order prescribed or proposed by the Board of Governors of the Federal Reserve System.”.

SEC. 1100E. ADJUSTMENTS FOR INFLATION IN THE TRUTH IN LENDING ACT.

(a) CAPS.—

(1) CREDIT TRANSACTIONS.—Section 104(3) of the Truth in Lending Act (15 U.S.C. 1603(3)) is amended by striking “\$25,000” and inserting “\$50,000”.

(2) CONSUMER LEASES.—Section 181(1) of the Truth in Lending Act (15 U.S.C. 1667(1)) is amended by striking “\$25,000” and inserting “\$50,000”.

(b) ADJUSTMENTS FOR INFLATION.—On and after December 31, 2011, the Bureau shall adjust annually the dollar amounts described in sections 104(3) and 181(1) of the Truth in Lending Act (as amended by this section), by the annual percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers, as published by the Bureau of Labor Statistics, rounded to the nearest multiple of \$100, or \$1,000, as applicable.

SEC. 1100F. USE OF CONSUMER REPORTS.

Section 615 of the Fair Credit Reporting Act (15 U.S.C. 1681m) is amended—

(1) in subsection (a)—

(A) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively;

(B) by inserting after paragraph (1) the following:

“(2) provide to the consumer written or electronic disclosure—

“(A) of a numerical credit score as defined in section 609(f)(2)(A) used by such person in taking any adverse action based in whole or in part on any information in a consumer report; and

“(B) of the information set forth in subparagraphs (B) through (E) of section 609(f)(1);”;

and

(C) in paragraph (4) (as so redesignated), by striking “paragraph (2)” and inserting “paragraph (3)”; and

(2) in subsection (h)(5)—

(A) in subparagraph (C), by striking “; and” and inserting a semicolon;

(B) in subparagraph (D), by striking the period and inserting “; and”; and

(C) by inserting at the end the following:

“(E) include a statement informing the consumer of—

“(i) a numerical credit score as defined in section 609(f)(2)(A), used by such person in making the credit decision described in paragraph (1) based in whole or in part on any information in a consumer report; and

“(ii) the information set forth in subparagraphs (B) through (E) of section 609(f)(1).”.

SEC. 1100G. SMALL BUSINESS FAIRNESS AND REGULATORY TRANSPARENCY.

(a) **PANEL REQUIREMENT.**—Section 609(d) of title 5, United States Code, is amended by striking “means the” and all that follows and inserting the following: “means—

“(1) the Environmental Protection Agency;

“(2) the Consumer Financial Protection Bureau of the Federal Reserve System; and

“(3) the Occupational Safety and Health Administration of the Department of Labor.”.

(b) **INITIAL REGULATORY FLEXIBILITY ANALYSIS.**—Section 603 of title 5, United States Code, is amended by adding at the end the following:

“(d)(1) For a covered agency, as defined in section 609(d)(2), each initial regulatory flexibility analysis shall include a description of—

“(A) any projected increase in the cost of credit for small entities;

“(B) any significant alternatives to the proposed rule which accomplish the stated objectives of applicable statutes and which minimize any increase in the cost of credit for small entities; and

“(C) advice and recommendations of representatives of small entities relating to issues described in subparagraphs (A) and (B) and subsection (b).”.

“(2) A covered agency, as defined in section 609(d)(2), shall, for purposes of complying with paragraph (1)(C)—

“(A) identify representatives of small entities in consultation with the Chief Counsel for Advocacy of the Small Business Administration; and

“(B) collect advice and recommendations from the representatives identified under subparagraph (A) relating to issues described in subparagraphs (A) and (B) of paragraph (1) and subsection (b).”.

(c) **FINAL REGULATORY FLEXIBILITY ANALYSIS.**—Section 604(a) of title 5, United States Code, is amended—

(1) in paragraph (4), by striking “and” at the end;

(2) in paragraph (5), by striking the period at the end and inserting “; and”; and

(3) by adding at the end the following:

“(6) for a covered agency, as defined in section 609(d)(2), a description of the steps the agency has taken to minimize any additional cost of credit for small entities.”.

SEC. 1100H. EFFECTIVE DATE.

Except as otherwise provided in this subtitle and the amendments made by this subtitle, this subtitle and the amendments made by this subtitle, other than sections 1081 and 1082, shall become effective on the designated transfer date.

TITLE XI—FEDERAL RESERVE SYSTEM PROVISIONS

SEC. 1101. FEDERAL RESERVE ACT AMENDMENTS ON EMERGENCY LENDING AUTHORITY.

(a) **FEDERAL RESERVE ACT.**—The third undesignated paragraph of section 13 of the Federal Reserve Act (12 U.S.C. 343) (relating to emergency lending authority) is amended—

(1) by inserting “(3)(A)” before “In unusual”;;

(2) by striking “individual, partnership, or corporation” the first place that term appears and inserting the following: “participant in any program or facility with broad-based eligibility”;;

(3) by striking “exchange for an individual or a partnership or corporation” and inserting “exchange”;;

(4) by striking “such individual, partnership, or corporation” and inserting the following: “such participant in any program or facility with broad-based eligibility”;;

(5) by striking “for individuals, partnerships, corporations” and inserting “for any participant in any program or facility with broad-based eligibility”; and

(6) by striking “may prescribe.” and inserting the following: “may prescribe.”.

“(B)(i) As soon as is practicable after the date of enactment of this subparagraph, the Board shall establish, by regulation, in consultation with the Secretary of the Treasury, the policies and procedures governing emergency lending under this paragraph. Such policies and procedures shall be designed to ensure that any emergency lending program or facility is for the purpose of providing liquidity to the financial system, and not to aid a failing financial company, and that the security for emergency loans is sufficient to protect taxpayers from losses and that any such program is terminated in a timely and orderly fashion. The policies and procedures established by the Board shall require that a Federal reserve bank assign, consistent with sound risk management practices and to ensure protection for the taxpayer, a lendable value to all collateral for a loan executed by a Federal reserve bank under this paragraph in determining whether the loan is secured satisfactorily for purposes of this paragraph.

“(ii) The Board shall establish procedures to prohibit borrowing from programs and facilities by borrowers that are insolvent. Such procedures may include a certification from the chief executive officer (or other authorized officer) of the borrower, at the time the borrower initially borrows under the program or facility (with a duty by the borrower to update the certification if the information in the certification materially changes), that the borrower is not insolvent. A borrower shall be considered insolvent for purposes of this subparagraph, if the borrower is in bankruptcy, resolution under title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act, or any other Federal or State insolvency proceeding.

“(iii) A program or facility that is structured to remove assets from the balance sheet of a single and specific company, or that is established for the purpose of assisting a single and specific company avoid bankruptcy, resolution under title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act, or any other Federal or State insolvency proceeding, shall not be considered a program or facility with broad-based eligibility.

“(iv) The Board may not establish any program or facility under this paragraph without the prior approval of the Secretary of the Treasury.

“(C) The Board shall provide to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives—

“(i) not later than 7 days after the Board authorizes any loan or other financial assistance under this paragraph, a report that includes—

“(I) the justification for the exercise of authority to provide such assistance;

“(II) the identity of the recipients of such assistance;

“(III) the date and amount of the assistance, and form in which the assistance was provided; and

“(IV) the material terms of the assistance, including—

“(aa) duration;

“(bb) collateral pledged and the value thereof;

“(cc) all interest, fees, and other revenue or items of value to be received in exchange for the assistance;

“(dd) any requirements imposed on the recipient with respect to employee compensation, distribution of dividends, or any other corporate decision in exchange for the assistance; and

“(ee) the expected costs to the taxpayers of such assistance; and

“(ii) once every 30 days, with respect to any outstanding loan or other financial assistance under this paragraph, written updates on—

“(I) the value of collateral;

“(II) the amount of interest, fees, and other revenue or items of value received in exchange for the assistance; and

“(III) the expected or final cost to the taxpayers of such assistance.

“(D) The information required to be submitted to Congress under subparagraph (C) related to—

“(i) the identity of the participants in an emergency lending program or facility commenced under this paragraph;

“(ii) the amounts borrowed by each participant in any such program or facility;

“(iii) identifying details concerning the assets or collateral held by, under, or in connection with such a program or facility, shall be kept confidential, upon the written request of the Chairman of the Board, in which case such information shall be made available only to the Chairpersons or Ranking Members of the Committees described in subparagraph (C).

“(E) If an entity to which a Federal reserve bank has provided a loan under this paragraph becomes a covered financial company, as defined in section 201 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, at any time while such loan is outstanding, and the Federal reserve bank incurs a realized net loss on the loan, then the Federal reserve bank shall have a claim equal to the amount of the net realized loss against the covered entity, with the same priority as an obligation to the Secretary of the Treasury under section 210(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act.”.

(b) **CONFORMING AMENDMENT.**—Section 507(a)(2) of title 11, United States Code, is amended by inserting “unsecured claims of any Federal reserve bank related to loans made through programs or facilities authorized under section 13(3) of the Federal Reserve Act (12 U.S.C. 343),” after “this title.”.

(c) **REFERENCES.**—On and after the date of enactment of this Act, any reference in any provision of Federal law to the third undesignated paragraph of section 13 of the Federal Reserve Act (12 U.S.C. 343) shall be deemed to be a reference to section 13(3) of the Federal Reserve Act, as so designated by this section.

SEC. 1102. AUDITS OF SPECIAL FEDERAL RESERVE CREDIT FACILITIES.

(a) **AUDITS.**—Section 714 of title 31, United States Code, is amended by adding at the end the following:

“(f) **AUDITS OF CREDIT FACILITIES OF THE FEDERAL RESERVE SYSTEM.**—

“(I) **DEFINITIONS.**—In this subsection, the following definitions shall apply:

“(A) CREDIT FACILITY.—The term ‘credit facility’ means a program or facility, including any special purpose vehicle or other entity established by or on behalf of the Board of Governors of the Federal Reserve System or a Federal reserve bank, authorized by the Board of Governors under section 13(3) of the Federal Reserve Act (12 U.S.C. 343), that is not subject to audit under subsection (e).

“(B) COVERED TRANSACTION.—The term ‘covered transaction’ means any open market transaction or discount window advance that meets the definition of ‘covered transaction’ in section 11(s) of the Federal Reserve Act.

“(2) AUTHORITY FOR AUDITS AND EXAMINATIONS.—Subject to paragraph (3), and notwithstanding any limitation in subsection (b) on the auditing and oversight of certain functions of the Board of Governors of the Federal Reserve System or any Federal reserve bank, the Comptroller General of the United States may conduct audits, including onsite examinations, of the Board of Governors, a Federal reserve bank, or a credit facility, if the Comptroller General determines that such audits are appropriate, solely for the purposes of assessing, with respect to a credit facility or a covered transaction—

“(A) the operational integrity, accounting, financial reporting, and internal controls governing the credit facility or covered transaction;

“(B) the effectiveness of the security and collateral policies established for the facility or covered transaction in mitigating risk to the relevant Federal reserve bank and taxpayers;

“(C) whether the credit facility or the conduct of a covered transaction inappropriately favors one or more specific participants over other institutions eligible to utilize the facility; and

“(D) the policies governing the use, selection, or payment of third-party contractors by or for any credit facility or to conduct any covered transaction.

“(3) REPORTS AND DELAYED DISCLOSURE.—

“(A) REPORTS REQUIRED.—A report on each audit conducted under paragraph (2) shall be submitted by the Comptroller General to the Congress before the end of the 90-day period beginning on the date on which such audit is completed.

“(B) CONTENTS.—The report under subparagraph (A) shall include a detailed description of the findings and conclusions of the Comptroller General with respect to the matters described in paragraph (2) that were audited and are the subject of the report, together with such recommendations for legislative or administrative action relating to such matters as the Comptroller General may determine to be appropriate.

“(C) DELAYED RELEASE OF CERTAIN INFORMATION.—

“(i) IN GENERAL.—The Comptroller General shall not disclose to any person or entity, including to Congress, the names or identifying details of specific participants in any credit facility or covered transaction, the amounts borrowed by or transferred by or to specific participants in any credit facility or covered transaction, or identifying details regarding assets or collateral held or transferred by, under, or in connection with any credit facility or covered transaction, and any report provided under subparagraph (A) shall be redacted to ensure that such names and details are not disclosed.

“(ii) DELAYED RELEASE.—The nondisclosure obligation under clause (i) shall expire with respect to any participant on the date on which the Board of Governors, directly or through a Federal reserve bank, publicly discloses the identity of the subject participant or the identifying details of the subject assets, collateral, or transaction.

“(iii) GENERAL RELEASE.—The Comptroller General shall release a nonredacted version of any report on a credit facility 1 year after the

effective date of the termination by the Board of Governors of the authorization for the credit facility. For purposes of this clause, a credit facility shall be deemed to have terminated 24 months after the date on which the credit facility ceases to make extensions of credit and loans, unless the credit facility is otherwise terminated by the Board of Governors.

“(iv) EXCEPTIONS.—The nondisclosure obligation under clause (i) shall not apply to the credit facilities Maiden Lane, Maiden Lane II, and Maiden Lane III.

“(v) RELEASE OF COVERED TRANSACTION INFORMATION.—The Comptroller General shall release a nonredacted version of any report regarding covered transactions upon the release of the information regarding such covered transactions by the Board of Governors of the Federal Reserve System, as provided in section 11(s) of the Federal Reserve Act.”.

(b) ACCESS TO RECORDS.—Section 714(d) of title 31, United States Code, is amended—

(1) in paragraph (2), by inserting “or any person or entity described in paragraph (3)(A)” after “used by an agency”;

(2) in paragraph (3), by inserting “or (f)” after “subsection (e)” each place that term appears;

(3) in clauses (i) and (ii) of paragraph (3)(A), by inserting “or the Federal Reserve banks” after “by the Board” each place that term appears;

(4) in paragraph (3)(A)(ii), by inserting “participating in or” after “any entity”; and

(5) in paragraph (3)(B), by adding at the end the following: “The Comptroller General may make and retain copies of books, accounts, and other records provided under subparagraph (A) as the Comptroller General deems appropriate. The Comptroller General shall provide to any person or entity described in subparagraph (A) a current list of officers and employees to whom, with proper identification, records and property may be made available, and who may make notes or copies necessary to carry out an audit or examination under this subsection.”.

SEC. 1103. PUBLIC ACCESS TO INFORMATION.

(a) IN GENERAL.—Section 2B of the Federal Reserve Act (12 U.S.C. 225b) is amended by adding at the end the following:

“(c) PUBLIC ACCESS TO INFORMATION.—The Board shall place on its home Internet website, a link entitled ‘Audit’, which shall link to a webpage that shall serve as a repository of information made available to the public for a reasonable period of time, not less than 6 months following the date of release of the relevant information, including—

“(1) the reports prepared by the Comptroller General under section 714 of title 31, United States Code;

“(2) the annual financial statements prepared by an independent auditor for the Board in accordance with section 11B;

“(3) the reports to the Committee on Banking, Housing, and Urban Affairs of the Senate required under section 13(3) (relating to emergency lending authority); and

“(4) such other information as the Board reasonably believes is necessary or helpful to the public in understanding the accounting, financial reporting, and internal controls of the Board and the Federal reserve banks.”.

(b) FEDERAL RESERVE TRANSPARENCY AND RELEASE OF INFORMATION.—Section 11 of the Federal Reserve Act (12 U.S.C. 248) is amended by adding at the end the following new subsection:

“(s) FEDERAL RESERVE TRANSPARENCY AND RELEASE OF INFORMATION.—

“(1) IN GENERAL.—In order to ensure the disclosure in a timely manner consistent with the purposes of this Act of information concerning the borrowers and counterparties participating in emergency credit facilities, discount window

lending programs, and open market operations authorized or conducted by the Board or a Federal reserve bank, the Board of Governors shall disclose, as provided in paragraph (2)—

“(A) the names and identifying details of each borrower, participant, or counterparty in any credit facility or covered transaction;

“(B) the amount borrowed by or transferred by or to a specific borrower, participant, or counterparty in any credit facility or covered transaction;

“(C) the interest rate or discount paid by each borrower, participant, or counterparty in any credit facility or covered transaction; and

“(D) information identifying the types and amounts of collateral pledged or assets transferred in connection with participation in any credit facility or covered transaction.

“(2) MANDATORY RELEASE DATE.—In the case of—

“(A) a credit facility, the Board shall disclose the information described in paragraph (1) on the date that is 1 year after the effective date of the termination by the Board of the authorization of the credit facility; and

“(B) a covered transaction, the Board shall disclose the information described in paragraph (1) on the last day of the eighth calendar quarter following the calendar quarter in which the covered transaction was conducted.

“(3) EARLIER RELEASE DATE AUTHORIZED.—The Chairman of the Board may publicly release the information described in paragraph (1) before the relevant date specified in paragraph (2), if the Chairman determines that such disclosure would be in the public interest and would not harm the effectiveness of the relevant credit facility or the purpose or conduct of covered transactions.

“(4) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

“(A) CREDIT FACILITY.—The term ‘credit facility’ has the same meaning as in section 714(f)(1)(A) of title 31, United States Code.

“(B) COVERED TRANSACTION.—The term ‘covered transaction’ means—

“(i) any open market transaction with a non-governmental third party conducted under the first undesignated paragraph of section 14 or subparagraph (a), (b), or (c) of the 2nd undesignated paragraph of such section, after the date of enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act; and

“(ii) any advance made under section 10B after the date of enactment of that Act.

“(5) TERMINATION OF CREDIT FACILITY BY OPERATION OF LAW.—A credit facility shall be deemed to have terminated as of the end of the 24-month period beginning on the date on which the credit facility ceases to make extensions of credit and loans, unless the credit facility is otherwise terminated by the Board before such date.

“(6) CONSISTENT TREATMENT OF INFORMATION.—Except as provided in this subsection or section 13(3)(D), or in section 714(f)(3)(C) of title 31, United States Code, the information described in paragraph (1) and information concerning the transactions described in section 714(f) of such title, shall be confidential, including for purposes of section 552(b)(3) of title 5 of such Code, until the relevant mandatory release date described in paragraph (2), unless the Chairman of the Board determines that earlier disclosure of such information would be in the public interest and would not harm the effectiveness of the relevant credit facility or the purpose of conduct of the relevant transactions.

“(7) PROTECTION OF PERSONAL PRIVACY.—This subsection and section 13(3)(C), section 714(f)(3)(C) of title 31, United States Code, and subsection (a) or (c) of section 1109 of the Dodd-Frank Wall Street Reform and Consumer Protection Act shall not be construed as requiring any

disclosure of nonpublic personal information (as defined for purposes of section 502 of the Gramm-Leach-Bliley Act (12 U.S.C. 6802)) concerning any individual who is referenced in collateral pledged or assets transferred in connection with a credit facility or covered transaction, unless the person is a borrower, participant, or counterparty under the credit facility or covered transaction.

“(8) **STUDY OF FOIA EXEMPTION IMPACT.**—

“(A) **STUDY.**—The Inspector General of the Board of Governors of the Federal Reserve System shall—

“(i) conduct a study on the impact that the exemption from section 552(b)(3) of title 5 (known as the Freedom of Information Act) established under paragraph (6) has had on the ability of the public to access information about the administration by the Board of Governors of emergency credit facilities, discount window lending programs, and open market operations; and

“(ii) make any recommendations on whether the exemption described in clause (i) should remain in effect.

“(B) **REPORT.**—Not later than 30 months after the date of enactment of this section, the Inspector General of the Board of Governors of the Federal Reserve System shall submit a report on the findings of the study required under subparagraph (A) to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives, and publish the report on the website of the Board.

“(9) **RULE OF CONSTRUCTION.**—Nothing in this section is meant to affect any pending litigation or lawsuit filed under section 552 of title 5, United States Code (popularly known as the Freedom of Information Act), on or before the date of enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act.”.

SEC. 1104. LIQUIDITY EVENT DETERMINATION.

(a) **DETERMINATION AND WRITTEN RECOMMENDATION.**—

(1) **DETERMINATION REQUEST.**—The Secretary may request the Corporation and the Board of Governors to determine whether a liquidity event exists that warrants use of the guarantee program authorized under section 1105.

(2) **REQUIREMENTS OF DETERMINATION.**—Any determination pursuant to paragraph (1) shall—

(A) be written; and

(B) contain an evaluation of the evidence that—

(i) a liquidity event exists;

(ii) failure to take action would have serious adverse effects on financial stability or economic conditions in the United States; and

(iii) actions authorized under section 1105 are needed to avoid or mitigate potential adverse effects on the United States financial system or economic conditions.

(b) **PROCEDURES.**—Notwithstanding any other provision of Federal or State law, upon the determination of both the Corporation (upon a vote of not fewer than $\frac{2}{3}$ of the members of the Corporation then serving) and the Board of Governors (upon a vote of not fewer than $\frac{2}{3}$ of the members of the Board of Governors then serving) under subsection (a) that a liquidity event exists that warrants use of the guarantee program authorized under section 1105, and with the written consent of the Secretary—

(1) the Corporation shall take action in accordance with section 1105(a); and

(2) the Secretary (in consultation with the President) shall take action in accordance with section 1105(c).

(c) **DOCUMENTATION AND REVIEW.**—

(1) **DOCUMENTATION.**—The Secretary shall—

(A) maintain the written documentation of each determination of the Corporation and the Board of Governors under this section; and

(B) provide the documentation for review under paragraph (2).

(2) **GAO REVIEW.**—The Comptroller General of the United States shall review and report to Congress on any determination of the Corporation and the Board of Governors under subsection (a), including—

(A) the basis for the determination; and

(B) the likely effect of the actions taken.

(d) **REPORT TO CONGRESS.**—On the earlier of the date of a submission made to Congress under section 1105(c), or within 30 days of the date of a determination under subsection (a), the Secretary shall provide written notice of the determination of the Corporation and the Board of Governors to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives, including a description of the basis for the determination.

SEC. 1105. EMERGENCY FINANCIAL STABILIZATION.

(a) **IN GENERAL.**—Upon the written determination of the Corporation and the Board of Governors under section 1104, the Corporation shall create a widely available program to guarantee obligations of solvent insured depository institutions or solvent depository institution holding companies (including any affiliates thereof) during times of severe economic distress, except that a guarantee of obligations under this section may not include the provision of equity in any form.

(b) **RULEMAKING AND TERMS AND CONDITIONS.**—

(1) **POLICIES AND PROCEDURES.**—As soon as is practicable after the date of enactment of this Act, the Corporation shall establish, by regulation, and in consultation with the Secretary, policies and procedures governing the issuance of guarantees authorized by this section. Such policies and procedures may include a requirement of collateral as a condition of any such guarantee.

(2) **TERMS AND CONDITIONS.**—The terms and conditions of any guarantee program shall be established by the Corporation, with the concurrence of the Secretary.

(c) **DETERMINATION OF GUARANTEED AMOUNT.**—

(1) **IN GENERAL.**—In connection with any program established pursuant to subsection (a) and subject to paragraph (2) of this subsection, the Secretary (in consultation with the President) shall determine the maximum amount of debt outstanding that the Corporation may guarantee under this section, and the President may transmit to Congress a written report on the plan of the Corporation to exercise the authority under this section to issue guarantees up to that maximum amount and a request for approval of such plan. The Corporation shall exercise the authority under this section to issue guarantees up to that specified maximum amount upon passage of the joint resolution of approval, as provided in subsection (d). Absent such approval, the Corporation shall issue no such guarantees.

(2) **ADDITIONAL DEBT GUARANTEE AUTHORITY.**—If the Secretary (in consultation with the President) determines, after a submission to Congress under paragraph (1), that the maximum guarantee amount should be raised, and the Council concurs with that determination, the President may transmit to Congress a written report on the plan of the Corporation to exercise the authority under this section to issue guarantees up to the increased maximum debt guarantee amount. The Corporation shall exercise the authority under this section to issue guarantees up to that specified maximum amount upon passage of the joint resolution of approval, as provided in subsection (d). Absent such approval, the Corporation shall issue no such guarantees.

(d) **RESOLUTION OF APPROVAL.**—

(1) **ADDITIONAL DEBT GUARANTEE AUTHORITY.**—A request by the President under this section shall be considered granted by Congress upon adoption of a joint resolution approving such request. Such joint resolution shall be considered in the Senate under expedited procedures.

(2) **FAST TRACK CONSIDERATION IN SENATE.**—

(A) **RECONVENING.**—Upon receipt of a request under subsection (c), if the Senate has adjourned or recessed for more than 2 days, the majority leader of the Senate, after consultation with the minority leader of the Senate, shall notify the Members of the Senate that, pursuant to this section, the Senate shall convene not later than the second calendar day after receipt of such message.

(B) **PLACEMENT ON CALENDAR.**—Upon introduction in the Senate, the joint resolution shall be placed immediately on the calendar.

(C) **FLOOR CONSIDERATION.**—

(i) **IN GENERAL.**—Notwithstanding Rule XXII of the Standing Rules of the Senate, it is in order at any time during the period beginning on the 4th day after the date on which Congress receives a request under subsection (c), and ending on the 7th day after that date (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the joint resolution, and all points of order against the joint resolution (and against consideration of the joint resolution) are waived. The motion to proceed is not debatable. The motion is not subject to a motion to postpone. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the resolution is agreed to, the joint resolution shall remain the unfinished business until disposed of.

(ii) **DEBATE.**—Debate on the joint resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, which shall be divided equally between the majority and minority leaders or their designees. A motion further to limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the joint resolution is not in order.

(iii) **VOTE ON PASSAGE.**—The vote on passage shall occur immediately following the conclusion of the debate on the joint resolution, and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the Senate.

(iv) **RULINGS OF THE CHAIR ON PROCEDURE.**—Appeals from the decisions of the Chair relating to the application of the rules of the Senate, as the case may be, to the procedure relating to a joint resolution shall be decided without debate.

(3) **RULES.**—

(A) **COORDINATION WITH ACTION BY HOUSE OF REPRESENTATIVES.**—If, before the passage by the Senate of a joint resolution of the Senate, the Senate receives a joint resolution, from the House of Representatives, then the following procedures shall apply:

(i) The joint resolution of the House of Representatives shall not be referred to a committee.

(ii) With respect to a joint resolution of the Senate—

(I) the procedure in the Senate shall be the same as if no joint resolution had been received from the other House; but

(II) the vote on passage shall be on the joint resolution of the House of Representatives.

(B) **TREATMENT OF JOINT RESOLUTION OF HOUSE OF REPRESENTATIVES.**—If the Senate fails to introduce or consider a joint resolution under this section, the joint resolution of the House of Representatives shall be entitled to expedited floor procedures under this subsection.

(C) **TREATMENT OF COMPANION MEASURES.**—If, following passage of the joint resolution in the Senate, the Senate then receives the companion measure from the House of Representatives, the companion measure shall not be debatable.

(D) **RULES OF THE SENATE.**—This subsection is enacted by Congress—

(i) as an exercise of the rulemaking power of the Senate, and as such it is deemed a part of the rules of the Senate, but applicable only with respect to the procedure to be followed in the Senate in the case of a joint resolution, and it supersedes other rules, only to the extent that it is inconsistent with such rules; and

(ii) with full recognition of the constitutional right of the Senate to change the rules (so far as relating to the procedure of the Senate) at any time, in the same manner, and to the same extent as in the case of any other rule of the Senate.

(4) **DEFINITION.**—As used in this subsection, the term “joint resolution” means only a joint resolution—

(A) that is introduced not later than 3 calendar days after the date on which the request referred to in subsection (c) is received by Congress;

(B) that does not have a preamble;

(C) the title of which is as follows: “Joint resolution relating to the approval of a plan to guarantee obligations under section 1105 of the Dodd-Frank Wall Street Reform and Consumer Protection Act”; and

(D) the matter after the resolving clause of which is as follows: “That Congress approves the obligation of any amount described in section 1105(c) of the Dodd-Frank Wall Street Reform and Consumer Protection Act.”.

(e) **FUNDING.**—

(1) **FEES AND OTHER CHARGES.**—The Corporation shall charge fees and other assessments to all participants in the program established pursuant to this section, in such amounts as are necessary to offset projected losses and administrative expenses, including amounts borrowed pursuant to paragraph (3), and such amounts shall be available to the Corporation.

(2) **EXCESS FUNDS.**—If, at the conclusion of the program established under this section, there are any excess funds collected from the fees associated with such program, the funds shall be deposited in the General Fund of the Treasury.

(3) **AUTHORITY OF CORPORATION.**—The Corporation—

(A) may borrow funds from the Secretary of the Treasury and issue obligations of the Corporation to the Secretary for amounts borrowed, and the amounts borrowed shall be available to the Corporation for purposes of carrying out a program established pursuant to this section, including the payment of reasonable costs of administering the program, and the obligations issued shall be repaid in full with interest through fees and charges paid by participants in accordance with paragraphs (1) and (4), as applicable; and

(B) may not borrow funds from the Deposit Insurance Fund established pursuant to section 11(a)(4) of the Federal Deposit Insurance Act.

(4) **BACKUP SPECIAL ASSESSMENTS.**—To the extent that the funds collected pursuant to paragraph (1) are insufficient to cover any losses or expenses, including amounts borrowed pursuant to paragraph (3), arising from a program established pursuant to this section, the Corporation shall impose a special assessment solely on participants in the program, in amounts necessary to address such insufficiency, and which shall be available to the Corporation to cover such losses or expenses.

(5) **AUTHORITY OF THE SECRETARY.**—The Secretary may purchase any obligations issued under paragraph (3)(A). For such purpose, the

Secretary may use the proceeds of the sale of any securities issued under chapter 31 of title 31, United States Code, and the purposes for which securities may be issued under that chapter 31 are extended to include such purchases, and the amount of any securities issued under that chapter 31 for such purpose shall be treated in the same manner as securities issued under section 208(n)(5)(E).

(f) **RULE OF CONSTRUCTION.**—For purposes of this section, a guarantee of deposits held by insured depository institutions shall not be treated as a debt guarantee program.

(g) **DEFINITIONS.**—For purposes of this section, the following definitions shall apply:

(1) **COMPANY.**—The term “company” means any entity other than a natural person that is incorporated or organized under Federal law or the laws of any State.

(2) **DEPOSITORY INSTITUTION HOLDING COMPANY.**—The term “depository institution holding company” has the same meaning as in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).

(3) **LIQUIDITY EVENT.**—The term “liquidity event” means—

(A) an exceptional and broad reduction in the general ability of financial market participants—

(i) to sell financial assets without an unusual and significant discount; or

(ii) to borrow using financial assets as collateral without an unusual and significant increase in margin; or

(B) an unusual and significant reduction in the ability of financial market participants to obtain unsecured credit.

(4) **SOLVENT.**—The term “solvent” means that the value of the assets of an entity exceed its obligations to creditors.

SEC. 1106. ADDITIONAL RELATED AMENDMENTS.

(a) **SUSPENSION OF PARALLEL FEDERAL DEPOSIT INSURANCE ACT AUTHORITY.**—Effective upon the date of enactment of this section, the Corporation may not exercise its authority under section 13(c)(4)(G)(i) of the Federal Deposit Insurance Act (12 U.S.C. 1823(c)(4)(G)(i)) to establish any widely available debt guarantee program for which section 1105 would provide authority.

(b) **FEDERAL DEPOSIT INSURANCE ACT.**—Section 13(c)(4)(G) of the Federal Deposit Insurance Act (12 U.S.C. 1823(c)(4)(G)) is amended—

(1) in clause (i)—

(A) in subclause (I), by inserting “for which the Corporation has been appointed receiver” before “would have serious”; and

(B) in the undesignated matter following subclause (II), by inserting “for the purpose of winding up the insured depository institution for which the Corporation has been appointed receiver” after “provide assistance under this section”; and

(2) in clause (v)(I), by striking “The” and inserting “Not later than 3 days after making a determination under clause (i), the”.

(c) **EFFECT OF DEFAULT ON AN FDIC GUARANTEE.**—If an insured depository institution or depository institution holding company (as those terms are defined in section 3 of the Federal Deposit Insurance Act) participating in a program under section 1105, or any participant in a debt guarantee program established pursuant to section 13(c)(4)(G)(i) of the Federal Deposit Insurance Act defaults on any obligation guaranteed by the Corporation after the date of enactment of this Act, the Corporation shall—

(1) appoint itself as receiver for the insured depository institution that defaults; and

(2) with respect to any other participating company that is not an insured depository institution that defaults—

(A) require—

(i) consideration of whether a determination shall be made, as provided in section 203 to resolve the company under section 202; and

(ii) the company to file a petition for bankruptcy under section 301 of title 11, United States Code, if the Corporation is not appointed receiver pursuant to section 202 within 30 days of the date of default; or

(B) file a petition for involuntary bankruptcy on behalf of the company under section 303 of title 11, United States Code.

SEC. 1107. FEDERAL RESERVE ACT AMENDMENTS ON FEDERAL RESERVE BANK GOVERNANCE.

The 5th subparagraph of the 4th undesignated paragraph of section 4 of the Federal Reserve Act (12 U.S.C. 341) is amended by striking the 2nd sentence and inserting the following: “The president shall be the chief executive officer of the bank and shall be appointed by the Class B and Class C directors of the bank, with the approval of the Board of Governors of the Federal Reserve System, for a term of 5 years; and all other executive officers and all employees of the bank shall be directly responsible to the president.”.

SEC. 1108. FEDERAL RESERVE ACT AMENDMENTS ON SUPERVISION AND REGULATION POLICY.

(a) **ESTABLISHMENT OF THE POSITION OF VICE CHAIRMAN FOR SUPERVISION.**—

(1) **POSITION ESTABLISHED.**—The second undesignated paragraph of section 10 of the Federal Reserve Act (12 U.S.C. 242) (relating to the Chairman and Vice Chairman of the Board) is amended by striking the third sentence and inserting the following: “Of the persons thus appointed, 1 shall be designated by the President, by and with the advice and consent of the Senate, to serve as Chairman of the Board for a term of 4 years, and 2 shall be designated by the President, by and with the advice and consent of the Senate, to serve as Vice Chairmen of the Board, each for a term of 4 years, 1 of whom shall serve in the absence of the Chairman, as provided in the fourth undesignated paragraph of this section, and 1 of whom shall be designated Vice Chairman for Supervision. The Vice Chairman for Supervision shall develop policy recommendations for the Board regarding supervision and regulation of depository institution holding companies and other financial firms supervised by the Board, and shall oversee the supervision and regulation of such firms.”.

(2) **EFFECTIVE DATE.**—The amendment made by subsection (a) takes effect on the date of enactment of this title and applies to individuals who are designated by the President on or after that date to serve as Vice Chairman of Supervision.

(b) **APPEARANCES BEFORE CONGRESS.**—Section 10 of the Federal Reserve Act (12 U.S.C. 241 et seq.) is amended by adding at the end the following:

“(12) **APPEARANCES BEFORE CONGRESS.**—The Vice Chairman for Supervision shall appear before the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives and at semi-annual hearings regarding the efforts, activities, objectives, and plans of the Board with respect to the conduct of supervision and regulation of depository institution holding companies and other financial firms supervised by the Board.”.

(c) **BOARD RESPONSIBILITY TO SET SUPERVISION AND REGULATORY POLICY.**—Section 11 of the Federal Reserve Act (12 U.S.C. 248) (relating to enumerated powers of the Board) is amended by adding at the end of subsection (k) (relating to delegation) the following: “The Board of Governors may not delegate to a Federal reserve bank its functions for the establishment of policies for the supervision and regulation of depository institution holding companies and other financial firms supervised by the Board of Governors.”.

(d) **EXERCISE OF FEDERAL RESERVE AUTHORITY.**—

(1) **NO DECISIONS BY FEDERAL RESERVE BANK PRESIDENTS.**—No provision of title I relating to the authority of the Board of Governors shall be construed as conferring any decision-making authority on presidents of Federal reserve banks.

(2) **VOTING DECISIONS BY BOARD.**—The Board of Governors shall not delegate the authority to make any voting decision that the Board of Governors is authorized or required to make under title I of this Act in contravention of section 11(k) of the Federal Reserve Act.

SEC. 1109. GAO AUDIT OF THE FEDERAL RESERVE FACILITIES; PUBLICATION OF BOARD ACTIONS.

(a) **GAO AUDIT.**—

(1) **IN GENERAL.**—Notwithstanding section 714(b) of title 31, United States Code, or any other provision of law, the Comptroller General of the United States (in this subsection referred to as the “Comptroller General”) shall conduct a one-time audit of all loans and other financial assistance provided during the period beginning on December 1, 2007 and ending on the date of enactment of this Act by the Board of Governors or a Federal reserve bank under the Asset-Backed Commercial Paper Money Market Mutual Fund Liquidity Facility, the Term Asset-Backed Securities Loan Facility, the Primary Dealer Credit Facility, the Commercial Paper Funding Facility, the Term Securities Lending Facility, the Term Auction Facility, Maiden Lane, Maiden Lane II, Maiden Lane III, the agency Mortgage-Backed Securities program, foreign currency liquidity swap lines, and any other program created as a result of section 13(3) of the Federal Reserve Act (as so designated by this title).

(2) **ASSESSMENTS.**—In conducting the audit under paragraph (1), the Comptroller General shall assess—

(A) the operational integrity, accounting, financial reporting, and internal controls of the credit facility;

(B) the effectiveness of the security and collateral policies established for the facility in mitigating risk to the relevant Federal reserve bank and taxpayers;

(C) whether the credit facility inappropriately favors one or more specific participants over other institutions eligible to utilize the facility;

(D) the policies governing the use, selection, or payment of third-party contractors by or for any credit facility; and

(E) whether there were conflicts of interest with respect to the manner in which such facility was established or operated.

(3) **TIMING.**—The audit required by this subsection shall be commenced not later than 30 days after the date of enactment of this Act, and shall be completed not later than 12 months after that date of enactment.

(4) **REPORT REQUIRED.**—The Comptroller General shall submit a report on the audit conducted under paragraph (1) to the Congress not later than 12 months after the date of enactment of this Act, and such report shall be made available to—

(A) the Speaker of the House of Representatives;

(B) the majority and minority leaders of the House of Representatives;

(C) the majority and minority leaders of the Senate;

(D) the Chairman and Ranking Member of the Committee on Banking, Housing, and Urban Affairs of the Senate and of the Committee on Financial Services of the House of Representatives; and

(E) any member of Congress who requests it.

(b) **AUDIT OF FEDERAL RESERVE BANK GOVERNANCE.**—

(1) **AUDIT.**—

(A) **IN GENERAL.**—Not later than 1 year after the date of enactment of this Act, the Comptroller General shall complete an audit of the governance of the Federal reserve bank system.

(B) **REQUIRED EXAMINATIONS.**—The audit required under subparagraph (A) shall—

(i) examine the extent to which the current system of appointing Federal reserve bank directors effectively represents “the public, without discrimination on the basis of race, creed, color, sex or national origin, and with due but not exclusive consideration to the interests of agriculture, commerce, industry, services, labor, and consumers” in the selection of bank directors, as such requirement is set forth under section 4 of the Federal Reserve Act;

(ii) examine whether there are actual or potential conflicts of interest created when the directors of Federal reserve banks, which execute the supervisory functions of the Board of Governors of the Federal Reserve System, are elected by member banks;

(iii) examine the establishment and operations of each facility described in subsection (a)(1) and each Federal reserve bank involved in the establishment and operations thereof; and

(iv) identify changes to selection procedures for Federal reserve bank directors, or to other aspects of Federal reserve bank governance, that would—

(I) improve how the public is represented;

(II) eliminate actual or potential conflicts of interest in bank supervision;

(III) increase the availability of information useful for the formation and execution of monetary policy; or

(IV) in other ways increase the effectiveness or efficiency of reserve banks.

(2) **REPORT REQUIRED.**—A report on the audit conducted under paragraph (1) shall be submitted by the Comptroller General to the Congress before the end of the 90-day period beginning on the date on which such audit is completed, and such report shall be made available to—

(A) the Speaker of the House of Representatives;

(B) the majority and minority leaders of the House of Representatives;

(C) the majority and minority leaders of the Senate;

(D) the Chairman and Ranking Member of the Committee on Banking, Housing, and Urban Affairs of the Senate and of the Committee on Financial Services of the House of Representatives; and

(E) any member of Congress who requests it.

(c) **PUBLICATION OF BOARD ACTIONS.**—Notwithstanding any other provision of law, the Board of Governors shall publish on its website, not later than December 1, 2010, with respect to all loans and other financial assistance provided during the period beginning on December 1, 2007 and ending on the date of enactment of this Act under the Asset-Backed Commercial Paper Money Market Mutual Fund Liquidity Facility, the Term Asset-Backed Securities Loan Facility, the Primary Dealer Credit Facility, the Commercial Paper Funding Facility, the Term Securities Lending Facility, the Term Auction Facility, Maiden Lane, Maiden Lane II, Maiden Lane III, the agency Mortgage-Backed Securities program, foreign currency liquidity swap lines, and any other program created as a result of section 13(3) of the Federal Reserve Act (as so designated by this title)—

(1) the identity of each business, individual, entity, or foreign central bank to which the Board of Governors or a Federal reserve bank has provided such assistance;

(2) the type of financial assistance provided to that business, individual, entity, or foreign central bank;

(3) the value or amount of that financial assistance;

(4) the date on which the financial assistance was provided;

(5) the specific terms of any repayment expected, including the repayment time period, interest charges, collateral, limitations on executive compensation or dividends, and other material terms; and

(6) the specific rationale for each such facility or program.

TITLE XII—IMPROVING ACCESS TO MAINSTREAM FINANCIAL INSTITUTIONS

SEC. 1201. SHORT TITLE.

This title may be cited as the “Improving Access to Mainstream Financial Institutions Act of 2010”.

SEC. 1202. PURPOSE.

The purpose of this title is to encourage initiatives for financial products and services that are appropriate and accessible for millions of Americans who are not fully incorporated into the financial mainstream.

SEC. 1203. DEFINITIONS.

In this title, the following definitions shall apply:

(1) **ACCOUNT.**—The term “account” means an agreement between an individual and an eligible entity under which the individual obtains from or through the entity 1 or more banking products and services, and includes a deposit account, a savings account (including a money market savings account), an account for a closed-end loan, and other products or services, as the Secretary deems appropriate.

(2) **COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.**—The term “community development financial institution” has the same meaning as in section 103(5) of the Community Development Banking and Financial Institutions Act of 1994 (12 U.S.C. 4702(5)).

(3) **ELIGIBLE ENTITY.**—The term “eligible entity” means—

(A) an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, and exempt from tax under section 501(a) of such Code;

(B) a federally insured depository institution;

(C) a community development financial institution;

(D) a State, local, or tribal government entity; or

(E) a partnership or other joint venture comprised of 1 or more of the entities described in subparagraphs (A) through (D), in accordance with regulations prescribed by the Secretary under this title.

(4) **FEDERALLY INSURED DEPOSITORY INSTITUTION.**—The term “federally insured depository institution” means any insured depository institution (as that term is defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813)) and any insured credit union (as that term is defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752)).

SEC. 1204. EXPANDED ACCESS TO MAINSTREAM FINANCIAL INSTITUTIONS.

(a) **IN GENERAL.**—The Secretary is authorized to establish a multiyear program of grants, cooperative agreements, financial agency agreements, and similar contracts or undertakings to promote initiatives designed—

(1) to enable low- and moderate-income individuals to establish one or more accounts in a federally insured depository institution that are appropriate to meet the financial needs of such individuals; and

(2) to improve access to the provision of accounts, on reasonable terms, for low- and moderate-income individuals.

(b) **PROGRAM ELIGIBILITY AND ACTIVITIES.**—

(1) **IN GENERAL.**—The Secretary shall restrict participation in any program established under

subsection (a) to an eligible entity. Subject to regulations prescribed by the Secretary under this title, 1 or more eligible entities may participate in 1 or several programs established under subsection (a).

(2) **ACCOUNT ACTIVITIES.**—Subject to regulations prescribed by the Secretary, an eligible entity may, in participating in a program established under subsection (a), offer or provide to low- and moderate-income individuals products and services relating to accounts, including—

(A) small-dollar value loans; and

(B) financial education and counseling relating to conducting transactions in and managing accounts.

SEC. 1205. LOW-COST ALTERNATIVES TO SMALL DOLLAR LOANS.

(a) **GRANTS AUTHORIZED.**—The Secretary is authorized to establish multiyear demonstration programs by means of grants, cooperative agreements, financial agency agreements, and similar contracts or undertakings, with eligible entities to provide low-cost, small loans to consumers that will provide alternatives to more costly small dollar loans.

(b) **TERMS AND CONDITIONS.**—

(1) **IN GENERAL.**—Loans under this section shall be made on terms and conditions, and pursuant to lending practices, that are reasonable for consumers.

(2) **FINANCIAL LITERACY AND EDUCATION OPPORTUNITIES.**—

(A) **IN GENERAL.**—Each eligible entity awarded a grant under this section shall promote and take appropriate steps to ensure the provision of financial literacy and education opportunities, such as relevant counseling services, educational courses, or wealth building programs, to each consumer provided with a loan pursuant to this section.

(B) **AUTHORITY TO EXPAND ACCESS.**—As part of the grants, agreements, and undertakings established under this section, the Secretary may implement reasonable measures or programs designed to expand access to financial literacy and education opportunities, including relevant counseling services, educational courses, or wealth building programs to be provided to individuals who obtain loans from eligible entities under this section.

SEC. 1206. GRANTS TO ESTABLISH LOAN-LOSS RESERVE FUNDS.

The Community Development Banking and Financial Institutions Act of 1994 (12 U.S.C. 4701 et seq.) is amended by adding at the end the following:

“SEC. 122. GRANTS TO ESTABLISH LOAN-LOSS RESERVE FUNDS.

“(a) **PURPOSES.**—The purposes of this section are—

“(1) to make financial assistance available from the Fund in order to help community development financial institutions defray the costs of operating small dollar loan programs, by providing the amounts necessary for such institutions to establish their own loan loss reserve funds to mitigate some of the losses on such small dollar loan programs; and

“(2) to encourage community development financial institutions to establish and maintain small dollar loan programs that would help give consumers access to mainstream financial institutions and combat high cost small dollar lending.

“(b) **GRANTS.**—

“(1) **LOAN-LOSS RESERVE FUND GRANTS.**—The Fund shall make grants to community development financial institutions or to any partnership between such community development financial institutions and any other federally insured depository institution with a primary mission to serve targeted investment areas, as such areas are defined under section 103(16), to enable such institutions or any partnership of

such institutions to establish a loan-loss reserve fund in order to defray the costs of a small dollar loan program established or maintained by such institution.

“(2) **MATCHING REQUIREMENT.**—A community development financial institution or any partnership of institutions established pursuant to paragraph (1) shall provide non-Federal matching funds in an amount equal to 50 percent of the amount of any grant received under this section.

“(3) **USE OF FUNDS.**—Any grant amounts received by a community development financial institution or any partnership between or among such institutions under paragraph (1)—

“(A) may not be used by such institution to provide direct loans to consumers;

“(B) may be used by such institution to help recapture a portion or all of a defaulted loan made under the small dollar loan program of such institution; and

“(C) may be used to designate and utilize a fiscal agent for services normally provided by such an agent.

“(4) **TECHNICAL ASSISTANCE GRANTS.**—The Fund shall make technical assistance grants to community development financial institutions or any partnership between or among such institutions to support and maintain a small dollar loan program. Any grant amounts received under this paragraph may be used for technology, staff support, and other costs associated with establishing a small dollar loan program.

“(c) **DEFINITIONS.**—For purposes of this section—

“(1) the term ‘consumer reporting agency that compiles and maintains files on consumers on a nationwide basis’ has the same meaning given such term in section 603(p) of the Fair Credit Reporting Act (15 U.S.C. 1681a(p)); and

“(2) the term ‘small dollar loan program’ means a loan program wherein a community development financial institution or any partnership between or among such institutions offers loans to consumers that—

“(A) are made in amounts not exceeding \$2,500;

“(B) must be repaid in installments;

“(C) have no pre-payment penalty;

“(D) the institution has to report payments regarding the loan to at least 1 of the consumer reporting agencies that compiles and maintains files on consumers on a nationwide basis; and

“(E) meet any other affordability requirements as may be established by the Administrator.”.

SEC. 1207. PROCEDURAL PROVISIONS.

An eligible entity desiring to participate in a program or obtain a grant under this title shall submit an application to the Secretary, in such form and containing such information as the Secretary may require.

SEC. 1208. AUTHORIZATION OF APPROPRIATIONS.

(a) **AUTHORIZATION TO THE SECRETARY.**—There are authorized to be appropriated to the Secretary, such sums as are necessary to both administer and fund the programs and projects authorized by this title, to remain available until expended.

(b) **AUTHORIZATION TO THE FUND.**—There is authorized to be appropriated to the Fund for each fiscal year beginning in fiscal year 2010, an amount equal to the amount of the administrative costs of the Fund for the operation of the grant program established under this title.

SEC. 1209. REGULATIONS.

(a) **IN GENERAL.**—The Secretary is authorized to promulgate regulations to implement and administer the grant programs and undertakings authorized by this title.

(b) **REGULATORY AUTHORITY.**—Regulations prescribed under this section may contain such classifications, differentiations, or other provisions, and may provide for such adjustments

and exceptions for any class of grant programs, undertakings, or eligible entities, as, in the judgment of the Secretary, are necessary or proper to effectuate the purposes of this title, to prevent circumvention or evasion of this title, or to facilitate compliance with this title.

SEC. 1210. EVALUATION AND REPORTS TO CONGRESS.

For each fiscal year in which a program or project is carried out under this title, the Secretary shall submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives containing a description of the activities funded, amounts distributed, and measurable results, as appropriate and available.

TITLE XIII—PAY IT BACK ACT

SEC. 1301. SHORT TITLE.

This title may be cited as the “Pay It Back Act”.

SEC. 1302. AMENDMENT TO REDUCE TARP AUTHORIZATION.

Section 115(a) of the Emergency Economic Stabilization Act of 2008 (12 U.S.C. 5225(a)) is amended—

(1) in paragraph (3)—

(A) by striking “, \$700,000,000,000, as such amount is reduced by \$1,259,000,000, as such amount is reduced by \$1,244,000,000” and inserting “\$475,000,000,000”; and

(B) by striking “outstanding at any one time”; and

(2) by adding at the end the following:

“(4) For purposes of this subsection, the amount of authority considered to be exercised by the Secretary shall not be reduced by—

“(A) any amounts received by the Secretary before, on, or after the date of enactment of the Pay It Back Act from repayment of the principal of financial assistance by an entity that has received financial assistance under the TARP or any other program enacted by the Secretary under the authorities granted to the Secretary under this Act;

“(B) any amounts committed for any guarantees pursuant to the TARP that became or become uncommitted; or

“(C) any losses realized by the Secretary.

“(5) No authority under this Act may be used to incur any obligation for a program or initiative that was not initiated prior to June 25, 2010.”.

SEC. 1303. REPORT.

Section 106 of the Emergency Economic Stabilization Act of 2008 (12 U.S.C. 5216) is amended by inserting at the end the following:

“(f) **REPORT.**—The Secretary of the Treasury shall report to Congress every 6 months on amounts received and transferred to the general fund under subsection (d).”.

SEC. 1304. AMENDMENTS TO HOUSING AND ECONOMIC RECOVERY ACT OF 2008.

(a) **SALE OF FANNIE MAE OBLIGATIONS AND SECURITIES BY THE TREASURY; DEFICIT REDUCTION.**—Section 304(g)(2) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1719(g)(2)) is amended—

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by inserting after subparagraph (B) the following:

“(C) **DEFICIT REDUCTION.**—The Secretary of the Treasury shall deposit in the General Fund of the Treasury any amounts received by the Secretary from the sale of any obligation acquired by the Secretary under this subsection, where such amounts shall be—

“(i) dedicated for the sole purpose of deficit reduction; and

“(ii) prohibited from use as an offset for other spending increases or revenue reductions.”.

(b) **SALE OF FREDDIE MAC OBLIGATIONS AND SECURITIES BY THE TREASURY; DEFICIT REDUCTION.**—Section 306(l)(2) of the Federal Home

Loan Mortgage Corporation Act (12 U.S.C. 1455(l)(2)) is amended—

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by inserting after subparagraph (B) the following:

“(C) DEFICIT REDUCTION.—The Secretary of the Treasury shall deposit in the General Fund of the Treasury any amounts received by the Secretary from the sale of any obligation acquired by the Secretary under this subsection, where such amounts shall be—

“(i) dedicated for the sole purpose of deficit reduction; and

“(ii) prohibited from use as an offset for other spending increases or revenue reductions.”.

(c) SALE OF FEDERAL HOME LOAN BANKS OBLIGATIONS BY THE TREASURY; DEFICIT REDUCTION.—Section 11(l)(2) of the Federal Home Loan Bank Act (12 U.S.C. 1431(l)(2)) is amended—

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by inserting after subparagraph (B) the following:

“(C) DEFICIT REDUCTION.—The Secretary of the Treasury shall deposit in the General Fund of the Treasury any amounts received by the Secretary from the sale of any obligation acquired by the Secretary under this subsection, where such amounts shall be—

“(i) dedicated for the sole purpose of deficit reduction; and

“(ii) prohibited from use as an offset for other spending increases or revenue reductions.”.

(d) REPAYMENT OF FEES.—Any periodic commitment fee or any other fee or assessment paid by the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation to the Secretary of the Treasury as a result of any preferred stock purchase agreement, mortgage-backed security purchase program, or any other program or activity authorized or carried out pursuant to the authorities granted to the Secretary of the Treasury under section 1117 of the Housing and Economic Recovery Act of 2008 (Public Law 110-289; 122 Stat. 2683), including any fee agreed to by contract between the Secretary and the Association or Corporation, shall be deposited in the General Fund of the Treasury where such amounts shall be—

(1) dedicated for the sole purpose of deficit reduction; and

(2) prohibited from use as an offset for other spending increases or revenue reductions.

SEC. 1305. FEDERAL HOUSING FINANCE AGENCY REPORT.

The Director of the Federal Housing Finance Agency shall submit to Congress a report on the plans of the Agency to continue to support and maintain the Nation's vital housing industry, while at the same time guaranteeing that the American taxpayer will not suffer unnecessary losses.

SEC. 1306. REPAYMENT OF UNOBLIGATED ARRA FUNDS.

(a) REJECTION OF ARRA FUNDS BY STATE.—Section 1607 of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 305) is amended by adding at the end the following:

“(d) STATEWIDE REJECTION OF FUNDS.—If funds provided to any State in any division of this Act are not accepted for use by the Governor of the State pursuant to subsection (a) or by the State legislature pursuant to subsection (b), then all such funds shall be—

“(1) rescinded; and

“(2) deposited in the General Fund of the Treasury where such amounts shall be—

“(A) dedicated for the sole purpose of deficit reduction; and

“(B) prohibited from use as an offset for other spending increases or revenue reductions.”.

(b) WITHDRAWAL OR RECAPTURE OF UNOBLIGATED FUNDS.—Title XVI of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 302) is amended by adding at the end the following:

“SEC. 1613. WITHDRAWAL OR RECAPTURE OF UNOBLIGATED FUNDS.

“Notwithstanding any other provision of this Act, if the head of any executive agency withdraws or recaptures for any reason funds appropriated or otherwise made available under this division, and such funds have not been obligated by a State to a local government or for a specific project, such recaptured funds shall be—

“(1) rescinded; and

“(2) deposited in the General Fund of the Treasury where such amounts shall be—

“(A) dedicated for the sole purpose of deficit reduction; and

“(B) prohibited from use as an offset for other spending increases or revenue reductions.”.

(c) RETURN OF UNOBLIGATED FUNDS BY END OF 2012.—Section 1603 of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 302) is amended by—

(1) striking “All funds” and inserting “(a) IN GENERAL.—All funds”; and

(2) adding at the end the following:

“(b) REPAYMENT OF UNOBLIGATED FUNDS.—Any discretionary appropriations made available in this division that have not been obligated as of December 31, 2012, are hereby rescinded, and such amounts shall be deposited in the General Fund of the Treasury where such amounts shall be—

“(1) dedicated for the sole purpose of deficit reduction; and

“(2) prohibited from use as an offset for other spending increases or revenue reductions.”.

“(c) PRESIDENTIAL WAIVER AUTHORITY.—

“(1) IN GENERAL.—The President may waive the requirements under subsection (b), if the President determines that it is not in the best interest of the Nation to rescind a specific unobligated amount after December 31, 2012.

“(2) REQUESTS.—The head of an executive agency may also apply to the President for a waiver from the requirements under subsection (b).”.

TITLE XIV—MORTGAGE REFORM AND ANTI-PREDATORY LENDING ACT

SEC. 1400. SHORT TITLE; DESIGNATION AS ENUMERATED CONSUMER LAW.

(a) SHORT TITLE.—This title may be cited as the “Mortgage Reform and Anti-Predatory Lending Act”.

(b) DESIGNATION AS ENUMERATED CONSUMER LAW UNDER THE PURVIEW OF THE BUREAU OF CONSUMER FINANCIAL PROTECTION.—Subtitles A, B, C, and E and sections 1471, 1472, 1475, and 1476, and the amendments made by such subtitles and sections, shall be enumerated consumer laws, as defined in section 1002, and come under the purview of the Bureau of Consumer Financial Protection for purposes of title X, including the transfer of functions and personnel under subtitle F of title X and the savings provisions of such subtitle.

(c) REGULATIONS; EFFECTIVE DATE.—

(1) REGULATIONS.—The regulations required to be prescribed under this title or the amendments made by this title shall—

(A) be prescribed in final form before the end of the 18-month period beginning on the designated transfer date; and

(B) take effect not later than 12 months after the date of issuance of the regulations in final form.

(2) EFFECTIVE DATE ESTABLISHED BY RULE.—Except as provided in paragraph (3), a section, or provision thereof, of this title shall take effect on the date on which the final regulations implementing such section, or provision, take effect.

(3) EFFECTIVE DATE.—A section of this title for which regulations have not been issued on the date that is 18 months after the designated transfer date shall take effect on such date.

Subtitle A—Residential Mortgage Loan Origination Standards

SEC. 1401. DEFINITIONS.

Section 103 of the Truth in Lending Act (15 U.S.C. 1602) is amended by adding at the end the following new subsection:

“(cc) DEFINITIONS RELATING TO MORTGAGE ORIGINATION AND RESIDENTIAL MORTGAGE LOANS.—

“(1) COMMISSION.—Unless otherwise specified, the term ‘Commission’ means the Federal Trade Commission.

“(2) MORTGAGE ORIGINATOR.—The term ‘mortgage originator’—

“(A) means any person who, for direct or indirect compensation or gain, or in the expectation of direct or indirect compensation or gain—

“(i) takes a residential mortgage loan application;

“(ii) assists a consumer in obtaining or applying to obtain a residential mortgage loan; or

“(iii) offers or negotiates terms of a residential mortgage loan;

“(B) includes any person who represents to the public, through advertising or other means of communicating or providing information (including the use of business cards, stationery, brochures, signs, rate lists, or other promotional items), that such person can or will provide any of the services or perform any of the activities described in subparagraph (A);

“(C) does not include any person who is (i) not otherwise described in subparagraph (A) or (B) and who performs purely administrative or clerical tasks on behalf of a person who is described in any such subparagraph, or (ii) an employee of a retailer of manufactured homes who is not described in clause (i) or (iii) of subparagraph (A) and who does not advise a consumer on loan terms (including rates, fees, and other costs);

“(D) does not include a person or entity that only performs real estate brokerage activities and is licensed or registered in accordance with applicable State law, unless such person or entity is compensated by a lender, a mortgage broker, or other mortgage originator or by any agent of such lender, mortgage broker, or other mortgage originator;

“(E) does not include, with respect to a residential mortgage loan, a person, estate, or trust that provides mortgage financing for the sale of 3 properties in any 12-month period to purchasers of such properties, each of which is owned by such person, estate, or trust and serves as security for the loan, provided that such loan—

“(i) is not made by a person, estate, or trust that has constructed, or acted as a contractor for the construction of, a residence on the property in the ordinary course of business of such person, estate, or trust;

“(ii) is fully amortizing;

“(iii) is with respect to a sale for which the seller determines in good faith and documents that the buyer has a reasonable ability to repay the loan;

“(iv) has a fixed rate or an adjustable rate that is adjustable after 5 or more years, subject to reasonable annual and lifetime limitations on interest rate increases; and

“(v) meets any other criteria the Board may prescribe;

“(F) does not include the creditor (except the creditor in a table-funded transaction) under paragraph (1), (2), or (4) of section 129B(c); and

“(G) does not include a servicer or servicer employees, agents and contractors, including but not limited to those who offer or negotiate terms of a residential mortgage loan for purposes of renegotiating, modifying, replacing and

subordinating principal of existing mortgages where borrowers are behind in their payments, in default or have a reasonable likelihood of being in default or falling behind.

“(3) **NATIONWIDE MORTGAGE LICENSING SYSTEM AND REGISTRY.**—The term ‘Nationwide Mortgage Licensing System and Registry’ has the same meaning as in the Secure and Fair Enforcement for Mortgage Licensing Act of 2008.

“(4) **OTHER DEFINITIONS RELATING TO MORTGAGE ORIGINATOR.**—For purposes of this subsection, a person ‘assists a consumer in obtaining or applying to obtain a residential mortgage loan’ by, among other things, advising on residential mortgage loan terms (including rates, fees, and other costs), preparing residential mortgage loan packages, or collecting information on behalf of the consumer with regard to a residential mortgage loan.

“(5) **RESIDENTIAL MORTGAGE LOAN.**—The term ‘residential mortgage loan’ means any consumer credit transaction that is secured by a mortgage, deed of trust, or other equivalent consensual security interest on a dwelling or on residential real property that includes a dwelling, other than a consumer credit transaction under an open end credit plan or, for purposes of sections 129B and 129C and section 128(a) (16), (17), (18), and (19), and sections 128(f) and 130(k), and any regulations promulgated thereunder, an extension of credit relating to a plan described in section 101(53D) of title 11, United States Code.

“(6) **SECRETARY.**—The term ‘Secretary’, when used in connection with any transaction or person involved with a residential mortgage loan, means the Secretary of Housing and Urban Development.

“(7) **SERVICER.**—The term ‘servicer’ has the same meaning as in section 6(i)(2) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2605(i)(2)).”

SEC. 1402. RESIDENTIAL MORTGAGE LOAN ORIGINATION.

(a) **IN GENERAL.**—Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631 et seq.) is amended—

(1) by redesignating the 2nd of the 2 sections designated as section 129 (15 U.S.C. 1639a) (relating to duty of servicers of residential mortgages) as section 129A; and

(2) by inserting after section 129A (as so redesignated) the following new section:

“§ 129B. Residential mortgage loan origination

“(a) FINDING AND PURPOSE.—

“(1) **FINDING.**—The Congress finds that economic stabilization would be enhanced by the protection, limitation, and regulation of the terms of residential mortgage credit and the practices related to such credit, while ensuring that responsible, affordable mortgage credit remains available to consumers.

“(2) **PURPOSE.**—It is the purpose of this section and section 129C to assure that consumers are offered and receive residential mortgage loans on terms that reasonably reflect their ability to repay the loans and that are understandable and not unfair, deceptive or abusive.

“(b) DUTY OF CARE.—

“(1) **STANDARD.**—Subject to regulations prescribed under this subsection, each mortgage originator shall, in addition to the duties imposed by otherwise applicable provisions of State or Federal law—

“(A) be qualified and, when required, registered and licensed as a mortgage originator in accordance with applicable State or Federal law, including the Secure and Fair Enforcement for Mortgage Licensing Act of 2008; and

“(B) include on all loan documents any unique identifier of the mortgage originator provided by the Nationwide Mortgage Licensing System and Registry.

“(2) **COMPLIANCE PROCEDURES REQUIRED.**—The Board shall prescribe regulations requiring

depository institutions to establish and maintain procedures reasonably designed to assure and monitor the compliance of such depository institutions, the subsidiaries of such institutions, and the employees of such institutions or subsidiaries with the requirements of this section and the registration procedures established under section 1507 of the Secure and Fair Enforcement for Mortgage Licensing Act of 2008.”

(b) **CLERICAL AMENDMENT.**—The table of sections for chapter 2 of the Truth in Lending Act is amended by inserting after the item relating to section 129 the following new items:

“129A. Fiduciary duty of servicers of pooled residential mortgages.

“129B. Residential mortgage loan origination.”

SEC. 1403. PROHIBITION ON STEERING INCENTIVES.

Section 129B of the Truth in Lending Act (as added by section 1402(a)) is amended by inserting after subsection (b) the following new subsection:

“(c) **PROHIBITION ON STEERING INCENTIVES.**—

“(1) **IN GENERAL.**—For any residential mortgage loan, no mortgage originator shall receive from any person and no person shall pay to a mortgage originator, directly or indirectly, compensation that varies based on the terms of the loan (other than the amount of the principal).

“(2) **RESTRUCTURING OF FINANCING ORIGINATION FEE.**—

“(A) **IN GENERAL.**—For any mortgage loan, a mortgage originator may not receive from any person other than the consumer and no person, other than the consumer, who knows or has reason to know that a consumer has directly compensated or will directly compensate a mortgage originator may pay a mortgage originator any origination fee or charge except bona fide third party charges not retained by the creditor, mortgage originator, or an affiliate of the creditor or mortgage originator.

“(B) **EXCEPTION.**—Notwithstanding subparagraph (A), a mortgage originator may receive from a person other than the consumer an origination fee or charge, and a person other than the consumer may pay a mortgage originator an origination fee or charge, if—

“(i) the mortgage originator does not receive any compensation directly from the consumer; and

“(ii) the consumer does not make an upfront payment of discount points, origination points, or fees, however denominated (other than bona fide third party charges not retained by the mortgage originator, creditor, or an affiliate of the creditor or originator), except that the Board may, by rule, waive or provide exemptions to this clause if the Board determines that such waiver or exemption is in the interest of consumers and in the public interest.

“(3) **REGULATIONS.**—The Board shall prescribe regulations to prohibit—

“(A) mortgage originators from steering any consumer to a residential mortgage loan that—

“(i) the consumer lacks a reasonable ability to repay (in accordance with regulations prescribed under section 129C(a)); or

“(ii) has predatory characteristics or effects (such as equity stripping, excessive fees, or abusive terms);

“(B) mortgage originators from steering any consumer from a residential mortgage loan for which the consumer is qualified that is a qualified mortgage (as defined in section 129C(b)(2)) to a residential mortgage loan that is not a qualified mortgage;

“(C) abusive or unfair lending practices that promote disparities among consumers of equal credit worthiness but of different race, ethnicity, gender, or age; and

“(D) mortgage originators from—

“(i) mischaracterizing the credit history of a consumer or the residential mortgage loans available to a consumer;

“(ii) mischaracterizing or suborning the mischaracterization of the appraised value of the property securing the extension of credit; or

“(iii) if unable to suggest, offer, or recommend to a consumer a loan that is not more expensive than a loan for which the consumer qualifies, discouraging a consumer from seeking a residential mortgage loan secured by a consumer’s principal dwelling from another mortgage originator.

“(4) **RULES OF CONSTRUCTION.**—No provision of this subsection shall be construed as—

“(A) permitting any yield spread premium or other similar compensation that would, for any residential mortgage loan, permit the total amount of direct and indirect compensation from all sources permitted to a mortgage originator to vary based on the terms of the loan (other than the amount of the principal);

“(B) limiting or affecting the amount of compensation received by a creditor upon the sale of a consummated loan to a subsequent purchaser;

“(C) restricting a consumer’s ability to finance, at the option of the consumer, including through principal or rate, any origination fees or costs permitted under this subsection, or the mortgage originator’s right to receive such fees or costs (including compensation) from any person, subject to paragraph (2)(B), so long as such fees or costs do not vary based on the terms of the loan (other than the amount of the principal) or the consumer’s decision about whether to finance such fees or costs; or

“(D) prohibiting incentive payments to a mortgage originator based on the number of residential mortgage loans originated within a specified period of time.”

SEC. 1404. LIABILITY.

Section 129B of the Truth in Lending Act is amended by inserting after subsection (c) (as added by section 1403) the following new subsection:

“(d) **LIABILITY FOR VIOLATIONS.**—

“(1) **IN GENERAL.**—For purposes of providing a cause of action for any failure by a mortgage originator, other than a creditor, to comply with any requirement imposed under this section and any regulation prescribed under this section, section 130 shall be applied with respect to any such failure by substituting ‘mortgage originator’ for ‘creditor’ each place such term appears in each such subsection.

“(2) **MAXIMUM.**—The maximum amount of any liability of a mortgage originator under paragraph (1) to a consumer for any violation of this section shall not exceed the greater of actual damages or an amount equal to 3 times the total amount of direct and indirect compensation or gain accruing to the mortgage originator in connection with the residential mortgage loan involved in the violation, plus the costs to the consumer of the action, including a reasonable attorney’s fee.”

SEC. 1405. REGULATIONS.

(a) **DISCRETIONARY REGULATORY AUTHORITY.**—Section 129B of the Truth in Lending Act is amended by inserting after subsection (d) (as added by section 1404) the following new subsection:

“(e) **DISCRETIONARY REGULATORY AUTHORITY.**—

“(1) **IN GENERAL.**—The Board shall, by regulations, prohibit or condition terms, acts or practices relating to residential mortgage loans that the Board finds to be abusive, unfair, deceptive, predatory, necessary or proper to ensure that responsible, affordable mortgage credit remains available to consumers in a manner consistent with the purposes of this section and section 129C, necessary or proper to effectuate the purposes of this section and section 129C, to prevent circumvention or evasion thereof, or to facilitate compliance with such sections, or are not in the interest of the borrower.

“(2) APPLICATION.—The regulations prescribed under paragraph (1) shall be applicable to all residential mortgage loans and shall be applied in the same manner as regulations prescribed under section 105.

“(f) Section 129B and any regulations promulgated thereunder do not apply to an extension of credit relating to a plan described in section 101(53D) of title 11, United States Code.”.

(b) DISCLOSURES.—Notwithstanding any other provision of this title, in order to improve consumer awareness and understanding of transactions involving residential mortgage loans through the use of disclosures, the Board may, by rule, exempt from or modify disclosure requirements, in whole or in part, for any class of residential mortgage loans if the Board determines that such exemption or modification is in the interest of consumers and in the public interest.

SEC. 1406. STUDY OF SHARED APPRECIATION MORTGAGES.

(a) STUDY.—The Secretary of Housing and Urban Development, in consultation with the Secretary of the Treasury and other relevant agencies, shall conduct a comprehensive study to determine prudent statutory and regulatory requirements sufficient to provide for the widespread use of shared appreciation mortgages to strengthen local housing markets, provide new opportunities for affordable homeownership, and enable homeowners at risk of foreclosure to refinance or modify their mortgages.

(b) REPORT.—Not later than the expiration of the 6-month period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall submit a report to the Congress on the results of the study, which shall include recommendations for the regulatory and legislative requirements referred to in subsection (a).

Subtitle B—Minimum Standards For Mortgages

SEC. 1411. ABILITY TO REPAY.

(a) IN GENERAL.—

(1) RULE OF CONSTRUCTION.—No regulation, order, or guidance issued by the Bureau under this title shall be construed as requiring a depository institution to apply mortgage underwriting standards that do not meet the minimum underwriting standards required by the appropriate prudential regulator of the depository institution.

(2) AMENDMENT TO TRUTH IN LENDING ACT.—Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631 et seq.) is amended by inserting after section 129B (as added by section 1402(a)) the following new section:

“§ 129C. Minimum standards for residential mortgage loans

“(a) ABILITY TO REPAY.—

“(1) IN GENERAL.—In accordance with regulations prescribed by the Board, no creditor may make a residential mortgage loan unless the creditor makes a reasonable and good faith determination based on verified and documented information that, at the time the loan is consummated, the consumer has a reasonable ability to repay the loan, according to its terms, and all applicable taxes, insurance (including mortgage guarantee insurance), and assessments.

“(2) MULTIPLE LOANS.—If the creditor knows, or has reason to know, that 1 or more residential mortgage loans secured by the same dwelling will be made to the same consumer, the creditor shall make a reasonable and good faith determination, based on verified and documented information, that the consumer has a reasonable ability to repay the combined payments of all loans on the same dwelling according to the terms of those loans and all applicable taxes, insurance (including mortgage guarantee insurance), and assessments.

“(3) BASIS FOR DETERMINATION.—A determination under this subsection of a consumer's ability to repay a residential mortgage loan shall include consideration of the consumer's credit history, current income, expected income the consumer is reasonably assured of receiving, current obligations, debt-to-income ratio or the residual income the consumer will have after paying non-mortgage debt and mortgage-related obligations, employment status, and other financial resources other than the consumer's equity in the dwelling or real property that secures repayment of the loan. A creditor shall determine the ability of the consumer to repay using a payment schedule that fully amortizes the loan over the term of the loan.

“(4) INCOME VERIFICATION.—A creditor making a residential mortgage loan shall verify amounts of income or assets that such creditor relies on to determine repayment ability, including expected income or assets, by reviewing the consumer's Internal Revenue Service Form W-2, tax returns, payroll receipts, financial institution records, or other third-party documents that provide reasonably reliable evidence of the consumer's income or assets. In order to safeguard against fraudulent reporting, any consideration of a consumer's income history in making a determination under this subsection shall include the verification of such income by the use of—

“(A) Internal Revenue Service transcripts of tax returns; or

“(B) a method that quickly and effectively verifies income documentation by a third party subject to rules prescribed by the Board.

“(5) EXEMPTION.—With respect to loans made, guaranteed, or insured by Federal departments or agencies identified in subsection (b)(3)(B)(ii), such departments or agencies may exempt refinancings under a streamlined refinancing from this income verification requirement as long as the following conditions are met:

“(A) The consumer is not 30 days or more past due on the prior existing residential mortgage loan.

“(B) The refinancing does not increase the principal balance outstanding on the prior existing residential mortgage loan, except to the extent of fees and charges allowed by the department or agency making, guaranteeing, or insuring the refinancing.

“(C) Total points and fees (as defined in section 103(aa)(4), other than bona fide third party charges not retained by the mortgage originator, creditor, or an affiliate of the creditor or mortgage originator) payable in connection with the refinancing do not exceed 3 percent of the total new loan amount.

“(D) The interest rate on the refinanced loan is lower than the interest rate of the original loan, unless the borrower is refinancing from an adjustable rate to a fixed-rate loan, under guidelines that the department or agency shall establish for loans they make, guarantee, or issue.

“(E) The refinancing is subject to a payment schedule that will fully amortize the refinancing in accordance with the regulations prescribed by the department or agency making, guaranteeing, or insuring the refinancing.

“(F) The terms of the refinancing do not result in a balloon payment, as defined in subsection (b)(2)(A)(ii).

“(G) Both the residential mortgage loan being refinanced and the refinancing satisfy all requirements of the department or agency making, guaranteeing, or insuring the refinancing.

“(6) NONSTANDARD LOANS.—

“(A) VARIABLE RATE LOANS THAT DEFER REPAYMENT OF ANY PRINCIPAL OR INTEREST.—For purposes of determining, under this subsection, a consumer's ability to repay a variable rate residential mortgage loan that allows or requires

the consumer to defer the repayment of any principal or interest, the creditor shall use a fully amortizing repayment schedule.

“(B) INTEREST-ONLY LOANS.—For purposes of determining, under this subsection, a consumer's ability to repay a residential mortgage loan that permits or requires the payment of interest only, the creditor shall use the payment amount required to amortize the loan by its final maturity.

“(C) CALCULATION FOR NEGATIVE AMORTIZATION.—In making any determination under this subsection, a creditor shall also take into consideration any balance increase that may accrue from any negative amortization provision.

“(D) CALCULATION PROCESS.—For purposes of making any determination under this subsection, a creditor shall calculate the monthly payment amount for principal and interest on any residential mortgage loan by assuming—

“(i) the loan proceeds are fully disbursed on the date of the consummation of the loan;

“(ii) the loan is to be repaid in substantially equal monthly amortizing payments for principal and interest over the entire term of the loan with no balloon payment, unless the loan contract requires more rapid repayment (including balloon payment), in which case the calculation shall be made (I) in accordance with regulations prescribed by the Board, with respect to any loan which has an annual percentage rate that does not exceed the average prime offer rate for a comparable transaction, as of the date the interest rate is set, by 1.5 or more percentage points for a first lien residential mortgage loan; and by 3.5 or more percentage points for a subordinate lien residential mortgage loan; or (II) using the contract's repayment schedule, with respect to a loan which has an annual percentage rate, as of the date the interest rate is set, that is at least 1.5 percentage points above the average prime offer rate for a first lien residential mortgage loan; and 3.5 percentage points above the average prime offer rate for a subordinate lien residential mortgage loan; and

“(iii) the interest rate over the entire term of the loan is a fixed rate equal to the fully indexed rate at the time of the loan closing, without considering the introductory rate.

“(E) REFINANCE OF HYBRID LOANS WITH CURRENT LENDER.—In considering any application for refinancing an existing hybrid loan by the creditor into a standard loan to be made by the same creditor in any case in which there would be a reduction in monthly payment and the mortgagor has not been delinquent on any payment on the existing hybrid loan, the creditor may—

“(i) consider the mortgagor's good standing on the existing mortgage;

“(ii) consider if the extension of new credit would prevent a likely default should the original mortgage reset and give such concerns a higher priority as an acceptable underwriting practice; and

“(iii) offer rate discounts and other favorable terms to such mortgagor that would be available to new customers with high credit ratings based on such underwriting practice.

“(7) FULLY-INDEXED RATE DEFINED.—For purposes of this subsection, the term ‘fully indexed rate’ means the index rate prevailing on a residential mortgage loan at the time the loan is made plus the margin that will apply after the expiration of any introductory interest rates.

“(8) REVERSE MORTGAGES AND BRIDGE LOANS.—This subsection shall not apply with respect to any reverse mortgage or temporary or bridge loan with a term of 12 months or less, including to any loan to purchase a new dwelling where the consumer plans to sell a different dwelling within 12 months.

“(9) SEASONAL INCOME.—If documented income, including income from a small business, is

a repayment source for a residential mortgage loan, a creditor may consider the seasonality and irregularity of such income in the underwriting of and scheduling of payments for such credit.”.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 2 of the Truth in Lending Act is amended by inserting after the item relating to section 129B (as added by section 1402(b)) the following new item:

“129C. Minimum standards for residential mortgage loans.”.

SEC. 1412. SAFE HARBOR AND REBUTTABLE PRESUMPTION.

Section 129C of the Truth in Lending Act is amended by inserting after subsection (a) (as added by section 1411) the following new subsection:

“(b) PRESUMPTION OF ABILITY TO REPAY.—

“(1) IN GENERAL.—Any creditor with respect to any residential mortgage loan, and any assignee of such loan subject to liability under this title, may presume that the loan has met the requirements of subsection (a), if the loan is a qualified mortgage.

“(2) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

“(A) QUALIFIED MORTGAGE.—The term ‘qualified mortgage’ means any residential mortgage loan—

“(i) for which the regular periodic payments for the loan may not—

“(I) result in an increase of the principal balance; or

“(II) except as provided in subparagraph (E), allow the consumer to defer repayment of principal;

“(ii) except as provided in subparagraph (E), the terms of which do not result in a balloon payment, where a ‘balloon payment’ is a scheduled payment that is more than twice as large as the average of earlier scheduled payments;

“(iii) for which the income and financial resources relied upon to qualify the obligors on the loan are verified and documented;

“(iv) in the case of a fixed rate loan, for which the underwriting process is based on a payment schedule that fully amortizes the loan over the loan term and takes into account all applicable taxes, insurance, and assessments;

“(v) in the case of an adjustable rate loan, for which the underwriting is based on the maximum rate permitted under the loan during the first 5 years, and a payment schedule that fully amortizes the loan over the loan term and takes into account all applicable taxes, insurance, and assessments;

“(vi) that complies with any guidelines or regulations established by the Board relating to ratios of total monthly debt to monthly income or alternative measures of ability to pay regular expenses after payment of total monthly debt, taking into account the income levels of the borrower and such other factors as the Board may determine relevant and consistent with the purposes described in paragraph (3)(B)(i);

“(vii) for which the total points and fees (as defined in subparagraph (C)) payable in connection with the loan do not exceed 3 percent of the total loan amount;

“(viii) for which the term of the loan does not exceed 30 years, except as such term may be extended under paragraph (3), such as in high-cost areas; and

“(ix) in the case of a reverse mortgage (except for the purposes of subsection (a) of section 129C, to the extent that such mortgages are exempt altogether from those requirements), a reverse mortgage which meets the standards for a qualified mortgage, as set by the Board in rules that are consistent with the purposes of this subsection.

“(B) AVERAGE PRIME OFFER RATE.—The term ‘average prime offer rate’ means the average

prime offer rate for a comparable transaction as of the date on which the interest rate for the transaction is set, as published by the Board..

“(C) POINTS AND FEES.—

“(i) IN GENERAL.—For purposes of subparagraph (A), the term ‘points and fees’ means points and fees as defined by section 103(aa)(4) (other than bona fide third party charges not retained by the mortgage originator, creditor, or an affiliate of the creditor or mortgage originator).

“(ii) COMPUTATION.—For purposes of computing the total points and fees under this subparagraph, the total points and fees shall exclude either of the amounts described in the following subclauses, but not both:

“(I) Up to and including 2 bona fide discount points payable by the consumer in connection with the mortgage, but only if the interest rate from which the mortgage’s interest rate will be discounted does not exceed by more than 1 percentage point the average prime offer rate.

“(II) Unless 2 bona fide discount points have been excluded under subclause (I), up to and including 1 bona fide discount point payable by the consumer in connection with the mortgage, but only if the interest rate from which the mortgage’s interest rate will be discounted does not exceed by more than 2 percentage points the average prime offer rate.

“(iii) BONA FIDE DISCOUNT POINTS DEFINED.—For purposes of clause (ii), the term ‘bona fide discount points’ means loan discount points which are knowingly paid by the consumer for the purpose of reducing, and which in fact result in a bona fide reduction of, the interest rate or time-price differential applicable to the mortgage.

“(iv) INTEREST RATE REDUCTION.—Subclauses (I) and (II) of clause (ii) shall not apply to discount points used to purchase an interest rate reduction unless the amount of the interest rate reduction purchased is reasonably consistent with established industry norms and practices for secondary mortgage market transactions.

“(D) SMALLER LOANS.—The Board shall prescribe rules adjusting the criteria under subparagraph (A)(vii) in order to permit lenders that extend smaller loans to meet the requirements of the presumption of compliance under paragraph (1). In prescribing such rules, the Board shall consider the potential impact of such rules on rural areas and other areas where home values are lower.

“(E) BALLOON LOANS.—The Board may, by regulation, provide that the term ‘qualified mortgage’ includes a balloon loan—

“(i) that meets all of the criteria for a qualified mortgage under subparagraph (A) (except clauses (i)(II), (ii), (iv), and (v) of such subparagraph);

“(ii) for which the creditor makes a determination that the consumer is able to make all scheduled payments, except the balloon payment, out of income or assets other than the collateral;

“(iii) for which the underwriting is based on a payment schedule that fully amortizes the loan over a period of not more than 30 years and takes into account all applicable taxes, insurance, and assessments; and

“(iv) that is extended by a creditor that—

“(I) operates predominantly in rural or underserved areas;

“(II) together with all affiliates, has total annual residential mortgage loan originations that do not exceed a limit set by the Board;

“(III) retains the balloon loans in portfolio; and

“(IV) meets any asset size threshold and any other criteria as the Board may establish, consistent with the purposes of this subtitle.

“(3) REGULATIONS.—

“(A) IN GENERAL.—The Board shall prescribe regulations to carry out the purposes of this subsection.

“(B) REVISION OF SAFE HARBOR CRITERIA.—

“(i) IN GENERAL.—The Board may prescribe regulations that revise, add to, or subtract from the criteria that define a qualified mortgage upon a finding that such regulations are necessary or proper to ensure that responsible, affordable mortgage credit remains available to consumers in a manner consistent with the purposes of this section, necessary and appropriate to effectuate the purposes of this section and section 129B, to prevent circumvention or evasion thereof, or to facilitate compliance with such sections.

“(ii) LOAN DEFINITION.—The following agencies shall, in consultation with the Board, prescribe rules defining the types of loans they insure, guarantee, or administer, as the case may be, that are qualified mortgages for purposes of paragraph (2)(A), and such rules may revise, add to, or subtract from the criteria used to define a qualified mortgage under paragraph (2)(A), upon a finding that such rules are consistent with the purposes of this section and section 129B, to prevent circumvention or evasion thereof, or to facilitate compliance with such sections:

“(I) The Department of Housing and Urban Development, with regard to mortgages insured under the National Housing Act (12 U.S.C. 1707 et seq.).

“(II) The Department of Veterans Affairs, with regard to a loan made or guaranteed by the Secretary of Veterans Affairs.

“(III) The Department of Agriculture, with regard to loans guaranteed by the Secretary of Agriculture pursuant to 42 U.S.C. 1472(h).

“(IV) The Rural Housing Service, with regard to loans insured by the Rural Housing Service.”.

SEC. 1413. DEFENSE TO FORECLOSURE.

Section 130 of the Truth in Lending Act (15 U.S.C. 1640) is amended by adding at the end the following new subsection:

“(k) DEFENSE TO FORECLOSURE.—

“(1) IN GENERAL.—Notwithstanding any other provision of law, when a creditor, assignee, or other holder of a residential mortgage loan or anyone acting on behalf of such creditor, assignee, or holder, initiates a judicial or non-judicial foreclosure of the residential mortgage loan, or any other action to collect the debt in connection with such loan, a consumer may assert a violation by a creditor of paragraph (1) or (2) of section 129B(c), or of section 129C(a), as a matter of defense by recoupment or set off without regard for the time limit on a private action for damages under subsection (e).

“(2) AMOUNT OF RECOUPMENT OR SETOFF.—

“(A) IN GENERAL.—The amount of recoupment or set-off under paragraph (1) shall equal the amount to which the consumer would be entitled under subsection (a) for damages for a valid claim brought in an original action against the creditor, plus the costs to the consumer of the action, including a reasonable attorney’s fee.

“(B) SPECIAL RULE.—Where such judgment is rendered after the expiration of the applicable time limit on a private action for damages under subsection (e), the amount of recoupment or set-off under paragraph (1) derived from damages under subsection (a)(4) shall not exceed the amount to which the consumer would have been entitled under subsection (a)(4) for damages computed up to the day preceding the expiration of the applicable time limit.”.

SEC. 1414. ADDITIONAL STANDARDS AND REQUIREMENTS.

(a) IN GENERAL.—Section 129C of the Truth in Lending Act is amended by inserting after subsection (b) (as added by this title) the following new subsections:

“(c) PROHIBITION ON CERTAIN PREPAYMENT PENALTIES.—

“(1) PROHIBITED ON CERTAIN LOANS.—

“(A) *IN GENERAL*.—A residential mortgage loan that is not a ‘qualified mortgage’, as defined under subsection (b)(2), may not contain terms under which a consumer must pay a prepayment penalty for paying all or part of the principal after the loan is consummated.

“(B) *EXCLUSIONS*.—For purposes of this subsection, a ‘qualified mortgage’ may not include a residential mortgage loan that—

“(i) has an adjustable rate; or

“(ii) has an annual percentage rate that exceeds the average prime offer rate for a comparable transaction, as of the date the interest rate is set—

“(I) by 1.5 or more percentage points, in the case of a first lien residential mortgage loan having a original principal obligation amount that is equal to or less than the amount of the maximum limitation on the original principal obligation of mortgage in effect for a residence of the applicable size, as of the date of such interest rate set, pursuant to the 6th sentence of section 305(a)(2) the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2));

“(II) by 2.5 or more percentage points, in the case of a first lien residential mortgage loan having a original principal obligation amount that is more than the amount of the maximum limitation on the original principal obligation of mortgage in effect for a residence of the applicable size, as of the date of such interest rate set, pursuant to the 6th sentence of section 305(a)(2) the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)); and

“(III) by 3.5 or more percentage points, in the case of a subordinate lien residential mortgage loan.

“(2) *PUBLICATION OF AVERAGE PRIME OFFER RATE AND APR THRESHOLDS*.—The Board—

“(A) shall publish, and update at least weekly, average prime offer rates;

“(B) may publish multiple rates based on varying types of mortgage transactions; and

“(C) shall adjust the thresholds established under subclause (I), (II), and (III) of paragraph (1)(B)(ii) as necessary to reflect significant changes in market conditions and to effectuate the purposes of the Mortgage Reform and Anti-Predatory Lending Act.

“(3) *PHASED-OUT PENALTIES ON QUALIFIED MORTGAGES*.—A qualified mortgage (as defined in subsection (b)(2)) may not contain terms under which a consumer must pay a prepayment penalty for paying all or part of the principal after the loan is consummated in excess of the following limitations:

“(A) During the 1-year period beginning on the date the loan is consummated, the prepayment penalty shall not exceed an amount equal to 3 percent of the outstanding balance on the loan.

“(B) During the 1-year period beginning after the period described in subparagraph (A), the prepayment penalty shall not exceed an amount equal to 2 percent of the outstanding balance on the loan.

“(C) During the 1-year period beginning after the 1-year period described in subparagraph (B), the prepayment penalty shall not exceed an amount equal to 1 percent of the outstanding balance on the loan.

“(D) After the end of the 3-year period beginning on the date the loan is consummated, no prepayment penalty may be imposed on a qualified mortgage.

“(4) *OPTION FOR NO PREPAYMENT PENALTY REQUIRED*.—A creditor may not offer a consumer a residential mortgage loan product that has a prepayment penalty for paying all or part of the principal after the loan is consummated as a term of the loan without offering the consumer a residential mortgage loan product that does not have a prepayment penalty as a term of the loan.

“(d) *SINGLE PREMIUM CREDIT INSURANCE PROHIBITED*.—No creditor may finance, directly or indirectly, in connection with any residential mortgage loan or with any extension of credit under an open end consumer credit plan secured by the principal dwelling of the consumer, any credit life, credit disability, credit unemployment, or credit property insurance, or any other accident, loss-of-income, life, or health insurance, or any payments directly or indirectly for any debt cancellation or suspension agreement or contract, except that—

“(1) insurance premiums or debt cancellation or suspension fees calculated and paid in full on a monthly basis shall not be considered financed by the creditor; and

“(2) this subsection shall not apply to credit unemployment insurance for which the unemployment insurance premiums are reasonable, the creditor receives no direct or indirect compensation in connection with the unemployment insurance premiums, and the unemployment insurance premiums are paid pursuant to another insurance contract and not paid to an affiliate of the creditor.

“(e) *ARBITRATION*.—

“(1) *IN GENERAL*.—No residential mortgage loan and no extension of credit under an open end consumer credit plan secured by the principal dwelling of the consumer may include terms which require arbitration or any other nonjudicial procedure as the method for resolving any controversy or settling any claims arising out of the transaction.

“(2) *POST-CONTROVERSY AGREEMENTS*.—Subject to paragraph (3), paragraph (1) shall not be construed as limiting the right of the consumer and the creditor or any assignee to agree to arbitration or any other nonjudicial procedure as the method for resolving any controversy at any time after a dispute or claim under the transaction arises.

“(3) *NO WAIVER OF STATUTORY CAUSE OF ACTION*.—No provision of any residential mortgage loan or of any extension of credit under an open end consumer credit plan secured by the principal dwelling of the consumer, and no other agreement between the consumer and the creditor relating to the residential mortgage loan or extension of credit referred to in paragraph (1), shall be applied or interpreted so as to bar a consumer from bringing an action in an appropriate district court of the United States, or any other court of competent jurisdiction, pursuant to section 130 or any other provision of law, for damages or other relief in connection with any alleged violation of this section, any other provision of this title, or any other Federal law.

“(f) *MORTGAGES WITH NEGATIVE AMORTIZATION*.—No creditor may extend credit to a borrower in connection with a consumer credit transaction under an open or closed end consumer credit plan secured by a dwelling or residential real property that includes a dwelling, other than a reverse mortgage, that provides or permits a payment plan that may, at any time over the term of the extension of credit, result in negative amortization unless, before such transaction is consummated—

“(1) the creditor provides the consumer with a statement that—

“(A) the pending transaction will or may, as the case may be, result in negative amortization;

“(B) describes negative amortization in such manner as the Board shall prescribe;

“(C) negative amortization increases the outstanding principal balance of the account; and

“(D) negative amortization reduces the consumer's equity in the dwelling or real property; and

“(2) in the case of a first-time borrower with respect to a residential mortgage loan that is not a qualified mortgage, the first-time borrower provides the creditor with sufficient documenta-

tion to demonstrate that the consumer received homeownership counseling from organizations or counselors certified by the Secretary of Housing and Urban Development as competent to provide such counseling.”.

(b) *CONFORMING AMENDMENT RELATING TO ENFORCEMENT*.—Section 108(a) of the Truth in Lending Act (15 U.S.C. 1607(a)) is amended by inserting after paragraph (6) the following new paragraph:

“(7) sections 21B and 21C of the Securities Exchange Act of 1934, in the case of a broker or dealer, other than a depository institution, by the Securities and Exchange Commission.”.

(c) *PROTECTION AGAINST LOSS OF ANTI-DEFICIENCY PROTECTION*.—Section 129C of the Truth in Lending Act is amended by inserting after subsection (f) (as added by subsection (a)) the following new subsection:

“(g) *PROTECTION AGAINST LOSS OF ANTI-DEFICIENCY PROTECTION*.—

“(1) *DEFINITION*.—For purposes of this subsection, the term ‘anti-deficiency law’ means the law of any State which provides that, in the event of foreclosure on the residential property of a consumer securing a mortgage, the consumer is not liable, in accordance with the terms and limitations of such State law, for any deficiency between the sale price obtained on such property through foreclosure and the outstanding balance of the mortgage.

“(2) *NOTICE AT TIME OF CONSUMMATION*.—In the case of any residential mortgage loan that is, or upon consummation will be, subject to protection under an anti-deficiency law, the creditor or mortgage originator shall provide a written notice to the consumer describing the protection provided by the anti-deficiency law and the significance for the consumer of the loss of such protection before such loan is consummated.

“(3) *NOTICE BEFORE REFINANCING THAT WOULD CAUSE LOSS OF PROTECTION*.—In the case of any residential mortgage loan that is subject to protection under an anti-deficiency law, if a creditor or mortgage originator provides an application to a consumer, or receives an application from a consumer, for any type of refinancing for such loan that would cause the loan to lose the protection of such anti-deficiency law, the creditor or mortgage originator shall provide a written notice to the consumer describing the protection provided by the anti-deficiency law and the significance for the consumer of the loss of such protection before any agreement for any such refinancing is consummated.”.

(d) *POLICY REGARDING ACCEPTANCE OF PARTIAL PAYMENT*.—Section 129C of the Truth in Lending Act is amended by inserting after subsection (g) (as added by subsection (c)) the following new subsection:

“(h) *POLICY REGARDING ACCEPTANCE OF PARTIAL PAYMENT*.—In the case of any residential mortgage loan, a creditor shall disclose prior to settlement or, in the case of a person becoming a creditor with respect to an existing residential mortgage loan, at the time such person becomes a creditor—

“(1) the creditor's policy regarding the acceptance of partial payments; and

“(2) if partial payments are accepted, how such payments will be applied to such mortgage and if such payments will be placed in escrow.

(i) *TIMESHARE PLANS*.—This section and any regulations promulgated under this section do not apply to an extension of credit relating to a plan described in section 101(53D) of title 11, United States Code.”.

SEC. 1415. RULE OF CONSTRUCTION.

Except as otherwise expressly provided in section 129B or 129C of the Truth in Lending Act (as added by this title), no provision of such section 129B or 129C shall be construed as superseding, repealing, or affecting any duty, right, obligation, privilege, or remedy of any person

under any other provision of the Truth in Lending Act or any other provision of Federal or State law.

SEC. 1416. AMENDMENTS TO CIVIL LIABILITY PROVISIONS.

(a) **INCREASE IN AMOUNT OF CIVIL MONEY PENALTIES FOR CERTAIN VIOLATIONS.**—Section 130(a) of the Truth in Lending Act (15 U.S.C. 1640(a)) is amended—

(1) in paragraph (2)(A)(ii)—

(A) by striking “\$100” and inserting “\$200”; and

(B) by striking “\$1,000” and inserting “\$2,000”;

(2) in paragraph (2)(B), by striking “\$500,000” and inserting “\$1,000,000”; and

(3) in paragraph (4), by inserting “, paragraph (1) or (2) of section 129B(c), or section 129C(a)” after “section 129”.

(b) **STATUTE OF LIMITATIONS EXTENDED FOR SECTION 129 VIOLATIONS.**—Section 130(e) of the Truth in Lending Act (15 U.S.C. 1640(e)) is amended—

(1) in the first sentence, by striking “Any action” and inserting “Except as provided in the subsequent sentence, any action”; and

(2) by inserting after the first sentence the following new sentence: “Any action under this section with respect to any violation of section 129, 129B, or 129C may be brought in any United States district court, or in any other court of competent jurisdiction, before the end of the 3-year period beginning on the date of the occurrence of the violation.”

SEC. 1417. LENDER RIGHTS IN THE CONTEXT OF BORROWER DECEPTION.

Section 130 of the Truth in Lending Act (15 U.S.C. 1640) is amended by adding after subsection (k) (as added by this title) the following new subsection:

“(l) **EXEMPTION FROM LIABILITY AND RESCISION IN CASE OF BORROWER FRAUD OR DECEPTION.**—In addition to any other remedy available by law or contract, no creditor or assignee shall be liable to an obligor under this section, if such obligor, or co-obligor has been convicted of obtaining by actual fraud such residential mortgage loan.”

SEC. 1418. SIX-MONTH NOTICE REQUIRED BEFORE RESET OF HYBRID ADJUSTABLE RATE MORTGAGES.

(a) **IN GENERAL.**—Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631 et seq.) is amended by inserting after section 128 the following new section:

“§ 128A. Reset of hybrid adjustable rate mortgages

“(a) **HYBRID ADJUSTABLE RATE MORTGAGES DEFINED.**—For purposes of this section, the term ‘hybrid adjustable rate mortgage’ means a consumer credit transaction secured by the consumer’s principal residence with a fixed interest rate for an introductory period that adjusts or resets to a variable interest rate after such period.

“(b) **NOTICE OF RESET AND ALTERNATIVES.**—During the 1-month period that ends 6 months before the date on which the interest rate in effect during the introductory period of a hybrid adjustable rate mortgage adjusts or resets to a variable interest rate or, in the case of such an adjustment or resetting that occurs within the first 6 months after consummation of such loan, at consummation, the creditor or servicer of such loan shall provide a written notice, separate and distinct from all other correspondence to the consumer, that includes the following:

“(1) Any index or formula used in making adjustments to or resetting the interest rate and a source of information about the index or formula.

“(2) An explanation of how the new interest rate and payment would be determined, including an explanation of how the index was adjusted, such as by the addition of a margin.

“(3) A good faith estimate, based on accepted industry standards, of the creditor or servicer of the amount of the monthly payment that will apply after the date of the adjustment or reset, and the assumptions on which this estimate is based.

“(4) A list of alternatives consumers may pursue before the date of adjustment or reset, and descriptions of the actions consumers must take to pursue these alternatives, including—

“(A) refinancing;

“(B) renegotiation of loan terms;

“(C) payment forbearances; and

“(D) pre-foreclosure sales.

“(5) The names, addresses, telephone numbers, and Internet addresses of counseling agencies or programs reasonably available to the consumer that have been certified or approved and made publicly available by the Secretary of Housing and Urban Development or a State housing finance authority (as defined in section 1301 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989).

“(6) The address, telephone number, and Internet address for the State housing finance authority (as so defined) for the State in which the consumer resides.

“(c) **SAVINGS CLAUSE.**—The Board may require the notice in paragraph (b) or other notice consistent with this Act for adjustable rate mortgage loans that are not hybrid adjustable rate mortgage loans.”

(b) **CLERICAL AMENDMENT.**—The table of sections for chapter 2 of the Truth in Lending Act is amended by inserting after the item relating to section 128 the following new item:

“128A. Reset of hybrid adjustable rate mortgages.”

SEC. 1419. REQUIRED DISCLOSURES.

Section 128(a) of Truth in Lending Act (15 U.S.C. 1638(a)) is amended by adding at the end the following new paragraphs:

“(16) In the case of a variable rate residential mortgage loan for which an escrow or impound account will be established for the payment of all applicable taxes, insurance, and assessments—

“(A) the amount of initial monthly payment due under the loan for the payment of principal and interest, and the amount of such initial monthly payment including the monthly payment deposited in the account for the payment of all applicable taxes, insurance, and assessments; and

“(B) the amount of the fully indexed monthly payment due under the loan for the payment of principal and interest, and the amount of such fully indexed monthly payment including the monthly payment deposited in the account for the payment of all applicable taxes, insurance, and assessments.

“(17) In the case of a residential mortgage loan, the aggregate amount of settlement charges for all settlement services provided in connection with the loan, the amount of charges that are included in the loan and the amount of such charges the borrower must pay at closing, the approximate amount of the wholesale rate of funds in connection with the loan, and the aggregate amount of other fees or required payments in connection with the loan.

“(18) In the case of a residential mortgage loan, the aggregate amount of fees paid to the mortgage originator in connection with the loan, the amount of such fees paid directly by the consumer, and any additional amount received by the originator from the creditor.

“(19) In the case of a residential mortgage loan, the total amount of interest that the consumer will pay over the life of the loan as a percentage of the principal of the loan. Such amount shall be computed assuming the consumer makes each monthly payment in full and on-time, and does not make any over-payments.”

SEC. 1420. DISCLOSURES REQUIRED IN MONTHLY STATEMENTS FOR RESIDENTIAL MORTGAGE LOANS.

Section 128 of the Truth in Lending Act (15 U.S.C. 1638) is amended by adding at the end the following new subsection:

“(f) **PERIODIC STATEMENTS FOR RESIDENTIAL MORTGAGE LOANS.**—

“(1) **IN GENERAL.**—The creditor, assignee, or servicer with respect to any residential mortgage loan shall transmit to the obligor, for each billing cycle, a statement setting forth each of the following items, to the extent applicable, in a conspicuous and prominent manner:

“(A) The amount of the principal obligation under the mortgage.

“(B) The current interest rate in effect for the loan.

“(C) The date on which the interest rate may next reset or adjust.

“(D) The amount of any prepayment fee to be charged, if any.

“(E) A description of any late payment fees.

“(F) A telephone number and electronic mail address that may be used by the obligor to obtain information regarding the mortgage.

“(G) The names, addresses, telephone numbers, and Internet addresses of counseling agencies or programs reasonably available to the consumer that have been certified or approved and made publicly available by the Secretary of Housing and Urban Development or a State housing finance authority (as defined in section 1301 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989).

“(H) Such other information as the Board may prescribe in regulations.

“(2) **DEVELOPMENT AND USE OF STANDARD FORM.**—The Board shall develop and prescribe a standard form for the disclosure required under this subsection, taking into account that the statements required may be transmitted in writing or electronically.

“(3) **EXCEPTION.**—Paragraph (1) shall not apply to any fixed rate residential mortgage loan where the creditor, assignee, or servicer provides the obligor with a coupon book that provides the obligor with substantially the same information as required in paragraph (1).”

SEC. 1421. REPORT BY THE GAO.

(a) **REPORT REQUIRED.**—The Comptroller General of the United States shall conduct a study to determine the effects the enactment of this Act will have on the availability and affordability of credit for consumers, small businesses, homebuyers, and mortgage lending, including the effect—

(1) on the mortgage market for mortgages that are not within the safe harbor provided in the amendments made by this subtitle;

(2) on the ability of prospective homebuyers to obtain financing;

(3) on the ability of homeowners facing resets or adjustments to refinance—for example, do they have fewer refinancing options due to the unavailability of certain loan products that were available before the enactment of this Act;

(4) on minorities’ ability to access affordable credit compared with other prospective borrowers;

(5) on home sales and construction;

(6) of extending the rescission right, if any, on adjustable rate loans and its impact on litigation;

(7) of State foreclosure laws and, if any, an investor’s ability to transfer a property after foreclosure;

(8) of expanding the existing provisions of the Home Ownership and Equity Protection Act of 1994;

(9) of prohibiting prepayment penalties on high-cost mortgages; and

(10) of establishing counseling services under the Department of Housing and Urban Development and offered through the Office of Housing Counseling.

(b) **REPORT.**—Before the end of the 1-year period beginning on the date of the enactment of this Act, the Comptroller General shall submit a report to the Congress containing the findings and conclusions of the Comptroller General with respect to the study conducted pursuant to subsection (a).

(c) **EXAMINATION RELATED TO CERTAIN CREDIT RISK RETENTION PROVISIONS.**—The report required by subsection (b) shall also include an analysis by the Comptroller General of the effect on the capital reserves and funding of lenders of credit risk retention provisions for non-qualified mortgages, including an analysis of the exceptions and adjustments authorized in section 129C(b)(3) of the Truth in Lending Act and a recommendation on whether a uniform standard is needed.

(d) **ANALYSIS OF CREDIT RISK RETENTION PROVISIONS.**—The report required by subsection (b) shall also include—

(1) an analysis by the Comptroller General of whether the credit risk retention provisions have significantly reduced risks to the larger credit market of the repackaging and selling of securitized loans on a secondary market; and

(2) recommendations to the Congress on adjustments that should be made, or additional measures that should be undertaken.

SEC. 1422. STATE ATTORNEY GENERAL ENFORCEMENT AUTHORITY.

Section 130(e) of the Truth in Lending Act (15 U.S.C. 1640(e)) is amended by striking “section 129 may also” and inserting “section 129, 129B, 129C, 129D, 129E, 129F, 129G, or 129H of this Act may also”.

Subtitle C—High-Cost Mortgages

SEC. 1431. DEFINITIONS RELATING TO HIGH-COST MORTGAGES.

(a) **HIGH-COST MORTGAGE DEFINED.**—Section 103(aa) of the Truth in Lending Act (15 U.S.C. 1602(aa)) is amended by striking all that precedes paragraph (2) and inserting the following:

“(aa) **HIGH-COST MORTGAGE.**—

“(1) **DEFINITION.**—

“(A) **IN GENERAL.**—The term ‘high-cost mortgage’, and a mortgage referred to in this subsection, means a consumer credit transaction that is secured by the consumer’s principal dwelling, other than a reverse mortgage transaction, if—

“(i) in the case of a credit transaction secured—

“(I) by a first mortgage on the consumer’s principal dwelling, the annual percentage rate at consummation of the transaction will exceed by more than 6.5 percentage points (8.5 percentage points, if the dwelling is personal property and the transaction is for less than \$50,000) the average prime offer rate, as defined in section 129C(b)(2)(B), for a comparable transaction; or

“(II) by a subordinate or junior mortgage on the consumer’s principal dwelling, the annual percentage rate at consummation of the transaction will exceed by more than 8.5 percentage points the average prime offer rate, as defined in section 129C(b)(2)(B), for a comparable transaction;

“(ii) the total points and fees payable in connection with the transaction, other than bona fide third party charges not retained by the mortgage originator, creditor, or an affiliate of the creditor or mortgage originator, exceed—

“(I) in the case of a transaction for \$20,000 or more, 5 percent of the total transaction amount; or

“(II) in the case of a transaction for less than \$20,000, the lesser of 8 percent of the total transaction amount or \$1,000 (or such other dollar amount as the Board shall prescribe by regulation); or

“(iii) the credit transaction documents permit the creditor to charge or collect prepayment fees or penalties more than 36 months after the

transaction closing or such fees or penalties exceed, in the aggregate, more than 2 percent of the amount prepaid.

“(B) **INTRODUCTORY RATES TAKEN INTO ACCOUNT.**—For purposes of subparagraph (A)(i), the annual percentage rate of interest shall be determined based on the following interest rate:

“(i) In the case of a fixed-rate transaction in which the annual percentage rate will not vary during the term of the loan, the interest rate in effect on the date of consummation of the transaction.

“(ii) In the case of a transaction in which the rate of interest varies solely in accordance with an index, the interest rate determined by adding the index rate in effect on the date of consummation of the transaction to the maximum margin permitted at any time during the loan agreement.

“(iii) In the case of any other transaction in which the rate may vary at any time during the term of the loan for any reason, the interest charged on the transaction at the maximum rate that may be charged during the term of the loan.

“(C) **MORTGAGE INSURANCE.**—For the purposes of computing the total points and fees under paragraph (4), the total points and fees shall exclude—

“(i) any premium provided by an agency of the Federal Government or an agency of a State;

“(ii) any amount that is not in excess of the amount payable under policies in effect at the time of origination under section 203(c)(2)(A) of the National Housing Act (12 U.S.C. 1709(c)(2)(A)), provided that the premium, charge, or fee is required to be refundable on a pro-rated basis and the refund is automatically issued upon notification of the satisfaction of the underlying mortgage loan; and

“(iii) any premium paid by the consumer after closing.”.

(b) **ADJUSTMENT OF PERCENTAGE POINTS.**—Section 103(aa)(2) of the Truth in Lending Act (15 U.S.C. 1602(aa)(2)) is amended by striking subparagraph (B) and inserting the following new subparagraph:

“(B) An increase or decrease under subparagraph (A)—

“(i) may not result in the number of percentage points referred to in paragraph (1)(A)(i)(I) being less than 6 percentage points or greater than 10 percentage points; and

“(ii) may not result in the number of percentage points referred to in paragraph (1)(A)(i)(II) being less than 8 percentage points or greater than 12 percentage points.”.

(c) **POINTS AND FEES DEFINED.**—

(1) **IN GENERAL.**—Section 103(aa)(4) of the Truth in Lending Act (15 U.S.C. 1602(aa)(4)) is amended—

(A) by striking subparagraph (B) and inserting the following:

“(B) all compensation paid directly or indirectly by a consumer or creditor to a mortgage originator from any source, including a mortgage originator that is also the creditor in a table-funded transaction;”.

(B) by redesignating subparagraph (D) as subparagraph (G); and

(C) by inserting after subparagraph (C) the following new subparagraphs:

“(D) premiums or other charges payable at or before closing for any credit life, credit disability, credit unemployment, or credit property insurance, or any other accident, loss-of-income, life or health insurance, or any payments directly or indirectly for any debt cancellation or suspension agreement or contract, except that insurance premiums or debt cancellation or suspension fees calculated and paid in full on a monthly basis shall not be considered financed by the creditor;

“(E) the maximum prepayment fees and penalties which may be charged or collected under the terms of the credit transaction;

“(F) all prepayment fees or penalties that are incurred by the consumer if the loan refinances a previous loan made or currently held by the same creditor or an affiliate of the creditor; and”.

(2) **CALCULATION OF POINTS AND FEES FOR OPEN-END CONSUMER CREDIT PLANS.**—Section 103(aa) of the Truth in Lending Act (15 U.S.C. 1602(aa)) is amended—

(A) by redesignating paragraph (5) as paragraph (6); and

(B) by inserting after paragraph (4) the following new paragraph:

“(5) **CALCULATION OF POINTS AND FEES FOR OPEN-END CONSUMER CREDIT PLANS.**—In the case of open-end consumer credit plans, points and fees shall be calculated, for purposes of this section and section 129, by adding the total points and fees known at or before closing, including the maximum prepayment penalties which may be charged or collected under the terms of the credit transaction, plus the minimum additional fees the consumer would be required to pay to draw down an amount equal to the total credit line.”.

(d) **BONA FIDE DISCOUNT LOAN DISCOUNT POINTS.**—Section 103 of the Truth in Lending Act (15 U.S.C. 1602) is amended by inserting after subsection (cc) (as added by section 1401) the following new subsection:

“(dd) **BONA FIDE DISCOUNT POINTS AND PREPAYMENT PENALTIES.**—For the purposes of determining the amount of points and fees for purposes of subsection (aa), either the amounts described in paragraph (1) or (2) of the following paragraphs, but not both, shall be excluded:

“(1) Up to and including 2 bona fide discount points payable by the consumer in connection with the mortgage, but only if the interest rate from which the mortgage’s interest rate will be discounted does not exceed by more than 1 percentage point—

“(A) the average prime offer rate, as defined in section 129C; or

“(B) if secured by a personal property loan, the average rate on a loan in connection with which insurance is provided under title I of the National Housing Act (12 U.S.C. 1702 et seq.).

“(2) Unless 2 bona fide discount points have been excluded under paragraph (1), up to and including 1 bona fide discount point payable by the consumer in connection with the mortgage, but only if the interest rate from which the mortgage’s interest rate will be discounted does not exceed by more than 2 percentage points—

“(A) the average prime offer rate, as defined in section 129C; or

“(B) if secured by a personal property loan, the average rate on a loan in connection with which insurance is provided under title I of the National Housing Act (12 U.S.C. 1702 et seq.).

“(3) For purposes of paragraph (1), the term ‘bona fide discount points’ means loan discount points which are knowingly paid by the consumer for the purpose of reducing, and which in fact result in a bona fide reduction of, the interest rate or time-price differential applicable to the mortgage.

“(4) Paragraphs (1) and (2) shall not apply to discount points used to purchase an interest rate reduction unless the amount of the interest rate reduction purchased is reasonably consistent with established industry norms and practices for secondary mortgage market transactions.”.

SEC. 1432. AMENDMENTS TO EXISTING REQUIREMENTS FOR CERTAIN MORTGAGES.

(a) **PREPAYMENT PENALTY PROVISIONS.**—Section 129(c)(2) of the Truth in Lending Act (15 U.S.C. 1639(c)(2)) is hereby repealed.

(b) **NO BALLOON PAYMENTS.**—Section 129(e) of the Truth in Lending Act (15 U.S.C. 1639(e)) is amended to read as follows:

“(e) NO BALLOON PAYMENTS.—No high-cost mortgage may contain a scheduled payment that is more than twice as large as the average of earlier scheduled payments. This subsection shall not apply when the payment schedule is adjusted to the seasonal or irregular income of the consumer.”.

SEC. 1433. ADDITIONAL REQUIREMENTS FOR CERTAIN MORTGAGES.

(a) **ADDITIONAL REQUIREMENTS FOR CERTAIN MORTGAGES.**—Section 129 of the Truth in Lending Act (15 U.S.C. 1639) is amended—

(1) by redesignating subsections (j), (k), (l) and (m) as subsections (n), (o), (p), and (q) respectively; and

(2) by inserting after subsection (i) the following new subsections:

“(j) **RECOMMENDED DEFAULT.**—No creditor shall recommend or encourage default on an existing loan or other debt prior to and in connection with the closing or planned closing of a high-cost mortgage that refinances all or any portion of such existing loan or debt.

“(k) **LATE FEES.**—

“(1) **IN GENERAL.**—No creditor may impose a late payment charge or fee in connection with a high-cost mortgage—

“(A) in an amount in excess of 4 percent of the amount of the payment past due;

“(B) unless the loan documents specifically authorize the charge or fee;

“(C) before the end of the 15-day period beginning on the date the payment is due, or in the case of a loan on which interest on each installment is paid in advance, before the end of the 30-day period beginning on the date the payment is due; or

“(D) more than once with respect to a single late payment.

“(2) **COORDINATION WITH SUBSEQUENT LATE FEES.**—If a payment is otherwise a full payment for the applicable period and is paid on its due date or within an applicable grace period, and the only delinquency or insufficiency of payment is attributable to any late fee or delinquency charge assessed on any earlier payment, no late fee or delinquency charge may be imposed on such payment.

“(3) **FAILURE TO MAKE INSTALLMENT PAYMENT.**—If, in the case of a loan agreement the terms of which provide that any payment shall first be applied to any past due principal balance, the consumer fails to make an installment payment and the consumer subsequently resumes making installment payments but has not paid all past due installments, the creditor may impose a separate late payment charge or fee for any principal due (without deduction due to late fees or related fees) until the default is cured.

“(l) **ACCELERATION OF DEBT.**—No high-cost mortgage may contain a provision which permits the creditor to accelerate the indebtedness, except when repayment of the loan has been accelerated by default in payment, or pursuant to a due-on-sale provision, or pursuant to a material violation of some other provision of the loan document unrelated to payment schedule.

“(m) **RESTRICTION ON FINANCING POINTS AND FEES.**—No creditor may directly or indirectly finance, in connection with any high-cost mortgage, any of the following:

“(1) Any prepayment fee or penalty payable by the consumer in a refinancing transaction if the creditor or an affiliate of the creditor is the noteholder of the note being refinanced.

“(2) Any points or fees.”.

(b) **PROHIBITIONS ON EVASIONS.**—Section 129 of the Truth in Lending Act (15 U.S.C. 1639) is amended by inserting after subsection (q) (as so redesignated by subsection (a)(1)) the following new subsection:

“(r) **PROHIBITIONS ON EVASIONS, STRUCTURING OF TRANSACTIONS, AND RECIPROCAL ARRANGE-**

MENTS.—A creditor may not take any action in connection with a high-cost mortgage—

“(1) to structure a loan transaction as an open-end credit plan or another form of loan for the purpose and with the intent of evading the provisions of this title; or

“(2) to divide any loan transaction into separate parts for the purpose and with the intent of evading provisions of this title.”.

(c) **MODIFICATION OR DEFERRAL FEES.**—Section 129 of the Truth in Lending Act (15 U.S.C. 1639) is amended by inserting after subsection (r) (as added by subsection (b) of this section) the following new subsection:

“(s) **MODIFICATION AND DEFERRAL FEES PROHIBITED.**—A creditor, successor in interest, assignee, or any agent of any of the above, may not charge a consumer any fee to modify, renew, extend, or amend a high-cost mortgage, or to defer any payment due under the terms of such mortgage.”.

(d) **PAYOFF STATEMENT.**—Section 129 of the Truth in Lending Act (15 U.S.C. 1639) is amended by inserting after subsection (s) (as added by subsection (c) of this section) the following new subsection:

“(t) **PAYOFF STATEMENT.**—

“(1) **FEES.**—

“(A) **IN GENERAL.**—Except as provided in subparagraph (B), no creditor or servicer may charge a fee for informing or transmitting to any person the balance due to pay off the outstanding balance on a high-cost mortgage.

“(B) **TRANSACTION FEE.**—When payoff information referred to in subparagraph (A) is provided by facsimile transmission or by a courier service, a creditor or servicer may charge a processing fee to cover the cost of such transmission or service in an amount not to exceed an amount that is comparable to fees imposed for similar services provided in connection with consumer credit transactions that are secured by the consumer's principal dwelling and are not high-cost mortgages.

“(C) **FEE DISCLOSURE.**—Prior to charging a transaction fee as provided in subparagraph (B), a creditor or servicer shall disclose that payoff balances are available for free pursuant to subparagraph (A).

“(D) **MULTIPLE REQUESTS.**—If a creditor or servicer has provided payoff information referred to in subparagraph (A) without charge, other than the transaction fee allowed by subparagraph (B), on 4 occasions during a calendar year, the creditor or servicer may thereafter charge a reasonable fee for providing such information during the remainder of the calendar year.

“(2) **PROMPT DELIVERY.**—Payoff balances shall be provided within 5 business days after receiving a request by a consumer or a person authorized by the consumer to obtain such information.”.

(e) **PRE-LOAN COUNSELING REQUIRED.**—Section 129 of the Truth in Lending Act (15 U.S.C. 1639) is amended by inserting after subsection (t) (as added by subsection (d) of this section) the following new subsection:

“(u) **PRE-LOAN COUNSELING.**—

“(1) **IN GENERAL.**—A creditor may not extend credit to a consumer under a high-cost mortgage without first receiving certification from a counselor that is approved by the Secretary of Housing and Urban Development, or at the discretion of the Secretary, a State housing finance authority, that the consumer has received counseling on the advisability of the mortgage. Such counselor shall not be employed by the creditor or an affiliate of the creditor or be affiliated with the creditor.

“(2) **DISCLOSURES REQUIRED PRIOR TO COUNSELING.**—No counselor may certify that a consumer has received counseling on the advisability of the high-cost mortgage unless the

counselor can verify that the consumer has received each statement required (in connection with such loan) by this section or the Real Estate Settlement Procedures Act of 1974 with respect to the transaction.

“(3) **REGULATIONS.**—The Board may prescribe such regulations as the Board determines to be appropriate to carry out the requirements of paragraph (1).”.

(f) **CORRECTIONS AND UNINTENTIONAL VIOLATIONS.**—Section 129 of the Truth in Lending Act (15 U.S.C. 1639) is amended by inserting after subsection (u) (as added by subsection (e)) the following new subsection:

“(v) **CORRECTIONS AND UNINTENTIONAL VIOLATIONS.**—A creditor or assignee in a high-cost mortgage who, when acting in good faith, fails to comply with any requirement under this section will not be deemed to have violated such requirement if the creditor or assignee establishes that either—

“(1) within 30 days of the loan closing and prior to the institution of any action, the consumer is notified of or discovers the violation, appropriate restitution is made, and whatever adjustments are necessary are made to the loan to either, at the choice of the consumer—

“(A) make the loan satisfy the requirements of this chapter; or

“(B) in the case of a high-cost mortgage, change the terms of the loan in a manner beneficial to the consumer so that the loan will no longer be a high-cost mortgage; or

“(2) within 60 days of the creditor's discovery or receipt of notification of an unintentional violation or bona fide error and prior to the institution of any action, the consumer is notified of the compliance failure, appropriate restitution is made, and whatever adjustments are necessary are made to the loan to either, at the choice of the consumer—

“(A) make the loan satisfy the requirements of this chapter; or

“(B) in the case of a high-cost mortgage, change the terms of the loan in a manner beneficial so that the loan will no longer be a high-cost mortgage.”.

Subtitle D—Office of Housing Counseling

SEC. 1441. SHORT TITLE.

This subtitle may be cited as the “Expand and Preserve Home Ownership Through Counseling Act”.

SEC. 1442. ESTABLISHMENT OF OFFICE OF HOUSING COUNSELING.

Section 4 of the Department of Housing and Urban Development Act (42 U.S.C. 3533) is amended by adding at the end the following new subsection:

“(g) **OFFICE OF HOUSING COUNSELING.**—

“(1) **ESTABLISHMENT.**—There is established, in the Department, the Office of Housing Counseling.

“(2) **DIRECTOR.**—There is established the position of Director of Housing Counseling. The Director shall be the head of the Office of Housing Counseling and shall be appointed by, and shall report to, the Secretary. Such position shall be a career-reserved position in the Senior Executive Service.

“(3) **FUNCTIONS.**—

“(A) **IN GENERAL.**—The Director shall have primary responsibility within the Department for all activities and matters relating to homeownership counseling and rental housing counseling, including—

“(i) research, grant administration, public outreach, and policy development relating to such counseling; and

“(ii) establishment, coordination, and administration of all regulations, requirements, standards, and performance measures under programs and laws administered by the Department that relate to housing counseling, homeownership counseling (including maintenance of homes),

mortgage-related counseling (including home equity conversion mortgages and credit protection options to avoid foreclosure), and rental housing counseling, including the requirements, standards, and performance measures relating to housing counseling.

“(B) SPECIFIC FUNCTIONS.—The Director shall carry out the functions assigned to the Director and the Office under this section and any other provisions of law. Such functions shall include establishing rules necessary for—

“(i) the counseling procedures under section 106(g)(1) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(h)(1));

“(ii) carrying out all other functions of the Secretary under section 106(g) of the Housing and Urban Development Act of 1968, including the establishment, operation, and publication of the availability of the toll-free telephone number under paragraph (2) of such section;

“(iii) contributing to the distribution of home buying information booklets pursuant to section 5 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2604);

“(iv) carrying out the certification program under section 106(e) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(e));

“(v) carrying out the assistance program under section 106(a)(4) of the Housing and Urban Development Act of 1968, including criteria for selection of applications to receive assistance;

“(vi) carrying out any functions regarding abusive, deceptive, or unscrupulous lending practices relating to residential mortgage loans that the Secretary considers appropriate, which shall include conducting the study under section 6 of the Expand and Preserve Home Ownership Through Counseling Act;

“(vii) providing for operation of the advisory committee established under paragraph (4) of this subsection;

“(viii) collaborating with community-based organizations with expertise in the field of housing counseling; and

“(ix) providing for the building of capacity to provide housing counseling services in areas that lack sufficient services, including underdeveloped areas that lack basic water and sewer systems, electricity services, and safe, sanitary housing.

“(4) ADVISORY COMMITTEE.—

“(A) IN GENERAL.—The Secretary shall appoint an advisory committee to provide advice regarding the carrying out of the functions of the Director.

“(B) MEMBERS.—Such advisory committee shall consist of not more than 12 individuals, and the membership of the committee shall equally represent the mortgage and real estate industry, including consumers and housing counseling agencies certified by the Secretary.

“(C) TERMS.—Except as provided in subparagraph (D), each member of the advisory committee shall be appointed for a term of 3 years. Members may be reappointed at the discretion of the Secretary.

“(D) TERMS OF INITIAL APPOINTEES.—As designated by the Secretary at the time of appointment, of the members first appointed to the advisory committee, 4 shall be appointed for a term of 1 year and 4 shall be appointed for a term of 2 years.

“(E) PROHIBITION OF PAY; TRAVEL EXPENSES.—Members of the advisory committee shall serve without pay, but shall receive travel expenses, including per diem in lieu of subsistence, in accordance with applicable provisions under subchapter I of chapter 57 of title 5, United States Code.

“(F) ADVISORY ROLE ONLY.—The advisory committee shall have no role in reviewing or awarding housing counseling grants.

“(5) SCOPE OF HOMEOWNERSHIP COUNSELING.—In carrying out the responsibilities of the Direc-

tor, the Director shall ensure that homeownership counseling provided by, in connection with, or pursuant to any function, activity, or program of the Department addresses the entire process of homeownership, including the decision to purchase a home, the selection and purchase of a home, issues arising during or affecting the period of ownership of a home (including refinancing, default and foreclosure, and other financial decisions), and the sale or other disposition of a home.”

SEC. 1443. COUNSELING PROCEDURES.

(a) IN GENERAL.—Section 106 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x) is amended by adding at the end the following new subsection:

“(g) PROCEDURES AND ACTIVITIES.—

“(1) COUNSELING PROCEDURES.—

“(A) IN GENERAL.—The Secretary shall establish, coordinate, and monitor the administration by the Department of Housing and Urban Development of the counseling procedures for homeownership counseling and rental housing counseling provided in connection with any program of the Department, including all requirements, standards, and performance measures that relate to homeownership and rental housing counseling.

“(B) HOMEOWNERSHIP COUNSELING.—For purposes of this subsection and as used in the provisions referred to in this subparagraph, the term ‘homeownership counseling’ means counseling related to homeownership and residential mortgage loans. Such term includes counseling related to homeownership and residential mortgage loans that is provided pursuant to—

“(i) section 105(a)(20) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(20));

“(ii) in the United States Housing Act of 1937—

“(I) section 9(e) (42 U.S.C. 1437g(e));

“(II) section 8(y)(1)(D) (42 U.S.C. 1437f(y)(1)(D));

“(III) section 18(a)(4)(D) (42 U.S.C. 1437p(a)(4)(D));

“(IV) section 23(c)(4) (42 U.S.C. 1437u(c)(4));

“(V) section 32(e)(4) (42 U.S.C. 1437z-4(e)(4));

“(VI) section 33(d)(2)(B) (42 U.S.C. 1437z-5(d)(2)(B));

“(VII) sections 302(b)(6) and 303(b)(7) (42 U.S.C. 1437aaa-1(b)(6), 1437aaa-2(b)(7)); and

“(VIII) section 304(c)(4) (42 U.S.C. 1437aaa-3(c)(4));

“(iii) section 302(a)(4) of the American Homeownership and Economic Opportunity Act of 2000 (42 U.S.C. 1437f note);

“(iv) sections 233(b)(2) and 258(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12773(b)(2), 12808(b));

“(v) this section and section 101(e) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x, 1701w(e));

“(vi) section 220(d)(2)(G) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4110(d)(2)(G));

“(vii) sections 422(b)(6), 423(b)(7), 424(c)(4), 442(b)(6), and 443(b)(6) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12872(b)(6), 12873(b)(7), 12874(c)(4), 12892(b)(6), and 12893(b)(6));

“(viii) section 491(b)(1)(F)(iii) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11408(b)(1)(F)(iii));

“(ix) sections 202(3) and 810(b)(2)(A) of the Native American Housing and Self-Determination Act of 1996 (25 U.S.C. 4132(3), 4229(b)(2)(A));

“(x) in the National Housing Act—

“(I) in section 203 (12 U.S.C. 1709), the penultimate undesignated paragraph of paragraph (2) of subsection (b), subsection (c)(2)(A), and subsection (r)(4);

“(II) subsections (a) and (c)(3) of section 237 (12 U.S.C. 1715z-2); and

“(III) subsections (d)(2)(B) and (m)(1) of section 255 (12 U.S.C. 1715z-20);

“(xi) section 502(h)(4)(B) of the Housing Act of 1949 (42 U.S.C. 1472(h)(4)(B));

“(xii) section 508 of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-7); and

“(xiii) section 106 of the Energy Policy Act of 1992 (42 U.S.C. 12712 note).

“(C) RENTAL HOUSING COUNSELING.—For purposes of this subsection, the term ‘rental housing counseling’ means counseling related to rental of residential property, which may include counseling regarding future homeownership opportunities and providing referrals for renters and prospective renters to entities providing counseling and shall include counseling related to such topics that is provided pursuant to—

“(i) section 105(a)(20) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(20));

“(ii) in the United States Housing Act of 1937—

“(I) section 9(e) (42 U.S.C. 1437g(e));

“(II) section 18(a)(4)(D) (42 U.S.C. 1437p(a)(4)(D));

“(III) section 23(c)(4) (42 U.S.C. 1437u(c)(4));

“(IV) section 32(e)(4) (42 U.S.C. 1437z-4(e)(4));

“(V) section 33(d)(2)(B) (42 U.S.C. 1437z-5(d)(2)(B)); and

“(VI) section 302(b)(6) (42 U.S.C. 1437aaa-1(b)(6));

“(iii) section 233(b)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12773(b)(2));

“(iv) section 106 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x);

“(v) section 422(b)(6) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12872(b)(6));

“(vi) section 491(b)(1)(F)(iii) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11408(b)(1)(F)(iii));

“(vii) sections 202(3) and 810(b)(2)(A) of the Native American Housing and Self-Determination Act of 1996 (25 U.S.C. 4132(3), 4229(b)(2)(A)); and

“(viii) the rental assistance program under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).

“(2) STANDARDS FOR MATERIALS.—The Secretary, in consultation with the advisory committee established under subsection (g)(4) of the Department of Housing and Urban Development Act, shall establish standards for materials and forms to be used, as appropriate, by organizations providing homeownership counseling services, including any recipients of assistance pursuant to subsection (a)(4).

“(3) MORTGAGE SOFTWARE SYSTEMS.—

“(A) CERTIFICATION.—The Secretary shall provide for the certification of various computer software programs for consumers to use in evaluating different residential mortgage loan proposals. The Secretary shall require, for such certification, that the mortgage software systems take into account—

“(i) the consumer’s financial situation and the cost of maintaining a home, including insurance, taxes, and utilities;

“(ii) the amount of time the consumer expects to remain in the home or expected time to maturity of the loan; and

“(iii) such other factors as the Secretary considers appropriate to assist the consumer in evaluating whether to pay points, to lock in an interest rate, to select an adjustable or fixed rate loan, to select a conventional or government-insured or guaranteed loan and to make other choices during the loan application process.

If the Secretary determines that available existing software is inadequate to assist consumers during the residential mortgage loan application process, the Secretary shall arrange for the development by private sector software companies

of new mortgage software systems that meet the Secretary's specifications.

"(B) USE AND INITIAL AVAILABILITY.—Such certified computer software programs shall be used to supplement, not replace, housing counseling. The Secretary shall provide that such programs are initially used only in connection with the assistance of housing counselors certified pursuant to subsection (e).

"(C) AVAILABILITY.—After a period of initial availability under subparagraph (B) as the Secretary considers appropriate, the Secretary shall take reasonable steps to make mortgage software systems certified pursuant to this paragraph widely available through the Internet and at public locations, including public libraries, senior-citizen centers, public housing sites, offices of public housing agencies that administer rental housing assistance vouchers, and housing counseling centers.

"(D) BUDGET COMPLIANCE.—This paragraph shall be effective only to the extent that amounts to carry out this paragraph are made available in advance in appropriations Acts.

"(4) NATIONAL PUBLIC SERVICE MULTIMEDIA CAMPAIGNS TO PROMOTE HOUSING COUNSELING.—

"(A) IN GENERAL.—The Director of Housing Counseling shall develop, implement, and conduct national public service multimedia campaigns designed to make persons facing mortgage foreclosure, persons considering a subprime mortgage loan to purchase a home, elderly persons, persons who face language barriers, low-income persons, minorities, and other potentially vulnerable consumers aware that it is advisable, before seeking or maintaining a residential mortgage loan, to obtain homeownership counseling from an unbiased and reliable sources and that such homeownership counseling is available, including through programs sponsored by the Secretary of Housing and Urban Development.

"(B) CONTACT INFORMATION.—Each segment of the multimedia campaign under subparagraph (A) shall publicize the toll-free telephone number and website of the Department of Housing and Urban Development through which persons seeking housing counseling can locate a housing counseling agency in their State that is certified by the Secretary of Housing and Urban Development and can provide advice on buying a home, renting, defaults, foreclosures, credit issues, and reverse mortgages.

"(C) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary, not to exceed \$3,000,000 for fiscal years 2009, 2010, and 2011, for the development, implementation, and conduct of national public service multimedia campaigns under this paragraph.

"(D) FORECLOSURE RESCUE EDUCATION PROGRAMS.—

"(i) IN GENERAL.—Ten percent of any funds appropriated pursuant to the authorization under subparagraph (C) shall be used by the Director of Housing Counseling to conduct an education program in areas that have a high density of foreclosure. Such program shall involve direct mailings to persons living in such areas describing—

"(I) tips on avoiding foreclosure rescue scams;

"(II) tips on avoiding predatory lending mortgage agreements;

"(III) tips on avoiding for-profit foreclosure counseling services; and

"(IV) local counseling resources that are approved by the Department of Housing and Urban Development.

"(ii) PROGRAM EMPHASIS.—In conducting the education program described under clause (i), the Director of Housing Counseling shall also place an emphasis on serving communities that have a high percentage of retirement communities or a high percentage of low-income minority communities.

"(iii) TERMS DEFINED.—For purposes of this subparagraph:

"(I) HIGH DENSITY OF FORECLOSURES.—An area has a 'high density of foreclosures' if such area is one of the metropolitan statistical areas (as that term is defined by the Director of the Office of Management and Budget) with the highest home foreclosure rates.

"(II) HIGH PERCENTAGE OF RETIREMENT COMMUNITIES.—An area has a 'high percentage of retirement communities' if such area is one of the metropolitan statistical areas (as that term is defined by the Director of the Office of Management and Budget) with the highest percentage of residents aged 65 or older.

"(III) HIGH PERCENTAGE OF LOW-INCOME MINORITY COMMUNITIES.—An area has a 'high percentage of low-income minority communities' if such area contains a higher-than-normal percentage of residents who are both minorities and low-income, as defined by the Director of Housing Counseling.

"(5) EDUCATION PROGRAMS.—The Secretary shall provide advice and technical assistance to States, units of general local government, and nonprofit organizations regarding the establishment and operation of, including assistance with the development of content and materials for, educational programs to inform and educate consumers, particularly those most vulnerable with respect to residential mortgage loans (such as elderly persons, persons facing language barriers, low-income persons, minorities, and other potentially vulnerable consumers), regarding home mortgages, mortgage refinancing, home equity loans, home repair loans, and where appropriate by region, any requirements and costs associated with obtaining flood or other disaster-specific insurance coverage."

(b) CONFORMING AMENDMENTS TO GRANT PROGRAM FOR HOMEOWNERSHIP COUNSELING ORGANIZATIONS.—Section 106(c)(5)(A)(ii) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(c)(5)(A)(ii)) is amended—

(1) in subclause (III), by striking "and" at the end;

(2) in subclause (IV) by striking the period at the end and inserting "and"; and

(3) by inserting after subclause (IV) the following new subclause:

"(V) notify the housing or mortgage applicant of the availability of mortgage software systems provided pursuant to subsection (g)(3)."

SEC. 1444. GRANTS FOR HOUSING COUNSELING ASSISTANCE.

Section 106(a) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(a)) is amended by adding at the end the following new paragraph:

"(4) HOMEOWNERSHIP AND RENTAL COUNSELING ASSISTANCE.—

"(A) IN GENERAL.—The Secretary shall make financial assistance available under this paragraph to HUD-approved housing counseling agencies and State housing finance agencies.

"(B) QUALIFIED ENTITIES.—The Secretary shall establish standards and guidelines for eligibility of organizations (including governmental and nonprofit organizations) to receive assistance under this paragraph, in accordance with subparagraph (D).

"(C) DISTRIBUTION.—Assistance made available under this paragraph shall be distributed in a manner that encourages efficient and successful counseling programs and that ensures adequate distribution of amounts for rural areas having traditionally low levels of access to such counseling services, including areas with insufficient access to the Internet. In distributing such assistance, the Secretary may give priority consideration to entities serving areas with the highest home foreclosure rates.

"(D) LIMITATION ON DISTRIBUTION OF ASSISTANCE.—

"(i) IN GENERAL.—None of the amounts made available under this paragraph shall be distributed to—

"(I) any organization which has been convicted for a violation under Federal law relating to an election for Federal office; or

"(II) any organization which employs applicable individuals.

"(ii) DEFINITION OF APPLICABLE INDIVIDUALS.—In this subparagraph, the term 'applicable individual' means an individual who—

"(I) is—

"(aa) employed by the organization in a permanent or temporary capacity;

"(bb) contracted or retained by the organization; or

"(cc) acting on behalf of, or with the express or apparent authority of, the organization; and

"(II) has been convicted for a violation under Federal law relating to an election for Federal office.

"(E) GRANTMAKING PROCESS.—In making assistance available under this paragraph, the Secretary shall consider appropriate ways of streamlining and improving the processes for grant application, review, approval, and award.

"(F) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated \$45,000,000 for each of fiscal years 2009 through 2012 for—

"(i) the operations of the Office of Housing Counseling of the Department of Housing and Urban Development;

"(ii) the responsibilities of the Director of Housing Counseling under paragraphs (2) through (5) of subsection (g); and

"(iii) assistance pursuant to this paragraph for entities providing homeownership and rental counseling."

SEC. 1445. REQUIREMENTS TO USE HUD-CERTIFIED COUNSELORS UNDER HUD PROGRAMS.

Section 106(e) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(e)) is amended—

(1) by striking paragraph (1) and inserting the following new paragraph:

"(1) REQUIREMENT FOR ASSISTANCE.—An organization may not receive assistance for counseling activities under subsection (a)(1)(iii), (a)(2), (a)(4), (c), or (d) of this section, or under section 101(e), unless the organization, or the individuals through which the organization provides such counseling, has been certified by the Secretary under this subsection as competent to provide such counseling."

(2) in paragraph (2)—

(A) by inserting "and for certifying organizations" before the period at the end of the first sentence; and

(B) in the second sentence by striking "for certification" and inserting "for certification of an organization, that each individual through which the organization provides counseling shall demonstrate, and, for certification of an individual,";

(3) in paragraph (3), by inserting "organizations and" before "individuals";

(4) by redesignating paragraph (3) as paragraph (5); and

(5) by inserting after paragraph (2) the following new paragraphs:

"(3) REQUIREMENT UNDER HUD PROGRAMS.—Any homeownership counseling or rental housing counseling (as such terms are defined in subsection (g)(1)) required under, or provided in connection with, any program administered by the Department of Housing and Urban Development shall be provided only by organizations or counselors certified by the Secretary under this subsection as competent to provide such counseling.

“(4) **OUTREACH.**—The Secretary shall take such actions as the Secretary considers appropriate to ensure that individuals and organizations providing homeownership or rental housing counseling are aware of the certification requirements and standards of this subsection and of the training and certification programs under subsection (f).”.

SEC. 1446. STUDY OF DEFAULTS AND FORECLOSURES.

The Secretary of Housing and Urban Development shall conduct an extensive study of the root causes of default and foreclosure of home loans, using as much empirical data as are available. The study shall also examine the role of escrow accounts in helping prime and nonprime borrowers to avoid defaults and foreclosures, and the role of computer registries of mortgages, including those used for trading mortgage loans. Not later than 12 months after the date of the enactment of this Act, the Secretary shall submit to the Congress a preliminary report regarding the study. Not later than 24 months after such date of enactment, the Secretary shall submit a final report regarding the results of the study, which shall include any recommended legislation relating to the study, and recommendations for best practices and for a process to identify populations that need counseling the most.

SEC. 1447. DEFAULT AND FORECLOSURE DATABASE.

(a) **ESTABLISHMENT.**—The Secretary of Housing and Urban Development and the Director of the Bureau, in consultation with the Federal agencies responsible for regulation of banking and financial institutions involved in residential mortgage lending and servicing, shall establish and maintain a database of information on foreclosures and defaults on mortgage loans for one- to four-unit residential properties and shall make such information publicly available, subject to subsection (e).

(b) **CENSUS TRACT DATA.**—Information in the database may be collected, aggregated, and made available on a census tract basis.

(c) **REQUIREMENTS.**—Information collected and made available through the database shall include—

(1) the number and percentage of such mortgage loans that are delinquent by more than 30 days;

(2) the number and percentage of such mortgage loans that are delinquent by more than 90 days;

(3) the number and percentage of such properties that are real estate-owned;

(4) number and percentage of such mortgage loans that are in the foreclosure process;

(5) the number and percentage of such mortgage loans that have an outstanding principal obligation amount that is greater than the value of the property for which the loan was made; and

(6) such other information as the Secretary of Housing and Urban Development and the Director of the Bureau consider appropriate.

(d) **RULE OF CONSTRUCTION.**—Nothing in this section shall be construed to encourage discriminatory or unsound allocation of credit or lending policies or practices.

(e) **PRIVACY AND CONFIDENTIALITY.**—In establishing and maintaining the database described in subsection (a), the Secretary of Housing and Urban Development and the Director of the Bureau shall—

(1) be subject to the standards applicable to Federal agencies for the protection of the confidentiality of personally identifiable information and for data security and integrity;

(2) implement the necessary measures to conform to the standards for data integrity and security described in paragraph (1); and

(3) collect and make available information under this section, in accordance with para-

graphs (5) and (6) of section 1022(c) and the rules prescribed under such paragraphs, in order to protect privacy and confidentiality.

SEC. 1448. DEFINITIONS FOR COUNSELING-RELATED PROGRAMS.

Section 106 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x), as amended by the preceding provisions of this subtitle, is amended by adding at the end the following new subsection:

“(h) **DEFINITIONS.**—For purposes of this section:

“(1) **NONPROFIT ORGANIZATION.**—The term ‘nonprofit organization’ has the meaning given such term in section 104(5) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704(5)), except that subparagraph (D) of such section shall not apply for purposes of this section.

“(2) **STATE.**—The term ‘State’ means each of the several States, the Commonwealth of Puerto Rico, the District of Columbia, the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, the Trust Territories of the Pacific, or any other possession of the United States.

“(3) **UNIT OF GENERAL LOCAL GOVERNMENT.**—The term ‘unit of general local government’ means any city, county, parish, town, township, borough, village, or other general purpose political subdivision of a State.

“(4) **HUD-APPROVED COUNSELING AGENCY.**—The term ‘HUD-approved counseling agency’ means a private or public nonprofit organization that is—

“(A) exempt from taxation under section 501(c) of the Internal Revenue Code of 1986; and

“(B) certified by the Secretary to provide housing counseling services.

“(5) **STATE HOUSING FINANCE AGENCY.**—The term ‘State housing finance agency’ means any public body, agency, or instrumentality specifically created under State statute that is authorized to finance activities designed to provide housing and related facilities throughout an entire State through land acquisition, construction, or rehabilitation.”.

SEC. 1449. ACCOUNTABILITY AND TRANSPARENCY FOR GRANT RECIPIENTS.

Section 106 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x), as amended by the preceding provisions of this subtitle, is amended by adding at the end the following:

“(i) **ACCOUNTABILITY FOR RECIPIENTS OF COVERED ASSISTANCE.**—

“(1) **TRACKING OF FUNDS.**—The Secretary shall—

“(A) develop and maintain a system to ensure that any organization or entity that receives any covered assistance uses all amounts of covered assistance in accordance with this section, the regulations issued under this section, and any requirements or conditions under which such amounts were provided; and

“(B) require any organization or entity, as a condition of receipt of any covered assistance, to agree to comply with such requirements regarding covered assistance as the Secretary shall establish, which shall include—

“(i) appropriate periodic financial and grant activity reporting, record retention, and audit requirements for the duration of the covered assistance to the organization or entity to ensure compliance with the limitations and requirements of this section, the regulations under this section, and any requirements or conditions under which such amounts were provided; and

“(ii) any other requirements that the Secretary determines are necessary to ensure appropriate administration and compliance.

“(2) **MISUSE OF FUNDS.**—If any organization or entity that receives any covered assistance is determined by the Secretary to have used any covered assistance in a manner that is materi-

ally in violation of this section, the regulations issued under this section, or any requirements or conditions under which such assistance was provided—

“(A) the Secretary shall require that, within 12 months after the determination of such misuse, the organization or entity shall reimburse the Secretary for such misused amounts and return to the Secretary any such amounts that remain unused or uncommitted for use; and

“(B) such organization or entity shall be ineligible, at any time after such determination, to apply for or receive any further covered assistance.

The remedies under this paragraph are in addition to any other remedies that may be available under law.

“(3) **COVERED ASSISTANCE.**—For purposes of this subsection, the term ‘covered assistance’ means any grant or other financial assistance provided under this section.”.

SEC. 1450. UPDATING AND SIMPLIFICATION OF MORTGAGE INFORMATION BOOKLET.

Section 5 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2604) is amended—

(1) in the section heading, by striking “SPECIAL” and inserting “HOME BUYING”;

(2) by striking subsections (a) and (b) and inserting the following new subsections:

“(a) **PREPARATION AND DISTRIBUTION.**—The Director of the Bureau of Consumer Financial Protection (hereafter in this section referred to as the ‘Director’) shall prepare, at least once every 5 years, a booklet to help consumers applying for federally related mortgage loans to understand the nature and costs of real estate settlement services. The Director shall prepare the booklet in various languages and cultural styles, as the Director determines to be appropriate, so that the booklet is understandable and accessible to homebuyers of different ethnic and cultural backgrounds. The Director shall distribute such booklets to all lenders that make federally related mortgage loans. The Director shall also distribute to such lenders lists, organized by location, of homeownership counselors certified under section 106(e) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(e)) for use in complying with the requirement under subsection (c) of this section.

“(b) **CONTENTS.**—Each booklet shall be in such form and detail as the Director shall prescribe and, in addition to such other information as the Director may provide, shall include in plain and understandable language the following information:

“(1) A description and explanation of the nature and purpose of the costs incident to a real estate settlement or a federally related mortgage loan. The description and explanation shall provide general information about the mortgage process as well as specific information concerning, at a minimum—

“(A) balloon payments;

“(B) prepayment penalties;

“(C) the advantages of prepayment; and

“(D) the trade-off between closing costs and the interest rate over the life of the loan.

“(2) An explanation and sample of the uniform settlement statement required by section 4.

“(3) A list and explanation of lending practices, including those prohibited by the Truth in Lending Act or other applicable Federal law, and of other unfair practices and unreasonable or unnecessary charges to be avoided by the prospective buyer with respect to a real estate settlement.

“(4) A list and explanation of questions a consumer obtaining a federally related mortgage loan should ask regarding the loan, including whether the consumer will have the ability to repay the loan, whether the consumer sufficiently shopped for the loan, whether the loan terms include prepayment penalties or balloon

payments, and whether the loan will benefit the borrower.

“(5) An explanation of the right of rescission as to certain transactions provided by sections 125 and 129 of the Truth in Lending Act.

“(6) A brief explanation of the nature of a variable rate mortgage and a reference to the booklet entitled ‘Consumer Handbook on Adjustable Rate Mortgages’, published by the Director, or to any suitable substitute of such booklet that the Director may subsequently adopt pursuant to such section.

“(7) A brief explanation of the nature of a home equity line of credit and a reference to the pamphlet required to be provided under section 127A of the Truth in Lending Act.

“(8) Information about homeownership counseling services made available pursuant to section 106(a)(4) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(a)(4)), a recommendation that the consumer use such services, and notification that a list of certified providers of homeownership counseling in the area, and their contact information, is available.

“(9) An explanation of the nature and purpose of escrow accounts when used in connection with loans secured by residential real estate and the requirements under section 10 of this Act regarding such accounts.

“(10) An explanation of the choices available to buyers of residential real estate in selecting persons to provide necessary services incidental to a real estate settlement.

“(11) An explanation of a consumer’s responsibilities, liabilities, and obligations in a mortgage transaction.

“(12) An explanation of the nature and purpose of real estate appraisals, including the difference between an appraisal and a home inspection.

“(13) Notice that the Office of Housing of the Department of Housing and Urban Development has made publicly available a brochure regarding loan fraud and a World Wide Web address and toll-free telephone number for obtaining the brochure.

The booklet prepared pursuant to this section shall take into consideration differences in real estate settlement procedures that may exist among the several States and territories of the United States and among separate political subdivisions within the same State and territory.”;

(3) in subsection (c), by inserting at the end the following new sentence: “Each lender shall also include with the booklet a reasonably complete or updated list of homeownership counselors who are certified pursuant to section 106(e) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(e)) and located in the area of the lender.”; and

(4) in subsection (d), by inserting after the period at the end of the first sentence the following: “The lender shall provide the booklet in the version that is most appropriate for the person receiving it.”.

SEC. 1451. HOME INSPECTION COUNSELING.

(a) PUBLIC OUTREACH.—

(1) IN GENERAL.—The Secretary of Housing and Urban Development (in this section referred to as the “Secretary”) shall take such actions as may be necessary to inform potential homebuyers of the availability and importance of obtaining an independent home inspection. Such actions shall include—

(A) publication of the HUD/FHA form HUD 92564-CN entitled “For Your Protection: Get a Home Inspection”, in both English and Spanish languages;

(B) publication of the HUD/FHA booklet entitled “For Your Protection: Get a Home Inspection”, in both English and Spanish languages;

(C) development and publication of a HUD booklet entitled “For Your Protection—Get a Home Inspection” that does not reference FHA-

insured homes, in both English and Spanish languages; and

(D) publication of the HUD document entitled “Ten Important Questions To Ask Your Home Inspector”, in both English and Spanish languages.

(2) AVAILABILITY.—The Secretary shall make the materials specified in paragraph (1) available for electronic access and, where appropriate, inform potential homebuyers of such availability through home purchase counseling public service announcements and toll-free telephone hotlines of the Department of Housing and Urban Development. The Secretary shall give special emphasis to reaching first-time and low-income homebuyers with these materials and efforts.

(3) UPDATING.—The Secretary may periodically update and revise such materials, as the Secretary determines to be appropriate.

(b) REQUIREMENT FOR FHA-APPROVED LENDERS.—Each mortgagee approved for participation in the mortgage insurance programs under title II of the National Housing Act shall provide prospective homebuyers, at first contact, whether upon pre-qualification, pre-approval, or initial application, the materials specified in subparagraphs (A), (B), and (D) of subsection (a)(1).

(c) REQUIREMENTS FOR HUD-APPROVED COUNSELING AGENCIES.—Each counseling agency certified pursuant by the Secretary to provide housing counseling services shall provide each of their clients, as part of the home purchase counseling process, the materials specified in subparagraphs (C) and (D) of subsection (a)(1).

(d) TRAINING.—Training provided the Department of Housing and Urban Development for housing counseling agencies, whether such training is provided directly by the Department or otherwise, shall include—

(1) providing information on counseling potential homebuyers of the availability and importance of getting an independent home inspection;

(2) providing information about the home inspection process, including the reasons for specific inspections such as radon and lead-based paint testing;

(3) providing information about advising potential homebuyers on how to locate and select a qualified home inspector; and

(4) review of home inspection public outreach materials of the Department.

SEC. 1452. WARNINGS TO HOMEOWNERS OF FORECLOSURE RESCUE SCAMS.

(a) ASSISTANCE TO NRC.—Notwithstanding any other provision of law, of any amounts made available for any fiscal year pursuant to section 106(a)(4)(F) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(a)(4)(F)) (as added by section 1444), 10 percent shall be used only for assistance to the Neighborhood Reinvestment Corporation for activities, in consultation with servicers of residential mortgage loans, to provide notice to borrowers under such loans who are delinquent with respect to payments due under such loans that makes such borrowers aware of the dangers of fraudulent activities associated with foreclosure.

(b) NOTICE.—The Neighborhood Reinvestment Corporation, in consultation with servicers of residential mortgage loans, shall use the amounts provided pursuant to subsection (a) to carry out activities to inform borrowers under residential mortgage loans—

(1) that the foreclosure process is complex and can be confusing;

(2) that the borrower may be approached during the foreclosure process by persons regarding saving their home and they should use caution in any such dealings;

(3) that there are Federal Government and nonprofit agencies that may provide information

about the foreclosure process, including the Department of Housing and Urban Development;

(4) that they should contact their lender immediately, contact the Department of Housing and Urban Development to find a housing counseling agency certified by the Department to assist in avoiding foreclosure, or visit the Department’s website regarding tips for avoiding foreclosure; and

(5) of the telephone number of the loan servicer or successor, the telephone number of the Department of Housing and Urban Development housing counseling line, and the Uniform Resource Locators (URLs) for the Department of Housing and Urban Development Web sites for housing counseling and for tips for avoiding foreclosure.

Subtitle E—Mortgage Servicing

SEC. 1461. ESCROW AND IMPOUND ACCOUNTS RELATING TO CERTAIN CONSUMER CREDIT TRANSACTIONS.

(a) IN GENERAL.—Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631 et seq.) is amended by inserting after section 129C (as added by section 1411) the following new section:

“§ 129D. Escrow or impound accounts relating to certain consumer credit transactions

“(a) IN GENERAL.—Except as provided in subsection (b), (c), (d), or (e), a creditor, in connection with the consummation of a consumer credit transaction secured by a first lien on the principal dwelling of the consumer, other than a consumer credit transaction under an open end credit plan or a reverse mortgage, shall establish, before the consummation of such transaction, an escrow or impound account for the payment of taxes and hazard insurance, and, if applicable, flood insurance, mortgage insurance, ground rents, and any other required periodic payments or premiums with respect to the property or the loan terms, as provided in, and in accordance with, this section.

“(b) WHEN REQUIRED.—No impound, trust, or other type of account for the payment of property taxes, insurance premiums, or other purposes relating to the property may be required as a condition of a real property sale contract or a loan secured by a first deed of trust or mortgage on the principal dwelling of the consumer, other than a consumer credit transaction under an open end credit plan or a reverse mortgage, except when—

“(1) any such impound, trust, or other type of escrow or impound account for such purposes is required by Federal or State law;

“(2) a loan is made, guaranteed, or insured by a State or Federal governmental lending or insuring agency;

“(3) the transaction is secured by a first mortgage or lien on the consumer’s principal dwelling having an original principal obligation amount that—

“(A) does not exceed the amount of the maximum limitation on the original principal obligation of mortgage in effect for a residence of the applicable size, as of the date such interest rate set, pursuant to the sixth sentence of section 305(a)(2) the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)), and the annual percentage rate will exceed the average prime offer rate as defined in section 129C by 1.5 or more percentage points; or

“(B) exceeds the amount of the maximum limitation on the original principal obligation of mortgage in effect for a residence of the applicable size, as of the date such interest rate set, pursuant to the sixth sentence of section 305(a)(2) the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)), and the annual percentage rate will exceed the average prime offer rate as defined in section 129C by 2.5 or more percentage points; or

“(4) so required pursuant to regulation.

“(c) EXEMPTIONS.—The Board may, by regulation, exempt from the requirements of subsection (a) a creditor that—

“(1) operates predominantly in rural or underserved areas;

“(2) together with all affiliates, has total annual mortgage loan originations that do not exceed a limit set by the Board;

“(3) retains its mortgage loan originations in portfolio; and

“(4) meets any asset size threshold and any other criteria the Board may establish, consistent with the purposes of this subtitle.

“(d) DURATION OF MANDATORY ESCROW OR IMPOUND ACCOUNT.—An escrow or impound account established pursuant to subsection (b) shall remain in existence for a minimum period of 5 years, beginning with the date of the consummation of the loan, unless and until—

“(1) such borrower has sufficient equity in the dwelling securing the consumer credit transaction so as to no longer be required to maintain private mortgage insurance;

“(2) such borrower is delinquent;

“(3) such borrower otherwise has not complied with the legal obligation, as established by rule; or

“(4) the underlying mortgage establishing the account is terminated.

“(e) LIMITED EXEMPTIONS FOR LOANS SECURED BY SHARES IN A COOPERATIVE OR IN WHICH AN ASSOCIATION MUST MAINTAIN A MASTER INSURANCE POLICY.—Escrow accounts need not be established for loans secured by shares in a cooperative. Insurance premiums need not be included in escrow accounts for loans secured by dwellings or units, where the borrower must join an association as a condition of ownership, and that association has an obligation to the dwelling or unit owners to maintain a master policy insuring the dwellings or units.

“(f) CLARIFICATION ON ESCROW ACCOUNTS FOR LOANS NOT MEETING STATUTORY TEST.—For mortgages not covered by the requirements of subsection (b), no provision of this section shall be construed as precluding the establishment of an impound, trust, or other type of account for the payment of property taxes, insurance premiums, or other purposes relating to the property—

“(1) on terms mutually agreeable to the parties to the loan;

“(2) at the discretion of the lender or servicer, as provided by the contract between the lender or servicer and the borrower; or

“(3) pursuant to the requirements for the escrowing of flood insurance payments for regulated lending institutions in section 102(d) of the Flood Disaster Protection Act of 1973.

“(g) ADMINISTRATION OF MANDATORY ESCROW OR IMPOUND ACCOUNTS.—

“(1) IN GENERAL.—Except as may otherwise be provided for in this title or in regulations prescribed by the Board, escrow or impound accounts established pursuant to subsection (b) shall be established in a federally insured depository institution or credit union.

“(2) ADMINISTRATION.—Except as provided in this section or regulations prescribed under this section, an escrow or impound account subject to this section shall be administered in accordance with—

“(A) the Real Estate Settlement Procedures Act of 1974 and regulations prescribed under such Act;

“(B) the Flood Disaster Protection Act of 1973 and regulations prescribed under such Act; and

“(C) the law of the State, if applicable, where the real property securing the consumer credit transaction is located.

“(3) APPLICABILITY OF PAYMENT OF INTEREST.—If prescribed by applicable State or Federal law, each creditor shall pay interest to the consumer on the amount held in any impound,

trust, or escrow account that is subject to this section in the manner as prescribed by that applicable State or Federal law.

“(4) PENALTY COORDINATION WITH RESPA.—Any action or omission on the part of any person which constitutes a violation of the Real Estate Settlement Procedures Act of 1974 or any regulation prescribed under such Act for which the person has paid any fine, civil money penalty, or other damages shall not give rise to any additional fine, civil money penalty, or other damages under this section, unless the action or omission also constitutes a direct violation of this section.

“(h) DISCLOSURES RELATING TO MANDATORY ESCROW OR IMPOUND ACCOUNT.—In the case of any impound, trust, or escrow account that is required under subsection (b), the creditor shall disclose by written notice to the consumer at least 3 business days before the consummation of the consumer credit transaction giving rise to such account or in accordance with timeframes established in prescribed regulations the following information:

“(1) The fact that an escrow or impound account will be established at consummation of the transaction.

“(2) The amount required at closing to initially fund the escrow or impound account.

“(3) The amount, in the initial year after the consummation of the transaction, of the estimated taxes and hazard insurance, including flood insurance, if applicable, and any other required periodic payments or premiums that reflects, as appropriate, either the taxable assessed value of the real property securing the transaction, including the value of any improvements on the property or to be constructed on the property (whether or not such construction will be financed from the proceeds of the transaction) or the replacement costs of the property.

“(4) The estimated monthly amount payable to be escrowed for taxes, hazard insurance (including flood insurance, if applicable) and any other required periodic payments or premiums.

“(5) The fact that, if the consumer chooses to terminate the account in the future, the consumer will become responsible for the payment of all taxes, hazard insurance, and flood insurance, if applicable, as well as any other required periodic payments or premiums on the property unless a new escrow or impound account is established.

“(6) Such other information as the Board determines necessary for the protection of the consumer.

“(i) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

“(1) FLOOD INSURANCE.—The term ‘flood insurance’ means flood insurance coverage provided under the national flood insurance program pursuant to the National Flood Insurance Act of 1968.

“(2) HAZARD INSURANCE.—The term ‘hazard insurance’ shall have the same meaning as provided for ‘hazard insurance’, ‘casualty insurance’, ‘homeowner’s insurance’, or other similar term under the law of the State where the real property securing the consumer credit transaction is located.”

(b) EXEMPTIONS AND MODIFICATIONS.—The Board may prescribe rules that revise, add to, or subtract from the criteria of section 129D(b) of the Truth in Lending Act if the Board determines that such rules are in the interest of consumers and in the public interest.

(c) CLERICAL AMENDMENT.—The table of sections for chapter 2 of the Truth in Lending Act is amended by inserting after the item relating to section 129C (as added by section 1411) the following new item:

“129D. Escrow or impound accounts relating to certain consumer credit transactions.”

SEC. 1462. DISCLOSURE NOTICE REQUIRED FOR CONSUMERS WHO WAIVE ESCROW SERVICES.

Section 129D of the Truth in Lending Act (as added by section 1461) is amended by adding at the end the following new subsection:

“(j) DISCLOSURE NOTICE REQUIRED FOR CONSUMERS WHO WAIVE ESCROW SERVICES.—

“(1) IN GENERAL.—If—

“(A) an impound, trust, or other type of account for the payment of property taxes, insurance premiums, or other purposes relating to real property securing a consumer credit transaction is not established in connection with the transaction; or

“(B) a consumer chooses, and provides written notice to the creditor or servicer of such choice, at any time after such an account is established in connection with any such transaction and in accordance with any statute, regulation, or contractual agreement, to close such account,

the creditor or servicer shall provide a timely and clearly written disclosure to the consumer that advises the consumer of the responsibilities of the consumer and implications for the consumer in the absence of any such account.

“(2) DISCLOSURE REQUIREMENTS.—Any disclosure provided to a consumer under paragraph (1) shall include the following:

“(A) Information concerning any applicable fees or costs associated with either the non-establishment of any such account at the time of the transaction, or any subsequent closure of any such account.

“(B) A clear and prominent statement that the consumer is responsible for personally and directly paying the non-escrowed items, in addition to paying the mortgage loan payment, in the absence of any such account, and the fact that the costs for taxes, insurance, and related fees can be substantial.

“(C) A clear explanation of the consequences of any failure to pay non-escrowed items, including the possible requirement for the forced placement of insurance by the creditor or servicer and the potentially higher cost (including any potential commission payments to the servicer) or reduced coverage for the consumer in the event of any such creditor-placed insurance.

“(D) Such other information as the Board determines necessary for the protection of the consumer.”

SEC. 1463. REAL ESTATE SETTLEMENT PROCEDURES ACT OF 1974 AMENDMENTS.

(a) SERVICER PROHIBITIONS.—Section 6 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2605) is amended by adding at the end the following new subsections:

“(k) SERVICER PROHIBITIONS.—

“(1) IN GENERAL.—A servicer of a federally related mortgage shall not—

“(A) obtain force-placed hazard insurance unless there is a reasonable basis to believe the borrower has failed to comply with the loan contract’s requirements to maintain property insurance;

“(B) charge fees for responding to valid qualified written requests (as defined in regulations which the Bureau of Consumer Financial Protection shall prescribe) under this section;

“(C) fail to take timely action to respond to a borrower’s requests to correct errors relating to allocation of payments, final balances for purposes of paying off the loan, or avoiding foreclosure, or other standard servicer’s duties;

“(D) fail to respond within 10 business days to a request from a borrower to provide the identity, address, and other relevant contact information about the owner or assignee of the loan; or

“(E) fail to comply with any other obligation found by the Bureau of Consumer Financial

Protection, by regulation, to be appropriate to carry out the consumer protection purposes of this Act.

“(2) **FORCE-PLACED INSURANCE DEFINED.**—For purposes of this subsection and subsections (l) and (m), the term ‘force-placed insurance’ means hazard insurance coverage obtained by a servicer of a federally related mortgage when the borrower has failed to maintain or renew hazard insurance on such property as required of the borrower under the terms of the mortgage.

“(l) **REQUIREMENTS FOR FORCE-PLACED INSURANCE.**—A servicer of a federally related mortgage shall not be construed as having a reasonable basis for obtaining force-placed insurance unless the requirements of this subsection have been met.

“(1) **WRITTEN NOTICES TO BORROWER.**—A servicer may not impose any charge on any borrower for force-placed insurance with respect to any property securing a federally related mortgage unless—

“(A) the servicer has sent, by first-class mail, a written notice to the borrower containing—

“(i) a reminder of the borrower’s obligation to maintain hazard insurance on the property securing the federally related mortgage;

“(ii) a statement that the servicer does not have evidence of insurance coverage of such property;

“(iii) a clear and conspicuous statement of the procedures by which the borrower may demonstrate that the borrower already has insurance coverage; and

“(iv) a statement that the servicer may obtain such coverage at the borrower’s expense if the borrower does not provide such demonstration of the borrower’s existing coverage in a timely manner;

“(B) the servicer has sent, by first-class mail, a second written notice, at least 30 days after the mailing of the notice under subparagraph (A) that contains all the information described in each clause of such subparagraph; and

“(C) the servicer has not received from the borrower any demonstration of hazard insurance coverage for the property securing the mortgage by the end of the 15-day period beginning on the date the notice under subparagraph (B) was sent by the servicer.

“(2) **SUFFICIENCY OF DEMONSTRATION.**—A servicer of a federally related mortgage shall accept any reasonable form of written confirmation from a borrower of existing insurance coverage, which shall include the existing insurance policy number along with the identity of, and contact information for, the insurance company or agent, or as otherwise required by the Bureau of Consumer Financial Protection.

“(3) **TERMINATION OF FORCE-PLACED INSURANCE.**—Within 15 days of the receipt by a servicer of confirmation of a borrower’s existing insurance coverage, the servicer shall—

“(A) terminate the force-placed insurance; and

“(B) refund to the consumer all force-placed insurance premiums paid by the borrower during any period during which the borrower’s insurance coverage and the force-placed insurance coverage were each in effect, and any related fees charged to the consumer’s account with respect to the force-placed insurance during such period.

“(4) **CLARIFICATION WITH RESPECT TO FLOOD DISASTER PROTECTION ACT.**—No provision of this section shall be construed as prohibiting a servicer from providing simultaneous or concurrent notice of a lack of flood insurance pursuant to section 102(e) of the Flood Disaster Protection Act of 1973.

“(m) **LIMITATIONS ON FORCE-PLACED INSURANCE CHARGES.**—All charges, apart from charges subject to State regulation as the business of insurance, related to force-placed insurance im-

posed on the borrower by or through the servicer shall be bona fide and reasonable.”.

(b) **INCREASE IN PENALTY AMOUNTS.**—Section 6(f) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2605(f)) is amended—

(1) in paragraphs (1)(B) and (2)(B), by striking “\$1,000” each place such term appears and inserting “\$2,000”; and

(2) in paragraph (2)(B)(i), by striking “\$500,000” and inserting “\$1,000,000”.

(c) **DECREASE IN RESPONSE TIMES.**—Section 6(e) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2605(e)) is amended—

(1) in paragraph (1)(A), by striking “20 days” and inserting “5 days”; and

(2) in paragraph (2), by striking “60 days” and inserting “30 days”; and

(3) by adding at the end the following new paragraph:

“(4) **LIMITED EXTENSION OF RESPONSE TIME.**—The 30-day period described in paragraph (2) may be extended for not more than 15 days if, before the end of such 30-day period, the servicer notifies the borrower of the extension and the reasons for the delay in responding.”.

(d) **PROMPT REFUND OF ESCROW ACCOUNTS UPON PAYOFF.**—Section 6(g) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2605(g)) is amended by adding at the end the following new sentence: “Any balance in any such account that is within the servicer’s control at the time the loan is paid off shall be promptly returned to the borrower within 20 business days or credited to a similar account for a new mortgage loan to the borrower with the same lender.”.

SEC. 1464. TRUTH IN LENDING ACT AMENDMENTS.

(a) **REQUIREMENTS FOR PROMPT CREDITING OF HOME LOAN PAYMENTS.**—Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631 et seq.) is amended by inserting after section 129E (as added by section 1472) the following new section:

“§ 129F. Requirements for prompt crediting of home loan payments

“(a) **IN GENERAL.**—In connection with a consumer credit transaction secured by a consumer’s principal dwelling, no servicer shall fail to credit a payment to the consumer’s loan account as of the date of receipt, except when a delay in crediting does not result in any charge to the consumer or in the reporting of negative information to a consumer reporting agency, except as required in subsection (b).

“(b) **EXCEPTION.**—If a servicer specifies in writing requirements for the consumer to follow in making payments, but accepts a payment that does not conform to the requirements, the servicer shall credit the payment as of 5 days after receipt.”.

(b) **REQUESTS FOR PAYOFF AMOUNTS.**—Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631 et seq.), as amended by this title, is amended by inserting after section 129F (as added by subsection (a)) the following new section:

“§ 129G. Requests for payoff amounts of home loan

“A creditor or servicer of a home loan shall send an accurate payoff balance within a reasonable time, but in no case more than 7 business days, after the receipt of a written request for such balance from or on behalf of the borrower.”.

SEC. 1465. ESCROWS INCLUDED IN REPAYMENT ANALYSIS.

Section 128(b) of the Truth in Lending Act (15 U.S.C. 1638(b)) is amended by adding at the end the following new paragraph:

“(4) **REPAYMENT ANALYSIS REQUIRED TO INCLUDE ESCROW PAYMENTS.**—

“(A) **IN GENERAL.**—In the case of any consumer credit transaction secured by a first mortgage or lien on the principal dwelling of the

consumer, other than a consumer credit transaction under an open end credit plan or a reverse mortgage, for which an impound, trust, or other type of account has been or will be established in connection with the transaction for the payment of property taxes, hazard and flood (if any) insurance premiums, or other periodic payments or premiums with respect to the property, the information required to be provided under subsection (a) with respect to the number, amount, and due dates or period of payments scheduled to repay the total of payments shall take into account the amount of any monthly payment to such account for each such repayment in accordance with section 10(a)(2) of the Real Estate Settlement Procedures Act of 1974.

“(B) **ASSESSMENT VALUE.**—The amount taken into account under subparagraph (A) for the payment of property taxes, hazard and flood (if any) insurance premiums, or other periodic payments or premiums with respect to the property shall reflect the taxable assessed value of the real property securing the transaction after the consummation of the transaction, including the value of any improvements on the property or to be constructed on the property (whether or not such construction will be financed from the proceeds of the transaction), if known, and the replacement costs of the property for hazard insurance, in the initial year after the transaction.”.

Subtitle F—Appraisal Activities

SEC. 1471. PROPERTY APPRAISAL REQUIREMENTS.

Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631 et seq.) is amended by inserting after 129G (as added by section 1464(b)) the following new section:

“§ 129H. Property appraisal requirements

“(a) **IN GENERAL.**—A creditor may not extend credit in the form of a higher-risk mortgage to any consumer without first obtaining a written appraisal of the property to be mortgaged prepared in accordance with the requirements of this section.

“(b) **APPRAISAL REQUIREMENTS.**—

“(1) **PHYSICAL PROPERTY VISIT.**—Subject to the rules prescribed under paragraph (4), an appraisal of property to be secured by a higher-risk mortgage does not meet the requirement of this section unless it is performed by a certified or licensed appraiser who conducts a physical property visit of the interior of the mortgaged property.

“(2) **SECOND APPRAISAL UNDER CERTAIN CIRCUMSTANCES.**—

“(A) **IN GENERAL.**—If the purpose of a higher-risk mortgage is to finance the purchase or acquisition of the mortgaged property from a person within 180 days of the purchase or acquisition of such property by that person at a price that was lower than the current sale price of the property, the creditor shall obtain a second appraisal from a different certified or licensed appraiser. The second appraisal shall include an analysis of the difference in sale prices, changes in market conditions, and any improvements made to the property between the date of the previous sale and the current sale.

“(B) **NO COST TO APPLICANT.**—The cost of any second appraisal required under subparagraph (A) may not be charged to the applicant.

“(3) **CERTIFIED OR LICENSED APPRAISER DEFINED.**—For purposes of this section, the term ‘certified or licensed appraiser’ means a person who—

“(A) is, at a minimum, certified or licensed by the State in which the property to be appraised is located; and

“(B) performs each appraisal in conformity with the Uniform Standards of Professional Appraisal Practice and title XI of the Financial Institutions Reform, Recovery, and Enforcement

Act of 1989, and the regulations prescribed under such title, as in effect on the date of the appraisal.

“(4) REGULATIONS.—

“(A) IN GENERAL.—The Board, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the National Credit Union Administration Board, the Federal Housing Finance Agency, and the Bureau shall jointly prescribe regulations to implement this section.

“(B) EXEMPTION.—The agencies listed in subparagraph (A) may jointly exempt, by rule, a class of loans from the requirements of this subsection or subsection (a) if the agencies determine that the exemption is in the public interest and promotes the safety and soundness of creditors.

“(c) FREE COPY OF APPRAISAL.—A creditor shall provide 1 copy of each appraisal conducted in accordance with this section in connection with a higher-risk mortgage to the applicant without charge, and at least 3 days prior to the transaction closing date.

“(d) CONSUMER NOTIFICATION.—At the time of the initial mortgage application, the applicant shall be provided with a statement by the creditor that any appraisal prepared for the mortgage is for the sole use of the creditor, and that the applicant may choose to have a separate appraisal conducted at the expense of the applicant.

“(e) VIOLATIONS.—In addition to any other liability to any person under this title, a creditor found to have willfully failed to obtain an appraisal as required in this section shall be liable to the applicant or borrower for the sum of \$2,000.

“(f) HIGHER-RISK MORTGAGE DEFINED.—For purposes of this section, the term ‘higher-risk mortgage’ means a residential mortgage loan, other than a reverse mortgage loan that is a qualified mortgage, as defined in section 129C, secured by a principal dwelling—

“(1) that is not a qualified mortgage, as defined in section 129C; and

“(2) with an annual percentage rate that exceeds the average prime offer rate for a comparable transaction, as defined in section 129C, as of the date the interest rate is set—

“(A) by 1.5 or more percentage points, in the case of a first lien residential mortgage loan having an original principal obligation amount that does not exceed the amount of the maximum limitation on the original principal obligation of mortgage in effect for a residence of the applicable size, as of the date of such interest rate set, pursuant to the sixth sentence of section 305(a)(2) the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2));

“(B) by 2.5 or more percentage points, in the case of a first lien residential mortgage loan having an original principal obligation amount that exceeds the amount of the maximum limitation on the original principal obligation of mortgage in effect for a residence of the applicable size, as of the date of such interest rate set, pursuant to the sixth sentence of section 305(a)(2) the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)); and

“(C) by 3.5 or more percentage points for a subordinate lien residential mortgage loan.”.

SEC. 1472. APPRAISAL INDEPENDENCE REQUIREMENTS.

(a) IN GENERAL.—Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631 et seq.) is amended by inserting after section 129D (as added by section 1461(a)) the following new section:

“§ 129E. Appraisal independence requirements

“(a) IN GENERAL.—It shall be unlawful, in extending credit or in providing any services for a consumer credit transaction secured by the principal dwelling of the consumer, to engage in any act or practice that violates appraisal independence as described in or pursuant to regulations prescribed under this section.

“(b) APPRAISAL INDEPENDENCE.—For purposes of subsection (a), acts or practices that violate appraisal independence shall include—

“(1) any appraisal of a property offered as security for repayment of the consumer credit transaction that is conducted in connection with such transaction in which a person with an interest in the underlying transaction compensates, coerces, extorts, colludes, instructs, induces, bribes, or intimidates a person, appraisal management company, firm, or other entity conducting or involved in an appraisal, or attempts, to compensate, coerce, extort, collude, instruct, induce, bribe, or intimidate such a person, for the purpose of causing the appraised value assigned, under the appraisal, to the property to be based on any factor other than the independent judgment of the appraiser;

“(2) mischaracterizing, or suborning any mischaracterization of, the appraised value of the property securing the extension of the credit;

“(3) seeking to influence an appraiser or otherwise to encourage a targeted value in order to facilitate the making or pricing of the transaction; and

“(4) withholding or threatening to withhold timely payment for an appraisal report or for appraisal services rendered when the appraisal report or services are provided for in accordance with the contract between the parties.

“(c) EXCEPTIONS.—The requirements of subsection (b) shall not be construed as prohibiting a mortgage lender, mortgage broker, mortgage banker, real estate broker, appraisal management company, employee of an appraisal management company, consumer, or any other person with an interest in a real estate transaction from asking an appraiser to undertake 1 or more of the following:

“(1) Consider additional, appropriate property information, including the consideration of additional comparable properties to make or support an appraisal.

“(2) Provide further detail, substantiation, or explanation for the appraiser's value conclusion.

“(3) Correct errors in the appraisal report.

“(d) PROHIBITIONS ON CONFLICTS OF INTEREST.—No certified or licensed appraiser conducting, and no appraisal management company procuring or facilitating, an appraisal in connection with a consumer credit transaction secured by the principal dwelling of a consumer may have a direct or indirect interest, financial or otherwise, in the property or transaction involving the appraisal.

“(e) MANDATORY REPORTING.—Any mortgage lender, mortgage broker, mortgage banker, real estate broker, appraisal management company, employee of an appraisal management company, or any other person involved in a real estate transaction involving an appraisal in connection with a consumer credit transaction secured by the principal dwelling of a consumer who has a reasonable basis to believe an appraiser is failing to comply with the Uniform Standards of Professional Appraisal Practice, is violating applicable laws, or is otherwise engaging in unethical or unprofessional conduct, shall refer the matter to the applicable State appraiser certifying and licensing agency.

“(f) NO EXTENSION OF CREDIT.—In connection with a consumer credit transaction secured by a consumer's principal dwelling, a creditor who knows, at or before loan consummation, of a violation of the appraisal independence standards established in subsections (b) or (d) shall not extend credit based on such appraisal unless the creditor documents that the creditor has acted with reasonable diligence to determine that the appraisal does not materially misstate or misrepresent the value of such dwelling.

“(g) RULES AND INTERPRETIVE GUIDELINES.—

“(1) IN GENERAL.—Except as provided under paragraph (2), the Board, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the National Credit Union Administration Board, the Federal Housing Finance Agency, and the Bureau may jointly issue rules, interpretive guidelines, and general statements of policy with respect to acts or practices that violate appraisal independence in the provision of mortgage lending services for a consumer credit transaction secured by the principal dwelling of the consumer and mortgage brokerage services for such a transaction, within the meaning of subsections (a), (b), (c), (d), (e), (f), (h), and (i).

“(2) INTERIM FINAL REGULATIONS.—The Board shall, for purposes of this section, prescribe interim final regulations no later than 90 days after the date of enactment of this section defining with specificity acts or practices that violate appraisal independence in the provision of mortgage lending services for a consumer credit transaction secured by the principal dwelling of the consumer or mortgage brokerage services for such a transaction and defining any terms in this section or such regulations. Rules prescribed by the Board under this paragraph shall be deemed to be rules prescribed by the agencies jointly under paragraph (1).

“(h) APPRAISAL REPORT PORTABILITY.—Consistent with the requirements of this section, the Board, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the National Credit Union Administration Board, the Federal Housing Finance Agency, and the Bureau may jointly issue regulations that address the issue of appraisal report portability, including regulations that ensure the portability of the appraisal report between lenders for a consumer credit transaction secured by a 1-4 unit single family residence that is the principal dwelling of the consumer, or mortgage brokerage services for such a transaction.

“(i) CUSTOMARY AND REASONABLE FEE.—

“(1) IN GENERAL.—Lenders and their agents shall compensate fee appraisers at a rate that is customary and reasonable for appraisal services performed in the market area of the property being appraised. Evidence for such fees may be established by objective third-party information, such as government agency fee schedules, academic studies, and independent private sector surveys. Fee studies shall exclude assignments ordered by known appraisal management companies.

“(2) FEE APPRAISER DEFINITION.—For purposes of this section, the term ‘fee appraiser’ means a person who is not an employee of the mortgage loan originator or appraisal management company engaging the appraiser and is—

“(A) a State licensed or certified appraiser who receives a fee for performing an appraisal and certifies that the appraisal has been prepared in accordance with the Uniform Standards of Professional Appraisal Practice; or

“(B) a company not subject to the requirements of section 1124 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3331 et seq.) that utilizes the services of State licensed or certified appraisers and receives a fee for performing appraisals in accordance with the Uniform Standards of Professional Appraisal Practice.

“(3) EXCEPTION FOR COMPLEX ASSIGNMENTS.—In the case of an appraisal involving a complex assignment, the customary and reasonable fee may reflect the increased time, difficulty, and scope of the work required for such an appraisal and include an amount over and above the customary and reasonable fee for non-complex assignments.

“(j) SUNSET.—Effective on the date the interim final regulations are promulgated pursuant to subsection (g), the Home Valuation Code of

Conduct announced by the Federal Housing Finance Agency on December 23, 2008, shall have no force or effect.

“(k) PENALTIES.—

“(1) FIRST VIOLATION.—In addition to the enforcement provisions referred to in section 130, each person who violates this section shall forfeit and pay a civil penalty of not more than \$10,000 for each day any such violation continues.

“(2) SUBSEQUENT VIOLATIONS.—In the case of any person on whom a civil penalty has been imposed under paragraph (1), paragraph (1) shall be applied by substituting ‘\$20,000’ for ‘\$10,000’ with respect to all subsequent violations.

“(3) ASSESSMENT.—The agency referred to in subsection (a) or (c) of section 108 with respect to any person described in paragraph (1) shall assess any penalty under this subsection to which such person is subject.”.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 2 of the Truth in Lending Act is amended by inserting after the item relating to section 129D (as added by section 1461(c)) the following new items:

“129E. Appraisal independence requirements.

“129F. Requirements for prompt crediting of home loan payments.

“129G. Requests for payoff amounts of home loan.

“129H. Property appraisal requirements.”.

(c) DEFERENCE.—Section 105 of the Truth in Lending Act (15 U.S.C. 1604) is amended by adding at the end the following:

“(h) DEFERENCE.—Notwithstanding any power granted to any Federal agency under this title, the deference that a court affords to the Bureau with respect to a determination made by the Bureau relating to the meaning or interpretation of any provision of this title, other than section 129E or 129H, shall be applied as if the Bureau were the only agency authorized to apply, enforce, interpret, or administer the provisions of this title.”.

(d) CONFORMING AMENDMENTS IN TITLE X NOT APPLICABLE TO SECTIONS 129E AND 129H.—Notwithstanding section 1099A, the term “Board” in sections 129E and 129H, as added by this subtitle, shall not be substituted by the term “Bureau”.

SEC. 1473. AMENDMENTS RELATING TO APPRAISAL SUBCOMMITTEE OF FFIEC, APPRAISER INDEPENDENCE MONITORING, APPROVED APPRAISER EDUCATION, APPRAISAL MANAGEMENT COMPANIES, APPRAISER COMPLAINT HOTLINE, AUTOMATED VALUATION MODELS, AND BROKER PRICE OPINIONS.

(a) THRESHOLD LEVELS.—Section 1112(b) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3341(b)) is amended by inserting before the period the following: “, and receives concurrence from the Bureau of Consumer Financial Protection that such threshold level provides reasonable protection for consumers who purchase 1-4 unit single-family residences”.

(b) ANNUAL REPORT OF APPRAISAL SUBCOMMITTEE.—Section 1103(a) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3332(a)) is amended at the end by inserting the following new paragraph:

“(5) transmit an annual report to the Congress not later than June 15 of each year that describes the manner in which each function assigned to the Appraisal Subcommittee has been carried out during the preceding year. The report shall also detail the activities of the Appraisal Subcommittee, including the results of all audits of State appraiser regulatory agencies, and provide an accounting of disapproved actions and warnings taken in the previous year, including a description of the conditions

causing the disapproval and actions taken to achieve compliance.”.

(c) OPEN MEETINGS.—Section 1104(b) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3333(b)) is amended—

(1) by inserting “in public session after notice in the Federal Register, but may close certain portions of these meetings related to personnel and review of preliminary State audit reports,” after “shall meet”; and

(2) by adding after the final period the following: “The subject matter discussed in any closed or executive session shall be described in the Federal Register notice of the meeting.”.

(d) REGULATIONS.—Section 1106 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3335) is amended—

(1) by inserting “prescribe regulations in accordance with chapter 5 of title 5, United States Code (commonly referred to as the Administrative Procedures Act) after notice and opportunity for comment,” after “hold hearings”; and

(2) at the end by inserting “Any regulations prescribed by the Appraisal Subcommittee shall (unless otherwise provided in this title) be limited to the following functions: temporary practice, national registry, information sharing, and enforcement. For purposes of prescribing regulations, the Appraisal Subcommittee shall establish an advisory committee of industry participants, including appraisers, lenders, consumer advocates, real estate agents, and government agencies, and hold meetings as necessary to support the development of regulations.”.

(e) APPRAISAL REVIEWS AND COMPLEX APPRAISALS.—

(1) SECTION 1110.—Section 1110 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3339) is amended—

(A) in paragraph (1), by striking “and”;

(B) in paragraph (2), by striking the period at the end and inserting “; and”; and

(C) by inserting after paragraph (2) the following:

“(3) that such appraisals shall be subject to appropriate review for compliance with the Uniform Standards of Professional Appraisal Practice.”.

(2) SECTION 1113.—Section 1113 of the Financial Institutions and Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3342) is amended by inserting before the period the following:

“, where a complex 1-to-4 unit single family residential appraisal means an appraisal for which the property to be appraised, the form of ownership, the property characteristics, or the market conditions are atypical”.

(f) APPRAISAL MANAGEMENT SERVICES.—

(1) SUPERVISION OF THIRD PARTY PROVIDERS OF APPRAISAL MANAGEMENT SERVICES.—Section 1103(a) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3332(a)) (as previously amended by this section) is amended—

(A) by amending paragraph (1) to read as follows:

“(1) monitor the requirements established by States—

“(A) for the certification and licensing of individuals who are qualified to perform appraisals in connection with federally related transactions, including a code of professional responsibility; and

“(B) for the registration and supervision of the operations and activities of an appraisal management company;”;

(B) by adding at the end the following new paragraph:

“(6) maintain a national registry of appraisal management companies that either are registered with and subject to supervision of a State appraiser certifying and licensing agency

or are operating subsidiaries of a Federally regulated financial institution.”.

(2) APPRAISAL MANAGEMENT COMPANY MINIMUM REQUIREMENTS.—Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3331 et seq.) is amended by adding at the end the following new section (and amending the table of contents accordingly):

“SEC. 1124. APPRAISAL MANAGEMENT COMPANY MINIMUM REQUIREMENTS.

“(a) IN GENERAL.—The Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the National Credit Union Administration Board, the Federal Housing Finance Agency, and the Bureau of Consumer Financial Protection shall jointly, by rule, establish minimum requirements to be applied by a State in the registration of appraisal management companies. Such requirements shall include a requirement that such companies—

“(1) register with and be subject to supervision by a State appraiser certifying and licensing agency in each State in which such company operates;

“(2) verify that only licensed or certified appraisers are used for federally related transactions;

“(3) require that appraisals coordinated by an appraisal management company comply with the Uniform Standards of Professional Appraisal Practice; and

“(4) require that appraisals are conducted independently and free from inappropriate influence and coercion pursuant to the appraisal independence standards established under section 129E of the Truth in Lending Act.

“(b) RELATION TO STATE LAW.—Nothing in this section shall be construed to prevent States from establishing requirements in addition to any rules promulgated under subsection (a).

“(c) FEDERALLY REGULATED FINANCIAL INSTITUTIONS.—The requirements of subsection (a) shall apply to an appraisal management company that is a subsidiary owned and controlled by a financial institution and regulated by a Federal financial institution regulatory agency. An appraisal management company that is a subsidiary owned and controlled by a financial institution regulated by a Federal financial institution regulatory agency shall not be required to register with a State.

“(d) REGISTRATION LIMITATIONS.—An appraisal management company shall not be registered by a State or included on the national registry if such company, in whole or in part, directly or indirectly, is owned by any person who has had an appraiser license or certificate refused, denied, cancelled, surrendered in lieu of revocation, or revoked in any State. Additionally, each person that owns more than 10 percent of an appraisal management company shall be of good moral character, as determined by the State appraiser certifying and licensing agency, and shall submit to a background investigation carried out by the State appraiser certifying and licensing agency.

“(e) REPORTING.—The Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the National Credit Union Administration Board, the Federal Housing Finance Agency, and the Bureau of Consumer Financial Protection shall jointly promulgate regulations for the reporting of the activities of appraisal management companies to the Appraisal Subcommittee in determining the payment of the annual registry fee.

“(f) EFFECTIVE DATE.—

“(1) IN GENERAL.—No appraisal management company may perform services related to a federally related transaction in a State after the date that is 36 months after the date on which

the regulations required to be prescribed under subsection (a) are prescribed in final form unless such company is registered with such State or subject to oversight by a Federal financial institutions regulatory agency.

“(2) **EXTENSION OF EFFECTIVE DATE.**—Subject to the approval of the Council, the Appraisal Subcommittee may extend by an additional 12 months the requirements for the registration and supervision of appraisal management companies if it makes a written finding that a State has made substantial progress in establishing a State appraisal management company registration and supervision system that appears to conform with the provisions of this title.”.

(3) **STATE APPRAISER CERTIFYING AND LICENSING AGENCY AUTHORITY.**—Section 1117 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3346) is amended by adding at the end the following: “The duties of such agency may additionally include the registration and supervision of appraisal management companies and the addition of information about the appraisal management company to the national registry.”.

(4) **APPRAISAL MANAGEMENT COMPANY DEFINITION.**—Section 1121 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3350) is amended by adding at the end the following:

“(11) **APPRAISAL MANAGEMENT COMPANY.**—The term ‘appraisal management company’ means, in connection with valuing properties collateralizing mortgage loans or mortgages incorporated into a securitization, any external third party authorized either by a creditor of a consumer credit transaction secured by a consumer’s principal dwelling or by an underwriter of or other principal in the secondary mortgage markets, that oversees a network or panel of more than 15 certified or licensed appraisers in a State or 25 or more nationally within a given year—

“(A) to recruit, select, and retain appraisers;

“(B) to contract with licensed and certified appraisers to perform appraisal assignments;

“(C) to manage the process of having an appraisal performed, including providing administrative duties such as receiving appraisal orders and appraisal reports, submitting completed appraisal reports to creditors and underwriters, collecting fees from creditors and underwriters for services provided, and reimbursing appraisers for services performed; or

“(D) to review and verify the work of appraisers.”.

(g) **STATE AGENCY REPORTING REQUIREMENT.**—Section 1109(a) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3338(a)) is amended—

(1) by striking “and” after the semicolon in paragraph (1);

(2) by redesignating paragraph (2) as paragraph (4); and

(3) by inserting after paragraph (1) the following new paragraphs:

“(2) transmit reports on the issuance and renewal of licenses and certifications, sanctions, disciplinary actions, license and certification revocations, and license and certification suspensions on a timely basis to the national registry of the Appraisal Subcommittee;

“(3) transmit reports on a timely basis of supervisory activities involving appraisal management companies or other third-party providers of appraisals and appraisal management services, including investigations initiated and disciplinary actions taken; and”.

(h) **REGISTRY FEES MODIFIED.**—

(1) **IN GENERAL.**—Section 1109(a) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3338(a)) is amended—

(A) by amending paragraph (4) (as modified by section 1473(g)) to read as follows:

“(4) collect—

“(A) from such individuals who perform or seek to perform appraisals in federally related transactions, an annual registry fee of not more than \$40, such fees to be transmitted by the State agencies to the Council on an annual basis; and

“(B) from an appraisal management company that either has registered with a State appraiser certifying and licensing agency in accordance with this title or operates as a subsidiary of a federally regulated financial institution, an annual registry fee of—

“(i) in the case of such a company that has been in existence for more than a year, \$25 multiplied by the number of appraisers working for or contracting with such company in such State during the previous year, but where such \$25 amount may be adjusted, up to a maximum of \$50, at the discretion of the Appraisal Subcommittee, if necessary to carry out the Subcommittee’s functions under this title; and

“(ii) in the case of such a company that has not been in existence for more than a year, \$25 multiplied by an appropriate number to be determined by the Appraisal Subcommittee, and where such number will be used for determining the fee of all such companies that were not in existence for more than a year, but where such \$25 amount may be adjusted, up to a maximum of \$50, at the discretion of the Appraisal Subcommittee, if necessary to carry out the Subcommittee’s functions under this title.”; and

(B) by amending the matter following paragraph (4), as redesignated, to read as follows:

“Subject to the approval of the Council, the Appraisal Subcommittee may adjust the dollar amount of registry fees under paragraph (4)(A), up to a maximum of \$80 per annum, as necessary to carry out its functions under this title. The Appraisal Subcommittee shall consider at least once every 5 years whether to adjust the dollar amount of the registry fees to account for inflation. In implementing any change in registry fees, the Appraisal Subcommittee shall provide flexibility to the States for multi-year certifications and licenses already in place, as well as a transition period to implement the changes in registry fees. In establishing the amount of the annual registry fee for an appraisal management company, the Appraisal Subcommittee shall have the discretion to impose a minimum annual registry fee for an appraisal management company to protect against the underreporting of the number of appraisers working for or contracted by the appraisal management company.”.

(2) **INCREMENTAL REVENUES.**—Incremental revenues collected pursuant to the increases required by this subsection shall be placed in a separate account at the United States Treasury, entitled the “Appraisal Subcommittee Account”.

(i) **GRANTS AND REPORTS.**—Section 1109(b) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3338(b)) is amended—

(1) by striking “and” after the semicolon in paragraph (3);

(2) by striking the period at the end of paragraph (4) and inserting a semicolon;

(3) by adding at the end the following new paragraphs:

“(5) to make grants to State appraiser certifying and licensing agencies, in accordance with policies to be developed by the Appraisal Subcommittee, to support the efforts of such agencies to comply with this title, including—

“(A) the complaint process, complaint investigations, and appraiser enforcement activities of such agencies; and

“(B) the submission of data on State licensed and certified appraisers and appraisal management companies to the National appraisal registry, including information affirming that the

appraiser or appraisal management company meets the required qualification criteria and formal and informal disciplinary actions; and

“(6) to report to all State appraiser certifying and licensing agencies when a license or certification is surrendered, revoked, or suspended.”. Obligations authorized under this subsection may not exceed 75 percent of the fiscal year total of incremental increase in fees collected and deposited in the “Appraisal Subcommittee Account” pursuant to subsection (h).

(j) **CRITERIA.**—Section 1116 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3345) is amended—

(1) in subsection (c), by inserting “whose criteria for the licensing of a real estate appraiser currently meet or exceed the minimum criteria issued by the Appraisal Qualifications Board of The Appraisal Foundation for the licensing of real estate appraisers” before the period at the end; and

(2) by striking subsection (e) and inserting the following new subsection:

“(e) **MINIMUM QUALIFICATION REQUIREMENTS.**—Any requirements established for individuals in the position of ‘Trainee Appraiser’ and ‘Supervisory Appraiser’ shall meet or exceed the minimum qualification requirements of the Appraiser Qualifications Board of The Appraisal Foundation. The Appraisal Subcommittee shall have the authority to enforce these requirements.”.

(k) **MONITORING OF STATE APPRAISER CERTIFYING AND LICENSING AGENCIES.**—Section 1118 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3347) is amended—

(1) by amending subsection (a) to read as follows:

“(a) **IN GENERAL.**—The Appraisal Subcommittee shall monitor each State appraiser certifying and licensing agency for the purposes of determining whether such agency—

“(1) has policies, practices, funding, staffing, and procedures that are consistent with this title;

“(2) processes complaints and completes investigations in a reasonable time period;

“(3) appropriately disciplines sanctioned appraisers and appraisal management companies;

“(4) maintains an effective regulatory program; and

“(5) reports complaints and disciplinary actions on a timely basis to the national registries on appraisers and appraisal management companies maintained by the Appraisal Subcommittee.

The Appraisal Subcommittee shall have the authority to remove a State licensed or certified appraiser or a registered appraisal management company from a national registry on an interim basis, not to exceed 90 days, pending State agency action on licensing, certification, registration, and disciplinary proceedings. The Appraisal Subcommittee and all agencies, instrumentalities, and Federally recognized entities under this title shall not recognize appraiser certifications and licenses from States whose appraisal policies, practices, funding, staffing, or procedures are found to be inconsistent with this title. The Appraisal Subcommittee shall have the authority to impose sanctions, as described in this section, against a State agency that fails to have an effective appraiser regulatory program. In determining whether such a program is effective, the Appraisal Subcommittee shall include an analysis of the licensing and certification of appraisers, the registration of appraisal management companies, the issuance of temporary licenses and certifications for appraisers, the receiving and tracking of submitted complaints against appraisers and appraisal management companies, the investigation of complaints, and enforcement actions against appraisers and appraisal management companies.

The Appraisal Subcommittee shall have the authority to impose interim actions and suspensions against a State agency as an alternative to, or in advance of, the derecognition of a State agency.”.

(2) in subsection (b)(2), by inserting after “authority” the following: “or sufficient funding”.

(l) RECIPROCITY.—Subsection (b) of section 1122 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3351(b)) is amended to read as follows:

“(b) RECIPROCITY.—Notwithstanding any other provisions of this title, a federally related transaction shall not be appraised by a certified or licensed appraiser unless the State appraiser certifying or licensing agency of the State certifying or licensing such appraiser has in place a policy of issuing a reciprocal certification or license for an individual from another State when—

“(1) the appraiser licensing and certification program of such other State is in compliance with the provisions of this title; and

“(2) the appraiser holds a valid certification from a State whose requirements for certification or licensing meet or exceed the licensure standards established by the State where an individual seeks appraisal licensure.”.

(m) CONSIDERATION OF PROFESSIONAL APPRAISAL DESIGNATIONS.—Section 1122(d) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3351(d)) is amended by striking “shall not exclude” and all that follows through the end of the subsection and inserting the following: “may include education achieved, experience, sample appraisals, and references from prior clients. Membership in a nationally recognized professional appraisal organization may be a criteria considered, though lack of membership therein shall not be the sole bar against consideration for an assignment under these criteria.”.

(n) APPRAISER INDEPENDENCE.—Section 1122 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3351) is amended by adding at the end the following new subsection:

“(g) APPRAISER INDEPENDENCE MONITORING.—The Appraisal Subcommittee shall monitor each State appraiser certifying and licensing agency for the purpose of determining whether such agency’s policies, practices, and procedures are consistent with the purposes of maintaining appraiser independence and whether such State has adopted and maintains effective laws, regulations, and policies aimed at maintaining appraiser independence.”.

(o) APPRAISER EDUCATION.—Section 1122 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3351) is amended by inserting after subsection (g) (as added by subsection (l) of this section) the following new subsection:

“(h) APPROVED EDUCATION.—The Appraisal Subcommittee shall encourage the States to accept courses approved by the Appraiser Qualification Board’s Course Approval Program.”.

(p) APPRAISAL COMPLAINT HOTLINE.—Section 1122 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3351), as amended by this section, is amended by adding at the end the following new subsection:

“(i) APPRAISAL COMPLAINT NATIONAL HOTLINE.—If, 6 months after the date of the enactment of this subsection, the Appraisal Subcommittee determines that no national hotline exists to receive complaints of non-compliance with appraisal independence standards and Uniform Standards of Professional Appraisal Practice, including complaints from appraisers, individuals, or other entities concerning the improper influencing or attempted improper influencing of appraisers or the appraisal process, the Appraisal Subcommittee shall establish and

operate such a national hotline, which shall include a toll-free telephone number and an email address. If the Appraisal Subcommittee operates such a national hotline, the Appraisal Subcommittee shall refer complaints for further action to appropriate governmental bodies, including a State appraiser certifying and licensing agency, a financial institution regulator, or other appropriate legal authorities. For complaints referred to State appraiser certifying and licensing agencies or to Federal regulators, the Appraisal Subcommittee shall have the authority to follow up such complaint referrals in order to determine the status of the resolution of the complaint.”.

(q) AUTOMATED VALUATION MODELS.—Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3331 et seq.), as amended by this section, is amended by adding at the end the following new section (and amending the table of contents accordingly):

“SEC. 1125. AUTOMATED VALUATION MODELS USED TO ESTIMATE COLLATERAL VALUE FOR MORTGAGE LENDING PURPOSES.

“(a) IN GENERAL.—Automated valuation models shall adhere to quality control standards designed to—

“(1) ensure a high level of confidence in the estimates produced by automated valuation models;

“(2) protect against the manipulation of data;

“(3) seek to avoid conflicts of interest;

“(4) require random sample testing and reviews; and

“(5) account for any other such factor that the agencies listed in subsection (b) determine to be appropriate.

“(b) ADOPTION OF REGULATIONS.—The Board, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the National Credit Union Administration Board, the Federal Housing Finance Agency, and the Bureau of Consumer Financial Protection, in consultation with the staff of the Appraisal Subcommittee and the Appraisal Standards Board of the Appraisal Foundation, shall promulgate regulations to implement the quality control standards required under this section.

“(c) ENFORCEMENT.—Compliance with regulations issued under this subsection shall be enforced by—

“(1) with respect to a financial institution, or subsidiary owned and controlled by a financial institution and regulated by a Federal financial institution regulatory agency, the Federal financial institution regulatory agency that acts as the primary Federal supervisor of such financial institution or subsidiary; and

“(2) with respect to other participants in the market for appraisals of 1-to-4 unit single family residential real estate, the Federal Trade Commission, the Bureau of Consumer Financial Protection, and a State attorney general.

“(d) AUTOMATED VALUATION MODEL DEFINED.—For purposes of this section, the term ‘automated valuation model’ means any computerized model used by mortgage originators and secondary market issuers to determine the collateral worth of a mortgage secured by a consumer’s principal dwelling.”.

(r) BROKER PRICE OPINIONS.—Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3331 et seq.), as amended by this section, is amended by adding at the end the following new section (and amending the table of contents accordingly):

“SEC. 1126. BROKER PRICE OPINIONS.

“(a) GENERAL PROHIBITION.—In conjunction with the purchase of a consumer’s principal dwelling, broker price opinions may not be used as the primary basis to determine the value of a piece of property for the purpose of a loan origi-

nation of a residential mortgage loan secured by such piece of property.

“(b) BROKER PRICE OPINION DEFINED.—For purposes of this section, the term ‘broker price opinion’ means an estimate prepared by a real estate broker, agent, or sales person that details the probable selling price of a particular piece of real estate property and provides a varying level of detail about the property’s condition, market, and neighborhood, and information on comparable sales, but does not include an automated valuation model, as defined in section 1125(c).”.

(s) AMENDMENTS TO APPRAISAL SUBCOMMITTEE.—Section 1011 of the Federal Financial Institutions Examination Council Act of 1978 (12 U.S.C. 3310) is amended—

(1) in the first sentence, by adding before the period the following: “, the Bureau of Consumer Financial Protection, and the Federal Housing Finance Agency”; and

(2) by inserting at the end the following: “At all times at least one member of the Appraisal Subcommittee shall have demonstrated knowledge and competence through licensure, certification, or professional designation within the appraisal profession.”.

(t) TECHNICAL CORRECTIONS.—

(1) Section 1119(a)(2) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3348(a)(2)) is amended by striking “council,” and inserting “Council.”.

(2) Section 1121(6) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3350(6)) is amended by striking “Corporations,” and inserting “Corporation.”.

(3) Section 1121(8) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3350(8)) is amended by striking “council” and inserting “Council”.

(4) Section 1122 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3351) is amended—

(A) in subsection (a)(1) by moving the left margin of subparagraphs (A), (B), and (C) 2 ems to the right; and

(B) in subsection (c)—

(i) by striking “Federal Financial Institutions Examination Council” and inserting “Financial Institutions Examination Council”; and

(ii) by striking “the council’s functions” and inserting “the Council’s functions”.

SEC. 1474. EQUAL CREDIT OPPORTUNITY ACT AMENDMENT.

Subsection (e) of section 701 of the Equal Credit Opportunity Act (15 U.S.C. 1691) is amended to read as follows:

“(e) COPIES FURNISHED TO APPLICANTS.—

“(1) IN GENERAL.—Each creditor shall furnish to an applicant a copy of any and all written appraisals and valuations developed in connection with the applicant’s application for a loan that is secured or would have been secured by a first lien on a dwelling promptly upon completion, but in no case later than 3 days prior to the closing of the loan, whether the creditor grants or denies the applicant’s request for credit or the application is incomplete or withdrawn.

“(2) WAIVER.—The applicant may waive the 3 day requirement provided for in paragraph (1), except where otherwise required in law.

“(3) REIMBURSEMENT.—The applicant may be required to pay a reasonable fee to reimburse the creditor for the cost of the appraisal, except where otherwise required in law.

“(4) FREE COPY.—Notwithstanding paragraph (3), the creditor shall provide a copy of each written appraisal or valuation at no additional cost to the applicant.

“(5) NOTIFICATION TO APPLICANTS.—At the time of application, the creditor shall notify an applicant in writing of the right to receive a copy of each written appraisal and valuation under this subsection.

“(6) VALUATION DEFINED.—For purposes of this subsection, the term ‘valuation’ shall include any estimate of the value of a dwelling developed in connection with a creditor’s decision to provide credit, including those values developed pursuant to a policy of a government sponsored enterprise or by an automated valuation model, a broker price opinion, or other methodology or mechanism.”.

SEC. 1475. REAL ESTATE SETTLEMENT PROCEDURES ACT OF 1974 AMENDMENT RELATING TO CERTAIN APPRAISAL FEES.

Section 4 of the Real Estate Settlement Procedures Act of 1974 is amended by adding at the end the following new subsection:

“(c) The standard form described in subsection (a) may include, in the case of an appraisal coordinated by an appraisal management company (as such term is defined in section 1121(11) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3350(11))), a clear disclosure of—

“(1) the fee paid directly to the appraiser by such company; and

“(2) the administration fee charged by such company.”.

SEC. 1476. GAO STUDY ON THE EFFECTIVENESS AND IMPACT OF VARIOUS APPRAISAL METHODS, VALUATION MODELS AND DISTRIBUTIONS CHANNELS, AND ON THE HOME VALUATION CODE OF CONDUCT AND THE APPRAISAL SUBCOMMITTEE.

(a) IN GENERAL.—The Government Accountability Office shall conduct a study on—

(1) the effectiveness and impact of—

(A) appraisal methods, including the cost approach, the comparative sales approach, the income approach, and others that may be available;

(B) appraisal valuation models, including licensed and certified appraisals, broker-priced opinions, and automated valuation models; and

(C) appraisal distribution channels, including appraisal management companies, independent appraisal operations within mortgage originators, and fee-for-service appraisers;

(2) the Home Valuation Code of Conduct; and

(3) the Appraisal Subcommittee’s functions pursuant to title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

(b) STUDY.—Not later than—

(1) 12 months after the date of enactment of this Act, the Government Accountability Office shall submit a study to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives; and

(2) 90 days after the date of enactment of this Act, the Government Accountability Office shall provide a report on the status of the study and any preliminary findings to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives.

(c) CONTENT OF STUDY.—The study required by this section shall include an examination of the following:

(1) APPRAISAL APPROACHES, VALUATION MODELS, AND DISTRIBUTION CHANNELS.—

(A) The prevalence, alone or in combination, of certain appraisal approaches, models, and channels in purchase-money and refinance mortgage transactions.

(B) The accuracy of these approaches, models, and channels in assessing the property as collateral.

(C) Whether and how these approaches, models, and channels contributed to price speculation during the previous cycle.

(D) The costs to consumers of these approaches, models, and channels.

(E) The disclosure of fees to consumers in the appraisal process.

(F) To what extent the usage of these approaches, models, and channels may be influenced by a conflict of interest between the mortgage lender and the appraiser and the mechanism by which the lender selects and compensates the appraiser.

(G) The suitability of these approaches, models, and channels in rural versus urban areas.

(2) HOME VALUATION CODE OF CONDUCT (HVCC).—

(A) How the HVCC affects mortgage lenders’ selection of appraisers.

(B) How the HVCC affects State regulation of appraisers and appraisal distribution channels.

(C) How the HVCC affects the quality and cost of appraisals and the length of time to obtain an appraisal.

(D) How the HVCC affects mortgage brokers, small businesses, and consumers.

(d) ADDITIONAL STUDY REQUIRED.—

(1) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Government Accountability Office shall submit a study to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives.

(2) CONTENT OF ADDITIONAL STUDY.—The study required under paragraph (1) shall include—

(A) an examination of—

(i) the Appraisal Subcommittee’s ability to monitor and enforce State and Federal certification requirements and standards, including by providing a summary with a statistical breakdown of enforcement actions taken during the last 10 years;

(ii) whether existing Federal financial institutions regulatory agency exemptions on appraisals for federally related transactions needs to be revised; and

(iii) whether new means of data collection, such as the establishment of a national repository, would benefit the Appraisal Subcommittee’s ability to perform its functions; and

(B) recommendations from this examination for administrative and legislative action at the Federal and State level.

Subtitle G—Mortgage Resolution and Modification

SEC. 1481. MULTIFAMILY MORTGAGE RESOLUTION PROGRAM.

(a) ESTABLISHMENT.—The Secretary of Housing and Urban Development shall develop a program under this subsection to ensure the protection of current and future tenants and at-risk multifamily properties, where feasible, based on criteria that may include—

(1) creating sustainable financing of such properties, that may take into consideration such factors as—

(A) the rental income generated by such properties; and

(B) the preservation of adequate operating reserves;

(2) maintaining the level of Federal, State, and city subsidies in effect as of the date of the enactment of this Act;

(3) providing funds for rehabilitation; and

(4) facilitating the transfer of such properties, when appropriate and with the agreement of owners, to responsible new owners and ensuring affordability of such properties.

(b) COORDINATION.—The Secretary of Housing and Urban Development may, in carrying out the program developed under this section, coordinate with the Secretary of the Treasury, the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, the Federal Housing Finance Agency, and any other Federal Government agency that the Secretary considers appropriate.

(c) DEFINITION.—For purposes of this section, the term “multifamily properties” means a resi-

dential structure that consists of 5 or more dwelling units.

(d) PREVENTION OF QUALIFICATION FOR CRIMINAL APPLICANTS.—

(1) IN GENERAL.—No person shall be eligible to begin receiving assistance from the Making Home Affordable Program authorized under the Emergency Economic Stabilization Act of 2008 (12 U.S.C. 5201 et seq.), or any other mortgage assistance program authorized or funded by that Act, on or after 60 days after the date of the enactment of this Act, if such person, in connection with a mortgage or real estate transaction, has been convicted, within the last 10 years, of any one of the following:

(A) Felony larceny, theft, fraud, or forgery.

(B) Money laundering.

(C) Tax evasion.

(2) PROCEDURES.—The Secretary shall establish procedures to ensure compliance with this subsection.

(3) REPORT.—The Secretary shall report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate regarding the implementation of this provision. The report shall also describe the steps taken to implement this subsection.

SEC. 1482. HOME AFFORDABLE MODIFICATION PROGRAM GUIDELINES.

(a) NET PRESENT VALUE INPUT DATA.—The Secretary of the Treasury (in this section referred to as the “Secretary”) shall revise the supplemental directives and other guidelines for the Home Affordable Modification Program of the Making Home Affordable initiative of the Secretary of the Treasury, authorized under the Emergency Economic Stabilization Act of 2008 (Public Law 110-343), to require each mortgage servicer participating in such program to provide each borrower under a mortgage whose request for a mortgage modification under the Program is denied with all borrower-related and mortgage-related input data used in any net present value (NPV) analyses performed in connection with the subject mortgage. Such input data shall be provided to the borrower at the time of such denial.

(b) WEB-BASED SITE FOR NPV CALCULATOR AND APPLICATION.—

(1) NPV CALCULATOR.—In carrying out the Home Affordable Modification Program, the Secretary shall establish and maintain a site on the World Wide Web that provides a calculator for net present value analyses of a mortgage, based on the Secretary’s methodology for calculating such value, that mortgagors can use to enter information regarding their own mortgages and that provides a determination after entering such information regarding a mortgage of whether such mortgage would be accepted or rejected for modification under the Program, using such methodology.

(2) DISCLOSURE.—Such Web site shall also prominently disclose that each mortgage servicer participating in such Program may use a method for calculating net present value of a mortgage that is different than the method used by such calculator.

(3) APPLICATION.—The Secretary shall make a reasonable effort to include on such World Wide Web site a method for homeowners to apply for a mortgage modification under the Home Affordable Modification Program.

(c) PUBLIC AVAILABILITY OF NPV METHODOLOGY, COMPUTER MODEL, AND VARIABLES.—The Secretary shall make publicly available, including by posting on a World Wide Web site of the Secretary—

(1) the Secretary’s methodology and computer model, including all formulae used in such computer model, used for calculating net present value of a mortgage that is used by the calculator established pursuant to subsection (b); and

(2) all non-proprietary variables used in such net present value analysis.

SEC. 1483. PUBLIC AVAILABILITY OF INFORMATION OF MAKING HOME AFFORDABLE PROGRAM.

(a) **REVISIONS TO PROGRAM GUIDELINES.**—The Secretary of the Treasury (in this section referred to as the “Secretary”) shall revise the guidelines for the Home Affordable Modification Program of the Making Home Affordable initiative of the Secretary of the Treasury, authorized under the Emergency Economic Stabilization Act of 2008 (Public Law 110–343), to provide that the data being collected by the Secretary from each mortgage servicer and lender participating in the Program is made public in accordance with subsection (b).

(b) **PUBLIC AVAILABILITY.**—Data shall be made available according to the following guidelines:

(1) Not more than 14 days after each monthly deadline for submission of data by mortgage servicers and lenders participating in the Program, reports shall be made publicly available by means of a World Wide Web site of the Secretary, and by submitting a report to the Congress, that shall include the following information:

(A) The number of requests for mortgage modifications under the Program that the servicer or lender has received.

(B) The number of requests for mortgage modifications under the Program that the servicer or lender has processed.

(C) The number of requests for mortgage modifications under the Program that the servicer or lender has approved.

(D) The number of requests for mortgage modifications under the Program that the servicer or lender has denied.

(2) Not more than 60 days after each monthly deadline for submission of data by mortgage servicers and lenders participating in the Program, the Secretary shall make data tables available to the public at the individual record level. The Secretary shall issue regulations prescribing—

(A) the procedures for disclosing such data to the public; and

(B) such deletions as the Secretary may determine to be appropriate to protect any privacy interest of any mortgage modification applicant, including the deletion or alteration of the applicant's name and identification number.

SEC. 1484. PROTECTING TENANTS AT FORECLOSURE EXTENSION AND CLARIFICATION.

The Protecting Tenants at Foreclosure Act is amended—

(1) in section 702 (12 U.S.C. 5220 note)—

(A) in subsection (a)(2), by striking “, as of the date of such notice of foreclosure”; and

(B) in subsection (c), by inserting after the period the following: “For purposes of this section, the date of a notice of foreclosure shall be deemed to be the date on which complete title to a property is transferred to a successor entity or person as a result of an order of a court or pursuant to provisions in a mortgage, deed of trust, or security deed.”; and

(2) in section 704 (12 U.S.C. 5201 note), by striking “2012” and inserting “2014”.

Subtitle H—Miscellaneous Provisions

SEC. 1491. SENSE OF CONGRESS REGARDING THE IMPORTANCE OF GOVERNMENT-SPONSORED ENTERPRISES REFORM TO ENHANCE THE PROTECTION, LIMITATION, AND REGULATION OF THE TERMS OF RESIDENTIAL MORTGAGE CREDIT.

(a) **FINDINGS.**—The Congress finds as follows:

(1) The Government-sponsored enterprises, Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac), were chartered by

Congress to ensure a reliable and affordable supply of mortgage funding, but enjoy a dual legal status as privately owned corporations with Government mandated affordable housing goals.

(2) In 1996, the Department of Housing and Urban Development required that 42 percent of Fannie Mae's and Freddie Mac's mortgage financing should go to borrowers with income levels below the median for a given area.

(3) In 2004, the Department of Housing and Urban Development revised those goals, increasing them to 56 percent of their overall mortgage purchases by 2008, and additionally mandated that 12 percent of all mortgage purchases by Fannie Mae and Freddie Mac be “special affordable” loans made to borrowers with incomes less than 60 percent of an area's median income, a target that ultimately increased to 28 percent for 2008.

(4) To help fulfill those mandated affordable housing goals, in 1995 the Department of Housing and Urban Development authorized Fannie Mae and Freddie Mac to purchase subprime securities that included loans made to low-income borrowers.

(5) After this authorization to purchase subprime securities, subprime and near-prime loans increased from 9 percent of securitized mortgages in 2001 to 40 percent in 2006, while the market share of conventional mortgages dropped from 78.8 percent in 2003 to 50.1 percent by 2007 with a corresponding increase in subprime and Alt-A loans from 10.1 percent to 32.7 percent over the same period.

(6) In 2004 alone, Fannie Mae and Freddie Mac purchased \$175,000,000,000 in subprime mortgage securities, which accounted for 44 percent of the market that year, and from 2005 through 2007, Fannie Mae and Freddie Mac purchased approximately \$1,000,000,000,000 in subprime and Alt-A loans, while Fannie Mae's acquisitions of mortgages with less than 10 percent down payments almost tripled.

(7) According to data from the Federal Housing Finance Agency (FHFA) for the fourth quarter of 2008, Fannie Mae and Freddie Mac own or guarantee 75 percent of all newly originated mortgages, and Fannie Mae and Freddie Mac currently own 13.3 percent of outstanding mortgage debt in the United States and have issued mortgage-backed securities for 31.0 percent of the residential debt market, a combined total of 44.3 percent of outstanding mortgage debt in the United States.

(8) On September 7, 2008, the FHFA placed Fannie Mae and Freddie Mac into conservatorship, with the Treasury Department subsequently agreeing to purchase at least \$200,000,000,000 of preferred stock from each enterprise in exchange for warrants for the purchase of 79.9 percent of each enterprise's common stock.

(9) The conservatorship for Fannie Mae and Freddie Mac has potentially exposed taxpayers to upwards of \$5,300,000,000,000 worth of risk.

(10) The hybrid public-private status of Fannie Mae and Freddie Mac is untenable and must be resolved to assure that consumers are offered and receive residential mortgage loans on terms that reasonably reflect their ability to repay the loans and that are understandable and not unfair, deceptive, or abusive.

(b) **SENSE OF THE CONGRESS.**—It is the sense of the Congress that efforts to enhance by the protection, limitation, and regulation of the terms of residential mortgage credit and the practices related to such credit would be incomplete without enactment of meaningful structural reforms of Fannie Mae and Freddie Mac.

SEC. 1492. GAO STUDY REPORT ON GOVERNMENT EFFORTS TO COMBAT MORTGAGE FORECLOSURE RESCUE SCAMS AND LOAN MODIFICATION FRAUD.

(a) **STUDY.**—The Comptroller General of the United States shall conduct a study of the cur-

rent inter-agency efforts of the Secretary of the Treasury, the Secretary of Housing and Urban Development, the Attorney General, and the Federal Trade Commission to crackdown on mortgage foreclosure rescue scams and loan modification fraud in order to advise the Congress to the risks and vulnerabilities of emerging schemes in the loan modification arena.

(b) **REPORT.**—

(1) **IN GENERAL.**—The Comptroller General shall submit a report to the Congress on the study conducted under subsection (a) containing such recommendations for legislative and administrative actions as the Comptroller General may determine to be appropriate in addition to the recommendations required under paragraph (2).

(2) **SPECIFIC TOPICS.**—The report made under paragraph (1) shall include—

(A) an evaluation of the effectiveness of the inter-agency task force current efforts to combat mortgage foreclosure rescue scams and loan modification fraud scams;

(B) specific recommendations on agency or legislative action that are essential to properly protect homeowners from mortgage foreclosure rescue scams and loan modification fraud scams; and

(C) the adequacy of financial resources that the Federal Government is allocating to—

(i) crackdown on loan modification and foreclosure rescue scams; and

(ii) the education of homeowners about fraudulent scams relating to loan modification and foreclosure rescues.

SEC. 1493. REPORTING OF MORTGAGE DATA BY STATE.

(a) **IN GENERAL.**—Section 104(a) of the Helping Families Save Their Homes Act of 2009 (division A of Public Law 111–22) is amended—

(1) in paragraph (2), by striking “resulting” and inserting “in each State that result”; and

(2) in paragraph (3), by inserting “each State for” after “modifications in”; and

(3) in paragraph (4), by inserting “in each State” after “total number of loans”.

(b) **CONFORMING AMENDMENT.**—Section 104(b)(1)(A) of such Act is amended by adding at the end the following sentence: “Not later than 60 days after the date of the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Comptroller of the Currency and the Director of the Office of Thrift Supervision shall update such requirements to reflect amendments made to this section by such Act.”.

SEC. 1494. STUDY OF EFFECT OF DRYWALL PRESENCE ON FORECLOSURES.

(a) **STUDY.**—The Secretary of Housing and Urban Development, in consultation with the Secretary of the Treasury, shall conduct a study of the effect on residential mortgage loan foreclosures of—

(1) the presence in residential structures subject to such mortgage loans of drywall that was imported from China during the period beginning with 2004 and ending at the end of 2007; and

(2) the availability of property insurance for residential structures in which such drywall is present.

(b) **REPORT.**—Not later than the expiration of the 120-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall submit to the Congress a report on the study conducted under subsection (a) containing its findings, conclusions, and recommendations.

SEC. 1495. DEFINITION.

For purposes of this title, the term “designated transfer date” means the date established under section 1062 of this Act.

SEC. 1496. EMERGENCY MORTGAGE RELIEF.

(a) **EMERGENCY HOMEOWNERS' RELIEF FUND.**—Effective October 1, 2010, and notwithstanding any other provision of law, there is

hereby made available to the Secretary of Housing and Urban Development such sums as are necessary to provide \$1,000,000,000 in assistance through the Emergency Homeowners' Relief Fund, which such Secretary shall establish pursuant to section 107 of the Emergency Housing Act of 1975 (12 U.S.C. 2706), as such Act is amended by this section, for use for emergency mortgage assistance in accordance with title I of such Act.

(b) REAUTHORIZATION OF EMERGENCY MORTGAGE RELIEF PROGRAM.—Title I of the Emergency Housing Act of 1975 is amended—

(1) in section 103 (12 U.S.C. 2702)—

(A) in paragraph (2)—

(i) by striking “have indicated” and all that follows through “regulation of the holder” and insert “have certified”;

(ii) by striking “(such as the volume of delinquent loans in its portfolio)”;

(iii) by striking “, except that such statement” and all that follows through “purposes of this title”;

(B) in paragraph (4), by inserting “or medical conditions” after “adverse economic conditions”;

(2) in section 104 (12 U.S.C. 2703)—

(A) in subsection (b), by striking “, but such assistance” and all that follows through the period at the end and inserting the following: “The amount of assistance provided to a homeowner under this title shall be an amount that the Secretary determines is reasonably necessary to supplement such amount as the homeowner is capable of contributing toward such mortgage payment, except that the aggregate amount of such assistance provided for any homeowner shall not exceed \$50,000.”;

(B) in subsection (d), by striking “interest on a loan or advance” and all that follows through the end of the subsection and inserting the following: “(1) the rate of interest on any loan or advance of credit insured under this title shall be fixed for the life of the loan or advance of credit and shall not exceed the rate of interest that is generally charged for mortgages on single-family housing insured by the Secretary of Housing and Urban Development under title II of the National Housing Act at the time such loan or advance of credit is made, and (2) no interest shall be charged on interest which is deferred on a loan or advance of credit made under this title. In establishing rates, terms and conditions for loans or advances of credit made under this title, the Secretary shall take into account a homeowner's ability to repay such loan or advance of credit.”; and

(C) in subsection (e), by inserting after the period at the end of the first sentence the following: “Any eligible homeowner who receives a grant or an advance of credit under this title may repay the loan in full, without penalty, by lump sum or by installment payments at any time before the loan becomes due and payable.”;

(3) in section 105 (12 U.S.C. 2704)—

(A) by striking subsection (b);

(B) in subsection (e)—

(i) by inserting “and emergency mortgage relief payments made under section 106” after “insured under this section”;

(ii) by striking “\$1,500,000,000 at any one time” and inserting “\$3,000,000,000”;

(C) by redesignating subsections (c), (d), and (e) as subsections (b), (c), and (d), respectively; and

(D) by adding at the end the following new subsection:

“(e) The Secretary shall establish underwriting guidelines or procedures to allocate amounts made available for loans and advances insured under this section and for emergency relief payments made under section 106 based on the likelihood that a mortgagor will be able to resume mortgage payments, pursuant to the requirement under section 103(5).”;

(4) in section 107—

(A) by striking “(a)”;

(B) by striking subsection (b);

(5) in section 108 (12 U.S.C. 2707), by adding at the end the following new subsection:

“(d) COVERAGE OF EXISTING PROGRAMS.—The Secretary shall allow funds to be administered by a State that has an existing program that is determined by the Secretary to provide substantially similar assistance to homeowners. After such determination is made such State shall not be required to modify such program to comply with the provisions of this title.”;

(6) in section 109 (12 U.S.C. 2708)—

(A) in the section heading, by striking “AUTHORIZATION AND”;

(B) by striking subsection (a);

(C) by striking “(b)”;

(D) by striking “1977” and inserting “2011”;

(7) by striking sections 110, 111, and 113 (12 U.S.C. 2709, 2710, 2712); and

(8) by redesignating section 112 (12 U.S.C. 2711) as section 110.

SEC. 1497. ADDITIONAL ASSISTANCE FOR NEIGHBORHOOD STABILIZATION PROGRAM.

(a) IN GENERAL.—Effective October 1, 2010, out of funds in the Treasury not otherwise appropriated, there is hereby made available to the Secretary of Housing and Urban Development \$1,000,000,000, and the Secretary of Housing and Urban Development shall use such amounts for assistance to States and units of general local government for the redevelopment of abandoned and foreclosed homes, in accordance with the same provisions applicable under the second undesignated paragraph under the heading “Community Planning and Development—Community Development Fund” in title XII of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5; 123 Stat. 217) to amounts made available under such second undesignated paragraph, except as follows:

(1) Notwithstanding the matter of such second undesignated paragraph that precedes the first proviso, amounts made available by this section shall remain available until expended.

(2) The 3rd, 4th, 5th, 6th, 7th, and 15th provisos of such second undesignated paragraph shall not apply to amounts made available by this section.

(3) Amounts made available by this section shall be allocated based on a funding formula for such amounts established by the Secretary in accordance with section 2301(b) of the Housing and Economic Recovery Act of 2008 (42 U.S.C. 5301 note), except that—

(A) notwithstanding paragraph (2) of such section 2301(b), the formula shall be established not later than 30 days after the date of the enactment of this Act;

(B) notwithstanding such section 2301(b), each State shall receive, at a minimum, not less than 0.5 percent of funds made available under this section;

(C) the Secretary may establish a minimum grant amount for direct allocations to units of general local government located within a State, which shall not exceed \$1,000,000;

(D) each State and local government receiving grant amounts shall establish procedures to create preferences for the development of affordable rental housing for properties assisted with amounts made available by this section; and

(E) the Secretary may use not more than 2 percent of the funds made available under this section for technical assistance to grantees.

(4) Paragraph (1) of section 2301(c) of the Housing and Economic Recovery Act of 2008 shall not apply to amounts made available by this section.

(5) The fourth proviso from the end of such second undesignated paragraph shall be applied to amounts made available by this section by substituting “2013” for “2012”.

(6) Notwithstanding section 2301(a) of the Housing and Economic Recovery Act of 2008, the term “State” means any State, as defined in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302), and the District of Columbia, for purposes of this section and this title, as applied to amounts made available by this section.

(7)(A) None of the amounts made available by this section shall be distributed to—

(i) any organization which has been convicted for a violation under Federal law relating to an election for Federal office; or

(ii) any organization which employs applicable individuals.

(B) In this paragraph, the term “applicable individual” means an individual who—

(i) is—

(I) employed by the organization in a permanent or temporary capacity;

(II) contracted or retained by the organization; or

(III) acting on behalf of, or with the express or apparent authority of, the organization; and

(ii) has been convicted for a violation under Federal law relating to an election for Federal office.

(8) An eligible entity receiving a grant under this section shall, to the maximum extent feasible, provide for the hiring of employees who reside in the vicinity, as such term is defined by the Secretary, of projects funded under this section or contract with small businesses that are owned and operated by persons residing in the vicinity of such projects.

(b) ADDITIONAL AMENDMENTS.—

(1) SECTION 2301.—Section 2301(f)(3)(A)(ii) of the Housing and Economic Recovery Act of 2008 (42 U.S.C. 5301(f)(3)(A)(ii))—

(A) is amended by striking “for the purchase and redevelopment of abandoned and foreclosed upon homes or residential properties that will be used”; and

(B) shall apply with respect to any unexpended or unobligated balances, including recaptured and reallocated funds made available under this Act, section 2301 of the Housing and Economic Recovery Act of 2008 (42 U.S.C. 5301), and the heading “Community Planning and Development—Community Development Fund” in title XII of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5; 123 Stat. 217).

(2) NOTICE OF FORECLOSURE.—For any amounts made available under this section, under division B, title III of the Housing and Economic Recovery Act of 2008 (42 U.S.C. 5301), or under the heading “Community Planning and Development—Community Development Fund” in title XII of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5; 123 Stat. 217), the date of a notice of foreclosure shall be deemed to be the date on which complete title to a property is transferred to a successor entity or person as a result of an order of a court or pursuant to provisions in a mortgage, deed of trust, or security deed.

SEC. 1498. LEGAL ASSISTANCE FOR FORECLOSURE-RELATED ISSUES.

(a) ESTABLISHMENT.—The Secretary of Housing and Urban Development (hereafter in this section referred to as the “Secretary”) shall establish a program for making grants for providing a full range of foreclosure legal assistance to low- and moderate-income homeowners and tenants related to home ownership preservation, home foreclosure prevention, and tenancy associated with home foreclosure.

(b) COMPETITIVE ALLOCATION.—The Secretary shall allocate amounts made available for grants under this section to State and local legal organizations on the basis of a competitive process. For purposes of this subsection “State and local legal organizations” are those State and local

organizations whose primary business or mission is to provide legal assistance.

(c) **PRIORITY TO CERTAIN AREAS.**—In allocating amounts in accordance with subsection (b), the Secretary shall give priority consideration to State and local legal organizations that are operating in the 125 metropolitan statistical areas (as that term is defined by the Director of the Office of Management and Budget) with the highest home foreclosure rates.

(d) **LEGAL ASSISTANCE.**—

(1) **IN GENERAL.**—Any State or local legal organization that receives financial assistance pursuant to this section may use such amounts only to assist—

(A) homeowners of owner-occupied homes with mortgages in default, in danger of default, or subject to or at risk of foreclosure; and

(B) tenants at risk of or subject to eviction as a result of foreclosure of the property in which such tenant resides.

(2) **COMMENCE USE WITHIN 90 DAYS.**—Any State or local legal organization that receives financial assistance pursuant to this section shall begin using any financial assistance received under this section within 90 days after receipt of the assistance.

(3) **PROHIBITION ON CLASS ACTIONS.**—No funds provided to a State or local legal organization under this section may be used to support any class action litigation.

(4) **LIMITATION ON LEGAL ASSISTANCE.**—Legal assistance funded with amounts provided under this section shall be limited to mortgage-related default, eviction, or foreclosure proceedings, without regard to whether such foreclosure is judicial or nonjudicial.

(5) **EFFECTIVE DATE.**—Notwithstanding any other provision of this Act, this subsection shall take effect on the date of the enactment of this Act.

(e) **LIMITATION ON DISTRIBUTION OF ASSISTANCE.**—

(1) **IN GENERAL.**—None of the amounts made available under this section shall be distributed to—

(A) any organization which has been convicted for a violation under Federal law relating to an election for Federal office; or

(B) any organization which employs applicable individuals.

(2) **DEFINITION OF APPLICABLE INDIVIDUALS.**—In this subsection, the term “applicable individual” means an individual who—

(A) is—

(i) employed by the organization in a permanent or temporary capacity;

(ii) contracted or retained by the organization; or

(iii) acting on behalf of, or with the express or apparent authority of, the organization; and

(B) has been convicted for a violation under Federal law relating to an election for Federal office.

(f) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Secretary \$35,000,000 for each of fiscal years 2011 through 2012 for grants under this section.

TITLE XV—MISCELLANEOUS PROVISIONS

SEC. 1501. RESTRICTIONS ON USE OF UNITED STATES FUNDS FOR FOREIGN GOVERNMENTS; PROTECTION OF AMERICAN TAXPAYERS.

The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end the following:

“SEC. 68. RESTRICTIONS ON USE OF UNITED STATES FUNDS FOR FOREIGN GOVERNMENTS; PROTECTION OF AMERICAN TAXPAYERS.

“(a) **IN GENERAL.**—The Secretary of the Treasury shall instruct the United States Executive Director at the International Monetary Fund—

“(1) to evaluate, prior to consideration by the Board of Executive Directors of the Fund, any proposal submitted to the Board for the Fund to make a loan to a country if—

“(A) the amount of the public debt of the country exceeds the gross domestic product of the country as of the most recent year for which such information is available; and

“(B) the country is not eligible for assistance from the International Development Association.

“(2) **OPPOSITION TO LOANS UNLIKELY TO BE REPAYED IN FULL.**—If any such evaluation indicates that the proposed loan is not likely to be repaid in full, the Secretary of the Treasury shall instruct the United States Executive Director at the Fund to use the voice and vote of the United States to oppose the proposal.

“(b) **REPORTS TO CONGRESS.**—Within 30 days after the Board of Executive Directors of the Fund approves a proposal described in subsection (a), and annually thereafter by June 30, for the duration of any program approved under such proposals, the Secretary of the Treasury shall report in writing to the Committee on Financial Services of the House of Representatives and the Committee on Foreign Relations and the Committee on Banking, Housing, and Urban Affairs of the Senate assessing the likelihood that loans made pursuant to such proposals will be repaid in full, including—

“(1) the borrowing country’s current debt status, including, to the extent possible, its maturity structure, whether it has fixed or floating rates, whether it is indexed, and by whom it is held;

“(2) the borrowing country’s external and internal vulnerabilities that could potentially affect its ability to repay; and

“(3) the borrowing country’s debt management strategy.”.

SEC. 1502. CONFLICT MINERALS.

(a) **SENSE OF CONGRESS ON EXPLOITATION AND TRADE OF CONFLICT MINERALS ORIGINATING IN THE DEMOCRATIC REPUBLIC OF THE CONGO.**—It is the sense of Congress that the exploitation and trade of conflict minerals originating in the Democratic Republic of the Congo is helping to finance conflict characterized by extreme levels of violence in the eastern Democratic Republic of the Congo, particularly sexual- and gender-based violence, and contributing to an emergency humanitarian situation therein, warranting the provisions of section 13(p) of the Securities Exchange Act of 1934, as added by subsection (b).

(b) **DISCLOSURE RELATING TO CONFLICT MINERALS ORIGINATING IN THE DEMOCRATIC REPUBLIC OF THE CONGO.**—Section 13 of the Securities Exchange Act of 1934 (15 U.S.C. 78m), as amended by this Act, is amended by adding at the end the following new subsection:

“(p) **DISCLOSURES RELATING TO CONFLICT MINERALS ORIGINATING IN THE DEMOCRATIC REPUBLIC OF THE CONGO.**—

“(1) **REGULATIONS.**—

“(A) **IN GENERAL.**—Not later than 270 days after the date of the enactment of this subsection, the Commission shall promulgate regulations requiring any person described in paragraph (2) to disclose annually, beginning with the person’s first full fiscal year that begins after the date of promulgation of such regulations, whether conflict minerals that are necessary as described in paragraph (2)(B), in the year for which such reporting is required, did originate in the Democratic Republic of the Congo or an adjoining country and, in cases in which such conflict minerals did originate in any such country, submit to the Commission a report that includes, with respect to the period covered by the report—

“(i) a description of the measures taken by the person to exercise due diligence on the source

and chain of custody of such minerals, which measures shall include an independent private sector audit of such report submitted through the Commission that is conducted in accordance with standards established by the Comptroller General of the United States, in accordance with rules promulgated by the Commission, in consultation with the Secretary of State; and

“(ii) a description of the products manufactured or contracted to be manufactured that are not DRC conflict free (‘DRC conflict free’ is defined to mean the products that do not contain minerals that directly or indirectly finance or benefit armed groups in the Democratic Republic of the Congo or an adjoining country), the entity that conducted the independent private sector audit in accordance with clause (i), the facilities used to process the conflict minerals, the country of origin of the conflict minerals, and the efforts to determine the mine or location of origin with the greatest possible specificity.

“(B) **CERTIFICATION.**—The person submitting a report under subparagraph (A) shall certify the audit described in clause (i) of such subparagraph that is included in such report. Such a certified audit shall constitute a critical component of due diligence in establishing the source and chain of custody of such minerals.

“(C) **UNRELIABLE DETERMINATION.**—If a report required to be submitted by a person under subparagraph (A) relies on a determination of an independent private sector audit, as described under subparagraph (A)(i), or other due diligence processes previously determined by the Commission to be unreliable, the report shall not satisfy the requirements of the regulations promulgated under subparagraph (A)(i).

“(D) **DRC CONFLICT FREE.**—For purposes of this paragraph, a product may be labeled as ‘DRC conflict free’ if the product does not contain conflict minerals that directly or indirectly finance or benefit armed groups in the Democratic Republic of the Congo or an adjoining country.

“(E) **INFORMATION AVAILABLE TO THE PUBLIC.**—Each person described under paragraph (2) shall make available to the public on the Internet website of such person the information disclosed by such person under subparagraph (A).

“(2) **PERSON DESCRIBED.**—A person is described in this paragraph if—

“(A) the person is required to file reports with the Commission pursuant to paragraph (1)(A); and

“(B) conflict minerals are necessary to the functionality or production of a product manufactured by such person.

“(3) **REVISIONS AND WAIVERS.**—The Commission shall revise or temporarily waive the requirements described in paragraph (1) if the President transmits to the Commission a determination that—

“(A) such revision or waiver is in the national security interest of the United States and the President includes the reasons therefor; and

“(B) establishes a date, not later than 2 years after the initial publication of such exemption, on which such exemption shall expire.

“(4) **TERMINATION OF DISCLOSURE REQUIREMENTS.**—The requirements of paragraph (1) shall terminate on the date on which the President determines and certifies to the appropriate congressional committees, but in no case earlier than the date that is one day after the end of the 5-year period beginning on the date of the enactment of this subsection, that no armed groups continue to be directly involved and benefiting from commercial activity involving conflict minerals.

“(5) **DEFINITIONS.**—For purposes of this subsection, the terms ‘adjoining country’, ‘appropriate congressional committees’, ‘armed group’, and ‘conflict mineral’ have the meaning given

those terms under section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.”.

(c) STRATEGY AND MAP TO ADDRESS LINKAGES BETWEEN CONFLICT MINERALS AND ARMED GROUPS.—

(1) STRATEGY.—

(A) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Secretary of State, in consultation with the Administrator of the United States Agency for International Development, shall submit to the appropriate congressional committees a strategy to address the linkages between human rights abuses, armed groups, mining of conflict minerals, and commercial products.

(B) CONTENTS.—The strategy required by subparagraph (A) shall include the following:

(i) A plan to promote peace and security in the Democratic Republic of the Congo by supporting efforts of the Government of the Democratic Republic of the Congo, including the Ministry of Mines and other relevant agencies, adjoining countries, and the international community, in particular the United Nations Group of Experts on the Democratic Republic of Congo, to—

(I) monitor and stop commercial activities involving the natural resources of the Democratic Republic of the Congo that contribute to the activities of armed groups and human rights violations in the Democratic Republic of the Congo; and

(II) develop stronger governance and economic institutions that can facilitate and improve transparency in the cross-border trade involving the natural resources of the Democratic Republic of the Congo to reduce exploitation by armed groups and promote local and regional development.

(ii) A plan to provide guidance to commercial entities seeking to exercise due diligence on and formalize the origin and chain of custody of conflict minerals used in their products and on their suppliers to ensure that conflict minerals used in the products of such suppliers do not directly or indirectly finance armed conflict or result in labor or human rights violations.

(iii) A description of punitive measures that could be taken against individuals or entities whose commercial activities are supporting armed groups and human rights violations in the Democratic Republic of the Congo.

(2) MAP.—

(A) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Secretary of State shall, in accordance with the recommendation of the United Nations Group of Experts on the Democratic Republic of the Congo in their December 2008 report—

(i) produce a map of mineral-rich zones, trade routes, and areas under the control of armed groups in the Democratic Republic of the Congo and adjoining countries based on data from multiple sources, including—

(I) the United Nations Group of Experts on the Democratic Republic of the Congo;

(II) the Government of the Democratic Republic of the Congo, the governments of adjoining countries, and the governments of other Member States of the United Nations; and

(III) local and international nongovernmental organizations;

(ii) make such map available to the public; and

(iii) provide to the appropriate congressional committees an explanatory note describing the sources of information from which such map is based and the identification, where possible, of the armed groups or other forces in control of the mines depicted.

(B) DESIGNATION.—The map required under subparagraph (A) shall be known as the “Conflict Minerals Map”, and mines located in areas

under the control of armed groups in the Democratic Republic of the Congo and adjoining countries, as depicted on such Conflict Minerals Map, shall be known as “Conflict Zone Mines”.

(C) UPDATES.—The Secretary of State shall update the map required under subparagraph (A) not less frequently than once every 180 days until the date on which the disclosure requirements under paragraph (1) of section 13(p) of the Securities Exchange Act of 1934, as added by subsection (b), terminate in accordance with the provisions of paragraph (4) of such section 13(p).

(D) PUBLICATION IN FEDERAL REGISTER.—The Secretary of State shall add minerals to the list of minerals in the definition of conflict minerals under section 1502, as appropriate. The Secretary shall publish in the Federal Register notice of intent to declare a mineral as a conflict mineral included in such definition not later than one year before such declaration.

(d) REPORTS.—

(1) BASELINE REPORT.—Not later than 1 year after the date of the enactment of this Act and annually thereafter until the termination of the disclosure requirements under section 13(p) of the Securities Exchange Act of 1934, the Comptroller General of the United States shall submit to appropriate congressional committees a report that includes an assessment of the rate of sexual- and gender-based violence in war-torn areas of the Democratic Republic of the Congo and adjoining countries.

(2) REGULAR REPORT ON EFFECTIVENESS.—Not later than 2 years after the date of the enactment of this Act and annually thereafter, the Comptroller General of the United States shall submit to the appropriate congressional committees a report that includes the following:

(A) An assessment of the effectiveness of section 13(p) of the Securities Exchange Act of 1934, as added by subsection (b), in promoting peace and security in the Democratic Republic of the Congo and adjoining countries.

(B) A description of issues encountered by the Securities and Exchange Commission in carrying out the provisions of such section 13(p).

(C)(i) A general review of persons described in clause (ii) and whether information is publicly available about—

(I) the use of conflict minerals by such persons; and

(II) whether such conflict minerals originate from the Democratic Republic of the Congo or an adjoining country.

(ii) A person is described in this clause if—

(I) the person is not required to file reports with the Securities and Exchange Commission pursuant to section 13(p)(1)(A) of the Securities Exchange Act of 1934, as added by subsection (b); and

(II) conflict minerals are necessary to the functionality or production of a product manufactured by such person.

(3) REPORT ON PRIVATE SECTOR AUDITING.—Not later than 30 months after the date of the enactment of this Act, and annually thereafter, the Secretary of Commerce shall submit to the appropriate congressional committees a report that includes the following:

(A) An assessment of the accuracy of the independent private sector audits and other due diligence processes described under section 13(p) of the Securities Exchange Act of 1934.

(B) Recommendations for the processes used to carry out such audits, including ways to—

(i) improve the accuracy of such audits; and

(ii) establish standards of best practices.

(C) A listing of all known conflict mineral processing facilities worldwide.

(e) DEFINITIONS.—For purposes of this section:

(1) ADJOINING COUNTRY.—The term “adjoining country”, with respect to the Democratic Republic of the Congo, means a country that

shares an internationally recognized border with the Democratic Republic of the Congo.

(2) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term “appropriate congressional committees” means—

(A) the Committee on Appropriations, the Committee on Foreign Affairs, the Committee on Ways and Means, and the Committee on Financial Services of the House of Representatives; and

(B) the Committee on Appropriations, the Committee on Foreign Relations, the Committee on Finance, and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(3) ARMED GROUP.—The term “armed group” means an armed group that is identified as perpetrators of serious human rights abuses in the annual Country Reports on Human Rights Practices under sections 116(d) and 502B(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151n(d) and 2304(b)) relating to the Democratic Republic of the Congo or an adjoining country.

(4) CONFLICT MINERAL.—The term “conflict mineral” means—

(A) columbite-tantalite (coltan), cassiterite, gold, wolframite, or their derivatives; or

(B) any other mineral or its derivatives determined by the Secretary of State to be financing conflict in the Democratic Republic of the Congo or an adjoining country.

(5) UNDER THE CONTROL OF ARMED GROUPS.—The term “under the control of armed groups” means areas within the Democratic Republic of the Congo or adjoining countries in which armed groups—

(A) physically control mines or force labor of civilians to mine, transport, or sell conflict minerals;

(B) tax, extort, or control any part of trade routes for conflict minerals, including the entire trade route from a Conflict Zone Mine to the point of export from the Democratic Republic of the Congo or an adjoining country; or

(C) tax, extort, or control trading facilities, in whole or in part, including the point of export from the Democratic Republic of the Congo or an adjoining country.

SEC. 1503. REPORTING REQUIREMENTS REGARDING COAL OR OTHER MINE SAFETY.

(a) REPORTING MINE SAFETY INFORMATION.—Each issuer that is required to file reports pursuant to section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m, 78o) and that is an operator, or that has a subsidiary that is an operator, of a coal or other mine shall include, in each periodic report filed with the Commission under the securities laws on or after the date of enactment of this Act, the following information for the time period covered by such report:

(1) For each coal or other mine of which the issuer or a subsidiary of the issuer is an operator—

(A) the total number of violations of mandatory health or safety standards that could significantly and substantially contribute to the cause and effect of a coal or other mine safety or health hazard under section 104 of the Federal Mine Safety and Health Act of 1977 (30 U.S.C. 814) for which the operator received a citation from the Mine Safety and Health Administration;

(B) the total number of orders issued under section 104(b) of such Act (30 U.S.C. 814(b));

(C) the total number of citations and orders for unwarrantable failure of the mine operator to comply with mandatory health or safety standards under section 104(d) of such Act (30 U.S.C. 814(d));

(D) the total number of flagrant violations under section 110(b)(2) of such Act (30 U.S.C. 820(b)(2));

(E) the total number of imminent danger orders issued under section 107(a) of such Act (30 U.S.C. 817(a));

(F) the total dollar value of proposed assessments from the Mine Safety and Health Administration under such Act (30 U.S.C. 801 et seq.); and

(G) the total number of mining-related fatalities.

(2) A list of such coal or other mines, of which the issuer or a subsidiary of the issuer is an operator, that receive written notice from the Mine Safety and Health Administration of—

(A) a pattern of violations of mandatory health or safety standards that are of such nature as could have significantly and substantially contributed to the cause and effect of coal or other mine health or safety hazards under section 104(e) of such Act (30 U.S.C. 814(e)); or

(B) the potential to have such a pattern.

(3) Any pending legal action before the Federal Mine Safety and Health Review Commission involving such coal or other mine.

(b) **REPORTING SHUTDOWNS AND PATTERNS OF VIOLATIONS.**—Beginning on and after the date of enactment of this Act, each issuer that is an operator, or that has a subsidiary that is an operator, of a coal or other mine shall file a current report with the Commission on Form 8-K (or any successor form) disclosing the following regarding each coal or other mine of which the issuer or subsidiary is an operator:

(1) The receipt of an imminent danger order issued under section 107(a) of the Federal Mine Safety and Health Act of 1977 (30 U.S.C. 817(a)).

(2) The receipt of written notice from the Mine Safety and Health Administration that the coal or other mine has—

(A) a pattern of violations of mandatory health or safety standards that are of such nature as could have significantly and substantially contributed to the cause and effect of coal or other mine health or safety hazards under section 104(e) of such Act (30 U.S.C. 814(e)); or

(B) the potential to have such a pattern.

(c) **RULE OF CONSTRUCTION.**—Nothing in this section shall be construed to affect any obligation of a person to make a disclosure under any other applicable law in effect before, on, or after the date of enactment of this Act.

(d) **COMMISSION AUTHORITY.**—

(1) **ENFORCEMENT.**—A violation by any person of this section, or any rule or regulation of the Commission issued under this section, shall be treated for all purposes in the same manner as a violation of the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) or the rules and regulations issued thereunder, consistent with the provisions of this section, and any such person shall be subject to the same penalties, and to the same extent, as for a violation of such Act or the rules or regulations issued thereunder.

(2) **RULES AND REGULATIONS.**—The Commission is authorized to issue such rules or regulations as are necessary or appropriate for the protection of investors and to carry out the purposes of this section.

(e) **DEFINITIONS.**—In this section—

(1) the terms “issuer” and “securities laws” have the meaning given the terms in section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c);

(2) the term “coal or other mine” means a coal or other mine, as defined in section 3 of the Federal Mine Safety and Health Act of 1977 (30 U.S.C. 802), that is subject to the provisions of such Act (30 U.S.C. 801 et seq.); and

(3) the term “operator” has the meaning given the term in section 3 of the Federal Mine Safety and Health Act of 1977 (30 U.S.C. 802).

(f) **EFFECTIVE DATE.**—This section shall take effect on the day that is 30 days after the date of enactment of this Act.

SEC. 1504. DISCLOSURE OF PAYMENTS BY RESOURCE EXTRACTION ISSUERS.

Section 13 of the Securities Exchange Act of 1934 (15 U.S.C. 78m), as amended by this Act, is amended by adding at the end the following:

“(q) **DISCLOSURE OF PAYMENTS BY RESOURCE EXTRACTION ISSUERS.**—

“(1) **DEFINITIONS.**—In this subsection—

“(A) the term ‘commercial development of oil, natural gas, or minerals’ includes exploration, extraction, processing, export, and other significant actions relating to oil, natural gas, or minerals, or the acquisition of a license for any such activity, as determined by the Commission;

“(B) the term ‘foreign government’ means a foreign government, a department, agency, or instrumentality of a foreign government, or a company owned by a foreign government, as determined by the Commission;

“(C) the term ‘payment’—

“(i) means a payment that is—

“(I) made to further the commercial development of oil, natural gas, or minerals; and

“(II) not de minimis; and

“(ii) includes taxes, royalties, fees (including license fees), production entitlements, bonuses, and other material benefits, that the Commission, consistent with the guidelines of the Extractive Industries Transparency Initiative (to the extent practicable), determines are part of the commonly recognized revenue stream for the commercial development of oil, natural gas, or minerals;

“(D) the term ‘resource extraction issuer’ means an issuer that—

“(i) is required to file an annual report with the Commission; and

“(ii) engages in the commercial development of oil, natural gas, or minerals;

“(E) the term ‘interactive data format’ means an electronic data format in which pieces of information are identified using an interactive data standard; and

“(F) the term ‘interactive data standard’ means standardized list of electronic tags that mark information included in the annual report of a resource extraction issuer.

“(2) **DISCLOSURE.**—

“(A) **INFORMATION REQUIRED.**—Not later than 270 days after the date of enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Commission shall issue final rules that require each resource extraction issuer to include in an annual report of the resource extraction issuer information relating to any payment made by the resource extraction issuer, a subsidiary of the resource extraction issuer, or an entity under the control of the resource extraction issuer to a foreign government or the Federal Government for the purpose of the commercial development of oil, natural gas, or minerals, including—

“(i) the type and total amount of such payments made for each project of the resource extraction issuer relating to the commercial development of oil, natural gas, or minerals; and

“(ii) the type and total amount of such payments made to each government.

“(B) **CONSULTATION IN RULEMAKING.**—In issuing rules under subparagraph (A), the Commission may consult with any agency or entity that the Commission determines is relevant.

“(C) **INTERACTIVE DATA FORMAT.**—The rules issued under subparagraph (A) shall require that the information included in the annual report of a resource extraction issuer be submitted in an interactive data format.

“(D) **INTERACTIVE DATA STANDARD.**—

“(i) **IN GENERAL.**—The rules issued under subparagraph (A) shall establish an interactive data standard for the information included in the annual report of a resource extraction issuer.

“(ii) **ELECTRONIC TAGS.**—The interactive data standard shall include electronic tags that identify, for any payments made by a resource extraction issuer to a foreign government or the Federal Government—

“(I) the total amounts of the payments, by category;

“(II) the currency used to make the payments; and

“(III) the financial period in which the payments were made;

“(IV) the business segment of the resource extraction issuer that made the payments;

“(V) the government that received the payments, and the country in which the government is located;

“(VI) the project of the resource extraction issuer to which the payments relate; and

“(VII) such other information as the Commission may determine is necessary or appropriate in the public interest or for the protection of investors.

“(E) **INTERNATIONAL TRANSPARENCY EFFORTS.**—To the extent practicable, the rules issued under subparagraph (A) shall support the commitment of the Federal Government to international transparency promotion efforts relating to the commercial development of oil, natural gas, or minerals.

“(F) **EFFECTIVE DATE.**—With respect to each resource extraction issuer, the final rules issued under subparagraph (A) shall take effect on the date on which the resource extraction issuer is required to submit an annual report relating to the fiscal year of the resource extraction issuer that ends not earlier than 1 year after the date on which the Commission issues final rules under subparagraph (A).

“(3) **PUBLIC AVAILABILITY OF INFORMATION.**—

“(A) **IN GENERAL.**—To the extent practicable, the Commission shall make available online, to the public, a compilation of the information required to be submitted under the rules issued under paragraph (2)(A).

“(B) **OTHER INFORMATION.**—Nothing in this paragraph shall require the Commission to make available online information other than the information required to be submitted under the rules issued under paragraph (2)(A).

“(4) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Commission such sums as may be necessary to carry out this subsection.”.

SEC. 1505. STUDY BY THE COMPTROLLER GENERAL.

(a) **IN GENERAL.**—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall issue a report assessing the relative independence, effectiveness, and expertise of presidentially appointed inspectors general and inspectors general of designated Federal entities, as such term is defined under section 8G of the Inspector General Act of 1978, and the effects on independence of the amendments to the Inspector General Act of 1978 made by this Act.

(b) **REPORT.**—The report required by subsection (a) shall be issued to the Committees on Financial Services and Oversight and Government Reform of the House of Representatives and the Committees on Banking, Housing, and Urban Affairs and Homeland Security and Governmental Affairs of the Senate.

SEC. 1506. STUDY ON CORE DEPOSITS AND BROKERED DEPOSITS.

(a) **STUDY.**—The Corporation shall conduct a study to evaluate—

(1) the definition of core deposits for the purpose of calculating the insurance premiums of banks;

(2) the potential impact on the Deposit Insurance Fund of revising the definitions of brokered deposits and core deposits to better distinguish between them;

(3) an assessment of the differences between core deposits and brokered deposits and their role in the economy and banking sector of the United States;

(4) the potential stimulative effect on local economies of redefining core deposits; and

(5) the competitive parity between large institutions and community banks that could result from redefining core deposits.

(b) *REPORT TO CONGRESS.*—Not later than 1 year after the date of enactment of this Act, the Corporation shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report on the results of the study under subsection (a) that includes legislative recommendations, if any, to address concerns arising in connection with the definitions of core deposits and brokered deposits.

TITLE XVI—SECTION 1256 CONTRACTS

SEC. 1601. CERTAIN SWAPS, ETC., NOT TREATED AS SECTION 1256 CONTRACTS.

(a) *IN GENERAL.*—Subsection (b) of section 1256 of the Internal Revenue Code of 1986 is amended—

(1) by redesignating paragraphs (1) through (5) as subparagraphs (A) through (E), respectively, and by indenting such subparagraphs (as so redesignated) accordingly,

(2) by striking “For purposes of” and inserting the following:

“(1) *IN GENERAL.*—For purposes of”, and

(3) by striking the last sentence and inserting the following new paragraph:

“(2) *EXCEPTIONS.*—The term ‘section 1256 contract’ shall not include—

“(A) any securities futures contract or option on such a contract unless such contract or option is a dealer securities futures contract, or

“(B) any interest rate swap, currency swap, basis swap, interest rate cap, interest rate floor, commodity swap, equity swap, equity index swap, credit default swap, or similar agreement.”.

(b) *EFFECTIVE DATE.*—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same.

From the Committee on Financial Services, for consideration of the House bill and the Senate amendment, and modifications committed to conference:

BARNEY FRANK of
Massachusetts,
PAUL E. KANJORSKI,
MAXINE WATERS,
CAROLYN B. MALONEY,
LUIS V. GUTIERREZ,
MELVIN L. WATT,
GREGORY W. MEEKS of New
York,
DENNIS MOORE of Kansas,
MARY JO KILROY,
GARY C. PETERS,

From the Committee on Agriculture, for consideration of subtitles A and B of title I, secs. 1303, 1609, 1702, 1703, title III (except secs. 3301 and 3302), secs. 4205(c), 4804(b)(8)(B), 5008, and 7509 of the House bill, and sec. 102, subtitle A of title I, secs. 406, 604(h), title VII, title VIII, secs. 983, 989E, 1027(j), 1088(a)(8), 1098, and 1099 of the Senate amendment, and modifications committed to conference:

COLLIN C. PETERSON,
LEONARD L. BOSWELL,

From the Committee on Energy and Commerce, for consideration of secs. 3009, 3102(a)(2), 4001, 4002, 4101–4114, 4201, 4202, 4204–4210, 4301–4311, 4314, 4401–4403, 4410, 4501–4509, 4601–4606, 4815, 4901, and that portion of sec. 8002(a)(3) which adds a new sec. 313(d) to title 31, United States Code, of the House bill, and that portion of sec. 502(a)(3) which adds a new sec. 313(d) to title 31, United States Code, secs. 722(e), 1001, 1002, 1011–1018, 1021–1024, 1027–1029, 1031–1034, 1036, 1037, 1041, 1042,

1048, 1051–1058, 1061–1067, 1101, and 1105 of the Senate amendment, and modifications committed to conference:

BOBBY L. RUSH,

From the Committee on Judiciary, for consideration of secs. 1101(e)(2), 1103(e)(2), 1104(i)(5) and (i)(6), 1105(h) and (i), 1110(c) and (d), 1601, 1605, 1607, 1609, 1610, 1612(a), 3002(c)(3) and (c)(4), 3006, 3119, 3206, 4205(n), 4306(b), 4501–4509, 4603, 4804(b)(8)(A), 4901(c)(8)(D) and (e), 6003, 7203(a), 7205, 7207, 7209, 7210, 7213–7216, 7220, 7302, 7507, 7508, 9004, 9104, 9105, 9106(a), 9110(b), 9111, 9118, 9203(c), and 9403(b) of the House bill, and secs. 112(b)(5)(B), 113(h), 153(f), 201, 202, 205, 208–210, 211(a) and (b), 316, 502(a)(3), 712(c), 718(b), 723(a)(3), 724(b), 725(c), 728, 731, 733, 735(b), 744, 748, 753, 763(a), (c) and (i), 764, 767, 809(f), 922, 924, 929B, 932, 991(b)(5), (c)(2)(G) and (c)(3)(H), 1023(c)(7) and (c)(8), 1024(c)(3)(B), 1027(e), 1042, 1044(a), 1046(a), 1047, 1051–1058, 1063, 1088(a)(7)(A), 1090, 1095, 1096, 1098, 1104, 1151(b), and 1156(c) of the Senate amendment, and modifications committed to conference:

JOHN CONYERS, Jr.

HOWARD L. BERMAN,

From the Committee on Oversight and Government Reform, for consideration of secs. 1000A, 1007, 1101(e)(3), 1203(d), 1212, 1217, 1254(c), 1609(h)(8)(B), 1611(d), 3301, 3302, 3304, 4106(b)(2) and (g)(4)(D), 4604, 4801, 4802, 5004, 7203(a), 7409, and 8002(a)(3) of the House bill, and secs. 111(g), (i) and (j), 152(d)(2), (g) and (k), 210(h)(8), 319, 322, 404, 502(a)(3), 723(a)(3), 748, 763(a), 809(g), 922(a), 988, 989B, 989C, 989D, 989E, 1013(a), 1022(c)(6), 1064, 1152, and 1159(a) and (b) of the Senate amendment, and modifications committed to conference:

EDOLPHUS TOWNS,

ELIJAH E. CUMMINGS,

From the Committee on Small Business, for consideration of secs. 1071 and 1104 of the Senate amendment, and modifications committed to conference:

NYDIA M. VELÁZQUEZ,

HEATH SHULER,

Managers on the Part of the House.

CHRISTOPHER J. DODD,

TIM JOHNSON,

JACK REED,

CHARLES E. SCHUMER,

From the Committee on Agriculture, Nutrition, and Forestry:

BLANCHE L. LINCOLN,

PATRICK J. LEAHY,

TOM HARKIN,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill H.R. 4173, to provide for financial regulatory reform, to protect consumers and investors, to enhance Federal understanding of insurance issues, to regulate the over-the-counter derivatives markets, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment that is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes

made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

TITLE I—FINANCIAL STABILITY

Title I, which establishes a specific framework for ensuring financial stability, consists of three subtitles. Subtitle A establishes a Financial Stability Oversight Council to monitor potential threats to the financial system and provide for more stringent regulation of nonbank financial companies and financial activities that the Council determines, based on consideration of risk-related factors, pose risks to financial stability. Subtitle B establishes an Office of Financial Research that supports the Council by collecting information, conducting research, and analyzing data. Subtitle C provides a specific, more stringent supervisory framework for regulating large, interconnected bank holding companies, nonbank financial companies that the Council subjects to more stringent regulation, and activities and practices that the Council determines may pose systemic threats.

TITLE II—ORDERLY LIQUIDATION AUTHORITY

Title II establishes an orderly liquidation authority that may be used only if the Secretary of the Treasury (in consultation with the President), based on the written recommendation of two other federal regulators, agrees that doing so is necessary to mitigate serious adverse effects on financial stability in the United States. When the authority is used, the FDIC is appointed receiver and must liquidate the company in a manner that mitigates significant risks to financial stability and minimizes moral hazard. All costs of an orderly liquidation under this title are borne first by shareholders and unsecured creditors, and, if necessary, by risk-based assessments on large financial companies. Taxpayers specifically are protected from losses associated with use of this authority.

TITLE III—TRANSFER OF POWERS TO THE COMPTROLLER OF THE CURRENCY, THE CORPORATION, AND THE BOARD OF GOVERNORS

PRUDENTIAL REGULATOR RESTRUCTURING

Title III of the conference report transfers the functions of the Office of Thrift Supervision to the Office of the Comptroller of the Currency, which will now supervise federal thrifts, to the Federal Deposit Insurance Corporation (“FDIC”), which will supervise state-chartered thrifts, and to the Federal Reserve Board, which will supervise thrift holding companies.

The conference report also protects employees affected by the regulatory streamlining by preserving pay and benefits, and protecting them from involuntary separation or relocation for a period of time. Title III requires comprehensive coordination of the integration of the agencies, and reporting to the House Financial Services Committee and Senate Banking Committee regarding the implementation of the merger.

FEDERAL DEPOSIT INSURANCE REFORMS

The title revises the FDIC’s assessment base for deposit insurance, maintaining the risk-based nature of the assessment structure but transitioning to a broader assessment base for bank premiums based on total assets (minus tangible equity). The conference report also includes additional reforms that will enhance FDIC’s ability to manage the Deposit Insurance Fund.

The title makes permanent the increase in deposit insurance to \$250,000, and makes the

increase retroactive to January 1, 2008. Full insurance of noninterest-bearing transaction accounts is also extended for an additional two years and a comparable program is authorized for credit unions.

OFFICE OF MINORITY AND WOMEN INCLUSION

The title requires the establishment of offices of Minority and Women Inclusion by the Treasury Department, and the financial regulators, to coordinate technical assistance to minority-owned and women-owned businesses and to promote diversity in the workforce of the regulators.

TITLE IV—REGULATION OF ADVISERS TO HEDGE FUNDS AND OTHERS

The conference report eliminates the “private adviser” exemption in the Investment Advisers Act of 1940 (“IAA”) thus registering advisers to private funds with the U.S. Securities and Exchange Commission (“SEC”). It expands the advisers’ reporting requirements to the SEC as necessary or appropriate in the public interest and for the protection of investors or for the assessment of risk by the Financial Stability Oversight Council. The SEC is authorized to take into account the size, governance, and investment strategy of an adviser to the fund to determine if the fund poses a systemic risk. The conference report also amends the IAA to allow the SEC to require investment advisers to disclose the identity, investments, or affairs of their clients for purposes of systemic risk.

The report includes exemptions for certain private fund advisers. It provides an exemption from registration requirements for advisers of private funds, each with less than \$150 million in assets under management, while maintaining reporting requirements as directed by the SEC; an SEC reporting requirement for advisers to venture capital funds, as defined by the SEC and otherwise exempt from the framework; and an exemption for Family Offices. The conference report raises the assets threshold for federal regulation of investment advisers from \$30 million to \$100 million. Those advisers who qualify to register with their home state must register with the SEC should the adviser operate in more than 15 states.

Finally, the report clarifies the SEC’s authority to make rules necessary for the exercise of the powers conferred upon the SEC by the IAA. The SEC must adjust for the effects of inflation any dollar amount measures used in making determinations of the qualified client standard.

Advisers must comply with the new provisions within one year of enactment of the conference report, though the report allows advisers to register earlier with the SEC.

TITLE V—INSURANCE

Subtitle A, the Federal Insurance Office Act of 2010, creates a Federal Insurance Office (FIO) in the Treasury Department to provide the Executive Branch and the Congress with a source of information on the national insurance marketplace. FIO is not a federal regulator or supervisor of insurance. Rather, its functions include collecting information about the insurance industry; monitoring for systemic risk in the insurance industry, including serving in an advisory capacity to the Financial Stability Oversight Council; and administering the Terrorism Risk Insurance Program. Further, FIO will consult with the states regarding insurance matters of national importance and prudential insurance matters of international importance. FIO will also coordinate federal efforts and develop federal policy on prudential aspects of international insurance matters, including representing the United States in inter-

national insurance fora, and assisting the Treasury Secretary in negotiations of international insurance agreements with respect to the business of insurance or reinsurance. FIO will have a narrow and limited preemption power over state insurance measures that are inconsistent with such international insurance agreements.

The Federal Insurance Office Act of 2010 expressly provides the Secretary of the Treasury, jointly with the USTR, the authority to negotiate and enter into international insurance agreements. To assure uniform, national application of prudential measures such as reinsurance collateral requirements, the Federal Insurance Office Act provides the Director with the authority to identify and narrowly preempt state insurance measures inconsistent with a defined category of international insurance agreements.

Subtitle B, the Nonadmitted and Reinsurance Reform Act of 2010, will reform and modernize two important sectors of the commercial insurance marketplace, nonadmitted insurance (also known as ‘surplus lines’ insurance) and reinsurance. Specifically, the Nonadmitted and Reinsurance Reform Act of 2010 creates a uniform system for nonadmitted insurance premium tax payments based upon the home state of the policyholder, encourages the states to develop a compact or other procedural mechanism for uniform tax allocation, and establishes regulatory deference for the home state of the insured. The Act adopts uniform eligibility requirements for nonadmitted insurers as developed and promulgated by the National Association of Insurance Commissioners (NAIC) in the Nonadmitted Insurance Model Act. The Nonadmitted and Reinsurance Reform Act of 2010 will allow direct access to the nonadmitted insurance markets for certain sophisticated commercial purchasers. The Nonadmitted and Reinsurance Reform Act also streamlines the regulation of reinsurance by applying single state regulation for financial solvency and credit for reinsurance. Credit for reinsurance determinations will be controlled by the state of domicile of the ceding insurer. Reinsurance solvency regulation will be controlled by the state of domicile of the reinsurer provided such state is NAIC-accredited or has financial solvency requirements substantially similar to the requirements necessary for NAIC accreditation. Under the Act, non-domiciliary states are specifically prohibited from applying their reinsurance laws in an extra-territorial manner.

TITLE VI—IMPROVEMENTS TO REGULATION OF BANK AND SAVINGS ASSOCIATION HOLDING COMPANIES AND DEPOSITORY INSTITUTIONS

Title VI improves prudential regulation of banks, saving associations, and their holding companies. The improvements include significant limitations on proprietary trading and sponsoring or investing in hedge funds or private equity funds by banking entities through the Volcker rule, better supervision of nonbank subsidiaries of holding companies, enhanced restrictions on transactions with affiliates, limits on derivatives and securities lending credit exposure, and a requirement that any company that controls an insured depository institution serve as a source of financial strength to the institution.

TITLE VII—WALL STREET TRANSPARENCY AND ACCOUNTABILITY

The conference report establishes a new regulatory framework to cover a broad range

of participants and institutions in the over-the-counter derivatives market. The Commodity Futures Trading Commission (“CFTC”) and the Securities and Exchange Commission (“SEC”) are authorized to write rules for the swaps and security-based swaps markets, respectively. The Commissions shall consult and coordinate on rules and include the prudential regulators, to the extent possible, to assure regulatory consistency and comparability. The Commissions will register participants in the market including dealers, major participants, clearing agencies and organizations, exchanges, swap execution facilities, and trade repositories. Exemptions and exclusions from registration will apply as outlined in the report or at the discretion of the regulators. The Commissions will have enforcement authority in their jurisdictions while the prudential regulators maintain exclusive authority to enforce provisions for capital and margin for banks and branches or agencies of foreign banks.

The report provides definitions for terms used in the Commodity Exchange Act and Securities Exchange Act of 1934. The regulatory framework outlines provisions for:

Mandatory clearing of swaps and security-based swaps for those trades that are eligible for clearing as determined by both the clearing houses and the regulators;

Mandatory trading on an exchange or swap (or security based swap) execution facility should the transactions be cleared and a facility will accept it for trading;

Public trade reporting of all cleared and uncleared swaps and security-based swaps;

Regulators have authority to impose capital on dealers and major swap participants;

Regulators have authority to impose margin requirements only on dealers and major participants for uncleared swaps, adding safeguards to the system by ensuring dealers and major swap participants have adequate financial resources to meet obligations;

Position limits on swaps contracts that perform or affect a significant price discovery function and requirements to aggregate limits across markets; and

Prohibitions against market manipulation.

The report includes a prohibition of federal assistance to swaps and security-based swap entities, including federal deposit insurance, access to the Federal Reserve discount window or Federal Reserve credit facility, to swaps entities in connection with their trading in swaps or securities-based swaps.

The report establishes a code of conduct for all registered swap dealers and major swap participants requiring them to disclose to the swap entity the material risks and characteristics of a swap and any conflicts of interest or material incentives. When acting as counterparties to a pension fund, endowment fund, or state or local government, dealers are to have a reasonable basis to believe that the fund or governmental entity has an independent representative advising them.

The report requires a number of studies, including studies on international swap regulation, the regulation of carbon markets, stable value contracts, and the effect of position limits on exchanges.

TITLE VIII—PAYMENT, CLEARING, AND SETTLEMENT SUPERVISION

Title VIII establishes a specific framework for promoting uniform risk-management standards for systemically important financial market utilities (FMUs) and systemically important payment, clearing, and settlement (PCS) activities conducted by financial institutions. The Board of Governors of

the Federal Reserve System (Board), the Securities and Exchange Commission (SEC), or the Commodity Futures Trading Commission (CFTC), as appropriate, is primarily responsible for establishing and enforcing risk-management standards for FMUs and PCS activities that the Council identifies as systemically important. If the Board determines that the standards imposed by the SEC or the CFTC or the enforcement actions of such agencies are insufficient, then the Council can require the SEC or CFTC to impose additional standards or take additional enforcement actions.

Title IX—INVESTOR PROTECTIONS AND IMPROVEMENTS TO THE REGULATION OF SECURITIES

Subtitle A—Increasing Investor Protection establishes mechanisms to assist investors in their dealings with the SEC by creating an Office of Investor Advocate and an Ombudsman. It also creates an Investor Advisory Committee at the SEC, and clarifies the authority of the SEC to engage in investor testing. Subtitle A directs the SEC to study the standards of care applicable to broker-dealers and investment advisers giving investment advice to retail customers, and it authorizes the SEC to promulgate rules imposing a fiduciary duty on broker-dealers and investment advisers to protect retail customers. In addition, the subtitle streamlines filing procedures for self-regulatory organizations. Subtitle A also clarifies the authority of the SEC to require investor disclosures before purchase of investment products and services. Finally, the subtitle requires studies on the enhancement of investment adviser examinations, financial literacy, mutual fund advertising, conflicts of interest, improved investor access to information on investment advisers and broker-dealers, and financial planners and the use of financial designations.

Subtitle B—Increasing Regulatory Enforcement and Remedies strengthens the SEC's authority to conduct investigations, impose liability on control persons, and assess penalties for violations of the securities laws. It also makes clear that the intent standard in SEC enforcement actions for aiding and abetting is recklessness, and it requires a study regarding the issue of aiding and abetting liability in private actions. Under subtitle B, the SEC has the authority to restrict pre-dispute mandatory arbitration. The subtitle further enhances incentives and protections for whistleblowers providing information leading to successful SEC enforcement actions. Awards to whistleblowers will range from 10 percent to 30 percent of the amounts collected by the SEC in actions where the SEC obtained monetary sanctions exceeding \$1 million. The subtitle also works to protect the confidentiality of whistleblowers.

The subtitle further enhances the ability of the SEC to ban violators from all parts of the securities industry, disqualifies felons and other bad actors from using the Regulation D offering exemption, and provides for the equal treatment of self-regulatory organization (SRO) rules. It streamlines SRO rule filing procedures by requiring the SEC to complete the process of reviewing and taking action on proposed SRO rules within specified time frames. The subtitle enhances the ability of the SEC to issue subpoenas, bring cases against individuals, and share information with other authorities. It also updates the law governing the Securities Investor Protection Corporation (SIPC). These reforms include increasing the minimum assessments on SIPC members; raising penalties for fraud; and establishing civil and

criminal penalties against any person who misrepresents membership in SIPC. Subtitle B gives the SEC authority to enhance public reporting of aggregate information on short selling, prohibits manipulative short sales, and requires notification to customers that they may choose not to allow their securities to be used in connection with short sales. The subtitle further establishes procedures to notify investors about missing securities, and it requires the SEC to complete investigations and examinations within certain time frames, subject to exceptions for complex cases. Finally, the subtitle requires a study regarding the issue of aiding and abetting liability in private actions for securities fraud.

Subtitle C—Improvement to the Regulation of Credit Rating Agencies gives broader powers to the SEC to regulate nationally recognized statistical rating organizations ("NRSROs"). A new Office of Credit Ratings ("Office") is required to examine NRSROs at least once a year and make key findings public. The Office will write new rules, including requiring NRSROs to (1) set up internal controls over the process for determining credit ratings; (2) establish an independent board of directors; (3) make greater disclosures to the public and investors; and (4) develop universal ratings across asset classes and types of issuer. The report also gives the Office the authority to deregister an NRSRO for providing bad ratings over time. New professional standards are established that require ratings analysts to pass qualifying exams and have continuing education.

The report includes provisions to address conflicts of interest. It prohibits compliance officers from working on ratings, methodologies, or sales and prevents other employees from both marketing ratings services and performing the ratings of securities. The subtitle includes on additional conflict of interest mitigation including a new requirement for NRSROs to conduct a one-year look-back review when an NRSRO employee goes to work for an obligor or underwriter of a security or money market instrument subject to a rating by that NRSRO; and report to the SEC when certain employees of the NRSRO go to work for an entity that the NRSRO has rated in the previous twelve months. The SEC shall make such reports publicly available.

To reduce the reliance on ratings, the report amends several statutes to remove references to credit ratings, credit rating agencies and NRSROs. The subtitle includes a requirement that all Federal agencies review their regulations, policies and practices that reference credit ratings, credit rating agencies, and NRSROs. After identifying where the agency relies on or makes these references, the agencies shall modify their regulations by striking these references and substituting a standard of creditworthiness to be established by the agencies.

New provisions address information gathering. NRSROs must consider information in their ratings that comes to their attention from a source other than the organizations being rated, if they find it credible. In addition, the subtitle includes an elimination of the credit rating agency exemption from Regulation Fair Disclosure, commonly known as Reg FD.

The report also addresses liability measures for the NRSRO. The report allows investors to bring private rights of action against credit rating agencies for a knowing or reckless failure to conduct a reasonable investigation of the facts or to obtain analysis from an independent source. The report also

nullifies Rule 436(g) which provides an exemption for credit ratings provided by NRSROs from being considered a part of the registration statement prepared or certified by a person under the "expert liability" regime of Section 7 and Section 11 of the Securities Act of 1933. The subtitle requires all references to "furnish" be replaced with the word "file" in existing law. Information that is "furnished" to the SEC is subject to a lower standard of accuracy and liability than information "filed" with the SEC.

The report also directs the SEC to establish a system that prohibits issuers of structured finance from selecting the NRSRO that will provide the initial credit rating. The system would mandate that initial rating assignments for structured finance securities be made on a random or semi-random basis, unless the SEC determines, after study, that an alternative system of assigning ratings would better protect investors and serve the public interest.

Subtitle D—Improvements to Asset-Backed Securitization Process requires securitizers to retain an economic interest in a material portion of the credit risk for any asset that securitizers transfer, sell, or convey to a third party. Risk retention requirements and exemptions will be determined by regulators, which will include setting risk retention requirements for different asset classes that are securitized and allocating risk retention obligations between securitizers and originators. An exemption is provided for qualified residential mortgages, as defined by the regulators, but which can be no broader than the definition of qualified mortgage in Title XIV. Regulators may tailor risk retention requirements as appropriate to the structure of collateralized debt obligations and other complex asset-backed securities. Subtitle D also requires enhanced disclosure by issuers of asset-backed securities, including data related to the underlying loans or assets. Express exemptions are provided for the Farm Credit System and any residential, multifamily, or health care facility mortgage loan asset or securitization which is insured or guaranteed by the United States or an agency of the United States. Regulators also are required to issue total or partial exemptions from risk retention and disclosure requirements for municipal securities and for securitizations of assets issued or guaranteed by federal agencies, as long as the exemption is in the public interest and for the protection of investors.

Subtitle E—Accountability and Executive Compensation is designed to address shareholder rights and executive compensation practices. In this subtitle, Congress provides shareholders in a public company with a vote on executive compensation and additional disclosures involving compensation practices. Under the conference report, at least every three years shareholders can cast an advisory vote to approve the compensation of executives and, where appropriate, golden parachutes for executives. Also under this subtitle, (i) board committees that set compensation policy will consist only of directors who are independent; (ii) companies will tell shareholders about the relationship between the executive compensation the company paid and the company's financial performance; (iii) companies will be required to have a policy to recover money erroneously paid to executives based on financials that later have to be restated due to an accounting error; and (iv) companies will be required to disclose in the annual proxy statement whether employees or members of the board may hedge or offset any decrease in the market value of equity securities granted. This

subtitle also requires federal financial regulators to monitor incentive-based payment arrangements of federally regulated financial institutions larger than \$1 billion and prohibit incentive-based payment arrangements that the regulators determine jointly could threaten financial institutions' safety and soundness or could have serious adverse effects on economic conditions or financial stability. Finally, subtitle E prohibits brokers who are not beneficial owners of a security from voting through company proxies unless the beneficial owner has instructed the broker to vote on the owner's behalf.

Subtitle F—Improvements to the Management of the Securities and Exchange Commission requires several reports designed to assess SEC performance and provide recommendations for improvements. These involve assessment of the management of the SEC related to internal supervisory controls, personnel management, financial controls, and oversight of national securities associations. Subtitle F also creates a suggestion program for SEC employees and requires the Divisions of Trading and Markets and Investment Management to have examiners on their staffs. It requires the SEC to hire a consultant to study the SEC's operations and determine whether there is a need for comprehensive reform. Finally, Subtitle F requires the GAO to study issues surrounding employees who leave the SEC to work in the securities industry.

Subtitle G—Strengthening Corporate Governance authorizes the SEC to write rules allowing shareholders to nominate candidates for an issuer's board of directors, and to have such candidates listed on the issuer's own proxy materials. In writing such rules, the SEC must consider the burden on small issuers, and may issue exemptions from proxy access rules. Issuers must also disclose why the issuer has chosen to have a single person, or different individuals, serve as CEO and Chairman of the board of the company.

Subtitle H—Municipal Securities requires the registration of municipal financial advisors and subjects them to rules to be promulgated by the Municipal Securities Rulemaking Board (MSRB), which will be enforced by the SEC. An Office of Municipal Securities is created within the SEC. The MSRB will be reconstituted, so that a majority of members are independent of the municipal securities industry. Municipal advisors will have a fiduciary duty to municipal entities. Subtitle H calls for studies of municipal securities markets, and ways to increase disclosure to investors. It also provides a certain source of funding for the Government Accounting Standards Board.

Subtitle I—Public Company Accounting Oversight Board, Portfolio Margining, and Other Matters, subtitle I allows the Public Company Accounting Oversight Board (PCAOB) to examine the auditors of broker-dealers. It further authorizes the PCAOB to share information with foreign authorities. The conference report also authorizes portfolio margining for accounts that hold both securities and futures. In response to problems related to securities borrowing and lending, the conference report requires more transparency. It also raises the dollar threshold that triggers a full "material loss review" by federal banking regulators' inspectors general. Subtitle I improves the coordination, activities, flexibility, and accountability of inspectors general at Federal financial agencies. Subtitle I also exempts small issuers (those with less than \$75,000,000 in market capitalization) from the external audit of internal controls requirements of Sarbanes-Oxley Section

404(b), and requires studies on the impact of such an exemption and the exemption for mid-sized companies. The subtitle also creates an exemption for certain annuities from federal securities regulation. Further, it makes numerous technical and conforming changes to Federal securities laws.

Subtitle J—Securities and Exchange Commission Match Funding maintains the role of the Appropriations Committees in setting the Securities and Exchange Commission's annual budgets on and after FY2012. Transaction fee receipts would be treated as offsetting collections equal to the amount of the appropriation. Any excess collections would go to the Treasury as general revenue and not offset any current or future appropriations. Subtitle J sets annual registration fee targets that will produce \$5 billion of revenues over ten years that will go to the Treasury general fund. It also requires SEC's budget to be submitted to Congress concurrent with the earliest submission to the Office of Management and Budget and submitted unaltered by the President; builds in flexibility for multi-year budget authority and unanticipated needs; and authorizes graduated funding level increases for the SEC for FYs 2011–2015.

TITLE X—BUREAU OF CONSUMER FINANCIAL PROTECTION

Title X establishes the Bureau of Consumer Financial Protection (Bureau), which will be an independent bureau within the Federal Reserve System. It will be run by a Director who is Presidentially appointed and Senate confirmed. The Bureau will have the authority and accountability to ensure that existing consumer protection laws and regulations are comprehensive, fair, and vigorously enforced.

The Bureau will have authority to issue rules applicable to all financial institutions, including depository institutions that offer financial products and services to consumers. It will also have authority to issue rules under existing consumer banking statutes, including the Truth in Lending Act, the Equal Credit Opportunity Act, and the Real Estate Settlement Procedures Act. Furthermore, the Bureau will have authority to regulate unfair, deceptive and abusive practices and consumer products that it identifies (UDAP authority). The Bureau also may issue regulations relating to disclosures about consumer financial products and services.

Title X also establishes the Bureau as the federal agency with examination and enforcement authority over very large banks and nonbank financial institutions for compliance with the consumer protection laws. The prudential regulators will retain this authority for insured depository institutions and credit unions with assets of \$10 billion or less. Exclusions from supervision and enforcement are provided for nonfinancial companies, including merchants, retailers, attorneys, accountants, and real estate brokers, that finance the purchase of their non-financial consumer products and services under certain conditions and where the non-financial company is not significantly engaged in such financing. There is also an exclusion from the authority of the Bureau for automobile dealers, for which the Federal Reserve Board will continue to write regulations under the enumerated federal consumer laws, to be enforced by the Federal Trade Commission (FTC). The FTC will also be able to write rules proscribing unfair or deceptive acts or practices with regard to auto dealers under the procedures set out under the Administrative Procedures Act.

The conference report also revises the standard the OCC will use to preempt state consumer protection laws. It codifies the standard in the 1996 Supreme Court case *Barnett Bank of Marion County, N.A. v. Nelson* to allow for the preemption of State consumer financial laws that prevent or significantly interfere with national banks' exercise of their powers. State Attorneys General also are given authority to enforce the UDAP and other authorities of the Bureau against banks and savings associations.

To address consumer protection and fair lending matters, Title X establishes the Office of Fair Lending and Equal Opportunity within the Bureau. This Office will oversee the enforcement of federal laws intended to ensure fair, equitable and nondiscriminatory access to credit for individuals and communities, including the Equal Credit Opportunity Act (ECOA) and Home Mortgage Disclosure Act (HMDA). The Office will promote coordination of fair lending enforcement efforts with other federal agencies and State regulators, as appropriate, to provide consistent, efficient and effective enforcement of federal fair lending laws.

The Bureau will also include an Office for Financial Education and an Office the Financial Protection of Older Americans. In addition, Title X provides for enhanced data collection required by HMDA and ECOA.

TITLE XI—FEDERAL RESERVE SYSTEM PROVISIONS

LIQUIDITY PROGRAMS

The Federal Reserve will be able to make 13(3) emergency loans only through widely available programs approved by the Secretary of the Treasury, and not to individual firms. FDIC programs to guarantee short-term debt during financial crises will be limited to solvent depository institutions and their holding companies, and can be created only after meeting several conditions including Congressional approval.

FEDERAL RESERVE GOVERNANCE AND OVERSIGHT

The Government Accountability Office will conduct an audit of Federal Reserve 13(3) emergency lending since December 1, 2007, and the Federal Reserve will publish details about such lending on December 1, 2010. The GAO will have ongoing audit authority over Federal Reserve discount window and open market operation transactions, and emergency lending. The Federal Reserve will publicly disclose data on discount window and open market operations, and details about emergency lending, after a delay that will allow these tools to function effectively.

The position of Vice Chairman for Supervision on the Federal Reserve Board of Governors is established, and the Federal Reserve is formally prohibited from delegating its functions for establishing regulatory or supervisory policy to Federal Reserve banks. The presidents of each Federal Reserve Bank will be elected by the directors selected to represent the public (Class B and C directors), and the directors representing the member banks (Class A directors) will no longer be authorized to vote.

TITLE XII—IMPROVING ACCESS TO MAINSTREAM FINANCIAL INSTITUTIONS

This title will expand access to safe and affordable bank accounts, credit and financial information for low-income, minority and other underserved families. Specifically, the title would address the following challenges facing low- and moderate-income families with three authorized programs:

authorizes a program to help low- and moderate-income individuals open low-cost

checking or savings accounts at banks or credit unions;

increases access to objective advice through non-profits and others aiding in offering financial advice to consumers; and

creates a pool of capital to enable community development financial institutions (CDFIs) to establish and maintain small dollar loan programs, creating an alternative to pay day or car title loans in local communities.

TITLE XIII—PAY IT BACK ACT

Title XIII, the TARP Pay it Back Act, reduces the amount authorized under the Troubled Asset Repurchase Program to \$475 billion, from the original \$700 billion; prohibits Treasury from using repaid TARP funds; and prohibits Treasury from initiating new programs under TARP.

TITLE XIV—MORTGAGE REFORM AND ANTI-PREDATORY LENDING ACT

Title XIV enacts the Mortgage Reform and Anti-Predatory Lending Act. It sets minimum standards for mortgages by requiring lenders to establish that consumers have a reasonable ability to repay at the time the mortgage is consummated. It provides that certain high-quality, low-cost loans (defined as Qualified Mortgages) are presumed to meet this standard.

The Act also prohibits financial incentives (including payments known as “yield spread premiums”) that may encourage mortgage originators, including mortgage brokers and loan officers of lending institutions, to steer consumers to higher-cost and more abusive mortgages. In addition, it prohibits prepayment penalties for any adjustable rate mortgage and other mortgages that do not meet the definition of Qualified Mortgage; limits prepayment penalties charged to borrowers who wish to prepay their mortgages (typically to refinance on more affordable terms); bans single premium credit insurance and prohibits mandatory arbitration clauses; and includes protections for renters of foreclosed properties. Finally, title XIV authorizes funds to provide legal assistance to homeowners and renters who are experiencing problems related to foreclosure.

Title XIV enhances and expands the scope of consumer protections for high-cost loans under the Home Ownership and Equity Protection Act (HOEPA) and requires additional disclosures to consumers. This title revises the benchmarks for determining loans subject to the heightened HOEPA standards. It also prohibits the financing of points and fees; excessive fees for payoff information, modifications, or late payments; and practices that increase the risk of foreclosure, such as balloon payments, encouraging a borrower to default, and call provisions. The title adds a requirement for pre-loan counseling.

The Act establishes an Office of Housing Counseling at HUD that will carryout and coordinate homeownership and rental housing counseling programs; requires the launch of a national public-service, multimedia campaign to promote housing counseling and the establishment of a website and toll-free hotline; authorizes the issuance of homeownership and rental housing counseling grants to HUD-approved housing counseling agencies and State housing finance agencies; and requires HUD to update the Mortgage Information Booklet to provide consumers with a greater understanding of the terms of the home buying process. Additionally, the title requires increased information to consumers about the need for home inspections and ways to avoid foreclosure scams.

Moreover, Title XIV requires all higher-cost mortgage borrowers to have escrow accounts established. It also requires lenders to provide written disclosures about the need to pay taxes and insurance premiums to all borrowers if they opt out of creating escrow accounts. With respect to mortgage servicing reforms, Title XIV updates the Real Estate Settlement Procedures Act to create new consumer protections related to force-placed insurance, swifter responses to inquiries, increased penalties, prompt crediting of payments, and the timely receipt of payoff statement quotes.

Concerning appraisal practices, Title XIV prohibits lenders from making a higher-cost mortgage without first obtaining a written appraisal. Lenders must additionally provide mortgage applicants with copies of any and all written appraisal reports and valuations developed in connection with a mortgage transaction at least 3 days before the scheduled closing date on the property. Title XIV further creates enforceable Federal appraisal independence standards with penalties within the Truth in Lending Act. These standards prohibit the parties involved in a real estate transaction from influencing the independent judgment of an appraiser through collusion, coercion, and bribery, among other activities. The bill also reforms the Federal oversight of the State appraisal regulatory system.

The Act provides \$1 billion for “Emergency Mortgage Relief,” in the form of loans to homeowners who lose their jobs, to help make mortgage payments while the homeowner is out of work. The Act also provides \$1 billion for a third round of funding for the Neighborhood Stabilization Program to enable state and local governments to finance the purchase and redevelopment of foreclosed homes and residential properties. In addition, the Act authorizes a HUD-administered grant-making program to help entities that provide legal assistance to low- and moderate-income recipients on home ownership preservation, foreclosure prevention, and the rights of tenants associated with home foreclosure.

TITLE XV—MISCELLANEOUS PROVISIONS

Title XV of the conference report includes: RESTRICTIONS ON USE OF U.S. FUNDS FOR FOREIGN GOVERNMENTS

The conference report requires the Administration to evaluate any proposed loan by the IMF to a middle-income country if that country's public debt exceeds its annual Gross Domestic Product, and to oppose the loan if it cannot certify to Congress that the loan is likely to be repaid.

EXTRACTIVE INDUSTRIES TRANSPARENCY

The conference report requires public disclosure to the SEC of any payment relating to the commercial development of oil, natural gas, and minerals made by any person to the U.S. or a foreign government, and includes as a “payment” taxes, royalties, fees, licenses, production entitlements, bonuses, and other material benefits, as determined by the Securities and Exchange Commission.

The conference report amends the Securities Exchange Act of 1934 to require the SEC to issue rules requiring each resource extraction issuer (an issuer that engages in the commercial development of oil, natural gas, or minerals) to include in an annual report information relating to any payment made by the issuer, a subsidiary or partner, or an entity under its control to the U.S. or a foreign government for the purpose of such commercial development. Requires such

rules, to the extent practicable, to support the U.S. commitment to international transparency promotion efforts relating to such commercial development.

CONFLICT MINERALS

The conference report requires disclosure to the SEC by all persons otherwise required to file with the SEC for whom minerals originating in the Democratic Republic of Congo and adjoining countries are necessary to the functionality or production of a product manufactured by such person. Such a public disclosure report by the person must describe the measures taken to exercise due diligence on the source and chain of custody of such materials, the products manufactured, and other matters; requires an independent audit of the report.

The conference report requires that the Department of State, in consultation with others, submit to Congress a strategy to address the illicit minerals trade in the region, and a map to address linkages between conflict minerals and armed groups.

Section 1503 requires mining companies to disclose mining safety violations that are material to investors.

TITLE XVI—SECTION 1256 CONTRACTS

The title contains a provision to address the recharacterization of income as a result of increased exchange-trading of derivatives contracts by clarifying that section 1256 of the Internal Revenue Code does not apply to certain derivatives contracts transacted on exchanges.

Compliance with clause 9 of Rule XXI.—Pursuant to clause 9 of rule XXI of the Rules of the House of Representatives, neither this conference report nor the accompanying joint statement of managers contains any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI.

From the Committee on Financial Services, for consideration of the House bill and the Senate amendment, and modifications committed to conference:

BARNEY FRANK of
Massachusetts,
PAUL E. KANJORSKI,
MAXINE WATERS,
CAROLYN B. MALONEY,
LUIS V. GUTIERREZ,
MELVIN L. WATT,
GREGORY W. MEEKS of New
York,
DENNIS MOORE of Kansas,
MARY JO KILROY,
GARY C. PETERS,

From the Committee on Agriculture, for consideration of Subtitles A and B of title I, secs. 1303, 1609, 1702, 1703, title III (except secs. 3301 and 3302), secs. 4205(c), 4804(b)(8)(B), 5008, and 7509 of the House bill, and sec. 102, subtitle A of title I, secs. 406, 604(h), title VII, title VIII, secs. 983, 989E, 1027(j), 1088(a)(8), 1098, and 1099 of the Senate amendment, and modifications committed to conference:

COLLIN C. PETERSON,
LEONARD L. BOSWELL,

From the Committee on Energy and Commerce, for consideration of secs. 3009, 3102(a)(2), 4001, 4002, 4101–4114, 4201, 4202, 4204–4210, 4301–4311, 4314, 4401–4403, 4410, 4501–4509, 4601–4606, 4815, 4901, and that portion of sec. 8002(a)(3) which adds a new sec. 313(d) to title 31, United States Code, of the House bill, and that portion of sec. 502(a)(3) which adds a new sec. 313(d) to title 31, United States Code, secs. 722(e), 1001, 1002, 1011–1018, 1021–1024, 1027–1029, 1031–1034, 1036, 1037, 1041, 1042, 1048, 1051–1058, 1061–1067, 1101, and 1105 of the

Mr. DAVIS of Illinois, for 5 minutes,
today.

Mr. PERRIELLO, for 5 minutes, today.
Mr. DEFAZIO, for 5 minutes, today.

Mr. QUIGLEY, for 5 minutes, today.
(The following Members (at the request of Mr. POE of Texas) to revise and extend their remarks and include extraneous material:)

Mr. FORTENBERRY, for 5 minutes, today.

BILL PRESENTED TO THE
PRESIDENT

Mr. BURTON of Indiana (at the request of Mr. BOEHNER) for today until 12 p.m. on account of travel delays due to inclement weather.

H.R. 2194. To amend the Iran Sanctions Act of 1996 to enhance United States diplomatic efforts with respect to Iran by expanding economic sanctions against Iran.

SPECIAL ORDERS GRANTED

(The following Members (at the request of Mr. MCGOVERN) to revise and extend their remarks and include extraneous material:)

ADJOURNMENT

Mr. FRANK of Massachusetts.
Madam Speaker, I move that the House
do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 31 minutes p.m.), pursuant to House Resolution 1484, the House adjourned until tomorrow, Wednesday, June 30, 2010, at 10 a.m., as a further mark of respect to the memory of the late Honorable ROBERT C. BYRD.

Mr. McDERMOTT, for 5 minutes,
today.

BUDGETARY EFFECTS OF PAYGO LEGISLATION

Pursuant to Public Law 111-139, Mr. SPRATT hereby submits, prior to the vote on passage, the attached estimate of the costs of the bill H.R. 1554, the Fountainhead Property Land Transfer Act, as amended, for printing in the CONGRESSIONAL RECORD.

ESTIMATE OF PAY-AS-YOU-GO EFFECTS FOR H.R. 1554, THE FOUNTAINHEAD PROPERTY LAND TRANSFER ACT, AS AMENDED

[illegible]

Pursuant to Public Law 111-139, Mr. SPRATT hereby submits, prior to the vote on passage, the attached estimate of the costs of the bill H.R. 2340, the Salmon Lake Land Selection Resolution Act, for printing in the CONGRESSIONAL RECORD.

CBO ESTIMATE OF PAY-AS-YOU-GO EFFECTS FOR H.R. 2340, THE SALMON LAKE LAND SELECTION RESOLUTION ACT, AS ORDERED REPORTED BY THE HOUSE COMMITTEE ON NATURAL RESOURCES ON JUNE 16, 2010

[illegible]

Pursuant to Public Law 111-139, Mr. SPRATT hereby submits, prior to the vote on passage, the attached estimate of the costs of the bill H.R. 5552, the Firearms Excise Tax Improvement Act of 2010, as amended, for printing in the CONGRESSIONAL RECORD.

CBO ESTIMATE OF THE STATUTORY PAY-AS-YOU-GO EFFECTS FOR H.R. 5552, THE FIREARMS EXCISE TAX IMPROVEMENT ACT OF 2010, AS PROVIDED BY THE HOUSE COMMITTEE ON WAYS AND MEANS ON JUNE 29, 2010

	By fiscal year, in millions of dollars—												
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010–2015	2010–2020
	Net Increase or Decrease (–) in the Deficit												
Statutory Pay-As-You-Go Impact	82	–32	–30	–11	–6	–155	151	–2	–1	–1	–1	–151	–4

Sources: Congressional Budget Office and Joint Committee on Taxation.
Note: Components may not sum to totals because of rounding.

Pursuant to Public Law 111-139, Mr. SPRATT hereby submits, prior to the vote on passage, the attached estimate of the costs of the bill H.R. 5618, the Restoration of Emergency Unemployment Compensation Act of 2010, for printing in the CONGRESSIONAL RECORD.

CBO ESTIMATE OF THE STATUTORY PAY-AS-YOU-GO EFFECTS FOR H.R. 5618, THE RESTORATION OF EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 2010, AS INTRODUCED ON JUNE 28, 2010

	By fiscal year, in millions of dollars—												
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010–2015	2010–2020
	Net Increase in the Deficit												
Total Changes	8,545	24,684	218	214	148	76	56	2	0	0	0	33,885	33,943
Less:													
Designated as Emergency Requirements ^a	8,545	24,684	218	214	148	76	56	2	0	0	0	33,885	33,943
Statutory Pay-As-You-Go Impact	0	0	0	0	0	0	0	0	0	0	0	0	0
Memorandum: Components of the Emergency Designations:													
Change in Outlays	8,545	24,495	0	0	0	0	0	0	0	0	0	33,040	33,040
Changes in Revenues	0	–189	–218	–214	–148	–76	–56	–2	0	0	0	–845	–903

Source: Congressional Budget Office.
Note: Components may not sum to totals because of rounding.
^aSection 5 of the bill would designate Sections 2 and 3 as an emergency requirement pursuant to section 4(g) of the Statutory Pay-As-You-Go Act of 2010.

Pursuant to Public Law 111-139, Mr. SPRATT hereby submits, prior to the vote on passage, the attached estimate of the costs of the bill H.R. 5623, the Homebuyers Assistance and Improvement Act of 2010, as amended, for printing in the CONGRESSIONAL RECORD.

CBO ESTIMATE OF THE STATUTORY PAY-AS-YOU-GO EFFECTS FOR H.R. 5623, THE HOMEBUYERS ASSISTANCE AND IMPROVEMENT ACT OF 2010 AS INTRODUCED ON JUNE 29, 2010

	By fiscal year, in millions of dollars—												
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010–2015	2010–2020
	Net Increase or Decrease (–) in the Deficit												
Statutory Pay-As-You-Go Impact ^a	19	124	2	–27	–13	–126	24	4	–6	–6	–6	–20	–9

^aH.R. 5623 would amend the tax code in several ways, including extending the homebuyer tax credit for certain purchases; the bill also would amend the Travel Promotion Act to authorize the collection of additional fees and extend authority to spend those fees.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XIV, executive communications were taken from the Speaker's table and referred as follows:

8137. A letter from the Director — National Institute of Food and Agriculture, Department of Agriculture, transmitting the Department's final rule — Competitive and Noncompetitive Nonformula Federal Assistance Programs — Administrative Provisions and Subpart K for Biomass Research and Development Initiative (RIN: 0524-AA61) received June 15, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8138. A letter from the Under Secretary, Department of Defense, transmitting a certification on the review of the Advance Threat Infrared Countermeasures/Common Missile Warning System, pursuant to 10 U.S.C. 2433a; to the Committee on Armed Services.

8139. A letter from the Under Secretary, Department of Defense, transmitting a certification on the review of the DDG 1000 Zumwalt Class Destroyer Program, pursuant

to 10 U.S.C. 2433a; to the Committee on Armed Services.

8140. A letter from the Under Secretary, Department of Defense, transmitting a certification on the review of the Wideband Global SATCOM (WGS) program, pursuant to 10 U.S.C. 2433a; to the Committee on Armed Services.

8141. A letter from the Under Secretary, Department of Defense, transmitting a certification on the review of the F-35 Joint Strike Fighter (JSF) program, pursuant to 10 U.S.C. 2433a; to the Committee on Armed Services.

8142. A letter from the Under Secretary, Department of Defense, transmitting a certification on the review of the Remote Minehunting System (RMS) program, pursuant to 10 U.S.C. 2433a; to the Committee on Armed Services.

8143. A letter from the Under Secretary, Department of Defense, transmitting a certification on the review of the Apache Block 111 (AB3) program, pursuant to 10 U.S.C. 2433a; to the Committee on Armed Services.

8144. A letter from the Assistant Secretary, Department of Defense, transmitting a quarterly report on withdrawals or diversions of

equipment from Reserve component units for the period of January 1, 2010 through March 31, 2010, pursuant to Public Law 109-364, section 349; to the Committee on Armed Services.

8145. A letter from the Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting the Department's final rule — Defense Federal Acquisition regulation Supplement; Multiyear Contract Authority for Electricity from Renewable Energy Sources (DFARS Case 2008-D006) received June 15, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

8146. A letter from the Chief Counsel, Department of Homeland Security, transmitting the Department's final rule — Suspension of Community Eligibility [Docket ID: FEMA-2010-0003] [Internal Agency Docket No.: FEMA-8131] received June 4, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8147. A letter from the Chief Counsel, Department of Homeland Security, transmitting the Department's final rule — Changes in Flood Elevation Determinations [Docket ID: FEMA-2010-0003] received June 4, 2010,

pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8148. A letter from the General Counsel, Department of the Treasury, transmitting a draft bill "To authorize United States participation in, and appropriations for the United States contribution to, the Global Agriculture and Food Security Program, a multi-donor trust fund administered by the World Bank"; to the Committee on Financial Services.

8149. A letter from the Assistant General Counsel for Regulatory Services, Department of Education, transmitting the Department's final rule — National Institute on Disability and Rehabilitation Research (NIDRR)—Disability and Rehabilitation Research Projects and Centers Program—Rehabilitation Engineering Research Centers (RERCs) Catalog of Federal Domestic Assistance (CFDA) Numbers: 84.133E-1 and 84.133E-3 received June 15, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and Labor.

8150. A letter from the Assistant General Counsel for Regulatory Service, Department of Education, transmitting the Department's final rule — Catalog of Federal Domestic Assistance (CFDA) Number: 84.215J received June 15, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and Labor.

8151. A letter from the Assistant Secretary, Employee Benefits Security Administration, Department of Labor, transmitting the Department's final rule — Final Rule Relating to Time and Order of Issuance of Domestic Relations Orders (RIN: 1210-AB15) received June 15, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and Labor.

8152. A letter from the Assistant General Counsel for Legislation, Regulation and Energy Efficiency, Department of Energy, transmitting the Department's final rule — Weatherization Assistance for Low-Income Persons: Maintaining the Privacy of Applicants for and Recipients of Services [Docket No.: DOE-EERE-OT-2010-0004] (RIN: 1904-AC16) received June 10, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8153. A letter from the Office of Managing Director, AMD-PERM, Federal Communications Commission, transmitting the Commission's final rule—Amendment of parts 1, 21, 73, 74, and 101 of the Commission's Rules to Facilitate the Provision of Fixed and Mobile Broadband Access, Educational and Other Advanced Services in the 2150-2162 and 2500-2690 MHz Bands [WT Docket No.: 03-66] received June 15, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8154. A letter from the Deputy Assistant Secretary For Export Administration, Department of Commerce, transmitting the Department's final rule — Technical Amendment to Part 766 of the Export Administration Regulations [Docket No.: 100603238-0235-01] (RIN: 0694-AE93) received June 15, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Foreign Affairs.

8155. A letter from the Assistant Secretary, Legislative Affairs, Department of State, transmitting update to the letter sent on June 18, 2009 regarding the Pan Am 103 bombing; to the Committee on Foreign Affairs.

8156. A letter from the Associate Director, PP&I, Department of the Treasury, transmitting the Department's final rule — Iranian Transactions Regulations received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Foreign Affairs.

8157. A letter from the Secretary, Department of the Interior, transmitting the Department's semiannual report from the office of the Inspector General for the period October 1, 2009 through March 31, 2010, pursuant to 5 U.S.C. app. (Insp. Gen. Act), section 5(b); to the Committee on Oversight and Government Reform.

8158. A letter from the Auditor, Office of the District of Columbia Auditor, transmitting a copy of the report entitled, "Auditor's Certification of the Department of Mental Health's FY 2008 Performance Accountability Report", pursuant to D.C. Code section 47-117(d); to the Committee on Oversight and Government Reform.

8159. A letter from the Federal Co-Chair, Appalachian Regional Commission, transmitting the Commission's semiannual report from the office of the Inspector General for the period October 1, 2009 through March 31, 2010, pursuant to Section 5(b) of the Inspector General Act of 1978; to the Committee on Oversight and Government Reform.

8160. A letter from the Acting Senior Procurement Executive, General Services Administration, transmitting the Administration's final rule — General Services Administration Acquisition Regulation; GSAR Case 2008-G503, Rewrite of GSAR Part 505, Publicizing Contract Actions [GSAR Amendment 2010-02; GSAR Case 2008-G503 (Change 45) Docket 2008-0007; Sequence 11] (RIN: 3090-AI71) received June 10, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

8161. A letter from the Administrator, National Aeronautics and Space Administration, transmitting the Inspector General's semiannual report to Congress for the reporting period ending March 31, 2010, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Oversight and Government Reform.

8162. A letter from the Chairman, National Credit Union Administration, transmitting the Administration's semiannual report from the office of the Inspector General for the period October 1, 2009 through March 31, 2010, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Oversight and Government Reform.

8163. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule — Federal Long Term Care Insurance Program: Eligibility Changes (RIN: 3206-AL92) received June 14, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

8164. A letter from the Program Manager, Department of Justice, transmitting the Department's final rule — Decision-Making Authority Regarding the Denial, Suspension, or Revocation of a Federal Firearms License, or Imposition of a Civil Fine [Docket No.: AFT 17F; AG Order No. 3160-2010 (2008R-10P)] received June 7, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

8165. A letter from the Secretary, Department of Transportation, transmitting the Department's report of obligations and unobligated balances of funds provided for Federal-aid highway and safety construction programs for fiscal year 2008 as of September 30, 2008, pursuant to 23 U.S.C. 104(j); to the Committee on Transportation and Infrastructure.

8166. A letter from the U.S. House of Representatives, Clerk, transmitting annual compilation of financial disclosure statements of the members of the board of the Office of Congressional Ethics, pursuant to rule

XXVI, clause 3, of the House Rules; (H. Doc. No. 111-127); to the Committee on Standards of Official Conduct and ordered to be printed.

8167. A letter from the U.S. House of Representatives, Clerk, transmitting the annual compilation of personal financial disclosure statements and amendments thereto required to be filed by Members of the House with the Clerk of the House of Representatives, pursuant to rule XXVI, clause 1, of the House Rules; (H. Doc. No. 111-128); to the Committee on Standards of Official Conduct and ordered to be printed.

8168. A letter from the Director, Regulations Policy and Management Office of the General Counsel, Department of Veterans Affairs, transmitting the Department's final rule—State Cemetery Grants (RIN: 2009-AM96) received June 10, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

8169. A letter from the Director, Regulations Policy and Management, Department of Veterans Affairs, transmitting the Department's final rule — Loan Guaranty: Elimination of Redundant Regulations (RIN: 2900-AN71) received June 15, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

8170. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Contributed Property [TD 9485] (RIN: 1545-BF28) received June 11, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8171. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Passive Activity Losses And Credits Limited (Rev. Rul. 2010-16) received June 11, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8172. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — New Markets Tax Credit (Rev. Rul. 2010-17) received June 11, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8173. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Update for Weighted Average Interest Rates, Yield Curves, and Segment Rates [Notice 2010-47] received June 11, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8174. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Qualifying Therapeutic Discovery Project Credit [Notice 2010-45] received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8175. A letter from the Chief, Publications and Regulations Branch, Social Security Administration, transmitting the Administration's final rule — Technical Amendment Language Change from "Wholly" to "Fully" [Docket No.: SSA-2009-0062] (RIN: 0960-AH16) received June 15, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8176. A letter from the Acting Director, Acquisition Policy and Legislation Branch, Department of Homeland Security, transmitting the Department's final rule — Revision of Department of Homeland Security Acquisition Regulation; Restrictions on Foreign Acquisition (HSAR Case 2009-004 [Docket No.: DHS-2009-0081] (RIN: 1601-AA57) received June 15, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Homeland Security.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MCGOVERN: Committee on Rules. House Resolution 1487. Resolution waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules, and for other purposes (Rept. 111-516). Referred to the House Calendar.

Mr. FRANK of Massachusetts: Committee of Conference. Conference report on H.R. 4173. A bill to provide for financial regulatory reform, to protect consumers and investors, to enhance Federal understanding of insurance issues, to regulate the over-the-counter derivatives markets, and for other purposes (Rept. 111-517). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. McNERNEY (for himself, Mr. BISHOP of New York, and Mr. PETERS):

H.R. 5622. A bill to amend the Internal Revenue Code of 1986 to provide for the identification of corporate tax haven countries and increased penalties for tax evasion practices in haven countries that ship United States jobs overseas, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. DAHLKEMPER (for herself, Mr. KRATOVIL, Mr. CHILDERS, Mr. LEVIN, Mr. LEWIS of Georgia, Ms. BERKLEY, Ms. TITUS, and Mr. COURTNEY):

H.R. 5623. A bill to amend the Internal Revenue Code of 1986 to extend the homebuyer tax credit for the purchase of a principal residence before October 1, 2010, in the case of a written binding contract entered into with respect to such principal residence before May 1, 2010, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on the Budget, Homeland Security, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned; considered and passed.

By Mrs. LUMMIS (for herself, Mr. BISHOP of Utah, Mr. BROWN of Georgia, Mr. ROHRBACHER, Mr. HELLER, Mr. SMITH of Nebraska, Mr. HERGER, Mr. DAVIS of Kentucky, Mr. POSEY, Mr. MARCHANT, Mr. BURTON of Indiana, Mr. CULBERSON, Mr. ROONEY, Mr. HALL of Texas, Mr. KLINE of Minnesota, Mr. FRANKS of Arizona, Mr. BILBRAY, Mr. SHADEGG, Mr. CHAFFETZ, Mr. FLAKE, Mr. CONAWAY, Mr. GALLEGLY, and Ms. FOXX):

H.R. 5624. A bill to simplify and expedite access to the Federal courts for injured parties whose rights and privileges under the United States Constitution have been deprived by final actions of Federal agencies or

other government officials or entities acting under color of State law, and for other purposes; to the Committee on the Judiciary.

By Mr. CAMP (for himself, Mr. UPTON, Mr. ROGERS of Michigan, Ms. KILPATRICK of Michigan, Mr. EHLERS, Mrs. MILLER of Michigan, Mr. DINGELL, Mr. KILDEE, Mr. LEVIN, Mr. HOEKSTRA, Mr. PETERS, Mr. MCCOTTER, Mr. STUPAK, and Mr. SCHAUER):

H.R. 5625. A bill to require the Secretary of the Army to study the feasibility of the hydrological separation of the Great Lakes and Mississippi River Basins; to the Committee on Transportation and Infrastructure.

By Mr. WAXMAN (for himself, Mr. MARKEY of Massachusetts, and Mr. STUPAK):

H.R. 5626. A bill to protect public health and safety and the environment by requiring the use of safe well control technologies and practices for the drilling of high-risk oil and gas wells in the United States, and for other purposes; to the Committee on Natural Resources, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. RAHALL (for himself, Mr. FILLNER, Ms. NORTON, Ms. CORRINE BROWN of Florida, Ms. EDDIE BERNICE JOHNSON of Texas, and Mr. CUMMINGS):

H.R. 5627. A bill to amend the Hiring Incentives to Restore Employment Act to assist small business concerns owned and controlled by veterans, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. MCCARTHY of New York (for herself, Mr. HARE, Mr. SCOTT of Virginia, Mr. HOLT, Mr. POLIS, Ms. WOOLSEY, Mr. GRIJALVA, Ms. SHEAPORTER, Mr. KUCINICH, Mr. PAYNE, Mr. ANDREWS, Mr. HINOJOSA, Mrs. DAVIS of California, Ms. HIRONO, Mr. PASCRELL, Mr. CAPUANO, Mr. MURPHY of Connecticut, and Mr. SESTAK):

H.R. 5628. A bill to end the use of corporal punishment in schools, and for other purposes; to the Committee on Education and Labor.

By Mr. OBERSTAR (for himself, Mr. CUMMINGS, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. DEFAZIO, Mr. NADLER of New York, Mr. LARSEN of Washington, Mr. CAPUANO, Mr. BISHOP of New York, and Ms. HIRONO):

H.R. 5629. A bill to ensure full recovery from responsible parties of damages for physical and economic injuries, adverse effects on the environment, and clean up of oil spill pollution, to improve the safety of vessels and pipelines supporting offshore oil drilling, to ensure that there are adequate response plans to prevent environmental damage from oil spills, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committees on the Judiciary, and Natural Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BOOZMAN:

H.R. 5630. A bill to amend title 38, United States Code, to provide for qualifications for

vocational rehabilitation counselors and vocational rehabilitation employment coordinators employed by the Department of Veterans Affairs; to the Committee on Veterans' Affairs.

By Mr. HASTINGS of Florida (for himself, Mr. MEEK of Florida, and Mr. JOHNSON of Georgia):

H.R. 5631. A bill to establish the Gulf Coast Conservation Corps under the direction of the President in order to create jobs cleaning up the oil spill and restoring the Gulf of Mexico and surrounding areas, and for other purposes; to the Committee on Education and Labor, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. HERSETH SANDLIN (for herself and Mr. SMITH of Nebraska):

H.R. 5632. A bill to improve choices for consumers for fuel, and for other purposes; to the Committee on Energy and Commerce.

By Ms. HERSETH SANDLIN:

H.R. 5633. A bill to improve choices for consumers for vehicles, and for other purposes; to the Committee on Energy and Commerce.

By Mr. INSLEE (for himself, Mr. REICHERT, Mr. YOUNG of Florida, and Mr. HOLT):

H.R. 5634. A bill to amend the Outer Continental Shelf Lands Act to require that oil and gas drilling and production operations on the outer Continental Shelf must have in place the best available technology for blow-out preventers and emergency shutoff equipment, and for other purposes; to the Committee on Natural Resources, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MAFFEI:

H.R. 5635. A bill to amend the Federal Water Pollution Control Act to direct the Administrator of the Environmental Protection Agency to carry out activities for the restoration, conservation, and management of Onondaga Lake, New York, and for other purposes; to the Committee on Transportation and Infrastructure.

By Ms. MATSUI (for herself and Mr. ENGLE):

H.R. 5636. A bill to establish Federally Qualified Behavioral Health Centers and to require Medicaid coverage for services provided by such Centers; to the Committee on Energy and Commerce.

By Mr. MURPHY of Connecticut (for himself, Mr. JONES, Ms. SUTTON, Mr. CRITZ, Mr. SCHAUER, Mr. RYAN of Ohio, Mr. LIPINSKI, and Mr. MANZULLO):

H.R. 5637. A bill to amend the Federal Property and Administrative Services Act of 1949 and title 10, United States Code, to allow contracting officers to consider information regarding domestic employment before awarding a Federal contract, and for other purposes; to the Committee on Oversight and Government Reform, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SESTAK:

H.R. 5638. A bill to amend the Internal Revenue Code of 1986 to extend the qualifying advanced energy project credit; to the Committee on Ways and Means.

By Mr. STEARNS:

H.R. 5639. A bill to amend the Internal Revenue Code of 1986 to exclude executive branch officers and employees from non-recognition rules relating to the sale of property to comply with conflict-of-interest requirements; to the Committee on Ways and Means.

By Mr. WEINER:

H.R. 5640. A bill to establish a National Rape Kit Database; to the Committee on the Judiciary.

By Mr. ORTIZ (for himself, Mr. WILSON of South Carolina, and Mr. LINCOLN DIAZ-BALART of Florida):

H. Con. Res. 291. Concurrent resolution celebrating 130 years of United States-Romanian diplomatic relations, congratulating the Romanian people on their achievements as a great nation, and reaffirming the deep bonds of trust and values between the United States and Romania, a trusted and most valued ally; to the Committee on Foreign Affairs.

By Mr. RAHALL:

H. Res. 1484. A resolution expressing the condolences of the House of Representatives on the death of the Honorable Robert C. Byrd, a Senator from the State of West Virginia; considered and agreed to.

By Mr. NEUGEBAUER:

H. Res. 1485. A resolution expressing support for designation of September 2010 as "National Prostate Cancer Awareness Month"; to the Committee on Energy and Commerce.

By Mr. CLAY:

H. Res. 1486. A resolution expressing support for designation of June 11, 2011, as "National Minority Golf Awareness Day"; to the Committee on Oversight and Government Reform.

By Mr. ISRAEL (for himself, Ms. DELAURO, Mr. BURTON of Indiana, and Mr. ISSA):

H. Res. 1488. A resolution supporting the goals and ideals of National Ovarian Cancer Awareness Month; to the Committee on Oversight and Government Reform.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 113: Mr. DJOU.
H.R. 116: Mr. BOUCHER.
H.R. 571: Mr. RYAN of Ohio, Mr. WOLF, and Mr. GINGREY of Georgia.
H.R. 636: Ms. FOXX.
H.R. 645: Mr. ALTMIRE.
H.R. 745: Ms. LINDA T. SANCHEZ of California, Ms. GIFFORDS, Ms. TITUS, Mr. YOUNG of Alaska, Ms. LORETTA SANCHEZ of California, Mr. ACKERMAN, Mr. TIM MURPHY of Pennsylvania, Mr. CHILDERS, Mrs. DAHLKEMPER, Mr. KENNEDY, Mr. MURPHY of Connecticut, Mr. BILBRAY, Mr. BURGESS, Ms. RICHARDSON, and Ms. MOORE of Wisconsin.
H.R. 1067: Mr. DEUTCH and Mr. OWENS.
H.R. 1079: Mr. FILNER.
H.R. 1240: Mr. CONNOLLY of Virginia.
H.R. 1362: Mr. GUTHRIE.
H.R. 1569: Ms. HIRONO and Ms. BERKLEY.
H.R. 1925: Mr. DEUTCH and Ms. LINDA T. SANCHEZ of California.
H.R. 2000: Mr. GONZALEZ, Mr. TOWNS, Mr. RUSH, and Mr. SIRE.
H.R. 2031: Mr. REHBERG.
H.R. 2103: Mr. WEINER.
H.R. 2406: Mr. GRAVES of Georgia and Mr. HOEKSTRA.
H.R. 2429: Mr. OWENS.

H.R. 2443: Mr. GUTHRIE.
H.R. 2455: Mr. MICHAUD and Mr. MCMAHON.
H.R. 2480: Ms. PINGREE of Maine.
H.R. 2483: Mr. MCKEON.
H.R. 2553: Mr. ARCURI.
H.R. 2568: Mr. THOMPSON of Mississippi.
H.R. 2575: Mr. LOBIONDO.
H.R. 2697: Mr. BRIGHT.
H.R. 2855: Mr. BLUMENAUER.
H.R. 3006: Ms. BERKLEY.
H.R. 3069: Mr. PAUL.
H.R. 3077: Mr. DEUTCH.
H.R. 3108: Mr. BRALEY of Iowa.
H.R. 3212: Mr. CONNOLLY of Virginia.
H.R. 3345: Mr. CONNOLLY of Virginia.
H.R. 3359: Mr. BLUMENAUER.
H.R. 3441: Mr. COHEN.
H.R. 3488: Mr. MCNERNEY.
H.R. 3564: Ms. MCCOLLUM, Mr. CARSON of Indiana, and Mr. TIERNEY.
H.R. 3721: Mr. ELLISON.
H.R. 3729: Mr. REYES and Mr. COSTA.
H.R. 3745: Ms. WATSON.
H.R. 3781: Mr. CHILDERS.
H.R. 3786: Mr. JOHNSON of Georgia and Mr. KILDEE.
H.R. 3839: Mr. LINCOLN DIAZ-BALART of Florida.
H.R. 3994: Mr. DEUTCH and Mr. CASTLE.
H.R. 4037: Mr. BRADY of Pennsylvania.
H.R. 4116: Mr. LYNCH and Mr. CONNOLLY of Virginia.
H.R. 4175: Mr. ELLISON.
H.R. 4181: Mr. PIERLUISI, Mr. BERMAN, Mr. LEWIS of Georgia, Mrs. DAVIS of California, and Ms. BERKLEY.
H.R. 4197: Mr. BISHOP of Georgia, and Ms. LORETTA SANCHEZ of California.
H.R. 4210: Ms. MATSUI.
H.R. 4226: Mr. VAN HOLLEN.
H.R. 4278: Mr. QUIGLEY.
H.R. 4509: Mr. ARCURI.
H.R. 4544: Mr. CONNOLLY of Virginia.
H.R. 4596: Ms. SLAUGHTER, Mr. WEINER, Mr. PALLONE, Mr. COBLE, Mr. DEUTCH, Mr. SHERMAN, Mr. HALL of New York, and Ms. SCHWARTZ.
H.R. 4604: Mrs. MILLER of Michigan and Mr. ROGERS of Michigan.
H.R. 4638: Mr. HOLDEN, Ms. PINGREE of Maine, and Mr. CONNOLLY of Virginia.
H.R. 4642: Mr. GRIJALVA.
H.R. 4645: Ms. MCCOLLUM, Mr. TOWNS, and Mr. HILL.
H.R. 4662: Mr. CONNOLLY of Virginia.
H.R. 4676: Mr. SABLAN and Ms. WATSON.
H.R. 4692: Mr. BOCCIERI.
H.R. 4693: Mr. ISSA.
H.R. 4753: Mr. COSTELLO.
H.R. 4787: Mr. HONDA.
H.R. 4796: Mr. MCNERNEY, Ms. PINGREE of Maine, Mr. POSEY, Mr. COBLE, and Mr. MICHAUD.
H.R. 4812: Mr. BOCCIERI.
H.R. 4832: Mr. TEAGUE.
H.R. 4871: Mr. SCHIFF.
H.R. 4886: Mr. CONNOLLY of Virginia.
H.R. 4914: Mr. MCMAHON and Ms. ZOE LOFGREN of California.
H.R. 4947: Mr. CONNOLLY of Virginia.
H.R. 4958: Ms. BERKLEY.
H.R. 4959: Mr. GRIJALVA, Mr. ELLISON, and Mrs. NAPOLITANO.
H.R. 4972: Mr. ROYCE.
H.R. 4993: Ms. MATSUI, Mr. YARMUTH, Ms. KAPTUR, Mr. HARE, Ms. KILROY, Ms. BORDALLO, Mr. ALTMIRE, and Mr. SCHAUER.
H.R. 5001: Ms. PINGREE of Maine.
H.R. 5029: Mr. SCALISE.
H.R. 5040: Mrs. CAPPS and Ms. PINGREE of Maine.
H.R. 5044: Mr. FARR and Mr. PERLMUTTER.
H.R. 5081: Mr. GALLEGLY and Mr. BARRETT of South Carolina.

H.R. 5096: Mr. HINOJOSA.
H.R. 5111: Mr. ROSKAM and Mr. GERLACH.
H.R. 5141: Mr. MCKEON.
H.R. 5173: Mr. HOEKSTRA.
H.R. 5200: Ms. PINGREE of Maine.
H.R. 5211: Mr. ROSS.
H.R. 5234: Mr. FRANK of Massachusetts.
H.R. 5260: Mr. CONNOLLY of Virginia.
H.R. 5310: Ms. MOORE of Wisconsin.
H.R. 5324: Mr. LANGEVIN.
H.R. 5393: Mr. MILLER of North Carolina.
H.R. 5396: Mr. CARNAHAN.
H.R. 5418: Ms. MATSUI.
H.R. 5434: Mr. MCNERNEY, Mr. MCGOVERN, and Mr. FRANK of Massachusetts.
H.R. 5477: Mr. POLIS, Ms. MCCOLLUM, and Mr. BLUMENAUER.
H.R. 5497: Mr. CRITZ, Mr. TANNER, Mr. BOCCIERI, Mr. PETERSON, Mr. HOLDEN, Mr. CUELLAR, Mr. PATRICK J. MURPHY of Pennsylvania, and Ms. KOSMAS.
H.R. 5509: Mr. BRADY of Pennsylvania.
H.R. 5510: Mr. HASTINGS of Florida.
H.R. 5513: Mr. PATRICK J. MURPHY of Pennsylvania.
H.R. 5523: Mr. BOREN.
H.R. 5525: Mr. THOMPSON of Pennsylvania.
H.R. 5540: Mr. BURTON of Indiana and Mr. HERGER.
H.R. 5541: Mr. BURTON of Indiana and Mr. HERGER.
H.R. 5542: Mr. BURTON of Indiana and Mr. HERGER.
H.R. 5552: Mr. COURTNEY, Mr. FLAKE, Mr. KING of Iowa, Mr. HOLDEN, Mr. MILLER of Florida, Mr. BERRY, Mr. DAVIS of Alabama, Mr. CALVERT, Ms. GIFFORDS, Mr. SCALISE, and Mr. LUETKEMEYER.
H.R. 5555: Mr. SAM JOHNSON of Texas, Ms. GINNY BROWN-WAITE of Florida, and Mr. ROGERS of Kentucky.
H.R. 5561: Ms. ZOE LOFGREN of California, Ms. NORTON, Mr. CROWLEY, Ms. WATSON, Mr. INSLEE, Ms. CLARKE, Mr. QUIGLEY, Mr. GRIJALVA, Mr. FARR, Ms. SCHAKOWSKY, Mr. PETERS, Ms. WASSERMAN SCHULTZ, Ms. MOORE of Wisconsin, and Mr. STARK.
H.R. 5562: Mr. THOMPSON of Mississippi.
H.R. 5566: Ms. HERSETH SANDLIN, Mr. THOMPSON of Mississippi, Ms. PINGREE of Maine, Mr. SPRATT, Mr. LEVIN, and Mr. HIMES.
H.R. 5580: Mr. MCCARTHY of California.
H.R. 5585: Mr. WILSON of South Carolina, Mr. CONAWAY, and Mr. MARCHANT.
H.R. 5596: Mr. FILNER and Ms. ROYBAL-ALLARD.
H.R. 5608: Mr. SENSENBRENNER.
H.R. 5612: Mr. MCNERNEY.
H.R. 5617: Mr. CONNOLLY of Virginia and Mr. STARK.
H.R. 5619: Ms. RICHARDSON.
H. Con. Res. 200: Mr. HINCHEY.
H. Con. Res. 259: Mr. MANZULLO.
H. Con. Res. 266: Mrs. MCCARTHY of New York, Ms. JACKSON LEE of Texas, Mr. KENNEDY, Mr. LUETKEMEYER, Mr. SULLIVAN, Mr. YOUNG of Alaska, and Mr. CARNEY.
H. Con. Res. 281: Mr. GOODLATTE, Mr. SAM JOHNSON of Texas, Mr. ROE of Tennessee, and Mr. WAMP.
H. Con. Res. 284: Mr. GONZALEZ.
H. Con. Res. 290: Mr. STUPAK, Mr. MARKEY of Massachusetts, Mr. TOWNS, Mr. BUTTERFIELD, and Mr. HALL of Texas.
H. Res. 762: Mr. MCGOVERN, Mr. COURTNEY, and Mr. STARK.
H. Res. 771: Mr. BOUCHER and Mr. ENGEL.
H. Res. 913: Ms. NORTON, Ms. EDDIE BERNICE JOHNSON of Texas, and Ms. CORRINE BROWN of Florida.
H. Res. 982: Mr. LAMBORN.
H. Res. 1226: Mr. BONNER and Mr. DINGELL.
H. Res. 1244: Ms. KILROY.

H. Res. 1245: Mr. COLE.
H. Res. 1321: Mr. SMITH of New Jersey and Mr. GALLEGLY.
H. Res. 1342: Mr. LIPINSKI.
H. Res. 1370: Mr. STARK.
H. Res. 1401: Mr. DENT, Mr. TIERNEY, Mr. GRAVES of Missouri, Mr. MCNERNEY, Mr. WITTMAN, and Ms. SLAUGHTER.
H. Res. 1420: Ms. JACKSON LEE of Texas, Mr. BLUMENAUER, and Mrs. NAPOLITANO.
H. Res. 1462: Mr. MCGOVERN, Mr. GENE GREEN of Texas, Mr. GRIJALVA, Mr. FARR, Mr. SIRES, Mr. TANNER, Mr. MEEKS of New York, Mr. ROHRABACHER, Mr. TOWNS, Mr. SCHOCK, Mr. GUTIERREZ, Mr. GALLEGLY, Mr. MARIO DIAZ-BALART of Florida, Mr. INGLIS, and Mr. BERMAN.
H. Res. 1473: Mr. GRAVES of Missouri, Mr. OLSON, and Mr. CHAFFETZ.
H. Res. 1483: Mr. GRAVES of Georgia, Mr. PRICE of Georgia, Mr. WESTMORELAND, Mr. LINDER, Mr. KINGSTON, Mr. BROUN of Georgia, Mrs. BLACKBURN, Mr. CHAFFETZ, Mr. AKIN, Mr. COLE, Mr. SHIMKUS, Mr. CARNEY, Mr.

BISHOP of Utah, Mr. SABLAN, Mr. OLVER, Mr. CAMPBELL, Mr. WILSON of South Carolina, Mr. ROGERS of Alabama, Mr. LOBIONDO, Mr. CRITZ, Mr. SULLIVAN, Mr. MCCARTHY of California, Mr. ELLSWORTH, Mr. MANZULLO, Mr. DOYLE, Mr. BLUNT, Ms. JENKINS, Mr. JONES, Mr. CARSON of Indiana, Mr. CALVERT, Mr. ROE of Tennessee, Mr. SPRATT, Mr. BURTON of Indiana, Mr. PAUL, Mr. BARTLETT, Mr. LOEBSACK, Mr. BOREN, Mr. ANDREWS, Mr. DAVIS of Tennessee, Mr. OLSON, Mr. WILSON of Ohio, Mr. COFFMAN of Colorado, Mr. THOMPSON of Pennsylvania, Mrs. LUMMIS, Mr. SAM JOHNSON of Texas, Mr. DJOU, Mr. CARNAHAN, Mr. COURTNEY, Mr. JOHNSON of Georgia, Mr. GENE GREEN of Texas, and Ms. SHEA-PORTER.

CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, OR LIMITED TARIFF BENEFITS

Under clause 9 of rule XXI, lists or statements on congressional earmarks, limited tax benefits, or limited tariff benefits were submitted as follows:

OFFERED BY MR. LEVIN

The provisions that warranted a referral to the Committee on Ways and Means in H.R. 5618, to continue Federal unemployment programs, do not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI.

OFFERED BY MR. SPRATT

The provisions that warranted a referral to the Committee on the Budget in H.R. 5618, to continue Federal unemployment programs, do not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI.

EXTENSIONS OF REMARKS

REMARKS ON THE PASSING OF
WALTER SHORENSTEIN

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Ms. PELOSI. Madam Speaker, I rise today in remembrance of Walter Shorenstein. When word of Walter's passing came to the Capitol, sadness was felt throughout this building. Not only did we lose a great American, but for many of us in public office, we lost a great friend. We shared stories of Walters's life and his legacy.

Before I left Washington last Friday, I received messages from all over; from Members of Congress and from people around the country. On my way home to California this weekend, I went to four states, and in every state I heard stories about Walter. I hope it is a comfort to the Shorenstein family that so many people share their loss and respect their father.

The outpouring of respect and affection for Walter Shorenstein brings to mind a passage from Ecclesiasticus, "Now let us praise great men the heroes of our nation. They led the people by their counsel and their knowledge of the laws. From their font of wisdom, they gave instruction. These are godly men whose righteous deeds have not been forgotten. Their wealth is their descendants and their inheritance is their children's children. Their bodies are buried in peace and their names will live forever. The people will tell of their wisdom and the congregation will continue to sing their praise."

I want to praise Walter as a patriot and a patriarch. He loved America and served his country his entire life. In the Air Force in World War II, as a civic leader, and as a philanthropist, he worked to strengthen our Nation.

Walter knew that our democracy depended on people having a chance to get ahead. In that respect he was a democrat with the small "d." He practiced this in his professional life and advocated this as public policy, and in that respect he was a Democrat with a capital "D." It was also part of his family tradition. He always smiled with pride talking about Hyman Shorenstein, his uncle, and the Democratic boss of Brooklyn for over 30 years. He even told me on a number of occasions that to cross Hyman, you might be "Shorensteined." In other words, it was a verb.

Walter understood how essential freedom of the press was to our democracy. With that in mind he founded the Joan Shorenstein Center for Press, Politics and Public Policy. He brought together great minds on the subject and honored Joan's understanding on the relationship between the press, at which she excelled, and power, which she covered.

Walter understood power and was an advisor and friend to Democratic Presidents Lyn-

don Johnson, Jimmy Carter and Bill Clinton. He was also a friend and advisor to many who aspired to be president, too numerous to mention.

He had a special relationship with Secretary Hillary Clinton, and Ted Kennedy was family. His leadership was acknowledged and praised by President Barack Obama.

Much has been said about how generous Walter was financially to political causes. He was also a great intellectual resource and mentor. He was politically astute and his views were respected.

My colleagues in Congress, such as Congressman GEORGE MILLER, Congresswoman ANN ESHOO, Congressman JOHN GARAMENDI often spoke of how prepared you had to be when you went to visit Walter. You always left with words of wisdom, and assigned reading.

Walter wasn't always easy. He was very competitive. We always knew that on our visits and our phone calls, we'd be challenged. And the most annoying part was that Walter was always right.

Walter was successful because he was smart and he was always ready for the task ahead. When we would ask him what he thought about bringing the Democratic Convention to San Francisco, my running for Congress or for leadership, Walter would say, "Just do it." Walter coined that phrase well before Nike did. And when Walter said "just do it," he would also say, "I will help make it happen." You knew you would succeed with Walter at your side.

Walter was a patriarch to the community, but what mattered most to him was to be a devoted father to his family. Today as we pay tribute to Walter, we must also remember Phyllis and her quiet, dignified, and strong demeanor. If anyone wanted to see the powerful Walter Shorenstein melt, they just needed to see him around Phyllis.

Everyone knows how much he loved his children: Joan, Carole, and Doug, and he glowed with pride in their success. They honored their parent's traditions, which included making their own extraordinary mark on the world. And he loved his grandchildren Sarah, Wally, Grace, Brandon, Sandra and Danielle. What a great legacy you all are to Phyllis and Walter.

Walter Shorenstein died as he had lived: surrounded by his family and loved ones, in charge of his own situation, and ready. Now that he has passed, we take comfort that his spirit is with Joan and Phyllis.

Patriot, patriarch, especially family man and friend, today Walter Shorenstein is mourned and praised across the country. But he is especially mourned in the community of San Francisco, where we knew him the best and loved him the most. He had a wonderful life. May he rest in peace.

HONORING MR. LEONARD M.
SCIOLINO

HON. BRIAN HIGGINS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. HIGGINS. Madam Speaker, I rise today to honor and congratulate the work of Leonard M. Sciolino upon his retirement as Director of the City of Buffalo's Division of Parking Enforcement.

A very good friend, Lenny has had a long and successful career in public service. Lenny started as a staffer at the Buffalo Common Council, serving under then-Council President George K. Arthur. It was in this position that I came to know Lenny well, as he served as a council staffer during my full tenure as South District Councilmember, from 1988 to 1993.

Following the successful election of Tony Masiello as Mayor of Buffalo, Lenny was appointed to his current position, where he has been the architect of many technological advances.

As a member of the International Parking Institute Lenny has participated in numerous Central Business District Surveys and Parking Studies citywide and nationally. In addition, Lenny pursued and implemented numerous technological changes in his department, including Optical Imaging and Scanning and solar-powered pay stations with radio frequency.

Active in the Democratic Party for many years, Lenny has served as a committeeman, a city Zone Chairman, and has involved himself in dozens of local campaigns.

Lenny has many things for which he is very proud, but his proudest accomplishments are those involving his family. Lenny and his wife Linda are the parents of sons Lenny III, and Kevin, and are proud grandparents of four grandchildren, Lenny IV, Milena and Francesca, and Jack.

Madam Speaker, I hope that you and our colleagues in the House will join me in wishing Godspeed to Len Sciolino upon the occasion of his retirement, and wishing Len, Linda and the entire Sciolino family the best of health in the months and years to come.

HONORING RICK ALGERT UPON
HIS RETIREMENT

HON. LOIS CAPPS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mrs. CAPPS. Madam Speaker, today I rise to pay tribute to Rick Algert on the occasion of his retirement after 20 years as Harbor Director and Harbormaster for the City of Morro Bay. He is truly an asset to our local community and his excellent work is reflected in Morro Bay's Harbor.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Mr. Algert has spent much of his life on the coast and in the City of Morro Bay. He grew up in Fallbrook, California and came to Morro Bay from the City of Eureka. Prior to that he lived in the City of Santa Barbara, where he attended the University of California and received a degree in Business. Rick and his wife Nancy have three children; Bridgett, Paul and Jamie.

Mr. Algert is deeply familiar with the workings of Morro Bay. He has been involved with almost every essential aspect of the Harbor's functioning over the last two decades. He was responsible for developing and implementing several major projects in the Harbor, including the reconstruction of the South T-Pier, rebuilding the Beach Street slips, dredging the City Mooring area, the North T-Pier re-decking project, and the Fisherman's Gear Storage building.

Mr. Algert has also been the voice of the Harbor and has been its tireless advocate at the local, state and federal levels. He has been instrumental in keeping the City Council abreast of important issues like economic development and federal dredging dollars. And he was a consistent advocate for our local fishing families, representing their views at meetings throughout the country. Finally, he maintained a balanced budget and aimed to provide the highest level of service and efficiency from the Harbor Department and Harbor Patrol, and he did so with no revenue derived from taxes, which stands as a testament to his skill as a public servant.

I commend Mr. Algert's gift of talent, passion, and his devotion to service. His work has been central to helping our waterfront communities flourish in difficult times. I feel deeply honored to share this community with Rick Algert and I have seen first hand the effect of his work on Morro Bay. I wish him much happiness and much deserved relaxation in retirement, knowing fully that he will remain deeply connected to our community, its businesses, Harbor tenants and boat owners.

RECOGNIZING THE 125TH ANNIVERSARY OF THE INCORPORATION OF ADDISON, ILLINOIS

HON. PETER J. ROSKAM

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. ROSKAM. Madam Speaker, I rise today to commemorate the 125th anniversary of the incorporation of Addison, Illinois, in the heart of my Congressional District.

In 1883, the Village of Addison was settled by Hezekiah Dunklee and Mason Smith. In 1884, Addison was incorporated, and Henry Buchholz became its first Mayor. The election had a modest turnout, with only 28 votes being cast.

In the years since its humble founding, Addison has become a center of culture and commerce, serving as a home to businesses, professionals, churches and organizations that have made this a vibrant and thriving community. Over the years, Addison has developed a well-deserved reputation as an enjoyable place to live, work and raise a family.

On the occasion of this 125th anniversary, we join together to celebrate Addison's legacy of growth and prosperity, and to look ahead to the opportunities the future holds for our local community and our Nation. Today both marks 125 years of working together to build a brighter future, and reminds us that our work continues.

Madam Speaker and Distinguished Colleagues, please join me on this special occasion in offering well wishes and happiness to Addison Village President Larry Hartwig, the Village Board of Trustees and all the citizens of Addison.

KUWAIT AND GULF LINK
TRANSPORT COMPANY (KGL)

HON. TIM RYAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. RYAN of Ohio. Madam Speaker, as you know, the issue of negligence by Kuwait and Gulf Link Transport Company (KGL) was brought to my attention by the family of the late Colonel Dominic (Rocky) Baragona. The tragic death of Lieutenant Colonel Dominic Baragona, Jr., occurred on May 19, 2003 on a road in Iraq. His death was caused by the simple, avoidable negligence of a tractor trailer truck owned by KGL, the predecessor company to an enormous group of international Kuwaiti companies, which have and continue to perform large U.S. government contracts potentially worth billions of U.S. dollars and with a vital mission. KGL's tractor trailer careened across three lanes of a highway in the middle of a clear, sunny day and destroyed the Humvee in which Colonel Baragona was riding. At the time of his death, Colonel Baragona had served honorably during Operation Iraqi Freedom and was on his way home to his family. KGL's subsequent conduct in the case brought against them led the Honorable William Duffey, Jr., the U.S. federal judge hearing the case, to write the following in his decision on the case:

"[A]s the Court communicated to the parties in the December 2008 hearing, KGL's conduct in this case was indignant and callous. KGL derived substantial revenue from its contracts with the United States Army. KGL and other Kuwaitis received unquantifiable benefits from the protection the United States Armed Forces have provided to Kuwait for over fifteen years. For KGL to then turn a blind eye to the death caused by a KGL employee of a United States service member, who was on duty protecting the region at the time of the incident, is an affront to the solemn sacrifices service members such as Lt. Col. Baragona honorably provided to Iraq and the citizens of other countries in the Middle East region. KGL took this callousness even further by causing Plaintiffs to expend nearly four years and significant expense in merely getting the question of jurisdiction before the Court. The Court implored KGL to work with Plaintiffs to fashion a just resolution in this case, but this request was ignored."

I agree. The Baragonas commenced litigation, established a prima facie case of in personum jurisdiction over KGL and endured

the personal rigors of the litigation. This burden includes giving testimony during a damages hearing, only to discover that KGL's apparent strategy was to cause the Baragona family to expend their resources for years. This despite the fact that KGL intended to challenge the judgment after it issued in the same court that KGL assiduously ignored during the years of litigation and several notices of the court case and its proceedings. The emotional burden borne by the family of the deceased serviceman was very high; the long years of litigation over their son's death in combination with the sudden entry of the defendant and the challenge to the judgment is not a cost that should be ignored or encouraged.

In the course of the Baragonas' quest for justice against KGL, the family gathered evidence from credible news reports and other sources that KGL has a subsidiary, Combined Shipping Company, which is a partner with ValFajr Shipping Company, a subsidiary of Islamic Republic of Iran Shipping Lines ("IRISL"), a company banned by the U.S. Treasury and now the named subject of the recently announced U.N. sanctions on Iran. We do not have any evidence that KGL's subsidiary has participated with IRISL in sending explosives into Iraq to kill US service personnel. However, it is often true that proliferators of Iranian WMDs, like IRISL, are directed by the Iranian Revolutionary Guard Corps, which also controls the Iranian funding, training and provisioning of the insurgents in Iraq who have been killing and wounding U.S. service personnel with Iranian-manufactured explosives over the past several years. No U.S. government contractor, or any member of its corporate family doing any business with Iranian companies blacklisted by the U.N. and the U.S. Treasury, should be considered "responsible corporate parties" as defined by the Federal Acquisition Regulations. This section will force KGL and all U.S. contractors to decide whether they will support Iran or the U.S., and the Congress will closely monitor the enforcement of this section.

Treasury Under Secretary for Terrorism and Financial Intelligence Stuart Levey recently submitted written testimony before the Senate Foreign Relations Committee on "Iran Policy in the Aftermath of U.N. Sanctions". In this testimony he stated: "[w]e also took action under 13382 to prevent IRISL from carrying out activities to evade sanctions . . . Since we designated IRISL for sanctions in 2008, it has desperately attempted to evade those sanctions, setting up new front companies and renaming and even repainting ships to hide their true ownership."

Importantly, this section finally permits the Procurement Fraud Debarment Branch of the U.S. Army to take action against KGL. The Baragona family notified the Army of these facts on April 29, 2010. On June 11, 2010 the Army sent a letter to the counsel for the Baragonas to notify them of the Army's receipt of the information but no action has yet been taken. I would appreciate this body's interest and support in compelling the Army to move to debar KGL as a result of its ties to Iranian proliferators of weapons of mass destruction. For the above reasons, this miscarriage of justice and threat to our national security cannot be allowed to continue.

A TRIBUTE TO BEL BRANDS USA

HON. BRETT GUTHRIE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. GUTHRIE. Madam Speaker, I rise today to honor Bel Brands USA and its Leitchfield plant located in the Commonwealth of Kentucky. This month, Bel Brands USA, which specializes in the creation and production of quality cheeses, is celebrating its 40th Anniversary.

In 1970 the company established a plant in Leitchfield, KY., and has been manufacturing quality cheese products ever since. Bel Brands USA's Leitchfield facility is a prominent employer in Grayson County and is expected to produce 33,800,000 pounds of cheese this year.

The plant has grown exponentially since its establishment 40 years ago. Currently, the plant employs 370 individuals between two production departments and covers an area of almost 190,000 square feet.

Bel Brands USA and its Leitchfield facility have remained committed to hard work and creativity. With 25 production sites worldwide, Bel Brands USA promotes their core values in the workplace and throughout the community. Ethics, innovation, competence, cohesion and enthusiasm have contributed to the company's many accomplishments.

The entire Grayson County community is grateful for Bel Brands USA's continued presence, support and generosity.

I ask my colleagues to join me in honoring the employees of Bel Brands USA. I am proud to represent them here in Washington and look forward to their continued success.

IN HONOR AND RECOGNITION OF
MR. AND MRS. SGRO**HON. DENNIS J. KUCINICH**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. KUCINICH. Madam Speaker, I rise today in honor and recognition of Albert and Vera Sgro as they celebrate their platinum wedding anniversary on June 29, 2010.

Seventy years of marriage is a truly remarkable accomplishment; in this time they have raised two sons, been grandparents to four children and now have four great-grandchildren. Except for eight years on a farm in Medina, Mr. and Mrs. Sgro have always lived in Cleveland. Mr. Sgro's parents emigrated from Italy and Mrs. Sgro's ancestors hail from Bohemia. They attended Cleveland schools, met at a dance, and have been inseparable ever since. They continue to be the hearts and souls of their family and remain active in the lives of their children, David and his wife Louise, Jerry and his wife Heather; their grandchildren, David, Shelly, Max and Anthony; and their great-grandchildren, Brittney, Jeremy, Alex and Nicholas.

Mr. and Mrs. Sgro live life with great energy, enthusiasm and joy. They are kind, generous, outgoing and have a great sense of humor.

Like any couple of seventy years they also share many interests: gardening, traveling and reading to name a few. Every year, Mr. and Mrs. Sgro grow enough fresh vegetables and flowers for themselves, their children, friends and neighbors. Mrs. Sgro is an excellent cook and baker; she is well known locally for her pies—especially her rhubarb pie, which she makes with rhubarb straight from their garden.

Madam Speaker and Colleagues, please join me in honoring, recognizing and celebrating Albert and Vera Sgro as they reach their platinum wedding anniversary. Their ongoing love for each other, and for their family and friends, acts as a beacon of hope. I wish Mr. and Mrs. Sgro continuing health, happiness and peace.

RECOGNIZING THE DEDICATION
AND LEADERSHIP OF DR. SALLY
RIDE**HON. ALAN GRAYSON**

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. GRAYSON. Madam Speaker, I rise today to honor the amazing accomplishments and life-long dedication of Dr. Sally Ride on the anniversary of the 1983 *Challenger* journey that established her as the first American woman to travel into space. Since that journey, Dr. Ride, a distinguished educator and scientist, has dedicated her life to improving science education.

Dr. Ride received her bachelor's degree, Master's and PhD in Physics from Stanford University. In the Stanford University paper, she saw an advertisement that NASA was seeking astronauts. Out of thousands of applicants, she was one of 35 candidates chosen for the space program. On June 18, 1983, Dr. Ride joined the crew aboard the space shuttle *Challenger* and, twenty-seven years ago on this date, became the first American woman to travel into space. After two journeys to space, she was preparing for her third mission when the *Challenger* exploded in 1986. Dr. Ride continued to work with NASA by serving as a member of the Presidential Committee investigating the *Challenger* accident, and went on to serve as Special Assistant to the Administrator for long-range planning at NASA headquarters.

Dr. Ride continued her life-long commitment to promoting the fields of science, math, and technology, especially among young women by founding the Sally Ride Science Company in 2001. Dr. Ride wanted to share her passion and encourage young women to pursue careers in these fields. The company creates school programs and educational materials aimed at engaging young people's interest in these fields and changing society's perceptions of women in the math, science, and technology workforce.

Madam Speaker, Central Florida is so proud of the space program and we recognize that its success would not be possible without the dedication of Dr. Ride. As a member of the Science and Technology committee, I have great respect and admiration for her contributions, not only to the space program, but also

her work to motivate young people's interest in science. While Dr. Ride will always be known as the first American woman to travel into space, her commitment to advancing the education of future generations of young women ensure there will be many to follow.

NASA'S CONSTELLATION
PROGRAM**HON. RALPH M. HALL**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. HALL of Texas. Madam Speaker, I remain very concerned about the direction of our Nation's space agency under the Obama plan. This Administration has made the surprisingly drastic decision to cancel NASA's follow-on to, the space shuttle, the Constellation program. Constellation would provide the means to service and use the International Space Station, and once again explore beyond low earth orbit.

Canceling the Constellation program threatens our country with the potential loss of tens of thousands of highly-skilled and well-paid jobs. As important as jobs are right now, by canceling Constellation we stand to lose more than just jobs. We are losing American know-how and expertise. The NASA contractor team is a national asset, one that would be difficult and costly to duplicate.

Next year with the retirement of the Space Shuttle, the U.S. will have no way to launch anyone into space. American astronauts and our international partners will have to hitch rides on Russian spacecraft, launched from a Russian base, to get into low earth orbit and visit the International Space Station. I do not think this is the best plan to maintain American preeminence in space.

I have fought hard here in Congress to defend NASA's budget so that they can perform meaningful work. Yet there seems to be a disturbing trend at NASA where priorities are shifted away from what I think should be their top goal—manned space exploration. Rather than focus on the vital elements necessary to maintain American leadership in space, the Obama administration and NASA are distracted with programs that seem to spend money on anything but human space flight.

Last week, the administration came forward with a request to transfer \$100 million out of NASA's already limited human space flight budget and give it to the Department of Commerce and the Department of Labor to fund an Interagency task force to spur "regional economic growth and job creation" aimed at helping Florida and other states bracing for job losses associated with the end of the space shuttle program. Our nation's best and brightest engineers and technicians want to be engaged in building rockets and spacecraft. America's space program already generates substantial amounts of regional economic growth. It does not make sense to kill a program that delivered huge returns on investment to create a government program to retrain and retool workers for some possible, undefined jobs in the future.

The announcement the cancellation of the Constellation program in favor of a \$100 million interagency task force, along with several

other recently announced NASA initiatives, paints a broad picture of an agency without a clear mission.

NASA is a mission-driven organization that produces its best results with clearly defined goals and the resources to achieve them. With the retirement of the Space Shuttle and a plan to cancel the Constellation program, it is more important than ever that we work together to provide NASA with the legislative guidance it needs.

The men and women of our nation's human space flight program have given us so much to be proud of. Through their focus, sacrifice and dedication they have enabled the United States to be the global leader in human space flight. They have earned our respect and gratitude, and we should deliver a program that keeps them, and our nation, focused on leading the world in spaceflight.

IN HONOR OF REVEREND RICHARD
W. JONES

HON. JOHN H. ADLER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. ADLER of New Jersey. Madam Speaker, I rise today to honor the life of Reverend Richard W. Jones, a longtime resident of Willingboro, New Jersey who recently passed away at age 85. Reverend Jones was a true leader in the community serving as Sheriff's Officer in Burlington County for 24 years and the inspirational Pastor of Tabernacle Baptist Church for 49 years. He was also a loving husband, of 52 years, to his wife, Ethel.

While Reverend Jones was conferred with a doctorate of human letters from Thomas Edison State College in 2001, perhaps his greatest legacy will remain his work at Tabernacle Baptist Church. His hard work and enduring faith led to the completion of his church's sanctuary and the expansion of the education wing in 1995, which is rightfully named the R. W. Jones Family Life Center. He was also responsible for the expansion of his church's multipurpose room, that included a gymnasium, aerobics room, locker room, cafeteria, and banquet room which was dedicated in 2008 as Unity Hall.

Reverend Jones was a humble man who affected not only the people in his congregation but those he met throughout his life. During his pastorship, he ordained more than 60 deacons and provided guidance to thousands of local residents.

Madam Speaker, please join me in honoring a man whose life serves as a role model to many people and whose church will continue his legacy for a long time to come.

IN HONOR OF CONSUL GENERAL
JANJA ZMAUC OF SLOVENIA ON
THE OCCASION OF SLOVENIAN
STATEHOOD DAY

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. KUCINICH. Madam Speaker, I rise today in honor and recognition of the Consul General from the Republic of Slovenia, Mr. Jure Zmauc, and his wife, Mrs. Janja Zmauc, on the occasion of Slovenian Statehood Day celebrated annually on June 25th.

In 2009, Mr. Jure Zmauc, Mrs. Janja Zmauc, daughter Nika and son Aljaz moved from Slovenia to Cleveland. Mr. Zmauc served there for four years as a foreign diplomat representing the largest Slovenian population in the world outside of Slovenia. Mr. Zmauc's responsibilities in the United States include developing educational, business and tourism ties for Slovenia and supporting Americans of Slovenian heritage throughout Northeast Ohio.

The twenty-fifth of June is Slovenian Statehood Day, an annual celebration of Slovenia's independence and the sovereignty it gained in 1991. It is a commemoration of the struggles and triumphs of the people of Slovenia. It also serves as an opportunity for residents of Northeast Ohio to celebrate the customs, traditions and contributions of Slovenian Americans to our community.

Madam Speaker and colleagues, please join me in recognition and welcome of Consul General Janja Zmauc and his family. Their representation of Slovenia in our community connects our communities and our nations—from the shores of Lake Erie to the Adriatic Sea.

PERSONAL EXPLANATION

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. VISCLOSKY. Madam Speaker, on the evening of Wednesday, June 23, 2010, and on Thursday, June 24, 2010, I was absent from the House and missed rollcall votes 382 through 394.

Had I been present for rollcall 382, on a motion to suspend the rules and pass, as amended, H.R. 5481, To give subpoena power to the National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling, I would have voted "aye."

Had I been present for rollcall 383, on a motion to suspend the rules and pass, as amended, H.R. 3993, the Calling Card Consumer Protection Act, I would have voted "aye."

Had I been present for rollcall 384, on a motion to suspend the rules and agree to H. Res. 1388, Supporting the goals and ideals of National Hurricane Preparedness Week, I would have voted "aye."

Had I been present for rollcall 385, on ordering the previous question for H. Res. 1468, Providing for consideration of H.R. 5175, the Democracy is Strengthened by Casting Light

on Spending in Elections Act, and for other purposes, I would have voted "aye."

Had I been present for rollcall 386, on agreeing to H. Res. 1468, Providing for consideration of H.R. 5175, the Democracy is Strengthened by Casting Light on Spending in Elections Act, and for other purposes, I would have voted "aye."

Had I been present for rollcall 387, on a motion to suspend the rules and agree to H. Con. Res. 285, Recognizing the important role that fathers play in the lives of their children and families and supporting the goals and ideals of designating 2010 as the Year of the Father, I would have voted "aye."

Had I been present for rollcall 388, on agreeing to the amendment, King of Iowa Amendment No. 2 to H.R. 5175, the Democracy is Strengthened by Casting Light on Spending in Elections Act, I would have voted "no."

Had I been present for rollcall 389, agreeing to the amendment, Patrick Murphy of Pennsylvania Amendment No. 5 to H.R. 5175, the Democracy is Strengthened by Casting Light on Spending in Elections Act, I would have voted "aye."

Had I been present for rollcall 390, on a motion to recommit with instructions H.R. 5175, the Democracy is Strengthened by Casting Light on Spending in Elections Act, I would have voted "no."

Had I been present for rollcall 391, on passage of H.R. 5175, the Democracy is Strengthened by Casting Light on Spending in Elections Act, I would have voted "aye."

Had I been present for rollcall 392, on a motion to suspend the rules and agree to H. Res. 1464, Recognizing the 50th anniversary of the conclusion of the United States-Japan Treaty of Mutual Cooperation and Security and expressing appreciation to the Government of Japan and the Japanese people for enhancing peace, prosperity, and security in the Asia-Pacific region, I would have voted "aye."

Had I been present for rollcall 393, on a motion to suspend the rules and concur with the Senate amendments to H.R. 3962, To provide affordable, quality health care for all Americans and reduce the growth in health care spending, and for other purposes, I would have voted "aye."

Had I been present for rollcall 394, on a motion to suspend the rules and agree to the conference report to H.R. 2194, the Comprehensive Iran Sanctions, Accountability, and Divestment Act, I would have voted "aye."

CONGRATULATING JEFF
THEERMAN

HON. RUSS CARNAHAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. CARNAHAN. Madam Speaker, I rise today to congratulate Jeff Theerman, the Executive Director of the Metropolitan St. Louis Sewer District, on his election as the new President of the National Association of Clean Water Agencies (NACWA).

For over twenty-five years, Mr. Theerman has served St. Louis through his work at the

Metropolitan St. Louis Sewer District. During his tenure with the Metropolitan St. Louis Sewer District, he has demonstrated that he is an accomplished leader and committed environmental steward continuously working to improve the public health of the St. Louis region. In October of 2003, Mr. Theerman became the Executive Director, ably accepting the accountability of the organization's operations.

Since joining others in the founding of the NACWA forty years ago, the Metropolitan St. Louis Sewer District has benefitted from its active engagement with the organization. A member of the NACWA's Board of Directors since 2004, Mr. Theerman has served as the organization's Secretary, Treasurer, and Vice President. I find it fitting that his election as President coincides with the 40th anniversary of the NACWA's advocacy on behalf of the Nation's clean water agencies and the environment we all value so much.

It is my sincere pleasure to congratulate Mr. Theerman on becoming the President of NACWA. I am certain his dedication to his work will bring continued progress to proactively and effectively addressing the complex 21st century water quality challenges we face in St. Louis and the Nation.

There is no doubt in my mind that Mr. Theerman is the ideal leader for the National Association of Clean Water Agencies, NACWA.

A STRONG VOICE AGAINST DISCRIMINATION OF ALL SORTS

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. FRANK of Massachusetts. Madam Speaker, I was very proud in the 70's to show my support for appropriate bipartisanship by supporting and working closely with Senator Ed Brooke, who was twice elected to the Senate as a Republican and was a staunch fighter against discrimination, for strong support for rental housing for low-income people, and in general for fiscal responsibility within the context of social concerns. I was therefore very pleased, but not at all surprised, to read in the Boston Globe on June 22, 2010 a strong expression of support for repeal of the "don't ask, don't tell" policy, which has discriminated against so many patriotic Americans seeking to serve their country. Senator Brooke notes that he himself was the victim of discriminatory policies when he served in a segregated U.S. Army in World War II, and as an African American, was treated unfairly. He does affirm that there are differences in the effect of the policies and the impact they have between racial segregation and "don't ask, don't tell," but as he says after discussing the experience of racial segregation, "The point is that the ban (on gay and lesbian members in the military) is a weapon and expression of prejudice—no more excusable than any other discriminatory law."

Consistent with his lifelong record of fighting for fairness in America, Senator Brooke closes the article by saying, "If I was still in the Senate, I would vote to show my respect for the

sacrifices of all soldiers—gay and straight. Congress should repeal this legislation and score another victory of progress over prejudice."

Madam Speaker, I was proud to stand with Ed Brooke in the 70's and I am very proud that he is standing with those of us who are fighting for fairness today.

IN TRIBUTE TO JIM MEREDITH

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. GALLEGLY. Madam Speaker, I rise in tribute to Jim Meredith, who has retired from the Rancho Simi Recreation and Park District Board of Directors in Simi Valley, California, after 28 years.

Jim was Chairman of the Board in 1984, 1991, 1994, 1995, 1999, 2003 and 2008. He was Vice Chairman in 1990, 1993, 1998, 2002 and 2007. In addition, he was President of the Ventura County Special District Association for 10 years, President of the State Board of the California Association of Recreation and Park Districts in 1991 and 2004, President of the California Special Districts Association Board of Directors, member of the Santa Monica Mountains Conservancy Board Liaison Committee, etc., etc. etc.

It's easy to see why Jim is known around town as "Mr. Parks and Rec."

While Jim was on the board, the District budget increased from \$3.5 million to \$16 million, 303 acres of park land were developed and an additional 3,820 acres of land was acquired. Since Jim's first election, the District has added 37 parks to the system and 11 after-school clubs.

Jim was instrumental in nearly every one of the district's expansion decisions during those years. As someone who was a professional baseball player and involved in youth baseball, the Royal High School girl's softball program, adult women's softball program, co-ed softball, youth football, the Simi Valley High School and Royal High School football programs, semi-pro football, soccer programs and the Boy Scouts, Jim has an intimate knowledge of what the community's recreation needs are and how to fill them.

As a result of his vision and dedication, Jim has been recognized with the Founder's Award from the Ventura County Special Districts Association; Board Member of the Year from the California Association of Recreation & Park Districts; 2002 Board Member of the Year from the American Park & Recreation Society; and the 2002 Meritorious Service Citizen Award from the American Park & Recreation Society.

In addition to his recreational activities, Jim is a member of Disabled American Veterans, Simi Valley Chamber of Commerce, Kiwanis Club, Simi Valley Historical Society and the Simi Valley Christian Foundation for Homeless.

Jim also found the time to be a husband, father and grandfather during those years. He and Amy have been married for more than 50 years and have five children and numerous grandchildren.

Madam Speaker, the mark James L. Meredith leaves on Simi Valley and Oak Park—the communities the Rancho Simi Recreation and Park District serves—is both deep and enduring. I know my colleagues join me in thanking Jim for his tireless dedication to his community and in wishing him and Amy great joy in their retirement.

HONORING DR. JEFF KIMPEL

HON. JOHN SULLIVAN

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. SULLIVAN. Madam Speaker, it is with great pleasure that I rise today to honor Dr. Jeff Kimpel for his service as the Director of the National Oceanic and Atmospheric Administration's (NOAA) National Severe Storms Laboratory (NSSL), in Norman, Oklahoma, and for his thirteen years of Federal service.

Dr. Jeff Kimpel has been a lifeline for the NSSL for the last thirteen years; he has led the program to further research opportunities and the results have showed nothing but excellence. Dr. Kimpel has allowed the NSSL to embark upon many programs and technological advancements, saving countless lives and property from the consequences that severe weather can cause. Under the watch of Dr. Kimpel, the NSSL performed the scientific and technological research that upgraded the Next Generation Weather Radar to an open systems operation. Along with this, super resolution capability and designed dual polarization upgrades were added.

The NSSL has been able to upgrade and expand their programs, establishing strong programs and cloud resolving and numerical forecast models, all under the watch of Dr. Kimpel. He was also instrumental in gaining support for new facilities, which sprung the construction of the National Weather Center, which shares space with the National Weather Service and the University of Oklahoma Meteorology Program.

Dr. Kimpel has a perseverance that goes far beyond the field of meteorology. He is dedicated to NSSL but has also achieved so much more, such as serving our nation in Vietnam and being awarded the Bronze Star Medal for his bravery and courage and being named as the Senior Vice President of the Norman Campus of the University of Oklahoma.

Dr. Kimpel, I commend and congratulate you on your noteworthy contributions that you have made to our Nation, the state of Oklahoma, the University of Oklahoma and to the field of meteorology.

EAST ROWAN BASEBALL TEAM WINS IT ALL

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. COBLE. Madam Speaker, on behalf of the citizens of the Sixth District of North Carolina, we wish to extend our congratulations to

the East Rowan baseball team for winning the North Carolina High School Athletic Association's 3-A state championship. The title capped off a record-setting 31-2 season. It was a matter of redemption for many of the players after making deep runs into the playoffs and being knocked out the last two seasons.

The team's resilience mirrors the work ethic of its Head Coach Brian Hightower. East Rowan won the State Championship series by sweeping Wilson Hunt High school two games to none. Coach Hightower focuses on pitching and defense but we are sure he wasn't complaining too much with the 15-10 final of the championship series. Star pitcher William Johnson got the win for the Mustangs and concluded a brilliant postseason record with zero earned runs in 20 innings pitched. Centerfielder Will Sapp was named MVP of the series and had two doubles in the final game.

It took the combined effort of the team, coaches and support from the East Rowan faithful to make this championship dream a reality. The championship team members included: Will Johnson, Parker Gobbel, Thomas Allen, Bradley Robbins, Alex Bost, Curtis Ward, Andy Austin, Justin Morris, Preston Troutman, Noah Holmes, Avery Rogers, Chase Hathcock, Jamey Blalock, Wesley Leroy, Will Sapp, Chris Jacobs, Luke Thomas, Nathan FullBright and Alex Morgan. The coaching staff was led by Head Coach Hightower, with pitching coach Brian Hatley, assistant coaches John McNeil, Matt Miller and statistician Andrew Poston. The East Rowan Ath-

letic Directors Chad Mitchell and Gina Talbert also helped support the championship run. The guidance from school Principals Kelly Sparger, Rick Vanhoy, Debra Murphy and Grayson Hampton also assisted the team.

Again, on behalf of the Sixth District of North Carolina, we would like to congratulate the East Rowan baseball team, the faculty, staff, students, and fans for an outstanding championship season.

IN MEMORY OF CHARLES
LEGRAND LEWIS

HON. CORRINE BROWN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Ms. CORRINE BROWN of Florida. Madam Speaker, I rise at this time to honor the life of Charles Legrand Lewis. He was the father of a former Military Fellow in my office and current Army Lieutenant Colonel, Patrick Lewis. His father, Charles Legrand Lewis, at age 69, of Oceanside, California, died peacefully, Sunday, May 2, 2010, at Tri-City Medical Center, Oceanside, California, surrounded by his family.

He was born in Elizabethtown, North Carolina, on March 9, 1941, to the late Charlie Roundtree and Ada Mervell Lewis. Also preceding him in death was his brother, Harold Lewis.

Legrand, as he was known, graduated from Frederick Douglass High School in Baltimore,

Maryland class of 1959, where he was an avid trumpet player in the school band. After graduation he attended a printing apprenticeship program at Westinghouse in Baltimore, where he began his 45-year commercial photographer career in the printing industry.

Legrand's career lead him to New York where he met his wife of over 40 years Bernice Lewis, of Wilson, North Carolina. They later moved to Philadelphia, Pennsylvania and then Willingboro, New Jersey, where they raised two children until they moved to Oceanside, California, where they prepared for retirement.

After retirement Legrand enjoyed wearing baseball caps and driving his convertible top down, no matter how cold or hot it was. He enjoyed his family and friends and was affectionately known as "Pop Pop" by his grandchildren. He also enjoyed meeting and sharing life stories with everyone he met. He always told a good story and was a kind and gentle man. He will be missed greatly by his family and everyone who knew him.

Legrand is survived by his wife, Bernice Lewis; brother, Frank Lewis, Baltimore, MD; sister Candy Woingust, Baltimore, MD; four children (two children from previous marriage), son, Andre Whitt, Los Angeles, CA; daughter, Lavern Whitt, Los Angeles, CA; son Patrick Lewis, Lorton, VA; daughter Stephanie Lewis, Philadelphia, PA; seven grandchildren; Jasmine Lewis, Dominique Lewis, Jade Lewis, Taj Whitt, Tyler Whitt, Freedom Lewis, Victorie Lewis; one great grandchild, J'leigh Lewis, and a host of nieces, nephews, and cousins.

SENATE—Wednesday, June 30, 2010

The Senate met at 9:30 a.m. and was called to order by the Honorable MARK BEGICH, a Senator from the State of Alaska.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Eternal and blessed God, in the midst of our days of labor, we are grateful for opportunities to pray.

As our lawmakers grapple with pressing issues, give them the wisdom to seek Your guidance and to depend upon Your direction. Respond to their petition by undergirding them with Your enabling might, empowering them to exercise responsible stewardship of their influence by striving to be lights in a dark world. Open their ears and hearts this day to hear Your voice and obey Your commands, strengthening them to make their utmost contribution to healing a hurting world.

We pray in Your great Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable MARK BEGICH led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. INOUE).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 30, 2010.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable MARK BEGICH, a Senator from the State of Alaska, to perform the duties of the Chair.

DANIEL K. INOUE,
President pro tempore.

Mr. BEGICH thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. REID. Mr. President, following leader remarks, if any, the Senate will

turn to a period of morning business for 2 hours, with Senators during that period of time allowed to speak for up to 10 minutes. Following morning business, the Senate will proceed to executive session and will debate the nomination of GEN David Petraeus. There will be up to 20 minutes for debate prior to a vote on confirmation of the nomination. Senators should expect that vote to occur around noon today.

As a reminder to all Senators, last evening I filed cloture on unemployment insurance and the home buyer tax credit extension. That vote would occur tomorrow unless we arrange, by unanimous consent, sometime today to do this. I will work with the Republican leader on an agreement that would let us vote on that issue today if the minority is so determined.

We will also be able to resume consideration of the small business jobs bill this afternoon. We will consider amendments. Rollcall votes are expected to occur throughout the afternoon and into the evening.

I say to Democratic Senators, we were looking yesterday for an amendment, but none was available. So I agreed to have something happen in the interim and let the Republicans offer amendments if we have none ready or offered. I hope we will also be able to resume consideration of this matter and make headway. It is extremely important that we do that.

On unemployment compensation, we really need to do this. I have had a number of conversations with Senators from individual States about how difficult it is for them to have these long-term unemployed no longer having anyplace to go for help, and there are newspaper articles about people who are desperate throughout America. So I hope we can do something on that.

We have here, and I will call for it in a little bit, the reading of the bill we got from the House of Representatives dealing with extending the first-time home buyer tax credit. That will allow the paperwork to be completed. There is significant support on the other side for this, and I would hope we could do this by consent. If not, it will be part of the vote we have on unemployment compensation. There is no effort to do anything other than to get these two matters passed. So I would hope my friends on the other side of the aisle would consider just letting us do the home buyers assistance, the thing that passed the House. It is paid for. It has been agreed to by Democrats and Republicans. It passed the House last night with 400 votes—400 votes. So I would hope we could get that done by

consent. It is the end of the month today, and we should get this done. I hope we can do that.

As many people are aware, Senator BYRD will lay in repose in the Senate Chamber from 10 a.m. until 4 p.m. tomorrow. The family will be in the Chamber from 10 a.m. until 12 noon. Members are encouraged to pay their respects to the family from 10:15 a.m. until 12 noon.

Senate staff with floor privileges and a congressional ID are invited to pay respects from the Senate floor and should enter the Chamber through the north door of the Capitol. Members of the public and Senate staff without floor privileges are invited to pay tribute to Senator BYRD from the Senate galleries from 10:15 a.m. until 3:45 p.m. The public and staff without floor privileges should enter via the Capitol Visitor Center.

MEASURE PLACED ON THE CALENDAR—H.R. 5623

Mr. REID. Mr. President, as I indicated, H.R. 5623, the Homebuyer Assistance and Improvement Act, is at the desk. I believe it is due for a second reading.

The ACTING PRESIDENT pro tempore. The Senator is correct. The clerk will read the title of the bill for the second time.

The assistant legislative clerk read as follows:

A bill (H.R. 5623) to amend the Internal Revenue Code of 1986 to extend the homebuyer tax credit for the purchase of a principal residence before October 1, 2010, in the case of a written binding contract entered into with respect to such principal residence before May 1, 2010, and for other purposes.

Mr. REID. Mr. President, I would at this time object to any further proceedings.

The ACTING PRESIDENT pro tempore. Objection is heard. The bill will be placed on the calendar.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

CAP AND TRADE

Mr. McCONNELL. Mr. President, yesterday, President Obama invited a group of Senators down to the White House to talk about the kind of energy bill he would like Congress to pass sometime this summer.

The first thing we heard about this meeting is that the President said it

was not a meeting about the oil spill. Let me say that again. The President said the purpose of this meeting was not to discuss the ongoing crisis in the Gulf of Mexico, where up to 60,000 barrels of oil are spewing into the gulf waters each and every day, and which have been for 72 days now.

Senator ALEXANDER had to raise the issue himself, only to be dismissed by the President. Well, I am sure that will be of great comfort to the people of the gulf coast. When the President called Senators to the White House to talk about energy, I am sure most people in the gulf thought the crisis down there would at least be a topic of discussion. Evidently, they were wrong.

The second thing we heard about the meeting is that the President made what was described as a "very passionate" argument in favor of "putting a price on carbon." This, of course, is code for the new national energy tax commonly referred to around here as cap and trade.

This is what the meeting was really about. And those of us who said that this is also what the President was talking about in his Oval Office speech a couple weeks ago were right: when the President urged Americans to view the gulf oil spill as a reason to embrace his vision of energy consumption in this country, he was talking about giving government vast new powers over industry and over the everyday lives of Americans through a new national energy tax.

In other words, at a moment when the American people were hoping to hear about what the White House was doing to fix the oil leak in the gulf, the President was using that moment to prepare the ground for yet another piece of legislation that would expand the reach of government, and which would do absolutely nothing to solve the crisis at hand.

The leak still is not fixed. For more than 2 months, this pipe has gushed oil into the gulf, polluting our waters and our beaches, wreaking havoc on the lives and livelihoods of millions along the gulf. I think it is most people's view that the left-wing wish-list can wait. Fixing this immediate problem should be the top priority right now.

One of the President's senior advisers said the other day that when the President was elected, he had to deal with problems that had been put off for too long. But the administration needs to solve the most urgent problems first, and the most urgent problem is not a new national energy tax, it is the crisis in the gulf.

Former President Clinton had it right the other day. He said the Federal Government's position on this issue ought to be very straightforward. The most important thing, he said, is to fix the leak. The second most important thing is to keep oil away from the shores. The third most important thing

is to minimize the damage from the oil that reaches the shores. And the fourth most important thing is to find out who did what wrong, at BP and in the Federal Government, and to hold them accountable.

But the first thing is to fix the leak.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

The Senator from Illinois.

ADDRESSING THE ISSUES

Mr. DURBIN. In response to the Republican leader's speech, I have three words: Drill, baby, drill. That was the chant we heard across the United States from the Republican side of the aisle during the last Presidential campaign. The notion was that if we just started drilling in every direction, we could solve America's energy problems. It was an irresponsible chant, failing to address the most fundamental issue of our time: the future of America's national energy picture.

What you heard this morning from the Republican leader is a return to the subject but ignoring the past. What we know is this: We know we have become more and more dependent on foreign oil. It costs us, as a Nation, \$1 billion a day that we are sending overseas to other countries to buy their oil to sustain our economy. This dependence, unfortunately, leads to commitments we have to make—military commitments, political commitments, economic commitments—because of this dependence on foreign oil.

The second reality is this: We understand there is a new, emerging energy technology in the 21st century. It is an energy technology based on efficiency, economy, and the reduction of costs. There are other countries in the world that are taking the lead in this area, not the least of which is the nation of China.

I recently heard from MICHAEL BENNET of Colorado, who spoke to us at a Democratic Senate luncheon. He came up with a statistic which in many ways is hard to believe but equally scary, and here is what it is: The largest export of the United States of America of any product is in the aircraft industry. Look at Boeing. Look at all of the aircraft we are exporting around the world. It is our major export. Yet if you compare our major export to the export by China—by China—of energy

technology to the world, they are now at 50 percent of the value of our annual aircraft exports. China has decided that the future of the world is based on new, clean energy technology, and they are doing something about it. They don't come to their leadership and squabble, at least not in a public fashion; they get focused—focused on creating businesses and jobs and being ready to compete in the 21st century.

The third premise of our energy policy goes to something on which the Senator from Kentucky may or may not agree with me. I happen to believe the activities of humans on this Earth make a difference when it comes to the planet. I happen to believe when we look at glacial melt around the world, it reflects the fact that the world is changing. Ever so gradually, it is getting warmer. As the Earth increases its temperature, it changes weather patterns, the currents of the oceans, the land we live on, the crops we grow, and our future. Some people don't accept that. Some don't see a connection. They don't believe any of the carbon released into the atmosphere creates a problem. I have met many of them. Some are people who in good faith don't come to the same conclusion I reach. I respect them, but I respectfully think they are wrong.

What have we learned from the gulf crisis? We have learned a lot. Yesterday I had one of the vice presidents of BP America in my office. I talked to him about how we have reached this point. I said: When we have reached the point where we are drilling deep, going after the tough, deep oil to fuel our economy and its needs, we are engendering more problems and more challenges than before. Had there been a spill of oil in downstate Illinois or in Alaska or Texas, it would have been terrible, but it could have been contained much more quickly than this gusher of oil coming from the floor of the Gulf of Mexico. As we explore in new areas, tougher, more challenging areas, we run greater risk. That is a reality.

I take exception to the remarks of the Senator from Kentucky who suggested this administration is not doing everything in its power to deal with this spill in the gulf. Let's look at what we have done. This President called in BP and made it clear that the cost of this damage will be borne by that oil company, not by the taxpayers. I was pleasantly surprised when the Governor of Mississippi, Haley Barbour, a man who in the past was as passionate in his beliefs as I am in my Democratic beliefs, came out and praised President Obama for sitting down with BP and getting a commitment of \$20 billion in a fund to deal with the economic losses associated with this spill. BP has bought commercials that most of us have seen saying: We will pay for this, all of it. I don't know if the Senator

from Kentucky thinks that is unimportant. I believe it is important.

Secondly, I am as troubled by the continuing spill as anyone. I know the President feels that has to end and end immediately. But as the Senator from Kentucky knows, we don't have a U.S. department of deep sea drilling. It doesn't exist. What we are relying on is the private sector's capacity, technology, equipment, and expertise to find a way to cope with this problem. I am as frustrated as any American that on day 75 of this spill, it has not come to an end. But it continues. The President focuses on this every day, as does his Cabinet.

Yesterday we had a meeting with Interior Secretary Ken Salazar. The man has spent day after weary day devoting himself completely to this. Carol Browner, an environmental assistant in the White House, was there talking about the massive commitment which we have made. She was asked point-blank: Are you providing the booms, the things they spread out in the water to stop the flow and spread of this oil, are you supplying all of the booms requested by all of the States in the Gulf of Mexico?

She said: We are supplying not only 100 percent of their requests but over 100 percent of their requests, and we are going to continue to manufacture and secure this boom to protect our shoreline. She said: Of course, we haven't done everything right, but when we see a problem, we move on it quickly to try to solve it.

We are talking about the commitment of thousands of vessels to skim the surface of the gulf and to try to salvage as much of this oil as possible. It is a massive national commitment by our government, by the private sector. The suggestion of the Senator from Kentucky that the President is not focused on it is not accurate nor fair.

I believe we need to focus on energy. We need to be honest about the future when it comes to energy. If we accept the premise that we will continue to be dependent on foreign oil indefinitely, that we will spend a billion dollars a day, sending it to many countries which not only disagree with us in terms of our values but turn around and spend our dollars against us to foster and to be patrons to terrorism, if we accept that, then we will do nothing about a national energy policy. If we accept the premise that we should do nothing about clean energy technology and all the potential for business and jobs it creates, that America is going to take a back seat to China and other countries, then we will do nothing about the national energy policy. If we accept the premise that there is no global warming and we should not lose a moment's sleep worrying about it, then we will do nothing about a national energy policy.

That is what we hear from the other side of the aisle, do nothing, say no. Over and over throughout this congressional session, the response of Senate Republicans has been say no. When we tackled the tough and controversial issue of containing health care costs, runaway costs that are affecting every business, every family and every level of government, Republicans said: No, we will not engage. We will not be part of that conversation.

When we went after Wall Street reform and said: After this recession, we have learned lessons; we will not allow these titans on Wall Street to repeat their mistakes and kill more jobs in the future, all but four Republicans said: No, we are not interested in that conversation. We don't want to be part of that effort.

Now we find again, in one of the most telling and important issues of the moment, unemployment compensation for the hundreds of thousands of Americans out of work, Republicans have said, no, we will not lend a helping hand to the people of America out of work.

I look at the numbers of those who are unemployed across the country, who will lose their benefits because Republicans continue to say no. I look at States such as Kentucky, the home State of the Republican leader, where 22,600 Kentucky families had their unemployment cut off because Senator McConnell and his colleagues voted no when it came to extending unemployment benefits. In my State of Illinois, 80,000 families had their unemployment cut off this month because Republicans said no. One of my friends who is a woman out of work, with a family, called me over the weekend at home. We keep in touch. She said: Let me tell you, Senator, what it means. They are cutting off the utilities. I don't know what to do. Three kids in the house and a grandson, and they are cutting off my utilities.

That is the real world of the real votes cast by the other side of the aisle.

This morning the New York Times had an editorial which I want to make reference to. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 30, 2010]

WHO WILL FIGHT FOR THE UNEMPLOYED?

Without doubt, the two biggest threats to the economy are unemployment and the dire financial condition of the states, yet lawmakers have failed to deal intelligently with either one.

Federal unemployment benefits began to expire nearly a month ago. Since then, 1.2 million jobless workers have been cut off. The House passed a six-month extension as part of a broader spending bill in May, but the Senate, despite three attempts, has not been able to pass a similar bill. The majority

leader, Harry Reid, said he was ready to give up after the third try last week when all of the Senate's Republicans and a lone Democrat, Ben Nelson of Nebraska, blocked the bill.

Meanwhile, the states face a collective budget hole of some \$112 billion, but neither the House nor the Senate has a plan to help. The House stripped a provision for \$24 billion in state fiscal aid from its earlier spending bill. The Senate included state aid in its ill-fated bill to extend unemployment benefits; when that bill failed, the promise of aid vanished as well.

As a result, 30 states that had counted on the money to help balance their budgets will be forced to raise taxes even higher and to cut spending even deeper in the budget year that begins on July 1. That will only worsen unemployment, both among government workers and the states' private contractors. Worsening unemployment means slower growth, or worse, renewed recession.

So if lawmakers are wondering why consumer confidence and the stock market are tanking (the Standard & Poor's 500-stock index hit a new low for the year on Tuesday), they need look no further than a mirror.

The situation cries out for policies to support economic growth—specifically jobless benefits and fiscal aid to states. But instead of delivering, Congressional Republicans and many Democrats have been asserting that the nation must act instead to cut the deficit. The debate has little to do with economic reality and everything to do with political posturing. A lot of lawmakers have concluded that the best way to keep their jobs is to pander to the nation's new populist mood and play off the fears of the very Americans whose economic well-being Congress is threatening.

Deficits matter, but not more than economic recovery, and not more urgently than the economic survival of millions of Americans. A sane approach would couple near-term federal spending with a credible plan for deficit reduction—a mix of tax increases and spending cuts—as the economic recovery takes hold.

But today's deficit hawks—many of whom eagerly participated in digging the deficit ever deeper during the George W. Bush years—are not interested in the sane approach. In the Senate, even as they blocked the extension of unemployment benefits, they succeeded in preserving a tax loophole that benefits wealthy money managers at private equity firms and other investment partnerships. They also derailed an effort to end widespread tax avoidance by owners of small businesses organized as S-corporations. If they are really so worried about the deficit, why balk at these evidently sensible ways to close tax loopholes and end tax avoidance?

House lawmakers made an effort on Tuesday to extend jobless benefits but failed to get the necessary votes, and it remains uncertain if an extension can pass both the House and Senate before Congress leaves town on Friday for a weeklong break. What's needed, and what's lacking, is leadership, both in Congress and from the White House, to set the terms of the debate—jobs before deficit reduction—and to fight for those terms, with failure not an option.

Mr. DURBIN. The New York Times editorial today reads: "Who Will Fight for the Unemployed?"

I want to quote a few sentences from it:

Without doubt, the two biggest threats to the economy are unemployment and the dire

financial condition of the states, yet lawmakers have failed to deal intelligently with either one.

Federal unemployment benefits began to expire nearly a month ago. Since then, 1.2 million jobless workers have been cut off. The House passed a six-month extension as part of a broader spending bill in May, but the Senate, despite three attempts, has not been able to pass a similar bill. The majority leader, HARRY REID, said he was ready to give up after the third try last week when all of the Senate's Republicans and a lone Democrat, BEN NELSON of Nebraska, blocked the bill.

Meanwhile, the states face a collective budget hole of some \$112 billion, but neither the House nor the Senate has a plan to help. The House stripped a provision for \$24 billion in state fiscal aid from its earlier spending bill. The Senate included state aid in its ill-fated bill to extend unemployment benefits; when that bill failed, the promise of aid vanished as well.

As a result, 30 states that had counted on the money to help balance their budgets will be forced to raise taxes even higher and to cut spending even deeper in the budget year that begins on July 1. That will only worsen unemployment, both among government workers and the states' private contractors. Worsening unemployment means slower growth, or worse, renewed recession.

I might add a comment here. This morning's newspapers, the Washington Post and the New York Times, at least the ones I have seen, and the Chicago papers as well, question what the reaction of our economy is going to be. They looked at the stock market yesterday. One day does not make a trend, but there is a growing concern that we are sliding back into a recession because of the failure of Republicans to support not only the President's stimulus package but also to send unemployment benefits to those needy people across America. This is a repeat, unfortunately, of a chapter in American history when after the Great Depression, President Roosevelt initiated the New Deal and injected into our economy massive amounts of money to create jobs so people would go to work, earn a paycheck, and spend it for goods and services, breathing life back into a dying economy, trying to turn it around. After 4 years of that effort, President Roosevelt, at the urging of more conservative political leaders, said: We better start focusing now on the deficit. They started tapping the breaks on spending, and the unemployment rate shot up again, creating a follow-on to the Great Depression which was not relieved until the beginning of World War II.

Sadly, it appears we are about to repeat that historical mistake. We know Republicans continue to argue that because of our deficit, we should not worry about the recession or spending money to stimulate the creation of jobs. The money we send out to unemployed people is turned around immediately into the economy. These people are living hand to mouth. Every dollar they receive is spent. As it is spent at a business, it creates business profits

and small business jobs. One thing leads to another as the multiplier takes that dollar, responds it many times in our economy and breathes life back into an economy which has been fraught with a recession. That is the reality of the need today. The failure to meet that need will guarantee the deficit continues and gets worse. It will be a self-fulfilling prophecy as Republicans turn down unemployment benefits, arguing that we can't afford it as a nation because of the deficit and, as a result, drive up unemployment in the country, driving up the very deficits they say they want to end. It is a lesson of history. Those who ignore history are likely and condemned to repeat it.

Returning to this New York Times editorial:

So if lawmakers are wondering why consumer confidence and the stock market are tanking (the Standard & Poor's 500-stock index hit a new low for the year on Tuesday), they need look no further than a mirror.

The situation cries out for policies to support economic growth—specifically jobless benefits and fiscal aid to states. But instead of delivering, Congressional Republicans and many Democrats have been asserting that the nation must act instead to cut the deficit. The debate has little to do with economic reality and everything to do with political posturing. A lot of lawmakers have concluded that the best way to keep their jobs is to pander to the nation's new populist mood and play off the fears of the very Americans whose economic well-being Congress is threatening.

Deficits matter, but not more than economic recovery, and not more urgently than the economic survival of millions of Americans. A sane approach would couple near-term federal spending with a credible plan for deficit reduction—a mix of tax increases and spending cuts—as the economic recovery takes hold.

This New York City editorial summarizes what I consider the situation. In a short period of time, after the memorial to our fallen colleague Senator BYRD, who served this Nation and West Virginia so well, we will probably have one vote tomorrow evening and then head back to our homes. For many people it will be a time of relaxation with family. For many Senators it is a rest that is needed after a lot of days spent in session in the Senate. As we return, in my home State, 80,000 families won't be celebrating the Fourth of July. They will be wondering how they are going to pay their utility bills and feed their families. For the rest of us who live in comfort, full-time employment, it may be a world removed. But for them, it is the world of reality they face every single day. Their life has become more complicated, and their burden is heavier because this Senate has failed to extend unemployment benefits.

Mr. President, 1.2 million Americans in the month of June will lose their unemployment benefits because not one single Republican would vote to help Americans who have lost their jobs

through no fault of their own. Where they would find permission to spend money on so many other things, when it comes to investing in American families who have fallen on hard times, they turn a deaf ear. That, to me, is sad and unfortunate. We need to address many issues in this Congress. It troubles me that we would consider going home for anything near a holiday or a relief from our Senate duties and ignore the burdens facing Americans who are in unemployed status or who have trouble in their families because of this weak economy.

I sincerely hope a handful—three or four Republicans—will consider voting for unemployment benefits for those across America who are out of work. We come to the aid of the American family when people are in need. When there is a natural disaster, we are there. This is an economic disaster. It requires an emergency response. We should not leave Washington without dealing with it.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. UDALL of New Mexico). The Senator from Alaska is recognized.

Mr. BEGICH. Mr. President, I say to the Senator from Illinois, I was presiding for about a half hour. I was not planning on speaking. I know my staff right now is getting very nervous that I am speaking on the floor of the Senate without their knowledge, but I do want to say a couple things.

I say to the Senator, one, he is absolutely right on unemployment benefits and what we need to do in the next day or so. But I want to go back to his first comment. I was at the meeting yesterday with the President, and I sat next to Senator ALEXANDER and heard the question on the oilspill issue. The comment from the Republican leader was that the President just brushed it aside. I am not here to defend the President. He can do his own job defending himself. But the point was, we were doing everything in a very bipartisan way on the oilspill.

Tomorrow we have another briefing with the Coast Guard. We had a briefing yesterday. There is a committee meeting I am supposed to be at right now on some liability issues around the Deepwater and what is going on with offshore. There are meetings all over this place.

I know the Republican leader was not at the meeting, so I am sure he got the information secondhand. But I was. It was not brushed off. I think all of us, I do not care what State we are from—I am from an oil and gas State—believe in the development of oil and gas, but we are all concerned about the problems down in the gulf and the tragedy and the 11 lives that were lost there. So we are 100 percent committed in this body in a bipartisan way.

What I found amazing—and the Senator's point was we can do more than

one thing in this body. I believe I can. I know everyone around me and around my caucus believes that. So we are going to work on the oilspill. Absolutely we want to cap it. But that is going on now. They are 16,000 feet down on a second drill, a relief drill. They are about 1,000 feet away. We know that is being worked on.

But the reality is, we have to have a comprehensive energy plan in this country. The fact is, if we want to talk about jobs and job creation in the future, that is a huge potential for us.

This debate, when we get to it—I know some want to make it cap and tax, cap and trade, cap and cap, cap and something. But the reality is, this is about a comprehensive energy plan. This is about creating a plan that gets us more secure for our national security. I say to the Senator, he talked about the amount of money we spend overseas going to countries that do not like us. They spend that money against us. It is in our best interests to develop a comprehensive plan, not using the excuses that have gone around this place for the last 40 years. We need to get busy and do it for the consumer, do it for our national security, do it for our economic security, and do it for the future of job creation in this economy.

So if we want to talk about the oilspill, absolutely. We will work double-time on that. We are doing it from every end of the Capitol and all across this country. As a matter of fact, today another report came out. A multinational effort, a multicountry effort from around the world has come to our assistance in the gulf. But we also need to be dealing with a comprehensive energy plan.

In Alaska, we are doing it. By 2025 we intend to have 50 percent of our energy produced by renewable energy. Even though we are dependent on oil and gas for the economic viability of our State, we recognize the diversity that has to happen: In Kodiak, AK, 10 years ago, zero; today, almost 85 percent renewable energy. The largest Coast Guard station in this country is in Kodiak, AK, which will be run by renewable energy: biofuels, hydro, wind energy.

We have to be real about this issue. I understand the politics of November is coming. Everyone wants to be for something, against something so they can figure out what constituencies they win or lose in an election. The people who will lose if we do not get a comprehensive energy plan is the public. It does not matter if we are Democrat or Republican, Green Party, Independent. You name it. We are going to be affected because we will continue to import from foreign sources that do not like us. We will continue to put our country at risk from a national security perspective, and we will not recognize that we are now No. 2, No. 3 when it comes to energy technology and China is beating us.

That is unacceptable for this country to be No. 2 or No. 3 on this issue. We should be No. 1. For people to come down wanting to pigeon-hole this and claim we do not have the capacity in the Senate to do more than one thing is unbelievable. We will work double-time on the oilspill. But we must work double-time on developing an energy policy that moves us to better security for our country, our economic security, and to make sure we see the future. The future is a new energy economy that creates new jobs in this country.

So I was not planning to speak, I say to the Senator from Illinois, but he sparked me. I get agitated sometimes when this body—not the Senator, obviously, but the Republican leader—when they want to just do one thing. It is like when a person gets a meal on a plate, and one person just likes to eat the corn first, complete it all, and then they move to the next thing. We have the capacity to do many things in this Senate. We have spent 40 years—from the last major embargo in 1974—twiddling our thumbs and doing small, little, special interest legislation for energy. Now let's do the right legislation for the American people and do it right for our national security.

So I will stop on my rant. My staff is probably sweating bullets right now. They had no idea I was going to be down here doing this. I am off to a committee hearing.

I thank the Chair.

Mr. DURBIN. Mr. President, if the Senator would yield briefly for a question, 21 years ago, I went up to Prince William Sound to see the Exxon Valdez spill. I say to the Senator, I know he knows, as a native of Alaska, firsthand how terrible these spills can be, the impact they can have in the short and long term. But I commend the Senator for his statement because we can do more than one thing if we are working together. If we are divided and at war politically, we do not accomplish much.

What the President wants us to do is deal with the gulf oilspill but also not ignore the need for a national energy policy that is going to make us stronger, create more jobs, and make us less dependent on foreign oil.

I thank the Senator from Alaska for his comments.

Mr. BEGICH. I thank the Senator for sparking me for the day.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. SCHUMER. Thank you, Mr. President.

While I will be speaking on the subject of Senator BYRD, I, too, want to join my colleague from Illinois in commending our Senator from Alaska on this issue and so many others. The Senator's staff does not have to worry. He speaks fluidly, eloquently, and without flaw. But, second, I think his courage on this issue has helped inspire our caucus to move forward.

We come from different States. For some States it is easier; for some States it is harder to take on this issue. Probably for Alaska it is one of the two or three hardest States to do it, and the Senator has done it with courage, with intelligence, with drive, and I think ultimately with success.

So I thank the Senator.

REMEMBERING SENATOR ROBERT C. BYRD

Mr. SCHUMER. Mr. President, it is with deep sadness that I rise to honor my colleague and friend, Senator ROBERT C. BYRD. I look at the simple eloquence of the roses and the black felt on his desk, and, sort of, he rises above that and hovers above us in just about everything we do.

The admiration that all of us in this body have for Senator BYRD is genuine and palpable. We miss him dearly, and I know I speak for the entire Senate when I say our thoughts and prayers are with Senator BYRD's family as they mourn his passing.

Mr. President, no one loved the Senate more than ROBERT BYRD. He devoted his life to this august institution and, in doing so, became an institution himself. He is a legend—a man who embodied the best ideals of this body. It is fitting that on this day we remember Senator BYRD the Senate is undertaking one of its most important constitutionally mandated responsibilities: the confirmation hearings for a Supreme Court Associate Justice.

Senator BYRD would remind us that we are in a process where the first branch of government is giving its advice and consent to a selection from the second branch of government in choosing someone to sit on the highest part of the third branch of government.

He loved the Constitution, he loved the Senate, he loved America, and he came from the bosom of America.

I am struck by the history of this moment. We read about the great Senators who served in this body—the Websters and the Clays, the LaFollettes and the Wagners. Well, I cannot help but feel privileged to have served, in my brief time—certainly compared to the Senators here—with a legend, with a man whose name will go down in history beside those men as one of the great men in this body and one of the great men in history.

On Thursday, Mr. President, Senator BYRD will make one final visit to this Senate Chamber that he so loved. There could be no more appropriate way for us to say good-bye to him and honor him than to yield the Senate floor to him for one last time.

People asked, why not the Rotunda? It was not that he did not deserve tribute in the Rotunda, and, for sure, tens of thousands would have lined up. But this is the body he loved, and this is the body where his final day here should be.

I would like to share a few brief thoughts and reflect on Senator BYRD's service to the people of West Virginia and the Nation.

The most important thing we should all remember about ROBERT BYRD is his life story, for it embodies America, the best of America. It embodies the American dream. Because of his intelligence, his indefatigable energy, and up-by-the-bootstraps determination, he rose from a childhood marred by abject poverty to being three heartbeats away from the Presidency.

He made mistakes in his earlier career, which he freely admitted later. Who has not? But he just grew and grew and grew. That is what great men do: they grow larger and stronger and better as they go through life. That could certainly be said of Senator BYRD.

Unlike many of the great men who preceded him, Senator BYRD did not grow up as a member of a privileged class. He was an orphan, raised in the Appalachian coal towns of West Virginia. He graduated from high school at 16 as the valedictorian, but like so many Americans of his day, he was too poor and could not afford college.

So as a young Member of Congress, he worked his way through law school, and, at age 46, he earned the diploma—with honors—that had eluded him in his youth.

I remember his love of West Virginia. When I was new in this body, just learning it—and part of the way I learned it was by going to Senator BYRD's class on the rules of the Senate; legendary to each freshman class of his time—but one day I was just seated at my desk, and Senator BYRD rose to speak. It was a Friday afternoon. I believe it was in the springtime. Business was finished and everyone was rushing home. As you know, Mr. President, I usually rush home. I love to be in New York. But as I was getting ready to leave, Senator BYRD rose, and his speech captivated me.

For 45 minutes he gave a speech on the beauty of West Virginia in the springtime. The theme of the speech was to urge visitors from other States to come experience it. It was an amazing speech. It was almost like poetry. I am sure Senator BYRD probably did not have to sit and spend days preparing it. It just flowed off his lips, his love of West Virginia, combined with his eloquence. It is one of the speeches I will always remember in the Senate, and I am just lucky and glad I was here for that moment.

Then, speaking of my State of New York, Senator BYRD did not just touch West Virginia, he touched every State. Because he was here for so long, of course, he had such power but cared about each of the Members and their States.

The most striking moment I had with Senator BYRD occurred in the

wake of 9/11. It was the day after that Senator Clinton and I went up to New York, and we saw the devastation. We could smell death in the air, see the anguished looks of people holding signs: Have you seen my husband? Have you seen my wife? The towers were gone, but people did not know who had survived and who had not. Most did not, of course.

Then the next call we got, as we came back, was from Senator BYRD. Senator BYRD said: Please come to my office. We went to his office on the first floor of the Capitol. He came to Senator Clinton and I and said: CHUCK, Hillary, I want you to consider me the third Senator from the great State of New York.

We knew we needed help, and we needed it fast. Even before we went to visit President Bush and asked him for the help that New York needed, Senator BYRD, on his own, invited us over and pledged his help. Like always, he lived up to his word, not just in the next days or weeks or months but years. I would go to him 3, 4 years later and say there is still this part of the promise made to New York that hasn't been fulfilled. There he was, and he did it. Without a doubt, the dear city I love, New York City, would not have been able to recover as quickly or as well without that man from the coal fields of West Virginia, Senator ROBERT C. BYRD, helping us. He showed a level of selflessness that is rarely seen, and I think I can speak on behalf of Secretary Clinton and the people of New York in telling Senator BYRD how grateful we are to him.

We all have so many memories of Senator BYRD, so many things. We only served together a little less than 12 years, 11½ years, but he was like a jewel. He had so many different facets that every one of us was touched by him in many ways.

So I relate my last strong memory of Senator BYRD. The Presiding Officer remembers as well because it was at a hearing of the Rules Committee where we are now having a series of hearings under the suggestion of the Presiding Officer and leadership to decide whether we should reform the filibuster rule and what we should do about it. Senator BYRD, frail at that point, about a month ago, came to our hearing room. He sat next to me and then gave one of the best orations I have heard in a committee. He was 92. He turned the pages of his speech himself. That wasn't so easy for him. It was clearly—knowing the way he thought and his way of speaking—written completely by him. It was an amazing statement. It was impassioned, erudite, balanced, and, as the Presiding Officer remembers, it electrified the room. It was an amazing tour de force. The man cared so much about the Senate. Despite the fact he was ailing, there he was because he loved the Senate. His re-

marks, if my colleagues read them, were balanced. He understood the problems, but he understood the traditions, and he tried, as usual, to weave the two together.

There are few Senators who could do that, in the more than 200-year history of this body, the way he could. There are also few Senators in this body who fought as hard for their States as Senator BYRD did. I certainly admire the people who are here who become national leaders but never forget where they came from. There is a tendency among some who come to Washington to sort of forget where they came from. Not Senator BYRD. All across West Virginia, men and women are able to realize the American dream because he fought for them. He was unrelenting and unapologetic in his desire to improve the lives of West Virginians by making generous investments in infrastructure and research. He brought that State into the future and afforded generations of West Virginians good-paying jobs, allowing them to provide for their families and have the dignity all Americans deserve.

Some of the more elite parts of the media would make fun of what he did, but I thought our colleague, Senator ROCKEFELLER, said it best. I am paraphrasing; I read this in the newspaper. He said Senator BYRD realized that until you get a road and a water system to these isolated towns, you couldn't open the door of the future for them, and he knew that. Senator BYRD relentlessly, in town after town after town, did that. He fought to increase access to health care and ensure the people had the right to vote, and he made sure every child in West Virginia had the right to live up to his God-given potential through a quality education.

Every one of us could go on and on about Senator BYRD's accomplishments, but I think what is even more important than accomplishments is who he was as a person. He was someone who knew where he stood but showed a profound willingness to evolve, and that is a sign of extraordinary character. It is all too easy for an elected official to plug his ears and say: Sorry, that is my position; that is the way it has always been, and that is the way it will always be. Not Senator BYRD. He was unafraid to take new arguments into consideration and expand his world view accordingly.

What also struck me about him was his fundamental humility, the best example of which is probably his relationship with my dear friend and mentor, Ted Kennedy, another legend in this body who is so sorely missed. Ted somewhat unexpectedly ran against Senator BYRD to be the Democratic whip in 1969. Senator Kennedy won. Two years later there was a rematch and Senator BYRD became the whip. One would think after this kind of animus that the two of them would never

come together, but in their lives in the Senate they established a deep meaningful bond, a tribute to both of them.

Senator Kennedy would tell me stories about Senator BYRD and some of the things he had done, serious and humorous. To me it is so profound that within a year we have lost the two giants among whom I was proud and lucky to serve.

I will never forget when Senator BYRD, sick as he was, was outside the steps of the Capitol to salute Ted Kennedy after he passed earlier this year. It was Senator BYRD who provided the crucial vote to fulfill Ted Kennedy's lifelong passion: Comprehensive health care reform. As every Senator sat at their desk for the final passage vote, the clerk called the roll. When Senator BYRD's name was called, he raised his voice as loud as he could and declared: "Madam President, this is for my friend Ted Kennedy. Ay!"

Those two friends, those two legends today are together again in heaven, and I would love to be able to hear the conversations and reminiscences between them.

ROBERT BYRD will be remembered forever. He will be remembered as a man who loved this institution and guarded its history. He will be remembered as a man who always stood up for his State. He is a man who will be remembered as someone who lived the American dream and fought to make that dream a reality for countless others. Perhaps most of all, he will be remembered as a loving father, grandfather, and husband.

Today the Senate mourns, the people of West Virginia mourn, the Nation mourns.

I yield the floor and note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BROWNBACK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROWNBACK. Mr. President, I rise to speak about Senator BYRD, as many of my colleagues have, and make a few comments about an extraordinary individual. Just the sheer numbers are very impressive. He was married for 68 years, elected to 9 terms, had more than 20,000 days of service in the Senate, approaching 19,000 rollcall votes cast, and had a 97-percent attendance record.

Senator BYRD was the majority leader from 1977 to 1981, and again from 1987 to 1989. He was President pro tempore four different times when his party was in the majority. The Senator from West Virginia was known for his defense of the Constitution and the institutional prerogatives of the Senate. He was the author of five books, and he

was an avid fiddler. The first place I ever saw Senator BYRD was playing the fiddle on television. Boy, he could play. It was impressive to see somebody of his stature playing an instrument so brilliantly.

In his biographical statement on his Web site, I found a statement that I want to expand and build off of. It says:

In every corner of West Virginia, the people of the Mountain State know that there is one man on whom they can always depend: U.S. Senator Robert C. Byrd. He has always remained true to his faith and his family, while working to build a better future for his state and his country.

His remaining true to his faith and family was at the core of Senator BYRD and his longevity, and at the core of his service.

While he spoke often and wrote well about the institutional prerogatives of the Senate better than anybody in the history of this body, it is that his life centered around his core, remaining true to his faith and his family. He was married for 68 years to his spouse, Erma, who stayed by his side constantly, and of whom he would speak often.

Senator BYRD and I would speak about his faith on the floor frequently. He was a man of deep faith and a man of strong convictions, and that was his centerpiece. He would often speak on this floor about his faith.

I think what you saw in Senator BYRD in that statement about his faith and his family is a cultural requirement for the United States. This is a nation of strong faith, a nation that values family. At the core of this country is that cultural need and necessity, and the leaders of the country need to have at their core a strong bearing within them, and that is a part of their service. That was a big part of Senator BYRD's service. His comments reflected the way he lived. Often people say that the way you live speaks louder than any words you say. That is what I found with Senator BYRD. The way he lived was speaking louder than any words.

It was the Senator's commitment within his family and his willingness to live that and his faith that spoke louder than any of his words. When we would talk about these things, you could see that they were at the depth of his soul and being. Whether we agreed or disagreed on a number of things—and there were many disagreements I had with him on policy issues, no question about that—you could never challenge his core convictions. His faith and commitment to his family were things that were obvious by the way he lived. You could have this sort of gentlemanly debate about topics that would come up, but you could never question or challenge the character and heart and soul of that.

What I found most endearing was Senator BYRD's commitment to faith

and family. He will be greatly missed in this body. His treatise on the Senate that he gave to all new Members—and to me as a new Member coming into the Senate—I started it and got through a portion, not all of it, but it was excellently written, well presented, and certainly a good education as to what we should do in preserving the constitutional integrity that the Founders intended for this body to be. He, of course, was the greatest defender of it.

Others have spoken more eloquently about Senator BYRD, but I don't think any eloquence could match the eloquence with which he lived his life—particularly toward his faith and his family. That is what we should recognize the most.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, with the passing of our colleague, ROBERT BYRD, a mighty oak in the forest of Senate history has fallen. There are flowers on his desk, but there is a tremendous void in our midst.

As we all know, Senator BYRD was the longest serving Senator in the history of this body. But what was most remarkable about ROBERT C. BYRD was not his longevity but his unique stature and accomplishment in the Senate. No individual in our long history has been a more tenacious champion of the traditions, prerogatives, and rules of this body.

Senator BYRD was very fond of noting how many Presidents he had served under. He always answered, "None." As he explained it, he had never served under any President but he had served with 11 Presidents as a proud member of a separate and coequal branch of government.

Likewise, no individual has had greater reverence for the Constitution and for our Founders' vision for an assertive, independent legislative branch. As the "Almanac of American Politics" says in its profile of Senator BYRD:

He may come closer to the kind of Senator the Founding Fathers had in mind than any other.

For so many years, if anyone on the Senate floor needed to look up something in the Constitution, we knew where to turn. Senator BYRD always carried a copy in his left breast pocket, directly over his heart.

It was Senator BYRD's reverence for the Constitution that led to what I consider to be arguably his finest hour in the Senate—his outspoken opposition to the rush to war in Iraq in 2002

and his fierce warning to his fellow Senators that we would regret surrendering our power on this war to the President. Senator BYRD's speeches at that time opposing the invasion became a sensation around this country and on the Internet. A white-haired Senator, well into his eighties, became an icon and a folk hero to young people in universities all across America. Why? Because when President Bush was at the peak of his popularity and power, Senator BYRD dared to say that the emperor—any President—has no clothes when it comes to declaring war. Senator BYRD said the reason given for the invasion—Iraq's alleged weapons of mass destruction—was trumped up, and he predicted the war would be a colossal mistake.

I remember those impassioned speeches he gave at that time. If only we had taken the advice of the wise Senator from West Virginia, how many young American lives—over 3,000—would not have been lost, perhaps 10 times that many injured, carrying the wounds and scars of that war for the remainder of their lives, not to mention the nearly \$1 trillion spent out of our Treasury for that war in Iraq.

Later, in his outstanding book, "Losing America"—I recommend this book to every young person. I see our pages sitting here. Pick up that book by ROBERT C. BYRD. It is called "Losing America." He just wrote it about 5 or 6 years ago. It became an instant bestseller. It is a great book. In that book, "Losing America," Senator BYRD decried the Senate's willingness to cave in to the President. He did not care about whether the President was a Democrat or Republican. He said cave in to any President—it is readiness, as he put it, "to salute the emperor." He referred back to his earlier book he had written on the Roman Senate, noting that it was "the progressive decline of the already supine [Roman] Senate" that led to the decline of the Roman Republic, and he warned that the same could happen in America.

I have always had a special affinity for Senator BYRD because we were both the sons of coal miners, both raised in humble circumstances. I will miss seeing ROBERT BYRD at his desk or in the well and going up to express my best wishes and converse with him. He would always grab my hand; he would look at me and say: We have coal miners' blood running in our veins. We were the only two sons of coal miners to serve in the Senate, at least at this time. He always said that to me. I am going to miss that.

In reading about the Senator's early years—lifting himself out of poverty before running for the West Virginia Legislature in 1946—I was reminded of Thomas Edison's remark that "opportunity is missed by most people because it is dressed in overalls and looks like work." In his early days, ROBERT

BYRD was dressed in overalls, and he worked. But he made his opportunities. He made his own opportunities with that relentless work, his self-education, and striving always.

I will always appreciate the way he tutored me in the ways of the Senate when I arrived in this body in 1985. I was assigned to the Appropriations Committee, one of the few freshman Senators to ever get that assignment. I will not go into how all that happened, but I can remember going to visit Senator BYRD—who then, of course, was the ranking minority member, when I first came to the Senate, on the Appropriations Committee—to ask for his guidance and his willingness to work with me and to instruct me on how to be a good member of the Appropriations Committee. For the next 25 years, he was either the chair of the committee or the ranking member. So I was privileged to learn at the elbow of a master appropriator and legislator.

During his more than 58 years in Congress, Senator BYRD witnessed astonishing changes, when you think about it. Our population during his service grew by more than 125 million. He served for 25 percent of the time we have been a republic. There has been an explosion of new technologies. America grew more prosperous, more diverse, more powerful. But across those nearly six decades of rapid change, there was one constant: Senator BYRD's tireless service to his country; his passion for bringing new opportunities to the people of West Virginia; his dedication to this branch of government, the U.S. Congress, and to this House of Congress, the U.S. Senate.

ROBERT BYRD was a person of many accomplishments with a rich legacy. In my brief time today, I wish to speak of one area of his advocacy which I have had ample opportunity to observe in my capacity both as the longtime chair or ranking member of the Appropriations subcommittee for education and as a longtime member and now chair of the Committee on Health, Education, Labor, and Pensions.

During all these years, Senator BYRD was passionately committed to improving public education in the United States and expanding access to higher education, especially for those of modest means.

As we all know, as I said, he was raised in the hardscrabble coalfields of southern West Virginia. His family was poor, but they were rich in faith and values. His adoptive parents nurtured in ROBERT BYRD a lifelong passion for education and learning. He was valedictorian of his high school class but too poor, too underprivileged to go to college right away. Again, keep in mind, those were the days before Pell grants and guaranteed loans or even Byrd scholarships. He worked as a shipyard welder, later as a butcher in a coal company town. It took him 12 years to

save up enough money to start college. As we all know, he was a U.S. Senator when he earned his law degree. No other Member before or since has ever started and finished law school while a Member of Congress.

But degrees do not begin to tell the story of the education of ROBERT C. BYRD. He was the ultimate lifetime learner. As I told him once, it was as though he had been enrolled during the last seven decades in the ROBERT C. BYRD school of continuing education. That always brought a smile on that one. I guarantee no one could ever get a better, more thorough education at any one of our universities.

Senator BYRD's erudition bore fruit in no less than nine books that he wrote and published over the last two decades. We know he wrote the book on the Senate, a masterful, four-volume history of this institution that has become a classic. What my colleagues may not know is he also authored a highly respected history of the Roman Senate.

There are some who joked—and I am sure he would not mind me saying this because we said it to him many times in the past—there are some who think ROBERT C. BYRD served in the Roman Senate. I can tell you, that part of the Byrd legacy and legend just is not so. We always said that. It always brought a smile, and he always chuckled when we talked about that. He was an expert on the Roman Senate. He knew it, and he knew who served in the Roman Senate and how it worked to bring down the Roman Empire.

I have talked at length about Senator BYRD's education because this explains why he was so passionate about ensuring every American has access to a quality public education, both K-12 and higher education. Coming from a poor background, Senator BYRD believed that a cardinal responsibility of government is to provide a ladder of opportunity so that everyone, no matter how humble a background, has a shot at the American dream. Obviously, the most important rungs on that ladder of opportunity involve education, beginning with quality public schools, including access to college and other forms of higher education.

During my quarter century now in this body, no one has fought harder for public education than Senator ROBERT BYRD. As long-time chairman, ranking member and, most recently, the senior member of the Appropriations Committee, he was the champion of education at every turn—fighting to reduce class sizes, improve teacher training, bringing new technologies into the classroom, boosting access to higher education.

In 1985, my first year here in the Senate, he created the only national merit-based college scholarship program funded through the U.S. Department of Education. Congress later

named it in his honor. The Robert C. Byrd Honors Scholars Program is a federally funded, State-administered scholarship program that rewards high school seniors who have exhibited exceptional academic excellence. Currently, there are more than 25,000 Byrd Scholars across the United States eligible for a \$6,000 grant during 4 years in college.

I can remember speaking with him about this and the funding of it, and he reminisced more than once with me about how he was valedictorian of his class, and that he so wanted to go on to higher education but, because of his economic circumstances and where he lived, it wasn't available. So he wanted to make sure that young men and women today who exhibit that great excellence in academic performance were not denied the opportunity to go to college simply because of the circumstances of their birth.

Senator BYRD has something in common with Winston Churchill. Both were prolific writers, and both were major players in the events they chronicled in their writings.

Senator BYRD was also a great student of literature, and he loved to recite long poems from memory. I could never understand how he could remember all of the poetry he would recite here on the floor, in a committee meeting, or sometimes in a meeting when a subject would come up and he would remember a poem that perfectly fit the temper of what people were talking about.

I am sure Senator BYRD knew "The Canterbury Tales," a lot of it probably by heart. In "The Canterbury Tales," describing the Clerk of Oxford, Chaucer might just as well have been describing ROBERT C. BYRD. Chaucer wrote:

Filled with moral virtue was his speech;
And gladly would he learn and gladly teach.

"Filled with moral virtue was his speech; And gladly would he learn and gladly teach." Senator BYRD's speeches were a wonder to behold, full of eloquence and erudition and moral virtue. Senator BYRD never stopped learning and he never stopped teaching. Americans for generations to come will continue to learn from his writings and his example.

Senator ROBERT C. BYRD was a great Senator, a great American, a loving and wonderful family man. He has both written our Nation's history and has left his mark on it. The United States of America has lost a patriotic son. We have lost a wonderful friend and a mentor. Tomorrow, here in the hallowed Chamber of the U.S. Senate, which he so loved and served for so many years, ROBERT C. BYRD will lie in state. We would do well to honor his memory by making a renewed commitment to making the U.S. Senate work and to work for all of the people of this country. May he rest in peace with his beloved Erma, and may the Senate al-

ways remember and honor his lifetime of service.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. KAUFMAN. Mr. President, I ask unanimous consent that after I speak, Senator FEINSTEIN be permitted to speak.

The PRESIDING OFFICER (Mr. BURRIS). Without objection, it is so ordered.

SCIENCE EDUCATION IN DELAWARE

Mr. KAUFMAN. Mr. President, I spoke about Senator BYRD yesterday. One of the ways you measure anyone is by their friends. The manner in which Senator HARKIN just spoke about Senator BYRD shows what a great man Senator BYRD was, to have a friend as thoughtful and as caring as Senator HARKIN. They are both a credit to the Senate.

As we continue another school year, I wanted to take an opportunity to commend the excellent science instruction taking place in my State of Delaware. The science educators and leaders in the State have been working for 15 years to create a world-class science program encompassing standards and curriculum, professional development, and science material kits. I am honored to say that I believe world class is exactly the way to describe the science instruction Delaware students receive.

This is not something that happened overnight. It is a process that began in 1995, when a statewide survey was sent out to gather data on the status of science teaching and learning in Delaware. The results, unfortunately, showed that not much science was taught or being learned in Delaware schools. Consequently, several school districts banded together to form the Delaware Science Coalition. The coalition received extraordinary support from the DuPont Company in the form of time, money, and volunteer services. The group wrote and received a National Science Foundation grant, which allowed the districts to have an out-of-classroom science specialist provide science professional development for all teachers, assemble science materials, develop assessments, and meet as a group. Within 3 years, all school districts except one had joined the Delaware Science Coalition.

Today, the science coalition has come a long way. They have a statewide kindergarten through grade 11 science curriculum in place and have plans for a grade 12 curriculum. They have professional development for all science teachers in grades K through 11. They have cost-effective, kit-based science materials. They have assessments that are modeled after international science tests. They also have a systematic and comprehensive ap-

proach to reform that includes leadership from the State, district, and classroom, as well as corporate, community, and university-based partners.

Beyond all these coordinated measures, perhaps the most impressive example of how far the coalition has come is seen in the warehouse at the John W. Collette Education Resource Center in Dover. It is truly impressive. To get an idea of what it looks like, you have to think about what it is like to be inside a Home Depot or a Lowes—a warehouse with rows and rows of supplies and forklifts running about. This is what the science materials center looks like at the Collette Center, except the industrial shelving and forklifts are transporting boxes filled with science materials to use in classrooms across the State. Science curricula and materials kits for grades K through 8 include resources developed by the National Science Resource Center, University of California-Berkeley, and homegrown and hybrid units developed with the aid of Delaware's very own teachers. These units are coordinated to introduce life, physical, and Earth science concepts each year and gradually increase in complexity from one level to the next.

All districts share materials, and kits rotate through two or three teachers per year. In order to obtain the materials, a teacher must attend professional development coordinated by the Collette Center. Then the warehouse sends out the kit, teachers and students use it, it is picked up weeks later, it is refurbished, and then sent out to another teacher. By sharing materials, costs are kept to an absolute minimum.

The Collette Center is a remarkable resource for the teachers and students in Delaware. It is unique in that it is the only science program in the country that provides a curriculum aligned to standards, an intensive professional development effort, and a materials support service for public school districts and charter schools throughout the entire State. To create this all-encompassing system, the Science Coalition has at times worked closely with the National Science Resource Center or NSRC. The NSRC is a joint operation of the Smithsonian Institution and the National Academies. I think Sally Goetz Shuler, the executive director of the NSRC, summed up Delaware's accomplishments best when she said:

During the past decade, the NSRC has showcased Delaware as a model to dozens of other U.S. States, countries, and national organizations, including the National Governors Association, the Council of Chief State School Officers, and the James B. Hunt Institute for Educational Leadership and Policy. Hundreds of leaders have visited the John W. Collette Education Resource Center in Dover, as well as many of [Delaware's] classrooms. While small, your State has been

and will continue to be instrumental in catalyzing other states and countries to transform their science programs.

That is from Sally Goetz Shuler, the executive director of the NSRC. That is a powerful statement, and one with which I wholeheartedly agree.

By the way, my colleague, Senator CARPER, who has just come on the floor, has also visited the Collette Resource Center in Dover.

Delaware's science program is very impressive and the work is paying off for Delaware's students. When the new science standards and assessments were first implemented in 2001, only 42 percent of eighth grade students met or exceeded the standards. By 2009, 60 percent of the eighth graders met or exceeded the standards. Similar achievement gains have been illustrated at the fourth, sixth, and eleventh grades as well. This is an incredible achievement and I am confident Delaware's science teachers and leaders will continue to build on this accomplishment.

Congratulations to Delaware for continuing to lead the way in science education.

Mr. President, I yield the floor to the Senator from California.

The PRESIDING OFFICER. The Senator from California.

REMEMBERING SENATOR ROBERT C. BYRD

Mrs. FEINSTEIN. Mr. President, I rise today to join my colleagues in mourning the loss of one of the Senate's legendary Members—ROBERT C. BYRD, the honorable senior Senator from the great State of West Virginia.

It wasn't too long ago that I looked right over there and I saw a desk draped in black with roses and it was one titan of the Senate—Senator Ted Kennedy. Today, I look down here and I see a desk draped in black with white roses and it is a second titan of the Senate.

I had the privilege of serving with Senator BYRD on the Appropriations Committee for some 16 years. I have had occasion to watch him. He could be very tough, he could be very caring, and he could have that twinkle in his eye. He could depart from the present text into Greek tragedy; into old Roman speaking. He had an incredibly curious mind. I think he is going to be greatly missed from this body.

I think of him representing the State of West Virginia for 51 years and serving 6 years in the House of Representatives. During all those 57 years, he served with the kind of devotion and passion that he showed in his last year here in the Senate, when he was very troubled by declining health. He has truly left an indelible imprint on the State of West Virginia and on this body. No one has ever shown more determination or greater love for the United States Senate than ROBERT C. BYRD. His tenure has been legendary.

He held a number of key leadership positions, including secretary of the Senate Democratic Caucus, Senate majority whip, twice as Senate majority leader, the Senate's minority leader, and three times as chairman of the Senate Appropriations Committee.

During the period of 1989 to 2010, Senator BYRD was President pro tempore of the Senate—the most senior Democrat and third in the line of Presidential succession; also as President pro tempore emeritus when the Democrats were in the minority.

Senator BYRD cast more rollcall votes than any other Member of this institution—18,689 in total. That is truly remarkable. Just think about how many of this Nation's laws he helped shape.

He was a veritable expert on the inner workings of the Senate. There was no one who was more well versed in this institution's intricate rules, protocols, and customs than ROBERT BYRD. He literally wrote one of the most comprehensive books on the Senate. He knew Riddick's "Rules of Procedure," virtually all 1,600 pages.

Many of us in the Senate have also spoken of his ardent devotion and consummate knowledge of the Constitution of the United States. His well-worn, treasured copy of this document was kept in his vest pocket, and year after year I would see him pull it out. The only thing that would change is that his hand, as the years went on, shook a little bit more. But his devotion to that document did not.

He was a staunch defender of the prerogatives of the three equal branches of government, and he was very quick to note that he served alongside, not under, 11 Presidents.

When he first joined the House of Representatives in 1952, Dwight Eisenhower was President. His tenure in Congress then followed alongside the Presidencies of John F. Kennedy, Lyndon B. Johnson, Richard M. Nixon, Gerald A. Ford, James Carter, Ronald Reagan, George H.W. Bush, William J. Clinton, George W. Bush, and finally Barack Obama. That is an amazing list of people to have served with.

BOB BYRD was not only one of the Senate's famous power brokers, but I think his fondness for classical history, music, and poetry has impacted every one of us. As I said, he frequently interspersed his Senate remarks with passages from ancient Roman history, philosophy, and often poetic verse. It used to amaze me how, late at night, he could move from his set text and repeat some poem, word for word, verse after verse.

The nine decades of ROBERT BYRD's lifetime witnessed great change both at the personal level and at the national level. He lived to see and strongly support the inauguration of our country's first African-American President—something I know meant a great deal

to him. He was not always on the right side of the civil rights issue at every stage of his life, but he became a champion for equality, a lion for progress. His transformation was truly inspirational.

Senator BYRD was born into very humble beginnings in 1917. He grew up during the Great Depression. He was the adopted son of a coal mining family in a small town in southern West Virginia. He was the valedictorian of his high school class but was not able to afford college at the time. This impoverished childhood might have hindered others, might have stopped a weaker person, but not the indomitable ROBERT BYRD. His inner thirst for knowledge propelled him throughout his epic career. In fact, he managed to find time during his tenure in the Senate to finally fulfill his bachelor's degree from Marshall University in 1994, at the tender age of 77. That shows something, I think. He previously received a law degree from American University's Washington College of Law in 1963.

The loss of his beloved wife Erma Byrd in 2006, I think, was a dramatic blow to him. I had occasion to talk with him during that time, and there was no question that this was a great love, that it was an enduring love, and that it was a lifetime commitment. I discussed with him how he provided, day after day, week after week, and month after month, the personal care to his wife as she became more infirm and came toward the end of her life. This truly was a major gift of love.

One thing I have learned in my lifetime, there are so many people who, in the end-of-life crises, are not able to give with love to their spouse. This was a man who could do that. I think that develops his importance as you look at life and people in general.

Once again, I offer my sincerest condolences to his two daughters Mona Paterni and Marjorie Moore, his grandchildren and great-grandchildren, and to the people of West Virginia.

This Nation—not only West Virginia, but all of us—owe Senator ROBERT BYRD a great debt of gratitude for his service.

I know I will very much miss that indomitable spirit, that insightful guidance, and the intense commitment to the Senate.

This man will be missed.

I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. CARPER. Mr. President, I am pleased to follow my colleague, Senator FEINSTEIN, in tribute to ROBERT BYRD, whom I always called Leader and who always called me Governor. He was our leader. He was a leader for a long time and will always be that in a very real sense to many of us.

I was born in Beckley, WV, just about a dozen miles or so from a community called Sophia, which is where

ROBERT and Erma BYRD once ran a little mom-and-pop supermarket back in the late 1930s, early 1940s. I think he was the butcher. He ran that supermarket and later on, I think, in World War II, he was a welder during the war. As we know, in the late 1940s he had the opportunity to run for the West Virginia Legislature and ran. He was a great fiddler and went around his community, his district, playing the fiddle. He always called himself a hillbilly.

Ironically, I was down in the central part of our State just about a month ago and had a chance to attend a picnic for senior citizens, a cookout. A lot of people were there. I was sitting at different tables and walking around. I was sitting at this one table, and I learned this lady sitting to my left was from West Virginia.

I said: Where are you from?

She said: Sophia.

I said: That's right outside of Beckley, where I was born.

She said: Yes, I knew ROBERT and Erma BYRD when they ran that mom-and-pop supermarket.

I said: You're kidding.

She said: No, I did.

I asked her to share some thoughts with me about it, and she did.

Two weeks later I was back in the Senate and Senator BYRD was coming in in a wheelchair. In the last part of his life he lost the ability to walk. He never lost his voice, never lost his mind either. But he came in, and I stopped to say hello to him, see how he was doing, and I said: Leader, I just met a woman over in Delaware the other day who knew you from your little supermarket in Sophia, WV.

I told him about it, and he smiled. He said: Do you remember her name? Do you remember her name?

Ironically, I could not remember it. But if I had, he would have. He was amazing.

Some people think the reason he got elected to office so many times, in the legislature and the U.S. House of Representatives and in the Senate, was because he was so good at, frankly, looking out for West Virginia economically, making sure they were not left behind. He was also a pretty good politician. He was good at names.

I remember once, when we had a funeral for my mom who died about 4 years ago, and we had a celebration of her life just outside of Beckley. We had it in the home, a very large home of a family who had 19 kids. One of them married my cousin, Dan Patton. Some people have a dining room; they had like a banquet hall for their meals. We were all gathered in this banquet hall, paying tribute to my mom, reflecting on her memory, and I was walking around the house afterwards, and I came across a CONGRESSIONAL RECORD tribute on the wall of this house. It was a tribute from ROBERT BYRD honoring this family. I was just blown away. I

couldn't wait to get back to the Senate the next week and say to Senator BYRD: You will never guess whose house I was in.

I told him the name of the house, the family, and he said: I remember that guy. He is a barber. They have 19 kids.

This guy was just amazing. I used to call him on his birthday. I used to call him not just on his birthday but when he and Erma had an anniversary. I would call him on Christmas and other special occasions just to see how he was doing and let him know I was thinking about him.

I think it was his 90th birthday, and I called him and I said: Leader, I think it is your birthday today.

He said: Yes, it is.

I said: How old are you, anyway?

I knew.

He said: Well, I'm 90.

I said: I just hope when I am 90 I can just sit up and take nourishment.

Mr. President, he said: I hope you can, too.

He was amazing.

He and JOE BIDEN share the same birthday. Sometimes I would call Senator BYRD on his birthday and say: Leader? He said: Governor, is that you?

I said: That's me. I always get this confused, who is older, you or BIDEN?

He said: I still got him by a couple of years, but he is catching up on me.

I guess now he will really have a chance to catch up.

I came here as a freshman Senator. I had been in the House, and a Governor before. I came in as a freshman in 2001. I was about the age of the pages down here. I remember Senator BYRD really took a bunch of us under his wing. He became sort of my mentor. I think the fact we had this West Virginia connection made it even more special for me, and I think maybe for him.

He taught us how to preside. He explained to us the rules of the Senate. He knew the rules better than anybody else and he was able to work the rules, use the rules to get things done—or not, to keep things from getting done. Boy, he was good. He taught us how to behave in the Senate, and he did that—not just for us but for people who had been here for 20, 30, 40 years. If they were acting up, making too much noise on the Senate floor, he would stop them dead in their tracks.

He once said to me the most important role for the Presiding Officer, Mr. President—he said the most important role of the Presiding Officer is to keep order. That is what he said. He said: If you can keep order, the rest is pretty easy. I always remembered that.

He presented to me my Golden Gavel. The Presiding Officer has a Golden Gavel. You get it after presiding so many hours in the Senate. But I was very honored to receive mine from Senator BYRD.

When I got here in 2001 I think he was 83, an age when most people are ready

to sit back and take it easy. He was just picking up speed. As Senator FEINSTEIN said, he could take to the Senate floor without a note, give a speech on just about any subject, throw in all kinds of anecdotes with respect to ancient Rome and Greek mythology, recite poems and stuff.

I once said to him: How do you remember all those poems?

He would say: I just make them up.

He was just kidding. He actually was able to remember them. I sometimes have a hard time remembering where I am supposed to be for my next meeting.

He was from West Virginia, the southern part of West Virginia. As others have said, his views on race as a younger man and as a new person in the Senate were not the same views that he left with. He matured, grew up.

He once said to me: The worst vote I ever cast, I actually voted against and spoke against the Civil Rights Act of 1964.

I think he sort of went to his grave regretting that. But I think he went to his grave having atoned, if you will, for that sin. He changed his views with respect to race. In part it was a matter of conscience—he was a person of deep faith—but I think also probably he changed, in part, because of the prodding and cajoling of, among others, one of his best friends, Senator Ted Kennedy.

As I said earlier, I loved to call him on special days. I would almost always call him when I was back in West Virginia, call him on my cell phone, call him at his home in McLean. It wasn't his birthday or anything and I would call him.

I would say: Leader?

He would say: Is that you, Governor?

I would say: Yes, I am driving down to West Virginia on the Virginia Turnpike heading toward Beckley.

He would say: No kidding.

I said: I am trying to remember which exit to get off of. The first one is Harper Road, then there is another one. The third one, I can't remember that. What is that?

He would say: That's my road, the Robert C. Byrd Drive exit.

I would always have a good time with him for that. Others have spoken about all the leadership roles he played here, all the votes he cast, all that he did. He did so much for West Virginia. I love to go back to West Virginia. I think the friendliest people I have ever met in my life are from West Virginia. It is kind of a hardscrabble place. They have come a long ways, in no small part because of his enormous help. He has been accused of trying to hijack Washington and move it to West Virginia and bring in all kinds of Federal agencies and jobs.

He was really trying to make sure West Virginia did not get left out, and I think thanks to his intervention, they did not.

He made life a lot better for the folks who live in West Virginia today, and who lived there for the last 58 years. He also made life better for a generation of Americans, maybe a couple of generations of Americans, in looking back, and maybe even looking forward as well. He is going to make their life better, looking forward, for the people in this country who need health care, the people in this country who need a decent place to live, a chance to buy a home, a chance to get an education, the opportunity to improve their station in life.

More than anybody I know, for a guy who was born, orphaned in North Carolina as an infant, who was traded off by his mom in her last will and testament—she wanted him to be raised by her sister who lived in West Virginia, and her sister took this young man in. His name was not ROBERT BYRD. But she took in her nephew. She and her husband raised ROBERT BYRD in tough situations, hardscrabble situations, and he sort of raised himself by the bootstraps and worked hard all of his life to make something of his life and to serve as a model for us in the end, and a model for our country.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

GENERAL DAVID PETRAEUS

Mrs. HUTCHISON. Mr. President, I rise today to voice my strong support for GEN David Petraeus to be confirmed as our Nation's top military commander in Afghanistan. I want to say I have had a great experience with General Petraeus and also watching him from afar. When he introduced the concept of the counterinsurgency in Iraq, and embedding our troops with Iraqi troops to try to train the Iraqi troops to do the security for Iraq as we were leaving, I had grave concerns about embedding our troops and the counterinsurgency, because I feared for the safety of our troops and troop protection. I did not want to publicly ask questions of his judgment or disagree with him, but I did ask him to come see me and explain this to me so I would feel more comfortable, which he did. He came to my office. He walked me through it. He gave me confidence that it could work.

Then later, when he was in Iraq, and I was taking one of the trips I have made to Iraq, the first place that General Petraeus sent me to see was the Iraqi police station with our embedded troops. He never said a word to me about my questioning of how it would work, but he sent me in.

Later that night I was able to have dinner with him and Ambassador Crocker. I said: I know why you sent me to the police station, because I had questioned how you were going to protect our troops. I became a complete

believer in General Petraeus and certainly how they do protect our troops as we are also teaching the foreign forces to take on their own security.

So I do have complete confidence in this man. What I do not have confidence in is the mission he is being given, because I sense a mixed message. I sense a mixed message from the President, and a division in what our Members of the Senate are saying, even as they questioned General Petraeus yesterday.

Here is my concern. We know you cannot set a hard and fast deadline and say, our troops are leaving no matter what the conditions are, and gain the confidence of the people on the ground that you are going to see the mission through.

It seems our mission should be clear, that we are going to prepare the Afghans for the security of their country, and also assure that the Taliban and al-Qaida cannot get a stronghold that would allow the export of terrorism to America and other freedom-loving countries in the world. That should be the clear mission.

I believe that is the mission General Petraeus understands, and I think that is what President Obama is saying. But my concern is this questioning of General Petraeus by members of the Armed Services Committee about the withdrawal date.

The President has said firmly the withdrawal is going to be July of next year. General Petraeus is very careful in every answer that he makes to say, conditions on the ground will dictate when we withdraw. July is the date. We acknowledge that, he says. But it will also depend on conditions on the ground.

I hope we will have a united view in the Senate, a united view in the House of Representatives, and the President acknowledging that we must have the confidence of the people on the ground in Afghanistan and also the confidence of the enemy, the Taliban, and al-Qaida, that we are not going to leave in July if there are not conditions on the ground for the Afghans to repel the evil forces of the Taliban and al-Qaida.

As we vote today on the confirmation of General Petraeus, I am voting for this general because I believe in him. I believe in his creativity. I believe in his judgment. I want to make sure he has everything he needs to do the job we are asking him to do. He has proven he can do the tough jobs.

He changed the atmosphere in Iraq and he did it the right way. He protected our forces as he was doing it. So we must assure that we give him the same level of confidence and support in Afghanistan to do the job there, because it is clear that the place where al-Qaida and the Taliban are operating from is that area of Pakistan and Afghanistan, and we cannot allow them to strengthen their efforts to be able to export terrorism to our country again.

At the same time, we have got to make sure there is not a bull's-eye on the back of our troops in Afghanistan because the enemy thinks we are leaving no matter what. Conditions on the ground are the prerequisite. I hope the President has given General Petraeus the level of confidence that I feel in him, and that I think our Senate will show to him today to do the job as he sees fit, because he is going to have the boots on the ground in Afghanistan.

I have been to Afghanistan, as have most of my colleagues. I know how tough it is, the terrain, the type of government they have had throughout their centuries, and it is not adaptable easily to our concept of governance. So we have to work within a framework that is very difficult both geographically as well as in the governance structure.

I am voting for General Petraeus today because I know this man can do the job. I hope the President will give him the free rein to do the job we are asking him to do, and, in the process, protect our troops and protect him as they are doing this very tough job with everything he asks us to provide to him to finish this job and make the Afghan people say—give them the ability to create their governance in a way that works for them and to protect the people of the United States from any further terrorist attack.

That is when we will be able to say "mission accomplished." And General Petraeus can do this job. We must give him the backup so he can be successful.

I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEVIN. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

EXECUTIVE SESSION

NOMINATION OF DAVID H. PETRAEUS TO BE GENERAL

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to executive session to consider the following nomination, which the clerk will report.

The assistant legislative clerk read the nomination of David H. Petraeus, Department of the Army, to be General.

The PRESIDING OFFICER. Under the previous order, there will now be 20

minutes for debate with respect to the nomination, with the time equally divided and controlled between the Senator from Michigan, Mr. LEVIN, and the Senator from Arizona, Mr. MCCAIN, or their designees.

The Senator from Michigan.

Mr. LEVIN. Mr. President, I yield myself 8 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. LEVIN. The Senate will soon vote on the nomination of GEN David Petraeus, who is once again stepping forward to render invaluable service to our Nation, as he has so often in the past. Certainly the events that bring General Petraeus to this moment were unforeseen. But we can be certain that when confirmed, he will bring highly experienced leadership and a profound understanding of the President's strategy in Afghanistan which he helped shape as Commander of the U.S. Central Command.

General Petraeus confirmed yesterday before the Armed Services Committee that he fully supports the President's strategy. That strategy includes a surge of U.S. combat troops who will be in place later this year.

That strategy includes a counterinsurgency campaign focused on securing the safety of Afghanistan's population and pursuing the insurgents who threaten that safety. The President's strategy, which General Petraeus supports, includes the setting of a July 2011 date to begin reductions of U.S. combat troops as a way of focusing the attention of the Afghan Government and military on preparing Afghan forces to take greater responsibility for the security of their own people. I have long believed that focusing on building the capacity of the Afghan security forces to secure their nation's future is critical to the success of our mission in Afghanistan. General Petraeus agrees. He told our committee yesterday:

We want Afghan ownership of Afghan problems, whether it's security problems, political problems, economic problems, you name it.

That is what the Afghans want as well. That is what we were told. A number of us were there a year ago in Afghanistan when 100 or so elders gathered at a shura in southern Afghanistan. When we asked them what they wanted the United States to do, they told us we should train and equip the Afghan Army to provide for their country's security and then depart. And the 1,600 delegates to Afghanistan's Consultative Peace Jirga, which occurred at the beginning of June, adopted a resolution calling on the international community to "expedite" the training and equipping of the Afghan security forces so they can gain the capacity "to provide security for their own country and people."

The Afghan Army fields about 120,000 troops, including 70,000 combat troops.

They should, wherever possible, be leading the fight against the insurgents. The Afghan Army enjoys the support of the Afghan people. That means that Afghan troops leading the fight would be the Taliban's worst nightmare. It would demonstrate that insurgent propaganda, which portrays us as out for domination and for our own ends, is a lie. If the Afghan people are to see this as their fight, it should be a fight led by their own soldiers with our support and not the other way around.

I wish to read an exchange from yesterday's hearing on this issue. I asked General Petraeus the following question:

The urgent increase in the size and capability of the Afghan army and having Afghan forces leading operations more and more is bad news for the Taliban. Now, I've described that as the Taliban's worst nightmare, because their propaganda that they are fighting against foreign forces who want to control Afghanistan will ring more and more hollow with the Afghan population [if] the Afghan army, which has the support of the Afghan people, [is] leading the effort to defeat the insurgents.

Then I asked General Petraeus: Is that something you would generally agree with? His answer was that he agreed with that statement.

I am also encouraged that General Petraeus committed at our hearing to a review of deployments by the Afghan Army to see how more Afghan troops might be deployed to the south where operations are the most intense and to ensure that Afghan leaders are leading operations in the south wherever possible.

General Petraeus also reiterated to the committee his support for the July 2011 date to begin reductions of U.S. combat troops. As he put it:

I saw [setting that date] most importantly as the message of urgency to complement the message of enormous additional commitment.

As the Presiding Officer well knows because he is an esteemed member of our committee, General Petraeus literally wrote the book on counterinsurgency. He led the effort to write our military's manual on counterinsurgency. As commander of U.S. forces in Iraq and the U.S. Central Command, he has served his country with great distinction at a time of great need. We are fortunate that once again he has answered his Nation's call, and we are grateful for the sacrifices he, his wife Holly, and his family are willing to once again accept.

I strongly support his nomination. His nomination was unanimously supported by the Armed Services Committee yesterday. I hope our colleagues will give General Petraeus an overwhelming vote of support.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. MCCAIN. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Arizona has 10 minutes.

Mr. MCCAIN. I thank the Chair.

Mr. President, I rise to speak on behalf of the nomination of GEN David Petraeus to be Commander of the International Security Assistance Force in Afghanistan, and Commander of U.S. Forces-Afghanistan. General Petraeus is quite simply one of the finest military leaders our country has ever produced. And we are all grateful for his willingness to answer the call of service in yet another critical mission—a mission that will once again take him far away from his family, especially his beloved wife Holly, whose support and sacrifice over many decades, both for General Petraeus and for our men and women in uniform, can never be overstated. General Petraeus is an American hero, and I urge my colleagues to confirm his nomination.

Before I go further, let me say a word of praise for another American hero: GEN Stanley McChrystal. He is a man of unrivaled integrity, and what is most impressive about his long record of military excellence is how much of it remains cloaked in silence. Few understand fully how General McChrystal systematically dismantled al-Qaida in Iraq, or how he began to turn around our failing war in Afghanistan. These achievements, and others like them, are the true measure of Stanley McChrystal, and they will earn him an honored place in our history.

We are calling on General Petraeus at a critical moment for the war in Afghanistan. I agree with the President that success in Afghanistan is "a vital national interest," and I support his decision to adopt a counterinsurgency strategy, backed by more troops and civilian resources. This is the only viable path to true success—which I would define as an Afghanistan that is increasingly capable of governing itself, securing its people, sustaining its own development, and never again serving as a base for attacks against America and our allies. In short, the same results we are slowly seeing emerge today in Iraq, thanks in large part to the work of General Petraeus and the forces he commanded.

Before heading out to Iraq 3 years ago, General Petraeus told the Armed Services Committee that the mission was "hard but not hopeless." I would characterize our mission in Afghanistan the same way. Afghanistan is not a lost cause. Afghans do not want the Taliban back. They are good fighters, and they want a government that works for them, and works well. And for those who think the Karzai government is not an adequate partner, I would remind them that, in 2007, the Maliki government in Iraq was not only corrupt; it was collapsed and complicit in sectarian violence. A weak and compromised local partner is to be expected in counterinsurgency. That is

why there is an insurgency. The challenge is to support and push our partners to perform better. That is what we are doing in Iraq, and that is what we can do in Afghanistan. But we need to make it clear that, as long as success in Afghanistan is possible, we will stay there to achieve it.

I appreciate the President's statement last week that July 2011 is simply a date to "begin a transition phase" to greater Afghan responsibility. And for those who doubt the President's desire and commitment to succeed in Afghanistan, his nomination of General Petraeus to run this war should cause them to think twice. I know that General Petraeus will do everything in his power to help us succeed in Afghanistan. I know that if he believes he needs something he does not have, or if he thinks that changes should be made to our war effort, he will not hesitate to offer his best professional military advice to the President and to Congress. I am encouraged that this is the man the President has given his confidence. And I believe this should be an opportunity for the Senate to join together, on a broad bipartisan basis, not just to support the nomination of General Petraeus, but to demonstrate to the Americans we represent, as well as to our friends and allies abroad, that we are fully committed to the success of our mission in Afghanistan.

We must give General Petraeus every opportunity to succeed in his new command. And I believe that means stating clearly that the withdrawal of U.S. forces from Afghanistan must be determined solely by conditions on the ground. What we are trying to do in Afghanistan, as in any counterinsurgency, is win the loyalty of the population—to convince people who may dislike the insurgency, but who may also distrust their government, that they should line up with us against the Taliban and al-Qaida. We are asking them to take a huge risk, and they will be far less willing to take that risk if they think we will begin leaving in a year. In a news report yesterday, one U.S. marine described the effect of the July 2011 date on the Afghans she encounters: "That's why they won't work with us," she said. "They say you'll leave in 2011, and the Taliban will chop their heads off."

In addition to being harmful, the July 2011 withdrawal date increasingly looks unrealistic. That date was based on assumptions made back in December about how much progress we could achieve in Afghanistan, and how quickly we could achieve it. But war never works out the way we assume. Secretary Gates said last week, "I believe we are making some progress. [But] it is slower and harder than we anticipated." I agree. Marjah is largely cleared of the Taliban, but the holding and building is not going as well as planned. Our operation in Kandahar is

getting off to a slower and more difficult start than expected. The performance of the Afghan government over the past 7 months is not as even or as rapid as we had hoped. Some of our key allies plan to withdraw their forces soon, and it looks increasingly unlikely that NATO will meet its pledge of 10,000 troops.

None of this is to say that we are failing, or that we will fail, in Afghanistan. It just means that we need to give our strategy the necessary time to succeed. This is all the more essential now with General Petraeus assuming command, pending his confirmation. He has proved that he can lead our forces to success. He has proved that he can work effectively with local partners in counterinsurgency. He has proved that he is an ideal partner for our many allies and friends, who are so critical to success in Afghanistan. In short, David Petraeus has proved that he is a winner, and we need to give him every opportunity and remove every obstacle so that he can help the United States and our allies to win in Afghanistan.

General Petraeus has my full support, and I urge my colleagues to vote to confirm his nomination so he can take up his new mission as soon as possible.

I yield back the remainder of my time.

Mr. FEINGOLD Mr. President, it is my general policy to defer to Presidents on executive branch nominations. General Petraeus is clearly qualified for this position and, accordingly, I will vote in favor of his confirmation. But regardless of who is in command, the President's current strategy in Afghanistan is counterproductive. We should set a flexible timetable for responsibly drawing down U.S. troops, not just a start date, so that we can pursue a sustainable, global campaign against al-Qaida and its affiliates.

Mr. REID Mr. President, with 100,000 troops fighting on the front lines of our battle against terrorists in Afghanistan, the stakes could not be higher. That's why I was pleased that President Obama chose a proven leader for our forces in Afghanistan in GEN David Petraeus.

General Petraeus is the right choice to lead this mission in Afghanistan. He has demonstrated that he can effectively carry out a counterinsurgency strategy and prepare local forces to take over the U.S. combat mission.

The resounding bipartisan support that General Petraeus received in the Armed Services Committee and on the Senate floor sends the right message to our forces on the ground in Afghanistan, our allies who share our mission of defeating terrorism and the enemies who seek to harm us.

It says that we are committed to success in Afghanistan and we will con-

tinue to take the fight to the Taliban. And it also says that we will continue to work to transfer responsibility to Afghan forces—with the recognition that our commitment in Afghanistan is not open-ended.

As our Commander in Chief, President Obama must have a military and civilian team that has his full confidence, and with General Petraeus' confirmation, he now has that team in place.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. LEVIN. Mr. President, is there any time remaining?

The PRESIDING OFFICER. There is 3 minutes.

Mr. LEVIN. Mr. President, first of all, let me say I very much join Senator McCain's comment about General McChrystal. I spoke about his heroics yesterday, his integrity yesterday at the Armed Services Committee in my statement, and I reiterate them today. General McChrystal is someone who has the deep respect of all who know him. And while fate took a strange bounce in his life, he has the strength and integrity of character that he is going to be able to deal with it very well.

We all want success in Afghanistan, and setting a date, as the President has done and General Petraeus supports, to begin reductions of our forces is critical to that success, because it is the Afghans who must succeed, with our support. It is the Afghan Army that must grow and get stronger because it is that way where the people will be supportive of this effort, where they will take the risks if they know the Afghan Army is large. They know already it is on their side. They will take the risks to tell that army where the bad guys are, where the insurgents are, and not be afraid.

General Petraeus was asked yesterday whether he backs the President's approach with respect to a deadline, and his answer was clear: "Not only did I say that I supported it, I said that I agree with it."

President Obama has made a decision. General Petraeus is very much a part of that decision. He agrees with that decision that we need to begin reductions in July of 2011 of our troops as a way of sending a powerful message to the Afghan leadership about their responsibility to provide security for their own country. And when they do take the lead—whether it is in operations in Kandahar or elsewhere—that is the way the people will rally behind the government, will rally against the hated Taliban.

The Taliban has no love among the people of Afghanistan. The Afghan Army does, and it is that army which must take the lead for the sake of success in Afghanistan. That is what setting this date is all about. That is why General Petraeus supports setting that

date, not for withdrawal of all of our troops but for the beginning of reductions of our troops, as that powerful signal about what is at stake here and what the Government of Afghanistan must do to achieve success for them and for us.

A few final words about the July 2011 date set by the President for the beginning of reductions in our combat presence in Afghanistan. That decision also made clear that the pace of those reductions would be dependent on circumstances at the time, and that the United States would continue a strong strategic commitment to Afghanistan.

That July 2011 date imparts a necessary sense of urgency to Afghan leaders about the need to take on principal responsibility for their country's security. We saw in Iraq the importance of setting dates as a way of spurring action. President Bush in November 2008 decided to move all U.S. forces out of Iraqi cities and towns by June 2009 and to withdraw all U.S. forces from Iraq by the end of December 2011. That decision helped focus the Iraqi Government and military on the need to take principal responsibility for the security of their country. The Afghans' success, and ours, depends on that happening in Afghanistan as well.

We have already seen a positive effect of setting the July 2011 date to begin reductions of our troops. Lieutenant General Caldwell, who commands our training efforts in Afghanistan, told us that when President Obama announced the date, the Afghan leadership made a greater effort to reach out to the local leaders and elders, resulting in a surge in recruits for the Afghan army.

General Petraeus has said he agrees with the President's policy setting that July 2011 date, and told me that if he ceases to agree he will so advise his Commander in Chief, which he, of course, has a responsibility to do as a military commander.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. McCAIN. Mr. President, this is not the time for debate over strategy. I would point out that no one follows an uncertain trumpet, and for us to assume the Afghan people will now rally to the side of democracy and freedom, when they think we are leaving and unable to sustain a counterinsurgency on their own, is the same kind of thinking that opposed the surge in Iraq, the same kind of thinking that would have doomed us to failure, the same kind of rhetoric that was voiced during our debate on Iraq 3 years ago. They were wrong then; they are wrong now.

I would hope they would have learned the lesson of our success in Iraq: that we must show our friends and allies alike that we will be there to complete the mission; not as a young soldier said

the other day: that they fear the Americans are leaving and the Taliban will cut their heads off.

It is a fundamental of warfare that you have to see the mission through to completion or failure. To announce a date of withdrawal is to announce a date for defeat.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I would also now reclaim the remainder of my time.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. LEVIN. Mr. President, I ask unanimous consent for 30 seconds to respond.

Mr. McCAIN. I object.

The PRESIDING OFFICER. Objection is heard.

The question is, Will the Senate advise and consent to the nomination of GEN David H. Petraeus to be General?

Mr. McCAIN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 203 Ex.]
YEAS—99

Akaka	Ensign	McConnell
Alexander	Enzi	Menendez
Barrasso	Feingold	Merkley
Baucus	Feinstein	Mikulski
Bayh	Franken	Murkowski
Begich	Gillibrand	Murray
Bennet	Graham	Nelson (NE)
Bennett	Grassley	Nelson (FL)
Bingaman	Gregg	Pryor
Bond	Hagan	Reed
Boxer	Harkin	Reid
Brown (MA)	Hatch	Risch
Brown (OH)	Hutchison	Roberts
Brownback	Inhofe	Rockefeller
Bunning	Inouye	Sanders
Burr	Isakson	Schumer
Burr	Johanns	Sessions
Cantwell	Johnson	Shaheen
Cardin	Kaufman	Shelby
Carper	Kerry	Snowe
Casey	Klobuchar	Specter
Chambliss	Kohl	Stabenow
Coburn	Kyl	Tester
Cochran	Landrieu	Thune
Collins	Lautenberg	Udall (CO)
Conrad	Leahy	Udall (NM)
Corker	LeMieux	Vitter
Cornyn	Levin	Voinovich
Crapo	Lieberman	Warner
DeMint	Lincoln	Webb
Dodd	Lugar	Whitehouse
Dorgan	McCain	Wicker
Durbin	McCaskill	Wyden

The nomination was confirmed.

The PRESIDING OFFICER. Under the previous order, the motion to reconsider is considered made and laid upon the table.

The President will be immediately notified of the Senate's action.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will resume legislative session.

AMERICAN JOBS AND CLOSING TAX LOOPHOLES ACT OF 2010

Mr. DEMINT. Mr. President, what is the pending business?

The PRESIDING OFFICER. The clerk will report the pending business.

The assistant legislative clerk read as follows:

Motion to concur in the House amendment to the Senate amendment with an amendment to H.R. 4213, an act to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes.

Pending:

Reid motion to concur in the amendment of the House to the amendment of the Senate to the bill, with Reid amendment No. 4425 (to the amendment of the House to the amendment of the Senate to the bill), in the nature of a substitute.

Reid amendment No. 4426 (to amendment No. 4425), to change the enactment date.

Reid motion to refer in the amendment of the House to the amendment of the Senate to the bill to the Committee on Finance, with instructions, Reid amendment No. 4427, to provide for a study.

Reid amendment No. 4428 (to the instructions (amendment No. 4427) of the motion to refer), of a perfecting nature.

Reid amendment No. 4429 (to amendment No. 4428), of a perfecting nature.

The PRESIDING OFFICER. The Senator from South Carolina.

CONGRATULATING THE UNIVERSITY OF SOUTH CAROLINA

Mr. DEMINT. Mr. President, I rise today to congratulate the University of South Carolina men's baseball team for making history by winning the NCAA College World Series last night.

Whit Merrifield's clutch hit in the 11th inning brought home the winning run and gave USC its first ever national championship for any men's team at the university.

In spite of losing their first game in Omaha, the team persevered through multiple elimination games. They were motivated by the courageous spirit of one young fan, Bayler Teal, who at age 7 may have been the biggest Gamecock fan in America. He suffered from a rare form of cancer and died last Thursday during the Gamecock's come-from-behind victory over Oklahoma. He wore his Gamecock ball cap the day he died.

Fortunately, Bayler's parents and 5-year-old brother were able to be in Omaha last night to see the Gamecocks win the final game of the College World Series.

So today I join all South Carolinians and Gamcocks fans everywhere to congratulate the players, Coach Ray Tanner, and his staff for an outstanding victory.

Now all America knows that USC means the University of South Carolina. Go Gamecocks.

FIRST-TIME HOME BUYER TAX CREDIT

Mr. President, I want to speak in objection to the majority's latest attempt to secretly push through another extension of the first-time home buyer tax credit—the third time the

Senate has modified or extended this credit since July of 2008, when it was originally included in the majority's Housing and Economic Recovery Act.

Home buyer tax credits have several flaws, and I opposed them in the past because I believe they are a temporary infusion of capital into the marketplace and simply increase the government's grip on our Nation's economic growth.

As often happens when the government becomes involved in attempting to grow a portion of the Nation's economy, we only create a bubble that will eventually burst. As the National Association of Realtors said in late April, shortly before the expiring of the tax credit on April 30:

It is time for the housing market to stand on its own feet.

It is time for the government to stop picking winners and losers in the housing market based on arbitrary dates and arbitrary qualifications. For the people who haven't closed on their homes by today, it is not that they won't get their house; it is only that they won't get a taxpayer subsidy for having bought a house now rather than later. This taxpayer subsidy has been funded by their neighbor, who may not have had the opportunity to buy on the government time line.

We have watched this majority push through big spending bills and targeted government credits. What we have learned is that government spending does not grow economic prosperity; rather, government spending grows deficits. It creates economic bubbles. Without a doubt, it increases taxes.

For 18 months, this majority has created a false sense of hope for consumers and markets while increasing taxes on small businesses and the most productive and hard-working Americans. Rather than creating tax equality and predictability for all Americans, this Congress has tried to force taxpayers to subsidize the purchasing of cars, homes, and even appliances.

We know what works. When American businesses have the predictability of low tax rates, they in turn invest in job creation and create real economic growth.

The enormous amount of spending this Congress has taken on is unsustainable and will eventually lead to the highest tax increases in our Nation's history.

This bill is no different. I ask my colleagues, how many times do we need to extend this home buyer tax credit? What do we tell the people who bought their homes just before it started, and the ones who bought their homes right after it expired? Do we say their mortgage rates will be higher for the whole time they own their home, and their taxes will be paying for their neighbor's home, who happened to buy in the government's window of opportunity?

The nonpartisan Tax Policy Center has called the home buyer credit

"Washington's worst tax policy idea." They have estimated that the \$12.6 billion already spent on this program through February created "close to zero" jobs and that at least 85 percent of these buyers would have likely purchased a home anyway.

Also, the Treasury Department's inspector general found the home buyer credit has been riddled with fraud and chronicled over 14,000 instances of false claims. This is typical of government programs. The report "found as many as 67 taxpayers using the same home to claim the credit"—the same home. It also found that over 1,000 prisoners received credit for homes they claimed to buy while in jail.

How is it fair to subsidize Americans who purchased their first home only because they purchased it on the government's timetable?

With this latest extension of the credit, the majority is not only cutting defense spending to fund the credits, but now it is admitting that taxing Americans at the highest rates in history isn't enough. Now they are going to tax foreign visitors to pay for buying our homes in America.

My hope is that my colleagues will use the recess next week to finally listen to the millions of Americans who are tired of this Congress choosing winners and losers. They are tired of the excessive spending, and they are fearful of tax increases yet to come. They are telling us very clearly: Stop spending, stop borrowing, stop adding to the debt, and stop the government takeovers.

Most of all, they agree on one thing: This Congress needs to get out of the way and let America get back to work.

UNANIMOUS-CONSENT REQUEST—H.R. 3371

Mr. President, I will now speak on the status of the Federal Aviation Administration legislation and, hopefully, move the process along a great deal. At the end of this, I will offer a unanimous consent request.

As many Senators will remember, early last year a small commuter plane crashed just outside Buffalo, NY. The accident killed all 49 people onboard and one person on the ground.

In the months following the crash, the Senate Commerce Committee and its aviation subcommittee held a number of hearings to get a better understanding of what exactly went wrong during Flight 3407 and what Congress could do to help fix it.

I thank Senator DORGAN in particular for his leadership on this issue. From those lessons we have learned and during the drafting of the FAA reauthorization, our colleagues in the House worked with us, and we were able to craft a number of important reforms that formed the safety section of both the House and the Senate reauthorization bills.

Let me take a moment to outline some of them: an FAA pilots records

database. Had we had a database like the one we have in this bill, it would be very likely that the pilot of Flight 3407 would not have been allowed to fly that day.

Increased hourly requirements for copilots: If we had these requirements, the copilot on Flight 3407 would have had more experience, and we may have averted a disaster.

There are a number of improvements in the House bill, including enhanced mentoring for pilots, increased utilization of safety management programs, better crew management initiatives, as well as clearer responses to NTSB safety recommendations. All of these reforms will go a long way to improving aviation safety.

Sadly, we have yet to get this legislation across the finish line that would implement these reforms. Parochial politics, political payoffs, and backroom deals are keeping these important safety measures from passing.

Some Members are trying to cut special deals for special flights to their States. Numerous Members are looking to impose new taxes on travelers already burdened by too much taxation. Some Congressmen are trying to cut a special deal for their buddies in the labor unions. All of these things are beside the point and are exactly what aviation policy should not be about.

Since last October, the Senate has had a bill sitting before us that will immediately implement the reforms that the families of Flight 3407 have been calling for. They have waited too long. The fights over FedEx, taxes, and special flights aren't going to go away anytime soon. If we let them, these controversial issues will continue to hold up the safety provisions on which we all agree.

Let's say that enough is enough; it is time to pass the safety improvements and let the rest of the FAA stand on its own.

Madam President, I ask unanimous consent that the Committee on Commerce be discharged from further consideration of H.R. 3371 and the Senate proceed to its immediate consideration; that the bill be read the third time and passed and the motion to reconsider be laid upon the table.

THE PRESIDING OFFICER (Mrs. HAGAN). Is there objection?

Mr. DORGAN. Madam President, I object.

THE PRESIDING OFFICER. Objection is heard. The Senator from North Dakota is recognized.

Mr. DORGAN. Madam President, might I inquire of the Senator, we have been trying to move a 30-day extension of existing authorities for the FAA, which is essential and very necessary. Is the Senator holding that up? We have had objection from his side, and my information is that the objection was the Senator's. Is that accurate?

Mr. DEMINT. Madam President, I very much support the extension, but I

have asked that this safety provision be moved along with it so that we can get this done instead of continuing to allow it to be held hostage to political interests on the bill.

I would be supportive of a unanimous consent request that would extend the FAA authorization 30 days if it included my request for the safety provisions of the bill.

Mr. DORGAN. Madam President, I think this will be extended 30 days. Failure to extend the current authority for the FAA for the next 30 days while we finish the conference report will mean that 4,000 people at FAA will be furloughed, laid off. Don't tell me that promotes aviation safety. That is the worst possible thing we can do—to decide that we are not going to extend current authorities, and after July 4, 4,000 people will be furloughed at FAA.

With respect to what my colleague has just done, without consultation with anybody else, he decided to come to the floor of the Senate and talk about "special deals" and "new taxes" and so on.

Let me describe where we are. We have tried to keep the Senator's staff and him involved so that he understands where we are. In the event there is missing information, let me explain where we are.

No. 1, we passed an FAA reauthorization bill that includes modernization of the air traffic control system, very substantial safety provisions, far more than what the Senator suggests we adopt today.

As the Senator knows because he is ranking member on the subcommittee, we held a good number of hearings on the subject of the Colgan crash and the safety provisions that need to be done as a result of it. The things the Senator raises on the floor today include most of what I have suggested, among other things. I appreciate the cooperation the Senator offered when he was at the hearings we held on these safety issues.

But following the passage of this bill by the Commerce Committee, we have not been able to appoint conferees in this Chamber. That is symbolic of how dysfunctional the Chamber is these days because we have objections even to appointing conferees. Notwithstanding the objections, Senator ROCKEFELLER and I have been working with the House, and we have kept the Senator involved, trying to narrow down most of the provisions that differ between the House and Senate. There are 6 or 8 or perhaps 10 significant differences we are working on now, and the Senator mentioned a couple: the issue of the perimeter rule, slots at Washington National Airport, a FedEx issue, passenger facilities charge, and other issues.

I believe there is almost no dispute at all about the majority of the safety provisions that both the House and the

Senate will include in the bill when it is complete. We had hoped it would be complete this week. That is not going to be the case.

Shortly after we return, I fully expect to have a conference report on the floor of the Senate that will include all of these safety provisions and more. I should say—many more—because, as the Senator knows, I chaired the hearings that helped develop these very procedures.

It would have been nice to have gotten some notice about what the Senator chose to do today. I do not think it is appropriate to try to leverage an extension for 30 days for the current authorization of FAA, which, if not extended, will result in 4,000 people being furloughed at the FAA. To try to leverage passing a portion of the FAA reauthorization bill that we are now negotiating with the House and we are very close to concluding does not make any sense to me.

No one cares more about these safety issues than I do. I can speak at length—and perhaps I will—about the Colgan crash. I understand what happened in that cockpit. I read all the transcription. I read all the information available about it. I sat for hour after hour in hearings. What happened there is an enormous tragedy. Some of the things that caused it, in my judgment, will be remedied and can be remedied and some of it is already remedied as a result of the action by the new FAA Administrator.

I simply want to say to the Senator from South Carolina that I think it is very important that we extend for 30 days the current authority of the FAA and avoid the furloughs his objections would entail. If there is any way to quickly and immediately and dramatically injure safety in the skies in this country, it would be to decide to have that kind of furlough.

I did ask unanimous consent for a 30-day extension. I will do so again this afternoon and hope that my colleague will not object to it. I have worked with my colleague all along the way on these safety issues. I wish perhaps he would have consulted us in terms of coming to the floor today at 12:45 p.m. as a ranking member of a subcommittee and saying: I am going to take this on myself and do this, for whatever reasons he described.

Mr. DEMINT. Will the Senator yield?

Mr. DORGAN. I will be happy to yield without losing the floor, if the Senator has a question.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. DEMINT. Madam President, we have been promised for months that this bill, the FAA reauthorization, which the Senator from North Dakota and I approve, would go through. The families of flight 3407 have been here constantly. As the Senator knows, one of those families is from my hometown.

They have waited long enough. There is no reason that we need to hold these safety provisions hostage to passing a whole bill that is bogged down in political fights.

I ask unanimous consent to amend my unanimous consent request to include the 30-day reauthorization of FAA. There are none of these provisions the Senator objects to. If there are additional safety provisions that can be in the final bill, we can do that. But nothing in my request compromises what the Senator from North Dakota wants to accomplish. I ask unanimous consent to amend my UC to call up and pass H.R. 5611.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. Madam President, I object.

The PRESIDING OFFICER. Objection is heard.

The Senator from North Dakota.

Mr. DORGAN. Why don't we stop this sort of thing? It is unbelievable to me how dysfunctional this place is. I say to my colleague, we have worked on this issue for months and months. I wish it had been done in January, but it was not. But we are very close to getting this done the right way. We have a couple things we have to do together, and I hope we would not be debating this. We need to extend the authorities for the FAA—and do it now—for 30 days. I expect—and the Senator knows me because I have had conversations with Senator KYL, the No. 2 person on his side. We all had conversations with the Senator from South Carolina and his staff. He knows we have been involved in finalizing at long last just the few remaining issues in order to get a conference report to the floor of the Senate.

I have talked with and met with the families of the victims on the Colgan flight many times. I do not know that anybody here has done much more than I have done to reach out to them, to hold hearings, to listen to them, to compliment them, to say to them: Because of what you are doing as families of victims, other people are going to have their lives saved because of aviation safety. I do not take a backseat to anybody in my interest and concern about that and what I have done about that.

I have not had the families of the victims come to me to say: Let's decide to object to extending for 30 days the FAA reauthorization or, by the way, let's decide to take this legislation apart and pull part of it out and leave some of the safety provisions outside the Senator's amendment.

What the Senator is suggesting is that we should pass legislation that came to us from the Senate with an amendment of his that takes a portion of the bill out that he decided he wants out.

This bill, by the way, passed the Senate 93 to 0. The Senator was not there

that day, so he did not vote. But 93 Senators voted, and no Senators voted against it. We can get this done, but we are not going to get this done by coming to the floor without consulting anybody; let's take a portion of it and add it to a House provision and threaten to have the FAA not have their authority extended and they can furlough 4,000 people in the coming weeks—that is not, in my judgment, a thoughtful way to proceed.

My hope is that perhaps we, in a rational moment, can just decide: Let's do the right thing. We are in conference with the House—not a formal conference but a substantial number of meetings have gone on. We have another one at 5 o'clock this afternoon. My hope would be that the Senator from South Carolina would agree that there is the right way and the wrong way to do this business. We will get all those safety provisions done and more—much, much more—and we will not leave any safety provisions behind that were in the legislation that passed the Senate 93 to 0. It is going to take another week or so beyond July 4, and we will have this done.

Madam President, I ask unanimous consent that the Committee on Commerce be discharged from further consideration of H.R. 3371 and the Senate proceed to its immediate consideration; that the bill be read a third time and passed, and the motion to reconsider be laid upon the table.

Let me say that this is the 30-day extension of the FAA reauthorization bill.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. Let me withdraw that request.

Mr. DEMINT. I object.

The PRESIDING OFFICER. The Senator may withdraw his request.

Mr. DORGAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DEMINT. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. Madam President, I object.

The PRESIDING OFFICER. Objection is heard.

The legislative clerk continued with the call of the roll.

Mr. DORGAN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Madam President, I just told my colleague that the unanimous consent request I intend to read is a unanimous consent request that will extend for 30 days the existing au-

thorities of the FAA. The House has passed it, has sent it to us, and is now awaiting action by the Senate. I personally do not intend to support amending it and sending it back to the House. I believe we ought to do what we should always do; that is, try to make things work, and the way to make things work is to give the FAA the extended authority they need while we finish the negotiations with the House.

I indicated that we have a meeting this afternoon. Senator ROCKEFELLER and I have a meeting with the House counterparts this afternoon on these issues. We have had staff working for a long period of time. We are down to very narrow, in my judgment, or at least a few narrow differences that I believe we can resolve. It would be a shame, in my judgment, if we do not, just as a matter of courtesy, decide, yes, this is the right thing to do while we try to negotiate these final areas in that legislation.

This issue of safety, I indicated to my colleague—I guess the Senator was absent when the Senate voted on the bill itself. It passed 93 to 0. The Senator from South Carolina has been at the hearings. My colleagues have been at the hearings I have called on safety. The crafting of the provisions on safety are provisions I largely crafted in consultation with my colleague.

It seems to me to be Byzantine to be standing here and having my colleague come to the floor offering this without consultation with anybody. It does not make sense to do it this way. Let's finish this the way Congress should finish its work: negotiate with the House. We can do that in the next week or two, get a conference report, bring it here, and have a vote on it, and it will include all the safety provisions my colleague wants, which I helped create, and many more. That is the right way to legislate.

The wrong way to legislate would be for us to decide we are going to threaten to not extend the reauthorization of the FAA and have about 4,000 people laid off sometime over the Fourth of July weekend. These are people who work at the airports division, engineering facilities, and equipment division. It makes no sense to do this.

Madam President, I ask unanimous consent—this is H.R. 5611, the FAA extension bill for 30 days—I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 5611, which was received from the House.

The PRESIDING OFFICER. Is there objection?

Mr. DEMINT. Reserving the right to object, Madam President, I assure the Senator I am in complete support not only of the 30-day extension but the bill he and I passed out of the Senate. Believe me, I was here for that and very much support it. If the Senator's

colleagues will accept it the way we passed it through the Senate, it would be done today. But because of this holdup, what I consider safety provisions being held up unnecessarily for political reasons, I object.

The PRESIDING OFFICER. Objection is heard.

The Senator from North Dakota.

Mr. DORGAN. Madam President, let me make a point very clearly. A number of the provisions dealing with safety that relate to the Colgan air crash are being implemented already by the FAA. Let me make that point, No. 1.

No. 2, in order to successfully do what we really need to do to promote aviation safety, we need to get the bill passed that promotes modernization of the air traffic control system. That is critically important. We are losing ground on those issues. We need to be able to move airplanes around this country and the world with GPS capability. It allows them to fly more direct routes, with a much greater margin of safety for passengers. The modernization of the system is critically important. We worked long and hard on that issue.

This comprehensive bill includes air traffic control modernization, safety provisions, and so many other provisions that are important.

My colleague, who is the ranking member on the subcommittee that helped produce this bill, knows and I know that we have to have a 30-day extension. That has to be done and will be done this week. I cannot believe my colleague would go home and decide: I don't care who is laid off. I will tell my colleagues how to quickly diminish safety in the skies, and that is to do that, to behave like that. That is a nonstarter, in my judgment.

It is also the case that we are not going to have somebody come to the floor without consultation and pull this provision, that provision, or the next provision out of the bill and say: By the way, I want unanimous consent to get this done. That is not serious legislating. It just is not. Everybody knows that.

It is time for us to start working together. This place is pretty dysfunctional these days. This is exhibit A as to why it is dysfunctional. My hope is that in the next couple of days, we can reach an understanding to fix some of the issues that affect the Senator.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

UNANIMOUS-CONSENT REQUEST—S. 3462

Mrs. SHAHEEN. Madam President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. 3462, a bill to provide subpoena power to the national commission on the British Petroleum oilspill in the Gulf of Mexico, and that the Senate then proceed to its consideration; that the bill be read

three times, passed, and the motion to reconsider be laid upon the table; that any statements relating to the measure be printed in the RECORD, with no further intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. DEMINT. Madam President, on behalf of other Members of the Republican conference, I object.

The PRESIDING OFFICER. Objection is heard.

The Senator from New Hampshire.

UNANIMOUS-CONSENT REQUEST—H.R. 5481

Mrs. SHAHEEN. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 442, H.R. 5481, a bill to give subpoena power to the National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling; that the bill be read a third time and passed, and the motion to reconsider be laid upon the table, with no intervening action or debate.

This is legislation that passed the House 420 to 1.

The PRESIDING OFFICER. Is there objection?

Mr. DEMINT. Madam President, on behalf of other members of the Republican Conference, I object.

The PRESIDING OFFICER. Objection is heard.

The Senator from New Hampshire.

Mrs. SHAHEEN. Madam President, I think we are witnessing exhibit B to Senator DORGAN's exhibit A about what the problems are in this Chamber.

I don't understand what is so objectionable. In the House, 169 Republicans voted in favor of giving the Presidential commission subpoena power. They understand how important that is because this commission begins their investigation in the next few weeks. This should not be a partisan issue. I don't understand why my colleagues on the other side of the aisle are turning this into a partisan issue.

I find it unbelievable that after everything the people of the gulf region have endured, and that this entire country has witnessed for over 2 months now, that anyone is still standing with the oil company that caused this disaster instead of the victims who are suffering from it.

We recently learned that while BP was publicly telling us that the Deepwater Horizon rig was leaking an estimated 5,000 barrels of oil a day, internal BP documents showed, in a worst-case scenario, up to 100,000 barrels of oil could actually leak into the Gulf of Mexico. What that says to me is that we need to make sure when we are investigating this oilspill, whether it be with employees of BP or anyone else, that they are being straight with the American people. That is what subpoena power would do. If we want to get to the bottom of what happened so we can stop it from happening again, the Presidential commission needs the

authority to compel people to provide documents and to testify under oath.

The full devastation of this catastrophic spill is far from being known, but surely we know now that it will be one of the worst, if not the worst, economic and environmental disasters in American history. We need to make sure this never happens again. The Presidential commission needs subpoena power to get the job done for the American people. The House moved quickly to pass this legislation and the Senate should now pass this important legislation also. I can't understand why anyone is objecting to this.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. MENENDEZ. Madam President, I want to rise in support of what my distinguished colleague from New Hampshire is trying to accomplish here, which is simply to give the oilspill commission the subpoena power it needs to be able to do its job—to bring those individuals before it who might be reticent to come forth.

What we have seen here on the floor—and what we have seen in the last few minutes—is a whole process that I hope the American people understand is a clear contrast between who stands on their side and who stands on the side of special interests. How is it possible that Members of this Chamber find it difficult to even proceed, when the House of Representatives, in a near unanimous vote, could say that the subpoena power is necessary for the commission to be able to get to the bottom of what happened? The House voted unanimously, save for one vote. Yet we cannot even proceed.

This isn't rocket science. It is common sense to most Americans. We need to fully learn the lessons of this disaster with a thorough investigation, not to protect oil companies from having their negligence exposed. We need to get answers from BP and Transocean and Halliburton and everyone else, including the Federal agencies, not to give apologies to them, as I have seen Republicans suggest that we should apologize to BP for making sure the residents of the gulf region are held whole. We need to know the truth, and the commission needs subpoena power to get the truth. So who are you protecting? What are we hiding here?

In addition to holding information and blocking data collection, BP has seemingly misrepresented the magnitude of the spill. We need the truth. Let's go through a little bit of remembering a very short period of time how this Congress and the American people were deceived. That is why there is a need for subpoena power, to get to the truth and to bring people to testify under oath.

We were told after the Deepwater Horizon burst into flames and then sank onto the ocean floor that there was no

spill. Anybody remember that? Can you believe it? The next day, they estimated that an absurdly low flow rate of 1,000 barrels per day was taking place. Then, on May 20, BP said they were siphoning off 5,000 barrels of oil a day from what they claimed was a 5,000-barrel-a-day spill—meaning that they were capturing all of it. Can you believe it?

Then, video feed released under pressure from Congress on May 21 showed a very different story, with a heavy flow of oil still spilling from the well. In response, only after that pressure and that video feed could be measured, the company adjusted their siphon estimate down from 5,000 to 2,200 barrels a day to explain why oil was still flowing. We now know that what the video actually showed was a much heavier flow rate. Only recently have experts begun to have access to some of the data they need to make more credible estimates.

On June 15, the Federal Government officially estimated that the flow may be as high as 60,000 barrels a day, which means that an estimated 3 million barrels have been spilled so far. Three million barrels. That would amount to more than 13 Exxon Valdez spills, which took place in Alaska.

The point of all of this is that we need the truth. That is what Senator SHAHEEN is trying to accomplish—subpoena power for the commission so they can bring in all the parties they need to make sure we get to the truth. We need someone to swear under oath that they are telling us, in fact, the truth about what happened and how much oil is spilling every day into the gulf.

Common sense and good judgment demand that we pass the legislation and move quickly to get to that truth. I can't understand, when I hear so many of my colleagues talk about truth and honesty and transparency, that they can oppose the very effort to give the subpoena powers that get us there. It is a sad day.

While I have the floor, let me briefly say that something good did happen today as it relates to this process, and I want to thank Senator BOXER, the chair of the Environment and Public Works Committee, Senator LAUTENBERG, and the very supportive members of that committee, for passing my Big Oil Bailout Prevention bill out of committee today so that we can get an up-or-down vote on the floor to hold big oil fully liable for the economic and environmental damage they have caused. Frankly, it is time we have a vote, after so many Republican objections, to this commonsense legislation. The bill that the committee passed is simple and common sense. It asserts that we want to protect those families, those taxpayers—and all of us as taxpayers—not oil company profits. It asserts that oil companies should bear

the burden of the economic damages that their spill causes, not taxpayers.

As we see the images and read the stories from the gulf coast night after night, it could not be clearer that coastal families and taxpayers are the ones who need protection, not oil companies. With action such as this one in the committee today, we have a lot of momentum going right now. I think the American people have shown clearly they want oil companies held fully accountable, and we are working to do just that. I think we are developing a head of steam.

It seems that the only people who consistently work to protect oil companies instead of coastal families right now are the oil companies themselves and some colleagues who seem to, no matter what, oppose, oppose, oppose either having subpoena power to get to the truth or lifting the liability cap so that the oil industry will be held responsible.

Four times my Republican colleagues have blocked the Big Oil Bailout Prevention Act from passing quickly by unanimous consent here on the Senate Floor, even though there is a fierce urgency of doing so now. All but one in the committee today voted in favor of the poison pill amendment that would have gutted the bill. And they have blocked, as I have said, the attempts of my colleague from New Hampshire to give the commission all the tools necessary to do a full investigation.

So I say to them, if they continue to stand in the way of our efforts to hold oil companies fully accountable, they are going to get run over by public opinion. I hope that now the committee has acted, we can use this as an opportunity to finally hold big oil accountable, and in doing so, to send a message to the industry that they are going to have to be extremely careful; that they cannot cut corners; that they cannot go cheap as they drill—to the extent that we are going to allow drilling to take place. We cannot risk the kind of environmental disaster we now have in the gulf. By the way, 11 lives were lost on that day on that rig. We must guard against a future generation facing this kind of environmental degradation. That is what is at stake here. That is what is at stake here.

It is incomprehensible to me that we cannot get our colleagues on the other side of the aisle to join us in this effort.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized. Mr. BROWN of Massachusetts. I thank the Chair.

(The remarks of Mr. BROWN of Massachusetts pertaining to the introduction of S. 3551 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DODD. If I may, before my colleague speaks—I will yield to him right away.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Before my neighbor from Massachusetts leaves the floor, let me commend him for his comments here without getting into details of the bill he has offered but, more importantly, the general thrust of what he has expressed. As he is a newly arriving Member of this body and may be here for many years, I am wrapping up three decades of service. But I hope people will listen to what he has to say.

People come to the Chamber and to this institution with the idea of getting things done for our country. That is so critically important. What he has suggested, what I have heard others talk about today, is making this institution functional so we can actually come to terms. It is not easy. We represent different constituencies and different interests. But if the spirit expressed by Senator SCOTT BROWN of Massachusetts in these brief remarks he has made this morning can carry forward in all the debates and discussions we have, we will find a lot more solutions. I want to say thank you.

Mr. BURRIS. I thank the distinguished Senator from Connecticut, who has certainly been an inspiration to me in this body, and an inspiration to all of us. I will be leaving with him, although I certainly did not come with him. But he has been an inspiration to all of us. He knows what my—I will not say publicly, but I thought the Senator would have made a heck of a Supreme Court Justice.

Madam President, as a public servant, I have long been a strong advocate for American small businesses—especially disadvantaged and minority-owned businesses.

And even before I sought elected office, when I was a banker, I worked hard every day to spur investment on Main Street.

I fought to make capital available to small businesses, so entrepreneurs and innovators could create jobs and bring prosperity to local communities.

But in today's harsh economic climate, many of these businesses are finding it harder than ever to stay afloat.

Credit has largely dried up, and capital investment is difficult to come by.

And even as our economy begins to inch along the road to recovery, small and disadvantaged businesses continue to lag behind.

I believe we need to do better.

I believe we need to place small businesses at the very center of our response to this economic crisis. They are uniquely positioned to create well-paying jobs and generate growth at a local level—so it is time to make them a priority again. Because, if this Congress fails to take action, if we neglect

to pass the Small Business Lending Act, and fall short of our commitment to America's innovators and entrepreneurs, then I fear that our Nation will slip into a jobless recovery, and disadvantaged businesses will continue to suffer the full effects of this great recession.

I recognize that government cannot directly create jobs in the same way that the private sector can. But few can deny that government has an important role to play in setting America back on the road to recovery.

Our job is to support and encourage responsible practices, impose common sense regulations, and help to direct investment to the areas that need it most. That is why I believe we need to pay special attention to the disadvantaged and minority-owned small businesses that have borne the brunt of this crisis.

Under current law, the Small Business Administration provides key support to these entities through its 8-A program. This initiative offers technical assistance, training, and contracting opportunities to small businesses that meet specific criteria. I am a strong supporter of this program, which has helped to keep disadvantaged businesses viable, and made sure everyone has the chance to share in economic prosperity. Since its inception, 8-A has made a difference in countless communities, and eased some of the worst effects of this crisis for those who stood to suffer the most. Yet, despite its success, this program's impact has been artificially limited, because only a small number of businesses are eligible for this kind of support.

As we cast about for a solution to our economic troubles, I believe we should leave no stone unturned.

At various times since the onset of the recession, both Democrats and Republicans have come to the table with constructive ideas. Many of these have been passed into law—and I think they have made a real difference. But we must not find false security in early reports of success.

We have made progress—but the situation remains fragile. There is still much more to be done. That is why I have introduced an amendment that would improve and expand the 8-A program.

This measure would increase the continued eligibility amount, from \$750,000 to \$2.5 million, so more small businesses could benefit from this assistance.

It is no secret that minority-owned businesses, particularly those in poor or urban areas, have been hit hardest by the current economic downturn, so as we look to our recovery, these are the areas we should target for our strongest support.

By expanding the existing 8-A program, we can increase its economic impact, without having to reinvent the

wheel. We can rely on a proven initiative to inject new life into disadvantaged areas.

I ask my colleagues to support my amendment, as well as the underlying bill as a whole.

On behalf of small and minority-owned businesses, I ask for their assistance in these troubled times.

Our economic future may be uncertain, but with my proposal and the Small Business Lending Act, we have the rare opportunity to influence that future.

Let's pass these measures, to guarantee some degree of relief for the people who continue to suffer the most. Let's renew our investments in America's small businesses, and rely on them to drive our economic recovery.

Let's do so today. Let's do it now, for tomorrow may be too late.

I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Madam President, I should have noted, I will be leaving with my friend and colleague from Illinois as well. He has been a wonderful addition to this institution. He has done a very fine job representing the people of Illinois. I regret we didn't get to serve more years together, that he didn't get a chance to come here earlier. He made a good contribution in the short time we have been here. Had the Senator been here longer, I think he would have made a significant contribution over the years. I thank the Senator for the time he has served and the manner in which he served as well.

WALL STREET REFORM

I rise this afternoon to spend a few minutes to talk about a most important piece of legislation facing this body and, more importantly, our country, and that is the Wall Street reform bill. In fact, the Presiding Officer has had a deep interest in the subject matter and in her previous life actually worked in the area of financial services. She not only brings an interest from the State of North Carolina, one of the fine States that has a significant involvement in the financial services of our country, but has also a knowledge about these institutions, how they work, and how the financial system works. I am very grateful to her for her thoughts and suggestions as we have been through this rather long journey over the last couple of years in the wake of the financial crisis that befell our Nation most dramatically in the fall of 2008.

I think all of our colleagues here know what is at stake. We do not need to spend a lot of time talking about the circumstances over the last couple of years. We know it, and more importantly, and more poignantly, our constituents know it, because they are living it.

All of us have jobs here. We are fairly well compensated, to put it mildly, by

any standard. We have good health care. We own our homes or are not worried about whether we can afford the rent in the places we live—whatever the circumstances. We are in some ways insulated from the day-to-day agonies our fellow citizens go through and have gone through over these last couple of years.

But I also have a deep appreciation of the fact that my colleagues, despite not personally going through these terrible times as their constituents are, understand the importance of this issue. I am deeply grateful to each and every Member of this Chamber over the last 2 years and almost everyone in this Chamber has been involved in this debate or discussion to one degree or another. The fact is we have come as far as we have in this bill because there is that interest and because there is that concern that we need to address the architecture, the financial structures of our Nation so as to avoid the kind of problems we have seen our Nation go through over these last several years.

Again, the numbers have been repeated so often I am almost hesitant to repeat them this afternoon. Certainly we will know better tomorrow. I guess the unemployment numbers will come out again.

But well over 8½ million jobs have been lost. Frankly, I think that number is an underestimation of what has happened. Some people have found part-time work, falling back in and out of it. But the number, 8.4 million, is used. It is certainly no less than that and, I suspect, as I said, far more than that.

Seven million of our fellow citizens have had their homes fall into foreclosure. Every time I say that sentence it seems it is so brief to cite the number. But imagine, as we must, that moment when, despite all of your efforts, that dream house you have acquired for your family, because of a lost job, the lost retirement, the closed business, all of a sudden that which you had hoped and dreamed for that has brought stability to your family, a great sense of joy and hope, dreams fulfilled, is all of a sudden closed, foreclosed, lost.

Imagine coming home that night when all of the efforts to hold on to that home are gone and facing your family and telling them the house you have lived in—where you have played, you have eaten, you have dreamt, you have laughed, you have cried, you have done all of the things that building enshrines in the American family—is no longer yours. For 7 million of our fellow citizens that night has happened. Many more face the prospect of that occurring in the months ahead, despite the efforts to get our economy moving again. Retirement incomes, of course, have vanished in a flash, watching the markets decline. Literally years of

building security for those retirement years, to contribute to a child's higher education costs, to blunt the costs of a health tragedy to hit your family, all of those rainy days that retirement or savings account can provide to weather those storms have been eliminated.

So there has been a shocking loss of wealth in our Nation as well. Trillions of dollars are gone, incomes that will never be made up. As I mentioned, lost home values, even if you have been able to hold on to your home, home values, on average, have declined about 30 percent. So that equity you might have built up in that dream house, where you have raised your family over the last 10, 15, 20 years, you paid one price for it maybe 20 years ago and had the full expectation that property value, while it may not skyrocket, would increase in value over the years.

So as you became that empty nester as your kids went on to college or marriage or jobs on their own, the hope that you would be able to sell that home to another hopeful buyer and come out of it with some equity that would then provide for that security that you needed to contribute to your family's well being has been totally gone in many cases, even if you have held on to your home.

Well, the bill I briefly want to talk about does not do anything about what has happened. I would love to tell you if we passed this bill that you could get your job back; that passing this financial reform bill would give you your job back. I would love to be able to tell you that when we pass this bill you would get your home back or that somehow you would be able to magically replenish that retirement account or savings account.

This bill does not do any of those things. All this bill does is to say that when the next crisis comes—and surely it will as night follows dawn, as tomorrow follows today we will have another economic crisis. I never suggested this bill was going to stop that. What I hope we are able to do with this bill is minimize the effects of that crisis when it occurs so that it does not metastasize. That may be the best word to use in this case, much as a cancer does.

When an economic crisis hits, if you are able to handle it when it happens, much as you are able to handle a cancer when you discover it before it contaminates your entire body—the crisis that will happen if we can control it, identify it early enough, begin to address the problems that it poses, then we might avoid the kind of catastrophic effect this present economic catastrophe has caused, the most significant in almost 100 years, since the Great Depression more than 80 years ago.

So I want to briefly talk about not only the process we have gone through over the past year and a half, but also what this bill is trying to do. Let me be

the first to acknowledge and admit that it does not do everything I would like it to do. I am not overly enthusiastic about every provision in this bill. There are measures that I objected to that are in the bill.

But we serve in a body of our fellow colleagues, the 100 of us who serve here, who work with those who work down the hall from this Chamber where 435 of our colleagues serve, with an administration and regulators, not to mention financial institutions and their employees and all that are involved in the financial network of our Nation, all are impacted and affected by this bill. So it is difficult to try to fashion a piece of legislation that accommodates the various interests and allows us to move forward. But that is what we have tried to do.

Process is important. I will not dwell on this point, but as someone who has spent three decades of my life at this very desk—and it is the only desk I have ever sat at since the day I arrived. This desk was planted over in that far corner as the 100th Senator in the body up until I—some 20 years ago when, through seniority, you get to move your desk around. I ended up in this seat, this spot about 20 years ago, next to this remarkable man whose life we are going to celebrate and are celebrating those days, ROBERT C. BYRD. He has been my seatmate for the last two decades.

As I said the other day, I was an 8-year-old child sitting in the galleries of the other body watching my father, on January 3, 1953, and a 35-year-old new Congressman from West Virginia be sworn in as newly minted Members of Congress. Some 6 years later, I sat in that gallery up here, in the family gallery, watching my father be sworn in as a Senator from Connecticut, along with a new Senator from West Virginia named ROBERT C. BYRD, never imagining, as a 7- or 8-year-old or as a 14-year-old, that I would spend 20 years of my life at a desk next to the man who has served longer than any other human being in the history of our Nation.

Process meant a lot to ROBERT C. BYRD. The Constitution meant a great deal. I carry with me, and every day I have for 20 years, the Constitution that ROBERT C. BYRD gave me and autographed to me. It is rather threadbare and worn today, but he revered this document. He could absolutely quote it verbatim. He gave me a copy, as he did to all new Members when they arrive, and the importance of understanding the role of this body in our constitutional framework.

He was such a great advocate of the civility and the respect for each other as we try to fashion answers to our Nation's problems. We have been through two major bills in the last Congress. There have been a lot of other bills to consider, but the health care debate

and the financial reform debate, I would argue, are the two largest in this Congress, and they are two models of how an institution can operate.

Even though I am glad we prevailed with the health care debate and are going to finally end up dealing with cost and access to our health care system and making it more available to people as a result of our actions taken, it was not a pretty process. Anyone who watched it, let alone those of us who were involved in it, certainly would have preferred that we arrive at the conclusion in a manner differently than what we went through. Maybe not everyone would agree with that. I feel that way.

The second model, if you will, is the one we just went through on financial reform, which was about as open a process as you could ever have. We went through literally months of listening in our committee, the Banking Committee which I chair, to hundreds—and I am not exaggerating—hundreds of experts who came and briefed us either formally or informally, literally dozens and dozens of formal hearings to dissect what had happened, how we got into this mess, who caused it, how was it caused, and what steps we should be taking to see to it this problem, another economic crisis, would not explode as broadly as this one has.

I invited my colleagues, Democrats and Republicans, to be involved in all of those meetings, to see to it that they would be present, even at White House meetings, to talk about what we needed to do. We laid out our first ideas together a year and a half ago, even before marking up anything close to a bill.

I presented our first discussion draft of this legislation in November of last year, and it was a discussion draft. After that draft was put forward, I assigned bipartisan working groups to attack the major issues in the bill. In March of this year, I unveiled a new bill that incorporated many of the bipartisan ideas that the working groups had produced. In fact, what I asked to be done in our committee, in the Banking Committee, was divide up the labor between Democrats and Republicans on certain large, complicated subject matters. And to their credit, they worked very hard. It did not always come up with a final answer in various areas, but they contributed significantly to the product we now have before us in the form of a conference committee report coming to this body, coming to the Senate.

So I am grateful to RICHARD SHELBY, who is not supportive of the bill, but was my ranking member and was the chairman of the Banking Committee for 4 years before I took over the chairmanship in January of 2007.

I will not go down the list and mention all of the members, but the com-

mittee members worked very hard. Even though we ended up disagreeing with what we finally produced, I am grateful to them for the efforts they put into the legislation. Beyond that, I have worked every day to keep my colleagues informed every step of the process, at least I have tried to, and if not them directly, their staffs, so there was that sense of inclusion, the model that everyone ought to be able to have a role and participate in the debate of a significant bill.

So the point I am making is, this bill was the product of collaboration of many of my colleagues before the debate even began on the floor of the Senate. On this floor, the debate lasted almost a month, one of the longest debates in many years in the Congress of the United States. Nearly 50 votes were cast by Democrats and Republicans over a 4-week period.

One of the many that passed was the very second one, I think. Senator BOXER of California offered the first amendment that said taxpayers should never again be asked to pay for a bailout of a financial institution. I think that passed unanimously. Then Senator SHELBY and I offered an amendment where we reached a bipartisan agreement on measures to end all bailouts of financial institutions once and for all, one of the most contentious areas of the bill.

From that point forward, over the next 4 weeks, with almost 60 amendments back and forth, we ended up passing the legislation by the thinnest of margins, overcoming the procedural votes we needed to in order to reach financial passage of the bill.

The last time the Banking Committee held a conference on any legislation was 7 years ago. So I took my committee product, the Senate product, and we went to what is called a conference. The House had passed its bill in December. We had passed our bill in May. So what normally has happened in the past is they never meet, or if they do meet they met in closed-door sessions to work out the differences. Then they would come back with a product.

The last time the Banking Committee had been to a conference with the House of Representatives on any bill was more than 7 years ago. Those meetings were held mostly in private; the public was never even invited into the room, let alone the press, to observe and to cover the event. We changed all of that. Our conference committee, the 42 members of both Chambers who met, again, for a 2-week period, almost 70 hours that we met, we considered 180 amendments in 70 hours. And 54 amendments were offered by Senators, 34 of which were offered by my Republican colleagues in the conference, 20 by the Democrats.

So combined, between the number of amendments we debated on the floor of

the Senate and the number of amendments we debated in conference as Senators—forget the House Members and their amendments—there were over 100 amendments by Democrats and Republicans to the financial reform bill. C-SPAN and the press sat there and watched every minute of the conference and covered every second, gavel to gavel, of the proceedings that went on for almost 70 hours over a 2-week period. My point is, this model of conducting our business, listening to each other, debating and deciding what ought to be in this bill, stands in stark contrast to how we went through the health care debate.

What is the point I am trying to make? If at the end of this process it appears as though we still face a procedural objection to going forward, what difference did it make, then, which course we followed if at the end of the process it did not make any difference?

The motion to invoke cloture is a strange phrase that I suspect most Americans do not have the vaguest idea of its meaning, or very few do. It sounds like something a doctor may do if you are ill, to get a cloture or something. That is what I thought it was when I first arrived here.

Briefly, cloture is a method by which you end a filibuster. In this Chamber, under our rules, we respect the rights of the minority, including a minority of one.

Members can talk as long as they can stand up, under most circumstances, and continue. ROBERT C. BYRD, in fact, held one of the records. It wasn't the record—Strom Thurmond holds the record, a former Senator I served with from South Carolina—but ROBERT C. BYRD conducted a filibuster for more than 14 hours. We can do that in this Chamber. But if we want to end the filibuster, we have to invoke cloture. That takes 60 votes—more than a simple majority—to say: We have had enough debate. The process has been fair. It is now time to vote. So we invoke cloture. If we don't think the process has been fair, that we haven't been given a chance to express ourselves, that we have been denied the opportunity to offer amendments or contribute to the debate, then we vote against invoking cloture.

There have certainly been many circumstances when that has been warranted, but I don't know how anyone could make a case that a filibuster on procedural grounds is warranted on this financial reform bill such as we have been through. I don't know what else I could have done to make every Member of this Chamber feel more included in the debate on the reform of Wall Street. If there is something else I could have done to say to a Member: You would have had additional rights or opportunities, I would like to hear it. I don't think I could have. You can't spend 4 weeks in this Chamber through

almost 60 amendments, 54 more in a conference, virtually allowing unlimited debate on almost anything that came up, and tell me you think you have been denied the opportunity to fully vent your feelings, to be heard, to offer your ideas and thoughts.

As a departing suggestion of one about to leave in 5 or 6 months, there ought to be some value to the process we have gone through. I have heard this morning already concerns expressed because the institution, in the minds of some, is dysfunctional. I don't want to believe that. I want to believe it is still a functional institution. But if, at the end, this process of what I have tried to lead on the banking bill causes people to believe that it doesn't make any difference, we are still going to vote for procedural roadblocks to this bill because we don't like some of the provisions in it or don't like the bill, then I do despair in some ways for whether this institution can ever function. If, at the end of all of that, we end up with the same kinds of procedural roadblocks as we had on the health care debate, where I would argue there was more legitimacy to invoking those procedural roadblocks, then I think the institution is in a lot more trouble than I would like to believe. I mention the process because it ought to be important to people, seeing to it that we have a chance to go forward.

At the end of that conference, we came up not only with the compromises necessary for a bill but also how to offset the cost of this bill. The House rules require that we demonstrate that the cost of the bill to the overall Treasury of the United States is not going to leave it in deeper debt than would otherwise be the case. We had to come up with offsetting costs for the bill.

The first proposal was not met warmly. It was assessments on large institutions primarily. But there were strong objections expressed, and two or three of our colleagues, who have been very helpful on this bill in offering ideas that would strengthen the bill and made significant contributions, expressed their concerns to me that this was an unacceptable offset, in their minds. So I took the extraordinary step of reconvening the conference. We met yesterday to change the offsets. We did so by two things. One we kept the same, and that was by making permanent the insurance fund in the Federal Deposit Insurance Corporation, making it permanent at \$250,000. That requires an assessment increase in order to meet those obligations. That was already in the bill. The Congressional Budget Office scores that as providing about \$8.5 billion in revenues over the next 10 years. That was there.

The second piece we did is end TARP. That is something all of us have wanted to see since the inception of the program. Can we bring this thing to a

close? Under our alternative offset, we end TARP immediately, except for its current obligations. The Congressional Budget Office—and I will provide letters from the CBO confirming these numbers—scored that at about \$11 billion over 10 years in savings. That money goes into deficit reduction. This is an offset; it is not a pay-for. What do I mean by that? If the budget of our Nation was \$100 and the cost of a program was \$10, you would have to make up that \$10. It doesn't go directly to pay for those programs, but it provides the offset for the cost of those programs.

The third piece of this to make up the difference was by increasing the reserve ratio at the FDIC, which was supported by the chairperson of the FDIC, to go from 1.15 percent to 1.35 percent but to hold harmless all financial institutions or banks that have assets under \$10 billion and to do that not over 4 or 5 years but over the next 10 years until 2020. That provides an additional \$5.7 billion.

The CBO has thus scored the entire bill as providing an additional \$3.2 billion in deficit reduction because the amounts we will be bringing in exceed the cost of the bill.

So, for my colleagues, ending TARP and complying with what the Chairperson of the FDIC has said is a far better suggestion.

I would be remiss at this juncture if I did not specifically thank my colleagues from Maine, SUSAN M. COLLINS and OLYMPIA J. SNOWE. It was Ms. COLLINS who said this is a better idea to look at as an offset. I am grateful to her, as I am to her colleague from Maine and my colleague from Massachusetts, Senator BROWN, who expressed his concerns about the assessment approach. Again, I will let them speak for themselves on these matters.

But it is important that colleagues know that, going back to a few moments ago talking about process, it was at the suggestion of Democrats and Republicans that changes were made to the bill, including the extraordinary step yesterday of opening the conference. There are those who wanted me to go forward anyway with it. Why would I do that if, in fact, Members have said: I can't be supportive under the present circumstances. The opportunity to make a correction in the bill and therefore come up with a better idea that was more acceptable to more of our colleagues seemed the appropriate step to take. That is exactly what we did. That is how we have offset the cost of this bill.

I will provide additional data. If I have misspoken on the numbers, I will correct my own statement for the record. But I believe I am approximately correct.

Again, none of this is easy. I know there is a temptation at times like this for emotions to rise, passions to find

expression. I have great respect for all of my colleagues in the efforts they made. There are moments of frustration when you are trying to pass a major bill, seeking cooperation from your colleagues to get the job done. But this is a complicated piece of legislation. More than 2,000 pages are included in the bill. There are provisions that are not ones I would write myself, but this is the legislative process.

I introduced a bill last November, the one I would have preferred, but in the months since, many Members have had their opportunities to make changes. Some changes I liked; some I didn't. But it should not be that because you don't like one or two or several provisions of a bill, that ought to become more important than the total impact of what you are trying to achieve. There are those who don't like the bill, any part of it at all or very few parts of it. Again, I understand that. Those people are going to vote no. But when someone tells me there is one provision or two they don't like and as a result they are going to vote against everything, that I don't understand, candidly.

We have had our debate. We voted on hundreds of individual provisions between the House and this body. There will be procedural votes. I have made my case that at some point, a process that is as open as this one has been, as inclusive as this one has been, as hospitable as I could possibly make it, as civil as I could possibly make it—if the procedural roadblocks are no different than the legislation that was conducted without any civility, without any of the cooperation and inclusiveness of this, then what is the lesson? What is the lesson for the next major bill if, in fact, going through all of that gets you no further in the process than what we have been through?

This bill doesn't bring back your home, your job, your retirement income. What it does do is to try to see to it that the next crisis will not cause the deep problems this one has.

Let me briefly identify the two or three or four things that are major in the bill. In the absence of these, if we defeat the bill, all of this is gone and we are right back to September of 2008, right back where we were when this body voted, with less than 40 days to go before a national election, to ask the American taxpayer to write a \$700 billion check to bail out and stabilize financial institutions. If you reject this effort we have been involved in for almost 2 years in the week when we come back, then we are exactly where we were in the fall of 2008, with all of the vulnerabilities we saw our country experience as a result of not reforming the structures to our financial system.

This bill will end taxpayer bailouts by making it tough for companies to engage in the kind of irresponsible behavior that threatened the economy. It

sets up a way to shut down the giant, dangerous companies that failed, through bankruptcy or through a resolution mechanism that lays all of the cost and pain on them, not on the American taxpayer. That is a major achievement.

We also include for the first time institutions that are financial institutions that have operated in the shadow economy of the Nation—no regulation, no one moderating their behavior. This bill brings them all in. They will now be regulated and controlled, so they can't engage in the kind of wildcat behavior that brought our Nation to the point we have been.

The bill creates a consumer financial services protection bureau. I get people acting as if this was the most radical idea in America. If you buy a faulty product—a toaster, a car, a television set—and it is a crummy product, you have a place to go to get some sort of redress. In fact, they are required to recall the products under the Consumer Product Safety Commission and others. If you get a crummy mortgage, a crummy insurance policy, you get a crummy piece of stock because someone lied about it, where do you go? Whom do you call? You get a lawyer—I guess that is the answer—if you have the resources. This bill sets up, for the first time in our history, a place where the average consumer of financial services might be able to get a redress of their grievances.

I know people are acting as if this is some wild socialistic idea, some crazy leftwing notion, after what the country has been through, that we could end up having a place where the average American citizen, who wants to have faith and trust in our economic system, can go to get some relief. God forbid they are treated as they have been in too many instances in the past. That is part of this bill.

This bill will create an advanced warning system. Instead of one set of eyes that, frankly, were closed most of the time, we now have what we call sort of a risk assessment council made up of the various Federal agencies that have prudential responsibility over financial institutions to be meeting and looking at what is going on in the economy, not only here in our Nation but abroad as well. Are there things occurring within companies, within interconnected companies, within countries that could pose a financial risk to our Nation? Spotting them early enough to put a stop to them, to break them up, as a last resort, or to insist that certain things be done to avoid these metastasizing events that have contaminated every aspect of our life because no one stood up early enough to stop them when they first spotted them.

The bill further brings transparency and accountability to the derivatives market, a \$600 trillion—that is not

misspeaking; that is not a million, not a billion—a \$600 trillion market. It is a phenomenal market. Basically, it has been unregulated and out of control.

We have central clearing exchange trading with new margin and capital requirements for large bank dealers and major swap participants. These safeguards will ensure taxpayers are not left on the hook for Wall Street's bets, particularly with depositors' money, as we saw happen, or an AIG circumstance.

The bill has the so-called Volcker rule to prohibit banking organizations from engaging in proprietary trading and strictly limiting their sponsorship and investment in hedge funds and private equity funds. Again, if they want to risk their own money, that is one thing. Risking your money ought to be something else. We have expanded the Volcker rule, with balance to it. We don't totally eliminate the ability of a bank to hedge on things that are critically important for them. We believe it is an important rule. Without it, we are right back where we were before.

The bill brings transparency to the Federal Reserve. I thank BERNIE SANDERS of Vermont and others who have insisted on greater auditing and accountability out of the Federal Reserve System which under our bill will bring transparency to it with audits of the so-called 13(3) emergency lending that took place during the financial crisis, and a requirement that the Fed disclose who these so-called counterparties are and information about the amounts they are putting at risk and, in turn, for the American taxpayer, setting conditions on how that money can be used, putting real limitations on it, and giving this body, the Congress of the United States, a chance to respond if, in fact, they exceed their authority.

Further, the bill limits the emergency Fed lending through 13(3) so it can no longer be used to prop up an individual company, as they did with AIG.

The bill requires people to have skin in the game, requiring companies that sell products like asset-backed securities to retain at least 5 percent of the credit risk, so there is no longer an incentive to sell garbage and junk loans to people who could never pay them back thus exposing our economy and our country to further abuse.

These are all things in the bill. If we scrap it, we are right back without any of these protections. I will tell you, it will be a generation before the Congress comes back to deal with these issues again because in the absence of the crisis we have been in, we would not have gotten to this. The crisis gave us an opportunity to respond. These were not new issues. These issues had been lingering around. But the financial resources behind many of these operations are totally resistant to the

changes we are talking about because there is too much money to be made for them and too much risk for the American consumer to absorb, and it was not going to have the same kind of concerns and interests brought to the bargaining table when these issues and this legislation was drafted.

The bill gives shareholders, the owners of public companies, a say on executive pay and so-called golden parachutes. We require public companies to take back compensation awarded based on phony financial statements. Shouldn't the owners of public companies have some say in these matters?

Further, the bill encourages whistleblowers with a new program at the Securities and Exchange Commission to encourage people to report securities violations. Ask the victims of Bernie Madoff whether that kind of provision might have made a difference, when we had the whistleblowers writing and begging the Securities and Exchange Commission to take note of what was happening with the Madoff scam. No one was willing to do a darn thing about it. Literally thousands of people were wiped out because no one bothered to listen to a whistleblower who identified the problem.

This bill changes that. It is not to say there will not be additional scam artists. I promise you, there will. But instead of denying the existence of a whistleblower standing up and telling a regulatory body their responsibilities, this bill requires them to take note and to act.

Additionally, because of the size and the complexity of this bill, it is almost certain there will have to be a bill with technical corrections in the future.

So when we take the sum total—obviously, I am describing five or six provisions in a 2,000-page bill—we have a product that I think restores financial security and trust. Let me mention just this point on trust because there is no financial number I could put on trust. But it may be the most important element of all. Put aside all of those individual provisions and titles of the bill, the one thing that has been so severely damaged that is the most important to restore is the trust of the American people in our financial system. Today that trust has been shattered by what has happened.

In the absence of people trusting that the financial system is fair and equitable, then I think we are in deeper trouble than any fix I can write into a bill. People understand when they deposit a paycheck in a bank, there is an assumption of risk that ought to be very little. When they buy an insurance policy, it is a different assumption of risk. When they buy a stock, there is an even further assumption of risk. There are no guarantees it is going to give a great return. In fact, it may fail.

But we ought to be able to trust the system; that it is not going to deceive

us and defraud us; that it is not going to send people out to lure us into situations they know we cannot afford and they know they can sell off quickly and make a fast buck on. That trust in our financial structure, which was so important for so long, has been severely damaged over what has occurred in these last several years.

More than any other provision of this bill, more than anything else any of us can write into a piece of legislation, is whether we are going to regain the confidence and the optimism and the trust of that hard-working American family to believe that when they deposit that paycheck, there is not going to be someone investing in a hedge fund or some risky venture with their money—that is prohibited in this bill—or when they buy a stock there is not going to be someone out there who is actually scamming them in a kiting system which ruins them forever and their families, or when they get a mortgage on a home there is someone not sitting across the table promising to be their financial adviser when they are anything but in the process.

That trust has been so severely hurt that our hope is, more than anything else I have written into this bill, we will be able to bring us back to where Americans feel confidence and trust in our country's financial systems again. So nothing less than that is at stake.

This is a fundamental overhaul of the way our financial system is regulated. It is the greatest change to occur since the reforms which were invoked after the Great Depression of the 1930s.

Beyond that, of course, it is important that what we have done could be harmonized with other nations. The American President, Barack Obama, went to Toronto a few days ago to a meeting of the G20. The conservative Prime Minister of Canada pointed to this legislation and said: This is an opportunity for America to lead in helping the rest of the world to harmonize its rules on financial services. Defeat this bill and someone else will set the ground rules, and we will have to harmonize with them.

If my colleagues think that is a better result, to let the European Union or someone else write what the standards are going to be, then have it and defeat the bill. But if my colleagues believe it is better for the United States to lead and provide the guidelines and the structures that the rest of the world can rally around, then get behind us and support this effort because nothing less than that is at risk, as well, in this legislation.

So no one is going to get everything they want in this bill. I certainly did not. No one ever does. I have never seen a bill in 30 years that ended up becoming the prerogative of one small group. This has been a collective effort—a truly inclusive, collective effort. Over 100 amendments have been

offered and considered by my fellow colleagues to this bill in this Chamber in the most open process in decades. It is the only time I have ever seen a conference conducted with the public viewing every single second of it, with 42 Members from the House and Senate participating almost 70 hours in a 2-week period, not to mention the month we spent on the floor of this Chamber.

So I have done everything I know how to do in trying to accommodate my colleagues to make this as fair and as balanced and as thoughtful as we possibly could. But now is the time to act.

I wanted to take a few minutes today before we, tomorrow, participate in the solemn ceremony of celebrating the life of ROBERT C. BYRD in this Chamber. It will be a historic moment. I know it was a desire of his when he was alive that at the time of his passing he be recognized in this Chamber. Then, on Friday, many of us will travel to his home State of West Virginia, which he served so remarkably well over the 58 years of his service, to participate at his funeral services. Then we will be gone for a week over the Fourth of July break. Shortly after we come back, based on the schedule set by the majority leader and the minority leader, we will vote on the financial reform package and bill.

So today I wanted to take a few closing minutes to say to my colleagues, I do not know what else I could have done to make this more inclusive, to provide more balance and sense to all of this, to respond to the concerns my colleagues have raised in what we have done.

I urge you, I plead with you to give us the vote on this bill and to understand the process we have gone through and to set a template to say that a process followed by which everyone gets a chance to participate ought to be the model of how the Senate conducts its business. I hope my colleagues will not underestimate the value and importance of that approach we have taken with this bill.

I have taken a long time, and I apologize to my colleagues. But I wanted to explain the process of what we have done in conference. Again, I thank the majority leader. The majority leader does not get thanked enough. He is the captain of our Senate, as the majority leader was under Howard Baker and Bob Dole and Bill Frist and Tom Daschle and George Mitchell and ROBERT C. BYRD. Without his willingness to make sure we are here to conduct that debate, it would not happen.

So I would be terribly remiss, at the conclusion of these remarks, if I did not express a special thank-you to HARRY REID of Nevada, the majority leader, for making it possible and being supportive of this open process we have been through. Without his willingness to allow that to happen, it would not

have happened. I am deeply grateful to him and his staff and others for making it possible for us to come to the moment we are in; that is, to vote for this important piece of legislation.

With that, I yield the floor.

The PRESIDING OFFICER (Mr. UDALL of New Mexico). The Senator from Wyoming is recognized.

HEALTH CARE

Mr. BARRASSO. Mr. President, I come to the floor today, as I have each week since the health care bill became signed into law, to visit with Members of this Chamber about experiences I have had, having practiced medicine in Casper, WY, since 1983. For a long time, I was an orthopedic surgeon taking care of families across the Cowboy State. I come today, as I have week after week, to offer a doctor's second opinion about the health care law because it seems every week since this bill has become law there is some new, unintended consequence, some new development, some new sharing of information that the American people seem to say: That is not what I want for my health care. It is not what I want for my family.

During the debate of the health care bill, it was the Speaker of the House, NANCY PELOSI, who said: First you must pass the bill to find out what is in it. Well, as the American people continue to learn about what is in this new health care law, they continue to be disappointed with so many broken promises that were made by Members on the Democratic side of this body and by the President of the United States.

The initial goal of the health care bill, which is now law, was to lower the cost of care, to increase the quality of care, and increase the access to care. Yet in the weeks that have gone by—and the President of the United States had a press conference last week, 90 days into the process—it seems to me this law is going to be bad for patients, those who need medical care in this country; it is going to be bad for payers, the patients who pay for their care, the businesses that pay for the insurance, the taxpayers who are going to be burdened additionally; and it is bad for providers, the nurses and the doctors who try to take care of these patients.

So as I look at this, it seems to me this health care law is going to result in higher costs for patients and less access and less quality. That is why across the board still a majority of Americans want this bill repealed, want the law repealed and replaced because, basically and fundamentally, they do not believe this was a law that was passed for them. They believe it was a law that was passed for somebody else. They think, as a result, they are going to end up paying more and getting less.

That is why today I come to the Senate floor to talk about an additional

broken promise and why the American people continue to be so very skeptical about this new health care law.

We have heard the promises in the past by the President. He said: If you like your health care plan, you will be able to keep your health care plan. Period. He said: No one will take it away. Period.

Last week I came to the floor to talk about the fact that over half of the people in this country who receive health care through where they work—half of them—will lose the coverage they have, and it may be within the next 4 years. Those are not my statistics. That is the report that came right out of the White House just a little over a week ago.

So the public is skeptical. I come to you as someone who has worked with preventive medicine, who has worked as the medical director of Wyoming Health Fairs that have provided low-cost health screenings for people all across the Cowboy State, where thousands of people show up at health fairs on weekends to learn what their blood sugar is and how to help get that down; to help people with diabetes, where they get to learn what their cholesterol levels are and how to get that better controlled, to learn if they have thyroid problems and do screenings for cancer as well.

So people all across this country are concerned with their care and the quality of their care and the cost of their care.

The President has made a number of promises, and there is another one he made that I wish to talk about today, and that is a promise the President made to small businesses. On May 7, President Obama, on his monthly job numbers, said:

Four million small businesses recently received a postcard in their mailbox telling them that they are eligible for a health care tax cut this year.

That is what the President said. He said:

Four million small businesses recently received a postcard in their mailbox telling them that they are eligible for a health care tax cut this year.

He went on to say:

It's worth perhaps tens of thousands of dollars to each of these companies.

Well, on face value, that sounds pretty good. Small business owners all across the country would welcome that sort of help. Yet I wish to bring to the floor today an article written by one small business owner, Charles Arp. The title of his column is "ObamaCare's Broken Promise: One Company's Experience."

I talked with Mr. Arp yesterday by phone. He is in Illinois. He said this is absolutely what has happened to his business, and he knows I am going to be sharing it on the floor of the Senate today, because he has concerns. He got that postcard. He was at first encour-

aged by the President's words, the President's promise, but, again, it is another broken promise to the American people. This is a letter dated June 18 of this year. He says:

A few months after the passage of President Obama's health care overhaul, a postcard arrived which led me to believe there may be a benefit coming to my small firm. The mailing from the Treasury Department touted a generous 35 percent tax credit to firms with less than 25 full-time employees averaging less than \$50,000 per year in wages, a category which includes my company. In fact, I thought we were right in the sweet spot, with 17 full-time employees averaging slightly more than \$42,000 per year.

Well, small business needs relief. He goes on to explain about his company:

I manage Pinney Printing Company in Sterling, Illinois. I am the president of the firm which our family has owned for 100 years. Health care expenses are a major obstacle to Pinney's long-term prosperity. Each year in May, our policy renews and we are faced with double-digit premium increases—20 to 40 percent in recent years.

Some of the increase is absorbed by the company, and some gets passed on to the employees through higher premiums, deductibles, and copays. We have experimented with self-funding and high-deductible health plans. Last year we were forced to downgrade to an HMO plan.

We are nearing the end of our rope, so I was hopeful to learn there could be some benefit for us in the new law.

And what small business owner wouldn't?

He goes on to say:

Postcard in hand, I did a quick calculation and figured our tax credit should be about \$28,000. That is 35 percent of the \$80,000 we expect to spend this year on employee health care premiums. I phoned our health insurance broker and inquired whether anything special had to be done, not wanting to be excluded by some technicality. He reported there was no special requirement—more good news.

Aha, the next section: "Barrier to Tax Credit." He said:

But there was a problem. A few weeks later I received an e-mail with a link to the National Federation of Independent Business's online calculator. This is a calculator designed to help firms determine their qualifications for the tax credit. I plugged in our numbers, and pressed "update" to yield a calculation of . . . zero—zip, nada!

Double-checking, I tried again and again, finally concluded that the 35 percent tax credit will be available only to firms with ten or fewer employees averaging \$25,000 or less per year. Increasing either factor—either the number of employees or the average salary—greatly diminishes the magnitude of the tax credit. Increasing both factors yields a parabolic reduction in the result.

Being in the graphic arts industry, I decided to create a chart diagramming the limits of this "generous" tax break.

I have the chart here.

He goes on:

Not one to give up easily, I continued my pursuit—

because he had the postcard, of course.

He said:

Surely, there was some benefit in this for me, after years and years of paying the toll

for big-government programs and receiving nothing.

The vague language on the postcard instructed readers to learn more at www.irs.gov. There it said to exclude owners, those having a stake of 5 percent or more, from all the input values. I eagerly entered new numbers—subtracting myself, my annual premium, and my salary. This brought our head count down to 16 employees and dropped the average salary to \$40,000.

I entered the numbers, and the NFIB calculator displayed the same result—another big goose egg.

He goes on:

Talk about unintended consequences! My firm would have to reduce its workforce and cut employee wages to benefit from this newly enacted Patient Protection and Affordable Care Act. Is this what the objective should be?

I would never consider taking such an action. Most of the employees have worked at Pinney for twenty years or more. It did get me thinking, though: Maybe we could divide Pinney Printing Company into two smaller firms. While I'm no expert at gaming the government, like some people, it's certainly a possibility many will consider.

I feel foolish now, after getting my hopes up for a government solution to our problem. Our firm is running out of affordable options.

It is my belief that health insurance should be decoupled from employment and bought by individuals and families in the same way automobile insurance is purchased. It is my fear that ObamaCare is a step in the wrong direction and matters will get worse, not better, for Pinney Printing Company and others like us.

So there you have it. It is a heartfelt letter written by someone who got the postcard from the IRS, from the President, listened to the President's statement that said you will be eligible, but what he found out, as did many small business owners all around the country who received this postcard, is that it doesn't apply to them, and if they want to make it apply to them, what they are going to need to do is actually fire employees and lower the wages of the other employees. It makes no sense at all, and that is why I talked to Mr. Arp yesterday, the owner of the company, who said he found this deceiving.

So that is why I come week after week to the Senate floor to say it is time to repeal this legislation and replace it with legislation that delivers more personal responsibility, puts patients in charge; a patient-centered health care plan that allows Americans to buy insurance across State lines; one that gives individuals the same tax relief as the big companies when they buy their own personal health insurance; one that provides individual incentives like the people who attend the Wyoming health fairs—people who take responsibility for their health and who try to find and detect problems early to get down the cost of care. We need to replace it with something that deals with lawsuit abuse and the expense of unnecessary tests due to doctors practicing defensive medicine. We need one that allows small businesses to join together to find less expensive insurance to their employees.

These are the things I will continue to work on. These are the things I will continue to come to the Senate floor and share with the Members of this body and the American public. Today, that is why I offer this second opinion, and another reason to repeal and replace this health care law.

Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. ENSIGN. Mr. President, I wish to talk about the extension of unemployment benefits in the larger context of our national debt.

Allow me the opportunity to throw out a few numbers which I then will explain in a few minutes: \$30 billion, \$200 billion, \$13 trillion, \$114,000, and 60 percent of GDP. To many Americans, these numbers are just that—numbers with no real meaning to them. Unfortunately, the same can be said for many here in the Senate as well. These are just simple numbers without consequence.

Nothing can be further from the truth. These five numbers are markers along the road to fiscal catastrophe that we are heading down at full speed. These five numbers together are symbols of the great threat to the stability of our country, both today and in the future.

So the \$30 billion number. Fourteen percent of Nevadans are unemployed at this point. People are hurting across my State. We lead the country in unemployment. Well, a lot has been said on the issue of extending unemployment benefits, and while this issue has become one of political fodder and partisanship, the facts on this issue have been left out in favor of high-strung rhetoric and political opportunity.

Let me take a moment to explain to my constituents the real debate on this issue. I, along with my Republican colleagues, believe that extending these benefits for the unemployed should be a top priority here in the Senate. I think both sides of the aisle agree on that. I know we could pay to extend these benefits now by cutting spending in other areas and redirecting some stimulus funds which have had little impact on the economy in my State and across the country.

Despite what some of my other colleagues may say here on the floor, there is no debate on extending the benefits for those who have fallen victim to OUR downturned economy. The debate on this issue actually lies with the fact that those on the other side of the aisle want to take the easy way out, and they want to avoid paying for this important legislation because it is tough to make cuts. Instead, we are going to add another \$30 billion on to our record-breaking national debt. I know that \$30 billion is just another number to those on the other side of the aisle, but it is one that could easily

be paid for now by adhering to their own policy of pay-go. Each time the Senate has proceeded to vote on extending unemployment benefits, Members in this body have had two options: One, the Democratic option of extending these benefits and putting the debt—adding the debt on to our children and our grandchildren. On the other side, they have had the Republican option of not only extending these vital unemployment benefits but also paying for them at the same time by reducing spending in other areas. The other side of the aisle has voted against these commonsense proposals each time—six times, to be exact.

Let me make that more clear. Democrats have voted against paying for the unemployment extension six times. Unfortunately, this isn't the first time those on the other side of the aisle have gone against their own pay-go policy, but it is the first time they have hurt thousands of Americans in doing so.

I mentioned the number of \$200 billion earlier. This is the number that represents the amount of spending that has violated the Democrats' own pay-as-you-go policy. Four months ago, there was a signing ceremony down at the Rose Garden with the President. The Democrats decided to heed the warnings of many here, including myself, who said that we were literally bankrupting the future of our country with the amount of national debt we were passing down to our children and our grandchildren. So they came up with a policy that would mandate paying for spending proposals now rather than later. However, there were a few caveats to this new fiscal responsibility proposal, one of which allowed for emergency funding to be exempt. What we have witnessed in the last 4 months has truly been a genius way of skirting this pay-as-you-go policy. They have deemed a grotesque amount of domestic spending as "emergency spending" when, in fact, it is not an emergency.

They have done this most recently with unemployment benefits. It is hard to argue that funding that we knew would expire to be an emergency, but they have tried to do so anyway. The real sticking point here is that if we are to deem every spending measure that comes to the floor of this body as an emergency, then we are only speeding up our path to fiscal ruin, ensuring that our record-breaking national debt continues to be just that—record breaking.

Another number: \$13 trillion. That is our national debt today that we have reached. It is a new milestone. But it is not one that I think many are celebrating. Our national debt broke into a new stratosphere when it crossed the \$13 trillion threshold—truly an astounding number. But this gets much worse over the next 10 years under the

President's own budget. The debt that will be added by 2019 will be three times the amount that was rung up over the first 232 years of this country's history. So take all of the Presidents before President Obama, all the way through George W. Bush, and add the total debt they added to this country, and we are going to triple that in the 10 years from 2009 to 2019.

Just like an average family, when they delay payment on a purchase and charge it to their credit card, they are borrowing money from the bank, with interest added to the amount they need to pay back. The United States, when borrowing money, is charging it on our national credit card, so it is the same situation. However, our country isn't borrowing the money from a bank; we are borrowing it from China, Russia, and Saudi Arabia.

Each time the majority deems a spending bill as an emergency funding bill, we delay paying the cost for this legislation. We are adding on to this national credit card bill with interest we pay to China, Russia, Saudi Arabia, and many others. At any point, these countries could decide to up our interest rate to such a level that, when we attempt to start paying down our debt, we are only able to pay off the interest we owe on our credit card, not the actual debt. Further, should our economic situation continue to decline, these countries could revoke our borrowing privileges altogether. If that happens, this would be catastrophic for the economy of the United States.

I mentioned \$114,000 earlier. When President Obama first took office, a child born in the United States was born with \$85,000 of debt on his or her back. In a very short period of time, that child born in the United States today now has \$114,000 of debt on his or her back. That amount is going to continue to rise because of how fast we are adding to the national debt. Going even farther into the future, should President Obama receive a second term and our spending levels stay at a high level, as they are now, a child born in the United States will owe \$196,000. As they are born, that is how much debt they will have—\$196,000 for every child born in the United States.

I have spoken a lot over the past year about the future of our country and what this debt burden will actually mean. A new child owing that much money means they won't be able to pay for college, buy a house, start a small business, raise a family, and maybe retire someday.

So this isn't just an abstract number; we actually owe these countries the money we have borrowed from them, with interest. We have to pay that money back. Whether these countries demand payment 5 years from now or later, we still have to pay it back.

I mentioned 60 percent—60 percent of GDP. Let me remind you of this final

number, what it means. It is a critical milestone on the path to fiscal ruin. Most of us remember the images we saw on the nightly news of the riots breaking out across Greece when it was revealed that the government was beyond bankrupt and was no longer able to guarantee services throughout their country.

Historically, our Federal debt has been around 35 percent of GDP. Since the Democrats have taken control of Congress, this debt has skyrocketed.

The tipping point is what Greece found when they had so much debt on their books that people realized they were going to be unable to pay it back. The tipping point where the world community realized that they should be charging a lot more to lend Greece money was when Greece exceeded 60 percent of GDP. The United States passed that magic number this year. Sixty percent was the tipping point for Greece. How far behind them do you think we really are? The United States passed that 60 percent part of GDP this year with the help of the health care bill—the \$200 billion that should have been offset with pay-go, the stimulus bill, and last year's appropriations bills, which had large increases in each one of them.

The country of Greece is foreshadowing the possible fate of the United States if we don't take responsibility for the fiscal mess we have created. We have lived this year through instant-gratification policies, and not only is the future of our country in jeopardy, so are the next 10 years, the next 5 years, and this year.

Mr. President, \$30 billion represents the amount of money the Democrats want to add to our national debt to extend unemployment benefits; \$200 billion represents the amount of money that has been deemed as emergency to get around the pay-go rules; and \$13 trillion represents the recordbreaking national debt we have reached just this year. The \$114,000 I mentioned is the amount each child born today in the United States has as debt on their back. Sixty percent of GDP is the tipping point of economic collapse that puts the United States one step closer to Greece. To many in this body, these are just numbers. I think we all have to face the reality that these numbers represent markers on a path to fiscal ruin if we don't turn it around. We are heading dangerously close to fiscal catastrophe, and our country literally stands at a crossroads. We have to draw a line in the sand and stop borrowing money for legislation when the option to pay for it stands only one vote away.

Extending unemployment benefits isn't a partisan issue, and neither is our country's impending fiscal crisis. The Senate needs to extend these benefits by paying for them now, and we can take the first step and move the country in the right direction toward

fiscal responsibility and economic recovery.

Why are we not reducing unnecessary and wasteful government spending to pay for these unemployment extension benefits? Senator COBURN's office has identified almost \$4.4 billion in savings over 10 years from reducing unnecessary printing and publishing costs of government documents. Add up the savings from these cuts and this kind of wasteful spending, and it could pay for unemployment extension for a short time.

How about redirecting some of the unused stimulus funds? The stimulus bill was supposed to be an immediate stimulus. Some of the money has still not been paid out or obligated. How about, instead of just adding to the debt, we take that money and pay for and offset spending for the unemployment benefits?

I don't understand the absolute refusal by the other side to extend unemployment benefits in a fiscally responsible way. For example, the small business lending bill, which the Senate is set to consider, contains a number of offsets for improving tax collections and changing the tax rules on retirement accounts. The so-called Medicare doc fix was recently signed into law by the President. This was completely offset by changes in Medicare billing and antifraud provisions and changes in pension rules.

I don't necessarily agree with some of the offsets the other side of the aisle has used, but the point is that the debate on the floor regarding paying for any piece of legislation should not rest with whether we pay for new legislation but how we should pay for it. This is a debate we owe to the American people, our future generations, for the continued prosperity of our great Nation.

We will soon be voting on a bill that will extend unemployment insurance benefits. The other side of the aisle will have one that extends those unemployment benefits, but it will just be adding to the national debt. The Republican side will be offering an alternative that will be completely offset. I hope this Chamber finally gets its fiscal house in order and extends those very important unemployment benefits that need to be given to folks who are struggling in America, but let's do it in a fiscally responsible way.

I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

(The remarks of Mr. WEBB are printed in today's RECORD under "Morning Business.")

POST 9/11 GI BILL

Mr. WEBB. Mr. President, today marks the 1-year anniversary of the implementation of the post-9/11 GI bill, landmark legislation I was privileged to introduce on my first day in office. The idea was to provide those who have

served since 9/11 with the most comprehensive educational benefits since World War II. We did that. We began with a simple concept even before I decided to run for the Senate, and that was, if we keep calling these people the “next greatest generation,” we should, as a Nation, express our appreciation in a proper way—by giving them the same types of educational benefits those who came back from World War II received: pay their tuition, buy their books, and give them a monthly stipend. It was a formula that worked magnificently for those who served during World War II, where 7.8 million of those veterans, because of the GI bill, were able to have a first-class future and make an imprint on the future of our country.

We worked very hard in my office, with a lot of staff, pushing this legislation. We eventually achieved the key cosponsorship of three other Senators, including Senators John Warner, my former senior Senator, a Republican from Virginia; Chuck Hagel, of Nebraska, now departed, another Republican; and FRANK LAUTENBERG, of New Jersey, a fellow Democrat. So we approached this in a way that we were trying to show a balance. We had two World War II veterans, two Vietnam veterans, two Republicans and two Democrats. We wanted to strip the politics out of the issue.

Along with our colleagues on this side and also in the House and the co-operation of the leading veterans service groups and the higher education community and, quite frankly, despite the continued opposition of the previous administration, which for some reason opposed this legislation all the way to the day before they signed it, we were able to get this bill through.

I am so proud of the fact of having accomplished that goal 2 years ago. The bill was signed into law 1 year ago today. This bill went into effect for those who have served this Nation so honorably and so well since 9/11. I can report to this body that as of today, in this first year of implementation alone, more than 550,000 veterans have applied to receive this benefit, and more than 267,000 veterans are now attending classes using the post-9/11 GI bill. That is more than a quarter of a million young men and women who otherwise might not have had the opportunity for a truly first-class future.

As my fellow Senators know, I am someone who grew up in the military. I was privileged to serve as an officer in the U.S. Marine Corps. I am very proud of my son who served as a marine in Iraq and my son-in-law who also served as a marine in Iraq and Afghanistan and continues to serve, and so many of my friends and compatriots over the years. I understand what it means to be a proper steward in this body toward those who have given this type of service. That is our duty, and

this GI bill shows a sense of responsibility and the desire of the leadership of this country to see those who serve be able to move forward in their lives after their service and continue to provide great contributions to our country.

When I ran for office—also I should point out—I spoke about the need to reclaim economic fairness in this country, particularly in times as we see right now where our economic health is in danger. The health of our society overall is measured by how working people are able to make it through different barriers and achieve alongside people who have had greater advantages. This bill today does that, just as it did after World War II.

We should remember, as we look at the implementation of this GI bill, what it did for those who served in World War II, very few of whom ever thought they would be able to have a college education once they went into the military during those dark and troubled times.

For every dollar through taxes that was put into that World War II GI bill, our country received \$7 in tax remunerations because those people were able to go forward and have a truly first-class future. This is what we are doing now.

We have never erred as a country when we have made sustained investments in higher education for our people, particularly when it comes to veterans. This is not simply an advantage for this country, it is an obligation we have.

I want to, on this day, remember the contributions of other people in this body and in the House of Representatives in coming together to pass this legislation. I thank the American Legion, the Veterans of Foreign Wars, the Iraq and Afghanistan Veterans of America, the Military Officers Association of America, the American Council on Education, the National Association of Independent Colleges and Universities, and many others, including nearly 60 Senators and more than 300 Members of the House who signed on as cosponsors to this landmark effort.

We can all take pride today in saying we have been able to provide a proper investment in the future of those since 9/11 who have given so much to this country.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

(The remarks of Mr. REED are printed in today's RECORD under “Morning Business.”)

Mr. REED. I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana.

(The remarks of Ms. LANDRIEU are printed in today's RECORD under “Morning Business.”)

Ms. LANDRIEU. Mr. President, I would like to talk about the under-

lying bill that we are actually on today, which is the extenders package.

The Democrats negotiated in very good faith with the Republican Party to try to figure out a way to get tax credits, tax cuts to businesses that we all need to make sure continue in terms of research and development. These are credits they have relied on to keep not only their businesses open but keep them hiring. There is a long list. They have been well explained on the floor. They are all very popular with both sides of the aisle. They have been negotiated over and over.

The Democrats have, in good faith, argued or debated with the Republicans that we need to get these extended for the purpose of stimulating our economic growth. But we have said there is one that we are not going to pay for because, A, we don't have to pay for it; and, B, because it is an emergency. So everything in the extenders package is paid for. Every single item is paid for. Although some people don't like the pay-fors, every single item to extend a tax credit—not new spending on the part of the Federal Government through bureaucracy but tax credits—is paid for except for the unemployment benefits because it is an emergency.

With 15 million people out of work, it is an emergency. For anyone on that side to come to the floor and say Democrats are big spenders and we can't pay for anything and we don't know how to run the government, we have put a great package together. But there is one thing that is not paid for, and that is unemployment because it is an emergency. That is what this debate is about, whether they are going to vote for it. If they don't want to vote for it, it is completely at their feet that people in America today, who have no benefits, will not get them for the Fourth of July. They will not get them as we celebrate the birthday of our country. If they are not going to get them, it will be because the Republican Party decided that we, as a Congress, are going to have to find a way to pay for unemployment benefits, when they never paid for even 1 year of any war they helped lead us into when their party was in charge.

So I hope the leadership over here holds the line. We are going to pass the extenders package the way it was presented. They can continue to vote no on it. That is their choice. But everything in this bill—many things very important to the State of Louisiana, such as flood insurance—is paid for and is now being held up; for example, the placed-in-service date which keeps four or five of our major housing projects from being built. When I say housing, I mean neighborhoods, really, being rebuilt. That is being held up because this side is trying to make an issue of finding a way to pay for unemployment

benefits when it is clearly an emergency, clearly qualifies as an emergency, and in the past was always clarified that way. That is what part of this argument is about.

As one of the managers of the small business bill, which we are moving to, I am very hopeful and will make sure that the extenders debate stays separate from the small business debate. Now that the extenders bill has been set aside, we have another bill we believe we can move forward with more bipartisan support for, and I want to thank the Republican Senators who helped to move this bill to the floor: Senators GRASSLEY, VOINOVICH, SNOWE, COLLINS, LEMIEUX, LUGAR, BOND, and BROWN of Massachusetts. These eight Senators have negotiated in extremely good faith with both the Finance Committee and the Small Business Committee to bring a package to the floor that will actually help create, we hope, millions of jobs in our country.

I want to make one editorial comment before I speak about the small businesses, and as a Senator from Louisiana, I feel compelled to do so.

I have helped to manage and craft, along with my committee members—and I am very proud of the small business piece of this bill. There are three pieces. There is the finance piece, there is a small business package, and then there is a treasury piece. I will discuss all of them briefly in just a moment.

We have worked hard over this year trying to come up with some things that the government could do that wouldn't cost that much money but could spur growth in small business. As the Presiding Officer knows, it is not the big businesses that are creating jobs. They are still laying off people or are putting in efficiencies, which means holding the line. Even as they get more contracts, they are not hiring because it is not what big business does. They have enough cushion to hold what they have, but small businesses are affected immediately by contractions and expansions. They can't afford to hold three or four people on their payroll without a contract, so they let them go. But the minute they get a new contract, they will hire them back. They are immediately tied to the daily, weekly, and monthly jolts in this economy.

That is why we see that 65 percent of all new jobs created since 1993 have been by small business. When we want to look out from 2009 to the year we are in, 2010, and to 2011 and 2012, which the country is depending on us to do, we should focus our attention where the jobs can be created. Mr. President, that is in small business. So that is what we are here this week and next week to do, and these eight Senators have said yes, basically, to small business in America. The package isn't going to be what all ten of these Senators would write if they could write it

themselves, but they understand this is a good package. It is a worthy package to pass—the small business, the finance, and the treasury package—to get small business moving again.

I feel compelled to comment, before explaining some of the pieces of this bill, that it is concerning to me that while we are on the Senate floor talking about a small business package, back home in Louisiana and in Mississippi, Alabama, and Texas, because of events almost beyond the control of any of us here, we are facing a real economic challenge with the oil spill in the gulf and the subsequent moratorium that was laid down by the administration on deepwater drilling. I have to say right now there are, in fact, about 50,000 to 60,000 jobs immediately at risk while that issue is being worked out. So while I am here on the Senate floor to help create millions of new jobs—and I believe this bill will do that—we also want to be mindful of not losing the jobs we have in trying to come up with some very quick, appropriate responses to the BP spill—the Deepwater Horizon spill—and the call for safety in the gulf. We need to be getting our people back to work.

I spent all morning in the Energy Committee on that subject, and I am proud to be leading and helping with some suggestions in that regard. But I have to say I want all the Members of Congress, both Democrats and Republicans, to understand there is an economic calamity brewing in the gulf that needs our immediate attention. We can do more than one thing at a time here, so we are going to continue to move forward on the small business bill because small business in Louisiana will be helped, as well as those in Mississippi, Alabama, Florida, Texas, and small businesses all over this country.

There are a couple of important components in this overall bill. Again, I thank the members of my committee who voted these items out 17 to 1 and 18 to 0. Senator SNOWE, the ranking member, did a magnificent job of working with the Republicans on our committee. We had many hearings and several markups. In the underlying bill, one of the most important provisions is the Small Business Jobs Creation Access to Capital Act. It increases 7(a) loans from \$2 million to \$5 million, 504 loans from \$1.5 million to \$5 million, and microloans from \$35,000 to \$50,000. If I had my way, I would like to see that go up to \$100,000. Why? Because small businesses need access to capital. They must have access to grow.

If we want small businesses to be able to grow, they have to be able to expand by borrowing more money at relatively low interest rates on favorable terms, and then they can start hiring people to get the jobs necessary to, A, end the recession; and, B, as Senator STABENOW has said so beautifully

all week, to start paying the deficit down.

What the Republican Party doesn't understand is that one way to pay the deficit down—not the only way but one way to chip away at it—is to get more people working so they can pay the taxes to the local, State, and Federal Government and we can then take that tax money and apply it to deficit reduction. Yes, we have to cut spending. Yes, we have to stop giving out tax cuts we cannot afford. They never want to do the tax cut piece, and they do not do the cutting piece well either most of the time. But what they need to understand is that creating jobs, both private sector and public sector jobs, where it is appropriate, generates taxes to the local, State, and Federal governments. Then we can begin chipping away at the deficit—a deficit they left, by the way.

When the last administration came in—when President Bush came into office—he was handed a surplus. We handed him a surplus of \$5.1 trillion and said: Mr. President, here is a world at peace and here is \$5.1 trillion in surplus; the economy is creating jobs.

When he left office 8 years later, he handed the next President a deficit twice that big, with Wall Street in collapse, two wars that hadn't been paid for, and a mess here at home—and they want to ask why we haven't fixed all that in a year and a half? It is quite humorous to me. I know President Obama is smart and good—though I don't agree with him on everything—but I don't think any human being could fix the mess they left in just a year and a half.

We have been plodding along trying to fix different pieces of it, but it hasn't been pretty. All of it isn't working, but we are trying. Most of it is working. That is what the American people expect of us. They do not expect us to get it 100 percent right every day, but they do expect us to move forward; to say, yes, we will try not to say no and not to lecture Democrats about deficits they created.

Having gotten that off my chest, I want to say here we are in our small business package. I am very proud that eight of these Republican Senators joined us to get on the discussion on the small business bill. This is going to do a lot of good for a lot of people in many places, let me say, not just New York and not just Wall Street. This is a Main Street bill. This is about creating jobs in little towns in Oregon as well as little towns in Louisiana, small towns in Washington State and Maine. That is what this is about.

The second piece is the export piece. This is a very exciting chart to me. I am maybe not as good as KENT CONRAD is with charts, Senator CONRAD, but I like this one very much. This chart shows the potential of small business in America. Just think about this. We

have so many, millions and millions of small businesses, but less than 1 percent of them today are exporting. This is tragic, if you think about it. If we can get a few percentage points, up to 3 percent, 4 percent, 5 percent of small businesses in America exporting their products, using the Internet, using favorable tax provisions that will help—that are in this underlying bill—using new support and technological support from the Small Business Administration, from volunteer organizations such as SCORE, university-based technical support programs that can go to our small businesses and say: You sold 50,000 pairs of shoes last year but you sold them all down the road. We can help you sell them to China or sell them to India. Think about the possibility of that. And it is real.

That is what this bill does. Senator SNOWE has done a tremendous amount of work. I am extremely proud of her work on the export portion of this bill. Again, large businesses, percent of firms that do not export, 58 percent. This number could be increased. But the exciting opportunity is small business. But sometimes they are intimidated, as you can imagine. They don't know how to negotiate with foreign governments. Some of the things we are going to do in this bill will help them move that number up and they are going to be able to grow.

Third, the contracting piece. I know some people on both sides of the aisle believe government is too big. Sometimes I agree with that and think it is too. We have to shape it, make sure it is efficient and effective and muscular, not flabby and big but bold and muscular, so it can do things it needs to do that the private sector can't do. But one of the things all governments do is spend a lot of money, and it is not just money to hire their own employees, it is spending money for the private sector. We contract out a lot of our work. When the Government has a job to do, we do not always do it with government employees; we contract it out. I do not have the exact numbers in front of me but it is billions and billions of dollars. We are the largest—if you put us in terms of a corporation—the largest corporation, potentially, maybe in the world. So the contracting provision we have in this bill says: OK, Federal Government, if you were a business, if you could contract with more small businesses, meet your small business contracting goals, then we could create a lot of jobs in America because it is, again, the small businesses that are creating these jobs.

If you give a big company a government contract, they might absorb it into their infrastructure. They are so big, they have millions of employees, or hundreds of thousands. But you give a contract to a small business, you know what happens? They might have five employees. If they get a very nice

size contract from the government, they will hire 10 people to implement that contract and they will do it right away. So we have some contracting provisions in this bill that I am, again, very proud of. They have broad bipartisan support.

In addition, in this bill, which is paid for, is an additional \$50 million for the Small Business Community Partnership Relief Act which gives \$50 million in addition to women business centers, microloan intermediaries. It weighs or reduces the non-Federal share of funding so that for 1 year States all over this country can start enhancing and improving their Women Business Owners' Center, their Minority Business Centers, the centers that are in universities all over the country. I am sorry I do not have a map to show what the Secretary or Administrator of the SBA fondly calls our bone structure, because it is a great structure in the country. It is not just isolated little offices of the SBA.

If you can imagine, so many of our universities have small business development centers and SCORE chapters, which is retired business executives, senior executives who volunteer to help younger businesses. There are hundreds of these chapters around the country.

If you could imagine a map of the United States, you could see, if I could show where these centers are, there are centers at universities and SCORE chapters and community banks, almost within a few miles of any citizen. Any citizen could find a SCORE chapter or a university or a local bank. This bill is sending funding and help to all of those places. Again, not just on K Street here. There are lots of jobs on K Street. In fact, there are so many buildings going up on K Street, I am amazed how many. It never stops. There are lots of buildings going up, maybe, on Wall Street—lots of office space. But where I represent, there are empty spaces. There are lots of vacancy signs.

This bill is trying to push out money, not to the Federal Government but to our universities, to our private sector partners to help them tweak—help support small businesses to help small businesses grow. I am very proud of that piece. The job impact analysis was something Senator SNOWE wanted. We worked with her. On everything we do, this is going to be a way to say, in this bill, how many jobs will actually be created, to record them so we can be accountable to the American people for that. I am happy she put that in the bill.

Going back to the 7(a) loan program, this is the major loan program of the SBA. As you can see, it has been sort of a happy and sad situation here over the last couple of years since 2008.

When Congress acts and puts money in this program, loans to small business go way up. When we dilly-dally

and cannot agree and the program expires, loans go way down. When we get our act together again, it goes up. I wish this chart did not look like this. I wish it looked straight up, like this. Right now it is down beneath where it was before the stimulus act was passed. It has fallen below the ARRA average of \$172 million. It is down to \$154 million.

We need to get it back up. When we initially announced that the Small Business Administration was expanding the amount you could borrow, reducing the fees so you did not have to pay as much, and giving you a 95-percent guarantee rate, those loans are good loans. Small businesses need them, particularly because credit card companies are not lending the way they used to or charging you too much for the money they do give you. Credit lines are drying up. This is the core of the small business bill. I hope we will see this number go straight up.

Banks all over our country want this program. Many of them—not every bank participates, but I would say about 1,000 or 1,200 out of the 5,000 banks participate in this program, and they are very excited about getting this funding back in place so they can begin to loan money again to small business.

There are many other things we can do and should do. One of the amendments I have filed—I wish I could have gotten this in the base bill, but even as the chairman of the committee you can't get everything you want in the base bill. So I have agreed to offer one of these as an amendment.

I am very proud to have Senator COCHRAN's support, Senator WICKER's support, Senator VITTER's support. It is a bipartisan amendment. What it would do is provide in the small business bill interest loan relief for the gulf coast outstanding disaster loans from Katrina and Wilma, Gustav and Ike, from Alabama, Florida, Louisiana, Mississippi, and Texas.

There are 13,207 loans. I will take a moment to try to explain it. I will try to wrap up in about 5 minutes.

There are currently today 13,207 small business loans that were taken out by businesses all along the gulf coast. Some of these loans are to fishermen whose boats were destroyed and they had just bought the new boat or fixed their net from some of these hurricanes. They were just getting back into the water. The water was coming back, the marsh was coming back after Katrina and Rita, and then all of a sudden the Horizon BP disaster happened.

The same people who were affected by these hurricanes and who may be affected by hurricanes in this season—which unfortunately promises to be a very difficult one—these are the businesses that are struggling to pay these loans on top of the economic disaster they are experiencing. So I am asking

the Senate to please give some forgiveness—in the loan forgiveness, but give some special help to this group of loans. What we are asking in the amendment is 3 years of an interest rate reduction; not loan forgiveness, so the taxpayers will be paid back the full principal amount of all the loans these individuals and businesses have made. But if we could give them a little interest relief—let me give a specific example.

I actually took Karen Mills, our Administrator of the SBA, to Louisiana on several occasions to impress upon her the seriousness of this situation. I took her to see the Bergerons, who run a gas station in Lakeview. This entire neighborhood was destroyed, 8,000 families. Three of my brothers and sisters lived in this neighborhood, with four children each. They lost everything, their homes, their clothes, everything was completely destroyed. That was true of their 8,000 other neighbors. This gas station—the Bergerons came back. They operated one of the most successful gas stations in this neighborhood. In order for people to be able to rebuild their house, because they had fled to higher ground hundreds of miles away, families would drive long distances after work to come and gut their homes in Lakeview and try to rebuild their homes. But when they went to go back, there was no gas station for them to fill up their car so they could get back to where they were living until they could get home.

So the Bergerons, like a lot of what I call the pioneer businesses—the hardware stores, the gas stations—said you know, I have been here 40 years. Mr. Bergeron is in his 70s, still very active, but he said I am going to go back and open my gas station. So he went to the SBA and got a loan. The problem was, he did a great thing, but his business came back so slowly. But without his business no one in the neighborhood could come back because there was no place to get gasoline. He is paying on his loan \$1,000 a month. If this passes, his note will go down to about \$400 a month. It will give him a little bit of relief because right now in his same neighborhood he has a lot of people who work in the fishery industry or the seafood industry or the oil and gas industry, so some of his customers cannot come and get as much gas as they want to because they are being affected now by this Deepwater Horizon.

I am begging the Members of the Senate to please help this particular group. I wish we could afford to do for everyone in America but not everybody in America right now is on the gulf coast. But these 13,207 people are and we need to give them a little breathing room. That is one of my amendments.

I am going to yield the floor after I make a comment on a nominee. But that is one of the amendments I am going to ask the Senate, when we get

an opportunity to offer amendments, to please give us a chance to help these small businesses. It is a temporary relief for them, but I think it is something they deserve and will help this region that has now been hit again.

NOMINATION OF WINSLOW SARGEANT

Mr. President, at this time I want to talk for a minute about Winslow Sargeant.

He is a gentleman who has been recommended by the President to serve at the SBA, in the advocacy position at the SBA. He comes highly regarded and highly recommended. He has a Ph.D. from the University of Wisconsin in Madison in electrical engineering and a background as a very successful small business owner. He is managing director of Venture Investors, a Midwest venture capital country with a concentration in starting up health care technology companies.

Dr. Sargeant has a great deal of support from a wide variety of individuals and businesses that I will submit for the RECORD.

With more than 80 percent of job losses coming from small firms, I believe this is someone who should be in the Office of Advocacy. For some reason, he is being held up by the other side.

I understand there are nominations being held up on both sides of the aisle, but I wanted to ask unanimous consent that the Senate proceed to executive session to consider—I am going to wait and ask for unanimous consent. I am not going to wait long, but I will continue talking for a few minutes. I will wait for a few minutes, but at some point I am going to ask for unanimous consent that he be moved ahead because here we are on a small business bill, and here is the man whom the President has nominated, who obviously is well credentialed, has tremendous support, who is being held up. We do not really understand why he is being held up, so I would like to know, and in just a few minutes, I am going to ask for him to go by unanimous consent.

In the meantime, I will speak about one other potential amendment to the underlying bill. This amendment is coming from Senator BOXER, and I am so excited that she came up with this idea and this amendment. I think it has a lot of potential, and I think many Members might support it.

Senator BOXER called to my attention that there are many small businesses that operate out of their homes, and if you think about it, there are many people who operate their business out of their homes but particularly women who are trying to raise children, they are still the primary caregiver—not the only caregiver, but in most homes the women are trying to balance being a good wife and a good mother and also contributing to the bottom line of their family income. So

a lot of them might be running small businesses out of their homes.

Well, it has come to our attention that in order to take the tax deduction that is rightfully there for anyone, man or woman, who works out of their home—it has come to my attention through Senator BOXER that it is not really very easy to take that deduction. In fact, it is so complicated, to my knowledge, that many people don't take it. Think about that.

If we are really supportive of family values, of people being flexible; if we don't like spending a lot of gasoline traveling back and forth to work and we are kind of trying to encourage people to stay at home and work if they can—many women who are very well credentialed because the government spent a lot of money on our universities getting them the degrees they need, are home raising three, four, five kids, and they can't travel a long time to work, so they set up a business in their home. Senator BOXER's amendment would help them by simplifying this deduction.

I am hoping Senator BOXER will come at some time to the floor over the next couple of days—I am sure she will—and explain the details of this, but I think it would be an excellent provision to add to the small business bill because again, remember, this underlying bill is cutting taxes for small businesses, specifically cutting taxes for small businesses; it is supporting the small business programs to create more of them, both in our country and their export potential; and then it is giving—the third leg of the stool—\$30 billion to banks in America, voluntarily. It is not TARP-like, nothing about TARP; it is \$30 billion to small banks in Oregon, Louisiana, and other places to be able to then take that money and lend it to small businesses. That is the essence of this bill.

I am very hopeful we can add a couple of amendments to an already very good small business package. So I am hoping Senator BOXER will come at some point and explain this amendment.

My colleagues are here to speak, I guess, on either the extenders package or the small business package. I see the Senator from Ohio, who has been very supportive of small business. Of course, Ohio is one of the States that has been hardest hit, and Michigan has been very hard hit in the underlying economy. So I am very happy to have, hopefully, their support on the underlying bill.

But one more comment about the moratorium. And I started off by saying I am proud to be the chair of the Small Business Committee advocating for small businesses in the country. I think the small business package, the finance and treasury package that we have on the floor will deliver to the American people how to, in a very fiscally responsible way, help us create

the jobs we need. But one of the points—and I am going to be very brief because I see the minority leader here, but at the same time I want to say again that the moratorium on the gulf coast—and the Senator from Kentucky will, I believe, agree with me on this point—the moratorium on the gulf coast is really hurting many small businesses now.

I know we have to get this drilling safer and it has to be very safe. The people of my State want that. The people of the gulf coast want that. But we hope sometime in the next few weeks to clarify or fix or modify this. The Federal judge, as you know, has ruled that the moratorium is lifted, because the Federal judge did not agree with the actions taken by this administration, nor do I. So while we are debating a small business bill, I am very hopeful that as soon as this small business package can pass, we can get on to getting more people back to work along the gulf coast who have been affected by both the moratorium and this bill.

UNANIMOUS CONSENT REQUEST—EXECUTIVE
CALENDAR

I ask unanimous consent for Winslow Sargeant to be Chief Counsel for Advocacy, Small Business Administration; that the nomination be confirmed, the motion to reconsider be laid upon the table, and any statements relating to the nominee be printed in the RECORD; that the President be immediately notified of the Senate's action, and the Senate then resume its regular legislative session.

The PRESIDING OFFICER (Mr. MERKLEY.) Is there objection?

Mr. MCCONNELL. Mr. President, on behalf of Senator SNOWE, I object.

The PRESIDING OFFICER. Objection is heard.

The Senator from Ohio.

Mr. BROWN of Ohio. Mr. President, it is unfortunate to watch what just happened again in this institution. The chair of the Small Business Committee, who is serving her State, is an incredible advocate for her State, is serving this country well, wants this government to be able to govern. And you see one after another after another where the President of the United States has dozens and dozens and dozens of appointees, noncontroversial. My guess is, when this nominee finally comes to a vote—I don't know this for sure, but my guess is there will be very few "no" votes. We have seen this with Federal judges, we have seen it with U.S. attorneys, we have seen it with U.S. marshals, and we have seen it with Under Secretaries and Assistant Secretaries and all kinds of commission nominees.

We have never seen anything like this in this country where one party has consistently and persistently blocked nominee after nominee after nominee. I mean, if your goal in government—if you come to the Senate

and your goal is to block anything from happening, the Senate rules serve you pretty well. But if you want to move this country forward and put party aside, we would not see this kind of thing happen over and over.

So I commend Senator LANDRIEU for her work on the floor today, her passionate advocacy for small business, and her work generally in fighting for her State. But I was disturbed to watch what just happened. If it were the only time, I guess I wouldn't be judging of it much, but it is not.

I come to the floor to talk about the unemployment insurance bill. I know Senator LANDRIEU, in her State, and the Presiding Officer, Senator MERKLEY, in his State of Oregon, have people all over who have seen their unemployment run out. I just don't get it.

I know some of the opponents, some of the people who have voted no on unemployment compensation extension think it is welfare. I have heard some of them say: Well, these people don't really want to work. Why should we give them something for nothing?

Well, these are people who deserve unemployment. They have earned the unemployment. They deserve the unemployment insurance. They have earned it. Again, it is not called unemployment welfare; it is called unemployment insurance. You pay in when you are working; you get out when you are not. So it is a lot like car insurance and health insurance. I don't want to collect on my car insurance premium. I don't want to collect on it. I don't want to ever have an accident that hurts somebody or damages a car. I have been in an accident like that. I don't want that to happen again. I don't want to have to cash in any of my health insurance. I don't want to be sick. I don't want my children to be sick. I don't want to be unemployed so I have to draw unemployment compensation. Most Americans don't want to be.

I just wonder about some of my friends on the other side of the aisle who think about this—they really think it is welfare. I just ask my colleagues on the other side of the aisle to put themselves in another place. I know virtually all of us get out enough that we meet people who are unemployed occasionally, and I know we are pretty isolated here too often. But, you know, a lot of us meet people who are unemployed, people who have lost their insurance. These people sometimes have lost their homes. But I think it is important that we think about what that means and try to personalize it, try to think about a husband and wife—one is working part time, not making much money, the other one lost their job, and then they lost their insurance because they can't afford the payment for COBRA.

COBRA is a bit of a cruel hoax. COBRA is the program where you can

keep your insurance after you lose your job, but you have to pay your part as the employee and then you have to pay the employer premium. And if you lost your job, how could you? Well, we have subsidized that. We have actually under the Recovery Act, as the Presiding Officer knows in his work on this bill in the Health, Education, Labor, and Pensions Committee, helped people to pay that COBRA so they can keep their insurance.

But put yourself in the place—since we can't seem to get the Republicans to go along with that, either, now—put yourself in the place of that family. The husband has lost his job. The wife, who was making only a little bit of money, is struggling. They lost their insurance. Someone gets a little sick. They have these bills run up. They are getting 2 or 3 months behind on their mortgage. They have to sit down with their family. They have to sit down with their teenage kids and say: You know dad lost his job. You know mom cannot find more than part-time work. You know we do not have insurance anymore. You know Jimmy got sick. Well, we are behind on our house payments. We are going to have to move. We are going to have to sell our house. We are going to get foreclosed on.

You have to explain to your kids that they are not going to have a room to sleep in—separate rooms—any more. They are going to have to give away some of the stuff they have around the house or try to sell it. They are going to have to go to a new school.

What new school, dad?

Well, I don't know what school district we are going to move to.

I just wish my colleagues, when they cast these "no" votes on unemployment insurance and cast these "no" votes on the extension of COBRA to help people keep health care, that they would think about what it means to an individual family.

I mean, these are all numbers. I can give you some great numbers here. I can give you these numbers: The number of Americans who will lose their unemployment benefits: 1.3 million by the end of this week; 1.7 million by the end of next week; 2.1 million by the end of our congressional recess next week; 3.2 million by the end of July. These are pretty troubling numbers, but forget the numbers. I am going to read from some letters of people in Ohio that will explain better than I can what this means to individual Ohioans or individual Oregonians or individual Floridians or Louisianians or Kentuckians.

And if you want to make it an economic argument, make it an economic argument. Forget about the human faces for a minute. Make it an economic argument. If people are not getting their unemployment insurance, it means they are not spending money in the community. You know what has

happened when people receive unemployment benefits. The first 6 months following the passage of the Recovery Act, unemployment insurance pumped \$19 billion into the local economy. If we hadn't done that in this recession President Obama inherited a year and a half ago when we were losing 700,000 jobs a month, we would have been losing 800,000 or 900,000 because this \$19 billion wouldn't have been pumped into the economy—grocery stores, going in and buying clothes for the kids, getting medicine, stopping at the drugstore—all of the things that keep economic activity generating in a community and provide jobs.

The first half of this year, \$6 billion went in benefits to the States. It would have meant layoffs of librarians and mental health counselors and teachers and police officers and firefighters and people who are cleaning the streets and picking up garbage. There would have been more layoffs, more unemployment, less economic activity.

So it is pretty clear, if you want to look at the economics of this and listen to one of Senator McCain's chief economic advisers who said that nothing more than a dollar in unemployment has a greater multiplying effect than that. That means for every dollar in unemployment compensation, it generates a lot of economic activity. That dollar isn't pocketed. That dollar is spent by the unemployed worker to take care of his or her family's needs. It is the best thing for the economy to pump unemployment compensation into the economy.

Yet time after time over the last several weeks Republicans have opposed extending unemployment benefits. Of all things to draw the line on. I hear the arguments over and over. They say we can't keep adding to the national debt. I was in the House of Representatives when they ran up the budget deficit, when George Bush and the Republicans ran up the debt. In 2000, when President Clinton left the White House, we had a budget surplus projected to be trillions of dollars in the years ahead.

What happened? War with Iraq, hundreds of billions of dollars to pay for the war charged to our grandchildren; tax cuts for the rich, hundreds of billions of dollars, charged to the grandchildren; a giveaway to the drug and insurance industries in the name of Medicare privatization, charged to the grandchildren. They don't mind spending us into deficit for two wars, for tax cuts for the rich, and for a giveaway to the drug and insurance companies. But now that it is time to give about \$300 a week to workers who have lost jobs and to help them keep their insurance, they say we can't afford it. They don't want to run up the budget deficit. What does that say about values and about us as a country?

I don't get it. No matter how irrational or how much they want to play

to the crowd and say: I am standing up against big government, they didn't stand up for taxpayers to pay for the wars, tax cuts for the rich, and bailouts for drug companies and insurance companies. All of a sudden they are standing up for taxpayers when it comes to funding unemployment benefits and health care benefits for those workers who lost their jobs and lost health insurance.

I will close with reading four letters from people around my State. I get hundreds of these. I know the Senator from Oregon gets them from Portland and all over his State. I get them from all over my State. I will start with Mark from Wood County, just south of Toledo, home of one of the great universities in our country, Bowling Green.

Mark writes:

I send out on average 5 resumes a week, yet I almost never hear back from employers. I have had only one interview, though I didn't get the job.

I am not lazy. I want to work and I am trying to find work.

I didn't quit my job, my employer quit on me and everyone else they laid off.

We need unemployment benefits extended, please don't turn your back on us.

These are millions of people around the country. What Mark says is what most of them would say: Please don't turn your back on us.

Jennifer from Geauga County, southeast of Cleveland, writes:

I am a single mother of three beautiful girls. I am also an experienced architect. But late last year, I was laid off from a large engineering firm in Northeast Ohio.

I have been desperately seeking a job for the last six months, but my industry has still not recovered.

What do I do now? I have been working 20 years in my field. I am already four months behind on my mortgage.

Where do I even get the money to pay for it and the other expenses to care for my family?

What do I do?

These are not people who don't want to work. I am sickened by some of my colleagues who think this is welfare, who think these people really don't want to work. Jennifer is a woman with three children, a professional, an architect. She has been working 20 years in her field.

All of these people are required to send out resumes week after week. They are required to make calls and try to find jobs. They can't find them because of the economy President Obama inherited a year and a half ago—again, 700,000 jobs we were losing a month when the President took office. My State was lucky enough in April to have a bigger job gain than any State in the country, 37,000 jobs. But that is not nearly enough to make up for the hundreds of thousands of jobs lost because of this economy, because of bad trade policy, because of outsourcing of jobs, because of all that has happened with the financial crisis.

Jill from Franklin County writes:

I am very disappointed the Senate has not passed an extension for those of us still facing unemployment.

I have been out of work for six months, even though I have a Master's Degree.

I have never lived beyond my means, but without the small check I get from unemployment, I will be losing my home at the end of July.

Please find a way to pass this bill. Please help us.

I was not making it up when I said if somebody loses their job, they lose their insurance. Then they too often lose their home because a bunch of Republicans want to vote no on the extension of unemployment benefits, crying: We have to cut spending.

I am sorry to say it over and over, but when I hear them say we can't afford it, when they didn't say that when it was tax cuts for the rich, paying for the war, or bailing out the drug companies and the insurance companies in the name of Medicare privatization—they only want to do it when it is unemployed workers. That is wrong.

The last letter I will read is from Amy from Perry County, a small rural county southeast of Columbus:

My husband is trying very hard to find a job. For the government not to pass extensions is beyond me.

I am a nurse and work two jobs to help make up the difference of my husband's lost wages.

Our hard working American citizens who helped build this country are now in need of this country's help.

Please urge other Senators to vote this bill through.

I couldn't say it better than Jennifer and Mark and Amy and Jill. They are all typical, hard-working Americans who have done the right thing. Some are very well educated, all are hard-working. Many have gone back to school to improve themselves. This is the economy they have inherited because of a whole bunch of bad policy decisions in the last 10 years. They are the ones paying for it. That is just not right.

I yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

GULF OILSPILL

Mr. LEMIEUX. Mr. President, I have come to the floor today to talk about the tragedy affecting my State as well as other States that border the gulf. We are into this crisis now 72 days. On the worst days, there is as much as 60,000 barrels of oil spewing into the gulf. That is more than 4 million barrels of oil. That comes out to about 180 million gallons of oil that has gone into the Gulf of Mexico. We know British Petroleum is at fault. We know they are responsible for paying for the cleanup. But that is just half of the story. The other half is that the Federal Government has a responsibility in times of crises to step up, to manage the crisis, to do everything possible to

bring all available resources to address the crisis, to keep the oil from washing up on our beaches in Florida, from getting into our coastal waterways and estuaries.

This is not a Republican issue. This is not a Democratic issue. This is an issue of doing the job those who wanted to be elected to these positions in the executive branch now own. When you are the President, you don't get to pick which crisis comes. You don't get to say: I don't choose to address this problem or not address that one. When you are the President, your administration is responsible for trying to solve the problems that happen on your watch. This oilspill has happened on this administration's watch.

I want the President to succeed. All Americans do. But the truth is, this administration is failing in keeping this oil off our shores. Why do I say that? I don't say that without some reservation because it is a serious charge. The facts speak for themselves. We have 2,000 skimmers in the United States. These are ships equipped to suck up oil off of the top of the water, bring it into the ship so it can be removed from the area that has been polluted. We got this document last week from the Coast Guard. Admiral Allen, with whom I met with the President weeks ago, said there were 2,000 skimmers.

I said to the President: Mr. President, if there are 2,000 skimmers, why aren't those skimmers in the gulf? At that time there were 24 skimmers off the coast of Florida. Today we believe there are about 84. Florida says 84. The Feds say 130. Since this started, we couldn't get a straight answer or one that reconciled between the State and the Feds. The good news is, it has gone up to 84 from 24. But it is still a mere fraction of what it could be.

We are told there are 400-some skimmers in the gulf. Around the country, there are 2,000; 1,600 or so in the continental United States.

Why are all those skimmers not in the gulf? This is something I have been calling for for weeks. Between Texas and South Carolina there are 850. Why aren't they skimming up the oil? When I raised this issue with the President, he and Admiral Allen said: Those skimmers need to be in other places in case there is an oilspill. That is like me saying that we can't send a fire truck to your house that is on fire because we may need it for another fire. That is not a lot of solace to you if your house is burning down, not a lot of solace to the people of the gulf when this oil is washing up onshore, ruining their lives, keeping them from working, hurting the ecosystem and the environment they love.

Something has happened that is good news. The day after I met with the President, along with our Governor and other State and local officials, on day 57 of the crisis, on day 58 Rear Admiral Watson issued a memo, June 16, 2010.

I ask unanimous consent that this be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

From: J.A. Watson, RADM

FOSC BP Deepwater Horizon Oil Spill

To: NIC

Subj: FOSC Determination under 46 U.S.C. §55113 Concerning Oil Spill Response Vessels Capable of Skimming Oil

1. Pursuant to my authority contained in 46 U.S.C. §55113, I have determined that an adequate number of oil spill response vessels (OSRVs), as defined by 46 U.S.C. §2101(20a), documented under the laws of the United States and capable of skimming oil cannot be employed in a timely manner to recover the oil released from the BP Deepwater Horizon spill.

2. Oil currently discharges into the Gulf of Mexico at unprecedented levels. There are simply not enough U.S. OSRVs capable of skimming oil available to keep up with the pace at which oil flows from the well. Until the flow is stopped, therefore, it is my opinion that domestic and foreign OSRVs capable of skimming oil are needed to provide adequate and timely protection to the Gulf Coast.

3. This determination applies only to OSRVs capable of skimming. No foreign OSRV may avail itself of any privileges conveyed by this determination unless its country has accorded to vessels of the U.S. the same privileges.

4. Respectfully request that U.S. Customs and Border Protection be notified of this determination.

Mr. LeMIEUX. This is a four-bullet point paragraph document. It reads in part:

Pursuant to my authority, I have determined that an adequate number of oil spill response vessels (OSRVs), as defined by 46 U.S.C. §2101(20a), documented under the laws of the United States and capable of skimming oil cannot be employed in a timely manner to recover the oil released from the BP Deepwater Horizon spill.

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That is the day after we raised this issue with the President. It comes on day 58. It should not have taken 58 days to figure out they didn't have enough equipment, but better late than never.

Monday of this week, the EPA and Coast Guard, on day 70, issued an order releasing these skimmers to come to the gulf from whatever legal requirements keep them where they are, including releasing Navy skimmers. That is good too. Now it is day 70, but it is still progress. I am hoping, and what I am seeing is that these skimmers will come to the gulf soon. We are tracking the skimmers. We got a list of these 2,000. We are calling folks in different places where the skimmers are, different ports around the Southeast and the Mid-Atlantic. We are going to

check with them and say: Are your skimmers on the way? We need the help.

I was in Pensacola Monday. I have been down there four or five times since the incident began. The oil on the beach is profound. It breaks one's heart to see it. It is a splattering of oil and muck and scum on the beaches. In some places I found what I would call tar rocks about the size of grapefruit that have washed ashore. Who knows what is happening down below the water, how far these plumes of oil go, what it is doing to marine life, to the turtles, to the porpoises, to the fish, what that is going to mean for the people of the gulf coast who rely upon fishing and the seafood industry, what it will mean for our health.

When you stand on the beach, you can smell the oil. The people of my State are heartbroken. I can see it in their faces and hear it in their voices.

I talked to one woman who works at the pier. I asked her: Are people coming to the beach.

She said: People are coming who don't often come. People are coming who want to say goodbye, want to see the beach one last time.

That is like having a loved one who is in the hospital on their deathbed, going to see the beach one last time.

We have these skimmers, these 2,000. Hopefully they are on the way. That is progress. That is the domestic side of this issue.

The other side is foreign skimmers. We have been hearing from the beginning that foreign countries have been offering assistance, reaching out to us the way we help the world because of the goodness of our hearts as Americans when the world has problems. When there is a typhoon in Southeast Asia or an earthquake in Haiti or Chile, the first country there to respond because of the goodness of our people is the United States. We provide help and relief, military sometimes. Other countries have also offered to help us in this, our time of need, sometimes for free. Sometimes those companies want to get paid. Nonetheless, they have offered to help.

In fact, there have been 64 offers, according to the U.S. State Department's document of June 29, 2010. We have accepted 7 out of 64. Let me read some of these to you.

On June 23, Canada offered skimmers. That is under consideration. On May 13, the European Maritime Safety Agency, still under consideration; on June 22, Japan, under consideration. On April 30, Norway; some have been accepted, other offers are under consideration. On May 2, the Republic of Korea offered skimmers—May 2—under consideration; on June 23, Turkey; on June 22, Qatar; on May 10, the UAE, the United Arab Emirates, under consideration. Mr. President, 64 offers, 57 under consideration.

Now, the State Department said yesterday they will accept 22 offers of assistance from 12 countries. Good. Good. It is day 72. Why wasn't it done sooner? I have come to the floor before and shown a picture of a ship called the Swan that was offered on May 6 from a Dutch company. The Swan had the capacity of soaking in thousands of pounds of oil and water, and we never got back to them.

We now have the opportunity to bring another ship into our effort. The Swan was a huge ship. As shown in this picture I have in the Chamber, this is A Whale—appropriately named. It is reported to be the largest skimmer in the world. I met with the folks who own the ship yesterday, Taiwanese folks. They have no approval yet to use this ship, but they still steamed this ship from Taiwan to the gulf—it is just getting there now—on their own dime. Imagine what it costs to sail this ship, 300 yards long, bigger than an aircraft carrier. It is the largest oil skimmer ever devised. It is at least 250 times that of these modified fishing boats we are using for skimming. It has a capability to draw as much as 500,000 barrels of oily water per 8- to 10-hour cycle, and it does not have to stop. It puts the ship next to it, which it offloads the oily water to, and it can keep going 24 hours a day.

By the way, storms are not a problem either because it is so big. It does not rock in the waves of a storm. So you hear these concerns now with our Tropical Storm Alex in the gulf that certain ships are going to have to stop their efforts. If this ship is allowed to work, it does not have to stop, according to what the owners told me. It is being tested by the Coast Guard either today or tomorrow.

Let's hope we use this incredible resource and ones like it because when this oil washes up onshore, when we have failed to respond to the offers of assistance from foreign countries, it is not just oil that is washing up onshore, it is failure. We need every resource, domestic and foreign alike, in the gulf, and we needed them yesterday. In fact, we needed them 50 days ago. It should not have taken this long to marshal this response.

I just watched the President of the United States on television. He is in Racine, WI. He gave a speech, a very political speech. He likes to blame the Republicans for everything that has gone wrong in the country. It is all our fault. Well, let me take issue with him on this one point. This is his job. He may not want to be in charge of the United States of America and be the President when we have the worst oil-spill we have ever had, but that is part of the job. It is not Thad Allen's job to run this. It is not Janet Napolitano's job. It is not Ken Salazar's job. It is not Jane Lubchenco's job or any other folks who work in the administration.

It is the job of the President of the United States.

When he ran for President, he said President Bush's response to Katrina was halfhearted and it was half measures. I am not sure he would want this same standard applied to him right now. I know it is fun to give a political speech, but the people in the Gulf of Mexico are suffering, and they need help and they need a President who is on the job managing through problems.

Mr. President, being from Florida, we have had a lot of crises in the past several years with hurricanes. In 2004, in 2005, we had 9 or 10 hurricanes come through Florida that devastated us. I got to watch a chief executive officer of our State, our Governor at the time, Jeb Bush, when I was in the Attorney General's Office, manage through problems, overcome obstacles, work 12, 14, 16 hours a day to make things happen, to get results.

That is what it takes, and there is no one like the chief executive officer to overcome those obstacles. That is what we need from the President of the United States in this situation. I do not want to see him in Wisconsin giving a political speech. I want to see him in Florida getting these skimmers there, overcoming obstacles, solving problems, managing through this crisis, so we can protect our beaches, protect our estuaries, and protect the way of life for the people of Florida, Alabama, Mississippi, and Louisiana.

This crisis is not over. It may not be on your television as much as it was, but the oil is still spewing out of this well. We hope these relief wells work. We hope they can stop the oil from leaking in the Gulf of Mexico at an unprecedented rate. We still do not know how much is leaking. We hope BP is capturing at least half of that oil now, maybe a little bit more, but we do not know.

But every day that goes by that oil leaks in the Gulf of Mexico and washes up on the shore of my State—when I stand on the beach in Pensacola and I cannot see a single skimmer, I wonder where our Federal Government is. We need help. We need some urgency. We need some purpose. I am glad they signed the order this week to let those skimmers come. I am glad we are finally starting to accept foreign skimmers—72 days into the crisis. But I will continue to come to the floor every day until that oil wellhead stops leaking to talk about this issue and bring light and attention to it, to make sure this government is doing everything it can, marshaling every resource possible to keep that oil from coming on our beaches and into our coastal waterways.

I will close with this: In Florida, people love the water. It is the reason most people come to Florida. It is not just because of the great way of life. It is not just because of the great cli-

mate. It is because of the water. Ninety percent of the people of our State live within 10 miles of the ocean. We have more recreational boaters than any other State in the country. We have more coastline than any other State in the country save Alaska. The water is a way of life to people in Florida.

I have had grown men, men I have known and respected my whole life—not men you would consider emotional or soft—talk about the situation of this oil crisis with me and start to break down and cry. It is that much of an issue for the people of Florida. I want to see our Federal Government rise to the task and do everything possible to solve this problem.

With that, Mr. President, I see my colleague is here and I yield the floor to him.

The PRESIDING OFFICER (Mr. BURRIS). The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, I am sorry I was not here on the floor—but I was watching in my office—when my colleague from Ohio, Senator BROWN, made his recent statement on the Senate floor. I think Senator BROWN pointed out very poignantly what is happening to so many people in our country today who have exhausted their unemployment insurance benefits. I would like to follow up on the comments made by Senator BROWN to reinforce what he said just a few minutes ago on the Senate floor and the dire straits that so many people find themselves in going into the Fourth of July holiday.

Recently, a national group of business economists released its 2010 economic outlook, predicting that America's economy is "on track" toward recovery. Well, this is encouraging news. It indicates we are moving in the right direction under President Obama's leadership. But we also know the recovery is very fragile.

For example, last week, we learned that sales of new homes plummeted 33 percent in May, to the least level in 40 years. Let me repeat that. Home sales in May fell to the least level in 40 years. Banks are still reluctant to lend to small businesses. It is not that they do not have money. According to a new Federal Reserve report, U.S. companies are hoarding an all-time high sum of \$1.84 trillion in cash, but they remain largely unwilling to invest, hire, and expand.

U.S. companies are hoarding an all-time high sum—\$1.84 trillion in cash—but they are not investing, they are not hiring, and they are not expanding. So the threat of this double-dip recession is very real.

These economic warning signs are not just abstract facts and figures. They have very real consequences for families across the country. That is what my friend from Ohio was talking about earlier. The unemployment report for May was very disappointing.

By the official numbers, there are 15 million hard-working people who have lost their jobs through no fault of their own, and they are struggling to find work. Those are the official numbers—the official numbers. Many experts in this field agree that the real numbers are far higher.

So when you count the people who have become so discouraged that they have stopped looking for work, or who are working part time involuntarily because they cannot get full time work, the number of unemployed workers is far higher, like about 30 million people.

So as shown on this chart, here is sort of the official figure of 15 million. But that is just people who are right now on the unemployment rolls who are actively looking for work. We have enough data to show that people have been out of work for so long—they have hunted for so long, and they are discouraged; they are not looking right now actively—they are not counted as unemployed. The young people who have not had jobs for the first time, who are out of school but have not had jobs for the first time, they are not counted as unemployed. People who are working makeshift jobs for bits and pieces here and there, part-time, who one time had a full-time job, they are not counted either. When we add all those up, our real unemployment in this country is right around 30 million people.

The official figures will say there are five unemployed workers for every available job. That is not true. It is more like 10 workers. Job openings in America: 2.69 million. That is how many jobs are in America right now that are open—at least last month anyway. There are 30 million people out there after those 2.69 million jobs; not 1 in 5, but 1 in 10, a little over 1 in 10. It is little wonder that the average spell of unemployment in this country has skyrocketed to 34 weeks, far higher than in previous recessions. This chart shows that—here is the recession of 1980, 10 weeks; in July of 1981, 14 weeks; in July of 1990, 12 weeks; March of 2001, the recession, 13 weeks. These are the unemployment spells we had during those recessions. We are now up to 34 weeks and counting. Compare that to the recessions of the past. It is a small wonder that a lot of people say this is not a recession, this is a depression. People don't want to say it, but in many ways, we are on the edge of a depression.

As a result, a record number of Americans is facing long-term unemployment; 6.8 million Americans out of work for more than half a year, by official numbers alone. That is the highest number of long-term unemployed we have had since we started keeping track in 1948. Let me repeat that. The number of Americans out of work for more than half a year is the highest—

the highest—since we have kept track of this since 1948. The families of these long-term unemployed are hanging on by a thread. Their savings are gone. Unemployment benefits are the only lifeline they have to pay the rent and put food on the table.

Again, I know I am not the only Member of this body whose office has been flooded with heartbreaking stories of families back home struggling to make ends meet. We heard a number of those stories from Senator BROWN from Ohio. These are people trying their hardest, doing everything they can to find work, but the jobs aren't there.

I heard from a community college professor from Sioux City who was laid off due to budget cuts. She has applied for dozens of jobs, many far below her skill level. She is often told she is overqualified. She has exhausted her unemployment benefits. She and her sons, one of whom is a special needs child, are on Medicaid and they have applied for food stamps.

I heard from a worker in Des Moines who has been in the insurance industry for many years. She was laid off almost a year ago and has struggled to find work. Her benefits were cut off last week. Here is what she writes. She says:

My concern is that my family cannot survive without the unemployment benefits. We have depleted our savings just to save the house and not get behind on the bills. I know there are others far worse off. Please help pass the emergency unemployment insurance extension.

I heard from a schoolteacher in northern Iowa who was laid off in October of 2008. She recently ran out of unemployment benefits and had to apply for welfare. She writes:

I have not felt so humiliated in 20 years. I have been a productive and hard-working woman since I was 13, but now I feel insignificant. Please do not misunderstand. I have been trying to find full-time employment, but to no avail.

Again, these are hard-working people trying their best, who never imagined they would be in need of Federal assistance. They paid into the unemployment insurance system while they were working. Their employers paid in. They ought to be able to count on it when times get tough. To me, it is a matter of fundamental fairness and human decency.

Yet, in the face of so many families in crisis, an extension—a short-term extension—of unemployment insurance is being needlessly, and I would even say cruelly, obstructed here in the Senate. Time and again we have tried to pass an extension of unemployment benefits and time and time again that effort has been blocked by Members on the other side of this aisle. As a result of this political gamesmanship, as of the end of last week—at the end of last week—1,350,000 Americans exhausted their unemployment benefits because

of the lapse in this program. By the end of this week, that will go up to 1,720,000 who will be cut off because we won't extend it here. By July 10, 2.14 million—2,140,000 Americans will have their unemployment benefits cut off.

Blocking this bill may be a political game for some over here in the minority party, but it is not a game to millions of Americans who have lost their lifeline. For them, the obstruction of this bill is a personal and family crisis of the first magnitude.

Imagine: We are about to go out of here in a couple of days for 10 days, 12 days, something like that, to celebrate our Nation's birthday, the Fourth of July weekend. I am sure Senators will be with their families; Congress men and women will be with their families, and all of our staffs. We all have jobs. We have good jobs that pay us well. We have good benefits—health benefits, retirement benefits—as does our staff, Republican staff and Democratic staff. Republican Senators and Democratic Senators, we have good pay. We will have a good Fourth of July with our families. We will watch the fireworks and have hot dogs and hamburgers, listen to patriotic speeches, maybe make a few ourselves. How about all these people? How about these people? How about these families? What are they thinking about on the Fourth of July? They have lost their benefits. They don't know where to turn. What are they going to be celebrating? What are they going to think about their country? What are they going to think about this Congress, that turns its back on these people?

There is no reason why we can't extend the unemployment insurance benefits, none whatsoever. I think that is what we have to be thinking about.

Another thing that I think hits pretty hard, I have heard political candidates out on the stump who want to take a place in the Senate, or maybe in the House of Representatives, out there talking about how we shouldn't extend these benefits because this encourages people not to go to work; it sort of encourages laziness. Well, I think that is insulting and illogical. As I said, there are 30 million people out of work looking for 2 million jobs. They say, Well, but if you give them these unemployment benefits, it makes them lazy. They won't go to work.

The numbers vary from State to State, but the unemployment benefit nationwide is about \$300 a week, below the poverty line. So here is the average income for a family of four on unemployment benefits: It is about \$15,600. It is more in some States, less in other States. That is an average. So what is the poverty line for a family of four? It is \$22,000. That is below the poverty line. They are telling me people don't want to go to work? These are people who had work. They are not out of work because they walked off the job;

they are out of work because they were cut off of work. In some States, benefits are smaller. For example, in Mississippi, the weekly maximum benefit is \$235 a week. Again, that is thousands of dollars less than the annual salary of a full-time minimum wage worker. Again, I can't imagine anyone who had the alternative to make more money and to have a full-time job would say, No, I want to stay on unemployment benefits. That is insulting. It is insulting.

I have also heard my colleagues object to this benefit extension on the grounds that providing these benefits is too expensive. It will add to the deficit. I understand the concern, and we are all concerned about the deficit of this country. But, it doesn't hold water when we are sitting in the midst of an economic crisis. We are about to pass a supplemental appropriations bill here sometime soon, probably after we get back from the Fourth of July break. It has about \$37 billion in there in military aid to Iraq and Afghanistan. We are building infrastructure projects over there. We are putting people to work there. We are continuing to lose a lot of American lives, young Americans getting injured and killed, and that is adding to the deficit. Yet we are not paying for that. That is adding to the deficit.

It seems to me if we are trying to look ahead and trying to protect the people of this country, we want to get people back to work. We want to get the economy going again. We need to get the recovery up and running. Unemployment benefits cost money, yes, but think about it this way. That money is spent here in America. It is not spent overseas and it is not spent someplace else. It is spent here.

What do people do when they get unemployment insurance benefits? What do they do with that money? Do they put it in a shoe box? Do they bury it in a hole in the ground? No. They go out and they spend it. They spend it on food and clothes and the necessities of life: housing, rent, utilities. That money spins around in the economy. That is why the economists all agree that one of the—this is from *moodyseconomy.com*. The biggest boost for the economy in terms of benefits from the government, the biggest bang for the buck, so to speak, are food stamps. That is because poor people who get food stamps spend it right away on food. Not all, but most of the food is grown in this country and processed; not all of it, but most of it. So you get a big bang for the buck. For every dollar in food stamps, you get \$1.73 in economic activity in this country—\$1.73 for every dollar invested. Unemployment benefits, \$1.63. Right next to food stamps, unemployment benefits. Infrastructure investments that so many of us talk about, very close on their heels: \$1.59. If we want to put peo-

ple to work, let's start doing infrastructure rebuilding in America. Rebuild our sewer and water systems, our highways, roads, bridges, rails, high speed. That is a great investment, plus it will put a lot of people to work too.

A whole lot of people say, Well, we have to extend the Bush tax cuts to get the economy going. Extending the Bush tax cuts is a 49-cent return on the dollar—not a very good investment, folks. Not very good.

So unemployment benefits, yes, they cost money. Yes, they do add to the deficit, but they provide for a lot of economic activity in this country—a lot more than extending a tax cut. For example, in Iowa alone, more than 3,700 jobs were saved or created in my State in 2009 thanks to the benefits of unemployment insurance. That is 3,700 jobs in my State alone because of unemployment benefits.

Again, under these circumstances, obstruction of an extension of unemployment benefits is inexplicable. How do you explain it? How do you explain something such as that to someone who is on their lifeline, has lost their benefits, or is on the verge of losing their benefits right now? It is like a person who is in the hospital with a serious infection. The doctor says, OK, here is a 15-day course of antibiotics. The patient goes home and says OK, 15 days, I have to take the antibiotics every day. But day 8 comes, day 9 comes, the patient feels better, they stop taking their antibiotics. The infection reasserts itself, the patient is right back in the hospital.

That is where we are in this economic recovery. We made the mistake once before; history shows this. In 1937, we were getting out of a depression, the public works projects and things President Franklin Roosevelt and the Democratic Congress put in place were getting us out of the recession. But then the so-called deficit hawks took over and began then to tighten down on the benefits and these programs. What happened? The Federal Reserve started tightening up the money, Congress slashed spending, the Fed tightened its policy, and the economy plunged back down into a depression.

That is why I used the analogy of someone in the hospital with a serious infection and they are prescribed 15 days of antibiotics, but after 5 to 7 days, they feel better and they stop, the infection then reasserts itself, and they are right back in the hospital. That is where we are now.

Well, quite frankly, there is an infection in our country. The infection is called a recession, a deep recession, a depression. Thirty million people are out of work. That is an infection. There is one thing that will help relieve that infection right now: the medicine of unemployment benefits.

Mr. DURBIN. Will the Senator yield for a question?

Mr. HARKIN. I am delighted to yield to the Senator.

Mr. DURBIN. Mr. President, I thank the Senator for bringing this issue and timely discussion to the floor.

We had a meeting today of the deficit commission—18 of us who have been charged with finding a way to deal with our Nation's deficit. Speaking to us was the Director of the CBO, Congressional Budget Office, Mr. Elmen-dorf, who talked about what we need to do. I asked him a question that went directly to the Senator's point: As we talk about reducing the deficit, isn't there a worry or concern that if we hit the brakes too soon, we can plunge even deeper into a recession, with more people out of work? He said yes. He said that you have to make sure we start moving forward, putting people to work, with the GDP growing; and once you have the economy stabilized and moving forward, with people paying taxes—which, incidentally, brings down the deficit—then you can talk about the long-term deficit fix. So I say to the Senator from Iowa, he really hit the nail on the head.

Our colleagues on the other side who refuse to support extending unemployment compensation benefits say: We want to take it from some other area of spending. Well, of course, that just reduces the stimulus to the American economy. So they are not helping things. What we need to do is help them.

I see the Senator from Iowa has 3,700 workers in Iowa affected by this. We have over 10,000 in the State of Illinois. In fact, it is 20,000 at this point. It will be 80,000 by the end of June, if I am not mistaken. At this point, these folks have reached a point of desperation.

I had a call over the weekend from a friend who is unemployed. She is the mother of three kids, with a grandchild in the house. They are cutting off her utilities because her unemployment check was cut off. That is the reality of life for people who have lost jobs through no fault of their own.

I thank the Senator for bringing up this issue. I will be embarrassed if we leave here for the Fourth of July break without taking on this unemployment issue and helping people across the Nation who are similarly situated.

I will ask the Senator a question since he yielded for that purpose. Does the Senator even possibly agree with what I have said?

Mr. HARKIN. Mr. President, I thank the Senator, who has been a champion of working people and families for all the many years I have known him, and that is many years now. I thank him for telling us about what the CBO said in the deficit commission.

I pointed out a couple of things earlier. The Senator is right on the mark in terms of economic activity, and that is why it is so important right now to get the economy moving again, to keep

it moving. The biggest bang for the buck we get is food stamps. People spend those right away on food.

Second to that, for every dollar we put into unemployment benefits, it causes \$1.63 of economic activity. That is not a bad return on the dollar. Well, down here on the chart, extending the Bush tax cuts, you only get 49 cents back. That is what my Republican friends say you need to do—more of these Bush tax cuts. That is dismal. Yet an infrastructure investment brings \$1.59 cents. If you invest more in infrastructure—sewer and water, plants and highways, roads, bridges, high-speed rail—not only do you get a great return, you get a lot of people employed at the same time.

How can we leave here tomorrow or Friday, when we leave for 10 or 12 days, when we know this is what is happening? At the end of last week, 1,350,000 Americans lost their unemployment benefits. At the end of this week, it jumps up to 1,720,000. By July 10, before we come back, it will be 2,140,000 Americans who will lose their benefits. How can we go home and celebrate the Fourth of July with fireworks—the birthday of our Republic—and give patriotic speeches about how great we are, what a good country this is, when we are going to leave all these people out in the cold? What does that say about this body, about the Congress?

I will tell you, I say to all those families who have written me letters, contacted me by e-mail, and have come into my offices, telling me of your joblessness and your struggles: You are not forgotten. We are here fighting to try to get this done.

My Republican colleagues refuse to let us extend unemployment benefits—even for less than half a year, a short period of time. Well, we will do everything we can to get this done. For the sake of these families, our country, and for the sake of, yes, our economy, we can't leave here without extending these unemployment benefits.

I ask my Republican colleagues who have been blocking this to have a sense of humanity on this, a sense of compassion, of caring for these families. We all make good money around here. We get good pay and benefits, good retirement benefits. All our staffs are employed. Everybody here in this Chamber is employed. How about these people who are unemployed? You have to think about them before we close up shop and leave here this week.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KERRY. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. KERRY are located in today's RECORD under "Morning Business.")

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Ms. LANDRIEU. Mr. President, I begin by complimenting the senior Senator from Massachusetts for a remarkable tribute to the late Senator ROBERT BYRD. It was beautifully delivered, beautifully written. It captured the spirit of this wonderful Senator and highlighted just a few of the extraordinary accomplishments in his life. I was privileged to be on the floor to hear it delivered by the Senator from Massachusetts.

Mr. President, I ask unanimous consent to speak for up to 10 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

SMALL BUSINESS LENDING FUND ACT

Ms. LANDRIEU. Mr. President, I was here earlier today, following Senator BAUCUS's handling of a portion of the small business bill. I am pleased to share in that responsibility on a small business bill that is not immediately before the Senate because, remember, we came off it temporarily to talk about the unemployment measure that is pending about which Senator HARKIN just spoke.

I want to return to the small business bill because at some point, after a vote on the unemployment measure before the Senate, we will get back to a very important bill for you, Mr. President, and you have been a leader in this area, as well as many of us.

I want to speak for a moment about a couple of provisions of the small business bill. The bill itself has three major pieces to it. There is a piece that came out of the Small Business Committee about which I spent some time this morning talking, the elements of strengthening the SBA lending programs, expanding the limits for the amount of money that businesses can borrow. There is a piece that is coming out of the Finance Committee that is broadly supported. Senator BAUCUS and Senator GRASSLEY have done a great job. Basically, it is tax cuts relative to small businesses that can help them with tax provisions. Then there is a piece that has come from the Treasury, the White House, the leadership team, about small business lending.

I want to talk for a few minutes about a piece of the small business package, and then I want to talk about the bank investment program, the \$30 billion program.

First of all, one of the most important aspects of the small business bill is the extension and the expansion of 7(a) loans. To put this in plain English, these are the loans that the Small Business Administration partners with banks to make what we call floor plan lending. It is any business that has inventory—maybe it is a tractor company or a manufactured home company or a boat, marine industry with a small business owner—and you have some of

these in Illinois, I know, Mr. President, and I have many of them in Louisiana—that has to buy inventory and put it in their showrooms for when people come by and they look at the product.

Some people might go on the Internet these days. My son does this. He spends a lot of time looking for automobiles because he has not yet been given permission to purchase his first one. He is looking every night, bringing pictures to his mother and father, talking about the benefits.

People today go on the Internet. They look at all these products they want to buy—boats, tractors, for example. They do not usually push the button to buy these products on the Internet; they go down to their local dealer. They want to walk into a showroom. They want to look at the product. They heard about it, and they might have documents from the Internet. They go to their local small business, whether it is in some parts of Illinois or Louisiana down in Thibodeaux, Violet, Larose. They walk into that local marine operator and say: I have looked on the Internet, and this is the kind of boat I want to buy. Do you have one in stock? If we pass this bill, he might have one in stock. If we do not pass this bill, chances are he will not be able to make that sale. That is what the 7(a) lending program does.

I have a letter from the National Marine Manufacturers Association that says they have over thousands of members. They say that they believe if we pass this provision in this small business bill, it could affect over 350,000 jobs in America because that is how these small businesses operate.

Unlike a lot of businesses we talk about, these are not businesses in China or in India or in South Africa or in France. These are small businesses with American-made products in our own neighborhoods, almost in every neighborhood in America, that has an inventory, that is trying to sell something. When that purchase is made, tax dollars are generated, money changes hands, and our economy gets rolling again.

This 7(a) lending program is not to be underestimated. It is not just an old government program that does not work. This program will potentially leverage loans up to \$15 million.

That is a lot of money for a small business to be able to purchase a number of tractors for their inventory or automobiles or RVs or jet skis. This is a big industry, Mr. President. You know it. You see it on Main Streets all over the country.

When we pass this bill, I want my colleagues to know that those voting for it can be very proud. For those of my colleagues voting no, they are going to have some explaining to do because the automobile dealers in their States, the marine manufacturers in

their States are going to say why didn't you vote for a bill that would allow me to go to my local bank, borrow up to \$15 million so I can put inventory in our showrooms so people in this town can come to my shop or my place of business and purchase that equipment?

This 7(a) loan program is very important. It came out of our committee with broad bipartisan support. I am pleased it is in the underlying bill.

I want to say one more word. I know there may be others on the floor to speak. In another section of this small business bill, in our attempt to get jobs created in America to bring this recession to an end, to get our people back to work—yes, we have to extend unemployment, but eventually—eventually, not now, but some time soon, not now because it is too soon, many economists say, but at some time, we are going to have to stop the emergency extension of unemployment and have a job for people to go back to because I agree with Senator HARKIN, most people—99.9 percent of people in America—men and women, Black and White, Hispanic or Asian, would rather work because it not only helps their family economically, but it is very rewarding to work, particularly at something one likes to do, and it is life affirming. People aren't interested, as some of my Republican colleagues want to say, in sitting home and collecting \$215 a week. In some States, I think in Mississippi, it is \$146 a week. Who wants to do that? How many mouths can you feed at \$146 a week? Please, tell me.

Not many. I do the shopping in my family. That wouldn't cover 4 days' or 5 days' worth of groceries in my family, and I have only two children.

So I am not sure what people are talking about on the Republican side, that people would like to stay home and collect a real big check. People want to get back to work. But in order to help them get back to work, we are going to have to have some extraordinary measures to get banks—medium-sized banks, community banks—lending again.

I think the President and the Treasury have come up with quite an innovative program. It is \$30 billion, and many Republican Senators voted for it—at least eight. I don't know what the others were thinking, but I would like to give them a couple of arguments to rethink their vote.

Some of them have said this is the TARP again. Remember what TARP stands for. TARP stands for Troubled Assets Relief Program. It is a program for troubled banks. The "T" stands for "trouble." This \$30 billion program we have come up with should be called the healthy bank provision because this is not for troubled banks; this is for healthy banks. These are banks that are not troubled. They are healthy banks.

This program will allow them to voluntarily—not mandatorily but voluntarily—ask the Treasury to infuse some capital through an investment in all of our banks. The banks will then take that money and, if they follow the guidelines of Treasury in terms of the program as it is outlined, and they start to lend the money to small businesses, they will get a benefit. They do not have to pay the Treasury back a dividend. They can pay the Treasury back a lower dividend on the investment the taxpayers have made in that bank.

So for my colleagues who say this is TARP II, they are absolutely dead wrong. There is not a "T" in this program for "trouble." This is for banks that are healthy, and I am very excited to say that our community banks in Louisiana survived this meltdown because they didn't engage in some of this reckless behavior that some of the large banks participated in. Our community banks in Illinois and in Michigan and in Ohio—I know they had a little more trouble in the rust belt—but many of the community banks in the South did very well and were very smart about their lending. They never got into trouble.

So this \$30 billion infusion from Treasury into preferred stock in these banks, investments structured this way, will encourage these small banks to make money the old-fashioned way—not on transaction costs, not on charging people extra for the balance they do or don't have in their checking accounts, but by getting back to old-fashioned banking: making money in your bank when you make good loans to businesses. When you are smart and you are looking at businesses in your community and you are lending them money, they are expanding and they pay you back the loan with interest. You lend them more money, and they pay you back the money you lent them with interest. They grow, the business grows, the bank grows, and the community grows.

Mr. President, I suggest in America that we get back to the old-fashioned way that banks should make money. The Presiding Officer did that successfully when he was in Illinois—lend money to small business. That is what the President's \$30 billion does.

I hope Republicans who voted against this provision because they believe this is TARP II will actually read the bill. It is not very long. It is just a few pages. It is just a few pages. It is not a troubled bank program; it is a healthy bank program, and they should be for it because, as the chairman of the committee, I have received a letter from the association that represents the community banks. They said: Senator, we favor this provision. We want this to happen.

So for the taxpayers listening, don't be fooled by the arguments on the

other side. That just gets back to we are the party of no. We are going to say no, no matter how good the idea is. This is a good idea for healthy banks that the bank association supports. I think we should be for it, and I am hoping we can vote for it when we get back.

One other point. Then I am going to cede the floor. Because of the great work Senator WARNER of Virginia and Senator LEVIN have done, they have convinced enough of us on both sides of the aisle, I hope, to add to this provision something we call the State small business credit access fund. So in addition to what President Obama came up with, he and his team, Senator WARNER and Senator LEVIN did a lot of work on this and explained it to many of us. Many of our colleagues were Governors before they got here, so they know something about this. Their job was to create jobs when they were Governors. Now, happy for us, they are Senators and they are still trying to create jobs. So they brought an idea to our committee which we looked at very carefully and said yes. Then they worked through Finance, and Finance said yes.

What this does is set aside \$2 billion for State programs that are already established and that act in very different ways but are mission-driven organizations run by our Governors. These are Governors from different parties, so it is not a partisan program. We are going to give \$2 billion out through these programs, and they will then turn around and lend money and make the master plans of economic development in the State of Virginia real.

It helps the State of Michigan, where they have some great small businesses, CARL LEVIN says. But he said to me: MARY, the problem is that they do not have the collateral they once had to get the loan because their collateral has depreciated. So the banks are not going to lend them the money because they do not have the collateral. So we have come up with a way to enhance their collateral to make it a good loan—not a risky loan but a good loan. So that is in here.

So for people who say government is not creative or not innovative or we are not trying to do the smart things, this is a smart bill. Besides being a healthy bank bill, it is a smart lending bill. In some of these instances, the Federal Government is actually going to make a profit. So I hope when we get back, when we are talking about small business, we can be enthusiastic in supporting the basically \$32 billion lending program, the small business package, and the tax cuts that Senator BAUCUS and Senator GRASSLEY, with the help of Senator SNOWE, have put together for small businesses throughout the country. I hope we can stop fighting, stop saying no, and just say yes to job growth and creation in America for hard-working taxpayers

and Americans who deserve our best effort on this bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I support the comments of and the legislation by the Senator from Louisiana. I think it makes a great deal of sense to strengthen small businesses. They are, after all, the job generators in this country. So I appreciated her comments. We don't always agree on every issue around here, but I am a strong supporter of her work as chairman of the Small Business Committee and of the legislation she has described.

Mr. President, I wanted to come to the Senate floor briefly today because we are talking about extending unemployment compensation, unemployment benefits, to people who are out of work, and we are having a very difficult time doing that. These benefits are for people who worked on payrolls. They actually paid a little of their money in taxes to support an unemployment fund so if they lost their jobs they would be able to get some unemployment help. But in order to do that, this has to be extended by the Senate, and it has become increasingly difficult to extend unemployment compensation to those who are out of work.

I find that kind of inexplicable because for the folks at the top of the economic ladder, there is no problem in their getting what they want out of this Chamber. I noticed in the last 24 hours or so that one of my colleagues objected to something that was in the financial reform bill. He said: Well, you are going to impose a fee on the biggest banks. He said: I won't accept that. He said: If you do that, I won't vote for the bill. The biggest banks in the country shouldn't have to pay this fee.

I was thinking to myself: Why not? They drove the country into the ditch. They are the ones involved in the cesspool of greed, many of them, trading things on things they will get from people who never had it and making money on both sides, which created an unbelievable orgy of speculation that ran the country right into the ditch. There is nothing wrong, it seems to me, with their having to pay a fee here or there.

But one of our colleagues said: I won't support that. All of a sudden, the conference committee got back together and said: How can we fluff up your pillow, big guy? Can we give you an aspirin, put you to sleep?

If you are at the top of this economic ladder in this Chamber, you can do just fine because somebody will make you comfortable. But what about the people at the bottom? What about the person who came home from work after 18 years on the job and said: Honey, I lost my job today. And they can't find another job? What about that family and that person? What about extending unemployment help for that person?

Things never change. Here is what Will Rogers said many years ago. He said:

The unemployed here ain't eating regular, but we will get around to them as soon as everybody else gets fixed up OK.

Boy, if there was ever a description of the way things work these days, this is it. Old Will Rogers. And this description is as old as eight or nine decades, isn't it? The unemployed here ain't eating regular, but we don't have time yet. We will get to them after everybody else gets taken care of. And who gets taken care of first? The folks at the top of the economic ladder.

I wonder, I just wonder what would happen with a bill to extend unemployment benefits if the only Americans who were unemployed were investment bankers? Do you think that wouldn't have been passed in a nanosecond, just like that? But, no, the unemployed are people named Smith and Jones and Adams and Johnson. They are the ones somehow at the bottom of the economic ladder who don't seem to matter to some people.

My hope is this Congress will have the good sense to do the right thing. During tough times, we have something called a safety net—that is the unemployment compensation—that helps people when they are laid off, when they are out of work and are having trouble and can't find another job. It is our responsibility to extend that. That is what we should be doing.

As Will Rogers said: Everybody else gets help. In the last 24 hours, the folks at the top of the economic ladder got help—the biggest banks in the country. Why? Because somebody said they needed some comfort—a bedtime story, a fluffed pillow, an aspirin, some comfort. They got their comfort. But we are still waiting to see if the people who lost their jobs and who are at the bottom of the economic ladder will get the help they were promised. I hope so. We will have a vote on that and we will soon see.

ENERGY POLICY

Mr. President, I wanted to mention that yesterday a group of us went down to meet with the President on the subject of energy, and following that meeting a number of my colleagues spoke to the press. I did not. But because there were stories today about the representation of that meeting with the President, I thought I would at least offer my notion of what that meeting meant and what the consequences of it will or should be.

The meeting with the President, calling a number of Republicans and Democrats—about 10 or 12 of us—down to the White House, was to talk about energy and to simply try to evaluate what is achievable, what should be done with respect to energy. We know two things are making this country vulnerable: No. 1, we are way too dependent on foreign oil. We use one-

fourth of the oil that is pulled out of this planet every morning. Every day we use one-fourth in this little place called the United States. Yet over 60 percent of that which we use comes from other countries. That leaves us far too vulnerable to others, and, by the way, some of whom are in very troubled parts of the world. We are far too vulnerable to others for our energy supplies. That is a fact.

The second something that is happening to this planet is called climate change. We don't necessarily know exactly what that is, but the wide consensus of scientists tells us we need to be concerned about it and we need to be taking actions to deal with it.

I appreciate the President's leadership on these issues and saying we need to move. We need to do some things here. But the discussion was, What is achievable?

What is achievable, in my judgment, from listening and participating in that meeting, is what I have always believed was achievable. The only thing achievable is that which will get 60 votes to come from the calendar of the Senate to the floor because it takes 60 votes on a motion to proceed to consider anything. I believe the only thing that can get 60 votes, based on not only the meeting yesterday but other discussions I have had, would be to bring the bill passed by the Energy Committee, which was bipartisan, to the floor of the Senate. That does not exclude anything else. That does not exclude anybody from offering climate change amendments, comprehensive climate change amendments. But we will never get to the floor unless we get to the floor with something that can get 60 votes, and I am convinced the only thing that can achieve that is the bipartisan Energy bill out of the committee.

The Energy bill itself is a bill that does reduce carbon. It does all the things I think it should do. Yes, it says we are going to continue to use the fossil energy—coal, oil, natural gas—but we are going to use that in a different way. We are going to decarbonize and take great pains to protect the planet as we do. We are going to build some nuclear. We are going to maximize renewables—solar and wind energy. We are going to do the biofuels, including biodiesel, ethanol, and geothermal. All of these sources of energy are important to our country's future.

All of these areas—conservation, including retrofitting buildings; the first ever renewable electric standard; building an interstate highway of transmission capability; high-voltage transmission so you can collect energy where the wind blows and the Sun shines and put it on a wire and send it to where it is needed in the load centers—all of that was part of the bill that was passed out of the Energy Committee 1 year ago this month. That

is, in my judgment, what is achievable to get to the floor of the Senate, and then it is open for amendments. That does not exclude, by the way, any other amendments people wish to offer that can achieve the 60 votes, once it is on the floor, that can address climate change.

As I said before, there is something to climate change, as far as I am concerned. We would be fools not to recognize and fools not to address it. The question is not whether; it is when and how.

I said before that I would support capping carbon and I would support pricing carbon. I also said I will not support what is called cap and trade because I do not intend to give Wall Street a trillion-dollar carbon securities market to trade so they can tell us what the cost of our energy is going to be. But that aside, I really think it is important that we not end this year without doing an energy bill that advances this country's energy and national security.

Let me mention one additional item very quickly; that is, yesterday there was a hearing in the Armed Services Committee with respect to the nomination of General Petraeus to assume command in Afghanistan. I am not going to speak at length about this. I fully support General Petraeus and this nomination. I think the President has made an excellent choice. By the way, I don't think he had much choice but to replace General McChrystal, and replacing him with General Petraeus makes a great deal of sense to me.

I wish to say with respect to Afghanistan that I think it is long past the time for us to have a very significant discussion about Afghanistan. The President has indicated the potential withdrawal date beginning on July 1 of next year, 2011. But I think that even before that, we need to have a discussion in this country about what our role is in Afghanistan. What, in fact, is victory in Afghanistan? Are we fighting al-Qaida? Are we fighting terrorists in Afghanistan or are we fighting insurgents in Afghanistan? What about the Afghanistan Government and President Karzai? What is achievable?

Every day, we are sending young men and women to fight in a war, and many—I should not say “many”—a number of them will lose their lives. We go on almost “out of sight out of mind,” not thinking about it, not debating it nearly enough. What is it we are achieving? We have been at war for nearly 8 years, spending a great deal of money—lost treasure and lost lives. By the way, with respect to treasure, not a penny of it has been paid for.

I think it is time for us to have a good discussion in this country about what are we doing? How long will we do it? What is victory? What is achievable? Should we, in fact, be engaged in a long-term war against insurgents in

that country? Where is al-Qaida? We know where it is in part: northern Pakistan. Where is al-Qaida? What is this—a war against terror or is it a war against insurgents?

My own view is that I think it is highly unlikely, no matter how long this country is in Afghanistan, that we will ever be successful in the rural tribal lands of Afghanistan. But my hope and my desire is to want the best for this country. I think the best will be achieved if we have a thoughtful, good, full, complete discussion as a nation about what our objectives are, how we achieve those objectives, and when, at last, at long, long last, we can bring troops home and be in a position where we are not saying America at this point is at war. We need to be addressing the terrorist threat across this planet, and that will take us a long while, but I think that is a very different circumstance than being engaged in the fight in Afghanistan as it currently exists.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. LEVIN are printed in today's RECORD under “Morning Business.”)

Mr. LEVIN. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. COCHRAN are printed in today's RECORD under “Morning Business.”)

Mr. COCHRAN. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Ms. STABENOW. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Ms. STABENOW. Mr. President, tomorrow evening, I think at about 5:30, we are going to have a vote that is going to immediately impact over 1 million people across the country, and millions more after that, if we do not extend unemployment benefits as we have done in every recession, Democratic or Republican President, throughout our history.

Anytime we have seen the unemployment rate, I believe at about 7.5 percent, above 7.5 percent or so, we have extended unemployment insurance benefits—insurance benefits—because you pay in and then when you are not working, you receive benefits. We have done that throughout our history for two reasons: No. 1, because we acknowledge what happens to a family when someone in the family loses their job, when the breadwinner can't bring home any bread; and No. 2, because we know it stimulates the economy. Every economist, from the right to the left, has agreed that the best way to stimulate the economy is to provide dollars to people who are forced to spend it, because they don't have a job. So someone who receives that \$250 or \$300 a week—it is not enough to do much on, but it is enough to pay the rent, enough to buy some food, enough to pay the electric bill; maybe get the kids some clothes, maybe put some gas in the car so they can continue to look for work. So we know it not only stimulates the economy, but it is the right thing to do from the standpoint of ethics, morals, values.

Tomorrow, we are going to have an opportunity to see whether there are 60 colleagues in the Senate who are willing to vote to stop a filibuster that has now gone on—I believe this is the ninth week—actually, 8 weeks on a jobs bill that included unemployment benefits extension—and then this week, the ninth week on the bill that we are focusing on, including unemployment benefits. It will also do something important for people who have used the first-time home buyer tax credit that runs out at the end of this month, which has been a great stimulus, another part of the Recovery Act that has been very important to the economy. It runs out, and we want people who haven't yet closed on their homes not to lose the ability to have a credit, so the bill will also include extending the home buyers credit implementation until October.

I understand there is a willingness and strong bipartisan support to help first-time home buyers but not to help the people who are out of work and probably are going to lose their houses, which I continue to not understand. I am grateful because I know we have at least one, maybe two Republican colleagues who will join with us to stop the filibuster. I am grateful for that. But we need at least three Republican colleagues to join with us in order to get this done tomorrow night.

We hear a lot of debate, a lot of discussion, a lot of arguments from the people who say: We are happy to extend unemployment benefits; we just want to pay for it.

That sounds great on the surface, unless you know the full history of how unemployment insurance works and the other kinds of decisions we make

as a body. We have always funded unemployment benefit extensions through something called emergency spending. As I have said before, if 15 million people being out of work in America isn't an emergency, I don't know what is. That is more people than are affected by a hurricane or a flood or a tornado or an agricultural disaster. We have traditionally done this because it was the right thing to do as an emergency, but also because, again, we lose the economic stimulus, the economic benefit, if we don't do it that way.

For two reasons we have always done it this way. It is interesting that folks who argue passionately that we should not worry about the deficit if we are expanding the estate tax cut for the top 200 or 300 families in America, then deficits don't matter—or the top tax bracket, with the tax cuts under President Bush. Deficits don't matter to them. But, boy, they matter if we are talking about people who are out of work.

I talk to people every day in my State, people who have never been without a job in their lives. They are horrified they can't find a job. They are looking for a job every day. They want to work, but they are in an economy they didn't create, where right now there are five people looking for every one job. That is better than last year when it was six people looking for every one job. We know that because of what we have done with the Recovery Act, we are slowly coming out of the hole, but we have a long way to go yet.

Certainly, this isn't the time to filibuster jobs bills, whether it be small business or the jobs bill that we have been trying to pass in the last 8 weeks. It certainly isn't the time to say we are just tired of hearing about those people who are out of work; it is tiresome. Some people say that. They are tired of hearing about the unemployed.

Well, people in Michigan are tired of being unemployed. They want to work. They know how to work. They have worked their whole lives. It is not their fault that the crisis happened on Wall Street that dried up credit, that stopped manufacturers and small businesses from getting loans to be able to continue to do business. It is not their fault that they lost their savings or their 401(k)s or their pensions. It is not their fault we didn't enforce the trade laws in this country and lost 6 million manufacturing jobs under the previous administration because the focus was on cheap products rather than American jobs. That is not their fault.

It was not their fault that we continue to have tax incentives that promote jobs going overseas, which we want to do away with in the jobs bill. It is not their fault.

Mr. President, I want to read one e-mail out of the thousands I receive. I received it today. It is from Serena in Dearborn, MI. It says:

Senator Stabenow, the argument by the Republicans seems to be that they don't want to strap "our children and grandchildren" with the debts of their parents; however, I believe they are talking about their children and not mine. I say this because my children will be homeless and hungry in the next week or so.

A lot more damage is going to be done in the here and now than anyone realizes. If they are talking about the numbers of people being taken off unemployment insurance benefits, they are talking about families, not just adults. Families. I have two sons; where are we going to live, and how are we going to survive?

I wonder how many of these "intelligent" people went to college and paid for it all as they went and did not incur any debt? I am attending college currently and I am incurring debt because I plan, in the future, to be able to pay back the money with my new, better paying job. That is how most people have to do it, invest in the future and know that you are doing something not just for yourself but also for the country, become a positive influence on the society.

I don't know what I am going to do with my children, how I am going to pay my rent and utilities, have food to eat and gas to put into my car, so I can continue going to school and looking for work. I have never been without a job before.

Mr. President, that is a story that is repeated hundreds of thousands, in fact, unfortunately, millions of times across this country right now. People who are doing what we have asked them to do; they are caring for their children, many going back to school and trying to do a different career or upgrade their skills to give them something that gives them an edge in the job market to be able to get a job. But they are using unemployment benefits to keep them between being on the street and having a roof over their heads.

That is not some political rhetoric. That is what is happening to people. It doesn't have to happen to people. Serena, in Dearborn, MI, doesn't have to become homeless in a week or so. She doesn't have to, if we can come together and override this filibuster on unemployment benefits. We just need 60 people to support it in order to be able to get this done. I fear for Serena and for the tens of thousands of people in my State if we don't do this—and the millions who find themselves in a situation across the country.

We will never get out of deficit with over 15 million people out of work. This idea that suddenly now nothing matters but deficits ignores how we are going to get out of deficit. Back in the 1990s, when we actually balanced the budget, I was proud to do so. I think it was in 1997, when I was in the House under President Clinton. Part of what we did was focus on work, jobs, and education, and 22 million people got new jobs—22 million new jobs were created, and we came out of deficit. That is what we believe. That is what our Democratic majority believes, that you focus on work, you focus on small businesses getting capital, and manufactur-

ers getting back to hiring people, and you focus on jobs. Then you lift us up out of deficit because people are working and buying things and paying their taxes, and they are part of the economy. It can't just be about a few people in our country.

We will not have a strong country if somehow the policies are only set for a privileged few. We have been different from other countries because we have had this strong middle class, which we are losing as a result of the policies, yes, in the last administration, and the deficits that were created, and we are losing it because we cannot get past filibusters now to move forward on a jobs agenda and help people who are out of work to be able to continue to live.

The Recovery Act that was put in place last year has worked, but there is much more to do. It stopped us from going over the cliff and began to turn things around. But there is much more to do. Somehow, just saying that, well, Wall Street is doing better—despite the ups and downs on Wall Street—and things are kind of doing OK now for those folks, so we are done ignores what is going on for way too many people in this country.

Mr. President, I think the latest poll I saw was that 47 percent of the people in my State have someone in their immediate family who has lost their job, and their family is impacted by that. That is astounding. We don't have the highest unemployment rate anymore; we have the second highest rate. I am sure that can be said of Nevada, Rhode Island, California, and around the country.

I strongly urge my colleagues to set aside the election politics, set aside whatever it is that has been getting in the way of getting this done, and be willing to look at what is happening for real families right now and how we can make sure that Serena isn't homeless with her two children in a couple of weeks and how millions of other Americans can be able to continue to care for their families while they look for work.

Then the most important thing we can do is partner with business, create the atmosphere and incentives to create that work. That is our job. I am laser-focused on that as well.

I see my distinguished friend from New Jersey. I will yield the floor to him and thank him for his passionate support for the people in this country who just want a fair shake. I thank the Presiding Officer, as well, for his passion and commitment to jobs and making sure we move our country forward by paying attention to the great middle class of this country, who need us to fight for them. That is what we are doing in the Senate.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant editor of the daily digest proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The remarks of Mr. LAUTENBERG are printed in today's RECORD under "Morning Business.")

Mr. LAUTENBERG. Mr. President, I yield the floor, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GRAHAM. Mr. President, I rise to speak for a few minutes in two areas, if the Chair can let me know when 10 minutes has expired.

The ACTING PRESIDENT pro tempore. The Senator will be so notified.

(The remarks of Mr. GRAHAM are printed in today's RECORD under "Morning Business.")

Mr. GRAHAM. I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that the cloture vote on the motion to concur in the House amendment to the Senate amendment to H.R. 4213 with amendment No. 4425 occur at 8 o'clock tonight, and that any time until then be equally divided and controlled between the two leaders or their designees; that upon the conclusion of this vote, if cloture is not invoked, the majority leader be recognized to enter a motion to reconsider the vote by which cloture was not invoked; that upon the conclusion of this vote, the Senate then proceed en bloc to the consideration of Calendar No. 455, H.R. 5623, and H.R. 5569, which is at the desk; that the bills be read a third time, passed, and the motions to reconsider be laid upon the table en bloc; that any statements relating to these measures be printed in the RECORD with no intervening action or debate.

Does the Senator from Texas wish to speak?

Mrs. HUTCHISON. I would appreciate, Mr. Leader, if I could ask a question.

Mr. REID. We will have the vote start at about 3 after 8. Is that OK?

Mrs. HUTCHISON. That is fine.

Parliamentary inquiry.

Mr. REID. That will give the Senator time to talk.

Mrs. HUTCHISON. Is the flood insurance bill that was passed by the House that will extend flood insurance for those coastal State people in what the leader just read.

Mr. REID. Yes. I was able to work that out with Senator LANDRIEU a short time ago so we could do that now.

Mrs. HUTCHISON. I thank the Senator.

Mr. REID. OK. I was very anxious to get it done. So we can start the vote at 8 o'clock, if the Senator gets through speaking.

Mrs. HUTCHISON. I thank the leader very much.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Texas.

Mrs. HUTCHISON. Mr. President, in the couple minutes before the vote starts, I just want to say this is a huge move for the people of the gulf coast who have been trying to purchase flood insurance under the National Flood Insurance Program that lapsed June 1. The hardship is that, of course, we are going into hurricane season. Private insurance is not available on the coast for floods right now, so the Federal program is all there is.

People have not been able to close on housing contracts, on purchases of houses, because flood insurance is required and they have not been able to get it.

So Senator LANDRIEU, Senator VITTER, I, Senator CORNYN, Senator SESSIONS, Senator SHELBY, Senator NELSON, Senator LEMIEUX—everyone has been very concerned about this if we represent a border State—and Senator COCHRAN and Senator WICKER.

So we have been pressing, and I know there have been a lot of competing interests. But it is very important we are passing the bill that has passed the House already. It will be sent to the President, and the people of the gulf coast will once again be able to purchase that flood insurance, as we see a tropical storm moving toward our gulf coast as we speak. So it is certainly timely. It will certainly be a relief, and the extension will be until September 30. So the people who want to purchase insurance, which, of course, they need and will know they are covered, will be covered.

I thank the Chair. I thank the leader as well.

The ACTING PRESIDENT pro tempore. The majority leader.

Mr. REID. Mr. President, I originally said 8:03. I ask unanimous consent that the vote begin now.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CLOTURE MOTION

The ACTING PRESIDENT pro tempore. Under the previous order and pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The assistant bill clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to concur in the House amendment to the Senate amendment to H.R. 4213, the American Jobs and Closing Tax Loopholes Act, with a Reid amendment No. 4425.

Harry Reid, Max Baucus, Jack Reed, Edward E. Kaufman, John F. Kerry, Sheldon Whitehouse, Carl Levin, Roland W. Burris, Richard J. Durbin, Jeff Merkley, Benjamin L. Cardin, Christopher J. Dodd, John D. Rockefeller, IV, Barbara Boxer, Patty Murray, Robert P. Casey, Jr., Charles E. Schumer.

The ACTING PRESIDENT pro tempore. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the motion to concur with amendment No. 4425 in the House amendment to the Senate amendment to H.R. 4213, the American Workers, State, and Business Relief Act of 2010, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

The PRESIDING OFFICER (Mr. BURRIS). Are there any other Senators in the Chamber desiring to vote?

Mr. KYL. The following Senators are necessarily absent: the Senator from South Carolina (Mr. DEMINT), the Senator from Kansas (Mr. ROBERTS), and the Senator from Missouri (Mr. BOND).

Further, if present and voting, the Senator from South Carolina (Mr. DEMINT) would have voted "nay."

The yeas and nays resulted—yeas 58, nays 38, as follows:

[Rollcall Vote No. 204 Leg.]

YEAS—58

Akaka	Franken	Murray
Baucus	Gillibrand	Nelson (FL)
Bayh	Hagan	Pryor
Begich	Harkin	Reed
Bennet	Inouye	Rockefeller
Bingaman	Johnson	Sanders
Boxer	Kaufman	Schumer
Brown (OH)	Kerry	Shaheen
Burris	Klobuchar	Snowe
Cantwell	Kohl	Specter
Cardin	Landrieu	Stabenow
Carper	Lautenberg	Tester
Casey	Leahy	Udall (CO)
Collins	Levin	Udall (NM)
Conrad	Lieberman	Warner
Dodd	Lincoln	Webb
Dorgan	McCaskill	Whitehouse
Durbin	Menendez	Wyden
Feingold	Merkley	
Feinstein	Mikulski	

NAYS—38

Alexander	Brownback	Coburn
Barrasso	Bunning	Cochran
Bennett	Burr	Corker
Brown (MA)	Chambliss	Cornyn

Crapo	Isakson	Reid
Ensign	Johanns	Risch
Enzi	Kyl	Sessions
Graham	LeMieux	Shelby
Grassley	Lugar	Thune
Gregg	McCain	Vitter
Hatch	McConnell	Voinovich
Hutchison	Murkowski	Wicker
Inhofe	Nelson (NE)	

NOT VOTING—3

Bond	DeMint	Roberts
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The PRESIDING OFFICER. On this vote, the yeas are 58, the nays are 38. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

Mr. REID. Mr. President, I enter a motion to reconsider the vote by which cloture was not invoked.

The PRESIDING OFFICER. The motion is entered.

HOMEBUYER ASSISTANCE AND IMPROVEMENT ACT OF 2010

NATIONAL FLOOD INSURANCE PROGRAM EXTENSION ACT OF 2010

The PRESIDING OFFICER. Under the previous order, H.R. 5623 and H.R. 5569 are passed en bloc, and the motions to reconsider are considered made and laid upon the table en bloc.

The bill (H.R. 5623) was ordered to be read a third time, was read the third time, and passed.

The bill (H.R. 5569) was ordered to be read a third time, was read the third time, and passed.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. REID. I ask unanimous consent that the Senate proceed to executive session to consider Calendar Nos. 802 to and including 808, 811, 900, 901, 903, 963, 965 to and including 992, and all nominations on the Secretary's desk in the Air Force, Marine Corps, and Navy; that the nominations be confirmed en bloc and motions to reconsider be laid on the table en bloc; that no further motions be in order and any statements relating to the nominations be printed in the RECORD, the President be immediately notified of the Senate's action, and the Senate resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

BROADCASTING BOARD OF GOVERNORS

Victor H. Ashe, of Tennessee, to be a Member of the Broadcasting Board of Governors for a term expiring August 13, 2010.

Walter Isaacson, of Louisiana, to be a Member of the Broadcasting Board of Governors for a term expiring August 13, 2012.

Walter Isaacson, of Louisiana, to be Chairman of the Broadcasting Board of Governors.

Michael Lynton, of California, to be a Member of the Broadcasting Board of Governors for a term expiring August 13, 2012.

Susan McCue, of Virginia, to be a Member of the Broadcasting Board of Governors for a term expiring August 13, 2011.

Dennis Mulhaupt, of California, to be a Member of the Broadcasting Board of Governors for a term expiring August 13, 2011.

S. Enders Wimbush, of Virginia, to be a Member of the Broadcasting Board of Governors for a term expiring August 13, 2010.

Theodore Sedgwick, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Slovak Republic.

Michael P. Meehan, of Virginia, to be a Member of the Broadcasting Board of Governors for a term expiring August 13, 2010.

Dana M. Perino, of the District of Columbia, to be a Member of the Broadcasting Board of Governors for a term expiring August 13, 2012.

DEPARTMENT OF THE TREASURY

S. Leslie Ireland, of Massachusetts, to be Assistant Secretary for Intelligence and Analysis, Department of the Treasury.

IN THE ARMY

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be general

Gen. David H. Petraeus

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be general

Gen. Raymond T. Odierno

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Lt. Gen. Francis H. Kearney, III

IN THE MARINE CORPS

The following named officer for appointment in the United States Marine Corps Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be major general

Brig. Gen. Rex C. McMillian

IN THE NAVY

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral

Rear Adm. (lh) Alton L. Stocks

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral

Rear Adm. (lh) William A. Brown

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral (lower half)

Capt. Elaine C. Wagner

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral (lower half)

Capt. Colin G. Chinn

The following named officers for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral (lower half)

Capt. Willie L. Metts

Capt. Jan E. Tighe

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral (lower half)

Capt. Thomas H. Bond, Jr.

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral

Rear Adm. (lh) Samuel J. Cox

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral

Rear Adm. (lh) Michael S. Rogers

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral

Rear Adm. (lh) David G. Simpson

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral

Rear Adm. (lh) David A. Dunaway

The following named officers for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral

Rear Adm. (lh) Terry J. Benedict

Rear Adm. (lh) Thomas J. Eccles

The following named officer for appointment in the United States Navy Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral (lower half)

Capt. James H. Rodman, Jr.

The following named officer for appointment in the United States Navy Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral (lower half)

Capt. Victor M. Beck

The following named officer for appointment in the United States Navy Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral (lower half)

Capt. Gerald W. Clusen

The following named officer for appointment in the United States Navy Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral (lower half)

Capt. Bryan P. Cutchen

The following named officer for appointment in the United States Navy Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral

Rear Adm. (lh) Patricia E. Wolfe

The following named officer for appointment in the United States Navy Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral

Rear Adm. (lh) Donald R. Gintzig

The following named officer for appointment in the United States Navy Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral

Rear Adm. (lh) Steven M. Talson

The following named officer for appointment in the United States Navy Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral

Rear Adm. (lh) Lothrop S. Little

The following named officers for appointment in the United States Navy Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral

Rear Adm. (lh) Garry J. Bonelli

Rear Adm. (lh) Scott E. Sanders

Rear Adm. (lh) Robert O. Wray, Jr.

The following named officer for appointment in the United States Navy Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral (lower half)

Capt. Margaret A. Rykowski

The following named officer for appointment in the United States Navy Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral (lower half)

Capt. Gregory C. Horn

The following named officer for appointment in the United States Navy Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral (lower half)

Capt. Paula C. Brown

The following named officer for appointment in the United States Navy Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral

Rear Adm. (lh) Scott A. Weikert

The following named officer for appointment in the United States Navy Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral (lower half)

Captain Kelvin N. Dixon

NOMINATIONS PLACED ON THE SECRETARY'S
DESK

IN THE AIR FORCE

PN1519 AIR FORCE nominations (2990) beginning JEREMY C. AAMOLD, and ending PETER W. ZUMWALT, which nominations were received by the Senate and appeared in the Congressional Record of March 3, 2010.

PN1661 AIR FORCE nominations (125) beginning MARK J. AGUIAR, and ending MELINDA A. WILLIAMSON, which nominations were received by the Senate and appeared in the Congressional Record of April 21, 2010.

PN1664 AIR FORCE nominations (47) beginning VERONA BOUCHER, and ending JAMES A. YOUNG, which nominations were received by the Senate and appeared in the Congressional Record of April 21, 2010.

IN THE MARINE CORPS

PN1843 MARINE CORPS nominations (5) beginning ADAM M. KING, and ending JAMES D. VALENTINE, which nominations were received by the Senate and appeared in the Congressional Record of May 27, 2010.

IN THE NAVY

PN1688 NAVY nomination of Lynn A. Oschmann, which was received by the Senate and appeared in the Congressional Record of April 26, 2010.

PN1689 NAVY nomination of Diane C. Boettcher, which was received by the Senate and appeared in the Congressional Record of April 26, 2010.

PN1690 NAVY nominations (4) beginning STEPHEN J. LEPP, and ending MELANIE F. OBRIEN, which nominations were received by the Senate and appeared in the Congressional Record of April 26, 2010.

PN1691 NAVY nomination of Caroline M. Gaghan, which was received by the Senate and appeared in the Congressional Record of April 26, 2010.

PN1692 NAVY nominations (5) beginning DAVID W. HOWARD, and ending CARL R. TORRES, which nominations were received by the Senate and appeared in the Congressional Record of April 26, 2010.

PN1693 NAVY nominations (2) beginning KEVIN A. ASKIN, and ending CRAIG S. FEHRLE, which nominations were received by the Senate and appeared in the Congressional Record of April 26, 2010.

PN1694 NAVY nominations (3) beginning JOHN B. HOLT, and ending CHRISTOPHER R. STEARNS, which nominations were received by the Senate and appeared in the Congressional Record of April 26, 2010.

PN1695 NAVY nomination of Jeffrey S. Tandy, which was received by the Senate and appeared in the Congressional Record of April 26, 2010.

PN1696 NAVY nominations (3) beginning RUSSELL L. COONS, and ending SCOTT C. RYE, which nominations were received by the Senate and appeared in the Congressional Record of April 26, 2010.

PN1697 NAVY nominations (12) beginning KEVIN P. BENNETT, and ending PAUL F. WHITE, which nominations were received by the Senate and appeared in the Congressional Record of April 26, 2010.

PN1698 NAVY nominations (15) beginning RICHARD A. BALZANO, and ending MARK J. WINTER, which nominations were received by the Senate and appeared in the Congressional Record of April 26, 2010.

PN1699 NAVY nominations (4) beginning JOHN T. ARCHER, and ending ANDREW D. MCDONALD, which nominations were received by the Senate and appeared in the Congressional Record of April 26, 2010.

PN1700 NAVY nominations (18) beginning STEVEN T. BELDY, and ending DAN A. STARLING, which nominations were received by the Senate and appeared in the Congressional Record of April 26, 2010.

PN1701 NAVY nominations (72) beginning JAMES D. BEARDSLEY, and ending CHRISTOPHER S. ZIMMERMAN, which nominations were received by the Senate and appeared in the Congressional Record of April 26, 2010.

PN1737 NAVY nominations (3) beginning LLOYD P. BROWN JR., and ending VINCENTIUS J. VANJOOLEN, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2010.

PN1738 NAVY nominations (19) beginning DANNY K. BUSCH, and ending MICHAEL ZIV, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2010.

PN1739 NAVY nominations (14) beginning WILLIAM S. DILLON, and ending MICHAEL J. VANGHEEM, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2010.

PN1740 NAVY nominations (5) beginning NORA A. BURGHARDT, and ending RICK T. TAYLOR, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2010.

PN1741 NAVY nominations (11) beginning BRUCE J. BLACK, and ending DAVID G. WIRTH, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2010.

PN1742 NAVY nominations (12) beginning CHAD F. ACEY, and ending STEVEN G. WELDON, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2010.

PN1743 NAVY nominations (21) beginning JAMES S. BIGGS, and ending HAROLD E. WILLIAMS, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2010.

PN1744 NAVY nominations (5) beginning RICHARD W. HAUPT, and ending JOSEPH A. SURETTE, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2010.

PN1745 NAVY nominations (5) beginning EDWARD A. BRADFIELD, and ending SCOTT E. ORGAN, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2010.

PN1746 NAVY nominations (4) beginning BRIAN D. CONNON, and ending ERIKA L. SAUER, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2010.

PN1747 NAVY nominations (4) beginning CONRADO K. ALEJO, and ending RICHARD D. JONES, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2010.

PN1748 NAVY nominations (9) beginning ERIC D. CHENEY, and ending CYNTHIA M. WOMBLE, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2010.

PN1749 NAVY nominations (169) beginning JAMES A. AIKEN, and ending THEODORE A. ZOBEL, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2010.

PN1787 NAVY nomination of James R. Peltier, which was received by the Senate and appeared in the Congressional Record of May 13, 2010.

PN1788 NAVY nominations (76) beginning JOSEPH C. AQUILINA, and ending WILLIAM M. WIKKE, which nominations were received by the Senate and appeared in the Congressional Record of May 13, 2010.

PN1789 NAVY nominations (13) beginning STEPHEN G. ALFANO, and ending TERRY D. WEBB, which nominations were received by the Senate and appeared in the Congressional Record of May 13, 2010.

PN1790 NAVY nominations (27) beginning CHRISTOPHER A. BLOW, and ending LINDA D. YOUNBERG, which nominations were received by the Senate and appeared in the Congressional Record of May 13, 2010.

PN1791 NAVY nominations (11) beginning JEFFREY A. FISCHER, and ending TRACY V. RIKER, which nominations were received by the Senate and appeared in the Congressional Record of May 13, 2010.

PN1792 NAVY nominations (25) beginning CATHERINE A. BAYNE, and ending MARY A. YONK, which nominations were received by the Senate and appeared in the Congressional Record of May 13, 2010.

PN1793 NAVY nominations (23) beginning JOHN D. BRUGHELLI, and ending POLLY S. WOLF, which nominations were received by the Senate and appeared in the Congressional Record of May 13, 2010.

PN1794 NAVY nominations (13) beginning BILLY M. APPLETON, and ending MIL A. YI, which nominations were received by the Senate and appeared in the Congressional Record of May 13, 2010.

PN1795 NAVY nominations (12) beginning ERIC M. AABY, and ending GEORGE N. SUTHER, which nominations were received by the Senate and appeared in the Congressional Record of May 13, 2010.

PN1841 NAVY nomination of Axel L. Steiner, which was received by the Senate and appeared in the Congressional Record of May 27, 2010.

PN1842 NAVY nomination of Clifford R. Shearer, which was received by the Senate and appeared in the Congressional Record of May 27, 2010.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will resume legislative session.

The PRESIDING OFFICER. The Republican leader is recognized.

UNANIMOUS CONSENT REQUEST— H.R. 4853

Mr. MCCONNELL. Mr. President, let me just say briefly, once again, the majority wants to make this debate about Republicans opposing something. Let me make it clear that we have offered ways of paying for these programs, and we have been eager to approve them. But we cannot support job-killing taxes and adding tens of billions to the already unsustainable national debt. So the only reason the unemployment extension has not passed is because our friends on the other side simply refuse to pass a bill that does not add to the debt. That is it. That is the only difference between what they have offered and what we have offered.

In a moment, I will offer a 2-month extension of the expired unemployment insurance benefits. This extension would be fully paid using the very same stimulus funds 57 Democrats, including my friend the majority leader, voted to redirect for these same purposes. Let me repeat that. We would pay for this extension with a Democrat-approved stimulus offset. This extension we will offer would cover the month of June, when benefits have lapsed, and it would cover next month, so we will have time to further debate these proposals.

If the Democrats object to extending these programs using their own stimulus offset to pay for them, then they will be saying loudly and clearly that their commitment to deficit spending trumps their desire to help the unemployed. So let's be clear about the principle that is really at stake here: Are Democrats willing to extend these programs without—without—adding to the debt? That is the real question in this debate.

Therefore, Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 4853; that all after the enacting clause be stricken and the McConnell amendment at the desk be agreed to; that the bill, as amended, be read a third time and passed, and the motions to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection?

The majority leader.

Mr. REID. Mr. President, reserving the right to object, my friend the Re-

publican leader knows full well that everything in the so-called extenders package was paid for. It was paid for because it was the right thing to do. We, as a Congress—Democrats and Republicans—have always extended unemployment benefits because it is an emergency. President Reagan did it for almost 3 years. President Bush did it for a couple years. It has been going on on a bipartisan basis when times are tough in America.

This is only an excuse the Republicans have. We only needed one more Republican to get this done. And I so appreciate the two good Senators from Maine for recognizing that these people who are unemployed deserve this.

Mark Zandi, JOHN MCCAIN's chief economic adviser, said that for every \$1 spent on someone who is unemployed with unemployment compensation, \$1.61 is returned.

For people to talk about, there are jobs out there and that all they have to do is go look for them—for every job in America, there are five people looking for that job. It is better than it was. Just a short time ago, it was one job for every six job applicants.

So I understand and I think the American people understand what the Republicans are doing, and I object.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CARPER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

NOMINATIONS DISCHARGED

Mr. CARPER. Mr. President, I ask unanimous consent that the Senate proceed to executive session and the Foreign Relations Committee be discharged en bloc of Foreign Service nominations beginning with Robin J. Brinkley Hadden and ending with Heather Louise Yorkson, which were received by the Senate and appeared in the CONGRESSIONAL RECORD on February 24, 2010, PN1482, except for Hussein Waheed Iman; that the Senate proceed en bloc to their consideration; that the nominations be confirmed en bloc and the motions to reconsider be laid upon the table en bloc; that any statements be printed in the RECORD; that the President be immediately notified of the Senate's action, and the Senate resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

FOREIGN SERVICE

The following named persons of the agencies indicated for appointment as Foreign Service Officers of the classes stated.

For appointment as Foreign Service Officer of Class One, Consular Officer and Secretary in the Diplomatic Service of the United States of America,

AGENCY FOR INTERNATIONAL DEVELOPMENT

Robin J. Brinkley Hadden, of Maryland
Sharon Thams Carter, of Florida
Haven G. Cruz-Hubbard, of California
Mary Pamela Foster, of Maryland
Bruce Gelband, of Virginia
Mikaela Sawtelle Meredith, of Virginia
Leslie Ann Perry, of Colorado
Roy Plucknett, of Virginia
Gary Robbins, of Colorado
Sarah Wright, of the District of Columbia

DEPARTMENT OF STATE

Joseph Ambrose Kenny, Jr., of Maryland
Eric Khant, of Florida

For appointment as Foreign Service Officer of Class Two, Consular Officer and Secretary in the Diplomatic Service of the United States of America,

AGENCY FOR INTERNATIONAL DEVELOPMENT

Candace Harring Buzzard, of Washington
John Joseph Cardenas, of California
Holly Fluty Dempsey, of West Virginia
Peter William Duffy, of Massachusetts
Mustapha El Hamzaoui, of New Hampshire
Rebekah R. Eubanks, of Illinois
Christian William Hogen, of Virginia
Sheri-Nouane Bernadette Johnson, of New York

Jonathan T. Kamin, of Maryland
Karin A. Kolstrom, of Florida
William C. Maclaren, of Virginia
Veena Reddy, of California

DEPARTMENT OF STATE

Daniel G. Brown, of Missouri
Kevin A. Weishar, of Missouri

For appointment as Foreign Service Officer of Class Three, Consular Officer and Secretary in the Diplomatic Service of the United States of America,

AGENCY FOR INTERNATIONAL DEVELOPMENT

Randolph Henri Augustin, of Georgia
Shirley L. Baldwin, of Virginia
Michelle M. Barrett, of Michigan
James A. Berscheit, of Wyoming
David M. Bogran Schrewe, of Texas
Aaron S. Brownell, of Texas
Leslie-Ann A. Burnette, of California
Matthew Andrew Burton, of New Hampshire
Tamika Cameron, of Texas
Stanley A. Canton, of Maryland
James Christopher Carlson, of Colorado
Christina Eve Chappell, of Pennsylvania
Randy Chester, of Nevada
Blake A. Chrystal, of Oregon
Mary R. Cobb, of Ohio
Barry Collins, of New Hampshire
Ananta Hans Cook, of California
Bradley Cronk, of Florida
Walter Doetsch, of Texas
Myra Yumiko Emata-Stokes, of California
Lalarukh Faiz, of Virginia
Stephen Fitzpatrick, of New Hampshire
Karla Inez Fossand, of Minnesota
Melissa M. Francis, of Florida
Stephanie James Garvey, of Texas
Michael Glee, of California
Garret John Harries, of Minnesota
Angela Dawn Hogg, of California
Cory B. Johnston, of Maine
Taisha Mumtazi Jones, of the District of Columbia
Michael G. Junge, of Washington
Karen D. Klimowski, of California

Patrick J. Kollars, of South Dakota
 Thomas J. Kress, of New York
 Ronald Jay Kryk, of Texas
 Christopher James La Fargue, of Louisiana
 Philip Lamade, of Missouri
 Dwaine Eriq Lee, of California
 Alyssa Wilson Leggoe, of New Jersey
 Jesse Adam Leggoe, of New Jersey
 Ginger Edwards Longworth, of South Carolina

Leslie Marbury, of Georgia
 Bruce Freeman McFarland, of Washington
 Andrew Mckim, of California
 Amy B. Meyer, of California
 A. Aurelia Micko, of Florida
 Tracy Jeanne Miller, of Oregon
 Kerry Monaghan, of Texas
 Diane B. Moore, of New York
 Monique Mosolf, of Florida
 Juniper M. Neill, of Alaska
 Christopher D. O'Donnell, of Florida
 Miriam Onivogui, of Georgia
 Sean Joseph Osner, of Texas
 Geoffrey Brooks Parish, of Texas
 Jonathan Clayton Richter, of Florida
 Michael Allan Ronning, of Minnesota
 Michele A. Russell, of Virginia
 Carl Andrew Seagrave, of the District of Columbia

Lorraine Sherman, of Florida
 Cybill Sigler, of Texas
 Robert J. Simmons, of the District of Columbia

R. Christian Smith, of Nevada
 Pooman Smith-Sreen, of Florida
 Francisco Ricardo Somarriba, of Florida
 Sandra Anna Stajka, of Virginia
 Jennifer J. Tikka, of Washington
 Doanh Q. Van, of Washington
 Carol L. Vasquez, of Virginia
 Jorge E. Velasco, of Maryland
 Stephanie Ann Wilcock, of Washington
 George Zarycky, of Virginia

DEPARTMENT OF STATE

Anthony P. Kujawa, of Maryland
 Kristi J. Mietzner, of Virginia

For appointment as Foreign Service Officer of Class Four, Consular Officer and Secretary in the Diplomatic Service of the United States of America:

DEPARTMENT OF STATE

Jeffrey R. Allen, of the District of Columbia
 Todd Anderson, of Kentucky
 James D. Applegate, of Michigan
 Maha Angelina Armush, of Texas
 Chuka Asike, of Texas
 William D. Baker, of Texas
 Richard C. Blackwood, of Virginia
 Stephanie Elizabeth Boscano, of Texas
 Thomas S. Brown, of Washington
 Christienne Carroll, of California
 Jeffrey John Cary, of the District of Columbia

Michael G. Cathey, of California
 Perry Yang Chen, of Virginia
 Christina M. Cheshier, of Arizona
 Martha Ann Crunkleton, of Florida
 Christopher P. Curran, of New Hampshire
 Roberto Custodio, of Florida
 Gregory D'Alesandro, of Maryland
 Joye L. Davis-Kirchner, of Missouri
 Anne B. Debevoise, of California
 Jaffar A. Diab, of Massachusetts
 Christopher R. Dilworth, of Virginia
 David Joseph Drinkard, of Missouri
 Marialice Burford Eperiam, of Illinois
 Jason D. Evans, of Washington
 Kathleen Fox, of California
 Kathey-Lee Galvin, of Oregon
 Corey Matthew Gonzalez, of the District of Columbia
 Grant S. Guthrie, of California
 Anaida K. Haas, of Alaska

Adam J. Hantman, of Maryland
 Sara Ruth Harriger, of Alaska
 James Holtsnider, of Iowa
 Aaron D. Honn, of Texas
 Ludovic L. Hood, of the District of Columbia
 Erika Lorel Hosking, of Virginia
 Charles L. Jarrett III, of Tennessee
 Hormazd J. Kanga, of Kentucky
 David Kristian Kvals, of Florida
 Felicia D. Lynch, of Florida
 Mika McBride, of Texas
 Matthew C. McNeil, of Virginia
 Karen N. Mims, of Pennsylvania
 Judith H. Monson, of New York
 Roshni Mona Nirody, of Alaska
 Sheila Sophia O'Donnell, of Illinois
 Juan Carlos Ospina, of Florida
 Benjamin Nelson Reames, of Texas
 Charles Wilson Ruark III, of Georgia
 Sarah A. Schmidt, of Maine
 Heidi E. Smith, of Michigan
 Marc Alan Snider, of Illinois
 Virgil B. Strohmeier, of California
 Adrienne Beck Taylor, of Virginia
 Rebecca S. Phelps Thurmond, of Michigan
 Andres Valdes, of Florida
 Sovandara Yin, of Oregon
 Madelina M. Young, of Florida

The following-named Members of the Foreign Service to be Consular Officers and Secretaries in the Diplomatic Service of the United States of America:

DEPARTMENT OF COMMERCE

Vince H. Suneja, of Virginia

DEPARTMENT OF STATE

Kristen E. Aanstoos, of Mississippi
 Kathleen Elizabeth Abner, of Maryland
 Hatim Nelson Ahmed, of Virginia
 Zia Ahmed, of Massachusetts
 Andrew R. Alberts, of Virginia
 Syed Muftaba Andrabi, of Washington
 Alison Marie Ashwell, of Virginia
 Mark David Aubrecht, of Washington
 Michelle E. Azevedo, of the District of Columbia

Jari D. Barnett, of Oklahoma
 Jacob Barrett, of Virginia
 Jonathan M. Barrow, of Maryland
 Carrie Lynn Basnight, of Kentucky
 Amanda K. Beck, of California
 Michelle Nicole Bennett, of California
 Andrew Berdy, of New Jersey
 Dustin Reeve Bickel, of Georgia
 Ashwin E. Bijanki, of Virginia
 Natalie Irene Bonjoc, of California
 Steven R. Bonsall, of Virginia
 Kathleen E. Borgess, of Virginia
 Ariela Borgia, of Virginia
 Michael D. Boven, of Michigan
 Benjamin Kirk Bowman, of Colorado
 Ryan G. Bradeen, of Maine
 Diedre T. Bradshaw, of Virginia
 Katie C. Brasic, of Virginia
 Steven Arthur Connett Bremner, of Minnesota

Mary K. Brezin, of Colorado
 Matthew McMahon Briggs, of the District of Columbia
 Christopher M. Britton, of Maryland
 Sarah A. Budds, of South Carolina
 Evan J. Burns, of Pennsylvania
 John Patrick Callan, of Washington
 Joseph Christopher Carnes, of Ohio
 Melanie Rose Carter, of Illinois
 Christopher P. Casas, of Virginia
 Chris M. Celestino, of the District of Columbia

Brian M. Charmatz, of Maryland
 Christopher A. Chauncey, of Virginia
 David R. Chee, of Virginia
 Geoffrey Kamen Choy, of Virginia
 Marjorie Christian, of Virginia
 Heather L. Churchill, of Virginia

Melanie L. Clark, of Virginia
 Amy Laurence Conroy, of the District of Columbia
 Jason A. Cook, of Virginia
 William R. Cook, of California
 William T. Coombs, of Maryland
 Emilio Cortes, of Virginia
 Gregory Roy Cowan, of Texas
 Christen Lane Decker, of New Hampshire
 Jonathan Morris Dennehy, of Massachusetts
 Phillip Anthony de Souza, of Maryland
 Jill Wisniewski Dietrich, of the District of Columbia

Julia Sampson Dillard, of California
 Noah A. Donadieu, of Pennsylvania
 Melissa Ann Dorsey, of Illinois
 James E. Duckett, of Virginia
 Ruth Lillian Dowe, of New York
 William Echols, of Washington
 Jessica D. Eicher, of Colorado
 Jeffrey Gordon Eisen, of Wisconsin
 Howard E. Ennaco, of Virginia
 Ronald L. Etter, of Virginia
 Kathryn Lindsay Fisher, of Virginia
 Howard A. Frey, of Virginia
 Marc Brandon Gartner, of California
 Casey Thomas Getz, of Virginia
 Richard D. Gopaul, of Maryland
 Mark Ostapovych Gul, of Virginia
 Amanda Guntton, of New York
 James J. Hamblin, of Virginia
 Zennia D. Hancock, of New York
 Christine L. Harper, of Alabama
 Tara L. Harrison, of Utah
 Jennifer M. Heath, of Virginia
 Annaliese J. Heiligenstein, of Texas
 Laura Heimann, of Virginia
 James Michael Henry, of Massachusetts
 Benjamin E. Hettinga, of Virginia
 Michael D. Hight, of Virginia
 Sirli Hill, of Virginia
 Duane Martin Hillegas, of Maryland
 Thomas Martin Hochstetler, of Virginia
 Ellen M. Hoffman, of Virginia
 Jennifer Holmes, of Utah
 Jacqueline Philyaw Hoskins, of Virginia
 Margo Marie Huennekens, of California
 Christian Brian Hummel, of Virginia
 William Hunt, Jr., of Maryland
 Casey Iorg, of California
 Jennifer J. Isakoff, of Virginia
 Charles L. Jewell, Jr., of Virginia
 Michael D. Johnstone, of Virginia
 Alex Jones, of Wisconsin
 John Boyce Jones, of Virginia
 Leon V. Jones II, of Virginia
 Lisa Kalajian, of New Jersey
 Marjon E. Kamrani, of Ohio
 Ji Hong Kang, of Virginia
 Katherine A. Keegan, of Virginia
 Kathryn Kane Keeley, of the District of Columbia

Alishia Kontor, of Virginia
 Marc N. Kroeper, of Virginia
 Klaudia G. Krueger, of Florida
 Corinne M. Kuhar, of Virginia
 Tammy L. Lake, of Florida
 Kristina Law, of Virginia
 Pui-Yung Law, of Virginia
 Michael A. Leon, of Virginia
 Steven Howard Lerda, of Virginia
 John T. Lewis, of Virginia
 Pierre Antoine Louis, of Florida
 Mike Lurie, of Virginia
 Matthew K. Maggard, of Virginia
 Andrew J. Malandrino, of Virginia
 Jeffrey M. Martin, of Rhode Island
 Leonard Frederick Martin, of Maryland
 Tracy L. Masuda, of Virginia
 Billy F. McAllister, Jr., of Virginia
 Bradley Thomas McGuire, of Virginia
 William H. McHenry II, of Virginia
 Charlotte I. McWilliams, of Texas
 Candice R. Means, of Virginia

Henry Wyatt Measells IV, of Virginia
 Michael A. Middleton, of Virginia
 Amy J. Mills, of Virginia
 Kyle G. Mills, of Virginia
 Eric K. Montague, of Virginia
 Grant Hanley Morrow, of Pennsylvania
 David Jeffrey Mouritsen, of Utah
 Peter D. Mucha, of Virginia
 Amy P. Mullin, of Virginia
 Paul W. Neville, of the District of Columbia
 Albert Francisco Ofrecio, of California
 Jung Oh, of Virginia
 Stephanie Nicole Padgett, of Virginia
 Benjamin Parsell, of the District of Columbia
 Vikas C. Paruchuri, of Pennsylvania
 Michael Pennell, of Tennessee
 Severin J. Perez, of Virginia
 Robert A. Perls, of New Mexico
 Andrea Lyn Peterson, of the District of Columbia
 Charles Saunders Port, of Virginia
 Kern R. Provencio, of Virginia
 Michael Joseph Pryor, of California
 Michael G. Ramsey, of Virginia
 Charles Anthony Raymond, of Virginia
 Amy Nicole Reichert, of Colorado
 Anthony S. Ridgeway, of Virginia
 Edward Lewis Robinson III, of Maryland
 Seth R. Rogers, of South Carolina
 Jared D. Ross, of Maryland
 Alison Roth, of Virginia
 Craig Anthony Rychel, of the District of Columbia
 Anne G. Saunders, of Virginia
 Tamara L. Scott, of Maryland
 Timothy James Scovin, of the District of Columbia
 Elizabeth Sellen, of the District of Columbia
 Michael R. Shaw, of Virginia
 Roger Lanier Shields, of Virginia
 Craig M. Singleton, of Florida
 Thomas Michael Slayton, of the District of Columbia
 John Thomas Woodruff Slover, of Colorado
 Paulette C. Small, of North Carolina
 Barry Daniel Smith, of Oregon
 Don J. Smith, of Virginia
 Jason A. Smith, of Virginia
 Scott M. Smith, of Virginia
 William Catlett Solley, of Virginia
 Michelle Sosa, of California
 Judith C. Spanberger, of Maryland
 Kenneth Sturrock, of Florida
 Rudranath Sudama, of Maryland
 Janel Lynn Sutton, of Colorado
 Peter J. Sweeney, of New Jersey
 Drew Tanzman, of California
 Alper A. Tunca, of the District of Columbia
 Tommy Vargas, of Virginia
 Gareth John Vaughan, of the District of Columbia
 Eric Vela, of Virginia
 Christopher Volpicelli, of Virginia
 John Philips Waterman, of Massachusetts
 Mark A. Wilkins, of Virginia
 Christal G. Winford, of Virginia
 Joanna K. Wojcik, of Virginia
 Hsueh-Ting Wu, of California
 Heather Louise Yorkston, of Maryland

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now resume legislative session.

MORNING BUSINESS

Mr. CARPER. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMEMBERING SENATOR ROBERT C. BYRD

Mr. COCHRAN. Mr. President, the Senate has lost its most talented, dedicated, and best-informed Member about the precedents, rules, and customs of the Senate, when the distinguished President pro tempore, ROBERT BYRD, passed away to join his beloved wife Erma in the heaven he was confident existed for those who were true believers.

I had the good fortune to work closely with ROBERT BYRD as a fellow member of the Appropriations Committee for 30 years. I served as the ranking minority member when he was chairman and as chairman when he was the ranking minority member. I preferred being chairman. But I thoroughly enjoyed the opportunities to conduct the hearings, schedule the committee markups, and negotiate with our House colleagues to formulate and pass the bills that funded the departments of the executive branch, the judiciary, and the Congress.

One of the highlights of my experience with ROBERT BYRD was a trip we took to several European capitals. He was comfortable discussing our mutual interests and differences with the leaders of other nations. His mastery of European history and politics was as impressive as his well-informed understanding of American history and politics.

On one leg of our trip, Senator BYRD asked my wife Rose to come sit by him. He wanted to dictate something to her. He started a recitation with names that were not familiar to me, but eventually Rose realized that he was reciting from memory the names of the monarchs of Great Britain, the United Kingdom as we know it, and in the order in which each had served throughout the entire history of that great country. It was an unbelievable performance, reflecting an awesome ability of recall, and a reverential appreciation of a nation which has been our closest ally in recent history.

ROBERT BYRD was not only my friend but a mentor, an example of dedicated, disciplined, and determined leadership. I will miss him, but I will always remember his legacy of seriousness of purpose, and his love for the Senate, its role in the legislative process, its powers of advise and consent, and its continuity that has helped make our government the most respected in the world.

Mr. LEVIN. Mr. President, I want to take a few moments today about one of the best teachers I have ever known: Senator ROBERT C. BYRD.

The man we lost this week is known for many things: as the longest serving member of Congress in the Nation's

history; as an accomplished legislator; as an author and historian; as a self-made man who reached exalted heights, yet never forgot the coal miners and the families of the mountain home community from which he came. I think of him as a teacher, one who began teaching me from the moment I came to the U.S. Senate, and one whose lessons I sought right up to the time he was taken from us this week.

Serving as a new Senator in the majority means, among other things, hours spent in this Chamber, presiding over the Senate. I was fortunate that for many of my early years here, I spent much of that time in the Presiding Officer's chair listening to Senator BYRD speak on the history of this body, its traditions and practices, and its historic debt to another great body that played a major role in mankind's march toward democratic government, the Roman senate.

I was learning from him two decades later, when Senator BYRD led a small group of us who filed a lawsuit and later a legal brief challenging a law we believed to be unconstitutional: the law granting the President the so-called line-item veto. He, like I and many others, saw this law as bending the Constitution in ways that usurped Congress's constitutional authority and responsibility. In 1998, the U.S. Supreme Court agreed. The majority in that case, citing its "profound importance," concluded that the line-item veto "may or may not be desirable," but that it was surely not consistent with "the procedures designed by the Framers of article I, section 7 of the Constitution" the so-called presentment clause.

I remember standing next to Senator BYRD at a press conference celebrating that victory for the Constitution, as he pulled out of his pocket the copy of that great founding document he always carried with him. A copy of the Constitution that sits today on my desk, in front of me at all times, was inscribed to me by Senator ROBERT C. BYRD.

I had hoped to visit with him this week to again listen and learn. In February, Senator BYRD sent all of us, his Senate colleagues, a letter setting out his position on preserving the ability to engage in extended debate in the Senate. It was yet another powerful defense of both the enduring traditions of the Senate, and the need for thoughtfulness in invoking those traditions. Senator BYRD's letter sparked some thoughts of my own, and last week, I discussed with his staff scheduling a meeting with him this week to get his take. Once again, I was in need of the insight and wisdom of Senator ROBERT BYRD.

How I wish he were here today, to continue teaching us. While that was not to be, the lessons of Senator BYRD's life and long service will endure.

His career is a testament to hard work and determination. This is a man who spent 10 years in night school classes to earn his law degree, who when he focused on an issue he did so with uncommon intensity. We can all learn from his commitment and grit.

Like any good teacher, Senator BYRD never stopped trying to learn. He was a man of strong convictions who knew the value of admitting when he was in error. He acknowledged that earlier in his life, he had taken positions and held opinions on the subject of civil rights that he later regretted. When he shared those regrets, he created a powerful teachable moment. We can all learn from his willingness to learn and grow to the very end of his life.

He was tireless in his defense of the role the Constitution assigns to the Congress, and specifically the Senate, in our democracy. In his letter to us in February, he wrote: "The Senate is the only place in government where the rights of a numerical minority are so protected." He called those protections "essential to the protection of the liberties of a free people."

Whether it was Congress's constitutional obligations to render judgments on matters of war and peace or to exercise the power of the purse, Senator BYRD was a relentless fighter for the role the Founding Fathers carefully set out for us. He was not defending Senate authority for its own sake. His passion was not for Senate prerogatives for their own sake, but for the brilliantly conceived constitutional balance of powers essential to our freedoms. He passionately believed that we must not yield one ounce of the authority that the Constitution entrusts to the peoples' elected representatives. We can all learn from the conviction, the dedication and the intellectual power he brought to that cause, to the end of making it our cause. Let the mission he so eloquently espoused be our mission, though our power to persuade be far less than Senator BYRD's.

ROBERT BYRD had many loves—his late, beloved wife Erma, West Virginia and its people, his God, and the Constitution of the nation he cherished. But the Senate is his special legacy. For more than two centuries we have kept our traditions intact: our unique respect for extended debate and minority rights, and for the legislative authority that the Constitution places in our hands to exercise and defend. These traditions are maintained because of Senators like ROBERT BYRD, Senators who live them and fight for them. I learned more about these weighty issues from this great teacher than from anyone or anything in my years in the Senate.

ROBERT BYRD is no longer with us, teaching us, leading us. But the lessons of ROBERT BYRD's life and career will endure, guiding all of us now occupying these desks, and Senators who will occupy these desks for ages to come.

Mr. KERRY. Mr. President, the Senate, in its 223-year history, has never had a greater champion than ROBERT BYRD. West Virginia, in its 147-year history, has never had a more powerful advocate or public servant than ROBERT BYRD.

Like so many Senators elected before and after me, I learned very quickly how passionate ROBERT BYRD was about this institution, its roots in the Constitution. As all of us remember, he had that dog-eared copy of the Constitution he carried in the front pocket of his suit, and sometimes in the caucus or other times on the floor, he would pull it out to help reinforce a point he was making, even though we all knew he could recite the Constitution by memory. But he consulted it often without hesitation. In its words, he reminded us that he always found wisdom, truth, and excitement—the same excitement he felt as a young boy in Wolf Creek Hollow, reading by kerosene lamp about the heroes of the American Revolution and the birth of our Nation. Those words literally guided him through the 58 years he spent in Washington as a Member of the Congress and as a Senator.

It is fair to say that no one knew the Senate—its history, its traditions, and its precedents—better than ROBERT BYRD. It is all there in the four-volume collection of his speeches on the Senate, which we were all privileged to receive from him.

Every freshman Senator got a personal crash course on the Senate's history from ROBERT BYRD himself. I was one of five Democratic freshmen elected in 1984. The class of 1984 was privileged to share some lofty hopes and goals. Four of the five of us eventually ran for President: Al Gore, Paul Simon, TOM HARKIN, and myself. All of us can tell you that we arrived in the Senate with a thirst for action and an impatience for delay. Then-minority leader ROBERT BYRD didn't discourage any of that. In fact, he encouraged it, and he helped all of us with our committee assignments so we could push the list of our policy ideas that we exuberantly believed we could and would pass into law. But in meetings with us individually, he also helped each of us to see the bigger picture, to impress upon us the fact that one of our most important responsibilities as Senators was to be caretakers of this institution—an institution he regarded as both the morning star and the evening star of the American constitutional constellation.

To ROBERT BYRD, the Senate was, as he said, "the last bastion of minority rights, where a minority can be heard, where a minority can stand on its feet, one individual if necessary, and speak until he falls into the dust." Indeed, earlier this year, when many of us felt frustration over the Senate's rules governing filibusters—specifically, the re-

quirement of 60 votes to cut off debate—ROBERT BYRD cautioned against amending the rules to facilitate expeditious action by a simple majority. In a letter sent to all of us, he observed that:

The occasional abuse of the rules has been, at times, a painful side effect of what is otherwise the Senate's greatest purpose—the right to extended, or even unlimited, debate.

The Senate is the only place in government where the rights of a numerical minority are still protected.

He added:

Majorities change with elections. A minority can be right, and minority views can certainly improve legislation. . . . Extended deliberations and debate—when employed judiciously—protect every Senator, and the interests of their constituency, and are essential to the protection of the liberties of a free people.

ROBERT BYRD also impressed upon us the fact that we did not serve "under" any President; that as a separate but equal branch of government, we served "with" Presidents, acted as a check on the executive's power. ROBERT BYRD was the longest serving Member of Congress in all of our Nation's history, and as such he served with 11 Presidents.

At no time in his career was ROBERT BYRD's defense of legislative prerogatives more pronounced and more eloquent than in arguing against granting the Bush administration's broad power to wage preemptive war against Iraq. He chided the Senate for standing "passively mute . . . paralyzed by our own uncertainty," ceding its war powers to President Bush.

ROBERT BYRD was, as we all know, a lot more than the guardian of the Senate. He was a major figure in the great panorama of American history over more than half a century. He was a thinker—thinking and reevaluating more in his eighties and nineties than many Senators do in a lifetime. He was an ardent supporter of the Vietnam war but surprised many with his fierce opposition to President Bush's invasion of Iraq. He was a protector of West Virginia's coal industry but came to accept the mounting scientific data of global warming and took part in finding a solution. To do otherwise, he said, would be "to stick our heads in the sand."

ROBERT BYRD cast more than 18,500 votes in the Senate—a record that will never be equalled. His last vote was June 17 against a Republican proposal to prevent the extension of unemployment benefits. Earlier this year, even with his health failing, he cast one of the most historic votes of his career in support of legislation to expand health care to all Americans—the life work of his old and departed friend Ted Kennedy.

Whether he voted with you or against you, it was never hard ideology with ROBERT BYRD. He had no use for narrow partisanship that trades on attack and

values only victory. I learned that as a candidate for President in 2004 when Senator BYRD came to my defense after opponents aimed religious smears at me. I was forever grateful to him for doing that.

It all began one Sunday when Senator BYRD was home in West Virginia and found that a brochure had been inserted in a church bulletin saying that if elected President, I would ban the Bible. Senator BYRD exploded. "No one side has the market on Christianity or belief in God," said this born-again Baptist. Later at a rally in Beckley, he accused my opponents of having "improperly hijacked the issue of faith" and said that the suggestion that I intended to ban the Bible was "trash and a lie."

But Senator BYRD was not done. He also went to the Senate floor to denounce this kind of politics:

Paid henchmen who talk about Democratic politicians who are eager to ban the Bible obviously think that West Virginians are gullible, ignorant fools. They must think that West Virginians just bounced off the turnip truck. But the people of West Virginia are smarter than that. We are not country bumpkins who will swallow whatever garbage some high-priced political consultant makes up.

That was ROBERT BYRD telling it the way he thought.

Anytime Senator BYRD spoke, any of us who had the privilege of serving with him remember his speeches were filled with as many Bible references as historical references. When the Senator spoke, the Senate kind of came to a halt. Senators would lean forward and listen, as they did not necessarily do otherwise, and learn.

It is fitting that this teacher in the Senate, this guardian of the Senate, will lie in state in this Chamber on the floor of the institution he revered and which also had so much respect for him. He is as much a part of this Chamber in many ways as the historic desks or galleries or the busts of Senate presidents.

He ran for public office 15 times, and he never lost. He was first elected to the West Virginia legislature in 1946 and served three terms in the House of Representatives before his election to the Senate. It is no wonder that he was such a keen observer of politics.

I remember when I decided to run in 2004, I went to talk with Senator BYRD. His advice, in fact, was among the first I sought. He advised me to "go to West Virginia," "get a little coal dust" on my hands and face and "live in spirit with the working people." In keeping with his advice, I did just that. What a great experience it was.

He was deeply proud of West Virginia and its people. He proudly defended his work to invest Federal dollars in his State, the kind of spending that some people deride as pork. ROBERT BYRD knew it was something else. It was opportunity for his people. He took pride

in the way that Federal funding helped to lift the economy of West Virginia, one of the "rock bottomest of States," as he put it. He breathed new life into so many communities across that State with funding for highways, hospitals, universities, research institutes, scholarships, and housing—all the time giving people the opportunities that he knew so many West Virginians of his generation never had. "You take those things away, imagine, it would be blank," he once said.

ROBERT BYRD's journey was, in many ways, America's journey. He came of age in an America segregated by race. But like America, he changed, even repenting, and he made amends. Not only did he come to regret his segregationist past, but he became an ardent advocate of all kinds of civil rights legislation, including a national holiday honoring Dr. Martin Luther King. And in the end, ROBERT BYRD endorsed Barack Obama for President. "I have lived with the weight of my own youthful mistakes my whole life, like a millstone around my neck," he wrote in 2008. "And I accept that those mistakes will forever be mentioned when people talk about me. I believe I have learned from those mistakes. I know I've tried very hard to do so."

That is the expression of a man with a big heart and a big mind.

The moments that define most men's lives are few. Not so with ROBERT BYRD. He devoted his life to Erma and his family and to public service, compiling an extraordinary record of accomplishment and service in more than half a century in Congress. His mastery of Senate rules and parliamentary procedure was legendary. His devotion to his colleagues and to this institution was unequalled. And his contributions to his State and to the Nation were monumental.

ROBERT BYRD spent most of his life making sure the Senate remained what the Founding Fathers intended it to be: a citadel of law, of order, of liberty, the anchor of the Republic. And in doing so, he takes his place among the giants of the Senate, such as Daniel Webster, John C. Calhoun and, of course, his and our dear friend Ted Kennedy.

May ROBERT BYRD rest in peace.

Mr. GRAHAM. Mr. President, I rise to celebrate the life and career of Senator ROBERT C. BYRD. I have been in the body now since 2002, and Senator BYRD will go down in history as not only the longest serving Senator to date—maybe forever—but also as one of the most effective Members of the Senate.

He was tough. During his prime, they tell me, there was no tougher opponent and no better ally than to have Senator BYRD on your side. And when he was on the other side, you had a long day ahead of you.

He talked about his early life. He is a human being, like the rest of us. I

think what he was able to do for his people in West Virginia, and the country as a whole, will stand the test of time, and he will be viewed for many things, not just one. That is the way it should be for all of us.

I had the pleasure of getting to know him when I first came to the Senate and I walked into one hell of a fight over judges. The Senate was in full battle over the filibustering of judges. The Senate had gone down a road it had never gone down before—an open resistance to the judicial nominations of President Bush across the board. The body was about to explode. There were 55 Republicans at the time, and we all believed that what our Democratic colleagues were doing was unprecedented, unnecessary, and, quite frankly, dangerous to the judiciary. I am sure they had their view, too, and everybody has a reason for what they do around here.

The Gang of 14—affectionately known by some, and discussed by others—was formed during that major historical moment in the Senate. I remember talking to some observers of the Senate who were telling me that if the rules were changed to allow a simple majority vote for the confirmation of judges, that would take the Senate down a road it had never gone down before, and where it would stop, nobody knew. At the same time, there was another constitutional concept that meant a lot to me and to others, and that is that people deserve a vote when they are nominated by the President.

Well, Senator BYRD and 13 other Senators—and he was a big leader in this—came up with the compromise called "extraordinary circumstances." We agreed that we would not filibuster judges unless there was an extraordinary circumstance. We understood that elections had consequences. What we had in mind was that we would reserve our right to filibuster only if the person did not meet the qualification test. I believe the advise and consent role of the Senate has to be recognized, and I respect elections but not a blank check. So there is always the ability of any Senator here, or a group of Senators, to stand up and to object—one party versus the other—if you believe the person is not qualified.

The second issue we dealt with was that we all reserved unto ourselves the ability to object if we thought the person was an activist judge—a political person who was going to be put on the bench and the robe used to carry out the political agenda rather than to interpret the law.

The law meant a lot to Senator BYRD—the Constitution did. One of my cherished possessions is a signed copy of the Constitution, given to all the members of the Gang of 14. That is just one example of where very late in life he made a huge impact on the Senate. As history records that moment, I daresay it is probably one of his finest

hours. Because the consequences of not resolving that dispute the way we did could have changed the Senate rules forever, and I think the judiciary for the worse. So we have a lot to celebrate.

His family, I know, mourns the loss of their loved one; the people of West Virginia, their best champion has passed. But we all pass. It is what we leave behind that counts, and I think he has left a lot behind and something both Republicans and Democrats can be proud of. Even though you disagreed with him, as I did on many occasions, I had nothing but respect for the man. He was a true guardian of the Senate and what it stands for.

I don't think we will ever find anybody who loved the institution more than Senator BYRD. He will be missed. But the best way we can honor his memory is to try to follow in his footsteps when it comes to making sure the constitutional role of the Senate is adhered to, and that we understand the Senate is not the House, the Senate is not the executive branch, the Senate is something special, and let us keep it that way.

Mr. REED. Mr. President, I rise to pay tribute to an extraordinary Senator—ROBERT BYRD of West Virginia. Chairman BYRD was the longest serving Senator in the history of this country. He served with extraordinary distinction not only on behalf of the people of West Virginia but on behalf of all of us.

The great lesson of his life is that through constant self-improvement, through constant education, not only can one rise to great heights but one can also contribute to one's country and community.

Senator BYRD was born in very humble circumstances. At his birth, I do not think anyone would have predicted he would become the longest serving Senator in the history of the United States. In fact, tragically, within a year of his birth, his mother passed away, and he went to live with his father's sister. But in those difficult circumstances in West Virginia, he rose above it through tenacious effort, through hard work.

Through his life's path, he had an extraordinary companion, the love of his life—Erma. Together they not only had a family but they built a life of service to others. I know how dear his dear Erma was to Senator BYRD.

Their children, Mona, Marjorie, their sons-in-law, their grandchildren, and their great-grandchildren all at this moment are reflecting on the wonderful person ROBERT BYRD was, how much he meant to them, and also I hope recognizing how much he meant to all of us. In this very difficult moment, I am sure his memory and his example will sustain them as it sustains all of us.

Senator BYRD, from these humble circumstances through hard work in

shipyards, in the coal fields of West Virginia, rose up. He rose up because of his incredible talent, not only intellectual talent, but I had the great good fortune once to hear him play the fiddle. Anyone who can play a fiddle like that has great hope of employment, at least in the musical world. But he went beyond that.

Again the lesson Senator BYRD teaches us all is constant striving. He was someone who received his law degree while a member of the Congress, the first and perhaps only person to go to law school while he was also serving the people of West Virginia and the Congress.

He wrote what is regarded as the foremost history of the Senate, not only this Senate but also the Roman Senate. He did that because he was committed to finding out about history, about life, about human challenges, about great human endeavors, and using that knowledge to help others.

He was someone whom we all revered. When I arrived in the Senate, he was gracious and kind and helpful. I can always remember he would greet me as “my captain.” He had a deep affection for those who served, even someone as myself who did not serve at the same level of distinction as DAN INOUE, JOHN KERRY, JOHN MCCAIN, and others. He is someone who helped and supported me, and I appreciated very much his kindness.

I also appreciate the passion he brought in defense of the Constitution of the United States and the passion he brought to ensure the Senate and the Congress played its rightful role in the deliberations of this government.

He would say quite often that he had not served under numerous Presidents; he had served with them as a Senator, in the legislature, a coequal branch of government. He fought not simply for personal prerogatives, he fought for principle, that this government would be based on, as our Founding Fathers' designed it, the interplay between the executive, legislative, and judicial branches. His passion for the Constitution was evident and obvious.

He also was passionate in the last few years about the foreign policy of the United States. He spoke with eloquence and with passion against our engagement in Iraq. He saw it, as now it is becoming clearer and clearer, as a strategic distraction from the true challenge, which was to defeat our opponents, al-Qaida and their affiliated terrorist groups, and to do that to protect this country.

He was a remarkable man, born of humble origin, self-educated, unceasingly educating himself and always seeking to better and improve himself. I would suspect in his last few days he was still striving to learn more.

I simply close by thanking him for his service, thanking his family for

supporting him in his service, and thanking the people of West Virginia for their wisdom in sending ROBERT BYRD to the U.S. Congress and the U.S. Senate.

Ms. LANDRIEU. Mr. President, I come to the floor this afternoon to speak on a couple of different subjects. Briefly I wish to say a few words about our extraordinary and great colleague who has left the Senate and left this world, but his spirit will be here for many years to come and his presence will be felt here for decades, if literally not centuries, and the extraordinary contribution that Senator ROBERT BYRD of West Virginia has made to the Congress, to the Senate, to our country, and to the world.

My colleague, the Senator from Rhode Island, gave a beautiful tribute a few minutes ago. I was in the Chamber and listened to what he said. I wish to add that not only did ROBERT BYRD rise up through educating himself—in these days that is almost a foreign concept to so many people. You go to school, you get a degree—but he did all of that and more. He read so much. He was so curious about so many aspects of life, not just politics, not just government, but industry, art, and music that literally he was one of the most inspirational human beings I have ever had the pleasure to know or ever read about in that sense.

Senator REED said he lifted himself from literally an orphan status in one of the poorest communities in the world, West Virginia. Parts of it are much like a few parts of our country that are extraordinarily poor, even by world standards.

He came from a very humble, orphaned beginning with virtually no chance at anything much, and ended up, we know, sitting at that desk, which is one of the great desks of honor in this Chamber. As people who work here know, the longer one is here, the closer one gets to the center aisle. Since he held up the center aisle literally with his presence every day, one cannot get any more senior than that desk. We look at it now these days and are reminded of him.

He lifted himself, he lifted his family, but I would say in that earnest curious way, he lifted an entire State and an entire Nation. There are not many individuals who can say that their life actually did that. But ROBERT BYRD is one of them. West Virginia today is lifted so much higher. The children of West Virginia, the families of West Virginia, the communities of West Virginia literally were lifted by the strength—the spiritual and intellectual strength—and courage and tenacity of a man for whom there is no peer in this room relative to that, and our Nation across decades, through many of the great trials of this Nation. He lifted this Nation to a better place and was such a strong man and such a great

man that he would even admit when he made some very bad mistakes, which raises him even higher in my eyes.

He said toward the end of his life many times that his stand on civil rights was not right. He apologized profusely for being on the wrong side of history on that issue. He did not make many mistakes such as that. But he was such a great man that he admitted when he did.

Senator REED recalled that he always called him "captain," but Senator BYRD had a way of referring to each of us in a special way. He would always say to me: How are you today, Senator, and how is that fine father of yours, Moon Landrieu? It would always make me feel so wonderful that he would say he was such a great mayor. How is Moon today and how is Verna? Can you imagine a gentleman with so much on his mind that he would always remember to me the parents I have and that we both admire so much? It was a special way about him.

Finally, when Katrina happened and all of us on the gulf coast were devastated—frankly, I could not find a great deal of comfort at the level of the administration that was in power. I never thought they quite understood the depths of the destruction that occurred. It worried me then and it still troubles me to this day. But the first meeting I had with Senator BYRD, when I was trying to explain to him how devastating this situation was—because it wasn't a hurricane, it was a flood and the Federal levees had collapsed—he just sort of put his hand out and said: Senator, have a seat. He said: I do understand, and I am going to work with you. I am going to help you. I am going to be here for the people of Louisiana and the gulf coast as we try to get this right.

Mr. President, we were shortchanged by other Members of Congress and by the White House. They never quite understood. When the first allocation of funding was given out, it was just an arbitrary number thrown out that we were going to take \$10 billion and help the gulf coast, but no State could get more than \$5.4 billion. Well, when you looked at the facts at the time, the numbers were so disproportionate to the injury that Louisiana and our people had suffered, had you done it on just a disaster basis—which we should have done in calculating it—we should have gotten \$15 billion relative to that distribution.

When I brought those numbers to Senator BYRD, he said: We are going to work on it. And you know what, Mr. President, he did. Unbelievable as it might be to the people in this Chamber, because he was a very powerful chairman of the Appropriations Committee, he could actually do it, and he did.

I didn't have to explain that much or beg that much. I just had to present

the data to him that showed this is how many houses were destroyed, this is how many homes were lost, this is what the President gave to X, Y and Z; what do you think, Senator BYRD? Is it fair for us? And he said: Absolutely. So he gave us literally billions of dollars.

Today, St. Bernard Parish, the city of New Orleans, and parishes all in the southern part of the State are recovering because of one person, Senator BYRD, the chair of the Appropriations Committee, who said: We are not going to leave you at your hour of greatest need.

I will never forget, and my State will never forget, the generosity and the courage it took for him to stand with us through that difficult time. So I wanted to, in a small way, add my voice to the many tributes that Senator BYRD has received, and those are the most important ones that I wanted to share today.

Mr. LAUTENBERG. Mr. President, this is not my regular seat in the Senate, but I came here to stand near the place that Senator ROBERT C. BYRD occupied. His absence is noted by the flowers and the black cloth that covers his desk.

There is so much to say about ROBERT C. BYRD that to have a serious discussion about who and what he was would take far more time than we have available. He was an unusual man, brilliant, genius, credited with encyclopedic knowledge.

When I came to the Senate in 1983, I was not a young man. I am now an older man. When I came, I wanted to meet Senator BYRD. I came from the business world. I was chairman and CEO of a significant corporation that carried substantial esteem and respect for the record compiled by the three of us boys from poor working-class families in Paterson, NJ, an industrial city that had its origins as an industrial place at the time of Alexander Hamilton.

I was privileged to meet a lot of people who could be described as lofty and holding positions of importance. When I went in to Senator BYRD's office to introduce myself—I had met him a couple of times before I was elected to the Senate seat from New Jersey—it was with great awe and respect that I sat in front of this individual who had given so much to our country, who taxed our wits and made us think more deeply about our responsibilities than sometimes we have. He was a tower of knowledge and strength.

I introduced myself to him, and we had a nice chat for a while. He asked me about my background. I talked about my life and my experiences, which are not anything like the depth of Senator ROBERT BYRD's background. I came from a poor family. I served in the Army. I received my education at Columbia University because I was able to use the scholarship that was given

to soldiers who had served in the military.

As I listened to ROBERT BYRD, what he had accomplished in his lifetime dwarfed anything I had ever seen. He was a man born into poverty, orphaned at an early stage in life, and turned over to relatives to be brought up. He taught himself how to play the violin and attended law school part time at night for years, finally getting his law degree from the university. He was an incredible figure in our time.

We feel his absence already. In his latest years, he was not fortunate enough to have the kind of health he had as a younger man, but he always had the respect of everybody who knew him.

When we look at his history, if one has time to go to the computer and get a biography that is held in Wikipedia and see the more than 30 pages' worth of his accomplishments and history, it was a privilege and an honor for those of us who knew him when we look at the positions he held. He had elegance. He had grace. He had resilience. He was tough. He had a meticulous grasp of history.

I came out of the computer business. I used to tease ROBERT C. BYRD. I called him "my human computer." He had so much knowledge that, frankly, I think it competed very ably with the computers in the early eighties when I came to the Senate.

When I visited him in his office, he asked me if I knew the history of the monarchs of the British Empire. I said I did not know much about them. I knew the recent one, the sitting monarch at the time. He proceeded for more than one hour to give me the history of the monarchs of the British Empire, starting with William the Conqueror, 1066, and recalling everybody who was King or Queen of England, of the British Empire. He talked about how long they served, the precise dates they served, whether they died by the hand of an assassin, whether they died from a disease, whether they died from an accident. He knew all of that detail. I was sitting in total bewilderment as to how one could capture and remember so much of that information.

When I asked to be excused because I had some other business, he was ready to give me the history of the Roman Senate. He did this not like most of us, with notes. He had it in his brain while he recalled everything he learned and did, the number of votes, where he cast them, and on what issue. It was remarkable.

He served at a period of time when we had some of the most remarkable people this body has seen. Not to suggest we do not have talent equal to the stature of some of those who served then. It is worthy of mention that he was the majority leader in the Senate from January 1977 to January 1981 and again from 1989 to 1989, a relatively

short period. He preceded and served with people such as Howard Baker on the Republican side, Bob Dole, Mike Mansfield, and George Mitchell. He was an equal with those powerhouses and stood as one of them. He stood out.

He revered this Senate and the process with which we then operated. We are far less committed to process. BOB BYRD insisted we have the time, respect, courtesy, and proper addressing of individuals, giving it a certain loftiness that we otherwise would not have had.

Nobody knew more about this body than ROBERT C. BYRD. He was this Chamber's protector. He protected the Senate's rules, the Senate's integrity, and he protected the Senate's civility. He taught each and every one of us how the Senate works—the ins, the outs. It is hard to imagine serving a single day without him. He had such respect for the management of this country of ours.

We should be inspired by ROBERT C. BYRD's legacy to become more cooperative and more civil in the days ahead. We ought to reflect on those values tomorrow as we view Senator BYRD's casket lying in repose in this Chamber that he loved so dearly. He loved it so much that he reminded all of us from time to time—he would pick up on a phrase. Someone talked about serving under President this or that President. He said: Sir, never, never under. We serve with the President of the United States. We never serve under them. We are a body of equal importance. And he knew that from every possible position of responsibility he held.

What we should do as a Senate is accept the best that ROBERT C. BYRD brought to us, to share the image he brought to all of us and to the stature of this body.

ROBERT C. BYRD's journey in life was simply remarkable. He was born into deep poverty, growing up without the comforts that many of us take for granted, such as running water, and setting an example for all Americans of what you might be if you make the effort and you have the dedication to a higher purpose.

Although he was high school valedictorian at the age of 16, he had to skip college because he did not have the means to pay for it. He overcame that obstacle by becoming a self-taught man and a student of history. How did he learn to play the violin all by himself, and learn what he did about education and law?

He served half a century—51 years—in the Senate, holding every critical position, including, as I mentioned, majority leader and minority leader and President pro tempore. In that position he was third in line for the Presidency of the United States.

Still, he never forgot where he came from and his duty to help everyday people. He pleaded their case, particu-

larly his beloved West Virginia, as well as across the country.

I had the privilege to serve with Senator BYRD when he was chairman of the Appropriations Committee. Some like to make light of his position to fund projects in West Virginia, but there was nothing cynical about his life's cause to stamp out poverty in his home State and in this country. Senator BYRD called bringing Federal dollars back to his State one of his greatest achievements. He understood that a new school meant a child would have a better chance for a future. A new sewage system meant that families might have clean water—unaccustomed as they were in lots of places in his home State. A new highway meant that farmers and companies could bring their product and their produce to market in hours.

I will use the expression that he “eleganzitized” the beauty of the deeds of working people and brought meaning to the purpose of their lives and their work.

He was a forward-looking man. He, working with all of us, recognized the importance of an appropriate infrastructure—the importance of Amtrak, of the railroad that serves so many millions of Americans every year. He was a voice for stronger rail service, knowing that could get people more reliable travel so they would not be stuck in massive traffic jams when they had to get someplace. It was an important part of an agenda that he had that was so broad.

Years ago, when Amtrak—a favorite part of my view of what has to happen with our infrastructure—was under siege, we worked side by side to protect America's premier rail network from being defunded. In 2007, when the Amtrak law I authored was on this floor, we faced a difficult vote to defeat a killer amendment. I remember standing here as they were counting the yeas and nays, and Senator BYRD had occasion to let his simple yes or no ring out across this place. He put a stamp on that, and that meant that he didn't like it or he did like it.

He wanted everybody in this place to remember that he was chairman of the Appropriations Committee. He remembered when people voted with him and when they didn't. He couldn't stand the hypocrisy of people who would say: Oh, these earmarks are terrible, and then they would put in their list. But he would remember it. It was not a good thing, to meet with ROBERT C. BYRD's disapproval, when you wanted something; especially after so hypocritically voting against something and then wanting that very thing for your own State.

We have an obligation to honor the legacy of this giant of an individual, this giant of a Senator, this giant of a public servant, and that means never losing sight of the millions of Ameri-

cans out there who don't know whether they will have a home now or have a job, or whether they will be able to afford electricity or food or a roof to sleep under, or a way to take care of their children. But he reminded us on a constant basis what our commitment was.

It also means, I think in reflection, that we should be renewing our commitment, as hard as it is—and it is easy to kind of pontificate here—to working together. But let us look at what is happening. Let us look at what has been happening now. I don't think this is an appropriate time to voice lots of criticism, but when we see how difficult it is to move positive things through this institution, it is hard to understand, because the fundamentals that ROBERT C. BYRD brought to his work were that we were here to serve the public. That was the mission.

Rather than standing in the way of permitting things to be considered—things of value—perhaps we ought to have a BYRD lecture to the Senate-at-large every now and then and let someone who knew him or studied him talk about what he brought to the Senate, in addition to extraordinary leadership; someone who could talk about the degree of collegiality that is necessary for us to consider things—serious things—and to get them done.

Senator BYRD recently said—and he said this on a regular basis:

The world has changed. But our responsibilities, our duties as Senators have not changed. We have a responsibility, a duty to the people to make our country a better place.

It would be fitting if in the shadow of his passing that we could take a sledgehammer to partisan gridlock, put the unnecessary rancor aside and start functioning in a deliberative fashion once again.

I thank you, Senator ROBERT C. BYRD, for what you gave to us and gave to this country. All of it will not be recognized in these moments. But as history is reviewed, people will remember—I hope they do—that even when he made a mistake, a serious mistake in his early days—when he was not eager to support desegregation; that he should not have abided with segregationists; that this country belonged to all the people and no one should be discriminated against—that one can be forgiven with good deeds after some bad ones. And he redeemed himself so nobly, so wonderfully.

So we say, as we have been for these days, thank you, ROBERT C. BYRD. We loved being with you, and we will miss you.

Mr. WEBB. Mr. President, I have not yet had the opportunity on the floor to express my regret for the passing of Senator ROBERT BYRD and my incredible respect for the service he gave our country.

I was only able to serve with Senator BYRD at the twilight of his career. I

knew him in my capacities as Assistant Secretary and then Secretary of the Navy years ago, and I admired him for many years as an individual of fierce intellect. He was a strong proponent of the balance of power, particularly protective of the powers of the U.S. Congress as they relate to the executive branch, which is an area I have also focused on over the years.

Senator BYRD had great love for the people of Appalachia. He was their greatest champion. He was a self-made man in every sense of the word—self-made economically, born an orphan, and self-made in terms of his own education.

I recall that when I was Secretary of the Navy, I had the authority to name various combatants, and I named a submarine the “USS West Virginia.” When I made the statement about why I named it that, I pointed out that West Virginia, in every war in the 20th century, ranked either first or second in terms of its casualty rate. He was someone who never forgot the contributions of the people of that much-maligned State to the well-being and greatness of our country. He left his mark on all of us, and I would be remiss if I didn’t express my regret in his passing.

Mr. WHITEHOUSE. Mr. President, I rise today to pay tribute to our departed Senate Dean, ROBERT C. BYRD of West Virginia. Senator BYRD served in this Chamber longer than any Senator in history, 50½ years. Combined with 6 prior years in the House of Representatives, Senator BYRD’s service spanned nearly a quarter of the history of the Republic, from the Truman administration to the Obama one, longer than the span of my life.

To serve with Senator BYRD, as was my privilege for too short a time, was to serve with a giant of the Senate, an apotheosis of a long-ago age when oratory was an art. How fortunate I was to sit on the Budget Committee several chairs away from the man who wrote the Budget Act. I will never forget a Budget Committee hearing last year at which, with 35 years of hindsight, Senator BYRD reviewed the very budget process that he had designed. On that February morning, Senator BYRD delighted in describing his crafting of the budget process and its implementation and evolution over three and a half decades.

Tomorrow, for the first time since 1959 when ROBERT C. BYRD was a 40-year-old first-year Senator, a departed Member of this body will lie in repose in its Chamber. The tribute will surely be fitting, as the Senate’s most senior Member occupies the floor one final time.

The man will be missed, but his legacy will continue to guide this institution for generations to come, and the institution to whose principles and welfare he dedicated his life, the U.S.

Senate, will endure with his lasting imprint upon it.

VOTE EXPLANATION

Mr. BROWNBACK. Mr. President, I regret that on June 28, 2010, I was unable to vote on the confirmation of Gary Scott Feinerman, of Illinois, to be U.S. District Judge for the Northern District because my flight from Kansas City was delayed. I wish to address this vote, so that the people of the great State of Kansas, who elected me to serve them as U.S. Senator, may know my position. I would have voted in favor of this confirmation.

TRIBUTE TO COLONEL PHILIP C. SKUTA

Mr. LEAHY. Mr. President, I rise today to recognize COL Phil Skuta, USMC, who will complete his tour of duty with the U.S. Marine Corps’ Office of Legislative Affairs on July 15, 2010. In his role as the director of the Marine Corps’ Senate Liaison Office, he has provided excellent support by ensuring the smooth and timely passage of information from the Marine Corps to Senators and their staffs. His sense of duty and responsibility contributed to a successful relationship between the U.S. Senate and the U.S. Marine Corps. His dedication to serving the U.S. Senate will be missed.

A native of Williamsport, PA, Colonel Skuta attended the University of Pittsburgh and received a commission as a second lieutenant in the U.S. Marine Corps in 1987. His career as a Marine officer has been varied and admirable. Prior to his assignment to the U.S. Senate, he served on the Joint Chiefs of Staff, in the Strategic Plans and Policy Directorate. Before that, he led 1,200 marines, soldiers, and sailors in combat in Iraq in 2004 as a battalion task force commander. Over the past 24 months, his excellent work, leadership of his liaison team, and example of professionalism have served the Senate well and reflected credit on the U.S. Marine Corps.

Upon his arrival as director of the U.S. Senate Marine Corps Liaison Office, Colonel Skuta assumed and upheld the distinguished standard set by his predecessors. His approach to resolving complex issues allowed him to advise and inform Members and their staffs of Marine Corps plans, policies, programs, and worldwide activities. Despite the fluidity of legislative process, Colonel Skuta established and developed productive working relationships through engagement opportunities.

As liaison officer to the Senate, Colonel Skuta represented the Marine Corps on all Marine-related matters and effectively articulated the Marine Corps’ most difficult and challenging legislative initiatives to Members and

staff. He has been an integral player in maintaining effective relationships between the Marine Corps, my colleagues in the Senate, professional committee staff, and personal staff members. In particular, he responded to hundreds of congressional inquiries, ranging from such sensitive issues as notification of combat casualties from the Afghanistan and Iraq campaigns to providing timely information on the operation, organization, and budget of the Marine Corps. He also planned and executed dozens of international congressional delegations. I had the pleasure of traveling on two of these congressional delegations with Colonel Skuta and was impressed with his service to the Members of the Senate. He reflected well on his service at numerous Marine Corps and joint social events on Capitol Hill. Among others, these events included the Marine Corps Birthday Commemoration, the Joint Services Reception, the Marine Corps Marathon, and several Marine Corps seasonal receptions.

On behalf of the Senate, I thank Colonel Skuta for his continued service to the Nation and the U.S. Marine Corps, and I thank his wife Jane for her steadfast support while he fulfilled this essential duty. We in the U.S. Senate, and I personally, wish them all the best as Phil departs to assume duties as Director of the Marine Corps’ Strategic Initiatives Group at Headquarters, U.S. Marine Corps, Washington, DC.

Semper Fi!

HARRIS v. McRAE

Mr. HATCH. Mr. President, 30 years ago today, the Supreme Court of the United States announced its landmark decision in *Harris v. McRae*, 448 U.S. 297, upholding the constitutionality of the Hyde amendment, which prohibits Federal funding of abortions under the Medicaid Program. That decision made it possible for Congress, by annual enactment of the Hyde amendment, to protect American taxpayers from being forced to fund the destruction of innocent preborn human beings.

The majority opinion, written by Justice Potter Stewart, established three important principles. First, no matter what unwritten right to abortion may be said to exist in our written Constitution, “it simply does not follow that a woman’s freedom of choice carries with it a constitutional entitlement to the financial resources to avail herself of the full range of protected choices.” Second, the Court accepted in full the argument of Solicitor General Wade McCree that the Hyde amendment is rationally related to the interest we all have in preserving nascent human life and encouraging childbirth. Finally, the Court rejected the spurious claims of the Hyde amendment’s opponents that the amendment violated the establishment clause of the first amendment because it somehow

incorporated into federal law the religious doctrine of the Roman Catholic Church.

In our recent debate over healthcare reform, we often heard that because the Hyde amendment is already “settled law,” there was no need for specific provisions to ban taxpayer subsidies for abortion through the health insurance exchanges or other features of the legislation. That argument, of course, was wrong. The Hyde amendment affects the appropriations that fund the Departments of Labor and of Health and Human Services. The vast health care bureaucracy created by this new legislation will exist outside of those departments. Time will tell whether those who argued so strongly that the Hyde amendment is settled and “good law” will nonetheless challenge it again in the future.

Let’s be honest about a fundamental point: change in our health care system provides another opportunity for abortion advocates to claim that abortion is health care that must be funded by the taxpayers. That claim must be resisted and defeated, just as it was resisted and defeated in *Harris v. McRae*.

Were he still among us, our dear and esteemed colleague Henry Hyde would have reminded our colleagues of this, with an eloquence we cannot muster. The amendment bearing his name, after all, did not become law by accident; nor did it survive other than by the heroic efforts of Henry Hyde and a small cadre of pro-life attorneys who persuaded the Department of Justice to make the very arguments critical to successfully defending the Hyde amendment in court.

Henry Hyde was vilified at the time for his amendment, and for his unwillingness to yield or compromise on its principles. Investigators for the plaintiffs in *Harris* followed the Congressman to Mass, and then argued to the Federal district court in Brooklyn that his amendment was motivated by his religion. What a scandal—that a Congressman’s faith would motivate his work.

Henry, of course, did more than simply introduce and achieve passage of his amendment. That alone would have been heroic. But he also entered the litigation challenging his amendment as an intervening-defendant, joined by former Senator and now-Judge James L. Buckley, Senator Jesse Helms, and others, to ensure that the amendment would receive the most vigorous defense in court.

His New York lawyers, Lawrence Washburn and Gerald Bodell, were joined by the superb legal team at Americans United for Life Legal Defense Fund, a fledgling Chicago-based office that suddenly found itself in the biggest case in its short existence. The AUL lawyers, including Northwestern University law professor Victor G. Rosenblum, eminent Chicago trial law-

yer Dennis Horan, and AUL staff attorneys Patrick Trueman and Thomas Marzen, were pivotal in framing the legal arguments that prevailed in *Harris*. They simultaneously represented intervening defendants in *Williams v. Zbaraz*, defending an Illinois version of the Hyde amendment. In *Williams*, named for AUL’s clients Dr. Jasper F. Williams and Dr. Eugene F. Diamond, Professor Rosenblum eloquently argued to the Supreme Court that neither due process nor equal protection required government at any level to treat abortion on a par with the life-giving alternative of childbirth.

The victories in *Harris* and *Williams* remain the most significant pro-life legal victories of our lifetimes. But, until the Hyde amendment becomes a part of the United States Code rather than an annual appropriations amendment, so that it covers a government programs and expenditures, we must continue to make the same vigilant effort that made the victories in those cases possible. AUL was a key partner as I and others in Congress fought to put true Hyde-type language in the health care legislation. Undaunted at the loss in Congress, AUL has turned its attention to the States, helping to draft legislation allowing States to “opt-out” of coverage for abortion through the insurance exchanges, and to take other steps to ensure that health care reform does not undermine the principles of the Hyde amendment.

Many of the courageous warriors who first defended those principles three decades ago have passed from our midst: my friends Henry Hyde and Jesse Helms, attorneys Dennis Horan and Tom Marzen, and Dr. Jasper Williams. Thankfully, some of the young lawyers who worked with them such as Carl Anderson, Robert Destro, and Paige Comstock Cunningham, remain active pro-life leaders today. Meanwhile, the ranks of young lawyers and students eager to follow in the footsteps of these legal pioneers continues to grow. That is what trailblazers do, they lead the way so that others may follow and continue the fight. May their efforts be blessed, and this Nation move swiftly to the day when the lives of the unborn receive full legal protection.

CLEAN AIR ACT AMENDMENTS OF 2010

Mr. CARDIN. Mr. President, today I rise to discuss my support for the Clean Air Act Amendments of 2010 and how I plan to continue to work with the sponsors to improve the bill to meet health standards for Maryland and the States of the Northeast.

First, I want to commend Senator CARPER for his years of hard work and dedication to clean air policy issues. I know these issues are very near and dear to Senator CARPER and his perse-

verance is admirable. I feel the same way about water quality protection in the Chesapeake Bay watershed. When this bill received a hearing in the Environment and Public Works Committee in March I expressed my support for the goals of the Clean Air Act Amendments of 2010 and what the bill aims to achieve. Because I believe this legislation is the right framework to protect public health, I have added my name as a cosponsor of this bill.

The strong limits the legislation sets on mercury emissions is important. Air pollution, primarily from powerplants, is the main source of the mercury that contaminates the fisheries of the Chesapeake Bay Mid-Atlantic. We have fish consumption advisories throughout Maryland because of the high levels of mercury found in fish tissue.

A large part of my motivation for restoring the Chesapeake Bay is to restore a healthy fishery for Maryland watermen to make a sound living on and for recreational anglers to enjoy. I am pleased with the effects this bill would have on the health of our fishery and the people who rely on healthy fish from a healthy bay.

The cap on sulfur dioxide, SO₂, levels in the Clean Air Act Amendments of 2010 is strong as well. SO₂ is a harmful particulate that is a major component of acid rain which does serious damage to plants and trees. States in the Mid-Atlantic and Northeast see the worst of acid rain’s effects on our forests and croplands. EPA’s acid rain program has yielded tremendous success and the SO₂ reductions that the bill calls for would help us achieve greater SO₂ reductions.

These important limits on two harmful air pollutants are very important measures to protect the public health and the environment.

Nitrogen Oxide, NO_x, is a dangerous air pollutant that contributes to haze, water nitrification, and ground level ozone during the summer months which is extremely dangerous to breathe particularly for people who suffer from respiratory diseases like asthma and emphysema. Maryland, and Northeast and Mid-Atlantic States struggle to achieve attainment of healthy air standards because of NO_x emissions. The Federal Government must do what it can to help these States achieve healthy air through reductions in NO_x.

I am committed to working with Senators CARPER and ALEXANDER to make the bill achieve the goal of NO_x reductions to protect the public health of citizens of all States including Maryland.

Maryland’s experience as a downwind State motivated the Maryland legislature and our Governor to take firm and decisive action to reduce mercury, SO₂ and NO_x emissions in the State by implementing the toughest powerplant emissions law on the east coast. The

Healthy Air Act, enacted in July 2007, established an ambitious timetable of 3 years for Maryland's powerplants to meet a new set of robust clean air standards.

Using 2002 as its emissions baseline, Maryland's Healthy Air Act has the State well on its way to reducing NO_x emissions in Maryland by 75 percent by 2012, after already achieving an interim goal of 70 percent reduction target for NO_x in 2009. SO₂ emissions will be reduced by 80 percent this year with a second phase of controls in 2013 to achieve 85 percent SO₂ emission reductions. The Healthy Air Act also sets a 90 percent reduction in mercury by 2013.

Maryland's powerplants quickly met this challenge by immediately installing and operating pollution emission reductions technologies. In less than 3 years Maryland's State electricity generators began achieving significant mercury, SO₂ and NO_x emissions reductions. The Maryland Department of Environment tells me that all of our power generators are either meeting or are on schedule to meet the near term targets of Maryland's Healthy Air Act.

The Clean Air Act Amendments of 2010 supports Maryland's mercury and SO₂ reductions goals. Because Maryland has taken positive steps to also reduce NO_x emissions I must work to ensure that any national standard supports Maryland's healthy air attainment limits for NO_x as well.

Being a downwind State that must mitigate or offset pollution that travels in from other States has made it especially challenging for Maryland to be in attainment with the National Ambient Air Quality Standards, NAAQS, for ozone and fine particulate matter by the Federal deadline of 2010. Maryland is doing its part.

I mention all of this so that my colleagues understand how important strong clean air requirements are to me and to Maryland. I support the goal of cleaner air and I think the approach the Clean Air Act Amendments of 2010 takes is correct. I very much want to save lives by cleaning up our air and I want to work with Senator CARPER, Senator ALEXANDER and the other sponsors of this bill to make it stronger. Specifically, I want to ensure that EPA will review its air quality standards. Should the agency's analysis of the ozone standard indicate that additional NO_x emissions reductions are necessary to protect public health it is important that the EPA has a congressional mandate to act to strengthen the emission reduction requirement on NO_x to address this public health threat.

In a matter of days, EPA will issue its revised Clean Air Interstate Rule, CAIR, following the DC Circuit's determination that CAIR did not adequately address transport. Later this summer EPA will also propose new National

Ambient Air Quality Standards. These landmark policies ought to guide what steps need to be taken to better protect public health and inform us about the congressional authority needed.

ADDITIONAL STATEMENTS

TRIBUTE TO SUSAN BERRY

• Mr. BINGAMAN. Mr. President, my hometown of Silver City, NM, is in the southwestern corner of our State. It is the county seat, and the largest town for about a hundred miles around. Right on the edge of the Gila Wilderness, it has been called by others, not by just me, "One of the 100 Best Small Towns in America."

One of the reasons it is so outstanding is because of the tireless, thoughtful work of Susan Berry. For 36 years, she has been involved in historic preservation work in and around our town, and throughout the State of New Mexico. An early force of the MainStreet Project in Silver City and a longtime member of the Design Review Committee, she has done so much so well, that the New Mexico Historic Preservation Division recently gave her its Lifetime Achievement Award which she earned during a career of preserving the past for the future.

On Saturday of this week, she will retire after decades of service as director of the Silver City Museum. Her accomplishments in that capacity are too numerous to list, but as a result of her vision and skill, that museum has been accredited by the American Association of Museums, one of only thirteen in New Mexico to be so designated.

She has helped make Silver City a significant destination for travelers to the Southwest, and added to the list of reasons that 10,000 people like to call it "home." We are so fortunate that she chose to make the town the focus of her considerable ability and vision for so many years. •

REMEMBERING POLLY ARANGO

• Mr. BINGAMAN. Mr. President, today I wish to pay tribute to the extraordinary life of Polly Arango, who died on Saturday, June 26, 2010, in a tragic accident in Alamosa, CO. Her husband, children, grandchildren, family, and friends have lost a very special individual. And New Mexico and the Nation lost a tireless advocate for children, particularly those with disabilities.

Polly spent her life working on behalf of the most vulnerable in our society. Early in her career, she organized programs that allowed American families to adopt orphans from Ecuador. She and her husband John later adopted themselves, providing loving care to a son who had severe developmental difficulties. Shortly thereafter, Polly

began her lifelong to work to ensure that other families in similar situations had access to vital education, health care, and support services.

To do so, she cofounded Parents Reaching Out, a nonprofit organization that works with parents, caregivers, educators and other professionals to promote healthy, positive and caring experiences for New Mexico families and children.

Polly also founded and served as the executive director of Family Voices, an advocacy group that strives to bolster both the access and the quality of health care for children with special needs. In her work for Family Voices, she, more than any other leader in the advocacy world, fought for family-centered care for children with disabilities. Her efforts with officials in New Mexico led to many important successes such as establishing the Medically Fragile Children's Program and the New Mexico High Risk Insurance Pool, reducing the school age for children with disabilities, and increasing coverage and services for children in Medicaid Programs.

Polly was very helpful to my staff and me over many years as we worked together on major health reform and education issues. She was in contact with us monthly and even weekly to inform us of developments in New Mexico and across the Nation and she had a wonderful ability to blend an understanding of complex policies with the practical needs of New Mexicans. I know she was particularly heartened by our recent passage of national health care reform. And, I know she would agree that we all must continue to fight to ensure that the needs of children remain central in our efforts to forge a more effective and equitable health care system.

I extend my sincere condolences to Polly's husband and children, and the entire Arango family. •

• Mr. UDALL of New Mexico. Mr. President, I rise today to celebrate the life—and mourn the loss—of one of New Mexico's finest public servants.

The Land of Enchantment suffered a tremendous loss last Saturday, when Polly Arango was involved in a fatal accident in Alamosa, CO. As a longtime resident of Algodones, NM, Polly was one of the most exemplary advocates for children living with disabilities our State has ever known. During her time with us, Polly taught us that regardless of socioeconomic status, culture, race, religion or health conditions, our children have inalienable rights that we must fight to protect.

Born in Green Bay, WI, Polly moved to our State in 1962 to attend University of New Mexico. After marrying John Arango, she began her career as an advocate placing Ecuadorian orphans with families in the United States while her husband served as Peace Corps director in Panama and Ecuador.

A turning point for Polly and John came with the adoption of their son Nicolas. As Polly learned that Nicolas had a severe developmental disability, she began her work securing full education and access to health care for children with chronic health conditions. Nicolas inspired Polly's work to open the eyes of school officials, policymakers, community leaders, friends and neighbors to the challenges facing children with disabilities. Her efforts were not only for Nicolas, but for thousands of other New Mexican families in need.

In 1992, Polly cofounded a national grassroots network called Family Voices. Today, Family Voices consists of more than 45,000 New Mexican families and friends working together to improve health care for children and youth with special needs. Polly served as the first executive director and most recently served on the board of directors. Polly also cofounded Parents Reaching Out, a statewide network of programs designed to meet the ever changing needs of New Mexican families. Based on her leadership, this organization continues to connect children and their families to resources that will improve their quality of life.

Polly represented families and family-centered care on many national boards, commissions and international forums. She was named to the New Mexico Medicaid Advisory Committee and served as a member of the New Mexico Supreme Court's Court Improvement Project on foster care. She also co-authored several books and many articles on health care, foster children, and families, and she was executive producer and writer of a PBS documentary about inclusion titled: "What Does Normal Mean?"

Through her work, Polly displayed a noble commitment to fight for the health and civil rights of all children, especially disabled children, who often cannot fight for themselves. Polly actively demonstrated one of our greatest American values: that families can be the most important caregivers, and every child deserves a family.

She was survived by her husband, John; her four children—Carlos Arango, Francesca Wilson, Maria Arango and Nicolas Arango; her seven grandchildren—Sloan Wilson, Conor Arango, Gabby Arango, Kellen Wilson, Grace Arango, Lenor Arango and Isabel Arango; and seven of her eight brothers and sisters—Richard Egan, Kevin Egan, Martha Egan, Kathryn Stout, Patrick Egan, Michael Egan and Thomas Egan.

In her recent obituary, Polly's friends and family kindly thanked me for my role in health care reform and my support for rural health programs. While I appreciate these sentiments, I want to thank Polly. I want to thank her for her invaluable contributions as a mother, friend, and public servant on behalf of all she touched. Our State

won't be the same without her. I am blessed to have known her. New Mexico will miss Polly Arango, but we know that her legacy will live on.

As Polly Arango is laid to rest this week, I ask my colleagues to join me in honoring this remarkable public servant.●

TRIBUTE TO PETE JOHNSON

● Mr. COCHRAN. Mr. President, I am pleased to commend Pete Johnson of Clarksdale, MS, for his service as the Federal Co-Chairman of the Delta Regional Authority.

The authority was formed in 2001 as a Federal-State partnership to enhance the quality of life of the people of the Mississippi River Delta region. Since its inception, Pete Johnson has led the Delta Regional Authority as the Federal cochairman in its efforts to advance the economic opportunities of the residents of 252 counties and parishes in parts of 8 States, which make up the delta region.

Pete Johnson has served the 9.5 million residents of the region and the Governors of Mississippi, Alabama, Tennessee, Kentucky, Illinois, Missouri, Arkansas, and Louisiana, with distinction in his capacity as the Federal cochairman.

Under Chairman Johnson's leadership, the Delta Regional Authority has established successful Federal grant programs, as well as the Delta Leadership Institute, Healthy Delta, I-Delta, and the Delta Development Highway System, the Delta Doctors Program, and a multimodal system for the region.

Pete has proven himself to be an exemplary and proactive leader, and the far-reaching effects of his leadership are evidenced by the numerous Delta Regional Authority contributions to the region over the years. The Delta Regional Authority has leveraged limited Federal resources with other Federal, State, and local investments, resulting in over \$434 million for 510 projects focused on economic development throughout the eight-state region. Over \$1.5 billion of private funds has also been invested in these projects.

In addition, the implementation of the Delta Regional Authority Federal Grant Program has created 5,472 jobs, trained 3,315 individuals for jobs, and improved the water and sewer systems for 11,860 families in the area.

In Mississippi, we are very grateful for the outstanding service of Pete Johnson and his wife Margaret and for the sacrifices they have made to improve the economy and the quality of life in the delta region.●

ELGIN, NORTH DAKOTA

● Mr. CONRAD. Mr. President, today I wish to recognize a community in

North Dakota that recently celebrated its 100th anniversary. On June 17–20, 2010, the residents of Elgin gathered to celebrate their community's history and founding.

Elgin, a Northern Pacific Railroad town site, was first named Shanley but became Elgin in 1910. The residents were having difficulty agreeing on a new name, and Isadore Gintzler is said to have looked at his pocket watch to check the time at a very late hour and suggested its brand name, Elgin, as a compromise name for the town site. The post office was established August 11, 1910. Elgin was incorporated as a village in 1911.

Some of the present day businesses and accommodations that continue to thrive within the city of Elgin include the Jacobson Memorial Hospital Care Center and Clinics, Dakota Hill Housing, a dentist, an eye clinic, a cafe and bowling alley, a grocery store, a hardware store, gas stations, a bank, accounting offices, a drug store, insurance agencies, a newspaper, the post office, a lumber yard, a motel, a new public library, and grain elevators.

Citizens of Elgin organized numerous activities to celebrate their centennial. Some of the activities included an opening ceremony, historical Power Point presentation, historical bus tour, musical entertainment, an alumni football game, a magician show, and an antique parade.

I ask the U.S. Senate to join me in congratulating Elgin, ND, and its residents on the first 100 years and in wishing them well through the next century. By honoring Elgin and all the other historic small towns of North Dakota, we keep the great pioneering frontier spirit alive for future generations. It is places such as Elgin that have helped to shape this country into what it is today, which is why this fine community is deserving of our recognition.

Elgin has a proud past and a bright future.●

WAKONDA, SOUTH DAKOTA

● Mr. JOHNSON. Mr. President, today I wish to pay tribute to the 125th anniversary of Wakonda, SD. The town calls itself "The Good Life Town" and I would have to agree. With a strong sense of community and a welcoming spirit, Wakonda is a wonderful place to call home.

Wakonda was founded when the North Western Railroad expanded its line in northwestern Clay County. Surveyors originally planned out the town, calling it Summit, but when negotiations on land price fell through, the town was moved southwest. The building crews stayed on local farms and completed their work by the end of the year. GEN William Beadle is credited with suggesting the name of Wakonda, a Santee Sioux word meaning "wonderful." The town quickly sprouted, with

many new businesses popping up in the coming years.

To celebrate Wakonda's historical achievement, the town will join together for a weekend of activities. With a golf tournament, kids carnival, and artistic exhibits, this town is sure to have a great time celebrating. I am proud to recognize Wakonda on reaching this milestone and wish them all the best in their future.●

FIRST STATE BALLET THEATRE

● Mr. KAUFMAN. Mr. President, it has been an honor to watch the arts blossom in the State of Delaware. One of the organizations leading this movement is the First State Ballet Theatre, which is celebrating 10 years of dedication and excellence in the art of dance.

The late choreographer Martha Graham once said:

We look at the dance to impart the sensation of living in an affirmation of life, to energize the spectator into keener awareness of the vigor, the mystery, the humor, the variety, and the wonder of life. This is the function of the American dance.

Since the founding of the First State Ballet Theatre in 1999 by Pasha and Kristina Kambalov, it has been devoted to exposing Delawareans to dance. Through providing dance training and conducting education outreach, its audiences have learned much about the history and relevance of the art of dance.

The company's impressive 10-year run has brought a host of classical ballets, including favorite classics such as "The Nutcracker" and "Swan Lake." The theatre has also been involved in vibrant productions such as "Carmen," showing the depth and amazing talent present within the troupe. The theatre hosts a cast of talented dancers, who come long distances to perform throughout our State. The ballet company currently has a troupe of 15 talented resident dancers who star in a variety of productions.

The theatre has also attracted an outstanding group of master choreographers, who have created a diverse range of shows. They are led by artistic director Pasha Kambalov, school director Kristina Kambalov, and assistant artistic director Lev Assaouliak. Between them, these three have many years of experience in the art of dance and countless achievements, including performing in many impressive repertoires, and they were trained professionally in renowned schools of ballet. In 2006, the Kambalovs were honored with the Wilmington and Wilmingtonian Awards for their outstanding work improving the quality of life in the community.

As Delaware's only professional dance company, the First State Ballet Theatre has strived to help the arts flourish, and by doing so it has drawn both in-State and out-of-State audi-

ences to its performances. By offering enticing productions that appeal to various sections of the population at affordable prices, the First State Ballet Theatre has inspired a whole new generation to become a part of the theatre's family. The theatre has also taught over 7,000 children about dance with the help of its talented and caring staff.

For 10 years, the First State Ballet Theatre has stood for excellence in the arts, and has treated its audiences to breathtaking and vibrant productions that have inspired the people of Delaware. The First State Ballet Theatre has been a great asset to my home State, and its accomplishments will inevitably continue to bring it success for years to come. Once again, I would like to congratulate the theatre on reaching this 10-year milestone.●

TRIBUTE TO ARKANSAS PROFESSIONALS

● Mrs. LINCOLN. Mr. President, today I recognize three Arkansans who have been recognized as leaders in their professions. These individuals represent the best of their fields, and I am proud of their accomplishments on behalf of our State.

Bobby J. Brooks has been named the 2009 Driver of the Year by the Arkansas Truckers Association.

Kevin McDaniel, vice president of production at O.K. Farms Inc. in Fort Smith, received the Poultry Federation's 2010 Industry Leader of the Year Award.

Kathy Manis Findley was named as the Nonprofit Executive of the Year for her work at Safe Places in Little Rock.

I commend these individuals for their hard work and dedication, as well as the work of all Arkansas professionals who strive to make our State better each and every day.●

TRIBUTE TO BASS REEVES

● Mrs. LINCOLN. Mr. President, today I pay tribute to an American hero, Arkansas native Bass Reeves, one of the first African-American U.S. Deputy Marshals west of the Mississippi River. He was one of the most respected lawmen who served the U.S. District Court for the Western District of Arkansas, which had criminal jurisdiction in the Indian Territory, the present State of Oklahoma. He captured more than 3,000 fugitives in his legendary career. Many scholars consider Bass Reeves to be one of the greatest frontier heroes in U.S. history.

Born into slavery in 1838 in Crawford County, AR, and then moved to Texas, Bass fled to Indian Territory during the Civil War and lived with the Seminole and Muscogee (Creek) Indians. Following emancipation, he settled near Van Buren, AR, to raise horses

and start a family. He and his wife Nellie Jennie had 10 children: 5 boys and 5 girls.

In 1875, Isaac Parker was appointed U.S. district judge for the Western District of Arkansas, and Bass was recruited to serve as a Deputy U.S. Marshal. He stood 6'2", weighed 180 pounds, and could shoot a pistol or rifle accurately with either hand. He was known for his toughness, intelligence, and detective skills, even though he could neither read nor write.

He arrested some of the most dangerous criminals of the time, repeatedly demonstrating honor and integrity. He had to stand trial himself and was imprisoned for 5 months on a false accusation of murder. Following acquittal, he returned to tracking down and arresting criminals.

Bass served the Federal courts in the Indian Territory for 32 years, from 1875 until 1907 when Oklahoma became a State. At age 68, he became a member of the Muskogee, OK, police department and served until his death from Bright's disease on January 12, 1910.

Mr. President, I recognize Deputy U.S. Marshal Bass Reeves as a real American hero.●

TRIBUTE TO CAPTAIN JOHN B. NOWELL, JR.

● Mr. MCCAIN. Mr. President, I would like to take a moment to recognize the extraordinary contributions of Captain John B. Nowell, Jr., U.S. Navy, to our Nation. Captain Nowell has served with exceptional distinction as the director, Navy Senate Liaison, a position of great responsibility, from August 2008 to June 2010.

Captain Nowell's service to our country began with his induction into the U.S. Naval Academy in the summer of 1980. Upon his graduation and commissioning in 1984, he started out on what would become a distinguished career as a talented and respected surface warfare officer—a career that continues today. His naval service has literally taken him around the world, as he has served on ships from the east coast to the west coast, from Africa to Japan, and all of the oceans and seas in between.

Recognizing the enormous talent and potential in him, the Navy rewarded Captain Nowell with command at sea, entrusting him with the leadership of the guided-missile destroyer USS *Porter* and her crew from April 2002 to December 2003. During this time, Captain Nowell was called upon to lead his crew into combat, surge-deploying for Operation Iraqi Freedom into the Fifth and Sixth Fleet Areas of Responsibility where the *Porter* conducted Tomahawk strikes and Theater Ballistic Missile Defense. The crew of the USS *Porter* earned numerous accolades during Captain Nowell's command, including the coveted Battle "E" Award.

Captain Nowell's success as a war-time commander at sea ultimately led to command an entire Destroyer Squadron and to assume the role of the maritime force commander for Joint Task Force Lebanon. However, the most telling vote of confidence in his ability to lead would surely be his selection to command the inaugural Africa Partnership Station deployment, a multinational force of ships, submarines, aircraft, expeditionary partnership teams, and land-based forces charged with building partnership capacity throughout the African continent.

Today, we say goodbye to Captain Nowell after nearly 2 years of extraordinary service as the Navy's lead liaison to the U.S. Senate. During this time he led 15 congressional and staff delegations to 30 countries, often being requested by name to facilitate visits to combat zones and fleet locations for the most senior-ranking delegations. As he departs for his next challenging assignment as the head of surface warfare assignments at Naval Personnel Command, I honor him for his service to our country, his inspirational leadership, and his irrepressible drive. I call upon my colleagues to join me in wishing "fair winds and following seas" to Captain Nowell, his wife Jo, and his children Katherine, Stephen, and John III, who will be following his father's legacy as a midshipman at the U.S. Naval Academy.●

ASSOCIATION FOR COMMUNITY AFFILIATED PLANS

● Mrs. MCCASKILL. Mr. President, a few months ago we completed debate on one of the most significant reforms of American health care in decades. As a result of that work we will see over 30 million Americans who haven't had access to health insurance gain that access. The law that we passed helps all Americans, but especially the most vulnerable, gain access to quality, affordable health insurance. Today I rise to recognize an organization that for 10 years has been similarly working to provide care for our Nation's most vulnerable citizens.

The Association for Community Affiliated Plans, ACAP, is a national trade organization representing 51 community-based health plans in 25 States, together covering over 7 million people. Its nonprofit Safety Net Health Plan members provide health coverage through public insurance programs, primarily Medicaid, Medicare, and the Children's Health Insurance Program, CHIP, delivering desperately needed health services to low-income and vulnerable Americans who would otherwise be uninsured. Coordinating with State and local governments, community groups and health care providers, ACAP plans, by delivering the services made possible by Medicaid,

Medicare and CHIP, serve as a safety net for those who fall through the gaps in a system that largely relies on employer-provided or privately purchased coverage.

In 2000, 17 safety net plans, often started by community health centers who were serving uninsured and Medicaid patients, came together to form ACAP. In the ensuing decade ACAP plans have grown from covering 1 million people in 2000 to 7 million today. These plans, like Children's Mercy Family Health Partners in my home State of Missouri, remain deeply rooted in their communities, serving those who need help the most. Over 55,000 of my constituents receive their insurance from Children's Mercy Family Health Partners as they provide a critical safety net that makes a difference in Missouri.

I commend the Association for Community Affiliated Plans and its members for their service to our Nation's underserved populations, as well as congratulate them on their 10th anniversary of supporting the Nation's nonprofit Safety Net Health Plans.●

RECOGNIZING U.S. NAVAL ACADEMY CLASS OF 1970

● Ms. MIKULSKI. Mr. President, today I wish to express our deep gratitude for the inspirational leadership and outstanding service to our nation by the U.S. Naval Academy class of 1970. It has been an honor to support the Naval Academy in my capacity as a Senator from Maryland and as a member of the U.S. Naval Academy Board of Visitors for over 20 years. The Naval Academy has a proud history of developing excellence in education and personal character of our past and present, and continues to prepare and train the future leaders of our nation. I am so proud of the class of 1970 for exemplifying the high quality standards of the academy.

The Naval Academy class of 1970 started their journey as midshipmen in 1966, during the height of the Vietnam war. They volunteered for the job knowing that after graduation their roles as Navy and Marine Corps officers would be during difficult and demanding times for the U.S. military. That it was such a challenging time for our nation and our military did not deter them, it made them more determined. Their service and extraordinary spirit has enriched and sustained our Nation. I come to the floor today to ensure that their sacrifice and patriotism is remembered and celebrated.

From their graduation day on, the class of 1970 set a very high standard. Their accomplishments and careers are impressive. Members of this class fought valiantly in the Vietnam war, the gulf war and other conflicts during the last 40 years. They served in the air, on land and at sea. Members of the class of 1970 have served at the very

highest level of our military. They served as commanding officers of warships, combatant commanders, and as the Vice Chairman of the Joint Chiefs of Staff. Twenty-four members of this class achieved flag or general officer rank.

Since their early years as midshipmen, they have given of themselves not just on the battlefield but also in their communities on the home front. Whether volunteering at the Boys Club and Big Brothers programs as midshipmen, teaching at our nation's military colleges or volunteering in their community they have generously contributed to the support of academics, ethics, character development, and leadership of our next generation.

Even more extraordinary than their time in uniform is the amount the members of this class have continued to give back since their military service ended. This remarkable class has continued to lead by example. They have worked to educate our children, support defense agencies, and to promote community services. Their accomplishments and achievements have reached the highest levels of government, industry, science, law, medicine, education, and religious vocations. Many have continued to fight for our freedom in their roles as leaders of corporations that are vital to our national defense. I admire the spirit of service and dedication to making our country and the world a better place.

The U.S. Naval Academy class of 1970 exemplifies the Navy ethos of "Honor, Courage, and Commitment." These values have defined their commitment and dedication to the United States. Like many others before and after them, they have sacrificed long deployments, separation from loved ones, tests and trials that most Americans can't imagine. Some even sacrificed their life doing their duty. I know that new generations of midshipmen and future Naval and Marine Corps officers will be inspired by the rich heritage of service they have passed down to them.

As the U.S. Naval Academy class of 1970 gathers to mark forty years of service to our nation and to the U.S. Navy, Marine Corps, Air Force, Army, and Naval Academy, it is with great pleasure that I offer my gratitude for their service to our country.●

TRIBUTE TO MARY A. FRANCIS

● Ms. MURKOWSKI. Mr. President, today I pay tribute to an Alaskan who has devoted most of her adult life to education in Alaska. Dr. Mary A. Francis will retire today, June 30, 2010, from her positions as the executive director of both the Alaska Council of School Administrators and the Association of Alaska School Administrators. Her leadership, advocacy, encouragement, and experience will be missed.

Mary's career in education began as an English teacher. Over the course of time, her skills and dedication brought her to different jobs in communities across Alaska. Her first assignment as an administrator was as curriculum director for the Lower Kuskokwim School District, a district that includes some of Alaska's most remote villages along the Kuskokwim River in southwest Alaska. Later, as assistant superintendent in Fairbanks, she experienced life "in the big city"—a comparative term as Alaskan cities go. The bulk of her career, though, has been spent in southeast Alaska, as superintendent in Wrangell, a 12-year tenure as Petersburg's superintendent, and most recently 8 years in Juneau serving Alaska's school administrators.

It was in Petersburg where Mary's competence was recognized on the national stage when she was selected by her peers and recognized by the American Association of School Administrators as Alaska's Superintendent of the Year in 2000.

At the time of her retirement from Petersburg, Mary briefly considered spending her remaining years playing golf and enjoying life. She quickly realized that she would be bored stiff and accepted the position as executive director of the Alaska Council of School Administrators in 2002. This is not an easy job, as Mary was asked to represent the diverse perspectives of superintendents and other central office administrators, university professors, elementary and secondary principals, and school business officials. As executive director, Mary was also asked to assist these diverse member organizations to accomplish their mission: to provide leadership for and promotion of a collective professional voice in setting the educational agenda for Alaska. Throughout her tenure, Mary provided inspiration, authentic understanding, advocacy, and encouragement to the council as a whole as well as to its individual members.

Mary Francis has done this difficult job with grace, tact, firmness, and a sense of humor for 8 years. Mary noted, in announcing her resignation, "There is never a good time to make a decision to leave a position. However, ACSA's financial position is sound and with a working Strategic Plan in place, the organization is on solid footing now and for the future."

ACSA Board President Pete Swanson remarked, "Dr. Francis' resignation has been accepted with reluctance by the Board. She will be sorely missed as she provides just the right balance of oversight for our board and the AASA board for whom she also serves in the Executive Director capacity. Her ability to advocate for and represent the school administrators of Alaska with the Legislature and many statewide committee forums is considerable. Dr. Francis leaves a legacy of working

hard for the concerns and issues of Alaska's school administrators."

On behalf of the countless educators whose lives she has touched, I extend my gratitude to Dr. Mary A. Francis for her selfless dedication to advancing the cause of education in Alaska and I wish her a happy, healthy, and exciting retirement.●

REMEMBERING CEDRIC ERROLL FLOWERS, JR.

● Mr. SHELBY. Mr. President, I wish to pay tribute to Cedric Erroll Flowers, Jr., my dear friend who passed away on May 25, 2010.

Cedric was born and raised in Sumter County, AL, where he attended Demopolis High School. There, he developed an interest in English literature and world history, as well as a passion for music. He devoted his ample talents to the piano and the clarinet, the latter of which he played for the Demopolis High School concert band. This is remarkable given his failing, and eventual loss of, eyesight. Despite his blindness, Cedric excelled in high school.

Following graduation from Demopolis High School in 1951, Cedric enrolled at the Alabama Institute for the Deaf and Blind where he pursued his love of music. Without eyes to guide him, Cedric studied and mastered the art of piano tuning by ear. It was also at the Alabama Institute for the Deaf and Blind where he met Sue Akel, whom he would later marry in 1962.

After earning his degree from the Alabama Institute for the Deaf and Blind, Cedric took his newly acquired skills to Savannah, GA, where he cared for all the pianos within the Chatham County and Savannah City Schools. In 1954, he came back to Alabama where he performed this same invaluable service for the concert series program at my alma mater, the University of Alabama.

In 1964, Cedric opened his own business, Flowers Piano Company. Known as the "People Who Know Pianos," Flowers Piano Company began as a specialty piano retail store and a service-based enterprise. For many years, Cedric, who was also instrumental in founding the Tuscaloosa Music Merchants Association, served as the exclusive local dealer of high-end pianos in the Tuscaloosa area. As his business flourished, Cedric expanded the store's inventory to include band instruments and sheet music and offer beginner piano lessons.

Cedric's passion for tending to pianos did not cease with the establishment of his company. His skills as a Master Concert Tuner/Technician served the Piano Technicians Guild and the National Association of Music Merchants well. In fact, while continuing to serve and provide equipment to the University of Alabama, he worked with art-

ists and musical groups who performed in and around Tuscaloosa and Birmingham. His expertise and precision benefitted music and entertainment throughout Tuscaloosa and Jefferson Counties.

Cedric also served the Tuscaloosa community as a deacon at the First Presbyterian Church of Tuscaloosa and a volunteer for many music and art-related endeavors and causes.

A faithful member of the University of Alabama family, Cedric never missed game day play-by-play radio coverage of the Crimson Tide. I can only imagine how happy he was to hear the sweet sound of the Million Dollar Band playing "Yea, Alabama" in the Rose Bowl following the Tide's BCS National Championship victory this past January.

I was fortunate to have known Cedric during his time here, and I mourn his passing. He is loved and respected throughout our community and will be missed by his beloved wife of 47 years, Sue, and his daughter, Marcia. I ask the entire Senate to join me in recognizing and honoring the life of my friend, Cedric Erroll Flowers, Jr.●

RECOGNIZING GERALD PELLETIER INC.

● Ms. SNOWE. Mr. President, this summer, thousands of Mainers and Americans will be drawn to the town of Millinocket to enjoy the natural beauty of Maine's outdoors. This year, however, they will also have the opportunity to enjoy the bountiful meals provided by the Pelletier family at the Pelletier Loggers Family Restaurant. Besides serving up hearty Maine cooking to locals and tourists alike, the Pelletier family performs the herculean task of delivering many thousands of cords of firewood each year to the people of Maine through their extensive logging operations. As such, I rise today to honor the Pelletier family and their small business, Gerald Pelletier, Inc., which has continued to embrace the spirit of entrepreneurship by providing critical jobs to rural Mainers as well as serving the people of our State for over 50 years.

What began as a log hauling operation in 1954 by a father that wanted to put extra food on the table during the winter months, eventually developed into a successful logging operation employing family members and dozens of Mainers alike. Gerald Pelletier Inc., produces over 200,000 cords of firewood each year, much of which is hauled over the Golden Road, a treacherous logging highway cutting through the Maine woods to the Canadian border. The company's logging operation is carried out with the utmost care thanks to the training many of the workers receive through the Certified Logging Professionals program, which

trains and certifies loggers in safe, efficient, and environmentally sound logging practices. The company is also a member of the Sustainable Forestry Initiative, the Maine Forest Products Council, and the Professional Logging Contractors of Maine. Today, with brothers Eldon and Rudy Pelletier at the helm, Gerald Pelletier Inc. has over 100 employees during the frigid winter months that, in addition to logging, build and maintain roads and bridges throughout Maine.

Gerald Pelletier Inc. has become a very attractive operation thanks in large part to the television show *American Loggers*, which airs on the Discovery Channel. This popular show has catapulted the company into a bright spotlight, and thrust the family into a form of reality-stardom. Produced by a native son of Maine, the show portrays the struggles and successes of the family as it continues its work in one of Maine's most remarkable and historic industries.

With this newfound nationwide appeal, Gerald Pelletier Inc. was recently able to undertake another entrepreneurial endeavor, the Pelletier Loggers Family Restaurant in Millinocket. Their restaurant serves up hearty Maine meals prepared from scratch to an array of locals and visitors alike. Customers can order from a wide variety of creatively titled menu items like the Moose on the Loose, a 10 oz. filet mignon, or for those interested in sampling fresh seafood, the Triple Trailer, which is a seafood medley of lobster, scallops and shrimp.

While at the restaurant, customers from across the country can also get a true visual taste of the Maine logging experience. In front of the building, a tractor trailer truck can be seen bursting from the second floor. Inside, various tools used in the logging trade adorn the walls, including a rugged chainsaw that is stuck through one of the beams. Clearly, the Pelletiers have invested a great deal of effort in providing visitors with a thorough and fulfilling traditional experience.

Truly, Gerald Pelletier Inc. embodies the entrepreneurial spirit that makes America so great. The Pelletier family has shown that a small business can succeed through hard work and personal sacrifice. I extend my congratulations to Rudy and Eldon Pelletier, the two coowners, and everyone at Gerald Pelletier Inc. for their remarkable enterprises, and offer my best wishes for their future success.●

TRIBUTE TO LYDIA SAND

● Mr. THUNE. Mr. President, today I recognize Lydia Sand, an intern in my Sioux Falls, SD, office, for all of the hard work she has done for me, my staff, and the State of South Dakota over the past several weeks.

Lydia is a graduate of Washington High School in Sioux Falls, SD. Cur-

rently, she is attending Bethel University, where she is majoring in international relations. She is a hard worker who has been dedicated to getting the most out of her internship experience.

I would like to extend my sincere thanks and appreciation to Lydia for all of the fine work she has done and wish her continued success in the years to come.●

MESSAGES FROM THE HOUSE

At 10 a.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 5552. An act to amend the Internal Revenue Code of 1986 to require that the payment of the manufacturers' excise tax on recreational equipment be paid quarterly and to provide for the assessment by the Secretary of the Treasury of certain criminal restitution.

ENROLLED JOINT RESOLUTION SIGNED

At 10:20 a.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolution:

S.J. Res. 33. Joint resolution to provide for the reconsideration and revisions of the proposed constitution of the United States Virgin Islands to correct provisions inconsistent with the Constitution and Federal law.

The joint resolution was subsequently signed by the President pro tempore (Mr. INOUE).

At 11:25 a.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 65. Concurrent resolution providing for the use of the catafalque situated in the Exhibition Hall of the Capitol Visitor Center in connection with memorial services to be conducted in the United States Senate Chamber for the Honorable Robert C. Byrd, late a Senator from the State of West Virginia.

At 3:44 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 293. Concurrent resolution providing for a conditional adjournment of the House of Representatives and a conditional recess or adjournment of the Senate.

At 7:15 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4173) to provide for

financial regulatory reform, to protect consumers and investors, to enhance Federal understanding of insurance issues, to regulate the over-the-counter derivatives markets, and for other purposes.

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

H.R. 5623. An act to amend the Internal Revenue Code of 1986 to extend the home-buyer tax credit for the purchase of a principal residence before October 1, 2010, in the case of a written binding contract entered into with respect to such principal residence before May 1, 2010, and for other purposes.

MEASURES READ THE FIRST TIME

The following bill was read the first time:

H.R. 5552. An act to amend the Internal Revenue Code of 1986 to require that the payment of the manufacturers' excise tax on recreational equipment be paid quarterly and to provide for the assessment by the Secretary of the Treasury of certain criminal restitution.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, June 30, 2010, she had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 33. Joint resolution to provide for the reconsideration and revision of the proposed constitution of the United States Virgin Islands to correct provisions inconsistent with the Constitution and Federal law.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC-6467. A communication from the Director of the Regulatory Review Group, Farm Service Agency, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Reimbursement Transportation Cost Payment Program for Geographically Disadvantaged Farmers and Ranchers" (RIN0560-AI08) received in the Office of the President of the Senate on June 25, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-6468. A communication from the Chairman and President of the Export-Import Bank, transmitting, pursuant to law, a report relative to transactions involving U.S. exports to Ethiopia; to the Committee on Banking, Housing, and Urban Affairs.

EC-6469. A communication from the Federal Liaison Officer, Patent and Trademark Office, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Correspondence with the United States Patent and Trademark Office" (RIN0651-AC08) received in the Office of the President of the Senate on June 28, 2010; to

the Committee on Commerce, Science, and Transportation.

EC-6470. A communication from the Assistant Secretary for Export Administration, Bureau of Industry and Security, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Addition and Removal of Certain Persons on the Entity List: Addition of Persons Acting Contrary to the National Security or Foreign Policy Interests of the United States; Removal of Person Based on Removal Request" (RIN0694-AE92) received in the Office of the President of the Senate on June 24, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6471. A communication from the Director of Defense Procurement and Acquisition Policy, Department of Defense, transmitting, pursuant to law, the report of a rule entitled "Defense Federal Acquisition Regulation Supplement; Multiyear Contract Authority for Electricity from Renewable Energy Sources" (DFARS Case 2008-D006) received in the Office of the President of the Senate on June 24, 2010; to the Committee on Energy and Natural Resources.

EC-6472. A communication from the Acting Chair of the Federal Subsistence Board, Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Subsistence Management Regulations for Public Lands in Alaska—2010-11 and 2011-12 Subsistence Taking of Wildlife Regulations; Subsistence Taking of Fish on the Yukon River Regulations" (RIN1018-AW30) received in the Office of the President of the Senate on June 24, 2010; to the Committee on Environment and Public Works.

EC-6473. A communication from the Chief of the Branch of Listing, Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Endangered and Threatened Wildlife and Plants; Listing the Flying Earwig Hawaiian Damselfly and Pacific Hawaiian Damselfly as Endangered Throughout Their Ranges" (RIN1018-AV47) received in the Office of the President of the Senate on June 24, 2010; to the Committee on Environment and Public Works.

EC-6474. A communication from the Branch Chief, Division of Migratory Bird Management, Fish and Wildlife Services, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Migratory Bird Permits; Changes in the Regulations Governing Migratory Bird Rehabilitation" (RIN1018-AX09) received in the Office of the President of the Senate on June 24, 2010; to the Committee on Environment and Public Works.

EC-6475. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Extended Carryback of Losses to or from a Consolidated Group" ((TD 9490) (RIN1545-BJ12)) received in the Office of the President of the Senate on June 28, 2010; to the Committee on Finance.

EC-6476. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Disaster Relief" (Notice No. 2010-48) received in the Office of the President of the Senate on June 28, 2010; to the Committee on Finance.

EC-6477. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the

Treasury, transmitting, pursuant to law, the report of a rule entitled "Patient Protection and Affordable Care Act: Preexisting Condition Exclusions, Lifetime and Annual Limits, Rescissions, and Patient Protections" ((TD 9491) (RIN1545-BJ61)) received in the Office of the President of the Senate on June 28, 2010; to the Committee on Finance.

EC-6478. A communication from the Acting Deputy Assistant Administrator, Bureau for Legislative and Public Affairs, U.S. Agency for International Development (USAID), transmitting, pursuant to law, the Agency's response to the GAO report entitled "Information Security: Agencies Need to Implement Federal Desktop Core Configuration Requirements"; to the Committee on Foreign Relations.

EC-6479. A communication from the Assistant Secretary, Employee Benefits Security Administration, Department of Labor, transmitting, pursuant to law, the report of a rule entitled "Patient Protection and Affordable Care Act: Preexisting Condition Exclusions, Lifetime and Annual Limits, Rescissions, and Patient Protections; Interim Final Rule" (RIN1210-AB43) received in the Office of the President of the Senate on June 28, 2010; to the Committee on Health, Education, Labor, and Pensions.

EC-6480. A communication from the Assistant General Counsel for Regulatory Services, Office of Management, Department of Education, transmitting, pursuant to law, the report of a rule entitled "Availability of Information to the Public" (RIN1880-AA84) received in the Office of the President of the Senate on June 25, 2010; to the Committee on Health, Education, Labor, and Pensions.

EC-6481. A communication from the Assistant General Counsel for Regulatory Services, Office of Special Education and Rehabilitative Services, Department of Education, transmitting, pursuant to law, the report of a rule entitled "National Institute on Disability and Rehabilitation Research (NIDRR)—Disability and Rehabilitation Research Projects and Centers Program—Rehabilitation Research and Training Centers (RRTCs)—Improved Outcomes for Individuals with Psychiatric Disabilities" (CFDA No. 84.133B-5) received in the Office of the President of the Senate on June 28, 2010; to the Committee on Health, Education, Labor, and Pensions.

EC-6482. A communication from the Deputy Director of Regulations and Policy Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Dental Devices: Classification of Dental Amalgam, Reclassification of Dental Mercury, Designation of Special Controls for Dental Amalgam, Mercury, and Amalgam Alloy; Technical Amendments" (Docket No. FDA-2008-N-0163) received in the Office of the President of the Senate on June 25, 2010; to the Committee on Health, Education, Labor, and Pensions.

EC-6483. A communication from the Program Manager, Office of the Secretary, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Interim Final Rules Under the Patient Protection and Affordable Care Act Regarding Preexisting Condition Exclusions, Lifetime and Annual Limits, Rescissions, Prohibition on Discrimination in Favor of the Highly Compensated, and Patient Protections" (RIN0991-AB69) received in the Office of the President of the Senate on June 23, 2010; to the Committee on Health, Education, Labor, and Pensions.

EC-6484. A communication from the Acting Director, Legislative and Regulatory Depart-

ment, Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the report of a rule entitled "Allocation of Assets in Single-Employer Plans; Benefits Payable in Terminated Single-Employer Plans; Interest Assumptions for Valuing and Paying Benefits" (29 CFR Parts 4022 and 4044) received in the Office of the President of the Senate on June 25, 2010; to the Committee on Health, Education, Labor, and Pensions.

EC-6485. A communication from the Assistant General Counsel for Regulations, Office of Safe and Drug-Free Schools, Department of Education, transmitting, pursuant to law, the report of a rule entitled "Carol M. White Physical Education Program; Catalog of Federal Domestic Assistance (CFDA) Number 84.215F" received in the Office of the President of the Senate on June 29, 2010; to the Committee on Health, Education, Labor, and Pensions.

EC-6486. A communication from the Acting Director of Interpretations and Regulatory Affairs Division, Wage and Hour Division, Department of Labor, transmitting, pursuant to law, the report of a rule entitled "Child Labor Regulations, Orders and Statements of Interpretation" (RIN1215-AB70 and RIN1245-AA00) received in the Office of the President of the Senate on June 30, 2010; to the Committee on Health, Education, Labor, and Pensions.

EC-6487. A communication from the Deputy Director of Regulations and Policy Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Listing of Color Additives Exempt From Certification; Bismuth Citrate; Confirmation of Effective Date" (Docket No. FDA-2008-C-0098) received in the Office of the President of the Senate on June 30, 2010; to the Committee on Health, Education, Labor, and Pensions.

EC-6488. A communication from the Secretary of the Department of Health and Human Services, transmitting, pursuant to law, the fiscal year 2009 performance report to Congress relative to the Animal Generic Drug User Fee Act; to the Committee on Health, Education, Labor, and Pensions.

EC-6489. A communication from the Railroad Retirement Board, transmitting, pursuant to law, the Board's Annual Railroad Unemployment Insurance System Report; to the Committee on Health, Education, Labor, and Pensions.

EC-6490. A communication from the Deputy Archivist, Information Security Oversight Office, National Archives and Records Administration, transmitting, pursuant to law, the report of a rule entitled "Classified National Security Information" (RIN3095-AB63) received in the Office of the President of the Senate on June 29, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC-6491. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, the Office's Federal Activities Inventory Reform Act Inventory Summary as of June 30, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC-6492. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, a report relative to the GAO report entitled "Information Security: Agencies Need to Implement Federal Desktop Core Configuration Requirements (FDCC)"; to the Committee on Homeland Security and Governmental Affairs.

EC-6493. A communication from the Department of State, transmitting, pursuant to

law, a report relative to the transfer of detainees (OSS Control No. 2010-0978); to the Committee on the Judiciary.

EC-6494. A communication from the Rules Administrator, Federal Bureau of Prisons, Department of Justice, transmitting, pursuant to law, the report of a rule entitled "Administrative Remedy Program: Exception to Initial Filing Procedures" (RIN1120-AB59) received in the Office of the President of the Senate on June 29, 2010; to the Committee on the Judiciary.

EC-6495. A communication from the Federal Liaison Officer, Patent and Trademark Office, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Trademark Technical and Conforming Amendments" (RIN0651-AC39) received in the Office of the President of the Senate on June 25, 2010; to the Committee on the Judiciary.

EC-6496. A communication from the Deputy General Counsel, Office of Disaster Assistance, Small Business Administration, transmitting, pursuant to law, the report of a rule entitled "Disaster Assistance Loan Program" (RIN3245-AF98) as received in the Office of the President of the Senate on June 25, 2010; to the Committee on Small Business and Entrepreneurship.

EC-6497. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "1-Naphthaleneacetic Acid; Time-Limited Tolerance, Technical Correction" (FRL No. 8831-6) received in the Office of the President of the Senate on June 29, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-6498. A communication from the Under Secretary of Defense (Comptroller), transmitting, pursuant to law, a report relative to two violations of the Antideficiency Act that occurred within the Department of the Army and was assigned case numbers 06-03 and 07-03; to the Committee on Appropriations.

EC-6499. A communication from the Acting Assistant Secretary, Bureau of Political-Military Affairs, Department of State, transmitting, pursuant to law, an addendum to a certification, transmittal number: DDTC 10-008, of the proposed sale or export of defense articles, including technical data, and defense services to a Middle East country regarding any possible affects such a sale might have relating to Israel's Qualitative Military Edge over military threats to Israel; to the Committee on Armed Services.

EC-6500. A communication from the Assistant Secretary, Bureau of Political-Military Affairs, Department of State, transmitting, pursuant to law, an addendum to a certification, transmittal number: DDTC 10-056, of the proposed sale or export of defense articles, including technical data, and defense services to a Middle East country regarding any possible affects such a sale might have relating to Israel's Qualitative Military Edge over military threats to Israel; to the Committee on Armed Services.

EC-6501. A communication from the Acting Chairman of the Joint Chiefs of Staff, transmitting, pursuant to law, two reports relative to terrorist threats to military installations; to the Committee on Armed Services.

EC-6502. A communication from the Acting Under Secretary of Defense (Acquisition, Technology and Logistics), transmitting, pursuant to law, a report relative to the operations of the National Defense Stockpile (NDS); to the Committee on Armed Services.

EC-6503. A communication from the Chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, a report on the remaining obstacles to the efficient and timely circulation of \$1 coins; to the Committee on Banking, Housing, and Urban Affairs.

EC-6504. A communication from the President and Chief Executive Officer, Federal Home Loan Bank of Topeka, transmitting, pursuant to law, a report on the Bank's system of internal controls for fiscal year 2009; to the Committee on Banking, Housing, and Urban Affairs.

EC-6505. A communication from the Assistant Secretary for Export Administration, Bureau of Industry and Security, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Addition of New Export Control Classification Number 6A981 Passive Infrasonic Sensors to the Commerce Control List of the Export Administration Regulations, and Related Amendments" (RIN0694-AE44) received in the Office of the President of the Senate on June 30, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6506. A communication from the Assistant Secretary of Land and Minerals Management, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Annular Casing Pressure Management for Offshore Wells" (RIN1010-AD47) received in the Office of the President of the Senate on June 30, 2010; to the Committee on Energy and Natural Resources.

EC-6507. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Office of Management and Budget (OMB) Approvals Under the Paperwork Reduction Act; Technical Amendment" (FRL No. 8833-7) received in the Office of the President of the Senate on June 29, 2010; to the Committee on Environment and Public Works.

EC-6508. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "National Emission Standards for Hazardous Air Pollutants From Petroleum Refineries" (FRL No. 9169-7) received in the Office of the President of the Senate on June 29, 2010; to the Committee on Environment and Public Works.

EC-6509. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "National Emission Standards for Hazardous Air Pollutants for Reciprocating Internal Combustion Engines" (FRL No. 9169-6) received in the Office of the President of the Senate on June 29, 2010; to the Committee on Environment and Public Works.

EC-6510. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Regulation of Fuels and Fuel Additives: Modifications to Renewable Fuel Standard Program" (FRL No. 9169-9) received in the Office of the President of the Senate on June 29, 2010; to the Committee on Environment and Public Works.

EC-6511. A communication from the Director of the Regulatory Management Division,

Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; California; Motor Vehicle Inspection and Maintenance Program" (FRL No. 9112-8) received in the Office of the President of the Senate on June 29, 2010; to the Committee on Environment and Public Works.

EC-6512. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans; State of Iowa" (FRL No. 9170-6) received in the Office of the President of the Senate on June 29, 2010; to the Committee on Environment and Public Works.

EC-6513. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Temporary Suspension of Certain Oil Spill Response Time Requirements to Support Deepwater Horizon Oil Spill of National Significance (SONS) Response" (RIN1625-AB49 and RIN2050-AG63) received in the Office of the President of the Senate on June 29, 2010; to the Committee on Environment and Public Works.

EC-6514. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Revisions to California State Implementation Plan, Imperial County Air Pollution Control District" (FRL No. 9169-2) received in the Office of the President of the Senate on June 30, 2010; to the Committee on Environment and Public Works.

EC-6515. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Finding of Attainment for PM10 for the Mendenhall Valley PM10 Nonattainment Area, Alaska" (FRL No. 9171-4) received in the Office of the President of the Senate on June 30, 2010; to the Committee on Environment and Public Works.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committee were submitted:

By Mr. KERRY, from the Committee on Foreign Relations:

[Treaty Doc. 111-1 Tax Convention with Malta with 1 declaration (Ex. Rept. 111-3); and Treaty Doc. 111-3 Protocol Amending Tax Convention with New Zealand with 1 declaration (Ex. Rept. 111-4)]

The text of the committee-recommended resolutions of advice and consent to ratification are as follows:

111-1: TAX CONVENTION WITH MALTA

Resolved (two-thirds of the Senators present concurring therein),

Section 1. Senate Advice and Consent Subject to a Declaration.

The Senate advises and consents to the ratification of the Convention Between the Government of the United States of America and the Government of Malta for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on

Income, signed on August 8, 2008, at Valletta (the "Convention") (Treaty Doc. 111-1), subject to the declaration of section 2.

Section 2. Declaration.

The advice and consent of the Senate under section 1 is subject to the following declaration:

The Convention is self-executing.

111-3: PROTOCOL AMENDING TAX CONVENTION WITH NEW ZEALAND

Resolved (two-thirds of the Senators present concurring therein),

Section 1. Senate Advice and Consent Subject to a Declaration.

The Senate advises and consents to the ratification of the Protocol Amending the Convention between the United States of America and New Zealand for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, signed on December 1, 2008, at Washington (the "Protocol") (Treaty Doc. 111-3), subject to the declaration of section 2.

Section 2. Declaration.

The advice and consent of the Senate under section 1 is subject to the following declaration:

The Protocol is self-executing.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of nominations were submitted:

By Mrs. LINCOLN for the Committee on Agriculture, Nutrition, and Forestry.

*Elisabeth Ann Hagen, of Virginia, to be Under Secretary of Agriculture for Food Safety.

*Sara Louise Faivre-Davis, of Texas, to be a Member of the Board of Directors of the Federal Agricultural Mortgage Corporation.

*Lowell Lee Junkins, of Iowa, to be a Member of the Board of Directors of the Federal Agricultural Mortgage Corporation.

*Myles J. Watts, of Montana, to be a Member of the Board of Directors of the Federal Agricultural Mortgage Corporation.

*Catherine E. Woteki, of the District of Columbia, to be Under Secretary of Agriculture for Research, Education, and Economics.

By Mr. BAUCUS for the Committee on Finance.

*Francisco J. Sanchez, of Florida, to be Under Secretary of Commerce for International Trade.

*Richard Sorian, of New York, to be an Assistant Secretary of Health and Human Services.

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. BROWN of Massachusetts:

S. 3551. A bill to provide a fully offset extension of emergency unemployment insurance assistance, enhanced Medicaid FMAP reimbursements, and summer employment for youth, and for other purposes; to the Committee on Finance.

By Mr. ENSIGN (for himself, Mr. REID, Mr. HATCH, Mr. BEGICH, and Mr. BENNETT):

S. 3552. A bill to require an Air Force study on the threats to, and sustainability of, the air test and training range infrastructure; to the Committee on Armed Services.

By Ms. STABENOW (for herself, Mr. DURBIN, Ms. KLOBUCHAR, Mr. SCHUMER, Mr. LEVIN, Mr. BROWN of Ohio, Mr. FRANKEN, Mr. BURRIS, Mrs. GILLIBRAND, and Mr. CASEY):

S. 3553. A bill to require the Secretary of the Army to study the feasibility of the hydrological separation of the Great Lakes and Mississippi River Basins; to the Committee on Environment and Public Works.

By Mr. MENENDEZ:

S. 3554. A bill to direct the Federal Trade Commission to promulgate rules prohibiting deceptive advertising of abortion services, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. JOHNSON (for himself and Mr. THUNE):

S. 3555. A bill to designate the Federal building and United States courthouse located at 515 9th Street in Rapid City, South Dakota, as the "Andrew W. Bogue Federal Building and United States Courthouse"; to the Committee on Environment and Public Works.

By Mr. BROWNBACK (for himself and Mr. BOND):

S. 3556. A bill to amend the Internal Revenue Code of 1986 to allow the work opportunity credit to small businesses which hire individuals who are members of the Ready Reserve or National Guard; to the Committee on Finance.

By Mr. DODD (for himself, Mr. DURBIN, and Mr. KERRY):

S. 3557. A bill to provide for Kindergarten Plus programs; to the Committee on Health, Education, Labor, and Pensions.

By Mr. DODD:

S. 3558. A bill to improve the No Child Left Behind Act of 2001, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. DODD:

S. 3559. A bill to amend the Elementary and Secondary Education Act of 1965 to strengthen mentoring programs, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. SCHUMER (for himself, Mr. MENENDEZ, Mr. LAUTENBERG, and Mrs. GILLIBRAND):

S. 3560. A bill to instruct the Secretary of State to designate the Pakistani Taliban as a foreign terrorist organization; to the Committee on Foreign Relations.

By Mr. UDALL of New Mexico (for himself and Mr. WHITEHOUSE):

S. 3561. A bill to establish centers of excellence for green infrastructure, and for other purposes; to the Committee on Environment and Public Works.

By Mr. NELSON of Nebraska:

S. 3562. A bill to rename the Homestead National Monument of America near Beatrice, Nebraska, as the Homestead National Historical Park; to the Committee on Energy and Natural Resources.

By Mr. MERKLEY (for himself, Mr. BOND, and Mr. BAYH):

S. 3563. A bill to amend the Small Business Act to temporarily designate as a HUBZone counties that are most affected by a recession; to the Committee on Small Business and Entrepreneurship.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. GRAHAM (for himself and Mr. DEMINT):

S. Res. 575. A resolution congratulating the University of South Carolina baseball team for winning the 2010 NCAA Division I Baseball National Championship; to the Committee on the Judiciary.

By Mrs. MURRAY (for herself and Ms. CANTWELL):

S. Res. 576. A resolution expressing support for designation of June 30, 2010, as "National ESIGN Day 2010"; considered and agreed to.

By Ms. MIKULSKI (for herself and Mr. CARDIN):

S. Res. 577. A resolution commemorating the remarkable life of patriotism, conviction, and compassion led by Chaplain Henry Vinton Plummer; considered and agreed to.

By Mr. BROWN of Ohio (for himself, Mr. LUGAR, Mrs. LINCOLN, Mr. CHAMBLISS, Mr. GRASSLEY, Mrs. GILLIBRAND, Mr. BENNETT, Mr. COCHRAN, Mr. BAUCUS, and Mr. CASEY):

S. Res. 578. A resolution designating June 2010 as "Summer Food Service Program Awareness Month"; considered and agreed to.

By Mr. WARNER (for himself, Mr. WEBB, Mrs. HAGAN, and Mr. BURR):

S. Con. Res. 66. A concurrent resolution to commemorate the 75th anniversary of the Blue Ridge Parkway; to the Committee on Energy and Natural Resources.

By Mr. VOINOVICH (for himself and Mrs. SHAHEEN):

S. Con. Res. 67. A concurrent resolution celebrating 130 years of United States—Romanian diplomatic relations, congratulating the Romanian people on their achievements as a great nation, and reaffirming the deep bonds of trust and values between the United States and Romania, a trusted and most valued ally; considered and agreed to.

ADDITIONAL COSPONSORS

S. 931

At the request of Mr. FEINGOLD, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. 931, a bill to amend title 9 of the United States Code with respect to arbitration.

S. 1382

At the request of Mr. DODD, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 1382, a bill to improve and expand the Peace Corps for the 21st century, and for other purposes.

S. 1489

At the request of Ms. SNOWE, the name of the Senator from Oregon (Mr. MERKLEY) was added as a cosponsor of S. 1489, a bill to amend the Small Business Act to create parity among small business contracting programs, and for other purposes.

S. 1624

At the request of Mr. WHITEHOUSE, the name of the Senator from Hawaii (Mr. INOUE) was added as a cosponsor of S. 1624, a bill to amend title 11 of the

United States Code, to provide protection for medical debt homeowners, to restore bankruptcy protections for individuals experiencing economic distress as caregivers to ill, injured, or disabled family members, and to exempt from means testing debtors whose financial problems were caused by serious medical problems, and for other purposes.

S. 1674

At the request of Mr. WYDEN, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 1674, a bill to provide for an exclusion under the Supplemental Security Income program and the Medicaid program for compensation provided to individuals who participate in clinical trials for rare diseases or conditions.

S. 2747

At the request of Mr. BINGAMAN, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 2747, a bill to amend the Land and Water Conservation Fund Act of 1965 to provide consistent and reliable authority for, and for the funding of, the land and water conservation fund to maximize the effectiveness of the fund for future generations, and for other purposes.

S. 2765

At the request of Mr. KERRY, the name of the Senator from Rhode Island (Mr. WHITEHOUSE) was added as a cosponsor of S. 2765, a bill to amend the Small Business Act to authorize loan guarantees for health information technology.

S. 2814

At the request of Ms. COLLINS, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 2814, a bill to amend title XVIII of the Social Security Act to ensure more timely access to home health services for Medicare beneficiaries under the Medicare program.

S. 2995

At the request of Mr. CARPER, the name of the Senator from Maryland (Mr. CARDIN) was added as a cosponsor of S. 2995, a bill to amend the Clean Air Act to establish a national uniform multiple air pollutant regulatory program for the electric generating sector.

S. 2998

At the request of Mrs. GILLIBRAND, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 2998, a bill to temporarily expand the V nonimmigrant visa category to include Haitians whose petition for a family-sponsored immigrant visa was approved on or before January 12, 2010.

S. 3034

At the request of Mr. SCHUMER, the name of the Senator from Utah (Mr. BENNETT) was added as a cosponsor of S. 3034, a bill to require the Secretary of the Treasury to strike medals in

commemoration of the 10th anniversary of the September 11, 2001, terrorist attacks on the United States and the establishment of the National September 11 Memorial & Museum at the World Trade Center.

S. 3062

At the request of Mr. CARPER, the name of the Senator from Delaware (Mr. KAUFMAN) was added as a cosponsor of S. 3062, a bill to extend credits related to the production of electricity from offshore wind, and for other purposes.

S. 3073

At the request of Mr. VOINOVICH, the name of the Senator from New York (Mrs. GILLIBRAND) was added as a cosponsor of S. 3073, a bill to amend the Federal Water Pollution Control Act to protect and restore the Great Lakes.

S. 3122

At the request of Mr. ENSIGN, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 3122, a bill to require the Attorney General of the United States to compile, and make publicly available, certain data relating to the Equal Access to Justice Act, and for other purposes.

S. 3211

At the request of Mrs. SHAHEEN, the name of the Senator from Illinois (Mr. BURRIS) was added as a cosponsor of S. 3211, a bill to amend title XVIII of the Social Security Act to improve access to diabetes self-management training by designating certain certified diabetes educators as certified providers for purposes of outpatient diabetes self-management training services under part B of the Medicare Program.

S. 3260

At the request of Mr. HARKIN, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 3260, a bill to enhance and further research into the prevention and treatment of eating disorders, to improve access to treatment of eating disorders, and for other purposes.

S. 3320

At the request of Mr. WHITEHOUSE, the names of the Senator from Minnesota (Ms. KLOBUCHAR) and the Senator from Alaska (Mr. BEGICH) were added as cosponsors of S. 3320, a bill to amend the Public Health Service Act to provide for a Pancreatic Cancer Initiative, and for other purposes.

S. 3462

At the request of Mrs. SHAHEEN, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 3462, a bill to provide subpoena power to the National Commission on the British Petroleum Oil Spill in the Gulf of Mexico, and for other purposes.

S. 3497

At the request of Mr. BROWN of Massachusetts, the name of the Senator from Michigan (Ms. STABENOW) was

added as a cosponsor of S. 3497, a bill to amend the Outer Continental Shelf Lands Act to require leases entered into under that Act to include a plan that describes the means and timeline for containment and termination of an ongoing discharge of oil, and for other purposes.

S. 3549

At the request of Mr. TESTER, the names of the Senator from Delaware (Mr. CARPER), the Senator from North Carolina (Mrs. HAGAN) and the Senator from New York (Mrs. GILLIBRAND) were added as cosponsors of S. 3549, a bill to amend the effective date of the gift card provisions of the Credit Card Accountability Responsibility and Disclosure Act of 2009.

S.J. RES. 29

At the request of Mrs. FEINSTEIN, the names of the Senator from Arkansas (Mrs. LINCOLN) and the Senator from New Mexico (Mr. UDALL) were added as cosponsors of S.J. Res. 29, a joint resolution approving the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003.

S. CON. RES. 63

At the request of Mr. JOHNSON, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. Con. Res. 63, a concurrent resolution expressing the sense of Congress that Taiwan should be accorded observer status in the International Civil Aviation Organization (ICAO).

AMENDMENT NO. 4425

At the request of Mr. ROCKEFELLER, his name was added as a cosponsor of amendment No. 4425 proposed to H.R. 4213, a bill to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes.

AMENDMENT NO. 4430

At the request of Mrs. BOXER, the name of the Senator from Oregon (Mr. MERKLEY) was added as a cosponsor of amendment No. 4430 intended to be proposed to H.R. 5297, an act to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BROWN of Massachusetts: S. 3551. A bill to provide a fully offset extension of emergency unemployment insurance assistance, enhanced Medicaid FMAP reimbursements, and summer employment for youth, and for other purposes; to the Committee on Finance.

Mr. BROWN of Massachusetts. Mr. President, I rise to speak about legislation that I have introduced today in

the Senate. The name of the bill is the Fiscally Responsible Relief for Our States Act of 2010.

As you know, over the past week, the Senate has vigorously debated three different versions of the extenders bill, and we will be debating a version of it again today. Even though it is true each of these packages contained extensions of programs important to all of our constituents, especially in these tough economic times—such as emergency unemployment benefits, which I know we are trying to work on again today; increased FMAP reimbursements; and funding for summer jobs for the youth throughout America—it is also true that each of these packages contained billions of dollars of tax increases for businesses, and each added billions to our record \$13 trillion and rising national debt which our kids and grandkids and great-grandchildren will have a difficult time paying back, and they will have the responsibility to pay it back.

A lot of what I am proposing today in this bill, and other bills that we will probably be discussing, is whether we should use our bank account or we should put it on our credit card. That is all we are talking about. We are not talking about the viability of these proposals. Of course we want to help with summer jobs. Of course we want to help people who are hurting with unemployment insurance. Of course we want to provide FMAP and Medicaid reimbursements to help our struggling States. But do we use our checking account or do we use the credit card? I am in favor of using the checking account by using unallocated stimulus dollars, by finding other monies that are in the so-called slush funds that haven't been used in years or are still available or cutting across the board in various entities to come up with the money we need to fund these programs.

As I said, no one is disputing the value of these very important programs, especially in my home State of Massachusetts, but throughout the country as well. Our economy has shown signs of slowly recovering, but people out of work certainly need some help to search for new employment and, as I said, States need help in providing funding for some of the most vulnerable in our population. But we also have to make tough choices, and we have to live within our means.

It is clear the American people want their elected Representatives in Congress to start paying for the initiatives and start exercising the type of fiscal responsibility as each and every citizen in Massachusetts and in America is already doing. They are looking to us for guidance to show a better way. They are challenging us to do it better, to look outside the box and pay for things with the checking account, not the credit card; to not continue to add to the debt, continuously adding to the debt.

As evidenced by what the Banking Committee chairman did—and he is sitting in the Chamber of the Senate—they thought about it a little better. They found a way to pay for the financial reform bill. They did better. They thought outside the box. Why can't we do the same?

Today I introduce the Fiscally Responsible Relief for Our States Act of 2010. It provides for an extension of emergency unemployment benefits through November 30, 2010. It also includes extension of enhanced FMAP reimbursements for States. But also, as has been previously discussed, it includes the gradual drawdown of the enhanced funding because we need to send a clear message to the State governments that they must get their own fiscal houses in order and they cannot always come to the Federal Government with a can saying: Please help us. So we need to ensure that we do the necessary reforms to ensure their future budgetary viability is real and so is that of the Federal Government.

Last, this proposal I am making provides important summer jobs—obviously summer is just starting—for the youth in our cities and towns.

The cost of extending these programs is fully paid for through the rescission of unobligated Federal funds including stimulus funding as well as cuts in other areas. In fact, my legislation reduces the deficit, all of this accomplished without raising taxes on businesses at a time they cannot afford it, or when our economy is just about to recover, putting more and more burdens on businesses and individuals in the middle of a 2-year recession. Some of these pay-fors are even provisions the majority party has supported in previous bills.

My legislation is an attempt to compromise, listening to the concerns of so many Americans who have called for us to extend these programs but also taking into consideration not burdening future generations. Some of them are sitting right here. It will allow us to provide for the needs of our citizens without putting more debt on the credit card. Once again, it is the checking account versus the credit card. Commending Senator DODD for what they did with the bill we are going to be discussing next week, that is a perfect example of thinking outside the box and finding a way to pay for a lot of these things we are trying to do. If we use these commonsense steps, we can get our fiscal house in order, and we will continue to put our country on the path to recovery.

Madam President, I have great respect for you and everyone in this Chamber. I have been in Washington a little over 5 months now. I have been following you and others—it seems that everybody is following my voting record. It speaks for itself in that I worked to work across party lines to

solve problems. But the thing that is a problem is, it needs to be a two-way street. Bipartisanship is not just from the new Senator from Massachusetts. It needs to be with the majority party looking outside the box, as Senator DODD and his team did, to find a realistic solution to pay for a lot of these things the people are requesting, that they expect. But they also expect us to use fiscal sanity and fiscal responsibility to do our very best, to get the job done. It is not only good for Massachusetts, it is good for this Nation.

By Mr. DODD (for himself, Mr. DURBIN, and Mr. KERRY):

S. 3557. A bill to provide for Kindergarten Plus programs; to the Committee on Health, Education, Labor, and Pensions.

Mr. DODD. Mr. President, I rise today to reintroduce legislation to jump-start the chances for success of low-income children entering school. Today, I am introducing the Sandy Feldman Kindergarten Plus Act of 2010.

The Kindergarten Plus Act will provide children below 185 percent of the poverty line with additional time in school during the summers before and after the traditional kindergarten school year to ensure more children enter school ready to succeed.

Too many low-income children enter school unprepared because they have not had the same resources as their more affluent peers. As exhibited by the nation's achievement gap which is already well-established prior to kindergarten, it becomes difficult for them to ever catch-up.

We must do a better job of preparing less fortunate children for school. To do this, we should expose them to classroom practices, introduce them to critical educational concepts, and familiarize them with school activities such as story time or circle time. Ultimately, we need to provide them with a solid foundation that allows them to enter school with the skills necessary to become strong students.

Only 39 percent of low-income children, compared to about 85 percent of high-income children, can recognize letters of the alphabet upon arrival in kindergarten. Moreover, low-income children often have a more limited vocabulary. By the time they are in first grade, children in low-income families have on average 5,000 words in their vocabulary. In contrast, children from more affluent families enter school with vocabularies of about 20,000 words. These startling discrepancies should tell us that more needs to be done to help all children enter school with an equal opportunity for success. This legislation strives to provide these opportunities and to lessen the achievement gap by giving low-income children more support and exposure to quality education.

This legislation was named after Sandy Feldman who was a tireless advocate for children and public education. Her commitment to social justice and her focus on early childhood education led her to develop the concept for this legislation, and it was Sandy who spent countless hours developing the details to ensure this would be a high-quality initiative.

This bill is supported by the American Federation of Teachers. I urge my colleagues to join this effort and co-sponsor this legislation. I encourage them to help give low-income children a jump-start on school success. .

By Mr. DODD:

S. 3558. A bill to improve the No Child Left Behind Act of 2001, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. DODD. Mr. President, 9 years ago I and many of my colleagues supported the No Child Left Behind Act because every American child deserves an education that opens up opportunities for success and prepares him or her for the 21st century economy.

Today, because the high hopes we had for this law have not been realized, I rise to reintroduce the No Child Left Behind Reform Act.

The objective of the law we passed nearly a decade ago was the right one. Students, parents, teachers, principals, and other stakeholders all agree that educators and schools should be held accountable for the results they are getting on behalf of our children.

But instead of rewarding excellence, No Child Left Behind has turned out to be a law that punishes our schools, further straining those that already were in need of help. At times, the law has been implemented rigidly and with little regard for what is actually going on in schools. The previous administration's repeated failure to live up to funding promises has robbed our efforts to improve our education system of the resources that would make success possible.

We can have accountability without a regime of draconian punishments for schools that fall behind. What we cannot have is an inflexible and unfunded mandate that fails school districts, teachers, and, worst of all, the very students whose futures are at stake.

Although the legislation I am introducing today does not deal with the issue of funding, I do want to note that it simply will not work if we treat education as anything less than an urgent budget priority. This administration has made a solid commitment to education funding, and I was pleased to see that commitment bear fruit in the form of funding through the Recovery Act.

I am also heartened to see that the administration supports comprehensive reform of No Child Left Behind. Reform

does not mean repeal. The fundamental aim of the law was right. Accountability is as important now as it was when we passed the law.

The two main reforms my legislation makes are designed to enforce accountability with measures that accurately reflect student performance and to encourage better teacher performance without the imposition of mandates that make it harder to ensure that students are taught by qualified and dedicated educators.

First, my legislation will allow schools to be given credit for performing well on measures other than test scores when calculating student achievement.

Test scores are important measures of what students know. But they are not the only, or even necessarily the best, measures of how much progress a school's student body has made. Drop-out rates, participation in advanced placement courses, individual student improvement over time—these are metrics that can tell us not just where students are, but how far they have come.

Unfortunately, current law only allows these measures to show how schools are failing, not to reflect how schools are succeeding. When more kids are taking advanced courses or fewer are dropping out, a school is doing something right—and it should receive credit for doing so.

Second, my legislation reforms the teacher certification process.

The next student, parent, or, indeed, teacher I meet who does not believe educators should be highly qualified will be the first. But under the current law, "highly qualified" is poorly defined.

For instance, a high school science teacher could be required to hold degrees in biology, physics, and chemistry to be considered highly qualified. In small schools where there may be only one 7th or 8th grade teacher teaching all subjects, these teachers could similarly be required to hold degrees in every subject area.

The result is a shortage of teachers and a surplus of confusion.

My bill will allow states to create a single assessment covering multiple subjects for middle school teachers and allow states to issue a broad certification for science and social studies.

No Child Left Behind was supposed to challenge our schools to do better. Instead, it has become an obstacle to progress, a struggle that often distracts from the business of education. As we reauthorize the law—and we should—we must reform it so that it encourages students, educators, and school administrators to do better instead of punishing them when they fall behind.

Every American child deserves to be taught by a great teacher in a great school. Until we reach that goal, we

must always dedicate our time and resources towards helping students succeed. Until our laws are moving us towards that goal, we must continue to reform them.

I urge my colleagues to join me in supporting this important legislation.

By Mr. DODD:

S. 3559. A bill to amend the Elementary and Secondary Education Act of 1965 to strengthen mentoring programs, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. DODD. Mr. President, today I rise to introduce the Mentoring America's Children Act of 2010, which will help promote positive youth development for children.

Approximately 17.6 million young people, which is nearly half the population between ages 10 and 18, live in situations that put them at risk of not living up to their potential. Without intervention by caring adults, these young people could make choices that undermine their future as well as the economic and social well-being of our Nation.

Mentoring programs that provide youth with support, advice, friendship, positive reinforcement, and constructive examples have proved to be a powerful tool for enhancing positive development among youth. I, myself, was a mentor in the Big Brother Program in Connecticut, and I saw first-hand the impact these programs have on the children involved. Research has found that mentored youth have fewer school absences, better attitudes towards school, less drug and alcohol abuse, fewer incidents of hitting, better relationships with their parents, and more positive attitudes towards helping others. Mentored youth are also more likely to graduate from high school and go on to higher education. Thus, mentoring invests not only in the individual child, but our Nation's future success. However, approximately 14.6 million young people are in need of mentors; they are part of what we call our nation's "mentoring gap."

The Mentoring America's Children Act of 2010 amends the Elementary and Secondary Education Act of 1965 ESEA, in order to strengthen the mentoring program in several ways. First, it will update the purpose of the program to include character education and school connectedness, which has been found to reduce school absentee rates and improve academic performance. This bill broadens the scope of mentoring to include special populations such as indigenous youth, delinquent and neglected populations, and programs targeting middle and high school migrant youth. All of these special populations are at increased risk of not reaching their potential.

The Mentoring America's Children Act of 2010 also provides training and

technical assistance to grantees, tracks student outcomes, and improves the sustainability of grant recipients. Finally, it strengthens the research related to school-based mentoring to help inform future mentoring programs in order to best meet the needs of our youth.

Mentoring plays a key role in improving the lives of youth, especially those from disadvantaged backgrounds. It is critical that we invest in our youth and help provide them with the opportunities to reach their potential. Thus, I urge my colleagues to join me in supporting the Mentoring America's Children Act of 2010. Together we can invest in the lives of our youth and improve the future of our nation.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 575—CONGRATULATING THE UNIVERSITY OF SOUTH CAROLINA BASEBALL TEAM FOR WINNING THE 2010 NCAA DIVISION I BASEBALL NATIONAL CHAMPIONSHIP

Mr. GRAHAM (for himself and Mr. DEMINT) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 575

Whereas on June 29, 2010, the University of South Carolina Gamecocks won the 2010 NCAA College World Series with a 2-to-1 victory over the University of California, Los Angeles Bruins at Johnny Rosenblatt Stadium in Omaha, Nebraska;

Whereas the University of South Carolina baseball team has secured the University's first national championship in men's athletics since the founding of the institution in 1801;

Whereas the University of South Carolina baseball team won six straight games to win the national championship in the ninth appearance of the team at the College World Series;

Whereas the University of South Carolina Gamecocks won the final College World Series hosted at the historic Johnny Rosenblatt Stadium, which has hosted the College World Series since 1950;

Whereas Head Coach Ray Tanner has won his first national title as Head Coach in his fourteenth season at the University of South Carolina;

Whereas outfielder Jackie Bradley, Jr. was named Most Outstanding Player of the 2010 College World Series;

Whereas first baseman Christian Walker, outfielder Jackie Bradley, Jr., outfielder Evan Marzilli, and designated hitter Brady Thomas were named to the 2010 College World Series All-Tournament Team;

Whereas the State of South Carolina was proud to send two home teams, the University of South Carolina and Clemson University, to the 2010 College World Series; and

Whereas the University of South Carolina Gamecocks baseball team is the 2010 National Champion: Now, therefore, be it

Resolved, That the Senate—

(1) commends that University of South Carolina Gamecocks for winning the 2010 NCAA College World Series;

(2) recognizes the achievement and dedication of all players, coaches, and support staff

who made winning the national championship possible;

(3) congratulates the citizens of South Carolina, the University of South Carolina, and Carolina Gamecock fans everywhere; and

(4) requests that the Secretary of the Senate submit an enrolled copy of this resolution to—

(A) Dr. Harris Pastides, President of the University of South Carolina;

(B) Eric Hyman, Director of Athletics at the University of South Carolina; and

(C) Ray Tanner, Head Coach of the University of South Carolina baseball team.

Mr. GRAHAM. Mr. President, I rise to celebrate tonight that last night the University of South Carolina won the College World Series. I never thought I would live long enough to hear myself say that.

I have been a Gamecocks fan since high school. I went to the University of South Carolina, and there is no group of people who loves sports and their university more than the University of South Carolina, but we have been a long-suffering group.

We have been waiting for next year every year I can remember, and we have knocked on the door and the door has never opened. But this group of young men and Coach Tanner of the University of South Carolina baseball team were down and out, one strike away from elimination, lost the first game, and made it all the way through to beat great teams such as Clemson. Last night's game, if you watched it—it was over about 12:30—was a nail-biter. It was probably the best example of college baseball I have ever seen, amateur athletics. And what a fitting tribute to Rosenblatt Stadium for that to be the last game. It was a well-played game. To the opponents at UCLA, I know your heart was broken, but you acquitted yourself well.

I rise on behalf of the University of South Carolina, my alma mater, and the State of South Carolina to let people in South Carolina and throughout the country know that we finally did it, that this group of young men pitched incredibly well, had timely hits, and never gave up. It was about a lot more than baseball to the people in South Carolina. To those who have been following Gamecock sports, there is the legend of the chicken curse, that our mascot is a gamecock fighting chicken and we have been cursed because of that. I am here to tell you on the Senate floor tonight that the chicken curse is over. Long live the Gamecock Nation.

To my friends at Clemson—I live 5 miles away from the baseball stadium at Clemson University—your day is coming. It won't be long before I will be able to take this floor and celebrate Clemson University's winning of the College World Series.

Upon the passing of ROBERT C. BYRD, this body and this country has lost a great public servant.

To the people of South Carolina, we have something to be proud of.

As we go into the holiday season—the July 4th holiday is right around the corner—let's remember what it is all about: the birth of our Nation. I will be going to Afghanistan and Iraq, having the Fourth of July celebration with our troops. I ask every American to keep them in their prayers because what we are going to do on the Fourth of July, being with our family and friends, is only made possible because of their sacrifice.

Mr. President, I wish you and your family a great holiday.

SENATE RESOLUTION 576—EXPRESSING SUPPORT FOR DESIGNATION OF JUNE 30, 2010, AS "NATIONAL E-SIGN DAY 2010"

Mrs. MURRAY (for herself and Ms. CANTWELL) submitted the following resolution; which was considered and agreed to:

S. RES. 576

Whereas the Electronic Signatures in Global and National Commerce Act (ESIGN) (15 U.S.C. 7001 et seq.) was enacted on June 30, 2000, to ensure that a signature, contract, or other record relating to a transaction may not be denied legal effect, validity, or enforceability solely because the signature, contract, or other record is in electronic form;

Whereas in that Act, Congress directed the Secretary of Commerce to take all actions necessary to eliminate or reduce, to the maximum extent possible, the impediments to commerce in electronic signatures, for the purpose of facilitating the development of interstate and foreign commerce; and

Whereas June 30, 2010, marks the 10th anniversary of the enactment of ESIGN and would be an appropriate date to designate as "National E-Sign Day 2010": Now, therefore, be it

Resolved, That the Senate—

(1) supports the designation of a "National E-Sign Day 2010";

(2) recognizes the contribution made by Congress in the Electronic Signatures in Global and National Commerce Act (ESIGN) (15 U.S.C. 7001 et seq.) to the adoption of modern solutions that keep the United States on the leading technological edge; and

(3) reaffirms the commitment of the Senate to facilitating interstate and foreign commerce in an increasingly digital world.

SENATE RESOLUTION 577—COMMEMORATING THE REMARKABLE LIFE OF PATRIOTISM, CONVICTION, AND COMPASSION LED BY CHAPLAIN HENRY VINTON PLUMMER

Ms. MIKULSKI (for herself and Mr. CARDIN) submitted the following resolution; which was considered and agreed to:

S. RES. 577

Whereas Henry Vinton Plummer was born into slavery on July 31, 1844, in Prince George's County, Maryland and escaped from slavery to serve honorably in the U.S. Navy during the Civil War;

Whereas Henry Plummer was assigned in 1864 to the Union gunboat U.S.S. Coeur de

Lion, which engaged numerous Confederate ships trying to run Union blockades in the Chesapeake Bay and its tributaries during the Civil War;

Whereas after being honorably discharged from the Navy in 1865, Henry Plummer studied to become a minister, and felt called to serve again in the United States military;

Whereas in 1866, the 39th Congress passed legislation to establish African-American military units and stipulated that a chaplain be assigned to each regiment;

Whereas in July 1884, Henry Plummer was appointed the first African-American chaplain in the United States Regular Army with a military rank equivalent of Captain;

Whereas Chaplain Plummer served for more than 10 years with the Ninth Cavalry and was stationed at Army forts in Kansas, Wyoming, and Nebraska;

Whereas during his time in uniform, Chaplain Plummer worked to improve education and voter participation and reduce the temptation of gambling, drunkenness, and prostitution among soldiers under his ministry;

Whereas Chaplain Plummer fought racism and other injustices of the time while serving his country with the Ninth Cavalry;

Whereas Chaplain Plummer's records in Fort Riley and Fort Robinson noted that he performed admirably in his work among soldiers and in his efforts on behalf of their spiritual well-being;

Whereas Chaplain Plummer endured racial bias and animosity throughout his time in uniform, including being denied officer housing and being forced to live among enlisted personnel despite holding the Army officer rank equivalent of Captain;

Whereas in 1894, Chaplain Plummer was court-martialed, convicted, and dismissed from the Army under circumstances tainted by racial and personal animus;

Whereas the Army Board for Correction of Military Records concluded that personal grudges and racial bias were driving factors that led to Chaplain Plummer's court-martial;

Whereas the Army Board for Correction of Military Records noted evidence that shows Chaplain Plummer served his country well and was a highly respected and admired officer;

Whereas in 2005, the Army Board for Correction of Military Records changed the status of Chaplain Plummer's military discharge to "honorable";

Whereas despite the unfair and racially charged atmosphere that led to Chaplain Plummer's conviction and discharge, he continued to ask for reinstatement in the military out of a desire to serve his country;

Whereas Chaplain Plummer was a devoted family man, minister, veteran, and community leader committed to the principles of liberty and opportunity for which the United States stands; and

Whereas Chaplain Plummer rose from the depths of slavery to remarkable heights, and led a life of selfless contributions to his country: Now, therefore, be it

Resolved, That the Senate—

(1) celebrates the life and patriotism of Chaplain Henry Vinton Plummer;

(2) expresses its admiration for Chaplain Plummer for his perseverance and resolve in the face of racial oppression in the military history of the United States; and

(3) congratulates Chaplain Plummer's extended family for their work to commemorate his life of devotion to helping others while overcoming tremendous adversity.

SENATE RESOLUTION 578—DESIGNATING JUNE 2010 AS "SUMMER FOOD SERVICE PROGRAM AWARENESS MONTH"

Mr. BROWN of Ohio (for himself, Mr. LUGAR, Mrs. LINCOLN, Mr. CHAMBLISS, Mr. GRASSLEY, Mrs. GILLIBRAND, Mr. BENNET, Mr. COCHRAN, Mr. BAUCUS, and Mr. CASEY) submitted the following resolution; which was considered and agreed to:

S. RES. 578

Whereas the Summer Food Service Program provides healthy, nutritious meals to an average 2,900,000 children each weekday during the summer;

Whereas there are 34,700 feeding sites in low-income neighborhoods located at churches, schools, parks, recreation centers, and summer camps in all 50 States;

Whereas thousands volunteer at summer feeding sites;

Whereas summer feeding programs play an important role in providing safe places for children and teenagers to engage in physical activity and provide educational opportunities to spur learning during the summer months;

Whereas data from the Department of Agriculture has shown rates of hunger and food insecurity among school-age children increase during the summer months;

Whereas of the 19,500,000 children receiving free or reduced priced meals through the National School Lunch Program, only 1 in 9 receive meals at a summer feeding site on an average day;

Whereas there are only 34 summer food sites for every 100 school lunch programs; and

Whereas many low-income, food insecure children in rural areas lack access to summer feeding locations: Now, therefore, be it *Resolved*, That the Senate—

(1) designates June 2010 as "Summer Food Service Program Awareness Month";

(2) encourages schools, nonprofit institutions, churches, parks, recreation centers, and summer camps to sponsor summer feeding sites in their communities; and

(3) encourages schools, local businesses, nonprofit institutions, churches, cities, and State governments to raise awareness of the availability of summer feeding sites and support efforts to increase participation of children who might otherwise go without meals if not for the Summer Food Service Program.

SENATE CONCURRENT RESOLUTION 66—TO COMMEMORATE THE 75TH ANNIVERSARY OF THE BLUE RIDGE PARKWAY

Mr. WARNER (for himself, Mr. WEBB, Mrs. HAGAN, and Mr. BURR) submitted the following concurrent resolution; which was referred to the Committee on Energy and Natural Resources:

S. CON. RES. 66

Whereas the Blue Ridge Parkway links the Great Smoky Mountains National Park to the Shenandoah National Park, providing 469 scenic miles for motor recreation along the crest of the Blue Ridge Mountains in North Carolina and Virginia;

Whereas North Carolina state geologist Joseph Hyde Pratt first proposed a scenic road along the Blue Ridge Mountains in 1906;

Whereas on November 24, 1933, at the recommendation of Virginia Senator Harry

Byrd, Secretary of the Interior Harold Ickes approved construction of the new highway to connect the Great Smoky Mountains National Park with the Shenandoah National Park;

Whereas on September 11, 1935, construction began on the first 12.5 mile section of the Blue Ridge Parkway near Cumberland Knob in North Carolina;

Whereas Stanley L. Abbott is widely remembered as the "father of the Blue Ridge Parkway" for his work to oversee planning of the project;

Whereas the Blue Ridge Parkway was established by Congress as a unit of the National Park Service on June 30, 1936;

Whereas the National Park Service development program, "Mission 66", oversaw the completion of most remaining gaps along the Blue Ridge Parkway during the 1950s and 1960s;

Whereas the final stretch of the Blue Ridge Parkway was completed in 1987 with the construction of the Linn Cove Viaduct;

Whereas the Blue Ridge Parkway provides recreational opportunities for families in the United States at picnic areas and campgrounds and on scenic drives through the Appalachian mountain passes;

Whereas the diverse topography and numerous vista points along the Blue Ridge Parkway make the road the most accessible way to visit and experience the Southern Appalachian rural landscape and mountains;

Whereas the Parkway is world-renowned for biodiversity, including 74 species of mammals, 50 species of salamanders, 35 species of reptiles, 159 species of birds, and 25 species of fish;

Whereas the Blue Ridge Parkway is the most visited unit of the National Park Service with nearly 20 million visitors each year;

Whereas the Blue Ridge Parkway promotes regional travel and tourism by unifying the 29 counties through which the road passes, engendering a shared regional identity, providing a common link of interest, and contributing to the economic vitality of the area;

Whereas the Blue Ridge Parkway is one of the strongest economic engines in the Southern Appalachian region, generating an estimated \$23,000,000,000 in North Carolina and Virginia annually;

Whereas the Blue Ridge Parkway has received volunteer support from thousands of North Carolinians and Virginians, including 1,400 volunteers in 2008 who provided a total of more than 50,000 hours of service;

Whereas the Blue Ridge Parkway is a great public works achievement that maintains natural, historic, and cultural significance for the people of North Carolina and Virginia; and

Whereas this crown jewel of the National Park Service deserves the support of Congress to preserve the ecological and cultural integrity, maintain the infrastructure, and protect the famously scenic views of the Parkway: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) commemorates the 75th anniversary of the Blue Ridge Parkway; and

(2) acknowledges the historic and enduring scenic, recreational, and economic value of this unique national treasure.

SENATE CONCURRENT RESOLUTION 67—CELEBRATING 130 YEARS OF UNITED STATES-ROMANIAN DIPLOMATIC RELATIONS, CONGRATULATING THE ROMANIAN PEOPLE ON THEIR ACHIEVEMENTS AS A GREAT NATION, AND REAFFIRMING THE DEEP BONDS OF TRUST AND VALUES BETWEEN THE UNITED STATES AND ROMANIA, A TRUSTED AND MOST VALUED ALLY

Mr. VOINOVICH (for himself and Mrs. SHAHEEN) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 67

Whereas the United States established diplomatic relations with Romania in June 1880;

Whereas the United States and Romania are two countries united by shared values and a strong commitment to freedom, democracy, and prosperity;

Whereas Romania has shown, for the past 20 years, remarkable leadership in advancing security and democratic principles in Eastern Europe, the Western Balkans, and the Black Sea region, and has amply participated to the forging of a wider Europe, whole and free;

Whereas Romania's commitment to meeting the greatest responsibilities and challenges of the 21st century is and has been reflected by its contribution to the international efforts of stabilization in Afghanistan and Iraq, its decision to participate in the United States missile defense system in Europe, its leadership in regional non-proliferation and arms control, its active pursuit of energy security solutions for South Eastern Europe, and its substantial role in shaping a strong and effective North Atlantic Alliance;

Whereas the strategic partnership that exists between the United States and Romania has greatly advanced the common interests of the United States and Romania in promoting transatlantic and regional security and free market opportunities, and should continue to provide for more economic and cultural exchanges, trade and investment, and people-to-people contacts between the United States and Romania;

Whereas the talent, energy, and creativity of the Romanian people have nurtured a vibrant society and nation, embracing entrepreneurship, technological advance and innovation, and rooted deeply in the respect for education, culture, and international cooperation; and

Whereas Romanian Americans have contributed greatly to the history and development of the United States, and their rich cultural heritage and commitment to furthering close relations between Romania and the United States should be properly recognized and praised: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) celebrates the 130th anniversary of United States-Romanian diplomatic relations;

(2) congratulates the Romanian people on their achievements as a great nation; and

(3) reaffirms the deep bonds of trust and values between the United States and Romania.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4431. Mr. COCHRAN (for himself, Ms. LANDRIEU, and Mr. WICKER) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table.

SA 4432. Mr. BEGICH submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4433. Mr. GRASSLEY submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4434. Ms. CANTWELL (for herself, Mr. VITTER, Mrs. MURRAY, Ms. STABENOW, and Mr. INOUE) submitted an amendment intended to be proposed by her to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4435. Mrs. HAGAN submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4436. Mr. CARDIN (for himself, Mr. BURRIS, and Ms. LANDRIEU) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4437. Mr. NELSON of Florida (for himself, Ms. LANDRIEU, Mr. WICKER, Mr. VITTER, Mr. COCHRAN, and Mr. SHELBY) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4438. Mr. SANDERS (for himself, Mr. GRASSLEY, Mr. HARKIN, and Mr. TESTER) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4439. Mr. SANDERS (for himself, Mr. BROWN of Ohio, and Mr. LEAHY) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4440. Mr. SANDERS (for himself, Mr. BROWN of Ohio, and Mr. LEAHY) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4441. Mrs. SHAHEEN (for herself and Mr. COCHRAN) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4442. Mr. BURRIS submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4443. Mr. UDALL of Colorado (for himself, Mr. SCHUMER, Mr. REID, Mr. LIEBERMAN, Mrs. BOXER, Mrs. GILLIBRAND, Mr. SANDERS, and Mr. INOUE) submitted an amendment intended to be proposed by him to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4444. Mr. REID (for himself, Mr. CRAPO, Mr. ENSIGN, Mr. LIEBERMAN, Mrs. SHAHEEN, Mrs. LINCOLN, Mr. TESTER, Ms. STABENOW, Mr. WICKER, and Mr. COBURN) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4445. Ms. KLOBUCHAR (for herself, Mr. LEMIEUX, Mr. KERRY, Mrs. SHAHEEN, and Mr. NELSON of Florida) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4446. Ms. SNOWE submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4447. Mr. DORGAN submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4448. Mr. MERKLEY (for himself and Mr. BOND) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 4431. Mr. COCHRAN (for himself, Ms. LANDRIEU, and Mr. WICKER) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 128, between lines 19 and 20, insert the following:

SEC. 1704. DISASTER LOANS PROGRAM ACCOUNT.

(a) IN GENERAL.—From unobligated balances in the appropriations account appropriated under the heading "DISASTER LOANS PROGRAM ACCOUNT" under the heading "SMALL BUSINESS ADMINISTRATION", up to \$100,000,000 shall be available to the Administrator of the Small Business Administration (in this section referred to as the "Administrator") to waive the payment, for a period

of not more than 3 years, of not more than \$15,000 in interest on loans made under section 7(b) of the Small Business Act (15 U.S.C. 636(b)) to businesses located in an area affected by a hurricane occurring during 2005 or 2008 for which the President declared a major disaster under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170).

(b) **PRIORITY.**—The Administrator shall, to the extent practicable, give priority to an application for a waiver of interest under the program established under this section by a small business concern (as defined under section 3 of the Small Business Act (15 U.S.C. 632)) with not more than 50 employees or that the Administrator determines suffered a substantial economic injury as a result of the discharge of oil that began in April 2010 in connection with the explosion on, and sinking of, the mobile offshore drilling unit *Deepwater Horizon* (in this section referred to as the “Deepwater Horizon oil spill”).

(c) **TERMINATION.**—The Administrator may not approve an application under the program established under this section after December 31, 2010.

(d) **OTHER DISASTERS.**—If a disaster is declared under section 7(b) of the Small Business Act (15 U.S.C. 636(b)) during the period beginning on the date of enactment of this Act and ending on December 31, 2010, and to the extent there are inadequate funds in the appropriations account described in subsection (a) to provide assistance relating to the disaster under section 7(b) of the Small Business Act and waive the payment of interest under the program established under this section, the Administrator shall give priority in using the funds to applications under section 7(b) of the Small Business Act relating to the disaster.

(e) **REIMBURSEMENT BY RESPONSIBLE PARTY.**—The Administrator may present a claim to the responsible party (as defined in section 1001 of the Oil Pollution Act of 1990 (33 U.S.C. 2701)) for costs and expenses described in section 1012(a)(5) of the Oil Pollution Act of 1990 (33 U.S.C. 2712(a)(5)) relating to a waiver of interest under this section for a business suffering a substantial economic injury as a result of the Deepwater Horizon oil spill of 2010 in accordance with section 1013 of the Oil Pollution Act of 1990 (33 U.S.C. 2713).

(f) **BUDGETARY PROVISION.**—This section is designated as an emergency for purposes of pay-as-you-go principles. The amount made available under this section is designated as an emergency requirement pursuant to sections 403(a) and 423(b) of S. Con. Res. 13 (111th Congress), the concurrent resolution on the budget for fiscal year 2010. The amount made available under this section is designated as an emergency requirement pursuant to section 4(g) of the Statutory Pay-As-You-Go Act of 2010 (Public Law 111-139; 2 U.S.C. 933(g)).

SA 4432. Mr. BEGICH submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions to order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other

purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title II, add the following:

PART V—OTHER PROVISIONS

SEC. —. ENCOURAGEMENT OF CONTRIBUTIONS OF CAPITAL GAIN REAL PROPERTY MADE FOR CONSERVATION PURPOSES BY NATIVE CORPORATIONS.

(a) **IN GENERAL.**—Paragraph (2) of section 170(b) of the Internal Revenue Code of 1986 is amended by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph:

“(C) **QUALIFIED CONSERVATION CONTRIBUTIONS BY CERTAIN NATIVE CORPORATIONS.**—

“(i) **IN GENERAL.**—Any qualified conservation contribution (as defined in subsection (b)(1)) which—

“(I) is made by a Native Corporation, and

“(II) is a contribution of property which was land conveyed under the Alaska Native Claims Settlement Act,

shall be allowed to the extent that the aggregate amount of such contributions does not exceed the excess of the taxpayer’s taxable income over the amount of charitable contributions allowable under subparagraph (A).

“(ii) **LIMITATION.**—This subparagraph shall not apply to any contribution of property described in clause (i)(II) which, by itself or when aggregated to any other property to which this subparagraph applies, is a contribution of more than 10 percent of the land conveyed to the Native Corporation described in clause (i)(I) under the Alaska Native Claims Settlement Act.

“(iii) **CARRYOVER.**—If the aggregate amount of contributions described in clause (i) exceeds the limitation of clause (i), such excess shall be treated (in a manner consistent with the rules of subsection (d)(2)) as a charitable contribution to which clause (i) applies in each of the 5 succeeding years in order of time.

“(iv) **DEFINITION.**—For purposes of this subparagraph, the term ‘Native Corporation’ has the meaning given such term by section 3(m) of the Alaska Native Claims Settlement Act.

“(v) **TERMINATION.**—This subparagraph shall not apply to any contribution in any taxable year beginning after December 31, 2010.”

(b) **CONFORMING AMENDMENT.**—Section 170(b)(2)(A) of such Code is amended by striking “subparagraph (B) applies” and inserting “subparagraphs (B) or (C) apply”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to contributions made after the date of the enactment of this Act.

(d) **RULE OF CONSTRUCTION.**—Nothing in this section or the amendments made by this section shall be construed to modify any existing property rights conveyed to Native Corporations (with the meaning of section 3(m) of the Alaska Native Claims Settlement Act) under such Act.

SEC. —. INCREASE IN PENALTY FOR FAILURE TO FILE A PARTNERSHIP OR S CORPORATION RETURN.

(a) **IN GENERAL.**—Sections 6698(b)(1) and 6699(b)(1) of the Internal Revenue Code of 1986 are each amended by striking “\$195” and inserting “\$205”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to returns for taxable years beginning after December 31, 2010.

SA 4433. Mr. GRASSLEY submitted an amendment intended to be proposed

to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions to order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

After part IV of subtitle A of title II, insert the following:

PART V—ENERGY

SEC. —. INCENTIVES FOR BIODIESEL AND RENEWABLE DIESEL.

(a) **CREDITS FOR BIODIESEL AND RENEWABLE DIESEL USED AS FUEL.**—Subsection (g) of section 40A of the Internal Revenue Code of 1986 is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) **EXCISE TAX CREDITS AND OUTLAY PAYMENTS FOR BIODIESEL AND RENEWABLE DIESEL FUEL MIXTURES.**—

(1) Paragraph (6) of section 6426(c) of the Internal Revenue Code of 1986 is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(2) Subparagraph (B) of section 6427(e)(6) of such Code is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to fuel sold or used after December 31, 2009.

SA 4434. Ms. CANTWELL (for herself, Mr. VITTER, Mrs. MURRAY, Ms. STABENOW, and Mr. INOUE) submitted an amendment intended to be proposed by her to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions to order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of part II of subtitle A of title II, insert the following:

SEC. —. REPEAL OF QUALIFIED SHIPPING INVESTMENT WITHDRAWAL RULES.

(a) **IN GENERAL.**—Section 955 of the Internal Revenue Code of 1986 is hereby repealed.

(b) **CONFORMING AMENDMENTS.**—

(1) Section 951(a)(1)(A) of the Internal Revenue Code of 1986 is amended by adding “and” at the end of clause (i) and by striking clause (iii).

(2) Section 951(a)(1)(A)(ii) of such Code is amended by striking “, and,” at the end and inserting “, except that in applying this clause amounts invested in less developed country corporations described in section 955(c)(2) (as so in effect) shall not be treated as investments in less developed countries.”.

(3) Section 951(a)(3) of such Code is hereby repealed.

(4) Section 964(b) of such Code is amended by striking “, 955,”.

(5) The table of sections for subpart F of part III of subchapter N of chapter 1 of such Code is amended by striking the item relating to section 955.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable

years of controlled foreign corporations ending on or after the date of the enactment of this Act, and to taxable years of United States shareholders in which or with which such taxable years of controlled foreign corporations end.

SEC. —. TAX IMPOSED ON ELECTING UNITED STATES SHAREHOLDERS.

(a) IN GENERAL.—In the case of a United States shareholder for which an election is in effect under this section, a tax is hereby imposed on such shareholder's pro rata share (determined under the principles of paragraph (2) of subsection (a) of section 951 of the Internal Revenue Code of 1986) of the sum of—

(1) the foreign base company shipping income (determined under section 954(f) of the Internal Revenue Code of 1986 as in effect before the enactment of the American Jobs Creation Act of 2004) for all prior taxable years beginning after 1975 and before 1987, and

(2) income described in section 954(b)(2) of the Internal Revenue Code as in effect prior to the effective date of the Tax Reform Act of 1975, without regard to whether such income was not included in subpart F income under section 954(b)(2) or any other provision of such Code,

but only to the extent such income has not previously been included in the gross income of a United States person as a dividend or under any section of the Internal Revenue Code after 1962, or excluded from gross income pursuant to subsection (a) of section 959 of the Internal Revenue Code of 1986.

(b) AMOUNT OF TAX.—The amount of tax imposed by subsection (a) shall be 5.25 percent of the income described therein.

(c) INCOME NOT SUBJECT TO FURTHER TAX.—The income on which a tax is imposed by subsection (a) shall not (other than such tax) be included in the gross income of such United States shareholder (or any other United States person who acquires from any person any portion of the interest of such United States shareholder in such foreign corporation) and shall be treated for purposes of the Internal Revenue Code of 1986 as if such amounts are, or have been, included in the income of the United States shareholder under section 951(a)(1)(B).

(d) ADDITIONAL TAX IMPOSED FOR FAILURE TO MAINTAIN EMPLOYMENT LEVELS.—

(1) IN GENERAL.—If, during the period consisting of the calendar month in which the election under this section is made and the succeeding 23 calendar months, the taxpayer does not maintain an average employment level at least equal to the taxpayer's prior average employment, an additional amount shall be taken into account as income by the taxpayer during the taxable year that includes the final day of such period, equal to \$25,000 multiplied by the number of employees by which the taxpayer's average employment level during such period falls below the prior average employment.

(2) PRIOR AVERAGE EMPLOYMENT.—For purposes of this subsection, the taxpayer's prior average employment is the average number of full time equivalent employees of the taxpayer during the period consisting of the 24 calendar months immediately preceding the calendar month in which the election under this section is made.

(3) AGGREGATION RULES.—In determining the taxpayer's average employment level and prior average employment, all domestic members of a controlled group (as defined in section 264(e)(5)(B) of the Internal Revenue Code of 1986) shall be treated as a single taxpayer.

(e) ELECTION.—

(1) IN GENERAL.—A taxpayer may elect to apply this section to—

(A) the taxpayer's last taxable year which begins before the date of the enactment of this Act, or

(B) the taxpayer's first taxable year beginning on or after such date.

(2) TIMING OF ELECTION AND ONE-TIME ELECTION.—Such election may be made only once by any taxpayer, and only if made on or before the due date (including extensions) for filing the return of tax for the taxable year of such election.

(f) EFFECTIVE DATE.—This section shall apply to taxable years ending on or after the date of the enactment of this Act.

SA 4435. Mrs. HAGAN submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 84, between lines 11 and 12, insert the following:

SEC. 1210. CERTAIN CEILING FANS.

(a) IN GENERAL.—Heading 9902.84.14 of the Harmonized Tariff Schedule of the United States is amended by striking "12/31/2009" and inserting "12/31/2012".

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) applies with respect to goods entered or withdrawn from warehouse for consumption, on or after the 15th day after the enactment of this Act.

(2) RETROACTIVE APPLICATION TO CERTAIN ENTRIES.—Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, upon proper request filed with U.S. Customs and Border Protection before the 90th day after the date of the enactment of this Act, any entry, or withdrawal from warehouse for consumption, of any goods described in heading 9902.84.14 of the Harmonized Tariff Schedule of the United States (as added by subsection (a)) that was made—

(A) after December 31, 2009; and

(B) before the 15th day after the date of the enactment of this Act; shall be liquidated or reliquidated as though the amendment made by subsection (a) applied to such entry or withdrawal.

SA 4436. Mr. CARDIN (for himself, Mr. BURRIS, and Ms. LANDRIEU) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives

for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 113, between lines 17 and 18, insert the following:

SEC. 1348. SECTION 8(a) IMPROVEMENTS.

(a) PROGRAMS FOR SOCIALLY AND ECONOMICALLY DISADVANTAGED SMALL BUSINESS CONCERNS.—

(1) NET WORTH THRESHOLD.—

(A) IN GENERAL.—Section 8(a)(6)(A) of the Small Business Act (15 U.S.C. 637(a)(6)(A)) is amended—

(i) by inserting "(i)" after "(6)(A)";

(ii) by striking "In determining the degree of diminished credit" and inserting the following:

"(ii)(I) In determining the degree of diminished credit";

(iii) by striking "In determining the economic disadvantage" and inserting the following:

"(iii) In determining the economic disadvantage"; and

(iv) by inserting after clause (ii)(I), as so designated by this section, the following:

"(II)(aa) Not later than 1 year after the date of enactment of the Small Business Jobs Act of 2010, the Administrator shall—

"(AA) assign each North American Industry Classification System industry code to a category described in item (cc); and

"(BB) for each category described in item (cc), establish a maximum net worth for the socially disadvantaged individuals who own or control small business concerns in the category that participate in the program under this subsection.

"(bb) The maximum net worth for a category described in item (cc) shall be not less than the modified net worth limitations established by the Administrator under section 1348(a)(2) of the Small Business Jobs Act of 2010.

"(cc) The categories described in this item are—

"(AA) manufacturing;

"(BB) construction;

"(CC) professional services; and

"(DD) general services.

"(III) The Administrator shall establish procedures that—

"(aa) account for inflationary adjustments to, and include a reasonable assumption of, the average income and net worth of the owners of business concerns that are dominant in the field of operation of the business concern; and

"(bb) require an annual inflationary adjustment to the average income and maximum net worth requirements under this clause.

"(IV) In determining the assets and net worth of a socially disadvantaged individual under this subparagraph, the Administrator shall not consider any assets of the individual that are held in a qualified retirement plan, as that term is defined in section 4974(c) of the Internal Revenue Code of 1986."

(B) TEMPORARY INFLATIONARY ADJUSTMENT.—

(i) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Administrator shall modify the net worth limitations established by the Administrator for purposes of the program under section 8(a) of the Small Business Act (15 U.S.C. 637(a)) by adjusting the amount of the net worth limitations for inflation during the period beginning on the date on which the Administrator established the net worth limitations and the date of enactment of this Act.

(ii) **TERMINATION.**—The Administrator shall apply the net worth limitations established under clause (i) until the effective date of the net worth limitations established by the Administrator under clause (ii)(II) of section 8(a)(6)(A) of the Small Business Act (15 U.S.C. 637(a)(6)(A)), as added by this paragraph.

(C) **TRANSITION PERIOD.**—Section 7(j)(15) of the Small Business Act (15 U.S.C. 636(j)(15)) is amended—

(i) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(D) by striking “Subject to” and inserting “(A) Except as provided in subparagraph (B), and subject to”; and

(E) by adding at the end the following:

“(B)(i) A small business concern may receive developmental assistance under the Program and contracts under section 8(a) during the 3-year period beginning on the date on which the small business concern graduates—

“(I) because the small business concern has participated in the Program for the total period authorized under subparagraph (A); or

“(II) under section 8(a)(6)(C)(ii), because the socially disadvantaged individuals who own or control the small business concern have a net worth that is more than the maximum net worth established by the Administrator.

“(ii) After the end of the 3-year period described in clause (i), a small business concern described in clause (i)—

“(I) may not receive developmental assistance under the Program or contracts under section 8(a); and

“(II) may continue to perform and receive payment under a contract received by the small business concern under section 8(a) before the end of the period, under the terms of the contract.”.

(2) **GAO STUDY.**—Section 8(a) of the Small Business Act (15 U.S.C. 637(a)) is amended by adding at the end the following:

“(22) **REVIEW OF EFFECTIVENESS.**—

“(A) **GAO STUDY.**—Not later than 5 years after the date of enactment of this paragraph, and every 5 years thereafter, the Comptroller General of the United States shall—

“(i) conduct an evaluation of the effectiveness of the program under this subsection, including an examination of—

“(I) the number and size of contracts applied for, as compared to the number received by, small business concerns after successfully completing the program;

“(II) the percentage of small business concerns that continue to operate during the 3-year period beginning on the date on which the small business concerns successfully complete the program;

“(III) whether the business of small business concerns increases during the 3-year period beginning on the date on which the small business concerns successfully complete the program; and

“(IV) the number of training sessions offered under the program; and

“(ii) submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding each evaluation under clause (i).

“(B) **SBA REPORT.**—Not later than 1 year after the date of enactment of this paragraph, and every year thereafter, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report evaluating the program under this section, including an assessment of—

“(i) the regulations promulgated to carry out the program;

“(ii) online training under the program; and

“(iii) whether the structure of the program is conducive to business development.”.

(3) **REPORT ON FRAUD DETECTION.**—Not later than 90 days after the date of enactment of this Act, the Administrator shall—

(A) assess the workload of business development specialists of the Administration;

(B) evaluate the use of fraud detection tools, such as the use of data mining techniques and provide additional financial and analytical training for business development specialists of the Administration;

(C) propose amendments to regulations and operational changes that would closely evaluate an applicant to participate in the program under section 8(a) of the Small Business Act (15 U.S.C. 637(a)) if a family member of the applicant is, or has been, a participant in the program under section 8(a) of the Small Business Act providing the same type of supplies or services as the applicant;

(D) review the regulations relating to economic disadvantage with respect to the income and asset levels of an applicant for or participant in the program under section 8(a) of the Small Business Act at the time of application and annual certification; and

(E) submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding the assessment, evaluation, proposals, and review under this paragraph.

(b) **SURETY BOND PILOT PROGRAM.**—

(1) **DEFINITIONS.**—In this subsection—

(A) the terms “bid bond”, “payment bond”, “performance bond”, and “surety” have the meanings given those terms in section 410 of the Small Business Investment Act of 1958 (15 U.S.C. 694a);

(B) the term “Board” means the pilot program advisory board established under paragraph (4)(A);

(C) the term “eligible small business concern” means a socially and economically disadvantaged small business concern that is participating in the program under section 8(a) of the Small Business Act (15 U.S.C. 637(a));

(D) the term “Fund” means the Small Business Surety Bond Pilot Program Fund established under paragraph (5)(A);

(E) the term “graduated” has the meaning given that term in section 7(j)(10)(H) of the Small Business Act (15 U.S.C. 636(j)(10)(H));

(F) the term “pilot program” means the surety bond pilot program established under paragraph (2)(A); and

(G) the term “socially and economically disadvantaged small business concern” has the meaning given that term in section 8(a) of the Small Business Act (15 U.S.C. 637(a)).

(2) **PROGRAM.**—

(A) **IN GENERAL.**—The Administrator shall establish a surety bond pilot program under which the Administrator may guarantee any surety against loss resulting from a breach of the terms of a bid bond, payment bond, performance bond, or bonds ancillary thereto, by an eligible small business concern.

(B) **APPLICATION.**—An eligible small business concern desiring a guarantee under the pilot program shall submit an application at such time, in such manner, and accompanied by such information as the Administrator may require.

(C) **REVIEW.**—A surety desiring a guarantee under the pilot program against loss resulting from a breach of the terms of a bid bond,

payment bond, performance bond, or bonds ancillary thereto by an eligible small business concern shall—

(i) submit to the Administrator a report evaluating whether the eligible small business concern meets such criteria as the Administrator may establish relating to whether a bond should be issued to the eligible small business concern; and

(ii) if the Administrator does not guarantee the surety against loss, submit an update of the report described in clause (i) every 6 months.

(3) **TECHNICAL ASSISTANCE AND EDUCATIONAL TRAINING.**—

(A) **IN GENERAL.**—The Administrator shall provide technical assistance and educational training to an eligible small business concern participating in the pilot program or desiring to participate in the pilot program for a period of not less than 3 years, to promote the growth of the eligible small business concern and assist the eligible small business concern in promoting job development.

(B) **TOPICS.**—

(i) **TECHNICAL ASSISTANCE.**—The technical assistance under subparagraph (A) shall include assistance relating to—

(I) scheduling of employees;

(II) cash flow analysis;

(III) change orders;

(IV) requisition preparation;

(V) submitting proposals;

(VI) dispute resolution; and

(VII) contract management.

(ii) **EDUCATIONAL TRAINING.**—The educational training under subparagraph (A) shall include training regarding—

(I) accounting;

(II) legal issues;

(III) infrastructure;

(IV) human resources;

(V) estimating costs;

(VI) scheduling; and

(VII) any other area the Administrator determines is a key area for which training is needed for eligible small business concerns.

(4) **PANEL.**—

(A) **ESTABLISHMENT.**—The Administrator shall establish a pilot program advisory board to evaluate and make recommendations regarding the pilot program.

(B) **MEMBERSHIP.**—The Board shall be composed of 5 members—

(i) who shall be appointed by the Administrator;

(ii) not less than 2 of whom shall have graduated from the program under section 8(a) of the Small Business Act (15 U.S.C. 637(a)); and

(iii) not more than 1 of whom may be an officer or employee of the Administration.

(C) **DUTIES.**—The Board shall—

(i) evaluate and make recommendations to the Administrator regarding the effectiveness of the pilot program;

(ii) make recommendations to the Administrator regarding performance measures to evaluate eligible small business concerns applying for a guarantee under the pilot program; and

(iii) not later than 90 days after the date on which all members of the Board are appointed, and every year thereafter until the authority to carry out the pilot program terminates under paragraph (6), submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding the activities of the Board.

(5) **FUND.**—

(A) **ESTABLISHMENT OF FUND.**—There is established in the Treasury of the United

States a revolving fund to be known as the "Small Business Surety Bond Pilot Program Fund", to be administered by the Administrator.

(B) AVAILABILITY.—Amounts in the Fund shall be available without fiscal year limitation or further appropriation by Congress.

(C) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Fund \$20,000,000.

(D) RESCISSION.—Effective on the day after the date on which the term of all guarantees made under the pilot program have ended, all amounts in the Fund are rescinded.

(6) TERMINATION.—The Administrator may not guarantee a surety against loss under the pilot program on or after the date that is 7 years after the date the date on which the Administrator makes the first guarantee under the pilot program.

(c) EXTENSION OF PARTICIPATION TERM FOR VICTIMS OF HURRICANE KATRINA OR HURRICANE RITA.—

(1) RETROACTIVITY.—If a small business concern, while participating in any program or activity under the authority of paragraph (10) of section 7(j) of the Small Business Act (15 U.S.C. 636(j)), was located in a parish or county described in paragraph (2) of this subsection and was affected by Hurricane Katrina of 2005 or Hurricane Rita of 2005, the period during which that small business concern is permitted continuing participation and eligibility in that program or activity shall be extended for 24 months after the date such participation and eligibility would otherwise terminate.

(2) PARISHES AND COUNTIES COVERED.—Paragraph (1) applies to any parish in the State of Louisiana, or any county in the State of Mississippi or in the State of Alabama, that has been designated by the Administrator as a disaster area by reason of Hurricane Katrina of 2005 or Hurricane Rita of 2005 under disaster declaration 10176, 10177, 10178, 10179, 10180, 10181, 10205, or 10206.

(3) REVIEW AND COMPLIANCE.—The Administrator shall ensure that the case of every small business concern participating before the date of enactment of this Act in a program or activity covered by paragraph (1) is reviewed and brought into compliance with this subsection.

SA 4437. Mr. NELSON of Florida (for himself, Ms. LANDRIEU, Mr. WICKER, Mr. VITTER, Mr. COCHRAN, and Mr. SHELBY) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title II, add the following:—

PART V—OTHER PROVISIONS—

SEC. _____. 5-YEAR NET OPERATING LOSS CARRYBACK FOR CERTAIN OIL SPILL-RELATED LOSSES.—

(a) EXTENSION OF NET OPERATING LOSS CARRYBACK PERIOD.—Paragraph (1) of section 172(b) of the Internal Revenue Code of 1986 is

amended by adding at the end the following new subparagraph:—

“(K) CERTAIN OIL SPILL-RELATED LOSSES.—In the case of a taxpayer which has a qualified oil spill loss (as defined in subsection (k)) for a taxable year, such qualified oil spill loss shall be a net operating loss carryback to each of the 5 taxable years preceding the taxable year of such loss.”—

(b) QUALIFIED OIL SPILL LOSS.—Section 172 of the Internal Revenue Code of 1986 is amended by redesignating subsection (k) as subsection (l) and by inserting after subsection (j) the following new subsection:—

“(k) RULES RELATING TO QUALIFIED OIL SPILL LOSSES.—For purposes of this section—

“(1) QUALIFIED OIL SPILL LOSSES.—

“(A) IN GENERAL.—Except as otherwise provided in this paragraph, the term ‘qualified oil spill loss’ means the lesser of—

“(i) the excess of—

“(I) the amount of losses in a taxable year ending after April 20, 2010, and before October 1, 2011, incurred by a commercial or charter fishing business operating in the Gulf of Mexico or a Gulf of Mexico tourism-related business attributable to the discharge of oil that began in 2010 in connection with the explosion on, and sinking of, the mobile offshore drilling unit Deepwater Horizon, over—

“(II) amounts received during such taxable year as payments for lost profits and earning capacity under section 1002(b)(2)(E) of the Oil Pollution Act of 1990 (33 U.S.C. 2702(b)(2)(E)), by insurance, or otherwise, or—

“(ii) the amount of the net operating loss for such taxable year.—

“(B) SAFE HARBOR FOR CERTAIN SMALL BUSINESSES.—In the case of—

“(i) any commercial or charter fishing business operating in the Gulf of Mexico, or—

“(ii) any Gulf of Mexico tourism-related business,—

the gross receipts of which for any taxable year ending after April 20, 2010, and before October 1, 2011, do not exceed \$5,000,000, such term means the amount of the net operating loss of such business for such taxable year.—

“(C) COORDINATION WITH QUALIFIED DISASTER LOSSES.—Such term shall not include any qualified disaster loss (as defined in subsection (j)).—

“(2) COORDINATION WITH SUBSECTION (b)(2).—For purposes of applying subsection (b)(2), a qualified oil spill loss for any taxable year shall be treated in a manner similar to the manner in which a specified liability loss is treated.—

“(3) ELECTION.—Any taxpayer entitled to a 5-year carryback under subsection (b)(1)(K) from any loss year may elect to have the carryback period with respect to such loss year determined without regard to subsection (b)(1)(K). Such election shall be made in such manner as may be prescribed by the Secretary and shall be made by the due date (including extensions of time) for filing the taxpayer's return for the taxable year of the net operating loss. Such election, once made for any taxable year, shall be irrevocable for such taxable year.—

“(4) GULF OF MEXICO TOURISM-RELATED BUSINESS.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘Gulf of Mexico tourism-related business’ means a hotel, lodging, recreation, entertainment, or restaurant business located in a Gulf Coast community.—

“(B) GULF COAST COMMUNITY.—The term ‘Gulf Coast community’ means any county or parish in the States of Louisiana, Mississippi, Alabama, or Florida which borders the Gulf of Mexico.”—

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to net operating losses arising in taxable years ending after April 20, 2010.—

(2) TRANSITION RULE.—In the case of a net operating loss for a taxable year ending after April 20, 2010, and before the date of the enactment of this Act—

(A) any election made under section 172(b)(3) of such Code with respect to such loss may (notwithstanding such section) be revoked before the applicable date, and—

(B) any application under section 6411(a) of such Code with respect to such loss shall be treated as timely filed if filed before the applicable date.

For purposes of this paragraph, the term “applicable date” means the date which is 60 days after the date of the enactment of this Act.

SA 4438. Mr. SANDERS (for himself, Mr. GRASSLEY, Mr. HARKIN, and Mr. TESTER) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. CERTIFICATION REQUIREMENT.

(a) SHORT TITLE.—This section may be cited as the “Employ America Act”.

(b) IN GENERAL.—The Secretary of Homeland Security may not approve a petition by an employer for any visa authorizing employment in the United States unless the employer has provided written certification, under penalty of perjury, to the Secretary of Labor that—

(1) the employer has not provided a notice of a mass layoff pursuant to the Worker Adjustment and Retraining Notification Act (29 U.S.C. 2101 et seq.) during the 12-month period immediately preceding the date on which the alien is scheduled to be hired; and

(2) the employer does not intend to provide a notice of a mass layoff pursuant to such Act.

(c) EFFECT OF MASS LAYOFF.—If an employer provides a notice of a mass layoff pursuant to the Worker Adjustment and Retraining Notification Act after the approval of a visa described in subsection (b), any visas approved during the most recent 12-month period for such employer shall expire on the date that is 60 days after the date on which such notice is provided. The expiration of a visa under this subsection shall not be subject to judicial review.

(d) NOTICE REQUIREMENT.—Upon receiving notification of a mass layoff from an employer, the Secretary of Homeland Security shall inform each employee whose visa is scheduled to expire under subsection (c)—

(1) the date on which such individual will no longer be authorized to work in the United States; and

(2) the date on which such individual will be required to leave the United States unless

the individual is otherwise authorized to remain in the United States.

(e) **EXEMPTION.**—An employer shall be exempt from the requirements under this section if the employer provides written certification, under penalty of perjury, to the Secretary of Labor that the total number of the employer's workers who are United States citizens and are working in the United States have not been, and will not be, reduced as a result of a mass layoff described in subsection (c).

(f) **RULEMAKING.**—Not later than 90 days after the date of the enactment of this Act, the Secretary of Homeland Security and the Secretary of Labor shall promulgate regulations to carry out this section, including a requirement that employers provide notice to the Secretary of Homeland Security of a mass layoff (as defined in section 2 of the Worker Adjustment and Retraining Notification Act (29 U.S.C. 2101)).

SA 4439. Mr. SANDERS (for himself, Mr. BROWN OF OHIO, and Mr. LEAHY) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE —WORKER OWNERSHIP, READINESS, AND KNOWLEDGE

SEC. 01. SHORT TITLE.

This title may be cited as the “Worker Ownership, Readiness and Knowledge Act” or the “WORK Act”.

SEC. 02. DEFINITIONS.

In this title:

(1) **EXISTING PROGRAM.**—The term “existing program” means a program, designed to promote employee ownership and employee participation in business decisionmaking, that exists on the date the Secretary is carrying out a responsibility authorized by this title.

(2) **INITIATIVE.**—The term “Initiative” means the Employee Ownership and Participation Initiative established under section 03.

(3) **NEW PROGRAM.**—The term “new program” means a program, designed to promote employee ownership and employee participation in business decisionmaking, that does not exist on the date the Secretary is carrying out a responsibility authorized by this title.

(4) **SECRETARY.**—The term “Secretary” means the Secretary of Labor.

(5) **STATE.**—The term “State” means any of the 50 States within the United States of America.

SEC. 03. EMPLOYEE OWNERSHIP AND PARTICIPATION INITIATIVE.

(a) **ESTABLISHMENT.**—The Secretary of Labor shall establish an Employee Ownership and Participation Initiative to promote employee ownership and employee participation in business decisionmaking.

(b) **FUNCTIONS.**—In carrying out the Initiative, the Secretary shall—

(1) support within the States existing programs designed to promote employee ownership and employee participation in business decisionmaking; and

(2) facilitate within the States the formation of new programs designed to promote employee ownership and employee participation in business decisionmaking.

(c) **DUTIES.**—To carry out the functions enumerated in subsection (b), the Secretary shall—

(1) support new programs and existing programs by—

(A) making Federal grants authorized under section 05; and

(B)(i) acting as a clearinghouse on techniques employed by new programs and existing programs within the States, and disseminating information relating to those techniques to the programs; or

(ii) funding projects for information gathering on those techniques, and dissemination of that information to the programs, by groups outside the Department of Labor; and

(2) facilitate the formation of new programs, in ways that include holding or funding an annual conference of representatives from States with existing programs, representatives from States developing new programs, and representatives from States without existing programs.

SEC. 04. PROGRAMS REGARDING EMPLOYEE OWNERSHIP AND PARTICIPATION.

(a) **ESTABLISHMENT OF PROGRAM.**—Not later than 180 days after the date of enactment of this Act, the Secretary shall establish a program to encourage new and existing programs within the States, designed to foster employee ownership and employee participation in business decisionmaking throughout the United States.

(b) **PURPOSE OF PROGRAM.**—The purpose of the program established under subsection (a) is to encourage new and existing programs within the States that focus on—

(1) providing education and outreach to inform employees and employers about the possibilities and benefits of employee ownership, business ownership succession planning, and employee participation in business decisionmaking, including providing information about financial education, employee teams, open-book management, and other tools that enable employees to share ideas and information about how their businesses can succeed;

(2) providing technical assistance to assist employee efforts to become business owners, to enable employers and employees to explore and assess the feasibility of transferring full or partial ownership to employees, and to encourage employees and employers to start new employee-owned businesses;

(3) training employees and employers with respect to methods of employee participation in open-book management, work teams, committees, and other approaches for seeking greater employee input; and

(4) training other entities to apply for funding under this section, to establish new programs, and to carry out program activities.

(c) **PROGRAM DETAILS.**—The Secretary may include, in the program established under subsection (a), provisions that—

(1) in the case of activities under subsection (b)(1)—

(A) target key groups such as retiring business owners, senior managers, unions, trade associations, community organizations, and economic development organizations;

(B) encourage cooperation in the organization of workshops and conferences; and

(C) prepare and distribute materials concerning employee ownership and participa-

tion, and business ownership succession planning;

(2) in the case of activities under subsection (b)(2)—

(A) provide preliminary technical assistance to employee groups, managers, and retiring owners exploring the possibility of employee ownership;

(B) provide for the performance of preliminary feasibility assessments;

(C) assist in the funding of objective third-party feasibility studies and preliminary business valuations, and in selecting and monitoring professionals qualified to conduct such studies; and

(D) provide a data bank to help employees find legal, financial, and technical advice in connection with business ownership;

(3) in the case of activities under subsection (b)(3)—

(A) provide for courses on employee participation; and

(B) provide for the development and fostering of networks of employee-owned companies to spread the use of successful participation techniques; and

(4) in the case of training under subsection (b)(4)—

(A) provide for visits to existing programs by staff from new programs receiving funding under this title; and

(B) provide materials to be used for such training.

(d) **GUIDANCE.**—The Secretary shall issue formal guidance, for recipients of grants awarded under section 05 and one-stop partners affiliated with the statewide workforce investment systems described in section 106 of the Workforce Investment Act of 1998 (29 U.S.C. 2881), proposing that programs and other activities funded under this title be—

(1) proactive in encouraging actions and activities that promote employee ownership of, and participation in, businesses; and

(2) comprehensive in emphasizing both employee ownership of, and participation in, businesses so as to increase productivity and broaden capital ownership.

SEC. 05. GRANTS.

(a) **IN GENERAL.**—In carrying out the program established under section 04, the Secretary may make grants for use in connection with new programs and existing programs within a State for any of the following activities:

(1) Education and outreach as provided in section 04(b)(1).

(2) Technical assistance as provided in section 04(b)(2).

(3) Training activities for employees and employers as provided in section 04(b)(3).

(4) Activities facilitating cooperation among employee-owned firms.

(5) Training as provided in section 04(b)(4) for new programs provided by participants in existing programs dedicated to the objectives of this title, except that, for each fiscal year, the amount of the grants made for such training shall not exceed 10 percent of the total amount of the grants made under this title.

(b) **AMOUNTS AND CONDITIONS.**—The Secretary shall determine the amount and any conditions for a grant made under this section. The amount of the grant shall be subject to subsection (f), and shall reflect the capacity of the applicant for the grant.

(c) **APPLICATIONS.**—Each entity desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(d) **STATE APPLICATIONS.**—Each State may sponsor and submit an application under

subsection (c) on behalf of any local entity consisting of a unit of State or local government, State-supported institution of higher education, or nonprofit organization, meeting the requirements of this title.

(e) APPLICATIONS BY ENTITIES.—

(1) ENTITY APPLICATIONS.—If a State fails to support or establish a program pursuant to this title during any fiscal year, the Secretary shall, in the subsequent fiscal years, allow local entities described in subsection (d) from that State to make applications for grants under subsection (c) on their own initiative.

(2) APPLICATION SCREENING.—Any State failing to support or establish a program pursuant to this title during any fiscal year may submit applications under subsection (c) in the subsequent fiscal years but may not screen applications by local entities described in subsection (d) before submitting the applications to the Secretary.

(f) LIMITATIONS.—A recipient of a grant made under this section shall not receive, during a fiscal year, in the aggregate, more than the following amounts:

- (1) For fiscal year 2011, \$300,000.
- (2) For fiscal year 2012, \$330,000.
- (3) For fiscal year 2013, \$363,000.
- (4) For fiscal year 2014, \$399,300.
- (5) For fiscal year 2015, \$439,200.

(g) ANNUAL REPORT.—For each year, each recipient of a grant under this section shall submit to the Secretary a report describing how grant funds allocated pursuant to this section were expended during the 12-month period preceding the date of the submission of the report.

SEC. 06. EVALUATIONS.

The Secretary is authorized to reserve not more than 10 percent of the funds appropriated for a fiscal year to carry out this title, for the purposes of conducting evaluations of the grant programs identified in section 05 and to provide related technical assistance.

SEC. 07. REPORTING.

Not later than the expiration of the 36-month period following the date of enactment of this Act, the Secretary shall prepare and submit to Congress a report—

- (1) on progress related to employee ownership and participation in businesses in the United States; and
- (2) containing an analysis of critical costs and benefits of activities carried out under this title.

SEC. 08. AUTHORIZATIONS OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated for the purpose of making grants pursuant to section 5 the following:

- (1) For fiscal year 2011, \$3,850,000.
- (2) For fiscal year 2012, \$6,050,000.
- (3) For fiscal year 2013, \$8,800,000.
- (4) For fiscal year 2014, \$11,550,000.
- (5) For fiscal year 2015, \$14,850,000.

(b) ADMINISTRATIVE EXPENSES.—There are authorized to be appropriated for the purpose of funding the administrative expenses related to the Initiative, for each of fiscal years 2011 through 2015, an amount not in excess of—

- (1) \$350,000; or

(2) 5.0 percent of the maximum amount available under subsection (a) for that fiscal year.—

SA 4440. Mr. SANDERS (for himself, Mr. BROWN of Ohio, and Mr. LEAHY) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for

himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____ . ESTABLISHMENT OF THE EMPLOYEE OWNERSHIP BANK.

(a) FINDINGS.—Congress finds that—

(1) between December 2007 and May 2010, payroll employment in the United States fell by 7,381,000;

(2) between January 2000 and May 2010, the manufacturing sector lost 5,632,000 jobs;

(3) as of May 2010, fewer than 12,000,000 workers in the United States were employed in the manufacturing sector, the fewest number of factory jobs since March 1941;

(4) at the end of 2009, the United States had a trade deficit of more than \$374,908,000,000, including a \$226,877,200,000 trade deficit with China;

(5) preserving and increasing decent paying jobs must be a top priority of Congress;

(6) providing loan guarantees, direct loans, and technical assistance to employees to buy their own companies will preserve and increase employment in the United States; and

(7) just as the United States Export-Import Bank was created in 1934, in the midst of the Great Depression, as a way to increase United States jobs through exports, the time has come to establish the United States Employee Ownership Bank within the Department of the Treasury to preserve and expand jobs in the United States.

(b) DEFINITIONS.—In this section—

(1) the term “Bank” means the United States Employee Ownership Bank, established under section 4;

(2) the term “eligible worker-owned cooperative” has the same meaning as in section 1042(c)(2) of the Internal Revenue Code of 1986;

(3) the term “employee stock ownership plan” has the same meaning as in section 4975(e)(7) of the Internal Revenue Code of 1986; and

(4) the term “Secretary” means the Secretary of the Treasury.

(c) ESTABLISHMENT OF UNITED STATES EMPLOYEE OWNERSHIP BANK WITHIN THE DEPARTMENT OF THE TREASURY.—

(1) IN GENERAL.—Before the end of the 90-day period beginning on the date of enactment of this Act, the Secretary shall establish the United States Employee Ownership Bank, to foster increased employee ownership of United States companies and greater employee participation in company decision making throughout the United States.

(2) ORGANIZATION OF THE BANK.—

(A) MANAGEMENT.—The Secretary shall appoint a Director to serve as the head of the Bank, who shall serve at the pleasure of the Secretary.

(B) STAFF.—The Director may select, appoint, employ, and fix the compensation of such employees as are necessary to carry out the functions of the Bank.

(d) DUTIES OF BANK.—The Bank is authorized to provide loans, on a direct or guaranteed basis, which may be subordinated to the interests of all other creditors—

(1) to purchase a company through an employee stock ownership plan or an eligible worker-owned cooperative, which shall be at least 51 percent employee owned, or will become at least 51 percent employee owned as a result of financial assistance from the Bank;

(2) to allow a company that is less than 51 percent employee owned to become at least 51 percent employee owned;

(3) to allow a company that is already at least 51 percent employee owned to increase the level of employee ownership at the company; and

(4) to allow a company that is already at least 51 percent employee owned to expand operations and increase or preserve employment.

(e) PRECONDITIONS.—Before the Bank makes any subordinated loan or guarantees a loan under subsection (d)(1), a business plan shall be submitted to the bank that—

(1) shows that—

(A) not less than 51 percent of all interests in the company is or will be owned or controlled by an employee stock ownership plan or eligible worker-owned cooperative;

(B) the board of directors of the company is or will be elected by shareholders on a one share to one vote basis or by members of the eligible worker-owned cooperative on a one member to one vote basis, except that shares held by the employee stock ownership plan will be voted according to section 409(e) of the Internal Revenue Code of 1986, with participants providing voting instructions to the trustee of the employee stock ownership plan in accordance with the terms of the employee stock ownership plan and the requirements of that section 409(e); and

(C) all employees will receive basic information about company progress and have the opportunity to participate in day-to-day operations; and

(2) includes a feasibility study from an objective third party with a positive determination that the employee stock ownership plan or eligible worker-owned cooperative will generate enough of a margin to pay back any loan, subordinated loan, or loan guarantee that was made possible through the Bank.

(f) TERMS AND CONDITIONS FOR LOANS AND LOAN GUARANTEES.—Notwithstanding any other provision of law, a loan that is provided or guaranteed under this section shall—

(1) bear interest at an annual rate, as determined by the Secretary—

(A) in the case of a direct loan under this Act—

(i) sufficient to cover the cost of borrowing to the Department of the Treasury for obligations of comparable maturity; or

(ii) of 4 percent; and

(B) in the case of a loan guaranteed under this section, in an amount that is equal to the current applicable market rate for a loan of comparable maturity; and

(2) have a term not to exceed 12 years.

(g) EMPLOYEE RIGHT OF FIRST REFUSAL BEFORE PLANT OR FACILITY CLOSING.—Section 3 of the Worker Adjustment and Retraining Notification Act (29 U.S.C. 2102) is amended—

(1) in the section heading, by adding at the end the following: “; employee stock ownership plans or eligible worker owned cooperatives”; and

(2) by adding at the end the following:

“(e) EMPLOYEE STOCK OWNERSHIP PLANS AND ELIGIBLE WORKER-OWNED COOPERATIVES.—

“(1) GENERAL RULE.—If an employer orders a plant or facility closing in connection with

the termination of its operations at such plant or facility, the employer shall offer its employees an opportunity to purchase such plant or facility through an employee stock ownership plan (as that term is defined in section 4975(e)(7) of the Internal Revenue Code of 1986) or an eligible worker-owned cooperative (as that term is defined in section 1042(c)(2) of the Internal Revenue Code of 1986) that is at least 51 percent employee owned. The value of the company which is to be the subject of such plan or cooperative shall be the fair market value of the plant or facility, as determined by an appraisal by an independent third party jointly selected by the employer and the employees. The cost of the appraisal may be shared evenly between the employer and the employees.

“(2) EXEMPTIONS.—Paragraph (1) shall not apply—

“(A) if an employer orders a plant closing, but will retain the assets of such plant to continue or begin a business within the United States; or

“(B) if an employer orders a plant closing and such employer intends to continue the business conducted at such plant at another plant within the United States.”.

(h) REGULATIONS ON SAFETY AND SOUNDNESS AND PREVENTING COMPETITION WITH COMMERCIAL INSTITUTIONS.—Before the end of the 90-day period beginning on the date of enactment of this Act, the Secretary of the Treasury shall prescribe such regulations as are necessary to implement this section and the amendments made by this section, including—

(1) regulations to ensure the safety and soundness of the Bank; and

(2) regulations to ensure that the Bank will not compete with commercial financial institutions.

(i) COMMUNITY REINVESTMENT CREDIT.—Section 804 of the Community Reinvestment Act of 1977 (12 U.S.C. 2903) is amended by adding at the end the following new subsection:

“(1) ESTABLISHMENT OF EMPLOYEE STOCK OWNERSHIP PLANS AND ELIGIBLE WORKER-OWNED COOPERATIVES.—In assessing and taking into account, under subsection (a), the record of a financial institution, the appropriate Federal financial supervisory agency may consider as a factor capital investments, loans, loan participation, technical assistance, financial advice, grants, and other ventures undertaken by the institution to support or enable employees to establish employee stock ownership plans or eligible worker-owned cooperatives (as those terms are defined in sections 4975(e)(7) and 1042(c)(2) of the Internal Revenue Code of 1986, respectively), that are at least 51 percent employee-owned plans or cooperatives.”.

(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this section, \$500,000,000 for fiscal year 2010, and such sums as may be necessary thereafter. —

SA 4441. Mrs. SHAHEEN (for herself and Mr. COCHRAN) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions to order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of

1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title IV, insert the following:

SECTION ____ ON-THE-JOB TRAINING.

(a) SHORT TITLE.—This section may be cited as the “On-the-Job Training Act of 2010”.

(b) TRAINING.—

(1) IN GENERAL.—Subtitle D of title I of the Workforce Investment Act of 1998 is amended by inserting after section 173A (29 U.S.C. 2918a) the following:

“SEC. 173B. ON-THE-JOB TRAINING.

“(a) DEFINITION.—In this section, the term ‘federally recognized tribal organization’ means an entity described in section 166(c)(1).

“(b) GRANTS.—From the amount made available under subsection (g), and subject to subsection (d)—

“(1) the Secretary shall make grants on a discretionary basis to local areas, for adult on-the-job training, or dislocated worker on-the-job training, carried out under section 134; and

“(2) using an amount that is not more than 10 percent of the funds made available under subsection (g), the Secretary shall make grants to States, local boards, and federally recognized tribal organizations for developing on-the-job training programs, in consultation with the Secretary.

“(c) APPLICATION.—To be eligible to receive a grant under subsection (b), a State, local board, or federally recognized tribal organization shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. In preparing such an application for a grant under subsection (b)(1), a local board shall consult with the corresponding State.

“(d) REIMBURSEMENT OF WAGE RATES.—Notwithstanding the limitation in section 101(31)(B), in making the grants described in subsection (b)(1) the Secretary may allow for higher levels of reimbursement of wage rates the Secretary determines are appropriate based on factors such as—

“(1) employer size, in order to facilitate the participation of small- and medium-sized employers;

“(2) target populations, in order to enhance job creation for persons with barriers to employment; and

“(3) the number of employees that will participate in the on-the-job training, the wage and benefit levels of the employees (before the training and anticipated on completion of the training), the relationship of the training to the competitiveness of the employer and employees, and the existence of other employer-provided training and advancement opportunities.

“(e) ADMINISTRATION.—The Secretary may use an amount that is not more than 1 percent of the funds made available under subsection (g) for the administration, management, and oversight of the programs, activities, and grants, funded under subsection (b), including the evaluation of, and dissemination of information on lessons learned through, the use of such funds.

“(f) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to affect the manner in which subtitle B is implemented, for activities funded through amounts appropriated under section 137.

“(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section such sums as may be

necessary for fiscal year 2011 and each subsequent fiscal year.”.

(2) TABLE OF CONTENTS.—The table of contents in section 1(b) of the Workforce Investment Act of 1998 is amended by inserting after the item relating to section 173A the following:

“Sec. 173B. On-the-job training.”.

SA 4442. Mr. BURRIS submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions to order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 113, between lines 17 and 18, insert the following:

SEC. 1348. NET WORTH THRESHOLD.

Section 8(a)(6) of the Small Business Act (15 U.S.C. 637(a)(6)) is amended by adding at the end the following:

“(F)(i) Subject to clause (ii), the Administrator may not establish the maximum net worth for participation in the program under this subsection in an amount less than \$2,500,000.

“(ii) The amount under clause (i) shall be periodically adjusted by the Administrator to account for inflation.”.

SA 4443. Mr. UDALL of Colorado (for himself, Mr. SCHUMER, Mr. REID, Mr. LIEBERMAN, Mrs. BOXER, Mrs. GILLIBRAND, Mr. SANDERS, and Mr. INOUE) submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions to order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____ LIMITS ON MEMBER BUSINESS LOANS.

(a) IN GENERAL.—

(1) REVISED LIMITATION AND CRITERIA.—Effective 6 months after the date of enactment of this Act, section 107A(a) of the Federal Credit Union Act (12 U.S.C. 1757a(a)) is amended to read as follows:

“(a) LIMITATION.—

“(1) IN GENERAL.—Except as provided in paragraph (2), an insured credit union may not make any member business loan that would result in the total amount of such loans outstanding at that credit union at any one time to be equal to more than the lesser of—

“(A) 1.75 times the actual net worth of the credit union; or

“(B) 12.25 percent of the total assets of the credit union.

“(2) ADDITIONAL AUTHORITY.—The Board may approve an application by an insured credit union upon a finding that the credit union meets the criteria under this paragraph to make 1 or more member business loans that would result in a total amount of such loans outstanding at any one time of not more than 27.5 percent of the total assets of the credit union, if the credit union—

“(A) had member business loans outstanding at the end of each of the 4 consecutive quarters immediately preceding the date of the application, in a total amount of not less than 80 percent of the applicable limitation under paragraph (1);

“(B) is well capitalized, as defined in section 216(c)(1)(A);

“(C) can demonstrate at least 5 years of experience of sound underwriting and servicing of member business loans;

“(D) has the requisite policies and experience in managing member business loans; and

“(E) has satisfied other standards that the Board determines are necessary to maintain the safety and soundness of the insured credit union.

“(3) EFFECT OF NOT BEING WELL CAPITALIZED.—An insured credit union that has made member business loans under an authorization under paragraph (2) and that is not, as of its most recent quarterly call report, well capitalized, may not make any member business loans, until such time as the credit union becomes well capitalized, as reflected in a subsequent quarterly call report, and obtains the approval of the Board.”.

(b) IMPLEMENTATION.—

(1) TIERED APPROVAL PROCESS.—The Board shall develop a tiered approval process, under which an insured credit union gradually increases the amount of member business lending in a manner that is consistent with safe and sound operations, subject to the limits established under section 107A(a)(2) of the Federal Credit Union Act (as amended by this Act). The rate of increase under the process established under this paragraph may not exceed 30 percent per year.

(2) RULEMAKING REQUIRED.—The Board shall issue proposed rules, not later than 6 months after the date of enactment of this Act, to establish the tiered approval process required under paragraph (1). The tiered approval process shall establish standards designed to ensure that the new business lending capacity authorized under the amendment made by subsection (a) is being used only by insured credit unions that are well-managed and well capitalized, as required by the amendments made under subsection (a) and as defined by the rules issued by the Board under this paragraph.

(3) CONSIDERATIONS.—In issuing rules required under this subsection, the Board shall consider—

(A) the experience level of the institutions, including a demonstrated history of sound member business lending;

(B) the criteria under section 107A(a)(2) of the Federal Credit Union Act, as amended by this Act; and

(C) such other factors as the Board determines necessary or appropriate.

(c) REPORTS TO CONGRESS ON MEMBER BUSINESS LENDING.—

(1) REPORT OF THE BOARD.—

(A) IN GENERAL.—Not later than 3 years after the date of enactment of this Act, the Board shall submit a report to Congress on member business lending by insured credit unions.

(B) REPORT.—The report required under subparagraph (A) shall include—

(i) the types and asset size of insured credit unions making member business loans and the member business loan limitations applicable to the insured credit unions;

(ii) the overall amount and average size of member business loans by each insured credit union;

(iii) the ratio of member business loans by insured credit unions to total assets and net worth;

(iv) the performance of the member business loans, including delinquencies and net charge offs;

(v) the effect of this section on the number of insured credit unions engaged in member business lending, any change in the amount of member business lending, and the extent to which any increase is attributed to the change in the limitation in section 107A(a) of the Federal Credit Union Act, as amended by this Act;

(vi) the number, types, and asset size of insured credit unions that were denied or approved by the Board for increased member business loans under section 107A(a)(2), as amended by this Act, including denials and approvals under the tiered approval process;

(vii) the types and sizes of businesses that receive member business loans, the duration of the credit union membership of the businesses at the time of the loan, the types of collateral used to secure member business loans, and the income level of members receiving member business loans; and

(viii) the effect of any increases in member business loans on the risk to the National Credit Union Share Insurance Fund and the assessments on insured credit unions.

(2) GAO STUDY AND REPORT.—

(A) STUDY.—The Comptroller General of the United States shall conduct a study on the status of member business lending by insured credit unions, including—

(i) trends in such lending;

(ii) types and amounts of member business loans;

(iii) the effectiveness of this section in enhancing small business lending;

(iv) recommendations for legislative action, if any, with respect to such lending; and

(v) any other information that the Comptroller General considers relevant with respect to such lending.

(B) REPORT.—Not later than 3 years after the date of enactment of this Act, the Comptroller General shall submit a report to Congress on the study required by subparagraph (A).

(d) DEFINITIONS.—In this section—

(1) the term “Board” means the National Credit Union Administration Board;

(2) the term “insured credit union” has the meaning given that term in section 101 of the Federal Credit Union Act (12 U.S.C. 1752);

(3) the term “member business loan” has the meaning given that term in section 107A(c)(1) of the Federal Credit Union Act (12 U.S.C. 1757a(c)(1));

(4) the term “net worth” has the meaning given that term in section 107A(c)(2) of the Federal Credit Union Act (12 U.S.C. 1757a(c)(2)); and

(5) the term “well capitalized” has the meaning given that term in section 216(c)(1)(A) of the Federal Credit Union Act (12 U.S.C. 1709d(c)(1)(A)).

SA 4444. Mr. REID (for himself, Mr. CRAPO, Mr. ENSIGN, Mr. LIEBERMAN, Mrs. SHAHEEN, Mrs. LINCOLN, Mr. TESTER, Ms. STABENOW, Mr. WICKER and Mr. COBURN) submitted an amendment intended to be proposed to

amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of part IV of title II, insert the following:

SEC. —. TIME FOR PAYMENT OF MANUFACTURERS' EXCISE TAX ON RECREATIONAL EQUIPMENT.

(a) IN GENERAL.—Subsection (d) of section 6302 of the Internal Revenue Code of 1986 (relating to mode or time of collection) is amended to read as follows:

“(d) TIME FOR PAYMENT OF MANUFACTURERS' EXCISE TAX ON RECREATIONAL EQUIPMENT.—The taxes imposed by subchapter D of chapter 32 of this title (relating to taxes on recreational equipment) shall be due and payable on the date for filing the return for such taxes.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to articles sold by the manufacturer, producer, or importer after the date of the enactment of this Act.

SA 4445. Ms. KLOBUCHAR (for herself, Mr. LEMIEUX, Mr. KERRY, Mrs. SHAHEEN, and Mr. NELSON of Florida) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 84, between lines 11 and 12, insert the following:

SEC. 1210. GLOBAL BUSINESS DEVELOPMENT AND PROMOTION ACTIVITIES OF THE DEPARTMENT OF COMMERCE.

(a) INCREASE IN EMPLOYEES WITH RESPONSIBILITY FOR GLOBAL BUSINESS DEVELOPMENT AND PROMOTION ACTIVITIES.—

(1) IN GENERAL.—During the 24-month period beginning on the date of the enactment of this Act, the Secretary of Commerce shall increase the number of full-time departmental employees whose primary responsibilities involve promoting or facilitating participation by United States businesses in the global marketplace and facilitating the entry into, or expansion of, such participation by United States businesses. In carrying out this subsection, the Secretary shall ensure that—

(A) the cohort of such employees is increased by not less than 80 persons; and

(B) a substantial portion of the increased cohort is stationed outside the United States.

(2) ENHANCED FOCUS ON UNITED STATES SMALL- AND MEDIUM-SIZED BUSINESSES.—In

carrying out this subsection, the Secretary shall take such action as may be necessary to ensure that the activities of the Department of Commerce relating to promoting and facilitating participation by United States businesses in the global marketplace include promoting and facilitating such participation by small and medium-sized businesses in the United States.

(3) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Secretary for each of the fiscal years 2011 and 2012 such sums as may be necessary to carry out this section.

(b) **ADDITIONAL FUNDING FOR GLOBAL BUSINESS DEVELOPMENT AND PROMOTION ACTIVITIES OF THE DEPARTMENT OF COMMERCE.**—

(1) **IN GENERAL.**—There are authorized to be appropriated to the Secretary of Commerce for the period beginning on the date of the enactment of this Act and ending 18 months thereafter, \$30,000,000 to promote or facilitate participation by United States businesses in the global marketplace and facilitating the entry into, or expansion of, such participation by United States businesses.

(2) **REQUIREMENTS.**—In obligating and expending the funds authorized to be appropriated by paragraph (1), the Secretary of Commerce shall give preference to activities that—

(A) assist small- and medium-sized businesses in the United States; and

(B) the Secretary determines will create or sustain the greatest number of jobs in the United States and obtain the maximum return on investment.

SEC. 1211. ADDITIONAL FUNDING TO IMPROVE ACCESS TO GLOBAL MARKETS FOR RURAL BUSINESSES.

(a) **IN GENERAL.**—There are authorized to be appropriated to the Secretary of Commerce \$5,000,000 for each of the fiscal years 2011 and 2012 for improving access to the global marketplace for goods and services provided by rural businesses in the United States.

(b) **REQUIREMENTS.**—In obligating and expending the funds authorized to be appropriated by subsection (a), the Secretary of Commerce shall give preference to activities that—

(1) assist small- and medium-sized businesses in the United States; and

(2) the Secretary determines will create or sustain the greatest number of jobs in the United States and obtain the maximum return on investment.

SEC. 1212. ADDITIONAL FUNDING FOR THE EXPORTECH PROGRAM.

(a) **IN GENERAL.**—There are authorized to be appropriated to the Secretary of Commerce \$11,000,000 for the period beginning on the date of the enactment of this Act and ending 18 months thereafter, to expand ExporTech, a joint program of the Hollings Manufacturing Partnership Program and the Export Assistance Centers of the Department of Commerce.

(b) **REQUIREMENTS.**—In obligating and expending the funds authorized to be appropriated by subsection (a), the Secretary of Commerce shall give preference to activities that—

(1) assist small- and medium-sized businesses in the United States; and

(2) the Secretary determines will create or sustain the greatest number of jobs in the United States and obtain the maximum return on investment.

SEC. 1213. ADDITIONAL FUNDING FOR THE MARKET DEVELOPMENT COOPERATOR PROGRAM OF THE DEPARTMENT OF COMMERCE.

(a) **IN GENERAL.**—There are authorized to be appropriated to the Secretary of Com-

merce for the period beginning on the date of the enactment of this Act and ending 18 months thereafter, \$15,000,000 for the Manufacturing and Services unit of the International Trade Administration—

(1) to establish public-private partnerships under the Market Development Cooperator Program of the International Trade Administration; and

(2) to underwrite a portion of the start-up costs for new projects carried out under that Program to strengthen the competitiveness and market share of United States industry, not to exceed, for each such project, the lesser of—

(A) ½ of the total start-up costs for the project; or

(B) \$500,000.

(b) **REQUIREMENTS.**—In obligating and expending the funds authorized to be appropriated by subsection (a), the Secretary of Commerce shall give preference to activities that—

(1) assist small- and medium-sized businesses in the United States; and

(2) the Secretary determines will create or sustain the greatest number of jobs in the United States and obtain the maximum return on investment.

SEC. 1214. HOLLINGS MANUFACTURING PARTNERSHIP PROGRAM; TECHNOLOGY INNOVATION PROGRAM.

(a) **HOLLINGS MANUFACTURING PARTNERSHIP PROGRAM.**—Section 25(f) of the National Institute of Standards and Technology Act (15 U.S.C. 278k(f)) is amended by adding at the end the following:

“(7) **GLOBAL MARKETPLACE PROJECTS.**—In making awards under this subsection, the Director, in consultation with the Manufacturing Extension Partnership Advisory Board and the Secretary of Commerce, may—

“(A) take into consideration whether an application has significant potential for enhancing the competitiveness of small and medium-sized United States manufacturers in the global marketplace; and

“(B) give a preference to applications for such projects to the extent the Director deems appropriate, taking into account the broader purposes of this subsection.”

(b) **TECHNOLOGY INNOVATION PROGRAM.**—In awarding grants, cooperative agreements, or contracts under section 28 of the National Institute of Standards and Technology Act (15 U.S.C. 278n), in addition to the award criteria set forth in subsection (c) of that section, the Director of the National Institute of Standards and Technology may take into consideration whether an application has significant potential for enhancing the competitiveness of small- and medium-sized businesses in the United States in the global marketplace. The Director shall consult with the Technology Innovation Program Advisory Board and the Secretary of Commerce in implementing this subsection.

SEC. 1215. SENSE OF THE SENATE CONCERNING FEDERAL COLLABORATION WITH STATES ON EXPORT PROMOTION ISSUES.

It is the sense of the Senate that the Secretary of Commerce should enhance Federal collaboration with the States on export promotion issues by—

(1) providing the necessary training to the staff at State international trade agencies to enable them to assist the United States and Foreign Commercial Service (established by section 2301 of the Export Enhancement Act of 1988 (15 U.S.C. 4721)) in providing counseling and other export services to businesses in their communities; and

(2) entering into agreements with State international trade agencies for those agen-

cies to deliver export promotion services in their local communities in order to extend the outreach of United States and Foreign Commercial Service programs.

SEC. 1216. REPORT ON TARIFF AND NONTARIFF BARRIERS.

Not later than 90 days after the date of the enactment of this Act, the Secretary of Commerce, in consultation with the United States Trade Representative and other appropriate entities, shall report to Congress on the tariff and nontariff barriers imposed by Colombia, the Republic of Korea, and Panama with respect to exports of articles from the United States, including articles exported or produced by small- and medium-sized businesses in the United States.

SA 4446. Ms. SNOWE submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 84, between lines 11 and 12, insert the following:

SEC. 1210. TREATMENT OF CERTAIN FOOTWEAR.

(a) **IN GENERAL.**—The Additional U.S. Notes to chapter 64 of the Harmonized Tariff Schedule of the United States are amended by adding at the end the following:

“5. For the purposes of determining the constituent material of the outer sole pursuant to Note 4(b) to this chapter, no account shall be taken of textile materials which do not possess the characteristics usually required for normal use of an outer sole, including durability and strength.”

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) applies to goods entered, or withdrawn from warehouse for consumption, on or after the date that is 15 days after the date of enactment of this Act.

SA 4447. Mr. DORGAN submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of part I of subtitle B of title II, add the following:

SEC. _____. TAXATION OF INCOME OF CONTROLLED FOREIGN CORPORATIONS ATTRIBUTABLE TO IMPORTED PROPERTY.

(a) **GENERAL RULE.**—Subsection (a) of section 954 of the Internal Revenue Code of 1986 (defining foreign base company income) is amended by striking the period at the end of

paragraph (5) and inserting “, and”, by redesignating paragraph (5) as paragraph (4), and by adding at the end the following new paragraph:

“(5) imported property income for the taxable year (determined under subsection (j) and reduced as provided in subsection (b)(5)).”.

(b) DEFINITION OF IMPORTED PROPERTY INCOME.—Section 954 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(j) IMPORTED PROPERTY INCOME.—

“(1) IN GENERAL.—For purposes of subsection (a)(5), the term ‘imported property income’ means income (whether in the form of profits, commissions, fees, or otherwise) derived in connection with—

“(A) manufacturing, producing, growing, or extracting imported property;

“(B) the sale, exchange, or other disposition of imported property; or

“(C) the lease, rental, or licensing of imported property.

Such term shall not include any foreign oil and gas extraction income (within the meaning of section 907(c)) or any foreign oil related income (within the meaning of section 907(c)).

“(2) IMPORTED PROPERTY.—For purposes of this subsection—

“(A) IN GENERAL.—Except as otherwise provided in this paragraph, the term ‘imported property’ means property which is imported into the United States by the controlled foreign corporation or a related person.

“(B) IMPORTED PROPERTY INCLUDES CERTAIN PROPERTY IMPORTED BY UNRELATED PERSONS.—The term ‘imported property’ includes any property imported into the United States by an unrelated person if, when such property was sold to the unrelated person by the controlled foreign corporation (or a related person), it was reasonable to expect that—

“(i) such property would be imported into the United States; or

“(ii) such property would be used as a component in other property which would be imported into the United States.

“(C) EXCEPTION FOR PROPERTY SUBSEQUENTLY EXPORTED.—The term ‘imported property’ does not include any property which is imported into the United States and which—

“(i) before substantial use in the United States, is sold, leased, or rented by the controlled foreign corporation or a related person for direct use, consumption, or disposition outside the United States; or

“(ii) is used by the controlled foreign corporation or a related person as a component in other property which is so sold, leased, or rented.

“(D) EXCEPTION FOR CERTAIN AGRICULTURAL COMMODITIES.—The term ‘imported property’ does not include any agricultural commodity which is not grown in the United States in commercially marketable quantities.

“(3) DEFINITIONS AND SPECIAL RULES.—

“(A) IMPORT.—For purposes of this subsection, the term ‘import’ means entering, or withdrawal from warehouse, for consumption or use. Such term includes any grant of the right to use intangible property (as defined in section 936(h)(3)(B)) in the United States.

“(B) UNITED STATES.—For purposes of this subsection, the term ‘United States’ includes the Commonwealth of Puerto Rico, the Virgin Islands of the United States, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

“(C) UNRELATED PERSON.—For purposes of this subsection, the term ‘unrelated person’

means any person who is not a related person with respect to the controlled foreign corporation.

“(D) COORDINATION WITH FOREIGN BASE COMPANY SALES INCOME.—For purposes of this section, the term ‘foreign base company sales income’ shall not include any imported property income.”.

(c) SEPARATE APPLICATION OF LIMITATIONS ON FOREIGN TAX CREDIT FOR IMPORTED PROPERTY INCOME.—

(1) IN GENERAL.—Paragraph (1) of section 904(d) of the Internal Revenue Code of 1986 (relating to separate application of section with respect to certain categories of income) is amended by striking “and” at the end of subparagraph (A), by redesignating subparagraph (B) as subparagraph (C), and by inserting after subparagraph (A) the following new subparagraph:

“(B) imported property income, and”.

(2) IMPORTED PROPERTY INCOME DEFINED.—Paragraph (2) of section 904(d) of such Code is amended by redesignating subparagraphs (I), (J), and (K) as subparagraphs (J), (K), and (L), respectively, and by inserting after subparagraph (H) the following new subparagraph:

“(I) IMPORTED PROPERTY INCOME.—The term ‘imported property income’ means any income received or accrued by any person which is of a kind which would be imported property income (as defined in section 954(j)).”.

(3) CONFORMING AMENDMENT.—Clause (ii) of section 904(d)(2)(A) of such Code is amended by inserting “or imported property income” after “passive category income”.

(d) TECHNICAL AMENDMENTS.—

(1) Clause (iii) of section 952(c)(1)(B) of the Internal Revenue Code of 1986 (relating to certain prior year deficits may be taken into account) is amended—

(A) by redesignating subclauses (II), (III), (IV), and (V) as subclauses (III), (IV), (V), and (VI), and

(B) by inserting after subclause (I) the following new subclause:

“(II) imported property income.”.

(2) The last sentence of paragraph (4) of section 954(b) of such Code (relating to exception for certain income subject to high foreign taxes) is amended by striking “subsection (a)(5)” and inserting “subsection (a)(4)”.

(3) Paragraph (5) of section 954(b) of such Code (relating to deductions to be taken into account) is amended by striking “and the foreign base company oil related income” and inserting “the foreign base company oil related income, and the imported property income”.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after the date of the enactment of this Act, and to taxable years of United States shareholders within which or with which such taxable years of such foreign corporations end.

SA 4448. Mr. MERKLEY (for himself and Mr. BOND) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of

1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 41, between lines 3 and 4, insert the following:

SEC. 1137. REBUILDING COUNTIES.

(a) IN GENERAL.—Section 3(p) of the Small Business Act (15 U.S.C. 632(p)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (D), by striking “or” at the end;

(B) in subparagraph (E), by striking the period at the end and inserting “; or”; and

(C) by adding at the end the following:

“(F) rebuilding counties.”; and

(2) in paragraph (4), by adding at the end the following:

“(E) REBUILDING COUNTIES.—

“(i) IN GENERAL.—The term ‘rebuilding county’ means an initial period rebuilding county or an extension period rebuilding county.

“(ii) INITIAL PERIOD REBUILDING COUNTY.—The term ‘initial period rebuilding county’ means a county, parish, or similar political subdivision—

“(I) for which the Administrator determines that the 1-year unemployment rate average is not less than 120 percent of the 1-year average unadjusted unemployment rate for the United States, based on the most recent data available from the Secretary of Labor;

“(II) that—

“(aa) as of the date of the determination under subclause (I), is not a HUBZone; or

“(bb) will cease to qualify as a HUBZone not later than 2 years after the date of the determination under subclause (I); and

“(III) during the 3-year period beginning on the date on which the Administrator makes the determination under subclause (I).

“(iii) EXTENSION PERIOD REBUILDING COUNTY.—The term ‘extension period rebuilding county’ means a county, parish, or similar political subdivision—

“(I) for which the Administrator has made a determination under clause (ii)(I);

“(II) for which the 3-year period described in clause (ii)(III) has ended;

“(III) for which the Administrator determines that the average unemployment rate for the 1-year period ending on the date on which the 3-year period described in clause (ii)(III) ends is not less than 140 percent of the 1-year average unadjusted unemployment rate for the United States, based on the most recent data available from the Secretary of Labor; and

“(IV) during the period beginning on the date on which the Administrator makes the determination under subclause (III) and ending on the earlier of—

“(aa) the date that is 3 years after the date of the determination under subclause (III); and

“(bb) the date on which the Bureau of the Census publicly releases the initial results of the first decennial census occurring after the date of the determination under subclause (III).

“(iv) 1-YEAR UNEMPLOYMENT RATE AVERAGE.—The term ‘1-year unemployment rate average’ means the average unemployment rate, based on the most recent data available from the Secretary of Labor, during any 1-year period during the period—

“(I) beginning on the date on which a recession begins, as determined by the National Bureau of Economic Research; and

“(II) ending on the date that is 180 days after the date on which the National Bureau

of Economic Research publicly releases the determination under subclause (I)."

(b) RECESSION OF 2007.—For purposes of applying section 3(p)(4) of the Small Business Act, as added by subsection (a), in relation to the recession announced by the National Bureau of Economic Research on December 1, 2008, the term "1-year unemployment rate average" means the average unemployment rate during the 1-year period ending on the date of enactment of this Act, based on the most recent data available from the Secretary of Labor.

NOTICE OF INTENT TO OBJECT TO PROCEEDING

Mr. COBURN, pursuant to the provisions of section 512 of Public Law 100-81, submitted his notice of intent to proceed to consider the bill (S. 1237) to amend title 38, United States Code, to expand the grant program for homeless veterans with special needs to include male homeless veterans with minor dependents and to establish a grant program for reintegration of homeless women veterans and homeless veterans with children, and for other purposes, dated June 24, 2010.

[Letter with reasons for objection appear in the CONGRESSIONAL RECORD on June 29, 2010]

RELINQUISHING OF OBJECTION TO EXECUTIVE NOMINATIONS

I, Senator TOM COBURN, do not object to proceeding to the following nominations:

802—Victor Ashe, of Tennessee, to be a Member of the Broadcasting Board of Governors.

804—Walter Isaacson, of Louisiana, to be Chairman of the Broadcasting Board of Governors.

805—Michael Lynton, of California, to be a Member of the Broadcasting Board of Governors.

806—Susan McCue, of Virginia, to be a Member of the Broadcasting Board of Governors.

807—Dennis Mulhaupt, of California, to be a Member of the Broadcasting Board of Governors.

808—S. Enders Wimbush, of Virginia, to be a Member of the Broadcasting Board of Governors.

NOTICE OF HEARING

SUBCOMMITTEE ON WATER AND POWER

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that the hearing before the Subcommittee on Water and Power previously announced for July 1, has been rescheduled and will now be held on Wednesday, July 14, 2010, at 3:30 p.m., in room SD-366 of the Dirksen Senate Office Building.

The purpose of this oversight hearing is to examine the Federal response to the discovery of the aquatic invasive species Asian carp in Lake Calumet, Illinois.

Because of the limited time available for the hearing, witnesses may testify

by invitation only. However, those wishing to submit written testimony for the hearing record should send it to the Committee on Energy and Natural Resources, United States Senate, Washington, DC 20510-6150, or by email to Gina.Weinstock@energy.senate.gov.

For further information, please contact Tanya Trujillo or Gina Weinstock.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. CARPER. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on June 30, 2010 at 9:30 a.m. in room G50 of the Dirksen Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. CARPER. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on June 30, 2010, at 10 a.m., to conduct a hearing entitled "Green Housing for the 21st Century: Retrofitting the Past and Building an Energy-Efficient Future."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. CARPER. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on June 30, 2010, at 10 a.m., in room 253 of the Russell Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. CARPER. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on June 30 at 9:30 a.m., in room SD-366 of the Dirksen Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. CARPER. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate to conduct a hearing on June 30, at 2:30 p.m. in room SD-366 of the Dirksen Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. CARPER. Mr. President, I ask unanimous consent that the Com-

mittee on Environment and Public Works be authorized to meet during the session of the Senate on June 30, 2010, at 9 a.m. in room 406 of the Dirksen Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. CARPER. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on June 30, 2010.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

Mr. CARPER. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs be authorized to meet during the session of the Senate on June 30, 2010, at 10 a.m. to conduct a hearing entitled "Nuclear Terrorism: Strengthening Our Domestic Defenses, Part I."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. CARPER. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet during the session of the Senate on June 30, 2010, at 9:30 a.m. in room 628 of the Dirksen Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. CARPER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate, on June 30, 2010, at 9 a.m., in room SH-216 of the Hart Senate Office Building, to continue the hearing on the nomination of Elena Kagan to be an Associate Justice of the Supreme Court of the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

AD HOC SUBCOMMITTEE ON CONTRACTING OVERSIGHT

Mr. CARPER. Mr. President, I ask unanimous consent that the Ad Hoc Subcommittee on Contracting Oversight of the Committee on Homeland Security and Governmental Affairs be authorized to meet during the session of the Senate on June 30, 2010, at 2:30 p.m. to conduct a hearing entitled, "Interagency Contracts (Part II): Management and Oversight."

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE ON AGING

Mr. CARPER. Mr. President, I ask unanimous consent that the Special Committee on Aging be authorized to meet during the session of the Senate on June 30, 2010, from 2-5 p.m. in Dirksen 106 for the purpose of conducting a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. HARKIN. Mr. President, I ask unanimous consent that Sarah Cramer and Michael Crusinberry of my staff be granted the privilege of the floor for the duration of today's proceedings.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, I ask unanimous consent that Heidi McDonald and Amanda Spinney from Senator BINGAMAN's office be granted the privilege of the floor for the remainder of today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, I ask unanimous consent that Adam Pelzer and Madeline Daniels of my staff be granted floor privileges for the duration of today's proceedings.

The PRESIDING OFFICER. Without objection, it is so ordered.

AIRPORT AND AIRWAY EXTENSION ACT OF 2010, PART II

Mr. CARPER. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 5611, which was received from the House.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 5611) to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. CARPER. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 5611) was ordered to a third reading, was read the third time, and passed.

CELEBRATING 130 YEARS OF UNITED STATES-ROMANIAN DIPLOMATIC RELATIONS

Mr. CARPER. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of S. Con. Res. 67, which was submitted earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 67), celebrating 130 years of United States-Romanian diplomatic relations, congratulating the Romanian people on their achievements

as a great nation, and reaffirming the deep bonds of trust and values between the United States and Romania, a trusted and most valued ally.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. CARPER. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (S. Con. Res. 67) was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

S. CON. RES. 67

Whereas the United States established diplomatic relations with Romania in June 1880;

Whereas the United States and Romania are two countries united by shared values and a strong commitment to freedom, democracy, and prosperity;

Whereas Romania has shown, for the past 20 years, remarkable leadership in advancing security and democratic principles in Eastern Europe, the Western Balkans, and the Black Sea region, and has amply participated to the forging of a wider Europe, whole and free;

Whereas Romania's commitment to meeting the greatest responsibilities and challenges of the 21st century is and has been reflected by its contribution to the international efforts of stabilization in Afghanistan and Iraq, its decision to participate in the United States missile defense system in Europe, its leadership in regional non-proliferation and arms control, its active pursuit of energy security solutions for South Eastern Europe, and its substantial role in shaping a strong and effective North Atlantic Alliance;

Whereas the strategic partnership that exists between the United States and Romania has greatly advanced the common interests of the United States and Romania in promoting transatlantic and regional security and free market opportunities, and should continue to provide for more economic and cultural exchanges, trade and investment, and people-to-people contacts between the United States and Romania;

Whereas the talent, energy, and creativity of the Romanian people have nurtured a vibrant society and nation, embracing entrepreneurship, technological advance and innovation, and rooted deeply in the respect for education, culture, and international cooperation; and

Whereas Romanian Americans have contributed greatly to the history and development of the United States, and their rich cultural heritage and commitment to furthering close relations between Romania and the United States should be properly recognized and praised: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) celebrates the 130th anniversary of United States-Romanian diplomatic relations;

(2) congratulates the Romanian people on their achievements as a great nation; and

(3) reaffirms the deep bonds of trust and values between the United States and Romania.

NATIONAL E-SIGN DAY 2010

COMMEMORATING THE REMARKABLE LIFE OF CHAPLAIN HENRY VINTON PLUMMER

SUMMER FOOD SERVICE PROGRAM AWARENESS MONTH

Mr. CARPER. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration en bloc of the following resolutions which were submitted earlier today: S. Res. 576, S. Res. 577, and S. Res. 578.

Without objection, the Senate proceeded to consider the resolutions.

Mr. CARPER. Mr. President, I ask unanimous consent that the resolutions be agreed to, the preambles be agreed to, the motions to reconsider be laid upon the table en bloc, with no intervening action or debate, and any statements relating to the resolutions be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolutions (S. Res. 576, S. Res. 577, and S. Res. 578) were agreed to.

The preambles were agreed to.

The resolutions, with their preambles, read as follows:

S. RES. 576

Whereas the Electronic Signatures in Global and National Commerce Act (ESIGN) (15 U.S.C. 7001 et seq.) was enacted on June 30, 2000, to ensure that a signature, contract, or other record relating to a transaction may not be denied legal effect, validity, or enforceability solely because the signature, contract, or other record is in electronic form;

Whereas in that Act, Congress directed the Secretary of Commerce to take all actions necessary to eliminate or reduce, to the maximum extent possible, the impediments to commerce in electronic signatures, for the purpose of facilitating the development of interstate and foreign commerce; and

Whereas June 30, 2010, marks the 10th anniversary of the enactment of ESIGN and would be an appropriate date to designate as "National E-Sign Day 2010": Now, therefore, be it

Resolved, That the Senate—

(1) supports the designation of a "National E-Sign Day 2010";

(2) recognizes the contribution made by Congress in the Electronic Signatures in Global and National Commerce Act (ESIGN) (15 U.S.C. 7001 et seq.) to the adoption of modern solutions that keep the United States on the leading technological edge; and

(3) reaffirms the commitment of the Senate to facilitating interstate and foreign commerce in an increasingly digital world.

S. RES. 577

Whereas Henry Vinton Plummer was born into slavery on July 31, 1844, in Prince George's County, Maryland and escaped from slavery to serve honorably in the U.S. Navy during the Civil War;

Whereas Henry Plummer was assigned in 1864 to the Union gunboat U.S.S. Coeur de Lion, which engaged numerous Confederate ships trying to run Union blockades in the

Chesapeake Bay and its tributaries during the Civil War;

Whereas after being honorably discharged from the Navy in 1865, Henry Plummer studied to become a minister, and felt called to serve again in the United States military;

Whereas in 1866, the 39th Congress passed legislation to establish African-American military units and stipulated that a chaplain be assigned to each regiment;

Whereas in July 1884, Henry Plummer was appointed the first African-American chaplain in the United States Regular Army with a military rank equivalent of Captain;

Whereas Chaplain Plummer served for more than 10 years with the Ninth Cavalry and was stationed at Army forts in Kansas, Wyoming, and Nebraska;

Whereas during his time in uniform, Chaplain Plummer worked to improve education and voter participation and reduce the temptation of gambling, drunkenness, and prostitution among soldiers under his ministry;

Whereas Chaplain Plummer fought racism and other injustices of the time while serving his country with the Ninth Cavalry;

Whereas Chaplain Plummer's records in Fort Riley and Fort Robinson noted that he performed admirably in his work among soldiers and in his efforts on behalf of their spiritual well-being;

Whereas Chaplain Plummer endured racial bias and animosity throughout his time in uniform, including being denied officer housing and being forced to live among enlisted personnel despite holding the Army officer rank equivalent of Captain;

Whereas in 1894, Chaplain Plummer was court-martialed, convicted, and dismissed from the Army under circumstances tainted by racial and personal animus;

Whereas the Army Board for Correction of Military Records concluded that personal grudges and racial bias were driving factors that led to Chaplain Plummer's court-martial;

Whereas the Army Board for Correction of Military Records noted evidence that shows Chaplain Plummer served his country well and was a highly respected and admired officer;

Whereas in 2005, the Army Board for Correction of Military Records changed the status of Chaplain Plummer's military discharge to "honorable";

Whereas despite the unfair and racially charged atmosphere that led to Chaplain Plummer's conviction and discharge, he continued to ask for reinstatement in the military out of a desire to serve his country;

Whereas Chaplain Plummer was a devoted family man, minister, veteran, and community leader committed to the principles of liberty and opportunity for which the United States stands; and

Whereas Chaplain Plummer rose from the depths of slavery to remarkable heights, and led a life of selfless contributions to his country: Now, therefore, be it

Resolved, That the Senate—

(1) celebrates the life and patriotism of Chaplain Henry Vinton Plummer;

(2) expresses its admiration for Chaplain Plummer for his perseverance and resolve in the face of racial oppression in the military history of the United States; and

(3) congratulates Chaplain Plummer's extended family for their work to commemorate his life of devotion to helping others while overcoming tremendous adversity.

S. RES. 578

Whereas the Summer Food Service Program provides healthy, nutritious meals to

an average 2,900,000 children each weekday during the summer;

Whereas there are 34,700 feeding sites in low-income neighborhoods located at churches, schools, parks, recreation centers, and summer camps in all 50 States;

Whereas thousands volunteer at summer feeding sites;

Whereas summer feeding programs play an important role in providing safe places for children and teenagers to engage in physical activity and provide educational opportunities to spur learning during the summer months;

Whereas data from the Department of Agriculture has shown rates of hunger and food insecurity among school-age children increase during the summer months;

Whereas of the 19,500,000 children receiving free or reduced priced meals through the National School Lunch Program, only 1 in 9 receive meals at a summer feeding site on an average day;

Whereas there are only 34 summer food sites for every 100 school lunch programs; and

Whereas many low-income, food insecure children in rural areas lack access to summer feeding locations: Now, therefore, be it

Resolved, That the Senate—

(1) designates June 2010 as "Summer Food Service Program Awareness Month";

(2) encourages schools, nonprofit institutions, churches, parks, recreation centers, and summer camps to sponsor summer feeding sites in their communities; and

(3) encourages schools, local businesses, nonprofit institutions, churches, cities, and State governments to raise awareness of the availability of summer feeding sites and support efforts to increase participation of children who might otherwise go without meals if not for the Summer Food Service program.

CONDITIONAL ADJOURNMENT OF THE HOUSE AND CONDITIONAL RECESS OR ADJOURNMENT OF THE SENATE

Mr. CARPER. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H. Con. Res. 293, the adjournment resolution, received from the House and at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

A resolution (H. Con. Res. 293) providing for the conditional adjournment of the House of Representatives and a conditional recess or adjournment of the Senate.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. CARPER. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 293) was agreed to, as follows:

H. CON. RES. 293

Resolved by the House of Representatives (the Senate concurring), That when the House ad-

journs on any legislative day from Thursday, July 1, 2010, through Saturday, July 3, 2010, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned until 2 p.m. on Tuesday, July 13, 2010, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate recesses or adjourns on any day from Wednesday, June 30, 2010, through Sunday, July 4, 2010, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand recessed or adjourned until noon on Monday, July 12, 2010, or such other time on that day as may be specified in the motion to recess or adjourn, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, or their respective designees, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble at such place and time as they may designate if, in their opinion, the public interest shall warrant it.

MEASURE READ THE FIRST TIME—H.R. 5552

Mr. CARPER. Mr. President, I understand that H.R. 5552 has been received from the House and is at the desk, is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. CARPER. I ask for its first reading.

The PRESIDING OFFICER. The clerk will read the title of the bill for the first time.

The assistant legislative clerk read as follows:

A bill (H.R. 5552) to amend the Internal Revenue Code of 1986 to require that the payment of the manufacturers' excise tax on recreational equipment be paid quarterly and to provide for the assessment by the Secretary of the Treasury of certain criminal restitution.

Mr. CARPER. I ask for its second reading and object to my own request.

The PRESIDING OFFICER. Objection is heard.

The bill will receive its second reading on the next legislative day.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. CARPER. Mr. President, I ask unanimous consent that the Senate proceed to executive session and that the previous action tonight with respect to Calendar No. 963 be vitiated and that the Senate then proceed to Calendar No. 964; that the nomination be confirmed; that the motion to reconsider be laid upon the table; that the President be immediately notified of the Senate's action, and the Senate resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination considered and confirmed is as follows:

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be general

Lt. Gen. Lloyd J. Austin, III

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now return to legislative session.

APPOINTMENT

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, upon the recommendation of the majority leader, pursuant to Public Law 105-292, as amended by Public Law 106-55, and as further amended by Public Law 107-228, reappoints the following individual to the United States Commission on International Religious Freedom: Dr. Don H. Argue of Washington.

ORDERS FOR MONDAY, JULY 12, 2010

Mr. CARPER. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn under the provisions of H. Con. Res. 293 until 2 p.m. on Monday, July 12; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and that following any leader remarks, there be a period for the transaction of morning business, with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. CARPER. Mr. President, when we return on Monday, July 12, Senators should expect a rollcall vote at approximately 5:30 p.m. We hope to reach an agreement to vote on confirmation of a judicial nomination. Senators will be notified when any agreement is reached.

ADJOURNMENT UNTIL MONDAY, JULY 12, 2010, AT 2 P.M.

Mr. CARPER. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that it adjourn under the previous order.

There being no objection, the Senate, at 9:40 p.m., adjourned until Monday, July 12, 2010, at 2 p.m.

DISCHARGED NOMINATIONS

The Senate Committee on Foreign Relations was discharged from further consideration of the following nominations by unanimous consent and the nominations were confirmed:

FOREIGN SERVICE NOMINATIONS BEGINNING WITH ROBIN J. BRINKLEY HADDEN AND ENDING WITH HEATHER LOUISE YORKSTON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 24, 2010.

CONFIRMATIONS

Executive nominations confirmed by the Senate, Wednesday, June 30, 2010:

BROADCASTING BOARD OF GOVERNORS

VICTOR H. ASHE, OF TENNESSEE, TO BE A MEMBER OF THE BROADCASTING BOARD OF GOVERNORS FOR A TERM EXPIRING AUGUST 13, 2010.

WALTER ISAACSON, OF LOUISIANA, TO BE A MEMBER OF THE BROADCASTING BOARD OF GOVERNORS FOR A TERM EXPIRING AUGUST 13, 2012.

WALTER ISAACSON, OF LOUISIANA, TO BE CHAIRMAN OF THE BROADCASTING BOARD OF GOVERNORS.

MICHAEL LYNTON, OF CALIFORNIA, TO BE A MEMBER OF THE BROADCASTING BOARD OF GOVERNORS FOR A TERM EXPIRING AUGUST 13, 2012.

SUSAN MCCUE, OF VIRGINIA, TO BE A MEMBER OF THE BROADCASTING BOARD OF GOVERNORS FOR A TERM EXPIRING AUGUST 13, 2011.

DENNIS MULHAUPT, OF CALIFORNIA, TO BE A MEMBER OF THE BROADCASTING BOARD OF GOVERNORS FOR A TERM EXPIRING AUGUST 13, 2011.

S. ENDERS WIMBUSH, OF VIRGINIA, TO BE A MEMBER OF THE BROADCASTING BOARD OF GOVERNORS FOR A TERM EXPIRING AUGUST 13, 2010.

DEPARTMENT OF STATE

THEODORE SEDGWICK, OF VIRGINIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE SLOVAK REPUBLIC.

BROADCASTING BOARD OF GOVERNORS

MICHAEL P. MEEHAN, OF VIRGINIA, TO BE A MEMBER OF THE BROADCASTING BOARD OF GOVERNORS FOR A TERM EXPIRING AUGUST 13, 2010.

DANA M. PERINO, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE BROADCASTING BOARD OF GOVERNORS FOR A TERM EXPIRING AUGUST 13, 2012.

DEPARTMENT OF THE TREASURY

S. LESLIE IRELAND, OF MASSACHUSETTS, TO BE ASSISTANT SECRETARY FOR INTELLIGENCE AND ANALYSIS, DEPARTMENT OF THE TREASURY.

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

GEN. DAVID H. PETRAEUS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

LT. GEN. LLOYD J. AUSTIN III

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

GEN. RAYMOND T. ODIERNO

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. FRANCIS H. KEARNEY III

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be major general

BRIG. GEN. REX C. MCMILLIAN

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral

REAR ADM. (LH) ALTON L. STOCKS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral

REAR ADM. (LH) WILLIAM A. BROWN

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral (lower half)

CAPT. ELAINE C. WAGNER

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral (lower half)

CAPT. COLIN G. CHINN

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral (lower half)

CAPT. WILLIE L. METTIS

CAPT. JAN E. TIGHE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral (lower half)

CAPT. THOMAS H. BOND, JR.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral

REAR ADM. (LH) SAMUEL J. COX

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral

REAR ADM. (LH) MICHAEL S. ROGERS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral

REAR ADM. (LH) DAVID G. SIMPSON

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral

REAR ADM. (LH) DAVID A. DUNAWAY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral

REAR ADM. (LH) TERRY J. BENEDICT

REAR ADM. (LH) THOMAS J. ECCLES

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral (lower half)

CAPT. JAMES H. RODMAN, JR.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral (lower half)

CAPT. VICTOR M. BECK

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral (lower half)

CAPT. GERALD W. CLUSEN

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral (lower half)

CAPT. BRYAN P. CUTCHEN

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral

REAR ADM. (LH) PATRICIA E. WOLFE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral

REAR ADM. (LH) DONALD R. GINTZIG

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral

REAR ADM. (LH) STEVEN M. TALSON

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral

REAR ADM. (LH) LOTHROP S. LITTLE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVY RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral

REAR ADM. (LH) GARRY J. BONELLI

REAR ADM. (LH) SCOTT E. SANDERS

REAR ADM. (LH) ROBERT O. WRAY, JR.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral (lower half)

CAPT. MARGARET A. RYKOWSKI

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral (lower half)

CAPT. GREGORY C. HORN

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral (lower half)

CAPT. PAULA C. BROWN

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral

REAR ADM. (LH) SCOTT A. WEIKERT

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVY RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral (lower half)

CAPTAIN KELVIN N. DIXON

CAPTAIN MARTHA E.G. HERB

CAPTAIN BRIAN L. LAROCHE

CAPTAIN JOHN C. SADLER

FOREIGN SERVICE

FOREIGN SERVICE NOMINATIONS BEGINNING WITH ROBIN J. BRINKLEY HADDEN AND ENDING WITH HEATHER LOUISE YORKSTON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 24, 2010.

IN THE AIR FORCE

AIR FORCE NOMINATIONS BEGINNING WITH JEREMY C. AAMOLD AND ENDING WITH PETER W. ZUMWALT, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 3, 2010.

AIR FORCE NOMINATIONS BEGINNING WITH MARK J. AGUIAR AND ENDING WITH MELINDA A. WILLIAMSON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 21, 2010.

AIR FORCE NOMINATIONS BEGINNING WITH VERONA BOUCHER AND ENDING WITH JAMES A. YOUNG, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 21, 2010.

IN THE MARINE CORPS

MARINE CORPS NOMINATIONS BEGINNING WITH ADAM M. KING AND ENDING WITH JAMES D. VALENTINE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 27, 2010.

IN THE NAVY

NAVY NOMINATION OF LYNN A. OSCHMANN, TO BE CAPTAIN.

NAVY NOMINATION OF DIANE C. BOETTCHER, TO BE CAPTAIN.

NAVY NOMINATIONS BEGINNING WITH STEPHEN J. LEPP AND ENDING WITH MELANIE F. OBRIEN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 26, 2010.

NAVY NOMINATION OF CAROLINE M. GAGHAN, TO BE CAPTAIN.

NAVY NOMINATIONS BEGINNING WITH DAVID W. HOWARD AND ENDING WITH CARL R. TORRES, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 26, 2010.

NAVY NOMINATIONS BEGINNING WITH KEVIN A. ASKIN AND ENDING WITH CRAIG S. FEHRLE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 26, 2010.

NAVY NOMINATIONS BEGINNING WITH JOHN B. HOLT AND ENDING WITH CHRISTOPHER R. STEARNS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 26, 2010.

NAVY NOMINATION OF JEFFREY S. TANDY, TO BE CAPTAIN.

NAVY NOMINATIONS BEGINNING WITH RUSSELL L. COONS AND ENDING WITH SCOTT C. RYE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 26, 2010.

NAVY NOMINATIONS BEGINNING WITH KEVIN P. BENNETT AND ENDING WITH PAUL F. WHITE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 26, 2010.

NAVY NOMINATIONS BEGINNING WITH RICHARD A. BALZANO AND ENDING WITH MARK J. WINTER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 26, 2010.

NAVY NOMINATIONS BEGINNING WITH JOHN T. ARCHER AND ENDING WITH ANDREW D. McDONALD, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 26, 2010.

NAVY NOMINATIONS BEGINNING WITH STEVEN T. BELDY AND ENDING WITH DAN A. STARLING, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 26, 2010.

NAVY NOMINATIONS BEGINNING WITH JAMES D. BEARDSLEY AND ENDING WITH CHRISTOPHER S. ZIMMERMAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 26, 2010.

NAVY NOMINATIONS BEGINNING WITH LLOYD P. BROWN, JR. AND ENDING WITH VINCENTIUS J. VANJOOLEN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2010.

NAVY NOMINATIONS BEGINNING WITH DANNY K. BUSCH AND ENDING WITH MICHAEL ZIV, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2010.

NAVY NOMINATIONS BEGINNING WITH WILLIAM S. DILLON AND ENDING WITH MICHAEL J. VANGHEEM, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2010.

NAVY NOMINATIONS BEGINNING WITH NORA A. BURGHARDT AND ENDING WITH RICK T. TAYLOR, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2010.

NAVY NOMINATIONS BEGINNING WITH BRUCE J. BLACK AND ENDING WITH DAVID G. WIRTH, WHICH NOMINA-

TIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2010.

NAVY NOMINATIONS BEGINNING WITH CHAD F. ACEY AND ENDING WITH STEVEN G. WELDON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2010.

NAVY NOMINATIONS BEGINNING WITH JAMES S. BIGGS AND ENDING WITH HAROLD E. WILLIAMS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2010.

NAVY NOMINATIONS BEGINNING WITH RICHARD W. HAUPT AND ENDING WITH JOSEPH A. SURETTE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2010.

NAVY NOMINATIONS BEGINNING WITH EDWARD A. BRADFIELD AND ENDING WITH SCOTT E. ORGAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2010.

NAVY NOMINATIONS BEGINNING WITH BRIAN D. CONNON AND ENDING WITH ERIKA L. SAUER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2010.

NAVY NOMINATIONS BEGINNING WITH CONRADO K. ALEJO AND ENDING WITH RICHARD D. JONES, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2010.

NAVY NOMINATIONS BEGINNING WITH ERIC D. CHENEY AND ENDING WITH CYNTHIA M. WOMBLE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2010.

NAVY NOMINATIONS BEGINNING WITH JAMES A. AIKEN AND ENDING WITH THEODORE A. ZOBEL, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2010.

NAVY NOMINATION OF JAMES R. PELTIER, TO BE CAPTAIN.

NAVY NOMINATIONS BEGINNING WITH JOSEPH C. AQUILINA AND ENDING WITH WILLIAM M. WIKE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 13, 2010.

NAVY NOMINATIONS BEGINNING WITH STEPHEN G. ALFANO AND ENDING WITH TERRY D. WEBB, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 13, 2010.

NAVY NOMINATIONS BEGINNING WITH CHRISTOPHER A. BLOW AND ENDING WITH LINDA D. YOUNBERG, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 13, 2010.

NAVY NOMINATIONS BEGINNING WITH JEFFREY A. FISCHER AND ENDING WITH TRACY V. RIKER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 13, 2010.

NAVY NOMINATIONS BEGINNING WITH CATHERINE A. BAYNE AND ENDING WITH MARY A. YONK, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 13, 2010.

NAVY NOMINATIONS BEGINNING WITH JOHN D. BRUGHELLI AND ENDING WITH POLLY S. WOLF, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 13, 2010.

NAVY NOMINATIONS BEGINNING WITH BILLY M. AP- PLETON AND ENDING WITH MIL A. YI, WHICH NOMINA- TIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 13, 2010.

NAVY NOMINATIONS BEGINNING WITH ERIC M. AABY AND ENDING WITH GEORGE N. SUTHER, WHICH NOMINA- TIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 13, 2010.

NAVY NOMINATION OF AXEL L. STEINER, TO BE LIEU- TENANT COMMANDER.

NAVY NOMINATION OF CLIFFORD R. SHEARER, TO BE COMMANDER.

HOUSE OF REPRESENTATIVES—Wednesday, June 30, 2010

The House met at 10 a.m. and was called to order by the Speaker.

PRAYER

Reverend Dr. Robert Henderson, First Baptist Church, Lincoln, Illinois, offered the following prayer:

Our Father, deliver us from shallow words and impure motivations as we pray to You this day. Forgive us for our arrogance, selfishness and greed.

This morning we ask for Your blessing upon our Nation. Restore our hope, strengthen our faith, and teach us Your love. Enable us to be a nation that cares as we pursue peace, practice mercy and offer compassion.

We pray, O Lord, that You would establish the cause of the faithful, give comfort to those that suffer, and set right the injustices within our Nation and the world.

Protect those that defend our cherished freedoms as they serve within our military branches.

Give wisdom to our community leaders, our courts, and our national representatives.

Renew our commitment of service to the people of our Nation and to the greater good of all humanity.

These things we pray in the name of our Lord Jesus Christ. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House her approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from South Carolina (Mr. WILSON) come forward and lead the House in the Pledge of Allegiance.

Mr. WILSON of South Carolina led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

□ 1010

WELCOMING THE REVEREND DR. ROBERT HENDERSON

The SPEAKER. Without objection, the gentleman from Illinois (Mr. SCHOCK) is recognized for 1 minute.

There was no objection.

Mr. SCHOCK. It is my honor to welcome to the Chamber Pastor Henderson, who just gave us the opening prayer. Pastor Henderson contacted me when he was planning his family's trip to Washington, D.C. It had been a dream of his to be able to give the opening prayer, and I was pleased to be able to recommend him to the Speaker to have that privilege.

In addition to his pastoral duties at his home church, the First Baptist Church in Lincoln, Illinois, he is also a pastor for Memorial Medical Center, located in Springfield, Illinois. In addition to that, he's a public servant in his own right, being elected to his second term now for the West Lincoln-Broadwell School Board. He's in a whole host of organizations, constantly giving back to not only his family but his community, being a member of the Lincoln Area Musical Society orchestra and an officer of the Cub Scouts organization in his community.

He is joined here today with his wife and children, who are seated in the gallery: His wife, Melissa; his daughter, Burgundy; and his son, Joshua. We thank you and welcome you to the United States Capitol. We wish you and your family a good time as you learn more about our American history. Thank you for offering the prayer this morning.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will entertain up to 15 additional 1-minute speeches on each side of the aisle.

HONORING CORPORAL KEVIN CUETO

(Ms. ZOE LOFGREN of California asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ZOE LOFGREN of California. Madam Speaker, I rise today to recognize and honor the life and service of Marine Corporal Kevin Cueto of San Jose, California, who was killed in action on June 24, 2010, in the Helmand Province of Afghanistan. He was 23 years old.

Kevin was born in Santa Clara County, and grew up in San Jose, moving to Campbell while in high school to live with his dad. At Westmont High School, Kevin was a member of the football, baseball, and wrestling teams, as well as the Reserve Officers Training Corps. Following high school, determined to serve his country and his

family, Kevin enlisted in the Marines, and was assigned to the 3rd Battalion, 7th Marine Regiment, 1st Marine Division, Marine Expeditionary Force, based in Twentynine Palms, California. Corporal Cueto served a tour in Iraq in 2009 before being deployed to Afghanistan earlier this year. Last week, he was tragically killed when his patrol was struck by a roadside bomb while conducting combat operations. His awards and decorations include the Purple Heart, the Navy and Marine Corps Achievement Medal, the National Defense Service Medal, and the Global War on Terrorism Service Medal.

Corporal Cueto leaves behind his parents and a younger brother. I extend my sincerest gratitude to him and my condolences to his family. I ask every Member of the House to join me in honoring his service to our country.

MORE WAYS TO SAVE

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Mr. Speaker, congratulations to Coach Ray Tanner and the talented players of the University of South Carolina Gamecocks for winning the College World Series of Baseball at Omaha, Nebraska.

When it comes to reducing Washington's out-of-control spending, Republicans continue to put forward "more ways to save." One such proposal is this week's YouCut bill introduced by Congressman PHIL GINGREY to save taxpayers \$1.2 billion in 10 years by prohibiting taxpayer funding for union activities. Federal employee unions are subsidized by hardworking taxpayers while they engage in lobbying and political activities. This costs the taxpayers over \$100 million a year. Americans should be alarmed about a \$13 trillion deficit. We should note the images of riots in Greece. What, I ask, will it take for real change to take place here?

In conclusion, God bless our troops, and we will never forget September 11th in the global war on terrorism.

WALL STREET REFORM

(Mr. ETHERIDGE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ETHERIDGE. Mr. Speaker, I rise today to call on Congress to rein in

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Wall Street's abuses. We need to put in place commonsense rules of the road. For too long, Wall Street fat cats gambled with our future and ran our economy into the ditch. North Carolina families I hear from every day paid the price. Why? Because Wall Street's protectors looked the other way while abuses ran rampant. We've seen what that means to Main Street and rural America—8 million jobs lost, \$17 trillion in hard-earned family savings—savings for retirement, college, for home buying—all wiped out overnight.

Today, we have an opportunity to say "enough." But the same folks who said "no" to helping out-of-work Americans yesterday are trying to say "no" to reining in Wall Street abuses today. I call on my colleagues to put aside their differences and put America before Wall Street, and join me in supporting the Wall Street Reform and Consumer Protection Act.

TOO MUCH RHETORIC—TOO LITTLE ACTION

(Mr. POE of Texas asked and was given permission to address the House for 1 minute.)

Mr. POE of Texas. Mr. Speaker, over a month ago, the administration promised to send 1,200 National Guard troops to the border. But the troops still aren't there. Now the White House is saying it'll be another month before there's a "steep ramp-up" of the troops—and they'll be there only 4 months. And there'll be a complete ramp-down by June of 2011. And they'll be unarmed National Guardsmen.

You see, the troops aren't actually going to the border. There will be unarmed guards guarding computers 50 miles north of the border. And there'll be 1,200 troops but they all won't be there at the same time. That's like saying a store is open 24 hours but just not 24 hours in a row. What kind of border security plan is that? There is no sense of urgency to stop the violence and the killing along the border. Too much rhetoric and too little action coming out of the White House. Like my grandfather used to say, there's more thunder than rain.

And that's just the way it is.

HERE WE GO AGAIN

(Ms. JACKSON LEE of Texas asked and was given permission to address the House for 1 minute.)

Ms. JACKSON LEE of Texas. Mr. Speaker, tell me it's not true. Republicans again are attacking Social Security. Yesterday, our minority leader indicated that he wanted sweeping cuts in Social Security. Sounds like déjà vu when the Republicans stood side-by-side saying "privatize Social Security." Can you believe that the Republicans are now standing with raising the age for retirees to get Social Security

to age 70? Can you believe there will be a means test that you won't be able to get Social Security if you earn a certain amount? Can you believe they want to take this money to pay for the Iraq and Afghan war? Can you believe they're fighting Democrats to not extend unemployment benefits? Can you believe that they are fighting us from creating jobs, as Democrats are doing, giving opportunities to small businesses.

I really can't believe it, Mr. Speaker. Here we go again—cutting our seniors again, raising the Social Security means test as a way of saving money. What are we going to do? Fight back as Democrats and stand with our seniors.

□ 1020

NO BUDGET? NO PROBLEM

(Mr. SAM JOHNSON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SAM JOHNSON of Texas. You know, last week the House leader announced that Democrats will not craft a budget next year. Instead of going line by line to see what programs could be eliminated or reduced, they are ignoring the dire warnings of economists and continuing on their spending frenzy. No budget? No problem. Not enough money? No problem. They'll just raise taxes on the middle class, breaking their promise not to raise taxes on families earning less than \$250,000.

They need to produce a budget and stop the out-of-control spending that has pushed our national debt past \$13 trillion. I don't know what's worse, failing to produce a budget or how the Democrats already have resigned to the fact they will raise taxes on middle class families to pay for their wasteful ways. Americans want, need, and deserve better. Make a budget, cut spending for our freedom and for our future.

SAFE ROUTES TO SCHOOL

(Mr. BLUMENAUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLUMENAUER. Mr. Speaker, for as long as I have been in Congress, I have worked on being a proponent of "bike partisanship," something that everybody ought to be able to agree on. That's why I have been appalled at the repeated attacks on cycling by the Republican leadership. The latest is for the second time, Republican Whip CANTOR has offered on the chopping block Safe Routes to School. You know, this is a program in 6800 schools across the country and has been requested by three times that number.

People know that children under 14, one-third of all their deaths occur when a car hits them when they're

biking or walking. In my old grade school on a very busy street, these grants have reduced crashes by 25 percent and pedestrian injuries by 34 percent. This is a commonsense program supported by people regardless of their party. When children can bike or walk safely to school, we won't be worried about 300-pound morbidly obese 6th graders and a second rush hour as people take their kids to school. And then all our families will be safer, healthier and more economically secure.

PRESIDENT OBAMA'S HANDLING OF IMMIGRATION

(Mr. SMITH of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Texas. Mr. Speaker, a recent NBC News survey found that over half of all Americans disapprove of how President Obama is handling the immigration issue; an overwhelming 73 percent support imposing new fines on businesses that hire illegal immigrants; 71 percent support increasing border security by building a fence along the border and training more Border Patrol agents.

So it's no surprise that Republicans are viewed more favorably when it comes to enforcing the border. In fact, their survey found that only 26 percent of registered voters are likely to vote for a Democratic candidate who opposes the Arizona immigration enforcement law. The American people are not going to forget about the Obama administration's failure to secure our borders and enforce our Nation's immigration laws.

THE NATION'S BROKEN IMMIGRATION SYSTEM

(Mr. COSTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COSTA. Mr. Speaker, I rise today to encourage my colleagues to put aside partisan differences and begin in earnest to address our Nation's broken immigration system. Although we do not always agree on how to change the system, it is clear that we all agree that the current system is broken and in need of meaningful reform.

Yesterday I met with the President to discuss a way forward for immigration reform; and while comprehensive reform remains my priority, we cannot allow the perfect to become the enemy of the good. We must begin to address our immigration issues this year, improve our security at the borders. But piecemeal approaches at the State and local level only further complicates our Nation's immigration policy. We cannot and should not abandon our responsibility at the Federal level.

AgJobs and the DREAM Act provides a path forward that can be an example

of how we can reform in a meaningful way that benefits our economy, provides a stable workforce on our local farms, and reduces the number of illegal workers in our country. We must act now, and I ask my colleagues to join me to pass immigration reform this year.

DEEMING A BUDGET ISN'T THE ANSWER

(Mr. NEUGEBAUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NEUGEBAUER. Mr. Speaker, the American people are tired of more spending, more borrowing, more bailouts and more debt. And here we go deeming things again. Deem something, not budgeting. The Democrats' version of a budget means picking a dollar amount for this year without even looking at what the impact for the future is. We need a budget plan that guides spending decisions, but the Democrats are too afraid to even make a real attempt. Deeming things as a budget isn't the answer.

Republicans want to offer a budget that reins in spending, addresses the trillion-dollar national debt, and provides economic certainty for small businesses. In fact, some of us have cosponsored the RSC budget that does that very thing. While others say that this plan is too extreme, it shows just how much Congress is spending beyond its means.

American families have to live within their means. Why should the government be any different? They want Congress to get serious and make the tough decisions that will get our spending problem under control. Our country can't afford for Congress to avoid hard decisions that we were elected to do. You can't deem things. You've got to do things.

RENEWABLE ENERGY FOR A CLEAN ENERGY ECONOMY

(Mr. SIREs asked and was given permission to address the House for 1 minute.)

Mr. SIREs. Mr. Speaker, the disaster in the gulf has made it increasingly evident that we must reevaluate our Nation's energy policy to prioritize renewable energy sources and focus on a clean energy economy. It is unfortunate that it has taken a man-made tragedy of this scale to open our eyes to both the economic and environmental dangers of offshore drilling and our reliance on fossil fuels. In addition to ensuring that BP is held accountable for the damages done to the gulf coast community, we must take this time to refocus on clean energy policies to ensure that a catastrophe of this nature never occurs again.

Comprehensive energy reform will not only help protect our pristine

coastlines, but it will insist on ensuring that America stays competitive in the global economy. According to a new poll released by the Pew Research Center, the American people are now on our side and strongly support alternative energy production. Now is the time to launch a cleaner, smarter, more cost-effective energy future to protect our environment and create millions of clean energy jobs.

PASS THE COLOMBIA FREE TRADE AGREEMENT

(Mr. BRADY of Texas asked and was given permission to address the House for 1 minute.)

Mr. BRADY of Texas. Yesterday, China and Taiwan signed the free trade agreement to open up markets, create jobs and strengthen their economies. You have to ask yourself, if these two bitter political rivals can work together to boost their economies, why isn't this Congress taking up the free trade agreement with Colombia?

Colombia's one of America's strongest allies. With our help, they've instilled rule of law, defeated the FARC terrorist group. They've created labor rights and lowered their crime rate, violence rate by 90 percent. For 3 years, this Congress has done nothing. Other countries have now moved in line ahead of us, and our U.S. farmers are losing their sales to Colombia. Congress does nothing. Venezuela has imposed a trade agreement on our ally Colombia. This Congress does nothing. It's time for Congress to take up and pass the Colombia Free Trade Agreement this year.

CONGRATULATING CHEF RICK MOONEN

(Ms. TITUS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. TITUS. Mr. Speaker, I rise today to congratulate Chef Rick Moonen on his impressive second-place finish on Bravo's Top Chef Masters competition earlier this month. Chef Moonen is donating his winnings to Three Square Food Bank in Las Vegas, where the \$22,500 prize money will fund the equivalent of 67,500 meals for southern Nevadans who are struggling with hunger.

I was pleased to join Chef Moonen this past April when he further demonstrated his commitment to fighting hunger by supporting the Weekends Without Hunger Act, a bill I introduced that will prevent low-income children from going hungry when they are away from school during the weekends and on holidays. We're honored to have a chef of Rick Moonen's stature as such a strong advocate for fighting hunger in southern Nevada.

So, again, I extend my congratulations to the chef and thank him for the

contributions he's made to our community. I am also proud to have his wonderful restaurant, RM Seafood, in District Three. And I urge all my colleagues to join us to support the Weekends Without Hunger Act.

AMERICA SPEAKING OUT

(Mr. SESSIONS asked and was given permission to address the House for 1 minute.)

Mr. SESSIONS. Mr. Speaker, today we're here on the floor of the House of Representatives talking about taxing and spending, jobs, and the needs of this great Nation. Yet today we will begin debating a bill which will further tax and cause fees of \$18 billion for consumers in the new banking bill, a banking bill that will collapse what is \$1 trillion worth of equity and other arrangements that can be made that today fund American businesses and keep small businesses alive.

Mr. Speaker, I think it's time that we change the direction that we're heading. Taxing and spending is something that the American people do not want or need for their future. The unemployment rate still stays near 10 percent. And since taking office in 2007, our Democrat friends have set a record for deficits, spending, and unemployment. The American people know this, and they are speaking out.

I encourage Americans to visit the Web site www.AmericaSpeakingOut.com. "America Speaking Out" is an opportunity for Americans to have a say in their government.

□ 1030

LET'S MAKE A DIFFERENCE

(Mr. CLEAVER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLEAVER. Mr. Speaker, last evening I received a phone call from a friend from my congressional district who now lives here in the District. We spoke extensively, but painfully, about the pitiful action taken in this body yesterday.

We denied unemployment benefits to American citizens who, through no fault of their own, became victims of the worst recession in U.S. history. They lost their jobs.

This, for me, was a very, very low point. The Senate has failed to approve summer jobs for youth, as well as emergency TANF relief, temporary assistance for families in need.

Mr. Speaker, when I came to the Congress, I didn't sign up to make a mess but to make a difference. We are damaging the lives of men and women and, painfully, it is for political reasons. I went home last night ashamed of being in this body.

FEDERAL SPENDING IS OUT OF CONTROL

(Mr. PENCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PENCE. Mr. Speaker, Federal spending is out of control, and the American people know it. \$13 trillion national debt, a \$1.4 trillion deficit this year, an 84 percent increase in non-defense discretionary spending since this administration took office. The Democrat majority's answer so far this year, no budget.

To answer this extraordinary fiscal crisis by refusing to lead is unacceptable. After a year of avoiding hard choices, now we hear the latest Democrat plan is actually to bring a budget resolution to the floor in some procedural motion known as "deeming."

Well, Mr. Speaker, you can't deem a budget that you never passed. The American people long for leadership in Washington, D.C., that's willing to sit down across party lines and face the fiscal and economic crisis of this country head on with hard choices. We can't get this economy moving again until we get Washington, D.C., under control.

I urge my colleagues, reject this phony baloney deeming of the budget. Let's sit down. Let's face our fiscal crisis head on. Give the American people the kind of leadership they want and deserve.

LET'S PUT THE AMERICAN PEOPLE FIRST

(Mr. DRIEHAUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DRIEHAUS. Mr. Speaker, in 2002 Representative Stephanie Tubbs Jones introduced legislation to crack down on predatory lending and subprime borrowers. Acting then to protect American homeowners could have helped prevent the foreclosure crisis, which led to the financial crisis, which led to the deepest recession in generations.

But instead of acting in 2002 or 2003 or every other year they controlled Congress and the White House, my Republican colleagues stood by and did nothing. We can now clearly see the result of that inaction.

This week we will take long overdue steps as we vote on the most sweeping reform of our financial system since the Great Depression. Instead of leaving decisions about our financial system in the hands of Wall Street bankers, this legislation will curb the risky practices and fix the systemic flaws that brought our economy to the brink. Instead of allowing predatory lending and dangerous speculation to go unchecked, these reforms will provide real protections for Americans looking to invest or to buy a home.

We cannot undo the failures of past leadership, but we can help prevent another economic crisis like this one. By passing the Wall Street reform conference report, we can chart a new course that puts America first.

CONDEMNING THE IRANIAN EDUCATIONAL SYSTEM

(Mr. ROSKAM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROSKAM. Mr. Speaker, on display in Jerusalem at the Yad Vashem museum, the Holocaust museum, amidst all the pain and suffering and murder and turmoil, are German schoolbooks from the 1930s that display an attitude that was getting pumped into young Germans through their educational system. And as fearful and as loathsome as that is, there is the same thing that's happening in Iran today.

The Iranian educational system has excerpts that suggest that martyrdom is praiseworthy, and it urges children to welcome it. It is laced with anti-Semitism, anti-Israeli sentiment, and anti-Western sentiment.

I'm introducing a resolution today that condemns that, calls upon us to focus on it, and urges the administration to consider that as it interacts with Iran, particularly on these sanctions. I urge my colleagues to join me.

THE WALL STREET REFORM BILL

(Mr. HIMES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HIMES. Mr. Speaker, 8 million jobs gone; \$17 trillion in savings gone; Americans' faith in their system gone. Why? Because mortgages that came in 31 flavors of insanity got bought by Americans who couldn't afford them. Banks tied them in a bow and put AAA ratings on them, and then the billion dollar betting really started. The Wall Street reform bill that we have crafted addresses every one of the links in that chain of madness.

Yesterday, the minority leader called the reform killing an ant with a nuclear weapon. Mr. Speaker, I'm a human being, so I know that 8 million jobs lost and \$17 trillion in savings gone is not an ant.

Mr. Speaker, I worked years in the financial services industry, so I know that this reform is not a nuclear weapon. It is a critical and essential mechanism to restore the faith of the American people in their system and the prosperity that will follow.

WALL STREET REFORM

(Mr. YARMUTH asked and was given permission to address the House for 1 minute.)

Mr. YARMUTH. Mr. Speaker, it's pretty clear that there's a difference between Democrats and Republicans and their attitude toward the economy. Democrats want an economy that works for everyone. Republicans want an economy that works for Wall Street banks, that works for insurance companies, and works for big oil companies.

The greatest evidence of that was just mentioned by my colleague from Connecticut; the minority leader's statement that the reform package that we're proposing to pass for Wall Street is like killing an ant with a nuclear weapon. Goldman Sachs is an ant? AIG is an ant? Bank of America is an ant? These are ants with an awfully big appetite, because they chewed up \$17 trillion worth of American citizens' net worth.

No, we can't let ants this dangerous loose on our economy. We have to propose reasonable regulations, and that's what we're doing. We want to make sure that the American economy works for every American and not just for the people on Wall Street.

EXTEND UNEMPLOYMENT BENEFITS NOW

(Mr. LEWIS of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Georgia. Mr. Speaker, it is a shame and a disgrace that we did not extend unemployment insurance. Every single Member who voted "no" yesterday should be ashamed of themselves.

People are suffering. They are hurting. They are in pain. They cannot make ends meet. And too many, just too many on the other side of the aisle turned a deaf ear.

I ask my Republican colleagues: Can't you hear? Can't you feel? Can't you see? Where is your heart? Where is your compassion? Where is your concern?

Extend unemployment benefits, and extend it now.

□ 1040

WARS AND THE DEFICIT

(Ms. LEE of California asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. LEE of California. Mr. Speaker, it's really no secret that the wars in Iraq and Afghanistan have created a massive deficit that, if left to Republicans, will burden our children and grandchildren with the debt that Republicans created. The wars have cost over \$1 trillion. And it's mind-boggling to hear that the minority leader wants senior citizens to pay for these wars. He wants to increase the Social Security retirement age to 70 for people

who have at least 20 years until retirement, and wants actually to tie the cost of retirement to the Consumer Price Index—what an idea, boy, I tell you—instead of the wage inflation index. And he wants it only for those who need them.

Several years ago, the Republicans, let me remind you, they wanted to privatize Social Security. Democrats said, “no.” Can you imagine what would have happened to seniors had their retirements been given to Wall Street given Wall Street’s greed and given their irresponsibility? Their lives would be shattered.

So Democrats will say “no” to Republican ideas to slash Social Security to pay for the wars in Iraq and Afghanistan.

LEADERSHIP IS ABOUT ACTION

(Mr. BOCCIERI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOCCIERI. Mr. Speaker, I have always been told that leadership is about action, not position. But when you hear the position on the other side of the aisle that we need to stand up for big Wall Street banks, we need to stand up and apologize to BP and Big Oil for our involvement in trying to clean up the oil spills, and we need to stand up and allow foreign corporations to be involved in our political process, there is a clear difference between this aisle, and it’s a bright line. The American people need to understand this.

When we took office a year ago as freshman Democrats, we were handed two undeclared, unfunded wars, an economy that was in free fall, we didn’t know where we were going to land, and greed, unregulated greed on Wall Street. And now the answers and solutions that we hear from the other side is that we need to privatize Social Security to pay for our debt, we need to make sure that we apologize to BP, we need to make Americans work harder and work until they are 70.

Mr. Speaker, there is a clear difference. We need regulated reform to make sure that Wall Street banks are accountable. We need to make sure we move away from our dependence on foreign oil, so that we stand up to the big insurance companies and provide access to health care for all Americans. There has been a clear difference for the decisions that we made because we know on this side that leadership is about action, not position.

TRADE, COMPETITIVENESS, AND CLEAN ENERGY TECHNOLOGIES

(Mr. QUIGLEY asked and was given permission to address the House for 1 minute.)

Mr. QUIGLEY. Mr. Speaker, trade is critically important to our economic

well-being. Trade provides a market for American goods, and sustains millions of jobs in vital American industries. In fact, exports support one of every five manufacturing jobs.

Trade can also make the U.S. a leader in clean energy technologies. In 2009, China edged the U.S. out of the top spot in spending on clean energy. But projects like the all-electric commercial truck built by Navistar in my district, and supported through a Federal stimulus investment, can restore the U.S. as the leader in this field while creating jobs here at home.

Now we need to pursue a better competition policy and help simplify the patchwork of global regulatory standards that cripple businesses trying to export goods internationally. We can make trade policy work for American businesses and for a cleaner environment.

PROVIDING FOR THE USE OF THE CAPITOL VISITOR CENTER CATAFALQUE

Mr. BOCCIERI. Mr. Speaker, I ask unanimous consent to take from the Speaker’s table the concurrent resolution (S. Con. Res. 65) providing for the use of the catafalque situated in the Exhibition Hall of the Capitol Visitor Center in connection with memorial services to be conducted in the United States Senate Chamber for the Honorable ROBERT C. BYRD, late a Senator from the State of West Virginia, and ask for its immediate consideration in the House.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore (Mr. PASIOR of Arizona). Is there objection to the request of the gentleman from Ohio?

There was no objection.

The text of the concurrent resolution is as follows:

S. CON. RES. 65

Resolved by the Senate (the House of Representatives concurring), That the Architect of the Capitol is authorized and directed to transfer the catafalque which is situated in the Exhibition Hall of the Capitol Visitor Center to the Senate Chamber so that such catafalque may be used in connection with services to be conducted there for the Honorable Robert C. Byrd, late a Senator from the State of West Virginia.

The concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on motions to suspend the rules previously postponed.

Votes will be taken in the following order:

H. Con. Res. 284; H.R. 5395; H. Res. 1446; and H.R. 4307, each by the yeas and nays.

The first electronic vote will be conducted as a 15-minute vote. Remaining electronic votes will be conducted as 5-minute votes.

RECOGNIZING SPECIAL EDUCATION TEACHERS

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and agree to the concurrent resolution (H. Con. Res. 284) recognizing the work and importance of special education teachers, as amended, on which the yeas and nays were ordered.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Hawaii (Ms. HIRONO) that the House suspend the rules and agree to the concurrent resolution, as amended.

The vote was taken by electronic device, and there were—yeas 415, nays 0, not voting 17, as follows:

[Roll No. 402]

YEAS—415

Aderholt	Calvert	Dicks
Adler (NJ)	Camp	Dingell
Akin	Campbell	Djou
Alexander	Cantor	Doggett
Altmire	Cao	Donnelly (IN)
Andrews	Capito	Doyle
Arcuri	Capps	Dreier
Austria	Capuano	Driehaus
Baca	Cardoza	Duncan
Bachmann	Carnahan	Edwards (MD)
Bachus	Carney	Edwards (TX)
Baird	Carson (IN)	Ehlers
Baldwin	Carter	Ellison
Barrett (SC)	Cassidy	Emerson
Barrow	Castle	Engel
Bartlett	Castor (FL)	Eshoo
Barton (TX)	Chaffetz	Etheridge
Bean	Chandler	Fallin
Berkley	Childers	Farr
Berman	Chu	Fattah
Berry	Clarke	Filner
Biggert	Cleaver	Flake
Bilbray	Clyburn	Fleming
Bilirakis	Coble	Forbes
Bishop (GA)	Coffman (CO)	Fortenberry
Bishop (NY)	Cohen	Foster
Bishop (UT)	Cole	Fox
Blackburn	Conaway	Frank (MA)
Blumenauer	Connolly (VA)	Franks (AZ)
Blunt	Conyers	Frelinghuysen
Bocchieri	Cooper	Fudge
Boehner	Costa	Gallegly
Bonner	Costello	Garamendi
Bono Mack	Courtney	Garrett (NJ)
Boozman	Crenshaw	Gerlach
Boren	Critz	Giffords
Boswell	Crowley	Gingrey (GA)
Boucher	Cuellar	Gohmert
Boustany	Cummings	Gonzalez
Boyd	Dahlkemper	Goodlatte
Brady (PA)	Davis (AL)	Gordon (TN)
Braley (IA)	Davis (CA)	Granger
Bright	Davis (IL)	Graves (GA)
Broun (GA)	Davis (KY)	Graves (MO)
Brown (SC)	Davis (TN)	Grayson
Brown, Corrine	DeFazio	Green, Al
Brown-Waite,	DeGette	Green, Gene
Ginny	Delahunt	Griffith
Buchanan	DeLauro	Grijalva
Burgess	Dent	Guthrie
Burton (IN)	Deutch	Gutierrez
Butterfield	Diaz-Balart, L.	Hall (NY)
Buyer	Diaz-Balart, M.	Hall (TX)

Halvorson

Hare

Harman

Harper

Hastings (FL)

Hastings (WA)

Heinrich

Heller

Hensarling

Hergert

Herseth Sandlin

Higgins

Hill

Himes

Hincheey

Hinojosa

Hirono

Hodes

Holden

Holt

Honda

Hoyer

Hunter

Inglis

Inslee

Israel

Issa

Jackson (IL)

Jackson Lee (TX)

Jenkins

Johnson (GA)

Johnson (IL)

Johnson, Sam

Jones

Jordan (OH)

Kagen

Kanjorski

Kaptur

Kennedy

Kildee

Kilpatrick (MI)

Kilroy

Kind

King (IA)

King (NY)

Kingston

Kirk

Kirkpatrick (AZ)

Kissell

Klein (FL)

Kline (MN)

Kosmas

Kratovil

Kucinich

Lamborn

Lance

Langevin

Larsen (WA)

Larson (CT)

Latham

LaTourette

Latta

Lee (CA)

Lee (NY)

Levin

Lewis (CA)

Lewis (GA)

Linder

Lipinski

LoBiondo

Loeb sack

Lofgren, Zoe

Lowe y

Lucas

Lujan

Lummis

Lungren, Daniel E.

Lynch

Mack

Maffei

Maloney

Manzullo

Marchant

Markey (CO)

Markey (MA)

Marshall

Matheson

Matsui

McCarthy (CA)

McCarthy (NY)

McCaul

McClintock

McCollum

McCotter

McDermott

McGovern

McHenry

McIntyre

McKeon

McMahon

McMorris

Rodgers

McNerney

Meek (FL)

Meeks (NY)

Melancon

Mica

Michaud

Miller (FL)

Miller (MI)

Miller, Gary

Miller, George

Minnick

Mitchell

Mollohan

Moore (KS)

Moran (KS)

Moran (VA)

Murphy (CT)

Murphy (NY)

Murphy, Patrick

Murphy, Tim

Myrick

Nadler (NY)

Napolitano

Neal (MA)

Neugebauer

Nunes

Nye

Oberstar

Obey

Olson

Olver

Ortiz

Owens

Pallone

Pascrrell

Pastor (AZ)

Paul

Paulsen

Payne

Pence

Perlmutter

Perriello

Petri

Peters

Peterson

Petri

Pingree (ME)

Pitts

Price (GA)

Price (NC)

Putnam

Quigley

Radanovich

Rahall

Rangel

Rehberg

Reichert

Reyes

Richardson

Rodriguez

Roe (TN)

Rogers (AL)

Rogers (KY)

Rogers (MI)

Rohrabacher

Rooney

Ros-Lehtinen

Roskam

Ross

Rothman (NJ)

Roybal-Allard

Royce

Ruppersberger

Rush

Ryan (OH)

Ryan (WI)

Salazar

Sánchez, Linda T.

Sanchez, Loretta

Sarbanes

Scalise

Schock

Schrader

Schwartz

Scott (GA)

Scott (VA)

Sensenbrenner

Serrano

Sessions

Sestak

Shadegg

Shea-Porter

Sherman

Shimkus

Shulder

Slaughter

Smith (NE)

Smith (NJ)

Smith (TX)

Smith (WA)

Snyder

Space

Speier

Spratt

Stearns

Stupak

Sullivan

Tanner

Teague

Thompson (CA)

Thompson (MS)

Thompson (PA)

Thornberry

Tiahrt

Tiberi

Tierney

Titus

Tonko

Towns

Tsongas

Turner

Upton

Van Hollen

Velázquez

Visclosky

Walden

Walz

Waxman

Weiner

Welch

Westmoreland

Whitfield

Wilson (OH)

Wilson (SC)

Wittman

Wolf

Wu

Yarmuth

Young (FL)

NOT VOTING—17

Ackerman

Becerra

Brady (TX)

Clay

Culberson

Ellsworth

Hoekstra

Johnson, E. B.

Luetkemeyer

Moore (WI)

Platts

PAULA HAWKINS POST OFFICE BUILDING

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and pass the bill (H.R. 5395) to designate the facility of the United States Postal Service located at 151 North Maitland Avenue in Maitland, Florida, as the “Paula Hawkins Post Office Building,” on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from the District of Columbia (Ms. NORTON) that the House suspend the rules and pass the bill.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 409, nays 0, not voting 23, as follows:

Roll No. 403

YEAS—409

Aderholt

Adler (NJ)

Akin

Alexander

Altmire

Andrews

Arcuri

Austria

Baca

Bachmann

Bachus

Baird

Baldwin

Barrett (SC)

Barrow

Bartlett

Barton (TX)

Bean

Becerra

Berkley

Berman

Berry

Biggert

Bilbray

Bilirakis

Bishop (GA)

Bishop (NY)

Bishop (UT)

Blackburn

Blumenauer

Blunt

Bocciari

Boehner

Bonner

Bono Mack

Boozman

Boren

Boswell

Boucher

Boustany

Boyd

Brady (PA)

Bright

Broun (GA)

Brown (SC)

Brown, Corrine

Brown-Waite,

Ginny

Buchanan

Burgess

Burton (IN)

Butterfield

Buyer

Calvert

Camp

Campbell

Cantor

Cao

Capito

Capps

Capuano

Cardoza

Carnahan

Carney

Carson (IN)

Carter

Cassidy

Castle

Castor (FL)

Chaffetz

Chandler

Childers

Chu

Clarke

Cleaver

Clyburn

Coble

Coffman (CO)

Cohen

Cole

Conaway

Connolly (VA)

Conyers

Cooper

Costa

Costello

Courtney

Crenshaw

Critz

Crowley

Cuellar

Culberson

Cummings

Dahlkemper

Davis (AL)

Davis (CA)

Davis (IL)

Davis (KY)

Davis (TN)

DeFazio

DeGette

Delahunt

DeLauro

Dent

Deutch

Diaz-Balart, L.

Diaz-Balart, M.

Dicks

Dingell

Djou

Doggett

Donnelly (IN)

Doyle

Dreier

Driehaus

Duncan

Edwards (MD)

Ehlers

Ellison

Emerson

Engel

Eshoo

Etheridge

Fallin

Farr

Fattah

Filner

Flake

Fleming

Forbes

Fortenberry

Foster

Fox

Fox

Frank (MA)

Frank (AZ)

Frelinghuysen

Galleghy

Garamendi

Garrett (NJ)

Gerlach

Giffords

Gingrey (GA)

Gordon (TN)

Granger

Graves (GA)

Graves (MO)

Grayson

Green, Al

Green, Gene

Griffith

Grijalva

Guthrie

Hall (NY)

Hall (TX)

Halvorson

Hare

Harman

Harper

Hastings (WA)

Heinrich

Heller

Hensarling

Hergert

Herseth Sandlin

Higgins

Hill

Himes

Hincheey

Hinojosa

Hirono

Hodes

Holden

Holt

Honda

Hoyer

Hunter

Inglis

Inslee

Israel

Issa

Jackson (IL)

Jackson Lee (TX)

Jenkins

Johnson (GA)

Johnson (IL)

Johnson, Sam

Jones

Jordan (OH)

Kagen

Kanjorski

Kaptur

Kennedy

Kildee

Kilpatrick (MI)

Kilroy

Kind

King (IA)

King (NY)

Kingston

Kirk

Kirkpatrick (AZ)

Kissell

Klein (FL)

Kline (MN)

Kosmas

Kratovil

Kucinich

Lamborn

Lance

Langevin

Larsen (WA)

Larson (CT)

Latham

Latta

Lee (CA)

Lee (NY)

Levin

Lewis (CA)

Lewis (GA)

Linder

Lipinski

LoBiondo

Loeb sack

Lofgren, Zoe

Lowe y

Lucas

Luetkemeyer

Lujan

Lummis

Lungren, Daniel E.

Lynch

Mack

Maffei

Maloney

Manzullo

Marchant

Markey (CO)

Markey (MA)

Marshall

Matheson

Matsui

McCarthy (CA)

McCarthy (NY)

McCaul

McClintock

McCollum

McCotter

McDermott

McGovern

McHenry

McIntyre

McKeon

McMahon

McMorris

Rodgers

McNerney

Meek (FL)

Meeks (NY)

Melancon

Mica

Michaud

Miller (FL)

Miller (MI)

Miller (NC)

Miller, Gary

Miller, George

Minnick

Mitchell

Mollohan

Moore (KS)

Moore (WI)

Moran (VA)

Murphy (CT)

Murphy (NY)

Murphy, Patrick

Murphy, Tim

Myrick

Nadler (NY)

Napolitano

Neal (MA)

Neugebauer

Nunes

Nye

Oberstar

Obey

Olson

Olver

Owens

Pallone

Pascrrell

Pastor (AZ)

Paul

Paulsen

Payne

Pence

Perlmutter

Perriello

Peters

Peterson

Petri

Pingree (ME)

Pitts

Price (TX)

Polis (CO)

Pomeroy

Posey

Price (GA)

Price (NC)

Putnam

Quigley

Radanovich

Rahall

Rehberg

Reichert

Reyes

Richardson

Rodriguez

Roe (TN)

Rogers (AL)

Rogers (KY)

Rogers (MI)

Rohrabacher

Rooney

Ros-Lehtinen

Roskam

Ross

Rothman (NJ)

Roybal-Allard

Royce

Ruppersberger

Rush

Ryan (OH)

Ryan (WI)

Salazar

Sánchez, Linda T.

Sanchez, Loretta

Sarbanes

Scalise

Schakowsky

Schauer

Schiff

Schock

Schrader

Schwartz

Scott (GA)

Scott (VA)

Sensenbrenner

Serrano

Sessions

Sestak

Shadegg

Shea-Porter

Sherman

Shimkus

Shuler

Simpson

Sires

Skelton

Slaughter

Smith (NE)

Smith (NJ)

Smith (TX)

Smith (WA)

Snyder

Space

Speier

Spratt

Stearns

Stupak

Sullivan

Sutton

Tanner

Teague

Terry

Thompson (CA)

Thompson (MS)

Thompson (PA)

Thornberry

Tiahrt

Tiberi

Tierney

Titus

Tonko

Towns

Tsongas

Turner

Upton

Van Hollen

Velázquez

Visclosky

Walden

Walz

Waters

Watson

Watt

Waxman

Weiner

Welch

Westmoreland

Whitfield

Wilson (OH)

Wilson (SC)

Wittman

Wolf

Wu

Yarmuth

Young (FL)

NOT VOTING—23

Ackerman

Brady (TX)

Clay

Braley (IA)

Edwards (TX)

Ellsworth

Fudge	Moran (KS)	Taylor
Gutierrez	Ortiz	Wamp
Hastings (FL)	Platts	Wasserman
Hoekstra	Rangel	Schultz
Johnson, E. B.	Shuster	Woolsey
LaTourette	Stark	Young (AK)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Two minutes remain in this vote.

□ 1118

So (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

RECOGNIZING RESIDENTS OF TRACY, CALIFORNIA

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and agree to the resolution (H. Res. 1446) recognizing the residents of the City of Tracy, California, on the occasion of the 100th anniversary of the city's incorporation, for their century of dedicated service to the United States, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. FILNER) that the House suspend the rules and agree to the resolution.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 419, nays 0, not voting 13, as follows:

[Roll No. 404]

YEAS—419

Ackerman	Boren	Clarke
Aderholt	Boswell	Cleaver
Adler (NJ)	Boucher	Clyburn
Akin	Boustany	Coble
Alexander	Boyd	Coffman (CO)
Altmire	Brady (PA)	Cohen
Andrews	Braley (IA)	Cole
Arcuri	Bright	Conaway
Austria	Broun (GA)	Connolly (VA)
Baca	Brown (SC)	Conyers
Bachmann	Brown, Corrine	Cooper
Bachus	Brown-Waite,	Costa
Baird	Ginny	Costello
Baldwin	Buchanan	Courtney
Barrett (SC)	Burgess	Crenshaw
Barrow	Butterfield	Critz
Bartlett	Buyer	Crowley
Barton (TX)	Calvert	Cuellar
Bean	Camp	Culberson
Becerra	Campbell	Cummings
Berkley	Cantor	Dahlkemper
Berman	Cao	Davis (AL)
Berry	Capito	Davis (CA)
Biggert	Capps	Davis (IL)
Bilbray	Capuano	Davis (KY)
Bilirakis	Cardoza	Davis (TN)
Bishop (GA)	Carnahan	DeFazio
Bishop (NY)	Carney	DeGette
Bishop (UT)	Carson (IN)	Delahunt
Blackburn	Carter	DeLauro
Blumenauer	Cassidy	Dent
Blunt	Castle	Deutch
Boccheri	Castor (FL)	Diaz-Balart, L.
Boehner	Chaffetz	Diaz-Balart, M.
Bonner	Chandler	Dicks
Bono Mack	Childers	Dingell
Boozman	Chu	Djou

Doggett	Kirk	Paulsen
Donnelly (IN)	Kirkpatrick (AZ)	Payne
Doyle	Kissell	Pence
Dreier	Klein (FL)	Perlmutter
Driehaus	Kline (MN)	Perriello
Duncan	Kosmas	Peters
Edwards (MD)	Kratovil	Peterson
Edwards (TX)	Kucinich	Petri
Ehlers	Lamborn	Pingree (ME)
Ellison	Lance	Pitts
Emerson	Langevin	Poe (TX)
Engel	Larsen (WA)	Polis (CO)
Eshoo	Larson (CT)	Pomeroy
Etheridge	Latham	Posey
Fallin	LaTourette	Price (GA)
Farr	Latta	Price (NC)
Fattah	Lee (CA)	Putnam
Filner	Lee (NY)	Quigley
Flake	Levin	Radanovich
Fleming	Lewis (CA)	Rahall
Forbes	Lewis (GA)	Rangel
Fortenberry	Linder	Rehberg
Foster	Lipinski	Reichert
Fox	LoBiondo	Reyes
Frank (MA)	Loeb	Richardson
Franks (AZ)	Lofgren, Zoe	Rodriguez
Frelinghuysen	Lowey	Roe (TN)
Galleghy	Lucas	Rogers (AL)
Garamendi	Luetkemeyer	Rogers (KY)
Garrett (NJ)	Luján	Rogers (MI)
Gerlach	Lummis	Rohrabacher
Giffords	Lungren, Daniel	Rooney
Gingrey (GA)	E.	Ros-Lehtinen
Gohmert	Lynch	Roskam
Gonzalez	Mack	Ross
Goodlatte	Maffei	Rothman (NJ)
Gordon (TN)	Maloney	Roybal-Allard
Granger	Manzullo	Royce
Graves (GA)	Marchant	Ruppersberger
Graves (MO)	Markey (CO)	Rush
Grayson	Markey (MA)	Ryan (OH)
Green, Al	Marshall	Ryan (WI)
Green, Gene	Matheson	Salazar
Griffith	Matsui	Sánchez, Linda
Grijalva	McCarthy (CA)	T.
Guthrie	McCarthy (NY)	Sanchez, Loretta
Gutierrez	McCaul	Sarbanes
Hall (NY)	McClintock	Scalise
Hall (TX)	McCollum	Schakowsky
Halvorson	McCotter	Schauer
Hare	McDermott	Schiff
Harman	McGovern	Schmidt
Harper	McHenry	Schock
Hastings (FL)	McIntyre	Schrader
Hastings (WA)	McKeon	Schwartz
Heinrich	McMahon	Scott (GA)
Heller	McMorris	Scott (VA)
Hensarling	Rodgers	Sensenbrenner
Hergert	McNerney	Serrano
Herseth Sandlin	Meek (FL)	Sessions
Higgins	Meeks (NY)	Sestak
Hill	Melancon	Shadegg
Himes	Mica	Shea-Porter
Hinchee	Michaud	Sherman
Hinojosa	Miller (FL)	Shimkus
Hirono	Miller (MI)	Shuler
Hodes	Miller (NC)	Shuster
Holden	Miller, Gary	Simpson
Holt	Miller, George	Sires
Honda	Minnick	Skelton
Hoyer	Mitchell	Slaughter
Hunter	Mollohan	Smith (NE)
Inglis	Moore (KS)	Smith (NJ)
Inlee	Moore (WI)	Smith (TX)
Israel	Moran (VA)	Smith (WA)
Issa	Murphy (CT)	Snyder
Jackson (IL)	Murphy (NY)	Space
Jackson Lee	Murphy, Patrick	Speier
(TX)	Murphy, Tim	Spratt
Jenkins	Myrick	Stark
Johnson (GA)	Nadler (NY)	Stearns
Johnson (IL)	Napolitano	Stupak
Johnson, Sam	Neal (MA)	Sullivan
Jones	Neugebauer	Sutton
Jordan (OH)	Nunes	Tanner
Kagen	Nye	Teague
Kanjorski	Oberstar	Terry
Kaptur	Obey	Thompson (CA)
Kennedy	Olson	Thompson (MS)
Kildee	Olver	Thompson (PA)
Kilpatrick (MI)	Ortiz	Thornberry
Kilroy	Owens	Tiahrt
Kind	Pallone	Tiberi
King (IA)	Pascrell	Tierney
King (NY)	Pastor (AZ)	Titus
Kingston	Paul	Tonko

Towns	Wasserman	Whitfield
Tsongas	Schultz	Wilson (OH)
Turner	Waters	Wilson (SC)
Upton	Watson	Wittman
Van Hollen	Watt	Wolf
Velázquez	Waxman	Wu
Visclosky	Weiner	Yarmuth
Walden	Welch	Young (FL)
Walz	Westmoreland	

NOT VOTING—13

Brady (TX)	Hoekstra	Wamp
Burton (IN)	Johnson, E. B.	Woolsey
Clay	Moran (KS)	Young (AK)
Ellsworth	Platts	
Fudge	Taylor	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining in this vote.

□ 1127

So (two-thirds being in the affirmative) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ALEJANDRO RENTERIA RUIZ DEPARTMENT OF VETERANS AFFAIRS CLINIC

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and pass the bill (H.R. 4307) to name the Department of Veterans Affairs community-based outpatient clinic in Artesia, New Mexico, as the "Alejandro Renteria Ruiz Department of Veterans Affairs Clinic", on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. FILNER) that the House suspend the rules and pass the bill.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 417, nays 0, not voting 15, as follows:

[Roll No. 405]

YEAS—417

Ackerman	Bishop (NY)	Buyer
Aderholt	Bishop (UT)	Calvert
Adler (NJ)	Blackburn	Camp
Akin	Blumenauer	Campbell
Alexander	Blunt	Cantor
Altmire	Boccheri	Cao
Andrews	Boehner	Capito
Arcuri	Bonner	Capps
Austria	Bono Mack	Capuano
Baca	Boozman	Cardoza
Bachmann	Boren	Carnahan
Bachus	Boswell	Carney
Baird	Boucher	Carson (IN)
Baldwin	Boustany	Carter
Barrett (SC)	Boyd	Cassidy
Barrow	Brady (PA)	Castle
Bartlett	Braley (IA)	Castor (FL)
Barton (TX)	Bright	Chaffetz
Bean	Broun (GA)	Chandler
Becerra	Brown (SC)	Childers
Berkley	Brown, Corrine	Chu
Berman	Brown-Waite,	Clarke
Berry	Ginny	Cleaver
Biggert	Buchanan	Clyburn
Bilbray	Burgess	Coble
Bilirakis	Burton (IN)	Coffman (CO)
Bishop (GA)	Butterfield	Cohen

Cole
Conaway
Connolly (VA)
Conyers
Cooper
Costa
Costello
Courtney
Crenshaw
Critz
Crowley
Cuellar
Culberson
Cummings
Dahlkemper
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Deutch
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Djou
Doggett
Donnelly (IN)
Doyle
Dreier
Driehaus
Duncan
Edwards (MD)
Edwards (TX)
Ehlers
Ellison
Emerson
Engel
Eshoo
Etheridge
Fallin
Farr
Fattah
Filner
Flake
Fleming
Forbes
Fortenberry
Foster
Fox
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallagher
Garamendi
Garrett (NJ)
Gerlach
Giffords
Gingrey (GA)
Gohmert
Gonzalez
Goodlatte
Gordon (TN)
Granger
Graves (GA)
Graves (MO)
Grayson
Green, Al
Green, Gene
Griffith
Grijalva
Guthrie
Gutierrez
Hall (NY)
Hall (TX)
Halvorson
Hare
Harman
Harper
Hastings (FL)
Hastings (WA)
Heinrich
Heller
Hensarling
Herger
Herse
Herseth Sandlin
Higgins
Hill
Himes
Hinchey
Hinojosa

Hirono
Hodes
Holden
Holt
Honda
Hoyer
Hunter
Inglis
Inslee
Israel
Issa
Jackson (IL)
Jackson Lee
(TX)
Jenkins
Johnson (GA)
Johnson (IL)
Johnson, Sam
Jones
Jordan (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick (MI)
Kilroy
Kind
King (IA)
King (NY)
Kingston
Kirk
Kirkpatrick (AZ)
Kissell
Klein (FL)
Kline (MN)
Kosmas
Kratovil
Kucinich
Lamborn
Lance
Langevin
Larsen (WA)
Larson (CT)
Latham
LaTourette
Latta
Lee (CA)
Lee (NY)
Levin
Lewis (CA)
Lewis (GA)
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Luetkemeyer
Lujan
Lummis
Lungren, Daniel
E.
Lynch
Mack
Maffei
Maloney
Manzullo
Marchant
Markey (CO)
Markey (MA)
Marshall
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCauley
McClintock
McCollum
McCotter
McDermott
McGovern
McHenry
McIntyre
McKeon
McMahon
McMorris
Rodgers
McNerney
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Miller (FL)
Miller (MI)

Miller (NC)
Miller, Gary
Miller, George
Minnick
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Murphy, Tim
Myrick
Nadler (NY)
Napolitano
Neal (MA)
Neugebauer
Nunes
Nye
Obey
Olson
Olver
Ortiz
Owens
Pallone
Pascarella
Pastor (AZ)
Paul
Paulsen
Payne
Pence
Perlmuter
Perrillo
Peters
Peterson
Petri
Pingree (ME)
Pitts
Poe (TX)
Polis (CO)
Pomeroy
Posey
Price (GA)
Price (NC)
Putnam
Quigley
Radanovich
Rahall
Rangel
Rehberg
Reichert
Reyes
Richardson
Rodriguez
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Ross
Rothman (NJ)
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Salazar
Sánchez, Linda
T.
Sanchez, Loretta
Sarbanes
Scalise
Schakowsky
Schauer
Schiff
Schmidt
Schock
Schradler
Schwartz
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Sestak
Shadegg
Shea-Porter
Sherman
Shimkus
Shuler
Shuster
Simpson

Sires
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Space
Speier
Spratt
Stark
Stearns
Stupak
Sullivan
Sutton
Tanner
Teague

Terry
Thompson (CA)
Thompson (MS)
Thompson (PA)
Thornberry
Tiahrt
Tiberi
Tierney
Titus
Tonko
Towns
Tsongas
Turner
Upton
Van Hollen
Velázquez
Visclosky
Walden

Walz
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Westmoreland
Whitfield
Wilson (OH)
Wilson (SC)
Wittman
Wolf
Wu
Yarmuth
Young (FL)

NOT VOTING—15

Brady (TX)
Clay
Ellsworth
Fudge
Hoekstra

Johnson, E. B.
Loebbeck
Moran (KS)
Oberstar
Platts

Rooney
Taylor
Wamp
Woolsey
Young (AK)

□ 1134

So (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. ROONEY. Mr. Speaker, on rollcall No. 405, I was unavoidably detained. Had I been present, I would have voted "yea."

PERSONAL EXPLANATION

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, on rollcall Nos. 402, 403, 404, and 405, had I been present, I would have voted "yea" on each.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF CONFERENCE REPORT ON H.R. 4173, DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT

Mr. McGOVERN, from the Committee on Rules, submitted a privileged report (Rept. No. 111-518) on the resolution (H. Res. 1490) providing for consideration of the conference report to accompany the bill (H.R. 4173) to provide for financial regulatory reform, to protect consumers and investors, to enhance Federal understanding of insurance issues, to regulate the over-the-counter derivatives markets, and for other purposes, which was referred to the House Calendar and ordered to be printed.

WAIVING REQUIREMENT OF CLAUSE 6(a) OF RULE XIII WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS

Mr. McGOVERN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1487 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1487

Resolved, That the requirement of clause 6(a) of rule XIII for a two-thirds vote to con-

sider a report from the Committee on Rules on the same day it is presented to the House is waived with respect to any resolution reported through the legislative day of July 3, 2010, providing for consideration or disposition of any of the following:

(1) A conference report to accompany the bill (H.R. 4173) to provide for financial regulatory reform, to protect consumers and investors, to enhance Federal understanding of insurance issues, to regulate the over-the-counter derivatives markets, and for other purposes.

(2) A measure that includes a subject matter addressed by H.R. 4213 or any amendment pertaining thereto.

SEC. 2. It shall be in order at any time through the legislative day of July 3, 2010, for the Speaker to entertain motions that the House suspend the rules. The Speaker or her designee shall consult with the Minority Leader or his designee on the designation of any matter for consideration pursuant to this section.

SEC. 3. It shall be in order without intervention of any point of order to consider concurrent resolutions providing for adjournment during the month of July.

The SPEAKER pro tempore. The gentleman from Massachusetts is recognized for 1 hour.

Mr. McGOVERN. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from Texas (Mr. SESSIONS). All time yielded during consideration of the rule is for debate only.

GENERAL LEAVE

Mr. McGOVERN. I also ask unanimous consent that all Members be given 5 legislative days in which to revise and extend their remarks on House Resolution 1487.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McGOVERN. I yield myself such time as I may consume.

Mr. Speaker, H. Res. 1487 provides for consideration of a rule that allows for the same-day consideration of a conference report to accompany H.R. 4173 and a measure that includes the subject matter addressed by H.R. 4213. Additionally, this rule allows for legislation to be considered under suspension of the rules through July 3, 2010, and allows for the consideration of concurrent resolutions providing for adjournment during the month of July.

Mr. Speaker, this is a simple and straightforward rule. It allows the rules for the Wall Street reform conference report in either the tax extenders jobs bill or subject matters related to the jobs bill, such as unemployment insurance, to be considered on the same legislative day that they report it out of the Rules Committee. This is an important step that must be taken if we are to pass these bills before the Senate adjourns for the funeral of Senator BYRD.

This bill allows for clear actions, up-or-down votes on the conference report to prevent Wall Street from melting down like it did 2 years ago and a bill

to provide unemployment compensation to people who have lost their jobs who cannot find work in this economy.

□ 1140

Mr. Speaker, these are clear-cut choices. Either you support fixing Wall Street or you don't. Do you believe unemployed Americans looking for work should receive unemployment benefits to help them pay for their mortgages, utilities, and food for their families or do you not?

So far my Republican friends have been on the wrong side of these issues. I can only hope that they change their minds and decide to put everyday Americans first instead of continuing to play politics with these issues.

I urge my colleagues to vote "yes" on the rule, and I reserve the balance of my time.

Mr. SESSIONS. Mr. Speaker, I want to thank the gentleman from Massachusetts (Mr. MCGOVERN) for yielding me time, and I yield myself such time as I may consume.

Mr. Speaker, the rule we are discussing today allows for martial law authority for any bill pertaining to the extenders package as well as what is called the Dodd-Frank bill, which is a 2,300-page government takeover of the financial sector.

Mr. Speaker, this is as much about saving the financial industry as the health care bill was about health care, and it's as much about jobs as the jobs bill supposedly was. It was about the diminishment of jobs, and this is about the diminishment of the financial sector of this country.

Additionally, this rule gives suspension authority through the end of the week for the fifth straight legislative week. Mr. Speaker, it seems like every time I come to the House floor that I point out that my Democratic colleagues are using an unprecedented restrictive and closed process. I think the American people want and need transparency, accountability, and solutions.

I remember just a few short years ago when our Speaker said that she would run a House that was the most honest, open, and ethical Congress. I have yet to see evidence of that these last few years. As a matter of fact, week after week after week I see closed rules, unprecedented shenanigans related to bringing legislation to the floor, and a closed process. I know where it is. Democrats left it out on the campaign trail. It was an empty promise when they made it, and the emptiness of this promise has been fulfilled the past few years by an unprecedented amount of restrictive rules.

Since this Congress has managed to rack up a record \$1.4 trillion deficit since 2009, more than three times the size of the deficit in 2008, and are on target to once again hit a \$1.3 trillion deficit again this year, my Republican colleagues and I are going to use this

time to talk about excessive borrowing, excessive spending, and excessive taxation that seems to be the Democrat majority's agenda.

Mr. Speaker, in an effort to address some of this wasteful government spending that's happening here in Washington, Republicans created something called YouCut. This is an online voting tool for Americans to vote on what wasteful government spending programs they would review, and they can make the decision on what to eliminate.

Today, I have the opportunity to call for a vote on the previous question for this week's YouCut winner, which, of course, I am proud to cosponsor. Hundreds of thousands of Americans have voted this week alone.

Mr. Speaker, I believe the American people are looking for people who can come to Washington, D.C., to make tough choices, and this Democrat majority is not even bringing a budget to the floor of the House of Representatives for the 2011 budget.

Mr. Speaker, I've worked in business, small business, been around lots of people who, every single organization I've ever been a part of, started their year with a budget. I'm shocked and dismayed that this Democrat majority will not bring a budget to the floor, so Republicans will spend their time talking about how we believe we can better the circumstance we're in, talking about YouCut and the American people being engaged in helping to move this country forward.

Mr. Speaker, I encourage all my colleagues to eliminate this wasteful spending by voting against the rule and previous question.

I reserve the balance of my time.

Mr. MCGOVERN. Mr. Speaker, my Republican friends have consistently been against reining in the excesses of Wall Street. I'm not shocked that they have that view because they've always had that view. I am dismayed.

But the American people want us to pass a regulatory reform bill. They also want us to extend unemployment benefits to those who are out of work. Unfortunately, my Republican colleagues have been blocking that. So that's what this rule does, allows us to actually do something, and do many things, quite frankly, that the American people want us to do.

I yield 3 minutes to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. As one who has repeatedly and vigorously opposed all bank bailouts, whichever President proposed them, I view this bill as modest but very important progress. I'm voting "yes" because I stand with working families against big banks, for transparency in the financial markets, with small businesses and family farmers and ranchers for tougher Wall Street oversight, and for progress toward preventing future bank bailouts.

The AARP said, this bill offers "new tools to combat investment scams targeted at older adults" and will hold "scam artists accountable." The Consumer Federation of America says these reforms will "improve the marketplace for consumers and investors."

If you're mugged on the street, you could lose your wallet. But if you're mugged by Wall Street, as too many Americans have been, you can lose a lifetime of savings.

This bill arms families with more ways to protect themselves with the information that they need for informed financial decisions. It addresses protections for questionable, often outrageous, financial industry practices, preventing onerous hidden fees that have plagued credit card holders and borrowers, and it creates a new hotline to report misconduct.

The Consumer Financial Protection Bureau will offer help against unscrupulous mortgage promoters, foreclosure scam operators, and payday and student lenders.

This bill should have done more, much more about those Wall Street interests that are paid too much, taxed too little, and whose immense power continues to threaten our economic stability. But with stubborn opposition from Republicans, both here and especially over in the Senate, as well as rejection of some reform by the Treasury Department, we lack the more complete reforms, but we are making significant strides forward in offering consumer protection that Americans really deserve.

Restoring discipline, supervision, accountability, and transparency will only be opposed by those who unfairly profit at the expense of working and retired Americans. Whether it's savings for a soon-to-be college student, or an investment in a home or a retirement nest egg, this bill will provide greater security and peace of mind. Let us adopt it promptly.

□ 1150

Mr. SESSIONS. Mr. Speaker, I yield 3 minutes to the Republican whip, the gentleman from Virginia, the favorite son (Mr. CANTOR).

Mr. CANTOR. I thank the gentleman for yielding.

Mr. Speaker, today I rise in opposition to this question of the previous question because today we should be voting and will be voting on the sixth YouCut proposal. And well over 1 million Americans have sent a clear message to Washington: Stop the wasteful spending.

I say, Mr. Speaker, to the American people, Republicans hear you. And today I hope that our colleagues on the other side of the aisle will listen as well and join us. This week's YouCut proposal addresses one of the most egregious yet underreported sources of government waste. Taxpayers are on

the hook for the salaries and benefits of Federal workers who simultaneously work for their public employee unions to the tune of \$120 million per year. By the way, these are the same unions that spend millions on political activities and lobbying, often for causes that hamper economic growth and private-sector job creation.

Specifically, Mr. Speaker, the National Labor Relations Board union billed the taxpayers for an average of 12.18 hours for each of its 1,104 employees. Since each hour costs \$42, taxpayers are paying each worker \$700 per year on official union duties.

America is at a crossroads. We are not under any illusions. This cut alone may not erase the deficit overnight. But this cut is a reflection of the symptom of the virus that has put our country's economy on life support. Only by finally drawing a firm line on wasteful spending can we begin to kill the virus and preserve American prosperity for generations to come.

Mr. MCGOVERN. Mr. Speaker, I find it interesting that the previous speaker didn't talk about the Wall Street regulatory reform bill that my friends on the Republican side of the aisle have been trying to block.

The minority leader in a recent interview said that the bill that we are bringing forth in Congress, this is killing an ant with a nuclear weapon. I find it disturbing that anyone would characterize this financial crisis that was brought on by Wall Street as an ant. I mean it impacted millions and millions of our citizens.

I will ask to put this interview that appeared in the Pittsburgh Tribune-Review in the RECORD.

In that same interview, and I think it's important for my colleagues to know, the minority leader talked about his belief that we should raise the retirement age for Social Security to 70. Clearly, we need to talk about how we keep Social Security solvent. But he then went further to say that we should take that money and not put it into Social Security but pay for the war. So our senior citizens should pay for this war, the rest of us don't, but the burden once again falls on our senior citizens.

We know what they're about. We know what their beliefs are. And given an opportunity to take back control of the House, we know that they will try to undo Wall Street regulatory reform and try to undercut Social Security.

Mr. Speaker, I would appreciate it if I were not interrupted while I am speaking. And we know what they believe. And it is in this interview which we will put in the RECORD.

[From the Pittsburgh Tribune-Review, June 29, 2010]

OBAMA'S GOOD FOR GOP, BOEHNER SAYS
(By Mike Wereschagin and Salena Zito)

House Republican Leader John Boehner, the Ohio Republican with his eye on Speaker

Nancy Pelosi's gavel, said the tide is turning the GOP's way.

"The American people have written off the Democrats," Boehner said Monday in an interview with Tribune-Review editors and reporters. "They're willing to look at us again."

Boehner stopped short of predicting Republicans would gain the 39 seats they need to retake control of Congress, but he said a backlash against President Obama's policies has energized Republican voters more than Democrats. Boehner said voters are angry at a government they believe is overreaching and indifferent.

University of Virginia political scientist Isaac Wood said excitement among tea party protesters might not carry over to the electorate as a whole.

"While the enthusiasm of tea party types may drive them to the polls and boost Republicans, it does not yet seem that huge waves of new voters will be flocking to the polls," Wood said.

Boehner said the protests are emblematic of deep voter anger against Washington's leaders.

"They're snuffing out the America that I grew up in," Boehner said. "Right now, we've got more Americans engaged in their government than at any time in our history. There's a political rebellion brewing, and I don't think we've seen anything like it since 1776."

The health care law passed in March "pushed most Americans over the edge," Boehner said.

If Republicans retake control of the House, Boehner promised a vote on a bill repealing the health care law and replacing it with a scaled-down package of tax breaks and court reforms. Democrats likely would maintain control of the Senate, and Obama could veto the proposal, all but eliminating its chances of succeeding.

"We are going to do everything we can to make sure that this law and this program never really takes effect," Boehner said. One option would be to repeal the \$534 billion in Medicare cuts, which pay for more than half of the law's provisions. "They're going to need money from the Congress to hire these 20,000-plus bureaucrats they need to hire to make this program work. They're not going to get one dime from us."

Boehner criticized the financial regulatory overhaul compromise reached last week between House and Senate negotiators as an overreaction to the financial crisis that triggered the recession. The bill would tighten restrictions on lending, create a consumer protection agency with broad oversight power and give the government an orderly way to dissolve the largest financial institutions if they run out of money.

"This is killing an ant with a nuclear weapon," Boehner said. What's most needed is more transparency and better enforcement by regulators, he said.

Allan H. Meltzer, a political economy professor at Carnegie Mellon University, said the financial bill "does nothing to restore integrity to the mortgage market by correcting Fannie Mae and Freddie Mac, and the bill does not eliminate 'too big to fail.'"

Boehner said Obama overreacted to the BP oil spill in the Gulf of Mexico. The spill might warrant a "pause" in deepwater drilling, but Obama's blanket ban on drilling in the gulf—which a judge overturned last week—could devastate the region's economy, he said. Louisiana State University scientists estimate the ban could have affected more than 10,000 jobs.

Boehner had praise, however, for Obama's troop surge in Afghanistan and stepped-up drone attacks in Pakistan. He declined to list any benchmarks he has for measuring progress in the nine-year war, at a time of increasing violence and Obama's replacement of Gen. Stanley McChrystal with Gen. David Petraeus.

Ensuring there's enough money to pay for the war will require reforming the country's entitlement system, Boehner said. He said he'd favor increasing the Social Security retirement age to 70 for people who have at least 20 years until retirement, tying cost-of-living increases to the consumer price index rather than wage inflation and limiting payments to those who need them.

"We need to look at the American people and explain to them that we're broke," Boehner said. "If you have substantial non-Social Security income while you're retired, why are we paying you at a time when we're broke? We just need to be honest with people."

At this point I yield 3 minutes to the gentlewoman from Florida (Ms. CASTOR).

Ms. CASTOR of Florida. I thank Congressman MCGOVERN from the Rules Committee for yielding time.

Mr. Speaker, I rise in strong support of reforming Wall Street and this rule. Under this new Wall Street reform, consumers and middle class families win, and the big banks on Wall Street lose. The Wall Street reform bill is the toughest regulation of Wall Street in generations. And it comes after years of recklessness that led to the financial meltdown and the worst recession in our life times. That economy was built on a house of cards.

Wall Street reform will provide a new foundation for our economy to go, one that inspires confidence and will spur new jobs. Under the new law, consumers and middle class families will benefit from a new consumer financial protection agency, a new independent watchdog that will be on the side of American families and consumers, because there always seems to be hidden charges and fees when you are applying for a credit card or a mortgage or some transaction. The new consumer agency will root out the deceptive practices. Its mission will be to protect homeowners and small businesses rather than the big banks on Wall Street.

We will have new cops on the beat on Wall Street, new enforcement, transparency, and oversight. The reform measure rightfully outlaws future bank bailouts by taxpayers. I voted against the Wall Street bailout, known as TARP, because it focused entirely on Wall Street rather than middle class families, and it did not include safeguards on executive pay, bonuses, and transparency.

The Wall Street reform bill that we will pass today now levels the playing field despite the opposition from the big banks and my colleagues on the other side of the aisle. The reform bill is also designed to protect consumers from predatory lending.

I strongly agree with the new requirements for mortgage lenders that

they must ensure that a person has an ability to repay a loan rather than what happened in the subprime market, where they peddled the loans, flipped them, and then pocketed the cash and left us all with the mess.

So thank you, Chairman FRANK, and all of my colleagues on the Financial Services Committee. This is a great day in Washington and all across America because consumers and middle class families win.

Mr. SESSIONS. Mr. Speaker, to balance out this argument just a little bit, I know we have those that want to characterize what Republicans stand for, but I would like to also address the statements that have been made here on the floor and balance out the attacks against Republicans.

The gentleman Mr. HOYER on June 22 said this in regards to what our leader Mr. BOEHNER said, and I quote: "On the spending side, we could and should consider a higher retirement age, or one pegged to lifespan; more progressive Social Security and Medicare benefits . . ."

Mr. Speaker, you know, just the unrelenting liberal attacks on this country that have diminished this country's ability to have a free enterprise system have brought us higher taxes, incredible debt, and a future that diminishes our ability for our children and grandchildren.

I yield 2 minutes to the gentleman from California (Mr. DREIER).

Mr. DREIER. I thank my friend for yielding.

And, Mr. Speaker, I do so because unfortunately the manager on the other side of the aisle wouldn't yield to me. And I am happy within my 2-minute time frame to yield to him at any time when he would like to ask me to yield.

Let me just say that the notion of saying that because Mr. BOEHNER argued that this bill is itself killing an ant with a nuclear weapon is designed to say this bill puts into place permanent bailout authority. Now, the American people are virulently opposed to going down this path that we already seem to be on of establishing bailout after bailout. And they know that it's a mistake. And so Mr. BOEHNER simply was arguing that while we all want to deal with the issue of regulatory reform to ensure that what we went through in the last 2 years will not confront us again, the idea of putting your hand up and saying, we know what they're all about—there is no one who wants to maintain the status quo. We all want to take steps to ensure that we don't have to suffer as we have for the past 2 years. But this bill establishing permanent bailout authority will in fact undermine our ability to get this economy back on track, and, as Mr. BACHUS pointed out in his testimony upstairs in the Rules Committee a few minutes ago, will cost jobs. That's the reason we have great concerns about it.

And on the issue of Social Security, the notion that somehow we are saying to someone who is on Social Security today that you are going to end up seeing the age increase to 70 is preposterous. We know full well that what's going to happen is we are talking about young workers today in their twenties and thirties who want to make sure that there is something there for Social Security. If we don't tackle the issue of entitlements, we won't be able to do what the American people have said this Congress should be doing, and that is reining in the kind of spending the likes of which—we have seen an 84 percent increase in nondefense spending in the last 17 months. We need to make sure we rein that in. And these kinds of proposals will do just that.

□ 1200

Mr. SESSIONS. I reserve the balance of my time.

Mr. MCGOVERN. Mr. Speaker, my objection about Mr. BOEHNER's statements with regard to Social Security was that he wanted to take the money from Social Security and pay for the war. Not put it into a Social Security trust fund, not to shore-up Social Security. That's what bothers me, is their continued determination to undermine the Social Security system.

Mr. BOEHNER said in his interview that we should raise the retirement age to 70, take their money, and put it towards the war. For 8 years, they abdicated their responsibility to pay for the war. Now they want to pay for it on the backs of senior citizens. That's what I object to. That's what I object to.

And the other thing, Mr. Speaker, is that we hear time and time again, Well, we all want to deal with the excesses in Wall Street. We all want to do this; we all want to do that. But when it comes time to do anything meaningful, they are missing in action.

So this is an opportunity for us to get something done, and I urge my colleague to support the bill.

At this time I yield 2 minutes to the gentlewoman from California (Ms. LINDA T. SÁNCHEZ).

Ms. LINDA T. SÁNCHEZ of California. Mr. Speaker, I rise today on behalf of taxpayers in California who will no longer be on the hook when Wall Street fails. This body has spent the last 3 years dealing with the fallout from the financial crisis. In my district in southern California, we've seen lost jobs, homes, businesses, and shattered dreams of financial security.

These challenges were in large part the result of an ineffective, and in some places, nonexistent regulatory system. This encouraged risk and allowed financial institutions to operate in a lawless environment where there were no consequences for their actions.

The legislation that we put forth today seeks to fix those failures and

provide families nationwide with the security of knowing that future financial challenges will be the result of honest markets, not crooked traders. Honesty is what this bill is about. We all support a free market and the ability of each business to succeed or fail on its own merits. This landmark legislation allows that competition to take place on a level playing field. It will help prevent another crisis like the one we're still recovering from.

I'm surprised that there's opposition to this legislation. After what our country has been through, how can anyone oppose bringing credit default swaps out into the sunshine? How can anyone oppose allowing shareholders a say on executive compensation? Or a framework that prevents future bailouts by allowing companies that deserve to fail because they're engaging in risky practices to fail?

Families in the 39th District of California will be more secure because of the action that we are taking today.

I thank our leadership, Chairman FRANK, and the conferees for their hard work and urge my colleagues to pass this legislation.

Mr. SESSIONS. Madam Speaker, at this time I yield 3 minutes to the gentleman from Marietta, Georgia, Dr. PHIL GINGREY.

Mr. GINGREY of Georgia. Madam Speaker, all across the country, Americans are asking Congress to get our fiscal house in order. This desire for change and fiscal responsibility can be seen in the 1.1 million votes for House Republican Whip CANTOR's YouCut initiatives. Each vote is a vote to cut spending and to cut that spending now. I can think of no clearer message to the Democratic leadership who, unfortunately to date, have kept their earplugs in and they have refused to listen.

Their solution instead has been more borrowing, more spending, and more bailouts. Indeed, that's what they recommended at the recent G-8/G-20 conference in Toronto which was totally rejected by the other participating nations.

Madam Speaker, this week, week six of the YouCut program, Americans chose my proposal to address the waste associated with Federal employee unions. In 2008, the Office of Personnel Management, OPM, reported in a sample of 61 Federal agencies that approximately three million official time hours, taxpayer time hours, were used in union activities by Federal employees for a cost to the taxpayer of \$120 million.

Currently, some Federal employees spend up to a hundred percent—that's right, a hundred percent—of their work day paid by taxpayers doing work for their unions. My proposal prevents Federal employees from using taxpayer-funded time to participate in

union activities and would save \$1.2 billion over the next 10 years and 30 million hours of taxpayer time—\$1.2 billion and 30 million hours.

So Madam Speaker, every American knows that Congress has a spending problem. Our national debt is simply unsustainable, and tough choices need to be made now to get our debt and our budget deficits under control. I urge you to listen to Americans across the country, to Republicans on this side of the aisle, and to act now. And this proposal is a first step.

A worthy second step would be actually passing a budget this year, because as every American family knows, you can't begin to cut spending until you actually come up with a budget.

Madam Speaker, the American people are tired of this reckless spending addiction that has resulted in a record national debt and record budget deficits. Like every addict knows, the first step to recovery is admitting that you have a problem.

I urge my Democratic colleagues to take that step and start addressing the problems by saving taxpayers over \$1 billion to date. Vote to defeat the previous question so we can amend the rule to include this YouCut provision of fiscal responsibility submitted by the American people.

Mr. MCGOVERN. Madam Speaker, my friend from Georgia's proposal represents less than one-tenth of 1 percent of what was borrowed to pay for the Iraq and Afghanistan war. Let's get serious here. And when I see that poster that says "YouCut," what they don't show you is what they're cutting and what they want to cut is Social Security, and the minority leader made that very clear in his interview, that they're going to basically take money out of Social Security to pay for the wars. Our senior citizens who have fought in wars, who have worked in our factories, who have raised our families are being told to pay for the wars.

I yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON LEE.)

Ms. JACKSON LEE of Texas. Madam Speaker, this is a very emotional time for many Americans as they look at pending unemployment, long months of addressing the question of how they pay their mortgage, and reflecting on how we got to this place.

That is why I stand today to support the underlying rule and this financial accountability complex legislation that has taken many, many hours and days and weeks for us to come up with a way to say to America, We heard you.

And so the first point of this bill is that there will be no taxpayer-paid bailouts. And then for the first time the consumers of America will have their own personal advocacy. They will have the Consumer Protection Board that will look at credit card increases and outlandish interest rates. They

will have an oversight board that will look at how they address the question of banking loans. Small businesses will be able to access credit. There will be transparency and accountability. What is there to be opposed to?

Those who happen to be included in minority- and women-owned businesses will for the first time not be stopped at the door to access credit.

Then of course we'll be able to have an oversight board that will forever eliminate the words "too big to fail." Experts who will continuously look at the infrastructure of this financial system.

We know that capitalism is strong, but it must be a strong system that has a heart, that can withstand the scrutiny of those who are seeking to find the weaknesses. We have to stand with the consumer so that the consumer does not fall victim to the too big to fail who were willing to take risks because they were padding their pockets.

This is the right decision that is now being made, and this bill will provide you with the oversight and the protective coverage for the banking consumer. Support the underlying rule and this bill. Stand with the American people and make a difference.

□ 1210

Mr. SESSIONS. Madam Speaker, I yield 1 minute to the gentlewoman from Topeka, Kansas, Congresswoman JENKINS.

Ms. JENKINS. Madam Speaker, over the past 6 weeks, more than 1 million Americans have demanded action, and House Republicans have listened. Unfortunately, the majority in the House has not. While there are many issues that these people in this body disagree on, there are some issues that we should all agree on.

We should agree that skyrocketing debt is a priority. We should agree that we cannot continue spending money that we don't have. We should agree that it is wrong for taxpayers to pay for the salaries of employees who answer to unions instead of to the American people, and we should agree on this very simple bill that says union activities should be funded by unions.

I urge my colleagues to stand with the American people, to vote to save \$1.2 billion and to end the abuse of taxpayer money.

Mr. MCGOVERN. Madam Speaker, I hope we all can agree that we shouldn't be cutting Social Security. I hope the minority leader will get on the floor and will retract his statement that we should be cutting Social Security to pay for this war. They have abdicated their responsibility for 8 years, and now they want the senior citizens of this country to pay for this war. I think that's wrong.

I yield 2 minutes to the gentleman from Indiana (Mr. CARSON).

Mr. CARSON of Indiana. Madam Speaker, I would like to ask the gen-

tleman from Massachusetts to engage in a short colloquy.

Mr. Chairman, I would like to confirm that all insurance companies, specifically mutual insurance holding companies, are included in the definition of "insurance company" that appears in the Resolution Authority title of the conference report.

Further, I would like to confirm my understanding that, under title II of the conference report, all insurance companies, specifically including mutual insurance holding companies, remain subject to resolution under the existing State insurance insolvency and liquidation regimes.

Will the chairman confirm my understanding on this point?

I yield to Chairman FRANK.

Mr. FRANK of Massachusetts. I thank the gentleman, and I commend him for paying attention to a very specific but very important point.

He is absolutely right. We have no intention here of disturbing the well-run State insurance regime. We respect and honor that form of the mutual insurance holding company. The gentleman's interpretation is entirely correct. They will remain subject to resolution under their existing State insurance liquidity and insolvency regimes.

Mr. SESSIONS. Madam Speaker, I yield 1 minute to the gentleman from Nebraska (Mr. TERRY).

Mr. TERRY. Madam Speaker, I definitely agree, in part, with some of this bill in that we need transparency and some accountability, especially in the exotic instruments, but this bill also grants some carte blanche power over the financial markets, not just on Wall Street but on Main Street, too. This bill is going to raise the costs for small business operators and consumers who will use financial institutions.

I also find it interesting that part of the discussion here is to criticize or is to try to suggest that the Republicans want to cut Social Security. I'm curious as to how the Members who are raising that issue on the floor today voted on a health care bill that actually took \$500 billion out of Medicare, which our seniors rely on. They voted to cut \$500 billion out of it.

Mr. MCGOVERN. If the gentleman wants to know why I think you want to cut Social Security, I am referring to the article in which the minority leader is quoted quite extensively on that issue.

I yield 2 minutes to the gentleman from Kansas (Mr. MOORE).

Mr. MOORE of Kansas. Madam Speaker, I rise in support of the rule to consider the Dodd-Frank Wall Street Reform Conference Report.

For too many years, Wall Street was not properly regulated. Who paid for these mistakes? Unfortunately, it was our constituents on Main Street who paid the price, not Wall Street financial firms.

According to a recent Pew survey, this result directly impacted more than half of working Americans, pushing far too many into unemployment, pushing far too many to take pay cuts, reduced hours, part-time jobs, or delayed retirement plans. So it is not surprising that many Americans have lost their faith and trust in our financial system.

The Dodd-Frank Act will restore Americans' trust in a well-functioning financial system. While the bill ends "too big to fail" and taxpayer bailouts, it also shields community banks, credit unions, and small businesses from the necessary regulatory burdens that will be focused on Wall Street and on others who created the financial crisis. Most importantly, this new law is fully paid for. Taxpayers will not have to pick up the tab.

I urge my colleagues to protect consumers, investors and taxpayers by supporting this conference report.

I will now turn to Chairman FRANK for a brief colloquy.

Mr. Chairman, thank you for your extraordinary leadership on this historic bill.

First, do you agree the conferees did not intend to impose the regulatory authority of the bureau over the activities of broker-dealers and investment advisers otherwise subject to regulation by the SEC and CFTC?

Mr. FRANK of Massachusetts. If the gentleman would yield to me, I agree.

As the gentleman knows, our bill does give the SEC the power we expect them to use to impose greater fiduciary responsibilities on these people. The consumer protection bureau will be a very powerful one. It will be dealing with financial products in the lending area and elsewhere. It was not intended to duplicate existing regulation. So, in fact, as the gentleman knows, we enhance the regulatory authority of those entities he mentioned, and there is no intention whatsoever, nor is there language, I believe, that would lead to duplicate supervision by the consumer protection bureau.

Mr. MOORE of Kansas. I thank the gentleman.

CLARIFICATION FOR THE RECORD: CONSUMER BUREAU VS. SEC/CFTC POWERS, PROVIDED BY REP. DENNIS MOORE (KS-03), JUNE 30, 2010, H.R. 4173, DODD-FRANK CONFERENCE REPORT

It was the conference committee's intent to avoid gaps in oversight, but also to avoid creating duplicative or competing rule-making and supervisory authorities, one vested in the Consumer Bureau and the other in the SEC or CFTC.

As such, the final report provides exclusive authority to the SEC and the CFTC over persons they regulate to the extent those persons act in a "regulated capacity." If such persons are not acting in a regulated capacity, their activities relating to the offering and provision of consumer financial products or services may be subject to the authority of the Bureau instead of the SEC or CFTC.

But to the extent they are acting in a 'regulated capacity', only their functional regu-

lator—the SEC or the CFTC—has rule-making, supervisory, examination or enforcement authority over the regulated person or such activities. To that end, the conference report specifically states that 'the Bureau shall have no authority to exercise any power to enforce this title with respect to any person regulated by the Commission' or the CFTC.

It was not the intent of the conference committee to impose the regulatory authority of the Bureau over the activities of broker-dealers and investment advisers otherwise subject to regulation by the SEC and CFTC.

Mr. SESSIONS. Madam Speaker, at this time, I yield 2 minutes to one of the newest Members of this body, the gentleman from Hawaii, CHARLES DJOU.

Mr. DJOU. I thank the gentleman from Texas for yielding.

Madam Speaker, today, I rise and count myself among the 1.1 million Americans who have already voted to cut spending via YouCut, a dynamic idea courtesy of the Republican whip, ERIC CANTOR.

These Americans are saying to this Congress that enough is enough. This government is spending far too much money on programs that do not work. Worst of all, we have no plan to pay this money back. Since the majority in Congress is refusing to cut spending, to exercise discipline or to even pass a budget, the American people are rising up and are standing in this gaffe.

Today's YouCut winner, which we are going to be looking at, is a straightforward proposal. It would simply prohibit taxpayer funding for union activities. This would save taxpayers \$120 million this year alone and \$1.2 billion over the next 10 years. This is a simple, commonsense idea, and it is one step in the right direction to restoring fiscal order in our House.

I urge my colleagues to listen to the American people, to cut this wasteful spending and to make tough choices that will provide us with a better tomorrow for ourselves and for our families.

Mr. MCGOVERN. Madam Speaker, again, the proposal that the Republicans are talking about today represents less than one-tenth of 1 percent of the Bush tax cuts that weren't paid for. I mean, where was the fiscal responsibility then?

At this point, I yield 2 minutes to the gentleman from Massachusetts (Mr. LYNCH).

Mr. LYNCH. I thank the gentleman for yielding.

Madam Speaker, for the purpose of a colloquy, I would like to engage with the chairman of the committee and the drafter of this legislation. I congratulate him on the great work he has done on this reform bill.

Mr. Chairman, I want to call your attention to sections 726 and 765 of the bill. These two provisions require the CFTC and the SEC to conduct rulemakings to eliminate the conflicts

of interest arising from the control of clearing and trading facilities by entities such as swap dealers and major swap participants.

This problem arises because, right now, 95 percent of all of the clearinghouses in this country are owned by just five banks. So, while we are relying on the clearinghouses to reduce systemic risk, we have the banks now owning the clearinghouses.

The question I have is regarding the intent of the conferees in retaining subsection B of these provisions. It could be loosely construed to leave it up to the agencies whether or not to adopt rules.

Mr. Chairman, do you agree that my reading of sections 726 and 765 affirmatively require these agencies to adopt strong conflict of interest rules on control and governance of clearing and trading facilities?

Mr. FRANK of Massachusetts. If the gentleman would yield to me, he has been a leader in this important area, and he is a careful lawyer and understands that just saving a principle isn't enough. You've got to make sure it is carried out. Dealing with a conflict of interest that he has been a leader in identifying is essential if this is going to work. So I completely agree with him. Yes, we mean both of those subsections, and it is a mandatory rule-making.

I will say to my neighbor from Massachusetts that we will be monitoring this carefully. They can expect oversight hearings because, yes, this is definitely a mandate to them to adopt rules to deal with what would be a blatant conflict of interest in the efficacy rules, and we intend to follow that closely.

Mr. SESSIONS. Madam Speaker, at this time, I yield 4 minutes to the distinguished gentleman from California (Mr. ROYCE).

□ 1220

Mr. ROYCE. I thank the gentleman for yielding.

I rise in opposition to this rule and to the underlying legislation. I rise because reform is desperately needed, but the reforms needed most are not in this bill.

For example, this legislation fails to reform the government-sponsored enterprises, and when you think about it, the housing crisis and the meltdown that we saw in that sector, and most of the losses, were in the government-sponsored enterprises.

That was not caused by a lack of government intervention. Each of those failed institutions had a regulator overseeing it, but it was Congress, especially with the GSE Act, actively tying the hands of those regulators in what amounted to a failed attempt, maybe for a good social end, the idea was to get everybody into a home. But to do that by putting these mandates

on the GSEs that 50 percent of the portfolios that they held, 50 percent of that \$1.7 trillion in portfolios that they held be in subprime and Alt-A, obviously, obviously created very real problems.

The political intervention to get the 20 percent down payment down to 3 percent and then down to zero obviously had an effect. These institutions, Fannie Mae and Freddie Mac, were at the center of the housing market, and they were largely responsible for some 70 percent of subprime and Alt-A mortgages throughout our financial system.

In order to reach the affordable housing mandates that Congress enacted in 1992, Fannie and Freddie became the largest purchasers of these junk loans, ending up with \$1.8 trillion. In essence, they made the junk loan market.

Knowing of the systemic threat posed by these institutions, the Federal Reserve actually came to Congress, came to us a number of times, over a dozen times, and asked us to rein in their excessive risk taking. And when you hear the arguments back and forth about, well, at one point or another we tried to have legislation to address this, ask yourself this. I will remind you of this. What the Fed wanted was the ability to deleverage these portfolios. What the Fed wanted was the ability to control Fannie and Freddie for systemic risk, and that is a responsibility that Congress would not give them.

In 2005, that debate came to a head, and under the leadership of Chuck Hagel and RICHARD SHELBY, Senate Republicans moved a bill, supported by the Fed, through the Banking Committee that attacked the heart of the problem, the excessive buildup of leverage and risk within the mortgage portfolios. And, as the Wall Street Journal said, the White House, Treasury Department and Federal Reserve lined up behind Mr. SHELBY. But he was never able to bring his bill to the floor because of opposition from Democrats. Both in the House and Senate, Democrats were aggressively trying to defeat our efforts under the guise of protecting affordable housing. Mr. DODD and Mr. Sarbanes blocked those reforms in the Senate.

Luckily, some Members from the other side have noted this failure. In 2008, President Clinton said, "I think the responsibility that the Democrats have may rest more in resisting any efforts by Republicans in the Congress, or by me when I was President, to put some standards and tighten up a little on Fannie Mae and Freddie Mac."

It is unfortunate that we lost that battle. Our housing market, our financial sector and the broader economy are dealing with the consequences of that very systemic shock that the Fed had anticipated and warned us about.

Today, despite what some may claim, we are not advocating for the elimination of the GSEs tomorrow, but we

want them addressed in this legislation.

Mr. MCGOVERN. Madam Speaker, I yield 30 seconds to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. I just want to correct the wholly-inaccurate-because-of-being-incomplete history of the gentleman from California. He blames the Senate Democrats for not passing a bill. I didn't hear him infer, maybe I missed it, that the House was then in control of the Republicans, and the House didn't pass that bill either.

The gentleman from California had an amendment that he liked. He was repudiated by his own party, overwhelmingly. Now, I am sorry he wasn't more persuasive with the Republicans. I am sorry that the chairman of the committee and the current leadership of the House and the then leadership of the House voted against him, but you can't blame that on the Democrats. And, in fact, what the Senate Republicans offered was the House Republican bill.

Mr. MCGOVERN. Madam Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. GUTIERREZ).

Mr. GUTIERREZ. I thank Mr. MCGOVERN for yielding.

Madam Speaker, I would like to ask the gentleman from Massachusetts, the chairman, to engage in a short colloquy.

Chairman FRANK, with regard to assessments on financial institutions under the resolution authority title of the bill, title II, I want to clarify that the risk matrix criteria regarding the FDIC to take the scope and nature of an institution's activity into consideration when setting assessments means that such assessments should be made in light of the impact of potential assessments on the ability of an institution that is a tax-exempt, not-for-profit organization to carry out their legally required charitable and educational activities.

Can the chairman confirm my understanding on this point?

Mr. FRANK of Massachusetts. If the gentleman will yield to me, yes, I absolutely can. Let me say this is consistent with the leadership the gentleman from Illinois has shown in dealing with risk factors. Up until now, and until this bill passes, we have been automatically assessing institutions solely on the basis of their assets or their amounts. We want to discourage excessive risk and make those who take the risk bear a fair share.

Here the gentleman is clearly correct that to the extent you have got a tax exemption because you engage in charitable activity, in effect you shouldn't get assessed on that basis.

The gentleman has gone further. Smaller banks in this country will be the beneficiaries of an important piece of this legislation, thanks to his leadership. The riskier the bank's activity,

the higher their FDI assessment will be in general. That is an important piece of it, and this particular application of it for these charitable institutions is essential.

Mr. SESSIONS. Madam Speaker, in order to allow the gentleman from California (Mr. ROYCE) time to rebut, I yield the gentleman 1 minute.

Mr. ROYCE. I thank the gentleman for yielding.

I am ready to recognize, Chairman FRANK, that you were successful in defeating that amendment. You were successful, and certainly a majority of this body, including many Republicans, joined you, and I think in 2003 you stated it well in terms of this perspective. You said, "I do think I do not want the same kind of focus on safety and soundness that we have in OCC and OTS. I want to roll the dice a little bit more in this situation towards subsidized housing."

This was an argument that gained ground on both of sides of the aisle, there is no doubt about it, but at the same time, it was the Fed that supported my amendment that I brought before this body in order to try to give the Federal Reserve the ability to deleverage these portfolios in the interest of safety and soundness.

This is a debate we have had many times. We had a different perspective. But today going forward, we are expanding systemic risk in many ways in this legislation.

Mr. MCGOVERN. I yield 1 minute to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Madam Speaker, the gentleman from California still won't be forthright about this.

The Republican-controlled House, chaired by Mr. Oxley in the committee, passed the bill that he objected to. He said I was successful in defeating it. No, I played a fairly minor role under Mr. DeLay and the Republican leadership. Mr. DeLay did not take advice from me. If Mr. DeLay took advice from me, he wouldn't have gone on the dance show. I would have advised him against it.

The fact is that it was a Republican House that passed the bill the gentleman is denouncing, and I don't know why he keeps mentioning history and leaving that out until he has to be reminded.

He did offer an amendment. He was overwhelmingly defeated. More than two-thirds of the Republicans voted against him.

By the way, as to my own view, yes, in 2003 I said there was no problem. In 2004, after President Bush, while the Republicans controlled Congress and didn't hinder him, ordered Fannie Mae and Freddie Mac to increase their purchase of loans from people below the median, I changed my position. So I joined the Republican leadership of the

House as a fairly minor player in supporting legislation.

He was against it, and I would just make that point again.

The SPEAKER pro tempore (Ms. MCCOLLUM). The time of the gentleman from Massachusetts has expired.

Mr. MCGOVERN. I yield the gentleman an additional 15 seconds.

Mr. FRANK of Massachusetts. I don't understand the purpose of giving such a partial history. He neglects to mention in 2007 when the Democrats took the majority and I became chairman, we passed the bill that he couldn't get passed in 2005, because we worked with Secretary Paulson, who acknowledges this in his book.

So, yes, in 2003 I was not concerned, but by 2005 I was.

□ 1230

Mr. SESSIONS. Madam, Speaker, we're sitting here arguing on the floor about who gets credit for what. I think we ought to give credit. We ought to give credit to the Democrats for taxing, spending, record unemployment, higher debt. And what we're talking about today, this bill, the financial services sector of this country will not be healthy if we do not turn around our economy. And that too, Madam Speaker, is pin-the-tail-on-the-donkey.

At this time I would like to yield 2 minutes to the gentleman from Roanoke, Virginia (Mr. GOODLATTE).

Mr. GOODLATTE. Madam Speaker, I urge my colleagues to oppose the rule on this legislation that's coming forward. But before we get to the vote on the rule, we're going to have a vote on ordering the previous question, and I urge my colleagues to vote "no" on ordering the previous question because that is the way to show your support for today's spending cut reduction under the YouCut program that millions of Americans have participated in.

This week's spending cut, developed by Congressman PHIL GINGREY of Georgia, addresses one of the perpetual roadblocks to American private-sector job creation and economic recovery—Federal employee unions. The proposal would prohibit taxpayer funding for union activities, saving taxpayers \$120 million a year, or \$1.2 billion over the next 10 years. Federal employees' unions collect millions in revenue each year and spend significant amounts on political activities and lobbying. I do not believe that they should also be subsidized by the taxpayers for their official functions. Instead of subsidizing union activities, the Federal Government must work to both eliminate every cent of waste and squeeze every cent of value out of each dollar our citizens entrust to it.

When we're facing gigantic deficits each year, the President's budget that he submitted earlier this year projects a 70 percent expenditure over top of

what we're going to take in in revenues—\$3.8 trillion in spending and \$2.2 trillion in tax revenues coming in. That is completely unsustainable, and yet as far as the eye can see for the next 10 years, as far out as the Congressional Budget Office projects, we face deficits that are two and three times as large as they had ever been previously in our history, including the last time the Republicans were in the majority in this Congress.

We spent too much money in 2004 when we had a \$400 billion deficit. That looks like peanuts today compared to what we're facing. Support the effort to cut our government spending. Oppose the ordering of the previous question.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Before the Chair recognizes the gentleman from Massachusetts, the Chair would remind Members to be more cognizant of the gavel.

The gentleman from Massachusetts is recognized.

Mr. MCGOVERN. Madam Speaker, just in response to the last speaker, this gimmick that the Republicans have brought to the floor is really just that—a gimmick. \$120 million a year they're going to save. Let me just put that in perspective. Just two policies dating from the Bush administration—tax cuts and the wars in Iraq and Afghanistan—accounted for over \$500 billion of the deficit in 2009, and will account for almost \$7 trillion of deficits in 2009 through 2019, including the associated debt services cost.

We need to get serious about dealing with the debt and dealing with our deficit. But let's make one thing clear: When Mr. Bush came to power, President Clinton left him a budget surplus. No deficit. We're paying down the debt. When Mr. Bush left office, he left Barack Obama with a record deficit that he is now trying to dig us out of in the midst of one of the worst economies since the Great Depression. So when they get on the floor with these gimmicks, let's understand what they are—they are gimmicks. If you want to get serious about reducing the debt, then let's get serious about it.

I will tell you one thing I do disagree with him on very strongly. Again, I'll go back to the article I referred to before when Minority Leader BOEHNER talked about raising the retirement age of Social Security to 70 and taking that money and not putting it in Social Security to keep that program solvent, but then moving it to pay for the wars. I think that is wrong. I think our seniors deserve better than that.

I yield 1 minute to the gentlewoman from Illinois (Ms. BEAN).

Ms. BEAN. Since the 2008 financial crisis that reduced the values of their homes and savings, our constituents have demanded action and answers. What went wrong and what will Con-

gress do to make sure it doesn't happen again? This bill answers with strong protections for American families.

The problems started in our neighborhoods where too many home buyers took out loans they couldn't afford and too many lenders approved those loans. This bill ends the period of no-doc loans and drive-by appraisals with new lending standards, with risk retention to ensure lenders want to keep those good loans on their books, and rating agency liability and reform.

Next, derivatives were at the heart of the AIG failure. This bill creates regulation where it did not exist in this multitrillion market with required transparency, ensuring that these trades are exchange-traded cleared and-or reported. Capital reserves will be required to back up the risks they take and protect the entire system. And, most important, it ends taxpayer bailouts. Those companies who take risk, if you fail, you're fired. Your shareholders will lose money and the financial industry is responsible for liquidation.

The SPEAKER pro tempore. The time of the gentlewoman has expired.

Mr. MCGOVERN. I yield the gentlewoman 30 additional seconds.

Ms. BEAN. Everyone, from home buyers in our neighborhoods to wizards on Wall Street to regulators in Washington, recognizes that the era of no regulation is over. Status quo doesn't work. It's time to act and protect the American people.

Mr. SESSIONS. Madam Speaker, I yield 4 minutes to the ranking member of the Financial Services Committee, the gentleman from Alabama (Mr. BACHUS).

Mr. BACHUS. This bill has good in it. It really does. It has enhanced consumer protection similar to what the Federal Reserve has enacted. It has greater transparency and disclosure. In the field of derivatives, it has provisions to prevent companies like British Petroleum from manipulating the market, as they did last year. But there's a lot of bad in this bill, and there's a lot of ugly. I'm going to talk about the bad when I address the bill. And the bad is some capital requirements on companies that could cost a trillion dollars. And that's a greater amount than the two stimuluses put together. That could cost hundreds of thousands of jobs.

But right now I want to talk about the ugly. And the ugly is the bailout of creditors and counterparties. This is a Wall Street bailout bill, make no mistake about it. This bill says that the FDIC can lend to a failing company. Now this is a company that is failing. They can't meet their obligations. You loan a failing company money. You can purchase the assets. This is the government purchasing the assets of the largest financial companies in America. They can take a security interest in

the assets. They can guarantee the obligations of the firm. We did that with Fannie and Freddie. We told the Chinese bondholders, We'll pay you a hundred cents on the dollar. And with AIG we did the same thing. We told the European banks, we told Goldman and Morgan, We'll pay these credit swaps off at a hundred percent. They can do that under this bill. They can bail out creditors and counterparties. And they can even sell and transfer to the FDIC the assets of a failing firm.

Now how do they do that? Well, they have to borrow money. You can't buy something for free. You can't guarantee things without money. Under the House bill, you can borrow 90 percent of the fair value of the failed firm's total consolidated assets. You're going to borrow. In other words, the government, the taxpayers, are going to borrow 90 percent of that amount. What are we talking about? Potentially, with just the largest six companies in America—Bank of America, Morgan Chase, Citi, Wells Fargo, Goldman Sachs, Morgan Stanley, the so-called Wall Street banks, most of which, including Goldman Sachs, have said, We like this provision. It's a great provision. The Federal Government can borrow for those six firms \$8.5 trillion. Yet we've not asked, Where are you going to borrow this money from? Are you going to go back to the Chinese?

□ 1240

What will it cost? How will it affect the FDIC when the taxpayers borrow this kind of money? How will it affect our ability to pay the depositors that we have guaranteed those obligations? How will it affect our ability to meet our commitments today, Medicare, Medicaid, Social Security? How will it impact the deficit? What will it do to interest rates? Is there an exit strategy?

The largest bailout which is not addressed in this bill, the largest bailout in the history of this country was of Fannie and Freddie. We still haven't gotten out of that. In August of 2008, every Republican in this body said, Reform them before you bail them out. We've bailed them out. We guaranteed \$400 billion of their assets over our protest. And then last December 31, the President guaranteed all their obligations; and just this week, we hear that that could amount to \$1 trillion.

A trillions dollars there, \$2 trillion here, \$2 trillion here, \$2 trillion here, \$1 trillion here, almost \$1 trillion there. How do we do it? How do the taxpayers get paid back?

Mr. MCGOVERN. I reserve the balance of my time.

Mr. SESSIONS. Madam Speaker, I yield myself the balance of my time.

I think it's pretty obvious that Republicans today have come down and debated the substance of this rule and the bill. The rule, as it relates to the

conference report, is straightforward. It puts in order on the floor of the House of Representatives today a bill which will be a monstrous spending bill for financial institutions, \$18 billion that will be passed on to consumers. It's all done for bigger government. This bill empowers the Federal Government not only to get larger, but it gives them raw power. It gives them the opportunity to be the decision-maker in literally all parts of financial services. I think that's a mistake. I think that the balances and the opportunities that we had had as we have spoken in the last few years, we should aim for safety and soundness, not for overbearing government rules and regulations.

This bill, once again, is as much about the financial services industry as the health care bill was about health care. It's about diminishing the free enterprise system. It's about diminishing people who really should take the role and the responsibility for that which they do. And it's about creating a larger government that will encroach upon every single one of us and ultimately crush us. The Republican Party disagrees with this bill because we think that the time should be spent on this floor to encourage job creation, not to diminish job creation. And that's what this bill does today also: it diminishes job creation. Taxing, spending, bigger government. Of course, I guess it depends whether you are working for the government; you want the government to win or the free enterprise system.

We've looked at the numbers over the last 4 years since Speaker PELOSI's come into office, and we know what that agenda is—taxing, spending, more debt, bigger government, rules, regulations and using every single excuse they can to say, Well, you guys could have done this when you were in. Well, we don't want to do that. We don't want to do this. We don't want the taxing. We don't want the spending. To say that we could have done this, that now we're opposed to it, that's crazy. We don't like this.

We want to be about the free enterprise system, job creation, and the opportunity for people back home to have confidence in this body. We're at the lowest level ever that people have confidence in this body. And no wonder. Taxing, spending, rules, regulations, blaming things on former Presidents. My gosh, grow up. Madam Speaker, no wonder the American people are worried about our country, because the Mickey Mouse still goes on and is going on even today.

Madam Speaker, I ask unanimous consent to insert the text of the amendment and extraneous material immediately prior to the vote on the previous question.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MCGOVERN. Madam Speaker, how much time do I have remaining?

The SPEAKER pro tempore. The gentleman from Massachusetts has 4½ minutes.

Mr. MCGOVERN. Madam Speaker, the American people are frustrated. They're frustrated that we haven't passed a Wall Street regulatory reform bill sooner. I think my friends on the other side of the aisle just don't get it. I don't think they understand that an unregulated Wall Street with no checks and balances will produce another economic crisis like the one we are trying to dig ourselves out of right now. The Republican minority leader, Mr. BOEHNER, said, This is killing an ant with a nuclear weapon. An ant? It was the worst financial crisis since the Great Depression.

America has lost 8 million jobs and \$17 trillion of retirement savings and net worth. The irresponsible fiscal policies of the previous administration—and a lot of my friends on the other side—were much more than an ant to the American workers and their families and small businesses. They have suffered greatly because of Wall Street's excesses. And this notion that somehow we should just let Wall Street continue unregulated I think demonstrates that my friends on the other side of the aisle just don't get it.

Madam Speaker, this rule would also allow for the same-day consideration of an extension of unemployment benefits to millions of Americans who have lost their jobs. Americans are frustrated because they can't understand why Congress can't just approve this. What is the big deal? My friends on the other side of the aisle say, Well, we can't afford it. Yet when it comes to war or when it comes to tax cuts for wealthy people, we are a bottomless pit. But the fact of the matter is, we have an obligation to help those who are suffering because of this bad economy, and hopefully we will do that.

Madam Speaker, let me finally say that when we enact this bill today, this will be tough legislation that will end an era without accountability for Wall Street and big banks that cost us 8 million jobs. It will rein in big banks and their big bonuses. It will put an end to taxpayer bailouts and the idea of too big to fail and protect and empower consumers to make the best decisions on homes, credit cards, and our own financial future. The American people want us to pass this bill. They want us to pass an extension of unemployment benefits, and hopefully by the end of today, we will do both.

So, Madam Speaker, I urge a "yes" vote on the previous question and on the rule.

The material previously referred to by Mr. SESSIONS is as follows:

AMENDMENT TO H. RES. 1487

OFFERED BY MR. SESSIONS OF TEXAS

At the end of the resolution add the following new section:

SEC. 4. Immediately upon the adoption of this resolution the Speaker shall, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 3251) to repeal certain provisions of title 5, United States Code, relating to Federal employees' official time and labor organization activities. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the Majority Leader and the Minority Leader or their respective designees. After general debate the bill shall be considered for amendment under the five-minute rule. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII. Amendments so printed shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. If the Committee of the Whole rises and reports that it has come to no resolution on the bill, then on the next legislative day the House shall, immediately after the third daily order of business under clause 1 of rule XIV, resolve into the Committee of the Whole for further consideration of the bill. Clause 1(c) of rule XIX shall not apply to the consideration of H.R. 3251.

(The information contained herein was provided by Democratic Minority on multiple occasions throughout the 109th Congress.)

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Democratic majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's Precedents of the House of Representatives, (VI, 308-311) describes the vote on the previous question on the rule as "a motion to direct or control the consideration of the subject before the House being made by the Member in charge." To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's ruling of January 13, 1920, to the effect that "the refusal of the House to sustain the demand for the previous question passes the control of the resolution to the opposition" in order to offer an amendment. On March 15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the opposition rose to a parliamentary inquiry, asking who was entitled to recognition.

Speaker Joseph G. Cannon (R-Illinois) said:—"The previous question having been refused, the gentleman from New York, Mr. Fitzgerald, who had asked the gentleman to yield to him for an amendment, is entitled to the first recognition."

Because the vote today may look bad for the Democratic majority they will say "the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution . . . [and] has no substantive legislative or policy implications whatsoever." But that is not what they have always said. Listen to the definition of the previous question used in the Floor Procedures Manual published by the Rules Committee in the 109th Congress, (page 56). Here's how the Rules Committee described the rule using information from Congressional Quarterly's "American Congressional Dictionary": "If the previous question is defeated, control of debate shifts to the leading opposition member (usually the minority Floor Manager) who then manages an hour of debate and may offer a germane amendment to the pending business."

Deschler's Procedure in the U.S. House of Representatives, the subchapter titled "Amending Special Rules" states: "a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate." (Chapter 21, section 21.2) Section 21.3 continues: "Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon."

Clearly, the vote on the previous question on a rule does have substantive policy implications. It is one of the only available tools for those who oppose the Democratic majority's agenda and allows those with alternative views the opportunity to offer an alternative plan.

Mr. MCGOVERN. I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SESSIONS. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clauses 8 and 9 of rule XX, this 15-minute vote on the previous question will be followed by 5-minute votes on adoption of House Resolution 1487, if ordered; and the motion to suspend the rules on H.R. 4505.

The vote was taken by electronic device, and there were—yeas 243, nays 182, not voting 7, as follows:

[Roll No. 406]

YEAS—243

Ackerman	Bean	Boswell
Adler (NJ)	Becerra	Boucher
Altmire	Berkley	Boyd
Andrews	Berman	Brady (PA)
Arouri	Berry	Braley (IA)
Baca	Bishop (GA)	Brown, Corrine
Baird	Bishop (NY)	Butterfield
Baldwin	Blumenauer	Capps
Barrow	Bocieri	Capuano

Cardoza	Honda	Payne
Carnahan	Hoyer	Perlmutter
Carney	Inslee	Perriello
Carson (IN)	Israel	Peters
Castor (FL)	Jackson (IL)	Peterson
Chandler	Jackson Lee	Pingree (ME)
Chu	(TX)	Polis (CO)
Clarke	Johnson (GA)	Pomeroy
Clay	Johnson, E. B.	Price (NC)
Cleaver	Kagen	Quigley
Clyburn	Kanjorski	Rahall
Cohen	Kennedy	Rangel
Connolly (VA)	Kildee	Reyes
Conyers	Kilpatrick (MI)	Richardson
Cooper	Kilroy	Rodriguez
Costa	Kind	Ross
Costello	Kirkpatrick (AZ)	Rothman (NJ)
Courtney	Kissell	Roybal-Allard
Critz	Klein (FL)	Ruppersberger
Crowley	Kosmas	Rush
Cummings	Kratovil	Ryan (OH)
Dahlkemper	Kucinich	Salazar
Davis (CA)	Langevin	Sánchez, Linda T.
Davis (IL)	Larsen (WA)	Sanchez, Loretta
Davis (TN)	Larson (CT)	Sarbanes
DeFazio	Lee (CA)	Schakowsky
DeGette	Levin	Schauer
Delahunt	Lewis (GA)	Schiff
DeLauro	Lipinski	Schrader
Deutch	Loeb	Schwartz
Dicks	Lofgren, Zoe	Scott (GA)
Dingell	Lowe	Scott (VA)
Doggett	Lujan	Serrano
Donnelly (IN)	Lynch	Sestak
Doyle	Maffei	Shea-Porter
Driehaus	Maloney	Sherman
Edwards (MD)	Markey (CO)	Shuler
Edwards (TX)	Markey (MA)	Sires
Ellison	Marshall	Skelton
Ellsworth	Matheson	Slaughter
Engel	Matsui	Smith (WA)
Eshoo	McCarthy (NY)	Snyder
Etheridge	McCollum	Space
Farr	McDermott	Speier
Fattah	McGovern	Spratt
Filner	McIntyre	Stark
Foster	McMahon	Stupak
Frank (MA)	McNerney	Sutton
Fudge	Meek (FL)	Tanner
Garamendi	Meeks (NY)	Teague
Gonzalez	Melancon	Thompson (CA)
Gordon (TN)	Michaud	Thompson (MS)
Grayson	Miller (MI)	Tierney
Green, Al	Miller (NC)	Titus
Green, Gene	Miller, George	Tonko
Grijalva	Mollohan	Towns
Gutierrez	Moore (KS)	Tsongas
Hall (NY)	Moore (WI)	Van Hollen
Halvorson	Moran (VA)	Velázquez
Hare	Murphy (CT)	Visclosky
Harman	Murphy (NY)	Walz
Hastings (FL)	Murphy, Patrick	Wasserman
Heinrich	Nadler (NY)	Schultz
Herseth Sandlin	Napolitano	Waters
Higgins	Neal (MA)	Watson
Hill	Oberstar	Watt
Himes	Obey	Waxman
Hinchey	Olver	Weiner
Hinojosa	Ortiz	Welch
Hirono	Owens	Wilson (OH)
Hodes	Pallone	Wu
Holden	Pascrell	Yarmuth
Holt	Pastor (AZ)	

NAYS—182

Aderholt	Boustany	Chaffetz
Akin	Brady (TX)	Childers
Alexander	Bright	Coble
Austria	Broun (GA)	Coffman (CO)
Bachmann	Brown (SC)	Cole
Bachus	Brown-Waite,	Conaway
Barrett (SC)	Ginny	Crenshaw
Bartlett	Buchanan	Cuellar
Barton (TX)	Burgess	Culberson
Biggart	Burton (IN)	Davis (KY)
Billbray	Buyer	Dent
Bilirakis	Calvert	Diaz-Balart, L.
Bishop (UT)	Camp	Diaz-Balart, M.
Blackburn	Campbell	Djou
Blunt	Cantor	Dreier
Boehner	Cao	Duncan
Bonner	Capito	Ehlers
Bono Mack	Carter	Emerson
Boozman	Cassidy	Fallin
Boren	Castle	Flake

Fleming	Latta	Radanovich	Clay	Jackson (IL)	Peters	Guthrie	Mack	Rogers (MI)
Forbes	Lee (NY)	Rehberg	Cleaver	Jackson Lee	Peterson	Hall (TX)	Manzullo	Rohrabacher
Fortenberry	Lewis (CA)	Reichert	Clyburn	(TX)	Pingree (ME)	Harper	Marchant	Rooney
Fox	Linder	Roe (TN)	Cohen	Johnson (GA)	Polis (CO)	Hastings (WA)	McCarthy (CA)	Ros-Lehtinen
Franks (AZ)	LoBiondo	Rogers (AL)	Connolly (VA)	Johnson, E. B.	Pomeroy	Heller	McCaul	Roskam
Frelinghuysen	Lucas	Rogers (KY)	Conyers	Kagen	Price (NC)	Hensarling	McClintock	Royce
Galegley	Luetkemeyer	Rogers (MI)	Cooper	Kanjorski	Quigley	Herger	McCotter	Ryan (WI)
Garrett (NJ)	Lummis	Rohrabacher	Costa	Kennedy	Rahall	Herseth Sandlin	McHenry	Scalise
Gerlach	E.	Rooney	Costello	Kildee	Rangel	Hoekstra	McKeon	Schmidt
Giffords	Lungren, Daniel	Ros-Lehtinen	Courtney	Reyes	Hunter	Hunter	McMorris	Schock
Gingrey (GA)	Mack	Roskam	Critz	Kilroy	Richardson	Inglis	Rodgers	Sensenbrenner
Goodlatte	Manzullo	Royce	Crowley	Kind	Rodriguez	Issa	Mica	Sessions
Granger	McCarthy (CA)	Ryan (WI)	Cuellar	Kissell	Ross	Jenkins	Miller (FL)	Shadegg
Graves (GA)	McCaul	Scalise	Cummings	Klein (FL)	Rothman (NJ)	Johnson (IL)	Miller (MI)	Shimkus
Graves (MO)	McClintock	Schmidt	Dahlkemper	Kosmas	Roybal-Allard	Johnson, Sam	Miller, Gary	Shuler
Griffith	McCotter	Schock	Davis (CA)	Kucinich	Ruppersberger	Jones	Minnick	Shuster
Guthrie	McHenry	Sensenbrenner	Davis (IL)	Langevin	Rush	Jordan (OH)	Mitchell	Simpson
Hall (TX)	McKeon	Sessions	Davis (TN)	Larsen (WA)	Ryan (OH)	Kaptur	Moran (KS)	Smith (NE)
Harper	McMorris	Shadegg	DeFazio	Larson (CT)	Salazar	King (IA)	Murphy, Tim	Smith (NJ)
Hastings (WA)	Rodgers	Shimkus	DeGette	Lee (CA)	Sánchez, Linda T.	King (NY)	Myrick	Smith (TX)
Heller	Mica	Shuster	Delahunt	Lewis	Sanchez, Loretta	Kingston	Neugebauer	Stearns
Hensarling	Miller (FL)	Simpson	DeLauro	Levin (GA)	Sarbanes	Kirk	Nunes	Sullivan
Herger	Miller, Gary	Smith (NE)	Deutch	Loeb sack	Schakowsky	Kirkpatrick (AZ)	Nye	Terry
Hoekstra	Minnick	Smith (NJ)	Dicks	Lofgren, Zoe	Schauer	Kline (MN)	Olson	Terry
Hunter	Mitchell	Smith (TX)	Dingell	Schiff	Lance	Kratovil	Paul	Thompson (PA)
Inglis	Moran (KS)	Stearns	Doggett	Lujan	Lamborn	Lance	Paulsen	Thornberry
Issa	Murphy, Tim	Sullivan	Donnelly (IN)	Lynch	Lance	Lance	Pence	Tiahrt
Jenkins	Myrick	Terry	Doyle	Maffei	Latham	Latham	Petri	Tiberi
Johnson (IL)	Neugebauer	Thompson (PA)	Driehaus	Manoney	LaTourette	LaTourette	Pitts	Titus
Johnson, Sam	Nunes	Thornberry	Edwards (MD)	Markey (CO)	Latta	Lee (NY)	Platts	Turner
Jones	Nye	Tiahrt	Edwards (TX)	Markey (MA)	Lewis (CA)	Poe (TX)	Posey	Upton
Jordan (OH)	Olson	Tiberi	Ellison	Marshall	Linder	Poe (TX)	Price (GA)	Walden
Kaptur	Paul	Turner	Engel	Matheson	Lipinski	Price (GA)	Putnam	Westmoreland
King (IA)	Paulsen	Upton	Eshoo	Matsumi	LoBiondo	Putnam	Radanovich	Whitfield
King (NY)	Pence	Walden	Etheridge	McCarthy (NY)	Lucas	Radanovich	Rehberg	Wilson (SC)
Kingston	Petri	Westmoreland	Farr	McCollum	Luetkemeyer	Reichart	Roe (TN)	Wittman
Kirk	Pitts	Whitfield	Fattah	McDermott	Lummis	Rogers (AL)	Young (FL)	
Kline (MN)	Platts	Wilson (SC)	Filner	McGovern	Lungren, Daniel E.	Rogers (KY)		
Lamborn	Poe (TX)	Wittman	Foster	McIntyre				
Lance	Posey	Wolf	Frank (MA)	McMahon				
Latham	Price (GA)	Young (FL)	Fudge	McNerney				
LaTourette	Putnam		Garamendi	Meek (FL)				
			Gonzalez	Meeks (NY)				
			Gordon (TN)	Melancon				
			Grayson	Michaud				
			Green, Al	Miller (NC)				
			Green, Gene	Miller, George				
			Grijalva	Mollohan				
			Gutierrez	Moore (KS)				
			Hall (NY)	Moore (WI)				
			Halvorson	Moran (VA)				
			Hare	Murphy (CT)				
			Harman	Murphy (NY)				
			Hastings (FL)	Murphy, Patrick				
			Heinrich	Nadler (NY)				
			Higgins	Napolitano				
			Hill	Neal (MA)				
			Himes	Oberstar				
			Hinchey	Obey				
			Hinojosa	Oliver				
			Hirono	Ortiz				
			Hodes	Owens				
			Holden	Pallone				
			Holt	Pascarell				
			Honda	Pastor (AZ)				
			Hoyer	Payne				
			Inslee	Perlmutter				
			Israel	Perriello				

NOT VOTING—7

Davis (AL)	Taylor	Young (AK)
Gohmert	Wamp	
Marchant	Woolsey	

□ 1315

Mrs. BLACKBURN, Messrs. ROYCE, REICHERT, BOREN, Ms. GRANGER, and Mr. CUELLAR changed their vote from “yea” to “nay.”

Ms. WASSERMAN SCHULTZ and Mr. FATTAH changed their vote from “nay” to “yea.”

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. SESSIONS. Madam Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 237, noes 189, not voting 6, as follows:

[Roll No. 407]

AYES—237

Ackerman	Berman	Butterfield
Adler (NJ)	Berry	Capps
Altmire	Bishop (GA)	Capuano
Andrews	Bishop (NY)	Cardoza
Arcuri	Blumenauer	Carnahan
Baca	Boccheri	Carney
Baird	Boswell	Carson (IN)
Baldwin	Boucher	Castor (FL)
Barrow	Boyd	Chandler
Bean	Brady (PA)	Childers
Becerra	Braley (IA)	Chu
Berkley	Brown, Corrine	Clarke

Aderholt	Brown-Waite,	Diaz-Balart, M.
Akin	Ginny	Djou
Alexander	Buchanan	Dreier
Austria	Burgess	Duncan
Bachmann	Burton (IN)	Ehlers
Bachus	Buyer	Ellsworth
Barrett (SC)	Calvert	Emerson
Bartlett	Camp	Fallin
Barton (TX)	Campbell	Flake
Biggart	Cantor	Fleming
Bilbray	Cao	Forbes
Bilirakis	Capito	Fortenberry
Bishop (UT)	Carter	Fox
Blackburn	Cassidy	Franks (AZ)
Blunt	Castle	Frelinghuysen
Boehner	Chaffetz	Galegley
Bonner	Coble	Garrett (NJ)
Bono Mack	Coffman (CO)	Gerlach
Boozman	Cole	Giffords
Boren	Conaway	Gingrey (GA)
Boustany	Crenshaw	Goodlatte
Brady (TX)	Culberson	Granger
Bright	Davis (KY)	Graves (GA)
Broun (GA)	Dent	Graves (MO)
Brown (SC)	Diaz-Balart, L.	Griffith

NOES—189

Diaz-Balart, M.	Djou	Dreier
Duncan	Ehlers	Ellsworth
Emerson	Fallin	Flake
Fleming	Forbes	Fortenberry
Fox	Franks (AZ)	Frelinghuysen
Galegley	Garrett (NJ)	Gerlach
Giffords	Gingrey (GA)	Goodlatte
Granger	Graves (GA)	Graves (MO)
Griffith		

NOT VOTING—6

Davis (AL)	Taylor	Woolsey
Gohmert	Wamp	Young (AK)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are reminded there are 2 minutes remaining in the vote.

□ 1323

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has agreed to a concurrent resolution of the House of the following title:

H. Con. Res. 285. Concurrent resolution recognizing the important role that fathers play in the lives of their children and families and supporting the goals and ideals of designating 2010 as the Year of the Father.

The message also announced that the Senate has agreed to the following resolution:

S. Res. 574, relative to the memorial observances of the Honorable ROBERT C. BYRD, late a Senator from the State of West Virginia.

The message also announced that pursuant to Public Law 105-292, as amended by Public Law 106-55, and as further amended by Public Law 107-228, the Chair, on behalf of the President pro tempore, upon the recommendation of the Republican Leader, appoints the following individual to the United Commission on International Religious Freedom:

Richard D. Land of Tennessee.

ROLL CALL CONGRESSIONAL BASEBALL GAME

(Mr. DOYLE asked and was given permission to address the House for 1 minute.)

Mr. DOYLE. Madam Speaker, as you know, last night was the 49th annual Roll Call baseball game.

I am happy to announce to the House today that that score has been settled this year, and the Democrats were victorious, 13-6. Of course, the biggest winners last night were our two charities—the Washington Literacy Council and the Boys and Girls Club of Washington, DC. The final numbers aren't in, as donations are still coming in, but we went over the \$150,000 mark for our charities last night.

I want to commend our Republican team for a hard-fought game. They gave us a tough game right up to the last inning, and we kept all the fans in their seats to the very end.

We had a couple of outstanding plays on the Democratic side. All of us woke up with great chagrin this morning to watch ESPN's top 10 and see ANTHONY WEINER as No. 9 of the top 10. Also, there was some outstanding hitting from STEVE DRIEHAUS, but the MVPs on the Democratic side were killer bees JOE BACA, JOHN BOCCIERI, and BRIAN BAIRD. They all had outstanding plays.

So, Madam Speaker, once again, the coveted Roll Call trophy stays blue.

I yield to my good friend, the Republican manager, JOE BARTON.

Mr. BARTON of Texas. Madam Speaker, there have been those on the other side of the aisle who, from time to time, have spoken of the lack of generosity, of the stinginess, and of the coldheartedness of the Republicans, but the seventh inning last night should put that to rest forever. We were very generous. Every man of the Republican nine made some effort in generosity of spirit to drop balls, to misplace throws, or to go out of their way to make sure that, at least on the diamond, the Democrats would feel good.

Now, we don't want this to go to your head, though, Mr. DOYLE. That trophy is on loan. If you would look wherever the records are kept, if you win the next 20 in a row, there would still be more "R" wins than "D" wins.

Mr. DOYLE. I'll just say my friend is living in the past.

Mr. BARTON of Texas. So in the spirit of the moment, we cannot say that Chairwoman SLAUGHTER ran a closed rule out on us. It was an open rule. It was a fair competition. Luckily, for both sides, the real winners were, as you said it, the Boys and Girls Club of Washington, DC, and the Washington Literacy Council.

I do want to commend my Republican team. I am very proud of them.

JOHN SHIMKUS pitched his heart out. BILL SHUSTER made an almost unassisted double play when he caught the ball and picked somebody off at first base. Every member of our team got to play. They all were in good spirits and good fellowship.

We will show up next year with warmth in our hearts, and we will continue this tradition, hopefully, with a more pleasurable outcome for our side.

Congratulations to you, Mr. DOYLE. You ultimately deserved the win. You played better. We congratulate you.

Mr. DOYLE. Thank you.

EXPANDING ACCESS TO STATE VETERANS HOMES FOR GOLD STAR PARENTS

The SPEAKER pro tempore. Without objection, 5-minute voting will continue.

There was no objection.

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and pass the bill (H.R. 4505) to enable State homes to furnish nursing home care to parents any of whose children died while serving in the Armed Forces, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. FILNER) that the House suspend the rules and pass the bill.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 420, nays 0, not voting 12, as follows:

[Roll No. 408]

YEAS—420

Ackerman	Boustany	Clyburn	Driehaus	Kirkpatrick (AZ)	Pence
Aderholt	Boyd	Coble	Duncan	Kissell	Perlmutter
Adler (NJ)	Brady (PA)	Coffman (CO)	Edwards (MD)	Klein (FL)	Perriello
Akin	Brady (TX)	Cohen	Edwards (TX)	Kline (MN)	Peters
Alexander	Braley (IA)	Cole	Ehlers	Kosmas	Peterson
Altmire	Bright	Conaway	Ellison	Kratovil	Petri
Andrews	Broun (GA)	Connolly (VA)	Ellsworth	Kucinich	Pingree (ME)
Arcuri	Brown (SC)	Conyers	Emerson	Lamborn	Pitts
Austria	Brown, Corrine	Cooper	Engel	Lance	Platts
Baca	Brown-Waite,	Costa	Eshoo	Langevin	Poe (TX)
Bachmann	Ginny	Costello	Etheridge	Larsen (WA)	Polis (CO)
Bachus	Buchanan	Courtney	Fallin	Larson (CT)	Pomeroy
Baird	Burgess	Crenshaw	Farr	Latham	Posey
Baldwin	Burton (IN)	Critz	Fattah	LaTourette	Price (GA)
Barrow	Butterfield	Crowley	Filner	Latta	Price (NC)
Bartlett	Buyer	Cuellar	Flake	Lee (CA)	Putnam
Barton (TX)	Culvert	Culberson	Fleming	Lee (NY)	Quigley
Bean	Camp	Cummings	Forbes	Levin	Rahall
Berkley	Campbell	Dahlkemper	Fortenberry	Lewis (CA)	Rangel
Berman	Cao	Davis (CA)	Foster	Lewis (GA)	Rehberg
Berry	Capito	Davis (IL)	Fox	Lipinski	Reichert
Biggert	Capps	Davis (KY)	Frank (MA)	LoBiondo	Reyes
Blibray	Capuano	Davis (TN)	Franks (AZ)	Loeb	Richardson
Bilirakis	Cardoza	DeFazio	Frank (MA)	Lofgren, Zoe	Rodriguez
Bishop (GA)	Carnahan	DeGette	Franks (AZ)	Lowey	Roe (TN)
Bishop (NY)	Carney	DeLauro	Frelinghuysen	Lucas	Rogers (AL)
Bishop (UT)	Carson (IN)	Dent	Fudge	Luetkemeyer	Rogers (KY)
Blackburn	Carter	Deutch	Gallegly	Lujan	Rogers (MI)
Blumenauer	Cassidy	Diaz-Balart, L.	Garamendi	Lummis	Rohrabacher
Blunt	Castle	Diaz-Balart, M.	Garrett (NJ)	Lungren, Daniel	Rooney
Bocieri	Castor (FL)	Dicks	Gerlach	E.	Ros-Lehtinen
Boehner	Chaffetz	Dingell	Giffords	Lynch	Roskam
Bonner	Chandler	Djou	Gingrey (GA)	Mack	Ross
Bono Mack	Childers	Doggett	Gonzalez	Maffei	Rothman (NJ)
Boozman	Chu	Donnelly (IN)	Goodlatte	Maloney	Roybal-Allard
Boren	Clarke	Doyle	Gordon (TN)	Manzullo	Royce
Boswell	Clay	Dreier	Granger	Marchant	Ruppersberger
Boucher	Cleaver		Graves (GA)	Markey (CO)	Rush
			Graves (MO)	Markey (MA)	Ryan (OH)
			Grayson	Marshall	Ryan (WI)
			Green, Al	Matheson	Salazar
			Green, Gene	Matsui	Sanchez, Linda
			Griffith	McCarthy (CA)	T.
			Grijalva	McCarthy (NY)	Sanchez, Loretta
			Guthrie	McCaul	Sarbanes
			Gutierrez	McClintock	Scalise
			Hall (NY)	McCollum	Schakowsky
			Hall (TX)	McCotter	Schauer
			Halvorson	McDermott	Schiff
			Hare	McGovern	Schmidt
			Harman	McHenry	Schock
			Harper	McIntyre	Schrader
			Hastings (FL)	McKeon	Schwartz
			Hastings (WA)	McMahon	Scott (GA)
			Heinrich	McMorris	Scott (VA)
			Heller	Rodgers	Sensenbrenner
			Hensarling	McNerney	Serrano
			Herger	Meek (FL)	Sessions
			Herseth Sandlin	Meeks (NY)	Sestak
			Higgins	Melancon	Shadegg
			Hill	Mica	Shea-Porter
			Himes	Michaud	Sherman
			Hinchey	Miller (FL)	Shimkus
			Hinojosa	Miller (MI)	Shuler
			Hirono	Miller (NC)	Shuster
			Hodes	Miller, Gary	Simpson
			Hoekstra	Miller, George	Sires
			Holden	Minnick	Skelton
			Holt	Mitchell	Slaughter
			Honda	Mollohan	Smith (NE)
			Hoyer	Moore (KS)	Smith (NJ)
			Hunter	Moore (IN)	Smith (TX)
			Inglis	Moran (KS)	Smith (WA)
			Inslee	Moran (VA)	Snyder
			Israel	Murphy (CT)	Space
			Issa	Murphy, Patrick	Speier
			Jackson (IL)	Murphy, Tim	Spratt
			Jackson Lee	Myrick	Stark
			(TX)	Nadler (NY)	Stearns
			Jenkins	Napolitano	Stupak
			Johnson (GA)	Neal (MA)	Sullivan
			Johnson (IL)	Neugebauer	Sutton
			Johnson, E. B.	Nunes	Tanner
			Johnson, Sam	Nye	Teague
			Jones	Oberstar	Terry
			Jordan (OH)	Obey	Thompson (CA)
			Kagen	Olson	Thompson (MS)
			Kanjorski	Olver	Thompson (PA)
			Kaptur	Ortiz	Thornberry
			Kennedy	Owens	Tiahrt
			Kildee	Pallone	Tiberti
			Kilpatrick (MI)	Pascarella	Tierney
			Kilroy	Pastor (AZ)	Titus
			Kind	Paul	Tonko
			King (IA)	Paulsen	Towns
			King (NY)	Payne	Tsongas
			Kingston		
			Kirk		

Turner	Waters	Wilson (SC)
Upton	Watson	Wittman
Van Hollen	Watt	Wolf
Velázquez	Waxman	Wu
Visclosky	Weiner	Yarmuth
Walden	Welch	Young (FL)
Walz	Westmoreland	
Wasserman	Whitfield	
Schultz	Wilson (OH)	

NOT VOTING—12

Barrett (SC)	Gohmert	Taylor
Becerra	Linder	Wamp
Cantor	Murphy (NY)	Woolsey
Davis (AL)	Radanovich	Young (AK)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Two minutes remain in this vote.

□ 1336

So (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. BECERRA. Madam Speaker, earlier today I was unavoidably detained and missed rollcall votes 402 and 408. If present, I would have voted "yea" on rollcall votes 402 and 408.

PROVIDING FOR CONSIDERATION OF CONFERENCE REPORT ON H.R. 4173, DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT

Mr. PERLMUTTER. Madam Speaker, by direction of the Committee on Rules, I call up House Resolution 1490 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1490

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 4173) to provide for financial regulatory reform, to protect consumers and investors, to enhance Federal understanding of insurance issues, to regulate the over-the-counter derivatives markets, and for other purposes. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read. The previous question shall be considered as ordered on the conference report to its adoption without intervening motion except: (1) two hours of debate; and (2) one motion to recommit if applicable.

The SPEAKER pro tempore. The gentleman from Colorado is recognized for 1 hour.

Mr. PERLMUTTER. Madam Speaker, for purposes of debate only, I yield the customary 30 minutes to my friend from Texas (Mr. SESSIONS), and I yield myself such time as I may consume.

GENERAL LEAVE

Mr. PERLMUTTER. I ask unanimous consent that all Members be given 5 legislative days in which to revise and

extend their remarks on House Resolution 1490.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. PERLMUTTER. Madam Speaker, House Resolution 1490 provides for consideration of the conference report to H.R. 4173, the Dodd-Frank Wall Street Reform and Consumer Protection Act. This rule provides for 2 hours of debate on the conference report, it waives all points of order, and, further, the rule provides for one motion to recommit, with or without instructions.

Madam Speaker, today we will take an historic vote on the most significant reform to our financial industry since the New Deal. These comprehensive reforms will reduce threats to our financial system, increase oversight and prevent future bailouts. The bill strikes a responsible balance, ending the "wild west" era on Wall Street, while laying a new regulatory foundation for long-term growth which is stable and secure.

□ 1340

In the fall of 2008, this country was brought to its knees by a financial crisis, the likes of which I hope we never experience again. A crisis of this magnitude calls for reforms of similar proportion. Many elements on and off Wall Street contributed to the meltdown, and this bill carefully crafts responsible solutions in each area. The bill protects consumers through the creation of a Consumer Financial Protection Bureau that will oversee the loan writing for banks and nonbanks and serve as the primary watchdog for consumers. For the very first time, nonbank entities will have Federal oversight, a critical element to reining in abusive practices and products. An oversight council is established under this bill to make certain financial institutions do not become a systemic threat to our economic stability.

We establish a process to close and liquidate significant financial institutions so if a failing firm begins to fail, it is closed, and it will no longer be too big to fail. This dissolution mechanism ensures Main Street comes first—not Wall Street. We deal with hedge funds, credit rating agencies, mortgage reform, executive compensation, and investor protection in this bill. We bring these issues out of the shadows and into the light so there is transparency to protect the system.

I worked to ensure a study on high frequency trading was included in this bill. As we saw from the "flash crash" in May, when the Dow Jones lost nearly a thousand points in a matter of minutes because of computer error, we need to know the effects of technologically advanced practices such as high frequency trading on the long-term investor. Also, transparency will

be brought to the derivatives markets. Businesses and manufacturers will be able to reduce their own risk while protections are put in place for the overall system, providing regulators with a clear picture of the derivatives market.

Another important provision in the House was strengthened in conference. It calls for strong limits on proprietary trading, or what most are calling "the Volcker rule." This provision strikes a good balance in banning proprietary trading without disrupting client services and asset management. In other words, banks can no longer gamble with their customers' money. The bill we are considering here today ensures there is no place to hide by closing loopholes, improving consolidated supervision, and establishing robust regulatory oversight.

I'm proud to stand here with my colleagues today providing for consideration of a bill making the necessary reforms and establishing robust regulatory oversight. In this bill we protect consumers, taxpayers, and depositors. I urge my colleagues to vote in favor of the rule and the underlying bill.

I reserve the balance of my time.

Mr. SESSIONS. I thank the gentleman from Colorado, my friend, for yielding me time, and I yield myself such time as I may consume.

Madam Speaker, I rise in opposition to this closed rule and the underlying bill.

Today, we are considering a 2,300-page Federal takeover of the financial services industry. This happened in health care. It's now happening in financial services. The bill before us today is just one more piece of the Democrat majority's agenda to Federalize more of the private sector of this country. I hear that as I travel in my district, Madam Speaker, while it's important to provide consumer safety and security in the marketplace and to minimize the chance of another financial crisis, I oppose this bill.

I oppose this bill, and the underlying legislation holds many far-reaching consequences for the American economy and prohibits the ability of business, small and large, to create jobs and spur economic growth. Obviously, this bill, because it's done by the Democrat majority, will be 2,300 pages; obviously, because this bill is done by the Democrat majority, it will involve new Big Government plans, programs; and, obviously, because it's the Democrat majority, it will involve more taxes, fees, and in fact it's \$18 billion worth of new spending through these fees and taxes. In addition to making bailouts permanent, which this bill does do, failing to address the root cause of the crisis and rewarding failed regulators, this Democratic solution makes it even more difficult for consumers to access credit and for businesses to comply with overburdensome regulations.

Just a few minutes ago, we heard the story about how Republicans want to

do nothing. Republicans would do nothing because they're opposed to rules and regulations in the marketplace. That's not true. We already have enough rules and regulations in the marketplace. And I do agree there's some things in here which do add to the safety and soundness features. But in the overall total, it's a bad deal. It's a bad deal for consumers, it's a bad deal for this country, and it's certainly a bad deal for anyone that wants to turn the corner on growing jobs in America.

In a letter from the Independent Bankers Association of Texas, my home State, while referencing the new Consumer Financial Protection Bureau created in the bill, it states, "this agency will have broad powers to write rules on all bank products and services, which we believe will stifle innovation and entrepreneurship on longstanding products that have been responsibly offered by community financial institutions. This will result in more cost and confusion to bank customers and stifle lending and funding in community banks."

Community banks represent the lifeblood of Texas. I know this because I know a number of the banks and the people not only who lend with them but the people who rely on them day by day. I'm one of those persons. They're worried about what is happening here in Washington. Once again, they were given a reason to have fear of what has happened over the weekend in this bill becoming even closer to law.

The Consumer Financial Protection Bureau and the Office of Financial Research, two brand new Federal agencies created in this bill—once again, two brand new Federal agencies created in this bill—will give unelected bureaucrats unprecedented power to track financial activities without citizens' approval. And these are not the only new regulatory components of the bill. This legislation allows for 355 new rule-makings, 47 studies, and 74 reports, and potentially dozens more as implementation begins. But what should we expect from this Democratic Congress?

The goal of regulatory reform should be to help, not hinder. It should be there to help our economy to sustain and gain back economic growth. And, of course, gain back private-sector job creation—not government jobs. This legislation, of course, does the opposite. It takes a one-size-fits-all approach to governing, undermining U.S. economic competitiveness and private-sector growth. This Democrat solution will only increase government intervention in the financial markets. It will ration credit. It will limit consumer choice. And, perhaps worst of all, it will continue to kill jobs. I'm sorry; private-sector jobs. I need to get that right. We're all for government jobs when it's a Democratic bill, but when it comes to free-enterprise sys-

tem jobs, we want to kill those things. This is the hallmark of the Democratic Party, whose party—and I know this, this is just part of it—but the three largest political items of the Democrat majority, Speaker NANCY PELOSI: To net lose 10 million American jobs through cap-and-trade, through card check, and through health care. Once again, we should have included that in that list—jobs that are killed in the free enterprise system by this Democrat majority.

□ 1350

Madam Speaker, the motives are clear. My Democrat colleagues are using policy and regulation to force a further government takeover of the free enterprise system while paving the road to diminish the private sector. This is their way of making sure that they use a crisis or a perception of a crisis to get what they want. I get it, and so do people back home. Madam Speaker, the Republican Party and my colleagues in the Republican Party are opposed to this bill. I encourage my colleagues to vote against this rule and the underlying legislation.

I reserve the balance of my time.

Mr. PERLMUTTER. I will just take one moment, Madam Speaker, to remind my friend from Texas that by cutting taxes for the wealthiest Americans, prosecuting two wars without paying for them, and letting Wall Street run amok, in the last month of George Bush's term in office, we lost 780,000 jobs that month. This country lost a lot of jobs. By not enforcing reasonable regulation, we lost all sorts of jobs. But since January, February of 2009 until last month, we reversed that to the point where there were 400,000 jobs created, a swing of over 1.2 million jobs per month in this country. My friends on the Republican side of the aisle oppose reining in Wall Street. We know, and Americans across this country know that something has to be done.

With that, I yield 3 minutes to my friend from California, Congresswoman MATSUI.

Ms. MATSUI. I thank the gentleman from Colorado for yielding me time.

Madam Speaker, I rise today in strong support of H.R. 4173, the Restoring American Financial Stability Act of 2010. Many families in my home district of Sacramento continue struggling to make ends meet. I have heard countless stories of those struggling to keep their homes, their jobs, and their way of life. Many of my constituents were and continue to be victims of predatory home loan lending, unfair credit card practices, payday loans, and other forms of deceptive financial practices. The mortgage crisis, in particular, continues to impact many in Sacramento. Sadly, after more than 2 years, millions of homeowners continue to face foreclosure, and those

who have not have seen the value of their homes plummet.

I have been to foreclosure workshops. I have seen the hardships and looks of desperation. I have heard from a constituent who held a traditional 30-year mortgage; but after repeated attempts from her lender, she was convinced to refinance her mortgage to a lower adjustable rate. And now that the mortgage has reset, she is facing foreclosure. I have heard from many constituents who applied for a loan modification but never even got a call back. I have heard from many others who say they were denied a loan modification under the Making Home Affordable program, but their lender never even gave them a reason why. These are just a few of the many stories that I, and I'm sure many of you, have heard.

Madam Speaker, no one is looking for a bailout. The families need real assistance and real reform. But it's clear that the mortgage industry, after repeated public pledges, has yet to demonstrate a real commitment to help responsible homeowners. Madam Speaker, I am pleased that this bill includes an amendment that I offered along with Representatives KATHY CASTOR and BETTY SUTTON which calls on the mortgage industry to help place more responsible homeowners into more affordable terms. The amendment will require mortgage industry participants in the Making Home Affordable program to report basic information on a monthly basis, such as the number of loan modification requests received, the number being processed, the number that have been approved, and the number that have been denied. It will also make that information available to the public through the Treasury Department's Web site.

It is clear that greater transparency is needed to ensure that all parties are actually helping homeowners. Such transparency will lead to greater accountability. I strongly urge my colleagues to support this historic legislation to ensure that our consumers and our financial system are protected from irresponsible financial practices.

Mr. SESSIONS. Madam Speaker, our next speaker is a young gentleman from Texas who has a clear voice and a sound footing not only of economic principles but he also speaks for our party.

I yield 3 minutes to the gentleman from Texas (Mr. HENSARLING).

Mr. HENSARLING. I thank the gentleman for yielding.

I was very interested, Madam Speaker, to hear the gentleman from Colorado defend the job statistics under the Democratic rule of Congress. I don't know too many Democrats coming to the floor who want to defend 9.7 percent unemployment. Frankly, it's one of the major reasons that the legislation on the floor ought to be opposed today. Madam Speaker, it's a job killer. Once again, we have legislation that

will make credit less available and more expensive.

Let me point out four different aspects of this bill. No. 1, it creates a permanent Wall Street bailout authority. If you build it, they will come. You build a bailout authority because you expect to bail people out. There's a choice to be had here. Republicans believe in the Bankruptcy Code. There are improvements that need to be made; and under the leadership of our ranking member, SPENCER BACHUS, we introduced that legislation. But our Democratic friends prefer bailouts, bailouts over bankruptcy.

Now they continue to say that the taxpayer won't be called upon to pay for these bailouts. Well, isn't it kind of funny how throughout this conference process, every time they've had an opportunity to choose either the taxpayers or the Wall Street banks, they somehow choose the Wall Street banks? And, in fact, when it came down to the government-sponsored enterprises, they set up a choice—I didn't set up the choice—but they set up a choice of who going forward is going to fund the bailout of government-sponsored enterprises. Should it be Wall Street banks or should it be the taxpayers? And they decided that it ought to be the taxpayers.

Just yesterday at the 11th hour—actually it was way past the 11th hour—they came up with a new funding mechanism, taking money away from TARP that was supposed to be used for deficit reduction; and, instead, they're going to use it to help fund the bill, most of which the Congressional Budget Office says goes to the Wall Street bailout authority. This is No. 2. The No. 2 incident where they had a choice between choosing the taxpayers or Wall Street banks, they chose Wall Street banks.

A permanent bailout authority costs jobs. They create this new bureau to ban and ration consumer credit—literally to decide whether or not you can have a credit card, small business line of credit, what kind of mortgage you can get on your home. There is functionally a new banks tax that makes derivatives more expensive, less available. All of this is going to harm job creation.

You know, I talk to small businesses in my district, like a gentleman from Jacksonville, Texas: "I am a one-man operation. With all the legislation coming down the line, I will stay a one-man operation. If lines of credit dry up, I will no longer be able to maintain safe operating equipment and be forced to cease operations."

Reject the job-killing bill and the permanent bailout authority.

Mr. PERLMUTTER. Madam Speaker, I would respond to my friend from Texas that, first of all, losing 780,000 jobs a month, as we were when George Bush left office, that's job killing.

That's terrible. One of the things we're trying to do is right that ship. Second, he says that they set up a bankruptcy process for these banks. Well, as Democrats, we said, These failing banks, if they're failing, we're not going to let them linger along like they might in a chapter 11 bankruptcy. We close them. We liquidate them. That's the purpose of this. No more bailouts.

With that, I yield 2 minutes to my friend from Connecticut (Mr. LARSON).

Mr. LARSON of Connecticut. Madam Speaker, I rise for the purpose of engaging in a colloquy with Chairman FRANK to clarify the intent behind section 1076 in this bill. The section amends the Electronic Fund Transfer Act to create a new section 920 regarding interchange fees. Interchange revenues are a major source of funding for the administrative costs of prepaid cards used in connection with health care and employee benefits programs like FSAs, HSAs, HRAs and qualified transportation accounts.

□ 1400

These programs are lightly used by both the public and private sector employers and employees and are more expensive to operate because of substantiation than other regulatory requirements. Because of this, I would like to clarify that Congress does not wish to interfere with those arrangements in a way that could lead to higher fees being imposed by administrators to make up for lost revenue, which would directly raise health care costs and hurt consumers. This is clearly not something that was the intent that we'd like to do. Therefore, I ask Chairman FRANK to join me in clarifying that Congress intends that prepaid cards associated with these types of programs should be exempted within the language of section 920(a)(7)(A)(ii)(II).

Mr. FRANK of Massachusetts. If the gentleman would yield, he's completely correct. The Federal Reserve has the mandate under this, which originated in the Senate, to write those rules. We intend to make sure those rules protect a number of things: smaller financial institutions from being discriminated against since they're exempt from the regulation, State benefit programs, and these.

So the gentleman is absolutely correct, and I can assure him that I expect the Federal Reserve to honor that. And if there is any question about it, I am sure we will be able to make sure that it happens.

Mr. LARSON of Connecticut. I thank the chairman.

Mr. SESSIONS. Madam Speaker, I yield 2 minutes to the gentlewoman from West Virginia (Mrs. CAPITO).

Mrs. CAPITO. I would like to thank Mr. SESSIONS for yielding me the time. I would like to thank our ranking member, SPENCER BACHUS, for his dedi-

cation to this issue. I would also like to thank the chairman of our full Committee of Financial Services for his dedication to this as well.

But, Madam Speaker, as we stand here today, unfortunately, this is a missed opportunity. From the start of the debate, it was apparent there was little or no interest from our Democrat colleagues in working towards a consensus bill on regulatory reform. Now they are using budgetary smoke and mirrors, and I think that it will be apparent to Americans as this bill unfolds.

As my constituents say to us all the time: Work together. Shelve the partisanship. The stakes are too high.

But, unfortunately, the bill before us was drafted without our significant input. We are now faced with a bill that will give us institutionalized government bailouts, limit consumer choices, and raise the cost for businesses, our job creators across this Nation.

My colleagues on the other side of the aisle will be basking in the rhetoric and high praise for cracking down on Wall Street. However, the resolution authority in this bill does little or nothing to address the issue of the moral hazard that has been created by the TARP program. Instead, failed firms will be wound down at taxpayers' expense.

Under this resolution authority, the big will get bigger, and they will push the limits of risk because they will know that the government will be there to pay for their demise. In fact, many of the tools used for TARP are institutionalized in this legislation. My friends can opine on Wall Street reform all they want, but this bill does not achieve that.

Why should the people of West Virginia help pay for poor decisions of Wall Street bankers, or in any State? Well, they shouldn't. But for over a year we have advocated for an enhanced bankruptcy for these large, highly complex financial institutions. This approach would have created a level playing field between Wall Street and Main Street and would have assured all parties know the rules of the game ahead of time.

Furthermore, the taxpayers would not have to worry if their children and grandchildren will have to pick up the tab for the mistakes of the fabulous fads of the world. Unfortunately, the majority has decided once again to turn a deaf ear to America's cries to end the bailouts.

This bill will fuel the growth of Wall Street, will lead to job loss, and it represents a missed opportunity.

Mr. PERLMUTTER. Madam Speaker, I yield 2 minutes to the gentleman from Connecticut (Mr. HIMES).

Mr. HIMES. Madam Speaker, I rise to enter into a colloquy with Chairman FRANK. I want to clarify a couple of important issues under section 619 of the bill, the Volcker Rule.

The bill would prohibit firms from investing in traditional private equity funds and hedge funds. Because the bill uses the very broad Investment Company Act approach to define private equity and hedge funds, it could technically apply to lots of corporate structures, and not just the hedge funds and private equity funds.

I want to confirm that when firms own or control subsidiaries or joint ventures that are used to hold other investments, that the Volcker Rule won't deem those things to be private equity or hedge funds and disrupt the way the firms structure their normal investment holdings.

Mr. FRANK of Massachusetts. If the gentleman would yield, let me say, first, you know, there has been some mockery because this bill has a large number of pages, although our bills are smaller, especially on the page. We do that—by the way, there are also other people who complain sometimes that we've left too much discretion to the regulators. It's a complex bill dealing with a lot of subjects, and we want to make sure we get it right, and we want to make sure it's interpreted correctly.

The point the gentleman makes is absolutely correct. We do not want these overdone. We don't want there to be excessive regulation. And the distinction the gentleman draws is very much in this bill, and we are confident that the regulators will appreciate that distinction, maintain it, and we will be there to make sure that they do.

Mr. HIMES. Thank you, Mr. Chairman.

My understanding is also that, consistent with the overall intent not to subject commercial firms to financial regulation, section 604 provides that an existing savings and loan holding company with both financial and non-financial businesses will cease to be an S&L holding company when it establishes an intermediate holding company under section 626. That company also may have an intermediate holding company under section 167.

Am I right that the intent of this legislation is for these sections to be applied in harmony, so that an organization will have a single intermediate holding company that will be both the regulated S&L holding company and the organization and the holding company for implementing the heightened supervision of systemic financial activities under title I?

Mr. FRANK of Massachusetts. If the gentleman will yield again, yes, he is exactly right. And just to sum it up, we want regulated some activities and not regulated other activities when you have a hybrid kind of situation, and what the gentleman has described is how you accomplish that.

Mr. SESSIONS. Mr. Speaker, I yield 4 minutes to the gentleman from New Jersey (Mr. GARRETT).

Mr. GARRETT of New Jersey. Mr. Speaker, like all my colleagues, I be-

lieve that financial reform is necessary now. But the legislation that is before us really, which empowers failed bureaucrats through government overreach and unnecessary job killing, is just not the right legislation.

First, you know, one of the major fundamental flaws of this 2,300-page bill is the section that basically empowers government bureaucrats with so-called resolution authority to basically pick winners and losers again, to continue that failed bailout philosophy.

Now, I know the chairman and the proponents of this bill claim that these provisions are meant to add certainty and stability to our financial system. But when you think about it, when you set up an alternative to bankruptcy for failed firms so that there are now two potential tracks for failed firms to go down, that actually introduces more uncertainty, more uncertainty for the financial markets, for the investors, for the counterparties, for our entire economy because of this bill. And that uncertainty, what does that lead to? It leads to failing to invest and leads to less job creation as well.

Furthermore, this section of the legislation gives an alarming amount of power to government regulators and bureaucrats to basically decide the fate of a firm and its creditors. Under this administration, we've seen this before. We've seen the rule of law trampled when the Federal Government bullied into submission secured creditors in the Chrysler situation. In favor of whom? Well, politically favored unsecured creditors.

And what is this legislation? This would codify the ability of regulators to engage in similar conduct, further eroding confidence in our rule-based economy. And sending investors where, to this country? No. To overseas, scattering them to other opportunities, rather than here in the U.S.

Not only that, but this resolution authority, in codifying a better deal than in bankruptcy for at least some of the politically connected, gives large firms an unfair advantage over their smaller rivals.

This then does what? It increases moral hazard by encouraging investment in firms that basically otherwise just don't deserve it. And this is a part of the problem that led to the demise that we have seen in other areas of our economy, talking about Fannie Mae and Freddie Mac, the GSEs, which, by the way, are never touched in this legislation whatsoever.

Another aspect of the problem with this bill is Big Brother, Big Brother overreach that didn't exist before. This bill creates two new government bureaucracies, including the so-called Office of Financial Research, that will have unprecedented power to track the financial activities of everyone here and everyone in the entire United

States. You're taking money out of the ATM, that's tracked. You're trying to set up a new credit card, that will be tracked. Information about any one of your consumer transactions, that will now be able to be tracked and gathered without anyone's approval, any citizen's approval. And it will be monitored by whom? Basically by unelected and unaccountable bureaucrats here in Washington with few or hardly any constraints whatsoever on how they're going to use the information or when they're going to use the information.

Then there's the section on derivatives, another massive, massive job killer. I joined with Congressman FRANK LUCAS. We offered an alternative to this bill in the last days that was basically the original House version of the bill. It had broad bipartisan support. Unfortunately, under pressure from Democrat leadership, not a single Democrat supported that House language in the final vote, despite the fact that very same language was originally sponsored by the Democrat Financial Services and Agriculture Committee chairman.

□ 1410

The results of all this? Well, the result of that section not being in it means that businesses big and small all over this country which had absolutely nothing to do with this financial crisis will now have a very difficult time to hedge their risks, to guard against future risk, because they will have to pay literally hundreds and hundreds of billions of dollars in additional funds to control risks on a daily basis.

What does that mean for all of us? More job losses. This bill is a job killer. And it will raise prices, too, for every American across the country, whether you are talking about food prices, energy prices, you name it. How many jobs will be lost? In a recent study by Keybridge, they found between 100,000 and 120,000 jobs will be lost because of this job-killing bill.

Mr. PERLMUTTER. I have to smile when I listen to my friends talk about job killing, when letting Wall Street run wild, gambling like it was just a big casino, results in 780,000 jobs a month being lost to the point that during this recession we have lost 8 million jobs. And we've got to put people back to work. We need certainty, we need reasonable regulation. That's the purpose of this bill.

I yield 2 minutes to my friend from Georgia (Mr. SCOTT).

Mr. SCOTT of Georgia. I thank the gentleman for yielding.

Ladies and gentlemen, you would think that the Republicans were somewhere on another planet. Let me correct the situation, if I may.

First of all, this was a problem that occurred under the Bush administration because of policies by the Republicans, who were in charge. It was indeed Paulson, our Secretary of the

Treasury, that came to our Financial Services Committee with two pieces of paper and said here is what you need to fix it. Throw all of this money at Wall Street.

Let's give the truth in this matter. It was under Democratic leadership that we said "no." Yes, we have a credit problem, a credit freeze of the credit markets up on Wall Street. And here we were. And I know sometimes the truth hurts, and I feel their pain over there. But I am sick and tired of our Republican friends assuming that they had no responsibility for this, Mr. Speaker. And we've got to set the record straight. It is in the charge of Democrats, under our leadership, that we indeed are saddled with the responsibility of bringing the confidence of the American people back to our private enterprise system and to keep it free. It is because of what the Democrats are doing that we are saving our free economic system. Under their policies it was heading to straight ruin, causing the worst economic collapse second only to the Depression.

So we are moving here today with this extraordinary bill to do everything possible to make sure that it never happens again, to restore the confidence of the American people. And we are beginning to do that. We are doing it by setting up a consumer protection agency, something we didn't have before. That's the reason this happened. They went to predatory lending, they went to steering people into subprime lending when they could have afforded other loans. There was no protection for them. Democrats are providing this protection. They were doing it because we had executive compensation pay geared to risky behavior. This is an important bill.

Mr. SESSIONS. Mr. Speaker, I would remind the gentleman who was speaking that we know what happened, and it's called pin-the-tail-on-the-donkey.

Mr. Speaker, I yield 3 minutes to the gentlewoman from Hinsdale, Illinois (Mrs. BIGGERT), from the Financial Services Committee.

Mrs. BIGGERT. I thank the gentleman for yielding.

Mr. Speaker, I rise in opposition to this rule and to ask this body to step back for a moment to do a quick sanity check. What's the purpose of this bill? I thought its purpose was to rein in Wall Street and end the abuses that precipitated the most massive financial meltdown and economic downturn since the Great Depression. Its purpose is to make Wall Street pay for the abuses, not Main Street. I am all for that.

In fact, along with my Republican colleagues I offered the first reform bill, H.R. 3310, back in July, and many amendments designed to rein in Wall Street, end the abuses, but not harm Main Street. Senate Banking Chairman CHRIS DODD's first regulatory reform

proposal was similar to ours, and offered great promise. Unfortunately, these commonsense and necessary reforms were scrapped in favor of the bill that we consider today.

Instead, we have before us a bill that turns the stated purpose upside down. What do I mean? Well, the end result is that Goldman Sachs supports the bill and the Chamber of Commerce opposes the bill. Goldman's CEO testified, and I quote, "I am generally supportive. The biggest beneficiary of reform is Wall Street itself." Meanwhile, the U.S. Chamber, which represents Main Street American businesses, opposes the bill.

Wall Street supports this bill while Main Street suffers? Where is the logic in that? Main Street didn't engage in shady accounting gimmicks. Main Street didn't make risky derivatives trades. Main Street didn't issue subprime loans. And yet what we have here is a bill that makes Main Street pay the price. And what is that price? Increased taxes on community banks, manufacturers, small businesses, consumers, and American families that will increase the cost of credit. New taxes will decrease the credit available to those who need it most, small businesses who seek financing to create desperately needed jobs.

How will new taxes rein in Wall Street? This bill expands the size of government, increasing our national debt, making taxpayer bailouts permanent, and distorts our free market by allowing bureaucrats to pick winners and losers. It regulates the wages of every financial employee, from the janitor to the CEO.

We need commonsense financial reform. And that's not what this bill delivers. I urge my colleagues to oppose this rule and the underlying bill.

Mr. PERLMUTTER. I would say to my friend from Illinois, with whom I work on lots of things in this arena, I don't know where she is coming from saying there are taxes on small banks. There are FDIC charges so that they have sufficient reserves, but there are no taxes, as she would suggest.

I yield 2 minutes to my friend from North Carolina (Mr. MILLER).

Mr. MILLER of North Carolina. Mr. Speaker, this bill is a huge step forward. Working and middle class families should not again have to worry that financial ruin lurks in the fine print of a contract that their bank's lawyer wrote. Families that qualify for prime mortgages that they can pay will not again get trapped instead in predatory subprime mortgages that they cannot pay. They can use a credit card without worrying about getting gouged. They can have overdraft protection that is the convenience that their banks say it is, that it should be, not a trap to run up indefensible fees.

If this legislation is properly enforced, we can begin to believe again that our government is on the side of

honest Americans trying to make an honest living. This bill is about our values. Our economy depends on our acting in our own self-interest and enjoying the rewards of our efforts, but every major religious faith forbids unrestrained greed.

On the stone tablets that Moses brought down from Mount Sinai there is the commandment, "Thou shalt not covet anything that is thy neighbor's." And according to the First Book of Timothy, "For the love of money is the root of all evil: which while some coveted after, they have erred from the faith, and pierced themselves through with many sorrows."

When Franklin Roosevelt spoke in his first inaugural address about the practice of unscrupulous money-changers in the temple, he spoke in language easily recognized by that generation. Roosevelt spoke of restoring ancient truths. "The measure of the restoration," Roosevelt said, "lies in the extent to which we apply social values more noble than mere monetary profit."

The financial practices that this legislation seeks to reform have made a few Americans very rich, but by taking advantage of working and middle class families who needed to borrow money and honest investors who wanted to lend it, and by diverting too much of our economy from productive, honest work. We need to restore the faith from which we have erred. This bill is a start.

Mr. SESSIONS. Mr. Speaker, at this time I yield 3 minutes to the distinguished gentleman from Fullerton, California (Mr. ROYCE), from the Financial Services Committee.

Mr. ROYCE. I thank the gentleman for yielding.

I don't know why it should be a surprise to the Left that this financial system collapsed. The reason I say that is because in 1992, the GSE Act passed this Congress, under a Democratic majority passed this Congress. And the GSE Act specifically was an attempt to get every American into a home.

I understand the thought behind it. But the irrationality behind it, in terms of creating these mandates on Fannie Mae and Freddie Mac, the GSEs, mandates that 50 percent of their portfolio of \$1.7 trillion be in subprime and Alt-A loans.

□ 1420

What did they expect would happen? The leverage, the political pull that went into getting the down payments down from 20 percent to 3 percent to zero. And now we have the very result that the Federal Reserve warned us about when they came to Congress in 2003 and 2004 and 2005 and warned us that if we did not take corrective action, if we did not allow the regulators to have the ability to deregulate or to regulate and deleverage these portfolios, that we were going to create

systemic risk and the financial collapse could be a consequence of this.

And blocking repeatedly the efforts in the Senate, which the Democrats did, to address this issue. And then in 2007, finally in 2007 the Democratic majority here brought to the floor a bill which they say attempted to address this issue. But, again, in that legislation it tied the hands of the regulators so that they could not deleverage the portfolios, so that they could not put it into receivership, so that they couldn't regulate for systemic risk.

The other reason they brought the bill to the floor was because it had a \$300 billion provision in it for affordable housing. That's why the bill got out of here; but it was opposed by the Treasury, and it was opposed by the Fed.

So the point I want to make is after all of that history, and after watching the collapse—which we were warned about by the regulators—and albeit, with good intentions because I know the thought was everybody would be able to have a house if you could get down to zero down payment loans and if you could force the GSEs to buy that junk that was sold by Countrywide, who do you think created the market? It was 70 percent of the market. It was because there was an intention here to circumvent the rules of economics.

And now in this legislation, what is not addressed? This very duopoly Fannie Mae and Freddie Mac. When you say we address the problems, no we don't. We compound the problems in this legislation.

The SPEAKER pro tempore (Mr. SALAZAR). The time of the gentleman has expired.

Mr. SESSIONS. I yield the gentleman 1 additional minute.

Mr. ROYCE. Now, what we do with this legislation is we make the largest institutions too big to fail, and we do so by putting in a provision that is going to allow them to borrow at a lower cost than their smaller competitors, who I guess we would say are too small to save. Right. They are going to borrow at a hundred basis points less because of the government backstop you're putting in place and because you're not allowing them to go through a regular bankruptcy process. We would like to see enhanced bankruptcy on the Republican side. We'd like to see firms actually fail.

Instead, we're going to have a process here where creditors are going to get a hundred cents on the dollar, potentially. They are going to loan to big firms; these big firms are going to become overleveraged. You did the same thing here that you did with the government-sponsored enterprises, Fannie and Freddie, that then forced their competition out of the market. And as a consequence of that, they became duopolies and then failed.

So this is what we're trying to get across to our friends on the other side

of the aisle. This is why we oppose your approach. We've seen where it's headed from before.

Mr. PERLMUTTER. Mr. Speaker, how much time does each side have?

The SPEAKER pro tempore. The gentleman from Colorado has 13¼ minutes remaining, and the gentleman from Texas has 8 minutes remaining.

Mr. PERLMUTTER. Mr. Speaker, Mr. ROYCE mentions 2003, 2004, 2005 should have changed the GSEs in Fannie Mae and Freddie Mac. Well, the Republicans controlled the House, the Republicans controlled the Senate, the Republicans controlled the White House, and they didn't do it.

In fact, his former chairman on financial services, Republican Mr. Oxley, says the critics forgot that the House stepped up on reforming bills, but he fumes about the criticism that people are giving about Fannie Mae and Freddie Mac. He says all the—this is from the Financial Times, September 9, 2008: All of the handwringing and bedwetting is going on without remembering how the House stepped up on this. He said: What did we get from the White House? We got the one-finger salute. Very graphic quotation from Mr. Oxley, Republican chairman of the House Financial Services Committee saying that it was the White House that stopped the changes that needed to be stopped, and it's the billions of dollars from those mortgages from 2003, 2004, 2005, 2006 under Republican leadership that are weighing down Fannie Mae and Freddie Mac that under the Democrats we offered conservatorship and that's what they're in now, like a bankruptcy.

With that, I yield 2 minutes to my friend from Minnesota (Mr. ELLISON).

Mr. ELLISON. Mr. Speaker, let me just correct one very, very serious flaw and that is to somehow blame the effort to house Americans for this crisis. This crisis, this financial crisis, has to do with a failure to regulate, a failure to give consumer protection to people who are getting mortgages that they couldn't pay for on tricky and unsound terms, because we are now going to have a consumer protection bureau designed to protect those very same consumers. We are bringing stability to the market. We are bringing people a chance to have a home that they actually can pay for on terms that they actually will understand.

This consumer financial protection bill is going to be something that will help people keep the money that they earn and to make sound financial investments and purchases that will allow them to prosper and grow unlike the ones we saw in the past where Republican leadership let the laissez-faire economy move right on along without consumer protection, without oversight, which landed us in this serious, serious crisis.

The fact is, Mr. Speaker, the financial crisis that we're in is a result of a

lack of oversight, a lack of regulation, a lack of clear rules; and this particular piece of legislation will bring real clarity. It will also help banks. It will help small community banks because they will be able to compete on equal footing. Their competitors will now be regulated, which they were not in the past; and small banks will be able to say that the products that they offer will be able to be offered to the consumer on a basis similar to those unregulated financial institutions which now will be regulated.

So, Mr. Speaker, I think it is a good time to say that this bill is an excellent step forward. It will help stop the nickel and diming of Americans. It will help stop the targeting of people for financial mistreatment, and it will bring greater stability to our economy.

Mr. SESSIONS. Mr. Speaker, at this time I yield 2 minutes to the gentleman from Egan, Illinois (Mr. MANZULLO), from the committee.

Mr. MANZULLO. Mr. Speaker, we on the Financial Services Committee have spent nearly 2 years holding hearings to determine the appropriate course of action for financial reform.

In September, the committee began marking up legislation to try to address failures in the financial market and plug the holes. The problem is that the two big culprits here, Fannie Mae and Freddie Mac, now taken over by the government, could cost the American taxpayers \$1 trillion. Those two entities simply are not even—nothing happens to them in this new bill, the guys that caused the problem.

Maybe you could take this 2,000-page bill and gel it into one sentence: you can't buy a home unless you can afford it. That's what caused the problem in the first place.

No credit standards, so-called "liar loans" where people were allowed to buy homes when others sat at the closing table knowing full well the new buyers couldn't even make the first payment. So it took the Fed I think 2 years to come up with a rule that says, oh, by the way, if you buy a house, you have to have written proof of your earnings.

I mean, why did we need 2,000 pages of a bill—and none of it's addressed to the GSEs—simply saying Freddie Mac and Fannie Mae won't take the assignment of the mortgage unless the mortgage is sound. That won't solve the problem. We wouldn't have had the complete collapse of the system that we have today. But instead we just created an agency, the Consumer Financial Protection Bureau. What are these guys going to do besides adding hundreds of more bureaucrats, maybe build a new building somewhere, and they're going to impose regulations in nearly every sector of the economy.

□ 1430

What are they going to say?

All they have to say is, "If you can't afford to buy a house, you can't have it." That should be the extent of the regulations. Yet what do we have now? Instead of one sentence, we have 2,000 pages.

Mr. PERLMUTTER. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. VAN HOLLEN).

Mr. VAN HOLLEN. Mr. Speaker, the purpose of the Wall Street accountability bill is very clear: Never again should the American taxpayer be asked to foot the bill for bad bets made on Wall Street. Never again should millions of Americans have to lose their jobs because of reckless conduct on Wall Street. Never again will we allow the American economy to be held hostage to bad decisions on Wall Street and in the financial sector.

Unfortunately, Mr. Speaker, our colleagues on the other side of the aisle haven't gotten that message. Having stood in this Chamber and having voted to help rescue Wall Street and the financial sector, they are not there for Main Street today. I think some headlines are instructive.

The Wall Street Journal, February 4, 2010:

"GOP chases Wall Street Donors."

"In discussions with Wall Street executives, Republicans are striving to make the case that they are the banks' best hope of preventing President Barack Obama and congressional Democrats from cracking down on Wall Street."

Roll Call, December 8, 2009:

"House GOP meets with 100 Lobbyists to plot to kill Wall Street Reform."

"In a call to arms, House Republican leaders met with more than 100 lobbyists at the Capitol Visitors Center on Tuesday afternoon to try to fight back against financial regulatory overhaul legislation."

That is the story of this debate, and the choice is clear: Are we going to be on the side of the big banks, which held the American economy hostage, which resulted in the loss of millions of jobs, and which left the taxpayers on the hook, or are we going to stay on the side of the consumers, taxpayers, American workers, and small businesses? The choice is very clear.

Back in December, every one of our Republican colleagues voted "no" on Wall Street accountability. Let's hope, this time, they stand on the side of the American taxpayer and of the American consumer and make the right choice for the American people.

Mr. SESSIONS. Mr. Speaker, I find it very interesting that the same people who are down here who are arguing for us to give them the responsibility and authority and who are espousing how balanced their bill is are the same people who are bankrupting this country. They don't even apply their own logic and common sense to what they pass in

this House. They talk about all of this balance and responsibility and about how they are worried about the middle class. Yet they are bankrupting this country. Yet they are causing the largest unemployment that we have had in the modern era. They are not even talking about what they have done to create that circumstance, and they are trying to point the finger at somebody else. I think that that is irresponsibility.

Mr. Speaker, at this time I yield 2 minutes to the gentleman from Clinton Township, New Jersey (Mr. LANCE), a member of the committee.

Mr. LANCE. My thanks to Mr. SESSIONS; to our ranking member, Mr. BACHUS; as well as to the chairman and to the gentleman from Colorado.

Mr. Speaker, I rise to express my opposition to the rule for the financial bill that gives Wall Street firms the potential of permanent bailouts, that institutionalizes "too big to fail," and that will ultimately constrict lending to consumers and small businesses at the worst possible time for our economy.

The underlying measure does not fully audit the Fed, and it does nothing to rein in housing giants Fannie Mae and Freddie Mac, which have already cost U.S. taxpayers \$145 billion and counting.

The Troubled Asset Relief Program funds, by the original law, were supposed to be used to reduce the deficit, not to be used as a funding source for new spending, and the increase in the premium reserve ratio at the FDIC should not be used for anything other than protecting depositors in bank failures. Yet the Democratic majority has chosen the fiscal path of more spending and more borrowing—this at a time when the Federal debt is \$13 trillion and rising rapidly.

The American people deserve a better plan that puts an end to bailouts, that audits the Fed, that reins in Fannie Mae and Freddie Mac, and that takes the government out of the business of picking winners and losers. This bill fails on all of these accounts. I oppose the rule and the underlying bill.

Mr. PERLMUTTER. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. HARE).

Mr. HARE. Mr. Speaker, for too long the irresponsible actions of big banks have put American families at risk. Today, with the passage of this financial reform legislation, we will finally begin to protect consumers on Main Street from the greed on Wall Street.

Predatory lending, risky schemes, and exploiting loopholes were just some of the tricks used by Wall Street fat cats to send our economy spiraling to the brink of a depression, but under this bill, we are ending these practices, and we are shining new light on products and transactions that threaten the stability of the financial system.

This bill is a landmark achievement in consumer protection by establishing a Consumer Financial Protection Agency, dedicated to ensuring that bank loans, mortgages, and credit cards are fair, affordable, understandable, and, most importantly, transparent.

This bill is good for small business. It is good for consumers, and it is good for the financial security of our great Nation. It will also ensure that our financial sector will continue to remain an engine of economic growth, which is one of the reasons the Community Bankers Association of Illinois supports this legislation.

I want to thank Chairman FRANK and all of the members of the Democratic leadership for having the courage to do what is right and for standing up for American families.

Today, we have the opportunity to say enough is enough, to rein in Wall Street, and to protect our constituents. I ask my colleagues on both sides of the aisle to join me in supporting this critical piece of legislation.

Mr. SESSIONS. Mr. Speaker, I yield 2 minutes to the gentleman from Cherryville, North Carolina (Mr. MCHENRY).

Mr. MCHENRY. I thank my colleague from Texas for yielding.

Mr. Speaker, I encourage my colleagues to vote "no" on this closed rule and to vote "no" on the conference report of this so-called "financial regulatory reform bill." I say "so-called" because this is not much in the way of reform. It is change. It is manipulation, and it is going to be harmful to the American people.

My district is still mired with high unemployment. We've got over 13 percent unemployment in western North Carolina. The people across this Nation have about 10 percent unemployment nationally. People are hurting. Small businesses in my district are worried about access to credit. Families are worried about being able to keep their credit cards, their checking accounts, and the financial products that they know and like.

Unfortunately, this bill, this legislation, restricts credit, and it makes credit less available and tighter going forward. It makes it harder for the small businesses which are struggling to meet payroll—much less to create jobs—to make ends meet.

Now, the new taxpayer-funded bureaucracy that this legislation creates will intervene in the financial affairs of every single American and not for the better. The results will be fewer loans for people to buy cars, to purchase homes, to go to college, or to start small businesses. To make matters worse—and the kicker with this bill—is that it won't prevent the next crisis. It doesn't even address the root causes of the last crisis.

Certainly, we are in favor of making sure the last crisis we faced doesn't

ever happen again. I think we agree on that, Republicans and Democrats. The fact is this bill doesn't address the root causes of the last crisis. So to call this "reform" is a sham and a fraud, and I encourage my colleagues to vote against it.

Mr. PERLMUTTER. Mr. Speaker, how much time is remaining on both sides?

The SPEAKER pro tempore. The gentleman from Colorado has 6 minutes remaining. The gentleman from Texas has 1½ minutes remaining.

Mr. PERLMUTTER. I yield 2 minutes to the gentleman from New York (Mr. McMAHON).

Mr. McMAHON. I thank the gentleman for yielding.

Mr. Speaker, I rise today in full support of the bill and this rule.

I commend Chairman FRANK, Chairman PETERSON, and all of the Members and their staffs who have worked so hard.

This legislation, Mr. Speaker, addresses many of the problems at the heart of the financial crisis while allowing us to build an even stronger regulatory foundation for future economic growth and stability in our financial markets, which we need, undoubtedly, to create jobs in the American economy.

Since my first days in Congress, I have called for smart, thoughtful, new regulations for our shared goals of reform without unnecessarily burdening our economy or forcing our financial industries overseas. After a year and a half of debate, discussion—and although not perfect—I think we have struck the right balance here, and I am proud to support this bill. It is good for America. It is good for New York City. It is good for the people of Staten Island and Brooklyn, who sent me here to represent them.

In particular, I applaud the effort to bring greater transparency, accountability, and oversight to our derivatives markets. This bill will make sure that our regulators in the private sector understand that outstanding swap exposures for individual companies will never be allowed again to bring about a situation like what happened with AIG. This legislation also recognizes the important role that derivatives play in actually reducing systemic risk for our end user companies and in increasing the flow of credit throughout our economy.

□ 1440

Whether it is an airplane or farm machinery manufacturer hedging against currency risks, a commercial real estate company or life insurance annuity hedging against interest rate fluctuation, or an energy provider trying to hedge the price of oil and gas, derivatives are vital tools to keep consumer prices low and to help manage company budgets. These end-user compa-

nies pose little or no systemic risk to our economy, and this bill protects them from unnecessary and burdensome margin and clearing requirements.

Again, I thank Chairman FRANK and his staff for allowing me to be part of this process, and I thank the gentleman from Colorado for yielding me this time.

The SPEAKER pro tempore. The gentleman from Texas has 2 minutes remaining, and the gentleman from Colorado has 4 minutes remaining.

Mr. SESSIONS. Mr. Speaker, as I said earlier, it is important to provide consumer safety and security in the marketplace, but our constituents are also concerned about much, much more. They are concerned about jobs, they are concerned about the economy, and they are concerned about the tremendous debt this Nation has taken on.

Week after week we come to the House floor to debate bills and to talk about the agenda that the Democratic majority wants to have on the floor, and it would be true to say that Republicans oppose that agenda, because it is about taxing, it is about spending, it is about more debt, it is about bigger government, and it is about the diminishment of free enterprise system jobs. It is about the things that the American people have said they do not have confidence in this body solving.

Whether it is cap-and-trade, health care, or government takeover of the financial sector, my friends in the majority are ready every single week to stick it to the free enterprise system. My friends the Democrats seem more interested in accomplishing their political agenda than trying to help the American people.

Once again, today, we have a job loss bill on the floor. That is really what we should call this—more big government, fewer private sector jobs, \$18 billion in fees that will have to be paid by the banks that will be passed on to consumers, just on and on and on.

Every Member of this body has a chance to say no to more spending, more big government, more rules and regulations, and somehow to show the American people that they can make tough choices and cut spending.

I encourage a "no" vote on the rule and a "no" vote on the underlying legislation. And I appreciate the gentleman from Colorado and his engagement with me today.

I yield back the balance of my time.

Mr. PERLMUTTER. Mr. Speaker, I appreciate the comments of my friend from Texas, but we couldn't disagree more about the value of this bill and the process we have gone through to get to this point.

I would first like to thank the chairman and also the ranking member of the Financial Services Committee for holding hearing after hearing, taking

testimony for the last year-and-a-half, almost 2 years, on the various subjects that are addressed within the bill, and for holding a very open and transparent conference that highlighted much of the bill and the differences between the House and the Senate. I think that kind of transparency is what we need to see in the financial markets, and that is at the heart of all of this.

In September of 2008, we had a terrible financial free-fall, starting with placing Fannie Mae and Freddie Mac in conservatorship, and then a whole series of failures towards the end of that month. Ultimately the President of the United States, George Bush, he and his chief cabinet officers asked this Congress to support the banking system in a way that none of us could have ever conceived, but that was needed in an emergency to save the banking system and keep this economy going in some fashion or another.

Even so, under the rules and the approach taken by the Republicans who were in office throughout the Bush administration and this Congress from 1994 on to 2006, Wall Street was unregulated. It was allowed to just go wild, and it resulted in a terrible cataclysm that we are all paying for now.

The bill that is before this body addresses nine separate subjects: Consumer protection; investor protection; it deals with credit rating agencies; derivatives; hedge funds; insurance; it deals with salaries so that we don't incentivize too big of risk taking by executives so they put their banks or their financial organizations at risk; and it deals with too-big-to-fail, putting a structure in place so that if financial institutions get way out there, over-leveraged, as we saw in 2008, that we have a system in place where we can liquidate them and close them, not put them on life support in a bankruptcy, as my Republican colleagues would suggest.

This is a time to bring certainty back into the market and reasonable regulation and reasonable enforcement back to the financial system. The bill that is being brought to this Congress and this House today does just that.

This country needs to rein in Wall Street. We need to protect Main Street and the taxpayers, the people that live throughout this country. This bill goes a long way toward doing that.

With that, I urge a "yes" vote on the previous question and on the rule.

I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SESSIONS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

PROVIDING FOR AN ADJOURNMENT OR RECESS OF THE TWO HOUSES

Mr. PERLMUTTER. Mr. Speaker, I send to the desk a privileged concurrent resolution and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 293

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on any legislative day from Thursday, July 1, 2010, through Saturday, July 3, 2010, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned until 2 p.m. on Tuesday, July 13, 2010, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate recesses or adjourns on any day from Wednesday, June 30, 2010, through Sunday, July 4, 2010, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand recessed or adjourned until noon on Monday, July 12, 2010, or such other time on that day as may be specified in the motion to recess or adjourn, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, or their respective designees, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble at such place and time as they may designate if, in their opinion, the public interest shall warrant it.

The SPEAKER pro tempore. The concurrent resolution is not debatable.

The question is on the concurrent resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SESSIONS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, this 15-minute vote on House Concurrent Resolution 293 will be followed by 5-minute votes on House Resolution 1490 and suspension of the rules with regard to H.R. 1554.

The vote was taken by electronic device, and there were—yeas 222, nays 186, not voting 24, as follows:

[Roll No. 409]

YEAS—222

Ackerman	Bean	Boswell
Altmire	Becerra	Boucher
Andrews	Berkley	Brady (PA)
Baca	Berman	Braley (IA)
Baird	Berry	Butterfield
Baldwin	Blumenauer	Capps
Barrow	Boren	Capuano

Cardoza	Holt	Pastor (AZ)	Harper	McCotter	Rohrabacher
Carnahan	Honda	Payne	Hastings (WA)	McHenry	Rooney
Carson (IN)	Hoyer	Perlmutter	Heller	McKeon	Ros-Lehtinen
Castle	Inslee	Peterson	Hensarling	McMahon	Roskam
Castor (FL)	Israel	Pingree (ME)	Herger	McMorris	Royce
Chaffetz	Jackson (IL)	Polis (CO)	Herseth Sandlin	Rodgers	Ryan (WI)
Chandler	Jackson Lee	Pomeroy	Hoekstra	Mica	Scalise
Childers	(TX)	Posey	Hunter	Michaud	Schmidt
Chu	Johnson (GA)	Price (NC)	Inglis	Miller (FL)	Schock
Clarke	Johnson (IL)	Quigley	Issa	Miller (MI)	Sensenbrenner
Clay	Johnson, E. B.	Rahall	Jenkins	Miller, Gary	Sessions
Cleaver	Jones	Rangel	Johnson, Sam	Minnick	Sestak
Clyburn	Kagen	Reyes	Jordan (OH)	Mitchell	Shadegg
Cohen	Kanjorski	Richardson	King (IA)	Moran (KS)	Shimkus
Conyers	Kennedy	Rodriguez	King (NY)	Murphy (NY)	Shuler
Cooper	Kildee	Ross	Kirk	Murphy, Tim	Shuster
Costa	Kilpatrick (MI)	Roybal-Allard	Kline (MN)	Myrick	Simpson
Costello	Kilroy	Ruppersberger	Kosmas	Neugebauer	Sires
Courtney	Kind	Rush	Kratovil	Nunes	Smith (NE)
Crowley	Kirkpatrick (AZ)	Ryan (OH)	Lamborn	Nye	Smith (NJ)
Cuellar	Kissell	Salazar	Lance	Paul	Smith (TX)
Cummings	Klein (FL)	Sánchez, Linda T.	LaTourette	Paulsen	Stearns
Dahlkemper	Kucinich	Sanchez, Loretta	Latta	Pence	Sullivan
Davis (AL)	Langevin	Sarbanes	Lee (NY)	Perriello	Teague
Davis (CA)	Davis (AL)	Schakowsky	Linder	Peters	Terry
Davis (IL)	Larson (CT)	Schauer	LoBiondo	Petri	Thompson (PA)
DeFazio	Lee (CA)	Schiff	Lucas	Pitts	Thornberry
DeGette	Levin	Schrader	Luetkemeyer	Platts	Tiahrt
Delahunt	Lewis (GA)	Schwartz	Lungren, Daniel E.	Poe (TX)	Tiberi
Deutsch	Lipinski	Scott (GA)	Mack	Price (GA)	Turner
Dicks	Loebbeck	Scott (VA)	Maffei	Putnam	Upton
Dingell	Lofgren, Zoe	Serrano	Manzullo	Radanovich	Walden
Doggett	Lujan	Shea-Porter	Marchant	Rehberg	Westmoreland
Doyle	Lummis	Sherman	Markey (CO)	Reichert	Whitfield
Driehaus	Lynch	Skelton	McCarthy (CA)	Roe (TN)	Wilson (SC)
Edwards (MD)	Maloney	Slaughter	McCaul	Rogers (AL)	Wittman
Ellison	Markey (MA)	Smith (WA)	McClintock	Rogers (KY)	Wolf
Engel	Marshall	Snyder		Rogers (MI)	Young (FL)
Eshoo	Matheson	Space			
Etheridge	Matsui	Speier	Alexander	Edwards (TX)	Latham
Fattah	McCarthy (NY)	Spratt	Bishop (GA)	Emerson	Lewis (CA)
Filner	McCollum	Stark	Bishop (UT)	Farr	Obey
Foster	McDermott	Stupak	Boyd	Gohmert	Robtman (NJ)
Frank (MA)	McGovern	Sutton	Brown, Corrine	Higgins	Taylor
Fudge	McIntyre	Tanner	Burton (IN)	Hinchey	Wamp
Garamendi	McNerney	Thompson (CA)	Davis (TN)	Kaptur	Woolsey
Garrett (NJ)	Meek (FL)	Thompson (MS)	DeLauro	Kingston	Young (AK)
Gerlach	Meeks (NY)	Tierney			
Gonzalez	Melancon	Titus			
Gordon (TN)	Miller (NC)	Tonko			
Grayson	Miller, George	Towns			
Green, Al	Mollohan	Tsongas			
Green, Gene	Moore (KS)	Van Hollen			
Grijalva	Moore (WI)	Velázquez			
Gutierrez	Moran (VA)	Visclosky			
Hall (NY)	Murphy (CT)	Walz			
Halvorson	Murphy, Patrick	Wasserman			
Hare	Nadler (NY)	Schultz			
Harman	Napolitano	Waters			
Hastings (FL)	Neal (MA)	Watson			
Heinrich	Oberstar	Watt			
Hill	Olson	Waxman			
Himes	Olver	Weiner			
Hinojosa	Ortiz	Welch			
Hirono	Owens	Wilson (OH)			
Hodes	Pallone	Wu			
Holden	Pascarell	Yarmuth			

NAYS—186

Aderholt	Brown (SC)	Diaz-Balart, M.
Adler (NJ)	Brown-Waite,	Djou
Akin	Ginny	Donnelly (IN)
Arcuri	Buchanan	Dreier
Austria	Burgess	Duncan
Bachmann	Buyer	Ehlers
Bachus	Calvert	Ellsworth
Barrett (SC)	Camp	Fallin
Bartlett	Campbell	Flake
Barton (TX)	Cantor	Fleming
Biggert	Cao	Forbes
Bilbray	Capito	Fortenberry
Bilirakis	Carney	Fox
Bishop (NY)	Carter	Franks (AZ)
Blackburn	Cassidy	Frelinghuysen
Blunt	Coble	Galleghy
Bocieri	Coffman (CO)	Giffords
Boehner	Cole	Gingrey (GA)
Bonner	Conaway	Goodlatte
Bono Mack	Connolly (VA)	Granger
Boozman	Crenshaw	Graves (GA)
Boustany	Culberson	Graves (MO)
Brady (TX)	Davis (KY)	Griffith
Bright	Dent	Guthrie
Broun (GA)	Diaz-Balart, L.	Hall (TX)

NOT VOTING—24

□ 1515

Mr. ROGERS of Alabama, Ms. MARKEY of Colorado, and Mr. CULBERSON changed their vote from “yea” to “nay.”

So the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF CONFERENCE REPORT ON H.R. 4173, DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT

The SPEAKER pro tempore. The unfinished business is the vote on adoption of House Resolution 1490, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the resolution.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 234, nays 189, not voting 9, as follows:

[Roll No. 410]

YEAS—234

Ackerman	Arcuri	Barrow
Adler (NJ)	Baca	Bean
Altmire	Baird	Becerra
Andrews	Baldwin	Berkley

Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Bocieri
Boswell
Boucher
Boyd
Brady (PA)
Braley (IA)
Bright
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carney
Carson (IN)
Castor (FL)
Chu
Clarke
Clay
Cleaver
Clyburn
Cohen
Connolly (VA)
Conyers
Cooper
Costa
Costello
Courtney
Crowley
Cuellar
Cummings
Dahlkemper
Davis (AL)
Davis (CA)
Davis (IL)
Davis (TN)
DeFazio
DeGette
DeLauro
Deutch
Dicks
Dingell
Doggett
Donnelly (IN)
Doyle
Driehaus
Edwards (MD)
Edwards (TX)
Ellison
Ellsworth
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Foster
Frank (MA)
Fudge
Garamendi
Gonzalez
Gordon (TN)
Grayson
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Halvorson
Hare

NAYS—189

Aderholt
Akin
Alexander
Austria
Bachmann
Bachus
Barrett (SC)
Bartlett
Barton (TX)
Biggart
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono Mack

Boozman
Boren
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite,
Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp
Campbell
Cantor
Cao
Capito

Ortiz
Owens
Pallone
Pascarell
Pastor (AZ)
Payne
Perlmutter
Perriello
Peters
Peterson
Pingree (ME)
Polis (CO)
Pomeroy
Price (NC)
Quigley
Rahall
Rangel
Reyes
Richardson
Rodriguez
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda
T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schauer
Schiff
Schradler
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Sires
Skelton
Slaughter
Smith (WA)
Snyder
Space
Speier
Spratt
Stark
Stupak
Sutton
Tanner
Teague
Thompson (CA)
Thompson (MS)
Tierney
Titus
Tonko
Towns
Tsongas
Van Hollen
Velázquez
Visclosky
Walz
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Wilson (OH)
Wu
Yarmuth

Dreier
Duncan
Ehlers
Emerson
Fallin
Flake
Fleming
Forbes
Fortenberry
Foxy
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Giffords
Gingrey (GA)
Goodlatte
Granger
Graves (GA)
Graves (MO)
Griffith
Guthrie
Hall (TX)
Harper
Hastings (WA)
Heller
Hensarling
Herger
Hill
Hoekstra
Hunter
Ingalls
Issa
Jenkins
Johnson (IL)
Johnson, Sam
Jones
Jordan (OH)
Kaptur
King (IA)
King (NY)
Kingston
Kirk
Kirkpatrick (AZ)
Kline (MN)

Delahunt
Gohmert
Higgins

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE
The SPEAKER pro tempore (during the vote). There is 1 minute remaining in this vote.

□ 1523

So the resolution was agreed to.
The result of the vote was announced as above recorded.
A motion to reconsider was laid on the table.

FOUNTAINHEAD PROPERTY LAND TRANSFER ACT

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and pass the bill (H.R. 1554) to take certain property in McIntosh County, Oklahoma, into trust for the benefit of the Muscogee (Creek) Nation, and for other purposes, as amended, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oklahoma (Mr. BOREN) that the House suspend the rules and pass the bill, as amended.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 421, nays 1, not voting 10, as follows:

Posey
Price (GA)
Putnam
Radanovich
Rehberg
Reichert
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rooney
Ros-Lehtinen
Roskam
Ross
Royce
Ryan (WI)
Scalise
Schmidt
Schock
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuler
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Stearns
Sullivan
Terry
Thompson (PA)
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden
Westmoreland
Whitfield
Wilson (SC)
Wittman
Wolf
Young (FL)

NOT VOTING—9

Inslee
Rothman (NJ)
Taylor
Wamp
Woolsey
Young (AK)

[Roll No. 411]
YEAS—421

Cuellar
Culberson
Cummings
Dahlkemper
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis (TN)
DeFazio
DeGette
DeLauro
Dent
Deutch
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Djou
Doggett
Donnelly (IN)
Doyle
Dreier
Driehaus
Duncan
Edwards (MD)
Edwards (TX)
Ehlers
Ellison
Ellsworth
Emerson
Engel
Eshoo
Etheridge
Fallin
Farr
Fattah
Filner
Flake
Fleming
Forbes
Fortenberry
Foster
Foxy
Frank (MA)
Franks (AZ)
Frelinghuysen
Fudge
Gallegly
Garamendi
Garrett (NJ)
Gerlach
Giffords
Gingrey (GA)
Gonzalez
Goodlatte
Gordon (TN)
Granger
Graves (GA)
Graves (MO)
Grayson
Green, Al
Grijalva
Guthrie
Gutierrez
Hall (NY)
Hall (TX)
Halvorson
Hare
Harman
Harper
Hastings (FL)
Hastings (WA)
Heinrich
Heller
Hensarling
Herger
Herseth Sandlin
Hill
Himes
Hinchey
Hinojosa
Hirono
Hodes
Hoekstra
Holden
Holt
Honda
Hoyer
Hunter
Ingalls

Inslee
Israel
Issa
Jackson (IL)
Jackson Lee
(TX)
Jenkins
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones
Jordan (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick (MI)
Kilroy
Kind
King (IA)
King (NY)
Kingston
Kirk
Kirkpatrick (AZ)
Kissell
Klein (FL)
Kline (MN)
Kosmas
Kratovil
Kucinich
Lamborn
Lance
Langevin
Larsen (WA)
Larson (CT)
Latham
LaTourette
Latta
Lee (CA)
Lee (NY)
Levin
Lewis (CA)
Lewis (GA)
Linder
Lipinski
LoBiondo
Loebach
Loftgren, Zoe
Lowey
Lucas
Luetkemeyer
Luján
Lummis
Lungren, Daniel
E.
Lynch
Mack
Maffei
Maloney
Manzullo
Marchant
Markey (CO)
Markey (MA)
Marshall
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCaul
McClintock
McCollum
McCotter
McDermott
McGovern
McHenry
McIntyre
McKeon
McMahon
McMorris
Rodgers
McNerney
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George

Minnick	Reichert	Smith (WA)
Mitchell	Reyes	Snyder
Mollohan	Richardson	Space
Moore (KS)	Rodriguez	Speier
Moore (WI)	Roe (TN)	Spratt
Moran (KS)	Rogers (AL)	Stark
Moran (VA)	Rogers (KY)	Stearns
Murphy (CT)	Rogers (MI)	Stupak
Murphy (NY)	Rohrabacher	Sullivan
Murphy, Patrick	Rooney	Tanner
Murphy, Tim	Ros-Lehtinen	Teague
Myrick	Roskam	Terry
Nadler (NY)	Ross	Thompson (CA)
Napolitano	Roybal-Allard	Thompson (MS)
Neal (MA)	Royce	Thompson (PA)
Neugebauer	Ruppersberger	Thornberry
Nunes	Ryan (OH)	Tiahrt
Nye	Ryan (WI)	Tiberi
Oberstar	Salazar	Tierney
Obey	Sánchez, Linda	Titus
Olson	T.	Tonko
Olver	Sanchez, Loretta	Towns
Ortiz	Sarbanes	Tsongas
Owens	Scalise	Turner
Pallone	Schakowsky	Upton
Pascarell	Schauer	Van Hollen
Pastor (AZ)	Schiff	Velázquez
Paul	Schmidt	Visclosky
Paulsen	Schock	Walden
Payne	Schrader	Walz
Pence	Schwartz	Wasserman
Perlmutter	Scott (GA)	Schultz
Perriello	Scott (VA)	Waters
Peters	Sensenbrenner	Watson
Peterson	Serrano	Watt
Petri	Sessions	Waxman
Pitts	Sestak	Weiner
Platts	Shadegg	Welch
Poe (TX)	Shea-Porter	Westmoreland
Polis (CO)	Sherman	Whitfield
Pomeroy	Shimkus	Wilson (OH)
Posey	Shuler	Wilson (SC)
Price (GA)	Shuster	Wittman
Price (NC)	Simpson	Wolf
Putnam	Sires	Wu
Quigley	Skelton	Yarmuth
Radanovich	Slaughter	Young (FL)
Rahall	Smith (NE)	
Rangel	Smith (NJ)	
Rehberg	Smith (TX)	

NAYS—1

Bright

NOT VOTING—10

Gohmert	Rothman (NJ)	Woolsey
Green, Gene	Rush	Young (AK)
Higgins	Taylor	
Pingree (ME)	Wamp	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining in this vote.

□ 1533

So (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. GENE GREEN of Texas. Mr. Speaker, on rollcall No. 411, had I been present, I would have voted, "yes."

CONFERENCE REPORT ON H.R. 4173, DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT

Mr. FRANK of Massachusetts. Mr. Speaker, pursuant to House Resolution 1490, I call up the conference report on the bill (H.R. 4173) to provide for financial regulatory reform, to protect con-

sumers and investors, to enhance Federal understanding of insurance issues, to regulate the over-the-counter derivatives markets, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 1490, the conference report is considered read.

(For conference report and statement, see proceedings of the House of June 29.)

The SPEAKER pro tempore. The gentleman from Massachusetts (Mr. FRANK) and the gentleman from Alabama (Mr. BACHUS) each will control 60 minutes.

The Chair recognizes the gentleman from Massachusetts.

GENERAL LEAVE

Mr. FRANK of Massachusetts. Mr. Speaker, at the outset I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on this matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. FRANK of Massachusetts. Mr. Speaker, to begin, I want to yield for a colloquy 3 minutes to one of the leaders in the House and certainly in our committee in forging this particular legislation and in fighting to make sure that fairness is done throughout all of our efforts, the gentlewoman from California (Ms. WATERS).

Ms. WATERS. Mr. Speaker, Members, I would like to begin by thanking the chair of the Financial Services Committee, my colleague, Mr. BARNEY FRANK, for the leadership that he has provided in bringing us to this point in doing regulatory reform. There were times I thought it would never happen, but because of his brilliance, and because of his leadership, and because of his ability to listen to all of the Members who serve not only on that committee but on the conference committee, we find ourselves here.

But I would like at this point in time to engage my chairman to make sure that I understand one particular word that was used in this conference committee report.

So if I may make an inquiry of the gentleman from Massachusetts. I'm trying to understand the meaning of the word "initiated" in paragraph 5 of the conference report. Would "initiated" include any program or initiative that has been announced by Treasury prior to June 25, 2010? And if so, I assume that that means that programs such as the FHA refinance program, which would address the problem of negative equity and which I understand Treasury and the FHA are working on but is not yet publicly available, would be included as would the Hardest Hit Fund program, which is not fully implemented yet.

And this would not prevent, for example, within the \$50 billion already allocated for HAMP, perhaps adjusting resources between already-initiated programs based on their effectiveness.

Mr. FRANK of Massachusetts. If the gentlewoman would yield.

The answer is a resounding yes. And I certainly have been following her leadership in trying to make sure that these programs do more than many of them have done.

So the answer to her question is yes. Nothing new can be started after June 25, but it does not reach back and strangle in the cradle those programs that were under way. I confirm that the conference report would not prevent adjusting resources between already initiated programs based on their effectiveness.

Ms. WATERS. Thank you. I appreciate that.

Mr. BACHUS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, today I would like to address the good, the bad, and the ugly in this bill.

The good: There is consumer protection. There is more disclosure and transparency. There are some bipartisan provisions in this bill that add a whistleblower office to the SEC. But the bad and the ugly far outweigh those.

In total, this bill is a massive intrusion of Federal Government into the lives of every American. It is the financial services equivalent of ObamaCare, the government takeover of our health care system.

□ 1540

If finally enacted, it will move us further toward a managed economy, with the Federal Government's making decisions that have been and should stay in the hands of individuals and private businesses.

For instance, it will make the compensation of every employee of a financial firm subject to rules set by a government overseer. Can you imagine anything as basic as what an employer pays an employee controlled by a Federal bureaucrat in Washington? It will even apply to clerical employees. Government regulators will be empowered to seize and break up even healthy firms they decide are systemic risks and to even appoint new management to run these private companies.

As I said on the floor earlier today, this bill will institutionalize AIG-type bailouts of creditors and counterparties, and it will saddle taxpayers with the losses resulting from out-of-control risk-taking by Wall Street institutions—gamblers. My colleagues on the other side of the aisle will tell you this bill does not include a bailout fund. They are wrong.

As I explained earlier, here it is, laid out. You can lend money to a failing company. Now, how do you get money

back from a failing company? You can purchase their assets. You can guarantee their obligations. You can sell or transfer their assets. It is there.

What does this cost?

As I explained earlier, the FDIC can borrow up to 90 percent of a firm's assets. That's \$2 trillion in the case of Bank of America alone. They could borrow \$2.1 trillion in that case alone. That is a bailout fund, period.

Not only will it make bailouts permanent, but it will empower government employees to go around settled bankruptcy law in so-called "resolutions," done behind closed doors, with unequal treatment of creditors at the whim of politically influenced government officials. This has already happened. A financial firm's ability to survive a crisis like the one we went through 2 years ago will depend, as it did then, on whether its CEO can get the President of the New York Fed on the phone on a Saturday night, as one firm did. Friendships and being well-connected should not determine the success or failure of private enterprises.

Finally, it imposes an \$11 billion tax disguised as an FDIC assessment. To fund this new government spending, they tax Main Street banks and financial institutions. They raise their FDIC premiums even though those premiums would go to bail out Wall Street firms and not to save depositors, as the system was designed to do.

Mr. Speaker, if you voted against this bill on the floor, if you voted against it in committee, you need to vote against it again, because it is even worse than when it came out of the House.

We have seen the anger and frustration generated by the injustice of too-big-to-fail bailouts. We have seen the folly of implied guarantees as with Fannie and Freddie. We have seen, time after time, the failure of government-run schemes to create jobs and to grow the real economy. Nevertheless, here the majority party is again, doing the same thing over and over, blindly hoping that, suddenly, this time, they will get a different result. Well, you're right. The American people are demanding a different result, and in a series of recent elections, they have told incumbents to go home and to spend their own money, not theirs—not the taxpayers'.

In conclusion, if you choose to bail out the creditors and counterparties of the big Wall Street firms or to loan them money when they get in trouble, don't expect the voters to bail you out come November.

I reserve the balance of my time.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield myself such time as I may consume to correct a very incomplete picture that was just given.

The gentleman keeps quoting that one section. I'm astonished—aston-

ished—that he quotes it so blatantly out of context. Yes, there are powers that are given. Clearly, in the bill, it is only once the entity has been put into receivership on its way to liquidation.

The gentleman from Alabama has several times today talked about the powers as if they were just randomly given. I will be distributing the entirety of this, and it is the most distorted picture of a bill I have seen. The title, by the way, is headed: Orderly Liquidation of Current Financial Companies. The purpose of this title is to provide the necessary authority to liquidate failing financial companies. Again, I am astonished that he would not give the Members the full picture that comes as part of a subtitle that reads: Funding for Orderly Liquidation.

Mr. BACHUS. Will the gentleman yield?

Mr. FRANK of Massachusetts. Yes.

Mr. BACHUS. When I say they shouldn't bail out the creditors and counterparties, I don't care whether they are in receivership or not. They should not bail them out, period.

Mr. FRANK of Massachusetts. Reclaiming my time, Mr. Speaker, please, let's get this started on the right point. Instruct the gentleman as to the rules. I thought he was going to ask me about what I said.

He has consistently read a part of this section, leaving out the part that would help Members understand it. He didn't say what he just said. He said he read these as if they were there in general. The powers he talked about come in the subsets of the section: Funding for Orderly Liquidation.

Those powers are just upon the appointment of a receiver. So this is not to keep an institution going. This is not AIG. Yes, he can be critical about the Bush administration on its own, without Congress, with regard to AIG. We repeal in this bill the power under which they acted and with the Federal Reserve's concurrence. By the way, it also says in here that those powers are subject to section 206.

Again, I don't know why the gentleman—I guess I do know why they would want to read this, but let me read it because it corrects entirely the wholly inaccurate picture he gave people. The actions that he read can be taken if the corporation determines mandatory terms and conditions for all orderly liquidation actions.

AIG was kept alive. This cannot be kept alive. This happens only as the death of the institution comes. He may think the Bush administration picked its friends. I think he is being unfair to Mr. Bernanke. I think he is being unfair to Mr. Paulson and Mr. Geithner. Anyway, here are the rules they would have to follow:

First, they would have to determine that such action is necessary for purposes of the financial stability and not for the purpose of preserving the covered company.

Two, they would have to ensure that the shareholders do not receive payment until the claims are paid.

They would have to ensure that unsecured creditors bear losses in accordance with the priority of claims in section 210. That is the FDIC.

They would have to ensure that the management is removed, and they would have to ensure that the members of the board of directors are removed.

So it is quite the opposite of what the gentleman talked about. It says that, if an institution has gotten so indebted that it should not be able to pay its debts, we would step in, and we would put it out of business. It is totally different from what happened with AIG. It does then say, yes, in some circumstances, there may be an ability to do these things but only after the institution has been liquidated.

The gentleman never mentioned that. The gentleman talks about it and talks about it, and he never mentions that this is only as the institution is being put out of business. It is also very clear elsewhere in here that any funds expended will come from the financial institutions, not from the taxpayers.

Now, we had a good piece of legislation that we had adopted in conference in order to try to do that here. Unfortunately, to get the Republican votes necessary in the Senate for an otherwise very good bill, we had to back that down, but it didn't change in here.

So, yes, there are provisions that the gentleman read, but unlike the way he presented them, they don't stand by themselves. They come only after it has been determined by the administration in power that the financial stability of the company requires, first, that the company be liquidated and, second, that some attention be given to its debts, but it will be funding out of the other financial institutions, not from the taxpayers.

I reserve the balance of my time.

Mr. BACHUS. At this time, I yield 3 minutes to the gentleman from Texas (Mr. SMITH), the ranking member of the Judiciary.

Mr. SMITH of Texas. I thank the ranking member, the gentleman from Alabama, for yielding.

Mr. Speaker, over a long history rooted in our Constitution, we have relied on the rule of law and on impartial bankruptcy courts to resolve the debts of failed enterprises. History has proven us correct.

Exhibit 1, for the benefits of the bankruptcy system, is the recent case of Lehman Brothers. As the peak of the 2008 financial crisis approached, Lehman declared bankruptcy. Within a week, it had sold its core business. Within 6 weeks, its third-party credit default swaps had been dissolved. That sealed off risk to other firms.

Experts have shown that the Lehman case didn't cause the financial system

to melt down. This bill discards our proven bankruptcy system for something the American people forcefully reject: government-sponsored bailouts. The roller coaster bailout ride of 2008 is what caused the financial meltdown. Yet this bill just builds a bigger, faster bailout roller coaster. The bill's sponsors openly admit that they don't know if it will work, but they urge us to build it anyway.

□ 1550

The question is why, and the answer is simple: When government picks the winners and losers, government becomes more powerful. So do the Wall Street winners that government picks. Meanwhile, Main Street and free enterprise lose.

This administration and its congressional allies embrace what the Founders fought against, ever-expanding government power over the lives of free men and women. The Founders rejected this approach, the American people reject it, and so should we.

Mr. FRANK of Massachusetts. Mr. Speaker, producing this legislation has been one of the most impressive team efforts in which I have ever participated, and an indispensable member of the team going back to the early part of this century and his concern for mortgage lending and fairness in the rules is the gentleman from North Carolina (Mr. WATT) to whom I yield 3 minutes.

Mr. WATT. Mr. Speaker, I want to thank my colleague for the time and for his leadership in this tremendous effort.

I would like to spend some time just challenging a notion that is out there that this whole meltdown was unforeseeable by anybody, that nobody could have foreseen it, and dispel that notion by understanding that on March 16, 2004, the first anti-predatory lending bill was introduced in this House of Representatives by BRAD MILLER of North Carolina and myself. We saw forthcoming the possibility of this substantial meltdown, because we knew that predatory loans were out there being made to people who could not afford to pay them back.

Again, on March 9, 2005, in the 109th Congress we reintroduced the bill, the anti-predatory lending bill. On October 22, 2007, we reintroduced the anti-predatory lending bill in the 110th Congress. Finally, finally, in this term of Congress, on March 26, 2009, we reintroduced it for a fourth time, and finally it is incorporated into this legislation.

Now, why is that important? It for the first time puts around loans some prudential rules that say you ought to exercise some common sense when you make a loan to somebody.

Don't do a loan to people without proper documentation of their income. Don't give them a teaser rate for six months and then escalate it by two or

three percentage points and increase their fees and their payments exponentially so that they can't pay it back. Don't give them yield spread premiums that reward the people who get people into the worst kind of loans, rather than giving them the best loans available. Don't charge a prepayment penalty for allowing somebody to get out of a higher interest rate into a lower interest rate. Make sure that when you refinance, somebody gets some net tangible benefit out of the refinance, other than the person that is making the loan. Don't allow people to steer to the highest interest rate and worst possible predatory loan when there are other loans available. Don't fail to give the proper disclosures about what is going on. And don't prevent the State Attorneys General from enforcing their own State laws, when we don't even have a Federal law on the books.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. WATT. All of that is in this bill. If we had had this kind of legislation in effect when we first started introducing it back in 2004, we could have avoided this.

Don't let anybody say that this was an unforeseeable chain of events that led to this meltdown. We need to correct it and make sure that going forward those kind of predatory practices never, never, never, never occur again in our country.

Mr. BACHUS. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri (Mr. BLUNT).

Mr. BLUNT. I thank the gentleman for yielding and for the hard work he has done on this bill.

Mr. Speaker, clearly the country would like to see the right things done for the economy. I think this bill fails to do many of the basic things it should have done and does the things that we shouldn't have done.

It doesn't end too-big-to-fail, Mr. Speaker. In fact, it institutionalizes too-big-to-fail. Treasury will be able to front money to wind down these failing firms, but also Treasury can decide if they are at risk of failure. There is way too much involvement with the taxpayers in coming in and doing exactly what the American taxpayers are tired of seeing us doing.

The government-sponsored entities, Fannie Mae and Freddie Mac, that we have talked about and will talk about more on this floor today and have talked about for months as one of the prime causes for the economic problems we face, as far as I can tell, they are not mentioned, and if they are mentioned, Mr. Speaker, there is no reform. The root cause of the problem we have in the economy today was caused by these entities, and they are not addressed, and it was said they would not be addressed.

More control, Mr. Speaker, by the Federal Reserve of more things and more regulation. There is a new agency under the Federal Reserve that will be in charge of setting new rules for the banking sector of the country in its entirety.

Credit, Mr. Speaker, will not be more available. It will be less available. People who are in the job-creating business are already making announcements about what they will do as they respond to this. Why is that? Because this bill steps further into managing the economy. The government may be able to do lots of things, but making business decisions is not one of them. Utility companies, food processors, others who routinely try to protect themselves in a volatile marketplace will not be able to do this.

Mr. Speaker, this bill will cost jobs at the very time we ought to be figuring out how to increase jobs. I hope our colleagues will turn it down and go back and do the right thing.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield myself 15 seconds to correct the gentleman.

We have not created a consumer bureau under the Federal Reserve. It will be housed in the Federal Reserve. The Federal Reserve will have no ability to interfere. Some on the other side wish it would. But it will be a fully independent consumer bureau. It will get its mail at the Federal Reserve, but nobody there will be able to open it.

I now yield 4 minutes to the gentleman from Pennsylvania (Mr. KANJORSKI), one of the leaders in putting together this bill in the area specifically of investor protection.

Mr. KANJORSKI. Mr. Speaker, I rise in support of the conference agreement.

Mr. Speaker, this is not a perfect bill, but this is a darn good bill. I know we are going to hear objections on both sides of the aisle, but if you have a chance to look at it, and it is a lengthy bill, the 2,600 pages that are presented to both the House today and within a week or so to the Senate constitutes the first revolutionary change of securities laws in the United States since the Great Depression. At that time we had a tremendous collapse, and our forefathers and predecessors rose to the occasion by establishing a regulatory platform within the United States that made us the envy of the world.

We had in 2008 a collapse and a failure of that system. It primarily grew out of the failure of the regulatory system to use all the powers it had and to keep track with our highly speculative and greedy nature at the time to allow us to go into the tremendous credit crisis that we faced in 2008.

To now make an argument that we need do nothing and we will recover and we will prosper is pure ludicrousness. The fact of the matter is there are holes, there are loopholes, there are

failures within our system. We have to cleanse that system and fix that system, and that is exactly what this bill does.

I am pleased to say that I had a part in doing that. I helped prepare one amendment, the too-big-to-fail amendment. What we can say to our successors and to our constituents is that never again in the future will there be an unlimited power for financial institutions to grow either in size, interconnectedness or other negative factors that they can remain and put in jeopardy systemically the economy of the United States and the world.

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We have the authority vested in our regulators to see that that doesn't happen. If our regulators are able and will use those powers, never again will we face the too-big-to-fail concept of having to bail out some of the largest institutions in the world.

Secondly, a large part of this was devoted to investor protection. I can't go through all the elements, but for the first time in history we're going to allow the regulators to study and come up with rules and regulations that allow a fiduciary relationship between broker-dealers, investment advisers, and their clients—their customers. Most people in this country think that already exists. It doesn't. After this bill and the use of those new regulations, it will. You can then trust that the advice being given by the broker-dealer or the investment counselor is in your best interest as a customer and not in theirs.

We also call for the largest comprehensive study of the Securities and Exchange Commission in the history of the commission. It will put into place the tools necessary to revise the entire SEC in the future. It also will be the predicate for that type of a comprehensive study to be used in other agencies and commissions of government to allow us the long road of reform in the American government. These things are in the bill. Beside that, we have the capacity to require that no one in the future need worry about the responsibility of the companies they're dealing with as to whether or not they will have counterparties, whether they are relying on representations that are true or false, because we're going to have transparency within the system.

In the other areas dealing with derivatives, we're going to have exchanges. We're going to have disclosure. Never has that happened in the history of the United States. Over the years, the last two decades, we have made attempts and have always failed. This time we have succeeded.

Mr. Speaker, without reservation, I recommend to my colleagues a vote of "yes" on this bill.

INTRODUCTION

Mr. Speaker, after nearly two years of study, discussion, hearings, and intense legislative

negotiations, we have produced a final bill that will considerably strengthen our financial services infrastructure, a system that not only underpins the American economy but one that also serves as a cornerstone of our global markets. This bill also represents the most significant overhaul of our Nation's financial services regulatory framework since the reforms put in place during the Great Depression.

This landmark agreement touches upon nearly every corner of our financial markets. Among other things, this bill ends the era in which financial institutions can become too big to fail in several ways, including my provision to allow regulators to preemptively break up healthy financial firms that pose a grave threat to the U.S. economy. Additionally, the bill regulates financial derivatives for the first time, establishes procedures for shutting down failing financial companies in an orderly manner, forces the registration of hedge fund advisers, and holds credit rating agencies accountable through greater liability. This bill also greatly expands investor protections by setting up a fiduciary standard for broker-dealers offering personalized investment advice, allowing shareholders to nominate candidates for corporate boards, and creating a bounty program to reward whistleblowers whose tips lead to successful enforcement actions.

Moreover, this legislation enhances the powers and resources of the U.S. Securities and Exchange Commission, SEC. The pending conference agreement also forces a comprehensive study of the way that the SEC operates which will lead to much needed management reforms. Furthermore, the conference agreement creates for the first time a Federal office to monitor insurance matters. Finally, this bill will comprehensively modify mortgage lending practices—including escrow procedures, mortgage servicing, and appraisal activities.

In short, the conference report on H.R. 4173 is a very good package that will restructure the foundations of the U.S. financial system. It will enhance regulation over more products and actors, create additional investor protections and consumer safeguards, and promote greater accountability for those who work in our capital markets. For these reasons, I urge my colleagues to vote in favor of this momentous agreement.

ENDING TOO BIG TO FAIL

Historians will likely long argue about the causes of the 2008 credit crunch, but one cannot deny that one huge contributing factor was the failure of government regulators to rein in dangerous financial institutions. Giant firms like American International Group, AIG, as well as many smaller firms, engaged in recklessly risky behavior that rewarded them with huge profits during the build-up of the housing bubble, but then nearly wiped them out as the bubble burst. Actually, AIG and other firms would have collapsed and our economy would have been sent back to the Dark Ages, except for the request of the Bush Administration to establish the \$700 billion Troubled Asset Relief Program to prop up our country's teetering financial system.

Those terrifying months in late 2008 convinced me that the Federal government needed to play a far more vigorous role in policing the activities of the major financial players in

our economy. During the last two years, my top priority has therefore been to avoid having any future Congress face the same dilemma that we faced in 2008: "bail out" Wall Street to save Main Street or risk the collapse of the entire American economy. I decided that the most important element of any reform of the financial system needed to ensure that no financial firm could be allowed to become so big, interconnected, or risky that its failure would endanger the whole economy.

In this regard, I am pleased that this legislation helps bring an end to the era of too-big-to-fail financial institutions in at least three significant ways. First, it achieves this end by establishing new regulatory authorities to dissolve and liquidate failing financial institutions in an orderly manner that protects our overall economy. The Obama Administration proposed these much needed reforms as an initial step for ending the problem of too big to fail.

Second, the conference agreement incorporates my amendment vesting regulators with the power to limit the activities of and even disband seemingly healthy financial services firms. Specifically, the Kanjorski amendment permits regulators to preemptively break up and take other actions against financial institutions whose size, scope, nature, scale, concentration, interconnectedness, or mix of activities pose a grave threat to the financial stability or economy of the United States.

Third, the final agreement contains a fairly strong Volcker rule that will limit the activities of financial institutions going forward and prevent them from becoming too big to fail. Inspired by the legendary former Federal Reserve Chairman, Paul Volcker, this rule will bar proprietary trading by banks, significantly curtail bank investments in private equity funds and hedge funds, and cap the liabilities of big banks. As a result, the Volcker rule will prohibit banks from engaging in highly speculative activities that in good times produce enormous profits but in bad times can lead to collapse.

Together, these three reforms will better protect our financial system and mitigate the problem of too big to fail. The Kanjorski amendment and the Volcker rule will also substantially resurrect the barrier between commercial and investment banking that resulted in a stable financial system for more than 70 years after the Great Depression.

As the Wall Street Journal on Saturday reported, "... the bill gives regulators power to constrain the activities of big banks, including forcing them to divest certain operations and to hold more money to protect against losses. If those buffers don't work, the government would have the power to seize and liquidate a failing financial company that poses a threat to the broader economy." I wholeheartedly agree with this independent assessment.

In sum, the conference agreement on H.R. 4173 represents an historic achievement. By addressing the problem of too big to fail, this legislation will lead to a new era of American prosperity and financial stability for decades to come. For this reason alone, this bill deserves to become law.

INVESTOR PROTECTION AND SECURITIES REFORMS

As the House developed this legislation, I played a key role in drafting the title concerning investor protection and securities reform. The Administration's proposal and the Senate's bill contained some important improvements, but the initial House plan had many, many more. I am pleased that the final package more closely resembles the initial House legislation rather than the original Administration and Senate plans.

Among its chief reforms in the area of investor protection, the conference agreement provides that the SEC, after it conducts a study, may issue new rules establishing that every financial intermediary who provides personalized investment advice to retail customers will have a fiduciary duty to the investor. A traditional fiduciary duty includes an affirmative duty of care, loyalty and honesty; an affirmative duty to act in good faith; and a duty to act in the best interests of the client. Through this harmonized standard of care, both broker-dealers and investment advisers will place customers' interests first.

Regulators, practitioners, and investor advocates have become increasingly concerned that investors are confused by the legal distinction between broker-dealers and investment advisers. The two professions currently owe investors different standards of care, even though their services and marketing have become increasingly indistinguishable to retail investors. The issuance of new rules will fix this long-standing problem.

Additionally, the legislation adopts recommendations made by SEC Chairman Mary Schapiro, SEC Inspector General David Kotz, and Harry Markopolos, the whistleblower who sought for many years to get regulators to shut down the \$65 billion Ponzi scheme perpetrated by Bernard Madoff. Specifically, the conference agreement provides the SEC with the authority to establish an Investor Protection Fund to pay whistleblowers whose tips lead to successful enforcement actions. The SEC currently has such authority to compensate sources in insider trading cases, and the whistleblower provision in this bill would extend the SEC's power to compensate other tipsters who bring substantial evidence of other securities law violations.

The conference agreement also responds to other problems laid bare by the Madoff fraud. These changes include increasing the line of credit at the U.S. Treasury from \$1 billion to \$2.5 billion to support the work of the Securities Investor Protection Corporation, SIPC, and raising SIPC's maximum cash advance amount to \$250,000 in order to bring the program in line with the protection provided by the Federal Deposit Insurance Corporation.

This bill additionally increases the minimum assessments paid by SIPC members from \$150 per year, regardless of the size of the SIPC member, to 2 basis points of a SIPC member's gross revenues. This fix will help to ensure that SIPC has the reserves it needs in the future to meet its obligations. Finally, in response to the Madoff fraud, the final product includes my legislation to allow the Public Company Accounting Oversight Board to examine the auditors of broker-dealers.

For too long, securities industry practices have deprived investors of a choice when

seeking dispute settlement, too. In particular, pre-dispute mandatory arbitration clauses inserted into contracts have limited the ability of defrauded investors to seek redress. Brokerage firms contend that arbitration is fair and efficient as a dispute resolution mechanism. Critics of mandatory arbitration clauses, however, maintain that the brokerage firms hold powerful advantages over investors and hide mandatory arbitration clauses in dense contract language.

If arbitration truly offers investors the opportunity to efficiently and fairly settle disputes, then investors will choose that option. But investors should also have the choice to pursue remedies in court, should they view that option as superior to arbitration. For these reasons, the final package provides the SEC with the authority to limit, prohibit or place conditions on mandatory arbitration clauses in securities contracts.

Another significant investor protection provided in this conference agreement concerns proxy access. In particular, H.R. 4173 clarifies the ability of the SEC to issue rules regarding the nomination by shareholders of individuals to serve on the boards of public companies. These provisions regarding proxy access will enhance democratic participation in corporate governance and give investors a greater voice in the companies that they own.

A myriad of problems presently confronts the SEC, perhaps none more urgent than the need for adequate resources. Chairman Schapiro and others have repeatedly stressed the need to increase the funding to ensure that the agency has the ability to keep pace with technological advances in the securities markets, hire staff with industry expertise, and fulfill one of its core missions: the protection of investors. In response, this agreement slightly increases the independence of the SEC in the appropriations process, doubles the authorized SEC budgets over 5 years, and creates a new reserve fund to support technology improvements and address emergency situations, like the flash crash that occurred in May 2010.

Moreover, H.R. 4173 modifies the SEC's structure by creating a number of new units and positions, like an Office of the Investor Advocate, an office to administer the new whistleblower bounty program, and an Office of Credit Ratings. However, the SEC's systemic failures to effectively police the markets in recent years required Congress to do even more to shake up the agency's daily operations. As such, the legislation includes my provision mandating an expeditious, independent, comprehensive study of the securities regulatory regime by a high caliber body with expertise in organizational restructuring to identify deficiencies and reforms, and ensure that the SEC and other regulatory entities put in place further improvements designed to provide superior investor protection. My hope is that this study will ultimately become the model for reforming other agencies. The final bill also includes my deadlines generally forcing the SEC to complete enforcement, compliance examinations, and inspections within 180 days, with some limited exemptions for complex cases.

The conference agreement on H.R. 4173 additionally modifies, enhances and streamlines the powers and authorities of the SEC to

hold securities fraudsters accountable and better protect investors. For example, the SEC will have the authority to impose collateral bars on individuals in order to prevent wrongdoers in one sector of the securities industry from entering another sector. The SEC will also gain the ability to make nationwide service of process available in civil actions filed in Federal courts, consistent with its powers in administrative proceedings.

The bill further facilitates the ability of the SEC to bring actions against those individuals who aid and abet securities fraud. The Securities Exchange Act of 1934 and the Investment Advisers Act of 1940 presently permit the SEC to bring actions for aiding and abetting violations of those statutes in civil enforcement cases, and this bill provides the SEC with the power to bring similar actions for aiding and abetting violations of the Securities Act of 1933 and the Investment Company Act of 1940. In addition, the bill not only clarifies that the knowledge requirement to bring a civil aiding and abetting claim can be satisfied by recklessness, but it also makes clear that the Investment Advisers Act of 1940 expressly permits the imposition of penalties on those individuals who aid and abet securities fraud.

One final investor protection reform that I drafted and want to highlight concerns the new authority of the SEC and the Justice Department to bring civil or criminal law enforcement proceedings involving transnational securities frauds. These are securities frauds in which not all of the fraudulent conduct occurs within the United States or not all of the wrongdoers are located domestically. The bill creates a single national standard for protecting investors affected by transnational frauds by codifying the authority to bring proceedings under both the conduct and the effects tests developed by the courts regardless of the jurisdiction of the proceedings.

In the case of *Morrison v. National Australia Bank*, the Supreme Court last week held that section 10(b) of the Exchange Act applies only to transactions in securities listed on United States exchanges and transactions in other securities that occur in the United States. In this case, the Court also said that it was applying a presumption against extraterritoriality. This bill's provisions concerning extraterritoriality, however, are intended to rebut that presumption by clearly indicating that Congress intends extraterritorial application in cases brought by the SEC or the Justice Department.

Thus, the purpose of the language of section 929P(b) of the bill is to make clear that in actions and proceedings brought by the SEC or the Justice Department, the specified provisions of the Securities Act, the Exchange Act and the Investment Advisers Act may have extraterritorial application, and that extraterritorial application is appropriate, irrespective of whether the securities are traded on a domestic exchange or the transactions occur in the United States, when the conduct within the United States is significant or when conduct outside the United States has a foreseeable substantial effect within the United States.

OTHER REASONS TO SUPPORT THE CONFERENCE REPORT

The bill that we are considering today contains a number of other worthwhile elements

that should become law, and I want to highlight several issues on which I personally worked or in which I have a deep, long-standing interest.

First, the bill creates a Federal Insurance Office within the Treasury Department. A key component of our financial services industry, insurance is too often misunderstood or left behind in decisions made by the Federal government. As a result, I have long worked on the creation of this new office that will effectively monitor this industry sector for potential risks going forward. As a result of this new office, the United States will for the first time speak with a uniform voice on insurance matters on the international stage and have the authority to stand behind its words. I am therefore pleased that the Federal Insurance Office is finally becoming law.

Second, I have worked diligently on the title concerning the registration of hedge fund managers and private equity fund advisers. To promote market integrity, we need those individuals who handle large sums of money and assets to register with the SEC and provide information about their trades and portfolios. While I remain concerned about the registration exemptions put in place by others during the legislative process, I believe that these reforms are necessary to improve the quality of regulation and protect against systemic risk.

While hedge funds may not have directly caused this latest financial crisis, we do know that these investment vehicles have previously contributed to significant market instability, as was the case in the collapse of Long-Telin Capital Management in 1998. Thus, this reform is an important step in understanding and controlling systemic risk.

Third, this legislation greatly increases the accountability of credit rating agencies. The overly optimistic assessments by Moody's, Fitch, and Standard and Poor's about the quality of structured financial products constructed out of garbage aided and abetted the financial crisis. By imposing structural, regulatory, and liability reforms on rating agencies, this agreement will change the way nationally recognized statistical rating organizations behave and ensure that they effectively perform their functions as market gatekeepers going forward.

Fourth, I am very pleased that this agreement will modify escrowing procedures, mortgage servicing, and appraisal activities. I began working 9 years ago on these issues after identifying predatory practices, faulty appraisals, and other problems in the Poconos housing markets. These reforms are long overdue.

Among other things, these new mortgage lending standards will include a requirement that all borrowers with higher-cost mortgages have an escrow account established in order to pay for property taxes and homeowners' insurance. Studies have shown that at the height of the crisis, borrowers with higher-cost mortgages were substantially less likely than borrowers with good credit records to have an escrow account. Borrowers with less than perfect credit records, however, need more help in budgeting for these sizable expenses. This bill fixes this problem.

Title XIV of the bill also has reforms with respect to force-placed insurance. Predatory

lenders often impose costly force-placed insurance, even though the homeowner may already have a hazard insurance policy. This legislation will clarify the procedures for when a servicer can force place insurance. The bill's bona fide and reasonable cost requirements will also ensure that mortgage servicers shop around for the best rates for the force-placed insurance that they impose. Moreover, the bill's force-placed insurance reforms will ensure that consumers who are erroneously billed for such premiums will have the monies refunded within 15 business days.

Additionally, the bill's appraisal reforms will update Federal appraisal laws for the first time in a generation. We now know that inflated appraisals and appraiser coercion and collusion contributed greatly to the creation of the housing bubble. We must respond by putting in place a strong national appraisal independence standard that applies to all loans. We must also comprehensively reform the appraisal regulatory system. This bill does both things.

Fifth, I am extremely pleased that this bill provides \$1 billion for a national program to offer emergency bridge loans to help unemployed workers with reasonable prospects for reemployment to keep their homes. This new national initiative is based on Pennsylvania's successful Homeowners' Emergency Mortgage Assistance Program, HEMAP. Since 1983, HEMAP has saved 43,000 homes from foreclosure by helping to cover mortgage payments until homeowners find new jobs. With unemployment rates still unacceptably too high and far too many homeowners experiencing problems in paying their mortgages through no fault of their own, the time has come to replicate HEMAP at the national level.

Finally, the lack of regulation of the over-the-counter derivatives market has been a serious concern of mine for many years. In 1994, for example, I introduced a bill to regulate derivatives and other complex financial instruments. This conference agreement finally addresses the utter lack of regulation in this enormous market by mandating the clearing of most derivative contracts on exchanges so that we have more transparency. For those derivatives that are not cleared, the bill's reporting and disclosure requirements ensure that information on the transaction is maintained.

LONG-TERM CONCERNS

A sweeping, industry-wide regulatory reform bill like this one rarely comes along. As has been the case after the enactment of other overhaul bills, we can expect problems to manifest themselves and unintended consequences to occur.

While this bill incorporates the major goals of the Volcker rule, I had hoped for an even stronger version. Unfortunately, the ban on investments in or sponsorship of hedge funds and private equity is not as robust as I would have liked. The Volcker rule could have been stronger had the conferees accepted my amendment to provide for a de minimis exemption of tangible common equity, as opposed to Tier 1 capital, and a dollar cap on the investment. This amendment would have tightened the bill and better protected our financial markets from systemic risk.

Regrettably, the legislation also permanently exempts small public companies from the Sar-

banes-Oxley Act's requirement to obtain an external audit on the effectiveness of internal financial reporting controls. This exemption disregards the significant concerns of investors—those that provide capital and bear the risk of losing their retirement savings.

External audits of internal control compliance costs have dramatically decreased in recent years. The stock prices of those companies that have complied with this law have significantly outperformed the stock prices of those that have not complied. Additionally, evidence suggests that 60 percent of all financial restatements have occurred at companies that will never be required to comply with the law's external audit requirements.

Together, these facts certainly suggest that the Sarbanes-Oxley exemption provision has no place in a reform bill that is supposed to strengthen investor protections. Moreover, I am worried about the investors at the more than 5,000 public companies now exempted who may one day wake up to discover their hard earned savings pilfered by corporate accounting misdeeds as was the case in Enron, WorldCom, and Tyco.

As previously mentioned, I have additional worries about the exemptions granted to the registration of private fund advisers. There are many other types of exemptions embedded throughout this bill, including exemptions in the derivatives title and in the powers of the new Consumer Financial Protection Bureau. While I hope that regulators and the entities that they regulate will prudently apply these exemptions, I have apprehensions that in the long term the exemptions will swallow the rules. We must remain vigilant against such an outcome.

Similarly, the success of this landmark reform effort will ultimately depend on the individuals who become the regulators. The key lesson of the last decade is that financial regulators must use their powers, rather than coddle industry interests. In this regard, I hope that regulators will judiciously use the new powers that I have drafted regarding the break up of too-big-to-fail firms. If just one regulator uses these extraordinary powers just once, it will send a powerful message to industry and significantly reform how all financial services firms behave forever more.

Additionally, I continue to have apprehensions about the interchange provisions inserted into this legislation by the Senate. This issue, without question, would have benefitted from additional time and study. I am hopeful that we got the balance right and that these new limitations do not ultimately impair the performance of credit unions and community banks. If necessary, I stand ready to change the new law in this area.

There are several other lingering concerns that I have about this bill, as well. For example, it grants the Federal Reserve far more new powers than I would have liked. The bill also sets a very high bar of a two-thirds supermajority vote of the Financial Stability Oversight Council to take action under my too-big-to-fail amendment. There is some wisdom in this requirement, but if too many individuals with an anti-regulatory bias serve on the Council they will neglect to use the powers that Congress gave them in order to protect our financial system.

Finally, our work today is only a beginning, not an end. Going forward, Congress needs to attentively watch our changing financial marketplace and carefully monitor our regulators in order to protect against systemic risk, forestall potential abuses of corporate power, safeguard taxpayers, and defend the interests of consumers and investors. Moreover, the United States must continue to encourage its allies abroad to adopt strong financial services regulatory reforms so that we will have a strong, unified global financial system.

Although we may be completing our work on this bill, it is important for us to remain vigilant in each of the areas about which I have raised concerns. I, for one, plan to continue to closely monitor and carefully examine each of these matters.

CLOSING

Before closing, Mr. Speaker, I wish to congratulate the gentleman from Massachusetts, Financial Services Committee Chairman BARNEY FRANK, for his outstanding leadership in guiding this extremely complex bill through the legislative process. This conference marks the culmination of a long, thoughtful series of hearings, markups, floor debates, and conference negotiations. Chairman FRANK performed exceptionally at every stage of the process, and his name deserves to be attached to this landmark agreement. Senate Banking Committee Chairman CHRISTOPHER DODD deserves similar praise for his hard work. This is why I offered the amendment in conference to name this law the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Additionally, I want to counter the comments of those who have myopically criticized this package because it does not abolish Fannie Mae and Freddie Mac. By reforming the securitization process, risk retention requirements, and rating agency accountability, this bill lays the foundation for our upcoming work to address the future of these two institutions and, more broadly, the entire housing finance system. The reform of Fannie Mae, Freddie Mac, and the housing finance system is the next big legislative mountain that the Financial Services Committee must climb, and when the Congress returns after Independence Day, I will convene additional hearings to advance work on legislation to achieve this objective.

Mr. Speaker, while I may have some lingering doubts about this legislative package, it is overall a very good agreement. In short, the conference report represents a reasoned, middle ground that strikes an appropriate balance and does what we need it to do. It ends the problem of too-big-to-fail financial institutions, effectively regulates the derivatives products which some have referred to as financial weapons of mass destruction, and it greatly strengthens investor protections. It also regulates many more actors in our financial markets, establishes a Federal resource center on insurance issues, and holds rating agencies accountable for their actions. In sum, Mr. Speaker, I support this bill and urge my colleagues to vote for it.

Mr. BACHUS. At this time I yield 3 minutes to the gentleman from Indiana (Mr. PENCE).

Mr. PENCE. I thank the gentleman for yielding.

Mr. Speaker, I rise in opposition to the conference report for H.R. 4173, the so-called "Restoring American Financial Stability Act." We're used to creative titles around here, but I've got to tell you, during a time of extraordinary economic duress, millions of Americans unemployed, failed economic policies, it is darkly ironic that a bill that will do anything but restore financial stability is named for that purpose.

The truth of the matter is, when you look at this legislation, it's proof positive again that this majority just doesn't get it. The American people are not looking at Washington, D.C., and clamoring for more spending, more taxes, and more bailouts. They're looking at Washington, D.C., and saying, When are you going to focus on creating jobs? When are you going to set partisan differences aside, power grabs, and Big Government agendas aside to do something to put Americans back to work?

Under the guise of financial reform, Democrats today are pushing yet another bill that will kill jobs, raise taxes, and make bailouts permanent. Let me say that again. This legislation will kill jobs by restricting access to credit, it will kill jobs by raising taxes on those that would provide loans and opportunity to small business owners and family farmers, and it makes the bad ideas of the Wall Street bailout permanent.

Free market economics depends on the careful application of a set of ideals—traditional American ideals and principles. Chief among them is the notion that the freedom to succeed must include the freedom to fail. Personal responsibility is at the very center of the American experiment from an economic standpoint. It is that center from which we have become not only the freest, but the most prosperous Nation in the history of the world.

As my colleagues on the other side of the aisle know, I vigorously opposed the Wall Street bailout because I thought it departed from that fundamental principle of personal responsibility and limited government. And I rise today to vigorously oppose this legislation that takes the bad ideas of the Wall Street bailout and makes them permanent.

This legislation codifies the notion of too big to fail, a policy and an approach the American people have roundly rejected. It will give government bureaucrats more power to pick winners and losers. When a financial firm is failing, the Treasury Secretary and the FDIC will actually have the authority to take taxpayer dollars and decide which creditors to pay back and how and when they'll get paid.

The American people don't want Washington, D.C., in that business. They want a refereed private sector

that says "yes" to traditional bankruptcy and "no" to bailouts, because we're here to protect taxpayers and not Wall Street. This bill fails in that regard. I urge it be rejected and let's start over with legislation that's built on American ideals.

Mr. FRANK of Massachusetts. I now yield 3 minutes to one of the leaders in fashioning protection for consumers, the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY. Thank you, Chairman FRANK, for yielding, for your leadership, and for presiding over the most open and transparent conference process in the history of this Congress.

The Dodd-Frank bill is landmark legislation which will protect consumers and investors while allowing our financial services industry to continue financing the creativity and innovation which has, even in these very difficult times, made the American economy the envy of the world. This bill restores safety and soundness, reduces the likelihood of another systemic crisis, restores faith and confidence in our institutions and markets, while safeguarding Americans from predatory, unfair, and deceptive practices.

I have made it a mission throughout my career to help put consumers on an equal footing with their financial institutions through laws like the Credit Card Act. And today, we can take a huge step forward toward a more level playing field with the creation of the Consumer Financial Protection Bureau.

For far too long in our financial system and its products, any concerns about consumer protection came in a distant second or a third or none at all. Now, anyone who opens a checking or savings account, anyone who takes out a student loan or a mortgage, anyone who opens a credit card or takes out a payday loan will have a Federal agency on their side to protect them. For the first time, consumer protection authority will be housed in one place. It will be completely independent, with an independently appointed director, an independent budget, and an autonomous rulemaking authority. And, very importantly, it will have a seat at the table at the Financial Stability Oversight Council. Continuity and oversight of our financial system will consider not only safety and soundness but also the best interests of the American consumer, the American taxpayer, the American citizen.

I am particularly pleased that two items that I offered were included that will give consumers direct access to the CFPB through a consumer hotline and consumer ombudsperson. The bill also addresses the challenge of interchange fees. Working with Senator DURBIN and Representative MEEKS, we

were able to craft a balanced compromise that addressed both the concerns of merchants about high interchange fees and the concerns of the financial sector to be fairly compensated for their services. This bill ensures transparency, establishes accountability, and protects consumers and investors.

America has long been the world leader in financial services. With this landmark bill, we can set an example and take the lead in global financial reform. I urge a "yes" vote.

Mr. BACHUS. At this time, Mr. Speaker, I yield 2 minutes to the ranking member of the Subcommittee on International Monetary Policy and Trade, the gentleman from California (Mr. GARY G. MILLER).

□ 1610

Mr. GARY G. MILLER of California. Mr. Speaker, I rise today in opposition to this bill. This country is going through a period of great economic distress; and ultimately, this bill would only serve to heighten uncertainty in the marketplace, restrict access to credit, and place more and more undue burdens on the backs of American small businesses.

This bill eliminates consumer options in housing markets. This bill includes language that alters ways consumers choose to pay their mortgage origination fees. Currently, consumers have the choice to pay origination fees up front, partially finance costs through the rate, or some combination of the two. This bill eliminates the consumer's ability to partially pay up front and partially finance costs through the rate, ultimately leading to higher costs and fewer options available to home buyers.

This bill favors the Federal Government over the private market. This bill places several new onerous restrictions on private community banks and then explicitly exempts the Federal Government from these same restrictions. The effect of these new restrictions is that consumers will be steered toward the government when seeking financing options and encouraging a greater takeover of the economy by the Federal Government.

This bill once again breaks our promise to the American people that excess TARP funds would go to pay down the debt and deficit. When this body enacted TARP in an effort to stave off a total economic collapse, we promised that any return the Federal Government made from the taxpayers' investment into the financial sector of this economy would go directly to paying down the deficit and the national debt, currently over \$13 trillion. Instead, this bill breaks that promise by taking remaining TARP funds and using them to pay for the Federal takeover of the economy.

What we should do instead, we need to get the Federal Government out of

the way so that small businesses can begin to innovate and expand. We need to provide a regulatory framework that provides community banks and small businesses the ability to make their own financial decisions.

Mr. Speaker, we cannot continue to break our promise to the American people. The future of this great Nation and that of its sons and daughters depends on the actions we take here today. And I can only conclude that this legislation will prolong this recession and lead us further down the road of high deficit and greater debt. I urge a "no" vote on this bill.

Mr. FRANK of Massachusetts. I yield 1 minute to the gentleman from Georgia (Mr. BARROW).

Mr. BARROW. Mr. Speaker, I rise in support of H.R. 4173, the Wall Street Reform and Consumer Protection Act, because I believe this bill takes positive steps to protect us from the risky and abusive behavior that took our country to the verge of financial ruin.

I voted against the bank bailout bill because there wasn't enough accountability for how that money was going to be used. It also didn't get at the root of the problem. This legislation gets at the root of the problem by protecting consumers from abusive and predatory financial practices. It also gets banks back in the business of making good loans instead of gambling with our money. I look forward to passage of this legislation, and I urge my colleagues to lend their support as well.

Mr. BACHUS. Mr. Speaker, at this time I yield 2 minutes to the gentleman from Georgia (Mr. PRICE), the chairman of the Republican Study Committee.

Mr. PRICE of Georgia. Mr. Speaker, look, this ought to sound pretty familiar. Here's just part of this bill, another 2,000-page monstrosity. Look at it, Mr. Speaker. It's down there held together by rubber bands. It is called the Dodd-Frank Wall Street reform bill. Senator DODD even said about it, "No one will know until this is actually in place how it works." That's no way to do business.

The fundamental assumption of this bill is that since the smart people regulating banks let us down, we should just hire really, really smart people to prevent it from happening again. That assumption is not only false, it's dangerous. When the government picks winners and losers, the Nation loses. If my colleagues on the other side of the aisle believe that the same regulators who failed to see the housing crisis are now going to see the next crisis thanks to heavy-handed government regulation, then the American people would say to the Democrats in charge that they put too much faith in the power of Washington to see the future.

The fundamental question we've got to answer is, If this law were in place in 2008, would it have prevented the cri-

sis? The answer to that question is clearly "no." More oppressive job-killing regulation isn't the answer. What we need is flexible and accountable and nimble regulation. This bill does not do it.

What will it do? It will ensure bailouts. It puts bailouts in place forever. It doesn't address Fannie and Freddie, at the epicenter of the problem. It doesn't address it at all. It kills American jobs with oppressive regulation, and it will decrease the availability of credit and increase the cost of credit to all the American people. And that's even more angering to Americans because they know that there are positive solutions.

H.R. 3310 is the bill that we put forward nearly a year ago now that would make certain that we address the issue of regulatory reform in a positive way that makes it more flexible and nimble, that addresses the issue of Fannie and Freddie, actually solves the challenge that got us into this crisis in the first place, and makes certain that we end bailouts. The American people are sick and tired of bailouts. That bill, Mr. Speaker, will ensure that bailouts continue. The American people are urging us to vote "no" on this bill.

Mr. FRANK of Massachusetts. I yield 2 minutes to the gentleman from New York (Mr. MEEKS), a very important member of the committee who was helpful in forging some of the pieces of this.

Mr. MEEKS of New York. I thank the chairman for yielding.

Today is truly a historic day largely because of the great, magnificent job of our chairman, BARNEY FRANK, who we are so proud of. Very few people could have marshaled this bill in the way that he did. And because of him and that leadership, today we end too big to fail. We implement unprecedented consumer protections, and we issue rules that will prevent taxpayers from footing the bill for the irresponsible behavior of others while still—because I'm a New Yorker—maintain New York's standing as the world's financial capital.

As Chairman FRANK is fond of noting, this bill has death panels for the greedy financial institutions. If you are an institution that is causing systemic risk, this bill allows regulators to resolve you and dissolve you without recourse to any taxpayer money. I repeat. Let me emphasize, taxpayers will bear no cost for liquidating risky interconnected financial firms.

This bill includes strong investor protections and transparency mechanisms. Through the use of stress tests, which Representative DENNIS MOORE and I advocated for and the results of which will be published, it will increase transparency for investors and increase the amount of information available for investors to make wise decisions with their hard-earned savings.

Most importantly for my constituents, this bill establishes a Consumer Financial Protection Bureau to police lenders to ensure that the predatory lending that Mr. WATT was talking about that ensnared so many unsuspecting Americans will be halted. Led by an independent director, this office will be able to act swiftly so consumers will not need to wait for an act of Congress for years and years and years to receive protection from unscrupulous behavior.

As to interchange, we have placed explicit language in the bill to prohibit intrabrand price discriminations which would have put credit unions and community banks at a disadvantage. To address the concerns to the State treasurers and prepaid card providers for the underbanked, we explicitly exempt them from interchange fee regulation. And finally, by fixing concerns the Federal Government had, we potentially save the taxpayer \$40 million per year, according to Treasury estimates.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. FRANK of Massachusetts. I yield the gentleman an additional 15 seconds.

Mr. MEEKS of New York. We need this bill. It is the right bill. Without lending from Wall Street, there could be no Main Street. This bill responsibly regulates the former to ensure the vitality of the latter.

Mr. BACHUS. I yield 2 minutes to the gentleman from California (Mr. MCCARTHY).

Mr. MCCARTHY of California. I thank the gentleman for yielding.

Mr. Speaker, I rise today in opposition to this conference report. You know, at a time when California has 12.4 percent unemployment, and my district's even higher at 16.5 in my home county of Kern County, my constituents are asking me, What is being done to create jobs?

For the folks that have been following this debate today, this is just another example of Washington not listening to their concerns. Instead of policies that promote private sector job growth, this bill would create more government. This bill before us today would create a new bureau at the Federal Reserve with sweeping authority and a budget to create plenty of new government jobs in Washington, D.C. It also creates a new office of Financial research, empowered to collect personal information about all of our international transactions. This office can actually issue subpoenas to get the information these unelected bureaucrats want to have about us.

But aside from the personal concerns we may have about this, what is being done to help create a private sector job? Well, this is not job creation for families in my district. This is just part of the majority's continuation of an overreach and expansion of govern-

ment. First, it was the \$787 billion stimulus that failed to keep unemployment down, then a national energy tax, then a \$1 trillion government takeover of health care, and now another expansion of government that will raise costs for consumers and small businesses.

Well, Mr. Speaker, Republicans offered an alternative to this report that would have ended bailouts, would have addressed too big to fail and the failures of Fannie Mae and Freddie Mac; but that was rejected. Congress needs to be focusing on pro-small business policies, policies that make it easier for banks to lend to job creators that are at the heart of our communities, job creators that are at the heart of what we all want, a job-filled recovery instead of a jobless recovery. Unfortunately, this conference report will do none of these things, and I urge a "no" vote.

□ 1620

Mr. FRANK of Massachusetts. Mr. Speaker, I yield 2 minutes to my colleague from Massachusetts (Mr. CAPUANO), another member of the committee who has played a major role in this.

Mr. CAPUANO. Mr. Speaker, I will tell you that this bill is one of the best bills I've ever been involved with in the 12 years I've been in Congress. Like any bill, it doesn't give me everything that I want. I don't think anybody would say that, including Mr. FRANK. But it is a bill that moves us back towards thoughtful oversight of the financial institutions of this country.

For 70 years, from the Glass-Steagall Act until about the 1980s, 1990s, depending what you count, we had the best financial institutions, the best financial system in the world. Every other country tried to emulate us.

What happened? Slowly but surely, this country, through its Congress and its President, decided that we wanted to deregulate everything. Let's look at nothing, let everything go. What was the result of it? A financial meltdown. That was in the economic sector. What was the result of it in the gulf? An oil spill of ultimate proportions.

The concept that government can't regulate has been proven wrong time and time again. Nobody argues for overregulation. That's a fair argument. Where is the appropriate line?

In this case, in the financial institutions case, we went years with loans that nobody knew what the standards were. We went years with credit rating agencies giving everybody a AAA rating without having a clue what was behind those papers. We went years with people betting, literally betting with our money, our pension fund money and other money that we didn't want to do, on things that didn't exist. They didn't exist. The result of it was a financial meltdown.

This bill brings us toward a more thoughtful regulatory regime that will ensure the stability of our economic system. And that's what this is all about. It's not about raising revenue. It's not about killing anything.

My district has a very vibrant financial sector and we want to keep it that way, but I also want to be sure that it's stable. That's more important than anything else. This bill accomplishes that, and that's why we should support it.

Mr. BACHUS. I yield 2 minutes to the gentleman from Florida (Mr. PUTNAM).

Mr. PUTNAM. Mr. Speaker, I rise in opposition to the Frank-Dodd bill that would not reform Wall Street but, instead, create a permanent taxpayer backstop and fail to provide consumer protection and doesn't prevent a future crisis.

The permanent bailout would ensure that the Federal Government, through the FDIC and the Treasury, maintains the ability to use taxpayer funds to bail out financial institutions deemed too big to fail. That may be what's important to the D.C. bureaucrats, but to the community banks and credit unions back home and the communities they serve, I can assure you it's not. They're treated as too small to save.

Our community banks, our credit unions, our small businesses don't receive the special treatment accorded to the big guys in this bill. Instead, they go through the bankruptcy process. Why the double standard? Why the double standard for our communities? They didn't cause Wall Street's collapse, and yet they're held to a different standard. This is harmful to Main Street's small businesses.

The legislation creates an Office of Financial Research to "monitor, record, and report on any financial transaction, including consumer transactions," without the consent of the consumer. That's right. Monitor, record, and report any transaction without your approval.

This new "Big Brother Bureaucracy" will be funded through assessments on financial institutions that trickle down to consumers through higher fees. According to the CBO, "The cost of the proposed fee would ultimately be borne to . . . customers, employees, and investors."

The legislation welcomes a new "Washington Knows Best" bureau. Housed within the Federal Reserve, the credit czar will dictate which financial products can and cannot be made available to consumers and will have broad authority to set sales practices, limit products, and mandate compensation. The bureau misses its mark to actually protect consumers and will, instead, create more barriers to consumers' ability to obtain credit, to pursue their dreams, to buy a home, to refinance, or to expand or save their small business.

This conference report, totaling over 2,300 pages, is bad for small business, and I urge its defeat.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. FATTAH), who gave us an inspiration for trying to help unemployed people with their mortgages.

Mr. FATTAH. Mr. Speaker, the American people, as always, almost always, get it right. When they wanted to pick a party that would finally rein in the abuses of Wall Street, they gave the majority in the House and the Senate to the Democrats. And you can hear from the other side that they obviously made the right choice because there's no willingness to deal with some of these challenges from my colleagues on the other side.

I want to congratulate Chairman BARNEY FRANK. I met with him over a year ago about some of the challenges in terms of foreclosures in our country. In this bill is the result of language that I authored which replicated a very successful program in Pennsylvania that we believe will help others throughout the country.

I want to thank my great colleague from California, Congresswoman WATERS, for her efforts to make sure that this was fully engaged by the committee.

But beyond my proposal that is included in terms of homeowners assistance, in terms of foreclosures, this is a very good bill in terms of its regulation of Wall Street, in terms of consumer protection. This House, I urge and encourage that we vote in favor of the Wall Street reform bill.

Mr. BACHUS. I yield 2 minutes to the gentleman from Virginia (Mr. CANTOR), the Republican whip.

Mr. CANTOR. I rise in opposition to this conference report.

Mr. Speaker, the flow of credit and capital throughout the financial system is the building block of American prosperity. It has enabled entrepreneurs to pursue their ideas. It has enabled people to balance their budgets, to achieve a better standard of living. But when businesses and families cannot access capital from banks, consumers don't spend, small businesses hunker down, and investment dries up. The economy simply can't grow jobs.

This legislation is a clear attack on capital formation in America. It purports to prevent the next financial crisis, but it does so by vastly expanding the power of the same regulators who failed to stop the last one.

Dodd-Frank is the product of a tired and discredited philosophy. It's the notion that you can solve a problem by reflexively piling vast new layers of bureaucracy, regulatory costs, and taxes on it. And who'll pay the price? It won't merely be the big banks who the bill's supporters rail against. Smaller, less-leveraged community banks will

have a more difficult time surviving the regulatory costs. And most alarming, costs will be passed on to consumers and businesses in the form of higher prices for credit. We know this because last year's Credit Card Act is already having just that effect.

Before it was passed, Republicans warned that more government expansion and more Washington proscription would create additional costs borne by the consumer. It was common sense, and sure enough, we were right. In response to that legislation, lending rates were reset higher as credit became less available. Meanwhile, free checking accounts are becoming a relic of the past for all but the wealthiest bank customers.

Republicans agree that the financial system needs a shake-up to bring transparency and stability. But the fact is, Mr. Speaker, this legislation does not accomplish this goal. It's bad for private business. It's bad for families, and I urge my colleagues to vote "no" before we do any more damage.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield 4 minutes to the gentlewoman from California (Ms. WATERS), one of the leaders in housing and matters of fairness in our committee, the chairman of the Housing Subcommittee.

Ms. WATERS. Mr. Speaker and Members, I am pleased and proud to stand here today in support of this most significant piece of legislation that is before this House.

Again, I thank Chairman FRANK for his leadership, and I'm especially proud that this work of the conference committee was done by such a diverse group on this side of the aisle. I'm especially proud that members of the conference committee included not only women, but African Americans and Latinos and Anglos. It was truly diverse, and you can see that work reflected in what came out of the conference report.

□ 1630

For example, the CBC members of the Financial Services Committee worked on a number of these issues over the past several years, and we came up with those things that had been brought to our attention year in and year out that are finally paid attention to in the conference report.

The Federal Insurance Office, we will be asking them to gather information about the ability of minorities and low-income persons to access affordable insurance products. To give consideration and mitigation of the impact of winding down a systemically risky institution on minorities and low-income communities. The expansion of the Consumer Financial Protection Bureau's advisory board to include experts in civil rights, community development, communities impacted by high-priced loans, and others. And per-

haps most importantly, the establishment of the Offices of Minority and Women Inclusion at each of the Federal financial services agencies.

These offices would provide for diversity in the employment, management, and business activities of these agencies. The data for the need for these offices speaks for itself. Diversity is lacking in the financial services industry, with the GAO reporting from 1993 to 2004 the level of minority participation in the financial services professions only increased marginally, from 11 percent to 15.5 percent. We took care of that in this bill. And now we have the opportunity to not only give oversight to diversity, but to help these agencies understand how to do outreach, how to appeal to different communities so that we can get the kind of employees that will create the diversity to pay attention to all of the needs of the people of this country.

In addition, Mr. Speaker, I am pleased to note that this conference report includes a provision that I championed to allow the SEC to issue rules on proxy access, giving the Nation's pension funds and other long-term institutional investors a say in the governing of the companies in which they own stock.

Additionally, I am pleased that this bill addresses foreclosures, which have single-handedly inflicted tremendous damage on neighborhoods in my district in California and across the country. It has long been my position that this bill would be incomplete without directly addressing the needs of America's homeowners and neighborhoods. That is why I have fought for an additional \$1 billion in funds for the Neighborhood Stabilization Program, a program whose authorizing legislation I wrote in 2008. And it is helping neighborhoods all across this country that have foreclosed properties and rundown properties that are driving down the price of other homes in that community. Now we can rehabilitate those properties and keep the values up of the homes in the neighborhood.

I am also pleased that an additional \$1 billion in emergency assistance for unemployed homeowners was included in this bill. Reports indicate that 60 percent of individuals seeking help in avoiding foreclosures are doing so because they are unemployed.

The SPEAKER pro tempore. The time of the gentlewoman has expired.

Mr. FRANK of Massachusetts. I yield the gentlewoman 1 additional minute.

Ms. WATERS. I thank the chairman.

This funding will provide a critical bridge for homeowners during periods of joblessness, and allow them to maintain stable housing for their children. This \$2 billion, combined with an additional \$6 billion I have secured for NSP through two rounds of funding, is another step toward addressing the foreclosure crisis. But more needs to be

done. That is why I am pleased that the Treasury has committed to providing another \$2 billion for unemployed homeowners in addition to the amounts provided under this bill. And that is why I will continue to fight for both additional funding and for loss mitigation legislation, which would make it mandatory for banks to offer real sustainable loan modification offers.

Chairman FRANK, thank you for your assistance, thank you for your support, thank you for your leadership. I am proud to be a part of this Congress, so proud to have been a part of the conference committee. And I think we are doing all Americans justice in this bill as we pay attention to needs that have been so long overlooked.

Mr. BACHUS. Mr. Speaker, at this time I yield 4 minutes to the gentleman from California (Mr. ISSA), the ranking member of Oversight and Government Reform.

Mr. ISSA. Mr. Speaker, others will rise and they will talk about the underlying bill. Although I was on the conference committee, and for 2 weeks Chairman FRANK, Ranking Member BACHUS and the rest of us were together, I do not claim and will not claim to be an expert on all the things that led to the financial meltdown or all the things which will preclude the next.

I do rise to oppose the Dodd-Frank bill, and I do so because I don't believe that it will preclude another meltdown and another crisis. I don't do that because I am an expert on the financial system. I am not. The people I served with on conference, many of them are. I am not concerned that the process was not open. I think Chairman FRANK allowed us an unusually great amount of time to be heard. But I am disappointed that at the end of the day so many things were left out.

I appreciate Chairman FRANK's offering for a separate bill to make up for the fact that the transparency and data issues that I worked for 2 weeks to put in this bill, because they were rejected by the Senate, we will have to send them again and hope that the Senate is more benevolent when we simply ask these agencies to have data standards that allow for the kinds of transparency among the regulators that will in fact see reckless behavior ahead of time, or at least allow us to know the underlying value of assets when the markets begin to melt.

The reckless behavior that led to the meltdown will be debated for years, but the absence of transparency at the time of the meltdown, an inability for our regulators, our banks, or anyone else to actually tell us what the underlying value of various assets were, were in no small part the result of arcane systems that underlie these very modern instruments.

You cannot have paper copies sitting in banks to tell you the details about a

loan and then cut it into thousands of pieces, spread it around the world, and hope that somebody can have confidence in the document when things start going wrong.

Technology transparency is the most important thing missing from this bill. I hope to work with the majority and the minority to bring that in the coming days. I don't do it for my committee. I do it because the next time there is a hiccup anywhere in the world, even if that's simply a massive power outage leading to a confidence loss, we need to have the ability for regulators with confidence to say we have transparency, we know what these assets are worth, and we can assure them.

This bill does do a few good things, and I would be remiss if I didn't mention that the ability for banks to trust each other in financial transfers of non-interest-bearing large amounts is in no small part something that will keep the market going if otherwise there is a lack of confidence in the bank.

I do object to the way this bill is paid for. I believe that it was inappropriate. And unfortunately, people at the conference were not willing to consider a real pay-for, not even a real rollback in unexpended funds that would otherwise be available.

Mr. Speaker, this bill is done. We cannot look to what this will or won't do. We have to look to the future. Will we do a better job in data management, in transparency, in creating the tools that would allow the financial oversight board and the financial industry regulators to do the job the next time that they didn't do the last time?

Mr. Speaker, I do not have high confidence that it will be done. I have high confidence that this body will work together to produce a bill, send it to the other body, and try, try to get them to understand that data transparency is essential if we are not going to have another meltdown.

Mr. FRANK of Massachusetts. I yield 2 minutes to the gentleman from Florida (Mr. HASTINGS).

Mr. HASTINGS of Florida. Chairman FRANK, I first want to commend you on an extraordinary effort and your dedicated leadership in bringing this bill to the floor. I look forward to supporting this legislation.

Before that, however, I would like to clarify a few points as they pertain to the intent of the bill. It's my understanding that certain provisions which are intended to improve access to mainstream financial institutions are not intended to further limit access to credit and other financial services to the very consumers who are already underserved by traditional banking institutions.

As you know, each year over 20 million working American families with depository account relationships at

federally insured financial institutions actively choose alternative sources and lenders to meet their emergency and short-term credit needs.

□ 1640

These alternative sources and lenders often offer convenient and less expensive products and services than the banks where these consumers have relationships.

Further, as the demands for short-term, small-dollar loans continues to increase as a result of the current economic environment, nontraditional lenders have filled the void left by mainstream financial institutions in many of our Nation's underbanked communities.

Mr. Chairman, I have a longer statement, and with your permission would skip to the clause that I think is particularly important and include my full statement in the RECORD in the interest of time.

Rather, I feel that the financial services should be well-balanced and carried out in a manner that encourages consumer choice, market competitions, and strong protections. It is my sincere hope that this legislation is designed to carefully and fairly police the financial services industry treating similar products in the short-term credit market equally while encouraging lending practices that are fair to consumers.

Is this the intent?

Mr. FRANK of Massachusetts. If the gentleman would yield, first, let me say that anybody who asks has my permission to skip any statement. That is an example I am going to try to follow myself sometimes.

Beyond that, I completely agree with the gentleman.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. FRANK of Massachusetts. I yield an additional 15 seconds to the gentleman.

Mr. HASTINGS of Florida. I yield to the chairman.

Mr. FRANK of Massachusetts. We do want to make sure it's an informed choice, and we're going to work on financial literacy. But, no, it is not our intention to deny anybody that choice.

Mr. HASTINGS of Florida. Thank you very much, Mr. Chairman, and I really commend you for your efforts to pass meaningful financial regulation reform in this Congress. I deeply thank you.

Mr. BACHUS. Mr. Speaker, at this time I yield 3 minutes to the gentleman from Texas (Mr. PAUL), the ranking member of the Domestic Monetary Policy Committee.

Mr. PAUL. I thank the gentleman from Alabama for yielding.

Mr. Speaker, I rise in opposition to this piece of legislation. I'm afraid it is not going to do much to solve our problems. I know it's very well intended, and it's believed that more regulations

will solve the problems; but, quite frankly, the problems that we're facing come from a deeply flawed monetary system.

I had made an attempt to emphasize this point by talking about a full audit of the Federal Reserve, and fortunately this House was strongly in support of this piece of legislation. There are 320 cosponsors of this bill. It passed rather easily on the Financial Services Committee, and then it was put into the House version of this reform package. But it was removed in conference.

Although there is some attention given to getting more information from the Fed, it truly doesn't serve as a full audit. If we don't eventually address the Federal Reserve in depth, we will never fully understand how financial bubbles are formed and why more regulations tend to fail. If the financial markets were pleased with what we're doing here today and the discussion of the last several weeks, they wouldn't be reeling as they are at this very moment.

So I would say that we should be very cautious in expanding the role of the regulatory agencies, which does not solve the problem. At the same time, giving more power to the Federal Reserve doesn't make much sense if the theory is right that the Federal Reserve is the source of much of our problems.

Now, some objected to the transparency bill of the Federal Reserve and said that that was too much information, that the Federal Reserve had to be totally independent. The Federal Reserve Transparency Act doesn't do anything about removing transparency. It doesn't change monetary policy. It just says that the American people and the Congress have a right to know what they do.

After the crisis hit, the Federal Reserve injected \$1.7 trillion and guaranteed many more trillions of dollars, and it was very hard to get any information whatsoever. So an ongoing audit to find out exactly what they do and why they do it, I think, would be a first step to finding out the relationship of the Federal Reserve system to the banking system and the financial community.

Transparency is something the American people have been asking for and they want. They didn't like the lack of transparency with the TARP funds; and once the American people found out about what goes on at the Fed, they want transparency of the Fed.

So fortunately today we will have a chance to vote on this because it will be in the recommittal motion, and it will give us a chance to put the language back in, the H.R. 1207, the Federal Reserve Transparency Act, a chance to audit the Fed. So this will be a perfect opportunity to emphasize the importance of the Fed and to say that we do need a full audit.

Mr. FRANK of Massachusetts. I yield 3½ minutes to the gentleman from Illinois (Mr. GUTIERREZ), who's the chairman of the Financial Institution Subcommittee and has done a great deal of work to improve our financial situation through this bill.

Mr. GUTIERREZ. Chairman FRANK, I want to commend you, first of all, for your hard work in getting this legislation through Congress and your dedication to reforming our financial system.

The legislation we have before us takes a multi-pronged approach to ending the problem of "too big to fail" by giving regulators the tools, only when it is necessary, to decrease the size of financial institutions, limit their risky behaviors, and wind down systemically significant firms if they threaten the health of our financial system.

The most direct way to end "too big to fail" is to stop firms from growing too big in the first place. To limit their size and complexity, this legislation would impose increasingly strict rules on capital levels and leverage ratios which would limit a firm's risky behavior and diminish its potential threat to the stability of our financial system. By implementing a strong Volcker rule and limiting proprietary trading by insured depository institutions, we minimize a bank's ability to use subsidized funds for risky trading practices.

Additionally, the Dodd-Frank bill will create a financial stability oversight council that will be able to force a company, as a last resort, to divest some of its holdings and shrink its size if the council determines it poses a risk to the stability of the financial system. It has tools.

The most important part of this legislation that will help to end "too big to fail" is the resolution authority we create to safely wind down a failed significant firm and to prevent any further bank bailouts. This legislation ends individual open-bank assistance. Let me repeat: this legislation ends individual open-bank assistance, meaning that if the resolution authority, the death panel, the burial panel, is applied to a bank, it will not be bailed out but allowed to safely fail and prevent containment from spreading to the markets. Let me repeat this: no more bailout. We have a funeral fund.

One thing I want to note, though, at every opportunity Democrats have insisted that banks, the financial institutions, not the taxpayers of America, pay for this resolution authority, and the Republicans have said "no" every single time. In both the House and the Senate, they refuse to support a pre-funded funeral fund that would be paid for by the riskiest and biggest banks. No. The big bankers don't pay. Main Street has to pay.

Opposition from certain Republican Senators—and I won't mention their names—forced us to strip the bank assistance from the conference report

just last night. Republicans have sided with big Wall Street banks at every opportunity. They even opposed an amendment in the conference to increase the FDIC insurance to help protect people's hard-earned deposits along with community banks and small businesses.

So let's be clear. Combine this refusal to guarantee that the banks pay to clean up any future messes that they make with open opposition to this legislation and it is obvious where the line has been drawn by Republicans. If it helps Wall Street banks, they favor it; but if it helps Main Street and regular Americans, they won't vote for it, and we don't think they will today.

Mr. Speaker, I won't hold my breath for any Republican support of this historic legislation. But I do urge all of our Members to support this vital bill.

Mr. BACHUS. I yield myself 15 seconds.

Mr. Speaker, I don't think you would go to a funeral home and lend the corpse money. So I don't know why you would lend money to a failing firm. You ought to just go ahead and put them in bankruptcy like we want to do.

Mr. Speaker, at this time I yield 3 minutes to the gentlelady from Illinois who's the chairman of the Financial Services Oversight Committee (Mrs. BIGGERT).

□ 1650

Mrs. BIGGERT. I thank the gentleman for yielding.

Mr. Speaker, I rise in opposition to this conference report and the bill.

In the fall of 2008, our entire financial system and economy were on the verge of collapse. The \$750 billion TARP program was hastily proposed. I, for one, would never have backed it were it not for the taxpayer protections—a promise that the taxpayers would be repaid.

This bill flat out breaks that promise to taxpayers. It siphons away unspent money from the TARP program. Instead of returning it to the taxpayers or instead of paying down our \$13 trillion debt as promised, it uses the money to pay for new Federal spending.

Contrary to my colleagues' rhetoric, this bill makes bailouts permanent. Look at section 210N(5) and section 210N(6). These provisions authorize bureaucrats to bail out the six largest too-big-to-fail Wall Street firms to the tune of \$8 trillion. What you have is taxpayers footing the bill to pay for failed Wall Street firms. That is a bailout.

My colleagues on the other side of the aisle claim that this bill requires that taxpayers be paid back. Yet how in heaven's name can taxpayers believe that when this very bill breaks the earlier promise that taxpayers would be paid back for TARP?

This bill also fails to reform Fannie Mae and Freddie Mac, the two mortgage giants at the center of the housing crisis. Taxpayers have bailed Fannie and Freddie out to the tune of \$150 billion and billions more to come, but this bill doesn't reform them. It merely calls for a study, and it fails to include as part of our Federal budget the trillions in liabilities taxpayers now face because the Federal Government owns and operates both Fannie and Freddie.

Finally, let's not forget our hidden costs in this bill. Our Midwest manufacturers had nothing to do with the housing crisis or with the financial meltdown. Yet this bill requires them to divert trillions of dollars of working capital to pay for financial transactions, which may stifle job growth and raise the cost of commodities for American families.

What is the cost to small businesses? It is job growth. According to the U.S. Chamber of Commerce, it is taxpayers, small businesses and consumers as they pick up the tab for new Federal bureaucrats, 355 new rules, 47 studies, and 74 reports.

In the name of financial reform, we must not stifle job creation by saddling our small businesses and manufacturers with additional burdens. We need to get financial reform right so that innovators and entrepreneurs can secure credit and can expand and create desperately needed jobs. We need to get reform right, but this bill doesn't pass the test.

I urge my colleagues to oppose this conference report and bill.

Mr. FRANK of Massachusetts. I yield 1½ minutes to a very diligent member of our committee who has fought hard for the manufacturing interests of this country, the gentleman from Michigan (Mr. PETERS).

Mr. PETERS. I thank the chairman for yielding.

Mr. Speaker, the Dodd-Frank Wall Street Reform bill is an historic piece of legislation that will protect consumers, reduce the risk of future economic failures, and provide for the increased oversight of our entire financial system. However, it also strives to protect job-creating Main Street businesses.

For example, this legislation will, for the first time, bring transparency and oversight to the currently unregulated \$600 trillion derivatives market. However, because commercial end users, who are those who use derivatives to hedge legitimate business risks, do not pose systemic risk and because they solely use these contracts as a way to provide consumers with lower cost goods, they are exempted from clearing and margin requirements.

I offered an amendment that would permanently extend the end user exemptions for clearing and margin to certain captive finance companies that

use swaps to hedge their interest rate and foreign currency risks arising from their financing activities. The amendment was narrowly tailored to ensure that a captive finance company can only qualify for the exemption if 90 percent of its business derives from financing the sale or lease of its parent company's manufactured goods.

There is another provision of this bill which provides a 2-year transition period for affiliates.

I would like to yield to Chairman FRANK so he can clarify that what these two provisions do is provide a limited exemption from clearing and margin requirements for qualifying captive finance companies and a 2-year transition period for all other captives that would not qualify for the limited exemption created by the Peters amendment.

Mr. FRANK of Massachusetts. If the gentleman would yield, the answer is absolutely. He has crafted this very well with our cooperation, and he has stated this completely accurately.

Mr. BACHUS. Mr. Speaker, I yield 7 minutes to the gentleman from Oklahoma (Mr. LUCAS), who is the ranking member of the Agriculture Committee, to then yield time to his members.

The SPEAKER pro tempore. Without objection, the gentleman from Oklahoma will control 7 minutes.

There was no objection.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield 13 minutes of my time to the gentleman from Minnesota (Mr. PETERSON), the chairman of the Agriculture Committee, our co-conferee, and ask unanimous consent that he control that time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Minnesota.

Mr. PETERSON. I thank the gentleman for yielding.

Mr. Speaker, I rise today in support of the conference report on H.R. 4173, The Wall Street Reform and Consumer Protection Act.

I want to start by thanking Chairman FRANK, who has demonstrated his great policymaking skills and leadership on this important issue.

The staffs of both the House Agriculture Committee and the Financial Services Committee have worked closely on this legislation for the past year, and it is thanks to our efforts that we have a conference committee report for us today.

One of the bill's key components is title VII, which brings greater transparency and accountability to derivative markets. When the House considered financial reform in December, derivatives were one area in which we had strong bipartisan support. The House produced a very good product.

The Senate's efforts on derivatives went in a very different direction. As with any legislation with such stark differences, compromises had to be made.

This comprehensive legislation represents a middle ground between the House and Senate products. While no one got everything they wanted in this bill, I think we got a bill that will help prevent another crisis in the financial markets like the one we experienced in 2008.

The House Agriculture Committee started looking at some of the issues addressed in this legislation even before evidence of the financial crisis started to appear. I am pleased that the conference report contains many of the provisions the House Ag Committee endorsed over the course of passing three bills on this topic. Let me briefly talk about some of those provisions.

Our in-depth review of derivative markets began when we experienced significant price volatility in energy futures markets due to excessive speculation—first with natural gas and then with crude oil. We all remember when we had \$147 oil. The Ag Committee examined the influx of new traders in these markets, including hedge funds and index funds, and we looked at the relationship between what was occurring on regulated markets and the even larger unregulated over-the-counter market. This conference report includes the tools we authorized and the direction to the CFTC to mitigate outrageous price spikes we saw 2 years ago.

The House Agriculture Committee also spent a great deal of time considering the role of derivatives in the collapse of the financial markets and debating different approaches to regulating these financial tools.

In the end, it was the Agriculture Committee, on a bipartisan basis, that embraced mandatory clearing well before the idea became popular. Clearing is not only a means to bring greater transparency to the derivative markets, but it also should reduce the risk that was prevalent throughout the over-the-counter market. The conference report closely follows the House approach to mandatory clearing.

In crafting the House bill and the conference report, we focused on creating a regulatory approach that permits the so-called end users to continue using derivatives to hedge risks associated with their underlying businesses, whether it is energy exploration, manufacturing, or commercial activities. End users did not cause the financial crisis of 2008. They were actually the victims of it.

Now, that has been of some concern and, frankly, a misinterpretation of the conference report's language regarding capital and margin requirements by some who want to portray

these requirements as applying to end users of derivatives. This is patently false.

The section in question governs the regulation of major swap participants and swap dealers, and its provisions apply only to major swap participants and swap dealers. Nowhere in this section do we give regulators any authority to impose capital and margin requirements on end users. What is going on here is that the Wall Street firms want to get out of the margin requirements, and they are playing on the fears of the end users in order to obtain exemptions for themselves.

□ 1700

One of the sources of financial instability in 2008 was that derivative traders like AIG did not have the resources to back up their transactions. If we don't require these major swap participants and swap dealers to put more backing behind their swap deals, we will only perpetuate this instability. That is not good for these markets, and it is certainly not good for end users.

I am confident that after passing this conference report we can go home to our constituents and say that we have cracked down on Wall Street and the too-big-to-fail firms that caused the financial crisis.

With that, I urge my colleagues to support the passage of this conference report.

I reserve the balance of my time.

Mr. LUCAS. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I rise in opposition to this job-killing conference report. At a time when Congress should be focused on economic expansion, the majority brings us this conference report, which will kill jobs and make financial transactions more expensive.

Last December, this Chamber supported a bipartisan effort to bring transparency and regulation to the over-the-counter derivatives market while allowing for the management of legitimate risk. It recognized that mom-and-pop shops on Main Street were not the villains behind the economic collapse. They did not cause the financial crisis and should not be treated as if they did.

The derivatives title this Chamber passed reflected the need for commercial end users to lay off risk so they could offer their products at reasonable and stable prices. Unfortunately, the Senate decided that only some industries, only some, were worthy of inexpensive risk mitigation.

Despite the overwhelming bipartisan support our derivatives language enjoyed, during a meeting in the dark of night our bipartisan language was stripped out. A title that we passed by voice vote was only going to survive if offered as an amendment. So that is what my good friend from New Jersey (Mr. GARRETT) and I did. As the con-

ferees from this Chamber, we defended the House position. Unfortunately, at dawn last Friday, our amendment was defeated on a party-line vote, stripping away the only remaining protection for end users. American small businesses were told by the majority they would be regulated as though they were Wall Street.

A report released yesterday believes the language change by the majority could cost U.S. companies \$1 trillion in capital and liquidity requirements. This isn't money to pay lavish bonuses; this is money to pay salaries, fund research and development, and pay construction loans.

Further analysis of this language concludes that \$400 billion would be needed for collateral for businesses to post with dealer counterparts to cover the exposure of their existing over-the-counter derivatives. It is estimated that another \$370 billion represents the additional credit capacity that companies could need to cover future risk.

Despite the majority's voracious appetite for spending, these are enormous dollar amounts. Rural America doesn't have the option of waiving phony PAYGO requirements. These costs are real and the ability to pay them does not exist. Business will now have to cut spending, which, simply put, means job losses or hold on at its very own risk, thereby further concentrating risk.

You know, once upon a time this bill was supposed to avoid risk concentration. That was once upon a time.

Mr. Speaker, I reserve the balance of my time.

Mr. PETERSON. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. HOLDEN).

Mr. HOLDEN. I thank the chairman for yielding.

I rise today in support of H.R. 4173.

I serve as chairman of the House Agriculture Subcommittee on Conservation, Credit, Energy, and Research. As such, we have jurisdiction over the institutions of the Farm Credit System that serve agriculture as well as rural communities across the country.

Over 20 years ago, the Agriculture Committee put in place a revised legislative and regulatory regime for the Farm Credit System that has successfully stood the test of time in ensuring that these institutions operate safe and sound.

Farm Credit System institutions are regulated and examined by a fully empowered independent regulatory agency, the Farm Credit Administration, which has the authority to shut down and liquidate a system institution that is not financially viable. In addition, the Farm Credit System is the only GSE that has a self-funded insurance program in place that was established to not only protect investors in farm credit debt securities against loss of

their principal and interest, but also to protect taxpayers.

These are just a few of the reasons why the Agriculture Committee insisted that the institutions of the Farm Credit System not be subject to a number of the provisions of this legislation. They were not the cause of the problem, did not utilize TARP funds, and did not engage in abusive subprime lending. We have believed that this legislation should not do anything to disrupt this record of success.

Mr. Speaker, I now would like to enter into a colloquy with the chairman of the Agriculture Committee.

Mr. Chairman, the conference report includes compromise language that requires the Commodity Futures Trading Commission to consider exempting small banks, Farm Credit System institutions and credit unions from provisions requiring that all swaps be cleared. We understand that community banks, Farm Credit institutions and credit unions did not cause the financial crisis that precipitated this legislation. While the legislation places a special emphasis on institutions with less than \$10 billion in assets, my reading of the language is that they should not in any way be viewed by the Commodity Futures Trading Commission as a limit on the size of the institution that should be considered for an exemption.

Mr. Chairman, would you concur with this assessment?

Mr. PETERSON. Yes, I fully agree. The language says that institutions to be considered for the exemption shall include those with \$10 billion or less in assets. It is not a firm standard. Some firms with larger assets could qualify, while some with smaller assets may not. The regulators will have maximum flexibility when looking at the risk portfolio of these institutions for consideration of an exemption.

Mr. HOLDEN. I thank the chairman.

Mr. LUCAS. Mr. Chairman, I now yield 2 minutes to the gentleman from Texas (Mr. NEUGEBAUER), who is a very significant participant on both the Financial Services Committee and the Agriculture Committee.

Mr. NEUGEBAUER. Mr. Speaker, I rise in strong opposition to this conference report. Financial regulatory reform is needed, but this 2,300 page bill is the wrong solution for the taxpayers, and it won't help build strong capital markets needed to fuel growth and new jobs for our country.

If you liked the bailouts of the last few years, you are going to love this new financial bill. If you are a consumer who wants fewer choices, higher costs of credit and new fees, this bill has some great deals for you.

This bill will vastly expand the powers of the government regulators. Those are the same regulators who fell short of the job the first time around, and now they are asking us to trust

them and they tell us that the outcome will be different next time. But the outcome won't be different, because this bill sets up a permanent bailout regime that puts the government in charge of picking winners and losers.

Under this bill, if the government says to your company it is too big and too important to fail, your company gets an implied backing and serious advantages over its competitors, especially your smallest competitors. If the government determines a company should be shut down, the government gets to decide how everyone that does business with that company is treated, ignoring the rule of law, just like they did with AIG and the automobile companies behind closed doors.

And if those problems weren't serious enough, now the majority is playing fast and footloose with the taxpayers. In a move that could only make Bernie Madoff and Enron proud, the majority is now taking the unused and paid-back TARP funds that were supposed to pay down the national debt and double-counting the deposit insurance premiums to pay for the \$19 billion cost of this bill.

American families can't double-count their income from their paychecks. What kind of accounting is Congress using that will let us double-count the money?

Mr. Speaker, bills sometimes have good titles but they don't accomplish what they are supposed to do. There is no real financial reform in this bill. I wish there was. I want to vote for real financial reform. But the big losers here are the American people. They stay at risk. Their choices are going to be limited, because now we are going to have a new credit czar determine what kind of financial products that the American people get to look at.

If you want real reform, vote against this bill.

□ 1710

Mr. PETERSON. Mr. Speaker, I yield such time as he may consume to the gentleman from Iowa (Mr. BOSWELL).

Mr. BOSWELL. Mr. Speaker, I would like to engage the chairman in a colloquy.

I would like to briefly clarify an important point with the chairman regarding the intention of one of the exclusions from the definition of "swap." The exclusion from the definition of swap for "any sale of a nonfinancial commodity or security for deferred shipment or delivery, so long as the transaction is intended to be physically settled," is intended to be consistent with the forward contract exclusion that is currently in the Commodity Exchange Act and CFTC's established policy on this subject. Physical commodity transactions should not be regulated as swaps as that term is defined in this legislation. This is true even if commercial parties agree

to "book-out" their delivery obligations under a forward contract.

For those who may not be familiar with terminology used in the trade, a book-out is a second agreement between two commercial parties to a forward contract who find themselves in a delivery chain or circle at the same delivery point. They can agree to settle their delivery obligations by exchanging a net payment if there has been some change arising since the initial forward contract was entered into. Simply put, book-outs reduce transaction costs, and that saves consumers money.

Can the chairman clarify this for me? I yield to the chairman.

Mr. PETERSON. The gentleman is correct. My interpretation of the exclusionary provision from the definition of swap that he mentioned is that the exclusion would apply to transactions in which the parties' delivery obligations are booked-out, as the gentleman described. The fact that the parties may subsequently agree to settle their obligations with a payment based on a price difference through a book-out does not turn a forward contract into a swap.

Excluding physical forward contracts, including book-outs, is consistent with the CFTC's longstanding view that physical forward contracts in which the parties later agree to book-out their delivery obligations for commercial convenience are excluded from its jurisdiction. Nothing in this legislation changes that result with respect to commercial forward contracts.

Mr. BOSWELL. I thank the chairman for the clarification.

Mr. PETERSON. I thank the gentleman.

I encourage people to support the conference report.

I have no further requests for time, and I yield back the balance of my time.

Mr. LUCAS. Mr. Speaker, I yield the remaining 2 minutes to the ranking member on the Small Business Administration Committee and a very valued member of the Agriculture Committee, the gentleman from Missouri (Mr. GRAVES).

Mr. GRAVES of Missouri. Mr. Speaker, everyone agrees it's critical to restructure the regulatory oversight of our Nation's financial sector to help prevent future crises. Unfortunately, not only does this conference report fail to achieve this most basic goal, it also creates harmful new hurdles for small businesses. As ranking member of the House Small Business Committee, I cannot support this legislation.

Some of my colleagues are quick to state publicly that small businesses are going to bring us out of this economic downturn, yet they turn their backs on small firms and promote policies that severely hinder their growth. Through

this legislation, Congress is once again ignoring the voice of the entrepreneur.

The conference report includes a massive new government bureaucracy that supporters claim will protect consumers from overzealous sellers of credit. However, the breadth of the rulemaking authority is astounding and will likely affect millions of credit transactions between small businesses and their customers. Even if the new agency only controls credit offered by regulated financial institutions, the additional burdens will raise the cost of credit for small businesses.

Of further concern is the language in the current bill that makes commercial end users who hedge their exposure to risk susceptible to unnecessary margin requirements through the use of cash collateral. Forcing sophisticated end users to increase capital set-asides to cover margins will ultimately raise the cost of products purchased by small businesses. Given the state of the economy, raising the costs on small businesses is one of the worst things that can be done.

The adverse long-term consequences of this legislation is nothing short of startling. At a time when American small businesses need it most, this bill may seriously restrict their access to capital. Additionally, this legislation will negatively affect small business investment companies from allowing regulators to decide whether these institutions can obtain capital from banks.

In closing, I strongly urge my colleagues to join me in opposing this ill-conceived conference report. If Congress expects small businesses to help turn around the economy, we have got to focus on developing legislation that helps them do just that.

Mr. BACHUS. Mr. Speaker, can I inquire as to the time left on both sides?

The SPEAKER pro tempore. The gentleman from Alabama has 21¼ minutes remaining. The gentleman from Massachusetts has 11 minutes remaining.

Mr. BACHUS. At this time I yield 2 minutes to the gentleman from New Jersey (Mr. GARRETT), who is the ranking member of the Capital Markets Subcommittee.

Mr. GARRETT of New Jersey. I rise in opposition to this job-killing continuation of a bailout bill. Earlier, Chairman FRANK said he was astonished by our interpretation this is a bailout bill. Well, what is even more astonishing is the fact that this is the same chairman who was here last session leading the efforts in our last bailout bill. And here he is, once again, leading the effort on this bill for a continuation of bailout. What is perhaps even more astonishing than that is that here he stands as the author of the bill, with the 2,300 pages in front of him, holding up and actually reading the bill, and he fails to see that this

underlying piece of legislation continues to bail out creditors at the expense of U.S. taxpayers.

Just as we saw with the situation of AIG, where the creditors on Wall Street and the creditors over in China and such areas as that were bailed out at a hundred percent, we see the same thing possibly going forward here in this legislation as well. Perhaps that explains to us all why Wall Street is applauding this bill—because they know that they will continue to see the bailouts that they saw in the past. So it is astonishing to see that we're repeating history.

Now, I know the chairman will say, Well, this is not going to happen because there is the opportunity for receivership. But the chairman well knows if he looks into the bill that that receivership is not for a day or two—it's for a year or 2 or 3 or 4 or 5 years that we can continue to see American taxpayers putting out their money to bail out these failed, risky institutions.

It seems that at every turn the Democrats who wrote this bill chose to endow the same failed regulators who failed to foresee the last crisis with more and more power. At every single turn the Democrats chose more government bureaucracy and more government outreach into our economy. And at every turn the Democrats threw up policies that will kill jobs and restrict credit.

Now, on the one hand, this isn't surprising. We've seen this all before, when you think about it, whether it was in the area of cap-and-trade or in health care proposals, among others we saw before.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BACHUS. Mr. Speaker, I yield the gentleman 1½ additional minutes.

Mr. GARRETT of New Jersey. On the other hand, it is disappointing when you consider the history of the failed efforts in the area of health care or the failed efforts on the other side in the area of cap-and-tax that they haven't learned by now from their past mistakes. Think about it for a moment. Think about what we hear when we go back to our districts. That the American people are delivering a strong message to those of us in Washington willing to listen, a message saying that they do not want a continuation, Mr. Speaker, of the failed policies that you brought to the floor in the past with your bailouts of Wall Street. The American people say that they do not want to be on the hook for the tens—no—the hundreds of billions of dollars to bail out institutions on Wall Street that made bad risks. They want it to end now. And they want to end it today. They want less failed government overage into their lives and into the economy. They do not want institutions yet again created that can look

at every single transaction that they make, whether it's at the ATM that the government can now look down into those transactions, whether it's opening up a credit card account someplace that the Federal Government can now look into those transactions, whether it's any transaction whatsoever that you or I make or anyone listening to this speech tonight will be able to make, because bureaucrats, unelected, unaccountable bureaucrats, will be able to look into those transactions.

They want less failed government overage into their lives. They want less intrusions into the economy. What, you ask them, do they want? They simply want more opportunities—opportunities to work and to provide for their families. And they want those opportunities without pushing our country into greater debt. Unfortunately, this bill fails on all accounts.

□ 1720

Mr. FRANK of Massachusetts. I yield 1 minute to my colleague, the gentleman from Minnesota (Mr. PETERSON), the chairman of the Agriculture Committee.

Mr. PETERSON. Mr. Speaker, I would like to enter into the RECORD a letter that Chairman FRANK and I received from Chairmen LINCOLN and DODD on the treatment of end users under the derivatives title of the bill. As the letter makes clear, we have given the regulators no authority to impose margin requirements on anyone who is not a swap dealer or a major swap participant.

While the regulators do have authority over the dealer or MSP side of a transaction, we expect the level of margin required will be minimal, in keeping with the greater capital that such dealers and MSPs will be required to hold. That margin will be important, however, to ensure that the dealer or major stock participant will be capable of meeting their obligations to the end users. We need to make sure that they have that backing.

I would also note that few, if any, end users will be major swap participants, as we have excluded "positions held for hedging or mitigating commercial risk" from being considered as a "substantial position" under that definition.

I would ask Chairman FRANK whether he concurs with my view of the bill.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. FRANK of Massachusetts. I yield the gentleman 15 additional seconds.

And the gentleman is absolutely right. We do differentiate between end users and others. The margin requirements are not on end users. They are only on the financial and major swap participants. And they are permissive. They are not mandatory, and they are going to be done, I think, with an appropriate touch.

U.S. SENATE,

Washington, DC, June 30, 2010.

Hon. Chairman BARNEY FRANK,
Financial Services Committee, House of Representatives,
Rayburn House Office Building,
Washington, DC.

Hon. Chairman COLLIN PETERSON,
Committee on Agriculture, House of Representatives,
Longworth House Office Building,
Washington, DC.

DEAR CHAIRMEN FRANK AND PETERSON: Whether swaps are used by an airline hedging its fuel costs or a global manufacturing company hedging interest rate risk, derivatives are an important tool businesses use to manage costs and market volatility. This legislation will preserve that tool. Regulators, namely the Commodity Futures Trading Commission (CFTC), the Securities and Exchange Commission (SEC), and the prudential regulators, must not make hedging so costly it becomes prohibitively expensive for end users to manage their risk. This letter seeks to provide some additional background on legislative intent on some, but not all, of the various sections of Title VII of H.R. 4173, the Dodd-Frank Act.

The legislation does not authorize the regulators to impose margin on end users, those exempt entities that use swaps to hedge or mitigate commercial risk. If regulators raise the costs of end user transactions, they may create more risk. It is imperative that the regulators do not unnecessarily divert working capital from our economy into margin accounts, in a way that would discourage hedging by end users or impair economic growth.

Again, Congress clearly stated in this bill that the margin and capital requirements are not to be imposed on end users, nor can the regulators require clearing for end user trades. Regulators are charged with establishing rules for the capital requirements, as well as the margin requirements for all uncleared trades, but rules may not be set in a way that requires the imposition of margin requirements on the end user side of a lawful transaction. In cases where a Swap Dealer enters into an uncleared swap with an end user, margin on the dealer side of the transaction should reflect the counterparty risk of the transaction. Congress strongly encourages regulators to establish margin requirements for such swaps or security-based swaps in a manner that is consistent with the Congressional intent to protect end users from burdensome costs.

In harmonizing the different approaches taken by the House and Senate in their respective derivatives titles, a number of provisions were deleted by the Conference Committee to avoid redundancy and to streamline the regulatory framework. However, a consistent Congressional directive throughout all drafts of this legislation, and in Congressional debate, has been to protect end users from burdensome costs associated with margin requirements and mandatory clearing. Accordingly, changes made in Conference to the section of the bill regulating capital and margin requirements for Swap Dealers and Major Swap Participants should not be construed as changing this important Congressional interest in protecting end users. In fact, the House offer amending the capital and margin provisions of Sections 731 and 764 expressly stated that the strike to the base text was made "to eliminate redundancy." Capital and margin standards should be set to mitigate risk in our financial system, not punish those who are trying to hedge their own commercial risk.

Congress recognized that the individualized credit arrangements worked out between counterparties in a bilateral transaction can be important components of business risk management. That is why Congress specifically mandates that regulators permit the use of non-cash collateral for counterparty arrangements with Swap Dealers and Major Swap Participants to permit flexibility. Mitigating risk is one of the most important reasons for passing this legislation.

Congress determined that clearing is at the heart of reform—bringing transactions and counterparties into a robust, conservative and transparent risk management framework. Congress also acknowledged that clearing may not be suitable for every transaction or every counterparty. End users who hedge their risks may find it challenging to use a standard derivative contracts to exactly match up their risks with counterparties willing to purchase their specific exposures. Standardized derivative contracts may not be suitable for every transaction. Congress recognized that imposing the clearing and exchange trading requirement on commercial end-users could raise transaction costs where there is a substantial public interest in keeping such costs low (i.e., to provide consumers with stable, low prices, promote investment, and create jobs.)

Congress recognized this concern and created a robust end user clearing exemption for those entities that are using the swaps market to hedge or mitigate commercial risk. These entities could be anything ranging from car companies to airlines or energy companies who produce and distribute power to farm machinery manufacturers. They also include captive finance affiliates, finance arms that are hedging in support of manufacturing or other commercial companies. The end user exemption also may apply to our smaller financial entities—credit unions, community banks, and farm credit institutions. These entities did not get us into this crisis and should not be punished for Wall Street's excesses. They help to finance jobs and provide lending for communities all across this nation. That is why Congress provided regulators the authority to exempt these institutions.

This is also why we narrowed the scope of the Swap Dealer and Major Swap Participant definitions. We should not inadvertently pull in entities that are appropriately managing their risk. In implementing the Swap Dealer and Major Swap Participant provisions, Congress expects the regulators to maintain through rulemaking that the definition of Major Swap Participant does not capture companies simply because they use swaps to hedge risk in their ordinary course of business. Congress does not intend to regulate end-users as Major Swap Participants or Swap Dealers just because they use swaps to hedge or manage the commercial risks associated with their business. For example, the Major Swap Participant and Swap Dealer definitions are not intended to include an electric or gas utility that purchases commodities that are used either as a source of fuel to produce electricity or to supply gas to retail customers and that uses swaps to hedge or manage the commercial risks associated with its business. Congress incorporated a de minimis exception to the Swap Dealer definition to ensure that smaller institutions that are responsibly managing their commercial risk are not inadvertently pulled into additional regulation.

Just as Congress has heard the end user community, regulators must carefully take

into consideration the impact of regulation and capital and margin on these entities.

It is also imperative that regulators do not assume that all over-the-counter transactions share the same risk profile. While uncleared swaps should be looked at closely, regulators must carefully analyze the risk associated with cleared and uncleared swaps and apply that analysis when setting capital standards for Swap Dealers and Major Swap Participants. As regulators set capital and margin standards on Swap Dealers or Major Swap Participants, they must set the appropriate standards relative to the risks associated with trading. Regulators must carefully consider the potential burdens that Swap Dealers and Major Swap Participants may impose on end user counterparties—especially if those requirements will discourage the use of swaps by end users or harm economic growth. Regulators should seek to impose margins to the extent they are necessary to ensure the safety and soundness of the Swap Dealers and Major Swap Participants.

Congress determined that end users must be empowered in their counterparty relationships, especially relationships with swap dealers. This is why Congress explicitly gave to end users the option to clear swaps contracts, the option to choose their clearinghouse or clearing agency, and the option to segregate margin with an independent 3rd party custodian.

In implementing the derivatives title, Congress encourages the CFTC to clarify through rulemaking that the exclusion from the definition of swap for “any sale of a non-financial commodity or security for deferred shipment or delivery, so long as the transaction is intended to be physically settled” is intended to be consistent with the forward contract exclusion that is currently in the Commodity Exchange Act and the CFTC's established policy and orders on this subject, including situations where commercial parties agree to “book-out” their physical delivery obligations under a forward contract.

Congress recognized that the capital and margin requirements in this bill could have an impact on swaps contracts currently in existence. For this reason, we provided legal certainty to those contracts currently in existence, providing that no contract could be terminated, renegotiated, modified, amended, or supplemented (unless otherwise specified in the contract) based on the implementation of any requirement in this Act, including requirements on Swap Dealers and Major Swap Participants. It is imperative that we provide certainty to these existing contracts for the sake of our economy and financial system.

Regulators must carefully follow Congressional intent in implementing this bill. While Congress may not have the expertise to set specific standards, we have laid out our criteria and guidelines for implementing reform. It is imperative that these standards are not punitive to the end users, that we encourage the management of commercial risk, and that we build a strong but responsive framework for regulating the derivatives market.

Sincerely,

Chairman CHRISTOPHER DODD,
Senate Committee on Banking, Housing, and Urban Affairs, U.S. Senate.

Chairman BLANCHE LINCOLN,
Senate Committee on Agriculture, Nutri-

tion, and Forestry, U.S. Senate.

Mr. BACHUS. At this time I yield 4 minutes to the gentleman from California (Mr. ROYCE), a senior member of the committee.

Mr. ROYCE. Mr. Speaker, yesterday a small community banker in Ohio by the name of Sarah Wallace wrote a letter. She wrote about what she believed will be the end of community banking as we know it. And Sarah Wallace notes, in her words: “Going forward, we will no longer be able to evaluate loan applications based solely on the creditworthiness of the borrower. We will be making regulation compliance decisions instead of credit decisions.”

And this gets to the heart of the issue with the underlying legislation that we're discussing. Despite the fact that every failed financial firm had some type of Federal regulator overseeing it, the answer put forward in this bill is to give broad, largely undefined powers to those regulators and not, by the way, in the interest of safety and soundness. If the objective was safety and soundness, the amendment that I put forward to allow the safety and soundness regulator to overrule the Consumer Financial Protection Bureau in cases where safety and soundness was at stake, that would have been upheld. No, that's not the goal here.

And to get back to the point that Sarah Wallace makes, her observation is that instead of focusing on providing credit and providing the best possible service to the customers in these small towns that need that credit, these institutions will instead focus their efforts on appeasing the Federal Government and on appeasing their allies in Congress.

Well, why should that give us concern? It should worry us because whether it is striving toward another altruistic goal, such as Congress' interest in subsidizing housing—and by the way, that's what happened during the housing crisis—or whether it's funneling cash into friendly community activist organizations, like ACORN, the fact is, the closer big government gets to business, the more likely these favors will become the rule instead of the exception.

What I don't like about this is the political pull that comes out of it. What I don't like about it is the market discipline being replaced. And I think on a massive scale, this bill replaces objectivity with subjectivity. It replaces the market discipline on Main Street with political pull in Washington, and regulators will now decide which firms will be treated differently and, therefore, moved through the resolution process and which firms should be left to the bankruptcy courts.

Why would we care about that in terms of these big firms having this ability now to have this alternative

means of resolution? Well, once in the resolution process, the government will have the authority to provide a 100 percent bailout to whichever creditor it favors while imposing severe losses on other institutions who bought the exact same bonds. Should we be concerned about abuse in this respect? I think so, because this type of bureaucratic discretion has led to abuse in the past.

We have already seen that abuse in the Obama administration's handling of the Chrysler bankruptcy last year. Secured creditors, typically entitled to first priority payment under the absolute priority rule, ended up receiving less than the union allies of the administration who held junior creditor claims. The fact that the regulatory reform approach injects politics into the process ensures this kind of favoritism in the future.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield 1 minute to the gentleman from Maryland (Mr. HOYER), the majority leader.

Mr. HOYER. I thank the chairman for yielding, and I congratulate the chairman for the extraordinary work he has done. I thank Mr. BACHUS too, who is, I think, one of the really responsible leaders in the minority in terms of issues of substance. And when there are differences, they are honest differences.

Mr. Speaker, I come to the floor, and when I do, I hear portions of the debate, sometimes not all of the debate. I want to make an observation, though. I listened to the gentleman from New Jersey, and he remarked on what the people were saying. And I think that, frankly, his remarks reflected the difference in the perspective between the two parties.

Indeed, that perspective has been reflected in my three decades here, under Mr. Reagan and others who have served as President and lastly with Mr. Bush, Mr. Obama's immediate predecessor. And that perspective was, if the regulators would simply get out of the way, things would be fine. Mr. ROYCE indicates that the market will take care of things. "The market will discipline itself," he said. Phil Gramm said that with respect to the derivatives.

Unfortunately, I voted for that bill that Mr. Gramm was for. I made a mistake. Brooksley Born was correct. The market did not discipline itself. In fact, the market took extraordinarily irresponsible steps. What I hear, I tell my friend from New Jersey, the people saying is, Don't let the big guys trample on us. Don't let the big guys put us at great risk. Don't let the big guys make decisions that they take the risk and we take the loss. That's what I hear the people saying, and that's what I think this bill is designed to respond to.

This week Mr. BOEHNER compared reforming Wall Street to killing an ant

with a nuclear weapon. Well, that may sound colorful, but this is the greatest economic crisis that any of us—I'm looking around on this floor—have experienced in our lifetimes. And I am closer to experiencing the last one than any of you, I think, on the floor are. But none of us, even at my advanced age, were alive during the Great Depression. So this is the first time that we have experienced such a deep, deep recession.

But I will tell you, the 8 million Americans whose jobs it took away think it was a mighty big ant that squashed them and their families, or the millions more who saw their savings devastated or the families in every one of our districts who have lost their homes. They're thinking to themselves, Mr. BOEHNER, that was a mighty big ant that came my way. And not to more than half of the Nation's working adults who report that they have been pushed by the recession into "unemployment, pay cuts, reduced hours at work or part-time jobs," according to a Pew Research Center Survey reported in today's Washington Post.

□ 1730

Now, some of you may think that was an ant that walked through here, but some think it was a pretty big elephant. It squashed them and hurt them.

I don't mean an elephant in the symbol of your party, a respected animal with a long memory.

But we have differences, and the differences are, as I've said before, that you perceive regulation as harmful.

My analogy is, if you take the referee off the football field, I guarantee the split end's going to leave early. He's going to try to get an advantage. And I guarantee the little guys on the field are going to get trampled on by the big guys because there's no referee to say, Time out. You broke the rules.

This bill is about putting the referee back on the field and saying, Obey the rules. Do not trample on the little people. Don't take risks that you will expect them to pay for.

More than half, Mr. Speaker, of today's families have been affected. There is no way to overstate what happened to them, and there is no mistaking the cause of the crisis: The Wall Street culture of reckless gambling, and a culture of regulatory neglect that the last administration wants to perpetuate it, and some want to return to.

I simply think that would be a mistake. I tell my friend from New Jersey, the people I talk to think it would be a mistake as well. They don't like what's happened. They don't want it to happen again, and this is an effort to make sure that's the case.

Never again. Never again should Wall Street greed bring such suffering to our country. And never again should Wash-

ington stand by as that greed manifests itself as irresponsible risk taking where a few share the profits, but Main Street bears the brunt of Wall Street's lost bets.

Now, let me say that I voted for that bill—I was wrong—the Gramm bill that said Brooksley Born was wrong, we didn't need to regulate derivatives. And by the way, there were a number of Democrat leaders who said that as well, that we didn't need to, and Mr. Greenspan said it as well. He's admitted he made a mistake, and he was distressed by that mistake.

Now, we can't erase that crisis, but we can work to rebuild what we lost. As Democrats have done every time, we've supported job creation, from the Recovery Act to "Cash for Clunkers" to the HIRE Act to the additional tax relief for small businesses, that's, frankly, been obstructed by the minority party in the other body who have made a high-stakes political bet on recovery's failure. That would be a shame.

We can also, just as any responsible family would, ensure ourselves against a repeat crisis and protect America's jobs from another devastating collapse. The Wall Street Reform and Consumer Protection Act, which Mr. FRANK and Mr. DODD have led to this point, means an end to the irresponsible practices of the big banks.

And I want to say the community banks, which I think Mr. ROYCE referred to, he's absolutely right. They were not the problem, none of our community banks. They, frankly, cared that people could pay their money back, and they were careful in giving loans and careful in making sure that people to whom they gave loans could pay them back.

It was those who securitized them, that put them in these big, fancy documents, that didn't care whether they could pay them back because, for the most part, they made their money on the transaction, not on the long-term responsibility of the debtor.

I'm happy that among our financial institutions there are responsible actors who appreciate effective oversight and understand that it stimulates investment, enterprise, entrepreneurship, and job creation. Why? Because people can trust the system because they know the referee is on the field watching, and they know, therefore, the game will be honest.

No bill, of course, can create an economy without risk, nor should it. But this bill will bring accountability to Wall Street and Washington, protect and empower consumers, forestall future financial meltdowns, and prevent taxpayer money from being put on the line again to bail out Wall Street excess.

I want to say to my friend who mentioned that we bailed out Wall Street, how quickly you forget that it was

President Bush and Secretary Paulson and Ben Bernanke, appointed as Chair of the Federal Reserve by President Bush, that asked for that bill; and that your leadership, for the most part, supported and urged its adoption. So, with all due respect, it was President Bush's administration that asked for that bailout, not Democrats.

What Democrats did, when they said there was a crisis, acted in a bipartisan way to respond to that crisis. And, very frankly, I think we precluded a depression.

Americans have an obligation of responsible borrowing, but financial companies also have responsibilities to make loans fair and transparent. By creating a Consumer Financial Protection Bureau, we can make sure that both sides live up to that bargain.

The Consumer Financial Protection Bureau will strengthen and modernize oversight of Wall Street by putting the functions of seven different agencies in one accountable place. It seems to me that that would appeal to people who want not so much proliferation of various agencies crossing one another.

In addition, corporations like AIG and Lehman Brothers will no longer be able to make the kind of gambles that risk the health of our entire economy and, indeed, the world's. Institutions that place the biggest economic bets will be required to keep capital on hand to meet their obligations, should those bets fail, and not expect the taxpayer to do that.

This bill also reduces the conflicts of interest that allowed credit rating agencies to wrongfully declare such institutions in good health long after they were dangerously overloaded. Of course, the regulators weren't watching. There was a philosophy, of course, that regulation got in the way.

And it prudently regulates the inherently dangerous derivatives that Warren Buffett called, and I quote, "weapons of financial mass destruction" for the ability to bring down entire economies when bets go bad.

Should a major firm still find itself on the verge of collapse, this bill insulates the rest of the economy and keeps taxpayers off the hook, off the hook for any future bailouts.

Mr. Speaker, a tremendous amount of irresponsibility in Washington and on Wall Street went into the crisis from which we are still struggling to recover. That crisis, of course, started in December 2007. Actually, it started long before that, as I said, in the late nineties. Middle class families who worked hard and played by the rules overwhelmingly paid the price.

But there's a kind of irresponsibility even worse, failure to learn. We know what greed and neglect can do. None of us can plead ignorance.

Let's show, Mr. Speaker, ladies and gentlemen of this House, that we've learned something from the crisis.

Let's keep it from happening again. That is, I tell my friend, what I hear from my constituents. They want to have us stop it from happening again. They're angry about it. I'm angry about it. I'm sure that the ladies and gentlemen on both sides of the aisle are angry about it. This is an opportunity to ensure, to the extent we possibly can, that this tragedy to so many millions of families does not happen again.

Mr. GARRETT of New Jersey. Will the gentleman yield for a question?

Mr. HOYER. I yield to my friend.

Mr. GARRETT of New Jersey. I thank the gentleman, and I appreciate the gentleman's comments.

Would the gentleman just agree with this statement, though, that neither I nor, I think, anyone on our side of the aisle take the view that we want no regulation, that we are proposing no reform; that, actually, we have presented a proposal for reform, prior, to the administration, that we do believe we need some reform differing in approach and an approach that we and some believe would end the perpetual bailouts? Would you agree that we just come from a different perspective and just want to have a different proposal?

Mr. HOYER. Reclaiming my time, I thank the gentleman for his question.

As I said at the outset, I do believe we come from a different place. And I do believe it is accurate to state that all of the Republican Presidents who have served during the time that I have served have advanced the proposition that regulation at the Federal level was overburdensome and it ought to be reduced.

Certainly, we ought to reduce regulation that is neither effective and is intrusive to the growth of our economy and to the effective operation of businesses. But with respect to that, I say to my friend, I think what we saw during the last decade was an excessive commitment, as Mr. Greenspan pointed out, to the proposition, as Mr. ROYCE stated, Just get out of the way; they will discipline themselves.

□ 1740

Frankly, the split end that leaves 2 seconds early because the referee is not on the field is not a bad person. He is trying to get an advantage. And that's the difference I think between our perspectives. I understand that difference of the perspectives, so I agree with you that we do have a difference in perspective. I believe this strikes the right balance.

And I yield to my friend the chairman.

Mr. FRANK of Massachusetts. I would just say to the gentleman from New Jersey, I can only judge by what I see. When the House voted on this bill last December, the minority had certain amendments made in order by the rules, not as many as they would have liked or as I would have liked, but in

the end they had the motion to recommit, over which they had complete editorial control. The motion to recommit on this version of this bill that passed the House last December from the minority said no regulation, no reform of regulation.

It had one provision. It said kill everything in the bill. It didn't say do it differently. It didn't amend it. It didn't change it. It said do not change anything. Do not reform anything except end the TARP, which thanks to the Senate we are now doing in this bill.

So I can only judge by what I see. When the gentleman says that, when the minority had a chance to offer their own version of this, they offered a version that said no, no reform, no change, no regulation, leave the status quo.

Mr. HOYER. Reclaiming my time, and I will now leave the stage after a little more than my minute, I will say to my friend that the chairman's answer, I think, reflects my view of our different perspectives.

Mr. BACHUS. Mr. Speaker, at this time I yield 5 minutes to the gentleman from Texas (Mr. HENSARLING), the ranking member on the Financial Institutions Subcommittee.

Mr. HENSARLING. I thank the gentleman for yielding.

Mr. Speaker, the cause of our financial crisis is really Federal policy that strong-armed, that cajoled, that facilitated financial institutions to loan money to people to buy homes who couldn't afford to keep them, and people who decided to buy more home than they could afford and now expect their neighbors who didn't to bail them out.

I mean, Mr. Speaker, it's not a matter of deregulation; it was a matter of dumb regulation. And there was no dumber regulation than that which created the government-sponsored enterprises, and gave them an affordable housing mission, and ended up buying the lion's share of troubled mortgages, or insuring the troubled mortgages in the system. Again, it wasn't deregulation; it was dumb regulation. And all this bill before us does is perpetuate the same dumb regulations that got us into this financial pickle in the first place.

The bill before us doesn't go to the root cause. It leaves the government-sponsored enterprises, which represent among other things the mother of all taxpayer bailouts, \$147 billion and counting, with \$1 trillion of taxpayer exposure. They are left in place. Amendments Republicans offered to reform the government-sponsored enterprises, no, those are somehow out of order. Amendments that would have put them on budget, no, those are somehow out of order.

And in fact, an amendment—there is only one little study in this. There are lots of studies; only one study dedicated to the government-sponsored enterprises. An amendment that would

have ensured the study at least try to figure out how to make the taxpayer whole, the Democrats voted that down. They are even scared of a study that would somehow try to make the taxpayers whole.

Instead, what does this bill do, Mr. Speaker? It creates a permanent bailout authority. There is only one reason to have a bailout authority, and that's for bailouts. If you want more taxpayer-funded bailouts, this is the bill for you. To paraphrase a line from the old Kevin Costner movie "Field of Dreams," If you build it, they will come. That's the whole reason to have a bailout authority.

The Federal Government can lend to failing firms. They can purchase the assets of failing firms. The Federal Government can guarantee the obligations of failing firms. The Federal Government can take a security interest in the assets of failing firms. This is a bailout authority. The big will get bigger, the small will get smaller, the taxpayer will get poorer.

Now, I know our friends on the other side of the aisle continue to say, well, the taxpayer's not going to have to pay anything. Well, the Congressional Budget Office, headed by a Democrat, they seem to differ. I have a copy of their analysis of the bill dated June 28. "CBO estimates that enacting the legislation would increase direct spending by \$26.9 billion. Most of that amount would result from provisions that would establish a program for resolving certain financial firms that are insolvent or in danger of becoming insolvent." Now, they are notorious for lowballing these estimates, but even they say that ultimately taxpayers will be called upon for this bailout authority.

Mr. Speaker, the best way to end taxpayer bailouts of failing firms is to end taxpayer bailouts of failing firms. And that's really the choice presented before us. Bankruptcy versus bailouts for failed Wall Street firms. The Democrats obviously choose bailouts.

Second of all, Mr. Speaker, this is a job killer, pure and simple a job killer. It creates a new Federal institution to ban and ration consumer credit. The Chamber of Commerce, representing Main Street not Wall Street, estimates this will increase consumer interest 1.6 percent and that 4.3 percent fewer new jobs will be created.

I hear from community bankers in my district. Cad Williams, East Texas National Bank: "If I have more compliance costs, and the Federal Government is going to limit the types of customized credit products I can offer, we will lose jobs in Anderson County, Texas."

I hear from constituents. Small businessman Tim Ratcliff of Combine, Texas: "I own a small business. I am a distributor for promotional products that come from suppliers all over the country. Without easy, reliable access to that credit, I am out of business."

Mr. Speaker, again, this is a job killer. I haven't even talked about the huge new expansion of government within this bill. This should be defeated.

Mr. FRANK of Massachusetts. I yield 1 minute to the Speaker of the House.

Ms. PELOSI. I commend the gentleman for his great leadership, and I thank him for yielding time.

Mr. Speaker, as I listened to the debate here, I can't help but remember, and I have a vivid memory of it, a couple of years ago, almost 2 years ago, September 18, a Thursday afternoon, we were gathered in our office, and had just seen in the week and a half preceding, a week and a half to 2 weeks preceding that day, some unusual events that related to Lehman Brothers, Merrill Lynch, and then AIG and the Fed bailout of AIG.

I called the Secretary of the Treasury and said, We are meeting here in my office, and wondered if we could be helpful in any way in terms of public policy, because what we seem to see coming out from the executive branch is chaos. Different responses to different challenges that were not adding up to us. Could you, Mr. Secretary, come to the Congress tomorrow and give us a report on what is happening? And I said could you be here at 9 o'clock tomorrow morning to tell us what is happening to the markets? Secretary Paulson said, "Madam Speaker, tomorrow morning will be too late." Tomorrow morning will be too late. "Why, Mr. Secretary, have you not notified Congress? Why have you not called us sooner? Why would it take a call from me to ask you to report to us to tell us that tomorrow morning will be too late?"

Without going into his response, which I am happy to do, but in the interests of time I won't now, I then called the Chairman of the Fed, Chairman Bernanke, and asked him to join the Secretary of the Treasury at my office later that day.

The meeting turned into a meeting that was House and Senate, Democrats and Republicans gathered together to hear from the Secretary of the Treasury the condition of the markets. The Secretary, who had told us that we couldn't even wait until the next morning, described a very, very grim situation.

□ 1750

The chairman of the Fed, who was an expert on the Great Depression, told us that the situation was so grim that if we did not act immediately, there would be no economy by Monday. This is Thursday night. There would be no economy by Monday. How could it be? We, the greatest country in the world with the strongest economy, yet we needed to act immediately.

The response from the Bush administration was a bailout of the banks. And

at a 24-hour/48-hour period they produced a bill, \$700 billion, that they asked the Congress to pass to bail out the banks. It was necessary to do because of the recklessness of the Bush administration's economic policy, because of the lack of supervision, discipline, regulation. The recklessness on Wall Street had taken us to the brink of a financial crisis of such magnitude that the chairman said there wouldn't be an economy by Monday.

Took us into deep recession where 8½ million jobs were lost. People lost their jobs, therefore in many cases their health insurance. They lost their pensions, they lost their savings, they had to live off savings, and they lost their investments for their children's education. Because of recklessness on Wall Street, joblessness was rampant on Main Street.

One of the reasons was there was no credit. It's interesting to hear my colleagues talk about the importance of credit to Main Street, but not one of them voted for the Small Business Credit bill that passed in this Congress about a week ago.

But in any event, joblessness, lack of credit, suppressing the entrepreneurial spirit of the United States of America, because there were some, not all, but some on Wall Street who decided it was okay to privatize the game as long as they were making money and nationalize the risk. Send the bill to the taxpayer when they were not. That's why we are here today to make sure that never happens again, to say to them that the party is now over.

And it's interesting to note that in that message, not one Republican participated when this bill came to the floor originally. And that was the end of last year. Years of allowing Wall Street to do anything it wants, beyond laissez faire, to be overleveraged, no transparency, no accountability, produce the most severe financial crisis and economic downturn since the Great Depression—and the American people paid the price.

Again, 8 million jobs, nearly \$17 trillion in net worth disappeared. A record number of foreclosures ravaged our communities. And, again, credit disappeared from small businesses. This also had a tremendous impact on construction in our country because of the lack of loans.

Today, I rise with the clear message that the party is over. No longer again will recklessness on Wall Street cause joblessness on Main Street. No longer will the risky behavior of a few threaten the financial stability of our families, our businesses, and our economy as a whole.

The Wall Street Reform and Consumer Protection Act has been appropriately named for Chairman DODD and Chairman FRANK, and I thank them for their leadership. In doing so, in bringing this legislation before the Congress, Chairman FRANK and Chairman

DODD are making history. For decades to come their names will be identified with historic reforms to protect the economy of our country and the financial and economic security of the American people.

I also want to acknowledge Chairman COLLIN PETERSON who carefully negotiated some of the most contentious positions of this legislation working with Chairwoman LINCOLN on the Senate side. All of the Democratic conferees, I thank you for your commitment for making the strongest bill possible and for always putting America's consumers first.

Today we will follow the lead of those on the committee enacting historic legislation to bring transparency to our financial markets, lowering the leverage that got us into this trouble in the first place, bringing tough oversight to Wall Street, and bringing consumer protection to Main Street and to the American people.

By voting "yes," we will pass the toughest set of Wall Street reforms in generations. This comprehensive and far-reaching legislation injects transparency and accountability as it lowers leverage and to the financial system run amok under the Republicans' reckless economic policies.

This legislation makes commonsense reforms that end the era of taxpayer bailouts and "too big to fail" financial firms. It establishes a new independent agency solely dedicated to protecting Americans from anticonsumer abuses. The bill closes the door on predatory lending and regulates payday lenders. It includes provisions to allow us to conduct oversight over the Fed, establishes tough rules for risky financial practices, enhances oversight for credit rating agencies, and reins in egregious CEO bonuses by giving shareholders a say on executive pay.

It sheds light on the darkest corners of the derivatives market and is fully paid for. And how is it paid for? By shutting down the Bush-era bailout fund known as the TARP and using the savings for financial reform.

As we cast our votes today, each Member of this body faces a choice. We have had these choices before. Democrats wanted to rein in health insurance companies; the Republicans said no. Democrats wanted to rein in Big Oil; the Republicans said no. Democrats want to rein in the recklessness of some on Wall Street; the Republicans are saying no.

Each Member of this body will have a choice. We can place our bet on the side of those on Wall Street who have gambled with our savings and lost, or we can stand with Main Street and the middle class. Will we preserve a status quo? And if this bill were to fail, we would be preserving a status quo that has left our economy in a wretched state. Or will we guarantee the American people strong reforms and effec-

tive vigilance to prevent another financial crisis?

How can we possibly resist the change that must happen? How can we forget that the chairman of the Fed said if we do not act, we will not have an economy by Monday—4 days from when we were having the conversation? How can we let the status quo that created that condition to continue?

I urge my colleagues to choose on the side of Main Street. I urge you to build a future of stability and security for America's families, consumers, and small businesses. I urge you to vote "aye" on the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Mr. BACHUS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I hear two people that I know are leaders of the majority; and they each, Mr. HOYER and Ms. PELOSI, I know they appear to be sincere when they say that never again will the American people be asked to bail out those on Wall Street who made reckless deals; no longer will the taxpayer be put on the hook.

□ 1800

Yet there is an inconvenient truth here for my Democratic friends, and that is the clear wording of the bill. I mean I think it is elementary that before we pass legislation that we read it. I would not repeat this except that my colleagues in the majority continue to say time after time after time that there is no bailout, and there is. There is an AIG-style bailout. Now, AIG cannot be saved under this legislation. In fact, we changed that, and we both insisted in a bipartisan way that the AIGs of today will not survive. They will not survive under this bill. AIG, under this bill—and in bipartisan way we agree—failed. We say we put the AIGs into bankruptcy, and they are resolved in that way. My Democrat colleagues say that an AIG-like failing company will be put in an FDIC supervised resolution authority.

Now, Mr. FRANK is correct when he says, Wait a minute. Wait a minute. This only occurs when these firms are being placed in liquidation. They are being liquidated.

Well, now, I agree with him, but is there no bailout of anyone on Wall Street? Well, of course there is. It is a very expensive bailout.

In the Dodd-Frank bill, it is section 204D(1-6). I mean, go write this down. Go and read it. It says that the FDIC can, one, lend to a failing firm; two, purchase the assets of a failing firm; three, guarantee the obligation of a failing firm; four, take a security interest in the assets of a failing firm; five, and/or sell the assets that the FDIC has acquired from the failing firm.

Why would you lend a failing firm money? I keep asking that. The second thing is: Where is the bailout fund in this bill?

There is no bailout fund in this bill. There is \$19 billion that is assessed towards community banks. They are FDIC assessments that are raised, which are about \$9 billion, and there is the TARP program that ended 3 months sooner than it should have. We were told somehow, because we were not going to start any new programs in that 3 months, that somehow—hocus-pocus—it saves us about \$10 billion. It is hocus-pocus because you cannot spend the money on the new programs in this bill and then turn around and suddenly pull out of a hat that same money and give it back to the taxpayers. It just doesn't happen.

Also, Speaker PELOSI may forget that one of the first signs of trouble was not in September of 2008 but in July of 2008 when we suddenly realized that Fannie and Freddie were insolvent and that many of our banks, almost all of our banks, had major positions in their shares. Why did they have major positions in the shares of Fannie and Freddie? They lost all of that money because the government had said, If you'll invest in that, we'll give you a special rating, and we'll count it as the same as treasuries. It disappeared overnight.

Now, that was in July, not in September. Banks took a hit on that. The Democrats said at that time—and the Bush administration and Secretary Paulson—we've got to give \$400 billion to Fannie and Freddie because, in 1999, under the Clinton administration, you said let's loan to people with poor credit; let's loan to people without much of a downpayment. Republicans and Democrats both rushed to use this as a source of cheap money, and it failed.

Republicans said—and still say and say as this bill is on the floor—wait a minute. You're going to reform these companies before you pour taxpayer dollars in them. Every Republican in the House voted, no, we will not give them taxpayer money until they are reformed and there is a plan to liquidate them.

The chairman says we need to liquidate them. What about Fannie and Freddie? Why aren't we liquidating them? We're not. The biggest bailout that we've had is of Fannie and Freddie. Who did we bail out? Did we bail out the banks that had shares? No, we bailed out the Chinese bondholders. Secretary Paulson said, You know what? The Chinese might not lend us any money.

Let me tell you that we'll sure need the Chinese to lend us money if this bill passes, because there is a derivatives section in here.

Now, we have a letter that Chairman PETERSON produced, which said this doesn't affect end users, but it's a letter. The truth is we were in conference last week when we fought this out, and we voted for an exemption for end users. The Democrats voted against

one. We've been told in the past 48 hours, 72 hours, by groups like the International Swap and Derivatives Association that this bill will cost businesses \$1 trillion. \$1 trillion. That is capital. It doesn't matter whether they trade on the derivatives or if someone does it for them. Someone has to post that capital, and that goes through and is an expense for that commercial company.

If you take \$1 trillion out of the economy suddenly, sure, you are going to have a crisis like this bill anticipates. This bill says, if there is such a crisis, then a receiver is appointed. Chairman FRANK keeps saying, A receiver is appointed. A receiver is appointed.

That's right. That receiver, after 30 days, is authorized to borrow 90 percent of the fair value of the failing companies.

Chairman FRANK, that is \$8.5 trillion. That money is not in this bill. There is not even \$10 billion in this bill for this type of resolution. So you have to go to the banks or you have to go to the financial companies or you're going to get it after the fact. If they're failing, how are they going to pay it?

I want to close with a positive. The 320 Members of this House who took a stand can take a stand in just a few minutes.

COLLIN PETERSON, Chairman PETERSON, said that there are no requirements that end users post margins. We all agree that, if they had to, it would be \$1 trillion out of these companies. \$1 trillion, according to JOE BIDEN, will produce 700,000 to 1.4 million jobs and will produce as many as 200,000 jobs a month. So that is the hit to this economy if this does apply to end users.

So we have a motion to recommit. First, it says there is an exemption on end users. Now, you have said that there is one, and you have this letter from Chairman DODD and BLANCHE LINCOLN saying there is one, so that's half of it. So you'd vote for that because you're saying it's in there.

Secondly, there is the Federal audit. We need the taxpayers to demand—and the voters are demanding—of Mr. HOYER transparency at the Fed. They are spending trillions of dollars. They are committing trillions of dollars. Let's have this audit of the Fed.

Mr. Speaker, the American people are sick and tired of back room deals and secret manipulations of the economy to benefit political cronies at the expense of taxpayers.

The voters and taxpayers are demanding transparency and accountability and they will not be pacified with false promises or misdirection. Calling a bank tax an "assessment" fools no one, especially the voters.

That's why I will be offering a motion to recommit at the conclusion of this debate that will replace the weak Federal Reserve Audit in the conference report with a robust provision patterned after a bill co-sponsored by 320 members of this House when it was offered by Congressman PAUL.

Taxpayers want to see for themselves what their government is doing with their money. And that includes specifically the Federal Reserve, an institution that has unfettered powers and whose errors of judgment were a contributing cause of the financial crisis.

Monetary policy fueled the credit boom and bust cycle. The Fed needs to be held accountable for any mistakes it has made in the past and any it may be making now. Failing to hold the Fed accountable increases the likelihood of those mistakes being repeated in the future, and exposes taxpayers to an unacceptable level of risk.

The American people support a full audit of the Federal Reserve System to achieve the level of transparency needed to protect taxpayer dollars and ensure accountability.

With each taxpayer dollar it committed during the financial crisis, the Fed assured the American people they would not take losses. American taxpayers deserve more than the central bank's assurances; they deserve proof. A full audit of the Federal Reserve System is the only way to create the openness that a democratic society like ours demands.

The second element of the Motion to Recommit attempts to correct one of the most damaging aspects of this bill and that is saying a lot because there are a number of seriously misguided provisions in this legislation.

Several items in the conference report will impact companies' ability to create jobs.

It has been reported that BP and Enron have tried to manipulate markets using derivatives but we do not need any new law to regulate that kind of illegal activity. It is already illegal. We do need regulators to enforce the rules.

The lack of an end user exemption for commercial companies in the derivatives title will pull an estimated one trillion dollars of resources from job creation and investment.

Coincidentally, the combined stimulus packages enacted in the last two years also amounts to about one trillion dollars. Vice President Biden told us on June 2nd that the Obama stimulus package alone would result in the creation of between 700,000 and 1.4 million jobs in the remainder of 2010. Under the vice president's logic, diverting one trillion dollars from productive commercial business capital could presumably destroy up to 1.4 million jobs.

Instead of allocating precious resources to hire more people or increase wages, commercial companies will have to post capital every time they enter into a derivatives contract to hedge against legitimate business risk.

If this legislation—supposedly intended to regulate the financial services industry—is enacted, capital requirements will force non-financial companies to abandon legitimate hedging strategies and accept excessive volatility at a cost that will ultimately be borne by their customers and employees.

Margin requirements for "end-users" are not a new issue for Members of the House. Chairman FRANK tried to insert an amendment in the House bill last December which would have explicitly allowed regulators to set margin requirements for end-users. It failed overwhelmingly, by a vote of 150 to 280.

Withdrawing a trillion dollars from the private sector could well sow the seeds of the next

crisis because it could destabilize the financial system, possibly triggering another vicious cycle of government bailouts to correct the results of bad government policy.

The House should ensure that the potential economic harm in these derivative provisions is avoided by approving this Motion to Recommit and sending this defective legislation back to the conference to be rewritten.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. FRANK of Massachusetts. I yield myself the balance of my time.

The SPEAKER pro tempore. The gentleman has 7¾ minutes remaining.

Mr. FRANK of Massachusetts. Mr. Speaker, to begin, I want to address the Members who are concerned that the interchange amendments will unduly affect smaller financial institutions. The interchange amendment wasn't part of the bill here. It was put in by a very heavy vote in the Senate, and the conference process means you compromise.

There is in that amendment, as Senator DURBIN put it in, an exemption for any fee setting by the Federal Reserve for smaller institutions. They then feared that they would be discriminated against, so we amended the amendment with the participation of the Senate, obviously. There are three provisions that protect the smaller institutions, community banks and credit unions.

There is an antidiscrimination provision that says that merchants and retailers cannot refuse to accept a debit card. There can be no discrimination against small banks for their credit cards. The Federal Reserve, the instructions to the Federal Reserve, include making that antidiscrimination work, and we can guarantee people we will do it.

So, yes, as the amendment passed the Senate, it said that these smaller institutions were exempt but that they might have suffered discrimination. They are protected in this bill. That's why, for instance, the small banks in Illinois have endorsed this bill.

I also want to talk briefly about what has happened with the TARP. We had the two last Republican speakers. One hailed the CBO as an unassailable authority. Then the final speaker said it was hocus-pocus. It is apparently unassailable hocus-pocus, which I don't want to get into. It's too late at this time.

This is how the TARP thing works. There are two parts to the TARP. The bill does say that repayments go to debt relief. There have been substantial repayments from the banks, and those go to debt relief. They are unaffected by the amendment. What the amendment says is there are still tens of billions of dollars of TARP money that could be committed. The amendment we adopted in conference says no more, that they cannot do that. That's where the savings comes. So the savings

comes from not allowing additional TARP spending.

You know about the Republicans with regard to cutting off TARP? They were for it before they were against it. They used to be all for cutting out the TARP until it came up here. Now, let me say I don't like that way to do it. I prefer what we had in our provision, which was to assess the Goldman Sachs, JPMorgan Chase, Mr. Paulson's hedge fund. That's the way we wanted to do it, but we couldn't get it through the Republicans in the Senate. So, first, Republicans in the Senate tell us, Don't do it. Then other Republicans in the Senate say, Why didn't you do it?

So I'll make Members a pledge right now: The committee I chair will, I hope, bring out a bill that revives that assessment on the financial institutions above \$50 billion and the hedge funds. So Members who missed it will get a chance to show us they really care. We will bring them there, and we will have that come forward.

Now, I do want to talk a little bit about subprime lending and about the partial history we get.

The fact is that the Republican Party controlled the House and the Senate from 1995 to 2006. During that period, they showed remarkable restraint. As eager as they were to restrain subprime lending and as passionate as they were to reform Fannie Mae and Freddie Mac, they didn't do it. That's a degree of abstinence unparalleled in political history. They were in charge.

Whose fault was it? Apparently, it was our fault. It was my fault. As I said before, people have accused me of being this secret manipulator of Tom DeLay. Well, if that were the case, you wouldn't have cut taxes for very rich people. You wouldn't have gone to war in Iraq. As I said, if he were listening to me, he wouldn't have gotten on the dance show. So I don't take responsibility for Mr. DeLay. The Republican Party didn't do it.

Now, the gentleman from California (Mr. ROYCE) said he tried in 2005. He had an amendment to the bill of Mr. Oxley. Mr. Oxley, the Republican chairman of the committee, brought out a bill. Mr. ROYCE didn't like it. He brought up his amendments. If no Democrat had voted either in committee or on the floor of the House on that bill, it would have looked exactly as it looked. The majority was Republican. So, apparently, the gentleman from California (Mr. ROYCE) wasn't able to persuade even a third of his fellow Republicans to vote with him.

I'm sorry he wasn't able to do better. I'm not an expert in how to get Republicans to vote with you, so I can't offer him any help. Maybe he can find somebody who can teach him how to get better votes among Republicans, but it's not our fault that the Republican Party didn't do it.

By the way, in 2003, I did say I didn't see a problem with Fannie Mae and

Freddie Mac. Then, in 2004, President Bush said to Fannie Mae and Freddie Mac, I order you. He had the power and he used it. He used it to order them to increase their subprime lending purchases. By the way, he wasn't alone in that. A June 22 article from the Wall Street Journal quotes a Member of Congress, in 2005, at a hearing, saying, "With the advent of subprime lending, countless families have now had their first opportunity to buy a home or perhaps be given a second chance." Fail once. Get it again.

The American Dream should never be limited to the well-offs or to those consumers fortunate enough to have access to prime rate loans. That is from the gentleman from Texas (Mr. HENSARLING). So George Bush wasn't alone in that.

Then 2007 came, and the Democrats took power. We passed a bill, for the first time in this House, to regulate Fannie Mae and Freddie Mac. Secretary Paulson liked the bill. He said it didn't go as far as he would have liked, but it was a good bill. In 2008, it finally passed, and Fannie Mae and Freddie Mac were put in a conservatorship. They were the first major institutions to be reformed.

By the way, in 2007, in this House, we also passed a bill to control subprime lending. Now, the gentleman from Alabama had been the chairman of the subcommittee with jurisdiction over subprime lending during some of those Republican years, and he never produced a bill. He said it was our fault. He wrote us a letter—myself, Mr. WATT of North Carolina, and Mr. MILLER of North Carolina—and we didn't tell him we'd vote for it.

You know, I wish I could have it back. I wish I knew I was secretly in charge of the Republican agenda. I wish I knew they wouldn't do anything unless I said they could and that they would do something if I said they should, but no one told me. Where were they when I needed them to be more powerful? He didn't bring it forward. It wasn't my fault. The Republicans never checked with me as to what they were supposed to do.

In 2007, we did pass such a bill to restrict subprime lending, and The Wall Street Journal attacked us. It said it was a "Sarbanes-Oxley" for housing. Sarbanes-Oxley is about as nasty as you can get in The Wall Street Journal, and here is what they said about subprime lending in 2007.

□ 1815

So maybe that is why George Bush expanded subprime lending.

The Wall Street Journal said in 2007, complaining about our bill, "But for all the demonizing, about 80 percent of even subprime loans are being repaid on time and another 10 percent are only 30 days behind. Most of these new homeowners are low-income families,

often minorities, who would otherwise not have qualified for a mortgage. In the name of consumer protection, Mr. FRANK's legislation will ensure that far fewer of these loans are issued in the future."

Yeah. Unfortunately, a couple of years too late, because we couldn't get that through. But the Wall Street Journal was right, we would limit them, but wrong, along with the gentleman from Texas (Mr. HENSARLING) about the subprime loans. And I also wanted to do affordable rental housing, which that administration opposed.

This bill has the biggest package of increased consumer protections in the history of America. And it doesn't ban products or ration products. It says there is going to have to be fair dealing. This bill says that there is a fiduciary responsibility on people selling products to individual investors for the first time. It gives the SEC the power to do it, and they are going to do it. This bill reforms the system, and I hope it is enacted.

This conference report would not have been possible without the hard work of staff on both sides of the Capitol. I thank them for their efforts and submit the following list:

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Mr. LEVIN. Mr. Speaker, I rise in strong support of H.R. 4173, the Wall Street Reform and Consumer Protection Act.

Almost two years ago, this House was faced with painful dilemma: risk the collapse of our financial system and a second Great Depression, or take action to stabilize financial markets. The comprehensive financial regulatory reform before us will help to ensure that we are never again forced to choose between bailing out banks and saving our economy.

In the run up to the financial crisis, rampant speculation, and in some cases fraud, in the residential housing and mortgage markets combined with an explosion of complexity in our financial markets to create a bubble that when it burst, rippled through our entire economy. The financial crisis that began in 2008 was the worst since the Great Depression and was enabled and made worse by a lax regulatory environment that for many years failed to properly supervise financial markets and control the risks Wall Street was creating.

Under the bill before us, for the first time, there will be a federal regulatory body with the responsibility to identify and address systemic risks to our economy. Transparency will be brought to derivatives markets so that these complex financial instruments cannot transmit shockwaves through our financial system. Consumers will be able to get the clear, accurate information they need to shop for credit cards, mortgages and other financial products, rather than being sold products that are too good to be true by unregulated lenders who know they are unaffordable.

Mr. Speaker, the Wall Street Reform and Consumer Protection Act will restore responsibility, accountability and transparency to our financial markets. I urge all of my colleagues to stand with the working Americans who have been the victims of the financial crisis rather than defend a discredit ideology that says government is always wrong and markets are always right. We have seen in the last two years that markets can get out of control, and we need appropriate structures in place to ensure that our financial markets work for all Americans.

Mr. BACHUS. Mr. Speaker, I want to add these comments regarding Section 913 of the Report calling for a review by the Securities and Exchange Commission, SEC, of the current regulation of investment advisers and broker-dealers.

The Conference Report on H.R. 4173 directs the SEC to conduct a study to evaluate the effectiveness of current standards—both at the state and federal levels—with respect to investment advisers and broker-dealers when providing personalized investment advice and recommendations about securities to retail customers.

Before the SEC proceeds with any new rules and regulations in this area, it is critically important that the unique roles of different financial professionals, their distinct relationships with their customers, and the nature of the services and disclosures they provide be fully examined and well understood. These definitive factors should provide information to guide the SEC in determining if any new rules and regulations are needed and defining the details of any such measures that might be proposed.

The conferees included the requirement for a comprehensive study for these purposes, and I anticipate that the SEC will follow the in-

tent of Congress with a thorough and objective analysis in this regard.

Mr. DAVIS of Illinois. Mr. Speaker, we are gathered today with the opportunity to implement Wall Street reform, and help make our financial markets safer for everyday American citizens, investors, and small businesses. At the center of our efforts today is the concept of power, and what it means to those who have it, and those who don't. Baltasar Gracian, a renowned Spanish Jesuit writer, once said that "The sole advantage of power is that you can do more good."

I think many people would agree with me that the corporations and executives on Wall Street have considerable power. The question remains, however, whether they are using that power to do good things. People will point out, and I agree, that they are making many people very wealthy, but at what cost? For too long corporate interests have been allowed to dominate decision making in America's financial capital, and many times, this has meant unfair and predatory practices. As lawmakers, we should set out to make our financial markets a more evenhanded place for our citizens, and the consumers that put their trust and money on the line.

One of the key things that H.R. 4173 will do is to create a Consumer Financial Protection Bureau, tasked with the responsibility of making sure consumer lending practices are fair. Also, under the Volcker rule, large financial institutions would no longer be allowed to engage in risky trading using federal dollars, supported by taxpayers. Throughout the many various initiatives and stipulations in the bill, one theme is clear: protecting American citizens, and maintaining a fair market that allows both informed consumers and powerful financial markets to thrive in tandem.

H.R. 4173 does not set out to take power away from those on Wall Street, but to make sure they use their many strengths and abilities for the benefit of the average American investor and small business owner. I rise in support of H.R. 4173, the Restoring American Financial Stability Act of 2010, knowing that the benefits and wealth for the few should not come at the cost of the many.

Mr. PETERSON. Mr. Speaker, I rise today to discuss some of the jurisdictional issues that arise out of Title VII of H.R. 4173. The bill brings a new regulatory regime to swaps as it will be defined under the Commodity Exchange Act, CEA. Title VII of H.R. 4173 extends the Commodity Futures Trading Commission's, CFTC's, exclusive jurisdiction under the CEA to also include swaps, except as otherwise provided elsewhere in Title VII. Also included in Title VII are two savings clauses for the Securities and Exchange Commission, SEC, and one for the Federal Energy Regulatory Commission, FERC.

Title VII allocates authority over swaps and security-based swaps as follows. First, the CFTC has exclusive jurisdiction over swaps, including swaps on broad-based security indexes. Within the swap definition is a category of swaps called security-based swap agreements. For this specific category of swaps, the CFTC will continue to exercise its full jurisdictional authority, while the SEC may exercise

certain specific authorities over these products, as outlined in Title VII. Title VII also clarifies that the SEC has jurisdiction over security-based swaps, which are swaps on narrow-based security indexes and single securities, and that the two agencies share authority over mixed swaps.

Nothing in the SEC savings clauses, or any other provision of Title VII, alters the existing jurisdictional divide between the CFTC and SEC established by the Johnson-Shad Accord which, among other things, provides the CFTC exclusive jurisdiction over futures (and options on futures) on broad-based security indexes. Nor do these savings clauses, or any other provision of Title VII, divest or limit the authority that the CFTC shares with the SEC over security futures products as authorized by the Commodity Futures Modernization Act of 2000.

This bill also clarifies the authorities of the CFTC and FERC over financial instruments—both swaps and futures—traded pursuant to FERC or state approved tariffs or rate schedules.

Section 722 preserves FERC's existing authorities over financial instruments traded pursuant to a FERC or state approved tariff or rate schedule, which under current law does not extend to CFTC-regulated exchanges and clearinghouses, because these are within CFTC's exclusive jurisdiction. The CFTC's authorities over futures and swaps traded pursuant to FERC or state approved tariffs or rate schedules are also fully preserved. The bill further specifies that, outside of regional transmission organizations/independent system operators (RTOs/ISOs) markets, the CFTC shall continue to have exclusive jurisdiction over financial instruments traded on CFTC-regulated exchanges, such as NYMEX or ICE, traded through swap execution facilities, or cleared on CFTC-regulated clearinghouses.

To avoid the potential for overlapping or duplicative FERC and CFTC authority, the bill provides the CFTC with the authority to exempt financial instruments traded within an RTO/ISO from CFTC regulation if the CFTC determines the exemption would be consistent with the public interest and the purposes of the Commodity Exchange Act.

Section 722 also preserves FERC's anti-manipulation authority as it currently exists under the Federal Power Act and the Natural Gas Act prior to enactment of this legislation.

Mr. SKELTON. Mr. Speaker, thriving capital markets depend upon innovation to grow the economy and to generate jobs. Yet, market innovation must be conducted responsibly and must be carefully monitored by public regulators to ensure Wall Street's complex financial transactions do not put at risk the savings of average American families or the national economy as a whole. The famous quote by U.S. Supreme Court Justice Louis Brandeis indicating that "sunlight is the best disinfectant" certainly applies to Wall Street.

In recent years, market innovation ran afoul of public regulators as financial giants gambled with the savings of working families and placed irresponsible bets that put in jeopardy America's financial well being. Titans of the financial industry acted not to promote the general welfare of the United States, as is outlined in the preamble to our Constitution, but

against the well-being of the American public. And, as all of us know, broken regulations, greed, and incessant risk taking on Wall Street cost each one of us—the American taxpayers—who helped to save our economy from ruin in the fall of 2008.

From the beginning of this crisis, I have felt strongly that Congress ought to consider authorizing tough new regulations on Wall Street to help shine a brighter light on extremely complex financial transactions.

In my view, writing into law mechanisms that prevent financial institutions from getting "too big to fail;" that reform the Federal Reserve; that better regulate hedge funds, securities, derivatives and credit rating agencies; and that give shareholders a greater say in the compensation of financial company executives makes good sense and, if done properly, would help to ensure American taxpayers are never again put on the hook for Wall Street's misbehavior while creating an environment for responsible market innovation.

But, as important as new regulations are for our country, Congress must be careful in authorizing them. We must direct regulations at Wall Street and other bad actors while not wrapping America's home town financial institutions into costly and complex sets of new rules, such as those associated with the new Consumer Financial Protection Bureau. Community banks and credit unions are the heart of small towns across this country. For years, they have been conservative with their money and played by the rules. They ought not be forced to pay the price for Wall Street's transgressions.

The Dodd-Frank Wall Street Reform and Consumer Protection Act is well-intentioned, and I support much of the legislation. But the measure falls short in my goal to target Wall Street without disrupting Main Street banks and credit unions and their customers.

Home town financial institutions help to generate jobs and economic development in rural America by lending to families, small businesses, and farmers. They will be key to our nation's economic recovery and should be guaranteed more, not less, economic certainty by Congress. The uncertainty associated with the Dodd-Frank bill is why it is opposed by Missouri's small town banks and credit unions and by many in our nation's business community.

Creating more economic certainty for Missouri's business community and improving rural economic development have been priorities for me during the 111th Congress. It is why I have sought to cut small business taxes and to cut red tape associated with government backed small business loans, opposed a massive health insurance overhaul bill, urged bank regulators to consider easing restrictive capital requirements on small banks that want to issue loans, and supported a \$30 billion small business lending fund program to allow community banks to lend money to healthy small businesses that want to expand and hire workers.

Wall Street reform is badly needed and the Dodd-Frank bill is a step in the right direction. However, I cannot lend my support to a bill that places costly new regulations on Missouri's home town banks and credit unions at a time when the government ought to be en-

couraging them to lend money to create jobs in the private sector.

I urge the conference committee to return to work on the Dodd-Frank bill so it can fine tune the bill's new regulatory authority in a way that cracks down on Wall Street financial firms and irresponsible mortgage lenders without unduly targeting America's community banks. This action would be in the best interest of financial system reform and of the overall economic well being of small town America.

Ms. CORRINE BROWN of Florida. Mr. Speaker, I rise today to speak about H.R. 4173, the Wall Street Reform and Consumer Protection Act.

Credit unions have been good stewards of our money. I say our money, because while they have not been eligible for any of the TARP funds, they have not been involved in the subprime loan situation many have blamed as causing this economic crisis. When the stimulus went into effect, Credit Unions were the only ones trying to lend money.

I have been hearing a lot from the credit unions and community banks in my district regarding the debit interchange provision. I am very concerned that the interchange provision may have the unintended consequence of adversely affecting these small financial institutions. I know they are intended to be carved out of this provision and I hope that my colleagues will join me in encouraging the Federal Reserve and the card payment networks to make sure that the carve-out envisioned under this provision is meaningful and effective.

I was pleased to read the statement from Chairman FRANK restating his views of the interchange amendment included in the conference report. I urge him to work with the Credit Union National Association as it works with the Fed to ensure that credit unions with under \$10 billion in assets were held exempt from the Fed interchange changes. Chairman FRANK's statement gives the Fed strong guidance to follow when this bill becomes law.

In conclusion, the Interchange language exempts all community banks and credit unions with under \$10 billion in assets. To achieve this, we included language that explicitly prohibits intra-brand discrimination. Thus, if a merchant takes a Visa debit card, it must take all Visa debit cards. Also exempted credit cards. As Chairman FRANK has noted, "for good measure . . . merchants and retailers cannot discriminate against small banks for the credit cards they issue." Furthermore, when the Federal Reserve issues rules regulating interchange fees, it is directed, in Chairman FRANK's words, "to ensure that community banks and credit unions remain exempt from the requirements and are able to continue to issue their debit cards without any market penalty."

This exempts all but three credit unions nationwide.

Beyond this, here are additional measures in the Interchange amendment that more broadly benefit working families: fixed states' concerns by removing government-administered pay programs from interchange fee regulation. Fixed concerns of pre-paid folks who offer services to the under-banked by removing them from interchange fee regulation. With respect to this, we also added pro-consumer

language that SANDER LEVIN has in a bill to prohibit overdraft fees and fees on the first monthly ATM withdrawal using one of these cards. Ensured that USDA's SNAP, food stamp, program is not affected.

I look forward to passage of this bill and the fair treatment of Credit Unions by the Federal Reserve.

Mr. HASTINGS of Florida. Mr. Speaker, I want to commend Chairman FRANK on an extraordinary effort and for his dedicated leadership in bringing this bill to the floor. I look forward to supporting this legislation.

Before that however, I would like to clarify a few points as they pertain to the intent of this bill.

It is my understanding that certain provisions which are intended to improve access to mainstream financial institutions are not intended to further limit access to credit and other financial services to the very consumers who are already underserved by traditional banking institutions.

As the Chairman knows, each year, over 20 million working American families with depository account relationships at federally insured financial institutions actively choose alternative sources and lenders to meet their emergency and short-term credit needs.

These alternative sources and lenders often offer more convenient and less expensive products and services than the banks or credit unions where these consumers have relationships.

Further, as the demand for short-term, small dollar loans continues to increase as a result of the current economic environment, non-traditional lenders have filled the void left by mainstream financial institutions in many of our nation's underbanked communities.

I agree with the Chairman that lenders should meet this demand responsibly with clear, well-disclosed product terms and conditions that do not encourage consumer dependence and indebtedness.

I would also stress that regulation of this sector of the market should ensure strong consumer protections while encouraging a broad range of product offerings without discrimination as to the type of lender.

Therefore, regulation of short-term credit products and of the lenders who offer them, whether they be traditional financial institutions or non-traditional lenders, should not be used to single out an entire sector.

Rather, it should be well-balanced and carried out in a manner that encourages consumer choice, market competition, and strong protections.

It is my sincere hope that this legislation is designed to carefully and fairly police the financial services industry, treating similar products in the short-term credit market equally while encouraging lending practices that are fair to consumers. Is this the intent of the legislation?

I thank the Chairman, commend his continued efforts to pass meaningful financial regulatory reform this Congress, and thank him for his previous efforts to ensure we responsibly address the role of non-traditional financial institutions. I look forward to continuing our work together in this matter and as we further our efforts to put our nation back on solid financial footing.

Mr. BLUMENAUER. Mr. Speaker, I rise today to support the Conference Report on H.R. 4173—the Dodd-Frank Act of 2010. This legislation will strengthen our financial system by providing new rules that bar big banks and Wall Street investment houses from the risky practices that badly damaged our economy. The legislation also enacts new consumer protections to block predatory lending practices and financial gimmickry.

It was famously remarked by Professor Elizabeth Warren that it is "impossible to buy a toaster that has a one-in-five chance of bursting into flames and burning down your house. But it is possible to refinance an existing home with a mortgage that has the same one-in-five chance of putting the family out on the street." With passage of this bill, Congress has ensured stronger protections for families and small businesses by ensuring that bank loans, mortgages, and credit cards are fair, affordable, understandable, and transparent. The bill has been called the "strongest set of Wall Street reforms in three generations" by Professor Warren. I am proud of my work with Professor Warren and I commend her efforts in strengthening this bill.

The financial crisis cost us 8 million jobs and \$17 trillion in retirement savings. It was the worst financial crisis since the Great Depression. The financial crisis limited investment, cost jobs, put families on the street, and has ushered in a sense of financial anxiety that limits American imagination and opportunity.

The Dodd-Frank Act establishes a strong set of consumer protections, including a Consumer Financial Protection Bureau that will be led by an independent director appointed by the President and confirmed by the Senate, with a dedicated budget in the Federal Reserve. The Bureau will write rules for consumer protections governing all financial institutions—banks and non-banks—offering consumer financial services or products and oversee the enforcement of federal laws intended to ensure the fair, equitable and nondiscriminatory access to credit for individuals and communities. The bureau will roll together responsibilities that are now spread across seven different government entities, providing consumers with a single, accountable, and powerful advocate.

The legislation also establishes strong mortgage protections. The bill requires that lenders ensure that their borrowers can repay their loans by establishing a simple federal standard for all home loans. Lenders also are required to make greater disclosures to consumers about their loans and will be prohibited from unfair lending practices, such as steering consumers to higher cost loans. Lenders and mortgage brokers who fail to comply with new standards can be held accountable by consumers for as much as three-years of interest payments, any damages, and any attorney's fees.

The Dodd-Frank Act also disciplines Wall Street. It imposes tough new rules on banks to prevent the risky financial practices that led to the financial meltdown. Taxpayers will no longer pay the price for Wall Street's irresponsibility. The bill creates a process to shut down large failing firms whose collapse would put the entire economy at risk. After exhaust-

ing all of the company's assets, additional costs would be covered by a "dissolution fund," to which all large financial firms would contribute.

The dissolution of a failing firm will be paid for first by shareholders and creditors, followed by the sale of any remaining assets of the failed company. Any shortfall that results is paid for by the financial industry. The bill requires big banks and other financial institutions, those with \$50 billion in assets, to foot the bill for the failure of any large, interconnected financial institution posing a risk to the entire financial system, as AIG did in the run-up to the 2008 financial crisis. Financial institutions will pay assessments based on a company's potential risk to the whole financial system if they were to fail. Before regulators can dissolve a failing company, a repayment plan to charge Wall Street firms and big banks must be in place to recoup any cost associated with the shutdown.

It has been remarked that the markets will discipline themselves, that all that stands between poverty and wealth is some mythical regulatory barrier. But that is not what we found in the financial world and not what recent history illustrated. Instead, the market allowed participants to take wild reckless risks. This legislation reins in these irresponsible risks that cost us millions of jobs, millions of hours of economic productivity, millions of homes that have been foreclosed, and trillions in American savings. I look forward to passing this important legislation.

Mr. STARK. Mr. Speaker, I rise today in support of the Wall Street Reform and Consumer Protection Act. This bill will protect consumers from ever again being forced to bail out private financial institutions and brings overdue oversight to our financial markets.

We learned the hard way that when private financial institutions grow too large, their failure will put our entire financial system and economy in peril. Mammoth companies like AIG, Citigroup, and Bank of America took excessive risks and invested in risky financial products. When the economy turned, it was taxpayers that bailed them out.

This bill imposes new requirements to discourage companies from becoming too large and unstable. Financial institutions will be prohibited from taking on excessive debt. The new Volcker Rule will limit the amount of money a bank can invest in hedge funds and otherwise use to gamble for its own benefit. Risky derivatives contracts owned by the banks will be subject to regulatory oversight and approval by government agencies. The bill also arms regulators to dismantle failing financial companies at the expense of the financial industry, not taxpayers.

This bill does more than just rein in the financial institutions, it will also protect families. I strongly support the provision that will create a new Bureau of Consumer Financial Protection. This independent bureau within the Federal Reserve will be on the front lines protecting taxpayers from predatory lenders and other unfair practices by mortgage brokers, banks, student lenders, and credit card companies.

The bill goes a long way to prevent another foreclosure crisis by reforming the mortgage industry. The bill prohibits pre-payment penalties that trap borrowers into unaffordable

loans. It outlaws financial incentives that encourage lenders to steer borrowers into complicated high-interest loans. There will be penalties for lenders and mortgage brokers who do not comply with these new standards. If a bad credit score negatively impacts someone in a hiring decision or a financial transaction, the consumer will have free access to their score.

This bill could be better. Breaking up the big banks would be the most effective tool to bring reform to Wall Street. This financial reform bill will usher in a new era for both financial institutions and consumers. Banks will have to learn to operate under increased scrutiny and face immediate consequences when they don't play by the rules. I support the Wall Street Reform and Consumer Protection Act and urge my colleagues to do the same.

Mr. LANGEVIN. Mr. Speaker, I rise in strong support of the conference report to H.R. 4173, the Dodd-Frank Wall Street Reform and Consumer Protection Act, which closes frequently exploited loopholes in our regulation system, puts an end to rewarding reckless investments, and demands responsibility and accountability from Wall Street to prevent another economic collapse.

Over the past few years, the irresponsible actions of financial institutions and corporations have provided countless illustrations of the need to fix our broken system. As a result of the financial crisis, our country shed eight million jobs and Americans lost \$17 trillion in retirement savings and net worth. My home state of Rhode Island was on the front lines of abusive and predatory lending practices, which led to one of the country's highest foreclosure rates, and has endured devastating job loss, now suffering the fourth highest unemployment rate in the nation at 12.3 percent.

Like my constituents, I have been angered by the greed exhibited by Wall Street and other companies that took advantage of their investors, preyed on our citizens, and rewarded executives with outrageous pay packages. With this bill, consumer protection will come first, and irresponsible companies will be held accountable for their actions. H.R. 4173 establishes the Consumer Financial Protection Agency, which will protect families and small businesses by ensuring that bank loans, mortgages, credit cards and other financial products are fair, affordable and transparent. These new protections are targeted and fair: Merchants will be excluded from the oversight of the CFPB, and small banks and credit unions will not be subject to undue regulatory burdens. There will also be coordination with other regulators when examining banks to prevent undue regulatory burden.

This measure also establishes an orderly process for dismantling large, failing financial institutions like AIG or Lehman Brothers, which will protect taxpayers and prevent ripple effects throughout the rest of the financial system. This bill also discourages financial institutions from taking too many risks by imposing tough new capital and leverage requirements. Most importantly, there will be no more taxpayer bailouts for "too big to fail" institutions. This legislation will also effectively end new lending under the Troubled Asset Relief Program.

Additionally, H.R. 4173 responds to the failure to detect frauds like the Madoff scheme by

ordering a study of the entire securities industry. This measure will also increase investor protections by strengthening the Securities and Exchange Commission and boosting its funding level. For the first time ever, the over-the-counter derivatives marketplace will be regulated and hedge funds will have to register with the SEC. And the bill takes steps to reduce market reliance on the credit rating agencies and impose a liability standard on the agencies. This legislation will help create an environment in which financial institutions take care of—and are held accountable to—their shareholders and customers.

I would like to thank the committees for their work on this bill, and especially want to thank Chairman FRANK for his leadership on this strong reform measure. This legislation represents a tremendous accomplishment for this Congress and this country. It is an urgently needed response to a crisis that should never have been allowed to happen, and its protections and reforms will benefit Americans for generations to come. I encourage all my colleagues to vote for this bill.

Mr. BOEHNER. Mr. Speaker, the legislation before us fails the American people.

Americans have suffered through a financial meltdown. A serious financial meltdown that destroyed millions of jobs and wiped out the savings of millions of American families. A devastating meltdown that slowed our economy, and raised new doubts about whether it's even possible any longer to pursue the American Dream.

The legislation before us will do nothing to prevent it from happening to the American people again.

The fact of the matter is, the financial meltdown was triggered by government mortgage companies, giving too many high-risk loans to people who couldn't afford them. And it was the policies of the leadership of this Congress that allowed it to happen.

This legislation will do nothing—nothing—to fix those mistakes.

The bill is more than 2,000 pages long.

That in and of itself is an outrage. Haven't we learned our lesson yet? Any bill produced by this Congress that is 2,000 pages long can't possibly be good for jobs, or freedom, or our economy.

In those 2,000 pages, there is not a single reform made to Fannie Mae or Freddie Mac, the government mortgage companies at the heart of the meltdown.

Mr. Speaker, this is not reform. It's more of the same.

This is not change. It's the status quo.

It's a sham.

Things could have been different. We could be here today passing a bipartisan bill to reform government-sponsored enterprises like Fannie Mae and Freddie Mac. Republicans, led by SPENCER BACHUS, offered such a proposal.

Instead of reforming Fannie and Freddie, we're doing this 2,000 page monstrosity that will destroy jobs.

Mr. Speaker, what are we thinking? What are we doing?

Today the president of the United States was in Wisconsin. He gave remarks there chastising Republicans for our objections to this bill. He suggested those who oppose the legislation before us are "out of touch."

The American people are tired of the rhetoric. They want solutions.

What's "out of touch" are politicians who care more about elections and campaign ads than they do about solutions.

What's "out of touch" are politicians who pass 2,000 page bills that will destroy jobs, at a time when 1 in every 10 Americans from our workforce is out of work.

What's "out of touch" are politicians who believe it's OK to force responsible Americans to use their tax dollars to subsidize irresponsible behavior.

Under this bill, Americans will have no choice but to keep on subsidizing the irresponsible behavior that got America into this mess.

There is no reform to Fannie Mae and Freddie Mac. There's just 2,000 new pages of bigger government, private sector mandates, and unintended consequences.

The American people are sick and tired of it.

Mr. Speaker, when are we going to stop forcing responsible American citizens to subsidize irresponsible behavior?

When are we going to stop passing massive bills that destroy jobs?

When are we going to start working on real solutions to the challenges facing this country?

Apparently, not today.

I urge my colleagues—vote "no" on this job-killing bill, and let's get to work on a real reform bill that will fix the problems that led to the financial meltdown.

Mr. FATTAH. Mr. Speaker, I rise in strong support of the Conference Report to Accompany H.R. 4173, the Wall Street Reform and Consumer Protection Act of 2010. Rectifying the worst economic crisis to impact the financial markets since the Great Depression, the Wall Reform and Consumer Protection Act of 2010 outlaws many of the egregious industry practices that marked the subprime lending boom, ensuring mortgage lenders make loans that benefit the consumer rather than incentivizing self-dealing profit maximization. In supporting this legislation, Congress corrects the failures of the financial sector, preventing the calamity that transpired after the collapse of the financial markets from reoccurring in the future.

One of the critical components of this legislation is the adoption of a provision that will end the practice of acting on behalf of financial institutions due to the determination that they are "too big to fail." Taxpayers will no longer be asked to subsidize failing institutions due to their potential negative impact on the economy. The bill creates a new structure in which the orderly dissolution of failed financial firms can occur without fear of financial panic. The bill also imposes tough new capital and leverage requirements that create a disincentive for financial institutions to get too large without adequate structural support to ensure the financial soundness of the institution. Furthermore, the bill establishes rigorous standards for financial institutions in order to better protect the economy and American consumers, as well as investors and businesses.

Another important component of this legislation is the creation of a new independent watchdog within the Federal Reserve that provides consumers with clear and accurate information needed to shop for mortgages, credit

cards, and other financial products. The new regulatory structure protects consumers from hidden fees, abusive terms, and deceptive practices that were unfairly used against consumers with disturbing frequency. Furthermore, loopholes that allow financial institutions to engage in risky and abusive practices, including the unregulated exchange of over-the-counter derivatives, asset-backed securities, and hedge funds are eliminated.

Most importantly, the Wall Street Reform and Consumer Protection Act includes the Emergency Homeowners' Relief Fund, which will provide desperately needed assistance to millions of homeowners who now find they are unable to meet their financial obligations due to the severe recession caused by the unbridled greed and recklessness of the financial services industry. The foreclosure rate in the United States has been rising rapidly since the middle of 2006. Losing a home to foreclosure can hurt homeowners in many ways. For example, homeowners who have been through a foreclosure may have difficulty finding a new place to live or obtaining a loan in the future. Furthermore, concentrated foreclosures can drag down nearby home prices, and large numbers of abandoned properties can negatively affect communities. Finally, the increase in foreclosures may destabilize the housing market, which could in turn negatively impact the economy as a whole.

Although the economic recovery from the worst financial recession since the Great Depression is progressing steadily under the leadership of the Obama Administration and Democratic Leadership in Congress, the tragic rise of unemployed homeowners threaten a sustained recovery. Unemployment is now the leading cause for delinquency for families facing foreclosure. A recent study by NeighborWorks that examined the reasons why people are falling behind on their mortgages found that 58 percent of delinquent homeowners were behind due to job loss. The impact of foreclosures is particularly acute in minority communities due to the disproportionately high rates of joblessness.

Repossession from housing foreclosures rose to a record high of 92,432 in April 2010, which is up 45 percent from the previous year. Continual rates of high unemployment places additional pressures on a financial system already overburdened with requests to modify loans by mortgage servicers, with many of those requests being unfulfilled. Under the guidance of the Department of Treasury, the Obama Administration created the Home Affordable Modification Program (HAMP) as a part of the Making Home Affordable program to provide desperate relief to unemployed and underemployed homeowners.

HAMP encourages servicers to provide mortgage modifications for troubled borrowers in order to reduce the borrowers' monthly mortgage payments to no more than 31 percent of their monthly income. In order to qualify, a borrower must have a mortgage on a single-family residence that was originated on or before January 1, 2009, must live in the home as his or her primary residence, and must have an unpaid principal balance on the mortgage that is no greater than the Fannie Mae/Freddie Mac conforming loan limit in high-cost areas (\$729,750 for a one-unit prop-

erty). Furthermore, borrowers must currently be paying more than 31 percent of their income toward mortgage payments, and must be experiencing a financial hardship that makes it difficult to remain current on the mortgage. Borrowers need not already be delinquent on their mortgage in order to qualify.

Though the Obama Administration's efforts are commendable, the unprecedented scale of the problems facing homeowners demands that more needs to be done to prevent homeowners from losing their homes. In Pennsylvania, a major state initiative to combat family-devastating foreclosures has been operating with success for more than a quarter-century, enacted in the wake of the severe recession of 1983. The Homeowners Emergency Mortgage Assistance Program (HEMAP) has provided loans to over 43,000 homeowners since 1984 at a cost to the Keystone State of \$236 million. Assisted homeowners have repaid \$246 million to date which works out to a \$10 million profit for the state after 25 years of helping families keep their homes.

The Pennsylvania model will work nationally. It is with great gratitude that Chairman FRANK and Chairman DODD included my proposed mortgage relief provisions in the conference report that is being considered before the House today. Modeled after the bill I introduced in the House, the Emergency Homeowners' Relief Fund that is contained in the House-Senate conference bill establishes an emergency mortgage assistance program for qualifying homeowners who are temporarily unable to meet their obligations due to financial hardship beyond their control.

Under this program, homeowners would have the opportunity to regain financial stability without the immediate pressure of foreclosure. Specifically, a homeowner who indicated that he or she was unemployed would provide verification of unemployment compensation to the servicer and automatically be approved for a loan that would pay any mortgage above 31 percent of their income (the target amount in Making Home Affordable modifications). The Treasury would make payments for the homeowner on the homeowner's behalf until the borrower is able to resume payments to the lender. The Emergency Homeowners' Relief Fund would cut through the disorder of the loan modification program and slow the numbers of foreclosed properties on the market.

Mr. Speaker, I wish to thank my colleagues on the House Financial Services Committee, Chairman BARNEY FRANK, Congresswoman MAXINE WATERS and Congressman PAUL KANJORSKI. I also wish to thank my colleagues in the Senate, Banking, Housing and Urban Affairs Committee Chairman CHRIS DODD, and Senator BOB CASEY for their strong support of the mortgage foreclosure relief provisions contained in this bill. I also wish to thank the House Financial Services Committee staffers for their hard work in preparing this conference report, including Housing Policy Director Scott Olson and Deputy Chief Counsel Gail Laster. In addition, I would like to thank my Legislative Director, Nuku Ofori, for all of his efforts in getting this critical mortgage relief provisions included in the Wall Street Reform bill.

Ms. ROS-LEHTINEN. Mr. Speaker, It is a great tragedy that the final version of the fi-

nancial services bill which was approved by a House-Senate conference, contained little or no help for the hundreds of victims of Ponzi schemes, many of whom reside in my Congressional district.

This bill fell far short of doing everything or even anything, to assure the average American investor in the stock market that we want to protect their interests.

I proposed to the conferees certain amendments to the Securities Investor Protection Act (SIPA) in order to protect victims of Ponzi schemes. Unfortunately, these reforms which were designed after extensive discussions with many of the victims, were totally ignored.

My amendments included an "anti-clawback" provision, designed to end the terror of thousands of Ponzi victims, who face years of prolonged litigation against the government, unless these proposals are enacted.

Under no circumstances, except complicity with a crooked broker—should these investors be subject to clawback litigation.

The opposition to this amendment has mainly come from the SEC/SIPC and Wall Street which seek to protect SIPC's right of subrogation, therefore taking money again from the victims and giving it back to SIPC. Not only is this disingenuous, but it shifts the burden of the financial loss to every taxpayer in America.

The importance of this amendment is that SIPA was intended to instill confidence in the capital markets and impose upon the SEC the responsibility to monitor and supervise those markets.

The idea that SIPC or the courts would hold innocent investors, who relied upon the SEC's endorsement of Madoff, to suffer judgments for amounts they took out of their accounts in good faith, is upsetting.

One proposal suggests that clawbacks be allowed against so-called "negligent" investors. How could they be negligent if the SEC and FINRA never spotted the fraud over a 20 year period? In fact, in 1992, the SEC endorsed Madoff as safe.

Shouldn't that affirmative statement be enough to shield investors from being accused of "negligence?"

At a minimum, a defense against "negligence" requires innocent investors to spend vast amounts of money defending their conduct against a SIPC-funded trustee, who while making \$1.4 million in fees per week, has every incentive to prolong litigation against them.

As a practical matter, the court could say that every Madoff investor was negligent because they never uncovered the crime.

We should be protecting innocent victims of the SEC's negligence, not protecting Wall Street and its stepchild, SIPC.

Another amendment I proposed would have provided for immediate payment to all Ponzi scheme victims of up to \$500,000 in SIPC insurance. That payment should be based upon the last statement the victims' received from their broker. This amendment also clarifies that any person who invested in an ERISA-approved retirement plan is a "customer" under SIPA.

Americans have a right to rely upon the statements they receive from SEC-regulated broker/dealers. This was the Congressional

purpose of SIPA in 1970 and it remains so today.

Tens of thousands of Americans have lost their life savings because of the inaction of the SEC and its failure to close down the operations of Bernard Madoff, Allen Stanford, and others. Let's do the right thing for these people.

The President said he does not want BP to nickel and dime the oil spill victims, why is it OK to nickel and dime victims of the SEC? These people lost their life savings because of the greed of Wall Street and the inaction of the SEC.

We should have added these much needed amendments in order to ensure innocent investors that the American financial system is not rigged against them.

Mr. DINGELL. Mr. Speaker, I stood before this body in 1999 and gave full-throated opposition to the repeal of the Glass-Steagall Act. My opposition had the merit of being correct a decade ago and, at the very least, prophetic today. Indeed, Graham-Leach-Bliley gave rise to the creation of financial juggernauts, whose underhanded actions, gone unregulated by design of that Act and subsequent deregulation, have driven this great country over an economic precipice of proportions not seen since the Great Depression.

I will vote in favor of the conference report today because it is, at its core, a good bill. In so doing, however, I admonish legislators and regulators alike never again to permit another economic calamity for want of vigilance. While history judges us for what we do, it will also condemn us for what we do not.

Mr. ETHERIDGE. Mr. Speaker, I rise in support of the conference report on H.R. 4173, the Dodd-Frank Act of 2010.

We have already seen what happens to Main Street when Wall Street abuses run rampant. Over the past decade, Wall Street's protectors looked the other way while Wall Street fat cats gambled with our future and ran our economy into the ditch, and the North Carolina families I hear from every day paid the price. We have seen what that means for Main Street: 8 million jobs lost, \$17 trillion in hard-earned family savings—savings for retirement, college, or home buying—all wiped out overnight. Today we have the opportunity to say, "enough." We have had enough of the abuses, enough of risky speculation, enough of taxpayer-funded bailouts. It is time to put in place common sense rules of the road to protect Main Street and American taxpayers. This bill does just that. H.R. 4173 delivers a comprehensive set of financial regulations that increase accountability and oversight for Wall Street and America's financial sector.

H.R. 4173 addresses the "too big to fail" syndrome, and ends taxpayer-funded bailouts. This bill makes sure the taxpayer is not responsible for bailing out such firms, by establishing a process for dismantling failing financial institutions like AIG or Lehman Brothers. With this reform, these large Wall Street firms will be in charge of paying the cost for the risks they create instead of taxpayers paying the tab. In addition, a Financial Stability Council will be created to identify and regulate financial institutions that are so large or interconnected that they pose a system risk to the economy as a whole. While I hope that the

dissolution measures are never necessary, it just makes sense to have an orderly way to wind down failing institutions as an insurance policy. This process will punish the corporate executives who are to blame for a failed bank, rather than the American taxpayer.

For years, I have called for an end to the wild west of speculation in derivatives markets. I am pleased that this bill includes my proposal to strengthen derivatives market oversight. For the first time ever, over-the-counter derivatives market for transactions between dealers and major swap participants will be required to be reported. This transparency means that regulators can monitor this trillion dollar market, and make sure that companies like AIG only make trades when they have enough capital to back them up. Unregulated speculation may well be responsible for wide swings and increases in the price of energy for consumers and feed for farms. This provision will help prevent entities from driving up the cost of commodities and products and manufacturing risk in the larger economy.

H.R. 4173 also takes a major step forward in consumer protection by creating the Consumer Financial Protection Agency (CFPA). This agency would make sure brokers tell folks what they are buying, clearly and honestly. It would be devoted to stopping unfair practices and preventing abusive financial products from entering the marketplace. The CFPA would impose effective consumer protections for subprime mortgages, overdraft fees, credit card practices, and other financial products, not just at banks but wherever these products are purchased.

This bill includes other critical provisions for oversight and streamlining of the financial system. It creates a Federal Insurance Office, reforms the credit ratings agencies that failed to assess the value of the many financial products in our economy, and cleans up abusive practices in the mortgage lending industry that contributed to the collapse of the housing market. This regulation is long overdue and will benefit all Americans and businesses that depend on our financial institutions.

We need to take action to put the interests of average Americans ahead of corporate special interests. Today we have an opportunity to clean up the mess on Wall Street, hold wrongdoers accountable for their actions and stand up for taxpayers. I call on my colleagues to put Main Street before Wall Street, and to join me in support of the Wall Street Reform and Consumer Protection Act.

Ms. JACKSON LEE of Texas. Mr. Speaker, I rise in strong support of H.R. 4173, "the Restoring American Financial Stability Act of 2010", also known as "the Dodd-Frank Act." This historic bill will go a long way to address a variety of defects and shortcomings currently seen in our financial services system. It is a major step towards meaningful "measured" government regulation to protect the interests of consumers, investors and everyday working Americans. After years of consumer mistreatment, fraud, and abuse, this bill represents the first principled effort to bring financial fairness to all Americans and to ensure that financial transactions be both honest and transparent.

One of the strongest provisions designed to protect the consumer in this legislation is the formation of an independent Consumer Finan-

cial Protection Bureau, CFPB, empowered to write rules for most consumer financial transactions. Existing consumer-protection authority is currently scattered and largely ignored by existing financial regulators. This Act will consolidate these authorities in the CFPB, and give the bureau teeth in exerting its power to enforce these protections. With this newly defined power, the creation of the CFPB will usher in a new era of oversight. I urge Congress to stand tall and create a society where unfair practices are stopped before they become pervasive, where the average consumer is protected from fraud and abuse, and where big bank bailouts are prevented before they come at the expense of taxpayers.

Another major provision in this bill is the establishment of broad statutory protections against abusive mortgages. These provisions include; requiring lenders to evaluate borrowers' ability to repay loans before and after teaser rates have expired; banning prepayment penalties that lock borrowers into high-cost loans; prohibiting incentives to steer borrowers into higher-cost loans that they don't even qualify for; limiting total fees for most loans; and banning mandatory arbitration clauses for mortgages.

In addition to these key provisions, this bill will also create a \$1 billion emergency loan fund to help families at risk of losing their homes due to unemployment or illness. Because unemployment—9.7 percent is partly a direct result of the reckless lending and collapse of the housing and financial markets, this fund is especially important in reversing these negative economic effects and providing assistance to those who have been hurt by unfair practices. A recent Center for Responsible Lending, CRL, report found that, unfortunately, the foreclosure crisis is far from over. Foreclosures are likely to continue to climb and losses will continue to increase, further burdening our economy and financial services system, unless the government decides to intervene by passing this Act.

The bill also addresses bank interchange fees, the fees charged on debit card transactions. Under the bill, such fees would be reduced. While the banks and credit unions opposed any reduction in fees as embraced by the Durbin amendment, the arguments advanced by the retailers won the day. While I support credit unions, which are the backbone of many communities and have traditionally served the special needs of teachers, public service employees and the average government worker, about the use of the fees to cover many bad transactions related to their debit card business, the fees generated by the debit card transactions represent a major profit making activity for the banking industry. These fees are generally passed onto the consumer in the form of higher retail prices. Interchange fees also tend to fall disproportionately on minority and low-income consumers by making them pay higher prices.

Another issue the bill addresses is the underrepresentation of minorities and women in the financial services industry. The bill requires each of the federal financial services regulatory entities to establish Offices of Minority and Women Inclusion. These Offices will facilitate the participation of minority and women-owned business in nontraditional types

of financial activities, something long overdue. In addition, the bill requires expanded efforts to recruit and to retain minority and women financial services professionals, traditionally excluded from the upper ranks of management in most of the federal financial services regulatory entities.

The bill preserves the role of community banks, recognized for their positive lending habits to small business and other major community stakeholders. These banks can always be counted on to lend for nontraditional purposes, while maintaining flexible lending standards based on risk assessment as it relates to a person's background and ties to the community. Many of these banks continued to lend during the liquidity crises, making it possible for small businesses to make payroll and for people to continue to pay their mortgages. Community banks remain pillars of strong communities and neighborhoods throughout this Nation, and this bill acknowledges their important role in the economy.

Further, the bill brings much needed sanity to the derivatives markets by requiring more rigorous standards related to over-the-counter derivatives; provides new rules related to transparency and accountability and our nation's credit agencies; institutes new mechanisms to avoid bank bailouts of financial firms that threaten the economy; and reforms the Federal Reserve by requiring greater oversight and transparency in its transactions.

Mr. Speaker, this Act is of extreme importance to the consumer, the investor, to the average American, and to the Nation's economy as a whole. It is time to end the Wall Street "joy ride" and give the American people the protections and information they need to be better informed consumers and investors in this highly technologically driven economy. The way the average consumer, borrower, and home-owner have been targeted by many of our Nation's financial institutions and lenders makes this legislation all the more important. These practices must end. H.R. 4172 will stop many of them. For these reasons, I urge my Colleagues to make the changes in our laws to protect the American people and to help strengthen the U.S. financial system.

Mr. TIAHRT. Mr. Speaker, on June 30, 2009, the Obama Administration released details of its proposal to establish a Consumer Financial Protection Agency. It proposed an independent agency housed within the executive branch to regulate the provision of financial products and services to consumers. Now, one year later, this proposal has morphed into a 2,300 page bill that further extends the federal government's grasp on more aspects of our economy.

I voted against this bill on December 11, 2009 but despite my opposition, H.R. 4173 passed the House of Representatives on a straight party line vote—with not one Republican voting in favor of the legislation. On June 30, H.R. 4173 came back from the House-Senate Conference Committee, which ironed out the differences between the two bills. Again, I opposed this legislation. Despite my opposition, the bill ultimately passed by a margin of 237–192. The legislation now awaits further action in the Senate.

This is the wrong bill at the wrong time that punishes the wrong people. In the midst of

continuing economic turmoil, this bill increases the size of government, expands its reach in the market place, jeopardizes the safety and soundness of many of America's financial companies and non-financial companies, and significantly increases the cost of credit for all consumers at a time when consumers can least afford it. This legislation overreaches and will affect companies and community banks that had nothing to do with the financial crisis.

These reforms will continue to perpetuate the bailout mentality that has plagued our nation and eliminate access to credit for many small businesses and families at a time when they need it most.

The conference report will abolish the Office of Thrift Supervision (OTS). The transfer of its powers and duties will have to be done within one year after the conference report's enactment. The conference report will transfer to the FDIC the authority to regulate all state savings associations. The OCC, which would be a bureau within the Treasury Department, would regulate all federal savings associations. The conference report also preserves the thrift charter.

The conference report also requires the Federal Reserve to ensure the fees charged to merchants by credit card companies for credit or debit card transactions are reasonable and proportional to the cost of the processing those transactions. The consequences of government artificially imposing its heavy hand into private transaction will further slow our economy. We can't even get a federal budget passed, so what justification does the government have to determine transaction fees.

As one of my colleagues pointed out, economists don't often see eye to eye, but they seem to agree that if one side of the market has its costs artificially lowered, the other side of the market will see increased costs. This means that, in this battle between retailers and banks, debit card holders and account holders will likely foot the bill.

Creating more regulatory burdens and a new government agency full of unelected bureaucrats to pick the winners and losers in the private-sector is not the answer. This will only serve to crush more jobs and paralyze our economic growth even more. Kansans have had it with the only solution the administration continues to offer: more government.

I am in strong opposition to H.R. 4173. I worry about its impact on our economic freedom and will work to repeal these harmful policies.

Ms. SPEIER. Mr. Speaker, our mission from the American people was simple: pass Wall Street Reform that puts consumers first, holds Wall Street and Big Banks accountable, and ends the era of taxpayer-funded bailouts and "too-big-to-fail" institutions. By passing this legislation, we have fulfilled that mission.

We ensure that taxpayers are never again on the hook for Wall Street's risky decisions. We enable regulators to shut down "too big to fail" banks before they take down the system. We impose tough new rules on the riskiest financial practices that were at the root cause of the crisis. We place a fiduciary duty on brokers to act in the best interests of their clients. We create a new Consumer Financial Protection Bureau, and end the reliance on credit

rating agencies that gave triple-A ratings to risky mortgage-backed securities that they didn't understand or investigate.

To those who ask: will the Wall Street Reform we passed last night prevent another financial meltdown in the future—I answer with a firm and resounding yes.

Mr. HOLT. Mr. Speaker, I rise in support of the Wall Street Reform and Consumer Protection Act.

I frequently talk with central New Jersey residents who are frustrated with the reckless way Wall Street and big banks gamed the system with exotic financial schemes, while families and small businesses paid the price.

Wall Street reform will protect consumers from deceptive business practices and hidden fees through the creation of a Consumer Financial Protection Bureau. Reform also will protect homebuyers from some of the worst predatory lending practices that contributed to the financial meltdown of 2008.

Reform finally will restore accountability to Wall Street. Banks no longer will be able to gamble with depositors' savings for their profits. Unregulated derivatives—called "financial weapons of mass destruction" by Warren Buffett—will now be traded in the open. Stockholders will vote on executive pay. And hedge fund managers will have to come out from the shadows and register with the Securities and Exchange Commission.

Reform will prevent taxpayer-funded bailouts of financial giants, establishing an orderly process for liquidating failing companies that will be paid for by their investors and creditors—not taxpayers.

While no bill is perfect, this is the strongest reform since the Great Depression. It will put the cops back on the beat on Wall Street and will help give Americans confidence that the system works for individuals, families and small businesses—not big banks.

Ms. ESHOO. Mr. Speaker, I rise today in strong support of H.R. 4173, the Dodd-Frank Wall Street Reform and Consumer Protection Act. This landmark legislation is one of the most critical bills I will vote for in Congress. The bill will protect the American people so they are never again victimized by Wall Street's reckless behavior which brought our economy to its knees, wreaking havoc across the country with over 8 million jobs lost and a \$17 trillion loss in net worth. It makes the most sweeping and comprehensive reforms to our financial system since the Great Depression.

The Wall Street Reform and Consumer Protection Act:

Ends taxpayer-funded bailouts because of Wall Street's risky decisions and greed: The legislation clearly states that taxpayers will bear no cost for liquidating large, interconnected financial companies;

Protects families and small businesses from abusive lending practices: The legislation creates the Consumer Financial Protection Bureau that will ensure bank loans, mortgages, and credit card agreements are fair, affordable, understandable, and transparent;

Stops banks from becoming "too big to fail": The legislation creates the Financial Stability Oversight Council which is charged with identifying and responding to emerging risks throughout the financial system. The Council will make recommendations to the Federal Reserve for increasingly strict rules for capital, leverage, liquidity, risk management and other

requirements as companies grow in size and complexity, with significant requirements on companies that pose risks to the financial system;

Eliminates grave threats to financial stability in the U.S.: The Financial Stability Oversight Council can also break up large, complex companies by requiring them to divest some of their holdings—but only as a last resort;

Requires hedge funds and private equity funds to register with the Securities and Exchange Commission, which will have more enforcement power and funding;

Eliminates excessively risky practices that led to the financial collapse: The bill enhances oversight and transparency for credit rating agencies;

Limits bank executive and CEO risky pay practices: The bill addresses egregious executive compensation that jeopardizes the safety and soundness of banks. It also allows a “say on pay” for shareholders, requiring independent directors on compensation committees;

Assists minority-owned and women-owned businesses: The bill establishes an Office of Minority and Women Inclusion at federal banking and securities regulatory agencies that will, among other things, address employment and contracting diversity matters. The office will coordinate technical assistance to and seek diversity in the workforce of the regulators;

Prevents predatory mortgage lending: The bill requires lenders to ensure a borrower's ability to repay, prohibits unfair lending practices, establishes penalties for irresponsible lending, expands consumer protections for high-cost mortgages, requires additional disclosures for consumers on mortgages, and provides housing counseling.

We are on the verge of making history today as we prepare to vote for the most sweeping financial reform legislation in decades. I'm very proud to strongly support this bill and urge every colleague to do so as well.

Mr. Speaker, I rise to highlight the critical role of venture capital in creating jobs and growing companies. Specifically, I would like to raise the issue of the Volcker Rule and the unintended effect it may have on this type of investment.

I strongly support and will vote for H.R. 4173, the Dodd-Frank Wall Street Reform and Consumer Protection Act and the inclusion of a strong and effective Volcker Rule.

The purpose of the Volcker Rule is to eliminate risk-taking activities by banks and their affiliates while at the same time preserving safe, sound investment activities that serve the public interest. We have specifically barred bank investment in hedge funds and private equity for that reason.

Venture capital funds do not pose the same risk to the health of the financial system. They promote the public interest by funding growing companies critical to spurring innovation, job creation, and economic competitiveness. The funds typically invest primarily or exclusively in private companies and are significantly smaller.

I expect the regulators to use the broad authority in the Volcker Rule wisely and clarify that funds that invest in technology startup companies, such as venture capital funds, are not captured under the Volcker Rule and fall outside the definition of “private equity funds”.

This clarification will ensure the Dodd-Frank Wall Street Reform and Consumer Protection Act does not stop venture capital from providing a critical source of capital for startup technology companies.

Mr. CONYERS. Mr. Speaker, as the Chairman of the House Judiciary Committee, and a House conferee on the Dodd-Frank Wall Street Reform and Consumer Protection Act, I would like to highlight a few provisions of this legislation of particular jurisdictional importance to our Committee, and that our Committee was instrumentally involved in shaping. During the course of Congress's consideration of this legislation, our Committee carefully examined a range of legal issues posed, including issues of antitrust law, bankruptcy law, criminal law, administrative procedure, and judicial proceedings, and held two days of hearings last fall focusing on antitrust and bankruptcy law in particular. Below is a summary of some of the more significant of these issues and how they have been addressed.

ANTITRUST LAW

One major impetus of this bill is to address the problem posed two years ago by financial institutions that were deemed “too big to fail.” The emergency efforts to deal with those institutions led to infusions of billions of federal dollars, and federal guarantees of billions more, putting the Treasury, and our nation, at significant risk.

But “too big” also places our nation at significant risk in another respect—and that is the risk of harm to competition, when a marketplace becomes concentrated in the hands of so few competitors that consumers no longer have meaningful choice, and the healthy influence of competition on price, quality, and innovation is lost.

It is therefore essential that the antitrust laws, the laws protecting our economic freedoms against monopolization, anticompetitive restraints of trade, and undue market concentration, remain in place. They are needed to ensure that the heightened regulatory supervision the new law contemplates, as well as our response to any future financial system emergency, do not inadvertently lead to an even more concentrated marketplace—with companies that are even bigger, with more market power, and with less incentive to be responsive to the consumers they are supposed to serve, and leaving less opportunity for new entry and innovation.

The final bill contains a number of provisions to ensure that the antitrust laws remain fully in effect.

ANTITRUST SAVINGS CLAUSE

First and foremost is the antitrust savings clause in section 6 of the bill. It is the standard antitrust savings clause found in other statutes. It applies to the entire Act, and all amendments made by the Act to other laws. The phrase “unless otherwise specified” is added in reference to four provisions in the bill. In two places—sections 210(a)(1)(G)(ii)(III) and 210(h)(11) of the bill—the standard premerger waiting period under section 7A of the Clayton Act is explicitly shortened. And in two other places—section 163(b)(5) of the bill, and the amendment to section 4(k)(6)(11)(B) of the Bank Holding Company Act made in section 604(e)(2) of the bill—there are cross-references to the exception to pre-merger review

in section 7A(c)(8) of the Clayton Act that explicitly make that exception inapplicable.

The phrase “unless otherwise specified” refers only to those four specific provisions that explicitly modify the operation of those specified provisions of the antitrust laws in specified ways, and is not a basis for courts to consider whether any other provision in the bill might be intended as an implicit modification of how the antitrust laws operate. The savings clause is intended to make clear that it is not.

For example, in a number of places in the bill, there are provisions referring to “Antitrust Considerations” that various securities and commodities entities—including derivatives clearing organizations, swap dealers, major swap participants, swap execution facilities, clearing agencies, security-based swap dealers, and major security-based swap participants—are directed to take into account in formulating their operating rules. There are exceptions to these directives for situations in which the entity believes pursuing them itself is inconsistent with its other obligations under the relevant securities or commodities law. The fact that the entity is excused from the new directives, however, does not alter the application of the antitrust laws. Nor does the fact that the entity follows these directives in its own rulemaking supplant the operation of the antitrust laws.

In this regard, the rule of construction found in section 541 of the bill simply reaffirms, perhaps unnecessarily, for Title V of the bill what the antitrust savings clause already provides for the entire bill and all amendments made by it. In attempting to elaborate on the effect of an antitrust savings clause, it does not create a different rule, but merely reaffirms the general rule.

Moreover, an antitrust savings clause is itself merely a reinforcement of the well-established principle that, because the antitrust laws are “a comprehensive charter of economic liberty aimed at preserving free and unfettered competition,” *Northern Pac. Ry. Co. v. U.S.*, 356 U.S. 1 (1958), “the Magna Carta of free enterprise,” *Verizon Communications Inc. v. Law Offices of Curtis V. Trinko, LLP*, 540 U.S. 398 (2004); *United States v. Topco Associates, Inc.*, 405 U.S. 596, 610 (1972), there is a strong presumption against their normal operation being superseded by some other statutory scheme. E.g., *Ricci v. Chicago Mercantile Exchange*, 409 U.S. 289, 302–303 (1973); *Silver v. New York Exchange*, 373 U.S. 341, 357 (1963). Whether the antitrust laws reach particular conduct depends on whether the other statutory scheme is “incompatible with the maintenance of an antitrust action.” *Ricci*, 409 U.S. at 302; *Silver*, 373 U.S. at 358. The antitrust laws are superseded only “where there is a plain repugnancy between the antitrust and regulatory provisions.” *Credit Suisse Securities (USA) LLC v. Billing*, 551 U.S. 264, 272 (2007); *Gordon v. New York Stock Exchange, Inc.*, 422 U.S. 659, 682 (1975). The antitrust laws are displaced “only if necessary to make the [other statutory scheme] work, and even then only to the minimum extent necessary.” *Ricci*, 409 U.S. at 301; *Silver*, 373 U.S. at 357.

PRE-MERGER ANTITRUST REVIEW

Recognizing that a fully methodical pre-merger antitrust review may be in tension with the need for quick action to avoid systemic

harm, the bill shortens the “Hart-Scott-Rodino” pre-merger waiting periods under section 7A of the Clayton Act, based on the procedure developed for reviewing sales of assets during a bankruptcy proceeding. This procedure expedites the initial review, while permitting the antitrust enforcement agency to extend the period when more information is needed to make its assessment. This expedited procedure is included in two places—in section 210(a)(1)(G)(ii) of the bill, for mergers of a covered financial company in receivership with another company, and in section 210(h)(11) of the bill, for mergers or sales of bridge financial companies.

The House bill had included, at the request of our Committee, a provision permitting the FDIC receiver to effectuate a merger immediately, without prior notice to the Attorney General or any pre-merger waiting period, if the Treasury Secretary determined that immediate action was necessary to preserve financial stability. This provision was not included in the Senate bill or the conference report. While express authority to act immediately is therefore missing, the Judiciary Committee hopes the antitrust enforcement agencies will work constructively with the Treasury Department to develop a mechanism for dispensing with the prior notice requirement and the pre-merger waiting period, or shortening them appropriately, when warranted by urgency and the danger posed to stability of the economy, keeping in mind that the antitrust laws authorizing challenge of anticompetitive mergers and acquisitions remain fully in force.

In this regard, it should be emphasized that the shortening of the H-S-R pre-merger antitrust waiting period, and even the possibility of permitting a merger to be effectuated as close to immediately as can be arranged, in no way alters the applicability of the other antitrust laws. If a merger raises significant competitive concerns, it can still be challenged after the fact under section 7 of the Clayton Act. And post-merger conduct that raises competitive concerns is fully subject to the Sherman Act. These laws are not amended by the bill; and the antitrust further emphasizes that their operation is not affected in any way.

Similarly, the House bill had, at the request of our Committee, applied the expedited pre-merger review process not only to mergers, but to sales or transfers of financial company assets. While transfers within the financial company's own internal corporate structure, or to a temporary bridge company set up by the FDIC, would never trigger the H-S-R notification and waiting period, and even sales or transfers to outside third parties would trigger it only if the assets acquired exceeded \$63 million in value, an acquisition of this type is as likely, if not more so, than a merger with the entire financial company. Our Committee thought it important that acquisitions of this type, when they occur, have the expedited process available, as well as the emergency process allowing acquisitions to be effectuated immediately.

The Senate bill limited the application of the expedited process to mergers, however, and the Senate approach was retained in the final conference report, which limits availability of the expedited review to mergers described in section 210(a)(1)(G)(i)(II), leaving out transfers

of assets described in section 210(a)(1)(G)(i)(II). To the extent that subparagraph (G)(i)(II) may be read not only to cover transfers within the corporate structure or to the temporary bridge financial company, but also to include transfers to third parties, these transfers, to the extent they are at thresholds that trigger Hart-Scott-Rodino reporting, will not be able to take advantage of the expedited waiting period under section 210(a)(1)(G)(ii). Our Committee urges the antitrust enforcement agencies to use their existing authority to work constructively with the FDIC to establish an informal arrangement to enable these transactions to proceed in an expedited fashion where consistent with effective antitrust enforcement, keeping in mind, again, that the antitrust laws authorizing challenge of anticompetitive mergers and acquisitions remain fully in force.

BANKRUPTCY LAW

One of the bill's centerpieces is a new emergency procedure for placing a financial institution into FDIC receivership when its insolvency poses imminent and significant “systemic risk” to the stability of the broader financial system and economy. Congress made a judgment to craft this procedure outside the Bankruptcy Code, rather than seek to adopt the Code to the additional needs of dealing effectively with systemic risk. While generally supportive of this judgment, our Committee has urged proceeding in keeping with two important objectives. First, that this new emergency procedure be authorized only for cases of genuine emergency, where a departure from the well-established procedures in the Bankruptcy Code is essential to broader financial and economic stability. And second, that even in the new emergency procedure, the well-developed bankruptcy principles of due process and equitable treatment of all affected parties be incorporated to the fullest extent possible.

CONFINING THE EXTRAORDINARY RECEIVERSHIP PROCEDURE TO EXTRAORDINARY CIRCUMSTANCES

As to the first objective, the House bill reaffirmed, at our Committee's request, the “strong presumption that resolution under the bankruptcy laws will remain the primary method of resolving financial companies,” and that the new FDIC receivership authority “will only be used in the most exigent circumstances.” The substantive essence of this presumption is reflected in several places in the final bill's new liquidation provisions.

In particular, section 203(a)(2)(F) requires that, in any recommendation to the Treasury Secretary that FDIC receivership be invoked, the FDIC and the Fed explain why a case under the Bankruptcy Code is not appropriate. Section 203(b)(4) requires that the Secretary have determined, in consultation with the President, that “any effect on the claims or interests of creditors . . . and other market participants . . . is appropriate, given the impact . . . on financial stability in the United States.” And section 203(c)(2) requires the Secretary to make an immediate report to Congress, within 24 hours, on specified considerations supporting the FDIC receivership invocation, including, in subparagraphs (E)–(I), several considerations regarding the effects of FDIC receivership as compared with bankruptcy procedure.

In addition, section 165(d)(4)(b) specifies that the resolution plans that large financial holding companies and nonbank financial companies will be required to submit to the Fed, as part of enhanced prudential standards, must be sufficient to result in orderly resolution under the Bankruptcy Code in the event of insolvency. Established bankruptcy procedure is thus reaffirmed as the preferred route even in the planning stages.

Our Committee expects these provisions to be cornerstones for ensuring that this extraordinary procedure will be invoked only when essential—when bankruptcy procedure is clearly not sufficient in light of the extreme urgency and overriding systemic risk.

INCORPORATING KEY BANKRUPTCY PRINCIPLES IN THE FDIC RECEIVERSHIP PROCESS

As to the second objective, the bill incorporates a number of key bankruptcy protections, first and foremost among them preservation and priority for specified kinds of claims against the financial company, and powers for the FDIC receiver to avoid transfers for the benefit of the United States and other creditors. The bill also incorporates a number of terms directly from the Bankruptcy Code. While we were not always successful in explicitly incorporating every useful Bankruptcy Code concept, many of the most important due process and equitable treatment considerations are reflected in some fashion.

For example, section 208 of the bill requires dismissal of a covered financial company's pending bankruptcy case upon appointment of the FDIC receiver. Subsection (b) provides that any assets that have vested in another entity automatically vest back in the covered financial company. We had expressed concern that this would prove not only unworkable in practice, but could undermine the effectiveness of the bankruptcy proceeding in preserving assets of the financial company, by creating uncertainty regarding any purchase of assets even in the ordinary course of business. Subsection (c) of the final bill clarifies that any order entered or other relief granted by a bankruptcy court prior to the date the FDIC receiver is appointed “shall continue with the same validity as if an orderly liquidation had not been commenced.” Our Committee expects subsection (c) to be construed so that payments made during the ordinary course of the financial company's business while it is a debtor in a bankruptcy case will not be subject to the automatic re-vesting. This is in keeping with other provisions of the bill, such as section 165, that are intended to encourage financial companies to be resolved through bankruptcy wherever possible.

At our Committee's urging, section 210(b) of the bill establishes priority of payment for various types of unsecured claims against a covered financial company for which the FDIC has been appointed as receiver under section 202, modeled on similar protection in the Bankruptcy Code. Subsection (b)(1)(C) accords third priority—after payment of the FDIC's administrative expenses as receiver, and any amounts owed to the United States (unless otherwise agreed to)—to employees with claims for unpaid wages, salaries, or commissions (including earned vacation, severance, and sick leave pay) up to a maximum \$11,725 for each employee, earned within 180

days before the date of the FDIC's appointment as receiver. Also at the Committee's urging, subsection (b)(1)(D) accords fourth priority for certain contributions owed to employee benefit plans arising from services rendered within the same 180-day time frame. These provisions will ensure that American workers will be accorded the equivalent protections they have under current bankruptcy law with respect to payment priority for unpaid wages and employee benefit plan contributions.

At our Committee's urging, the House bill required the FDIC receiver to appoint a Consumer Privacy Advisor to assist with ensuring that the privacy of sensitive consumer information would be appropriately protected. A similar provision was added to the Bankruptcy Code in 2005, following revelations that Toysmart.com, an Internet retailer of educational toys had, after filing for bankruptcy, sought to sell its customer data base, including personal information about children who used its toys, despite its promise never to sell this information. This provision was not retained in the final bill; but the FDIC has advised our Committee that it is absolutely committed to safeguarding any personally identifiable information it acquires from a covered financial company for which it serves as receiver.

PRACTICE OF LAW

The Constitutional freedoms and legal rights we enjoy as Americans are ultimately protected in our courts, through the advocacy of attorneys who are licensed to practice before them. In keeping with these critical responsibilities, the activities of these "officers of the court" are regulated by the States, through government bodies overseen by the State's highest court, with specialized expertise in the sometimes complex duties imposed by the code of legal ethics. Among the myriad activities engaged in as part of the practice of law are activities to assist consumer clients in resolving serious debt problems, including but by no means limited to representing them in bankruptcy proceedings.

Conceptually, the activities Congress intends to give the Bureau authority to regulate—"the offering or provision of a financial product or service"—are distinguishable from the practice of law. But because of the breadth of the authority being given the Bureau, including the definitions of "covered person" and "financial product or service," and the complexities of the practice of law, there was concern about potential overlap. And giving the new Bureau authority to regulate the practice of law could materially interfere with and jeopardize sensitive aspects of the attorney-client relationship, including the attorney-client privilege and work product protection that enable clients to obtain sound legal advice from their attorneys on a protected confidential basis.

It could also undermine the authority of the State supreme courts to effectively oversee and discipline lawyers. There are carefully developed ethical codes and disciplinary rules governing all aspects of the practice of law. Any regulation from a new source would unavoidably conflict with the existing rules and lines of accountability. And because one of the foremost, and at times most complex, ethical obligations is for an attorney to represent the

client zealously within the bounds of the law, there would be a significant likelihood of attorneys being impeded in meeting their obligations to their clients and to the legal system they are sworn to protect.

Even if the Bureau's authority could be reliably confined to legal representation in financial matters, the result would be material harm to consumer clients of bankruptcy lawyers, consumer lawyers, and real estate lawyers—the very consumers the Bureau is being created to protect. But the harm would inevitably be far broader, extending into unrelated aspects of legal practice.

For those reasons, our Committee was determined to avoid any possible overlap between the Bureau's authority and the practice of law. At the same time, our Committee recognized that attorneys can be involved in activities outside the practice of law, and might even hold out their law license as a sort of badge of trustworthiness. Although State supreme courts would have some authority to respond to abuses in even these outside activities, as reflecting on the attorney's unfitness to hold a law license (see Model Rule 8.4 of the American Bar Association Model Rules of Professional Conduct, adopted in virtually all States), their disciplinary authority is not necessarily as extensive in these outside areas. The Committee was equally determined that these outside activities not escape effective regulation simply because the person engaging in them is an attorney or is working for an attorney. Congresswoman MAXINE WATERS, a senior Member of both our Committee and the Committee on Financial Services, and a House conferee, was instrumental in helping ensure that the final bill draws this distinction appropriately and clearly.

Accordingly, our Committee worked to make clear that the new Consumer Financial Protection Bureau established in the bill is not being given authority to regulate the practice of law, which is regulated by the State or States in which the attorney in question is licensed to practice. At the same time, the Committee worked to clarify that this protection for the practice of law is not intended to preclude the new Bureau from regulating other conduct engaged in by individuals who happen to be attorneys or to be acting under their direction, if the conduct is not part of the practice of law or incidental to the practice of law.

Section 1027(e) of the final bill incorporates this protection. It excludes from Bureau supervisory and enforcement authority all activities engaged in as part of the practice of law under the laws of a State in which the attorney in question is licensed to practice law. To the extent that a paralegal, secretary, investigator, or law student intern is performing activities under the supervision of an attorney, and in a manner recognized under the laws of the relevant State as within the scope of the attorney's practice of law—and only to that extent—those activities also fall within this protection. As the commentary to Model Rule 5.3 of the American Bar Association Model Rules of Professional Conduct, adopted in virtually all States, makes clear, these legal assistants "act for the lawyer in rendition of the lawyer's professional services . . . [and the] lawyer must give such assistants appropriate instruction and supervision concerning the ethical as-

pects of their employment" Extending the protection to cover these legal assistance, under these conditions, is consistent with ensuring that the protection fully covers the practice of law as it is conventionally engaged in, while foreclosing any opportunity for an attorney to shield other commercial activities by engaging in them through surrogates.

The provision in the final bill includes indicia for determining whether an activity that constitutes the offering or provision of a financial product or service within the terms of the bill is part of or incidental to the practice of law, and therefore excluded from the Bureau's authority. First and foremost, the activity must be among those activities considered part of the practice of law by the State supreme court or other governing body that is regulating the practice of law in the State in question, or be incidental to those practices. As further protection against abuse, the activity must be engaged in exclusively within the scope of the attorney-client relationship; and the product or service must not be offered by or under direction of the attorney in question with respect to any consumer who is not receiving legal advice or services from the attorney in connection with it.

We would hope that this carefully considered statutory provision will also serve as a model for other federal agencies considering new regulations that might cover conduct engaged in by attorneys as well as others, so as to better ensure that important consumer protection objectives are achieved consistent with safeguarding the ability of our "officers of the court" to fulfill their ethical obligations under our legal system.

It is generally contemplated that the new Bureau will make rules regarding various aspects of its authority. Any determinations by rule, or otherwise, regarding what activities constitute the practice of law should be consistent with the views and practices of the State supreme court or State bar in question as to what activities it regards as part of the practice of law and oversees on that basis, giving appropriate deference to comments received from the State supreme courts and State bars, supplemented with further guidance as appropriate from the other indicia set forth in section 1027(e)(2).

Section 1027(e)(3) makes clear that existing federal regulatory authority over activities of attorneys, either under enumerated consumer laws as defined in the bill, or transferred to the new Bureau from existing agencies under subtitle F or H of Title X, the Consumer Financial Protection Bureau title, is not diminished.

ADMINISTRATIVE AND JUDICIAL PROCESS

Throughout the bill are provisions authorizing administrative or judicial enforcement. Our Committee has endeavored, where possible, to have these provisions written in conformance with the standard modern formulations found in the Administrative Procedures Act and title 28 of the United States Code, in lieu of novel formulations, or formulations modeled on laws enacted in a bygone era, that have the potential to create unnecessary uncertainty and litigation over interpretation. We were not always entirely successful in this regard.

Among the changes made at our Committee's urging was revision of the Consumer Financial Protection Bureau's new investigative

authority to bring it closer into conformity with the Antitrust Civil Process Act, on which it is modeled; and revisions to the new authority for nationwide service of subpoenas by the Securities and Exchange Commission to ensure that the authority will be exercised consistent with due process.

Our Committee remains concerned about the use of the terms “privileged” or “privileged as an evidentiary matter” to mean confidential and protected from discovery. This inartful phraseology, which was removed from some parts of the bill but not others, could unintentionally raise questions regarding evidentiary privilege law, which under the Rules Enabling Act is left to State common law. In particular, the Committee wishes to emphasize that this bill in no way authorizes government officials or courts to demand that anyone furnish information that is protected by legal privilege.

Mr. ISSA. Mr. Speaker, I oppose the Dodd-Frank bill. It is overreliant on vague, complex regulations administered by large bureaucracies. We should not be putting our trust in the wisdom of the same regulators who failed us during the last crisis.

Instead, we must strive for true transparency and accountability in the financial sector, both for private companies and for the agencies that regulate them. The financial industry submits huge volumes of information to various regulators—financial statements, securities disclosures, banking reports, loan-level data, and much more. Too often, this information cannot be easily searched or analyzed because it is trapped within lengthy documents that must be manually reviewed.

The financial crisis of 2008 demonstrated the dangers of opaque financial reporting. Complex transactions and products helped financial companies hide leverage from investors, while regulators failed to recognize systemic risks and ongoing frauds.

Effective scrutiny of the financial industry's regulatory information, by the public as well as by regulators, could give us a fighting chance at avoiding the next crisis. And to enable effective scrutiny, that information needs to be easily searchable, sortable, and downloadable—and also publicly accessible as often as possible. Transparency and accountability in the financial sector represent our best hope that someone will spot hidden leverage and risk.

As a member of the conference committee for this legislation, I felt it was my responsibility as a conferee to do my best to improve the bill. On the first day of the conference, I offered amendments to increase transparency throughout the financial industry by requiring financial regulatory agencies to designate electronic data standards for the financial information they receive from the industry. In other words, under my amendments, financial companies, securities issuers, and other regulated entities would apply consistent, unique electronic tags—like a bar code at the grocery store—to each individual element of the forms, statements, and filings they submit to the government, instead of using paper or plain text.

In this technologically possible? Absolutely. In fact, some regulators are already using financial data standards. At the Securities and Exchange Commission, Chairman Christopher Cox championed new rules that require public

companies to file their financial statements using a financial data standard called XBRL. Meanwhile, the FDIC has begun to require banks to use XBRL to apply electronic tags to each element of the call reports that they must file. In fact, XBRL has become a global data standard for financial information. It is already in use by regulators and stock exchanges in Australia, China, Japan, India, Korea, and many other countries. It transcends language barriers and differences in accounting standards to make financial information accessible to anyone, anywhere.

Why are these technologies so important? Data standards in financial regulation can help us achieve—for the first time—full transparency and accountability for both the regulated private companies and the federal agencies that regulate them.

For example, let's consider what has happened at the SEC. When companies submit their balance sheets and income statements in XBRL, every number in the balance sheet and every number in the income statement gets a unique electronic tag. That means market analysts and investors no longer need to manually hunt through lengthy documents and transcribe numbers into their own spreadsheets and databases. It makes companies' public financial information instantly searchable, sortable, and downloadable. And that means better transparency for publicly-traded companies. It has become much easier and much cheaper to track companies' performance. It has become easier for the SEC—or anyone else—to apply automatic filters to check for indicators of fraud.

For a second example, consider the experience of the FDIC, which now requires banks to file their call reports in XBRL. The electronic tags for every number in the call report helps banks to achieve better accuracy because it automatically checks all the mathematical relationships between numbers. Before the FDIC adopted XBRL, 30 percent of the call reports contained mathematical errors. Afterwards, the error rate fell to zero. Better accuracy also means better transparency.

In the early successes at the SEC and the FDIC are any indication, financial data standards would allow the markets to see reckless behavior ahead of time, or at least allow us to know the underlying value of assets when the markets begin to melt.

Financial data standards lead to better transparency for public companies and banks—but they also bring about better accountability for the regulators themselves. Why? Because when watchdog groups, financial media, and the public can slice and dice financial regulatory data for themselves, they can see for themselves whether the regulators are doing a good job at finding fraud and analyzing risk.

For all these reasons, I felt strongly that true financial reform should build on the SEC's and the FDIC's experience by adopting financial data standards throughout the whole regulatory system—securities disclosures, banking reports, swap transaction data, insurance reports, rating agencies' disclosures, and every other type of information collection that is discussed anywhere in the entire 2,000-page bill. My amendments would have accomplished that, and would have also required the data to

be made public wherever possible—with appropriate protections for trade secrets, privacy, and so on.

When I proposed my amendments on that first day of the conference, and advocated for greater transparency in our financial system, Chairman FRANK agreed with me. He accepted the idea of requiring the agencies to adopt financial data standards. At Chairman FRANK's request, my staff worked with his staff, and with Chairman TOWNS' staff at the Oversight Committee, to draft—on a bipartisan basis—a comprehensive package of financial data standards amendments. On the last day of the conference I proposed the comprehensive package to Chairman FRANK and the other House conferees. They adopted it unanimously by voice vote.

But this victory for transparency and accountability did not stand. In the wee hours of Friday morning—even though the House conferees had agreed unanimously on the amendments that Chairman FRANK and I had worked out together—the Senate conferees stripped the amendments out of the bill, and the final conference report does not include them. There is no written record showing why my transparency amendments were not included. Ironically, they were removed in a completely opaque fashion. By blocking amendments that would have achieved transparency in the financial sector through technology, the authors of this legislation have made it more difficult for financial institutions and regulators to be held accountable, setting us up for more devastating financial failures in the future.

I am very disappointed that this conference report ignores the need for greater transparency in the financial system by adopting proven technologies. Transparency is the only real solution to the corruption, hidden leverage, and ineffective bureaucracies that contributed to the previous financial crisis. Let me give you just a few examples.

First, transparency through technology can stop corruption. Suppose the financial statements for Bernie Madoff's investment firm had been encoded using a financial data standard, and made publicly available. Analysts would have used software to automatically compare Madoff's results with others in the industry. It would have been clear to everyone that his results were suspiciously consistent—such an outlier, in fact, that fraud could be the only explanation. But the SEC's new XBRL reporting rules hadn't yet been adopted when Madoff was running his fraud, and in any event they still only apply to public companies. Therefore, only the sophisticated financial firms who paid for Madoff's data to be manually entered into their software systems noticed these patterns. Individual investors who trusted Madoff never learned how unusual his results were until it was too late. Neither did the SEC. The SEC relies on manual reviews, and never has developed the ability to do quantitative analyses. The SEC was as clueless as anyone. My amendments would have required the SEC to impose a financial data standard on investment advisers' filings, like Bernie Madoff's, and to make that data available when appropriate.

Second, transparency through technology can reveal hidden leverage. The financial crisis is partly the result of complex mortgage-

backed securities which became toxic because nobody could reliably estimate their value. The technology exists to make even very complex assets transparent. If we were to require financial companies that bundle mortgages into mortgage-backed securities to apply electronic tags to the underlying information—for instance, the ZIP code and payment history of each mortgage—and regularly update that information, then the securities would be easy to value. My amendments would have required the SEC to start exactly that project.

Third, transparency through technology can make regulators more effective, less bureaucratic, and less wasteful. Just last Monday, the Wall Street Journal reported that a shady Ukrainian company whose sole employee and owner was a 79-year-old massage therapist had been cleared by the SEC to sell stock in this country—even though its filings reported no revenue and \$100 in assets. I don't mean to suggest that small, newly-founded companies should not have access to the capital markets. But if the SEC had required initial filings to be encoded using a financial data standard, this company's lack of revenue and assets would have raised automatic red flags and triggered greater scrutiny. My amendments would have required the SEC to impose financial data standards on registration statements and prospectuses.

In a letter to Chairman FRANK, these principles were endorsed by all of the major independent financial services standards organizations, including the Financial Information Services Division of the Software and Information Industry Association, FIX Protocol Limited, the International Swaps and Derivatives Association, the International Securities Association for Institutional Trade Communication, SWIFT, and XBRL US. And my amendments, before the House conferees approved them unanimously, were agreed to by the SEC, the Fed, the FDIC, and the Office of the Comptroller of the Currency.

My amendments would have imposed transparency through data standards across the whole financial system—for the Fed, for the FDIC, for the Comptroller of the Currency, for the CFTC, and especially for the SEC. But they were stripped out of the Dodd-Frank bill in the wee hours of Friday—even though my staff and Chairman FRANK's staff had worked together to draft them, even though the regulators had approved them, and even though the House conferees had unanimously adopted them. Despite this setback, I am determined that transparency through technology is essential to foreclosing another financial meltdown. I am determined to pass legislation to ensure that financial disclosure information—and other types of regulatory information, too—is reported using data standards to make it fully searchable, sortable, and downloadable.

Yesterday, when the conference briefly reconvened, Chairman FRANK promised to try again. We will work together to introduce stand-alone financial transparency legislation with the same provisions, bring it through the Financial Services Committee, seek quick House passage, and again confront the Senate. Americans have the right to free access to regulatory information that is searchable,

sortable, and downloadable, and they have the right to use that data to hold financial companies and regulatory agencies accountable. I will continue to fight for legislation to accomplish this, and transparency will have its day.

The SPEAKER pro tempore. Pursuant to House Resolution 1490, the previous question is ordered.

MOTION TO RECOMMIT

Mr. BACHUS. Mr. Speaker, I have a motion to recommit with instructions at the desk.

The SPEAKER pro tempore. Is the gentleman opposed to the conference report?

Mr. BACHUS. Yes.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Bachus moves to recommit the bill H.R. 4173 to the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill H.R. 4173 and to instruct the managers as follows:

(1) To disagree to section 1109 (relating to the GAO audit of the Federal Reserve facilities) of the conference report.

(2) To insist on section 1254(c) (relating to audits of the Federal Reserve), other than paragraph (1) of such section 1254(c), of the House bill.

(3) To insist on section 4s(e)(8) of the Commodity Exchange Act (relating to initial and variation margin), as proposed to be added by section 731 of the Senate amendment.

(4) To insist on section 15F(e)(8) of the Securities Exchange Act of 1934 (relating to initial and variation margin), as proposed to be added by section 764 of the Senate amendment.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the yeas appeared to have it.

Mr. BACHUS. Mr. Speaker, on that I demand the yeas and nays.

PARLIAMENTARY INQUIRY

Mr. FRANK of Massachusetts. Parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state his inquiry.

Mr. FRANK of Massachusetts. This is a legitimate parliamentary inquiry, probably the first one I have ever made or heard. But there was a lot of confusion.

Is it the case apparently that there is no debate on a motion to recommit on a conference report?

The SPEAKER pro tempore. The gentleman is correct. There is no debate on this motion to recommit.

The yeas and nays have been demanded.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 and clause 9 of rule XX, this 15-minute vote on the motion to recommit will be followed by 5-minute votes on adoption of the conference report, if ordered, and the motion to suspend the rules on H.R. 4445, if ordered.

The vote was taken by electronic device, and there were—yeas 198, nays 229, not voting 5, as follows:

[Roll No. 412]

YEAS—198

Aderholt	Garrett (NJ)	Miller, Gary
Akin	Gerlach	Minnick
Alexander	Giffords	Mitchell
Austria	Gingrey (GA)	Moran (KS)
Bachmann	Gohmert	Murphy, Tim
Bachus	Goodlatte	Myrick
Barrett (SC)	Granger	Neugebauer
Bartlett	Graves (GA)	Nunes
Barton (TX)	Graves (MO)	Nye
Biggart	Grayson	Olson
Blibray	Griffith	Paul
Bilirakis	Guthrie	Paulsen
Blackburn	Hall (TX)	Pence
Blunt	Harper	Perriello
Boehner	Hastings (WA)	Petri
Bonner	Heller	Pitts
Bono Mack	Hensarling	Platts
Boozman	Herger	Poe (TX)
Boucher	Hodes	Posey
Boustany	Hoekstra	Price (GA)
Brady (TX)	Hunter	Putnam
Broun (GA)	Inglis	Radanovich
Brown (SC)	Issa	Rehberg
Brown-Waite,	Jenkins	Reichert
Ginny	Johnson (IL)	Roe (TN)
Buchanan	Johnson, Sam	Rogers (AL)
Burgess	Jones	Rogers (KY)
Burton (IN)	Jordan (OH)	Rogers (MI)
Buyer	King (IA)	Rohrabacher
Calvert	King (NY)	Rooney
Camp	Kingston	Ros-Lehtinen
Campbell	Kirk	Roskam
Cantor	Kirkpatrick (AZ)	Ross
Cao	Kline (MN)	Royce
Capito	Kratovil	Ryan (WI)
Carney	Lamborn	Scalise
Carter	Lance	Schmidt
Cassidy	Latham	Schock
Castle	LaTourette	Sensenbrenner
Chaffetz	Latta	Sessions
Childers	Lee (NY)	Shadegg
Coble	Lewis (CA)	Shimkus
Coffman (CO)	Linder	Shuster
Cole	Lipinski	Simpson
Conaway	LoBiondo	Skelton
Crenshaw	Lucas	Smith (NE)
Critz	Luetkemeyer	Smith (NJ)
Culberson	Lummis	Smith (TX)
Davis (KY)	Lungren, Daniel	Space
Dent	E.	Stearns
Diaz-Balart, L.	Mack	Sullivan
Diaz-Balart, M.	Manzullo	Teague
Djout	Marchant	Terry
Dreier	Markey (CO)	Thompson (PA)
Duncan	McCarthy (CA)	Thornberry
Edwards (TX)	McCaul	Tiahrt
Ehlers	McClintock	Tiberi
Emerson	McCotter	Titus
Fallin	McHenry	Turner
Flake	McIntyre	Upton
Fleming	McKeon	Walden
Forbes	McMorris	Westmoreland
Fortenberry	Rodgers	Whitfield
Fox	McNerney	Wilson (SC)
Franks (AZ)	Mica	Wittman
Frelinghuysen	Miller (FL)	Wolf
Gallegly	Miller (MI)	Young (FL)

NAYS—229

Ackerman	Boswell	Cohen
Adler (NJ)	Boyd	Connolly (VA)
Altmire	Brady (PA)	Conyers
Andrews	Braley (IA)	Cooper
Arcuri	Bright	Costa
Baca	Brown, Corrine	Costello
Baird	Butterfield	Courtney
Baldwin	Capps	Crowley
Barrow	Capuano	Cuellar
Bean	Cardoza	Cummings
Becerra	Carnahan	Dahlkemper
Berkley	Carson (IN)	Davis (AL)
Berman	Castor (FL)	Davis (CA)
Berry	Chandler	Davis (IL)
Bishop (GA)	Chu	Davis (TN)
Bishop (NY)	Clarke	DeFazio
Blumenauer	Clay	DeGette
Bocchieri	Cleaver	Delahunt
Boren	Clyburn	DeLauro

Deutch Klein (FL)
 Dicks Kosmas
 Dingell Kucinich
 Doggett Langevin
 Donnelly (IN) Larsen (WA)
 Doyle Larson (CT)
 Driehaus Lee (CA)
 Edwards (MD) Levin
 Ellison Lewis (GA)
 Ellsworth Loeb sack
 Engel Lofgren, Zoe
 Eshoo Lowey
 Etheridge Luján
 Farr Lynch
 Fattah Maffei
 Filner Maloney
 Foster Markey (MA)
 Frank (MA) Marshall
 Fudge Matheson
 Garamendi Matsui
 Gonzalez McCarthy (NY)
 Gordon (TN) McCollum
 Green, Al McDermott
 Green, Gene McGovern
 Grijalva McMahon
 Gutierrez Meek (FL)
 Hall (NY) Meeks (NY)
 Halvorson Melancon
 Hare Michaud
 Harman Miller (NC)
 Hastings (FL) Miller, George
 Heinrich Mollohan
 Hersth Sandlin Moore (KS)
 Higgins Moore (WI)
 Hill Moran (VA)
 Himes Murphy (CT)
 Hinchey Murphy (NY)
 Hinojosa Murphy, Patrick
 Hirono Nadler (NY)
 Holden Napolitano
 Holt Neal (MA)
 Honda Oberstar
 Hoyer Obey
 Inslee Oliver
 Israel Ortiz
 Jackson (IL) Owens
 Jackson Lee Pallone
 (TX) Pascrell
 Johnson (GA) Pastor (AZ)
 Johnson, E. B. Payne
 Kagen Perlmutter
 Kanjorski Peters
 Kaptur Peterson
 Kennedy Pingree (ME)
 Kildee Polis (CO)
 Kilpatrick (MI) Pomeroy
 Kilroy Price (NC)
 Kind Quigley
 Kissell Rahall

NOT VOTING—5

Bishop (UT) Wamp
 Taylor Woolsey

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining in this vote.

□ 1846

Messrs. OLIVER, BRADY of Pennsylvania, POLIS, PRICE of North Carolina, JOHNSON of Georgia, Ms. CORRINE BROWN of Florida, Messrs. AL GREEN of Texas, POMEROY, Ms. SCHAKOWSKY, Messrs. MOLLOHAN, DINGELL, VISCLOSKY, GUTIERREZ and CONYERS changed their vote from “yea” to “nay.”

Mr. GOODLATTE, Mrs. KIRKPATRICK of Arizona, Mrs. BACHMANN, Mr. EDWARDS of Texas, Ms. FOX and Mr. BILBRAY changed their vote from “nay” to “yea.”

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRANK of Massachusetts. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 237, nays 192, not voting 4, as follows:

[Roll No. 413]

YEAS—237

Ackerman Green, Al
 Adler (NJ) Green, Gene
 Altmire Grijalva
 Andrews Gutierrez
 Arcuri Hall (NY)
 Baca Halvorson
 Baird Hare
 Baldwin Harman
 Barrow Hastings (FL)
 Bean Heinrich
 Becerra Hersth Sandlin
 Berkley Higgins
 Berman Hill
 Bishop (GA) Himes
 Bishop (NY) Hinchey
 Blumenauer Hinojosa
 Boccieri Hirono
 Boswell Hodes
 Boyd Holden
 Brady (PA) Holt
 Braley (IA) Honda
 Brown, Corrine Hoyer
 Butterfield Inslee
 Cao Israel
 Capps Jackson (IL)
 Capuano Jackson Lee
 Cardoza (TX)
 Carnahan Johnson (GA)
 Carney Johnson, E. B.
 Carson (IN) Jones
 Castle Kagen
 Castor (FL) Kanjorski
 Chu Kennedy
 Clarke Kildee
 Clay Kilpatrick (MI)
 Cleaver Kilroy
 Clyburn Kind
 Cohen Kissell
 Connolly (VA) Klein (FL)
 Conyers Kosmas
 Costa Kratovil
 Costello Kucinich
 Courtney Langevin
 Crowley Larsen (WA)
 Cummings Larson (CT)
 Dahlkemper Lee (CA)
 Davis (AL) Levin
 Davis (CA) Lewis (GA)
 Davis (IL) Lipinski
 DeFazio Loeb sack
 DeGette Lofgren, Zoe
 Delahunt Lowey
 DeLauro Luján
 Deutch Lynch
 Dicks Maffei
 Dingell Maloney
 Doggett Markey (CO)
 Donnelly (IN) Markey (MA)
 Doyle Marshall
 Driehaus Matheson
 Edwards (MD) Matsui
 Ellison McCarthy (NY)
 Ellsworth McCollum
 Engel McDermott
 Eshoo McGovern
 Etheridge McMahon
 Farr McNeerney
 Fattah Meek (FL)
 Filner Meeks (NY)
 Foster Melancon
 Frank (MA) Michaud
 Fudge Miller (NC)
 Garamendi Miller, George
 Giffords Minnick
 Gonzalez Mollohan
 Gordon (TN) Moore (KS)
 Grayson Moore (WI)

Waters
 Watson
 Watt

Waxman
 Weiner
 Welch

Wilson (OH)
 Wu
 Yarmuth

NAYS—192

Aderholt Fleming
 Akin Forbes
 Alexander Fortenberry
 Austria Foss
 Bachmann Franks (AZ)
 Bachus Frelinghuysen
 Barrett (SC) Gallegly
 Bartlett Garrett (NJ)
 Barton (TX) Gerlach
 Berry Gingrey (GA)
 Biggert Gohmert
 Bilbray Goodlatte
 Bilirakis Granger
 Bishop (UT) Graves (GA)
 Blackburn Graves (MO)
 Blunt Griffith
 Boehner Guthrie
 Bonner Hall (TX)
 Bono Mack Harper
 Boozman Hastings (WA)
 Boren Heller
 Boucher Hensarling
 Boustany Herger
 Brady (TX) Hoekstra
 Bright Hunter
 Broun (GA) Inglis
 Brown (SC) Issa
 Brown-Waite, Jenkins
 Ginny Johnson (IL)
 Buchanan Johnson, Sam
 Burgess Jordan (OH)
 Burton (IN) Kaptur
 Buyer King (IA)
 Calvert King (NY)
 Camp Kingston
 Campbell Kirk
 Cantor Kirkpatrick (AZ)
 Capito Kline (MN)
 Carter Lamborn
 Cassidy Lance
 Chaffetz Latham
 Chandler LaTourette
 Childers Latta
 Coble Lee (NY)
 Coffman (CO) Lewis (CA)
 Cole Linder
 Conaway LoBiondo
 Cooper Lucas
 Crenshaw Luetkemeyer
 Critz Lummis
 Cuellar Lungren, Daniel
 Culberson E.
 Davis (KY) Mack
 Davis (TN) Manzullo
 Dent Marchant
 Diaz-Balart, L. McCarthy (CA)
 Diaz-Balart, M. McCaul
 Djou McClintock
 Dreier McCotter
 Duncan McHenry
 Edwards (TX) McIntyre
 Ehlers McKeon
 Emerson McMorris
 Fallon Rodgers
 Flake Mica

Miller (FL)
 Miller (MI)
 Miller, Gary
 Mitchell
 Moran (KS)
 Murphy, Tim
 Myrick
 Neugebauer
 Nunes
 Olson
 Owens
 Paul
 Paulsen
 Pence
 Perriello
 Petri
 Pitts
 Platts
 Poe (TX)
 Posey
 Price (GA)
 Putnam
 Radanovich
 Rehberg
 Reichert
 Roe (TN)
 Rogers (AL)
 Rogers (KY)
 Rogers (MI)
 Rohrabacher
 Rooney
 Ros-Lehtinen
 Roskam
 Ross
 Royce
 Ryan (WI)
 Scalise
 Schmitt
 Schock
 Sensenbrenner
 Sessions
 Shadegg
 Shimkus
 Shuster
 Simpson
 Skelton
 Smith (NE)
 Smith (NJ)
 Smith (TX)
 Stearns
 Sullivan
 Terry
 Thompson (PA)
 Thornberry
 Tiahrt
 Tiberi
 Turner
 Upton
 Walden
 Westmoreland
 Whitfield
 Wilson (SC)
 Wittman
 Wolf
 Young (FL)

NOT VOTING—4

Taylor Woolsey
 Wamp Young (AK)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Two minutes remain in this vote.

□ 1854

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

INDIAN PUEBLO CULTURAL CENTER CLARIFICATION ACT

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and passing the bill (H.R. 4445) to amend Public Law 95-232 to repeal a restriction on treating as Indian country certain lands held in trust for Indian pueblos in New Mexico, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Mexico (Mr. HEINRICH) that the House suspend the rules and pass the bill, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

RECORDED VOTE

Mr. ANDREWS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 411, noes 0, not voting 21, as follows:

[Roll No. 414]

AYES—411

Ackerman	Buyer	Djou
Aderholt	Calvert	Doggett
Adler (NJ)	Camp	Donnelly (IN)
Alexander	Campbell	Doyle
Altmire	Cantor	Dreier
Andrews	Cao	Driehaus
Arcuri	Capito	Duncan
Austria	Capps	Edwards (MD)
Baca	Capuano	Edwards (TX)
Bachmann	Cardoza	Ellison
Bachus	Carnahan	Ellsworth
Baird	Carney	Emerson
Baldwin	Carson (IN)	Engel
Barrett (SC)	Carter	Eshoo
Barrow	Cassidy	Etheridge
Barlett	Castle	Fallin
Barton (TX)	Castor (FL)	Farr
Bean	Chaffetz	Fattah
Becerra	Chandler	Filner
Berkley	Childers	Flake
Berman	Chu	Fleming
Berry	Clarke	Forbes
Biggart	Clay	Fortenberry
Bilbray	Cleaver	Foster
Bilirakis	Clyburn	Fox
Bishop (GA)	Coble	Franks (AZ)
Bishop (NY)	Coffman (CO)	Frellinghuysen
Bishop (UT)	Cohen	Fudge
Blackburn	Cole	Gallegly
Blumenauer	Conaway	Garrett (NJ)
Blunt	Connolly (VA)	Gerlach
Boccheri	Conyers	Giffords
Boehner	Cooper	Gingrey (GA)
Bonner	Costa	Gohmert
Bono Mack	Costello	Gonzalez
Boozman	Courtney	Goodlatte
Boren	Crenshaw	Gordon (TN)
Boswell	Critz	Granger
Boucher	Crowley	Graves (GA)
Boustany	Cuellar	Graves (MO)
Boyd	Culberson	Grayson
Brady (PA)	Cummings	Green, Al
Brady (TX)	Dahlkemper	Green, Gene
Braley (IA)	Davis (AL)	Griffith
Bright	Davis (CA)	Grijalva
Broun (GA)	Davis (IL)	Guthrie
Brown (SC)	Davis (KY)	Gutierrez
Brown, Corrine	Davis (TN)	Hall (TX)
Brown-Waite,	DeGette	Halvorson
Ginny	DeLauro	Hare
Buchanan	Dent	Harman
Burgess	Deutch	Harper
Burton (IN)	Dicks	Hastings (FL)
Butterfield	Dingell	Hastings (WA)

Heinrich	Matsui	Ross
Heller	McCarthy (NY)	Rothman (NJ)
Hensarling	McCaul	Roybal-Allard
Herger	McClintock	Ruppersberger
Hereth Sandlin	McCollum	Ryan (OH)
Higgins	McCotter	Ryan (WI)
Hill	McDermott	Salazar
Himes	McGovern	Sanchez, Linda
Hinchee	McHenry	T.
Hinojosa	McIntyre	Sanchez, Loretta
Hirono	McKeon	Sarbanes
Hodes	McMahon	Scalise
Hoekstra	McMorris	Schakowsky
Holden	Rodgers	Schauer
Holt	McNerney	Schiff
Honda	Meek (FL)	Schmidt
Hoyer	Meeks (NY)	Schock
Hunter	Melancon	Schrader
Inglis	Mica	Schwartz
Inslee	Michaud	Scott (GA)
Israel	Miller (FL)	Scott (VA)
Issa	Miller (MI)	Sensenbrenner
Jackson (IL)	Miller (NC)	Serrano
Jackson Lee	Miller, Gary	Sessions
(TX)	Miller, George	Sestak
Jenkins	Minnick	Shadeeg
Johnson (GA)	Mitchell	Shea-Porter
Johnson (IL)	Mollohan	Sherman
Johnson, E. B.	Moore (KS)	Shimkus
Johnson, Sam	Moore (WI)	Shuler
Jones	Moran (KS)	Shuster
Jordan (OH)	Moran (VA)	Simpson
Kagen	Murphy (CT)	Sires
Kanjorski	Murphy (NY)	Skelton
Kaptur	Murphy, Patrick	Slaughter
Kennedy	Murphy, Tim	Smith (NE)
Kildee	Myrick	Smith (NJ)
Kilpatrick (MI)	Nadler (NY)	Smith (TX)
Kilroy	Napolitano	Smith (WA)
Kind	Neal (MA)	Snyder
King (IA)	Neugebauer	Space
King (NY)	Nunes	Speier
Kingston	Nye	Spratt
Kirkpatrick (AZ)	Oberstar	Stark
Kissell	Obey	Stearns
Klein (FL)	Olson	Stupak
Kline (MN)	Olver	Sullivan
Kosmas	Ortiz	Sutton
Kratovil	Owens	Tanner
Kucinich	Pallone	Teague
Lamborn	Pascarella	Terry
Lance	Pastor (AZ)	Thompson (CA)
Langevin	Paul	Thompson (MS)
Larson (WA)	Paulsen	Thompson (PA)
Larson (CT)	Payne	Thornberry
Latham	Pence	Tiahrt
LaTourette	Perlmutter	Tiberi
Latta	Perriello	Tierney
Lee (CA)	Peters	Titus
Lee (NY)	Peterson	Tonko
Levin	Petri	Towns
Lewis (CA)	Pingree (ME)	Tsongas
Lewis (GA)	Pitts	Turner
Linder	Platts	Upton
Lipinski	Poe (TX)	Van Hollen
LoBiondo	Polis (CO)	Velázquez
Loebach	Pomeroy	Visclosky
Lofgren, Zoe	Posey	Walden
Lowe	Price (GA)	Walz
Lucas	Price (NC)	Wasserman
Luetkemeyer	Putnam	Schultz
Luján	Radanovich	Watson
Lummis	Rahall	Watt
Lungren, Daniel	Rehberg	Waxman
E.	Reichert	Weiner
Lynch	Reyes	Welch
Mack	Richardson	Westmoreland
Maffei	Roe (TN)	Whitfield
Maloney	Rogers (AL)	Wilson (OH)
Manzullo	Rogers (KY)	Wilson (SC)
Marchant	Rogers (MI)	Wittman
Markey (CO)	Rohrabacher	Wolf
Markey (MA)	Rooney	Wu
Marshall	Ros-Lehtinen	Yarmuth
Matheson	Roskam	Young (FL)

NOT VOTING—21

Akin	Garamendi	Royce
DeFazio	Hall (NY)	Rush
Delahunt	Kirk	Taylor
Diaz-Balart, L.	McCarthy (CA)	Wamp
Diaz-Balart, M.	Quigley	Waters
Ehlers	Rangel	Woolsey
Frank (MA)	Rodriguez	Young (AK)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SCHRADER) (during the vote). There are 2 minutes remaining in this vote.

□ 1903

So (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 5618, RESTORATION OF EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 2010, AND WAIVING REQUIREMENT OF CLAUSE 6(a) OF RULE XIII WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS

Ms. MATSUI, from the Committee on Rules, submitted a privileged report (Rept. No. 111-519) on the resolution (H. Res. 1495) providing for consideration of the bill (H.R. 5618) to continue Federal unemployment programs, and waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING REQUIREMENT OF CLAUSE 6(a) OF RULE XIII WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS

Ms. MATSUI, from the Committee on Rules, submitted a privileged report (Rept. No. 111-520) on the resolution (H. Res. 1496) waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules, which was referred to the House Calendar and ordered to be printed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote on the yeas and nays are ordered, or on which the vote incurs objection under clause 6 of rule XX.

Record votes on postponed questions will be taken later.

CRUISE VESSEL SECURITY AND SAFETY ACT OF 2010

Mr. CUMMINGS. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (H.R. 3360) to amend title 46, United States

Code, to establish requirements to ensure the security and safety of passengers and crew on cruise vessels, and for other purposes.

The Clerk read the title of the bill.

The text of the Senate amendment is as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the “Cruise Vessel Security and Safety Act of 2010”.

(b) **TABLE OF CONTENTS.**—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Findings.

Sec. 3. Cruise vessel security and safety requirements.

Sec. 4. Offset of administrative costs.

Sec. 5. Budgetary effects.

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) There are approximately 200 overnight ocean-going cruise vessels worldwide. The average ocean-going cruise vessel carries 2,000 passengers with a crew of 950 people.

(2) In 2007 alone, approximately 12,000,000 passengers were projected to take a cruise worldwide.

(3) Passengers on cruise vessels have an inadequate appreciation of their potential vulnerability to crime while on ocean voyages, and those who may be victimized lack the information they need to understand their legal rights or to know whom to contact for help in the immediate aftermath of the crime.

(4) Sexual violence, the disappearance of passengers from vessels on the high seas, and other serious crimes have occurred during luxury cruises.

(5) Over the last 5 years, sexual assault and physical assaults on cruise vessels were the leading crimes investigated by the Federal Bureau of Investigation with regard to cruise vessel incidents.

(6) These crimes at sea can involve attacks both by passengers and crewmembers on other passengers and crewmembers.

(7) Except for United States flagged vessels, or foreign flagged vessels operating in an area subject to the direct jurisdiction of the United States, there are no Federal statutes or regulations that explicitly require cruise lines to report alleged crimes to United States Government officials.

(8) It is not known precisely how often crimes occur on cruise vessels or exactly how many people have disappeared during ocean voyages because cruise line companies do not make comprehensive, crime-related data readily available to the public.

(9) Obtaining reliable crime-related cruise data from governmental sources can be difficult, because multiple countries may be involved when a crime occurs on the high seas, including the flag country for the vessel, the country of citizenship of particular passengers, and any countries having special or maritime jurisdiction.

(10) It can be difficult for professional crime investigators to immediately secure an alleged crime scene on a cruise vessel, recover evidence of an onboard offense, and identify or interview potential witnesses to the alleged crime.

(11) Most cruise vessels that operate into and out of United States ports are registered under the laws of another country, and investigations and prosecutions of crimes against passengers and crewmembers may involve the laws and authorities of multiple nations.

(12) The Department of Homeland Security has found it necessary to establish 500-yard se-

curity zones around cruise vessels to limit the risk of terrorist attack. Recently piracy has dramatically increased throughout the world.

(13) To enhance the safety of cruise passengers, the owners of cruise vessels could upgrade, modernize, and retrofit the safety and security infrastructure on such vessels by installing peep holes in passenger room doors, installing security video cameras in targeted areas, limiting access to passenger rooms to select staff during specific times, and installing acoustic hailing and warning devices capable of communicating over distances.

SEC. 3. CRUISE VESSEL SECURITY AND SAFETY REQUIREMENTS.

(a) **IN GENERAL.**—Chapter 35 of title 46, United States Code, is amended by adding at the end the following:

“§3507. Passenger vessel security and safety requirements

“(a) **VESSEL DESIGN, EQUIPMENT, CONSTRUCTION, AND RETROFITTING REQUIREMENTS.**—

“(1) **IN GENERAL.**—Each vessel to which this subsection applies shall comply with the following design and construction standards:

“(A) The vessel shall be equipped with ship rails that are located not less than 42 inches above the cabin deck.

“(B) Each passenger stateroom and crew cabin shall be equipped with entry doors that include peep holes or other means of visual identification.

“(C) For any vessel the keel of which is laid after the date of enactment of the Cruise Vessel Security and Safety Act of 2010, each passenger stateroom and crew cabin shall be equipped with—

“(i) security latches; and

“(ii) time-sensitive key technology.

“(D) The vessel shall integrate technology that can be used for capturing images of passengers or detecting passengers who have fallen overboard, to the extent that such technology is available.

“(E) The vessel shall be equipped with a sufficient number of operable acoustic hailing or other such warning devices to provide communication capability around the entire vessel when operating in high risk areas (as defined by the United States Coast Guard).

“(2) **FIRE SAFETY CODES.**—In administering the requirements of paragraph (1)(C), the Secretary shall take into consideration fire safety and other applicable emergency requirements established by the U.S. Coast Guard and under international law, as appropriate.

“(3) **EFFECTIVE DATE.**—

“(A) **IN GENERAL.**—Except as provided in subparagraph (B), the requirements of paragraph (1) shall take effect 18 months after the date of enactment of the Cruise Vessel Security and Safety Act of 2010.

“(B) **LATCH AND KEY REQUIREMENTS.**—The requirements of paragraph (1)(C) take effect on the date of enactment of the Cruise Vessel Security and Safety Act of 2010.

“(b) **VIDEO RECORDING.**—

“(1) **REQUIREMENT TO MAINTAIN SURVEILLANCE.**—The owner of a vessel to which this section applies shall maintain a video surveillance system to assist in documenting crimes on the vessel and in providing evidence for the prosecution of such crimes, as determined by the Secretary.

“(2) **ACCESS TO VIDEO RECORDS.**—The owner of a vessel to which this section applies shall provide to any law enforcement official performing official duties in the course and scope of an investigation, upon request, a copy of all records of video surveillance that the official believes may provide evidence of a crime reported to law enforcement officials.

“(c) **SAFETY INFORMATION.**—

“(1) **CRIMINAL ACTIVITY PREVENTION AND RESPONSE GUIDE.**—The owner of a vessel to which

this section applies (or the owner's designee) shall—

“(A) have available for each passenger a guide (referred to in this subsection as the ‘security guide’), written in commonly understood English, which—

“(i) provides a description of medical and security personnel designated on board to prevent and respond to criminal and medical situations with 24 hour contact instructions;

“(ii) describes the jurisdictional authority applicable, and the law enforcement processes available, with respect to the reporting of homicide, suspicious death, a missing United States national, kidnapping, assault with serious bodily injury, any offense to which section 2241, 2242, 2243, or 2244(a) or (c) of title 18 applies, firing or tampering with the vessel, or theft of money or property in excess of \$10,000, together with contact information for the appropriate law enforcement authorities for missing persons or reportable crimes which arise—

“(I) in the territorial waters of the United States;

“(II) on the high seas; or

“(III) in any country to be visited on the voyage;

“(B) provide a copy of the security guide to the Federal Bureau of Investigation for comment; and

“(C) publicize the security guide on the website of the vessel owner.

“(2) **EMBASSY AND CONSULATE LOCATIONS.**—

The owner of a vessel to which this section applies shall provide in each passenger stateroom, and post in a location readily accessible to all crew and in other places specified by the Secretary, information regarding the locations of the United States embassy and each consulate of the United States for each country the vessel will visit during the course of the voyage.

“(d) **SEXUAL ASSAULT.**—The owner of a vessel to which this section applies shall—

“(1) maintain on the vessel adequate, in-date supplies of anti-retroviral medications and other medications designed to prevent sexually transmitted diseases after a sexual assault;

“(2) maintain on the vessel equipment and materials for performing a medical examination in sexual assault cases to evaluate the patient for trauma, provide medical care, and preserve relevant medical evidence;

“(3) make available on the vessel at all times medical staff who have undergone a credentialing process to verify that he or she—

“(A) possesses a current physician's or registered nurse's license and—

“(i) has at least 3 years of post-graduate or post-registration clinical practice in general and emergency medicine; or

“(ii) holds board certification in emergency medicine, family practice medicine, or internal medicine;

“(B) is able to provide assistance in the event of an alleged sexual assault, has received training in conducting forensic sexual assault examination, and is able to promptly perform such an examination upon request and provide proper medical treatment of a victim, including administration of anti-retroviral medications and other medications that may prevent the transmission of human immunodeficiency virus and other sexually transmitted diseases; and

“(C) meets guidelines established by the American College of Emergency Physicians relating to the treatment and care of victims of sexual assault;

“(4) prepare, provide to the patient, and maintain written documentation of the findings of such examination that is signed by the patient; and

“(5) provide the patient free and immediate access to—

“(A) contact information for local law enforcement, the Federal Bureau of Investigation,

the United States Coast Guard, the nearest United States consulate or embassy, and the National Sexual Assault Hotline program or other third party victim advocacy hotline service; and

“(B) a private telephone line and Internet-accessible computer terminal by which the individual may confidentially access law enforcement officials, an attorney, and the information and support services available through the National Sexual Assault Hotline program or other third party victim advocacy hotline service.

“(e) CONFIDENTIALITY OF SEXUAL ASSAULT EXAMINATION AND SUPPORT INFORMATION.—The master or other individual in charge of a vessel to which this section applies shall—

“(1) treat all information concerning an examination under subsection (d) confidential, so that no medical information may be released to the cruise line or other owner of the vessel or any legal representative thereof without the prior knowledge and approval in writing of the patient, or, if the patient is unable to provide written authorization, the patient's next-of-kin, except that nothing in this paragraph prohibits the release of—

“(A) information, other than medical findings, necessary for the owner or master of the vessel to comply with the provisions of subsection (g) or other applicable incident reporting laws;

“(B) information to secure the safety of passengers or crew on board the vessel; or

“(C) any information to law enforcement officials performing official duties in the course and scope of an investigation; and

“(2) treat any information derived from, or obtained in connection with, post-assault counseling or other supportive services confidential, so no such information may be released to the cruise line or any legal representative thereof without the prior knowledge and approval in writing of the patient, or, if the patient is unable to provide written authorization, the patient's next-of-kin.

“(f) CREW ACCESS TO PASSENGER STATE-ROOMS.—The owner of a vessel to which this section applies shall—

“(1) establish and implement procedures and restrictions concerning—

“(A) which crewmembers have access to passenger staterooms; and

“(B) the periods during which they have that access; and

“(2) ensure that the procedures and restrictions are fully and properly implemented and periodically reviewed.

“(g) LOG BOOK AND REPORTING REQUIREMENTS.—

“(1) IN GENERAL.—The owner of a vessel to which this section applies shall—

“(A) record in a log book, either electronically or otherwise, in a centralized location readily accessible to law enforcement personnel, a report on—

“(i) all complaints of crimes described in paragraph (3)(A)(i),

“(ii) all complaints of theft of property valued in excess of \$1,000, and

“(iii) all complaints of other crimes, committed on any voyage that embarks or disembarks passengers in the United States; and

“(B) make such log book available upon request to any agent of the Federal Bureau of Investigation, any member of the United States Coast Guard, and any law enforcement officer performing official duties in the course and scope of an investigation.

“(2) DETAILS REQUIRED.—The information recorded under paragraph (1) shall include, at a minimum—

“(A) the vessel operator;

“(B) the name of the cruise line;

“(C) the flag under which the vessel was operating at the time the reported incident occurred;

“(D) the age and gender of the victim and the accused assailant;

“(E) the nature of the alleged crime or complaint, as applicable, including whether the alleged perpetrator was a passenger or a crewmember;

“(F) the vessel's position at the time of the incident, if known, or the position of the vessel at the time of the initial report;

“(G) the time, date, and method of the initial report and the law enforcement authority to which the initial report was made;

“(H) the time and date the incident occurred, if known;

“(I) the total number of passengers and the total number of crew members on the voyage; and

“(J) the case number or other identifier provided by the law enforcement authority to which the initial report was made.

“(3) REQUIREMENT TO REPORT CRIMES AND OTHER INFORMATION.—

“(A) IN GENERAL.—The owner of a vessel to which this section applies (or the owner's designee)—

“(i) shall contact the nearest Federal Bureau of Investigation Field Office or Legal Attache by telephone as soon as possible after the occurrence on board the vessel of an incident involving homicide, suspicious death, a missing United States national, kidnapping, assault with serious bodily injury, any offense to which section 2241, 2242, 2243, or 2244(a) or (c) of title 18 applies, firing or tampering with the vessel, or theft of money or property in excess of \$10,000 to report the incident;

“(ii) shall furnish a written report of the incident to an Internet based portal maintained by the Secretary;

“(iii) may report any serious incident that does not meet the reporting requirements of clause (i) and that does not require immediate attention by the Federal Bureau of Investigation via the Internet based portal maintained by the Secretary; and

“(iv) may report any other criminal incident involving passengers or crewmembers, or both, to the proper State or local government law enforcement authority.

“(B) INCIDENTS TO WHICH SUBPARAGRAPH (A) APPLIES.—Subparagraph (A) applies to an incident involving criminal activity if—

“(i) the vessel, regardless of registry, is owned, in whole or in part, by a United States person, regardless of the nationality of the victim or perpetrator, and the incident occurs when the vessel is within the admiralty and maritime jurisdiction of the United States and outside the jurisdiction of any State;

“(ii) the incident concerns an offense by or against a United States national committed outside the jurisdiction of any nation;

“(iii) the incident occurs in the Territorial Sea of the United States, regardless of the nationality of the vessel, the victim, or the perpetrator; or

“(iv) the incident concerns a victim or perpetrator who is a United States national on a vessel during a voyage that departed from or will arrive at a United States port.

“(4) AVAILABILITY OF INCIDENT DATA VIA INTERNET.—

“(A) WEBSITE.—The Secretary shall maintain a statistical compilation of all incidents described in paragraph (3)(A)(i) on an Internet site that provides a numerical accounting of the missing persons and alleged crimes recorded in each report filed under paragraph (3)(A)(i) that are no longer under investigation by the Federal Bureau of Investigation. The data shall be updated no less frequently than quarterly, aggregated by cruise line, each cruise line shall be identified by name, and each crime shall be identified as to whether it was committed by a passenger or a crew member.

“(B) ACCESS TO WEBSITE.—Each cruise line taking on or discharging passengers in the United States shall include a link on its Internet website to the website maintained by the Secretary under subparagraph (A).

“(h) ENFORCEMENT.—

“(1) PENALTIES.—

“(A) CIVIL PENALTY.—Any person that violates this section or a regulation under this section shall be liable for a civil penalty of not more than \$25,000 for each day during which the violation continues, except that the maximum penalty for a continuing violation is \$50,000.

“(B) CRIMINAL PENALTY.—Any person that willfully violates this section or a regulation under this section shall be fined not more than \$250,000 or imprisoned not more than 1 year, or both.

“(2) DENIAL OF ENTRY.—The Secretary may deny entry into the United States to a vessel to which this section applies if the owner of the vessel—

“(A) commits an act or omission for which a penalty may be imposed under this subsection; or

“(B) fails to pay a penalty imposed on the owner under this subsection.

“(i) PROCEDURES.—Within 6 months after the date of enactment of the Cruise Vessel Security and Safety Act of 2010, the Secretary shall issue guidelines, training curricula, and inspection and certification procedures necessary to carry out the requirements of this section.

“(j) REGULATIONS.—The Secretary and the Commandant shall each issue such regulations as are necessary to implement this section.

“(k) APPLICATION.—

“(1) IN GENERAL.—This section and section 3508 apply to a passenger vessel (as defined in section 2101(22)) that—

“(A) is authorized to carry at least 250 passengers;

“(B) has onboard sleeping facilities for each passenger;

“(C) is on a voyage that embarks or disembarks passengers in the United States; and

“(D) is not engaged on a coastwise voyage.

“(2) FEDERAL AND STATE VESSELS.—This section and section 3508 do not apply to a vessel of the United States operated by the Federal Government or a vessel owned and operated by a State.

“(l) DEFINITIONS.—In this section and section 3508:

“(1) COMMANDANT.—The term ‘Commandant’ means the Commandant of the Coast Guard.

“(2) OWNER.—The term ‘owner’ means the owner, charterer, managing operator, master, or other individual in charge of a vessel.

“§ 3508. Crime scene preservation training for passenger vessel crewmembers

“(a) IN GENERAL.—Within 1 year after the date of enactment of the Cruise Vessel Security and Safety Act of 2010, the Secretary, in consultation with the Director of the Federal Bureau of Investigation and the Maritime Administration, shall develop training standards and curricula to allow for the certification of passenger vessel security personnel, crewmembers, and law enforcement officials on the appropriate methods for prevention, detection, evidence preservation, and reporting of criminal activities in the international maritime environment. The Administrator of the Maritime Administration may certify organizations in the United States and abroad that offer the curriculum for training and certification under subsection (c).

“(b) MINIMUM STANDARDS.—The standards established by the Secretary under subsection (a) shall include—

“(1) the training and certification of vessel security personnel, crewmembers, and law enforcement officials in accordance with accepted

law enforcement and security guidelines, policies, and procedures, including recommendations for incorporating a background check process for personnel trained and certified in foreign ports;

“(2) the training of students and instructors in all aspects of prevention, detection, evidence preservation, and reporting of criminal activities in the international maritime environment; and

“(3) the provision or recognition of off-site training and certification courses in the United States and foreign countries to develop and provide the required training and certification described in subsection (a) and to enhance security awareness and security practices related to the preservation of evidence in response to crimes on board passenger vessels.

“(c) **CERTIFICATION REQUIREMENT.**—Beginning 2 years after the standards are established under subsection (b), no vessel to which this section applies may enter a United States port on a voyage (or voyage segment) on which a United States citizen is a passenger unless there is at least 1 crewmember onboard who is certified as having successfully completed training in the prevention, detection, evidence preservation, and reporting of criminal activities in the international maritime environment on passenger vessels under subsection (a).

“(d) **INTERIM TRAINING REQUIREMENT.**—No vessel to which this section applies may enter a United States port on a voyage (or voyage segment) on which a United States citizen is a passenger unless there is at least 1 crewmember onboard who has been properly trained in the prevention detection, evidence preservation and the reporting requirements of criminal activities in the international maritime environment. The owner of a such a vessel shall maintain certification or other documentation, as prescribed by the Secretary, verifying the training of such individual and provide such documentation upon request for inspection in connection with enforcement of the provisions of this section. This subsection shall take effect 1 year after the date of enactment of the Cruise Vessel Safety and Security Act of 2010 and shall remain in effect until superseded by the requirements of subsection (c).

“(e) **CIVIL PENALTY.**—Any person that violates this section or a regulation under this section shall be liable for a civil penalty of not more than \$50,000.

“(f) **DENIAL OF ENTRY.**—The Secretary may deny entry into the United States to a vessel to which this section applies if the owner of the vessel—

“(1) commits an act or omission for which a penalty may be imposed under subsection (e); or

“(2) fails to pay a penalty imposed on the owner under subsection (e).”.

(b) **CLERICAL AMENDMENT.**—The table of contents for such chapter is amended by adding at the end the following:

“3507. Passenger vessel security and safety requirements

“3508. Crime scene preservation training for passenger vessel crewmembers”.

SEC. 4. OFFSET OF ADMINISTRATIVE COSTS.

(a) **REPEAL OF CERTAIN REPORT REQUIREMENTS.**—

(1) Section 1130 of the Coast Guard Authorization Act of 1996 (33 U.S.C. 2720 note) is amended by striking subsection (b).

(2) Section 112 of the Maritime Transportation Security Act of 2002 (46 U.S.C. 70101 note) is repealed.

(3) Section 676 of title 14, United States Code, is amended by striking subsection (d).

(4) Section 355 of title 37, United States Code, is amended by striking subsection (h) and redesignating subsection (i) as subsection (h).

(5) Section 205 of the Coast Guard and Maritime Transportation Act of 2004 (14 U.S.C. 637 note) is amended by striking subsection (d).

(b) **COMBINATION OF FISHERIES ENFORCEMENT PLANS AND FOREIGN FISHING INCURSION REPORTS.**—The Secretary of the department in which the Coast Guard is operating shall combine the reports required under section 224 of the Coast Guard and Maritime Transportation Act of 2004 (16 U.S.C. 1861b) and section 804 of the Coast Guard and Maritime Transportation Act of 2004 (16 U.S.C. 1828) into a single annual report for fiscal years beginning after fiscal year 2010.

SEC. 5. BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go-Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, submitted for printing in the Congressional Record by the Chairman of the Senate Budget Committee, provided that such statement has been submitted prior to the vote on passage.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Maryland (Mr. CUMMINGS) and the gentleman from New Jersey (Mr. LOBIONDO) each will control 20 minutes.

The Chair recognizes the gentleman from Maryland.

GENERAL LEAVE

Mr. CUMMINGS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on H.R. 3360.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. CUMMINGS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today to urge the passage of the Senate amendments to H.R. 3360, the Cruise Vessel Security and Safety Act of 2010. The House passed H.R. 3360 on November 17 by a vote of 416-4. On June 10, 2010, the Senate passed this legislation with an amendment which is now before us for consideration today.

I applaud my distinguished colleague, Congresswoman DORIS MATSUI, the author of H.R. 3360, for her hard work on this legislation and for her tireless work on behalf of her constituent, Ms. Laurie Dishman, and of all victims of crimes on cruise ships.

As chairman of the Subcommittee on the Coast Guard and Maritime Transportation, I've convened two hearings to examine the issue of crime on cruise ships. I applaud Ms. Dishman and so many other victims and family members of victims for testifying before my subcommittee and for their long effort to support the development of legislation that would help ensure no one else is a victim of a crime on a cruise ship.

Almost all of the nearly 200 cruise vessels embarking and disembarking passengers in the U.S. are registered in foreign countries. As a result, when Americans step onto a cruise vessel, they are stepping onto what becomes a floating piece of another country's jurisdiction as soon as it leaves U.S. waters.

All available statistics indicate that crime is rare on cruise vessels, but it does happen. Therefore, H.R. 3360 seeks to improve the safety of passengers on cruise vessels by requiring common-sense measures to help prevent criminal activity and to ensure cruise lines respond appropriately when a crime occurs, including, by providing proper care for crime victims and securing crime scenes.

I believe that H.R. 3360 responds directly to the problems we examined in our hearings by requiring reasonable alterations in vessel design, equipment, and construction standards to increase the physical safety and security of passengers.

For example, H.R. 3360 requires that cruise vessels install peepholes or similar features in cabin doors so that passengers can identify who is at their door without having to open the door.

H.R. 3360 also requires that cruise vessels have railings that are at least 42 inches high to help prevent passengers from falling overboard. This legislation also requires that cruise ships have onboard trained medical personnel who can provide treatment to assault victims, collect evidence to support prosecutions, and administer antiretroviral medications. This legislation also requires that a store of such medications be maintained on cruise vessels.

And at this point, Mr. Speaker, I would also like to give credit to my colleague on our subcommittee and committee, Congresswoman CORRINE BROWN of Florida, who fought very hard to make sure that folks who may have been victims of rape had the appropriate personnel to address their concerns, as did Ms. MATSUI. These provisions are critical to ensuring that those who are victims of sexual assault have immediate access to state-of-the-art medical care.

H.R. 3360 also specifies certain crimes that must be reported to U.S. authorities by any vessel calling on a U.S. port, and it requires the government to maintain an Internet site that provides a numerical accounting of the reported crimes. Such statistics will be aggregated by individual cruise lines, and cruise lines will be required to maintain a link to the site on their own Web pages.

The Senate amendment made several changes to the legislation passed by the House. Some of these changes enhance the legislation, including the addition of a provision requiring cruise ships to inform passengers of jurisdictional authority applicable to crimes occurring in United States territorial waters, on the high seas, and in the countries visited by the vessel.

That said, the Senate amendment also eliminates a number of reports unrelated to crime on cruise ships that have been required by other pieces of legislation to be submitted to the Congress by the Coast Guard, including a

report on foreign-flagged vessels calling on U.S. ports and a report on Coast Guard staffing levels in search and rescue centers.

I understand that the elimination of these reports was demanded by a few Senators, ostensibly to offset the costs of implementing safety and security reforms on cruise vessels. I do not believe that measures that improve safety and security, and particularly not measures such as H.R. 3360, which imposes almost all new requirements on the cruise lines themselves, should require offsets, and particularly not offsets such as these.

That said, enactment of H.R. 3360 will make cruising safer for the millions of Americans who travel on cruise vessels each year, and I urge all of the Members of the House to join in passing the Senate amendments to H.R. 3360.

I also take this moment to thank my ranking member, Mr. LOBIONDO, for our bipartisan efforts in seeing that this legislation got to the floor and is passed.

I again commend Congresswoman MATSUI for her dedication to this cause and for her extraordinary work on H.R. 3360.

Mr. Speaker, I reserve the balance of my time.

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Mr. LOBIONDO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the House is considering the Senate amendments to H.R. 3360, the Cruise Ship Security and Safety Act of 2010. I supported passage of the original bill and intend to support this final version because, on the whole, the bill is a significant improvement over legislation that was considered by the House in the 110th Congress.

The Committee on Transportation and Infrastructure has closely examined the factors that are impacting the safety and security of American citizens aboard cruise ships that operate in and out of United States ports. H.R. 3360 makes commonsense improvements which will enhance safeguards for passengers during the cruise. While no level of procedural or structural modification can prevent all incidents from occurring, I believe this bill will significantly enhance the capabilities of both passengers and cruise lines in the future.

The bill will also codify an agreement between the FBI and cruise ship lines which will require cruise operators to immediately notify Federal law enforcement agencies of major incidents that occur aboard a vessel.

I am concerned by one change that was included in the Senate bill to expand criminal liability to apply to a wide range of actions under the bill. This goes far beyond what was agreed to in the original House bill, and I be-

lieve we should review the impacts of this language at some point in the future.

That being said, the bill will provide additional protections to U.S. passengers, and I ask all Members to join me in supporting the bill.

I reserve the balance of my time.

Mr. CUMMINGS. Mr. Speaker, I yield 4 minutes to the sponsor of the bill who has worked very hard on this legislation for years now, the distinguished lady from California, Congresswoman MATSUI.

Ms. MATSUI. I thank the gentleman from Maryland for yielding me time.

Mr. Speaker, I rise in support of the Senate amendments to H.R. 3360, the Cruise Vessel Security and Safety Act, legislation that I introduced and which passed the House by a strong bipartisan vote of 416-4 in November of last year. The bill received similar support in the Senate, which passed it with unanimous consent earlier this month.

The Senate amendments to this legislation are also bipartisan in nature, and I urge my colleagues to support the bill before us that would send critical consumer protection language to the President for his consideration. For far too long American families have unknowingly been at risk when embarking on cruise vacations.

Four years ago, one of my constituents, Laurie Dishman, wrote to me for help. Laurie was the victim of a sexual assault while on a cruise vacation. She was given no assistance by the cruise line in properly securing evidence of the assault, no assistance in identifying her attacker, no assistance in prosecuting the crime once back on shore. Devastated, Laurie reached out to me, and I immediately worked with Chairman CUMMINGS, who committed to me to hold hearings on this issue and began to work on this critical legislation.

These hearings made apparent the gross inadequacies of current cruise safety provisions. And with ongoing news coverage of rapes on cruise ships, it is clear that this legislation is both urgent and necessary. My legislation establishes stringent new standards to ensure the safety and security of passengers on cruise vessels. Its reforms include requiring that vessel personnel be able to preserve evidence of crimes committed on these vessels, and provide appropriate medical treatment to the victims of sexual assaults.

Security, safety, and accountability must all be strengthened to hold criminals accountable and end the cycle of serious, dangerous crimes aboard cruise ships.

I would like to thank both Chairmen, CUMMINGS and OBERSTAR for the good work their committees and staffs have done on this bill and for their tremendous support in making this bill a reality. I would also like to thank my colleagues on the other side of the aisle

for their support. This has been a long, difficult road for all cruise victims and their families. And believe me, this legislation is truly a result of their courage, their dedication, and their conviction to preventing further crimes from happening.

I urge my colleagues to support this important legislation and pave the way for safety of all cruise passengers.

Mr. LOBIONDO. Mr. Speaker, I yield to my colleague from Texas, Congressman POE, such time as he may consume.

Mr. POE of Texas. I appreciate the gentleman for yielding.

I rise totally in support of H.R. 3360, the Cruise Vessel Security and Safety Act of 2010. This legislation passed the House with strong support in November of last year, and I am pleased to see it return from the other body as an improved bill ready for final passage. I commend my colleague, Ms. MATSUI of California, who has been relentless as an advocate for protection of the cruise line passengers.

Mr. Speaker, every year cruise line companies carry over 10 million Americans to and from American ports. The cruise lines promise Americans safety, security, fun, and relaxation aboard the ships. But as we have seen, safety is not something the cruise lines are always prepared to guarantee.

According to the FBI, sexual assault is the leading crime reported and investigated by the agency among crimes that occur on the high seas. In fact, in a 2005 hearing before the Committee on Government Reform, Chris Swecker, assistant director of the Criminal Investigative Division of the FBI, noted that, "Sexual assaults are the dominant threat to women and minors on the high seas, with the majority of these incidences occurring on cruise ships." His statements are backed up by the disturbing frequency of assaults onboard these ships. During one 6-month period in 2007, the cruise lines reported 41 separate instances of sexual assault to the FBI, 19 of which were categorized as rape.

There are troubling patterns to these assaults. In 2007, a Los Angeles Times report revealed that over a 32-month period, Royal Caribbean reported over 250 incidents of sexual assault, battery, and harassment. But the most startling fact about these cases: Almost 40 percent of these crimes were committed by cruise company employees. In fact, Ms. MATSUI's constituent, Laurie Dishman, was sexually assaulted by a cruise ship security guard.

Laurie Dishman knew what to do, which was call her Member of Congress. And when Ms. MATSUI found out about this situation, she did what she needed to do and worked relentlessly with both sides of the body here to make sure that this legislation came to a vote and now final passage.

Mr. Speaker, the frequency of these cases and the overwhelming statistics

should not be tolerated. If U.S.-based cruise ship companies who own and operate foreign-flagged passenger vessels want to access millions of Americans who travel on these ships, they should be required to implement simple, proper safety and security improvements for all travelers.

As the cochair and founder of the Congressional Victims' Rights Caucus, I am proud to support H.R. 3360. This bill will implement necessary safety measures onboard cruise ships, including video surveillance and proper documentation of complaints by passengers. Most importantly, the law mandates that cruise ship personnel contact both the FBI and the Coast Guard as soon as serious crimes like homicide, kidnapping, and assault are reported by the passengers.

This strong legislation will protect the safety of millions of Americans and hold law violators accountable for sexual assault on the high seas. No longer will criminals be able to hide on our oceans when they commit crimes against Americans. So I urge my colleagues to support this bill.

Mr. OBERSTAR. Mr. Speaker, I rise today in strong support of the Senate amendment to H.R. 3360, the "Cruise Vessel Security and Safety Act of 2010."

Serious crimes are committed at sea aboard cruise vessels just as they are committed on land. Over the last five years, sexual and physical assaults were the leading crimes committed aboard cruise vessels and investigated by the Federal Bureau of Investigation.

Alarming, it is not known precisely how often crimes are committed on cruise vessels or how many people have disappeared during ocean voyages because cruise lines that are registered in countries other than the United States are not required to make crime-related data available.

In fact, only one of the nearly 200 cruise vessels that serve the North American market is registered in the United States. This means that only one cruise vessel serving the North American market is, at all times, subject to the laws of the United States and required to report incidents of alleged crimes to United States law enforcement agencies.

While there are limited circumstances in which the U.S. can assert jurisdiction over some crimes occurring on cruise ships, cruise vessels registered in foreign countries directly fall under the jurisdiction of the United States only when they are operating in U.S. waters—in U.S. ports or sailing within 12 miles of the U.S. coast.

At all other times, foreign-registered vessels operate subject to the laws of the country in which the vessel is registered or in whose waters they are travelling. The laws in these countries may not—and often do not—provide the same rights and protections to crime victims that would be provided under U.S. law.

However, foreign-registered cruise vessels can be subject to some U.S. laws as a condition of entry into U.S. ports.

By applying conditions upon U.S. port entry, H.R. 3360 seeks to bridge some of the potential gaps between the rights, protections, and

access to assistance that are available to victims of crime under U.S. law and the laws of other countries.

H.R. 3360 establishes stringent new standards including training for ships' personnel to preserve evidence of crimes and provide appropriate medical treatment. Specifically, H.R. 3360 requires cruise lines to aid U.S. investigators by training crewmembers in crime scene preservation, by mandating log book entries detailing complaints of crimes, and by making available video tapes and other forms of evidence.

The legislation also provides much-needed support for the victims of crime by requiring cruise lines to provide on board medical professionals who are trained to treat victims of sexual assaults, medications, and access to victims' support services.

In addition, H.R. 3360 ensures that the public can make informed choices before booking a cruise. The bill requires the Secretary of Homeland Security to compile and maintain statistical data of certain incidents on an internet website. The data would identify each cruise line and each cruise line would be required to provide a link on its internet site to the website maintained by the Secretary.

Finally, H.R. 3360 enhances the safety and security of cruise passengers by requiring cruise lines to upgrade, modernize, and retrofit the safety and security infrastructure on their vessels by installing peep holes in passenger doors, video surveillance cameras, time-sensitive electronic key technology, higher railings, and acoustic hailing devices.

It is estimated that 10.6 million Americans enjoyed a cruise vacation in 2007. Millions more have cruised since and millions more will cruise in the future. We need to ensure the security and safety of passengers and crews on cruise vessels and to provide support for the victims of crime at sea.

With passage of this legislation today, the bill will be cleared for the President's consideration.

Before closing, I want to acknowledge the extraordinary work of the gentlewoman from California (Ms. MATSUI) for bringing us to this point. In 2006, Ms. MATSUI's constituent, Laurie Dishman, who was the victim of a crime aboard a cruise ship, reached out to Ms. MATSUI and Congress for help in addressing the significant shortcomings of cruise vessel safety and security. Ms. Dishman had the courage and fortitude to tell her heart-wrenching story to our Committee in a hearing on these issues. Knowing Ms. Dishman's story, Ms. MATSUI drafted this bill and has worked for more than three years to get Congress to this point.

I also thank the gentlemen from Arizona (Mr. SHADEGG and Mr. MITCHELL), who have strongly supported this bill on behalf of the daughter of an Arizona constituent. Merrian Carver disappeared from a cruise ship in August 2004, and was never found. What makes Ms. Carver's case even more shocking is not just that a vibrant, young woman was lost, but that her disappearance was not reported by the cruise line to the U.S. Coast Guard or the FBI until well after the voyage ended.

Finally, I thank Chairman JAY ROCKEFELLER, Chairman of the Senate Committee on Commerce, Science, and Transportation, for work-

ing to overcome Republican objections to the bill, enabling Senate passage of the legislation.

With enactment of this legislation, I am hopeful that the stories of Laurie Dishman and Merrian Carver will become a thing of the past. Although we cannot stop all crimes aboard cruise ships (or anywhere else), we can ensure that Americans will be protected by our system of justice.

I urge my colleagues to join me in supporting the Senate amendment to H.R. 3360, the "Cruise Vessel Security and Safety Act of 2010."

Mr. LOBIONDO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. CUMMINGS. In closing, I will just urge my colleagues to vote in favor of this very, very important piece of legislation that will have far-reaching effects.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Maryland (Mr. CUMMINGS) that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 3360.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the Senate amendment was concurred in.

A motion to reconsider was laid on the table.

CORRECTING THE ENROLLMENT OF H.R. 3360

Mr. CUMMINGS. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 289) directing the Clerk of the House of Representatives to make a technical correction in the enrollment of H.R. 3360.

The Clerk read the title of the concurrent resolution.

The text of the concurrent resolution is as follows:

H. CON. RES. 289

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill (H.R. 3360) to amend title 46, United States Code, to establish requirements to ensure the security and safety of passengers and crew on cruise vessels, and for other purposes, the Clerk of the House of Representatives shall make the following correction: In section 4(b), strike "Coast Guard and Maritime Transportation Act of 2004" the second place it appears and insert "Coast Guard and Maritime Transportation Act of 2006".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Maryland (Mr. CUMMINGS) and the gentleman from New Jersey (Mr. LOBIONDO) each will control 20 minutes.

The Chair recognizes the gentleman from Maryland.

GENERAL LEAVE

Mr. CUMMINGS. Mr. Speaker, I ask unanimous consent that all Members

may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on H. Con. Res. 289.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. CUMMINGS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H. Con. Res. 289 simply corrects a drafting error in the Senate amendments to H.R. 3360. Specifically, the Senate amendments intended to combine required Coast Guard reports on fisheries enforcement plans and on efforts to prevent the incursion of foreign fishing vessels into U.S. waters.

However, the Senate amendments incorrectly referred to section 804 of the Coast Guard and Maritime Transportation Act of 2004 rather than the act of 2006, which is the correct cite for the requirement that the Coast Guard submit biannual reports on the service's progress in detecting and interdicting incursions by foreign fishing vessels into the U.S. Exclusive Economic Zone.

H. Con. Res. 289 merely corrects the legal cite, but does not make any other changes to the Senate amendments to H.R. 3360.

I reserve the balance of my time.

Mr. LOBIONDO. Mr. Speaker, this is purely technical. We have no objection.

I yield back the balance of my time.

Mr. CUMMINGS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Maryland (Mr. CUMMINGS) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 289.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AFFIRMING SUPPORT FOR A STRONG ALLIANCE WITH THAILAND

Ms. WATSON. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 1321) expressing the sense of the House of Representatives that the political situation in Thailand be solved peacefully and through democratic means, as amended.

The Clerk read the title of the resolution.

The text of the resolution is as follows:

H. RES. 1321

Whereas Thailand became the first treaty ally of the United States in the Asia-Pacific region with the Treaty of Amity and Commerce, signed at Sia-Yut'hia (Bangkok) March 20, 1833, between the United States and Siam, during the administration of President Andrew Jackson and the reign of King Rama III;

Whereas the United States and Thailand furthered their alliance with the Southeast Asia Collective Defense Treaty, (commonly known as the "Manila Pact of 1954") signed at Manila September 8, 1954, and the United States designated Thailand as a major non-North Atlantic Treaty Organization (NATO) ally in December 2003;

Whereas, through the Treaty of Amity and Economic Relations, signed at Bangkok May 26, 1966, along with a diverse and growing trading relationship, the United States and Thailand have developed critical economic ties;

Whereas Thailand is a key partner of the United States in Southeast Asia and has supported closer relations between the United States and the Association of Southeast Asian Nations (ASEAN);

Whereas Thailand has the longest-serving monarch in the world, His Majesty King Bhumibol Adulyadej, who is loved and respected for his dedication to the people of Thailand;

Whereas Prime Minister Abhisit Vejjajiva has issued a 5-point roadmap designed to promote the peaceful resolution of the current political crisis in Thailand;

Whereas approximately 500,000 people of Thai descent live in the United States and foster strong cultural ties between the 2 countries; and

Whereas Thailand remains a steadfast friend with shared values of freedom, democracy, and liberty: Now, therefore, be it

Resolved, That the House of Representatives—

(1) affirms the support of the people and the Government of the United States for a strong and vital alliance with Thailand;

(2) calls for the restoration of peace and stability throughout Thailand;

(3) urges all parties involved in the political crisis in Thailand to renounce the use of violence and to resolve their differences peacefully through dialogue;

(4) supports the goals of the 5-point roadmap of the Government of Thailand for national reconciliation, which seeks to—

(A) uphold, protect, and respect the institution of the constitutional monarchy;

(B) resolve fundamental problems of social justice systematically and with participation by all sectors of society;

(C) ensure that the media can operate freely and constructively;

(D) establish facts about the recent violence through investigation by an independent committee; and

(E) establish mutually acceptable political rules through the solicitation of views from all sides; and

(5) promotes the timely implementation of an agreed plan for national reconciliation in Thailand so that free and fair elections can be held.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from California (Ms. WATSON) and the gentlewoman from Florida (Ms. ROS-LEHTINEN) each will control 20 minutes. The Chair recognizes the gentlewoman from California.

GENERAL LEAVE

Ms. WATSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. WATSON. Mr. Speaker, I rise in strong support of this resolution, and yield myself as much time as I may consume.

Mr. Speaker, I want to thank my good friend, Congressman FALEOMAVAEGA, for introducing this important resolution, which calls for a peaceful resolution to the political situation in Thailand through democratic means.

As we all know, earlier this year Red Shirt protesters occupied the streets of Bangkok for 9 weeks. At first, these protests were peaceful. Over time, however, clashes between the Red Shirts and the security forces escalated into urban warfare. By mid-May, 89 people, the vast majority of them civilians, had been killed, and around 1,800 wounded, including a renegade Thai general who joined the antigovernment protests.

Since the outbreak of these protests, the government has made significant strides towards addressing the concerns of the protesters. Earlier this month, Prime Minister Abhisit Vejjajiva announced that he plans to hold new elections by the end of 2011.

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His fans called for all parties to join together in upholding the institution of the constitutional monarchy, working towards resolving fundamental problems of social justice, ensuring that the media can operate freely, creating an independent committee to investigate the street protests, and establishing political rules through solicitation of views from all sides.

I believe that the Prime Minister's plan is a positive step towards achieving democratic reconciliation. Earlier this month, the Prime Minister survived a vote of no confidence in the parliament over his handling of the protests, demonstrating that there is support for the PM to lead the country towards reconciliation.

I want to remind my colleagues that Thailand is one of the United States' closest friends and most dependable allies. In 1833 we concluded the first treaty with an Asian nation when we joined with Thailand in the Treaty of Amity and Commerce. In 1954, we forged a military alliance. And in 2003, the United States designated Thailand as a major non-NATO ally.

Because of our long history, I believe that we must do everything we can to support reconciliation in Thailand and to convey our sincere hope that Thailand continues to prosper with democracy, stability, and the rule of law. That is why I cosponsored House Resolution 1321, and I urge all my colleagues to join me in supporting this resolution and moving it towards speedy adoption.

Mr. Speaker, I reserve the balance of my time.

Ms. ROS-LEHTINEN. Mr. Speaker, I am proud to yield such time as he may consume to the gentleman from Hawaii (Mr. DJOU), a member of the Armed Forces and Budget Committees and the first Member of Congress to be of half Thai descent.

Mr. DJOU. Thank you to the gentleman from Florida. I also want to express my thanks to Mr. FALCOMA for bringing this resolution.

Mr. Speaker and Members, it is with some degree of sadness that I rise to speak in support of this resolution. Mr. Speaker and Members, it is my understanding from the House Historian's Office that I am the first Member of the United States Congress of Thai ancestry.

For myself, Thailand is not just a place. It is not just an ally of the United States. It is some place where my mother was born and raised and most of my mother's side of the family continues to reside. I of course speak in very strong support of this resolution asking for a peaceful resolution of the conflict and dispute going on currently in Thailand.

Mr. Speaker and Members, for us here in this Nation, while we may have very strong and bitter disagreements between Republicans and Democrats, conservatives and liberals, we ultimately resolve our differences peacefully at the ballot box—not with a cartridge box. But now what is happening in Bangkok, Thailand, is saddening, disappointing; and it is something that we all, as Americans, must be troubled by. Thailand is an important ally for the United States in Southeast Asia and has been the lynch pin of our strategic interests in Southeast Asia for decades.

What I have seen on the streets of Bangkok and what my family has witnessed firsthand over the last few months is incredibly disappointing. Last month, Mr. Speaker, my family, when I talked to my cousins, it was with both joy and sadness to see what had transpired in our immediate family. It is with incredible honor and distinction that I was able to take the oath of office as a Member of the United States Congress. But my first cousins, who were born and raised in Thailand, unfortunately witnessed firsthand what was happening on the streets of Bangkok and saw firsthand the violence that was going on in the city center.

I think it is a reminder to all of us as Americans the uniqueness, the importance, the vitality and the incredible, incredible good fortune we have to call ourselves Americans.

But it is also what is happening in Bangkok that should remind us that we as a Nation should lead by example and remind all of the peoples of the world of what we can have and what we have here in this Nation, and it doesn't have to always end in violence.

Mr. Speaker and colleagues, I strongly urge passage of this resolution and hope, on behalf of my family, that these differences that are going on right now in Thailand are resolved peacefully.

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to yield myself such time as I may consume.

I would like to start out by thanking the gentleman from Hawaii for those insightful words and for his personal commitment and family honor in making sure that we can have a peaceful resolution to this conflict.

And I also rise in support of this resolution which honors our Nation's long-standing alliance with the Government and the people of Thailand. It also calls for a settlement of the political situation in that country through peaceful and democratic means.

The scenes on television screens around the world last month of Bangkok burning were unnerving to all who wish the Thai people well. A 2-month political crisis, which killed 88 people and injured more than 1,800, reduced landmarked buildings in the Thai capital to ashes. The fact that Thailand's King, the longest-serving monarch in the world, has been hospitalized for the past several months only added to the sense of urgency over the fragile political situation.

So this resolution provides an opportunity to extend best wishes for a speedy recovery to His Majesty who celebrated the 60th anniversary of his coronation this past May 5.

Thailand is the first Southeast Asian nation to have a formal diplomatic agreement with us in the United States. A treaty of amity and commerce was signed with the administration of President Andrew Jackson in 1833. The offer of a herd of domesticated elephants by the present Thai King's great grandfather, while politely declined by President Lincoln as unsuitable for the American climate, has long been cited as an example of the warm and enduring bonds between the American and Thai people.

When the congressional leaders gathered in Statuary Hall last week to commemorate the 60th anniversary of the outbreak of the Korean War, the flag of Thailand proudly flew with those of other allied nations behind the Speaker's podium. Thailand sent a regiment of 1,294 men to that conflict, of which 129, 10 percent, perished on the Korean peninsula. Further cooperation with the United States during the Vietnam and Iraq wars in east Timor and during a series of refugee crises in Southeast Asia has further cemented bilateral ties.

Cobra-Gold, the largest multinational military exercise in the world, has brought the United States and the Royal Thai Armed Forces annually together for the past 29 years to enhance regional peace and stability. The grow-

ing trade between our two countries has made Thailand America's 25th largest goods trading partner according to the statistics provided by the U.S. Trade Representative.

So it is clearly in America's interest for the recent violence to come to an end so that this militarily dependable and economically vibrant ally can move forward toward national reconciliation. Hopefully, the proposed national reconciliation will lead to a permanent healing of Thai society so that the Thai people do not escape from the tiger into the crocodile, as the Thai saying goes, moving from one crisis to another.

This resolution, Mr. Speaker, calling for an end to violence through peaceful and democratic means and for a rededication to our vital alliance is something our Members should strongly support, as do I.

Mr. MANZULLO. Mr. Speaker, as the senior Republican on the Asia Subcommittee of the House Foreign Affairs Committee and as the co-chair of the Friends of Thailand Caucus, I rise in favor of H. Res. 1321, which expresses support for resolving the political situation in Thailand through non-violent, democratic means. The relationship between the United States and Thailand goes back over 175 years to when the U.S. signed its first agreement with an Asian nation as part of the Treaty of Amity and Commerce with Siam. Thailand is one of America's closest friends and dependable ally. In fact, the King of Thailand generously offered President Abraham Lincoln a supply of elephants to help Union forces win the Civil War. Thailand has also contributed troops and supplies for U.S. military engagements in Korea, Vietnam, the Persian Gulf, Afghanistan, and Iraq for which we are forever grateful. After several decades of mostly military dictatorships, by the early 1990s, Thailand established democratic rule, furthering bolstering its status as a partner of the United States. As a result, in 2003, the U.S. designated Thailand as a major non-NATO ally. Thailand has also grown to be a significant trading partner of the United States. In fact, exports from Illinois to Thailand were one of the few bright spots during this recession—increasing 8.1 percent between 2008 and 2009. Thailand is one of the top 25 export markets for Illinois products. I was pleased and honored when the Ambassador from Thailand came to visit northern Illinois last April to learn more about what America has to offer.

However, ever since 2006, the political situation inside Thailand has been a state of turmoil. We have all been pained to see the media images of violence and burned-out buildings. Obviously, only the Thai people can resolve their own internal conflicts. I hope that this resolution can play a constructive role in helping to encourage all sides to resolve their differences peacefully. I trust that the 5-point national reconciliation plan proposed by the Prime Minister of Thailand and highlighted by this resolution is fully implemented.

This resolution is important to reaffirm our support for democracy, non-violence, and the people of Thailand. I urge the government of Thailand to follow through on its commitments

as outlined in their 5-point plan. I also urge all parties in Thailand to join in this effort and settle their differences peacefully. Therefore, I encourage my colleagues to vote in favor of H. Res. 1321.

Ms. JACKSON LEE of Texas. Mr. Speaker, I rise in strong support of H. Res. 1321, expressing the sense of the House of Representatives that the political situation in Thailand be solved peacefully and through democratic means. I thank my colleague, Mr. FALOMAYAGA, for introducing this important resolution.

Beginning in mid-March 2010, anti-government protestors occupied parts of Bangkok for nine weeks. Initially peaceful, the demonstrations and the response from the security forces became increasingly aggressive, eventually spiraling into urban warfare. Most of the protestors, known as the "red shirts," are loyal to former Prime Minister Thaksin Shinawatra who was ousted in a military coup in 2006. On May 3, 2010, the Thai Prime Minister, Abhisit Vejjajiva, offered talks and proposed a "reconciliation plan" including an election on November 14, 2010 in an effort to end the political crisis that immobilized Bangkok and killed 88 people and wounded hundreds. Although the violence has subsided, the political divisions remain stark and the threat of more confrontation lingers. Continuous progress has been made on the Thai Government's reconciliation plan. A public forum was convened on June 17, 2010 as a brainstorming session on how to move the process forward. According to the Prime Minister, the views gathered during this public forum reflect visions for both the Thai people and society and were in line with those of the government. Two committees will be set up by the end of June. The first committee will focus on strategies and priorities for reform to be proposed to the government and the second will work on nation reform assembly which will serve as a channel for all sectors of society to put forward their views and proposals with help from academic works.

Thailand has been a long-time military ally and a significant trade and economic partner. Our close relationship and longstanding friendship with Thailand dates back to 1883 when the two countries signed the Treaty of Amity and Commerce. Despite differences on Burma policy and human rights issues, shared economic and security interests have long provided the basis for U.S.-Thai cooperation. Thailand contributed troops and support for U.S. military operations in both Afghanistan and Iraq and was designated as a major non-NATO ally in December 2003. Thailand's airfields and ports play a particularly important role in U.S. global military strategy, including having served as the primary hub of the relief effort following the 2004 Indian Ocean tsunami.

As a major recipient of foreign direct investment, and with exports of goods accounting for over 70 percent of its GDP in 2007, Thailand's economy depends heavily on its trading partners. Economic relations with the United States are central to Thailand's outward-looking economic strategy. According to the U.S. Commerce Department, U.S. trade with Thailand in 2008 consisted of \$9.1 billion in exports and \$23.5 billion in imports. The State

Department reports that although Japan is Thailand's biggest trading partner, the United States is currently Thailand's largest export market.

With more than 200,000 people tracing their ancestry to Thailand, our two nations share extensive social and cultural links.

We recognize that enormous challenges remain ahead. Thailand has a past of turbulence and turmoil—the country has experienced 18 coups in the past 77 years. I am hopeful that their continued progress can lead to an ever more fruitful economic and political relationship between the United States and Thailand, contributing to the well being and prosperity of both our nations.

The United States is hopeful that Thailand's political problems will be solved peacefully and through democratic needs. The United States supports the national reconciliation plan proposed by the Prime Minister which encompasses upholding the monarchy, instituting political reform, and eradicating injustice.

Mr. MCMAHON. Mr. Speaker, I rise today in support of H. Res. 1321, a resolution expressing the sense of the House of Representatives to resolve the political crisis in Thailand peacefully and through democratic means.

Thailand has proven to be an essential ally of the United States. As a strong democracy in Southeast Asia, Thailand provides assistance to the United States on a number of fronts including in the war in Afghanistan and in curtailing North Korea's nuclear proliferation efforts by intercepting unauthorized shipments.

For these reasons and others (including a robust trading partnership between the U.S. and Thailand), Thailand must continue to be a reliable ally in the Southeast Asia region. The United States must make available all necessary diplomatic tools to re-engage all parties and come to a peaceful, yet decisive end to the domestic turmoil.

Mr. Speaker, I urge my colleagues in the House of Representatives to join me today in support of solving the conflicts in Thailand peacefully and efficiently.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield back the balance of my time.

Ms. WATSON. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. WATSON) that the House suspend the rules and agree to the resolution, H. Res. 1321, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Ms. WATSON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

CONGRATULATING 17 AFRICAN NATIONS ON 50TH ANNIVERSARY OF INDEPENDENCE

Ms. WATSON. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 1405) congratulating the people of the 17 African nations that in 2010 are marking the 50th year of their national independence, as amended.

The Clerk read the title of the resolution.

The text of the resolution is as follows:

H. RES. 1405

Whereas in the year 2010, 17 African nations will celebrate the 50th anniversary of their independence from France, Italy, or Great Britain, including Cameroon (January 1, 1960), Togolese Republic (April 27, 1960), Republic of Mali (June 20, 1960), Republic of Senegal (June 20, 1960), Republic of Madagascar (June 26, 1960), Democratic Republic of the Congo (June 30, 1960), Somalia (July 1, 1960), Republic of Benin (August 1, 1960), Republic of Niger (August 3, 1960), Burkina Faso (August 5, 1960), Republic of Cote d'Ivoire (August 7, 1960), Republic of Chad (August 11, 1960), Central African Republic (August 13, 1960), Republic of the Congo (August 15, 1960), Gabonese Republic (August 17, 1960), Federal Republic of Nigeria (October 1, 1960), and the Islamic Republic of Mauritania (November 28, 1960);

Whereas contemporary United States ties with Sub-Saharan Africa today far transcend the humanitarian interests that have frequently underpinned United States engagement with the continent;

Whereas there is a growing understanding among foreign policy experts that economic development, natural resource management, human security, and global stability are inextricably linked;

Whereas cooperation between the United States Armed Forces and Africa is growing, with United States and African forces routinely conducting joint exercises;

Whereas African governments are steadily taking a larger role in the provision of security and peacekeeping on the continent, due in part to United States security assistance and training;

Whereas Africa's growing importance is reflected in the intensifying efforts of China, Russia, India, Iran, and other countries to gain access to African resources and advance their ties to the continent; and

Whereas a more comprehensive, multi-faceted regional policy is essential for the United States to operate effectively in this increasingly competitive environment: Now, therefore, be it

Resolved, That the House of Representatives—

(1) congratulates the people of the 17 African nations that in 2010 are marking the 50th year of their national independence;

(2) honors the lives of the ten of thousands of patriots, including innocent civilians, who died, were imprisoned, or otherwise dedicated their lives, often at great personal sacrifice, to achieving African political independence;

(3) commends the socioeconomic and political progress being made by these nations, while acknowledging the associated challenges that many still face;

(4) recognizes Africa's significant strategic, political, economic, and humanitarian importance to the United States; and

(5) renews the commitment of the United States to help the people of sub-Saharan Africa to foster democratic rule, advance civic

freedom and participation, and promote market-based economic growth, and to alleviate the burden of poverty and disease that so many in the region continue to face.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from California (Ms. WATSON) and the gentlewoman from Florida (Ms. ROS-LEHTINEN) each will control 20 minutes.

The Chair recognizes the gentlewoman from California.

GENERAL LEAVE

Ms. WATSON. Mr. Speaker, I ask unanimous consent for all Members to have 5 legislative days to revise and extend their remarks and include extraneous material on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. WATSON. Mr. Speaker, I rise in strong support of this resolution and yield myself such time as I may consume.

Mr. Speaker, I want to thank Mr. RUSH for introducing this resolution that recognizes the 50th anniversary of independence for 17 African countries.

In the scramble for Africa between 1880 and the First World War, European countries extended their political and economic rule over the vast territory and resources of Africa. The colonizing powers saw this as an opportunity to continue commerce between Europe and Africa following the end of the slave trade.

At the Berlin Conference of 1884, the European powers carved up Africa among themselves to suit their demand for gold, diamonds, minerals, and spices. The age of European imperialism ravaged the human and natural resources of the African continent.

In 1941, President Roosevelt introduced the principle of the Economy of Imperial Colonies to Prime Minister Winston Churchill and started the debate over British and eventually all European imperialism. In 1957, sub-Saharan Africa's post-colonial era began with the independence of Ghana. Over the following several decades, all other African countries won their independence and joined the international community of sovereign nations.

Now, this resolution congratulates the people of the 17 African nations who celebrate their 50th year of national independence in 2010. The American people have benefited greatly from our relations with African nations during the past 50 years.

African countries remain among our strongest allies in the world. We enjoy strong economic and political ties with many African countries, and we are the beneficiaries of strong cultural and social ties to Africa's people.

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Mr. Speaker, I urge all of my colleagues to support this important reso-

lution, and I reserve the balance of my time.

Ms. ROS-LEHTINEN. I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Resolution 1405, congratulating the people of 17 African nations on 50 years of independence and recognizing the importance of Africa to the United States.

Fifty years ago, 17 African nations threw off the yoke of colonialism and established themselves as independent nations. Unfortunately, the past half century has been anything but peaceful or joyful for all too many of these states.

Only two of the 17 nations we celebrate today—Mali and Benin—are considered to be free. One, Somalia, is virtually a collapsed state, and in the Democratic Republic of the Congo, a brutal civil war that continues in the east has claimed millions of lives and has spawned some of the worst human rights atrocities known to man. Yet there have been some successes, Mr. Speaker.

African economies are growing at rates reminiscent of the great Asian tigers. Citizens are becoming increasingly aware of their rights and are demanding a greater stake in their economic and political futures, demanding accountability and driving the "Big Men of Africa" from office. Still, in Africa, independence has proven to be a necessary but insufficient condition for freedom.

At a battlefield in Gettysburg, the great Abraham Lincoln honored the fallen by stating, "We here highly resolve that these dead shall not have died in vain—that this Nation, under God, shall have a new birth of freedom—and that the government of the people, by the people, for the people, shall not perish from the Earth."

So, Mr. Speaker, on this 50th anniversary of independence for no less than 17 African nations, we stand in solidarity with the people who won their independence but who continue in their struggle for freedom.

I urge my colleagues to support this timely and important resolution.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. WATSON. Mr. Speaker, I yield as much time as he may consume to the gentleman from Illinois, BOBBY L. RUSH.

Mr. RUSH. I would like to begin by thanking Foreign Affairs Committee Chairman HOWARD BERMAN, Africa and Global Health Subcommittee Chairman DONALD PAYNE, and my good friend Congresswoman DIANE WATSON. I also would like to thank Congresswoman YVETTE CLARKE and Congressman ED ROYCE for their constant leadership on African issues.

This year, Mr. Speaker, 17 African nations are celebrating the 50th anniversary of their independence.

1960 was an important year for those former French, British, and Italian colonies and protectorates. The triumphant march of a series of hard-fought victories that led to independence started on January 1 with the nation of Cameroon, and it ended on November 28, 1960, with the nation of Mauritania's securing its independence from France.

The resolution I am bringing to the floor today will honor the sacrifices of the founding fathers of these African nations. Little did they know then that a proud and supportive USA would today enter into our Nation's permanent history this well-deserved tribute to the thousands of unsung men and women who gave their lives based on the simple dream of freedom and on a desire to assert their self-determination over the lives that only God could give them.

We in the USA know something about that freedom and that determination.

Chief among these visionary African leaders are Amadou Ahidjo in Cameroon; Kwame Nkrumah in Ghana; Patrice Lumumba in the Democratic Republic of the Congo; Leopold Senghor in Senegal; Thomas Sankara in Burkina Faso; Felix Houphouet Boigny in Cote d'Ivoire; and Julius Nyerere in Tanzania.

This resolution also commends the socioeconomic and political progress being made by these nations while acknowledging the associated challenges that many still face today. Many of these nations have become democracies and are striving to break the links to past oppressions. Men and women of good faith work tirelessly to overcome the remnants of colonialism, neocolonialism, structural adjustments, internal and regional wars, and their own bureaucratic hurdles. They also face serious challenges beyond their control, which have been exacerbated by growing threats from the global financial crisis, climate change, and terrorism.

Despite numerous challenges, many of the African nations we salute today are becoming economically, politically, and strategically important to the United States. Our Nation simply cannot afford to take Africa for granted nor can it afford to mistakenly see Africa as a desperate continent forever in need of charity from our Nation. Africa's growing economic importance is reflected in intensified efforts by China, Russia, India, Iran, and other nations which seek to gain access to Africa's vast natural resources.

Some say we may need Africa more than Africa needs us, and it is clear that many African leaders are beginning to think the same way. Both sides are mistaken. We need each other now more than ever. It is time to solidify our economic and strategic partnership.

I and others who support this resolution commend President Obama for his leadership in making our mutually beneficial partnership a reality by signing a binational commission agreement with South Africa, with Angola, and with Nigeria. We hope that the United States will soon adopt a similar strategic agreement with the entire Gulf of Guinea region.

The White House has announced that President Obama will be hosting these 17 African heads of state and a group of younger, emerging leaders within these nations at a celebration that will mark the 50th anniversary later this summer. I would like to take this opportunity to commend our President for calling this summit. It was long overdue. I hope the invitation will be extended to other African nations as well.

As Professor Paul Collier wrote in a recent article, entitled "The Case for Investing in Africa," "The continent is now growing much more rapidly than the OECD nations. It may well be on the cusp of a reversal of fortune."

It is time to revisit our relationship with the continent of Africa and to define a more comprehensive approach.

I would encourage the administration to also establish a commission that will create a platform where human rights groups, the civil society, U.S., and African governments, financial institutions, the private sector, and the diaspora can formulate and implement a mutually beneficial and coordinated policy framework that advances democracy, economic growth, and prosperity in Africa.

It is worth noting that the U.S. has already taken several steps that underline Africa's increasing importance. Our economy and its recovery are far more dependent on Africa than we have acknowledged to date, and so, too, is our national security.

For these reasons, I urge you to vote for H.R. 1405, which celebrates the 50th anniversary of 17 African nations, recognizing that Africa is of significant strategic, political, economic, and humanitarian importance to the United States. It will renew the commitment of the United States and will help the people of the sub-Saharan Africa to foster democratic rule, to advance civic freedom, to promote market-based economic growth, and to alleviate the burden of poverty and disease that so many in the region continue to face.

This is only the first step, Mr. Speaker, to Africa's much needed transition into a global economy. However, this step is the right one as we undertake the long overdue transformation and our own approach toward Africa and our own belief in the African people and in the African continent.

Ms. CLARKE. Mr. Speaker, I rise in strong support of H. Res. 1405, a resolution celebrating 50 Years of African Independence. The seventeen African countries celebrating

their political independence are: Cameroon, Togo, Mali, Senegal, Madagascar, Democratic Republic of Congo, Somalia, Benin, Niger, Burkina Faso, Cote d'Ivoire, Chad, Central Africa Republic, Congo, Gabon, Nigeria and Mauritania.

This resolution is important because democratic principles have flourished in many African countries over the past decade. Indeed, more than two-thirds of sub-Saharan African countries have held democratic elections since 2000. Moreover, several nations, from Senegal to Tanzania, and from Ghana to Zambia have seen successful power changes over the past decade. The United States Department of State has expressed its commitment to supporting African efforts to fortify government accountability and overall good governance, which is crucial to the continent's future growth and global influence.

The resolution commends the socio-economic and political progress being made by African countries, while acknowledging the associated challenges that many still face. According to a June 2010 McKinsey Global Institute report entitled "Lions on the Move: The Progress and Potential of African Economies," over the past decade "Africa's economic pulse has quickened, infusing the continent with new commercial vibrancy." Africa's combined consumer spending in 2008 was \$860 billion, and America is committed to partnering with African nations to foster economic development, entrepreneurship and trade in the continent.

Kofi Annan, Chair of the Africa Progress Panel (APP) recently noted that "Africa's future is in its own hands, but that success in managing its own affairs depends on supportive global policies and agreements." H. Res. 1405 comes at a time when the world is taking notice of Africa's great progress in recent years and it reaffirms the United States' commitment to growth and prosperity in Africa.

I commend the House for passing this important resolution.

Ms. JACKSON LEE of Texas. Mr. Speaker, I rise in support of H. Res. 1405: "Congratulating the people of the 17 African nations that in 2010 are marking the 50th year of their national independence." As a cosponsor of this resolution, I am proud to acknowledge the progress made by these 17 nations as well as the other African nations that gained independence in the early 1960s. The 17 African nations that gained independence in 1960 are:

The Republic of Cameroon (January 1, 1960);
 The Togolese Republic (April 27, 1960);
 The Republic of Mali (June 20, 1960);
 The Republic of Senegal (June 20, 1960);
 The Republic of Madagascar (June 26, 1960);
 The Democratic Republic of the Congo (June 30, 1960);
 Somalia gained its independence on (July 1, 1960);
 The Republic of Benin (August 1, 1960);
 The Republic of Niger (August 3, 1960);
 Burkina Faso (August 5, 1960);
 The Republic of Cote d'Ivoire (August 7, 1960);
 The Republic of Chad (August 11, 1960);
 The Central African Republic (August 13, 1960);
 The Republic of the Congo (August 15, 1960);

The Gabonese Republic (August 17, 1960);
 The Federal Republic of Nigeria (October 1, 1960); and

The Islamic Republic of Mauritania (November 28, 1960)

When the nations in Africa gained independence during the 1960s and 1970s, there was an expectation that the end of colonialism would usher in a new era of representative government in which the people of these new nations could freely choose a government that represented their interests. Fifty years after independence, however, the progress of these nations has been mixed at best. In many nations, progress has failed to match expectations as the people of these new nations struggled to shed the yoke of their colonial legacies. These legacies include inorganic borders and inherited systems of patronage.

Although many African nations were dealt a difficult hand, the continent's new leaders, by in large, sought to consolidate and retain power rather than embrace political systems defined and strengthened by their diversity. Since independence, transfer of political power has consistently been a thorn in the side of most African nations.

Although many of the challenges of broadening and democratizing political participation in Africa rests in the hands of a few 'big men,' there are also significant challenges at local levels. Today, millions of people in Africa are stateless. Some because their births were never recorded, others because they belong to the 'wrong' ethnic group. Civil conflicts in Cote d'Ivoire, the Democratic Republic of Congo and numerous other countries have been fuelled if not created by pernicious citizenship policies that sever the link between certain parts of the population and the state. As rebel leader in the Ivory Coast reportedly exclaimed, "Give us our identity cards and we hand over our Kalashnikovs." This, to me, captures both the tension and the stakes in play. The people of Sudan, the DRC, Guinea, and others have long since passed the point where they can afford to be at war. It is imperative that we work to end conflicts and facilitate governments that reflect the will of the people.

While we must remain vigilant in our scrutiny of those leaders who stifle democracy, we must also recognize leaders who promote democracy even if it imperils their own political position. Last summer, I visited Ghana and saw a democracy that is heading in the right direction. During the December 2008 Presidential elections, John Atta Mills of the National Democratic Congress (NDC) won the election in an extremely narrow victory that required a run-off with Nana Akufo-Addo of the former ruling New Patriotic Party (NPP). Domestic and international observers deemed the election free and fair. Facilitating mature democracies requires us to find ways to encourage leaders to relinquish power, and I think we can improve our use of these 'carrots.'

Mr. Speaker, I urge my colleagues to join me in support of this resolution and renew the commitment of the United States to help the people of sub-Saharan Africa to foster democratic rule, advance civic freedom and participation, and promote market-based economic growth, and to alleviate the burden of poverty and disease that so many in the region continue to face. We must also remember to keep

"fifty years of independence" in context. Fifty years may seem like a long time, but consider America's own history when, fifty years after independence, the country had not yet had experienced its civil war.

Mr. ELLISON. Mr. Speaker, I would like to extend my best wishes to the people of Somalia living throughout the world on the 50th anniversary of Somali Independence.

It is my pleasure and honor to represent a large and vibrant Somali-American community in Minnesota. I want to offer my congratulations on this special day as they continue to work to advance the cause of peace.

I am grateful for the contributions of Somali-Americans to Minnesota's rich tradition of diversity. The Somali-American community continues to enrich our state through its lively culture, optimism, and wisdom.

Sadly, Somalis in their homeland have endured a tremendous amount of strife and suffering. On this anniversary we must continue to focus on diplomatic efforts to create a lasting peace for the people of Somalia. I continue to have faith that renewed diplomatic efforts will lead to good governance, respect for human rights, and democracy for the people of Somalia.

Ms. CLARKE. Mr. Speaker, I rise in strong support of H. Res. 1405, a resolution celebrating 50 Years of African independence. I thank Mr. RUSH for sponsoring this important resolution and for his work as a champion for Africa here in Congress. Mr. RUSH's leadership, along with that of Representatives DONALD PAYNE and ED ROYCE, in shaping policies that help foster economic vitality and good governance on the continent is truly commendable.

I was a lead cosponsor of this resolution because it recognizes the importance of good governance and democratic principles, which have flourished in many African countries over the past decade. Indeed, more than two-thirds of sub-Saharan African countries have held democratic elections since 2000. Moreover, several nations, from Senegal to Tanzania, and from Ghana to Zambia have seen successful power changes over the past decade. The United States Department of State has expressed its commitment to supporting African efforts to fortify government accountability and overall good governance, which is crucial to the continent's future growth and global influence.

The resolution commends the socio-economic and political progress being made by African countries, while acknowledging the associated challenges that many still face. According to a June 2010 McKinsey Global Institute report entitled "Lions on the Move: The Progress and Potential of African Economies," over the past decade "Africa's economic pulse has quickened, infusing the continent with new commercial vibrancy." Africa's combined consumer spending in 2008 was \$860 billion, and America is committed to partnering with African nations to foster economic development, entrepreneurship and trade in the continent.

Kofi Annan, Chair of the Africa Progress Panel (APP) recently noted that "Africa's future is in its own hands, but that success in managing its own affairs depends on supportive global policies and agreements." H. Res. 1405 comes at a time when the world is

taking notice of Africa's great progress in recent years and it reaffirms the United States' commitment to growth and prosperity in Africa.

This resolution is a celebration of the hope that resonates in the hearts and minds of the many Africans, African Americans, policymakers, and NGOs that are committed to Africa's progress and prosperity. I urge my colleagues to vote in favor of this important resolution.

Mr. DAVIS of Illinois. Mr. Speaker, today I celebrate the fiftieth anniversary of the Year of Africa—that pivotal year of 1960 when seventeen African nations gained independence from European colonial rule. On this day, in this year, and in the many years to come, we mark this milestone given that, as Americans, we know first-hand how precious freedom truly is, and the heavy price it often takes to attain it.

At the center of our connection to Africa is a simple concept: to be free. What does it mean to be free? For centuries, philosophers, revolutionaries, and politicians alike have debated this very question. While I do not claim to be an expert, I humbly believe that being free means having the freedom to reach one's full potential. Whether that means having the resources to pursue a passion in academia or the support and finances to raise a healthy family, this freedom can mean many things to many people, and for a lot of us, we were gifted with this freedom from birth.

For many, however, freedom is not a gift, but a goal. In the United States alone, more than thirty-seven million citizens live in poverty and look so far ahead as to the next meal, much less dreams for the distant future. For Africa, the numbers and the situations are even more daunting. In the Republic of Madagascar, one of the first African nations to gain independence in 1960, more than two-thirds of the population lives below the international poverty threshold of \$1.25 a day. Throughout Africa, instability and poverty persist. Between the unprecedented rates for various deadly diseases, the bloody ethnic clashes, languishing economies, and notoriously corrupt government bodies, it is hard to celebrate this "freedom" that they have attained without realizing the long-lasting consequences of colonial rule and injustice. For these people, in the same countries that celebrated freedom from European powers just decades and years ago, true freedom is still, but a goal.

As policymakers, we work toward fulfilling the promises of our founding fathers and the generations of leaders that have come after them. Their message is simple: to achieve freedom. We must remember today, tomorrow, and for every day of the foreseeable future that while we have come far from our colonial days, there are still many people who have not yet achieved that freedom. We must remember, too, that our Nation was once in the same situation as the many African nations are in today, and that we must support their progress and efforts toward helping their citizens fulfill their potential. While we celebrate this year as a cornerstone of their struggle toward attaining freedom, we must also remember that more change is needed to attain our shared promise.

Mr. McMAHON. Mr. Speaker, I rise today to support H. Res. 1405, a Resolution recog-

nizing the 50th anniversary of the independence and self-determination of seventeen African nations from the rule of France, Italy and Great Britain.

The United States of America is dedicated to the advancement of freedom and democracy, and the African nations have proven to be open to the process of democratization, despite the many obstacles that have stood in their way. These nations have fought, struggled, and died for independence, just as our ancestors did, and for these reasons the United States shares a bond with the African continent and its diverse inhabitants.

The United States is dedicated to strengthening its relationship with the African continent and the seventeen nations recognized through this resolution can serve as partners in this endeavor. I also would like to take the time to honor all those Americans on the ground that are working to advance democracy, civic freedom and formulating the conditions to foster stable economic growth.

Mr. Speaker, I urge my colleagues to join me today in celebrating the 50th anniversary of these seventeen nation's independence while pledging a renewed commitment to furthering the significant relationship we have maintained with our counterparts on the African continent.

I invite the members of the House to join me in supporting H. Res. 1405.

Ms. WATSON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. WATSON) that the House suspend the rules and agree to the resolution, H. Res. 1405, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Ms. WATSON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

CONGRATULATING SOUTH AFRICA ON FIRST TWO CONVICTIONS FOR HUMAN TRAFFICKING

Ms. WATSON. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 1412) congratulating the Government of South Africa upon its first two successful convictions for human trafficking, as amended.

The Clerk read the title of the resolution.

The text of the resolution is as follows:

H. RES. 1412

Whereas from June 11, 2010, through July 11, 2010, the 2010 Fédération Internationale

de Football Association (FIFA) World Cup will be hosted by South Africa and include games played in stadiums across the country, including Cape Town, Port Elizabeth, Durban, Bloemfontein, Rustenburg, Pretoria, Johannesburg, Nelspruit, and Polokwane;

Whereas the 2010 FIFA World Cup is likely to attract an estimated 2,700,000 local spectators and 350,000 to 500,000 visitors to the country;

Whereas the influx of tourism is likely to lead to an increase in demand for sexual services and create demand for the commercial sexual exploitation of women and children;

Whereas the preparations for the 2010 FIFA World Cup have resulted in an influx of foreign workers;

Whereas the hospitality industries may be particularly susceptible to labor trafficking during the 2010 FIFA World Cup;

Whereas the Government of South Africa has invested in media campaigns and other initiatives to prevent and combat trafficking, such as the Tsireledzani Initiative and the Red Card 2010 Campaign: Disqualifying Human Trafficking in Africa, and has created and trained a human trafficking law enforcement unit which is one important element of the South African Department of Social Development's 2010–2015 Strategic Plan;

Whereas the Government of South Africa has planned to provide shelter and rehabilitative care to victims of human trafficking throughout the country during the World Cup and beyond at Thuthuzela Centres, which exist through the country's domestic violence and anti-rape intervention strategy;

Whereas the Government of South Africa has ordered schools to be closed during the 2010 FIFA World Cup, raising concerns that children could be left unattended during a period of high trafficking potential;

Whereas, on June 14, 2010, the United States Department of State released its annual Trafficking in Persons Report, asserting that "South Africa is a source, transit, and destination country for men, women, and children subjected to trafficking in persons, specifically forced labor and forced commercial sexual exploitation. Children are largely trafficked within the country from poor rural areas to urban centers like Johannesburg, Cape Town, Durban, and Bloemfontein. Girls are subjected to sex trafficking and involuntary domestic servitude; boys are forced to work in street vending, food service, begging, criminal activities, and agriculture.";

Whereas this release marks the 10th anniversary of the Trafficking in Persons Report and no country has yet to build a fully comprehensive response to combating trafficking and protecting survivors;

Whereas women and girls have reportedly been trafficked into South Africa from as far away as Russia, Thailand, Pakistan, Philippines, India, China, Bulgaria, Romania, Ukraine, the Democratic Republic of Congo, Angola, Burundi, Ethiopia, Senegal, Tanzania, Uganda, Rwanda, Kenya, Cameroon, Nigeria, and Somalia;

Whereas civil society in South Africa, with the support of the South African Government, has invested notable energy and resources into preventing human trafficking at the 2010 FIFA World Cup through Cape Town Tourism, International Union of Superiors General and the Southern African Catholic Bishops' Conference of the Catholic Church, the Salvation Army, the Tshwane Counter-Trafficking Coalition for 2010, and many other nongovernmental and religious organizations; and

Whereas in April 2010, the Durban Magistrates Court convicted two individuals accused of running a brothel and using Thai women as prostitutes of over a dozen offenses, including money laundering, racketeering, and contravention of the Sexual Offenses and Immigration Acts, thereby marking the first successful convictions for human trafficking in South Africa: Now, therefore, be it

Resolved, That the House of Representatives—

(1) congratulates the Government of South Africa upon its first two successful convictions for human trafficking;

(2) recognizes the implementation of several elements of South Africa's anti-trafficking strategy and remains hopeful that full implementation of such anti-trafficking measures will proceed without delay;

(3) acknowledges the passage in South Africa of the Child Justice Act of 2008 (Act No. 75, 2008) and underscores the importance of rehabilitative care of minors under the age of 18;

(4) recognizes the Government of South Africa's notable efforts to combat trafficking leading up to, during, and following the 2010 Fédération Internationale de Football Association (FIFA) World Cup;

(5) recognizes the shelters and rehabilitative care provided to human trafficking victims during the World Cup through such centers as the Thuthuzela Centres and encourages further shelter and care programs for victims beyond the event's conclusion;

(6) calls on the Government of South Africa to move quickly to adopt the Prevention and Combating of Trafficking in Persons Bill in order to facilitate future prosecutions;

(7) calls on the Government of South Africa to increase awareness among all levels of relevant government officials as to their responsibilities under the trafficking provisions of the Sexual Offenses and Children's Acts;

(8) calls on the Government of South Africa to prioritize anti-trafficking law enforcement during the 2010 FIFA World Cup through expanded law enforcement presence, raids, and other measures in areas where trafficking for labor and sexual exploitation are likely to occur;

(9) calls on the Government of South Africa to adopt measures to protect vulnerable children, including those children unattended because of school closures and refugee children, as well as other potential victims, from sexual and labor exploitation; and

(10) urges the Government of South Africa to detain and prosecute tourists participating in commercial sexual exploitation of women and children during the 2010 FIFA World Cup.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from California (Ms. WATSON) and the gentlewoman from Florida (Ms. ROSELEHTINEN) each will control 20 minutes.

The Chair recognizes the gentlewoman from California.

GENERAL LEAVE

Ms. WATSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and to include extraneous material on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. WATSON. I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of this resolution. I would like to thank the gentleman from New Jersey (Mr. SMITH) for introducing this resolution, congratulating South Africa for its first two successful convictions of human trafficking. These convictions demonstrate South Africa's commitment to protecting the vulnerable within its borders.

□ 2000

While important progress has been made, the resolution also urges the government of South Africa to take further steps to prevent human trafficking by enacting a more comprehensive anti-human trafficking law, pursuing its Child Protection Strategy, prioritizing enforcement during the World Cup, educating all relevant government officials about the problem, and providing rehabilitative care for those who are freed from forced labor in the sex industry.

In May of 2004, South Africa was awarded the coveted World Cup Tournament, which is going on there today. Recognizing the nexus between major sporting events and crime, particularly prostitution, the South African government placed a high priority on public awareness and the anti-trafficking law. As the preparation for the soccer tournament got underway, the country's sex industry was simultaneously gearing up for the large influx of visitors and the trafficking of women, girls, men, and boys into city brothels to meet the expected demand.

Mr. Speaker, after ridding itself of the hateful apartheid system, South Africa has been on a relentless drive to modernize its laws and make sure they protect their citizens and punish offenders. In spite of the many achievements since throwing off the burden of apartheid, the country, like others, is plagued by many ills that confront the rest of the world, including human trafficking. Because of daunting economic problems throughout Africa and its own endemic rural and urban poverty, South African cities are an attractive place for bad characters, including human traffickers and drug dealers.

South Africa must confront both sides of the problem, as it is both a source and a destination for trafficking persons. People from impoverished areas throughout Africa are brought into the country to provide sexual services and all kinds of menial labor for little or no pay. Young boys are made to beg on the streets or work on farms while young girls are forced into domestic servitude or the illicit sex industry. At the same time, traffickers often target South Africans themselves, sending them off to Europe or the United States as laborers or domestic servants.

Mr. Speaker, the Government of South Africa has invested in law enforcement, community education, and international cooperation to stem the tide of trafficked persons. African countries collectively are taking the crime of trafficking seriously. Last week, the African Union announced that it is establishing an AU Commission initiative against trafficking. This new campaign, announced on the Day of the African Child, will help ensure that member states are adopting and properly implementing international protocols to eliminate trafficking.

To eradicate human trafficking—to find and free those who are living in shackles, to prevent vulnerable and marginalized people from falling captive to those who would commodify human life—is a challenge that must be shared by all governments. That is why I urge my colleagues to support this resolution and join me in recognizing the progress that South Africa is making.

Mr. Speaker, I reserve the balance of my time.

Ms. ROS-LEHTINEN. Mr. Speaker, I am so honored to yield such time as he may consume to the gentleman from New Jersey (Mr. SMITH), the ranking member on the Subcommittee on Africa and Global Health and the author of this resolution.

Mr. SMITH of New Jersey. I thank my good friend, the ranking member, for yielding, and thank her for being one of the cosponsors of the resolution, along with CAROLYN MALONEY and KAY GRANGER and others in this body. This is a bipartisan resolution that we present on the floor today.

Mr. Speaker, while the World Cup is a joyous and unifying event watched the world over, it comes at a very high cost for many women and children trapped in sexual slavery in South Africa. Going on right now, the World Cup is drawing an estimated 2.7 million local spectators and up to 500,000 visitors to the country. It is an honor and an economic boon for South Africa, but it is also a threat to vulnerable women and children—a threat that the government of South Africa is and must continue to aggressively combat.

Major sporting events, Mr. Speaker, and conventions that attract large numbers of people in the United States or abroad have been proven to result in an increase in the demand for commercial sexual exploitation. Pimps and traffickers jump to respond to the demand by trafficking women and girls for prostitution to events such as the World Cup.

We have seen examples of this in stories coming out of South Africa in the media over the last several months. One taxi driver covered in a story proudly advertised his “Red Light Tour” which includes strip bar hopping and guidance to prostituted women less likely to be HIV-positive. He, like so

many in the sex industry, is hoping to cash in on sexual tourism accompanying the World Cup. Sindiswa was just 17 years old, and according to Time magazine, didn’t make it to the games. Forced into prostitution at 16 after leaving her impoverished village on a bogus promise of a job, she died of AIDS complications in January of this year.

Mr. Speaker, according to the U.S. Department of State, where prostitution is legalized or tolerated there is a greater demand for human trafficking victims and nearly always an increase in the number of women and children trafficked into commercial sexual slavery.

In preparation for the World Cup, the Government of South Africa, to its credit, commissioned a comprehensive study of human trafficking within its borders and discovered that trafficking victims were brought in from all over the world—not just from neighboring countries where poverty and porous borders make women and children particularly vulnerable to exploitation. Law enforcement in Cape Town, for example, where some of the games are played, has been closely monitoring and tracking human trafficking. Over the last few months, Cape Town law enforcement noted a sudden increase in women arriving with falsified immigration documents from Asia, and they saw a sudden drop in the age of girls working the streets. I applaud Cape Town for its vigilance, as these were signs that criminal syndicates with the means and certainly the capacity were trafficking women and girls to the World Cup.

Mr. Speaker, as you may be aware, I offered the Trafficking Victims Protection Act of 2000, and its reauthorizations in 2003 and 2005. Our most recent TIP report, which is mandated by these laws, ranks South Africa as a Tier 2 country—a country that does not fully comply with the minimum standards for the elimination of trafficking but is making significant efforts to do so.

And so on behalf of my colleagues and I, we offer this resolution, H. Res. 1412, to congratulate South Africa for the steps it has taken—its first two major trafficking convictions and increased law enforcement activity, especially—in this all-important fight against human trafficking. We offer H. Res. 1412 today to underscore the urgent need for further action and trafficking funding prioritization by the Government of South Africa. Of course, that admonishment should go to each and every one of us, including the United States.

While South Africa does not yet have in place a comprehensive anti-trafficking legislation, it does have legislation that offers increased protection to children. It is my sincere hope that all levels of relevant government officials will be aware of their responsibilities

under the anti-trafficking provisions of the Sexual Offenses and Children’s Acts and the Children’s Amendment Act of 2007, and that these will be fully funded and implemented by the Government of South Africa. As we all know as lawmakers, if the law goes unenforced, it is, frankly, not worth the paper it is printed on. That goes for any parliament’s or congress’ law. They need to implement this—and do so faithfully.

□ 2010

Mr. Speaker, law enforcement must be particularly vigilant in protecting children during the World Cup through an expanded law enforcement presence and raids in areas where exploitation is occurring. Trafficked women and children rescued during the games must be given special rehabilitative care in order to prevent the trauma that they have suffered from defining them and condemning them to a life of further exploitation and abuse. Aggressive prosecution of the traffickers is also a must, as organized crime will always gravitate towards whatever activity is most lucrative and least risky.

Moreover, as this resolution points out, it is our sincere hope that South Africa will follow up with prosecution of any soccer fans or other tourists caught exploiting women and children. The buyers of trafficking victims are responsible for this human misery, for without demand, these women and children would not be slaves.

I believe that the games are just the beginning for South Africa in its fight against human trafficking. We have seen tremendous investment of resources, will, and anti-trafficking momentum from nongovernmental organizations and faith-based organizations in the lead-up to the games. Cape Town Tourism, International Union of Superiors General and the Southern African Catholic Bishops’ Conference of the Catholic Church, the Salvation Army, Red Card 2010 Campaign, and the Tshwane Countertrafficking Coalition for 2010 are just a few of those who have stepped up to combat this modern day slavery.

South African citizens have been widely warned about the dangers of human trafficking, and many have volunteered in the fight. Human trafficking is in the public eye now, and it is time for the Government of South Africa to purge it from its cities and anywhere else that it is found. I thank my good friend for yielding and urge Members to support the resolution.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield myself such time as I may consume.

I thank the gentleman from New Jersey, and we are blessed to have such a human rights activist on our committee and, indeed, in the entire House of Representatives. Thank you so much, Mr. SMITH.

Mr. Speaker, the bill before us, House Resolution 1412, recognizes the efforts to date of the South African Government to fight human trafficking while urging sustained and expanded efforts for the future. According to the State Department's 2010 Trafficking in Persons Report: "South Africa is a source, transit and destination country for men, women and children subjected to trafficking in persons, specifically forced labor and forced commercial sexual exploitation." Further, South Africa "does not fully comply with the minimum standards for the elimination of trafficking; however, it is making significant efforts to do so."

As the 2010 Trafficking Report recognizes and this resolution reaffirms, South Africa has, in fact, made notable progress in confronting human trafficking. The recent conviction by the Durban Municipal Court of two individuals on trafficking-related charges is particularly significant and merits recognition. Still, we have a long way to go, Mr. Speaker. Concerns over trafficking in South Africa have been heightened with the commencement of the FIFA 2010 World Cup games which are being held at newly erected stadiums throughout the country. The massive influx of workers to build these stadiums and other infrastructure, high rates of domestic unemployment, the arrival of millions of spectators and gaps in law enforcement capacity have provided an ideal operating environment for traffickers.

Criminal networks and street gangs are already known to operate child prostitution rings in the country's major cities where child sex tourism is on the rise. These same cities, including Durban, Cape Town and Johannesburg now boast major soccer stadiums capable of drawing between 40,000 to 95,000 spectators each. The confluence of criminality and opportunity created by the World Cup has presented major challenges for the South African Government. Unfortunately, these challenges will endure long after the cup has been awarded.

This resolution urges the South African Government to engage in an aggressive, sustained, and effective campaign to fight the scourge of trafficking. It urges the government to adopt the pending Prevention and Combating of Trafficking in Persons bill and enforce relevant elements of the Sexual Offenses and Child Justice Acts. It urges the government to adopt additional measures to protect vulnerable children and other potential victims from sexual and labor exploitation. It urges the government to prioritize anti-trafficking law enforcement, particularly during the World Cup games. And, lastly, it encourages the government to prosecute tourists engaging in commercial sexual exploitation. I strongly urge our colleagues to support this timely and important resolution.

With that, Mr. Speaker, I am very pleased to yield such time as he may consume to the gentleman from California (Mr. ROYCE), the ranking member on the Foreign Affairs Subcommittee on Terrorism, Nonproliferation and Trade.

Mr. ROYCE. Mr. Speaker, I rise in support of this legislation. I would like to thank the gentleman from New Jersey, Mr. CHRIS SMITH, for all that he has attempted to do to bring this resolution before us and also for bringing this issue into the international community. And Congresswoman DIANE WATSON, we appreciate your leadership on this as well.

I think for any of us who try to contemplate the impact of modern-day slavery—I was thinking, I was just talking to Congressman SMITH about the movie "Amazing Grace" about William Wilberforce and the attempt in Britain so long ago to try to eliminate the slave trade. And when we think about the fact that in this century this type of slavery still exists, I think that when we consider the magnitude of it, the misery of the people, especially the children that are subjected to this, we think about this range of sexual servitude across this planet affecting some 12 million adults but also millions of children.

And this is what is happening every day. People are trafficked into this type of servitude. You think about the fact that many of these children are 6, 7 years old. And, sadly, as the State Department tells us in this report that was just released, the majority of transnational trafficking, the majority of these victims are being trafficked into commercial sexual exploitation. So that is the reality that the world faces today.

Now, importantly, this resolution commends the Government of South Africa for taking some steps because it has tried to combat this problem. It has brought to justice, it has successfully convicted its human traffickers here in a trial that has gotten some attention. So it is important to note such improvements.

But at the same time, it's important for us to realize how much remains to be done, how much the international community needs to work and come together to go after these criminal syndicates that are involved in this kind of activity.

And I only wish we could be celebrating the achievement of countries like Vietnam; but, unfortunately, we've read the report. Some countries are actually being downgraded in this report. In Vietnam, women and children are routinely misled by fraudulent job opportunities where they find themselves, instead, sold into brothels. Sadly, while some conditions are improving, other states, like Vietnam, are falling far, far behind.

And it is also our hope that the release of this report will do much in the

international community, along with the help by NGOs that have come forward, in order to try to put a spotlight on this issue, in order to try to get every government involved and moving in the correct direction and prosecuting those who are involved in the criminal syndicates for trying to advance this kind of inhumanity across this planet.

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I again commend all of the cosponsors of this legislation, including my colleague, ILEANA ROS-LEHTINEN.

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to thank Mr. ROYCE and thank Mr. SMITH, the author of this resolution.

Mr. Speaker, I yield back the balance of my time.

Mr. JOHNSON of Georgia. Mr. Speaker, I rise today in order to express my support for House Resolution 1412, congratulating the Government of South Africa upon its first two successful convictions for human trafficking. I would like to thank Representative SMITH for his efforts on this resolution and his dedication to eradicating human trafficking throughout the world.

This summer people all over the world are watching South Africa. The country is hosting the 2010 Fédération Internationale de Football Association (FIFA) World Cup. South Africa is estimated to attract nearly 2.7 million local spectators and anywhere between 350,000 and 500,000 visitors from around the world. South Africa has made huge efforts within the last several months to ensure that their country is safe, secure, clean, and comfortable for tourists and visitors. A large part of that effort to prepare for this event has been a notable reduction in, and increased prosecution of, human trafficking. This resolution congratulates South Africa on its efforts and the recent successful convictions for human trafficking.

The Department of State reports that, "South Africa is a source, transit, and destination country for trafficked men, women, and children . . . Children are largely trafficked within the country . . . to urban centers like Johannesburg, Cape Town, Durban, and Bloemfontein—girls trafficked for the purposes of commercial sexual exploitation and domestic servitude; boys trafficked for forced street vending, food service, begging, crime, and agriculture . . ." I am very pleased that the South African government, in conjunction with other nongovernmental agencies including the Tshwane Counter-Trafficking Coalition for 2010 and Cape Town Tourism has invested resources and energy into preventing human trafficking during the 2010 FIFA World Cup and I hope that these efforts will continue.

I want to congratulate the South African Government for its enormous stride in addressing human trafficking. I also want to urge the government to move quickly to adopt the Prevention and Combating of Trafficking in Persons Bill in order to facilitate future prosecutions, as well as prioritize anti-trafficking law enforcement during the 2010 FIFA World Cup through expanded law enforcement presence, raids, and other measures in areas where trafficking for labor and sexual exploitation are likely to occur. I truly believe that we

can eradicate human trafficking and make this world a safer place for all people, and urge my colleagues to support this important resolution.

Mrs. MALONEY. Mr. Speaker, I am pleased to join my colleagues Representative CHRIS SMITH and Representative KAY GRANGER in congratulating the government of South Africa for their efforts to combat human trafficking.

Let there be no mistake: human trafficking is modern-day slavery. Although slavery was abolished almost 150 years ago in the United States, millions of people worldwide are still deprived of their freedom. Victims of this growing epidemic are forced into a world of abuse and exploitation. I have worked with my colleagues in Congress for years to fight this horrific problem but our work is far from over.

Past experiences indicate that global sporting events such as the World Cup strongly affect the human trafficking industry. The influx of millions of tourists to South Africa for the World Cup increases the demand for prostitution and facilitates the entry of trafficking victims to the country. Women and girls are reportedly being trafficked to South Africa from all over the world in order to meet the demand for commercial sex. With so many people entering the country, it is important to raise awareness of the horrors of human trafficking and be able to identify victims from tourists. The government of South Africa not only needs to protect its vulnerable population but also those that have been trafficked from across the globe.

House Resolution 1412 is an important measure that not only commends the government of South Africa for their efforts to combat human trafficking but also urges them to act quickly to pass anti-trafficking legislation. Strong police enforcement and strict government laws are especially critical during the World Cup in order to protect potential victims and ensure victims are given proper attention. Although the government of South Africa has worked to tackle this issue and has successfully convicted two human trafficking cases more needs to be done to prosecute traffickers and buyers of the industry.

It is our duty to protect men, women, boys, and girls from this devastating scourge that is destroying people's lives.

Mr. MCMAHON. Mr. Speaker, I rise today to support H. Res. 1412, a Resolution Congratulating the Government of South Africa upon its first two successful convictions for human trafficking.

Since June 11, South Africa has been hosting the 2010 FIFA World Cup. The global event has attracted nearly half a million visitors to South Africa. In the midst of this worldwide sports event, concerns of human trafficking have been renewed.

Now, more than ever, children in South Africa are vulnerable to trafficking. The government has closed schools for the duration of the World Cup, leaving many children unattended throughout the day. Yet, South African law enforcement has been working overtime in a joint effort with the international community to combat human trafficking.

I congratulate South Africa on its first two successful convictions for human trafficking. However, much is left to do. I call on the South African government to promptly adopt the Prevention and Combating of Trafficking in

Persons Bill to aid in future investigations. Trafficking by tourists must be prosecuted to the fullest extent of law.

Mr. Speaker, I urge my colleagues in the House of Representatives to join me today in recognizing our dedication to human rights and justice in South Africa by supporting this Resolution.

Ms. WATSON. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. WATSON) that the House suspend the rules and agree to the resolution, H. Res. 1412, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Ms. WATSON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

PERMANENT RADIO FREE ASIA AUTHORIZATION ACT

Ms. WATSON. Mr. Speaker, I move to suspend the rules and pass the bill (S. 3104) to permanently authorize Radio Free Asia, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

S. 3104

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

Congress finds the following:

(1) Radio Free Asia (referred to in this Act as "RFA")—

(A) was authorized under section 309 of the United States International Broadcasting Act of 1994 (22 U.S.C. 6208);

(B) was incorporated as a private, non-profit corporation in March 1996 in the hope that its operations would soon be obviated by the global advancement of democracy; and

(C) is headquartered in Washington, DC, with additional offices in Bangkok, Hong Kong, Phnom Penh, Seoul, Ankara, and Taipei.

(2) RFA broadcasts serve as substitutes for indigenous free media in regions lacking free media outlets.

(3) The mission of RFA is "to provide accurate and timely news and information to Asian countries whose governments prohibit access to a free press" in order to enable informed decisionmaking by the people within Asia.

(4) RFA provides daily broadcasts of news, commentary, analysis, and cultural programming to Asian countries in several languages, including—

(A) 12 hours per day in Mandarin;

(B) 8 hours per day in 3 Tibetan dialects, Uke, Kham, and Amdo;

(C) 4 hours per day in Korean and Burmese;

(D) 2 hours per day in Cantonese, Vietnamese, Laotian, Khmer (Cambodian), and Uyghur; and

(E) 1½ hours per week in Wu (local Shanghai dialect).

(5) The governments of the countries targeted for these broadcasts have consistently denied and blocked attempts at Medium Wave and FM transmissions into their countries, forcing RFA to rely on Shortwave broadcasts and the Internet.

(6) RFA has provided continuous online news to its Asian audiences since 2004, although some countries—

(A) routinely and aggressively block RFA's website;

(B) monitor access to RFA's website; and

(C) discourage online users by making it illegal to access RFA's website.

(7) Despite these attempts, RFA has successfully managed to reach its online audiences through proxies, cutting-edge software, and active republication and repostings by its audience.

(8) RFA also provides forums for local opinions and experiences through message boards, podcasts, web logs (blogs), cell phone-distributed newscasts, and new media, including Facebook, Flickr, Twitter, and YouTube.

(9) Freedom House has documented that freedom of the press is in decline in nearly every region of the world, particularly in Asia, where none of the countries served by RFA have increased their freedom of the press during the past 5 years.

(10) In fiscal year 2010, RFA is operating on a \$37,000,000 budget, less than \$400,000 of which is available to fund Internet censorship circumvention.

(11) Congress currently provides grant funding for RFA's operations on a fiscal year basis.

SEC. 2. SENSE OF THE SENATE.

It is the sense of the Senate that—

(1) public access to timely, uncensored, and accurate information is imperative for promoting government accountability and the protection of human rights;

(2) Radio Free Asia provides a vital voice to people in Asia;

(3) some of the governments in Asia spend millions of dollars each year to jam RFA's shortwave, block its Internet sites;

(4) Congress should provide additional funding to RFA and the other entities overseen by the Broadcasting Board of Governors for—

(A) Internet censorship circumvention; and

(B) enhancement of their cyber security efforts; and

(5) permanently authorizing funding for Radio Free Asia would—

(A) reflect the concern that media censorship and press restrictions in the countries served by RFA have increased since RFA was established; and

(B) send a powerful signal of our Nation's support for free press in Asia and throughout the world.

SEC. 3. PERMANENT AUTHORIZATION FOR RADIO FREE ASIA.

Section 309 of the United States International Broadcasting Act of 1994 (22 U.S.C. 6208) is amended—

(1) in subsection (c)(2), by striking "and shall further specify that funds to carry out the activities of Radio Free Asia may not be available after September 30, 2010";

(2) by striking subsection (f);

(3) by redesignating subsections (g) and (h) as subsection (f) and (g), respectively; and

(4) in subsection (f), as redesignated—

(A) by striking "The Board" and inserting the following:

“(1) NOTIFICATION.—The Board”;

(B) by striking “before entering” and inserting the following: “before—

“(A) entering”;

(C) by striking “Radio Free Asia.” and inserting the following: “Radio Free Asia; or

“(B) entering into any agreements in regard to the utilization of Radio Free Asia transmitters, equipment, or other resources that will significantly reduce the broadcasting activities of Radio Free Asia.”;

(D) by striking “The Chairman” and inserting the following:

“(2) CONSULTATION.—The Chairman”;

(E) by inserting “or Radio Free Asia broadcasting activities” before the period at the end.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from California (Ms. WATSON) and the gentlewoman from Florida (Ms. ROS-LEHTINEN) each will control 20 minutes.

The Chair recognizes the gentlewoman from California.

GENERAL LEAVE

Ms. WATSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. WATSON. Mr. Speaker, this bill, which passed the Senate last week by unanimous consent, would amend the International Broadcasting Act of 1994 to permanently authorize Radio Free Asia. Radio Free Asia, or RFA, was established by Congress in 1994 and began its operations in 1996. As a private, nonprofit corporation, its mission is to provide accurate and timely news to Asian countries whose governments prohibit access to a free press.

Today, RFA broadcasts news and information in nine languages: Burmese, Cantonese, Mandarin Chinese, Korean, Khmer, Laotian, Tibetan, Uyghur, and Vietnamese. RFA also maintains a vibrant Internet presence, providing information through podcasts, blogs, message boards, and YouTube.

Because RFA is guided by the principles of free expression and opinion and serves its Asian listeners by providing information critical for informed decisionmaking, the governments of the countries that RFA targets have actively sought to block RFA's transmissions and access to its Web site. These repressive governments are clearly concerned that public access to the timely, uncensored, and accurate information provided by RFA will lead to greater demands for democracy, respect for fundamental human rights, and government accountability.

A winner of numerous human rights and broadcast journalism awards, RFA has played a vital role in providing information in some of the most oppressed societies in Asia. For example, RFA broke the news of the peaceful

protest by Tibetan monks in the capital of Tibet in 2008 and provided extensive coverage, used by major international media outlets, of the Chinese crackdown on the monks.

By permanently authorizing RFA, we will enhance the efficiency of the RFA's operations and send a powerful signal of our country's support for a free press in Asia and throughout the world.

According to Article 19 of the Universal Declaration of Human Rights, “everyone has the right to freedom of opinion and expression; this includes freedom to hold opinions without interference and to seek, receive, and impart information and ideas through any media and regardless of frontiers.”

RFA's mission is to do just that, to bring news and information about their own countries to populations denied the benefits of freedom of information by their governments. RFA's broadcasts, through the radio and the Internet, are devoted to that very idea, to that notion of enlightenment.

Radio Free Asia provides a vital voice to hundreds of millions of people in Asia, and I strongly urge my colleagues to support this legislation.

Mr. Speaker, I reserve the balance of my time.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. ROYCE), the ranking member on the Foreign Affairs Subcommittee on Terrorism, Nonproliferation and Trade, and the author of the House companion to this bill.

Mr. ROYCE. Mr. Speaker, this program, Radio Free Asia, was due to expire, under existing law, in September. And I am delighted here, for several reasons, that the legislation is before us. One is because, on a strategic level, if you have this sunset and you have authoritarian regimes presuming that at the end of the year RFA's broadcasts are going to be discontinued, it implies that it does not have the full support of the U.S. Government or our people here in the United States. And in some countries there's even been talk of RFA going out of business. This sends the message that that just isn't so because now RFA will permanently be in business.

And from a practical standpoint, what does that mean? If you're running a station, it means that you've got the ability now to contract effectively in long-range leases. You get the capital agreements that you need. You are better able, less expensively, to run these operations.

It's not that these operations are expensive. As my friend, John Kasich, former chairman of the Budget Committee once said, the price of this is the price of a fuel cap on a B-52. But, oh, how effective, oh, how effective this strategy has been over the years, because what we provide here is surro-

gate news. We provide the kind of information that people would be hearing if they actually had a free radio station, if they could actually listen to the voice of a news reporter on issues such as the corruption of a local official, let's say, or what is actually happening in their city, what is happening in their country. That is provided now through RFA.

And I wanted to share with you just a couple of observations. Many of us have heard the words of Vaclav Havel and Lech Walesa, Eastern Europeans who were very moved by the broadcasts into their own countries by Radio Free Europe. And whether it's a crackdown on workers at a local factory or news and information about ideas like tolerance, political pluralism, the fact is these messages were heard.

And I remember in the former Yugoslavia talking to a Croatian journalist who had tears in his eyes, and he said there was one country in Eastern Europe where we did not broadcast with Radio Free Europe. That was Yugoslavia.

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And as a result, he told me, we watched what happened in Czechoslovakia as Vaclav Havel was able to do a plebiscite, and the Czech Republic went one way and Slovakia went the other. And the reason he was crying was because he said not one human life was lost in that, and Vaclav Havel had said he had listened to those broadcasts about the importance of political pluralism and self-determination and tolerance, whereas he as a Croatian was listening to Croatian hate radio and Serbian hate radio, and indeed hate radio from every single ethnic group in that country.

And during his time as a reporter covering those wars, he watched the war with Slovenia spin out of control, and then Croatia, and Bosnia, and the Kosovo war. He watched each of these tragedies, with their tens of thousands of human lives lost. And he said to me something I will never forget. “If only we had had the broadcasts here to better prepare us for what was to come.” That is why this work is so important.

And today we do this work in Burma, we do this work in North Korea, in Vietnam, and in China, in all the major dialects. And many of these governments actively work, of course, to try to block RFA transmissions and information into their society. But still the information manages to get in. Maybe not into the main cities at times, but into the rural areas and into the suburban areas.

And frankly, Freedom House, which ranks all of these countries not free, attests to the ability of this information to get through. As one observer has noted, this type of broadcasting irritates authoritarian regimes, inspires democrats, and creates greater space

for civil society. So it's no wonder that China attempts to block RFA transmissions, or that Vietnam has heavily jammed the station since its first day.

But RFA has been chipping away at authoritarian regimes. And I will just mention Kim Jong Il and his grip on information in North Korea. I mention it because Congresswoman DIANE WATSON and I went into North Korea. And according to experts today, that grip is not as strong as it once was. And this is one of the reasons. The information cordon that once encircled North Korea, I am going to quote this observer, is now in tatters as information is getting in. And that is backed up by a survey by a prominent think tank which interviews hundreds of North Korean refugees every year. And it finds an ever-increasing percentage, now more than half who fled since 2006, had listened to foreign news regularly, including RFA.

I remember a report we had of one of the Politburo members who said in debate, "If you are not listening to the radio broadcasts, you are like a frog in the well who does not know what is going on in the outside world." And so the harsher the regime, the more the attempt to control information, the more diligent we find our reporters and stringers are at RFA in trying to counter the propaganda that comes from the state.

And with this legislation, Radio Free Asia can better focus its long-term mission of bringing its message of some modicum of humanity, freedom, democracy, respect for the rule of law, creating a space for civil society where it can flourish under the Asian continent's oppressive regimes such as China. And I think if we continue this good effort, and I have listened in and participated in some of the broadcasts into China, we have a tremendous opportunity to reach a young generation of people who are in desperate need of another side of the story. And those reporters are providing it with RFA.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield myself such time as I may consume.

I thank my good friend from California (Mr. ROYCE), the author of the House companion of this bill, for his leadership on this issue.

Today I rise in strong support of the Senate bill, S. 3104, a bipartisan bill that deserves our prompt approval. I want to thank the gentleman from California, who has been working on this issue for a number of years. And as we know, Mr. Speaker, an unfettered and independent press is so vital to the maintenance of liberty that its protection was enshrined in the First Amendment of our Constitution.

Tyranny cannot abide dissent. And the repressive regimes know that they cannot afford to allow the unregulated dissemination of information and ideas. People accustomed to thinking

freely and speaking freely cannot be deterred from also living freely. These are the realities that drive our Nation's longstanding commitment to surrogate broadcasting, providing to oppressed societies the kind of news and information that local journalists would supply if they were allowed to operate freely.

We can all recall the important role that Radio Free Europe played in helping us to end the Cold War. For the past 14 years, its younger sibling, Radio Free Asia, has provided critical broadcasting in a neighborhood that contains some of the world's most anti-democratic regimes: North Korea, Burma, China, Vietnam, and Laos. It also broadcasts in important minority languages such as Uyghur, Cantonese, Wu, and dialects of Tibet.

Among all of the freedom broadcasting services of the United States, RFA, Radio Free Asia, is the only one whose authorizing legislation contained a sunset date, which Congress has repeatedly extended. It is high time to remove that sunset and make Radio Free Asia's authorization permanent.

Sadly, the need for Radio Free Asia is not going to end any time soon, Mr. Speaker. Making the authorization permanent, therefore, is an important signal of the United States' commitment, putting those regimes who try so extremely hard to block the Radio Free Asia broadcasts on notice that they cannot wait out our resolve to support freedom of the press in Asia.

In addition, permanent authority makes operational sense, as the recurring sunset has complicated Radio Free Asia's ability to hire long-term staff, to negotiate cost-effective leases and capital agreements. For these reasons, Mr. Speaker, this measure before us deserves our unanimous support.

Let us stand today with the long-suffering people of China, of Tibet, of North Korea, of Burma, of Vietnam, of Cambodia, and Laos, and against regime-sponsored attempts to restrict the information they receive.

Ms. JACKSON LEE of Texas. Mr. Speaker, I rise in strong support of S. 3140, a bill to permanently authorize Radio Free Asia, and for other purposes. I thank my colleague Senator LUGAR for introducing this important bill that reasserts our commitment to a free press and freedom of speech in Asia and throughout the world.

Freedom of the press is one of our most cherished values and enshrined in our first amendment. "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances." I believe it is one of the most valuable and fundamental rights written in the Constitution, as it grants us as people the ability to speak truth to tyranny. In the United States we often take this freedom for granted,

but in many countries throughout the world it does not exist at all, or exists only on paper and not in practice.

Thus the United States has long sought to expand this freedom throughout the world, promoting free speech and freedom of information in places where governments have strangled their people's ability to speak their minds. Most notably during the Cold War, Radio Free Europe was one of the many tools the United States used to try and reach out to those behind the Iron Curtain, who were deprived of information and whose right to speak their minds freely was severely curtailed. Radio Free Asia, RFA, attempts to do the same for the people of Asia whose freedom of speech and press, particularly in China and North Korea, has been stifled by increasingly restrictive government policies.

The consistent and continued attempts on behalf of these governments to block and jam RFA's broadcasts are a testament to their value and effectiveness. Like a cool breeze drafting through a hot, stifled room, RFA is a breath of fresh air to those who are deprived of information and afraid to speak freely. Creatively using shortwave broadcasts and the Internet, RFA has been able to circumvent many of the restrictive tactics of oppressive governments, often relying on the ingenuity and intelligence of local listeners themselves to spread the word.

But RFA needs more time and more resources to do its job right. It is of paramount importance that Radio Free Asia continue its broadcasts in the future, until its implementation is made obsolete by its own success in promoting freedom of information in the countries it currently serves. According to Freedom House, freedom of the press is in decline almost everywhere in the world, making Radio Free Asia's services that much more vital in reaffirming this Congress' concern for the freedom of people around the globe. I am glad that the Congress has decided to continue the important work of the RFA and to promote freedom to our oppressed brethren in Asia.

Mr. MCMAHON. Mr. Speaker, I rise today in support of S. 3104, which amends the United States International Broadcasting Act of 1994 to give the Broadcasting Board of Governors permanent control of grants to operate Radio Free Asia.

Radio Free Asia is a private, non-profit organization whose mission is to provide accurate and relevant news to those living in Asian countries where freedom of the press is restricted since 1996.

This organization is vitally important to the intellectual and political development of the peoples of Asia. Democracy cannot flourish without a free press, which is why Radio Free Asia is so important to those living under authoritarian regimes.

For this reason, totalitarian governments in Asia spend millions of dollars each year trying to jam Radio Free Asia. Despite attempts to suppress its influence, Radio Free Asia has been greatly successful in fulfilling its mission—even reaching remote regions of North Korea, arming refugees and peace builders with information from the free world.

Radio Free Asia has been the recipient of numerous awards, such as the Annual Human Rights Press Award International Activist

Award and Edward R. Murrow Regional Award, both of which have been presented to Radio Free Asia multiple times.

I urge my colleagues in the House of Representatives to support this bipartisan bill. Radio Free Asia represents the potential of technology to cultivate democracy in nations to which it is foreign, and it is important that we modernize the structure of the organization to ensure its future financing and success.

Ms. ROS-LEHTINEN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. WATSON. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. WATSON) that the House suspend the rules and pass the bill, S. 3104.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

EXPRESSING SUPPORT FOR PEOPLE OF GUATEMALA, HONDURAS AND EL SALVADOR AFTER TROPICAL STORM AGATHA

Ms. WATSON. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 1462) expressing support for the people of Guatemala, Honduras, and El Salvador as they persevere through the aftermath of Tropical Storm Agatha which swept across Central America causing deadly floods and mudslides, as amended.

The Clerk read the title of the resolution.

The text of the resolution is as follows:

H. RES. 1462

Whereas, on May 29, 2010, Guatemala, Honduras, and El Salvador experienced devastating floods and mudslides brought on by Tropical Storm Agatha;

Whereas Tropical Storm Agatha has left 174 dead and 62,827 families were directly affected in Guatemala;

Whereas Tropical Storm Agatha has left 22 dead and 7,998 in shelters in Honduras;

Whereas Tropical Storm Agatha has left 11 dead and 12,000 in shelters in El Salvador;

Whereas over 2,000 Guatemalans were displaced with little forewarning following the eruption of the Pacaya volcano;

Whereas the combination of Tropical Storm Agatha and the eruption of the Pacaya volcano have devastated Guatemala's landscape leaving behind sinkholes and mudslides across the country;

Whereas, due to recent droughts, erratic rainfall, high food prices, and a sharp drop in remittances, Guatemala has suffered severe food insecurity that will increase in the wake of Tropical Storm Agatha;

Whereas Guatemalan officials are estimating that damages will surpass \$475,000,000;

Whereas the loss in the agriculture sector could be close to \$18,500,000 in Honduras;

Whereas 380 schools have been affected in El Salvador;

Whereas critical infrastructure relating to water and sanitation has been destroyed;

Whereas the United States has provided relief for the victims of Tropical Storm Agatha by deploying United States Southern Command support helicopters and frigates for assistance with the transport of food, water, and emergency supplies;

Whereas countries and organizations around the world have contributed millions of dollars in medicines and aid, and humanitarian aid agencies in the United States and around the world are mobilizing to provide much needed assistance to the relief and recovery efforts; and

Whereas Guatemala, Honduras, and El Salvador have begun the process of recovering from these natural disasters: Now, therefore, be it

Resolved, That the House of Representatives—

(1) mourns the loss of life and expresses solidarity with all people affected by Tropical Storm Agatha;

(2) commends the brave efforts of the people of Guatemala, Honduras, and El Salvador as they recover from Tropical Storm Agatha;

(3) recognizes the assistance of the international community during the recovery effort in providing relief to the people of Guatemala, Honduras, and El Salvador; and

(4) urges the Secretary of State, in coordination with the Administrator of the United States Agency for International Development (USAID), to continue to develop a strategic plan to promote food security and recovery efforts with the goal of mitigating the current and future effects of the recent natural disasters that have devastated Guatemala, Honduras, and El Salvador.

The SPEAKER pro tempore (Mr. MAFFEI). Pursuant to the rule, the gentlewoman from California (Ms. WATSON) and the gentlewoman from Florida (Ms. ROS-LEHTINEN) each will control 20 minutes.

The Chair recognizes the gentlewoman from California.

□ 2040

GENERAL LEAVE

Ms. WATSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. WATSON. Mr. Speaker, I rise in strong support of this resolution and yield myself such time as I may consume.

On May 29, 2010, Guatemala, Honduras and El Salvador experienced devastating floods and mudslides caused by Tropical Storm Agatha. Agatha has left 174 dead and directly affected more than 62,000 families in Guatemala, killed 22 and forced nearly 8,000 into shelters in Honduras, and left 11 dead and 12,000 in shelters in El Salvador. And to make matters worse, over 2,000 Guatemalans were displaced with little forewarning following the eruption of the Pacaya volcano on May 27, 2010.

The combination of the tropical storm and the volcano has devastated Guatemala's landscape leaving behind

sinkholes and mudslides across the country. In addition, due to recent droughts, erratic rainfalls and high food prices, a sharp drop in remittances, Guatemala now faces severe food insecurity, and this is expected to increase in the wake of Tropical Storm Agatha.

Guatemalan officials are estimating that damages will surpass \$475 million. In Honduras, the loss in the agriculture sector could be close to \$18.5 million. In all three countries, critical infrastructure relating to water and sanitation has been destroyed.

The United States has provided relief for the victims of Tropical Storm Agatha by deploying United States Southern Command support helicopters and frigates to assist with the transport of food, water, and emergency supplies. Humanitarian aid agencies in the United States and countries and NGOs around the world are mobilizing to provide much-needed assistance to the relief and the recovery efforts.

The resolution before us recognizes the assistance efforts already under way and urges the Secretary of State in coordination with the administrator of the United States Agency for International Development, or USAID, to continue to develop a strategic plan with the goal of mitigating the effects of the recent natural disasters that have devastated these three countries. Guatemala, Honduras, and El Salvador face a major challenge as they recover and rebuild. They deserve our continued support.

For these reasons, Mr. Speaker, I urge my colleagues to support this important resolution.

I reserve the balance of my time.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield myself such time as I may consume.

I rise today as a proud cosponsor of House Resolution 1462, which expresses the support of the United States to the people of Guatemala, Honduras, and El Salvador in the aftermath of Tropical Storm Agatha.

Having already declared a state of emergency following a volcano eruption just 50 miles from Guatemala City days earlier, Guatemala was hit by Tropical Storm Agatha on May 29, 2010. Floods and mudslides devastated parts of Guatemala, Honduras, and El Salvador as a result of the storm. Hundreds of lives were lost, hundreds of thousands of survivors left in shelters.

Immediately following this disaster, as we always do, the United States, as a government and as a people, was standing by to lend a helping hand. The United States Southern Command, SOUTHCOM, located in my home district in Miami, Florida, deployed four helicopters from Soto Cano Air Base in Honduras to conduct aerial assessments and transport emergency relief supplies to areas impacted by the disaster.

The ability of SOUTHCOM to utilize resources from the Soto Cano Air Base demonstrates the important role that Honduras plays in enabling the United States to provide support for security and disaster purposes. SOUTHCOM also sent personnel from Miami to join a humanitarian assessment team on the ground in Guatemala. And I was proud to see Royal Caribbean Cruises, also of Miami, work with the Pan American Development Foundation to help transport food to the tens of thousands of survivors in the days following the storm.

The growing security challenges facing Guatemala, Honduras, and El Salvador as a result of narcotraffickers and vicious gangs have only been complicated by this recent natural disaster. It will be critical for the United States to work with responsible democratic nations in the region to ensure that this does not become a window of opportunity for criminals.

The success we have seen in Colombia and the ongoing efforts being taken in Mexico against the drug cartels have created an unfortunate sandwich effect in Central America. But only through a united hemispheric-wide approach that is based on a shared commitment to democracy, to security, to prosperity, will we achieve success against the narcotraffickers and organized crime.

Again, Mr. Speaker, I would like to extend my heartfelt condolences to the families and friends of those who suffered as a result of Tropical Storm Agatha. As the brave people of Guatemala, Honduras, and El Salvador continue to recover from this tragic disaster, please know that we have you in our hearts and in our prayers.

Ms. JACKSON LEE of Texas. Mr. Speaker, I rise in strong support of H. Res. 1462, support for the people of Guatemala, Honduras and El Salvador as they persevere through the aftermath of Tropical Storm Agatha which swept across Central America causing deadly floods and mudslides. I would like to thank Mr. MACK for introducing this resolution underlining our heartfelt support for our North American neighbors in their time of desperate need.

Mr. Speaker, the countries of Central America have suffered devastating damage and loss of life at the hands of Mother Nature. Tropical Storm Agatha has left over 200 dead and over 95,000 in shelters, most of them in Guatemala. The powerful storm has inflicted over \$475,000,000 in damages throughout the region, destroying critical water and sanitation infrastructure. Combined with recent droughts, high food prices and a dramatic drop in remittances from the United States, Guatemala in particular has suffered severe food insecurity that will likely increase due to the effects of the storm.

I join my fellow members in expressing our most heartfelt condolences for the loss of life and suffering the Guatemalan, Honduran and Salvadoran people have endured in the wake of the storm. We mourn for those who are no longer with us, and extend our deepest sympathies to those they have left behind, in

many cases without food or shelter. It is a tragedy for anyone to lose their home, their father, their mother, their children, their friends. We will do everything we can to help them recover from this disaster.

But we also commend the people of these ravaged countries for their bravery, and for standing tall in the face of adversity. In spite of the frustration and sadness that come in the aftermath of a disaster, they are fighting hard to recover. They could certainly use our help.

The international community and the United States have already responded. Countries, NGOs and humanitarian aid agencies from around the world have generously contributed millions of dollars in medicine and aid, and mobilizing to transport and deliver support and supplies. The United States continue to assert and strengthen our commitment to participate in the global outpouring of support to our devastated neighbors to the south.

After all, we are no strangers to the effects of natural disasters, and many of our cities have suffered through more than their fair share. As a Representative of the good people of Houston, Texas, many of the Atlantic hurricanes and tropical storms that wreak havoc every summer hit very close to home. From Ike to Ivan to Wilma to Katrina, we know all too well the devastation that befalls those unfortunate enough to be standing in the path of one of the North Atlantic's deadly hurricanes or tropical storms. We have seen the destruction first hand; I have spoken to the victims; we have known the pain and suffering those natural disasters can cause.

We know the road of recovery can be long and fraught with challenges. But we have recovered, and so shall the people of Guatemala, Honduras and El Salvador. And the United States must help ensure that they do.

As such, I am proud to stand behind my fellow members in calling upon the Congress to urge the Secretary of State and the United States Agency for International Development to continue working on a strategic plan to promote food security and recovery efforts, with the aim of mitigating current and future effects of the recent natural disasters that have devastated Guatemala, Honduras and El Salvador.

Mr. MCMAHON. Mr. Speaker, I rise today in support of H. Res. 1462, stating our nation's unequivocal support for those people of Guatemala, Honduras, and El Salvador who have been affected by Tropical Storm Agatha. In the aftermath of the storm, mudslides and sinkholes formed, not only marring the natural beauty of these countries, but also causing immense amounts of damage and suffering.

Hundreds of people lost their lives, and tens of thousands were displaced from their homes. Food shortages, destruction of infrastructure, economic losses in agriculture, and damages to vital buildings will inevitably adversely affect these countries for a long time to come.

These Latin American nations represent crucial U.S. allies in the region and key economic trading partners. It is in the interest of our economic stability and national security to help them through these tough times.

Our own experiences from Hurricanes Rita and Katrina remind us that we are all vulnerable to the cruel whims of nature. We will

never forget how many countries around the world stood with us during those trying times for our nation, and we need to stand with Guatemala, Honduras, and El Salvador now.

I commend the United States Southern Command for providing food, water, and necessary supplies to the victims of these natural disasters. We have not been alone in providing assistance to the disaster areas; the international community has come together in support of those who have been affected, contributing millions of dollars in medical supplies and other assistance.

I urge the House of Representatives to keep in mind today those lives and livelihoods that have been destroyed in the aftermath of this disaster by supporting this resolution.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield back the balance of my time.

Ms. WATSON. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. WATSON) that the House suspend the rules and agree to the resolution, H. Res. 1462, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Ms. WATSON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

SUPPORTING DESIGNATION OF NATIONAL ESIGN DAY

Mr. McDERMOTT. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 290) expressing support for designation of June 30 as "National ESIGN Day".

The Clerk read the title of the concurrent resolution.

The text of the concurrent resolution is as follows:

H. CON. RES. 290

Whereas the Electronic Signatures in Global and National Commerce Act (ESIGN) was enacted on June 30, 2000, to ensure that a signature, contract, or other record relating to a transaction may not be denied legal effect, validity, or enforceability solely because it is in electronic form;

Whereas Congress directed the Secretary of Commerce to take all actions necessary to eliminate or reduce, to the maximum extent possible, the impediments to commerce in electronic signatures, for the purpose of facilitating the development of interstate and foreign commerce; and

Whereas June 30, 2010, marks the 10th anniversary of the enactment of ESIGN and would be an appropriate date to designate as "National ESIGN Day": Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That Congress—

(1) supports the designation of a "National ESIGN Day";

(2) recognizes the previous contribution made by Congress to the adoption of modern solutions that keep the United States on the leading technological edge; and

(3) reaffirms its commitment to facilitating interstate and foreign commerce in an increasingly digital world.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Washington (Mr. McDERMOTT) and the gentleman from Illinois (Mr. SHIMKUS) each will control 20 minutes.

The Chair recognizes the gentleman from Washington.

GENERAL LEAVE

Mr. McDERMOTT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

□ 2050

Mr. McDERMOTT. I yield myself such time as I may consume.

Mr. Speaker, I rise today to celebrate the 10th anniversary of the signing of the Electronic Signatures in Global and National Commerce Act, the ESIGN bill, a landmark piece of legislation that has transformed how we conduct interstate commerce and business. The advent of e-signatures has brought enormous benefit to both consumers and businesses alike by drastically improving convenience, reducing costs, and increasing the speed of transactions.

As many of you know, I represent Seattle, which is one of the most wired and high-tech cities in the world. ESIGN has greatly improved the ability of companies in my district to be more effective and competitive in the global marketplace.

I would especially like to acknowledge Seattle-based electronic signature platform provider DocuSign for being a leader in the electronic signatures and records industry and for helping spearhead the coalition to recognize June 30 as National ESIGN Day.

DocuSign recognizes that the benefits of e-commerce extend beyond the dollar values that are placed on business activity. With over 30,000 current customers and having served over 4.5 million people to date, DocuSign provides its customers with confidence in the integrity and credibility of emerging electronic capabilities. They have been a leader in removing obstacles and barriers to business transactions online and in allowing their customers to work faster, more reliably, and more securely.

It is important we recognize the foresight and vision of those who worked so hard to pass ESIGN 10 years ago, including Congresswoman ANNA ESHOO

and Congressman JAY INSLEE. The passage of that bill has helped more American companies to operate globally, and it has helped to increase productivity and efficiency for consumers, businesses, and governments.

When President Clinton signed the bill into law in June 2000, he said, "Just imagine if this had existed 224 years ago. The Founding Fathers wouldn't have had to come all the way to Philadelphia on July 4 for the Declaration of Independence. They could have emailed their John Hancocks in."

Now, 10 years later, that is what businesses and governments in every corner of the globe are able to do—instantly complete transactions that used to take days.

I reserve the balance of my time.

Mr. SHIMKUS. I yield myself such time as I may consume.

It is great to be down here with my colleague Mr. McDERMOTT. Usually, I don't like resolutions, you know, but he approached me on the floor. This is a really important one, and I think it is important to go back over the history of what we did 10 years ago.

Mr. Speaker, everything was paper. You had to have paper copies. You couldn't do bank transactions. You couldn't do certifications. You couldn't do business documentation.

My colleague mentioned ANNA ESHOO, who is a great friend of mine on the committee. JAY INSLEE is also a great friend of mine on the committee. I serve on the Energy and Commerce Committee. I've been on the Telecommunications Subcommittee. I think credit goes to Chairman Bliley, and I think credit goes to Billy Tauzin. The great thing about Energy and Commerce is a lot of the issues that we address cut across partisan lines, especially on the Technology Subcommittee.

So the signing of this bill really helped, as my colleague said, and it really changed the way we can conduct business in the new digital age. It is really a great credit, and it does merit taking the time to think back on those folks who pushed for this, in a bipartisan resolution and through both Chambers, in order to get the bill signed into law.

I am sure there was opposition by Members in both parties. In fact, I know one famous Democrat on the committee who wasn't an original supporter of this. So the fact that Chairman Bliley and Billy Tauzin, as the chairmen of the subcommittee and the full committee, were all engaged in support shows what we can do when we work together.

The Electronic Signatures in Global and National Commerce Act, ESIGN, represents a critical step in harmonizing the world's global commerce and contract law with a modern electronic and increasingly Internet-dependent world. This happened during the 106th

Congress. It was my second Congress. I came in during the 105th.

I think the other important information is with other digital e-commerce issues that we are approaching and discussing. We are discussing one in the committee now, which is the 21st century access to disabilities, which is trying to make sure that the digital age doesn't leave the disability community behind.

So the question that we faced in the committee today was: How much do we make sure that we set the standards but that we don't dictate technology? Because, if we dictate technology, we disincentivize the folks who are the smarts behind this new age.

What we did on ESIGN was to say, Here are the standards. You smart people figure it out. Make sure that privacy is protected. Make sure that you can continue to keep data if people want hard copies. The other thing we allowed was for the consumers to choose. If people wanted to try this new venue, it was pretty scary. Can you imagine going on the Internet 10 years ago and saying, "I'm going to buy a pair of tennis shoes, and I'm going to put my credit card number on the computer, and they're going to mail me this stuff, and it's all going to work out"? It was pretty scary. People do it all the time now, but you know what? If you want to go down to the store and pay cash for those shoes, you can still do it.

So the benefit of what we did was to say let the consumers choose. Also, the benefit of what we did was to say give the business community the standards. Don't try to squeeze them into a one-size-fits-all method. Let the great innovative minds—many of them are in my colleague's State of Washington State—really make this stuff work.

I've been on the Energy and Commerce Committee for, fortunately, my 14 years in Congress, and I've been on the Telecommunications Subcommittee. I should be an expert. I still don't understand it. I still don't understand how it all works, but I know that there are smart enough people who can make it work, and this is a perfect example. This 10-year anniversary, in essence, is a tremendous success story. I have a 17-year-old, a 15-year-old and a 10-year-old. They are growing up in an age where they don't know any other way of doing transactions and of doing business than what we did 10 years ago.

JIM, I appreciate your effort. I appreciate your coming to me on the floor. Like I said, I'm not a big resolution guy, but I thought this was one worthy of sitting back and of focusing on what we did in the hopes, as we move forward on other high-tech issues, that we will set the guidelines but that we will let the really smart innovators figure out how it can be done.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. ESHOO. Mr. Speaker, today marks the 10th anniversary of the enactment of the Electronic Signatures in Global and National Commerce Act. I rise in support of designating today as "National ESIGN Day" and commend Mr. McDERMOTT for bringing this resolution to the Floor.

Ten years ago the thought of filing your taxes electronically, renewing your drivers license, and filling out a mortgage application on your computer was one that many feared. There was uncertainty about the security of the transaction and how to verify who was on each end of the keyboard. We recognized then that we needed rules of the road that would guide us into the information society. We needed to create trust in this emerging technology called the "internet" if it was going to grow into what we hoped would be at least a new and efficient way to do business electronically in both the public and private sector.

We stood at a crossroads ten years ago. We needed to eliminate obsolete barriers to electronic commerce such as undue pen and paper requirements and other practices that slowed down innovation. In March of 1999 I introduced the H.R. 1320, the Millennium Digital Commerce Act because I recognized that the growth of electronic commerce and electronic government transactions represented a powerful force for economic growth, consumer choice, improved civic participation, and wealth creation.

Less than a year later, in January of 2000, the Electronic Signatures in Global and National Commerce Act was signed into law.

As the information and innovation society is now fully integrated into almost every aspect of our lives, we stand here today to look back over the last ten years. Electronic commerce is now the driving force of our global economy. The level of confidence in the internet and the innovative tools it has created continues to grow. As we stood at that intersection ten years ago, we took our country and our consumers in the right direction.

I urge all of my colleagues to support H. Con. Res. 290 designating June 30th as "National ESIGN Day."

Mr. McDERMOTT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Washington (Mr. McDERMOTT) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 290.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. McDERMOTT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

□ 2100

INDEPENDENT LIVING CENTERS TECHNICAL ADJUSTMENT ACT

Ms. CHU. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5610) to provide a technical adjustment with respect to funding for independent living centers under the Rehabilitation Act of 1973 in order to ensure stability for such centers, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H. R. 5610

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Independent Living Centers Technical Adjustment Act".

SEC. 2. INDEPENDENT LIVING CENTERS TECHNICAL ADJUSTMENT.

(A) GRANTS TO CENTERS FOR INDEPENDENT LIVING IN STATES IN WHICH FEDERAL FUNDING EXCEEDS STATE FUNDING.—

(1) IN GENERAL.—If the conditions described in paragraph (2) are satisfied with respect to a State, in awarding funds to existing centers for independent living (described in section 722(c) of the Rehabilitation Act of 1973 (29 U.S.C. 796f-1(c))) in the State, the Commissioner of the Rehabilitation Services Administration—

(A) in fiscal year 2010—

(i) shall distribute among such centers funds appropriated for the centers for independent living program under part C of title VII of the Rehabilitation Act of 1973 (29 U.S.C. 796f et seq.) by any Act other than the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) in the same proportion as such funds were distributed among such centers in the State in fiscal year 2009, notwithstanding section 722(e) of the Rehabilitation Act of 1973 (29 U.S.C. 796f-1(e)) and any contrary provision of a State plan submitted under section 704 of such Act (29 U.S.C. 796c); and

(ii) shall disregard any funds provided to such centers from funds appropriated by the American Recovery and Reinvestment Act of 2009 for the centers for independent living program under part C of title VII of the Rehabilitation Act of 1973 (29 U.S.C. 796f et seq.); and

(B) in fiscal year 2011 and subsequent fiscal years, shall disregard any funds provided to such centers from funds appropriated by the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) for the centers for independent living program under part C of title VII of the Rehabilitation Act of 1973 (29 U.S.C. 796f et seq.).

(2) CONDITIONS.—The conditions described in this paragraph are the following:

(A) The Commissioner receives a request from the State, not later than July 30, 2010, jointly signed by the State's designated State unit (referred to in section 704(c) of such Act (29 U.S.C. 796c(c))) and the State's Statewide Independent Living Council (established under section 705 of such Act (29 U.S.C. 796d)), for the Commissioner to disregard any funds provided to centers for independent living in the State from funds appropriated by the American Recovery and Reinvestment Act of 2009 for the centers for independent living program under part C of

title VII of the Rehabilitation Act of 1973 (29 U.S.C. 796f et seq.).

(B) The Commissioner is not conducting a competition to establish a new part C center for independent living with funds appropriated by the American Recovery and Reinvestment Act of 2009 in the State.

(b) GRANTS TO CENTERS FOR INDEPENDENT LIVING IN STATES IN WHICH STATE FUNDING EQUALS OR EXCEEDS FEDERAL FUNDING.—In awarding funds to existing centers for independent living (described in section 723(c) of the Rehabilitation Act of 1973 (29 U.S.C. 796f-2(c))) in a State, the director of the designated State unit that has approval to make such awards—

(1) in fiscal year 2010—

(A) may distribute among such centers funds appropriated for the centers for independent living program under part C of title VII of the Rehabilitation Act of 1973 (29 U.S.C. 796f et seq.) by any Act other than the American Recovery and Reinvestment Act of 2009 in the same proportion as such funds were distributed among such centers in the State in fiscal year 2009, notwithstanding section 723(e) of the Rehabilitation Act of 1973 (29 U.S.C. 796f-2(e)) and any contrary provision of a State plan submitted under section 704 of such Act (29 U.S.C. 796c); and

(B) may disregard any funds provided to such centers from funds appropriated by the American Recovery and Reinvestment Act of 2009 for the centers for independent living program under part C of title VII of the Rehabilitation Act of 1973 (29 U.S.C. 796f et seq.); and

(2) in fiscal year 2011 and subsequent fiscal years, may disregard any funds provided to such centers from funds appropriated by the American Recovery and Reinvestment Act of 2009 for the centers for independent living program under part C of title VII of the Rehabilitation Act of 1973 (29 U.S.C. 796f et seq.).

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from California (Ms. CHU) and the gentleman from Tennessee (Mr. ROE) each will control 20 minutes.

The Chair recognizes the gentlewoman from California.

GENERAL LEAVE

Ms. CHU. Mr. Speaker, I request 5 legislative days during which Members may revise and extend and insert extraneous material on H.R. 5610 into the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. CHU. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 5610, the Independent Living Centers Technical Adjustment Act. This bill addresses an issue brought to our attention by a number of States that are at risk of having to reduce services for adults with disabilities. Authorized under the Rehabilitation Act of 1973, the Independent Living Center program serves adults with disabilities by providing an array of independent living services, including the information and referral services, independent living skills training, peer counseling, and individual and systems

advocacy training. This program is administered by the Rehabilitation Services Administration, which allocates Federal funds to the centers based on a formula in an established State plan. Under current law, Centers within a State must first receive funds at the level they received in the previous year, and absent sufficient funding, they must receive the same proportional amount of the total they received the previous year.

The Independent Living Centers were provided additional funds through the stimulus package passed by Congress in 2009. States were given maximum flexibility for determining the allocation of these funds among the centers in their States. Several States opted to distribute these temporary funds using a formula different from their base formula. As a result, some Centers received a proportionally larger or smaller allocation than they did in previous years.

This one-time change in the allocation of funds made sense because of the challenges State economies were facing. At the same time, current law did not envision this one-time increase in funding. And, in fact, the Rehabilitation Services Administration is required to allocate 2010 funds based on a Center's total proportional allocation for 2009 and the additional funding a Center received under the American Recovery and Reinvestment Act, or ARRA. This requirement may result in some Centers losing up to 35 percent of funds as the total proportion a Center received may be less than they received in the prior year.

The Independent Living Centers Technical Adjustment Act will allow States to request that ARRA funds not be included in determining their center's previous year allocations. That way, the temporary funds provided under ARRA do not permanently change the Center's base allocations. This is a complex but necessary fix to protect services for so many people with disabilities who benefit from the work of the Independent Living Centers.

Mr. Speaker, I want to thank Chairman MILLER for introducing this important legislation, and I urge support of this technical change to ensure Independent Living Centers can continue the important work for people with disabilities in our communities.

I reserve the balance of my time.

Mr. ROE of Tennessee. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 5610, the Independent Living Centers Technical Adjustment Act. Independent Living Centers are non-residential, private, not-for-profit agencies that provide an array of services for people with disabilities to enable them to live independently. Independent Living Centers provide em-

ployment, skills training, peer counseling, and information for people with disabilities to enable them to become participating members of society. They enable people with disabilities to live independent lives and participate in society as working adults.

The Rehabilitation Act provides funding for the planning, conduct, administration, and evaluation of Independent Living Centers. Due to the way 31 States chose to distribute funds provided for the Independent Living Centers in the American Recovery and Reinvestment Act, FY 2010 funds may be distributed disproportionately to Independent Living Centers in those 31 States.

H.R. 5610, the Independent Living Centers Technical Adjustment Act, would enable funds to be distributed to Independent Living Centers in the appropriate manner for FY 2010. H.R. 5610 enables States that distributed ARRA funds disproportionately to the centers to have those funds disregarded in the determination of the distribution of FY 2010 funds. This bill ensures the funding for Independent Living Centers, which provide such a valuable resource for people with disabilities, is distributed to the centers proportionally and appropriately. I stand in support of this bill and ask my colleagues for support.

I yield back the balance of my time.

Ms. CHU. Mr. Speaker, I urge support of H.R. 5610, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. CHU) that the House suspend the rules and pass the bill, H.R. 5610, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

HONORING THE CHILDREN OF THE AMERICAN REVOLUTION

(Mr. PAULSEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PAULSEN. Mr. Speaker, I rise today to commend the work being done by the Children of the American Revolution, Lake Minnetonka. They're hosting a pancake breakfast to raise money for their grant programs to teach kids about the real meaning of the Fourth of July. Their mission is to train good citizens, develop leaders, and to promote a love of the United States of America and its heritage.

The Lake Minnetonka chapter recently gave a grant to Our Military Kids, a nonprofit that provides tuition assistance for art, sports, and music camps to children of parents that are

deployed overseas or recovering from serious injury. They're also presenting the first donation for a memorial that's planned for the Minnesota State capitol grounds that pays tribute to all family members of all men and women, past and present, who have served our country in uniform.

Again, Mr. Speaker, I want to commend the children of the American Revolution, and I encourage all of us to remember those who serve this great Nation as we approach the Fourth of July.

REJECT JOB-KILLING BILL

(Mr. MORAN of Kansas asked and was given permission to address the House for 1 minute.)

Mr. MORAN of Kansas. Mr. Speaker, I rise in opposition to the job-killing bill, H.R. 4173, the Dodd-Frank Act of 2010. All this so-called financial reform legislation accomplishes is to heap additional regulations and burdens upon community financial institutions which, by and large, were not the cause of the financial crisis. Even worse, this legislation doesn't adequately address the issue of too big to fail for Wall Street firms that were the root of the problem.

The added regulatory cost on the community banks in this bill will further slow job growth in our economy. In Kansas, this will especially hurt businesses and farmers and ranchers that need loans from their community banks to help make payroll and grow their crops. The added costs of the regulations and increased capital requirements on these financial institutions will lead to an even worse credit market.

Mr. Speaker, Congress should reject the bill and pass commonsense legislation that addresses the problems of Wall Street that caused our financial crisis, not add further regulation and costs to Main Street.

□ 2110

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

GOD AND GUNS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. POE) is recognized for 5 minutes.

Mr. POE of Texas. Mr. Speaker, when I was at a town hall meeting in Texas recently, a local man came up to me afterward to talk about his concerns over where our country was headed—something to do with a fiery inferno in a hand basket. Anyway, as he was talking to me, I noticed his T-shirt. Here's

what it said: "I love my Bible," and it had a photograph of the Bible, "and I love my guns," with a photograph of two .45 Colt revolvers. Naturally they were in the right order. After all, he was a local preacher.

The most important right we have as Americans is the freedom of speech, and that includes the freedom of religion. It's first in the constitutional Bill of Rights because without it, none of the rest would be possible. The right to bear arms is the Second Amendment because without it, we could not protect the First Amendment.

The recent Supreme Court decision simply stated the obvious as it is written in the Bill of Rights: "A well regulated militia being necessary to the security of a free State, right of the people to keep and bear arms, shall not be infringed." Now I'm sure the halls of academia were all up in arms about the right to bear arms. The media immediately began spreading the shocking news: the Supreme Court actually upheld the Constitution. Oh, the hysteria they went through. They said, Murder rates will surely double upon the mere announcement of this. Never mind the fact that more gun control does not lower murder rates; it actually increases them. Look at this city, Washington, D.C., the toughest gun control in the country.

But let's don't let the facts get in the way of a political agenda. I wonder how the media and the antigun protesters would have felt about the First Amendment being ignored for political purposes. The Second Amendment, like the rest of the Bill of Rights, protects citizens from the power of government. People have rights. Government has no rights. Government has power. And when citizens give away their rights, like the Second Amendment, government increases its power and oppression over the people.

The Supreme Court ruled accurately and restored the rights of all Americans based on the due process clause of the 14th Amendment to the Constitution which commands that no State shall "deprive any person of life, liberty or property without due process of law." To truly understand the meaning and purpose of the Second Amendment, we need to understand the men who actually wrote the Constitution and what they said when it was ratified.

The Founding Fathers were very concerned that a strong Federal Government would trample on individual freedom and individual rights because that's what happened to the colonists under the power of Great Britain. Governments historically do that to their people, trample on individual rights. That's historical. So after the ratification of the Constitution, the Framers knew that a declaration of rights had to be added to protect basic individual rights, rights that are inalienable, created by our Creator and not created or given to us by government.

The Second Amendment was included in the Bill of Rights to prevent the government—that's the Federal Government—from disarming the public like the British Army did to American citizens. The right of the free people to defend freedom and protect themselves was so important that it was placed second in the Bill of Rights behind the First Amendment, freedom of speech and freedom of religion and the freedom of press and the right to peacefully assemble.

Currently, gun control advocates and their elitist allies wish to subject the people to more government oppression of freedom by denying individuals the right to arm themselves. Thomas Jefferson knew the importance of an armed citizenry. He said: "No free man shall ever be debarred from the use of arms." Samuel Adams wrote: "The Constitution shall never be construed to prevent the people of the United States who are peaceful citizens from keeping their arms." And of course James Madison, who helped write the Bill of Rights, once wrote that the Americans had "the advantage of being armed," and that other nations' governments were "afraid to trust the people with such arms."

So leave it to a Texas preacher to keep it all in perspective. You see, without the Second Amendment, you can't protect the First Amendment, the freedom of speech, the freedom of religion, the freedom of press and the freedom to peacefully assemble without the Second Amendment.

And that's just the way it is.

WALL STREET REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, I rise to share my major disappointment and key concerns with the so-called Wall Street reform bill that just passed this House and why I voted "no" on this measure. Bottom line, the bill does not fundamentally change the skewed financial power relationship between Wall Street and Main Street. That relationship has so gravely hurt our Nation.

The bill allows the Wall Street institutions to maintain their choke hold on Main Street's vitals. The big banks that have caused our economic crisis by severely abusing their privilege to create money were treated with kid gloves.

Now, the Republican leader said that the bill was like a nuclear weapon aimed at an ant. I say, the bill was a cotton ball thrown at an elephant. The bill does not even create real competition to the handful of big banks that have simply become too big and controlling.

Indeed, the bill allows them to keep their vaulted positions with a few

modifications to their business practices. It will take years for regulators to sort out and apply, if ever, the mild provisions in the bill. And there are so many loopholes you could read the bill for another year to find them all. A Consumer Financial Protection Bureau at the Federal Reserve cannot compensate for a banking system that is, at its heart, terribly misformed. Time will prove this view correct.

A handful of big banks—Goldman Sachs, JPMorgan, Bank of America, Citicorp, Wells Fargo, HSBC and Morgan Stanley—have so harmed the vast majority of other financial institutions on Main Street that these smaller institutions, which comprise the majority that are still left, are being penalized big time by having to pay exorbitant additional insurance fund fees to the regulators to prop up the losses of the big banks that have so harmed the whole financial architecture of our country. That's why lending remains seized up coast to coast. It's why over 84 more banks have folded this year. And while this is happening for the remains that are left, then the big six go in and gobble up what's there.

The bill basically grandfathers the too big to fail big banks that have grown even more unwieldy as the financial crisis has deepened. Today they have been rewarded because they're even growing bigger. Before the crisis, they controlled one-third of the assets of this country. Astoundingly, they now control two-thirds of the assets of our Nation. Can you imagine a handful of banks with that much power? The bill does absolutely nothing about that. It kind of looks the other way. One cannot call this structure free market competition. One has to call it oligopolistic control of our financial marketplace.

If you're feeling the pain because you lost your home or you're about to lose your home or you lost your job or you lost some of your pension or you lost some of your IRA, you know who to blame. Their bad behavior has hurt all the other banks in this country and, in fact, other nations and people around the world. For shame.

But as a result of their concentration of power in the hands of far too few, it is expected that 20 million American families will lose their homes, 2.4 million more Americans this year. Unemployment rates remain stuck too high, and our economy is not producing the jobs it should because lending has seized up across this Nation. People are losing more equity and their savings, yet Goldman Sachs, JPMorgan, Citigroup, Bank of America, Morgan Stanley, Wells Fargo, HSBC, they're doing just fine, making billions and billions in profits and taking bigger and bigger bonuses to boot.

This bill didn't even recoup those bonuses to help pay for the cost of housing modifications for Americans who

stand to lose their most important asset this year, their equity.

The arrogant power of the big banks is demonstrated by their interconnectedness, when you saw Goldman Sachs and AIG kind of bail one another out. And it's a perfect example of why too big to fail is too big to exist. They are very clever, and they command inordinate power, so much market power that they ignore the laws for themselves when it is convenient.

Banks are doing more than just banking. In fact, they are speculating with our money. They just can't help themselves. They take a dollar and turn it into a hundred or more.

The SPEAKER pro tempore. The time of the gentlewoman from Ohio has expired.

Ms. KAPTUR. Mr. Speaker, I will place the other remarks in the RECORD tonight. And I might say that it's not a question of if the system will fail again, but only when it will fail again.

This used to not be allowed under the Glass-Steagall, which prohibited commercial banks from doing investment activities and investment firms from taking deposits. The two were kept separate.

However, in 1999, the Graham-Leach-Bliley bill repealed Glass-Steagall and the walls came down between commercial banking and speculating.

Gambling and prudent lending need to be separate again. I have introduced H.R. 4377, the Return to Prudent Lending Banking Act which strengthens the Glass-Steagall separations and repeals some of what Graham-Leach-Bliley did.

We know instinctually that we need to break up the big banks and increase competition across our financial system.

Instead, the megabanks stay too big to fail, and the American taxpayers will pick up the tab when they implode the economy at some date in the future. That is their pattern. That is their history.

This bill took far too many passes.

Regulating derivatives is an excellent example of Congress knowing what we need to do but not doing it.

Regulating all derivatives openly and clearly should be expected with no exceptions. Nothing less is acceptable.

In this bill, JP Morgan, Goldman Sachs, Morgan Stanley, Bank of America, Wells Fargo, Citigroup, and their colleagues can continue to trade derivatives that are used to specifically hedge the risk that they are undertaking, as well as still being able to trade interest-rate and foreign-exchange swaps.

Last week Bloomberg Businessweek stated the following: "U.S. commercial banks held derivatives with the notional value of \$216.5 trillion in the first quarter, of which 92 percent were interest-rate or foreign-exchange derivatives, according to the Office of the Comptroller of the Currency."

So, they can keep the vast majority of business in house.

Bloomberg Businessweek also reported that "The [same] five U.S. banks with the biggest holdings of derivatives—JP Morgan Chase, Goldman Sachs, Bank of America, Citigroup,

and Wells Fargo—hold \$209 trillion, or 97 percent of the total, the OCC said."

So, let's review: 5 megabanks, all "too big to fail", highly interconnected, hold $\frac{2}{3}$ of the assets of people in our country. They have concentrated vast amounts of financial power amongst themselves and also control 97 percent of the derivatives in the country. Now that's a recipe for more abuse. And that set of facts is a window on future abuse.

Perhaps worst of all, according to such experts as William Isaac, former Chair of the FDIC and Henry Blodget, editor-in-chief of The Business Insider, concur that "reform" bill would not have prevented the crisis of 2008. So, why didn't Congress assure that it did?

Now, some might say we can't predict what the next financial crisis will look like. But we should be able to put reforms into place that would have prevented the crisis we just went through. But Congress did not. The wine glasses and cigars are surely full and lit to night.

Sadly, this House repeated its history in weak financial regulation. We did not make the hard choices. It left the American people vulnerable again. It is not a question of "if," but only "when."

RECOGNIZING KANSANS FOR SHARING IRENA SENDLER'S HEROIC STORY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. MORAN) is recognized for 5 minutes.

Mr. MORAN of Kansas. Mr. Speaker, I want to share a story about the value of studying history, the importance of great teachers, the power of educating students, and the glory of a life lived in service to others.

□ 2120

In 1999, Norm Conard, a history and social studies teacher in Uniontown High School in southeast Kansas came across a clipping from U.S. News and World Report explaining the story of Irena Sendler, who helped rescue as many as 2,500 Jewish children during the Holocaust. Mr. Conard, along with his students, ninth graders Megan Stewart, Elizabeth Cambers, Jessica Shelton, and 11th grader Sabrina Coons, wondered if the article could just be a misprint.

Mr. Conard encouraged his students to participate in the National History Day and learn more, find out the answer. An initial Internet search found just one additional article about Irena Sendler, but the students dug deeper and discovered an amazing story that was nearly lost to history.

While searching for Irena's resting place, the students discovered that she was, in fact, alive. After many letters were exchanged, the Kansas students traveled to Poland to meet Irena in 2001, and they were able to visit with her about her heroic work during the Holocaust.

Irena Sendler was a Catholic social worker living in Poland when the Nazis

first invaded Warsaw. As early as 1939, Irena began helping Jews by offering food and shelter and falsifying documents. When the Nazis erected the Warsaw ghetto in 1940 to imprison 450,000 Jews, Irena and her collaborators created false papers allowing them access in and out of the ghetto.

During World War II, Irena helped 2,500 Jewish children escape from near certain death by sneaking them out of the ghetto. Irena took these children to Polish families, orphanages, and convents and recorded a list of their names to ensure that their identities were preserved so that after the war she could help reunite them with their parents. After the records were nearly discovered in her home by the Gestapo, she put them in jars and buried them.

In 1943, Irena was arrested by the Nazis and placed in prison and interrogated and tortured. When pressured about the names and locations of those she helped, Irena gave a false story that she had created in the event of her capture. She was sentenced to death. Unbeknown to her, a group called Żegota quietly negotiated with the Nazi executioner for her release. Despite her escape, the Nazis publicized Irena's death throughout the city. For the remainder of the war, Irena remained hidden, just like the children she had helped.

After the war ended, she dug up the jars and worked to reunite the children with their parents. Unfortunately, sadly, most of the parents died in the Holocaust.

The Uniontown students used Irena's story as an inspiration for a play called "Life in a Jar" to honor her contributions and to share her story with the world. Since 1999, these students, along with others from southeast Kansas, have presented "Life in a Jar" to over 270 venues around the world, including a performance in Warsaw. They have also performed for Holocaust survivors, many of whom were saved by Irena.

Since the students' discovery, Irena has received international recognition for her brave work. She was awarded the 2003 Jan Karski Award for Valor and Courage. She was recognized by Pope John Paul II and the President of Poland. Additionally, Irena was considered for a Nobel Peace Prize in 2007. Irena passed away in 2008 at the age of 98.

The students' legacy lives on in Kansas as well. Mr. Conard was awarded a grant from the Milken Family Foundation to build a center in Fort Scott, Kansas, committed to the teaching of the importance of respect, understanding, and religious tolerance, and to develop diversity projects about unsung heroes like Irena Sendler. The Lowell Milken Center also provides Holocaust lesson plans to teachers and uses "Life in a Jar" to demonstrate what students are capable of achieving. In addition, the Center has also produced a DVD to share Irena's story.

Funds raised by the performance of the play and the DVD are for the care of those who worked to rescue Jewish children in Poland, like Irena.

When the students from Kansas met Irena, she told them they were “continuing the effort she began 50 years ago” and expressed appreciation, as we should, for their work to make this piece of history known. Now their efforts to share this story inspire others.

It is the hope of the project that all who learn of Irena Sendler’s efforts to save the children of Poland will embrace their classroom motto, “He who changes one person changes the world entire.”

WHERE’S THE BUDGET?

The SPEAKER pro tempore. Under the Speaker’s announced policy of January 6, 2009, the gentleman from Missouri (Mr. AKIN) is recognized for 60 minutes as the designee of the minority leader.

Mr. AKIN. Mr. Speaker, we’re going to talk about an interesting subject here this evening, and one that might seem a little boring to start with but actually has tremendous ramifications, and that is the question and the subject of budgeting.

Now, budgets are always kind of an unpleasant thing because there’s a natural requirement of a budget to balance a couple of things, balance spending and how much money you take in. So when a family works on a budget, it may be a hard time because you have to make choices between what are you going to spend your money on and how much money do you have to spend. So budgeting is one of those tough things, but it’s necessary for organizations in order to be organized enough to try to keep some semblance of economic sanity.

We’re going to talk about budgeting some. And the subject is of some interest tonight because, if you think about a family, maybe some families budget in a much more formal process, others do it a little bit informally, but more or less what they try to do is keep how much money is coming in pretty close to what’s going out. When they don’t, they start to get some very high credit card bills. Of course, small businesses, very important for them to budget.

So who is it? Which one do you think forgot about budgeting? Fortune 500 corporations? No. Schools have budgets. But we find tonight this curious phenomenon, and this is a little bit like watching an eclipse or something. It doesn’t happen very often. Since 1974, when the Budget Act was passed, it’s never happened that Congress did not have a budget. And yet, this year, Congress, it’s Congress that doesn’t have the budget. Kind of an amazing thing.

We’ve heard our floor leader, Congressman HOYER, he says it isn’t pos-

sible to debate and pass a realistic long-term budget until we’ve considered the bipartisan commission’s deficit reduction plan which is expected in December.

That sounds a little bit like an excuse, doesn’t it?

It’s the first time we’ve done anything bipartisan in the last 18 months if they did wait for it. And if it were bipartisan, I’m sure they wouldn’t be interested in passing it.

Is it true that we have to wait until December to pass a budget? I don’t think so. There’s no excuse. There’s a balanced budget resolution here. Here it is, actually, a copy of the front of the bill.

Of course, the trouble with this, this has a big problem. This is a Republican budget. This is a budget that’s talking about getting the budget balanced by 2020. It’s an austere budget. It’s a tough budget. It’s a budget that you’d argue about, but it’s a responsible budget.

And I’m joined by some very good friends of mine on the subject of budgets. And we’re going to move from budgets. We’re going to end up answering at least one question. That is, well, why are budgets important?

I’m joined by my good friend from Arizona, Congressman FRANKS, an expert on quite a number of different subjects, and we’re going to talk a little bit later tonight, too, about doing some oil drilling.

I believe you were, was it 16 or 17 when you had your first oil rig? But I yield time to my good friend.

□ 2130

Mr. FRANKS of Arizona. Well, in talking about the budget tonight, I guess I believe, Congressman, that the budget challenges that we have, the deficit spending and the debt, has the ability to challenge and damage this country perhaps in a way that no military power has ever been able to do.

We are around \$13 trillion in debt in this country. And if you try to measure that in simple terms, it almost boggles the mind. But if you try to put it in terms that we can understand, if we decided to pay that off at a million dollars a day. Let’s say we just suspended the interest on the debt and we didn’t go another penny in debt, and we said we are going to pay what we owe off before we go deeper in debt. Now that I suppose sounds outrageous for a place like this, but that’s a very common-sense idea. And yet, if we paid our existing debt off at \$1 million a day, with no interest and no additional spending, it would take us around 40,000 years to do that.

Mr. AKIN. That’s really discouraging.

Mr. FRANKS of Arizona. My grandkids may not be around that long. But the real tragedy, of course, is that we’re not paying this debt off at \$1 million a day as a country. That’s a

very nominal figure. We’re going into debt thousands of times that much every day. The Obama administration is spending us into oblivion. There has never been a precedent. Since this Obama administration’s taken place in two year cycles, they have put us at what looks like will be around \$3 trillion additional in debt. If we don’t change that, I really believe that it could be the central figure in America’s economic obituary.

Mr. AKIN. I very much appreciate your starting off on a very sobering kind of note because I wanted to get to that question about, well, maybe budgets sound boring, but what does it mean? And I think you put that in graphic terms. You are saying it’s more damaging than some war that some foreign conqueror could wreak, more havoc than a war.

Mr. FRANKS of Arizona. Well, Congressman, if we fail to put our economic house in order, we’re not going to be able to project any military capability at all. You know, a government is what it spends. And one of the reasons that America has such a strong military capability is because we’re so strong economically. We’re the most powerful Nation economically in the world. We dwarf all other economies. But the way we’re going, we could be competing with Greece for the instability that this administration seems to be heading our country toward.

Mr. AKIN. You know, you have been almost reading my mind, because I have some charts that do compare Greece to where we are economically, and they are spooky charts.

I am joined by another one of our good friends, my good friend from Georgia, Congressman BROWN. And I have to say I have got a couple of my favorite people to share an hour with on the floor tonight, both very articulate, but both very knowledgeable.

Congressman FRANKS, if you start to talk to him about missile defense and ballistics and all kinds of technical questions, he is a veritable Popular Mechanics walking on two feet.

And then my good friend Dr. BROWN, who spent years as a medical doctor, also has a whale of a lot of Georgia common sense. And I would like to welcome you, Dr. BROWN, or Congressman BROWN, or my good friend PAUL. Thank you.

Mr. BROWN of Georgia. Thank you, Mr. AKIN. I appreciate your yielding.

In fact, the quotes you have up there on the chart I think are very telling. Democratic Whip STENY HOYER, this is when he was the minority whip, 2006, as is indicated. He said, “The most basic responsibility of governing.” And as you also very ably pointed out, JOHN SPRATT, who is the Democratic chairman of the House Budget Committee, Congressman from South Carolina, said also in 2006, “If you can’t budget, you can’t govern.” If you can’t budget, you can’t govern. And it’s just inane.

It's unconscionable that this leadership here in this House isn't even going to attempt, not even attempt to bring about a budget for this Congress to vote on. And why is that? Why would they not, particularly with these very strong statements that the majority whip, now STENY HOYER, made back in 2006 before they became the majority? JOHN SPRATT, when he was on the Budget Committee, not the chairman, as he is now, said if you can't budget, you can't govern. But they can't budget, they won't budget, and they are not governing very well either. But why? Why is that so?

Mr. AKIN. I would like to jump in, if I could, because I think that's where we got to ask the question. This is, I guess, when the Republicans were in the majority, 2006. And they are saying the most basic responsibility is governing. This is Congressman HOYER. And now we don't have a budget, and he is one of the leaders.

Here we have the ranking member on the House Budget Committee, and he says, "If you can't budget, you can't govern." Well, that's what they are saying in 2006. But it seems like that's not where we are today, is it? Here's "Where Is the Budget?" This is something that was in *The Hill* newspaper. But it's kind of telling. "Skipping a budget resolution this year would be unprecedented. The House has never failed to pass an annual budget resolution since the current budget rules were put into place in 1974."

That's why I am saying this is a little bit like one of those full eclipses of the sun. You have to wait for a certain number of years and be just in the right place to see it. This is unusual. We haven't seen this before. Unfortunately, it is not a good omen exactly from an economic point of view. According to what? The Congressional Research Service. They are the ones that keep records of all of this kind of stuff. So there isn't any budget, which does beg the question.

Mr. BROUN of Georgia. Mr. AKIN, before you take that chart down, if you would yield for half a second, down at the bottom, I want to call attention to the viewers, this was an article, this didn't come from Glenn Beck or Rush Limbaugh or Sean Hannity, it came from *The Hill*, one of the *Hill* newspapers up here called *The Hill*, on April 14, 2010, this year, talking about this Congress, talking about this leadership. Skipping a budget resolution would be unprecedented.

Mr. AKIN. Unprecedented.

Mr. BROUN of Georgia. Unprecedented.

Mr. AKIN. Unusual. And what are the implications of all of this? You know, the Congress didn't pass a budget, but the administration sent us a budget. This is kind of a complicated looking chart. But this isn't very complicated in a lot of ways, because this thing is

receipts. This is the money coming in. And this is outlays. Now, this is the sort of chart that you need to have some first-graders, because they could give us some real wisdom.

We could say which one of these circles is bigger? Is it the red one or the blue one? The red one is bigger. So we're spending more than what we're receiving. That says your budget's in trouble. That's not very complicated. And it's so much in trouble that the U.S. Congress doesn't want to acknowledge that fact. They say, well, if we don't see it, maybe—it's like at night, you know, when you have a bad dream. If you pull the covers up, maybe it will go away. That seems where we are.

My good friend from Arizona.

Mr. FRANKS of Arizona. Well, I think that one of the disappointing things for me in this body, and in all due respect to the majority, is that they seem to hold themselves unconstrained to the truth and the things that you mentioned. It almost seems that they feel like they can hold themselves to be able to take a vote here and repeal the laws of mathematics. And we're facing a day of reckoning that is coming pretty quickly.

There are a lot of things that are beginning to snowball. Not only is this administration spending and deficit spending in an unprecedented way, but we're fast approaching where the baby boomer generation, of which I am sort of kind of on the tail end, barely old enough to be a baby boomer—

Mr. AKIN. I am on the front end. So let's talk about that.

Mr. FRANKS of Arizona. But the point is, this has been the most productive generation in the history of this country. And the baby boomer generation is beginning now to start to retire. And that means two things: that productivity is going to be dramatically reduced, and of course then they are going to go on Social Security and begin to put a drain on the system. And we absolutely are in an unsustainable circumstance at this moment. And for all the things that we try to do, the Democrat majority simply is ignoring that reality.

I have two little babies at home, 22-month-old twins, and they are the greatest joy of my soul. And I will just say to you that the idea that we're robbing them of God knows what, I mean it's almost like they could be facing a complete economic meltdown, and it could happen way before they get old enough to deal with it. But we actually, in my judgment, have generational theft here. And it is something that is a disgrace. And I think it's fundamentally immoral. And we don't have to do that.

All we have to do is say that whatever else we're going to do, we're going to do like families. We're going to have a budget. We're going to say we're not going to spend more than we take in.

We may not be able to pay this debt off tomorrow. I already said it might be 35,000, 40,000 years the way we are going just at a million dollars a day paying it off. But we're not going to go further in debt. And that's something this Congress should have the courage to do.

Mr. AKIN. I think that Congress has tended—our job is to spend money. That's what Congress is designed to do. Of course we do too good a job of it. And the question is we have been overspending for a long time.

□ 2140

We overspent when President Bush, we Republicans, when he was in. And I know you gentlemen joined me in some very tough votes in saying, no, we can't do that. But we have overspent to a degree all the way along. But what happened is we've taken this thing to an entirely new level. And I have some charts that I think explain that. But I want to hear from my good friend from Georgia.

Mr. BROUN of Georgia. I want to add to what our good friend from Arizona was just saying. In Scripture, Proverbs tells us a good man leaves an inheritance to his children's children. And the inheritance we're leaving to our children's children is a mound of debt that they'll know we'll never overcome.

We've got to stop the spending here in Washington. We have to stop this outrageous growth of the Federal Government—outrageous, unacceptable to the American people—robbing our children and our grandchildren not only of their economic future but also of their freedom. And that's exactly what we're doing here in this Congress.

And it all started with the TARP funds that President Bush and Hank Paulsen pushed through. I voted against those TARP funds in 2007. I guess it was in 2008 when it was pressed forward by President Bush and he was wrong and I voted against him, and many Republicans did at the same time, voted against him. But it has been magnified. It has been grown at a tremendous exponential rate: the red ink, the debt, the spending. And I think the reason we're not going to vote on a budget, not even have a proposed budget by the Congress, is because this majority does not want any constraints on their spending. They don't want any.

And a budget, if you follow it, constrains spending. That's what it's designed to do. And it also puts forth all of the parameters and would show the American people the increasing debt that is going to be pushed off on future generations.

So we're going totally against what Scripture teaches us when God tells us a good man leaves an inheritance to his children's children.

Mr. AKIN. The point you bring up, gentlemen, I was not a Boy Scout, but we had a bunch of boys that were Boy

Scouts. And one of the things that they learned, which we did, because my wife and I were outdoors people and did a lot of backpacking and canoeing and all, is that when you come to a campsite, you always want to leave it better than the way you found it. It was just sort of like a tradition among outdoorsmen. And that tradition very much reflected the mindset of my parents' generation, the people that fought World War II. My father is 89 and was with Patton in the Army.

But there was a general way of thinking in that generation. And the mindset was that they were going to sacrifice a lot of things they wished they'd had as kids in order to give their kids something better. They're going to leave the campsite better than it was left for them.

And so my parents' generation, if they made a mistake, it was they tended to spoil us. They tended to give us everything we wanted, whereas they had had to really—the other generation, they might not have had a college education but said, My son is going to be a doctor. My son is going to be an engineer. I'm going to make sure they have enough money to go to college, which I didn't have a chance to do. And that was their mindset. And that's what breaks my heart about such a boring subject as budgets is because of the fact that we're not following—we're leaving that campsite look like a dump truck full of litter just got dumped on it. We're leaving litter that our kids can't pick up, our grandchildren won't be able to pick up. And that's just wrong. And it is not the American way.

And yet what's it spring from? Our own selfishness politically that we have to appease—which is wrong in the first place. It's theft and we're going to steal money from a lot of people that aren't even alive yet and we're going to spend it and hand it out to people. And that's a sad place to be in.

So we're doing two things. So we're increasing taxes radically, but we're increasing spending even more. The ironic thing is that when you increase taxes, you also kill the goose that's laying the golden eggs and you start to take in less revenue.

Here's a list of some of them. This cap-and-tax bill that we passed. This thing is supposed to be about global warming. It's supposed to be about reducing CO₂. The only thing this thing does is create more taxes and more government regulation and probably more CO₂ to boot. If they wanted to stop CO₂—if people were honest about stopping CO₂—let's assume you're a greenie and that your CO₂ is really bad and we've all got to stop breathing. How are you going to do it? You're just going to double the number of the nuclear power plants and you wipe out all the equivalent of all the CO₂ burned by every passenger car in America. But

that's not what this bill does. It supposedly is about global warming, but in fact it's just more taxes.

And the health care tax thing. This deal here, that bill, they had to struggle to keep it under a trillion dollars. The President said, I won't do it if it costs a dime. No. He did it because it costs more than a trillion. So there's another great big tax. Death tax. Capital gains. They're going to expire. So we're going high in taxes. But does that mean we're cutting back on spending? No.

This, my friend, is why if I were a Democrat I wouldn't want to put a budget out there. Take a look at that picture. My friend from Arizona.

Mr. FRANKS of Arizona. I just was responding. I think if we could explain why they are not putting a budget out is because they do not want the American people to see what they're really doing.

Mr. AKIN. I don't think they want them to see that graph.

Mr. FRANKS of Arizona. I don't think they want them to see that. Fundamentally, you're correct. I was touched by the gentleman's understanding that this is really about—and we always forget that true statesmanship is not just about the next election. It's about the next generation. And I'm always in memory of how my parents worked so hard. My dad worked in the mines and everything else he could think of doing, and he is probably listening to us tonight. But I'm just so thankful for a father that gave everything of himself to try to make it possible for me to have a better life than he did, and I wouldn't be here without that. My mother worked in nursing homes. And you know, they gave everything they had to us.

And here we're doing exactly the opposite. Not only are we spending our children into an oblivion of debt, not only are we teaching the next generation that they don't have to be responsible, not only are we seeing government take over most of our major industries now whether the auto industry, the health care industry, the insurance industry, the banking industry. I don't know what's next. We're teaching our young kids something that is very, very frightening.

And I just think that more than anything, Mr. AKIN, that you pointed out the real issue here. It is a lack of commitment to the future generations. And this Democrat majority has done for spending what Stonehenge did for rocks. There is no one that can touch them. They can talk about Republican deficits. And from my part and yours and Mr. BROWN's here, you know we worked here when we were in the majority. Our votes reflected a desperate commitment to balance this budget.

But this Democrat majority has completely left all reason to the wind.

They've tried to spend and tax and borrow our way into prosperity, and I just don't think I've ever seen in my lifetime a more dangerous situation for us economically. And in the final analysis here, they are also doing everything they can it seems to crush business and job growth.

And so it just seems like all of these things are coming together, and I don't know where it ends, and I don't know what to do. It's almost you have to be an alarmist to tell the truth here.

Mr. AKIN. I thought it would be appropriate to talk about what these bars mean. It's pretty straightforward.

These were Republican years under Bush, and this shows the deficit. We're not proud of this deficit. Shouldn't be any. The worst year under Bush was this one where Speaker PELOSI ran the Congress. So this was Bush's worst year for deficit right here.

So we go from 2009 to 2010 with President Obama, and he's three times the Bush level of deficit and this year is even higher.

Now, one of the ways to measure these things is this deficit is a percent of our gross domestic product, all of the stuff that we make in America. This is running at about 3.1 percent. This is about 9.9 percent right here. Now, these numbers have consequences, and the consequences are your children and your grandchildren. But it also could precipitate a crisis a lot sooner, and we really don't know what that crisis looks like.

What happens when you go to the bank and your ATM doesn't work? You worked all of your life and you have savings in the bank and there isn't any money in there because you can't get any money out because the dollar bill isn't worth anything. Have we ever experienced that before? We've seen some high inflation that's not pretty. What happens if the banking system just stops working because we pushed this too far?

□ 2150

What is the civil unrest? What happens with our just-in-time food inventories when there is no more food on the shelves and when there is no more gasoline at the gas pumps because we have pushed this too far? How far is too far? I don't know, but I know this: This isn't the right direction that we are going.

I yield to my friend from Georgia.

Mr. BROWN of Georgia. Mr. AKIN, you are exactly right. We have seen historically what happens when this sort of thing occurs. All we have to do is look off our own Florida shores, at Cuba, under the Communist dictatorship of Fidel Castro. I'm old enough to remember when Mr. Batista was overthrown by Castro. I'm old enough to remember that Cuba, prior to the Communist takeover of their country, was a very vibrant community and very

economically sound. There were some inequities and problems there. I'm not trying to promote Mr. Batista's governance down there by any means, but on the other hand, where are the Cubans today?

The debt created by Fidel Castro and by the socialistic mentality, which is the same mentality that Fidel Castro had, is very pervasive here. It is the same mentality we have here with our leadership, both in the White House as well as here in Congress, today, under Democratic leadership. It leads to economic ruin. It leads to abject poverty for everyone.

Former Prime Minister of England Margaret Thatcher at one time said the problem with socialism is, eventually, you run out of other people's money. That's exactly what happened. You had a chart up there about the taxes. You had it up there as "cap-and-tax." I just want to quote President Obama about a couple of things about that so-called "cap-and-trade" bill that we passed here in the House. The Senate has been dealing with that.

As you said, Mr. AKIN, it is not about the environment. In fact, the President, himself, said that he needed that for revenue, revenue to pay for ObamaCare. Now, that's not a direct quote of the President's, but that's what he said. He said he needed the revenue from the environmental tax, which was really an energy tax, a tax on all energy—gasoline, electricity and everything. He needed the revenue so that he could pay for his medical program, for his socialized medicine that we forced through here in Congress. That's why I call it "tax-and-trade," not "cap-and-tax," but you can call it "tax-and-tax," I guess, or any of those. Also, the President said very clearly—and I can quote him on this. He said that this energy tax would necessarily skyrocket the cost of gasoline. It would necessarily skyrocket the cost of gasoline.

Mr. AKIN. I think he also promised that nobody making less than \$250,000 would be taxed, right? Yet, if you flip on a light switch, you are going to get taxed.

How do you square those?

Mr. BROUN of Georgia. Everybody is going to get taxed. So that was a falsehood. In Georgia, we call that a bald-faced lie. The promise that we had that people who made under \$250,000 would not be taxed is totally wrong, and he knew it. In Georgia, the people just say it's a bald-faced lie, meaning that he knew very well that he was not telling the truth when he said that.

Mr. AKIN. You know, the funny thing is that we need to learn something from history, and the Democrats have got something they could learn from. It's Henry Morgenthau. He was the Secretary of the Treasury under FDR. They had a recession, and by his policies, they managed to turn it into

the Great Depression. After 8 years of government spending, which is what we have seen—just incredible levels of government spending—he makes FDR look like a piker. He makes George Bush look like Ebenezer Scrooge.

So here is Henry Morgenthau before the House Committee of Ways and Means. He says this:

We have tried spending money. We are spending more than we have ever spent before, and it doesn't work. I say, after 8 years of the administration, we have just as much unemployment as when we started and an enormous debt to boot.

That is Henry Morgenthau. He is a contemporary of little Lord Keynes, that not so bright British economist.

Here is a Democrat who just says, Hey, we tried it for 8 years, and it doesn't work. So what are we doing now? We are going right back around, and we are overspending. We haven't learned our lessons.

Mr. BROUN of Georgia. Mr. AKIN, if I might, if you would yield a minute.

Mr. AKIN. I do.

Mr. BROUN of Georgia. Just recently, just last week, our President went before the G-20, I guess is what it's called now, and he was encouraging them to spend, spend, spend. As you brought up Lord Keynes' name, there is something called Keynesian economics, which basically says that you get out of recessions and depressions by the government's spending money, but it never has worked, and it never will work. It's just like socialism never has worked and never will work.

It seems as if the arrogance of this administration and of this leadership and as if the ignorance of both are leading us down the same path that FDR and Henry Morgenthau went down in the Great Depression. World War II didn't get us out of the Depression. It wasn't World War II that got us out of the Depression. It was cranking up the manufacturing sector and the private sector's actually starting to create new jobs because of the need for increased manufacturing that got us out of the Depression. Actually, the Depression didn't end until after World War II. It was private enterprise and free enterprise and what's called supply side economics, which most people don't understand and which, I think, a lot of economists don't understand.

Yet we certainly know that this administration and the leadership of this House and the Senate have absolutely no clue about what creates jobs or about what creates a strong economy. It is less government, less spending, more manufacturing, more free enterprise. Having the small business sector expand and having consumers with money in their pockets to be able to go buy goods and services, that is what is going to create jobs. That is what is going to get us out of this recession that we are in today.

In fact, some economists now are saying that we are beginning to go into a depression. The policies of this administration and the policies of the leadership of the House and the Senate, of the Democratic Party, are going to do the same thing that they did under FDR and Henry Morgenthau. They are going to create greater debt, and they are already doing it. They are going to create greater spending. They are going to create greater problems for the future of this Nation. The question is: How are we going to ever recover? I'm not sure.

Mr. AKIN. I'm not sure about the intent.

Yes, your whole idea about little Lord Keynes and his idea about spending one's way into prosperity strikes me about like grabbing your boot loops and trying to fly around the room, you know? I don't know if he was a boot loop kind of guy, but anyway, he was certainly different in his view of economics.

My good friend from Arizona.

Mr. FRANKS of Arizona. Well, I just want to agree with Congressman BROUN, you know, when he talked about what brought us out of the Depression. The postwar industrial machine in this country was astounding.

One of the things, it seems, that this Democrat majority simply does not understand—and it's probably because most of them haven't been in small business or in the real world many times; they don't sign the front of a check, you know, but usually sign the back of it. The reality is that they forget that the monetary system is a reflection of the method of the productivity mechanism that we have in this country.

All economy, ultimately, and in the most fundamental, substantive analysis is about productivity. You know, that means that people have to work and create goods and services. When we don't have people working, when we don't have jobs, then it doesn't happen. When you take government money and when you say, well, we're going to spend our way into recovery, it does two things.

First of all, it either takes the money directly out of taxpayers' pockets—it has to come from somewhere, right?—or they have to borrow it. If they borrow it, then it makes less capital available for business and for those groups that actually create jobs. They don't seem to understand that, unless the 300-plus million people of the country are working and creating jobs and creating goods and services, no matter what our monetary policies are, nothing will work, and the economy will fail.

I guess I just want to add, Congressman, that the highway of history is littered with the wreckage of governments that thought that they could create and maintain productivity in

markets better than free enterprise could. It has just been an element of history, and I don't want to see this country join that litany. This administration is driving us head on in that direction.

You know, you talked about, historically, our total GDP in this country—and one of you can correct me if I'm wrong—is somewhere in the neighborhood of \$15 to \$17 trillion a year.

□ 2200

Whenever our debt approaches 100 percent of the GDP per year of a country, historically and empirically that has almost always precipitated a major meltdown. I'm not talking about just a recession or even a depression, I'm talking about a cataclysmic meltdown that leaves a country having to start over from the beginning. And I don't want to see us go in that direction.

Mr. AKIN. Gentleman, you expressed that in good scholarly terms about your debt being as high as your GDP. But just trying to put that as a family—if you're a family and you make \$100 a week and your credit card bill is \$100 a week, you're in trouble. That's what you're saying. In fact, you're more than in trouble. And I think that's what you're talking about.

Mr. FRANKS of Arizona. Well, in this case, the Democrats are way past that because that would mean you're spending as much as you're making. They're spending more than the government is taking in. That's deficit. I'm talking about something a little different. I'm talking about the debt—the total debt to GDP ratio. And in this case we're not there yet. I think that we're somewhere at about \$1.4 trillion, \$1.3 trillion deficit and about at \$13 trillion debt. And \$13 trillion debt would be up somewhere against around a \$15 trillion to \$17 trillion GDP annual economy. What's 13 into 17? We're not at 100 percent yet but we're starting to get there. Whenever it goes to 100 percent or 105 percent, historically there's usually some type of major meltdown. I think that's a reflection not so much of arbitrary numbers but of sort of human nature. We begin to think, Oh, we'll never be able to pay this off. Let's just quit. The capital begins to run away from the markets. People begin to horde what they have. Just like in the Great Depression. It wasn't that all the money disappeared. It wasn't that all of a sudden capital vaporized. People put it in their pockets because they no longer trusted their government. They no longer trusted that they could put their capital at risk and have any real assurance that they had even a possibility of getting it back. And that's where this government is failing the people. They are destabilizing this economy so badly that capital is afraid to even get in the game.

Mr. AKIN. Yes. And that's one of the factors that totally destroys jobs—and

that is the uncertainty factor. So if you want to ruin jobs, raise taxes a whole lot, create a lot of uncertainty, and then spend way beyond your means. That's what we're doing. It's a war on business.

There are a couple of different things. We talked about these tax increases that the Democrats did. Here's something they didn't do at all. They haven't fixed the problem with Freddie and Fannie. These are two timebombs ready to go off again. They started the big crisis before when we mismanaged Freddie and Fannie. As much as people go “boo” and “hiss” at George Bush, in September 11, 2003, he was asking for authority to regulate Freddie and Fannie because they were out of control. And the Democrats blocked that legislation in the Senate, and now we have a meltdown on our hands. So there's some things that are taxes, some things that are spending, and some things that are no action at all that all feed into this problem. So this sounds kind of boring.

Mr. BROUN of Georgia. Let me ask you something. I want you to make this clear, if you don't mind, Mr. AKIN. We hear from our Democratic colleagues over and over again that all this is Bush's fault. We're still hearing that on this floor. It's Bush's fault. President Bush in 2003 was trying to rein in Freddie and Fannie. The Bush administration said that there was a problem. And I think you're fixing to show us an article.

Mr. AKIN. This doesn't say Rush Limbaugh here. This says: The New York Times. This is the New York Times. Not exactly a conservative newspaper. September 11, 2003, the headline is: The Bush administration today recommended the most significant regulatory overhaul in the housing finance industry since the savings and loan crisis a decade ago. Under the plan disclosed at a congressional hearing today, a new agency would be created within the Treasury Department to assume supervision of Fannie Mae and Freddie Mac.

So this is 2003. They saw it coming.

Mr. BROUN of Georgia. And who blocked that?

Mr. AKIN. This then resulted in Republicans in the House passing a bill. Where's it go then? We sent it to the Senate. What happened in the Senate? You needed 60 votes to pass it. And so what happened? The Democrats killed this in the Senate, just like they killed the energy bill in the Senate that was designed to help us with gas prices; just like they killed, as you know, gentlemen, the tort reforms in the Senate to reduce health care costs; just like, as you know, my friend from Arizona, they killed the associated health plans that we passed time after time here on the floor to try to allow small businesses to pool their employees to get a better price on health insurance.

Now we were accused of doing nothing. We didn't do nothing. We sent a lot of legislation to the Senate where they didn't have 60 Republican votes, and it was killed by Democrats. Here's what happens here. But have we done anything about Freddie and Fannie? No. It's still hugely in debt, and we're just basically bailing it out all the time. What's the result of that going to be? It's going to be a lot of trouble.

Here's one of the pains. This is what hurts, one, is unemployment. Look at the private-sector employment numbers here. Look at the red line. That's the public-sector employment. Have we created jobs? Sure have. We hired a whole lot of census workers. But the jobs that pay for the government are going down because these policies make a difference in peoples' lives.

Whenever I think of unemployment—you gentlemen are both gentlemen. Both of you have wives and kids. And I suppose that somehow wired back in the back of our minds, certainly in the back of mine, when I have a wife and kids, I need to take care of them. That's the fundamental thing that I'm supposed to do as a dad. If I fail at that, then I'm a miserable failure in my own mind.

And I'm picturing a set of policies that the Democrats proposed to put people into houses they couldn't afford to pay for, so they're going to default on their mortgage, and they and their kids are going to be sitting on a sofa out on the street as they have been thrown out of a house. That, to me, is kind of a nightmarish thing. And that's that unemployment. It looks like a boring number on a chart, but it's people who are hurting. It's people who are living back with their parents. It's parents who are digging into their savings to take care of their kids because there are no jobs. So these things may be boring, but they sure have a lot of pain associated with them and a lot of consequences associated with them.

This was a promise that if we gave lots of money to different States that had been mismanaging their budget with this supposed stimulus bill, I think it was supposedly \$787 billion, but turned out to be \$800 billion. And we spent all this money. And this is what's supposed to happen. It's supposed to reduce unemployment. Here's what the unemployment really is. Because we didn't learn from Henry Morgenthau. You have can't spend your way into prosperity by spending Federal money. These things have consequences. They hurt people. This isn't just boring numbers on a graph. That's actually what the actual unemployment is. So there's a consequence to these policies.

The tragedy is there are solutions to this stuff. It isn't that hard to do. What we ought to do is just learn from JFK. We can learn from Ronald Reagan, but try to be a little charitable. JFK got it

right. There's a solution to this. We don't have to do this. All we've got to do is simply cut spending and cut taxes. Everybody knows that.

I've used the analogy—were you a pilot, Congressman FRANKS?

Mr. FRANKS of Arizona. I never was. Mr. AKIN. Was it you?

Mr. BROUN of Georgia. I'm a pilot, yes.

Mr. AKIN. You're a pilot. I think we used this analogy the other day on the floor, because I remember as a kid the biplanes and the early days of flight. My science teacher flew glider planes and designed some of the glider planes that were used in the D-day invasion. He was a guy that hated what he called "fizzle ed" because he wasn't in great shape and he didn't like the football jocks. But the ironic thing was he got an award to the National Hall of Fame of Glider Pilots, which is an athletic type of thing because he could do all kinds of aerobatic loops with his glider planes. And he taught me some basics about flying. And what caught my attention was, in the early days of flight you get in an airplane and you do one of these deals where you don't have enough power and you pull the airplane into a stall and the airplane falls over backwards and it'll start to spin. And it was called a graveyard spin, I guess. When pilots got into those things, they kept flying the airplanes into the ground, which ruined their whole afternoon.

Finally, somebody realized—I guess a smart pilot decided to gamble his life. He said, I think there's a way out of this problem. And it's counterintuitive. And that is, when you're in that spin, the temptation I guess of pilots is to pull the stick back and try to get the nose of the plane up so you don't fly into the ground. And that just makes it worse.

□ 2210

So this guy, when he's in this graveyard spin, he says, I'm going to do it. And everybody is watching him. Here goes another guy who is going to fly his airplane into the ground. And instead, he kicked the rudder to stop the spin, pushed the stick forward until the airplane stabilized. And then he pulled the stick back and pulled it right out and made it look easy.

You know, the solution is JFK, Ronald Reagan, and George Bush all understood the solution to this problem. It doesn't have to be doom and gloom. The solution is, stop Federal spending, stop the high tax rate; and pretty soon we'll come out of the graveyard spiral. And we don't have to do another Great Depression. We've done that before. I don't want to be too doom and gloom about this, but the fact is these numbers are hurting people.

This is the President. He says, Now give me one more good reason why you're not hiring, and you've got this

great big socialized medicine bill, which is well calculated to destroy the economy, and then this goofy cap-and-tax excuse for global warming. I asked my constituents, Which is more important to you, our dependence on foreign oil or global warming? And it was an 80/20 type thing. Let's get practical. We need to be doing something about our energy business in this country is what they're telling us. But it isn't all doom and gloom. There are solutions to these things. My good friend from Arizona.

Mr. FRANKS of Arizona. Well, I will just say, and it just seems obvious to me—and I will probably take a little chapter out of your cartoon there—this President has been very confident in a lot of his prognostications. There's a hubris and an arrogance there that is just overwhelming. But when you look at the facts, whether it's in our military challenges, our national security challenges, whether it's dealing with the challenges in the gulf, or whether it's dealing with the economy, it seems that his arrogance-to-competency ratios are catastrophically out of balance.

If you really want to know where the deficit is in this country, it's between the arrogance of this administration and the competence of this administration; and I think therein really lies the big challenge that we face. I don't know what's going to cure that if voters don't wake up.

Mr. AKIN. You know, the thing that strikes me is most people that I know—I am an engineer. Engineers are kind of geeks anyway, but we have such a predictable sort of thought pattern, and that is, now we've got this great big hole that we've just drilled in the bottom of the ocean. Now, you can talk about that it's a mile deep and there's tremendous pressure. We are going to talk about this because you used to have an oil rig, and we need to talk about oil.

But in it's simplest form, there's this ocean, and there's a hole in the bottom, and it's leaking oil. And my impression is that most Americans I know, when you have all this sloppy, yucky, sticky oil pouring out of a hole in the ocean floor, your first reaction is to try to figure out, how do you fix it. You know, you want to try to say, Okay, let's get some people together that know about this stuff, and let's stop the problem, and let's try to mitigate the damage that's done, clean it up; but let's stop it from spilling oil. I mean, that's such a fundamental thing. Engineers have this big weakness. They're always ready to fix something when they haven't even defined what the problem is, but that's such a knee-jerk reaction.

And yet what we've got here is somebody who is more ready to try to figure out who to blame than to fix the problem. We've seen it before in the economy on the other things, but there's

nothing quite as vivid as just a plain old hole in the ocean that's spewing out oil. And you'd say, Well, first let's put a team together to fix it. Instead, we're going to say, Oh, let's see how much we can excoriate BP. Well, I don't feel sorry for them. They're the ones that had—as far as I know, the personnel on the oil rig were either incompetent or made some very bad decisions. They deserve to lose a lot of money. They did things wrong.

The only thing is, it seems to me that the Federal Government has been even worse. And the thing that's so amazing is, why don't we put the team together to fix the problem instead of just standing around and looking to assign blame on the whole thing? That's what concerns me a lot. What happens if this economy turns into another big hole in the ocean that really starts to go downhill? What are we going to have for leadership to fix that problem? I recognize my good friend from Georgia.

Mr. BROUN of Georgia. Thank you, Mr. AKIN. Just today, we had Secretary Salazar come to the Natural Resources Committee to talk about the BP oil spill and about what is being done. And during my time of questioning the Secretary, I brought up to him a quote from Bill Clinton, Democratic President. I don't very often quote Bill Clinton or Democratic Presidents, but Bill Clinton urged this administration, first, to stop the leak; second, to clean up the oil; and, third, to protect the environment and those who are being damaged by this.

Mr. AKIN. That doesn't sound too complicated.

Mr. BROUN of Georgia. Then to try to find out what caused the problem and then fix it. But that's not what we're doing. Just today we had a hearing on the chairman of the Natural Resources Committee's bill, the CLEAR Act, to regulate offshore drilling, onshore drilling, all drilling, all energy production here in this country. And Secretary Salazar defended his moratorium that's going to kill over 100,000 jobs in this country.

Mr. AKIN. I think it was 140,000 direct jobs. These are not the barbers and the restaurateurs and stuff. This is just the hard jobs that it's going to kill.

Mr. BROUN of Georgia. It's going to kill those jobs. And Secretary Salazar defended his decision. The interesting thing—Mr. AKIN, you're an engineer—Secretary Salazar pulled together a panel of experts to look at this problem and to make recommendations. And in the report that came out, the Secretary used this report to promote a 6-month moratorium to stop drilling—for all drilling, onshore, offshore, shallow water, deepwater, all drilling.

Mr. AKIN. So did this plan, first of all, stop the oil that's coming out of the floor of the ocean?

Mr. BROUN of Georgia. Well, no. They're just stopping the drilling that's going on.

Mr. AKIN. So they didn't fix the problem?

Mr. BROUN of Georgia. They didn't fix the problem at all.

Mr. AKIN. Did they deal with cleaning up the mess?

Mr. BROUN of Georgia. They didn't deal with anything. They didn't deal with any of the things that Bill Clinton suggested that they do. And the interesting thing is that the Secretary said that this panel was suggesting that we have this moratorium. The panel came back and said, No, no, no, no, no, we didn't say that. In fact, we don't want you to stop the drilling. We think you ought to continue it.

Mr. AKIN. Now wait a minute. Let's get this straight. This is a little confusing. A panel of, more or less, experts is put together. They're asked to come up with a recommendation. They come up with a recommendation, and the administration says, Well, we're going to put a moratorium on drilling because that's what was recommended. And the panel says—

Mr. BROUN of Georgia. No, we didn't.

Mr. AKIN. No, we didn't. We didn't recommend that. I guess the panel came up with the wrong answer.

Mr. BROUN of Georgia. Well, I think it goes back to something that the President's chief of staff said when he said that a crisis is too good to waste. I suggested to the Secretary today that this is a crisis that they shouldn't ignore because it appears to me—and how it appears to a lot of American people—that this administration is trying to push through its tax-and-trade policy.

Mr. AKIN. I call it cap-and-tax, tax-and-trade.

Mr. BROUN of Georgia. Yes. Well, it's an energy tax that's going to tax everybody in all sectors of the society. It's going to hurt poor people, people on limited income because more of their money is expended on things that are critical for life.

Mr. AKIN. Let's get this straight. So what we're going to do is, we've got a hole in the ocean that's pouring out this really sticky, yucky oil. I mean, we're counting on BP to clog that up. We don't really have that good of a solution on the cleanup thing because the Governor is saying, we want to build some sand berms to stop the oil from washing into our wetlands. And the government says you can't do it, and then they say you can. And when they start to do it, they say you can't. So we're not really taking care of the mitigation piece of it.

Instead, our solution is, Hey, let's tax everybody. That seems a little counterintuitive. So we're going to tax them twice. One, we're going to tax them when the government taxes them on energy; and, two, they are going to get hammered because the cost of energy is going to go up because we don't have the whole oil basin of the gulf, which is

a pretty good source of oil, to give us lower-priced fuel. That just seems a little bit counterintuitive, doesn't it? It's a little bit like that graveyard spiral. We keep twisting downward. We need somebody to firewall a stick, kick the rudders right, and then pull us out.

My good friend, Congressman FRANKS from Arizona, was it 15 or 16 or 17 you owned your first oil rig? We need a little bit of help on this.

Mr. FRANKS of Arizona. Actually, my younger brother and I started out with a little, small drilling rig when I was 17 and he was 15. It was a great experience, and I will never forget it. But the offshore situation, of course, is a much bigger challenge.

□ 2220

But I guess my conviction is that this administration, when this tragedy took place, they were so busy trying to fix blame rather than fixing the problem.

Now, the ironic part about it is they'd like to try to pretend that there's some debate on who's to blame, and there isn't. All of us in this Chamber, all of us in this Congress recognize that BP is to blame for this tragedy. BP has said they are to blame for this tragedy.

And what President Obama should have done when this occurred, he should have immediately met with the only industry in the world that could deal with the problem of this nature. You can't call in the Air Force to lob heavy bombs at it. You've got to go to the industry that knows how to deal with these things. He should have called all the experts to say: Here's the deal. First of all, we're going to hold you accountable. It's going to happen. We know you're at fault. You're going to be accountable. But right now, our job is to plug this blowout, and we're going to do whatever it takes to do that. We're going to work with everyone. We're going to work together, and we're going to make it happen, and we're going to make sure that you're doing the best you can. We're going to allow help from all over the world to help us. We're going to try to make sure that we protect our shoreline. In the meantime, we're going to draw off as much oil as we can.

But instead, instead, this President is out looking over the horizon to and fro to find somebody's rear end to kick. That is his answer to the problem.

And I just find it amazing, because the moratorium that they talk about, not only does that not plug the hole. You know, it's kind of like bringing a person into the emergency room and he's bleeding to death, and he again is out trying to find somebody's rear to kick instead of trying to fix the patient.

And this moratorium, not only does it not fix the leak, not only is it something that will destroy jobs and hurt

the economy, but if all you cared about was the pollution that was the problem here, this moratorium is going to mean that about a third of the oil that we produce out of the gulf—that's about how much—we produce about 42 percent or somewhere in that neighborhood of our own oil in this country, maybe around 40 percent, and about a third of that comes from the gulf. And if we don't produce that, that means we've got to bring in more tankers. We've got to buy more oil from overseas.

And what this administration overlooks, very characteristically, is that they forgot that 7 of 10 of the last major spills in this country, 7 out of 10, were from tankers. And so what we're going to do is bring more tankers over and increase the empirical chances of us having greater spills. And, ultimately, the money that we pay for that, a lot of it comes from Middle Eastern oil. A lot of that money finds its way into terrorist coffers, and they may bring something over to this country that will really be a cataclysm. And this administration seems blind to all of that, and I just find it astonishing the lack of priority.

Mr. AKIN. Gentleman, you have illustrated the very point that I was trying to make. You instinctively think in terms of fixing the problem, not fixing blame.

And you're a member of the Armed Services Committee, along with myself, and I don't know if you were aware of it, but the military has basically a whole plan of what they call a fusion unit, and it's a management structure where, when you get into something like this, the President has complete authority to do this. He could pull on every resource of the United States. He puts together the smart people, puts somebody in charge of it, and they take a look and say, Here's how we're going to solve the problem. One, we're going to try this. If this doesn't work, here's plan two and here's plan three. We need these resources.

Foreign countries offered to help us. You put this thing together. You have somebody else that's taking care of State laws, environmental laws, making decisions.

When Governor Jindal says, Hey, we want to put a sandbar in front of our wetlands to stop the oil before it gets in, you take a look at that and you get back to him within 24 hours or 12 hours and decide whether it's a good plan or not, and you have the right people, the best people available in place to analyze that, make a decision and move forward.

And instead, he waits a month to get a response from the Federal Government, builds the sand dam, and then they tell him to tear it down.

Mr. FRANKS of Arizona. Congressman, he waited 2 months before he met with BP. Two months.

Mr. AKIN. You're saying the President waited two months before he goes to meet with BP.

Mr. FRANKS of Arizona. And he should have been there at least within two days.

Mr. AKIN. Well, that's convenient, because then anything that doesn't work you can continue to blame BP. The problem is, there's all this oil all over the place, that little detail.

You know, I agree with you entirely. BP was wrong. What I'm not clear on, was it more of equipment or was it more human. I suspect from what I've heard, it seemed like it was more operator error than it was technology.

But, be that as it may, it seems to me that the only thing that eclipsed the foolishness and the incompetence of BP is the Federal Government response that's even worse.

Mr. FRANKS of Arizona. Well, it really is. And regardless of whose fault it was on the ground, regardless of whether it was a mistake made by the operator or by the driller or by one of those contractors there, the bottom line is that BP's the operator, so they're ultimately responsible. Again, everybody knows that. But this administration was focused on blame and political expediency rather than fixing the problem.

Mr. AKIN. Well, thank you gentlemen. I appreciate your joining me. Thank you, Mr. Speaker, for allowing us to talk about budgets, but also about the situation in the gulf.

God bless you. Thank you. Good night.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed and agreed to without amendment bills and a concurrent resolution of the House of the following titles:

H.R. 5569. An act to extend the National Flood Insurance Program until September 30, 2010.

H.R. 5611. An act to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes.

H.R. 5623. An act to amend the Internal Revenue Code of 1986 to extend the home-buyer tax credit for the purchase of a principal residence before October 1, 2010, in the case of a written binding contract entered into with respect to such principal residence before May 1, 2010, and for other purposes.

H. Con. Res. 293. Concurrent resolution providing for a conditional adjournment of the House of Representatives and a conditional recess or adjournment of the Senate.

The message also announced that the Senate has agreed to a concurrent resolution of the following title in which the concurrence of the House is requested:

S. Con. Res. 67. Concurrent resolution celebrating 130 years of United States-Romanian diplomatic relations, congratulating the Romanian people on their achievements as a great nation, and reaffirming the deep bonds of trust and values between the United States and Romania, a trusted and most valued ally.

The message also announced that pursuant to Public Law 105-292, as amended by Public Law 106-55, and as further amended by Public Law 107-228, the Chair, on behalf of the President pro tempore, upon the recommendation of the Majority Leader, reappoints the following individual to the United States Commission on International Religious Freedom:

Dr. Don H. Argue of Washington.

TOPICS OF THE DAY

The SPEAKER pro tempore (Mr. CRITZ). Under the Speaker's announced policy of January 6, 2009, the gentleman from California (Mr. GARAMENDI) is recognized for 60 minutes as the designee of the majority leader.

Mr. GARAMENDI. Mr. Speaker, thank you so very much for this opportunity.

I've been here for the better part of this last hour and I've heard some astounding, astounding accusations and things that are purported to be fact. And I'm just going. What in the world is happening here?

To think that the President of the United States is to blame for the blowout is the most extraordinary leap of logic you could possibly imagine. For the last 15 minutes, we've heard about the President didn't do this, the President didn't do that, the experts were not assembled.

That's just not true. If you knew what was going on, instead of just flapping your lips, you would know that, in fact, shortly, very shortly, within days and hours after this blowout occurred, the best minds in America were assembled in Houston and in Louisiana to deal with this.

The fact of the matter is there is a very, very good reason for the moratorium and, in fact, my colleagues on the Republican side here said the reason. They didn't know why this occurred. Was it human error? Was it a fact? Was it a problem on the rig? Was it a problem down at the bottom? They don't know. And, in fact, we don't know today, and that's why we have a moratorium. We have a moratorium because we don't know why this blowout occurred. We have pretty good evidence that the blowout preventer didn't work. We have pretty good evidence that the efforts of the various methods, the standard methods of dealing with the blowout didn't work. We don't know exactly why this well failed. And until we do know, we ought not be drilling in deep water because we certainly cannot afford another blowout.

Now, in 2008, in the Republican administration, two T-38 jets crashed within 2 weeks. The United States Air Force put every one of those T-38s on the ramp and said, You're not flying those airplanes until we know why they crashed. That's called a stand-down. It's called a moratorium. So we have a moratorium.

BP's to blame for this. And I must tell you, I am just absolutely astounded by what the Republican Caucus put together that was actually announced by our colleague from Houston, Texas, the ranking member of the House committee, when he apologized to British Petroleum because the President demanded that British Petroleum put together a \$20 billion trust fund to pay for the damage.

□ 2230

The Republican policy is to apologize to BP for the President forcing BP to do what was right, that is pay for the damages. That's just but one issue. I wasn't going to talk about this in great length, but I am just coming off listening to my Republican colleagues here. We have to deal with the facts as they really exist.

Joining me tonight is Congressman ELLISON from one of the great northern States in the Midwest. And I think he wants to pick up this issue and maybe carry it a little longer.

Mr. ELLISON. If the gentleman will yield, I do just want to take up this issue of the spill. It is an important issue. And you just mentioned the very frank and I believe honest comments of Representative BARTON, the ranking member of the Energy and Commerce Committee, in which he apologized to BP.

Some people might be thinking, you know, well, he apologized for his apology, so, you know, why don't we just drop it. But it doesn't start with Mr. BARTON, it doesn't end with Mr. BARTON. It actually started with the Republican Study Committee, which creates policy, agenda, and talking points for the Republican leadership. And that's headed by a gentleman who is a Member of this body named Congressman PRICE, TOM PRICE. He is the one, with the help of the committee itself, not just by himself, who released a statement calling the compensation fund that you referred to to help compensate small business people put out of business by this spill, and people who live on the gulf, people who suffered, a shakedown. So this term political shakedown emerges from the very leadership of the Republican caucus.

They say that President Obama is shaking down the British Petroleum, BP. And from that point, PRICE makes the statement, this is before BARTON ever does, but PRICE says, "BP's reported willingness to go along with the White House's new fund suggests that the Obama administration is hard at

work exerting its brand of Chicago-style shakedown politics. These actions are emblematic of a politicization of our economy that has been borne out of this administration's drive for greater and greater power. It is the same mentality that believes an economic crisis or an environmental disaster is the best opportunity to pursue a failed liberal agenda." So this is where the whole shakedown conversation comes.

Then after that, Mr. BARTON, following the party line, doing what the Republican Study Committee has said to do, says, quote, "I'm ashamed of what happened in the White House yesterday. I think it's a tragedy of the first proportion that a private corporation can be subjected to what I would characterize as a shakedown, in this case a \$20 billion shakedown." Now, it goes on, but in this statement of apology from BARTON I never heard—and maybe I will leave it to the gentleman—any sort of apology or sympathy for the people who live on the gulf, who make a living there, who send their kids to school there, and who now see their economic life ruined.

Mr. GARAMENDI. If I recall correctly, it's not only the extraordinary economic damage, 11 people were killed in this blowout. Eleven men who were working on that, who had families, who were trying to earn a living were killed as a result of it.

Now, for BP, it wasn't their only accident. They have the worst safety record in the oil industry. So you are quite right, Congressman ELLISON, that the issue of where the Republican Party stands on this, it's not just one member speaking out of turn. It was in fact the ranking member of the committee speaking on the talking points developed by the Republican Study Committee, which is the policy development committee for the Republican caucus in this House.

Mr. ELLISON. If the gentleman would yield back.

Mr. GARAMENDI. Please.

Mr. ELLISON. It didn't stop after Mr. BARTON made his apology, which seemed sincere. After that, MICHELLE BACHMANN, our colleague, says to the BP president about the \$20 billion escrow fund, she says, "If I was the head of BP, I would let the signal get out there, 'We're not going to be chumps, and we're not going to be fleeced.' And they shouldn't be. They shouldn't have to be fleeced and made chumps to have to pay for the perpetual unemployment and all the rest."

So I mean if you just contemplate that statement for a moment, here our friends on the other side of the aisle just got through talking about how it's BP's fault. That's what they say now. Right after the fund was developed by the President to make sure that victims of this, both economic and physical and others, had a basis of compensation, the Republican caucus's ini-

tial gut reaction, which is I think their most sincere reaction, is to say that it's a shakedown, it's to say we're not going to be chumps, it's to say that BP shouldn't have to pay unemployment.

I mean it didn't stop there. Let me add one more before I hand it back to you. Our good friend STEVE KING, Congressman KING from Iowa: "I think JOE BARTON was spot on when he called it a shakedown." So then, no repentance, no remorse. Let me yield to the gentleman.

Mr. GARAMENDI. The thing here, if you would yield for a moment, is where do you stand? With whom do you stand? What side are you on? We just heard an extraordinary rendition of falsehoods, in my view, from the Republican side here that somehow this blowout, this BP accident was the fault of the Federal Government. Hello. Well, the regulations that they were so excoriating are absolutely necessary to prevent this kind of thing from happening.

In fact, the regulations that were relaxed during the George W. Bush administration allowed this company to proceed with minimum safety requirements. And we heard this talk about the governor of Louisiana, and a State that is heavily impacted and tragically impacted by this oil. What is their response plan? Pointing fingers at the Federal Government, which the governor is doing. And at the same time, what is the response plan for Louisiana? It's virtually nonexistent.

The State of California, where I come from, we have a heavy duty response program that goes back 20 years. We make the oil industry pay for it. Does Louisiana have such a program? No, they don't. But they are willing to point a finger. Let's take a look. What is this?

Mr. ELLISON. Well, if the gentleman would yield back, they do have a plan.

Mr. GARAMENDI. Really? What is it?

Mr. ELLISON. Their plan is the taxpayers can pay for it.

Mr. GARAMENDI. Ah, the taxpayers who they were so concerned about a moment ago. They don't want BP to pay; they want the American taxpayers to pay.

Mr. ELLISON. Right. The GOP-BP bailout is that the American taxpayers should pay for the expenses associated with BP's failure to observe its own regulations and the catastrophic consequences that it caused. So that their plan is the taxpayers can pay because heaven forbid we ask a privately held corporation to pay for its own damages.

Mr. GARAMENDI. Is this the corporation called BP that had a \$58 billion profit last year?

Mr. ELLISON. If the gentleman would yield, yeah, BP is well heeled and doing fine based on the profits they have made. So I would yield back.

Mr. GARAMENDI. Quite possibly they are so well heeled and have such big profits because they cut so many corners that resulted in the death of I think 13 people at their oil refinery in Texas, and another 11 at their rig in the gulf, the Deep Horizon situation, and who knows how many else around the world. This is the company with the worst safety record because they cut corners. It gives them a fat profit. Now it's time for them to pay.

Mr. ELLISON. If the gentleman would yield; if you observed the safety rules and regulations that are designed to save lives and save our natural environment, it may take you a little more time, and yeah, it may cost you a little money. Maybe you won't have that enormous, exorbitant profit, but you will make good money, and people will be alive so that they can go home at the end of the day, and we will be able to have a Gulf of Mexico that bears some resemblance to the way the good Lord intended it to be.

□ 2240

Right behind you are graphic photographs. I mean, look at that bird right down at the bottom.

I yield back to the gentleman.

Mr. GARAMENDI. This mantra that started from the Republican Party, I think it was the Presidential candidate, if I recall correctly. It was called "drill baby drill." And what we found out was that this drill baby drill results in "spill baby spill." It is a terrible situation. It's not new, though; and it's not unusual.

In the last 17, 18 years in the Gulf of Mexico in these shallow water, deep-water drilling operations, there have been 38 blowouts. None as catastrophic as this. But this is not a new situation. In the Indian Ocean, west of Australia last year, there was a blowout of similar size by one of the international drilling oil companies. And it took them even longer—I think it was over 120 days, maybe a little longer than that—to drill a relief well to finally stop that blowout.

There was another major blowout on the Mexican side of the Gulf of Mexico several years back that resulted in a huge oil spill for a long time, and there was yet another off the coast of Brazil.

This is not new. But what is new is the extraordinary damage that's taken place and the irresponsibility of BP in this particular case where they cut corners, where they did the least that they thought they needed, instead of maximum, to be prepared; they did exactly the opposite. And now we're faced with this catastrophic event.

Our colleagues across the aisle were talking about nothing happening. In fact, numerous efforts have been made, unsuccessful to date. The capping, the effort to activate the blowout preventer, on and on and on. And hopefully in the next couple of weeks we

will have one of the relief wells intersecting the existing well that blew out, and we can bring this thing to a stop.

However, we need to recognize that as long as we drill, we will run the risks. And as we run those risks, we also commit even a greater problem for this planet, and this is as long as we can drill, we will be dependent upon oil, whether it is domestically produced or foreign produced.

This oil is not only contaminating the ocean and the beaches and the marshes; it's also contaminating our atmosphere, and that carbon doesn't disappear. And it also leads us to more dependence upon oil. It's time for us to break that addiction to oil.

Yes, use this catastrophic event to call our attention, to focus our minds on what we must do to break America's addiction to oil. This is not a new effort. We have been at this since the 1970s with the first oil crisis. We have yet to break it. In fact, we've continued the addiction. We must move away from this, and our energy policy must move us in a different direction.

I know you've spent a lot of time working on these issues, and let me put up another one. As horrible as this spill is, we need to understand what the oil industry is all about. The oil industry has been operating in America for about 140 years, maybe a hundred. Since the turn of the last century, 1900, it really got under way. And for a century now, the oil industry—well, let me just ask a question because this is what this asks. Which of these industries receives the most Federal subsidies? Read tax dollars. Subsidies are tax dollars. You want to talk about taxes, my Republican friends? Where do your tax dollars go? Well, let's find out.

It looks like solar panels, right? Okay. Do they get more? Do they get the most subsidies? How about windmills? Well, let's call them wind turbines, the modern word for them, wind turbines. This is an interesting one. It has been around for years. This is using the ocean, the waves and the ocean or the current in the ocean or even in the rivers. And this is an interesting one. This is really a brand-new one. And these are algae, algae-producing biodiesels. Or the oil industry.

Now, my question to you, Mr. ELLISON, is which of these receive the greatest subsidy, read tax dollars, from the public?

Mr. ELLISON. Do we need a drum roll first, Congressman GARAMENDI? I think we know. I'm just going to take a wild guess. The oil industry.

Mr. GARAMENDI. You are a brilliant legislator and a fine arbiter of the question. It turns out you're right. It is the oil industry.

And let's take a look at this.

Our tax dollars: Where do they go? Let's see here. This side is the oil industry, and this is from 2002 to 2008. So

we got some numbers up here for fossil fuels between 2002 and 2008. This is the oil and a little bit of the coal: \$72.5 billion of direct subsidies, our tax money, being taken out of our pocket and given to the oil industry—\$72.5 billion in just 6 years.

So where does it go? Let's see here. Traditional fossil fuels. Oil and coal. There you have it.

Now, on the other side, renewable energy. Well, we have the corn ethanol industry, and they have received about \$16.8 billion. And then the traditional renewables, these would be solar and wind and the like, about \$12.2 billion. So taken together \$29 billion for renewables in the same 6-year period that the oil industry received \$72.5 billion.

Now the question of public policy is this: What if we flipped this over? What if we flipped this around and we took the \$72.5 billion and spent it on renewables and we can continue a little bit of the subsidy if they really need it, which they really don't—not if you have \$58 billion of profits. Doesn't seem to me they need much help. But, okay. We'll just flip it over, and they'll take \$29 billion, and we give the renewable industry the \$72 billion. What would happen?

Mr. ELLISON. We would be a lot healthier. We wouldn't be burning hydrocarbons and spewing them into the air. Our planet would be healthier. We would see ourselves, our technology, and our creativity would blossom as we subsidize these renewable sources of energy. It would be a good thing.

Mr. GARAMENDI. It would be a very, very good thing. And most economists who look at the international markets and the next great industries don't look to the 19th century energy industry, coal and oil, as being the growth industries and where the jobs will be created. Those economists and futurists who look at these things tell us that the great energy industries of the future are the energy industries of this century, the renewables of all kinds. All that we had up here and even more than I had on that little chart. That is where the jobs will come there.

And our policy ought to be to encourage those industries and those things, the wind turbines, the solar, even the nuclear systems and the rest, that they be built in America.

Mr. ELLISON. Let's not forget about the efficiency. The fact is there are a lot of jobs to be had by retrofitting buildings and conserving the energy that we already have. A lot of jobs, a lot of putting a lot of people back to work in making homes and buildings energy efficient. And you put that together with renewable energy, that is an employment driver. That is an economic driver. That is an environment driver.

Mr. GARAMENDI. Let's bring this issue that you just raised right back to this Chamber in the present moment.

We have voted here three times, I believe, on what are called programs for energy conservation. One of them was called cash for caulkers. We had the cash for clunkers, which really helped the auto industry. And we decided, well, let's try something, cash for caulkers, which is exactly what you talked about. It's about bringing about energy conservation. And in doing that, two good things happened: we're employing people. Taking our tax dollars. Get this back up here. We don't have conservation on here, but if we were to add conservation, taking our tax dollars instead of giving them to the coal and the oil companies, give it to men and women in the communities that are doing the insulation, doing the window caulking.

□ 2250

As that is done, homeowners and renters see their energy bills drop.

What happened on this floor when those bills came up? What is your memory of how the votes turned out?

Mr. ELLISON. Well, I don't remember any ringing endorsement from the party opposite.

Mr. GARAMENDI. My recollection is that the Democratic side said, Let's give people jobs. Let's use the public's tax money to employ people to do energy conservation. The Republicans, to a person, voted "no."

Whose side do you stand on? Are you going to take those tax dollars and continue to give them to the oil industry and to the coal industry or are you going to take those tax dollars and put people to work, achieve the energy conservation and allow homeowners and renters to see their energy bills go down?

The Republican Party made a very clear decision on who they stand with. They do not stand with the homeowner. They do not stand with those who could get the jobs. Instead, they voted "no" on those three conservation programs that would put people to work.

Mr. ELLISON. Well, they stand with BP against the residents of the gulf and the businesspeople there. They stand with the oil and gas companies, with their subsidies, as opposed to standing with the people who want a clean, green future. They consistently stand against progress. I mean the thing that I find so astounding is that they will come down to the House floor and continue to repeat these things.

Quite frankly, I am quite proud of President Obama for demanding that BP start an escrow fund so that we can have some relief for the people suffering such horrendous hardships on the gulf coast. I think it was an act of responsibility. It was what he should have done. The administration was responsive to this spill, and the administration did get engaged right away. The Congress is holding hearings right

now to get to the bottom of what happened, to prevent it and to put policies in place to do something about it. Yet, all along the way, what we are getting are apologies to BP and, really, no help at all.

We are not discouraged, though. Congressman GARAMENDI, you know very well that we are stout of heart. Every time we get a chance to do something for this economy, for consumers, for the environment, the Democratic Caucus is counted on to do it.

Mr. GARAMENDI. You are quite correct.

I am going to go through a list of specific things to help the economy, but before I go to that, I think we ought to set the stage here. There was a lot of talk in the previous hour about deficits and where the deficits came from.

Mr. ELLISON. Oh, brother.

Mr. GARAMENDI. Oh, brother.

Where did the deficits come from?

Well, first of all, let's understand that public policy doesn't change the moment a President comes into office. There is the continuity of the previous years' policies that stay in effect for a while until those are changed. Even then, it isn't an immediate night to day. It takes a while for the policies to go into effect. So the charts that were shown earlier are just plain disingenuous, if not outright false.

The George W. Bush administration came into office with a significant surplus that was created in the last 3 years of the Clinton administration. I think it was about a \$500 million annual surplus that was projected to go on into the future. The George W. Bush administration, together with the Republican-controlled Congress and Senate, did four things that created the deficit that we have today, which the Republicans want to pin back onto Obama and the Democrats. Here are the four things they did:

First of all, they instituted one of the largest tax cuts ever in American history for the wealthiest 10 percent of Americans, not for the everyday workers—not for the people who are out earning salaries day by day or who are earning hourly wages—but for the wealthiest. That is fact one.

Fact two, the prescription drug benefit for seniors was not paid for, and they specifically put in a provision that prevents the Federal Government from negotiating prices with the pharmaceutical companies.

Fact three, two wars were started and paid for with borrowed money—a most unusual event. That is fact three.

Borrowing money, reducing taxes, starting two wars. Right now, those wars have cost us well over \$1 trillion, nearly \$1.1 trillion.

Fact four, the continuing escalation of health care costs, okay?

Those are the four reasons we have the deficit today. Let me give you a fifth reason.

The fifth reason is the crash of the American economy.

Those all happened during the George W. Bush administration, and they didn't stop the day Obama came into office. We are now changing those policies. For example, the health care reform, which not one Republican in this House voted for—not one—will, over its lifetime, actually reduce the deficit because it reins in the cost of medical care. In my view, it's not enough, but nonetheless, it does that.

Secondly, the other policies have been allowed to continue. Now, the tax policies of the Bush administration will expire. That will help. As for the prescription drug benefit, we are working on that. That was part of the health reform also. The wars continue. Fortunately, the Iraq war is winding down while the Afghan war escalates.

So we have to understand how we got to this place we are today.

How we got there were through the basic policies of the Clinton administration. It left a surplus, a continuing surplus, for the George W. Bush administration. Had they not changed the policies, it is estimated that, by the middle of this decade, we would have wiped out the American debt—period, gone, history—but, no, they changed the policies, and now we are saddled with this debt.

The crash. The crash of this economy was caused by reckless action on the part of Wall Street, by reckless, irresponsible action on the part of Wall Street, basically driven by the grossest greed you could possibly imagine. There were all kinds of inducements to homeowners to engage in mortgages they could in no way possibly pay.

I know that you are faced with this in your community. There was action taken on this floor not more than 5 hours ago—and we will be coming to that in just a moment—but share with us the experiences in your community about mortgages, about all of the problems of the housing industry, about the crash, and about what has happened in your community.

Mr. ELLISON. If the gentleman will yield, that is so right. When you look at this whole financial crash, it is a chain of events, and it starts out in the neighborhood.

There is something that we need to talk about, something called a "yield spread premium." What that is is the amount of money that somebody selling a loan can get if somebody steers you from a loan you may qualify for to a high-cost loan. So there are a lot of people who might have qualified for prime loans but who were literally steered.

Then you had another development, something called a NINJA loan—no job, no assets. Yet you could get money to buy a house. Then there is something called a "liar loan"—now, that is a curious thing to call a loan—because

it was stated income. You could just write down whatever you said your income was, and there was no verification of that income. Then, after you got into these loans, they had terms and conditions, like prepayment penalties, so that, if you wanted to get out of this loan and get a fairer loan, you really couldn't do it unless you paid somebody off down the line.

So people got into these loans. They were being sold. The people who made those loans really didn't need to make sure they were well underwritten. It didn't matter if any of these folks could pay the money back, because they would simply sell that paper on the secondary market.

Now, what was the effect in the neighborhood? The effect in the neighborhood was, once the housing values began to flatten and decline, people couldn't pay them. Once they couldn't refinance because they had negative equity in their homes, they couldn't make the payments, and they ended up getting foreclosed upon. It happened in neighborhoods all across this country. California, your State, was hit hard as well as Florida and Arizona. Yet, even in my State of Minnesota, we were hit very hard. People started being foreclosed on, and short sales began to happen. Property values began to decline, and neighborhoods began to go in the wrong direction.

□ 2300

And so there was a lot of difficulty right there on the front line. The front line was foreclosure of homes, abandoned properties, high grass, dead dogs. Expenses to the local government. Because if you have a house where people are paying property taxes, that's coming into this local government. But if you have an abandoned property, that's an expense to the local government. More pressure on local government budgets, intense difficulty, tough times on Main Street.

I yield back to the gentleman.

Mr. GARAMENDI. The gentleman is absolutely right. I know I see this in my own district, and in fact in my own neighborhood and in the families of my staff. We have on my staff families who have lost their home; who have had to do the short sale; who got into these mortgages that they couldn't possibly pay. They had these readjustments. All of those things. Now what was causing that? It was Wall Street. Wall Street was making it happen by creating these collateralized debt obligations, by the fancy financial manipulations. And why were they doing this? So they could make a big profit. And they did.

Now, today, on this floor today we took up the Wall Street Reform Act and Consumer Protection Act. And it's very, very interesting how the Republican leader characterized the effort that the Democratic Members of this House and the Senate have made to address the excesses of Wall Street. This

is the most substantial reform and adjustment of the horrendous Wall Street practices that took this country to the very edge of an extraordinary Depression. And yet our Republican colleague—let me just get this chart because it is so interesting.

Mr. ELLISON. If the gentleman will yield while you're getting the chart. You know, Mr. Speaker, Congressman, you would have thought that America didn't lose 2.8 million homes to foreclosure last year, listening to the Republicans. You have would have thought that Lehman Brothers and Bear Stearns and Freddie and Fannie and all these huge Wall Street titans didn't go down the tubes and cause a depressed market and hurt the economy. You would have thought that we didn't have 10 percent unemployment. You would have thought that there was nothing but responsible behavior, and all of a sudden the Democratic Caucus is just trying to take over the banking system. We were really in a magical world here on the House floor. But, thank goodness the House Democrats, led by BARNEY FRANK and many others, were putting the things in place to preserve our economy.

Mr. GARAMENDI. You said something that caused me to pull up a chart that I wasn't going to use. The financial meltdown nearly bankrupted the world. Not just America, but the entire world's economy came very, very close to a total meltdown. What it meant to mom and pop back home, what it meant to their 401(k)s that instantly became 201(k)s was this: \$15 trillion of wealth destroyed in the last 18 months of the Bush administration. Say whatever they want on that side but the fact is that's what happened. What's happened since then is we put into effect the American Recovery and Reinvestment Act, and we're beginning to see the stock market come back, we're beginning to see the wealth return. The fundamental problem still remains in the housing industry, and that we have to address.

Once again, all of the legislation dealing with the mortgage markets, all of the effort to try to rebuild the housing industry has been done by the Democratic side. We have had no help from the Republicans. Just say "no" is their mantra. The result is that we push forward with great difficulty. The Senate is a major problem for us because you have the power of one senator over there that can stop things. But, nonetheless, we pushed forward with an effort to try to restore the housing markets with various plans and mortgages. And today it's time for us to come to what happened today.

Today, on the floor of the United States Congress, the most far-reaching, most important revamp of the financial industry in this Nation's history since 1936 took place, and it was a vote on the Wall Street Reform and Con-

sumer Protection Act. In that very important piece of legislation there are several sections that deal directly with the housing market, outlawing—outlawing, making illegal the kind of liar loans, the kinds of revamp and mortgages that were the genesis of the problems. Also, in the housing market, holding brokers responsible. Holding them accountable. Holding the banking industry accountable for what it does and setting up a consumer protection agency.

Now, this is something I understand. I was the insurance commissioner in the State of California, elected statewide twice—1991 to 1995, and again 2003 to 2007—and I built a consumer protection agency. It's absolutely essential. The capitalistic market is driven by profit motives. Now, wise companies understand they've got to take care of consumers. But the profit motive drove this Nation and this world right to the edge. You need a countervailing power. And the consumer protection agency in this bill would do it by setting out a series of regulations to protect consumers and allow consumers to speak out, to get assistance, and to get help. It didn't exist—only in the insurance marketplace—which was regulated previously by the individual States. But not in the financial and banking markets.

Now when the Senate acts, which hopefully they will do in the next couple of days, we will have a bill going to the President that will be the most important reform of the financial markets in more than 80 years now. It has to be done. Otherwise, we're going to slip right back to where we were. This is not big government. This is wise government. This is the kind of government that we need to set the boundaries.

Think of it this way, Mr. ELLISON. NFL football. Now you play that in Minnesota, don't you? What's that team in Minnesota?

Mr. ELLISON. The Minnesota Vikings.

Mr. GARAMENDI. The Packers.

Mr. ELLISON. The Packers, they're next door.

Mr. GARAMENDI. Okay. We've got the Packers playing the Vikings. They do that on occasion, don't they? Imagine that if the sidelines were erased and imagine if the referees were put back in the locker room. What would happen?

Mr. ELLISON. I think you would have a lot of injured players. You'd have a really funny outcome. People wouldn't trust the outcome. Maybe teams would stop playing because they would believe that the rules didn't matter any more. And certainly you would give an incentive to the biggest cheap shot artists on the field, the people who are willing to do the dirtiest things—the clipping, all of those things—they would prevail.

Mr. GARAMENDI. I played football for the University of California in a bygone era, and of course we would never engage in such a thing if the referees weren't there. But that's the analogy of exactly what happened in Wall Street. The regulators were absent during the Bush administration. They simply left the playing field. The referees left the playing field. They put the rule books aside and it was Katie bar the door, because anything was allowed.

This bill that we voted on today puts tough new regulations in place, regulates this market, and puts in place the referees, strengthens the Securities Exchange Commission.

Mr. ELLISON, please.

Mr. ELLISON. I was just going to say, as an old football player yourself, didn't good refereeing make for a more competitive game? Didn't that allow competition to really flourish? You could find out who the better team was if you had a well-regulated football game. Is that right?

Mr. GARAMENDI. Absolutely true. Similarly, we have a well-regulated financial market, which we will when this bill is finally signed, then we will. The point that I want to make is this, and that's why I brought this thing up: Where do you stand? Where do the Democrats stand? We clearly voted today for a major overhaul of the banking industry, the financial industry, and the mortgage markets, to put in place strict rules and regulations. That's where we stand—to protect consumers with the consumer protection bill.

Where do the Republicans stand? Well, why don't we just quote the Republican minority leader, whose name I won't mention, but let's just say he represents the Republicans in this House. He is their leader.

□ 2310

So in an interview with a newspaper in Pittsburgh, Pennsylvania, he said that this bill was a nuclear weapon to kill an ant. I have got the exact quote here. Maybe I should just read that. I don't want to misquote him because what he said was so outrageous.

Let's see. Oh, that's the Social Security which we ought to come to here in a moment. And Social Security, just touching on it, he said, "We ought to raise the Social Security age to 70 so we can finance the Afghan war." Oh, wait a minute. Did you really mean that, Mr. Leader?

He said, "This is killing an ant with a nuclear weapon," when referring to the Wall Street Reform and Consumer Protection bill. "Killing an ant with a nuclear weapon." Well, I'm sorry, but it is a clear indication of where the Republicans stand. They're clearly standing with the big banks. And on the Senate side, in the last 2 days, the financial regulation to pay for this was going to be paid for by the big banks.

But the Republicans in the Senate said, No, no, no, no, no. You can't make the banks pay for the regulation. You can't make the NFL football team pay for the referees. No, no, no, you can't do that. What you've got to do is to make the taxpayers pay for regulating the banks.

Whose side are you on here? It's perfectly clear, when you look at all of these, whose side you are on. When the minority leader, the Republican leader, says, The effort to rein in Wall Street and protect consumers is killing an ant with a nuclear weapon, well, I'm sorry. Wall Street is not an ant. The five, six biggest banks control about 70 percent of all of the financial markets. These are not ants. These are gigantic ant-eaters, and we're the ants that they're eating. So we've got to get this straight: Whose side are you on?

The financial meltdown, the biggest downturn since the Great Depression, 8 million jobs lost. It's not an ant. This is my neighbor who lost his job. This is the homeowner who lost their home, and this is the unemployed person that's begging for our help in continuing the unemployment insurance because this economy has not yet turned around. These are very, very serious things.

There are a couple of other things we really ought to get here. And if you can work with me on this, we talked earlier a little bit about health care reform. It's not Big Government. In fact, health care reform is exactly very similar to the reform in Massachusetts which was authored by a Republican Governor who went around this Nation taking great credit for it until it became a national model. This is really insurance reform. It's not a takeover of the health care industry, not at all. And it's not anywhere even close to socialized medicine.

In fact, the public option is not in the legislation at all. It is a reform of the insurance marketplace. It's the kind of reforms that allow my 23-year-old daughter to stay on my health insurance rather than becoming uninsured. It's the kind of reform that allows the young baby that's born with an illness to be able to get insurance. It's the kind of reform for a 50-year-old individual who has lost their job to be able to buy an insurance policy at a reasonable rate. It's the kind of reform that ends the discrimination that every single woman in this Nation faces when it comes to getting insurance. If you were a woman in America prior to this health care reform, you had a preexisting condition that could, and probably would, keep you from buying a policy.

Those discriminatory actions by the insurance companies are over as a result of this reform.

Mr. ELLISON. Well, as a woman, you certainly would pay a lot more than a man would of comparable age and con-

dition. The fact is that there's a string between all of the things that we've talked to tonight. We started out talking about the oil spill. We moved on to talk about financial reform. Now we're delving into health care, but there's a string connecting them all. One is that the Democratic Caucus is consistently on the side of the consumer, of the investor, of the small business person. And the party opposite, the other caucus, is consistently on the side of the corporate giant, the huge well-moneyed lobbyist, and the people who stand to gain from the status quo. This is a consistent stream.

And so you continually ask the question, Congressman GARAMENDI, Whose side are you on? This is a fair question. The question must be answered that the Democratic Caucus is on the side of the people. The party opposite is on the side of the powerful, the well-to-do, the large giant corporate entities. And this is something that I think Americans have got to try to put their hands around, that there is a party who is going to be the one to say, We're going to restrain Wall Street; we're going to make them play by the rules; we're going to enhance the functioning of the marketplace by making sure that there are referees on the field and not in the locker room.

And this string is a consistency. It ties us together as a consistent, coherent theme and a message, that the Democratic Caucus is on the side of the American people.

Mr. GARAMENDI. Thank you so very, very much for making that clear. You go through all of these pieces of legislation, and the Democratic Caucus is there. On the other side of the aisle, on the Republican side, they're standing with Big Oil, big banks consistently, and the big health insurance industry.

Now, let me make this point perhaps more clear, and that is, the Republican minority leader not only said that we ought to take on this issue of Wall Street reform as though it was some sort of a nuclear weapon killing an ant. He also talked about health care, and he said that if the Republicans take control of the Congress after this next election, if they win enough seats after this next election, they are going to do everything they possibly can to stop the Patients' Bill of Rights and other health reforms.

They are out to repeal the reform that Americans desperately need so they can get affordable health insurance. They want to kill those reforms. They want to turn back women's opportunity to get an insurance policy and say, We don't care whether you have a preexisting condition; you are at the mercy of the health insurance company. If they deny you, that's your problem. You shouldn't have gotten sick in the first place. If you are a 23-year-old, you will lose the ability to be on your parents' benefits.

That's what the Republican Caucus wants to do is to repeal all of the efforts of consumers and to build into this system a method of keeping us healthy.

So, okay, whose side are you on? There is a string here. There is a logic to all of this. One more thing—and I couldn't believe this when I heard this, and it just came, I guess, in the last day or two. Now, Social Security is an insurance policy. You and I pay into Social Security. As Members of Congress, a certain percentage of our pay goes for Social Security, and so it is with every other person in America who is working legally. They are paying into Social Security.

Mr. BOEHNER, the Republican leader, has said that what he wants to do is to increase the retirement age from 65 to 70 and use the savings to finance the Iraq and Afghanistan wars. And I'm going, Excuse me, wait a minute. That's my insurance policy. That's my mother's insurance policy. That is the insurance policy of the working men and women out there, and you want to take it away to finance the Afghan war. I don't think so.

But that's once more sign, a signpost—we're following a path here—a signpost of where the Republicans stand. Big business, ending Social Security; and in fact, their budget, put out by the Republican Study Committee, their budget called for the end of Medicare, the privatization of Medicare, Medicaid and Social Security.

□ 2320

That's their policy. If that's what the public wants, then those folks are going to win this election and they're going to come and they're going to control this House and they're going to try to do it. I think this would be a serious problem for every American. Medicare, Social Security privatized? I don't think so.

Mr. ELLISON. Well, if the gentleman will yield, I want to say that, in my opinion, Social Security is one of the greatest pieces of legislation this country has ever seen, and so is Medicare. These programs are very important because they signal that we really are in this thing together and that we're not going to let our seniors descend to the level where they're eating dog food or making choices between medication and a meal. But it's going to require an aware population to get it, that, you know, there are real things at stake here, big things at stake here.

And the question keeps being asked: Who's side are you on?

Why don't you go through some of those critical things?

Mr. GARAMENDI. Let's just go through this. Who's side are you on? Democrats supporting jobs and bills. We talked about the Cash for Caulkers and other programs and the jobs bill, every single one of them opposed. No jobs bills.

Unemployment insurance. People are losing their unemployment insurance because of the Republican Party. What are they going to do? The economy hasn't come back. They're going to lose their jobs. They're going to lose their home. We're going to start another downward spiral.

We talked about the health care effort. Not one Republican voted for the health care bill. Excuse me. One in this House. One Republican voted for the health care bill.

Wall Street. We talked about Wall Street reform. Republicans vote against it; the Democrats vote for it.

We talk about the Consumer Protection Agency. The Republicans are opposed to it; the Democrats support it.

We talk about small business reforms which are in this bill and in other bills. The Republicans consistently vote against small business, the increase of the Small Business Administration.

We can go back through the major bills that this House has voted on. The American Recovery Act, known as the stimulus bill, Republicans voted against it.

You look at the energy and climate to break our addiction to oil. Democrats vote for it; Republicans vote against it.

You look at the Wall Street reform and the Consumer Protection Act. Democrats vote for it; Republicans consistently and in en bloc vote against it.

You talk about the gulf oil spill, the Deepwater Horizon oil spill. The Republicans blame the government and want to apologize rather than the instigator of the problem, BP.

On Social Security, the Republican leader wants to extend the age to 70 in order to get Social Security.

You talk about health care reform. We've discussed that already. The Republicans vote against it. They want to repeal it. They get into power in this House, they're going to repeal the reforms.

And unemployment and jobs, every single jobs bill they vote against. Every effort we have made to put people to work, whether it was in transportation—and that is in the American Recovery Act—or in the current jobs bills, keeping teachers employed, we want to employ teachers. They talk about the next generation, yes. But you don't educate that next generation, we're in trouble.

All of these things add up and it is, as you say, there's a string, there's a path, there are road signs here. Who's side are you on?

The Republicans have consistently sided with Big Oil, big health insurance companies. It's time for us to recognize the difference.

Mr. ELLISON. Well, I just want to say the gentleman, I think, is absolutely right. And I just want to say this as I think we're coming down to the final moments.

Mr. GARAMENDI. We are.

Mr. ELLISON. Look, the Republicans had their chance, and we are still reaping the bitter fruit of what their leadership has brought this country. They had 12 years between 1994 and 2006 in the Congress, and then they had 6 years with a Republican President. In that time, they did nothing about reforming Wall Street, though they had two Houses and the Presidency. They didn't do anything about reining in these banks. They didn't do anything about reforming regulation. They did nothing on health care.

And now they have the audacity to want to say, We want the wheel back. Yeah, we drove the car into a ditch, but we want the wheel back. We want to drive again. And you know what? It just can't happen.

I yield back to the gentleman.

Mr. GARAMENDI. The final point is this: In the 8 years of the George W. Bush administration, about a million net jobs were created. In the last 8 months to 9 months, more jobs have been created than in the entire George W. Bush administration. Now, that's a fact. Read it any way you want.

We're on the right road here. We want to continue that path.

Mr. ELLISON, thank you so very much. And it's good to know that the Packers are your team.

Mr. ELLISON. No, the Vikings. I like the Packers, but more, I like the Vikings.

Mr. GARAMENDI. But remember, in an NFL football game, you need a referee, and on Wall Street, you need a referee also.

ISSUES OF THE DAY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the Chair recognizes the gentleman from Texas (Mr. GOHMERT) for all the time remaining before midnight.

Mr. GOHMERT. Mr. Speaker, well, we heard from CBO, the Congressional Budget Office, rather interesting. Got a nice quote. Director Elmendorf announced that, in part of his statement he said, the gloomy, long-term picture is not an argument for rejecting additional spending now to bolster the economic recovery. Indeed, he said, "Enacting cuts in spending or increases in taxes now would probably slow the recovery."

If you read the charge for CBO, it's a little bit gray. But when you have an organization that can't seem to get right what the projections are for the costs, when you can't get the costs right for what is requested, as we saw with the health care bill, as we saw with so many things they projected, they have been hundreds of millions, billions, hundreds of billions of dollars off over time, and yet the Director's going to come in and tell us that enact-

ing spending cuts are going—well, they could jeopardize, possibly slow the recovery.

And it's been great to hear my colleagues talk about all the jobs that have been created. We know, for example, in the last month 431,000 jobs, new jobs have been created by this administration. And you really do have to give the administration credit for most of the jobs that were created last month, because when we got the numbers, of the 431,000 jobs, 411,000 of them were census workers. Great news. Unfortunately, those jobs are going to be gone just in a matter of a very few months. So there's 411,000 jobs.

And it's true, President Bush took office after the 2000 census had been completed so he didn't get to create 411,000 jobs in 1 month, as this administration has, for census workers. Unfortunately for him, the economy experienced the most incredible blow at a time coming off the dot-com bubble of the late nineties. The economy was hurting, and then 9/11 happened. And if it had not been for the tax cuts, we would have been surely in the midst of a great depression, perhaps like the 1930s. So the tax cuts helped stimulate the economy, helped get things going in a good way.

The problem is that once the Republicans not only had the House and Senate, like they did from 1995 to 2000, not only did they balance the budget—and the President doesn't do that. The Congress has to do that. But not only did they balance the budget in the Republican Congress, but they also reformed welfare, and for the first time since the beginning of welfare, after a welfare reform that the Congress did, and I think President Clinton vetoed it and then once they had the votes to override the veto the second time he didn't, he went ahead and signed it. Now he's quite proud of it because, out of that welfare reform, the fact is—and I saw this on the chart that was presented back in 2005 at Harvard, of all places.

□ 2330

I got the impression many of them were shocked. But when you looked at single women's income since welfare came into existence, when adjusted for inflation, their income was flatlined over that 30-year period. After welfare reform, they were pushed, basically pushed out of the rut, out of the rutted mess that the Federal Government had created for them and not allowed them out of. The welfare reform actually pushed them toward reaching their God-given potential. And so for the first time since welfare had been created in the 1960s, single women's income, when adjusted for inflation, started going up. And it continued.

But now, after Republicans got both the White House, and House, and Congress, they found out it was kind of fun to spend when you had a President that wouldn't veto anything. And then you

had a President that was sending over requests for more money than conservative Republicans really were comfortable with, and they would compromise, and it would still be more money than both should have spent.

There is apparently this giddiness that occurs when one party has the White House, House, and Senate like we have seen the last year-and-a-half. And even in the House and Senate in 2007 and 2008 we saw a great giddiness and just runaway spending like the country had never faced until the last year-and-a-half. And so when I hear about all these great jobs that are being created, more jobs in the last year-and-a-half than were created in the whole 8 years, I think they forgot to say what the President and Vice President always include, created and saved. Because when you say you saved a job, that means it's impossible to ever prove that. And it's impossible to disprove that.

You know, it's like that old story about the guy who says, "What is your job?" He says, "I keep elephants from running in this house." He says, "Well, there aren't any elephants around here." "That's right, I'm doing a great job, aren't I?"

Well, it's the same kind of deal. You know, they've saved, probably can take credit for saving every job in America if they want to, and I am sure at some point they will get to based upon the claims that are being made these days. But it's an interesting time.

And what we've also seen today was the passage of the financial reform bill. I was hoping for reform, but that's not what we got. And I know so many of my colleagues across the aisle have good hearts, good minds, and the best of intentions. But as we saw with TARP, many people on both sides of the aisle, and what we have seen since then, since this President took office, when this President says let's get this bill passed, then they can basically come up with 2,000 pages that only foolish idiots like me would try to read.

And so what they're left with, if you don't try to get through the boring reading is, you get the talking points. So well-meaning people, not believing that anybody would possibly give them talking points that weren't 100 percent accurate, come to the floor, and with the best of intentions, meaning well, read the talking points and say things like this will end the massive bailouts. Bless their hearts. They don't realize if they would read specific provisions of this bill they will find out it does just the opposite.

This financial reform bill that was passed today creates a systemic risk council. Let me tell you how systemic risk should be taken care of. Goldman Sachs gets greedy, runs their cart in a ditch, AIG gets greedy and sells insurance called credit default swaps and

they get their cart in a ditch, we have something called bankruptcy. You don't have to liquidate. Gosh, don't do that, because most of the departments at AIG, it sounds like were quite liquid. They were doing well. Just start splitting it up, selling it off. Then it will never be too big to fail again. But that's not what happened.

We've bailed out Goldman Sachs to the point that since this administration took office and cut all these contracts with Goldman Sachs, they had their highest profit year in the whole history of the country. While the country was hurting, they had record profits. And much of it has to be credited to this government. I am sure people meant well, but that's not the kind of financial reform we need when we got this financial reform bill today.

That financial reform bill today allows and creates this systemic risk council. They are going to get to pick the winners and losers. Washington, of all places, is going to get to decide you are too important to fail, you are too important to fail, you are too important to fail. We're going to pick the winners and losers. I don't like that when that's done from Washington, when Washington says, hey, down in your district, none of us live there, but here's who you need to elect. You know, why don't you let the district, why don't you let the people there in the district decide. Washington gets around to saying this is the business we think is too important to fail. You know, it's insane.

And the health care bill that was passed, the ObamaCare bill, it had all kinds of stuff in there that was going to let the government get their two cents in and take over control of so many aspects, not just the health care. I mean they ordered things for restaurants, and machines, and all kinds of stuff in it. It wasn't about health care. It was about GRE, government running everything. And so that's what this financial bill is about.

And then also we find out today in our Natural Resources hearing, Mr. SALAZAR, and I know this will be a shock to my former freshman classmate Member of Congress Bobby Jindal, but I am reading from Secretary Salazar's testimony today in our hearing, and I've got to get word to Mr. Jindal, Governor Jindal. He said, and I am quoting, "Secretary Napolitano, Director Browner, and myself, frankly, we were in the gulf coast probably within—been down there 10 times there in Houston since it started. But we made a call from the command center"—I guess that's in Houston—"to Secretary Gates and to the White House that essentially gave the authorization to the States to move forward with the Coast Guard within a few days after this incident occurred. So it is for me, frankly, surprising that you do not have the governors of these States

moving forward with the deployment of these National Guard troops."

Oh, that's great. With all the failures of this Department of Interior, the Secretary has the nerve to come in and blame the governors of those States that have tried to play by the rules and say, look, we understand your law that you have from Washington, we have to get your permission, so please, how about giving us permission? And then he comes in here today and says, I'm frankly surprised they didn't move forward with their National Guard troops.

Give me a break. What kind of gall does it take to come into a committee, oh, gee, I don't know why the governors didn't do more. I've been to Houston 10 times. How about getting out there where the rubber meets the road? Or even better, when you were sending—when the Secretary, Mr. Speaker, was sending two inspectors to the offshore rigs to inspect, and we find out their only check and balance was to say we'll send them out in pairs. The last two that went out there were a father and son unionized team. And we don't know, the director couldn't tell us in committee, he said that's under investigation. You don't get to see what the investigation is here in Congress, but that's under investigation.

□ 2340

We'll get back to you on that after we've done what we want to do.

I tell you, it's just unbelievable what's gone on. And then we hear, gee, these things that the public is so outraged about, Washington doing, we're probably going to wait until a lame duck session when the public may vote people out that they're mad at because they're wanting to do things, and then they can just pass it because they won't care because they will have already been voted out of office.

I'm telling you, Mr. Speaker, that is the wrong thing to do. It is wrong morally, ethically. It's just wrong. If people get voted out of office because they were thinking about doing something, talking about doing something, they should not come in here and do it after they've been voted out.

And then we have all of this indignation from the northeast about some of the things going on in the gulf, and then low and behold, gosh, news here. I didn't notice it when it came through. Here's an article from February 2, 2010. Coast Guard's been busy and not just with the gulf coast. This was February 2, 2010. "U.S. Coast Guard officials say they've developed a security plan to allow the safe passage of tankers carrying liquefied natural gas from Yemen through the Port of Boston."

Then it goes on to quote Coast Guard Captain John Healey and to quote Coast Guard Commandant Thad Allen, if that rings a bell. He's saying that it could include additional screening of the crew, extra inspections on the ship.

And then it goes on to say: "One of the top concerns for security officials is making sure no stowaways manage to board the tankers at the port in Yemen," where terrorists seem to be going and coming from these days so often, or during the voyage.

"That's really the key here, to ensure that we have a security force on board ship that's checking the ship while it's loading and while it's in Yemeni waters to guarantee that no one who's not authorized gets aboard the ship."

Because they're saying, see, the contract used to be with countries that were completely friendly who had never sent a terrorist here or a terrorist to be trained in other areas or allowed Yemen to be, or their country to be, a place of safety for terrorists that wanted to destroy our country or from which an attack on one of our U.S. ships happened. We had a contract that had liquefied natural gas from other countries. The fact is if we allowed the gas to be produced from this country, we have over 100 years' worth of natural gas if it were allowed to be produced.

But, no, we're going to risk bringing in a tanker from Yemen. Not just a tanker. This says the contract's for 20 years to bring tankers with natural gas loaded into Boston Harbor. Think about an explosion on that ship. That's what the article points out. You talk about a terrorist attack. Man, we're gonna bring in the bomb from Yemen where the terrorists have been located so often.

And then it turns out people on Capitol Hill have been getting calls that raised a question about it, is this really a good idea. They get a call, look, we're trying to build up Yemen. We're trying to help this country that's supporting our enemies so maybe they'll like us better. Let me tell you, I got a U.N. voting accountability bill. I filed it all three sessions. I'm hopeful we'll get it to the floor. We're going to file for a discharge petition to require it to be brought to the floor.

It's very simple. It says any country—every country is its own sovereign. They can do what it wants. But any country that votes against us in more than half of the contested votes in the U.N., they're just getting no financial assistance from us. As I have been quoted before saying, you don't have to pay people to hate you. They'll hate you for free. So why are we pouring billions and billions of dollars into countries hoping eventually they're going to like us. They're not. You don't buy friendliness.

The SPEAKER pro tempore. The gentleman from Texas is recognized for the remainder of the time until midnight.

Mr. GOHMERT. You can't buy friendship. Didn't people learn that on the playground? You can give somebody

your sandwich, you can give somebody your lunch money and hope that they leave you alone, but all they do is keep coming back for more sandwiches or more money. You can't buy love and affection because you are looked at as a John, not as a lover. It's tragic, but that's what we're doing: trying to buy love and affection from people that hate us. It doesn't work.

So here we've got this natural gas contract supposedly going on for the next 20 years. And we have over 100 years of natural gas that's already been found in this country. There's no massive oil spills that come from that.

A wonderful Democrat friend across the aisle did some of his growing up over in Longview, Texas, has a bill to start getting cars, put that incentive out there, get cars on to natural gas. That will be a huge help because we have so much natural gas in this country that it will eliminate so much of our dependence on foreign oil. So Dan's got a good bill.

And yet the answer apparently from this administration is we're going to buy—not use our own natural gas—we're going to buy it from Yemen hoping they'll like us better. Maybe they won't try to blow up our ships and be a safe haven for terrorists who want to blow up our country.

But that's what we're looking at. It isn't good. It's rather tragic.

A lot more I could say about that, but I just could not get over the gall of the Secretary of the Interior to come in here and demean those Governors. But the message should go out to Governors all over the areas potentially affected by the oil spill in the gulf created by British Petroleum, who, if it were in the old days, ought to be horsewhipped, those who are responsible. We'll find out for sure exactly what happened. And when we do—it sounds like we're getting word as to what happened. There were corners being cut right and left.

The safety record of BP compared to the other oil companies was abysmal. But when we find out that they were the best friends that this administration had in the oil business and they were the best friends for our Democrat Senators down the aisle, down the Hall here, we find out that their lobbyists are mostly close friends of this administration and our Democratic friends down the Hall here, they realize heck, they should have had their back covered. They were close enough. They were supporting the climate, actually the global warming bill, now called climate change bill because turns out the planet's not warming. But that's a whole other subject. But is it so hard to understand why they thought their back was covered?

While the Deepwater Horizon rig was sinking in the gulf after the explosion, Senator KERRY was still getting hold of British Petroleum. Some of the arti-

cles we found. He was still getting hold of them hoping they'll stay on board with the climate change bill.

The administration, of course, would not want to jump on their big oil company friends. Their support in the elections, it was so helpful. Their support for, like, even the gas hike, the gas tax hike that is being proposed. Some of the things nobody else in the industry would support it would seem. BP was their buddy.

So it makes sense that the administration wouldn't immediately want to jump on BP. They're hoping that BP wasn't lying to them, that they will get this thing under control and it will be all right. Then they come through here and push through their global warming bill and get that done, the crap-and-trade bill that is going to create, as former chairman of Energy and Commerce, former Chairman DINGELL, had indicated this is not only a tax, it is a great big tax, which apparently may have had something to do with him losing his chairmanship.

Anyway, let's think about what we're doing because it has dramatic effects across the country.

□ 2350

Of course, we know we are also telling Israel not to—or apparently this administration has been telling Israel, Just lay off. Let them build the illegal Palestinian settlements. Don't try to defend yourself. Get ready to give away more land. We are putting on all this pressure. Don't defend yourself even though Iran is developing—now we know—enough uranium for two bombs. Of course, one would be enough to wipe out much of Israel, but don't defend yourself. We're putting all that pressure on them. That doesn't make sense.

Why would we do that to our best ally in the Middle East, to one of the best friends this country could have in the whole world, to one of the few—maybe sometimes the only one—that truly stands up with us like 95 percent of the time in the U.N. more than most anybody else? Yet we're turning our backs on them, and we're telling them not to protect their own country. Don't stand for what is going to help Israel stand? Why would they do that?

Then we start seeing things that help it make sense, like with this sign. Now, down in Arizona, it turns out we've got a wilderness area down in Arizona that the park police can go in but not with any mechanized vehicles or mechanical equipment that is motorized. Also, the Border Patrol can't go there. The only people who can go there with impunity are people illegally going through, and that is why this warning sign says: Active drug and human smuggling area.

It is like the city that spends more to put up a sign that says there is a bump in the road than it would cost them just to fix the bump. Don't put up a sign. Fix the problem. This is the

United States. Why are we just saying, Hey, look. Here is a sign. There is active drug and human smuggling in this area. They are coming through with mechanized vehicles and with all kinds of motorized things they may be using. They are violent. It says visitors may encounter armed criminals and smuggling vehicles traveling at high rates of speed. That is because only the illegals can come through here using vehicles, because we don't let the Border Patrol in there with vehicles, and we know law enforcement gets shot.

Then it starts to make sense. Oh, okay. We're just trying to avoid being hypocrites as a nation. We are telling Israel not to defend itself, to let people overrun them and to let those rockets fly constantly. Don't bother to check the ships that come in, the flotillas that come into the Gaza Strip. Just let the rockets keep flying. We are able to say that without being hypocrites because that's what we're doing. We're not protecting ourselves.

We say, Look, Israel. Get over it. We are letting ourselves be overrun. We're letting people come in illegally armed. We've let them take over part of the United States and we're not doing anything about it, so we're not being hypocritical when we say, Don't protect yourself, Israel. We're doing the same thing, see?

That will make Israel feel better to know that we are not protecting ourselves. We have just turned over part of the United States of America to armed criminals who are illegally in this country.

The truth is neither one of those is a good idea. The truth is Israel should defend itself. They should be able to stop the rockets that are attacking them from coming into areas. They should be able to stop illegal settlements. They should be able to do all of the things that are necessary for a nation to protect and preserve its national integrity.

We lost a Senator this week. My time is running short, so I want to get through as much of this incredible speech as I can. I want it understood this was a speech given by Senator ROBERT BYRD, in 1962, after the Supreme Court decision to eliminate prayer in schools. This is from the official record. As time will permit, I will read Senator ROBERT BYRD's speech from 1962.

You know, one of the things I love about America is, for the most part, it is a very forgiving country. A man who had been part of the Ku Klux Klan later was repentant. He was very sorry for being part of that organization, and he changed his ways and was completely embraced by his colleagues. This is Senator BYRD's speech from 1962:

"Mr. President, Thomas Jefferson expressed the will of the American majority in 1776 when he included in the Dec-

laration of Independence the statement that 'all men are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness.'

"Little could Mr. Jefferson suspect, when penned that line, that the time would come when the Nation's highest court would rule that a nondenominational prayer to the Creator, if offered by schoolchildren in the public schools of America during class periods, is unconstitutional.

"The June 25 Supreme Court decision is sufficiently appalling to disturb the God-fearing people of America and to make us all reflect upon the extraordinary nature of the times. For what, indeed, can we expect to happen next if this is to be the way things are going? Following the French Revolution, the atheist revolutionists hired a chorus girl to enter a church as the 'Goddess of Reason' and thereby defile the name of the Almighty. Following the Russian Revolution, the Bolshevik Government established a giant museum, dedicated to the promotion of atheistic beliefs."

I've been in that museum. I was sick to the point of nauseam, but back to ROBERT BYRD's speech.

"The American people were shocked by both moves. So it was in those days. But what about today? Can it be that we, too, are ready now to embrace the foul conception of atheism?

"It is hard to believe, but, then, what are the facts of the matter? Are we not in consequence of the Supreme Court ruling on schoolroom prayer, actually limited in teaching our children the value of God? And is this not, in fact, a first step on the road to promoting atheistic belief?"

As I turn the page of Mr. BYRD's speech on the Senate floor, let me parenthetically note that ROBERT BYRD's Christian beliefs are what caused him to disavow his membership and to ask forgiveness for his membership to the KKK. It went to the heart and soul of the man, and that is why he came to the floor in 1962 and gave this speech. Continuing on:

"In reading through the Court decision on school prayer, I am astonished by the empty arguments set forth by the majority as opposed to the lucid opinion recorded by Mr. Justice Potter Stewart, the lone dissenter. In answering the arguments of the majority, Justice Stewart did not see fit to engage in debate over matters of ancient history. As he put it:

"What is relevant to the issue here is not the history of an established church in 16th century England or in 18th century America but the history of the religious traditions of our people, reflected in countless practices of the institutions and officials of our government."

"To that, I would say, 'Amen.'"

"So this, indeed, the crux of the issue—the religious traditions of our people.

"Wherever one may go in this great national city, he is constantly reminded of the strong spiritual awareness of our forefathers who wrote the Federal Constitution, who built the schools and churches, who hewed the forests, dredged the rivers and the harbors, fought the savages, and created a republic.

"In no other place in the United States are there so many and such varied official evidences of deep and abiding faith in God on the part of government as there are in Washington.

"Let us speak briefly on some of the reminders in Washington that reaffirm the proposition that our country is founded on religious principles. The continuance of freedom depends on our restoring the same spiritual consciousness to the mainstream of American life today that made possible these monuments and tributes of the past.

"A visitor entering Washington by train sees the words of Christ prominently inscribed above the main arch leading into Union Station. Here at the very entrance to the seat of the Government of the United States are the words: 'The truth shall make you free.' John 8:32.

"Nearby is another inscription cut into enduring stone, the words from the Eighth Psalm of the Old Testament: 'Thou hast put all things under his feet.'

"A third inscription reiterates the spiritual theme: 'Let all the end thou aimest at be thy country's, thy God's and truth's.'

"All three inscriptions acknowledge the dependence of our Republic upon the guiding hand of Almighty God.

"On Capitol Hill.

"Throughout the majestic Capital City, similar inscriptions testify to the religious faith of our forefathers. In the capital, we find prominently displayed for all of us to see the quotation from the Book of Proverbs, 4:7:

"Wisdom is the principal thing: Therefore, get wisdom, and with all thy getting, get understanding."

"The visitor to the Library of Congress may see a quotation from the Old Testament which reminds each American of his responsibility to his Maker. It reads, 'What doth the Lord require of thee but to do justice, to love mercy and to walk humbly with God?' Micah 6:8.

"Another scriptural quotation prominently displayed in the lawmakers' library preserves the Psalmist's acknowledgment that all nature reflects the order and beauty of the Creator.

"The heavens declare the glory of God, and the firmament showeth His handiwork.' Psalms 19:1.

"Underneath the statue of history in the Library of Congress are Tennyson's prophetic lines:

"One God, one law, one element, and one far-off divine event to which the whole creation moves."

“Additional proof that American national life is God-centered comes from this Library of Congress inscription: ‘The light shineth in the darkness, and the darkness comprehendeth not.’ John 1:5.

“On the east hall of the second floor of the Library of Congress, an anonymous inscription assures all Americans that they do not work alone—for a web begun, God sends thread.”

I realize that my time is expiring at this moment. There is much, much more in this wonderful speech by the now late Senator ROBERT BYRD, and I will not stop in future sessions here on the floor until I have finished this wonderful speech by ROBERT BYRD.

Though, for tonight, since I believe in playing by the rules, the rules require me to yield back. I do now yield back the balance of my time.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. KAPTUR) to revise and extend their remarks and include extraneous material:)

Ms. SUTTON, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. SCHIFF, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

SENATE CONCURRENT RESOLUTION REFERRED

A concurrent resolution of the Senate of the following title was taken from the Speaker's table, and, under the rule, referred as follows:

S. Con. Res. 67. Concurrent resolution celebrating 130 years of United States-Romanian diplomatic relations, congratulating the Romanian people on their achievements as a great nation, and reaffirming the deep bonds of trust and values between the United States and Romania, a trusted and most valued ally; to the Committee on Foreign Affairs.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The Speaker announced her signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 33. Joint resolution to provide for the reconsideration and revision of the proposed constitution of the United States Virgin Islands to correct provisions inconsistent with the Constitution and Federal law.

ADJOURNMENT

Mr. GOHMERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at midnight), the House ad-

journed until tomorrow, Thursday, July 1, 2010, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XIV, executive communications were taken from the Speaker's table and referred as follows:

8177. A letter from the Under Secretary, Department of Defense, transmitting the Department's 2010 Report to Congress on Sustainable Ranges, pursuant to Section 366 of the National Defense Authorization Act for Fiscal Year 2003; to the Committee on Armed Services.

8178. A letter from the Assistant Secretary, Department of Defense, transmitting the National Guard Youth Challenge Program Annual Report for Fiscal Year 2009, pursuant to 32 U.S.C. 509(k); to the Committee on Armed Services.

8179. A letter from the Under Secretary, Department of Defense, transmitting authorization of 14 officers to wear the authorized insignia of the grade of major general and brigadier general, as appropriate; to the Committee on Armed Services.

8180. A letter from the Chair, Congressional Oversight Panel, transmitting the Panel's monthly report pursuant to Section 125(b)(1) of the Emergency Economic Stabilization Act of 2008, Pub. L. 110-343; to the Committee on Financial Services.

8181. A letter from the Chief Counsel, Department of Homeland Security, transmitting the Department's final rule — Suspension of Community Eligibility [Docket ID: FEMA-2010-0003] [Internal Agency Docket No. FEMA-8133] received June 17, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8182. A letter from the Secretary, Department of Health and Human Services, transmitting the Department's report on the Community Services Block Grant Program Report and the Community Services Block Grant Performance Measurement Report for Fiscal Year 2007, pursuant to Section 680 of the Community Services Block Grant Act of 1981 as amended; to the Committee on Education and Labor.

8183. A letter from the Assistant Secretary, Employee Benefits Security Administration, Department of Labor, transmitting the Department's final rule — Adoption of Amendment to the Class Exemption for the Release of Claims and Extensions of Credit in Connection With Litigation (PTE 2003-39) [Application No. D-11337] received June 15, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and Labor.

8184. A letter from the Administrator, U.S. Energy Information Administration, Department of Energy, transmitting the Administration's report entitled, “Annual Energy Outlook 2010”; to the Committee on Energy and Commerce.

8185. A letter from the Secretary, Department of Health and Human Services, transmitting Report to Congress: Tobacco Prevention and Control Activities in the United States, 2005-2007, pursuant to Public Law 98-474, section 3(c); to the Committee on Energy and Commerce.

8186. A letter from the Division Chief, CPD, WCB, Federal Communications Commission, transmitting the Commission's final rule — Local Number Portability Porting Interval and Validation Requirements [WC Docket No.: 07-244] Telephone Number Portability [CC Docket No.: 95-116] received June 15, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8187. A letter from the Chair, Commission on International Religious Freedom, transmitting the Commission's 2010 Annual Report covering the period April 2009 through March 2010, pursuant to 22 U.S.C. 6412 Public Law 105-292 section 102; to the Committee on Foreign Affairs.

8188. A letter from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting report prepared by the Department of State concerning international agreements other than treaties entered into by the United States to be transmitted to the Congress within the sixty-day period specified in the Case-Zablocki Act; to the Committee on Foreign Affairs.

8189. A letter from the President, Asia Foundation, transmitting the Foundation's 2009 Annual Report and Project List; to the Committee on Foreign Affairs.

8190. A letter from the Members, Broadcasting Board of Governors, transmitting the Board's semiannual report from the office of the Inspector General for the period October 1, 2009 through March 31, 2010, pursuant to 5 U.S.C. app. (Insp. Gen. Act), section 5(b); to the Committee on Oversight and Government Reform.

8191. A letter from the Director, Environmental Protection Agency, transmitting the Agency's annual report for FY 2009 prepared in accordance with Section 203 of the Notification and Federal Employee Antidiscrimination and Retaliation Act of 2002 (No FEAR Act), Public Law 107-174; to the Committee on Oversight and Government Reform.

8192. A letter from the Acting Senior Procurement Executive, General Services Administration, transmitting the Administration's final rule — Federal Acquisition Regulation; FAR Case 2009-025, Disclosure and Consistency of Cost Accounting Practices for Contracts Awarded to Foreign Concerns [FAC 2005-42; FAR Case 2009-025; Item IX; Docket 2010-0087, Sequence 1] (RIN: 9000-AL58) received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

8193. A letter from the Acting Senior Procurement Executive, General Services Administration, transmitting the Administration's final rule — Federal Acquisition Regulation; FAR Case 2009-013, Nonavailable Articles [FAC 2005-42; FAR Case 2009-013; Item VIII; Docket 2009-0026; Sequence 1] (RIN: 9000-AL40) received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

8194. A letter from the Acting Senior Procurement Executive, General Services Administration, transmitting the Administration's final rule — Federal Acquisition Regulation; Federal Acquisition Circular 2005-42; Small Entity Compliance Guide [Docket FAR 2010-0077, Sequence 4] received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

8195. A letter from the Acting Senior Procurement Executive, General Services Administration, transmitting the Administration's final rule — Federal Acquisition Regulation; Federal Acquisition Circular 2005-42; Introduction [Docket FAR 2010-0076, Sequence 4] received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

8196. A letter from the Acting Senior Procurement Executive, General Services Administration, transmitting the Administration's final rule — Federal Acquisition Regulation; FAR Case 2009-012, American Recovery and Reinvestment Act (the Recovery Act) of 2009—Whistleblower Protections

[FAC 2005-42; FAR Case 2009-012; Item I; Docket 2009-0009, Sequence 1] (RIN: 9000-AL19) received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

8197. A letter from the Acting Senior Procurement Executive, General Services Administration, transmitting the Administration's final rule — Federal Acquisition Regulation; FAR Case 2005-040, Electronic Subcontracting Reporting System (eSRS) [FAC 2005-42; FAR Case 2005-040; Item II; Docket 2008-0001, Sequence 26] (RIN: 9000-AK95) received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

8198. A letter from the Acting Senior Procurement Executive, General Services Administration, transmitting the Administration's final rule — Federal Acquisition Regulation; FAR Case 2009-010, American Recovery and Reinvestment Act of 2009 (the Recovery Act) — Publicizing Contract Actions [FAC 2005-42; FAR Case 2009-010; Item III; Docket 2008-0010, Sequence 1] (RIN: 9000-AL24) received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

8199. A letter from the Acting Senior Procurement Executive, General Services Administration, transmitting the Administration's final rule — Federal Acquisition Regulation; FAR Case 2008-003, Public Disclosure of Justification and Approval Documents for Noncompetitive Contracts — Section 844 of the National Defense Authorization Act for Fiscal Year 2008 [FAC 2005-42; FAR Case 2005-003; Item IV; Docket 2008-0001, Sequence 27] (RIN: 9000-AL13) received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

8200. A letter from the Acting Senior Procurement Executive, General Services Administration, transmitting the Administration's final rule — Federal Acquisition Regulation; FAR Case 2008-007, Additional Requirements for Market Research [FAC 2005-42; FAR Case 2008-007; Item V; Docket 2010-0086, Sequence 1] (RIN: 9000-AL50) received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

8201. A letter from the Acting Senior Procurement Executive, General Services Administration, transmitting the Administration's final rule — Federal Acquisition Regulation; FAR Case 2009-014, New Designated Country-Taiwan [FAC 2005-42; FAR Case 2009-014; Item VII; Docket 2009-0027, Sequence 1] (RIN: 9000-AL34) received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

8202. A letter from the Acting Senior Procurement Executive, General Services Administration, transmitting the Administration's final rule — Federal Acquisition Regulation; FAR Case 2009-011, American Recovery and Reinvestment Act of 2009 (Recovery Act) — GAO/IG Access [FAC 2005-42; FAR Case 2009-011; Item VI; Docket 2009-0012, Sequence 1] (RIN: 9000-AL20) received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

8203. A letter from the Director of Legislative Affairs, Office of the Director of National Intelligence, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Oversight and Government Reform.

8204. A letter from the Chairman, Pension Benefit Guaranty Corporation, transmitting

the Inspector General's semiannual report to Congress for the reporting period April 1, 2009 through September 30, 2010, pursuant to Section 5(b) of the Inspector General Act of 1978; to the Committee on Oversight and Government Reform.

8205. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Northeastern United States; Northeast Multispecies Fishery; Reductions to Trip Limits for Five Groundfish Stocks [Docket No.: 0910051338-0151-02] (RIN: 0648-XW52) received June 17, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

8206. A letter from the Deputy Assistant Administrator for Operations, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Northeastern United States; Northeast Multispecies Fishery; Revisions to Framework Adjustment 44 to the Northeast Multispecies Fishery Management Plan and Sector Annual Catch Entitlements; Updated Annual Catch Limits for Sectors and the Common Pool for Fishing Year 2010 [Docket No.: 0910051338-0167-03] (RIN: 0648-AY29) received June 17, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

8207. A letter from the Attorney General, Department of Justice, transmitting letter advising of the Department's decision not to petition the Supreme Court to review the case *SpeechNow.org v. FEC*, Nos. 08-5223 and 09-5342 (D.C. Cir.), pursuant to 28 U.S.C. 530D; to the Committee on the Judiciary.

8208. A letter from the Paralegal Specialist, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; GA 8 Airvan (Pty) Ltd Models GA8 and GA8-TC320 Airplanes [Docket No.: FAA-2010-0463; Directorate Identifier 2010-CE-021-AD; Amendment 39-16280; AD 2010-10-01] (RIN: 2120-AA64) received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8209. A letter from the General Counsel, National Mediation Board, transmitting the Board's final rule — Representation Election Procedure [Docket No.: C-6964] (RIN: 3140-ZA00) received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8210. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Research Credit — Intra-Group Receipts from Foreign Affiliates (UIL NO.: 41.51-11) received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8211. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Interest and Penalty Suspension Provisions Under Section 6404(g) of the Internal Revenue Code [TD 9488] (RIN: 1545-BE07) received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8212. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Built-in Gains and Losses under Section 382(h) [TD 9487] (RIN: 1545-BG03) received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8213. A letter from the Chief, Publications and Regulations Branch, Internal Revenue

Service, transmitting the Service's final rule — Request for Comments: Modification to the Regulations Under Section 382 Regarding the Treatment of Shareholders Who Are Not 5-Percent Shareholders [Notice 2010-49] received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8214. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Section 382(l)(3)(C) [Notice 2010-50] received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8215. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Indoor Tanning Services; Cosmetic Services; Excise Taxes [TD 9486] (RIN: 1545-BJ41) received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8216. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Prevention of Over-Withholding and U.S. Tax Avoidance With Respect to Certain Substitute Dividend Payments [Notice 2010-46] received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PERLMUTTER: Committee on Rules. House Resolution 1490. Resolution providing for consideration of the conference report to accompany the bill (H.R. 4173) to provide for financial regulatory reform, to protect consumers and investors, to enhance Federal understanding of insurance issues, to regulate the over-the-counter derivatives markets, and for other purposes (Rept. 111-518). Referred to the House Calendar.

Mr. CARDOZA: Committee on Rules. House Resolution 1495. Resolution providing for consideration of the bill (H.R. 5618) to continue Federal unemployment programs, and waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules (Rept. 111-519). Referred to the House Calendar.

Mr. CARDOZA: Committee on Rules. House Resolution 1496. Resolution waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules (Rept. 111-520). Referred to the House Calendar.

Mr. CONYERS: Committee on the Judiciary. H.R. 5503. A bill to revise laws regarding liability in certain civil actions arising from maritime incidents, and for other purposes; with an amendment (Rept. 111-521, Pt. 1). Referred to the Committee of the Whole House on the state of the Union.

DISCHARGE OF COMMITTEE

Pursuant to clause 2 of rule XIII, the Committee on Transportation and Infrastructure discharged from further consideration. H.R. 5503 referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. BUYER:

H.R. 5641. A bill to amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to enter into contracts for the transfer of veterans to non-Department adult foster homes for veterans who are unable to live independently; to the Committee on Veterans' Affairs.

By Mr. FILNER (for himself and Mr. BUYER):

H.R. 5642. A bill to codify increases in the rates of pension for disabled veterans and surviving spouses and children that were effective as of December 1, 2009; to the Committee on Veterans' Affairs.

By Mr. DEFAZIO (for himself, Mr. CAMPBELL, Mr. GEORGE MILLER of California, Mr. GRIJALVA, Mr. HINCHEY, Mr. MORAN of Virginia, Mr. MCGOVERN, Mrs. MALONEY, Ms. MCCOLLUM, Mr. TERNEY, Mr. SMITH of Washington, and Mr. KUCINICH):

H.R. 5643. A bill to amend the Toxic Substances Control Act to prohibit the use, production, sale, importation, or exportation of the poison sodium fluoroacetate (known as "Compound 1080") and to prohibit the use of sodium cyanide for predator control; to the Committee on Energy and Commerce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BLUMENAUER (for himself, Mr. HOLT, Mr. QUIGLEY, Ms. LEE of California, Mr. HINCHEY, Mr. WELCH, Ms. SCHAKOWSKY, Mr. MORAN of Virginia, Ms. GIFFORDS, Ms. PINGREE of Maine, Mr. CARNAHAN, Mr. COHEN, Mr. TONKO, Mr. POLIS, and Mr. MCDERMOTT):

H.R. 5644. A bill to amend the Internal Revenue Code of 1986 to repeal fossil fuel subsidies for large oil companies; to the Committee on Ways and Means.

By Mr. NUNES (for himself, Mr. MCCARTHY of California, Mr. HERGER, Mr. BISHOP of Utah, Mr. CHAFFETZ, Mr. ROGERS of Kentucky, Mr. BURTON of Indiana, Mr. LEWIS of California, Mr. MICA, Mr. DUNCAN, Mr. HUNTER, and Mr. REHBERG):

H.R. 5645. A bill to require the Director of National Drug Control Policy to develop a Federal Lands Counterdrug Strategy and to provide for enhanced penalties for certain drug offenses on Federal lands; to the Committee on the Judiciary, and in addition to the Committees on Natural Resources, Agriculture, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. COHEN:

H.R. 5646. A bill to designate the FAA Air Control Tower located at Memphis International Airport as the Freedom Tower; to the Committee on Transportation and Infrastructure.

By Mr. HELLER:

H.R. 5647. A bill to provide a temporary extension of unemployment insurance, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Appropriations, Education and Labor, the Budget, Oversight and Govern-

ment Reform, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BILIRAKIS:

H.R. 5648. A bill to amend title 38, United States Code, to reinstate criminal penalties for persons charging veterans unauthorized fees; to the Committee on Veterans' Affairs, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BOUCHER (for himself and Mr. SMITH of Texas):

H.R. 5649. A bill to promote neutrality, simplicity, and fairness in the taxation of digital goods and digital services; to the Committee on the Judiciary.

By Mr. BRADY of Texas (for himself, Mr. ORTIZ, Mr. DEUTCH, Mr. YOUNG of Florida, Mr. REICHERT, Mr. DANIEL E. LUNGREN of California, Mr. GRAVES of Missouri, Mrs. BLACKBURN, Mr. BUCHANAN, Mr. SCALISE, Mr. OLSON, Ms. JENKINS, and Mrs. CAPITO):

H.R. 5650. A bill to extend the National Flood Insurance Program to May 31, 2011; to the Committee on Financial Services.

By Ms. HERSETH SANDLIN:

H.R. 5651. A bill to designate the Federal building and United States courthouse located at 515 9th Street in Rapid City, South Dakota, as the "Andrew W. Bogue Federal Building and United States Courthouse"; to the Committee on Transportation and Infrastructure.

By Mrs. MALONEY (for herself, Mr. GRIJALVA, Mrs. CAPPS, Mr. MORAN of Virginia, Mr. MCGOVERN, Mr. FARR, Ms. LEE of California, Ms. BALDWIN, Ms. MOORE of Wisconsin, Mrs. DAVIS of California, Ms. SCHAKOWSKY, and Mr. KUCINICH):

H.R. 5652. A bill to direct the Federal Trade Commission to prescribe rules prohibiting deceptive advertising of abortion services; to the Committee on Energy and Commerce.

By Mr. MCCLINTOCK (for himself and Ms. MATSUI):

H.R. 5653. A bill to authorize the Secretary of the Interior to acquire the Gold Hill Ranch in Coloma, California; to the Committee on Natural Resources.

By Mr. MCDERMOTT (for himself, Mr. ISRAEL, Mr. LANGEVIN, Mr. CONNOLLY of Virginia, Mr. HIMES, Ms. SUTTON, Mr. HINCHEY, Mr. BLUMENAUER, and Mr. LEWIS of Georgia):

H.R. 5654. A bill to amend the Workforce Investment Act of 1998 to provide oil spill relief employment, and for other purposes; to the Committee on Education and Labor, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MEEK of Florida (for himself, Mr. BOYD, Ms. CORRINE BROWN of Florida, Ms. GINNY BROWN-WAITE of Florida, Mr. BUCHANAN, Ms. CASTOR of Florida, Mr. CRENSHAW, Mr. LINCOLN DIAZ-BALART of Florida, Mr. MARIO DIAZ-BALART of Florida, Mr. GRAYSON, Mr. HASTINGS of Florida, Mr. KLEIN of Florida, Ms. KOSMAS, Mr. MACK, Mr. MICA, Mr. MILLER of Florida, Mr. POSEY, Mr. PUTNAM, Mr. ROONEY, Ms. ROS-LEHTINEN, and Ms. WASSERMAN SCHULTZ):

H.R. 5655. A bill to designate the Little River Branch facility of the United States Postal Service located at 140 NE 84th Street in Miami, Florida, as the "Jesse J. McCrary, Jr. Post Office"; to the Committee on Oversight and Government Reform.

By Ms. MOORE of Wisconsin (for herself, Mr. STARK, Mr. CONYERS, Mr. MEEKS of New York, Mr. FILNER, Ms. KILPATRICK of Michigan, Ms. LEE of California, Mr. SERRANO, Mr. HASTINGS of Florida, Mr. CLAY, Ms. FUDGE, Mr. SCOTT of Virginia, Mr. GRIJALVA, Mr. OLVER, Ms. WATSON, Mr. BRADY of Pennsylvania, and Mr. DAVIS of Illinois):

H.R. 5656. A bill to amend the American Recovery and Reinvestment Act of 2009 to extend the period for which certain nutrition assistance may be provided under the Food and Nutrition Act of 2008; to the Committee on Agriculture.

By Mr. QUIGLEY:

H.R. 5657. A bill to amend the Outer Continental Shelf Lands Act to ensure that protection of the marine and coastal environment is of primary importance in making areas of the outer Continental Shelf available for leasing, exploration, and development rather than expeditious development of oil and gas resources, to prohibit oil and gas leasing, exploration, and development in important ecological areas of the outer Continental Shelf, and for other purposes; to the Committee on Natural Resources.

By Mr. EHLERS (for himself and Mr. DICKS):

H. Con. Res. 292. Concurrent resolution supporting the goals and ideals of National Aerospace Week, and for other purposes; to the Committee on Science and Technology.

By Mr. PERLMUTTER:

H. Con. Res. 293. Concurrent resolution providing for a conditional adjournment of the House of Representatives and a conditional recess or adjournment of the Senate; considered and agreed to.

By Mr. PERRIELLO (for himself, Mr.

SHULER, Mr. BOUCHER, Mr. CONNOLLY of Virginia, Mr. GOODLATTE, Mr. MORAN of Virginia, Mr. NYE, Mr. WITTMAN, Mr. WOLF, Mr. PRICE of North Carolina, Mr. MILLER of North Carolina, Mr. KISSELL, Ms. FOXX, Mr. MCHENRY, Mr. COBLE, and Mr. MCINTYRE):

H. Con. Res. 294. Concurrent resolution commemorating the 75th Anniversary of the Blue Ridge Parkway; to the Committee on Natural Resources.

By Mr. KING of New York:

H. Res. 1489. A resolution calling for an independent international investigation of the April 10, 2010, plane crash in Russia that killed Poland's president Lech Kaczynski and 95 other individuals; to the Committee on Foreign Affairs.

By Mr. WILSON of South Carolina (for

himself, Mr. INGLIS, Mr. CONAWAY, Ms. ROS-LEHTINEN, Mr. DUNCAN, Mr. CANTOR, Ms. FOXX, Mr. BROWN of South Carolina, Mr. BARRETT of South Carolina, Mr. SPRATT, Ms. BORDALLO, Mr. INSLEE, Mr. ROE of Tennessee, and Mr. WESTMORELAND):

H. Res. 1491. A resolution congratulating the University of South Carolina Gamecocks on winning the 2010 NCAA Division I College World Series; to the Committee on Education and Labor.

By Mr. SPRATT:

H. Res. 1492. A resolution providing for budget enforcement for fiscal year 2011; to the Committee on the Budget, and in addition to the Committee on Rules, for a period

to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SPRATT:

H. Res. 1493. A resolution providing for budget enforcement for fiscal year 2011; to the Committee on the Budget, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. SUTTON (for herself, Mr. POMEROY, Mr. VAN HOLLEN, Mr. PLATTS, Mr. PETRI, Mr. CHAFFETZ, Mr. RYAN of Ohio, Mr. WILSON of Ohio, Mr. LUTKEMEYER, Mr. KIRK, and Mr. SPACE):

H. Res. 1494. A resolution congratulating the champion, finalists, and all other participants in the 83rd Annual Scripps National Spelling Bee; to the Committee on Oversight and Government Reform.

By Mr. ROSKAM (for himself and Mr. QUIGLEY):

H. Res. 1497. A resolution condemning the inclusion of inflammatory and inaccurate content in Iranian textbooks that is aimed at indoctrinating and radicalizing students with anti-Israeli, anti-Semitic, and anti-Western sentiment and at restricting the rights of women; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 39: Mr. LEVIN.
H.R. 197: Mr. HODES.
H.R. 208: Mr. PASTOR of Arizona and Mr. SCHOCK.
H.R. 213: Mr. DJOU.
H.R. 235: Mr. BONNER.
H.R. 268: Mrs. MILLER of Michigan and Mr. TIAHRT.
H.R. 305: Mr. MCMAHON.
H.R. 571: Ms. ROS-LEHTINEN.
H.R. 613: Mr. MANZULLO.
H.R. 678: Mr. LYNCH.
H.R. 734: Mr. CLEAVER.
H.R. 745: Mr. ALTMIRE.
H.R. 795: Mr. SPRATT and Mr. MEEK of Florida.
H.R. 840: Mr. ACKERMAN.
H.R. 1074: Mr. HODES.
H.R. 1079: Mr. MAFFEI.
H.R. 1189: Mr. ARCURI.
H.R. 1526: Mrs. BIGGERT.
H.R. 1529: Mr. BLUMENAUER.
H.R. 1646: Mr. HEINRICH.
H.R. 1689: Mr. CRITZ.
H.R. 1691: Mr. CRITZ.
H.R. 1806: Mr. JOHNSON of Georgia, Mr. HIMES, and Ms. GIFFORDS.
H.R. 2000: Mr. HODES, Mr. HIMES, Mr. HASTINGS of Florida, Mr. MEEKS of New York, Mr. DELAHUNT, Mr. LANGEVIN, Mr. HALL of New York, Mr. LARSON of Connecticut, Mr. HOLDEN, and Mr. JOHNSON of Illinois.
H.R. 2103: Ms. HERSETH SANDLIN.
H.R. 2104: Mr. HOLDEN.
H.R. 2159: Ms. FUDGE and Ms. CHU.
H.R. 2256: Mr. MOORE of Kansas, Mr. TEAGUE, Mr. LINCOLN DIAZ-BALART of Florida, Mr. CAPUANO, and Mr. CLAY.
H.R. 2381: Mr. TIERNEY.
H.R. 2579: Mr. CARSON of Indiana and Mr. RYAN of Ohio.
H.R. 2866: Mr. WOLF.
H.R. 2910: Mr. TIBERI.

H.R. 3286: Mr. GEORGE MILLER of California and Mr. GONZALEZ.
H.R. 3307: Mr. KINGSTON.
H.R. 3310: Mr. WILSON of South Carolina.
H.R. 3470: Ms. MCCOLLUM.
H.R. 3586: Mr. GUTHRIE.
H.R. 3630: Mr. CONNOLLY of Virginia.
H.R. 3646: Mr. PRICE of North Carolina.
H.R. 3729: Mr. HONDA, Mr. CONNOLLY of Virginia, and Mr. MOORE of Kansas.
H.R. 3734: Ms. MATSUI.
H.R. 3753: Ms. CHU.
H.R. 3781: Mr. MURPHY of New York.
H.R. 3813: Ms. CORRINE BROWN of Florida.
H.R. 4148: Ms. PINGREE of Maine.
H.R. 4190: Mr. CONNOLLY of Virginia.
H.R. 4195: Ms. NORTON, Mr. TIERNEY, and Mr. PRICE of North Carolina.
H.R. 4306: Ms. WASSERMAN SCHULTZ.
H.R. 4337: Mr. TIBERI.
H.R. 4427: Ms. COLE.
H.R. 4466: Mr. ISSA and Mr. CONNOLLY of Virginia.
H.R. 4469: Mr. RYAN of Ohio, Mr. SHUSTER, Mrs. MCMORRIS RODGERS, Mrs. SCHMIDT, Mr. WITTMAN, and Ms. GINNY BROWN-WAITE of Florida.
H.R. 4541: Mr. MICA.
H.R. 4594: Mrs. BIGGERT, Mr. MARKEY of Massachusetts, and Ms. KOSMAS.
H.R. 4678: Mr. TIM MURPHY of Pennsylvania.
H.R. 4684: Mr. NEUGEBAUER.
H.R. 4689: Ms. LINDA T. SÁNCHEZ of California.
H.R. 4693: Mr. CHANDLER, Mr. HOLT, Ms. LORETTA SANCHEZ of California, and Mr. WITTMAN.
H.R. 4745: Mr. RODRIGUEZ.
H.R. 4751: Ms. MARKEY of Colorado.
H.R. 4755: Mr. PAULSEN.
H.R. 4756: Mr. DELAHUNT.
H.R. 4764: Mr. HALL of New York, Mr. CALVERT, Mr. TEAGUE, and Mr. SCHOCK.
H.R. 4846: Mr. ISRAEL.
H.R. 4914: Mr. MICHAUD and Ms. ESHOO.
H.R. 4925: Mrs. MALONEY.
H.R. 4947: Mr. CHANDLER and Mr. COLE.
H.R. 4986: Mr. BRADY of Pennsylvania and Ms. CHU.
H.R. 5016: Mr. RADANOVICH, Mr. ROHR-ABACHER, and Mr. BARRETT of South Carolina.
H.R. 5029: Mr. BARRETT of South Carolina.
H.R. 5032: Mr. MCGOVERN.
H.R. 5034: Mr. ROSKAM and Mr. PAYNE.
H.R. 5040: Mr. MCGOVERN, Mr. SCHAUER, Mr. BARTLETT, Ms. JACKSON LEE of Texas, and Mr. SNYDER.
H.R. 5044: Mr. QUIGLEY.
H.R. 5081: Mr. REICHERT and Mr. JOHNSON of Georgia.
H.R. 5097: Mr. CASTLE.
H.R. 5106: Mr. LEE of New York.
H.R. 5111: Mr. BURTON of Indiana, Mr. GUTHRIE, Mr. TURNER, and Mr. CRITZ.
H.R. 5121: Mr. BLUMENAUER and Mr. PRICE of North Carolina.
H.R. 5137: Mr. PITTS.
H.R. 5211: Ms. MOORE of Wisconsin and Mr. CONNOLLY of Virginia.
H.R. 5268: Ms. HERSETH SANDLIN.
H.R. 5300: Mrs. NAPOLITANO.
H.R. 5385: Ms. MARKEY of Colorado.
H.R. 5400: Mr. MEEK of Florida.
H.R. 5426: Mr. CAMP and Mr. SIMPSON.
H.R. 5430: Mr. SABLAN.
H.R. 5431: Mr. SABLAN.
H.R. 5434: Mr. BRADY of Pennsylvania, Mr. HODES, and Ms. ESHOO.
H.R. 5460: Ms. WATSON and Mr. FALEOMAVAEGA.
H.R. 5462: Ms. SLAUGHTER and Mr. BARROW.
H.R. 5471: Ms. MOORE of Wisconsin.

H.R. 5482: Mr. CONNOLLY of Virginia and Mr. WHITFIELD.
H.R. 5503: Mr. HOLT, Mr. PAYNE, Mrs. MALONEY, Mr. SHERMAN, and Ms. HIRONO.
H.R. 5510: Mr. GRIJALVA, Mr. STARK, and Mr. KUCINICH.
H.R. 5527: Mr. RAHALL.
H.R. 5529: Ms. GINNY BROWN-WAITE of Florida, Mr. CONNOLLY of Virginia, Mr. DJOU, and Mr. BISHOP of Georgia.
H.R. 5530: Mr. SABLAN.
H.R. 5537: Mr. SABLAN.
H.R. 5538: Mr. BISHOP of Utah, Mr. CHAFFETZ, Mr. ISSA, and Mr. PITTS.
H.R. 5540: Mr. BARTON of Texas, Mr. PITTS, Ms. FALLIN, and Mr. BARTLETT.
H.R. 5541: Mr. BARTON of Texas, Mr. SAM JOHNSON of Texas, Mr. PITTS, Ms. FALLIN, and Mr. BARTLETT.
H.R. 5542: Mr. SAM JOHNSON of Texas, Mr. BARTON of Texas, Mr. POE of Texas, Mr. BARTLETT, Mr. OLSON, Mr. SHADEGG, Mr. FRANKS of Arizona, Mr. LAMBORN, Mr. COFFMAN of Colorado, Mr. PRICE of Georgia, Mr. GINGREY of Georgia, Ms. FALLIN, Mr. FLAKE, and Mr. CULBERSON.
H.R. 5561: Mr. HONDA.
H.R. 5564: Mr. LEE of New York, Mr. MARCHANT, and Mr. ARCURI.
H.R. 5566: Mr. MATHESON.
H.R. 5568: Mr. SPACE, Mr. ARCURI, and Mr. MCNERNEY.
H.R. 5605: Mr. SHUSTER.
H.R. 5606: Mr. SHUSTER.
H.R. 5610: Ms. ZOE LOFGREN of California.
H.R. 5614: Mr. CULBERSON.
H.R. 5615: Mr. CALVERT and Mr. ROHR-ABACHER.
H.R. 5616: Mrs. MALONEY, Mr. DRIEHAUS, Ms. NORTON, Ms. CHU, Mr. CUELLAR, and Mr. DAVIS of Illinois.
H.R. 5628: Mr. COURTNEY.
H.R. 5636: Mr. MOORE of Kansas.
H.J. Res. 61: Mr. MAFFEI.
H.J. Res. 81: Mr. MEEK of Florida and Mr. STARK.
H. Con. Res. 226: Ms. ZOE LOFGREN of California, Mr. ROONEY, Mrs. MALONEY, Mr. LARSON of Connecticut, Mr. WESTMORELAND, Mr. ISSA, Ms. CHU, and Ms. DELAURO.
H. Con. Res. 259: Mr. MORAN of Virginia and Mr. MCMAHON.
H. Con. Res. 266: Mr. BISHOP of New York and Mr. THOMPSON of Pennsylvania.
H. Con. Res. 281: Mr. OLSON.
H. Con. Res. 283: Mr. GINGREY of Georgia, Mr. LAMBORN, Mr. SABLAN, and Mr. RAHALL.
H. Con. Res. 290: Mr. SABLAN.
H. Res. 111: Mr. MCINTYRE and Mr. ROGERS of Michigan.
H. Res. 527: Mr. INGLIS, Mr. DELAHUNT, Mr. SKELTON, Mr. MEEK of Florida, Ms. FOXX, Mr. TOWNS, and Mr. MCMAHON.
H. Res. 528: Mr. INGLIS, Mr. DELAHUNT, Mr. SKELTON, Mr. MEEK of Florida, Ms. FOXX, Mr. TOWNS, and Mr. MCMAHON.
H. Res. 637: Mr. BISHOP of Utah, Mrs. LUMMIS, Mr. POSEY, Mr. GINGREY of Georgia, Mr. WESTMORELAND, and Mrs. MYRICK.
H. Res. 1026: Mr. HOEKSTRA.
H. Res. 1064: Mr. PRICE of North Carolina.
H. Res. 1226: Mr. GARY G. MILLER of California.
H. Res. 1245: Mr. GARY G. MILLER of California.
H. Res. 1273: Mr. CALVERT.
H. Res. 1311: Mrs. BLACKBURN.
H. Res. 1326: Mr. SHERMAN, Mrs. HALVORSON, Mr. SIRES, and Mr. PENCE.
H. Res. 1342: Mr. GENE GREEN of Texas.
H. Res. 1378: Mr. GOHMERT, Ms. NORTON, Mr. BERRY, and Mr. BARRETT of South Carolina.
H. Res. 1379: Ms. SPEIER and Mr. MCGOVERN.

H. Res. 1401: Mr. BOOZMAN, Mr. RAHALL, Mrs. NAPOLITANO, Ms. TITUS, Mr. TONKO, Ms. NORTON, Mr. PATRICK J. MURPHY of Pennsylvania, Mr. BOCCIERI, Mr. EHLERS, Mr. DOYLE, Ms. FALLIN, Mr. PETRI, Mr. COBLE, Mr. TIM MURPHY of Pennsylvania, Mr. SCHOCK, Mr. ARCURI, Mr. ROSS, and Mr. HINCHEY.

H. Res. 1402: Mr. DELAHUNT.

H. Res. 1412: Mr. SNYDER.

H. Res. 1420: Mr. COHEN, Mr. KIRK, and Mr. DELAHUNT.

H. Res. 1431: Mr. LATTA, Mr. MCCLINTOCK, Mr. CLEAVER, and Mr. FRANKS of Arizona.

H. Res. 1433: Mr. LATHAM, Mr. BARROW, Mrs. MCCARTHY of New York, Mr. YOUNG of Florida, Mr. EHLERS, and Ms. MATSUI.

H. Res. 1452: Ms. EDWARDS of Maryland.

H. Res. 1471: Mr. LATTA.

H. Res. 1474: Mr. OBERSTAR and Mr. SABLAN.

H. Res. 1483: Mr. BARROW, Mr. TAYLOR, Mr. WHITFIELD, Mr. INGLIS, Mr. LARSON of Connecticut, Mr. LEWIS of California, Mr. GARAMENDI, Mr. BARRETT of South Carolina, Mr. CARTER, Mr. CAO, Mr. ORTIZ, Mrs. KIRKPATRICK of Arizona, Mr. CONAWAY, Mr. HAR-

PER, Mr. GALLEGLY, Mr. DAVIS of Kentucky, Ms. BORDALLO, Mr. HUNTER, Mr. COHEN, Mr. BISHOP of Georgia, Ms. RICHARDSON, Mrs. EMERSON, Mr. MARSHALL, Mr. MCINTYRE, Mr. LANCE, Mr. FORBES, Mr. MILLER of Florida, Mr. MARIO DIAZ-BALART of Florida, Mr. SCOTT of Georgia, Mr. BRADY of Pennsylvania, Mr. MCKEON, Mr. SNYDER, Mr. LANGEVIN, Mr. TURNER, Mr. REICHERT, Ms. WASSERMAN SCHULTZ, Mr. THORNBERRY, Mr. HINCHEY, Mr. BUYER, and Mr. FORTENBERRY.

EXTENSIONS OF REMARKS

RECOGNIZING THE SWINNEY FAMILY AS BENTON COUNTY FARM FAMILY OF THE YEAR

HON. JOHN BOOZMAN

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. BOOZMAN. Madam Speaker, I rise today to recognize the Swinney family, for the honor and recognition of being named the Benton County Family Farm of the Year.

For more than 60 years the Arkansas Farm Family of the Year Program has honored farm families all across the state for their outstanding work both on their farms and in their communities. Recognition from the program is a reflection of the contribution to agriculture at the community and state level and its implications for improved farm practices and management.

Kent Swinney, with the help of his wife Carol and their three children Troy, Dwayne and Brandon, run a soybean, green bean, cattle, and Bermuda hay farm in Gentry, Arkansas.

Mr. Swinney has devoted his life to farming, spending his childhood on the farm with his father and grandfather and I am pleased to see he is passing along his passion to future generations of Arkansas farmers.

Arkansas is proud of the Swinney family for their commitment to farming and their commitment to farming as a family. This honor reflects the family's dedication to farming and the importance of farming as Arkansas's number one industry. I wish them continued success in their future endeavors and look forward to the contributions they will offer in the future of Arkansas agriculture.

COMMERCE FOR DEFENDERS ACT OF 2010

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. RAHALL. Madam Speaker, today I rise on behalf of all of America's Veterans and proudly introduce the Commerce for Defenders Act of 2010—a bill to create a Veteran Owned Small Business Preference in the Surface Transportation authorization—SAFETEA-LU, and set the precedent for continuing this important preference in the upcoming authorization.

For more than two hundred years, brave Americans have answered the call to serve our Nation at home and abroad, and my fellow West Virginians have long been among the first to report for duty.

Our Nation's veterans are true American patriots. Theirs is a proud story of service, sac-

rifice, and uncommon acts of heroism. They make each of us so very proud.

Aristotle said, "Men acquire a particular quality by constantly acting a particular way . . . you become just, by performing just actions . . . brave by performing brave actions."

We owe an enormous debt of gratitude to, and have great respect and deep admiration for, the 23 million men and women across America, who wore a military uniform in service to these great United States.

Madam Speaker, for 34 years I have been privileged to represent the people of southern West Virginia, and it is with humble sincerity I say, our Nation's veterans are never far from my mind.

There are 170,783 Veterans in my State of West Virginia—51,500 in my Congressional District alone—and that number is growing every day.

I am disheartened that our Veterans—the Defenders of our Freedom and American Way of Life—have given so much to their fellow Americans; yet, they face many hardships in their return to civilian life.

In a Nation such as ours, it is a stunning reality that today our brothers and sisters who have served around the globe to preserve democracy and promote freedom, are struggling with life in their home towns. Our Veterans returning from Iraq and Afghanistan are currently faced with a 21 percent unemployment rate.

Creating a Veterans' preference in the Transportation sector is very simple. It seeks to give America's veterans an opportunity advantage in the contracting process for their service to our country—a means to attach importance and to acknowledge our fellow Americans who have put their life on the line to preserve our way of life.

The propensity of this bill is at the same enormous and reasonable.

The number of Veteran owned businesses available to contract in the transportation construction industry would be quite small in comparison to the potential \$500 billion authorization bill proposed by Chairman OBERSTAR. However, for Veterans who have returned home from deployment; who are trying to put their life and families back on track; who have been plunged into the extremely competitive marketplace—creating this preference is the very least we can do and will make a difference for many, many veterans.

There is an exponential effect created by this preference, as Veterans are known to hire other Veterans—spreading the potential benefit beyond prime contractors on to subcontractors and employees, as well as those who provide products and services to them—such as truck drivers, mechanics, surveyors and repair technicians, landscapers, bricklayers, carpenters, and concrete and masonry suppliers—and the list goes on.

The bill will not burden states with verification processes, as the Veterans Administration already has Veteran Owned Small

Business registration process in place. The law that created this existing database requires the Secretary of Veterans Affairs to make the database available to all federal departments and agencies and to notify each department and agency of the availability of the database. To ensure a Veteran Owned Small Business is eligible a state would simply check that the business is registered with the Veterans Administration—saving time and money for all involved.

This bill does not interfere with Disadvantaged Business Enterprise (DBE) contracting goals currently enshrined in federal transportation law—in fact, it is my hope that the many women and minority veteran's small business owners will benefit from this opportunity. This Veterans preference would not create any new eligibility requirements for the DBE program and it would not infringe upon the importance that Congress has repeatedly placed on the DBE program.

Madam Speaker, from the battlefield to the marketplace, our veterans—America's patriots—exemplify sacrifice and commitment to duty.

I urge my colleagues to vote for The Commerce for Defenders Act of 2010—so that we may respectfully and gratefully fulfill our duty to support our Veterans—and, in one small part, to acknowledge the great sacrifice so many have so willingly made for all of us.

HONORING THE DEDICATION AND LEADERSHIP OF LINDA SUTHERLAND

HON. ALAN GRAYSON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. GRAYSON. Madam Speaker, I rise today to recognize the dedication and community leadership of Linda Sutherland in honor of Children's Awareness Month. As executive director of the Orange County Healthy Start Coalition, Mrs. Sutherland helps provide nutritional education and counseling services to pregnant woman and mothers with infants in order to ensure healthy pregnancies and babies. For 10 years, under Linda Sutherland's direction, new and expecting mothers in Central Florida have had access to support and important resources that will ensure their child receives the highest quality of health care. Children's Awareness Month focuses on bringing attention to the emotional, physical, and mental health needs of our children and youth. Linda Sutherland's leadership with the Healthy Start Coalition encourages the strengthening of maternal and child health by ensuring that all Florida families have access to a continuum of affordable and quality health and related services.

Mrs. Sutherland is a graduate of Marymount College where she graduated with a degree in

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Business Administration. She was then elected and served for the next 12 years as an Orange County School Board Member. Over the past two decades, Mrs. Sutherland has been given numerous awards for her professional and personal achievements and contributions. The Who's Who of International Women, Orange County Public Health, and the Florida School Board Association are just a few of the organizations who have recognized her outstanding leadership and active involvement in the Central Florida community. Linda Sutherland also serves as a peer reviewer for The Maternal Child Health Journal and contributes to the State of Florida March of Dimes Planning Committee.

Madam Speaker, Mrs. Sutherland's advocacy on behalf of women and children in the Central Florida community simply cannot be measured. Throughout the last 25 years, Mrs. Sutherland has demonstrated that a single person can make a difference in many lives. The Healthy Start Coalition transforms families every day by working together to reducing infant mortality and low birth weight babies. It gives me pleasure to honor Mrs. Linda Sutherland who deserves this recognition for her incredibly charitable work and philanthropy in the Central Florida community.

CONGRATULATING VOLLEYBALL
STAND-OUT MEGAN C. HODGE ON
HER ACCOMPLISHMENT ON THE
U.S. NATIONAL TEAM

HON. DONNA M. CHRISTENSEN

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mrs. CHRISTENSEN. Madam Speaker, I rise today to recognize a talented young Virgin Islander, Megan C. Hodge, a member of the U.S. National Volleyball Team and a senior member of Penn State University Nittany Lions who was recently named the 2010 Penn State Female Athlete of the Year and was also a co-winner of the prestigious Honda-Broderick Cup, awarded to the Top Collegiate Woman Athlete in the country. Megan is the first Penn State University student athlete to win the Honda-Broderick award in the school's 155 year history. Megan, who is an outside hitter led the Penn State Nittany Lions to an unprecedented third straight NCAA title in December 2009, the crowning moment of a 102-match winning streak. She was named the 2009 American Volleyball Coaches Association Division I National Player of the Year, College Sports Information Directors of America Academic All American of the Year for Volleyball, and Big Ten Player of the Year. Megan is part of the winningest class in the Penn State volleyball program history with a career record of 142-5.

Madam Speaker, Megan excels off the court as well as on the court. She graduated last month with a Bachelor of Science in Business Management from Penn State University. She was honored as an ESPN the Magazine Second Team Academic All-American in 2008 and garnered first team accolades in 2009. Later that year, she went on to become Academic All American of the Year for volleyball. She is a three time Academic All-Big Ten honoree.

Madam Speaker, today, Megan will be welcomed home to the Virgin Islands by her friends and family and proud Virgin Islanders who commend her achievements as a star athlete and a star student. The daughter of Michael and Carmen Samuel Hodge, who themselves are former members of the U.S. Virgin Islands National Volleyball team, Megan who grew up in North Carolina, returns to the islands for a much needed rest and relaxation.

Madam Speaker, I proudly rise to congratulate Megan and her family on her achievements on and off the volleyball court. She exemplifies the ideals of excellence that we all wish will inspire other young people in the Virgin Islands and around the country that hard work, dedication and a commitment of being nothing less than the best is the standard that we all should live by.

DESIGNATING THE NATIONAL
AERONAUTICS AND SPACE AD-
MINISTRATION (NASA) AS A NA-
TIONAL SECURITY INTEREST
AND ASSET

HON. SHEILA JACKSON LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Ms. JACKSON LEE of Texas. Madam Speaker, I join my colleagues in strong support of NASA programs across the country, and I share their concerns regarding the administration's proposal to cancel NASA's Constellation Program, which includes the Orion Crew Capsule, the Altair Lunar Lander, and the Ares I and Ares V rockets.

These programs, which together comprise our human spaceflight program, were authorized in both 2005 and 2008 by Republican and Democratic Congresses respectively. It is under the Constellation program that NASA is currently developing new launch vehicles and spacecraft capable of travel to the moon, Mars and other destinations. Not only does canceling the Constellation Program jeopardize America's leadership role in human space exploration, but it will have detrimental effects on our economy and national security.

Take, for example, the Johnson Space Center in Houston, Texas. The Johnson Space Center has the lead to manage the Constellation Program and several of its major elements, including the Orion Crew Exploration Vehicle and the Altair Lunar Lander. Without Constellation, the Johnson Space Center could lose anywhere from 4,000 to 7,000 high-tech jobs. If the JSC loses 4,000 direct jobs, an additional 2,315 indirect jobs would be lost, totaling 6,315; loss of income and expenditures locally would be over \$567 million. If the JSC loses 7,000 direct jobs, an additional 4,052 indirect jobs would be lost, totaling 11,052; loss of income and expenditures locally would total almost \$1 billion.

When speaking of the decision to cancel the Constellation Program, Administrator Bolden stated that "NASA intends to work with the Congress to make this transition smooth and effective, working responsibly on behalf of the taxpayers." To the contrary, I believe that the best use of taxpayers' money is to continue

the investment in NASA to build America's scientific future. That future will create jobs.

The present administration's plan for the Constellation Program would cause drastic job loss across America and would place America in a behind the edge position as it relates to competitiveness in scientific research. NASA and the space industry are critical to Houston's economic success in both the short and long term. According to the Bay Area Houston Economic Partnership, NASA accounts for nearly 16,800 direct federal jobs and serves as the engine for another 3,100 civilian jobs that together supply more than \$2.5 billion in payroll into Houston's regional economy. The Johnson Space Center is the primary location for training astronauts for spaceflights and this move; yet, the proposed budget will effectively cancel America's human spaceflight program.

In his statement announcing NASA's budget, Administrator Bolden stressed that changes in the FY 2011 budget would be "good for NASA, great for the American workforce, and essential for our nation's future prosperity." Madame Speaker, while I seek the same objectives, I strongly disagree with the closing of this project and I believe it will hurt America's scientific progress. Additionally, the aerospace industry would lose as many as 20,000-30,000 jobs nationally in either of these scenarios.

Given our current economic downturn, we cannot take the possibility of these job losses lightly and the Johnson Space Center is just one example of what the cancellation of this program would do to other NASA centers nationally. It will take years for the commercial spaceflight industry to get up to speed to reach the level of competence that exists at NASA today.

Our government has already invested literally years and billions of dollars into this program. We should build upon these investments and not abandon them. Our country can support the commercial spaceflight industry, but not at the expense of our human spaceflight program, which for years has inspired future generations and driven technology that enhances our quality of life. This technology is crucial to our national security. NASA conducts aeronautics research to address aviation safety, air traffic control, noise and, emissions reductions and fuel efficiency. NASA's contribution to our knowledge of air and water supports improved decision making for natural resource management and emergency response, thus enabling us to better respond to future homeland security threats.

Knowledge of Earth's water cycle is a critical first step in protecting our water supply; water flows over the Earth's surface in oceans, lakes, and streams, and is particularly vulnerable to attack. NASA sensors also provide a wealth of information about the water cycle; and contributes to improving our ability to monitor water resources and water quality from space; we must also protect the quality and safety of the air we breathe; airborne contaminants can pose danger to human health; and chemical, nuclear, radiological, and biological attacks are plausible threats against which we can protect.

I have asked my colleagues in Congress to join me in my efforts to restore funding for the Constellation to the FY 2011 budget for the following reasons:

1. Elimination of the Constellation program will present homeland security implications for cyberspace, critical infrastructure, and the intelligence community of the United States;

2. Elimination of the Constellation program will compromise the effectiveness of the International Space Station as it relates to the strategic importance of space station research, and intelligence;

3. Continuation of NASA's Constellation program is crucial to improving national security, climate, and research in science and medicine.

It is my hope, that this Congress will continue to support NASA's Constellation program and to support balanced energy policies that promote economic growth and will help us meet our clean energy goals.

H. RES. 1150

Whereas the United States has invested in human flight program since May 5, 1961, a program that has been a source for the United States leadership role in space exploration and advancement in scientific research; and is a national security interest and asset for the Nation.

Whereas the Constellation program is a human space flight program that includes: the Ares I launch vehicle, capable of launching to low-Earth orbit; the Ares V heavy-lift launch vehicle, to send astronauts and equipment to the Moon; the Orion capsule, intended to carry astronauts to low-Earth orbit and beyond; and the Altair lunar lander and lunar surface systems astronauts will need to explore the lunar surface.

Whereas the President's Fiscal Year 2010 Budget provided \$18,700,000,000 for the National Aeronautics and Space Administration (NASA); the Budget funds a program of space-based research to advance our understanding of climate change and its effects, as well as human and robotic space exploration; and the budget supports the use of the Space Shuttle to complete assembly of the International Space Station.

Whereas the 2010 NASA budget funded a program of space-based research that supports the Administration's commitment to deploy a global climate change research and monitoring system.

Whereas 2010 NASA budget was to fund the safe flight of the Space Shuttle through the vehicle's retirement at the end of 2010. An additional flight will be conducted if it can be completed safely before the end of 2010.

Whereas the President's Fiscal Year 2011 Budget proposes to eliminate the National Aeronautics and Space Administration (NASA)'s Space Shuttle and Constellation program and allocate \$6,000,000,000 over 5 years for the purpose of developing commercial space flight.

Whereas the Congress recognizes the policy outlined in section 501(a) of the National Aeronautics and Space Authorization Act of 2005 (42 U.S.C. 16761(a)), that the United States shall maintain an uninterrupted capability for human space flight and operations in low-earth orbit, and beyond, as an essential element of national security and the ability to ensure continued United States participation and leadership in the exploration of space.

Whereas eliminating the Constellation upon retirement of the Space Shuttle will create a national security risk to the United States and will diminish the Nation's efforts to advance scientific research in space.

Whereas the United States will for the first time since its space program began, be without a human space flight program.

Whereas transferring funds from the Constellation program to the development of commercial space programs to carry human and crew into space is taking a chance on an unknown quantity and is an unnecessary and unreasonable risk this country must not take.

Whereas the retirement of the Space Shuttle this year will leave the United States vulnerable and depending on Russia to put United States astronauts in orbit without the Constellation program; in May of last year when it became clear the United States had no one else to turn to, Russia raised its prices from \$48,000,000 to \$51,000,000 per launch for each astronaut.

Whereas the Constellation program is not just about going to the moon, as the United States has a commitment to the International Space Station (ISS), and with the Space Shuttle being retired this September, the Constellation is the only system under development that will give NASA the future capability to launch and retrieve crews to and from the ISS.

Whereas decreasing the use of the International Space Station would impact the ability to sustain its systems and physical infrastructure.

Whereas the Constellation program should be funded to continue use of the International Space Station to support the agency and other Federal, commercial, and academic research and technology testing needs.

Whereas partnerships between universities and NASA centers should be established to provide research opportunities for conduct of research in the United States International Space Station National Laboratories for the next generation of scientists in order to ensure effective utilization of the International Space Station research capabilities.

Whereas NASA conducts aeronautics research to address aviation safety, air traffic control, noise and, emissions reductions and fuel efficiency.

Whereas NASA's contribution to our knowledge of air and water supports improved decisionmaking for natural resource management and emergency response, thus enabling us to better respond to future homeland security threats.

Whereas knowledge of Earth's water cycle is a critical first step in protecting our water supply; water flows over the Earth's surface in oceans, lakes, and streams, and is particularly vulnerable to attack.

Whereas NASA sensors provide a wealth of information about the water cycle; and contributes to improving our ability to monitor water resources and water quality from space; we must also protect the quality and safety of the air we breathe; airborne contaminants can pose danger to human health; and chemical, nuclear, radiological, and biological attacks are plausible threats against which we can better protect the United States through NASA's research: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that—

(1) NASA is a national security asset and interest for the United States;

(2) elimination of the Constellation program will present Homeland Security implications for cyberspace, critical infrastructure, and the intelligence community of the United States;

(3) elimination of the Constellation program will compromise the effectiveness of the International Space Station as it relates to the strategic importance of space station research, and intelligence;

(4) continuation of NASA's Constellation program is crucial to improving national se-

curity, climate, and research in science and medicine; and

(5) the United States should maintain its funding of the Constellation program and should begin funding commercial space in 5 years and not sooner.

RECOGNIZING THE HART FAMILY AS WASHINGTON COUNTY FARM FAMILY OF THE YEAR

HON. JOHN BOOZMAN

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. BOOZMAN. Madam Speaker, I rise today to honor the John Robert Hart family for earning the 2010 Farm Family of the Year award for Washington County, Arkansas.

Working for generations on the farm, the Hart family has a history rooted in Arkansas agriculture. John grew up on his farm and continues to run it today with his wife, Carolyn.

Today the Harts have a 250 acre farm where they produce dairy and poultry products, as well as three different varieties of hay. The family is dedicated to agriculture and plans to continue running the farm for generations to come.

Because of this lifelong commitment, their hard work and dedication the Hart Family is most deserving of the Washington County Farm Family of the Year Award. Recognition from the program is a reflection of the contribution to agriculture at the community and state level and its implications for improved farm practices and management.

Arkansans are blessed to have such outstanding farm families like the Harts who are dedicated to providing agriculture services to their community and country. I ask my colleagues today to join with me in congratulating the Harts on their achievements and wish them continued success in farming.

INTRODUCING THE GULF CORPS CONSERVATION ACT OF 2010

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. HASTINGS of Florida. Madam Speaker, I rise today to introduce the Gulf Coast Conservation Corps Act of 2010, which will help to create jobs in the Gulf Coast region. The program will assist those who have been unemployed due to the oil spill off the Gulf of Mexico that took place on April 20, 2010. In a program similar to the Civil Conservation Corps created by President Franklin D. Roosevelt during the Great Depression, the Gulf Coast Conservation Corps will be a public-private partnership benefiting our nation for years to come.

We find our country in much the same position as it was when President Roosevelt created his Corps. Then, there was a staggering number of unemployed who went to work to conserve our national parks. Today, it is a devastated Gulf Coast. Even before the oil

spill, the region was suffering under extraordinary unemployment levels. The tourist industry contributed 620,000 jobs and over \$9 billion in wages to the Gulf region. The fishing industry supports over 200,000 jobs with related economic activity of \$5.5 billion. With so much of the federal waters unavailable for fishing and so many tourists cancelling planned vacations, the need is dire and we must get people back to work.

The Corps will provide workers with the means, training and knowledge they need to alleviate the worst environmental disaster in the history of our country. These are not "make work" jobs. The work is not "busy work." The cleaning and restoration of the Gulf is not optional. And because it will likely take years to finish, it is imperative that we have the necessary resources in place to ensure that it is completed. Participants will do the necessary work to get the Gulf Coast back on track. The Corps will be a committed labor force, performing the hard work that will move the United States beyond this environmental disaster.

As President Roosevelt said, "All work undertaken should be useful—not just for a day, or a year, but useful in the sense that it affords permanent improvement in living conditions or that it creates future new wealth for the Nation."

Madam Speaker, the work of Gulf Coast Conservation Corps is, to say the least, useful. I urge my colleagues to support this vitally important piece of legislation.

TRIBUTE TO BRIGADIER GENERAL
HARRY C. ADERHOLT

HON. ROBERT B. ADERHOLT

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. ADERHOLT. Madam Speaker, I would like to pay tribute to Brigadier General Harry C. "Heinie" Aderholt, a true American hero and one of the founders of the U.S. Air Force Special Operations. On May 20, 2010, I and many others across the State and Nation were saddened to hear of the passing of General Aderholt.

Heinie, as he was affectionately known by all who knew and loved him, began his military service with the U.S. Army Air Corps in 1942 and retired from the U.S. Air Force in 1976. He was also known as "Air Commando One," for his work to form what was originally called the First Air Commando Wing. He was the last general officer to leave Vietnam.

During his service he was awarded the Legion of Merit with two oak leaf clusters, Distinguished Flying Cross with oak leaf cluster, Bronze Star Medal with oak leaf cluster, Meritorious Service Medal, Air Medal with eight oak leaf clusters, Joint Service Commendation Medal, Air Force Commendation Medal, Presidential Unit Citation Emblem and the Air Force Outstanding Unit Award Ribbon with oak leaf cluster. His other honors include the Order of the Sword, which the non-commissioned officers of the Air Force Special Operations Command awarded to him in January 2001, the prestigious Bull Simons Award, that recog-

nizes those who embody the true spirit, values, and skills of a special operations warrior and he was also awarded the Order of the White Elephant by the government of Thailand, their highest award.

After his retirement from the Air Force, He founded the McCoskrie/Threshold Foundation, which provides medical ancillary assistance, supplies, and equipment to Central and South American countries as well as to Laos and Thailand. He also founded the Air Commando Association.

General Heinie Aderholt will be remembered for his valor, character, and strength. It was an honor to have known him as a relative, friend and great American Patriot, and his leadership will be missed by all who knew him. His influence for good for all America will live on.

A memorial service will be held at Hurlburt Air Park, Fort Walton Beach, Florida, on July 2, 2010 at 9 a.m.

Our thoughts and prayers are with his wife Anne, his daughter Janet and son George and their families.

Thank you Heinie for all you did for America.

HONORING RAY ROBSON

HON. GUS M. BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. BILIRAKIS. Madam Speaker, I rise today to honor and congratulate Pinellas County's Ray Robson who, at the age of 14, became America's youngest chess grandmaster.

Ray's passion for chess began at age three when his father, Gary Robson, brought home his first chess set. They played chess daily, with Ray's father beating him every time, until he was four. Ray continued to excel in chess, and his father soon lost track of how many times his son had beat him.

By the time Ray was 11, he earned the distinguished title of chess master, and still holds the distinguished honor of being the youngest chess master in Florida's history. Over the past four years, his record-setting performances have continued to resound throughout the chess community. In addition to being an international master, Ray was also the youngest person to qualify for the U.S. Chess Championship, the youngest recipient of the Samford Chess Fellowship, and the youngest participant for the U.S. at a World Team Championship.

Ray's dedication, perseverance, and achievements are truly remarkable. I cannot imagine the pressure he faced while challenging and defeating some opponents more than twice his age. I would also like to commend Ray's parents for their role in helping their son develop his talents and succeed. The national and international recognition Ray has earned is incredible, especially for a young man of only 15. It is my honor to stand before Congress and recognize the accomplishments of Ray Robson, and I wish him continued success in the future.

RETIREMENT OF NURSE LESLIE
GOLDBERG

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. STARK. Madam Speaker, I rise today to pay tribute to Leslie Goldberg, R.N. who is retiring tomorrow after 20 years of service as a nurse with the Attending Physician's Office here at the Capitol. Leslie is well known and loved by all who work in the Cannon House Office Building—Members and staff alike. She's run the Cannon Health Unit for most of her time on the Hill and she personifies service and caring.

Leslie graduated from the Jewish Hospital of Brooklyn and first worked as a nurse at New York University Hospital in neurosurgery. She went on to work at the Regional Institute for Children and Adolescents and then did insurance physicals for eight years prior to joining us on Capitol Hill.

She started with the Office of the Attending Physician in November 1990, and has taken excellent care of us ever since. She makes sure we get our flu shots, helps us find doctors, and tells us when we need to go home so we don't make others around us sick.

The nurses are also on call at numerous events where Members of Congress are in attendance. They are on hand for the Memorial Day Concert, the annual State of the Union, the inauguration ceremonies. They work long hours and are here whenever Congress is in session—no matter how late. Overtime is the norm for Leslie and her colleagues.

Until Speaker PELOSI made a lactation room available for nursing mothers returning to work, hundreds of new moms could tell you of the time they spent in the Cannon Nurse Station with Leslie's full support. She has a photo wall of children to attest to this—with moms bringing in updated photos each year as their children grow up. My chief of staff is one of those moms and is very grateful for all of Leslie's help over the years.

Now, Leslie is turning to a new phase in life. She has two grandchildren on the way and she plans to be an active grandmother in their lives. She'll also be able to do more traveling and dedicate herself to volunteer priorities.

For someone who has spent her career caring for others, it is time for Leslie to get to care for her family and herself. We wish her all the best and thank her for her long, dedicated service to Congress. We'll miss her.

ADVANCED IMAGING
TECHNOLOGIES (AIT)

HON. JASON CHAFFETZ

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. CHAFFETZ. Madam Speaker, I recently read with interest an article by Ralph Nader discussing his concerns with the Transportation Safety Administration's (TSA) use of "whole-body imaging" scanning machines. These machines, now called "Advanced Imaging Technologies" (AIT), allow TSA screeners

to search for security risks by looking under passengers' clothing in a particularly privacy intrusive inspection.

I share many of Mr. Nader's concerns, and include a copy of article from www.commondreams.org for the record. Last summer I worked with many of my colleagues in the House on both sides of the aisle to pass an amendment to the TSA Authorization bill which addressed some of the problems with the TSA's use of these AIT machines. Our amendment prohibited the use of AIT for mandatory primary screening at airports, required the TSA to give passengers the option of a pat-down search, and prohibited TSA from storing, transferring, or copying AIT images of passengers.

These technologies need not invade Americans' privacy so intrusively in order to secure our flights and passengers effectively. After the failed Christmas Day bombing attempt, which AIT may or may not have helped prevent, I renewed my call for the inventors and manufacturers of AIT machines to enhance privacy protections to permit broader deployment of these technologies without the trade-off to Americans' rights of privacy.

Some AIT manufacturers have responded with scanners with "auto detection" capabilities, which reduce the costs and risks of error associated with human screeners. These scanners also produce images that go beyond merely blurring faces to blurring the outline of the scanned passenger's body. As I observed last December, these technologies have already been deployed in Amsterdam at the very airport from which the Christmas Day bomber traveled to the United States. My staff has seen these machines in action, and I feel the TSA should look seriously at whether these enhanced scanners could replace the privacy intrusive scanners currently deployed in airports across America.

I hope my colleagues will join with me in discussing the security and privacy issues surrounding AIT, and the concerns raised by Mr. Nader and others. We all want air travel to be as safe as possible, but this can be accomplished without sacrificing our privacy and dignity, and that of our fellow Americans.

[From www.commondreams.org, June 24, 2010]

NAKED INSECURITY

(By Ralph Nader)

If you are planning to fly over the 4th of July holiday, be aware of your rights at airport security checkpoints.

The Transportation Security Administration (TSA) has mandated that passengers can opt out of going through a whole body scanning machine in favor of a physical pat down. Unfortunately, opting for the pat down requires passengers to be assertive since TSA screeners do not tell travelers about their right to refuse a scan. Harried passengers must spot the TSA signs posted at hectic security checkpoints to inform themselves of their rights before they move to a body scanning security line.

Since the failed Christmas Day bombing of a Northwest Airlines flight by a passenger hiding explosives in his underwear, TSA has accelerated its program of deploying whole body scanning machines, including x-ray scanners, at airport security checkpoints throughout the United States. Scanning machines peak beneath passengers' clothing

looking for concealed weapons and explosives that can elude airport metal detectors. So far, TSA has placed 111 scanners at 32 airports. They expect to have 450 scanners deployed by the end of the year at an estimated cost of \$170,000 each.

Privacy, civil rights and religious groups object to whole body scanning machines as uniquely intrusive. Naked images of passengers' bodies are captured by these machines that can reveal very personal medical conditions such as prosthetics, colostomy bags and mastectomy scars. The TSA responded by setting the scanners to blur the facial features of travelers, placing TSA employees who view the images in a separate room and assuring the public that the images are deleted after initial viewing.

Yet, a successful Freedom of Information Act lawsuit by the Electronic Privacy Information Center against the Department of Homeland Security (DHS) uncovered documents showing that the scanning machines' procurement specifications include the ability to store, record and transfer revealing digital images of passengers. The specifications allow TSA to disable any privacy filters permitting the exporting of raw images, contrary to TSA assurances.

It begs logic that the TSA would not retain their ability to store images particularly in the event of a terrorist getting through the scan and later attacking an aircraft. One of the first searches by the TSA would be to review images taken by the scanners to identify the attacker.

The Amsterdam airport is using a less intrusive security device called "auto detection" scanning which generates stick figures instead of the real image of the person and avoids exposing passengers to radiation. Three United States Senators recently wrote to DHS Secretary Janet Napolitano urging her to consider these devices. (<http://bit.ly/bJFn5K>)

More pointedly, security experts, such as Edward Luttwak from the Center for Strategic and International Studies, have come forward questioning the effectiveness of whole body scanners since they can be defeated by hiding explosives in body cavities. The General Accounting Office, an investigative arm of Congress, has stated that it is unclear whether scanners would have spotted the kind of explosives carried by the "Christmas Day" bomber.

About one-half of these body scanning machines use low dose x-rays to scan passengers. Last May, a group of esteemed scientists from the University of California, San Francisco wrote to John Holdren, President Obama's science adviser, voicing their concerns about the rapid roll out of scanners without a rigorous safety review by an impartial panel of experts. The scientists caution that the TSA has miscalculated the radiation dose to the skin from scanners and that there is "good reason to believe that these scanners will increase the risk of cancer to children and other vulnerable populations." (<http://n.pr/bKGCKX>).

David Brenner, director of Columbia University's Center for Radiological Research, has also voiced caution about x-raying millions of air travelers. He was a member of the government committee that set the safety guidelines for the x-ray scanners, and he now says he would not have signed onto the report had he known that TSA wanted to scan almost every air traveler. (<http://www.columbia.edu/~djb3/>)

Passenger complaints to TSA and newspaper accounts of passenger experiences with scanners contradict TSA assurances that

checkpoint signs provide adequate notice to travelers about the scanning procedure and the pat down option. Travelers, who reported that they were not fully aware what the scanning procedure involved, said they were not made aware of alternative search options. (<http://nyti.ms/9hGtUO>)

Many travelers complained about their privacy, and their families' privacy, being invaded. Some were concerned about the radiation risk, particularly to pregnant women and children. Some travelers felt bullied by rude TSA screeners. The Wall Street Journal reported that one woman who refused to go through the body scanner was called "unpatriotic" by the TSA screener.

Expensive state-of-the-art security technology that poses potentially serious health risks to vulnerable passengers, invades privacy, and provides questionable security is neither smart nor safe. For the White House it is a political embarrassment waiting to happen.

President Obama should suspend the body scanning program and appoint an independent panel of experts to review the issues of privacy, health and effectiveness. After such a review, should the DHS and TSA still want to deploy body scanners at airports, they should initiate a public rulemaking, which they have refused thus far, so that the public can have their say in the matter.

If you experience any push-back from TSA screeners when you assert your right to refuse to go through a whole body scanner and request a pat down security search instead, please write to info@csrl.org.

Ralph Nader is a consumer advocate, lawyer, and author. His most recent book—and first novel—is, *Only The Super Wealthy Can Save Us*. His most recent work of non-fiction is *The Seventeen Traditions*.

RETIREMENT OF FRANK WILLIAMS, CHIEF EXECUTIVE OFFICER, BUILDING INDUSTRY ASSOCIATION OF CALIFORNIA'S BALDY VIEW CHAPTER

HON. GARY G. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. GARY G. MILLER of California. Madam Speaker, I rise today to celebrate the retirement of Frank Williams from the Building Industry Association's Baldy View Chapter.

Frank dedicated his career at the BIA to helping families achieve the American Dream of home ownership. He led the Baldy View Chapter with distinction, promoting quality communities, facilitating business opportunities for the Association's members, and always working to increase the public's awareness about the importance of home ownership.

Frank was appointed Chief Executive Officer of the Building Industry Association Southern California, Inc. Baldy View Chapter in April of 1992. Working from the Association's Rancho Cucamonga offices, he planned, directed, budgeted and coordinated all programs and administrative activities of the Baldy View Region, which includes all of San Bernardino County and all areas east of the 605 in Los Angeles County.

Under Frank's leadership, the Baldy View BIA has become a true partner with Congress to help cultivate an environment where more

Americans can turn the dream of home ownership into reality. I commend Frank for working with Congress to create the conditions necessary to make home ownership available to more families.

Frank Williams is the recipient of the 1998 Fair Housing Award from the Fair Housing Council of San Bernardino County. He was named the National Association of Home Builders "Gary Komarow Memorial Executive Officer of the Year" in 1999.

While the BIA is losing an exceptional leader, I know our community and our Nation will continue to benefit from Frank's enthusiasm and vision for the cause of housing. Frank has been a tireless community leader and advocate for affordable housing, and he has been instrumental in helping to promote home ownership on the national level. With Frank's dedication, we have been able to raise national awareness about the housing needs of Californians. I am confident his work will continue into the future.

Frank is the Founder, Chairman of the Board and President of Housing Action Resource Trust (HART), a non-profit affordable housing provider that has assisted 50,000 families to buy homes. He also serves as a Commissioner to the San Bernardino County Housing Authority and is a fully-accredited Commissioner on the National Association of Housing and Redevelopment Officers. In addition, he was recently appointed by Governor Arnold Schwarzenegger to a Joint Land Use Task Force within the Governor's Office of Planning and Research.

There are many grateful people who have benefited from Frank's mentorship and vision over the years. On Wednesday, July 7, Frank's colleagues, friends and family are gathering to thank him for his leadership and dedication to the cause of home ownership.

Frank Williams has been a champion for increasing home ownership and promoting community development. I am very proud to congratulate him on his retirement and I commend him for his dedication to furthering housing opportunities for Californians and all Americans.

HONORING THE 2010 NATIONAL JUNIOR DISABILITY CHAMPIONSHIPS

HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. DAVIS of Illinois. Madam Speaker, today I would like to recognize the participants and sponsors of the National Junior Disability Championships. This annual competition, founded by Wheelchair Sports USA, has helped teach the value of sports to young athletes since 1984. It began as a small competition for wheelchair athletes ages 7 to 21. Since that time, it has continued to grow both in nature and number. The competition expanded in scope to include athletes with many different types of disabilities, not just those in wheelchairs. Athletes with spinal cord injuries, cerebral palsy, blindness, and many other disabilities now participate in the competition. Re-

flecting this expansion in mission, the sponsoring organization changed its name to Wheelchair & Ambulatory Sports USA. The diversity of sports offered also increased. Although only three sports were initially offered, athletes now participate in seven areas of competition. Over 300 athletes from around the country participate each year.

For some of these young athletes, the National Junior Disability Championships competition provides a pathway to qualify for the U.S. Paralympics team. More importantly, however, it provides these young people the opportunity to develop the values of teamwork, sportsmanship, hard work, and perseverance offered by sports. Participants also benefit in other ways. For example, research shows the importance of physical activity in both the physical and mental development of children. This event removes the barriers that so often prevent these young people with disabilities from participating in sports, allowing them to reap the benefits of athletic competition.

In closing, I would also like to congratulate the athletes participating in the National Junior Disability Championships. It takes great perseverance, commitment, and strength of spirit to participate in this type of competition. I wish you the best of luck as you prepare for your respective athletic events.

IN TRIBUTE TO BOBBY POPE

HON. JIM MARSHALL

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. MARSHALL. Madam Speaker, I rise today in honor of Mr. Bobby Pope, of Macon, Georgia, who is retiring after a long and illustrious tenure as Athletic Director of Mercer University. I rise to thank Bobby for his extraordinary commitment to Mercer Athletics, his promotion of academic and athletic excellence within the Atlantic Sun Conference, and his overall contributions to the local community.

Madam Speaker, for over 20 years Bobby Pope, Dean of the Atlantic Sun Conference, has served as the Athletic Director for Mercer University. During his tenure, Mercer athletics have thrived, and its student-athletes have achieved impressive success both on and off the field. The program now includes 14 NCAA Division I teams plus the addition of the first-ever fulltime coaches for men's and women's golf, tennis, and cross country. Largely thanks to Bobby, Mercer University will field Georgia's first NCAA Division I men's and women's lacrosse teams in the upcoming year. Bobby Pope's commitment to building and strengthening Mercer athletics can further be seen in the recent renovations of existing fields and the construction of a state-of-the-art facility for student-athletes and coaches.

With Bobby Pope at the helm, Mercer University has twice won the Atlantic Sun Conference's All-Academic Trophy. Since its inception in 2007, the Atlantic Sun Conference post-graduate scholarship recognizing excellence and integrity has been awarded to a Mercer student-athlete. During Bobby's tenure, the cumulative grade point average for Mercer

Bear student-athletes never fell below 3.0—a testament to his commitment to academic excellence.

Madam Speaker, Bobby Pope's passion and commitment to athletics and promoting sportsmanship extend beyond Mercer University. He has been very active in the Atlantic Sun Conference—twice serving as Conference President, as well as serving as a member on numerous Conference committees. Bobby has also made innumerable contributions to the local community as treasurer of the Macon Touchdown Club and through his service on the Mayor's Recreation Master Plan Committee, as well as the Georgia Sports Hall of Fame Authority. Indeed, he was recognized for his lifelong contributions to Middle Georgia Athletics when he was inducted into the Macon Sports Hall of Fame on April 28, 2006. Also, for over 35 years, his broadcast of local sports news on the "Saturday Scoreboard" gave us the good, the bad, and the ugly about our Georgia Bulldogs, Georgia Tech Yellow Jackets, and other middle Georgia sports teams.

Also, for over 35 years, his broadcast of local sports news on the Saturday Scoreboard gave us the good, the bad, and the ugly about our Georgia Bulldogs, Georgia Tech Yellow Jackets, and other Middle Georgia sports teams.

Madam Speaker, it is fitting for the CONGRESSIONAL RECORD to include this brief acknowledgement of the accomplishments of Bobby Pope as Athletic Director of Mercer University. As he assumes his new role as the Executive Director for the Mercer Athletic Foundation, Bobby will undoubtedly continue to contribute to the success and accomplishments of Mercer Athletics. Few leave such enduringly positive legacies.

COMMENDING THE GEORGE MASON HIGH SCHOOL GIRLS' AND BOYS' SOCCER TEAMS ON WINNING THE VIRGINIA STATE CHAMPIONSHIP

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. MORAN of Virginia. Madam Speaker, I rise today to proudly recognize the George Mason High School girls' and boys' soccer teams for winning their respective State 1A Soccer Championships. On June 12th at Radford University, the George Mason High School Mustangs of Falls Church valiantly defeated Radford High School 3-1 to capture their third consecutive state title. The following day, the boys' team displayed equally outstanding talent by defeating Radford 2-1 to capture their second consecutive state championship.

The girls' championship win follows a remarkable season of 18 wins, 3 losses, and 1 tie. Junior midfielder Hannah Walker scored twice and sophomore forward Leah Roth had a goal and an assist. Nichole Mitchell played tough as the starting goalkeeper, only allowing one goal in the net from a penalty kick. After the final moment of the game, the George Mason players victoriously rushed the field

and saluted their fans that had traveled 4 hours to watch the game.

The boys' championship game was led by Mustang seniors Nick Smirniotopoulos and Andrew Arias following a remarkable season of 19 wins, only 1 loss, and 4 ties. This is the second year in a row that the George Mason boys' soccer team has captured the state title. Smirniotopoulos, recently named to the 2010 All-Met team by the Washington Post, and Arias, each scored a goal to clinch the win. Just before halftime, junior goalkeeper Tyler Back made a remarkable save on a breakaway. Also standing as stalwarts on the defensive end were senior Natan Lailari and junior Franky Andrianarison. Like their counterparts on the girls' team, the lone goal scored against them came from a penalty shot.

I extend my congratulations to all of the athletes, coaches, and the entire George Mason High School community for their historic victories. Winning a state championship takes hundreds of hours of practice, preparation, and hard work. May your perseverance, strength, and diligence stay with you through all of your journeys in life.

ON THE PASSAGE OF THE RESOLUTION CALLING FOR THE IMMEDIATE RELEASE OF GILAD SHALIT

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. HASTINGS of Florida. Madam Speaker, I am very pleased that the House passed H. Res. 1359, a resolution calling for the immediate and unconditional release of Israeli soldier Gilad Shalit. It has been four long years since Gilad, then 19 years old, was kidnapped by Hamas. Hamas, in direct violation of international human rights law, has refused to allow Gilad any contact with his family, and has further refused to allow the International Committee of the Red Cross access to determine his well-being. It is a war crime for Hamas to hold Gilad hostage in order to compel the Israeli government to accede to Hamas' demands.

Madam Speaker, the time for Hamas to release Gilad Shalit is now. Right now. It is simply unconscionable for Hamas to engage in such a vicious and cruel exercise in inhumanity. One of both Israeli and American societies' highest and most noble ideals is to never leave a soldier behind. The passage of this resolution reaffirms the United States commitment to continue fighting for Gilad's unconditional and immediate release so that he may return to his family.

SIR PAUL MCCARTNEY,
GLADWELL'S "OUTLIERS" AND BP

HON. CLIFF STEARNS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. STEARNS. Madam Speaker, I would like to submit a letter from my good friend

Gene Jewett, who shares his thoughts on the phenomena of talent and the recent visit from Paul McCartney who received the Gershwin Award from the Library of Congress.

Dear Friends,

Recently, Sir Paul McCartney visited Washington where he exhibited his musical prowess for the politically powerful, initially at the Library of Congress and then at the White House. In the course of his performance on the first night, he revealed the process by which he had written one of his most famous tunes, one where the melody had come to him in a dream, a refrain that he was fortunate enough to recall. For days, he hummed the tune (randomly entitled "scrambled eggs") to his band mates and everyone else in his greater circle of musicians, all in an attempt to determine whether it was a product of his own musical software or a reflection of a tune he had previously heard for which he was serving as a mere psychic conduit. When he finally accepted the song as his own, he re-dubbed it "Yesterday" and the rest is history. Over 3000 singers have recorded the song, a number which marks it as a continuing star in the firmament of pop music.

His story caused me to reflect on the phenomena of talent, particularly as alluded to by Malcolm Gladwell in his book, "Outliers." In this book, there's a central premise that suggests that great achievement is derived from spending at least 10,000 hours honing one's craft. Specifically, it uses as an example Paul McCartney and the Beatles playing in the clubs of Hamburg where they purportedly refined their songs. Notwithstanding the fact that the "Hamburg" Beatles played cover songs which could have encouraged them to write their original tunes, the more simple truth points to what McCartney observes in himself as some mystical talent with which he has been gifted, something for which he has no explanation. The difference between the Beatles and thousands of other bands can be found in these "gifts" of unusual talent.

Not to be too grand, but the book "the 100: A Ranking of the 100 Most Influential People in History" by M.H. Hart is a primer for the study of people with extraordinary talent and abilities. For example, Genghis Khan was a late bloomer and certainly had no training as a military leader, but no one else in military history save perhaps Alexander shows anything close to his record of achievements. And how many in the realm of physics approach the works of Newton, Maxwell and Einstein? I realize this is a leap from Sir Paul, but pure talent, while it surely needs to be developed, is really a gift that defies description. It seems that some things just "are" and that's the name of that tune. And upon such random distributions of talent and ability the upward curve of the course of history will continue to remain resilient.

Sir Paul, author of over 300 popular songs, also played "Blackbird," a very pleasing and interesting composition. But I was hoping he'd do, "Fixing a Hole" as a nod to BP who could certainly use a little mystical talent about now, no?

PERSONAL EXPLANATION

HON. MARK STEVEN KIRK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. KIRK. Madam Speaker, during the vote on H.R. 5618, the Restoration of Emergency Unemployment Compensation Act of 2010, I was unavoidably detained—had I been present I would have voted against this legislation.

Americans are struggling to make ends meet in this economy and while I support giving unemployment benefits to people who lost their jobs, it is irresponsible for this Congress to add \$34 billion to the national debt to do so. This legislation should have been paid for with cuts to other programs. Last week the Treasury Department quietly announced that the estimated total debt for fiscal year 2010 will reach \$13.6 trillion, equal to 93.1 percent of our Gross Domestic Product. With the European Union in the midst of a sovereign debt crisis, this is the wrong time to add to our already staggering national debt.

Had I been present for the vote on H.R. 5623, the Homebuyers Assistance and Improvement Act of 2010, I would have voted in favor of this legislation. Unlike H.R. 5618, the cost of this legislation is fully offset. The homebuyer tax credit has been very successful, and after its expiration on April 30th, home sales dropped by more than 30 percent. Extending this credit by 90 days and fully offsetting its cost is a responsible course of action I fully support.

HONORING PERCY P. CREUZOT, JR.

HON. SHEILA JACKSON LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Ms. JACKSON LEE of Texas. Madam Speaker, I rise to honor a great husband, father, entrepreneur, community activist and all-around great American, Percy P. Creuzot, Jr., who passed on from his earthly life on Sunday, June 6, 2010. We are privileged and honored to salute him as a Great Houstonian for all of America to admire.

Percy Creuzot had a unique ability to reach out and help others. Mr. Creuzot effectively articulated that strong communities are created when we recognize that every member of the community is important. He demonstrated this belief in every aspect of his life.

In 1966 his family moved to Houston, Texas, where he was employed by Herff-Jones Jewelry, a graduation supply company. Percy's first entrepreneurial endeavor in Houston was a snow-ball shop in Houston on Dowling and McGowan. There was a dearth of restaurant chains and, even fewer operated in minority neighborhoods. Mr. Creuzot saw the need for uplifting his community with his cuisine and with that envisioned a need and market in Houston for Southern Louisiana foods. With the influence from family members he decided to open a small sandwich shop in Houston's Third Ward community. The Scott

Street location sold a variety of oyster, shrimp and roast beef po-boys; the business became known as "Frenchy's Po-Boy." As the business showed promise, expansion into other endeavors was likely. With the motivation of a close friend, Mr. Creuzot dove into the fried chicken business and "Frenchy's Creole Fried Chicken" is a bustling business to this day.

In 1977, Percy expanded his business interests and opened Frenchy's Sausage Company. The goal was to produce and market Creole foods to restaurants and grocery stores in the Houston area. The business grew successfully and is now run by Percy's son, Percy III, and has become a leading producer of Creole foods and various processed meats in Houston and surrounding areas.

Percy's civic/community involvements began with a desire to enhance the success of Texas Southern University. Percy was a tireless supporter of Texas Southern University and, after being appointed by Texas Governor Bill Clements to its Board of Regents, he faithfully served for 12 years which included being its Vice Chairman. Governor Clements also appointed Percy to the Texas Private Industry Council and he was appointed to the Houston Citizen's Review Board where he served with distinction. Percy also was an active member of the National, Texas, and Houston Restaurant Associations as well as serving on the Catholic Charities' Board of Directors. Percy was a long time member of Alpha Phi Alpha and Sigma Pi Phi (Nu Boule) Fraternities and the Knights of Peter Claver. Until his death, Percy provided financial support to the United Negro College Fund, the Urban League, and the National Association for the Advancement of Colored People, University of Houston, Texas Southern University, Xavier University and Hampton University.

Percy is survived by his wife, Sallie Creuzot; daughter Angele; sons Percy III (Cheryl) and John; grandchildren Simone and Terry Williams, Percy IV, Coline and Phillipe Creuzot, Ethan Creuzot; great-grandson Christien Gilliam; his sister, Martina Cox (Dr. Frank); and numerous nieces and nephews. He also left to treasure his memories many in-laws, colleagues, friends, community members, numerous Houstonian mentees including Anthony Gaynor and Charlie Read, as well as countless high school and college students.

Madam Speaker, Percy P. Creuzot, Jr.'s life should serve as an inspiration to us all. Through his life and through his legacy he has challenged those who are caught in the grips of poverty to take control of their own destinies. By his openhandedness to his community, he is a shining example of how those more fortunate should share their lives with others.

Madam Speaker, a great American is gone from our midst, but we have been empowered to carry on his work and continue to press toward the mark. His family, friends and everyone he has touched will be in our thoughts and prayers.

HONORING MRS. RUBY BATTS ARCHIE

HON. THOMAS S.P. PERRIELLO

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. PERRIELLO. Madam Speaker, I rise today in honor of a legend, a lion, and a leader, Mrs. Ruby Batts Archie, who died on Saturday, June 26.

Born February 9, 1934, in Rocky Mount, North Carolina, Ruby Batts was the only daughter of Helen Louise Batts. She married Cephus N. Archie on November 23, 1961, and they enjoyed forty-eight years of marriage. She was a graduate of Booker T. Washington High School in Rocky Mount, North Carolina and Virginia State University in Petersburg, Virginia, where she received both her bachelors and masters degrees in English. She also received an honorary Doctorate of Literary Letters from Virginia University of Lynchburg (VA).

Mrs. Archie was a retired educator who served for 37 years in the Danville Public School System, including time as the Head of the English Departments at both Langston High School and George Washington High School. These decades of hands-on experience and leadership in the schools made her an invaluable advocate for education throughout her career in local government. She was a former Mayor for the City of Danville from 1998 to 2000, had previously served as Vice Mayor from 1996–1998, and at the time of her death was a member of the Danville City Council with 16 years of service.

Mrs. Archie worked extensively as a member of community and national organizations, not only on educational issues, but also mental health, business development, and community service. Her memberships are too many to list, but one especially close to her heart was Alpha Kappa Alpha Sorority, where she was a sitting member of its international board of directors and held numerous positions in her chapter, Alpha Phi Omega, including president and treasurer, and in regional and national sorority committees. Additionally, she was a presiding officer of the Order of the Eastern Star; a member of the board of directors of both the Boys and Girls Club and the Salvation Army; and a faithful member of Loyal Baptist Church where she served as a former chairman of the Board of Education and Sunday School teacher and currently served as the chairman of the Deaconess Board. Mrs. Archie was deeply concerned for Southside Virginia's economic future, having watched too many of her finest students leave the region never to return, and worked to create jobs beyond Southside's traditional textiles and tobacco. Her expertise was recognized by Governors George Allen and James Gilmore, who appointed her to serve on the Southside Business and Education Commission from 1995 to 2003.

Those who worked closely with Mrs. Archie throughout the years have expressed deep sorrow for her loss and gratitude for her innumerable contributions to the community. She was endlessly dedicated, dependable, and generous of her time and talents, and she

held others to her high standards of hard work, integrity, and citizenship. Students and colleagues recall her warm smile, her style and graceful carriage, and her zeal for proper usage of the English language. In her work in the City Council, she was calmly bipartisan, always striving to build bridges. She was an effective representative of her constituents, a tireless educator, and an inspiration to countless individuals whose lives she touched.

Mrs. Archie was just days away from retirement when she died last weekend, and had hoped to devote her time to two of her greatest passions, travel and enjoying the company of her grandchildren. Because her passing was far too soon, she was unable to savor this well-earned retirement—a truth emblematic of a woman whose life was full of future projects and plans, and who believed her work was never done.

Ruby is survived by her mother, Helen; her devoted husband, Cephus; her children Keith, Trina, and Carla; her grandsons Cedric, Deondre, and Milek; and her cousins Charles and Barbara. On behalf of Virginia's 5th District, I honor the passing of one of our finest public servants, and ask that her legacy be remembered for years to come.

OUR UNCONSCIONABLE NATIONAL DEBT

HON. MIKE COFFMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. COFFMAN of Colorado. Madam Speaker, today our national debt is \$13,038,916,836,943.40.

On January 6th, 2009, the start of the 111th Congress, the national debt was \$10,638,425,746,293.80.

This means the national debt has increased by \$2,400,491,090,649.60 so far this Congress.

This debt and its interest payments we are passing to our children and all future Americans.

PERSONAL EXPLANATION

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. ENGEL. Madam Speaker, unfortunately, because of a necessary absence, I missed the recorded vote on H.R. 5623, the H.R. 5618, the Restoration of Emergency Unemployment Compensation Act. (Rollcall vote No. 398) Had I been present and voting on this vital legislation, I would have voted yes.

Since Congress first provided the emergency extension on unemployment benefits in H.R. 1, the American Recovery and Reinvestment Act, I have voted to continue the extension at least seven times. As our nation recovers from the worst recession since the Great Depression, it is very promising that almost 431,000 jobs were added in May, the most in four years. But we cannot reverse two years

of recession overnight, nor can we turn the tide on a decade of declining middle class economic security. There is still much to be done to help the nearly eight million people who lost work during this economic crisis return to payrolls. Providing unemployment insurance benefits so that families can continue to put food on the table and pay their mortgage, is necessary to the economy's continued recovery.

H.R. 5629, THE OIL SPILL ACCOUNTABILITY AND ENVIRONMENTAL PROTECTION ACT OF 2010

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. OBERSTAR. Madam Speaker, I rise today to introduce H.R. 5629, the "Oil Spill Accountability and Environmental Protection Act of 2010", legislation to respond to the ongoing Deepwater Horizon oil spill disaster and to address several shortcomings in the law to ensure that a similar tragedy cannot happen again.

To understand the intent of this legislation, it is important to understand the historical context in which H.R. 5627, the "Oil Spill Accountability and Environmental Protection Act", is being introduced.

On April 20, 2010, a blowout from the mobile offshore drilling unit (MODU), the Deepwater Horizon, led to an explosion in the Gulf of Mexico that left 11 crew members missing and presumed dead. The Deepwater Horizon was owned by Transocean Ltd., and leased, at the time of the explosion, to BP p.l.c. (BP), which owns a majority stake in the Mississippi Canyon Block 252 (MC 252) site and had contracted the rig to drill a prospect well.

Following the explosion, the Deepwater Horizon sank on April 22. Since the explosion, oil has been spilling from the well into the Gulf of Mexico. In response to the Deepwater Horizon disaster, BP has made numerous attempts to stop or contain the flow of oil into the Gulf. U.S. Government and independent scientists estimate that the most likely flow rate of oil today is between 35,000 and 60,000 barrels per day.

In light of the April 20 explosion and the ongoing release of oil into the Gulf of Mexico, the Committee on Transportation and Infrastructure has held three hearings investigating the potential causes of this disaster, and exploring potential changes to the laws and agencies under the Committee's jurisdiction to ensure that a similar event cannot happen in the future.

While the causes of the explosion aboard the Deepwater Horizon, and its eventual sinking, remain under investigation, the hearings before the Committee on Transportation and Infrastructure have uncovered several shortcomings in current law that may have allowed the causes of this disaster to be set in motion.

For example, through the Committee hearings, our Members received testimony on how the MODU, Deepwater Horizon, was registered in the Marshall Islands and, therefore, was not subjected to as rigorous of a vessel

safety inspection by the Coast Guard as a similar U.S.-flag vessel.

The Committee also learned that, because of the unique nature of offshore drilling, Federal oversight of the Deepwater Horizon drilling operation was divided between the Department of the Interior's Minerals Management Service and the Coast Guard, with no clear final say of Federal authority over the operations onboard the drilling rig.

The Committee also learned that apparent shortcuts were taken in the development, approval, and implementation of oil spill response plans for the Deepwater Horizon drilling operation, and, in hindsight, these response plans were wholly inadequate to address a worst-case scenario involving a blowout from the well head.

The Deepwater Horizon disaster has also demonstrated that the current limits of liability, including the levels of financial responsibility for responsible parties, are insufficient to address a potential worst-case scenario on the release of oil for offshore facilities, and have called into question the current limits of liability for other vessels as well. With the expected costs of the Deepwater Horizon disaster expected to be in the tens of billions, and the agreement by BP to set aside \$20 billion in escrow to cover potential costs related to the spill, it is clear that the \$75 million liability cap for offshore facilities needs to be significantly increased or removed. As noted in testimony before the Committee on Transportation and Infrastructure, it is plausible that any limitation on liability, no matter how large, actually encourages risky behavior by externalizing the true cost of an oil spill response or damages over and above the cap. In addition, the Committee received testimony from the U.S. Coast Guard that suggests that the current limits of liability for certain classes of vessels do not adequately reflect the potential risks or impacts of a release of oil.

Finally, the Committee investigated the unprecedented use of more than 1.5 million gallons of chemical dispersants in relation to the Deepwater Horizon disaster, and has called into question the potential short- and long-term impacts that increased use of these dispersants may have on the Gulf of Mexico and the natural resources that utilize this area.

Today, my Committee colleagues and I introduce H.R. 5629, the "Oil Spill Accountability and Environmental Protection Act of 2010", to address these and other shortcomings that may have allowed the Deepwater Horizon disaster to occur, and to help, ensure that similar events cannot happen in the future.

In many ways, the events leading up to the introduction of this legislation are similar to those that compelled Congress to enact the original Oil Pollution Act of 1990. Up until this year, the events surrounding the release of approximately 750,000 barrels of oil from the Exxon Valdez in the Prince William Sound, Alaska, defined our understanding of the likely impacts from a domestic oil spill.

Yet, the events of the past three months have forced us to realize that the protections included in the original Oil Pollution Act of 1990 are inadequate to address the current state of oil development technologies.

What has become evident is the potential adverse impacts of a "worst-case scenario"

from modern exploration sites, such as that being explored by the Deepwater Horizon, are very different from those created by the release of oil from a tanker. This disaster has compelled us to reexamine the framework for Federal oversight and regulation of potentially limitless sources of oil, deep beneath the surface of the ocean, and the difficulty in controlling and remediating potentially massive releases of oil beyond the reach of direct human control.

This disaster also requires that we reassess the potential scope of impacted lives and livelihoods and the natural resources related to a massive oil release, and the capability of Federal, state, local, and private resources to prevent or address such a release.

In addition, this disaster requires that we reexamine the wisdom of oil exploration policies that push the envelope on drilling technologies without any assurance that these underwater resources can be shut down or adequately controlled and cleaned up if something goes wrong.

Finally, this disaster has forced us to reexamine the safety standards for offshore oil exploration and production activities to minimize the potential for future losses of life.

In short, this legislation amends or repeals several laws within the jurisdiction of the Committee on Transportation and Infrastructure to address the following areas: (1) Liability and Financial Responsibility; (2) Improvements in Safety; (3) Increased Oversight of Oil Spill Responses; (4) Improvements in Environmental Protection; and (5) Funding for Agency Response Activities.

A summary of the bill follows:

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE, H.R. 5629, THE "OIL SPILL ACCOUNTABILITY AND ENVIRONMENTAL PROTECTION ACT OF 2010," JUNE 29, 2010

LIABILITY AND FINANCIAL RESPONSIBILITY

Repeal of and Adjustments to Limitations on Liability: H.R. 5629 removes the existing statutory limitation on liability for offshore facilities (such as the Deepwater Horizon rig) to apply to all spills on or after April 19, 2010, to ensure that the responsible party or parties will be responsible for 100 percent of oil pollution cleanup costs and damages to third parties. Directs the President to review the existing limitations on liability for vessels and onshore facilities, and authorizes the President to revise the liability limitations upward to an amount commensurate with the risk of discharge or any increase in the Consumer Price Index, whichever is greater.

Evidence of Financial Responsibility for Offshore Facilities: H.R. 5629 increases the minimum level of financial responsibility for an offshore facility (such as the Deepwater Horizon rig) to \$1.5 billion. Directs the President to review the minimum level of financial responsibility for an offshore facility every three years, and to revise the level upward to reflect the potential risk of a release to human health and the environment. Authorizes the President to require, on a case-by-case basis, additional levels of financial responsibility based on risk. Requires existing offshore leaseholders to demonstrate the new levels of financial responsibility within six months of the date of enactment of this Act.

Damages to Human Health: Under current law, impacts to human health are not recognized as a valid claim under the Oil Pollution Act. H.R. 5629 authorizes individuals to

seek compensation from responsible parties for damages to human health resulting from a release of oil.

Modernize Federal Maritime Laws: H.R. 5629 amends the Death on the High Seas Act (enacted in 1920) and the Jones Act (enacted in 1920) to authorize the recovery of non-pecuniary damages currently allowed under general maritime law. Repeals the Limitation of Liability Act of 1851, which limits the liability of a ship owner to the value of the vessel and freight.

IMPROVEMENTS IN MARITIME SAFETY

Americanization of the U.S. Exclusive Economic Zone: H.R. 5629 requires all vessels (including Mobile Offshore Drilling Units (MODUs) such as the Deepwater Horizon) engaged in oil drilling activities in the U.S. Exclusive Economic Zone (200-mile zone) to be U.S.-flag vessels owned by U.S. citizens. Americanization ensures that the vessels are subject to U.S. safety regulations and that all of these vessels employ U.S. citizens (who, thus, pay U.S. taxes).

Safety Management Plans and Safety Standards for Mobile Offshore Drilling Units: H.R. 5629 requires that all MODUs develop and implement a safety management plan to address all activities on the vessel that may threaten the safety of the vessel or its crew. Requires the U.S. Coast Guard to develop standards to address a worst-case event involving a discharge of oil and gas.

Approval of Oil Spill Response Plans: H.R. 5629 requires the Coast Guard to concur in the oil spill response plan for an offshore facility (the well). Clarifies the respective authorities of the Environmental Protection Agency (EPA) and the U.S. Department of Transportation (DOT) with respect to onshore facilities.

Coast Guard Maritime Safety Workforce: H.R. 5629 requires the Coast Guard to increase the number of qualified marine inspectors, marine casualty investigators, and marine safety engineers.

Licensing Requirements for MODU Captains: H.R. 5629 requires that a MODU (such as the Deepwater Horizon) is, at all times, under the command of a licensed and proficient master who is responsible for the safety of both the navigational and industrial functions (e.g., drilling operations) on the MODU.

INCREASED OVERSIGHT OF OIL SPILL RESPONSES

Evaluation, Approval, and Public Availability of Oil Spill Response Plans: H.R. 5629 ensures that EPA, the Coast Guard, and DOT have the authority to require owners and operators of vessels and facilities engaged in oil-related activities to submit their oil response plans for approval, and make the plans publicly available. Clarifies that the agencies with jurisdiction must review, and, where necessary, revise, inspect, and enforce the provisions of a vessel or facility oil spill response plan.

Repeal of Response Plan Waivers: H.R. 5629 repeals the authority for the agencies with jurisdiction to allow any tank vessel or onshore or offshore facility to operate without an approved oil spill response plan. The bill preserves waiver authority for nontank vessels.

Oversight of Oil Spill Claims; Acceleration of Claims to the Oil Spill Liability Trust Fund: H.R. 5629 authorizes the President, in the event of a spill of national significance, to require a responsible party (or guarantor) to provide the United States with information on claims for damages made against the responsible party or the Trust Fund. Amends the Oil Pollution Act of 1990 to allow claim-

ants to pursue compensation from the Oil Spill Liability Trust Fund within 45 days of a denial of a claim by the responsible party.

IMPROVEMENTS IN ENVIRONMENTAL PROTECTION

Use of Dispersants and Other Chemicals: H.R. 5629 directs the EPA to undertake a rulemaking to revise the list of approved dispersants and other chemicals that can be used in relation to an oil spill. Directs the Administrator to establish minimum toxicity and efficacy criteria for dispersants, provide for independent verification of industry-provided data, require public disclosure of the formula for listed dispersants, and provide a mechanism for delisting a dispersant based on potential impacts to human health or the environment. Requires specific approval of the Federal On-Scene Coordinator, in coordination with EPA, before use of a dispersant or other chemical in relation to a future oil spill.

National Oil Spill Database: H.R. 5629 requires the President, acting through EPA, the Coast Guard, DOT, and other Federal agencies to develop a publicly-available, national database to track all discharges of oil or hazardous substances into the waters of the United States, adjoining shorelines, or the waters of the contiguous zone.

Reforms of Federal Agencies, Laws, or Programs to Ensure Effective Oversight, Inspection, Monitoring, and Response Capabilities to an Oil Spill: H.R. 5629 directs the National Commission on the BP Deepwater Horizon Spill and Offshore Drilling, established by Executive Order, to evaluate the current division of responsibility among the different Federal agencies, and to submit recommendations to Congress on changes to the current responsibilities of Federal agencies, including the creation of new agencies to regulate offshore drilling operations. Requires the Commission to develop recommendations to ensure that offshore drilling is overseen by career professionals who will give safety the highest priority, and not be improperly influenced by political appointees or the regulated industry.

FUNDING FOR AGENCY RESPONSE ACTIVITIES

Authorized Level of Coast Guard Personnel: H.R. 5629 authorizes an end-of-year strength for active-duty Coast Guard personnel of 47,300 for fiscal year 2011, of which not less than 300 personnel shall be assigned to implement the activities required of the Coast Guard by this Act.

Authorization of Appropriations from the Oil Spill Liability Trust Fund: H.R. 5629 specifically authorizes appropriations from the Oil Spill Liability Trust Fund for the Coast Guard, EPA, and DOT to carry out this Act.

HONORING THE SERVICE OF MARINES CHRISTOPHER ARNOLD, JOEL RANGEL, AND CLAYTON YOUNG

HON. JOHN B. LARSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 2010

Mr. LARSON of Connecticut. Madam Speaker, I rise to honor Master Sergeant Christopher Lee Arnold, Master Sergeant Joel Ascension Rangel, and Gunnery Sergeant Clayton Roy Young of the Marine Battle Color Detachment who are each retiring after more than 20 years of service in the Marine Corps.

The Battle Color Detachment features the U.S. Marine Drum and Bugle Corps, the Silent

Drill Platoon, and the Marine Corps Color Guard. All are attached to Marine Barracks, Washington, DC, also known as the "Oldest Post of the Corps." These Marines appear in hundreds of ceremonies annually across the country and abroad.

I would like to express my personal gratitude to these three Marines who were a part of the Marine Battle Color Detachment when they visited Connecticut's First Congressional District in October of 2008. In conjunction with a traveling replica of the Vietnam Memorial Wall during its 25th anniversary, they gave a moving performance before the residents of the Connecticut State Veterans Home and over 3,000 attendees at Rentschler Field in East Hartford. These Marines have performed and helped facilitate many events such as these in Connecticut, across the country and around the world. Everywhere the Marine Corps Battle Color Detachment performs, they instill in all an enormous amount of pride for our Armed Forces and the nation as a whole. This Congress and the people of the United States of America owe these three recently retired Marine NCO's a significant debt of gratitude for all of their service:

Master Sergeant Christopher Lee Arnold began his enlistment on July 1, 1990 and will retire on July 31, 2010 after twenty years of service.

Master Sergeant Joel Ascension Rangel began his enlistment on September 12, 1989 and will retire on June 30, 2010 after twenty years of service.

Gunnery Sergeant Clayton Roy Young began his enlistment on August 15, 1988 and will retire on August 31, 2010 after twenty-two years of service.

RECOGNITION OF DENNIS GUEST FOR DISTINGUISHED SERVICE

HON. MARY JO KILROY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Ms. KILROY. Madam Speaker, I rise today to recognize Dennis Guest, Executive Director of the Columbus Metropolitan Housing Authority (CMHA), as he retires from a lifelong career as an affordable housing advocate. During 24 years at CMHA, Dennis supervised 250 employees administering Housing Choice Vouchers for approximately 12,500 families, distributing over \$77,000,000 to rental property owners, and managing 3,147 apartments in Franklin County, Ohio.

Dennis facilitated the Rebuilding Lives Initiative and fostered partnerships with the City of Columbus, Franklin County, Community Shelter Board, United Way, ADAMH Board, and other non-profit organizations to provide the best housing and supportive services to 34,000 residents. As a result of his hard work and dedication, CMHA is strategically positioned for success well into the future.

Prior to this position, Dennis served as the Director of Housing Management at the San Francisco Housing Authority and the Executive Assistant at the Oakland Housing Authority. He was also a VISTA Volunteer at the Seattle Housing Authority and Assistant Public Housing Manager in Detroit, Michigan.

Devoted to public service, Dennis sits on the Funders Collaborative of the Community Shelter Board, Joint Columbus and Franklin County Housing Advisory Board, Housing Vision Council of United Way, and is President of the Assisted Housing Services Corporation.

I ask my colleagues to please join me in wishing Dennis and his wife Bernadette a happy retirement after years of dedication to the affordable housing needs of Columbus and Franklin County, Ohio.

HONORING THE CITY OF
CHANDLER

HON. JEB HENSARLING

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. HENSARLING. Madam Speaker, today I would like to recognize the City of Chandler on its 50th anniversary of incorporation on July 10th.

Alphonso Chandler and his brother Haskell moved their families from Georgia to the area located between Kickapoo Creek and the Neches River in 1859. As one of the first settlers in the area, Alphonso built a general store on his property. A U.S. Post Office was added in 1873, under the name of Stillwater. The Cotton Belt Railroad later made its way to the area in 1880, and Mr. Chandler deeded land to the Texas and St. Louis Railroad for tracks and a depot. Mr. Chandler also donated property for schools, churches and a cemetery. A new community grew around the railroad.

What many may not know is that Chandler is the birthplace of Senator Ralph Yarborough who represented Texas in the U.S. Senate from 1957 to 1971. Many of his personal and public effects can be found at the Chandler Public Library.

Chandler has become a gateway to Lake Palestine, a beautiful body of water that is home to many migratory birds and waterfowl, as well as great fishing and recreational boating. Traveling on South FM 315, one might catch a glimpse of our nation's emblem, the bald eagle, soaring over the lake.

Chandler is a growing community and its citizens live by its motto, "City with a Heart." I would like to congratulate the City of Chandler on its 50th anniversary of incorporation and recognize its citizens, both past and present, who have given so much to build a vibrant community.

HONORING SERGEANT DAVID
PARKS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. STARK. Madam Speaker, I rise today to recognize Sergeant David Parks's 31 years of exemplary service in law enforcement, in honor of his retirement from the Newark, California, Police Department.

Sergeant Parks began his law enforcement career as a 2-year public safety officer with

the Brisbane Department of Public Safety. He was then hired as a police officer with the Newark Police Department in September 1981, where he served for 29 years.

As a police officer at the Newark Police Department, Sergeant Parks served 1 year as a fraud detective and 3 years as a Crimes Against Persons detective. In July 2004, he was promoted to the rank of sergeant and served in a variety of positions including patrol sergeant, community safety team sergeant, and detective sergeant.

During his tenure with the Newark Police Department, Sergeant Parks had held many collateral duties such as field training officer, FTO; FTO Sergeant, criminal evidence response team, CERT, member; CERT supervisor; trauma response team; traffic officer; acting sergeant; SWAT team member; Alameda County arson task force member; and composite sketch artist.

I join the City of Newark in expressing appreciation for Sergeant Parks's leadership and commitment during his service in the Newark Police Department. I rise to thank him for his stewardship for public safety and wish him well in his retirement.

HONORING SCOTT URBAN

HON. TIMOTHY J. WALZ

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. WALZ. Madam Speaker, I rise today to recognize the accomplishments of Scott Urban, a teacher from Mankato West High School in Mankato, MN.

Scott was one of two recipients this year to receive the Minnesota WEM Foundation Outstanding Educator Award for Teacher Achievement.

This award recognizes exemplary teachers who support, inspire and assist students to attain greater learning. The recipients of this award are nominated by students, parents, colleagues, and community members—the people who know the difference a good teacher can make.

As a teacher on leave from Mankato West, I have had the honor to teach with Scott.

I've seen how Scott's passion for teaching and outstanding leadership inspires students to achieve their true potential. He encourages students to learn the material not for a test, but to increase their knowledge and shape their world view.

Scott's success with students is truly unmatched. Over the past 11 years at Mankato West, students in his AP government and politics class have maintained an 80 percent pass rate on the national AP exam, well above the state and national averages. Last year, 85 students took the exam in his class and 46 achieved the highest possible score, five out of five.

Students in Scott's advanced placement government and politics class come away with a superior knowledge of our political system and a deep appreciation for our democracy.

For 27 years Scott has challenged every student that walks into his classroom to go beyond what is expected. His efforts have im-

pacted a generation of students and we in Minnesota are lucky to have him. I can think of no one else who deserves this award as much as he does.

Madam Speaker, please join me in honoring Scott Urban for his life of dedication and service to his community and his country.

BP DEEPWATER HORIZON OIL
SPILL

HON. JOHN J. HALL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. HALL of New York. Madam Speaker, the tragic BP Deepwater Horizon oil spill in the Gulf of Mexico has cost the nation billions of dollars in economic damages to the United States, as well as widespread devastation of our natural resources. There is an immediate need to act—to stop the leak, clean up the oil, and repair our fragile economy and ecosystem. But we will be making an irreparable mistake if we do not take this opportunity to examine our energy needs for the future.

Historians will look back on this era as a turning point. The BP disaster and its resulting damage to our economy and to nature will reshape Americans' support for renewable energy versus continued dependence on oil.

It is impossible for us to comprehend the magnitude of the oil spill in the Gulf; we may not be able to calculate the true costs for years. But in the midst of unprecedented tragedy, we see hopeful signs of change.

The military—one of the largest users of energy—is looking at alternative sources of power. In my district in New York's Hudson Valley, the United States Military Academy at West Point is beginning to use solar and wind energy.

Renewable energy is being produced in other places unimaginable not long ago. More than 1,300 billboards in Florida will be converted to solar and wind energy by the Lamar Advertising Company. This is notable because it showcases renewable energy as a practical and accepted corporate solution.

Further, billboards are visible. The solar panels and small wind turbines will create awareness about renewable energy, sending a message that renewable energy is not some far away idealist dream. It's doable, and it's doable now.

The kilowatt production from this project will be significant. Just as important, the hardware is made in the United States. In Times Square, office equipment provider Ricoh just completed a solar-powered electronic billboard. Hardware came from companies based in California, Ohio, and Rhode Island.

Renewable energy is a growth industry here at home. In my congressional district, a solar-cell company moved into existing manufacturing space, which had been vacant. Where did the previous jobs go? China.

My congressional district is also home to SpectraWatt, which has started to manufacture advanced silicon photovoltaic cells at the Hudson Valley Research Park in Hopewell Junction, NY. When I toured this facility with Labor Secretary Hilda L. Solis in late March,

60 people were on the payroll. Since then, nine additional employees have been hired and additional hires are expected soon.

As we ponder the sobering consequences of the BP oil spill in the Gulf, I ask my colleagues to not only look at our immediate crisis, but to also consider an energy policy that spurs the development of renewable technologies. As we invest in renewable energy and rebuild our energy infrastructure, we can also boost our manufacturing base and create a broad array of quality jobs. Now is the time to rebuild: our economy and our environment depend on us.

HONORING JOHN BRYANT BEALL,
SR.

HON. JEB HENSARLING

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. HENSARLING. Madam Speaker, today I would like to recognize Mr. John Bryant Beall, Sr. Mr. Beall is a World War II veteran who will finally receive a significant military honor at the Edom July 4th Celebration.

President Coolidge once said, "A nation which forgets its defenders, will itself soon be forgotten." I am proud of Mr. Karl Little, who helped Mr. Beall realize this honor, and everyone who is taking the time on Independence Day to honor him.

Mr. Beall will be awarded the Bronze Star Medal during a ceremony on July 4th. He joined the U.S. Army in February of 1943 and reached the rank of Private 1st Class before his discharge in November of 1945. Mr. Beall served on the front lines of combat in two campaigns in Central Europe.

Mr. Beall was one of five brothers that were raised in Edom. Mr. Beall, along with three of his brothers, served in World War II, while his oldest brother was too old to serve in the military. It is certainly a testament of courage and patriotism for the Beall family to risk so much in the defense of our nation.

I would like to take this opportunity, on behalf of the entire 5th Congressional District of Texas, to thank Mr. Beall and his family for their service to our country. We should be eternally grateful for our servicemen and women in the past and present who have fought to preserve liberty for our generation and generations to come.

HONORING THE BICENTENNIAL OF
THE IRON AND STEEL INDUSTRY
IN COATESVILLE

HON. JIM GERLACH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. GERLACH. Madam Speaker, I rise today to recognize the 200th anniversary of the oldest, continuously operating steel mill in the United States located in Coatesville, Chester County, Pennsylvania.

During the last two centuries, men and women of great character, tremendous inge-

nuity and bold leadership have contributed to the longevity and success of Coatesville's iron and steel industry, which helped sustain a community and fueled America's growth and prosperity.

The steel mill that Isaac Pennock established on the banks of the Brandywine River in the early 19th Century developed into an industrial complex that housed the world's largest plate mill thanks to the efforts of Dr. Charles Lukens, Rebecca Lukens and several generations of leaders. Today, the world's largest steel producer, ArcelorMittal, operates the facility and employs 820 men and women there.

The plant is responsible for several historically significant achievements. Rebecca Lukens is recognized as America's first female chief executive officer. In addition, the rolling plates for the *Cordorus*, the first iron-hulled vessel, and the *Nautilus*, the first nuclear submarine, were manufactured at the facility. More recently, the "steel trees" from the World Trade Center, which stood tall after the September 11, 2001 attack, returned home to Coatesville where they were manufactured.

Dedicated employees with work ethics as strong as the steel plates they forge also have been integral to the success of the plant. These highly-skilled and extremely motivated workers have helped the industry adapt from an era of steam locomotives and iron-hulled vessels to an era of nuclear submarines and specialty steel products.

Madam Speaker, I ask that my colleagues join me today in honoring the 200th anniversary of the iron and steel industry in the City of Coatesville and recognizing the exemplary effort of employees, past and present, to produce world-class products and an enduring legacy for the City.

PERSONAL EXPLANATION

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. VISCLOSKY. Madam Speaker, on Tuesday, June 29, 2010, I was absent from the House and missed rollcall vote 401.

Had I been present for rollcall 401, on a motion to suspend the rules and pass, as amended, H.R. 5623, the Homebuyer Assistance and Improvement Act, I would have voted "aye."

THE FORGOTTEN WAR

HON. TED POE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. POE of Texas. Madam Speaker, half way across the world, nearly 37,000 Americans gave their lives in a struggle against communism from the summer of 1950 to the summer of 1953. How does one forget?

Overshadowed by World War II and Vietnam, the Korean War has commonly been referred to as "The Forgotten War", although it figures prominently in the development of his-

torical events. Friday, June 25, marks the 60th anniversary of the Korean War. In the early hours of June 25 1950, communist forces from the north crossed the 38th parallel and invaded the Republic of South Korea. Two days after the North Korean invasion, President Harry S. Truman authorized the use of American military forces in Korea. Nearly two million Americans stepped up in attempt to triumph evil in the Korean theatre.

The Korean War was a civil war; Koreans fought and killed each other on their own soil. The economic and social danger to the Korean nation was incalculable. It was also one of the first episodes of the Cold War between the United States and the Soviet Union. Others, including a communist China, joined in based on their ideologies.

Remembering the Korean War is painful for many veterans who fought in it. Those who were there remember the violent hand to hand combat and the extreme conditions they faced. Maybe that's why it's forgotten. Or maybe it's due to the fact that history frowns upon conflicts in which there is no clear winner. But for whatever reasons there are, the Americans who served, the lives that were lost, and the cause that was fought for should never be forgotten.

It might not have been the most glorious war in our history, but nearly two million Americans rose up to triumph evil on the Korean Peninsula during those violent years. That's pretty unforgettable.

HONORING DR. LOUIS FISHER ON
THE OCCASION OF HIS RETIREMENT
FROM THE LIBRARY OF
CONGRESS

HON. BILL DELAHUNT

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. DELAHUNT. Madam Speaker, on behalf of the many Members in the House of Representatives who—like myself—have benefited from this honorable man's brilliance and dedication, I wish to commend Dr. Louis Fisher, Ph.D., for his forty years of exemplary service to the United States Congress as a member of the professional staff of the Library of Congress, both with the Congressional Research Service and the Law Library.

We, and the many colleagues who served before us, have each been the beneficiaries of the years Lou Fisher has devoted to assisting the Congress in understanding the U.S. Constitution and acting to preserve the responsibilities and prerogatives of the Legislative Branch while respecting those of the Executive and Judicial Branches. He has made a unique, profound and lasting contribution to the vitality of the Congress and the Republic.

Highlights of his career include his assistance in authoring the new constitutions of Russia, the Ukraine, Bulgaria, Albania, and Hungary following the fall of the Soviet Union; his dedicated service as Research Director for the House Iran-Contra Committee; and his extensive testimonies on war powers, state secrets, executive spending discretion, presidential reorganization authority, Congress and

the Constitution, the legislative veto, the item veto, executive privilege, executive lobbying, covert spending, the pocket veto, recess appointments, the budget process, the balanced budget amendment, biennial budgeting, and presidential impoundment powers. He is renowned as a prolific author of books, textbooks, articles and papers on Congress, the Constitution, Presidential power, and other topics, all too numerous to list, and was the 2006 recipient of the Neustadt Book Award for Military Tribunals and Presidential Power.

With gratitude for his contributions to the Congress and the Nation, we extend our deep respect and heartfelt esteem to Dr. Fisher and offer our affectionate wishes for his health and happiness in retirement.

IN PRAISE OF THE TRANS-ATLANTIC LEGISLATORS' DIALOGUE MEETING HELD IN MADRID, SPAIN

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. BERMAN. Madam Speaker, I would like to call the attention of my colleagues in the Congress to another successful meeting of the Transatlantic Legislators' Dialogue (TLD) that was held in Madrid, Spain from June 4–6, 2010. Chairwoman SHELLEY BERKLEY, yet again, showed her strong commitment to furthering the transatlantic relationship in her leadership of a bipartisan delegation, which included Vice-Chairman JIM COSTA (D-CA), Vice-Chairman CLIFF STEARNS (R-FL), Rep. BART GORDON (D-TN), Rep. LINCOLN DIAZ-BALART (R-FL), Rep. MARIO DIAZ-BALART (R-FL), Rep. PHIL GINGREY (R-GA) and Rep. VERN BUCHANAN (R-FL). I wish to recognize and thank Chairwoman BERKLEY and the entire U.S. delegation for their contribution to a constructive dialogue with Members of the European Parliament.

The TLD is the formal response by the European Parliament and the U.S. Congress to the commitment in the New Transatlantic Agenda of 1995, which enhances legislative ties between the European Union and the United States. The TLD biannual meetings foster transatlantic discourse and encourage the exchange of views on topics of mutual interest. With the additional powers provided by the Lisbon Treaty to the European Parliament, it is more imperative now that legislators engage in this dialogue and seek joint solutions to the pressing issues that affect citizens on both sides of the Atlantic.

The most recent meeting in Madrid addressed a wide range of common challenges, including energy security and climate change, cooperation in both responding to international crises and in providing development aid, and current economic challenges within the Eurozone, the United States, and the world.

The session addressing the transatlantic response to volatile regions of the world was moderated by the Honorable Miguel Angel Moratinos, Spanish Minister for Foreign Affairs and current President of the EU General Affairs Council. Members discussed the Middle

East, Afghanistan and Pakistan, Iran, Somalia, and Cuba and stressed the need for transatlantic engagement to address these shared foreign policy interests.

There was also an extensive session on the implications of the Lisbon Treaty for Europe, the transatlantic relationship, and the TLD. The newly enhanced legislative power of the European Parliament reinforces the relevancy and importance of TLD meetings in fostering transatlantic cooperation.

In conclusion, I submit the joint statement that was agreed upon by American and European legislators at the 68th TLD meeting held in Madrid. It underscores the rich agenda of this meeting and highlights the many areas in which there was strong transatlantic agreement.

TRANSATLANTIC LEGISLATORS' DIALOGUE 68TH MEETING OF DELEGATIONS

[From the European Parliament and the United States Congress, Madrid, Spain, 3–6 June 2010, Joint Statement]

(By Shelley Berkley, Chairwoman, United States Congress Delegation; Cliff Stearns, Vice Chairman, United States Congress Delegation; Jim Costa, Vice Chairman, United States Congress Delegation; Elmar Brok, MEP, Chairman, European Parliament Delegation; Sarah Ludford, MEP, Vice Chairwoman, European Parliament Delegation; Niki Tzavela, MEP, Vice Chairwoman, European Parliament Delegation.)

We, the Members of the European Parliament and the United States House of Representatives, held our 68th Interparliamentary meeting (Transatlantic Legislators' Dialogue) in Madrid, from 3–6 June 2010.

Building on the joint statement issued following our last meeting in New York on 4–7 December 2009, we reasserted the importance of regular dialogue on political, social, economic and environmental challenges that affect all of our citizens. We agreed to report back to our parent bodies on the content and outcome of our discussions in Madrid, in particular in the areas where joint efforts are likely to produce positive outcomes.

The first experiences with the Lisbon treaty, and the enhanced powers it gives to the European Parliament, were evaluated and we concluded that this emphasizes the need for continued and expanded dialogue and interaction between legislators in the United States Congress and the European Parliament.

In the field of civil liberties, we recognised that we share many common values yet we also recognised that we may have different approaches to finding optimal solutions. It was noted that these differences in approach are being addressed with a view toward coming to a permanent agreement on the Terrorist Finance Tracking Program (TFTP). We welcomed the intensified contacts, also on the level of the relevant committees, to understand differences and explore common ground. We took note of the EU-US and Member States 2010 Declaration on Counterterrorism of 3 June 2010 'Forging a durable framework to combat terrorism within the rule of law'.

In the same spirit we discussed issues concerning energy and climate change. We exchanged views on adopted legislation on the EU side, in particular the 2020 goals, and on pending legislation on the US side. We emphasized the importance of sustainable policies on both sides of the Atlantic which could facilitate agreement in the larger

international context. In this respect the upcoming COP 16 in Cancun was noted. We discussed the aim of 'greening the economy', including alternative energy sources, to provide the opportunity of enhancing the quality of the environment and improving the economic situation, as well as the perspective of setting common standards for new and environmentally friendly technologies, such as electric vehicles. The national security implications of energy sources and independence were also discussed.

In the presence of the Director General for External Relations of the European Commission, Mr. Joao Vale de Almeida, the prospects for bilateral and global cooperation between the EU and the US were discussed and our shared commitment for disaster relief in third world countries and our common interest in stable and sustainable development in all areas of the world were recognized.

In the presence of the Spanish Minister for Foreign Affairs and current President of the EU General Affairs Council, Mr. Miguel Angel Moratinos, we exchanged views on regions in the world where tensions are high. In this respect we focused attention on the situation in the Middle East, in Afghanistan and Pakistan, in Iran, Somalia and Cuba.

An extensive discussion was held on the latest financial and economic developments in Europe, the US and the world. With regard to Europe, government interventions to stabilise the situation in Member States and the Eurozone are needed. We recognised the global character of the crisis and its effects and therefore emphasised the importance of coordinated action. In this respect the prospects for common approaches regulating the financial sectors of the economy were explored.

We evaluated the state of play of the Transatlantic Economic Council (TEC) and ways to enhance EU-US economic cooperation. The transatlantic market should be allowed to develop its full potential in particular through reducing non-tariff barriers and joint efforts to find common standards. The importance of a successful outcome of the Doha Round was reiterated. We welcomed a proposal to submit a TLD paper to our respective administrations on ways to expand US-EU trade and economic cooperation.

Finally, we reviewed progress in strengthening the Transatlantic Legislators Dialogue, in particular:

—the growing interest in communication among Members of our institutions, both in general and on specific topics,

—the strengthening of the TLD in the Congress by enhancing its status, increasing stability of membership and involving the Speaker of the House of Representatives,

—the opening on 29 April 2010 of the European Parliament Liaison Office (EPLO) in Washington,

—the steps in expanding contacts among staff of our institutions, and discussed options for further enhancing it, such as:

—inviting EU and US officials to provide perspectives on strategic issues related to financial recovery and economic growth,

—expanding interaction between the US Congress and the European Parliament in Brussels and in Washington, including through video-conferencing,

—the possibility of joint hearings and the issuance of joint statements.

In conclusion, we reaffirmed our commitment to strengthening the transatlantic relationship and working in partnership to solve common challenges. We pledged to continue improving the effectiveness of our dialogue in order to realise the full potential of

our interparliamentary relationship, as well as to ensure the relevance of the TLD's work to the European Parliament and the United States Congress.

ANNEX: STATEMENT ON IRAN

We, the members of the Transatlantic Legislators Dialogue, condemn the systematic violations by the Iranian regime and its agencies of the human rights of the Iranian people. The actions of the regime are denying the Iranian people the basic human rights as described in the United Nations Declaration of Human Rights. We call on our respective Administrations to strengthen their efforts to assist the Iranian people in achieving the rights that they are due, through effective means to counteract the regime's repression.

We welcome the coordinated strategy and concerted action by the US government and the European Union to halt the threat posed by Iran's nuclear weapons and ballistic missile programs.

CELEBRATING THE HOWARD K. WATKINS PHOTOGRAPHIC ARCHIVE PROJECT

HON. JIM COSTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. COSTA. Madam Speaker, I rise today to pay tribute to the Howard K. Watkins Photographic Archive Project, aptly recognized as the current "Fresno Photo Laureate."

Since his arrival in Fresno in 1973, Howard K. Watkins has been photographing and documenting events in the greater Fresno area. His collection of 200,000 photos is the largest of its kind and includes: elected officials, community and business leaders, members of the judiciary and legal community, celebrities, numerous community groups, parades, political rallies, athletes, historic buildings and several award winning photographs.

Influenced by the historic Pop Laval Photographic Archive Collection and encouraged by others, Mr. Watkins has partnered with the Fresno Regional Foundation and the Henry Madden Library at California State University, Fresno to provide a permanent home for all to enjoy. Therefore, Fresno State is helping to establish the Howard K. Watkins Photographic Archive Project with the goal of making the photographs publicly accessible as an online historical archive.

Mr. Watkins began taking photos in junior high school with a simple Brownie camera. He pursued his passion for photography as a hobby as a young adult and continued throughout his career as an attorney with Fresno County Legal Services and the Office of Fresno County Counsel. Mr. Watkins became the official photographer for the Fresno County Supreme Court and has taken photographs for the State Bar of California and the California Supreme Court.

Now retired from a distinguished thirty-three year career in the legal field, Mr. Watkins is devoting most of his time to indexing his photographic collection and raising the funds needed to make his photos accessible for generations to come.

Madam Speaker, I ask my colleagues to rise with me today to express our appreciation

for Mr. Watkins' unwavering dedication and commitment to keeping the greater Fresno legacy alive through the Howard K. Watkins Photographic Archive Project.

INTRODUCTORY STATEMENT ON H.R. 5641: TO AMEND TITLE 38, U.S.C., TO AUTHORIZE THE SECRETARY OF VETERANS AFFAIRS TO PROVIDE NURSING HOME CARE FOR VETERANS WHO ARE UNABLE TO LIVE INDEPENDENTLY AT NON-DEPARTMENT MEDICAL FOSTER HOMES

HON. STEVE BUYER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. BUYER. Madam Speaker, today, I am introducing H.R. 5641, a bill to allow the Department of Veterans Affairs (VA) to enter into contracts with adult foster homes to provide life-long care to veterans unable to live independently.

Adult foster homes are designed to provide non-institutional long-term care to veterans who prefer a more personalized, familial setting than traditional nursing homes are able to provide.

VA has been helping to place veterans in adult foster homes since 2002 and over time more than 600 veterans in need have paid to receive such care. As we speak, 219 veterans are living in these special homes.

The need for long term care is increasing as veterans from past conflicts get older, and it will continue to grow as wounded warriors return home from Iraq and Afghanistan with severe injuries that require life-long assistance. While nursing homes will always be a valuable tool for providing lasting care, for some the individualized, home-like atmosphere of an adult foster home is a much more attractive alternative than the prospect of moving into a traditional nursing home.

The advantages of adult foster homes are clear. Veterans who opt for foster home care will move into a home owned or rented by their chosen foster home caregiver. The caregiver—who has passed a VA screening, federal background check, and home inspection and agreed to undergo annual training—resides with the veteran and provides them with 24-hour supervision and personalized care. For as long as that veteran resides in the home, VA adult foster home coordinators and members of a VA Home Care Team will make both announced and unannounced visits at least three times every month to ensure the veteran is safe and the home and caregiver are in compliance with VA's high quality standards.

Additionally, the Home Care Team will provide veterans with comprehensive, interdisciplinary primary care and provide the caregivers with supportive education and training.

Many veterans who choose to reside in an adult foster home would otherwise be in need of nursing home care and would qualify for VA benefits to receive it. However, because VA is not authorized to provide veterans with assisted living benefits, these veterans must pay

for the care they receive in adult foster homes out of their own pockets.

Twenty four percent of veterans who have received care in a Medical Foster Home qualify for VA's highest priority group due to having disabilities rated 50% or more service connected or having otherwise been found unemployable due to service connected conditions. Given that many of the veterans who are benefiting from this individualized, non-institutional care are disabled, afflicted with chronic disease, often elderly, and frequently 70% or more service connected, placing the entire cost burden for adult foster homes on their backs is no way to thank them for their valiant years in service. What's more, it creates an inequity of benefits between those who can afford to pay for such care and those that cannot.

The legislation I am introducing today would give VA the authority to enter into a contract with a certified adult foster home to pay for care for certain veterans already eligible for VA paid nursing home care. By doing so, it would ensure more veterans have the option to choose a treatment setting that best suits their needs free of financial constraints.

Our veterans in need of life-long care have earned the right to decide which long-term care environment would make them feel most at home. And, I encourage my colleagues to join with me in cosponsoring this legislation to make that decision easier.

CONGRATULATIONS TO THE ADVOCATES FOR SELF-GOVERNMENT

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. PAUL. Madam Speaker, the Advocates for Self-Government, one of the freedom movement's leading organizations, is celebrating their 25th anniversary this year. I am pleased to take this opportunity to congratulate the Advocates on this anniversary and wish them continued success in promoting liberty.

The Advocates were founded by my friend, the late Marshall Fritz. Marshall saw that the growth of the freedom movement was handicapped by the lack of an organization to help activists better communicate the freedom philosophy to the general public. In order to remedy this situation, Marshall rallied a group of activists and donors and founded the Advocates in order to teach libertarians how to effectively communicate their principles.

Under the leadership of Marshall from 1985 until 1991; Carole Ann Rand from 1991 until 1995; and Sharon Harris since 1995; the Advocates has helped countless libertarians by providing them with the intellectual resources necessary to effectively battle for a free society.

Without a doubt, the Advocates are best known for the "World's Smallest Political Quiz." Created by Marshall and based on an original idea by David Nolan, this quiz graphs an individual's political philosophy based on responses to a series of ten questions that measure one's commitment to economic and personal liberty.

Under Marshall's leadership, the Advocates undertook an aggressive program of promoting the quiz, distributing millions of copies of the quiz to libertarian activists. They also generously provide free copies of the quiz, as well as libertarian literature and other outreach materials, free of charge to liberty-minded groups such as the Republican Liberty Caucus and Young Americans for Liberty.

The quiz has been taken over 15 million times online, has been reprinted in dozens of newspapers and magazine, is referenced by major high school and college textbooks, and is used by educators in classrooms across America. The quiz is responsible for many people's first contact with libertarian ideas. While traveling around the country, I have often heard people say, "I never knew I was a libertarian until I took the quiz."

The Advocates also recently revamped their Libertarianism.com web site, featuring commentary on the libertarian position on a variety of issues from notables in the freedom movement. I was honored when the Advocates asked me to participate in this project.

As they prepare to celebrate their 25th anniversary, it is a pleasure to thank the founder, the staff and the donors of the Advocates for Self-Government for all they have done for the cause of liberty. I wish them continued success.

TRIBUTE TO TRISH LOWREY
HOOPER

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Ms. ESHOO. Madam Speaker, I rise today to honor the extraordinary life of a distinguished Californian, Trish Lowrey Hooper, a longtime resident of the 14th Congressional District, who died after a fall on Thursday, June 3, 2010. She lived 87 full, productive, and compassion-filled years.

Trish Hooper was a devoted wife, a loving mother, intrepid traveler, painter, writer, and passionate American who worked tirelessly for justice, women's rights, and democratic values. As a child she lived in New Jersey, California, and Hawaii, and was a graduate of Sarah Lawrence College.

Trish Hooper had a great sense of *joie de vivre*. She was fascinated by everything and fascinating to be with. She married John Hooper, an attorney, and they spent the years of World War II on military bases. On returning to San Francisco, John Hooper practiced law and Trish raised their four children. In a characteristic action, she, John, and the children traveled by freighter to France in 1957, where they spent ten years with John working with NATO and she coping with the challenges of raising children in houses in Paris, Switzerland and Italy. She wrote charmingly of these European years in her memoirs.

In 1967, Trish and John Hooper moved to Woodside and immersed themselves in local issues. They worked tirelessly with the candidate who would later be their son-in-law, Paul N. "Pete" McCloskey, in his successful campaign to represent the people of the Mid-Peninsula area in the United States Congress.

Trish Hooper could prick the conscience of a community with her powerful thoughts and her pen. She had a conscience, she had integrity, and she had a magnificent mind. She went toe-to-toe with people and their ideas, always maintaining a level of civility and dignity while doing so. She always had the last word because her words were so powerful. She could move an individual with a paragraph, writing scores of powerful Letters to the Editors of newspapers and magazines across the country. Her work improved the editorial pages of local papers as well as the New York Times, Wall Street Journal, Time, and Newsweek. She wrote three volumes of memoirs and illustrated them with her own paintings. Her watercolors helped raise money for causes she loved, including animal welfare, death with dignity, and freedom of choice for women.

One of her most recent letters was published in the Almanac, a venerable weekly published on the San Francisco Peninsula, on May 12, 2010. In this letter she excoriated Arizona's new immigration law. She wrote that "this new law increases the underlying racism which seems to have replaced the message held with such pride by the Statue of Liberty, a gift from France: 'give me your tired, you poor, your huddled masses yearning to be free . . . I lift my lamp beside the golden door.'"

The message of 'freedom, democracy, and international friendship' is put aside as this vaunted compassionate country loses its bearings. Urged on by hate-mongers and the shrill voice of 'Gotcha!' plus cries of 'down with government,' we're teetering on the brink of a new brand of isolationism."

Madam Speaker, I ask my colleagues to join me in extending our deepest sympathies to Trish Hooper's daughters Margo Hooper and Helen Hooper McCloskey, her sons John C. Hooper and Lawrence Hooper, her sister Helen Virginia Brown, her brother Charles F. Lowrey, and her five grandchildren. We honor the memory of Trish Hooper for the life she lived so well and for her extraordinary service to our Nation. She was a force of nature and will be sorely missed and never forgotten by anyone who was privileged to know her. Trish made our community better and our country stronger. Her brand of citizenship stands as the highest standard for all of us to emulate.

HONORING THE LIFE AND LEGACY
OF DR. WALTER LEAR

HON. CHAKA FATTAH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. FATTAH. Madam Speaker, I rise to honor the life of Dr. Walter Lear. Dr. Lear was a committed physician, outspoken health advocate for gay and lesbian people, and a great Philadelphian. A native of Brooklyn, New York, he was born in 1923 and went on to receive degrees from Harvard College (B.S.), Long Island College of Medicine (M.D.), and Columbia University (M.S.). In the 1960s, Dr. Lear left New York to become the Philadelphia health commissioner and later became the ex-

ecutive director of Philadelphia General Hospital and then the regional health commissioner for the Pennsylvania Department of Health. As one of few "out" gay public officials, Dr. Lear was a leading advocate for the inclusion of sexual orientation in civil rights provisions barring discrimination. Additionally, he was influential in ensuring the passage of the Philadelphia Gay Rights Bill in 1982.

Throughout his career, Lear sought to improve the lives of ordinary people by broadening access to quality healthcare, especially to those who were marginalized in society because of their sexuality. In 1979, Lear and a small group of others founded Lavender Health, which would become the first health center in Philadelphia dedicated to meeting the unique needs of the city's gay and lesbian community. Lavender Health, now known as the Mazzoni Center, continues to provide a much needed resource in Philadelphia as it is the only organization to provide comprehensive health and wellness to LGBT people. Furthermore, the Mazzoni Center is the oldest AIDS organization in Pennsylvania and the fourth oldest in the nation.

Lear's determination to help others was truly unmatched and the extent of his work is far reaching. He helped found the Gay and Lesbian Community Center (now the William Way Center), the Philadelphia AIDS Task Force, and the Maternity Care Coalition of Greater Philadelphia. In addition, he also convened the first national conference on AIDS in the 1980s before the disease received any widespread attention from the media or government. In the 1970s, he was a part of a small group that helped to desegregate medical schools in Philadelphia. Moreover, Lear was visionary in his advocacy for expanded access to healthcare beyond gays and lesbians, to include communities of color facing similar barriers to care. Toward the end of his life, his research interests included documenting the 100+ year struggle to obtain universal healthcare.

Lear was not only an advocate for LGBT issues, but also vocal in his support for the wellbeing of all Pennsylvanians. As an active member in the American Public Health Association (APHA) for over 50 years, Lear championed a number of causes involving minority health, social justice, and health issues facing lesbian, gay, bisexual, and transgender people. The APHA recognized Lear's vast work and activism at their 134th annual meeting where they awarded him the Helen Rodriguez-Trias Award for Social Justice. Sadly, Dr. Lear died on May 29, 2010. He is survived by his loving partner of over 50 years, James F. Payne, his former wife, Evelyn Lear; a son, Jon Stewart, and a daughter, Bonnie Stewart. I express my sincere condolences to his family and friends, and honor the great work he has done for the City of Philadelphia and the Nation.

REPUBLICAN YOU-CUT PROPOSAL

HON. KEVIN BRADY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. BRADY of Texas. Madam Speaker, I rise today in solidarity with Americans who are telling this Congress to stop spending.

More than a million votes have been cast this week as part of the You-Cut initiative, which gives Americans the chance to say what spending we need to eliminate.

This week, the American people said we need to stop paying federal workers to conduct union activities.

These are bureaucrats who are paid by taxpayers but spend 100 percent of their time helping their unions. Their salaries should be paid for by union leaders—not hard-working American families.

These workers cost taxpayers \$1.2 billion

This is not the ethical government the American people were promised, and today, I urge my colleagues on both sides of the aisle to vote to stop this unfair funding.

INTRODUCING THE END BIG OIL
TAX SUBSIDIES ACT**HON. EARL BLUMENAUER**

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. BLUMENAUER. Madam Speaker, today I rise to introduce the End Big Oil Tax Subsidies Act, legislation that will end the expensive and unnecessary subsidies that the American people provide to the world's largest and most profitable companies. The legislation leaves untouched the tax treatment for small, independent companies.

Every year, Americans file their tax forms, contributing to our nation's defense, education, and infrastructure. Yet the biggest oil companies retain staggering tax benefits that shield these companies from their tax burdens. These benefits may have made sense decades ago for a fledgling industry, but today there is no need to protect the largest and most profitable companies in the world from burdens that every other taxpayer faces.

In 2008, the top five oil companies made a combined profit of \$100 billion. In 2009, ExxonMobil hit an all-time record \$45.2 billion in profits, yet paid no U.S. federal income taxes. In fact, they received a \$156 million tax refund. To be sure, these companies face other tax liabilities. But the cornerstone of financing the federal government is the federal income tax and here Big Oil can largely offset its income with these tax subsidies. It is patently unfair that ordinary Americans must pay into a system that subsidizes this mature industry.

At time when we are working to rebuild our economy and curb the deficit, America cannot and should not subsidize the most profitable corporations in the world. President Obama's FY 2011 Budget proposed ending many of these tax breaks, which could reduce the deficit and fund national priorities from education

to clean energy. At the recent G-20 Summit in Pittsburgh, the administration agreed with the other G-20 nations to eliminate these subsidies.

The unique tax breaks enjoyed by the oil industry provide unnecessary and harmful incentives for exploration, drilling, and refining activities that keep America anchored to oil, a threat to our environment and our national security. The United States consumes 25 percent of the world's oil but has less than 3 percent of the proven reserves.

By continuing to artificially subsidize fossil fuels, we undermine investments that will guarantee our energy dependence. It is time for our country to shift gears, end the billion dollar carve-outs for the largest oil companies, and start investing our limited taxpayer dollars in America's future rather than America's past.

A TRIBUTE TO CHESTER REED
FOR A LIFETIME OF DEDICATION
TO PUBLIC SERVICE**HON. JERRY LEWIS**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. LEWIS of California. Madam Speaker, I join my colleague KEN CALVERT to pay tribute to Chester Reed, a hard-working, highly valued employee of the United States Postal Service. Chester will soon retire after 37 years as a forklift operator in the Postal Service's facility in Redlands, CA.

One item I should note: Chester is 95 years old, making him the oldest of the Postal Service's 596,000 career employees.

Joining the plant in 1973, this Ohio native and proud Riverside, CA resident started a career of service that was marked by never arriving late, never using a day of sick leave, and regularly working 12-hour days while volunteering to work more. His enthusiastic spirit has made him a favorite among his colleagues.

Chester knows something about longevity. He was married for over 60 years. Prior to his time with the Postal Service, Chester served 25 years in the Air Force where he retired as a sergeant. He attributes his durability to his faith, no junk food, not much meat, and an onion sandwich every day.

Chester cites his time with the Postal Service as the best job he's ever had. Throughout his nearly four decades with the Postal Service, Chester represented the highest values Federal employees want to provide: courtesy, commitment, and a dedication to public service.

Retirement is something to be celebrated and enjoyed. It is not the end of a career, but rather the beginning of a new adventure. Chester has his sights set on world travel and pursuing his hobby of hang gliding. Madam Speaker, I ask you and my colleagues to join Rep. CALVERT and me in sending our best wishes to Chester Reed.

IN RECOGNITION OF THE U.S. SOO
BAHK DO MOO DUK KWAN FED-
ERATION**HON. JOHN H. ADLER**

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. ADLER of New Jersey. Madam Speaker, I rise today to honor the U.S. Soo Bahk Do Moo Duk Kwan Federation, one of the largest uniform karate organizations in the world, practicing the official martial arts system created by legendary martial artist, the late Grandmaster Hwang Kee.

With over 5,000 members this martial arts system places emphasis on personal growth and values as directed by Grandmaster Hwang Kee. He not only wanted his students to be able to avoid outside physical conflict, but he wanted them to be able to avoid inner conflict as well. Most importantly, these students have developed the ability to improve themselves, their community, and the world for years to come.

Madam Speaker, please join me today in recognizing the outstanding work of the U.S. Soo Bahk Do Moo Duk Kwan Federation.

IN RECOGNITION OF FRANK
KAPPELER**HON. MIKE THOMPSON**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. THOMPSON of California. Madam Speaker, I rise today along with my colleague, LYNN WOOLSEY, to honor and pay tribute to Frank Kappeler, one of eight surviving members of "Doolittle's Raiders" who passed away Wednesday, June 23, 2010, in Santa Rosa, California at the age of 96.

Lieutenant Colonel Kappeler was one of 79 U.S. Army Corps aviators who volunteered to fly the daring bombing mission over Japan four months after the surprise attack by the Japanese on Pearl Harbor.

Sixteen B-25 bombers and the men aboard launched from an aircraft carrier in the Pacific on April 18, 1942, and headed for Japan, knowing that they did not have enough fuel to return and even if they could get back, the large bombers were not able to land on the American carriers.

Lt. Col. Kappeler was the navigator on the No. 11 plane and was forced to bail out over China when the plane's engines stopped at 11,000 feet. Chinese partisans helped Lt. Col. Kappeler and his crew mates escape capture by Japanese forces.

He eventually escaped from China and spent the rest of WWII in the European theater, where he flew 53 combat missions.

He retired from the Air Force in 1966 as a Lieutenant Colonel.

The Doolittle Raid was a significant episode in the war in the Pacific because it demonstrated to both the American and Japanese people that Japan was not invincible and that American forces could and would strike the Japanese homeland.

All of the planes participating in the raid were lost and 11 crewmen were killed or captured.

Lt. Col Kappeler is survived by his wife of 53 years, Betty Kappeler, his daughter, Francia Kappeler, and three grandchildren, all of Santa Rosa, California.

Madam Speaker, Lt. Col. Frank Kappeler is a true American hero who served his country with great distinction. It is therefore appropriate that we honor him today and send our condolences to his family.

INTRODUCTION OF "STOP DECEPTIVE ADVERTISING IN WOMEN'S SERVICES ACT"

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mrs. MALONEY. Madam Speaker, today I am introducing the Stop Deceptive Advertising in Women's Services (SDAWS) Act with 11 other Members of the House of Representatives. Senator MENENDEZ is introducing the companion legislation in the Senate as well.

Fake reproductive health clinics that sometimes bill themselves as legitimate crisis pregnancy centers entice women with unintended pregnancies through their doors under the pretense of providing a full range of reproductive options, and then try to dissuade women from abortion by subjecting them to inaccurate medical information, anti-choice propaganda, and intimidation. This bill would help stop the fraud that these crisis pregnancy centers are perpetrating on the women of America.

The SDAWS Act directs the Federal Trade Commission (FTC) to promulgate rules declaring it an unfair or deceptive act for an entity, such as a crisis pregnancy center, to advertise as a provider of abortion services if the entity does not provide abortion services. Organizations that are not deceptive in their advertising or marketing will not be impacted by this bill.

The Stop Deceptive Advertising in Women's Services Act (SDAWS) serves to protect women seeking information about reproductive options from being subject to disturbing anti-choice propaganda and misinformation about the nature of abortion and its medical effects. Women have a right to unbiased pregnancy counseling, and should not be subject to deceptive advertising from anti-choice centers about the nature of their services.

Too many studies have documented that some CPCs are intentionally deceiving women, providing false or misleading information about the health effects of abortion, the effect of abortion on future fertility, and the mental health effects of abortion. Women deserve accurate medical information when making tough medical decisions. We must not allow this type of behavior to be perpetrated against women seeking reproductive health services.

RECOGNIZING THE JONES FAMILY AS THE SEBASTIAN COUNTY FARM FAMILY OF THE YEAR

HON. JOHN BOOZMAN

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. BOOZMAN. Madam Speaker, I rise today to congratulate the Jones family for its excellence in operating a thriving family farm and the honor of being named the Sebastian County Farm Family of the Year.

Cody and Angela Jones, along with their daughter Hallie, operate a successful farm consisting of three poultry houses, and twenty-four head of cattle located on one-hundred and sixty acres. Through inventive ideas such as automating many of their farm processes and utilizing LED lighting in their poultry houses, the Jones family is expanding the business at a time when many companies are scaling back.

The Jones' also share their knowledge of the industry with other farmers in the community. Cody serves as a board member of both the Sebastian County Farm Bureau and the University of Arkansas Extension Service and Angela serves as Chairperson for the Sebastian County Farm Bureau Women's Committee.

There is no doubt that the Jones' hard work and sharing of expertise benefits not just their farm but also farms and families within their community, the state and throughout America. I ask my colleagues today to join with me in congratulating the Jones family successes in the farming industry and the honor of being named Sebastian County Farm Family of the Year.

HONORING SERGEANT BARRY MICKLEBURGH

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. STARK. Madam Speaker, I rise today to recognize Sergeant Barry Mickleburgh's retirement from the Pleasanton, California Police Department, and to honor his 30 years of exemplary service in law enforcement and community service.

Sergeant Mickleburgh began his law enforcement career in 1981 as a security officer with the Alameda County Sheriff's Department. In 1982, he became a reserve Deputy Sheriff and in 1984, he was hired as a full-time deputy where he served at the Santa Rita Jail.

Sergeant Mickleburgh worked on a variety of assignments over the course of his career, including SWAT, Bicycle Officer, Field Training Officer, Detective, and Narcotic Investigator.

After being promoted to the rank of Sergeant on May 14, 2002, Sergeant Mickleburgh served as a patrol supervisor and the supervisor of the Special Operations Unit which addressed drug and vice related crimes. Sergeant Mickleburgh was also the Field Training Program coordinator and department liaison to the Department of Homeland Security.

Sergeant Mickleburgh received his AA Degree from Chabot Community College in 1981. While working full time, he earned his BA degree from San Jose State University in 1994.

Sergeant Mickleburgh has been instrumental in teaching Problem Oriented Policing. He became an expert in identifying problems that needed specific attention and he shared his knowledge with the rest of the police force.

Sergeant Mickleburgh has enjoyed a highly productive career. His employment file is filled with letters of commendation and appreciation for his attention to detail and his commitment to helping others. I join the City of Pleasanton in expressing appreciation for his commitment and leadership and I wish him all the best in his retirement.

HONORING THE USS McCRAWLEY (APA 4) SURVIVORS ASSOCIATION

HON. ADAM H. PUTNAM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. PUTNAM. Madam Speaker, I rise today to honor the USS McCawley (APA 4) Survivors Association as they commemorate the 67th anniversary of the sinking of the "Mighty Wacky Mac." Last weekend, these members of America's "greatest generation" gathered together for a reunion in Florida to commemorate a fateful day in their lives.

Named after the eighth Commandant of the U.S. Marine Corps, the USS *McCawley* was commissioned in September, 1940 and received five battle stars for its service in World War II.

In the summer of 1942, *McCawley* sailed from the Atlantic Ocean through the Panama Canal and joined the Amphibious Force, South Pacific where she became the flagship of the Force commander, Rear Admiral Richmond K. Turner. On August 7, 1942, *McCawley* participated in the counterinvasion of Guadalcanal, the first Allied amphibious operation of the Pacific War. *McCawley* continued to unload needed cargo even as nearby U.S. and Allied ships were lost or damaged and managed to destroy three to four enemy aircraft. According to Naval records, "over the following six months, *McCawley* made several transport voyages into the fiercely contested waters near Guadalcanal, taking in personnel and materiel that contributed to securing the island in February, 1943."

Unfortunately, on the afternoon of June 30, 1943, at the start of a campaign to seize the island of New Georgia, *McCawley* was attacked by enemy aircraft. *McCawley's* gunfire brought down four planes; but an aerial torpedo struck *McCawley's* engine room, killing 15 of her crew, and shut off all power.

Shortly after the crew was rescued by the USS *Ralph Tabot* (DD 390), *McCawley* was attacked by dive bombers, but little damage was done after the remaining salvage party manned the guns and successfully struck one of the three attacking planes. Later that afternoon, the salvage party boarded the USS *McCalla* (DD 488), and pulled away from the damaged ship with all remaining hands safely accounted for.

That night, the final blow came when *McCawley* was again torpedoed and sank 340 fathoms in a matter of seconds. According to the Department of the Navy, "the following day it was learned that six U.S. motor torpedo boats had torpedoed an 'enemy' transport in Blanche Channel, after having been informed there were no friendly forces in the area. USS *McCawley's* loss to 'friendly fire' led to the urgent imposition of measures to reduce the risk of further such accidents."

June 30th, 1943, was an unforgettable day in the lives of these sailors, and as the remaining survivors gather in Florida this weekend to remember that fateful day, I ask my colleagues in the House of Representatives to join me in honoring their service.

TRIBUTE TO COLONEL THOMAS H.
MAGNESS IV

HON. KEN CALVERT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. CALVERT. Madam Speaker, I rise today to honor and pay tribute to an individual whose dedication and contributions to southern California are exceptional. Southern California has been fortunate to have dynamic and dedicated community leaders who willingly and unselfishly give their time and talent and make their communities a better place to live and work. Colonel Thomas Magness IV is one such individual. On July 1, 2010, Colonel Magness will be honored at the Change of Command Ceremony as the 58th Commander, Los Angeles District, for the U.S. Army Corps of Engineers.

Colonel Magness was born in Fort Campbell, KY. He graduated from the United States Military Academy in 1985 with a Bachelor of Science degree and was commissioned a Second Lieutenant and began serving in the Army Corps of Engineers. He later earned a Master's degree in Civil Engineering from the University of Texas at Austin. His professional military education includes the Engineer Officer Basic and Advanced Courses and the Command and General Staff College.

Colonel Magness has served in the 2nd Armored Division at Fort Hood, TX; the 1st Armored Division in Germany; and the 4th Infantry Division at Fort Hood, TX. He has been a platoon leader, battalion supply officer, company commander, and battalion operations officer. He deployed with the 1st Armored Division as part of Operation Desert Shield/Desert Storm. Colonel Magness served as the District Commander for the Detroit District, U.S. Army Corps of Engineers. Prior to coming to Los Angeles, Colonel Magness was a Senior Service College Fellow at the University of Texas at Austin. Colonel Magness has served as an instructor and assistant professor in the Department of Geography and Environmental Engineering at West Point. He has also served two tours as an observer/controller (trainer) at the National Training Center at Fort Irwin, CA where he led the Sidewinder team, preparing engineer and maneuver support units and their leaders for combat operations.

Colonel Thomas H. Magness assumed command of the Los Angeles District, U.S. Army

Corps of Engineers on July 10, 2007. Upon assuming command of the Los Angeles District, Colonel Magness understood the importance of managing water resources in a more comprehensive manner. Working closely with local watershed stakeholders, Colonel Magness took an innovative and forward looking approach to developing Corps of Engineers water resource projects. Among his many accomplishments while Commander, Colonel Magness played a significant role in advancing the construction of the Santa Ana River Mainstem Project, which is one of the largest Corps of Engineers projects in the Nation. When completed, the Santa Ana River Mainstem Project will provide Orange County with dramatically enhanced flood protection.

Colonel Magness' military awards and decorations include the Legion of Merit, Bronze Star Medal, Meritorious Service Medal (four awards), and the Army Commendation Medal (four awards). He has been awarded the Parachutist Badge, Air Assault Badge, and the Ranger Tab. He is a licensed Professional Engineer in the Commonwealth of Virginia and is an Accredited Professional for Leadership in Energy and Environmental Design (LEED).

Colonel Magness is married to the former Michelle Carnes of Killeen, Texas. They have two daughters, Jenna and Shelby.

Colonel Magness' tireless commitment to the U.S. Army Corps of Engineers and his role as Commander of the Los Angeles District has contributed immensely to the betterment of southern California. I am proud to call Colonel Magness a fellow community member, American and friend. I know that many people are grateful for his service and salute him as he completes his tour as the 58th Commander, Los Angeles District, for the U.S. Army Corps of Engineers. I also wish him well as he assumes command on July 8, 2010 to help rebuild northern Afghanistan with the U.S. Army Corps of Engineers.

SUPPORT OF THE DIGITAL GOODS
AND SERVICES TAX FAIRNESS
ACT OF 2010

HON. RICK BOUCHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. BOUCHER. Madam Speaker, I rise today to introduce the Digital Goods and Services Tax Fairness Act. I am pleased to be joined by my colleague from Texas LAMAR SMITH, the Ranking Member of the Judiciary Committee, as the lead Republican cosponsor of the legislation.

Presently, consumers and businesses engaged in digital commerce may be subject to multiple, confusing and burdensome taxation because of inconsistent rules across the thousands of state and local jurisdictions. Disparate treatment of digital goods and services across these jurisdictions creates further confusion for consumers and businesses.

Digital commerce extends far beyond the digital music, movies and games downloaded by consumers to the electronic delivery of professional services, educational services and health care services.

The existing sales and use tax laws are inadequate and ill-equipped to address today's digital economy. The borderless marketplace and complex nature of digital transactions create new problems that must be addressed uniformly and on a national level to avoid double taxation and to ensure the fair and equitable treatment of digital goods and services.

Unfair, multiple and inconsistent taxation of these digital goods and services will increase costs for U.S. businesses and make them less competitive in the global economy. The additional costs will also hinder investment by high-tech businesses in the broadband networks used to provide new and innovative digital goods and services.

Unfair taxes on digital goods and services also discourage lower-income consumers from using innovative digital services and technologies.

The first state tax on digital goods was imposed in 2007. One year later, eleven additional states considered legislation to impose new taxes on digital goods, and in 2009 fourteen states considered legislation addressing the taxation of digital goods and services. Several states have attempted to impose telecommunication-specific taxes on downloaded music sold by communication providers, taxes which would not be imposed on similar products sold by non-communication companies.

A consistent, national framework for the state and local taxation of digital goods and services is therefore needed to ensure the fair, consistent and equitable taxation of these goods and services.

The Digital Goods and Services Tax Fairness Act addresses this clear need by establishing a uniform national framework for the taxation of digital goods and services.

Our measure prohibits state and local jurisdictions from imposing multiple or discriminatory taxes on the sale or use of digital goods and services, ensuring that digital goods and services are not taxed differently from their physical counterparts.

It provides that taxes may only be imposed on the retail sale or use of digital goods or services, preventing repeated taxation of digital goods and services at multiple stages of the transaction.

The legislation also ensures that only the jurisdiction encompassing the customers' tax address may impose taxes on digital goods and services, preventing the consumer from being taxed by multiple states. For example, a consumer who lives in Virginia could download a digital application from a server in Washington while on vacation in Idaho. Without our national framework, all three states could potentially try and impose taxes on this transaction.

Our measure also prevents state and local tax administrators from retroactively construing taxes imposed on tangible personal property to also apply to digital goods and services through administrative rulings or regulations.

Finally, in recognition of the critical role that online health, energy management and education services play in our economy, our measure exempts these services from all state and local taxes.

Our legislation has been endorsed by a wide range of stakeholders, including the Recording Industry Association of America,

Verizon, Apple, Time Warner and Electronic Arts, among others.

I hope my colleagues will join with us in enacting into law the Digital Goods and Services Tax Fairness Act of 2010.

OUR UNCONSCIONABLE NATIONAL DEBT

HON. MIKE COFFMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. COFFMAN of Colorado. Madam Speaker, today our national debt is \$13,037,542,715,703.81.

On January 6th, 2009, the start of the 111th Congress, the national debt was \$10,638,425,746,293.80.

This means the national debt has increased by \$2,399,116,969,410.01 so far this Congress.

This debt and its interest payments we are passing to our children and all future Americans.

HONORING BRENDA MARIE PAGE ON HER RETIREMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. GORDON of Tennessee. Madam Speaker, I rise today to honor Brenda Marie Page, who is retiring after more than two decades of dedicated service as Clerk and Master of Tennessee's 18th Judicial District.

A lifetime Middle Tennessean, Brenda attended Maplewood High School, then earned her degree at Middle Tennessee State University, my own alma mater. She began her career at Tennessee's Department of Education and went on to work as a secretary at Volunteer State Community College. Then-Dean of Students Tom E. Gray recognized her abilities and brought her in as secretary upon being elected judge, then Chancellor of Sumner County.

Brenda was appointed to the constitutional office of Clerk and Master of the 18th Judicial District in 1988. In her role as Clerk and Master, Brenda has worn many hats. In addition to overseeing the operations and budget of the Clerk's office, Brenda is appointed Special Master in cases involving the division of property. She has played critical roles in the execution of thousands of civil and domestic cases throughout her 22 years of service.

Outside of her contributions to the district, Brenda has served as a division president of the State Court Clerk's Association and an active member of the County Officials Association of Sumner County. She has also served as treasurer of the Sumner County Democratic Party and has been a valued organizer for many years.

Brenda, I hope you enjoy a long and happy retirement with your husband, Robert, and your children and grandchildren. I wish you all the best.

IN RECOGNITION OF WESTERN RODEO DAYS IN FOLSOM

HON. DANIEL E. LUNGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. DANIEL E. LUGREN of California. Madam Speaker, I rise today to recognize Western Rodeo Days in Folsom, and call upon the public to join in the festivities and celebrate the fiftieth anniversary of the Folsom Pro Rodeo.

The Annual Cattle Drive, commencing tomorrow night, will travel to historic Sutter Street led by the second annual Running of the Bullpupes run followed by the Wells Fargo stagecoach and other entertaining events.

This year is the Folsom Pro Rodeo's 50th anniversary and is being held at the Dan Russell Arena on July 2nd, 3rd, and 4th. The annual rodeo is a cornerstone of Folsom's link to its colorful past, and is thoroughly enjoyed by residents and visitors alike.

The 50th Anniversary highlights include all the traditional rodeo events such as saddle and bareback bronco riding, steer wrestling, team roping, barrel racing, and bull riding. There will also be special events such as a performance by the Painted Ladies Drill Team, the rodeo clowns, the crowd-pleasing mutton busting, the arrival of a 35' American flag via parachute, and an in-arena fireworks and laser light show.

I would also like to commend the hundreds of volunteers and the community support that has made these events possible every year.

I am pleased to recognize Western Rodeo Days in Folsom for their contribution to the area, and extend my best wishes to the Folsom Chamber of Commerce for a successful rodeo season.

IN TRIBUTE TO LOS ROBLES HOSPITAL & MEDICAL CENTER

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. GALLEGLY. Madam Speaker, I rise in tribute to Los Robles Hospital & Medical Center, which has been designated eastern Ventura County's first Level II Trauma Center by the Ventura County, California, Board of Supervisors.

Beginning tomorrow, Los Robles will provide Level II Trauma Treatment for residents living in the Greater Conejo Valley and the surrounding communities in eastern Ventura County. The Ventura County Medical Center in Ventura will provide trauma treatment for critical patients in western Ventura County.

With its designation as a trauma center, Los Robles will be staffed and equipped to provide trauma care for any type of emergency patient, 24 hours a day, seven days a week.

Ventura County had been only one of two counties in the state without an approved trauma plan. Two years ago, Ventura County began the process to develop a trauma plan and in March the state approved the county's

plan to designate one trauma center in the west part of the county and one in the east.

To be designated a trauma center, hospitals must meet stringent requirements. Los Robles Hospital's Trauma Center will offer immediate availability of specialized personnel, equipment and services to treat the most severe and critical injuries. The Trauma Center includes ready-to-go teams that perform immediate surgery and other necessary procedures for people with serious or life-threatening injuries caused by traumatic events.

It involves working together with emergency services throughout the county including EMS services, ambulances, helicopters and other healthcare emergency resources in a coordinated and pre-planned way.

Being named the Trauma Center for eastern Ventura County speaks volumes to the solid commitment from the Los Robles Hospital's Trauma Team members, Emergency Department staff, hospital support staff and medical staff.

Madam Speaker, I know my colleagues join me in congratulating Los Robles Hospital & Medical Center for being named the Trauma Center for eastern Ventura County and in thanking Los Robles doctors and staff for their commitment to providing high quality care for the most seriously injured patients.

RECOGNIZING THE 40TH ANNIVERSARY OF THE CANADIAN CONSULATE GENERAL IN MINNEAPOLIS

HON. BETTY MCCOLLUM

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Ms. MCCOLLUM. Madam Speaker, I rise today to join my fellow Minnesotans in celebrating Canada Day and to recognize the 40th anniversary of the Canadian Consulate General in Minneapolis that serves the Upper Midwest region of the United States.

Canada and Minnesota are great neighbors, and the past 40 years have helped to strengthen our friendship through growing bilateral trade and investment ties. Canada remains as Minnesota's number one international trading partner, with an average of \$16 billion in trade each year. Approximately 141,000 Minnesota jobs and more than 8 million jobs across the United States result from trade with Canada. Additionally, our Canadian neighbors make 2 million visits to states in the Upper Midwest and more than 645,000 residents of our region visit Canada each year for business and tourism.

I must also be highlighted that during peace and war time, Canada has always been a vital ally. During the current conflicts in Iraq and Afghanistan, the Canadian people have shared their enormous sacrifices with our military, and our nation is grateful for their deep contributions to national and international security.

It is an honor to join all residents in Minnesota's 4th Congressional District in commemorating the 40th anniversary of the Canadian Consulate General in Minneapolis, and for the celebration of the many ties between Canada and Minnesota on this grand opening

of the "Canadiana" exhibit at the Minnesota History Center in Saint Paul.

**FUNDING RELIEF TO
PLOYER DEFINED MULTIEMPLOYER
PLANS BENEFIT**

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. LEVIN. Madam Speaker, Section 211(a) of the bill before us gives funding relief to multiemployer defined benefit plans, by giving them more time to make up for the severe investment losses that they suffered in 2008 and the first quarter of 2009.

One of the options would give multiemployer plans that meet a solvency test permission to amortize the net investment losses incurred either or both of the first 2 plan years ending after August 31, 2008 over 30 years. The other option—which can be elected independent of the plans' decisions on the first choice—would allow multiemployer plans to smooth those losses up to 10 years, in determining the actuarial value of their assets. The full market value of the investment loss is intended to be calculated as the difference between the actual market value of the assets and the expected market value of those assets, calculated using the assumed rate of return used by the actuary for valuation purposes, at the end of the relevant plan year, with adjustments for contributions and disbursements. In addition, it is also intended that multiemployer plans are to be permitted to reflect the full amount of those losses in their funding calculations, including those portions of the losses that will be recognized over a period of up to 10 years in the actuarial value of assets.

The bill limits the circumstances under which plans that elect either or both of the funding relief approaches may only be amended to increase benefits. It is intended that those restrictions apply for the first 2 plan years after the plan year in which relief is first reflected in the funding standard account. For instance, if the multiemployer plan chooses extended amortization for the losses incurred in the 2008 plan year, that would first be reflected in the funding standard account for the 2009 plan year, and the benefit-increase restrictions would apply for the 2010 and 2011 plan years; if extended amortization (or 10-year smoothing) is also used for losses incurred in 2009, the restrictions would apply for the 2011 and 2012 plan years. I note that a special effective date rule applies the restrictions only to benefit increases that become effective after the date of enactment.

The funding relief approaches are also intended to be available to plans that use actuarial funding methods that do not identify experience gains and losses as separate items. Treasury and the IRS is expected to allow all multiemployer plans to use the relief, either as an overlay to a funding method that otherwise does not produce experience gains and losses or by giving blanket permission to multiemployer plans to switch to a method that does produce them, effective for all relevant plan

years, and without regard to procedural restrictions in relevant Treasury and IRS guidance (such as Revenue Procedure 2001-40) on the number of method changes a plan can adopt within a given period of years or the deadline for electing the change for a given plan year.

It is also intended that the funding relief approaches be made available in the case of a plan for which the deadline for determining funded status has already passed, and for a plan for which the deadline is approaching so quickly that plan sponsors and actuaries will have little time to take the relief into account in making these determinations. It is intended that Treasury and the IRS will provide a reasonable period for plan actuaries, if directed to do so by plan trustees, to withdraw their zone certifications for the first plan year that started after September 30, 2009, and substitute revised certifications if the result is different when the relief is taken into account. Treasury and the IRS is also expected to treat plan actuaries as not violating the deadlines for pending status certifications, even if they are completed within a reasonable period after the statutory due date, so that they can take account of changes due to the relief.

Finally, because time is of the essence, it is expected that the Secretary of the Treasury and IRS will issue guidance under this legislation promptly after the bill's enactment and that such guidance will provide that an action taken in good faith based on a reasonable interpretation of the legislation (including these statements) until the guidance is issued will be deemed to comply with the legislative provisions.

HONORING ROBERT L. TADE

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. HUNTER. Madam Speaker, today I rise to pay tribute to one of our nation's most dedicated veterans, Robert L. Tade, Commander, American Legion El Cajon Post 303, which I have the honor of representing.

In the early 90s, Rob joined the American Legion and quickly became involved in El Cajon Post 303, serving as Post Commander for the past 3 years. Having been a dedicated service member of the Armed Forces for over 40 years, Rob understands the importance of advocating patriotism and honor to our nation's youth and devoting time to fellow service veterans. Since he joined the American Legion, Rob has displayed an endless enthusiasm in ensuring the success of his post, having almost tripled the membership and instituting more than two dozen programs to support the local community.

On June 26, 2010, Commander Tade was bestowed with the California Department of the American Legion's highest honor: Legionnaire of the Year for 2010. He was selected out of 117,000 dedicated members who serve our worthy veterans and youth groups today. Rob is truly deserving of such an award and is a prime example of the patriotism that makes our country the best in the world.

Madam Speaker, let us all applaud the devoted service that Mr. Robert Tade has provided to El Cajon and the rest of San Diego. I urge all my colleagues to join me in celebrating the many achievements of this great public servant.

**ON THE 100TH ANNIVERSARY OF
THE BELEN HARVEY HOUSE**

HON. MARTIN HEINRICH

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. HEINRICH. Madam Speaker, I rise today to pay tribute to a notable constituent of New Mexico's First Congressional District, Ms. Maurine McMillan, who is the director of the Harvey House Museum in Belen, New Mexico.

The Harvey House Museum was founded in 1910 and served as an important gathering space for scores of railroad patrons during the first half of the 20th century. During that time, the Santa Fe line and its accompanying railroad industry defined development in central New Mexico but offered little in the way of comfort to travelers.

Fred Harvey's company brought elegant restaurants, hotel services and amenities to the traveling public throughout the Southwest and established a reputation for cleanliness and friendliness. At its peak, Mr. Harvey's company operated 84 unique Harvey Houses and was the first "chain" business in the world, with an average of one house every 100 miles of the Santa Fe rail line, from Kansas to California.

Many of those Harvey Houses have since been abandoned, demolished or converted to office or storage space for the railroad, but the Harvey House Museum in Belen has been preserved. It is now listed on the National Register and visitors are able to tour its many exhibits. Many community events are also held at the Harvey House Museum, earning the building high regard as a true "place of the heart" in New Mexico.

I am proud to honor Ms. Maurine McMillan of New Mexico's First Congressional District for her continued leadership in preserving the rich value of the Harvey House Museum of Belen to New Mexicans, on its 100th anniversary, this month of June, 2010.

**HONORING OFFICER KELLY
O'NEAL**

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. STARK. Madam Speaker, I rise today to recognize Officer Kelly O'Neal's retirement from the Pleasanton, California Police Department, and to honor his thirty-four years of exemplary service in law enforcement.

Officer O'Neal began his law enforcement career as a Reserve Police Officer with the City of Pleasanton in 1976. For 8 years, he volunteered his time working alongside full-time officers during patrol operations and during special events.

Beginning in 1985, Officer O'Neal worked as a full-time police officer. He worked on a variety of assignments, including patrol, detective, two assignments as a Motorcycle Officer, and as SWAT team member.

During his 34 years of service, his true passion was investigating drug-related crimes. Not only was he widely respected in the law enforcement community as a Drug Recognition Expert Instructor, but also by those who he arrested because of the fair and understanding manner he treated everyone. In 1999, the National Highway Traffic Safety Administration and the California Highway Patrol recognized Officer O'Neal for arresting over 100 drug- or alcohol-impaired drivers. He was selected as the Officer of the Year for his outstanding accomplishments.

Throughout his career, Officer O'Neal served as a Field Training Officer and was responsible for training dozens of officers. His passion for new and innovative firearms and safety training brought the most realistic training scenarios possible to fellow officers.

He gave everything he had to the department and its members, and set a fine example of responsibility and dedication.

I join the City of Pleasanton in applauding Officer O'Neal's leadership within the Pleasanton Police Department and expressing appreciation for his commitment to public safety. He is an outstanding role model for others in law enforcement to follow and I wish him well in his retirement.

INTRODUCTION OF THE GULF COAST RESTORATION ACT

HON. JIM McDERMOTT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. McDERMOTT. Madam Speaker, I rise today to announce the introduction of the Gulf Coast Restoration Act, legislation that would create jobs and national service positions to clean and restore the Gulf Coast, and help rebuild communities throughout the Gulf Coast region. Funding for these jobs and services would be provided by BP in accordance with the company's liability under the Oil Pollution Act of 1990.

We have now learned twice—both in the wake of the Exxon Valdez spill and the ongoing cleanup of this disaster—that oil companies will never hold themselves accountable for their mistakes. Negotiating or trying to work with oil companies is futile. We have heard from BP over and over again that it is prepared to fund the cleanup of the Gulf Coast and compensate those whose livelihoods have been devastated by the spill. And over and over again, the American public has seen how unprepared BP was to handle a catastrophic event like the Deepwater Horizon incident. It's going to take Congress and the Administration to force oil companies to do their fair share. This bill will both help clean up the Gulf and provide a much-needed infusion of jobs into the region.

I want to thank Representatives ISRAEL, HIMES, CONNOLLY, LANGEVIN, SUTTON, HINCHEY, BLUMENAUER, and JOHN LEWIS for sign-

ing on as original co-sponsors. I also want to thank the continued commitment of the 54 members of the Sustainable Energy and Environment Coalition, who have endorsed the bill and whose dedication has been invaluable.

An estimated one million Gulf Coast residents will likely face permanent job loss as a result of the Deepwater Horizon accident, and experts predict that it will take years, if not decades, to recover from the environmental devastation. We've already heard that some fisheries and ecosystems will likely never fully recover. If we learned anything from the Exxon Valdez spill, it's that we're going to need an enormous and continued effort to clean up this mess, and this bill will help us do just that.

HONORING OFFICERS DAVID CURTIS AND JEFFREY KOCAB

HON. GUS M. BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. BILIRAKIS. Madam Speaker, I rise today to honor the lives of David Curtis and Jeffrey Kocab, Tampa police officers who were shot and killed in the line of duty Tuesday morning. Both officers were highly revered by their peers.

Officer Curtis is remembered fondly for his positive outlook on life, his rational demeanor, and his devotion to his family. Many of those who know him comment about his dedication to his wife, Kelly, and four sons Austin, Sean, Tyler, and Hunter. He chose to work midnight shifts so that he would have more time to spend with them.

Officer Kocab is described as a highly motivated individual—active and productive—always looking for the “bad guys” and an exceptional learner. He exuded a caring and compassionate temperament toward those around him. His colleagues comment that his family was the main focus of his life. He was tragically taken from his pregnant wife, Sara.

Fine officers such as David Curtis and Jeffrey Kocab, who so selflessly sacrifice their lives, keep us safe in our communities. Though truly proud to have such upstanding officers in my community, it is with great remorse that I rise and commemorate their lives. It is such a tragedy that these remarkable men were taken at the prime of their lives. I extend my condolences to their families, friends, and colleagues. Although I did not have the honor of knowing Officer Curtis or Officer Kocab, I am thankful to know that because of their tireless work, so many lives have been enhanced and made safer.

IN HONOR OF ROBIN MOSELEY

HON. JOE WILSON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. WILSON of South Carolina. Madam Speaker, during my 17-year service in the South Carolina State Senate, I met many

dedicated Senate staffers who were devoted to serving the public. One of the most outstanding was Robin McIntyre Moseley of Irmo who was always enthusiastic about being accountable and accessible. She has been the right hand of State Senate Education Committee Chairman John Courson, who has been so successful serving South Carolina promoting quality education.

Robin is retiring on July 1, 2010, and her service was recognized by the South Carolina State Senate Resolution below that was unanimously adopted:

A SENATE RESOLUTION

CONGRATULATING ROBIN MCINTYRE MOSELEY ON THE OCCASION OF HER RETIREMENT FROM THE STAFF OF THE SOUTH CAROLINA SENATE, THANKING HER FOR HER DEDICATION TO THE PEOPLE OF SOUTH CAROLINA, AND WISHING HER WELL IN ALL OF HER FUTURE ENDEAVORS

Whereas, the members of the Senate have learned that Robin Moseley, Director of Research for Higher Education with the Senate Education Committee, will be retiring on July 1, 2010; and

Whereas, Senator John E. Courson hired Robin in January 1991 to assist him in his Senate office; and

Whereas, as Senator Courson's Chief of Staff, Robin has faithfully and compassionately assisted the people of Senate District 20, Richland and Lexington Counties, and throughout the State for twenty legislative sessions; and

Whereas, Robin has had a distinguished career of public service working for the Senate Invitations Committee and the Senate Education Committee; and

Whereas, Robin McIntyre Moseley is from Marion, South Carolina and is the daughter of Dorothy Dozier “Dot” McIntyre and the late Robert Joseph McIntyre; and

Whereas, Robin has two brothers, Joe and Al, and one sister, Betsy; and

Whereas, Robin is the proud mother of Scott Moseley, married to Melinda Moseley, and is the doting grandmother, known as “Grandma Robin,” to Alex and Kate; and

Whereas, Robin is a faithful and active member of McGregor Presbyterian Church in Irmo where she is an elder and Sunday school teacher, and has served as Clerk of the Session; and

Whereas, Robin is an involved member of the Irmo community and was the longest serving president of the Ballentine-Dutch Fork Civic Association; and

Whereas, in her free time, Robin enjoys gardening and photography. In 2005, she was honored when one of her many wonderful State House photographs graced the cover of the 2005 Legislative Manual; and

Whereas, Robin's decision to retire from her current position will leave her time to delight in caring for her grandchildren and spend time on her family's farm in Marion where her mother and siblings reside; and

Whereas, it is fitting and proper for the members of the South Carolina Senate to recognize Robin's achievements on the occasion of her retirement. Now, therefore,

Be it resolved by the Senate:

That the members of the Senate, by this resolution, congratulate Robin McIntyre Moseley on the occasion of her retirement from the staff of the South Carolina Senate, thank her for her dedication to the people of South Carolina, and wish her well in all of her future endeavors.

Be it further resolved that a copy of this resolution be forwarded to Robin Moseley.

TRIBUTE TO MS. EDNA MITCHELL-
STEWART

HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. DAVIS of Illinois. Madam Speaker, I rise to pay tribute to one of the most admired, most loved and most influential members of my community, and of my congressional district. She was not a minister, she was not a physician, she was not an athlete, she was not a gangster and she was not a public educator or well known philanthropist. She was a queen, the queen of soul, the queen of soul food. She was the owner of Edna's Soul Food Restaurant where she fed kings and queens but never lost the common touch.

Edna and her father, the late Mr. Sam Mitchell Sr. opened Edna's in the 1960's and operated a number of businesses in the Garfield Park Community. Their good food, personality and community spirit propelled Edna's into becoming a community institution.

During his stay in Chicago, it was one of Dr. Martin Luther King Jr.'s, favorite eating places and of course they fed him and his staff often times for free. Over the years Edna's became the place to be, it was a meeting place for ministers, politicians, business persons and others. I have held regular meetings there for both my political and government activities.

Mayors, governors, Presidents, entertainers, athletes and other well known personalities were there on a regular basis. Edna and her family were not just proprietors; they were a community institution, her parents, her sisters, including Judge Judy Mitchell Davis, her brother Sam, Sister Alice, all contributed greatly to the community. One former governor always called it Edna's Kitchen and would inquire

about meeting there. Governor Pat Quinn earlier this year proclaimed Edna's Day while feasting on black-eyed peas and cornbread.

Edna would hire young people and help them go to college. I cannot count the times she asked me about scholarships and financial aid for students.

Edna did more than just manage a restaurant. She was a guidance counselor, a community resource, she hired people fresh out of prison, she fed the hungry, she clothed those who were naked, and she gave hope to the hopeless and provided help for the helpless. She was active in her church, participated in politics and played a substantial role in community affairs.

Although Edna is gone, her spirit lives on in her recipes and in her legacy of generosity. Goodbye to our Queen of Soul . . . that is soul food.

HONORING VENEZUELAN INDEPENDENCE DAY ON JULY 5, 2010

HON. MARIO DIAZ-BALART

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 2010

Mr. MARIO DIAZ-BALART of Florida. Madam Speaker, on July 5th, just one day after we celebrate our country's birth, Venezuela will celebrate its independence from Spain.

The Venezuelan people know and love freedom, but that land of heroes has been hijacked by a crazy, corrupt dictator, Hugo Chavez.

His government has limited freedom of the press by forcing independent TV stations and newspapers to shut down, has silenced its critics by jailing opposition party members and

even members of the judiciary, and continues to put millions of dollars in the hands of terrorists and narco-traffickers around the world. Chavez has also deepened ties with Iran, through training exercises with Iran's Islamic Revolutionary Guards Corps Qods Force.

Chavez is leading his nation down the road to tyranny and that, Madame Speaker, is unacceptable. Venezuela is the land of Simon Bolivar, home to his decedents, freedom-loving people who value liberty, justice and the rule of law.

As Chavez furthers his corrupt and anti-democratic activities in our hemisphere, the United States must stand firm on the side of freedom and support our democratic allies in the region and all the people who value democratic principles, both inside and outside of Venezuela.

I want to thank and commend all Venezuelans living in exile in the United States for their dedication and commitment to preserving their culture and ensuring that freedom, democracy and justice once again ring true in Venezuela.

South Florida is home to the largest Venezuelan and Venezuelan American community in the United States. They have embraced the values and ideals that we as Americans hold true. They make valuable contributions to our Nation, serve in our military, and take an active part in the democratic process.

At the same time, they hold tight to their traditions, culture and language, work tirelessly to support and promote democracy in Venezuela and hope to one day soon be a part of a democratic Venezuela.

On their day of Independence, I urge the United States to stand in solidarity with the Venezuelan people in their struggle to preserve freedom and restore democracy.

HOUSE OF REPRESENTATIVES—Thursday, July 1, 2010

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. JACKSON of Illinois).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
July 1, 2010.

I hereby appoint the Honorable JESSE L. JACKSON, Jr. to act as Speaker pro tempore on this day.

NANCY PELOSI,
Speaker of the House of Representatives.

PRAYER

Reverend Bradford Braley, First Presbyterian Church, Cedar Falls, Iowa, offered the following prayer:

Great and gracious God, we gather today from north and south and east and west as representatives chosen to lead Your people. As we approach the 234th anniversary of the birth of this great Nation, we ask You to rekindle the spirit of independence which values and respects each person's freedom.

Reignite the spirit of unity that overcame sharp differences of opinion to form these United States. Renew a spirit of interdependence which seeks the common good of all above personal preferences.

Inspire a sense of awe and wonder at the bountiful resources of this land, and in light of the environmental tragedy in the Gulf of Mexico, may we humbly dedicate ourselves to preserving and protecting those resources. Guide these leaders in their work today, and in the days to come, that our Nation's example of democracy and compassion may be a beacon of hope to all the world. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from New Mexico (Mr. HEINRICH) come forward and lead the House in the Pledge of Allegiance.

Mr. HEINRICH led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

WELCOMING REVEREND BRADFORD BRALEY

The SPEAKER pro tempore. Without objection, the gentleman from Iowa (Mr. BRALEY) is recognized for 1 minute.

There was no objection.

Mr. BRALEY of Iowa. Mr. Speaker, it is always a privilege when a member of your district, a constituent, gets to deliver the prayer to open the House day. It's also a rare privilege when that individual happens to be your personal pastor. But, Mr. Speaker, no one knows better than you what a rare privilege it is when that person is also a member of your family.

I am extremely proud to have my brother here to deliver the opening prayer. This is an important week in his life because this is also the 30th anniversary this week of his ordination as a Presbyterian minister. He is the Pastor of First Presbyterian Church in Cedar Falls, Iowa. He has also served churches in Nevada and Ida Grove, Iowa. He got his Divinity Degree from the University of Dubuque Theological Seminary in my district.

He's been a great role model to me and my family and has been an inspiration to the parish where he has served because of his community leadership, including a very long and strong action in leading the CROP Walk to help take care of needy people throughout this world. For that reason I am honored to have him here today. I appreciated the inspiring remarks he shared with us.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain up to 10 further requests for 1-minute speeches on each side of the aisle.

WALL STREET REFORM AND CONSUMER PROTECTION ACT

(Mr. HEINRICH asked and was given permission to address the House for 1 minute.)

Mr. HEINRICH. Last night, I hosted a telephone town hall with thousands of New Mexicans to discuss what we've been doing to reform Wall Street and to protect and empower consumers in the marketplace. During the town hall,

several constituents contacted my office for help with their own financial problems like unfair spikes in their credit card interest rates. Just like these callers, all New Mexicans have been negatively impacted by the years without accountability for Wall Street banks and big corporations that caused the financial hardship that we're dealing with today.

Our working families and our small businesses deserve better. That's why I was proud to vote for the Wall Street Reform and Consumer Protection Act yesterday. This legislation will rein in the Wall Street banks and their big bonuses and put an end to taxpayer bailouts and the idea of "too big to fail." I'm hopeful the Senate will quickly pass this bill so that Wall Street banks will again be held accountable. Hardworking New Mexicans deserve no less.

MAIN STREET ON THE HOOK FOR MANHATTAN'S WALL STREET

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Mr. Speaker, yesterday, the House passed a financial regulatory bill, which shows Washington liberals once again how out of touch they are with the needs of hardworking Americans. Small business owners and community bankers across South Carolina will be adversely impacted by this bill.

Justin Strickland, president of Southern First Bank in Cayce, and father of former House floor page Justin Strickland, Jr., said that "this bill adds 30 new regulations that will severely limit the ability of small banks to extend credit to South Carolinians." Hal Stevenson, CEO of Grace Outdoor in Columbia, explains that this big bank bailout discourages lending to small businesses and reduces job creation. Calling this a reform bill is insulting when it fails to address the giants in the financial collapse, Fannie Mae and Freddie Mac. Failing to tackle these two cancerous entities is like going in for surgery and keeping the giant tumor in place.

In conclusion, God bless our troops and we will never forget September 11th in the global war on terrorism.

POSSIBLE LAWSUIT AGAINST ARIZONA'S NEW IMMIGRATION LAW, SB 1070

(Mr. MITCHELL asked and was given permission to address the House for 1 minute.)

Mr. MITCHELL. Mr. Speaker, I am troubled by recent press reports suggesting that the Justice Department has decided to sue to block Arizona's new immigration law, SB 1070. I believe this is the wrong direction to go. I believe the administration's time and efforts would be much better spent securing the border and fixing our broken immigration system. If there's one message that Washington should receive from the enactment of SB 1070, it is that Arizonans are fed up with waiting for the Federal Government to address this vitally important issue.

A lawsuit won't solve the problem. It won't secure the border and it won't fix our broken immigration system. Neither will boycotts, which are shortsighted and detrimental to our economic recovery. The only thing that protracted litigation will do is once again demonstrate to Arizonans that Washington just doesn't get it. It will embolden those on all sides who prefer to grandstand and score political points, instead of working toward real solutions. Arizonans are tired of grandstanding and tired of waiting for real help from Washington.

KYRGYZSTAN CONSTITUTIONAL REFERENDUM

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, a couple of weeks ago, there was ethnic violence occurring in the emerging Republic of Kyrgyzstan. Today, there is good news about how that nation is progressing towards democracy. On Sunday, the people of Kyrgyzstan held a referendum on the new constitution. Ninety percent voted to establish a new parliamentary government. This would make Kyrgyzstan the only nation in the region to shift its balance of power from an authoritarian style of government to representative democracy.

Despite the recent violence, the interim government was able to conduct the referendum as scheduled and undertook heroic efforts to include as many citizens as possible, with two-thirds of the eligible voters participating. Election officials visited hospitals and refugee camps to ensure that the injured and displaced were not denied the right to a ballot.

The government faces many challenges before the general election this fall and much to be done for Kyrgyzstan to establish a stable government that protects the rights of all its citizens. But the referendum is a good start, and the United States

should stand by with assistance and support.

OILSPILL MEANS NEED TO DEVELOP ALTERNATIVE FUELS

(Ms. SCHWARTZ asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SCHWARTZ. As a result of the BP Deepwater Horizon blowout, tens of millions of gallons of oil have polluted the gulf coast. This is the worst environmental disaster in U.S. history. It is also a clarion call to action—an urgent call to develop alternative sources of energy. Without a determined commitment to alternative fuels, we will never end our Nation's addiction to oil, which demands drilling in deeper and more dangerous locations, increasing the potential for other devastating consequences. I've introduced legislation with bipartisan support to encourage the next generation of biofuels—fuels made from living matter like plants and algae. Along with incentives to expand other alternative energy sources and promote energy efficiency, this proposal is exactly what the renewable fuel industry needs to get biofuel facilities built in the United States. New bio-refineries will produce clean energy and create new jobs here at home. The Biotechnology Industry Organization estimates that direct job creation from cellulosic biofuels will create over 200,000 jobs in the next decade. By working with the private sector to advance the next generation of fuels, we can and we should put our Nation on a path to safer, cleaner, domestically produced energy.

□ 1010

MISGUIDED FINANCIAL REGULATORY REFORM

(Mr. COFFMAN of Colorado asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COFFMAN of Colorado. Mr. Speaker, I rise today to express my profound disappointment that yesterday, the House passed an ill-advised conference report for the financial regulatory reform bill. This legislation will create a permanent bailout fund for financial institutions. It neglects to reform or place any safeguards on two of the main culprits in this ongoing mess, Fannie Mae and Freddie Mac; and the Federal Government guarantees more than \$1.7 trillion of their debt.

This misguided bill would create a new government bureaucracy providing unelected Federal bureaucrats the power to determine the types and terms offered by financial products. I have severe reservations about such an action, as it will simply serve to make

obtaining credit more unavailable. Finally, this act would be paid for in part by redirecting \$11 billion in TARP funds. Unspent TARP funds must be used to pay down the national debt. Instead, this Congress is attempting to utilize these moneys for further increased spending at times when Americans continue to struggle to make ends meet.

I urge the Senate to vote "no" on the conference committee report.

HONORING THE 60TH ANNIVERSARY OF THE KOREAN WAR

(Mr. KLEIN of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLEIN of Florida. Mr. Speaker, I rise today to honor all American veterans and especially those who served in the Korean War. Although it's too often mischaracterized as "the forgotten war," we will never forget the sacrifice of the 294,000 Floridians who put on the uniform and served our country in that conflict. This year we are marking the 60th anniversary of the Korean War which provides us another opportunity to say "thank you" to those who fought for the freedoms that we all enjoy.

Once again, our community in south Florida has come together to honor the veterans of the Korean War, and we are dedicating a new memorial in Palm Beach County to make sure these servicemembers and the war they fought are never forgotten. I would personally like to thank Joe Green, the president of our local chapter of the Korean War veterans, for his tireless dedication. Without his hard work, this memorial would not have become a reality; and we owe him a great deal of gratitude.

I personally wake up every day committed to serving those who served our country. Standing with our local veterans is a top priority, and today I am honored to ask the House to remember those who served in the Korean War on the occasion of its 60th anniversary.

SHOTS ACROSS THE BORDER

(Mr. POE of Texas asked and was given permission to address the House for 1 minute.)

Mr. POE of Texas. Mr. Speaker, the violence continues to spill across our southern border with Mexico. This week, seven shots from gunfire hit City Hall in downtown El Paso, Texas, in more cross-border violence. City Hall is over a half mile from the Rio Grande border with Mexico. The El Paso Police said stray bullets came from a drug cartel shoot-out in Juarez, Mexico.

In 1911, 99 years ago, stray bullets rained down on Americans from across the border when revolutionary Pancho Villa seized the city of Juarez, Mexico.

Those stray bullets wounded Americans and damaged American properties. Bandits raided ranches and attacked border towns. There was lawlessness on the border frontier. History is repeating itself.

But in 1911, President Taft took swift action. He deployed the Cavalry from Fort Bliss to the border and to the areas along the border. They stopped the violence on American lives and property. But today, this administration is missing in action on the border. Meanwhile, the border war continues.

And that's just the way it is.

DANGERS ON THE ROAD

(Mr. BISHOP of New York asked and was given permission to address the House for 1 minute.)

Mr. BISHOP of New York. Mr. Speaker, as we celebrate the coming Independence Day holiday, I note with sadness that more American teenagers are killed in auto accidents over the July 4 weekend than any other time of the year. From 1995 to 2006, over 76,000 Americans between 15 and 20 years of age died in motor vehicle crashes, an average of 122 teenage deaths per week.

Parents can't always be in the passenger seat; but we, as a Nation, can help our teens drive safely through graduated driver's license programs which allow young drivers time to develop their skill and road awareness before they receive a full unrestricted license. Graduated driver's license programs save lives. California saw a 40 percent drop in passenger deaths and injuries resulting from crashes involving 16-year-old drivers in the first 3 years after adopting a graduated driver's license program, and other States have seen similar results.

I have introduced bipartisan legislation that would require States to introduce graduated driver's licenses informed by best practices from existing State programs, and I urge my colleagues to support it. I also urge all Americans, especially teenagers, to make an effort to drive safely this weekend.

CONGRATULATING DAVIE COUNTY'S WHIT MERRIFIELD ON GAME-WINNING RBI IN COLLEGE WORLD SERIES

(Ms. FOXX asked and was given permission to address the House for 1 minute.)

Ms. FOXX. Mr. Speaker, I rise today to congratulate Whit Merrifield of Advance, North Carolina, who brought in the winning run in the 11th inning for the University of South Carolina to win the NCAA's College World Series over UCLA. Merrifield's game-winning hit capped a two-game sweep of UCLA for South Carolina and helped the Gamecocks capture their first-ever College World Series title. The team's

coach called his historic game-winning hit "the biggest hit of his career," and I couldn't agree more.

Merrifield, who is the son of Bill and Kissy Merrifield, comes from a family of North Carolina athletes. He played for Davie County High School, was on the 2007 South Carolina/North Carolina All-Star Select Team, hit .400 his senior year at Davie High and .464 his junior year, and was a two-time all-State selection. And after his history-making RBI for the Gamecocks, his family, friends and the people of Davie County, North Carolina, are proud to call him their own.

OBAMA FAILS TO PROTECT AMERICAN JOBS

(Mr. SMITH of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Texas. Mr. Speaker, an Associated Press poll found that only 36 percent of Americans approve of the President's handling of immigration, and only 42 percent approve of the way he is handling employment. This is no coincidence. Illegal immigration and unemployment are directly linked. There are 15 million unemployed Americans in the United States and 8 million illegal immigrants in the labor force. We could cut unemployment in half simply by reclaiming the jobs taken by illegal workers.

President Obama is on the wrong side of the American people when it comes to immigration. The President should support policies that help jobless citizens and legal immigrants find the jobs they need and deserve rather than not enforce immigration laws.

President Obama has failed to protect American jobs.

□ 1020

LOUISIANA SEAFOOD IS SAFE

(Mr. MELANCON asked and was given permission to address the House for 1 minute.)

Mr. MELANCON. Mr. Speaker, I rise today on behalf of thousands of Louisiana families that have worked tirelessly in the seafood industry to deliver shrimp, oysters, crab and countless varieties of fish to restaurants and markets across this country.

While the news coverage of the BP oil spill is constantly reminding us that we are facing the largest environmental disaster in our Nation's history, it is imperative that we prevent another disaster from developing, that of the death of the Louisiana seafood industry.

I come to the floor today to let you know that Louisiana seafood on the market is safe to eat. There's daily testing, as never before, of all seafood catches, by local, State, Federal experts and scientists.

To aide in this oversight, Congressman BOYD of Florida and I sent a letter to the President requesting that a seafood safety task force be assembled. Their mission would be to further ensure the safety and wholesomeness of gulf-harvested commercial seafood products that are being presently gathered.

Some areas of our coastline are now closed to fishing. These closures are necessary and should underscore our steadfast commitment to consumer safety. But the world must know that approximately 40 percent of our oyster areas are open and harvesting, and 70 percent of our coast remains open to commercial and recreational fishing.

THE COSTS OF THE IRAQ AND AFGHANISTAN WARS ARE TOO HIGH

(Mr. DUNCAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DUNCAN. Mr. Speaker, according to both the Congressional Research Service and the Center for Defense Information, the costs for the wars in Iraq and Afghanistan will reach over \$1 trillion by the end of this year. Today we are being asked to approve many billions more in a supplemental war appropriations bill.

There has never been anything conservative about these wars. This is world government at its worst. We have never had any wars in the past with so much waste, fraud, and abuse, and so many billions ripped from the taxpayers by Pentagon contractors. Fiscal conservatives should be the ones most horrified by all this spending.

The worst thing is the loss of young American lives, when Iraqi and Afghani troops should have been doing this fighting. And there's really no telling how much we will have to pay out in future medical and disability costs.

Defense contractors have so many retired admirals and generals to lobby for them that they keep requesting and getting more money. But these wars have gone on far too long already. We should bring our troops and, especially, our rip-off contractors home.

LONG-TERM BRIDGE PERFORMANCE PROGRAM

(Mr. SIRES asked and was given permission to address the House for 1 minute.)

Mr. SIRES. Mr. Speaker, I rise to bring attention to an important initiative of the Federal Highway Administration called the Long-Term Bridge Performance program. This program is proudly being led by Rutgers Center for Advance Infrastructure and Transportation in New Jersey.

The Long-Term Bridge Performance program is envisioned as a 20-year comprehensive examination of our nation's "workhorse" highway bridges.

The team at Rutgers has been inspecting, evaluating and monitoring a representative sample of seven bridges nationwide. These pilot studies are instrumental in gathering reliable information, such as how to maintain safe and satisfactory traffic flow.

The researchers will analyze and apply the data to facilitate improved life-cycle cost and predictive models, better understanding of bridge deterioration, and more effective maintenance and repair plans. Ultimately, this study will promote the safety, mobility, longevity and reliability of our Nation's highways.

As the highway system grows older, it is important to be sure that our Nation's bridges are safe and reliable.

I am proud that Rutgers Center for Advanced Infrastructure and Transportation is leading the way in helping the country tackle its complicated transportation issue.

I ask my colleagues to join me in commending Rutgers University.

IS ANYBODY LISTENING?

(Mr. TIM MURPHY of Pennsylvania asked and was given permission to address the House for 1 minute.)

Mr. TIM MURPHY of Pennsylvania. Mr. Speaker, what were world leaders saying last weekend about their troubled economies?

German Chancellor Merkel: Budget cuts are urgently needed.

Prime Minister David Cameron: Those countries that have big budget deficits like ours have to take action.

The Washington Post headline said: "President Obama urges G20 nations to spend; they pledge to halve deficits."

Just like England, the U.S. has a budget deficit that's equal to 11 percent of gross domestic product. While other nations are tightening their belts, Washington is borrowing Chinese money belts.

By year's end, the national debt will reach 62 percent of the GDP, the highest leveled since World War II. The more Washington spends, the more it borrows, the more interest rates, the more taxpayers must spend on interest payments to Chinese and foreign debt holders.

You know, the first rule when you're in a hole, especially a \$13 trillion hole, is stop digging. American families understand that just because there are checks in the checkbook, that doesn't mean there's money in the account. And that's the message from Main Street to Wall Street. Is anybody listening?

AMERICANS CAN'T AFFORD ANY MORE FAILED ECONOMIC POLICIES

(Mr. CARNAHAN asked and was given permission to address the House for 1 minute.)

Mr. CARNAHAN. Mr. Speaker, instead of working together like Presi-

dent Reagan and Speaker O'Neill did in the early eighties to extend the solvency of Social Security, this week the Republican leader announced his plan to raise the Social Security retirement age and decrease benefits for older Americans to pay for the wars in Iraq and Afghanistan. Pay for the wars in Iraq and Afghanistan on the backs of seniors? You've got to be kidding me.

This is the same Republican Party when, in the majority under President Bush, refused to pay for the two wars, and gave tax cuts to the wealthiest Americans, doubling our national debt, and laying the groundwork for the worst financial crisis in a generation.

And some Republicans are still trying to privatize Social Security. Do I need to remind people that personal retirement funds have been wiped out under failed Republican economics?

The other side refuses to work together to create additional jobs and to help those who have lost their jobs.

Despite Republican foot dragging and nay-saying, this year we're on track to create more jobs than were created during the entire 8 years under President Bush.

Missourians simply cannot afford more failed economic policies.

STOP PLAYING SPY GAMES WITH WESTERN LANDS

(Mr. REHBERG asked and was given permission to address the House for 1 minute.)

Mr. REHBERG. Secret documents, clandestine meetings, code words, and secret identities. Despite all of these elements of a dime store spy novel, this isn't fiction. It's the United States Department of the Interior.

Almost 4 months ago a secret memo was discovered. Across the top, where you might see "top secret," it said "not for release" instead. It contained secret plans to designate millions of acres across the West as national monuments. My colleagues and I demanded the missing pages, and after nearly 4 months, mum is the word.

Meanwhile, new emails hint at a conspiracy that would be at home in an Ian Fleming novel: meetings with United States Senators to discuss projects, treasured landscapes, contingency plans, complete with maps, fit for a Pentagon war room.

Americans like spy novels, but there's no place for covert policy-making in America. The Department of the Interior should stop playing spy games with Western lands.

SOCIAL SECURITY BENEFITS

(Mr. TONKO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TONKO. Mr. Speaker, I think that the President was right yesterday

when he called our friends on the other side of the aisle out of touch.

In my hometown of Amsterdam, New York, there are neighbors who are hurting. In some instances, this recession has eliminated nearly half of their retirement savings. Others have lost their homes.

Despite this downturn and Wall Street's recklessness, Republicans still want to privatize Social Security. They want to create a casino economy and play Russian roulette with our hard-earned retirement savings.

Most of the seniors in Amsterdam have worked hard and have played by the rules their entire lives. Social Security, which they have paid into their entire working life, is their crucial safety net and financial security. Let's not gamble it away to appease Republicans, Wall Street, and big banks.

Just a few days ago, the leader of the other side suggested slashing Social Security benefits and using those funds and savings to pay for the war in Iraq and the war in Afghanistan. Enough is enough.

Democrats in Congress are standing up for seniors and fighting to protect Social Security, to create jobs here at home and to support small business as the engine of job growth.

Mr. Speaker, I will continue to fight for seniors because they are deserving of the respect that they have earned.

FREE TRADE AGREEMENTS

(Mr. DREIER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, while the President chose yesterday to engage in a strident, harsh, vitriolic attack on us, I'm going to respond by complimenting him.

At the G20 meeting I was very gratified to see that the President came forward and said that we could create good private sector jobs right here in the United States of America if we were to proceed with ratification of the U.S.-South Korea free trade agreement. It will, in fact, Mr. Speaker, be the largest trade agreement in the history of the world.

Now, some critics would say that calling for its renegotiation or delaying a vote until a lame duck session would be the wrong thing to do. But I will say that I believe anything that we can do to move in that direction is a positive.

One cautionary note: There are two pending trade agreements with both Panama and Colombia that were negotiated before the U.S.-South Korea Free Trade Agreement was completed. Millions and millions of consumers who would like to have the opportunity, Mr. Speaker, to purchase U.S. goods and services right here in our hemisphere are denied that opportunity.

If we proceed with the U.S.-South Korea Free Trade Agreement as the President has called for us to do, we must also proceed immediately with the Panama and Colombia free trade agreements as well.

□ 1030

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on motions to suspend the rules previously postponed.

Votes will be taken in the following order:

H. Res. 1228, by the yeas and nays; H.R. 2340, de novo; and H. Res. 1460, de novo.

The first electronic vote will be conducted as a 15-minute vote. Remaining electronic votes will be conducted as 5-minute votes.

HONORING VETERANS OF HELICOPTER ATTACK LIGHT SQUADRON THREE

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and agree to the resolution (H. Res. 1228) honoring the veterans of Helicopter Attack Light Squadron Three and their families, as amended, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. FILNER) that the House suspend the rules and agree to the resolution, as amended.

The vote was taken by electronic device, and there were—yeas 410, nays 0, not voting 22, as follows:

[Roll No. 415]

YEAS—410

Ackerman	Blackburn	Cantor
Aderholt	Blumenauer	Cao
Adler (NJ)	Blunt	Capito
Akin	Boccieri	Capps
Alexander	Boehner	Capuano
Altmire	Bonner	Cardoza
Andrews	Bono Mack	Carnahan
Arcuri	Boozman	Carney
Austria	Boren	Carson (IN)
Baca	Boswell	Carter
Bachmann	Boucher	Cassidy
Bachus	Boyd	Castle
Baird	Brady (PA)	Castor (FL)
Baldwin	Brady (TX)	Chaffetz
Barrett (SC)	Braley (IA)	Chandler
Barrow	Bright	Childers
Bartlett	Broun (GA)	Chu
Barton (TX)	Brown (SC)	Clarke
Bean	Brown, Corrine	Cleaver
Becerra	Brown-Waite,	Clyburn
Berkley	Ginny	Coble
Berman	Buchanan	Coffman (CO)
Berry	Burgess	Cohen
Biggert	Burton (IN)	Cole
Bilbray	Butterfield	Conaway
Billirakis	Buyer	Connolly (VA)
Bishop (GA)	Calvert	Conyers
Bishop (NY)	Camp	Cooper
Bishop (UT)	Campbell	Costa

Costello	Issa	Murphy (CT)
Courtney	Jackson (IL)	Murphy (NY)
Crenshaw	Jackson Lee	Murphy, Patrick
Critz	(TX)	Murphy, Tim
Crowley	Jenkins	Myrick
Cuellar	Johnson (GA)	Nadler (NY)
Culberson	Johnson (IL)	Napolitano
Dahlkemper	Johnson, E. B.	Neal (MA)
Davis (AL)	Johnson, Sam	Neugebauer
Davis (CA)	Jones	Nunes
Davis (IL)	Jordan (OH)	Nye
Davis (KY)	Kagen	Oberstar
Davis (TN)	Kanjorski	Obey
DeFazio	Kaptur	Olson
DeGette	Kennedy	Oliver
DeLauro	Kildee	Ortiz
Dent	Kilpatrick (MI)	Owens
Deutch	Kilroy	Pallone
Diaz-Balart, L.	Kind	Pascarell
Diaz-Balart, M.	King (IA)	Pastor (AZ)
Dicks	King (NY)	Paul
Dingell	Kingston	Paulsen
Djou	Kirk	Pence
Doggett	Kirkpatrick (AZ)	Perlmutter
Donnelly (IN)	Kissell	Perriello
Doyle	Klein (FL)	Peters
Dreier	Kline (MN)	Peterson
Driehaus	Kosmas	Petri
Duncan	Kratovil	Pingree (ME)
Edwards (MD)	Kucinich	Pitts
Edwards (TX)	Lamborn	Platts
Ehlers	Lance	Poe (TX)
Ellison	Langevin	Polis (CO)
Ellsworth	Larsen (WA)	Pomeroy
Emerson	Larson (CT)	Posey
Eshoo	Latham	Price (GA)
Etheridge	LaTourette	Price (NC)
Fallin	Latta	Putnam
Farr	Lee (CA)	Quigley
Fattah	Lee (NY)	Radanovich
Filner	Levin	Rahall
Fleming	Lewis (CA)	Rangel
Forbes	Linder	Rehberg
Fortenberry	Lipinski	Reichert
Foster	LoBiondo	Reyes
Fox	Loeb	Richardson
Frank (MA)	Loeb	Roe (TN)
Franks (AZ)	Lofgren, Zoe	Rogers (AL)
Fudge	Lowe	Rogers (KY)
Gallegly	Lucas	Rogers (MI)
Garamendi	Luetkemeyer	Rogers (OH)
Garrett (NJ)	Lujan	Rohrabacher
Gerlach	Lummis	Rooney
Giffords	Lungren, Daniel	Ros-Lehtinen
Gingrey (GA)	E.	Roskam
Gohmert	Lynch	Ross
Gonzalez	Mack	Rothman (NJ)
Goodlatte	Maffei	Roybal-Allard
Gordon (TN)	Maloney	Royce
Granger	Manzullo	Ruppersberger
Graves (GA)	Marchant	Ryan (OH)
Graves (MO)	Markey (CO)	Ryan (WI)
Grayson	Markey (MA)	Salazar
Green, Al	Marshall	Sanchez, Linda
Green, Gene	Matheson	T.
Griffith	Matsui	Sarbanes
Grijalva	McCarthy (CA)	Scalise
Guthrie	McCarthy (NY)	Schakowsky
Hall (NY)	McCaul	Schauer
Hall (TX)	McClintock	Schiff
Halvorson	McCollum	Schmidt
Hare	McCotter	Schock
Harman	McDermott	Schrader
Harper	McGovern	Schwartz
Hastings (FL)	McHenry	Scott (GA)
Hastings (WA)	McIntyre	Scott (VA)
Heinrich	McKeon	Sensenbrenner
Heller	McMahon	Sessions
Hensarling	McMorris	Sestak
Herger	Rodgers	Shadegg
Herseth Sandlin	McNerney	Shea-Porter
Higgins	Meek (FL)	Sherman
Hill	Meeks (NY)	Shimkus
Himes	Melancon	Shuler
Hinche	Mica	Shuster
Hinojosa	Michaud	Simpson
Hirono	Miller (FL)	Sires
Hodes	Miller (MI)	Slaughter
Holden	Miller (NC)	Smith (NE)
Holt	Miller, Gary	Smith (NJ)
Honda	Miller, George	Smith (TX)
Hoyer	Minnick	Smith (WA)
Hunter	Mitchell	Snyder
Inglis	Mollohan	Space
Inslee	Moore (KS)	Spratt
Israel	Moore (WI)	Stark
	Moran (KS)	Stearns

Stupak	Titus	Watt
Sullivan	Tonko	Waxman
Sutton	Towns	Weiner
Tanner	Tsongas	Welch
Taylor	Turner	Westmoreland
Teague	Upton	Whitfield
Terry	Van Hollen	Wilson (OH)
Thompson (CA)	Visclosky	Wilson (SC)
Thompson (MS)	Walden	Wittman
Thompson (PA)	Walz	Wolf
Thornberry	Wasserman	Wu
Tiahrt	Schultz	Yarmuth
Tiberi	Waters	Young (FL)
Tierney	Watson	

NOT VOTING—22

Boustany	Hoekstra	Skelton
Clay	Lewis (GA)	Speier
Cummings	Moran (VA)	Velázquez
Delahunt	Payne	Wamp
Engel	Rodriguez	Woolsey
Flake	Rush	Young (AK)
Frelinghuysen	Sanchez, Loretta	
Gutierrez	Serrano	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining in this vote.

□ 1056

So (two-thirds being in the affirmative) the rules were suspended and the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

SALMON LAKE LAND SELECTION RESOLUTION ACT

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and passing the bill (H.R. 2340) to resolve the claims of the Bering Straits Native Corporation and the State of Alaska to land adjacent to Salmon Lake in the State of Alaska and to provide for the conveyance to the Bering Straits Native Corporation of certain other public land in partial satisfaction of the land entitlement of the Corporation under the Alaska Native Claims Settlement Act, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Mexico (Mr. HEINRICH) that the House suspend the rules and pass the bill, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

RECORDED VOTE

Mr. COHEN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 410, noes 0, not voting 22, as follows:

[Roll No. 416]

AYES—410

Ackerman	Akin	Andrews
Aderholt	Alexander	Arcuri
Adler (NJ)	Altmire	Austria

Baca	Deutch	Kilroy	Pastor (AZ)	Rush	Sullivan
Bachmann	Diaz-Balart, L.	Kind	Paul	Ryan (OH)	Sutton
Bachus	Diaz-Balart, M.	King (IA)	Paulsen	Ryan (WI)	Tanner
Baird	Dicks	King (NY)	Pence	Salazar	Taylor
Baldwin	Dingell	Kingston	Perlmutter	Sánchez, Linda	Teague
Barrett (SC)	Djou	Kirk	Perriello	T.	Terry
Barrow	Doggett	Kirkpatrick (AZ)	Peters	Sarbanes	Thompson (MS)
Bartlett	Donnelly (IN)	Kissell	Peterson	Scalise	Thompson (PA)
Barton (TX)	Doyle	Kline (MN)	Petri	Schakowsky	Thornberry
Bean	Dreier	Kosmas	Pingree (ME)	Schauer	Tiahrt
Becerra	Driehaus	Kratovil	Pitts	Schiff	Tiberi
Berkley	Duncan	Kucinich	Platts	Schmidt	Tierney
Berman	Edwards (MD)	Lamborn	Poe (TX)	Schock	Titus
Berry	Edwards (TX)	Lance	Polis (CO)	Schwartz	Tonko
Biggert	Ehlers	Langevin	Pomeroy	Scott (GA)	Towns
Bilbray	Ellison	Larsen (WA)	Posey	Scott (VA)	Tsongas
Bilirakis	Ellsworth	Larsen (CT)	Price (GA)	Sensenbrenner	Turner
Bishop (GA)	Emerson	Latham	Price (NC)	Serrano	Upton
Bishop (NY)	Eshoo	LaTourette	Putnam	Sessions	Van Hollen
Bishop (UT)	Etheridge	Latta	Quigley	Sestak	Visclosky
Blackburn	Fallin	Lee (CA)	Radanovich	Shadegg	Walden
Blumenauer	Farr	Lee (NY)	Rahall	Shea-Porter	Walz
Blunt	Fattah	Levin	Rangel	Sherman	Wasserman
Boccieri	Filner	Lewis (CA)	Rehberg	Shinkus	Schultz
Boehner	Fleming	Linder	Reichert	Shuler	Waters
Bonner	Forbes	Lipinski	Reyes	Shuster	Watson
Bono Mack	Fortenberry	LoBiondo	Richardson	Simpson	Watt
Boozman	Foster	Loeb sack	Roe (TN)	Sires	Waxman
Boren	Fox	Loftgren, Zoe	Rogers (AL)	Slaughter	Weiner
Boswell	Frank (MA)	Lowey	Rogers (KY)	Smith (NE)	Welch
Boucher	Franks (AZ)	Lucas	Rogers (MI)	Smith (NJ)	Westmoreland
Boyd	Frelinghuysen	Luetkemeyer	Rohrabacher	Smith (TX)	Whitfield
Brady (PA)	Fudge	Lujan	Rooney	Smith (WA)	Wilson (OH)
Brady (TX)	Gallely	Lummis	Ros-Lehtinen	Snyder	Wilson (SC)
Braley (IA)	Garamendi	Lungren, Daniel	Roskam	Space	Wittman
Bright	Garrett (NJ)	E.	Ross	Speier	Wolf
Broun (GA)	Gerlach	Lynch	Rothman (NJ)	Spratt	Wu
Brown (SC)	Giffords	Mack	Roybal-Allard	Stark	Yarmuth
Brown, Corrine	Gingrey (GA)	Maffei	Royce	Stearns	Young (FL)
Brown-Waite,	Gohmert	Maloney	Ruppersberger	Stupak	
Ginny	Gonzalez	Manzullo			
Buchanan	Goodlatte	Marchant			
Burgess	Gordon (TN)	Markley (CO)	Boustany	Klein (FL)	Skelton
Burton (IN)	Granger	Markey (MA)	Cummings	Lewis (GA)	Thompson (CA)
Butterfield	Graves (GA)	Marshall	Delahunt	Moran (VA)	Velázquez
Buyer	Graves (MO)	Matheson	Engel	Napolitano	Wamp
Calvert	Grayson	Matsui	Flake	Payne	Woolsey
Camp	Green, Al	McCarthy (CA)	Gutierrez	Rodriguez	Young (AK)
Campbell	Green, Gene	McCarthy (NY)	Hinojosa	Sanchez, Loretta	
Cantor	Griffith	McCaul	Hoekstra	Schrader	
Cao	Grijalva	McClintock			
Capito	Guthrie	McCollum			
Capps	Hall (NY)	McCotter			
Capuano	Hall (TX)	McDermott			
Cardoza	Halvorson	McGovern			
Carnahan	Hare	McHenry			
Carney	Harman	McIntyre			
Carson (IN)	Harper	McKeon			
Carter	Hastings (FL)	McMahon			
Cassidy	Hastings (WA)	McMorris			
Castle	Heinrich	Rodgers			
Castor (FL)	Heller	McNerney			
Chaffetz	Hensarling	Meek (FL)			
Chandler	Herger	Meeks (NY)			
Childers	Herseth Sandlin	Melancon			
Chu	Higgins	Mica			
Clarke	Hill	Michaud			
Clay	Himes	Miller (FL)			
Cleaver	Hinche	Miller (MI)			
Clyburn	Hirono	Miller (NC)			
Coble	Hodes	Miller, Gary			
Coffman (CO)	Holden	Miller, George			
Cohen	Holt	Minnick			
Cole	Honda	Mitchell			
Conaway	Hoyer	Mollohan			
Connolly (VA)	Hunter	Moore (KS)			
Conyers	Inglis	Moore (WI)			
Cooper	Inslee	Moran (KS)			
Costa	Israel	Murphy (CT)			
Costello	Issa	Murphy (NY)			
Courtney	Jackson (IL)	Murphy, Patrick			
Crenshaw	Jackson Lee	Murphy, Tim			
Critz	(TX)	Myrick			
Crowley	Jenkins	Nadler (NY)			
Cuellar	Johnson (GA)	Neal (MA)			
Culberson	Johnson (IL)	Neugebauer			
Dahlkemper	Johnson, E. B.	Nunes			
Davis (AL)	Johnson, Sam	Nye			
Davis (CA)	Jones	Oberstar			
Davis (IL)	Jordan (OH)	Obey			
Davis (KY)	Kagen	Olson			
Davis (TN)	Kanjorski	Oliver			
DeFazio	Kaptur	Ortiz			
DeGette	Kennedy	Owens			
DeLauro	Kildee	Pallone			
Dent	Kilpatrick (MI)	Pascarell			

NOT VOTING—22

Boustany	Klein (FL)	Skelton
Cummings	Lewis (GA)	Thompson (CA)
Delahunt	Moran (VA)	Velázquez
Engel	Napolitano	Wamp
Flake	Payne	Woolsey
Gutierrez	Rodriguez	Young (AK)
Hinojosa	Sanchez, Loretta	
Hoekstra	Schrader	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Two minutes remain in this vote.

□ 1103

So (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. HINOJOSA. Mr. Speaker, on rollcall No. 416, had I been present, I would have voted "aye."

Mr. THOMPSON of California. Mr. Speaker, on July 1, 2010, I was unavoidably unable to cast my vote for rollcall 416 due to an important meeting with a constituent. Had I been present, I would have voted "aye."

RESULTS OF CONGRESSIONAL WOMEN'S SOFTBALL GAME

(Ms. WASSERMAN SCHULTZ asked and was given permission to address the House for 1 minute.)

Ms. WASSERMAN SCHULTZ. Mr. Speaker, I rise to share some news with the Members of the House.

Members of the House, we thought it only right to continue our efforts to have the women show up the men. Our bipartisan congressional women's soft-

ball team had another amazingly successful softball game to raise money for the Young Survival Coalition. It was our second annual game.

In the last 2 years, we have raised more than \$80,000 for the Young Survival Coalition. We think that is not bad for 49 years of a congressional baseball game and 2 years of a congressional women's softball game to do pretty well in that time.

This year we got smart and decided to play women that were maybe a little less athletic and a little older than the team we played last year, and we played the Capitol female press corps. We were doing great until the sixth inning. Then a couple of us got a little tired, and we had a couple of ringers that we were concerned the press brought in. But, in fairness, they did a fantastic job, even though we lost 13-7.

Congratulations to the press team. The press team did a fantastic job. They were devoted and dedicated and worked hard.

I yield to my colleague.

Mrs. EMERSON. We look forward to challenging them again next year. However, I think that we have to make a rule that no interns get to play, because they were quite a bit younger than us, in spite of the fact we thought we would have a level playing field.

Nonetheless, the important thing is, number one, we worked together as a team. We proved that we could totally do something that was nonpolitical and that brought us all together. We bonded, and I think it makes for very important friendships in this place.

Ms. WASSERMAN SCHULTZ. We won for five innings.

Mrs. EMERSON. I will say that next year our practices will begin even earlier.

We want to also thank our coaches here in the House, ED PERLMUTTER, JOE DONNELLY, JOE BACA, KEVIN BRADY and SANDY LEVIN. Thank you all very much for helping. Most importantly, thank you to the Speaker and the Minority Leader and everyone else for being there for us.

Ms. WASSERMAN SCHULTZ. We will see you at the third annual congressional women's softball game next year.

SUPPORTING NATIONAL POLLINATOR WEEK

The SPEAKER pro tempore. Without objection, 5-minute voting will continue.

There was no objection.

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and agreeing to the resolution (H. Res. 1460) recognizing the important role pollinators play in supporting the ecosystem and supporting the goals and ideals of National Pollinator Week.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. CARDOZA) that the House suspend the rules and agree to the resolution.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

RECORDED VOTE

Mr. TONKO. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 412, noes 0, answered “present” 1, not voting 19, as follows:

[Roll No. 417]

AYES—412

Ackerman	Cassidy	Franks (AZ)
Aderholt	Castle	Frelinghuysen
Adler (NJ)	Castor (FL)	Fudge
Akin	Chaffetz	Gallely
Alexander	Chandler	Garamendi
Altmire	Childers	Garrett (NJ)
Andrews	Chu	Gerlach
Arcuri	Clarke	Giffords
Austria	Clay	Gingrey (GA)
Baca	Cleaver	Gohmert
Bachmann	Clyburn	Gonzalez
Bachus	Coble	Goodlatte
Baird	Coffman (CO)	Gordon (TN)
Baldwin	Cohen	Granger
Barrett (SC)	Cole	Graves (GA)
Barrow	Conaway	Graves (MO)
Bartlett	Connolly (VA)	Grayson
Barton (TX)	Conyers	Green, Al
Bean	Cooper	Green, Gene
Becerra	Costa	Griffith
Berkley	Costello	Grijalva
Berman	Courtney	Guthrie
Berry	Crenshaw	Hall (NY)
Biggart	Critz	Hall (TX)
Bilbray	Crowley	Halvorson
Bilirakis	Cuellar	Hare
Bishop (GA)	Cummings	Harman
Bishop (NY)	Dahlkemper	Harper
Bishop (UT)	Davis (AL)	Hastings (FL)
Blackburn	Davis (CA)	Hastings (WA)
Blumenauer	Davis (IL)	Heinrich
Blunt	Davis (KY)	Heller
Bocieri	Davis (TN)	Hensarling
Boehner	DeFazio	Herseth Sandlin
Bonner	DeGette	Higgins
Bono Mack	DeLauro	Hill
Boozman	Dent	Himes
Boren	Deutch	Hinchee
Boswell	Diaz-Balart, L.	Hinojosa
Boucher	Diaz-Balart, M.	Hirono
Boustany	Dicks	Hodes
Boyd	Dingell	Holden
Brady (PA)	Djou	Holt
Brady (TX)	Doggett	Honda
Braley (IA)	Donnelly (IN)	Hoyer
Bright	Doyle	Hunter
Broun (GA)	Dreier	Inglis
Brown (SC)	Driehaus	Inslee
Brown, Corrine	Duncan	Israel
Brown-Waite,	Edwards (MD)	Issa
Ginny	Edwards (TX)	Jackson (IL)
Buchanan	Ehlers	Jackson Lee
Burgess	Ellison	(TX)
Burton (IN)	Ellsworth	Jenkins
Butterfield	Emerson	Johnson (GA)
Buyer	Engel	Johnson (IL)
Calvert	Eshoo	Johnson, E. B.
Camp	Etheridge	Johnson, Sam
Campbell	Fallin	Jones
Cantor	Farr	Jordan (OH)
Cao	Fattah	Kagen
Capito	Filner	Kanjorski
Capps	Fleming	Kaptur
Capuano	Forbes	Kildee
Cardoza	Fortenberry	Kilpatrick (MI)
Carney	Foster	Kilroy
Carson (IN)	Fox	Kind
Carter	Frank (MA)	King (IA)

King (NY)	Mollohan	Schmidt
Kingston	Moore (KS)	Schock
Kirk	Moore (WI)	Schrader
Kirkpatrick (AZ)	Moran (KS)	Schwartz
Kissell	Moran (VA)	Scott (GA)
Klein (FL)	Murphy (CT)	Scott (VA)
Kline (MN)	Murphy (NY)	Sensenbrenner
Kosmas	Murphy, Patrick	Serrano
Kratovil	Murphy, Tim	Sessions
Kucinich	Myrick	Sestak
Lamborn	Nadler (NY)	Shadegg
Lance	Napolitano	Shea-Porter
Langevin	Neal (MA)	Sherman
Larsen (WA)	Neugebauer	Shimkus
Larson (CT)	Nunes	Shuler
Latham	Nye	Shuster
LaTourette	Oberstar	Simpson
Latta	Obey	Sires
Lee (CA)	Olson	Slaughter
Lee (NY)	Oliver	Smith (NE)
Levin	Ortiz	Smith (NJ)
Lewis (CA)	Owens	Smith (TX)
Lewis (GA)	Pallone	Smith (WA)
Linder	Pascrell	Snyder
Lipinski	Pastor (AZ)	Space
LoBiondo	Paul	Speier
Loeb	Paulsen	Spratt
Lofgren, Zoe	Pence	Stark
Lowey	Perlmutter	Stearns
Lucas	Perriello	Stupak
Luetkemeyer	Peters	Sullivan
Lujan	Peterson	Sutton
Lummis	Petri	Tanner
Lungren, Daniel	Pingree (ME)	Taylor
E.	Pitts	Teague
Giffords	Platts	Terry
Mack	Poe (TX)	Thompson (CA)
Maffei	Polis (CO)	Thompson (MS)
Maloney	Pomeroy	Thompson (PA)
Manzullo	Posey	Thornberry
Marchant	Price (GA)	Tiahrt
Markey (CO)	Price (NC)	Tiberi
Markey (MA)	Putnam	Tierney
Marshall	Quigley	Titus
Matheson	Rahall	Tonko
Matsui	Rangel	Towns
McCarthy (CA)	Rehberg	Tsongas
McCarthy (NY)	Reichert	Turner
McCaul	Reyes	Upton
McClintock	Roe (TN)	Van Hollen
McCollum	Rogers (AL)	Visclosky
McCotter	Rogers (KY)	Walden
McDermott	Rogers (MI)	Walz
McGovern	Rohrabacher	Wasserman
McHenry	Rooney	Schultz
McIntyre	Ros-Lehtinen	Waters
McKeon	Roskam	Watson
McMahon	Ross	Watt
McMorris	Rothman (NJ)	Waxman
Rodgers	Roybal-Allard	Weiner
McNerney	Royce	Welch
Meek (FL)	Ruppersberger	Westmoreland
Meeks (NY)	Rush	Whitfield
Melancon	Ryan (OH)	Wilson (OH)
Mica	Ryan (WI)	Wilson (SC)
Michaud	Salazar	Wittman
Miller (FL)	Salazar, Linda	Wolf
Miller (MI)	T.	Wu
Miller (NC)	Scalise	Yarmuth
Miller, Gary	Schakowsky	Young (FL)
Miller, George	Schauer	
Minnick	Schiff	
Mitchell		

ANSWERED “PRESENT”—1

Culberson

NOT VOTING—19

Carnahan	Lynch	Skelton
Delahunt	Payne	Velázquez
Flake	Radanovich	Wamp
Gutierrez	Richardson	Woolsey
Herger	Rodriguez	Young (AK)
Hoekstra	Sanchez, Loretta	
Kennedy	Sarbanes	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining in this vote.

□ 1115

So (two-thirds being in the affirmative) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. GUTIERREZ. Mr. Speaker, I was unavoidably detained and missed the first series of votes in the House Chamber today. Had I been present, I would have voted “yea” on rollcall votes 415, 416 and 417.

PROVIDING FOR CONSIDERATION OF H.R. 5618, RESTORATION OF EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 2010, AND WAIVING REQUIREMENT OF CLAUSE 6(a) OF RULE XIII WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS

Mr. CARDOZA. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1495 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1495

Resolved, That upon the adoption of this resolution it shall be in order to consider in the House the bill (H.R. 5618) to continue Federal unemployment programs. All points of order against consideration of the bill are waived except those arising under clause 9 or 10 of rule XXI. The amendment printed in the report of the Committee on Rules accompanying this resolution shall be considered as adopted. The bill, as amended, shall be considered as read. All points of order against provisions in the bill, as amended, are waived. The previous question shall be considered as ordered on the bill, as amended, to final passage without intervening motion except: (1) one hour of debate equally divided and controlled by the chair and ranking minority member of the Committee on Ways and Means; and (2) one motion to reconsider with or without instructions.

SEC. 2. The requirement of clause 6(a) of rule XIII for a two-thirds vote to consider a report from the Committee on Rules on the same day it is presented to the House is waived with respect to any resolution reported through the legislative day of July 3, 2010.

The SPEAKER pro tempore. The gentleman from California is recognized for 1 hour.

Mr. CARDOZA. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentlewoman from North Carolina (Ms. Foxx). All time yielded during consideration of the rule is for debate only.

GENERAL LEAVE

Mr. CARDOZA. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks on House Resolution 1495.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CARDOZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1495 provides for consideration of H.R. 5618, the Restoration of Emergency Unemployment Compensation Act of 2010, under a closed rule. The resolution provides 1 hour of debate equally divided and controlled by the chair and ranking minority member of the Committee on Ways and Means. The amendment printed in the Rules Committee report shall be considered as adopted. The resolution waives all points of order against the bill as amended. The resolution provides one motion to recommit with or without instructions. Finally, the resolution allows for certain resolutions reported from the Committee on Rules to be considered the same day they are reported. The resolution applies the waiver to any resolution reported through the legislative day of July 3, 2010.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Members are reminded to not traffic the well when another Member is under recognition.

□ 1120

Mr. CARDOZA. Mr. Speaker, as we all know, our country is facing enormous troubles like we have not seen since the Great Depression. At the national level, there is clear evidence that some of the actions that the Democratic Congress have taken are, in fact, working. The economy is again growing, and employers are starting once again to hire.

In 2009, we saw the Nation's GDP grow by 2.8 percent in the third quarter, representing the biggest 6-month turnaround in our economy since 1980. In each successive quarter, we have continued to see positive GDP growth. Since the end of 2009, we have created jobs every single month; and in the last 3 months alone, we have created an average of over 300,000 jobs per month. This is a dramatic change in direction from when President Obama took office and the economy had previously been shrinking at minus 5.4 percent and we were losing jobs at an average of 726,000 jobs per month under the Bush administration.

However, although our economic indicators continue to show that we are making significant progress towards recovery, this does not mean that we are out of the woods yet by any stretch of the imagination. We know that all too well in many pockets of the country, including my own district in the Central Valley of California, the recovery continues to lag well behind the national economic picture. In far too many areas of the country, businesses continue to shed payroll, job losses continue to mount, and hardworking families across America continue to struggle.

Mr. Speaker, as I said, we have not seen times like this since the Great Depression. These are extraordinary cir-

cumstances, and they call for extraordinary measures. Despite what my friends on the other side of the aisle may say, what people who are struggling right now need is a hand up; and this Democratic Congress, despite all the obstacles from the other side of the aisle and the other body, will continue to reach out and try to assist Americans with that hand up.

Mr. Speaker, H.R. 5618 would retroactively restore the emergency unemployment compensation benefits and restore funding for the extended benefits program through the month of November of this year. It would also ensure that States do not cut the level of regular unemployment benefits when they receive these extended Federal benefits, and it would protect workers from having their benefits cut if they experience intermittent earnings which requalify them for regular State unemployment benefits. Without the sort of help provided by this bill, more people will lose their homes, fall behind on their bills and be unable to feed their families. There is a very real risk that the economic crisis could get worse, not better, if we pull the safety net out from under the 1.7 million Americans that are facing these economic conditions right now.

Mr. Speaker, never before in our history has Congress allowed extended unemployment benefits to lapse when the unemployment rate was anywhere close to 10 percent; yet here we are again trying to extend this critical program to keep food on the table for millions of households, including millions of American children across this great Nation simply because the other side of the aisle repeatedly can only say "no."

The current emergency unemployment compensation program began to phase out at the end of May, and many of those now losing benefits have only received 26 weeks of regular State-provided unemployment compensation or one of the first tiers of Federal benefits. This means individuals exhausting their 26 weeks of unemployment benefits are not eligible for emergency unemployment benefits at all. This bill will retroactively restore those benefits and continue them and the program through November.

Without this extension, as I said before, an estimated 1.7 million individuals who have lost their jobs will lose their unemployment benefits by July 3. Mr. Speaker, that's no way to celebrate America's independence holiday. This includes well over 300,000 people in California, where our unemployment level is over 12 percent, well above the national average of 9.3. In my own district, the unemployment rates are much higher than even that. In fact, we have numbers that are near the 20 percent mark; and I have in my district the fourth, fifth and sixth highest unemployment rates in my counties in the country.

Nearly every economist will tell you that cutting off unemployment benefits will undermine the economic recovery by suppressing consumer demand at a critical time when we should be enhancing it, and by exacerbating problems, like the home foreclosure crisis that plagues many areas of our country.

I want to thank the gentleman from Washington (Mr. McDERMOTT) for bringing this bill forward and for his steadfast commitment to America's hardworking families. It is vitally important that we pass this bill and provide the much-needed help that our constituents need during these trying times.

Mr. Speaker, I reserve the balance of my time.

Ms. FOXX. I thank my colleague from California for yielding time, Mr. Speaker, and I yield myself such time as I may consume.

I rise in opposition to this closed rule which rewrites H.R. 5618, the Restoration of Emergency Unemployment Compensation Act and provides martial law/same-day authority for any resolution reported from the Rules Committee through Saturday, July 3.

This bill has been rushed through Congress, avoiding committee action. When the Democrats, who are in charge, brought the bill up before the House for consideration on June 29, it failed to garner the necessary two-thirds majority required for passage. There was bipartisan opposition to this bill.

But why are our colleagues rushing this through? The Senate is not meeting, except to honor Senator Byrd. They know the bill is going nowhere. They say "extraordinary circumstances require extraordinary measures" and that the economic crisis is going to get worse if we don't pass this. But this bill is going nowhere, and they know it. They want to be able to go home and say, We voted to extend unemployment benefits and that Republicans voted "no."

Well, Republicans want to reduce the deficit; and if the underlying bill had been offset with reduced spending elsewhere, Republicans would have supported it. But it is not. Instead, Democrats are relying on budgetary tricks to avoid their own PAYGO rules. They are waiting until the last minute to address important issues and labeling the cost as "emergency spending" so they don't have to account for it in terms of our spending rules.

Frankly, the need for this bill in the first place is a direct admission of the failure of the Obama-Pelosi policies because the many spending bills, which have already been passed, have failed to create the jobs promised by Speaker PELOSI and President Obama. So they're admitting by saying, We have to extend unemployment benefits, that all the spending has failed. Economists

on both sides of the political spectrum are expressing concern over the fiscal health of the U.S. Government. Yesterday, CBO said, "Our debt is now 62 percent of GDP, up 20 percent in 2 years"—the 2 years when Democrats controlled all of Congress and had a Democratic President—and it's the "highest since World War II."

□ 1130

Congress cannot continue this spending spree. We're simply living beyond our means, and I fear the consequences of our actions are not far off.

Here are a few lines from an article written by John Goodman on June 28 entitled *How Bad is Our Fiscal Crisis?*

"Already, we've seen some local governments declare bankruptcy. Expect more of that. In the next several years I believe some very large cities are going to announce they cannot pay their bills. State governments will be next. Whereas local governments can declare bankruptcy, State governments can only default. A default by the State of California seems almost inevitable.

"But is it conceivable that the U.S. Government could default? Actually, yes. Every projection shows the gap between spending and tax revenues rising through time.

"Two years ago the first of the baby boomers started claiming early retirement under Social Security. Next year they'll start signing up for Medicare. Before they're through, 78 million people will quit working, quit paying taxes, quit contributing to our retirement system and start drawing benefits instead."

That's the end of Mr. Goodman's quote.

The underlying bill adds \$34 billion to our ever-increasing debt. When Democrats passed their only unemployment insurance extender bill that was offset by other spending cuts last November, the administration hailed it as a "fiscally responsible approach to expanding unemployment benefits," adding that "fiscal responsibility is central to the medium-term recovery of the economy and the creation of jobs."

The cost of extending the Democrats' unemployment insurance policy is growing because their failed stimulus bill has not created the promised jobs. Democrats predicted their trillion-dollar 2009 stimulus bill would create 3.7 million jobs. Instead, the debt has grown by \$2 trillion, and nearly 3 million more private sector jobs have been eliminated since then.

Democrats promised unemployment would remain under 8 percent if their stimulus passed. Yet it remains stuck near 10 percent today. A total of 48 out of 50 States have lost jobs since the stimulus passed.

However, our colleagues keep spending and keep ignoring economic realities. That is totally irresponsible.

I reserve the balance of my time.

Mr. CARDOZA. Mr. Speaker, I understand that the gentlelady and her party don't understand what's happening in Middle America. They don't appreciate what's happening to folks like in my district. They may not hang out in places like my family's bowling alley, where a person who loses their job, and 20 percent of my constituents are nearly out of work, there isn't jobs around every corner. She may have plenty of jobs in her home State. She may not have to worry about that for her constituents.

But in my world, Mr. Speaker, when someone who comes to our bowling alley loses their job, they have nothing else. They don't have the Wall Street bonuses. They don't have the big pension, retirement systems, and the big 401(k) set-aside. They don't have the situation that so many of us need.

We have to provide a safety net for these people, these hardworking Americans.

Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. There are some numbers that bear reflection right now that came out of the marketwatch.com report today that the Labor Department estimates 3.3 million people could lose extended unemployment benefits by the end of July if they're not renewed. And all together, 9.2 million people were collecting some type of unemployment benefits in the weekend of June 12.

It goes on to say that the 4-week average of initial claims rose by 3,250, to 466,500, the highest level in almost 3 months. And then it says the claims data, however, had little impact on the U.S. stock market.

So there's a separation between Wall Street, which is still doing well, because the taxpayers bailed out Wall Street, and Main Street, which, in many places across the country, is falling apart.

Now, I've traveled my district at countless meetings and events, parades and church services, festivals; and I hear the same thing. People are calling out from crowds asking for help. And this unemployment compensation issue is huge because people are having trouble putting food on the table.

We're going to give them a lecture about the budget? Who among us, if our brother asks for a loaf of bread, we give him a stone instead?

This Congress this afternoon is due to appropriate \$33 billion to keep the war in Afghanistan going. And yet the amount of money we're asking here for the unemployed workers of America, for those who are trying to support their families, almost an identical amount, about \$34 billion. And we're saying, well, we can't afford that. But you don't hear many people saying we can't afford the war, because the truth is we can't afford the war. We have to

afford to put people back to economic sustenance and pass the unemployment compensation bill.

Ms. FOXX. Mr. Speaker, my colleague from California may have been trying to be a little humorous in his comments, but job loss in this economy is very serious business.

The American people are asking this Congress controlled by the Democrats, Where are the jobs?

I yield 5 minutes to my distinguished colleague from Indiana (Mr. PENCE).

Mr. PENCE. Mr. Speaker, I rise in opposition to the rule and to the underlying bill, but it pains me to do so.

As the RECORD will reflect, I, and most of my colleagues in this body, have supported repeated extensions of unemployment benefits. And as I told my constituents yesterday, I was anxious to do so again.

American families are hurting. This economy is struggling in the aftermath of the worst recession in a quarter of a century. And as my colleague just suggested, this economy is also struggling in the midst of the failed economic policies of this administration and this Congress.

Millions of American families are struggling to make ends meet. Since the passage of the so-called stimulus bill, 2.6 million jobs have been lost, and unemployment hovers near 10 percent.

So I was anxious to be able to come to this floor before heading home for the Independence Day break, having supported an extension of unemployment benefits. But I rise in opposition because I think what the American people expect us to do is what they've been doing at kitchen tables and sitting around desks and small businesses and on family farms, and that is making the hard choices.

We can provide an extension of unemployment insurance benefits in this Congress, and we can make the decisions to pay for it. And I'm sure it is a mystery to millions of Americans that will be looking on as to why we didn't even try. This Democrat majority, after adopting so-called PAYGO rules, after hearing from so-called fiscal conservative Members of the Democrat majority early in this Congress about how we were going to pay for what we spent, has waived their own PAYGO rules to add \$34 billion to the national debt. And I just have to think millions of Americans are asking why.

□ 1140

There are any number of actions that we could take, decisions we could make, reordering our priorities to provide for the families at the point of the need here.

The gentleman from Ohio just said that many of us in the minority were saying that we can't afford to extend unemployment benefits. We can afford it. But at my kitchen table when we say we can afford something, it means

we can afford to pay for it. Not just simply—when my wife comes to me and says, I want to make a major expenditure, I say can we afford it? That means can we pay for it. Here it just means getting out the credit card of our children and grandchildren and running up the national debt by \$34 billion.

I also rise with a heavy heart in opposition to this bill because we are here extending unemployment benefits again because the economic policies of this administration and this Congress have failed. Would that the economic policies of the so-called stimulus had worked. The President said we needed to borrow about a trillion dollars from future generations of Americans a year-and-a-half ago or unemployment, he said, that was then 7.6 percent, would go over 8 percent. Now it's 10 percent on average around the country, and higher, as has been said, in many jurisdictions.

Remarkably, yesterday the President of the United States goes to Racine, Wisconsin, a place that has a 14 percent unemployment rate, and he made these comments. He said, Things just aren't as bad as they could have been. There could have been a catastrophe. And in that sense, the stimulus worked. The President of the United States yesterday in Racine, Wisconsin, said the stimulus worked. And then remarkably he went on to suggest that the Republican leader in Congress was out of touch.

It's mind-boggling that at a time when so many—I mean what would this administration and this majority say to a father who's been struggling to make ends meet, who has been borrowing money from family members to pay the mortgage because he can't find work? What would he say to the word of the President of the United States that "the stimulus worked"? What would the single mother say who has been out of work persistently, who has applied for dozens and dozens of jobs, and has gone deeper and deeper in debt during these difficult times? What would she say to word that the stimulus worked?

The SPEAKER pro tempore. The time of the gentleman has expired.

Ms. FOXX. I yield the gentleman 1 additional minute.

Mr. PENCE. The reality is that we have got to bring new ideas to bear on this economy. The American people know what's necessary to get this economy moving again. It's fiscal discipline in Washington, D.C., and it's fast-acting, across the board tax relief for working families, small businesses, and family farms.

What we hear from corporations across this country is that there is over \$2 trillion in idled capital. We need to release the inherent power in this economy. We need to restore the confidence of capital markets in our commitment

to fiscal discipline in Washington, D.C. And we can do all of that today and meet the needs of families struggling with unemployment.

By passing a fiscally responsible extension of unemployment insurance, we would send a message that we get it. We know people are hurting, we know the policies aren't working, but we want to practice fiscal responsibility. And for heaven's sakes, let's stop saying the stimulus worked. Let's try some new ideas. Let's come together across this aisle and do what's necessary to get America working again.

Mr. CARDOZA. Mr. Speaker, I look at today's Hill newspaper and I look on page 31. And I oftentimes believe that cartoons and political satire speak much more clearly than the words that we can use in big long speeches. And in today's cartoon, although I can't say that it's very funny to the American people who are being affected by it, you see an American citizen bungee jumping off an unemployment benefit bridge. And the elephant in the cartoon, signifying the other party, snips the line as the American's jumping off. And the comment in the caption reads, "Don't worry, I'm sure you will land on your feet." I think too oftentimes we have this situation where we just expect that Americans are going to land on their feet, and we don't care about those who get left behind. That's what my discussion was today.

The gentleman just referred to the President's comments in Wisconsin about Mr. BOEHNER. And I would just refer to those comments that Mr. BOEHNER equated the financial bill that we passed yesterday, the regulatory reform bill that so many Americans are yearning for, he said it was a nuclear weapon to be used on an ant. The problem was an ant. Well, my constituents certainly don't think they were ants until they started being walked over by Wall Street.

Mr. Speaker, I yield 3 minutes to the gentlewoman from Texas (Ms. JACKSON LEE).

Ms. JACKSON LEE of Texas. Mr. CARDOZA, I thank you for sharing with us what is not a funny anecdotal story or cartoon. I think from your words you are saying to the American people that their predicament is not a cartoon. And it is interesting when one of my colleagues comes to the floor of the House and poses a question, What do we say to the unemployed mother or what do we say to the person who is trying to manage themselves and pay their mortgage? Or what do you say to the caller that called in I believe from Florida this morning on C-SPAN and said he's laid off from a furniture store that closed and he is looking for work. And if I might paraphrase him, he said something about getting off our rears here in Congress and helping him. Why are we blocking his unemployment insurance?

Now, I can quote a lot of statistics, and somebody said something about numbers of individuals who are unemployed. There are double-digit communities with high unemployment, 13 percent, 15 percent, 16 percent, high numbers among our youth in their twenties, recent college graduates, individuals who are likewise looking for work as those who have been employed and are now unemployed.

Ladies and gentlemen, unemployment insurance is the prerogative, it is the owned by the worker who has worked. Unemployment insurance is what this is called. Why do the Republicans want to block it, why do the Republicans in the other body stand against unemployment insurance, this is an outrage. There is no explanation for it.

For the people who can get unemployment insurance, they are paying their mortgage. It churns back into the economy. They are buying groceries. They're paying car payments. Maybe they will have an opportunity to keep a young person in a community college by putting their pennies together. But here we stand today having to go back again because the Republicans had the audacity to vote against unemployment insurance coverage. So to the man who is saying, I'm going out looking for a job every day, to the mother who is saying, I am looking for a job every day, no hope is being given to them. This is not explainable.

So I am on the floor today, because we must go forward on a supplemental. Maybe my colleagues will join me and vote against the war supplemental so we will be able to balance the budget. But if they are not going to be serious about saving money, they cannot stop the vote to help provide unemployment insurance for Americans out of work. We have created 200,000 jobs in the last month; some are public jobs, but you cannot get the private-sector engaged until you begin to see the churning of the overall economy.

The Federal Government is the umbrella for a rainy day. We are in a rainy day. But I have faith in this Nation. We always rise. We are going to rise now. We are going to stand with the unemployed so they can soon get work and we are going to give this money to them today. And I dare my Republican friends to vote against this effort to help our fellow Americans.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Members are reminded to direct their remarks to the Chair, and to not traffic the well when another Member is under recognition.

Ms. FOXX. Mr. Speaker, I yield 4 minutes to the distinguished ranking member of the Rules Committee, Mr. DREIER.

Mr. DREIER. I thank my friend from Grandfather Community, North Carolina, for yielding me the time.

I would like to say that it's very sad and unfortunate that we are here. And, Mr. Speaker, let me say that I believe that it's really unnecessary, really unnecessary for us to be here. Why? Because if we had 17 months ago put into place a bipartisan vision for economic growth that was utilized very effectively by John F. Kennedy during the decade of the 1960s, and Ronald Reagan during the decade of the 1980s, that's why I call it bipartisan, I am convinced that we would in fact have attained what President Obama promised us would have happened with passage of the trillion-dollar stimulus bill.

□ 1150

You'll recall he said that if that measure passed, that the unemployment rate would not exceed 8 percent and that at this point we would be at an unemployment rate of somewhere around 7.4 percent.

Mr. Speaker, my friend from California is joining in managing of this rule, and he knows very well that we not only don't have a 7.4 percent unemployment rate, we not only don't have an 8 percent unemployment rate as was promised by the President, but we nationally have just under 10 percent unemployment. And tomorrow we're going to be getting numbers which, according to reports, are not going to be terribly positive.

But in our State of California and the area that my friend represents, the unemployment rate is far beyond that. The area I represent in southern California has unemployment in the Inland Empire of right around 14 percent. And I know that it's well in the double digits in the Central Valley of California.

So when I say it should be unnecessary for us to be here, Mr. Speaker, the reason I say it is that if we were to take the bipartisan John F. Kennedy-Ronald Reagan model and use that for economic growth, we could have an unemployment rate which would be significantly less than we are facing today, and we could have a GDP growth rate which would be significantly higher.

Now, what is that model? That model, the one that worked, that actually doubled the flow of revenues to the Federal Treasury during the 1960s and the 1980s, is one which is designed to bring about marginal tax rate reduction to encourage savings and productivity. Now, Mr. Speaker, that's the kind of thing that we should be doing to avoid where we are today facing this continued extension of unemployment benefits.

The notion that somehow those of us who want to put into place pro-growth economic policies aren't concerned about those who are today in need of unemployment benefits is a preposterous argument because we believe very passionately that the level of compassion of a government should be

based not on the number of people who have to draw unemployment benefits but based instead on the number of people who do not need to draw unemployment benefits.

That's why we found that over the past 17 months clearly the economic plan, which was put into place by President Obama and Speaker PELOSI and the Democratic leadership, is one that has not met up to what was promised. In fact, from my perspective, it's been an abject failure when you have an unemployment rate that nationally is nearly 2 percent greater than the level that we were promised.

I also believe, Mr. Speaker, that we have an opportunity that emerged from the discussion that took place last weekend at the G-20 meeting. That plan that the President—and I congratulate him for putting forward—calls for moving ahead in a lame duck session after renegotiating a U.S.-South Korea free trade agreement. And I look forward to working with my friend, the distinguished chair of the Committee on Ways and Means, on this just as soon as we are able to move forward with it.

The SPEAKER pro tempore. The time of the gentleman has expired.

Ms. FOXX. I yield the gentleman an additional 30 seconds.

Mr. DREIER. I thank my friend for yielding.

Let me say, Mr. Speaker, that I believe that if we were to take that vision of opening up markets when 96 percent of the world's consumers are outside of our borders and pass not only the U.S.-South Korea agreement but right here in this hemisphere, if we were to pass the Panama and Colombia agreements, which were negotiated before the South Korea agreement was put into place, we would have tens of millions of new consumers. In Colombia alone, 40 million consumers. American jobs could be created for Caterpillar, John Deere, Whirlpool. Other great U.S. companies could create U.S. jobs.

And I hope very much, Mr. Speaker, that we're able to put those kinds of pro-growth policies into place so we don't have to face what we're facing today.

Mr. CARDOZA. Mr. Speaker, I would like to inquire how much time each side has remaining.

The SPEAKER pro tempore. The gentleman from California has 16 minutes remaining. The gentlewoman from North Carolina has 14¼ minutes remaining.

Mr. CARDOZA. Mr. Speaker, I would just like to respond to my colleague from California by saying that the gentleman is once again talking about the long-term questions—whether we need tax cuts or whether we need to have more stimulus. All of those things are open to debate.

What is not open to debate is the fact that 1.7 million Americans today and

over the next 3 days and over the last few weeks have lost their unemployment benefits. That is an emergency. That's why we have emergency spending provisions. We have to take care of those Americans who will not be able to feed their families, pay their mortgage payments. That's why we have an unemployment insurance compensation program, to protect those Americans when they find themselves in this kind of a situation.

We can have the other debates on other days. And we certainly have had and we will have. But on today's question of whether we're going to extend those benefits, we need to have the Republicans join us in supporting the American people, in supporting those out-of-work folks.

Mr. Speaker, at this time I yield 2 minutes to the gentleman from New Jersey (Mr. ANDREWS).

Mr. ANDREWS. I thank my friend from California for yielding.

Mr. Speaker, there's been discussion on the floor of the long term. For the long-term unemployed in this country, the long term happened yesterday, or today, actually, the first of the month when the rent comes due and you can't pay it or your mortgage comes due and you can't pay it. They're living in the long term right now, and they need some help. And I think that considering this bill today is the right thing to do.

I do want to reference the remarks which preceded me a few minutes ago by my friend from California, the senior member of the Rules Committee, about how, had the Congress embarked on the path he suggested early in 2009, that the economy would be so much stronger. And he is a fierce and articulate advocate of that point of view. But let's examine what that point of view is and what its track record is.

The gentleman from California argued for cuts in marginal tax rates, mostly distributed to people at the top end—not all, but mostly. He argued for deregulation of the domestic markets and for a policy that pursues that goal. That is a quite accurate description of the economic policies of the administration of President George W. Bush. They cut marginal tax rates—mostly at the upper end of the scale—almost all at the upper end of the scale. They engaged in a systematic practice of deregulation of Wall Street and other industries. And it yielded, quite frankly, the worst economic downturn since the Great Depression.

Were those policies the sole cause of that? Of course not. Is what the American people need a rehashing of that failure? Of course not.

The American people need a policy that will grow jobs, and although the jobs are growing much more slowly than I think any of us hoped, the reality is the economy shed 8½ million jobs following the policy that my

friend from California would like us to go back to; and it has gained just over a million jobs since the beginning of this year. Those are the facts.

Ms. FOXX. Mr. Speaker, I yield myself 5 minutes.

Our colleagues across the aisle are saying yes, what the American people want is to see jobs and they keep asking where are the jobs. We keep being told that these failed policies passed by this administration and this Congress are going to produce jobs. That is not the case.

They like to tout the May employment report issued by the Bureau of Labor Statistics which appears to be positive with the addition of 431,000 new jobs. However, 412,000 of those new positions are for temporary government census workers. In other words, 96 percent of May's job growth will be eliminated in just a few weeks. That's almost half of the jobs that my colleague from New Jersey wants to point out.

The June unemployment rate we believe, as my colleague from California said, will edge up to 9.8 percent from 9.7 percent in May. But they keep bragging about how effective they've been at providing jobs.

□ 1200

The bottom line is, since February 2009, with Democrats in charge of Congress and the White House, more than 3.3 million jobs have been lost in the private sector. The Federal Government has gained more than 590,000 jobs over the same period. I hate to tell you, but the government jobs don't provide a viable solution in helping get the economy back on its feet. Government jobs are supported by tax dollars, and that tax burden is ultimately borne by the entrepreneurs and small businesses that are the engines of economic growth. Further strain on these employers will not help facilitate a healthy economy over the long term.

Now, my colleague from New Jersey just talked about a myth that our colleagues continue to perpetuate, which is about how many jobs were lost in the Bush administration and about how many jobs were gained.

Mr. Speaker, I would like to insert into the RECORD a piece by Keith Hennessey.

This is a fairly new Democratic claim about job creation. Our colleagues are really searching for ways to justify their terrible policies; but as Mr. Hennessey points out, the Democrats are picking their time frames very carefully. They ignore the 4 million jobs lost during the first 11 months of a Presidency that is, so far, 16 months old. What they don't point out is the fact that President Bush inherited a recession and that their statistics, again, are totally unfounded.

If you will look at the Bureau of Labor Statistics' payroll survey that

was done in 2001 to mid-2003, you will see a steady employment decline, followed by a steady, strong, and sustained period of job growth for almost 4 years.

This is the chart put out by Keith Hennessey. He notes that, in the 46 months that we had job growth in the Bush administration, it is the second longest in recorded history for sustained job creation in the U.S. More than 8 million jobs were created during this period. A mild recession began in late 2007—who was in charge of the Congress at that time? The Democrats. They always fail to mention that—followed by a severe contraction in the second half of 2008 and continuing into the Obama administration.

So this chart shows it very well, and it is very objective, Mr. Speaker. It isn't opinion on my part. It's the numbers. As I said, our colleagues are very, very selective in how they make the comparison.

[From Keith Hennessey.com, June 8, 2010]

THE NEW DEMOCRATIC CLAIM ABOUT JOB CREATION

A new claim about job creation appears to be bubbling up through the Democratic ranks. Here is the clearest statement of that claim, from Rep. Debbie Wasserman Schultz (D-FL) on Stuart Varney's show:

On the pace that we're on, with job creation in the last four months, if we continue on that pace, and all the leading economists say that it is likely that we will, we will have created more jobs in this year than in the entire Bush Presidency.

Ms. Wasserman Schultz is picking her timeframes carefully, in particular by ignoring the four million jobs lost during the first 11 months of a Presidency that is so far 16 months old.

Even today, after five straight months of job growth, three million fewer people are working than when President Obama took office. That's hardly something to brag about.

And looking just at last month's strong net increase of 431,000 jobs, we see that nine out of ten net new jobs were temporary government jobs for census takers. We all hope the pace of private job creation accelerates, but it's too soon to declare this a strong and consistent employment recovery or to project its trend into the rest of the year.

Let me point out one other chart that has been put together, and that is to compare the unemployment over time between administrations, or among administrations, using the average unemployment rate. You will see it is very low under President Johnson at 4.2 percent. Under President Eisenhower, 4.9 percent. The average under President Bush 43, 5.3 percent. The average under President Obama, 9.5 percent.

This is what the American people are interested in. They are asking: Where are the jobs? Why do the Obama administration and Pelosi policies continue to have us lose jobs? Unemployment is at almost 10 percent.

The SPEAKER pro tempore (Mr. SALAZAR). The time of the gentlewoman has expired.

Mr. CARDOZA. Mr. Speaker, I yield myself such time as I may consume.

I would like to take this time to correct the statistics and the statements that we just heard from my colleague from North Carolina.

My colleague forgets that in the Clinton administration we created—not “we,” because I wasn't here—but the Democrats and Mr. Clinton created 22 million new jobs for America.

Mr. Bush, when he took over, did not, in fact, inherit a recession. That recession happened after he was in office, and it was a severe one. We started to come out of that. Again, the Bush administration policies caused a second recession. When you look at Mr. Bush's term of office, there were some jobs created; but they were not private-sector jobs, as the gentlelady is so fond of talking about. In fact, if you look at the statistics, there were no new private-sector jobs created during the Bush administration. When Mr. Bush left office, he left a recession that was shedding 750,000-plus jobs a month.

When the good lady from North Carolina talks about the fact that there have been job losses during the Obama administration, many of those are the carryovers. You don't turn around the economy overnight. Mr. Obama can't flip a light switch and create the jobs overnight. It took time to get the policies in place to start bringing the country out of the Bush recession. In fact, in the last 3 months, we have averaged 300,000-plus jobs instead of losing 750,000 a month under the last few months of the Bush administration.

This rewriting of history, this total denial of the economic policies that got us into this mess, is something that, frankly, the American people understand very well. The 20 percent of the population which are unemployed in my district right now understand that very well. The 30 percent of my constituents who have lost their homes to foreclosure understand who got them into this situation. I think that we will, in fact, see a situation where the American people will judge what is going on here.

We will have to work hard to create more jobs in the future. As I said before, we are going to debate those policies. There have been discussions on tax cuts and on the stimulus. The statistics tell us that the average American has not paid this low of a percentage of his taxes in quite some time, since Mr. Truman was in office, I believe it is.

So I believe that there are significant facts that we need to set straight here, facts which represent a positive side of the ledger to my party and to the policies we are advocating.

Mr. Speaker, I reserve the balance of my time.

Ms. FOXX. Mr. Speaker, it is not we Republicans who are rewriting history. It is our colleagues on the other side of the aisle.

I will point out once again that Republicans were in charge of the Congress during 6 of the 8 years of Mr. Clinton's administration, and that is when we had the job growth—when Republicans were making the policy here. Mr. Obama did promise to create the jobs. He promised that unemployment would not go above 8 percent. He made lots of promises. As far as I've been able to see, none of the good ones have been kept.

Mr. Speaker, I yield 3 minutes to my distinguished colleague from California (Mr. DANIEL E. LUNGREN).

Mr. DANIEL E. LUNGREN of California. I thank the gentlewoman for the time.

Mr. Speaker, I was listening intently to the debate. I must say that the people in my district would not recognize the America that has been described by the gentleman from California. They would not believe that the economy is moving up. They would not believe that jobs are being created. They would not believe that they have low taxes. Frankly, they believe all of the opposite because that is what their reality is.

All of us have been home in our districts, as have I. All of us, I hope, have polled our constituents, both informally and formally. I find what my constituents say in my district is similar to what I see in the national polls.

The number one thing they are concerned about are jobs. They are concerned about good jobs, permanent jobs. They understand the agony of those who are unemployed and of those who are having difficulty, if not discovering the impossibility, of finding prospects for jobs at the present time; and we understand that on this side, though the other thing my constituents have said to me over and over again is, while "jobs" is the number one issue, the number two issue is the spending, which is out of control by this Congress.

So I hear my friends on the other side of the aisle who say we have an emergency in terms of the unemployment benefits running out. I understand that. Yet what my constituents are telling me and what Americans are saying all over the country is that there are at least two emergencies. Jobs, yes, are an emergency; but spending, out-of-control spending, irresponsible spending by this Congress under this Democratic leadership is a major concern to them.

Under this rule, we can't deal with both emergencies. We can only deal with the question of jobs in the unemployment compensation arena, but we are prohibited from dealing with how you pay for the government spending here. That's what we have been asking for. Deal with the second emergency so that you don't have further people unemployed for years and so that you don't impose your debt on my children

and my grandchildren so that they will not have the prospect of jobs in the future.

□ 1210

It is not original with me, but it often has been said the best social welfare program is a job. While we want to have unemployment insurance to cushion people, to transition people from a period of employment to unemployment to employment, that is not the prospect we want for them short-term or long-term. What we want is creation of jobs, and the irresponsibility of this administration and this Democratic leadership in not facing up to the fact that our persistent irresponsibility in not paying our bills is something that exacerbates the problem—

The SPEAKER pro tempore. The time of the gentleman has expired.

Ms. FOXX. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. DANIEL E. LUNGREN of California. So as I hear the people on the other side of the aisle try and say, look, Republicans are those Scrooge-like people who are not concerned about people who are unemployed, let me just say we have people unemployed as well as you do in your districts. We have friends and family members who are suffering under this. We understand that. But we also understand they are saying at the same time, when you pass legislation in the Congress that costs money, find a way to pay for it. Find a way to pay for it.

You can be both for creation of jobs as well as being responsible in the carrying out of our duties. That is all we are saying. Don't promise the American people a free lunch, and don't say, well, we will think about that in the future, because we have got to think about spending right now.

Now, I understand this rule doesn't allow us to do this. The leadership on the Democratic side doesn't want to face up to the concerns we have. We are not even going to have a budget. But at some point in time we have to stand up for what is right, and we can do two things at once.

Mr. CARDOZA. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. DOGGETT), a member of the Ways and Means Committee.

Mr. DOGGETT. I thank the gentleman.

This rule makes it possible for us to consider today a supplemental appropriations bill that contains some vital support for public education across America.

Now, most schoolchildren learn that 3 plus 3 equals 6. Last year, the schoolchildren of my State of Texas received an unfortunate lesson in State Republican math. In Texas, 3 plus 3 only equaled 3. How is that?

Well, last year, Texas received more than \$3 billion in State Stabilization, economic recovery, or stimulus funds

designated for our local school districts, for our schoolchildren. But by exploiting ambiguous language, for every dime of Federal support in State Stabilization moneys that went to Texas, the State took away money that it had already committed for the same purpose. So instead of a historic boost in local school support, our schoolchildren were left no better off than if we had not passed the Economic Recovery Act with these provisions at all. The \$3 billion more made no difference for our local schools.

Congressional support for our local school districts reflects a two-fold understanding. First, that our local districts know best what the needs of their students and their teachers and administrators are. Second, that especially in times of a difficult economy, we need to invest in public education. A solid education is the foundation on which our economy and our democracy rests.

Now, our Texas Republican leadership disagreed with both those propositions. They balanced the State budget with Federal economic recovery funds at the same time our Governor was out talking about secession and attacking the economic recovery, much as we have heard this morning.

I am hopeful that this supplemental appropriation will include specific language for Texas made at the request of our Texas Democratic Congressional delegation to ensure that this never happens again.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. CARDOZA. I yield the gentleman an additional 30 seconds.

Mr. DOGGETT. To ensure that any money that goes for teachers and public education in Texas actually goes to improve our schools and the lives of our schoolchildren.

Earlier this month, statewide groups representing teachers, principals, school boards and school administrators joined about 40 superintendents from across the State to endorse this approach. Through this bill today, with specific language for Texas, we can ensure that our goals last year are achieved and we do something at this difficult time to address the needs of our Texas teachers and our Texas schoolchildren.

I hope this rule can be adopted in order to approve this important language.

Ms. FOXX. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, Republicans want to help the long-term unemployed, but agree with the American people that new spending needs to be offset by cuts otherwise.

During the Rules Committee markup of the Democrats' H.R. 5618, Mr. HELLER from Nevada offered a Republican amendment in the nature of a substitute which was not made in order by

a vote of two to seven. This fiscally responsible alternative would have extended unemployment insurance, COBRA, and the current poverty guidelines until September 25th, and paid for it with unused funds from the failed stimulus bill.

Again, the bill before us extends Federal unemployment benefits only through November 2010 and is not paid for, adding its \$34 billion price tag to our \$13 trillion debt.

Democrats claim their bill satisfies their PAYGO requirements by declaring it is spending in an emergency. But that is simply an excuse for not paying for it. Let me tell you how an emergency is defined in their rules.

In general, the criteria to be considered in determining whether a proposed expenditure or tax change meets an emergency designation includes, one, necessary, essential, or vital, not merely useful or beneficial; two, sudden, quickly coming into being and not building up over time; three, an urgent, pressing, and compelling need requiring immediate action; four, unforeseen, unpredictable, unanticipated, and not permanent, but rather temporary in nature.

We have known about this for a long time. This does not meet the criteria for emergency spending. Declaring it emergency spending is just a gimmick. It is a way to not have to comply with PAYGO. In fact, there are 160 spending programs already exempt from PAYGO or operating under special rules.

You know, just because our colleagues say that it is so, doesn't make it so. Saying that it is PAYGO compliant doesn't mean that there is an offset to it. So our colleagues are very clever in the way they say things.

President Obama said in February 2010, Now Congress will have to pay for what it spends, just like everybody else. After a decade of profligacy, the American people are tired of politicians who talk the talk but don't walk the walk when it comes to fiscal responsibility.

Both the President and our colleagues across the aisle are talking out of both sides of their mouths. They go out and announce that they are making something PAYGO compliant, but they don't. Rather than face facts and support sound economic policies like lowering taxes and reducing regulatory burdens, the Democrats continue to advocate misguided policies that expand the government's control and increase the Nation's debt.

This is not the way to create jobs. The American people continue to ask the question, where are the jobs? Mr. Speaker, this bill is not going to create the jobs, and I urge my colleagues to vote "no."

Mr. Speaker, the President has said that every economist that has looked at his stimulus plan and all the plans that he has put forth agree with him.

□ 1220

But let me quote Carnegie Mellon economist Allan H. Meltzer, in an article in the Wall Street Journal op-ed June 30: Why Obamanomics Has Failed. "The administration's stimulus program has failed. Growth is slow and unemployment remains high. The President and his friends and advisers talk endlessly about the circumstances they inherited as a way of avoiding responsibility for the 18 months for which they are responsible. Two overarching reasons explain the failure of Obamanomics. First, administration economists and their outside supporters neglected the longer-term costs and consequences of their actions. Second, the administration and Congress have, through their deeds and words, heightened uncertainty about the economic future. High uncertainty is the enemy of investment and growth."

Economists get it, Republicans get it, and the American people get it. It's high time the Democrats wake up to the fact that the stimulus isn't working as promised. We need to cut government spending, repeal nonsensical regulations, and lower taxes. We should not be passing this extension without an offset in spending.

I urge my colleagues to vote "no" on the rule, and "no" on the bill. Let's answer the question the American people are asking, Where are the jobs? Let's put in policies that really create jobs.

With that, I yield back the balance of my time.

Mr. CARDOZA. Mr. Speaker, I would like to close today by discussing a little bit of what the gentlelady just talked about with regard to PAYGO. I'd like to point out that I'm quite sure that the gentlelady from North Carolina did not vote for the PAYGO resolution in the House rules that we passed at the beginning of this Congress, nor did she vote for statutory PAYGO. They have always talked about tax cuts as the answer to all of America's problems. We could take the tax cut to zero and my, wouldn't we pay for government well?

The reality is that they only want to pay for things that affect common folks—the common Americans that get up every day, put their shoes on, and just want a job to make a living and pay for their family, pay for their home, and earn a better life. They don't want to pay for the tax cuts for the Wall Street big shots. They never want to pay for that. They don't want the PAYGO rules to apply to them.

As I said before in this debate, I grew up in my parents' bowling alley. I saw firsthand what happened to those folks—those hardworking American folks that would come into my parents' establishment just wanting a little bit of fun on a Friday or Saturday night. I saw what happened when they lost their job. They lost their home, they couldn't feed their family. Families

disbanded because of the stress and tension under those economic situations.

My colleagues on the other side of the aisle voted against, for the most part, the financial regulatory reform bill. They were protecting their friends on Wall Street, the very people that got us into this calamity. Thirty percent of my constituents—around that—have lost their home to foreclosure because of the financial collapse that was caused by the greed on Wall Street. Yet my colleagues on the other side of the aisle continue to defend them. But, for the most part, they will not vote for emergency funding to put food on unemployed workers' tables or to allow them to keep their homes in this time of crisis. I say that it's not all of them because on June 29, 2010, 30 courageous Republicans voted with the Democrats—the 231 Democrats—to extend unemployment benefits and to protect those workers who have lost their job in this economic situation.

Mr. Speaker, I can't sit here today and tell you that every policy that we've put in place since Mr. Obama has been in place has worked as well as I'd like. Frankly, I've been critical on a number of issues that I thought the administration could have done a better job. But I will tell you that when it comes time to taking care of Americans who are in an emergency situation, who have lost their job for no fault of their own but for the fact that the economic situation was a tsunami that swamped them, it is our party who is standing up to make sure that those workers can survive for another day. And for those workers, this absolutely is an emergency.

Mr. Speaker, no one can legitimately doubt that the situation we face right now is an emergency for the American people who are unemployed. And until our economy is firmly on track and moving forward, I believe we must provide help for those unemployed workers to pay their bills and feed their families. If not, we risk falling further into a further economic crisis and we risk leaving way too many families behind.

Mr. Speaker, I urge all Members to support this rule and to support the underlying bill. I urge a "yes" vote on the previous question, and on the rule.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CARDOZA. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, this 15-minute vote on House Resolution 1495

will be followed by 5-minute votes on suspending the rules with regard to House Resolution 1321, if ordered; and House Resolution 1405, if ordered.

The vote was taken by electronic device, and there were—yeas 231, nays 189, not voting 12, as follows:

[Roll No. 418]

YEAS—231

Ackerman	Green, Al	Neal (MA)
Altmire	Green, Gene	Oberstar
Andrews	Grijalva	Obey
Arcuri	Gutierrez	Oliver
Baca	Hall (NY)	Ortiz
Baldwin	Halvorson	Owens
Barrow	Hare	Pallone
Bean	Harman	Pascarell
Becerra	Hastings (FL)	Pastor (AZ)
Berkley	Heinrich	Perlmutter
Berman	Herseht Sandlin	Perriello
Berry	Higgins	Peters
Bishop (GA)	Himes	Peterson
Bishop (NY)	Hinchey	Pingree (ME)
Blumenauer	Hinojosa	Polis (CO)
Boccheri	Hirono	Pomeroy
Boren	Hodes	Price (NC)
Boswell	Holden	Quigley
Boucher	Holt	Rahall
Boyd	Honda	Rangel
Brady (PA)	Hoyer	Reyes
Braley (IA)	Inslee	Richardson
Brown, Corrine	Israel	Ross
Butterfield	Jackson (IL)	Rothman (NJ)
Capps	Jackson Lee	Roybal-Allard
Capuano	(TX)	Ruppersberger
Cardoza	Johnson (GA)	Rush
Carnahan	Johnson, E. B.	Ryan (OH)
Carney	Kagen	Salazar
Carson (IN)	Kanjorski	Sánchez, Linda
Castor (FL)	Kaptur	T.
Chandler	Kennedy	Sanchez, Loretta
Chu	Kildee	Sarbanes
Clarke	Kilpatrick (MI)	Schakowsky
Clay	Kilroy	Schauer
Cleaver	Kind	Schiff
Clyburn	Kissell	Schrader
Cohen	Klein (FL)	Schwartz
Connolly (VA)	Kosmas	Scott (GA)
Conyers	Kucinich	Scott (VA)
Cooper	Langevin	Serrano
Costa	Larsen (WA)	Sestak
Costello	Larson (CT)	Shea-Porter
Courtney	Lee (CA)	Sherman
Critz	Levin	Sires
Crowley	Lewis (GA)	Skelton
Cuellar	Lipinski	Slaughter
Cummings	Loeb sack	Smith (WA)
Dahlkemper	Lofgren, Zoe	Snyder
Davis (AL)	Lowey	Space
Davis (CA)	Luján	Speier
Davis (IL)	Maffei	Spratt
Davis (TN)	Maloney	Stark
DeFazio	Markey (MA)	Stupak
DeGette	Marshall	Sutton
Delahunt	Matheson	Tanner
DeLauro	Matsui	Teague
Deutch	McCarthy (NY)	Thompson (CA)
Dicks	McCollum	Thompson (MS)
Dingell	McDermott	Tierney
Doggett	McGovern	Titus
Donnelly (IN)	McIntyre	Tonko
Doyle	McMahon	Towns
Driehaus	McNerney	Tsongas
Edwards (TX)	Meek (FL)	Van Hollen
Engel	Meeks (NY)	Velázquez
Eshoo	Melancon	Visclosky
Etheridge	Michaud	Walz
Farr	Miller (NC)	Wasserman
Fattah	Miller, George	Schultz
Filner	Mollohan	Waters
Foster	Moore (KS)	Watson
Frank (MA)	Moore (WI)	Watt
Fudge	Murphy (CT)	Waxman
Garamendi	Murphy (NY)	Weiner
Gonzalez	Murphy, Patrick	Wilson (OH)
Gordon (TN)	Nadler (NY)	Wu
Grayson	Napolitano	Yarmuth

NAYS—189

Aderholt	Alexander	Bachus
Adler (NJ)	Austria	Barrett (SC)
Akin	Bachmann	Bartlett

Barton (TX)	Gingrey (GA)	Mitchell
Biggert	Gohmert	Moran (KS)
Bilbray	Goodlatte	Murphy, Tim
Bilirakis	Granger	Myrick
Bishop (UT)	Graves (GA)	Neugebauer
Blackburn	Graves (MO)	Nunes
Blunt	Griffith	Nye
Boehner	Guthrie	Olson
Bonner	Hall (TX)	Paul
Bono Mack	Harper	Paulsen
Boozman	Hastings (WA)	Pence
Boustany	Heller	Petri
Brady (TX)	Hensarling	Pitts
Bright	Herger	Platts
Broun (GA)	Hill	Poe (TX)
Brown (SC)	Hunter	Posey
Brown-Waite,	Inglis	Price (GA)
Ginny	Issa	Putnam
Buchanan	Jenkins	Radanovich
Burgess	Johnson (IL)	Rehberg
Burton (IN)	Johnson, Sam	Reichert
Buyer	Jones	Roe (TN)
Calvert	Jordan (OH)	Rogers (AL)
Camp	King (IA)	Rogers (KY)
Campbell	King (NY)	Rogers (MI)
Cantor	Kingston	Rohrabacher
Cao	Kirk	Rooney
Capito	Kirkpatrick (AZ)	Ros-Lehtinen
Carter	Kline (MN)	Roskam
Cassidy	Kratovil	Royce
Castle	Lamborn	Ryan (WI)
Chaffetz	Lance	Scalise
Childers	Latham	Schmidt
Coble	LaTourette	Schock
Coffman (CO)	Latta	Sensenbrenner
Cole	Lee (NY)	Sessions
Conaway	Lewis (CA)	Shadegg
Crenshaw	Linder	Shimkus
Culberson	LoBlundo	Shuler
Davis (KY)	Lucas	Shuster
Dent	Luetkemeyer	Simpson
Diaz-Balart, L.	Lummis	Smith (NE)
Diaz-Balart, M.	Lungren, Daniel	Smith (NJ)
Djou	E.	Smith (TX)
Dreier	Mack	Stearns
Duncan	Manzullo	Sullivan
Ehlers	Marchant	Taylor
Ellsworth	Markey (CO)	Terry
Emerson	McCarthy (CA)	Thompson (PA)
Fallin	McCaul	Thornberry
Flake	McClintock	Tiahrt
Fleming	McCotter	Tiberi
Forbes	McHenry	Turner
Fortenberry	McKeon	Upton
Fox	McMorris	Walden
Franks (AZ)	Rodgers	Westmoreland
Frelinghuysen	Mica	Whitfield
Gallely	Miller (FL)	Wilson (SC)
Garrett (NJ)	Miller (MI)	Wittman
Gerlach	Miller, Gary	Wolf
Giffords	Minnick	Young (FL)

NOT VOTING—12

□ 1253

Messrs. GALLEGLY, NUNES, SESSIONS, POSEY, and KLINE of Minnesota changed their vote from “yea” to “nay.”

Messrs. COHEN and CLEAVER changed their vote from “nay” to “yea.”

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AFFIRMING SUPPORT FOR A STRONG ALLIANCE WITH THAILAND

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and agreeing to the resolution (H. Res. 1321) expressing

the sense of the House of Representatives that the political situation in Thailand be solved peacefully and through democratic means, as amended.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. WATSON) that the House suspend the rules and agree to the resolution, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

RECORDED VOTE

Mr. CONNOLLY of Virginia. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 411, noes 4, not voting 17, as follows:

[Roll No. 419]

AYES—411

Ackerman	Cao	Duncan
Aderholt	Capito	Edwards (TX)
Adler (NJ)	Capps	Ehlers
Akin	Capuano	Ellsworth
Alexander	Cardoza	Emerson
Altmire	Carnahan	Engel
Andrews	Carney	Eshoo
Arcuri	Carson (IN)	Etheridge
Austria	Carter	Fallin
Baca	Cassidy	Farr
Bachmann	Castle	Fattah
Bachus	Castor (FL)	Filner
Baldwin	Chaffetz	Flake
Barrett (SC)	Chandler	Fleming
Barrow	Childers	Forbes
Bartlett	Chu	Fortenberry
Barton (TX)	Clarke	Foster
Bean	Clay	Fox
Becerra	Cleaver	Frank (MA)
Berkley	Clyburn	Franks (AZ)
Berman	Coble	Frelinghuysen
Berry	Coffman (CO)	Fudge
Biggert	Cohen	Gallely
Bilbray	Cole	Garamendi
Bilirakis	Conaway	Garrett (NJ)
Bishop (GA)	Connolly (VA)	Gerlach
Bishop (NY)	Conyers	Giffords
Bishop (UT)	Cooper	Gingrey (GA)
Blackburn	Costa	Gohmert
Blumenauer	Costello	Gonzalez
Blunt	Courtney	Goodlatte
Boccheri	Crenshaw	Gordon (TN)
Boehner	Critz	Granger
Bonner	Crowley	Graves (GA)
Bono Mack	Cuellar	Graves (MO)
Boozman	Culberson	Grayson
Boren	Cummings	Green, Al
Boswell	Dahlkemper	Green, Gene
Boucher	Davis (AL)	Griffith
Boustany	Davis (CA)	Grijalva
Boyd	Davis (IL)	Guthrie
Brady (PA)	Davis (KY)	Gutierrez
Brady (TX)	Davis (TN)	Hall (NY)
Braley (IA)	DeFazio	Hall (TX)
Bright	DeGette	Halvorson
Broun (GA)	Delahunt	Hare
Brown (SC)	DeLauro	Harman
Brown, Corrine	Dent	Harper
Brown-Waite,	Deutch	Hastings (FL)
Ginny	Diaz-Balart, L.	Hastings (WA)
Buchanan	Diaz-Balart, M.	Heinrich
Burgess	Dicks	Heller
Burton (IN)	Dingell	Hensarling
Butterfield	Djou	Herseht Sandlin
Buyer	Doggett	Higgins
Calvert	Donnelly (IN)	Hill
Camp	Doyle	Himes
Campbell	Dreier	Hinchey
Cantor	Driehaus	Hinojosa

Hirono	McIntyre	Salazar
Holden	McKeon	Sánchez, Linda
Holt	McMahon	T.
Honda	McMorris	Sanchez, Loretta
Hoyer	Rodgers	Sarbanes
Hunter	McNerney	Scalise
Inglis	Meek (FL)	Schakowsky
Inslée	Meeks (NY)	Schauer
Israel	Mica	Schiff
Issa	Michaud	Schmidt
Jackson (IL)	Miller (FL)	Schock
Jackson Lee	Miller (MI)	Schrader
(TX)	Miller (NC)	Schwartz
Jenkins	Miller, Gary	Scott (GA)
Johnson (GA)	Miller, George	Scott (VA)
Johnson, E. B.	Mitchell	Sensenbrenner
Johnson, Sam	Mollohan	Serrano
Jones	Moore (KS)	Sessions
Jordan (OH)	Moran (KS)	Sestak
Kagen	Murphy (CT)	Shadegg
Kanjorski	Murphy (NY)	Shea-Porter
Kaptur	Murphy, Patrick	Sherman
Kennedy	Murphy, Tim	Shimkus
Kildee	Myrick	Shuler
Kilpatrick (MI)	Nadler (NY)	Shuster
Kilroy	Napolitano	Simpson
Kind	Neal (MA)	Sires
King (IA)	Neugebauer	Skelton
King (NY)	Nunes	Slaughter
Kingston	Nye	Smith (NE)
Kirk	Oberstar	Smith (NJ)
Kirkpatrick (AZ)	Obey	Smith (TX)
Kissell	Olson	Smith (WA)
Klein (FL)	Olver	Snyder
Kline (MN)	Ortiz	Space
Kosmas	Owens	Speier
Kratovil	Pallone	Spratt
Kucinich	Pascrell	Stark
Lamborn	Pastor (AZ)	Stearns
Lance	Paulsen	Stupak
Langevin	Pence	Sullivan
Larsen (WA)	Perlmutter	Sutton
Larson (CT)	Perriello	Tanner
Latham	Peters	Taylor
LaTourette	Peterson	Teague
Latta	Petri	Terry
Lee (CA)	Pingree (ME)	Thompson (CA)
Lee (NY)	Pitts	Thompson (MS)
Levin	Platts	Thompson (PA)
Lewis (CA)	Poe (TX)	Thornberry
Lewis (GA)	Polis (CO)	Tiahrt
Linder	Pomeroy	Tiberi
Lipinski	Posey	Tierney
LoBiondo	Price (GA)	Titus
Loeback	Price (NC)	Tonko
Lofgren, Zoe	Putnam	Towns
Lowey	Quigley	Tsongas
Lucas	Radanovich	Turner
Luetkemeyer	Rahall	Upton
Luján	Rangel	Van Hollen
Lummis	Rehberg	Velázquez
Lungren, Daniel	Reichert	Visclosky
E.	Reyes	Walden
Mack	Richardson	Walz
Maffei	Roe (TN)	Wasserman
Maloney	Rogers (AL)	Schultz
Manzullo	Rogers (KY)	Waters
Marchant	Rogers (MI)	Watson
Markey (CO)	Rohrabacher	Watt
Markey (MA)	Rooney	Waxman
Marshall	Ros-Lehtinen	Weiner
Matheson	Roskam	Westmoreland
Matsui	Ross	Whitefield
McCarthy (CA)	Rothman (NJ)	Wilson (OH)
McCarthy (NY)	Roybal-Allard	Wilson (SC)
McCaule	Royce	Wittman
McClintock	Ruppersberger	Wolf
McCotter	Rush	Wu
McGovern	Ryan (OH)	Yarmuth
McHenry	Ryan (WI)	Young (FL)

NOES—4

Herger
Johnson (IL)

NOT VOTING—17

Baird	McCollum	Rodriguez
Edwards (MD)	McDermott	Wamp
Ellison	Melancon	Welch
Hodes	Moore (WI)	Woolsey
Hoekstra	Moran (VA)	Young (AK)
Lynch	Payne	

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ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE
The SPEAKER pro tempore (during the vote). There are 2 minutes remaining in this vote.

□ 1302

So (two-thirds being in the affirmative) the rules were suspended and the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

The title of the resolution was amended so as to read: "Affirming the support of the United States for a strong and vital alliance with Thailand."

A motion to reconsider was laid on the table.

Stated for:

Mr. McDERMOTT. Madam Speaker, on roll-call No. 419, I was detained and missed the vote. Had I been present, I would have voted "yea."

CONGRATULATING 17 AFRICAN NATIONS ON 50TH ANNIVERSARY OF INDEPENDENCE

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and agreeing to the resolution (H. Res. 1405) congratulating the people of the 17 African nations that in 2010 are marking the 50th year of their national independence, as amended.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. WATSON) that the House suspend the rules and agree to the resolution, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

RECORDED VOTE

Mr. CONNOLLY of Virginia. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 410, noes 0, not voting 22, as follows:

[Roll No. 420]

AYES—410

Ackerman	Berkley	Boucher	Frelinghuysen	Lowey	Rooney
Aderholt	Berman	Boustany	Fudge	Lucas	Ros-Lehtinen
Adler (NJ)	Berry	Boyd	Gallegly	Luetkemeyer	Roskam
Akin	Biggest	Brady (PA)	Garamendi	Luján	Ross
Alexander	Bilbray	Brady (TX)	Garrett (NJ)	Lummis	Rothman (NJ)
Altmire	Bilirakis	Braleigh (IA)	Gerlach	Lungren, Daniel	Roybal-Allard
Andrews	Bishop (GA)	Bright	Giffords	E.	Royce
Arcuri	Bishop (NY)	Brown (GA)	Gingrey (GA)	Mack	Ruppersberger
Austria	Bishop (UT)	Brown (SC)	Gohmert	Maffei	Rush
Baca	Blackburn	Brown, Corrine	Gonzalez	Maloney	Ryan (OH)
Bachmann	Blumenauer	Brown-Waite,	Goodlatte	Manzullo	Ryan (WI)
Bachus	Blunt	Ginny	Gordon (TN)	Marchant	Salazar
Baldwin	Boccieri	Buchanan	Granger	Markey (CO)	Sánchez, Linda
Barrett (SC)	Boehner	Burgess	Graves (GA)	Markey (MA)	T.
Barrow	Bonner	Burton (IN)	Graves (MO)	Marshall	Sanchez, Loretta
Bartlett	Bono Mack	Butterfield	Grayson	Matheson	Sarbanes
Barton (TX)	Boozman	Buyer	Green, Al	Matsui	Scalise
Bean	Boren	Calvert	Green, Gene	McCarthy (CA)	Schakowsky
Becerra	Boswell	Camp	Griffith	McCarthy (NY)	Schauer

Campbell	Grijalva	McCaul
Cantor	Guthrie	McClintock
Cao	Hall (NY)	McCotter
Capito	Hall (TX)	McDermott
Capuano	Halvorson	McGovern
Cardoza	Hare	McHenry
Carnahan	Harman	McIntyre
Carney	Harper	McKeon
Carson (IN)	Hastings (FL)	McMahon
Carter	Hastings (WA)	McMorris
Cassidy	Heinrich	Rodgers
Castle	Heller	McNerney
Castor (FL)	Hensarling	Meek (FL)
Chaffetz	Hergert	Meeks (NY)
Chandler	Herstein Sandlin	Melancon
Childers	Higgins	Mica
Chu	Hill	Michaud
Clarke	Himes	Miller (FL)
Clay	Hinchey	Miller (MI)
Cleaver	Hinojosa	Miller (NC)
Clyburn	Hirono	Miller, Gary
Coble	Holden	Miller, George
Coffman (CO)	Holt	Minnick
Cohen	Honda	Mollohan
Cole	Hoyer	Moore (KS)
Conaway	Hunter	Moore (WI)
Connolly (VA)	Inglis	Moran (KS)
Conyers	Inslee	Murphy (CT)
Cooper	Israel	Murphy (NY)
Costa	Issa	Murphy, Patrick
Costello	Jackson (IL)	Murphy, Tim
Courtney	Jackson Lee	Myrick
Crenshaw	(TX)	Nadler (NY)
Critz	Jenkins	Napolitano
Cuellar	Johnson (GA)	Neal (MA)
Culberson	Johnson (IL)	Neugebauer
Cummings	Johnson, E. B.	Nunes
Dahlkemper	Johnson, Sam	Nye
Davis (AL)	Jones	Oberstar
Davis (CA)	Jordan (OH)	Obey
Davis (IL)	Kagen	Olson
Davis (KY)	Kanjorski	Olver
Davis (TN)	Kaptur	Ortiz
DeFazio	Kennedy	Owens
DeGette	Kildee	Pallone
Delahunt	Kilpatrick (MI)	Pascarell
DeLauro	Kilroy	Pastor (AZ)
Dent	Kind	Paul
Deutch	King (IA)	Paulsen
Diaz-Balart, L.	King (NY)	Pence
Diaz-Balart, M.	Kingston	Perlmutter
Dingell	Kirk	Perriello
Djou	Kirkpatrick (AZ)	Peters
Doggett	Kissell	Peterson
Donnelly (IN)	Klein (FL)	Petri
Doyle	Kline (MN)	Pingree (ME)
Dreier	Kosmas	Pitts
Driehaus	Kratovil	Platts
Duncan	Kucinich	Poe (TX)
Edwards (TX)	Lamborn	Pomeroy
Ehlers	Lance	Posey
Ellsworth	Langevin	Price (GA)
Emerson	Larsen (WA)	Price (NC)
Engel	Larson (CT)	Putnam
Eshoo	Latham	Quigley
Etheridge	LaTourette	Radanovich
Fallin	Latta	Rahall
Farr	Lee (CA)	Rangel
Fattah	Lee (NY)	Rehberg
Filner	Levin	Reichert
Flake	Lewis (CA)	Reyes
Fleming	Lewis (GA)	Richardson
Forbes	Linder	Roe (TN)
Fortenberry	Lipinski	Rogers (AL)
Fox	LoBiondo	Rogers (KY)
Frank (MA)	Loeback	Rogers (MI)
Franks (AZ)	Lofgren, Zoe	Rohrabacher
Frelinghuysen	Lowe	Rooney
Fudge	Lucas	Ros-Lehtinen
Gallely	Luetkemeyer	Roskam
Garamendi	Lujan	Ross
Garrett (NJ)	Lummis	Rothman (NJ)
Gerlach	Lungren, Daniel	Royal-Ballard
Giffords	E.	Royce
Gingrey (GA)	Mack	Ruppersberger
Gohmert	Maffei	Rush
Gonzalez	Maloney	Ryan (OH)
Goodlatte	Manzullo	Ryan (WI)
Gordon (TN)	Marchant	Salazar
Granger	Markey (CO)	Sánchez, Linda
Graves (GA)	Markey (MA)	T.
Graves (MO)	Marshall	Sanchez, Loretta
Grayson	Matheson	Sarbanes
Green, Al	Matsui	Scalise
Green, Gene	McCarthy (CA)	Schakowsky
Griffith	McCarthy (NY)	Schauer

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Schiff	Snyder	Turner
Schmidt	Space	Upton
Schock	Speler	Van Hollen
Schrader	Spratt	Velázquez
Schwartz	Stark	Visclosky
Scott (GA)	Stearns	Walden
Scott (VA)	Stupak	Walz
Sensenbrenner	Sullivan	Wasserman
Serrano	Sutton	Schultz
Sessions	Tanner	Waters
Sestak	Taylor	Watson
Shadegg	Teague	Watt
Shea-Porter	Terry	Waxman
Sherman	Thompson (CA)	Weiner
Shuler	Thompson (MS)	Westmoreland
Shuster	Thompson (PA)	Whitfield
Simpson	Thornberry	Wilson (OH)
Sires	Tiahrt	Wilson (SC)
Skelton	Tiberi	Wittman
Slaughter	Tierney	Wolf
Smith (NE)	Titus	Wu
Smith (NJ)	Tonko	Yarmuth
Smith (TX)	Towns	Young (FL)
Smith (WA)	Tsongas	

NOT VOTING—22

Baird	Hodes	Rodriguez
Capps	Hoekstra	Shimkus
Crowley	Lynch	Wamp
Dicks	McCullum	Welch
Edwards (MD)	Mitchell	Woolsey
Ellison	Moran (VA)	Young (AK)
Foster	Payne	
Gutierrez	Polis (CO)	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining in this vote.

□ 1309

So (two-thirds being in the affirmative) the rules were suspended and the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. CROWLEY. Mr. Speaker, I was absent for one rollcall vote. If I had been here, I would have voted "yes" on rollcall vote 420.

PERSONAL EXPLANATION

Mr. ELLISON. Mr. Speaker, on July 1, 2010, I inadvertently missed rollcall Nos. 418–420, but had I been present I would have voted "yes" on all three votes.

□ 1310

RESTORATION OF EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 2010

Mr. LEVIN. Mr. Speaker, pursuant to H. Res. 1495, I call up the bill (H.R. 5618) to continue Federal unemployment programs, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 1495, the amendment printed in House Report 111-519 is adopted, and the bill, as amended, is considered read.

The text of the bill, as amended, is as follows:

H. R. 5618

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Restoration of Emergency Unemployment Compensation Act of 2010".

SEC. 2. EXTENSION OF UNEMPLOYMENT INSURANCE PROVISIONS.

(a) IN GENERAL.—(1) Section 4007 of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended—

(A) by striking "June 2, 2010" each place it appears and inserting "November 30, 2010";

(B) in the heading for subsection (b)(2), by striking "JUNE 2, 2010" and inserting "NOVEMBER 30, 2010"; and

(C) in subsection (b)(3), by striking "November 6, 2010" and inserting "April 30, 2011".

(2) Section 2005 of the Assistance for Unemployed Workers and Struggling Families Act, as contained in Public Law 111-5 (26 U.S.C. 3304 note; 123 Stat. 444), is amended—

(A) by striking "June 2, 2010" each place it appears and inserting "December 1, 2010"; and

(B) in subsection (c), by striking "November 6, 2010" and inserting "May 1, 2011".

(3) Section 5 of the Unemployment Compensation Extension Act of 2008 (Public Law 110-449; 26 U.S.C. 3304 note) is amended by striking "November 6, 2010" and inserting "April 30, 2011".

(b) FUNDING.—Section 4004(e)(1) of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended—

(1) in subparagraph (D), by striking "and" at the end; and

(2) by inserting after subparagraph (E) the following:

"(F) the amendments made by section 2(a)(1) of the Restoration of Emergency Unemployment Compensation Act of 2010; and".

(c) CONDITIONS FOR RECEIVING EMERGENCY UNEMPLOYMENT COMPENSATION.—Section 4001(d)(2) of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended, in the matter preceding subparagraph (A), by inserting before "shall apply" the following: "(including terms and conditions relating to availability for work, active search for work, and refusal to accept work)".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of the Continuing Extension Act of 2010 (Public Law 111-157).

SEC. 3. COORDINATION OF EMERGENCY UNEMPLOYMENT COMPENSATION WITH REGULAR COMPENSATION.

(a) CERTAIN INDIVIDUALS NOT INELIGIBLE BY REASON OF NEW ENTITLEMENT TO REGULAR BENEFITS.—Section 4002 of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended by adding at the end the following:

"(g) COORDINATION OF EMERGENCY UNEMPLOYMENT COMPENSATION WITH REGULAR COMPENSATION.—

"(1) If—

"(A) an individual has been determined to be entitled to emergency unemployment compensation with respect to a benefit year,

"(B) that benefit year has expired,

"(C) that individual has remaining entitlement to emergency unemployment compensation with respect to that benefit year, and

"(D) that individual would qualify for a new benefit year in which the weekly benefit amount of regular compensation is at least either \$100 or 25 percent less than the individual's weekly benefit amount in the benefit year referred to in subparagraph (A), then the State shall determine eligibility for compensation as provided in paragraph (2).

"(2) For individuals described in paragraph (1), the State shall determine whether the individual is to be paid emergency unemployment compensation or regular compensation for a week of unemployment using one of the following methods:

"(A) The State shall, if permitted by State law, establish a new benefit year, but defer the payment of regular compensation with respect to that new benefit year until exhaustion of all emergency unemployment compensation payable with respect to the benefit year referred to in paragraph (1)(A);

"(B) The State shall, if permitted by State law, defer the establishment of a new benefit year (which uses all the wages and employment which would have been used to establish a benefit year but for the application of this paragraph), until exhaustion of all emergency unemployment compensation payable with respect to the benefit year referred to in paragraph (1)(A);

"(C) The State shall pay, if permitted by State law—

"(i) regular compensation equal to the weekly benefit amount established under the new benefit year, and

"(ii) emergency unemployment compensation equal to the difference between that weekly benefit amount and the weekly benefit amount for the expired benefit year; or

"(D) The State shall determine rights to emergency unemployment compensation without regard to any rights to regular compensation if the individual elects to not file a claim for regular compensation under the new benefit year."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to individuals whose benefit years, as described in section 4002(g)(1)(B) the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note), as amended by this section, expire after the date of enactment of this Act.

SEC. 4. REQUIRING STATES TO NOT REDUCE REGULAR COMPENSATION IN ORDER TO BE ELIGIBLE FOR FUNDS UNDER THE EMERGENCY UNEMPLOYMENT COMPENSATION PROGRAM.

Section 4001 of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended by adding at the end the following new subsection:

"(g) NONREDUCTION RULE.—An agreement under this section shall not apply (or shall cease to apply) with respect to a State upon a determination by the Secretary that the method governing the computation of regular compensation under the State law of that State has been modified in a manner such that—

"(1) the average weekly benefit amount of regular compensation which will be payable during the period of the agreement occurring on or after June 2, 2010 (determined disregarding any additional amounts attributable to the modification described in section 2002(b)(1) of the Assistance for Unemployed Workers and Struggling Families Act, as contained in Public Law 111-5 (26 U.S.C. 3304 note; 123 Stat. 438)), will be less than

"(2) the average weekly benefit amount of regular compensation which would otherwise have been payable during such period under the State law, as in effect on June 2, 2010."

SEC. 5. PROCEDURES.

Section 4001 of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note), as amended by section 4, is amended by adding at the end the following new subsection:

“(h) PROCEDURES.—Any state with an agreement under this Act shall implement reasonable procedures to—

“(1) ensure that benefits under this Act are not provided to any person who appears on any current list of known or suspected terrorists provided to the State by any government agency;

“(2) ensure that benefits under this Act are not provided to any individual convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. 16911)); and

“(3) ensure that the State is enforcing requirements under subsection (f) of this section to bar unauthorized aliens from receiving emergency unemployment compensation under this Act.

SEC. 6. BUDGETARY PROVISIONS.

(a) STATUTORY PAYGO.—The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled ‘Budgetary Effects of PAYGO Legislation’ for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

(b) EMERGENCY DESIGNATIONS.—Sections 2 and 3—

(1) are designated as an emergency requirement pursuant to section 4(g) of the Statutory Pay-As-You-Go Act of 2010 (Public Law 111–139; 2 U.S.C. 933(g));

(2) in the House of Representatives, are designated as an emergency for purposes of pay-as-you-go principles; and

(3) in the Senate, are designated as an emergency requirement pursuant to section 403(a) of S. Con. Res. 13 (111th Congress), the concurrent resolution on the budget for fiscal year 2010.

The SPEAKER pro tempore. The gentleman from Michigan (Mr. LEVIN) and the gentleman from Michigan (Mr. CAMP) each will control 30 minutes.

The Chair recognizes the gentleman from Michigan (Mr. LEVIN).

Mr. LEVIN. I yield myself such time as I may consume.

Mr. Speaker, during the rule, a Member of the minority came here regarding the plight of millions of unemployed who were losing their unemployment insurance, saying that he came to the floor with a heavy heart. I think the unemployed and all of America welcome heavy hearts, but if there isn't a helping hand, a heavy heart doesn't work. So, within this framework, I want to list very briefly the basic facts for everyone to consider and for all of our country to hear.

The 1.7 million unemployed workers, unemployed through no fault of their own and who are looking for work, will have lost their benefits by the end of this week—1.7 million. By the end of next week, if there is not action, 2.1 million. By the middle of July, when Congress can address this issue again, 2.5 million. The average unemployment insurance in this country is about \$300 a week. That is about half of the previous wage on average, and for a family of four, that average check is only 74 percent of the poverty level. That

should refute the notion that those who are unemployed, who have no benefits, who have lost their jobs through no fault of their own, are not looking for work.

Indeed, the figure is very clear. For every job available, there are five unemployed workers. There is one other fact because this has been raised. It is the notion that this is unfunded. By the way, that is provided as an emergency under statutory PAYGO. Under both Democratic and Republican Congresses, under both Democratic and Republican administrations, UI has been extended on an emergency basis. It is hard to understand how anybody can come to this floor and say for 1.7 million people and their families this is not an emergency. There is no excuse for voting “no.”

It is said that the Senate is out of session. We must send this so that it is the first item of business they take up when they return.

I will finish with this: it did not pass the Senate last night. The only reason was that there could not be found more than two Republicans to vote for this extension. That is a shame, and it is shameful. We need to, within our ranks in this House, lift that shame off the shoulders of everybody in this institution.

I reserve the balance of my time.

Mr. CAMP. I yield myself such time as I may consume.

Mr. Speaker, I would just say to my friend from Michigan that not even Democrat Senator BEN NELSON supported the bill last night. I know my friend is trying to paint this as a totally Republican issue, but there were Democrat Senators who didn't support the bill, and I mentioned one of them.

Let me just say that I realize this is about Republicans and Democrats who care about the future of this country. Yet it is said that Albert Einstein once defined insanity as doing the same thing over and over again and expecting a different result. Well, that's exactly what the Democrats are doing today—trying to pass, for the third time, an unpaid-for extension of unemployment benefits that the Senate Republicans and Democrats—and the American people—have repeatedly rejected. In fact, just last night, the Senate again said, thanks, but no thanks, to this fiscal insanity. Democrats should put an end to this sham and should pay for this \$34 billion spending bill so unemployed Americans can get the help they deserve.

Let me be clear: I support and Republicans have supported extending unemployment benefits, but we must not do so at a cost to the deficit, to the economy, and to future generations. Our inability to get our fiscal house in order isn't just damaging future generations; it is wreaking havoc on job creation today. Surely, if Congress can find money to protect doctors, then we can find money to protect the unemployed.

On Tuesday, the House defeated this same bill, one that would add \$34 billion to the deficit under a process that banned any amendments, including any efforts to pay for this bill. Again today, we are on the floor, under a process that bans all amendments. Any attempt for us to offer a way to pay for this legislation is banned under the Democrat autocratic rule of this House.

The only way we can address this issue is to offer a motion to recommit to actually pay for benefits. There is a way to pay for this spending, and it is something we ought to do. Any Member who is serious about reining in the deficit should vote in favor of this MTR. There is an inability or an unwillingness—or both—on the part of the Democrats to pay for this bill. Unemployment benefits have been expired for almost a month, leaving hundreds of thousands of long-term unemployed people without the benefits they need, and that number grows every week.

Let me repeat that fact. Americans are not receiving their unemployment checks because Democrats refuse to pay for these benefits at a time of record Federal deficits.

□ 1320

As I said on Tuesday, the American people know it isn't right to simply add the cost of this spending to our already-overdrawn national credit card. They want us to help those in need, but they also know that someone has to pay when government spends money. That assistance must not put our fiscal house as a nation in even worse shape, and we are already in terrible shape.

The stimulus hasn't worked. In its wake, nearly 3 million private-sector jobs were lost, unemployment soared to 10 percent nationwide, and 48 out of 50 States lost jobs. The American people should not be punished for the failure of the stimulus, and our children and grandchildren should not be punished for the failure of this Congress to act in a fiscally responsible manner.

Even the administration has agreed in the past that paying for unemployment benefits, and I quote, “is fiscally responsible, and that fiscal responsibility is central to the medium-term recovery of the economy and the creation of jobs.”

That is a quote from the Statement of Administration Policy on a bill last fall extending these same benefits, the only one of eight unemployment extensions so far that was fully paid for.

So let's heed their admonition. Reject this bill, as the Senate already has, and vote to support the unemployed in favor of a fiscally responsible way by supporting the motion to recommit.

Mr. Speaker, I reserve the balance of my time.

Mr. LEVIN. It is now my privilege to yield 5 minutes to the chairman of the

subcommittee, the gentleman from Washington (Mr. MCDERMOTT).

Mr. MCDERMOTT. Mr. Speaker, we are back today to try again to do the right thing for America's unemployed workers and the right thing for our economy.

Two days ago the Republicans in the House voted down a bill to continue unemployment benefits for anyone because they had lost their job through no fault of their own. But just last night the Republicans in the other body followed suit, blocking legislation again that would have restored and continued benefits. Their opposition was based on the fact that we have just heard a long speech about, it wasn't paid for. What a joke. It wasn't paid for.

This is support that is going to hard-working Americans who have played by the rules, paid into the system, and maybe were making \$50,000, \$60,000 a year a few weeks ago. These people who spend every day looking for work and have sent out hundreds of resumes, many of which are not even responded to, they paid for this by paying taxes in the past. And with five people competing for every available job, they simply cannot find work, no matter how qualified and educated they are, in the worst economy in 70 years.

Republicans seem like they could care less. They claim we cannot afford to help the unemployed. Well, you have to forgive my shock in hearing this, since they had no problem with spending \$1 trillion on two wars, not one penny of which was paid for. They voted for all those wars. Now they say they can't afford to help unemployed Americans.

The Bush administration presided over the implosion of the housing market and a world economic collapse. Greece, Ireland, and Iceland, you look around the world, they came in that era, they asked for bank bailouts. I remember Secretary Paulson in here with his one sheet of paper asking for \$700 billion, none of it paid for, to bail out banks and insurance companies. And Republicans were happy to provide two massive tax cuts for the wealthy that also weren't paid for. And yet now they say we can't afford to help the unemployed.

Republicans have spent money like kids in a candy store when they were in charge, but now they say there is nothing left for unemployed Americans. Republicans spent years helping Bush turn the largest budget surplus in our Nation's history into the biggest deficit. But today they claim they are defenders of our budget, and they say we can't help the unemployed. They can help them on the top, but they can't help the people on the bottom. They can stand quietly while the bankers pass out bonuses by the billions to their managers, and we don't have a nickel for the unemployed.

Here is the bottom line: If we fail to act, nearly two million Americans will have lost their unemployment benefits by the end of this week, and that number will grow higher in the weeks to come. More homes will go into foreclosure, because if you don't have money, you don't pay your rent. Consumer demand will decline and more people will permanently be out of the labor force.

All of this is bad for the economy—never mind the unemployed, just think about the economy—and that is ultimately bad for the Federal budget. Not one Democrat in this room, including me, wants to add a cent to the deficit. We don't want to do this. But we also know it is the right thing to do now, helping millions of Americans keep their heads above water while they desperately look for work.

Last night, millions of families in every corner of America had trouble putting dinner on the table because of this foolishness. I don't know how anyone is going to go to a Fourth of July parade or picnic after voting "no" on this, but I am sure you will. It is hypocritical and it is callous.

In case you missed yesterday reading The New York Times, I suggest you find a copy and take a look at the editorial. They wrote on unemployment, "Deficits matter. We all agree on that. But not more than economic recovery and not more urgently than the economic survival of millions of Americans."

I sincerely hope these words affect somebody in this body. And when you go to that Fourth of July parade, don't be surprised at the response you may get if you vote "no" on this.

Mr. CAMP. Mr. Speaker, at this time I yield 3 minutes to a distinguished member of the Ways and Means Committee, the gentleman from Georgia (Mr. LINDER).

Mr. LINDER. I thank the gentleman for yielding.

Mr. Speaker, we are asked to believe that \$34 billion in spending in this new bill is an emergency and thus need not be paid for. But since this is the eighth extension of UI benefits in the past 2 years, Members need to ask, can the eighth bill do anything that is still really a budget emergency?

In those two years, and counting the bill before us, we will have spent \$125 billion in Federal tax dollars for UI benefits. We have paid for exactly \$2 billion of that, and done so by raising taxes on jobs. That is a lot of unpaid-for emergency spending. All because of a bankrupt ideology on the other side that thinks the unemployed are somehow helped more when we use borrowed money to provide benefits than when we cut some other spending to actually pay for them.

In the real world, people set priorities. They buy one thing, but not another, if they can't afford both. But in

this House, which can't be bothered to consider a budget even in time of record deficits and debt, setting priorities is far too much to expect.

Yet that sort of priority setting is exactly what we were promised with the Democrats' PAYGO rules. Here is how the President said they would work. "Now Congress will have to pay for what it spends, just like everybody else. After a decade of profligacy, the American people are tired of politicians who talk the talk but don't walk the walk when it comes to fiscal responsibility."

Despite that lofty rhetoric, Democrats included an emergency spending trapdoor in their PAYGO rules, so anything that is used to declare an "emergency" doesn't have to be paid for.

The gentleman from Michigan, Mr. LEVIN, earlier this week repeatedly said there were no excuses for not supporting this legislation, but excuses and tax hikes are all the other side offers when it comes to actually paying for their spending. What is the excuse for that—that there is not enough spending around to cut? Tell that to one of your constituents over the next week.

□ 1330

Fortunately, the American people are catching on. Last week, leading employers noted the Democrats' policies, including this record accumulation of debt, are hostile to job creation, and more people think Elvis is alive than believe Democrats' trillion-dollar stimulus created jobs. Unemployed workers want real jobs, not 2 years of unemployment benefits. But all this Congress offers is more debt and ultimately more pink slips. That is hardly what the unemployed need.

I urge Members to oppose this bill and insist that any further spending is really paid for. That is the only hope for turning this economy around and actually creating jobs that Americans need.

Mr. LEVIN. I now yield 2 minutes to the gentleman from New Jersey (Mr. PASCRELL), a member of the Ways and Means Committee.

Mr. PASCRELL. Mr. Speaker, I rise to speak for the unemployed. I've had more calls in my office in the last 2 weeks from those who have run out of benefits. That's a fact of life. The last speaker who talked about the unemployed and that they are better off without us helping them, figure that out. The unemployed are better off when they can put food on the table for their families. The unemployed are better off when they can pay their rent. That's when the unemployed are better off. And that doesn't happen by osmosis.

This legislation is incredibly important because millions of Americans woke up this morning and will not be able to pay their rent, will not be able

to pay their electric bill, will not be able to do at the grocery store what needs to be done.

For years, there were policies that placed the extraordinarily wealthy people of this country—the big banks, the well-connected—above seniors, above the middle class, above the American people. Just today, at one of the Financial Crisis Inquiry Commission's hearings, you should have watched it when these guys wiggled in their chairs in answering the questions of the Commission of how we got into this mess.

Look, there's enough blame to go around on both sides. But you guys were in charge—not us. Remember, 8 million jobs, millions of people's retirements lost, because of the recklessness of Wall Street. And we can't dig down and help those people who are unemployed—the extent of the time of unemployment we haven't seen in so many years. But if you go back to 2005, when we were warned of the clouds that were heading towards us, you will remember in those 2 years before that, 2003 to 2005, the average salary and wage went down 1.5 percent.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. LEVIN. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. PASCRELL. Thank you, Mr. Chairman.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair reminds all Members to address their remarks to the Chair.

Mr. PASCRELL. During that period of time, which was a bellwether for what was going to happen—which was a distant early warning signal—why we couldn't understand where is this money going if everybody's making profits? And then we examined the record. Where was it going? It was going to corporate profits because nobody was watching. There was no oversight.

These unemployed are suffering because of those profits in times where we were starting to tighten our belt and understand what was coming our way. The emergency unemployment compensation program began to phase out at the end of May, so this bill will retroactively restore those necessary benefits.

This is dignity we're talking about. This is a man or woman looking at their families and saying, We are going to eat tomorrow; we are going to pay the electric bill; and we are going to pay the rent. I think this is important and critical.

After two wars and after two massive tax cuts to help the rich—that you never paid for—you have the nerve to tell the unemployed people in this country that you must be wanting to be unemployed. "I'm sorry, we cannot help you." But if you're part of corporate America and you stuck it to the

Americans in the middle class of this country and the poor, "That's all right. We'll find a way to bail you out."

Let's make sense. Let's be fair.

Mr. CAMP. Mr. Speaker, I yield myself such time as I may consume.

I would say to my friend from New Jersey, we agree this is important. This is important. This is so important that we believe that we should pay for this. And let me just quote the majority leader, who was on ABC's This Week, said, "There is spending fatigue across the country." His words. And that he's encouraging the administration to look at last year's \$787 billion stimulus package to see if some money can be redirected.

I would just say, if this is so important, why not let us offer an amendment to use the unspent stimulus dollars to cut some other wasteful part of government to find some way to pay for this important program.

That's all I say. If we could just get an agreement to offer an amendment to do that and move forward. But no, this bill comes to the floor under the most restrictive rule the House can possibly pass. We cannot offer any amendments. If this is that important, why not let us offer an amendment to find some way to pay for this bill?

At this time I yield 2 minutes to a distinguished member of the Ways and Means Committee, the gentleman from Louisiana, Dr. BOUSTANY.

Mr. BOUSTANY. Mr. Speaker, I agree with my ranking member's remarks here. The gentleman from New Jersey made a very compelling emotional argument. We all agree that we have to do something. But the American people want us to pay for this. They have been speaking very loudly and very clearly. They're tired of the fiscal irresponsibility.

Now our friends across the aisle here predicted that their trillion-dollar stimulus would create 3.7 million jobs. Since then, what have we seen? Let's look at the record. Debt has grown by \$2 trillion and nearly 3 million jobs have been lost, with unemployment hovering just under 10 percent.

I think if our friends across the aisle would take the time and talk to the job creators in this country—the small business owners, the entrepreneurs—what they would find is that these tax-borrow-spend policies are creating tremendous uncertainty for the job creators—small business owners across this country. And these policies are leading to more unemployment and more debt. Look at what the administration is advocating—a job-killing moratorium on exploration for oil in the deep water. This is going to kill potentially a couple hundred thousand jobs on the gulf coast. We need to get back to some real debate on these issues here.

Now what does this bill do? It's \$34 billion to extend the unemployment

benefits. But it's not paid for. The American people want these policies paid for. And there's no reason why this couldn't have come to the floor with the opportunity for us to amend it and to have a real debate over some of the merits of this amendment of how we can pay for this. It's just not right. More debt, more uncertainty, more unemployment, higher taxes. The American people deserve better.

Mr. LEVIN. I want to read quickly a report from the CBO regarding the recovery program, and I quote:

"It increased the number of full-time equivalent jobs by 1.8 million to 4.1 million compared with those amounts that would have been otherwise."

I now yield 2 minutes to the distinguished gentleman from Georgia (Mr. LEWIS), a very able member of our Ways and Means Committee.

Mr. LEWIS of Georgia. Mr. Speaker, today we have been given another chance to do what is right for our unemployed brothers and sisters. We must extend unemployment insurance. It is the right thing to do. It is the moral thing to do. It is the compassionate thing to do.

Those of you who have said that the unemployed are lazy or want a hand-out should be ashamed of yourselves. This is not a hand-out. People have paid into the system their whole working lives. The unemployed in this country want to work, they are desperate to work, and we must help them get by.

I challenge each of you who plan to vote "no" to come to Georgia. Go into your own districts. I challenge you to look people in the eye and tell them that you voted "no." I challenge you to tell the people that you value ideology more than empathy and compassion for your fellow man.

□ 1340

Tell them as they swallow their pride that you don't care, that you don't have a heart, that you don't have any feeling. Explain to them why you voted "yes" for war funding and "yes" for tax breaks for the rich but "no" for hardworking Americans who have lost their jobs through no fault of their own. It is wrong, just plain wrong.

The time is always right to do what is right. Do not be afraid to be compassionate. Do not be afraid to vote with your heart and your conscience. Vote to extend unemployment, and extend it now. Do it for the people.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair reminds all Members to address their remarks to the Chair.

Mr. CAMP. At this time I yield 3 minutes to the gentleman from Nevada (Mr. HELLER), a distinguished Member of the Ways and Means Committee.

Mr. HELLER. I thank the gentleman for yielding.

Last night, Mr. Speaker, I did a telephone town hall meeting in my district

with more than 13,000 people on that telephone line with me. Hundreds of them wanted to ask questions. Obviously, I couldn't get to all of them, but of those that I could get to, 50 percent of them wanted to ask about unemployment. One woman said that without an unemployment extension, she wouldn't be able to pay for her car registration, her insurance, and was likely to lose her home soon. She worried about foreclosure and asked, if she couldn't register her car, how was she supposed to look for a job? Others had similar stories about the sacrifices that they needed to make in these tough times.

These same Nevadans also know that the stimulus hasn't worked. President Obama promised no more than 8 percent unemployment. Maybe I'm confused. Maybe he meant 9 percent or 10 percent or 11 percent. Maybe he meant 12 percent, but that doesn't even reach the level of unemployment in my State of Nevada at 14 percent. I even have counties in my district north of 18 percent unemployment.

Now, I'm one of many Republicans who support helping long-term unemployed people and have voted repeatedly to extend these benefits. As I mentioned, the largest county in my district, Washoe County, has 13.3 percent unemployment. Clark County—for decades, the fastest-growing county in my State, home of Las Vegas, two-thirds of the State's population—has an unemployment rate of more than 14 percent. And, as I mentioned, some counties 15 percent, 16 percent, even 18 percent unemployment.

This is unacceptable because these aren't just numbers. These are people. These are families who are hurting, losing their homes, unable to pay their bills, struggling to provide for their children. But even facing these serious problems, Nevadans know that the majority party either doesn't know or can't admit that Obama economics is killing jobs.

Crippling debt is not the answer. The assistance we provide should not put our fiscal house in even worse shape. Members on both sides support helping the unemployed, but many Members oppose adding an additional \$34 billion to our \$13 trillion mountain of debt, as this legislation does. There is an alternative. Use the unused, failed stimulus money to pay for this extension.

There is a bill at the desk. Pass it, and we can all go home knowing that we have done the responsible thing.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. CAMP. I yield the gentleman 1 additional minute.

Mr. HELLER. Thank you.

We can go home, having done the responsible thing and knowing that we have helped all Americans.

Most importantly, it's long past time for Congress to finally get serious

about creating jobs. My constituents want paychecks, not unemployment checks. They want startups, not bailouts. And they want hand-ups, not handouts.

Americans are disappointed with a government that has grown so big, promised so much, yet has delivered so little.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will remind all persons in the gallery that they are guests of the House and that any manifestation of approval or disapproval of the proceedings is a violation of the Rules of the House.

Mr. LEVIN. Mr. Speaker, I now yield 2 minutes to the distinguished gentleman from Illinois (Mr. DAVIS), a member of the Ways and Means Committee.

Mr. DAVIS of Illinois. I thank the chairman for yielding.

You know, I've been told that if you don't want to do something, any excuse is good enough. And every time I hear my colleagues talk about paying for this and paying for that, I'm reminded of Frederick Douglass, who used to say that he knew one thing, if he didn't know anything else. That is that in this world, you may not get everything that you pay for, but you certainly will pay for everything that you get; and, if you don't pay one way, then you're going to pay another way.

Well, I can tell you that the people who are unemployed have already paid because they've already worked. They've already paid into the system. And I can wonder how we're going to feel when we go to our parades on the Fourth of July, when we're singing patriotic songs—"My country 'tis of thee, sweet land of liberty"—and when we talk about all of the freedoms that we have, we've got 1.7 million people who are free to be broke, who are free to be unemployed, free to be hungry, free to be living in misery, wondering where their next meal is going to come from. How do they pay the rent? How do they keep their kids in school?

Well, I can tell you, I can't believe that we would actually do this. And so any excuse is good enough if you don't want to do it, but let's do the real and the right thing. Let's vote to extend unemployment benefits to those who deserve it.

Mr. CAMP. I reserve the balance of my time.

Mr. LEVIN. Now I am privileged to yield 2 minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. I thank the gentleman for yielding.

In Cleveland, where I come from, unemployment is devastating our community. People are demanding that their government, our government, recognize the suffering of families who have lost jobs and can't find work. Will Washington tell my constituents and

people like them all over America: We have money for war but no money for the unemployed? We have money for military contractors but no money for the unemployed? We have money—billions—for corrupt foreign governments but no money for our unemployed in the United States? We have money for tax cuts for the wealthiest Americans but no money for the unemployed? Hundreds of billions for Wall Street but no money for the unemployed? Instead, the out-of-work poor and middle class, they get lectures on balancing the budget, lectures on pay-fors.

But what else are people supposed to do when they don't have budgets because they don't have money, when they can't pay for food, shelter, clothing? Yes, we need jobs, but people out of work can't find a job, and they have to survive. People need unemployment benefits because they have to pay for their mortgage, their rent, their utility bills, because so many Americans are hanging on by their fingertips.

□ 1350

Some exhort our constituents, Pull yourself up by your boot straps. What if you don't have money to buy boots?

Mr. CAMP. I yield myself such time as I may consume.

What we've been hearing most of today is really a false choice, that we either do this bill unpaid for or do nothing at all. And in a \$3 trillion budget, we can't find the \$34 billion to pay for this bill?

As I said before, I have supported the extension of unemployment benefits. I've voted for the extension of unemployment benefits. But given the fiscal shape this country is in now, we believe that it's important to offer these benefits and also pay for these benefits so that we don't help today's unemployed at the expense of tomorrow's future job seekers.

And the effect on the debt, and I could go through the litany. Obviously, it didn't start last year. But if you look at what has happened since January of 2009, a \$410 billion supplemental that included 8,500 earmarks, a \$1 trillion stimulus, a \$1 trillion health care bill. We've got hundreds of billions of dollars in unspent stimulus that isn't being returned to the taxpayers that could be redirected to pay for these unemployment benefits that isn't.

So what I hear is, We just need to spend. And this is an important need, but why not let us offer an amendment to find a way to pay for these extended unemployment benefits?

Mr. Speaker, I reserve the balance of my time.

Mr. LEVIN. I yield 2 minutes to the distinguished gentleman from Ohio (Mr. RYAN).

Mr. RYAN of Ohio. I thank the chairman for this opportunity.

Let me just go on record and say, I cannot believe, in the wealthiest country that has ever existed on God's

green Earth, that we are having a debate about whether or not we should let 1.3 million people-plus, over the course of the next few weeks, go without unemployment when unemployment's at 10 percent. There's five people looking for every one job, and we can't muster up the courage in this body to pass unemployment benefits?

And our friends on the other side said, Well, this is not an emergency. So all of those folks, over the 4th of July, get your charcoal out, get your grill, go buy your hamburgers and hot dogs and lay them on the grill. Relax, put your flip flops on, put your shorts on, put the sun block on. There's no emergency here. That's what our friends on the other side are trying to tell the 1.3 million people who will go without anything.

And if you think the deficit is bad now, wait till we get another wave of foreclosures, another wave of people who aren't paying their bills, another wave of bankruptcies.

And our friends on the other side have consistently said no. We tried to get money from BP to pay for the oil spill; they said no. We took on the insurance companies; they said no. We took on Wall Street; they said no. We took on the banks; they said no. If you took the word "no" out of the dictionary, the Republican Party would be speechless.

GENERAL LEAVE

Mr. LEVIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 5618.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CAMP. Mr. Speaker, this debate has shown the length the majority will go to in order to avoid paying for any government spending, even calling the eighth extension of unemployment benefits an emergency. One would hope that even the Congress would see this coming after the first seven times.

We could pass this bill with broad bipartisan support if Democrats would just agree to pay for the spending. Instead, their refusal to pay for these benefits will mean hundreds of thousands of unemployed Americans are losing unemployment benefits at a time when the unemployment rate is nearly 10 percent, and it shouldn't be this way, because this bill is going nowhere.

The American people know we must pay for the spending, and the Senate appears to have heard that message. Just last night the Senate rejected this bill, so it has no hope of being signed into law.

Given the Senate vote, this isn't just an exercise in fiscal irresponsibility; it's an exercise in futility.

The unemployed are facing a personal emergency, and our country's

facing an emergency that affects us all and future generations. The mountain of debt this bill will only add to.

If we want to help those who are out of work, let's pass something that might actually pass the Senate and won't increase the deficit, such as the motion to recommit that I'll be offering in a moment.

Mr. Speaker, I yield back the balance of my time.

Mr. LEVIN. Mr. Speaker, I yield myself the balance of the time.

I'm glad my colleague from Michigan just spoke, and I think, laid it out very clearly what's before us. He said, this is the eighth time and we call it an emergency.

This is the hurricane season. I assume that if there are eight hurricanes, that, when the damage is done the eighth time, we'll call it for what it is, an emergency.

So the fact that this is the eighth time, first of all, it shows that under Presidents of both parties we've extended unemployment insurance in an unfunded way, as an emergency. But I think what this shows is that, indeed, it is an emergency for numerous families.

Essentially, the minority is looking for cover. This is an emergency within statutory PAYGO that passed this Congress, so we are following it.

The Senate rejected it last night, short one vote, only because of the death of Senator Byrd, and there were only two Republicans. His position may be filled soon as we mourn him, and then this bill can pass the Senate. And hopefully there will be more than two Republicans, the rest not standing in the way.

There's been some reference here to job loss. I just want to repeat: during the 8 years of the Bush administration, there was a loss of 673,000 private sector jobs. In the first 5 months of 2010 alone, there's been a gain of 495,000 private sector jobs. So, even that excuse won't work, nor the notion of the deficit, when those who are trying to invoke it helped to create most of it.

So I simply want to read some stories, because everybody needs to go home and face people like this. I start with a gentleman from Warren, Michigan:

"I am a U.S. Navy veteran and am trying to get things going, but I need just a little more help."

And, next, a person in touch with us from Grand Rapids: "I worked 22 years in automotive, 60 to 70 hours a week, supporting my family, paid my taxes and worked in my community. Every single day I send my resume out, to no avail." And I interrupt this quote. Don't say these are people who are not looking for work. That's also an excuse that won't work.

And I continue. He said: "I've lost my home and one vehicle and my sense of the ability to take care of my family."

And now a person from Madison Heights, Michigan.

□ 1400

"We depend on unemployment to help pay our house payment and our bills. Without that check, we would definitely lose our house."

And now this person from Fraser, Michigan. And there are people like this throughout the country. "As of June 2," and I quote, "I will no longer be collecting unemployment on the emergency extension. I cannot stress to you enough how very hopeless this all is for me and millions of people. I have worked since I was 13, making my own way, served my country in the Vietnam war, raising a family, paying my taxes, and now facing total ruin. What is being done to help people like me in my time of need?" The answer on the minority side, with a few exceptions, too few, is nothing, a cold shoulder, an excuse.

The next I quote from a person in Sterling Heights, a woman who wrote this: "My husband is a union electrician, and is about to lose his unemployment. He has always worked, and never been laid off for more than a few months until now. No matter how hard he tries to find work, there is not much work in the building construction in Michigan. This extension can't wait much longer."

What the minority has been saying, and I hope it won't say today, is the answer for the unemployed is you will wait, and you will wait, and you will wait. The House will pass this, we will send it to the Senate, I hope with some bipartisan support here. It will go to the Senate. And as I said before, I hope as their first regular order of business they will find the 60 votes. To do that, those in the minority will have to rise above politics. For a moment they'll have to put down their political banner and remember the plight of not only 1.7 million, but their families, and more to be added, while this institution, without bipartisan help, has not responded.

There is only one answer. No excuses. None holds any water. We are holding up the basic, basic elements of life for millions of Americans. We can do better. We must do better. We shall do better in just a few moments.

Mr. STARK. Mr. Speaker, I rise to support restoration of emergency Unemployment Insurance (UI) benefits for the millions of workers who are unable to find work. These benefits should have never been allowed to expire at the end of May. It is a disgrace that Republicans repeatedly block passage of a UI extension.

UI benefits are a lifeline to millions of families struggling to make ends meet. They can be the difference between having a roof over your head and losing your home. Since Republicans blocked legislation to extend UI, over 1.7 million long-term jobless people have lost their benefits, including over 300,000 in

my state of California. These individuals want to work. The problem is there are 5 people for every new job. What will happen to these workers and their families whose benefits have run out? What will happen to the people that call my office everyday asking why they are losing benefits? Will Republicans offer them more tax cuts for the wealthy or more subsidies for the oil industry?

Congress has a responsibility to help those impacted by the recession. The legislation (H.R. 5618) before us today allows us to fulfill that responsibility. I urge all my colleagues to side with American workers and support this bill.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise today to offer my strong support for the passage of H.R. 5618, the Restoration of Emergency Unemployment Compensation Act. Emergency Unemployment Compensation benefits have expired as of June 1st, leaving millions of Americans without the financial lifeline they rely upon. Each week that Congress fails to pass this extension, another 200,000 Americans lose their benefits.

These are not people freeloading off the government. They had jobs, and the years that they worked are reflected in the weeks of benefits they receive. They are also required to look for work in order to receive benefits. With a 9.9% unemployment rate, job prospects remain dismal for the unemployed. With hundreds of applicants for each opening, some hiring managers have even gone so far to exclude the unemployed from applying within their job advertisements.

Without this extension hundreds of thousands of Americans will fall into poverty. Many more will have to make the excruciating choice between basic needs for their family; choices such as going without food or medicine in order to pay the rent or mortgage.

Economists have pointed to the economic value of unemployment insurance benefits. These are dollars that are going back into the market, raising consumption and creating jobs. If we allow millions of Americans to slip into economic peril, it will only serve to hurt the economy and stall the recovery.

This is economically important and ethically important, and I fully support the immediate passage of the restoration of Emergency Unemployment Compensation benefits.

Mr. ETHERIDGE. Mr. Speaker, I rise today in strong support of H.R. 5618, the Restoration of Emergency Unemployment Compensation Act.

H.R. 5618 would extend critical unemployment insurance benefits through November 30, 2010 to help Americans who have lost their jobs through no fault of their own. Without this bill, by July 3, 2010, approximately 1.7 million unemployed workers nationwide will lose their unemployment benefits. In my home state of North Carolina, about 7,200 unemployed workers will lose their unemployment benefits in the same time.

North Carolina has one of the highest unemployment rates in the Nation, and some areas of the Second Congressional District have unemployment rates close to 15 percent. I have voted several times over the past year to extend and improve benefits for folks who are having trouble finding new jobs in the current economic downturn. Extending unemploy-

ment benefits will not only help unemployed North Carolinians, but it will also help stimulate the economy and create new jobs. For every \$1.00 spent on unemployment benefits, \$1.63 is returned in economic growth.

I've heard from thousands of North Carolinians about their struggles in this economy. One woman from Spring Lake, NC said, "This is so very important! So many families, single moms like myself are just one benefit away from being homeless. Please help the people in your district, because we are at the end of our rope." I am sure that this sentiment is shared by folks in districts across the country who just want a little support while they continue to look for jobs as our economy recovers.

Mr. Speaker, this is an emergency for thousands of workers and their families in North Carolina right now. This is an emergency not of their making but the result of eight years of the failed policies of the previous administration. I will continue to fight to make sure every North Carolinian who is willing to work hard can make the most of his or her God-given abilities. Extending this economic lifeline is the right thing to do for workers, and the right thing to do to keep our economy on track for recovery. I urge my colleagues to join me in strong support of our hardworking Americans.

Mr. CONYERS. Mr. Speaker, I rise in support of the Restoration of Emergency Unemployment Compensation Act which would extend emergency unemployment compensation and other benefits through November 30, 2010. Our government has an obligation to alleviate the suffering of millions of unemployed during the worst recession since the Great Depression.

Today, unemployment is at alarmingly high levels where in my home State of Michigan it is over 13 percent. The Federal Government has never allowed unemployment benefits to expire when the national unemployment rate was above 7.2 percent. However, Republicans in the Senate have blocked numerous attempts to extend the benefits and even if today's measure passes, the Senate will adjourn, causing thousands more to lose benefits. Furthermore, Republicans have stopped many other job creating bills citing budget concerns, even though they have unquestioned support for indefinite war spending in Iraq and Afghanistan, which recently surpassed the one trillion dollar mark and championed tax breaks for the rich while the unemployed suffer. It appears the Republicans are willing to give a helping hand to every group except the American worker.

Mr. Speaker, the job market is in tatters and it has been found that for every job opening there are five applicants. We simply can no longer wait on extending these vital benefits. I urge my colleagues to support today's legislation.

Mr. LEVIN. I yield back the balance of my time.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to House Resolution 1495, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. Pursuant to clause 1(c) of rule XIX, further consideration of H.R. 5618 is postponed.

CONGRATULATING SOUTH AFRICA ON FIRST TWO CONVICTIONS FOR HUMAN TRAFFICKING

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on motions to suspend the rules previously postponed.

The unfinished business is the question on suspending the rules and agreeing to the resolution (H. Res. 1412) congratulating the Government of South Africa upon its first two successful convictions for human trafficking, as amended.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. WATSON) that the House suspend the rules and agree to the resolution, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. LEVIN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 414, nays 1, not voting 17, as follows:

[Roll No. 421]

YEAS—414

Ackerman	Broun (GA)	Critz
Aderholt	Brown (SC)	Crowley
Adler (NJ)	Brown, Corrine	Cuellar
Akin	Brown-Waite,	Culberson
Altmire	Ginny	Cummings
Andrews	Buchanan	Dahlkemper
Arcuri	Burgess	Davis (AL)
Austria	Burton (IN)	Davis (CA)
Baca	Butterfield	Davis (IL)
Bachmann	Buyer	Davis (KY)
Bachus	Calvert	Davis (TN)
Baird	Camp	DeFazio
Baldwin	Campbell	DeGette
Barrett (SC)	Cantor	Delahunt
Barrow	Cao	DeLauro
Bartlett	Capps	Dent
Barton (TX)	Capuano	Deutch
Bean	Cardoza	Diaz-Balart, L.
Becerra	Carnahan	Diaz-Balart, M.
Berkley	Carney	Dicks
Berman	Carson (IN)	Dingell
Berry	Carter	Djou
Biggert	Cassidy	Doggett
Bilbray	Castle	Donnelly (IN)
Bilirakis	Castor (FL)	Doyle
Bishop (GA)	Chaffetz	Dreier
Bishop (NY)	Chandler	Driehaus
Blackburn	Childers	Duncan
Blumenauer	Chu	Edwards (MD)
Blunt	Clay	Edwards (TX)
Bocchieri	Cleaver	Ehlers
Boehner	Clyburn	Ellison
Bonner	Coble	Ellsworth
Bono Mack	Coffman (CO)	Emerson
Boozman	Cohen	Engel
Boren	Cole	Eshoo
Boswell	Conaway	Etheridge
Boucher	Connolly (VA)	Fallin
Boustany	Conyers	Farr
Boyd	Cooper	Fattah
Brady (PA)	Costa	Filner
Brady (TX)	Costello	Flake
Braley (IA)	Courtney	Fleming
Bright	Crenshaw	Forbes

Fortenberry
Foster
Foxy
Frank (MA)
Franks (AZ)
Frelinghuysen
Fudge
Gallegly
Garamendi
Garrett (NJ)
Gerlach
Giffords
Gingrey (GA)
Gohmert
Gonzalez
Goodlatte
Gordon (TN)
Granger
Graves (GA)
Graves (MO)
Grayson
Green, Al
Green, Gene
Griffith
Grijalva
Guthrie
Gutierrez
Hall (NY)
Hall (TX)
Halvorson
Hare
Harman
Harper
Hastings (FL)
Hastings (WA)
Heinrich
Heller
Hensarling
Hereth Sandlin
Higgins
Hill
Himes
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hoyer
Hunter
Inglis
Inslee
Israel
Issa
Jackson (IL)
Jackson Lee
(TX)
Jenkins
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones
Jordan (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick (MI)
Kilroy
Kind
King (IA)
King (NY)
Kingston
Kirk
Kirkpatrick (AZ)
Kissell
Klein (FL)
Kline (MN)
Kosmas
Kratovil
Kucinich
Lamborn
Lance
Langevin
Larsen (WA)
Larson (CT)
Latham
LaTourette
Latta
Lee (CA)
Lee (NY)
Levin
Lewis (CA)

Lewis (GA)
Lipinski
LoBiondo
Loebach
Lofgren, Zoe
Lowe
Lucas
Luetkemeyer
Luján
Lummis
Lungren, Daniel
E.
Lynch
Mack
Maffei
Maloney
Manzullo
Marchant
Markey (CO)
Markey (MA)
Marshall
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCaul
McClintock
McCollum
McCotter
McDermott
McGovern
McHenry
McIntyre
McKeon
McMahon
McMorris
Rodgers
McNerney
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Minnick
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Murphy, Tim
Myrick
Nadler (NY)
Napolitano
Neal (MA)
Neugebauer
Nunes
Nye
Oberstar
Obey
Olson
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor (AZ)
Paulsen
Pence
Perlmutter
Perriello
Peters
Peterson
Petri
Pingree (ME)
Pitts
Platts
Poe (TX)
Polls (CO)
Pomeroy
Posey
Price (GA)
Price (NC)
Putnam
Quigley
Rahall
Rangel
Rehberg

Reichert
Reyes
Richardson
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rooney
Ros-Lehtinen
Roskam
Ross
Rothman (NJ)
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Salazar
Sánchez, Linda
T.
Sanchez, Loretta
Sarbanes
Scalise
Schakowsky
Schauer
Schiff
Schmidt
Schock
Schradler
Schwartz
Scott (GA)
Sensenbrenner
Serrano
Sessions
Sestak
Shadegg
Sherman
Shimkus
Shuler
Shuster
Simpson
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Space
Speier
Stark
Stearns
Stupak
Sullivan
Sutton
Tanner
Taylor
Teague
Terry
Thompson (CA)
Thompson (MS)
Thompson (PA)
Thornberry
Tiahrt
Tiberi
Tierney
Titus
Tonko
Towns
Tsongas
Turner
Upton
Van Hollen
Velázquez
Visclosky
Walden
Walz
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Westmoreland
Whitfield
Wilson (OH)
Wilson (SC)
Wittman
Wolf
Wu
Yarmuth
Young (FL)

NAYS—1

Paul

NOT VOTING—17

Alexander
Bishop (UT)
Capito
Clarke
Herger
Hoekstra

Linder
Payne
Radanovich
Rodriguez
Scott (VA)
Shea-Porter

Sires
Spratt
Wamp
Woolsey
Young (AK)

□ 1434

So (two-thirds being in the affirmative) the rules were suspended and the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

RESTORATION OF EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 2010

The SPEAKER pro tempore (Mr. SERRANO). Pursuant to clause 1 of rule XIX, proceedings will resume on the bill (H.R. 5618) to continue Federal unemployment programs.

The Clerk read the title of the bill.

MOTION TO RECOMMIT

Mr. CAMP. Mr. Speaker, I have a motion to recommit at the desk.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. CAMP. I am, in its present form.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. Camp moves to recommit the bill, H.R. 5618, to the Committee on Ways and Means, with instructions to report the same back to the House forthwith, with the following amendment:

Redesignate section 6 as section 7 and insert after section 5 the following:

SEC. 6. USE OF STIMULUS FUNDS TO OFFSET SPENDING.

The unobligated balance of each amount appropriated or made available under the American Recovery and Reinvestment Act of 2009 (Public Law 111–5) (other than under title X of division A of such Act) is rescinded pro rata such that the aggregate amount of such rescissions equals \$34,000,000,000 in order to offset the net increase in spending resulting from the provisions of, and amendments made by, sections 2 and 3. The Director of the Office of Management and Budget shall report to each congressional committee the amounts so rescinded within the jurisdiction of such committee.

Mr. CAMP (during the reading). Mr. Speaker, I ask unanimous consent to dispense with the reading of the motion.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LEVIN. Mr. Speaker, I reserve a point of order on the gentleman's motion.

The SPEAKER pro tempore. A point of order is reserved.

The gentleman from Michigan (Mr. CAMP) is recognized for 5 minutes.

Mr. CAMP. Mr. Speaker, this motion to recommit on H.R. 5618 has a provi-

sion to pay for the extended unemployment benefits proposed in the underlying bill. We think it is important to help long-term unemployed people, and we want to do it without adding another \$34 billion to the Nation's record \$13 trillion debt.

We know that the stimulus hasn't worked. In its wake, nearly 3 million private-sector jobs were lost, unemployed soared to 10 percent nationwide, and 48 out of 50 States lost jobs. So this motion to recommit pays for the \$34 billion in Federal unemployment costs by cutting that much in unspent stimulus spending.

Only a portion of the \$1 trillion stimulus has been paid out, \$414 billion as of June 18, as reported by the official Recovery Act Web site. That leaves hundreds of billions of dollars unspent and available to offset this bill.

I would like to quote from the Statement of Administration Policy last November: "Fiscal responsibility is central to the medium-term recovery of the economy and the creation of jobs. The administration therefore supports the fiscally responsible approach to expanding unemployment benefits embodied in the bill."

That statement was about the only one of the eight unemployment benefits extender bills so far that was actually paid for. But the same can and should be said about this motion. It is fiscally responsible, and it is central to the recovery of our economy and job creation.

□ 1440

I would also like to read a quote from Speaker PELOSI that appeared in Congress Daily AM on Monday. She said, "I am hard-put to pass any more initiatives here unless there is some reasonable prospect of success on the Senate side." Well, there isn't a reasonable prospect of success on the Senate side unless we adopt this motion to recommit. Just last night, the Senate rejected the unpaid-for version of this bill. Rejecting this motion ensures this bill will die in the Senate and that hundreds of thousands of unemployed Americans will continue to go without their unemployment benefits.

I urge all Members to join me in supporting this motion to recommit, which will help today's unemployed workers and improve the future for our children and grandchildren by not adding to our debt.

With that, I yield back the balance of my time.

Mr. LEVIN. Mr. Speaker, I rise in opposition to the motion to recommit.

The SPEAKER pro tempore. Does the gentleman continue to reserve a point of order?

Mr. LEVIN. I continue to reserve.

The SPEAKER pro tempore. The gentleman from Michigan (Mr. LEVIN) is recognized for 5 minutes.

Mr. LEVIN. I want to say briefly, we have already debated this issue. This is

not a germane amendment. Also what it is, is an effort to use emergency funds targeted to create jobs to fund emergency unemployment insurance. This is another excuse on the part of the minority that won't work.

If we pass this, this bill will go over to the Senate. Hopefully, it will be their first order of business when they return. Mr. Speaker, 1.7 million have already lost their unemployment insurance. It will be over that by several hundred thousand when they return.

There's a reference here to jobs that are lost. I want to just quickly repeat what was said during the debate. During the 8 years of the Bush administration, there was a loss of 673,000 private sector jobs. And in the first 5 months of this administration, there has been a gain of 495,000 private sector jobs.

We're aware. Not enough has been done. But compared to the Bush years, we have made some progress. And those who are still unemployed should not suffer because of the indifference of the minority. That's what this is all about.

POINT OF ORDER

Mr. LEVIN. I now insist on my point of order that the gentleman's motion is not germane to this legislation.

Mr. CAMP. Mr. Speaker I would like to be heard on the point of order.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Michigan.

Mr. CAMP. Mr. Speaker, at a time of record deficits, it should always be germane to consider proposals to offset higher spending. And, in light of the Senate already rejecting an unpaid-for version of this bill just last night, I ask that the Speaker deny the point of order so we can pay for this bill and ensure that unemployed Americans do not continue to go without unemployment benefits.

The SPEAKER pro tempore. The gentleman from Michigan makes a point of order that the instructions proposed in the motion to recommit offered by the gentleman from Michigan are not germane.

One of the fundamental principles of germaneness is that an amendment must confine itself to matters addressed by the bill, and to matters that fall within the jurisdiction of the committees with jurisdiction over the bill.

The bill, as amended, addresses the availability of certain benefits, restrictions on those benefits, and budgetary issues related thereto. Such subject matters do not fall within the jurisdiction of the Committee on Appropriations.

The instructions proposed in the motion to recommit propose an amendment to rescind various unobligated funds contained in a prior appropriation Act. That subject matter falls within the jurisdiction of the Committee on Appropriations.

By addressing a matter unrelated to the issues addressed in the bill, and

within the jurisdiction of a committee not represented in the bill, the instructions propose an amendment that is not germane.

The point of order is sustained. The motion is not in order.

Mr. CAMP. Mr. Speaker, I appeal the ruling of the chair.

The SPEAKER pro tempore. The question is, Shall the decision of the Chair stand as the judgment of the House?

MOTION TO TABLE

Mr. LEVIN. Mr. Speaker, I move to table the appeal of the ruling of the Chair.

The SPEAKER pro tempore. The question is on the motion to table.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. CAMP. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 8 and clause 9 of rule XX, this 15-minute vote on the motion to table will be followed by a 5-minute vote on passage of the bill if arising without further proceedings in recommitment.

The vote was taken by electronic device, and there were—ayes 220, noes 196, not voting 16, as follows:

[Roll No. 422]

AYES—220

Ackerman	Davis (CA)	Jackson (IL)
Adler (NJ)	Davis (IL)	Jackson Lee
Andrews	Davis (TN)	(TX)
Baca	DeGette	Johnson (GA)
Baird	Delahunt	Johnson, E. B.
Baldwin	DeLauro	Kagen
Barrow	Deutch	Kanjorski
Bean	Dicks	Kaptur
Becerra	Dingell	Kennedy
Berkley	Doggett	Kildee
Berman	Doyle	Kilpatrick (MI)
Berry	Driehaus	Kilroy
Bishop (GA)	Edwards (MD)	Kind
Bishop (NY)	Edwards (TX)	Kissell
Blumenauer	Ellison	Klein (FL)
Boccieri	Ellsworth	Kucinich
Boren	Engel	Langevin
Boswell	Eshoo	Larsen (WA)
Boucher	Etheridge	Larson (CT)
Boyd	Farr	Lee (CA)
Brady (PA)	Fattah	Levin
Braley (IA)	Filner	Lipinski
Brown, Corrine	Frank (MA)	Loebsock
Butterfield	Fudge	Lofgren, Zoe
Capps	Garamendi	Lowey
Capuano	Gonzalez	Lujan
Cardoza	Grayson	Lynch
Carnahan	Green, Al	Maffei
Carson (IN)	Green, Gene	Maloney
Castor (FL)	Grijalva	Markey (MA)
Chandler	Hall (NY)	Matheson
Chu	Halvorson	Matsui
Clarke	Hare	McCarthy (NY)
Clay	Harman	McCollum
Cleaver	Hastings (FL)	McDermott
Clyburn	Heinrich	McGovern
Cohen	Higgins	McIntyre
Conyers	Hinchee	McNerney
Cooper	Hinojosa	Meek (FL)
Costa	Hirono	Meeks (NY)
Costello	Hodes	Michaud
Courtney	Holden	Miller (NC)
Critz	Holt	Mollohan
Crowley	Honda	Moore (KS)
Cuellar	Hoyer	Moore (WI)
Cummings	Inslee	Moran (VA)
Davis (AL)	Israel	Murphy (CT)

Murphy (NY)	Roybal-Allard	Stark
Murphy, Patrick	Ruppersberger	Stupak
Nadler (NY)	Rush	Sutton
Napolitano	Ryan (OH)	Teague
Neal (MA)	Salazar	Thompson (CA)
Oberstar	Sánchez, Linda	Thompson (MS)
Obey	T.	Tierney
Oliver	Sanchez, Loretta	Titus
Ortiz	Sarbanes	Tonko
Owens	Schakowsky	Towns
Pallone	Schauer	Tsongas
Pascarella	Schiff	Van Hollen
Pastor (AZ)	Schrader	Velázquez
Perlmutter	Schwartz	Visclosky
Perriello	Scott (GA)	Walz
Peters	Scott (VA)	Wasserman
Peterson	Serrano	Schultz
Pingree (ME)	Sestak	Waters
Polis (CO)	Shea-Porter	Watson
Pomeroy	Sherman	Watt
Price (NC)	Sires	Waxman
Quigley	Skelton	Weiner
Rahall	Slaughter	Welch
Rangel	Smith (WA)	Wilson (OH)
Reyes	Snyder	Wu
Richardson	Space	Yarmuth
Ross	Speier	
Rothman (NJ)	Spratt	

NOES—196

Aderholt	Foxx	McMorris
Akin	Franks (AZ)	Rodgers
Altmire	Frelinghuysen	Melancon
Arcuri	Gallely	Mica
Austria	Garrett (NJ)	Miller (FL)
Bachmann	Gerlach	Miller (MI)
Bachus	Giffords	Miller, Gary
Barrett (SC)	Gingrey (GA)	Minnick
Barton (TX)	Gohmert	Mitchell
Biggert	Goodlatte	Moran (KS)
Bilbray	Granger	Murphy, Tim
Bilirakis	Graves (GA)	Myrick
Blackburn	Graves (MO)	Neugebauer
Blunt	Griffith	Nunes
Boehner	Guthrie	Nye
Bonner	Hall (TX)	Olson
Bono Mack	Harper	Paul
Boozman	Hastings (WA)	Paulsen
Boustany	Heller	Pence
Brady (TX)	Hensarling	Petri
Bright	Hereth Sandlin	Pitts
Broun (GA)	Hill	Platts
Brown (SC)	Himes	Poe (TX)
Brown-Waite,	Hunter	Posey
Ginny	Inglis	Price (GA)
Buchanan	Issa	Putnam
Burgess	Jenkins	Rehberg
Burton (IN)	Johnson (IL)	Reichert
Buyer	Johnson, Sam	Roe (TN)
Calvert	Jones	Rogers (AL)
Camp	Jordan (OH)	Rogers (KY)
Campbell	King (IA)	Rogers (MI)
Cantor	King (NY)	Rohrabacher
Cao	Kingston	Rooney
Carney	Kirk	Ros-Lehtinen
Carter	Kirkpatrick (AZ)	Roskam
Cassidy	Kline (MN)	Royce
Castle	Kosmas	Ryan (WI)
Chaffetz	Kratovil	Scalise
Childers	Lamborn	Schmidt
Coble	Lance	Schock
Coffman (CO)	Latham	Sensenbrenner
Cole	LaTourette	Latta
Conaway	Latta	Sessions
Connolly (VA)	Lee (NY)	Shadegg
Crenshaw	Lewis (CA)	Shimkus
Culberson	Linder	Shuler
Coble	LoBiondo	Shuster
Dahlkemper	Lucas	Simpson
Davis (KY)	Luetkemeyer	Smith (NE)
DeFazio	Lummis	Smith (NJ)
Dent	Lungren, Daniel	Smith (TX)
Diaz-Balart, L.	E.	Stearns
Diaz-Balart, M.		Sullivan
Djou	Mack	Tanner
Donnelly (IN)	Manzullo	Taylor
Dreier	Marchant	Terry
Duncan	Markey (CO)	Thompson (PA)
Ehlers	Marshall	Thornberry
Emerson	McCarthy (CA)	Tiahrt
Fallin	McCauley	Tiberi
Flake	McClintock	Turner
Fleming	McCotter	Upton
Forbes	McHenry	Walden
Fortenberry	McKeon	
Foster	McMahon	

Westmoreland Wilson (SC) Wolf
Whitfield Wittman Young (FL)

NOT VOTING—16

Alexander Heger Rodriguez
Bartlett Hoekstra Wamp
Bishop (UT) Lewis (GA) Woolsey
Capito Miller, George Young (AK)
Gordon (TN) Payne
Gutierrez Radanovich

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SERRANO) (during the vote). There are 2 minutes remaining in this vote.

□ 1503

Messrs. CARNEY, TIBERI, and RYAN of Wisconsin changed their vote from “aye” to “no.”

Ms. JACKSON LEE of Texas and Messrs. EDWARDS of Texas and RUPPERSBERGER changed their vote from “no” to “aye.”

So the motion to table was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated against:

Mr. BISHOP of Utah. Mr. Speaker, on roll-call No. 422 I was unavoidably detained. Had I been present, I would have voted “no.”

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LEVIN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 270, noes 153, not voting 10, as follows:

[Roll No. 423]

AYES—270

Ackerman Castor (FL) Doyle
Adler (NJ) Chandler Driehaus
Altmire Childers Edwards (MD)
Andrews Chu Edwards (TX)
Arcuri Clarke Ehlers
Baca Clay Ellison
Baldwin Cleaver Ellsworth
Barrow Clyburn Engel
Bean Cohen Eshoo
Becerra Connolly (VA) Etheridge
Berkley Conyers Farr
Berman Costa Fattah
Bilbray Costello Filner
Bilirakis Courtney Foster
Bishop (GA) Critz Frank (MA)
Bishop (NY) Crowley Fudge
Blumenauer Cuellar Garamendi
Bocieri Cummings Gerlach
Bono Mack Dahlkemper Giffords
Boren Davis (AL) Gonzalez
Boswell Davis (CA) Gordon (TN)
Boucher Davis (IL) Grayson
Boyd Davis (TN) Green, Al
Brady (PA) DeFazio Green, Gene
Braley (IA) DeGette Grijalva
Brown, Corrine Delahunt Gutierrez
Butterfield DeLauro Hall (NY)
Cao Dent Halvorson
Capps Deutch Hare
Capuano Diaz-Balart, L. Harman
Cardoza Diaz-Balart, M. Hastings (FL)
Carnahan Dicks Heinrich
Carney Dingell Heller
Carson (IN) Doggett Herseth Sandlin
Castle Donnelly (IN) Higgins

Himes McGovern
Hinchey McMahon
Hinojosa McNerney
Hirono Meek (FL)
Hodes Meeks (NY)
Holden Melancon
Holt Michaud
Honda Miller (NC)
Hoyer Miller, George
Inslee Mitchell
Israel Mollohan
Jackson (IL) Moore (KS)
Jackson Lee Moore (WI)
(TX) Moran (VA)
Johnson (GA) Murphy (CT)
Johnson (IL) Murphy (NY)
Johnson, E. B. Murphy, Patrick
Jones Murphy, Tim
Kagen Nadler (NY)
Kanjorski Napolitano
Kaptur Neal (MA)
Kennedy Oberstar
Kildee Obey
Kilpatrick (MI) Oliver
Kilroy Ortiz
Kind Owens
Kirkpatrick (AZ) Pallone
Kissell Pascarell
Klein (FL) Pastor (AZ)
Kosmas Pelosi
Kratovil Perlmutter
Kucinich Perriello
Langevin Peters
Larsen (WA) Peterson
Larson (CT) Petri
LaTourette Pingree (ME)
Lee (CA) Platts
Levin Polis (CO)
Lewis (GA) Pomeroy
Lipinski Posey
LoBiondo Price (NC)
Loeb sack Quigley
Lofgren, Zoe Rahall
Lowey Rangel
Lujan Reichert
Lynch Reyes
Maffei Richardson
Maloney Rogers (MI)
Manzullo Ros-Lehtinen
Markey (MA) Ross
Matheson Rothman (NJ)
Matsui Roybal-Allard
McCarthy (NY) Ruppertsberger
McCollum Rush
McCotter Ryan (OH)
McDermott Salazar

NOES—153

Aderholt Conaway
Akin Cooper
Austria Crenshaw
Bachmann Culberson
Bachus Davis (KY)
Baird Djou
Barrett (SC) Dreier
Bartlett Duncan
Barton (TX) Emerson
Berry Fallin
Biggart Flake
Blackburn Fleming
Blunt Forbes
Boehner Fortenberry
Bonner Foxx
Boozman Franks (AZ)
Boustany Frelinghuysen
Brady (TX) Gallegly
Bright Garrett (NJ)
Broun (GA) Gingrey (GA)
Brown (SC) Gohmert
Brown-Waite, Goodlatte
Ginny Granger
Buchanan Graves (GA)
Burgess Graves (MO)
Burton (IN) Griffith
Buyer Guthrie
Calvert Hall (TX)
Camp Harper
Campbell Hastings (WA)
Cantor Hensarling
Carter Herger
Cassidy Hill
Chaffetz Hunter
Coble Inglis
Coffman (CO) Issa
Cole Jenkins

Sánchez, Linda
T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schauer
Schiff
Schrader
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Sires
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Space
Speier
Spratt
Stark
Stupak
Sutton
Tanner
Taylor
Teague
Thompson (CA)
Thompson (MS)
Tierney
Titus
Tonko
Towns
Tsongas
Turner
Upton
Van Hollen
Velázquez
Visclosky
Walz
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Whitfield
Wilson (OH)
Wu
Yarmuth
Young (FL)

Myrick
Neugebauer
Nunes
Nye
Olson
Paul
Paulsen
Pence
Pitts
Poe (TX)
Price (GA)
Putnam
Rehberg
Roe (TN)
Rogers (AL)
Rogers (KY)
Rohrabacher
Rooney
Roskam
Royce
Ryan (WI)
Scalise
Schmidt
Schock
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuler
Shuster
Simpson
Smith (NE)
Smith (TX)
Stearns
Sullivan
Terry
Thompson (PA)
Thornberry
Tiahrt
Tiberti
Walden
Westmoreland
Wilson (SC)
Wittman
Wolf

NOT VOTING—10

Alexander
Bishop (UT)
Capito
Hoekstra
Payne
Radanovich
Rodriguez
Wamp

□ 1527

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Under clause 10(c)(3) of rule XXI, the presiding officer was supposed to have put the question of consideration on H.R. 5618 but omitted to do so. That omission has been overtaken by the subsequent actions on the bill.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2555

Mr. SHULER. Mr. Speaker, I ask unanimous consent that my name be removed from H.R. 2555. I was inadvertently added as a cosponsor.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote incurs objection under clause 6 of rule XX.

Record votes on postponed questions will be taken later.

SECURING PROTECTIONS FOR THE INJURED FROM LIMITATIONS ON LIABILITY ACT

Mr. CONYERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5503) to revise laws regarding liability in certain civil actions arising from maritime incidents, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5503

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Securing Protections for the Injured from Limitations on Liability Act”.

SEC. 2. IMPROVEMENTS TO RECOVERY UNDER DEATH ON THE HIGH SEAS ACT.

The Death on the High Seas Act (chapter 303 of title 46, United States Code), is amended—

- (1) in section 30302—
 - (A) by inserting “or law” after “admiralty”; and
 - (B) by inserting before “spouse” the following: “survivors, including”;
- (2) in section 30303—
 - (A) by inserting “and nonpecuniary loss” after “pecuniary loss”;
 - (B) by striking “by” and all that follows through the end, and inserting “, plus a fair compensation for the decedent’s pain and suffering.”; and
 - (C) by adding at the end the following: “In this section, the term ‘nonpecuniary loss’ means loss of care, comfort, and companionship.”;
- (3) in section 30305 by inserting “or law” after “admiralty”;
- (4) in section 30306, by inserting “or law” after “admiralty”;
- (5) by striking section 30307; and
- (6) in the table of sections at the beginning of such chapter, by striking the item relating to sections 30307.

SEC. 3. IMPROVEMENTS TO RECOVERY UNDER JONES ACT.

Title 46, United States Code, is amended—

- (1) in section 30104, by adding at the end the following: “In addition to other amounts authorized under such laws, the recovery for a seaman who so dies shall include recovery for loss of care, comfort, and companionship.”; and
- (2) by striking section 30105 and the item relating to that section in the table of sections at the beginning of chapter 301.

SEC. 4. REPEAL OF LIMITATION OF LIABILITY ACT.

(a) **REPEAL.**—Chapter 305 of title 46, United States Code, is amended by repealing sections 30505, 30506, 30507, 30511, and 30512 and the items relating to those sections in the table of sections at the beginning of chapter 305.

(b) **CONFORMING AMENDMENTS.**—

(1) **OIL POLLUTION ACT OF 1990.**—Section 1018 of the Oil Pollution Act of 1990 (33 U.S.C. 2718) is amended—

- (A) in subsection (a), by striking “or the Act of March 3, 1851”; and
- (B) in subsection (c), by striking “, the Act of March 3, 1851 (46 U.S.C. 183 et seq.).”.

(2) **TITLE 46.**—Section 14305(a) of title 46, United States Code, is amended by striking paragraph (5) and redesignating the subsequent paragraphs as paragraphs (5) through (14), respectively.

SEC. 5. BANKRUPTCY PROTECTION FOR TORT CLAIMS ARISING FROM OIL INCIDENTS.

(a) **CONDITIONS ON SALE OR LEASE OF SIGNIFICANT PROPERTY OF THE ESTATE.**—

(1) **IN GENERAL.**—Section 363 of title 11, United States Code, is amended by adding at the end the following:

“(q) Notwithstanding any other provision of this section, if the debtor is liable under any law for a claim for wrongful death, personal injury, or property damage arising from an incident (as defined in section 1001 of the Oil Pollution Act of 1990, and that gives rise to liability under such Act), the trustee may not sell or lease, other than in the ordinary course of business, significant property of the estate (or, to the extent that the court

has jurisdiction over any affiliate of the debtor, significant property of such affiliate) unless—

“(1) creditors holding at least two-thirds in amount, and more than one-half in number, of all such claims not paid by the debtor consent to such sale or lease; or

“(2) the court finds, after notice and a hearing, that—

“(A) sufficient property will remain in the estate; or

“(B) the debtor’s anticipated future income will be sufficient; that all such claims will be paid in full.”.

(2) **UNDER PLAN OF REORGANIZATION.**—Section 1129(b)(2)(B)(ii) of title 11, United States Code, is amended—

(A) by inserting “(other than the holder of a claim described in subclause (II))” after “claim” the 1st place it appears;

(B) by inserting “(I)” after “(ii)”;

(C) by striking the period at the end and inserting “; and”; and

(D) by adding at the end the following:

“(II) if the plan provides for claims of the kind described in section 363(q) and provides for a sale or lease of significant property of the estate, creditors holding at least two-thirds in amount, and more than one-half in number, of such claims consent to such sale or lease.”.

(b) **CONFORMING AMENDMENT.**—Section 303(f) of title 11, United States Code, is amended by adding at the end the following:

“If the debtor is liable under any law for a claim for wrongful death, personal injury, or property damage arising from an incident (as defined in section 1001 of the Oil Pollution Act of 1990, and that gives rise to liability under such Act), the debtor may not sell or lease, other than in the ordinary course of business, significant property of the estate (or, to the extent that the court has or can obtain jurisdiction over any affiliate of the debtor, significant property of such affiliate) unless—

“(1) creditors holding at least two-thirds in amount, and more than one-half in number, of all such claims not paid by the debtor consent to such sale or lease; or

“(2) the court finds, after notice and a hearing, that—

“(A) sufficient property will remain in the estate; or

“(B) the debtor’s anticipated future income will be sufficient; that all such claims will be paid in full.”.

that all such claims will be paid in full.”.

SEC. 6. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect on the date of enactment of this Act and shall apply with respect to claims arising on or after April 20, 2010, that are pending on or after such date of enactment.

The **SPEAKER** pro tempore. Pursuant to the rule, the gentleman from Michigan (Mr. CONYERS) and the gentleman from Texas (Mr. SMITH) each will control 20 minutes.

The Chair recognizes the gentleman from Michigan.

□ 1530

GENERAL LEAVE

Mr. CONYERS. Mr. Speaker, I ask that all Members have 5 legislative days to revise and extend their remarks and to include extraneous material on the bill under consideration.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CONYERS. Mr. Speaker, I yield myself such time as I may consume.

Ladies and gentlemen of the House, on April 20, an explosion on the Deepwater Horizon oil drilling platform sank the vessel, resulting in the death of 11 men and injury to at least 17 others.

We are honored to have four of the widows of the men here, including the father of Gordon Jones, Attorney Keith Jones; Mrs. Shelley Anderson; Mrs. Courtney Kemp; and Mrs. Natalie Roshto. They have joined us in the gallery to observe these proceedings. They were also at the Judiciary Committee hearings.

This April 20 disaster has now become the most massive environmental disaster in our Nation’s history, poisoning widespread swaths of the Gulf of Mexico, killing wildlife, ruining wetlands, and wreaking economic havoc in the Gulf States. It has highlighted not only gaps in our ability to engage in and to regulate deepwater drilling, but also major legal gaps have been discovered in the applicable statutes that are adversely impacting victims.

Our measure from the Judiciary Committee focuses on repairing these flaws so that the victims of this disaster can get their treatment. We have found that the current state of law regarding these liability issues is outdated, unfair and operates against our national interests. The three key laws all date from the mid-1800s—the Death on High Seas Act, the Jones Act, and the Limitation on Liability Act.

The Death on High Seas Act does not allow recovery of non-pecuniary loss, which is in contrast to all State laws and to general maritime law.

The Jones Act allows recovery for a family’s non-pecuniary loss if a seaman is injured but survives, but it denies the family that same recovery if he dies. Don’t ask me how that ever got into law.

The Limitation on Liability Act, enacted in 1851, caps a shipowner’s legal responsibility at the value of the ship and of its cargo no matter how massive the magnitude of the harm caused.

The unfairness of these laws is grossly apparent, and it makes no sense. In my judgment, it is highly immoral. It is the Judiciary Committee’s job to scan these ancient statutes and repair them. So that is what we have done. We have made a few changes. I would like to identify them, and we will have some of our other learned members of the committee go into more detail.

Take Gordon Jones, for example. Ironically, his youngest son was born just a couple of weeks after his death. They can only recover Gordon’s lost wages, but they are not entitled to any nonfinancial benefits. That needs to be taken care of, and we will.

There are claims that have been made that the process was inadequate.

The Committee on the Judiciary held on May 27 of this year a hearing on the legal liability issues surrounding the gulf coast oil disaster. It lasted over 5 hours, and it covered 11 witnesses who discussed and addressed the laws that I have mentioned in this act before us. Then they held an extensive markup the following month, on June 23, at which time we debated a number of amendments and reported the bill. It was a bipartisan vote. Then, in the manager's amendment, we addressed some concerns that were raised by my colleagues on the other side. This bill focuses on fixing these gaps, and I am hopeful that we can move this bill as expeditiously as we can.

I want to acknowledge my colleague SHEILA JACKSON LEE, who is a senior member who has helped us craft the legislation in the manager's amendment. Along with her and our colleague from Florida, CORRINE BROWN, we have also been able to make some modifications that have been generally agreed to by many of the members on the committee. We have reached an understanding, although we have not developed statutory language.

Mr. Speaker, this disaster has now become the most massive environmental disaster in our nation's history, poisoning widespread swaths of the Gulf of Mexico, killing wildlife, ruining wetlands, and wreaking economic havoc in the Gulf states.

The disaster has highlighted not only gaps in our ability to engage in and regulate deep-water drilling, but also major legal gaps in the applicable statutes that are adversely impacting victims.

H.R. 5503 focuses on fixing these gaps, so that the victims of this disaster can get fair treatment. In short, we have found that the current state of law regarding these liability issues is outdated, is unfair, and operates against our nation's interest.

First, the three key laws in effect all date from the mid 1800's or early 1900's.

The Death on High Seas Act, enacted in 1920, does not allow recovery of non-pecuniary loss—in contrast to all States and to general maritime law.

The Jones Act, also dating from 1920, allows recovery for a family's non-pecuniary loss if a seaman is injured but survives, but denies the family that same recovery if he dies.

And the Limitation on Liability Act, enacted in 1851, caps a shipowner's legal responsibility at the value of the ship and its cargo, no matter how massive the magnitude of the harm caused.

Second, the laws are grossly unfair. It makes no sense to allow the family of an individual who dies in a plane accident on the high seas to be eligible for non-pecuniary damages, while the family of someone who dies in a ship accident is not.

It makes no sense to allow the family of a victim of an oil explosion on shore to recover non-pecuniary damages, while the same victim in a Jones Act case could be limited to lost wages and funeral expenses.

It makes no sense to keep a Limitation on Liability Act designed to help U.S. shipping

fleets in the 19th century, when the U.S. merchant marine is now practically non-existent.

And it makes no sense to allow a company to incur multibillion-dollar claims and then abuse the bankruptcy process to leave victims out in the cold.

The bill on the floor today reflects changes made in response to concerns raised about the legislation.

Specifically, concerns were expressed about possible unintended consequences of the class action changes, and that section was removed in its entirety.

Concerns were expressed about restricting enforceability of secrecy agreements, and that section was removed in its entirety.

What remains are the core provisions that are needed to help the victims of the Gulf Coast oil spill disaster, including the families of the 11 men who died and the numerous workers who were injured aboard the Deepwater Horizon.

I want to remind Members that this bill is, above all else, about helping victims, particularly the victims of this oil platform explosion and spill.

One of these victims is Gordon Jones, who was killed aboard the Deepwater Horizon.

Gordon was married to Michelle Jones and had two children, Stafford and Maxwell Gordon, and is also survived by his brother and father.

Maxwell Gordon was born just a couple of weeks after his father died.

Under current law, the Jones family can only recover Gordon's lost wages, and are not entitled to any non-financial damages.

This bill would fix that for Gordon, the 10 others killed on the Deepwater Horizon, and others injured.

As Gordon's father, Keith, testified before the House Judiciary Committee on May 27:

"When Michelle tells her boys about their dad, she's not going to show them a pay stub. She will tell them how much their father loved them. . . .

"I want to say how offensive it is when the law recognizes only pecuniary loss in cases like these eleven deaths. . . . Please believe me; no amount of money can ever compensate us for Gordon's death. We know that. But this is the only means available to begin to make things right."

This is not a complicated vote. It is about ensuring that BP and other corporations that caused the Deepwater Horizon explosion and resulting oil spill are held accountable under the law for all the harm their irresponsible behavior has caused these hardworking Americans and their families.

I urge my colleagues to support this important legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of Texas. I yield myself such time as I may consume.

Mr. Speaker, although I believe this legislation is well-intended, I have serious concerns about H.R. 5503 and about the process under which it is being considered today.

It is important that BP and other responsible parties pay all costs associated with the oil spill and that they be held fully accountable for this catas-

trophe and for the 11 lives tragically lost in the explosion on the Deepwater Horizon. However, H.R. 5503 will have unintended consequences that will reach well beyond the gulf coast disaster. In fact, very little in this bill is directed solely at oil spill-related liability.

It is incredible that the sweeping changes this bill makes have made their way to the House floor without the benefit of even one legislative hearing. It is also incredible that we are considering this bill under suspension of the rules, denying those with concerns the opportunity to offer even one amendment.

Had this bill been considered under regular order, I would have offered an amendment to limit it to claims arising out of oil spills. This amendment would ensure that those responsible for oil spills would be held fully accountable while, at the same time, restricting the bill's unintended consequences. Because H.R. 5503 is not limited to oil spills, its unintended consequences will be severe.

For example, the changes it makes virtually rewrite U.S. maritime liability law; and in some instances, the changes make it out of step with the laws of nearly every other maritime nation. Maritime actions usually involve numerous parties with competing claims—loss of life or personal injury—and multiple jurisdictions in which claims may be filed. The Shipowner's Limitation of Liability Act addresses these problems by allowing for the consolidation of all claims arising out of a maritime accident into one Federal forum.

□ 1540

It also creates a fund to pay personal injury and death claims over and above the act's general liability limit.

This bill repeals the act without adopting any replacement legislation to fill the void. This introduces uncertainty and in many cases may lead to inadequate compensation to personal injury and wrongful death claimants, since repealing the act repeals the personal injury fund.

Let me repeat that, Mr. Speaker: This bill repeals the personal injury fund which every vessel owner is required to create to pay personal injury claims over and above the act's general liability gap.

Other sections of this bill are also questionable. Section 3 allows for recovery of non-economic damages in wrongful death actions under the Jones Act. While this may seem like a fair result, it actually creates inequities, because the Jones Act is the equivalent of land-based worker's compensation statutes, which do not apply at sea. But worker's compensation laws do not allow for the recovery of noneconomic damages, thus Jones Act seamen will receive greater recoveries than are provided to nearly every other American worker.

This change is being made without the benefit of a legislative hearing to understand its full impact on injured workers, employers, shippers, and consumers. These extensive changes to U.S. maritime liability law, which apply well beyond oil spills, threaten to increase dramatically the cost of shipping goods, an increase that will be borne by all American consumers.

Finally, by giving Oil Pollution Act claimants veto power over bankruptcy asset sales of companies with OPA liability, the bill effectively gives these claimants control of the bankruptcy process. However, giving OPA claimants this veto power seriously curtails the rights of other bankruptcy claimants, included secured creditors, pension funds, and other tort victims, and State and local governments.

Because this legislation applies retroactively, there is no reason to push this bill through on suspension without having conducted a single legislative hearing on its sweeping changes.

Let me be clear, Mr. Speaker. Republicans do not want to give BP a free pass. That is why we offered amendments in committee to narrow the scope of this legislation to cover companies like BP that are responsible for oil spills. These amendments were voted down by the majority. But in the Democrats' haste to act before the Fourth of July recess, they are pushing for a bill that would punish all other maritime industries for the faults of BP. That is not fair, and it is not good policy. It would also be a job-killer for many hardworking Americans who had nothing to do with the oil spill.

Rather than cave to political gamesmanship and vote for a bad bill, Congress should do what is best for the American people. As we amend the Federal law to ensure that BP and other responsible parties are held accountable for the full extent of the harm they have caused, we must avoid harming the national interests.

Because we have had no legislative hearings on this bill, we cannot be sure that it does not harm the economy, maritime industries, and American jobs. The bill should be sent back to committee to be examined and amended properly before being brought again to the floor for a vote.

I reserve the balance of my time.

Mr. CONYERS. Before I recognize the next speaker, I yield myself 30 seconds.

I am sure my good friend LAMAR SMITH is not recommending that with all the tragedy and suffering that has occurred in this area of the country, that we go back and go over these same issues one more time. The laws are ancient. They are out-of-date. We had witnesses. We wrote a bill based on it. This process has been done numerous times.

I now with some pride yield 1 minute to the distinguished Speaker of the House, NANCY PELOSI.

Ms. PELOSI. I thank the gentleman for yielding, and I am most grateful to him for bringing this legislation to the floor.

Mr. Speaker, I saw the hope in the eyes of the victims of the oil spill who came to my office. These families came. Eleven of the families were suffering from the loss of a loved one on the rig. They came to me and said that they were on their way to see Chairman CONYERS. They were filled with hope that he would advance the SPILL Act.

I heard their stories. They made their appeal for legislation, about safety, and about the SPILL Act. We held hands. We prayed. They told stories of their loved ones, and they kept coming back to the point that they did not want the families to be forgotten, and they did not want other families who could be the victims of future accidents or incidents of this kind to be forgotten.

Very hopefully and prayerfully, they left the Speaker's office and went to see Mr. CONYERS, with great emotion in terms of the stories they had to tell, but with great wisdom about how their families had been affected and what a difference the SPILL Act would make.

The chairman has very well described it in terms of the Death on the High Seas Act, which would be changed by this legislation, which was passed in the middle of the 19th century and amended dating from the 1920s, as we know. This legislation will modernize it in terms of distance from the shore and who would be compensated for a loss, not just a pecuniary loss, but also pain and suffering.

So I want to thank the chairman because of what I saw in their eyes, the hope they had and the message this legislation will send. More important than all of that, for the difference that it will make in the lives of these people, who are the backbone of America, who work so hard to grow our economy, to keep the community together there.

I want to thank Mr. MELANCON for the important role he has played in representing those people so well and making sure this legislation addresses their concerns.

I once again thank the distinguished chairman for anticipating the needs of these families and meeting them by bringing this bill to the floor.

Mr. SMITH of Texas. Mr. Speaker, before I yield time to my colleague from Texas, I yield myself 1 minute.

Mr. Speaker, I want to respond to what my chairman said just a minute ago and set the record straight. We did not have a single legislative hearing on this bill, so we never even went over it one time to fully appreciate the consequences and the unintended consequences of this bill.

For example, this bill changes maritime law for everyone, not just those

involved in the oil spill. Clearly we should have explored the consequences of that.

Beyond that, and I want to emphasize this, this bill, and it is too late to make any changes because no amendments have been made in order, repeals the vessel owner personal liability fund. That alone is enough of a reason to oppose this bill, that it repeals the personal liability fund that vessel owners today have to have.

Mr. Speaker, I yield 3 minutes to my colleague from Texas (Mr. POE), who is a member of the Judiciary Committee and the deputy ranking member of the Crime Subcommittee.

Mr. POE of Texas. I thank the gentleman from Texas for yielding.

While I support some of the provisions of this legislation, I certainly believe responsible parties for this disaster in the Gulf of Mexico near my home State of Texas, should be held accountable to every extent of the law, and injured individuals and the families of those who have died should be compensated.

However, I wish to address just one provision of this act: The detrimental effect on maritime shipping in the United States if this legislation is passed.

The unintended consequences of H.R. 5503 could be widespread. Among other things, H.R. 5503 repeals the Limitation of Liability Act, which is a drastic fundamental change in American maritime law. This change would end the longstanding practice in the United States that all maritime claims be determined in one Federal forum.

□ 1550

It also ends the limitation on U.S. vessels owners' liability, a limitation which is in place in virtually every other country in the maritime industry. The loss of this limitation will handicap U.S. ship owners in the competitive world of shipping.

H.R. 5503 would cause insurance rates to spin out of control, damaging American maritime industry and putting thousands of American jobs in jeopardy. American shipping is already in serious decline. In fact, there are only 220 United States flagged vessels in a global shipping fleet of 37,000.

I fear this legislation could put our remaining 220 shippers out of business. The maritime industry in the United States would be sunk because they would not be able to obtain insurance to operate. Then, more Americans would be out of work. We should not purposely put any more Americans out of work when jobs are scarce.

Just as the offshore drilling moratorium was hastily enacted by the administration and has since been declared illegal by a Federal judge, this bill is also rushed to the floor, I believe, without consideration of some of the unintended consequences. The consequences of this bill will cause a further disaster because of the Deepwater

explosion and put more Americans out of work.

Mr. CONYERS. Mr. Speaker, I yield myself 30 seconds.

This is incredible. With all the suffering that has occurred, all the damage that has incurred, we now come here after more than 5 hours worth of hearings on this matter to say that the ship owners won't like the insurance rates, that they won't like that they may be liable, and that's what we're correcting. I deeply resent this kind of attack on a bill of this urgency.

I now yield 1½ minutes to the distinguished gentleman from Louisiana (Mr. MELANCON).

Mr. MELANCON. Mr. Speaker, Keith Jones' father, Gordon Jones, and I spent several hours together in recent weeks traveling back to Louisiana. A quote that he said, "When Michelle tells her boys about their dad, she's not going to show them a pay stub. She will tell them how much their father loved them. I want to say how offensive it is when the law recognizes only pecuniary loss in cases like these 11 deaths. Please believe me; no amount of money can ever compensate us for Gordon's death. We know that. But this is the only means available to begin to make things right," and to make them right for Michelle and the two boys.

Mr. Speaker, 11 men died in the explosion aboard the Deepwater Horizon oil rig, and as a 90-year old law stands now, the families that lost their loved ones cannot hold those responsible for the harm they have caused them. I have met with the family members of those workers and have seen the pain on their faces. While we cannot relieve these families from the unimaginable grief they will go through for the rest of their lives—losing a husband, a father, a brother, and a son—we fix a law that's clearly outdated and wrong.

When it comes to compensating victims' families, current law is inconsistent, lax, and encourages companies to take risks—gambling with the lives of workers throughout the process. Today, we have the opportunity to change those laws, and the SPILL Act does exactly that. This bill amends the Death on the High Seas Act and the Jones Act so that the surviving relatives can recover some measure of compensation for the loss they have suffered. It is impossible to replace a husband or a father, but just compensation is absolutely necessary to help these families pay their house note, put food on table, educate the children, and live a decent life.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. CONYERS. I yield the gentleman 1 additional minute.

Mr. MELANCON. We know that current law encourages risky behavior. We've seen through the ongoing investigations into the Horizon disaster that BP chose to ignore safety concerns

about the volatility of their well. As a result, hardworking men lost their lives and we have the worst environmental disaster in our Nation's history in the Gulf of Mexico. We can't let current law stand. Congress must act now so that we encourage safe operating policies and hold companies accountable to the highest standard of workplace safety.

I want to thank Chairman CONYERS and the Judiciary Committee for working so swiftly to fix this law, and I urge all my colleagues to side with the victims' families and not the irresponsible corporations.

I urge a "yes" vote.

Mr. SMITH of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the National Bankruptcy Conference, a nonpartisan organization of lawyers, professors, and judges, opposes the bankruptcy provisions in this bill. According to the Conference, "the proposed amendments are not likely to achieve their purpose and instead are likely to have pernicious, unintended, and counterproductive consequences."

The nonpartisan National Bankruptcy Conference explains that "by granting a preference to holders of oil spill claims at the expense of other innocent and equally deserving creditors, the provisions in this bill represent bad bankruptcy policy." Moreover, according to the Conference, one of the effects of the bankruptcy provisions in this bill will be to "entrench the very management that presided over the spill and led the company into bankruptcy."

Mr. Speaker, you wonder how anyone can even consider voting for this bill. In short, we should not be rushing these bankruptcy provisions through Congress today. The unintended consequences will be severe, as the National Bankruptcy Conference just told us.

Mr. Speaker, I reserve the balance of my time.

Mr. CONYERS. Mr. Speaker, I am pleased now to yield 2½ minutes to the gentlewoman from Texas (Ms. JACKSON LEE), a senior member of the committee.

Ms. JACKSON LEE of Texas. Thank you very much, Chairman CONYERS. We owe you a debt of gratitude.

We are very pleased that we have answered the call of the pain of people like Michelle, and if you can read this language, it says "When Michelle tells her boys about their dad, she's not going to show them a pay stub. She will tell them how much their father loved them." That means, of course, that we are stranded on an island with laws that do not understand the crisis that these families are facing.

These are the pictures of families who have lost loved ones and pictures of their loved ones who we are now

standing on the floor of the House to say that any horrific tragedy such as the BP oil spill on April 20, 2010, will not go unanswered, and these families will not remain and be alone. This bill is assuring these families that they will not be alone; that the person or the entity that harmed them will not be able to escape the full extent of the cost of their actions that are inflicted on the people and the communities. It amends the Jones Act, an old law, and brings it in line with the needs of the 21st century, meaning that if you were an engineer on that Deepwater Horizon drill, you are not covered by the present laws; or, for example, the law that was used that was passed in the 1800s where they limited the amount of liability such that one of the actors in this went to court in Houston and wanted to limit their liability to \$23,000. Under the Act in its current form, the family members left behind by seamen killed on the job can only recover economic losses. But it also does not cover those who are not classified as seamen. This bill amends DOHSA and, of course, it provides some very, very important changes that will make the lives of these loved ones left behind better. Without their loved ones, they are not good. But this will make them better.

To the industry, and let me say one that I come from—and I am from the gulf region—and I believe what we are doing today is going to help the shrimpers, the oystermen, the fishermen, and we must continue to do that. We're changing the laws to respond to the current crisis, and we will not leave them alone.

□ 1600

I look forward today to, as well, introducing the Remedies Act of 2010 that will further expand on the rights of families, will invest in R&D to improve what's going on in the gulf. But I want to thank the Judiciary Committee for being first and a leader to help these families.

Mr. Speaker, I rise today in strong support of H.R. 5503, the "Securing Protections for the Injured from Limitations on Liability Act," introduced by Judiciary Committee Chairman JOHN CONYERS. I commend Chairman CONYERS for shepherding this bill through the Judiciary Committee, and am proud to have worked with him on the Manager's Amendment.

This bill makes great steps in reforming aspects of our laws that have grown outdated, and in assuring that those responsible for a variety of harms are not able to escape liability for the full extent of the costs their actions inflict on the people of the communities around them. It amends the Jones Act, a law enacted in 1920, and brings it in line with the needs of the 21st century. Under the Act in its current form, the family members left behind by a seaman killed on the job can only recover for economic losses, sometimes only the expenses of a funeral. There is no provision for damages for the emotional loss of a loved one, the loss

of that person's care, comfort, and companionship. H.R. 5503 amends that restriction.

H.R. 5503 also changes another outdated maritime law, the Death on the High Seas Act of 1920. The changes Chairman CONYERS' bill makes to DOHSA will allow those same claims for loss of care, comfort and companionship. This bill will also allow claims under DOHSA to be brought before a court of law, rather than admiralty, and allow a jury to decide the relevant facts. It will allow recovery for the pain and suffering a decedent experiences before his death, and expand the geographic reach of DOHSA.

H.R. 5503 makes other crucial changes. It eliminates certain limits on the liability of ship owners, remnants from a time when communications were much slower and owners might not be aware of their crews' actions on the other side of the ocean, or the other side of the globe. H.R. 5503 changes our bankruptcy laws, and prevents responsible parties from escaping their liability through misuse of bankruptcy proceedings. Finally, it amends the Class Action Fairness Act to prevent suits brought by the States, on behalf of their citizens, from being removed to languish in Federal courts.

These are all very, very important changes, and I want to state again how glad I am to have been able to work with Chairman CONYERS on these issues. However, there are other harms that the disaster in the Gulf has inflicted, harms that are not addressed in this bill.

Last month, I spent time at the United Command Center in Hammond, Louisiana and flew over the impacted areas to assess the devastating damage to the Gulf region and visited Plaquemine Parish, Pointe a La Hache (Hash), Louisiana to meet with local oystermen and other individuals affected by the oil spill. My experience left my heart wrenched and even more determined to work with my colleagues to develop an aggressive proactive strategy to assist the victims of the oil spill and to develop measures to prevent it from happening again.

We need a claims process on the Gulf coast to remedy the harm caused by the oil spill before it is compounded by delay and we need to ensure that claims are evaluated and paid through an expedient equitable and transparent process.

There are numerous accounts of concerns of claimants that have underscored the importance of the need for the Federal Government to require that a totally independent claims process is set up to process claims related to the BP oil spill, and that structures are set up to process claims without delay. We know that victims are seeking assistance, but have experienced complicated claims procedures to follow, and have not been able to obtain relief or compensation from BP but rather, a hard way to go and the never-ending claims requirements to satisfy the claims they have brought against BP.

Take the story of Byron Encalade. Mr. Encalade, as owner of his own fishery company, and as President of the Louisiana Oysters Association, has sought to file claims with BP to recover damages suffered as a result of the Gulf oil spill. Unfortunately, Mr. Encalade has had a horrible experience with the ever-changing claims process.

Though Mr. Encalade came with the paperwork he was originally told to provide BP claims adjusters, he was told that he needed to provide his tax statements in order to be compensated for his loss. When inquiring about a second \$5,000 check he was supposed to receive from BP, he was told that the check was in the mail. He has yet to receive the check.

He was also informed that his claim would be based upon his net receipts and not his gross receipts. This policy puts Mr. Encalade and many others in a situation where they cannot recover the full value of their losses due to investments that were made to fishing boats that were lost in Hurricane Katrina. As such, this policy will prevent many fishers and shrimpers from recovering the full value of their loss.

I can also tell you the story of the owner of a small seafood restaurant in Houston, Texas, who I have known for years and have supported. She is in trouble at this very moment, wondering whether her business will remain open to long-time customers like me. Whether she, as a small business owner and woman, can afford to pay the bills and continue to earn a livelihood. Although she is hundreds of miles away from the actual site of the oil spill, she too is a victim. Her restaurant relies on a variety of suppliers of Gulf seafood, and she bills her establishment as one which prides itself on seafood from Louisiana, a part of the Gulf region. So, now she confronts two issues that could prove fatal to her business. One, if the seafood is from the Gulf region or Louisiana in particular, perhaps it is tainted by the oil. Two, the prices of seafood from the Gulf continues to rise, making it impossible for the restaurant to carry certain items. Many items on the menu her patrons can no longer afford. It is the classic Catch-22 situation, and what is clear to me is that unless this Congress acts and acts quickly restaurants like hers will be history.

We need to make sure that victims like her, and like Mr. Encalade, are able to receive compensation for the harms inflicted on them, without the years of litigation that civil suits frequently entail. We need to establish independent claims systems, with established categories that treat fishermen, shrimpers, and other categories of indirect victims appropriately, and with clear and consistent guidelines for what types of proof claimants need, to avoid unnecessary delay.

We need to update the liability cap under the Oil Protection Act, so that responsible parties cannot escape with paying a mere fraction of the damages they inflict. We also need to change the permitting process, so that entities drilling offshore must demonstrate they have a workable Plan B when their Plan A fails; and to establish a requirement that those disaster and spill mitigation plans be reviewed and approved by independent, disinterested experts.

There are additional changes to both the Jones Act and DOHSA we should make. Both laws currently allow only one "personal representative" of a decedent to file claims, and there may be cases where that personal representative does not act in the interest of the parents, children, or other family members who face this terrible loss; we should allow those family members to make claims on their

own behalf. We need to amend the Jones Act so that it covers all those injured on our ships, even those who may not meet the technical definition of seaman. Further, we should allow punitive damages under those laws in cases of gross negligence.

As important as it is that we make the victims of this disaster whole, it is equally important to take steps to prevent the next spill of this magnitude. Therefore, we must establish a clear framework for response, so that there is never again a question of who is in charge. The United States is the world leader in science and technology, and it is in our best interest to direct some of our energy towards research and development of technologies that will better enable us to deal with leaks deep below the surface of the ocean, and provide access to those technologies to the appropriate agencies.

Nonetheless, for all that remains to be done, H.R. 5503 is an important step, a necessary step, towards repairing the harm the disaster in the Gulf has done. Chairman CONYERS has crafted a piece of legislation that I am proud to be associated with, and I urge my colleagues to join with me in supporting it.

Mr. SMITH of Texas. Mr. Speaker, how much time remains on each side?

The SPEAKER pro tempore. The gentleman from Texas has 10 minutes remaining. The gentleman from Michigan has 5½ minutes remaining.

Mr. SMITH of Texas. Mr. Speaker, I yield myself such time as I may consume.

As I mentioned in my opening statement, repealing the Limitation of Liability Act hurts victims of maritime accidents. The Limitation of Liability Act provides for the orderly resolution of claims arising out of a maritime accident in one Federal court. It also creates a compensation fund for personal injury claims. Repealing the act eliminates these two important provisions. In many cases, this will result in victims of maritime accidents receiving less compensation than they would under current law.

First, victims will receive less compensation because cases will no longer be consolidated in one Federal court. Consolidation allows victims to share litigation and expert costs and allows for proportional allocation of damage awards. Second, victims will potentially receive less compensation because repealing the act will repeal the personal injury fund. The personal injury fund requires vessel owners to provide compensation over and above the liability cap.

Again, a vote for this bill is a vote to repeal the personal injury fund. Let's not rush this bill through the House today and hurt the very people we're supposed to be trying to help but send it back to committee to be examined and amended properly.

Madam Speaker, I reserve the balance of my time.

Mr. CONYERS. I yield myself 6 seconds.

I am so disappointed that my dear friends would even suggest that there's

a defense for the oil companies, the shipbuilders, and the insurance companies in a situation like this.

I yield 1½ minutes to the gentlewoman from California, MAXINE WATERS, a distinguished leader in the Judiciary Committee.

Ms. WATERS. Thank you very much.

Madam Speaker, I would first like to thank our chairman, JOHN CONYERS. He is always on the case in a timely fashion, providing leadership that is so desperately needed on issues such as this one.

Madam Speaker, I rise in support of H.R. 5503, the Securing Protections for the Injured from Limitations on Liability Act, that is, the SPILL Act. H.R. 5503 is a good first step and must be passed to immediately assist the victims who would otherwise be denied adequate compensation under our current laws. I am very disappointed at some of the arguments that are being made against this bill by my friends on the opposite side of the aisle.

One of the arguments that they make is the DOHSA provisions of the SPILL Act will allow surviving families to receive undue compensation. Well, let me set the record straight. DOHSA currently provides outdated and uneven compensations for victims on the high seas because it fails to award damages for pain and suffering, loss of care, comfort, and companionship in many cases, including an accident like the Deepwater Horizon explosion.

The changes to DOHSA are not intended to single out any particular industry. The SPILL Act will make Federal law consistent so that the families of all victims on the high seas can receive the compensation they truly deserve. These gross inequities exist because DOHSA, enacted back in 1920, has undergone only one significant update, in 2000, 4 years after the TWA Flight 800 crash.

I would simply ask for support and a vote on H.R. 5503, recognizing the families who have been harmed.

However, we cannot discount the critical needs of entire communities and other individuals whose way of life has been severely impacted by the oil spill. The outlook for little-known communities of black oyster farmers is especially bleak. These small villages of black fishermen have been self-sufficient for generations, relying on the region's wetlands for their economic independence. The challenges these oyster farmers will face must not be excluded in our efforts to help the Gulf Coast. We must ensure that BP and other responsible parties are held liable and accountable to the hundreds of thousands of lives they have destroyed at the expense of cutting costs.

Therefore, while I fully support H.R. 5503, I am very disappointed that critical amendments to the Class Action Fairness Act (CAFA) as well as my amendment that would have legally nullified BP's original attempts to make their \$5,000 payouts legal settlements were taken out of the bill. All we have now is BP's word that they will not enforce these waivers or

honor the \$75 million liability cap current law provides. However, this is unacceptable.

In the same manner that the federal government responded to the 9/11 attacks and the economic collapse, we must be equally as vigilant in responding to the crisis in the Gulf Coast.

DOHSA currently provides outdated and uneven compensation for victims on the high seas because it fails to award damages for pain and suffering, and loss of care, comfort, and companionship in many cases—including in accidents like the Deepwater Horizon explosion.

The SPILL Act will make federal law consistent so that the families of all victims on the high seas can receive the compensation they deserve.

These gross inequities exist because DOHSA, enacted in 1920, has undergone only one significant update—in 2000, four years after the TWA Flight 800 crash. Because many of the TWA victims were children who earned no income, Congress narrowly amended DOHSA to grant non-pecuniary damages to family members of commercial airline victims on the high seas, but not for any other deaths on the high seas.

Mr. SMITH of Texas. Madam Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. CONYERS. I am happy now to yield 1½ minutes to the gentlewoman from California, Dr. JUDY CHU, a member of the Judiciary Committee.

Ms. CHU. The gulf oil spill is the worst environmental disaster in our Nation's history. It's devastated the gulf coast and taken lives, lives like Gordon Jones and the 10 other victims of the gulf Horizon explosion.

Congress is making sure that the families of these men receive the justice that they deserve. Current law values the lives of those who die at sea far less than deaths on land, and to relatives not financially dependent on the deceased, it provides nothing but a check for funeral expenses. This is wrong.

It doesn't matter where someone dies. If it's someone else's fault, justice is due. Moreover, these losses go far beyond the value of a pay stub or the costs of a funeral. That's why the SPILL Act ends the outdated devaluations of maritime deaths, and it opens the door for family members to receive damages based upon pain and suffering.

But that's not all it does. Current law limits the liability of Transocean, the company who owned the rig, to just \$25 million. Now, Kim Tran, Vietnamese shrimpers, and all the fishermen of Louisiana know that the damages caused are so much greater, and so does Congress. That's why our bill eliminates those caps and assures that we hold those who caused the spill accountable for the damage they've done, no matter who they might be. That's why I am proud to cosponsor the SPILL Act, and I call on all of my colleagues to vote for it.

Mr. SMITH of Texas. Madam Speaker, I continue to reserve the balance of my time.

Mr. CONYERS. Madam Speaker, I am happy to yield 1 minute to the gentleman from Iowa, BRUCE BRALEY, a cosponsor of the bill.

Mr. BRALEY of Iowa. Madam Speaker, I am proud to be a cosponsor of the bill, and I thank the chairman for yielding.

As we continue to stop the oil disaster in the gulf coast and clean it up, we must also ensure that the victims of this spill are fairly compensated for their loss. And at our field hearing in Chalmette, Louisiana, we saw firsthand that these individuals, like the brave families who are here today, are being inadequately compensated for the enormous losses they face.

One of the few requests made by Natalie Roshto and Courtney Kemp at that hearing, who testified, was that Congress take the necessary steps to strengthen these laws and ensure their husbands did not die in vain. And when we had our Oversight and Investigation Subcommittee hearing on June 17, I had a chance to question BP Chairman Tony Hayward, and I showed him clips of those widows' testimony, challenging him to listen to their pain and explain to them how on the anniversaries of the loss of their husbands and the anniversaries of their marriage and the birth of their children and at their children's graduation and their weddings, where is BP and Transocean and Halliburton going to be? That's why we need to pass this bill.

Mr. SMITH of Texas. Madam Speaker, I yield myself the balance of my time.

Madam Speaker, in summary, this bill should be opposed for four reasons:

First, the bill repeals the Limitation of Liability Act, which will actually hurt the victims of maritime accidents. Repealing the act eliminates important protections for maritime victims, including the fund for compensating personal injury victims. This bill, incredibly, repeals the personal injury fund;

Second, the bill amends the Bankruptcy Code in a manner that the National Bankruptcy Conference, a very bipartisan organization, believes will create "pernicious, unintended, and counterproductive consequences" that benefit oil spill claimants "at the expense of other innocent and equally deserving creditors";

Third, the bill was rushed through committee without a single legislative hearing and is being rushed through the House on suspension, without giving Members the opportunity to offer amendments; and

Fourth, because this bill is being rushed through the House, Congress has not been fully informed of the unintended consequences this bill creates for the U.S. maritime industry, which is a large part of the economy of the gulf coast region; the American economy, which relies on U.S. shipping to

take goods to and from market; and the victims of maritime accidents, who, in many cases, will actually be hurt by this legislation.

□ 1610

Madam Speaker, I urge all my colleagues to vote "no" on this bill, send it back to committee. Let's improve it, let's amend it, and then bring it back to the floor. I hope my colleagues will vote "no."

I yield back the balance of my time.

Mr. CONYERS. Madam Speaker, this is a bipartisan bill. It's uncomplicated. It revises old law that's been discriminatory and left on the books. It ensures that BP and other corporate violators that caused the Deepwater Horizon explosion-resulting oil spill are held accountable under the law.

This is not going to hurt the victims. The victims came before the committee and testified in favor of this kind of relief. So for us now to think that we're inadvertently doing some harm to those who have lost their loved ones is untenable and uncontestable.

I urge that all of us cast as near unanimous vote as possible in support of this legislation and correct the injustices that have been caused by this incredible, extensive, and terrible accident.

And I include in my closing remarks the support of nine other organizations.

The International Cruise Victims Association
The National Center for Victims of Crime
The National Organization of Parents of Murdered Children
Public Citizen
Alliance for Justice
National Consumers League
Consumer Watchdog
Center for Justice & Democracy
Center for Biological Diversity
Friends of the Earth
U.S. Action

Mr. NADLER of New York. Madam Speaker, I rise in support of H.R. 5503, the Securing Protections for the Injured from Limitations on Liability (SPILL) Act.

Two months ago, the Deepwater Horizon oil platform exploded in the Gulf of Mexico. That tragedy cost the lives of eleven people and injured at least seventeen others, dealing a horrific blow to the lives of their loved ones, family members, and friends. The explosion and subsequent oil spill devastated the entire Gulf area and continues each day to wreak havoc on the way of life and environment of the region. Congress must act to address this disaster and in the coming weeks, we will.

Today, the House is considering H.R. 5503. This legislation, which I worked on in the Judiciary Committee, addresses problems that have come to light as a result of the explosion in the Gulf of Mexico.

The bill would provide long-overdue rights to the survivors of those killed off our shores, including allowing recovery for non-economic damages. It also would repeal an antiquated law which could have shielded Transocean

from its true liability in this disaster. The big corporations like Transocean and BP, whose malfeasance caused this disaster, must not be able to elude their true responsibility.

I want to thank Chairman CONYERS for his work on the bankruptcy provisions of this bill as well. The rights of individuals, small businesses, and communities injured by this catastrophic act of corporate wrongdoing must be protected, and this bill reflects that concern. We also must make sure that we protect those rights in a way that does not destroy the rights of other parties, including employees, retirees, and small businesses who are also owed money by the polluter, that preserves going concern value, and that does not shelter entrenched management. The modified language reflects the ongoing effort to address these important concerns, and I look forward to working with the Chairman to perfect these protections.

I do want to say, however, that I am disappointed with a few changes that have been made since the bill passed the Judiciary Committee. A provision to deny the enforceability of "gag orders" that reportedly were being used by BP has been removed. Such secrecy agreements only serve to deny the public access to necessary information. And, a common sense change to the Class Action Fairness Act to ensure states could pursue actions on behalf of their own citizens in state court was stripped as well.

Despite these changes, this bill represents needed reforms to compensate, as much as possible, those injured and the families of those killed in this disaster and similar events in the future. I want to applaud Chairman CONYERS for his leadership in pushing H.R. 5503 forward. I urge all Members to support it.

Mr. VAN HOLLEN. Madam Speaker, I rise in strong support of the Securing Protections for the Injured from Limitations on Liability (SPILL) Act (H.R. 5503).

On this, we should surely agree: the lives of those lost at sea are just as precious as the lives of those lost on land—and the law should treat them that way.

Today's legislation modernizes our maritime laws to ensure that the families of those killed or injured in the BP Oilspill have an opportunity to be justly compensated for their losses, and will provide equal justice for all future victims of maritime disasters.

Madam Speaker, as we work to hold the responsible parties accountable for the ongoing tragedy in the Gulf, the Spill Act keeps faith with the families most directly impacted by the disaster. I commend Chairman CONYERS and the Judiciary Committee for bringing this legislation to the floor today. I urge my colleagues' support.

Mr. CONYERS. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Ms. JACKSON LEE of Texas). The question is on the motion offered by the gentleman from Michigan (Mr. CONYERS) that the House suspend the rules and pass the bill, H.R. 5503, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

BARRING POLITICAL SPENDING BY LOBBYISTS WHOSE CLIENTS INCLUDE STATE SPONSORS OF TERRORISM

Mr. CONYERS. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 5609) to amend the Federal Election Campaign Act of 1971 to prohibit any registered lobbyist whose clients include foreign governments which are found to be sponsors of international terrorism or include other foreign nationals from making contributions and other campaign-related disbursements in elections for public office, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5609

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PROHIBITING LOBBYING ACTIVITIES ON BEHALF OF STATE SPONSORS OF TERRORISM.

The Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 et seq.) is amended by adding at the end the following new section:

"SEC. 27. PROHIBITING LOBBYING ACTIVITIES ON BEHALF OF STATE SPONSORS OF TERRORISM.

"No person may perform lobbying activities on behalf of a client which is a country the government of which the Secretary of State has determined, for purposes of section 6(j) of the Export Administration Act of 1979 (as continued in effect pursuant to the International Emergency Economic Powers Act), section 40 of the Arms Export Control Act, section 620A of the Foreign Assistance Act of 1961, or any other provision of law, is a government that has repeatedly provided support for acts of international terrorism."

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Michigan (Mr. CONYERS) and the gentleman from California (Mr. DANIEL E. LUNGREN) each will control 20 minutes.

The Chair recognizes the gentleman from Michigan.

PARLIAMENTARY INQUIRIES

Mr. DANIEL E. LUNGREN of California. Madam Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. Will the gentleman please state his inquiry.

Mr. DANIEL E. LUNGREN of California. My parliamentary inquiry is this: I understand that we are dealing with H.R. 5609, and I have, just 20 minutes ago, been given the copy of H.R. 5609, which, in every respect, after the introduction, is different from the 5609 that we were prepared to speak on just 20 minutes ago.

My question is, under the rules of the House, is it appropriate to completely remove the text of the bill that we were prepared to deal with and exchange it for an entirely new language which refers to new sections of the U.S. Code of the Lobbying Disclosure Act of 1995, where the original 5609 referred to another section of the code?

The SPEAKER pro tempore. The gentleman from Michigan has moved to suspend the rules and pass the bill in an amended form.

Mr. DANIEL E. LUNGREN of California. Further parliamentary inquiry. The SPEAKER pro tempore. State the parliamentary inquiry.

Mr. DANIEL E. LUNGREN of California. According to the copy of the bill that I have, 5609, it says that this bill is referred to the Committee on House Administration. If it is referred to the Committee on House Administration, how is that on this floor it is now being brought forward by the chairman of the Judiciary Committee, who is not a member of the Committee on House Administration?

The SPEAKER pro tempore. The Chair has entertained a motion from the gentleman from Michigan to suspend the rules.

Mr. DANIEL E. LUNGREN of California. Further parliamentary inquiry.

The SPEAKER pro tempore. That motion now before us, if adopted, would discharge any committee of referral.

Mr. DANIEL E. LUNGREN of California. Further parliamentary inquiry.

The SPEAKER pro tempore. State the parliamentary inquiry, please.

Mr. DANIEL E. LUNGREN of California. So, as I understand what the Speaker is telling me, this request for consent to bring this to the floor at this time would have the effect of discharging the committee of jurisdiction, that is, the Committee of House Administration, and bring it directly to the floor to be handled now by another committee, the Committee on the Judiciary. Is that correct?

The SPEAKER pro tempore. The motion, if adopted, would discharge the committee of referral.

Mr. DANIEL E. LUNGREN of California. Further parliamentary inquiry.

The SPEAKER pro tempore. State the parliamentary inquiry.

Mr. DANIEL E. LUNGREN of California. Is it under the rules, or is it customary interpretation under the rules, that the minority receive a copy of the bill to be brought to the floor at some time before 20 minutes before it's brought to the floor?

Is there no requirement for notice of the actual contents of the bill to be considered, even under a request such as has been made by the gentleman from Michigan?

The SPEAKER pro tempore. A motion that the House suspend the rules may convey an amendment, and five copies of the amendment are at the desk.

Mr. DANIEL E. LUNGREN of California. So further parliamentary inquiry.

Under the rules of the House, a motion such as made by the gentleman to suspend the rules in effect suspends all rules, including rules that would govern the language of the bill as introduced and as given to the minority yesterday and up until 20 minutes ago.

The SPEAKER pro tempore. This motion will be adopted if approved by two-thirds of the House.

Mr. ANDREWS. Madam Speaker, parliamentary inquiry.

The SPEAKER pro tempore. State your parliamentary inquiry, please.

Mr. ANDREWS. Madam Speaker, is there anything—I note that the custom of the minority is to give about 3 minutes notice on motions to recommit. Is there anything under the rule requiring the minority to give more notice than that of 3 minutes on a motion to recommit?

The SPEAKER pro tempore. The Chair cannot at this time entertain that inquiry as a parliamentary inquiry.

Mr. CONYERS. Madam Speaker, could I ask for regular order? We have had, I don't know how many—this could go on all night if the gentleman is just opposed to campaign finance reform.

The SPEAKER pro tempore. The gentleman from Michigan may proceed.

□ 1620

Mr. CONYERS. No one disrespects the sincerity and abilities of my friend from California, who has raised these questions.

GENERAL LEAVE

Mr. CONYERS. I ask unanimous consent that all Members have 5 legislative days to revise their remarks and include extraneous materials.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CONYERS. I yield myself such time as I may consume.

Ladies and gentlemen of the House, 1 week ago the House passed historic campaign finance reform that was designed to curb improper corporate and foreign influences on the American electoral system. Everybody in this House is in support of the attempts of this committee and the House Administration Committee to accomplish this aim, to rein in, to eliminate improper corporate and foreign influences on the American electoral system. There is not a Member in this House that is not in support of that. So this bill hones in on the most toxic foreign influences, countries whose governments the Secretary of State has determined sponsor terrorism.

H.R. 5609 amends the Lobbying Disclosure Act to prevent any country specifically designated as a state sponsor of terrorism from hiring a lobbyist in an attempt to influence the laws and policies of the United States of America. By their actions, these states have forfeited many privileges of doing business in the United States. The business of government should be no different. We should not allow states that sponsor terrorism to be able to hire lobbyists to influence our lawmakers and our laws.

Madam Speaker, I reserve the balance of my time.

Mr. DANIEL E. LUNGREN of California. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I am certainly not going to oppose this bill, because this bill essentially does what I attempted to do in one-third of my motion to recommit last week, when a vast majority of the Members of the majority party voted against it, and we were told to restrict those individuals who were subject to this prohibition to a lesser prohibition was blatantly unconstitutional. And now we are told to go even further—and I don't oppose going further—but now we are told to go even further is not only the proper thing to do, but it's so noncontroversial that it ought to be here on the suspension calendar.

It is extraordinary, I suppose, to see the transformation that takes place that the subject matter on this floor 1 week ago is blatantly unconstitutional and today is noncontroversial. I don't know how you change your tune that way. I don't know how you make such a difference when in effect we are talking about the same thing, except that now it is being sponsored by the majority side rather than the minority side.

It also is passing strange at least that the underlying bill referred to by my friend from Michigan, the Chairman of the Judiciary Committee, the DISCLOSE Act, was in fact sequentially referred to the Committee of Judiciary after we had completed consideration of it in the House Administration Committee. And yet, rather than spending a single minute on it, it was immediately discharged by the Judiciary Committee and allowed to come to the floor.

Now, why do I find that extraordinary? Because it dealt with how we protect the First Amendment to the Constitution, that part of the First Amendment that specifically talks about the fact that Congress shall pass no law abridging free speech. And yet we did just last week.

Perhaps if we had had hearings on it in the Judiciary Committee to review the underlying constitutional law concerns, we might have had an opportunity to reform that bill. But of course we did not. Perhaps if we were truly concerned about how the First Amendment rights are rights recognized by the Constitution, not granted by the Constitution, but recognized by the Constitution, and therefore should be protected by this branch of government as well as the judicial branch and as well as the executive branch, rather than parceled out and auctioned off, perhaps if it had seen the light of day in the Judiciary Committee we might have been able to convince more Members on the majority side that we ought not to trifle with the Constitution and trivialize the First Amendment.

But no, we didn't do that. We rushed to judgment. That is, we discharged

that bill without a single moment of consideration by the Judiciary Committee. And here we have cleanup legislation. A number of Members on the other side of the aisle evidently found out after they voted against the motion to recommit, because it was a Republican motion, that it had parts, all three parts that they supported, and this is a part of it. Although the language is different, the substance is the same.

Now, contrast that with the fact that up until 20 minutes ago the language of this bill was different. Up until 20 minutes ago, the language of the bill had this bill within the jurisdiction of House Administration, not within the jurisdiction of the Judiciary Committee. And yet without a moment's notice, the bill is changed in everything but its title. Every word changed.

And I suspect that some Members listening in their offices aren't aware of the rules of the House that allow for a suspension of the rules, meaning that we suspend every rule in the House, meaning that in fact you can have every word changed other than the title, you can have it deal with a different section of the United States Code, and you can have it transferred from one committee to the next in the flash of a moment here. Now, maybe that sounds just like process, but it is of course more than process. It goes to the question of substance.

They say imitation is the highest form of flattery. I guess I should be thankful that they have taken a portion of my motion to recommit that they defeated so soundly last week, to present it on the floor as a clean bill, without any hearings, without any consideration, transferring committees, changing the language up until the time they actually presented it on the floor. Which suggests that we have plenty of time to do things around here. We have plenty of time to look at changes in bills. Which would suggest that we ought to have more open rules in this House, because evidently we can change things up to the moment they hit the floor, and everyone is supposed to then I guess salute sharply and march to this new drummer.

This is a heck of a way to run a House, a heck of a way to run a House. You don't know from the moment you leave your office to the time you get here what bill you are going to have. It may have the same number, it may have the same name, but every word can be changed. And of course if it is presented by the minority as a part of an amendment, it's disallowed. But if we are going to present it on the floor with the majority, we do that and we try and make up for the vote that took place last week.

I just hope everybody understands when you vote for this, and I would suggest you vote for this, you are es-

entially voting for the first third of the motion to recommit that was presented last week, which was declared on the floor by the major author of the DISCLOSE Act from Maryland, Mr. VAN HOLLEN, as blatantly unconstitutional. So one week we auction off pieces of the First Amendment, the next week we turn something that's blatantly unconstitutional into something that not only is imperative, but is noncontroversial. It is magic being done on this floor before your very eyes. The only problem is most people don't realize what's occurring.

At the very least we ought to take the time in our rules to shed some light on the legislative process, which I thought was supposed to be the purpose of the DISCLOSE Act, to shed some light on the political process. Perhaps we should practice what we preach here on the floor of the House.

I reserve the balance of my time.

Mr. CONYERS. Madam Speaker, I yield myself 1 minute.

First of all, I want to applaud the parliamentary wisdom of the distinguished gentleman from California, who supports the matter that is before the House, but he has very pointedly pointed out that the process, the procedure has not been appropriate from his point of view.

□ 1630

As he knows, we had a hearing on the constitutionality of Citizens United on February 3, 2010. But I concede to him and apologize that there was no mark-up, and I hope that that will assuage the gentleman's very particular objection to the process here.

Now, of course, some of the excellent points that he has raised really go to the rules of the House.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. CONYERS: I yield myself an additional 30 seconds.

If we are going to go into this detail and the gentleman has presented an able case here during this debate, I think that we ought to—and I would like to join with him in examining the rules of the House of Representatives which would have to obviously go through some revision to satisfy the many points that my friend from California has raised.

With that, I am now pleased to yield 2 minutes to the author of this measure, and it is Mr. JOHN HALL of New York, the original sponsor of the bill, whom I commend very much.

Mr. HALL of New York. I thank the chairman.

I rise today to urge strong support for H.R. 5609, which will ban lobbying for countries that are state sponsors of terrorism.

Last week, the House passed the DISCLOSE Act, a bill I cosponsored. This bill is a big step forward in undoing the damage done by the Supreme Court in

their recent ruling in *Citizens United v. FEC*. It will shine some light on corporate campaign spending by requiring the sponsors of political ads to disclose their identity, much as we candidates for Congress have to stand by the ads that we fund.

Importantly, the DISCLOSE Act includes provisions I fought for to keep corporate money from overseas out of U.S. elections. After all, Madam Speaker and Mr. Chairman, do we want companies like BP choosing our candidates for Congress or companies from Saudi Arabia deciding U.S. foreign policy? I don't think so.

The bill we are considering today is a natural extension of the DISCLOSE Act. H.R. 5609 guards against a potential loophole that hostile foreign governments may use to try to influence our government. By hiring a lobbyist in the United States, a government like Iran could potentially influence U.S. foreign policy, a danger with potentially disastrous consequences. And this, Madam Speaker, is a risk we cannot afford to take.

I think we can all agree, regardless of political party, that American elections must be decided by American voters and U.S. policy must be decided by the U.S. Government.

I would also add that this provision is much tougher than the minority's motion to recommit. That motion would have only banned certain activities by lobbyists for states that sponsor terrorism. This bill bars such lobbying altogether.

And secondly, the motion to recommit was clearly unconstitutional and destined to be struck down. The minority's proposal would have allowed the government to prohibit an American citizen from making campaign contributions or independent expenditures on his or her own behalf on the basis of a business contract. This would have clearly violated the First Amendment.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. CONYERS: I yield the gentleman 1 additional minute.

Mr. HALL of New York. In contrast, H.R. 5609 is constitutional. These foreign countries have no First Amendment rights.

I urge my colleagues to support H.R. 5609.

Mr. DANIEL E. LUNGREN of California. I yield myself such time as I may consume.

Once again, Madam Speaker, I rise in support of this bill.

Mr. HALL just suggested that his bill is stronger than the motion to recommit that I had last week with respect to actions of those who represent state sponsors of terrorism, that is, those who lobby on behalf of those states. At that time, the majority position was that even that limitation was blatantly unconstitutional. Those were

the words of Mr. VAN HOLLEN on the floor specifically referring to what, now, Mr. HALL says is a lesser prohibition than what he brings forward. I presume that, therefore, their review of the constitutionality of this now reveals to them that it is constitutional for us to do this and the statements that were made last week on the floor against my motion to recommit are, in fact, inoperative.

Here's what Mr. VAN HOLLEN said: You're denying American citizens and voters the right to contribute to campaigns, to participate freely in campaigns.

He's referring specifically to that section that I had in the bill talking about lobbyists. Now you're saying that they may not perform any lobbying activities whatsoever.

I mean, I agree with the intent. I hope it is, in fact, constitutional. But it is just remarkable that you can come on the floor and condemn something as being blatantly unconstitutional, get a majority vested, 216 members of the Democratic Party voting against it, and then a week later come back and say, Look at us. We are now presenting a real tough restriction that's even tougher than what you offered last week, which was unconstitutional. But ours, which is more restrictive, is, in fact, constitutional. You know, we ought to do better than that.

We also ought to do better than changing our handiwork just before we hit the floor. It is interesting to see the text of the bill, which still calls it a bill to amend the Federal Election Campaign Act of 1971, when, in fact, the substance of it deals with amending the Lobbying Disclosure Act of 1995. But obviously someone, just before they got to the floor, understood that, and you can see some cut and paste at the bottom—it doesn't even have lines for the bill—which amends the title so that the title now reads, "A bill to amend the Lobbying Disclosure Act of 1995."

When I was in high school, I guess and even grade school, eighth grade, when we used to put things together, we would call it cut and paste, but I would hope that we could do better than that here in the House of Representatives on the floor of the House.

With that, I reserve the balance of my time.

Mr. CONYERS: Madam Speaker, I yield myself such time as I may consume.

This is the most interesting debate in which we are all going to support the amendment but the process has been corrupted, and I think it's been implied more than once that this bill of Mr. HALL's has been borrowed from our distinguished colleagues on the other side of the aisle. And the fine detail in which we have scrutinized the parliamentary improprieties is absolutely amazing.

It is not reckless to suggest that all of the Members of the House on both sides of the aisle are going to obviously support this measure. It's just that the proper credit has not been allocated to all the parties that have participated so ably in bringing this matter to the floor.

I only wish there was some way I could correct that because I believe in fairness, and I want my colleagues to know that we're not trying to steal their thunder. I think that we all agree ultimately upon the objective. But constitutionally—and no one knows this better than the former attorney general of California—constitutionally you cannot preclude an American citizen from making a contribution, and that bill that was previously considered and discussed did that.

□ 1640

You can, however, prohibit a foreign country from hiring lobbyists, and this is what we did and do. I am sure that it can withstand constitutional scrutiny and that we can go forward into the holiday, recognizing that we have done exactly what we set out to do.

I yield to the gentleman from New York if he would like to make a further comment.

Mr. HALL of New York. Thank you, Mr. Chairman, for yielding.

Madam Speaker, I would just comment that I certainly don't have the experience or the legal knowledge of my colleague, the gentleman from California, so far be it for me to get into the fine points of constitutionality or rules of the House; but I suspect that when the other side of the aisle was in the majority, they may have made some last-minute changes in bills like this.

Be that as it may, the minority side's motion to recommit last week included partisan provisions, which seemed to make it a "gotcha" vote to try to ensnare Members of the majority, including the provision that the chairman mentioned of prohibiting individual American citizens from making contributions. This is more narrowly tailored, more constitutionally sound, and ultimately stronger than that motion to recommit. It simply prevents terrorist nations from having roles in U.S. policy. It should be an easy "yes" vote for both sides.

If there is a problem in saying that we have moved it too quickly, I would apologize. I would thank the gentleman from California for the ideas that he had, some of which are in this piece of legislation, and I would say that we should all agree that moving quickly on this cause is a good thing. The faster we can stop foreign terrorist nations from buying their way into our political system, the better.

In closing, I would just urge strong support for this bill, saying that we can't afford to let a hostile government

have any control over U.S. policy, directly or indirectly. So I urge my colleagues to vote for this critical bill.

Mr. CONYERS. Madam Speaker, I yield such time as he may consume to my friend, the gentleman from New York (Mr. McMAHON).

Mr. McMAHON. Madam Speaker, I rise in support of H.R. 5609, which I am proud to offer together with and to follow the lead of my colleague from the great Hudson River Valley of New York, Mr. JOHN HALL, to amend the Federal Election Campaign Act of 1971 in order to prohibit lobbying by foreign governments that are on the United States Department of State's "State Sponsors of Terrorism" list.

I thank the gentleman from Michigan, the chairman of the Judiciary Committee, for his eloquent explanation in defense of this bill as we have gotten it here on the floor this afternoon.

As I have listened to the equally eloquent and feisty arguments from the gentleman from California, who is in apparent opposition, I cannot make the legal argument, but certainly, Shakespeare would have said, "He doest protest too much."

That being said, currently four countries are on the State Department's "State Sponsors of Terrorism" list—Cuba, Iran, Sudan, and Syria.

In Cuba, close to 12 million people live in one of the few remaining purely Communist countries in the world, the only one in our hemisphere—one without human rights and without democracy. They are limited by the Castro government in their jobs, education, even in what appliances they can buy, and where they can live.

Iran is a theocracy which continues on a disastrous path to enrich uranium in order to create a nuclear weapon. Their intransigence against international inspectors threatens Israel, Europe and the United States. Dissenters of the government are routinely killed, minorities are jailed, and people are afraid to speak out. Iran threatens United States' interests and any progress to make Iran or Iraq a stable and civil society.

Sudan is a country that has been in a protracted civil war between the Animist and Christian south and the Muslim north. The Darfur region of Sudan has seen a humanitarian disaster—killing millions and placing Muslims against Muslims as the world has stood helpless. Sudan is a state sponsor of terrorism against its own people.

Finally, Syria, a country which continues to threaten our strongest and most reliable ally in the Middle East—Israel. Syria has fueled civil war in Lebanon through their support of Hezbollah, has had a direct implication in the assassination of Lebanese Prime

Minister Rafiq Hariri, and they continue to support Hamas in Gaza. I represent over 50,000 Syrian Jewish refugees who have fled the anti-democratic country of Syria to build better lives in the United States.

This bill only affects people registered to represent one of these foreign governments on the "State Sponsors of Terrorism" list, not companies which are doing business in those countries.

I urge my colleagues, irrespective of the course that this bill took to get on the floor, to support this legislation and to stop the ability of any country on the "State Sponsors of Terrorism" list from directly or indirectly influencing our Congress.

Mr. DANIEL E. LUNGREN of California. I yield myself the balance of my time.

Once again, Madam Speaker, I rise in support of this bill. I think, though, it is instructive to note the rather strange circumstances surrounding the process involved here. Usually process is not important, but I do think that we ought to use our rules to try and make it easier for Members to understand what they are voting on, that we try to make it as clear as possible as to the subject matter, that we give Members sufficient time so they can consider the actual language of the bill, and that we actually allow further and more robust debate on this floor.

One of the laments I have, having returned to this Congress in 2005, is a lessening of the importance of the dynamic of the floor of the House of Representatives. When my party was in charge and now when the other party has been in charge, rules, in my judgment, have been far too restrictive. There have been far fewer amendments allowed on this floor for full debate. There have been far fewer Members recognized for the possibility of offering their particular perspectives. I do not think that is a good thing. I think that is a bad thing.

Members should understand the consequence of the Suspension Calendar or of having something that is subject to a consent request for a suspension of the rules, because it is important for Members to understand that every single word of substance in a bill brought forward to this floor, other than the title, can be changed when you suspend the rules. I think that's important for people to know.

Secondly, it is also disappointing that one week we will have an idea roundly criticized and even suggested to be blatantly unconstitutional. Then the next week, without, really, any further debate, without any hearings and without any new knowledge that has changed a review of the subject matter, it suddenly is no longer that. I never thought it was unconstitutional in the first instance, but sometimes our rhetoric gets away with us on this floor. I

think you can have a vigorous and robust debate without exaggeration to such an extent that you dismiss things lightly as being unconstitutional.

I am reminded of what Justice Scalia said in a speech a few years ago. He said, when he was a kid, growing up, and when you saw something you didn't like or that you thought was wrong, you'd say, There ought to be a law. As a matter of fact, there was a cartoon series on that: "There ought to be a law." He said now the tendency is when you see something you don't like or when you see something you would change, you say, It's unconstitutional.

While that may not sound that important, it is extremely important because, if you say, There ought to be a law, you are accepting the burden of persuading your fellow citizens to pass a law. If you say, It's unconstitutional, you are suggesting that that subject matter has been removed from the arena of public debate and democratic processes, that is, removed from the legislative and executive branches and given exclusively to the judiciary, wherein they make the decision, and their decision ultimately is not appealable to the other branches of government. That is a tremendous distinction.

In my judgment, we have seen the courts, over the last decades, trespass upon the appropriate democratic rights of the American public, that is, telling them they no longer have the ability to make the decision through their democratic branches of government. It is, rather, going to be in that nondemocratic—and I mean that intentionally. They are not supposed to be responsive as we are to the public.

□ 1650

But because of that, where they rule on the basis of the Constitution ought to be in a very limited, relatively limited area. So I think we ought to be more careful when, instead of engaging in the debate on the subject matter at hand, we lightly suggest that our disagreement with it is that it is unnecessarily unconstitutional.

Now, I realize I made the argument last week on the bill before us, the DISCLOSE Act, on the unconstitutionality, but I believe I did back that up with legal analysis and had extended debate on the floor on that, as opposed to just throwing it out as an argument against a single amendment or single section of the bill.

With that, I would urge my colleagues to overlook the manner in which this was brought to the floor, accept the explanations and heartfelt concerns expressed by my friend from Michigan about the manner in which it came to the floor, and with all that, support this bill.

I yield back the balance of my time.

Mr. CONYERS. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. CONYERS) that the House suspend the rules and pass the bill, H.R. 5609, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. CONYERS. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

CALL OF THE HOUSE

Mr. CONYERS. Madam Speaker, I move a call of the House.

The SPEAKER pro tempore. Under clause 7(b) of rule XX, the Chair confers recognition for that purpose.

A call of the House was ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, this 15-minute call of the House will be followed by 5-minute votes on suspending the rules with regard to H.R. 5609 and House Concurrent Resolution 290, if ordered.

The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 424]

Ackerman	Brown-Waite,	Cummings
Aderholt	Ginny	Dahlkemper
Adler (NJ)	Buchanan	Davis (AL)
Akin	Burgess	Davis (CA)
Alexander	Burton (IN)	Davis (IL)
Altmire	Butterfield	Davis (KY)
Andrews	Buyer	Davis (TN)
Arcuri	Calvert	DeFazio
Austria	Camp	DeGette
Baca	Campbell	Delahunt
Bachmann	Cantor	DeLauro
Bachus	Cao	Dent
Baldwin	Capps	Deutch
Barrett (SC)	Capuano	Diaz-Balart, L.
Barrow	Cardoza	Diaz-Balart, M.
Bartlett	Carnahan	Dicks
Barton (TX)	Carney	Dingell
Bean	Carson (IN)	Djou
Becerra	Carter	Doggett
Berkley	Cassidy	Donnelly (IN)
Berman	Castle	Doyle
Berry	Castor (FL)	Dreier
Biggert	Chaffetz	Driehaus
Billbray	Chandler	Duncan
Bilirakis	Childers	Edwards (MD)
Bishop (GA)	Chu	Edwards (TX)
Bishop (NY)	Clarke	Ehlers
Bishop (UT)	Clay	Ellison
Blackburn	Cleaver	Ellsworth
Blumenauer	Clyburn	Emerson
Blunt	Coble	Engel
Bocieri	Coffman (CO)	Eshoo
Boehner	Cohen	Etheridge
Bono Mack	Cole	Fallin
Boozman	Conaway	Farr
Boren	Connolly (VA)	Fattah
Boswell	Conyers	Filner
Boucher	Cooper	Flake
Boustany	Costa	Fleming
Boyd	Costello	Forbes
Brady (PA)	Courtney	Fortenberry
Braley (IA)	Crenshaw	Foster
Bright	Critz	Foxo
Broun (GA)	Crowley	Franks (AZ)
Brown (SC)	Cuellar	Frelinghuysen
Brown, Corrine	Culberson	Fudge

Roskam
Ross
Rothman (NJ)
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Salazar
Sánchez, Linda
T.
Sanchez, Loretta
Sarbanes
Scalise
Schakowsky
Schauer
Schiff
Schmidt
Schock
Schrader
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sessions
Sestak
Shadegg
Shea-Porter
Sherman
Shimkus
Shuler
Shuster
Simpson
Sires
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Space
Speier
Spratt
Stark
Stearns
Stupak
Sullivan
Sutton
Tanner
Taylor
Teague
Terry
Thompson (CA)
Thompson (MS)
Thompson (PA)
Thornberry
Tiahrt
Tiberi
Tierney
Titus
Tonko
Towns
Tsongas
Turner
Upton
Van Hollen
Velázquez
Visclosky
Walden
Walz
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Westmoreland
Whitfield
Wilson (OH)
Wilson (SC)
Wittman
Wolf
Wu
Yarmuth
Young (FL)

NOT VOTING—20

Blunt	Hoekstra	Olver
Capito	Johnson, Sam	Rodriguez
Conyers	Kilpatrick (MI)	Sensenbrenner
Ehlers	Kosmas	Wamp
Farr	Lowey	Woolsey
Garrett (NJ)	Miller, George	Young (AK)
Griffith	Moore (WI)	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members, there are 2 minutes left in the vote.

□ 1728

So (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

The title was amended so as to read: "A bill to amend the Lobbying Disclosure Act of 1995 to prohibit any person from performing lobbying activities on behalf of a client which is determined by the Secretary of State to be a State sponsor of terrorism."

A motion to reconsider was laid on the table.

SUPPORTING DESIGNATION OF NATIONAL ESIGN DAY

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and agreeing to the concurrent resolution (H. Con. Res. 290) expressing support for designation of June 30 as "National ESIGN Day".

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Washington (Mr. McDERMOTT) that the House suspend the rules and agree to the concurrent resolution.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

RECORDED VOTE

Mr. GARAMENDI. Madam Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 397, noes 15, not voting 20, as follows:

[Roll No. 426]

AYES—397

Aderholt	Berkley	Boucher
Adler (NJ)	Berry	Boustany
Alexander	Biggart	Boyd
Altmire	Bilbray	Brady (PA)
Arcuri	Bilirakis	Brady (TX)
Austria	Bishop (GA)	Braley (IA)
Baca	Bishop (NY)	Bright
Bachmann	Blackburn	Brown (GA)
Bachus	Blumenauer	Brown, Corrine
Baird	Blunt	Brown-Waite,
Baldwin	Boccieri	Ginny
Barrett (SC)	Boehner	Buchanan
Barrow	Bonner	Burton (IN)
Bartlett	Bono Mack	Butterfield
Barton (TX)	Boozman	Buyer
Bean	Boren	Calvert
Becerra	Boswell	Camp

Cantor	Halvorson	McIntyre
Cao	Hare	McKeon
Capps	Harman	McMorris
Capuano	Harper	Rodgers
Cardoza	Hastings (FL)	McNerney
Carnahan	Hastings (WA)	Meek (FL)
Carney	Heinrich	Meeks (NY)
Carson (IN)	Heller	Melancon
Cassidy	Hensarling	Mica
Castle	Herger	Michaud
Chandler	Herseth Sandlin	Miller (FL)
Childers	Higgins	Miller (MI)
Chu	Hill	Miller (NC)
Clarke	Himes	Miller, Gary
Clay	Hinchey	Miller, George
Clyburn	Hinojosa	Minnick
Coble	Hirono	Mitchell
Coffman (CO)	Hodes	Mollohan
Cohen	Holden	Moore (KS)
Cole	Holt	Moore (WI)
Connolly (VA)	Honda	Moran (KS)
Cooper	Hoyer	Moran (VA)
Costa	Hunter	Murphy (CT)
Costello	Inglis	Murphy (NY)
Courtney	Inslee	Murphy, Patrick
Crenshaw	Israel	Murphy, Tim
Critz	Issa	Myrick
Crowley	Jackson (IL)	Nadler (NY)
Cuellar	Jackson Lee	Napolitano
Culberson	(TX)	Neal (MA)
Cummings	Jenkins	Nunes
Dahlkemper	Johnson (GA)	Nye
Davis (AL)	Johnson (IL)	Oberstar
Davis (CA)	Johnson, E. B.	Obey
Davis (IL)	Jones	Olson
Davis (KY)	Jordan (OH)	Olver
Davis (TN)	Kagen	Ortiz
DeFazio	Kanjorski	Owens
DeGette	Kaptur	Pallone
Delahunt	Kennedy	Pascarell
DeLauro	Kildee	Pastor (AZ)
Dent	Kilpatrick (MI)	Paul
Deutch	Kilroy	Paulsen
Diaz-Balart, L.	Kind	Payne
Diaz-Balart, M.	King (NY)	Perlmutter
Dicks	Kingston	Perriello
Dingell	Kirk	Peters
Djou	Kirkpatrick (AZ)	Peterson
Doggett	Kissell	Petri
Donnelly (IN)	Kline (MN)	Pingree (ME)
Doyle	Kosmas	Pitts
Dreier	Kratovil	Platts
Driehaus	Kucinich	Polis (CO)
Edwards (MD)	Lamborn	Pomeroy
Edwards (TX)	Lance	Posey
Ehlers	Langevin	Price (GA)
Ellison	Larsen (WA)	Price (NC)
Ellsworth	Larson (CT)	Putnam
Emerson	Latham	Quigley
Engel	LaTourette	Radanovich
Eshoo	Latta	Rahall
Etheridge	Lee (CA)	Rangel
Fallin	Lee (NY)	Rehberg
Farr	Lewis (CA)	Reichert
Fattah	Lewis (GA)	Reyes
Filner	Linder	Richardson
Fleming	Lipinski	Roe (TN)
Forbes	LoBiondo	Rogers (AL)
Fortenberry	Loebbeck	Rogers (KY)
Foster	Lofgren, Zoe	Rogers (MI)
Fox	Lowey	Rohrabacher
Frank (MA)	Lucas	Rooney
Franks (AZ)	Luetkemeyer	Ros-Lehtinen
Frelinghuysen	Lujan	Roskam
Fudge	Lummis	Ross
Galleghy	Lungren, Daniel	Rothman (NJ)
Garamendi	E.	Roybal-Allard
Garrett (NJ)	Lynch	Royce
Gerlach	Mack	Ruppersberger
Giffords	Maffei	Rush
Gingrey (GA)	Maloney	Ryan (OH)
Gohmert	Manzullo	Ryan (WI)
Gonzalez	Markey (CO)	Salazar
Goodlatte	Markey (MA)	Sanchez, Linda
Gordon (TN)	Marshall	T.
Granger	Matheson	Sanchez, Loretta
Graves (GA)	Matsui	Sarbanes
Graves (MO)	McCarthy (CA)	Scalise
Grayson	McCarthy (NY)	Schakowsky
Green, Al	McCauley	Schauer
Green, Gene	McClintock	Schiff
Grijalva	McCollum	Schmidt
Guthrie	McCotter	Schock
Gutierrez	McDermott	Schrader
Hall (NY)	McGovern	Schwartz
Hall (TX)	McHenry	Scott (GA)

Scott (VA)	Stearns	Visclosky
Sensenbrenner	Stupak	Walden
Serrano	Sullivan	Walz
Sessions	Sutton	Wasserman
Sestak	Tanner	Schultz
Shea-Porter	Taylor	Waters
Sherman	Teague	Watson
Shimkus	Terry	Watt
Shuler	Thompson (CA)	Waxman
Shuster	Thompson (MS)	Weiner
Simpson	Thompson (PA)	Welch
Sires	Tiahrt	Westmoreland
Skellton	Tiberi	Whitfield
Smith (NE)	Tierney	Wilson (OH)
Smith (NJ)	Titus	Wilson (SC)
Smith (TX)	Tonko	Wittman
Smith (WA)	Towns	Wolf
Snyder	Tsongas	Wu
Space	Turner	Yarmuth
Speier	Upton	Young (FL)
Spratt	Van Hollen	
Stark	Velázquez	

NOES—15

Akin	Chaffetz	Marchant
Bishop (UT)	Conaway	Neugebauer
Burgess	Duncan	Poe (TX)
Campbell	Flake	Shadegg
Carter	King (IA)	Thornberry

NOT VOTING—20

Ackerman	Conyers	Pence
Andrews	Griffith	Rodriguez
Berman	Hoekstra	Slaughter
Brown (SC)	Johnson, Sam	Wamp
Capito	Klein (FL)	Woolsey
Castor (FL)	Levin	Young (AK)
Cleaver	McMahon	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members have 1 minute left in the vote.

□ 1738

So (two-thirds being in the affirmative) the rules were suspended and the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1740

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF SENATE AMENDMENTS TO H.R. 4899, SUPPLEMENTAL APPROPRIATIONS ACT, 2010

Mr. McGOVERN, from the Committee on Rules, submitted a privileged report (Rept. No. 111-522) on the resolution (H. Res. 1500) providing for consideration of the Senate amendments to the bill (H.R. 4899) making emergency supplemental appropriations for disaster relief and summer jobs for the fiscal year ending September 30, 2010, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PROVIDING FOR CONSIDERATION OF SENATE AMENDMENTS TO H.R. 4899, SUPPLEMENTAL APPROPRIATIONS ACT, 2010

Mr. McGOVERN. Madam Speaker, by direction of the Committee on Rules, I call up House Resolution 1500 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1500

Resolved, That upon adoption of this resolution it shall be in order to take from the Speaker's table the bill (H.R. 4899) making emergency supplemental appropriations for disaster relief and summer jobs for the fiscal year ending September 30, 2010, and for other purposes, with the Senate amendments thereto, and to consider in the House, without intervention of any point of order except those arising under clause 10 of rule XXI, a motion offered by the chair of the Committee on Appropriations or his designee that the House concur in the Senate amendment to the text with each of the five House amendments printed in the report of the Committee on Rules accompanying this resolution. The Senate amendments and the motion shall be considered as read. The motion shall be debatable for one hour and 30 minutes as follows: 30 minutes equally divided and controlled by the chair and ranking minority member of the Committee on Appropriations; then 30 minutes equally divided and controlled by Representative Lee of California or her designee and an opponent; and then 30 minutes equally divided and controlled by Representative McGovern of Massachusetts or his designee and an opponent. The previous question shall be considered as ordered on the motion to final adoption without intervening motion or demand for division of the question except that the question of adoption of the motion shall be divided among the five House amendments. The first portion of the divided question shall be considered as adopted. If the remaining portions of the divided question fail of adoption, then the House shall be considered to have rejected the motion and to have made no disposition of the Senate amendment to the text.

SEC. 2. Upon adoption of the motion specified in the first section of this resolution—

(a) the Clerk shall engross the action of the House under that section as a single amendment; and

(b) a motion that the House concur in the Senate amendment to the title shall be considered as adopted.

SEC. 3. The chair of the Committee on Appropriations may insert in the Congressional Record not later than July 3, 2010, such material as he may deem explanatory of the Senate amendments and the motion specified in the first section of this resolution.

SEC. 4. House Resolution 1493 is hereby adopted.

SEC. 5. Clause 10(a) of rule XXI is amended to read as follows:

“(a)(1) Except as provided in paragraphs (b) and (c), it shall not be in order to consider any bill, joint resolution, amendment, or conference report if the provisions of such measure affecting direct spending and revenues have the net effect of increasing the on-budget deficit or reducing the on-budget surplus for the period comprising either—

“(A) the current year, the budget year, and the four years following that budget year; or

“(B) the current year, the budget year, and the nine years following that budget year.

“(2) The effect of such measure on the deficit or surplus shall be determined on the basis of estimates made by the Committee on the Budget relative to baseline estimates supplied by the Congressional Budget Office consistent with section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985 and consistent with sections 3(4), 3(8), and 4(c) of the Statutory Pay-As-You-Go Act of 2010.

“(3) For the purpose of this clause, the terms ‘budget year,’ ‘current year,’ and ‘di-

rect spending’ have the meanings specified in section 250 of the Balanced Budget and Emergency Deficit Control Act of 1985, except that the term ‘direct spending’ shall also include provisions in appropriation Acts that make outyear modifications to substantive law as described in section 3(4)(C) of the Statutory Pay-As-You-Go Act of 2010.”

The SPEAKER pro tempore (Mr. WEINER). The gentleman from Massachusetts is recognized for 1 hour.

Mr. MCGOVERN. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from California, my very good friend (Mr. DREIER). All time yielded during consideration of the rule is for debate only.

GENERAL LEAVE

Mr. MCGOVERN. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks and insert extraneous materials into the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MCGOVERN. Mr. Speaker, I yield myself 15 seconds.

Mr. Speaker, the rule provides for consideration of the Senate amendments to H.R. 4899 and makes in order a motion by the chair of the Appropriations Committee to concur in the Senate amendments with the five amendments printed in the Rules Committee report.

The rule waives all points of order against the motion except those arising under clause 10 of rule 21.

The rule provides that the motion shall be debatable for 1 hour and 30 minutes as follows: 30 minutes equally divided and controlled by the chair and ranking minority member of the Appropriations Committee; then 30 minutes equally divided and controlled by Representative LEE of California and an opponent; and then 30 minutes equally divided and controlled by Representative MCGOVERN of Massachusetts and an opponent. The rule provides that the previous question shall be considered as ordered on the motion to final adoption without intervening motion or demand for division of the question except that the question of adoption of the motion shall be divided among the five House amendments, with the first portion of the divided question considered as adopted. If the remaining portions of the divided question fail of adoption, then the House shall be considered to have made no disposition of the Senate amendment to the text.

The chair of the Appropriations Committee may insert in the CONGRESSIONAL RECORD not later than July 3, 2010, such material as he may deem explanatory of the Senate amendments and the motion specified in the first section of this resolution. The rule provides that House Resolution 1493 is hereby adopted.

Finally, the rule amends the time periods in clause 10 of rule XXI to align with the Statutory Pay-As-You-Go Act of 2010.

At this time, Mr. Speaker, I yield 1 minute to the distinguished majority

leader, the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. I thank the gentleman for yielding.

I rise in strong support of this rule. This is a difficult rule. It is a difficult rule because it deals with an extraordinarily important subject. This is an extraordinarily important rule. It is important to every Member of this House, on either side of this House, of whatever ideology they bring to this House. It is extraordinarily important to the American people.

It deals, as I said, with the lives and welfare of our young people. It deals with the security of this Nation. It deals with the safety of our people. It deals with the objective of not only teaching our children, but in eliminating terrorists who would put them at risk.

I rise in support of this rule because I think that the very difficult line of trying to give every Member the opportunity to reflect their point of view, which, of course, in a body of 435 people is very difficult, but I think this rule attempts to do that.

We know that the fiscal course that we are on will ultimately lead to bankruptcy unless we act to change it. That is why this rule also projects fiscal discipline in the budget enforcement resolution that is included within the ambit of this rule.

Whenever you hear someone blame our debt on this Congress' so-called out-of-control spending, you can be sure they're more interested in pointing fingers and scoring political points than solving problems. That's especially true when you hear those complaints from those who presided over a lot of debt. Some of us voted for a lot of debt along with them, some of us did not.

In the long term, our structural deficit stems from the retirement of the baby boomers and spiraling entitlement costs. It is therefore in the budget resolution that we tip our hat in a favorable way to the commission that has been established by the President. It's said that we are hopeful that they will come up with substantive recommendations that will get us from where we are to where we need to be—a return to fiscal balance.

□ 1750

It also says that our committees ought to look carefully at the ways and means that we can save dollars, eliminate waste, and make more effective use of the tax dollars—indeed, save tax dollars. The American people want us to do that.

This budget enforcement resolution included in this rule will also say that we will honor statutory PAYGO, that we will pay for what we buy, that if this generation deems something an important priority for us to purchase that we will pay for it so that our children and our grandchildren will have

the option of making their priorities and will not have their priorities made for them by us.

In addition to this bill, it provides for the consideration of domestic spending priorities, largely to save jobs. Particularly, we have teachers in this country who are subject to layoffs because of the severe recession that we have been involved in and because of the precipitous falling of revenues to States, therefore putting the education of our children at risk.

The administration asks for far more money than Mr. OBEY has been able to include. They also ask for it to be unpaid for, but if we are going to be honest about PAYGO, we need to pay for things. This bill will pay for the increase in teacher assistants. Mr. OBEY scrubbed all of the appropriation accounts and has come up with sufficient dollars to do that. I think that is what the American public wanted us to do, and that is what Mr. OBEY has done. I congratulate him for that.

This bill will provide for additional border security on our southern border. We understand there is a crisis on the southern border. This President has responded to it. This bill responds to it.

In addition, we provide, obviously, for FEMA money. FEMA is running out of money. We have had a number of natural disasters around this country, and FEMA has responded. This bill provides for the dollars necessary for FEMA to have the resources to respond to those emergencies.

This rule provides for an amendment which will provide money for Haiti. It provides for other priorities of our country. Some will, perhaps, disagree with those priorities, and others will agree with them; but we will consider them on this floor.

I say to my friends that this rule provides for three options, as Mr. McGovern, I think, will explain further, so I will not go deeply into them.

There will be, perhaps, those who will say we ought not to fund the effort in Afghanistan at all. They will have that option. There will then be an option that says, no, we will appropriate this money, but we need to limit it to extricating ourselves—drawing down our forces from Afghanistan.

Mr. McGovern and Mr. OBEY have another alternative which will provide for the administration's providing us with information both in a National Intelligence Estimate and in a plan for withdrawal. They will expand upon that; but that gives, I think, almost everyone in this House the opportunity to express their views as to what ought to be done.

I urge my colleagues at this hour, on this, perhaps, last day of our session before the July 4 break to approve this rule, which, I believe, gives Members the options that they can be comfortable with in voting "yes" or "no." I will urge a "yes" vote on the rule and

certainly a "yes" vote on a number of pieces of this legislation. I will not vote for every one of these amendments, but they ought to be made in order.

I appreciate the work that Mr. McGOVERN has done. I appreciate the work that Mr. DREIER has done. I want to thank them both. They may have different views, but it is my understanding that this was brought to the floor in a reasonable and considered way.

In closing, I want to thank DAVID OBEY. No one in this House works harder. No one, frankly, is under more pressure than Mr. OBEY. Everybody in every State, every locality, every city and every person who wants a road, a bridge or a public facility talks to Mr. OBEY on a regular basis. I know that Mr. BOEHNER and I, as the leaders, have a lot of people talking to us when we come on this floor, but nobody talks to anybody more than they talk to Mr. OBEY. Mr. OBEY has focused on this, has worked on this, and has brought to the floor, I think, a bill that we can be proud of, that we think will move America forward, a bill that will help stop the loss of jobs, particularly in our educational community. So I thank Mr. OBEY for the leadership that he has shown and for the commitment that he has made.

Now, I want to tell my friends on our side of the aisle that the administration is not happy with some of the pay-fors which we are committed to. The administration and our side of the aisle overwhelmingly were for statutory PAYGO, saying that we would pay for what we bought. The administration, understandably, has some reservations about some of the offsets. However, nobody is ever happy with all of the tough decisions that have to be made. So I would urge my colleagues to pass this bill and to pass the amendment that Mr. OBEY will offer on domestic discretionary spending. I would ask us to send this bill to the Senate.

I regret that the Senate has gone home. I am sorry that the Senate has gone home. I am sorry the Senate is not available tonight or tomorrow to consider this legislation. I understand that we have lost a great Senator and a dear friend in Robert C. Byrd. I will be going tomorrow to the memorial service for Senator Byrd, and then I will return here. I would have returned ready for business, as I think we should complete this piece of legislation, and I would have hoped that that might have been the case.

I thank the gentleman from Massachusetts for yielding. I urge my colleagues to let us move forward on this important piece of legislation, not only for the safety and security of our troops, not only for the effort to ensure that terrorists are hunted down and defeated, but also to ensure that, here at home, we take care of the people and

that we pay for those who we take care of here at home. We are not going to pay for the emergency that exists overseas, but this is a good rule. The options are clear for all, and the effort that we make here is important for our country and for our people.

I urge adoption of the rule. I urge adoption of the Obey amendment. I urge the careful consideration of the other three amendments that will be offered as well.

Mr. DREIER. I yield myself such time as I may consume.

I want to begin by expressing my appreciation to my good friend from Worcester, my Rules Committee colleague, Mr. McGOVERN, for yielding me the customary 30 minutes.

Mr. Speaker, I very much appreciate my friend's, the gentleman from Maryland's, outline of this rule, but the fact of the matter is this is one of the most convoluted rules that we have seen in a long, long period of time.

I say that because, while my friend tried to make it sound as if this rule were fashioned to ensure that every single Member of this institution would have the opportunity to have a say, to play a role and to ensure that the House is working its will, the fact of the matter is it is a rule which is designed, I believe, in many ways to deny what a majority of this House would like to do.

We all decry the fact that we still have men and women in Afghanistan and in Iraq. We wish very much that the wars could come to an end and that we could bring our troops home, and we all enthusiastically look forward to doing that just as expeditiously as possible. Yet we know that a request was made for \$33.5 billion—this is a request that the President made—to ensure that our men and women in uniform have exactly what they need. The Secretary of Defense and other leaders in our military have indicated that it is essential that they have this before the 4th of July. When is the 4th of July? It is this coming Sunday.

Now, last May 27, more than a month ago, the Senate took its action. By a vote of 67-28, they voted in favor of this \$33.5 billion in order to ensure that our men and women in uniform have exactly what they need.

Mr. Speaker, I am not in any way an advocate of our being a rubber stamp or of our doing exactly what our friends in the other body propose. That is why I wished very much, in the month before last, in late May, that we had begun the process so that we would not be here on the eve of the date at which time the Secretary of Defense had indicated we must have this money.

With the action that this institution might consider taking, we are jeopardizing the ability of our men and women in uniform to have exactly what they need now. There is nothing that any of

us does in our jobs that is more painful than talking to the family members of those who have lost their lives in Iraq, Afghanistan or in any place in the world.

My friend from Worcester just talked about two of his constituents who died in Afghanistan recently.

□ 1800

We can on a regular basis, Mr. Speaker, talk about these challenges. We want to ensure that we never again have to call and talk to those family members. That is why, as Mr. HOYER said very eloquently in his opening remarks, we want to ensure that we diminish the kind of threat that exists for the United States of America and for our interests around the world. That is the reason that we are there.

Now, the distinguished chair of the Committee on Rules just a little while ago upstairs talked about the fact or implied in some way that we were imposing democracy on the people of Afghanistan and it is something that they are not really interested in.

Well, the fact of the matter is, our colleague Mr. PRICE and I, along with 18 other Members, have a commission which has expended time, energy, resources and effort in 15 new and re-emerging democracies around the world, working to build their parliaments.

Mr. Speaker, one of our partner nations for the House Democracy Partnership happens to be Afghanistan. And while there have been real difficulties with democracy there, there have been difficulties and a real struggle as they begin to plant the seeds of democracy, we have been working closely with their parliament, and they are enthusiastic about the process of moving ahead and, interestingly enough, modeling themselves after much of what we have here in the House of Representatives. So as we look at where it is that we are headed, we have to ensure that those resources are there. We don't like the fact that we have to do this, but it is essential.

Mr. Speaker, as we look at this rule, the rule is one which is, as I said, very convoluted. We have dealt with war supplementals in the past. My colleague Ms. FOXX upstairs in the Rules Committee talked about the fact that consistently President Obama when he was a candidate indicated that he would not be asking for any war supplementals.

But I will say that when we have considered war supplementals in the past, under the chairmanship of JERRY LEWIS and in the work that we had in the Rules Committee, every single war supplemental that we brought forward came under an open amendment process. That is the way to allow the House to work its will.

Now, we are where we are. We are where we are on the eve of Independ-

ence Day and the time when the Secretary of Defense and other military leaders have said it is essential for us to have the resources that are necessary.

So what is it we should be doing? We should defeat this rule. We should defeat this rule, go right back upstairs to the Rules Committee, and come down here with a rule that will allow us to let the House work its will and have an up-or-down vote, an up-or-down vote on whether or not we accept this \$33.5 billion request, along with a few other items that are included in this measure, including funding for the Federal Emergency Management Agency, which, as Mr. HOYER said, is desperately needed. That is included in the measure that came over from the Senate. And we should have an up-or-down vote and see what this House will do.

Mr. Speaker, as I said at the outset, I believe fully that if we were to have that up-or-down vote, that a bipartisan majority, a bipartisan majority in this House would in fact vote to complete the work, ensure that our men and women in uniform have all the resources that they need to proceed, and then we will have done our job.

So, Mr. Speaker, I am going to urge my colleagues to vote no on this rule for numerous reasons, the most important of which at this moment is to ensure that our men and women in uniform get what they need as soon as possible.

Mr. Speaker, I reserve the balance of my time.

Mr. MCGOVERN. Mr. Speaker, at this time I would like to yield 3 minutes to the gentlewoman from Maine (Ms. PINGREE), a member of the Rules Committee.

Ms. PINGREE of Maine. I thank my colleague on the Rules Committee for yielding.

Mr. Speaker, I rise in opposition to the \$37 billion in this bill for the wars in Afghanistan and Iraq. I oppose this war funding, and I believe that our presence in Afghanistan is not strengthening our national security. Instead of spending this money on a war that doesn't make us any safer, I believe we should be reducing the deficit and investing here at home.

After the events of 9/11, the United States went to Afghanistan to capture or kill Osama bin Laden and dismantle al Qaeda, not to occupy the country or to build the Afghan government, a government that has proven time and time again to be one of the most corrupt in the world.

June was the deadliest month for our U.S. military personnel since the war began in 2002. And while the loss of one American servicemember is tragic, the loss of over 1,000 brave Americans for a cause that doesn't make America any safer is something we cannot tolerate.

Military and intelligence officials have said there are now only 50 to 100

al Qaeda operatives in Afghanistan, which begs the question, why do we need over 100,000 troops over there? Does the United States really need 1,000 troops and \$1 billion a year to fight each single member of al Qaeda?

We are pursuing a failed strategy in that country and have somehow confused nation building with fighting the war on terror. We have watched too many times as our colleagues here on the other side of the aisle and in the Senate vote not to extend unemployment benefits or pass funding that would help keep firefighters and teachers on the job because they said we can't afford it. Isn't it time to start asking whether we can really afford a war that costs \$7 billion a month? It is time we really need to support our troops and deploy them from Afghanistan.

I urge my colleagues to join me in voting to strip out the wasteful and unnecessary funding in this bill. The American people and our brave servicemembers deserve to know our intentions in Afghanistan. That is why we need the administration to develop a timetable for withdrawal immediately.

The American people want us to end this war, and it is time for us to bring our men and women in uniform safely home.

Mr. DREIER. Mr. Speaker, I am happy to yield 4 minutes to my friend from Janesville, Wisconsin (Mr. RYAN), the distinguished ranking member of the Committee on the Budget.

Mr. RYAN of Wisconsin. I thank the gentleman for yielding.

Mr. Speaker, what we have here is a rule, not a budget, really not a budget enforcement system. We have a rule that will deem to the Appropriations Committee \$1.1 trillion to spend on discretionary spending. This really is an unprecedented occurrence here on the House floor, because what is happening is we are marking a moment for the first time since the budget system was created in 1974 that dictated how Congress does budgets.

For the first time since the 1974 Budget Act, the modern budgeting system in Congress, the House isn't going to do a budget. The House is not going to do a budget. They will call this rule budget enforcement, but all it really is is giving up \$1 trillion to the Appropriations Committee to spend. No budget, no priorities, no restraints, just turn the spending system on.

Now, the majority talks about PAYGO as their budget enforcement. With all due respect, I think PAYGO is a sham, and whenever it is actually applied, it is usually used to raise taxes on the American people.

Another problem, Mr. Speaker, is what they are talking about in this rule is that the President's Fiscal Commission will assemble and bring a recommendation in December, and that

will serve as our budget this year, or something to that effect. I am a member of the Fiscal Commission. I hope that we actually do come up with some concrete answers and some fiscal steps in the right direction.

But what is the Fiscal Commission? It is a commission appointed by Executive order by the President of the United States. So in effect are we saying that we are going to delegate the legislative branch's authority and responsibility to budget the power of the purse to an executive branch commission? Are we now simply saying that the President will appoint people and they will write the budget? Whatever happened to protecting the separation of powers? Whatever happened to Congress actually doing its job? Whatever happened to actually passing a budget?

So, what we have here is we have a very tough election year, I suppose, and people don't want to do a budget. But they want to spend. So, for the first time, for the first time since the 1974 Budget Act was in place, the House isn't even doing a budget. We are going to spend the money, but we are not going to account for it. We are not going to prioritize.

So when you take a look at the budget we are living under, the one that passed last year, the first Obama budget, that is the budget that is the incumbent budget. What does that budget do? It doubles our debt in 5 years and triples our debt in 10 years.

Our debt just hit the \$13 trillion mark. We are watching Europe in the throes of a debt crisis because they borrowed too much money, they taxed too much, they slowed down their economies, and now they are in crisis mode. Well, that is exactly what is going to happen here if we don't get our fiscal house in order. That is exactly what the credit markets are going to do to us if we don't show that we are serious about our fiscal responsibilities.

So what is the primary responsibility of the legislative branch of government? Budgeting. And what is this majority doing? They are not budgeting. We are deeming. We are deeming \$1.1 trillion so we can start spending. Not budgeting; spending. No restraints, no priorities. Spending.

Mr. Speaker, I really worry about this. I worry a lot about this, because I worry we are sending all the signals—the wrong signals; the wrong signals to the economy, to businesses, to the credit markets, to entrepreneurs, that the Americans don't have their fiscal house in order, that our government isn't functioning because it is not budgeting. That is a shame.

We should reject this and get on to the business of actually budgeting.

Mr. MCGOVERN. Mr. Speaker, let me say when the Democrats were in the minority, we as a party submitted a budget every single year. The Repub-

licans, to my knowledge, have not done that. Mr. RYAN, my colleague and friend on the Budget Committee, did submit a budget under his name, and perhaps if he wants to make that budget in order, I am sure our leadership would love to have a debate on a budget that turns Medicare and Social Security into a voucher system.

But the budget document that the Democrats have put forward would cap discretionary spending at \$1.2 trillion, which is \$7 trillion less than what President Obama proposed.

Mr. Speaker, I yield 1½ minutes to the gentleman from Colorado (Mr. POLIS), a member of the Rules Committee.

Mr. POLIS. I thank the gentleman from Massachusetts for yielding.

I rise today in support of the rule and in support of the Lee amendment to responsibly end the war in Afghanistan. There is a real terrorist threat to our country, but that threat does not emanate from Afghanistan. It emanates from al Qaeda, a stateless menace, a menace that will organize and set up wherever we are not.

The ongoing and indefinite occupation in Afghanistan is not a constructive step towards the battle against a terrorist threat to this country. In fact, through the civilian casualties, we only increase the pool of potential terrorists every day that we continue this occupation.

I strongly support this concept of allowing our funds only to be used for the orderly withdrawal of American troops from the country of Afghanistan.

The mission, the challenge we have put before our men and women, is nearly a difficult and impossible challenge: To try to build a cohesive nation state out of a tribal nation, out of dealing with people in our own employ who are of dubious moral character and continue to engage in the opium and drug trade to finance their related activities.

There is a difference between the ongoing battles and insurgency in Afghanistan and the terrorist threat to this Nation. We should spare no expense in going after terrorists wherever they are, engaging in aggressive intelligence-gathering operations and taking out the ability of terrorists to train. But the ongoing occupation of Afghanistan is not a constructive step to that end.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MCGOVERN. I yield the gentleman an additional 1½ minutes.

Mr. POLIS. I rise today in support of the rule and in opposition to the Obey amendment.

Funding for teachers and for education is my top priority here as a Member of Congress. I am a cosponsor of a bill to provide \$23 billion in funding for teachers.

□ 1815

It breaks my heart that we're only talking about \$10 billion today. But what is critical to achieve success—to find \$10 billion, to find \$23 billion—is keeping those who advocate resources on the same page as those who advocate reform. Resources and reform. That is the promise of the Obama administration. That is the platform that I ran on. That is what will transform millions of American lives to help break the vicious cycle of poverty that holds too many families as slaves and replace it with the virtuous cycle of opportunity and hope. Programs like Race to the Top, programs like funding innovative new charter schools, programs like innovative ways to fund teacher salaries. These are the programs that are being cut by this proposed amendment.

I hope that the Secretary continues to work with us here in Congress to find ways to pay for teachers' salaries, but we need to do so in a way that doesn't have the threat of a Presidential veto and can garner strong support in this body.

Funding teacher salaries is my top priority, and I would vote for anything to do that. I don't feel that going after the reform aspects of the President's education budget is a constructive way to build a majority to be able to fund teacher salaries. So I hope that we will continue that important work. And I personally will be voting against the Obey amendment.

Mr. DREIER. Mr. Speaker, at this time I am happy to yield 2 minutes to my good friend from Santa Clarita, California (Mr. MCKEON), the ranking member of the Committee on Armed Services.

Mr. MCKEON. Mr. Speaker, I thank the Rules Committee ranking member, Mr. DREIER, for yielding the time.

Mr. Speaker, the majority leader pointed out that all of us are going to have a chance to express our views. Some different views have been expressed here this morning. But the way our system works after all of our views are expressed, we have a Commander in Chief. The Commander in Chief last year took 90 days to thoroughly study the effort in Afghanistan. He made a decision. The decision was that we carry a counterinsurgency war to make our security safe so that al Qaeda and the Taliban cannot have a safe haven from which they could continue to launch attacks on us. In carrying out that strategy, he placed General McChrystal in charge of the troops and he approved 30,000 additional troops for the area. He also requested that we send an additional \$33 billion to support those troops.

Now we know about the tragedy with General McChrystal. We know that his resignation was accepted. We know that the President nominated General Petraeus to take his place. General

Petraeus appeared before the Senate last week and again reiterated the need for this money, as Secretary Gates had the week before. He said that if we didn't get this money, we had to start doing stupid things. General Petraeus was unanimously confirmed by the Senate. He is on his way right now to Kabul to take over this command. And we're here debating a rule that will delay further the money that those troops need over there.

Sunday is the Fourth of July. George Washington on the 9th of July in 1776 was so impressed by that Declaration of Independence that he had all of the Continental Army come to ranks and have that document read to them. We're going to be reminded again of that Sunday, and how important it is for us to follow our Commander in Chief and to give our troops the things they need.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. DREIER. I yield the gentleman 30 additional seconds.

Mr. McKEON. The letters that General Washington wrote to the Congress, I wish we could have him here now and see the letter that he would probably send us, accusing us of dithering while the troops are out there putting their lives on the line.

I ask that we defeat this rule. It doesn't have to be that complicated. We can defeat this rule and this afternoon turn it right around, pass the bill that the Senate already passed, and have the money on the way to the troops next week. I ask my colleagues to please join me in defeating this rule and moving forward in that.

Mr. McGOVERN. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. SARBANES).

Mr. SARBANES. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the rule and pursuant to it will vote in strong support of the domestic funding portion of the supplemental appropriation, but in reluctant acceptance of the war funding, which appropriates some \$37 billion to our efforts in Afghanistan, most of it going to the troop surge that President Obama announced in December of last year.

Concern about the well-being of our troops makes it difficult to vote against supplemental war funding once the troops that funding is meant to support have already been deployed. While a "no" vote on the war supplemental has some appeal as a way of forcing reevaluation of our current strategy, denying those funds could jeopardize the safety of our troops. For me, that leaves little real choice in the matter.

However, that does not mean I am ready to acquiesce in a policy that appears increasingly open-ended, while its cost in lives and resources continues to mount. I am highly skeptical

that an extra year and 30,000 additional troops will bring stability and effective governance in a country that for 30 years has seen nothing but conflict and for centuries has been known as the graveyard of empires. It is hard to imagine that the Karzai government will rid itself of corruption and become a reliable partner or that the Afghan forces will acquire a sustainable level of competency any time soon. The elusive "turning point" our policy seeks to achieve seems ever farther away.

Through it all, wear and tear on our troops has been unrelenting. More than a thousand Americans have lost their lives in Afghanistan and 6,500 have been wounded in action. The toll of multiple tours and unconventional combat has placed terrible stress on our soldiers, resulting in a near epidemic of suicides among returning veterans. When the burdens on our troops is this heavy, our policymakers must bear a commensurate burden of proof to show that the sacrifice is in our national interest and that the mission is meeting with success. In my view, this burden of proof is not being met. For that reason, I believe we should stick to the plan of bringing our troops home and beginning that withdrawal no later than July of 2011.

That is why I will support the McGovern-Obey amendment that reaffirms the President's timeline for withdrawal. The McGovern-Obey amendment requires the President to submit a detailed plan for the safe, orderly, and expeditious redeployment of U.S. troops from Afghanistan, including a timeline for completion of that redeployment.

I am determined to fight terrorism. I wish I were confident that our current strategy in Afghanistan was having the net effect of advancing that goal. But I am not. I worry instead that as this 9-year war drags on and on, it is bogging us down, sapping our strength, and distracting us from other, more effective strategies for combating the terrorist threat in that region and elsewhere in the world.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. McGOVERN. I yield the gentleman 30 additional seconds.

Mr. SARBANES. Mr. Speaker, I will support our troops in this supplemental but I will also continue to press for their withdrawal from Afghanistan and for a meaningful discussion of exactly how that can be accomplished in accordance with the timeline originally set by the President.

Mr. DREIER. Mr. Speaker, at this time I am happy to yield 1 minute to my very good friend from West Chester, Ohio, the very distinguished Republican Leader, Mr. BOEHNER.

Mr. BOEHNER. I want to thank my colleague for yielding and say to my colleagues that the President, on February 1, sent up a supplemental spend-

ing request to fund our activities for our troops and the State Department in Afghanistan. For 5 months, this Chamber has wallowed around trying to find a way to bring this bill to the floor. And look how we've done it.

We have a rule that provides for the consideration of the supplemental that self-executes a lot of wasteful spending here in Washington right into the rule itself. But if that isn't bad enough, there are four amendments made in order. If any of those amendments were to fail, it's as if the House has not even considered the bill. It's as though this debate that we're having right now had never even happened.

How could such a rule providing for the consideration of an important supplemental spending bill have in there this escape clause that if we don't get our way on all of these amendments, then this really didn't happen? This is supposed to be the greatest legislative body in the history of the world and we're treating it like a bunch of kids in a sandbox. I, frankly, think it's disgraceful.

Beyond what the rule does in terms of the consideration of the bill, it also deems the appropriation process to begin. And it outlines a number. We've tried for several months to pass a budget here in the House. But the budget resolution never reached the floor. There was never a debate and never an effort to actually come to grips with a fiscal crisis that's facing our country. And yet what are we going to do? We're going to authorize over a trillion dollars worth of new spending. No debate how to save money, no debate about the crisis that we're facing. We're just going to keep the spending spree alive.

This scheme-and-deem process that's included in this rule should be another reason that Members ought to think twice before they vote for this budget and vote for this rule. But I've got to tell you the worst thing that's going on here is that the Secretary of Defense has asked for this money prior to July 4th because our troops in Afghanistan need the resources in order to succeed in their mission. Not only are we trying to pile all of this new spending on the backs of our troops, the fact is that if this rule were to pass, it guarantees that this bill will not get to the President before July 4th. If this rule passes, which self-executes all of this extra spending into it, it will automatically have to go to the United States Senate, where how long it will be there, who knows. But all I can say is that the troops that are out there fighting for the defense of our country, trying to preserve the security for our country for today and tomorrow, are going to be left wanting because of the political chicanery that's going on here in this House. I think this is disgraceful. I really do.

I promised the President 2 months ago that if they brought a clean supplemental spending bill to the floor of the

House, I and my Republican colleagues would be there to help the President pass it. He heard me loud and clear. He looked at the Senate Republican leader and said, Well, what do you think about this? He said, I'm with BOEHNER.

We promised the President we would help pass this bill. But, no, there was never any reaching out, never any working together to try to make sure that our troops had what they needed in a timely fashion. No, the only way we can bring this bill up was to load it up with tens of billions of dollars of new spending—just more stimulus spending that hasn't worked over the last year and a half, and this additional spending is just going to be thrown on the backs of our kids and grandkids.

Mr. Speaker, I think our colleagues tonight should do the right thing. I think they should stand up and say "no" to this rule. Let's say "yes" to a fairer process and to a process that will get our troops the funds that they need in a timely fashion, which is now. If we defeat this rule, you can bet that the supplemental spending bill, without all these other add-ons, will be on the floor of this house. And I can tell you, Mr. Speaker, that I and my Republican colleagues will gladly vote for a clean supplemental to support our troops.

Mr. MCGOVERN. Mr. Speaker, since the distinguished minority leader raised the issue of our commitment to our troops, I should point out for the record that when we debated and voted on the defense authorization bill only a few weeks ago, only nine Republicans voted for that bill. Because they thought the issue of gays in the military was more important than supporting our troops and their families.

At this point I would like to yield 2 minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. I thank the gentleman for yielding.

Mr. Speaker, I just want to point out that the base text of funding the war originated in the Senate and that article I, section 7 of the Constitution says: all bills for raising revenue shall originate in the House of Representatives.

Now, one of General McChrystal's top aides was quoted as saying, "If Americans started paying attention to this war, it would become even less popular." The question is, when will Congress finally begin paying attention to this war, which is being waged with our consent; when will Congress realize that we've lost more than 1,200 troops too many; that we've spent \$300 billion too much; that the deaths of our brave soldiers cannot be justified, that their service is sacred but the mission is not; that the death of every innocent Afghan citizen is a blot on our national conscience.

When will Congress cut off funding? When will the requirements of our failing domestic economy of unemploy-

ment, factory closings, business failures, foreclosures, loss of savings, bankruptcies, failing infrastructure, and failing energy policy cause us to look homeward?

□ 1830

Or should we cut social and economic programs to balance the budget to pay for the war?

We went to war in Iraq based on lies. More than 1 million innocent Iraqis have died. We've lost more than 4,000 of our troops. The long-term cost will be close to \$3 trillion.

Our presence in Afghanistan is an unmitigated disaster. The war is a cesspool of corruption. Billions in U.S. taxpayer dollars are being stuffed into suitcases and flown out of Kabul. The counterinsurgency strategy is a failure. U.S. tax dollars are going to support warlords who end up shooting at our troops. Security contractors bribe insurgents to shoot at our troops to demonstrate the U.S. needs more security services. Professional killers from Blackwater are now contracted to guard our embassy in Afghanistan. Drug production has skyrocketed during the U.S. occupation. U.S. tax dollars are going to build villas in Dubai, and our country is falling apart with a failing economy.

Mr. DREIER. Mr. Speaker, may I inquire of the Chair how much time is remaining on each side?

The SPEAKER pro tempore. The gentleman from California has 15 minutes left, and the gentleman from Massachusetts has 17 minutes left.

Mr. DREIER. Mr. Speaker, with that, I am happy to yield 3½ minutes to my very good friend from Urbana, Illinois (Mr. JOHNSON).

Mr. JOHNSON of Illinois. Mr. Speaker and Members of the House, I stand in opposition to this rule and in sincere but deep opposition to this \$63 billion massive spending bill, and particularly the war spending component of the bill.

I speak, I believe, on the behalf of the hundreds of thousands of brave men and women who serve America in the Middle East with neither a defined objective nor the ability to assess victory or defeat; and on behalf of families of our military personnel around the world who have lost their fathers or their mothers or their sons or their daughters in a valiant but shortsighted effort and battle that can never be won; and on behalf of the American taxpayers who have seen more than \$1 trillion poured into an attempt to fight terror, where there is not even a remote relationship to the welfare of the American people; and really, also, on behalf of the innocent children who have had the misfortune to simply be in the ever-changing line of fire and the vicinity of terrorists who move effortlessly from Iraq to Somalia to Yemen to Paraguay to Afghanistan like the Whack-a-Mole at the county

fair in the form of unconventional and ill-defined tribal warfare that 2,000 years have taught us we simply cannot fight.

I think it was November of 1952, when I was about 6 years old, that Charles Schultz and his Peanuts comic strip came out with the annual saga where, every year, Charlie Brown comes up to the football, and Lucy tells Charlie Brown year after year, "Just one more time we'll let you kick ball." And each year, she pulled the football out, only to find Charlie Brown on his rear end.

I would suggest to you, Mr. Speaker and Members of the House, in this somewhat stretched analogy, that a series of Commanders-in-Chief are Lucy, and we're Charlie Brown, and the football is the illusive promise of a goal that we simply cannot reach. We cannot force a culture to accept our values, and we cannot impose Western democracy on a people who don't understand or accept it and whose leadership is corrupt and antidemocratic beyond repair. And we cannot continue to spend the billions and, arguably, trillions of dollars of the hardworking men and women in this country in a venture that has no objective, no end game, and no proximate connection to the well-being of our Nation.

In conclusion, Mr. Speaker and Members of the House, we cannot afford economically, we cannot afford militarily, and we cannot afford as a people to pass this bill. This President who, frankly, won an election based on his strong antiwar message, like many of his predecessors, asked us one more time to spend a few more billion dollars—in this case \$38 billion—a few thousand more men and women in an effort to kick the football just one more time. It simply isn't doable.

I suggest to you, Mr. Speaker and Members of the House, that this rule underlies a bill that the vast majority, I believe, of the American people don't want. I represent a district in central Illinois, and I think I speak in many ways for middle America. I voted for the authorization of force in Iraq and, frankly, Afghanistan; and I believe, like many of us, I may have questioned my vote. But I believe that we're the greatest nation on Earth, thanks in large part to the generations of fighting men and women who have given their lives to this great cause and democracy and this great Nation of ours.

As we prepare to celebrate our independence in a few days, I think I speak on behalf of the average American citizen who says, For what? What is this money being expended for? Why are we doing it? And what's the end game? And I would suggest to you, Mr. Speaker and Members of the House, that there is no end game, and I would respectfully ask that this rule and the underlying bill be defeated.

Mr. MCGOVERN. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON LEE).

Ms. JACKSON LEE of Texas. Mr. Speaker, I hope that we will have an opportunity to do something we have not been able to do, and that is to debate the Afghan war and the direction that this war is taking and the impact on our men and women on the front lines. I particularly want to say to the families how much we appreciate the sacrifice that you've made as these men and women stand on the front lines of Afghanistan. But I think we're long overdue for a major debate that has to do with that direction.

I support this underlying rule for the purpose of allowing us to have this debate, but also that it provides, on the domestic spending, crucial issues.

Pell Grants will be provided for in \$4.95 billion; border security that impacts the northern and southern border so that we can stand as we do comprehensive immigration reform and assure the American people that we will secure our borders.

In the most catastrophic oil spill from the region that I come, the tsunami of oil spills, we are taking care of the people by providing \$304 million for the gulf coast oil spill, including monies for unemployment assistance.

Then, coming from the region I belong to, as well, we had a tragedy at Fort Hood, and we are now rebuilding the Fort Hood processing center that saw a terrible loss of life because of terrorism.

FEMA disaster. This is the most vigorous season that you could have ever imagined that is to be expected in hurricanes, and we know, among other disasters, we'll have the money here.

But we're also going to say to the youth of America when we vote on this, we're providing money for summer youth jobs, \$1 billion in youth jobs that we in the Congressional Black Caucus—and many Members joined us—are fighting for. This is a crucial step forward. We're providing for black farmers who have been discriminated against over the years.

And then, as I have indicated, we will have an opportunity to question not the men and women in Afghanistan or Iraq, but to question whether or not it is wise to focus on insurgents versus terrorists so that we send men and women into harm's way without a discerning goal.

The SPEAKER pro tempore. The time of the gentlewoman has expired.

Mr. McGOVERN. I yield the gentlewoman an additional 30 seconds.

Ms. JACKSON LEE of Texas. I thank the gentleman.

I will tell you, ladies and gentlemen, when you begin to fight those who are classified as your neighbors—and I don't use that term loosely. The Taliban live in Afghanistan. And whenever you determine to fight those individuals, it makes it very difficult to win this war.

Mr. CULBERSON. Would the gentlewoman yield?

Ms. JACKSON LEE of Texas. The gentleman has his own time. I appreciate it. I am concluding.

And finally, let me say that I offered an amendment to maintain NASA human space exploration and the funding as it was. I look forward to working with this Congress and the Democrats to make sure that happens.

Mr. DREIER. Mr. Speaker, my friend from Houston wouldn't yield; so I will yield 30 seconds to my other friend from Houston, Mr. CULBERSON.

Mr. CULBERSON. And with my 30 seconds, I invite Ms. JACKSON LEE to refer to page 14 of this bill. She may not be aware that this legislation gives control over Texas' education funding to the Federal Government and, in fact, will force tax increases and spending increases in Texas, and that this has never been done before for any State in the Union. And I want to make sure that she is aware of this provision that says that Texas cannot spend any less money on education than we are spending in the fiscal year 2011, which is going to include some stimulus money and result in tax increases for Texas, giving the Federal Government control over Texas' education spending. Was she aware of that?

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. McGOVERN. Mr. Speaker, I yield 30 seconds to the gentlelady from Texas.

Ms. JACKSON LEE of Texas. I thank the gentleman.

And let me publicly apologize to the gentleman. I was rushing. I wanted to make sure I mentioned NASA. But let me say that, yes, I am aware, and I am enthusiastic about that language. And I thank the leadership for it because, in fact, it is celebrated and supported by 40-plus school districts in Texas to prevent the Governor of the State of Texas from misusing education dollars, as they have been misused before. This is money that will be effectively used for the schoolchildren of the State of Texas. And I thank the gentleman.

Mr. DREIER. I would be happy to yield an additional 15 seconds to my friend from Houston if she might yield to our other friend from Houston, Mr. Speaker.

Ms. JACKSON LEE of Texas. I yield to the gentleman.

Mr. CULBERSON. Is my colleague from Texas aware that this provision strips the Texas Legislature and the people of Texas of the power to make decisions at the State level?

Ms. JACKSON LEE of Texas. Reclaiming my time, what I'm aware of is that this language is supported by at least 40 school districts that support the money being able to come directly to them or not being used if it is not used for education. Additionally, this language only includes education funding not stimulus dollars. So it will not

artificially increase any costs to the taxpayers. The school districts will benefit from the Governor having to use federal education dollars for education.

Mr. DREIER. Mr. Speaker, let me remind my friends that we are in the midst of a debate on the war supplemental.

At this time I am happy to yield 1 minute to my good friend from Howard, Pennsylvania (Mr. THOMPSON).

Mr. THOMPSON of Pennsylvania. Mr. Speaker, I rise in opposition to the rule.

We are supposed to be dealing with emergency spending. So I ask, what is the emergency in section 4172? That section strips my district of an Appalachian Development Highway System designation. I found out about this 24 hours ago. This designation is a connection between Philipsburg, Pennsylvania, and Interstate 80 in Clearville, Pennsylvania. This highway stretch has been codified in law for over 12 years.

Mr. Speaker, this is hardly an emergency situation. The situation with my district and this mysterious section 4172 is a clear indication of what is wrong with this rule and the breakdown in the process here in this House. It appears that "emergency" now just translates to a "backroom deal."

I urge my colleagues to vote in opposition to this rule.

Mr. DREIER. Mr. Speaker, may I inquire again how much time is remaining on each side?

The SPEAKER pro tempore. The gentleman from California has 9¼ minutes, and the gentleman from Massachusetts has 14 minutes.

Mr. McGOVERN. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. WATERS).

Ms. WATERS. Mr. Speaker and Members, I rise in support of the rule. A lot of people have put in a lot of work to organize this supplemental in ways that many of us would have the opportunity to support.

I am focused on several aspects, but I am particularly focused on the amendment that will be brought before us by BARBARA LEE. BARBARA LEE has an amendment that basically would strip the funding that is dedicated to the war in Afghanistan and redirect those funds so that we can safely withdraw from an Army that has less and less support of the American people.

And while I will not get into details about my support for that amendment at this time—I will be speaking on it later—I wish to congratulate the leadership and our Rules Committee members for the hard work that they have put in in organizing the rule on the supplemental. It has not been easy. There are a lot of concerns. There are a lot of demands. We have a lot of needs that need to be addressed.

So while we are wrestling with addressing the needs of our domestic

community and our domestic concerns, we still have to be concerned about the direction that the war is taking and what that means for the future of this country. While we are bogged down in a serious deficit, the moneys that we are spending on this war must be reconsidered in ways that will eventually wind this war down and give us an opportunity to focus on our domestic needs.

□ 1845

So I would ask my colleagues to support the rule on this supplemental.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentlewoman from Grandfather Community, North Carolina (Ms. FOXX), a tireless worker on the Rules Committee.

Ms. FOXX. Mr. Speaker, President Obama promised over and over during his Presidential campaign that he would end the practice of funding the wars with supplemental funding, as we are about to do today.

Then in February of 2009, during his first address to Congress, he said, "For 7 years we have been a Nation at war. No longer will we hide its price."

In other words, no more supplemental war funding bills.

Okay, fair enough.

Then in April 2009 President Obama requested \$83 billion in additional funding for the wars, saying, "This is the last planned war supplemental," in a letter to House Speaker PELOSI. He called for "an honest, more accurate and fiscally responsible estimate of Federal spending" after years of "budget gimmicks and wasteful spending."

Now his administration is requesting a \$33 billion war funding supplemental bill and calling its passage essential.

What gives? Is this a budget gimmick, or is it essential spending?

Mr. Speaker, this administration can't have it both ways. We need to provide funding for our troops, and we need to do it expeditiously and without billions of pork.

Unfortunately, because of the hypocrisy of this administration on this issue, we're faced today with a supplemental funding bill that is stuffed with unrelated spending that breaks another of the President's promises.

Mr. MCGOVERN. Mr. Speaker, I yield myself such time as I may consume.

I actually agree with the gentlelady in my disappointment that the President has decided to submit a supplemental bill to fund this war in Afghanistan. But I think it is not—it is a little bit, well, unfair for her to criticize President Obama when President Bush did this routinely. And we have spent over \$1 trillion, \$1 trillion on the wars in Iraq and Afghanistan. And the vast majority of that money is not paid for. It's all borrowed. We're not paying for it. Our kids will pay for it and our grandkids and our great grandkids.

And, you know, so I find it also a little bit puzzling that we're having this,

we had this debate earlier today over the extension of unemployment benefits for the millions of people who are unemployed in this country due to this terrible economy. And my friends on the other side of the aisle said, well, we can't afford it. We can't afford to pay for it so we're going to deny these citizens who have fallen on hard times the ability to get unemployment compensation.

Yet, when it comes to funneling money to the corrupt Karzai regime, we're a bottomless pit. So I think all of us, Republicans and Democrats, need to come together and figure out how to get this right.

And I hope that the gentlelady will join with me and my colleague, DAVE OBEY, in supporting our amendment asking for the President to develop a plan consistent with his statement that we will begin the withdrawal of our forces in July of 2011.

Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. GARAMENDI).

Mr. GARAMENDI. Mr. Speaker, I rise in support of the rule so that we can get on to discussing an extremely important matter, not only the domestic issues that will be included in this piece of legislation which are absolutely essential. We do need to educate our kids. We do need to provide for critical domestic policies.

I also want to get to the issue of the war, particularly the war in Afghanistan, of which there will be some \$30 billion allocated for that war. I strongly oppose that appropriation.

The Lee amendments, the McGovern amendments, the Obeys amendments all come to grips with that and, in various ways, will cause us to get out of that war.

We have to focus laser beam-like on al Qaeda, but that doesn't mean that we have to engage in a counterinsurgency program in Afghanistan.

\$30 billion. The Pentagon estimates that it's \$875,000 per soldier in Afghanistan. Roughly \$87,000 is enough for a well-paid teacher in America. That translates to 300,000 teachers. If we took that \$30 billion and used it in America, we could employ 300,000 teachers.

We have to have a strong economy. We know that economy is in desperate need of a well-educated workforce. Better to spend the money here at home. Better to focus laser beam-like on al Qaeda wherever it may be in this world, whether it's in Aden, whether it is in Saudi Arabia or whether Sudan or Afghanistan and Pakistan, but not engage in a terribly expensive counterinsurgency program in Afghanistan.

Some of us were around for the Vietnam War. And what this sounds like is another Vietnam, a quagmire in which we will ultimately extract ourselves with extraordinary loss of life and treasure. It's time to stop it right now.

So I ask for an "aye" vote on the rule and support for the two amendments that we'll be dealing with.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to my very good friend from Lake Jackson, Texas (Mr. PAUL).

Mr. PAUL. Mr. Speaker, I rise in opposition to this rule. It's been described rather vividly on this side of the aisle how messy this process is, so I strongly oppose this.

Of course, I also strongly oppose the funding, especially for the funding for the war. This is a war that I've objected to for a very long time. This war is going badly. It's not a declared war. We don't have a precise enemy. The Taliban is the spoken enemy, and yet the Taliban are individuals who have never committed terrorism outside their homeland. The Taliban is an outgrowth of the mujahadin, who we were at one time allies with, along with Osama bin Laden. So it isn't a very neat little war.

Here we are, we are the most powerful Nation in the world, the most powerful army ever organized in the history of the world. And yet we are fighting a war that essentially is not a war. We're fighting a war against individuals that have no tanks, no planes, no ships, no modern technology; and we're not doing well. There's something wrong. If it were truly a war, a declared war and we knew who the enemy was, the war would be over.

The fact that the war is not over after 9 years, it's draining us, it's draining us of life and limb, it's draining us of funding. The wars in the Middle East have drained trillions of dollars, and we are suffering from a severe problem, a financial crisis here at home. So it's time that we start looking abroad and looking at what we're trying to maintain. We're in over 130 countries, 900 bases. It's unsustainable.

It was brought to attention this past week that we were having problems. If we were doing well in Afghanistan, we wouldn't be firing our generals. We want to put the blame on the generals. If we change the generals, everything is going to be okay.

But our generals are trained to fight wars. They're not trained to be nation builders and social workers and policemen. So this is a war that I see is going to be very difficult, if not impossible, to win until we change our policy.

Mr. MCGOVERN. Mr. Speaker, I reserve the balance of my time.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to my friend from Houston, Texas (Mr. CULBERSON), a hardworking member of the Committee on Appropriations.

Mr. CULBERSON. Mr. Speaker, one of the bedrock principles upon which this government was created was to provide for the common defense. Yet this Democrat majority was asked 5 months ago by the President to provide funding for the war.

It's been 35 days since the United States Senate passed a straightforward, simple funding bill for the war, which all of us on the Republican side would have voted for without objection to support our men and women in the field. Yet today we've only got 90 minutes of debate for it.

The United States, the public, the American people have only seen this bill since 11 this morning.

I serve on the Appropriations Committee, none of the Republican members of this committee, none of the Republican staff members were included in the drafting of this bill. The United States of America, particularly our troops in the field, deserve far better than this.

Is it any wonder that the public does not trust the government? Is it any wonder a tsunami is building that will sweep out this liberal majority in November and elect a constitutional conservative majority committed to fiscal responsibility, committed to preservation of our Constitution, committed to preservation of the States' rights to control something as fundamental as education spending?

On Page 14 of this bill, which no one saw until 11 today, the State of Texas is stripped of its sovereign authority to control education spending. It's given—for the first time in this Nation's history, control over education spending in a sovereign State of the Union is given to the Federal Government by an amendment no one saw until 11 today, that the liberal majority is prepared to vote for, which will result in the destruction of the 10th Amendment sovereign power of the people of Texas, in big tax increases and spending increases, because this language says we can't spend any less than was spent in 2011, an artificially high number that will include "spendulus" money, leading to property tax increases, state-wide tax increases in Texas.

Why aren't we simply funding our troops in the field?

This is why you'll lose the majority in November.

Mr. MCGOVERN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I remind my colleagues here that my friends on the Republican side of the aisle, with the exception of only nine, voted against the Defense authorization bill just a few weeks ago, a bill that provided a great deal of support for our troops and their families. Why did they vote against it? They voted against it because they were preoccupied with the social issue of gay marriage. Where were they then when it came to supporting our troops and supporting their families?

My friend talks about all of the great crises that we're facing, but much of the crises that we're facing are as a result of some of the actions that my friends on the other side of the aisle took: two wars on borrowed money; on

top of that, tax cuts for the rich on borrowed money.

And now we have an economy that the President has inherited that we're trying to dig ourselves out of, and we're going to do that. But I think it's important to keep some of this in perspective.

I reserve the balance of my time.

Mr. DREIER. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, we all hate the fact that we have to deal with this war on terror. September 11, 2001, changed the lives of every single one of us. And it is painful and, as I said earlier, the most difficult part of our job is to call the families of loved ones who've paid the price in Afghanistan, Iraq or any other spot in the world. And we all hope and pray that we never, ever have to do it again.

We also recognize that we have to come together and ensure that our men and women in uniform who are on the front line in this battle against radical extremism have what they need.

Now, the American people are sick and tired of wasteful Federal spending. But the American people also understand, Mr. Speaker, that the five most important words in the middle of the preamble of the United States Constitution are, in fact, "provide for the common defense."

Virtually everything else that we do, other than our Nation's security, can be handled by individuals, by families, by churches and synagogues and mosques, by counties, by cities, by States. But our national security can only be handled by the Federal Government.

Now, the President of the United States has just issued what we refer to by the acronym a SAP around here. It's a Statement of Administration Policy. And while we sit here having a debate, which I think is very important for us to have, the President has said that if we don't provide him a clean bill that is independent of all these other extraneous matters—and by the way, if they all don't pass, this bill just dies and we have to start over again—he will veto it.

And so it is fascinating. We, as Republicans, and many thoughtful Democrats, have stepped up to the plate and said that we will join with the President to ensure that that \$33.5 billion that is needed is there for our men and women in uniform.

□ 1900

We've heard from the distinguished ranking member of the Committee on Armed Services, who talked about the fact that just this week General David Petraeus, Secretary Gates, and others have said we must have this funding by July 4. This is Thursday evening, July 1. The request was made in February. The Senate passed, by a 67–28 vote on May 27, this bill, and here we are just

3 days before this time by which the Secretary has said they need these resources.

And what is it we're doing? We're adding spending, we're shifting some 10-mile stretch in Pennsylvania from one district to another. What does that have to do with an emergency supplemental? And we're increasing spending when the American people have said we need to bring about responsible spending cuts.

We can do better, Mr. Speaker. We can do better. We can immediately, after defeating this rule, go upstairs and bring down a rule that will allow us to let Members of Congress who are opposed to providing that \$33.5 billion the opportunity to vote "no," and those of us who want to provide those resources for the troops to vote "yes."

And so, Mr. Speaker, let's vote "no" on this rule. Let's move ahead right now. Let's do what we can to bring this war to an end so that our men and women can come home just as quickly as possible. And the best way to do that is to ensure that they have what it takes so that they can be successful.

I yield back the balance of my time.

Mr. MCGOVERN. Mr. Speaker, I rise in very, very strong support of this rule, and I urge all my colleagues on both sides of the aisle to support this rule. In particular, Mr. Speaker, I am very pleased that this rule makes in order an amendment offered by myself, Mr. OBEY and Mr. JONES of North Carolina to require a meaningful exit strategy from Afghanistan.

As we are being asked to consider tens of billions of dollars in supplemental funding for the war, I believe that now is the time for us to ask tough questions and demand straight answers. Of all the problems that President Obama inherited from the Bush administration, Afghanistan is the one that keeps getting more and more complicated.

In just the past few weeks, two brave young soldiers from Fall River, Massachusetts, in my district, lost their lives in Afghanistan. So this is a big deal, and we need to get it right.

Last December, President Obama told the American people that we would begin to withdraw our forces next July. The American people deserve to know if that plan is still in place and how we're going to get there.

Much has been made about General Stanley McChrystal's comments in Rolling Stone magazine about the Nation's civilian leadership. But there are other parts of that article that I find to be much more disturbing. General McChrystal's chief of operations said that Afghanistan, and I quote, "is not going to look like a win, smell like a win, or taste like a win. This is going to end in an argument."

A senior adviser to General McChrystal said, and I quote again, "If Americans pulled back and started

paying attention to this war, it would become even less popular.” A senior military official said this, and I quote again, “There’s a possibility we could ask for another surge of U.S. forces next summer if we see success here.”

Mr. Speaker, I voted in 2001 to go to war in Afghanistan, to hunt down al Qaeda, and to eliminate their threat. And I would cast that same vote today in a heartbeat. But what we are doing in Afghanistan today is far beyond that original authorization. We are engaged in extensive, expensive nation building in Afghanistan. And frankly, given the level of unemployment and the severe economic situation we face in the United States, I would rather do a little bit more nation building here at home.

Some in this body have refused to support extending unemployment benefits for out-of-work Americans because they say we cannot afford it. We are told we can’t afford to help States avoid laying off teachers. We’re told we can’t afford to improve our roads and our bridges or help more families afford a college education. We are told we can’t afford to prevent foreclosures or to improve child nutrition, and now we are being asked to borrow another \$33 billion for nation building in Afghanistan?

We don’t have the money to help American working families. But when it comes to supporting a corrupt and incompetent Karzai government, we are supposed to be a bottomless pit. You know, we talk a lot about the deficit around here. We have borrowed \$350 billion, added to the debt, not paid for, for the war in Afghanistan. How are we supposed to address the deficit if we don’t know how many more billions of dollars we are going to be spending in Afghanistan?

My colleagues, we all have a responsibility here. It’s not just the President’s war. It’s our war, too, like it or not. We voted to send our sons and daughters to war. We voted repeatedly to send money to support this war. We have a responsibility to ask the tough questions and to do the right thing. So I urge all my colleagues to think long and hard today about this critical issue. It is time for Congress to step up to the plate and do its duty.

I hope my colleagues will support the Lee amendment. I hope they will support the McGovern-Obey-Jones amendment. And I hope they will support this rule.

Mr. Speaker, I urge a “yes” vote on the previous question and on the rule.

Mr. SPRATT. Mr. Speaker, I rise to support the budget enforcement resolution for fiscal year 2011, contained in this rule. This resolution sets an overall limit of \$1.121 trillion on discretionary spending in next year’s appropriations bills. This limit is well below the comparable request made by the President for FY 2011 and \$3 billion below the resolution approved by the Senate Budget Committee.

One of the chief functions of a budget resolution is to cap the level of discretionary spending for the forthcoming fiscal year. This resolution serves that purpose, and permits the Appropriations Committee to move forward with appropriation bills for fiscal year 2011.

The “Pay-As-You-Go” rule, PAYGO, passed previously, bars increases in mandatory spending and decreases in revenues, unless offset, so that they do not add to the budget deficit. The current PAYGO system requires that the authorizing committees meet the deficit-neutrality test for four time periods: two for the House PAYGO rule and two for statutory PAYGO. This resolution would align these time windows so that the requirements for complying with House PAYGO and statutory PAYGO would be the same, and makes other synchronizing changes—thus facilitating the consideration of deficit-neutral bills.

While this resolution does not project the budget out over five years, it does look to the future by assuring that the House will have an opportunity to vote this year on longer-term budget proposals made by the President’s Fiscal Commission and approved by the Senate. This resolution also sets an out-year goal for the budget: a budget in primary balance (excluding net interest costs) in 2015.

The budget enforcement resolution reinforces the Commission’s goal of lowering the deficit to sustainable levels, and as mentioned, reaffirms the House leadership’s commitment to bring to a vote any of the Commission’s recommendations passed by the Senate.

In addition, this resolution—instructs House committee chairs to submit recommendations for eliminating wasteful spending in their committee jurisdiction; and accommodates additional program integrity funds of \$538 million in 2010 to reduce waste, fraud, and abuse in the federal budget.

When all of these elements are brought together, they form a complete substitute, the functional equivalent of a budget resolution.

The budget enforcement resolution limits discretionary spending, while the PAYGO rules limit mandatory spending and revenue reductions. These are disciplines for the short run, while the Fiscal Commission works out recommendations for the longer run.

The budget enforcement resolution is another of many steps Democrats in the 111th Congress have taken to enforce fiscal responsibility, such as enacting statutory PAYGO; reforming defense acquisition; and insisting, successfully, that health care reform not add to the deficit.

Ms. JACKSON LEE of Texas. Mr. Speaker, I am pleased to come before you today in support of H. Res. 1500, a rule providing for H.R. 4899, the “Supplemental Appropriations Act of 2010.”—a bill that will help create jobs for Americans and provide assistance in Iraq, Afghanistan, and Haiti.

I want to thank Chairman OBEY and Ranking Member LEWIS for their leadership on this timely legislation. Clearly, this is an important bill and must be only amended with items that are essential to provide the necessary assistance this country so greatly needs.

H.R. 4899 will provide funding for the needs of the American people, from national security, housing, employment, health, to education. I fully support these efforts and want to stress

that we must continue to provide policies and funding that ensure that the United States remains a global leader in science and technology, including space exploration, which not only results in knowledge-building, but also in hundreds of thousands of jobs throughout the nation.

Mr. Speaker, this supplemental appropriation is quite different from any other supplemental appropriation that members of this body will ever consider. This supplemental appropriations bill provides over \$37.47 billion to support our troops, over \$24 billion to keep teachers, firefighters and law enforcement personnel on the job while states continue to recover from the recession; over \$13 billion for Vietnam veterans and survivors exposed to Agent Orange; \$5.7 billion for PELL; \$2.8 billion for Haiti; \$677 million border security; \$275 million for the Gulf Coast oil spill including unemployment benefits program and unemployment assistance related to the oil spill and an oil spill relief employment program that are underway for the self-employed businessman and women who were greatly impacted by the Gulf Coast oil spill.

No price is too great to pay, Mr. Speaker, when it comes to doing what is necessary to aid our country. This bill must only be amended with key items that are critical to adequately address this nation’s needs. I am therefore, offering several amendments to H.R. 4899.

GULF OIL SPILL AMENDMENT

I am offering an amendment that would require the President to appoint a research and development team to review and recommend new technologies to prevent oil spills.

The response to the Deepwater Horizon explosion and spill highlights an unfortunate deficiency in our national infrastructure. Many people have criticized the administration’s response, and seeming willingness to put those responsible for the mess in charge of the cleanup. However, the sad fact is that the administration and Coast Guard had to let the oil industry take a larger role in leading the cleanup than any of us would like.

The problem is that the government does not have the tools necessary to take full charge in a disaster like this. The oil industry does. It is industry that has the equipment necessary to drill deep, deep below the surface of the ocean. The Federal government has the best in technology in many areas, but not in this one.

But as the events of the past two months have shown, the Federal government needs those tools. Where the industry cannot or will not do what is necessary to react quickly to incidents of their own creation, the government must. And where the government has responsibility, it must have the tools and technology to act effectively.

GULF OIL SPILL AMENDMENT

I am offering an additional amendment, for a team of experts. Leaders from academia, research, government agencies, and even the oil industry can review and recommend new technology that the government can use to prevent and clean up spills, particularly in deep water, to prevent them from doing nearly irreparable harm to our economy and our environment.

My amendment would require the President to appoint an emergency oil spill coordination team to respond to oil spills in this country.

One of the most disturbing questions raised in the public's mind as they watched the disaster in the Gulf of Mexico unfold is "Who is in charge?" For weeks it seemed as if there was no clear answer. For too long, it seemed that BP, the entity responsible for the explosion and oil slick, was in charge of the clean-up. This did nothing but diminish public confidence in the response.

Now, of course, we know who is in charge, and Admiral Allen is doing an admirable job. But it is extremely important that we establish, ahead of time, a clear and definite answer to the question of who is in charge. My Amendment will require the President to appoint an emergency oil spill coordination team in case a tragedy like this ever occurs again. The team shall consist of the Commandant of the Coast Guard, the Administrator of the Environmental Protection Agency, the Secretary of Energy, the Secretary of Commerce, the Secretary of Interior, and chief of the Army Corps of Engineers, the leaders of the agencies most involved in tasks of this nature. The President shall also establish a clear chain of command and decision making from this team.

We hope that an incident like this, a man made disaster of this magnitude, will never, ever happen again. But in the event that it does, we need to know who is in charge of the response, with no period of unnecessary uncertainty.

BORDER SECURITY

"To provide \$100 million to hire special agents and investigators at the Bureau of Alcohol, Tobacco, Firearms and Explosives to help investigate and track illegal firearms and help prevent the flow of weapons across Border States."

My amendment will provide \$100 million to hire special agents and investigators at the Bureau of Alcohol, Tobacco, Firearms and Explosives to help investigate and track illegal firearms and help prevent the flow of weapons across Border States.

The United States continues to fight the battle against the powerful drug trafficking organizations that have plagued our sister cities just across the border with violence. We have been fortunate thus far that for the most part the violence has not spilled over into the United States, but we cannot depend on being insulated forever. Instability abroad is a danger to stability at home, and we have a vested interest in helping our neighbors to the south wrest power away from the criminal organizations that have threatened the safety of their citizens, and brought drugs into our country.

One of the ways we can help them is by stemming the illegal flow of weapons across our Border States and into Mexico. I fully support the Second Amendment enshrined in our Constitution, but I do not believe we can continue to allow criminals to buy semiautomatic and assault weapons and other arms in the United States, only to use them to kill, maim, corrupt and wreak havoc on the safety and security of our Mexican neighbors. It hurts them and it hurts us. We must do everything we can to stop this illegal arms traffic.

Fortunately, in stopping this illegal traffic we can also strengthen our own safety and secu-

rity in the United States. State and local law enforcement officials and experts in academia have suggested that a much needed increase in resources to the Bureau of Alcohol, Tobacco, Firearms and Explosives will increase our ability to monitor and track arms sales within the United States, helping us to prevent the illegal flow of weapons south of the border into Mexico.

By increasing the investigative capacity and manpower of this agency, we can better identify the straw buyers drug trafficking organizations are increasingly utilizing to acquire weapons here legally, which they then illegally transfer and transport into Mexico. Over 87 percent of all traceable arms recovered by Mexican authorities have been traced to the United States. We have here an enormous opportunity to help reduce the power of the drug trafficking organizations. While stemming the illegal flow of weapons south is no panacea for reducing violence across our border, it is a very important component of that process.

Strengthening the ATF will also help us to more effectively monitor the approximately 6,700 federal firearm licensees, FFL, that exist along the southern border. By monitoring these licensed sellers and their gun sale records, it will be much simpler to track and trace suspicious purchase patterns and buyers, weakening the drug trafficking organizations' ability to acquire weapons in the United States. This is of particular importance when many of the guns favored by the cartels are those capable of loading armor piercing rounds destined for killing Mexican law enforcement officials.

The appropriations in this amendment are only a small part of what must be a larger strategy to increase security at the border and combat the drug trafficking organizations. Many challenges remain unanswered, including the ease with which individuals can illicitly acquire assault weapons that present an enormous challenge to law enforcement and even military officers in Mexico, and that weaken security in border cities in Mexico. Nonetheless, increasing strategically targeted funding for investigators and special ATF agents is a promising start to getting our border under greater control and stopping the flow of weapons into the hands of drug trafficking organizations.

BORDER SECURITY

To offer \$500 million in grant assistance to state and local law enforcement agencies to Border States within 100 miles of the Border States and to cover salaries and expenses associated with border enforcement for State and local officials.

I also offer an amendment of \$500 million in grant assistance to state and local law enforcement agencies to Border States within 100 miles of the Border States to purchase interoperable communications, hire additional investigators, detectives and other law enforcement personnel, and to cover salaries and expenses associated with border enforcement for State and local officials.

Our Border States are frustrated and in need of targeted assistance. In recent months I have attended a number of different hearings, briefings and press conferences on immigration, combating the drug trade, and improving the border, and in almost all instances I

have heard the same comment: Border States are frustrated. The deeply misguided Arizona Law, SB1070 for example, is an expression of that very frustration. Unless we want to see more of a backlash, we in the federal government need to do more to help our Border States, vital to securing our nation and upholding our immigration laws, do their job right.

First of all, we need to do more than just provide "boots on the ground" to help secure our borders. While deterrence is essential to improving security, several members of the law enforcement community have stressed the importance of providing more resources for investigators and detectives, who can help to ferret out and dismantle the criminal activities taking place on our borders.

Moreover, while federal agencies have improved their coordination, communication within local and state authorities continues to be problematic. Communication in disperse rural areas presents a particular challenge. At a hearing on the Merida Initiative, I heard the moving testimony of a rancher from rural Arizona, Mr. Bill McDonald. He pointed out how a lack of resources and a rapid turnover rate make communication extremely important, but extremely lacking. These rural areas, and the people who live there, are in many cases the most vulnerable to human traffickers and drug traffickers.

This Amendment will provide Border States with the much needed support that they need in order to more effectively secure our borders from threats, and ensure a safe and stable environment for our border residents. The \$500 million in grant assistance will provide for additional personnel, particularly investigators and detectives crucial to loosening the grip that criminal organizations have slowly tightened on our borders. More robust, well funded, and well resourced law enforcement systems are exactly what our Border States and residents demand.

Moreover, this Amendment will provide funds specifically for interoperable communications equipment that will improve security on our borders. Along with a more robust and effective local law enforcement effort, improved communications equipment and strategies will aid in providing more effective coverage of our more vulnerable rural areas, and ensure more effective protection of our vulnerable border residents.

Finally, this Amendment is an important piece of what must be a broader continued and tireless effort to secure our nation against ever changing threats, and provide federal leadership on an issue that continues to frustrate Border State residents and constituents nation-wide. These appropriations to improve law enforcement efforts at the border are only a small part of more comprehensive reforms to our immigration system, reforms that the American people are crying out for and that I sincerely hope my fellow members will stand behind. Thank you Madame Chair, I yield back the balance of my time.

DEFENSE AMENDMENT

To establish portability between states of individualized education programs, and disability and therapeutic benefits of a dependent of a member of the armed forces upon transfer of the member.

I offer an Amendment that will establish portability between states of individualized

education programs, and disability and therapeutic benefits of a dependent of a member of the armed forces upon transfer of the member.

Our armed forces and their family members are among the most valued members of our society, custodians of our freedom and protectors of our democracy. We must re-commit ourselves to serving them with the honor, dignity and respect with which they serve their country.

An important part of anyone's quality of life is their family and dependents. One of the ways in which we can serve the members of the armed forces who sacrifice so much for our safety and our liberty is to ensure that their families are taken care of, and to eliminate the bureaucratic red tape involved in moving from one place to another. Members of the armed forces often find themselves moving, and uprooting their families and their lives. Again, my Amendment aims to facilitate a fair and equitable process.

My Amendment would make the educational, disability and therapeutic benefits of a child or dependent of a member of the armed forces transferrable from one state to another. This will greatly facilitate and simplify what is already a difficult, complicated and often painful process for the men and women who put their lives on the line for our country, and their families. Let us serve them, as they have served us.

NASA AMENDMENT

My Amendment would ensure: All managed funding for the National Aeronautics Space Administration (NASA) NASA Constellation programs will be maintained through fiscal year 2015 with the assumption that the Constellation program will continue; (2) U.S. human space flight systems shall be lead by the U.S. government to ensure crew safety and to ensure skill, capabilities and institutional knowledge attributable to NASA and ISS can be retained by the U.S. for the appropriate time; (3) strengthen partnerships between universities and NASA centers; and (4) ensure a protocol for commercial human space flight utilization shall be established.

The President's proposed FY 2011 budget eliminates funding for a portion of the Constellation Program which includes the Orion Crew Capsule, the Altair Lunar Lander, and the Ares I and Ares V rockets.

Earlier this year, I introduced H. Res. 1150, "Designating the National Aeronautics and Space Administration (NASA) as a national security Interest and Asset," and stating findings that the elimination of funding for the NASA Constellation program in the President's proposed FY 2011 budget presents national security concerns.

It is critical that managed funding for the NASA Constellation programs is maintained through fiscal year 2015 as:

1. Elimination of the Constellation programs will present Homeland security implications for cyberspace, critical infrastructure, and Intelligence community of the United States;

2. Elimination of the Constellation programs will compromise the effectiveness of the International Space Station as it relates to the strategic importance of space station research, and intelligence; and

3. Continuation of NASA's Constellation program is crucial to maintaining thousands of

American jobs and the U.S.'s leadership role and technological edge as well as securing valuable knowledge that improves national security, climate, and research in science and medicine.

Eliminating the Constellation upon retirement of the Space Shuttle will diminish the Nation's international leadership role and efforts to advance scientific research in space. The United States will for the first time, since its space program began, be without a human space flight program.

Additionally, transferring funds from the Constellation program to the development of commercial space programs to carry humans and crew into space is taking a chance on an unproven quantity and is an unnecessary and unreasonable risk this country must not take at this time. It is more prudent to establish a protocol for commercial human space flight utilization at this time.

It will take years for the commercial spaceflight industry to get up to speed to reach the level of competence that exists at NASA today. Our government has already invested literally years and billions of dollars into this program. We should build upon these investments and not abandon them. Our country can support the commercial spaceflight industry, but not at the expense of our human spaceflight program, which for years has inspired future generations and driven technology that enhances our quality of life.

The retirement of the Space Shuttles this year will leave the United States vulnerable and dependent upon Russia to put U.S. astronauts in orbit without the Constellation program.

In May of last year when it became clear the U.S. had no one else to turn to, Russia raised its prices from \$48 to \$51 million per launch for each astronaut.

In addition, it is important for us to remember that the Constellation program is not just about going to the moon, as the U.S. has a commitment to the International Space Station (ISS). With the Space Shuttles being retired this September, the Constellation is the only system under development that will give NASA the future capability to launch crews to and retrieve them from the ISS. Decreasing the use of the International Space Station would impact the ability to sustain its systems and physical infrastructure.

The Congress should recognize the policy outlined in section 501(a) of the National Aeronautics and Space Authorization Act of 2005 (42 U.S.C. 16761(a)), that the United States shall maintain an uninterrupted capability for human space flight and operations in low-Earth orbit, and beyond, as an essential element of national security and the ability to ensure continued United States participation and leadership in the exploration of space.

The human space flight program should be funded to continue use of the International Space Station to support the agency and other federal, commercial, and academic research and technology testing needs. NASA conducts aeronautics research to address aviation safety, air traffic control, noise and, emissions reductions and fuel efficiency.

NASA's contribution to our knowledge of air and water supports has improved decision making for natural resource management and

emergency response, thus enabling us to better respond to future homeland security threats.

Knowledge of Earth's water cycle is a critical first step in protecting our water supply; water flows over the Earth's surface in oceans, lakes, and streams, and is particularly vulnerable to attack.

NASA sensors provide a wealth of information about the water cycle, and contribute to improving our ability to monitor water resources and water quality from space. We must also protect the quality and safety of the air we breathe; airborne contaminants can pose danger to human health; and chemical, nuclear, radiological, and biological attacks are plausible threats against which we can better protect the United States through NASA's research.

Elimination of the Constellation program will present homeland security implications for cyberspace, critical infrastructure, and the intelligence community of the United States. Elimination of the Constellation program will also compromise the effectiveness of the International Space Station as it relates to the strategic importance of space station research, and intelligence.

Continuation of NASA's human space flight program is crucial to improving national security, studying climate change and its effects, and research in science and medicine.

For the above reasons, it is my hope that my Colleagues will join me in supporting efforts to maintain NASA's Constellation Program. It is through balanced policies that promote economic growth that we will continue to maintain our international leadership and technological competitive edge, and gain valuable knowledge relating to the national security of our nation.

SUMMER JOBS AMENDMENT

Making emergency supplemental appropriations for disaster relief and summer jobs for the fiscal year ending September 30, 2010 and for other purposes.

Mr. Speaker, as you know, the Senate has proposed to strike out a portion of the Act that is vital to supporting the career development of our nation's youth. My amendment would reinstate the section of the bill pertaining to "Employment and Training Administration," which appropriates \$600 million dollars in grants to states to support summer employment programs for youth.

The recent recession has affected various sectors, and unemployment has been borne by many sectors of the economy, particularly in the housing and banking sectors. The suffering that comes with a major economic downturn has been felt not only by the adult population, but by our youth as well, and they have been hindered in their efforts to acquire summer employment as I speak. Statistics also demonstrate that youth minority groups have been more affected than other groups of young individuals. Data assembled by the Bureau of Labor Statistics indicates that in July 2009, 51.4 percent of young persons between the ages of 16 and 24 were involved in some form of summer employment. This was the lowest recorded rate since 1964. The youth unemployment rate, at 18.5 percent, was also a record low since the onset of the Bureau's statistical studies almost forty years ago. In

comparison to a 4 percent rise in unemployment for white youth, 7 percent more African Americans and 10 percent more Hispanics became unemployed between 2006 and 2009. These numbers are troubling, and indicate a need for intervention on our part.

It is important that in our efforts to aid in the economic recovery effort, we do not forget our young Americans. Their career development is crucial to ensuring that whatever economic strides we make today will be sustainable tomorrow. As such, we must ensure that we do not neglect the hardships that have been inflicted upon them as a result of the economic downturn. These funds will promote the intellectual development of our youth, which, in turn, will promote a healthy and innovative economy. Studies have also shown that such an initiative could work to decrease the likelihood of criminal activity by young individuals, who are less likely to engage in such activity when they are involved in productive use of their time.

This amendment will provide an indispensable source of support for our states to help them develop our youth. For these reasons, I urge my Colleagues to support my amendment on summer youth jobs.

HAITI AMENDMENT

An amendment to require the Department of State to report on contracting procurement in Haiti.

Mr. Speaker, my amendment to increase oversight over the contracting process in Haiti. This amendment requires that the Department of State prepare a report that describes how offers received in response to solicitations for contracts to be carried out are evaluated.

As Haiti's neighbor, it is the responsibility of the U.S. to help Haiti recover, and to build the capacity to militate against future disasters. Yet, it must be done in a way that is transparent and accountable.

Last month, I held a town hall meeting to link USAID and contractors seeking to secure contracts to rebuild Haiti following the devastating earthquake. Similar to contractors operating in Pakistan, these groups were concerned that they were not able to access the contracts in a transparent manner.

There are vast untapped human resources and potential in the United States, and the people of Haiti are in need of our help. During these economic times, it only makes sense to ensure that the hard working men and women of the United States have an opportunity to contribute to helping the people of Haiti rebuild their nation. USAID and the American Red Cross will help open the door for our local businesses including small, minority and women-owned and disadvantaged businesses to participate in something great, at the same time strengthening our own damaged economy.

Mr. Speaker, transparency is at the heart of an effective assistance program. Again, I ask my Colleagues to allow this amendment to move forward.

PAKISTAN AMENDMENT

Amendments to require the Department of State to report on contracting procurement in Pakistan.

An amendment to increase oversight over the contracting process in Pakistan. This amendment requires that the Department of

State prepare a report that describes how offers received in response to solicitations for contracts to be carried out are evaluated.

A major focus of the President's policy review was the importance of Pakistan to our efforts in Afghanistan, to regional stability, and to our national security and foreign policy interests. There remains mistrust between our two countries, but we see a critical window of opportunity created by the recent transition to democratic, civilian rule and the broad, sustained political support across Pakistan for military operations against extremists. We seek to lead the international community in helping Pakistan overcome the political, economic, and security challenges that threaten its stability, and in turn undermine regional stability. And we seek to build a long-term partnership with Pakistan based on common interests, including recognition that we cannot tolerate a safe haven for terrorists whose location is known and whose intentions are clear.

As co-Chair of the Pakistan Caucus, I have met with dozens of groups concerned about the future of Pakistan. Every single group has told me that they are unable to access information about the contracting process in Pakistan as it relates to the \$1.5 billion authorized by the Kerry-Lugar-Berman bill. This lack of transparency threatens to undermine the tremendous progress we have made in Pakistan gaining the trust of the people and the government. It is therefore crucial that my Colleagues support an amendment that will work to alleviate those fears and implement transparency measures as the cornerstone to our assistance programs.

I thank you for consideration of H.R. 4899 for the Fiscal Year 2010 Emergency Supplemental Appropriations bill.

Mr. POMEROY. Mr. Speaker, I rise today in opposition to the rule allowing for consideration of House amendments to H.R. 4899, the Supplemental Appropriations Act.

I believe that it is irresponsible of Congress to leave for the Fourth of July recess without sending the Senate-passed supplemental appropriations bill to the President's desk for signature. Insisting on inclusion of additional spending above the Senate-passed supplemental levels, with absolutely no assurances that the Senate is willing or even able to pass this additional spending will do nothing but delay vitally important emergency funding.

Swift approval of the supplemental is needed not only for the war effort but also for areas of the United States, like North Dakota, who have been hit hard by disasters and desperately need Federal Emergency Management Agency (FEMA) disaster relief funding owed them. While I do not take issue with the additional offset spending that is being discussed, the current push to add it will result in Congress failing to enact a supplemental for several weeks, with the strong possibility of ending up right back where we began.

I am submitting, as a part of my statement, a copy of an editorial that recently ran in the Bismarck Tribune titled "Congress' needs to meet its responsibilities". Congress' inability to complete even its most basic business has the American people's patience running thin. The delay in passing a supplemental appropriations bill endangers our soldiers fighting overseas and is preventing critical aid from reach-

ing those who have been hit with disasters here at home. We must act today to pass the Senate version of this bill and avoid further delays.

[June 30, 2010]

CONGRESS NEEDS TO MEET ITS RESPONSIBILITIES

Mor-Gran-Sou Electric, crippled by the Good Friday snowstorm, qualified for financial disaster relief from the Federal Emergency Management Agency.

The damage to Mor-Gran-Sou poles and lines was extensive and pricey, upwards of \$30 million.

The feds agreed to pick up 75 percent of the cost. That's what disaster relief programs are all about—financial help when a natural disaster levels an area.

Except, the check isn't in the mail.

When the feds, when anyone, says they are going to do a thing, they ought to do it—and do it in a timely fashion.

There's no excuse for FEMA, and really Congress, holding up Mor-Gran-Sou.

And the phrase "holding up" isn't just a metaphor. While waiting for FEMA, Mor-Gran-Sou has had to get a \$30 million line of credit, which even at 2.5 percent interest could cost the co-op and its electric customers \$1 million in interest over a year.

The FEMA disaster funding was placed in the bill funding the war in Afghanistan and Iraq.

One has nothing to do with the other. Lumping these funding efforts together is just another political tool—like the "Christmas tree" building bills in the North Dakota Legislature—for forcing lawmakers to vote in favor of something they do not want in exchange for something they need.

A congressman might not want to fund the war in Afghanistan or Iraq, but if that congressman wants disaster relief, well . . .

Congress has intentionally become a beast of complexity and burden, in this case.

Legislation, rather than being a clean, well-written policy or law with a single given purpose, has become incomprehensible in language, sheer volume and related programming, regulating and funding.

Yes, we live in a complex world and over simplification can be dangerous, but that's not justification for the present level of congressional chaos.

Congress has legislated FEMA's obligation in a natural disaster. FEMA has deemed Mor-Gran-Sou's situation as qualified for help.

Now Congress must follow through and provide funding to do what it said FEMA would do.

In Washington, a million dollars in interest might not amount to much, but on the far end of a power line in western North Dakota, with 11,000 downed poles and 550 miles of tangled line, it's a very big deal.

In people, follow-through of this kind, speaks to character. The same goes for Congress and its members.

Our delegation needs to push hard to break this log jam. Will it?

Ms. JACKSON LEE of Texas. Mr. Speaker, I thank you for the opportunity to explain my amendment to H.R. 4899—"Supplemental Appropriations Act 2010." H.R. 4899 will provide funding for the needs of the American people, from national security, housing, employment, health, to education. I fully support these efforts and want to stress that we must continue to provide policies and funding that ensure that the United States remains a global leader in science and technology, including space exploration, which not only results in knowledge-

building but also in hundreds of thousands of jobs throughout the nation.

My amendment would ensure: all managed funding for the National Aeronautics Space Administration (NASA) Constellation programs will be maintained through fiscal year 2015 with the assumption that the Constellation program will continue; (2) U.S. human space flight systems shall be lead by the U.S. government to ensure crew safety and to ensure skill, capabilities and institutional knowledge attributable to NASA and ISS can be retained by the U.S. for the appropriate time; (3) strengthen partnerships between universities and NASA centers; and (4) ensure a protocol for commercial human space flight utilization shall be established.

The President's proposed FY2011 budget eliminates funding for a portion of the Constellation Program which includes the Orion Crew Capsule, the Altair Lunar Lander, and the Ares I and Ares V rockets.

Earlier this year, I introduced H. Res. 1150, "Designating the National Aeronautics and Space Administration (NASA) as a national security Interest and Asset," and stating findings that the elimination of funding for the NASA Constellation program in the President's proposed FY 2011 budget presents national security concerns.

It is critical that managed funding for the NASA Constellation programs is maintained through fiscal year 2015 as:

1. Elimination of the Constellation programs will present Homeland Security implications for Cyberspace, critical infrastructure, and Intelligence community of the United States;

2. Elimination of the Constellation programs will compromise the effectiveness of the International Space Station as it relates to the strategic importance of space station research, and intelligence; and

3. Continuation of NASA's Constellation program is crucial to maintaining thousands of American jobs and the U.S.'s leadership role and technological edge as well as securing valuable knowledge that improves national security, climate, and research in science and medicine.

INTERNATIONAL LEADERSHIP AND TECHNOLOGICAL COMPETITIVE EDGE

Eliminating the Constellation upon retirement of the Space Shuttle will diminish the nation's international leadership role and efforts to advance scientific research in space. The United States will for the first time, since its space program began, be without a human space flight program.

Additionally, transferring funds from the Constellation program to the development of commercial space programs to carry a human crew into space is taking a chance on an unproven quantity and is an unnecessary and unreasonable risk this country must not take at this time. It is more prudent to establish a protocol for commercial human space flight utilization at this time.

It will take years for the commercial spaceflight industry to get up to speed to reach the level of competence that exists at NASA today. Our government has already invested literally years and billions of dollars into this program. We should build upon these investments and not abandon them. Our country can support the commercial spaceflight indus-

try, but not at the expense of our human spaceflight program, which for years has inspired future generations and driven technology that enhances our quality of life.

The retirement of the Space Shuttles this year will leave the United States vulnerable and dependent upon Russia to put U.S. astronauts in orbit without the Constellation program. In May of last year when it became clear the U.S. had no one else to turn to, Russia raised its prices from \$48 to \$51 million per launch for each astronaut.

In addition, it is important for us to remember that the Constellation program is not just about going to the moon, as the U.S. has a commitment to the International Space Station (ISS). With the Space Shuttles being retired this September, the Constellation is the only system under development that will give NASA the future capability to launch crews to and retrieve them from the ISS. Decreasing the use of the International Space Station would impact the ability to sustain its systems and physical infrastructure.

NATIONAL SECURITY AND HOMELAND SECURITY

The Congress should recognize the policy outlined in section 501(a) of the National Aeronautics and Space Authorization Act of 2005 (42 U.S.C. 16761(a)), that the United States shall maintain an uninterrupted capability for human space flight and operations in low-earth orbit, and beyond, as an essential element of national security and the ability to ensure continued United States participation and leadership in the exploration of space.

The human space flight program should be funded to continue use of the International Space Station to support the agency and other Federal, commercial, and academic research and technology testing needs. NASA conducts aeronautics research to address aviation safety, air traffic control, noise and, emissions reductions and fuel efficiency.

NASA's contribution to our knowledge of air and water supports has improved decision making for natural resource management and emergency response, thus enabling us to better respond to future homeland security threats.

Knowledge of Earth's water cycle is a critical first step in protecting our water supply; water flows over the Earth's surface in oceans, lakes, and streams, and is particularly vulnerable to attack.

NASA sensors provide a wealth of information about the water cycle, and contribute to improving our ability to monitor water resources and water quality from space. We must also protect the quality and safety of the air we breathe; airborne contaminants can pose danger to human health; and chemical, nuclear, radiological, and biological attacks are plausible threats against which we can better protect the United States through NASA's research.

Elimination of the Constellation program will present homeland security implications for cyberspace, critical infrastructure, and the intelligence community of the United States. Elimination of the Constellation program will also compromise the effectiveness of the International Space Station as it relates to the strategic importance of space station research, and intelligence.

Continuation of NASA's human space flight program is crucial to improving national secu-

rity, studying climate change and its effects, and research in science and medicine.

CONCLUSION

For all of the above reasons, it is my hope that this committee will join me in supporting efforts to maintain NASA's Constellation Program. It is through balanced policies that promote economic growth that we will continue to maintain our international leadership and technological competitive edge, and gain valuable knowledge relating to the national security of our nation. I look forward to working with all of you to ensure that we preserve a robust human space flight program in the United States.

AMENDMENT TO H.R. 4899

OFFERED BY MS. JACKSON LEE OF TEXAS

At the appropriate place, insert the following:

SEC. ____ . HUMAN SPACE FLIGHT CONTINUATION.

The Administrator of the National Aeronautics and Space Administration shall ensure that—

- (1) all planned funding for the National Aeronautics and Space Administration's Constellation programs will be maintained through fiscal year 2015 with the assumption that the Constellation programs will continue;

- (2) the Federal Government will lead United States human space flight systems—

- (A) to ensure crew safety; and

- (B) to ensure that skills, capabilities, and institutional knowledge attributable to the National Aeronautics and Space Administration and the International Space Station are retained by the Federal Government for the appropriate time;

- (3) partnerships between universities and the National Aeronautics and Space Administration's centers are strengthened; and

- (4) a protocol for commercial human space flight utilization is established.

Mr. MCGOVERN. I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DREIER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

CALL OF THE HOUSE

Mr. MCGOVERN. Mr. Speaker, I move a call of the House.

The SPEAKER pro tempore. Under clause 7(b) of rule XX, the Chair confers recognition for that purpose.

A call of the House was ordered.

The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 427]

Ackerman	Akin	Andrews
Aderholt	Alexander	Arcuri
Adler (NJ)	Altmire	Austria

Baca	Deutch	Kilpatrick (MI)	Oliver	Roybal-Allard	Stearns	Costa	Johnson, E. B.	Polis (CO)
Bachmann	Diaz-Balart, L.	Kilroy	Ortiz	Royce	Sullivan	Costello	Kagen	Price (NC)
Bachus	Diaz-Balart, M.	Kind	Owens	Ruppersberger	Sutton	Courtney	Kanjorski	Quigley
Baird	Dicks	King (IA)	Pallone	Rush	Tanner	Critz	Kaptur	Rahall
Baldwin	Dingell	King (NY)	Pascarell	Ryan (OH)	Taylor	Crowley	Kennedy	Rangel
Barrett (SC)	Djou	Kingston	Pastor (AZ)	Ryan (WI)	Teague	Cuellar	Kildee	Reyes
Barrow	Doggett	Kirk	Paul	Salazar	Terry	Cummings	Kilpatrick (MI)	Richardson
Bartlett	Donnelly (IN)	Kirkpatrick (AZ)	Paulsen	Sánchez, Linda T.	Thompson (CA)	Dahlkemper	Kilroy	Ross
Barton (TX)	Doyle	Kissell	Payne	Sanchez, Loretta	Thompson (MS)	Davis (AL)	Kind	Rothman (NJ)
Bean	Dreier	Klein (FL)	Pelosi	Sarbanes	Thompson (PA)	Davis (CA)	Kirkpatrick (AZ)	Roybal-Allard
Becerra	Drieaus	Kline (MN)	Pence	Scalise	Thornberry	Davis (IL)	Kissell	Ruppersberger
Berkley	Duncan	Kosmas	Perlmutter	Shackowsky	Tiahrt	Davis (TN)	Klein (FL)	Rush
Berman	Edwards (MD)	Kratovil	Perriello	Schauer	Tiberi	DeFazio	Kosmas	Ryan (OH)
Berry	Edwards (TX)	Kucinich	Peters	Schuff	Tierney	DeGette	Langevin	Salazar
Biggert	Ehlers	Lamborn	Peterson	Titus	Titus	Delahunt	Larsen (WA)	Sanchez, Linda T.
Bilbray	Ellison	Lance	Petri	Schmidt	Tonko	DeLauro	Larson (CT)	
Bilirakis	Ellsworth	Langevin	Pingree (ME)	Schock	Towns	Deutch	Lee (CA)	Sanchez, Loretta
Bishop (GA)	Emerson	Larsen (WA)	Pitts	Schrader	Tsongas	Dicks	Levin	Sarbanes
Bishop (NY)	Engel	Larson (CT)	Platts	Schwartz	Turner	Dingell	Lewis (GA)	Schakowsky
Bishop (UT)	Eshoo	Latham	Poe (TX)	Scott (GA)	Upton	Doggett	Loeb sack	Schauer
Blackburn	Etheridge	LaTourrette	Polis (CO)	Scott (VA)	Van Hollen	Donnelly (IN)	Lofgren, Zoe	Schiff
Blumenauer	Fallin	Latta	Pomeroy	Sensenbrenner	Velázquez	Doyle	Lujan	Lowey
Blunt	Farr	Lee (CA)	Posey	Serrano	Visclosky	Edwards (MD)	Lynch	Schwartz
Bocieri	Fattah	Lee (NY)	Price (GA)	Sessions	Walden	Edwards (TX)	Maloney	Scott (GA)
Bonner	Filner	Levin	Price (NC)	Sestak	Walz	Ellison	Markey (MA)	Scott (VA)
Bono Mack	Flake	Lewis (CA)	Putnam	Shadegg	Wasserman	Ellsworth	Markey (CO)	Serrano
Boozman	Fleming	Lewis (GA)	Quigley	Shea-Porter	Schultz	Engel	Matheson	Sestak
Boren	Forbes	Linder	Rahall	Sherman	Waters	Eshoo	Matsui	Sherman
Boswell	Fortenberry	Lipinski	Rangel	Shimkus	Watson	Etheridge	McCarthy (NY)	Slaughter
Boucher	Foster	LoBiondo	Rehberg	Shuler	Watt	Farr	McCollum	Smith (WA)
Boustany	Fox	Loeb sack	Reichert	Shuster	Waxman	Fattah	McDermott	Snyder
Boyd	Franks (AZ)	Lofgren, Zoe	Reyes	Simpson	Weiner	Frank (MA)	McGovern	Speier
Brady (PA)	Frelinghuysen	Lowey	Richardson	Sires	Welch	Fudge	McIntyre	Spratt
Brady (TX)	Fudge	Lucas	Roe (TN)	Skelton	Westmoreland	Garamendi	McMahon	Stark
Braley (IA)	Gallegly	Luetkemeyer	Rogers (AL)	Slaughter	Whitfield	Gonzalez	McNerney	Stupak
Bright	Garamendi	Lujan	Rogers (KY)	Smith (NE)	Wilson (OH)	Gordon (TN)	Meek (FL)	Sutton
Broun (GA)	Garrett (NJ)	Lummis	Rogers (MI)	Smith (NJ)	Wilson (SC)	Green, Al	Meeks (NY)	Tanner
Brown (SC)	Gerlach	Lungren, Daniel E.	Rohrabacher	Smith (TX)	Wittman	Green, Gene	Melancon	Teague
Brown, Corrine	Giffords	Lynch	Rooney	Smith (WA)	Wolf	Gutierrez	Miller (NC)	Thompson (CA)
Brown-Waite, Ginny	Gingrey (GA)	Mack	Ros-Lehtinen	Snyder	Wu	Hall (NY)	Miller, George	Thompson (MS)
Buchanan	Gohmert	Maffei	Roskam	Space	Yarmuth	Hare	Mollohan	Tierney
Burgess	Gonzalez	Maloney	Ross	Speier	Young (FL)	Harman	Moore (KS)	Tonko
Burton (IN)	Goodlatte	Manzullo	Rothman (NJ)	Spratt		Hastings (FL)	Moore (WI)	Towns
Butterfield	Gordon (TN)	Marchant				Heinrich	Moran (VA)	Tsongas
Buyer	Granger	Markkey (CO)				Higgins	Murphy, Patrick	Van Hollen
Calvert	Graves (GA)	Markey (MA)				Hinchey	Nadler (NY)	Velázquez
Camp	Graves (MO)	Marshall				Hinojosa	Neal (MA)	Visclosky
Campbell	Grayson	Matheson				Hirono	Oberstar	Walz
Cantor	Green, Al	Matsui				Hodes	Obey	Wasserman
Cao	Green, Gene	McCarthy (CA)				Holden	Oliver	Schultz
Capps	Grijalva	McCarthy (NY)				Holt	Ortiz	Waters
Capuano	Guthrie	McCaul				Honda	Owens	Watson
Cardoza	Gutierrez	McClintock				Hoyer	Pallone	Watt
Carnahan	Hall (NY)	McCollum				Inslee	Pascarell	Waxman
Carney	Hall (TX)	McCotter				Israel	Pastor (AZ)	Weiner
Carson (IN)	Halvorson	McDermott				Jackson (IL)	Payne	Welch
Carter	Hare	McGovern				Jackson Lee	Pelosi	Wilson (OH)
Cassidy	Harman	McHenry				(TX)	Perlmutter	Wu
Castle	Harper	McIntyre				Johnson (GA)	Peterson	Yarmuth
Castor (FL)	Hastings (FL)	McKeon						
Chaffetz	Hastings (WA)	McMahon						
Chandler	Heinrich	McMorris						
Childers	Heller	Rodgers						
Chu	Hensarling	McNerney						
Clarke	Herger	Meek (FL)						
Clay	Herseeth Sandlin	Meeks (NY)						
Cleaver	Higgins	Melancon						
Clyburn	Hill	Mica						
Coble	Himes	Michaud						
Coffman (CO)	Hinchev	Miller (FL)						
Cohen	Hinojosa	Miller (MI)						
Cole	Hirono	Miller (NC)						
Conaway	Hodes	Miller (NY)						
Connolly (VA)	Holden	Miller, Gary						
Cooper	Holt	Miller, George						
Costa	Honda	Minnick						
Costello	Hoyer	Mitchell						
Courtney	Hunter	Mollohan						
Crenshaw	Inglis	Moore (KS)						
Critz	Inslee	Moore (WI)						
Crowley	Israel	Moran (KS)						
Cuellar	Issa	Moran (VA)						
Culberson	Jackson (IL)	Murphy (CT)						
Cummings	Jackson Lee	Murphy (NY)						
Dahlkemper	(TX)	Murphy, Patrick						
Davis (AL)	Jenkins	Murphy, Tim						
Davis (CA)	Johnson (GA)	Myrick						
Davis (IL)	Johnson (IL)	Nadler (NY)						
Davis (KY)	Johnson, E. B.	Napolitano						
Davis (TN)	Jones	Neal (MA)						
DeFazio	Jordan (OH)	Neugebauer						
DeGette	Kagen	Nunes						
Delahunt	Kanjorski	Nye						
DeLauro	Kaptur	Oberstar						
Dent	Kennedy	Obey						
	Kildee	Olson						

□ 1937

The SPEAKER pro tempore. On this rollcall, 419 Members have recorded their presence.

A quorum is present.

PROVIDING FOR CONSIDERATION OF SENATE AMENDMENTS TO H.R. 4899, SUPPLEMENTAL AP-PROPRIATIONS ACT, 2010

The SPEAKER pro tempore. The unfinished business is the vote on adoption of House Resolution 1500, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the resolution.

Pursuant to clause 8 of rule XX, this 15-minute vote on adoption of House Resolution 1500 will be followed by a 5-minute vote on the motion to suspend the rules on House Resolution 1462.

The vote was taken by electronic device, and there were—yeas 215, nays 210, not voting 8, as follows:

[Roll No. 428]

YEAS—215

Ackerman	Bishop (NY)	Carnahan
Altmire	Blumenauer	Carney
Andrews	Boren	Carson (IN)
Arcuri	Boswell	Castor (FL)
Baca	Boucher	Chandler
Baird	Boyd	Chu
Baldwin	Brady (PA)	Clarke
Barrow	Braley (IA)	Clay
Bean	Brown, Corrine	Cleaver
Becerra	Butterfield	Clyburn
Berkley	Capps	Cohen
Berman	Capuano	Connolly (VA)
Bishop (GA)	Cardoza	Cooper

NAYS—210

Aderholt	Calvert	Foster
Adler (NJ)	Camp	Fox
Akin	Campbell	Franks (AZ)
Alexander	Cantor	Frelinghuysen
Austria	Cao	Gallegly
Bachmann	Carter	Garrett (NJ)
Bachus	Cassidy	Gerlach
Barrett (SC)	Castle	Giffords
Bartlett	Chaffetz	Gingrey (GA)
Barton (TX)	Childers	Gohmert
Berry	Coble	Goodlatte
Biggert	Coffman (CO)	Granger
Bilbray	Cole	Graves (GA)
Bilirakis	Conaway	Graves (MO)
Bishop (UT)	Conyers	Grayson
Blackburn	Crenshaw	Grijalva
Blunt	Culberson	Guthrie
Bocieri	Davis (KY)	Hall (TX)
Boehner	Dent	Halvorson
Bonner	Diaz-Balart, L.	Harper
Bono Mack	Diaz-Balart, M.	Hastings (WA)
Boozman	Djou	Heller
Boustany	Dreier	Hensarling
Brady (TX)	Drieaus	Herger
Bright	Duncan	Herseeth Sandlin
Broun (GA)	Ehlers	Himes
Brown (SC)	Emerson	Hunter
Brown-Waite,	Fallin	Inglis
Ginny	Filner	Issa
Buchanan	Flake	Jenkins
Burgess	Fleming	Johnson (IL)
Burton (IN)	Forbes	Jones
Buyer	Fortenberry	Jordan (OH)

King (IA)	Miller (MI)	Roskam
King (NY)	Miller, Gary	Royce
Kingston	Minnick	Ryan (WI)
Kirk	Mitchell	Scalise
Kline (MN)	Moran (KS)	Schmidt
Kratovil	Murphy (CT)	Schock
Kucinich	Murphy (NY)	Schrader
Lamborn	Murphy, Tim	Sensenbrenner
Lance	Myrick	Sessions
Latham	Napolitano	Shadegg
LaTourette	Neugebauer	Shea-Porter
Latta	Nunes	Shimkus
Lee (NY)	Nye	Shuler
Lewis (CA)	Olson	Shuster
Linder	Paul	Simpson
Lipinski	Paulsen	Skelton
LoBiondo	Pence	Smith (NE)
Lucas	Perriello	Smith (NJ)
Luetkemeyer	Peters	Smith (TX)
Lummis	Petri	Space
Lungren, Daniel	Pingree (ME)	Stearns
E.	Pitts	Sullivan
Mack	Platts	Taylor
Maffei	Poe (TX)	Terry
Manzullo	Pomeroy	Thompson (PA)
Marchant	Posey	Thornberry
Marshall	Price (GA)	Tiahrt
McCarthy (CA)	Putnam	Tiberi
McCaul	Radanovich	Titus
McClintock	Rehberg	Turner
McCotter	Reichert	Upton
McHenry	Roe (TN)	Walden
McKeon	Rogers (AL)	Westmoreland
McMorris	Rogers (KY)	Whitfield
Rodgers	Rogers (MI)	Wilson (SC)
Mica	Rohrabacher	Wittman
Michaud	Rooney	Wolf
Miller (FL)	Ros-Lehtinen	Young (FL)

NOT VOTING—8

Capito	Johnson, Sam	Woolsey
Griffith	Rodriguez	Young (AK)
Hoekstra	Wamp	

□ 2002

Ms. GIFFORDS changed her vote from “yea” to “nay.”

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to section 4 of the resolution, House Resolution 1493 is hereby adopted.

The text of the resolution is as follows:

H. RES. 1493

Resolved,

(a) BUDGET ENFORCEMENT.—For the purposes of budget enforcement:

(1) BUDGET ALLOCATIONS.—The following allocations shall be the allocations made pursuant to section 302(a) of the Congressional Budget Act of 1974 to the Committee on Appropriations and shall be enforceable under section 302(f)(1) of that Act:

(A) FISCAL YEAR 2010.—In addition to amounts allocated under the concurrent resolution on the budget for fiscal year 2010 (S. Con. Res. 13), the allocation for new discretionary budget authority to the Committee on Appropriations shall be increased up to \$538,000,000 for program integrity initiatives listed in section 422(a) of S. Con. Res. 13. The outlay allocation for fiscal year 2010 and fiscal year 2011 shall be adjusted accordingly.

(B) FISCAL YEAR 2011.—

(i) New discretionary budget authority, \$1,121,000,000,000.

(ii) Discretionary outlays, \$1,314,000,000,000.

(iii) New mandatory budget authority, \$765,584,000,000.

(iv) Mandatory outlays, \$755,502,000,000.

(2) DISCRETIONARY SPENDING ENFORCEMENT PROVISIONS.—The provisions of the concur-

rent resolution on the budget for fiscal year 2010 (S. Con. Res. 13) shall remain in force and effect in the House, except that the references in section 424 (point of order against advance appropriations) to fiscal years 2010 and 2011 shall be references to fiscal years 2011 and 2012, respectively.

(b) ADDITIONAL ENFORCEMENT PROVISIONS.—For the purposes of the Congressional Budget Act of 1974 or the concurrent resolution on the budget for fiscal year 2010 (S. Con. Res. 13)—

(1) section 421 of S. Con. Res. 13 shall no longer apply to the consideration of bills, joint resolutions, amendments, or conference reports;

(2) the chairman of the Committee on the Budget may exclude the effect of any “current policy adjustment” as provided in section 4(c) of the Statutory Pay-As-You-Go Act of 2010 from a determination of the budgetary effects of any provision in a bill, joint resolution, amendment, or conference report; and

(3) the terms “budget year”, “current year”, and “direct spending” have the meanings given those terms in section 250 of the Balanced Budget and Emergency Deficit Control Act of 1985, except that the term “direct spending” shall include provisions in appropriation Acts that make outyear modifications to substantive law as described under section 3(4)(C) of the Statutory Pay-As-You-Go Act of 2010.

(c) SENSE OF THE HOUSE ON DEFICIT REDUCTION.—

(1) FINDINGS.—The House finds that—

(A) passage of the Statutory Pay-As-You-Go Act of 2010, passage of legislation to reform the defense acquisition system, and passage of health care reform legislation reducing the deficit represented valuable contributions to fiscal responsibility;

(B) strengthening the economy and creating jobs are critical to reducing the long-term deficit;

(C) fiscally responsible investments in education, including the retention of high-quality teachers in the classroom, help to lay the foundation for a stronger economy;

(D) the discretionary levels for 2011 included in this resolution represent a reduction below the President's comparable budgetary request, and further contribute to fiscal discipline; and

(E) defending our country requires necessary investments and reforms to strengthen our military—including providing sufficient resources to aggressively pursue implementation of GAO recommendations to achieve efficiencies, and evaluating defense plans to ensure weapons systems that were developed to counter Cold War-era threats are not redundant and applicable to 21st century threats.

(2) SENSE OF THE HOUSE ON DEFICIT REDUCTION.—It is the sense of the House that—

(A) by 2015 the Federal budget should be in primary balance—meaning that outlays in the Federal budget shall equal receipts during a fiscal year, not counting outlays for debt service payments;

(B) the debt-to-GDP ratio should be stabilized at an acceptable level once the economy recovers;

(C) not later than September 15, 2010, the chairs of committees should submit for printing in the Congressional Record findings that identify changes in law that help achieve deficit reduction by reducing waste, fraud, abuse, and mismanagement, promoting efficiency and reform of government, and controlling spending within Government programs those committees may authorize;

(D) prior to the adjournment of the 111th Congress, any recommendations made by the National Commission on Fiscal Responsibility and Reform and approved by the Senate should be brought to a vote in the House of Representatives; and

(E) any deficit reduction achieved by the enactment of such legislation should be used for deficit reduction only and should not be available to offset the costs of future legislation.

(d) RESERVE FUND FOR DEFICIT REDUCTION.—Upon enactment of legislation containing recommendations in the final report of the National Commission on Fiscal Responsibility and Reform, established by Executive Order 13531 on February 18, 2010, that decreases the deficit for either time period provided in clause 10 of rule XXI of the Rules of the House of Representatives, the chairman of the Committee on the Budget shall, for the purposes of the Statutory Pay-As-You-Go Act of 2010, exclude any net deficit reduction from his determination of the budgetary effects of such legislation, to ensure that the deficit reduction achieved by that legislation is used only for deficit reduction and is not available as an offset for any subsequent legislation.

(e) HOUSE RULE XXVIII.—Nothing in this resolution shall be construed to engage rule XXVIII of the Rules of the House of Representatives.

EXPRESSING SUPPORT FOR PEOPLE OF GUATEMALA, HONDURAS AND EL SALVADOR AFTER TROPICAL STORM AGATHA

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and agreeing to the resolution (H. Res. 1462) expressing support for the people of Guatemala, Honduras, and El Salvador as they persevere through the aftermath of Tropical Storm Agatha which swept across Central America causing deadly floods and mudslides, as amended.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. WATSON) that the House suspend the rules and agree to the resolution, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

RECORDED VOTE

Mr. HASTINGS of Florida. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 403, noes 1, not voting 28, as follows:

[Roll No. 429]

AYES—403

Ackerman	Andrews	Baird
Aderholt	Arcuri	Baldwin
Adler (NJ)	Austria	Barrett (SC)
Akin	Baca	Barrow
Alexander	Bachmann	Bartlett
Altmire	Bachus	Barton (TX)

Bean
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Bocieri
Boehner
Bonner
Bono Mack
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Brady (PA)
Brady (TX)
Braley (IA)
Broun (GA)
Brown (SC)
Brown, Corrine
Buchanan
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp
Campbell
Cantor
Cao
Capps
Capuano
Cardoza
Carnahan
Carney
Carson (IN)
Carter
Cassidy
Castle
Castor (FL)
Chaffetz
Chandler
Childers
Chu
Clarke
Clay
Cleaver
Clyburn
Coffman (CO)
Cohen
Cole
Conaway
Connolly (VA)
Conyers
Cooper
Costa
Costello
Courtney
Crenshaw
Critz
Crowley
Cuellar
Culberson
Cummins
Davis (CA)
Davis (IL)
Davis (KY)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Deutch
Diaz-Balart, L.
Diaz-Balart, M.
Dingell
Djou
Doggett
Donnelly (IN)
Doyle
Dreier
Driehaus
Duncan
Edwards (MD)
Edwards (TX)
Ehlers

Ellison
Ellsworth
Engel
Eshoo
Etheridge
Fallin
Farr
Fattah
Filner
Flake
Fleming
Forbes
Fortenberry
Foster
Fox
Frank (MA)
Franks (AZ)
Frelinghuysen
Gale
Gallegly
Garamendi
Garrett (NJ)
Gerlach
Giffords
Gingrey (GA)
Gohmert
Gonzalez
Goodlatte
Granger
Graves (GA)
Graves (MO)
Grayson
Green, Al
Grijalva
Guthrie
Hall (NY)
Hall (TX)
Halvorson
Hare
Harper
Hastings (FL)
Hastings (WA)
Heinrich
Heller
Hensarling
Herger
Herseht Sandlin
Higgins
Hill
Himes
Hinche
Hinojosa
Miller (NC)
Miller, Gary
Miller, George
Minnick
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Murphy, Tim
Myrick
Nadler (NY)
Napolitano
Neal (MA)
Neugebauer
Nunes
Nye
Oberstar
Obey
Olson
Oliver
Ortiz
Owens
Pallone
Pascrell
Pastor (AZ)
Paulsen
Payne
Pence
Perlmutter
Perriello
Peters
Peterson
Petri
Pitts
Platts
Poe (TX)
Pomeroy
Posey
Price (GA)
Price (NC)

Latham
LaTourette
Latta
Lee (CA)
Lee (NY)
Levin
Lewis (CA)
Lewis (GA)
Linder
Lipinski
LoBiondo
Loebach
Lofgren, Zoe
Lowey
Lucas
Luetkemeyer
Lujan
Lummis
Lungren, Daniel E.
Lynch
Mack
Maffei
Maloney
Manzullo
Marchant
Markey (CO)
Markey (MA)
Marshall
Matheson
Matsui
McCarthy (CA)
McClintock
McCollum
McCotter
McDermott
McGovern
McHenry
McIntyre
McKeon
McMahon
McMorris
Rodgers
McNerney
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Minnick
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Murphy, Tim
Myrick
Nadler (NY)
Napolitano
Neal (MA)
Neugebauer
Nunes
Nye
Oberstar
Obey
Olson
Oliver
Ortiz
Owens
Pallone
Pascrell
Pastor (AZ)
Paulsen
Payne
Pence
Perlmutter
Perriello
Peters
Peterson
Petri
Pitts
Platts
Poe (TX)
Pomeroy
Posey
Price (GA)
Price (NC)

Putnam
Quigley
Rahall
Rangel
Rehberg
Reichert
Reyes
Richardson
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rooney
Ros-Lehtinen
Roskam
Ross
Rothman (NJ)
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Salazar
Sanchez, Linda T.
Sanchez, Loretta
Sarbanes
Scaife
Schakowsky
Schauer
Schiff
Schmidt

Schock
Schrader
Schwartz
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Sestak
Shadegg
Shea-Porter
Sherman
Shimkus
Shuler
Shuster
Simpson
Sires
Skelton
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Space
Spratt
Stark
Stearns
Stupak
Sullivan
Sutton
Tanner
Taylor
Teague
Terry

Thompson (CA)
Thompson (MS)
Thompson (PA)
Thornberry
Tiahrt
Tiberi
Turner
Titus
Tonko
Towns
Tsongas
Turner
Upton
Van Hollen
Velázquez
Visclosky
Walden
Walz
Wasserman
Schultz
Watson
Watt
Waxman
Weiner
Welch
Westmoreland
Whitfield
Wilson (OH)
Wilson (SC)
Wittman
Wolf
Wu
Yarmuth
Young (FL)

NOES—1

Paul
NOT VOTING—28

Blunt
Bright
Brown-Waite,
Ginny
Capito
Coble
Dahlkemper
Davis (AL)
Dicks
Emerson

Gordon (TN)
Green, Gene
Griffith
Gutierrez
Harman
Hoekstra
Johnson, Sam
McCarthy (NY)
McCauley
Pingree (ME)

Polis (CO)
Radanovich
Rodriguez
Slaughter
Speier
Wamp
Waters
Woolsey
Young (AK)

□ 2013

So (two-thirds being in the affirmative) the rules were suspended and the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

SUPPLEMENTAL APPROPRIATIONS ACT, 2010

Mr. OBEY. Mr. Speaker, pursuant to House Resolution 1500, I call up the bill (H.R. 4899) making emergency supplemental appropriations for disaster relief and summer jobs for the fiscal year ending September 30, 2010, and for other purposes, with the Senate amendments thereto, and offer the motion.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The Clerk will designate the Senate amendments.

The text of the Senate amendments is as follows:

Senate amendments:

Strike out all after the enacting clause and insert:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2010, and for other purposes, namely:

TITLE I

CHAPTER 1

DEPARTMENT OF AGRICULTURE

FARM SERVICE AGENCY

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

For an additional amount for gross obligations for the principal amount of direct and guaranteed farm ownership (7 U.S.C. 1922 et seq.) and operating (7 U.S.C. 1941 et seq.) loans, to be available from funds in the Agricultural Credit Insurance Fund, as follows: guaranteed farm ownership loans, \$300,000,000; operating loans, \$650,000,000, of which \$250,000,000 shall be for unsubsidized guaranteed loans, \$50,000,000 shall be for subsidized guaranteed loans, and \$350,000,000 shall be for direct loans.

For an additional amount for the cost of direct and guaranteed loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, as follows: guaranteed farm ownership loans, \$1,110,000; operating loans, \$29,470,000, of which \$5,850,000 shall be for unsubsidized guaranteed loans, \$7,030,000 shall be for subsidized guaranteed loans, and \$16,590,000 shall be for direct loans.

For an additional amount for administrative expenses necessary to carry out the direct and guaranteed loan programs, \$1,000,000.

EMERGENCY FOREST RESTORATION PROGRAM

For implementation of the emergency forest restoration program established under section 407 of the Agricultural Credit Act of 1978 (16 U.S.C. 2206) for expenses resulting from natural disasters that occurred on or after January 1, 2010, and for other purposes, \$18,000,000, to remain available until expended: Provided, That the program: (1) shall be carried out without regard to chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act") and the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and (2) with rules issued without a prior opportunity for notice and comment except, as determined to be appropriate by the Farm Service Agency, rules may be promulgated by an interim rule effective on publication with an opportunity for notice and comment: Provided further, That in carrying out this program, the Secretary shall use the authority provided under section 808(2) of title 5, United States Code: Provided further, That to reduce Federal costs in administering this heading, the emergency forest restoration program shall be considered to have met the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) for activities similar in nature and quantity to those of the emergency conservation program established under title IV of the Agricultural Credit Act of 1978 (16 U.S.C. 2201 et seq.).

FOREIGN AGRICULTURAL SERVICE

FOOD FOR PEACE TITLE II GRANTS

For an additional amount for "Food for Peace Title II Grants" for emergency relief and rehabilitation, and other expenses related to Haiti following the earthquake of January 12, 2010, and for other disaster-response activities relating to the earthquake, \$150,000,000, to remain available until expended.

GENERAL PROVISIONS—THIS CHAPTER

SECTION 101. None of the funds appropriated or made available by this or any other Act shall be used to pay the salaries and expenses of personnel to carry out a biomass crop assistance program as authorized by section 9011 of Public Law 107-171 in excess of \$552,000,000 in fiscal year 2010 or \$432,000,000 in fiscal year 2011: Provided, That section 3002 shall not apply to the amount under this section.

SEC. 102. (a) Section 502(h)(8) of the Housing Act of 1949 (42 U.S.C. 1472(h)(8)) is amended to read as follows:

“(8) FEES.—Notwithstanding paragraph (14)(D), with respect to a guaranteed loan issued or modified under this subsection, the Secretary may collect from the lender—

“(A) at the time of issuance of the guarantee or modification, a fee not to exceed 3.5 percent of the principal obligation of the loan; and

“(B) an annual fee not to exceed 0.5 percent of the outstanding principal balance of the loan for the life of the loan.”.

(b) Section 739 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriation Act, 2001 (H.R. 5426 as enacted by Public Law 106–387, 115 Stat. 1549A–34) is repealed.

(c) For gross obligations for the principal amount of guaranteed loans as authorized by title V of the Housing Act of 1949, to be available from funds in the rural housing insurance fund, an additional amount shall be for section 502 unsubsidized guaranteed loans sufficient to meet the remaining fiscal year 2010 demand, provided that existing program underwriting standards are maintained, and provided further that the Secretary may waive fees described herein for very low- and low-income borrowers, not to exceed \$697,000,000 in loan guarantees.

CHAPTER 2

DEPARTMENT OF COMMERCE NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION (RESCISSION)

Of the funds made available under the heading “National Telecommunications and Information Administration” for Digital-to-Analog Converter Box Program in prior years, \$111,500,000 are rescinded.

ECONOMIC DEVELOPMENT ADMINISTRATION ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

Pursuant to section 703 of the Public Works and Economic Development Act (42 U.S.C. 3233), for an additional amount for “Economic Development Assistance Programs”, for necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure in States that experienced damage due to severe storms and flooding during March 2010 through May 2010 for which the President declared a major disaster covering an entire State or States with more than 20 counties declared major disasters under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974, \$49,000,000, to remain available until expended.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

For an additional amount for “Operations, Research, and Facilities”, \$5,000,000, for necessary expenses related to commercial fishery failures as determined by the Secretary of Commerce in January 2010.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

EXPLORATION

The matter contained in title III of division B of Public Law 111–117 regarding “National Aeronautics and Space Administration Exploration” is amended by inserting at the end of the last proviso “: Provided further, That notwithstanding any other provision of law or regulation, funds made available for Constellation in fiscal year 2010 for ‘National Aeronautics and Space Administration Exploration’ and from previous appropriations for ‘National Aeronautics and Space Administration Exploration’ shall be available to fund continued performance of Constellation contracts, and performance of such Constellation contracts may not be

terminated for convenience by the National Aeronautics and Space Administration in fiscal year 2010”.

CHAPTER 3

DEPARTMENT OF DEFENSE—MILITARY MILITARY PERSONNEL

MILITARY PERSONNEL, ARMY

For an additional amount for “Military Personnel, Army”, \$1,429,809,000.

MILITARY PERSONNEL, NAVY

For an additional amount for “Military Personnel, Navy”, \$40,478,000.

MILITARY PERSONNEL, MARINE CORPS

For an additional amount for “Military Personnel, Marine Corps”, \$145,499,000.

MILITARY PERSONNEL, AIR FORCE

For an additional amount for “Military Personnel, Air Force”, \$94,068,000.

RESERVE PERSONNEL, ARMY

For an additional amount for “Reserve Personnel, Army”, \$5,722,000.

RESERVE PERSONNEL, NAVY

For an additional amount for “Reserve Personnel, Navy”, \$2,637,000.

RESERVE PERSONNEL, MARINE CORPS

For an additional amount for “Reserve Personnel, Marine Corps”, \$34,758,000.

RESERVE PERSONNEL, AIR FORCE

For an additional amount for “Reserve Personnel, Air Force”, \$1,292,000.

NATIONAL GUARD PERSONNEL, ARMY

For an additional amount for “National Guard Personnel, Army”, \$33,184,000.

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

For an additional amount for “Operation and Maintenance, Army”, \$11,719,927,000, of which \$218,300,000 shall be available to restore amounts transferred from this account to “Overseas Humanitarian, Disaster, and Civic Aid” for emergency relief activities related to Haiti following the earthquake of January 12, 2010, and for other disaster-response activities relating to the earthquake.

OPERATION AND MAINTENANCE, NAVY

For an additional amount for “Operation and Maintenance, Navy”, \$2,735,194,000, of which \$187,600,000 shall be available to restore amounts transferred from this account to “Overseas Humanitarian, Disaster, and Civic Aid” for emergency relief activities related to Haiti following the earthquake of January 12, 2010, and for other disaster-response activities relating to the earthquake.

OPERATION AND MAINTENANCE, MARINE CORPS

For an additional amount for “Operation and Maintenance, Marine Corps”, \$829,326,000, of which \$30,700,000 shall be available to restore amounts transferred from this account to “Overseas Humanitarian, Disaster, and Civic Aid” for emergency relief activities related to Haiti following the earthquake of January 12, 2010, and for other disaster-response activities relating to the earthquake.

OPERATION AND MAINTENANCE, AIR FORCE

For an additional amount for “Operation and Maintenance, Air Force”, \$3,835,095,000, of which \$218,400,000 shall be available to restore amounts transferred from this account to “Overseas Humanitarian, Disaster, and Civic Aid” for emergency relief activities related to Haiti following the earthquake of January 12, 2010, and for other disaster-response activities relating to the earthquake.

OPERATION AND MAINTENANCE, DEFENSE-WIDE (INCLUDING TRANSFER OF FUNDS)

For an additional amount for “Operation and Maintenance, Defense-Wide”, \$1,236,727,000:

Provided, That up to \$50,000,000, to remain available until expended, shall be available for transfer to the Port of Guam Improvement Enterprise Fund established by section 3512 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Public Law 110–417): Provided further, That funds transferred under the previous proviso shall be merged with and available for obligation for the same time period and for the same purposes as the appropriation to which transferred: Provided further, That these funds may be transferred by the Secretary of Defense only if he determines such amounts are required to improve facilities, relieve port congestion, and provide greater access to port facilities: Provided further, That any amounts transferred pursuant to the previous three provisos shall be available to the Secretary of Transportation, acting through the Administrator of the Maritime Administration, to carry out under the Port of Guam Improvement Enterprise Program planning, design, and construction of projects for the Port of Guam to improve facilities, relieve port congestion, and provide greater access to port facilities: Provided further, That the transfer authority in this section is in addition to any other transfer authority available to the Department of Defense: Provided further, That the Secretary shall, not fewer than five days prior to making transfers under this authority, notify the congressional defense committees in writing of the details of any such transfer.

OPERATION AND MAINTENANCE, ARMY RESERVE

For an additional amount for “Operation and Maintenance, Army Reserve”, \$41,006,000.

OPERATION AND MAINTENANCE, NAVY RESERVE

For an additional amount for “Operation and Maintenance, Navy Reserve”, \$75,878,000.

OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

For an additional amount for “Operation and Maintenance, Marine Corps Reserve”, \$857,000.

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

For an additional amount for “Operation and Maintenance, Air Force Reserve”, \$124,039,000.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

For an additional amount for “Operation and Maintenance, Army National Guard”, \$180,960,000.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

For an additional amount for “Operation and Maintenance, Air National Guard”, \$203,287,000.

AFGHANISTAN SECURITY FORCES FUND

For an additional amount for “Afghanistan Security Forces Fund”, \$2,604,000,000, to remain available until September 30, 2011: Provided, That such funds shall be available to the Secretary of Defense, notwithstanding any other provision of law, for the purpose of allowing the Commander, Combined Security Transition Command—Afghanistan, or the Secretary’s designee, to provide assistance, with the concurrence of the Secretary of State, to the security forces of Afghanistan, including the provision of equipment, supplies, services, training, facility and infrastructure repair, renovation, and construction, and funding: Provided further, That the authority to provide assistance under this heading is in addition to any other authority to provide assistance to foreign nations: Provided further, That contributions of funds for the purposes provided herein from any person, foreign government, or international organization may be credited to this Fund, to remain available until expended, and used for such purposes: Provided further, That the Secretary shall notify the congressional defense committees in

writing upon the receipt and upon the transfer of any contribution, delineating the sources and amounts of the funds received and the specific use of such contributions: Provided further, That the Secretary of Defense shall, not fewer than 15 days prior to making transfers from this appropriation account, notify the congressional defense committees in writing of the details of any such transfer.

IRAQ SECURITY FORCES FUND

For the "Iraq Security Forces Fund", \$1,000,000,000, to remain available until September 30, 2011: Provided, That such funds shall be available to the Secretary of Defense, notwithstanding any other provision of law, for the purpose of allowing the Commander, United States Forces—Iraq, or the Secretary's designee, to provide assistance, with the concurrence of the Secretary of State, to the security forces of Iraq, including the provision of equipment, supplies, services, training, facility and infrastructure repair, and renovation: Provided further, That the authority to provide assistance under this heading is in addition to any other authority to provide assistance to foreign nations: Provided further, That contributions of funds for the purposes provided herein from any person, foreign government, or international organization may be credited to this Fund, to remain available until expended, and used for such purposes: Provided further, That the Secretary shall notify the congressional defense committees in writing upon the receipt and upon the transfer of any contribution, delineating the sources and amounts of the funds received and the specific use of such contributions: Provided further, That the Secretary of Defense shall, not fewer than 15 days prior to making transfers from this appropriation account, notify the congressional defense committees in writing of the details of any such transfer.

PROCUREMENT

AIRCRAFT PROCUREMENT, ARMY

For an additional amount for "Aircraft Procurement, Army", \$219,470,000, to remain available until September 30, 2012.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

For an additional amount for "Procurement of Weapons and Tracked Combat Vehicles, Army", \$3,000,000, to remain available until September 30, 2012.

PROCUREMENT OF AMMUNITION, ARMY

For an additional amount for "Procurement of Ammunition, Army", \$17,055,000, to remain available until September 30, 2012.

OTHER PROCUREMENT, ARMY

For an additional amount for "Other Procurement, Army", \$2,065,006,000, to remain available until September 30, 2012.

AIRCRAFT PROCUREMENT, NAVY

For an additional amount for "Aircraft Procurement, Navy", \$296,000,000, to remain available until September 30, 2012.

OTHER PROCUREMENT, NAVY

For an additional amount for "Other Procurement, Navy", \$31,576,000, to remain available until September 30, 2012.

PROCUREMENT, MARINE CORPS

For an additional amount for "Procurement, Marine Corps", \$162,927,000, to remain available until September 30, 2012.

AIRCRAFT PROCUREMENT, AIR FORCE

For an additional amount for "Aircraft Procurement, Air Force", \$174,766,000, to remain available until September 30, 2012.

OTHER PROCUREMENT, AIR FORCE

For an additional amount for "Other Procurement, Air Force", \$672,741,000, to remain available until September 30, 2012.

PROCUREMENT, DEFENSE-WIDE

For an additional amount for "Procurement, Defense-Wide", \$189,276,000, to remain available until September 30, 2012.

MINE RESISTANT AMBUSH PROTECTED VEHICLE FUND

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for the "Mine Resistant Ambush Protected Vehicle Fund", \$1,123,000,000, to remain available until September 30, 2011: Provided, That such funds shall be available to the Secretary of Defense, notwithstanding any other provision of law, to procure, sustain, transport, and field Mine Resistant Ambush Protected vehicles: Provided further, That the Secretary shall transfer such funds only to appropriations for operations and maintenance; procurement; research, development, test and evaluation; and defense working capital funds to accomplish the purpose provided herein: Provided further, That the funds transferred shall be merged with and available for the same purposes and the same time period as the appropriation to which they are transferred: Provided further, That this transfer authority is in addition to any other transfer authority available to the Department of Defense: Provided further, That the Secretary shall, not fewer than 10 days prior to making transfers from this appropriation, notify the congressional defense committees in writing of the details of any such transfer.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY

For an additional amount for "Research, Development, Test and Evaluation, Navy", \$44,835,000, to remain available until September 30, 2011.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE

For an additional amount for "Research, Development, Test and Evaluation, Air Force", \$163,775,000, to remain available until September 30, 2011.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE

For an additional amount for "Research, Development, Test and Evaluation, Defense-Wide", \$65,138,000, to remain available until September 30, 2011.

REVOLVING AND MANAGEMENT FUNDS DEFENSE WORKING CAPITAL FUNDS

For an additional amount for "Defense Working Capital Funds", \$1,134,887,000, to remain available until expended.

OTHER DEPARTMENT OF DEFENSE PROGRAMS

DEFENSE HEALTH PROGRAM

For an additional amount for "Defense Health Program", \$33,367,000 for operation and maintenance: Provided, That language under this heading in title VI, division A of Public Law 111-118 is amended by striking "\$15,093,539,000" and inserting in lieu thereof "\$15,121,714,000".

DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Drug Interdiction and Counter-Drug Activities, Defense", \$94,000,000, to remain available until September 30, 2011.

GENERAL PROVISIONS—THIS CHAPTER

SEC. 301. Funds appropriated by this Act, or made available by the transfer of funds in this Act, for intelligence activities are deemed to be specifically authorized by the Congress for pur-

poses of section 504(a)(1) of the National Security Act of 1947 (50 U.S.C. 414(a)(1)): Provided, That section 8079 of the Department of Defense Appropriations Act, 2010 (Public Law 111-118; 123 Stat. 3446) is amended by striking "fiscal year 2010 until" and all that follows and insert "fiscal year 2010.".

(INCLUDING TRANSFER OF FUNDS)

SEC. 302. Section 8005 of the Department of Defense Appropriations Act, 2010 (division A of Public Law 111-118) is amended by striking "\$4,000,000,000" and inserting "\$4,500,000,000".

SEC. 303. Funds made available in this chapter to the Department of Defense for operation and maintenance may be used to purchase items having an investment unit cost of not more than \$250,000: Provided, That upon determination by the Secretary of Defense that such action is necessary to meet the operational requirements of a Commander of a Combatant Command engaged in contingency operations overseas, such funds may be used to purchase items having an investment item unit cost of not more than \$500,000.

SEC. 304. Of the funds obligated or expended by any Federal agency in support of emergency humanitarian assistance services at the request of or in coordination with the Department of Defense, the Department of State, or the U.S. Agency for International Development, on or after January 12, 2010 and before February 12, 2010, in support of the Haitian earthquake relief efforts not to exceed \$500,000 are deemed to be specifically authorized by the Congress.

SEC. 305. Section 8011 of the title VIII, division A of Public Law 111-118 is amended by striking "within 30 days of enactment of this Act" and inserting in lieu thereof "30 days prior to contract award".

(RESCISSIONS)

SEC. 306. (a) Of the funds appropriated in Department of Defense Appropriation Acts, the following funds are hereby rescinded from the following accounts and programs in the specified amounts:

"Other Procurement, Air Force, 2009/2011", \$5,000,000; and

"Research, Development, Test and Evaluation, Army, 2009/2010", \$72,161,000.

(b) Section 3002 shall not apply to the amounts in this section.

SEC. 307. None of the funds provided in this chapter may be used to finance programs or activities denied by Congress in fiscal years 2009 or 2010 appropriations to the Department of Defense or to initiate a procurement or research, development, test and evaluation new start program without prior written notification to the congressional defense committees.

HIGH-VALUE DETAINEE INTERROGATION GROUP CHARTER AND REPORT

SEC. 308. (a) SUBMISSION OF CHARTER AND PROCEDURES.—Not later than 30 days after the final approval of the charter and procedures for the interagency body established to carry out an interrogation pursuant to a recommendation of the report of the Special Task Force on interrogation and Transfer Policies submitted under section 5(g) of Executive Order 13491 (commonly known as the High-Value Detainee Interrogation Group), or not later than 30 days after the date of the enactment of this Act, whichever is later, the Director of National Intelligence shall submit to the congressional intelligence committees such charter and procedures.

(b) UPDATES.—Not later than 30 days after the final approval of any significant modification or revision to the charter or procedures referred to in subsection (a), the Director of National Intelligence shall submit to the congressional intelligence committees any such modification or revision.

(c) LESSONS LEARNED.—Not later than 60 days after the date of the enactment of this Act, the

Director of National Intelligence shall submit to the congressional intelligence committees a report setting forth an analysis and assessment of the lessons learned as a result of the operations and activities of the High-Value Detainee Interrogation Group since the establishment of that group.

(d) **SUBMITTAL OF CHARTER AND REPORTS TO ADDITIONAL COMMITTEES OF CONGRESS.**—At the same time the Director of National Intelligence submits the charter and procedures referred to in subsection (a), any modification or revision to the charter or procedures under subsection (b), and any report under subsection (c) to the congressional intelligence committees, the Director shall also submit such matter to—

(1) the Committees on Armed Services, Homeland Security and Governmental Affairs, the Judiciary, and Appropriations of the Senate; and

(2) the Committees on Armed Services, Homeland Security, the Judiciary, and Appropriations of the House of Representatives.

CHAPTER 4

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

INVESTIGATIONS

For an additional amount for “Investigations”, \$5,400,000: Provided, That funds provided under this heading in this chapter shall be used for studies in States affected by severe storms and flooding: Provided further, That the Assistant Secretary of the Army for Civil Works shall provide a monthly report to the Committees on Appropriations of the House of Representatives and the Senate detailing the allocation and obligation of these funds, beginning not later than 60 days after enactment of this Act.

MISSISSIPPI RIVER AND TRIBUTARIES

For an additional amount for “Mississippi River and Tributaries” to dredge eligible projects in response to, and repair damages to Federal projects caused by, natural disasters, \$18,600,000, to remain available until expended: Provided, That the Assistant Secretary of the Army for Civil Works shall provide a monthly report to the Committees on Appropriations of the House of Representatives and the Senate detailing the allocation and obligation of these funds, beginning not later than 60 days after enactment of this Act.

OPERATION AND MAINTENANCE

For an additional amount for “Operation and Maintenance” to dredge navigation projects in response to, and repair damages to Corps projects caused by, natural disasters, \$173,000,000, to remain available until expended: Provided, That the Secretary of the Army is directed to use \$44,000,000 of the amount provided under this heading for nondisaster related emergency repairs to critical infrastructure: Provided further, That the Assistant Secretary of the Army for Civil Works shall provide a monthly report to the Committees on Appropriations of the House of Representatives and the Senate detailing the allocation and obligation of these funds, beginning not later than 60 days after enactment of this Act.

FLOOD CONTROL AND COASTAL EMERGENCIES

For an additional amount for “Flood Control and Coastal Emergencies”, as authorized by section 5 of the Act of August 18, 1941 (33 U.S.C. 701n), for necessary expenses relating to natural disasters as authorized by law, \$20,000,000, to remain available until expended: Provided, That the Assistant Secretary of the Army for Civil Works shall provide a monthly report to the Committees on Appropriations of the House of Representatives and the Senate detailing the allocation and obligation of these funds, beginning not later than 60 days after enactment of this Act.

ning not later than 60 days after enactment of this Act.

GENERAL PROVISIONS—THIS CHAPTER

EMERGENCY DROUGHT RELIEF

SEC. 401. For an additional amount for “Water and Related Resources”, \$10,000,000, for drought emergency assistance: Provided, That financial assistance may be provided under the Reclamation States Emergency Drought Relief Act of 1991 (43 U.S.C. 2201 et seq.) and any other applicable Federal law (including regulations) for the optimization and conservation of project water supplies to assist drought-plagued areas of the West.

SEC. 402. Funds made available in the Energy and Water Development and Related Agencies Appropriations Act, 2010 (Public Law 111–85), under the account “Weapons Activities” shall be available for the purchase of not to exceed one aircraft.

RECLASSIFICATION OF CERTAIN APPROPRIATIONS FOR THE NATIONAL NUCLEAR SECURITY ADMINISTRATION

SEC. 403. (a) **FISCAL YEAR 2009 APPROPRIATIONS.**—The matter under the heading “Weapons Activities” under the heading “National Nuclear Security Administration” under the heading “Atomic Energy Defense Activities” under the heading “Department of Energy” under title III of division C of the Omnibus Appropriations Act, 2009 (Public Law 111–8; 123 Stat. 621) is amended by striking “the 09–D–007 LANSCE Refurbishment, PED,” and inserting “capital equipment acquisition, installation, and associated design funds for LANSCE,”.

(b) **FISCAL YEAR 2010 APPROPRIATIONS.**—The amount appropriated under the heading “Weapons Activities” under the heading “National Nuclear Security Administration” under the heading “Atomic Energy Defense Activities” under the heading “Department of Energy” under title III of the Energy and Water Development and Related Agencies Appropriations Act, 2010 (Public Law 111–85; 123 Stat. 2866) and made available for LANSCE Reinvestment, PED, Los Alamos National Laboratory, Los Alamos, New Mexico, shall be made available instead for capital equipment acquisition, installation, and associated design funds for LANSCE, Los Alamos National Laboratory, Los Alamos, New Mexico.

SEC. 404. (a) Section 104(c) of the Reclamation States Emergency Drought Relief Act of 1991 (43 U.S.C. 2214(c)) is amended by striking “September 30, 2010” and inserting “September 30, 2012” in lieu thereof.

(b) Section 301 of the Reclamation States Emergency Drought Relief Act of 1991 (43 U.S.C. 2241) is amended by striking “through 2010” and inserting “through 2012” in lieu thereof.

SEC. 405. (a) The Secretary of the Army shall not be required to make a determination under the National Historic Preservation Act of 1966 (16 U.S.C. 470, et seq.) for the project for flood control, Trinity River and tributaries, Texas, authorized by section 2 of the Act entitled “An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes”, approved March 2, 1945 [59 Stat. 18], as modified by section 5141 of the Water Resources Development Act of 2007 [121 Stat. 1253].

(b) The Federal Highway Administration is exempt from the requirements of 49 U.S.C. 303 and 23 U.S.C. 138 for any highway project to be constructed in the vicinity of the Dallas Floodway, Dallas, Texas.

SEC. 406. (a) The Secretary of the Army may use funds made available under the heading “OPERATION AND MAINTENANCE” of this chapter to place, at full Federal expense, dredged material available from maintenance dredging of existing Federal navigation channels located in

the Gulf Coast region to mitigate the impacts of the Deepwater Horizon Oil spill in the Gulf of Mexico.

(b) The Secretary of the Army shall coordinate the placement of dredged material with appropriate Federal and Gulf Coast State agencies.

(c) The placement of dredged material pursuant to this section shall not be subject to a least-cost-disposal analysis or to the development of a Chief of Engineers report.

(d) Nothing in this section shall affect the ability or authority of the Federal Government to recover costs from an entity determined to be a responsible party in connection with the Deepwater Horizon Oil spill pursuant to the Oil Pollution Act of 1990 or any other applicable Federal statute for actions undertaken pursuant to this section.

CHAPTER 5

DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

For an additional amount for “Salaries and Expenses” for necessary expenses for emergency relief, rehabilitation, and reconstruction aid, and other expenses related to Haiti following the earthquake of January 12, 2010, and for other disaster-response activities relating to the earthquake, \$690,000, to remain available until expended: Provided, That funds appropriated in this paragraph may be used to reimburse obligations incurred for the purposes provided herein prior to enactment of this Act.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(RESCISSION)

Of the amounts made available for necessary expenses of the Office of Inspector General under this heading in Public Law 111–117, \$1,800,000 are rescinded: Provided, That section 3002 shall not apply to the amount under this heading.

DISTRICT OF COLUMBIA

FEDERAL FUNDS

FEDERAL PAYMENT TO THE PUBLIC DEFENDER

SERVICE FOR THE DISTRICT OF COLUMBIA

(INCLUDING RESCISSION)

For an additional amount for “Federal Payment to the Public Defender Service for the District of Columbia”, \$700,000, to remain available until September 30, 2012.

Of the funds provided under this heading for “Federal Payment to the District of Columbia Public Defender Service” in title IV of division D of Public Law 111–8, \$700,000 are rescinded: Provided, That section 3002 shall not apply to the amounts under this heading.

INDEPENDENT AGENCY

FINANCIAL CRISIS INQUIRY COMMISSION

SALARIES AND EXPENSES

For the necessary expenses of the Financial Crisis Inquiry Commission established pursuant to section 5 of the Fraud Enforcement and Recovery Act of 2009 (Public Law 111–21), \$1,800,000, to remain available until February 15, 2011: Provided, That section 3002 shall not apply to the amount under this heading.

CHAPTER 6

DEPARTMENT OF HOMELAND SECURITY

COAST GUARD

OPERATING EXPENSES

For an additional amount for “Operating Expenses” for necessary expenses and other disaster-response activities related to Haiti following the earthquake of January 12, 2010, \$50,000,000, to remain available until September 30, 2012.

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

For an additional amount for “Acquisition, Construction, and Improvements”, \$15,500,000,

to remain available until September 30, 2014, for aircraft replacement.

FEDERAL EMERGENCY MANAGEMENT AGENCY
DISASTER RELIEF

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for “Disaster Relief”, \$5,100,000,000, to remain available until expended, of which \$5,000,000 shall be transferred to the Department of Homeland Security Office of the Inspector General for audits and investigations related to disasters.

UNITED STATES CITIZENSHIP AND IMMIGRATION
SERVICES

For an additional amount for “United States Citizenship and Immigration Services” for necessary expenses and other disaster response activities related to Haiti following the earthquake of January 12, 2010, \$10,600,000, to remain available until September 30, 2011.

GENERAL PROVISIONS—THIS CHAPTER

SEC. 601. Notwithstanding the 10 percent limitation contained in section 503(c) of Public Law 111–83, for fiscal year 2010, the Secretary of Homeland Security may transfer to the fund established by 8 U.S.C. 1101 note, up to \$20,000,000, from appropriations available to the Department of Homeland Security: Provided, That the Secretary shall notify the Committees on Appropriations of the Senate and House of Representatives 5 days in advance of such transfer.

(RESCISSIONS)

SEC. 602. (a) The following unobligated balances made available pursuant to section 505 of Public Law 110–329 are rescinded: \$2,200,000 from Coast Guard “Operating Expenses”; \$1,800,000 from the “Office of the Secretary and Executive Management”; and \$489,152 from “Analysis and Operations”.

(b) The third clause of the proviso directing the expenditure of funds under the heading “Alteration of Bridges” in the Department of Homeland Security Appropriations Act, 2009, is repealed, and from available balances made available for Coast Guard “Alteration of Bridges”, \$5,910,848 are rescinded: Provided, That funds rescinded pursuant to this subsection shall exclude balances made available in the American Recovery and Reinvestment Act of 2009 (Public Law 111–5).

(c) From the unobligated balances of appropriations made available in Public Law 111–83 to the “Office of the Federal Coordinator for Gulf Coast Rebuilding”, \$700,000 are rescinded.

(d) Section 3002 shall not apply to the amounts in this section.

SEC. 603. The Administrator of the Federal Emergency Management Agency shall consider satisfied for Hurricane Katrina the non-Federal match requirement for assistance provided by the Federal Emergency Management Agency pursuant to section 404(a) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5170c(a).

SEC. 604. Funds appropriated in Public Law 111–83 under the heading National Protection and Programs Directorate “Infrastructure Protection and Information Security” shall be available for facility upgrades and related costs to establish a United States Computer Emergency Readiness Team Operations Support Center/Continuity of Operations capability.

SEC. 605. Two C–130J aircraft funded elsewhere in this Act shall be transferred to the Coast Guard.

SEC. 606. Notwithstanding any other provision of law, including any agreement, the Federal share of assistance, including direct Federal assistance provided under sections 403, 406, and 407 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5140b, 5172, and 5173), for damages resulting from FEMA–

3311–EM–RI, FEMA–1894–DR, FEMA–1906–DR, FEMA–1909–DR, and all other areas Presidentially declared a disaster, prior to or following enactment, and resulting from the May 1 and 2, 2010 weather events that elicited FEMA–1909–DR, shall not be less than 90 percent of the eligible costs under such sections.

SEC. 607. (a) Not later than 30 days after the date of the enactment of this Act, the Assistant Secretary for the Transportation Security Administration shall issue a security directive that requires a commercial foreign air carrier who operates flights in and out of the United States to check the list of individuals that the Transportation Security Administration has prohibited from flying not later than 30 minutes after such list is modified and provided to such air carrier.

(b) The requirements of subsection (a) shall not apply to commercial foreign air carriers that operate flights in and out of the United States and that are enrolled in the Secure Flight program or that are Advance Passenger Information System Quick Query (AQ) compliant.

CHAPTER 7

DEPARTMENT OF LABOR
DEPARTMENTAL MANAGEMENT
SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for “Departmental Management” for mine safety activities and legal services related to the Department of Labor’s caseload before the Federal Mine Safety and Health Review Commission (“FMSHRC”), \$18,200,000, which shall remain available for obligation through the date that is 12 months after the date of enactment of this Act: Provided, That the Secretary of Labor may transfer such sums as necessary to the “Mine Safety and Health Administration” for enforcement and mine safety activities, which may include conference litigation functions related to the FMSHRC caseload, investigation of the Upper Big Branch Mine disaster, standards and rule-making activities, emergency response equipment purchases and upgrades, and organizational improvements: Provided further, That the Committees on Appropriations of the Senate and the House of Representatives are notified at least 15 days in advance of any transfer.

DEPARTMENT OF HEALTH AND HUMAN
SERVICES

OFFICE OF THE SECRETARY

PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY
FUND

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for “Public Health and Social Services Emergency Fund” for necessary expenses for emergency relief and reconstruction aid, and other expenses related to Haiti following the earthquake of January 12, 2010, and for other disaster-response activities relating to the earthquake, \$220,000,000, to remain available until expended: Provided, That these funds may be transferred by the Secretary to accounts within the Department of Health and Human Services, shall be merged with the appropriation to which transferred, and shall be available only for the purposes provided herein: Provided further, That none of the funds provided in this paragraph may be transferred prior to notification of the Committees on Appropriations of the House of Representatives and the Senate: Provided further, That the transfer authority provided in this paragraph is in addition to any other transfer authority available in this or any other Act: Provided further, That funds appropriated in this paragraph may be used to reimburse agencies for obligations incurred for the purposes provided herein prior to enactment of this Act: Provided further, That funds may be used for the non-Federal share of expenditures

for medical assistance furnished under title XIX of the Social Security Act, and for child health assistance furnished under title XXI of such Act, that are related to earthquake response activities: Provided further, That funds may be used for services performed by the National Disaster Medical System in connection with such earthquake, for the return of evacuated Haitian citizens to Haiti, and for grants to States and other entities to reimburse payments made for otherwise uncompensated health and human services furnished in connection with individuals given permission by the United States Government to come from Haiti to the United States after such earthquake, and not eligible for assistance under such titles: Provided further, That the limitation in subsection (d) of section 1113 of the Social Security Act shall not apply with respect to any repatriation assistance provided in response to the Haiti earthquake of January 12, 2010: Provided further, That with respect to the previous proviso, such additional repatriation assistance shall only be available from the funds appropriated herein.

RELATED AGENCY

FEDERAL MINE SAFETY AND HEALTH REVIEW
COMMISSION

SALARIES AND EXPENSES

For an additional amount for “Federal Mine Safety and Health Review Commission, Salaries and Expenses” \$3,800,000, to remain available for obligation for 12 months after enactment of this Act.

CHAPTER 8

HOUSE OF REPRESENTATIVES

PAYMENT TO WIDOWS AND HEIRS OF DECEASED
MEMBERS OF CONGRESS

For a payment to Joyce Murtha, widow of John P. Murtha, late a Representative from Pennsylvania, \$174,000: Provided, That section 3002 shall not apply to this appropriation.

CAPITOL POLICE

GENERAL EXPENSES

For an additional amount for “Capitol Police, General Expenses” to purchase and install the indoor coverage portion of the new radio system for the Capitol Police, \$12,956,000, to remain available until September 30, 2012: Provided, That the Chief of the Capitol Police may not obligate any of the funds appropriated under this heading without approval of an obligation plan by the Committees on Appropriations of the Senate and the House of Representatives.

CHAPTER 9

MILITARY CONSTRUCTION

MILITARY CONSTRUCTION, ARMY

For an additional amount for “Military Construction, Army”, \$242,296,000, to remain available until September 30, 2012: Provided, That notwithstanding any other provision of law, such funds may be obligated and expended to carry out planning and design and military construction projects not otherwise authorized by law.

MILITARY CONSTRUCTION, AIR FORCE

For an additional amount for “Military Construction, Air Force”, \$406,590,000, to remain available until September 30, 2012: Provided, That notwithstanding any other provision of law, such funds may be obligated and expended to carry out planning and design and military construction projects not otherwise authorized by law.

FAMILY HOUSING OPERATION AND MAINTENANCE,
AIR FORCE

For an additional amount for “Family Housing Operation and Maintenance, Air Force”, \$7,953,000.

DEPARTMENT OF VETERANS AFFAIRS
VETERANS BENEFITS ADMINISTRATION
COMPENSATION AND PENSIONS

For an additional amount for "Compensation and Pensions", \$13,377,189,000, to remain available until expended: Provided, That section 3002 shall not apply to the amount under this heading.

GENERAL PROVISION—THIS CHAPTER
(INCLUDING TRANSFER OF FUNDS)

SEC. 901. (a) Of the amounts made available to the Department of Veterans Affairs under the "Construction, Major Projects" account, in fiscal year 2010 or previous fiscal years, up to \$67,000,000 may be transferred to the "Filipino Veterans Equity Compensation Fund" account or may be retained in the "Construction, Major Projects" account and used by the Secretary of Veterans Affairs for such major medical facility projects (as defined under section 8104(a) of title 38, United States Code) that have been authorized by law as the Secretary considers appropriate: Provided, That any amount transferred from "Construction, Major Projects" shall be derived from unobligated balances that are a direct result of bid savings: Provided further, That no amounts may be transferred from amounts that were designated by Congress as an emergency requirement pursuant to the Concurrent Resolution on the Budget or the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

(b) Section 3002 shall not apply to the amount in this section.

LIMITATION ON USE OF FUNDS AVAILABLE TO THE
DEPARTMENT OF VETERANS AFFAIRS

SEC. 902. The amount made available to the Department of Veterans Affairs by this chapter under the heading "VETERANS BENEFITS ADMINISTRATION" under the heading "COMPENSATION AND PENSIONS" may not be obligated or expended until the expiration of the period for Congressional disapproval under chapter 8 of title 5, United States Code (commonly referred to as the "Congressional Review Act"), of the regulations prescribed by the Secretary of Veterans Affairs pursuant to section 1116 of title 38, United States Code, to establish a service connection between exposure of veterans to Agent Orange during service in the Republic of Vietnam during the Vietnam era and hairy cell leukemia and other chronic B cell leukemias, Parkinson's disease, and ischemic heart disease.

CHAPTER 10
DEPARTMENT OF STATE
ADMINISTRATION OF FOREIGN AFFAIRS
DIPLOMATIC AND CONSULAR PROGRAMS
(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Diplomatic and Consular Programs", \$1,261,000,000, to remain available until September 30, 2011: Provided, That the Secretary of State may transfer up to \$149,500,000 of the total funds made available under this heading to any other appropriation of any department or agency of the United States, upon concurrence of the head of such department or agency and after consultation with the Committees on Appropriations, to support operations in and assistance for Afghanistan and Pakistan and to carry out the provisions of the Foreign Assistance Act of 1961.

For an additional amount for "Diplomatic and Consular Programs" for necessary expenses for emergency relief, rehabilitation, and reconstruction support, and other expenses related to Haiti following the earthquake of January 12, 2010, \$65,000,000, to remain available until September 30, 2011: Provided, That funds appropriated in this paragraph may be used to reimburse obligations incurred for the purposes provided herein prior to enactment of this Act: Pro-

vided further, That up to \$3,700,000 of the funds made available in this paragraph may be transferred to, and merged with, funds made available under the heading "Emergencies in the Diplomatic and Consular Service": Provided further, That up to \$290,000 of the funds made available in this paragraph may be transferred to, and merged with, funds made available under the heading "Repatriation Loans Program Account".

OFFICE OF INSPECTOR GENERAL

For an additional amount for "Office of Inspector General" for necessary expenses for oversight of operations and programs in Afghanistan, Pakistan, and Iraq, \$3,600,000, to remain available until September 30, 2013.

EMBASSY SECURITY, CONSTRUCTION, AND
MAINTENANCE

For an additional amount for "Embassy Security, Construction, and Maintenance" for necessary expenses for emergency needs in Haiti following the earthquake of January 12, 2010, \$79,000,000, to remain available until expended: Provided, That funds appropriated in this paragraph may be used to reimburse obligations incurred for the purposes provided herein prior to enactment of this Act.

INTERNATIONAL ORGANIZATIONS
CONTRIBUTIONS FOR INTERNATIONAL
PEACEKEEPING ACTIVITIES

For an additional amount for "Contributions for International Peacekeeping Activities" for necessary expenses for emergency security related to Haiti following the earthquake of January 12, 2010, \$96,500,000, to remain available until September 30, 2011: Provided, That funds appropriated in this paragraph may be used to reimburse obligations incurred for the purposes provided herein prior to enactment of this Act.

RELATED AGENCY
BROADCASTING BOARD OF GOVERNORS
INTERNATIONAL BROADCASTING OPERATIONS

For an additional amount for "International Broadcasting Operations" for necessary expenses for emergency broadcasting support and other expenses related to Haiti following the earthquake of January 12, 2010, \$3,000,000, to remain available until September 30, 2011: Provided, That funds appropriated in this paragraph may be used to reimburse obligations incurred for the purposes provided herein prior to enactment of this Act.

UNITED STATES AGENCY FOR
INTERNATIONAL DEVELOPMENT
FUNDS APPROPRIATED TO THE PRESIDENT
OFFICE OF INSPECTOR GENERAL

For an additional amount for "Office of Inspector General" for necessary expenses for oversight of operations and programs in Afghanistan and Pakistan, \$3,400,000, to remain available until September 30, 2013.

For an additional amount for "Office of Inspector General" for necessary expenses for oversight of emergency relief, rehabilitation, and reconstruction aid, and other expenses related to Haiti following the earthquake of January 12, 2010, \$4,500,000, to remain available until September 30, 2012: Provided, That up to \$1,500,000 of the funds appropriated in this paragraph may be used to reimburse obligations incurred for the purposes provided herein prior to enactment of this Act.

BILATERAL ECONOMIC ASSISTANCE
FUNDS APPROPRIATED TO THE PRESIDENT
GLOBAL HEALTH AND CHILD SURVIVAL

For an additional amount for "Global Health and Child Survival" for necessary expenses for pandemic preparedness and response, \$45,000,000, to remain available until September 30, 2011.

INTERNATIONAL DISASTER ASSISTANCE

For an additional amount for "International Disaster Assistance" for necessary expenses for emergency relief and rehabilitation, and other expenses related to Haiti following the earthquake of January 12, 2010, \$460,000,000, to remain available until expended: Provided, That funds appropriated in this paragraph may be used to reimburse obligations incurred for the purposes provided herein prior to enactment of this Act.

ECONOMIC SUPPORT FUND
(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Economic Support Fund", \$1,620,000,000, to remain available until September 30, 2012, of which not less than \$1,309,000,000 shall be made available for assistance for Afghanistan and not less than \$259,000,000 shall be made available for assistance for Pakistan: Provided, That funds appropriated under this heading in this Act and in prior Acts making appropriations for the Department of State, foreign operations, and related programs that are made available for assistance for Afghanistan may be made available, after consultation with the Committees on Appropriations, for disarmament, demobilization and reintegration activities, subject to the requirements of section 904(e) in this chapter, and for a United States contribution to an internationally managed fund to support the reintegration into Afghan society of individuals who have renounced violence against the Government of Afghanistan.

For an additional amount for "Economic Support Fund" for necessary expenses for emergency relief, rehabilitation, and reconstruction aid, and other expenses related to Haiti following the earthquake of January 12, 2010, \$770,000,000, to remain available until September 30, 2012: Provided, That of the funds appropriated in this paragraph, up to \$120,000,000 may be transferred to the Department of the Treasury for United States contributions to a multi-donor trust fund for reconstruction and recovery efforts in Haiti: Provided further, That of the funds appropriated in this paragraph, up to \$10,000,000 may be transferred to, and merged with, funds made available under the heading "United States Agency for International Development, Funds Appropriated to the President, Operating Expenses" for administrative costs relating to the purposes provided herein and to reimburse obligations incurred for the purposes provided herein prior to enactment of this Act: Provided further, That funds appropriated in this paragraph may be transferred to, and merged with, funds available under the heading "Development Credit Authority" for the purposes provided herein: Provided further, That such transfer authority is in addition to any other transfer authority provided by this or any other Act: Provided further, That funds made available to the Comptroller General pursuant to title 1, chapter 4 of Public Law 106-31, to monitor the provision of assistance to address the effects of hurricanes in Central America and the Caribbean, shall also be available to the Comptroller General to monitor relief, rehabilitation, and reconstruction aid, and other expenses related to Haiti following the earthquake of January 12, 2010, and shall remain available until expended: Provided further, That funds appropriated in this paragraph may be made available to the United States Agency for International Development and the Department of State to reimburse any accounts for obligations incurred for the purpose provided herein prior to enactment of this Act.

For an additional amount for "Economic Support Fund" for necessary expenses for assistance for Jordan, \$100,000,000, to remain available until September 30, 2012.

DEPARTMENT OF STATE

MIGRATION AND REFUGEE ASSISTANCE

For an additional amount for "Migration and Refugee Assistance" for necessary expenses for assistance for refugees and internally displaced persons, \$165,000,000, to remain available until expended.

DEPARTMENT OF THE TREASURY

INTERNATIONAL AFFAIRS TECHNICAL ASSISTANCE

For an additional amount for "International Affairs Technical Assistance" for necessary expenses for emergency relief, rehabilitation, and reconstruction aid, and other expenses related to Haiti following the earthquake of January 12, 2010, \$7,100,000, to remain available until September 30, 2012: Provided, That of the funds appropriated in this paragraph, up to \$60,000 may be used to reimburse obligations incurred for the purposes provided herein prior to enactment of this Act.

INTERNATIONAL SECURITY ASSISTANCE

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

For an additional amount for "International Narcotics Control and Law Enforcement", \$1,034,000,000, to remain available until September 30, 2012: Provided, That of the funds appropriated under this heading, not less than \$650,000,000 shall be made available for assistance for Iraq of which \$450,000,000 is for one-time start up costs and limited operational costs of the Iraqi police program, and \$200,000,000 is for implementation, management, security, communications, and other expenses related to such program and may be obligated only after the Secretary of State determines and reports to the Committees on Appropriations that the Government of Iraq supports and is cooperating with such program: Provided further, That funds appropriated in this chapter for assistance for Iraq shall not be subject to the limitation on assistance in section 7042(b)(1) of division F of Public Law 111-117: Provided further, That of the funds appropriated in this paragraph, not less than \$169,000,000 shall be made available for assistance for Afghanistan and not less than \$40,000,000 shall be made available for assistance for Pakistan: Provided further, That of the funds appropriated under this heading, \$175,000,000 shall be made available for assistance for Mexico for judicial reform, institution building, anti-corruption, and rule of law activities, and shall be available subject to prior consultation with, and the regular notification procedures of, the Committees on Appropriations.

For an additional amount for "International Narcotics Control and Law Enforcement" for necessary expenses for emergency relief, rehabilitation, and reconstruction aid, and other expenses related to Haiti following the earthquake of January 12, 2010, \$147,660,000, to remain available until September 30, 2012: Provided, That funds appropriated in this paragraph may be used to reimburse obligations incurred for the purposes provided herein prior to enactment of this Act.

FUNDS APPROPRIATED TO THE PRESIDENT

FOREIGN MILITARY FINANCING PROGRAM

For an additional amount for "Foreign Military Financing Program", \$100,000,000, to remain available until September 30, 2012, of which not less than \$50,000,000 shall be made available for assistance for Pakistan and not less than \$50,000,000 shall be made available for assistance for Jordan.

GENERAL PROVISIONS—THIS CHAPTER

EXTENSION OF AUTHORITIES

SEC. 1001. Funds appropriated in this chapter may be obligated and expended notwithstanding

section 10 of Public Law 91-672 (22 U.S.C. 2412), section 15 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 6212), and section 504(a)(1) of the National Security Act of 1947 (50 U.S.C. 414(a)(1)).

ALLOCATIONS

SEC. 1002. (a) Funds appropriated in this chapter for the following accounts shall be made available for programs and countries in the amounts contained in the respective tables included in the report accompanying this Act:

(1) "Diplomatic and Consular Programs".

(2) "Economic Support Fund".

(3) "International Narcotics Control and Law Enforcement".

(b) For the purposes of implementing this section, and only with respect to the tables included in the report accompanying this Act, the Secretary of State and the Administrator of the United States Agency for International Development, as appropriate, may propose deviations to the amounts referred in subsection (a), subject to the regular notification procedures of the Committees on Appropriations and section 634A of the Foreign Assistance Act of 1961.

SPENDING PLANS AND NOTIFICATION PROCEDURES

SEC. 1003. (a) SPENDING PLANS.—Not later than 45 days after enactment of this Act, the Secretary of State, in consultation with the Administrator of the United States Agency for International Development, and the Broadcasting Board of Governors, shall submit reports to the Committees on Appropriations detailing planned uses of funds appropriated in this chapter, except for funds appropriated under the headings "International Disaster Assistance" and "Migration and Refugee Assistance".

(b) OBLIGATION REPORTS.—The Secretary of State, in consultation with the Administrator of the United States Agency for International Development, and the Broadcasting Board of Governors, shall submit reports to the Committees on Appropriations not later than 90 days after enactment of this Act, and every 180 days thereafter until September 30, 2012, on obligations, expenditures, and program outputs and outcomes.

(c) NOTIFICATION.—Funds made available in this chapter shall be subject to the regular notification procedures of the Committees on Appropriations and section 634A of the Foreign Assistance Act of 1961, except for funds appropriated under the headings "International Disaster Assistance" and "Migration and Refugee Assistance".

AFGHANISTAN

SEC. 1004. (a) The terms and conditions of sections 1102(a), (b)(1), (c), and (d) of Public Law 111-32 shall apply to funds appropriated in this chapter that are available for assistance for Afghanistan.

(b) Funds appropriated in this chapter and in prior Acts making appropriations for the Department of State, foreign operations, and related programs under the headings "Economic Support Fund" and "International Narcotics Control and Law Enforcement" that are available for assistance for Afghanistan may be obligated only if the Secretary of State reports to the Committees on Appropriations that prior to the disbursement of funds, representatives of the Afghan national, provincial or local government, local communities and civil society organizations, as appropriate, will be consulted and participate in the design of programs, projects, and activities, and following such disbursement will participate in implementation and oversight, and progress will be measured against specific benchmarks.

(c)(1) Funds appropriated in this chapter may be made available for assistance for the Government of Afghanistan only if the Secretary of

State determines and reports to the Committees on Appropriations that the Government of Afghanistan is—

(A) cooperating with United States reconstruction and reform efforts;

(B) demonstrating a commitment to accountability by removing corrupt officials, implementing fiscal transparency and other necessary reforms of government institutions, and facilitating active public engagement in governance and oversight of public resources; and

(C) respecting the internationally recognized human rights of Afghan women.

(2) If at any time after making the determination required in paragraph (1) the Secretary receives credible information that the factual basis for such determination no longer exists, the Secretary should suspend assistance and promptly inform the relevant Afghan authorities that such assistance is suspended until sufficient factual basis exists to support the determination.

(d) Funds appropriated in this chapter and in prior Acts that are available for assistance for Afghanistan may be made available to support reconciliation with, or reintegration of, former combatants only if the Secretary of State determines and reports to the Committees on Appropriations that—

(1) Afghan women are participating at national, provincial and local levels of government in the design, policy formulation and implementation of the reconciliation or reintegration process, and women's internationally recognized human rights are protected in such process; and

(2) such funds will not be used to support any pardon, immunity from prosecution or amnesty, or any position in the Government of Afghanistan or security forces, for any leader of an armed group responsible for crimes against humanity, war crimes, or other violations of internationally recognized human rights.

(e) Funds appropriated in this chapter that are available for assistance for Afghanistan may be made available to support the work of the Independent Electoral Commission and the Electoral Complaints Commission in Afghanistan only if the Secretary of State determines and reports to the Committees on Appropriations that—

(1) the Independent Electoral Commission has no members or other employees who participated in, or helped to cover up, acts of fraud in the 2009 elections for president in Afghanistan, and the Electoral Complaints Commission is a genuinely independent body with all the authorities that were invested in it under Afghanistan law as of December 31, 2009, and with no members appointed by the President of Afghanistan; and

(2) the central Government of Afghanistan has taken steps to ensure that women are able to exercise their rights to political participation, whether as candidates or voters.

(f)(1) Not more than 45 days after enactment of this Act, the Secretary of State, in consultation with the Administrator of the United States Agency for International Development, shall submit to the Committees on Appropriations a strategy to address the needs and protect the rights of Afghan women and girls, including planned expenditures of funds appropriated in this chapter, and detailed plans for implementing and monitoring such strategy.

(2) Such strategy shall be coordinated with and support the goals and objectives of the National Action Plan for Women of Afghanistan and the Afghan National Development Strategy and shall include a defined scope and methodology to measure the impact of such assistance.

(g)(1) Notwithstanding section 303 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253) and requirements for awarding task orders under task and delivery order contracts under section 303J of such Act (41

U.S.C. 253j), the Secretary of State may award task orders for police training in Afghanistan under current Department of State contracts for police training.

(2) Any task order awarded under paragraph (1) shall be for a limited term and shall remain in performance only until a successor contract or contracts awarded by the Department of Defense using full and open competition have entered into full performance after completion of any start-up or transition periods.

PAKISTAN

SEC. 1005. (a) Funds appropriated in this chapter and in prior Acts making appropriations for the Department of State, foreign operations, and related programs under the headings "Foreign Military Financing Program" and "Pakistan Counterinsurgency Capability Fund" shall be made available—

(1) in a manner that promotes unimpeded access by humanitarian organizations to detainees, internally displaced persons, and other Pakistani civilians adversely affected by the conflict; and

(2) in accordance with section 620J of the Foreign Assistance Act of 1961, and the Secretary of State shall inform relevant Pakistani authorities of the requirements of section 620J and of its application, and regularly monitor units of Pakistani security forces that receive United States assistance and the performance of such units.

(b)(1) Of the funds appropriated in this chapter under the heading "Economic Support Fund" for assistance for Pakistan, \$5,000,000 shall be made available through the Bureau of Democracy, Human Rights and Labor, Department of State, for human rights programs in Pakistan, including training of government officials and security forces, and assistance for human rights organizations.

(2) Not later than 90 days after enactment of this Act and prior to the obligation of funds under this subsection, the Secretary of State shall submit to the Committees on Appropriations a human rights strategy in Pakistan including the proposed uses of funds.

(c) Of the funds appropriated in this chapter under the heading "Economic Support Fund" for assistance for Pakistan, up to \$1,500,000 should be made available to the Department of State and the United States Agency for International Development for the lease of aircraft to implement programs and conduct oversight in northwestern Pakistan, which shall be coordinated under the authority of the United States Chief of Mission in Pakistan.

IRAQ

SEC. 1006. (a) The uses of aircraft in Iraq purchased or leased with funds made available under the headings "International Narcotics Control and Law Enforcement" and "Diplomatic and Consular Affairs" in this chapter and in prior Acts making appropriations for the Department of State, foreign operations, and related programs shall be coordinated under the authority of the United States Chief of Mission in Iraq.

(b) The terms and conditions of section 1106(b) of Public Law 111-32 shall apply to funds made available in this chapter for assistance for Iraq under the heading "International Narcotics Control and Law Enforcement".

(c) Of the funds appropriated in this chapter and in prior acts making appropriations for the Department of State, foreign operations, and related programs under the headings "Diplomatic and Consular Programs" and "Embassy Security, Construction, and Maintenance" for Afghanistan, Pakistan and Iraq, up to \$300,000,000 may, after consultation with the Committees on Appropriations, be transferred between, and merged with, such appropriations for activities related to security for civilian led operations in such countries.

HAITI

SEC. 1007. (a) Funds appropriated in this chapter and in prior Acts making appropriations for the Department of State, foreign operations, and related programs under the headings "Economic Support Fund" and "International Narcotics Control and Law Enforcement" that are available for assistance for Haiti may be obligated only if the Secretary of State reports to the Committees on Appropriations that prior to the disbursement of funds, representatives of the Haitian national, provincial or local government, local communities and civil society organizations, as appropriate, will be consulted and participate in the design of programs, projects, and activities, and following such disbursement will participate in implementation and oversight, and progress will be measured against specific benchmarks.

(b)(1) Funds appropriated in this chapter under the headings "Economic Support Fund" and "International Narcotics Control and Law Enforcement" may be made available for assistance for the Government of Haiti only if the Secretary of State determines and reports to the Committees on Appropriations that the Government of Haiti is—

(A) cooperating with United States reconstruction and reform efforts; and

(B) demonstrating a commitment to accountability by removing corrupt officials, implementing fiscal transparency and other necessary reforms of government institutions, and facilitating active public engagement in governance and oversight of public resources.

(2) If at any time after making the determination required in paragraph (1) the Secretary receives credible information that the factual basis for making such determination no longer exists, the Secretary should suspend assistance and promptly inform the relevant Haitian authorities that such assistance is suspended until sufficient factual basis exists to support the determination.

(c)(1) Funds appropriated in this chapter for bilateral assistance for Haiti may be provided as direct budget support to the central Government of Haiti only if the Secretary of State reports to the Committees on Appropriations that the Government of the United States and the Government of Haiti have agreed, in writing, to clear and achievable goals and objectives for the use of such funds, and have established mechanisms within each implementing agency to ensure that such funds are used for the purposes for which they were intended.

(2) The Secretary should suspend any such direct budget support to an implementing agency if the Secretary has credible evidence of misuse of such funds by any such agency.

(3) Any such direct budget support shall be subject to prior consultation with the Committees on Appropriations.

(d) Funds appropriated in this chapter that are made available for assistance for Haiti shall be made available, to the maximum extent practicable, in a manner that emphasizes the participation and leadership of Haitian women and directly improves the security, economic and social well-being, and political status of Haitian women and girls.

(e) Funds appropriated in this chapter may be made available for assistance for Haiti notwithstanding any other provision of law, except for section 620J of the Foreign Assistance Act of 1961 and provisions of this chapter.

HAITI DEBT RELIEF

SEC. 1008. (a) For an additional amount for "Contribution to the Inter-American Development Bank", "Contribution to the International Development Association", and "Contribution to the International Fund for Agricultural Development", to cancel Haiti's existing debts and repayments on disbursements from loans com-

mitted prior to January 12, 2010, and for the United States share of an increase in the resources of the Fund for Special Operations of the Inter-American Development Bank, to the extent separately authorized in this chapter, in furtherance of providing debt relief for Haiti in view of the Cancun Declaration of March 21, 2010, a total of \$212,000,000, to remain available until September 30, 2012.

(b) Up to \$40,000,000 of the amounts appropriated under the heading "Department of the Treasury, Debt Restructuring" in prior Acts making appropriations for the Department of State, foreign operations, and related programs may be used to cancel Haiti's existing debts and repayments on disbursements from loans committed prior to January 12, 2010, to the Inter-American Development Bank, the International Development Association, and the International Fund for Agricultural Development, and for the United States share of an increase in the resources of the Fund for Special Operations of the Inter-American Development Bank in furtherance of providing debt relief for Haiti in view of the Cancun Declaration of March 21, 2010.

HAITI DEBT RELIEF AUTHORITY

SEC. 1009. The Inter-American Development Bank Act, Public Law 86-147, as amended (22 U.S.C. 283 et seq.), is further amended by adding at the end thereof the following new section:

"SEC. 40. AUTHORITY TO VOTE FOR AND CONTRIBUTE TO AN INCREASE IN RESOURCES OF THE FUND FOR SPECIAL OPERATIONS; PROVIDING DEBT RELIEF TO HAITI.

"(a) VOTE AUTHORIZED.—In accordance with section 5 of this Act, the United States Governor of the Bank is authorized to vote in favor of a resolution to increase the resources of the Fund for Special Operations up to \$479,000,000, in furtherance of providing debt relief for Haiti in view of the Cancun Declaration of March 21, 2010, which provides that:

"(1) Haiti's debts to the Fund for Special Operations are to be cancelled;

"(2) Haiti's remaining local currency conversion obligations to the Fund for Special Operations are to be cancelled;

"(3) undisbursed balances of existing loans of the Fund for Special Operations to Haiti are to be converted to grants; and

"(4) the Fund for Special Operations is to make available significant and immediate grant financing to Haiti as well as appropriate resources to other countries remaining as borrowers within the Fund for Special Operations, consistent with paragraph 6 of the Cancun Declaration of March 21, 2010.

"(b) CONTRIBUTION AUTHORITY.—To the extent and in the amount provided in advance in appropriations Acts the United States Governor of the Bank may, on behalf of the United States and in accordance with section 5 of this Act, contribute up to \$252,000,000 to the Fund for Special Operations, which will provide for debt relief of:

"(1) up to \$240,000,000 to the Fund for Special Operations;

"(2) up to \$8,000,000 to the International Fund for Agricultural Development (IFAD); and

"(3) up to \$4,000,000 for the International Development Association (IDA).

"(c) AUTHORIZATION OF APPROPRIATIONS.—To pay for the contribution authorized under subsection (b), there are authorized to be appropriated, without fiscal year limitation, for payment by the Secretary of the Treasury \$212,000,000, for the United States contribution to the Fund for Special Operations."

MEXICO

SEC. 1010. (a) For purposes of funds appropriated in this chapter and in prior Acts making appropriations for the Department of State, foreign operations, and related programs under the

heading “International Narcotics Control and Law Enforcement” that are made available for assistance for Mexico, the provisions of paragraphs (1) through (3) of section 7045(e) of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2009 (division H of Public Law 111–8) shall apply and the report required in paragraph (1) shall be based on a determination by the Secretary of State of compliance with each of the requirements in paragraph (1)(A) through (D).

(b) Funds appropriated in this chapter under the heading “International Narcotics Control and Law Enforcement” that are available for assistance for Mexico may be made available only after the Secretary of State submits a report to the Committees on Appropriations detailing a coordinated, multi-year, interagency strategy to address the causes of drug-related violence and other organized criminal activity in Central and South America, Mexico, and the Caribbean, which shall describe—

(1) the United States multi-year strategy for the region, including a description of key challenges in the source, transit, and demand zones; the key objectives of the strategy; and a detailed description of outcome indicators for measuring progress toward such objectives;

(2) the integration of diplomatic, administration of justice, law enforcement, civil society, economic development, demand reduction, and other assistance to achieve such objectives;

(3) progress in phasing out law enforcement activities of the militaries of each recipient country, as applicable; and

(4) governmental efforts to investigate and prosecute violations of internationally recognized human rights.

(c) Of the funds appropriated in this chapter under the heading “Diplomatic and Consular Programs”, up to \$5,000,000 may be made available for armored vehicles and other emergency diplomatic security support for United States Government personnel in Mexico.

EL SALVADOR

SEC. 1011. Of the funds appropriated in this chapter under the heading “Economic Support Fund”, \$25,000,000 shall be made available for necessary expenses for emergency relief and reconstruction assistance for El Salvador related to Hurricane/Tropical Storm Ida.

DEMOCRATIC REPUBLIC OF THE CONGO

SEC. 1012. Of the funds appropriated in this chapter under the heading “Economic Support Fund”, \$15,000,000 shall be made available for necessary expenses for emergency security and humanitarian assistance for civilians, particularly women and girls, in the eastern region of the Democratic Republic of the Congo.

INTERNATIONAL SCIENTIFIC COOPERATION

SEC. 1013. Funds appropriated in prior Acts making appropriations for the Department of State, foreign operations, and related programs that are made available for science and technology centers in the former Soviet Union may be used to support productive, non-military projects that engage scientists and engineers who have no weapons background, but whose competence could otherwise be applied to weapons development, provided such projects are executed through existing science and technology centers and notwithstanding sections 503 and 504 of the FREEDOM Support Act (Public Law 102–511), and following consultation with the Committees on Appropriations, the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives.

INTERNATIONAL RENEWABLE ENERGY AGENCY

SEC. 1014. For fiscal year 2011 and thereafter, the President is authorized to accept the statute of, and to maintain membership of the United

States in, the International Renewable Energy Agency, and the United States’ assessed contributions to maintain such membership may be paid from funds appropriated for “Contributions to International Organizations”.

OFFICE OF INSPECTOR GENERAL PERSONNEL

SEC. 1015. (a) Funds appropriated in this chapter for the United States Agency for International Development Office of Inspector General (OIG) may be made available to contract with United States citizens for personal services when the Inspector General determines that the personnel resources of the OIG are otherwise insufficient.

(1) Not more than 5 percent of the OIG personnel (determined on a full-time equivalent basis), as of any given date, are serving under personal services contracts.

(2) Contracts under this paragraph shall not exceed a term of 2 years unless the Inspector General determines that exceptional circumstances justify an extension of up to 1 additional year, and contractors under this paragraph shall not be considered employees of the Federal Government for purposes of title 5, United States Code, or members of the Foreign Service for purposes of title 22, United States Code.

(b)(1) The Inspector General may waive subsections (a) through (d) of section 8344, and subsections (a) through (e) of section 8468 of title 5, United States Code, and subsections (a) through (d) of section 4064 of title 22, United States Code, on behalf of any re-employed annuitant serving in a position within the OIG to facilitate the assignment of persons to positions in Iraq, Pakistan, Afghanistan, and Haiti or to positions vacated by members of the Foreign Service assigned to those countries.

(2) The authority provided in paragraph (1) shall be exercised on a case-by-case basis for positions for which there is difficulty recruiting or retaining a qualified employee or to address a temporary emergency hiring need, individuals employed by the OIG under this paragraph shall not be considered employees for purposes of subchapter III of chapter 83 of title 5, United States Code, or chapter 84 of such title, and the authorities of the Inspector General under this paragraph shall terminate on October 1, 2012.

AUTHORITY TO REPROGRAM FUNDS

SEC. 1016. Of the funds appropriated by this chapter for assistance for Afghanistan, Iraq and Pakistan, up to \$100,000,000 may be made available pursuant to the authority of section 451 of the Foreign Assistance Act of 1961, as amended, for assistance in the Middle East and South Asia regions if the President finds, in addition to the requirements of section 451 and certifies and reports to the Committees on Appropriations, that exercising the authority of this section is necessary to protect the national security interests of the United States: Provided, That the Secretary of State shall consult with the Committees on Appropriations prior to the reprogramming of such funds, which shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That the funding limitation otherwise applicable to section 451 of the Foreign Assistance Act of 1961 shall not apply to this section: Provided further, That the authority of this section shall expire upon enactment of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2011.

SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION (INCLUDING RESCISSION)

SEC. 1017. (a) Of the funds appropriated under the heading “Department of State, Administration of Foreign Affairs, Office of Inspector General” and authorized to be transferred to the Special Inspector General for Afghanistan

Reconstruction in title XI of Public Law 111–32, \$7,200,000 are rescinded.

(b) For an additional amount for “Department of State, Administration of Foreign Affairs, Office of Inspector General” which shall be available for the Special Inspector General for Afghanistan Reconstruction for reconstruction oversight in Afghanistan, \$7,200,000, and shall remain available until September 30, 2011.

CHAPTER 11

DEPARTMENT OF TRANSPORTATION NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

HIGHWAY TRAFFIC SAFETY GRANTS

(HIGHWAY TRUST FUND)

(INCLUDING RESCISSION)

Of the amounts provided for Safety Belt Performance Grants in Public Law 111–117, \$15,000,000 shall be available to pay for expenses necessary to discharge the functions of the Secretary, with respect to traffic and highway safety under subtitle C of title X of Public Law 109–59 and chapter 301 and part C of subtitle VI of title 49, United States Code, and for the planning or execution of programs authorized under section 403 of title 23, United States Code: Provided, That such funds shall be available until September 30, 2011, and shall be in addition to the amount of any limitation imposed on obligations in fiscal year 2011.

Of the amounts made available for Safety Belt Performance Grants under section 406 of title 23, United States Code, \$25,000,000 in unobligated balances are permanently rescinded: Provided, That section 3002 shall not apply to the amounts under this heading.

CONSUMER ASSISTANCE TO RECYCLE AND SAVE PROGRAM (RESCISSION)

Of the amounts made available for the Consumer Assistance to Recycle and Save Program, \$44,000,000 in unobligated balances are rescinded.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT FUND

For an additional amount for the “Community Development Fund”, for necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure, housing, and economic revitalization in areas affected by severe storms and flooding from March 2010 through May 2010 for which the President declared a major disaster covering an entire State or States with more than 20 counties declared major disasters under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974, \$100,000,000, to remain available until expended, for activities authorized under title I of the Housing and Community Development Act of 1974 (Public Law 93–383): Provided, That funds shall be awarded directly to the State or unit of general local government at the discretion of the Secretary: Provided further, That prior to the obligation of funds a grantee shall submit a plan to the Secretary detailing the proposed use of all funds, including criteria for eligibility and how the use of these funds will address long-term recovery and restoration of infrastructure: Provided further, That funds provided under this heading may be used by a State or locality as a matching requirement, share, or contribution for any other Federal program: Provided further, That such funds may not be used for activities reimbursable by, or for which funds are made available by, the Federal Emergency Management Agency or the Army Corps of Engineers: Provided further, That funds allocated under this heading shall not adversely affect the amount of any

formula assistance received by a State or subdivision thereof under the Community Development Fund: Provided further, That a State or subdivision thereof may use up to 5 percent of its allocation for administrative costs: Provided further, That in administering the funds under this heading, the Secretary of Housing and Urban Development may waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by the recipient of these funds or guarantees (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a request by a State or subdivision thereof explaining why such waiver is required to facilitate the use of such funds or guarantees, if the Secretary finds that such waiver would not be inconsistent with the overall purpose of title I of the Housing and Community Development Act of 1974: Provided further, That the Secretary shall publish in the Federal Register any waiver of any statute or regulation that the Secretary administers pursuant to title I of the Housing and Community Development Act of 1974 no later than 5 days before the effective date of such waiver: Provided further, That the Secretary shall obligate to a State or subdivision thereof not less than 50 percent of the funding provided under this heading within 90 days after the enactment of this Act.

TITLE II

DEPARTMENT OF COMMERCE

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For an additional amount, in addition to amounts provided elsewhere in this Act, for "Economic Development Assistance Programs", to carry out planning, technical assistance and other assistance under section 209, and consistent with section 703(b), of the Public Works and Economic Development Act (42 U.S.C. 3149, 3233), in States affected by the incidents related to the discharge of oil that began in 2010 in connection with the explosion on, and sinking of, the mobile offshore drilling unit Deepwater Horizon, \$5,000,000, to remain available until expended.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

For an additional amount, in addition to amounts provided elsewhere in this Act, for "Operations, Research, and Facilities", \$13,000,000, to remain available until expended, for responding to economic impacts on fishermen and fishery-dependent businesses: Provided, That the amounts appropriated herein are not available unless the Secretary of Commerce determines that resources provided under other authorities and appropriations including by the responsible parties under the Oil Pollution Act, 33 U.S.C. 2701, et seq., are not sufficient to respond to economic impacts on fishermen and fishery-dependent business following an incident related to a spill of national significance declared under the National Contingency Plan provided for under section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9605).

For an additional amount, in addition to amounts provided elsewhere in this Act, for "Operations, Research, and Facilities", for activities undertaken including scientific investigations and sampling as a result of the incidents related to the discharge of oil and the use of oil dispersants that began in 2010 in connection with the explosion on, and sinking of, the mobile offshore drilling unit Deepwater Horizon, \$7,000,000, to remain available until expended. These activities may be funded through the pro-

vision of grants to universities, colleges and other research partners through extramural research funding.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses", Food and Drug Administration, Department of Health and Human Services, for food safety monitoring and response activities in connection with the incidents related to the discharge of oil that began in 2010 in connection with the explosion on, and sinking of, the mobile offshore drilling unit Deepwater Horizon, \$2,000,000, to remain available until expended.

DEPARTMENT OF THE INTERIOR

DEPARTMENTAL OFFICES

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for the "Office of the Secretary, Salaries and Expenses" for increased inspections, enforcement, investigations, environmental and engineering studies, and other activities related to emergency offshore oil spill incidents in the Gulf of Mexico, \$29,000,000, to remain available until expended: Provided, That such funds may be transferred by the Secretary to any other account in the Department of the Interior to carry out the purposes provided herein.

DEPARTMENT OF JUSTICE

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For an additional amount for "Salaries and Expenses, General Legal Activities", \$10,000,000, to remain available until expended, for litigation expenses resulting from incidents related to the discharge of oil that began in 2010 in connection with the explosion on, and sinking of, the mobile offshore drilling unit Deepwater Horizon.

ENVIRONMENTAL PROTECTION AGENCY

SCIENCE AND TECHNOLOGY

For an additional amount for "Science and Technology" for a study on the potential human and environmental risks and impacts of the release of crude oil and the application of dispersants, surface washing agents, bioremediation agents, and other mitigation measures listed in the National Contingency Plan Product List (40 C.F.R. Part 300 Subpart J), as appropriate, \$2,000,000, to remain available until expended: Provided, That the study shall be performed at the direction of the Administrator of the Environmental Protection Agency, in coordination with the Secretary of Commerce and the Secretary of the Interior: Provided further, That the study may be funded through the provision of grants to universities and colleges through extramural research funding.

GENERAL PROVISION—THIS TITLE

DEEPWATER HORIZON

SEC. 2001. Section 6002(b) of the Oil Pollution Act of 1990 (33 U.S.C. 2752) is amended in the second sentence:

(1) by inserting ":(1)" before "may obtain an advance" and after "the Coast Guard";

(2) by striking "advance. Amounts" and inserting the following: "advance; (2) in the case of discharge of oil that began in 2010 in connection with the explosion on, and sinking of, the mobile offshore drilling unit Deepwater Horizon, may, without further appropriation, obtain one or more advances from the Oil Spill Liability Trust Fund as needed, up to a maximum of \$100,000,000 for each advance, the total amount

of all advances not to exceed the amounts available under section 9509(c)(2) of the Internal Revenue Code of 1986 (26 U.S.C. 9509(c)(2)), and within 7 days of each advance, shall notify Congress of the amount advanced and the facts and circumstances necessitating the advance; and (3) amounts".

PROHIBITION ON FINES AND LIABILITY

SEC. 2002. None of the funds made available by this Act shall be used to levy against any person any fine, or to hold any person liable for construction or renovation work performed by the person, in any State under the final rule entitled "Lead; Renovation, Repair, and Painting Program; Lead Hazard Information Pamphlet; Notice of Availability; Final Rule" (73 Fed. Reg. 21692 (April 22, 2008)), and the final rule entitled "Lead; Amendment to the Opt-out and Record-keeping Provisions in the Renovation, Repair, and Painting Program" signed by the Administrator on April 22, 2010.

RIGHT-OF-WAY

SEC. 2003. (a) Notwithstanding any other provision of law, the Secretary of the Interior shall—

(1) not later than 30 days after the date of enactment of this Act, amend Right-of-Way Grants No. NVN-49781/IDI-26446/NVN-85211/NVN-85210 of the Bureau of Land Management to shift the 200-foot right-of-way for the 500-kilovolt transmission line project to the alignment depicted on the maps entitled "Southwest Intertie Project" and dated December 10, 2009, and May 21, 2010, and approve the construction, operation and maintenance plans of the project; and

(2) not later than 90 days after the date of enactment of this Act, issue a notice to proceed with construction of the project in accordance with the amended grants and approved plans described in paragraph (1).

(b) Notwithstanding any other provision of law, the Secretary of Energy may provide or facilitate federal financing for the project described in subsection (a) under the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 115) or the Energy Policy Act of 2005 (42 U.S.C. 15801 et seq.), based on the comprehensive reviews and consultations performed by the Secretary of the Interior.

FUNDING FOR ENVIRONMENTAL AND FISHERIES IMPACTS

SEC. 2004. (1) FISHERIES DISASTER RELIEF.—For an additional amount, in addition to other amounts provided in this Act for the National Oceanic and Atmospheric Administration, \$15,000,000 to be available to provide fisheries disaster relief under section 312 of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1861a) related to a commercial fishery failure due to a fishery resource disaster in the Gulf of Mexico that resulted from the Deepwater Horizon oil discharge.

(2) EXPANDED STOCK ASSESSMENT OF FISHERIES.—For an additional amount, in addition to other amounts provided in this Act for the National Oceanic and Atmospheric Administration, \$10,000,000 to conduct an expanded stock assessment of the fisheries of the Gulf of Mexico. Such expanded stock assessment shall include an assessment of the commercial and recreational catch and biological sampling, observer programs, data management and processing activities, the conduct of assessments, and follow-up evaluations of such fisheries.

(3) ECOSYSTEM SERVICES IMPACTS STUDY.—For an additional amount, in addition to other amounts provided for the Department of Commerce, \$1,000,000 to be available for the National Academy of Sciences to conduct a study of the long-term ecosystem service impacts of the Deepwater Horizon oil discharge. Such study shall assess long-term costs to the public of lost water filtration, hunting, and fishing (commercial and recreational), and other ecosystem services associated with the Gulf of Mexico.

(4) *IN GENERAL.*—Of the amounts appropriated or made available under division B, title I of Public Law 111–117 that remain unobligated as of the date of the enactment of this Act under Procurement, Acquisition, and Construction for the National Oceanic and Atmospheric Administration, \$26,000,000 of the amounts appropriated are hereby rescinded.

TITLE III

GENERAL PROVISIONS—THIS ACT

AVAILABILITY OF FUNDS

SEC. 3001. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

EMERGENCY DESIGNATION

SEC. 3002. Unless otherwise specified, each amount in this Act is designated as an emergency requirement and necessary to meet emergency needs pursuant to sections 403(a) and 423(b) of S. Con. Res. 13 (111th Congress), the concurrent resolution on the budget for fiscal year 2010.

SEC. 3003. (a) Notwithstanding any other provision of law, for fiscal year 2010 only, all funds received from sales, bonuses, royalties, and rentals under the Geothermal Steam Act of 1970 (30 U.S.C. §§1001 et seq.) shall be deposited in the Treasury, of which—

(1) 50 percent shall be used by the Secretary of the Treasury to make payments to States within the boundaries of which the leased land and geothermal resources are located;

(2) 25 percent shall be used by the Secretary of the Treasury to make payments to the counties within the boundaries of which the leased land or geothermal resources are located; and

(3) 25 percent shall be deposited in miscellaneous receipts.

(b) Section 3002 shall not apply to this section.

SEC. 3004. (a) Public Law 111–88, the Interior, Environment, and Related Agencies Appropriations Act, 2010, is amended under the heading “Office of the Special Trustee for American Indians” by—

(1) striking “\$185,984,000” and inserting “\$176,984,000”; and

(2) striking “\$56,536,000” and inserting “\$47,536,000”.

(b) Section 3002 shall not apply to the amounts in this section.

SEC. 3005. Section 502(c) of the Chesapeake Bay Initiative Act of 1998 (16 U.S.C. 461 note; Public Law 105–312) is amended by striking “2008” and inserting “2011”.

SEC. 3006. For fiscal years 2010 and 2011—

(1) the National Park Service Recreation Fee Program account may be available for the cost of adjustments and changes within the original scope of contracts for National Park Service projects funded by Public Law 111–5 and for associated administrative costs when no funds are otherwise available for such purposes;

(2) notwithstanding section 430 of division E of Public Law 111–8 and section 444 of Public Law 111–88, the Secretary of the Interior may utilize unobligated balances for adjustments and changes within the original scope of projects funded through division A, title VII, of Public Law 111–5 and for associated administrative costs when no funds are otherwise available;

(3) the Secretary of the Interior shall ensure that any unobligated balances utilized pursuant to paragraph (2) shall be derived from the bureau and account for which the project was funded in Public Law 111–5; and

(4) the Secretary of the Interior shall consult with the Committees on Appropriations prior to making any charges authorized by this section.

SEC. 3007. (a) Section 205(d) of the Federal Land Transaction Facilitation Act (43 U.S.C. 2304(d)) is amended by striking “10 years” and inserting “11 years”.

(b) Section 3002 shall not apply to this section.

SEC. 3008. Of the amounts appropriated for the Edward Byrne Memorial Justice Assistance Grant Program under subpart 1 of part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3750 et seq.) under the heading “STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE” under the heading “OFFICE OF JUSTICE PROGRAMS” under the heading “STATE AND LOCAL LAW ENFORCEMENT ACTIVITIES” under title II of the Omnibus Appropriations Act, 2009 (Public Law 111–8; 123 Stat. 579), at the discretion of the Attorney General, the amounts to be made available to Genesee County, Michigan for assistance for individuals transitioning from prison in Genesee County, Michigan pursuant to the joint statement of managers accompanying that Act may be made available to My Brother’s Keeper of Genesee County, Michigan to provide assistance for individuals transitioning from prison in Genesee County, Michigan.

SEC. 3009. Section 159(b)(2)(C) of title I of division A of the Consolidated Appropriations Act, 2010 (49 U.S.C. 24305 note) is amended by striking clauses (i) and (ii) and inserting the following:

“(i) requiring inspections of any container containing a firearm or ammunition; and

“(ii) the temporary suspension of firearm carriage service if credible intelligence information indicates a threat related to the national rail system or specific routes or trains.”.

PUBLIC AVAILABILITY OF CONTRACTOR INTEGRITY AND PERFORMANCE DATABASE

SEC. 3010. Section 872(e)(1) of the Clean Contracting Act of 2008 (subtitle G of title VIII of Public Law 110–417; 41 U.S.C. 417b(e)(1)) is amended by adding at the end the following: “In addition, the Administrator shall post all such information, excluding past performance reviews, on a publicly available Internet website.”.

ASSESSMENTS ON GUANTANAMO BAY DETAINEES

SEC. 3011. (a) SUBMISSION OF INFORMATION RELATED TO DISPOSITION DECISIONS.—Not later than 45 days after the date of the enactment of this Act, the Director of National Intelligence, in coordination with the participants of the interagency review of Guantanamo Bay detainees conducted pursuant to Executive Order 13492 (10 U.S.C. 801 note), shall fully inform the congressional intelligence committees concerning the basis for the disposition decisions reached by the Guantanamo Review Task Force, and shall provide to the congressional intelligence committees—

(1) the written threat analyses prepared on each detainee by the Guantanamo Review Task Force established pursuant to Executive Order 13492; and

(2) access to the intelligence information that formed the basis of any such specific assessments or threat analyses.

(b) FUTURE SUBMISSIONS.—In addition to the analyses, assessments, and information required under subsection (a) and not later than 10 days after the date that a threat assessment described in subsection (a) is disseminated, the Director of National Intelligence shall provide to the congressional intelligence committees—

(1) any new threat assessment prepared by any element of the intelligence community of a Guantanamo Bay detainee who remains in detention or is pending release or transfer; and

(2) access to the intelligence information that formed the basis of such threat assessment.

(c) CONGRESSIONAL INTELLIGENCE COMMITTEES DEFINED.—In this section, the term “congressional intelligence committees” has the meaning given that term in section 3(7) of the National Security Act of 1947 (50 U.S.C. 401a(7)).

SEC. 3012. Of the amounts appropriated for the Edward Byrne Memorial Justice Assistance

Grant Program under subpart 1 of part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3750 et seq.) under the heading “STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE” under the heading “OFFICE OF JUSTICE PROGRAMS” under the heading “STATE AND LOCAL LAW ENFORCEMENT ACTIVITIES” under title II of the Omnibus Appropriations Act, 2009 (Public Law 111–8; 123 Stat. 579), at the discretion of the Attorney General, the amounts to be made available to the Marcus Institute, Atlanta, Georgia, to provide remediation for the potential consequences of childhood abuse and neglect, pursuant to the joint statement of managers accompanying that Act, may be made available to the Georgia State University Center for Healthy Development, Atlanta, Georgia.

COASTAL IMPACT ASSISTANCE

SEC. 3013. Section 31 of the Outer Continental Shelf Lands Act (43 U.S.C. 1356a) is amended by adding at the end the following:

“(e) EMERGENCY FUNDING.—

“(1) *IN GENERAL.*—In response to a spill of national significance under the Oil Pollution Act of 1990 (33 U.S.C. 2701 et seq.), at the request of a producing State or coastal political subdivision and notwithstanding the requirements of part 12 of title 43, Code of Federal Regulations (or a successor regulation), the Secretary may immediately disburse funds allocated under this section for 1 or more individual projects that are—

“(A) consistent with subsection (d); and

“(B) specifically designed to respond to the spill of national significance.

“(2) *APPROVAL BY SECRETARY.*—The Secretary may, in the sole discretion of the Secretary, approve, on a project by project basis, the immediate disbursement of the funds under paragraph (1).

“(3) *STATE REQUIREMENTS.*—

“(A) *ADDITIONAL INFORMATION.*—If the Secretary approves a project for funding under this subsection that is included in a plan previously approved under subsection (c), not later than 90 days after the date of the funding approval, the producing State or coastal political subdivision shall submit to the Secretary any additional information that the Secretary determines to be necessary to ensure that the project is in compliance with subsection (d).

“(B) *AMENDMENT TO PLAN.*—If the Secretary approves a project for funding under this subsection that is not included in a plan previously approved under subsection (c), not later than 90 days after the date of the funding approval, the producing State or coastal political subdivision shall submit to the Secretary for approval an amendment to the plan that includes any projects funded under paragraph (1), as well as any information about such projects that the Secretary determines to be necessary to ensure that the project is in compliance with subsection (d).

“(C) *LIMITATION.*—If a producing State or coastal political subdivision does not submit the additional information or amendments to the plan required by this paragraph, or if, based on the information submitted by the Secretary determines that the project is not in compliance with subsection (d), by the deadlines specified in this paragraph, the Secretary shall not disburse any additional funds to the producing State or the coastal political subdivisions until the date on which the additional information or amendment to the plan has been approved by the Secretary.”.

This Act may be cited as the “Supplemental Appropriations Act, 2010”.

Amend the title so as to read: “Making supplemental appropriations for the fiscal year ending September 30, 2010, and for other purposes.”.

MOTION TO CONCUR

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. Obey moves that the House concur in the Senate amendment to the text of H.R. 4899 with each of the five amendments printed in House Report 111-522.

The text of the amendments is as follows:

AMENDMENT NO. 1

In the matter proposed to be inserted by the Senate amendment to the text of the bill, insert before the short title at the end the following:

TITLE V—OTHER PROVISIONS**Subtitle A—Settlements and Other Program Provisions****SEC. 5001. APPROPRIATION OF FUNDS FOR FINAL SETTLEMENT OF CLAIMS FROM IN RE BLACK FARMERS DISCRIMINATION LITIGATION.**

(a) DEFINITIONS.—In this section:

(1) SETTLEMENT AGREEMENT.—The term “Settlement Agreement” means the settlement agreement dated February 18, 2010 (including any modifications agreed to by the parties and approved by the court under that agreement) between certain plaintiffs, by and through their counsel, and the Secretary of Agriculture to resolve, fully and forever, the claims raised or that could have been raised in the cases consolidated in *In re Black Farmers Discrimination Litigation*, No. 08-511 (D.D.C.), including Pigford claims asserted under section 14012 of the Food, Conservation, and Energy Act of 2008 (Public Law 110-246; 122 Stat. 2209).

(2) PIGFORD CLAIM.—The term “Pigford claim” has the meaning given that term in section 14012(a)(3) of the Food, Conservation, and Energy Act of 2008 (Public Law 110-246; 122 Stat. 2210).

(b) APPROPRIATION OF FUNDS.—There is hereby appropriated to the Secretary of Agriculture \$1,150,000,000, to remain available until expended, to carry out the terms of the Settlement Agreement if the Settlement Agreement is approved by a court order that is or becomes final and nonappealable. The funds appropriated by this subsection are in addition to the \$100,000,000 of funds of the Commodity Credit Corporation made available by section 14012(i) of the Food, Conservation, and Energy Act of 2008 (Public Law 110-246; 122 Stat. 2212) and shall be available for obligation only after those Commodity Credit Corporation funds are fully obligated. If the Settlement Agreement is not approved as provided in this subsection, the \$100,000,000 of funds of the Commodity Credit Corporation made available by section 14012(i) of the Food, Conservation, and Energy Act of 2008 shall be the sole funding available for Pigford claims.

(c) USE OF FUNDS.—The use of the funds appropriated by subsection (b) shall be subject to the express terms of the Settlement Agreement.

(d) TREATMENT OF REMAINING FUNDS.—If any of the funds appropriated by subsection (b) are not obligated and expended to carry out the Settlement Agreement, the Secretary of Agriculture shall return the unused funds to the Treasury and may not make the unused funds available for any purpose related to section 14012 of the Food, Conservation, and Energy Act of 2008, for any other settlement agreement executed in *In re Black Farmers Discrimination Litigation*, No. 08-511 (D.D.C.), or for any other purpose.

(e) RULES OF CONSTRUCTION.—Nothing in this section shall be construed as requiring

the United States, any of its officers or agencies, or any other party to enter into the Settlement Agreement or any other settlement agreement. Nothing in this section shall be construed as creating the basis for a Pigford claim.

(f) CONFORMING AMENDMENTS.—Section 14012 of the Food, Conservation, and Energy Act of 2008 (Public Law 110-246; 122 Stat. 2209) is amended—

(1) in subsection (c)(1)—

(A) by striking “subsection (h)” and inserting “subsection (g)”; and

(B) by striking “subsection (i)” and inserting “subsection (h)”; and

(2) by striking subsection (e);

(3) in subsection (g), by striking “subsection (f)” and inserting “subsection (e)”; and

(4) in subsection (i)—

(A) by striking “(1) IN GENERAL.—Of the funds” and inserting “Of the funds”; and

(B) by striking paragraph (2);

(5) by striking subsection (j); and

(6) by redesignating subsections (f), (g), (h), (i), and (k) as subsections (e), (f), (g), (h), and (i), respectively.

SEC. 5002. EMPLOYMENT FOR YOUTH.

There is appropriated, out of any funds in the Treasury not otherwise appropriated, for an additional amount for “Department of Labor—Employment and Training Administration—Training and Employment Services” for activities under the Workforce Investment Act of 1998 (“WIA”), \$1,000,000,000 shall be available for obligation on the date of enactment of this Act for grants to States for youth activities, including employment for youth: *Provided*, That no portion of such funds shall be reserved to carry out section 127(b)(1)(A) of the WIA: *Provided further*, That for purposes of section 127(b)(1)(C)(iv) of the WIA, funds available for youth activities shall be allotted as if the total amount available for youth activities in the fiscal year does not exceed \$1,000,000,000: *Provided further*, That with respect to the youth activities provided with such funds, section 101(13)(A) of the WIA shall be applied by substituting “age 24” for “age 21”: *Provided further*, That the work readiness performance indicator described in section 136(b)(2)(A)(ii)(I) of the WIA shall be the only measure of performance used to assess the effectiveness of employment for youth provided with such funds: *Provided further*, That an amount that is not more than 1 percent of such amount may be used for the administration, management, and oversight of the programs, activities, and grants carried out with such funds, including the evaluation of the use of such funds: *Provided further*, That funds available under the preceding proviso, together with funds described in section 801(a) of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5), and funds provided in such Act under the heading “Department of Labor—Departmental Management—Salaries and Expenses”, shall remain available for obligation through September 30, 2011.

SEC. 5003. THE INDIVIDUAL INDIAN MONEY ACCOUNT LITIGATION SETTLEMENT ACT OF 2010.

(a) SHORT TITLE.—This section may be cited as the “Individual Indian Money Account Litigation Settlement Act of 2010”.

(b) DEFINITIONS.—In this section:

(1) AMENDED COMPLAINT.—The term “Amended Complaint” means the Amended Complaint attached to the Settlement.

(2) LAND CONSOLIDATION PROGRAM.—The term “Land Consolidation Program” means a program conducted in accordance with the Settlement and the Indian Land Consolida-

tion Act (25 U.S.C. 2201 et seq.) under which the Secretary may purchase fractional interests in trust or restricted land.

(3) LITIGATION.—The term “Litigation” means the case entitled *Elouise Cobell et al. v. Ken Salazar et al.*, United States District Court, District of Columbia, Civil Action No. 96-1285 (JR).

(4) PLAINTIFF.—The term “Plaintiff” means a member of any class certified in the Litigation.

(5) SECRETARY.—The term “Secretary” means the Secretary of the Interior.

(6) SETTLEMENT.—The term “Settlement” means the Class Action Settlement Agreement dated December 7, 2009, in the Litigation, as modified by the parties to the Litigation.

(7) TRUST ADMINISTRATION CLASS.—The term “Trust Administration Class” means the Trust Administration Class as defined in the Settlement.

(c) PURPOSE.—The purpose of this section is to authorize the Settlement.

(d) AUTHORIZATION.—The Settlement is authorized, ratified, and confirmed.

(e) JURISDICTIONAL PROVISIONS.—

(1) IN GENERAL.—Notwithstanding the limitation of jurisdiction of district courts contained in section 1346(a)(2) of title 28, United States Code, the United States District Court for the District of Columbia shall have jurisdiction over the claims asserted in the Amended Complaint for purposes of the Settlement.

(2) CERTIFICATION OF TRUST ADMINISTRATION CLASS.—

(A) IN GENERAL.—Notwithstanding the requirements of the Federal Rules of Civil Procedure, the court overseeing the Litigation may certify the Trust Administration Class.

(B) TREATMENT.—On certification under subparagraph (A), the Trust Administration Class shall be treated as a class under Federal Rule of Civil Procedure 23(b)(3) for purposes of the Settlement.

(f) TRUST LAND CONSOLIDATION.—

(1) TRUST LAND CONSOLIDATION FUND.—

(A) ESTABLISHMENT.—On final approval (as defined in the Settlement) of the Settlement, there shall be established in the Treasury of the United States a fund, to be known as the “Trust Land Consolidation Fund”.

(B) AVAILABILITY OF AMOUNTS.—Amounts in the Trust Land Consolidation Fund shall be made available to the Secretary during the 10-year period beginning on the date of final approval of the Settlement—

(i) to conduct the Land Consolidation Program; and

(ii) for other costs specified in the Settlement.

(C) DEPOSITS.—

(i) IN GENERAL.—On final approval (as defined in the Settlement) of the Settlement, the Secretary of the Treasury shall deposit in the Trust Land Consolidation Fund \$2,000,000,000 of the amounts appropriated by section 1304 of title 31, United States Code.

(ii) CONDITIONS MET.—The conditions described in section 1304 of title 31, United States Code, shall be considered to be met for purposes of clause (i).

(D) TRANSFERS.—In a manner designed to encourage participation in the Land Consolidation Program, the Secretary may transfer, at the discretion of the Secretary, not more than \$60,000,000 of amounts in the Trust Land Consolidation Fund to the Indian Education Scholarship Holding Fund established under paragraph 2.

(2) INDIAN EDUCATION SCHOLARSHIP HOLDING FUND.—

(A) ESTABLISHMENT.—On the final approval (as defined in the Settlement) of the Settlement, there shall be established in the Treasury of the United States a fund, to be known as the “Indian Education Scholarship Holding Fund”.

(B) AVAILABILITY.—Notwithstanding any other provision of law governing competition, public notification, or Federal procurement or assistance, amounts in the Indian Education Scholarship Holding Fund shall be made available, without further appropriation, to the Secretary to contribute to an Indian Education Scholarship Fund, as described in the Settlement, to provide scholarships for Native Americans.

(3) ACQUISITION OF TRUST OR RESTRICTED LAND.—The Secretary may acquire, at the discretion of the Secretary and in accordance with the Land Consolidation Program, any fractional interest in trust or restricted land.

(4) TREATMENT OF UNLOCATABLE PLAINTIFFS.—A Plaintiff the whereabouts of whom are unknown and who, after reasonable efforts by the Secretary, cannot be located during the 5 year period beginning on the date of final approval (as defined in the Settlement) of the Settlement shall be considered to have accepted an offer made pursuant to the Land Consolidation Program.

(g) TAXATION AND OTHER BENEFITS.—

(1) INTERNAL REVENUE CODE.—For purposes of the Internal Revenue Code of 1986, amounts received by an individual Indian as a lump sum or a periodic payment pursuant to the Settlement—

(A) shall not be included in gross income; and

(B) shall not be taken into consideration for purposes of applying any provision of the Internal Revenue Code of 1986 that takes into account excludable income in computing adjusted gross income or modified adjusted gross income, including section 86 of that Code (relating to Social Security and tier 1 railroad retirement benefits).

(2) OTHER BENEFITS.—Notwithstanding any other provision of law, for purposes of determining initial eligibility, ongoing eligibility, or level of benefits under any Federal or federally assisted program, amounts received by an individual Indian as a lump sum or a periodic payment pursuant to the Settlement shall not be treated for any household member, during the 1-year period beginning on the date of receipt—

(A) as income for the month during which the amounts were received; or

(B) as a resource.

SEC. 5004. EXTENSION AND FLEXIBILITY FOR CERTAIN ALLOCATED SURFACE TRANSPORTATION PROGRAMS.

(a) MODIFICATION OF ALLOCATION RULES.—Section 411(d) of the Surface Transportation Extension Act of 2010 (Public Law 111-147; 124 Stat. 80) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A)—

(i) by striking “1301, 1302,”; and

(ii) by striking “1198, 1204,”; and

(B) in subparagraph (A)—

(i) in the matter preceding clause (i) by striking “apportioned under sections 104(b) and 144 of title 23, United States Code,” and inserting “specified in section 105(a)(2) of title 23, United States Code (except the high priority projects program),”; and

(ii) in clause (ii) by striking “apportioned under such sections of such Code” and inserting “specified in such section 105(a)(2) (except the high priority projects program),”; and

(2) in paragraph (2)—

(A) in the matter preceding subparagraph (A)—

(i) by striking “1301, 1302,”; and

(ii) by striking “1198, 1204,”; and

(B) in subparagraph (A)—

(i) in the matter preceding clause (i) by striking “apportioned under sections 104(b) and 144 of title 23, United States Code,” and inserting “specified in section 105(a)(2) of title 23, United States Code (except the high priority projects program),”; and

(ii) in clause (ii) by striking “apportioned under such sections of such Code” and inserting “specified in such section 105(a)(2) (except the high priority projects program),”; and

(3) by adding at the end the following:

“(5) PROJECTS OF NATIONAL AND REGIONAL SIGNIFICANCE AND NATIONAL CORRIDOR INFRASTRUCTURE IMPROVEMENT PROGRAMS.—

“(A) REDISTRIBUTION AMONG STATES.—Notwithstanding sections 1301(m) and 1302(e) of SAFETEA-LU (119 Stat. 1202 and 1205), the Secretary shall apportion funds authorized to be appropriated under subsection (b) for the projects of national and regional significance program and the national corridor infrastructure improvement program among all States such that each State’s share of the funds so apportioned is equal to the State’s share for fiscal year 2009 of funds apportioned or allocated for the programs specified in section 105(a)(2) of title 23, United States Code.

“(B) DISTRIBUTION AMONG PROGRAMS.—Funds apportioned to a State pursuant to subparagraph (A) shall be—

“(i) made available to the State for the programs specified in section 105(a)(2) of title 23, United States Code (except the high priority projects program), and in the same proportion for each such program that—

“(I) the amount apportioned to the State for that program for fiscal year 2009; bears to

“(II) the amount apportioned to the State for fiscal year 2009 for all such programs; and

“(ii) administered in the same manner and with the same period of availability as funding is administered under programs identified in clause (i).”.

(b) EXPENDITURE AUTHORITY FROM HIGHWAY TRUST FUND.—Paragraph (1) of section 9503(c) of the Internal Revenue Code of 1986 is amended by striking “Surface Transportation Extension Act of 2010” and inserting “Supplemental Appropriations Act, 2010”.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect upon the date of enactment of the Surface Transportation Extension Act of 2010 (Public Law 111-147; 124 Stat. 78 et seq.) and shall be treated as being included in that Act at the time of the enactment of that Act.

(d) SAVINGS CLAUSE.—

(1) IN GENERAL.—For fiscal year 2010 and for the period beginning on October 1, 2010, and ending on December 31, 2010, the amount of funds apportioned to each State under section 411(d) of the Surface Transportation Extension Act of 2010 (Public Law 111-147) that is determined by the amount that the State received or was authorized to receive for fiscal year 2009 to carry out the projects of national and regional significance program and national corridor infrastructure improvement program shall be the greater of—

(A) the amount that the State was authorized to receive under section 411(d) of the Surface Transportation Extension Act of 2010 with respect to each such program according to the provisions of that Act, as in effect on the day before the date of enactment of this Act; or

(B) the amount that the State is authorized to receive under section 411(d) of the

Surface Transportation Extension Act of 2010 with respect to each such program pursuant to the provisions of that Act, as amended by the amendments made by this section.

(2) OBLIGATION AUTHORITY.—For fiscal year 2010, the amount of obligation authority distributed to each State shall be the greater of—

(A) the amount that the State was authorized to receive pursuant to section 120(a)(4)(A) (as it pertains to the Appalachian Development Highway System program) of title I of division A of the Consolidated Appropriations Act, 2010 (Public Law 111-117) and sections 120(a)(4)(B) and 120(a)(6) of such title, as of the day before the date of enactment of this Act; or

(B) the amount that the State is authorized to receive pursuant to section 120(a)(4)(A) (as it pertains to the Appalachian Development Highway System program) of title I of division A of the Consolidated Appropriations Act, 2010 (Public Law 111-117) and sections 120(a)(4)(B) and 120(a)(6) of such title, as of the date of enactment of this Act.

(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) such sums as may be necessary to carry out this subsection.

(4) INCREASE IN OBLIGATION LIMITATION.—The limitation under the heading “Federal-aid Highways (Limitation on Obligations) (Highway Trust Fund)” in Public Law 111-117 is increased by such sums as may be necessary to carry out this subsection.

(5) CONTRACT AUTHORITY.—Funds made available to carry out this subsection shall be available for obligation and administered in the same manner as if such funds were apportioned under chapter 1 of title 23, United States Code.

(6) AMOUNTS.—The dollar amount specified in section 105(d)(1) of title 23, United States Code, the dollar amount specified in section 120(a)(4)(B) of title I of division A of the Consolidated Appropriations Act, 2010 (Public Law 111-117), and the dollar amount specified in section 120(b)(10) of such title shall each be increased as necessary to carry out this subsection.

Subtitle B—Revenue Provisions

SEC. 5101. REQUIRED MINIMUM 10-YEAR TERM, ETC., FOR GRANTOR RETAINED ANNUITY TRUSTS.

(a) IN GENERAL.—Subsection (b) of section 2702 of the Internal Revenue Code of 1986 is amended—

(1) by redesignating paragraphs (1), (2) and (3) as subparagraphs (A), (B), and (C), respectively, and by moving such subparagraphs (as so redesignated) 2 ems to the right,

(2) by striking “For purposes of” and inserting the following:

“(1) IN GENERAL.—For purposes of”, and

(3) by striking “paragraph (1) or (2)” in paragraph (1)(C) (as so redesignated) and inserting “subparagraph (A) or (B)”, and

(4) by adding at the end the following new paragraph:

“(2) ADDITIONAL REQUIREMENTS WITH RESPECT TO GRANTOR RETAINED ANNUITIES.—For purposes of subsection (a), in the case of an interest described in paragraph (1)(A) (determined without regard to this paragraph) which is retained by the transferor, such interest shall be treated as described in such paragraph only if—

“(A) the right to receive the fixed amounts referred to in such paragraph is for a term of not less than 10 years,

“(B) such fixed amounts, when determined on an annual basis, do not decrease relative

to any prior year during the first 10 years of the term referred to in subparagraph (A), and “(C) the remainder interest has a value greater than zero determined as of the time of the transfer.”.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to transfers made after the date of the enactment of this Act.

SEC. 5102. CRUDE TALL OIL INELIGIBLE FOR CELLULOSIC BIOFUEL PRODUCER CREDIT.

(a) **IN GENERAL.**—Clause (iii) of section 40(b)(6)(E) of the Internal Revenue Code of 1986 is amended—

(1) by striking “or” at the end of subclause (I),

(2) by striking the period at the end of subclause (II) and inserting “, or”,

(3) by adding at the end the following new subclause:

“(III) such fuel has an acid number greater than 25.”, and

(4) by striking “UNPROCESSED” in the heading and inserting “CERTAIN”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to fuels sold or used on or after January 1, 2010.

SEC. 5103. TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES.

The percentage under paragraph (2) of section 561 of the Hiring Incentives to Restore Employment Act in effect on the date of the enactment of this Act is increased by 5.25 percentage points.

Subtitle C—Budgetary Provisions

SEC. 5201. BUDGETARY PROVISIONS.

(a) **STATUTORY PAYGO.**—The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, jointly submitted for printing in the Congressional Record by the Chairmen of the House and Senate Budget Committees, provided that such statement has been submitted prior to the vote on passage in the House acting first on this conference report or amendment between the Houses.

(b) **EXCLUSION FROM PAYGO.**—

(1) Savings in this Act that would be subject to inclusion in the Statutory Pay-As-You-Go scorecards are providing an offset to increased discretionary spending. As such, they should not be available on the scorecards maintained by the Office of Management and Budget to provide offsets for future legislation.

(2) The Director of the Office of Management and Budget shall not include any net savings resulting from the changes in direct spending or revenues contained in this Act on the scorecards required to be maintained by OMB under the Statutory Pay-As-You-Go Act of 2010.

AMENDMENT NO. 2

Page 90, after line 18, insert the following:

TITLE IV

CHAPTER 1

DEPARTMENT OF ENERGY

ENERGY PROGRAMS

TITLE 17 INNOVATIVE TECHNOLOGY LOAN GUARANTEE PROGRAM

Subject to section 502 of the Congressional Budget Act of 1974, commitments to guarantee loans under title XVII of the Energy Policy Act of 2005, shall not exceed a total principal amount of \$18,000,000,000 for eligible projects, to remain available until committed, of which \$9,000,000,000 shall be for nuclear power facilities and \$9,000,000,000 shall

be for renewable energy system and efficient end-use energy technology projects: *Provided*, That these amounts are in addition to authorities provided in any other Act: *Provided further*, That for amounts collected pursuant to section 1702(b)(2) of the Energy Policy Act of 2005, the source of such payment received from borrowers is not a loan or other debt obligation that is guaranteed by the Federal Government: *Provided further*, That none of the loan guarantee authority made available in this paragraph shall be available for commitments to guarantee loans for any projects where funds, personnel, or property (tangible or intangible) of any Federal agency, instrumentality, personnel, or affiliated entity are expected to be used (directly or indirectly) through acquisitions, contracts, demonstrations, exchanges, grants, incentives, leases, procurements, sales, other transaction authority, or other arrangements, to support the project or to obtain goods or services from the project: *Provided further*, That the previous proviso shall not be interpreted as precluding the use of the loan guarantee authority in this paragraph for commitments to guarantee loans for projects as a result of such projects benefiting from (1) otherwise allowable Federal income tax benefits; (2) being located on Federal land pursuant to a lease or right-of-way agreement for which all consideration for all uses is (A) paid exclusively in cash, (B) deposited in the Treasury as offsetting receipts, and (C) equal to the fair market value as determined by the head of the relevant Federal agency; (3) Federal insurance programs, including under section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210; commonly known as the “Price-Anderson Act”); or (4) for electric generation projects, use of transmission facilities owned or operated by a Federal Power Marketing Administration or the Tennessee Valley Authority that have been authorized, approved, and financed independent of the project receiving the guarantee: *Provided further*, That none of the loan guarantee authority made available in this paragraph shall be available for any project unless the Director of the Office of Management and Budget has certified in advance in writing that the loan guarantee and the project comply with the provisions under this paragraph: *Provided further*, That none of the loan guarantee authority made available in this paragraph may be used to make a final or conditional loan guarantee award unless the Secretary of Energy provides notification of the award, including the proposed subsidy cost, to the Committees on Appropriations of the Senate and the House of Representatives at least 3 full business days in advance of such award: *Provided further*, That section 3002 shall not apply to the amounts under this heading.

DEPARTMENTAL ADMINISTRATION

For necessary expenses of the National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling established by, and in order to carry out activities under, Executive Order 13543, \$12,000,000, to remain available until September 30, 2011: *Provided*, That funds appropriated in this paragraph may be used to reimburse obligations incurred for the purposes provided herein prior to enactment of this Act.

DEPARTMENT OF HOMELAND SECURITY

U.S. CUSTOMS AND BORDER PROTECTION

SALARIES AND EXPENSES

For an additional amount for “Salaries and Expenses”, \$356,900,000, to remain available until September 30, 2012, of which \$78,000,000 shall be for costs to maintain U.S.

Customs and Border Protection Officer staffing on the Southwest Border of the United States, \$58,000,000 shall be for hiring additional U.S. Customs and Border Protection Officers for deployment at ports of entry on the Southwest Border of the United States, \$208,400,000 shall be for hiring additional Border Patrol agents for deployment to the Southwest Border of the United States, \$2,500,000 shall be for forward operating bases on the Southwest Border of the United States, and \$10,000,000 shall be to support integrity and background investigation programs.

BORDER SECURITY FENCING, INFRASTRUCTURE, AND TECHNOLOGY

For an additional amount for “Border Security Fencing, Infrastructure, and Technology”, \$14,000,000, to remain available until September 30, 2011, for costs of designing, building, and deploying tactical communications for support of enforcement activities on the Southwest Border of the United States.

AIR AND MARINE INTERDICTION, OPERATIONS, MAINTENANCE, AND PROCUREMENT

For an additional amount for “Air and Marine Interdiction, Operations, Maintenance, and Procurement”, \$32,000,000, to remain available until September 30, 2012, for costs of acquisition and deployment of unmanned aircraft systems.

CONSTRUCTION AND FACILITIES MANAGEMENT

For an additional amount for “Construction and Facilities Management”, \$9,000,000, to remain available until September 30, 2011, for costs to construct up to three forward operating bases for use by the Border Patrol to carry out enforcement activities on the Southwest Border of the United States.

U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT

SALARIES AND EXPENSES

For an additional amount for “Salaries and Expenses”, \$30,000,000, to remain available until September 30, 2011, for law enforcement activities targeted at reducing the threat of violence along the Southwest Border of the United States.

FEDERAL EMERGENCY MANAGEMENT AGENCY

STATE AND LOCAL PROGRAMS

For an additional amount for “State and Local Programs”, \$50,000,000 to remain available until September 30, 2011, for Operation Stonegarden.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

For an additional amount for “Salaries and Expenses”, \$8,100,000, to remain available until September 30, 2011, for costs to provide basic training for new U.S. Customs and Border Protection Officers and Border Patrol agents.

DEPARTMENT OF EDUCATION

EDUCATION JOBS FUND

For necessary expenses for an Education Jobs Fund, \$10,000,000,000: *Provided*, That section 3002 shall not apply to \$1,300,000,000 of the amount under this heading: *Provided further*, That the amount under this heading shall be administered under the terms and conditions of sections 14001 through 14013 and title XV of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) except as follows:

(1) **ALLOCATION OF FUNDS.**—

(A) Funds appropriated under this heading shall be available only for allocation by the Secretary of Education (in this heading referred to as the “Secretary”) in accordance

with subsections (a), (b), (d), (e), and (f) of section 14001 of division A of Public Law 111-5 and subparagraph (B) of this paragraph, except that the amount reserved under such subsection (b) shall not exceed \$1,000,000 and such subsection (f) shall be applied by substituting "one year" for "two years".

(B) Prior to allocating funds to States under section 14001(d) of division A of Public Law 111-5, the Secretary shall allocate 0.5 percent to the Secretary of the Interior for schools operated or funded by the Bureau of Indian Affairs on the basis of the schools' respective needs for activities consistent with this heading under such terms and conditions as the Secretary of the Interior may determine.

(2) RESERVATION.—A State that receives an allocation of funds appropriated under this heading may reserve not more than 2 percent for the administrative costs of carrying out its responsibilities with respect to those funds.

(3) AWARDS TO LOCAL EDUCATIONAL AGENCIES.—

(A) Except as specified in paragraph (2), an allocation of funds to a State shall be used only for awards to local educational agencies for the support of elementary and secondary education in accordance with paragraph (5) for the 2010-2011 school year (or, in the case of reallocations made under section 14001(f) of division A of Public Law 111-5, for the 2010-2011 or the 2011-2012 school year).

(B) Funds used to support elementary and secondary education shall be distributed through a State's primary elementary and secondary funding formulae or based on local educational agencies' relative shares of funds under part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.) for the most recent fiscal year for which data are available.

(C) Subsections (a) and (b) of section 14002 of division A of Public Law 111-5 shall not apply to funds appropriated under this heading.

(4) COMPLIANCE WITH EDUCATION REFORM ASSURANCES.—For purposes of awarding funds appropriated under this heading, any State that has an approved application for Phase II of the State Fiscal Stabilization Fund that was submitted in accordance with the application notice published in the Federal Register on November 17, 2009 (74 Fed. Reg. 59142) shall be deemed to be in compliance with subsection (b) and paragraphs (2) through (5) of subsection (d) of section 14005 of division A of Public Law 111-5.

(5) REQUIREMENT TO USE FUNDS TO RETAIN OR CREATE EDUCATION JOBS.—Notwithstanding section 14003(a) of division A of Public Law 111-5, funds awarded to local educational agencies under paragraph (3)—

(A) may be used only for compensation and benefits and other expenses, such as support services, necessary to retain existing employees, to recall or rehire former employees, and to hire new employees, in order to provide early childhood, elementary, or secondary educational and related services; and

(B) may not be used for "general administrative expenses" or for "other support services expenditures" as those terms were defined by the National Center for Education Statistics in its Common Core of Data as of the date of enactment of this Act.

(6) PROHIBITION ON USE OF FUNDS FOR RAINY-DAY FUNDS OR DEBT RETIREMENT.—A State that receives an allocation may not use such funds, directly or indirectly, to—

(A) establish, restore, or supplement a rainy-day fund;

(B) supplant State funds in a manner that has the effect of establishing, restoring, or supplementing a rainy-day fund;

(C) reduce or retire debt obligations incurred by the State; or

(D) supplant State funds in a manner that has the effect of reducing or retiring debt obligations incurred by the State.

(7) DEADLINE FOR AWARD.—The Secretary shall award funds appropriated under this heading not later than 45 days after the date of the enactment of this Act to States that have submitted applications meeting the requirements applicable to funds under this heading. The Secretary shall not require information in applications beyond what is necessary to determine compliance with applicable provisions of law.

(8) ALTERNATE DISTRIBUTION OF FUNDS.—If, within 30 days after the date of the enactment of this Act, a Governor has not submitted an approvable application, the Secretary shall provide for funds allocated to that State to be distributed to another entity or other entities in the State (notwithstanding section 14001(e) of division A of Public Law 111-5) for support of elementary and secondary education, under such terms and conditions as the Secretary may establish, provided that all terms and conditions that apply to funds appropriated under this heading shall apply to such funds distributed to such entity or entities. No distribution shall be made to a State under this paragraph, however, unless the Secretary has determined (on the basis of such information as may be available) that the requirements of clauses (i), (ii), or (iii) of paragraph 10(A) are likely to be met, notwithstanding the lack of an application from the Governor of that State.

(9) LOCAL EDUCATIONAL AGENCY APPLICATION.—Section 442 of the General Education Provisions Act shall not apply to a local educational agency that has previously submitted an application to the State under title XIV of division A of Public Law 111-5. The assurances provided under that application shall continue to apply to funds awarded under this heading.

(10) MAINTENANCE OF EFFORT.—

(A) Except as provided in paragraph (8), the Secretary shall not allocate funds to a State under paragraph (1) unless the Governor of the State provides an assurance to the Secretary that—

(i) for State fiscal year 2011, the State will maintain State support for elementary and secondary education (in the aggregate or on the basis of expenditures per pupil) and for public institutions of higher education (not including support for capital projects or for research and development or tuition and fees paid by students) at not less than the level of such support for each of the two categories, respectively, for State fiscal year 2009;

(ii) for State fiscal year 2011, the State will maintain State support for elementary and secondary education and for public institutions of higher education (not including support for capital projects or for research and development or tuition and fees paid by students) at a percentage of the total revenues available to the State that is equal to or greater than the percentage provided for each of the two categories, respectively, for State fiscal year 2010; or

(iii) in the case of a State in which State tax collections for calendar year 2009 were less than State tax collections for calendar year 2006, for State fiscal year 2011 the State will maintain State support for elementary and secondary education (in the aggregate) and for public institutions of higher edu-

cation (not including support for capital projects or for research and development or tuition and fees paid by students)—

(I) at not less than the level of such support for each of the two categories, respectively, for State fiscal year 2006; or

(II) at a percentage of the total revenues available to the State that is equal to or greater than the percentage provided for each of the two categories, respectively, for State fiscal year 2006.

(B) Section 14005(d)(1) and subsections (a) through (c) of section 14012 of division A of Public Law 111-5 shall not apply to funds appropriated under this heading.

(11) ADDITIONAL REQUIREMENTS FOR THE STATE OF TEXAS.—The following requirements shall apply to the State of Texas:

(A) Notwithstanding paragraph (3)(B), funds used to support elementary and secondary education shall be distributed based on local educational agencies' relative shares of funds under part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.) for the most recent fiscal year which data are available. Funds distributed pursuant to this paragraph shall be used to supplement and not supplant State formula funding that is distributed on a similar basis to part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.).

(B) The Secretary shall not allocate funds to the State of Texas under paragraph (1) unless the Governor of the State provides an assurance to the Secretary that the State will for fiscal years 2011, 2012, and 2013 maintain State support for elementary and secondary education at a percentage of the total revenues available to the State that is equal to or greater than the percentage provided for such purpose for fiscal year 2011 prior to the enactment of this Act.

(C) Notwithstanding paragraph (8), no distribution shall be made to the State of Texas or local education agencies therein unless the Governor of Texas makes an assurance to the Secretary that the requirements in paragraphs (11)(A) and (11)(B) will be met, notwithstanding the lack of an application from the Governor of Texas.

STUDENT FINANCIAL ASSISTANCE

For an additional amount for "Student Financial Assistance", \$4,950,000,000, to remain available through September 30, 2011, to carry out subpart 1 of part A of title IV of the Higher Education Act of 1965: *Provided*, That section 3002 shall not apply to the amount under this heading.

DEPARTMENT OF DEFENSE

MILITARY CONSTRUCTION, ARMY

For an additional amount for "Military Construction, Army", \$16,500,000, to remain available until September 30, 2011, for a soldier readiness processing center: *Provided*, That notwithstanding any other provision of law, such funds may be obligated and expended to carry out planning and design and military construction projects not otherwise authorized by law: *Provided further*, That section 3002 shall not apply to the amount under this heading.

GENERAL PROVISIONS—THIS CHAPTER

SEC. 4101. For an additional amount for the emergency food assistance program as authorized by section 27(a) of the Food and Nutrition Act of 2008 (7 U.S.C. 2036(a)) and section 204(a)(1) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)(1)), \$50,000,000: *Provided*, That section 3002 shall not apply to the amount in this section.

(RESCISSION)

SEC. 4102. There is rescinded from accounts under the heading “Department of Agriculture—Natural Resources Conservation Service”, \$69,900,000, to be derived from the unobligated balances of funds that were provided for such accounts in prior appropriation Acts (other than Public Law 111-5) and that were designated by the Congress in such Acts as an emergency requirement pursuant to a concurrent resolution on the budget or the Balanced Budget and Emergency Deficit Control Act of 1985.

(RESCISSION)

SEC. 4103. There is rescinded from accounts under the heading “Department of Agriculture—Rural Development”, \$122,000,000, to be derived from the unobligated balances of funds that were provided for such accounts in prior appropriation Acts (other than Public Law 111-5) and that were designated by the Congress in such Acts as an emergency requirement pursuant to a concurrent resolution on the budget or the Balanced Budget and Emergency Deficit Control Act of 1985.

(RESCISSION)

SEC. 4104. Of the funds made available for “Department of Agriculture—Rural Utilities Service—Distance Learning, Telemedicine, and Broadband Program” in title I of division A of Public Law 111-5 (123 Stat. 118), \$300,000,000 is rescinded.

(RESCISSION)

SEC. 4105. There is rescinded from accounts under the heading “Department of Agriculture—Food and Nutrition Service—Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)”, \$361,825,000, to be derived from unobligated balances available from amounts placed in reserve in title I of division A of Public Law 111-5 (123 Stat. 115).

(RESCISSION)

SEC. 4106. Of the unobligated balances available for “Department of Agriculture—Food and Nutrition Service—Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)” as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), \$125,000,000 is rescinded: *Provided*, That section 3002 shall not apply to the amount in this section.

(RESCISSION)

SEC. 4107. Of the funds appropriated under the heading “Department of Commerce—National Institute of Standards and Technology—Construction of Research Facilities” in title II of division A of Public Law 111-5 (123 Stat. 129) \$15,000,000 is rescinded.

(RESCISSION)

SEC. 4108. Of the funds made available for “Department of Commerce—National Telecommunications and Information Administration—Broadband Technology Opportunities Program” in title II of division A of Public Law 111-5, \$302,000,000 is rescinded.

SEC. 4109. For an additional amount for the Department of Justice for necessary expenses for increased law enforcement activities related to Southwest border enforcement, \$201,000,000, to remain available until September 30, 2011: *Provided*, That funds shall be distributed to the following accounts and in the following specified amounts:

- (1) “Administrative Review and Appeals”, \$2,118,000;
- (2) “Detention Trustee”, \$7,000,000;
- (3) “Legal Activities, Salaries and Expenses, General Legal Activities”, \$3,862,000;
- (4) “Legal Activities, Salaries and Expenses, United States Attorneys”, \$9,198,000;

(5) “United States Marshals Service, Salaries and Expenses”, \$29,651,000;

(6) “United States Marshals Service, Construction”, \$8,000,000;

(7) “Interagency Law Enforcement, Interagency Crime and Drug Enforcement”, \$21,000,000;

(8) “Federal Bureau of Investigation, Salaries and Expenses”, \$25,262,000;

(9) “Drug Enforcement Administration, Salaries and Expenses”, \$35,805,000;

(10) “Bureau of Alcohol, Tobacco, Firearms and Explosives, Salaries and Expenses”, \$39,104,000; and

(11) “Federal Prison System, Salaries and Expenses”, \$20,000,000.

SEC. 4110. Section 8005 of the Department of Defense Appropriations Act, 2010 (division A of Public Law 111-118) is amended by striking the dollar amount specified in such section and inserting “\$6,000,000,000”: *Provided*, That section 3002 shall not apply to the amount in this section: *Provided further*, That the amendment made by this section shall apply in lieu of any amendment made by another provision of this Act to such dollar amount.

SEC. 4111. With respect to the multiyear procurement of F/A-18E, F/A-18F, and EA-18G aircraft—

(1) section 8011 of division A of Public Law 111-118 is amended by striking “within 30 days of enactment of this Act” and inserting “30 days prior to contract award”;

(2) the term “March 1 of the year in which the Secretary requests legislative authority to enter into such contract,” in section 2306b(i)(1) of title 10, United States Code, and section 128(a)(2) of Public Law 111-84, shall be deemed to be a reference to September 1, 2010;

(3) the Secretary of Defense may submit the report identified in section 2306b(1)(4) of title 10, United States Code, to the congressional defense committees on or before September 1, 2010; and

(4) the authority provided in section 8011 of Public Law 111-118 and section 128(a) of Public Law 111-84, as amended by this section, shall satisfy, with respect to the procurement of F/A-18E, F/A-18F, and EA-18G aircraft, the requirements of sections 2306b(i)(3) and 2306b(1)(3) of title 10, United States Code, that a multiyear contract be authorized by law in an appropriations Act and an Act other than an appropriations Act.

SEC. 4112. For all major defense acquisition programs for which the Department of Defense plans to proceed to source selection during the current fiscal year and fiscal year 2011, the Secretary of Defense shall perform an assessment of such programs and the proposals of all bidders to determine whether or not the costs are realistic and reasonable with respect to expected industry development and production costs: *Provided*, That the assessments shall address whether the programs and proposals of all bidders are at fair market value: *Provided further*, That the Secretary of Defense shall provide an assessment of the programs and proposals of all bidders to determine the number of jobs, including an estimate of development and direct manufacturing jobs, supported or lost in the United States of America: *Provided further*, That jobs supported or lost shall be measured as full time equivalent personnel: *Provided further*, That the Secretary of Defense shall provide a report, in consultation with the Secretary of Labor, containing the results of these assessments to the congressional defense committees not later than 60 days after enactment of this Act and on a quarterly basis thereafter.

(INCLUDING RESCISSION)

SEC. 4113. (a) In addition to the amounts provided elsewhere in this Act, there is appropriated \$300,000,000 for an additional amount for “Operation and Maintenance, Defense-Wide”, to remain available until expended. Such funds may be available for the Office of Economic Adjustment, notwithstanding any other provision of law, for transportation infrastructure improvements associated with medical facilities related to recommendations of the Defense Base Closure and Realignment Commission.

(b) Of the funds appropriated for “Defense Health Program” in title VI of division A of Public Law 111-118, \$300,000,000 is rescinded, to be derived from amounts for operation and maintenance.

(c) Section 3002 shall not apply to the amounts in this section.

(RESCISSION)

SEC. 4114. (a) Of the funds appropriated in Department of Defense Appropriations Acts, the following funds are rescinded from the following accounts in the specified amounts:

- “Shipbuilding and Conversion, Navy, 2006/2010”, \$107,000,000;
- “Aircraft Procurement, Army, 2008/2010”, \$21,000,000;
- “Procurement of Weapons and Tracked Combat Vehicles, Army, 2008/2010”, \$21,000,000;
- “Procurement of Ammunition, Army, 2008/2010”, \$17,000,000;
- “Other Procurement, Army, 2008/2010”, \$75,000,000;
- “Aircraft Procurement, Navy, 2008/2010”, \$166,000,000;
- “Weapons Procurement, Navy, 2008/2010”, \$26,000,000;
- “Other Procurement, Navy, 2008/2010”, \$42,000,000;
- “Procurement, Marine Corps, 2008/2010”, \$13,000,000;
- “Aircraft Procurement, Air Force, 2008/2010”, \$102,000,000;
- “Missile Procurement, Air Force, 2008/2010”, \$28,000,000;
- “Procurement of Ammunition, Air Force, 2008/2010”, \$7,000,000;
- “Other Procurement, Air Force, 2008/2010”, \$130,000,000;
- “Procurement, Defense-Wide, 2008/2010”, \$33,000,000;
- “Research, Development, Test and Evaluation, Army, 2009/2010”, \$76,000,000;
- “Research, Development, Test and Evaluation, Navy, 2009/2010”, \$131,000,000;
- “Research, Development, Test and Evaluation, Air Force, 2009/2010”, \$164,000,000;
- “Research, Development, Test and Evaluation, Defense-Wide, 2009/2010”, \$137,000,000;
- “Operation, Test and Evaluation, Defense, 2009/2010”, \$1,000,000;
- “Operation and Maintenance, Army, 2010”, \$154,000,000;
- “Operation and Maintenance, Navy, 2010”, \$155,000,000;
- “Operation and Maintenance, Marine Corps, 2010”, \$25,000,000;
- “Operation and Maintenance, Air Force, 2010”, \$155,000,000;
- “Operation and Maintenance, Defense-Wide, 2010”, \$126,000,000;
- “Operation and Maintenance, Army Reserve, 2010”, \$12,000,000;
- “Operation and Maintenance, Navy Reserve, 2010”, \$6,000,000;
- “Operation and Maintenance, Marine Corps Reserve, 2010”, \$1,000,000;
- “Operation and Maintenance, Air Force Reserve, 2010”, \$14,000,000;
- “Operation and Maintenance, Army National Guard, 2010”, \$28,000,000; and

“Operation and Maintenance, Air National Guard, 2010”, \$27,000,000.

(b) Section 3002 shall not apply to amounts in this section.

(RESCISSIONS)

SEC. 4115. (a) Of the funds appropriated in the American Recovery and Reinvestment Act of 2009 (Public Law 111-5), the following funds are rescinded from the following accounts in the specified amounts:

“Operation and Maintenance, Army, 2009/2010”, \$113,500,000;

“Operation and Maintenance, Navy, 2009/2010”, \$34,000,000;

“Operation and Maintenance, Marine Corps, 2009/2010”, \$7,000,000;

“Operation and Maintenance, Air Force, 2009/2010”, \$61,000,000;

“Operation and Maintenance, Army Reserve, 2009/2010”, \$3,500,000;

“Operation and Maintenance, Navy Reserve, 2009/2010”, \$8,000,000;

“Operation and Maintenance, Marine Corps Reserve, 2009/2010”, \$1,000,000;

“Operation and Maintenance, Air Force Reserve, 2009/2010”, \$2,000,000;

“Operation and Maintenance, Army National Guard, 2009/2010”, \$1,000,000;

“Operation and Maintenance, Air National Guard, 2009/2010”, \$2,500,000; and

“Defense Health Program, 2009/2010”, \$27,000,000.

(b) Of the funds appropriated in the Supplemental Appropriations Act, 2008 (Public Law 110-252), the following funds are rescinded from the following account in the specified amount:

“Procurement, Marine Corps, 2008/2010”, \$177,180,000.

(INCLUDING TRANSFER OF FUNDS AND
RESCISSIONS)

SEC. 4116. (a) In addition to amounts provided elsewhere in this Act, there is appropriated \$163,000,000 for an additional amount for “Operation and Maintenance, Defense-Wide”, to remain available until expended: *Provided*, That such funds shall only be available to the Secretary of Defense, acting through the Office of Economic Adjustment of the Department of Defense, or for transfer to the Secretary of Education, notwithstanding any other provision of law, to make grants, conclude cooperative agreements, or supplement other Federal funds to construct, renovate, repair, or expand elementary and secondary public schools on military installations in order to address capacity or facility condition deficiencies at such schools: *Provided further*, That in making such funds available, the Office of Economic Adjustment or the Secretary of Education shall give priority consideration to those military installations with schools having the most serious capacity or facility condition deficiencies as determined by the Secretary of Defense.

(b)(1) Of the funds appropriated for “Procurement of Weapons and Tracked Combat Vehicles, Army” in title III of division A of public Law 111-118, \$116,000,000 is rescinded.

(2) Of the funds appropriated under the heading “Operation and Maintenance, Army” in title II of division A of Public Law 111-118, \$100,000,000 is rescinded.

(3) Of the funds appropriated for “Other Procurement, Army” in title III of division C of Public Law 110-329, \$87,000,000 is rescinded.

(c) Section 3002 shall not apply to amounts in this section.

SEC. 4117. (a) SPECIFIC APPROPRIATION OR CONTRIBUTION.—Section 1702 of the Energy Policy Act of 2005 (42 U.S.C. 16512) is amended—

(1) by striking subsection (b) and inserting the following:

“(b) SPECIFIC APPROPRIATION OR CONTRIBUTION.—

“(1) IN GENERAL.—No guarantee shall be made unless—

“(A) an appropriation for the cost of the guarantee has been made;

“(B) the Secretary has received from the borrower a payment in full for the cost of the guarantee and deposited the payment into the Treasury; or

“(C) a combination of one or more appropriations under subparagraph (A) and one or more payments from the borrower under subparagraph (B) has been made that is sufficient to cover the cost of the guarantee.

“(2) LIMITATION.—The source of payments received from a borrower under paragraph (1)(B) or (C) shall not be a loan or other debt obligation that is made or guaranteed by the Federal Government.”; and

(2) by adding at the end the following:

“(1) CREDIT REPORT.—If, in the opinion of the Secretary, a third-party credit rating of the applicant or project is not necessary for the Secretary to begin review of an application, the project costs are not projected to exceed \$100,000,000, and the applicant agrees to accept the credit rating assigned to the applicant by the Secretary, the Secretary may waive an otherwise applicable requirement (including any requirement described in part 609 of title 10, Code of Federal Regulations) to provide a third-party credit report with an application, provided that the Secretary requires a third party credit report prior to issuance of a conditional commitment for a guarantee.

“(m) MULTIPLE SITES.—Notwithstanding any contrary requirement (including any provision under part 609 of title 10, Code of Federal Regulations) an eligible project may be located on two or more non-contiguous sites in the United States.”.

(b) APPLICATIONS FOR MULTIPLE ELIGIBLE PROJECTS.—Section 1705 of the Energy Policy Act of 2005 (42 U.S.C. 16516) is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting after subsection (d) the following:

“(e) MULTIPLE APPLICATIONS.—Notwithstanding any contrary requirement (including any provision under part 609.3(a) of title 10, Code of Federal Regulations), a project applicant or sponsor of an eligible project may submit an application for more than one eligible project under this section.”.

(c) ENERGY EFFICIENCY LOAN GUARANTEES.—Section 1705(a) of the Energy Policy Act of 2005 (42 U.S.C. 16516(a)) is amended by adding at the end the following:

“(4) Efficient end-use energy technologies.

“(5) Combined heat and power or industrial waste energy recovery projects.”.

(d) ADMINISTRATIVE COSTS.—Section 136 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17013) is amended by striking subsection (f) and inserting the following:

“(f) FEES.—The Secretary is authorized to charge and collect fees from applicants for or recipients of an award or loan to cover administrative costs. For any given loan or award, such fees shall not exceed \$100,000 or 10 basis points of the loan or award. In addition to the foregoing fees, the Secretary may require applicants for and recipients of an award or loan under this section to pay directly, or through the payment of fees to be used by the Secretary to pay, all fees and expenses of agents, consultants, and professional advisors retained by the Secretary in connection with activities authorized under this section.”.

(RESCISSIONS)

SEC. 4118. There are rescinded the following amounts from the specified accounts:

(1) \$35,000,000, to be derived from unobligated balances made available under “Mississippi River and Tributaries” in Public Law 110-329.

(2) \$4,874,037, to be derived from unobligated balances made available under “Flood Control and Coastal Emergencies” in Public Law 109-234.

(3) \$5,005,400, to be derived from unobligated balances made available under “Flood Control and Coastal Emergencies” in title V of Public Law 110-28.

(4) \$2,199,629, to be derived from unobligated balances made available under “Construction” in Public Law 109-148.

(RESCISSIONS)

SEC. 4119. (a) There are rescinded the following amounts from the specified accounts:

(1) \$150,000,000, to be derived from unobligated balances of funds made available under the heading “Corps of Engineers, Civil—Construction” in prior appropriations Acts (other than Public Law 111-5) for projects and activities authorized under section 205 of the Flood Control Act of 1948, section 1135 of the Water Resources Development Act of 1986, and section 206 of the Water Resources Act of 1996.

(2) \$40,000,000, to be derived from unobligated balances of funds made available under the heading “Corps of Engineers, Civil—Construction” in prior appropriations Acts, other than funds designated by the Congress as an emergency requirement pursuant to a concurrent resolution on the budget or the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) Section 3002 shall not apply to amounts in this section.

(RESCISSIONS)

SEC. 4120. (a) There are rescinded the following amounts from the specified accounts:

(1) \$78,000,000, to be derived from unobligated balances of funds made available under the heading “Department of Energy—Energy Efficiency and Renewable Energy” in division C of Public Law 111-8 and Public Law 111-85 for biomass and biorefinery research, development, and demonstration.

(2) \$71,000,000, to be derived from unobligated balances of funds made available in prior appropriations Acts under the heading “Department of Energy—Strategic Petroleum Reserve”, including \$14,493,000 provided in Public Law 110-161 for new site land acquisition activities; \$31,507,000 provided in Public Law 111-8 for new site expansion activities, beyond land acquisition; and \$25,000,000 provided in Public Law 111-85.

(3) \$20,000,000, to be derived from unobligated balances of funds made available in prior appropriations Acts under the heading “Department of Energy—Nuclear Energy”.

(b) Section 3002 shall not apply to amounts in this section.

(RESCISSION)

SEC. 4121. Of the unobligated balances of funds provided under the heading “Nuclear Regulatory Commission” in prior appropriations Acts, \$18,000,000 is permanently rescinded: *Provided*, That section 3002 shall not apply to the amount in this section.

(RESCISSION)

SEC. 4122. From unobligated balances of prior year appropriations made available to “Domestic Nuclear Detection Office—Systems Acquisition”, \$50,000,000 is rescinded: *Provided*, That section 3002 shall not apply to the amount in this section.

SEC. 4123. (a) The Administrator of General Services, not later than 90 days after the date of enactment of this Act, shall prepare and submit to the Congress a building project survey report related to a consolidated headquarters for the Federal Bureau of Investigation in the Washington metropolitan region (as defined in section 8301 of title 40, United States Code).

(b) The building project survey report shall be prepared by the Administrator of General Services in consultation with the Director of the Federal Bureau of Investigation, and each strategy described in the report shall contain, at a minimum, an estimated cost, a financing and development plan, a budgetary and financial impact analysis, a procurement and implementation plan, an analysis of security and information technology issues specific to the Federal Bureau of Investigation, and a schedule.

(c) The building project survey report shall identify a preferred strategy.

(RESCISSION)

SEC. 4124. There are permanently rescinded from “General Services Administration—Real Property Activities—Federal Building Fund”, \$75,000,000 from Rental of Space and \$25,000,000 from Building Operations, to be derived from unobligated balances that were provided in previous appropriations Acts: *Provided*, That section 3002 shall not apply to the amount in this section.

(INCLUDING TRANSFER OF FUNDS)

SEC. 4125. (a) The Secretary of Homeland Security may transfer to the Secretary of the Interior amounts available for environmental mitigation requirements for “U.S. Customs and Border Protection—Border Security Fencing, Infrastructure, and Technology” for fiscal year 2009 or thereafter, for use by the Secretary of the Interior under laws administered by such Secretary to mitigate adverse environmental impacts, including impact on species listed under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) resulting from construction, operation, and maintenance activities related to border security.

(b) Uses of funds authorized by this section include acquisition of land or interests in land that will, in the judgment of the Secretary of the Interior, mitigate or off-set such adverse impacts.

(c) Any funds transferred under this section shall be used in accordance with an agreement between the Secretaries.

(d) Not later than September 30, 2010, and on an annual basis thereafter, the Secretary of the Interior shall submit to the Committees on Appropriations of the Senate and the House of Representatives a report that describes in detail the actions taken in the preceding year with amounts transferred under this section.

(RESCISSION)

SEC. 4126. From unobligated balances of prior year appropriations made available for “Transportation Security Administration—Aviation Security” in chapter 5 of title III of Public Law 110–28, \$6,600,000 is rescinded.

(RESCISSION)

SEC. 4127. From unobligated balances of prior year appropriations made available for “United States Coast Guard—Acquisition, Construction, and Improvements” in chapter 4 of title I of division B of Public Law 109–148, \$3,000,000 is rescinded.

(RESCISSION)

SEC. 4128. From unobligated balances of prior year appropriations made available for “United States Coast Guard—Acquisition,

Construction, and Improvements” in chapter 4 of title II of Public Law 109–234, \$4,000,000 is rescinded.

(RESCISSION)

SEC. 4129. From unobligated balances of prior year appropriations made available for “Federal Emergency Management Agency—Administrative and Regional Operations” in chapter 4 of title II of Public Law 109–234, \$36,000,000 is rescinded.

(RESCISSION)

SEC. 4130. From unobligated balances of prior year appropriations made available for “Domestic Nuclear Detection Office—Research, Development, and Operations” in chapter 5 of title III of Public Law 110–28, \$3,800,000 is rescinded.

(RESCISSION)

SEC. 4131. From unobligated balances of prior year appropriations made available to “U.S. Customs and Border Protection—Border Security Fencing, Infrastructure, and Technology”, \$200,000,000 is rescinded: *Provided*, That section 3002 shall not apply to the amount in this section.

SEC. 4132. Notwithstanding any other provision of law, including any agreement, the Federal share of assistance, including direct Federal assistance provided under sections 403, 406, and 407 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170b, 5172, and 5173), for damages resulting from FEMA–1909–DR, FEMA–1894–DR, and FEMA–3311–EM–RI shall not be less than 90 percent of the eligible costs under such sections.

(RESCISSION)

SEC. 4133. Of the funds made available for “Bureau of Land Management—Management of Lands and Resources” in title VII of division A of Public Law 111–5, \$6,400,000 is rescinded.

(RESCISSION)

SEC. 4134. Of the funds made available for “Bureau of Land Management—Construction” in title VII of division A of Public Law 111–5, \$3,600,000 is rescinded.

(RESCISSION)

SEC. 4135. Of the funds made available for “National Park Service—Construction” in title VII of division A of Public Law 111–5, \$3,200,000 is rescinded.

(RESCISSION)

SEC. 4136. Of the funds made available for “United States Geological Survey—Surveys, Investigations, and Research” in title VII of division A of Public Law 111–5, \$5,000,000 is rescinded.

(RESCISSION)

SEC. 4137. Of the funds made available for “Bureau of Indian Affairs—Construction” in title VII of division A of Public Law 111–5, \$2,934,000 is rescinded.

(RESCISSION)

SEC. 4138. Of the funds made available for “Bureau of Indian Affairs—Indian Guaranteed Loan Program Account” in title VII of division A of Public Law 111–5, \$6,820,000 is rescinded.

(RESCISSION)

SEC. 4139. Of the funds made available for “Environmental Protection Agency—Hazardous Substance Superfund” in title VII of division A of Public Law 111–5, \$6,000,000 is rescinded.

(RESCISSION)

SEC. 4140. Of the funds made available for “Environmental Protection Agency—Leaking Underground Storage Tank Trust Fund

Program” in title VII of division A of Public Law 111–5, \$9,200,000 is rescinded.

(RESCISSION)

SEC. 4141. Of the funds made available for transfer in title VII of division A of Public Law 111–5, “Environmental Protection Agency—Environmental Programs and Management”, \$13,000,000 is rescinded.

(RESCISSION)

SEC. 4142. Of the funds made available for “Department of Agriculture—Forest Service—Capital Improvement and Maintenance” in title VII of division A of Public Law 111–5, \$20,000,000 is rescinded.

(RESCISSION)

SEC. 4143. Of the funds transferred in section 703 of title VII of division A of Public Law 111–5, “Department of the Interior—Working Capital Fund”, \$4,400,000 is permanently rescinded.

(RESCISSION)

SEC. 4144. Of the funds made available for “National Park Service—Construction” in chapter 5 of title II of Public Law 105–18, \$7,600,000 is rescinded.

(RESCISSION)

SEC. 4145. Of the funds made available for “National Park Service—Construction” in chapter 7 of division B of Public Law 108–324, \$5,104,000 is rescinded.

(RESCISSION)

SEC. 4146. Of the funds made available for “National Park Service—Construction” in chapter 5 of title II of Public Law 109–234, \$6,700,000 is rescinded.

(RESCISSION)

SEC. 4147. Of the funds made available for “Fish and Wildlife Service—Construction” in chapter 6 of title I of division B of Public Law 110–329, \$13,300,000 is rescinded.

SEC. 4148. Section 11(c)(1) of the Outer Continental Shelf Lands Act (43 U.S.C. 1340(c)(1)) is amended in the fourth sentence by striking “within thirty days of its submission,” and inserting the following: “within 90 days of its submission or within such additional time as the Secretary determines is necessary to complete any environmental, safety, or other reviews (in the case of leases issued pursuant to a sale held after March 17, 2010), or within 90 days of its submission or, with the consent of the holder of the lease, within such additional time as the Secretary determines is necessary to complete any environmental, safety, or other reviews (in the case of leases issued pursuant to a sale held on or before March 17, 2010).”

SEC. 4149. From funds appropriated in this Act under the heading “Department of Health and Human Services—Office of the Secretary—Public Health and Social Services Emergency Fund”, the Secretary of Health and Human Services shall make grants to States, in the amount needed to defray actual costs, for the purpose of assisting school districts serving significant numbers of children who entered the United States from Haiti during the period January 12, 2010, through May 30, 2010, and who are United States citizens or Haitian nationals, to meet the educational and related needs of such children.

(RESCISSION)

SEC. 4150. The unobligated balance of funds appropriated in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1995 (Public Law 103–333; 108 Stat. 2574) under the heading “Public Health and Social Services Emergency Fund” is rescinded.

SEC. 4151. Amounts in section 1012 of division B of Public Law 111-118 shall be deemed to have been designated by such section on the date of its enactment as an emergency requirement and necessary to meet emergency needs pursuant to sections 403 and 423(b) of S. Con. Res. 13 (111th Congress), the concurrent resolution on the budget for fiscal year 2010.

SEC. 4152. (a) OIL SPILL UNEMPLOYMENT ASSISTANCE.—Upon a determination by the President that additional resources are necessary to respond to an incident related to a spill of national significance declared under the National Contingency Plan provided for under section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9605) (“covered incident”), the Secretary of Labor is authorized to provide to any individual unemployed as a result of such covered incident such benefit assistance as the Secretary deems appropriate while such individual is unemployed for the weeks of such unemployment with respect to which the individual is not entitled to any other unemployment compensation (as that term is defined in section 85(b) of the Internal Revenue Code of 1986) or waiting period credit. Such assistance as the Secretary shall provide shall be available to an individual as long as the individual’s unemployment caused by such covered incident continues or until the individual is reemployed in a suitable position, but no longer than 26 weeks after the individual’s unemployment that resulted from the covered incident. Oil spill unemployment assistance payments for a week of unemployment shall not exceed the maximum weekly amount authorized under the unemployment compensation law of the individual’s State. The Secretary is directed to provide such assistance through agreements with States that, in the Secretary’s judgment, have an adequate system for administering such assistance through existing State agencies.

(b) FEDERAL-STATE AGREEMENTS.—Any State affected by a covered incident may enter into and participate in an agreement under this section with the Secretary. Any State which is a party to an agreement under this section may, upon providing 30 days’ written notice to the Secretary, terminate such agreement.

(c) PROVISIONS OF AGREEMENT.—Any agreement under subsection (b) shall provide that the State agency of the State will—

(1) make payments of oil spill unemployment assistance to individuals who—

(A) are unemployed as a result of a covered incident;

(B) have no rights to regular compensation or extended compensation with respect to a week under State law or any other State unemployment compensation law or to compensation under any other Federal law; and

(C) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(2) refer individuals receiving oil spill unemployment assistance under this section to one-stop delivery systems established under section 134(c) of the Workforce Investment Act of 1998 for reemployment services or training provided under such Act, the Wagner-Peyser Act, or other Federal law.

(d) WEEKLY BENEFIT AMOUNT, DUE PROCESS RIGHTS.—For purposes of any agreement under this section, the terms and conditions of Federal law and regulations which apply to claims for disaster unemployment assistance and to the payment thereof shall apply to claims for oil spill unemployment assistance and the payment thereof, except where

otherwise inconsistent with the provisions of this section or with the regulations or operating instructions of the Secretary promulgated to carry out this section.

(e) UNAUTHORIZED ALIENS INELIGIBLE.—A State shall require as a condition of oil spill unemployment assistance under this section that each alien who receives such assistance must be legally authorized to work in the United States, as defined for purposes of the Federal Unemployment Tax Act (26 U.S.C. 3101 et seq.). In determining whether an alien meets the requirements of this subsection, a State must follow the procedures provided in section 1137(d) of the Social Security Act (42 U.S.C. 1320b-7(d)).

(f) FRAUD AND OVERPAYMENTS.—

(1) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of oil spill unemployment assistance under this section to which such individual was not entitled, such individual—

(A) shall be ineligible for further oil spill unemployment assistance under this section in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(B) shall be subject to prosecution under section 1001 of title 18, United States Code.

(2) REPAYMENT.—In the case of an individual who has received oil spill unemployment assistance under this section to which such individual was not entitled, the State shall require such individual to repay the amount of such oil spill unemployment assistance to the State agency, except that the State agency may waive such repayment if it determines that—

(A) the payment of such oil spill unemployment assistance was without fault on the part of any such individual; and

(B) such repayment would be contrary to equity and good conscience.

(3) PREVENTION AND DETECTION BY STATE AGENCY.—The State agency shall submit a weekly payment file of all benefit payments to the National Directory of New Hires, and shall make arrangements for the cross match of the benefit payment recipients’ social security numbers with the National Directory of New Hires Reported Hire and Benefit payment databases a minimum of once each week and investigate all matches.

(4) RECOVERY BY STATE AGENCY.—

(A) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any oil spill unemployment assistance payable to such individual under this section or from any unemployment compensation payable to such individual under any State or Federal unemployment compensation law administered by the State agency or under any other State or Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individual received the payment of the oil spill unemployment assistance to which such individual was not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(B) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an oppor-

tunity for a fair hearing has been given to the individual, and the determination has become final.

(5) REVIEW.—Any determination by a State agency under this subsection shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

(g) PAYMENTS TO STATES.—

(1) BENEFITS.—There shall be paid to each State that has entered into an agreement under this section an amount equal to 100 percent of the oil spill unemployment assistance paid to individuals by the State under such agreement.

(2) ADMINISTRATION.—There shall be paid to each State that has entered into an agreement under this section such amounts as the Secretary determines necessary for the proper and efficient administration of such agreement.

(h) FINANCING.—

(1) IN GENERAL.—There are appropriated out of the general fund of the United States Treasury such funds as may be necessary in meeting the costs of benefits, Federal administration, and State administration of agreements under this section.

(2) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this section. Upon receipt of the certification from the Secretary, the Secretary of the Treasury shall make payments to the State in accordance with such certification, by transfers from the general fund of the United States Treasury.

(i) RELATIONSHIP WITH INCOME REPLACEMENT PAYMENTS FOR LOST WAGES OR SELF EMPLOYMENT INCOME BY THE RESPONSIBLE PARTY.—

(1) The total combined amount an individual receives of oil spill unemployment assistance and payments by the responsible party for either lost wages or self-employment income shall not exceed the greater of—

(A) the total amount of unemployment assistance that an individual is entitled to receive under subsection (a), as determined by the State agency; or

(B) the liability of the responsible party to such individual for lost wages or self-employment income.

(2) If a responsible party or the Oil Spill Liability Trust Fund under the Oil Pollution Act of 1990 (33 U.S.C. 2701 et seq.) makes a payment to the individual for lost wages related to unemployment resulting from a covered incident, and an individual has previously received unemployment assistance under this section for such period of unemployment, the responsible party or the Oil Spill Liability Trust Fund shall subtract from such payment the amount of such unemployment assistance and shall reimburse such subtracted amount to the United States for deposit in the general fund of the Treasury. If a responsible party fails to reimburse such subtracted amount pursuant to this paragraph, the Secretary of the Treasury shall request the Attorney General to bring a civil action against the responsible party or a guarantor in an appropriate district court to recover the amount of the demand, plus all costs incurred in obtaining payment including prejudgment interest, attorneys fees, and any other administrative and adjudicative costs involved.

(3) If a responsible party or the Oil Spill Liability Trust Fund has made a payment to an individual for lost wages related to unemployment resulting from a covered incident,

the amount of such payment shall be subtracted from the unemployment assistance under this section that the individual subsequently receives for such period of unemployment.

(4) Any individual's receipt of unemployment assistance under this section related to unemployment resulting from a covered incident shall be conditional on the individual taking appropriate actions, as determined by the Secretary, to seek payment for lost wages for such period of unemployment under the Oil Pollution Act of 1990 (33 U.S.C. 2701 et seq.) from the responsible party or the Oil Spill Liability Trust Fund.

(5) Any individual, as a condition of receiving oil spill unemployment assistance, shall provide informed consent to the sharing of benefit information between the State agency and the responsible party (or its claim processor) or the Oil Spill Liability Trust Fund, as appropriate, for the purpose of determining eligibility and to avoid duplicate payments as deemed necessary.

(6) If the Secretary determines the actions described in paragraphs (2) through (5) have not succeeded in avoiding duplicate payments, the Secretary may take such other actions as the Secretary determines necessary in order to avoid duplicate payments, consistent with the responsible party or the Oil Spill Liability Trust Fund making payments to individuals for lost wages related to unemployment resulting from a covered incident.

(7) The Secretary may take such actions as the Secretary determines are necessary for implementing this section, including entering into agreements with States that have agreements with the Secretary to administer this program, and the responsible party with respect to each State's administration of this program and payments made by the responsible party to claimants for lost wages and self-employment income to establish processes for—

(A) the coordination of payment of oil spill unemployment assistance under this section and payments for lost wages and self employment income by the responsible party or the Oil Spill Liability Trust Fund so as to minimize duplicate payments to claimants, including methods to—

(i) prevent duplicate payments, such as developing methods for claims processing that identify eligibility for both types of payments so as to ensure the individual receives no more than the amount specified in paragraph (1) of this subsection;

(ii) document that individuals who received either oil spill unemployment assistance or payments by the responsible party or the Oil Spill Liability Trust Fund prior to execution of the agreement were unemployed as a result of the oil spill; and

(iii) ensure prompt and accurate payment of oil spill unemployment assistance under this section or payment of claims by the responsible party or the Oil Spill Liability Trust Fund;

(B) sharing and protecting information regarding an individual's claim for oil spill unemployment assistance or claims for replacement of wages that is necessary to coordinate benefit payments and claims by the responsible party or the Oil Spill Liability Trust Fund under subparagraph (A);

(C) reimbursement by the responsible party to the Federal Government and States for payment of oil spill unemployment assistance to individuals whose unemployment was the result of a covered incident and for the administration of this program, which may include the responsible party devel-

oping a special fund for use by the States to pay benefits under this program, in accordance with the process developed under subparagraph (A) with a periodic reconciliation process to make future claims unnecessary;

(D) ensuring that the responsible party shall make benefit information available to government organizations upon request, subject to the safeguards applicable to confidential unemployment compensation information in Federal law and regulations, which shall apply to the Secretary, the State agencies administering the oil spill unemployment assistance program, the responsible party, and the Oil Spill Liability Trust Fund; and

(E) developing similar agreements with the responsible party to coordinate payments of unemployment compensation under State law related to a covered incident and payments made by the responsible party or the Oil Spill Liability Trust Fund.

(8) The procedures developed under this section may be employed by States to coordinate payments of unemployment compensation under State law related to a covered incident and payments made by the responsible party or the Oil Spill Liability Trust Fund.

(j) **LIABILITY OF RESPONSIBLE PARTIES.**—Each responsible party under the Oil Pollution Act of 1990 (33 U.S.C. 2701 et seq.) is liable for any costs, net of any payments by the responsible party to the United States under subsection (i), incurred by the United States under this section and shall, upon the demand of the Secretary of the Treasury, reimburse the general fund of the Treasury for these costs as well as the costs of the United States in administering its responsibilities under this section. If a responsible party fails to pay a demand of the Secretary of the Treasury pursuant to this subsection, the Secretary shall request the Attorney General to bring a civil action against the responsible party or a guarantor in an appropriate district court to recover the amount of the demand, plus all costs incurred in obtaining payment including prejudgment interest, attorneys fees, and any other administrative and adjudicative costs involved. Such reimbursement shall be without regard to limits of liability under section 1004 of the Oil Pollution Act of 1990 (33 U.S.C. 2704).

(k) **EFFECTIVE DATE.**—This section shall take effect immediately upon enactment of this Act and shall apply to all responsible parties under the Oil Pollution Act of 1990 (33 U.S.C. 2701 et seq.), including any party determined to be liable under such Act for any incident that occurred prior to the enactment of this section.

(l) **DEFINITIONS.**—For purposes of this section:

(1) **DUPLICATE PAYMENTS.**—The term “duplicate payments” includes any payment that would cause the individual to receive payments in excess of the amount determined under paragraph (1) of subsection (i).

(2) **RESPONSIBLE PARTY.**—The term “responsible party” means one or more responsible parties.

(3) **SECRETARY.**—The term “Secretary” means the Secretary of Labor.

(4) **STATE.**—The term “State” means any State, as such term is defined in section 3306(j)(1) of the Federal Unemployment Tax Act (26 U.S.C. 3306(j)(1)).

(5) **STATE AGENCY.**—The term “State agency” means the State agency which administers the unemployment compensation law of the State approved by the Secretary of Labor under section 3304 of the Internal Revenue Code of 1986.

SEC. 4153. (a) **IN GENERAL.**—Section 173(a) of the Workforce Investment Act of 1998 (29 U.S.C. 2918(a)) is amended—

(1) in paragraph (3), by striking “and” at the end;

(2) in paragraph (4), by striking the period at the end and inserting “; and”; and

(3) by adding at the end the following new paragraph:

“(5) to provide assistance to the Governor of any State within the boundaries of an area that is the subject of a Presidential determination that additional resources are necessary to respond to an incident related to a spill of national significance declared under the National Contingency Plan provided for under section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9605) (“covered incident”) to provide oil spill relief employment in the area.”

(b) **OIL SPILL RELIEF EMPLOYMENT ASSISTANCE REQUIREMENTS.**—Section 173 of the Workforce Investment Act of 1998 (29 U.S.C. 2918) is amended by adding at the end the following new subsection:

“(h) **OIL SPILL RELIEF EMPLOYMENT ASSISTANCE REQUIREMENTS.**—

“(1) **IN GENERAL.**—Funds made available under subsection (a)(5)—

“(A) shall be used to provide oil spill relief employment on projects involving the cleaning, restoration, renovation, repair and reconstruction of lands, marshes, waters, structures, and facilities located within the area of the covered incident, as well as offshore areas related to such incident, and projects that provide food, clothing, shelter, and other humanitarian assistance to individuals harmed by the covered incident;

“(B) may be expended through public and private agencies and organizations engaged in such projects;

“(C) may be expended to provide employment and training activities;

“(D) may be expended to provide personal protective equipment to workers engaged in oil spill relief employment described in subparagraph (A);

“(E) may be used to increase the capacity of States to make available the full range of services authorized under this title and provide information (in languages appropriate to the individuals served) about, and access to, the variety of public and private services available to individuals adversely affected by the covered incident in One-Stop Career Centers and other access points (including other public facilities, mobile service delivery units, and social services offices); and

“(F) may be used to provide temporary employment by public sector entities for a period not to exceed 6 months, in addition to the oil spill relief employment described in subparagraph (A).

“(2) **ELIGIBILITY.**—An individual shall be eligible for services under subsection (a)(5) if such individual is temporarily or permanently laid off as a consequence of the covered incident described in such subsection, is a dislocated worker, is a long-term unemployed individual, or meets such other criteria as the Secretary may establish.

“(3) **LIMITATIONS ON OIL SPILL RELIEF EMPLOYMENT ASSISTANCE.**—No individual shall be employed under subsection (a)(5) for more than 6 months for oil spill relief employment related to recovery from a single covered incident. The Secretary may, upon reviewing a State's request, extend such employment related to recovery from a single covered incident for up to an additional 6 months.

“(4) **REIMBURSEMENT.**—Each responsible party under the Oil Pollution Act of 1990 (33

U.S.C. 2701 et seq.) is liable for any costs incurred by the United States under this subsection or subsection (a)(5) and shall, upon the demand of the Secretary of the Treasury, reimburse the general fund of the Treasury for the costs incurred under this subsection or subsection (a)(5) as well as the costs of the United States in administering its responsibilities under this subsection or subsection (a)(5). If a responsible party fails to pay a demand of the Secretary of the Treasury pursuant to this subsection or subsection (a)(5), the Secretary shall request the Attorney General to bring a civil action against the responsible party or a guarantor in an appropriate district court to recover the amount of the demand, plus all costs incurred in obtaining payment including prejudgment interest, attorney's fees, and any other administrative and adjudicative costs involved. Such reimbursement shall be without regard to limits of liability under section 1004 of the Oil Pollution Act of 1990 (33 U.S.C. 2704).

“(5) USE OF AVAILABLE FUNDS.—Funds appropriated for fiscal years 2009 and 2010 and remaining available for obligation by the Secretary to provide any assistance authorized under this section shall be available to assist workers affected by a covered incident, including workers who have relocated from areas in which a covered incident has been declared. Under such conditions as the Secretary may approve, any State may use funds that remain available for expenditure under any grants awarded to the State under this section to provide any assistance authorized under this subsection. Funds used pursuant to the authority provided under this paragraph shall be subject to the reimbursement requirements described in paragraph (4).

“(6) REQUIREMENTS FOR GRANT APPLICATIONS.—An application submitted to the Secretary under this subsection shall include a detailed description of—

“(A) how the State will ensure the capacity of One-Stop Career Centers and other access points to—

“(i) provide affected individuals with information, in languages appropriate to the individuals served, about the range of available services; and

“(ii) provide affected individuals with access to the range of needed services;

“(B) how the State will prioritize individuals who are temporarily or permanently laid off as a consequence of the covered incident in the assignment of temporary employment positions; and

“(C) any other supporting information the Secretary may require.”.

(c) EFFECTIVE DATE.—This section, and the amendments made by this section, shall take effect immediately upon enactment of this Act and shall apply to all responsible parties under the Oil Pollution Act of 1990 (33 U.S.C. 2701 et seq.), including any party determined to be liable under such Act for any incident that occurred prior to the enactment of this Act.

(d) APPROPRIATION.—There is appropriated \$50,000,000 for an additional amount for “Department of Labor—Employment and Training Administration—Training and Employment Services”, to carry out section 173(a)(5) and (h) of the Workforce Investment Act of 1998 (29 U.S.C. 2918(a)(5) and (h)) (“WIA”) as amended by this Act, to remain available through June 30, 2011: *Provided*, That funding shall be available upon enactment of this Act, notwithstanding section 189(g)(1) of WIA.

SEC. 4154. (a) The Secretary of Labor may reserve not more than 1 percent of the funds

available to carry out section 4152 of this Act and section 173(h) of the Workforce Investment Act of 1998 (as added by section 4153 of this Act) for transfer to appropriate Department of Labor accounts for program administration and support activities in the Department of Labor associated with such sections, and for the increased worker protection and workplace benefit activities and oversight and coordination activities in connection with the application of laws and regulations associated with the Department's response to spills of national significance declared under the National Contingency Plan provided for under section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9605).

(b) A responsible party under the Oil Pollution Act of 1990 (33 U.S.C. 2701 et seq.) shall, upon the demand of the Secretary of the Treasury, reimburse the general fund of the Treasury for all or a portion of the additional amount appropriated herein, as determined by the Secretary of the Treasury.

(c) If a responsible party fails to pay a demand of the Secretary of the Treasury pursuant to this section, the Secretary shall request the Attorney General to bring a civil action against the responsible party or a guarantor in an appropriate district court to recover the amount of the demand, plus all costs incurred in obtaining payment including prejudgment interest, attorneys fees, and any other administrative and adjudicative costs involved. Such reimbursement shall be without regard to limits of liability under section 1004 of the Oil Pollution Act of 1990 (33 U.S.C. 2704).

(d) This section shall take effect immediately upon enactment of this Act and shall apply to all responsible parties under the Oil Pollution Act of 1990, including any party determined to be liable under such Act for any incident that occurred prior to the enactment of this Act.

(e) The Secretary of Labor shall provide to the Committees on Appropriations of the House of Representatives and the Senate a report describing the use of the funds not later than 1 year after the date of enactment of this Act.

(RESCISSION)

SEC. 4155. Of the unobligated balance of funds appropriated without fiscal year limitation under the heading “Department of Health and Human Services—Office of the Secretary—Public Health and Social Services Emergency Fund” in fiscal years 2006 through 2010 to prepare for and respond to an influenza pandemic (including any amount not yet designated by the President as emergency funds) and the unobligated balance of funds transferred to “Public Health and Social Services Emergency Fund” pursuant to the fourth paragraph under such heading in Public Law 111-117, \$2,000,000,000 is rescinded: *Provided*, That the Secretary of Health and Human Services, in consultation with the Director of the Office of Management and Budget, shall determine the amount to be rescinded from each appropriation and shall transmit a written notice of such determination to the Committees on Appropriations of the House of Representatives and the Senate not later than 30 days after enactment of this Act: *Provided further*, That section 3002 shall not apply to \$500,000,000 of the amount in this section.

(RESCISSION)

SEC. 4156. Of the funds appropriated for “Department of Education—Innovation and Improvement” in division D of Public Law

111-117 (123 Stat. 3263), \$100,000,000 is rescinded, to be derived only from the amount available for grants authorized under subpart I of part B of title V of the Elementary and Secondary Education Act of 1965: *Provided*, That section 3002 shall not apply to the amount in this section.

(RESCISSION)

SEC. 4157. Of the funds appropriated for “Department of Education—Innovation and Improvement” in division A of Public Law 111-5 (123 Stat. 182) and division D of Public Law 111-117 (123 Stat. 3263), \$200,000,000 is rescinded, to be derived only from amounts available for the Teacher Incentive Fund: *Provided*, That section 3002 shall not apply to \$100,000,000 of the amount in this section.

(RESCISSION)

SEC. 4158. Of the funds appropriated for “Department of Education—State Fiscal Stabilization Fund” in title XIV of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 279), \$500,000,000 is rescinded, to be derived only from the amount made available for grants under section 14006 of such title and through a corresponding reduction in the total amount reserved under section 14001(c) of such title for grants under such section 14006.

SEC. 4159. Amounts appropriated to the Architect of the Capitol in the Legislative Branch Appropriations Act, 2006 (Public Law 109-55) under the heading “Architect of the Capitol—Capitol Police Building and Grounds” and that remain available until September 30, 2010, and amounts appropriated to the Architect of the Capitol in the Legislative Branch Appropriations Act, 2010 (Public Law 111-68) under the heading “Architect of the Capitol—Capitol Police Buildings, Grounds and Security” and that remain available until September 30, 2014, shall be available to the Architect of the Capitol for the purchase of real property (including any buildings or facilities) for the use of the Capitol Police.

SEC. 4160. (a) TERMINATION OF OEPPPO.—Section 905 of the Emergency Supplemental Act, 2002 (2 U.S.C. 130i) is repealed.

(b) TRANSFER TO SERGEANT AT ARMS.—The functions and responsibilities of the Office of Emergency Planning, Preparedness, and Operations under section 905 of the Emergency Supplemental Act, 2002 (2 U.S.C. 130i) (as in effect on the day before the date referred to in subsection (c)) shall be transferred and assigned to the Sergeant at Arms of the House of Representatives.

(c) EFFECTIVE DATE.—This section and the amendment made by this section shall take effect February 1, 2010.

(RESCISSION)

SEC. 4161. Of the unobligated balances available to the Architect of the Capitol from prior year appropriations for the Capitol Visitor Center project, \$5,000,000 is rescinded: *Provided*, That section 3002 shall not apply to the amount in this section.

(RESCISSION)

SEC. 4162. Of the unobligated balances available under “Department of Defense, Military Construction, Army” from prior appropriations Acts, \$340,000,000 is rescinded: *Provided*, That no funds may be rescinded from amounts that were designated by the Congress as an emergency requirement or as appropriations for overseas deployments and other activities pursuant to a concurrent resolution on the budget or the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further*, That section 3002

shall not apply to the amount in this section.

(RESCISSION)

SEC. 4163. Of the unobligated balances available under “Department of Defense, Military Construction, Navy and Marine Corps” from prior appropriations Acts, \$110,000,000 is rescinded: *Provided*, That no funds may be rescinded from amounts that were designated by the Congress as an emergency requirement or as appropriations for overseas deployments and other activities pursuant to a concurrent resolution on the budget or the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further*, That section 3002 shall not apply to the amount in this section.

(RESCISSION)

SEC. 4164. Of the unobligated balances available under “Department of Defense, Military Construction, Air Force” from prior appropriations Acts, \$50,000,000 is rescinded: *Provided*, That no funds may be rescinded from amounts that were designated by the Congress as an emergency requirement or as appropriations for overseas deployments and other activities pursuant to a concurrent resolution on the budget or the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further*, That section 3002 shall not apply to the amount in this section.

(RESCISSION)

SEC. 4165. Of the funds made available for the General Operating Expenses account of the Department of Veterans Affairs in section 2201(e)(4)(A)(ii) of division B of Public Law 111-5 (123 Stat. 454; 26 U.S.C. 6428 note), \$6,100,000 is rescinded.

SEC. 4166. None of the funds appropriated or otherwise made available by this Act may be obligated by any covered executive agency in contravention of the certification requirement of section 6(b) of the Iran Sanctions Act of 1996, as included in the revisions to the Federal Acquisition Regulation pursuant to such section.

(RESCISSIONS)

SEC. 4167. (a) MILLENNIUM CHALLENGE CORPORATION.—Of the unobligated balances available under the heading “Millennium Challenge Corporation” in title III of division H of Public Law 111-8 and under such heading in prior Acts making appropriations for the Department of State, foreign operations, and related programs, \$150,000,000 is rescinded.

(b) CIVILIAN STABILIZATION INITIATIVE.—

(1) DEPARTMENT OF STATE.—Of the unobligated balances available under the heading “Department of State—Administration of Foreign Affairs—Civilian Stabilization Initiative” in prior Acts making appropriations for the Department of State, foreign operations, and related programs, \$40,000,000 is rescinded.

(2) UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT.—Of the unobligated balances available under the heading “United States Agency for International Development—Funds Appropriated to the President—Civilian Stabilization Initiative” in prior Acts making appropriations for the Department of State, foreign operations, and related programs, \$30,000,000 is rescinded.

(c) Section 3002 shall not apply to the amounts in this section.

(RESCISSION)

SEC. 4168. Of the unobligated balances available under the heading “Capital Investment Fund” in title XI of division A of Public Law 111-5, \$40,000,000 is rescinded.

(RESCISSION)

SEC. 4169. Of the unobligated balances of funds made available under section 108(b) of Public Law 101-100, as added by Public Law 101-130, to the Emergency Fund authorized by section 125 of title 23, United States Code, \$10,893,687 is rescinded: *Provided*, That section 3002 shall not apply to the amount in this section.

(RESCISSIONS)

SEC. 4170. There are rescinded the following amounts from the specified accounts:

(1) “Department of Transportation—Federal Aviation Administration—Facilities and Equipment”, \$2,182,544, to be derived from unobligated balances made available under this heading in Public Law 108-324.

(2) “Department of Transportation—Federal Aviation Administration—Facilities and Equipment”, \$5,705,750, to be derived from unobligated balances made available under this heading in Public Law 109-148.

(3) “Department of Housing and Urban Development—Community Planning and Development—Community Development Fund”, \$11,602,923, to be derived from unobligated balances made available under this heading in chapter 10 of title I of division B of Public Law 110-329.

SEC. 4171. The item relating to “Federal Housing Administration—General and Special Risk Program Account” in title II of division A of the Consolidated Appropriations Act, 2010 (Public Law 111-117; 123 Stat. 3091) is amended by striking “\$15,000,000,000” and inserting “\$20,000,000,000”: *Provided*, That section 3002 shall not apply to the amount in this section.

SEC. 4172. Section 1117(d) of the Transportation Equity Act for the 21st Century (112 Stat. 161) is repealed and the designation made by that section shall no longer be effective.

(RESCISSION)

SEC. 4173. Of the unobligated balances of contract authority apportioned to each State for the programs listed in section 105(a)(2) of title 23, United States Code (except the equity bonus program under section 105 of such title and the high priority projects program under section 117 of such title), \$2,200,000,000 is permanently rescinded: *Provided*, That such rescission shall be distributed within each State among all programs for which funds were apportioned for fiscal year 2009 and to which the rescission applies, to the extent sufficient funds remain available for obligation, in the ratio that the amount of funds apportioned for each such program for such fiscal year, bears to the amount of funds apportioned for all such programs for such fiscal year: *Provided further*, That funds set aside under sections 133(d)(2) and 133(d)(3) of title 23, United States Code, shall be treated as being apportioned for the purposes of this section: *Provided further*, That section 1132 of Public Law 110-140 shall not apply to the rescission under this section: *Provided further*, That section 3002 shall not apply to the amount in this section.

(RESCISSION)

SEC. 4174. Of the unobligated balances of funds under the heading “Department of Housing and Urban Development—Community Planning and Development—Community Development Fund” made available by section 159 of Public Law 110-92, as added by division B of Public Law 110-116, \$400,000,000 is rescinded.

CHAPTER 2

PRESERVE ACCESS TO AFFORDABLE
GENERIC ACT
SHORT TITLE

SEC. 4201. This chapter may be cited as the “Preserve Access to Affordable Generics Act”.

UNLAWFUL COMPENSATION FOR DELAY

SEC. 4202. (a) IN GENERAL.—The Federal Trade Commission Act (15 U.S.C. 44 et seq.) is amended—

(1) by redesignating section 28 as section 29; and

(2) by inserting before section 29, as redesignated, the following:

“SEC. 28. PRESERVING ACCESS TO AFFORDABLE
GENERIC.

“(a) IN GENERAL.—

“(1) ENFORCEMENT PROCEEDING.—The Federal Trade Commission may initiate a proceeding to enforce the provisions of this section against the parties to any agreement resolving or settling, on a final or interim basis, a patent infringement claim, in connection with the sale of a drug product.

“(2) PRESUMPTION.—

“(A) IN GENERAL.—Subject to subparagraph (B), in such a proceeding, an agreement shall be presumed to have anticompetitive effects and be unlawful if—

“(i) an ANDA filer receives anything of value; and

“(ii) the ANDA filer agrees to limit or forego research, development, manufacturing, marketing, or sales of the ANDA product for any period of time.

“(B) EXCEPTION.—The presumption in subparagraph (A) shall not apply if the parties to such agreement demonstrate by clear and convincing evidence that the procompetitive benefits of the agreement outweigh the anticompetitive effects of the agreement.

“(b) COMPETITIVE FACTORS.—In determining whether the settling parties have met their burden under subsection (a)(2)(B), the fact finder shall consider—

“(1) the length of time remaining until the end of the life of the relevant patent, compared with the agreed upon entry date for the ANDA product;

“(2) the value to consumers of the competition from the ANDA product allowed under the agreement;

“(3) the form and amount of consideration received by the ANDA filer in the agreement resolving or settling the patent infringement claim;

“(4) the revenue the ANDA filer would have received by winning the patent litigation;

“(5) the reduction in the NDA holder's revenues if it had lost the patent litigation;

“(6) the time period between the date of the agreement conveying value to the ANDA filer and the date of the settlement of the patent infringement claim; and

“(7) any other factor that the fact finder, in its discretion, deems relevant to its determination of competitive effects under this subsection.

“(c) LIMITATIONS.—In determining whether the settling parties have met their burden under subsection (a)(2)(B), the fact finder shall not presume—

“(1) that entry would not have occurred until the expiration of the relevant patent or statutory exclusivity; or

“(2) that the agreement's provision for entry of the ANDA product prior to the expiration of the relevant patent or statutory exclusivity means that the agreement is procompetitive, although such evidence may be relevant to the fact finder's determination under this section.

“(d) EXCLUSIONS.—Nothing in this section shall prohibit a resolution or settlement of a patent infringement claim in which the consideration granted by the NDA holder to the ANDA filer as part of the resolution or settlement includes only one or more of the following:

“(1) The right to market the ANDA product in the United States prior to the expiration of—

“(A) any patent that is the basis for the patent infringement claim; or

“(B) any patent right or other statutory exclusivity that would prevent the marketing of such drug.

“(2) A payment for reasonable litigation expenses not to exceed \$7,500,000.

“(3) A covenant not to sue on any claim that the ANDA product infringes a United States patent.

“(e) REGULATIONS AND ENFORCEMENT.—

“(1) REGULATIONS.—The Federal Trade Commission may issue, in accordance with section 553 of title 5, United States Code, regulations implementing and interpreting this section. These regulations may exempt certain types of agreements described in subsection (a) if the Commission determines such agreements will further market competition and benefit consumers. Judicial review of any such regulation shall be in the United States District Court for the District of Columbia pursuant to section 706 of title 5, United States Code.

“(2) ENFORCEMENT.—A violation of this section shall be treated as a violation of section 5.

“(3) JUDICIAL REVIEW.—Any person, partnership or corporation that is subject to a final order of the Commission, issued in an administrative adjudicative proceeding under the authority of subsection (a)(1), may, within 30 days of the issuance of such order, petition for review of such order in the United States Court of Appeals for the District of Columbia Circuit or the United States Court of Appeals for the circuit in which the ultimate parent entity, as defined at 16 C.F.R. 801.1(a)(3), of the NDA holder is incorporated as of the date that the NDA is filed with the Secretary of the Food and Drug Administration, or the United States Court of Appeals for the circuit in which the ultimate parent entity of the ANDA filer is incorporated as of the date that the ANDA is filed with the Secretary of the Food and Drug Administration. In such a review proceeding, the findings of the Commission as to the facts, if supported by evidence, shall be conclusive.

“(f) ANTITRUST LAWS.—Nothing in this section shall be construed to modify, impair, or supersede the applicability of the antitrust laws as defined in subsection (a) of the first section of the Clayton Act (15 U.S.C. 12(a)) and of section 5 of this Act to the extent that section 5 applies to unfair methods of competition. Nothing in this section shall modify, impair, limit or supersede the right of an ANDA filer to assert claims or counterclaims against any person, under the antitrust laws or other laws relating to unfair competition.

“(g) PENALTIES.—

“(1) FORFEITURE.—Each person, partnership or corporation that violates or assists in the violation of this section shall forfeit and pay to the United States a civil penalty sufficient to deter violations of this section, but in no event greater than 3 times the value received by the party that is reasonably attributable to a violation of this section. If no such value has been received by the NDA holder, the penalty to the NDA holder shall be shall be sufficient to deter violations, but

in no event greater than 3 times the value given to the ANDA filer reasonably attributable to the violation of this section. Such penalty shall accrue to the United States and may be recovered in a civil action brought by the Federal Trade Commission, in its own name by any of its attorneys designated by it for such purpose, in a district court of the United States against any person, partnership or corporation that violates this section. In such actions, the United States district courts are empowered to grant mandatory injunctions and such other and further equitable relief as they deem appropriate.

“(2) CEASE AND DESIST.—

“(A) IN GENERAL.—If the Commission has issued a cease and desist order with respect to a person, partnership or corporation in an administrative adjudicative proceeding under the authority of subsection (a)(1), an action brought pursuant to paragraph (1) may be commenced against such person, partnership or corporation at any time before the expiration of 1 year after such order becomes final pursuant to section 5(g).

“(B) EXCEPTION.—In an action under subparagraph (A), the findings of the Commission as to the material facts in the administrative adjudicative proceeding with respect to such person's, partnership's or corporation's violation of this section shall be conclusive unless—

“(i) the terms of such cease and desist order expressly provide that the Commission's findings shall not be conclusive; or

“(ii) the order became final by reason of section 5(g)(1), in which case such finding shall be conclusive if supported by evidence.

“(3) CIVIL PENALTY.—In determining the amount of the civil penalty described in this section, the court shall take into account—

“(A) the nature, circumstances, extent, and gravity of the violation;

“(B) with respect to the violator, the degree of culpability, any history of violations, the ability to pay, any effect on the ability to continue doing business, profits earned by the NDA holder, compensation received by the ANDA filer, and the amount of commerce affected; and

“(C) other matters that justice requires.

“(4) REMEDIES IN ADDITION.—Remedies provided in this subsection are in addition to, and not in lieu of, any other remedy provided by Federal law. Nothing in this paragraph shall be construed to affect any authority of the Commission under any other provision of law.

“(h) DEFINITIONS.—In this section:

“(1) AGREEMENT.—The term ‘agreement’ means anything that would constitute an agreement under section 1 of the Sherman Act (15 U.S.C. 1) or section 5 of this Act.

“(2) AGREEMENT RESOLVING OR SETTLING A PATENT INFRINGEMENT CLAIM.—The term ‘agreement resolving or settling a patent infringement claim’ includes any agreement that is entered into within 30 days of the resolution or the settlement of the claim, or any other agreement that is contingent upon, provides a contingent condition for, or is otherwise related to the resolution or settlement of the claim.

“(3) ANDA.—The term ‘ANDA’ means an abbreviated new drug application, as defined under section 505(j) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(j)).

“(4) ANDA FILER.—The term ‘ANDA filer’ means a party who has filed an ANDA with the Food and Drug Administration.

“(5) ANDA PRODUCT.—The term ‘ANDA product’ means the product to be manufactured under the ANDA that is the subject of the patent infringement claim.

“(6) DRUG PRODUCT.—The term ‘drug product’ means a finished dosage form (e.g., tablet, capsule, or solution) that contains a drug substance, generally, but not necessarily, in association with 1 or more other ingredients, as defined in section 314.3(b) of title 21, Code of Federal Regulations.

“(7) NDA.—The term ‘NDA’ means a new drug application, as defined under section 505(b) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(b)).

“(8) NDA HOLDER.—The term ‘NDA holder’ means—

“(A) the party that received FDA approval to market a drug product pursuant to an NDA;

“(B) a party owning or controlling enforcement of the patent listed in the Approved Drug Products With Therapeutic Equivalence Evaluations (commonly known as the ‘FDA Orange Book’) in connection with the NDA; or

“(C) the predecessors, subsidiaries, divisions, groups, and affiliates controlled by, controlling, or under common control with any of the entities described in subparagraphs (A) and (B) (such control to be presumed by direct or indirect share ownership of 50 percent or greater), as well as the licensees, licensors, successors, and assigns of each of the entities.

“(9) PATENT INFRINGEMENT.—The term ‘patent infringement’ means infringement of any patent or of any filed patent application, extension, reissue, renewal, division, continuation, continuation in part, reexamination, patent term restoration, patents of addition and extensions thereof.

“(10) PATENT INFRINGEMENT CLAIM.—The term ‘patent infringement claim’ means any allegation made to an ANDA filer, whether or not included in a complaint filed with a court of law, that its ANDA or ANDA product may infringe any patent held by, or exclusively licensed to, the NDA holder of the drug product.

“(11) STATUTORY EXCLUSIVITY.—The term ‘statutory exclusivity’ means those prohibitions on the approval of drug applications under clauses (ii) through (iv) of section 505(c)(3)(E) (5- and 3-year data exclusivity), section 527 (orphan drug exclusivity), or section 505A (pediatric exclusivity) of the Federal Food, Drug, and Cosmetic Act.”

(b) EFFECTIVE DATE.—Section 28 of the Federal Trade Commission Act, as added by this section, shall apply to all agreements described in section 28(a)(1) of that Act entered into after November 15, 2009. Section 28(g) of the Federal Trade Commission Act, as added by this section, shall not apply to agreements entered into before the date of enactment of this chapter.

NOTICE AND CERTIFICATION OF AGREEMENTS

SEC. 4203. (a) NOTICE OF ALL AGREEMENTS.—Section 1112(c)(2) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (21 U.S.C. 355 note) is amended—

(1) by striking “the Commission the” and inserting the following: “the Commission—

“(1) the”;

(2) by striking the period and inserting “; and”;

(3) by inserting at the end the following:

“(2) any other agreement the parties enter into within 30 days of entering into an agreement covered by subsection (a) or (b).”

(b) CERTIFICATION OF AGREEMENTS.—Section 1112 of such Act is amended by adding at the end the following:

“(d) CERTIFICATION.—The Chief Executive Officer or the company official responsible for negotiating any agreement required to be

filed under subsection (a), (b), or (c) shall execute and file with the Assistant Attorney General and the Commission a certification as follows: 'I declare that the following is true, correct, and complete to the best of my knowledge: The materials filed with the Federal Trade Commission and the Department of Justice under section 1112 of subtitle B of title XI of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, with respect to the agreement referenced in this certification: (1) represent the complete, final, and exclusive agreement between the parties; (2) include any ancillary agreements that are contingent upon, provide a contingent condition for, or are otherwise related to, the referenced agreement; and (3) include written descriptions of any oral agreements, representations, commitments, or promises between the parties that are responsive to subsection (a) or (b) of such section 1112 and have not been reduced to writing.'."

FORFEITURE OF 180-DAY EXCLUSIVITY PERIOD

SEC. 4204. Section 505(j)(5)(D)(i)(V) of the Federal Food, Drug and Cosmetic Act (21 U.S.C. 355(j)(5)(D)(i)(V)) is amended by inserting "section 28 of the Federal Trade Commission Act or" after "that the agreement has violated".

COMMISSION LITIGATION AUTHORITY

SEC. 4205. Section 16(a)(2) of the Federal Trade Commission Act (15 U.S.C. 56(a)(2)) is amended—

(1) in subparagraph (D), by striking "or" after the semicolon;

(2) in subparagraph (E), by inserting "or" after the semicolon; and

(3) by inserting after subparagraph (E) the following:

"(F) under section 28;"

STATUTE OF LIMITATIONS

SEC. 4206. The Commission shall commence any enforcement proceeding described in section 28 of the Federal Trade Commission Act, as added by section 3202, except for an action described in section 28(g)(2) of the Federal Trade Commission Act, not later than 3 years after the date on which the parties to the agreement file the Notice of Agreement as provided by section 1112(c) of the Medicare Prescription Drug Improvement and Modernization Act of 2003 (21 U.S.C. 355 note).

SEVERABILITY

SEC. 4207. If any provision of this chapter, an amendment made by this chapter, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this chapter, the amendments made by this chapter, and the application of the provisions of such chapter or amendments to any person or circumstance shall not be affected thereby.

CHAPTER 3

COMPUTATION OF MEDICAID AVERAGE MANUFACTURER PRICE

COMPUTATION OF MEDICAID AVERAGE MANUFACTURER PRICE (AMP) FOR DRUGS NOT DISPENSED THROUGH RETAIL COMMUNITY PHARMACIES

SEC. 4301. (a) IN GENERAL.—Section 1927(k)(1)(B)(i)(IV) of the Social Security Act (42 U.S.C. 1396r-8(k)(1)(B)(i)(IV)), as amended by section 2503(a)(2)(B) of the Patient Protection and Affordable Care Act (Public Law 111-148) and by section 1102(c)(2) of the Health Care and Education Reconciliation Act of 2010 (Public Law 111-152), is amended by inserting after "retail community pharmacy" the following: ", except that in the case of an inhalation, infusion, or injectable drug that is not dispensed through a retail

community pharmacy, the exclusion under this subclause shall not apply to payments received from, and rebates and discounts provided to, distributors or hospitals, clinics, doctors, and other entities directly dispensing the drug; and".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in section 2503 of Public Law 111-148.

CHAPTER 4

PUBLIC SAFETY EMPLOYER-EMPLOYEE COOPERATION ACT

SHORT TITLE

SEC. 4401. This chapter may be cited as the "Public Safety Employer-Employee Cooperation Act of 2010".

DECLARATION OF PURPOSE AND POLICY

SEC. 4402. The Congress declares that the following is the policy of the United States:

(1) Labor-management relationships and partnerships are based on trust, mutual respect, open communication, bilateral consensual problem solving, and shared accountability. Labor-management cooperation fully utilizes the strengths of both parties to best serve the interests of the public, operating as a team, to carry out the public safety mission in a quality work environment. In many public safety agencies, it is the union that provides the institutional stability as elected leaders and appointees come and go.

(2) State and local public safety officers play an essential role in the efforts of the United States to detect, prevent, and respond to terrorist attacks, and to respond to natural disasters, hazardous materials, and other mass casualty incidents. State and local public safety officers, as first responders, are a component of our Nation's National Incident Management System, developed by the Department of Homeland Security to coordinate response to and recovery from terrorism, major natural disasters, and other major emergencies. Public safety employer-employee cooperation is essential in meeting these needs and is, therefore, in the National interest.

(3) The Federal Government needs to encourage conciliation, mediation, and voluntary arbitration to aid and encourage employers and the representatives of their employees to reach and maintain agreements concerning rates of pay, hours, and working conditions, and to make all reasonable efforts through negotiations to settle their differences by mutual agreement reached through collective bargaining or by such methods as may be provided for in any applicable agreement for the settlement of disputes.

(4) The absence of adequate cooperation between public safety employers and employees has implications for the security of employees and can affect interstate and intrastate commerce. The lack of such labor-management cooperation can detrimentally impact the upgrading of police and fire services of local communities, the health and well-being of public safety officers, and the morale of the fire and police departments. Additionally, these factors could have significant commercial repercussions. Moreover, providing minimal standards for collective bargaining negotiations in the public safety sector can prevent industrial strife between labor and management that interferes with the normal flow of commerce.

(5) Many States and localities already provide public safety officers with collective bargaining rights comparable to or greater than the rights and responsibilities set forth in this chapter, and such State and local laws should be respected.

DEFINITIONS

SEC. 4403. In this chapter:

(1) **AUTHORITY.**—The term "Authority" means the Federal Labor Relations Authority.

(2) **CONFIDENTIAL EMPLOYEE.**—The term "confidential employee" has the meaning given such term under applicable State law on the date of enactment of this Act. If no such State law is in effect, the term means an individual, employed by a public safety employer, who—

(A) is designated as confidential; and

(B) is an individual who routinely assists, in a confidential capacity, supervisory employees and management employees.

(3) **EMERGENCY MEDICAL SERVICES PERSONNEL.**—The term "emergency medical services personnel" means an individual who provides out-of-hospital emergency medical care, including an emergency medical technician, paramedic, or first responder.

(4) **EMPLOYER; PUBLIC SAFETY AGENCY.**—The terms "employer" and "public safety agency" mean any State, or political subdivision of a State, that employs public safety officers.

(5) **FIREFIGHTER.**—The term "firefighter" has the meaning given the term "employee engaged in fire protection activities" in section 3(y) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(y)).

(6) **LABOR ORGANIZATION.**—The term "labor organization" means an organization composed in whole or in part of employees, in which employees participate, and which represents such employees before public safety agencies concerning grievances, conditions of employment, and related matters.

(7) **LAW ENFORCEMENT OFFICER.**—The term "law enforcement officer" has the meaning given such term in section 1204 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796b).

(8) **MANAGEMENT EMPLOYEE.**—The term "management employee" has the meaning given such term under applicable State law in effect on the date of enactment of this Act. If no such State law is in effect, the term means an individual employed by a public safety employer in a position that requires or authorizes the individual to formulate, determine, or influence the policies of the employer.

(9) **PERSON.**—The term "person" means an individual or a labor organization.

(10) **PUBLIC SAFETY OFFICER.**—The term "public safety officer"—

(A) means an employee of a public safety agency who is a law enforcement officer, a firefighter, or an emergency medical services personnel;

(B) includes an individual who is temporarily transferred to a supervisory or management position; and

(C) does not include a permanent supervisory, management, or confidential employee.

(11) **STATE.**—The term "State" means each of the several States of the United States, the District of Columbia, and any territory or possession of the United States.

(12) **SUBSTANTIALLY PROVIDES.**—The term "substantially provides", when used with respect to the rights and responsibilities described in section 3404(b), means compliance with each right and responsibility described in such section.

(13) **SUPERVISORY EMPLOYEE.**—The term "supervisory employee" has the meaning given such term under applicable State law in effect on the date of enactment of this Act. If no such State law is in effect, the

term means an individual, employed by a public safety employer, who—

(A) has the authority in the interest of the employer to hire, direct, assign, promote, reward, transfer, furlough, lay off, recall, suspend, discipline, or remove public safety officers, to adjust their grievances, or to effectively recommend such action, if the exercise of the authority is not merely routine or clerical in nature but requires the consistent exercise of independent judgment; and

(B) devotes a majority of time at work to exercising such authority.

DETERMINATION OF RIGHTS AND RESPONSIBILITIES

SEC. 4404. (a) DETERMINATION.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Authority shall make a determination as to whether a State substantially provides for the rights and responsibilities described in subsection (b).

(2) CONSIDERATION OF ADDITIONAL OPINIONS.—In making the determination described in paragraph (1), the Authority shall consider the opinions of affected employers and labor organizations. In the case where the Authority is notified by an affected employer and labor organization that both parties agree that the law applicable to such employer and labor organization substantially provides for the rights and responsibilities described in subsection (b), the Authority shall give such agreement weight to the maximum extent practicable in making the Authority's determination under this subsection.

(3) LIMITED CRITERIA.—In making the determination described in paragraph (1), the Authority shall be limited to the application of the criteria described in subsection (b) and shall not require any additional criteria.

(4) SUBSEQUENT DETERMINATIONS.—

(A) IN GENERAL.—A determination made pursuant to paragraph (1) shall remain in effect unless and until the Authority issues a subsequent determination, in accordance with the procedures set forth in subparagraph (B).

(B) PROCEDURES FOR SUBSEQUENT DETERMINATIONS.—Upon establishing that a material change in State law or its interpretation has occurred, an employer or a labor organization may submit a written request for a subsequent determination. If satisfied that a material change in State law or its interpretation has occurred, the Authority shall issue a subsequent determination not later than 30 days after receipt of such request.

(5) JUDICIAL REVIEW.—Any person or employer aggrieved by a determination of the Authority under this section may, during the 60-day period beginning on the date on which the determination was made, petition any United States Court of Appeals in the circuit in which the person or employer resides or transacts business or in the District of Columbia circuit, for judicial review. In any judicial review of a determination by the Authority, the procedures contained in subsections (c) and (d) of section 7123 of title 5, United States Code, shall be followed.

(b) RIGHTS AND RESPONSIBILITIES.—In making a determination described in subsection (a), the Authority shall consider a State's law to substantially provide the required rights and responsibilities unless such law fails to provide rights and responsibilities comparable to or greater than the following:

(1) Granting public safety officers the right to form and join a labor organization, which may exclude management employees, supervisory employees, and confidential employees, that is, or seeks to be, recognized as the

exclusive bargaining representative of such employees.

(2) Requiring public safety employers to recognize the employees' labor organization (freely chosen by a majority of the employees), to agree to bargain with the labor organization, and to commit any agreements to writing in a contract or memorandum of understanding.

(3) Providing for the right to bargain over hours, wages, and terms and conditions of employment.

(4) Making available an interest impasse resolution mechanism, such as fact-finding, mediation, arbitration, or comparable procedures.

(5) Requiring enforcement of all rights, responsibilities, and protections provided by State law and enumerated in this section, and of any written contract or memorandum of understanding between a labor organization and a public safety employer, through—

(A) a State administrative agency, if the State so chooses; and

(B) at the election of an aggrieved party, the State courts.

(c) COMPLIANCE WITH REQUIREMENTS.—If the Authority determines, acting pursuant to its authority under subsection (a), that a State substantially provides rights and responsibilities described in subsection (b), then this chapter shall not preempt State law.

(d) FAILURE TO MEET REQUIREMENTS.—

(1) IN GENERAL.—If the Authority determines, acting pursuant to its authority under subsection (a), that a State does not substantially provide for the rights and responsibilities described in subsection (b), then such State shall be subject to the regulations and procedures described in section 3405 beginning on the later of—

(A) the date that is 2 years after the date of enactment of this Act;

(B) the date that is the last day of the first regular session of the legislature of the State that begins after the date of the enactment of this Act; or

(C) in the case of a State receiving a subsequent determination under subsection (a)(4), the date that is the last day of the first regular session of the legislature of the State that begins after the date the Authority made the determination.

(2) PARTIAL FAILURE.—If the Authority makes a determination that a State does not substantially provide for the rights and responsibilities described in subsection (b) solely because the State law substantially provides for such rights and responsibilities for certain categories of public safety officers covered by this chapter but not others, the Authority shall identify those categories of public safety officers that shall be subject to the regulations and procedures described in section 4405, pursuant to section 4408(b)(3) and beginning on the appropriate date described in paragraph (1), and those categories of public safety officers that shall remain subject to State law.

ROLE OF FEDERAL LABOR RELATIONS AUTHORITY

SEC. 4405. (a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Authority shall issue regulations in accordance with the rights and responsibilities described in section 4404(b) establishing collective bargaining procedures for employers and public safety officers in States which the Authority has determined, acting pursuant to section 4404(a), do not substantially provide for such rights and responsibilities.

(b) ROLE OF THE FEDERAL LABOR RELATIONS AUTHORITY.—The Authority, to the extent

provided in this chapter and in accordance with regulations prescribed by the Authority, shall—

(1) determine the appropriateness of units for labor organization representation;

(2) supervise or conduct elections to determine whether a labor organization has been selected as an exclusive representative by a voting majority of the employees in an appropriate unit;

(3) resolve issues relating to the duty to bargain in good faith;

(4) conduct hearings and resolve complaints of unfair labor practices;

(5) resolve exceptions to the awards of arbitrators;

(6) protect the right of each employee to form, join, or assist any labor organization, or to refrain from any such activity, freely and without fear of penalty or reprisal, and protect each employee in the exercise of such right; and

(7) take such other actions as are necessary and appropriate to effectively administer this chapter, including issuing subpoenas requiring the attendance and testimony of witnesses and the production of documentary or other evidence from any place in the United States, and administering oaths, taking or ordering the taking of depositions, ordering responses to written interrogatories, and receiving and examining witnesses.

(c) ENFORCEMENT.—

(1) AUTHORITY TO PETITION COURT.—The Authority may petition any United States Court of Appeals with jurisdiction over the parties, or the United States Court of Appeals for the District of Columbia Circuit, to enforce any final orders under this section, and for appropriate temporary relief or a restraining order. Any petition under this section shall be conducted in accordance with subsections (c) and (d) of section 7123 of title 5, United States Code.

(2) PRIVATE RIGHT OF ACTION.—Unless the Authority has filed a petition for enforcement as provided in paragraph (1), any party has the right to file suit in any appropriate district court of the United States to enforce compliance with the regulations issued by the Authority pursuant to subsection (b), and to enforce compliance with any order issued by the Authority pursuant to this section. The right provided by this subsection to bring a suit to enforce compliance with any order issued by the Authority pursuant to this section shall terminate upon the filing of a petition seeking the same relief by the Authority.

STRIKES AND LOCKOUTS PROHIBITED

SEC. 4406. (a) IN GENERAL.—Subject to subsection (b), an employer, public safety officer, or labor organization may not engage in a lockout, sickout, work slowdown, strike, or any other organized job action that will measurably disrupt the delivery of emergency services and is designed to compel an employer, public safety officer, or labor organization to agree to the terms of a proposed contract.

(b) NO PREEMPTION.—Nothing in this section shall be construed to preempt any law of any State or political subdivision of any State with respect to strikes by public safety officers.

EXISTING COLLECTIVE BARGAINING UNITS AND AGREEMENTS

SEC. 4407. A certification, recognition, election-held, collective bargaining agreement or memorandum of understanding which has been issued, approved, or ratified by any public employee relations board or commission

or by any State or political subdivision or its agents (management officials) and is in effect on the day before the date of enactment of this Act shall not be invalidated by the enactment of this Act.

CONSTRUCTION AND COMPLIANCE

SEC. 4408. (a) CONSTRUCTION.—Nothing in this chapter shall be construed—

(1) to preempt or limit the remedies, rights, and procedures of any law of any State or political subdivision of any State that provides greater or comparable rights and responsibilities than the rights and responsibilities described in section 4404(b);

(2) to prevent a State from enforcing a right-to-work law that prohibits employers and labor organizations from negotiating provisions in a labor agreement that require union membership or payment of union fees as a condition of employment;

(3) to preempt or limit any State law in effect on the date of enactment of this Act that provides for the rights and responsibilities described in section 4404(b) solely because such State law permits an employee to appear on the employee's own behalf with respect to the employee's employment relations with the public safety agency involved;

(4) to preempt or limit any State law in effect on the date of enactment of this Act that provides for the rights and responsibilities described in section 4404(b) solely because such State law excludes from its coverage employees of a State militia or national guard;

(5) to permit parties in States subject to the regulations and procedures described in section 4405 to negotiate provisions that would prohibit an employee from engaging in part-time employment or volunteer activities during off-duty hours;

(6) to prohibit a State from exempting from coverage under this chapter a political subdivision of the State that has a population of less than 5,000 or that employs less than 25 full-time employees; or

(7) to preempt or limit the laws or ordinances of any State or political subdivision of a State that provide for the rights and responsibilities described in section 4404(b) solely because such law or ordinance does not require bargaining with respect to pension, retirement, or health benefits.

For purposes of paragraph (6), the term "employee" includes each and every individual employed by the political subdivision except any individual elected by popular vote or appointed to serve on a board or commission.

(b) COMPLIANCE.—

(1) ACTIONS OF STATES.—Nothing in this chapter or the regulations promulgated under this chapter shall be construed to require a State to rescind or preempt the laws or ordinances of any of the State's political subdivisions if such laws provide rights and responsibilities for public safety officers that are comparable to or greater than the rights and responsibilities described in section 4404(b).

(2) ACTIONS OF THE AUTHORITY.—Nothing in this chapter or the regulations promulgated under this chapter shall be construed to preempt—

(A) the laws or ordinances of any State or political subdivision of a State, if such laws provide collective bargaining rights for public safety officers that are comparable to or greater than the rights enumerated in section 4404(b);

(B) the laws or ordinances of any State or political subdivision of a State that provide for the rights and responsibilities described in section 4404(b) with respect to certain categories of public safety officers covered by

this Act solely because such rights and responsibilities have not been extended to other categories of public safety officers covered by this chapter; or

(C) the laws or ordinances of any State or political subdivision of a State that provide for the rights and responsibilities described in section 4404(b), solely because such laws or ordinances provide that a contract or memorandum of understanding between a public safety employer and a labor organization must be presented to a legislative body as part of the process for approving such contract or memorandum of understanding.

(3) LIMITED ENFORCEMENT POWER.—In the case of a law described in paragraph (2)(B), the Authority shall only exercise the powers provided in section 4405 with respect to those categories of public safety officers who have not been afforded the rights and responsibilities described in section 4404(b).

(4) EXCLUSIVE ENFORCEMENT PROVISION.—Notwithstanding any other provision of the chapter, and in the absence of a waiver of a State's sovereign immunity, the Authority shall have the exclusive power to enforce the provisions of this chapter with respect to employees of a State.

AUTHORIZATION OF APPROPRIATIONS

SEC. 4409. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this chapter.

CHAPTER 5

PROGRAM INTEGRITY INITIATIVES

DEPARTMENT OF THE TREASURY

INTERNAL REVENUE SERVICE

ENFORCEMENT

For an additional amount for "Enforcement", \$245,000,000, to remain available through September 30, 2011, for additional and enhanced tax enforcement activities: *Provided*, That section 3002 shall not apply to the amount under this heading.

DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

STATE UNEMPLOYMENT INSURANCE AND

EMPLOYMENT SERVICE OPERATIONS

For an additional amount for "State Unemployment Insurance and Employment Service Operations", \$5,000,000, to be expended from the Employment Security Administration Account of the Unemployment Trust Fund and remain available through September 30, 2011, to conduct in-person re-employment and eligibility assessments and unemployment insurance improper payment reviews: *Provided*, That section 3002 shall not apply to the amount under this heading.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH CARE FRAUD AND ABUSE CONTROL

ACCOUNT

For an additional amount for "Health Care Fraud and Abuse Control Account", \$250,000,000, to remain available through September 30, 2012, to be transferred from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund, as authorized by section 201(g) of the Social Security Act, of which \$124,747,000 shall be for Centers for Medicare and Medicaid Services Program Integrity Activities, including administrative costs, to conduct oversight activities for Medicare Advantage and the Medicare Prescription Drug Program authorized in title XVIII of the Social Security Act, for activities listed in section 1893 of such Act, and for Medicaid and Children's Health Insurance Program program integrity activities; of which \$65,040,000 shall be for the Department of

Health and Human Services Office of Inspector General to carry out fraud and abuse activities authorized by section 1817(k)(3) of such Act; and of which \$60,213,000 shall be for the Department of Justice to carry out fraud and abuse activities authorized by section 1817(k)(3) of such Act: *Provided*, That section 3002 shall not apply to the amounts under this heading.

RELATED AGENCIES

SOCIAL SECURITY ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

For an additional amount for "Limitation on Administrative Expenses", \$38,000,000, to remain available through September 30, 2011, for the cost associated with conducting continuing disability reviews under titles II and XVI of the Social Security Act and for the cost associated with conducting redeterminations of eligibility under title XVI of the Social Security Act: *Provided*, That section 3002 shall not apply to the amount under this heading.

CHAPTER 6

GENERAL PROVISIONS—THIS TITLE

SEC. 4601. (a) None of the funds made available in this Act may be used to maintain or establish a computer network unless such network blocks the viewing, downloading, and exchanging of pornography.

(b) Nothing in subsection (a) shall limit the use of funds necessary for any Federal, State, tribal, or local law enforcement agency, or other entity, to carry out criminal investigation, prosecution, or adjudication activities.

SEC. 4602. (a) STATUTORY PAYGO.—The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled "Budgetary Effects of PAYGO Legislation" for this Act, jointly submitted for printing in the Congressional Record by the Chairmen of the House and Senate Budget Committees, provided that such statement has been submitted prior to the vote on passage in the House acting first on this conference report or amendment between the Houses.

(b) EXCLUSION FROM PAYGO.—

(1) Savings in this Act that would be subject to inclusion in the Statutory Pay-As-You-Go scorecards are providing an offset to increased discretionary spending. As such, they should not be available on the scorecards maintained by the Office of Management and Budget to provide offsets for future legislation.

(2) The Director of the Office of Management and Budget shall not include any net savings resulting from the changes in direct spending or revenues contained in this Act on the scorecards required to be maintained by OMB under the Statutory Pay-As-You-Go Act of 2010.

AMENDMENT NO. 3

Page 8, strike line 3 and all that follows through page 9, line 6.

Page 9, line 10, strike "\$11,719,927,000, of which \$218,300,000" and insert "\$218,300,000, which".

Page 9, line 18, strike "\$2,735,194,000, of which \$187,600,000" and insert "\$187,600,000, which".

Page 10, line 3, strike "\$829,326,000, of which \$30,700,000" and insert "\$30,700,000, which".

Page 10, line 11, strike "\$3,835,095,000, of which \$218,400,000" and insert "\$218,400,000, which".

Page 10, beginning on line 20, strike "\$1,236,727,000: *Provided*, That up to

\$50,000,000, to remain available until expended," and insert "\$50,000,000, to remain available until expended: *Provided*, That such amount".

Page 11, strike line 22 and all that follows through page 18, line 18.

Page 18, strike line 20, and all that follows through page 19, line 18.

Page 19, line 19, strike "304." and insert "301."

Page 20, line 3, strike "305." and insert "302."

Page 20, line 8, strike "306." and insert "303."

Page 20, line 18, strike "307." and insert "304."

Page 21, line 3, strike "308." and insert "305."

Page 38, strike lines 4 through 22.

Page 41, strike lines 6 through 16.

Page 42, strike lines 8 through 12.

Page 43, strike lines 22 through 25.

Page 45, strike lines 3 through 19.

Page 48, line 8, strike the dollar amount and all that follows through "available" on page 49, line 3 and insert "\$175,000,000, to remain available until September 30, 2012."

Page 49, line 20, after the first comma, strike the dollar amount and all that follows through "available" on line 23 and insert "\$50,000,000, to remain available until September 30, 2012."

Page 52, strike line 3 and all that follows through page 58, line 20.

Page 58, line 22, strike "1007." and insert "1004."

Page 61, line 13, strike "1008." and insert "1005."

Page 62, line 15, strike "1009." and insert "1006."

Page 64, line 14, strike "1010." and insert "1007."

Page 66, line 10, strike "1011." and insert "1008."

Page 66, line 16, strike "1012." and insert "1009."

Page 66, line 23, strike "1013." and insert "1010."

Page 67, line 13, strike "1014." and insert "1011."

Page 67, line 21, strike "1015." and insert "1012."

Page 68, line 21, strike "Iraq, Pakistan, Afghanistan, and"

Page 68, line 23, strike "those countries" and insert "that country".

Page 69, strike line 8 and all that follows through page 70, line 18.

AMENDMENT NO. 4

At the end of the bill (before the short title), insert the following:

SEC. ____ (a) LIMITATION.—Funds appropriated in this Act for the continued military operations of the Armed Forces in Afghanistan may be obligated and expended within Afghanistan only for the purposes of—

(1) providing for the continued protection of members of the Armed Forces and civilian and contractor personnel of the Federal Government who are in Afghanistan; and

(2) beginning the safe and orderly withdrawal from Afghanistan of all members of the Armed Forces and Department of Defense contractor personnel who are in Afghanistan.

(b) CLARIFICATION.—Nothing in subsection (a) shall be construed to prohibit or otherwise restrict the use of funds available to any department or agency of the United States to carry out diplomatic efforts or humanitarian activities in Afghanistan, including security related to such efforts and activities.

AMENDMENT NO. 5

Page 22, after line 16, insert the following: SEC. 309. (a) FINDINGS REGARDING SECURITY AND STABILITY CONDITIONS IN AFGHANISTAN.—

Since the last national intelligence estimate on conditions in Afghanistan, there have been fundamental changes in the conditions in that country, and fundamental changes in the United States military and diplomatic strategy toward that country, including—

(1) the August 2009 elections in Afghanistan;

(2) the strategy announced by the President in December 2009 to guide United States military operations, including a commitment to begin redeployment of troops out of Afghanistan by July 2011;

(3) the tactics employed by the United States, which emphasize counterinsurgency military operations and increasing civilian participation;

(4) the level of United States forces deployed to Afghanistan; and

(5) the continuing development of Afghanistan's security forces, including the Afghan National Army and the Afghan National Police.

(b) REPORT.—Not later than January 31, 2011, the Director of National Intelligence shall submit to the President and the Congress a new national intelligence estimate on security and stability in Afghanistan and Pakistan, which shall include—

(1) an assessment of the ability, performance, intent, and commitment of the Government of Afghanistan to work with the United States to implement the strategy announced in December 2009;

(2) an assessment of the ability, performance, intent, and commitment of the Government of Pakistan to work with the United States to implement the strategy announced in December 2009;

(3) an assessment of the security forces of Afghanistan and Pakistan, including their ability to maintain security in areas where they are deployed, and an assessment of the timing of full deployment as envisioned by the December 2009 strategy;

(4) an assessment of whether continuing United States military presence in Afghanistan contributes to Afghan and Pakistani support for, or sympathy toward, the Taliban, al Qaeda, or other insurgents;

(5) an assessment of the effect of continuing United States military presence on the strength of al Qaeda and other terrorist organizations in Afghanistan and neighboring countries, including those in the United States Central Command and United States Africa Command areas of responsibility; and

(6) an assessment of the effect of the continuing United States military presence on the ability of al Qaeda and related terrorist organizations to obtain resources, recruit personnel, and continue operations targeted at the United States and its allies.

(c) PLAN WITH TIMETABLE REQUIRED.—Not later than April 4, 2011, the President shall submit to Congress a plan for the safe, orderly, and expeditious redeployment of the Armed Forces from Afghanistan, including military and security-related contractors, together with a timetable for the completion of that redeployment and information regarding variables that could alter that timetable.

(d) STATUS UPDATES.—Not later than 90 days after the date of the submittal of the plan required by subsection (c), and every 90 days thereafter, the President shall submit to Congress a report setting forth the current status of the plan for redeploying the Armed Forces from Afghanistan.

(e) OVERSIGHT OF CONTRACTORS ENGAGED IN ACTIVITIES RELATING TO AFGHANISTAN.—

(1) RECOMMENDATIONS REQUIRED.—Not later than 90 days after the date of the enactment of this Act, the Special Inspector General for Afghanistan Reconstruction shall, in consultation with the Inspector General of the Department of Defense, the Inspector General of the United States Agency for International Development, and the Inspector General of the Department of State—

(A) issue recommendations on measures to increase oversight of contractors engaged in activities relating to Afghanistan that have a record of engaging in waste, fraud, or abuse;

(B) report on the status of efforts of the Department of Defense, the United States Agency for International Development, and the Department of State to implement existing recommendations regarding oversight of such contractors; and

(C) report on the extent to which military and security contractors or subcontractors engaged in activities relating to Afghanistan have been responsible for the deaths of Afghan civilians.

(2) ELEMENTS OF RECOMMENDATIONS.—The recommendations issued under paragraph (1) shall include—

(A) recommendations for reducing the reliance of the United States on—

(i) military and security contractors or subcontractors engaged in activities relating to Afghanistan that have been responsible for the deaths of Afghan civilians; and

(ii) Afghan militias or other armed groups that are not part of the Afghan National Security Forces; and

(B) recommendations for prohibiting the Department of Defense, the Department of State, or the United States Agency for International Development from entering into contracts with contractors engaged in activities relating to Afghanistan that have a record of engaging in waste, fraud, or abuse.

SEC. 310. (a) LIMITATION ON FUNDS.—None of the funds available to the Department of Defense in the Department of Defense Appropriations Act, 2011 may be obligated or expended in a manner that is inconsistent with the President's policy announced on December 1, 2009, to begin the orderly withdrawal of United States troops from Afghanistan after July 1, 2011, unless the Congress approves a joint resolution as specified in subsection (b).

(b) JOINT RESOLUTION.—For purposes of this section, the term "joint resolution" means a joint resolution introduced in either House of the Congress after receipt by the Congress of the national intelligence estimate required under section 309 of this Act, the matter after the resolving clause of which is as follows: "That the Congress approves the obligation and expenditure of funds appropriated in the Department of Defense Appropriations Act, 2011 for United States combat operations in Afghanistan after July 1, 2011, even if the plan submitted on April 4, 2011, is inconsistent with the intention to begin the process of orderly withdrawal of United States troops from such combat operations in Afghanistan."

(c) EXPEDITED PROCEDURES IN THE HOUSE.—

(1) A joint resolution in the House of Representatives shall be referred to the Committee on Appropriations.

(2) If the committee has not reported the joint resolution at the end of 20 legislative days after its introduction, the committee shall be discharged from further consideration of the joint resolution, and the joint resolution shall be placed on the appropriate calendar of the House.

(3) When the committee has reported a joint resolution or been discharged from further consideration, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the joint resolution. The motion is highly privileged in the House. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or not agreed to shall not be in order.

(4) Debate on the joint resolution shall be limited to not more than 9 hours, which shall be divided equally between those favoring and those opposing the joint resolution. An amendment to, or motion to recommit, the joint resolution is not in order. A motion to reconsider the vote by which the joint resolution is agreed to or not agreed to is not in order.

(5) Motions to postpone and motions to proceed to the consideration of other business shall be decided without debate.

(6) Appeals from the decisions of the Chair relating to the application of the rules of the House to the procedure relating to the joint resolution shall be decided without debate.

(d) EXPEDITED PROCEDURES IN THE SENATE.—[To be supplied.]

(e) CONGRESSIONAL RULEMAKING.—Subsections (c) and (d) are enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedures to be followed in that House in the case of joint resolutions described in subsection (b), and they supersede other rules only to the extent that they are inconsistent with such other rules; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedures of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

SEC. 311. Nothing in section 309 or 310 shall be construed so as to limit or prohibit any authority of the President to—

(1) attack al Qaeda forces wherever they are located;

(2) gather, provide, and share intelligence with allies operating in Afghanistan and Pakistan; or

(3) modify the military strategy and operations of the Armed Forces as such Armed Forces redeploy pursuant to a timetable and strategy developed under section 309(c).

The SPEAKER pro tempore. Pursuant to House Resolution 1500, the motion shall be debatable for 1 hour and 30 minutes, with 30 minutes equally divided and controlled by the chair and ranking minority member of the Committee on Appropriations; then 30 minutes equally divided and controlled by the gentleman from California (Ms. LEE), or her designee, and an opponent; and then 30 minutes equally divided and controlled by the gentleman from Massachusetts (Mr. MCGOVERN), or his designee, and an opponent.

The gentleman from Wisconsin (Mr. OBEY) and the gentleman from California (Mr. LEWIS) each will control 15 minutes.

The Chair recognizes the gentleman from Wisconsin.

GENERAL LEAVE

Mr. OBEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the pending legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. OBEY. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the underlying bill presented to us by the Senate is, essentially, a bill to provide funding to continue the war activities in Afghanistan. Why, people might ask, are we trying to add this amendment to that proposal?

I would suggest the numbers tell the story. With this bill from the Senate, we will be spending, in this fiscal year, \$167 billion on the war in Iraq and Afghanistan. It is obvious to any but the most obtuse that that expenditure is killing our ability to finance a recovery of our own economy.

We tried to deal with that problem in December with a \$90 billion economic package. The Senate declined to act on it. We've proposed smaller packages on two occasions since then. About a month ago we offered a \$23 billion package aimed primarily at trying to save teachers' jobs, teachers who otherwise are going to be laid off because of the severe economic conditions in virtually every State in the Union, except a few lucky exceptions like North Dakota and South Dakota.

We now bring before the House a bill which reflects what we've been asked to do by a great many Members. It attempts to provide a much smaller aid package to keep those teachers on the job, about \$10 billion; and it contains a few other small items, including almost \$5 billion in additional Pell Grants funds for some 87,000 students who are going to need them badly.

We were also asked to provide offsets, and so we have done that. We have offsets for virtually every dollar above the President's request, and those offsets are not pleasant, and they are not popular. Certainly, I don't like some of them myself. But the fact is that they are necessary if we're to provide a fiscally disciplined bill that has a chance of getting the votes to pass this House, and that's what we've done.

I think people need to ask themselves one question: Are they interested in simply standing by and allowing teachers to be fired day after day for the next 3 months all around the country, or are they willing to do something about it? I hope the answer is the latter.

Mr. Speaker, I reserve the balance of my time.

□ 2020

Mr. LEWIS of California. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, let me begin by making a personal observation. This evening we are embarking upon the most irresponsible, convoluted legislative exercise I have seen in my many years in this body. My dear friend and former chairman of the Senate Appropriations Committee, the late Senator Robert Byrd, would be embarrassed by this process, or the lack of process, because it greatly diminishes the integrity of this Congress he loved so dearly. I can hear Senator Byrd's voice clear as day. "Shame, shame," he would say.

It was 35 days ago that the full Appropriations Committee was scheduled to mark up the fiscal year 2010 emergency supplemental before us. Republicans and Democrats alike had a number of amendments they planned to offer to make the package a better piece of legislation. But, for reasons that remain a mystery to everyone, that markup was abruptly canceled 3 hours before it was to occur. Tonight, the House is considering legislation written by Chairman OBEY and the majority leadership with absolutely no input from rank-and-file Members on either side of the aisle.

The only legislation we should be considering today is a clean emergency supplemental funding bill to provide critical funding for our troops; foreign assistance and economic support for Afghanistan, as well as Pakistan and Iraq, should be included; FEMA disaster assistance; oil spill cleanup assistance; and relief for Haiti. Many other funding and policy items could easily be addressed through our regular order spending bills.

Just hours ago we were sent a package of six different amendments and two resolutions, totaling 153 pages. Included in that package were efforts to cut off troop funding, a timetable for troop withdrawal from Afghanistan, billions in additional spending on domestic programs, a variety of complex legal settlements piggybacked into a billion-dollar summer youth program, and a deem-and-scheme resolution that proposes spending \$31 billion more in discretionary spending in FY 2011 than was spent in FY 2010. It's worth noting that only in Washington could Chairman OBEY and Chairman SPRATT characterize this \$31 billion increase as a cut.

I am deeply concerned about the impact these amendments could have on our ability to approve a bill for the President's signature prior to the Fourth of July recess. The failure of this body to approve critical funds for our troops before the Fourth of July would send absolutely the wrong message to our men and women in uniform, and delay needed money for other emergency needs.

Further, this inaction would force our commanders to begin making budget decisions that could compromise our military readiness. It would also signal

to our enemies a lack of resolve that could undermine our mission in several very dangerous areas of the world.

The fact that we are sitting here in July without this spending bill passed and signed into law is, frankly, astonishing to me. The President submitted his request in February of this year. The Senate passed its war funding measure on May 27, and indicated that it was ready to conference the bill with the House. The House never marked up this supplemental or had an opportunity to amend it in any way. And yet, here we are 35 days and tens of billions of dollars of spending later, and we still have not approved funding for our troops.

Yesterday, the nonpartisan Congressional Budget Office released a long-term budget outlook. CBO noted that our national debt equaled 40 percent of our country's economic input in 2008. By the end of this year, the Federal debt will represent 62 percent of our national economy. That's a 22 percent increase in the level of debt in just 2 years. The additional unrequested nontroop-related spending the House is considering today would drive that debt even higher.

I recognize there are tremendous political pressures that come to bear on majority Members when it comes to opposing measures sponsored by their own party. Today my request to the Members of the majority is quite simple: Please think long and hard about the consequences of supporting anything beyond the clean Senate supplemental spending bill.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. LEWIS of California. I yield myself 30 additional seconds.

I urge my colleagues on both sides, particularly my friends in the majority who are truly concerned about the ever-escalating rates of growth of spending, to reject these amendments and reject this Fourth of July spending spree. Let's support our troops, pass a clean version of the supplemental on a broad, bipartisan basis, and get this package to the Commander in Chief. Our men and women in harm's way deserve no less.

I reserve the balance of my time.

Mr. OBEY. I yield myself 1 minute.

Somehow we are being told that we are committing a mortal sin because we are trying to attach some material to the bill sent to us by the Senate. I would simply point out that just a few weeks ago, as the gentleman from Massachusetts pointed out earlier in the debate, when the defense authorization bill was on the floor only nine Republicans in this House voted for it. They felt then that another matter was evidently more important than providing passage for that bill. And yet today they criticize us because we are suggesting several additions to the appropriations bill. I find that inconsistent.

I would also point out that there are a number of high-priority national items that we are trying to add besides education funding. We are trying to provide additional funds for Pell Grants, some \$5 billion. We are trying to provide \$700 million more for border security, \$180 million more for energy loans, \$163 million more for schools on military installations, \$142 million for gulf coast oil spill funding, and \$16 million to build a new soldier processing center at Fort Hood.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. OBEY. I yield myself 30 additional seconds.

I would like to know what's wrong with any of those items.

I yield 2 minutes to the distinguished gentleman from Texas (Mr. REYES) to explain why it's necessary to do additional funding for border security.

Mr. REYES. Mr. Speaker, I thank the gentleman for yielding.

I urge my colleagues to vote in favor of this amendment, the Obey amendment, because during these tough economic times there are many areas that merit attention. This amendment takes a comprehensive approach to addressing the vital needs of our communities. Of particular importance to me is the support in this amendment for border security and also for education.

Border security is a major portion of the concern of Americans, as we have seen in recent days. This amendment provides \$701 million to strengthen our security efforts along the U.S.-Mexico border. The funds would be used to hire 1,200 Border Patrol agents and 500 Customs and Border Protection officers that would be working the ports of entry, critically needed today, as well as to improve tactical communications and make other much-needed investments in the security along the U.S.-Mexico border.

Residents along the border in districts such as the one that I represent remain deeply concerned about the level of violence affecting our southern neighbor Mexico. As a former Border Patrol sector chief and veteran of 26½ years in the United States Border Patrol, I know very well what these resources that are provided in this amendment mean to a critical area such as the Southwest border.

I am particularly encouraged by Mr. OBEY's efforts in this amendment to address the long-standing needs of our ports of entry by providing funds for Customs and Border Protection officers. For too long, inadequate staffing and outdated infrastructure at our ports of entry have made the U.S. and Mexico border less safe. This is a major step forward in making our Nation even more secure by providing funding for more officers at our ports of entry to conduct a more thorough and efficient inspection and to keep Americans safe.

□ 2030

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. OBEY. I yield the gentleman an additional 30 seconds.

Mr. REYES. In addition, this amendment also provides \$10 billion to support our teachers across the country and another \$4.9 billion to fill the shortage, as Mr. OBEY said, in the Pell Grant program.

It is vitally important that we recognize that the resources that are dedicated here are important not just along the border but to the security of Americans everywhere. So, therefore, I urge my colleagues to vote for the Obey amendment. And I thank Chairman OBEY, Speaker PELOSI, Majority Leader HOYER, and Chairman PRICE for their leadership on this very important issue.

Mr. LEWIS of California. Mr. Speaker, I'm pleased to yield 3 minutes to our leader of the Homeland Security Committee, the gentleman from Kentucky (Mr. ROGERS).

Mr. ROGERS of Kentucky. I thank the chairman for yielding.

I rise today to voice my opposition to the blatant exploitation of our brave troops and the brazen process being undertaken here tonight. With this ongoing charade, the Democrat majority has chosen to drag out the consideration of this supplemental appropriations bill now 5 months lagging. They've chosen to bypass a markup by the Appropriations Committee. They've chosen to dictate by the few rather than legislate by the representative many. And worst of all, they're holding hostage vital funding for our troops as a vehicle for more spending, more bailouts, more encroachment by the Federal Government into our private lives.

A clean supplemental, Mr. Speaker, could have easily been disposed of through regular order months ago. Regrettably, the majority has waited until the very last minute, twisted the rules of the House, and put the Pentagon and our warfighters in dire straits. This abuse of Congress' national security responsibilities would be outrageous if it wasn't so sad. And for what? For what? Another bailout? more spending? political points? to curry special interest favors?

The American people want a fiscally responsible government that first and foremost provides for the safety and security of this great Nation, and the American people expect the Congress to meet that solemn responsibility while mindful it is their money, not ours.

Instead, let's just call this what it is. The Democrat majority has hijacked our national security for their perceived political security. This is not the governance the American people want nor deserve. We can do better.

And so I plead with my colleagues to restore regular order and return to the

business at hand, which is providing for our warfighters and responsibly wielding the power of the purse.

I urge a defeat of all of these amendments and this bill.

Mr. OBEY. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Texas (Mr. EDWARDS).

Mr. EDWARDS of Texas. Mr. Speaker, I had the humbling privilege of representing Fort Hood, America's largest Army installation, for 14 years, through three combat deployments. It is now next door to my district in central Texas.

Fort Hood has sent more troops to Iraq and Afghanistan than any other military installation in America. And despite that sacrifice, sadly, the soldiers and families at Fort Hood had to face an unbearable and unspeakable tragedy at the hands of a terrorist in our midst who killed 12 Fort Hood Army soldiers and one Army civilian just several months ago.

The soldier processing center through which soldiers go—often the last building they see before they leave Fort Hood, and it's the first building they see when they come home from being a year away from their family serving in Iraq or Afghanistan—is a soldier development servicing center there.

At the request of the Pentagon, I want to thank Chairman OBEY for putting our request for \$16.5 million into this amendment. First, because that center was old and antiquated, inefficient and too small, but most importantly because the soldiers at Fort Hood who've sacrificed so much for our Nation's defense in Iraq and Afghanistan should not be asked to process through a building where 12 of their fellow soldier comrades in that installation were brutally murdered at the hands of a domestic terrorist.

I thank Chairman OBEY for putting this in. It is a meaningful, dignified way to show support for our troops. And I support this amendment and ask my colleagues on a bipartisan basis to support it as well.

Mr. LEWIS of California. Mr. Speaker, I am proud to yield 2 minutes to the ranking member of the Judiciary Committee, Mr. SMITH of Texas.

Mr. SMITH of Texas. Mr. Speaker, first of all, I want to thank the ranking member, the gentleman from California (Mr. LEWIS), for yielding me time.

Mr. Speaker, I'm opposed to the inclusion of the "Preserve Access to Affordable Generics Act" in H.R. 4899.

Most cases in the United States, whether civil or criminal, antitrust or patent, settle. The reasons for this are simple. Litigation is expensive and its outcomes are uncertain.

The supposed problem involves a payment of cash in a settlement of a patent case brought by a generic drug manufacturer. Such payments are said

to frustrate the intent of Federal law by allowing the brand name pharmaceutical company to pay to delay entry of the generic competitor into the market.

The proposed solution to this problem incorporated in this bill goes much too far. It creates a presumption that all such settlements are unlawful. The bill sets forth the criteria that a court may use to determine whether to uphold the settlement. However, the validity of the underlying patent is not one of those specified criteria.

Also, the bill dramatically reduces the ability of the companies to settle these cases. If the parties cannot agree on the date of entry into the market, then in many cases they would effectively be forced to litigate the case. This means that the entry of the generic into a particular drug market could be delayed significantly.

The majority of Federal courts, including the Second, Eleventh, and D.C. Circuits, have upheld the validity of these settlements. Congress should uphold the well-reasoned judgment of these courts. Innovative new drugs, after all, are created in the laboratory, not in the courtroom.

I urge my colleagues to reject this attempt to legislate an unrelated domestic issue on a bill that is intended to pay for our troops overseas.

Mr. OBEY. I reserve the balance of my time.

Mr. LEWIS of California. Mr. Speaker, I yield 2 minutes to the gentleman from Utah (Mr. BISHOP).

Mr. BISHOP of Utah. Mr. Speaker, we are here on a bill that allegedly provides supplemental funding for our troops, yet within the bowels of this House amendment are provisions that have implications for our border security, provisions in violation of our rules but nonetheless provide a permanent authority to transfer money from border patrol to the Department of the Interior with absolutely no limit—\$50 million this time, but then unlimited after that.

So to have the situation of Congress appropriating money we think is going to border patrol, but then border patrol will have to give that money to the Department of the Interior for alleged mitigation issues, such concepts and projects as, in the past: hiring three employees of the Interior to monitor prong-horned antelope or having a biologist watch the erection of 15-foot towers to verify that no animal was crushed; or having Fish and Wildlife, for one acre of possible habitat loss, insisting border patrol buy 55 acres somewhere else to give to them.

We will have the outrageous situation of Interior and Forest Service regulations blocking the border patrol from their patrols and doing their job, and yet the same provision, the border patrol has to pay DOI, with no oversight from the legislature, no internal

rules for caution of spending, no limitation, just to do their job.

□ 2040

Even Secretary Napolitano last year sent us a letter in which she said the Border Patrol stops the drug cartels, the human traffickers, the potential terrorists, and that is a value in and of itself to the environment and should count as mitigation.

Yet, in the provisions within this particular bill, that does not take place. This provision was a dumb idea in the wrong bill. It diverts dollars from the Border Patrol and makes our border less secure.

Mr. OBEY. Mr. Speaker, how much time does each side have remaining?

The SPEAKER pro tempore. The gentleman from Wisconsin has 6 minutes remaining. The gentleman from California has 3½ minutes remaining.

Mr. OBEY. Mr. Speaker, I yield 1½ minutes to the gentleman from North Carolina (Mr. PRICE).

Mr. PRICE of North Carolina. I thank the gentleman for yielding.

Mr. Speaker, as the chairman of the Homeland Security Appropriations Subcommittee, I am happy to remind our colleagues of the provisions in this bill that will enhance border security.

The Obey amendment will add money for urgent needs, to address the alarming level of violence attributable to Mexican gangs and drug cartels. It will increase the presence of critical Border Patrol and Customs personnel at the border, and it will strengthen the protection of jeopardized communities.

There are four critical aspects of these border provisions:

First, the Obey amendment will strengthen enforcement between ports of entry to deter and apprehend smugglers and illegal crossings. That means 1,200 new Border Patrol agents. It means up to three additional forward operating bases, and it will provide two new unmanned aircraft systems for CBP to patrol the border.

Second, the Obey amendment will tighten enforcement at ports of entry while aiding legitimate travel and commerce. It will sustain hundreds of critical CBP officer positions at risk of being cut because of declining fee collections. It will add 500 CBP officers for inspection and enforcement at ports of entry, inbound and outbound, to crack down on drugs, weapons, cash, and alien traffickers.

Third, the bill enhances Immigration and Customs Enforcement's (ICE's) investigative operations on the border and their cooperation with our Mexican partners to target the cartels, their criminal enterprises, and their violent henchmen.

Four new Southwest Border Enforcement Security Task Forces. Additional vetted law enforcement units with the Government of Mexico. A 120-day surge in the ICE Joint Criminal Alien Removal Task Force and Criminal Alien

Programs. Training for Mexican officials on investigations of transnational drug smuggling, money laundering, human trafficking, and child exploitation.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. OBEY. I yield the gentleman an additional 15 seconds.

Mr. PRICE of North Carolina. Finally, the bill expands aid to State and local partners along the border, expanding the grant assistance under Operation Stonegarden to State and local law enforcement in cooperation with DHS.

Mr. Speaker, this Obey amendment would greatly enhance our border security. I urge its adoption.

Mr. LEWIS of California. Mr. Speaker, I yield 2 minutes to my colleague from the Appropriations Committee, the gentleman from New Jersey (Mr. FRELINGHUYSEN).

Mr. FRELINGHUYSEN. I thank the gentleman for yielding.

Mr. Speaker, I want to associate my remarks with my ranking member, Mr. LEWIS.

Following the time-honored tradition of our Defense Appropriations Subcommittee, Chairman DICKS and Mr. YOUNG have put together, in a collegial manner, a solid product. The funding for defense operations and maintenance, for the Afghan and Iraq Security Forces, for Army base operations, M-RAPs, National Guard and Reserve equipment, and the other portions of the defense and of the military construction portion of the bill are worthy of our support.

If that's where the story ended, we would be fine, but as Ronald Reagan famously said, "There they go again."

This legislation contains over \$72 billion in discretionary and mandatory spending. Less than half of that total, \$35 billion, is related to the ongoing fight against the Taliban and al Qaeda in Afghanistan or our withdrawal from Iraq and the State Department funding related to the war on terror. The rest is earmarked for nondefense programs, new bailouts, and pet projects to benefit the majority's political allies.

I share the views of Mr. LEWIS on the extraneous spending in this bill: the \$10 billion State bailout fund, the \$5 billion Pell Grant infusion, the \$500 million to "forward-fund" accounts in the fiscal year 2011 appropriations bills, thereby freeing up money to spend on other activities in fiscal year 2011, the \$245 million to allow the IRS to ramp up its enforcement activities.

My colleagues in the majority just don't get it. This is Washington "business as usual" as this Congress uses funding for our deployed warfighters, many of them in harm's way as we speak, to provide for more unnecessary social spending.

My colleagues, I urge the adoption of a clean supplemental appropriation as

quickly as possible so our men and women in uniform can continue to do their important work on our behalf.

Mr. OBEY. Mr. Speaker, I reserve the balance of my time.

Mr. LEWIS of California. I yield myself such time as I may consume.

Mr. Speaker, it is important for all of my colleagues, especially those on the majority side of the aisle, to make note of the fact that this is the President's supplemental request. This amendment adds almost \$17 billion in new domestic spending to a critical war funding and disaster assistance bill, most of which was never formally requested by the Commander in Chief and none of which is included in the Senate-passed bill. These bloated domestic spending additions include those that either are unnecessary spending or should be considered as part of the regular fiscal year 2011 appropriations process.

For example, the amendment includes language under the Teacher Jobs Fund that singles out Texas by requiring that Texas maintain a higher level of State support for elementary and secondary education and higher education spending than any other State. It adds \$4.95 billion for Pell Grants that would normally be and should be funded in the fiscal year 2011 Labor, Health, and Human Services bill, as has been the practice in previous years.

There is \$538 million to game the fiscal year 2011 appropriations process by forward-funding certain activities now with fiscal year 2010 funds, thereby freeing up money to spend on other activities in 2011. This includes giving the IRS an additional \$245 million now to ramp up its enforcement.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. OBEY. Mr. Speaker, I yield for the purpose of making a unanimous consent request to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. I thank the gentleman for yielding.

I rise in support of the Obey amendment, amendment No. 2 to H.R. 4899, Supplemental Appropriations for FY 2010. However, I do so with significant reservation because of the \$9 billion in nuclear loan guarantees that have been inserted into this bill of otherwise badly needed funding.

The nuclear power industry has already received \$51 billion in loan guarantee authority. The guarantees leave the taxpayer on the hook for energy policy so fiscally irresponsible, it has attracted bipartisan opposition. Indeed, private investment in new plants is nearly impossible to come by because the investment is so unattractive. The Congressional Budget Office characterized the risk of default on such projects as "well above 50 percent." Even plants under construction are being abandoned. If private firms won't invest, should we be putting taxpayers on the hook?

Energy from wind and solar makes more financial sense and creates many more jobs when compared with nuclear power sans mas-

sive subsidies. But the loan guarantees for clean energy sources, which were added to make the nuclear loan giveaways easier to swallow, are not an industry priority. They need more direct subsidies to get started with the urgency required to address global warming.

This amendment also contains otherwise valuable funding for teacher's jobs, Pell grants, and Gulf Coast oil spill clean-up. I voted for this amendment because of the dire needs in these areas and others. But slipping in \$9 billion in nuclear loan guarantees when we struggle to find money to extend unemployment compensation and create new green jobs is not acceptable.

THE ECONOMICS OF NUCLEAR REACTORS: RENAISSANCE OR RELAPSE?

(By Mark Cooper, Senior Fellow for Economic Analysis, Institute for Energy and the Environment, Vermont Law School—June 2009)

ISSUE BRIEF

Findings

Within the past year, estimates of the cost of nuclear power from a new generation of reactors have ranged from a low of 8.4 cents per kilowatt hour (kWh) to a high of 30 cents. This paper tackles the debate over the cost of building new nuclear reactors, with the key findings as follows:

The initial cost projections put out early in today's so-called "nuclear renaissance" were about one-third of what one would have expected, based on the nuclear reactors completed in the 1990s.

The most recent cost projections for new nuclear reactors are, on average, over four times as high as the initial "nuclear renaissance" projections.

There are numerous options available to meet the need for electricity in a carbon-constrained environment that are superior to building nuclear reactors. Indeed, nuclear reactors are the worst option from the point of view of the consumer and society.

The low carbon sources that are less costly than nuclear include efficiency, cogeneration, biomass, geothermal, wind, solar thermal and natural gas. Solar photovoltaics that are presently more costly than nuclear reactors are projected to decline dramatically in price in the next decade. Fossil fuels with carbon capture and storage, which are not presently available, are projected to be somewhat more costly than nuclear reactors.

Numerous studies by Wall Street and independent energy analysts estimate efficiency and renewable costs at an average of 6 cents per kilowatt hour, while the cost of electricity from nuclear reactors is estimated in the range of 12 to 20 cents per kWh.

The additional cost of building 100 new nuclear reactors, instead of pursuing a least cost efficiency-renewable strategy, would be in the range of \$1.9-\$4.4 trillion over the life of the reactors.

Whether the burden falls on ratepayers (in electricity bills) or taxpayers (in large subsidies), incurring excess costs of that magnitude would be a substantial burden on the national economy and add immensely to the cost of electricity and the cost of reducing carbon emissions.

Approach

This paper arrives at these conclusions by viewing the cost of nuclear reactors through four analytic lenses.

First, in an effort to pin down the likely cost of new nuclear reactors, the paper dissects three dozen recent cost projections.

Second, it places those projections in the context of the history of the nuclear industry with a database of the costs of 100 reactors built in the U.S. between 1971 and 1996.

Third, it examines those costs in comparison to the cost of alternatives available today to meet the need for electricity.

Fourth, it considers a range of qualitative factors including environmental concerns, risks and subsidies that affect decisions about which technologies to utilize in an environment in which public policy requires constraints on carbon emissions.

The stakes for consumers and the nation are huge. While some have called for the construction of 200 to 300 new nuclear reactors over the next 40 years, the much more modest task of building 100 reactors, which has been proposed by some policymakers as a goal, is used to put the stakes in perspective. Over the expected forty-year life of a nuclear reactor, the excess cost compared to least-cost efficiency and renewables would range from \$19 billion to \$44 billion per plant, with the total for 100 reactors reaching the range of \$1.9 trillion to \$4.4 trillion over the life of the reactors.

Hope and Hype vs. Reality in Nuclear Reactor Costs

From the first fixed price turnkey reactors in the 1960s to the May 2009 cost projection of the Massachusetts Institute of Technology, the claim that nuclear power is or could be cost competitive with alternative technologies for generating electricity has been based on hope and hype. In the 1960s and 1970s, the hope and hype analyses prepared by reactor vendors and parroted by government officials helped to create what came to be known as the "great bandwagon market." In about a decade utilities ordered over 200 nuclear reactors of increasing size.

Unfortunately, reality did not deliver on the hope and the hype. Half of the reactors ordered in the 1960s and 1970s were cancelled, with abandoned costs in the tens of billions of dollars. Those reactors that were completed suffered dramatic cost overruns. On average, the final cohort of great bandwagon market reactors cost seven times as much as the cost projection for the first reactor of the great bandwagon market. The great bandwagon market ended in fierce debates in the press and regulatory proceedings throughout the 1980s and 1990s over how such a huge mistake could have been made and who should pay for it.

In an eerie parallel to the great bandwagon market, a series of startlingly low-cost estimates prepared between 2001 and 2004 by vendors and academics and supported by government officials helped to create what has come to be known as the "nuclear renaissance." However, reflecting the poor track record of the nuclear industry in the U.S., the debate over the economics of the nuclear renaissance is being carried out before substantial sums of money are spent. Unlike the 1960s and 1970s, when the utility industry, reactor vendors and government officials monopolized preparation of cost analyses, today Wall Street and independent energy analysts have come forward with much higher estimates of the cost of nuclear reactors.

The most recent cost projections are, on average, over four times as high as the initial nuclear renaissance projections.

Even though the early estimates have been subsequently revised upward in the past year and utilities offered some estimates in regulatory proceedings that were twice as high as the initial projections, these estimates remain well below the projections from Wall Street and independent analysts. Moreover,

in an ominous repeat of history, utilities are insisting on cost-plus treatment of their reactor projects and have steadfastly refused to shoulder the responsibility for cost overruns.

One thing that utilities and Wall Street analysts agree on is that nuclear reactors will not be built without massive direct subsidies either from the federal government or ratepayers, or from both.

In this sense, nuclear reactors remain as uneconomic today as they were in the 1980s when so many were cancelled or abandoned.

The economic cost of low carbon alternatives

There is a second major difference between the debate today and the debate in the 1970s and 1980s. In the earlier debate, the competition was almost entirely between coal and nuclear power generation. Today, because the debate is being carried out in the context of policies to address climate change, a much wider array of alternatives is on the table. While future fossil fuel (coal and natural gas) plants with additional carbon capture and storage technologies that are not yet available are projected to be somewhat more costly than nuclear reactors (see Figure ES-2), efficiency and renewables are also primary competitors and their costs are projected to be much lower than nuclear reactors.

Figure ES-2 presents the results of half a dozen recent studies of the cost of alternatives, including two by government entities, three by Wall Street analysts and one by an independent analyst. Figure ES-2 expresses the cost estimated by each study for each technology as a percentage of the study's nuclear cost estimate. Every author identifies a number of alternatives that are less costly than nuclear reactors.

One of the central concerns about reliance on efficiency and renewables to meet future electricity needs is that they may not be available in sufficient supply. However, analysis of the technical potential to deliver economically practicable options for low-cost, low-carbon approaches indicates that the supply is ample to meet both electricity needs and carbon reduction targets for three decades or more based on efficiency, renewables and natural gas (see Figure ES-3).

Figure ES-3 builds a "supply curve" of the potential contribution and cost of efficiency and renewables, based on analyses by the Rand Corporation, McKinsey and Company, the National Renewable Energy Laboratory, the Union of Concerned Scientists and the American Council for an Energy Efficient Economy. Clearly, there is huge potential for low carbon approaches to meet electricity needs. To put this potential into perspective, long-term targets call for emissions reductions below 2005 levels of slightly more than 40 percent by 2030 and 80 percent by 2050. Even assuming that all existing low carbon sources (about 30 percent of the current mix) have to be replaced by 2030, there is more than ample potential in the efficiency and renewables.

With continuing demand growth, it would still not be until 2040 that costly or as yet nonexistent technologies would be needed. Thus, pursuing these low cost options first meets the need for electricity and emissions reductions, while allowing time for technologies to be developed, such as electricity storage or carbon capture, that could meet electricity needs after 2040. The contending technologies that would have to be included in the long term are all shown with equal costs, above the technologies that have lower costs because it is difficult to project costs that far out in future and there will

likely be a great deal of technological change before those technologies must be tapped to add substantial incremental supplies.

A comprehensive view of options for meeting electricity needs

In addition to their cost, nuclear reactors possess two other characteristics that make them an inferior choice among the options available.

The high capital costs and long construction lead times associated with nuclear reactors make them a risky source of electricity, vulnerable to market, financial, and technological change that strengthen the economic case against them.

While nuclear power is a low carbon source of electricity, it is not an environmentally benign source. The uranium fuel cycle has significant safety, security, and waste issues that are far more damaging than the environmental impact of efficiency and renewables.

Figure ES-4 depicts three critical characteristics of the alternatives available for meeting electricity needs in a carbon-constrained environment. The horizontal axis represents the economic cost. The vertical axis represents the societal cost (with societal cost including environmental, safety, and security concerns). The size of the circles represents the risk. Public policy should exploit the options closest to the origin, as these are the least-cost alternatives. Where the alternatives are equal on economic cost and societal impact, the less risky should be pursued.

Nuclear reactors are shown straddling the positive/negative line on societal impact. If the uranium production cycle—mining, processing, use and waste disposal—were deemed to have a major societal impact, nuclear reactors would be moved much higher on the societal impact dimension. If one believes that nuclear reactors have a minor impact, reactors would be moved down on the societal impact dimension. In either case, there are numerous options that should be pursued first. Thus, viewed from a multidimensional perspective, including economic, environmental, and risk factors, there are numerous preferable alternatives.

The impact of subsidies

As noted, nuclear reactors are very unlikely to be built without ratepayer and taxpayer subsidies. Many of the hope and hype analyses advance scenarios in which carbon is priced and nuclear reactors are the beneficiaries of large subsidies. Under those sets of extreme assumptions, nuclear reactors become less costly than fossil fuels with carbon capture and storage costs. However, they do not become less costly than efficiency and renewables. High carbon costs make efficiency and renewables more attractive.

Moreover, public policy has not tended to be quite so biased, although the supporters of nuclear power would like it to be. Imposing a price on carbon makes all low carbon options, including efficiency and renewables, more attractive as options. Subsidy programs tend to be applied to all low carbon technologies. As a result, although the carbon pricing and subsidy programs implemented and contemplated in recent years tend to impose cost on consumers or shift them from ratepayers to taxpayers; they do not change the order in which options enter the mix. In other words, given pricing and subsidies that simply values carbon emission or its abatement, the economic costs as estimated above dictate the order in which options are implemented. Nuclear reactors remain the worst option. It is possible to bias

policies so severely that the order of priority changes, but that simply imposes unnecessary costs on consumers, taxpayers, and society.

Conclusion

The highly touted renaissance of nuclear power is based on fiction, not fact. It got a significant part of its momentum in the early 2000s with a series of cost projections that vastly understated the direct costs of nuclear reactors. As those early cost estimates fell by the wayside and the extremely high direct costs of nuclear reactors became apparent, advocates for nuclear power turned to climate change as the rationale to offset the high cost. But introducing environmental externalities does not resuscitate the nuclear option for two reasons. First, consideration of externalities improves the prospects of non-fossil, non-nuclear options to respond to climate change. Second, introducing externalities so prominently into the analysis highlights nuclear power's own environmental problems. Even with climate change policy looming, nuclear power cannot stand on its own two feet in the marketplace, so its advocates are forced to seek to prop it up by shifting costs and risks to ratepayers and taxpayers.

The aspiration of the nuclear enthusiasts, embodied in early reports from academic institutions, like MIT, has become desperation, in the updated MIT report, precisely because their reactor cost numbers do not comport with reality. Notwithstanding their hope and hype, nuclear reactors are not economically competitive and would require massive subsidies to force them into the supply mix. It was only by ignoring the full range of alternatives—above all efficiency and renewables—that the MIT studies could pretend to see an economic future for nuclear reactors, but the analytic environment has changed from the early days of the great bandwagon market, so that it is much more difficult to get away with passing off hope and hype as reality.

The massive shift of costs necessary to render nuclear barely competitive with the most expensive alternatives and the huge amount of leverage (figurative and literal) that is necessary to make nuclear power palatable to Wall Street and less onerous on ratepayers is simply not worth it because the burden falls on taxpayers. Policymakers, regulators, and the public should turn their attention to and put their resources behind the lower-cost, more environmentally benign alternatives that are available. If nuclear power's time ever comes, it will be far in the future, after the potential of the superior alternatives available today has been exhausted.

Mr. OBEY. Mr. Speaker, let me simply say that our Republican friends are running true to form tonight. In the past 2 weeks, they have voted against funding unemployment insurance for people who have been laid off in the most excruciating recession in 70 years. Now, today, they are refusing to support a proposal which will help us stave off the laying off of well over 100,000 additional teachers around the country—something which, I think, thoughtful people would recognize would injure not just those teachers but their students and the communities in which those students are supposed to learn. There is nothing as expensive as ignorance, and ignorance is

fed when you have an inadequate number of quality teachers.

Let me devote the rest of my time to something that I consider to be fairly off the point today because it had been suggested to us that the Secretary of Education is somewhat unhappy because of the offsets that we have required in order to pay for this additional funding. Let me put that into perspective.

We are trying to provide \$15 billion in additional education resources to this administration—\$10 billion to stave off the firing of teachers and about \$5 billion to fill the shortfall that developed in the Pell program this year because of the economy.

□ 2050

In order to finance that, we have had to cut many programs. I don't like to do that, and the administration certainly doesn't like to see it either. But we also had to require that the Secretary's department itself take a cut that is equal to about 5 percent of the value of the additional education dollars that his department would receive.

One of the Secretary's objections, evidently, is the fact that last year in the stimulus package we provided him with a \$4.3 billion pot of money to use virtually any way he wanted to stimulate educational progress in this country; \$4.3 billion. He has spent a very small amount of that, about \$600 million, and we decided we had to cut about \$500 million out of that fund in order to finance and fully pay for the package before us. That still leaves him with \$3.2 billion in money that he can spend any way his department wants.

We had a big discussion yesterday in the Agriculture Appropriations Subcommittee about whether or not it was acceptable for the Secretary of Agriculture to have a \$38 million pot, yet the Secretary of Education is somehow offended because he only has \$3.2 billion to pass around. I would suggest that that loose money, that untargeted money that he has available, is roughly functional to what could be called a congressional earmark. In fact, what I would call that fund is a fund that enables the Secretary to provide executive branch earmarks.

I would point out that all of the legislative-directed earmarks in the Labor-H bill last year amounted to less than \$1 billion, and yet the Secretary seems to be offended by the fact that he only has three times that amount to spread around as he sees fit.

I would also point out that in the year-and-a-half they have only gotten grants out to two States, and the department has already announced that at most there will be about 15 other States that might get winning grants, which means that more than half the country will never see a dime from that money.

I would suggest that there is nothing wrong with providing the Secretary a modest amount of funds to promote educational change. God knows we need it. But to suggest that we are being unduly harsh is a joke.

With that, I urge support for this amendment.

The SPEAKER pro tempore. All time for debate from the Committee on Appropriations has expired.

Pursuant to the rule, the gentlewoman from California (Ms. LEE) and the gentleman from California (Mr. LEWIS) each will control 15 minutes.

The Chair recognizes the gentlewoman from California.

Ms. LEE of California. Mr. Speaker, I want to first thank Chairman OBEY for his incredible leadership on this supplemental. It was a very difficult job to put this together, but you have done a phenomenal job.

Let me also thank the Chair of the Rules Committee, Congresswoman SLAUGHTER, and Speaker PELOSI, for their leadership and for allowing this important discussion and amendment.

Also I would like to applaud Congressman MCGOVERN for his thoughtful and important amendment. He and Mr. OBEY set forth this amendment that we will vote on today. I strongly support it and their efforts to get an exit strategy to end this war.

My amendment is very straightforward. It would prevent any escalation or any ongoing combat operation in Afghanistan and limit the funding to the safe and orderly withdrawal of our troops and military contractors from Afghanistan.

It is critical to understand that this amendment would provide for the safety of our troops, civilian personnel, and contractors while troop withdrawal takes place. It does not allow funding for ongoing combat operations or for this escalation. It is not a cut-and-run amendment. It would not leave our troops stranded in harm's way.

Simply put, this amendment provides for the safe and orderly withdrawal of our troops from Afghanistan, and we need it because the reality is that there is no military solution to Afghanistan. In fact, the occupation of Afghanistan is making us less safe. Our occupation is a prime recruiting tool for the insurgency and for al Qaeda.

If we remember, nearly 9 years ago the reason the authorization was granted, which I could not support, was to provide authorization to go after al Qaeda and Osama bin Laden. Well, nearly a decade later, what are we doing there? We need to redefine this mission. We need to begin the safe, timely withdrawal of U.S. troops and military contractors, and we should do so by adopting this amendment today which stops this funding.

A few months from now, the war from Afghanistan will enter, as I said, its tenth year. It is already the longest

war in our Nation's history, longer than Vietnam and the Civil War, and there is really no end in sight. In fact, this concern of "war without end" again is why I opposed the resolution authorizing military force on September 14, 2001. It was a blank check then, and it remains a blank check now.

I think it is important to take a moment and put the evolution of this war in context, because we have to remember that, again, there was no discussion about the potential consequences of invading Afghanistan. The debate we are having today should have happened 10 years ago.

Few people imagined that we would have nearly 100,000 troops there a decade later, despite the fact that the CIA estimates that there may be only 50 to 100 al Qaeda in Afghanistan. So we have to be honest; the war is not working. The Afghan government is plagued by incompetence and corruption. The Afghan Security Forces are in shambles, and, tragically, just over 1,000 servicemen and -women have lost their lives.

It is clear that our servicemen and -women have performed with incredible courage and commitment. They have done everything we have asked them to do. As the daughter of a 25-year military officer, my dad was a lieutenant colonel in the Army, I understand and know the sacrifices these families are making. But the truth is, they have been put in an impossible situation. The Afghan government is anything but a reliable partner, and conditions on the ground make winning over the Afghan people extremely difficult, if not nearly an impossible task.

Sadly, this war has no end in sight. We are bound to see the generals come back to us and ask us for more money, more time, and more troops if they say it is going well. If it is not going well, I expect to see the generals come back and ask for more money, more time, and more troops.

So regardless of the situation, unless Congress does something, and we have to face this, if Congress allows this, it will be an endless war. So enough is enough. The U.S. has no choice but to pursue and support a political and diplomatic solution in Afghanistan. We must be about that hard work now.

So please join me in supporting the safe and orderly withdrawal of our troops. We can and we must responsibly bring them home and end this war now.

I reserve the balance of my time.

The SPEAKER pro tempore. The Chair recognizes the gentleman from California.

Mr. LEWIS of California. I rise to oppose the Lee amendment to essentially cut off the funding for our troops in Afghanistan.

I am very proud to yield 5 minutes to my colleague, our leader on the De-

fense Subcommittee, the gentleman from Florida, BILL YOUNG.

Mr. YOUNG of Florida. Mr. Speaker, I thank the gentleman for yielding the time.

I rise to give compliments to Chairman NORM DICKS of the subcommittee for having worked with the minority and the majority, as well as the President of the United States, to develop a very good Defense appropriations supplemental appropriations bill for our troops who are fighting in Iraq and Afghanistan.

The bill provides the equipment necessary for those troops to carry out their mission. The bill provides for training. The bill provides for self-protective measures to keep our troops safe while they fight the war they were sent to fight.

□ 2100

The only problem I have is we're not going to vote on that bill. Although this is supposedly a defense supplemental, that bill is not going to be voted on. That bill was reported and approved by the subcommittee back in May, but yet there has been no consideration beyond that date. The subcommittee approved it back in May after the President requested it.

The members of the Appropriations Committee have not had an opportunity to vote on a Defense supplemental appropriations bill. The Members of the House have not had an opportunity to vote on a Defense appropriations supplemental bill. There's something wrong with that.

Chairman DICKS did a good job. He worked with us, as did Chairman Murtha before him, and it was a good bipartisan effort. We're not only not going to vote on that good bill, but we're not even going to have a chance to vote on the Senate version of the bill that's not quite as good as the House version, but it's better than nothing. And it's time that we provide the funding for our troops in the field, deployed and exposed to danger, so that they're provided with what they need.

I have a problem with this. I said the subcommittee approved the bill back in May. The full committee has not considered it. As a matter of fact, we are rapidly approaching the 1-year anniversary of the last time the Appropriations Committee met to consider an appropriations bill. Now, that's unusual. It seems to me like it flies in the face of the Constitution, because Article I, section 9 makes it very clear that the executive branch of government cannot spend money from the General Treasury that has not first been appropriated by Congress. And if the Appropriations Committee doesn't meet to approve the bills or to report the bills to the House, how are we going to meet that constitutional responsibility? It's pretty tough.

July 22 last year was the last time the Appropriations Committee met to consider an appropriations bill. So I compliment Chairman DICKS for creating a good bipartisan product that the President of the United States supported, and I am just disappointed that we're not going to have a chance to vote on it. Our troops in the field need to know that we are supporting them with whatever it is that they need to carry out their mission.

I am opposed to all of these amendments that we are considering because none of them do anything to support our troops in the field, which is what this bill is supposed to be all about. These amendments are not good, and it's just a real shame that we are not considering the needs of our troops who are deployed, to provide what it is that they need in order to accomplish the mission that we sent them to accomplish and to protect themselves while they're doing it.

Mr. Speaker, typically, I would use my time talking on a Supplemental as the Ranking Member of the Defense Subcommittee to congratulate Chairman DICKS on a fine bipartisan package that he and his staff put together. I would thank him for treating us fairly and listening to the minority's concerns, and suggest that we pass the bill as quickly as possible.

Regrettably, I cannot do that today because the bill before us is the product of such an abuse of power and process that we aren't even voting on Chairman DICKS' bill.

Instead, we find ourselves voting on the Senate defense supplemental in the hope of getting the Department of Defense the desperately needed funds for on-going Afghanistan operations before they run out.

And I must say that really upsets me. While this is our best chance of getting badly needed funds to the Department, Chairman DICKS and his staff had produced a very fine, truly bipartisan supplemental bill . . . one that in my opinion was much better than this Senate bill.

But because of his leadership, that bill never saw the light of day. Not because it was controversial, or contained something bad, but because procedurally a small group of Members couldn't find a way to get unrelated, extraneous domestic spending items attached to it.

So instead today, maybe it is in my best interest for me to use this time making a case for my old spot on the Armed Services Committee.

That may seem odd, but I can only wonder how much longer the Appropriations Committee will exist . . . if it still does.

I do thank Mr. DICKS for his courtesy and cooperation. I only regret that his leadership decided to play politics with what was a good bill which supported our troops.

Ms. LEE of California. I yield 1½ minutes to the gentleman from California, Chairman GEORGE MILLER.

Mr. GEORGE MILLER of California. I want to thank the gentlewoman for offering this amendment and for yielding me time.

This is an important amendment. The time has come to understand what is taking place in Afghanistan and the

incredible price that our soldiers are paying in that country and the incredible price that the American taxpayer is paying to fund this war. We've got to understand that the ingredients for victory, as people identify it and discuss it and describe it, are simply not present in Afghanistan:

The idea that we would expand the franchise of an honest central government to the countryside so we could stabilize the countryside. There is no honest central government in Afghanistan. It's rife with corruption, including the President of the country and his family and his relatives and his warlords and his ministers, and that's got to stop;

The idea that we are going to get help from the neighbors. We're getting minimal help from the Pakistanis. We're getting no help of any consequence from the Russians or the Chinese or the Indians because they're all engaged in the same game. They are protecting their position while America bleeds, while America bleeds the blood of our soldiers, while our Treasury bleeds the dollars of our taxpayers, and that's been going on and on and on and on.

We know how these Taliban were created. We know who supported them. We know the double accounting they do. We know the protections that they run. We know the sanctuaries that they provide them. And yet our soldiers are required to go in and ferret it out over and over and over again. We're told that we are going to develop this nation, that if we bring development, we'll have peace in Pakistan.

One of the first requests from the generals 8 years ago, 9 years ago was to send small-scale agriculture. You know what the request is 9, 10 years later? Send small-scale agriculture. Get us a police force that is honest. Get us troops that are honest, that will fight. None of that has been matched. But what has been matched is the death and the maiming and the injuries of our American soldiers. It is time to bring them home.

Mr. LEWIS of California. Mr. Speaker, I am proud to yield 2 minutes to the gentleman from Missouri, IKE SKELTON, the chairman of the House authorizing committee on national security or defense.

Mr. SKELTON. Mr. Speaker, I rise today in strong opposition to all of the amendments to end funding for the war in Afghanistan or to withdraw our troops before the job is done. Afghanistan is the epicenter for terrorism, and it was the genesis of multiple attacks against our Nation, including the attacks on September 11. We must not forget why we are fighting this war. There's far too much at stake.

For nearly a decade during the previous administration, Afghanistan was the forgotten war with no clear strategy. But now we have a strategy, a

good strategy. We're already seeing clear signs of success even before the surge of an additional 30,000 troops is complete. With the help of our allies, we are capturing or killing terrorists every week, including the most significant Taliban capture since the start of the war.

We've been in Afghanistan for many years, and I recognize that the patience of the American people is not unlimited. But thanks to the men and women of our military and the new strategy adopted, we are finally on the path to success. Now is not the time to abandon this war, our NATO allies, and the Afghan people.

The amendments to immediately cut off funding for the war in Afghanistan or to immediately redeploy our troops are clearly the wrong thing to do. But it would be equally unwise to make a decision now to leave Afghanistan before the job is done. At long last, we have a strategy for success. Now is not the time to abandon that strategy. I urge my colleagues to join me in standing behind our troops and the security of our Nation by voting against these amendments.

Ms. LEE of California. I yield 1 minute to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Just a few days before his dismissal, General McChrystal wrote what has been described as a devastating report on his mission. He pointed out that he faced a resilient and growing insurgency with too few troops, and he expected no progress in the coming months. Why are we continuing to send our troops into a mission impossible? Why are we committing our troops to a situation which is certainly bound to bring about more casualties, both of our troops and innocent civilians?

General Petraeus is promising an escalation of the war which will put more American lives on the line and more innocent civilians killed. Do we support our troops? If we do, and if we really paid attention to what's going on in Afghanistan, if we really supported our troops, we'd bring them home. And that's exactly what the Barbara Lee amendment is designed to do, and that's why we should support it.

As related by William Polk in his recent article in "Counterpunch"—Just a few days before his dismissal, General McChrystal wrote what has been described as a "devastating report on his mission." He pointed out that he faced a "resilient and growing insurgency" with too few troops and he expected no progress in the coming months.

Why are we continuing to send our troops into a mission impossible? Why are we committing our troops to a situation which is certainly bound to bring about more casualties, both of our troops and innocent civilians? General Petraeus is promising an escalation of the war which will put more American lives on the line and more innocent civilians killed.

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Afghanistan, if we really supported our troops we would bring them home. That's exactly what the Barbara Lee Amendment is designed to do, and that's why we should support it.

What Now?

AFGHANISTAN SITREP

(By William R. Polk)

On June 24, the International Herald Tribune published an editorial from its parent, The New York Times, entitled "Obama's Decision." Both the attribution—printing in the two newspapers which ensures that the editorial will reach both directly and through subsidiary reprinting almost every "decision maker" in the world—and the date—just before the appointment of David Petraeus to succeed Stanley McChrystal—are significant. They could have suggested a momentary lull in which basic questions on the Afghan war might have been reconsidered.

That did not happen. The President made clear his belief that the strategy of the war was sound and his commitment to continue it even if the general responsible for it had to be changed.

The editorial sounded a different note arising from the events surrounding the fall of General McChrystal: Mr. Obama, said The Times, "must order all of his top advisers to stop their sniping and maneuvering" and come up with a coherent political and military plan for driving back the Taliban and building a minimally effective Afghan government."

In short, Mr. Obama must get his team together and evolve a plan.

Unfortunately, the task he faces is not that simple.

First, consider the "team." It has two major components, the military officers whom McChrystal gathered in Kabul. As they made clear in the Rolling Stone interview, they think of themselves as "Team America" and hold in contempt everyone else. Those who don't fully subscribe to their approach to the war are unpatriotic, stupid or cowardly. Those officers are not alone. Agreeing with them is apparently now a large part of the professional military establishment. They are the junior officers whom David Petraeus and Stanley McChrystal have selected, promoted and with whom they take their stand.

The other "component" is not a group but many groups with different agendas and constituencies. The most crucial for my purposes here are the advisers to the President; they were dismissed out of hand as "the wimps in the White House." Most, but not all, were civilians. Other senior military officers, now retired, who are not part of "Team America" and its adherents were also disparaged. Famously, General Jim Jones, the director of the National Security Council staff, was called a "clown."

These were the comments that forced Mr. Obama's hand and were what the press latched upon to explain the events. But many missed the point that McChrystal had just a few days before his dismissal written a devastating report on his mission. Confidential copies of it were obtained by the London newspaper, The Independent on Sunday, which published it today, but of course the President had seen it earlier. Essentially, its message boiled down to failure.

McChrystal pointed out that he faced a "resilient and growing insurgency," with too few troops and expected no progress in the coming six months. Despite expenditures of at least \$7 billion a month, his politico-military strategy wasn't working. Within weeks

of the “victory” over the Taliban in the agricultural district of Marja, the Taliban were back and the box full of government he had announced proved to be nearly empty. As the expression went in the days of the Vietnam war, whatever happened during the day, the guerrillas “owned the night.” As he described it, Marja was the “bleeding ulcer” of the American campaign.

Behind McChrystal’s words, the figures were even more devastating: Marja, despite the descriptions in the press is not a town, much less a city; it is a hundred or so square miles of farm land with dispersed hamlets in which about 35,000 people live and work. Into that small and lightly populated area, McChrystal poured some 15,000 troops, and they failed to secure it.

To appreciate what those figures mean, consider them in context of Petraeus’s counterinsurgency theory, on which McChrystal was basing his strategy. As he had explained it, Marja should be taken, secured and held. Then an administration—McChrystal’s “government in a box”—should be imposed upon it. Despite all the hoopla about the brilliant new strategy, it was hardly new. In fact it was a replay of the strategy the French General Lyautey called the *tache d’huile* (the oil spot) and applied in Indochina over a century ago. We also tried it in Vietnam, renaming it the “ink spot.” The hope was that the “spot,” once fixed on the Marja, would smudge into adjoining areas and so eventually spread across the country. Clear and simple, but unfortunately, like so much in counterinsurgency theory, it never seemed to work.

Petraeus’s counterinsurgency theory also illuminated how to create the “spot.” What was required was a commitment of forces in proportion to native population size. Various numbers have been put forth but a common number is about one soldier for each 50 inhabitants. Marja was the area chosen for the “spot.” The people living there, after all, were farmers, wedded to the land, and so should be more tractable than the wild warriors along the tribal frontier. Moreover, it was the place where the first significant American aid program, the Helmand Valley Authority, had been undertaken in the late 1950s. So, if an area were to be favorable to Americans, it ought to be Marja. But, to take no chances, General McChrystal decided to employ overwhelming force. So, what is particularly stunning about the failure in Marja is that the force applied was not the counterinsurgency model of 1 soldier for each 50 inhabitants but nearly 1 soldier for each 2 inhabitants.

If these numbers were projected to the planned offensive in the much larger city of Kandahar, which has a population of nearly 500,000, they become impossibly large. Such an attack would require at least four times as many U.S. and NATO as in Marja. That is virtually the entire fighting force and what little control over Marja and most other areas, perhaps even the capital, Kabul, that now exists would have to be given up or else large numbers of additional American troops would have to be engaged. Moreover, in response to such an attack, it would be possible for the insurgents also to redeploy so the numbers would again increase.

The more fundamental question, which needs to be addressed, is why didn’t this relatively massive introduction of troops with awesome and overwhelming fire power succeed. Just a few days before he was fired, as I have mentioned, General McChrystal posed, but could not answer, that question. I hope President Obama is also pondering it.

For those who read history, the answer is evident. But, as I have quoted in my book *Understanding Iraq*, the great German philosopher, Georg Wilhelm Friedrich Hegel, despaired that “Peoples and governments never have learned anything from history or acted on principles deduced from it” and, therefore, as the American philosopher George Santayana warned us, not having learned from history, we are doomed to repeat it. Indeed, it seems that each generation of Americans has to start all over again to find the answers. Who among our leaders and certainly among college students now really remembers Vietnam? So, consider these simple facts:

The first fact, whether we like it or not, is that nearly everyone in the world has a deep aversion to foreigners on his land. As far as we know, this feeling goes back to the very beginning of our species because we are territorial animals. Dedication to the protection of homeland permeates history. And the sentiment has never died out. Today we call it nationalism. Nationalism in various guises is the most powerful political idea of our times. Protecting land, culture, religion and people from foreigners is the central issue in insurgency. The former head of the Pakistani intelligence service, who has had unparalleled experience with the Taliban over many years, advised us that we should open our eyes to seeing the Afghan insurgents as they see themselves: “They are freedom fighters fighting for their country and fighting for their faith.” We agreed when they were fighting the Russians; now, when many of the same people are fighting us, we see them only as terrorists. That label does not help us understand why they are fighting.

Instead of asking why they are fighting, counterinsurgents think they can overcome aversion to foreign invaders by “renting” the natives. In Marja, we not only put in a large military contingent but, as Rajiv Chandrasekaran reported this month in *The Washington Post*, we offered to employ virtually the entire adult population, some 10,000 people. Unquestionably such efforts do persuade some of the people for some of the time. But not all or permanently. In Marja, only 1,200 people signed up for the jobs we offered.

Why so few? After all, the Afghans, as I wrote in an earlier article, have suffered through virtually continuous war for thirty years. Many are wounded or sick, with some even on the brink of starvation. More than one in three subsists on the equivalent of less than 45 cents a day, almost one in two lives below the poverty line and more than one in two preschool children is stunted because of malnutrition. They are the lucky ones; one in five dies before the age of 5. Obviously, the Afghans need help, so we think they should welcome our efforts to aid them. But Marja shows that they do not. Nationwide, independent observers have found that attitude is common: most do not want us there, even giving them aid. And even those who do are fairly easily dissuaded by the insurgents.

Threats or attacks by the insurgents have brought them into our gun sights. In Afghanistan, as in Vietnam, we have tried to so weaken the insurgents that they cannot effectively block our programs. Our “body counts” in Vietnam showed that we killed off the entire Viet Minh several times over and today we are told that the ranks of the Taliban have been severely depleted. But, because the motivation that energized the first group of insurgents is widely shared, and is

usually intensified by foreign military action, which by its nature is regarded by many of the natives as unjustified and brutal, new insurgents as well as supporters of the temporarily evicted insurgents will emerge from among the inhabitants of the oil/ink spot. Outsiders may have come in, but, according to U.S. military intelligence about three in four insurgents fight within five miles of their homes. They were “home” and taking up arms within a month in Marja.

Indeed, the campaign may have been, to use that cumbersome locution of governmentese, “counter-productive.” According to the former British counter-terrorism chief and current head of the U.N. monitoring mission, Richard Barnett, as cited in *The Guardian/The Observer* last week, “Attempts by British and American forces to expand their control over Afghan territory over the past 12 months have been counter-productive and led to a worsening security situation.”

The second fact is that those insurgents who don’t get killed are the ones who have learned three simple ways to defeat the counterinsurgents.

The first of these ways to defeat counterinsurgents is to use appropriate tactics—never stand and fight. Insurgents can see that their enemies outgun, and usually far outnumber, them so they should hit and run—lay mines, ambush patrols, disrupt logistics but never get caught. Drawing on a Kenyan fable, this has been termed “the war of the flea and the lion.” The flea bites and jumps away. The powerful lion swats, occasionally hits, but eventually tires and moves away. Lions don’t defeat fleas.

The second way insurgents can defeat the counterinsurgent is a form of jujitsu—using his strength against him. His strength is his superiority in weapons. So the insurgent seeks to incite him to use them. Inevitably, caught in the middle, the people—who are after all the “spoils” in insurgency warfare—get hurt. And when they get hurt, they naturally come to hate those who fire the weapons. In Vietnam, insurgents would sometimes enter a “neutral” village, shoot at an American airplane and then steal away. The attacked airplane would call in troops or gunships. The villagers would suffer and would be confirmed in their hatred of the Americans. It was brutal but very effective.

Counterinsurgents think they can avoid this problem by withholding as much as possible of their lethal power. But doing so is very difficult. Their soldiers also get hurt and angry. And they come to hate the locals—wogs, gooks, rag heads, *untersmenschen*—who appear to them dirty, slovenly, corrupt and cowardly. No one can be trusted when even children act as spies or carry bombs. Soldiers make bad neighbors to civilians in the best of circumstances and insurgency is not one of those circumstances. As I have pointed out in my book, *The Birth of America*, it was the presence of even superbly disciplined British troops in Boston that touched off the American Revolution.

The third way insurgents can defeat invaders is by destroying their local puppets. Ruling another country is, of course, expensive and difficult so foreigners have almost always and everywhere enrolled willing natives to help. In the American Revolution we called those people “the Loyalists.” In Vietnam, they were the government of the South. In Afghanistan they are the “Kabul government.”

So the insurgents regard collaborators—“Quislings” as we called them in the Second

World War—as their prime target. In America, the colonists threatened, tarred and feathered, lashed, imprisoned, hanged or drove away tens of thousands of the Loyalists. In Vietnam, French police records show that in the 1950s, the Viet Minh virtually wiped out the administration of the southern government, murdering policemen, postmen, judges and other civil servants as well as teachers and doctors. And today in Afghanistan, as Rod Nordland reported in *The New York Times* on June 10, “The Taliban have been stepping up a campaign of assassinations in recent months against officials and anyone else associated with local government in an attempt to undermine counter-insurgency operations in the south.”

One Afghan told Nordland, “I know many people who are afraid to take jobs with the government or the aid community now. It’s a very effective and very efficient campaign; the armed opposition are using this tool because it works.” Even from a nationalist perspective, this is very rough justice. But many Afghans appear to believe it is both “justice” and Afghan justice.

To validate their actions, the insurgents must themselves supply what the foreigners and their local supporters offer. We have full records of how insurgents did this in Yugoslavia and Greece during the Second World War. The records are not so open for Afghanistan as yet. But, we know from a study by the U.S. Government Accountability Office (GAO) that the Taliban has set up a “widespread paramilitary shadow government . . . in a majority of Afghanistan’s 34 provinces.”

One of the things these shadow governments do is administer the law. For years, I have read reports contrasting what happens in a government court and a Taliban court. In the government court, cases languish for months or years while bribes are collected. A U.N. study found earlier this year that officials shake down their fellow citizens for an amount that is nearly a quarter of the country’s gross domestic product. In a Taliban court, there is no bribery and no delay: Islamic law as defined by Afghan custom is immediate. From our point of view, this too is very rough justice, if justice at all, but in insurgencies, people appear willing to put aside the niceties of peaceful life. In our Revolution we did too.

Mr. LEWIS of California. Mr. Speaker, I am proud to yield 3 minutes to IKE SKELTON’s partner, the gentleman from California, BUCK McKEON, who is the ranking member of the Armed Services Committee.

Mr. McKEON. I thank the leader for yielding me the time.

Mr. Speaker, I am very disappointed that the House Democratic leadership would allow a vote on these three amendments at this time. Make no mistake, all three would go far to cripple the war effort in Afghanistan and directly undermine the Commander in Chief.

Just 24 hours ago, the Senate unanimously confirmed General David Petraeus as the new commander of the U.S. and international forces in Afghanistan. And yet, not a day later, here we are on the House floor taking dangerous political potshots at our troops’ mission and the President’s strategy to surge an additional 30,000 troops in the region.

□ 2110

I strongly oppose all three Afghanistan amendments before us. Not only would they tie the hands of the Commander in Chief, but they send the exact wrong message to our allies and enemies alike at such a critical moment in our efforts in Afghanistan.

Today, our newly confirmed commander walked the halls at NATO headquarters, working to reassure our allies that our country is committed to this war. And right now he is heading to Afghanistan to take command. We should stand in unity with him, not sit here in Washington taking vote after vote to strip funding from our warfighters before his plan even touches down.

General Petraeus has proven himself to be one of America’s most capable military officers. He turned around a perilous situation in Iraq, and our combat troops have started coming home. By the end of August, our troop levels in Iraq will be down to 50,000 for training and reserve purposes.

I believe the President has chosen the right commander and the right strategy in Afghanistan. I’m confident that General Petraeus and our troops can succeed if given the time, space, and resources they need to complete their mission.

As the General arrives in Afghanistan, those of us here in Congress cannot lose sight of the broader perspective. Our brave military men and women and their civilian counterparts are in the midst of a tough fight that’s critical to the U.S. national security. Cutting off their funding in the middle of that fight is tantamount to abandonment.

In December, and again last week, the President reminded us why we are in Afghanistan. It was the epicenter of where al Qaeda planned and launched the 9/11 attacks against innocent Americans. After an exhaustive 90-day review last fall, the President recommended the United States to defeating al Qaeda and the Taliban.

The timeline for success in Afghanistan cannot be dictated by arbitrary political clocks here in Washington. It must be driven by the operational clock in Kabul, Kandahar and the Afghanistan countryside. We all hope and pray that the goal can be accomplished by July 2011, but the President must adhere to his recent comments that conditions on the ground will dictate the pace of any withdrawal next summer.

I urge my colleagues to reject these ill-timed measures, reject attempts to strip funding for our warfighters and, instead, show our troops and allies a united front in our efforts.

Ms. LEE of California. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR. I thank the gentleman for her courageous lead on this issue.

This \$35 billion for Afghanistan is roughly equivalent to the amount in the Recovery Act for highways and transit. If instead of Afghanistan these funds were invested at home, we could do the equivalent of what we did in the Recovery Act, 35,000 lane-miles of highway improved; 1,262 bridges; 12,000 transit buses and rail passenger cars; 5,000 transit stations improved; and 1.3 million jobs that we’ve documented on our portion of the Recovery Act.

But this is a conflict with no exit, no end, no offset; and we should not provide more money for it.

Mr. LEWIS of California. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. PENCE).

Mr. PENCE. Mr. Speaker, I rise in opposition to the amendment and also to the underlying bill.

I have great respect for the gentleman who brings this amendment. She said earlier that there is, in her way of thinking, no military solution in Afghanistan. But let me say that surrender is a military tactic. I just oppose it.

This is a very serious time in the life of our country here at home; and it’s easy, I suspect, for some Americans to forget that we’re a Nation at war. But we are.

As I was reminded when I traveled to Afghanistan the day after Christmas this last year, at this very hour, we have men and women in uniform in harm’s way in Afghanistan and Iraq. And we owe them, in this moment, the resources they need to complete their mission, get the job done, and come home safe. We also owe them the respect of doing that without using our soldiers as a vehicle for other domestic spending priorities.

Military spending bills should be about military spending, and nothing else. And this legislation fails that test.

Before us today is a \$75 billion spending bill, but less than half of this legislation will be used to support the Defense Department’s war operations. Less than half. The military funding measure will spend almost \$5 billion, supposedly, on a temporary bailout for a Federal Pell Grant program. This so-called military funding measure will spend \$50 million on the Port of Guam, and \$18 million for emergency reforestation, and \$15 million for a highway safety study.

This military funding measure will also even spend, as we’ve heard in earlier debate, \$10 billion on teacher jobs.

Now, I’ve been married, as of a month ago, for 25 years to a teacher. I support teachers. I believe education is a State and local function.

Anybody else remember that we just spent \$53 billion in supposedly one-time spending for education in the President’s failed stimulus bill? And now, on the backs of our soldiers, comes another \$10 billion that has to be appropriated to save teachers jobs?

We can do better, men and women.

To top it all off, \$63 billion of this bill isn't even paid for, just more deficits and more debt.

One of the ways the Democrats are saving a little bit of money here is by \$3 billion in cuts to the Defense Department.

We can do better. Our soldiers deserve better. Let's reject this legislation. Let's do right by our soldiers. Military spending bills should be about military spending, and nothing else.

Ms. LEE of California. I yield 1 minute to the gentlewoman from California, Congresswoman WATERS.

Ms. WATERS. Mr. Speaker, I rise in support, strong support, of Congresswoman BARBARA LEE's amendment to the 2010 Supplemental Appropriations Act. This amendment would limit the funds appropriated within the supplemental to the continued protection of our military and civilian personnel in Afghanistan, while a plan is implemented to begin their safe and orderly withdrawal from the region.

Despite nearly \$300 billion spent on a predominantly military operation, by the way, resulting in the loss of over 1,000 U.S. troops in Afghanistan, we have not been able to successfully address Afghanistan's economic depravity, political corruption, or social divisions that have significantly impeded our military efforts within the country.

The American public is tired of this long, drawn-out war. Moreover, many of us in Congress do not see the logic in investing further funds toward training the Afghan Army, when all methods utilized to this point have failed to achieve tangible gains.

Furthermore, charges of corruption within the Karzai government have negatively impacted our credibility among Afghans, forcing them to choose between two different groups of terrorists.

The counterinsurgency (COIN) strategy is failing in Afghanistan and the Afghan government remains corrupt and illegitimate in the eyes of many of the Afghan citizens. The critical appropriations being offered in other Amendments (disaster relief, education funding, black farmer settlements) today underscores why we can no longer afford to continue our expensive military strategy in Afghanistan.

Deploying more combat troops to Afghanistan and continuing Bush wartime engagement strategies will fail to help Afghanistan build long-term sustainable institutions and a credible democratic government. Despite nearly \$300 billion spent on a predominantly military operation (resulting in the loss of over 1,000 U.S. troops in Afghanistan), we have not been able to successfully address Afghanistan's economic depravity, political corruption, or social divisions that have significantly impeded our military efforts within the country. The American public is beginning to tire of this long drawn-out war. Moreover, many of us in Congress do not see the logic in investing fur-

ther funds towards training the Afghan army when all methods utilized to this point have failed to achieve tangible gains. Furthermore, charges of corruption within the Karzai government have negatively impacted our credibility among Afghans, forcing them to choose between two different groups of terrorists—the Taliban or the corrupt Karzai government comprised of former warlords, responsible for some of the same atrocities the Taliban currently inflicts upon civilians.

A strengthened Taliban has resurfaced and is engaged in violent attacks throughout the country so that now is the deadliest time for American soldiers since the war began. Booming opium production helps fund the Taliban, which also receives aid from al Qaeda networks in Pakistan. The fledgling Afghan army and police are not ready to defend the country from insurgent attacks and operate independently from U.S. military involvement, training, and support. The highly organized and determined insurgency has continued to exploit the weak central government. Although the main insurgent groups may not have the same operational structure or long-term goals, they are inherently united in their efforts to drive the U.S. out of Afghanistan and unravel the central Afghan "democratic" government.

Therefore, Mr. Speaker, I strongly urge my colleagues to vote yes on Representative LEE's Amendment so that we can begin the process of bringing our troops home!

□ 2120

Ms. LEE of California. Just for clarification, let me make sure that the opposition understands that this bill did not leave here as a military spending bill. It left here as a government-wide spending bill. It is very legitimate to deal with domestic issues because it was a disaster-relief bill. The military spending was actually added in the Senate. So what we are doing today is very credible, very legitimate. We want to begin to end this war, and we want to do it by stopping the funding.

I yield 1 minute to Congressman ROHRABACHER, the gentleman from California.

Mr. ROHRABACHER. Yes, there are snowballs in hell. I rise in support of amendments 4 and 5. I do so with a heavy heart, as I deeply appreciate the Americans whose lives are in danger in Afghanistan. They are there to protect us against the radical forces of Islam, which used Afghanistan as a base of operations that led to the slaughter of 3,000 Americans on 9/11, which is almost 9 years ago. After that vicious attack on our civilian population, yes, we cannot let down our guard. However, that does not mean rubberstamping any military operation, even if it does not have a chance of success.

I have been engaged in Afghanistan since the 1980s, and I can state emphatically that if we continue our present strategy in Afghanistan, we will not succeed, and America will eventually be weakened by loss of lives and the expenditures of hundreds of billions of dollars.

What works in Afghanistan is what has worked in Afghanistan: Let the Afghans pay the price. Let them do their fighting. Putting American boys in their place is contrary to our national interests, and will not lead to success. Trying to foist upon the Afghan people a corrupt centralized government in Kabul will not work. We need to change strategy instead of putting our people into a meat grinder in the place of Afghans themselves.

I rise in support of Amendments Nos. 4 and 5. I do this with a heavy heart, as I deeply appreciate the brave Americans whose lives are in danger in Afghanistan. They are there to protect us against the forces of radical Islam, which used Afghanistan as a base of operations. And that is what led directly to the slaughter of 3,000 Americans on 9-11 almost nine years ago. After that vicious attack on our civilian population, we must never let down our guard, or show signs of weakness before this evil fanatic enemy. However, that doesn't mean rubber stamping any military operation even if it does not appear to have a chance of success. I have been engaged in Afghanistan since the 1980s and I can state emphatically that if we continue our present strategy in Afghanistan we will not succeed and America will eventually be weakened by loss of lives and the expenditure of hundreds of billions of dollars.

Putting our courageous defenders in a no-win situation will sap the will of our people and the capabilities of our military, as it did in Iraq. And while going into Iraq was neither illegal nor immoral, it was a mistake, because there was no way to succeed and withdraw before being stuck in a bloody and costly war of attrition, from which we are only presently extricating ourselves.

Continuing the war in Afghanistan as we are now engaged will lead nowhere but to a similar meat grinder, dragging us down and at a horrendous cost. None of this means that I believe we should cede control of Afghanistan to radical anti-American Muslims. It instead means we must be realistic, so the sacrifice of our brave defenders will not be in vain.

We could have and should have eliminated Saddam Hussein through an alliance with those forces in Iraq that despised that bloody tyrant—the Kurds, the Shiites, the professional soldiers and bureaucracy.

A similar strategy already worked in Afghanistan after 9-11, the Taliban and al-Qaeda forces were not defeated by an invasion of U.S. military troops. Only 200 American military personnel were on the ground when this terrorist army was driven out. It was the Afghans themselves—the Northern Alliance—who won the day. They had American air support but they were the ones on the ground. I'd say it was not ours, but their boots on the ground that did the job. However, most of them didn't have boots. This "let the locals do their own fighting" principle is the formula for success. In Afghanistan, let those forces who despise the radical Taliban fight them and defeat them with our help, but not in their place. Instead, our young people are doing the fighting, and the dying. Why? Because we are trying to foist onto all Afghans a structure of government that is totally inconsistent with their

culture and tradition—a centralized all-powerful government in Kabul. That has never worked in Afghan history, especially when that central government is corrupt and backed by a foreign army.

America needs to rethink our approach in Afghanistan. We owe it to those who are risking their lives to not keep them engaged in an impossible mission. Nonetheless, I firmly believe radical Islam can be defeated in Afghanistan.

I would suggest that it is time for America to open and honestly discuss the various approaches available, and then to move toward a plan that will work.

As for me, I say, let the Afghans who expelled the Taliban in the past do the fighting for themselves now. Let them do their own fighting—it is a strategy that works.

Spending more to keep the current situation from deteriorating in the long run will be a waste of treasure and a waste of lives.

I ask my colleagues to join me in voting “yes” on Amendments 4 and 5.

Ms. LEE of California. I yield 1 minute to the gentlelady from Maryland, Congresswoman DONNA EDWARDS.

Ms. EDWARDS of Maryland. Mr. Speaker, I rise in support as a cosponsor of this amendment, and I thank Congresswoman LEE for her steadfast leadership on this issue.

This amendment requires that we act on evidence. And we know that based on the evidence, our Afghanistan policy is a failure. Numerous revised strategies and restated mission statements, from President Bush, to Prime Minister Gordon Brown, to Prime Minister Blair, to President Obama, restated mission statements that continue to fall short of the touted successes, so-called successes.

The U.S. military reported today that 102 coalition forces were killed in June alone, along with countless Afghans, rivaling the heights of the Iraq war. It's time to cast aside a policy of increasing entrenchment and use our resources to bring our troops, our treasure home.

I want to be perfectly clear: My opposition to the war is opposition to the policy; it's not to the brave men and women who serve this country with honor. But we do them an injustice by not having a real debate on the floor of this House about this policy and its failure.

I have seen the conditions on the ground, just recently in May, for myself, and I can assure you this war will never end quickly, if at all. I urge my colleagues to support this amendment. And whether it was McKiernan, McChrystal, Petraeus, it's not just about the generals; it's about the policy. And it's a failure.

Ms. LEE of California. I yield 1 minute to the gentlelady from Texas, Congresswoman SHEILA JACKSON LEE.

Ms. JACKSON LEE of Texas. I rise strongly to support the Barbara Lee amendment, of which I am a cosponsor.

And this is allowing the orderly withdrawal of our troops, one thing that we did not do in the Vietnam war, when we lost 58,000 of our young men and women, who we treasure and thank them for their service.

Now today we have the opportunity to do what Congress should do. It's not to give an unending mandate to a war that is not a constitutionally declared war, which this is not.

So I would say that if we are looking for the terrorists, al Qaeda is not there. Our intelligence authorities, and General Petraeus have indicated that there are less than a hundred al Qaeda terrorists in Afghanistan. There are insurgents who are the Taliban. It is well known that if you give to the Taliban the mountains and valleys that have been given by General McChrystal, and concentrate your war efforts in the cities, you still will lose this war. The Taliban will never surrender the mountains and will continue to attack.

A thousand-plus have died; \$37 billion is in this bill. We must do what we did not do in Vietnam, and not cry after the fact when we saw the 58,000 body bags come home.

Yes, we salute the young men and women who are on the front lines. We thank them for their service and the sacrifice of their families. I have been to Afghanistan many times, and I believe we have a better way. Now is the time to invest in the Afghan people, and the government to make a difference, not continue to lose the precious treasure of America. Stand against this war and have an orderly withdrawal for the sake of the American people and bring our troops home with honor. America has not lost the war. America has created a roadmap for Afghanistan to follow and to build its country up.

Our stated, limited military mission was precisely to hold back Taliban momentum—i.e., to “stalemate” it—while economics development and good governance took hold and we enabled Afghan security forces to replace ours. Instead, our military assistance has dwarfed our development and government efforts—which are still stumbling—and no independent analyst seriously thinks the Afghan army and police will be able to take over the nation's security for years. Military's momentum has taken over.

We have changed the Afghan equation, but for the worse. The U.S. troop surge illustrates a lesson we learned in Vietnam. Large-scale insertion of foreign troops into a domestic insurgency—whatever its initial cause—dramatically transforms the hostilities from an internal dispute into one focused on driving out “foreign invaders,” as Afghanistan has done repeatedly throughout its history.

Even if, contrary to fact, a Taliban takeover threatened our security, the Administration's strategy would make no sense. There is a basic contradiction between, on the one hand, the claim that defeating the Taliban is vital to our safety and, on the other hand, the claim

that our commitment is short term and of limited extent. The two efforts to square that inconsistency have already proven unrealistic.

The Pentagon told us that successful campaigns in Taliban strongholds like Helmand and Kandahar Provinces would break the back of Taliban efforts to control the country and bring them to the bargaining table.

The Pentagon told us that successful campaigns in Taliban strongholds like Helmand and Kandahar Provinces would break the back of Taliban efforts to control the country and bring them to the bargaining table.

But it now is very unlikely that our military will be holding a decisive upper hand after the Kandahar and similar campaigns. The Helmand campaign remains, at best, a “work in progress,” with dubious results thus far. The supposedly decision campaign to “win Kandahar province” has been heavily diluted and downgraded, even before getting fully underway. The new focus on nighttime raids and air strikes continues to kill civilians, badly undercutting U.S. strategy to “win over” the Afghan people.

June was the deadliest month of the nine-year-long Afghanistan war. Should the U.S. get out of Afghanistan? Why or why not?

Frank Askin, professor of law at Rutgers University, said: There is no use throwing good money (and good bodies) after bad. There can be no successful outcome to this war, unless we are prepared to stay in Afghanistan forever. We need the money back home. Let's just declare victory and get out!

Paul Kawika Martin, policy and political director of Peace Action, said: Yes, the U.S. should get the military out of Afghanistan.

Today, Representatives in the house will have the opportunity to vote against \$33 Billion dollars “emergency” supplemental funding for the failed escalation in Afghanistan. They will also have the opportunity to vote for a MdGovern/Obey amendment that will among other things require the president to present Congress with:

(1) a new National Intelligence Estimate on Afghanistan by January 31, 2011. 2) a plan by April 4, 2011 on the safe, orderly and expeditious redeployment of U.S. troops from Afghanistan, including a timeframe for the completion of the redeployment.

The amendment also requires Congress to vote if the president wants to change his announce plan to begin to drawdown troops by July 2011 and expands oversight of private contractors in Afghanistan to deal more effectively with corruption, waste, fraud and abuse.

A large coalition of 20 organization representing nearly 13 million people support this amendment because the enormous costs in blood and treasure is not necessarily making Americans safer. Instead, focusing on regional political solutions and investing in Afghan-led aid and development that brings people out of poverty has a far better chance of success at a fraction of the cost. Let's not forget that we are funding this war by borrowing from China and as Admiral Mike Mullen, the Chairman of the Joint Chiefs, said last week: debt is the number one threat to America's National Security. It is time to bring our troops home with honor.

	Total deaths	KIA	Non-hos- tile	WIA RTD**	WIA not RTD**
[H01JY0-R1][H5395y OPERATION IRAQI FREEDOM (OIF) U.S. CASUALTY STATUS: Fatalities as of: July 1, 2010, 10 a.m. EDT					
OIF U.S. Military Casualties By Phase:					
Combat Operations—19 Mar 03 thru 30 Apr 03	139	109	30	116	429
Post Combat Ops—1 May thru Present	4,261	3,370	891	17,782	13,547
OIF U.S. DoD Civilian Casualties	13	9	4		
Totals	4,413	3,488	925	17,898	13,976
OPERATION ENDURING FREEDOM (OEF) U.S. CASUALTY STATUS FATALITIES AS OF: July 1, 2010, 10 a.m. EDT					
OEF U.S. Military Casualties:					
In and Around Afghanistan***	1056	840	216	2,973	3,649
Other Locations****	78	8	70		1
OEF U.S. DoD Civilian Casualties	2	1	1		
Worldwide Total	1,136	849	287	2,973	3,650

*OPERATION IRAQI FREEDOM includes casualties that occurred on or after March 19, 2003 in the Arabian Sea, Bahrain, Gulf of Aden, Gulf of Oman, Iraq, Kuwait, Oman, Persian Gulf, Qatar, Red Sea, Saudi Arabia, and United Arab Emirates. Prior to March 19, 2003, casualties in these countries were considered OEF.

**These columns indicate the number of servicemembers who were Wounded in Action (WIA) and Returned to Duty within 72 hours AND WIA and Not Returned to Duty within 72 hours. To determine the total WIA figure, add the columns "WIA RTD" and "WIA Not RTD" together. These figures are updated on Tuesday unless there is a preceding holiday.

***OPERATION ENDURING FREEDOM (In and Around Afghanistan), includes casualties that occurred in Afghanistan, Pakistan, and Uzbekistan.

****OPERATION ENDURING FREEDOM (Other Locations), includes casualties that occurred in Guantanamo Bay (Cuba), Djibouti, Eritrea, Ethiopia, Jordan, Kenya, Kyrgyzstan, Philippines, Seychelles, Sudan, Tajikistan, Turkey, and Yemen.

Mr. LEWIS of California. Mr. Speaker, how much time do we have on each side?

The SPEAKER pro tempore. The gentleman has 2½ minutes. The gentlewoman from California has 3 minutes.

Mr. LEWIS of California. I reserve the balance of my time.

Ms. LEE of California. I yield 30 seconds to the gentleman from Wisconsin (Mr. KAGEN).

Mr. KAGEN. I rise in support of this amendment and ask a question: Whose side are these gentlemen on? The leader of Iran was there with the leader of Afghanistan 1 day after our Secretary of Defense, Secretary Gates, was there. Are these our friends? Are these the people you are willing to invest \$35 billion in?

Two thousand three hundred years of human history have proven one thing in Afghanistan: It's easy to get into Afghanistan, and very hard to get out. When you leave, they will shoot you in the rear end.

Forty percent of all money we are investing in Afghanistan is being stolen. One hundred al Qaeda were there before we had the surge. This is our time to leave Afghanistan, with all honor and respect. We will always support our troops, but not a losing policy.

Ms. LEE of California. I yield 1 minute to the gentleman from Florida (Mr. GRAYSON).

Mr. GRAYSON. I speak tonight in support of peace. The hardest thing that we often do as human beings is this, to admit that we are wrong. It's not easy. We all know it. We don't look forward to it. And sometimes we feel bad afterward. But we have to admit we are wrong when we are wrong, because if we don't we keep hurting ourselves. And that's exactly what we see in Iraq and Afghanistan. At this point, we are hurting ourselves. We are hurting ourselves extremely deeply.

We have spent over \$3 trillion pursuing these wars. That's over \$10,000 for every man, woman, and child in this country. We have put our whole national economy at risk, bringing it to

the brink of national bankruptcy. We have killed thousands of Americans, hundreds of thousands of Afghans, and of Iraqis. We have shed blood all over the Middle East at this point.

And in addition to that, we have done lasting damage to ourselves as a country on a moral level, on an economic level, and on a level of the health of the young men and women who serve us. A quarter of a million of them left with permanent brain abnormalities. We are hurting ourselves. We are a strong country. We decide when wars begin and when wars end, and we have to decide to end this one right now.

Ms. LEE of California. How much time do I have now, Mr. Speaker?

The SPEAKER pro tempore. The gentlewoman has 1½ minutes remaining.

Ms. LEE of California. I yield for the purpose of making a unanimous consent request to the gentlewoman from California (Ms. CHU).

Ms. CHU. I rise in support of the amendment.

Ms. LEE of California. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. NADLER).

Mr. NADLER of New York. Mr. Speaker, every dollar we spend in Afghanistan, every life we sacrifice there is a tragic waste that does not enhance the security of the United States.

We were attacked on 9/11 by al Qaeda. Al Qaeda had bases in Afghanistan. It made sense to go in and destroy those bases, and we did. But those bases are no longer there. They are in Pakistan and Yemen and Somalia, and we are not invading those countries. Why do we undertake to invent the corrupt government and try to impose it on the country?

Afghanistan is in the middle of a 35-year civil war. We have no business intervening in that civil war. We have no ability and no necessity to win it for one side or the other.

This whole idea of counterinsurgency, that we are going to persuade the people left alive after our firepower is applied to love the government that we like, is absurd. At this point we

must recognize that rebuilding Afghanistan is both beyond our ability and irrelevant to our purpose of preventing terrorist attacks on the United States.

We should support this amendment. We should support our troops. We should bring them home now.

Every dollar we spend in Afghanistan, every life we sacrifice there, is a tragic waste that does not enhance the security of the United States. We were attacked on 9/11 by Al Qaeda. Al Qaeda had bases in Afghanistan; it made sense to go in and destroy those bases, and we did. But the CIA tells us that there are fewer than one hundred Al Qaeda personnel now in all of Afghanistan—their bases are in Pakistan, but we are not invading Pakistan. They have bases in Somalia and Yemen, but we are not invading Somalia and Yemen.

An intelligent policy might be to attack the bases from which mayhem is being plotted against us, wherever they are—not to try to remake a country that nobody since Genghis Khan has managed to conquer. What makes us think, what arrogance gives us the right to assume, that we can succeed where the Mongols, the British, the Soviets, failed. No government in Afghanistan, no government in Kabul, has ever been able to make its writ run and rule the country.

Why have we undertaken to invent a government that is not supported by the majority of the people, that is corrupt, and try to impose it on the country? Afghanistan is in the middle of what is, at this point, a 53-year-civil war. We have no business intervening in that civil war, we have no ability and no necessity to win it for one side or the other. This whole idea of counter-insurgency, that we are going to persuade the people left alive after our firepower is applied, to love the government that we like is absurd.

It will take tens of years, hundred of billions of dollars, tens of thousands of American lives, if it can be done at all, and we don't need to do it. It's their country. If they want to have a civil war, we can't stop them. We can't choose the rulers that they have, we don't have to like the rulers that they have, we don't have to like their choices. It's not up to us.

Aside from assuring that specific bases are not being used against us—we should not spend a nickel, we should not waste a life, in pursuit of an unintelligent, unthought-through, unachievable, and unnecessary goal.

At this point, we must recognize that rebuilding Afghanistan is both beyond our ability, and irrelevant to our purpose of preventing terrorist attacks on the United States.

We should support this amendment.

We should support our troops.

We should bring them home.

□ 2130

Mr. LEWIS of California. I yield myself the balance of my time.

Mr. Speaker, let me begin by reminding the Members that this supplemental originally was sent to us by our Commander in Chief, the President of the United States, Barack Obama.

I understand the concerns about the war in Afghanistan. I have similar concerns, especially following the recent turmoil regarding command changes. But I also have full faith and confidence in our brave and selfless men and women fighting over there.

The President knows that war is tough and a dirty business. But our forces, although tired, are eager for the opportunity to succeed and more than capable of doing so.

I have in my hand a Statement of Administration Policy from our Commander in Chief, Barack Obama. In it, his advisers suggest, if this amendment is a part of the bill, that they will be recommending to the President that he veto this bill.

Indeed, it is time for us to recognize that the war on terror is very real. The challenge in Afghanistan is supported by the President because he recognizes it's very real, and it's one of the bases of operation for their activities. In fact, I believe that we have to let conditions on the ground dictate the process, as General Petraeus just testified this week, even if those conditions require forces to stay past the President's July 11 withdrawal date.

Mr. Speaker, I yield back the balance of my time.

Ms. LEE of California. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, as we approach the 10-year mark in this war, which is the longest war in U.S. history, we need to ask when is enough enough? How many of our brave men and women must be sacrificed in this never-ending war? How much blood, how much treasure do we have to spend in Afghanistan? And, also, we have to ask ourselves do we need another 10 years to figure it out. I suggest that we don't.

It's time to change course. It's time for Congress to assert itself in our responsibilities, in our role. We control

the purse strings, and enough is enough. We need to say today that we must begin to safely withdraw our young men and women from Afghanistan. No more funds for combat operations.

The SPEAKER pro tempore. All time for debate from the gentlewoman from California (Ms. LEE) and an opponent has expired.

Pursuant to the rule, the gentleman from Massachusetts (Mr. MCGOVERN) and the gentleman from California (Mr. LEWIS) each will control 15 minutes.

The Chair recognizes the gentleman from Massachusetts.

Mr. MCGOVERN. Mr. Speaker, I rise in strong support of the McGovern-Obey-Jones amendment. Quite simply, all this amendment does is make sure that the President and the Congress be accountable to the American people, our troops, and their families about what our policy in Afghanistan is going to be from July 2011 onward.

At this time I yield 5 minutes to the gentleman from Wisconsin (Mr. OBEY), chairman of the Appropriations Committee.

Mr. OBEY. Mr. Speaker, as was pointed out earlier, those who suggest that any efforts to add any items to what is called a military supplemental are somehow out of line are simply wrong. This legislation started out as a disaster relief bill. It went to the Senate, and they morphed it into a military supplemental, and we're simply now responding to that action.

I want to talk about the problems in Afghanistan. A year ago, I made the statement that while I was dubious about the mission in Afghanistan, I would give the President a year to see whether his policy would bear fruit. But I warned at the time that we could have the best possible policy in the world and, if we did not have the tools to implement it, it would be a failure. And I would suggest that the only two tools that we have available to use in that region of the world are the Pakistan Government and the Afghan Government; and I think it's safe to say that both of them have been less than a spectacular success, to say the least. Since then, I think it's also fair to say that events have gone downhill, especially in Afghanistan.

And in addition, since we're now spending \$167 billion on these two wars, I think it's also obvious that we're having a profoundly negative effect on our ability to reinvest in and rebuild our own economy. And I think the time has come for new consideration.

Now, last December the President indicated that it was his intention to follow a policy which would begin to withdraw our troops from Afghanistan beginning in July of 2011. This amendment is meant to simply buttress that commitment, and what it says is this: It requires that in January, a new intelligence estimate be provided, and that after that is provided, the administration, by April 4, must respond to it by sending to the Congress an outline of its plans to follow the policy which they have announced which would begin to get us out of there starting in July of next year.

What this amendment also says is, if the administration decides to follow a different policy by, for instance, extending that date, then they cannot do that unless the Congress explicitly votes to allow the funds to be used for that purpose.

What I'm concerned about is this: What I can see happening is come next July, we can be told by the Pentagon, well, things are marginally better than we thought they would be and so we're going to need more time and that target date will be slipped. On the other hand, they can also say things are really going badly and so we obviously can't get out at this time. We need to have more time.

I want to know that there is a serious, determined commitment to withdraw our troops beginning in June of next year. That is more than ample time for the Pakistani Government and the Afghan Government to demonstrate whether they are capable of doing this mission or not.

I think it is obvious that we are not going to be able to rebuild our own country and make the investments we need here at home so long as we're continuing this mission in Afghanistan. And so I think this provides an orderly, rational, responsible, thoughtful way by which we can reach a conclusion to get out of that country rather than spending another 9 years before we finally face up to reality.

I thank the gentleman for the time.

DISCLOSURE OF EARMARKS

The following table lists the congressional earmarks (as defined in clause 9(e) of rule XXI) contained in the House amendment to the Senate amendment to H.R. 4899. The House amendment does not contain any limited tax or tariff benefits as defined in paragraphs (f) or (g) of clause 9 of rule XXI.

TABLE IV—CHAPTER 1—DEPARTMENT OF DEFENSE, MILITARY CONSTRUCTION, ARMY

[Congressionally Directed Spending Items]

Account	Location	Project	Amount	Requester
Military Construction, Army	Texas: Ft. Hood	Soldier Readiness Processing Center	\$16,500,000	Edwards (TX)

TABLE IV—CHAPTER 1—GENERAL
[Congressionally Directed Spending Items]

Agency	Account	Project	Amount	Requester(s)
FEMA	General Provision	Reimbursements for Presidentially Declared Disasters, RI, TN		Kennedy; Langevin
FHWA	General Provision	Repeal of Section 1117(d) of the Transportation Equity Act for the 21st Century.		Carney

The SPEAKER pro tempore. The Chair recognizes the gentleman from California.

Mr. LEWIS of California. Mr. Speaker, I yield 3 minutes to my colleague from New Jersey, RODNEY FRELINGHUYSEN.

Mr. FRELINGHUYSEN. Mr. Speaker, I rise this evening to oppose all amendments to this legislation, especially those dealing with our operations in Afghanistan.

Mr. Speaker, my colleagues, how quickly we forget. As Mr. LEWIS mentioned, as did Mr. PENCE, with historic speed, the Senate this week unanimously confirmed our new NATO commander in Afghanistan. During his brief confirmation hearing, General David Petraeus urged this Congress to approve the War Funding Bill in an expedited way. Yet this evening, this process guarantees that no funding will be signed into law before mid-July. And if that's not bad enough, we find ourselves here on the floor debating not one, but three amendments that have the effect of defunding our Afghanistan operations, basically tying the hands of our Commander in Chief and micromanaging the military at a time when they need to do their job and to be successful.

Mr. Speaker and my colleagues, we are a nation at war. We have soldiers and Marines deployed halfway around the world. Many of them are in combat at this very hour facing a dangerous enemy. And yet we find ourselves here tonight questioning the very mission we've asked our troops to execute. What message does that send to them if they're watching us? What message does it say to our allies, some of whom may question it in their own governments, their resolution to stay the course? What message does it send to our enemies, people who would launch deadly attacks in our homeland as they've done in their homeland each and every day at an early opportunity.

This is a critical moment in our efforts in Afghanistan. I urge rejection of these amendments and support of our troops.

Let's pass the clean supplemental. Get rid of these amendments that do harm to our mission in Afghanistan and get about the business of supporting our national defense in a proper way.

□ 2140

Mr. MCGOVERN. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina (Mr. JONES), a cosponsor of this amendment.

Mr. JONES. Mr. Speaker, I would like to start my comments out with an editorial from the Pensacola News Journal, dated June 25: "Is Afghanistan worth it?"

"It isn't often that conservative columnist George Will and liberal columnist Thomas Friedman are on the same page. Welcome to Afghanistan."

Mr. Speaker, the reason we need to have this debate tonight is due to one issue. The main issue that bothers me greatly is what is called "rules of engagement."

In fact, on the 20th of June, in The Washington Post, George Will wrote an editorial, "An NCO recognizes a flawed Afghanistan strategy."

"A recent email from a noncommissioned officer serving in Afghanistan: He explains why the rules of engagement for U.S. troops are 'too prohibitive for coalition forces to achieve sustained tactical success.'"

I also would like to show, very quickly, two newspapers articles from the Marine Times:

"Rules of engagement. We are putting our kids out there to fight with their hands handcuffed—left to die. They call for help. Negligent Army leadership refuse and abandon them on the battlefield. Four marines and one Army killed."

I actually spoke to this father, Mr. Speaker, from Maine, who was featured in the Marine Times, which reads: "Caution killed my son. Marine families blast suicidal tactics in Afghanistan."

This is what they call "rules of engagement." We handcuff our troops, and we tell them we want them to go out and fight.

Mr. Speaker, I have a retired general who, for the last 9 months, has been my adviser on Afghanistan. I gave him my word that I would not use his name publicly on the floor of the House, in a committee or in a newspaper. Six weeks ago, I asked him again about Afghanistan, and this is what he emailed back to me:

"Afghanistan has been too tough a nut to crack for every nation that has ever tried to crack it. We need to figure out a way to honorably pack our bags and get out. It is not in our national interests to be there."

That is why I am on this amendment with Mr. MCGOVERN and Mr. OBEY. I don't see how anybody could be opposed to this. If you are concerned about our troops and if you are concerned about the frequent deployments that are wearing out our military and their families, if you are concerned

about the billions of dollars that are unaccounted for in Afghanistan, this is a reasonable amendment. It will give hope to our troops, and it will give hope to our taxpayers that we are watching their moneys. More importantly, the troops will know what is in front of them—not 10 more years of going down a road that has no end to it.

With that, Mr. Speaker, I will ask the men and women in this room to continue to pray for our men and women in uniform and their families. Let's pass this amendment. It is a good amendment.

Mr. LEWIS of California. Mr. Speaker, I reserve the balance of my time.

Mr. MCGOVERN. Mr. Speaker, I would like to insert into the RECORD two articles that appeared in the Washington Post. One is entitled, "U.S. Indirectly Paying Afghan Warlords as Part of Security Contract." The other is entitled, "U.S. Officials Say Karzai Aides are Derailing Corruption Cases Involving Elite."

[From the Washington Post, June 22, 2010]
U.S. INDIRECTLY PAYING AFGHAN WARLORDS
AS PART OF SECURITY CONTRACT
(By Karen DeYoung)

The U.S. military is funding a massive protection racket in Afghanistan, indirectly paying tens of millions of dollars to warlords, corrupt public officials and the Taliban to ensure safe passage of its supply convoys throughout the country, according to congressional investigators.

The security arrangements, part of a \$2.16 billion transport contract, violate laws on the use of private contractors, as well as Defense Department regulations, and "dramatically undermine" larger U.S. objectives of curtailing corruption and strengthening effective governance in Afghanistan, a report released late Monday said.

The report describes a Defense Department that is well aware that some of the money paid to contractors winds up in the hands of warlords and insurgents. Military logisticians on the ground are focused on getting supplies where they are needed and have "virtually no understanding of how security is actually provided" for the local truck convoys that transport more than 70 percent of all goods and materials used by U.S. troops. Alarms raised by prime trucking contractors were met by the military "with indifference and inaction," the report said.

"The findings of this report range from sobering to shocking," Rep. John Tierney (D-Mass.) wrote in an introduction to the 79-page report, titled "Warlord, Inc., Extortion and Corruption Along the U.S. Supply Chain in Afghanistan."

The report comes as the number of U.S. casualties is rising in the Afghan war, and public and congressional support is declining. The administration has been on the defensive in recent weeks, insisting that the slow progress of anti-Taliban offensives in

Helmand province and the city of Kandahar does not mean that more time is needed to assess whether President Obama's strategy is working.

"I think it's much too early to draw a negative conclusion," said a senior administration official, speaking on the condition of anonymity to discuss internal deliberations. "I think there's more positive than negative. We're heading toward a year-end assessment, which will be a big one for us." The review was set when Obama announced in December that he would send an additional 30,000 troops to Afghanistan and begin to withdraw them in July 2011.

Tierney is chairman of the national security subcommittee of the House Committee on Oversight and Government Reform, whose majority staff spent six months preparing the report. A proponent of a smaller U.S. military footprint in Afghanistan and targeted attacks on insurgents, Tierney said in an interview Monday that he hopes the report will help members of Congress "analyze whether they think this is the most effective way to go about dealing with terrorism. Or the most cost-effective way."

The report's conclusions will be introduced at a hearing Tuesday at which senior military and defense officials are scheduled to testify. The report says that all evidence and findings were made available to Republicans on the subcommittee. A spokesman for Rep. Jeff Flake (Ariz.), the ranking Republican, said the lawmaker will not comment until he has seen the entire report.

In testimony shortly after Obama's strategy announcement, Secretary of State Hillary Rodham Clinton said that "much of the corruption" in Afghanistan has been fueled by billions of dollars' worth of foreign money spent there, "and one of the major sources of funding for the Taliban is the protection money."

Military officials said that they have begun several corruption investigations in Afghanistan and that a task force has been named, headed by Navy Rear Adm. Kathleen Dussault, director of logistics and supply operations for the chief of naval operations and former head of the Baghdad-based joint contracting command for Iraq and Afghanistan.

Rear Adm. Gregory J. Smith, communications chief for U.S. and NATO forces in Kabul, said that the entire Tierney report has not been examined but that Dussault will be "reviewing every aspect of our contracting process and recommending changes to avoid our contribution to what is arguably a major source of revenue that feeds the cycle of corruption."

The U.S. military imports virtually everything it uses in Afghanistan—including food, water, fuel and ammunition—by road through Pakistan or Central Asia to distribution hubs at Bagram air base north of Kabul and a similar base outside Kandahar. From there, containers are loaded onto trucks provided by Afghan contractors under the \$2.16 billion Host Nation Trucking contract. Unlike in the Iraq war, the security and vast majority of the trucks are provided by Afghans, a difference that Army Gen. Stanley A. McChrystal, the top U.S. and NATO commander in Afghanistan, has praised as promoting local entrepreneurship.

The trucks distribute the material to more than 200 U.S. military outposts across Afghanistan, most of them in the southern and eastern parts of the country where roads are largely controlled by warlords and insurgent groups.

The report found no direct evidence of payoffs to the Taliban, but one trucking pro-

gram manager estimated that \$1.6 million to \$2 million per week goes to the insurgents.

Most of the eight companies approved for the contract are Afghan-owned, but they serve largely as brokers for subcontractors that provide the trucks and security for the convoys, which often contain hundreds of vehicles. According to the congressional report, the U.S. officers charged with supervising the deliveries never travel off bases to determine how the system works or to ensure that U.S. laws and regulations are followed.

The report describes a system in which subcontractors—most of them well-known warlords who maintain their own militias—charge \$1,500 to \$15,000 per truck to supply guards and help secure safe passage through territory they control. The most powerful of them, known as Commander Ruhullah, controls passage along Highway One, the principal route between Kabul and Kandahar, under the auspices of Watan Risk Management, a company owned by two of Afghan President Hamid Karzai's cousins.

Overall management of who wins the security subcontracts, it said, is often controlled by local political powerbrokers such as Karzai's half brother, Ahmed Wali Karzai, head of the Kandahar provincial council.

Relatively unknown before U.S. forces arrived in Afghanistan in fall 2001, Ruhullah is "prototypical of a new class of warlord in Afghanistan," the report said. Unlike more traditional warlords, he has no political aspirations or tribal standing but "commands a small army of over 600 guards."

The "single largest security provider for the U.S. supply chain in Afghanistan," Ruhullah "readily admits to bribing governors, police chiefs and army generals," the report said. In a meeting with congressional investigators in Dubai, he complained about "the high cost of ammunition in Afghanistan—he says he spends \$1.5 million per month on rounds for an arsenal that includes AK-47s, heavy machine guns and RPGs," or rocket-propelled grenades. It added: "Villagers along the road refer to him as 'the Butcher.'"

Despite his "critical role," the report said, "nobody from the Department of Defense or the U.S. intelligence community has ever met with him," other than special operations forces who have twice arrested and released him, and he "is largely a mystery to both the U.S. government and the contractors that employ his services."

Defense regulations and laws promulgated following difficulties with private security contractors in Iraq limit the weaponry that contractors can use and require detailed incident reports every time shots are fired. But such reports are rarely, if ever, filed, investigators said.

Another trucking contractor described a "symbiotic" relationship between security providers such as Ruhullah and the Taliban, whose fighters operate in the same space, and said that the Taliban is paid not to cause trouble for the convoys. "Many fire-fights are really negotiations over the fee," the report said.

Among its recommendations, the report calls on the military to establish "a direct line of authority and accountability over the private security companies that guard the supply chain" and to provide "the personnel and resources required to manage and oversee its trucking and security contracts in Afghanistan."

[From the Washington Post, June 28, 2010]

U.S. OFFICIALS SAY KARZAI AIDES ARE DERAILING CORRUPTION CASES INVOLVING ELITE

(By Greg Miller and Ernesto Londoño)

Top officials in President Hamid Karzai's government have repeatedly derailed corruption investigations of politically connected Afghans, according to U.S. officials who have provided Afghanistan's authorities with wiretapping technology and other assistance in efforts to crack down on endemic graft.

In recent months, the U.S. officials said, Afghan prosecutors and investigators have been ordered to cross names off case files, prevent senior officials from being placed under arrest and disregard evidence against executives of a major financial firm suspected of helping the nation's elite move millions of dollars overseas.

As a result, U.S. advisers sent to Kabul by the Justice Department, the FBI and the Drug Enforcement Administration have come to see Afghanistan's corruption problem in increasingly stark terms.

"Above a certain level, people are being very well protected," said a senior U.S. official involved in the investigations.

Karzai spokesman Waheed Omar denied investigations had been derailed. "There is no case, no instance, in which the palace or anyone from the palace has interfered with a case," he said.

Afghanistan is awash in international aid and regarded as one of the most corrupt countries in the world. Indeed, even as the United States and its allies pour money in, U.S. officials estimate that as much as \$1 billion a year is flowing out as part of a massive cash exodus. The money, as first reported in The Washington Post in February, is often carried out in full view of customs officials at Kabul's airport, where such transfers are legal as long as they are declared. Officials suspect much of the cash is going to the Persian Gulf emirate of Dubai, where elite Afghans, including Karzai's older brother, have villas.

For the Obama administration, the ability of Afghan investigators to crack down on corruption is crucial. If American voters see Karzai's government as hopelessly corrupt, public support for the war could plunge. Corruption also fuels the Taliban insurgency and complicates efforts to persuade ordinary Afghans to side with leaders in Kabul.

Afghanistan's attorney general, Mohammed Ishaq Aloko, was seen as a potential ally against corruption when he took the job two years ago. Some investigations have ended in convictions. But U.S. officials said that Aloko, a native of Kandahar province who studied law in Germany, has repeatedly impeded prosecutions of suspects with political ties.

In meetings with U.S. Justice Department officials, Aloko has seemed almost apologetic and acknowledged coming under pressure from Karzai as well as members of parliament, officials said. On one occasion, according to a U.S. official, Aloko told his American counterparts, "I'm doing this because that is what the president tells me I have to do."

The official, like others quoted in this report, spoke on the condition of anonymity to discuss sensitive investigations.

Aloko referred questions to his deputy, Rahmatullah Nazari, who blamed resource constraints for his office's failure to win more corruption convictions. "There isn't any kind of pressure on the attorney general's office," Nazari said. "If anyone caves to pressure, they should go to prison."

But U.S. officials point to multiple instances of interference. The most prominent example to surface publicly involves Afghanistan's former minister of Islamic affairs, who fled the country this year as prosecutors were preparing to charge him with extorting millions of dollars from companies seeking contracts to take pilgrims to the Muslim holy land, a trip known as the hajj.

A travel ban was issued to block the former minister, Mohammad Siddiq Chakari, from leaving. But U.S. officials said Chakari escaped after showing airport security officials a letter he obtained from Aloko's office saying he had cooperated in the case and was not to be detained. Nazari said Chakari had not been convicted of a crime and, therefore, could not be prevented from leaving.

Chakari, who is now in London, has repeatedly maintained his innocence. Because there is no extradition treaty between Afghanistan and Britain, U.S. officials said it is unlikely that he will ever stand trial. Even so, some regard his departure as a moral victory.

"The very fact that the former minister of the hajj had to leave the country is in a way a remarkable achievement," said Steve Kraft, director of Afghanistan and Pakistan programs for the State Department's Bureau of International Narcotics and Law Enforcement. "We would rather see him in jail here. But in the old days, they would have scoffed" at the idea of pursuing such a probe, he added.

COMBINED EFFORTS

Critics say Karzai's initiatives are meant to appease the international community. "It's all a show," lawmaker Sayed Rahman said, noting that no senior government official has been imprisoned on corruption charges.

Over the past year, U.S. officials said, Afghan investigators have assembled evidence against three Karzai-appointed provincial governors accused of embezzlement or bribery. All three cases have been blocked. The interference has persisted, officials said, despite Karzai's pledge in November during his second inaugural address to make fighting corruption a focus of his new term.

The extent of the interference has become evident, officials said, in large part because of improvements in Afghan authorities' ability to pursue corruption cases.

Over the past two years, U.S. agencies have allied with their Afghan counterparts to create elite investigative and prosecutorial teams. Afghan applicants undergo polygraph tests in which they are asked whether they have taken bribes. Some have been sent to U.S. facilities, including the DEA academy in Quantico, to be trained.

Still, Karzai's administration has reportedly taken steps to limit the independence of these units. The U.S. official said that Aloko recently created a three-member commission to "review" the units' cases and that it has removed names of politically connected Afghans from prosecutors' files.

Nazari, Aloko's deputy, said that if others know of a list of names that have been removed, "they should bring it to us."

The long-term aim of the anti-corruption units, Kraft said, is to assemble cases in which the evidence is "so profound and well-known that the ability to get people off the hook will no longer be there."

EVIDENCE FROM WIRETAPS

A key capability is a U.S.-provided eavesdropping system that allows Afghan investigators to intercept cellphone calls in the most populous parts of the country.

The wiretaps, approved by Afghan judges, have yielded key evidence in a growing list of embezzlement and bribery cases. U.S. officials said the wiretaps have also caught senior officials and members of parliament discussing efforts to derail certain cases.

In January, Afghan authorities raided the offices of New Ansari, a firm that has served as Afghanistan's primary link to the "hawala" money exchange system. This informal system for transferring cash overseas makes electronic tracking difficult. A second U.S. official familiar with the investigation said the firm is suspected of laundering drug money, delivering funds to insurgents and helping Afghan officials transfer tens of millions of dollars to accounts abroad.

After the raid, wiretaps picked up conversations indicating that there had been a frantic meeting involving Karzai aides at the presidential palace. U.S. officials said members of Karzai's administration as well as members of parliament held subsequent meetings with Aloko, pressuring him to ensure that certain New Ansari executives not be charged.

Among those protected was Haji Muhammad Rafi Azimi, deputy chairman of Afghan United Bank, a subsidiary of New Ansari. U.S. officials said. On a wiretap recording, Azimi is heard discussing bribes paid to Chakari. The recorded conversations were played in open court in the trial of a lower-ranking official in the Religious Affairs Ministry, Mohammed Noor.

"It's clear to everyone involved he should be indicted and charged," a U.S. official said of Azimi. But, the official said, Azimi is "a businessman who knows a great deal about the finances of government officials."

A second U.S. official familiar with the case concurred. "What happened is a large group of very powerful people . . . went to the attorney general and told him to stand down," the official said.

Phone calls and e-mails to Azimi did not elicit any responses. Guards outside New Ansari's office in Kabul told a reporter that the site had been closed for months. They said they did not know why they were still getting paid to guard it.

Noor, a civil servant, was sentenced to 15 years in prison after being convicted in May of collecting bribe money for Chakari in Saudi Arabia and bringing it to Afghanistan. Two others in the case are awaiting trial. Azimi remains in his position at Afghan United Bank.

Aloko has announced that his office is investigating five current and former ministers, reportedly including Mohammad Ibrahim Adel, the mines minister, accused by U.S. officials of taking a \$30 million bribe from a Chinese firm. Adel stepped down, but neither he nor any other minister—besides Chakari—has been charged.

Mr. Speaker, at this time I yield 2 minutes to the gentleman from Tennessee (Mr. COHEN).

Mr. COHEN. I thank Mr. McGOVERN for granting me the time and for bringing this amendment.

Mr. Speaker, you don't put good money after bad, and this would be putting good money after bad.

I was in this Hall earlier with Senator McGovern, in the Speaker's lobby, and I said something to Senator McGovern, former Senator McGovern.

He said, Did I hear Vietnam?

Well, the echoes of Vietnam are in this Chamber, Mr. Speaker. When peo-

ple on the other side say they don't want to hear about surrender and that that is not right, we could still be in Vietnam, and we would still be losing American lives and American resources, because that was a war we couldn't win, and some people wouldn't accept it. So we lost more lives and more American economies and more opportunities in America.

My district cannot afford another \$35 billion and \$35 billion and \$35 billion in trying to create infrastructure in Afghanistan, which is not a Third World country, but probably like a fifth world country—the third most corrupt nation on the face of the Earth. That is not what the United States of America is known for doing—supporting corrupt countries around the world with a man like Karzai, whose brother is in the opium trade, with a country that predominantly benefits from the growing of poppies and from the spreading of heroin around the world. That is who we are supporting.

We should not be spending our money and our lives. I go to the funerals of every soldier in my district who passes, and I don't want to go to more of them. I stop every soldier I see in airports and ask them about where they are going.

When they are going to Afghanistan or to Iraq, I ask them, How is it going?

Almost all of them going to Afghanistan say, Not well. They look at me and they say, We should not stay there. We are not doing well.

I went to a function in my district in the west side, almost entirely African American, and to a person, we need to spend our money here. On the east side of my district, which is entirely Caucasian, and I asked this crowd of 30: Does anybody want me to go to Washington and vote for more funds for Afghanistan? Not one.

This war is lost. Bring our troops home. Save our money.

Mr. LEWIS of California. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. LATOURETTE).

Mr. LATOURETTE. I thank the gentleman for yielding.

Mr. Speaker, I heard the majority, the leader of the House, during the debate on the rule give a really good talk about how we wished that every Member could have something to input on this bill and that there are 435 of us, so they structured a rule in the way that they think.

There is one choice that is missing. There is no ability for a Member of the House tonight to vote on the Senate bill and send to the President of the United States before the 4th of July a clean funding bill for the troops who are in the field. Because the rule is self-executing an amendment already, if that bill passes, it conflicts with the Senate bill, and nothing can go to the President. The Senate is in West Virginia.

So, Mr. Speaker, what I think the House ought to be doing is clearing the Senate amendments for presentation to the President, not sending more proposals to the Senate, but putting the test that the Senate has already passed on the President's desk for approval of law tomorrow.

So, to that end, I wonder if the proponent of the pending motion, the gentleman from Wisconsin, would yield to me for a unanimous consent request. I'll even tell you what it is in the hopes that it might be propounded.

I would like to ask unanimous consent that the pending motion to concur in the Senate amendment with amendments be considered as withdrawn in favor of a motion simply to concur in the Senate amendment. I would ask the gentleman if he would yield to me for that purpose.

Will you yield to me to permit the Members of this House to have a clean bill on war funding to support the troops? It is a "yes" or "no" question.

Mr. Speaker, I've got to tell you the silence on the other side is deafening. There is no ability tonight to cast a vote on a bill that the Senate has passed that can go to the President.

Mr. OBEY. Will the gentleman yield?

Mr. LATOURETTE. I am happy to yield to the gentleman.

Mr. OBEY. The gentleman seems to think the Senate bill is the original bill. The Senate amended the House bill, which was a disaster bill. If you wanted a clean vote, we would be voting on the disaster bill tonight, not the war.

Mr. LATOURETTE. Reclaiming my time, Mr. Speaker, quite frankly, my understanding of where we are is that the Senate hollowed out the House bill so that you don't have a motion to recommit, so that you don't have any amendments except the ones that you have structured, and you have denied the Members of this House the opportunity to cast an up-or-down vote on the war funding instead.

Mr. MCGOVERN. Mr. Speaker, I reserve the balance of my time.

Mr. LEWIS of California. Mr. Speaker, I yield 1 additional minute to the gentleman from Ohio (Mr. LATOURETTE).

Mr. LATOURETTE. I only need 10 seconds.

Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill, H.R. 4899, with the Senate amendments thereto, and concur in the Senate amendments.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. OBEY. I object.

The SPEAKER pro tempore. Objection is heard.

Mr. LATOURETTE. Reclaiming my time, Mr. Speaker, this is really unfortunate. We have troops in the field; we have a holiday upon us, and no one in

this House is going to be able to cast a vote on a clean supplemental. The President of the United States, for crying out loud, has asked for it. He has issued a veto threat against this charade that we're performing tonight, and I think it's a shame that we can't at least have a vote and let the House work its will.

□ 2150

Mr. LEWIS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think it is very important for the Members to one more time remind themselves, ourselves, that this is the President's supplemental and it is designed to provide needed funding for our troops who are representing our interests and fighting for freedom in Afghanistan.

I think it is very important that this amendment goes on to restrict year 2011 funds from being used in a manner inconsistent with a July 2011 troop withdrawal unless expressly provided for and by a joint resolution of the Congress. The President of the United States has indicated in his policy administration statement coming from his chief advisers that if the amendments we have been considering this evening are a part of this bill, those chief advisers will recommend to the President that he veto this funding measure.

It is very apparent that the other body tomorrow is leaving town, if they haven't already left town. Indeed, amendments to this bill will cause this bill to involve a considerable delay for funding for our troops almost regardless. As I argued under the previous administration, we should not tie the President's hands while he is executing his duties as Commander in Chief, perhaps the most solemn of the Commander in Chief's responsibilities. This amendment would do just that.

Further, just this week the President's new commanding general testified that the July 11th date is not a race for the exits. Rather, that date will begin a condition-based process. He further left open the option of recommending changes or delays in the current plan.

The amendment further attempts to encumber future year funds, which is not only impractical, but the conditions on which those funds would be encumbered are questionable.

Honestly, I fail to see the logic in attempting to fence future year funds, and I can't help but wonder why try to do this now when the fiscal year 2011 process is working its way through the committee. The war on terror, Mr. Speaker, continues to be very real. Our troops certainly understand it, even if our majority leadership does not understand it.

Of course, I want our troops home as quickly as possible, but tying the

hands of the Commander in Chief and the commanders executing the war is irresponsible and dangerous.

Mr. Speaker, for that reason, I have a unanimous consent request.

Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill, H.R. 4899, with the Senate amendments thereto, and concur in the Senate amendments.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. OBEY. I object.

The SPEAKER pro tempore. Objection is heard.

Mr. LEWIS of California. Mr. Speaker, I am very surprised there was an objection to that recommendation. After all, we are just trying to find some way to get the President's original recommendations up here so that the Commander in Chief can support our troops so that they can come home as quickly as possible. In Afghanistan, whether we believe it or not, the war on al Qaeda involves our future freedom, and certainly it would have a significant impact upon peace in the world.

Mr. Speaker, I reserve the balance of my time.

Mr. MCGOVERN. I reserve the balance of my time.

Mr. LEWIS of California. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia, JACK KINGSTON.

Mr. KINGSTON. Mr. Speaker, I thank the gentleman for yielding, and while I certainly appreciate the sincerity of the people who are offering this amendment, I disagree with it, inasmuch as it ties the hands of the military.

I have had the opportunity to go to Iraq and Afghanistan several times, and I can say war is complicated. War does not always go your way. The enemy does not always cooperate with the best of our plans. And yet we here in the safety of the U.S. Congress can dictate to the commanders in the field what direction the war should go in and the timeframe and what should happen next, according to a political guideline and a political deadline as opposed to military guidelines and military deadlines.

When the Defense Subcommittee on Appropriations visited General McChrystal and Ambassador Eikenberry and the rest of our leadership in March in Afghanistan, one of the things that they told us is that there had been a difference, some significant differences, in the war. Part of it was that the Afghan army was stepping up in a completely different way, a new culture, if you will. They were taking ownership in the war.

In Pakistan, troops had been shifted from the Kashmir border over to the Afghan border and they were being attacked themselves by Taliban terrorists, and so the Pakistanis were showing an interest and an energy which up

until now they had not given us or given the Afghan people. They are no longer looking at this war as America's war in Afghanistan. They are seeing it as their war that has spilled into Pakistan, and it is causing instability in the region.

But I will say this, that our commander at the time, General McChrystal, said, I am not over here to waste our time and to waste soldiers' lives. I am keenly aware that the clock is ticking and we have to have a resolution on this.

The campaign in Marja had just been concluded. It went very well. The shift to the next campaign in Kandahar was already underway, and people were moving in that direction.

So, Mr. Speaker, I think it is very important for us to let the military make these decisions and not political representatives in Washington. I think, furthermore, bogging this bill down with all kinds of extracurricular amendments further sends a mixed signal to our troops and the international community.

I ask unanimous consent to take from the Speaker's table H.R. 4899, with the Senate amendments thereto, and concur in the Senate amendments.

The SPEAKER pro tempore. According to the Speaker's announced policy, such requests are not entertained that have not been cleared by the leadership on both sides.

Mr. KINGSTON. That is why I was asking for unanimous consent, Mr. Speaker.

The SPEAKER pro tempore. Those requests are not entertained, under a previously announced policy of the Speaker.

Mr. KINGSTON. It is a shame, because when it comes to war, it is too bad that we are going to let parliamentary procedures tie our hands in doing what is right for the soldiers.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. LEWIS of California. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. KINGSTON. Mr. Speaker, I just want to make this point about H.R. 4899 and the Senate amendment. It's that it gives a clean bill and a bill that will unfetter the generals so they can do the right thing. They have worked closely with the administration.

As we know, the transition from McChrystal to Petraeus has probably been traumatic or tenuous enough on all of us on a bipartisan basis, and at this time we don't need to add to the military woes in the international efforts in Afghanistan by sending a bill, which, incidentally, is not going to be signed by the President. The President has already said he is going to veto it, and the Senate is not going to pass it anyway, so why are we doing this on the eve of the Fourth of July?

We need to have a clean bill. That is why I think, Mr. Speaker, the best

thing for us to do is take H.R. 4899 with the Senate amendment and concur with the Senate resolution.

The SPEAKER pro tempore. The Chair will notify Mr. MCGOVERN that he has 6 minutes remaining, and Mr. LEWIS has 2½ minutes remaining.

Mr. LEWIS of California. Mr. Speaker, I have no further requests for time; so I will close.

Mr. Speaker, I think you know that as a result of your interpreting existing policy relative to the unanimous consent requests on three different occasions in an effort to get the original package here before the body so they could vote up or down on H.R. 4899, I know that I could speak for my own leadership, they certainly would agree to this unanimous consent request. It would appear the leadership on the other side, perhaps of the committee, I can't speak for the Speaker, of course, but apparently the other side does not want us to have that package before the body.

□ 2200

Mr. Speaker, it is critical for us to remind ourselves continually in the weeks and months ahead, the war on terror is very real. America has been challenged at home and continues to be challenged abroad. The men and women that our Commander in Chief have chosen to send to Afghanistan are in need for supplemental funding. To have us essentially water down those proposals by way of the amendments that have been before us is absolutely unbelievable to me. If the public could only know what the people's body is doing tonight to not just our people here at home but our people overseas as well, I believe they'd essentially make a decision that they ought to change the entire Congress.

With that, Mr. Speaker, I yield back the balance of my time.

Mr. MCGOVERN. I yield myself the balance of my time.

Mr. Speaker, at this moment we have close to 100,000 U.S. servicemen and -women deployed in Afghanistan. The war has raged for nearly 9 years, and our mission has changed at least that many times. We have lost over 1,000 of our brave soldiers. Thousands more have been wounded. We are spending hundreds of billions of dollars in borrowed money. In 9 years, neither George W. Bush nor Barack Obama nor this Congress has seen fit to pay for the war. That's a burden we are placing on our children and our grandchildren.

All of us, every single one of us, Republicans and Democrats alike, are dedicated to defeating al Qaeda and holding to account those who committed the horrible atrocities on September 11.

What we are proposing today in no way lessens our commitment to that fight, but our current policy in Afghanistan is deeply flawed. We are getting

sucked deeper and deeper and deeper into a war with no clear end. It is a war that will continue to claim the lives of our soldiers; it is a war that will continue to bankrupt us, and it is a war that will not enhance our national security.

My friends, we can no longer go along to get along. All of us have a responsibility to make sure that we are doing the right thing. It's not just the President's war. It's our war, too. We are the ones who voted to put our soldiers in harm's way, and we are the ones who keep funding it. My friends on the other side of the aisle who question, Why are we asking questions? Why don't we just rubber-stamp what the Senate did or rubber-stamp what the President sent us? Well, the reason why we shouldn't do that is because that's not our job. We're supposed to deliberate, and we are supposed to ask questions, and we're supposed to figure out whether we're doing the right thing. They are our constituents, our family members who are in harm's way.

We need to let this administration know that we want a way out. We want a plan. That's not a radical idea. We want a plan. We want an exit strategy. For the last 30 years, we said, Never again will we commit our Armed Forces without a clearly defined mission, and that means a mission with a beginning, a middle, a transition period, and an end. Well, that's all we're asking for today, a clearly defined mission. What's the plan?

We are dealing with the worst economy since the Great Depression. Our citizens, our constituents are hurting, yet we're told that we cannot afford to extend unemployment benefits to out-of-work Americans because we cannot afford it. We are told we can't help more families afford a college education or rebuild our roads and our bridges. But when it comes to supporting a corrupt, incompetent Karzai government, we're supposed to be a bottomless pit. Don't ask any questions. Just give them all the money they want. Look the other way. That's not right. That's not our job. I don't have all the answers, but I do know that it makes absolutely no sense to quietly endure the status quo.

Ending a war is not easy. It requires courage and it demands action. What this amendment requests is action, a strong signal to the administration that we want a plan. It also signals the Congress will no longer just sit back and hope for the best.

To those who say that asking the Afghan Government to stand up and take responsibility is somehow a bad idea, I would remind them that when we signaled to Iraq that we had a withdrawal plan, officials there actually began to act like a real government.

Ensuring that the President gives us a plan by next April so we can figure

out by July what to do with the money slated for the war is not too much to ask. We require, we deserve, and we should demand the information we need to do our jobs.

Let me just close with this: There is a small sliver of America that is directly impacted by this war in Iraq, and those are the people who are fighting the war and who have family members who are fighting the war. The rest of us are asked to do nothing, absolutely nothing. We are not even asked to pay for it, hundreds of billions of dollars in borrowed money. Well, the least we could do for these brave men and women whom we have put in harm's way is debate this issue to make sure we're getting it right, to make sure we're not sending these people on a mission that commits itself to a war with no end. That is what we're asking for here today, a clearly defined mission. I ask all of you, every one of us here, to reengage in this policy.

This issue has been on the back burner for too long. We're at war. Our constituents are dying. Each and every day we read about more people who are killed in Afghanistan. We have an obligation to do better. This policy is deeply flawed. We need a way out, and I ask all of you today to vote for the McGovern-Obey-Jones amendment.

I yield back the balance of my time.
ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will clarify that the procedural posture for a unanimous consent request of the type recently broached by the gentleman from Georgia is not dictated by guidelines for clearances; rather, it is subject to managerial prerogative. In short, such a request could be propounded only if the proponent of the pending motion yielded for that purpose.

Mr. STARK. Mr. Speaker, I rise today to oppose more funding for a war in Afghanistan that has cost too much and accomplished too little.

Over 1,000 soldiers have been killed in Afghanistan. The toll of this conflict is not limited to the battlefield. This year, almost as many American troops have committed suicide as have been killed in combat. Our troops and their families are paying an extreme price to wage a war that has no clear objective.

The war has also destabilized Afghanistan. Estimates from international human rights organizations range from 10,000 to 12,000 Afghans killed as a result of the war. Now, we are preparing to spend \$33 billion more in Afghanistan. We should spend this money on infrastructure—like schools and roads—that will open opportunities for all of Afghanistan. That is the best way to achieve peace and stability in the region.

Every dollar we waste on war is one less dollar we can invest in our children here at home. I support the Obey amendment that will add \$10 billion in domestic education funds to the bill. These funds, though inadequate, will protect hundreds of thousands of teacher jobs across the country, including 167 in my district.

While I hope for the inclusion of this education funding, I cannot support any more funding for the misguided war in Afghanistan. I urge my colleagues to join me in voting no.

Mr. BISHOP of Georgia. Mr. Speaker, I rise in favor of H.R. 4899, the Supplemental Appropriations for FY 2010.

As a member of the House Appropriations Subcommittee on Defense, I, along with many of my colleagues, have been integrally involved in the oversight of our nation's funding and support of our efforts in Iraq, Afghanistan, as well as other initiatives aimed at supporting our war fighters.

The Senate's bill, which we are considering tonight, provides \$58.8 billion in supplemental funds for FY 2010, including \$37.1 billion for the war and \$5.1 billion for FEMA, as well as \$13 billion in mandatory funds to Vietnam Veterans exposed to Agent Orange.

While I do support the President's request for additional funding to support our troops in Afghanistan and Iraq, it is important that we continue to monitor and assess our mission and role in both of these countries, particularly given the array of investments we need to make right here at home.

Since 2001, Congress has provided close to \$1 trillion in direct funding for the wars in Iraq and Afghanistan as part of 18 emergency supplemental bills, not including the support we provided for the efforts in our regular annual Appropriations bills. Combined, it's estimated that we've spent between \$1.5 trillion to almost \$3 trillion so far on these wars.

So I am very pleased that the amendments made in order by the rule will also provide us an opportunity to provide additional funding to the Senate passed bill for critical domestic programs, including \$10 billion for education jobs, \$5 billion for Pell grants and \$701 million for border security.

Of particular note, I am very pleased that the bill will include funds to settle both the Cobell v. Salazar and Pigford v. Vilsack class action lawsuits and it provides \$1 billion for youth jobs.

Finally, the supplemental will also include funding which is vital to an important segment of my constituency, our farmers and agricultural producers. The bill provides the Farm Service Agency (FSA), which is housed within the Department of Agriculture, with an additional \$31.5 million to cover the costs associated with direct loans, guaranteed loans, operating loans and administrative expenses, which are so vital to our farmers, particularly in South Georgia.

The bill will require that the loans be made available to family farmers who may not qualify for agricultural credit through other commercial institutions in the tight credit market. While the FY2010 Agriculture Appropriations bill provided enough funding to meet demand at the time it was passed last year, demand for the farm ownership and operating loan programs has been dramatically higher than historical levels due to the lack of availability of conventional credit.

Mr. Speaker, this Supplemental bill strikes, what I believe to be a fair and balanced approach for the emergency needs of our war fighters abroad and the critical domestic issues we face right here at home, and I support the bill.

Mrs. MALONEY. Mr. Speaker, I rise today in opposition to the supplemental war funding for Iraq and Afghanistan. After 9 years of war, the time has come to bring our troops home.

I would like to thank Speaker PELOSI and the Democratic Leadership for bringing this bill to the floor today in a manner that allows clear up or down votes on funding for the war and other domestic priorities.

The challenges in Afghanistan are great. As the violence and attacks on our troops continue to increase, we still do not have a clear path forward or a way to measure progress there.

We cannot afford to sustain an open-ended commitment with no clear definition of success.

Reports of corruption abound in Afghanistan, and without a true partner in the Karzai government, our prospects for making real progress have grown dim.

Our troops have fought with honor and professionalism in the face of great challenges, and at great cost—I am truly humbled by their service and sacrifice. These brave men and women in uniform deserve our full support and commitment to return them home safely to their families and loved ones.

I support the president and our military leadership in bringing this war to a responsible end. President Obama did not start this war, and I was among those who have spoken out in support of allowing for the time necessary for a new strategy in Afghanistan to turn the tide.

But after years of war that has strained our military, their families, and the country, I am unable to continue to support what increasingly looks like an intractable situation in Afghanistan.

That is why I vote against this war funding today.

Despite my opposition to the troubling war funding, the bill does include critical domestic funding that I will support. These include saving teachers' jobs, Pell Grants, emergency food assistance for hungry Americans, and disaster aid to respond to the Gulf oil spill catastrophe.

For example, today we are providing \$10 billion for an Education Jobs Fund to provide additional emergency support to local school districts to prevent impending layoffs. Estimates suggest that this fund will help keep 140,000 school employees on the job next year.

Moreover, when we invest in education, we save jobs in other sectors and spur economic recovery. According to the Economic Policy Institute, for every 100,000 education jobs lost, another 30,000 jobs are lost in other sectors due to reduced consumer spending and tax revenues.

The list of important programs this bill funds is both extensive and impressive: Among other priorities, we are providing \$304 million for the Gulf Coast oil spill; \$50 million for the Emergency Food Assistance Program for food purchases to distribute through local emergency food providers; \$13.377 billion for the payment of benefits to Vietnam veterans and their survivors for exposure to Agent Orange, which has been linked with Parkinson's disease, ischemic heart disease, and hairy cell/B cell leukemia; and \$2.93 billion for Haiti.

These are extremely important priorities which are fully paid for and which I support.

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I rise today in opposition to the amendment offered by my colleague, the Gentleman from Wisconsin, Mr. OBEY.

As we all know, the Deepwater Horizon oil spill has resulted in the worst man-made environmental disaster in history.

As a result, tens of thousands of Gulf residents are sidelined. From rig workers to commercial fishermen and shrimpers, these folks are forced to watch their waters, their beaches, and their livelihoods succumb to the oil spill.

My colleagues on the left will tell you that this amendment assists those in the Gulf, providing \$142 million for Oil Spill Unemployment Assistance. But this is merely a token. The underlying bill provides \$2.93 billion in relief to Haiti, but this amendment only provides Americans whose livelihoods hang in the balance only \$142 million. Gulf Coast Americans should be enraged. Almost \$3 billion for Haiti and a measly \$142 million to Gulf Coast victims.

The Democrat leadership has filled this amendment with questionable provisions diverting education spending, cutting federal charter school programs, and paying back their union pals. And then they add desperately needed Gulf assistance and say "you either vote with us or you vote for big oil." This is a false choice and it is playing politics with all my Gulf residents who are out of work as a result of this tragedy.

I oppose this amendment.

Mr. HOLT. Mr. Speaker, I rise in opposition to the Obama administration's war strategy in Afghanistan and to the war funding contained in this bill. It is evident to me that this strategy is not working.

Just this past weekend, CIA Director Leon Panetta said on national television that, regarding Taliban insurgents, "We have seen no evidence that they are truly interested in reconciliation where they would surrender their arms, where they would denounce al-Qaeda, where they would really try to become part of that society." One day later, General Petraeus—our newly named commander for the war in Afghanistan—told the Congress "... whether or not very senior [Taliban] leaders can meet the very clear conditions that the Afghan government has laid down for reconciliation I think is somewhat in question. So in that regard, I agree with Director Panetta."

Substitute "Viet Cong" for "Taliban" and "South Vietnamese government" for "Afghan government" and you'll understand why all of this sounds painfully familiar. It's because we've seen this before, and we know how it ends.

I do not say these things lightly, as I voted for the authorization for the use of force in 2001 in order to find and bring to justice the al Qaeda leaders who organized the 9/11 attacks against our country. Unfortunately, the previous administration did not put enough troops on the ground to prevent bin Laden's escape, and nearly 9 years later he and his key lieutenants whereabouts remain a mystery to our intelligence community, as Director Panetta acknowledged last weekend. In other

words, the original rationale for going to Afghanistan is gone.

We face a nationalist insurgency that we cannot defeat militarily and that will not negotiate a political settlement with the corrupt Afghan government. We have tripled the number of troops on the ground since the beginning of 2009, and the violence has only soared. Every day we remain only increases our national debt and subjects our troops to needless peril. Indeed, every month we squander enough money on this war that could otherwise be used to put an additional 38,000 police on our streets for a full year, or to prevent massive teacher layoffs in every state, particularly New Jersey. The cost of this war is directly imperiling the hometown security of communities across this nation and the economic security of our children and grandchildren.

Mr. Speaker, when President Obama asked us to support his new strategy, I did so reluctantly and with this caveat: I would give the President time to show his approach could work, but that my patience had limits. In the nearly 18 months that President Obama has had the opportunity to demonstrate his approach, we've tripled the number of Americans in Afghanistan, our casualties have skyrocketed, and the insurgency has deepened and spread across the country. My patience, and now support for this strategy, have evaporated. We do more harm than good by staying: more harm to our troops and our economy, and more harm to innocent Afghans who too often are caught in the crossfire. It's time for us to go, and I urge my colleagues to join me in voting to bring our troops home by ending funding for this conflict.

The bill before us makes critical investments in education which are fully paid for by cutting funds from existing programs.

The current economic downturn has hit school districts hard, and many are being forced to cut services. Previously, the American Recovery and Reinvestment Act made several sound investments in public education to keep teachers in the classroom and help school districts avoid painful cuts.

Most, if not all, of this emergency funding has been spent. Further, at this most critical time, Governor Christie made the wrong call in cutting state aid to our local schools.

The \$10 billion included for the Education Jobs Fund will help keep teachers in the classroom and make sure that class sizes do not balloon next fall. This much needed funding will help preserve 140,000 teaching jobs nationwide.

This package also contains almost \$5 billion, fully offset as well, to ensure college students who receive Pell Grants, 8 million this year, will have the financial support for college they need.

Mr. POMEROY. Mr. Speaker, I rise today in support of H.R. 4899, the Supplemental Appropriations Act.

While I am extremely disappointed that the House is not simply passing the Senate-passed version of this bill and clearing it for the President's signature, I will ultimately support this bill. It is my belief that voting against this bill even in its current form would send a terrible signal to our troops that we do not support their efforts and that is unacceptable to me. And, while I still believe this is the

wrong vehicle for it, I am pleased that the domestic spending that is included in this legislation is offset and will not add to our deficit.

We must act as soon as possible to get critical military and Federal Emergency Management Agency funding legislation to the President for his signature. Our troops in Iraq and Afghanistan and families across America who have been affected by disasters cannot afford anymore delays in funding.

Ms. CLARKE. Mr. Speaker, I rise today to express my support for key provisions and amendment to H.R. 4899, the Supplemental Appropriations Act of 2010. The bill provides a myriad of critical emergency funding for disaster relief in Haiti, the oil spill in the Gulf of Mexico, as well as fully paid for investments to meet domestic needs, such as education jobs and Pell Grants. Unfortunately, this bill also includes funding for the war in Afghanistan, the longest war in our nation's history.

While I am grateful to the men and women who serve valiantly in our Armed Forces, both at home and abroad, I strongly oppose any additional funding for the war in Afghanistan. This war has gone on long enough without a clear and sufficient exit strategy. My constituents and I can no longer bear to see more Americans die or remain in harm's way, for this fruitless war. The time is now to bring our troops home, stop the unnecessary spending and stabilize our economy. That is why I support the amendments offered by CBC Chairwoman BARBARA LEE and JAMES MCGOVERN, DAVID OBEY and WALTER JONES.

I commend Chairwoman LEE for working diligently to bring her important amendment for a vote. I agree we must begin to end the war by limiting funds to the safe, timely withdrawal of US troops and military contractors from Afghanistan. The people in my district demand it, I morally oppose it, and time is of the essence.

I also want to commend the Chairman DAVID OBEY and the Members of the Committee on Appropriations for their hard work on the House Amendment to the Senate bill. In particular, I want to thank the Committee for including funding for school districts, like those in New York City, that are poised to receive high concentrations of Haitian child refugees. These children are more likely to settle in already overburdened school districts. Therefore, schools receiving these children will undoubtedly need extra resources to accommodate this new population. In April, I joined my colleagues on a letter to Chairman OBEY, expressing this very concern. I am grateful that this language was adopted.

Additionally the Obey amendment provides major benefits to education for all Americans. It includes \$10 billion in aid to local school districts avert massive teacher layoffs and \$5 billion to help close the current shortfall in Pell Grants for college students—the absence of which would seriously imperil education funding for fiscal year 2011. This will affect thousands of teachers and students in my district and in the Greater New York area.

I strongly believe that H.R. 4899 is a key tool for Haiti's redevelopment. As the Representative of the second largest Haitian population of first and second generation Haitians Americans, I am greatly pleased that the bill

includes \$2.93 billion dollars for the U.S. participation in the Haiti disaster relief, \$130 million above the President's request. The people of Haiti, its government, USAID and the Department of State cannot move forward in their recovery and reconstruction plans without the pledged financial support from our government.

Mr. Speaker, I support our troops, veterans, and military families, and in honor of them I voted to reunite our service members in Afghanistan with their families here at home. My heart also goes out to the people of Haiti and will continue to support our reconstruction efforts there. Lastly, I am proud that the advocacy efforts of the New York congressional delegation in pushing to save education jobs in New York City have paid off.

Ms. BORDALLO. Mr. Speaker, I rise in strong support of the Senate amendments to H.R. 4899, the Supplemental Appropriations Act for 2010. This legislation is critically important to providing funding to our men and women in uniform who are serving in harm's way.

However, this legislation also provides funding that is important to maintaining our strategic posture in the Pacific. The legislation contains \$50 million in transfer authority of Department of Defense operation and maintenance funding to the Guam Port Improvement Enterprise Fund at the Maritime Administration. The \$50 million in funding is critical for the Port of Guam, in consultation with the Maritime Administration, to begin necessary infrastructure improvements and modernization.

The Port of Guam, on many occasions, has been identified as a potential chokepoint for the delivery of materials and supplies to support the realignment of military forces to Guam and sustain economic development on the island. Without these improvements the realignment of military forces to Guam would be severely delayed, add additional costs to future military construction and potentially harm our civilian economic development. Moreover, these improvements are needed to facilitate the requirements of being designated a strategic port, in fact America's most forward located strategic port in the Western Pacific.

The funding for the Port of Guam in this bill marks an important and very positive step forward for the military build-up on Guam. I thank the Obama administration for their support and leadership on this matter. After Guam was overlooked for important Recovery Act funding, the administration acted after repeated calls by our office for funding for critical civilian infrastructure projects and requested the transfer authority. I also thank Congressman DAVID OBEY, Chairman of the House Committee on Appropriations; Congressman NORM DICKS, Chairman of the Subcommittee on Defense, and Congressman JOHN OLIVER, Chairman of the Subcommittee on Transportation, Housing and Urban Development and Related Agencies, for their support of this provision.

Ms. ESHOO. Mr. Speaker, I rise today to state how I will vote on the war in Afghanistan and why.

Today Congress considers whether to continue funding operations in Afghanistan, and as we do, we must scrutinize the policy, the price being paid, and the outcomes for our na-

tional security. This is a deeply profound examination and its outcome will decide life or death for some of our troops.

It's hard to believe that the eighteen year olds who enlist today to fight and die in Afghanistan were in fourth grade when the World Trade Center and Pentagon were attacked in 2001. Now it is 2010. This conflict is now the longest war in our nation's history and it has been accompanied by tragic loss of American lives and those of innocent civilians.

The history of Afghanistan is instructive. It is called the graveyard of empires for a reason. No one since Ghengis Khan has been able to hold the country—not Alexander the Great, not the Persians, not the Ottomans, not the British, not the Russians. It's said that the definition of insanity is doing the same thing over and over again and expecting different results. We should learn from the examples of those who preceded us in Afghanistan.

President Obama told the troops that the mission must be definable and it must be winnable. I believe it is neither.

We are losing more and more precious lives—102 in June alone. And every month security has not improved after \$300 billion in military spending and more than 1,000 American lives lost.

We have a corrupt partner with the Karzai regime and when the Afghan people see the U.S. supporting their government, they believe we have taken one side in their own civil war. No counter insurgency effort has succeeded when the partner is corrupt. If the Afghans don't want us there, and do not wish to protect their own towns and villages, no amount of armies and firepower can change this dynamic.

I applaud the work our troops have done in disrupting Al Qaeda, and the risks they have taken to prevent terrorist attacks here at home. According to the CIA Director, Al Qaeda is down to 50 to 100 operatives in Afghanistan. We have achieved our goals, and we should leave before our continued presence unites the other insurgent groups in the region against us.

I have tremendous respect for the men and women—civilian and military—who are risking their lives every day in Afghanistan. I have met them, and I am impressed by their selfless dedication to the mission and belief in the cause.

The President's strategy is not succeeding, and rather than ask Americans to put their lives on the line for another eighteen months for what has become an impossible task, I will vote for Congressman MCGOVERN's amendment to require a withdrawal plan by April 2011 and end this war.

Mr. CARNAHAN. Mr. Speaker, the House passed H.R. 4899, the Disaster Relief and Summer Jobs Supplemental Appropriations Act of 2010. Included in this bill is a rider containing federal law exemptions for an Army Corp of Engineers and Transportation project in Dallas, Texas. As co-chairman of the House Historic Preservation Caucus and member of this Chamber, I want to express my opposition to exemptions like these that circumvent the established legislative process, committees of jurisdiction, and longstanding administrative processes.

Section 405 in Chapter 4 of H.R. 4899 would exempt the Army Corps of Engineers

(Corps) Trinity River Flood Control project in Dallas, Texas, from the National Historic Preservation Act (NHPA), 16 U.S.C. § 470 et seq., and "any highway project" in the "vicinity" of the Dallas Floodway from Section 4(f) of the Department of Transportation Act, 49 U.S.C. § 303 and 23 U.S.C. § 138, setting an alarming precedent and undermining our country's national preservation program.

The NHPA establishes preservation as a national policy and directs the Federal government to provide leadership in preserving, restoring, and maintaining historic and cultural sites significant in American history, architecture, archeology, or engineering. To comply with the Act, Federal agencies having direct or indirect jurisdiction over a proposed Federal or federally assisted undertaking must evaluate the effect of the undertaking on any district, site, building, structure, or object that is included in or eligible for inclusion in the National Register of Historic Places. 16 U.S.C. § 470f (also known as "Section 106").

In the case of the Trinity River Flood Control Project, the Corps is currently complying with Section 106 of the NHPA by determining whether or not the Dallas Floodway is eligible for inclusion in the National Register. A 55-page research paper produced last November by the Corps cited the levees' historic importance to the development of modern Dallas and noted that the levees are considered a manmade landmark by the American Society of Civil Engineers.

The Federal Highway Administration (FHWA) is also planning to build a toll road, and one of the potential routes would run between the two levees. A determination of National Register eligibility could ultimately affect the route by requiring FHWA and local officials to seek feasible and prudent alternatives that would avoid and minimize harm to the historic levee system—this review is commonly referred to as Section 4(f). There is also a need to restore the levees' integrity and comply with the Federal Emergency Management Agency's new flood risk maps for Dallas.

There are hundreds, if not thousands of projects similar to this underway around the country. Those projects are all following federal laws and utilize administrative options to resolve any issues under the NHPA and Section 4(f). There was no evidence that a broad, blanket exemption from NHPA and Section 4(f) of the Department of Transportation Act warranted Congressional intervention to circumvent longstanding, successful administrative procedures already in place that balance practical needs with the protection of historic resources.

This exemption was inappropriate, unnecessary, and unprecedented. There was no evidence that administrative tools would not have been unable to resolve any issues pertaining to the levees on the Trinity River. Congress should have ensured that the available administrative mechanisms had been fully employed before including this broad and unnecessary exemption that would endanger historic resources intrinsic to the development of a major American city and set a dangerous precedent.

The whole purpose of the Section 106 of the NHPA and Section 4(f) of the Department of Transportation Act is to ensure that federal

resources are not used to harm historic properties without the consideration of adverse effects and alternatives. A National Register listing or eligibility does not prevent private property owners from harming or even destroying their own historic properties, as long as no federal funding or federal permits are involved. But where taxpayer dollars are awarded, or federal regulatory authority is invoked, those public benefits must be conditioned on compliance with our federal laws that require historic preservation and other policies to be included in the process of planning specific projects. This does not mean that projects cannot proceed where a historic property is involved; it simply means that the impacts of the projects on that property must be considered and if necessary, mitigated.

In 1966 Congress created Section 106 of the NHPA and Section 4(f) of the DOT Act as tools to balance historic preservation concerns with the needs of federal undertakings. These reviews ensure that federal agencies identify any potential conflicts between their undertakings and historic preservation and resolve any conflicts in the public interest. The process has worked efficiently and effectively for nearly fifty years. The NHPA and Section 4(f) exemption language contained in H.R. 4899 is an affront to the Act's visionary framers.

America's industrial and engineering infrastructure, and associated historic properties are essential to the nation's identity—its culture, history, and economy, past, present and future. In the absence of the protections afforded by Section 106 of the NHPA and Transportation's Section 4(f), those corridors have no meaningful procedural guarantees for preservation consideration, ensuring pieces of American history will be lost forever.

Mrs. MALONEY. Mr. Speaker, I rise today in support of Representative BARBARA LEE's amendment to prevent an escalation and limit funding to the safe and orderly withdrawal of our troops and military contractors from Afghanistan. After 9 years of war, the time has come to bring our troops home.

I will also vote in favor of the McGovern-Obey amendment that would require the President to provide Congress with a plan for the expeditious redeployment of U.S. troops in Afghanistan and a timeline for completion of the redeployment.

I would like to thank Speaker PELOSI and the Democratic leadership for bringing this bill to the floor today in a manner that allows clear up or down votes on funding for the war and other domestic priorities.

The challenges in Afghanistan are great. As the violence and attacks on our troops continue to increase, we still do not have a clear path forward or a way to measure progress there.

We cannot afford to sustain an open-ended commitment with no clear definition of success.

Reports of corruption abound in Afghanistan, and without a true partner in the Karzai government, our prospects for making real progress have grown dim.

Our troops have fought with honor and professionalism in the face of great challenges, and at great cost—I am truly humbled by their service and sacrifice. These brave men and women in uniform deserve our full support and

commitment to return them home safely to their families and loved ones.

President Obama did not start this war, and I was among those who have spoken out in support of allowing for the time necessary for a new strategy in Afghanistan to turn the tide.

But after years of war that has strained our military, their families, and the country, I am unable to continue to support what increasingly looks like an intractable situation in Afghanistan.

That is why I vote in favor of these amendments today.

Despite my opposition to our continued military presence in Afghanistan, the bill does include critical domestic funding that I will support. These include saving teachers' jobs, Pell Grants, emergency food assistance for hungry Americans, and disaster aid to respond to the Gulf oil spill catastrophe.

For example, today we are providing \$10 billion for an Education Jobs Fund to provide additional emergency support to local school districts to prevent impending layoffs. Estimates suggest that this fund will help keep 140,000 school employees on the job next year.

Moreover, when we invest in education, we save jobs in other sectors and spur economic recovery. According to the Economic Policy Institute, for every 100,000 education jobs lost, another 30,000 jobs are lost in other sectors due to reduced consumer spending and tax revenues.

The list of important programs this bill funds is both extensive and impressive: Among other priorities, we are providing \$304 million for the Gulf Coast oil spill; \$50 million for the Emergency Food Assistance Program for food purchases to distribute through local emergency food providers; \$13.377 billion for the payment of benefits to Vietnam veterans and their survivors for exposure to Agent Orange, which has been linked with Parkinson's disease, ischemic heart disease, and hairy cell/B cell leukemia; and \$2.93 billion for Haiti.

These are extremely important priorities which are fully paid for and which I support.

Mr. WAXMAN. Mr. Speaker, I rise in support of the Lee Amendment.

The war in Afghanistan is now the longest in our nation's history. It has cost the lives of over 1,150 American soldiers, hundreds of allied troops and scores of Afghan civilians. It has drained our nation's Treasury at a time of immense domestic challenges. It has strained our relationships with allies in the fight against terrorism. And it is making us less safe, not more, by inciting anti-American sentiment across the world.

I supported this war at its outset. After the horror of September 11th, our nation faced a clear need to strike the Taliban and the Al Qaeda operatives it supported. While I disagreed with the Bush administration's conduct of the war, I believe President Obama has tried to make a decisive effort to improve the situation and chart a course for bringing our troops home.

However, the Afghan government has proved to be inadequate to the tasks before it. President Karzai has not proven to be a trustworthy partner. Flawed elections, rampant corruption, missing money, and a lack of accountability have crippled international efforts to es-

tablish the rule of law. This is a fundamental problem of governance, and a problem that the continued presence and heroic efforts of our troops cannot change.

In 2007, I cast a similar vote to advance redeployment from Iraq as it was clear to me that the Iraqi government would only begin to chart a path towards stability once it realized that our commitment was not open-ended. I look forward to the completion of our redeployment from Iraq by the end of next year.

Today, as we determine the future of our commitment to Afghanistan we must pledge not to completely disappear from involvement in Afghanistan, but neither should we be willing to commit to the indefinite task of nation-building with a government that has proven an unwilling and incapable partner. Although I recognize the significance of President Obama's announcement of a timeline for withdrawal beginning in July 2011, I do not believe we have the luxury to wait a year to begin this process.

I urge my colleagues to support this amendment.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to House Resolution 1500, the previous question is ordered.

The question of adoption of the motion is divided among the five House amendments.

Pursuant to House Resolution 1500, the first portion of the divided question is adopted.

The second portion of the divided question is, Will the House concur in the Senate amendment with House amendment No. 2 printed in House Report 111-522?

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRELINGHUYSEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, this 15-minute vote on the second portion of the divided question will be followed by 5-minute votes on the remaining portions of the divided question, if ordered.

The vote was taken by electronic device, and there were—yeas 239, nays 182, answered “present” 1, not voting 11, as follows:

[Roll No. 430]

YEAS—239

Ackerman	Boyd	Clyburn
Adler (NJ)	Brady (PA)	Cohen
Altmire	Braley (IA)	Connolly (VA)
Andrews	Brown, Corrine	Costa
Arcuri	Butterfield	Costello
Baca	Capps	Courtney
Baldwin	Capuano	Critz
Barrow	Cardoza	Crowley
Becerra	Carnahan	Cuellar
Berkley	Carney	Cummings
Berman	Carson (IN)	Davis (AL)
Berry	Castle	Davis (CA)
Bishop (GA)	Castor (FL)	Davis (IL)
Bishop (NY)	Chandler	Davis (TN)
Blumenauer	Childers	DeFazio
Bocchieri	Chu	DeGette
Boren	Clarke	Delahunt
Boswell	Clay	DeLauro
Boucher	Cleaver	Deutch

Dicks
Dingell
Doggett
Donnelly (IN)
Doyle
Driehaus
Edwards (MD)
Edwards (TX)
Ellison
Ellsworth
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Foster
Frank (MA)
Fudge
Garamendi
Giffords
Gonzalez
Gordon (TN)
Grayson
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Halvorson
Hare
Harman
Hastings (FL)
Heinrich
Higgins
Hill
Himes
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson Lee
(TX)
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick (MI)
Kilroy
Kind
Kirk

Kirkpatrick (AZ)
Kissell
Klein (FL)
Kosmas
Kratovil
Kucinich
Langevin
Larsen (WA)
Larson (CT)
Lee (CA)
Levin
Lewis (GA)
Lipinski
Loeb sack
Loebgren, Zoe
Lowey
Lujan
Lynch
Maffei
Maloney
Markey (MA)
Matheson
Matsui
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McMahon
McNerney
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, George
Minnick
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Nadler (NY)
Napolitano
Neal (MA)
Nye
Oberstar
Obey
Oliver
Ortiz
Owens
Pallone
Pascarell
Pastor (AZ)
Payne
Pelosi
Perlmutter
Perriello
Peters

NAYS—182

Aderholt
Akin
Alexander
Austria
Bachmann
Bachus
Baird
Barrett (SC)
Bartlett
Barton (TX)
Biggart
Billbray
Billirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono Mack
Boozman
Boustany
Brady (TX)
Bright
Broun (GA)
Brown (SC)
Brown-Waite,
Ginny
Buchanan
Burgess
Burton (IN)
Buyer

Pingree (ME)
Pomeroy
Price (NC)
Quigley
Rahall
Rangel
Reyes
Richardson
Ross
Rothman (NJ)
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda
T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schauer
Schiff
Schradner
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Slaughter
Smith (WA)
Space
Speier
Spratt
Stark
Stupak
Sutton
Teague
Thompson (CA)
Thompson (MS)
Tierney
Titus
Tonko
Towns
Tsongas
Van Hollen
Velázquez
Walz
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Weiner
Wilson (OH)
Wu
Yarmuth

Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gingrey (GA)
Gohmert
Goodlatte
Granger
Graves (GA)
Graves (MO)
Guthrie
Hall (TX)
Harper
Hastings (WA)
Heller
Hensarling
Herger
Herseth Sandlin
Hunter
Inglis
Issa
Jenkins
Jones
Jordan (OH)
King (IA)
King (NY)
Kingston
Kline (MN)
Lamborn
Lance

Latham
LaTourette
Latta
Lee (NY)
Lewis (CA)
Linder
LoBiondo
Lucas
Luetkemeyer
Lummis
Lungren, Daniel
E.
Mack
Manzullo
Marchant
Markey (CO)
Marshall
McCarthy (CA)
McCaul
McClintock
McCotter
McHenry
McKeon
McMorris
Rodgers
Mica
Miller (FL)
Miller (MI)
Moran (KS)
Murphy, Tim
Myrick

Neugebauer
Nunes
Olson
Paul
Paulsen
Pence
Peterson
Petri
Pitts
Platts
Poe (TX)
Polis (CO)
Posey
Price (GA)
Putnam
Rehberg
Reichert
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rooney
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Scalise
Schmidt
Schock
Sensenbrenner

Sessions
Shadegg
Shimkus
Shuster
Simpson
Skelton
Smith (NE)
Smith (NJ)
Smith (TX)
Snyder
Stearns
Sullivan
Tanner
Taylor
Terry
Thompson (PA)
Thornberry
Tiahrt
Tiberi
Turner
Upton
Visclosky
Walden
Welch
Westmoreland
Whitfield
Wilson (SC)
Wittman
Wolf
Young (FL)

Ackerman
Aderholt
Adler (NJ)
Akin
Alexander
Altmire
Andrews
Arcuri
Austria
Baca
Bachmann
Bachus
Baird
Barrett (SC)
Barrow
Bartlett
Barton (TX)
Bean
Becerra
Berkley
Berman
Berry
Biggart
Billbray
Billirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Bocieri
Boehner
Bonner
Bono Mack
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Brady (PA)
Brady (TX)
Braley (IA)
Bright
Broun (GA)
Brown (SC)
Brown, Corrine
Brown-Waite,
Ginny
Buchanan
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp
Campbell
Cantor
Cao
Capps
Capuano
Cardoza
Carnahan
Carney
Carson (IN)
Carter
Cassidy
Castle
Chaffetz
Chandler
Childers
Cleaver
Clyburn
Coble
Coffman (CO)
Cole
Conaway
Connolly (VA)
Cooper
Costa
Costello
Courtney
Crenshaw
Critz
Crowley
Cuellar
Culberson
Cummings
Dahlkemper
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)

NOES—376

Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Deutch
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Djoui
Doggett
Donnelly (IN)
Doyle
Dreier
Driehaus
Edwards (TX)
Ehlers
Ellsworth
Emerson
Engel
Eshoo
Etheridge
Fallin
Farr
Fattah
Flake
Fleming
Forbes
Fortenberry
Foster
Foxy
Frank (MA)
Franks (AZ)
Frelinghuysen
Fudge
Gallegly
Garrett (NJ)
Gerlach
Giffords
Gingrey (GA)
Gohmert
Gonzalez
Goodlatte
Gordon (TN)
Granger
Graves (GA)
Graves (MO)
Green, Al
Green, Gene
Guthrie
Hall (NY)
Hall (TX)
Halvorson
Hare
Harman
Harper
Hastings (FL)
Hastings (WA)
Heinrich
Heller
Hensarling
Herger
Herseth Sandlin
Higgins
Hill
Himes
Hinojosa
Hodes
Holden
Holt
Honda
Hoyer
Hunter
Inglis
Inslee
Israel
Issa
Jenkins
Johnson (GA)
Johnson, E. B.
Jones
Jordan (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick (MI)
Kilroy
Kind
King (IA)
King (NY)
Kingston

Kirk
Kirkpatrick (AZ)
Kissell
Klein (FL)
Kline (MN)
Kosmas
Kratovil
Lamborn
Lance
Langevin
Larsen (WA)
Larson (CT)
Latham
LaTourette
Latta
Lee (NY)
Levin
Lewis (CA)
Linder
Lipinski
LoBiondo
Loeb sack
Lowey
Lucas
Luetkemeyer
Lujan
Lummis
Lungren, Daniel
E.
Lynch
Mack
Maffei
Manzullo
Marchant
Markey (CO)
Markey (MA)
Marshall
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCaul
McClintock
McCollum
McCotter
McHenry
McIntyre
McKeon
McMahon
McMorris
Rodgers
McNerney
Meek (FL)
Meeks (NY)
Melancon
Mica
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Minnick
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Murphy, Tim
Myrick
Neal (MA)
Neugebauer
Nunes
Nye
Oberstar
Obey
Olson
Oliver
Ortiz
Owens
Pallone
Pascarell
Pastor (AZ)
Paulsen
Payne
Pelosi
Pence
Perlmutter
Perriello
Peterson
Petri

ANSWERED “PRESENT”—1

Miller, Gary

NOT VOTING—11

Bean
Capito
Conyers
Griffith
Hoekstra
Johnson, Sam
Radanovich
Rodriguez
Wamp
Woolsey
Young (AK)

□ 2234

Mr. BRADY of Texas changed his vote from “yea” to “nay.”

Mr. SPRATT, Ms. CORRINE BROWN of Florida, and Mr. SHULER changed their vote from “nay” to “yea.”

So the second portion of the divided question was adopted.

The result of the vote was announced as above recorded.

Stated for:

Ms. BEAN. Mr. Speaker, on rollcall No. 430, the Obey amendment, had I been present, I would have voted “yes.”

The SPEAKER pro tempore. The third portion of the divided question is, Will the House concur in the Senate amendment with House amendment No. 3 printed in House Report 111-522?

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. OBEY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 25, noes 376, answered “present” 22, not voting 10, as follows:

[Roll No. 431]

AYES—25

Clarke
Clay
Duncan
Edwards (MD)
Ellison
Filner
Garamendi
Grayson
Grijalva
Gutierrez
Jackson (IL)
Johnson (IL)
Kucinich
Lewis (GA)
Michaud
Nadler (NY)
Napolitano
Paul

Pingree (ME)
Schrader
Serrano
Sires
Stark
Velázquez
Welch

Pitts	Barbanes	Taylor	Crowley	Johnson (IL)	Polis (CO)	Lungren, Daniel	Pascrell	Shadegg
Platts	Scalise	Teague	Cummings	Jones	Quigley	E.	Paulsen	Shea-Porter
Poe (TX)	Schauer	Terry	Davis (IL)	Kagen	Rangel	Lynch	Pence	Sherman
Polis (CO)	Schiff	Thompson (MS)	DeFazio	Kennedy	Richardson	Mack	Perlmutter	Shimkus
Pomeroy	Schmidt	Thompson (PA)	DeGette	Kucinich	Rohrabacher	Manzullo	Perriello	Shuler
Posey	Schock	Thornberry	Delahunt	Larson (CT)	Rush	Marchant	Peters	Shuster
Price (GA)	Schwartz	Tiahrt	DeLauro	Lee (CA)	Sánchez, Linda	Markey (CO)	Peterson	Simpson
Price (NC)	Scott (GA)	Tiberi	Doyle	Lewis (GA)	T.	Marshall	Petri	Skelton
Putnam	Scott (VA)	Tierney	Duncan	Loftgren, Zoe	Sanchez, Loretta	Matheson	Pitts	Smith (NE)
Quigley	Sensenbrenner	Titus	Edwards (MD)	Maffei	Schakowsky	McCarthy (CA)	Platts	Smith (NJ)
Rahall	Sessions	Tonko	Ellison	Maloney	Schrader	McCarthy (NY)	Poe (TX)	Smith (TX)
Rehberg	Sestak	Towns	Farr	Markley (MA)	Scott (VA)	McCaul	Pomeroy	Smith (WA)
Reichert	Shadegg	Tsogas	Filner	Matsui	Serrano	McClintock	Posey	Snyder
Reyes	Shea-Porter	Turner	Frank (MA)	McCollum	Sires	McCotter	Price (GA)	Space
Richardson	Sherman	Upton	Fudge	McDermott	Slughter	McHenry	Price (NC)	Spratt
Roe (TN)	Shimkus	Van Hollen	Garamendi	McGovern	Speier	McIntyre	Putnam	Stearns
Rogers (AL)	Shuler	Visclosky	Grayson	Michaud	Stark	McKeon	Rahall	Sullivan
Rogers (KY)	Shuster	Walden	Grijalva	Miller, George	Stupak	McMahon	Rehberg	Sutton
Rogers (MI)	Simpson	Walz	Gutierrez	Moore (WI)	Thompson (MS)	McMorris	Reichert	Tanner
Rohrabacher	Skelton	Wasserman	Harman	Nadler (NY)	Tierney	Rodgers	Reyes	Taylor
Rooney	Smith (NE)	Schultz	Hastings (FL)	Napolitano	Tonko	McNerney	Roe (TN)	Teague
Ros-Lehtinen	Smith (NJ)	Watt	Hinchee	Neal (MA)	Towns	Meek (FL)	Rogers (AL)	Terry
Roskam	Smith (TX)	Waxman	Hinojosa	Oberstar	Tsongas	Meeks (NY)	Rogers (KY)	Thompson (CA)
Ross	Smith (WA)	Weiner	Hirono	Obey	Velázquez	Melancon	Rogers (MI)	Thompson (PA)
Rothman (NJ)	Snyder	Westmoreland	Holt	Olver	Waters	Mica	Rooney	Thornberry
Roybal-Allard	Space	Whitfield	Honda	Pallone	Watt	Miller (FL)	Ros-Lehtinen	Tiahrt
Royce	Speier	Wilson (OH)	Insee	Pastor (AZ)	Waxman	Miller (MI)	Roskam	Tiberi
Ruppersberger	Spratt	Wilson (SC)	Jackson (IL)	Paul	Weiner	Miller (NC)	Ross	Titus
Rush	Stearns	Wittman	Jackson Lee	Payne	Welch	Miller, Gary	Rothman (NJ)	Turner
Ryan (OH)	Stupak	Wolf	(TX)	Pingree (ME)	Yarmuth	Minnick	Roybal-Allard	Upton
Ryan (WI)	Sullivan	Wu				Mitchell	Royce	Van Hollen
Salazar	Sutton	Young (FL)				Mollohan	Ruppersberger	Visclosky
Sanchez, Loretta	Tanner					Moore (KS)	Ryan (OH)	Walden

ANSWERED “PRESENT”—22

Baldwin	Kagen	Sánchez, Linda
Castor (FL)	Lee (CA)	T.
Chu	Loftgren, Zoe	Schakowsky
Cohen	Maloney	Slughter
Hinchee	McDermott	Thompson (CA)
Hirono	McGovern	Waters
Jackson Lee	Miller, George	Watson
(TX)	Rangel	Yarmuth

NOT VOTING—10

Capito	Johnson, Sam	Woolsey
Conyers	Radanovich	Young (AK)
Griffith	Rodriguez	
Hoekstra	Wamp	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are reminded there are less than 2 minutes remaining in this vote.

□ 2241

Mr. NADLER of New York changed his vote from “no” to “aye.”

So the third portion of the divided question was not adopted.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The fourth portion of the divided question is, Will the House concur in the Senate amendment with House amendment No. 4 printed in House Report 111-522?

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. OBEY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 100, noes 321, not voting 11, as follows:

[Roll No. 432]

AYES—100

Baldwin	Capuano	Clay
Becerra	Chaffetz	Cleaver
Blumenauer	Chu	Cohen
Campbell	Clarke	Costello

NOES—321

Ackerman	Cassidy	Green, Al
Aderholt	Castle	Green, Gene
Adler (NJ)	Castor (FL)	Guthrie
Akin	Chandler	Hall (NY)
Alexander	Childers	Hall (TX)
Altmore	Clyburn	Halvorson
Andrews	Coble	Hare
Arcuri	Coffman (CO)	Harper
Austria	Cole	Hastings (WA)
Baca	Conaway	Heinrich
Bachmann	Connolly (VA)	Heller
Bachus	Cooper	Hensarling
Baird	Costa	Herger
Barrett (SC)	Courtney	Herseth Sandlin
Barrow	Crenshaw	Higgins
Bartlett	Critz	Hill
Barton (TX)	Cuellar	Himes
Bean	Culberson	Hodes
Berkley	Dahlkemper	Holden
Berman	Davis (AL)	Hoyer
Berry	Davis (CA)	Hunter
Biggert	Davis (KY)	Inglis
Bilbray	Davis (TN)	Israel
Bilirakis	Dent	Issa
Bishop (GA)	Deutch	Jenkins
Bishop (NY)	Diaz-Balart, L.	Johnson (GA)
Bishop (UT)	Diaz-Balart, M.	Johnson, E. B.
Blackburn	Dicks	Jordan (OH)
Blunt	Dingell	Kanjorski
Boccieri	Djou	Kaptur
Boehner	Doggett	Kildee
Bonner	Donnelly (IN)	Kilpatrick (MI)
Bono Mack	Dreier	Kilroy
Boozman	Driehaus	Kind
Boren	Edwards (TX)	King (IA)
Boswell	Ehlers	King (NY)
Boucher	Ellsworth	Kingston
Boustany	Emerson	Kirk
Boyd	Engel	Kirkpatrick (AZ)
Brady (PA)	Eshoo	Kissell
Brady (TX)	Etheridge	Klein (FL)
Braley (IA)	Fallin	Kline (MN)
Bright	Fattah	Kosmas
Broun (GA)	Flake	Kratovil
Brown (SC)	Fleming	Lamborn
Brown, Corrine	Forbes	Lance
Brown-Waite,	Fortenberry	Langevin
Ginny	Foster	Larsen (WA)
Buchanan	Fox	Latham
Burgess	Franks (AZ)	LaTourette
Burton (IN)	Frelinghuysen	Latta
Butterfield	Gallely	Lee (NY)
Buyer	Garrett (NJ)	Levin
Calvert	Gerlach	Lewis (CA)
Camp	Giffords	Linder
Cantor	Gingrey (GA)	Lipinski
Cao	Gohmert	LoBiondo
Capps	Gonzalez	Loebach
Cardoza	Goodlatte	Lowey
Carnahan	Gordon (TN)	Lucas
Carney	Granger	Luetkemeyer
Carson (IN)	Graves (GA)	Lujan
Carter	Graves (MO)	Lummis

Moran (KS)	Ryan (WI)	Walz
Moran (VA)	Salazar	Wasserman
Murphy (CT)	Sanbanes	Schultz
Murphy (NY)	Scalise	Westmoreland
Murphy, Patrick	Schauer	Whitfield
Murphy, Tim	Schiff	Wilson (OH)
Myrick	Schmidt	Wilson (SC)
Neugebauer	Schock	Wittman
Nunes	Schwartz	Wolf
Nye	Scott (GA)	Wu
Olson	Sensenbrenner	Young (FL)
Ortiz	Sessions	
Owens	Sestak	

NOT VOTING—11

Capito	Johnson, Sam	Watson
Conyers	Radanovich	Woolsey
Griffith	Rodriguez	Young (AK)
Hoekstra	Wamp	

□ 2247

So the fourth portion of the divided question was not adopted.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The fifth portion of the divided question is, Will the House concur in the Senate amendment with House amendment No. 5 printed in House Report 111-522?

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. OBEY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 162, noes 260, not voting 11, as follows:

[Roll No. 433]

AYES—162

Baca	Brown, Corrine	Clarke
Baldwin	Brown-Waite,	Clay
Becerra	Ginny	Cleaver
Berkley	Capps	Coble
Berry	Capuano	Cohen
Bishop (NY)	Cardoza	Connolly (VA)
Blumenauer	Carnahan	Costello
Boswell	Castor (FL)	Courtney
Brady (PA)	Chaffetz	Crowley
Braley (IA)	Chu	Cummings

Enclosures.



U.S. House of Representatives
Committee on Transportation and Infrastructure
Washington, DC 20515

James L. Oberstar
Chairman

John L. Mica
Ranking Republican Member

David Heymsfeld, Chief of Staff
Ward W. McCarragher, Chief Counsel

COMMITTEE RESOLUTION

James W. Coon II, Republican Chief of Staff

LEASE
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION
WASHINGTON, D.C.
PDC-12-WA10

Resolved by the Committee on Transportation and Infrastructure of the U.S. House of Representatives, that, pursuant to 40 U.S.C. § 3307, appropriations are authorized for a replacement lease of up to 605,000 rentable square feet for the National Aeronautics and Space Administration (NASA), currently located in the 2 Independence Square Building at 300 E Street, SW, in Washington, D.C., at a proposed total annual cost of \$29,645,000 for a lease term of up to 15 years, a prospectus for which is attached to and included in this resolution.

Approval of this prospectus constitutes authority to execute an interim lease for all tenants, if necessary, prior to the execution of the new lease.


Provided, that, to the maximum extent practicable, the Administrator of General Services shall require that the procurement includes minimum performance requirements requiring energy efficiency and the use of renewable energy.

Provided further, that within two years of the adoption of this resolution, the Administrator shall provide the Committee on Transportation and Infrastructure of the House of Representatives, with a final housing plan approved by the Office of Management and Budget that provides for Federal Government ownership of the NASA headquarters functions in the National Capital Region.

Provided further, that the Administrator shall require that the delineated area of the procurement is identical to the delineated area included in the prospectus, except that, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator shall provide an explanatory statement to the Committee on Transportation and Infrastructure of the House of Representatives prior to exercising any lease authority provided in this resolution.

Provided further, that the General Services Administration shall not delegate to any other agency the authority granted by this resolution.

Adopted: July 1, 2010


James L. Oberstar, M.C.
Chairman

GSAPBS

**PROSPECTUS – LEASE
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION
WASHINGTON, DC**

Prospectus Number: PDC-12-WA10

Project Summary

The General Services Administration (GSA) proposes a replacement lease of up to 605,000 rentable square feet (rsf) for the National Aeronautics and Space Administration (NASA), currently located in the 2 Independence Square Building at 300 E Street, SW in Washington, DC. The current lease expires on July 19, 2012.

Acquisition Strategy

GSA may satisfy this requirement through a single award solicitation or as part of a multiple award solicitation.

Description

Occupants:	NASA
Delineated Area:	Washington, D.C. Central Employment Area
Lease Type:	Replacement
Justification:	Expiring Lease (7/19/2012)
Expansion Space:	None
Number of Parking Spaces:	25 spaces for official Government vehicles
Scoring:	Operating lease
Proposed Maximum Leasing Authority:	15 years
Maximum Rentable Square Feet:	605,000
Current Total Annual Cost:	\$22,789,643
Proposed Total Annual Cost: ¹	\$29,645,000
Maximum Proposed Rental Rate: ²	\$49.00

Summary of Energy Compliance

GSA will incorporate energy efficiency requirements into the Solicitation for Offers and other documents related to the procurement of space for which this prospectus seeks authorization. GSA encourages offerors to work with energy service providers to exceed minimum requirements set forth in the procurement.

¹ Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.

² This estimate is for fiscal year 2012 and may be escalated by 1.8 percent annually to the effective date of the lease to account for inflation.

GSAPBS

**PROSPECTUS – LEASE
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION
WASHINGTON, DC**

Prospectus Number: PDC-12-WA10

Authorization

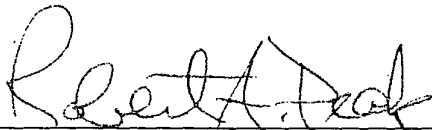
- Approval of this prospectus by the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works will constitute authority to lease space in a facility that will yield the required rentable area.
- Approval of this prospectus will constitute authority to provide an interim lease, if necessary, prior to the execution of the new lease.

Certification of Need

The proposed project is the best solution to meet a validated Government need.

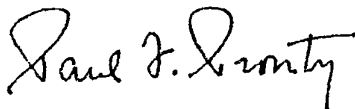
Submitted at Washington, DC, on September 11, 2009

Recommended: _____



Commissioner, Public Buildings Service

Approved: _____



Acting Administrator, General Services Administration

March 2009

Housing Plan
National Aeronautics and Space Administration

Washington, DC
PDC-12-WA10

Locations	Current						Proposed					
	Personnel		Usable Square Feet (USF)				Personnel		Usable Square Feet (USF)			
	Office	Total	Office	Storage	Special	Total	Office	Total	Office	Storage	Special	Total
2 Independence Square Replacement Lease	2,312	2,312	374,396	-	117,657	492,053	1,890	1,890	374,396	-	117,657	492,053
Total	2,312	2,312	374,396	-	117,657	492,053	1,890	1,890	374,396	-	117,657	492,053

Utilization Rate	Current	Proposed
	126	155

Current UR excludes 82,367 USF of Office for support space
Proposed UR excludes 82,367 USF of office for support space

Usable square footage means the portion of the building available for use by tenants' personnel and furnishings, and space available jointly to the occupants of the building (e.g., auditorium, health units and snack bars). Usable square footage does not include space devoted to building operations and maintenance (e.g., craft shops, building supply rooms, rest rooms and lobbies).

Special Space	USF
Auditorium	5,502
Credit Union/Gift Shop/Post Office	3,447
Fitness Center	6,067
Health Clinic	5,215
Library/Archives	11,296
Printing/Graphics/Copy	10,045
Server Room	4,582
Television Studio	6,848
Daycare Center	8,844
Building Support	15,569
SCIF (G-Concourse)	2,305
Training/Classroom	37,937
Total	117,657



U.S. House of Representatives
Committee on Transportation and Infrastructure

James L. Oberstar
Chairman

Washington, DC 20515

John L. Mica
Ranking Republican Member

David Heymsfeld, Chief of Staff
Ward W. McCarragher, Chief Counsel

COMMITTEE RESOLUTION

James W. Coon II, Republican Chief of Staff

LEASE
DEPARTMENT OF TREASURY
WASHINGTON, D.C.
PDC-16-WA10

Resolved by the Committee on Transportation and Infrastructure of the U.S. House of Representatives, that, pursuant to 40 U.S.C. § 3307, appropriations are authorized for a new lease of up to 70,000 rentable square feet for the Department of Treasury, currently located in the Treasury Annex, 501 Madison Place, NW, in Washington, D.C., at a proposed total annual cost of \$3,430,000 for a lease term of up to 10 years, a prospectus for which is attached to and included in this resolution.

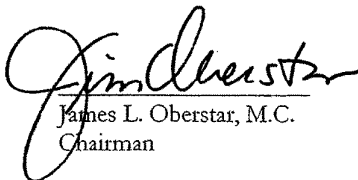
Approval of this prospectus constitutes authority to execute an interim lease for all tenants, if necessary, prior to the execution of the new lease.

Provided, that, to the maximum extent practicable, the Administrator of General Services shall require that the procurement includes minimum performance requirements requiring energy efficiency and the use of renewable energy.

Provided further, that the Administrator shall require that the delineated area of the procurement is identical to the delineated area included in the prospectus, except that, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator shall provide an explanatory statement to the Committee on Transportation and Infrastructure of the House of Representatives prior to exercising any lease authority provided in this resolution.

Provided further, that the General Services Administration shall not delegate to any other agency the authority granted by this resolution.

Adopted: July 1, 2010


James L. Oberstar, M.C.
Chairman

GSAPBS

**PROSPECTUS – LEASE
DEPARTMENT OF THE TREASURY
WASHINGTON, DC**

Prospectus Number: PDC-16-WA10

Project Summary

The General Services Administration (GSA) proposes a new lease of up to 70,000 rentable square feet (rsf) for the Department of the Treasury (Treasury), currently located in the Treasury Annex, 501 Madison Place, NW, Washington, DC.

Treasury will vacate the Treasury Annex while it is completely modernized in a single phase. The modernization will address major functional and code deficiencies to align the historic structure with modern federal office use, while preserving significant interior and exterior features. Treasury, which will fund the Annex renovation, will relocate 279 employees to space in Main Treasury. The remaining 300 Treasury employees will require leased swing space during renovations. Only a small U.S. Secret Service office will remain operational in the Treasury Annex building during construction. Occupancy of the new leased swing space is anticipated to occur in fiscal year 2010.

Acquisition Strategy

GSA may satisfy this requirement through a single award solicitation or as part of a multiple award solicitation.

Description:

Occupants:	Department of the Treasury
Delineated Area:	Washington, DC Central Employment Area, North of Massachusetts Avenue, and Southwest Waterfront
Lease Type:	New
Justification:	Renovation/modernization of the Treasury Annex
Expansion Space:	None
Number of Parking Spaces:	None
Scoring:	Operating lease
Proposed Maximum Leasing Authority:	10 years (cancellation rights after 5 years)
Maximum Rentable Square Feet:	70,000
Current Total Annual Cost:	\$1,328,000

GSAPBS

**PROSPECTUS – LEASE
DEPARTMENT OF THE TREASURY
WASHINGTON, DC**

Prospectus Number: PDC-16-WA10

Proposed Total Annual Cost: ¹	\$3,430,000
Maximum Proposed Rental Rate: ²	\$49.00

Summary of Energy Compliance

GSA will incorporate energy efficiency requirements into the Solicitation for Offers and other documents related to the procurement of space for which this prospectus seeks authorization. GSA encourages offerors to work with energy service providers to exceed minimum requirements set forth in the procurement.

Authorization

- Approval of this prospectus by the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works will constitute authority to lease space in a facility that will yield the required area.
- Approval of this prospectus will constitute authority to provide an interim lease, if necessary, prior to the execution of the new lease.

¹ Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.

² This estimate is for fiscal year 2010 and may be escalated by 1.8 percent annually to the effective date of the lease to account for inflation.

GSA

PBS

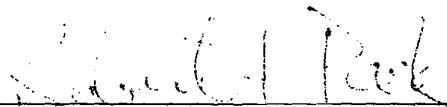
**PROSPECTUS – LEASE
DEPARTMENT OF THE TREASURY
WASHINGTON, DC**

Prospectus Number: PDC-16-WA10

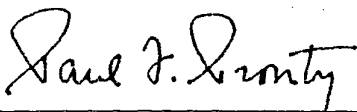
Certification of Need

The proposed project is the best solution to meet a validated Government need.

Submitted at Washington, DC, on September 11, 2009

Recommended: 

Commissioner, Public Buildings Service

Approved: 

Acting Administrator, General Services Administration

Washington, DC
PDC-16-WA10

Housing Plan
Department of the Treasury

April 2009

Locations	Current						Proposed					
	Personnel		Usable Square Feet (USF)				Personnel		Usable Square Feet (USF)			
	Office	Total	Office	Storage	Special	Total	Office	Total	Office	Storage	Special	Total
Treasury Annex												
Department of the Treasury	579	579	56,832	1,122	29,065	87,019	-	-	-	-	-	-
U.S. Secret Service	5	5	1,117	-	-	1,117	5	5	1,117	-	-	1,117
Subtotal	584	584	57,949	1,122	29,065	88,136	5	5	1,117	-	-	1,117
Proposed Lease												
Department of the Treasury*	-	-	-	-	-	-	300	300	55,834	600	1,900	58,334
Total	584	584	57,949	1,122	29,065	88,136	305	305	56,951	600	1,900	59,451

Utilization	Current	Proposed
Rate	77	145

Special Space	USF
Conference	800
Break room	250
Mail room	200
Reception	450
Copy room	200
Total	1,900

Current UR excludes 12,503 USF of office support space.
Proposed UR excludes 12,283 USF of office support space.

* 279 Treasury employees will be relocated to space in Main Treasury during the Annex renovation.

Usable square footage means the portion of the building available for use by tenants' personnel and furnishings, and space available jointly to the occupants of the building (e.g., auditorium, health units and snack bars). Usable square footage does not include space devoted to building operations and maintenance (e.g., craft shops, gear rooms, building supply rooms, rest rooms and lobbies).

Utilization	Current	Proposed
Rate	77	145

Current UR excludes 12,503 USF of office support space.
Proposed UR excludes 12,283 USF of office support space.

Special Space	USF
Conference	800
Break room	250
Mail room	200
Reception	450
Copy room	200
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* 279 Treasury employees will be relocated to space in Main Treasury during the Annex renovation.

Usable square footage means the portion of the building available for use by tenants' personnel and furnishings, and space available jointly to the occupants of the building (e.g., auditorium, health units and snack bars). Usable square footage does not include space devoted to building operations and maintenance (e.g., craft shops, gear rooms, building supply rooms, rest rooms and lobbies).



U.S. House of Representatives
Committee on Transportation and Infrastructure
Washington, DC 20515

James L. Oberstar
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Ranking Republican Member

David Heymsfeld, Chief of Staff
Ward W. McCarragher, Chief Counsel

COMMITTEE RESOLUTION

James W. Coon II, Republican Chief of Staff

LEASE
NATIONAL INSTITUTES OF HEALTH
NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES
SUBURBAN MARYLAND
PMD-01-WA10

Resolved by the Committee on Transportation and Infrastructure of the U.S. House of Representatives, that, pursuant to 40 U.S.C. § 3307, appropriations are authorized for a lease consolidation of up to 491,000 rentable square feet for the National Institutes of Health, National Institute of Allergy and Infectious Diseases, currently located in multiple buildings in the Rock Springs Office Park in Bethesda, MD, at a proposed total annual cost of \$16,694,000 for a lease term of up to 15 years, a prospectus for which is attached to and included in this resolution.

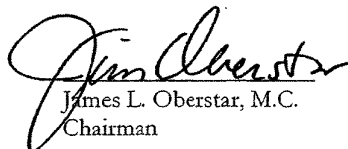
Approval of this prospectus constitutes authority to execute an interim lease for all tenants, if necessary, prior to the execution of the new lease.

Provided, that, to the maximum extent practicable, the Administrator of General Services shall require that the procurement includes minimum performance requirements requiring energy efficiency and the use of renewable energy.

Provided further, that the Administrator shall require that the delineated area of the procurement is identical to the delineated area included in the prospectus, except that, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator shall provide an explanatory statement to the Committee on Transportation and Infrastructure of the House of Representatives prior to exercising any lease authority provided in this resolution.

Provided further, that the General Services Administration shall not delegate to any other agency the authority granted by this resolution.

Adopted: July 1, 2010


James L. Oberstar, M.C.
Chairman

GSAPBS

**PROSPECTUS – LEASE
NATIONAL INSTITUTES OF HEALTH
NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES
SUBURBAN MARYLAND**

Prospectus Number: PMD-01-WA10
Congressional District: 8

Project Summary

The General Services Administration (GSA) proposes a lease consolidation of up to 491,000 rentable square feet (rsf) for the National Institutes of Health (NIH), National Institute of Allergy and Infectious Diseases (NIAID) currently located in multiple buildings in the Rock Springs Office Park in Bethesda, MD.

NIAID's Rock Springs location includes 159,731 rsf at 6700 Rockledge Boulevard under a lease which expires May 31, 2010. GSA obtained authority in PMD-01-WA09 to extend the lease at 6700 Rockledge Boulevard on a short-term basis to align with lease expirations in neighboring buildings in preparation for a consolidation. NIAID occupies an additional 200,269 rsf at 6610 Rockledge Drive and 10401 Fernwood Road. These locations were acquired by NIH under special leasing authority to meet emergency staff increases following the September 11, 2001 tragedy and subsequent anthrax attacks. At the time, Congress designated NIAID the lead agency to formulate a biodefense strategic research plan to address federally funded research involving highly infectious pathogens which threaten public health world-wide. Subsequent to completion of the biodefense strategic plan, NIAID was designated to lead the federal agenda for implementation and also expand oversight to include biomedical research programs addressing chemical, radioactive and chemical toxin public health threats. NIH acquired both Rockledge Drive and Fernwood Road as a temporary measure until consolidation was possible to address these expanding program needs. NIAID has a mission critical need for a lease consolidation.

NIAID has experienced more than a 30 percent increase in personnel since 2003 and expects continued growth until the anticipated delivery of their consolidated leased location in 2012. Their projected number of personnel is expected to reach 1,925 in 2009 and grow to 2,021 in 2012. NIAID personnel consist of federal staff, contractors, fellowship appointments, guest researchers, summer students, and volunteers.

NIAID's new consolidated location needs to be proximate to the NIH campus in Montgomery County, Maryland; NIH off-campus clusters; I-270, NW Beltway Spur; and the Metro along the Red Line as employees rely on the NIH shuttle service and public transit to make frequent trips to the NIH campus. Additionally, NIAID frequently hosts conferences/training sessions attended by representatives from other government agencies, health organizations/companies, and foreign dignitaries. Locating outside of the specified delineated area, in a location inaccessible by public transit, I-270, the Northwest Beltway Spur and away from other federal agencies, could negatively impact these functions.

GSAPBS

**PROSPECTUS – LEASE
NATIONAL INSTITUTES OF HEALTH
NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES
SUBURBAN MARYLAND**

Prospectus Number: PMD-01-WA10
Congressional District: 8

Acquisition Strategy

GSA may satisfy this requirement through a single award solicitation or as part of a multiple award solicitation.

Description

Occupants:	NIAID
Delineated Area:	-To the north: Muddy Branch Road to I-270 to I-370 - To the east: Crabbs Branch Way to E. Gude Drive to Norbeck Rd. to Viers Mill Rd. to Connecticut Ave - To the south: Western Ave. following the border of Southern Maryland up to the Clara Barton Pkwy. - To the west: Seven Locks Rd. to Wooten Pkwy. to Darnestown Rd. to Great Seneca Hwy. to Muddy Branch Rd.
Lease Type:	Consolidation
Justification:	Expiring Leases - 10410 Fernwood Rd. - 9/30/2011 6610 Rockledge Blvd. – 3/31/2012 6700 Rockledge Dr. – TBD to align with projected consolidation date in 2012
Expansion Space:	58,108 usable square feet
Number of Parking Spaces:	7 inside

GSAPBS

**PROSPECTUS – LEASE
NATIONAL INSTITUTES OF HEALTH
NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES
SUBURBAN MARYLAND**

Prospectus Number: PMD-01-WA10

Congressional District: 8

Scoring:	Operating lease
Proposed Maximum Leasing Authority:	15 years
Maximum Rentable Square Feet:	491,000
Current Total Annual Cost:	\$11,677,100
Proposed Total Annual Cost: ¹	\$ 16,694,000
Maximum Proposed Rental Rate: ²	\$ 34.00 per rsf

Summary of Energy Performance

GSA will incorporate energy efficiency requirements into the Solicitation for Offers and other documents related to the procurement of space for which this prospectus seeks authorization. GSA encourages offerors to work with energy service providers to exceed minimum requirements set forth in the procurement.

Authorization

- Approval of this prospectus by the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works will constitute authority to lease space in a facility that will yield the required rentable area.
- Approval of this prospectus will constitute authority to provide interim leases, if necessary, prior to the execution of the new lease.

¹ Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.

² This estimate is for fiscal year 2012 and may be escalated by 1.8 percent annually to the effective date of the lease to account for inflation.

GSA

PBS

**PROSPECTUS – LEASE
NATIONAL INSTITUTES OF HEALTH
NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES
SUBURBAN MARYLAND**

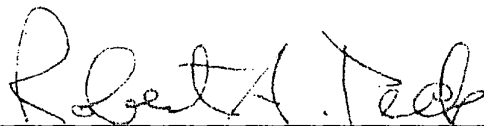
Prospectus Number: PMD-01-WA10
Congressional District: 8

Certification of Need

The proposed lease is the best solution to meet a validated Government need.

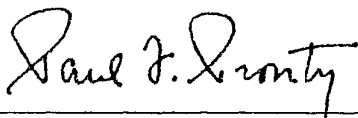
Submitted at Washington, DC, on September 11, 2009

Recommended: _____



Commissioner, Public Buildings Service

Approved: _____



Acting Administrator, General Services Administration

March 2009

Housing Plan
National Institutes of Health
National Institute of Health and Infectious Disease

Suburban MD
PMD-01-WA10

Locations	Current				Proposed			
	Personnel		Usable Square Feet (USF)		Personnel		Usable Square Feet (USF)	
	Office	Total	Office	Storage	Office	Total	Office	Storage
6700 B Rockledge Drive	602	602	126,200					
6700 A Rockledge Drive	50	50	6,000					
6610 Rockledge Drive	722	722	132,000					
10401 Fernwood Drive	311	311	42,400					
Visiting Federal Staff	23	23						
Contract staff currently in private lease proposed for inclusion, in support of NIAID								
Proposed Lease Consolidation	217	217	42,200					
Total:	1,925	1,925	348,800	-	2,021	2,021	387,038	24,870
								411,908
								411,908

	Current	Proposed
Utilization		
Rate	141	149

Current UR excludes 14,885 USF of office support space
Proposed UR excludes 15,827 USF of office support space

Special Space	
Data Center	5,000
Vending Machine	600
Dining/Conference Center	12,500
Concession Stand	900
Lactation Room	160
COOP Center	400
Health Center	150
Fitness Center	5,000
Lobby/Guards	120
ATM	40
Total:	24,870

USF means the portion of the building available for use by tenants' personnel and furnishings, and space available jointly to the occupants of the building.



U.S. House of Representatives
Committee on Transportation and Infrastructure
Washington, DC 20515

James L. Oberstar
Chairman

John L. Mica
Ranking Republican Member

David Heymsfeld, Chief of Staff
Ward W. McCarragher, Chief Counsel

COMMITTEE RESOLUTION

James W. Coon II, Republican Chief of Staff

LEASE
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION
SUBURBAN MARYLAND
PMD-02-WA10

Resolved by the Committee on Transportation and Infrastructure of the U.S. House of Representatives, that, pursuant to 40 U.S.C. § 3307, appropriations are authorized for a replacement lease of up to 986,000 rentable square feet for the National Oceanic and Atmospheric Administration (NOAA), currently located in Silver Spring Metro Center at 1315 East West Hwy, 1325 East West Hwy, and 1305 East West Hwy, Silver Spring, MD, at a proposed total annual cost of \$33,524,000 for a lease term of up to 15 years, a prospectus for which is attached to and included in this resolution.

Approval of this prospectus constitutes authority to execute interim leases for all tenants, if necessary, prior to the execution of the new lease.

Provided, that the General Services Administration shall extend current leases as necessary to ensure full competition, including proposals for new lease-construction, for the replacement lease.

Provided further, that, in the event that “best value” procedures are employed in the replacement lease procurement, and the source selection plan is structured such that technical factors in aggregate are more important than price, that the Administrator provide a detailed justification for this procurement structure to the Committee on Transportation and Infrastructure of the House of Representatives, prior to the inception of the procurement.

Provided further, that to the maximum extent practicable, the Administrator of General Services shall require that the procurement includes minimum performance requirements requiring energy efficiency and the use of renewable energy.

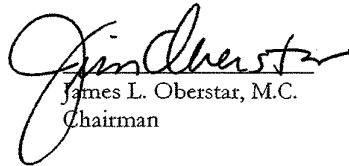
Provided further, that within two years of the adoption of this resolution, the Administrator shall provide the Committee on Transportation and Infrastructure of the House of Representatives, with a final housing plan approved by the Office of Management and Budget that provides for Federal Government ownership of the NOAA headquarters functions in the National Capital Region.

Provided further, that the Administrator shall require that the delineated area of the procurement is identical to the delineated area included in the prospectus, except that, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator shall provide an explanatory statement to the Committee on

Transportation and Infrastructure of the House of Representatives prior to exercising any lease authority provided in this resolution.

Provided further, that the General Services Administration shall not delegate to any other agency the authority granted by this resolution.

Adopted: July 1, 2010



James L. Oberstar, M.C.
Chairman

GSA**PBS**

**PROSPECTUS – LEASE
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION
SUBURBAN MARYLAND**

Prospectus Number: PMD-02-WA10
Congressional District: 8

Project Summary

The General Services Administration (GSA) proposes a replacement lease of up to 986,000 rentable square feet for National Oceanic and Atmospheric Administration (NOAA) currently located in Silver Spring Metro Center (SSMC) at 1315 East West Hwy, 1325 East West Hwy, and 1305 East West Hwy, Silver Spring, MD.

Silver Spring Metro Center consists of one federally-owned location and three leased locations. NOAA's headquarters campus in Silver Spring has increased by four other leased locations, all within walking distance of the Silver Spring Metro Center buildings.

Acquisition Strategy

GSA intends to conduct a procurement that addresses the expiring leases as one requirement. Since the leases housing NOAA are not conterminous, short-term extensions will be needed. GSA may satisfy this requirement through a single award solicitation or as part of a multiple award solicitation.

Description

Occupants:	NOAA
Delineated Area:	Suburban Maryland, Metro Proximate
Lease Type:	Replacement
Justification:	Expiring Leases 3/31/2010, 5/5/2013, and 6/26/2013
Expansion Space:	None
Number of Parking Spaces:	13
Scoring:	Operating lease
Proposed Maximum Leasing Authority:	15 years
Maximum Rentable Square Feet:	986,000
Current Total Annual Cost:	\$24,366,096
Proposed Total Annual Cost: ¹	\$33,524,000
Maximum Proposed Rental Rate: ²	\$34.00

¹Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.

²This estimate is for fiscal year 2013 and may be escalated by 1.8 percent annually to the effective date of the lease to account for inflation.

GSAPBS

**PROSPECTUS – LEASE
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION
SUBURBAN MARYLAND**

Prospectus Number: PMD-02-WA10
Congressional District: 8

Summary of Energy Compliance

GSA will incorporate energy efficiency requirements into the Solicitation for Offers and other documents related to the procurement of space for which this prospectus seeks authorization. GSA encourages offerors to work with energy service providers to exceed minimum requirements set forth in the procurement.

Authorization

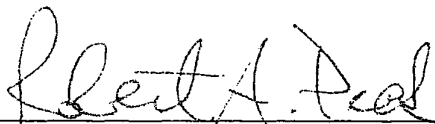
- Approval of this prospectus by the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works will constitute authority to lease space in a facility that will yield the required rentable area.
- Approval of this prospectus will constitute authority to provide interim leases, if necessary, prior to the execution of the new lease.

Certification of Need

The proposed lease is the best solution to meet a validated Government need.

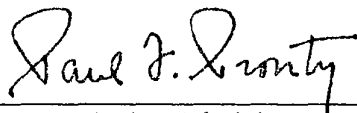
Submitted at Washington, DC, on September 11, 2009

Recommended: _____



Commissioner, Public Buildings Service

Approved: _____



Acting Administrator, General Services Administration

PMD-02-WA10
Suburban, MD

Housing Plan
NOAA

March 2009

Locations	Current					Proposed					
	Personnel		Usable Square Feet (USF)			Personnel		Usable Square Feet (USF)			
	Office	Total	Office	Storage	Special	Total	Office	Total	Storage	Special	Total
1325 East West Highway	1,158	1,158	190,445		56,003	246,448					
1315 East West Highway	1,810	1,810	298,836	1,070	117,971	417,877					
1305 East West Highway	785	785	121,413	1,409	34,047	156,869					
Proposed Lease	-	-	-	-	-	-	3,753	3,753	610,694	208,021	821,194
Total	3,753	3,753	610,694	2,479	208,021	821,194	3,753	3,753	610,694	208,021	821,194

Special Space	USF
ADP	41,887
Auditorium	56,725
Conference	76,359
Food Service	16,071
Health Unit	2,170
Laboratory	4,489
Fitness Center	6,538
Child Care	3,782
Total	208,021

Current UR excludes 134,353 USF of Office for support space
Proposed UR excludes 134,353 USF of office for support space

Utilization	Current	Proposed
Rate	127	127

Usable square footage means the portion of the building available for use by tenants' personnel and furnishings, and space available jointly to the occupants of the building (e.g., auditorium, health units and snack bars). Usable square footage does not include space devoted to building operations and maintenance (e.g., craft shops, building supply rooms, rest rooms and lobbies).



U.S. House of Representatives
Committee on Transportation and Infrastructure
Washington, DC 20515

James L. Oberstar
Chairman

John L. Mica
Ranking Republican Member

David Heymsfeld, Chief of Staff
Ward W. McCarragher, Chief Counsel

James W. Coon II, Republican Chief of Staff

COMMITTEE RESOLUTION

LEASE
DEPARTMENT OF DEFENSE
MEDICAL COMMAND HEADQUARTERS
NORTHERN VIRGINIA
PVA-04-WA10

Resolved by the Committee on Transportation and Infrastructure of the U.S. House of Representatives, that, pursuant to 40 U.S.C. § 3307, appropriations are authorized for a new lease of up to 751,000 rentable square feet for the Department of Defense Medical Command Headquarters, currently located at multiple leased and government owned locations throughout the Washington Metropolitan region, at a proposed total annual cost of \$30,040,000 for a lease term of up to 15 years, a prospectus for which is attached to and included in this resolution.

Approval of this prospectus constitutes authority to execute interim leases for all tenants, if necessary, prior to the execution of the new lease.

Provided, that, to the maximum extent practicable, the Administrator of General Services shall require that the procurement includes minimum performance requirements requiring energy efficiency and the use of renewable energy.

Provided further, that the Administrator shall require that the delineated area of the procurement is identical to the delineated area included in the prospectus, except that, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator shall provide an explanatory statement to the Committee on Transportation and Infrastructure of the House of Representatives prior to exercising any lease authority provided in this resolution.

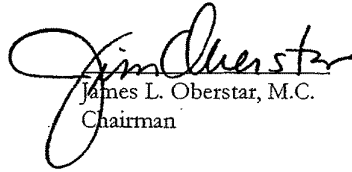
Provided further, that the Administrator is authorized to apply only the security standards promulgated by the Interagency Security Committee (ISC) to this lease procurement, given that the space will not be housed on a military installation, unless the Administrator determines that to comply only with the ISC criteria would jeopardize compliance with the Base Realignment and Closure requirement that the medical command headquarters be relocated by September 15, 2011.

July 1, 2010

12663

Provided further, that the General Services Administration shall not delegate to any other agency the authority granted by this resolution.

Adopted: July 1, 2010


James L. Oberstar, M.C.
Chairman

GSAPBS

**PROSPECTUS – LEASE
DEPARTMENT OF DEFENSE
MEDICAL COMMAND HEADQUARTERS
NORTHERN VIRGINIA**

Prospectus Number: PVA-04-WA10

Congressional Districts: 8,10,11

Project Summary

The General Services Administration (GSA) proposes a new lease of up to 751,000 rentable square feet (rsf) and four parking spaces to house the components of the Department of Defense (DOD) Medical Command Headquarters in one or more buildings on a single, contiguous site. These components are currently located at multiple leased and government owned locations throughout the Washington Metropolitan region. Compliance with the DOD Uniform Facility Code Anti-Terrorism Standards requires DOD control of the site.

The 2005 Base Realignment and Closure (BRAC) recommendations directed DOD to

“Realign the Potomac Annex, DC. Realign Bolling Air Force Base, DC. Realign Skyline, leased space in Falls Church, VA. Collocate the Navy Bureau of Medicine, Office of the Surgeon General of the Air Force, the Air Force Medical Operating Activity, and the Air Force Medical Support Activity, Office of the Secretary of Defense (Health Affairs), Tricare Management Activity, Office of the Army Surgeon General and US Army Medical Command to a single, contiguous site that meets the current Department of Defense AntiTerrorism Force Protection standards for new construction at either the National Naval Medical Center, Bethesda, MD, Bolling Air Force Base, DC, or federally owned or leased space in the National Capital Region and consolidate common support activity.”

DOD must close and realign all installations in accordance with the BRAC Commission's recommendations, as transmitted to Congress by the President in a September 15, 2005 report. The implementation process must begin within two years of the transmission of the report and be completed within six years of that transmission. Thus, in accordance with BRAC Act of 1990 (P.L. 101-510, as amended), DOD is legally obligated to relocate all functions by September 15, 2011.

The majority of the Medical Command Headquarters components currently occupy leased space in multiple buildings in Northern Virginia, all with differing lease expirations. The current leased locations do not comply with DOD Minimum Anti-Terrorism Standards for Buildings effective for all leases that expire in FY 2009 and beyond. The new leased location must comply with these standards. Most current leases expire before September 15, 2011 and will require short-term extensions. GSA will negotiate for lease terms that provide flexibility to align with the consolidation date and minimize vacancy risk. The components of the Medical Command Headquarters will also relocate from government owned facilities at Bolling Air Force Base and the Potomac Annex as part of this BRAC action. The space at Bolling AFB will be backfilled

GSAPBS

**PROSPECTUS – LEASE
DEPARTMENT OF DEFENSE
MEDICAL COMMAND HEADQUARTERS
NORTHERN VIRGINIA**

Prospectus Number: PVA-04-WA10

Congressional Districts: 8,10,11

with another DOD occupant as part of the 2005 BRAC realignment and the Potomac Annex will be realigned by the Department of the Navy.

The components of the Medical Command Headquarters will collocate six non-BRAC organizations to the proposed lease site. These organizations are part of the components' headquarters and perform medical headquarters functions in support of the overall mission that are best operated if located together. Most of these entities will relocate from small blocks of government owned space throughout the country. The spaces occupied by four of the six organizations are parts of larger federally owned installations and will be backfilled with other DOD tenants. Two organizations are currently in leased space and will terminate their financial obligations when they relocate to the new facility.

Justification

In 2006, DOD conducted an analysis of 17 alternative site options and identified five for further investigation. Three options included new construction at National Naval Medical Center Bethesda, Bolling Air Force Base, and Washington Navy Yard /Anacostia. A fourth option entailed renovation of the National Geospatial Intelligence Agency's (NGA) Sumner complex while the fifth option proposed consideration of leasing an appropriate facility at a site within the National Capital Region.

After review of the three construction sites, DOD concluded none was viable, because each site presented significant challenges associated with site constraints, transportation, and traffic management.

Following an extensive, independent analysis of the NGA Sumner Complex, DOD determined that its renovation was not viable. The analysis showed that approximately 400,000 square feet of the primary buildings could not be effectively renovated to achieve compliance with Anti-Terrorism/Force-Protection standards, which is a specific legal obligation of this BRAC recommendation. Additionally, the Sumner Complex is currently occupied and cannot be renovated until NGA moves to its new facility at Fort Belvoir, currently planned for mid/late 2011. Even if renovations of the Sumner Complex were practicable, DOD could not effect such renovations in time to meet the BRAC deadline.

After concluding that construction of new facilities or renovation of the Sumner Complex was not viable, the decision to lease was made at the highest acquisition levels of the Department. The Infrastructure Steering Group, which serves as the principal oversight body for BRAC implementation, and the Office of General Counsel forwarded their recommendation to the

GSA

PBS

**PROSPECTUS – LEASE
DEPARTMENT OF DEFENSE
MEDICAL COMMAND HEADQUARTERS
NORTHERN VIRGINIA**

Prospectus Number: PVA-04-WA10
Congressional Districts: 8,10,11

Deputy Secretary of Defense. In March 2008, the Under Secretary of Defense for Acquisition, Technology, and Logistics directed pursuit of leased space to accommodate the Medical Command Headquarters. However, because ownership is in the long-term best interest of the Government, GSA will seek to include purchase options in any lease agreement entered into under the authority of this prospectus. Exercise of any purchase option will require additional congressional authorization and will be based on the future availability of funds.

Description

Occupants:	Department of Defense Medical Command Headquarters
Delineated Area:	Northern Virginia
Lease Type:	Consolidation
Justification:	BRAC Recommendations and DOD Anti-Terrorism Standards Compliance
Expansion Space:	94,688 usable square feet
Number of Parking Spaces ¹ :	4 (Official Government vehicles)
Scoring:	Operating lease
Proposed Maximum Leasing Authority:	15 years
Maximum Rentable Square Feet:	751,000
Current Total Annual Cost:	\$7,147,728 (Does not include cost to operate federally owned locations)
Proposed Total Annual Cost ² :	\$30,040,000
Maximum Proposed Rental Rate ³ :	\$40.00

Summary of Energy Compliance

GSA will incorporate energy efficiency requirements into the Solicitation for Offers and other documents related to the procurement of space for which this prospectus seeks authorization.

¹ The Department of Defense security requirements may necessitate control of the parking at the leased location. This may be accomplished as a lessor-furnished service, as a separate operating agreement with the lessor, or as part of the Government's leasehold interest in the building.

² Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.

³ This estimate is for fiscal year 2012 and may be escalated by 1.8 percent annually to the effective date of the lease to account for inflation.

GSAPBS

**PROSPECTUS – LEASE
DEPARTMENT OF DEFENSE
MEDICAL COMMAND HEADQUARTERS
NORTHERN VIRGINIA**

Prospectus Number: PVA-04-WA10

Congressional Districts: 8,10,11

GSA encourages offerors to work with energy service providers to exceed minimum requirements set forth in the procurement.

Authorization

Approval of this prospectus by the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works will constitute authority to lease space in one or more buildings on a single, contiguous site that will yield the required rentable area.

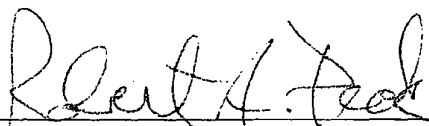
Approval of this prospectus will also constitute authority to enter into interim leases prior to occupancy of the space provided under the new lease.

Certification of Need

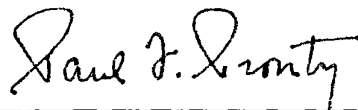
The proposed project is the best solution to meet a validated Government need.

Submitted at Washington, DC, on September 11, 2009

Recommended: _____


Commissioner, Public Buildings Service

Approved: _____



Acting Administrator, General Services Administration

March 20,

Houston, Texas
Department of Defense
Medical Command Headquarters

Norfolk, Virginia
PVA-04-WA10

Locations	Current				Proposed			
	Personnel		Usable Square Feet (USF)		Personnel		Usable Square Feet (USF)	
	Office	Total	Office	Storage	Special	Total	Office	Storage
Licensed Buildings								
*Hoffman Complex	10	10	1,010		192	1,201	7	1,191
*Rosslyn	90	90	11,440		2,171	13,611	84	13,499
Skyline I	255	255	33,647		6,195	38,842	251	38,523
Skyline III	239	239	28,251		5,361	33,612	233	33,336
Skyline IV	415	415	52,991		10,056	63,047	401	62,529
Skyline V	475	475	72,864		13,827	86,691	458	85,979
Skyline VI	842	842	95,606		18,143	113,749	833	112,815
**DoD/VA IT Integration Office							40	8,557
Government Owned Buildings								
Bolling AFB	239	239	39,352		7,468	46,820	232	46,436
*Fort Detrick, MD	12	12	1,849		351	2,200	12	2,182
*San Antonio, TX	69	69	10,842		2,058	12,900	66	12,794
*Fort Gordon, GA	14	14	2,101		399	2,500	14	2,479
*Great Lakes, IL	96	96	16,390		3,110	19,500	90	19,340
Potomac Annex	513	513	80,939		15,360	96,298	499	95,507
Total	3,269	3,269	446,281	-	84,690	530,971	3,220	535,169
								90,490
								625,659

Utilization	Current	Proposed
Rate	106	130

Current UR excludes 98,182 USF of Office for support space

Proposed UR excludes 117,737 USF of office for support space

Special Space	USF
Conf Room	26,600
Reception	1,840
Food Service	5,000
Break Areas	2,400
Training Areas	5,000
Records/Storage	17,700
Server/Lan/Ops	16,950
Mail Room	2,000
Copier Room	500
Medical	
Library/History	8,500
SCIF	1,000
Fitness/Locker	3,000
Total	90,490

*Non-BRAC - conjunctively funded and part of collocation

**New mission requirement with approved FTE's - not housed at this time

Usable square footage means the portion of the building available for use by tenants' personnel and furnishings, and space available jointly to the occupants of the building (e.g., auditorium, health units and snack bars). Usable square footage does not include space devoted to building operations and maintenance (e.g., craft shops, building supply rooms, rest rooms and lobbies).



U.S. House of Representatives
Committee on Transportation and Infrastructure
Washington, DC 20515

James L. Oberstar
Chairman

David Heymsfeld, Chief of Staff
Ward W. McCarragher, Chief Counsel

John L. Mica
Ranking Republican Member

James W. Coon II, Republican Chief of Staff

COMMITTEE RESOLUTION


LEASE
DEPARTMENT OF DEFENSE
SKYLINE PLACE
NORTHERN VIRGINIA
PVA-03-WA10

Resolved by the Committee on Transportation and Infrastructure of the U.S. House of Representatives, that, pursuant to 40 U.S.C. § 3307, appropriations are authorized for short-term lease extensions of up to 402,822 rentable square feet for the Department of Defense currently located at the Skyline Place, 5275 Leesburg Pike, Falls Church, VA, at a proposed total annual cost of \$15,307,236 for a lease term of up to two years, a prospectus for which is attached to and included in this resolution.

Provided, that, to the maximum extent practicable, the Administrator of General Services shall require that the procurement includes minimum performance requirements requiring energy efficiency and the use of renewable energy.

Provided further, that the General Services Administration shall not delegate to any other agency the authority granted by this resolution.

Adopted: July 1, 2010


James L. Oberstar, M.C.
Chairman

GSAPBS

**PROSPECTUS – LEASE
DEPARTMENT OF DEFENSE
SKYLINE PLACE
NORTHERN VIRGINIA**

Prospectus Number: PVA-03-WA10
Congressional District: 8

Project Summary

The General Services Administration (GSA) proposes short term lease extensions for up to 402,822 rentable square feet (rsf) for the Department of Defense (DOD) located at the Skyline Place, 5275 Leesburg Pike, Falls Church, VA.

The 2005 Base Realignment and Closure Act (BRAC) requires that DOD tenants in leased space relocate to DOD owned space by September 2011. The current leases expire September 16 and October 3, 2011 and may need to be extended in the event that DOD is unable to move by September 2011. Since this is a short-term requirement, GSA has determined that it is not practical to consider relocating DOD prior to their BRAC relocation date.

Description

Occupants:	DOD
Delineated Area:	5275 Leesburg Pike Falls Church, VA
Lease Type:	Extension
Justification:	Expiring leases (9/16/11 & 10/03/11)
Expansion Space:	None
Number of Parking Spaces ¹ :	50 Official Government Vehicles
Scoring:	Operating lease
Proposed Maximum Leasing Authority:	2 years
Maximum Rentable Square Feet:	402,822 rsf
Current Total Annual Cost:	\$10,265,843
Proposed Total Annual Cost ² :	\$15,307,236
Maximum Proposed Rental Rate ³ :	\$ 38.00 per rsf

¹ The Department of Defense security requirements may necessitate control of the parking at the leased location. This may be accomplished as a lessor-furnished service, as a separate operating agreement with the lessor, or as part of the Government's leasehold interest in the building.

² Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.

³ This estimate is for fiscal year 2011 and may be escalated by 1.8 percent annually to the effective date of the lease to account for inflation.

GSA

PBS

**PROSPECTUS – LEASE
DEPARTMENT OF DEFENSE
SKYLINE PLACE
NORTHERN VIRGINIA**

Prospectus Number: PVA-03-WA10
Congressional District: 8

Authorization

Approval of this prospectus by the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works will constitute authority to lease space in a facility that will yield the required rentable area.

Approval of this prospectus will constitute authority to provide an interim lease, if necessary, prior to the execution of the new lease.

Certification of Need

The proposed project is the best solution to meet a validated Government need.

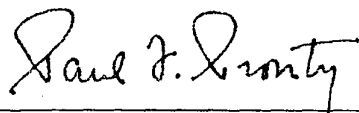
Submitted at Washington, DC, on September 11, 2009

Recommended: _____



Commissioner, Public Buildings Service

Approved: _____



Acting Administrator, General Services Administration

Northern Virginia
PVA-03-WA10

Housing Plan
Department of Defense
Skyline Place

March 2009

Locations	Current				Proposed			
	Personnel		Usable Square Feet (USF)		Personnel		Usable Square Feet (USF)	
	Office	Total	Office	Storage	Office	Total	Storage	Special
Skyline Place	2,045	2,045	194,183		2,045	2,045		168,900
Total	2,045	2,045	194,183	-	2,045	2,045	-	168,900
								363,083

Utilization Rate	Current	Proposed
	74	74

Current UR excludes 59,850 USF of office support space
Proposed UR excludes 59,850 USF of office support space

Usable square footage means the portion of the building available for use by tenants' personnel and furnishings; and space available jointly to the occupants of the building (e.g., auditorium, health units and snack bars). Usable square footage does not include space devoted to building operations and maintenance (e.g., craft shops, gear rooms, building supply rooms, rest rooms and lobbies).

Special Space	USF
Loading Dock	6,900
Mail Room	1,840
ADP	35,910
Network Operations	2,741
Conference/Training	13,373
Fitness Center	1,380
Nonstandard	
Mechanical/Electrical Rooms	53,616
SCIF	53,140
Total	168,900



U.S. House of Representatives
Committee on Transportation and Infrastructure
 Washington, DC 20515

James L. Oberstar
 Chairman

John L. Mica
 Ranking Republican Member

David Heymsfeld, Chief of Staff
 Ward W. McCarragher, Chief Counsel

James W. Coon II, Republican Chief of Staff

COMMITTEE RESOLUTION

LEASE
 DEPARTMENT OF STATE
 ARCHITECTS BUILDING
 NORTHERN VIRGINIA
 PVA-07-WA10

Resolved by the Committee on Transportation and Infrastructure of the U.S. House of Representatives, that, pursuant to 40 U.S.C. § 3307, appropriations are authorized for a replacement lease of up to 118,000 rentable square feet for the Department of State currently located in the Architects Building at 1400 Wilson Boulevard in Arlington, VA, at a proposed total annual cost of \$4,484,000 for a lease term of up to 15 years, a prospectus for which is attached to and included in this resolution.

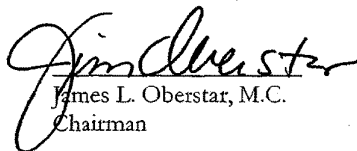
Approval of this prospectus constitutes authority to execute an interim lease for all tenants, if necessary, prior to the execution of the new lease.

Provided, that, to the maximum extent practicable, the Administrator of General Services shall require that the procurement includes minimum performance requirements requiring energy efficiency and the use of renewable energy.

Provided further, that the Administrator shall require that the delineated area of the procurement is identical to the delineated area included in the prospectus, except that, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator shall provide an explanatory statement to the Committee on Transportation and Infrastructure of the House of Representatives prior to exercising any lease authority provided in this resolution.

Provided further, that the General Services Administration shall not delegate to any other agency the authority granted by this resolution.

Adopted: July 1, 2010


 James L. Oberstar, M.C.
 Chairman

GSAPBS

**PROSPECTUS – LEASE
DEPARTMENT OF STATE
ARCHITECTS BUILDING
NORTHERN VIRGINIA**

Prospectus Number: PVA-07-WA10
Congressional District: 8

Project Summary

The General Services Administration (GSA) proposes a replacement lease of up to 118,000 rentable square feet (rsf) for the Department of State (DOS) currently located in the Architects Building at 1400 Wilson Boulevard in Arlington, VA.

Acquisition Strategy

In order to maximize flexibility in acquiring space for State Department elements currently housed in the Architects Building and Pomponio Plaza East (Prospectus Number: PVA-06-WA10), GSA may issue a single, multiple award lease solicitation that will allow offerors to provide blocs of space able to meet these requirements in whole or in part. All offers must provide space consistent with the delineated area defined by this prospectus in the description that follows.

Description

Occupants:	Department of State
Delineated Area:	Rosslyn, Virginia
Lease Type:	Replacement
Justification:	Expiring Lease (04/17/10)
Expansion Space:	None
Number of Parking Spaces ¹ :	251 Inside
Scoring:	Operating lease
Proposed Maximum Leasing Authority:	15 years
Maximum Rentable Square Feet:	118,000
Current Total Annual Cost:	\$2,747,971
Proposed Total Annual Cost: ²	\$4,484,000
Maximum Proposed Rental Rate ³ :	\$38.00

¹ DOS security requirements may necessitate control of parking at the location leased. This may be accomplished as a lessor furnished service, under an operating agreement with the lessor, or as part of the Government's leasehold interest in the building(s). Any parking included in the Government's leasehold interest may result in a total proposed annual cost in excess of the amounts indicated above.

² Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.

³ This estimate is for fiscal year 2010 and may be escalated by 1.8 percent annually to the effective date of the lease to account for inflation.

GSAPBS

**PROSPECTUS – LEASE
DEPARTMENT OF STATE
ARCHITECTS BUILDING
NORTHERN VIRGINIA**

Prospectus Number: PVA-07-WA10
Congressional District: 8

Energy Performance

GSA will incorporate energy efficiency requirements into the Solicitation for Offers and other documents related to the procurement of space for which this prospectus seeks authorization. GSA encourages offerors to work with energy service providers to exceed minimum requirements set forth in the procurement.

Authorization

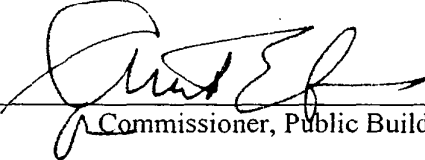
- Approval of this prospectus by the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works will constitute authority to lease space in a facility that will yield the required rentable area.
- Approval of this prospectus will constitute authority to provide an interim lease, if necessary, prior to the execution of the new lease.

Certification of Need

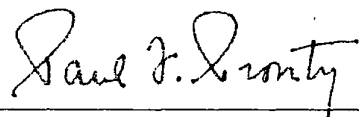
The proposed project is the best solution to meet a validated Government need.

Submitted at Washington, DC, on September 11, 2009

Recommended: _____


Commissioner, Public Buildings Service

Approved: _____


Acting Administrator, General Services Administration



U.S. House of Representatives
Committee on Transportation and Infrastructure

James L. Oberstar
Chairman

Washington, DC 20515

John L. Mica
Ranking Republican Member

David Heymsfeld, Chief of Staff
Ward W. McCarragher, Chief Counsel

COMMITTEE RESOLUTION

James W. Coon II, Republican Chief of Staff

LEASE
DEPARTMENT OF STATE
POMPONIO PLAZA EAST
NORTHERN VIRGINIA
PVA-06-WA10

Resolved by the Committee on Transportation and Infrastructure of the U.S. House of Representatives, that, pursuant to 40 U.S.C. § 3307, appropriations are authorized for a replacement/expansion lease of up to 243,000 rentable square feet for the Department of State Office of the Coordinator for Reconstruction and Stabilization Division and Bureau of Diplomatic Security currently located in the Pomponio Plaza East building at 1800 North Kent Street, Arlington, VA, at a proposed total annual cost of \$9,234,000 for a lease term of up to 15 years, a prospectus for which is attached to and included in this resolution.

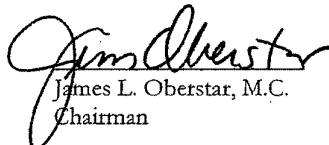
Approval of this prospectus constitutes authority to execute an interim lease for all tenants, if necessary, prior to the execution of the new lease.

Provided, that, to the maximum extent practicable, the Administrator of General Services shall require that the procurement includes minimum performance requirements requiring energy efficiency and the use of renewable energy.

Provided further, that the Administrator shall require that the delineated area of the procurement is identical to the delineated area included in the prospectus, except that, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator shall provide an explanatory statement to the Committee on Transportation and Infrastructure of the House of Representatives prior to exercising any lease authority provided in this resolution.

Provided further, that the General Services Administration shall not delegate to any other agency the authority granted by this resolution.

Adopted: July 1, 2010


James L. Oberstar, M.C.
Chairman

GSAPBS

**PROSPECTUS – LEASE
DEPARTMENT OF STATE
POMPONIO PLAZA EAST
NORTHERN VIRGINIA**

Prospectus Number: PVA-06-WA10
Congressional District: 8

Project Summary

The General Services Administration (GSA) proposes a replacement/expansion lease of up to 243,000 rentable square feet of space (rsf) of space for the Department of State's (DOS) Office of the Coordinator for Reconstruction and Stabilization (CRS) Division and Bureau of Diplomatic Security (DS). The CRS Division is currently located in the Pomponio Plaza East building at 1800 North Kent Street, Arlington, VA.

The proposed lease will include up to 74,689 rsf of expansion space, which will allow DOS to house approximately 125 new CRS employees and approximately 250 new DS employees in the Rosslyn, VA area.

Acquisition Strategy

In order to maximize flexibility in acquiring space for State Department elements currently housed in Pomponio Plaza East and the Architects Building (Prospectus Number: PVA-07-WA10), GSA may issue a single, multiple award lease solicitation that will allow offerors to provide blocs of space able to meet these requirements in whole or in part. All offers must provide space consistent with the delineated area defined by this prospectus in the description that follows.

Description

Occupants:	Department of State
Delineated Area:	Rosslyn, VA
Lease Type:	Replacement/Expansion
Justification:	Expiring Lease (04/30/10)
Expansion Space:	74,689

GSA**PBS**

**PROSPECTUS – LEASE
DEPARTMENT OF STATE
POMPONIO PLAZA EAST
NORTHERN VIRGINIA**

Prospectus Number: PVA-06-WA10
Congressional District: 8

Number of Parking Spaces ¹ :	14 inside
Scoring:	Operating Lease
Proposed Maximum Leasing Authority:	15 years
Maximum Rentable Square Feet:	243,000
Current Total Annual Cost:	\$4,786,190
Proposed Total Annual Cost ² :	\$9,234,000
Maximum Proposed Rental Rate ³ :	\$38.00

Energy Performance

GSA will incorporate energy efficiency requirements into the Solicitation for Offers and other documents related to the procurement of space for which this prospectus seeks authorization. GSA encourages offerors to work with energy service providers to exceed minimum requirements set forth in the procurement.

Authorization

- Approval of this prospectus by the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works will constitute authority to lease space in a facility that will yield the required rentable area.
- Approval of this prospectus will constitute authority to provide an interim lease, if necessary, prior to the execution of the new lease.

¹ DOS security requirements may necessitate control of parking at the location leased. This may be accomplished as a lessor furnished service, under an operating agreement with the lessor, or as part of the Government's leasehold interest in the building(s). Any parking included in the Government's leasehold interest may result in a total proposed annual cost in excess of the amounts indicated above.

² Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.

³ This estimate is for fiscal year 2010 and may be escalated by 1.8 percent annually to the effective date of the lease to account for inflation.

GSAPBS

**PROSPECTUS – LEASE
DEPARTMENT OF STATE
POMPONIO PLAZA EAST
NORTHERN VIRGINIA**

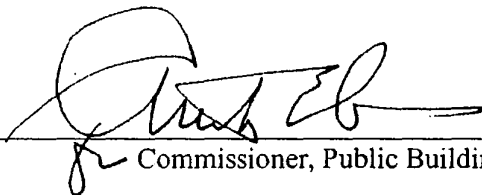
Prospectus Number: PVA-06-WA10
Congressional District: 8

Certification of Need

The proposed project is the best solution to meet a validated Government need.

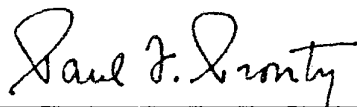
Submitted at Washington, DC, on September 11, 2009

Recommended



Commissioner, Public Buildings Service

Approved



Acting Administrator, General Services Administration

May 2009

Housing Plan
Department of State
Pomponio Plaza East

Northern Virginia
PVA-06-WA10

Locations	Current					Proposed				
	Personnel		Usable Square Feet (USF)			Personnel		Usable Square Feet (USF)		
	Office	Total	Office	Storage	Special	Office	Total	Office	Storage	Special
1800 North Kent Street	820	820	151,154	6,400	9,600	1,195	1,195	195,825	8,703	13,055
Total	820	820	151,154	6,400	9,600	1,195	1,195	195,825	8,703	13,055

Utilization	Current	Proposed
Rate	144	128

Current UR excludes 33,254 USF of Office for support space
Proposed UR excludes 43,082 USF of office for support space

Special Space	USF
Library	2,611
Conference Center	5,222
Server Room	5,222
Total	13,055

Usable square footage means the portion of the building available for use by tenants' personnel and furnishings, and space available jointly to the occupants of the building (e.g., auditorium, health units and snack bars). Usable square footage does not include space devoted to building operations and maintenance (e.g., craft shops, gear rooms, building supply rooms, rest rooms and lobbies).



U.S. House of Representatives
Committee on Transportation and Infrastructure
Washington, DC 20515

James L. Oberstar
Chairman

John L. Mica
Ranking Republican Member

David Heymsfeld, Chief of Staff
Ward W. McCarragher, Chief Counsel

COMMITTEE RESOLUTION

James W. Coon II, Republican Chief of Staff

LEASE
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
ATLANTA, GEORGIA
PGA-01-AT10

Resolved by the Committee on Transportation and Infrastructure of the U.S. House of Representatives, that, pursuant to 40 U.S.C. § 3307, appropriations are authorized for a new lease of up to 165,000 rentable square feet for the Department of Housing and Urban Development currently located at Five Points Plaza, 40 Marietta Street, and the Richard B. Russell Federal Building, 75 Spring Street, in Atlanta, GA, at a proposed total annual cost of \$5,445,000 for a lease term of up to 15 years, a prospectus for which is attached to and included in this resolution.


Approval of this prospectus constitutes authority to execute an interim lease for all tenants, if necessary, prior to the execution of the new lease.

Provided, that, to the maximum extent practicable, the Administrator of General Services shall require that the procurement includes minimum performance requirements requiring energy efficiency and the use of renewable energy.

Provided further, that the Administrator shall require that the delineated area of the procurement is identical to the delineated area included in the prospectus, except that, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator shall provide an explanatory statement to the Committee on Transportation and Infrastructure of the House of Representatives prior to exercising any lease authority provided in this resolution.

Provided further, that the General Services Administration shall not delegate to any other agency the authority granted by this resolution.

Adopted: July 1, 2010


James L. Oberstar, M.C.
Chairman

GSAPBS

**PROSPECTUS - LEASE
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
ATLANTA, GA**

Prospectus Number: PGA-01-AT10
Congressional District: 05

Project Summary

The General Services Administration (GSA) proposes a new lease of up to 165,000 rentable square feet (rsf) with 24 inside secured parking spaces for the Department of Housing and Urban Development (HUD), currently located at Five Points Plaza, 40 Marietta Street, and the Richard B. Russell Federal Building, 75 Spring Street, in Atlanta, GA.

With the Atlanta HUD offices currently split between two locations, absorption of an anticipated staffing increase of 65 positions is problematic. The existing HUD facilities are incapable of providing the increased square footage necessary to support new functions and do not currently meet HUD's requirement for sufficient meeting and training space. In addition, the current leased location suffers from heating and cooling extremes, offers poor configuration, and does not provide a loading dock, service elevator, or ADA-compliant handicapped parking.

The lease at 40 Marietta Street expires on March 19, 2019 with an early termination date of March 20, 2011. The Russell Federal Building will be backfilled with expiring leases, serve as swing space, or will be used to meet further federal tenant space expansion requests.

Summary of Energy Compliance

GSA will incorporate energy efficiency requirements into the Solicitation for Offers and other documents related to the procurement of space for which this prospectus seeks authorization. GSA encourages offerors to work with energy service providers to exceed minimum requirements set forth in the procurement.

GSAPBS

**PROSPECTUS - LEASE
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
ATLANTA, GA**

Prospectus Number: PGA-01-AT10
Congressional District: 05

Description

Occupants:	HUD
Delineated Area:	North: 10th Street; East: Boulevard; South: 1-20/Abernathy; West Northside Dr.
Lease Type:	New
Justification:	Consolidation, Expanded Mission
Number of Parking Spaces:	24 inside parking spaces
Expansion Space:	11,118 rsf
Scoring:	Operating Lease
Proposed Maximum Leasing Authority:	15 years
Maximum Rentable Square Feet:	165,000
Current Total Annual Cost:	\$2,446,849
Proposed Total Annual Cost ¹ :	\$5,445,000
Maximum Proposed Rental Rate ² :	\$33.00 per rentable square foot

Authorizations

- Approval of this prospectus by the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works will constitute authority to lease space in a facility that will yield the required area.
- Approval of this prospectus will constitute authority to provide an interim lease, if necessary, prior to the execution of the new lease.

¹Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.

²This estimate is for fiscal year 2011 and may be escalated by 1.8 percent annually to the effective date of the lease to account for inflation.

GSA

PBS

**PROSPECTUS - LEASE
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
ATLANTA, GA**

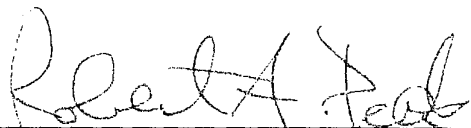
Prospectus Number: PGA-01-AT10
Congressional District: 05

Certification of Need

The proposed project is the best solution to meet a validated Government need.

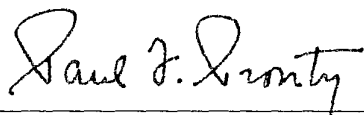
Submitted at Washington, DC, on September 11, 2009

Recommended:



Commissioner, Public Buildings Service

Approved:



Acting Administrator, General Services Administration

June 2009

Department of Housing and Urban Development
Housing Plan

Atlanta, GA
PGA-01-AT10

Locations	Current			Proposed		
	Personnel Office	Total	Usable Square Feet (USF) Office	Storage	Special	Total
FIVE POINTS PLAZA						
40 Marietta Street	344	344	104,816	0	0	0
RICHARD B. RUSSELL						
75 Spring Street	76	76	21,373	1,133	913	23,419
New Lease						
Total:	420	420	126,189	1,133	913	128,235

Current	Proposed
Utilization	
Rate	234
	170

Current UR excludes 27,762 USF of office support space
Proposed UR excludes 23,207 USF of office support space

Special Space	
Clinic	233
Conf/Tmg/Interview Room	15,526
Library	776
ADP	3,105
Food Service	311
Mail Rooms	3,881
Secured Room	233
Total:	24,065

USF means the portion of the building available for use by a tenant's personnel and furnishings and space available jointly to the occupants of the building.



U.S. House of Representatives
Committee on Transportation and Infrastructure
Washington, DC 20515

James L. Oberstar
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John L. Mica
Ranking Republican Member

James W. Coon II, Republican Chief of Staff

COMMITTEE RESOLUTION

LEASE
INTERNAL REVENUE SERVICE
BROOKLYN, NY
PNY-03-NY10

Resolved by the Committee on Transportation and Infrastructure of the U.S. House of Representatives, that, pursuant to 40 U.S.C. § 3307, appropriations are authorized for a replacement lease of up to 120,000 rentable square feet for the Internal Revenue Service, currently located at 10 MetroTech Center, Brooklyn, NY, at a proposed total annual cost of \$6,600,000 for a lease term of up to 10 years, a prospectus for which is attached to and included in this resolution.

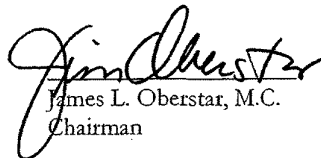
Approval of this prospectus constitutes authority to execute an interim lease for all tenants, if necessary, prior to the execution of the new lease.

Provided, that, to the maximum extent practicable, the Administrator of General Services shall require that the procurement includes minimum performance requirements requiring energy efficiency and the use of renewable energy.

Provided further, that the Administrator shall require that the delineated area of the procurement is identical to the delineated area included in the prospectus, except that, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator shall provide an explanatory statement to the Committee on Transportation and Infrastructure of the House of Representatives prior to exercising any lease authority provided in this resolution.

Provided further, that the General Services Administration shall not delegate to any other agency the authority granted by this resolution.

Adopted: July 1, 2010


James L. Oberstar, M.C.
Chairman

GSA

PBS

**PROSPECTUS - LEASE
INTERNAL REVENUE SERVICE
BROOKLYN, NY**

Prospectus Number: PNY-03-NY10
Congressional District: 10

Project Summary

The General Services Administration (GSA) proposes a replacement lease of up to 120,000 rentable square feet (rsf) of space for the Internal Revenue Service, currently located at 10 MetroTech Center, Brooklyn, NY.

IRS originally occupied 294,084 rsf at this location. As a result of the agency's transition from paper processing to electronic filing, IRS returned space to GSA over the past several years. IRS will be relocated under the authority of this prospectus and the remaining Federal tenants in the building will be relocated through separate, below-prospectus lease procurements.

GSA was able to backfill portions of the space with Federal tenants, but there is still 55,209 rsf of vacant space in the building under the current lease. There are no renewal options in the existing lease and a succeeding lease is not a viable option as the Lessor does not want to re-negotiate the square footage of the original lease.

Description

Occupants:	IRS
Delineated Area:	Downtown Brooklyn, NY
Lease Type:	Replacement
Justification:	Expiring lease (02/11/2012)
Number of Parking Spaces:	43 outside, structured parking spaces
Expansion Space:	None
Scoring:	Operating Lease
Proposed Maximum Leasing Authority:	10 years
Maximum Rentable Square Feet:	120,000
Current Total Annual Cost:	\$10,153,096
Proposed Total Annual Cost ¹ :	\$6,600,000
Maximum Proposed Rental Rate ² :	\$55.00 per rsf

¹Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.

²This estimate is for fiscal year 2012 and may be escalated by 1.8 percent annually to the effective date of the lease to account for inflation.

GSA

PBS

**PROSPECTUS - LEASE
INTERNAL REVENUE SERVICE
BROOKLYN, NY**

Prospectus Number: PNY-03-NY10
Congressional District: 10

Summary of Energy Compliance

GSA will incorporate energy efficiency requirements into the Solicitation for Offers and other documents related to the procurement of space for which this prospectus seeks authorization. GSA encourages offerors to work with energy service providers to exceed minimum requirements set forth in the procurement.

Authorizations

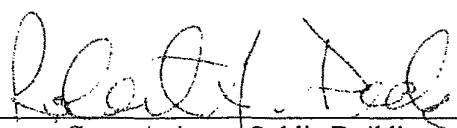
- Approval of this prospectus by the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works will constitute authority to lease space in a facility that will yield the required area.
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Certification of Need

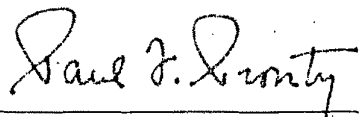
The proposed project is the best solution to meet a validated Government need.

Submitted at Washington, DC, on September 11, 2009

Recommended: _____


Commissioner, Public Buildings Service

Approved: _____


Acting Administrator, General Services Administration

June 2009

Housing Plan
IRSBrooklyn, NY
PNY-03-NY10

Locations	*Personnel			Current			Proposed		
	Office	Total	470	Office	Storage	Usable Square Feet (USF)	Office	Storage	Usable Square Feet (USF)
10 METROTECH CENTER			470			126,855			
Treasury - IRS National Office									
Proposed lease									
Total:	470	470	470	126,855	0	126,855	397	92,921	99,571

Current	Proposed
Utilization	
Rate	211
	183

Current UR excludes 27,908 USF of office support
 Current UR excludes 20,443 USF of office support

Special Space	
Clinic	900
Conference	1,500
ADP	1,000
File Storage	2,000
Mail Rooms	500
Break Rooms	750
Total:	6,650



U.S. House of Representatives
Committee on Transportation and Infrastructure
Washington, DC 20515

James L. Oberstar
Chairman

John L. Mica
Ranking Republican Member

David Heymsfeld, Chief of Staff
Ward W. McCarragher, Chief Counsel

James W. Coon II, Republican Chief of Staff

COMMITTEE RESOLUTION


LEASE
INTERNAL REVENUE SERVICE
GUAYABO, PR
PPR-01-GU10

Resolved by the Committee on Transportation and Infrastructure of the U.S. House of Representatives, that, pursuant to 40 U.S.C. § 3307, appropriations are authorized to exercise a renewal option of up to 111,541 rentable square feet for the Internal Revenue Service, currently located in the San Patricio Office Building, 7 Tabonuco Street, Guaynabo, PR, at a proposed total annual cost of \$4,433,754 for a lease term of up to five years, a prospectus for which is attached to and included in this resolution.

Provided, that, to the maximum extent practicable, the Administrator of General Services shall require that the procurement includes minimum performance requirements requiring energy efficiency and the use of renewable energy.

Provided further, that the General Services Administration shall not delegate to any other agency the authority granted by this resolution.

Adopted: July 1, 2010


James L. Oberstar, M.C.
Chairman

GSA

PBS

**PROSPECTUS – LEASE
INTERNAL REVENUE SERVICE
GUAYNABO, PR**

Prospectus Number: PPR-01-GU10
Congressional District: 01

Project Summary

The General Services Administration (GSA) is seeking authority to exercise a renewal option of up to five years for the Internal Revenue Service (IRS), currently located in the San Patricio Office Building, 7 Tabonuco Street, Guaynabo, PR. IRS needs additional time to develop their long-term requirements.

Justification

It is in the Government's best interest to exercise the five-year renewal option to extend IRS's occupancy at the existing location. This location provides special data and security installations that supports IRS' current mission. The renewal rate is below current market rates and is considered fair and reasonable for this market.

Description

Occupants:	Treasury - IRS
Delineated Area:	7 Tabonuco Street Guaynabo, PR
Lease Type:	Renewal Option
Justification:	Expiring Lease (November 5, 2010)
Number of Parking Spaces:	218
Expansion Space:	None
Scoring:	Operating Lease
Proposed Maximum Leasing Authority:	5 years
Maximum Rentable Square Feet:	111,541
Current Total Annual Cost:	\$4,329,930
Proposed Total Annual Cost ¹ :	\$4,433,754
Maximum Proposed Rental Rate ² :	\$40.00 per rentable square foot

¹Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.

²This estimate is for fiscal year 2011 and may be escalated by 1.8 percent annually to the effective date of the lease to account for inflation.

GSA

PBS

**PROSPECTUS – LEASE
INTERNAL REVENUE SERVICE
GUAYNABO, PR**

Prospectus Number: PPR-01-GU10

Congressional District: 01

Authorizations

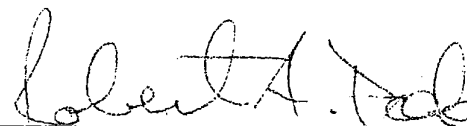
- Approval of this prospectus by the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works will constitute authority to lease space in a facility that will yield the required area.
- Approval of this prospectus will constitute authority to provide an interim lease, if necessary, prior to the execution of the new lease.

Certification of Need

The proposed project is the best solution to meet a validated Government need.

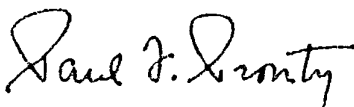
Submitted at Washington, DC, on September 11, 2009

Recommended:



Commissioner, Public Buildings Service

Approved:



Acting Administrator, General Services Administration

June 2009

Housing Plan
IRS

Guaynabo, PR
PPR-01-GU10

Locations	Current				Proposed			
	Personnel		Usable Square Feet (USF)		Personnel		Usable Square Feet (USF)	
	Office	Total	Office	Special	Office	Total	Office	Special
SAN PATRICIO OFFICE BLDG	493	493	79,387	2,515	8,864	90,766	493	493
IRS								
Total:	493	493	79,387	2,515	8,864	90,766	493	493

Current	Proposed
Utilization	
Rate	126

Current UR excludes 17,465 USF of office support space
Proposed UR excludes 17,465 USF of office support space

Special Space	
Private toilets	124
Clinic/Health	591
Conference	5,828
ADP	1,736
Hearing Room	585
Total:	8,864



U.S. House of Representatives
Committee on Transportation and Infrastructure
Washington, DC 20515

James L. Oberstar
Chairman

John L. Mica
Ranking Republican Member

David Heymsfeld, Chief of Staff
Ward W. McCarragher, Chief Counsel

James W. Coon II, Republican Chief of Staff

COMMITTEE RESOLUTION

LEASE
DEPARTMENT OF HOMELAND SECURITY
OMNIBUS REQUIREMENTS
NATIONAL CAPITAL REGION
PDC-23-WA10

Resolved by the Committee on Transportation and Infrastructure of the U.S. House of Representatives, that, pursuant to 40 U.S.C. § 3307, appropriations are authorized for new leases of up to a total of 1,136,000 rentable square feet for the Department of Homeland Security "Mission Support" elements, currently located in Washington, D.C., at a proposed total annual cost of \$55,664,000 in Washington, D.C.; in Crystal City/Pentagon City, VA, at a proposed total annual cost of \$43,168,000; or in Southern Prince Georges County, MD, at a proposed total annual cost of \$38,624,000; for a lease term of up to 20 years, a prospectus for which is attached to and included in this resolution.

Resolved by the Committee on Transportation and Infrastructure of the U.S. House of Representatives, that, pursuant to 40 U.S.C. § 3307, appropriations are authorized for replacement leases of up to a total of 225,000 rentable square feet, for elements of the Customs and Border Protection of the Department of Homeland Security as identified in the prospectus request, currently located in Washington, D.C., until these elements can relocate to the Ronald Reagan Office Building, at a proposed total annual cost of \$11,025,000 for a lease term of up to ten years, a prospectus for which is attached to and included in this resolution.

Resolved by the Committee on Transportation and Infrastructure of the U.S. House of Representatives, that, pursuant to 40 U.S.C. § 3307, appropriations are authorized to extend current leases of up to a total of 364,000 rentable square feet for the United States Coast Guard of the Department of Homeland Security, currently located at 1900 Half Street, SW, Washington, D.C., for lease durations as necessary until the U.S. Coast Guard relocates to the St. Elizabeths Campus, at a proposed total annual cost of \$14,560,000, for a lease term of up to five years, a prospectus for which is attached to and included in this resolution.

Approval of this prospectus constitutes authority to execute interim leases for all tenants, if necessary, prior to the execution of the new lease.

Provided, that the Administrator of General Services shall conduct the lease procurement for the Mission Support elements to enable full and fair consideration of lease construction proposals and proposals to lease existing buildings, and structure the lease procurement in terms of milestones and

deliverable due dates, including site plan approval, design, construction permitting, and construction delivery, in a manner consistent with General Services Administration conventions employed in lease-construct procurements.

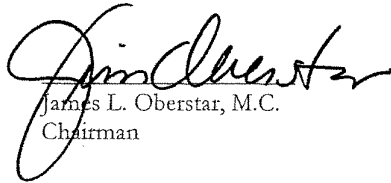
Provided further, that, to the maximum extent practicable, the Administrator of General Services shall include in the lease contract(s) a purchase option that can be exercised at the conclusion of the firm term of the lease.

Provided further, that, to the maximum extent practicable, the Administrator of General Services shall require that the procurement includes minimum performance requirements requiring energy efficiency and the use of renewable energy.

Provided further, that the Administrator shall require that the delineated area of the procurement is identical to the delineated area included in the prospectus, *except that*, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator shall provide an explanatory statement to the Committee on Transportation and Infrastructure of the House of Representatives prior to exercising any lease authority provided in this resolution.

Provided further, that the General Services Administration shall not delegate to any other agency the authority granted by this resolution.

Adopted: July 1, 2010



James L. Oberstar, M.C.
Chairman

GSAPBS

**PROSPECTUS – LEASE
DEPARTMENT OF HOMELAND SECURITY
OMNIBUS REQUIREMENTS
NATIONAL CAPITAL REGION**

Prospectus Number: PDC-23-WA10
Congressional Districts: DC00/VA08/MD04

Overall Project Summary

This prospectus contains three distinct parts that address different tactical housing needs of the Department of Homeland Security (DHS) within the overall context of the strategic DHS migration plan. These parts are: 1) Mission Support elements that are dispersed in several different locations; 2) Customs & Border Protection (CBP) interim requirements; and 3) the United States Coast Guard (USCG) requirement for extensions of existing leases. Separate housing plans for each of these three parts are also included with this prospectus.

The General Services Administration (GSA) proposes leasing up to 1,725,000 rentable square feet (rsf) of office and related space in the National Capital Region (NCR) for several components of DHS as outlined below. These DHS components are currently located at several leased and federally owned locations in Washington, DC.

The proposed leasing actions for CBP and USCG are intended to be interim tactical actions required to align lease expirations with the overall DHS strategic migration plan that will consolidate the department's mission execution and mission support functions from more than 40 locations in the NCR to fewer than 10.

GSA

PBS

**PROSPECTUS – LEASE
DEPARTMENT OF HOMELAND SECURITY
OMNIBUS REQUIREMENTS
NATIONAL CAPITAL REGION**

Prospectus Number: PDC-23-WA10
Congressional Districts: DC00/VA08/MD04

Project Summary for Mission Support

The proposed acquisition for Mission Support elements will provide approximately 670,000 rsf for U.S. Citizenship and Immigration Services (CIS), 176,000 rsf for Science and Technology (S&T), and 290,000 rsf for the Undersecretary for Management (USM) for a total of 1,136,000 rsf.

Mission Support elements occupy space in 131 M Street, NE; 20 Massachusetts Avenue, NW; 111 Massachusetts Avenue, NW; 1200 First Street, NE; 1120 Vermont Avenue, NW; 1201-25 New York Avenue, NW; 650 Massachusetts Avenue, NW; Judiciary Square at 633 Third Street, NW; the GSA Regional Office Building at Seventh & D Streets, SW; and the Nebraska Avenue Complex at 3801 Nebraska Avenue, NW.

At the end of FY 2007, DHS headquarters' functions were located in approximately 70 buildings throughout Washington, DC and Northern Virginia. The St. Elizabeths Campus has been master planned to accommodate those DHS components directly involved in mission execution programmatic functions but the remaining DHS mission support elements will have a continuing need to be housed in a combination of federally owned and leased space.

Acquisition Strategy

In order to maximize flexibility in acquiring space to house mission support elements, GSA plans to issue a single, multiple award solicitation that will allow offerors to provide blocs of space able to meet these requirements in whole or in part. Although the delineated area for the procurement includes portions of all three NCR jurisdictions—Washington, DC; Suburban Maryland; and Northern Virginia, each individual DHS element (CIS, USM, S&T) must be housed in one or more geographically proximate buildings in a single political jurisdiction. However, the three DHS elements do not have to be collocated in the same political jurisdiction.

GSA

PBS

**PROSPECTUS – LEASE
DEPARTMENT OF HOMELAND SECURITY
OMNIBUS REQUIREMENTS
NATIONAL CAPITAL REGION**

Prospectus Number: PDC-23-WA10
Congressional Districts: DC00/VA08/MD04

Description

Occupants:	DHS – CIS / S&T / USM
Delineated Area ¹ :	Washington, DC Central Employment Area/North of Massachusetts Avenue (NoMa)/Waterfront Southern Prince Georges County Maryland (Metro-Proximate South of Route 4) Crystal City/Pentagon City, Virginia (Metro-Proximate)
Lease Type:	New
Justification:	Expiring Leases (2010 – 2014)
Expansion Space:	None
Number of Parking Spaces ² :	50 official spaces
Scoring:	Operating lease
Proposed Maximum Leasing Authority:	20 years
Maximum Rentable Square Feet:	1,136,000 rsf
Current Total Annual Cost:	\$35,051,394
Proposed Total Annual Cost for DC ³ :	\$55,664,000
Maximum Proposed Rental Rate ⁴ :	\$49.00 per rsf
Proposed Total Annual Cost for MD:	\$38,624,000
Maximum Proposed Rental Rate:	\$34.00 per rsf
Proposed Total Annual Cost for VA:	\$43,168,000
Maximum Proposed Rental Rate:	\$38.00 per rsf

¹ Subject to proximity requirements discussed under “Acquisition Strategy” on page 2.

² DHS security requirements may necessitate control of parking at the location leased. This may be accomplished as a lessor-furnished service, under an operating agreement with the lessor, or as part of the Government’s leasehold interest in the building(s). Any parking included in the Government’s leasehold interest may result in a total proposed annual cost in excess of the amounts indicated above.

³ Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.

⁴ The estimates for DC, MD, and VA are for fiscal year 2012 and may be escalated by 1.8 percent annually to the effective date of the lease to account for inflation.

GSAPBS

**PROSPECTUS – LEASE
DEPARTMENT OF HOMELAND SECURITY
OMNIBUS REQUIREMENTS
NATIONAL CAPITAL REGION**

Prospectus Number: PDC-23-WA10
Congressional Districts: DC00/VA08/MD04

Project Summary for CBP

GSA proposes to lease up to 225,000 rsf for CBP components that will ultimately be housed in Government-owned space.

Up to 129,000 rentable square feet (rsf) is required for CBP's Office of Finance (OF), which is currently located at 1331 Pennsylvania Avenue, NW, in Washington, DC, under multiple leases with expiration dates over the next several years. A replacement lease will provide continued housing for OF until it can move into the Ronald Reagan Office Building (RROB), backfilling space vacated by CBP headquarters elements going to the St. Elizabeths Campus in 2016.

An additional lease of up to approximately 96,000 rsf is required to accommodate the Office of Trade (OT) and related space currently located at 799 Ninth Street, NW, which is controlled by the US Mint. The Inter-Agency Agreement between CBP and the Mint expires in 2011, and the Mint has indicated that CBP will have to vacate the space it occupies in the building. This will create an interim move for OT until it can also backfill vacant space at the RROB when headquarters elements move to St. Elizabeths.

GSAPBS

**PROSPECTUS – LEASE
DEPARTMENT OF HOMELAND SECURITY
OMNIBUS REQUIREMENTS
NATIONAL CAPITAL REGION**

Prospectus Number: PDC-23-WA10
Congressional Districts: DC00/VA08/MD04

Description

Occupants:	DHS – CBP
Delineated Area:	Washington, DC Central Employment Area/North of Massachusetts Avenue (NoMa)/Waterfront
Lease Type:	Replacement
Justification:	Expiring Leases / Housing Strategy / August 2009 to September 2012 in National Place plus October 2011 at the US Mint Annex
Expansion Space:	none
Number of Parking Spaces ⁵ :	20
Scoring:	Operating leases
Proposed Maximum Leasing Authority:	10 years
Maximum Rentable Square Feet:	225,000
Current Total Annual Cost:	\$5,614,804
Proposed Total Annual Cost for DC ⁶ :	\$11,025,000
Maximum Proposed Rental Rate ⁷ :	\$49.00

⁵ DHS security requirements may necessitate control of parking at the location leased. This may be accomplished as a lessor-furnished service, under an operating agreement with the lessor, or as part of the Government's leasehold interest in the building(s). Any parking included in the Government's leasehold interest may result in a total proposed annual cost in excess of the amounts indicated above.

⁶ Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.

⁷ This estimate is for fiscal year 2011 and may be escalated by 1.8 percent annually to the effective date of the lease to account for inflation.

GSAPBS

**PROSPECTUS – LEASE
DEPARTMENT OF HOMELAND SECURITY
OMNIBUS REQUIREMENTS
NATIONAL CAPITAL REGION**

Prospectus Number: PDC-23-WA10
Congressional Districts: DC00/VA08/MD04

Project Summary for USCG

GSA proposes extending leases for approximately 364,000 rsf for the USCG, currently located at 1900 Half Street, SW, Washington, DC. GSA proposes to extend the current leases to coincide with the occupancy of USCG's new headquarters space at the St. Elizabeths Campus in 2013. The four leases will be extended to a coterminous date that will permit flexibility in moving to St. Elizabeths. Design funding for a consolidated USCG facility at St. Elizabeths was appropriated in fiscal year 2006 through P.L. 109-155. Construction funding has been appropriated in fiscal year 2009 through P.L. 111-8 to commence construction of the new USCG headquarters. Additional funding to complete Phase 1 of the project has been appropriated to GSA through P.L. 111-5 and the site will be ready for occupancy by the USCG in 2013. GSA will either negotiate extensions or termination rights with the current landlord to provide the flexibility needed to move the USCG to St. Elizabeths.

GSAPBS

**PROSPECTUS – LEASE
DEPARTMENT OF HOMELAND SECURITY
OMNIBUS REQUIREMENTS
NATIONAL CAPITAL REGION**

Prospectus Number: PDC-23-WA10
Congressional Districts: DC00/VA08/MD04

Description

Occupants:	USCG
Delineated Area:	1900 Half Street, SW, Washington, DC
Lease Type:	Extension
Justification:	Extend expiring leases (2010 - 2013)
Expansion Space:	none
Parking: ⁸	6 official vehicles - inside
Scoring:	Operating lease
Proposed Maximum Leasing Authority:	5 years
Maximum Rentable Square Feet:	364,000
Current Total Annual Cost:	\$10,127,581
Proposed Total Annual Cost: ⁹	\$14,560,000
Maximum Proposed Rental Rate: ¹⁰	\$40.00 per rentable square foot

⁸ DHS security requirements may necessitate control of parking at the location leased. This may be accomplished as a lessor-furnished service, under an operating agreement with the lessor, or as part of the Government's leasehold interest in the building(s). Any parking included in the Government's leasehold interest may result in a total proposed annual cost in excess of the amounts indicated above.

⁹ Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.

¹⁰ This estimate is for fiscal year 2010 and may be escalated by 1.8 percent annually to the effective date of the lease to account for inflation.

GSAPBS

**PROSPECTUS – LEASE
DEPARTMENT OF HOMELAND SECURITY
OMNIBUS REQUIREMENTS
NATIONAL CAPITAL REGION**

Prospectus Number: PDC-23-WA10
Congressional Districts: DC00/VA08/MD04

Summary of Energy Compliance

GSA will incorporate energy efficiency requirements into the Solicitation for Offers and other documents related to the procurement of space for which this prospectus seeks authorization. GSA encourages offerors to work with energy service providers to exceed minimum requirements set forth in the procurement.

Authorization

Approval of this prospectus by the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works will constitute authority to lease space in a facility that will yield the required rentable area.

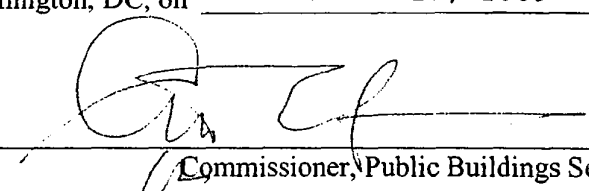
Approval of this prospectus will constitute authority to provide interim leases, if necessary, prior to the execution of the new lease.

Certification of Need

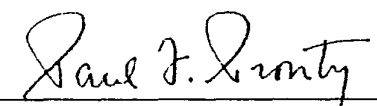
The proposed project is the best solution to meet a validated Government need.

Submitted at Washington, DC, on October 16, 2009

Recommended: _____


Commissioner, Public Buildings Service

Approved: _____


Acting Administrator, General Services Administration

Washington, DC
PDC-23-WA10

[illegible]



U.S. House of Representatives
Committee on Transportation and Infrastructure
Washington, DC 20515

James L. Oberstar
Chairman

David Heymsfeld, Chief of Staff
Ward W. McCarragher, Chief Counsel

John L. Mica
Ranking Republican Member

James W. Coon II, Republican Chief of Staff

COMMITTEE RESOLUTION

LEASE
DEPARTMENT OF EDUCATION
WASHINGTON, D.C.
PDC-11-WA10

Resolved by the Committee on Transportation and Infrastructure of the U.S. House of Representatives, that, pursuant to 40 U.S.C. § 3307, appropriations are authorized for a replacement lease of up to 252,000 rentable square feet for the Department of Education, currently located in the Union Center Plaza building at 830 First Street, NE, in Washington, D.C., at a proposed total annual cost of \$12,348,000 for a lease term of up to 15 years, a prospectus for which is attached to and included in this resolution.

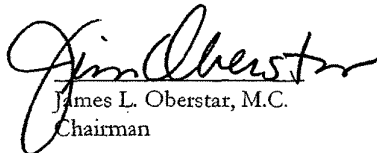
Approval of this prospectus constitutes authority to execute an interim lease for all tenants, if necessary, prior to the execution of the new lease.

Provided, that, to the maximum extent practicable, the Administrator of General Services shall require that the procurement includes minimum performance requirements requiring energy efficiency and the use of renewable energy.

Provided further, that the Administrator shall require that the delineated area of the procurement is identical to the delineated area included in the prospectus, except that, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator shall provide an explanatory statement to the Committee on Transportation and Infrastructure of the House of Representatives prior to exercising any lease authority provided in this resolution.

Provided further, that the General Services Administration shall not delegate to any other agency the authority granted by this resolution.

Adopted: July 1, 2010


James L. Oberstar, M.C.
Chairman

GSAPBS

**PROSPECTUS – LEASE
DEPARTMENT OF EDUCATION
WASHINGTON, DC**

Prospectus Number: PDC-11-WA10

Project Summary

The General Services Administration (GSA) proposes a replacement lease of up to 252,000 rentable square feet (rsf) of space for the Department of Education (DoEd) currently located in the Union Center Plaza building at 830 First Street, NE in Washington, DC.

Acquisition Strategy

GSA may satisfy this requirement through a single award solicitation or as part of a multiple award solicitation.

Description

Occupants:	DoEd
Delineated Area:	Washington, DC Central Employment Area, North of Massachusetts Avenue, and Southwest Waterfront
Lease Type:	Replacement
Justification:	Expiring Lease (July 31, 2011)
Expansion Space:	None
Number of Parking Spaces:	24 spaces
Scoring:	Operating lease
Proposed Maximum Leasing Authority:	15 years
Maximum Rentable Square Feet:	252,000
Current Total Annual Cost:	\$7,814,193
Proposed Total Annual Cost: ¹	\$12,348,000
Maximum Proposed Rental Rate: ²	\$49.00

Summary of Energy Compliance

GSA will incorporate energy efficiency requirements into the Solicitation for Offers and other documents related to the procurement of space for which this prospectus seeks authorization.

¹ Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.

² This estimate is for fiscal year 2011 and may be escalated by 1.8 percent annually to the effective date of the lease to account for inflation.

GSAPBS

**PROSPECTUS – LEASE
DEPARTMENT OF EDUCATION
WASHINGTON, DC**

Prospectus Number: PDC-11-WA10

GSA encourages offerors to work with energy service providers to exceed minimum requirements set forth in the procurement

Authorization

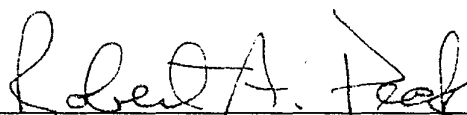
- Approval of this prospectus by the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works will constitute authority to lease space in a facility that will yield the required rentable area.
- Approval of this prospectus will constitute authority to provide an interim lease, if necessary, prior to the execution of the new lease.

Certification of Need

The proposed project is the best solution to meet a validated Government need.

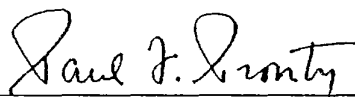
Submitted at Washington, DC, on October 16, 2009

Recommended: _____



Commissioner, Public Buildings Service

Approved: _____



Acting Administrator, General Services Administration

Washington, DC
PDC-11-WA10

Housing Plan
Department of Education

March 2009

Locations	Current						Proposed					
	Personnel		Usable Square Feet (USF)				Personnel		Usable Square Feet (USF)			
	Office	Total	Office	Storage	Special	Total	Office	Total	Office	Storage	Special	Total
830 First Street, NE	900	900	185,187			209,369						
Proposed Lease	-	-	-	-	-	-	900	900	185,187	-	24,182	209,369
Total	900	900	185,187		24,182	209,369	900	900	185,187	-	24,182	209,369

Current	Proposed
Utilization	
Rate	161

Current UR excludes 40,615 USF of Office for support space
Proposed UR excludes 40,615 USF of office for support space

Special	USF
Conference	15,000
LAN closets	5,000
Training	4,182
Total	24,182



U.S. House of Representatives
Committee on Transportation and Infrastructure
Washington, DC 20515

James L. Oberstar
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Ranking Republican Member

David Heymsfeld, Chief of Staff
Ward W. McCarragher, Chief Counsel

James W. Coon II, Republican Chief of Staff

COMMITTEE RESOLUTION

LEASE
DEPARTMENT OF JUSTICE
WASHINGTON, D.C.
PDC-13-WA10

Resolved by the Committee on Transportation and Infrastructure of the U.S. House of Representatives, that, pursuant to 40 U.S.C. § 3307, appropriations are authorized for replacement leases of up to a total of 468,000 rentable square feet for the Department of Justice (DOJ) Criminal Division and several other smaller components of DOJ Offices, Boards, and Divisions, currently located in three locations in Washington, D.C., at a proposed total annual cost of \$22,932,000 for a lease term of up to 15 years, a prospectus for which is attached to and included in this resolution.

Approval of this prospectus constitutes authority to execute an interim lease for all tenants, if necessary, prior to the execution of the new lease.

Provided, that, in the event that “best value” procedures are employed in the replacement lease procurement, and the source selection plan is structured such that technical factors in aggregate are more important than price, that the Administrator provide a detailed justification for this procurement structure to the Committee on Transportation and Infrastructure of the House of Representatives, prior to the inception of the procurement.

Provided further, that, to the maximum extent practicable, the Administrator of General Services shall require that the procurement includes minimum performance requirements requiring energy efficiency and the use of renewable energy.

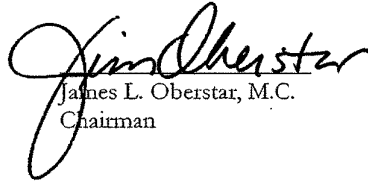
Provided further, that the Administrator shall require that the delineated area of the procurement is identical to the delineated area included in the prospectus, except that, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator shall provide an explanatory statement to the Committee on Transportation and Infrastructure of the House of Representatives prior to exercising any lease authority provided in this resolution.

July 1, 2010

12713

Provided further, that the General Services Administration shall not delegate to any other agency the authority granted by this resolution.

Adopted: July 1, 2010

A handwritten signature in black ink, appearing to read "Jim Oberstar". The signature is fluid and cursive, with the first name "Jim" and last name "Oberstar" clearly distinguishable.

James L. Oberstar, M.C.
Chairman

GSAPBS

**PROSPECTUS – LEASE
DEPARTMENT OF JUSTICE
WASHINGTON, DC**

Prospectus Number: PDC-13-WA10

Project Summary

The General Services Administration (GSA) proposes replacement leases in up to three locations for 468,000 rentable square feet of space for the Department of Justice (DOJ) Criminal Division and other smaller components of the DOJ Offices, Boards, and Divisions. The Criminal Division is currently located at 1301 New York Avenue, NW; 1400 New York Avenue, NW; and 1331 F Street, NW, in Washington DC.

The Senate Committee on Environment and Public Works and the House Committee on Transportation and Infrastructure approved prospectuses PDC-06-WA09 and PDC-10-WA09 on September 17 and 24, 2008, respectively, for the DOJ Criminal Division at 1301 New York Avenue and 1400 New York Avenue. These prospectuses propose interim succeeding leases for up to 5 years to remain in place until DOJ finalizes its long-term housing strategy for the Criminal Division. DOJ has subsequently decided to acquire long-term replacement leases for the Criminal Division requirement currently located at 1301 New York Avenue, 1400 New York Avenue and 1331 F Street in FY 2010 through a competitive procurement.

The leases at 1301 New York Avenue and 1400 New York Avenue expired on August 31, 2009. Negotiations are underway to extend these leases using the authority of prospectuses PDC-06-WA09 and PDC-10-WA09, while GSA acquires replacement leases for the Criminal Division's long-term housing requirement. GSA must relocate the Criminal Division from 1400 New York Avenue at the end of the negotiated lease extension period, consistent with the building owner's future development plans for the property. The two leases at 1331 F Street, NW, do not expire until August 21 and September 10, 2011.

Acquisition Strategy

In order to maximize flexibility in acquiring space to house DOJ Criminal Division elements, GSA may issue a single, multiple award lease solicitation that will allow offerors to provide blocs of space able to meet these requirements in whole or in part. All offers must provide space consistent with the delineated area defined by this prospectus in the description that follows.

GSA

PBS

**PROSPECTUS – LEASE
DEPARTMENT OF JUSTICE
WASHINGTON, DC**

Prospectus Number: PDC-13-WA10

Description

Occupant:	DOJ
Lease Type:	Washington, DC Central Employment
Delineated Area:	Area, North of Massachusetts Avenue, and Southwest Waterfront
Justification:	Replacement of expiring leases
Expansion Space:	15,829 RSF
Number of Parking Spaces: ¹	274 Structured
Scoring:	Operating lease
Proposed Maximum Leasing Authority:	15 years
Maximum Rentable Square Feet:	468,000
Current Total Annual Cost:	\$14,464,248
Proposed Total Annual Cost: ²	\$22,932,000
Maximum Proposed Rental Rate: ³	\$49.00 per rentable square foot

Energy Performance

GSA will incorporate energy efficiency requirements into the Solicitation for Offers and other documents related to the procurement of space for which this prospectus seeks authorization. GSA encourages offerors to work with energy service providers to exceed minimum requirements set forth in the procurement.

¹ DOJ's security requirements may necessitate control of the parking garages at the leased locations. This may be accomplished as a lessor-furnished service as part of the Government's leasehold interest in the buildings at an additional cost above the rental rate approved in this prospectus.

² Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.

³ This estimate is for fiscal year 2012 and may be escalated by 1.8 percent annually to the effective date of the lease to account for inflation.

GSAPBS

**PROSPECTUS – LEASE
DEPARTMENT OF JUSTICE
WASHINGTON, DC**

Prospectus Number: PDC-13-WA10

Authorization

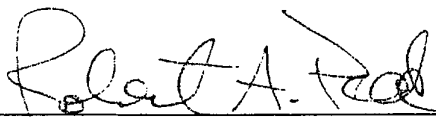
- Approval of this prospectus by the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works will constitute authority to lease space in one or more facilities that will yield the required rentable area.
- Approval of this prospectus will constitute authority to provide interim leases, if necessary, prior to the execution of the new lease.

Certification of Need

The proposed project is the best solution to meet a validated Government need.

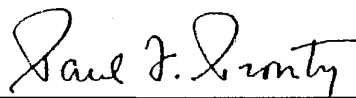
Submitted at Washington, DC, on October 16, 2009

Recommended:



Commissioner, Public Buildings Service

Approved:



Acting Administrator, General Services Administration

August 26

Housing, DC
PDC-13-WA10

Department of Justice

Locations	Current				Proposed			
	Personnel		Usable Square Feet (USF)		Personnel		Usable Square Feet (USF)	
	Office	Total	Office	Total	Office	Total	Storage	Special
1301 New York Ave, NW	511	511	147,184	178,665	511	511	1,787	29,694
1400 New York Ave, NW	479	479	121,388	147,352	479	479	1,474	24,490
1331 F Street, NW	176	176	41,911	50,875	204	204	641	10,648
Total:	1,166	1,166	310,483	376,892	1,194	1,194	3,902	64,832

Current		Proposed	
Rate	208		210

Current UR excludes 69,531 USF of office support space
Proposed UR excludes 69,350 USF of office support space

High UR due to a large number of senior graded employees, private offices for attorneys, and need for file, trial preparation and other legal support areas.

Special Space	
Conference/Training	25,632
ADP	7,532
File Rooms	14,431
Break Rooms	6,437
Fitness Rooms	2,340
Toilet/Shower	3,740
SCIPS	3,470
Security	625
Copy Rooms	625
Total	64,832



U.S. House of Representatives
Committee on Transportation and Infrastructure
Washington, DC 20515

James L. Oberstar
Chairman

John L. Mica
Ranking Republican Member

David Heymsfeld, Chief of Staff
Ward W. McCarragher, Chief Counsel

James W. Coon II, Republican Chief of Staff

COMMITTEE RESOLUTION

LEASE
U.S. DEPARTMENT OF AGRICULTURE
U.S. DEPARTMENT OF THE INTERIOR
PORTLAND, OR
POR-01-PO10

Resolved by the Committee on Transportation and Infrastructure of the U.S. House of Representatives, that, pursuant to 40 U.S.C. § 3307, appropriations are authorized for a replacement lease of up to 156,000 rentable square feet for the U.S. Department of Agriculture, the U.S. Department of the Interior, and National Business Center currently located in the Robert Duncan Plaza, 333 SW First Avenue, Portland, OR, at a proposed total annual cost of \$6,240,000 for a lease term of up to 15 years, a prospectus for which is attached to and included in this resolution.

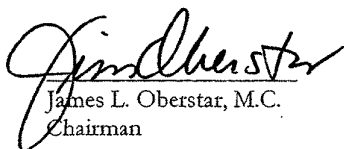
Approval of this prospectus constitutes authority to execute an interim lease for all tenants, if necessary, prior to the execution of the new lease.

Provided, that, to the maximum extent practicable, the Administrator of General Services shall require that the procurement includes minimum performance requirements requiring energy efficiency and the use of renewable energy.

Provided further, that the Administrator shall require that the delineated area of the procurement is identical to the delineated area included in the prospectus, except that, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator shall provide an explanatory statement to the Committee on Transportation and Infrastructure of the House of Representatives prior to exercising any lease authority provided in this resolution.

Provided further, that the General Services Administration shall not delegate to any other agency the authority granted by this resolution.

Adopted: July 1, 2010


James L. Oberstar, M.C.
Chairman

GSA

PBS

PROSPECTUS - LEASE
U.S. DEPARTMENT OF AGRICULTURE
U.S. DEPARTMENT OF THE INTERIOR
PORTLAND, OR

Prospectus Number:POR-01-PO10
Congressional District:01 & 03

Project Summary

The General Services Administration (GSA) proposes a replacement lease of 156,000 rentable square feet (rsf) of space for the U.S. Department of Agriculture, Forest Service (USDA-FS), Office of General Counsel (USDA-OGC), U.S. Department of the Interior, Bureau of Land Management (DOI-BLM) and National Business Center (DOI-NBC). The USDA-FS, DOI-BLM and DOI-NBC are currently located in the Robert Duncan Plaza, 333 SW First Avenue, Portland, OR. The USDA-OGC is currently located in the Edith Green Wendell Wyatt Federal Building, 1220 SW Third Avenue, Portland, OR. These agencies are collocating under the Service First program that provides the legal authority to carry out shared or joint management activities to achieve mutually beneficial resource management goals.

Description

Occupants:	USDA-FS, USDA-OGC, DOI-BLM, DOI-NBC
Delineated Area:	Portland CBD
Lease Type:	Replacement
Justification:	Expiring lease (September 17, 2011)
Number of Parking Spaces:	52 inside
Expansion Space:	0 rsf
Scoring:	Operating Lease
Proposed Maximum Leasing Authority:	15 years
Maximum Rentable Square Feet:	156,000
Current Total Annual Cost:	\$4,316,711
Proposed Total Annual Cost ¹ :	\$6,240,000
Maximum Proposed Rental Rate ² :	\$40.00 per rentable square foot

Summary of Energy Compliance

GSA will incorporate energy efficiency requirements into the Solicitation for Offers and other documents related to the procurement of space for which this prospectus seeks authorization. GSA encourages offerors to work with energy service providers to exceed minimum requirements set forth in the procurement.

¹Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.

²This estimate is for fiscal year 2011 and may be escalated by 1.8 percent annually to the effective date of the lease to account for inflation.

GSA

PBS

PROSPECTUS - LEASE
U.S. DEPARTMENT OF AGRICULTURE
U.S. DEPARTMENT OF THE INTERIOR
PORTLAND, OR

Prospectus Number:POR-01-PO10
Congressional District:01 & 03

Authorizations

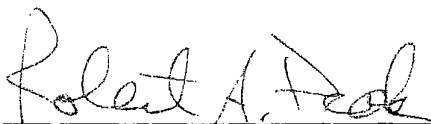
- Approval of this prospectus by the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works will constitute authority to lease space in a facility that will yield the required area.
- Approval of this prospectus will constitute authority to provide an interim lease, if necessary, prior to the execution of the new lease.

Certification of Need

The proposed project is the best solution to meet a validated Government need.

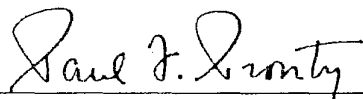
Submitted at Washington, DC, on October 16, 2009

Recommended: _____



Commissioner, Public Buildings Service

Approved: _____



Acting Administrator, General Services Administration

March 2009

U.S. Department of Agriculture
U.S. Department of the Interior
Housing Plan

POR-01-PO10
Portland, OR

Locations	Current				Proposed			
	Personnel		Usable Square Feet (USF)		Personnel		Usable Square Feet (USF)	
	Office	Total	Office	Storage Special Total	Office	Total	Office	Storage Special Total
ROBERT DUNCAN PLAZA								
Interior - Land Management	389	389	63,051	0 0 63,051	0	0	0	0 0 0
Interior - National Business Center	7	7	2,099	0 0 2,099	0	0	0	0 0 0
USDA - Forest Service	484	484	76,066	0 0 76,066	0	0	0	0 0 0
E.GREEN - W.WYATT FB								
USDA - Office of the General Counsel	15	15	5,340	0 0 5,340	0	0	0	0 0 0
TBD-Lease								
Interior - Land Management	0	0	0	0 0 0	357	357	45,456	906 18,379 64,741
Interior - National Business Center	0	0	0	0 0 0	10	10	1,794	282 0 2,076
USDA - Forest Service	0	0	0	0 0 0	329	329	42,062	1,125 16,991 60,178
USDA - Office of the General Counsel	0	0	0	0 0 0	16	16	3,625	0 4,404 8,029
Total:	895	895	146,556	0 0 146,556	712	712	92,937	2,313 39,774 135,024

Current		Proposed	
Utilization		Special Space	
Rate		Laboratory	750
		Conference	19,548
		Library	7,719
		ADP	9,110
		Food Service	2,647
		Total:	39,774

Current UR excludes 32,242 USF of office support space
Proposed UR excludes 20,446 USF of office support space



U.S. House of Representatives
Committee on Transportation and Infrastructure
Washington, DC 20515

James L. Oberstar
Chairman

John L. Mica
Ranking Republican Member

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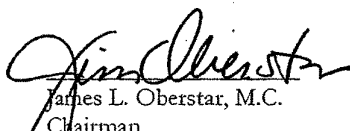
James W. Coon II, Republican Chief of Staff

COMMITTEE RESOLUTION

BUILDING PROJECT SURVEY
UNITED STATES DISTRICT COURT
McALLEN, TEXAS

Resolved by the Committee on Transportation and Infrastructure of the U.S. House of Representatives, that, pursuant to Title 40 U.S.C. § 3315(b), the Administrator of General Services shall investigate the feasibility and need to construct or acquire a replacement facility to house the Federal agencies and the United States District Court for the Southern District of Texas, located in McAllen, Texas. The analysis shall include a full and complete evaluation including: (1) the identification and cost of potential sites; (2) the 30-year present value evaluations of all options, including Federal construction, purchase (including lease with an option to purchase or purchase contract), and lease; and (3) an assessment of the space requirements that provides courtroom sharing in accordance with the following requirements: one courtroom for every two magistrate judges; and one courtroom for every two senior district judges, with active district judges being counted as senior district judges if such judges become eligible for senior status within the ten year planning period, and no senior judge being counted beyond age 85. The Administrator shall submit a report to the Committee on Transportation and Infrastructure of the U.S. House of Representatives within 60 days of the adoption of this resolution.

Adopted: July 1, 2010


James L. Oberstar, M.C.
Chairman

There was no objection.

**CONGRATULATING PENN STATE
LADY NITTANY LIONS WOMEN'S
RUGBY TEAM FOR CLINCHING
THE NATIONAL TITLE**

(Mr. THOMPSON of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMPSON of Pennsylvania. Mr. Speaker, I rise today as a Penn State alumnus to congratulate the Lady Lions women's rugby team for clinching the national title. Their win this year marks the second consecutive national title and represents the team's first back-to-back titles in the program's history.

The Lady Lions defeated the Stanford Cardinals 24-7, overcoming such hardships as their lack of home field advantage and Stanford's domineering offense. The victory has drawn praise from such people as Graham Spanier, president of Penn State, and Jonathan Griffen, Stanford coach, who described them as "a national powerhouse" and "unbeatable for the next 15 years."

Deven Owsiany, a humble and skilled athlete and a rising senior at Penn State, was named the game's Most Valuable Player. As a star member of the team, Owsiany consistently lauds the dedication, camaraderie and attentiveness of her teammates. Her defensive efforts, along with the efforts of her teammates, allowed Penn State to hold the Cardinals scoreless until the last 3 minutes of the game.

Victories such as this one attest to the spirit of our youth and their potential to do great things. I extend my heartfelt congratulations and wish them luck in using their tough backline to defend the national title next year.

□ 2300

PERSONAL EXPLANATION

Mr. WELCH. Mr. Speaker, on rollcall 433, the McGovern-Obey amendment, I mistakenly recorded my vote as a "no." My intention was to record my vote as a "yes."

WATER QUALITY

(Mr. COSTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COSTA. Mr. Speaker, this month, the Department of Interior and the California Department of Water Resources announced an increase in water allocation to farmers in the San Joaquin Valley. Our efforts to press the administration for more water is producing results and is already flowing to the San Joaquin Valley and Southern California.

But our fight for our valley's jobs and economy is far from over. Regulations that restrict the flow of water to our valley must be revised. I am pleased that the administration has announced its intention to revise and integrate the two biological opinions that single out valley agriculture for degrading the delta when we know that this simply is not true. All factors affecting the health of the Sacramento/San Joaquin Delta must be taken into account as we move forward, including predation of invasive species and other water quality factors.

I would like to submit a letter for the RECORD from the Central Valley Regional Water Control Board that confirms the need to address water quality issues. This includes the dumping of pollutants, such as ammonia and toxic urban run-off and the impact of power plants on the ecosystem, among other things. We will win this fight, and common sense will prevail. Recognizing all of the factors impacting the delta will allow more water to flow to the valley and the rest of California.

CONGRESS OF THE UNITED STATES,
Washington, DC, June 9, 2010.

CHARLES R. HOPPIN,
Chair, State Water Resources Control Board,
Sacramento, CA.

KATHERINE HART,
Chair, Central Valley Regional Water Quality
Control Board, Rancho Cordova, CA.

DEAR CHAIRS HOPPIN AND HART: We are writing to request that the State Water Resources Control Board and the Central Valley Regional Water Quality Control Board take immediate action to address ammonia discharges from wastewater facilities into the Sacramento-San Joaquin Delta (Delta).

As you are aware, we have long held that the single focus of regulatory agencies on water exports is misguided in that it overlooks other key stressors that contribute to the decline of fisheries in the Delta. The effect of this single focus is to punish farmers, farmworkers and communities in the San Joaquin Valley at a tremendous impact to state's economy, and in the end the fish are no better off.

Two recent studies point to Sacramento's wastewater as a significant cause behind the declining fish populations in the Delta. One study, authored by Patricia Glibert of the University of Maryland, concludes that the Delta's environmental problems are more likely tied to wastewater pollution than to water diversions, indicating that increased ammonia in Sacramento wastewater has disrupted algae production in the Delta, which rippled up the food chain to compromise fish species. Another study by Inge Werner, a toxicologist at UC Davis, concluded that threatened Delta smelt may be harmed by exposure to ammonia at levels below federal limits and that longterm exposure could reduce smelt growth and feeding activity, which would ultimately affect their breeding success.

These studies cry out for immediate action by the responsible regulatory agencies. We understand that the Regional Board has renewed Sacramento Regional County Sanitation District's wastewater discharge permit annually without substantive review since it expired in 2005. As the single largest wastewater discharger in the Delta, it is crucial that the Regional Board conducts a full and

immediate review of the District's permit and that the Regional Board conditions any renewal upon upgrading the sewage treatment system to a tertiary system. Tertiary systems have been installed throughout San Joaquin Valley communities as a result of regulations imposed by the Regional Board in order to improve water quality. We find it incongruous that the very board that has imposed tertiary treatment requirements on communities in the San Joaquin Valley, including Stockton, Modesto, Turlock and Fresno, has failed to impose similar requirements on the Sacramento District.

These studies confirm that ammonia wastewater discharges are a large part of the problem in the Delta. Reducing ammonia discharges needs to be part of the solution, along with the other key factors that are contributing to the environmental decline in the Delta. We call upon the Regional Board to take immediate action to correct this problem.

Sincerely,

JIM COSTA,
Member of Congress.
DENNIS CARDOZA,
Member of Congress.

CALIFORNIA REGIONAL WATER
QUALITY CONTROL BOARD,
Rancho Cordova, CA, June 24, 2010.

Congressman JIM COSTA,
U.S. Congress, Washington, DC.
Congressman DENNIS CARDOZA,
U.S. Congress, Washington, DC.

DEAR CONGRESSMEN COSTA AND CARDOZA: Thank you for your letter addressed to State Board Chair Charles Hoppin and Central Valley Water Board Chair Kate Hart, dated June 9, 2010, concerning ammonia discharges into and affecting the Sacramento-San Joaquin Delta. We appreciate your interest in this issue and look forward to working with you—and all interested parties—as we pursue real solutions for the problems facing the Delta. This letter is being sent over my signature instead of Ms. Hart's because your letter specifically addressed the Sacramento Regional Wastewater Treatment Plant NPDES permit which is a pending item before the Central Valley Water Board. Chair Hoppin's response will be sent to you under separate cover.

As you know, the California Water Boards have been aggressively engaged in this topic for several years. The boards have undertaken, sponsored, or participated in several studies to examine the acute and chronic toxicity associated with elevated levels of ammonia/ium to the Delta ecosystem. Some of these studies have focused specifically on toxicity with respect to Federally and State-Listed endangered and threatened species. The studies are designed to determine if elevated ammonia levels may be inhibiting the food web upon which pelagic and salmonid species of the Delta depend. Some of those studies are being concluded, while others are ongoing.

The Central Valley Water Board anticipates conducting a public hearing in December 2010 to consider a permit renewal for the Sacramento Regional Wastewater Treatment Plant. Regional Water Board staff has met frequently with the Sacramento Regional County Sanitation District and many other stakeholders to evaluate the impacts of the discharge. Agencies using downstream waters have been active participants in these meetings. In considering the available information and preparing for the hearing, Regional Water Board staff developed issue papers on human health and aquatic toxicity

and circulated them for public review and comment. The issue papers help identify concerns, crystallize issues, and provide information to assist the permitting process and to educate stakeholders.

Our evolving understanding of the myriad stressors affecting the Delta will be a key issue in the Central Valley Water Board's consideration of the Sacramento Regional Wastewater Treatment Plant permit. The Central Valley Water Board will do everything it reasonably can to complete this process as quickly as possible and in full compliance with the Federal Clean Water Act and California's Porter-Cologne Water Quality Control Act. Both Acts require discharge permits to be protective of human health and the Delta ecosystem.

The Water Boards are committed to the use of sound science to guide regulatory decisions. We are following the National Academy of Sciences review last fall of the federal agencies' "biological opinions" related to the Delta smelt and the Chinook salmon, and similar scientific review efforts by Federal and State agencies. The State Water Board recently concluded three days of testimony on flow criteria for the Delta ecosystem. As part of the flow criteria proceeding, the State Water Board heard extensive scientific and expert testimony on flow and other factors, including ammonia that impacts the Delta ecosystem. The scientific information from these proceedings will be used in future proceedings to protect and restore the Delta.

The same commitment to sound science guides the Central Valley Water Board's development of the draft permit for the Sacramento Regional Wastewater Treatment Plant. The recent studies by Doctors Glibert and Werner are part of a large body of research being reviewed for permit development. Central Valley Water Board staff has met with both Dr. Glibert and Dr. Werner to understand the application of their respective studies.

The Central Valley Water Board greatly appreciate and value your concern and interest in this matter, and we look forward to working with you and other federal and state elected officials in trying to resolve the complex water quality challenges facing the Delta today. Many challenges remain ahead, and these challenges can only be overcome by the collective resolve of all parties to work toward a common good and collectively beneficial result. As the Sacramento Bee Editorial Board opined on May 21, 2010, such an effort "would be far more productive than continuing with the current pattern of finger-pointing and scientific cherry-picking."

Very truly yours,

PAMELA C. CREEDON,
Executive Officer.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

OUR AMERICAN FLAG

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. CRITZ) is recognized for 5 minutes.

Mr. CRITZ. Mr. Speaker, I rise today to recognize this July 4th as the 234th

anniversary of our great country and also as the 50th anniversary of the Stars and Stripes that fly above our Capitol and across our Nation today. On July 4, 1960, the red, white, and blue flag rose high above our Nation as an emblem of our national pride and freedom, representing the now 50 States that came together to form a more perfect union.

Old Glory originally came to be by an act of the Second Continental Congress on June 14, 1777. It is marked in the journal of the Continental Congress "that the flag of the United States be made of 13 stripes, alternate red and white; that the union be 13 stars, white in a blue field, representing a new Constellation."

From this day forward, the symbol of our great Nation was born. The flag itself was not produced until the late 18th century, characterized by the famous circle of 13 stars representing the 13 original colonies of Delaware, the great Commonwealth of Pennsylvania, New Jersey, Georgia, Connecticut, Massachusetts, Maryland, South Carolina, New Hampshire, Virginia, New York, North Carolina, and Rhode Island.

Although not enunciated by any act of Congress, the colors of the flag have come to have a special meaning. In a report written by Secretary of the Continental Congress Charles Thomson, the colors and the seal of the United States are defined as: white, signifying purity and innocence; red, hardiness and valor; and blue, signifying vigilance, perseverance, and justice.

Through the centuries of its existence, the flag has undergone a number of changes. The first went into effect after the signing of the Flag Act of 1794 by President George Washington. This act of Congress changed the number of stars on the flag to 15 to accommodate for Kentucky and Vermont, the newly admitted States into the Union. It also called for 15 stripes to go on the flag, the only official flag not to possess 13 stripes.

The Flag Act of 1818, signed into law by President James Monroe, the last Founding Father to serve as President, set the common standard for today's flag. It pronounced that all official United States flags must have 13 stripes to represent the original 13 colonies and one star to represent each State in the Union.

The final change to our Nation's great emblem of freedom came by an Executive order issued in 1959 by President Dwight D. Eisenhower. It announced the addition of Hawaii into the Union and also prescribed the arrangement of the stars in nine rows staggered horizontally and 11 rows of stars staggered vertically.

More than 1,500 designs for the new flag were submitted to the White House. It was a 50-star flag created for a class project by a young man named

Robert Heft that would become adopted by our country. Young Robert, a 17-year-old student from Lancaster, Ohio, originally received a B minus for the project. Our Nation received a new symbol of our freedom.

As stated by law, on July 4 of the following year, the flag was hoisted up and now stands as the great emblem of our Nation. It is with purity in our hearts that every American, especially our valorous servicemembers here at home and abroad, look to the red, white, and blue for vigilance, perseverance, and justice.

As we all celebrate our Nation's birth this Fourth of July, I would like to reflect upon our independence, our values, and what it means to be an American as a fitting tribute to the 50th anniversary of the current flag of the United States of America.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 5585

Mr. FLEMING. Mr. Speaker, I ask unanimous consent to have my name removed as cosponsor from the bill H.R. 5585.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

THE WAR THAT'S NOT A WAR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

Mr. PAUL. Mr. Speaker, in January 1991, we went to war in the Middle East against Saddam Hussein, Iraq's dictator who was our ally during the Iran-Iraq war. A border dispute between Kuwait and Iraq broke out after our State Department gave a green light to Hussein's invasion.

After Iraq's successful invasion of Kuwait, we reacted with gusto and have been militarily involved in the entire region 6,000 miles from our shores ever since. This has included Iraq, Afghanistan, Pakistan, Yemen, and Somalia. After 20 years of killing and a couple trillion dollars wasted, not only does the fighting continue with no end in sight, but our leaders threaten to spread our bombs of benevolence on Iran.

For most Americans, we are at war, at war against a tactic called terrorism, not a country. This allows our military to go anyplace in the world without limits as to time or place. But how can we be at war? Congress has not declared war, as required by the Constitution, that is true. But our Presidents have, and Congress and the people have not objected. Congress obediently provides all the money requested for the war.

People are dying. Bombs are dropped. Our soldiers are shot at and killed. Our

soldiers wear a uniform; our enemies do not. They are not part of any government. They have no planes, no tanks, no ships, no missiles, and no modern technology. What kind of a war is this anyway, if it really is one? If it was a real war, we would have won it by now. Our stated goal since 9/11 has been to destroy al Qaeda.

Was al Qaeda in Iraq? Not under Saddam Hussein. Our leaders lied us into invading Iraq and deceived us into occupying Afghanistan. There is still really no al Qaeda in Iraq and only 100 or so in Afghanistan, and yet there is no end in sight to the war. Could there have been other reasons for this war that is not a war? A military victory in Afghanistan is illusive. Does anyone really know who we are fighting and why?

Why has the war not ended? Nine years, and it continues to spread. Some claim it is to keep America safe, that our soldiers are fighting and dying for our freedom, defending our Constitution. Are we being lied to in order to keep us in this spreading war, just as we were lied to in the 1960s to keep us in Vietnam?

We own the Iraq Government, as we do Afghanistan. In Afghanistan, we are fighting the Taliban, those dangerous people with guns defending their homeland. Once they were called the Mujahideen, our old allies, along with bin Laden, in the fight to oust the Soviets from Afghanistan in the 1980s. In that effort, our CIA funded radical jihad against that nasty foreign occupier, the Russians. What gratitude. Those same people now resent our benevolent occupation, with a little violence thrown in.

□ 2310

The resistance to our presence grows as our perseverance wanes. Our people are waking up, but our officials refuse to recognize the longer we stay, the greater is the support for those dedicated to the principle that Afghanistan is for Afghans who resent all foreign occupation.

The harder we fight a war that is not a war, the weaker we get and the stronger becomes our enemy. When an enemy without weapons can respect an army of great strength, the most powerful of all history, one should ask, who has the moral high ground?

Military failure in Afghanistan is to be our destiny. Changing generals without changing our policies or our policymakers perpetuates our agony and delays the inevitable.

This is not a war that our generals have been trained for. Nation building, police work, social engineering is never a job for foreign occupiers and never an appropriate job for soldiers trained to win wars.

A military victory is no longer even a stated goal of our military leaders or our politicians, as they know that type of victory is impossible.

The sad story is, this war is against ourselves, our values, our Constitution, our financial well-being and common sense. And at the rate we're going, it's going to end badly.

What we need are honest leaders with character and a new foreign policy.

THE REMEDIES ACT OF 2010

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON LEE) is recognized for 5 minutes.

Ms. JACKSON LEE of Texas. Mr. Speaker, among the many challenges of this Nation is the ongoing oil spillage in the gulf, a region that I come from.

I also happen to come from the city of Houston and represent a number our large energy companies, along with wind and solar and natural gas. We truly need a seamless energy policy, but our consuming responsibility is to stop this oil spillage and to stop it now. And I believe it is important that we do it with an understanding of a long-range strategy to address this crisis.

Right now, as I speak, Hurricane Alex has made its way along the gulf. And during this hurricane season, we don't know how many other hurricanes will come and disrupt the clean-up actions that are going on.

So today I've introduced H.R. 5676, the Right to Equitable Means of Ensuring Damages for Injuries are Efficiently Secured Act of 2010, or the REMEDIES Act. And I rise today to introduce this to address the many issues created by the recent disaster in the Gulf of Mexico.

For over 2 months the blown-out wellhead beneath the wreckage of the Deepwater Horizon platform has spewed tens of thousands of barrels of crude oil into the Gulf of Mexico and the gulf coast communities on a daily basis. The initial explosion killed 11 people, seriously injured 17 others, and destroyed a multi-million dollar platform. But the extent of the damage done is far, far greater. The disaster and its aftermath have wrecked local industries and polluted or outright destroyed precious natural resources, and people are unable to work and to earn the money to pay for food, mortgages and other basic expenses.

And in my visits to the gulf region, these people were unattended to; oystermen, fishermen, shrimpers, restaurants not having any way to access a quick and immediate response.

Oh, yes, you see now a claims system in place. You see that there is now an established \$20 billion fund that I am grateful to our President for establishing. But look how long it took because there was no structure in place.

It is obvious that the existing body of law is antiquated and, therefore, inadequate to cope with the current situa-

tion. The liability caps under the current law will allow the responsible parties to pay just a mere fraction of the damages they have inflicted on the people of the gulf. Legislation enacted in the early part of the last century does not properly cover all the workers in the contemporary industry, and BP and other oil industry entities need to be able to address this question.

My bill would establish a tiered liability system so that we would provide a structure to provide coverage, yet protect the smaller and independent operators. The REMEDIES Act will also make some needed changes to 1920-era laws such as the Jones Act and the Death on the High Seas Act, to ensure that family members can recover, such as mothers and sisters, brothers and wives, which is not the case at this point. The language suggests that it will be a personal representative.

In addition, my bill would cause the end of lax permitting of the Minerals Management Service and the Department of the Interior and would require that if you had five safety violations, you would immediately put a moratorium and shut-down of the deepwater drilling.

My bill would also increase the oil spill liability trust fund from \$1.6 billion to \$10 billion. The money would be standing there now.

In addition, the Federal Water Pollution Act would be amended, as I said earlier, permitting, requiring that any permit would require you to establish a vetted recovery plan, so that if your BOP did not work, you had a back up plan that had been vetted and assessed as workable.

In addition, as I mentioned, if you had any violations, as these companies have been known to have, but, in particular, this company, you would immediately be shut down.

When I asked one of the new members of the MMS why BP wasn't shut down with the enormous list of violations that it had, the question was, not to the fault of the person who answered the question, but it was, We just haven't looked at that now.

My amendment, or my legislation, will call for the Secretary of Homeland Security to establish a separate claims process under their jurisdiction. This legislation will ask the President to establish an emergency spill coordination team led by the commandant of the Coast Guard, along with the EPA, and the Secretary of Energy.

My amendment would also establish a research and development fund funded by the industry up to \$1 billion to be able to design the most sophisticated technology for recovery, research, and remediation in an oil spill.

And my amendment would require immediate post-traumatic stress disorder counseling for all of the people who we are not even addressing the pain or the mental distress that is being caused.

I ask my colleagues to review H.R. 5676, the REMEDIES Act, so that we can go forward and establish a pathway to solve this problem and not have it happen again.

Mr. Speaker, I rise today to introduce a far reaching, comprehensive piece of legislation to help address some of the many issues created by the recent disaster in the Gulf of Mexico, the "Right to Equitable Means of Ensuring Damages for Injuries are Efficiently Secured" Act of 2010.

For over two months, the blown out well-head beneath the wreckage of the Deepwater Horizon platform has spewed tens of thousands of barrels of crude oil into the Gulf of Mexico and Gulf Coast communities on a daily basis. The initial explosion killed eleven people, seriously injured seventeen others, and destroyed a multi-million dollar platform, but the extent of the damage done is far, far greater. The disaster and its aftermath have wrecked local industries and polluted or outright destroyed precious natural resources, and people are unable to work and to earn the money to pay for food, mortgages, and other basic expenses.

It is obvious that the existing body of law is antiquated and therefore inadequate to cope with the current situation. The liability caps under current law will allow the responsible parties to pay a mere fraction of the damages they have inflicted on the people of the Gulf, legislation enacted in the early part of the last century does not properly cover all the workers in the contemporary industry, and BP is nickel and diming the people its recklessness has put out of work.

Damage from the oil spill in the Gulf region will almost certainly total in the billions of dollars, but current law caps liability for damages at \$75 million. While that seems like a huge number, it is less than 20 percent of the cost of the platform itself. My bill would establish a tiered liability system, so that the oil industry pays all the costs for cleanup and damages caused by the spills it creates, while still allowing independent operators to stay in business. This provision would be retroactive.

The REMEDIES Act will also make some needed changes to two 1920's era laws regarding injuries or death at sea. It will change the Jones Act so that the engineers and others who were killed or injured on the Deepwater Horizon, but who were not technically "seamen," will be covered, and allow actions against anyone whose acts or omissions were a cause of those deaths or injuries.

My bill will also amend the Death on the High Seas Act, so that victims or their survivors will be able to receive compensation for their suffering, or the loss of their loved ones' companionship, rather than just the economic damages allowed under current law. It will also allow for punitive damages in cases involving gross negligence.

Of course, part of the cause of the explosion was the lax permitting processes. In 2008, the Minerals Management Service, MMS, and Department of the Interior changed regulations so that BP was not required to file a detailed blowout plan, and simply accepted BP's assertion that it was "unlikely that an accidental surface or subsurface oil spill would occur from the proposed activities," and al-

lowed the project to go forward. The REMEDIES bill will change that, requiring that operators file detailed spill mitigation and recovery plans, and detail their backup plans as well. Those plans would have to be vetted by impartial experts instead of simply rubber-stamped by industry insiders.

Under my bill the MMS will be allowed to suspend permits and cease operations when specific operators' safety records show that they are so focused on production that they risk the safety of their workers as well as the environment. Since 2007, BP had over 872 serious safety violations—a staggering 97 percent of the serious violations in the entire industry—at just two of their refineries.

BP is currently facing a criminal investigation for possible similar violations on the Deepwater Horizon platform, and new information strongly suggests that BP consistently made decisions that increased risk in order to save time or costs. While nobody wants to shut down such an important sector of our economy, it is important to make sure that the penalties for blatant disregard of our safety laws and regulations are strong enough to be taken seriously, rather than just paid as the cost of doing business. Making the continuation of production contingent on good safety records should be something BP and others commit to wholeheartedly. My bill imposes such requirements.

While there is now a \$20 billion escrow account for third party claims against BP, administered by an independent third party, that took months to establish. Before that, the process BP had set up for the people of the Gulf Coast communities was a disgrace. BP's claims department engaged in a process in which people who are out of work because of the disaster on the Gulf Coast received some compensation, but by BP's own estimates, roughly twenty thousand of the forty thousand claims that have been filed had not been paid. The \$5000 payment that most claimants have received was barely a drop in the bucket against the payments on loans for boats and other necessary equipment, and small business owners had frequently been given the run-around as to what exactly a "legitimate" claim was under BP's standards. Under my bill, the Secretary of Homeland Security will have the power to require businesses responsible for claims for oil spills to set up a more streamlined process, with guidelines for the proof necessary, so that legitimate claims are no longer delayed or denied.

In addition to the various provisions already identified, my bill will prevent unnecessary delays in the legal process for claims arising from this disaster. Under current class action law, BP and other defendants are allowed to have lawsuits brought against them by the states and municipalities it has harmed removed to Federal courts. While our federal judicial system is more than competent to handle these claims, it is also overloaded. By having cases filed in state courts removed to Federal court, defendants would be able to greatly and unfairly delay every step of the process, prolonging the damage their recklessness has caused and possibly pushing many to settle for less than they are fully entitled to. The REMEDIES Act will create a carve-out for cases brought by states and their subdivisions

on behalf of their citizens, allowing them to remain in state courts and acted on quickly.

There has been overwhelming legislative action surrounding the oil spill by various Committees of this House with jurisdiction over this issue, including the Judiciary Committee of which I am a Member. I am an original co-sponsor of H.R. 5503, "the Securing Protections for the Injured from Limitations on Liability Act," introduced by our distinguished Chairman JOHN CONYERS, and supported by Representative CHARLIE MELANCON. My bill adds a new dimension to the debate and to the evolving legislative process. In this regard, I plan to work closely with Members from both sides of the aisle to forge an effective legal response to address this crisis and to prevent similar disasters in the future, and ask my colleagues to join me in my efforts.

U.S. EXPORT-IMPORT BANK DECISION KILLS 1,000 NEW JOBS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. THOMPSON) is recognized for 5 minutes.

Mr. THOMPSON of Pennsylvania. Mr. Speaker, the thing that people need across this Nation, from shore to shore today, more than anything else is jobs. Yet, the United States Export-Import Bank just recently made a decision that kills 1,000 new jobs. The recent U.S. Export-Import Bank denial of a loan guarantee to help finance the purchase of U.S.-made coal mining machinery by an Indian power company exposes the hypocrisy of the Obama administration and many in the environmental community.

According to its mission statement: "The Export-Import Bank of the United States, known as Ex-Im Bank, is the official export credit agency of the United States with the mission to assist in financing the export of U.S. goods and services." Well, at least that's what it states.

The mined coal in India that the U.S.-manufactured machinery would have produced would be used for a new power plant in one of India's poorest regions.

A subsidiary of Reliance International Limited of India was to use the loan guarantee to buy \$600 million worth of Wisconsin Bucyrus International mining machinery, which represents 1,000 U.S. jobs.

In a party-line vote of two Democrats to one Republican, the loan guarantee was turned down, not for economic reasons, but because it was contrary to the new White House policy of not funding "projects with heavy carbon emissions," in this case a coal fired power plant.

One of the Democrat Members who voted against the loan said he was following President Obama's commitment to a clean energy future and voted against the loan because of the "projected adverse environmental impact."

□ 2320

If the two Democrats who denied the loan were at all interested in the environmental impact, they would have voted for the loan. Likewise for the President, who should overturn this denial. The decision will not help the environment. In fact, it damages the environment, contributes to poverty, and instead of creating U.S. jobs, as the President promised, destroys at least 1,000 of the United States' jobs.

Forty percent of India's 1.15 billion people have no access to the power grid. That is 1½ times the population of the United States. India is estimated to have one-third of the world's poor. Without access to electricity, 70 percent of which is provided by coal, the challenge of daily life for 460 million of India's poor will remain as stagnant as their water, and they will have no choice but to continue to burn wood and dung for their energy sources.

As Barun Mitra, president of Liberty University of Delhi, India, stated, quote, "The human health, economic, and environmental impact of burning these 'renewable fuels' is immense. Young children and women spend hours each day in the drudgery of collecting firewood or squatting in mud laced with animal feces and urine, to collect, dry, and store manure for use in cooking, heat, and light rather than attending school or engaging in more satisfying or productive economic activity. The refrigerators, televisions, computers that environmentalists take for granted are not to be seen here."

Mitra further notes that the environmentalists conspicuously ignore the real risks that poor people face today, including indoor air pollution caused by burning, quote, "renewable biomass fuel." Quoting the World Health Organization, "More than half of the world's population rely on dung, wood, crop waste, or coal to meet their most basic energy needs. Cooking and heating with such solid fuels on open fires or stoves without chimneys leads to indoor air pollution.

Exposure is particularly high among women and children, who spend most of their time near the domestic hearth. Every year, indoor air pollution is responsible for the death of 1.6 million people. That's one death every 20 seconds. The use of polluting fuels poses a major burden on the health of poor families in developing countries such as India. The dependence on such fuels is both a cause and a result of poverty, as poor households often do not have the resources to obtain cleaner, more efficient fuels and appliances. Reliance on simple household fuels and appliances can compromise health, and thus hold back economic development, creating a vicious cycle of poverty.

According to the 2004 assessment of the International Energy Agency, the number of people relying on biomass such as wood, dung, agricultural resi-

dues for cooking and heating will continue to rise. I might add, especially if the Obama administration anti-coal policy continues.

If the President is serious about cleaning up the world's environment and creating American jobs, he should tell his followers at the U.S. Import-Export Bank to approve the loan guarantee. The irony is that the coal-fired generation plant will be built no matter the Obama policy, but U.S.-manufactured mining machinery won't be used thanks to the President and his followers at the congressionally-funded U.S.-job killing Import-Export Bank.

SECURING AMERICA: PRESIDENT OBAMA AND NUCLEAR WEAPONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. SCHIFF) is recognized for 5 minutes.

Mr. SCHIFF. Mr. Speaker, the recent vote in the United Nations Security Council to impose a new round of tougher economic sanctions on Iran was a significant national security success for the United States, and part of President Obama's broader push to reduce the threat of nuclear terrorism or accidental nuclear exchange.

For years there has been a broad consensus that a terrorist attack with a nuclear weapon is the gravest threat facing our country. During the 2004 Presidential debates, both Senator JOHN KERRY and President Bush pointed to such an attack as the ultimate nightmare scenario. Unfortunately, the prior administration failed to make nonproliferation a priority and blocked any progress at the 2005 Nuclear Nonproliferation Treaty Review Conference, putting the international nonproliferation regime at risk.

President Obama came into office pledging to make nuclear nonproliferation a priority, and he has delivered on multiple fronts: First, by increasing American and international pressure on Iran; and second, by working with Russia and others to reduce both countries' stockpiles of nuclear weapons and material.

The Iran resolution, one of the most important to emerge from the Security Council in years, is a triumph for American diplomacy. When the President took office last January, the United States was diplomatically isolated, and unwilling to engage in the hard work of diplomacy that would pressure Iran to engage seriously with the international community. But that has now changed.

The U.N. resolution increases the pressure on Iran to abandon its quest for nuclear weapons by expanding the list of organizations and individuals subject to financial restrictions and travel bans. And significantly, it also prevents and prohibits most conventional arms sales to Iran, a major step

considering that veto-wielding Russia and China have been Iran's major arms suppliers for years.

While Iran has remained outwardly defiant in the wake of the June 9 resolution, the U.N. resolution was quickly followed by a fresh round of European Union sanctions, and by our passage of the Comprehensive Iran Sanctions Accountability and Divestment Act, which was signed into law today by President Obama. These new sanctions have had an immediate effect. Just days after Congress passed the legislation, France's Total, the last major Western energy company dealing with Iran, announced that it would stop providing refined petroleum to Tehran, while South Korea's GS Engineering and Construction canceled a \$1.2 billion gas project in Iran.

The stakes are clear. If Tehran's nuclear weapons program were to bear fruit, elements of the Iranian regime could divert a weapon or materials to a terrorist group under its control, perhaps Hamas or Hezbollah. An Iranian bomb could also trigger a nuclear arms race in the world's most volatile region. This cannot be allowed to happen. And President Obama and this Congress are determined that it shall not happen.

The last 2 years have also seen a revitalization of our efforts to assert American leadership in nuclear nonproliferation. President Obama was the leader in the Senate on nuclear terrorism and nonproliferation issues. I had the pleasure of working with him then to strengthen the International Atomic Energy Agency's inspection program. Now as President, we are again working together, and the President recently signed legislation that I authored to develop our nuclear forensic capability.

The President has also proposed budgets that significantly increase investment in nonproliferation efforts and technologies. He understands we can't face this threat alone. There are 50 tons of unsecured nuclear material around the world. And to succeed in bringing it under lock and key, we must convince many Nations that this is a security risk for all.

Last September, the President led an extraordinary meeting of the Security Council to bring nuclear security the worldwide attention it needs. And this April he hosted the largest summit meeting that America has ever seen to convince world leaders that this is not only an important problem, but an urgent one. The summit produced a worldwide consensus to secure nuclear materials around the world within 4 years, a groundbreaking plan that the administration and Congress are now implementing.

On April 8, President Obama signed a treaty with Russia to cut nuclear weapons by 30 percent. This too is a crucial step forward. By working with

Russians to reduce their arsenals and ours, we remove unthinkably dangerous weapons from high alert, and demonstrate that building nuclear weapons is not a sign of a world power; getting rid of them is.

There is much work yet to be done. But President Obama and the leadership in Congress have clearly returned the issue of nonproliferation to the center of the policy debate, where it belongs.

THE PROGRESSIVE CAUCUS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from Georgia (Mr. JOHNSON) is recognized for one-half of the time remaining before midnight, approximately 17 minutes, as the designee of the majority leader.

Mr. JOHNSON of Georgia. Mr. Speaker, ladies and gentlemen out there in TV land, I could not go to sleep tonight until I got off my heart what has been on it, particularly over the last few days. What's on my heart is such pain and empathy for the people of this country who want to work but can't find a job, people who have worked all of their lives only to be caught victimized by the financial meltdown that took place in October of 2008.

□ 2330

The biggest downturn since the Great Depression. Eight million jobs lost. Those are real jobs affecting real people, affecting their children, affecting their parents and grandparents; people who had been accustomed to being a part of the middle class and now they find themselves out of a job, out of work for an extended period of time.

And, by the way, I must tell you that this portion of today's proceedings is a Special Order of the Progressive Caucus.

And so these 8 million jobs were caused—or the loss of these 8 million jobs were caused by the shenanigans on Wall Street. There was an endless, or what must have seemed like an endless party for the Wall Street crowd. Stocks, bonds, dividends. They couldn't be happy just with those profits. They had to come up with other ways of making money. They came up with these hedge funds that enabled someone to sit at a computer without producing anything and make money just by buying and selling various security instruments.

And those secured instruments or instruments of securities—or securities—were largely the product of these 8 million people who lost these jobs. Largely, those securities were generated on the backs of the middle class people who had used their money, used their earnings, used their savings to buy a home, and they bought a home. Oftentimes, they were steered into what we call a predatory loan, which is nothing

more than a high-cost loan, a loan with exorbitant costs. And these loans were primarily directed to minority communities. And once those targeted communities had been saturated with those predatory high-cost loans, then that industry turned its attention to another vast market untapped. It was middle class America, all over America.

And all of these high-cost loans were packaged together and sold as securities on Wall Street. These loans featured such attributes as no money down or low downpayments. Sometimes no documents required or a no-doc loan. They had adjustable rates, adjustable mortgage rates. They had other features like clauses that prevented you from refinancing without suffering a penalty. These high-cost loans, once the requisite amount of time had gone by, then the loans would be adjusted upwards. And when that adjustment was made, the people found out that they were unable to meet those new monthly payments. And so, therefore, they would simply refinance, pay another yield spread premium, stripping the equity from their property and giving it to the mortgage broker in return for placing them in another predatory loan.

And everything was going fine, these high-priced loans packaged as securities being sold on Wall Street, or being sold by Wall Street to entities and people throughout the world. And it was all based on the rising home values that everyone just assumed would continue to go up.

But at some point, people started defaulting on those high-cost predatory loans all across this Nation. And when that happened, the people who had purchased the securities that were backed by those now underperforming loans realized that they had worthless paper in their hands, and so it became a run on the bank.

Now, keep in mind, these people and entities that had bought or purchased these securities had also purchased insurance from AIG to make sure that, if the security ended up becoming useless, then AIG, like an insurer should, would pay them for that loss. And so AIG was put in a perilous situation.

And so what happened there, then it became a bailout situation. Are you going to let AIG fail along with all of these other investment banks which were steeped heavily with these toxic securities?

So, along came the Bush plan to stabilize the economy through the Wall Street, the notorious Wall Street bailout, \$700 billion. And you would think that the banks would have used that money to lend to smaller banks, the Wall Street banks would have used that money to lend money to the smaller banks, and those smaller banks then could use that money to lend to small businesses and to large busi-

nesses as well; and in that way, we would have had more job creation to try to put a dent in this 8 million jobs lost. But no, they did not do that.

What did those Wall Street banks do? They didn't loan money to small businesses to expand and hire new workers. And, in fact, in 2009, total lending by U.S. banks fell 7.4 percent, the steepest drop since 1942. Now, keep in mind, they just got \$700 billion in October of 2008. 2009, total lending fell 7.4 percent, the steepest drop since 1942. And the 22 firms that received the most bailout money cut small business loans by \$12 billion in 2009.

□ 2340

Meanwhile, the top 38 largest financial firms gave out \$145 billion in taxpayer money, in record pay, to their employees—this was in 2009—and an 18 percent increase in pay for their employees over 2008. In the first 3 months of 2010, four of the leading financial firms, including Goldman Sachs, reported profits of \$14 billion.

It is time for that money, ladies and gentlemen, to be returned to Main Street. What Wall Street has done is taken that money that should have been invested in Main Street to create jobs for the American people. Instead, they took that bailout money, and they gave record pay to their employees—\$145 billion in the year 2009. Nobody is crying about that. Everybody is crying about the deficit. Nobody is talking about job creation.

Are you a job creator, or are you a deficit reducer? What is most important to you? What would be most important to you? If you are sitting on your couch, listening to what I have to say, and if you have heard all of the stories about how deficit and spending has to be cut and if you know the government is driving us into the ground with deficit spending and then if you're sitting there without a job, what is more important to you—deficit reduction or job creation?

I submit to you that, if you are not a job creator, then you are barking up the wrong tree as far as what can be done to ease the deficit and to eliminate it eventually. You won't do it unless you have jobs. You won't do it unless you have an economy based on jobs, based on middle class people, based on people going to work every day, spending their money purchasing cars, purchasing homes, purchasing consumer goods. That's how the economy starts thriving again. It's not trickle down, the old Ronald Reagan trickle-down theory, which later was called "voodoo economics" and which has been in force all the way up through this Wall Street meltdown. That trickle-down economics is what actually caused this right here.

So we have got to build our economy from the ground up, not from the top down. This \$700 billion should have

gone to help create more jobs from the ashes of that failed economic policy instead ended up going—where?—right into the pockets of the folks on Wall Street.

So I am here tonight, ladies and gentlemen, to talk about job creation. I am here to try to ease your mind a little bit about the deficit, because what is really important is for Americans to go back to work.

REVISIONS TO THE 302(a) ALLOCATIONS FOR THE COMMITTEE ON APPROPRIATIONS FOR FISCAL YEARS 2010 AND 2011 AND REVISED BUDGET AGGREGATES FOR 2010.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina (Mr. SPRATT) is recognized for 5 minutes.

Mr. SPRATT. Madam Speaker, under section 422(a) of S. Con. Res. 13, the concurrent resolution on the budget for fiscal year 2010, as revised by H. Res. 1493, providing for budget enforcement for fiscal year 2011, I hereby submit revised 302(a) allocations for the Committee on Appropriations for fiscal years 2010 and 2011 and revised budget aggregates for 2010. Section (a)(1)(A) of H. Res. 1493 provides for adjustments to discretionary spending limits for certain program integrity initiatives when these initiatives are included in an appropriations bill. Chairman OBEY's amendment to the Senate amendment to H.R. 4899 (Making supplemental appropriations for fiscal year 2010) includes an appropriation for such initiatives in accordance with S. Con. Res. 13. Corresponding tables are attached.

These adjustments are filed for the purposes of sections 311 and 302 of the Congressional Budget Act of 1974, as amended. For the purposes of the Congressional Budget Act, this adjusted allocation is to be considered as an allocation included in the budget resolution, pursuant to section 427(b) of S. Con. Res. 13.

BUDGET AGGREGATES
[On-budget amounts, in millions of dollars]

	Fiscal year 2010	Fiscal years 2010–2014
Current Aggregates: ^{1,2}		
Budget Authority	2,891,779	n.a.
Outlays	3,004,377	n.a.
Revenues	1,651,218	10,588,269
Change for Supplemental Appropriations (H.R. 4899):		
Budget Authority	538	n.a.
Outlays	35	n.a.
Revenues	0	0
Further Revised Aggregates:		
Budget Authority	2,892,317	n.a.
Outlays	3,004,412	n.a.
Revenues	1,651,218	10,588,269

n.a. = Not applicable because FY10 budget resolution, following precedent, did not provide an allocation for Appropriations beyond 2010.

¹ Current aggregates do not include the disaster allowance assumed in the budget resolution. The budgetary impact of items with emergency designations is excluded from current level (section 423(b)).

² Aggregates incorporate final scoring for Patient Protection and Affordable Care Act and Health Care and Education Reconciliation Act.

DISCRETIONARY APPROPRIATIONS—APPROPRIATIONS
COMMITTEE 302(a) ALLOCATIONS
[In millions of dollars]

	BA	OT
Allocation for 2010:		
Current allocation under S. Con. Res. 13	1,220,892	1,377,279

DISCRETIONARY APPROPRIATIONS—APPROPRIATIONS
COMMITTEE 302(a) ALLOCATIONS—Continued
[In millions of dollars]

	BA	OT
Change for program integrity (as provided in H. Res. 1493 Section a(1)(A)) included in Supplemental Appropriations (H.R. 4899)	538	35
Revised allocation	1,221,430	1,377,314
Allocation for 2011:		
Allocation included in H. Res. 1493 ¹	1,121,000	1,314,000
Change for program integrity (as provided in H. Res. 1493 Section a(1)(A)) included in Supplemental Appropriations (H.R. 4899)	0	469
Revised allocation	1,121,000	1,314,469

¹ Includes emergency funding incorporated in CBO's March baseline.

THE SUPREME COURT DECISION
RESPECTING PRAYER IN THE
PUBLIC SCHOOLS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from Texas (Mr. GOHMERT) is recognized for the remaining time before midnight, approximately 17 minutes, as the designee of the minority leader.

WALL STREET MELTDOWN

Mr. GOHMERT. Thank you, Mr. Speaker.

I do appreciate my friend from Georgia's comments. He is right. That bailout of Wall Street was a disastrous mistake. I heard from my colleagues on both sides of the aisle who voted for it and from leaders on both sides of the aisle who pushed for that.

The good news is, if you're a big fan of Goldman Sachs, they've made more profit than they've ever made in their history since the new administration took over. They had their best year ever last year. It's tragic that the American people have not done as well as the people who ran their own car off in a ditch and then had their neighbors involuntarily pull it out for them, and now they've used that car to run over the rest of America. It's rather tragic and that continues.

I hope my friends have pointed out the injustice that's going on on Wall Street since they donate 4-1 to Democrats over Republicans. They did in the last election and have traditionally. Hopefully, our friends across the aisle will call upon their big donors on Wall Street, which is 4-1 Democrats over Republicans, despite what Americans think. They can check the facts. Hopefully, they'll get with their big donors, and will help them realize that they need to quit taking from America and that we need to get a level playing field.

SENATOR BYRD AND THE SUPREME COURT
DECISION

I rise, Mr. Speaker, tonight, not to get into partisan politics, because this is the last 15 minutes before we adjourn for the 4th of July.

What an incredible day the 4th of July 1776 was. That document was referred to by the late Senator Robert

Byrd in his speech that he gave on June 27, 1962, on the occasion of the Supreme Court's losing their collective mind in saying that the Constitution would not have been created were it not for the plea in the form of a motion by Benjamin Franklin that it would begin having prayer every day that Congress is in session, which was seconded by Mr. Sherman and unanimously adopted. If it were not for prayer, there would be no Constitution. The Supreme Court turned around in 1962 and said, You know what? We shouldn't have prayer in schools.

So, in response to that, Senator Robert Byrd, who passed away this week, gave this incredible speech. I gave part of it last night, and I want to pick up, basically, where I left off.

Senator Byrd, on June 27, 1962, says, Additional proof that American national life is God-centered comes from this Library of Congress inscription: "The light shineth in the darkness, and the darkness comprehendeth not." John 1:5.

On the east hall of the second floor of the Library of Congress, an anonymous inscription assures all Americans that they do not work alone—"for a web begun God sends thread."

One of the most hallowed documents in the Nation's Capital is the Declaration of Independence—parenthetically I add, which will be honored this weekend. Back to Robert Byrd's speech.

He says,—to which I have already alluded. It contains the basic philosophy of our government, according to which God is the source of our rights. The original document can be seen by Americans visiting in Washington from throughout the 50 States of the Union. One of the most impressive and beautiful sights in the Capital City is the Washington Monument rising above the city. When it was being built, citizens and organizations were permitted to donate blocks of stone containing inscriptions and appropriate quotations. Starting from the top of the monument, one may read three biblical quotations on the 24th landing.

One, donated by the Methodist Church of New York, reads: "The memory of the just is blessed." Proverbs 10:7.

The Sunday School children of the Methodist Church of Philadelphia contributed a stone bearing the inscription: "Train up a child in the way he should go, and when he is old, he will not depart from it." Proverbs 22:6.

□ 2350

The third stone bears these words of Christ: "Suffer the little children to come unto me, and forbid them not, for of such is the kingdom of heaven." Luke 18:6.

Twice in the monument appear the words "Holiness to the Lord." Exodus 28:36.

One of the stones was given by the Grand Lodge of the Free Masons of

Pennsylvania. The donor of the second stone is anonymous.

Among many similar expressions throughout the Monument, we find this one from the City of Richmond, Virginia, on the 18th landing. "Tuum nos sumus monumentum. We are thy Monument."

The city of Boston placed a stone slab on the 15th landing on which appear the words: "Sicut patribus sit Deus nobis. As God was to our fathers, may He be unto us."

Baltimore's contribution at the 12th level reads: "May heaven to this Union continue its beneficence."

The Indiana Lodge of Odd Fellows contributed a stone on the sixth landing which reads: "In God We trust."

The United Sons of America provided a stone bearing the inscription: "God and Nature's land."

Near the Washington Monument is the Lincoln Memorial, the Nation's tribute to its martyred Civil War President. This massive shrine pays homage to the greatness of a simple heroic man whose very life was offered on the altar of liberty. The gentleness, power, and determination of Lincoln comes to us clearly through the features chiseled in granite by the sculptor. We can almost hear Lincoln speak the words which are cut into the wall by his side: "That this Nation under God, shall have a new birth of freedom, and a government of the people, by the people, and for the people shall not perish from the Earth."

In his second inaugural address, the great President made use of the words "God," "Bible," "prayer," "providence," "Almighty," and "divine attributes."

Then his address continues: "As was said 3,000 years ago so it must still be said, 'The judgments of the Lord are true and righteous altogether.'" Lincoln goes on, "With malice toward none, with charity for all, with firmness in the right as God gives us to see the right, let us strive on to finish the work we are in, to bind up the Nation's wounds, to care for him who shall have borne the brunt of the battle, and for his widow and his orphan, to do all which may achieve and cherish a just and lasting peace among ourselves and with all nations."

On the walls of the Jefferson Memorial which stands at the south end of the Tidal Basin are inscribed Jefferson's words: "I have sworn upon the altar of God eternal hostility against every form of tyranny over the mind of man."

On a panel near the statue we find in Jefferson's words a forceful and explicit warning that to remove God from this country will destroy it. Here he, Jefferson, says: "God who gave us life gave us liberty. Can the liberties of a nation be secure when we have removed a conviction that these liberties are the gift of God? Indeed I tremble

for my country when I reflect that God is just, that his justice cannot sleep forever. Commerce between master and slave is despotism. Nothing is more certainly written in the book of fate than that these people are to be free. Establish the law for educating the common people. This it is the business of the State to effect and on a general plan."

Jefferson foresaw that time would change conditions in this country, but he believed in the unchanging truth which would persist through any age. He held that the dignity of man came not from man itself, but from God. His memorial in our Nation's Capital is a constant reminder that respect for men is based upon his close affinity with God.

Let me remind, these are the words from the speech given by Robert Byrd, Senator, in 1962. I continue with Robert Byrd's words.

Let us reflect for a moment on the fact that Washington, Jefferson, Lincoln, the giants of America, had this in common: They all paid repeated public tribute to this Nation's dependence upon God.

Benjamin Franklin at the Constitutional Convention of 1787 stood to his feet one day, the oldest man in that illustrious gathering, and addressed the chair in which sat General George Washington. Franklin said: "Sir, I have lived a long time, and the longer I live, the more convincing proofs I see of this truth: God still governs in the affairs of men, and if a sparrow cannot fall to the ground without his notice, is it possible that an empire can rise without his aid? We have been assured, sir, in the sacred writings that except the Lord build a house, they labor in vain that build it."

Franklin went on to move that a member of the clergy be invited to participate in the meetings from day-to-day that they might invoke the wisdom and guidance of The Father of Lights; "Else," he said, "we shall succeed no better than did the builders of Babel."

Here was a real man; here was a statesman; here was an inventor; here was a philosopher; a man who had served his country; a wise man who had faith in a higher power; who had courage to express that faith.

Our country's truly great men, Lincoln, Jefferson, Franklin, Wilson, Robert E. Lee, and I need not name others, these gigantic pillars of strength in the structure of American history were men who believed in a Higher Power, and they had the courage to express that belief in their words, their writings and their deeds.

Senator Byrd went on.

In the U.S. Supreme Court, the highest court in the land, can be seen ample evidence that our courts are conducted according to belief in the Almighty. Thus we find in the Supreme Court tri-

bunal such phrases as "divine inspiration," "truth," "safeguard of the rights of the people," "defense of human rights," and "liberty and peace."

Just outside of Washington, we find the Pentagon, the world's largest office building and the center of American armed services. Flanking the main entrance are two signs which read: "Worship daily according to your faith."

Catholic, Protestant, and Jewish religious services are held at the Pentagon, and members of the three faiths are urged to attend.

The military leaders, too, recognized the necessity for strong spiritual training. General of the Army Omar Bradley said: "This country has many men of science, too few men of God. It has grasped the mystery of the atom, but rejected the Sermon on the Mount."

As a lifetime soldier who has seen countless thousands of young Americans in uniform, he further observed: "This shocking apathy to the conditions of their schools and the sterility of the curriculum is responsible even today for the political immaturity, the economic ignorance, the philosophical indifference, and the spiritual insolvency of so many young men."

In Washington stands the statue of Francis Asbury, a Methodist bishop and pioneer, who died in 1816. The statue, erected with the permission of Congress in 1924, carries the inscription: "His continuous journeying through cities, villages, and settlements from 1771 to 1816 greatly promoted patriotism, education, and religion in the American Republic."

Other monuments to religion include those of James Cardinal Gibbons, given by the Knights of Columbus, and a statue of Saint Joan of Arc donated to the Capital by a French women's society.

The nuns who in Civil War days attended the wounded and dying on battlefields are commemorated in Washington's statues with the inscription: "They comforted the dying, nursed the wounded, carried hope to the imprisoned, gave in His name a drink of water to the thirsty."

Before leaving Washington, the visitor may make a final stop at the National Cemetery, in Arlington, Virginia. Here are peaceful ranks of crosses and stars of David, reminding us that our government has given its fallen men back to the God who gave them life.

The Tomb of the Unknown Soldier stands for all those fallen in battle who could not be identified, members of all sects, faiths, and religions. And here, once more, we find the acknowledgment of God's divine power in the eloquent words: "Here lies in honored glory, an American soldier, known but to God."

These are the words I have been reading from the speech given in 1962 by Senator Robert Byrd, the late Senator,

as a great testament to the faith in God that encompassed and inhabited this city for so very long.

Our President says we are not a Christian Nation. I will not debate that with him. But I know our history. I know where we came from, and the things of this city, the things of this building and history of this great Nation point tribute to the fact that is where we came from. And may God help us if we fail to recognize that is where we came from, and it is God to whom all blessings and thanksgiving should flow.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. CAPITO (at the request of Mr. BOEHNER) for today after 2 p.m. on account of attending the State Funeral of Senator Robert C. Byrd.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. CRITZ) to revise and extend their remarks and include extraneous material:)

Mr. CRITZ, for 5 minutes, today.
Ms. WOOLSEY, for 5 minutes, today.
Ms. KAPTUR, for 5 minutes, today.
Ms. JACKSON LEE of Texas, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.
Mr. SCHIFF, for 5 minutes, today.
Mr. SPRATT, for 5 minutes, today.

(The following Members (at the request of Mr. PAUL) to revise and extend their remarks and include extraneous material:)

Mr. THOMPSON of Pennsylvania, for 5 minutes, today.

Mr. FORTENBERRY, for 5 minutes, today.

ENROLLED BILLS SIGNED

Lorraine C. Miller, Clerk of the House, reported and found truly enrolled bills of the House of the following titles, which are thereupon signed by the Speaker:

H.R. 5569. An act to extend the National Flood Insurance Program until September 30, 2010.

H.R. 5611. An act to amend the Internal Revenue Code of 1986 to extend the funding

and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes.

H.R. 5623. An act to amend the Internal Revenue Code of 1986 to extend the home-buyer tax credit for the purchase of a principal residence before October 1, 2010, in the case of a written binding contract entered into with respect to such principal residence before May 1, 2010, and for other purposes.

SENATE ENROLLED BILL SIGNED

The Speaker announced her signature to an enrolled bill of the Senate of the following title:

S. 3104—To permanently authorize Radio Free Asia, and for other purposes.

ADJOURNMENT

Mr. GOHMERT. Mr. Speaker, pursuant to House Concurrent Resolution 293, 111th Congress, I move that the House do now adjourn.

The motion was agreed to; accordingly (at midnight), the House adjourned until Tuesday, July 13, 2010, at 2 p.m.

JOINT ESTIMATE OF BUDGETARY EFFECTS OF PAYGO LEGISLATION

Pursuant to Public Law 111-139, after consultation with the Chairman of the Senate Budget Committee, and on behalf of both of us, Mr. SPRATT hereby submits, prior to the vote on House amendments to the Senate amendment to the bill H.R. 4899, making supplemental appropriations for fiscal year 2010, the following attached cost estimates for printing in the CONGRESSIONAL RECORD:

1. An estimate, labeled Estimate 1, of the costs of the Senate amendment to H.R. 4899, as amended by Amendment #1 printed in House Report 111-522 and as further amended by any of Amendments #3, #4, or #5. If the Senate amendment to H.R. 4899, as amended by Amendment #1 and any of Amendments #3, #4, or #5, passes, then the estimate for purposes of Public Law 111-139 shall be the estimate labeled Estimate 1.

2. An estimate, labeled Estimate 2, of the costs of the Senate amendment to H.R. 4899 as amended by Amendments #1 and #2 printed in House Report 111-522 and as further amended by any or none of Amendments #3, #4, or #5. If the Senate amendment to H.R. 4899 as amended by both Amendments #1 and #2 and any or none of Amendments #3, #4, or #5, passes, then the estimate for purposes of Public Law 111-139 shall be the estimate labeled Estimate 2.

CBO ESTIMATE OF THE STATUTORY PAY-AS-YOU-GO EFFECTS FOR H.R. 4899, THE SUPPLEMENTAL APPROPRIATIONS ACT, 2010—HOUSE AMENDMENTS TO THE SENATE AMENDMENT TO H.R. 4899

	By fiscal year, in millions of dollars—												
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010–2015	2010–2020
NET INCREASE OR DECREASE (–) IN THE DEFICIT													
Estimate 1—Engrossed Senate Amendment and Amendment #1 (Title V) ^{1,2}	0	–523	–525	–522	–550	–3,796	–2,563	–732	–876	–992	–1,082	–5,917	–7,034
Amendment #2 (Title IV) ^{1,2}	–22	–31	–357	–354	–349	–348	–372	–526	–641	–781	–828	–1,461	–4,609
Estimate 2 ²	–22	–554	–882	–876	–899	–4,144	–2,191	–1,258	–1,517	–1,773	–1,910	–7,378	–11,643

Sources: Congressional Budget Office and Joint Committee on Taxation.

Note: Provisions in Title IV and Title V would have statutory pay-as-you-go effects. For Title IV those provisions include: unemployment benefits for those affected by the Deepwater Horizon oil spill, rescission of funds to expand the Strategic Petroleum Reserve, restrictions on certain settlement agreements between drug companies, and a change to the computation of the average manufacturer price used by Medicaid for certain types of drugs. For Title V those provisions include: changes to certain surface transportation programs and certain changes in the Internal Revenue Code.

1. As posted on the Web site of the House Committee on Rules on July 1, 2010.

2. Sections 4201(b) and 5201(b) would direct the Office of Management and Budget not to include any net savings resulting from the changes in direct spending or revenues contained in the Act on the scorecards required to be maintained by OMB under the Statutory Pay-As-You-Go Act of 2010.

BUDGETARY EFFECTS OF PAYGO LEGISLATION

Pursuant to Public Law 111-139, Mr. SPRATT hereby submits, prior to the vote on passage, the attached estimate of the costs of the bill H.R. 5618, the Restoration of Emergency Unemployment Compensation Act of 2010, as amended, for printing in the CONGRESSIONAL RECORD.

ESTIMATE OF THE STATUTORY PAY-AS-YOU-GO EFFECTS FOR H.R. 5618, THE RESTORATION OF EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 2010, AS AMENDED

	By fiscal year, in millions of dollars—												
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010–2015	2010–2020
NET INCREASE IN THE DEFICIT													
Total Changes	8,545	24,684	218	214	148	76	56	2	0	0	0	33,885	33,943

ESTIMATE OF THE STATUTORY PAY-AS-YOU-GO EFFECTS FOR H.R. 5618, THE RESTORATION OF EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 2010, AS AMENDED—Continued

	By fiscal year, in millions of dollars—												
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010–2015	2010–2020
Less:													
Designated as Emergency Requirements ²	8,545	24,684	218	214	148	76	56	2	0	0	0	33,885	33,943
Statutory Pay-As-You-Go Impact	0	0	0	0	0	0	0	0	0	0	0	0	0
Memorandum: Components of the Emergency Designations													
Change in Outlays	8,545	24,495	0	0	0	0	0	0	0	0	0	33,040	33,040
Changes in Revenues	0	–189	–218	–214	–148	–76	–56	–2	0	0	0	–845	–903

Source: Congressional Budget Office.

Note: Components may not sum to totals because of rounding.

^a Section 5 of the bill would designate Sections 2 and 3 as an emergency requirement pursuant to section 4(g) of the Statutory Pay-As-You-Go Act of 2010.EXECUTIVE COMMUNICATIONS,
ETC.

Under clause 2 of rule XIV, executive communications were taken from the Speaker's table and referred as follows:

8217. A letter from the Executive Director, Commodity Futures Trading Commission, transmitting the Commission's final rule — Account Class (RIN: 3038-AC94) received June 17, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8218. A letter from the Administrator, Department of Agriculture, transmitting the Department's final rule — User Fees for 2010 Crop Cotton Classification Services to Growers [AMS-CN-10-0001; CN-10-001] (RIN: 0581-AC99) received June 22, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8219. A letter from the Administrator, Department of Agriculture, transmitting the Department's final rule — Grapes Grown in a Designated Area of Southeastern California and Imported Table Grapes; Relaxation of Handling Requirements [Doc. No.: AMS-FV-09-0085; FV10-925-1 FIR] received June 22, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8220. A letter from the Administrator, Department of Agriculture, transmitting the Department's final rule — Sweet Onions Grown in the Walla Walla Valley of Southeast Washington and Northeast Oregon; Changes to Reporting and Assessment Due Dates [Doc. No.: AMS-FV-10-0020; FV10-956-1 FR] received June 22, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8221. A letter from the Secretary, Department of Defense, transmitting a letter providing notification that the Department intends to expand the role of women in the Marine Corps, pursuant to 10 U.S.C. 652; to the Committee on Armed Services.

8222. A letter from the Under Secretary, Department of Defense, transmitting a letter on the approved retirement of Lieutenant General Franklin L. Hagenbeck United States Army, and his advancement to the grade of lieutenant general on the retired list; to the Committee on Armed Services.

8223. A letter from the Under Secretary, Department of Defense, transmitting a letter on the approved retirement of Vice Admiral Thomas J. Kilcline, Jr. United States Navy, and his advancement to the grade of vice admiral on the retired list; to the Committee on Armed Services.

8224. A letter from the Chairman, Federal Reserve System, transmitting the twentieth annual report on the Profitability of Credit Card Operations of Depository Institutions, pursuant to 15 U.S.C. 1637 note. Public Law 100-583, section 8 (102 Stat. 2969); to the Committee on Financial Services.

8225. A letter from the Assistant General Counsel for Regulatory Services, Department of Education, transmitting the Department's final rule — National Institute on Disability and Rehabilitation Research (NIDRR)—Disability and Rehabilitation Research Projects and Centers Program — Disability Rehabilitation Research Project (DRRP) — Reducing Obesity and Obesity-Related Secondary Health Conditions Among Adolescents and Young Adults With Disabilities From Diverse Race and Ethnic Backgrounds Catalog of Federal Domestic Assistance (CFDA) Number: 84.133A-7 received June 22, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and Labor.

8226. A letter from the Assistant Deputy Secretary, Department of Education, transmitting the Department's final rule — Full Service Community Schools Catalog of Federal Domestic Assistance (CFDA) Number: 84.215J received June 17, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and Labor.

8227. A letter from the Secretary, Department of Health and Human Services, transmitting the Department's annual financial report for fiscal year 2009, pursuant to Public Law 108-130; to the Committee on Energy and Commerce.

8228. A letter from the Administrator, Environmental Protection Agency, transmitting a report on the "Status of the State Small Business Compliance Assistance Programs (SBCEP) for the Reporting Period, January 2007 to December 2008"; to the Committee on Energy and Commerce.

8229. A letter from the Secretary, Department of the Treasury, transmitting as required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), a six-month periodic report on the national emergency with respect to Belarus that was declared in Executive Order 13405 of June 16, 2006; to the Committee on Foreign Affairs.

8230. A letter from the Director, Office of Management and Budget, transmitting the Department's report on United States contributions to the United Nations and United Nations affiliated agencies and related bodies for fiscal year 2009, pursuant to Public Law 109-364, section 1225; to the Committee on Foreign Affairs.

8231. A letter from the Secretary, Department of Health and Human Services, transmitting the semiannual report on the activities of the Office of Inspector General for the period ending March 31, 2010, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Oversight and Government Reform.

8232. A letter from the Acting Deputy Assistant Administrator, Bureau for Legislative and Public Affairs, Agency for Inter-

national Development, transmitting formal response to the GAO report entitled "Information Security: Agencies Need to Implement Federal Desktop Core Configuration Requirements"; to the Committee on Oversight and Government Reform.

8233. A letter from the President and Chief Executive Officer, Federal Home Loan Bank of Seattle, transmitting the 2009 management report and statements on the system of internal controls of the Federal Home Loan Bank of Seattle, pursuant to 31 U.S.C. 9106; to the Committee on Oversight and Government Reform.

8234. A letter from the Inspector General, Federal Trade Commission, transmitting notification that the Commission will soon begin the audit of financial statements for the fiscal year 2010; to the Committee on Oversight and Government Reform.

8235. A letter from the Acting Senior Procurement Executive, General Services Administration, transmitting the Administration's final rule — Federal Acquisition Regulation; FAR Case 2009-018, Payrolls and Basic Records [FAC 2005-42; FAR Case 2009-018; Item XI; Docket 2010-0082, Sequence 1] (RIN: 9000-AL53) received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

8236. A letter from the Acting Senior Procurement Executive, General Services Administration, transmitting the Administration's final rule — Federal Acquisition Regulation; FAR Case 2009-026, Compensation for Personal Services [FAC 2005-42; FAR Case 2009-026; Item X; Docket 2010-0088, Sequence 1] received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

8237. A letter from the Director, Peace Corps, transmitting the semiannual report on the activities of the Office of Inspector General for the period October 1, 2009 through March 31, 2010, pursuant to 5 U.S.C. app. (Insp. Gen. Act), section 5(b); to the Committee on Oversight and Government Reform.

8238. A letter from the Regulatory Affairs, Department of the Interior, transmitting the Department's final rule — Visitor Services [LLW025000-L12200000.PM000-241A.00] (RIN: 1004-AD96) received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

8239. A letter from the Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic; Shrimp Fishery of the Gulf of Mexico and South Atlantic; Revisions To Allowable Bycatch Reduction Devices [Docket No.: 100121040-0177-01] (RIN: 0648-AY58) received June 17, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

8240. A letter from the Assistant Attorney General, Department of Justice, transmitting the 2009 annual report on the activities and operations of the Public Integrity Section, pursuant to 28 U.S.C. 529; to the Committee on the Judiciary.

8241. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Honeywell International Inc. Auxiliary Power Unit Models GTCP36-150(R) and GTCP36-150(RR) [Docket No.: FAA-2009-0803; Directorate Identifier 2009-NE-34-AD; Amendment 39-16330; AD 2010-12-09] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8242. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Empresa Brasileira de Aeronautica S.A. (EMBRAER) Model EMB-135ER, -135KE, -135KL, and -135LR Airplanes; and EMBRAER Model EMB-145, -145ER, -145MR, -145LR, -145XR, 145MP, and -145EP Airplanes [Docket No.: FAA-2010-0170; Directorate Identifier 2009-NM-127-AD; Amendment 39-16328; AD 2010-12-07] (RIN: 2120-AA64) received June 12, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8243. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; General Electric Company CF6-45 and CF6-50 Series Turbofan Engines [Docket No.: FAA-2010-0068; Directorate Identifier 2010-NE-05-AD; Amendment 39-16331; AD 2010-12-10] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8244. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Turbomeca S.A. MAKILA 1A and 1A1 Turbohaft Engines [Docket No.: FAA-2009-0982; Directorate Identifier 2009-NE-19-AD; Amendment 39-16323; AD 2010-12-02] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8245. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Bombardier, Inc. Model CL-600-C10 (Regional Jet Series 700, 701, & 702) Airplanes, Model CL-600-2D15 (Regional Jet Series 705) Airplanes, and Model CL-600-2D24 (Regional Jet Series 900) Airplanes [Docket No.: FAA-2009-1033; Directorate Identifier 2009-NM-104-AD; Amendment 39-16326; AD 2010-12-05] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8246. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Turbomeca Arriel 2B1 Turbohaft Engines [Docket No.: FAA-2007-27009; Directorate Identifier 2007-NE-02-AD; Amendment 39-16322; AD 2007-19-09R1] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8247. A letter from the Senior Program Analyst, Department of Transportation, transmitting the Department's final rule — Standard Instrument Approach Procedures, and Takeoff Minimums and Obstacle Departure Procedures; Miscellaneous Amendments [Docket No.: 30728; Amdt. No. 3377] received June 21, 2010, pursuant to 5 U.S.C.

801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8248. A letter from the Senior Program Analyst, Department of Transportation, transmitting the Department's final rule — Standard Instrument Approach Procedures, and Takeoff Minimums and Obstacle Departure Procedures; Miscellaneous Amendments [Docket No.: 30726; Amdt. No. 3375] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8249. A letter from the Senior Program Analyst, Department of Transportation, transmitting the Department's final rule — Revision of Restricted Area R-2504; Camp Roberts, CA [Docket No.: FAA-2010-0557; Airspace Docket No. 10-AWP-6] (RIN: 2120-AA66) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8250. A letter from the Senior Program Analyst, Department of Transportation, transmitting the Department's final rule — Standard Instrument Approach Procedures, and Takeoff Minimums and Obstacle Departure Procedures; Miscellaneous Amendments [Docket No.: 30726; Amdt. No. 3375] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8251. A letter from the Senior Program Analyst, Department of Transportation, transmitting the Department's final rule — Standard Instrument Approach Procedures, and Takeoff Minimums and Obstacle Departure Procedures; Miscellaneous Amendments [Docket No.: 30725; Amdt. 3374] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8252. A letter from the Senior Program Analyst, Department of Transportation, transmitting the Department's final rule — Amendment of Class D and E Airspace; Victorville, CA [Docket No.: FAA-2009-1140; Airspace Docket No. 09-AWP-13] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8253. A letter from the Senior Program Analyst, Department of Transportation, transmitting the Department's final rule — Modification of Jet Routes J-32, J-38, and J-538; Minnesota [Docket No.: FAA-2009-1080; Airspace Docket No. 09-AGL-13] (RIN: 2120-AA66) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8254. A letter from the Senior Program Analyst, Department of Transportation, transmitting the Department's final rule — Revision of Class E Airspace; Galena, AK [Docket No.: FAA-2010-0299; Airspace Docket No. 10-AAL-9] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8255. A letter from the Administrator, National Highway Traffic Safety Administration, Department of Transportation, transmitting the Department's report entitled, "Buckle Up America Campaign: The National Initiative for Increasing Seat Belt Use, Eleventh Report To Congress and Ninth Report to the President" for calendar year 2007; to the Committee on Transportation and Infrastructure.

8256. A letter from the Assistant Secretary of the Army, Civil Works, Department of the Army, transmitting notification of the final technical report for Louisiana Coastal Protection and Restoration (LACPR), pursuant to Public Law 109-103 Public Law 109-148; (H. Doc. No. 111-129); to the Committee on

Transportation and Infrastructure and ordered to be printed.

8257. A letter from the Director, Office of Personnel Management, transmitting legislative proposal "to amend chapter 89 of title 5, United States Code, to clarify Federal court jurisdiction over Federal Employees Health Benefits program, and for other purposes"; jointly to the Committees on Oversight and Government Reform and the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MCGOVERN: Committee on Rules. House Resolution 1500. Resolution providing for consideration of the Senate amendments to the bill (H.R. 4899) making emergency supplemental appropriations for disaster relief and summer jobs for the fiscal year ending September 30, 2010, and for other purposes (Rept. 111-522). Referred to the House Calendar.

Ms. ZOE LOFGREN of California: Committee on Standards of Official Conduct. In the matter of Representative Laura Richardson (Rept. 111-523). Referred to the House Calendar.

Mr. WAXMAN. Committee on Energy and Commerce. H.R. 5320. A bill to amend the Safe Drinking Water Act to increase assistance for States, water systems, and disadvantaged communities; to encourage good financial and environmental management of water systems; to strengthen the Environmental Protection Agency's ability to enforce the requirements of the Act; to reduce lead in drinking water; to strengthen the endocrine disruptor screening program; and for other purposes; with an amendment (Rept. 111-524). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. SHADEGG (for himself and Mr. DJOU):

H.R. 5658. A bill to amend the Immigration and Nationality Act to increase competitiveness in the United States, and for other purposes; to the Committee on the Judiciary.

By Ms. PINGREE of Maine:

H.R. 5659. A bill to amend the Internal Revenue Code of 1986 to provide for the payment of recovery rebates on the basis of tax returns for 2007 notwithstanding the limitation on timing of payments where necessary to correct a manifest injustice; to the Committee on Ways and Means.

By Mr. DELAHUNT (for himself, Mr. CONYERS, Mr. CAPUANO, Ms. HERSETH SANDLIN, and Mr. WELCH):

H.R. 5660. A bill to promote simplification and fairness in the administration and collection of sales and use taxes, and for other purposes; to the Committee on the Judiciary.

By Mr. POLIS:

H.R. 5661. A bill to amend the Outer Continental Shelf Lands Act to require the making of royalty and other payments for oil that is removed under an offshore oil and gas lease under that Act and discharged into

waters of the United States or ocean waters, and for other purposes; to the Committee on Natural Resources.

By Ms. LORETTA SANCHEZ of California:

H.R. 5662. A bill to amend title 18, United States Code, with respect to the offense of stalking; to the Committee on the Judiciary.

By Mr. GEORGE MILLER of California (for himself, Ms. WOOLSEY, Mr. RAHALL, Mr. COURTNEY, Mr. MOLLOHAN, Ms. HIRONO, Mr. SESTAK, Mr. ANDREWS, Mr. HARE, Ms. SHEA-PORTER, Mr. GRIJALVA, Mr. BISHOP of New York, Ms. SUTTON, Ms. CLARKE, Mr. SHULER, Mr. PIERLUISI, Mr. KILDEE, and Mr. HOLT):

H.R. 5663. A bill to improve compliance with mine and occupational safety and health laws, empower workers to raise safety concerns, prevent future mine and other workplace tragedies, establish rights of families of victims of workplace accidents, and for other purposes; to the Committee on Education and Labor.

By Mr. ELLSWORTH (for himself and Mr. DOYLE):

H.R. 5664. A bill to amend title I of the Patient Protection and Affordable Care Act to permit certain individuals losing their COBRA continuation coverage to have access to the high-risk health insurance pool program established under such title; to the Committee on Energy and Commerce.

By Mr. FRANKS of Arizona (for himself, Mr. CAMPBELL, Mr. LUCAS, Mr. GOHMERT, Mr. SHADEGG, Mr. GINGREY of Georgia, Mr. PITTS, Mrs. SCHMIDT, Mr. FLEMING, Mr. LATTA, Mr. SMITH of Texas, Mr. TIAHRT, Mrs. BACHMANN, Mr. DANIEL E. LUNGREN of California, Mr. BRADY of Texas, Mr. AKIN, Mr. LAMBORN, Mr. POSEY, Mr. KING of Iowa, Mr. BOREN, Mr. BISHOP of Utah, Mr. SCHOCK, Mr. FLAKE, Mrs. LUMMIS, Mrs. MCMORRIS RODGERS, Mr. CONAWAY, Mr. CALVERT, Mr. HERGER, Mr. HASTINGS of Washington, Mr. CHAFFETZ, and Mr. SIMPSON):

H.R. 5665. A bill to prohibit the withdrawal of certain public lands and National Forest System lands in Arizona from location and entry under the Mining Law of 1872, and for other purposes; to the Committee on Natural Resources.

By Mr. GRAYSON:

H.R. 5666. A bill to amend the Outer Continental Shelf Lands Act to require the drilling of emergency relief wells, and for other purposes; to the Committee on Natural Resources.

By Mr. BOREN (for himself, Mr. BROUN of Georgia, Mr. BISHOP of Utah, Mr. ROSS, Ms. HERSETH SANDLIN, Mr. ALTMIRE, Mr. MILLER of Florida, and Mr. BOOZMAN):

H.R. 5667. A bill to provide for the conduct of a study on the effectiveness of firearms microstamping technology and an evaluation of its effectiveness as a law enforcement tool; to the Committee on the Judiciary.

By Mr. JONES:

H.R. 5668. A bill to amend the Magnuson-Stevens Fishery Conservation and Management Act to require the use of sums received as fines, penalties, and forfeitures of property for violations of that Act or other marine resource laws to be used to reduce the Federal deficit and debt; to the Committee on Natural Resources.

By Mr. LATHAM:

H.R. 5669. A bill to direct the Secretary of Agriculture to convey certain Federally owned land located in Story County, Iowa; to the Committee on Agriculture.

By Mr. ADLER of New Jersey:

H.R. 5670. A bill to require the Administrator of the Environmental Protection Agency to make grants for the improvement of storm water retention basins in the watersheds of estuaries in the National Estuary Program; to the Committee on Transportation and Infrastructure.

By Ms. LINDA T. SANCHEZ of California (for herself, Ms. CORRINE BROWN of Florida, Ms. DELAURO, Mr. ELLISON, Mr. GORDON of Tennessee, Mr. GRIJALVA, Mr. HARE, Mr. HONDA, Mr. HINCHAY, Ms. MCCOLLUM, Ms. RICHARDSON, Mr. HOLT, and Ms. SHEA-PORTER):

H.R. 5671. A bill to amend the Elementary and Secondary Education Act of 1965 to create a demonstration project to fund additional secondary school counselors in troubled title I schools to reduce the dropout rate; to the Committee on Education and Labor.

By Mr. BROUN of Georgia (for himself, Mr. BOREN, Mr. BISHOP of Utah, Mr. ALTMIRE, Mr. BOOZMAN, Mr. CHILDERS, Mr. MILLER of Florida, Mr. REHBERG, Mr. ROSS, and Mr. SCALISE):

H.R. 5672. A bill to protect the use of traditional hunting and fishing equipment on Federal lands and to prevent unnecessary and unwarranted restrictions on the implements and equipment used by hunting and fishing communities; to the Committee on Natural Resources, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BROUN of Georgia (for himself, Mr. BOREN, Mr. BISHOP of Utah, Mr. ALTMIRE, Mr. BOOZMAN, Mr. CHILDERS, Mr. MILLER of Florida, Mr. REHBERG, Mr. ROSS, and Mr. SCALISE):

H.R. 5673. A bill to require that hunting activities be a land use in all management plans for Federal land under the jurisdiction of the Secretary of the Interior or the Secretary of Agriculture to the extent that such use is not clearly incompatible with the purposes for which the Federal land is managed, and for other purposes; to the Committee on Natural Resources, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. COSTA:

H.R. 5674. A bill to amend the Clean Air Act to require reductions in mercury emissions from electric utility steam generating units, and for other purposes; to the Committee on Energy and Commerce.

By Mr. FRANKS of Arizona:

H.R. 5675. A bill to improve border security and to increase prosecutions and penalties for illegal entry into the United States, to prevent and combat the smuggling of weapons of mass destruction into the United States, and for other purposes; to the Committee on Homeland Security, and in addition to the Committees on the Judiciary, Natural Resources, and Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. JACKSON LEE of Texas:

H.R. 5676. A bill to provide equitable means for ensuring that damages for injuries are ef-

ficiently secured, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committees on Ways and Means, Natural Resources, the Judiciary, Energy and Commerce, and Science and Technology, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. YOUNG of Florida:

H.R. 5677. A bill to amend the Outer Continental Shelf Lands Act and the Federal Water Pollution Control Act to modernize and enhance the Federal Government's response to oil spills, to improve oversight and regulation of offshore drilling, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Natural Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CARNAHAN (for himself, Ms. BERKLEY, Mr. BOREN, Mr. DAVIS of Tennessee, Mr. FOSTER, Ms. HIRONO, Mr. MICHAUD, Mr. MOORE of Kansas, Mr. RADANOVICH, and Mr. ROTHMAN of New Jersey):

H.R. 5678. A bill to amend the Public Health Service Act to provide grants for treatment of methamphetamine abuse, and for other purposes; to the Committee on Energy and Commerce.

By Mr. SCHOCK (for himself, Mr. MICA, and Mr. ISSA):

H.R. 5679. A bill to prevent funding from the American Recovery and Reinvestment Act of 2009 from being used for physical signage indicating that a project is funded by such Act, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BOOZMAN:

H.R. 5680. A bill to require the Secretary of the Treasury to mint coins in commemoration of the 225th anniversary of the establishment of the Nation's first law enforcement agency, the United States Marshals Service; to the Committee on Financial Services.

By Mr. BRADY of Pennsylvania:

H.R. 5681. A bill to improve certain administrative operations of the Library of Congress, and for other purposes; to the Committee on House Administration.

By Mr. BRADY of Pennsylvania:

H.R. 5682. A bill to improve the operation of certain facilities and programs of the House of Representatives, and for other purposes; to the Committee on House Administration.

By Mr. BRADY of Pennsylvania:

H.R. 5683. A bill to improve certain administrative operations of the Office of the Architect of the Capitol, and for other purposes; to the Committee on House Administration, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CAO:

H.R. 5684. A bill to direct the Secretary of Homeland Security to commission an independent review of the threat of a terrorist attack posed to offshore energy infrastructure in the Gulf of Mexico, the

vulnerabilities of such infrastructure to such attacks, and the consequences of such attacks, and for other purposes; to the Committee on Homeland Security, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. COHEN (for himself, Ms. KILPATRICK of Michigan, Ms. WATSON, Mr. SCOTT of Virginia, Ms. LEE of California, Ms. MOORE of Wisconsin, Mr. JACKSON of Illinois, Mr. KUCINICH, Ms. JACKSON LEE of Texas, Ms. FUDGE, and Ms. EDDIE BERNICE JOHNSON of Texas):

H.R. 5685. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives for the establishment of supermarkets in certain underserved areas; to the Committee on Ways and Means.

By Mr. CONNOLLY of Virginia:

H.R. 5686. A bill to amend the Oil Pollution Act of 1990 to extend liability to corporations, partnerships, and other persons having ownership interests in responsible parties, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. CUELLAR:

H.R. 5687. A bill to extend changes to requirements for admission of nonimmigrant nurses in health professional shortage areas made by the Nursing Relief for Disadvantaged Areas Act of 1999; to the Committee on the Judiciary.

By Mr. DAVIS of Illinois (for himself, Mr. JACKSON of Illinois, and Mr. RUSH):

H.R. 5688. A bill to amend title 18, United States Code, to provide a criminal penalty for torture committed by law enforcement officers and others acting under color of law; to the Committee on the Judiciary.

By Ms. GIFFORDS (for herself and Mr. POLIS):

H.R. 5689. A bill to amend the Truth in Lending Act to provide an interest rate cap and other requirements for creditors making covered loans, and for other purposes; to the Committee on Financial Services.

By Mr. GINGREY of Georgia (for himself, Mr. FLEMING, Mr. SMITH of Texas, Mr. KLINE of Minnesota, Mr. HALL of Texas, Mr. BILBRAY, Mr. MARCHANT, Mr. BISHOP of Utah, Mr. FRANKS of Arizona, Mr. ROONEY, Mr. SHADEGG, Mr. LEE of New York, Mrs. MCMORRIS RODGERS, Mrs. BLACKBURN, Mr. ROE of Tennessee, Mr. KINGSTON, Mr. COLE, Mr. CASSIDY, Mr. PITTS, Mr. WESTMORELAND, Mr. LATTA, Mr. BONNER, Mr. LINDER, Mr. BOUSTANY, Mr. GRIFFITH, Mr. TIM MURPHY of Pennsylvania, Mr. BARTLETT, and Mr. DENT):

H.R. 5690. A bill to improve patient access to health care services and provide improved medical care by reducing the excessive burden the liability system places on the health care delivery system, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HOEKSTRA:

H.R. 5691. A bill to amend the Internal Revenue Code of 1986 to provide a credit for investment in new or expanding small businesses; to the Committee on Ways and Means.

By Mr. INSLEE (for himself, Mr. BARTLETT, Mr. EHRLERS, Mr. GRIJALVA, and Mr. HIGGINS):

H.R. 5692. A bill to amend the Public Utility Regulatory Policies Act of 1978 to promote energy independence and self-sufficiency by providing for the use of net metering by certain small electric energy generation systems, and for other purposes; to the Committee on Energy and Commerce.

By Ms. LEE of California (for herself, Ms. SCHAKOWSKY, Ms. NORTON, Mr. SERRANO, Mr. FILNER, Mr. STARK, Ms. WOOLSEY, Mr. ELLISON, and Mr. GRIJALVA):

H.R. 5693. A bill to provide additional protections for recipients of the earned income tax credit and the child tax credit; to the Committee on Ways and Means, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. ZOE LOFGREN of California (for herself, Mr. NEAL of Massachusetts, Mr. GOODLATTE, Mr. GEORGE MILLER of California, Mr. MCCAUL, Mr. GORDON of Tennessee, Mr. BECERRA, Mr. THOMPSON of California, Mr. BLUMENAUER, and Ms. ESHOO):

H.R. 5694. A bill to combat trade barriers that threaten the maintenance of a single, open, global Internet, that mandate unique technology standards as a condition of market access and related measures, and to promote the free flow of information; to the Committee on Ways and Means, and in addition to the Committees on Foreign Affairs, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. LOWEY:

H.R. 5695. A bill to amend the Internal Revenue Code of 1986 to allow retail businesses a credit against income tax for a portion of the cost of recycling plastic carry-out bags and certain other types of plastic; to the Committee on Ways and Means.

By Mr. MARKEY of Massachusetts (for himself, Mrs. CAPPS, Mr. POLIS, Mr. INSLEE, and Ms. DEGETTE):

H.R. 5696. A bill to amend the Public Utility Regulatory Policies Act of 1978 to provide electric consumers the right to access certain electric energy information; to the Committee on Energy and Commerce.

By Mr. MARKEY of Massachusetts (for himself, Mr. FRANK of Massachusetts, Mr. OLVER, Mr. HODES, Ms. SHEAPORTER, Mr. DELAHUNT, Mr. CAPUANO, Mr. LYNCH, Mr. MCGOVERN, Ms. PINGREE of Maine, and Ms. DELAURO):

H.R. 5697. A bill to amend the Outer Continental Shelf Lands Act to prohibit leasing in the North Atlantic Planning Area; to the Committee on Natural Resources.

By Mr. MELANCON:

H.R. 5698. A bill to amend the Oil Pollution Act of 1990 and the Outer Continental Shelf Lands Act to protect employees from retaliation for notifying government officials of violations of those Acts, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Natural Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MILLER of Florida (for himself, Mr. BONNER, and Mr. BOYD):

H.R. 5699. A bill to amend the Internal Revenue Code of 1986 to provide tax benefits for certain areas affected by the discharge of oil by reason of the explosion on, and sinking of, the mobile offshore drilling unit Deepwater Horizon, and for other purposes; to the Committee on Ways and Means.

By Mr. MORAN of Kansas:

H.R. 5700. A bill to protect the rights under the Second Amendment to the Constitution of the United States of members of the Armed Forces and civilian employees of the Department of Defense by prohibiting the Department of Defense from requiring the registration of privately owned firearms, ammunition, or other weapons not stored in facilities owned or operated by the Department of Defense, and by prohibiting the Department of Defense from infringing on the right of individuals to lawfully acquire, possess, own, carry, or otherwise use privately owned firearms, ammunition, or other weapons on property not owned or operated by the Department of Defense; to the Committee on Armed Services.

By Mr. NADLER of New York (for himself and Mr. RANGEL):

H.R. 5701. A bill to establish the African Burial Ground International Memorial Museum and Educational Center in New York, New York, and for other purposes; to the Committee on Natural Resources.

By Ms. NORTON:

H.R. 5702. A bill to amend the District of Columbia Home Rule Act to reduce the waiting period for holding special elections to fill vacancies in the membership of the Council of the District of Columbia; to the Committee on Oversight and Government Reform.

By Ms. NORTON:

H.R. 5703. A bill to permit the advertising and sale of lottery tickets within certain areas of the District of Columbia; to the Committee on Oversight and Government Reform.

By Mr. PLATTS (for himself, Mr. SKELTON, Mr. MCKEON, Mr. SNYDER, and Mr. WITTMAN):

H.R. 5704. A bill to amend title 10, United States Code, to allow faculty members at Department of Defense service academies and schools of professional military education to secure copyrights for certain scholarly works that they produce as part of their official duties in order to submit such works for publication, and for other purposes; to the Committee on the Judiciary, and in addition to the Committees on Transportation and Infrastructure, and Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. RYAN of Ohio (for himself and Ms. SUTTON):

H.R. 5705. A bill to amend the Internal Revenue Code of 1986 to increase the credit amount for 2- and 3-wheeled electric highway vehicles, and for other purposes; to the Committee on Ways and Means.

By Mr. SALAZAR (for himself, Mr. PERLMUTTER, Ms. DEGETTE, Mr. POLIS of Colorado, Ms. MARKEY of Colorado, Mr. COFFMAN of Colorado, and Mr. LAMBORN):

H.R. 5706. A bill to designate the facility of the Government Printing Office located at 31451 East United Avenue in Pueblo, Colorado, as the "Frank Evans Government Printing Office Building"; to the Committee on Transportation and Infrastructure.

By Mr. SPACE:

H.R. 5707. A bill to protect consumers from certain aggressive sales tactics on the Internet; to the Committee on Energy and Commerce.

By Mr. TOWNS:

H.R. 5708. A bill to amend the Workforce Investment Act of 1998 to authorize the Secretary of Labor to provide grants to the National Urban League for an Urban Jobs Program, and for other purposes; to the Committee on Education and Labor.

By Ms. TSONGAS:

H.R. 5709. A bill to amend the Outer Continental Shelf Lands Act to require, as a condition and term of any exploration plan or development and production plan submitted under that Act, that the applicant for the plan must submit an oil spill containment and clean-up plan capable of handling a worst-case scenario oil spill, and for other purposes; to the Committee on Natural Resources.

By Mr. WHITFIELD (for himself, Mr. PALLONE, Mr. SHIMKUS, Mr. STUPAK, Mr. ROGERS of Michigan, Mr. GENE GREEN of Texas, Mrs. BLACKBURN, Mrs. CHRISTENSEN, Mr. RADANOVICH, Mrs. MALONEY, Mr. BISHOP of Georgia, Mr. WILSON of Ohio, Mr. GINGREY of Georgia, Mr. GORDON of Tennessee, Mr. KAGEN, Mr. PITTS, and Mr. GONZALEZ):

H.R. 5710. A bill to amend and reauthorize the controlled substance monitoring program under section 399O of the Public Health Service Act; to the Committee on Energy and Commerce.

By Ms. ROS-LEHTINEN (for herself, Ms. WASSERMAN SCHULTZ, Mrs. MALONEY, Mr. KLEIN of Florida, Mr. SHERMAN, Mr. SMITH of New Jersey, Mr. INGLIS, Mr. MARIO DIAZ-BALART of Florida, Mr. MCMAHON, Mr. PENCE, Mr. BURTON of Indiana, Mr. ENGEL, Mr. ACKERMAN, Mr. ROYCE, Mr. POE of Texas, Mr. DEUTCH, Mr. LAMBORN, Mr. MCGOVERN, Ms. BERKLEY, Mr. WILSON of South Carolina, Mr. MANZULLO, Mr. MACK, Mr. MEEK of Florida, Mr. SIREN, Mr. TOWNS, Mr. MCCOTTER, Mr. BILIRAKIS, and Mr. ROHRBACHER):

H. Con. Res. 295. Concurrent resolution condemning the attack on the AMIA Jewish Community Center in Buenos Aires, Argentina, on July 18, 1994, and for other purposes; to the Committee on Foreign Affairs.

By Mr. POE of Texas (for himself, Ms. BORDALLO, Mr. MARSHALL, Mr. SABLAN, Mr. SCHOCK, Mr. BARTLETT, Mr. COSTA, Mr. PERRIELLO, Mr. THORNBERRY, Mr. HUNTER, Mr. CONAWAY, Mr. WILSON of South Carolina, Mr. ROGERS of Alabama, Mr. JONES, Mr. BUYER, Mr. TURNER, Mr. LAMBORN, Mr. TIAHRT, Ms. SHEA-PORTER, and Mr. ISSA):

H. Con. Res. 296. Concurrent resolution recognizing the 65th anniversary of the end of World War II; to the Committee on Foreign Affairs, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SENSENBRENNER (for himself, Mr. LAMBORN, Mr. REHBERG, Mr. PETRI, and Mr. RYAN of Wisconsin):

H. Res. 1498. A resolution supporting efforts to retain the ban on the National Highway Traffic Safety Administration's (NHTSA) ability to lobby State legislators

using Federal tax dollars and urging the NHTSA to focus on crash prevention and rider education and training; to the Committee on Transportation and Infrastructure.

By Ms. WASSERMAN SCHULTZ:

H. Res. 1499. A resolution honoring the achievements of Dr. Robert M. Campbell, Jr., to provide children with lifesaving medical care; to the Committee on Energy and Commerce.

By Mr. BUYER (for himself and Mr. WALZ):

H. Res. 1501. A resolution honoring the Patriot Guard Riders for their steadfast dedication in support of those who have sacrificed their lives for our country; to the Committee on Armed Services.

By Mr. AKIN:

H. Res. 1502. A resolution amending the Rules of the House of Representatives respecting the treatment of earmarks in conferences between the House and the Senate; to the Committee on Rules.

By Ms. CASTOR of Florida (for herself, Mr. COURTNEY, Mrs. LOWEY, Ms. SPEIER, Mr. LOBIONDO, Mr. HASTINGS of Florida, Mr. FARR, Mr. CONNOLLY of Virginia, Mr. YOUNG of Florida, Ms. WASSERMAN SCHULTZ, Mr. BOYD, Mr. POSEY, and Mrs. CAPPS):

H. Res. 1503. A resolution expressing support for the goals and ideals of National Estuaries Day, and for other purposes; to the Committee on Natural Resources.

By Mr. HOYER (for himself, Mr. SENSENBRENNER, Mr. LANGEVIN, Mr. UPTON, Mr. KENNEDY, Mrs. McMORRIS RODGERS, Mr. CONYERS, Mr. SMITH of Texas, Mr. NADLER of New York, Mr. GEORGE MILLER of California, Mr. WAXMAN, Mr. OBERSTAR, Mr. TOWNS, and Mr. COBLE):

H. Res. 1504. A resolution recognizing and honoring the 20th anniversary of the enactment of the Americans with Disabilities Act of 1990; to the Committee on Education and Labor, and in addition to the Committees on Transportation and Infrastructure, the Judiciary, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HUNTER (for himself, Mr. FILLNER, Mr. DJOU, Mr. ISSA, Mr. BARTLETT, Mr. CONAWAY, and Mr. BILBRAY):

H. Res. 1505. A resolution expressing the sense of the House of Representatives that the Secretary of the Navy should name the next appropriate naval ship in honor of World War II Medal of Honor recipient John William Finn; to the Committee on Armed Services.

By Mrs. LOWEY:

H. Res. 1506. A resolution encouraging State and local governments to establish plastic bag recycling programs; to the Committee on Energy and Commerce.

By Mr. ROE of Tennessee (for himself, Mr. BUCHANAN, Mr. GINGREY of Georgia, Mr. CASTLE, Mr. ROGERS of Michigan, Mr. REICHERT, Mr. CASSIDY, Mr. WILSON of South Carolina, Mr. McKEON, Mrs. BLACKBURN, Mr. COOPER, and Mr. BROUN of Georgia):

H. Res. 1507. A resolution expressing support for designation of July as "National Choroideremia Awareness Month"; to the Committee on Oversight and Government Reform.

By Mr. WHITFIELD (for himself, Mr. GUTHRIE, Mr. DAVIS of Kentucky, Mr.

ROGERS of Kentucky, Mr. CHANDLER, and Mr. YARMUTH):

H. Res. 1508. A resolution celebrating the 200th Anniversary of John James Audubon in Henderson, Kentucky; to the Committee on Natural Resources.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 208: Mr. KISSELL, Mr. KLEIN of Florida, Ms. LORETTA SANCHEZ of California, Mr. CHILDERS, and Mr. CHANDLER.

H.R. 305: Mr. DEUTCH.

H.R. 333: Ms. TSONGAS and Ms. KILROY.

H.R. 345: Mr. EHLERS.

H.R. 532: Mr. POSEY.

H.R. 649: Mr. HOEKSTRA.

H.R. 745: Ms. SCHWARTZ.

H.R. 795: Ms. EDDIE BERNICE JOHNSON of Texas.

H.R. 878: Mr. MICA.

H.R. 886: Mr. HIMES and Mr. ISRAEL.

H.R. 901: Mr. CLAY.

H.R. 1021: Mr. TIAHRT.

H.R. 1093: Ms. RICHARDSON.

H.R. 1103: Mr. MAFFEI.

H.R. 1132: Mr. SESTAK.

H.R. 1189: Mr. SCHRADER.

H.R. 1205: Mr. MILLER of North Carolina.

H.R. 1228: Mr. McKEON.

H.R. 1250: Mr. DJOU.

H.R. 1255: Mr. AKIN.

H.R. 1351: Ms. MATSUI and Mr. MCNERNEY.

H.R. 1362: Mr. TIAHRT.

H.R. 1618: Mr. HOEKSTRA.

H.R. 1620: Mr. TIAHRT.

H.R. 1717: Mr. GOODLATTE.

H.R. 1806: Mr. LYNCH.

H.R. 1829: Mr. BOREN.

H.R. 1835: Mr. HIGGINS.

H.R. 2000: Mr. KIND, Mr. BISHOP of Georgia, Mr. SNYDER, Ms. CORRINE BROWN of Florida, Mr. MAFFEI, and Mr. COHEN.

H.R. 2109: Mr. STARK and Ms. SCHWARTZ.

H.R. 2149: Mr. PRICE of North Carolina.

H.R. 2176: Ms. LINDA T. SANCHEZ of California.

H.R. 2273: Mr. LYNCH.

H.R. 2296: Mr. FORTENBERRY, Mr. SALAZAR, and Mr. DJOU.

H.R. 2305: Mr. MICA.

H.R. 2324: Mr. CONYERS and Ms. WASSERMAN SCHULTZ.

H.R. 2450: Mr. CRITZ.

H.R. 2625: Mr. DEUTCH, Mr. FRANK of Massachusetts, and Mr. SHERMAN.

H.R. 2746: Ms. TSONGAS and Mr. MARIO DIAZ-BALART of Florida.

H.R. 2849: Mr. NEAL of Massachusetts.

H.R. 2866: Mr. SCHRADER.

H.R. 2962: Ms. MCCOLLUM.

H.R. 3043: Ms. SCHWARTZ and Ms. EDDIE BERNICE JOHNSON of Texas.

H.R. 3101: Mr. CLAY.

H.R. 3251: Mr. LAMBORN, Mr. BARRETT of South Carolina, Mr. KINGSTON, Mr. BONNER, and Mr. CANTOR.

H.R. 3271: Mr. GEORGE MILLER of California.

H.R. 3286: Mr. SALAZAR, Mr. WOLF, Mr. CONNOLLY of Virginia, Mr. DOYLE, and Mr. POLIS.

H.R. 3301: Mr. SCHOCK and Mr. MILLER of North Carolina.

H.R. 3359: Mr. BARROW.

H.R. 3401: Ms. NORTON.

H.R. 3408: Mr. LARSON of Connecticut, Mr. MORAN of Virginia, Mr. HOLDEN, and Ms. SLAUGHTER.

H.R. 3586: Mr. PLATTS.

H.R. 3712: Mr. KLINE of Minnesota and Mr. CARNAHAN.

H.R. 3716: Mr. WITTMAN, Mr. ROGERS of Michigan, and Ms. VELÁZQUEZ.

H.R. 3729: Mr. ORTIZ, Mr. SCHOCK, Mr. GRIJALVA, and Mr. BUCHANAN.

H.R. 3731: Mr. WATT.

H.R. 3734: Ms. BERKLEY and Mr. MOORE of Kansas.

H.R. 3764: Mr. DAVIS of Alabama.

H.R. 4070: Mr. TIAHRT.

H.R. 4197: Mr. LAMBORN and Mr. WOLF.

H.R. 4202: Ms. RICHARDSON, Mr. PATRICK J. MURPHY of Pennsylvania, and Mr. FARR.

H.R. 4223: Ms. CHU.

H.R. 4229: Mr. MILLER of North Carolina.

H.R. 4296: Mr. OWENS.

H.R. 4322: Mr. VAN HOLLEN.

H.R. 4350: Mr. WEINER.

H.R. 4427: Mr. SMITH of Texas and Mr. MORAN of Kansas.

H.R. 4447: Mr. JONES.

H.R. 4477: Ms. KOSMAS.

H.R. 4616: Mr. OBERSTAR.

H.R. 4650: Ms. HIRONO.

H.R. 4671: Mr. WILSON of Ohio and Ms. MATSUI.

H.R. 4684: Mr. YOUNG of Florida.

H.R. 4692: Mr. NADLER of New York.

H.R. 4693: Mr. PETERSON, Ms. SHEA-PORTER, Mr. KLEIN of Florida, Ms. CORRINE BROWN of Florida, Ms. RICHARDSON, and Mr. LOEBACK.

H.R. 4733: Ms. NORTON.

H.R. 4753: Mr. ROGERS of Kentucky.

H.R. 4764: Mr. MORAN of Kansas, Ms. RICHARDSON, and Ms. SHEA-PORTER.

H.R. 4771: Mr. SESTAK, Mr. CLYBURN, Ms. CLARKE, Mr. BISHOP of Georgia, Mr. CARSON of Indiana, Mr. CLAY, Mr. CUMMINGS, Mr. DAVIS of Illinois, Mr. FATTAH, Ms. FUDGE, Mr. HASTINGS of Florida, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. KILPATRICK of Michigan, Ms. WATSON, Mr. WATT, Ms. EDWARDS of Maryland, Mr. BUTTERFIELD, Mr. SIRE, Ms. LEE of California, Mr. BRADY of Pennsylvania, and Mr. CARNAHAN.

H.R. 4787: Mrs. BLACKBURN.

H.R. 4788: Mr. ACKERMAN, Mr. LOBIONDO, and Ms. KILROY.

H.R. 4800: Mr. RANGEL.

H.R. 4850: Mr. NYE.

H.R. 4866: Mr. WILSON of South Carolina, Mr. PITTS, Mr. GINGREY of Georgia, Mr. BISHOP of Utah, Mr. LAMBORN, Mr. CULBERSON, Mr. DANIEL E. LUNGREN of California, and Mr. BILBRAY.

H.R. 4879: Ms. ZOE LOFGREN of California, Mr. ACKERMAN, Mr. DELAHUNT, Ms. TSONGAS, Mr. WU, Mr. GUTIERREZ, Ms. CLARKE, Mr. GARAMENDI, and Ms. CORRINE BROWN of Florida.

H.R. 4910: Mr. MICA.

H.R. 4925: Mr. HASTINGS of Florida.

H.R. 4947: Mr. KISSELL and Ms. CORRINE BROWN of Florida.

H.R. 4951: Mr. TIAHRT.

H.R. 4952: Mr. McKEON.

H.R. 4954: Mr. WALDEN and Mr. GALLEGLY.

H.R. 4972: Mr. MICA, Mr. MANZULLO, Mr. UPTON, and Mr. REHBERG.

H.R. 4985: Mr. LANCE, Mr. CANTOR, Mr. MCHENRY, Mr. BROWN of South Carolina, Mr. HUNTER, Mr. WHITFIELD, and Mr. DREIER.

H.R. 4986: Mr. BLUNT and Ms. RICHARDSON.

H.R. 4993: Mr. KISSELL.

H.R. 4995: Mr. CASSIDY.

H.R. 5012: Mr. FILNER and Mr. SCOTT of Virginia.

H.R. 5015: Mr. LARSON of Connecticut and Mr. GARAMENDI.

H.R. 5033: Ms. WATSON, Ms. EDWARDS of Maryland, Mr. BERMAN, Mrs. MALONEY, Ms. LINDA T. SÁNCHEZ of California, and Mr. POLIS.

H.R. 5040: Mr. ROTHMAN of New Jersey, Mr. VAN HOLLEN, Mr. MAFFEI, Mr. UPTON, Mrs. DAHLKEMPER, Ms. SHEA-PORTER, and Mr. GRAVES of Missouri.

H.R. 5054: Mr. TIAHRT.

H.R. 5058: Mr. BUCHANAN.

H.R. 5078: Mr. MCDERMOTT.

H.R. 5091: Mr. BRADY of Pennsylvania and Mr. MCGOVERN.

H.R. 5111: Mr. KING of New York.

H.R. 5117: Mr. CUMMINGS, Mr. LARSEN of Washington, Mr. BLUMENAUER, Mr. LUJÁN, Ms. HIRONO, Mr. MCMAHON, Mr. KILDEE, Mr. CAPUANO, and Mr. WAXMAN.

H.R. 5120: Mr. LARSEN of Washington.

H.R. 5121: Mr. PAYNE and Ms. LORETTA SANCHEZ of California.

H.R. 5142: Mr. PERLMUTTER.

H.R. 5162: Mrs. EMERSON, Mr. YOUNG of Florida, Mr. LAMBORN, and Mr. GARY G. MILLER of California.

H.R. 5177: Mr. TIAHRT.

H.R. 5207: Mr. HARE.

H.R. 5211: Ms. SHEA-PORTER.

H.R. 5214: Mr. MCNERNEY and Mr. ARCURI.

H.R. 5268: Mr. TIERNEY and Mr. PRICE of North Carolina.

H.R. 5283: Mr. GERLACH.

H.R. 5304: Mr. BRADY of Pennsylvania.

H.R. 5324: Mr. KILDEE.

H.R. 5340: Mr. JONES.

H.R. 5358: Mr. YOUNG of Florida.

H.R. 5359: Mr. GUTIERREZ.

H.R. 5369: Mr. WILSON of Ohio.

H.R. 5374: Mr. MCCAUL.

H.R. 5384: Mr. NADLER of New York, Mr. PETERS, Mr. HILL, and Mr. CONNOLLY of Virginia.

H.R. 5409: Mr. PATRICK J. MURPHY of Pennsylvania and Mr. CONNOLLY of Virginia.

H.R. 5424: Mr. REHBERG and Mr. LATHAM.

H.R. 5426: Mr. TIAHRT.

H.R. 5470: Mr. WHITFIELD and Mrs. MYRICK.

H.R. 5471: Mr. LUJÁN, Mr. LANGEVIN, Mr. MCMAHON, Mr. COURTNEY, Mr. MCGOVERN, Ms. RICHARDSON, Ms. HIRONO, Mr. HINCHEY, Mr. HONDA, Mr. CAPUANO, Mr. BOUCHER, and Mr. MOORE of Kansas.

H.R. 5476: Mr. DRIEHAUS.

H.R. 5478: Mr. LATOURETTE.

H.R. 5479: Mr. CRITZ.

H.R. 5492: Ms. WATSON.

H.R. 5504: Mr. TOWNS, Mr. HONDA, and Ms. NORTON.

H.R. 5510: Mr. RYAN of Ohio.

H.R. 5523: Mr. POSEY.

H.R. 5529: Mr. WITTMAN.

H.R. 5536: Mr. DUNCAN, Mr. BURTON of Indiana, Mr. SENSENBRENNER, Mr. POSEY, Mr. MARCHANT, Mr. BISHOP of Utah, Mr. PENCE, Mr. BARTLETT, Mr. GRAVES of Georgia, Mr. ISSA, Mr. POE of Texas, Mr. WILSON of South Carolina, Mr. PITTS, Mr. BARTON of Texas, Mr. SAM JOHNSON of Texas, Mrs. BLACKBURN, Mr. GINGREY of Georgia, Mr. CAMPBELL, Mr. GOHMERT, Mr. CULBERSON, Mr. KING of Iowa, Mr. SHADEGG, Mr. LAMBORN, Mr. SCHOCK, Mr. FRANKS of Arizona, Mr. DANIEL E. LUNGREN of California, Mr. OLSON, Mr. LATTA, Mr. BARRETT of South Carolina, and Mr. CONAWAY.

H.R. 5555: Mr. BUYER.

H.R. 5560: Mr. ISRAEL.

H.R. 5566: Ms. MATSUI.

H.R. 5572: Mr. ROONEY, Mr. STUPAK, Mrs. BONO Mack, Mr. MARIO DIAZ-BALART of Florida, Mr. LINCOLN DIAZ-BALART of Florida, Mr. PUTNAM, Mr. POSEY, Mr. YOUNG of Florida, Ms. ROS-LEHTINEN, and Mr. STEARNS.

H.R. 5575: Ms. LORETTA SANCHEZ of California.

H.R. 5580: Mr. TIAHRT and Mr. CALVERT.

H.R. 5582: Mr. COBLE, Mr. LATTA, Mr. BARRETT of South Carolina, and Mr. JOHNSON of Illinois.

H.R. 5585: Mr. BONNER.

H.R. 5597: Mr. MCGOVERN.

H.R. 5601: Ms. ROS-LEHTINEN.

H.R. 5602: Ms. ROS-LEHTINEN.

H.R. 5605: Mr. CARNEY, Mr. DOYLE, and Mr. HOLDEN.

H.R. 5606: Mr. CARNEY, Mr. DOYLE, and Mr. HOLDEN.

H.R. 5612: Mr. INSLEE.

H.R. 5614: Mr. CALVERT.

H.R. 5631: Mr. PAYNE.

H.R. 5637: Mr. WILSON of Ohio.

H.R. 5643: Ms. MATSUI.

H.R. 5645: Mr. LAMBORN and Mr. TIAHRT.

H.R. 5647: Mr. SCHOCK, Mr. BURTON of Indiana, Mr. PITTS, Mr. STEARNS, Mr. CALVERT, Mr. COLE, Mrs. MILLER of Michigan, Mr. WILSON of South Carolina, Mr. GERLACH, Mr. TIBERI, Mr. ROGERS of Michigan, Mrs. BIGGERT, Mr. SIMPSON, Mr. BONNER, Mr. LATTA, Mrs. LUMMIS, Mr. DENT, Mr. WALDEN, and Mr. MCCOTTER.

H.J. Res. 83: Mr. FRANK of Massachusetts, Mr. SCHIFF, Mr. BURTON of Indiana, Mr. CAO, Mr. ROHRBACHER, Mr. WELCH, Mr. KIRK, Ms. MCCOLLUM, Mr. OLVER, and Ms. BORDALLO.

H. Con. Res. 259: Ms. DELAUNO.

H. Con. Res. 266: DELAHUNT.

H. Con. Res. 275: Mr. QUIGLEY and Mr. ETHERIDGE.

H. Con. Res. 281: Mr. LINDER, Mr. SMITH of Texas, Mr. HALL of Texas, Mr. BARRETT of South Carolina, Mr. MORAN of Kansas, Mr. SULLIVAN, and Mr. POE of Texas.

H. Con. Res. 291: Mr. DELAHUNT, Mr. HASTINGS of Florida, Ms. BORDALLO, and Mr. GENE GREEN of Texas.

H. Res. 111: Ms. KILPATRICK of Michigan.

H. Res. 173: Mr. BUCHANAN and Mr. GRIJALVA.

H. Res. 203: Mr. TIAHRT.

H. Res. 263: Mr. TIAHRT.

H. Res. 709: Ms. RICHARDSON.

H. Res. 763: Mr. BARRETT of South Carolina.

H. Res. 771: Mr. TONKO.

H. Res. 929: Mr. BARTLETT.

H. Res. 1058: Mr. BISHOP of Georgia, Mr. DAVIS of Illinois, Mr. THOMPSON of Mississippi, Mr. CLAY, Mr. BARROW, Mr. GEORGE MILLER of California, Mr. KLEIN of Florida, Mr. CUMMINGS, Mr. FILNER, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. CORRINE BROWN of Florida, Mr. HARE, Mr. COURTNEY, Ms. SUTTON, Ms. MCCOLLUM, Ms. LEE of California, Ms. CASTOR of Florida, Mr. MOORE of Kansas, Mr. KIND, Mr. BUTTERFIELD, Ms. CLARKE, Mr. ELLISON, Mr. AL GREEN of Texas, and Ms. WATERS.

H. Res. 1077: Mr. COURTNEY, Ms. KILROY, Ms. KAPTUR, Ms. MATSUI, Ms. MOORE of Wisconsin, Ms. RICHARDSON, Mr. SCHAUER, and Ms. SHEA-PORTER.

H. Res. 1129: Mr. SCALISE.

H. Res. 1199: Mr. TIAHRT.

H. Res. 1207: Mr. HUNTER.

H. Res. 1226: Mr. MATHESON and Mr. BROWN of Georgia.

H. Res. 1234: Mr. HIGGINS, Ms. SLAUGHTER, Mr. LEE of New York, Mr. TONKO, Mr. MEEKS of New York, Mr. SERRANO, and Mr. KING of New York.

H. Res. 1251: Ms. BORDALLO.

H. Res. 1264: Mr. MCCOTTER.

H. Res. 1277: Mr. TIAHRT.

H. Res. 1317: Mr. TIAHRT.

H. Res. 1318: Mr. HIGGINS, Ms. SLAUGHTER, Mr. TONKO, Mr. MEEKS of New York, Mr. SERRANO, and Mr. KING of New York.

H. Res. 1326: Mr. CAMPBELL and Mr. PAYNE.

H. Res. 1343: Mr. GINGREY of Georgia.

H. Res. 1355: Mr. FALOMAVEGA, Mr. SHERMAN, Mr. HINCHEY, Mr. PAYNE, and Ms. BALDWIN.

H. Res. 1384: Mr. YOUNG of Florida.
H. Res. 1401: Mr. LEE of New York, Mrs. DAHLKEMPER, Mr. YOUNG of Florida, Mrs. CAPITO, Mr. DUNCAN, and Mr. POSEY.

H. Res. 1430: Mr. SERRANO, Mr. SIRES, Mr. HINOJOSA, Mr. PASTOR of Arizona, Mr. SESTAK, Ms. FUDGE, and Mr. GRIJALVA.

H. Res. 1444: Ms. DEGETTE, Mrs. CAPPS, Mr. STUPAK, Mr. DOYLE, Mr. GONZALEZ, and Mr. OBEY.

H. Res. 1472: Mr. ACKERMAN.

H. Res. 1473: Mr. SALAZAR.

H. Res. 1476: Mrs. DAVIS of California, Mr. HALL of New York, Ms. ROYBAL-ALLARD, Mr. GEORGE MILLER of California, Ms. BERKLEY, Mr. CROWLEY, Mr. BERMAN, and Mr. GARAMENDI.

H. Res. 1479: Ms. MCCOLLUM, Mr. LAMBORN, Mr. MCCLINTOCK, Mr. MAFFEI, and Mr. JONES.

H. Res. 1480: Ms. RICHARDSON, Mr. BILBRAY, Mr. LEWIS of California, Mr. GALLEGLY, Mr. CAMPBELL, Mr. GARY G. MILLER of California, Mr. HERGER, Mr. ROYCE, Ms. ZOE LOFGREN of California, Mr. COSTA, Ms. WATERS, Ms. HARMAN, Mr. SCHIFF, Mr. GARAMENDI, Ms. ROYBAL-ALLARD, Mr. BERMAN, Mrs. CAPPS, Ms. SPEIER, Ms. HIRONO, Ms. CHU, Ms. MATSUI, Mr. STARK, Mr. WAXMAN, Mr. MCNERNEY, Ms. LINDA T. SANCHEZ of California, and Mrs. NAPOLITANO.

H. Res. 1483: Mr. ROSKAM, Mr. BOSWELL, Mr. KLEIN of Florida, Mr. TOWNS, Mr. MEEKS

of New York, Mr. WOLF, Mr. POSEY, Mr. GOHMERT, Mr. MARKEY of Massachusetts, Mr. THOMPSON of California, Mr. TIAHRT, Mr. ROGERS of Kentucky, and Ms. TSONGAS.

H. Res. 1485: Mr. CONAWAY, Mr. SPRATT, Ms. FUDGE, Mr. LEWIS of California, Mr. LINCOLN DIAZ-BALART of Florida, Mr. CRITZ, Mr. BLUNT, and Mr. WOLF.

H. Res. 1486: Ms. NORTON, Mr. BACA, Ms. RICHARDSON, Mr. SIRES, Mr. FALEOMAVAEGA, and Mr. LYNCH.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2555: Mr. SHULER.

H.R. 5585: Mr. FLEMING.

DISCHARGE PETITIONS— ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petitions:

Petition 5 by Mrs. BLACKBURN on H.R. 391: Jeff Flake and Tom Graves.

Petition 11 by Mr. KING of Iowa on H.R. 4972: J. Gresham Barrett, John Linder, Bill

Posey, Lynn Jenkins, Mike Coffman, Roscoe G. Bartlett, Virginia Foxx, John Campbell, Mike Rogers (AL), Randy Neugebauer, Charles K. Djou, Pete Sessions, F. James Sensenbrenner, Jr., Howard Coble, Candice S. Miller, Steve Scalise, Robert B. Aderholt, Phil Gingrey, Kevin Brady, Pete Olson, C.W. Bill Young, Tom McClintock, Joe Wilson, Mac Thornberry, John R. Carter, John Shimkus, Mary Fallin, Gus M. Bilirakis, John Fleming, Jeff Flake, W. Todd Akin, Peter Hoekstra, Donald A. Manzullo, Eric Cantor, Scott Garrett, John A. Boehner, Henry E. Brown, Jr., Kay Granger, Parker Griffith, Ted Poe, Cathy McMorris Rodgers, Rodney Alexander, Fred Upton, Jean Schmidt, John Sullivan, Peter J. Roskam, Blaine Luetkemeyer, Michael C. Burgess, Ken Calvert, Lee Terry, Patrick T. McHenry, Mary Bono Mack, Spencer Bachus, Jeff Miller, John B. Shadegg, Gregg Harper, John Abney Culbertson, Dana Rohrabacher, David P. Roe, J. Randy Forbes, Bill Cassidy, Brett Guthrie, Denny Rehberg, Sue Wilkins Myrick, Tom Latham, Michael K. Simpson, John Kline, Ron Paul, Thomas J. Rooney, Daniel E. Lungren, Darrell E. Issa, Harold Rogers, John J. Duncan, Jr., Todd Russell Platt, Duncan Hunter, Sam Graves, Bob Inglis, Edward R. Royce, and Ralph M. Hall.

EXTENSIONS OF REMARKS

HONORING THE PUBLIC SERVICE
OF G. IRENE SNYDER

HON. JIM GERLACH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. GERLACH. Madam Speaker, I rise today to honor a dedicated public servant who is retiring after a 40-year career as a rural carrier with the Glenmoore Post Office in Chester County, Pennsylvania.

G. Irene Snyder started her career as a part-time carrier, serving residents in the Ludwig's Corner and Nantmeal Township areas. In a testament to her tireless work ethic, Irene held jobs as a bus driver and attendant at Ludwig's Gas Station in addition to her part-time mail delivery duties.

She started delivering mail full-time in 1981 and earned a reputation among her co-workers as loyal, dedicated and committed to the U.S. Postal Service and the residents on her route. Irene was always willing to lend a helping hand at work and at her church, Nantmeal Methodist, where she served as an organist, and still found time for farming on her property in Honey Brook.

Colleagues and friends will celebrate Irene's four decades of service and wish her well in retirement during a reception on July 1, 2010.

Madam Speaker, I ask that my colleagues join me today in praising the outstanding service of G. Irene Snyder and all public servants who go beyond what is expected to serve their communities.

JULY 4, 2010 NATURALIZATION
CEREMONY IN HAMMOND

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. VISCLOSKY. Madam Speaker, it is with great pleasure and sincerity that I take this time to congratulate the individuals who will take their oath of citizenship on July 4, 2010. In true patriotic fashion, on the day of our great Nation's celebration of independence, a naturalization ceremony will take place, welcoming new citizens of the United States of America. This memorable occasion, coordinated by the Hammond Public Library and presided over by Magistrate Judge Andrew Rodovich, will be held at Harrison Park in Hammond, Indiana.

America is a country founded by immigrants. From its beginning, settlers have come from countries around the globe to the United States in search of better lives for their families. The upcoming oath ceremony will be a shining example of what is so great about the United States of America—that people from all

over the world can come together and unite as members of a free, democratic nation. These individuals realize that nowhere else in the world offers a better opportunity for success than here in America.

On July 4, 2010, the following people, representing many nations throughout the world, will take their oath of citizenship in Hammond, Indiana: David Buabeng Agyen, Gordana Obradovic, Adesola Titilayo Ikene, Iryna Anatolitvna Hillegonds, Snezana Cude, Olufunmilayo Oluranti Adebayo, Kim Anh Tong, Kenneth Llanos Fabugais, Reshma Begum, Lubna Sairesh Hussain, Ummaima Sadaf Hussain, Hilda Marumbo Love, Gilberto Garcilazo Ambriz, Hossein Ali Safavi Naeini, Lorraine Emilia Von Tobel, Jose L. Guerrero, Ashok Sundaram, Lily Shajil, Amjad M.A. Ahmed, Delia Lord, Sonal Sanjay Shah, Alfredo Gerardo Discepolo, Corazon Samonte Jurado, Eric Udave Zaragoza, Dan Chen, Muriel Magalhaes Pessoa, Saber Zedan Khawaled, Justine Elizabeth Smith, Harvind Singh Azrot, Dragan Gjikoski, Gopikrishna Ratakonda, Surinder Singh, Manjeet Geeta, Maria Cristina Sanguenza, Rey Ancasas Sararana, Maynard Villavecencio Utayde, Eunice Jacobed Bojorquez, Olubunmi Emmanuel Adebayo, Amjad M. Amer, Rogelio Jose Munoz, Isabel De La Rosa Rangel, Juventino Flores, Jose Gutierrez Olivares, Vinh Quang Le, Eleazar Talili Tan, Nikunj Natvarlal Patel, Joel Erie Lingua, Mohannad Khaleel Alkaki, Dhirenkumar Jaswantlal Shah, and Ambrosia Ewican McLaughlin.

Though each individual has sought to become a citizen of the United States for his or her own reasons, be it for education, occupation, or to offer their loved ones better lives, each is inspired by the fact that the United States of America is, as Abraham Lincoln described it, a country “. . . of the people, by the people, and for the people.” They realize that the United States is truly a free nation. By seeking American citizenship, they have made the decision that they want to live in a place where, as guaranteed by the First Amendment of the Bill of Rights, they can practice religion as they choose, speak their minds without fear of punishment, and assemble in peaceful protest should they choose to do so.

Madam Speaker, I ask you and my other distinguished colleagues to join me in congratulating these individuals, who will become citizens of the United States of America on July 4, 2010, the day of our Nation's independence. They, too, will be American citizens, and they, too, will be guaranteed the inalienable rights to life, liberty, and the pursuit of happiness. We, as a free and democratic nation, congratulate them and welcome them.

DAREN WOODWARD

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. GRAVES of Missouri. Madam Speaker, I proudly pause to recognize Daren Woodward. Daren is a very special young man who has exemplified the finest qualities of citizenship and leadership by taking an active part in the Boy Scouts of America, Troop 1137, and earning the most prestigious award of Eagle Scout.

Daren has been very active with his troop, participating in many scout activities. Over the many years Daren has been involved with scouting, he has not only earned numerous merit badges, but also the respect of his family, peers, and community. Most notably, Daren has contributed to his community through his Eagle Scout project. Daren collected materials and renovated a fence for the City of North Kansas City, Missouri.

Madam Speaker, I proudly ask you to join me in commending Daren Woodward for his accomplishments with the Boy Scouts of America and for his efforts put forth in achieving the highest distinction of Eagle Scout.

RECOGNIZING THE CONTRIBUTIONS
OF MICHAEL QUEAR TO
THE HOUSE COMMITTEE ON
SCIENCE AND TECHNOLOGY

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. GORDON of Tennessee. Madam Speaker, I rise today to recognize the service of a valued staff member of the Committee on Science and Technology, Michael Quear. Mike has served on Capitol Hill for over 20 years, most recently as the Staff Director for the Technology and Innovation Subcommittee.

Mike Quear grew up in Indiana on a farm where his work for 4H and his demanding piano teacher taught him the importance of principled, disciplined hard work. Every day Mike came to work for the Committee for the last 20 years, he brought that attitude to the job with him. It is hard to match either his stamina or the quality of his work.

In 1990, Mike came to the Science Committee from a fellowship with the State Department. Educated in Chemical Engineering, Mike brought with him real-world experience from working in industry as well as exposure to the thinking of the State Department about how to use science and technology to build stronger diplomatic ties among nations. He worked directly for then-Chairman George E. Brown, Jr. Brown was a passionate advocate

● This “bullet” symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

for using scientific cooperation to bridge differences between nations. Mike supported his efforts, acting as his advisor for international scientific cooperation matters. At Brown's direction, Mike played a key role in negotiating the establishment of the U.S.-Mexico Foundation for Science.

Beginning in 1995, Mike took the lead as the key Democratic staffer on technology issues and for reauthorization of programs at the National Institute of Technology and Standards. For the last 15 years, virtually every authorization or reauthorization of programs at NIST was the direct product of Mike's work. Mike is well known to colleagues in the Senate and the House, among authorizers and appropriators, both on and off the Hill for his detailed knowledge of NIST, its programs and its problems. His work on NIST programs could be a perfect case study for any young Committee staffer trying to understand how to work with an agency.

Mike played a key role in crafting many pieces of legislation relating to standards, technology development, and competitiveness. I want to mention just two specifically. I am particularly indebted to Mike because he drafted the first bill I had signed into law as Chairman of the Committee on Science and Technology: the Methamphetamine Remediation Research Act of 2007. Secondly, Mike Quar was at the heart of the America COMPETES Act—taking the lead on all the technology provisions in that landmark legislation.

Mike has been a model staffer: creative, smart, hard-working, and loyal. While the Committee will miss his dedicated services, I am confident that he will retire to his farm in Pennsylvania and apply those same gifts to his passions of raising horses, driving buggies, and gardening. I want to thank him for his selfless professionalism and congratulate him on his hard earned retirement. We will miss you and cannot replace you.

IN HONOR OF AN AMERICAN HERO

HON. VIRGINIA FOXX

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Ms. FOXX. Madam Speaker, I rise today in honor of a great American hero, SSgt Jeremy Austin of Statesville, North Carolina. Jeremy is a Marine who lost both his legs in an IED explosion in Afghanistan on April 11, 2009. Like many of our men who have given so much for our country, Jeremy is a work of art. His courage, his faith, and his strength of character are golden examples to us all. He and his wife Chrissy are a credit to our Nation and to the United States Marine Corps. Jeremy and the many fathers and mothers like him who were injured in the line of duty have set an example for our Nation's sons and daughters that will help carry them through life, and make our country a much better place. I ask that this poem, penned in honor of Jeremy and his family by Albert Carey Caswell, be placed in the RECORD.

"I WANT"

(In Honor of an American Hero, SSgt Jeremy Austin, the United States Marines 2nd Force Recon CO)

I want to be!

Just, like my Father . . . my Daddy . . .

A United States Marine!

One of the greatest things, this country has ever seen!

I want, to grow up to be strong and tall!

With hearts of courage full, ready to answer our Nation's call!

To go where Angels, so fear to tread!

Who with tears in eyes, for my beloved brothers who have bled . . .

Someone, who stands for something!

For Honor, Faith, Courage, and Grace!

Who brings tears, to even our Lord's face . . .

To Teach people! To Reach People!

To All Hearts, To So Beseech People!

All in what, his fine life has said!

Who all in his lifetime, has never followed . . . but led!

Who Could give up his two fine legs . . . Who will not moan, will not beg!

And come back home, And rebuild with his courage all over again!

If only, I could be half the Man!

But, now I Know . . . I know I Can!

Because, inside of me . . . beats, his my fine Father's heart!

For part of him, is now of me . . . The best part!

For I am of his blood, and I have his heart! For I am so blessed, because my Father is one of America's best!

Superman and Batman, are not real!

But, my Daddy . . . He's an American Hero, The Real Deal!

And my Mommy is, for all she's been through!

Yes, I want! I Want To Be!

Just like Father, Just My Daddy!

A Freedom Fighter, A United States Marine

ON THE OCCASION OF THE 75TH BIRTHDAY OF HIS HOLINESS THE DALAI LAMA

HON. JANICE D. SCHAKOWSKY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Ms. SCHAKOWSKY. Madam Speaker, I rise today to honor His Holiness the 14th Dalai Lama. Next week, on July 6, His Holiness will celebrate his 75th birthday, an occasion that will be marked by Tibetans and Tibet supporters across the world.

The Dalai Lama was born as Lhamo Dhondup on July 6, 1935, to a farming family in village in northeastern Tibet. At the age of 2, he was recognized as the reincarnation of the 13th Dalai Lama, the manifestation of the Bodhisattva of Compassion. He was later taken to Lhasa to be enthroned as the spiritual and temporal leader of the Tibetan people.

Throughout his life, His Holiness has championed nonviolence and peaceful means for resolving conflicts around the world. He has advocated compassion, respect for human dignity, tolerance, and understanding between the world's great faiths, and dialogues between religious leaders and scientists. For these lifelong commitments, he has been awarded the Nobel Peace Prize, the Congressional Gold Medal, and many other honors.

Fifty one-years ago, the Dalai Lama was forced into exile. From that moment he has worked tirelessly to achieve a solution for Tibet and to relieve the ongoing suffering of his people. The Dalai Lama has been coura-

geous and patient in pursuing his "Middle Way Approach" of a peacefully negotiated resolution to the Tibet issue with China. Tibetans in Tibet continue to risk their lives in calling for the return of the Dalai Lama to his homeland.

The U.S. Congress has been resolute in its support for the Dalai Lama and his pursuit of freedom, democracy and human rights for Tibetans and others around the world. I had the great personal pleasure of meeting His Holiness during his visit to the United States Capitol in October 2009. I look forward to Congress giving him another warm welcome on his next visit to Washington.

Madam Speaker, I urge my colleagues to join me in recognizing the 75th birthday of the Dalai Lama and offering our continued appreciation of his life's work of promoting compassion, peace and human rights for all.

GARRETT HULL

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. GRAVES of Missouri. Madam Speaker, I proudly pause to recognize Garrett Hull. Garrett is a very special young man who has exemplified the finest qualities of citizenship and leadership by taking an active part in the Civil Air Patrol and earning the most prestigious General Billy Mitchell Award.

Garrett has been very active with his patrol, participating in many activities. Over the many years Garrett has been involved with the patrol, he has not only earned numerous decorations, but also the respect of his family, peers, and community. Most notably, Garrett has earned the rank of First Sergeant and attended the Specialized Undergraduate Pilot Training Familiarization Course at Columbus Air Force Base in Mississippi. Garrett has also contributed to his community by commanding his unit's color guard.

Madam Speaker, I proudly ask you to join me in commending Garrett Hull for his accomplishments with the Civil Air Patrol and for his efforts put forth in achieving the highest distinction of the Mitchell Award.

IN HONOR OF RICHARD GARZA

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. FARR. Madam Speaker, I rise today to honor a public servant who has spent the past 36 years serving our troops and veterans. Richard Garza, Director of Monterey County Military and Veterans Affairs Office, has assisted countless constituents with the Departments of Defense and Veterans Affairs. Today, Richard begins his retirement, but he will always continue to be an advocate for the men and women who've worn our nation's uniform.

Richard Garza was born in Brooklyn, New York in 1948. In 1961, he moved to the San Francisco Bay Area and has been a California

resident since. From 1968 to 1970, Richard was drafted and served in the United States Army. After his period of service, he continued his education. He received a Bachelor's of Arts in Interdisciplinary Social Science from California State University, San Francisco and a Master's of Public Administration from California State University, Hayward.

Richard began his public service career in 1974 as a Benefits Counselor and Program Administrator with the United States Department of Veterans Affairs. In 1980, he continued serving veterans as the Veterans Service Officer of Sonoma County. Since 2003, Richard has been with the Military and Veterans Affairs Office of Monterey County. As Director of the county office, he has assisted veterans with the Department of Veterans Affairs, and welcomed home returning troops from Iraq and Afghanistan. Moreover, Richard is the first individual in the State of California to become a Certified Veterans Advocate through the National Association of County Veterans Service Officers.

Madam Speaker, Richard Garza has dedicated his life to taking care of our veterans and troops. I know I speak for the whole House when I both commend him for his dedication to public service and congratulate him on the occasion of his retirement.

RECOGNIZING CAPTAIN ROBERT R. O'BRIEN, JR., ON THE OCCASION OF HIS RETIREMENT AS COMMANDER OF THE UNITED STATES COAST GUARD NEW YORK SECTOR

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mrs. MALONEY. Madam Speaker, I rise to acknowledge the achievements of Captain Robert R. O'Brien, Jr., on the occasion of his retirement as Commander of the United States Coast Guard's New York Sector. He has served our Nation, and its greatest city, with distinction, and all Americans owe him a debt of gratitude.

Captain O'Brien assumed command of the United States Coast Guard (USCG) Sector New York on June 15, 2006 after completing his previous assignment as the Commander of the USCG's Marine Safety Office in Hampton Roads, Virginia. I know that my distinguished colleagues join me in extending our appreciation and gratitude to Captain O'Brien, who throughout his career has courageously and selflessly dedicated himself to protecting, defending and serving his fellow Americans.

Captain Robert O'Brien's remarkable career in the United States Coast Guard has spanned more than four decades. Enlisting in the Coast Guard in 1970 after leaving the Roman Catholic Seminary, he first served aboard the United States Coast Guard Cutter (USCGC) *Laurel* in North Carolina. In 1976, he was assigned as Officer-in-Charge of the USCGC *Blackberry*, also stationed in North Carolina. Upon his promotion in 1979 to Chief Boatswain's Mate, he was transferred to the largest Aids to Navigation Team in the Atlantic Area as Officer-in-Charge.

In 1983, Robert O'Brien was promoted to Lieutenant, and for the next 20 years served with distinction in assignments that found him in areas ranging from Galveston, Texas to Detroit, Michigan, and numerous places in between. Upon his promotion to Captain in 2003, he assumed command of the Marine Safety Office in Hampton Roads, Virginia. After serving in that capacity for three years, he then became Commander of the New York Sector, where he has been stationed since.

Throughout his long and distinguished career in the United States Coast Guard, Captain Robert O'Brien has earned a number of awards and honors. He has received the Meritorious Service Medal, the Coast Guard Commendation Medal, the Coast Guard Achievement Medal and the Coast Guard Commandant's Letter of Commendation Ribbon, among many others.

Captain Robert O'Brien was born in Savannah, Georgia and raised in Ridgeland, South Carolina. He and his wife, Martha, have three children: Reid, Jennifer and Caroline, all of whom must be tremendously proud of their father's accomplishments and honorable service to this Nation.

Madam Speaker, in recognition of his lifetime of service to this country, I request that my colleagues join me in paying tribute to Captain Robert R. O'Brien, Jr., a distinguished member of our armed services and a patriotic American who has devoted his professional life in service to our country. Captain O'Brien's selfless and enduring dedication to our Nation provides a worthy example for all of us.

HONORING REV. MARK DUANE HAIL

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. ROGERS of Kentucky. Madam Speaker, I rise today to honor Rev. Mark Duane Hail, who has lived a dedicated life of service to his community, the ministry, and to our Nation. Reverend Hail is a man of many remarkable gifts and talents, and has been devoted to employing those gifts to benefit his fellow man.

In June 2010, Reverend Hail retired from the ministry after 27 years. He was ordained a minister in the Southern Baptist Church in 1983 and has served as pastor of several churches in Pulaski County, Kentucky. Mark was also an ordained deacon, teaching Sunday School and serving on church committees. Reverend Hail was also a veteran of the Korean War—serving in the United States Navy from 1955 through 1959. He was awarded the China Service Medal and Good Conduct Medal. He later served as the Chaplain of the American Legion Post 38 in Somerset.

Before entering the ministry, he taught in the Somerset Independent City School system for 30 years. After retiring from teaching in 1988, he remained active in the schools and in the community, joining the Retired Teachers Association, where he served as president in 1989, as well as serving two terms on the Somerset Independent Schools Board of Education. In 1990, he was elected as vice chair-

man of the Board of the Somerset Independent School System. In addition to his career as an educator and minister, Mark was also a farmer in the Dabney community for 12 years, worked as a real estate agent with Gosser Real Estate for 20 years, and was a member of the board of directors of the Somerset Pulaski County Development Foundation.

As an elected official in Somerset, Reverend Hail was very active in politics throughout his life. Mark was elected to three terms as the chairman of the Republican Party of Pulaski County. He served as county campaign chair for numerous Republican officials, including President George H.W. Bush, and Senators MITCH MCCONNELL and JIM BUNNING. He was a member of the Republican Lincoln Club and served as a Republican precinct officer for over 20 years. He was a Kentucky Colonel and active in many civic organizations.

These accomplishments only scratch the surface of Reverend Hail's accomplishments and contributions to his community. His work serves as a pattern for all of us who desire to serve our Nation. The Bible in First Timothy instructs us that "the elders that rule well be counted worthy of double honor." Madam Speaker, Reverend Hail has proven he is worthy of at least that much and more.

HONORING THE 50TH ANNIVERSARY OF DAN'S PAPERS

HON. TIMOTHY H. BISHOP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. BISHOP of New York. Madam Speaker, I rise today to honor the publication Dan's Papers, celebrating its 50th anniversary as a purveyor of culture and a staple of community life on Eastern Long Island.

Dan's Papers was first published on July 1, 1960, by Dan Rattiner, who was at the time a junior at the University of Rochester. Dan's impetus for creating Dan's Papers stemmed from a desire to create a fun, light-hearted, and welcoming publication for tourists visiting Suffolk County, New York.

Gathering a devoted following, Dan's Papers was instrumental during a 1967 protest to prevent the U.S. Coast Guard from allowing the historic Montauk Point Lighthouse to fall victim to the eroding cliffs on which it is perched. Through the efforts organized by Dan's Papers, not only was the lighthouse saved, but the community was united in a common cause.

Dan worked individually for the first six summers of Dan's Papers, writing, editing, and crafting his newspaper to entertain residents and tourists alike. As populations grew and the demographics of the South Fork began to shift, so too did the scope of Dan's Papers, providing articles, editorials, and updates on the visitors and inhabitants of the East End.

Madam Speaker, Dan's Papers has played an important role in helping to promote the iconic culture of Long Island's South Fork and has personified the American spirit of creativity and community for five decades. I am proud to congratulate Dan's Papers on its 50th anniversary and join eastern Long Island in wishing the publication success in the future.

RECOGNIZING THE CONTRIBUTIONS OF JUDGE DAVID TOBIN

HON. CHARLES A. WILSON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. WILSON of Ohio. Madam Speaker, today I rise to recognize the judicial and civic contributions of Judge David Tobin. This month, Columbiana County is losing a great public servant. Judge Tobin devoted twenty-five years of his life to serving on Columbiana County Court of Common Pleas, the second longest tenure of any judge on the Court. His time spent on the bench and prior decade of service as a Columbiana County Prosecuting Attorney greatly benefited the citizens of Columbiana County.

During his service, he had the honor of serving on the Ohio State Bar Association's Board of Character and Fitness as a Commissioner. He also worked hard to bring the Supreme Court of Ohio to the Columbiana County Courthouse to host a court session. These are just a few of the examples that illustrate the professional respect for Judge Tobin exhibited from Lisbon to Columbus.

He was also greatly respected throughout the community. From community service through the Calcutta Rotary, to his work with the Calcutta Community Park Committee, to his various coaching positions, Judge Tobin exhibited a strong commitment to his community.

The people of Columbiana County have been blessed by the long service of Judge Tobin, and upon his retirement this July, he will be sorely missed. I ask my colleagues today to join with me in honoring Judge Tobin, a respected judge and public servant who has been and will always be dedicated to the people of Columbiana County.

UKRAINIAN GOVERNMENT SHOULD MAINTAIN FREEDOM OF MEDIA

HON. ALAN B. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. MOLLOHAN. Madam Speaker, I rise today to draw your attention to a troubling situation occurring in Ukraine. Less than 100 days ago, President Victor Yanukovich assumed leadership of the Ukrainian government. During this short period of time, there have been alarming reports that many of the democratic achievements of the 2004 Orange Revolution are being rolled back—including the freedoms of speech and media.

Some of the reported actions occurring include the Ukrainian Security Service's, SBU, agents approaching university deans to warn them against their students' participation in pro-opposition rallies, as well as instances of the new government intimidating journalists. Furthermore, two TV channels with a history of independent coverage—Channel 5 and TVi—are under threat of imminent closure due to reported pressure from executive bodies, including SBU.

These troubling instances of pressure against Ukraine's beleaguered opposition and independent media outlets are arguably part of a disturbing, coordinated effort by the executive to squelch a healthy political debate and assure an uncritical coverage of the government's policies. In fact, these reports are so widespread that the United States Ambassador to Ukraine, John Tefft, even recently expressed his concerns about the increasingly difficult climate for Ukraine's independent media and stressed that "it is essential to protect and even expand the media freedoms that emerged" after the country's 2004 Orange Revolution.

I understand that Secretary of State Hillary Clinton will visit Kiev, Ukraine on July 2, as part of her five-day, five-nation tour of Eastern Europe. I would encourage Secretary Clinton to raise these issues with President Yanukovich and reiterate the importance of not returning to Ukraine's old system of government pressure on journalists and media companies.

I am including a copy of an article titled, "Ukraine channels cry foul as frequencies pulled" that appeared in the June 8 issue of *The Financial Times*, Europe. As such, I urge my colleagues to follow and engage in this vitally important issue.

[From the *Financial Times*, June 8, 2010]

UKRAINE CHANNELS CRY FOUL AS FREQUENCIES PULLED

(By Roman Olearchyk in Kiev)

Two Ukrainian television channels cried foul on Tuesday after a high court pulled crucial broadcasting frequencies away from them, sparking media freedom activists to reiterate concerns of an organized attempt to block objective news coverage.

The development follows weeks of growing complaints by journalists about the resurgence of censorship and heightens fears that a Kremlin-styled crackdown on media freedoms could be in the works five months into the presidency of the Moscow-friendly Viktor Yanukovich.

Management and journalists from channels 5 and TVi pledged to appeal against the controversial ruling and hope to remain on the air in the near term. But during a press conference held after Tuesday's regional administrative court ruling, they openly expressed fears that media freedoms and democratic gains made by Ukraine since 2004 could be at risk under Mr. Yanukovich. He is accused by oppositionists of setting up an authoritarian regime.

"We lived through 2004," said Channel 5 director Ivan Adamchuk, recalling attempts by authorities to muzzle the channel ahead of the pro-democracy Orange Revolution, which overturned a fraud-marred presidential vote for Mr. Yanukovich. "We could not imagine that those times would return, but they have," he added.

Oleh Rybachuk, a former presidential administration chief turned civic activist, said "censorship is re-emerging, and the opposition is not getting so much coverage. There are similarities to what [Vladimir] Putin did when he came to power. We are seeing Putin-style attempts to monopolise power."

With Mr. Yanukovich's coalition having swiftly consolidated control over the nation's legislative, executive and judicial branches of power, the channels could face an uphill battle if he opposes their survival.

Mr. Yanukovich's administration on Tuesday repeated denials of cracking down on

free press. But media watchdogs warned that if stripped of the frequencies, the two channels—seen by media watchdogs as rare sources of reports critical of Mr. Yanukovich's coalition—would be blacked out from much of the country.

Such a scenario would preserve the strong grip over Ukraine's television airwaves held by Mr. Yanukovich's billionaire business backers.

One of them is Valery Khoroshkovsky, currently head of Kyiv's SBU spy agency and owner of UA Inter Media Group, the nation's largest television holding. The latter filed the court appeal asking for the frequencies to be pulled on grounds that they were wrongfully issued in January.

Both 5 and TVi have repeatedly accused Mr. Khoroshkovsky of abusing his power and influence to preserve his monopoly control over Ukraine's media airwaves and limit objective news reporting.

Mr. Khoroshkovsky denies wrongdoing and insists his wife manages his media empire as he dedicates his time to public service.

But on Tuesday, Mykola Knyazytsky, director of TVi, which was set up by exiled Russian businessmen, blamed Mr. Khoroshkovsky for the crack down on the two channels and described his simultaneous role as a presidential backer, intelligence chief and media mogul as a "huge and blatant conflict of interest."

RECOGNIZING THE COCKRUM FAMILY AS THE CRAWFORD COUNTY FARM FAMILY OF THE YEAR

HON. JOHN BOOZMAN

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. BOOZMAN. Madam Speaker, I rise today to honor the Cockrum family of Crawford County Arkansas. The Cockrum's have devoted their lives to the service of Crawford County and the State of Arkansas through the service and hard labors of cattle farming. It is because of their devotion and hard labors that they were named Crawford County's 2010 Farm Family of the Year.

For 63 years, the Arkansas Farm Family of the Year Program has honored farm families all across the State for their outstanding work both on their farms and in their communities. Recognition from the program is a reflection of the contribution to agriculture at the community and State level and its implications for improved farm practices and management.

The Cockrum's have worked diligently to contribute to the protection of the environment and the conservation of soil, water, and energy. Mr. Cockrum's journey began at the age of seventeen when he rented 32 acres of land and purchased his first twelve cows. Today, through hard work and determination, the Cockrum's now own more than 300 acres of land and two businesses.

I congratulate Randy, his wife Anjie, and their children Shelby, Tyler, and Siera for their outstanding achievements in agriculture and ask my fellow colleagues to join me in honoring them for this accomplishment. I wish them continued success in their future endeavors and look forward to the contributions they will offer in the future of Arkansas agriculture.

RECOGNIZING ARTHUR WOLF FOR
DECADES OF DISTINGUISHED
PUBLIC AND COMMUNITY SERV-
ICE

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mrs. MALONEY. Madam Speaker, I rise to honor Mr. Arthur Wolf, a great New Yorker and a great American who has devoted himself to serving others. Arthur provided top-notch public service to the citizens of the Empire State for decades as an official at the Social Security Administration and then at the New York City Department for the Aging. He has provided invaluable and expert advice to me on issues related to aging, and in particular, Social Security and Medicare, for the last seventeen years. Last month, he hosted a celebration of his upcoming 80th birthday (he will actually turn 80 on September 25) at a gathering at Aleo restaurant in Manhattan.

Here in Congress, we are elected by the people to make laws, but the job of implementing, applying and enforcing them falls to others. Throughout his professional life, Arthur Wolf has, in his own mild-mannered way, helped citizens overcome the barriers that sometimes exist between often byzantine bureaucracies and the people whom government is supposed to serve.

A proud son of the Bronx, Arthur Wolf has been a consummate New Yorker throughout his life. He did venture far from home to begin his undergraduate education at the University of Georgia, where he witnessed first-hand the mean-spirited racial segregation that then permeated the region, an experience that helped inspire him to try to make a difference for the better. After two years, Arthur returned to his hometown to finish his undergraduate education at New York University, an outstanding institution of which he is a proud, loyal, generous, and highly revered alumnus. After earning his bachelors degree, Arthur became a welfare investigator. In areas like the South Bronx, Arthur Wolf ensured that often underprivileged New Yorkers got a fair shake from the government when it came to accessing benefits to which they were legitimately entitled. He was also a diligent steward of taxpayer dollars who made certain that the public till was not bilked by those who fraudulently tried to qualify for welfare benefits.

As a Social Security Administration official, Arthur helped countless senior citizens cut through red tape that stood between them and the benefits to which they were entitled. Many of these citizens would be penniless if it weren't for the dedicated work of this extraordinary man. In one memorable instance, Arthur helped an elderly widow tap into Social Security benefits to which she was unknowingly entitled, providing her with a sum in the six figures that constituted an enormous boost to her quality of life. He carries that same commitment to serving others everywhere he goes. A longtime resident of Peter Cooper Village, a bastion of middle class housing on Manhattan's East Side, Arthur often helps seniors in the neighborhood by offering uncompensated counsel on how to traverse the So-

cial Security bureaucracy. His work ethic is only matched by his remarkable selflessness. A former Scout Master, he helped introduce inner-city kids to the great outdoors. For many years, he also volunteered his time hosting a radio show on Fordham University's radio station, WFUV, answering callers' Social Security inquiries.

An active member of many community, civic and fraternal organizations, Arthur Wolf is a Full Mason and upstanding member of the Grand Lodge of Accepted Masons of the State of New York, which he has served as Secretary for many years. He remains a longtime member of the Executive Board of the Samuel J. Tilden Democratic Club.

Madam Speaker, for his extraordinary contributions to others and to the civic life of our nation's greatest city, I ask that my distinguished colleagues rise and join me in honoring Mr. Arthur Wolf.

COMING HOME: TRANSITION FROM
MILITARY SERVICE TO CIVILIAN
LIFE

HON. CORRINE BROWN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Ms. CORRINE BROWN of Florida. Madam Speaker, I rise on this 4th of July Independence Day Weekend to congratulate and thank Congressmen SANFORD D. BISHOP, Jr. and CHARLES B. RANGEL for joining me last year in convening a powerful national dialogue at the 21st Anniversary of the Congressional Black Caucus Veterans Braintrust during the Congressional Black Caucus Foundation's 39th Annual Legislative Conference (ALC) held in Washington, DC. Our September 25, 2009 forum titled: Coming Home: Transitioning from Military Service to Civilian Life, brought together members of the Obama administration, federal agencies, distinguished scholars and professionals, and two of today's highest ranking black military officers to discuss the important challenges and obstacles facing thousands of returning soldiers and veterans who struggle to negotiate family life, jobs, education and health care after honorable discharge from the U.S. military.

As is our tradition, the morning session began with Dr. Zachery Tims, Jr., Senior Pastor, New Destiny Christian Center (NDCC) giving the invocation to bless the occasion, and inspiring international singer Brenda Jackson singing our national anthem, and a stirring rendition of 'Lift Every Voice and Sing,' the Negro National Anthem by Paul Lawrence Dunbar before a standing-room-only crowd of 400 people.

Rep. CHARLES B. RANGEL provided the framework for the forum using his own experience as a Korean War soldier who had experienced the difficulty of transitioning to the real world after a tour of combat. He opened the morning saying, "I went from being a respected and decorated Army staff sergeant to being viewed as nothing more than a high school drop-out." He was able to navigate his way using the GI Bill from underemployed in the garment district of New York City to ob-

taining his undergraduate and law degrees. But not everyone is as fortunate.

"Although we have a very effective Department of Veterans Affairs, thousands of today's veterans are falling through the cracks. Most of those who flounder are simply not aware of the assistance available from the VA and other service organizations," RANGEL said. "Our vision was that any veteran who walked into this session lost or disillusioned about the future—after hearing our speakers—would walk out feeling that the VA was there for him or her."

Our keynote speaker was Secretary Eric K. Shinseki, of the Department of Veterans Affairs, the first Asian American Four Star General in American military history, a real 'Soldier's Soldier.' He was joined by two other distinguished military officers, Rear Admiral Michelle Howard, the first female graduate of the U.S. Naval Academy to command a U.S. naval vessel, and Four Star General William "Kip" Ward.

Adm. Howard made history as the commander of the USS *Rushmore* that led the successful rescue effort of Captain Richard Phillips and his crew of the *Mearsk Alabama* captured by Somali pirates during April 2009. Gen. Ward is a Morgan State University graduate and the highest ranking African American in the U.S. military. He spoke eloquently about his military career. He serves as the first-ever commander of the newly formed U.S. AFRICOM, one of six geographical commands within the Department of Defense, tasked with training African soldiers and delivering aid and resources to the continent's residents. Also in attendance were retired Generals Julius Becton, George Price, and Robert Cocroft.

Other federal agency representatives and distinguished scholars included Assistant Secretary Ray Jefferson of the Department of Labor's Veterans Employment and Training Services (VETS), Deputy Assistant Secretary Mark Johnston of the Department of Housing and Urban Development (HUD), Corporate Liaison Officer Chuck Southern, Center for Veterans Enterprise, Department of Veterans Affairs, Chairman James Bombard, Veterans Advisory Committee on Education, Department of Veterans Affairs, and Drs. Shirley Marks, Chief, Mental Health Service, West Texas VA Health Care System, and Kristen Lester, Clinical Psychologist and VA Researcher, Women's Health Sciences Division, National Center for PTSD.

Thus, the forum sought to present the latest up-to-date and vital information to take home to veterans, their families and communities, particularly communities of color across the Nation. Secretary Shinseki's remarks focused on three specific areas: access to services and benefits, the VA disability backlog, and homelessness. He also described the VA footprint and new community health care delivery services such as telehealth, as well as a list of issues confronting the VA: homelessness (approximately 50 percent African American), depression, suicide, joblessness, substance abuse, PTSD, and TBI stigma. Secretary Shinseki, as well as others also graciously acknowledged FY 2010 funding levels as a congressionally enhanced budget, but more importantly, a special 'debt of honor.' He continued, "we intend to end homelessness among

veterans as opposed to witnessing their downward spiral into hopelessness through education, jobs, mental health and housing as an investment in America's future." Coupled with announcing new VA initiatives such as increasing SBA to 15 percent, \$500 million going toward homeless veterans programs, along with 20,000 HUD VASH vouchers for housing support—the Obama administration and he will transform the VA into a 21st century organization. Lastly, he promised that 40 years after Vietnam, and 20 years after the first Gulf war, he will seek satisfactory answers to two nagging issues: (1) Agent Orange and its host of illnesses, and (2) Gulf War illness.

The afternoon session consisted of the Veterans Stakeholders Roundtable Discussion, Part II. The roundtable was moderated by Mr. Leonard Dunston, MSW, President Emeritus of the National Association of Black Social Workers (NABSW) and featured the following subject matter experts as discussants: Dr. William Lawson, MD, Ph.D., Chairman, Department of Psychiatry & Behavioral Health, Howard University, Dr. Jay Chunn, Director, National Center for Health Behavioral Change, Urban Medical Institute, Morgan State University; Dr. Cedric Bright, MD, VA Staff Physician, Dr. Reginald Wilson, Ph.D., Tuskegee Airman & Senior Scholar Emeritus, American Council on Education (ACE), Dr. Jerome Brandon, Ph.D., Professor of Exercise Physiology, Department of Kinesiology & Health, Georgia State University, Dr. Vincent Patton, III, Ed.D., Director of Community Outreach for Military.com, Dr. Donna Holland Barnes, Ph.D., Suicidologist, Howard University, Dr. Kristen Lester, Ph.D., Clinical Psychologist, Women's Health Sciences Division of the National Center for PTSD & member, American Psychological Association and commentary by Dr. Tom Berger, Ph.D., Senior Advisor at Vietnam Veterans of America (VVA), Peter Dougherty, Director of VA Homeless Programs, Fredette West, former Chief of Staff for the Hon. Louis Stokes (D-OH), Retired, and Dr. James Woodard, Ed.D., JD, former Senior Staff Member for the late Hon. Joseph Moakley (D-MA), and original Braintrust member.

The mission of the roundtable discussion was to complement the morning session with greater details and re-analyses related to veterans transitional difficulties involving behavioral health, PTSD, TBI, suicide, depression and other mental illnesses with both a professional service provider and an interdisciplinary perspective—emphasizing that no one comes home from war unchanged, and unfortunately many emotionally and psychologically wounded troops fall through the cracks.

For example, veterans make up only 13 percent of the population, but account for 20 percent of the suicides. Dr. Barnes indicated veterans with PTSD are more than 3X as likely to die by suicide as their civilian counterpart. White college educated veterans living in rural areas are at the highest risk. Yet, African Americans may be the second highest especially those between the age 18–44. This concurring with Dr. Mark's earlier presentation, that veterans in the general US population are at an increased risk of suicide, with a projected rise in the incidence of functional impairment and psychiatric morbidity among vet-

erans of the conflicts in Afghanistan and Iraq. Consequently, more clinical and community interventions that are directed towards veterans in both VA and non-VA healthcare facilities are needed. Dr. Chunn spoke about physical assault and attempted murder rates being more than 3X higher among Iraq and Afghanistan returnees, alluding to a direct correlation between homicide and suicide echoed by a number of mental health professionals. Even more so, that the VA is seeing only 40 percent of the behavioral health problems as opposed to the 60 percent in the general population. Dr. Berger pointed out that of the eight VA recommendations concerning suicide, there are no action plans, despite the National Vietnam Veterans Readjustment Study (NVVRS) and the RAND Study of 2008. Correspondingly, risk factors such as multiple deployments, military sexual trauma, TBI linked to PTSD all appear to be disconnected. This is compounded by the fact that close to 50 percent of the National Guard troops come from rural areas of the country, strongly suggesting that the VA and military health systems are not working, because there is no connectivity!

VA researcher Dr. Lester responded that the VA is not a perfect system by any means. Additionally, that there are not a lot of studies comparing ethnic minorities and white PTSD treatment; other research problems stemming from too small sample sizes, and the need for more research targeting issues of relevance to OEF/OIF women service members. Furthermore, she indicated that women's exposure to combat results in increased dual risk, decreased social support, increased parental stress, unsupportive homecoming reception and barriers to health care. Therefore the need for evidence-based treatment and training is essential. Dr. Brandon added a systems reevaluation perspective, more specifically aimed at VA moving from a sick care system to a health care system which includes more individual responsibility and healthy thinking, or healthy lifestyle choices. He also refocused us on the triangulation of expectations such as knowledge, practices and programs, and outcomes. Lastly, with respect to practices, he questioned effectiveness. Moreover, Dr. Lawson, reiterated, the VA is not culturally competent so mental disorders and traumatic brain injury are not recognized by professionals, nor appreciated as stigmatizing for veterans. Furthermore, the complexities of mental health issues are such that veterans are simply non-responsive to treatment, because they do not get state of the art treatment. With respect to trauma, he said, we know about self-medication and incarceration (the majority of which are non-violent drug abusers) and the revolving door cycle. For depression, he recommended, early screening, culturally relevant education and referral. Like other African Americans, he said, veterans have less access to services, poor recognition of mental disorder, and lack access to state-of-the-art care. Although better than civilians still there exist disparities in services and care!

In terms of the new GI Bill Dr. Wilson stated, today 30 percent of the modern military is black, versus high rates of unemployment plaguing black communities across the nation. Consequently, blacks are more inclined to enlist, more are married, and have a couple of

kids, thus ruling out college! Further, since the new GI Bill has only been in effect for a few months there are no statistics available. However, a recent higher education review reveals: 57 percent of higher education institutions have some kind of program, or service for veterans; 46 percent of private colleges have no program, or service; 22 percent provide special enrollment, and 75 percent provide credit for military occupational training. Yet, focus groups reveal that there is little provision for veterans with families and children, and online education is not recognized.

Also raised was the issue of the impact of non-veterans on veterans in the clinical setting, such as whether or not the peer to peer approach is best (i.e. comfort levels). However, no data currently exist to answer this question. VA staff physician Dr. Bright, a non-veteran talked about the importance of listening and stressed the need for Blacks to participate in clinical research and be informed, while encouraging community-based participatory research to tailor products to local needs, and stressed health equity. Tincie Lynch, a member of the new VA Community Advocates Program based in South Carolina, Alabama and Georgia commented on serving as a life coach to get veterans to the next level, and the start of a new Georgia Veterans Treatment Court. Still others insisted that domestic violence is related to PTSD, but suggested we are not looking at emergency room (ER) data. At the Howard University Hospital PTSD Symposium presenters pointed out that domestic violence is not necessarily included in the national dialogue about returning soldiers, or veterans, families and PTSD. Also widespread usage of new technology such as websites, cell phones, twitter, facebook, etc. by family members raised the issue of how do we capitalize on the worldwide phenomenon known as social networking to better serve veterans. Equally important, Dr. Lawson emphasized 'electronic medical records must be able to talk to one another.' There also seemed to be consensus about quality time with VA physicians and that 15 minute interactions are problematic. Consequently, unanimous agreement was voiced for 'changing reimbursement for primary care providers.' Other comments consistently reinforced 'we have a broken system,' and 'can't just anyone engage no veteran!'

Furthermore, Ms. West, Mr. Dougherty and Dr. Woodard's commentaries provided a well-rounded critique of veterans' substantive issues, along with accurate assessment and reasonable recommendations through the prism of their own policy experience. West's critique highlighted that the military tradition runs in the family; also, families have PTSD. Thus, we need to look at a minority health bill now, and health care reform must include military, veterans and family coverage. Dougherty's commentary indicated 20 percent of people who called the VA suicide prevention hotline are homeless. He also emphasized that coordination of services and benefits are crucial, along with building relationships and new partnerships with others. Moreover, the VA is moving to a proactive stance in terms of criminal justice and justice outreach, court diversion, the GI Bill, expedited VA claims and planning, as well as plan redesign. Dr. Woodard's commentary, on the other

hand, posed a more difficult set of questions: 'what is the nexus of sick care to health care transition, individual responsibility (vs. governmental obligation) and VA access and treatment issues?'

All told, the outcomes of the Congressional Black Caucus Veterans Braintrust 'Coming Home' forum (including the Howard University PTSD Symposium) can be measured in terms of: (1) three summary reports (a) Resulting Trauma: Identifying the Signs, Symptoms & Impact of Post Traumatic Stress Disorder in African Americans; (b) Coming Home: Transitioning from Military Service to Civilian Life & Veterans Stakeholders Roundtable Discussion, Part II; and (c) Affirming Life: Suicide Prevention & Intervention in Communities of Color; (2) potential enhancements for Representative CHARLES RANGEL's legislation (H.R. 1963) and recommendations for CBC Chairwoman BARBARA LEE's (D-CA), Task Force on Veterans; (3) an outline of questions for future GAO research in the following three critical areas: (a) veterans' homelessness, (b) women veterans, particularly those single parents with children, and (c) mental health, especially PTSD, TBI, depression, suicide, and mental illness stigma; (4) the successful launching of a new round of issues education outreach workshops based on content and information from September 25th's Veterans Braintrust (2010 New Abstracts: Meeting the Needs of African American Homeless Veterans; U.S. Military Personnel: Women & Veterans of African Descent; & The Veterans Braintrust as a Strategic Intervention); (5) uncovered or identified at least four clearly relevant, but essentially unanswered questions with implications for veterans policy in the future: (a) why are Iraq and Afghanistan combat returnees not using the system, or VA services?, (b) why are African American veterans disproportionately represented among the homeless?, (c) why are only one-third of the entire veterans population enrolled in the VA?, and (d) what is the most effective method for advocating the VA system's needed 21st century transformation, especially, with respect to cultural competence and cultural diversity, or racial, ethnic, and gender differences based on veteran's health equity? Last, but not least, several recommendations for legislative consideration or action in the future.

The evening's gala reception, "Saluting Veterans & Their Support Organizations" and "African Americans in Transportation," featuring special musical guest Chuck Brown, the 'Godfather of Go-Go', was sponsored by the Association of American Railroads and the A. Philip Randolph Institute and recognized me for my work as Chairwoman of the Subcommittee on Railroads, Pipelines and Hazardous Materials. The U.S. Army's Freedom Team Salute awardees included Lt. Col. William Calbert, USA, Ret., William Dabney, Herculano Dias, Sgt. Maj. Yolanda Glover, USA, Ret., Col. Kathaleen Harris, USA, Ret., Stanley Murphy, Capt., USA, Vietnam, MSgt. Edwards Posey, USA, Ret., Dovey Johnson Roundtree, USA, WWII, Horace Taylor, USA, WWII, and Dr. James Woodard, Ed.D., JD, Capt., USA, Vietnam. Emile Milne, Legislative Director for the Hon. CHARLES RANGEL (D-NY) was presented the Citizens Beneficiary Award by the Mike Handy Foundation & Fund for his unique con-

tribution to our Nation's veterans, along with 2009 Veterans Braintrust awardees, including: Dr. E. Curtis Alexander, Leroy Archible, Lt. Gen. Julius Becton, Jr., USA, Ret., Aseneth (Mays) Blackwell, Maj. Gen. Joseph Carter, Dr. Darlene Collins, Roy Foster, C.R. Gibbs, Brig. Gen. Stayce Harris, Wanda Ruth Lee, BGen. Allyson Solomon, Barbara Ward, Maj. Gen. (Ret.) Enoch Williams, Joe Wilson, Jr., Eddie Beard Veterans Home, 9th Ordinance Training Battalion Alumni Association, The Units K-West & B-East (US) Reunion Booster Club, The Friends of Charlton Gardens, Sister Soldiers Project, African American Veterans Project of Lancaster County, Dayton African American Legacy Institute, The Legacy Museum of African American History—Much in Demand Exhibit, Tangipahoa African American Heritage Museum & Black Veterans Archives.

Furthermore, in trying to capture the mood of the moment during the festive 2009 awards ceremony honoring veterans, their families, and friends the word that best describes the long, rich legacy of African American military contributions is "Service", not money. They admirably and nobly performed service to God and country despite the challenges of race and discrimination. And, no less important, their "Service" to family and friends constituted the essential building block of community.

Finally, as a member of the Veterans Braintrust leadership I want to extend my heartfelt thanks to speakers, panelists, authors, and attendees, but particularly Dr. Frank Smith, Jr., Dr. William Lawson, Dr. Donna Holland Barnes, Guileine Kraft, Jason Young, Jean Davis, Constance Burns, Dr. Clarence Willie, Edna Wells Handy, Dr. Diane Elmore, Lucretia McClenney, Ralph Cooper, Robert Blackwell, Ervin Russell and T. Michael Sullivan, as well as congressional staff members Roshan Hodge, Lee Footer, Emile Milne, Robin Peguero, Kristen Rice-Jones, Holly Biglow, and Jonathan Halpern for what can only be described as, the best ever Veterans Braintrust.'

I want to once again thank the presenters at the forums and awardees for their long, rich legacy of service, both in the military abroad and in the fight for equal rights at home.

IN RECOGNITION OF NATIONAL
HIV TESTING DAY & IN GRATITUDE
OF DENNY MOE'S SUPERSTAR
BARBERSHOP SECOND ANNUAL
CUTTING FOR A CURE 48
HOUR MARATHON

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. RANGEL. Madam Speaker, today I rise in recognition of an outstanding act of community service by the organization and non-profit, Cutting For A Cure, and its founder, Dennis Mitchell. I am proud of the work being done by extraordinary people in the fight to bring awareness and combat very serious health issues, like HIV/AIDS, which has disproportionately affected Blacks, women and other minority members of the Harlem community

and the city at large. At the forefront of that movement is Denny Moe's Barbershop and Cutting for a Cure, a community based organization founded to increase the awareness of preventive health care and the importance of early detection and screening.

In hosting the 2nd Annual Cutting for a Cure event, a 48 hour hair-cutting, medical screening and entertainment marathon which commenced on June 25 and ended on June 27, in partnership with National HIV Testing Day to gain exposure for its cause, the organization employed the help of volunteer barbers, entertainers, doctors, nurses and medical technicians to cause a tangible effect in Harlem by raising the awareness of early screening as a means of preventive health maintenance.

With a mobile medical van and team of medical personnel on location, the organization offered screening for diseases ranging from diabetes, high blood pressure and hypertension, high cholesterol, breast, prostate and colon cancer, asthma, kidney disease, and of course, hepatitis and HIV/AIDS in its effort to provide people with the means of early detection. Doctors have repeatedly offered evidence that early diagnosis of certain diseases such as cancers of the colon and the prostate give those who are diagnosed early ability to aggressively combat their illness in the hope of eliminating it and continuing their lives free of disease.

I would like to formally commend Cutting for a Cure for its work in raising health awareness and promoting early diagnosis of the health issues which unevenly affect minorities in our urban centers. The aim of the organization is to offer free health screening clinics with the support of local and corporate business sponsorship, area hospitals and health care professionals to provide local residents an opportunity to get tested right in their own neighborhoods and on their commercial streets and blocks. With help from sponsors such as the National Black Leadership Commission on AIDS, St. Luke's Roosevelt, Harlem Hospital Center, Central Harlem Health Revival, Harlem United, Barbershop Quartet, Apple Bank, The New York Times, Crunch Gyms and many others, Cutting for a Cure is effectively addressing an epidemic of preventable disease and death right here in Harlem, throughout my Congressional District and the greater New York City at large.

Founder, Mr. Dennis Mitchell, affectionately known as Denny Moe, is the Harlem barber-shop owner of Denny Moe's Superstar Barber-shop and the catalyst for the creation of Cutting for a Cure. Denny Moe was diagnosed earlier this year with Type II diabetes and has used his detection and influence in the community as a business owner to take action with the end goal of bettering lives. Inspired by the health concerns and issues he heard from his many customers who sat in the chairs of his barber shop and friends and family members who became affected by disease and various cancers, he noticed a pattern of certain diseases affecting his customers more than others and the tragedy of people dying due to being diagnosed too far along into their illnesses.

Denny realized that something must be done to stem the tide of African Americans

who were losing their lives unnecessarily prematurely due to lack of awareness and inadequate health care. That realization was the seed for the birth of Cutting for a Cure and the work began to offer the community help in the form of education and medical evaluation. Emphasizing the importance of periodic check-ups and healthy living in order to prevent disease is the means used by Denny Moe's Superstar Barbershop to help the people of Harlem and the community around him in his effort to highlight the disparity in the quality of health care offered in urban communities across the nation.

Madam Speaker, the efforts of this organization to effect positive change in the lives of other New Yorkers is invaluable and I am honored to commend its work. The organization's motto of "One ounce of prevention is worth more than a pound of cure" is an ideal which it promotes heavily while educating the community that disease prevention is the best method of living a healthy life. The citizens of New York City can only benefit from individuals and organizations such as Mr. Dennis "Denny Moe" Mitchell and Cutting for a Cure as they enrich the lives of others as they continue to help our community.

RECOGNIZING THE STICKBALL
HALL OF FAME ON THE OCCA-
SION OF THE INDUCTION OF ITS
2010 HONOREES

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mrs. MALONEY. Madam Speaker, I rise to recognize the Stickball Hall of Fame, an institution that promotes and preserves the great athletic tradition of stickball that has been a mainstay of urban life in America and has helped countless youths learn about the precepts of fair play, teamwork, and the pursuit of excellence. The Stickball Hall of Fame has recognized and commemorated a sport which truly represents the spirit and innovation that exemplifies New York, our nation's greatest city.

Adapted from and closely linked to our great national pastime of baseball, stickball helped transform the urban landscape of 20th century America. Since the 1920s, the game of stickball has been an important team sport in cities across the country, where it served to strengthen personal relationships between families and friends, and forged strong bonds within the communities in which it was played.

In 1968 in New York City, a group known as the 111th Street Old Timers was formed. It organized an annual festival centered around the game of stickball. In 1999 the group began to focus its efforts on reaching out to the kids and seniors within the community. The group raised money to send youths to summer camp, established a scholarship fund, and distributed toys to children in hospitals. Today we honor this organization for its meaningful contributions to the citizens of New York City.

In 2000, the 111th Street Old Timers founded the Stickball Hall of Fame in order to recognize the pastime which made these chari-

table works possible. The Hall of Fame is dedicated to preserving the game of stickball as well as commemorating great players and community activists for whom stickball was a beloved pastime. Annually, four to six members recognized for skills both in the game of stickball and for their community service are inducted into the Stickball Hall of Fame. Additionally, this year, the organization will pay tribute to a great player and citizen, Charlie Rivera, founder of the Puerto Rican Stickball League, who passed away in May 2010.

The current president of the Stickball Hall of Fame, Carlos Diaz, exemplifies the spirit of selfless service. He has long been devoted to community activism, serving on the advisory boards of many important institutions, including those of Con Edison and New York Telephone, the East Harlem Baseball Federation, and the George Conroy Educational Fund. He served as chairman of the East Harlem Council for Community Improvement, and founded a group called the Explorer's Program in which junior high school students were exposed to careers in healthcare. Last month, his years of tireless and effective community service were recognized and honored by the Community Advisory Board of Metropolitan Hospital.

Madam Speaker, in recognition of the tremendous contributions made to the civic life of our nation by the game of stickball by its most skilled players, I request that my distinguished colleagues join me in paying tribute to the Stickball Hall of Fame, which has helped preserve a great American tradition and is an inspiration to us all.

JOSE ANTONIO "ANTHONY"
ROCHE, JR. OF NOLANVILLE,
TEXAS

HON. JOHN R. CARTER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. CARTER. Madam Speaker, I would like to recognize and honor the life of Jose Antonio "Anthony" Roche, Jr. who was born in Chicago, IL, on November 11, 1976. In 1995, at the age of 17, Anthony joined the U.S. Army. As a Specialist (SPC) he served as a fuel and electrical systems repairer. He performed direct support and general support maintenance on fuel and electrical systems of wheel and track vehicles, brake system components, and on internal combustion engines associated with power generation equipment or material handling equipment. Anthony received the National Defense Service Medal/ARMY service ribbon.

After leaving the service, he was gainfully employed and hardworking his entire life. He worked for Cuttler Hammer of Puerto Rico. His most recent job was with Palau-Raytheon. On April 29, 2010, he returned home after serving one year in Q West, Iraq. He was working with many aircraft in distress and he assisted pilots as he grew in his knowledge of aircraft and skills.

Anthony had a passion for fast cars and motorcycles. On May 1, 2010, he was found dead at his residence garage.

Jose is survived by his beloved father Jose, his mother Victoria, his sister Vickie, his brothers Jose, Edgardo and Alexander and his two English Bull Terrier dogs, Rocco and Maximo, better known as his "kids."

I offer my prayers and sympathy to the Roche family for the loss of Anthony and appreciate his service to the United States Army.

CONGRATULATING SPIRIT
AEROSYSTEMS ON THE OCCA-
SION OF THE GRAND OPENING
OF THEIR NEW MANUFACTURING
FACILITY

HON. G.K. BUTTERFIELD

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. BUTTERFIELD. Madam Speaker, I rise today to congratulate Spirit AeroSystems on the grand opening of their new facility that will build major components for the Airbus A350 aircraft.

Spirit AeroSystems recently completed construction of a 500,000 square foot manufacturing facility in Kinston, North Carolina at the Global Transpark. Spirit AeroSystems will employ over 1,000 individuals who will be responsible for building the main fuselage and portions of the wings for Airbus' Xtra-Wide-Body A350 passenger aircraft.

Based in Wichita, Kansas, Spirit AeroSystems could have built a manufacturing facility anywhere in the world. But they chose eastern North Carolina, and I am grateful for their decision.

Madam Speaker, I represent the fourth poorest Congressional district in the country. The daily struggle to make ends meet for many of my constituents is an unfortunate reality. More than anything, eastern North Carolina needs good-paying jobs. And I hope that other companies who are looking to expand will see the great success and mutually beneficial relationship Spirit AeroSystems and Lenoir County have fostered. Eastern North Carolina's ready workforce and strategic location provide a competitive advantage for any organization.

North Carolina has a strong history of aviation. In 1903, the Wright Brothers took to flight in, Kitty Hawk, North Carolina—about 150 miles from where the Spirit AeroSystems facility is located today. As we all know, the Wright Brothers are credited with inventing and building the world's first successful airplane, and I am confident that Spirit AeroSystems will be credited with revolutionizing the aviation industry in eastern North Carolina.

Madam Speaker, I ask my colleagues to join me in congratulating Spirit AeroSystems on the grand opening of their new manufacturing facility. I thank Spirit AeroSystems for the trust and confidence they have in the State of North Carolina, the Eastern Region, and most importantly the local, homegrown people that will proudly serve Spirit AeroSystems and their customers.

CONGRATULATING RICHARD L. HARRIS ON JOINING THE NAFCU BOARD

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. SCHIFF. Madam Speaker, I rise today to congratulate Richard Harris on his recent election to the Board of Directors at the National Association of Federal Credit Unions, NAFCU.

Mr. Harris has shown tremendous leadership at Caltech Federal Credit Union, where he currently serves as president and CEO, as well as treasurer of the Caltech Credit Union Board of Directors. Undoubtedly, NAFCU will benefit greatly from Mr. Harris's vast experience in credit union management which dates back to 1981.

Over the years Mr. Harris has been an active member of the NAFCU family and is a welcomed addition to the board at a time when Congress has taken up legislation that would significantly reform the financial services sector and the way credit unions do business.

It is because of the good work and leadership of Richard and others like him that the credit union community enjoys the success it has today. Such service is the hallmark of credit unions and I wish Mr. Harris the best of luck in his new role as a member of the NAFCU Board of Directors. I look forward to working with him in this capacity and I ask my colleagues to join me today in congratulating Richard on this achievement.

IN MEMORY OF THE REV. DR.
FRANK WITMAN

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. GALLEGLY. Madam Speaker, I rise in memory of the Rev. Dr. Frank Witman, a close, personal friend of my wife, Janice, and me, who passed away on Tuesday.

Frank Witman had a calmness about him that belied his inner strength. He arrived in Simi Valley, California, in the summer of 1969 to assume the post of senior pastor of the United Methodist Church of Simi Valley. It is not an understatement to say that the city was blessed by his presence.

Frank was the sixth of seven consecutive generations of United Methodist pastors on his father's side and the third of four consecutive generations on his mother's side. After serving as a pastor in Rialto and Pomona, he anchored his roots in Simi Valley and branched out into every aspect of community life.

In 1978, Frank founded the chaplain program for the Simi Valley Police Department and for more than 30 years served as the department's senior chaplain. He provided comfort, counseling, prayers and support during most of the city's traumatic and tragic events, including the untimely death of Officer Michael Clark. His support of the city and its police of-

ficers earned him the department's Volunteer of the Year Award in 1997, the department's Lifetime Service Award in 2007, and recognition from the Simi Valley City Council in 2008.

When not at his church or the Police Department, Frank could frequently be found at Simi Valley Hospital, where he was a charter member of the Simi Valley Hospital Board Strategic Planning Committee, visiting church members and others in need. Following his retirement from the church in 1997, he remained active as a volunteer chaplain for the hospital, filling in for the staff chaplains as needed. Earlier this year, the hospital named its chapel the Witman Chapel in honor of his years of service.

In 1990, I had the honor of nominating Frank to offer a prayer to open a session of the House of Representatives as guest Chaplain, which he did on May 2, 1990.

Frank also co-authored a book on world hunger and two books on church administration. He served as an adjunct faculty member at the Claremont School of Theology from 1992–2000, teaching church administration with his coauthors in four states.

Frank was recognized numerous times for his unselfish devotion, including the Paul Harris Award, one of the highest honors Rotary International bestows upon an individual, and the Simi Valley Chamber of Commerce Strathearn Lifetime Achievement Award.

He is survived by his wife of 57 years, Elsie; sons, Mark and Paul; their wives, Luene and Barbara; and grandchildren, Lauren and Peter, as well as his two older brothers, Harold and Henry.

Madam Speaker, I know my colleagues will join Janice and me in offering our condolences to Elsie and the Witman family, and in remembering a remarkable man whose life of service will live on in all those whose lives he touched.

HONORING MR. MATTHEW
LEONARD SIMMONS, JR.

HON. KENDRICK B. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. MEEK of Florida. Madam Speaker, today I rise to pay tribute to the life and legacy of the late Mr. Matthew Leonard Simmons, Jr., a constituent in the congressional district I represent. It is with both profound sadness, but also an enduring sense of gratitude that I recognize him for the tremendous inspiration he provided to the South Florida community.

Mr. Simmons was born on January 31, 1956 in Miami, Florida to Mrs. Blanche Simmons and the late Mr. Matthew L. Simmons, Sr. He was a product of the Miami-Dade Public School System and graduated from Miami Jackson Senior High School.

Soon thereafter, Mr. Simmons faithfully and patriotically served his country by joining the United States Army's 82nd Airborne Division. He attained the rank of sergeant before being honorably discharged in 1979.

Mr. Simmons was blessed with a loving family who took pleasure in every aspect of his life and his interests. I offer my heartfelt condolences to the Simmons family.

Madam Speaker, I ask you and all the members of this esteemed legislative body to join me in recognizing the extraordinary life and accomplishments of Mr. Matthew Leonard Simmons, Jr. He will be missed by all who knew him, and I appreciate this opportunity to pay tribute to him before the United States House of Representatives. While he will indeed be missed, his legacy, as well as the outstanding contributions he made to South Florida and our nation as a United States Army veteran will live on.

CONGRATULATING THE PARK
RIDGE FINE ARTS SOCIETY ON 50
YEARS OF SUMMER CONCERTS

HON. JANICE D. SCHAKOWSKY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Ms. SCHAKOWSKY. Madam Speaker, I rise today to honor the Park Ridge Fine Arts Society as they celebrate 50 years of providing free summer concerts for the community. The purpose of the Park Ridge Fine Arts Society is to provide a musical showcase and the means for enjoyment of serious music through free community concerts, and to engage in such activities and programs that will foster all of the fine arts. The concerts draw crowds of 1,500 to 3,500 people, with a season total of more than 30,000 concertgoers.

These concerts are a wonderful way not only to bring beautiful, professional music to the community, but also to bring neighbors together and build a sense of community. Summer in Park Ridge is enriched by these wonderful weekly concerts in Hodges Park.

Frank York established the Park Ridge Fine Arts Symphony Orchestra and the Park Ridge Fine Arts Society 50 years ago and remained at the helm of the organization, driven by his vision of excellence, until 2005. Throughout the organization's history, it has maintained the highest artistic standards. The Park Ridge Fine Arts Symphony Orchestra is produced and coordinated by the Park Ridge Fine Arts Society to perform the summer concerts. It is a fully professional orchestra, made up of superb musicians from throughout the Chicago area, devoted to bringing the excitement and beauty of great classical music to the northwest suburbs.

I want to recognize the great work of the people who make sure that the concerts are of the highest quality and are available to the community each summer: Barbara Schubert, musical director and conductor; Emily Toy Kosaka, president; Daniel Aranda, vice president; Dennis Van Mieghem, treasurer; Dawn Himley-Grandi, secretary; and the board of directors: Ken Boyce, Pam Boyce, Kevin P. Costello, Doug Crawford, Mike Grandi, Mary Jersey, Russ Jersey, Jim Lange, Paul Lundberg, Debbie Maggio, Mike Maggio, Jack Owens, Christel Owens, and Nancy Tordai.

The orchestra and its concert series in Park Ridge is truly one of the great jewels of the northwest suburbs.

HONORING CAPTAIN E. LORENZO
DICASAGRANDE

HON. C.A. DUTCH RUPPERSBERGER
OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. RUPPERSBERGER. Madam Speaker, I rise before you today to honor the life of Captain E. Lorenzo DiCasagrande, a shipping executive who helped transform Baltimore into a nationally recognized container port and thus contributed to the economic vitality of Maryland communities.

Captain DiCasagrande, who passed away May 21, 2010, was vice president of the Mediterranean Shipping Company for more than 20 years and was an early advocate of the Port of Baltimore. Within one year of joining the company, he had established weekly service for the line from East Coast ports, including Baltimore's South Locust Point Marine Terminal, which had previously been served by one ship once every two weeks. The company brought 8,000 containers each year to the South Locust Point shipping berth.

Captain DiCasagrande then paved the way for the success of the Seagirt Marine Terminal in 1990 by being the first container line to commit to the then-new terminal. Today, the company is committed to 150,000 containers a year and is still growing, with five ship calls every week to the Seagirt terminal. In fact, the Mediterranean Shipping Company is Baltimore's top container customer.

Earlier this year, Captain DiCasagrande celebrated with Maryland port officials as they broke ground on a new 50-foot berth for the Port, a long-time vision for him. The project will support 5,700 jobs and, when completed, accommodate larger ships and attract more cargo to Baltimore. It will help Baltimore maintain its current customers and attract new ones that will come aboard the larger ships of the future.

A native of Italy, Captain DiCasagrande adopted Baltimore as his second home, fiercely defending the city in business negotiations. He worked hard to win customers and built a strong relationship with the port community, elected officials and his employees. His friends and business associates alike described him as a great leader, well-respected and well-liked. He was also a dedicated husband, father and grandfather.

Madam Speaker, I ask that you join me today to honor the life of Captain Lorenzo E. DiCasagrande. His dedication as a tireless advocate for the Port of Baltimore is deserving of the utmost gratitude. He deserves credit for helping bring more cargo to Baltimore's piers and creating thousands of jobs for Maryland families.

CONGRATULATING BOYD
HUNEYCUTT

HON. SUE WILKINS MYRICK

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mrs. MYRICK. Madam Speaker, I rise today to congratulate one of the most hard-working

and inspirational people I've ever had the honor of knowing.

Last month at the U.S. Powerlifting Championships, Boyd Huneycutt, after an 18-year break from competing, set the national and world record in his weight class.

But what makes his story unique is that Boyd was born prematurely with numerous birth defects, and given 72 hours to live. 50 years later, Boyd is still touching lives and inspiring those around him.

You see, Boyd only has two fingers on one hand. And one on the other. He has metal braces on his legs. In his lifetime, he's had 72 orthopedic surgeries. The obstacles he's faced in his life are many, and may have stopped others.

But Boyd lives by the motto "Never Compromise, Always Improvise". And improvise he did.

He set his first North Carolina state record in 1989. He won his first state championship in 1990. In 1992, he won gold in his weight class while representing the United States on the U.S. national team.

And to top it off, he's undefeated. In more than two decades of competing, nobody has ever beaten him, and I doubt that anyone ever will.

It's because of his work ethic, determination, and refusal to take "no" for an answer that Boyd Huneycutt has become a world class athlete and world champion. I'm honored to know him, and look forward to many more national and world records to come.

CELEBRATING 100 YEARS OF SUCCESS FOR WESTERN SUGAR AND THE SCOTTSBLUFF SUGAR INDUSTRY

HON. ADRIAN SMITH

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. SMITH of Nebraska. Madam Speaker, I rise today in recognition of the success of the sugar beet industry in the Panhandle region of Nebraska for its relationship with Western Sugar and its various owners over the past 100 years.

Opened in 1909, the sugar beet factory operated by the Great Western Sugar Company—along with the development of improved irrigation canals—soon made the raising of sugar beets a major agricultural industry in Scotts Bluff County and the surrounding areas.

With the aid of the sugar factory, Scottsbluff was rapidly becoming the principal trading center of the valley. As people in surrounding farms and villages acquired automobiles, Scottsbluff was invariably their destination.

A century later—through tough economic times and even a tragic explosion in 1995—this stalwart factory has proven to be the bedrock it was in 1909. The company boasts 260 full time employees (a number which grows substantially during harvest) and a \$10.6 million annual payroll.

It is not a stretch to say without Western Sugar, there would be no sugar beet industry in the Scottsbluff-Gering area. Nearly one-third

of the acreage in our region is designated for sugar beets—almost all of which are processed through the sugar factory.

Last week we celebrated 100 years of Western Sugar's successful processing factory. This success is directly attributable to the commitment and dedication of its employees, local businesses, sugar beet growers and their families.

HONORING MR. WILLIAM L.
TAYLOR

HON. WM. LACY CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. CLAY. Madam Speaker, I rise today to honor William Taylor, a Washington area lawyer who played a critical role in civil rights issues across the country. Taylor was instrumental in the passage of the 1965 Voting Rights Act, and dedicated over 40 years of his life to ensuring every American, regardless of race or creed, enjoy the freedom that is the promise of this great country.

William Taylor was born in Brooklyn, New York, on October 4, 1931, to two Jewish immigrants. Though Taylor was subject to racial slurs and discrimination throughout his childhood, he chose to devote his life to guarantee equal rights for all. Taylor understood that the power of the voting booth was vital to liberty, and one's color, religion, social status, and should never restrict access to freedom.

Upon his 1954 graduation from Yale Law School, Taylor joined the NAACP Legal Defense and Educational Fund, serving under the great Thurgood Marshall. During his tenure, Taylor aided desegregation enforcement efforts, ensuring school districts abide by the landmark Brown v. Board of Education decision.

Taylor was then appointed to the U.S. Commission on Civil Rights, composing civil rights recommendations that were the basis for the 1964 Civil Rights Act and the 1965 Voting Rights Act. I had the pleasure of working with Bill for a number of years as a member of the Missouri State Senate. During this time, I was witness to his brilliance and perseverance, while we crafted an amicable legislative solution that settled the long-running St. Louis Public School Desegregation issue. This feat concluded in the largest voluntary metropolitan school desegregation plan in the country.

Madam Speaker, I am honored to pay tribute to Mr. Taylor, a man whose visionary leadership helped usher in a new era of justice. I urge my colleagues to join me in honoring Mr. William Taylor.

RECOGNIZING THE ACHIEVEMENTS OF AEROJET'S REDMOND, WASHINGTON EMPLOYEES

HON. JAY INSLEE

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. INSLEE. Madam Speaker, I rise today to recognize the employees of Aerojet-General

Corporation's Redmond, Washington operations facility. Aerojet-Redmond has recently been selected by the United Space Alliance to receive the Space Flight Awareness Supplier Award for Aerojet's sustained superior performance as a key supplier on NASA's Space Shuttle program over the course of nearly 30 years. This most significant achievement will be commemorated with a presentation from United Space Alliance and celebration ceremony held at Aerojet's facility in Redmond, Washington on Thursday, July 8, 2010.

Aerojet is a world-recognized aerospace and defense leader principally serving the space and missile propulsion, defense and armaments markets. The Space Flight Awareness Supplier Award is a very prestigious award bestowed upon United Space Alliance supplier companies—from among over 2,000 active suppliers located throughout the United States—who have performed extraordinary work that added to safety, mission success, schedule compliance, and enhanced flight capability. Aerojet's Redmond Operations will be only the twenty-first company to receive this highly selective award.

Aerojet-Redmond is the world leader in the in-space propulsion market and as such is the manufacturer of the 38 primary and 6 vernier Reaction Control Thrusters used on every Space Shuttle mission. The Shuttle's Reaction Control System is used to position the Space Shuttle during flight operations such as payload insertions and International Space Station docking.

On the occasion of this most significant milestone, my colleagues and I are proud to join together and lend our voices to congratulate and honor the more than 425 Aerojet workers in Redmond, Washington on a job well-done.

SALUTING SERGEANT EDWARD
WAGNER

HON. TIM MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. TIM MURPHY of Pennsylvania. Madam Speaker, as Independence Day approaches I would like to take a moment to recognize all the men and women who have ever fought to defend the unalienable rights of life, liberty and the pursuit of happiness espoused by the Founding Fathers. Since the time when the Declaration of Independence was read in town squares across the 13 colonies in 1776 to today, more than 230 years later, our liberties and freedoms have been protected by the members of the Armed Forces. Specifically, I want to recognize Sgt. Edward C. Wagner, a Korean War veteran and lifelong constituent of mine from Greensburg, Pennsylvania who is turning 80 years old on July 6, 2010.

In June of 1952, Ed went through basic training at Camp Breckenridge, Kentucky and was assigned to the 101st Airborne Infantry, "R" Company in the U.S. Army. Later that year he was deployed to Camp Drake in Japan. By Christmas, Ed was serving with the 35th Infantry Division—Tropic Lighting—Cacti

Unit, in North Korea. In 1953 Ed earned the rank of Sergeant and continued to faithfully serve in North Korea until his return to the United States one year later.

Back home in Greensburg, Ed went to work for Bettis Atomic Power Lab as a Material Evaluation Laboratory Fuel Handler until retiring in 1992 as a quality insurance weld inspector. Not only a devoted soldier and worker, Sgt. Wagner has been a dedicated husband, father, grandfather, and great-grandfather to his wife Luella of 59 years, his three children, seven grandchildren, and one great-grandchild. When not spending time with his family, Ed serves as a member of the Free and Accepted Mason Philanthropy Lodge. He also has a passion for restoring old antique cars, driving both a 1937 Plymouth and a 1939 Chevy Master Deluxe.

Sgt. Edward C. Wagner is one of many who fought to preserve American values while in uniform and continue to "bear true faith and allegiance" to the Constitution. It was once said, "This nation will remain the land of the free only so long as it is the home of the brave." We owe each and every veteran a sincere 'Thank You' for their service and I would like to especially thank Sgt. Wagner and wish him a very happy and healthy birthday.

HONORING MR. LLOYD STUFFT

HON. MARK S. CRITZ

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. CRITZ. Madam Speaker, as we prepare to celebrate the birth of our nation, I rise today to honor Mr. Lloyd Stufft of New Kensington, Pennsylvania. Mr. Stufft is a tireless volunteer and patriot who has made it his personal mission to honor deceased veterans buried in the Alle-Kiski region of the 12th Congressional District.

Growing up in rural Somerset County, Mr. Stufft joined the Army and served during World War II. He was deeply affected by what he saw. While stationed in France, he spent time burying veterans and maintaining their graves. After joining the American Legion, he continued to care for the graves of deceased veterans, and for the last 40 years, has volunteered as the graves-registration officer for the Robert L. Davies Post No. 868 of Lower Burrell, Pennsylvania. In this role he tends the graves of all the servicemen and women who served in the United States military. He ensures that each grave has an American flag and a marker denoting a veteran's military branch as well as service in any wars.

For the 50th anniversary of World War II, Mr. Stufft put together a color lithograph display of European cemeteries that contain the graves of American service members. In addition, he put together photo books of these cemeteries, including the French cemeteries where he helped to bury veterans and maintain their graves. This work has helped many people find out where their loved ones are buried.

To honor his service, the Pennsylvania American Legion presented Mr. Stufft with the Blue Cap Award for Legionnaire of the Year.

In addition to serving his fellow veterans, Mr. Stufft also cares for his loving wife of 62 years, Mrs. Jeneane Stufft.

Madam Speaker, I wish to conclude my remarks by thanking Mr. Lloyd Stufft for everything he has done to honor our deceased veterans. He is a man who lives by the ideals of the 4th of July every day, and has truly made a difference.

HONORING JIMMY WAYNE

HON. MARSHA BLACKBURN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mrs. BLACKBURN. Madam Speaker, I want to recognize the leadership and contributions of Jimmy Wayne to the State of Tennessee and the United States of America for his remarkable efforts to combat homelessness.

Jimmy Wayne began his "Meet Me Halfway" journey on January 1, 2010. He is in the midst of a 1,660-mile walk from Nashville, TN, to Phoenix, AZ, to raise awareness about the plight of the homeless youth in our country.

Being raised in a foster child system, Jimmy knows far too well the challenges and heartaches that go with being homeless. He grew up in multiple foster homes and periodically found himself homeless as a teen.

Luckily at age 16 he met Bea and Russell Costner who took him in and gave him a fresh start and a new lease on life. They gave him a place to stay but only if he agreed to "meet them halfway," by following the rules of their house.

I wish to honor Jimmy for using his "Meet Me Halfway" campaign to not only raise awareness but to raise funds for organizations that benefit homeless youth including Nashville's Monroe Harding and Phoenix HomeBase Youth Services. Through these groups, essential services are continuously provided to the homeless, allowing so many who fought the same circumstances as Jimmy did growing up a chance for a more productive, healthy and self-sufficient life.

Madam Speaker, all people should educate themselves about the impact of homelessness on teens and children in their communities. It is my hope that individuals will help address the problem of homelessness in our country by volunteering and donating their time and/or money to the foster child and foster parent programs in their local community.

Thank you, Jimmy Wayne, for your work, and I look forward to congratulating you once you finish this campaign.

ON THE 100TH ANNIVERSARY OF
THE FOUNDING OF THE VILLAGE
OF COCHRANE, WISCONSIN

HON. RON KIND

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. KIND. Madam Speaker, it is with great honor that I rise in recognition of the Village of Cochrane in Western Wisconsin. Cochrane is

celebrating the 100th anniversary of its founding on Saturday, July 3rd.

Located just east of the mighty Mississippi river, Cochrane is surrounded by natural beauty. Located in Buffalo County, it is one of the few areas in the Midwest untouched by the glaciers in the last ice age. Numerous hills and bluffs rise majestically above its many lakes and streams. This beauty is enjoyed by sportsmen from across Wisconsin, many of whom come to fish for trout in the nearby rivers and streams.

While Cochrane citizens once played a role in Wisconsin's timber industry in the mills of the nearby City of Buffalo, it has always been and always will be an agricultural center. Farming is the number one source of income in Buffalo County, and Cochrane is no exception. Cochrane's Lacrosse Milling Company plays a vital role in processing the natural grains produced across the Midwest. I am very proud of the citizens of Cochrane, who help to continue Wisconsin's agricultural tradition.

The Village of Cochrane exemplifies the enduring work ethic present in Western Wisconsin. Though not great in size, together communities such as Cochrane make up an important piece of the social fabric of our society. I hope you will join me in applauding the citizens of Cochrane for all that they have contributed to their State and our Country over the past 100 years. I also hope that they will continue to grow and prosper in the months and years ahead.

IN HONOR OF BERTHA MANECIO

HON. JOHN H. ADLER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. ADLER of New Jersey. Madam Speaker, I rise today to honor Bertha "Bert" Manecio, a resident of Lumberton, New Jersey and dedicated volunteer at the Memorial Hospital Thrift Shop in Mount Holly, New Jersey.

Bert began her volunteer services at the Thrift Shop in 1970. Before her "retirement" in May 2010 she had volunteered for forty years and donated over 10,700 hours of her time. Bert helped maintain the shop by tagging and pricing donated garments and helping at the register. She has always given her total support and welcomed any changes with enthusiasm and excitement. She has been a valuable asset to the program and her selfless efforts must be recognized.

Madam Speaker, I ask that you please join me in congratulating Bert for her outstanding and dedicated community service.

OUR UNCONSCIONABLE NATIONAL DEBT

HON. MIKE COFFMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. COFFMAN of Colorado. Madam Speaker, today our national debt is \$13,203,473,753,968.10.

On January 6th, 2009, the start of the 111th Congress, the national debt was \$10,638,425,746,293.80.

This means the national debt has increased by \$2,565,048,007,674.3 so far this Congress.

This debt and its interest payments we are passing to our children and all future Americans.

MERCER ISLAND'S 50TH ANNIVERSARY

HON. DAVID G. REICHERT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. REICHERT. Madam Speaker, as the representative to this House for the 8th District of Washington, I want to congratulate and recognize a city within the 8th District that is celebrating a milestone anniversary today.

Mercer Island, with a population of 22,890, was incorporated on July 5, 1960. It is an island in Lake Washington, situated a few minutes east of Seattle. The City is breathtaking in many areas, with wonderful parks, open spaces, beautiful neighborhoods, and successful schools. My District Office is located on Mercer Island and the merchants and residents of the community could not be more accommodating or welcoming of my staff and the various guests who visit the office. Mercer Island is a gem of the 8th District.

Every August, Mercer Island has a front row seat to the extraordinary display put on by the Blue Angels and the boats on Lake Washington during the Seafair celebration; honestly, experiencing Seafair from Mercer Island is an experience that will not be forgotten. Additionally, Mercer Island's large multipurpose community center is an exceptionally valuable community asset and its parks provide the natural beauty and open space that is a hallmark of the Pacific Northwest.

Many fine business, civic and community leaders call Mercer Island home. Many fine students attend school on the island and receive first-class educational opportunities. Mercer Island is one-of-a-kind and I'm pleased to recognize its 50th anniversary of existence. To Mayor Jim Pearman, members of the City Council, and residents of Mercer Island, I say congratulations.

PERSONAL EXPLANATION

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. OBERSTAR. Madam Speaker, I missed two votes last week in order to attend an important community celebration in International Falls and to see the devastating impact of a tornado that struck Wadena. As a result, I was unable to record my vote on important legislation to ensure continued Medicare reimbursement for physicians and on comprehensive sanctions against Iran. Had I present, I would have voted "aye" on both measures (rollcall votes 393 and 394). I also missed seven votes on

Tuesday in order to attend the funeral of Judge Gerald Heaney of Duluth. Had I been present, I would have voted "aye" on Rollcall votes 395, 398, 399, 400 and 401; I would have voted "nay" on Rollcall vote 397, and I would have voted "present" on Rollcall vote 396.

HONORING THE SERVICE OF BRADLEY W. BEAL

HON. SHELLEY BERKLEY

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Ms. BERKLEY. Madam Speaker, I rise today to honor the service of Mr. Brad Beal, president and CEO of Nevada Federal Credit Union, and outgoing chairman of the Board for the National Association of Federal Credit Unions (NAFCU).

Mr. Beal's dedicated service at Nevada Federal Credit Union made him an outstanding candidate for chairman of the NAFCU Board, and his fellow board members bestowed on him this great distinction in the summer of 2008. From the outset of his chairmanship, Mr. Beal proved to be an invaluable asset to the NAFCU family. His more than 30 years of financial services experience served him well while sitting on several NAFCU committees, testifying before Congress on relevant legislation, and keeping a close eye on issues and legislation surrounding the entire credit union community.

Mr. Beal, a tireless advocate for federal credit unions across the country, faced the challenges and opportunities he was presented with during this time with great professionalism and vigor.

Mr. Beal's selfless commitment as chairman of the National Association of Federal Credit Unions has not gone unnoticed. As he ends his term as chairman, I am sure his colleagues on the NAFCU Board will miss his leadership. I ask my colleagues to join me today in honoring Brad Beal as his chairmanship comes to an end this July.

A TRIBUTE TO HON. RONALD B. MERRIWEATHER

HON. ROBERT A. BRADY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. BRADY of Pennsylvania. Madam Speaker, I rise to honor the life of my friend Ronald Merriweather. Dedicated to the law, Judge Merriweather worked to better his city and improve the lives of those living in Philadelphia. I know that my colleagues will join me in expressing our condolences to his family as well as thanking them for letting him brighten all of our lives.

Judge Merriweather was born May 27, 1938 and raised in Philadelphia. A product of the Philadelphia Public School System, he graduated from West Philadelphia High School in 1956. After high school Judge Merriweather attended Morgan State University, graduating

with a degree in Chemistry and a 2nd Lt. Commission in the U.S. Army. From 1960 to 1962 he served in the U.S. Army, being promoted to the rank of 1st Lieutenant.

After serving in the Army, Judge Merriweather was employed as a United States Treasury Agent with the Federal Bureau of Narcotics. He served in this position for 5 years, earning the U.S. Secretary of Treasury Award for Outstanding Service. After, Judge Merriweather received his J.D. from UCLA Law School and became a member of the Pennsylvania Bar Association in 1973.

Judge Merriweather practiced law in Philadelphia for over ten years, before being elected to the Philadelphia Municipal Court in 1984. He worked on this court for 26 years, retiring in January 2010. During his tenure on the Municipal Court, Judge Merriweather garnered special recognition and numerous awards. He became a Senior Judge in 2009 and was honored with a Special Recognition Award from the Guardian Civic League.

Judge Ronald Merriweather's life showcases his commitment, service, and dedication to bettering his community. Madam Speaker, I ask that you and my other distinguished colleagues join me in celebrating the life of Judge Merriweather, and offer his family our deepest sympathies at the loss of this great man.

PERSONAL EXPLANATION

HON. ADAM H. PUTNAM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. PUTNAM. Madam Speaker, on Tuesday, June 29, 2010, I was not present for seven recorded votes. Had I been present, I would have voted the following way: roll No. 395—"nay", roll No. 396—"yea", roll No. 397—"nay", roll No. 398—"nay", roll No. 399—"yea", roll No. 400—"yea", and roll No. 401—"yea."

IN HONOR AND REMEMBRANCE OF PATRICIA A. DORR

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. KUCINICH. Madam Speaker, I rise today in honor and remembrance of Patricia A. Dorr, devoted wife, mother, grandmother, sister and friend. Mrs. Dorr was also a community activist who served for many years as a Councilwoman representing the City of Berea.

Mrs. Dorr created a warm and inviting home for her family, friends and neighbors. She was an active participant in the lives and special events of her family. Her unwavering devotion to her family was reflected in the close relationships she shared with her children and grandchildren. Mrs. Dorr's strong sense of faith was a source of strength throughout her life. She was a devoted and loved member of St. Mary's Catholic Church in Berea, Ohio.

Patricia was known for her kindness, energy and dedication to community. Following her

dedicated service as Berea City Councilwoman, Mrs. Dorr remained active and participated in numerous community events and fundraisers. Her dedication to making a difference in the lives of others remained constant throughout her life.

Madam Speaker and colleagues, please join me in honor and memory of Mrs. Patricia A. Dorr, whose energetic spirit and joy for living will endure within the hearts and memories of those who loved and knew her best. I extend my deepest condolences to her children, James, Cynthia, Robert, Brian, Mary, and Brigitte; to her twelve grandchildren and special grandson; and to her extended family members and many friends.

THE RETIREMENT OF MS. LESLIE JUDITH GOLDBERG, R.N.

HON. JOHN LEWIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. LEWIS of Georgia. Madam Speaker, I rise to pay tribute to Ms. Leslie Judith Goldberg, R.N. to thank her for her 20 years of service to the Members and staff of the U.S. House of Representatives.

Almost every staffer in the House complex, particularly those who work in the Cannon House Office Building, knows Nurse Leslie. Always smiling, extremely knowledgeable, and thorough, she has a legendary ability to help staff find the best possible health care services for their needs. For years, she has collected feedback on the quality of health practitioners and shared both praise and concerns with prospective patients. As a result, she was well-known in doctors' offices throughout the region; they were always asking, "Ahhh, you were referred by Nurse Goldberg? Who is this Nurse Leslie?"

Born in Providence, Rhode Island, Leslie joined her mother and sister in this vital profession after graduating from the Jewish Hospital of Brooklyn. She went on to work at the New York University Hospital in neurosurgery and the Regional Institute for Children and Adolescents.

In 1990, Nurse Goldberg joined the Office of the Attending Physician and dedicated the end of her great career to serving and caring for the Members and staff of this institution. She is a part of our family. We mourned with her when her loving husband, Alan Goldberg, passed away far too early in life, and we celebrated when she returned to us—her adoptive, extended family.

We all know how much she adores her three sons, Michael, Aaron, and David and daughter-in-law, Lisa. And her grandson, Ari, is the light of her life. While we will miss her laughter, her smile, her caring, skillful techniques, and infinite knowledge, I applaud her for taking the time to fulfill her personal dreams—travel, volunteer, and most importantly take care of Ari and the grandchildren to come.

Nurse Goldberg, we will miss you terribly; you leave enormous shoes to fill. Thank you for your 20 years of service and keeping us safe, healthy, informed, and always smiling.

HONORING RON GETTELFINGER FOR HIS LEADERSHIP OF THE UAW

HON. MICHAEL E. CAPUANO

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. CAPUANO. Madam Speaker, I rise today to honor Ron Gettelfinger and his masterful 8-year tenure as president of the United Auto Workers. Confronted with the leanest membership in the Union's history and the bankruptcy of two of Detroit's three automakers, the UAW required an effective leader who could balance the interests of members and the needs of their employers.

In Ron Gettelfinger, the UAW certainly had a wise and steadfast leader who could come to terms with this troubling dynamic and act accordingly.

He understood that saving the imperiled union would require a little sacrifice, and also he convinced his union to give up some of the jobs and benefits it had accumulated over the years for a better future. Mr. Gettelfinger thus played a crucial role in saving one of the United States' biggest industries during one of the nation's darkest economic hours.

Today he continues to be an outspoken defender of fair labor laws and better workers' rights, and I hope that he is as successful in his future endeavors as he was these past few years.

75TH BIRTHDAY OF SLINGER FRANCISCO

HON. YVETTE D. CLARKE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Ms. CLARKE. Madam Speaker, I rise today to commemorate the 75th birthday of Slinger Francisco, better known as The Mighty Sparrow or The Birdie. With a career spanning over 50 years and counting, entertaining audiences from the Caribbean to Asia and all points in between, The Birdie is widely recognized as the "King of the Calypso World."

The Mighty Sparrow was born to poor, working-class parents in Gran Roi, Grenada and migrated to his adopted homeland of Trinidad when he was one year old. As a child, he attended New Town Boys School and sang in St. Patrick's Catholic Church, where his talent was quickly recognized as he became head choirboy. His influences included Nat King Cole, Frankie Laine, Sarah Vaughn, Billy Eckstein, Frank Sinatra and Ella Fitzgerald, as well as calypso pioneers Lord Melody, Lord Kitchener, Lord Christo, Lord Invader and the Mighty Spoiler.

The Birdie had found success early with his hit "Jean and Dinah" at the age of 20. Not satisfied with early success, he followed up with a rapid succession of hits including "Carnival Boycott", "P.A.Y.E.", "Russian Satellite", "Theresa", "Good Citizen", "Salt Fish" and "Penny Commission" just to name a few. His songs covered a broad range of socially conscious topics including education, tyranny in

Africa, animal cruelty and the welfare of his home of Trinidad and Tobago.

The Mighty Sparrow's accomplishments include multiple Trinidad and Tobago Road March Competition titles, multiple Calypso Monarch titles, an honorary doctorate from the University of the West Indies, and his contributions to music and society led then-mayor Ed Koch to proclaim March 18th, 1986 "The Mighty Sparrow Day."

I hope all of my colleagues will join me in celebrating the birthday and extraordinary body of work that The Mighty Sparrow has contributed during his career as a lyricist, composer, singer, comedian and entertainer.

INTRODUCING A RESOLUTION THAT HONORS THE PATRIOT GUARD RIDERS

HON. STEVE BUYER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. BUYER. Madam Speaker, I come before you today to offer a resolution that honors a group of fine Americans, the Patriot Guard Riders. Established in November of 2005, the Patriot Guard Riders were created to counter protesters of the wars in Iraq and Afghanistan who sought to disrupt the funerals of our heroes who died serving our country. Today, the Patriot Guard Riders are over 190,000 members strong and they dedicate themselves to a mission of preventing interruptions at funerals honoring those servicemen and women who have made the ultimate sacrifice protecting our nation.

To date, the Patriot Guard Riders have participated in over 17,000 missions honoring our heroes around the country. They have also distinguished themselves in countless other ways, to include the establishment of the Fallen Warrior Scholarship Fund for U.S. military family members, visiting veteran's hospitals, and giving financial assistance to the families of our fallen heroes.

Madam Speaker, as we approach this Independence Day, it is appropriate to recognize these great Americans who have dedicated themselves to protecting the solemnity of the final farewells of those who died while serving to preserve the liberties that we exercise here in this House today. It is the actions of patriots like these, those who readily stand to support our fallen heroes, that help make this nation great.

MR. ARTHUR J. MYERS

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. SKELTON. Madam Speaker, I would like to pay tribute to Mr. Arthur J. Myers. He served his country for almost 50 years, providing deployable combat support for warfighters and community services for those left behind. I have been privileged to work with him for a number of years on issues of concern to military members and their families.

Mr. Myers enlisted in the Air Force and served 20 years in key morale, welfare, and recreation, MWR, and financial positions. His civilian career took him from club manager to director of MWR for several major commands. He was hand-picked to become the first deputy director for the new Air Force MWR organization, and was later promoted to the Director of Air Force Services.

His leadership and vision shaped one of the most progressive and expansive quality of life programs in the military, with significant positive impact on Airmen and their families.

He deployed Airmen to provide foodservice, lodging, fitness, and other programs for contingency operations, personally visiting even the most remote sites and forward bases.

His "Fit to Fight" program resulted in a 30 percent increase in fitness center usage, a 2-point improvement in fitness scores, and an aggressive program to upgrade fitness facilities.

He expanded quality affordable child care by over 4,000 spaces and established a new subsidy for those unable to get into base childcare facilities, saving parents money and keeping family emergencies from disrupting the mission.

He operated the port mortuary at Dover Air Force Base for members of all Services killed in action, others who die overseas, and occasionally victims of Stateside mass casualties. His plan for media access to the Dover Mortuary was approved by the President, reversing a long-standing ban on media coverage for the arrival of remains of fallen military members.

He pioneered the Survivor Assistance Program to assist families of deceased members, and later expanded the program to care for Airmen wounded in action.

He energized industry leaders, trade groups and professional associations to sponsor new programs and services, scholarships, promotional activities, training and certification program for managers and staff, and outreach programs.

He testified at numerous Congressional hearings, and met often with the First Lady and senior Administration leaders on programs to enhance quality of life for service members and their families.

Mr. Myers was consistently recognized with numerous military and civilian awards, including three Presidential Rank Awards and the Department of Defense Distinguished Civilian Service Award. He received the Leadership Award from the International Military Community Executives Association, a Lifetime Achievement Award from the American Logistics Association, and a National Service to Youth Award from the Boys & Girls Clubs of America, which also inducted him into their Alumni Hall of Fame. However, his highest honor came when the top senior enlisted leaders in the Air Force made him an honorary Chief Master Sergeant.

Over the years, Mr. Myers built a highly-effective team to maintain our Nation's number one weapons system: the Airmen. His efforts tied directly to Air Force success in combat arenas and on the home front. As he retires now for the second time, I want to thank him on behalf of the citizens of this country. He leaves a lasting legacy of support for genera-

tions of Airmen and their families, and I know he will continue to be a strong advocate for them.

IN HONOR AND RECOGNITION OF THE ANNUAL FREEDOM CELEBRATION OF THE WESTSIDE VET CENTER OF PARMA, OHIO

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. KUCINICH. Madam Speaker, I rise today in honor and recognition of the staff and volunteers of the Westside Vet Center of Parma, Ohio. Their dedication to providing quality health care services to the men and women who have sacrificed for our nation deserves the deepest gratitude.

The lives of many veterans and their families have been improved by the outreach efforts of the Westside Vet Center. The Center provides vital resources, including services and assistance focused on their emotional, psychological, medical, financial, and employment needs.

The quality support provided by the Westside Vet Center is the least that can be done for the veterans in our community—our brothers, sisters, sons and daughters, mothers, fathers, grandmothers and grandfathers—thousands of whom have suffered great personal loss resulting from their service.

Madam Speaker and colleagues, please join me in honor and tribute of the staff and volunteers of the Westside Vet Center as they celebrate the Westside Vet Center's Annual Freedom Celebration. Their service and sacrifice will always be remembered and honored.

IN CELEBRATION OF THE 400TH ANNIVERSARY OF THE CITY OF HAMPTON

HON. ROBERT J. WITTMAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. WITTMAN. Madam Speaker, I am privileged to rise today to honor the 400th Anniversary of the City of Hampton, Virginia.

I am pleased to recognize and honor the City of Hampton as it celebrates its 400th Anniversary on July 9, 2010. The City of Hampton is America's first and oldest continuous English-speaking settlement. It is one of seven major cities that comprise the Hampton Roads areas, and is located on the southeastern end of the Virginia Peninsula and borders the Chesapeake Bay.

On April 30, 1607, Captain John Smith landed at Strawberry Banks. Three years later, on July 9, 1610, English Colonists established a small town at the entrance of the James River and the Chesapeake Bay. Well-situated, the area became one of the leading ports in America and the entrance to the Commonwealth of Virginia with many settlers passed by its shores before moving into the interior.

Early settlers also saw the strategic defensive importance of the area, establishing Old

Point Comfort where the Elizabeth, Nansemond and James rivers empty into the Chesapeake Bay. In 1830, construction of Fort Monroe began. Named in honor of President James Monroe, the fort is the oldest active duty fort in the nation.

By the 1600s, the South King Street waterfront was the center of a prosperous settlement and hub for the seafood industry. Wharves and maritime merchants extended along the waterfront, and crab skiffs, oyster canoes and buy boats lined the river and creeks giving rise to the nickname 'Crabtown.' The crabs caught became world famous, winning prizes at the Berlin, London and Paris World Fairs. This gave rise to shipyards, shipfitters, carpenters, blacksmiths and coopers to support the maritime industry.

The City of Hampton continues to play a central role in the Hampton Roads area attracting a wide array of businesses, research facilities, residential areas, historic sites and waterfront beaches. It is home to Langley Air Force Base, NASA Langley Research Center, the Virginia Air & Space Museum and historic Hampton University. The City of Hampton invites visitors from around the world to explore Hampton in 2010.

Madam Speaker, the City of Hampton is rich in history, resources and natural beauty. I am proud to recognize the City of Hampton on this significant occasion, and I ask my colleagues to join me in honoring the 400th anniversary of the City of Hampton.

CONGRATULATING THE PARTICIPANTS OF THE HOUSE FELLOWS PROGRAM

HON. JOHN B. LARSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. LARSON of Connecticut. Madam Speaker, I rise today to congratulate the participants of the House Fellows Program. The House Fellows Program, run by the Office of the House Historian, is a unique opportunity for a select group of secondary education American history and government teachers to experience firsthand the inner-workings of Congress. These educators have demonstrated excellence in the classroom, are dedicated to educating our Nation's youth and are truly deserving of our recognition.

One of the goals of the House Fellows Program is to develop curriculum on the history and practice of the House for use in schools. During the program, fellows prepare a brief lesson plan on a Congressional topic of their choosing, which is then shared with the other fellows. These plans will become part of a larger teaching resource database on the House. During the school year following their participation in the House Fellows Program, each Fellow is responsible for presenting his or her experience and lesson plans to at least one in-service institute for teachers of history and government.

The House Fellows Program began in 2006, and since then 75 teachers from across the country have participated in this innovative program.

An additional 45 teachers will be taking part in this summer's program. With plans to select a teacher from every Congressional district over the next several years, the House Fellows Program will impact thousands of high school teachers and their students and will energize thousands of students to become informed and active citizens.

As a former U.S. history teacher, I believe strongly in the importance of civic education. We must continue our efforts to get our youth involved in the political process in districts across the country. Educating teachers about the "People's House" is one of the best ways to do that. I congratulate the following educators who are participating in the 1st session of this summer's 2010 House Fellows Program:

Ms. Katherine Brantley (Ruppersberger, MD-02), Mr. Brian Rock (Pallone, NJ-06), Ms. Elizabeth Murphy (Payne, NJ-10), Ms. Esme Scott (Price, NC-04), Mr. Charles Zappa (Serrano, NY-16), Mr. Nate Cole (Serrano, NY-16), Mr. John Burns (Pastor, AZ-04), Mr. Darios Felix (Rohrabacher, CA-46), Mr. Roy Greenland (Goodlatte, VA-06), Mr. Duane Baker (Hoekstra, MI-02), Ms. Laura Howard (Kingston, GA-01), Mr. Daniel Hayden (King, NY-03), Mr. Randy 'Scotty' Hicks (Duncan, TN-02), Ms. Mary Helen Story (Duncan, TN-02) and Mr. Timothy Rodman (Bartlett, MD-06)

Madam Speaker, I urge all of my colleagues to join me in thanking the Office of the Historian for sponsoring this program. Thanks to Dr. Robert Remini and Dr. Fred Beuttler for their outstanding leadership, and Dr. Thomas Rushford, Mr. Anthony Wallis and Mr. Benjamin Hayes for providing the crucial staff support.

Thank you also to the Office of the Historian interns: Ms. Jacqueline Burns, Mr. Michael Karlik, Ms. Madeleine Rosenberg and Ms. Debbie Kobrin.

BENJAMIN R. DECOSTA, GENERAL MANAGER, CITY OF ATLANTA DEPARTMENT OF AVIATION

HON. JOHN LEWIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. LEWIS of Georgia. Madam Speaker, I rise today to recognize a great public servant of Metro Atlanta and the international aviation community.

For 12 years, Mr. Benjamin R. DeCosta has led the City of Atlanta's Aviation Department and successfully managed Hartsfield-Jackson Atlanta International Airport—the world's busiest passenger airport. Located in my congressional district, this outstanding internationally-recognized transportation center employs more than 56,000 people and generates more than 400,000 jobs and \$23.5 billion in Metro Atlanta's economy. Recently, Mr. DeCosta announced that he will be leaving Hartsfield-Jackson Atlanta International Airport.

I am proud to have known and worked with Mr. DeCosta for over a decade. Whenever I call Ben and his staff about national aviation policy issues and the impact on Hartsfield-

Jackson—I could always expect an honest, thorough, and researched answer. Ben successfully led the effort to open a 5th runway, the Maynard H. Jackson, Jr. International terminal, a consolidated rental car center, and upgrades to the central passenger terminal complex. He also managed to award almost 40 percent of contracts that were part of this \$6 billion capital improvement initiative to women- and minority-owned businesses.

Consumed with improving customer service and setting higher standards for passengers, Ben has led the airport's team in making the entire experience smoother for those traveling, to, from, and through Hartsfield-Jackson. For example, we worked together to improve the security screening processes at the airport. Now the passenger wait times average less than 10 minutes; the lines may be long, but they move. He also brought numerous retailers to the airport; on both sides of the security check points, you can find great food and shopping for whatever your needs may be while you wait.

It has not been easy; many would have walked away a long time ago. Somehow, Ben rose to the challenge. The aviation community took notice of his successes. Last year, the National Forum of Black Public Administrators (NFBPA) recognized him as the recipient of the 2009 prestigious National Leadership Award. In 2007, Airport Revenue Magazine voted him Best Director. Under his leadership, Hartsfield-Jackson was recognized as the World's Most Efficient Airport for three consecutive years, the world's top airport with Wi-Fi connectivity, and the Executive Traveler's Best Large U.S. airport.

Ben came to Atlanta from New York where he worked for the Port Authority of New York and New Jersey and served as the general manager of Newark International Airport. He earned a physics undergraduate degree from Queens College and a Juris Doctor degree from New York Law School, and continued his studies as part of a senior executive program for local and state governments at the John F. Kennedy School of Government at Harvard University.

I would like to thank Mr. DeCosta for his service, dedication and success to Hartsfield-Jackson Atlanta International Airport and the Metro Atlanta community. I wish him and his family continued success and happiness in the next chapter of his great career.

THE TATEUCHI FOUNDATION

HON. DAVID G. REICHERT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. REICHERT. Madam Speaker, in 2006, the fundraising campaign for Performing Arts Center Eastside (PACE) began in earnest and a new performing arts center is set to open in 2013 in my District—Washington's 8th. The PACE campaign just received a \$25 million gift from the Tateuchi Foundation, and a renewed life has been breathed into a campaign for cultural vibrancy, economic vitality, and artistic expression.

Madam Speaker, the generosity of the Tateuchi Foundation to the PACE campaign is

nothing short of phenomenal. For its incredible gift, the Foundation received the naming rights of the performing arts center. Therefore, it will now be known as the Tateuchi Center, and I'm extremely pleased to see the campaign receive such a significant boost.

The spirit of giving and philanthropy is alive and well, Madam Speaker. This extraordinary gift has reminded our community that belief in unique and worthwhile entertainment and art is essential to a vibrant community. The realization of a state-of-the-art performing arts center in the 8th District will provide jobs and enhance the quality of life and cultural infrastructure of the entire Puget Sound region. According to recent studies, the Tateuchi Center will have a \$470 million impact on King County over the next decade and will generate \$70 million in new tax revenues for federal, state, county and city governments. Beyond that, Madam Speaker, a unique, exciting venue like the Tateuchi Center will help businesses in the Puget Sound region—such as Microsoft—continue to recruit top talent and excel in a highly desirable area.

The campaign to bring a one-of-a-kind performing arts center to the 8th District is driven by the desire to transform lives and enrich the community by presenting artistic, cultural, educational, and entertainment experiences of the highest quality for everyone. The momentous gift of the Tateuchi Foundation is helping make that desire a reality. The overall fundraising goal will be reached, and that's a testament to civic pride, business leadership, and the public good. Madam Speaker, I thank the leaders of the campaign to bring the arts to the 8th District. And of course, I join my constituents in thanking the Tateuchi Foundation for its generosity. The continued dedication to this cause is remarkable and worthwhile.

Madam Speaker, even in this difficult economic time, the Tateuchi Center campaign demonstrates that the desire for artistic expression is as limitless as the expression itself and is sending a clear message: the inclusion of arts in a community will make that community a better place to work, live, and create.

HONORING MRS. JUDITH BERNICE SEEMAN DEL ROSSI AND MR. FRANCIS JOSEPH DEL ROSSI

HON. JOHN H. ADLER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. ADLER of New Jersey. Madam Speaker, I rise today to honor Mrs. Judith Bernice Seeman Del Rossi and Mr. Francis Joseph Del Rossi on the occasion of their 50th wedding anniversary.

Judith and Joseph were married at St. John's Catholic Church in Collingswood, New Jersey, on June 11, 1960. Together, they raised three children: Angeline Rita, Mary Frances, and Francis Joseph. As longtime residents of Pennsauken, New Jersey, Frank taught at Pennsauken High School for 37 years, where he also coached the school's basketball team. Judy served in many Parent Teacher Association leadership roles while her children were young. She recently retired from

her job at the Claridge Casino after more than 20 years of service.

Today, Judy and Frank are residing in Marlton, New Jersey. Their 50 years of marriage is a true testament to the loyalty and love they demonstrate in all aspects of their lives.

Madam Speaker, I ask my colleagues in the House of Representatives to join me on congratulating Judith and Joseph Del Rossi upon the occasion of their 50th anniversary. For their commitment and generosity to family, friends, and each other, they are to be commended.

HONORING MRS. EGLANTINE MELITA GORDON

HON. KENDRICK B. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. MEEK of Florida. Madam Speaker, I rise to pay tribute to the late Mrs. Eglantine Melita Gordon. It is with both profound sadness but also an enduring sense of gratitude that I recognize her for the tremendous inspiration she provided to both her church and community.

Affectionately known as "Mama G," Mrs. Gordon was born in Riverside, Hanover, Jamaica on November 26, 1916 to the late Jabez Buchanan and Florence Johnson. She attended Riverside All-Age School, Rusea's Comprehensive High School and Bethlehem Teachers College.

Upon graduation, Mrs. Gordon began her professional career as a teacher at Riverside, Wesley, Elletson, and New Providence primary schools in Jamaica and William Gordon Elementary School in the Bahamas. She was also a private tutor.

She was a member of the Meadowbrook United Church in Jamaica and served as an elder, member of the Women's Guild, and participated in the Social Services Outreach Program.

In Miami, Florida, Mrs. Gordon was a member of Bay Shore Lutheran Church. She served as a greeter and member of the Lutheran Women Missionary League. She was the recipient of the Good Samaritan Award of Bay Shore Lutheran Church, which was awarded by the Lutheran Services of Florida.

Mrs. Gordon was married to the late Rupert Carlton Gordon. They had three daughters: Yvonne Elaine Hill, Patricia Evadne Ferdinand and Rose-Marie Gordon-Wallace. She was blessed with a loving family who took pleasure in every aspect of her life and her interests. I offer my heartfelt condolences to her three daughters; sons-in-law, Tyrone Hill, Donald Ferdinand, Frederick Myers, and Roy Anthony Wallace; her grandchildren, great-grandchildren, sisters, cousins, nieces, nephews, and friends.

Madam Speaker, I ask you and all the members of this esteemed legislative body to join me in recognizing the extraordinary life and accomplishments of Mrs. Eglantine Melita Gordon. I am honored to pay tribute to Mrs. Gordon for her invaluable service and tireless dedication to both her church and local community. She will be missed by all who knew

her, and I appreciate this opportunity to pay tribute to her before the United States House of Representatives.

RECOGNIZING THE SALTER FAMILY AS THE 2010 SANTA ROSA COUNTY OUTSTANDING FARM FAMILY OF THE YEAR

HON. JEFF MILLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. MILLER of Florida. Madam Speaker, it is my distinct privilege to recognize the Salter family for being named the 2010 Santa Rosa County Outstanding Farm Family of the Year. The hard work and dedication of this family helps not only feed many in the community, but also so many throughout the country. For that reason, Madam Speaker, I am honored to recognize their accomplishments.

John, Stacy and their daughter Kailee are fourth generation farmers. The Salter family has been a vital part of the Chumuckla community since the late 1800s. While many things have changed in the field of agricultural science since the 1800s, the Salter family has remained steadfast in their honored tradition of working hard and providing quality goods to market.

In addition to having a determined work ethic that is deeply rooted in the Salter family, they have also begun to sow the seeds of voluntarism in the Northwest Florida community. Mr. John Salter has served as the Chairman of the Blackwater Soil and Conservation District for the past 12 years and is currently Chairman of the Santa Rosa County Farm Service Agency County Committee. Furthermore, Mr. Salter serves as a council member of the Three Rivers Resource Conservation and Development Council. He is also a member of Florida Farm Bureau, Florida Peanut Producers Association and the Southeast Peanut Farmers' Association.

Madam Speaker, our great nation was built by farmers and their families. The Salters serve as an example to all our nation's family farmers. On behalf of the entire United States Congress I applaud their efforts and congratulate them on being named the Santa Rosa County Outstanding Farm Family of the Year. My wife Vicki and I thank them for their work and wish them continued success in the future.

IN MEMORY OF MR. ROBIN WHITLEY HOOD

HON. BOB ETHERIDGE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. ETHERIDGE. Madam Speaker, I rise today to honor the life of Mr. Robin Whitley Hood, who passed away on Sunday, June 27, in Raleigh, NC. Best known for the smile he brought to other's faces and his lifelong community involvement, Whitley will surely be missed.

Robin Whitley Hood was born on January 1, 1932, in Johnston County to parents John Robert and Cleo Wood Hood. He attended Campbell College and graduated from Wake Forest University, where he was a member of Lambda Chi Alpha Fraternity. After graduation, Whitley established Robin Hood Enterprises Inc., which still flourishes today. His companies include Whitley Hood Insurance Agency, Robin Hood Truck Stop and Restaurant, and Robin Hood Oil Company.

In addition to his entrepreneurial endeavors, Mr. Hood served as mayor of the town of Benson from 1971–1979. He was instrumental in the development and growth of Benson, where he was a strong advocate for the community. He played a key role in developing a water line to Benson from the Neuse River and argued strongly for 1–40's current route near Benson over a counterproposal that would have taken it further north. He was named Benson's Citizen of the Year in 1973.

Whitley remained an active member of the community long after his public service. He was a member of the Benson Lions Club, a past patron of Eastern Star, a member of the Benson Stock Club, a member of the Benson GBO, an active member of Benson Baptist Church and a past deacon. He was also a prominent Mason and Shriner.

My best memories of Whitley involve his work as director of the Sudan Clowns for almost 50 years. Whitley loved to bring joy to people's faces and to spread laughs and good cheer to those he met. Many of the Dunn community are familiar with "Happy" the clown and the clown cards he would leave behind; I know that I will never forget the happiness he brought to those around him and I am sure his bright light will not soon be forgotten by others in our community.

Madam Speaker, I urge my colleagues to join me today in honoring the life of Mr. Robin Whitley Hood, a beacon of his community and a true exemplar of civic involvement. May he even in passing bring a smile to his loved ones' faces for the wonderful legacy he has left behind.

EXCERPTS FROM TESTIMONY
GIVEN BY LORNE CRANER

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. WOLF. Madam Speaker, I submit excerpts from the testimony of Lorne Craner, president of the International Republican Institute, IRI, speaking before the House Committee on Foreign Affairs on June 10.

Mr. Craner spoke with great clarity about a number of important issues regarding the promotion of human rights and democracy in the context of U.S. foreign policy.

He opened with reflections on President Reagan's conviction that freedom is a birthright—one that ought to be enjoyed by all peoples. Mr. Craner testified:

"President Reagan said 'We must be staunch in our conviction that freedom is not the sole prerogative of a lucky few, but the inalienable and universal right of all human

beings. So states the United Nations Universal Declaration of Human Rights"

"But Reagan went beyond simply noting the importance of freedom in the speech. He laid out a strategy to achieve it, stating that 'If the rest of this century is to witness the gradual growth of freedom and democratic ideals, we must take actions to assist the campaign for democracy. While we must be cautious about forcing the pace of change, we must not hesitate to declare our ultimate objectives and to take concrete actions to move towards them.'"

"Further, he enunciated a method to help achieve the strategy, saying 'the objective I propose is quite simple . . . to foster the infrastructure of democracy, the system of a free press, unions, political parties, universities, which allows a people to choose their own way to develop their own culture, to reconcile their differences through peaceful means.'"

"Reagan counseled patience, noting that 'the task I've set forth will long outlive our generation.' He would be characteristically modest about his role, but within eight years, the number of 'free countries' in Freedom House's survey had risen to 76, compared to 51 at the time of his inaugural, 'partly free countries' had risen to 65 from 51, and 'not free' countries had declined from 60 to 42. Most dramatically, the Soviet bloc had disintegrated. While many West Europeans now claim it was engagement—exemplified by 'Ostpolitik'—that ended the Cold War, those who lived under Soviet domination instead give much credit to Pope John Paul II, Margaret Thatcher and Ronald Reagan"

Later in his testimony Mr. Craner remarked on the critical role that Congress plays in pressing the State Department to elevate these issues of human rights and religious freedom . . . issues which often are downplayed in the name of bilateral relations. Craner noted:

"Indeed, for more than 30 years, beyond the inception of NED, Congress has truly been at the forefront on issues of human rights. For example, the State Department Bureau I headed, for Democracy, Human Rights and Labor, was also founded by an act of Congress. On many occasions the Congress has actually led on human rights and democracy policy. The annual State Department Country Reports on Human Rights were established over the objections of the then-administration. I referred earlier to Congressional action on human rights early in the Reagan administration. In the 1990s and this decade, a number of the entities within the State Department intended to advance human rights—the Office of International Religious Freedom, the Office to Monitor and Combat Trafficking in Persons, and the Special Envoy to Monitor and Combat Anti-Semitism—were also established over administration opposition. The recent Advance Democracy Act was opposed by the then-administration. Legislative action regarding human rights in various countries, from China to El Salvador to South Africa, has been taken by Congress despite the administration's wishes. It is especially important to note that passage of such legislation was undertaken by Congresses with Democratic or Republican majorities during both Democratic and Republican administrations."

Lastly, he spoke compellingly of the need for "Strong, consistent, leadership on democ-

racy and human rights from the top of the administration" He gave several reasons:

"First, much attention is paid to the administration's funding levels for democracy programming. This is substantively important, given what democratic foreign leaders point to as the results of America's democracy programming over the past quarter century, from Chile to the Philippines to Poland, Mongolia, Serbia, Georgia, Moldova, and many others. Here in Washington, it is also seen as a symbolic measure of U.S. support for democracy in countries in remaining repressive countries such as Cuba, Belarus, Iran, and Burma. In instances such as these, Congress can exert its influence by earmarking funds certain countries. The implementation of such earmarks can be greatly influenced by the second reason for strong presidential/administration support: the message sent within the bureaucracy.

"Too often it is easy for the career bureaucracy to minimize democracy and human rights because these elements complicate other bilateral issues, such as economic or trade or security relationships. Skilled diplomats know that it is possible to achieve both. But clear statements by the President and Secretary of State on democracy and human rights contribute to the degree to which efforts will be made by U.S. Country Teams to implement programs and seek to garner international support for those seeking to better their conditions under authoritarian regimes. Under President Clinton and Secretary Albright and President Bush and Secretaries Powell and Rice, for example, U.S. diplomats understood that human rights and democracy were strong emphases of U.S. foreign policy.

"Third, and perhaps most important, the degree of administration support for democracy and human rights is watched closely by autocratic and totalitarian foreign leaders. They are trying to discern how to manage relations with the world's most powerful country. When American leaders diminish our emphasis and consistency on democracy and human rights, foreign leaders understand that they don't have to do as much on those issues to maintain good relations with Washington."

Mr. Craner closed by noting that the Obama administration has gotten off to a weak start on these issues, and that this has not gone unnoticed by those to whom U.S. policy in this regard matters most . . . "democrats and dissidents."

Craner remarked, "Commenting on President Obama's delayed meeting with the Dalai Lama, former Czech President Vaclav Havel said of Beijing 'they respect it when someone is standing his ground, when someone is not afraid of them. When someone soils his pants prematurely, then they do not respect you more for it.'"

"Cyberdissident Ahed Al-Hendi stated that previously, in Syria 'when a single dissident was arrested . . . at the very least the White House would condemn it. Under the Obama administration, nothing.'"

"Malaysia's Anwar Ibrahim said 'Our concern is that the Obama administration is perceived to be softening on human rights . . . once you give a perception that you are softening on human rights, then you are strengthening the hands of autocrats to punish dissidents throughout the world.'"

"According to Egypt's Saad Eddin Ibrahim, 'George W. Bush is missed by activists in Cairo and elsewhere who—despite possible misgivings about his policies in Iraq and Afghanistan—benefited from his firm stance on democratic progress. During the time he kept up pressure on dictators, there were openings for a democratic opposition to flourish. The current Obama policy seems weak and inconsistent by contrast.'"

I share Mr. Craner's concerns and echo his charge to Congress to stand in the gap even in the face of an administration that is struggling to find its voice on matters which ought to be central in American foreign policy.

RECOGNIZING THE CENTER FOR
INFORMATION DOMINANCE,
CORY STATION

HON. JEFF MILLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. MILLER of Florida. Madam Speaker, it is with great pleasure I rise to recognize the Center for Information Dominance (CID) Corry Station for their countless hours of service to the community of Northwest Florida. CID Corry Station has gone above and beyond the call of duty, further serving their country through their community involvement.

Encompassing all branches of the Armed Forces, the service members of CID Corry Station have set a shining example for Americans everywhere through their unwavering and unselfish dedication. Members of every rank have contributed toward an astronomical number of hours being recorded in the period spanning July of 2009 to June of 2010. In this period, the members of CID Corry Station have contributed a total of 9,481 volunteers recording 87,801 community volunteer hours. These volunteers have touched the lives of 107,807 citizens of Northwest Florida, all of which are eternally grateful for the selflessness of these service members.

The service members of CID Corry Station have assisted the efforts of many volunteer organizations in Northwest Florida. CID Corry Station has volunteered alongside organizations such as Manna Food Pantry, Pensacola Boys Base, Meals on Wheels, Saturday Scholars, Boy Scouts, Girl Scouts, Youth Sports, Junior Achievements, and the Big Brothers/Big Sisters Program, just to name a few of the enumerable ways in which these service members have bettered their community.

Madam Speaker, on behalf of the United States Congress, I would like to recognize the service members of Center for Information Dominance Corry Station for their service to their country and the community of Northwest Florida. May they continue in their efforts to provide a brilliant example for others to follow.

IN HONOR OF THE UNIFEM-U.S.
NATIONAL COMMITTEE 2010 NA-
TIONAL CONFERENCE

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mrs. MALONEY. Madam Speaker, I rise to pay special tribute to UNIFEM, the United Nations Development Fund for Women, and to the United States National Committee for UNIFEM. This month, the UNIFEM-U.S. National Committee (USNC), in partnership with the National Council for Research on Women, is holding its 2010 Annual National Conference in New York City. The theme of this year's conference, "Strategic Imperatives for Ending Violence Against Women," is timely and important, and I salute UNIFEM-USNC for convening prominent leaders and activists to address these critical issues. The Conference is being held at Hunter College of the City University of New York on Manhattan's Upper East Side and is being co-hosted by the College's Women & Gender Studies Program and historic Roosevelt House.

The 2010 Conference is helping to increase awareness of the nexus between violence against women and its harmful effect on key indicators, be they economic, educational, or relating to public health. Convening prominent leaders and activists from the worlds of business, academia, philanthropy, advocacy, non-profit organizing, and public policy, the Conference will advance UNIFEM's critical mission and develop and promote strategies to combat gender-based violence.

UNIFEM's vital mission is to advance women's rights and achieve gender equality around the world. UNIFEM begins with the fundamental premise that all women have a right to live a life free from discrimination and violence. By supporting national as well as local programs, UNIFEM has helped pave the way toward a more just society, free of gender discrimination and the oppression of women. UNIFEM supports the advancement of existing international commitments for gender equality on a national level. It has helped advance some of our loftiest ideals, values of human and civil rights embraced by the vast majority of U.N. member nations, as embodied by important initiatives such as the Convention on the Elimination of Discrimination Against Women.

UNIFEM is active all across the globe, from sub-Saharan Africa to the islands of the Caribbean. Its staff works with countries to formulate and implement laws and programs to promote gender equality in all aspects of civil society, working to secure fair and fairly compensated employment opportunities for women, to end the scourge of violence against women, and to help secure their inheritance and property rights. In Sudan, UNIFEM has partnered with the United Nations Mission in Darfur to promote awareness of, and to try to stem, the surge in violence against women. Its staff works closely with tribal leaders and refugee camps to teach women how to protect themselves from sexual assault and violence, achieving a noticeable positive impact on the area.

UNIFEM also strives in collaboration with governments to achieve greater gender equality and increase awareness of the basic human rights of women. In collaboration with various NGOs, UNIFEM has successfully pushed for increased female representation in the legislatures of numerous governments in the Middle East and Asia.

Madam Speaker, I ask that my distinguished colleagues join in recognizing the remarkable contributions toward improving the quality of women's lives around the world made by UNIFEM, the United Nations Development Fund for Women, and the UNIFEM United States National Committee, on the occasion of its 2010 Annual National Conference. For thirty-four years UNIFEM has worked closely with governments and organizations across the globe to make the ideals that we hold a reality, and all citizens of the world owe a debt of gratitude to UNIFEM and to UNIFEM-USNC.

HONORING THE LIFE OF NETTIE B.
ROGERS

HON. STEVE COHEN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. COHEN. Madam Speaker, I rise today to honor the life of Nettie Brown Rogers, a woman of keen faith and conviction who selflessly served the spiritual community of Memphis, Tennessee for over fifty years. Born in Memphis to Arthur and Bertha Brown on October 25, 1922, Nettie Rogers was a committed wife to Floyd Rogers, a caring mother of seven children and a community leader among the city's Baptist Churches.

Deeply devoted to her Christian faith, Mrs. Rogers was a pioneering woman who accepted her calling to religion "no matter what men might say." In 1958, she and 22 other community members co-founded Grace Missionary Baptist Church in Memphis. A committed member of Grace M.B. Church, Mrs. Rogers also served for ten years as an associate minister at New Salem Missionary Baptist Church where she was said to have done everything but preach.

In 1968, Mrs. Rogers founded the Memphis Inter-Denominational Fellowship, Inc., a nonprofit that supports spiritual growth, Christian and public education and initiatives to reduce crime, juvenile delinquency and illiteracy. Under Mrs. Rogers's leadership, the Memphis Inter-Denominational Fellowship pursued creative initiatives, such as the "Back to Church School Crusade," which established National Church School Day on the first Sunday in June. Through Operation Bread Basket, Mrs. Rogers provided food for over 30 years to individuals, churches, nursing homes and other community agencies. Endowed with faith, wisdom, and an unselfish love, Mrs. Rogers's life was characterized by such acts of unwavering commitment to Christian and community service.

Mrs. Rogers's home in South Memphis was adorned with awards and letters from churches, schools and organizations documenting the achievements of her distinguished life. In

2009, she was posthumously awarded the Ruby R. Wharton Outstanding Woman award in the area of Youth and Delinquency by Mayor AC. Wharton. That same year she was inducted into the Memphis African American Museum's Hall of Pulpits, the only woman among 12 male preachers. In 2007 and 2008, I issued Congressional proclamations commending her outstanding work in the community supporting youth engagement. In 2006 and 2008, the State of Tennessee House of Representatives passed Joint Resolutions honoring Mrs. Rogers for her strength in character and commitment to selfless good works. In 2002, the City of Memphis renamed the street she lived on to Fountain Court in her honor. Mrs. Rogers also received awards and recognition from the April 4th Foundation, Grace M.B. Church, the National Association of Negro Business and Professional Women's Club and LeMoyne-Owen College, among other well-deserved distinctions.

Nettie Rogers passed away at her home in South Memphis on February 12, 2009 at the age of 86. She is survived by four daughters, two sons, 14 grandchildren, six great-grandchildren, and the legacy of her faith and public service. In the words of her daughter, Dr. Inetta F. Rogers who serves as the President of Memphis Inter-Denominational Fellowship, "I saw her as a role model in the community and I'm preaching in pulpits where she couldn't." Memphis has been blessed to have benefited from the good deeds of this exceptional mother, wife, friend, spiritual advisor and ministry leader. Hers was a life well lived.

IN RECOGNITION OF THE 2010
GRADUATES OF THE PRINCE
WILLIAM COUNTY PUBLIC SAFE-
TY ACADEMY

HON. GERALD E. CONNOLLY

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. CONNOLLY of Virginia. Madam Speaker, I rise today to congratulate the most recent graduates of the Prince William County Public Safety Academy. As they join the ranks of the Prince William County Department of Fire and Rescue, these men and women are entering a proud profession with a rich history.

Securing a position as a first responder begins with a competitive application process. Recruits must then complete a rigorous and comprehensive 23-week training program before graduating as a Prince William County Department of Fire and Rescue Technician I.

A Technician I is trained in emergency medical services, fire prevention and countless other public safety measures. The certifications required to reach the status of a Technician I cannot be accomplished without complete dedication and hard work. The graduates have completed the requisite coursework for certification in CPR, Infection Control, CISM, EMT-B, Firefighter I, Firefighter II, EVOC 2, EVOC 3, Flashover Simulation, RIT, Mayday, Hazmat Awareness/Operations, Swift Water Rescue Awareness, LPG with Simulation, Rural Water Supply, BLS Protocols, Rope Rescue Awareness, Vehicle Rescue Aware-

ness and Child Passenger Safety Seat Installation. Each graduate has completed more than 600 hours of training and education.

It is my honor to enter into the CONGRESSIONAL RECORD the names of the Prince William Department of Fire and Rescue Recruit Class 2010-1:

Benjamin Draxler, Shannon Frick, Nels Jorgenson, Hanif Majeed, Nathaniel Matthews, Timothy Moore, Ariel Morales, Ethan Newham, Chris Payne, Jajuan Reed, Adam Renner, Raymond Sanz, Nicholas Soper and Alexander Thomson.

There are many reasons that firefighters and first responders are known as America's Heroes. These brave men and women regularly put the lives and well being of those they serve ahead of their own. I am confident that this newest group of graduates will serve the citizens of Prince William County with distinction and honor.

Madam Speaker, I ask that my colleagues join me in congratulating the newest members of Prince William County Department of Fire and Rescue. I have just two other words I would like to say to them: Stay Safe.

HONORING ERNIE PLANTZ

HON. JOE COURTNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. COURTNEY. Madam Speaker, I rise today to honor a great American for a lifetime of service to his country and community. Ernie Plantz of Gales Ferry is a World War II veteran with an incredible story and an enduring passion for public service. On several occasions, I have had the pleasure of seeing firsthand the hard work that Ernie puts in on behalf of Connecticut's veterans.

Ernie is a retired Lieutenant in the United States Navy. He survived the sinking of a submarine, the USS *Perch*, and was taken as a Prisoner of War by Japanese forces during World War II. He remained as a Prisoner of War for more than 3 years, living through unthinkable physical and emotion pain.

Today he is a proud member of the Groton Submarine Veterans and has spent much time teaching the children of eastern Connecticut about the history of World War II and sharing his story. It is not unusual to see Ernie at the forefront of any event helping or honoring Connecticut veterans. He is the recipient of a Purple Heart and a Bronze Star. He is also an active member of the Lions Club, and was named a Melvin Jones Fellow by Lions International. This is the highest award for humanitarian service bestowed by the organization.

While Ernie is a survivor in the purest sense, what truly prevails when you meet him is his love of helping others and giving back. For someone that has seen the darkest sides of war, I am inspired by the amount of time and energy that he puts in to help his fellow veterans and citizens on a daily basis. I ask my colleagues to join me in honoring Ernie and thank him for his service to our Nation.

HONORING SERGEANT BRANDON
SILK

HON. MICHAEL H. MICHAUD

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. MICHAUD. Madam Speaker, I rise today to honor the memory of Army Sergeant Brandon Silk of Orono, Maine, who was killed while serving his country in Afghanistan.

Brandon was well-loved by everyone in his family and community. He is remembered for his personality, self-determination and self-confidence. On June 21st, Sergeant Silk died from injuries he suffered in a hard landing on his second Afghanistan tour. At 25 years old, Sergeant Silk's youth punctuates an already painful loss.

Brandon Silk, a fan of hunting, music, motorcycles and the Red Sox, graduated from Orono High School in 2003, where he excelled in football and track. After graduating, Brandon enlisted in the U.S. Army, volunteering to serve and protect his country. He was a Black Hawk crew chief and a member of the 101st Airborne Division at Fort Campbell, Kentucky. He was on his fourth tour of duty having served in Korea, Iraq and two tours in Afghanistan.

In Maine, our communities are known for coming together during a crisis, and I know that everyone in the state stands together to support the Silk family. Brandon is mourned by all as a true American hero and a defender of the freedom we all hold dear.

Madam Speaker, please join me in honoring the memory of Sergeant Brandon Silk for his patriotism and devotion to his community and his country.

IN HONOR OF THE 90TH ANNIVERSARY OF MOUNT PILGRIM BAPTIST CHURCH, ALBANY, GEORGIA

HON. SANFORD D. BISHOP, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. BISHOP of Georgia. Madam Speaker, I rise today to honor Mount Pilgrim Baptist Church in Albany, Georgia which has served as a tower of strength for the people of the Second Congressional District. The church was founded on July 11, 1920 in a small wooden house located at 627 Society Avenue under the noble leadership of the late Reverend Grant Edgar Hall.

The church was christened by Mr. Jubie Johnson, who was also one of the first members of the church. During its inception, worship services were held on the first and third Sundays of each month. The church's first pastor, Reverend Edgar Hall, retired in 1956 due to ill health and old age. He was succeeded by Reverend R.J. Polk. Since then, the church has been blessed by several pastors who have served the people of Albany as evangelists, prophets, teachers, counselors, and friends. Reverend Polk was followed by dynamic leaders like Reverend P.E. Dav-
enport, Reverend J.L. Jones, Reverend J.E.

Brown, Reverend C.W. Heath, Reverend R.E. Ousley, Reverend Jimmy Sneed, Reverend Carl K. Rolle, Reverend Veron D. Lloyd, Reverend Clayton D. Smith and Reverend Dr. James B. Rodgers.

In the last 90 years, the church has seen exponential growth. The church's original edifice was expanded under the guidance of Reverend Ousley. The adjacent land and Annex South were developed with Reverend Rolle's valuable assistance and Annex East was purchased and refurbished under Reverend Smith's guidance. With the effective leadership from the church's pastors and tremendous public support, the church has continued to expand. Under the Reverend Walter L. Ingram, Jr., the church relocated to its larger permanent residence on 1501 Newton Road.

Mount Pilgrim Baptist Church has served as a pillar of strength for the Albany community. Through its numerous outreach ministries, it has strived to serve the people of the great state of Georgia and the city of Albany. By reaching out to those in need and comforting those who are suffering, the church has become a source of spiritual support for the people of the community.

On the occasion of its 90th Anniversary, it gives me great honor to recognize Mount Pilgrim Baptist Church for all its efforts. I thank the church and its congregation for all their years of service. I wish and hope that they continue to spread the word of God and continue serving the community in Albany. To God Be The Glory!

CONGRATULATING PASTOR
CHARLES A. LUNDY ON HIS 20TH
ANNIVERSARY AT EBENEZER
BAPTIST CHURCH IN
WOODBIDGE, VA

HON. GERALD E. CONNOLLY

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. CONNOLLY of Virginia. Madam Speaker, I rise to recognize the 20th Pastoral Anniversary of Pastor Charles Arthur Lundy of Ebenezer Baptist Church in Woodbridge, Va.

Pastor Lundy has a long and distinguished career in the service of the Lord. He was baptized at the age of 13 at the Wayland Baptist Church in Baltimore, Md., under Reverend W. W. Payne. In February of 1981, Pastor Lundy was ordained a deacon, and just three years later, he was licensed by the Star Bethlehem Missionary Baptist Church in Triangle, Va., under the Reverend Dr. Frederick S. Jones. Pastor Lundy was ordained a Gospel Minister in August of 1987 and served as the director of Christian Education for Star Bethlehem.

He was called to be the pastor of Ebenezer Baptist Church on June 23, 1990. On his first Sunday at the pulpit he delivered the sermon, "Stay in the Ship," and established his pastoral focus of "putting the family back together." During his 20 years of leadership, Pastor Lundy has grown the Ebenezer Church family. In June 2000, the church's Family Life Center was dedicated to accommodate an expanding ministry. Pastor Lundy has grown his flock by developing a message that offers spir-

itual guidance and comfort. He graduated Magna Cum Laude from Washington Bible College and earned his Masters of Divinity from Samuel DeWitt Proctor School of Theology at Virginia Union University. His ministry is constantly evolving to accommodate the needs of his congregation and make Ebenezer a welcoming place to worship.

Pastor Lundy has never been one to shy away from service. He spent 26 years in the United States Marine Corps before he retired with the rank of Major as an Engineer Officer. He is the past-Parliamentarian for the Northern Virginia Baptist Association. He is the past-Chairman of the Nominating Committee and a former member of their Commission on Evangelism. He is a former Assistant Secretary for the Northern Virginia Minister's Conference, and he is a former member of the United Way for the National Capital Area. In 2009, Pastor Lundy was elected as President of the Samuel DeWitt Proctor School of Theology Alumni Association. In each of these positions, Pastor Lundy has inspired others with his leadership and energy.

Pastor Lundy is married to the former Jacquelyn Hinton McWhite, and they are the proud parents of five daughters, two sons, and the grandparents of nine grandsons, and two granddaughters.

Madam Speaker, I ask my colleagues to join me in congratulating Pastor Charles Arthur Lundy on his 20 years of service to Ebenezer Baptist Church. He is a pillar of the community with countless individuals depending on his counsel and support. He bears this burden with the peace of mind of man who knows his purpose is justified and his mission is pure.

RECOGNIZING THE GENOA, OHIO
AMERICAN LEGION

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Ms. KAPTUR. Madam Speaker, I rise to recognize the 90th anniversary of the American Legion in Genoa, Ohio. The members and friends of the post and its auxiliary commemorated the milestone during the annual Genoa Homecoming Festival Parade along with hundreds of others celebrating this major community event.

The Genoa American Legion has been an anchor in its community since the early days of the last century. Through the decades it has provided a sanctuary and camaraderie to veterans returning from service as its members have worked to move the community and our nation forward. Its civic efforts include public works, while the post has also provided individual assistance in numerous ways to many.

Following in the tradition of the American Legion since its national founding, members of the Genoa Post have been among the "keepers of the flame" honoring the sacrifice of the victims of combat while teaching the next generations of their place in history. The American Legion ensures we "will never forget" and focuses attention on the needs of our nation's veterans and their service for freedom's cause.

The Genoa American Legion Auxiliary kept "the home fires burning" making significant contributions to the community and nation on our own soil. When veterans return from service, the Auxiliary is there to support and pay special attention to the families' needs. The Legion and its Auxiliary are hand-in-hand in a strong partnership in service to country. Together, these members will continue to meet the needs of veterans and the community of Genoa on their journey toward their centennial. Godspeed.

IN MEMORIAL OF VETERAN JAMES
DANIEL "J.D." LANCASTER

HON. BOB ETHERIDGE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. ETHERIDGE. Madam Speaker, I rise today to honor the life of veteran James Daniel "J.D." Lancaster, who passed away at the age of 90 on Friday, June 25, 2010. In his passing, I lost a friend, and North Carolina lost one of its most outstanding citizens; a man whose bravery and valor won't soon be forgotten.

J.D. Lancaster, son of the late Reverend W.H. and Lena Lancaster, grew up in Selma, NC and always kept the church close to his heart. His father, a Baptist preacher, introduced him to the church as a young boy and he continued his devout commitment to the Baptist church throughout his life.

J.D. was a veteran of United States Navy and served in World War II. Before his passing, J.D. was one of only 21 living survivors of the attack on the USS Arizona on December 7, 1941 and the only living survivor from our great state of North Carolina. During the attack, J.D. was blown off the deck of the ship, but he swam through the oil-filled waters to eventually rescue ten of his fellow shipmates.

This would not be the only time J.D. survived a sinking ship in WWII. He survived another attack aboard LTS 342, while transporting troops from Guadalcanal to the island of Munda. Later in the war, J.D. managed to escape death a third time aboard a transport plane that crashed. His untiring dedication to his country and his outstanding bravery are apparent. He is a shining example of the devotion and allegiance that members of our armed forces show our nation every day. He was the recipient of numerous awards for his military service, including the Purple Heart.

J.D. Lancaster was active in his community, boasting membership at the VFW, American Legion, Loyal Order of the Moose, and Lanwood Chapel FWB Church. Those who knew J.D. well know he always had a smile on his face and a positive word to share. He will be remembered for his unwavering devotion to his family, his church and his country.

He is survived by his wife Dorothy Lancaster; daughters Carol Lancaster of Goldsboro, Beth Sitts, and her husband Justin of Pine Level, and Danielle Lancaster of Selma; son Jay Lancaster of Selma; and granddaughters, Jenna and Katelyn.

Madam Speaker, I urge my colleagues to join me today in recognizing one of our nation's true military heroes, J.D. Lancaster. He

was a respected veteran, a dedicated family man, and a great North Carolinian. I am pleased to rise to honor him and his family today.

PERSONAL EXPLANATION

HON. ROB BISHOP

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. BISHOP of Utah. Madam Speaker, on rollcall No. 412, had I been present, I would have voted "yes."

INTRODUCTION OF THE STAND BY
YOUR OIL POLLUTION ACT

HON. GERALD E. CONNOLLY

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. CONNOLLY of Virginia. Madam Speaker, in 1989 the *Exxon Valdez* oil tanker ran aground in Prince William Sound, spilling 10.9 million gallons of oil that eventually coated 1,100 miles of Alaskan coastline. Following this disaster, Congress passed the Oil Pollution Act in 1990 to require that oil companies pay the full cleanup costs of oil spills. However, this legislation has a couple of loopholes that need to be closed. If an oil company subsidiary is responsible for the spill, that subsidiary can declare bankruptcy and sell its assets, even to its parent company, without passing on cleanup cost liabilities. The SPILL Act, which the House will vote on this week, will close this loophole so that liability follows subsidiary assets. Whether or not the SPILL Act becomes law, there will be another loophole in the Oil Pollution Act: If a subsidiary is responsible for an oil spill, it can declare bankruptcy and not sell its assets, in which case the parent company would not inherit cleanup liabilities.

This is a realistic scenario, given the high cost of oil spills. Even a well capitalized company worth several billion dollars could be responsible for an oil spill that costs tens of billions of dollars to clean up. The *Exxon Valdez* spill cost over \$2 billion just to clean up 10.9 million gallons of oil. As of late June, the Deepwater Horizon spill had already cost BP \$2.65 billion with total cleanup cost estimates as high as \$100 billion. Moreover, if Congress increases the cap on private liability under the Oil Pollution Act, oil companies could be responsible for much greater costs. The fishing industry in the Gulf is worth \$5.5 billion annually. Just losing 50% of western Florida's tourism would cost the state \$10 billion. If Congress eliminates the private liability cap under OPA then an oil company responsible for a spill could be responsible for tens of billions of dollars to reimburse property owners and workers for lost property and wages. Given the extraordinarily high cleanup and private liability costs of oil spills, we must close the loophole that allows parent companies to escape liability by letting subsidiaries go bankrupt.

I have introduced legislation, the Stand by your Oil Pollution (STOP) Act, to prevent oil companies from shedding liabilities of subsidiaries. This legislation is necessary to ensure that BP doesn't escape its cleanup responsibilities in the Gulf and to prevent oil companies from setting up subsidiaries to avoid liability for spills in the future.

HONORING TAIWAN FOR ASSISTANCE
IN THE GULF OF MEXICO
OIL RESPONSE

HON. JO BONNER

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. BONNER. Madam Speaker, I rise today to commend the Taiwanese government for their efforts in assisting the ongoing response to the Gulf of Mexico oil spill.

More than 70 days have passed since the Deepwater Horizon platform sank on April 20, 2010. During this time, the United States has received assistance from seventeen countries and four international bodies in the form of equipment, expertise and general assistance.

Particularly worthy of mention is Taiwan's offer of 600 feet of fire boom to the Gulf.

When the government of the Republic of China received the request for boom from the International Spill Control Organization and British Petroleum, officials in Taiwan cut all the red tape and immediately airlifted the boom to the Gulf for use.

Efforts like these, when the United States is truly in a time of need, should not go unnoticed, and Taiwan's latest offer is another genuine example of Taiwan being a responsible member of the international community.

I believe Taiwan has a vital role to play in this and many other areas.

We thank Taiwan for its offer of assistance. Taiwan is a true friend of the United States.

A TRIBUTE TO SECOND
LIEUTENANT MCMAHON

HON. KAY GRANGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Ms. GRANGER. Madam Speaker, I rise today to honor the service of Second Lieutenant John E. McMahon of the U.S. Army Air Corps, and his distinguished service in World War II as a Radar Navigator flying the B-24 Liberator.

Volunteering for service on November 2, 1942, Second Lieutenant McMahon underwent training in the United States. He was then assigned to the 528th Squadron of the 380th Bombardment Group (Heavy) and reported for duty in the Western Pacific. Second Lieutenant McMahon flew 27 missions from airstrips on New Guinea, Luzon, Mindoro, the Philippines, and Okinawa. His campaigns included the Western Pacific, Southern Philippines, Luzon, Air Offensive Japan, and the China Offensive Campaign. His decorations and campaign awards include the Air Medal, Asiatic-

Pacific Campaign Medal (with silver star), and the Philippines Liberation Medal (with one bronze star). Through his bravery and selfless service in direct combat actions, he helped take the fight to the enemy and bring the war to a decisive and victorious close.

After his service in World War II, he chose to settle in Fort Worth, Texas. He graduated from Texas Christian University and married the former Willie Mae Wittie, his wife of 60 years.

This Nation should always remember how much we owe the Greatest Generation. The service and sacrifice of John McMahon and his brothers in arms is a manifestation of all that makes this country great. We are honored to have such men walk among us, and must always remember those who gave the ultimate sacrifice and are no longer with us.

I wish to extend my greatest appreciation to Second Lieutenant John E. McMahon for his gallant service to our Nation in World War II.

SEMINOLE COMMUNITY LIBRARY
CELEBRATES ITS 50TH ANNIVERSARY

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. YOUNG of Florida. Madam Speaker, the Seminole Community Library is one of the greatest educational resources of the City of Seminole, Florida I have the privilege to represent. Later this month, the library, its staff and its thousands of patrons will celebrate its golden 50th anniversary.

Founded by a dedicated group of volunteers in 1960, the library has outgrown its facilities on a number of occasions before locating at its present site on the campus of The St. Petersburg College. Now named the Dennis L. Jones Seminole Community Library at St. Petersburg College, after my good friend and Florida State Senator, the partnership between the library, the city and the college makes this one of the most unique facilities of its kind in our entire area.

Madam Speaker, one thing has transcended the history of this great library, from its early days in the "cottage" to its present operations in a state-of-the-art educational facility, and that is service to people of all ages.

It is a real honor for me to have the library as a valuable neighbor to my Seminole Congressional District Office and to visit with folks there as they come and go. Please join me in congratulating those early leaders who had a vision that has grown into this great library and to thank all those who provide support to the current facility. This includes the City of Seminole, The St. Petersburg College, the library's professional staff and dedicated volunteers, the Friends of the Library organization, the Library Advisory Board and the Library Youth Advisory Board.

As the library embarks upon its next 50 years of service to our community, it remains focused on its goal to remember the past, serve the present and plan for the future.

CELEBRATING THE LIFE OF
SISTER ANN BRAWLEY, RSM

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Ms. KAPTUR. Madam Speaker. I rise today to recall the generous, self-giving life of Sister Ann Brawley, of the Mercy Order of Roman Catholic sisters in Lima who in 2010 has passed from this life into the next. Sr. Ann spent 77 of the 94 years of her life on Earth serving in Christ Jesus' name. She put into practice His words to live by—to "remain in my love." Her joy was complete, as was the joy she conveyed to others.

Sr. Ann's imprimatur on our community is large. Starting as a bookkeeper for Mercy and St. Charles Hospitals in Toledo, she befriended all people who worked and visited the hospitals in which she worked. Of deep and committed social conscience, she was key in the establishment of the Toledo Catholic Diocese's Central Development Office. She offered accounting services to several area schools, the Migrant Information Office, Aurora Shelter for Women, and Bittersweet Farms community for adults with autism. She was invited to help in the development of Lima, Ohio's Kibby Corners Neighborhood Project.

In addition to Sr. Ann's accounting skill, she had a gift and a passion for the course of the Nation and politics. I came to know her when she offered her counsel, prayers and talents to me during my first campaign in 1982. Her humor, wit, and acumen were sharp and appreciated by all whose lives she touched. Not all business, Sr. Ann also had a passion for sports.

Sr. Ann had a compassionate heart and open arms, and the source of her hope was the unconditional love of Jesus. As Sister Joan Nemann, RSM noted in her eulogy, "More than ten years ago when she asked me to give the homily at her funeral she emphasized these words repeatedly, remain in my love. This was such good news for her—and for us. Today, in her room I found a piece of birch bark that Ann had kept for a number of years. I recall that some years ago I came to the Pines to make a retreat. At that time the birch trees were shedding their bark. I found a lovely piece and wrote on it, 'As the Father has loved me, so I have loved you. Remain in my love.' I gave it to Ann, and she kept it all these years since." Sister Joan's story illustrates to those of us privileged to know her: to her core, the essence of Love. May Sister be granted eternal rest for her life of abiding good deeds.

REMEMBERING ENSIGN ROBERT W.
LANGWELL

HON. MIKE PENCE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. PENCE. Madam Speaker, nearly sixty years ago, Ensign Robert W. Langwell gave his life in service to our great Nation. Shortly

after hostilities began in the Korean War, Ensign Langwell was lost at sea when his Navy minesweeper was sunk off the coast of South Korea. On behalf of a grateful Nation, I wish to thank members of the Korean government and U.S. military who were instrumental in recovering the body of Ensign Langwell. After decades of fruitless searching, he will finally receive the burial he deserves when he is laid to rest with full military honors in Arlington National Cemetery on July 12, 2010.

Ensign Langwell was a native of my hometown—Columbus, Indiana—who served in both World War II and the Korean War. He later moved to Indianapolis where he graduated from high school, and then served two years in the Navy during World War II, including time at Pearl Harbor. Upon his return, Ensign Langwell attended Indiana University where he graduated with a degree in marketing. He was later called to serve in the Korean War before passing away in October 1950 at the age of 26.

I offer my sincere condolences to David Parker, first cousin; Jerry Redford, Phyllis Johnson, and Brenda Showalter, all second cousins; Mary Parker, aunt; Jim Parker, first cousin; Nancy Cook, first cousin; John Parker, first cousin; and Karen Sprauer, second cousin. While Ensign Langwell's young life was tragically cut short, his valiant sacrifice is not forgotten.

COMMENDING RESTORATION AND
PRESERVATION OF "FAME"

HON. JOHN B. SHADEGG

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. SHADEGG. Madam Speaker, I rise today to commend the restoration and preservation of the 40-foot gaff rigged schooner, *Fame*, a piece of nautical history, and one of America's maritime treasures.

Fame is a 1910 Schooner rigged daysailer that was designed by B.B. Crowninshield, a naval architect from Boston, Massachusetts, and built by Rice Bros. Co., East Boothbay, Maine. In designing *Fame*, he wanted to create "the largest and fastest boat he could handle and take care of alone." *Fame* is also noted to be the sister vessel to *Fortune*, a 50 foot schooner built in 1925, also designed by B.B. Crowninshield.

Fame's second owner was Theodore (Ted) M. Dunlap, who in partnership with Fred W. Weston, purchased her in 1926. Dunlap, known as "The Commodore," taught many young people to sail aboard *Fame* in the waters of Lake Michigan. Three Lake Michigan clubs have named trophies after *Fame*, and she is well known along its shores.

At one point in her history, *Fame* had been in dire need of repair, and was auctioned off to Ray Kazlas and Gint Karaitus, who began her rehabilitation. In the 1990s, her next owners continued fixing the aged schooner. Unfortunately, in 1995, on a passage from Chicago, Illinois, to Racine, Wisconsin, *Fame* sank when she took on water from large waves and her pumps failed. Luckily, she was quickly raised.

Thanks to the steadfast vision and immense generosity of her most recent owner, Dennis Conner, the famous racing skipper and four time winner of the America's Cup and seven time yachtsman of the year, *Fame* has once again made a comeback. Mr. Conner previously restored the 80-year-old Q boat, *Cotton Blossom II*.

According to some classic yacht enthusiasts, *Fame* has once again been restored to her original beauty. *Fame* will celebrate her 100th Birthday at the San Diego Yacht Club, in San Diego, California, on Sunday, July 11, 2010.

Madam Speaker, I ask that you and my colleagues in the House of Representatives join me in recognizing *Fame*, in her centenary year. It's with *Fame's* restoration and preservation that she will be again admired by yachting enthusiasts and maritime historians now and in the future.

SECURE ALL FACILITIES TO EFFECTIVELY GUARD THE UNITED STATES AGAINST AND RESPOND TO DANGEROUS SPILLS ACT

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 2010

Mr. YOUNG of Florida. Madam Speaker, seventy-one days have passed, and the oil spill response and containment effort in the Gulf still lacks clear direction. As we've seen by the failure of the blowout preventer in the BP disaster, an uncontrolled discharge of oil is truly a worst-case scenario that oil companies and the Federal Government should be required to have an established plan for. I rise today to introduce the Secure All Facilities to Effectively Guard the United States Against and Respond to Dangerous Spills Act of 2010, or the SAFEGUARDS Act, legislation to prevent and respond to future disastrous oil spills by addressing some of the systematic breakdowns which led to the BP Deepwater Horizon catastrophe.

We are currently witnessing the disastrous effects an uncontrolled discharge of oil has on the fragile environment of the Gulf of Mexico. While the National Environmental Policy Act (NEPA) has established specific safeguards for take into account the effects that drilling has on our environment, BP was permitted categorical exclusions from these requirements. No oil company should be exempt from addressing the environmental impact that their drilling activities impose. The SAFEGUARDS Act will ensure that NEPA requirements are not ignored again by, first, prohibiting categorical exclusions from NEPA, and, second, extending the time period regulatory agencies have to review oil explorations proposals. Regulatory agencies currently have only a 30-day period to review extensive and intricate drilling proposals, however this bill will give regulatory agencies up to 150 days to ensure exploration plans are properly reviewed.

Not only was BP granted exemptions from environmental standards, they were also allowed to move forward without a prepared response plan for the failure of the blowout preventer. The SAFEGUARDS Act addresses

problem by requiring all oil spill response plans to account for a true worst possible scenario, including the uncontrolled discharge of oil resulting from the failure of a blowout preventer or other containment devices.

The oil disaster in the Gulf has also brought much attention to the leadership and organization of the response and containment efforts currently in place. While the Coast Guard is ultimately responsible for leading the government's response to an oil spill in America's coastal waters, they are not required to approve oil spill response plans submitted by oil rigs. Instead, each rig is only required to submit their spill response plans to the Minerals Management Service, an agency with many well-documented issues with administering rig safety standards. Oversight by the Coast Guard is necessary to ensure a fully coordinated response effort. If the Coast Guard has to clean up the spills, they should review the

clean up plans ahead of time. The SAFEGUARDS Act will make this a requirement for all current and future oil rigs, as well as establish the Commandant of the Coast Guard as the National Incident Commander to oversee the Federal Government's response to large oil spills in coastal waters.

Finally, the SAFEGUARDS Act will address some of the inadequacies in federal response efforts highlighted by the current spill. The framework of the National Contingency Plan, which is the Federal Government response plan for all oil spills, has not been updated since 1994. Oil spills in our coastal waters are unique disasters that deserve their own response plan. The SAFEGUARDS Act will require the response plan to be updated at least every five years. Further, this bill will require the EPA to begin monitoring water quality within forty-eight hours after an oil spill is discovered. It is important for the public to have

accurate information about how our water, our wildlife and our beaches are being affected as quickly as possible.

The Federal Government's reaction to the Gulf disaster over the last few weeks has been insufficient, to say the least. BP's response has not been much better. The Clean Water Act requires the President and the Federal Government to lead the cleanup efforts, and we owe it to the American people and the entire Gulf coast to do better. The SAFEGUARDS Act presents common sense solutions to help prevent a disaster of this magnitude from ever happening again, and improves the federal response in the event it ever does. Madam Speaker, I ask my colleagues to support this measure to modernize and improve the governments prevention and response efforts to oil spills.

SENATE—Monday, July 12, 2010

The Senate met at 2 p.m. and was called to order by the Honorable JEFF MERKLEY, a Senator from the State of Oregon.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Lord of life, we magnify Your Name this day, for Your mercies are new every morning.

Take our Senators by the hand and lead them on the road You desire them to travel. Help them to seek Your guidance as they establish their priorities, always remembering their accountability to You. May this accountability motivate them to never deviate from the path of integrity but to seek to ensure that Your will is done on Earth even as it is done in heaven. Remind them that You are with them and will guide them to a desired destination.

We pray in Your sovereign Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JEFF MERKLEY led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. INOUE).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 12, 2010.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JEFF MERKLEY, a Senator from the State of Oregon, to perform the duties of the Chair.

DANIEL K. INOUE,
President pro tempore.

Mr. MERKLEY thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. REID. Mr. President, following leader remarks, the Senate will turn to

a period of morning business. Senators will speak for up to 10 minutes each. This week, the Senate will likely resume consideration of the small business jobs bill, the emergency supplemental appropriations bill, the conference report on Wall Street reform or any other items on the legislative or executive calendar cleared for this particular work period.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MEASURE PLACED ON THE CALENDAR—H.R. 5552

Mr. REID. Mr. President, H.R. 5552 is at the desk and due for a second reading.

The ACTING PRESIDENT pro tempore. The clerk will read the bill for the second time.

The legislative clerk read as follows:

A bill (H.R. 5552) to amend the Internal Revenue Code of 1986 to require that a payment of the manufacturers' excise tax on recreational equipment be paid quarterly and to provide for the assessment by the Secretary of the Treasury of certain criminal restitution.

Mr. REID. Mr. President, I object to any further proceedings at this time.

The ACTING PRESIDENT pro tempore. Objection having been heard, the bill will be placed on the calendar.

JOBS AGENDA

Mr. REID. Mr. President, I welcome back my colleagues and hope they are as eager to get to work as I am.

During the week I spent in Nevada, I saw again how desperate our unemployment situation has become. As I talked to Nevadans, I heard over and over how they need us to help create conditions to help businesses create jobs. For example, I met one man in Reno who is 51 years old. He said he had never missed a payment on his home since he had bought it many years ago. He was going to this month because he was unemployed and couldn't find a job, and he had worked very hard to try to find a job. But now, like 14 percent of Nevadans, he is out of work and can't find a new job. There are just too many people looking for too few jobs. Now he cannot make his mortgage payment, as I have indicated.

He is the kind of person we need to keep in mind when we talk about creating jobs. His family is the kind of family we need to keep in mind when we talk about helping the unemployed with emergency aid. This man knows he will not get rich off his unemployment check, but it might help him keep a roof over his head.

Those unemployment benefits we are working to extend—for every job that becomes available, five people line up for that job. And for every \$1 we spend in unemployment benefits, \$1.61 is returned to the economy because that money is spiraled into doing a lot of good things because they can pay their rent, make their house payment, buy some clothes.

I repeat what I have said here before: Mark Zandi, who was, during the Presidential run, JOHN MCCAIN's chief economic adviser, said the most important money we could spend right now is for unemployment benefits.

As to my friend in Reno, NV, his struggle, his fears—what keeps this man up at night—is what we should remember when the other side pretends this is more about politics than it is about people.

This work period, like every work period, will be about jobs—the work period here in the Senate—how to create them, how to save them, and how to prevent another crisis such as the one that killed them in the first place.

We are going to build on momentum we have already seen from the economic recovery plan, also known as the stimulus. This jobs crisis was not created in a day, and it will not be solved overnight. But in a short time, we have come a long way.

Three million Americans who are going to work today have the Recovery Act to thank for their jobs. In Nevada, the Recovery Act created or saved more than 4,000 jobs this spring, and as more projects get underway, it will create even more jobs this summer. And don't forget that the stimulus also cut taxes for families, small businesses, students, home buyers, and the unemployed.

But it is just a step, a first step. Over the next month, we are going to do everything we can to make a few more big steps. One of these steps will be to pass the small business jobs bill. It is now on the floor. We know the best way to create jobs, innovate, and help our economy recover is through the private sector. We know the engine that runs the private sector is made up of small businesses. These businesses are the ones that have felt the most pain in this recession. Two out of every

three jobs we have lost were from small business. Our bill, which is fully paid for, will put people back to work through a number of initiatives.

First, it gives small business tax incentives to help them hire and grow more people. Two, it increases Small Business Administration loan limits. Three, it makes it easier for small businesses to export goods. And four, it creates a small business lending fund that will give small banks more capital.

Another step we will take this month is the long overdue—it is long overdue; and I have talked about it a little bit this morning—extension of emergency unemployment insurance for so many who have been out of work for so long. It is more than 2 million people.

When millions of Americans lost their jobs, they lost their incomes, their homes, their savings, their gas money, their tuition payments, and on and on and on—all through no fault of their own. Democrats are not about to turn our backs on out-of-work Americans, which is why we are trying to help them keep their heads above water in this crisis.

The third step is Wall Street reform. It is just as much a jobs bill as the first two I mentioned. We all know greed on Wall Street is what triggered the recession, suffocated the job market, and robbed millions of their incomes. By cleaning up Wall Street, we are going to make sure big bankers can never again gamble away our economy. We are going to make sure there is not a next time.

Helping small businesses, helping the unemployed, and cracking down on Wall Street are three equally important approaches to the same problem—and to our No. 1 priority—jobs. But these three also have something else in common: A minority of Senators is standing in the way.

We have tried for months to help people. Nearly every Democrat has said yes, and nearly every Republican has said no. That opposition is stopping recovery in its tracks.

Every day we keep small businesses from creating jobs, or deny the unemployed the assistance they need, or let Wall Street get away with the same tricks that nearly sank our economy, we are making a difficult situation even worse. We are keeping people off payrolls, keeping businesses from hiring, and keeping our country from coming back stronger than ever.

Simply put, obstruction of these good bills is costing Americans jobs. The other side thinks saying “no” helps them. But it sure does not help the people we are supposed to represent.

I hope we will get our priorities straight this work period. It will be a productive one if we do. The next time we go back home to talk to our constituents, we will be able to deliver better news, and they will be able to tell us the same in return.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

RECESS APPOINTMENT OF DONALD BERWICK

Mr. MCCONNELL. Mr. President, ordinarily Senators come to the floor to talk about the things that happen in Washington while we are here. Today I wish to talk about something that happened last week while we were not here. I am referring, of course, to the President's truly outrageous decision to take advantage of Congress's absence last week to sneak Donald Berwick in as the new head of Medicare and Medicaid.

As is well known, Congress has a constitutional duty to examine Presidential nominees such as Dr. Berwick. But apparently the prospect of giving the American people an opportunity to hear this nominee defend his past praise for government-run systems that ration health care was worrisome enough for the administration that it sought to ignore congressional oversight altogether.

As it turned out, the administration's plan backfired because even Democrats are outraged at this blatant attempt to prevent the American people from hearing this man talk about what he plans to do with Medicare and Medicaid. As usual, the administration wants to blame Republicans for its failures. But in this case, the administration's failure to respect the right of the American people to study Dr. Berwick's record is being criticized by just about everyone, including the Democratic chairman of the committee in charge of reviewing his nomination.

Here is what Chairman BAUCUS said shortly after the appointment was made. Senator BAUCUS said:

Senate confirmation of presidential appointees is an essential process prescribed by the Constitution that serves as a check on executive power and protects Montanans and all Americans by ensuring that crucial questions are asked of the nominee, and answered.

So despite what the administration wants people to think, this recess appointment had nothing whatsoever to do with Republicans. The fact is, Republicans were looking forward to the debate. We welcomed the hearing on Dr. Berwick, and anyone who looks at the facts knows any suggestion to the contrary is utter nonsense. So the charge is laughable.

This appointment had everything to do with the administration's fear of letting Americans hear Dr. Berwick's well-known views about government-run care and about how he plans to implement the President's plan to cut \$½ trillion from Medicare while limiting the choices seniors now enjoy.

Here is the irony in all of this: In an attempt to silence debate about Dr. Berwick and its own plans for health care, this nomination has only reignited the debate over the Democratic health care plan. By recess appointing a man who has sung the praises of the government-run British health care service, the administration is only inviting Americans to ask more questions about its own plans.

I would have thought that anyone would be able to understand the significance of getting answers from an avowed admirer of rationed care before putting him in charge of implementing this administration's \$500 billion Medicare cut.

But by denying the American people an opportunity to hear Dr. Berwick defend his past statements and his future plans, the administration is now forcing the Democrats who voted for the Democratic health care plan to defend Dr. Berwick and his views themselves. The administration may have shielded this nominee temporarily, but it has only exposed Democrats in Congress who voted for this bill and everything that follows from it—including this truly outrageous appointment.

This appointment is the latest evidence of how little the administration has concerned itself with the views of the public. When a majority of Americans and an overwhelming majority of Kentuckians opposed its health care plan, they cut deals with Democratic Senators to squeeze it through Congress. Now they are not even bothering with Congress. They are unilaterally installing people such as Dr. Berwick to take charge of its plan for \$½ trillion in Medicare cuts.

This has been the administration's approach all along: Go around the American people, and now go around Congress. The administration can try to blame Republicans for a debate they do not want to have. But by denying Congress the ability to scrutinize this nominee, it only raises Americans' suspicions about its health care plan and increases the burden on Democrats who supported it.

Back in March, Speaker PELOSI remarked that we would have to pass the health care bill to find out what is in it. This nomination is part of the same arrogant approach. The same administration that forced this bill on an unwilling public has now forced Don Berwick on to anyone with Medicare and Medicaid. Now Democrats who voted for this bill will have to answer for his statements and for his views.

Mr. President, I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period of morning business, with Senator permitted to speak therein for up to 10 minutes each.

The Senator from Illinois.

HEALTH CARE APPOINTMENT

Mr. DURBIN. Mr. President, the speech which the Senate just heard from the minority leader on the Republican side is consistent with the Republican position on health care reform. They opposed it. They voted against it. They want it to fail. They do not want to give this health care reform a chance.

It is interesting that although they oppose health care reform, I have yet to hear the first Republican Senator come to the floor and suggest: Well, the first thing we need to do is to make sure we eliminate—eliminate—the tax credits and deductions for America's small businesses to help pay for health insurance that were part of the health care reform plan.

I have never heard them say that. They opposed the plan. Do they oppose the help we are going to give small businesses across America to afford health insurance for their employees? That is what repeal is all about.

Secondly, I have never heard a Republican Senator come to the floor and say: We want to repeal the \$250 check which will be sent to thousands of Americans currently under Social Security, Medicare prescription Part D, to help pay for the gap in coverage in the so-called doughnut hole. That was part of the health care reform plan. So those who come to the floor asking for repeal of health care reform obviously want to repeal this check for senior citizens. I have not heard that said one time.

I have also been waiting for the Republicans who want to repeal health care reform to stand before the Senate and say, honestly, openly: We want to eliminate health care insurance coverage for 30 million Americans who will have it for the first time in their lives—30 million uninsured Americans who will have health care insurance coverage because of health care reform. To repeal health care reform is to repeal that coverage for 30 million Americans.

I have yet to hear the first Republican come to the floor and say they want to repeal extending health insurance coverage and the peace of mind that comes with it. I am waiting for the first Republican who wants to repeal health care reform to stand before the Senate and say: We want to take away the power given in this health care reform to individuals so they can fight health care insurance companies that turn down coverage for families because of preexisting conditions. It

happens every day in Illinois, in Oregon, in Arizona, in Kentucky.

The bill we passed gives American families a fighting chance against those health insurance companies. Those who are calling for repeal want to take away the power of families to fight for health insurance coverage when they need it the most.

I have yet to hear the first Republican who calls for repeal of health care reform go to families with kids in college and tell them: We oppose that provision in health care reform which extends family health insurance coverage for young people until they reach the age of 26. Those of us who have raised college-aged students know that is a blessing to have those kids—I call them kids—those young people under your family health care plan after they graduate from college until they reach the age of 26—a period of time when some of them are off taking a trip of a lifetime after graduation or looking for a job and do not have health insurance coverage.

I can recall calling my daughter Jennifer: "This is Dad. I am so happy you graduated from college. Do you have health insurance?" "Oh, Dad, I feel fine. You know, I'm healthy and strong." "No, Jennifer. You need health insurance."

The law we passed, the health insurance we passed, is going to give a family coverage to protect their kids until the age of 26. Those who want to repeal it want to undo that provision. But I have yet to hear them say that on the floor.

They have a different strategy. Senator DEMLINT of South Carolina made it clear when the health care reform debate started that the purpose of the Republican effort was to defeat health care reform. In his words: We want health care reform to be Barack Obama's Waterloo in politics. He was very clear. They wanted the President to fail, they wanted health care reform to fail, and they still do. Their latest strategy was to stop the President from putting in place a person to run the program—someone who would try to make it work, someone who would look at the things we have done in Congress and make sure they work in the real world.

Last week, President Obama made a very sensible move, after waiting patiently for the Republicans to give us a chance to vote on a man to serve and to oversee Medicare and Medicaid as Administrator of CMS. His name is Dr. Donald Berwick.

CMS has been without a permanent Administrator since 2006, and it is time this important position be held and filled for the good of American families. This man, Dr. Berwick, is eminently qualified for this role. He is a Harvard pediatrician and policy expert who was committed to improving health care long before our debate

started and who today is one of the foremost experts and leaders in health care quality and patient safety. The President appointed him last week when we were gone because my colleagues on the other side of the aisle, the Republicans, had made it clear they intended to elongate this debate on his appointment as long as possible, to rehash argument after argument instead of just giving us an up-or-down vote to let this man serve the Nation and serve all of us who want quality health care.

Rather than work in a bipartisan way to get things right, to make sure we implement the health care reform that is decades overdue, the Republicans took a political position and held to it. The President was right to come down on the side of helping American families deal with health care rather than to engage in this never-ending political battle.

The Republicans delayed Dr. Berwick's nomination by bringing up the same talking points and the same Republican arguments we have heard again today and over and over again. They are entitled to their point of view, but Dr. Berwick is entitled to an up-or-down vote. The President decided he couldn't wait any longer and made this recess appointment.

By blocking nominees such as Dr. Berwick, the Republicans are blocking progress on improving health care in America. According to RollCall, a publication on Capitol Hill, the coordinated Republican message is called second opinion. I have seen some of my friends on the Republican side of the aisle come to the floor with large posters that say "Second Opinion." A Republican Senate aide says the effort is intended "to draw attention to the consequences of the health care law that the White House hopes people miss."

Well, whose second opinion is this? It is the same opinion we have heard from Republicans from the start who consistently voted against health care reform and refused—refused during the course of the debate—to put on the table any proposal which would extend health care coverage to 52 million uninsured Americans, help to hold down the costs, and give people a fighting chance against health insurance companies. Time and again, they criticized our efforts and never proposed a viable, comprehensive alternative.

Starting this year, we know children will never again be excluded from health insurance because of a preexisting condition. That is in health care reform. Adults will no longer be dropped just because they get sick. Young adults will be allowed to stay on their parents' plan, as I said earlier, until age 26. These are real changes we are going to see this year. That is the way it should be—health insurance that is there when you need it, not the

kind of health insurance where you pay premiums for a lifetime and pray to God you don't go to the hospital and get a diagnosis that says you are headed in for a surgery or a long-term illness and you are not going to have health insurance coverage. That is the reality for too many American families.

The Republicans have never offered an alternative. They have voted against this consistently, and now they want to stop President Obama in every effort to try to make this work for America.

I believe most Americans, even those who have questions about health care reform, believe it deserves a chance. They believe we ought to give it our best human efforts to make it work for America. They want to see us work together. They don't want to see these filibusters, they don't want to see these blockages, and they don't want to see the consistent policy of saying no to everything.

Don Berwick is a well-respected, accomplished, leading authority in health care. We are fortunate to have his expertise at the forefront of the agency charged with making many of the changes in health care delivery. He has the respect of Democratic and Republican leaders, including Mark McClellan, the CMS Administrator under President George W. Bush; Gail Wilensky, the CMS Administrator under President George H.W. Bush; Nancy Nielsen, immediate past president of the American Medical Association; Rich Umbdenstock, president and CEO of the American Hospital Association; John Rother, executive vice president of the AARP; and Ron Pollack, executive director of Families USA. The list goes on and on. He deserved a vote. The President deserves a team to make the law work. The American people deserve something more from the Republicans than the word "no." That is all we have heard in this session.

Now comes an election in just a few months, and the party of no is asking for another chance. This is the same party whose economic policies drove us into this economic recession under the previous President. After driving that car in the ditch, as the President has said, they are asking in November for the American people to give them the keys again and let them start it up all over. Well, we have learned a bitter lesson, and we are not going to repeat it. With so many millions of Americans out of work, with this economy struggling to survive, we cannot and should not return to the policies of the past. We cannot accept no for an answer when it comes to moving America forward.

I am glad the President made this decision to make a recess appointment of Dr. Berwick. He deserved a vote on this floor. He deserved a chance to have his day of service to our country. Sadly

and unfortunately, the Republican policy of voting no and saying no to the President has led him to this conclusion and this interim appointment. I wish Dr. Berwick the best. We should now try to work with him to make this policy even better, to make sure more Americans have the peace of mind of having affordable health insurance when their family needs it the most.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Arizona.

Mr. KYL. Thank you, Mr. President.

Now let me set the record straight. Republicans have never said no to Dr. Berwick. We have never blocked a vote on Dr. Berwick. There has never been a vote called on Dr. Berwick. In fact, there has never even been a hearing on Dr. Berwick. Republicans have not stopped his nomination.

It is true there hasn't been a permanent director of the agency that Dr. Berwick will now head since 2006. When Barack Obama became President on January 20, he could have corrected that problem. But I suspect the reason he didn't nominate anyone to head CMS during the debate on the health care bill is because if Dr. Berwick was his nominee, the last thing the President wanted was a discussion of Dr. Berwick's views on health care. His views are antithetical to the views of the majority of the American people, supporting rationing, as he does, and his love affair with the British single payer system, as he has described it. This is not something the American people would have countenanced. So Barack Obama, the President, rather than filling the position, decided to hold off on nominating a person to head CMS until after the health care debate was over.

Now, this is bait and switch. This is not the transparency that Barack Obama promised when he campaigned for the job of President. Instead, in my view, it is hiding the ball: Let's get health care passed, not tell anybody we are going to nominate Dr. Berwick to head CMS, and then, after the bill is passed—in fact, I think about 4 months after the bill is passed—nominate Dr. Berwick, and then have the gall to say Republicans stopped his nomination. We haven't stopped his nomination. There has been nothing for us to stop. There has been no vote.

I am on the Finance Committee. The chairman of the Finance Committee, a Democrat, MAX BAUCUS from Montana, was very upset about the fact that the President appointed Dr. Berwick because he said: I haven't even had a chance to call a hearing yet.

Republicans stopped the nomination? No, we didn't stop it. Has there been a vote on the floor of the Senate? No. Has there been an attempt to have a vote? No. So how could we have filibustered a nominee who hasn't had a hearing, when his name hasn't even been

brought up in committee, and who hasn't been sent to the Senate floor for action?

Well, they say: We anticipated you would have objected to him. Yes, that is true. Knowing all we know about him, you are right; a lot of us would have objected to him. So bring him up for a vote, and let's have the vote, up or down. If he has the votes to pass, he passes. If he doesn't, then perhaps the American people's will has been expressed.

I wish to remind my colleagues that the ranking Republican on the Senate Finance Committee, CHUCK GRASSLEY, requested a hearing for Dr. Berwick. He requested that it take place the week of June 21. Why? That was before the hearings for the Supreme Court nominee, Elena Kagan. The reason Senator GRASSLEY did that was because he wanted to make sure for the several of us—there are three Republicans and I know at least one Democrat who serve on both the Judiciary Committee and the Finance Committee. He wanted to make sure we would have an opportunity to attend both hearings because we knew the time the Elena Kagan hearings were going to be held in the Judiciary Committee. He specifically requested that Senator BAUCUS schedule the hearing for Dr. Berwick the week of June 21. He would have been happy to be there. I would have been happy to be there.

For anybody to suggest that Republicans are to blame for the fact that Dr. Berwick's nomination didn't come to a vote or wasn't brought to the Senate floor is sheer fantasy. We have not held up the nomination. We have not prevented a vote. We have not blocked the vote. Yes, we have been critical of Dr. Berwick. Since when is that a crime? Since when is that the party of no?

Let me mention a few of the reasons we are critical of Dr. Berwick and why the American people are going to rue the day that the President, while we were gone from Washington over the July 4 recess, recess-appointed Dr. Berwick. He didn't go through the regular Senate process. He made a recess appointment before Senators had an opportunity to have a hearing or to have a vote.

Well, I think I know some of the reasons. First of all, his radical views on health care policy. I am not going to quote all of the things he has said, but he did describe his love of the British single payer system in very poetic terms. He said he was in love with it. He has described it in the most glowing terms. He said his preference is for absolute caps on health care expenditures in the United States. He says competition is one of the biggest problems in American health care. He says he believes in one-size-fits-all care. That is a direct quotation. Everything I have said here are quotations from different

things he has written, all the way from 1992 through 2008.

We wanted to hear more about some of these views, especially since the CMS, or Center for Medicare and Medicaid Services of the Department of Health Care that he will head up, is in charge of administering the health care law we passed, a law that does—let me just mention four specific things it does, with a budget, as I said, larger than the Pentagon budget. I think he has something like \$803 billion in benefits this fiscal year that he has the opportunity to dole out. So there is a great deal of power.

First of all, we know the bill establishes a Medicare commission which is given the responsibility of finding sources of excess cost growth, meaning tests and treatments that are too expensive or whose coverage would mean too much government spending on seniors. There is an opportunity for rationing.

The law will redistribute Medicare payments to physicians based on how much they spend treating seniors.

That is a way they can adjust the payments and, therefore, determine care.

Third, it will rely on recommendations from the U.S. Preventive Services Task Force—that is the entity that last year recommended against mammograms for women under the age of 50—in order to set preventive health care benefits, which is another form of rationing.

Finally, it will authorize the Federal Government to use comparative effectiveness research, or CER, when making Medicare determinations. Republicans tried to get on a simple amendment to that to say: OK, you can compare effectiveness research but not to deny coverage based on cost. Our attempts to get that amendment passed were defeated. Why? Because they wanted to leave the flexibility in the law for the head of CMS, now Dr. Berwick, to ration care.

What is done in Great Britain is what he says is good policy. He said:

It's not a formula for comfort; it's a formula for constructive discomfort.

He described in several other ways the fact that this would be something people would not like but they would get used to it and have to abide by it. He said:

The decision is not whether or not we will ration care; the decision is whether we will ration with our eyes open.

Indeed, at least his eyes will be open—the people who make the decisions on whether we can get health care for our families and what it is. He will know what is happening, but will we know until it is too late? We didn't even have a chance to ask Dr. Berwick questions about this because he never was given a hearing. We weren't given that opportunity. Instead, the President waits until we are out of town

over the Fourth of July recess and recess—appoints the individual so that he doesn't have to have a hearing or a Senate vote.

Here is another comment from Dr. Berwick:

I would place a commitment to excellence—standardization to the best-known method—above clinician autonomy as a rule for care.

That means the doctor gets to decide what happens to the patient, along with the patient, as opposed to standardization of the best known method, with a bunch of bureaucrats figuring out in a cookie-cutter way what kind of treatment is less costly and therefore best for people who receive government-paid health care. True, this is the way it is done in some other countries that he thinks are great in terms of their health care system. That is not the way it ought to be in the United States. By this individual now receiving this nomination and this appointment, he now will be the person who helps to determine that standardization rather than the clinician autonomy we have today.

Again, Dr. Berwick will head the agency in charge of implementing much of the new health care law. He will have the responsibility to determine what your health care coverage entails. He is the person whom the President appointed to reduce the government's health care costs. I can guarantee you how that reduction will occur: it will occur when they decide that standardization requires that the government only approve the following kinds of treatment or drugs or services, and too bad if you expected something greater than that.

Given Dr. Berwick's philosophy, public comments, and writings about rationing, I think we have a pretty clear picture of where he will look to achieve those savings.

In 1996, he wrote a book entitled "New Rules." He and his coauthor recommended "protocols, guidelines, and algorithms for care," with the "common underlying notion that someone knows or can discover the best way to carry out a task to reach a decision, and that improvement can come from standardizing processes and behaviors to conform to this ideal model."

This is extraordinarily distressing when we are learning every day of innovative ways physicians and scientists have come up with to treat diseases and chronic conditions and illnesses—with new kinds of drugs, with other kinds of treatment, avoiding surgery in many cases, and now, importantly, using genomic research. The TGEN Institute in Phoenix, AZ, for example, is pioneering work involving the human genome so that ultimately we can determine what is best for each individual person in terms of a treatment. You may have breast cancer, for example, but physicians know all

breast cancers are not the same and they are not all treated the same way. One woman can be treated with a particular form of radiation or chemotherapy or surgery, and yet for another person who seemingly has the same cancer, that treatment doesn't seem to work. Through human genome research, they basically map out each person's gene history, family history, and gene makeup in such a way as to know whether various kinds of treatment will be accepted or tolerated or successfully completed for each patient. They can tailor the treatments or the drugs for each particular patient.

If you have standardization of processes and behaviors to conform to this "ideal model," to quote Dr. Berwick, you are going to get away from the kinds of treatments that could really be breathtakingly innovative for the future and could save many lives and improve our quality of life for as long as we live. This is the future. The future isn't cookie-cutter medicine where the doctor has to do exactly what some group of bureaucrats says because they performed a test someplace and that was the most efficient way to treat the particular patient.

Another couple of things.

Dr. Berwick expressed his disapproval for costly cutting-edge medical technologies and has said prevention services such as "annual physicals, screening tests, and other measures" are "over-demanded." One of the things we did in the health care legislation was provide a lot of different incentives for preventive care, for screening, to try to help people avoid illnesses on the theory that it would be a lot cheaper if we didn't do a lot of treatment that was unnecessary. If you could identify in advance that an individual had a need for some treatment, maybe you could catch the disease, say, the cancer, early and not have the expensive treatment, the end-of-life kind of care that is frequently very expensive.

Let me close with a couple of things. The Wall Street Journal editorialized about Dr. Berwick's vision, saying this:

Such a command-and-control vision is widespread among America's technocratic medical left, but it is also increasingly anachronistic amid today's breakthrough medical progress. There isn't a single "ideal model" in a world of treatments tailored to the genetic patterns of specific cancers, or for the artificial pancreas for individual diabetics, or other innovations that are increasingly common. This is nonetheless where Dr. Berwick . . . will look for his "savings."

As CMS Administrator, Dr. Berwick will not only oversee billions in Federal spending but will be responsible for programs that cover millions of lives. It is perplexing, to say the least, that such an important position would bypass Senate consideration, without even so much as holding a hearing.

Moreover, this appointment is just the latest self-contradiction of an administration that claimed it would be the most transparent in history. We now have another example of the lack of transparency—the President recess-appointing someone, I believe, in order to avoid having a hearing and to avoid having a debate that would inform the American people of the kind of person the President was putting into this enormously important position.

Mr. President, I express the same concern Leader McCONNELL expressed. We regret that the President has seen fit to do this. I understand he can appoint anybody he wants, but what I really resent is turning around and having a spokesman for the President say that somehow or other the fact that he didn't have a hearing or the fact that he never was voted on is somehow the Republicans' fault. We had nothing to do with the fact that he didn't have a hearing. We asked for a hearing. We had nothing to do with the fact that he never had a vote. We never objected to any vote. There has never been a question of having a vote. Nobody ever said, in the Finance Committee or on the Senate floor, let's vote on Dr. Berwick. We had nothing to object to. The President can make the appointment if he wants to. We can still debate his qualifications even though he will now serve in this position. But to blame Republicans for having to do it in this nontransparent way is wrong, and I think Republicans are going to continue to demonstrate to the American people why this is a nominee who should have been aired out in public rather than appointed during the July 4 recess.

The ACTING PRESIDENT pro tempore. The Senator from Rhode Island is recognized.

Mr. WHITEHOUSE. Mr. President, I rise to discuss the appointment by President Obama of Dr. Donald Berwick as Administrator of the Center for Medicare and Medicaid Services.

I disagree, respectfully, with my distinguished colleague from Arizona. I guess I agree that it is regrettable that this was a recess appointment, but I believe that on the part of the President it was both prudent and necessary to make this a recess appointment, given, A, the urgency of moving forward with health care reform and, B, the relentless blockade the Republicans have maintained.

Dr. Berwick is perhaps the most qualified person in the country to wield the vast apparatus of the Federal health care bureaucracy toward the comprehensive change we need, to lower the cost of health care, while improving the quality of health care.

In evaluating this urgency, I ask my colleague to consider the situation we are in right now. We are in the midst of an accelerating and unsustainable rise in health care expenditures in America.

In 1955—the year I was born—we spent a little bit over \$12 billion a year on health care. That was the annual health care expenditure in the United States in 1955—\$12 billion. Last year, we spent more than \$2.5 trillion. The increase over the previous year was \$134 billion—from 2008 to 2009, an increase of \$134 billion, which is the largest year-to-year increase in history, by the way, and 200 times what we spent in 1955—200 times. Anybody who is looking at this can see both the trend and the increasing acceleration of this curve. It is accelerating, it is unsustainable, and it adds up to, at this point, a stunning 17.3 percent of our national domestic product, our GDP, spent on health care every year. No other nation even comes close to spending that much of its annual domestic product on health care.

In my home State of Rhode Island, had we done nothing on health care, by 2016 a family of four would have faced more than \$26,000 in premiums for family health insurance—\$26,000 per year in 2016 average costs. Last year, premiums for Medicare Advantage plans jumped an average of 14.2 percent nationally—just in 1 year. So there is a clearly unmistakable case that our health care costs are out of control and we have to do something about it.

The escalation, as I pointed out, is unsustainable and accelerating, but it is not inevitable. Indeed, experts from across the ideological spectrum agree that a great deal of health care cost is simply waste—waste resulting from an irrational, disorganized status quo that too often encourages the wrong choices by patients, payers, and by providers of health care services. That status quo has to change.

As you consider our health care system, set aside for a moment the problem of duplicative tests, the problem of lost medical records, the problem of unnecessary treatments, and the problem of uncoordinated care for patients working between multiple doctors. Set aside all those problems and look just at the administrative overhead of our private insurance market.

By way of reference, administrative costs for Medicare run about 3 to 5 percent. Overhead for private insurers is an astounding 20 to 27 percent. A Commonwealth Fund report indicates that the private insurer administrative costs more than doubled from just 2000 to 2006. In those 6 years, the overhead, the administrative costs of the private insurance industry, more than doubled, up 109 percent. The McKinsey Global Institute estimates that Americans spend roughly \$128 billion annually just on what the report called “excess administrative overhead.” There is \$128 billion that we pay for every year in excess administrative overhead—not health care but administrative overhead—in our health care system in the private health insurance market.

On top of that, you have the duplicative tests, lost medical records, unnecessary treatment, and the uncoordinated care for patients with multiple and chronic conditions. I won't dwell on those particular topics because I have spoken about them so often on the Senate floor in the past. My point is that because of all this waste in the system, the President's Council of Economic Advisers concludes that it should be possible to cut total health expenditures about 30 percent. Let me repeat that quote.

It should be possible to cut total health expenditures about 30 percent without worsening outcomes . . . which would suggest that savings on the order of 5 percent of GDP could be feasible.

Five percent of GDP is over \$700 billion a year, and other experts agree. The New England Healthcare Institute reports as much as \$850 billion a year in excess cost “can be eliminated without reducing the quality of care.” Former Bush administration Treasury Secretary O'Neill has written that the excess cost is \$1 trillion a year in our health care system. The Lewin Group, which is often cited in this Chamber on both sides of the aisle as a respectable organization that does authoritative work in this area, finds that we burn over \$1 trillion a year through excess cost and waste.

So is it \$700 billion a year in excess cost and waste, is it \$850 billion a year, is it \$1 trillion or over a year in excess cost and waste? Whatever it is, it is a big number, and we needed to do something about it. This Congress rose to the challenge in the health care reform bill and passed what health economist David Cutler has called “the most significant action on medical spending ever proposed in the United States.”

This isn't just a partisan view. Analysts of all stripes agree the reform law does more than any previous measure to begin to lift the dead weight of all this wasteful health care cost off our economy. The Commonwealth Fund has projected that the law will reduce the annual growth of national health expenditures—that is the amount that private and public sectors would otherwise spend on health care every year—by 0.6 percentage points annually and nearly \$600 billion over the next 10 years. The Council of Economic Advisers writes that “total slowing of private-sector cost growth” will be approximately 1 percentage point per year—more than \$1 trillion over the next 10 years. That is just what they can prognosticate, what they can anticipate, what they can project.

Here is something that is interesting. Nobel laureate Paul Krugman writes:

There are many cost-saving efforts in the proposed reform, but nobody knows how well any one of these efforts will work. And as a result, official estimates don't give the plan much credit for any of them. Realistically, health reform is likely to do much better at controlling costs than any of the official projections suggest.

Health reform is likely to do much better at controlling costs than any of the official projections suggest.

He is not alone. Other respected health economists—Len Nichols of George Mason, Ken Thorpe of Emory, and Alan Garber of Stanford, described the bill's cost controls as vital, a significant improvement on the status quo. And MIT Professor Jonathan Gruber, one of our leading health economists, said of the bill's cost control measures:

I can't think of a thing to try that they didn't try. They really make the best effort anyone has ever made. Everything is in here. You couldn't have done better than they are doing.

So that frames the picture for the appointment of Dr. Berwick because the President's signature of our health care law was just the beginning of the reform project that lies ahead. This law gives those unprecedented tools to fight health care waste and inefficiency, but those tools are meaningless, they are useless unless they are applied both vigorously and wisely. Don Berwick is simply, hands down, the best person to do that. He has vast experience, proven expertise, and he has earned the respect of colleagues in the public and private sectors and on all sides of the ideological spectrum.

For instance, Dr. Nancy Nielsen, immediate past president of the American Medical Association, said Dr. Berwick is "widely known and well-respected for his visionary leadership efforts that focus on optimizing the quality and safety of patient care in hospitals and across health care settings."

Gail Wilensky, the Administrator of CMS under President George H.W. Bush, said Dr. Berwick "has longstanding recognition for expertise and for not being a partisan individual, so I think that will assist him in his dealings with Congress, both with the majority and hopefully the minority, as well."

Tom Scully, George W. Bush's CMS chief said:

You're not going to do any better than Don Berwick.

And Steven D. Findlay, health policy analyst at Consumers Union, has applauded what he calls "a spectacular appointment."

Don has been an intellectual force in health care for decades. He helped forge many ideas incorporated in the new health care law.

So given this chorus of praise from across the ideological spectrum and the urgency of the task at hand to control those costs, one might think that bipartisan support for Dr. Berwick's nomination would be strong and swift.

Well, you heard the Senator from Arizona. Unfortunately, my Republican colleagues, regrettably, threaten the familiar old Washington playbook of delay and obstruction.

I have spoken many times about how the Republican minority has delayed

without substantive justification far too many of the President's executive branch nominees, jamming up the administration's ability to administer the government; usually not because they have any objection to the nominee but just to jam up the administration's ability to administer the government.

On our Executive Calendar right here we have the names of everybody who is waiting on the Senate floor languishing, waiting for a vote. That doesn't even count all the names that are stuck in committees. These are the people on the Senate floor waiting for a vote. Some have been on for months. Some of them have cleared committee unanimously with full Republican support in the committee. Yet they are jammed up here. That is the quagmire into which they were going to stick Dr. Berwick, notwithstanding the urgency of the need.

Since his nomination was first announced, the Republicans made clear they would subject Dr. Berwick to this treatment. There is no doubt about that. It was confirmed just now by the Senator from Arizona. A recess appointment was the only way for the President to ensure that CMS is fully equipped to handle the vital and voluminous and immediate tasks that we have asked CMS to perform.

So why do my colleagues on the other side of the aisle clamor in opposition to Dr. Berwick, the foremost expert in the field of reducing cost by improving quality of care? There are innumerable ways to reduce health care costs by improving quality. Reducing and eliminating hospital-acquired infections is a perfect example. The North Carolina Medicaid effort to provide coordinated care of a medical home for people who are high users of the health care system is another example.

My Republican colleagues, who so loudly championed cost control, now claim this reducing cost by improving quality is rationing—rationing. Well, here is my question: Whose side are they on? One trillion dollars a year in waste, and they are lining up to defend the waste and call efforts to restrain it rationing? Protecting you and your family from expensive and dangerous hospital-acquired infections, that is rationing? Organizing complex care of people who have multiple diagnoses and chronic conditions into coordinated medical homes, rationing? Whose side are they on when they attack the reforms, the quality improvement, cost-reducing reforms that are Dr. Berwick's signature expertise?

One Senator even stood in this Chamber and said Dr. Berwick endorsed an end-of-life pathway to death. Oh boy, looks like the death panels are back. Dr. Berwick is not just a pioneer in health care quality improvement, he is the pioneer. He was a lead author of

the Institute of Medicine's watershed report, "To Err Is Human," and the follow-on report, "Crossing the Quality Chasm." "To Err Is Human" launched the quality movement in this country. That report exposed the breathtaking fact that 100,000 Americans die needlessly in this country every year from medical errors—100,000 Americans dead every year in this country because of needless medical errors. Is getting rid of the errors that killed those 100,000 Americans rationing? Don Berwick has devoted his life to saving those lives. Whose side are my colleagues on when they oppose Dr. Berwick?

The connection between quality improvement and cost savings which Don Berwick has spent his career exploring is demonstrated by global maternal mortality figures. Maternal mortality is a cold and statistical way of saying moms who die in childbirth. We in the United States are 39th in the world. Thirty-eight countries, including most of Europe, do a better job of keeping moms alive through childbirth. We would be willing to spend money to get better at that, I would bet. But the strange thing is the many medical errors and the process failures that cause those deaths—and that cause us to be 39th in the world at maternal mortality—also cause a lot of other complications which cost lots of money to treat and recover from. So if you make those quality improvements, you save money. That is the win-win connection between cost saving and quality reform.

That is the area where Don Berwick specializes and has specialized for years—improving care, eliminating process failures, and saving cost. But my Republican colleagues are standing against him and want to talk about rationing. When it improves care, when it lowers maternal mortality, that is the kind of reform I think we could use. If you are against that, and if you are against Dr. Berwick, whose side are you on?

Dr. Berwick founded the Institute for Healthcare Improvement, one of the first organizations to promote systematic and sustainable health care quality improvement. He has worked on quality initiatives as a board member of the American Hospital Association, as chair of the Advisory Council for the Agency for Healthcare Research and Quality, and as a member of President Clinton's Advisory Commission on Consumer Protection and Quality. That is his work.

That is probably why Tom Scully, CMS Administrator under President George W. Bush, said:

You are not going to do any better than Don Berwick.

So I ask my colleagues: Do we really need to raise the phony scarecrows of rationing, of death panels, of socialized medicine?

Do we really need to go there against \$1 trillion in waste and inefficiency

every year? Do you really want reform efforts to fail against 100,000 American lives lost every year due to avoidable medical errors?

Do you really want reform efforts to fail against eliminating hospital-acquired infections and providing better coordinated care for patients who have multiple doctors and multiple conditions? Do you really want the reform effort to fail? Is this how far we have fallen?

There is a huge window where we could work together on a win-win path, where we could improve the quality of health care for Americans while reducing its cost by coordinating the care better, by coordinating electronic health records better, by avoiding hospital-acquired infections, by avoiding unnecessary care, by making sure doctors know what the best evidence is for treatment as they have to take on patients with multiple difficulties and symptoms. We could do this together. This is a win-win, and Dr. Berwick is an expert with bipartisan public/private—or Republican and Democratic support and recognition of his particular expertise in this area. I urge my colleagues to treat Dr. Berwick as the highly qualified individual he is, not as an opportunity for political grandstanding—we do enough of that around here—not as a way to wish failure on America in this vital task that lies before us. At long last, my friends and colleagues, are we not better than that?

Mr. President, I yield the floor.

The ACTING PRESIDENT *pro tempore*. The Senator from Wyoming.

A SECOND OPINION

Mr. BARRASSO. Mr. President, I come to the floor today, having just returned from spending a wonderful week over the Fourth of July in Wyoming, visiting with people across the Cowboy State at senior centers, Kiwanis clubs, Rotary clubs, and repeatedly the issue came up of this appointment of Dr. Berwick to head Medicare and Medicaid.

My colleague who just left the floor talked about the playbook of delay and obstruction. I will tell you that this recess appointment and the overall appointment of Donald Berwick is absolutely a page out of the playbook of the U.S. President of delay and obstruction.

Last year I came to this floor and said we should have somebody in charge of Medicare and Medicaid. When this body is talking about cutting \$500 billion from our seniors on Medicare, not to save Medicare but to start a whole new government program, there ought to be somebody in charge of Medicare in this country who can answer the questions about what are the impacts going to be. But the President of the United States refused to name anyone.

At a time when this body was debating how to handle 16 million more Americans jammed and crammed into Medicaid, a program where half the doctors in the country will not see those patients, it is like giving somebody a bus ticket when a bus isn't coming. Those people may have coverage but they are not able to get care. There should have been somebody in charge of Medicaid. I came to this floor and said: Mr. President, it is time to make someone take over the responsibilities, to be in charge of Medicare and Medicaid so they can come and explain to this Senate and this country what the impacts are going to be of the cuts in Medicare and the cramming of more and more people into Medicaid. But the President of the United States refused.

The playbook of delay and obstruction belongs to this administration. The playbook of delay and obstruction is what led us here today, to a situation where no one was even named to be in charge of Medicare and Medicaid for the United States until after an extremely unpopular and unwise health care bill was signed by the President of the United States. Then and only then did the President of the United States decide who he would want to put in charge of Medicare and Medicaid. To me, this is an insult to the American people, an insult that the American people would never ever have an opportunity of having open congressional hearings to have explained to them the positions of this man nominated to head Medicare and Medicaid for this country.

I think the President of the United States has made a mockery of his pledge to be accountable as an administration, to be transparent as an administration. That is what I heard at senior centers in Rock Springs, WY, and in Riverton, WY, at a Kiwanis club, people there as well as at a meeting in Powell, WY, at the Rotary club. People all across Wyoming and all across the country are very concerned, saying how is this going to affect me personally. Seniors know if you take \$500 billion away from their Medicare, not to help seniors, not to help Medicare, but to start a whole new government program—they are very interested how that is going to work because that affects each and every one of them personally.

I heard my colleague from Rhode Island talk about coordinated care. I am with him. We need to coordinate care. That is why I was surprised to see Members of the Democratic side of this Senate vote to kill the program of Medicare Advantage for 10 million Americans. These are individuals who signed up for Medicare Advantage because there is an advantage. It actually helps with preventive medicine and it helps with coordinated care. That is going away. Yet the President of the United States did not have anybody in

charge of Medicare or Medicaid to explain what would be the impact of getting rid of Medicare Advantage on those 10 million people who need coordinated care and needed preventive medicine.

When I hear my colleague from Rhode Island say if you are against Dr. Berwick, then whose side are you on, I would say I am on the side of the people of Wyoming, the seniors of this country, the people who are seeing \$500 billion of Medicare cut from them to start a whole new government program. They realize it is not going to help them. That is why at town meetings and visits around the State of Wyoming people believe ultimately they are going to end up paying more for their care and are going to have less care available to them because of this very unpopular health care law. That is why, week after week, I come to the Senate floor to talk as a practicing physician, someone who has taken care of patients for 25 years around the State of Wyoming, to give a doctor's second opinion, to talk about what I see, as a physician, with this health care law that ultimately I believe is going to be bad for patients, bad for payers—the people across this country who are going to pay the bill for this—and bad for providers, the nurses and doctors who take care of the patients.

Here we now have appointed, without a hearing, without a debate, without this Senate having had a chance to vote, a Director of Medicare and Medicaid who has expressed many opinions that do fly in the face of and are way out of line with the opinions of the American people. So it is not a surprise you see headlines in places such as the New York Times that say "Tough Confirmation Battle Looming For Medicare Nominee." That is in the New York Times.

The Boston Globe, the hometown paper where the nominee has been known to practice, "Dangerous To Your Health," of Dr. Berwick.

What is this administration trying to hide? Why is this administration unwilling to have hearings? Why is the administration not allowing Dr. Berwick to come to Congress to explain to the American people his opinions and his views? All we know is what we have read, what we have seen from his speeches, the things he has written. Likely, it is because if those things were heard by the American people this man may absolutely be unconfirmable.

If that is what the President wants, that is what the President got. Because right now I will tell you the President of the United States has his own health care rationing czar.

You say how can you imagine that sort of thing? Let's look at some of these quotes from Dr. Berwick.

The decision is not whether or not we will ration care—the decision is whether we will ration with our eyes open.

It is interesting how things change. When Barack Obama was a Member of

What is this going to mean for my health care or, as many others say, what does this mean for my mom or my dad? Those are questions that are not going to be answered because the President of the United States has decided to make a recess appointment at a time the American people have the right to expect and deserve to know

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, the Senate is returning to Washington after the Fourth of July holiday recess. The week before we left town, in the Senate Judiciary Committee, we held a hearing for President Obama's Supreme Court nominee, Elena Kagan. The hearing lasted 4 days. The nominee responded to 695 questions. I wish to commend, in particular, the chairman of that committee, Senator PATRICK LEAHY, and the ranking member, Senator JEFF SESSIONS of Alabama. It was a fair and respectful hearing.

Last year President Obama made history with his nomination of Sonia Sotomayor as the first Hispanic to serve on the Supreme Court. Elena Kagan is also an historic nominee. Last year she became our Nation's first female Solicitor General. That, of course, is the attorney representing the United States of America before the highest Court in our land, the Supreme Court.

If she is confirmed to serve on the Supreme Court, it would make the first time in our Nation's history that three women have served together on the highest court in the land. That is clearly a mark of social progress in this great Nation.

Elena Kagan, of course, will be replacing a legal legend, Justice John Paul Stevens. A lifetime in the law and the courage to speak his mind made Justice Stevens a national treasure. So what did we learn from this hearing on Elena Kagan? First, we learned she is a highly intelligent, very charming and very funny, at times, individual.

She demonstrated a thorough knowledge of the law, an ability to try and find common ground on difficult issues, and, as I mentioned, a very healthy sense of humor. These are qualities that served her well as Solicitor General of the United States, as the first woman to serve as Dean of the Harvard Law School, as a law school professor, and as a policy aide to former President William Clinton. They are valuable qualities that will serve her well on the Supreme Court.

Secondly, we learned that Elena Kagan has great respect for Congressional action and judicial precedent. In her opening statement she said:

The Supreme Court is a wondrous institution. But the time I spent in the other branches of government remind me that it must also be a modest one, properly deferential to the decisions of the American people and their elected representatives.

In response to a question from Senator DIANNE FEINSTEIN of California, General Kagan said:

The operating presumption of our legal system is that a judge respects precedent, and I think that that's an enormously important principle of the legal system.

These qualities, a respect for precedent and deference to Congress, are essential for a Supreme Court Justice to have but, unfortunately, they have been in short supply with our current Court. In case after case in recent years, the Supreme Court has overturned longstanding precedents and thumbed its nose at congressional decisions.

In many of these cases, the five conservative Justices on the Court have acted not as neutral umpires, as one described himself, but as designated hitters going to bat, unfortunately, for some of the special interests in America.

Let's take a couple of examples: The case of *Citizens United* versus the Fed-

eral Elections Commission, which was handed down by the Supreme Court earlier this year. In that case, a conservative 5-4 majority of the Court demanded to hear arguments on an issue that was not even raised by the parties in the case.

They reversed decades of Supreme Court decisions that preceded them. They ignored the will of Congress in passing the historic bipartisan McCain-Feingold campaign finance law, and they ruled that corporations and special interest groups could spend unlimited amounts of money to affect elections.

This decision by the Supreme Court, unfortunately, has the power to drown out the voices of average Americans in our elections. Justice Stevens, now retiring, whose vacancy we are seeking to fill, wrote these powerful words in the dissent:

Essentially, five judges were unhappy with the limited nature of the case before us, so they changed the case to give themselves an opportunity to change the law.

Then there was the case of Lilly Ledbetter, who testified at the Kagan hearing about her experience working as a manager at the Goodyear tire plant in Gadsden, AL. Lilly Ledbetter worked there for 19 years but she did not know during that entire period of time she was being paid less than her male colleagues who did exactly the same job. It was not until she was close to retirement that somebody finally told her how much the men working alongside of her, doing exactly the same work, were being paid. So as a result of that knowledge, she decided to bring a case to ask for compensation, for this clear case of gender discrimination, where a woman was being paid less just because she was a woman.

The Supreme Court came down with an amazing decision in the Lilly Ledbetter case. Even though she had won her case before a jury, she went before the Supreme Court and this familiar five-Justice group of conservative Justices said she should have filed the case alleging discrimination in pay within 180 days after the initial act of discrimination; in other words, within 6 months after the first male colleague was paid more than she was paid, she should have filed a case for discrimination.

You would think the Supreme Court Justices would at least understand that in most American workplaces, a worker does not know what his co-workers are being paid. It is not published, certainly is not published when it comes to managers' salaries. It is rare that anybody comes to know that.

So Lilly Ledbetter, a victim of discrimination for years, did not know the man working right next to her, doing the same job, is being paid more. The Supreme Court said: Oh, that was a fatal flaw. The technical fact that she waited more than 6 months to file her

discrimination case meant she was not entitled to recover.

By making that decision, the Supreme Court, which was guided by the principle of avoiding judicial activism and avoiding doing things on their own that violated precedent and congressional acts, decided to overturn judicial precedents and the express intent of Congress when it passed the Civil Rights Act of 1991.

We also heard at the Kagan hearing from Jack Gross. He was another victim of discrimination who helped put a human face on the conservative judicial activism on the current Supreme Court. Mr. Gross is not one of these wild-eyed liberals. He was a claims adjuster for an insurance company in southern Iowa for over 23 years. I know the company well. A pretty conservative lot runs that company.

When he and all of the other supervisors at his company over the age of 50 were demoted and replaced with younger workers, would that raise a question in your mind if you had been Mr. Gross, that perhaps your age had something to do with it? Like Ms. Ledbetter, Mr. Gross, who had been a loyal employee of this company for over 20 years, won a jury verdict, a jury verdict which said, yes, that company made a decision to discriminate against Jack Gross because of his age.

He ended up having that jury decision tossed out of Court at the Supreme Court right across the street. It is worth noting that very few discrimination victims win a jury verdict. Jack Gross did. Most victims have their cases dismissed or settled long before it reaches that point. But in the case of Jack Gross, the Supreme Court decided to invent a new legal standard that stacks the deck against victims of discrimination even more.

Here is what Justice Stevens wrote in the dissent to that case:

The majority's inattention to prudential Court practices is matched by its utter disregard of our precedent and Congress' intent.

I think Elena Kagan's hearing demonstrates she will be a Justice who, like the Justice she will replace, John Paul Stevens, will give proper deference to Congress and respect to decisions of the Court.

There was a third lesson from the Kagan hearing. I found this surprising. It was opening day. Here were Members of the Senate serving on the Judiciary Committee who were stating what they hoped to see in a Supreme Court Justice. Many of them singled out a man whom I consider to be one of the real champions of justice and liberty who served on the Court. Some of my colleagues across the aisle seemed to have forgotten in their opening statements the amazing legacy of Supreme Court Justice Thurgood Marshall, a Justice for whom Elena Kagan had clerked. They truly went to a level that was

close to guilt by association in attacking Elena Kagan because she had worked for Justice Marshall.

One of my Republican colleagues called Justice Marshall “the epitome of a results-oriented judge” and “not what I would consider to be mainstream” and someone who believed that “the Supreme Court exists to advance the agenda of certain classes of litigants.”

Another Republican Senator called Thurgood Marshall a “judicial activist.” I thought those characterizations were beyond the pale and said so in my opening statement. Thurgood Marshall is an American hero. The airport in Baltimore is named after him and many schools. He dedicated his life to breaking down barriers of racial discrimination that had haunted our country for centuries. Thurgood Marshall was the attorney who stood right across the street before the Supreme Court and argued the case of *Brown v. Board of Education*. That case, 56 years ago, did more to change America and move us toward equality than any modern decision by the Court.

Thurgood Marshall won more victories in the Supreme Court than nearly anyone else in the history of the United States. As an appeals court judge, Thurgood Marshall wrote 112 opinions, none of which were overturned by a higher court. Some may dismiss Justice Marshall’s pioneering work on civil rights as an example of empathy, a word which, unfortunately, has been given a negative connotation by some in this Chamber. They may suggest that somehow, as a Black man who had been a victim of discrimination himself, he had more passion when it came to certain issues. I say to that, thank goodness.

I don’t consider *Brown v. Board of Education* to be results-oriented judging. I consider it a courageous judgment that embraced our common humanity and moved America dramatically forward. We should be grateful as a nation for the tenacity, integrity, and values of Thurgood Marshall.

In the words of John Payne, director-general of the NAACP Legal Defense and Educational Fund:

Thurgood Marshall helped America understand what democracy really means.

Some of Elena Kagan’s critics suggest she will have the same views and philosophy as Justice Marshall because she served as his law clerk. In my personal opinion, we should be so fortunate. General Kagan made it clear at her hearing that she was determined to be her own person, not to assume the persona of someone for whom she has worked in the past. Moreover, it is wrong to suggest that a Supreme Court law clerk is going to have the same views as the Justice for whom he or she clerked.

Exhibit A is Douglas Ginsburg. He sits on the D.C. Circuit and is one of

the most conservative judges in America. Judge Ginsburg was nominated to the Supreme Court by President Reagan in 1987, after Robert Bork’s nomination was defeated. Judge Ginsburg later withdrew his nomination, but I think it is safe to say he does not share the judicial philosophy of Justice Thurgood Marshall whom he also served as a law clerk.

A fourth lesson from the Kagan hearing is, if you don’t have a good case against the nominee on the merits, then pick an emotional issue and appeal on that ground. That is how some of my colleagues on the other side of the aisle handled the issue of military recruitment at the Harvard Law School when General Kagan was the law school dean. One of my Republican colleagues accused General Kagan of having “a hostility to the military” and alleged she broke the law in briefly denying military access to the career services office. These accusations are not correct. Dean Kagan bent over backwards to show respect and appreciation for the U.S. military and to comply with the 1996 Solomon amendment that required the Defense Department to deny Federal funding to universities that prohibited military recruitment on campus. Yes, Dean Kagan was a vocal opponent of the don’t ask-don’t tell policy. Most Members of Congress and a sizable majority of Americans no longer support that discriminatory policy. But that does not make Elena Kagan antimilitary.

Don’t take my word for it. Listen to the words of Robert Merrill, the only Active-Duty servicemember to receive a law degree from Harvard while Elena Kagan was dean. Here is what he wrote in the *Washington Post*:

If Elena Kagan is “anti-military,” she certainly didn’t show it. She treated the veterans at Harvard like VIPs, and she was a fervent advocate of our veterans association. She was decidedly against “don’t ask, don’t tell,” but that never affected her treatment of those who had served. . . . If anything, Kagan was an activist in ensuring that military recruiters had viable access to students and facilities despite the official ban. A Boston-area recruiter later told me that the biggest hurdle he faced recruiting at Harvard Law was trying to answer the students’ strangely intellectual questions.

During her 6 years as dean at Harvard, the military had full access to career services offices except for one semester after an appellate court struck down the Solomon amendment as unconstitutional. After that court decision, Dean Kagan decided to reinstate a system that had been in place nearly a quarter of a century prior to her becoming dean and that had been deemed to be in compliance with the law. Under that system, military recruiters were given access to students and the campus through the Harvard student veterans association.

During the year of Dean Kagan’s deanship, when access to the Office of

Career Services was briefly denied, more graduating students at Harvard joined the military than any year of the past decade.

When my Republican colleagues on the Judiciary Committee realized they weren’t getting much traction at the Kagan hearing with their arguments about Harvard military recruiting, they brought out another theme. They said General Kagan is just too political to be a Supreme Court Justice because she spent 4 years working in the Clinton White House.

Considering that Elena Kagan’s legal career spans nearly 25 years, this 4-year argument seems a little bit hollow and stretched. In any event, all three of President Bush’s Supreme Court nominees—John Roberts, Samuel Alito, and Harriet Miers—had worked in political positions in the White House and Justice Department under Republican Presidents. I can’t recall a single time a Republican Senator said that President Bush’s nominees were too political.

Chief Justice Roberts worked in the Reagan White House for 4 years and as a political appointee in the Justice Department for 5 years. Justice Alito spent 9 years working in the Reagan and George H.W. Bush Justice Departments. Harriet Miers held a series of positions under President George W. Bush—for 5 years in the Bush White House and 6 years when the President had been Governor of Texas. There was not a single word raised on the Republican side of the aisle about how political those Republican nominees were. Now they are trying to raise an argument against Elena Kagan that they didn’t see in previous nominees.

I hope my colleagues will heed the advice of a man they extol when we discuss judicial nominations: President Bush’s former judicial nominee, Miguel Estrada. Mr. Estrada wrote a letter on behalf of Elena Kagan, one of his fellow classmates at Harvard Law School. This is what he said:

I write in support of Elena Kagan’s confirmation as an Associate Justice of the Supreme Court of the United States. . . . Elena possesses a formidable intellect, an exemplary temperament and a rare ability to disagree without being disagreeable. She is calm under fire and mature and deliberate in her judgments. . . . Elena Kagan is an impeccably qualified nominee. Like Louis Brandeis, Felix Frankfurter, Robert Jackson, Byron White, Lewis Powell and William Rehnquist—none of whom arrived at the Court with prior judicial service—she could become one of our great Justices.

That was Miguel Estrada, a person whose virtues have been praised at great length by Republicans in the Senate. We also received a joint letter of support for Elena Kagan from the last eight Solicitor Generals of the United States, including such conservative icons as Kenneth Starr, Ted Olson, and Charles Fried.

In our service to the Senate, we are called on to cast hundreds if not thousands of votes. Our late departed colleague, Robert C. Byrd, cast 18,000 votes. As I look back on my career of service in the House and the Senate, I can remember a few votes. I certainly remember every single vote I cast when I was asked to decide whether America should go to war. Those are the votes that keep one up at night wondering what is the right thing to do for the Nation; what is the right thing to do for one's own conscience. We know at the end of the day when we cast that vote, if we go forward people will die. We hope the enemy will be the victims, but we know even under the best of circumstances, innocent Americans will also die. Those votes we think over for a long time.

In the Senate, next to votes on war, votes on Supreme Court Justices reach that same level of gravity and importance. We realize that man or woman we choose to be on the Court is likely to be there after our Senate careers and after we are long forgotten; that those nine people sitting across the street, when five come together, can make decisions that can impact America for generations to come. That is why it is so critically important for us to take a careful review and to take a deliberate approach when it comes to the selection of a Supreme Court Justice.

When the time comes—and I hope it comes soon, maybe within the next week or two—I will be proud to cast a vote in favor of the nomination of Elena Kagan to the Supreme Court. I sincerely hope she receives the bipartisan support she richly deserves.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KAUFMAN). The clerk will call the roll. The assistant legislative clerk proceeded to call the roll.

Mr. DURBIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. DURBIN. Mr. President, as if in executive session, I ask unanimous consent that at 5 p.m. today, the Senate proceed to executive session to consider Calendar No. 815, the nomination of Sharon Johnson Coleman to be a U.S. district judge for the Northern District of Illinois; that debate on the nomination extend until 5:30 p.m., with the time equally divided and controlled between Senators LEAHY and SESSIONS or their designees; that at 5:30 p.m. the Senate proceed to vote on the confirmation of the nomination; that upon confirmation, the motion to reconsider be considered made and laid upon the table, any statements related to the

nomination be printed in the RECORD, the President be immediately notified of the Senate's action, and the Senate resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON of Florida. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Florida is recognized.

Mr. NELSON of Florida. I thank the Chair.

(The remarks of Mr. NELSON of Florida pertaining to the introduction of S. 3569 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. NELSON of Florida. Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DURBIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

NOMINATION OF SHARON JOHNSON COLEMAN TO BE UNITED STATES DISTRICT JUDGE

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to executive session to consider the following nomination, which the clerk will report.

The assistant legislative clerk read the nomination of Sharon Johnson Coleman, of Illinois, to be United States District Judge for the Northern District of Illinois.

The PRESIDING OFFICER. The deputy leader.

Mr. DURBIN. Mr. President, I ask unanimous consent, under the pending nomination, to speak under the time allocated to Senator LEAHY.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, I am pleased the Senate is going to vote today on the nomination of Sharon Coleman to be U.S. District Judge for the Northern District of Illinois. We currently have at least five vacancies. She is an amazing, accomplished jurist who will fill one of those vacancies with distinction, I am sure. She has devoted her entire legal career to government service.

She was elected to be Cook County trial court judge in 1996, a campaign where I first met her and her great family. She won retention election in 2002. As a trial judge, she presided over 600 cases that went to verdict.

In 2008, she received promotion. She was elected to the prestigious Illinois Appellate Court. She has a reputation for fairness and impartiality and for having an outstanding judicial temperament.

Not surprisingly, all members of the American Bar Association evaluation committee gave Justice Coleman the highest possible rating of well qualified.

Before tenure on the bench, Justice Coleman served for 4 years as an assistant U.S. attorney in Chicago and for 8 years in the Cook County State Attorney's Office. As Cook County prosecutor, she handled a wide variety of cases—from muggings to murders. She was promoted to be chief of the public interest bureau, where she supervised over 75 attorneys and created a special unit to protect senior citizens from exploitation and abuse.

As additional evidence of her commitment to the legal profession, she served on the boards of numerous bar associations and public interest organizations in the great city of Chicago. She has received many awards for her work, including the prestigious C.F. Stradford Award from the Cook County State Attorney's Office, the Esther Rothstein Award from the Women's Bar Association of Illinois, and a "Women of Excellence" award from the Chicago Defender newspaper. Finally, I note that Justice Coleman was one of the top candidates recommended to me by my bipartisan merit selection committee I established last year to review applications for judgeships in the northern district. This screening committee is chaired by Abner Mikva, who served at the highest levels of government in all three branches. Also, Senator BURRIS has joined me in supporting Justice Coleman.

I hope we can receive a very strong vote for her nomination when it is considered by the Senate in a few moments. The State of Illinois will be very fortunate to have Justice Shirley Coleman to be serving on the Federal bench.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

NASA AUTHORIZATION

Mr. NELSON of Florida. Mr. President, while we are waiting on other Senators who wish to speak on this judge, I wish to briefly inform the Senate that this coming Thursday, the full Commerce Committee will consider a number of bills that it will mark up. Among them is the authorization bill for NASA.

We are building consensus in what has otherwise been a consensusless position of the future of the manned space program. The President had proposed one thing. He altered that. Different people have different ideas. Different aerospace companies all looking to have a certain part of the manned

space program also have their different ideas.

Out of this mix, we are trying to bring together Senators to build a consensus in a bipartisan way; the space program is not only not partisan, it is not even bipartisan. It is nonpartisan—to be able to do this in a fairly unanimous way.

I am happy to report to the Senate that I think we are getting there. I believe what we will have is the essence of the President's proposal. It will still have the continuation of the President's proposal for competition among commercial space companies to deliver not only cargo to the International Space Station, of which the President recommended, and we will certainly authorize extending the life of the space station to 2020, something on which we have spent \$100 billion. It did not make sense, as was proposed before, to cut it out in 2015, something we spent that much money on and are just now completing its construction. These commercial companies would, in this authorization bill, have the direction as to how they go about man rating their systems in order to have the safety, when you strap human beings on to rockets that defy the laws of gravity, to take a human being into low-Earth orbit to rendezvous and dock with the space station and to return safely. That is one thing.

The next thing on which we are building a consensus is to accelerate the development of a heavy-lift vehicle. The President said no later than 2015. We are going to authorize NASA to start in 2011 and to take a lot of the existing technology and build upon that, make it evolvable with a heavy-lift vehicle that would be in the range of 75 metric tons in order to get space assets in the low-Earth orbit to ultimately fulfill the President's goal as stated in his speech to the Kennedy Space Center, which was to go to Mars by a flexible path. His specific timeline was to rendezvous and land on an asteroid by 2025. We accelerate the development of the heavy-lift vehicle.

Because the hardware is there and ready, will be on the pad, we are going to authorize an additional flight of the space shuttle. This is the shuttle that they call the "launch on need." It is a second space shuttle that is on the pad for the remaining two, in case they get into trouble. It becomes a rescue shuttle to get the marooned astronauts, were that to be the case.

The fact is, they are doing so well now, and now that we are going to and from the space station on these final two missions, the likelihood of anything happening is de minimis and, therefore, we are going to authorize the flying of that last shuttle, the launch on need, because we believe there is a minimal risk. If something did happen on ascent—such as a piece of foam coming off and hitting the

wing and knocking a hole in it, which was the cause of the destruction of the Space Shuttle Columbia back in 2003—then the astronauts would be able to take safe harbor in the International Space Station, and they would then be able to be returned to Earth by other vehicles, such as the Russian Soyuz, which is a permanent lifeboat that is attached—two of them—to the International Space Station.

We will continue in this authorization bill a robust research and development program. We will continue the President's recommendations for his science budget, for his aeronautics budget of NASA, and all of this will be within the amount of money the President has proposed.

This NASA authorization bill will be for 3 years. We are expecting that we will be able to take this up this Thursday and to pass it out of the full Commerce Committee.

We, of course, in respect to the appropriations process, have been in close consultation with our colleagues on the Appropriations Committee. How the authorization committee and the Appropriations Committee worked together has been a good example of considerable cooperation.

I wanted to bring that message to the Senate. I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I know—I assume we are on the confirmation of Sharon Coleman?

The PRESIDING OFFICER. The Senator is correct.

Mr. LEAHY. First, I am going to speak a little bit about the process of her nomination through the committee. The distinguished Presiding Officer would know about this because he has had probably the best attendance of anybody, including the chairman, on the Senate Judiciary Committee, and he has handled a number of these nominations.

We are going to proceed today on only 1 of the 22 judicial nominations that have been stalled on the Senate floor by Republican obstruction. This is a nominee we considered and voted out of the Judiciary Committee unanimously 3 months ago without objection.

Just so everybody will understand, even after being nominated to serve on a court, these well-qualified nominees have to put their lives on hold. We have the hearing, they go through the committee unanimously, but then they wait and wait on the Senate floor. If the nominee is practicing law they cannot take on new clients. If they are with a law firm, they have a hard time taking new cases as the law firm needs to avoid any conflict of interest.

I cannot understand why this obstruction is happening. I have never seen anything like this in my 36 years in the Senate. No Republican Senator

on the Judiciary Committee voted against this nomination. There are another dozen judicial nominations on the Senate's Executive Calendar that were reported by the Judiciary Committee without objection, but they remain stalled by a Republican refusal to consent to final Senate action.

I tell people in my home State of Vermont I am sent here to vote yes or no, not to vote maybe. It seems to me everybody wants to vote maybe. There is no good reason each of these pending nominations could not be confirmed immediately. With so many nominations, despite ongoing vacancies and the need in the Northern District of Illinois for this judge, 3 months have passed without any explanation.

I predict that when we have the roll-call on this nomination it will be confirmed with virtually no opposition, which makes it even more tragic. Also, it hurts the Federal judiciary. It hurts the credibility of the Federal judiciary. But I might say, especially on something like this, where the Senate Republican leadership would not even consent to a vote on the nomination until today, this certainly hurts the image of the Senate. People cannot understand why, when we have something on which everybody agrees, why it cannot come to a vote.

We have the Senate Republican leadership refusing to enter into time agreements on pending judicial nominations that have the support from both Democrats and Republicans, including nominations with bipartisan support from North Carolina and Tennessee and South Carolina and California and New York and Delaware and Virginia and Utah, Maryland, Minnesota, and Rhode Island. Every single Democrat is prepared to vote on these nominations. They could vote on them tonight and are prepared to vote now. However, they continue to be held up by Republicans.

So I tell the people of North Carolina and Tennessee, South Carolina and California and New York and Delaware and Virginia and Utah and Maryland and Minnesota and Rhode Island, if you are wondering where your judges are, they are being held up not by the Democrats but by the Republicans.

In fact, the Senate is dramatically behind the pace I set for President Bush's judicial nominees in 2001 and 2002. In 2002, the second year of the Bush administration, the Democratic Senate majority's hard work led to the confirmation of 72 Federal circuit and district judges nominated by a President from the other party. In this second year of the Obama administration, we have confirmed just 23 so far—72 for President Bush, 23 for President Obama.

In the first 2 years of the Bush administration, we confirmed 100 Federal circuit and district court judges. So far, in the first 2 years of the Obama

administration, the Republican leadership has successfully blocked all but 35 of President Obama's Federal circuit and district court nominees—100 to 35.

Playing games with the Federal judiciary hurts everybody. During the first 2 years of President Bush's Presidency, I had the opportunity to serve for 17 months of as Chairman of the Senate Judiciary Committee. I knew we had just come from a time where Republicans had pocket-filibustered 61 of President Clinton's nominees to the judiciary. I said we ought to try stopping that, so in those 17 months that I had the privilege to serve as chairman, I convinced the people in my caucus and others and we confirmed 100 of President Bush's nominees.

I mention this because in the first 48 months of President Bush's Presidency, actually barely half of that time, 17 months of that 48 months, there were Democrats in charge. For 31 months of this time there were Republicans in charge. During the 17 months that the Democrats were in charge, we confirmed 100 of President Bush's nominees. During the 31 months the Republicans were in charge I think they confirmed around the same number. So we showed our good faith, even though we had seen 61 of the Democratic President's nominees pocket-filibustered.

At this date in President Clinton's second year in office the Senate had confirmed 72 of his Federal circuit and district court nominees. At this date in President Bush's second year in office, 57. Of course, we confirmed 100 in all by the end of the year.

Federal judicial vacancies around the country continue to hover around 100. Of these, 43 vacancies have been declared by the nonpartisan Administrative Office of the U.S. Courts to be judicial emergencies. I cannot remember a time when we have had 43 judicial emergencies.

Sharon Coleman has been nominated to fill one of them, but we have had to wait 3 months just to get to a vote on her. Ten nominations to fill other judicial emergency vacancies have been reported out of the Senate Judiciary Committee, and they remain stalled in the Senate. Last year, when Senate Republicans blocked President Obama's nominees, we confirmed the fewest judges in 50 years, the fewest judges from any President, Republican or Democratic, in 50 years.

Speaking of another nominee, I said to President Obama when he asked why they were blocking everything he tried to do, I said: If you had nominated Moses the Lawgiver, there would be some who would try to block the nomination. In fact, I said, at least somebody would say: Well, he can't produce a birth certificate.

This is playing games with the Federal judiciary. I don't know what the benefits are. It certainly does not make the Senate look good. When you think

the Senate Republican leadership last year allowed only 12 Federal circuit and district court nominees to be considered and confirmed, despite the availability of many more for final action—that is wrong. They have continued their obstruction throughout this year. By every measure, this Republican obstructionism of our Federal judiciary is a disaster for the Federal courts and the American people. But the good thing is Sharon Coleman is going to be confirmed today. After these unnecessary delays, she will be confirmed, and I congratulate Sharon Coleman and her family on her confirmation.

She is currently a justice on the Illinois Appellate Court of Chicago, having served previously as a judge on the Circuit Court of Cook County, IL, as Deputy State's Attorney and Bureau Chief for the Public Interest Bureau of the Cook County State's Attorney's Office, as an assistant U.S. attorney in the Northern District of Illinois, and as an assistant State's attorney in Cook County.

The American Bar Association's Standing Committee on the Federal Judiciary unanimously rated Justice Coleman "well qualified." That is the highest possible rating they could give her.

After she is confirmed, and she will be, there will be still 21 judicial nominations favorably reported by the Judiciary Committee that have been stalled from Senate consideration by the Senate Republican leadership. For many months I have urged the Republican leader to work with the majority leader to schedule immediate votes on consensus nominees. Going forward, we will have many who will be confirmed by our committee unanimously. We ought to get them to the Senate floor and vote on them. The Senate needs to be making better progress considering the many pending judicial nomination awaiting final Senate action.

I see the distinguished Senator from Illinois. I assume he wishes to speak, and I will yield the floor to him.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. BURRIS. I thank the Senator from Vermont, the chairman. I thank him for the wonderful job he has done trying to move our judges along. I agree with the Senator, the fact we have to go to a vote on this distinguished nominee; it should be done by unanimous consent, and we should not have had to take up this time. But if that is the will of the body, then so be it.

Mr. President, I rise this evening in strong support of Judge Sharon Johnson Coleman, a proud resident of my home State of Illinois and of course a fellow Chicago south-sider. We are very proud of which side she comes from in Chicago, west side or south side. Few appear from the north side. We don't

have a deal with the east side because that is Lake Michigan. We are proud of that.

She received her law degree from Washington University in St. Louis, and she has served as an assistant State's attorney, deputy State's attorney, and assistant U.S. attorney. She quickly proved she knew her way around the courtroom and could be very successful in the cases she tried.

From 1996 to 2008, she served as a circuit court judge in Cook County. She displayed a thorough understanding of the law and a fair temperament that marked her as a model jurist.

She was assigned to the Child Protective Division for 2½ years and was a jury trial judge in the law division for almost a decade.

In 2008, Judge Coleman was elected to the Illinois Appellate Court. She has served there ever since and is doing a tremendous job in her deliberations.

I am proud to support her nomination to become a district judge for the Northern District of Illinois. We are short of judges in that district. The caseloads are heavy, and we can stand to have a few more of those nominees confirmed by this body.

Judge Coleman is an excellent jurist, and I place my full confidence in her as President Obama's nominee for this post. She has been supported by all of our bar associations. She has won numerous awards and received recognition in her career. She has been a tremendous member of the bar and of the judiciary.

I am asking my colleagues to join me in supporting her in this confirmation. I agree with my chairman. These judges should be confirmed so we can move on with some other important business of this body.

Mr. President, I yield the floor.

Mr. LEAHY. Mr. President, I ask for the yeas and nays on the nomination.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

Under the previous order, the question is, Will the Senate advise and consent to the nomination of Sharon Johnson Coleman, of Illinois, to be United States District Judge for the Northern District of Illinois?

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Alaska (Mr. BEGICH), the Senator from New York (Mrs. GILLIBRAND), the Senator from North Carolina (Mrs. HAGAN), the Senator from Wisconsin (Mr. KOHL), the Senator from Louisiana (Ms. LANDRIEU), the Senator from Maryland (Ms. MIKULSKI), and the Senator from New Hampshire (Mrs. SHAHEEN) are necessarily absent.

Mr. KYL. The following Senators are necessarily absent: the Senator from

Kansas (Mr. BROWNBACK), the Senator from Florida (Mr. LEMIEUX), the Senator from Alaska (Ms. MURKOWSKI), the Senator from Kansas (Mr. ROBERTS), the Senator from Alabama (Mr. SESSIONS), and the Senator from Louisiana (Mr. VITTER).

The PRESIDING OFFICER (Mr. UDALL of New Mexico). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 86, nays 0, as follows:

[Rollcall Vote No. 205 Ex.]

YEAS—86

Akaka	Dorgan	McCaskill
Alexander	Durbin	McConnell
Barrasso	Ensign	Menendez
Baucus	Enzi	Merkley
Bayh	Feingold	Murray
Bennet	Feinstein	Nelson (NE)
Bennett	Franken	Nelson (FL)
Bingaman	Graham	Pryor
Bond	Grassley	Reed
Boxer	Gregg	Reid
Brown (MA)	Harkin	Risch
Brown (OH)	Hatch	Rockefeller
Bunning	Hutchison	Sanders
Burr	Inhofe	Schumer
Burris	Inouye	Shelby
Cantwell	Isakson	Snowe
Cardin	Johanns	Specter
Carper	Johnson	Stabenow
Casey	Kaufman	Tester
Chambliss	Kerry	Thune
Coburn	Klobuchar	Udall (CO)
Cochran	Kyl	Udall (NM)
Collins	Lautenberg	Voinovich
Conrad	Leahy	Warner
Corker	Levin	Webb
Cornyn	Lieberman	Whitehouse
Crapo	Lincoln	Wicker
DeMint	Lugar	Wyden
Dodd	McCain	

NOT VOTING—13

Begich	Landrieu	Sessions
Brownback	LeMieux	Shaheen
Gillibrand	Mikulski	Vitter
Hagan	Murkowski	
Kohl	Roberts	

The nomination was confirmed.

The PRESIDING OFFICER. Under the previous order, the motion to reconsider is considered made and laid upon the table. The President will be immediately notified of the Senate's action.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will resume legislative session.

The Senator from Ohio.

EXTENSION OF UNEMPLOYMENT BENEFITS

Mr. BROWN of Ohio. Mr. President, I rise to speak about the extension of unemployment benefits, something we talked about 2 weeks ago before we left town. It is something we talked about the week before that and the week before that. There has been a lot of talk, and there has been continued opposition from Senate Republicans.

I am incredulous that we have seen week after week after week—it has been 41 days since the Congress let unemployment insurance lapse. It was on June 4, 41 days ago. It is not because a

lot of us didn't want to see it happen. It is because of an obscure—less obscure to the public than it was—60-vote rule. The Republicans did not just oppose the unemployment benefits extension—there are a couple of Republicans who voted for it, but of the 41 Republicans there was overwhelming opposition, virtually 90 percent of them—it is not just that they voted no. Let them vote no. They actually filibustered. They actually blocked us from even voting on the extension of unemployment benefits.

It is unfair to the unemployed who face a difficult job market through no fault of their own, and it is bad economics. We know Senator MCCAIN, Presidential candidate MCCAIN's economic adviser, among others, pointed out that money going out for the extension of unemployment benefits actually stimulates the economy better than any other dollars going into the economy. The money that goes to an unemployed teacher or an unemployed steelworker or an unemployed clerk or an unemployed computer programmer is money that is spent almost immediately because they have bills they have to pay. That money goes right into the community. We see a multiplier effect.

When the humanitarian response is to extend unemployment benefits, and the best economic policy response is to extend unemployment benefits, most of my colleagues on the other side of the aisle—39 out of 41 of them, I believe—have voted no.

June unemployment was 9.5 percent. We know a year and a half ago 700,000 Americans lost their jobs; 700,000 Americans lost their jobs the month that Barack Obama became President. Things are better now. We are seeing job increases. In April, in Ohio, we had the biggest job increase of any State in the country: 37,000 new jobs. But that is not close to dealing with the unemployment brought on by the economic policies of deregulating Wall Street, cutting taxes for the rich, and not paying for anything—the war, the tax cuts, the bailouts to the drug and insurance companies in the name of privatizing Medicare.

Never before has Congress cut off benefits when unemployment was so high. Until recently, it has always been a bipartisan extension of unemployment benefits. Overwhelming numbers of Republicans and Democrats voted to extend unemployment benefits. I just keep trying to explain to my colleagues who vote no on the unemployment benefits extension that this is not welfare, this is insurance. People pay into the unemployment insurance fund and get benefits when they lose their jobs. At the same time, nobody gets these benefits unless they actively seek work; unless they are sending out resumes, doing interviews, going and visiting businesses, employers, what-

ever they can do to try to find jobs. Yet the Republicans continue to deny the extension for unemployment benefits.

Our workers deserve more than this crass political gamesmanship that an overwhelming number of Republican Senators are playing. July 1 was one of the busiest days ever at the Summit County Department of Jobs and Family Services. It was the first of the month, and because of Republican obstructionism—because they voted not just against extending unemployment benefits, they voted to filibuster our even considering these extension of benefits—because it was the first of the month and because of Republican obstructionism, this body failed to extend unemployment benefits. Staff members at the Summit County Department of Jobs and Family Services typically assist 300 to 400 clients a day. On July 1 twice that number were served by midday, and four times that number were seen by the close of business.

So a typical day of 300 or 400, 300-plus clients at the Summit County Jobs and Family Services turned into 600 before midday, and 1,200 by the close of business. The staff at the Department of Jobs and Family Services in Akron, led by Ms. Pat Divokey and County Executive Russ Pry, is doing everything they can to help working middle-class Ohioans. But when 90,000 Ohioans across the State are in need of an extension of unemployment benefits—90,000 people—it is time for this body to step up. Ninety thousand is a lot of people. It is almost hard to imagine.

I think what is important is to think about these 90,000 as individual human beings. I wish to share a handful of letters I received from Ohioans—just three of them—to put a human face on this issue. It is incredible to me to think about this many people who are so unsure whether they are going to have any money to feed their kids, to pay their mortgage and their utility bills in the weeks ahead because of the 60-vote rule, and this body has not been able to extend unemployment benefits because of a Republican filibuster.

Let me read a letter from Judith of Franklin County. It is the county where Columbus is located, the State capital.

I am very disappointed that the unemployment extension has not passed. I was laid off after working in my job for 20 years. I have a bachelor's degree and a master's degree and I have worked for 35 years since I graduated. I have never been without a job until now.

I understand the growing budget deficit, but what are working people supposed to do when we can't find a job?

These are not people who don't want to work. Whether they are in Albuquerque or Santa Fe or whether they are in Truth or Consequences, these are people who want to go to work. They are people who have worked their whole lives and are used to showing up to work. They can't find jobs. I hear

this prattle from the other side of the aisle that this is some kind of welfare scheme. It is not. These people want to work. Most people who are filing for unemployment are people who, No. 1, have worked for years and, No. 2, continue to search for a job; they cannot get an unemployment extension unless they do.

The second letter is from Pat from the Mahoning Valley, in the Youngstown area:

I am a 25-year veteran of the accounting industry, but I was recently laid off.

My employers have paid into the federal and state unemployment funds for me for those 25 years that I worked.

And now for the first time I need to collect those benefits until I secure new employment.

While Congress plays political games, I have bills to pay and work to find.

Mr. President, he points out exactly this. He works in the accounting industry. He understands it. He understands that it is good economics to extend these unemployment benefits to people who lost their jobs, and he understands fundamentally that for the 25 years he worked for this accounting firm or for a number of accounting firms—I don't know whether Pat is a man or a woman, so he or she was paying—Pat's employer was paying into this insurance fund. So it is not welfare, in spite of what my Republican colleagues say.

You know, the other thing that is absolutely amazing in what Pat said and what Judith said about the growing budget deficit—the Presiding Officer was in the House of Representatives for several years representing a district in northern New Mexico. He saw year after year when the Republicans didn't care about the budget deficit. They voted for hundreds of billions of dollars in spending for a war that I know the Presiding Officer and I both voted against that was not paid for. They voted for tax cuts for the wealthiest Americans that were not paid for. They voted for a giveaway to the drug and insurance companies—a bailout—in the name of Medicare privatization that was not paid for. Again, they voted for these huge government expenditures and charged it to our grandchildren and said it was OK. But now that it is the unemployed middle-class, working Americans who are laid off, they think we cannot do this because of the budget deficit.

What are their priorities of the Republican Senators who voted against the unemployment extension? They were willing to charge it to our grandchildren to fight the war in Iraq, they are willing to bail out the drug and insurance companies, and they were willing to charge it to our grandchildren when it came to tax cuts for the richest Americans. When it came to workers losing their jobs, they are not willing to move forward and help them. It is amazing.

The last letter comes from Jeff from Butler County, a conservative county

north of Cincinnati in southwest Ohio, one of the most conservative counties in Ohio.

I worked at my job for 36 years till my employer shut down our plant recently.

All those years I paid into unemployment. While I'd prefer to have a job and earn a decent wage, I now need unemployment benefits until that happens.

Think of the big picture. The people paying into the system should be the first to receive benefits.

Jeff is right. He understands that he paid into unemployment for 36 years, and now Republican Senators won't let him draw from that fund. I just don't get it when I think of what this does to people.

I guess I will close with this: I wish the Senators who voted no—and there are 41—on the extension of unemployment—we have had several votes and continue to fall 1 or 2 votes short—I wish they would sit down with a family and listen to them, not respond but listen to a family where workers lost their jobs; listen to the woman talking about losing health care, when she talks about telling her children that they are going to have their home foreclosed on and what are they going to do; explain to their children—they have teenage children, say—explain to them that Mom and Dad lost their jobs and their insurance, and now they have to move out of their house because they cannot afford it.

The children may ask: Where are we going to move?

They would say: We don't know that yet.

What school are we going to go to?

We don't know that yet.

That is why I come to the floor and read letters from people in Ohio. I wish Senators would listen to people in their States. We get a lot of mail. We come across a lot of numbers and statistics. I wish they would pick up some of the letters they get. I know Senators all over this country are getting letters like this. There are very few States—maybe energy States or heavy agricultural States—that haven't been afflicted with unemployment the way California, Ohio, Indiana, Michigan, New York, Florida, and so many States have. Maybe they don't understand. But those Senators from States that have high unemployment—and that is most of the country—I wish they would read their letters and hear what people are saying.

We are going to try again this week. I ask my colleagues to vote to extend unemployment benefits. It is morally the right thing to do in terms of economic policy. It is the right policy, and we should not wait any longer.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. BROWN of Ohio. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BROWN of Ohio. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMEMBERING SENATOR ROBERT C. BYRD

Mrs. BOXER. Mr. President, on Monday evening I came to the floor and spoke from the heart about my friend Senator Robert Byrd. I wanted to take the opportunity to submit a more comprehensive statement about Senator Byrd and his legacy.

As I looked at his empty desk with flowers on it, I thought back to last summer when we lost another giant, Senator Ted Kennedy. And what distinguishes Senator Byrd, like Senator Kennedy, from others was his unbelievable, never-ending commitment to the people he represented and to this country.

It was never a question of Senator Byrd's length of service—though his was exceptional but rather his fierce sense of fighting for West Virginians. As he told the New York Times in 2005, "I'm proud I gave hope to my people."

Senator Byrd was, of course, the Nation's longest-serving Senator. And he was a legend, for sure. When I came to here, I learned firsthand that he always met with the incoming Senators, to give them an introduction to the rules of the road, the procedures and dignity of the Senate, and to share his reverence for the Constitution. The image that I will always have of Robert C. Byrd is him reaching inside his suit pocket and bringing out the Constitution, which along with the Bible was what he cherished most.

Senator Byrd was a giant in the Senate and a champion for America's working families. We will miss his eloquence, his sharp intellect, and his passionate oratory.

He was one of our Nation's foremost historians of the Senate. He literally wrote the book on the Senate, a four-volume history. And he was not only an expert on the rules of the Senate, he was a fierce defender of its traditions and its role in our democracy.

Senator Byrd fought to make sure every American had a chance to live the American dream because he lived the American dream.

He was born in coal country in southern West Virginia, the youngest of five children. His mother died before he was a year old, and he was raised by his aunt and uncle on a farm with no telephone, electricity or running water.

He went on to graduate first in his high school class and married his high school sweetheart, Erma, to whom he was devoted throughout their 68 years of marriage until her death in 2006. To support his wife and two daughters in the early years, he worked as a gas station attendant, a grocery store clerk and as a welder in a shipyard during World War II.

A naturally gifted speaker, he was elected to the West Virginia House of Delegates in 1946 and to the West Virginia Senate in 1950. He won a seat in Congress in 1952 and his U.S. Senate seat 6 years later. He had such a passion for education that he remains the only American ever to earn a law degree while serving in Congress. President John F. Kennedy presented it to him at American University in 1963.

His career in Congress spanned 12 presidencies, and he cast more 18,500 votes in the Senate. He was Senate majority leader, chairman of the Appropriations Committee and President pro tempore of the Senate. He fought every day to make life better for the people of West Virginia and for all Americans.

I can tell you, Mr. President, coming from the largest State in the Union, we have had our share of problems. We have had floods and fires and droughts and pests. And every single time, after every earthquake or storm or other disaster, Senator FEINSTEIN and I came to our colleagues to say that California needed the help of the U.S. government.

Every time we needed assistance, Senator Byrd, as the chairman of the Appropriations Committee, opened his doors and his heart to us, sharing his experiences and helping us in all of these cases when we were so in need. I am sure many of my colleagues can recount similar experiences. He was always there for us.

And I remember so well his leadership in trying to bring the troops home from Iraq. Twenty-three of us had stood up and said no to that war, and afterwards, we worried very much about what would happen with our troops in what was shaping up to be a long war with no exit strategy. Opening up his office here in the Capitol, Senator Byrd organized us, saying, "We need to talk about ways that we can bring this war to an end."

He cared so much about everything he did here, from working to create opportunity for West Virginians and all Americans to maintaining the traditions and the dignity of the Senate. And for me, just to have been in his presence and to watch him work has really been an amazing experience, and so I am proud to pay tribute to him today.

Senator Byrd stayed here through thick and thin, with a cane or a wheelchair, through the sheer force of will, suffering to be in this place that he loved so much and that he respected so

much. There isn't a Member on either side of the aisle that didn't respect Senator Byrd for his intelligence, his strength, his extraordinary biography, and his dedication to the people of his State.

What a legacy he leaves. It is a great loss for his family, for all of us in the Senate, for the people of his beloved State of West Virginia and for all Americans. I extend my deepest condolences to his family.

REMEMBERING CODE TALKER MOSE BELLMARD

Mr. INHOFE. Mr. President, it was 2 years ago that I worked to pass and have signed into law by the President the Code Talkers Recognition Act, a bill to give Congressional Medals to the many Native American Code Talkers who served in World Wars I and II. Today, I wish to honor an original Code Talker, Mose Bellmard, a Kaw Indian who bravely served our country during World War I. As a veteran and ardent supporter of the armed services, I always take pride when I have the opportunity to recognize the service of fine Oklahomans like him.

Bellmard, considered by many to be one of the last hereditary chiefs of the Kaw Indians, was born on February 16, 1891, to Josephine and Leonard Bellmard in Indian territory. U.S. involvement in World War I began when Bellmard was 26, and, even though Native Americans were not yet considered full citizens of the United States, he was one of the first to volunteer. He trained at Fort Sill in Lawton, OK, was made a 1st lieutenant with Company E in Oklahoma's 1st Infantry Unit.

After a few weeks of training, he deployed to the frontlines of the war in France. The setting was dangerous, and a number of his men were quickly killed during routine patrols of their area. Upon investigation, Bellmard realized that the Germans had painted sections of barbed wire that allowed them to easily spot his patrolmen's movements. Creatively, he thought to use a large bed mattress—instead of a person—to draw fire so his units could locate and neutralize the enemy. The scheme apparently worked, and in addition to saving lives his unit was able to use the tactic to destroy a number of German gun installations along the Western front.

But this would not be Bellmard's only contribution to the war effort, nor would it be his most impactful. When Bellmard entered the war, the Germans had been able to decipher nearly every one of the Allies' codes, making it difficult for them to operate in secrecy. Bellmard recognized this problem, and as the leader of the Native American unit saw a tremendous asset in his soldiers' diverse languages. These languages were completely foreign to Europeans and had never been written

down. They were ideal candidates for new codes.

Lieutenant Bellmard suggested to his superiors that his unit's men be scattered throughout troop dispatch points as communications officers. There, he reasoned, they would be able to disseminate orders in their native tongues and then translate them back into English. His plan was put into practice and quickly proved to be reliable and secure. Bellmard and his original Code Talkers of Oklahoma allowed many Allied forces to move safely through battle zones without fear of interception, and to this date there are no records of the Central Powers ever cracking their "code."

Bellmard's suggestion carried over into World War II, during which Code Talkers were widely recruited and were critical to the Allied Forces' victory in the Pacific theater. Bellmard's simple idea to use Native American tongues to thwart and confuse enemies proved a lasting and effective tool for the U.S. military. It is fitting he was promoted to the rank of captain for his role.

Unfortunately, Captain Bellmard died before we could thank him personally for his contribution to our freedom. But our thanks are still important, especially as we remember Independence Day and the cost of securing that freedom. We owe our sincere gratitude to all American heroes like Mose Bellmard, and I pray that more emerge in generations to come.

TRIBUTE TO COLONEL PHILIP C. SKUTA

Mr. BARRASSO. Mr. President, I rise today to pay tribute to a close friend of the Senate, COL Phil Skuta. Over the past 2 years, Colonel Skuta has served as the Director of the Marine Corps Liaison Office to the U.S. Senate.

Throughout Colonel Skuta's service in the Senate he has escorted 14 CODELS to 27 countries. I have traveled with Phil to visit our troops in Kuwait, Iraq, and Afghanistan.

Last year, I had the privilege of spending Thanksgiving with the Wyoming Army National Guard 115th Fires Brigade in Kuwait. With only 2 weeks' notice, Colonel Skuta and his team provided the support to execute this trip. As a selfless leader, he did not task a junior officer to take on the trip. He postponed his Thanksgiving plans with family to be with our troops in the Middle East.

Throughout these travels I got to know Colonel Skuta very well. Colonel Skuta is a native of Williamsport, PA. Phil joined the Marine Corps in 1984 through the Platoon Leader's Class program while studying at the University of Pittsburgh at Johnstown.

From Operations Desert Shield and Desert Storm to Joint Guardian and Iraqi Freedom, Colonel Skuta has led his marines through many trying and

dangerous situations. On his most recent deployment, he led the Second Battalion, Seventh Marines into Iraq to train and conduct operations with the Iraqi Security Forces. The 2d Battalion, seventh Marines' primary area of operations was Ramadi and west of the Euphrates River in Al Anbar province.

Throughout his career he has handed down from one marine to the next his excellent leadership skills. Colonel Skuta's example will teach the next generation that will come to know the Marine Corps. Under Phil's leadership, steady hand and sharp instincts, the USMC Senate liaison team has well served General Conway and all marines. The USMC liaison office has provided invaluable support for the Senate.

While the U.S. Senate and Marine Corps are losing a valuable and trusted ally in this body, we wish Colonel Skuta well on his next assignment to be Director of the USMC Strategic Initiatives Group.

ADDITIONAL STATEMENTS

TRIBUTE TO AL SMITH

• Mr. BAUCUS. Mr. President, today I recognize the exemplary work of Allen Smith, Jr., of Helena, MT. This week, Al will be awarded the American Association for Justice Partnership Award in recognition for his work as the executive director of the Montana Trial Lawyers Association. I commend Al for all his work on behalf of the justice system and Montana's strong network of legal advocates.

The mission of the American Association of Justice is "to promote a fair and effective justice system—and to support the work of attorneys in their efforts to ensure that any person who is injured by the misconduct or negligence of others can obtain justice in America's courtrooms, even when taking on the most powerful interests." I can think of no one that reflects this mission more than Al Smith.

Since joining the team at the Montana Trial Lawyers Association in 1997, Al has shown a commitment to promoting justice and fairness in our country's legal system. His desire to serve MTLA comes from his respect for its members who, each day, work for justice by holding governments, corporations, and other powers accountable to individuals. As MTLA president Sydney McKenna wrote last year, "[Al] articulate[s] in a compelling way why the courts are necessary, that causes and damages are part of justice, and that justice matters."

During the past 13 years serving as the executive director of the Montana Association, Al has worked hard to represent the bar in both State and Federal matters. I have had the privilege

of working with Al on a number of Federal initiatives and have always appreciated Al's thoughts on how Federal legislation could impact the rights of individuals in the legal system.

Al also serves on the boards of directors for the National Association of Trial Lawyer Executives and A.W.A.R.E., a private, nonprofit organization providing quality, community-based services for persons with disabilities. Al served as the executive director and attorney for the Montana Advocacy Program, which works to protect and advocate for the human, legal, and civil rights of Montanans with disabilities. In 2009, Al was awarded the Montana Trial Lawyers Association's Public Service Award. Al received the Annual Award for Advocacy from the National Association for Rights Protection and Advocacy in 1991. He received his bachelor's in political science from Montana State University and his juris doctor from the Hastings College of the Law at the University of California.

As a lifelong Montanan, Al has a deep appreciation for the State and all it has to offer. In his spare time, Al enjoys to hunt, fish, kayak, and climb Montana's beautiful mountains. Al is married to Marilyn, who was born and raised in Anaconda, and together they have two children—daughter Kait and son Ben.

I again congratulate Al for his recognition by the American Association for Justice.●

REMEMBERING PHILLIP ORTIZ

• Mrs. BOXER. Mr. President, today I ask my colleagues to join me in honoring the life of Los Angeles County Highway Patrol Officer Phillip Ortiz. Officer Ortiz, a 28-year veteran of the Los Angeles County Highway Patrol, died on June 22, 2010, from being struck by a vehicle while in the line of duty. His loss should remind us all of the very serious dangers that our law enforcement personnel face every day as they do their jobs. I would like to take a few moments to recognize Officer Phillip Ortiz's life.

Officer Ortiz grew up in Santa Monica, CA, and joined the California Highway Patrol in August 1982 at the age of 21. Soon after, he successfully completed motorcycle training and in 1982 was eventually transferred to the West Los Angeles area where he remained for the rest of his career. He loved riding motorcycles both professionally and in his personal time. Officer Ortiz had a distinguished career and was very dedicated to the California Highway Patrol.

I invite all of my colleagues to join me in recognizing and honoring Officer Phillip Ortiz for his leadership and dedication to the safety of over 10 million Los Angeles County residents. He is survived by his wife and childhood

sweetheart, Jessica; his parents, Irene and Claude Clauser; and his sister, Anna, to whom I send my heartfelt condolence. Officer Ortiz leaves a lasting legacy of service.●

TRIBUTE TO OFELIA VALDEZ-YEAGER

• Mrs. BOXER. Mr. President, I am honored to recognize the career accomplishments and service of Ofelia Valdez-Yeager as she retires from her position as chief administrative liaison to the Riverside County Superintendent of Schools.

Ofelia—a native of Tayoltita, Durango, Mexico—immigrated with her family to the United States in 1958. Although she began first grade as a non-English-speaker, she completed the school year at the top of her class—realizing her parents' high expectations for the academic achievement of their 10 children, even though they themselves had been educated only at the elementary level in Mexico.

Ofelia was admitted to the University of California, Riverside—UCR—in 1965 as one of the initial group of five Educational Opportunity Program—EOP—students. After graduating in 1969 with a bachelor's degree in Spanish and completing the requirements for an elementary teaching credential in 1971, she embarked upon a professional career that has included work as an Upward Bound tutor and counselor, high school counseling assistant, elementary school teacher, bilingual resource teacher, and consultant for several public agencies.

In 1992 Ofelia was elected to serve as the first Latina trustee on the Riverside Unified School District Board; she was later elected vice president of this same body. She expanded her commitment to public service by accepting a part-time position as administrative assistant to the mayor—focusing her expertise and energies on youth, education, and crime issues. She also served as executive assistant to the superintendent of the Riverside Unified School District.

In addition to her current responsibilities as chief administrative liaison, Ofelia also serves on boards and committees of a number of local agencies and organizations, including the United Way, Concilio Child Development Centers, Fiesta de la Familia, Mission Inn Foundation, Raincross Group, Riverside County Library Foundation, Riverside Library and Museum Taskforce, UCR Medical School Community Advisory, Riverside Community College Foundation, Hispanic Education Foundation, and the Riverside County Sheriff's Commission on Recruiting, Retention, and Diversity. As founder of the Latina Women's Health Forum, as one of three founders of the Latina Network, and as a strong influence behind the Nati Fuentes Centro de

Ninos on the Eastside, she continues to exert influence on education and community priorities.

In recognition of her professional contributions and service, Ofelia has received the Hope Luminarias Award and the La Sierra University President's Community Service Citation. She has been named CHARO Minority Business Advocate of the Year and has been cited by the Riverside Press-Enterprise newspaper as one of the People Who Make a Difference.

It is my pleasure to recognize Ofelia Valdez-Yeager as she prepares to retire from the Office of the Superintendent, Riverside County Schools. I commend her for her fine service to the community.●

REMEMBERING WALTER SHORENSTEIN

● Mrs. BOXER. Mr. President, it is with a heavy heart that I ask my colleagues to join me today in honoring the memory of an extraordinary real estate investor, philanthropist, Presidential adviser, civic leader and dear friend of mine, Walter Shorenstein. Walter passed away on June 24, 2010. He was 95 years old. Walter's legendary entrepreneurship and civic involvement will benefit future generations of Americans for decades to come.

Walter Herbert Shorenstein was born into a hard-working middle class family in Glen Cove, New York on February 23, 1915. He briefly attended the University of Pennsylvania before cutting his undergraduate studies short in order to serve his country in World War II. During the war, Walter was stationed in North Africa, where he managed logistics and resources for troops in Africa, Asia, and Europe. Walter met his future wife Phyllis while serving as a major at Travis Air Force Base in California. They were married in 1945, and Walter began his real estate career upon moving to San Francisco in 1946.

Walter joined the commercial real estate firm, Milton Meyer & Company, and became its only partner in 1951. He later purchased the company and in 1960, began rapidly expanding its holdings over the next three decades. At various times, the company, which was renamed Shorenstein Co. in 1989, has owned numerous notable buildings including the Bank of America Tower in San Francisco, the John Hancock Center in Chicago, and the Washington Harbour Complex in Washington, DC. The Shorenstein Co., under the leadership of Walter's son, Douglas, currently controls roughly 30 million square feet of commercial real estate nationwide.

In addition to his exemplary business savvy, Walter was recognized for his sharp intuition and diplomacy skills, and ultimately served as an adviser to three Presidents. President Lyndon Johnson appointed him to serve as an adviser on trade negotiations. Presi-

dent Jimmy Carter appointed Walter to the U.S. delegation that led peace talks between Israel and Egypt in 1978, and to the Committee for the Preservation of the White House. During the Clinton administration, Walter was appointed to serve on the board of directors of the Corporation for National Service and the U.S. Commerce Department Industry Policy Advisory Committee. In 1999, President Clinton presented Walter with the Democratic National Committee's Lifetime Achievement Award for his active service and commitment to the Democratic Party.

Later in life, Walter began donating both his time and money to laudable civic efforts. In 1975, he led a group that placed 2,000 Vietnamese orphans in loving homes in the United States. In 1993, he played a pivotal role in preventing the San Francisco Giants from moving to Florida. A lifelong advocate for education, Walter contributed heavily to several prestigious educational programs and institutes. Along with his wife, he founded the Joan Shorenstein Center on the Press, Politics and Public Policy at Harvard University's Kennedy School of Government, named for his talented daughter who lost her life to cancer in 1985. Walter also funded programs at Stanford University's Asia-Pacific Research Center and the Institute of East Asian Studies at the University of California, Berkeley.

Walter stood out as a driven entrepreneur who cared deeply for his community. He will be remembered by his friends and colleagues not only for his business savvy, but also for his tremendous sense of civic responsibility. His vision and hard work greatly shaped and influenced the city of San Francisco, and his civic contributions and leadership skills improved our Nation.

Walter is survived by his son Douglas; his daughter Carole Shorenstein Hays; and his six grandchildren. My thoughts are with Walter's family at this difficult time.●

TRIBUTE TO DR. JAMES KIMPEL

● Mr. COBURN. Mr. President, today I honor Dr. James Kimpel who has served our government for the last 13 years as director of the NOAA National Severe Storms Laboratory, NSSL, in Norman, OK.

Dr. Kimpel held the position of director, where he oversaw research in weather radar, technology transfer from research to applications, and forecast and warning improvements. The activities that Dr. Kimpel coordinated at NSSL helped save lives and property throughout the United States. During his tenure at the lab he provided the United States with devoted and visionary leadership.

Through research and development during his 13 years as director, NSSL

finished development of a Doppler weather radar technology that led to the birth of the national NEXRAD network, which consists of more than 150 radar systems. The NEXRAD network was also upgraded from proprietary to open systems, which enabled dual-polarization upgrades. These technological advancements will greatly increase precision when it comes to estimates of rainfall, delineation of rain from snow, and provide a more exact estimate of hail size. Since its installation, the NEXRAD program has reduced tornado related deaths by 45 percent and reduced personal injuries by 40 percent.

Under the leadership of Dr. Kimpel, radar-based rainfall analyses were created to improve flash flood and river forecasting. He was also a key player in sparking interest and support for new facilities for NSSL that led to the construction of the National Weather Center building, which is shared by the National Weather Service and the meteorology enterprise at the University of Oklahoma.

During Dr. Kimpel's watch as the director, NSSL scientists had over 600 archival, refereed journals published, were granted three patents and participated in four cooperative research and development agreements with private companies. He also played a large role while at the University of Oklahoma as a full professor, dean of the College of Geosciences, provost, and senior vice president of the Norman campus.

Dr. Kimpel's service to our country goes far beyond the NSSL. As a member of the U.S. Air Force, he served in Vietnam and earned the Bronze Star Medal for his acts of courage and valor. He was also elected president of the American Meteorological Society, received the University of Oklahoma Regents Alumni Award, and received the Presidential Rank Award-Meritorious Executive. He is a well-respected academic, researcher, and mentor. He is also the proud father of five children and a grandfather to two grandchildren.

I give my highest regard to Dr. Kimpel and wish him the best. He has contributed much not only to the State of Oklahoma, but to the United States. The achievements and service of Dr. James F. Kimpel are worthy of celebration and commendation.●

RECOGNIZING THE PINK ANGELS

● Mr. KERRY. Mr. President, I would like to recognize the dedication and tireless efforts of a group of approximately 50 men and women from the North Shore of Massachusetts called the Pink Angels. Formed in January 2005 as a group with the common goal of finding a cure for breast cancer, they have completed the Boston 3-Day Cancer Walk every year since.

They are survivors, daughters, wives, husbands, sisters, brothers and friends

of people stricken with breast cancer. When they first met, they were strangers simply sharing their experience with the disease and now they have become lifelong friends. They began training together that year in February, sharing stories and some tears, creating a bond that holds a reservoir of strength, determination and hope. Their mutual support of one another during the training, the fundraising and ultimately the 60-mile route allowed each of them to begin a transformation from victim to warrior. Each has a different story that brought them to the group but together they created a unity of purpose signified by their crossing of the finish line as a group.

Since 2005, the Pink Angels walk around the city of Boston every year. Many team members have also walked in Arizona, Cleveland, Philadelphia, San Diego, San Francisco, and Washington, DC. In May 2009, under the leadership of Joanne Seneta and Hilda Santos, they achieved a significant milestone by raising more than \$1 million.

On July 23 in Framingham, MA, the Pink Angels will take flight again and on the 25th in Boston they will again cross the finish line as a group. I would like to thank them for their commitment to help find a cure for breast cancer.●

RECOGNIZING THE CONTEMPORARY AMERICAN THEATER FESTIVAL

● Mr. ROCKEFELLER. Mr. President, today I congratulate and commend the Contemporary American Theater Festival, CATF, in Shepherdstown, WV, on its 20th season which began this past weekend on July 9. This renowned festival, presented in partnership with Shepherd University, is an extraordinary event that runs for several weeks each summer, bringing thousands of people to our beautiful State and highlighting Shepherdstown's arts community.

More than two decades ago, Ed Herendeen had a dream of producing new works in theater, so he came to Shepherdstown and did just that. He had the vision and dedication to start and nurture this festival. And under Ed's leadership, the theater festival continues to produce and develop new American theater that not only examines current events and reflects on national trends but also serves as a haven for contemporary playwrights. This year, as it does every year, the festival confronts bold and controversial issues to prod the audience and explore new ideas. Since its first season in 1991, CATF has produced 80 new American plays and 30 world premieres.

A recent National Public Radio story described what the festival has meant to the artists and the community:

The Contemporary American Theater Festival at Shepherd University in

Shepherdstown is a dream for the writers of those plays. Over the years, both up-and-coming playwrights and big names—like Sam Shepard and Joyce Carol Oates—have premiered works there. That's in large part due to the festival's hard-working founder, Ed Herendeen. Herendeen founded the festival 20 years ago in partnership with Shepherd University. That first season they did three plays and sold about 2,000 tickets. Today, they do five professional plays and sell more than 11,000 tickets. What's unusual about the festival is that Herendeen says he's never tempted to do a popular play in order to draw more people. The audience that the festival has developed really is expecting it to do new plays.

In addition to its first-class performances, the festival offers lectures and discussion to enhance the audience's understanding of the arts. Over the last 7 years, in partnership with the Appalachian Education Initiative, AEI, the festival has hosted the Annual Elizabeth Francis Teacher Training Institute, a professional development program for high school teachers from West Virginia and other States across the region. This is an opportunity to learn hands on from CATF's professional theater artists. Participants are immersed in the art and craft of theater, gaining insight into acting, production, stage management, marketing, and script analysis. This year, participants will attend every play in the festival's 20th anniversary season, and have a chance to meet and talk with actors, producers, and technicians while receiving graduate level credits for their coursework.

It is hard to overstate the extraordinary economic impact this festival has on the entire region. The annual event brings people from more than 20 States to West Virginia to enjoy theater, immerse themselves in our community, and explore our beautiful natural surroundings. And as the crowds fill our theaters, restaurants, shops, and hotels, their support creates employment and boosts local businesses.

In recent years, festival goers have contributed \$3.2 million to the local economy with the average patron spending \$132 on top of the price of tickets.

Today, I congratulate and thank Shepherd University President Suzanne Shipley, Ed Herendeen, and their talented team for bringing such a truly outstanding theater festival to the stage every year. The Contemporary American Theater Festival in Shepherdstown is an enormous source of pride for me and for every West Virginian.●

TRIBUTE TO VERMONT'S SOLDIERS

● Mr. SANDERS. Mr. President, as we celebrate the 147th anniversary of the Battle of Gettysburg, I celebrate the contributions Vermont's brave citizens made to keep the Union whole.

As the Civil War began, President Lincoln sent a message to Governor

Erastus Fairbanks: "Washington is in grave danger. What may we expect of Vermont?" The Governor's reply: "Vermont will do its full duty."

Fairbanks called a special session of the State legislature and told lawmakers, "The United States government must be sustained and the rebellion suppressed, at whatever cost of men and treasure."

Vermonters fulfilled that pledge.

During the Battle of Gettysburg, waged from July 1 to July 3, 1863, Vermonters fought heroically. Under the command of GEN George Stannard, Vermonters "broke the back of Pickett's charge," helping lead the Union Army to victory in the decisive battle, says George Gunlock, a local historian in my State.

Another Vermonter, William Wells, won the Medal of Honor for leading his men in a daring cavalry charge against Confederate lines during the Battle of Gettysburg. A statue was built in his honor in both Gettysburg and in Burlington's Battery Park. Wells, who rose to the rank of general, served as Vermont's adjutant general after the Civil War.

But it not so much the officers, but the brave men who served under them, that we most remember, even at this historical distance.

Despite its small size, Vermont was a major contributor to the Union Army.

In all, 33,200 Vermonters fought in the war, or more than 10 percent of the State's population at the time. Twenty-eight thousand Vermonters served in the State militia and another 5,000 enlisted for Federal service during the Civil War. At the time, the State's estimated population was 320,000.

According to historians, nearly half of the men in Vermont who were of military age signed on to serve their Nation.

Great sacrifice was exacted from these brave volunteers. Vermonters suffered 5,194 deaths, during the Civil War, including 1,832 Vermonters killed or mortally wounded in battle, 2,747 who died of disease or other causes and 615 who died while prisoners. More than 2,200 Vermonters were taken prisoner during the war.

The history of the Vermonters who fought during the Civil War lives on. The Vermont National Guard's 86th Infantry Brigade Combat Team, now deployed in Afghanistan, uses a famous line from the Civil War—"Put the Vermonters ahead"—as its motto today. The line comes from a famous order by Union GEN John Sedgwick.

When the battle of Gettysburg began on July 1, 1863, Sedgwick's soldiers were in Maryland, 35 miles from the battlefield. "At dusk orders came to move, but it was about 10 o'clock at night before the column started for Gettysburg. It was on this occasion that General Sedgwick issued his famous order: "Put the Vermonters

ahead and keep the column well closed up."

As we recognize the dedication of Vermont's soldiers in the Civil War, so should we recognize the dedication and bravery of Vermont's soldiers today, when more than 1,500 members of the Vermont National Guard are serving in the war zone in Afghanistan. Approaching July 4th, the day which marks our Nation's independence, I want to celebrate the courage of those brave men from Vermont who fought to preserve the Nation in the Civil War, and the brave men and women who are answering our Nation's call today in the mountains and valleys of Afghanistan.●

TRIBUTE TO ALICE KUNDERT

● Mr. THUNE. Mr. President, today I wish to recognize the 90th birthday of Alice Kundert, a valued public servant in my home State of South Dakota.

Alice's public service career began when she was appointed as the deputy superintendent of schools in Campbell County. She served on the town board, school board, and later took on the roles as Campbell County's clerk of courts and registrar of deeds.

She was convinced by a group of teenagers that she counseled to run for political office at the State level. The first governmental office Alice held was as State Auditor for three 2-year terms followed by two 4-year terms as Secretary of State. She was appointed by Governor Mickelson to the Department of Education and Cultural Affairs which allowed her to travel the state teaching children about the history of South Dakota. The last political office Alice held was her 1990 election as a State representative which she served for two 2-year terms.

I would like to send my heartfelt congratulations to Alice on her 90th birthday and to thank her for her years of dedicated public service to the State of South Dakota.●

TRIBUTE TO PATRICIA LUTZ

● Mr. THUNE. Mr. President, today I wish to recognize Patricia Lutz, who has been named the 2010 South Dakota School Bus Driver of the Year. The award is selected annually by the South Dakota School Transportation Association. I commend Patty for her commitment to providing a safe and nurturing environment for the young people of South Dakota.

Patty and her husband Loren live near Webster. She is employed by Harlow's School Bus Sales and Services and currently drives a route for the Webster School District. Patty recently completed her 30th year of driving a school bus. Along with Webster, she has also driven for the Conde, Gettysburg, and Bristol School Districts. In addition to her school bus responsibilities, she has also served as a

school librarian, substitute teacher, and cheerleading advisor.

Patty serves as a shining example of the outstanding faculty and staff members that serve school districts across South Dakota. Always willing to go above and beyond, Patty is committed to making a difference in the lives of her students and is a tremendous asset to the Webster community and to our state.

On behalf of the State of South Dakota, I am pleased to say congratulations to Patty on a very deserving award.●

BIG STONE CITY, SD

● Mr. THUNE. Mr. President, today I recognize Big Stone City, SD. Founded in 1885, Big Stone City celebrates its 125th anniversary this year.

Located in Grant County, Big Stone City possesses the strong sense of community that makes South Dakota an outstanding place to live and work. Big Stone City is the home of Big Stone Lake, which is known for its excellent fishing. The city has continued to be a strong reflection of South Dakota's greatest values and traditions. The community of Big Stone City has much to be proud of and I am confident that Big Stone City's success will continue well into the future.

Big Stone City commemorated the 125th anniversary of its founding with celebrations held July 9 through July 11. I would like to offer my congratulations to the citizens of Big Stone City on this milestone anniversary and wish them continued prosperity in the years to come.●

DUPREE, SD

● Mr. THUNE. Mr. President, today I recognize Dupree, SD. Founded in 1910, the town of Dupree celebrated its 100th anniversary this year.

Located in Ziebach County, Dupree possesses the strong sense of community that makes South Dakota an outstanding place to live and work. Throughout its rich history, Dupree has continued to be a strong reflection of South Dakota's greatest values and traditions. The community of Dupree has much to be proud of and I am confident that Dupree's success will continue well into the future.

The town of Dupree commemorated its 100th anniversary July 6 through 11 with a variety of events such as a Centennial Wagon/Trail Ride, a rodeo and a fireworks display. I would like to offer my congratulations to the citizens of Dupree on this milestone anniversary and send best wishes to them in the years to come.●

EAGLE BUTTE, SD

● Mr. THUNE. Mr. President, today I recognize Eagle Butte, SD. Founded in

1910, the town of Eagle Butte will celebrate its 100th anniversary this year.

Located in Dewey and Ziebach Counties, Eagle Butte possesses the strong sense of community that makes South Dakota an outstanding place to live and work. Eagle Butte began 100 years ago as a railroad town; and throughout its rich history, Eagle Butte has continued to be a strong reflection of South Dakota's greatest values and traditions. The community of Eagle Butte has much to be proud of and I am confident that Eagle Butte's success will continue well into the future.

The town of Eagle Butte will commemorate the 100th anniversary of its founding with celebrations held on July 15 through July 18. I would like to offer my congratulations to the citizens of Eagle Butte on this milestone anniversary and wish them continued prosperity in the years to come.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Pate, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of January 6, 2009, the Secretary of the Senate, on July 1, 2010, during the adjournment of the Senate, received a message from the House of Representatives announcing that the House has passed the following bill, without amendment:

S. 3104. An act to permanently authorize Radio Free Asia, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker has signed the following enrolled bills:

S. 3104. An act to permanently authorize Radio Free Asia, and for other purposes.

H.R. 5569. An act to extend the National Flood Insurance Program until September 30, 2010.

H.R. 5611. An act to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes.

H.R. 5623. An act to amend the Internal Revenue Code of 1986 to extend the home-buyer tax credit for the purchase of a residence before October 1, 2010, in the case of a

written binding contract entered into with respect to such principal residence before May 1, 2010, and for other purposes.

Under the authority of the order of the Senate of January 6, 2009, the enrolled bills were signed on July 1, 2010, during the adjournment of the Senate, by the President pro tempore (Mr. INOUE).

MESSAGE FROM THE HOUSE

At 2:03 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1554. An act to take certain property in McIntosh County, Oklahoma, into trust for the benefit of the Muscogee (Creek) Nation, and for other purposes.

H.R. 2340. An act to resolve the claims of the Bering Straits Native Corporation and the State of Alaska to land adjacent to Salmon Lake in the State of Alaska and to provide for the conveyance to the Bering Straits Native Corporation of certain other public land in partial satisfaction of the land entitlement of the Corporation under the Alaska Native Claims Settlement Act.

H.R. 4307. An act to name the Department of Veterans Affairs community-based outpatient clinic in Artesia, New Mexico, as the "Alejandro Renteria Ruiz Department of Veteran Affairs Clinic".

H.R. 4445. An act to amend Public Law 95-232 to repeal a restriction on treating as Indian country certain lands held in trust for Indian pueblos in New Mexico.

H.R. 4505. An act to enable State homes to furnish nursing home care to parents of any whose children died while serving in the Armed Forces.

H.R. 5395. An act to designate the facility of the United States Postal Service located at 151 North Maitland Avenue in Maitland, Florida, as the "Paula Hawkins Post Office Building".

H.R. 5610. An act to provide a technical adjustment with respect to funding for independent living centers under the Rehabilitation Act of 1973 in order to ensure stability for such centers.

The message also announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 284. A concurrent resolution recognizing the work and importance of special education teachers.

H. Con. Res. 289. A concurrent resolution directing the Clerk of the House of Representatives to make a technical correction in the enrollment of H.R. 3360.

The message further announced that the House agrees to the amendment of the Senate to the bill (H.R. 3360) to amend title 46, United States Code, to establish requirements to ensure the security and safety of passengers and crew on cruise vessels, and for other purposes.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 1554. An act to take certain property in McIntosh County, Oklahoma, into trust for the benefit of the Muscogee (Creek) Nation, and for other purposes; to the Committee on Environment and Public Works.

H.R. 4307. An act to name the Department of Veterans Affairs community-based outpatient clinic in Artesia, New Mexico, as the "Alejandro Renteria Ruiz Department of Veterans Affairs Clinic"; to the Committee on Veterans' Affairs.

H.R. 4445. An act to amend Public Law 95-232 to repeal a restriction on treating as Indian country certain lands held in trust for Indian pueblos in New Mexico; to the Committee on Indian Affairs.

H.R. 4505. An act to enable State homes to furnish nursing home care to parents any of whose children died while serving in the Armed Forces; to the Committee on Veterans' Affairs.

H.R. 5395. An act to designate the facility of the United States Postal Service located at 151 North Maitland Avenue in Maitland, Florida, as the "Paula Hawkins Post Office Building"; to the Committee on Homeland Security and Governmental Affairs.

H.R. 5610. An act to provide a technical adjustment with respect to funding for independent living centers under the Rehabilitation Act of 1973 in order to ensure stability for such centers; to the Committee on Health, Education, Labor, and Pensions.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 284. Concurrent resolution recognizing the work and importance of special education teachers; to the Committee on Health, Education, Labor, and Pensions.

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

H.R. 5552. An act to amend the Internal Revenue Code of 1986 to require that the payment of the manufacturers' excise tax on recreational equipment be paid quarterly and to provide for the assessment by the Secretary of the Treasury of certain criminal restitution.

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 2340. An act to resolve the claims of the Bering Straits Native Corporation and the State of Alaska to land adjacent to Salmon Lake in the State of Alaska and to provide for the conveyance to the Bering Straits Native Corporation of certain other public land in partial satisfaction of the land entitlement of the Corporation under the Alaska Native Claims Settlement Act.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on July 1, 2010, she had presented to the President of the United States the following enrolled bill:

S. 3104. A bill to permanently authorize Radio Free Asia, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with

accompanying papers, reports, and documents, and were referred as indicated:

EC-6516. A communication from the Director of Defense Procurement and Acquisition Policy, Department of Defense, transmitting, pursuant to law, the report of a rule entitled "Defense Federal Acquisition Regulation Supplement; Publication of Notification of Bundling of Contracts of the Department of Defense" (DFARS Case 2009-D033) received during adjournment of the Senate in the Office of the President of the Senate on July 1, 2010; to the Committee on Armed Services.

EC-6517. A communication from the Acting Director, Acquisition Policy and Legislation Branch, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Homeland Security Acquisition Regulation; Lead System Integrators" (HSAR Case 2009-003) received during adjournment of the Senate in the Office of the President of the Senate on July 2, 2010; to the Committee on Armed Services.

EC-6518. A communication from the General Counsel of the Department of Defense, transmitting legislative proposals relative to the National Defense Authorization Bill for Fiscal Year 2011; to the Committee on Armed Services.

EC-6519. A communication from the Deputy Secretary, Division of Investment Management, Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule entitled "Political Contributions by Certain Investment Advisers" (RIN3235-AK39) received during adjournment of the Senate in the Office of the President of the Senate on July 1, 2010; to the Committee on Banking, Housing, and Urban Affairs.

EC-6520. A communication from the Assistant to the Board of Governors, Division of Consumer and Community Affairs, Federal Reserve System, transmitting, pursuant to law, the report of a rule entitled "Electronic Fund Transfers" ((Regulation E)(FRS Docket No. R-1343)) received during adjournment of the Senate in the Office of the President of the Senate on July 2, 2010; to the Committee on Banking, Housing, and Urban Affairs.

EC-6521. A communication from the Assistant to the Board of Governors, Division of Consumer and Community Affairs, Federal Reserve System, transmitting, pursuant to law, the report of a rule entitled "Truth in Savings" ((Regulation DD)(FRS Docket No. R-1315)) received during adjournment of the Senate in the Office of the President of the Senate on July 2, 2010; to the Committee on Banking, Housing, and Urban Affairs.

EC-6522. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, a six-month periodic report relative to the national emergency that was declared in Executive Order 12938 with respect to the proliferation of weapons of mass destruction; to the Committee on Banking, Housing, and Urban Affairs.

EC-6523. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; The Boeing Company Model 777-200LR and -300ER Series Airplanes" ((RIN2120-AA64)(Docket No. FAA-2010-0280)) received during adjournment of the Senate in the Office of the President of the Senate on July 2, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6524. A communication from the Secretary of Commerce, transmitting, pursuant

to law, an annual report relative to the activities of the Economic Development Administration for fiscal year 2009; to the Committee on Commerce, Science, and Transportation.

EC-6525. A communication from the Assistant Secretary for Fish and Wildlife Parks, National Park Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Special Regulations; Areas of the National Park System" (RIN1024-AD79) as received during adjournment of the Senate in the Office of the President of the Senate on July 2, 2010; to the Committee on Energy and Natural Resources.

EC-6526. A communication from the Assistant Secretary of the Army (Civil Works), transmitting, pursuant to law, the Louisiana Coastal Protection and Restoration Final Technical Report; to the Committee on Environment and Public Works.

EC-6527. A communication from the Program Manager, Centers for Medicare and Medicaid Services, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Medicare Program; Identification of Backward Compatible Version of Adopted Standard for E-Prescribing and the Medicare Prescription Drug Program (NCDO SCRIPT 10.6)" (RIN0938-AB49) received during adjournment of the Senate in the Office of the President of the Senate on July 2, 2010; to the Committee on Finance.

EC-6528. A communication from the Program Manager, Administration for Children and Families, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Child Support Enforcement Program; Intergovernmental Child Support" (RIN0970-AC37) received during adjournment of the Senate in the Office of the President of the Senate on July 2, 2010; to the Committee on Finance.

EC-6529. A communication from the Secretary of the Environmental Protection Agency, transmitting a legislative proposal relative to amending the Internal Revenue Code for the purpose of extending the financing of the Superfund; to the Committee on Finance.

EC-6530. A communication from the Assistant Secretary, Bureau of Political-Military Affairs, Department of State, transmitting, pursuant to law, the report of a rule entitled "Schedule of Fees for Consular Services, Department of State and Overseas Embassies and Consulates" (RIN1400-AC57) received during adjournment of the Senate in the Office of the President of the Senate on July 2, 2010; to the Committee on Foreign Relations.

EC-6531. A communication from the Assistant Secretary, Bureau of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed manufacturing license agreement for the export of defense articles, including, technical data, and defense services to Turkey for the manufacture of and assembly of Day Night Thermal Sensors, Infrared Laser Detecting-Ranging Tracking Sets (AN/AAS-44T) and associated components common to both systems in the amount of \$100,000,000 or more; to the Committee on Foreign Relations.

EC-6532. A communication from the Principal Deputy Assistant Secretary, Bureau of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed technical assistance agreement for the export of defense articles, including, technical data, and defense services to support the

Proton launch of the Intelsat 22 Commercial Communication Satellite from the Baikonur Cosmodrome in Kazakhstan in the amount of \$50,000,000 or more; to the Committee on Foreign Relations.

EC-6533. A communication from the Assistant Secretary, Bureau of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed amendment to a technical assistance agreement for the export of defense articles, including, technical data, and defense services to support the LITENING Advanced Targeting Pod program for the Netherlands in the amount of \$50,000,000 or more; to the Committee on Foreign Relations.

EC-6534. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, a report by the U.S. Global AIDS Coordinator relative to a description of HIV/AIDS prevention interventions that could be components of a United States global HIV/AIDS strategy and their effectiveness; to the Committee on Foreign Relations.

EC-6535. A joint communication from the Assistant Secretary for Legislative Affairs and the General Counsel, Department of Treasury, transmitting proposed legislation relative to United States participation in, and appropriations for the United States contribution to, the Global Agriculture and Food Security Program, a multi-donor trust fund administered by the World Bank; to the Committee on Foreign Relations.

EC-6536. A communication from the Surgeon General, Department of Health and Human Services, transmitting the National Prevention, Health Promotion and Public Health Council's 2010 annual status report; to the Committee on Health, Education, Labor, and Pensions.

EC-6537. A communication from the Assistant Attorney General, Office of Legislative Affairs, Department of Justice, transmitting, pursuant to law, annual reports relative to the category rating system for the Department of Justice; to the Committee on Homeland Security and Governmental Affairs.

EC-6538. A communication from the Director of the Office of Personnel Management, transmitting proposed legislation relative to amending chapter 89 of title 5, United States Code, to clarify Federal court jurisdiction over the Federal Employees Health Benefits Program; to the Committee on Homeland Security and Governmental Affairs.

EC-6539. A communication from the Secretary of Veterans Affairs, transmitting proposed legislation entitled "Veterans Benefit Programs Improvement Act of 2010"; to the Committee on Veterans' Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-124. A concurrent resolution adopted by the Legislature of the State of Louisiana urging Congress to pass the New Alternative Transportation to Give Americans Solutions Act of 2009 (H.R. 1835 and S. 1408); to the Committee on Commerce, Science, and Transportation.

SENATE CONCURRENT RESOLUTION No. 14

To memorialize the United States Congress to take necessary actions to promptly consider and pass the New Alternative Transportation to Give Americans Solutions Act of

2009 (H.R. 1835 and S. 1408) and to urge each member of the Louisiana congressional delegation to express their support for the Act by becoming a cosponsor.

Whereas, located in Desoto Parish, Louisiana, the Haynesville Shale is the largest natural gas field in the continental United States; and

Whereas, the Haynesville Shale holds approximately two hundred and fifty-one trillion cubic feet of recoverable natural gas; and

Whereas, drilling and recovery technology allows natural gas to be utilized in an environmentally safe and economically viable manner; and

Whereas, domestic gas is the only resource that can replace imported gasoline and diesel as a transportation fuel; and

Whereas, Congress is currently considering the New Alternative Transportation to Give Americans Solutions (H.R. 1835 and S. 1408) which provides incentives to move cars and light trucks as well as heavy-duty trucks from imported gasoline or diesel to domestic natural gas and encourages development of engines that reduce emissions, improve performance and efficiency, and lower cost: Therefore be it

Resolved, That the Legislature of Louisiana memorializes the United States Congress to take such actions as are necessary to promptly consider and pass the New Alternative Transportation to Give Americans Solutions Act of 2009 (H.R. 1835 and S. 1408) and to urge each member of the Louisiana congressional delegation to express their support for the Act by becoming a cosponsor; and be it further

Resolved, That a copy of this Resolution shall be transmitted to the secretary of the United States Senate and the clerk of the United States House of Representatives and to each member of the Louisiana delegation.

POM-125. A concurrent resolution adopted by the Legislature of the State of Louisiana urging Congress to consider recommendations to amend the Stafford Act regarding disaster recovery in Louisiana; to the Committee on Homeland Security and Governmental Affairs.

SENATE CONCURRENT RESOLUTION No. 96

To memorialize the Congress of the United States to consider recommendations to amend the Stafford Act regarding disaster recovery for Louisiana.

Whereas, the aftermath of Hurricane Katrina and subsequent national disasters has brought extensive criticism of the Robert T. Stafford Disaster Relief and Emergency Assistance Act ("Stafford Act") as an inadequate and ineffective legal standard for federal response to a national disaster that causes population displacement and significant damage to property and infrastructure, and that overwhelms the capacities of state and local governments to achieve recovery; and

Whereas, such criticism is in part a reaction to the provisions of the Stafford Act which do not require any action remotely approaching a comprehensive, centralized, and integrated disaster mitigation, response, and recovery program with massive resources that can only be provided by the federal government; and

Whereas, such criticism is in part a reaction to the provisions of the Stafford Act which delegate the responsibility for recovery to state governments and establish a bureaucratic process for state requests for federal assistance, which have led to confusion and inaction, with essential assistance delayed and in many instances pleas for help being ignored; and

Whereas, such criticism is in part a reaction to the provisions of the Stafford Act which create neither an individual right to assistance nor a process for governmental accountability, thereby leaving people with few avenues of legal recourse for disaster relief; and

Whereas, such criticism is in part a reaction to provisions in the Stafford Act that do not address the specific material and humanitarian needs of people struggling to restore their lives and communities; and

Whereas, the Katrina Citizens Leadership Corps ("KCLC") has embarked on a course of developing policy recommendations for amending the Stafford Act to achieve effective disaster mitigation, response, and recovery; and

Whereas, the KCLC report, *What It Takes to Rebuild a Village after a Disaster: Stories from Internally Displaced Children and Families of Hurricane Katrina* (July 2007), presents the recommendations for a national disaster standard that support the fair and equitable restoration of lives and communities harmed by a national disaster; and

Whereas, the KCLC, U.S. Conference of Mayors, United States Senate Homeland Security Committee, and Internal Displacement Project of Brookings Institution make recommendations that can support unified work to improve the current legal standard for addressing the country's response to a national disaster: Therefore be it

Resolved, That the Legislature of Louisiana does hereby memorialize the Congress of the United States to consider recommendations to amend the Stafford Act regarding disaster recovery in Louisiana; and be it further

Resolved, That a copy of this Resolution shall be transmitted to the secretary of the United States Senate and the clerk of the United States House of Representatives and to each member of the Louisiana delegation to the United States Congress.

POM-126. A concurrent resolution adopted by the Legislature of the State of Louisiana urging Congress to remove the financial eligibility requirements for patients stricken with amyotrophic lateral sclerosis to be approved to receive Medicaid; to the Committee on Finance.

SENATE CONCURRENT RESOLUTION NO. 23

To memorialize the Congress of the United States to remove the financial eligibility requirements for patients stricken with amyotrophic lateral sclerosis to be approved to receive Medicaid.

Whereas, amyotrophic lateral sclerosis, or ALS, is better known as "Lou Gehrig's disease"; and

Whereas, ALS is a fatal neurodegenerative disease characterized by degeneration of cell bodies of the lower motor neurons in the gray matter of the anterior horns of the spinal cord; and

Whereas, the initial symptom of ALS is weakness of skeletal muscles, especially those of the extremities; and

Whereas, as ALS progresses, the patient experiences difficulty in swallowing, talking, and breathing; and

Whereas, ALS eventually causes muscles to atrophy, and the patient becomes a functional quadriplegic; and

Whereas, research indicates that military veterans are at a fifty percent greater risk of developing ALS than those who have not served in the military; and

Whereas, ALS does not affect a patient's mental capacity, so that the patient remains alert and aware of his loss of motor functions and the inevitable outcome of continued deterioration and death; and

Whereas, on average, patients diagnosed with ALS only survive two to five years from the time of diagnosis; and

Whereas, ALS has no known cause, means of prevention, or cure; and

Whereas, there can be significant costs for medical care, equipment, and home health caregiving later in the disease; and

Whereas, many families deplete their life savings attempting to pay for the care of their loved ones; and

Whereas, the financial burden associated with ALS for American families is enormous: Therefore, be it

Resolved, That the Legislature of Louisiana memorializes the Congress of the United States to remove the financial eligibility requirements for patients stricken with amyotrophic lateral sclerosis to be approved to receive Medicaid; and be it further

Resolved, That a copy of this Resolution shall be transmitted to the secretary of the United States Senate and the clerk of the United States House of Representatives and to each member of the Louisiana delegation to the United States Congress.

POM-127. A joint resolution adopted by the House of Representatives of the State of Colorado recognizing the bravery and sacrifice of the crew of the U.S.S. Pueblo and designating January 23rd each year as "U.S.S. Pueblo Day"; to the Committee on the Judiciary.

HOUSE JOINT RESOLUTION NO. 10-1007

Whereas, The U.S.S. Pueblo was originally launched as a United States Army cargo ship in 1944 but was transferred to the United States Navy and renamed the U.S.S. Pueblo in 1966; and

Whereas, The U.S.S. Pueblo was named for the city of Pueblo, Colorado, and the county of Pueblo, Colorado, and was the third ship in the naval fleet to bear the name Pueblo; and

Whereas, After leaving Japan in early January 1968 on an intelligence mission, the U.S.S. Pueblo was attacked by the North Korean military on January 23, 1968; and

Whereas, According to United States Naval authorities and the crew of the U.S.S. Pueblo, the ship was in international waters at the time of the attack; and

Whereas, One crew member of the U.S.S. Pueblo was killed during the attack, and eighty crew members and two civilian oceanographers were captured and held for eleven months by the North Korean government; and

Whereas, This year marks the forty-second anniversary of North Korea's attack on the U.S.S. Pueblo and her crew; and

Whereas, The U.S.S. Pueblo is still in commission in the United States Navy, but continues to be held by the North Korean government and is currently a museum in Pyongyang, North Korea: Now, therefore, be it

Resolved, by the House of Representatives of the Sixty-seventh General Assembly of the State of Colorado, the Senate concurring herein:

(1) That we, the members of the General Assembly, recognize the bravery and sacrifice of the crew of the U.S.S. Pueblo; and

(2) That we take pride in the fact that the U.S.S. Pueblo bears the name of a city and a county in Colorado, and, therefore, the citizens of Colorado should be aware of the incident that occurred with the U.S.S. Pueblo forty-two years ago; and

(3) That we hereby designate January 23 each year as "U.S.S. Pueblo Day" as a day to remember and honor the brave crew of the U.S.S. Pueblo; and be it further

Resolved, That copies of this Joint Resolution be sent to President Barack Obama, Governor Bill Ritter, Jr., President Pro Tempore of the United States Senate Robert C. Byrd, Speaker of the United States House of Representatives Nancy Pelosi, and the members of Colorado's congressional delegation.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. UDALL of New Mexico:

S. 3564. A bill to promote the potential of women in academic science, technology, engineering, and mathematics; to the Committee on Homeland Security and Governmental Affairs.

By Mr. MCCAIN (for himself and Mr. KYL):

S. 3565. A bill to provide for the conveyance of certain Bureau of Land Management land in Mohave County, Arizona, to the Arizona Game and Fish Commission, for use as a public shooting range; to the Committee on Energy and Natural Resources.

By Mr. LAUTENBERG (for himself and Mr. ROCKEFELLER):

S. 3566. A bill to authorize certain maritime programs of the Department of Transportation, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. SCHUMER:

S. 3567. A bill to designate the facility of the United States Postal Service located at 100 Broadway in Lynbrook, New York, as the "Navy Corpsman Jeffrey L. Wiener Post Office Building"; to the Committee on Homeland Security and Governmental Affairs.

By Mr. NELSON of Florida (for himself, Mr. CORNYN, and Mrs. FEINSTEIN):

S. 3568. A bill to amend the Trade Act of 1974 to create a Citrus Disease Research and Development Trust Fund to support research on diseases impacting the citrus industry, and for other purposes; to the Committee on Finance.

By Mr. NELSON of Florida:

S. 3569. A bill to improve the ability of the National Oceanic and Atmospheric Administration to respond to releases of subsea oil and gas, and for other purposes; to the Committee on Commerce, Science, and Transportation.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. SCHUMER:

S. Con. Res. 68. A concurrent resolution expressing the sense of Congress that the United States Postal Service should issue a commemorative postage stamp honoring civil rights workers Andrew Goodman, James Chaney, and Michael Schwerner, and the "Freedom Summer" of 1964, and that the Citizens' Stamp Advisory Committee should recommend to the Postmaster General that such a stamp be issued; to the Committee on Homeland Security and Governmental Affairs.

ADDITIONAL COSPONSORS

S. 653

At the request of Mr. CARDIN, the names of the Senator from New York (Mr. SCHUMER) and the Senator from Pennsylvania (Mr. CASEY) were added as cosponsors of S. 653, a bill to require the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the writing of the Star-Spangled Banner, and for other purposes.

S. 850

At the request of Mr. KERRY, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 850, a bill to amend the High Seas Driftnet Fishing Moratorium Protection Act and the Magnuson-Stevens Fishery Conservation and Management Act to improve the conservation of sharks.

S. 984

At the request of Mrs. BOXER, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 984, a bill to amend the Public Health Service Act to provide for arthritis research and public health, and for other purposes.

S. 1286

At the request of Mr. ROCKEFELLER, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 1286, a bill to amend part E of title IV of the Social Security Act to allow children in foster care to be placed with their parents in residential family treatment centers that provide safe environments for treating addiction and promoting healthy parenting.

S. 1353

At the request of Mr. LEAHY, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 1353, a bill to amend title 1 of the Omnibus Crime Control and Safe Streets Act of 1986 to include nonprofit and volunteer ground and air ambulance crew members and first responders for certain benefits.

S. 1425

At the request of Mr. DURBIN, the name of the Senator from Minnesota (Mr. FRANKEN) was added as a cosponsor of S. 1425, a bill to increase the United States financial and programmatic contributions to promote economic opportunities for women in developing countries.

S. 1481

At the request of Mr. MENENDEZ, the names of the Senator from New York (Mr. SCHUMER), the Senator from New Mexico (Mr. BINGAMAN) and the Senator from Vermont (Mr. SANDERS) were added as cosponsors of S. 1481, a bill to amend section 811 of the Cranston-Gonzalez National Affordable Housing Act to improve the program under such section for supportive housing for persons with disabilities.

S. 1553

At the request of Mr. GRASSLEY, the name of the Senator from Michigan

(Ms. STABENOW) was added as a cosponsor of S. 1553, a bill to require the Secretary of the Treasury to mint coins in commemoration of the National Future Farmers of America Organization and the 85th anniversary of the founding of the National Future Farmers of America Organization.

S. 1619

At the request of Mr. DODD, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 1619, a bill to establish the Office of Sustainable Housing and Communities, to establish the Interagency Council on Sustainable Communities, to establish a comprehensive planning grant program, to establish a sustainability challenge grant program, and for other purposes.

S. 2725

At the request of Mrs. FEINSTEIN, the name of the Senator from Hawaii (Mr. INOUE) was added as a cosponsor of S. 2725, a bill to provide for fairness for the Federal judiciary.

S. 2743

At the request of Ms. SNOWE, the name of the Senator from Nebraska (Mr. JOHANNES) was added as a cosponsor of S. 2743, a bill to amend title 10, United States Code, to provide for the award of a military service medal to members of the Armed Forces who served honorably during the Cold War, and for other purposes.

S. 2772

At the request of Mr. WHITEHOUSE, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 2772, a bill to establish a criminal justice reinvestment grant program to help States and local jurisdictions reduce spending on corrections, control growth in the prison and jail populations, and increase public safety.

S. 2882

At the request of Mr. KERRY, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 2882, a bill to amend the Internal Revenue Code of 1986 to modify the rules relating to the treatment of individuals as independent contractors or employees, and for other purposes.

S. 2898

At the request of Ms. LANDRIEU, the name of the Senator from Pennsylvania (Mr. CASEY) was added as a cosponsor of S. 2898, a bill to provide for child safety, care, and education continuity in the event of a presidentially declared disaster.

S. 3020

At the request of Ms. SNOWE, the name of the Senator from Missouri (Mrs. MCCASKILL) was added as a cosponsor of S. 3020, a bill to direct the Administrator of the Small Business Administration to reform and improve the HUBZone program for small business concerns, and for other purposes.

S. 3031

At the request of Mr. LEAHY, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 3031, a bill to authorize Drug Free Communities enhancement grants to address major emerging drug issues or local drug crises.

S. 3034

At the request of Mr. SCHUMER, the names of the Senator from Maryland (Mr. CARDIN), the Senator from Alaska (Mr. BEGICH) and the Senator from South Dakota (Mr. JOHNSON) were added as cosponsors of S. 3034, a bill to require the Secretary of the Treasury to strike medals in commemoration of the 10th anniversary of the September 11, 2001, terrorist attacks on the United States and the establishment of the National September 11 Memorial & Museum at the World Trade Center.

S. 3036

At the request of Mr. BAYH, the name of the Senator from Maryland (Mr. CARDIN) was added as a cosponsor of S. 3036, a bill to establish the Office of the National Alzheimer's Project.

S. 3043

At the request of Mrs. GILLIBRAND, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 3043, a bill to award planning grants and implementation grants to State educational agencies to enable the State educational agencies to complete comprehensive planning to carry out activities designed to integrate engineering education into K-12 instruction and curriculum and to provide evaluation grants to measure efficacy of K-12 engineering education.

S. 3078

At the request of Mrs. FEINSTEIN, the names of the Senator from Delaware (Mr. KAUFMAN) and the Senator from Hawaii (Mr. INOUE) were added as cosponsors of S. 3078, a bill to provide for the establishment of a Health Insurance Rate Authority to establish limits on premium rating, and for other purposes.

S. 3171

At the request of Mrs. LINCOLN, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 3171, a bill to amend title 38, United States Code, to provide for the approval of certain programs of education for purposes of the Post-9/11 Educational Assistance Program.

S. 3237

At the request of Mr. HARKIN, the name of the Senator from Colorado (Mr. BENNET) was added as a cosponsor of S. 3237, a bill to award a Congressional Gold Medal to the World War II members of the Civil Air Patrol.

S. 3238

At the request of Mr. SCHUMER, the names of the Senator from Maryland (Mr. CARDIN) and the Senator from Arkansas (Mr. PRYOR) were added as cosponsors of S. 3238, a bill to provide for

a medal of appropriate design to be awarded by the President to the next of kin or other representative of those individuals killed as a result of the terrorist attacks of September 11, 2001, and to the memorials established at the 3 sites that were attacked on that day.

S. 3269

At the request of Mrs. GILLIBRAND, the name of the Senator from Rhode Island (Mr. WHITEHOUSE) was added as a cosponsor of S. 3269, a bill to provide driver safety grants to States with graduated driver licensing laws that meet certain minimum requirements.

S. 3320

At the request of Mr. WHITEHOUSE, the names of the Senator from New York (Mr. SCHUMER), the Senator from South Dakota (Mr. JOHNSON) and the Senator from Louisiana (Ms. LANDRIEU) were added as cosponsors of S. 3320, a bill to amend the Public Health Service Act to provide for a Pancreatic Cancer Initiative, and for other purposes.

S. 3323

At the request of Mr. FEINGOLD, the name of the Senator from Missouri (Mrs. MCCASKILL) was added as a cosponsor of S. 3323, a bill to improve the management and oversight of Federal contracts, and for other purposes.

S. 3339

At the request of Mr. KERRY, the names of the Senator from Washington (Ms. CANTWELL) and the Senator from Washington (Mrs. MURRAY) were added as cosponsors of S. 3339, a bill to amend the Internal Revenue Code of 1986 to provide a reduced rate of excise tax on beer produced domestically by certain small producers.

S. 3397

At the request of Ms. KLOBUCHAR, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 3397, a bill to amend the Controlled Substances Act to provide for take-back disposal of controlled substances in certain instances, and for other purposes.

S. 3424

At the request of Mr. DURBIN, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 3424, a bill to amend the Animal Welfare Act to provide further protection for puppies.

S. 3434

At the request of Mr. BINGAMAN, the names of the Senator from Maryland (Ms. MIKULSKI), the Senator from Ohio (Mr. BROWN) and the Senator from Delaware (Mr. KAUFMAN) were added as cosponsors of S. 3434, a bill to provide for the establishment of a Home Star Retrofit Rebate Program, and for other purposes.

S. 3441

At the request of Mr. DURBIN, the name of the Senator from Louisiana

(Ms. LANDRIEU) was added as a cosponsor of S. 3441, a bill to provide high-quality public charter school options for students by enabling such public charter schools to expand and replicate.

S. 3493

At the request of Mr. SPECTER, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 3493, a bill to reauthorize and enhance Johanna's Law to increase public awareness and knowledge with respect to gynecologic cancers.

S. 3510

At the request of Mr. CONRAD, the name of the Senator from Louisiana (Mr. VITTER) was added as a cosponsor of S. 3510, a bill to amend the Internal Revenue Code of 1986 to permanently extend the 15-year recovery period for qualified leasehold improvement property, qualified restaurant property, and qualified retail improvement property.

S. 3549

At the request of Mr. TESTER, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 3549, a bill to amend the effective date of the gift card provisions of the Credit Card Accountability Responsibility and Disclosure Act of 2009.

S. 3553

At the request of Ms. STABENOW, the name of the Senator from Ohio (Mr. VOINOVICH) was added as a cosponsor of S. 3553, a bill to require the Secretary of the Army to study the feasibility of the hydrological separation of the Great Lakes and Mississippi River Basins.

S. CON. RES. 39

At the request of Mr. MENENDEZ, the name of the Senator from Vermont (Mr. SANDERS) was added as a cosponsor of S. Con. Res. 39, a concurrent resolution expressing the sense of the Congress that stable and affordable housing is an essential component of an effective strategy for the prevention, treatment, and care of human immunodeficiency virus, and that the United States should make a commitment to providing adequate funding for the development of housing as a response to the acquired immunodeficiency syndrome pandemic.

S. RES. 565

At the request of Mr. MERKLEY, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. Res. 565, a resolution supporting and recognizing the achievements of the family planning services programs operating under title X of the Public Health Service Act.

AMENDMENT NO. 4418

At the request of Mr. WHITEHOUSE, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of amendment No. 4418 intended to be proposed to H.R. 5297, an act to create the Small Business Lending Fund Program to direct the Sec-

retary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

AMENDMENT NO. 4420

At the request of Mr. DODD, the name of the Senator from New Hampshire (Mrs. SHAHEEN) was added as a cosponsor of amendment No. 4420 intended to be proposed to H.R. 5297, an act to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

AMENDMENT NO. 4433

At the request of Mr. GRASSLEY, the name of the Senator from South Dakota (Mr. THUNE) was added as a cosponsor of amendment No. 4433 intended to be proposed to H.R. 5297, an act to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

AMENDMENT NO. 4434

At the request of Ms. CANTWELL, the name of the Senator from Delaware (Mr. CARPER) was added as a cosponsor of amendment No. 4434 intended to be proposed to H.R. 5297, an act to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

AMENDMENT NO. 4435

At the request of Mrs. HAGAN, the name of the Senator from Texas (Mr. CORNYN) was added as a cosponsor of amendment No. 4435 intended to be proposed to H.R. 5297, an act to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

AMENDMENT NO. 4444

At the request of Mr. REID, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of amendment No. 4444 intended to be proposed to H.R. 5297, an act to create the

Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

AMENDMENT NO. 4446

At the request of Ms. SNOWE, the name of the Senator from New Hampshire (Mrs. SHAHEEN) was added as a cosponsor of amendment No. 4446 intended to be proposed to H.R. 5297, an act to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

AMENDMENT NO. 4448

At the request of Mr. MERKLEY, the name of the Senator from Indiana (Mr. BAYH) was added as a cosponsor of amendment No. 4448 intended to be proposed to H.R. 5297, an act to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MCCAIN (for himself and Mr. KYL):

S. 3565. A bill to provide for the conveyance of certain Bureau of Land Management land in Mohave County, Arizona, to the Arizona Game and Fish Commission, for use as a public shooting range; to the Committee on Energy and Natural Resources.

Mr. MCCAIN. Mr. President, I am pleased to be joined by my colleague, Senator JON KYL, in introducing a bill that would convey 315 acres of Federal land in Arizona to the Arizona Game and Fish Commission for use as a public shooting range. A similar bill was introduced in the House of Representatives by Congressman TRENT FRANKS last year.

The construction of the Mohave Valley Shooting Range near Bullhead City, AZ, is widely supported in the tri-state region and has several anticipated benefits. For example, local law enforcement agencies support the shooting range as a way to help maintain firearms qualifications. Mohave Community College has a Law Enforcement Academy that would be significantly enhanced by this project. Also,

the new range will reduce instances of random shooting on sensitive public lands which followed the closure of a former Bullhead City shooting facility in 1999.

In February 2010, after an arduous 12-year planning process, the BLM approved an administrative conveyance of federal land for the shooting range under the Recreation and Public Purposes Act. This decision was made under an Environmental Assessment/Finding of No Significant Impact. Unfortunately, several tribal governments have appealed the decision to the Interior Board of Land Appeals citing cultural impacts to the Boundary Cone Butte, which will undeservedly delay the project for several more years. It is important to note that the project's Environmental Assessment offers several mitigation measures that address tribal concerns, including the installation of sound dampening features, requirements for noise monitoring to ensure compliance with State noise standards for shooting range facilities, limiting the facility's footprint to protect culturally sensitive lands, and providing for the relocation of species that would be disturbed.

The bill we have introduced would direct the BLM to complete the land conveyance without further delay. It also acknowledges the 2010 Environmental Assessment/Plan Amendment which was developed as part of the project's 12-year planning effort. Mr. President, the Mohave Valley Shooting Range project has lapsed for over a decade and the people of Mohave County are still waiting to break ground. I urge my colleagues to support this bill.

By Mr. NELSON of Florida (for himself, Mr. CORNYN, and Mrs. FEINSTEIN):

S. 3568. A bill to amend the Trade Act of 1974 to create a Citrus Disease Research and Development Trust Fund to support research on diseases impacting the citrus industry, and for other purposes; to the Committee on Finance.

Mr. NELSON of Florida. Mr. President, today it is my honor to introduce a bill that would create the U.S. Citrus Disease Research and Development Trust Fund. I am joined in this effort by my good friends, and fellow "Citrus State Senators"—Sen. JOHN CORNYN of Texas and Sen. DIANNE FEINSTEIN of California.

By introducing this bill, it is our collective goal to create a guaranteed source of funding for scientific research aimed at addressing diseases, invasive pests, and other challenges faced by the U.S. citrus industry. Most importantly, the scientific research supported by my bill would benefit all citrus producers, regardless of where the citrus is growing.

Citrus growers in the U.S. shouldn't have to ask themselves if this is the year a disease or a pest will wipe them

out. That's why having a permanent fund to help combat these threats just makes a lot of sense.

The most serious of these threats is citrus greening, a disease which kills the citrus tree and is spread by the Asian citrus psyllid, an insect no bigger than my fingernail. Because it attacks the tree and because it is so easily spread, this disease has the ability to wipe out the entire citrus industry.

My bill does not require new funding or create any new taxes—it is funded by a portion of the existing import duties collected from imported citrus products. Specifically, the total amount of the fund may not exceed \$30 million dollars annually, which is only about half of the total duties presently collected on imported citrus products.

My bill is based on the model established by the Wool Trust Fund and adopts oversight and administrative controls for similar programs within the U.S. Department of Agriculture.

I look forward to working with my colleagues to see that this bill is signed into law.

By Mr. NELSON of Florida:

S. 3569. A bill to improve the ability of the National Oceanic and Atmospheric Administration to respond to releases of subsea oil and gas, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. NELSON of Florida. Mr. President, we are now on the 84th day of the Deepwater Horizon spill. Along with the over 175 million gallons of oil and natural gas that have gushed into the gulf, over 1 million gallons of dispersants have been applied, with 700,000 gallons applied under the surface of the water. This is a method of using dispersants that has been likened to a science experiment.

With each passing day, we see new images of oil washing up on the shores, onto our beaches, into the wetlands, coating the wildlife. We have all seen it on television, and it is heartbreaking. But I worry more about something else, something we do not see. For 2 months now, academics, the media, and the public have asked about the possibility of vast amounts of oil miles away from the location of the spill.

Independent scientists from research institutions in my State, such as the University of South Florida and Florida State University, took to the water early on. They sent their own research vessels out there to find the answers. What they found confirmed the fears we have—what we do not see, and that is detectable amounts of oil and hydrocarbons impacting areas away from the spill. These hydrocarbons may not look like what we imagined. We imagined ominous black clouds. But, in fact, what scientists pulled up from different depths in their water samples often came up clear, but just because you

can't see the oil doesn't mean it is not there and it doesn't mean it is not having an impact.

A few weeks ago, the National Oceanic and Atmospheric Administration released its first report on subsea oil. Our top ocean science agency has been working to understand the impacts of subsurface hydrocarbons. While there is now some publicly available information on subsurface oil, many unanswered questions remain. Is the subsurface oil down there, and especially that which you can't see? Is it there because of the use of dispersants? Does the large amount of pressure caused by the weight of the water column at such depths—as far as 5,000 feet—lead to these plumes of oil being subsurface? What is the effect of having oil and gas throughout the water column as opposed to the oil floating on the surface?

I believe it took so long to get any information because this is something we simply have not seen before. The last time this country dealt with a spill even near this magnitude was the Exxon Valdez spill. But that was a tanker that leaked in a bay where all the oil was in the upper layers of the water column. The oil basically stayed afloat. Here, we have a situation where the oil is being released 5,000 feet below the surface of the gulf. It is being sprayed with dispersants, and that keeps much of it down in that fragile environment and away from view. But, of course, the many organisms that live down at those depths are the base of the food web, and the impact of the dissolved and dispersed hydrocarbons on these critters is simply unknown.

We haven't even begun to deal with the question of the natural gas that is also spewing out of the well. Some have estimated that as much as half of the volume coming out of the well is actually natural gas. Some of that is very probably dissolving, and it is possible that most of it is dissolving. But who knows how these chemicals are interacting with it? If any of the natural gas is bubbling to the surface, it could pose a threat to the health and the safety of wildlife, and it could pose a health hazard to humans on the surface of the gulf.

As a result of all of this and so that we learn from this situation so we don't keep doing this same thing over and over, I am introducing the Subsea Hydrocarbon Imagery and Planning Act. This bill will address some of these gaps in our knowledge and understanding of what happens when oil and natural gas are released under the ocean.

This bill will direct NOAA to review its current protocols for detecting and mapping subsea hydrocarbons. It would require them to develop priorities and to adopt a plan for the future by implementing a program within the Office of Response and Restoration dedicated to mapping subsea hydrocarbons and re-

leasing what their trajectories are. State and local governments and the American people should have access to this information so they can plan accordingly. NOAA itself needs this information for incorporation into its protocols for closing and opening fisheries. And the people in charge of managing this crisis need this information so they can make informed decisions about how to proceed.

We are in the midst, as we know, of hurricane season. While we have not seen this subsea oil with our eyes yet, a hurricane could make that worst-case scenario a reality.

Last week, during the recess, I spent some time with some of Florida's best and brightest scientists who are studying this spill.

I spoke with researchers from Florida Gulf Coast University, Mote Marine Laboratory, and the University of Miami's Center for Southeastern Tropical Advanced Remote Sensing. These institutions might have the technology and expertise that could be used to detect and monitor subsea oil and gas and measure its impact on fragile marine environments.

As we look to the future and as we are getting NOAA to adopt a plan, that is a plan we need. This legislation—the Subsea Hydrocarbon Imagery and Planning Act—will ensure that days in the future we will not wonder how much oil and gas is out there, where it is, where it is going, and what its impacts will be because we will know.

I hope my colleagues in the Senate are going to support this effort. Clearly, with what is going on, this well needs to be killed. There are 60,000 barrels of oil a day gushing into the gulf, and this has been going on now closing in on 3 months.

Until the time the well is killed, they will continue to try to siphon off as much as possible, and that is the process they are doing now. They took off that one cap. All of that oil is gushing. They are going to try to put on another cap that will have a tighter seal that they can get more to the surface.

In the meantime, all that oil on the surface—we have the skimmers—we need to skim off and keep it from reaching the shore. If it gets on the beach, that is one thing. We can get it off the beach. It harms all of the industries. It harms tourism. Clearly, the perception that there is oil harms fishing. But the real ecological damage is when it gets past the beach and it gets into the bays, the estuaries, and the marsh grasses. Then it is so difficult to get out and it all the more compounds the impact on the critters.

No. 1, kill the well. No. 2, scoop as much as we can get off the surface to keep it away from the shore. But No. 3, the big unknown is how much oil is underneath the surface and what is its long-term effect on the health of the gulf and on the entire ecological bal-

ance of the Gulf of Mexico and, indeed, other waters that could be affected, such as the Loop Current that turns into the gulf stream and that goes into the Atlantic.

That is the big unknown, and that is what we are asking NOAA to do. That is why I am introducing this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3569

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Subsea Hydrocarbon Imagery and Planning Act of 2010”.

SEC. 2. IMPROVEMENTS TO NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION OIL SPILL RESPONSE.

(a) **SUBSEA HYDROCARBON REVIEW.**—Not later than 45 days after the date of the enactment of this Act, the Under Secretary for Oceans and Atmosphere shall conduct a comprehensive review of the current state of the National Oceanic and Atmospheric Administration and the capacity of the Administration to monitor, map, and track subsea hydrocarbons.

(b) **ELEMENTS.**—The review conducted under subsection (a) shall include the following:

(1) A review of protocol for application of dispersants that contemplates the variables of temperature, pressure, and depth of the site of release of hydrocarbons.

(2) A review of technological capabilities to detect the presence of subsea hydrocarbons at various concentrations and at various depths within a water column resulting from releases of oil and natural gas after a spill.

(3) A review of technological capabilities for expeditiously identifying the source (known as “fingerprinting”) of subsea hydrocarbons.

(4) A review of coastal and ocean current modeling as it relates to predicting the trajectory of oil and natural gas.

(5) A review of the effect of subsea hydrocarbons (all concentrations including down to hydrocarbon chains in solution) on all levels of the food web, including evaluations of seafood safety, toxicity to individuals, negative impacts to reproduction, bioaccumulation, growth, and such other matters as the Under Secretary considers appropriate.

(6) Development of recommendations on priorities for improving forecasting of movement of subsea hydrocarbons.

(7) Development of recommendations for long-term remote monitoring of subsea hydrocarbons after a spill, including dissolved oxygen impacts.

(8) Development of recommendations for implementation of a Subsea Hydrocarbon Monitoring and Assessment program within the Office of Response and Restoration.

(c) **PROGRAM REQUIRED.**—Not later than 1 year after the date of the enactment of this Act, the Under Secretary shall establish a hydrocarbon monitoring and assessment program. Such program shall be based on the recommendations developed under the comprehensive review required by subsection (a).

(d) **FUNDING.**—Not later than 30 days after the date of the enactment of this Act, out of

any funds in the Oil Spill Liability Trust Fund established by section 9509 of the Internal Revenue Code of 1986 not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Commerce to carry out the provisions of this section \$15,000,000 to remain available until expended.

SUBMITTED RESOLUTIONS

SENATE CONCURRENT RESOLUTION 68—EXPRESSING THE SENSE OF CONGRESS THAT THE UNITED STATES POSTAL SERVICE SHOULD ISSUE A COMMEMORATIVE POSTAGE STAMP HONORING CIVIL RIGHTS WORKERS ANDREW GOODMAN, JAMES CHANEY, AND MICHAEL SCHWERNER, AND THE "FREEDOM SUMMER" OF 1964, AND THAT THE CITIZENS' STAMP ADVISORY COMMITTEE SHOULD RECOMMEND TO THE POSTMASTER GENERAL THAT SUCH A STAMP BE ISSUED

Mr. SCHUMER submitted the following concurrent resolution; which was referred to the Committee on Homeland Security and Governmental Affairs:

S. CON. RES. 68

Whereas "Freedom Summer" was a campaign in Mississippi to register African-American voters during the summer of 1964;

Whereas in 1964, most Black voters were disenfranchised by law or practice in Mississippi;

Whereas this voting rights initiative was led by the Student Nonviolent Coordinating Committee (SNCC), with the support of the Council of Federated Organizations (COFO), which included the National Association for the Advancement of Colored People (NAACP), the Congress of Racial Equality (CORE), and the Southern Christian Leadership Conference (SCLC);

Whereas thousands of students and activists participated in two week orientation sessions in preparation for the voter registration drive in Mississippi;

Whereas in 1962, at 6.7 percent of the State's Black population, Mississippi had one of the lowest percentages of Black registered voters in the country;

Whereas three civil rights volunteers lost their lives in their attempts to secure voting rights for Blacks;

Whereas Andrew Goodman was a White 20-year-old anthropology major from Queens College who volunteered for the "Freedom Summer" project;

Whereas James Chaney was a 21-year-old African-American from Meridian, Mississippi, who became a civil rights activist, joining the Congress of Racial Equality (CORE) in 1963 to work on voter registration and education;

Whereas Michael "Mickey" Schwerner was a 24-year-old White man from Brooklyn, New York, who was a CORE field secretary in Mississippi and a veteran of the civil rights movement;

Whereas on the morning of June 21, 1964, the three men left the CORE office in Meridian, Mississippi, and set out for Longdale, Mississippi, where they were to investigate the recent burning of the Mount Zion Meth-

odist Church, a Black church that had been functioning as a Freedom School for education and voter registration;

Whereas the three civil rights workers were beaten, shot, and killed by members of the Ku Klux Klan;

Whereas the national uproar in response to these brave men's deaths helped raise the political capital necessary to bring about passage of the Voting Rights Act of 1965; and

Whereas Andrew Goodman, James Chaney, and Michael Schwerner's story will be told to millions of Americans and their bravery will continue to inspire generations to come through the issuance of a commemorative postage stamp: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) a commemorative postage stamp should be issued by the United States Postal Service honoring civil rights workers Andrew Goodman, James Chaney, and Michael Schwerner, and the "Freedom Summer" of 1964;

(2) the stamp honoring these three men should be based upon the Congress of Racial Equality (CORE) poster from 1964, which was created by Danny Lyon, a prominent photographer of the Civil Rights movement; and

(3) the Citizens' Stamp Advisory Committee should recommend to the Postmaster General that such a stamp be issued.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4449. Mr. WEBB (for himself, Mr. NELSON of Florida, and Mr. WARNER) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table.

SA 4450. Mr. BROWN of Ohio submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4451. Mr. DORGAN submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4452. Mr. DORGAN submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4453. Mr. THUNE (for himself, Mr. JOHANNES, Mr. COBURN, Mr. ISAKSON, Mr. INHOFE, and Mr. BOND) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4454. Mr. THUNE submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 4449. Mr. WEBB (for himself, Mr. NELSON of Florida and Mr. WARNER) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title II, insert the following:

Subtitle C—Other Relief

SEC. . GUIDANCE ON TAX TREATMENT OF LOSSES RELATED TO TAINTED DRYWALL AS CASUALTY LOSS DEDUCTIONS.

Not later than the due date, including extension, for filing a return of tax for taxable year 2009, the Secretary of the Treasury shall issue guidance with respect to the availability of a casualty loss deduction under section 165(c)(3) of the Internal Revenue Code of 1986 for a taxpayer who has sustained a loss due to defective or tainted drywall, including drywall imported from China.

SA 4450. Mr. BROWN of Ohio submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 113, between lines 17 and 18, insert the following:

SEC. 1348. SMALL BUSINESS TURNAROUND LOAN PROGRAM.

Section 7(a) of the Small Business Act (15 U.S.C. 636(a)), as amended by section 1206 of this Act, is amended by adding at the end the following

“(36) SMALL BUSINESS TURNAROUND LOAN PROGRAM.—

“(A) DEFINITIONS.—In this paragraph—

“(i) the term ‘program’ means the Turnaround Loan Program established under subparagraph (B);

“(ii) the term ‘turnaround small business concern’ means a small business concern that—

“(I) is economically distressed, as determined by the Administrator;

“(II) has a history of a positive net income;

“(III) has had recent success in the business of the small business concern; and

“(IV) has the potential to increase the business of the small business concern; and

“(iii) the term ‘Secretary’ means the Secretary of the Treasury.

“(B) ESTABLISHMENT.—Not later than 120 days after the date of enactment of this

paragraph, the Administrator shall establish a Turnaround Loan Program under which the Administrator may guarantee the timely payment of loans made to turnaround small business concerns to address cash flow difficulties.

“(C) STANDARDS FOR SMALL BUSINESS TURNAROUND LOANS.—

“(i) IN GENERAL.—In consultation with the Secretary, the Administrator shall issue rules establishing qualifying criteria for loans guaranteed under the program.

“(ii) SPECIFIC BORROWER REQUIREMENTS.—The rules issued under clause (i) shall require a turnaround small business concern applying for a loan guaranteed under the program to submit—

- “(I) a business plan that includes—**
 - “(aa) data on the performance before the date of the application, and projections, of the turnaround small business concern;**
 - “(bb) a detailed description of the factors that led to the economic difficulties of the turnaround small business concern;**
 - “(cc) a discussion of how the turnaround small business concern responded to the economic difficulties; and**
 - “(dd) a detailed description of the projected outlook for the turnaround small business concern; and**

“(II) subject to clause (iii), documentation establishing—

- “(aa) a history of a positive net income;**
- “(bb) recent success of the business of the turnaround small business concern, which shall include documentation that the turnaround small business concern has had increasing revenue for not less than the 2 consecutive quarters before the date of the application; and**
- “(cc) that the turnaround small business concern has had repeated and substantial difficulty in obtaining credit elsewhere.**

“(iii) WAIVER AUTHORITY.—The Administrator may waive any requirement under clause (ii)(II) if the Administrator determines that the waiver is supported by mitigating factors included in the business plan submitted by a turnaround small business concern under clause (ii)(I).

“(iv) MINIMIZE ADMINISTRATIVE BURDEN.—The rules issued under clause (i) shall, to the extent practicable, minimize paperwork, minimize administrative burden on lenders and applicants, and maximize clarity in guidelines.

“(D) MAXIMUM LOAN LIMITS FOR SMALL BUSINESS TURNAROUND LOANS.—Notwithstanding paragraph (3)(A), a loan may not be guaranteed under this paragraph if the total amount outstanding and committed (by participation or otherwise) to the borrower from the business loan and investment fund established by this Act would exceed \$5,000,000.

“(E) GUARANTEES, FEES, AND COST REPAYMENT.—

“(i) GUARANTEES FOR SMALL BUSINESS TURNAROUND LOANS.—The Administrator may—

- “(I) except as provided in subclause (II), guarantee not more than 95 percent of a loan under the program; and**
- “(II) guarantee not more than 100 percent of a loan under the program if a loan is also made to the applicant under a State other credit support program under section 3206 of the Small Business Jobs Act of 2010.**

“(ii) FEES.—With respect to each loan guaranteed under the program, the Administrator shall collect no fee.

“(iii) REPAYMENT FOR UNDERWRITING COSTS.—If a turnaround small business concern makes timely payment of a loan guaranteed under the program for all of the 3-

year period beginning on the date of the loan, the Administrator shall make a payment to the lender in an amount equal to 1 percent of the amount of the loan, for the cost of underwriting the loan.

“(F) SUNSET.—The Administrator may not guarantee a loan under the program after the date that is 22 months after the date of enactment of this paragraph.

“(G) FUNDING.—

“(i) SMALL BUSINESS LENDING FUND.—The Secretary may transfer from the Small Business Lending Fund established under section 3103 of the Small Business Jobs Act of 2010 to the Administrator such sums as are necessary to carry out this paragraph, which shall be available to the Administrator, without further appropriation or fiscal year limitation.

“(ii) AUTHORIZATION.—There are authorized to be appropriated to the Administrator such sums as are necessary to carry out this paragraph.”.

SA 4451. Mr. DORGAN submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 41, between lines 3 and 4, insert the following:

SEC. 1137. HUBZONE DEFINITIONS.

Section 3(p)(4)(B) of the Small Business Act (15 U.S.C. 632(p)(4)(B)) is amended—

- (1) in clause (i), by striking “section 42(d)(5)(C)(ii)” and inserting “section 42(d)(5)(B)(ii)”;
- (2) in clause (ii)—

(A) in subclause (II), by striking “or” at the end;

(B) in subclause (III)—

(i) by striking “section 42(d)(5)(C)(iii)” and inserting “section 42(d)(5)(B)(iii)”;

(ii) by striking the period at the end and inserting “; or”;

(C) by adding at the end the following:

“(IV) the population, based on the most recent census data, has decreased by not less than 10 percent since 1980.”.

SA 4452. Mr. DORGAN submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 41, between lines 3 and 4, insert the following:

SEC. 1137. REDESIGNATED AREAS.

Section 3(p)(4)(C)(i) of the Small Business Act (15 U.S.C. 632(p)(4)(C)(i)) is amended to read as follows:

“(i) 3 years after the first date on which the Administrator publishes a HUBZone map that is based on the results from the 2010 decennial census; or”.

SA 4453. Mr. THUNE (for himself, Mr. JOHANNIS, Mr. COBURN, Mr. ISAKSON, Mr. INHOFE, and Mr. BOND) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

Strike title III.

SA 4454. Mr. THUNE submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of part IV of subtitle C of title I, add the following:

SEC. 1348. POLICY ON SUPPORT OF COMPETITIVE ENTERPRISE SYSTEM.

(a) FINDING.—Congress finds that the competitive enterprise system, including small business concerns, is—

- (1) characterized by individual freedom and initiative; and
- (2) the primary source of economic strength of the United States.

(b) POLICY.—Section 2 of the Small Business Act (15 U.S.C. 631) is amended by adding at the end the following:

“(k) POLICY ON SUPPORT OF COMPETITIVE ENTERPRISE SYSTEM.—It is the declared policy of Congress that the Federal Government—

- “(1) should support the competitive enterprise system of the United States, including small business concerns;
- “(2) should not compete with the citizens of the United States;
- “(3) should rely on commercial sources to supply the products and services required by the Federal Government; and
- “(4) should avoid starting or carrying out any activity that provides a product or service that can be procured more effectively and efficiently from a nongovernmental source.”.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL
RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a Business Meeting has been scheduled before the Committee on Energy and Natural Resources. The business meeting will be held on Thursday, July 15, 2010, at 10:15 a.m., in room SE-366 of the Dirksen Senate Office Building.

The purpose of the Business Meeting is to consider pending legislation.

For further information, please contact Sam Fowler at (202) 224-7571 or Amanda Kelly at (202) 224-6836.

IMPEACHMENT TRIAL COMMITTEE ON THE ARTICLES
AGAINST JUDGE G. THOMAS PORTEOUS,
JR.

Mrs. McCASKILL. Mr. President, I wish to announce that the Impeachment Trial Committee on the Articles Against Judge G. Thomas Porteous, Jr., will meet on Tuesday, July 13, 2010, at 2:30 p.m. or such other time as may be convenient, to conduct an executive business meeting.

For further information regarding this meeting, please contact Erin Johnson at 202-228-4133.

NATIONAL HISTORICAL PUBLICATIONS
AND RECORDS COMMISSION

Mr. BROWN of Ohio. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 438, S. 2872.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (S. 2872) to authorize appropriations for the National Historical Publications and Records Commission through fiscal year 2014, and for other purposes.

There being no objection the Senate proceeded to consider the bill, which had been reported from the Committee on Homeland Security and Governmental Affairs, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

S. 2872

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION OF APPROPRIATIONS THROUGH FISCAL YEAR 2014 FOR NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION.

Section 2504(g)(1) of title 44, United States Code, is amended—

- (1) in subparagraph (R), by striking “and”;
- (2) in subparagraph (S), by striking the period and inserting “; and”; and
- (3) by adding at the end of the following:

“(T) \$13,000,000 for fiscal year 2010, \$13,500,000 for fiscal year 2011, \$14,000,000 for

fiscal year 2012, \$14,500,000 for fiscal year 2013, and \$15,000,000 for fiscal year 2014.”

“(T) \$10,000,000 for each of fiscal years 2010, 2011, 2012, 2013, and 2014.”.

SEC. 2. INCREASED FLEXIBILITY FOR ARCHIVIST IN THE RECORDS CENTER REVOLVING FUND.

Subsection (d) under the heading “RECORDS CENTER REVOLVING FUND” in title IV of the Independent Agencies Appropriations Act, 2000 (Public Law 106-58; 113 Stat. 460; 44 U.S.C. 2901 note), is amended—

“(1) in paragraph (1), by striking “not to exceed 4 percent” and inserting “determined by the Archivist of the United States”; and

(2) in paragraph (2), by striking “Funds in excess of the 4 percent at the close of each fiscal year” and inserting “Any unobligated and unexpended balances in the Fund that the Archivist of the United States determines to be in excess of those needed for capital equipment or a reasonable operating reserve”.

(1) in paragraph (1), by striking “not to exceed 4 percent” and inserting “not to exceed 10 percent”; and

(2) in paragraph (2), by striking “Funds in excess of the 4 percent at the close of each fiscal year” and inserting “Funds in excess of the 10 percent at the close of each fiscal year”.

SEC. 3. GRANTS FOR ESTABLISHMENT OF STATE AND LOCAL DATABASES FOR RECORDS OF SERVITUDE, EMANCIPATION, AND POST-CIVIL WAR RECONSTRUCTION.

Section 8 of the Presidential Historical Records Preservation Act of 2008 (44 U.S.C. 2504 note) is amended to read as follows:

“SEC. 8. GRANTS FOR ESTABLISHMENT OF STATE AND LOCAL DATABASES FOR RECORDS OF SERVITUDE, EMANCIPATION, AND POST-CIVIL WAR RECONSTRUCTION.

“(a) IN GENERAL.—The Archivist of the United States, after considering the advice and recommendations of the National Historical Publications and Records Commission, may make grants to States, colleges and universities, museums, libraries, and genealogical associations to preserve records and establish electronically searchable databases consisting of local records of servitude, emancipation, and post-Civil War reconstruction.

“(b) MAINTENANCE.—Any database established using a grant under this section shall be maintained by appropriate agencies or institutions designated by the Archivist of the United States.”.

Mr. BROWN of Ohio. Mr. President, I ask unanimous consent that the committee-reported amendments be agreed to, the bill, as amended, be read the third time and passed; that the motions to reconsider be laid upon the table, with no intervening action or debate; that any statements related to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments were agreed to.

The bill (S. 2872), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed.

CORRECTING THE ENROLLMENT OF H.R. 3360

Mr. BROWN of Ohio. Mr. President, I ask unanimous consent that the Sen-

ate proceed to the immediate consideration of H. Con. Res. 289, which was received from the House and is at the desk.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 289) directing the Clerk of the House of Representatives to make a technical correction in the enrollment of H.R. 3360.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. BROWN of Ohio. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to and the motion to reconsider be laid upon the table, with no intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 289) was agreed to.

APPOINTMENT

The PRESIDING OFFICER. The Chair announces, on behalf of the President pro tempore, pursuant to P.L. 110-315, the appointment of the following to be a member of the National Advisory Committee on Institutional Quality and Integrity: Mr. Wildred M. McClay, of Tennessee, vice Michael Poliakov.

Mr. BROWN of Ohio. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BROWN of Ohio. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TUESDAY, JULY 13, 2010

Mr. BROWN of Ohio. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 10 a.m. on Tuesday, July 13; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day; that following any leader remarks, the Senate proceed to a period of morning business, with Senators permitted to speak therein for up to 10 minutes each; and that the Senate recess from 12:30 p.m. until 2:15 p.m. to allow for the weekly caucus meetings.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BROWN of Ohio. Mr. President, tomorrow, the majority leader wishes

to resume consideration of H.R. 5297, the small business jobs bill.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. BROWN of Ohio. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that it adjourn under the previous order.

There being no objection, the Senate, at 6:44 p.m., adjourned until Tuesday, July 13, 2010, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate:

DEPARTMENT OF STATE

ALEXANDER A. ARVIZU, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF ALBANIA.

PAMELA E. BRIDGEWATER AWKARD, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO JAMAICA.

MICHELE THOREN BOND, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE KINGDOM OF LESOTHO.

PAUL W. JONES, OF NEW YORK, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO MALAYSIA.

PHYLLIS MARIE POWERS, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF PANAMA.

FRANCIS JOSEPH RICCIARDONE, JR., OF MASSACHUSETTS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF TURKEY.

DUANE E. WOERTH, OF NEBRASKA, FOR THE RANK OF AMBASSADOR DURING HIS TENURE OF SERVICE AS REPRESENTATIVE OF THE UNITED STATES OF AMERICA ON THE COUNCIL OF THE INTERNATIONAL CIVIL AVIATION ORGANIZATION.

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

NISHA DESAI BISWAL, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT ADMINISTRATOR OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT, VICE JAMES R. KUNDER, RESIGNED.

DEPARTMENT OF STATE

ROBERT P. MIKULAK, OF VIRGINIA, FOR THE RANK OF AMBASSADOR DURING HIS TENURE OF SERVICE AS UNITED STATES REPRESENTATIVE TO THE ORGANIZATION FOR THE PROHIBITION OF CHEMICAL WEAPONS.

DEPARTMENT OF EDUCATION

SEAN P. BUCKLEY, OF NEW YORK, TO BE COMMISSIONER OF EDUCATION STATISTICS FOR A TERM EXPIRING JUNE 21, 2015, VICE MARK S. SCHNEIDER, RESIGNED.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. DOUGLAS H. OWENS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. MICHAEL R. MOELLER

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COL. DAVID G. FOX

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. CHARLES J. LEIDIG, JR.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. WILLIAM E. LANDAY III

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE UNITED STATES MARINE CORPS WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. JOHN E. WISSLER

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY DENTAL CORPS UNDER TITLE 10, U.S.C., SECTIONS 624 AND 3064:

To be lieutenant colonel

SUSAN M. CEBULA
MARIAM A. HAMIDI
KYUNG S. KIM
PHIL J. KIM
ANNE M. MCCARTNEY
RANDY E. MUCCIOLI
RONALD E. PRENZEL
MARK E. RANSCHAEERT
ASTRID A. RECIO
RYAN L. SNYDER
JAE Y. SONG
CATHLEEN A. STERLING
STEPHEN J. VELEZ
LISA N. YARBROUGH

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY MEDICAL CORPS UNDER TITLE 10, U.S.C., SECTIONS 624 AND 3064:

To be lieutenant colonel

JOHN S. AITA
PHILIP A. ALBANEZE
SYED O. ALI
MARK I. ANDERSON
MIKE L. ANDERSON
ALLAN H. ANDREWS
GERARD M. ANTOINE
BRYAN L. BACON
JAY B. BAKER
TIKI BAKHSHI
JEFFREY G. BARNES
KRISTEN M. BAUER
MICHAEL D. BECKER
DAVID G. BELL
TAMARA L. BIEGA
TIMOTHY J. BIEGA
DUSTIN L. BOYER
TIMOTHY C. BRAND
MILLARD D. BROWN III
LISABETH A. BUSH
ANDREW P. CAP
DIMITRI C. CASSIMATIS
MICKEY S. CHO
KEVIN K. CHUNG
PATRICK B. COOPER
MARK S. CRAGO
HOWARD L. CURLIN
HEATHER M. CURRIER
KIMBERLY M. DEVORE
ROGER H. DUDA
GARY W. DUFRESNE
SCOTT A. EADER
DAWN E. ELLIOTT
ANTHONY J. FADELL
ERIC P. FILLMAN
BRIAN T. FOGARTY
ANDREW J. FOSTER
GREGG G. GERASIMON
LEONARD J. GRADO
JANE GROSS
JENNIFER M. GURNEY
CHARLES G. HAISLIP
JILL C. HASLING
JOSHUA S. HAWLEY
JAMES R. HEMPEL
ROBERTO HENNESSY
SANDRA L. HERNANDEZ
PATRICK W. HICKEY
JASON M. HILES
AARON Z. HOOVER
CHRISTOPHER H. HOYT

LINDA L. HUFFER
MARC A. HULTQUIST
ABEL D. JARELL
SEAN P. JAVAHERI
MATTHEW R. JEZIOR
ERIC K. JOHNSON
JASON M. JOHNSON
JOSEPH P. JOHNSON
GLENN J. KERR
DAVID J. KERSBERGEN
CATHERINE A. KIMBALLEYRS
SOO H. KIMDELIO
JOHN T. KOLISNYK
KENNETH D. KUHN
MARTIN L. LADWIG
SAMARA A. LAYNOR
KEVIN J. LEARY
JAMES R. LEE
JOSEPH C. LEE
KEITH M. LEMMON
DEREK R. LINKLATER
PHILIP D. LITTLEFIELD
RICHARD C. LIU
HUY Q. LUU
CRAIG L. MADDOX
MICHAEL B. MADKINS
PAMELA M. MALLARI
SALIM B. MATHEW
LISA M. MAXWELL
MATTHEW M. MAYFIELD
JAMES S. MCCLELLAN, JR.
BRUCE M. MCCLENATHAN
REBECCA M. MCGUIGAN
ROBERT MEADOWS
JON H. MEYERLE
MARK W. MEYERMANN
JEFFREY A. MIKITA
JOEL T. MONCUR
CHRISTOPHER H. MOON
ANTHONY J. MORTON
VISETH NGAUY
HANG T. NGUYEN
VIET N. NGUYEN
JOSEPH J. NOVACK III
PETER ORIO
SHANE E. OTTMANN
RAUL G. PALACIOS
JASON A. PATES
THOMAS P. POEPPING
PATRICK J. POLLOCK
MARCUS C. PONCE DE LEON
MARK D. PORTER
GORDON PRAIRIE
LOUIS M. RADNOTHY
MARY L. REED
MARK E. REYNOLDS
JOHN L. RITTER
BRUCE A. RIVERS
CHRISTOPHER J. ROACH
BRIAN D. ROBERTSON
STEVEN J. ROGERS, JR.
PAUL M. RYAN
AARON A. SAGUIL
RUBEN SALINAS, JR.
ELIZABETH M. SAWYER
SHAWNA E. SCULLY
CRAIG S. SEE
MARK F. SEWELL
JOHN H. SHERNER III
MATTHEW W. SHORT
PATRICIA A. SHORT
MICHAEL SIMPSON
EUGENE K. SOH
BRYONY W. SOLTIS
DOMINIC L. STORTO
MATTHEW A. STUDER
THOMAS L. SUTTON
MICHAEL J. TARPEY
RENEE THAI
SARO VERGHESE
EDUARDO M. VIDAL
TODD C. VILLINES
KAREN S. VOGT
RODNEY C. WADLEY
MELVIN E. WAGNER
CHRISTOPHER H. WARNER
DANIEL S. WASHBURN
MICHAEL B. WATTO
THOMAS J. WEBER
WILLIAM B. WEISS
DANIEL M. WENZELL
ERIC H. WEPPLER
JOHN L. WESTHOFF II
JEAN S. WHITTEN
TANYA M. WROBLEWSKI
BRADLEY N. YOUNGGREN

IN THE NAVY

THE FOLLOWING NAMED INDIVIDUALS FOR APPOINTMENT TO THE GRADE INDICATED IN THE REGULAR NAVY UNDER TITLE 10, U.S.C., SECTION 531:

To be lieutenant commander

JASON L. RICH
BRUNO A. SCHMITZ

THE FOLLOWING NAMED INDIVIDUALS FOR APPOINTMENT TO THE GRADE INDICATED IN THE REGULAR NAVY UNDER TITLE 10, U.S.C., SECTION 531:

To be lieutenant commander

WENDY C. GAZA

CONFIRMATION

THE JUDICIARY

Executive nomination confirmed by
the Senate Monday, July 12, 2010:

SHARON JOHNSON COLEMAN, OF ILLINOIS, TO BE
UNITED STATES DISTRICT JUDGE FOR THE NORTHERN
DISTRICT OF ILLINOIS.

EXTENSIONS OF REMARKS

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, July 13, 2010 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED
JULY 14

9:30 a.m.

Foreign Relations

To hold closed hearings to examine Treaty between the United States of America and the Russian Federation on Measures for the Further Reduction and Limitation of Strategic Offensive Arms, signed in Prague on April 8, 2010, with Protocol (Treaty Doc. 111-05).

SVC-217

Veterans' Affairs

To hold hearings to examine veterans' claims processing, focusing on if current efforts are working.

SR-418

10 a.m.

Judiciary

Crime and Drugs Subcommittee

To hold hearings to examine S. 2930, to deter terrorism, provide justice for victims.

SD-226

Finance

To hold hearings to examine the future of individual tax rates, focusing on effects on economic growth and distribution.

SD-215

Commission on Security and Cooperation in Europe

To hold hearings to examine the future outlook for the annual Trafficking in Persons (TIP) Report prepared by the United States Department of State and help facilitate greater use of the report as a valuable tool of diplomacy.

SVC-203/202

2 p.m.

Foreign Relations

To hold hearings to examine Afghanistan, focusing on governance and civilian strategy.

SD-419

Joint Economic Committee

To hold hearings to examine the economic outlook.

SD-106

2:30 p.m.

Armed Services

To receive a briefing on the National Intelligence Estimate on the verifiability of the New START.

SVC-217

3 p.m.

Finance

International Trade, Customs, and Global Competitiveness Subcommittee

To hold hearings to examine marine wealth, focusing on promoting conservation and advancing American exports.

SD-215

3:30 p.m.

Energy and Natural Resources

Water and Power Subcommittee

To hold an oversight hearing to examine the Federal response to the discovery of the aquatic invasive species Asian carp in Lake Calumet, Illinois.

SD-366

4 p.m.

Judiciary

To hold hearings to examine certain nominations.

SD-226

JULY 15

9:30 a.m.

Armed Services

To hold hearings to examine sustaining nuclear weapons under the New START; to be immediately followed by a closed hearing in SVC-217.

SD-106

10 a.m.

Banking, Housing, and Urban Affairs

To hold hearings to examine the nominations of Janet L. Yellen, of California, to be Vice Chairman of the Board of Governors of the Federal Reserve System, Peter A. Diamond, of Massachusetts, Sarah Bloom Raskin, of Maryland, all to be a Member of the Board of Governors of the Federal Reserve System, Osvaldo Luis Gratacs Munet, of Puerto Rico, to be Inspector General, Export-Import Bank, and Steve A. Linick, of Virginia, to be Inspector General of the Federal Housing Finance Agency.

SD-538

Budget

To hold hearings with the Task Force on Government Performance to examine responsible contracting, focusing on modernizing the business of government.

SD-608

Commerce, Science, and Transportation

Business meeting to consider S. 3304, to increase the access of persons with disabilities to modern communications,

an original bill entitled the NASA Authorization Act of 2011, an original bill entitled Maritime Administration Act of Fiscal Year 2011, and a promotion list in the United States Coast Guard.

SR-253

Homeland Security and Governmental Affairs

Federal Financial Management, Government Information, Federal Services, and International Security Subcommittee

To hold hearings to examine preventing and recovering Medicare payment errors.

SD-342

Finance

To hold hearings to examine choosing to work during retirement and the impact on Social Security.

SD-215

10:15 a.m.

Energy and Natural Resources

Business meeting to consider pending calendar business.

SD-366

2 p.m.

Commerce, Science, and Transportation

Consumer Protection, Product Safety, and Insurance Subcommittee

To hold hearings to examine protecting youths in an online world.

SR-253

2:30 p.m.

Foreign Relations

To continue hearings to examine Treaty between the United States of America and the Russian Federation on Measures for the Further Reduction and Limitation of Strategic Offensive Arms, signed in Prague on April 8, 2010, with Protocol (Treaty Doc. 111-05), focusing on maintaining a safe, secure and effective nuclear arsenal.

SD-419

Homeland Security and Governmental Affairs

Oversight of Government Management, the Federal Workforce, and the District of Columbia Subcommittee

To hold hearings to examine the Federal government's role in empowering Americans to make informed financial decisions.

SD-342

Armed Services

SeaPower Subcommittee

Strategic Forces Subcommittee

To receive a briefing on the Navy's plans for the next generation Ohio class ballistic missile submarine.

SVC-217

Intelligence

To hold closed hearings to consider certain intelligence matters.

SH-219

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

<p>JULY 20</p> <p>10 a.m. Banking, Housing, and Urban Affairs Security and International Trade and Finance Subcommittee To hold hearings to examine continuing oversight on international cooperation to modernize financial regulation. SD-538</p>	<p>JULY 22</p> <p>10 a.m. Health, Education, Labor, and Pensions Employment and Workplace Safety Subcommittee To hold hearings to examine workplace safety and worker protections at BP. SD-430</p> <p>2:30 p.m. Homeland Security and Governmental Affairs Federal Financial Management, Government Information, Federal Services, and International Security Subcommittee To resume hearings to examine the Gulf of Mexico oil spill, focusing on ensuring a financially responsible recovery. SD-342</p>	<p>the Federal government's foreign language capabilities. SD-342</p> <p>AUGUST 5</p> <p>9:30 a.m. Veterans' Affairs Business meeting to consider pending calendar business. SR-418</p>
<p>JULY 21</p> <p>9:30 a.m. Veterans' Affairs To hold hearings to examine improvements to the post-9/11 Government Issue (GI) Bill. SR-418</p> <p>10 a.m. Homeland Security and Governmental Affairs To resume hearings to examine nuclear terrorism, focusing on strengthening our domestic defenses. SD-342</p>	<p>JULY 29</p> <p>2:30 p.m. Homeland Security and Governmental Affairs Oversight of Government Management, the Federal Workforce, and the District of Columbia Subcommittee To hold hearings to examine closing the language gap, focusing on improving</p>	<p>SEPTEMBER 22</p> <p>9:30 a.m. Veterans' Affairs To hold hearings to examine a legislative presentation focusing on the American Legion. 345, Cannon Building</p> <p>SEPTEMBER 23</p> <p>9:30 a.m. Veterans' Affairs To hold an oversight hearing to examine Veterans' Affairs disability compensation, focusing on presumptive disability decision-making. SR-418</p>

SENATE—Tuesday, July 13, 2010

The Senate met at 10 a.m. and was called to order by the Honorable JEANNE SHAHEEN, a Senator from the State of New Hampshire.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Merciful God, sustainer of our lives, provide for all the needs of our lawmakers. Give them strength for struggles and successes, for shadows and sunshine, for valleys and mountain summits. Awaken in all of us a fresh appreciation for this great land, inspiring us to keep alive a real sense of freedom.

Lord, thank You for our Nation's Founders, for their ideals and principles. We are grateful also for the long line of patriots who have kept freedom's flame burning brightly. As American citizens, give us a love for righteousness so that, receiving Your grace, we may bless the world for the praise of Your glory.

We pray in Your sacred Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JEANNE SHAHEEN led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. INOUE).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 13, 2010.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JEANNE SHAHEEN, a Senator from the State of New Hampshire, to perform the duties of the Chair.

DANIEL K. INOUE,
President pro tempore.

Mrs. SHAHEEN thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. REID. Madam President, following leader remarks, the Senate will proceed to a period of morning business. Senators will be allowed to speak for up to 10 minutes each. That will be until 12:30 today.

ORDER OF PROCEDURE

I ask unanimous consent that the Republicans control the first 30 minutes and the majority control the next 30 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REID. Madam President, today I hope we can return to the small business jobs bill. I am confident amendments should already have been exchanged. We are in a difficult situation. It is a tax bill. We can go back and look through many Congresses in the past. Whenever we get close to an election, there is a tax bill on the floor, so we have to be very careful how the amendment process works. I hope we can move forward in good faith, have amendments offered by each side. I have had calls from two Republican Senators wanting to move forward on this bill. I hope we can do that. The fact that the so-called tree is filled should not bar any constructive consideration of this legislation. There is no effort being made to stop amendments, other than amendments that will get us into areas we need not get into. This is a bill to promote jobs through small business, where most jobs are created. I hope we can do that. I also expect to consider the Wall Street reform conference report sometime later in the day.

ORDER FOR PRINTING OF SENATE PRAYER

Mr. REID. Madam President, I ask unanimous consent that the prayer delivered by our Senate Chaplain on Thursday, July 1, when the Senate gathered to remember Senator Robert C. Byrd, be printed in the RECORD and as a part of the memorial book of Senate tributes.

There being no objection, the prayer was ordered to be printed in the RECORD, as follows:

PRAYER FOR SENATOR ROBERT C. BYRD
(By Dr. Barry C. Black, Thursday, July 1, 2010)

Let us pray.

God our refuge and strength, close at hand in distress and giver of all comforts, we thank You for giving us the gift of Senator Robert Carlyle Byrd. Lord, we appreciate his wit and wisdom, his stories and music, as well as his indefatigable commitment to the

principles of freedom that make America great. Thank You for blessing us with his passion for history and his willingness to challenge conventional wisdom in his quest to keep our Nation strong. Deal graciously with all who mourn, that, casting every care on You, we may know the consolation of Your love.

Lord, comfort Mona and Marjorie and all of Senator Byrd's loved ones, dispelling their fears with Your love, easing their loneliness with Your presence, and renewing their hopes with Your promises.

In Your mercy turn the darkness of death into the dawn of new life, and the sorrow of parting into the joy of heaven.

We pray in Your Holy Name. Amen.

Mr. REID. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BARRASSO. I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

Mr. BARRASSO. I ask unanimous consent to speak for up to 30 minutes in a colloquy with a number of colleagues.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

APPOINTMENT OF DR. DONALD BERWICK

Mr. BARRASSO. Madam President, I rise to discuss a recess appointment made last week when many of us were traveling to visit with constituents to talk about the issues of the day.

During that time, I was in Wyoming, and one of the main issues brought up at senior centers was the appointment by the President of Dr. Donald Berwick to be the head of Medicare and Medicaid. I heard the concerns of these folks because of statements Dr. Berwick had made about the British health care system and his love of the National Health Service in England.

They are concerned as to how this gentleman, who has taken positions and made a number of statements, would run Medicare and Medicaid. Specifically, they had concerns because they had heard his statement:

The decision is not whether or not we will ration. The decision is whether we will ration with our eyes open.

Seniors around the State were concerned about what this means. Then to hear that the President made a decision to do a recess appointment of this very individual, without hearings in the Congress, without an opportunity for the American people to hear specifically his response to questions we might have—is this what the American people want? Absolutely not. We have a President who campaigned on a pledge of accountability and transparency. To me, this makes a mockery of that pledge because this nominee will not have to answer questions about statements he has made.

I see my colleague from Arizona, a State where people on Medicare are concerned, where we have many seniors, a State with a Medicaid population that will be impacted. Yet we now have a director of Medicaid and Medicare, finally named by the President after a full year of debate on a health care law that cut \$500 billion from seniors on Medicare and crammed 16 million more Americans onto Medicaid, a program that is currently very broken. I say to my colleague from Arizona, my goodness, the impact on the folks in Arizona is astonishing.

There was an article today in one of the papers that talks about a Medicaid stalemate. They talk about his home State of Arizona. They say Arizona has had to cut about a dozen benefits from its Medicaid Program, including hearing aids, podiatrist services, capped physical therapy visits. Yet there was nobody in charge of Medicaid when the President and the Democrats in this body said: Hey, don't worry. We are going the cram another 16 million more Americans onto Medicaid—a system we know is broken.

So I turn to my colleague from Arizona and ask him his thoughts on this recess appointment at a time when seniors and folks around the country are concerned about the debt, the deficit, the economy, and now we are seeing the President making a mockery of his previous comments about accountability and transparency.

Mr. MCCAIN. Could I say to my friend, I think this issue is an alarming and disturbing one—perhaps one of the most disturbing, for two reasons: One is that this nomination had not even gone through the earliest stages of scrutiny by the relevant committee, not to mention the entire Senate; and the other, of course, is the individual himself who was being nominated, who could only be viewed as extreme, especially concerning many of his com-

ments. One of his greatest rhetorical hits is: “any health-care funding plan that is just, equitable, civilized and humane must—must—redistribute wealth from the richer among us to the poorer and less fortunate.” That in itself is a remarkable statement.

But I wish to, for a second, with my friend, Dr. BARRASSO, go back to this process. The fact is, our colleagues on the other side of the aisle blocked for over 2 years the nomination for this position by President Bush, and this nomination was barely 3 months old. He had not even filled out the questionnaire, much less attend a hearing. So the rationale used by the administration was: Well, the Republicans are going to block it. Well, we may have. And given the comments and record of Sir Donald—he is a knight, I understand, knighted by Queen Elizabeth—well, the comments by Sir Donald certainly do give one extreme pause. But shouldn't we at least go through the process of the hearing?

I have been around here a long time, and I have not paid attention to every nominee and the process they have been through, but I cannot remember a time where blocking the nomination took place—or announcement of preventing the nomination from moving forward was done before a hearing took place, or even the questionnaire.

In fact, I was very interested to see the comment of the chairman of the Finance Committee, under whose supervision in his committee this nomination would go through. I quote Senator BAUCUS:

I'm troubled that, rather than going through the standard nomination process, Dr. Berwick was recess appointed. Senate confirmation of presidential appointees is an essential process prescribed by the Constitution that serves as a check on executive power and protects Montanans and all Americans by ensuring that crucial questions are asked of the nominee—and answered.

So not a single question was asked of the nominee, much less answered. And, of course, I understand. Having been a committee chairman myself, I will take great umbrage of my party, the President, or the other party that the process was completely bypassed. Because the Senate has the responsibility of advice and consent. And over time, I must admit that both Republican and Democrat administrations have abused the recess appointment process. Yes, they have abused it. But I must say, this takes it to a new high or low depending on which way you view it.

We have now seen in this administration the appointment of various “czars,” people given responsibilities over vast areas of government as “czars.” They have got more czars than the Romanoffs. So this is another step, in my view, of incursion and encroachment by the executive branch on the legislative branch, a coequal branch of government. So that in itself is extremely disturbing.

Are we going to have nominations made—an announcement of those nominations, and then automatically are we going to have “recess” appointments made? What was the hurry? There is going to be another recess in August. There is going to be another recess in October, unless we go out for elections. But yet in their zeal and haste, they had to do it over the Fourth of July recess.

I tell you, my friends, this is more than just one individual. This is a gradual and steady erosion of the responsibilities of the Senate of the United States called advice and consent, which can set dangerous precedence for the future. I say to this administration, and my friends on the other side of the aisle—and I appreciate the comments of the chairman of the Finance Committee—if we allow this to go on, it will hurt the Senate as an institution, not just Republicans, not just Democrats, but it will hurt this institution, if we allow, unresponded to, a situation where a nominee—his name comes over, and not even a hearing, not even a question is asked—and immediately that nominee is recess appointed, which means they are in a position of enormous power and authority for a long period of time. And this appointment—this appointment—has enormous consequences in light of the passage of the most sweeping overhaul of the health care system in America, having just taken place over our obviously strenuous objections.

But it happened. Now the individual in charge, the individual who will bear great responsibilities, has not answered a single question posed by Members of this body on either side.

I say to my colleagues, this is a dangerous precedent and one that should not go unresponded to by either Democrat or Republican because of our responsibilities as a coequal branch of government. I see my colleague, the Republican leader.

Mr. MCCONNELL. I say to my colleague from Arizona, I just came on to the floor and am not quite certain what happened earlier in this colloquy, but there is no doubt about it that they did not want Dr. Berwick's name to surface during the health care debate. They did not want any questions asked of him in public. We have had recess appointments, of course, by Presidents of both parties. Typically, they have gone through a hearing, a committee vote, and end up out here on the calendar so that at least there was some exposure to the nominee's views.

What we do know about this nominee is what he has said in the past about the British health care system. It is stunning that anybody in this country could look at the national health service in England and decide they were in love with it. So I would say to my friend from Arizona, and my friends from Wyoming and South Dakota,

there is no question what they were up to here. They wanted to sneak this guy through with a minimum amount of exposure.

Mr. MCCAIN. Could I mention to my friend that even one of our not so strong allies from the Washington Post, Ruth Marcus, wrote a column saying:

There are legitimate explanations for Berwick's more incendiary comments on health care. It's too bad he didn't get to offer them. A cynic—who, me?—might think that the administration simply preferred not to suffer the political downside of a public airing.

A cynic might wonder, with Arkansas Democrat Blanche Lincoln facing a tough reelection fight, whether Berwick could even get through committee on a party-line vote. A cynic might think that the last thing Senate Majority Leader Harry Reid wanted before the election was a floor fight about rationing health care.

A cynic might look at the White House explanation—that it was urgent for CMS, without a confirmed administrator since 2006, to have a leader—and ask: Then why did you dither for 15 months before nominating someone?

In announcing the appointment, the president complained that “many in Congress have decided to delay critical nominations for political purposes.” True, but where’s the evidence of delay in Berwick’s case? You can’t fairly accuse the other side of political gamesmanship when you short-circuit the process and storm off the court before the first set.

“To some degree, he’s damaged goods,” then-Sen. Barack Obama said in 2005 about John Bolton’s recess appointment as United Nations ambassador.

Would the president say the same about Berwick?

An excellent column.

Mr. MCCONNELL And that was Ruth Marcus.

Mr. MCCAIN. I think it puts it pretty well. But none of us, of course, being cynics, would accept such an explanation by a columnist from the Washington Post.

I see my colleague from South Dakota.

Mr. THUNE. I would say to my friend from Arizona and to the leader that a cynic might also raise the issue of why it took the President 454 days to nominate Donald Berwick and then have a lot of his surrogates go on in front of the media and say: We had to do this because we needed to get this position filled. Madam President, 454 days—if this position was so critical and so important to this country, you would think they would have moved in a more expeditious fashion to get a nominee out there. They did not even have a hearing in front of the committee.

They could have had a hearing. They could have had a vote at the committee level. They could have brought him to the floor. They did not do any of those things that would be called for in the regular order because, as I think the Senator from Kentucky has pointed out, they did not want to take a tough political vote.

When you look at this man’s record and the things he has said about the British health care system and some of the other comments he has made—I want to point out something here too which I thought was sort of interesting because he is going to be called upon to implement a 2,700-page bill, which, when the regulations are written, is going to be thousands and thousands of pages, not to mention the fact that as we debated this on the floor of the Senate, it ended up being about \$1 trillion, and when fully implemented \$2.5 trillion. So he has trillions of dollars under his jurisdiction. He has a 2,700-page bill that he is going to implement. And he came out and said:

I don’t feel like a leader, so it’s very hard for me to project myself into that situation. But inattention to detail is my biggest defect. I’m always leaning forward into something new. I can create a mess. Luckily, I have people who are willing to create the detail around the idea or, if they’re really smart, know which ideas to ignore.

He is basically saying he is not a detail guy, and yet this massive new health care program, which is literally going to be thousands of pages, including regulations—and 2,700 pages, as I mentioned, in terms of the legislation itself—he will be called upon to implement it. And he has a vision clearly that the model he supports is the British health care system, the national health care system, which, as we all know, countries in Europe are moving away from. Why we would be moving in that direction, and why they would appoint somebody like this to this important position defies explanation.

But, more importantly, I think, as well, is they could have done this in the regular way. He could have come before the Senate and answered questions as any other nominee would. He should have had a hearing where he was able to respond to some of these statements he has made in the past. Yet they chose to do it in this way, with a recess appointment, notwithstanding the fact that it was 454 days before they put his name forward for nomination, and since that time 79 days, and they are blaming the Congress, and they are blaming the Republicans specifically for not moving this nomination, when, in fact, it was the President and his administration who waited that long to put somebody in this position.

Mr. MCCAIN. Could I ask the Republican leader a question. He has been around here a fair amount of time, as I have. I ask the Republican leader, has he ever heard of or recalled of a nominee who was recess appointed without even the questionnaire from the relevant committee of oversight being responded to or a hearing before that committee? For the life of me, I cannot recall that.

Mr. MCCONNELL. I say to my friend from Arizona, I do not know the answer to that. But we do know it was a curi-

ous, maybe not totally unprecedented but certainly unusual situation where a nominee is subjected to so little scrutiny and oversight—no questions, no opportunity to testify. This is a truly unusual situation. I think we know the answer as to why. This guy is in favor of rationing health care—openly, unabashedly, an advocate of rationing health care. I do not think they wanted to have him have to answer the questions. He may not have been very good at details, I say to my friend from South Dakota, but he got the big picture. And the big picture in his mind is:

The decision is not whether or not we will ration care—the decision is whether we will ration with our eyes [wide] open.

That is what he intends to do.

Mr. MCCAIN. So a nominee whose clear philosophy of record indicates redistribution of wealth, as he describes it, and a use of health care in a way that includes greater and greater “leveling of the small distribution of income in America”—does that give us some indication of the real intentions of the administration when they proposed health care reform in this package, despite the statements made by the President that if you like the health insurance policy you have, you can keep it; there will be no tax increases for people below \$250,000, et cetera? Does this appointment of an individual with a clear-cut philosophy that this is a way to redistribute wealth in America indicate that maybe the real—again, not being a cynic, but would give us some idea of a real intent of this “health care reform” we resisted so strenuously for more than a year?

Mr. MCCONNELL. I think my friend from Arizona has it exactly right. Every single Member of the Democratic Party in the Senate voted for a bill that is going to impose \$500 billion of Medicare cuts over the next 10 years.

We have a physician, fortunately, in the Senate: Dr. BARRASSO. He intends to reach that target, does he not, I would inquire of my friend from Wyoming, by rationing health care?

Mr. BARRASSO. Madam President, I believe the President of the United States, I say to my colleague and friend, now has what he wants: his health care rationing czar—not someone approved by the Senate but someone he has appointed and put into place without an open hearing.

It is so interesting, as my colleagues from Arizona and South Dakota talk about, that the failings of the British health care system—a system that Dr. Berwick says, “I am romantic about; I love it; it is a national treasure, a global treasure,” but then the headline today is: “U.K. Will Revamp Its Health Service.” It says: Health care experts called the plan one of the biggest shakeups in the national health service’s 62-year history. Its new coalition

government in Britain, grappling with weak public finances and rising health care costs, announced an overhaul of the state-funded health system that it said would put more power in the hands of the doctors and involves cutting huge swaths of bureaucracy.

This is at a time when we have just in this country passed not what we voted for but what the Democrats and the President voted for: a bill that increases the bureaucracy, including \$10 billion for Internal Revenue Service agents and higher and higher numbers of government workers and bureaucrats taking power away from the doctors, away from the patients. Now it is government-centered health care at a time when Britain is moving away from it, and the person the President of the United States has put in as his health care rationing czar is someone who calls that approach a national treasure; cutting \$500 billion from our seniors depending on that for Medicare, not to save Medicare but to start a whole new government program.

Britain is trying to revamp because they know that someone with cancer in the United States has a much better chance of survival than somebody in Britain. It is not because our doctors are better in the United States—and I have practiced medicine in Wyoming for 25 years—it is because people get care in the United States that is delayed and therefore denied in Britain. But Dr. Berwick is romantic. He has fallen in love with that national health service, a service that is not good for patients, and it is not good for providers.

I see my friend from South Dakota, another rural community and State. I am sure he is seeing and hearing the same things from his seniors there, their concerns about what is going to happen to the cost of their care, the quality of their care, and the availability of the care, especially with Dr. Berwick now in charge.

Mr. THUNE. The Senator from Wyoming knows full well how difficult it is to deliver health care in rural areas. Being a physician himself, he knows the challenges we face.

It seems to me that notwithstanding the comments to the contrary, we have to look at what people do. In this case, what the administration has done is appointed somebody to run this massive new health care program who clearly is on the record by his previous statements in favor of redistribution of wealth, in favor of rationing of health care, in favor of government-run health care. He is romantic about the British national health system, which, as the Senator from Wyoming mentioned, is having all kinds of complications and problems, including runaway costs, and now they are trying to figure out how to move away from it. The problem they have is that 1.6 million people are employed by the British national

health system, a huge employer in their country, so the economic impact, the political impact of making changes in that system is very difficult. That being said, it doesn't seem as though they have any choice because they are facing such difficult fiscal circumstances in their country and they are seeing these runaway health care costs contributing in a very significant way to that.

So it seems to me, at least, that what we have done here with this massive health care bill passing in the U.S. Congress—\$2.5 trillion when it is fully implemented over a 10-year period—what we are already seeing now is the Actuary at CMS coming out and saying it is going to bend the cost curve up and it is going to cost considerably more above and beyond the normal year-over-year inflationary increases in health care Americans have already been seeing. Then we also have the CBO now coming out and saying it is not going to achieve the deficit savings that were advertised here on the floor when we had the debate. There is all this information coming out which validates the argument we were making at the time, and that is that we don't want to move toward the government-run health care system that rations care. Then they put somebody in charge who believes in redistribution of wealth, rationing of health care, government-run health care—all things we argue this would lead us toward. Clearly, the administration really shows their hand when they appoint someone such as this to run this important, comprehensive, wide-reaching, and expensive bureaucratic program that very much will resemble, in terms of the model, what they are doing in Britain, which Britain is moving away from.

Mr. MCCAIN. Madam President, I ask unanimous consent to have printed in the RECORD the Wall Street Journal editorial of July 12, 2010, entitled "Who Pays for ObamaCare? What Donald Berwick and Joe the Plumber both understand."

I have some relationship to Joe the Plumber, not to Donald Berwick.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Editorial
July 12, 2010]

WHO PAYS FOR OBAMACARE?

WHAT DONALD BERWICK AND JOE THE PLUMBER
BOTH UNDERSTAND

Among Donald Berwick's greatest rhetorical hits is this one: "any health-care funding plan that is just, equitable, civilized and humane must—must—redistribute wealth from the richer among us to the poorer and less fortunate." Count that as one more reason that President Obama made Dr. Berwick a recess appointee to run Medicare and Medicaid rather than have this philosophy debated in the Senate.

We are also learning that "spreading the wealth," as Mr. Obama famously told Joe

the Plumber in 2008, is the silent intellectual and political foundation of ObamaCare. We say silent because Democrats never admitted this while the bill was moving through Congress.

But only days after the bill passed, Senate Finance Chairman Max Baucus exulted that it would result in "a leveling" of the "maldistribution of income in America," adding that "The wealthy are getting way, way too wealthy, and the middle-income class is left behind." David Leonhardt of the New York Times, who channels White House budget director Peter Orszag, also cheered after the bill passed that ObamaCare is "the federal government's biggest attack on economic inequality" in generations.

An April analysis by Patrick Fleenor and Gerald Prante of the Tax Foundation reveals how right they are. ObamaCare's new "health-care funding plan" will shift some \$104 billion in 2016 to Americans in the bottom half of the income distribution from those in the top half. The wealth transfer will be even larger in future years. While every income group sees a direct or indirect tax increase, everyone below the 50th income percentile comes out a net beneficiary.

At least at the start, Americans in the 50th through 80th income percentiles—or those earning between \$99,000 to \$158,000—are nearly beneficiaries too, if not for the taxes on insurers, drug makers and other businesses that will be passed on to everyone as higher health costs. This group will eventually get soaked even more—probably through a value-added tax—once ObamaCare's costs explode. But at the beginning the biggest losers are the upper middle class, especially the top 10% of income earners, mainly because a 3.8% Medicare "payroll" tax surcharge will now apply to investment income. ObamaCare, in short, is almost certainly the largest wealth transfer in American history.

Distributional analyses like the Tax Foundation's are usually staples in any Beltway policy debate, especially when Republicans want to cut taxes. Yet aside from this or that provision, none of the outfits that usually report for this duty—the Tax Policy Center of the Brookings Institution and Urban Institute, the Center for Budget and Policy Priorities—have attempted to estimate the full incidence of ObamaCare's taxes and subsidies.

In part this may be because ObamaCare is such a complex rewrite of health, tax, welfare and labor laws. But it's also embarrassing to liberals that much of ObamaCare's redistribution will merely move income to the lower middle class from the upper middle class, and the President habitually promises that people earning under \$200,000 will be exempt from his tax increases. We now know they won't be.

With his vast new powers over what government spends, Dr. Berwick will be well situated to equalize outcomes even more, and he certainly seems inclined to do so. The most charitable reading of his redistribution remarks, delivered in a 2008 London speech, is that any health insurance system will involve some degree of redistribution to the "less fortunate," that is, to the sick from the healthy.

Yet Dr. Berwick made those comments in the context of a larger, and bitter, indictment of the U.S. health system, even though the huge public programs he will run already account for about half of all national health spending. From his point of view this isn't enough. And his main stance was that individual clinical choices must be subordinated to government central planning to serve his

view of social justice and health care guaranteed by the state.

The great irony is that this sort of enforced egalitarianism imposes higher taxes and other policies that reduce the total stock of wealth and leave less for Dr. Berwick to redistribute. Economic growth has been by far the most important factor in improving health and longevity, especially for those whom Dr. Berwick calls “the poorer and less fortunate.”

Americans have learned the hard way over the past two years that this Administration believes in wealth redistribution first, economic growth second. Or as Dr. Berwick also put it in his wealth-redistribution speech, it is crucial not to have to rely on “the darkness of private enterprise.”

Mr. MCCAIN. Madam President, I will quote the important part of the Wall Street Journal editorial, speaking of Dr. Berwick, Sir Donald:

With his vast new powers over what government spends, Dr. Berwick will be well situated to equalize outcomes even more, and he certainly seems inclined to do so. The most charitable reading of his redistribution remarks, delivered in a 2008 London speech, is that any health insurance system will involve some degree of redistribution to the “less fortunate,” that is, to the sick from the healthy.

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That is an individual who is now going to oversee over half the health care provided in America who believes that “the darkness of private enterprise” should not be relied on.

So I wish to say to my friends again, there are two issues here of great concern: the individual himself, his record, and what he clearly intends for the finest health care system in America—not on restraining costs but obviously a redistribution of wealth; second, this entire process of an individual not even filling out a questionnaire—a nominee—or any semblance of a hearing before the relevant committee before a “recess” appointment is made. This is an erosion of the constitutional responsibilities of advice and consent of the Senate.

Mr. THUNE. Madam President, if the Senator from Arizona will yield, just to

put a final point on that, again, 454 days before the administration put forward this nominee, there have been 79 days since, and they are blaming Republicans for holding up this nominee—again, notwithstanding the fact that it was 454 days before they ever put it forward. If we don't have a hearing and he doesn't have to come in and answer questions about these at least what I would characterize as outlandish statements, again, it is an abrogation of the responsibility the administration has of working with the Senate, the Senate's power of advice and consent, to at least have a hearing, to at least have a vote, to at least have some public discussion about this gentleman's qualifications and his attributes with regard to this important position to which they are going to appoint him.

I wish to point out as well that there is one other example of this. The TSA Administrator, which is another very important job, by the time they actually got somebody submitted who could be acted upon here in the Senate, 482 days had lapsed. It was 521 days when the new TSA Administrator was finally approved, but we went 240 days when the post was vacant, from the time the post was vacated in January of 2009 until they appointed their first nominee, who then had to withdraw because of problems. Then they appointed somebody else who withdrew because of problems. They finally submitted somebody who was actually approved, but it took 521 days. That is not us. That is not the Republicans in the Senate holding things up, nor is it the case with Berwick's nomination where 454 days lapsed before the administration put his name forward. Then they just quickly, without giving us an opportunity—the Senate an opportunity—to do our job recess-appointed him to a position where he is going to be responsible for thousands of employees, obviously billions and trillions of dollars when it comes to the health care delivery in this country, and that is very unfortunate.

So, as the Senator from Arizona has pointed out, it is partly about this gentleman and what he stands for and what he intends to do with this position, but it is also the process by which he was actually put into this position and how it completely short-circuited and bypassed what is regular order and what should be under our Constitution the responsibility of the Senate to provide advice and consent.

Mr. BARRASSO. Madam President, if I could just ask my colleague, talking about the Constitution and how we as Americans see ourselves, Senator MCCAIN just quoted a comment made by Dr. Berwick about the darkness of private enterprise. Dr. Berwick coauthored a book called “New Rules.” In it, he argues that one of the primary functions of health regulation is to constrain decentralized, individual de-

cisionmaking—constrain individual decisionmaking—and to weigh public welfare against the choices of private consumers. I mean, could anything fly further in the face of what Americans believe? The decisions, the choices of private consumers—that is how we make decisions in America. That is what I recommend for patients: Make your individual choice. What is best for you? How to help keep down the cost of your care; prevention, coordinating care; working and making smart choices for you as an individual. Who knows better? Who knows better how to spend your money? You do. Who knows better how to make choices for your life? You do.

That is not what Dr. Berwick is saying in this book, “New Rules.” It is to weigh public welfare against the choices of private consumers.

So I inquire of my colleague from South Dakota, what would people from South Dakota think about that? This is somebody who is saying: Government knows better than you do. People of Wyoming have never felt that way, and I would imagine the people from South Dakota have never felt that way either.

Mr. THUNE. I say to my neighbor from Wyoming, he understands his constituents very well, and we share a border, but we also share a lot of other things, including a common set of values and a sense of individual responsibility and belief in freedom.

I think what this gentleman represents in terms of his view is completely contradictory to what the majority of my constituents and I am sure the majority of the constituents of the Senator from Wyoming would say with regard to how you ought to approach issues. The American individual, the American consumer is in a much better position to make decisions about their own health care than some government bureaucracy here in Washington, DC.

Essentially what Mr. Berwick has concluded over time—and he has had a long career analyzing and studying many of these issues—is that a government-run system where some government bureaucrat is in a position of making these decisions that are important to an individual—in this case, his health care or her health care—that is clearly a model he endorses and supports.

It is very contradictory, I would say, to what I think is the view of a majority of Americans. Frankly, one of the reasons I think many of us opposed the health care bill when it was under consideration in the Senate—and the Senator from Wyoming made some excellent comments during the course of that debate about his experience with health care as a practicing physician—is that clearly the American model is one that is very different from the European model.

What we have with Mr. Berwick is somebody who wants to remake the

American health care system in the image of the model that we see in places such as Europe. His example of the British health care system, about which he is romantic, is a good example of how he intends to implement the health care bill passed in the Senate.

We have argued all along that the intention of those behind it is to move us in the direction of a more single-payer, European-type system as opposed to what we have experienced in this country and have enjoyed for such a long time, and that is one that has its basis at least in the market where we have individuals who are in charge of making many of the decisions, as opposed to some government bureaucrat.

This is very unfortunate in terms of the fact that this was an appointment that was made in the recess without the normal process being adhered to, with this gentleman coming in front of the Senate to answer questions and actually having a vote in the Senate.

For our colleagues on the other side to argue that the reason they had to do this was because Republicans were slowing or somehow delaying this process is completely inconsistent with any of the facts. As I said before, 454 days before the President put his nomination forward. Certainly, it is not the Republicans' fault they did not have a nominee up here. Then the fact that they did not have a hearing and there has not been a vote in the committee and now not a vote on the floor of the Senate is unfortunate, given the consequences and the impact the person who occupies this position is going to have with regard to delivery of this new health care reform legislation.

Mr. BARRASSO. It was interesting, on this floor someone on the other side of the aisle stood and said: If you are against Dr. Berwick, then whose side are you on? As I see my colleague from South Dakota, I can answer that question, and he can answer that question. If you are against Dr. Berwick, then whose side are you on? I am on the side of the American people—the American people who are concerned about \$500 billion in cuts to their Medicare, not to help Medicare, not to strengthen Medicare, but to start a whole new government program.

I am on the side of the people who believe we should not redistribute wealth in this country. I am on the side of my patients and friends in Wyoming who do not want the rationing of care. I am on the side of my friends and patients in Wyoming who do not want government-run health care. But that is what we have now.

We have a President-appointed czar, essentially—a czar—to ration health care. That is not what the American people want. It may be what the Democrats in Congress want. It may be what the President of the United States wants. I view this as an arrogant use of Presidential power at a time when I

think the American people were intentionally misled all during the fall because the President refused to appoint somebody, would not name anybody to be in charge of Medicare and Medicaid when the whole debate was going on. Only after the bill was signed into law—only then—would he announce to the country his choice was somebody way outside the mainstream of how we in America deliver health care, want our health care, how we care as patients, how we care as physicians—way out of that mainstream, someone whose approach is a very different one, who loves a system where we know people with diseases are denied care, where care is delayed, and where today the whole country is saying: I think we got it wrong. We need to relook at this. They see what is happening, and I think the American people will know what will happen to us as a nation if we go down the path of a nationalized health system where we redistribute wealth, ration care, and government runs the health care system of our Nation.

It is the wrong decision by the President. It is the wrong direction to go. The American people know it, and they do not like it.

Once again, the American people are not going to have their voices heard because the American people are going to be denied an opportunity to voice their opposition to this nominee to their elected representatives because the President decided he knew better than this Congress and made a decision to appoint someone at a time when the American people wanted their voices heard.

Madam President, I yield the floor, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KAUFMAN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

TRIBUTE TO DR. EDDIE BERNARD

Mr. KAUFMAN. Madam President, I rise once again to recognize one of our Nation's great Federal employees. Here are all the employees we have recognized to date.

Madam President, we in Washington are in the midst of a summer heat wave. I know it is the same for millions of Americans across the country. This comes on the heels of a harsh winter where the Capital City endured heavy snowfall that shut down businesses and even certain government offices. The powerful forces of nature continue to challenge us.

Many Americans only notice weather in its extremes. The hard-working men

and women of the National Oceanic and Atmospheric Administration, or NOAA, spend their careers making it easier for us to address nature's challenges. This year is NOAA's 40th anniversary. It was created in 1970 from three former agencies, and since that time NOAA employees have been at the forefront of weather prediction, oceanography, and fishery management.

Whenever anyone turns on the television and sees an alert from the National Weather Service, that is NOAA at work. If you go to the Pacific coast and enjoy the beaches, you can feel safe knowing that NOAA's tsunami warning system stands at the ready. NOAA personnel are also leading the way to ensure the long-term sustainability of our coastal fisheries so those who make their living from the sea can continue to do so for generations to come.

The great Federal employee I am recognizing today won the 2008 Service to America Medal for Homeland Security for his work at NOAA helping to detect and warn against destructive tsunamis. Dr. Eddie Bernard has served as Director of NOAA's Pacific Marine Environmental Laboratory in Seattle, WA, since 1982. One of the leading experts on tsunamis, he has published over 80 scientific articles and edited books on the phenomenon.

For 3 years Eddie directed the National Tsunami Warning Center in Hawaii, and he was the founding chairman of the National Tsunami Hazard Mitigation Steering Committee, a joint Federal-State effort.

In addition to his work on tsunamis, as Director of the Pacific Marine Environmental Laboratory Eddie oversees a number of important oceanographic research programs such as El Nino forecasts and studies of underwater volcanoes.

Eddie received his bachelor's degree in physics from Lamar University, and he holds master's and doctoral degrees in physical oceanography from Texas A&M.

In order to protect our coastlines against damage from Pacific tsunamis such as the one that devastated the coasts of South Asia in 2004, Eddie led the development of the innovative DART system. As a tsunami wave moves under the ocean, DART—which stands for deep ocean assessment of tsunamis—uses buoys to report data back to the Tsunami Warning Centers.

It took years to perfect, and Eddie and his team had hoped to get close to a 60-percent accuracy rate in predicting the scope and intensity of incoming tsunamis. As it turns out, they were able to achieve over 90 percent accuracy with DART. Their system became the basis for the Tsunami Warning and Education Act, which passed

the Congress in 2006. Eddie was instrumental in helping to draft that legislation which strengthened tsunami detection, warning, and mitigation programs to ensure that we are prepared for even the worst-case scenarios.

The work of NOAA employees is often not glamorous, but it saves lives, protects property, and helps to prepare our coastal communities to meet the challenges of nature. My home State of Delaware is filled with coastal communities, and the work NOAA performs in a range of areas to help coastal States such as Delaware in so many ways.

I hope my colleagues will join me in thanking Dr. Eddie Bernard and all those at NOAA who continue to monitor the seas and skies on our behalf. They are all truly great Federal employees.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. UDALL of New Mexico). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JOHANNIS. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

INCREASED PAPERWORK BURDEN

Mr. JOHANNIS. Mr. President, I rise today to speak about something I think is enormously important in terms of our businesses and job creation. There are many unintended consequences contained in the health care bill that was recently passed, but I think one of the most egregious is the effect on small businesses that are, by all agreement, the engine of our economic growth. In fact, various analyses have been done, and they conclude that 65 percent of the new jobs created come from the small business engine in our Nation.

Section 9006 of the new health care law will have a profound impact on small businesses in Nebraska—but not just Nebraska, across this great Nation. Beginning in 2012, if a business purchases more than \$600 of goods from another business, it will be required to provide the business and the Internal Revenue Service a 1099 tax form. Previously, such disclosures were only required for the purchase of services. Now routine business expenses will be subject to an increased paperwork burden at tax time.

Let me give some examples of the impact that is going to have. Think about the phone costs for that small business, Internet, simple office products, even the cost of shipping goods from point A to point B now are going to generate this requirement of a 1099 tax form.

Back in my State what that means is, if a rancher buys \$100 worth of feed

every month, then that rancher is going to have to submit a 1099 to the feed store and then file it with the IRS. If the restaurant owner up the street buys \$600 worth of napkins or ketchup or menus or garbage bags over the course of a year, guess what. They start building that stack of 1099s.

Think about how that paperwork is going to burden that small business. This includes transactions with corporate as well as noncorporate entities. It also applies to government entities at the local, State, and Federal levels.

Businesses in my State, but I am confident across the country, are absolutely up in arms about this provision, and they should be. Last week, the National Taxpayer Advocate, an Internal Revenue Service ombudsman, issued a report with some very startling admissions. This provision, they say, will affect 40 million businesses, including about 26 million sole proprietorships not counting farms. That is 10 times the number of job creators than the administration asserts will benefit from the small business tax credits.

We need to look for ways to help small businesses, not hammer them. A Nebraska small business owner wrote to me recently. This business owner pointed out that he owns three small town lumber yards and wanted to weigh in on this provision. I am quoting from that letter:

As you know, it is difficult to survive as a small business in rural communities. . . . Putting on additional burdens involving time, paperwork and money does not help.

That small business owner went on to say this:

The building supply industry is struggling to survive the housing and economic crisis and employers like myself would be severely impacted by the additional costs and paperwork burdens of the 1099 proposal.

I could not agree with this businessman more. This new provision is a one-two punch for our small businesses. It will require them to spend more money and time on paperwork and reporting. It does nothing to create jobs other than maybe at the Internal Revenue Service. This increases the overhead costs of staying in business. It will require them to spend more time and more money on paperwork and, no doubt about it, it is going to be tough for them to comply with the standards set so low at \$600.

Expenses to comply with Federal tax compliance regulations are already astounding. According to the Small Business Administration, small businesses that employ fewer than 20 people spend on average \$1,304 per year per employee. In contrast large companies spend on average \$780 average per year per employee. So we can see the IRS tax compliance regulations already disproportionately disadvantage small businesses compared to large companies. Why are we adding insult to injury with this new requirement? We

should be doing all we can to reduce overhead costs, help them to be more competitive not increasing their burdens. Why on Earth are we slapping Americans with more mandates that are counterproductive? Congress should be reducing businesses' overhead, helping them stay competitive.

Section 9006 creates a perverse incentive for companies to consolidate suppliers. Think about that. Guess who loses in those circumstances. Our small businesses, the same small businesses that we are counting on to create the new jobs and lift us out of this recession. Larger, more diversified suppliers will be more attractive as a way for the purchaser to reduce the paperwork. The fewer different transactions that total \$600 or more, the less paperwork. So the little guy loses.

The National Taxpayer Advocate said recently they are "concerned that the new reporting burden, particularly as it falls on small businesses, may turn out to be disproportionate as compared with any resulting improvement in tax compliance."

The Advocate report lays out several reasons this new provision of the law is causing so much concern. The report questions whether the new data will lead to better tax compliance. "The IRS will face challenges making productive use of this new volume of information reports."

For example, the new 1099's will not match tax returns due to returned goods or other technical reasons. The report predicts the IRS will improperly assess penalties for not filing forms. Again, I am quoting:

It must abate later, after great expenditure of taxpayer and IRS time and effort.

Finally, a chilling prediction in the report says:

Small businesses that lack the capacity to track customer purchases . . . may lose customers, leaving the economy with more large national vendors and less local competition.

It is clear that section 9006 attacks small businesses across this country. That is why I am introducing legislation to eliminate this barrier. My effort, which I call the Small Business Paperwork Mandate Elimination Act, would fully repeal section 9006 of the health care law and eliminate this ridiculous paperwork burden. I urge my colleagues to support me in this effort. Overburdening our job creators is not good policy, especially in this time in our economic recovery.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WHITEHOUSE. Mr. President, may I speak for up to 15 minutes as in morning business?

The PRESIDING OFFICER. Without objection, it is so ordered.

BERWICK NOMINATION

Mr. WHITEHOUSE. Mr. President, I heard that some of my colleagues on the other side were here earlier engaged in a colloquy of condemnation of the appointment of Dr. Berwick to run CMS. I wanted to come back and respond because I think this body is making a mistake and is taking a very wrong path by attacking and criticizing this particular nominee.

To provide just a moment of context to his appointment, when I was here yesterday I had a graph that showed that in 1955, the year that I was born, we spent about \$12 billion on health care as a nation. Last year we spent \$2.5 trillion, 200 times as much. The graph showed not only the steep curve that took us from \$12 billion to \$2.5 trillion a year, but also the fact that curve was accelerating. It was getting steeper. In the last year the year-to-year increase was \$134 billion in health care expenditures.

That is the biggest year-to-year increase in the history of the Republic. If we kept at it, by 2016 a family of four in Rhode Island would be paying \$26,000 in premiums for a basic health care policy. Medicare Advantage plans jumped 14 percent last year nationally, on average. We are in both an unsustainable and an accelerating health care cost increase environment. Something absolutely has to be done about it. I suspect almost everybody in this Chamber would agree with that.

That is the backdrop—unsustainable, accelerating health care costs that now gobble up more than 17 percent of our gross domestic product. There is a huge discrepancy between us and every other nation in terms of the amount of our economy that we burn on health care. I believe the closest to us is now at 12 percent of GDP, and we are at 17 percent, and it climbs every year along with that accelerated, unsustainable rate of health care cost increase.

The question is, What are we going to do about it? This is a terrific burden on our economy. It is uncompetitive against other nations, it hugely depresses our manufacturing sector, and it clobbers families who have to pay for health care that is so expensive. It simply has to be addressed.

There are two ways we can do it. We could preserve the status quo and simply cut benefits that people receive. We could make Social Security health care benefits knocked down. We could make Medicare benefits knocked down—disability health care benefits for Social Security. We could make Medicaid benefits knocked down. We could spend less, I suppose, on TRICARE in the

Veterans' Administration and provide fewer services, pay for less, or require more copays. That is one way to go about doing it, but it is not a very smart way and it is not a very humane way.

A lot of the costs in our health care system is waste; it is waste and inefficiency. If we look at the report of the President's Council of Economic Advisers, they come at it in two ways, and both ways come to the same number, about \$700 billion a year—a year—in waste and excess costs.

The New England Healthcare Institute did a study—\$850 billion a year in waste and excess cost.

The Lewin Group and former Bush Treasury Secretary O'Neill have both arrived at a different number, but they agree the number is \$1 trillion a year in waste and excess cost.

So if we have a huge cost problem, and if we have waste and excess costs as high as \$1 trillion a year—to give us an idea of the scale, remember it was about \$2.5 trillion last year. It is supposed to be \$2.7 trillion this year. If the Lewin Group and Secretary O'Neill's number is right, that means one-third of the cost, more than one-third of the cost is waste in excess care, unnecessary cost. So going after that waste and excess cost should be a priority to deal with the cost burden that our health care system puts on the country.

How would we go about doing that? Well, we are actually fortunate in one respect. In all of the mess of our health care system we are fortunate in one respect; that is, there is a proven correlation in many areas between improving the quality of care and lowering the cost of care.

Probably the most famous example is dealing with hospital-acquired infections. A hospital-acquired infection costs maybe \$60,000 on average to treat, and it is avoidable. It is completely preventable. So if we crack down on hospital-acquired infections, if we fix the process failures that permit hospital-acquired infections to occur, we improve the quality of care, we save people's lives, we get them out of the hospital sooner and healthier, and we save money, all together. But because of the bizarre economics of our health care system, it is not in anybody's financial interest to do that who is also in a position to do that. So over and over, we have these failures where we could have huge win-win situations in which we improve the quality of care for the American people while reducing the cost of the health care system.

It happens with hospital-acquired infections. It happens with administrative overhead. Medicare runs about 3 to 5 percent of overhead. The private insurance market runs at about 20 to 27 percent overhead. It has more than doubled in the last 6 years, from 2000 to 2006. In 6 years it has more than dou-

bled, just the administrative overhead, not health care itself, the administrative overhead of the private insurance industry. That is part of the waste and excess costs.

We can tackle those things. We can drive them down. We can improve, for instance, maternal mortality rates in this country. Believe it or not, America is 39th in maternal mortality. Maternal mortality is a cold, statistical way of describing a mother dying in childbirth, giving birth to her baby, and we are 39th in the world; 38 countries do better at protecting moms while they are giving birth to their children than we do.

If we can improve that rate, we can save money because the same process failures that lead to those deaths lead to expensive complications, additional days in the hospital, sometimes lead to lifelong injuries to the baby as it is being delivered, which create huge cost. So, again, it is a win-win when we improve the quality of care to lower the cost of medicine.

Now, why do I say all of that? Why do I talk about the importance—first of all, the urgency of the cost problem and the importance of pursuing this win-win strategy to reduce the cost of care by improving the quality of care for Americans? I mention that because Don Berwick is probably the leading pioneer in this area.

The bible of the quality of improvement movement was a book called "To Err is Human," written, I believe, by the National Institutes of Health. Dr. Berwick was one of the lead authors of that report. It was followed by another report called "Crossing the Quality Chasm." Those two reports have been the foundation for the quality reform movement.

I am very familiar with the quality reform movement because I founded something in Rhode Island called the Rhode Island Quality Institute which has led in this area. The legislation we passed, the health care legislation, contains an immense number of reforms of the delivery system that are designed to capture this win-win, that are designed to improve the quality of care in ways that lower the cost of care.

One economist has called it the most significant action on medical spending ever proposed in the United States. A Noble Prize-winning economist has noted that official estimates don't give the plan much credit for the cost-saving efforts in the proposed reform, but realistically the reform is likely to do much better at controlling costs than any of the official projections suggest.

An MIT professor, who is a leading health economist, said: I cannot think of a thing to try that they did not try. They make the best effort anyone has ever made. Everything is in here. You could not have done better than they are doing.

So the bill created an array, a portfolio of tools for beginning to change

our broken, dysfunctional health care delivery system and move it more in the direction of better patient care that costs less money.

The lead practitioner of that, the lead advocate of that, the person who has thought about this the most and done the most work on it is Dr. Don Berwick. So it makes perfect sense he would be the person brought over by President Obama to lead CMS and to apply these principles of improving the quality of care, to reduce the cost for America. He is an expert at it. I think we wrote good legislation on the delivery system reform. I think it was actually very good legislation. But it does not matter how good the legislation is that we write if the executive branch does not get out there and implement it in a dynamic, thoughtful, iterative way. We learn something, we move on.

We have to be creative and continue the pressure on this. We have to take what we learn in different projects and bring them together and try something now and constantly be in a process of innovation and improvement in order to be effective. Nobody will do that better than Professor Berwick. That is why both President Bush, H.W. Bush, and President Bush, W. Bush, their CMS directors have applauded this nomination.

Gail Wilensky, the Administrator of CMS under President George H.W. Bush, said: Berwick has longstanding recognition for expertise and for not being a partisan individual.

George W. Bush's CMS director, Tom Scully, said: You are not going to do any better than Don Berwick.

So from the other side of the aisle, from the partisan side of executive management of this, the previous CMS directors know how qualified this man is. I know my Republican colleagues want to talk about rationing. They would love to paint rationing and socialized medicine and death panels all over the health care bill. Obviously they cannot resist the opportunity to do that using Dr. Berwick.

But, frankly, it is not fair, and I think it puts them on the wrong side of history. It puts them on the wrong side of reform. It raises the question, Whose side are they on? When we have somewhere between \$700 billion and \$1 trillion of waste every year and the person who George Bush's CMS director says we are not going to find any better to come in and fix that program than the nominee, and they are against the solution to that, whose side are they on?

Well, it is pretty clear they are on the side of the \$700 billion to \$1 trillion a year in waste. That is a choice they can make. But I do not think it is a wise choice. When we are dealing with doing things such as eliminating hospital-acquired infections in order to save money, and they are against the person who is the leading proponent of this and who is going to lead us in that

direction, who are they for? Are they for the families who lose a loved one to a hospital-acquired infection? It does not seem that way. It seems like a vote in favor of the status quo. It seems like a vote in favor of the status quo and the continuing unbelievable number of deaths and casualties from hospital-acquired infections.

One of the findings of the "To Err is Human" report is that 100,000 Americans die every year, 100,000 Americans die every year because of avoidable medical errors. When we clean up the medical errors, when we clean up the process failures that lead to those medical errors, we save money. That is Don Berwick's expertise. When they oppose him, whose side are they on? Are they on the side of 100,000 Americans who lose their lives every year because of avoidable medical errors? I do not think so. It sounds as if they are on the side of the 100,000 medical errors.

Let this guy have a chance. He has bipartisan support. He is an expert in this area. The area he is expert in is the best path to lead us to cost savings in health care because it is a win-win path. We do not have to take something away from somebody to create the savings; we can earn the savings by reforming the delivery system so it provides better health care.

He has founded the Institute for Healthcare Improvement. He has worked as a board member on the American Hospital Association on Quality Initiatives. He chaired the Advisory Council for the Agency for Health Research and Quality. He goes back to the Clinton era, where he was on President Clinton's Advisory Commission on Consumer Protection and Quality. He is the real deal.

So I urge my colleagues, as I did yesterday, to step back from the partisanship, to step back from the posturing. We have heard enough about rationing. There is not rationing in this; this is quality reform. We have heard enough about death panels and socialized medicine and all of that nonsense.

We have a serious problem in our health care system. We need to address it seriously. There is a path to address it that is a win-win for our country, for our people, for our society that reduces costs and provides Americans better care. To me, it is embarrassing that we should be 39th in maternal mortality. There are 38 countries that keep mothers alive through childbirth better than we do. That is the kind of thing we should be fixing. That is the kind of quality reform we need. That is the kind of quality reform Don Berwick gets behind.

This should be an area where we can all get behind this. Some of the work he has done has been in Republican States, in States with Republican Senators. I just know, off the top of my head, that Utah is a leading State in the quality reform area. The North

Carolina Medicaid effort on Medical Home is one of the leading early studies on this issue. These people have Republican Senators who can report on how successful those have been. Yet they have made the choice not to look at Berwick for the person he is, for the expert he is, for the purpose he brings to this job, but just as an excuse to try to go back to the slogans and try to sloganeer their way through what is a real and significant problem for our country.

So unless you want to wish failure on America in this task, unless you want to wish failure on America in reducing the 100,000 deaths every year from avoidable medical errors, unless you want to wish failure on America in improving our status so we are the best in the world on maternal mortality rather than 39th, unless you want to wish failure on America in the only win-win path to reducing the terrible burden of health care costs, the accelerating burden, unsustainable burden of health care costs on our country, unless you want to wish America failure in that, you ought to support Don Berwick because he knows how to follow this path, this win-win path, toward health care savings that come from improving quality. That is a path we should be on.

There is no one better suited to lead CMS down that path than Dr. Berwick. So I hope we can find a way in this body to be better than that. I think Dr. Berwick gives us the occasion to be better than that. At long last, I hope that soon we become better than that.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SANDERS. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

INHERITANCE TAX

Mr. SANDERS. Mr. President, let me begin by making a few points about which there is not a whole lot of disagreement.

First, the United States today is in the midst of the worst economic downturn since the 1930s. Over 16 percent of working age Americans are unemployed or underemployed, working 20 hours a week when they want to be working 40 hours. Long-term unemployment is the highest on record. In other words, when people are losing their jobs now, it is not a question of weeks to gain a new job but, in some cases, 6 or 8 months or perhaps not at all. In the midst of this economic crisis, millions of Americans have lost their homes, savings, and pensions.

Second point: The United States today has a \$13 trillion national debt

and a record-breaking \$1.6 trillion deficit. Last year alone, the Federal Government spent over \$186 billion paying interest on that debt. We are leaving our children and grandchildren a huge financial obligation which not only will impact them personally but will affect the well-being of the entire country in the midst of a strong and competitive global economy.

Third point: The United States today has the most unequal distribution of wealth and income of any major country. Today, as this chart indicates, the top 1 percent earns more income than the bottom 50 percent. Let me repeat that. The top 1 percent earns more income than the bottom 50 percent. And the top 1 percent owns more wealth than the bottom 90 percent. The top, 1 percent; bottom, 90 percent. What we have is a nation in which in many ways we are moving toward an oligarchic form of society, with a small number of people on the top seeing a huge increase in their wealth and income while the middle class lapses and poverty increases.

During the Bush years, when the middle class saw a \$2,200 decline in median family income, the 400 wealthiest families saw their income more than double. Meanwhile, while the very rich became much richer, their effective income tax rates were slashed almost in half over the past 15 years. The rich get richer. Their effective income tax rate goes down. The wealthiest 400 Americans have now accumulated \$1.27 trillion in wealth, while the highest paid 400 Americans had an average income of \$345 million in 2007 alone. As a result of Bush's tax policy, these very high-income people pay an effective tax rate of 16.6 percent, the lowest on record. The rich get richer. Their effective tax rates go down—lowest on record.

Warren Buffett, one of the wealthiest people on the planet, has often made the point that he, a multibillionaire, pays a lower effective tax rate than his secretary.

Last point I wish to make: Last month a gentleman named Dan Duncan, who happened to be the wealthiest person in Houston, TX, passed away. He left his family some \$9 billion. For the first time since 1916, almost 100 years, somebody in the top echelon bracket like a Mr. Duncan will have a situation where his heirs will pay zero inheritance tax, not a nickel. That is the first time that a multimillionaire or billionaire has died in 100 years and their family has not paid one penny in inheritance taxes. This occurred as a result of President Bush's \$1.35 trillion tax break enacted into law in 2001. In other words, at a time when this country has a devastatingly high rate of unemployment, at a time when the Senate refused to extend unemployment benefits to desperate people who, through no fault of their own, have lost their jobs and have no income, at a

time when we have a huge national debt, at a time when we have massive unmet needs, including a crumbling infrastructure and the need to transform our energy system, at a time when we have a growing gap between the very rich and everyone else, we have a situation now where the very wealthiest people are seeing, when one in their family dies, their estate tax is zero.

A century ago, President Teddy Roosevelt, a good Republican, called for a graduated inheritance tax on wealthy estates. In 1916, Congress passed that law. Interestingly enough, here is what Republican Teddy Roosevelt said in 1910:

The absence of effective state, and, especially, national, restraint upon unfair money-getting has tended to create a small class of enormously wealthy and economically powerful men, whose chief object is to hold and increase their power. The prime need is to change the conditions which enable these men to accumulate power which is not for the general welfare that they should hold or exercise . . . No man should receive a dollar unless that dollar has been fairly earned.

Let me repeat: No man should receive a dollar unless that dollar has been fairly earned.

Every dollar received should represent a dollar's worth of service rendered, not gambling in stocks but service rendered. The really big fortune, the swollen fortune, by the mere fact of its size, acquires qualities which differentiate it in kind as well as in degree from what is passed by men of relatively small means. Therefore, I believe in a graduated income tax on big fortunes and in another tax which is far more easily collected and far more effective—a graduated inheritance tax on big fortunes, properly safeguarded against evasion and increasing rapidly in amount with the size of the estate.

Teddy Roosevelt, 1910.

There are not many Republicans I agree with today, but I do agree with what Teddy Roosevelt said 100 years ago. That is exactly what the responsible estate tax act I have introduced, along with Senators HARKIN, WHITEHOUSE, FRANKEN, and SHERROD BROWN, will do. Specifically, this legislation exempts the first \$3.5 million of an inheritance from paying any Federal estate tax whatsoever. Doing this means that 99.7 percent of Americans who receive an inheritance will not pay one penny in Federal estate taxes. This legislation would impact only the very wealthy, the top three-tenths of 1 percent.

Under my legislation, the value of estates above \$3.5 million and below \$10 million would be taxed at 45 percent; the value of estates above \$10 million and below \$50 million would be taxed at 50 percent; and the value of estates above \$50 million would be taxed at 55 percent, the same as the 2001 level before the Bush tax cuts. Further, this legislation includes a 10-percent surtax on the value of estates above \$500 million or \$1 billion for couples.

According to the Joint Committee on Taxation, this legislation, over a 10-

year period, would bring in \$315 billion—a significant step forward in addressing our national debt. But this legislation would do something even more important. In the midst of these enormously difficult times, this legislation makes clear we are one country and all Americans must accept shared responsibility. In my view, it is immoral, it is unfair that while the middle class struggles to survive, millionaires and billionaires get tax breaks.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MILITARY CONSTRUCTION PROGRAM

Mrs. HUTCHISON. Mr. President, I rise today to talk about our military construction program and some concerns I have about an apparent shift in strategy, what this means for our American soldiers and their families and for the growing debt and deficits we are seeing on the taxpayers of this country.

Without question, our military construction program should be fiscally responsible and driven by the future security posture of the U.S. forces. Dating back to the end of the Cold War, the U.S. military determined that our Armed Forces would be best trained and equipped for service when stationed at installations on U.S. soil.

Our military adopted a force projection strategy that allows our U.S.-stationed service men and women to deploy from home rather than being based primarily overseas.

This Congress has been very supportive of the Army's transformation to a more modular and expeditionary force structure, allowing more troops to be stationed in the United States.

In 2005, the Overseas Basing Commission reaffirmed the force projection strategy. It applauded the vision behind the Pentagon's efforts to transform the military and restation tens of thousands of military personnel back on U.S. soil.

So the Pentagon's strategy, endorsed by the Overseas Basing Commission, has guided the way Congress directs resources and funding for military construction facilities. We have invested more than \$14 billion to build housing, stationing, training, and deployment capabilities at major military installations in the United States. We have proven we can best train and deploy from the United States and do it more cost-effectively.

Despite these taxpayer-backed investments, the Pentagon's current

MILCON program is shifting military construction projects, military forces, and taxpayer dollars overseas. Strategically, this would set in motion a worldwide transformation of U.S. basing that would actually expand our overseas presence, and this at a time when the aid given to American efforts in the war on terror is, with a few exceptions, not impressive.

Fiscally, the Department of Defense is pursuing expensive and, in some cases, duplicative military construction projects in Europe, Korea, and Guam without demonstrating adequate cost efficiencies or projected future costs. This shift in global posture fundamentally disconnects with stateside basing capabilities and reverses the Overseas Basing Commission's recommendations.

Europe: In Germany massive plans are underway to move U.S. Army headquarters from Heidelberg to Wiesbaden. I question this move because European and African Commands already have substantial infrastructure in Stuttgart where efficiencies would be available. The Government Accountability Office does not believe the Army will achieve any cost savings. Not only would these huge and costly projects create thousands of foreign jobs, but they would require continuous taxpayer funding to maintain facilities and training capabilities. The United States has averaged spending \$278 million per year in Germany in the last 5 years, but the Department of Defense now plans to raise that spending to \$750 million per year. It costs nearly 15 percent less to build in the United States than to build in Germany, and while American taxpayers have invested \$1.4 billion in German infrastructure from 2006 to 2010, Germany's contribution has averaged \$20 million per year, or less than 10 percent.

This is a poor taxpayer investment considering the serious limitations to U.S. military training and deployment capabilities overseas. It would also create duplicative headquarters at several locations in Germany. Our troops must have access to training areas where they can maneuver freely, conduct live-fire exercises, and work with night vision devices. Many overseas locations prohibit such intensive training. Others allow only certain aspects of the training to be done under closely monitored circumstances. These limitations hinder the readiness of our troops while taxing our citizens more.

Deployment impediments also exist in Europe. During times of peace and war, our troops face restrictions traveling through many countries. In 2003, deploying American forces from Germany into Iraq was complicated when several European countries denied U.S. troops access to air and ground routes. Merely having our troops forward-deployed is no guarantee they will be available when and where we need them.

Korea: The Department of Defense is also planning to spend millions to build deployment facilities in Korea. The Pentagon is proposing to shift 1-year deployments for troops alone to 3-year tours that include their families. This change would expand U.S. presence in Korea from 30,000 service personnel to approximately 84,000, counting dependents. Substantial taxpayer funding would be required to build adequate housing, schools, hospitals, fitness centers, childcare facilities, commissaries, and more. We have asked for the numbers that would be projected for this. The Department has not given us any numbers nor any projections on the costs of adding 50,000 more people into Korea than we now have. Investing these resources into Korea makes no sense when we are already building up infrastructure and deployment capabilities at U.S. bases where amenities support military families and are well established.

Guam: Plans to shift Marines currently stationed in Japan to the tiny island of Guam are also problematic. There are significant environmental concerns with trying to accommodate such a large number of military personnel in such a small space, and the island lacks sufficient existing infrastructure. In addition to that, the timeline for transitioning marines stationed in Japan is implausible and the costs are staggering. They are now estimated at \$16 billion. With these considerable barriers, better basing alternatives should be explored. Again, we have asked the Department to look into this, to give alternatives. We have suggested alternatives, but we have received no feedback from the Department.

The Department of Defense has indicated this new military construction program is intended to build partnership capacity. Some argue that U.S. presence overseas provides assurance to our allies and deterrence to our adversaries. History has shown this is not always the case. Basing American military personnel at key locations in Europe did not deter the Russians from conducting military operations against Georgia in 2008. Even with our 30,000 troops in Korea, North Korea did not hesitate to attack a South Korean naval vessel in May of this year.

Let's look at what the partnership agreements we are seeking have given us so far. We are in a war on terror in which the United States now has more than 78,000 troops. Germany has 4,350. The United Kingdom has double what Germany has. So the United Kingdom, which has a smaller population, has more troops by double than Germany. Yet we are looking at all of this build-up in Germany for building partnership capacity. Germany contributes 4 percent of NATO troops to Afghanistan, but they have strict rules of engagement that include not going on offense

and restrictions on night operations. So if we are going to do so much ourselves, does it make sense for the American taxpayer to be building what would be about a billion and a half more in Germany, in facilities that we already have in the United States? Or if there needs to be more Army building in Germany, at least do it in Stuttgart where the Army already has a headquarters, instead of a whole new operation in Wiesbaden.

If the United States wants to make sure our allies and deter our enemies, we should do it with strong military capabilities and sound policy, not by keeping troops stationed overseas, siphoning funds from equipment and arms, and putting it into duplicative military construction.

Instead of breaking ground on military projects abroad and advancing the Department's new goal of building partnership capacity, we should be building American infrastructure. We are carrying the heaviest load by far in the war on terror, and we are carrying it for freedom-loving people throughout the world. We need to build up bases in our country which we have already done to accommodate the strategy since the Cold War. Yet now we appear to be reversing that strategy, and I am asking why. I have asked the Department of Defense. I have asked the Secretary of Defense for answers and have not yet been able to receive anything that would show why we would make such a huge investment in these foreign bases, with training constraints and deployment constraints, when we could do the same thing at home and deploy our troops at will.

Following World War II, the United States constructed bases in Europe to establish a strong presence as nations rebuilt. We stayed in Europe and placed bases in Korea to protect the interests of America and its allies during the Cold War. The world has changed, and with it our Nation's military priorities must also change. Our military construction investment should reflect our strategic principles. It should meet the needs of military families. It should maximize the force flexibility of our modern military, and it should demonstrate the fiscal discipline that taxpayers rightly expect.

Secretary Gates has made fiscal discipline a priority at the Department of Defense. He has said we are going to cut defense spending. So this military construction plan is puzzling. I am not sure the military and the Department heads are on the same wavelength because we are looking at \$1 billion of foreign construction we do not need with capacity we have already built in America.

So I am asking the Department of Defense to look at this and to make sure we are in every way having respect for the taxpayers and making sure our military and our families have

the security and support they need, and I believe that can be done with bases at home.

I will offer amendments to reduce the level of spending in overseas construction and possibly in administrative costs at the Department of Veterans Affairs that do not affect veterans health care or benefits. There is more at stake for our future, for our economy, and for the American taxpayer.

Out-of-control spending is putting the short- and long-term fiscal health of the United States at risk. The national public debt hit an historic \$13 trillion in May. This year, the Federal Government is borrowing 40 cents out of every dollar it spends, and it is spending 67 percent more than it brings in. In pursuit of its costly and damaging big government agenda, the Obama administration has increased the total public debt by \$2 trillion in less than 2 years, an increase of 23 percent in 16 months. If the spending continues at this rate, at the end of President Obama's first term he will have added an additional \$6 trillion to the public debt. If we go along with the requests of the White House, \$6 trillion more will be added to our debt in this term. This is irresponsible and unsustainable.

As the appropriations process moves forward, I will offer amendments to bring military construction back down to levels that are consistent with the Secretary of Defense's own stated objective, which is to cut military spending. I am going to offer amendments I believe will be responsible, will protect our forces, and will be better for our military families, and it will achieve the spending cuts the Secretary has said he believes are necessary.

We need to make the tough decisions. I am offering a way forward. I am offering commonsense cuts that will assure we will be able to meet the needs of our military, the security of our military, the security of the American people, and a respect for this enormous deficit. We can cut back on this deficit with responsible spending.

I have outlined some of these concerns in today's Politico magazine, and I ask unanimous consent that my op-ed be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Politico, July 13, 2010]

(By Senator Kay Bailey Hutchison)

MILITARY'S FOUNDATION MUST BE MADE IN U.S.A.

For the future security posture of U.S. military forces and for the fiscal health of our nation, our military construction agenda should be guided by these words: build in America.

At the end of the Cold War, the U.S. military determined that our armed forces would be best trained and equipped for service when stationed on U.S. soil. Thus, our military adopted a "force projection" strategy that allows service members to deploy from

home, rather than being based primarily overseas.

The Overseas Basing Commission reaffirmed the force projection strategy in 2005. It lauded the insights and vision behind Defense Department initiatives to transform the military and re-station tens of thousands of military personnel back on U.S. soil. Congress has legislated and appropriated accordingly.

We've now invested more than \$14 billion to build housing, stationing, training and deployment capacities at major military installations. Deployment of U.S. forces from Germany to Iraq, for example, was complicated by denials of air and ground routes through several European countries. We have proved we can best deploy from the United States—and we can do it more cost effectively.

However, the DoD's current military construction proposal would set in motion a worldwide transformation of U.S. basing that would expand our overseas presence. DoD is pursuing expensive, and in some cases duplicative, military construction projects in Europe, South Korea and Guam, without demonstrating adequate cost efficiencies, projected costs or a broader basing strategy.

This shift in global posture fundamentally disconnects with stateside basing capabilities and reverses the Overseas Basing Commission's recommendations.

In Germany, massive plans are under way to move U.S. Army headquarters from Heidelberg to Wiesbaden—though European and African commands already have substantial infrastructure in Stuttgart, where more efficiencies would be available.

Not only would the projects create thousands of foreign jobs; they would also require continuous taxpayer funding to maintain facilities and training capabilities. This is a poor investment given the serious limitations to U.S. military training and deployment capabilities overseas. And it would create duplicate headquarters at several locations.

It costs nearly 15 percent less to build in the United States than in Germany. In addition, the U.S. military has invested \$1.4 billion in German infrastructure from 2006 to 2010, while Germany's contribution has averaged \$20 million per year—or less than 10 percent.

Our troops must have access to training areas where they can maneuver freely, conduct live-fire exercises and work with night-vision devices. Many overseas locations prohibit such intensive training. Others allow only certain aspects of the training to be done under closely circumscribed conditions.

These limitations hinder the readiness of our troops, while taxing our citizens.

Deployment impediments also exist in Europe. During times of peace and war, our troops face restrictions traveling through many countries.

In 2003, for example, our NATO ally Turkey refused to let U.S. troops travel through its territory, even in its airspace, in support of Operation Iraqi Freedom.

Merely having troops forward-deployed is no guarantee that they will be available when and where we need them.

DoD is also planning to spend millions to build deployment facilities in South Korea. The Pentagon proposes shifting deployments from one year to three years, including troops' families. This expands the U.S. presence from 30,000 service personnel to approximately 84,000, counting dependents. It will require substantial taxpayer funding to build adequate, housing, schools, hospitals, fitness

centers, child care facilities and commissaries.

Investing these resources in South Korea makes no sense when we are already building up infrastructure and deployment capabilities at U.S. bases, where amenities for military families are well-established.

Similarly, plans to shift Marines now stationed in Japan to the tiny island of Guam are problematic. This proposal is fraught with significant environmental concerns, insufficient infrastructure, an implausible timeline—and staggering costs, now estimated at \$16 billion. With these considerable barriers, better basing alternatives should be explored.

Some argue that the U.S. overseas presence provides assurance to our allies and deterrence to our adversaries. History has shown otherwise.

Having U.S. troops in Europe did not deter the Russians from conducting military operations against Georgia in 2008. More recently, the U.S. military in South Korea did not deter North Korean aggression against a South Korean naval vessel.

We should assure our allies and deter our enemies with strong military capabilities and sound policy, not merely by keeping our troops stationed overseas.

Instead of breaking ground on military projects abroad—and advancing DoD's new goal of building "partnership capacity"—we should be building American infrastructure.

After World War II, the U.S. constructed bases in Europe to establish a strong presence as nations rebuilt. We stayed in Europe and placed bases in South Korea to protect the interests of America and its allies during the Cold War.

The world has changed—and with it, our nation's military priorities. Our military construction investment should reflect our strategic principles, meet the needs of military families, maximize the force flexibility of our modern military and demonstrate the fiscal discipline that taxpayers rightly expect.

I hope the Defense Department will continue to build the foundation of our military right here on American soil.

Mrs. HUTCHISON. Mr. President, I very much appreciate the opportunity to lay out the strategy I am offering to the administration. I hope we can come back to the strategy adopted by Congress over the last 10 years that would have American troops in America, would create American jobs in military construction, will save taxpayer dollars, and will assure that when our troops go into harm's way, they will not be blocked by European countries that do not allow us to use airspace or train troops on the ground. We cannot afford that kind of luxury in this kind of environment.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New York is recognized.

REMEMBERING GEORGE STEINBRENNER

Mr. SCHUMER. Mr. President, today America heard the sad news that George Steinbrenner, one of Major League Baseball's most influential team owners, died at the age of 80. I rise today to express my condolences

to George's family and share my intention of offering a resolution today, along with Senators GILLIBRAND, BILL NELSON, and LEMIEUX to honor his memory.

He is survived by his beloved wife Joan, his sisters Susan and Judy, his children Hank, Jennifer, Jessica, and Hal, and his 13 grandchildren.

Like New York and like the Yankees, George Steinbrenner was a champion. He was someone about whom you can truly say there will never be another one like him.

Before we even get into baseball, George Steinbrenner was a very accomplished man. He served his country for 2 years in the Air Force. He was the owner of the American Ship Building Company, the dominant shipbuilding company in the Great Lakes region during its existence. He donated his time and money to countless charitable causes and was a driving force in the U.S. Olympic Committee, where he made sure America's athletes could reach their full potential, bringing home gold medals and making sports fans around this great country proud of our athletes.

Many of us know George as being a giant in Major League Baseball. There is no denying he changed the face of baseball forever.

Before George Steinbrenner, the New York Yankees were in shambles. The once great franchise had become moribund.

I have always been a Yankees fan, even though I am from Brooklyn. By the time I was old enough to appreciate baseball, the Dodgers had just left for Los Angeles, and it would be several years before the Mets were created. So the Yankees were the only team in town, and like most of my friends on the streets of Sheepshead Bay, Brooklyn, I became a rabid Yankee fan.

Those were the glory years of Mantle, Maris, Ford, Howard, and Berra. But by the midsixties, my heroes began to retire, and the once great Yankees began to slide.

Those were not easy years to root for the Yankees. People forget. Throughout the late sixties and early seventies, the Yankees were consistently one of the worst performing teams in Major League Baseball.

But all that changed when George Steinbrenner bought the team in 1973. He brought to the Yankees a new hope that turned around this period of decline. By 1976, the Yankees were back in the World Series, and in 1977 and 1978, we brought the championship back home to New York.

Since then, the Yankees have once again become a household name in New York and around the country. They have won 11 American League pennants and 7 World Championships. The Yankees went, the day George Steinbrenner took them over, from being a mediocre team to the pre-eminent sports franchise in the world.

George Steinbrenner did that. He turned a scrappy group of baseball players into a team New Yorkers are proud to support.

The Yankees of his day are reminiscent of the Yankees of the twenties, thirties, forties, fifties, and the early sixties. All New Yorkers and baseball fans owe George Steinbrenner a huge thank you for changing the face of American baseball.

He was even beloved in Florida. Legends Field, the Yankees' spring training facility in Tampa, was renamed Steinbrenner Field in March 2008 in his honor by the Hillsborough County Commission and the Tampa City Council.

He was a giant in baseball innovation, making baseball a truly global game.

I, along with millions of Yankee fans—many not even in the State of New York—are thankful for the countless hours of joy we have experienced watching his team at the stadium or following them on television or radio. George Steinbrenner was truly a New York icon.

My thoughts and my condolences go out to his loved ones, to the whole Yankee family, and to the millions of New York baseball fans. We have lost our giant.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 2:15 p.m.

Thereupon, the Senate, at 12:35 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. BEGICH).

Mrs. MURRAY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Mr. ALEXANDER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FREEZING APPROPRIATIONS

Mr. ALEXANDER. Mr. President, I have a statement that I would like to make, first on a letter and announcement that all the Republican members of the Senate Appropriations Committee have sent to the chairman of the committee today.

Because Federal spending and debt are at crisis levels, Republican Senators on the Senate Appropriations Committee are asking our Democratic colleagues to join us in supporting the Sessions-McCaskill freeze on discretionary Federal spending. Every Republican—every one of us—and 17 Democratic Senators already have voted for the Sessions-McCaskill amendment this session several times.

The amendment would basically freeze Federal discretionary appropriations—both military and nonmilitary—which constitute about 38 percent of the Federal budget. This action by the Senate members of the Appropriations Committee is especially important this year because the Democratic Congress has refused to produce a budget.

Here we are, at a time when almost every American is deeply worried about the level of Federal debt and the level of Federal spending, and the first thing we would expect the Congress to do before it plans for next year is to produce a budget that would be able to restrain this spending—both the discretionary part of it, the kind we appropriate year after year—and begin to deal with the entitlements—the mandatory spending that is on automatic pilot. The Democratic Congress has not produced that budget for next year, and it indicates it will not. So it, therefore, is the first job of the members of the Appropriations Committee to decide how much we can spend.

Year in and year out we decide where and how we spend the money. That is the constitutional responsibility of Congress under article I, and that is the job we do. Perhaps we haven't paid as much attention to the first responsibility as we should. Perhaps we have relied too much on the Budget Committee. Well, not this year. What we are saying is, if we are going to be members of the Senate Appropriations Committee, and if our responsibility is to deal with Federal spending, then the first question we should decide is how much Federal spending.

At a time when Federal spending and debt is at crisis levels, when the President's 10-year budget, up through the year 2018, would double the debt and triple the debt, it is our responsibility to get this under control.

So our recommendation—and it is a serious recommendation, and one we hope and believe our colleagues who are Democrats on the Appropriations Committee will be able to accept because it is a bipartisan proposal that has already, as I mentioned, received between 16 and 18 Democratic votes on the floor of the Senate, and every single one of the 41 Republican Senators—is that we essentially freeze spending in the discretionary accounts, both military and nonmilitary, between this year and next year.

The Federal debt is a crisis that is imposing a burden on our children and our grandchildren that they will not be able to pay. It is our responsibility to deal with it and to begin to deal with it now. A Sessions-McCaskill freeze on Federal discretionary spending for next year is an important first step. The next step would then be getting entitlement spending under control, which we should move on as rapidly as possible.

Mr. President, I ask unanimous consent to have printed in the RECORD a

copy of the letter from Republican members of the Senate Appropriations Committee which I referred to earlier in my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, DC, July 13, 2010.

DEAR MR. CHAIRMAN: As Republican members of the Appropriations Committee, we are writing to express our views regarding the Fiscal Year 2011 appropriations process.

The Committee is operating in a particularly difficult environment during this Congress. The enormity of the Federal debt poses a direct threat to our national security and demands restraint of Federal spending. Developing a consensus approach to funding the operations of the Federal government in such an environment is a significant challenge.

Despite the clear need for a long term plan that would bring our nation's debt under control, it is apparent that Congress will be denied the opportunity to debate a Federal budget this year. Our Committee will instead be compelled to choose a discretionary top-line number outside the context of a comprehensive budget resolution.

Over the last two years discretionary spending has increased by 17%, not including stimulus spending. With stimulus spending included the increase soars to 84%. We note that a bipartisan majority of the Senate has voted several times in recent months on the Sessions-McCaskill proposal to impose a discretionary top-line for Fiscal Year 2011 that essentially freezes non-defense spending, and which would result in significant reductions in spending from the President's budget proposal. This is a clear indication of the broad concern that exists about levels of Federal spending.

We are confident that, working together, our Committee can produce bills that responsibly address fundamental government needs in a fiscally responsible manner. We will not, however, be able to support appropriations bills that do not conform to this top-line number.

Sincerely,

Mitch McConnell, Thad Cochran, Judd Gregg, Lamar Alexander, Susan Collins, Bob Bennett, Kit Bond, Richard Shelby, Kay Bailey Hutchison, Sam Brownback, George V. Voinovich, Lisa Murkowski.

NUCLEAR POWER

Mr. ALEXANDER. Mr. President, 40 years ago, at the time of the first Earth Day, Americans became deeply worried about air and water pollution and a population explosion that threatened to overrun the planet's resources.

Nuclear power was seen as a savior to these environmental dilemmas. It could produce large amounts of low-cost, reliable clean energy. Unlike oil, nuclear power did not need to be hauled in leaking tankers from countries that did not like us. Unlike coal, it did not spew tons of pollution out of smokestacks.

Then Three Mile Island and Chernobyl happened. The world pulled back, fearful of nuclear technology—

even though no one was hurt at Three Mile Island. In fact, no one has ever died as a result of a nuclear accident at an American commercial nuclear reactor or on a U.S. navy ship powered by reactors. Chernobyl was the tragic result of a flawed technology never used in the United States. Still, the United States has not licensed a new reactor since 1978.

Now the rest of the world is returning to nuclear energy. France is 80 percent nuclear and has among the lowest per capita carbon emissions and cheapest electricity costs in Western Europe. Italy, Britain, Finland and Eastern Europe all are exploring new reactors. Russia, India, China and Japan are moving ahead. South Korea is selling reactors to the United Arab Emirates.

These countries realize that exploding populations demand large amounts of cheap, reliable electricity to help create jobs and lift people out of poverty. And nuclear power provides just that. The National Academy of Sciences in a 2009 report said that the cost of nuclear power is equal to or lower than natural gas, wind, solar, or coal with carbon capture. Reactors can operate for 80 years while wind and solar last about 25 years. And nuclear reactors operate 90 percent of the time while wind and solar are only available about a third of the time. Remember: wind and solar power can't be stored today in significant amounts. Most people do not want their lights and computers working only when the wind blows.

Nuclear plants occupy a fraction of the land required for wind or solar. For example, 20 percent of U.S. electricity comes from 104 nuclear reactors on about 100 square miles. Producing the same amount of power from wind would require covering an area the size of West Virginia with 183,000 50-story turbines as well as building 19,000 miles of new transmission lines through scenic areas and suburban backyards.

Nuclear fuel is available in the U.S. and is virtually unlimited. We do not have to drill for it. We do not have to mine it nearly as much as we do for coal. And thanks to technology, we can safely recycle "nuclear waste" and turn most of it into more fuel. After recycling, the French are able to store all of their final waste from producing 80 percent of their electricity for 30 years in one room in La Hague.

A more recently realized benefit of nuclear power is its ability to combat climate change. Nuclear power emits zero greenhouse gases. Today it produces 20 percent of our Nation's electricity but 70 percent of our carbon-free electricity. Wind and solar provide less than 2 percent of our electricity and 6 percent of our carbon-free electricity today.

The United States uses 25 percent of all the energy in the world. At a time when we need to produce large

amounts of clean power at home at a cost that will not chase jobs overseas looking for cheap energy, Americans can't afford to ignore nuclear power.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Mr. GREGG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE BUDGET

Mr. GREGG. Mr. President, I rise to continue the discussion which was raised by the Senator from Tennessee relative to the letter which has been signed by all the Republican members of the Appropriations Committee. This is a unique event, in my experience. I have had the great honor and privilege of serving on this committee now for 14 years, and I have never participated in this type of an undertaking, which is basically the Appropriations Committee Republicans, at least, stepping up and doing the responsible thing in the area of trying to control the fiscal policy of this country when the Budget Committee has left the field.

The Budget Committee didn't leave the field arbitrarily; it is just that the other side of the aisle decided they did not want to do a budget for some reason. Actually, I know the reason. The reason we are not doing a budget of the country as we are supposed to do is that the budget shows we are in dire straits. We are going to have a \$1.4 to \$1.6 trillion deficit this year. It looks as if next year we are going to have a deficit in the range of \$1.4 trillion. And for the next 10 years, every year under the Obama budget and under the spending plans of the Democratic leadership of this Congress, we are talking an average of \$1 trillion a year of deficits. That adds up to a doubling of the debt in 5 years and a tripling of the debt in 10 years. The American people understand that we cannot do this, we cannot continue that type of profligate spending, that type of out-of-control spending.

But, unfortunately, the other party, which now controls with significant majorities both the House and the Senate, is unwilling to step up and produce a budget which brings those numbers down, which makes us more responsible in the area of spending and reduces the debt burden on our children. So the Republican members of the Appropriations Committee have said: Enough. We want to stop this out-of-control spending. We want to have a spending proposal in place that makes sense. And we picked a number that is very reasonable. It is essentially a

freeze at last year's levels. It is a number which has been supported, interestingly enough, on this floor when it was offered as the Senator SESSIONS-Senator MCCASKILL amendment on four different occasions, by a majority of the Senate, with all of the Republican Members of the Senate voting for this type of essential freeze and with a number—I think between 16 and 18—of Democratic Senators voting for this. That is because there is a full understanding, at least on our side of the aisle and by some Members on the other side of the aisle who did vote for this, that we have to do something about controlling spending around here.

This letter essentially says that before we start marking up any bills in the Appropriations Committee, we have to have an understanding as to how much we are going to spend. Is that an unusual idea? Is it a terribly radical idea, that we should reach a number, an overall agreement on an overall number as to what we are going to spend around here before we start producing spending bills? No, it is not. It is exactly what the budget is supposed to do. But we do not have a budget for the reason I mentioned earlier—people do not want to talk about how big the deficit is around here because they are afraid the American people have already figured this out and will just get more outraged about it.

What we are doing and what we are suggesting in this letter and what we are saying in this letter is that we as Republican members of the Appropriations Committee expect there to be a budget for the Appropriations Committee even though there was not one passed here, with the top-line number being essentially the number in the Sessions-McCaskill, what amounts to a freeze proposal—freezing at 2010 levels, essentially—and that we will test every committee appropriations bill that comes forward on the basis of that number, and we hope our colleagues on the other side of the aisle, those on the Appropriations Committee and those who are not on the Appropriations Committee, will join us in this effort because it is a sincere effort and a reasonable effort since it was already voted on here with all of our side voting for it and a majority of the Senate voting for it. It is a reasonable number to set forward as the goal.

Yes, it does mean a significant reduction. We have to be forthright about this, and this is what we need to do, quite honestly. It does mean a significant reduction from what the President requested. It means a significant reduction from what the Senate Budget Committee passed in committee, which budget was never brought to the floor of the Senate because they did not want to shine lights even on that budget. There is no question it is a reduction and a fairly significant reduction

from those numbers. But it is a reasonable number and it is an important number because it says we are willing to be disciplined about our spending around here and that is what we are going to have to do. We are going to have to make these types of tough choices. This is an effort by the Republican members of the Appropriations Committee to make clear that we are willing to make those types of difficult choices.

Mr. ALEXANDER. Mr. President, I wonder if the Senator from New Hampshire would accept a question?

Mr. GREGG. Yes, I would accept a question from the Senator from Tennessee.

Mr. ALEXANDER. I ask the Senator from New Hampshire, who served as chairman of the Budget Committee of the Senate and is now its ranking member—and there is no one in the Senate more familiar with the numbers in the Senate budget—is it not true that this request by Republican members of the Senate Appropriations Committee, since it comes at a time when many Americans and most Senators believe the level of the Federal debt is at crisis levels and threatens the security of our country and since it comes at a time when the Congress has not produced a budget and it comes at a time when there have been substantial increases over the last year and a half in the 38 percent of the budget that is discretionary spending, would the Senator from New Hampshire, who has long served on the Budget and Appropriations Committees, not agree that the first job of Senate appropriators is not to decide where to spend the money but to decide how much money there is to spend, especially this year when there is no budget?

Mr. GREGG. I think the Senator from Tennessee is absolutely right. How can we run a country and a government of a country if we are not willing to decide on how much we are going to spend and then stick to it? The reason we are so out of control around here in spending is because every week for the last 8 to 10 weeks we have seen a new bill brought to the floor of the Senate which has added to the debt and the deficit of this country.

Interestingly enough, 8 weeks ago we passed a bill on this floor, with great fanfare from the other side of the aisle, called pay-go.

That bill said all the bills that came to the floor of the Senate were going to be subject to a test, which essentially said that before you spent any money, you paid for what you are spending.

Since we passed that bill, over \$200 billion—billion—has been proposed or passed by the Senate which violated the very rule we allegedly passed to try to discipline the Senate. So it is very clear that unless you set out some hard parameters, unless you set out some very specific spending limits—and that

is what the letter from the Appropriations Republicans does—you are not going to get any discipline around here. We will just bring bill after bill out of committee and we will spend money we do not have.

Where does it all go? Well, it all goes to our children as debt, and we have to borrow it from the Chinese or we have to borrow it from somebody else. Then we have to pay the interest on that. That interest does not do us any good as a nation.

In fact, under the President's own projections, his own budget, the interest on the Federal debt will exceed any other item of spending in the Federal budget on the discretionary side within 7 years. We will spend more on interest, because we are adding all of this deficit and debt, than we spend on national defense. What a waste of money that is. So unless we get some discipline around here on the spending side, this deficit is going to grow, the debt is going to grow.

I saw a most interesting figure. I think the Senator from Tennessee has seen it too. Since President Obama has been President, for every second since he has become President, \$56,000 has been added to the debt of the United States—\$56,000. That is the mean income of Americans today. So every second he has been in office he has wiped out the income of some American who is working, because that income is all going to have to be spent to pay off that debt.

Granted, not all that debt was his fault. But interestingly enough, as we go further into his administration, a large amount of it is his decisions and the decisions of this Congress, such as the \$200 billion in debt that we have been adding or about to add that violates pay-go.

This week we are going to take up another supplemental bill. Does the Senator know how much deficit and debt that bill will add if it is passed in the form the administration and the Democratic leadership have asked, just this week? I think it is somewhere in the vicinity of \$20 billion to \$30 billion of new deficit and debt.

Mr. ALEXANDER. Mr. President, I wonder if I could ask the Senator another question. The Senator was talking about the increasing debt. Am I correct that it took the first 43 Presidents of the United States and the Congresses they served with about 230 years to run up \$5.8 trillion in debt, but President Obama's 10-year proposal, through 2018, would add another \$11.8 trillion?

In other words, am I right that the first 43 Presidents piled up \$5.8 trillion in debt, and this President's 10-year budget, through 2018, would double that?

Mr. GREGG. Triple it. The Senator was off by 100 percent but close. In the next 5 years, the President will double

the national debt under the deficits which he is projecting under his budget. And in the next 10 years he will triple the national debt. As you say, if you take all of the Presidents from George Washington through George W. Bush, put all of the debt they have added on the books of the United States through all of those administrations, cumulatively, add every one together, President Obama will have added more debt than all of the prior Presidents added, the first 43 Presidents of this country, in the first 4½ years of his administration.

Mr. ALEXANDER. Mr. President, I have one other question, if I may, for the Senator from New Hampshire. I know we sometimes hear the American people say, or commentators say: Well, why don't those Senators work across party lines and get a result?

My question to the Senator from New Hampshire, who has years of experience on Appropriations and Budget, is, in the present circumstances where we have a debt crisis, and where we have no budget, no budget for next year, and we will not have, would he not agree that at the beginning of the process, taking a number that has been voted on by a majority of the Senate and has widespread bipartisan support, is a constructive bipartisan approach that ought to be able to gain the respect of Democratic appropriators and Democratic Senators, and that we could work together this year to essentially freeze discretionary spending as a first step toward reining in Federal spending?

In other words, sometimes we see amendments around here that are called message amendments, each side trying to score a point. Is this not a proposal that deserves respect as a serious attempt to restrain the debt and that should earn bipartisan support?

Mr. GREGG. I thank the Senator from Tennessee for his point. That is absolutely valid. This is a bipartisan proposal for all intents and purposes. It has been voted on. I think it got 57 votes once. I think that was the most it got; maybe it got 58. There are only 41 Republicans, so clearly it had a large number of Democratic votes from the other side of the aisle, because the number is reasonable.

"Freeze" is a reasonable number on the nondefense discretionary side, at a time when we are running deficits that are over \$1.4 trillion. You have got to start somewhere. You know, all great journeys begin with a step. So this is the place we should start, right here, by freezing nondefense discretionary spending. We, as Republican appropriators, have said we are willing to do it. I certainly think the Senator from Tennessee is absolutely right; this is an attempt to reach across the aisle and bring in a bipartisan coalition to accomplish this, using a number which has already received significant bipartisan support.

Mr. ALEXANDER. I thank the Senator.

Mr. GREGG. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Mr. KAUFMAN. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

KAGAN NOMINATION

Mr. KAUFMAN. Mr. President, I rise in support of the nomination of Solicitor General Elena Kagan to be an Associate Justice on the U.S. Supreme Court.

Last month, the Judiciary Committee held 4 days of hearings on General Kagan's nomination, including 2 very full days of testimony from the nominee herself.

I came away from the hearings deeply impressed with General Kagan's intellect, thoughtfulness, demeanor, and integrity. These characteristics, already plainly evident in her lifetime of accomplishment, were on full display during her testimony.

Last year, when Justice Souter announced his retirement, and again when Justice Stevens announced his retirement this April, I suggested that the Court would benefit from a broader range of experience among its members.

My concern was not just the relative lack of women or racial or ethnic minorities on our Federal courts, though that deficit remains glaring.

I was noting the fact that the current Justices all share very similar professional backgrounds. Every one of them served as a Federal circuit court judge before being appointed to the Supreme Court.

Not one of them has ever run for political office, like Sandra Day O'Connor or Earl Warren or Hugo Black.

I am heartened by what this nominee would bring to the Court based on her experience working in and with all three branches of government, the skills she developed running a complex institution like Harvard Law School, and yes, the prospect of her being the fourth woman to serve on our Nation's highest court.

Some pundits, and some Senators, have suggested her lack of judicial experience is somehow a liability. I could not disagree more.

While prior judicial experience can be valuable, the Court should have a broader range of perspectives than can be gleaned from the appellate bench.

In the history of the U.S. Supreme Court, more than one-third of the Justices have had no prior judicial experience before being nominated. And a nominee's lack of judicial experience

has certainly been no barrier to success.

When Woodrow Wilson nominated Louis Brandeis in 1916, many objected on the ground that he had never served on the bench.

Over his 23-year career, however, Justice Brandeis proved to be one of the Court's greatest members. His opinions exemplify judicial restraint and his approach still resonates in our judicial thinking more than 70 years after his retirement.

Felix Frankfurter, William Douglas, Robert Jackson, Byron White, Lewis Powell, Harlan Fiske Stone, Earl Warren and William Rehnquist all became Justices without having previously been judges. They certainly all had distinguished careers on the Supreme Court.

As Justice Frankfurter wrote about judicial experience in 1957:

One is entitled to say without qualification that the correlation between prior judicial experience and fitness for the functions of the Supreme Court is zero.

We have all now had the opportunity to review General Kagan's extensive record as a lawyer, a policy adviser, and administrator, and to listen to her thoughtful and candid answers to a wide range of probing questions.

Throughout her career, she has consistently demonstrated the all-too-rare combination of a first-rate intellect and an intensely pragmatic approach to identifying and solving problems.

Last summer, during then-Judge Sotomayor's confirmation hearing, and again during General Kagan's hearing, I focused on the current Court's handling of business cases.

I am convinced, by education, experience, and inclination, that the integrity of our capital markets, along with our democratic traditions, is what makes America great.

Today, however, while we have a real need for significant financial regulatory reform, we also face a Supreme Court too prone to disregard congressional policy choices.

My concern is that a Court resistant to Federal Government involvement in and regulation of markets could undermine those efforts. I am not suggesting that we face a return to "a New-Deal-era Court—a Court determined to strike down regulatory reform as beyond the authority of Congress.

But a Court predisposed against government regulation might chip away at the edges of reform, materially reducing its effectiveness.

That is why my questioning of Solicitor General Kagan focused on business cases and on her philosophy concerning deference to congressional judgment.

During the hearing, she emphasized the importance of "judicial deference to the legislative process." She also acknowledged Congress's "broad authority" under the commerce clause to regulate the financial markets.

Finally, she stated emphatically her views on results-oriented judging. I really liked what she said on this point, so I'm going to quote it in full:

I think results-oriented judging is pretty much the worst kind of judging there is. I mean the worst thing that you can say about a judge is that he or she is results-oriented. It suggests that a judge is kind of picking sides irrespective of what the law requires, and that's the absolute antithesis of what a judge should be doing, that the judge should be trying to figure out as best she can what the law does require, and not going in and saying, "You know, I don't really care about the law, you know, this side should win." So to be a results-oriented judge is the worst kind of judge you can be.

Based on General Kagan's ability to communicate her thoughts and ideas during the committee hearings last month, I am confident that other Justices and, by extension, the entire Court, will benefit by the addition of her voice to their deliberations.

One of the aspirations of the American judicial system is that it render justice equally to ordinary citizens and to the most powerful.

We need Justices on the Supreme Court who not only understand that aspiration but also are committed to making it a reality. I believe Elena Kagan, through her truly impressive record of accomplishment, and through the entire confirmation process, has demonstrated that commitment.

In short, this nominee has all the qualities necessary to serve well all Americans, and the rule of law, on our Nation's highest court.

I urge my colleagues to confirm her without delay.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT OF DONALD BERWICK

Mr. WHITEHOUSE. Mr. President, I came to the Senate floor earlier today to speak about the nomination of Don Berwick to run the CMS and talked a little bit this morning about the area in which he specializes, which is how to lower the cost of the American health care system by improving the quality of care; that it is a win-win and to call it rationing is incredibly misleading and raises a legitimate question about whose side somebody is on who wants to attack this kind of reform of the health care system.

I went back to my office and found an article in the Washington Post today, which is entitled "Hospital infection deaths caused by ignorance and neglect, survey finds." So if I could

just read a few pieces from it, then I will ask unanimous consent to have this article printed in the RECORD.

An estimated 80,000 patients per year develop catheter-related bloodstream infections, or CRBSIs. . . . About 30,000 patients die as a result, according to the Centers for Disease Control and Prevention, accounting for nearly a third of annual deaths from hospital-acquired infections in the United States.

So 80,000 people get hospital-acquired infections in their blood from the catheters that go into them when they are in a hospital. Of those 80,000, 30,000 die, and that is about one-third of the annual deaths from all hospital-acquired infections, which means about 90,000 Americans die every year from hospital-acquired infections.

This article goes on to say those deaths are preventable. We have known this for a long time. This article is confirming something that has been studied for a long time.

. . . evidence suggests hospital workers could all but eliminate [catheter-related bloodstream infections] by following a five-step checklist that is stunningly basic: (1) Wash hands with soap; (2) clean patient's skin with an effective antiseptic; (3) put sterile drapes over the entire patient; (4) wear a sterile mask, hat, gown and gloves; (5) put a sterile dressing over the catheter site.

A lot of this came out of original work that was done in Michigan, the so-called Keystone Project. We have taken that in Rhode Island and adapted it to try to reduce these hospital-acquired intensive care unit infections. But this is preventable. The point is, when we prevent it, we save money because those 80,000 patients per year developing catheter-related bloodstream infections—as to the last information I saw, I believe it costs about \$60,000 to treat hospital-acquired infections. So I cannot do the math in my head, but multiply \$60,000 times 80,000 patients per year getting these catheter-related bloodstream infections and we get into very big money very quickly.

Don Berwick is the leader of the health care reform effort that tries to take exactly that kind of problem and solve it so this process, this stunningly basic process that can prevent these infections, actually gets implemented over and over and over, every time, so we can eliminate these infections. When we eliminate them, we eliminate the cost of treating it; we eliminate the excess days that had to be spent in the hospital while the patient was treated for the infection; and, of course, most importantly, we eliminate 30,000 people dying from a hospital-acquired, catheter-related bloodstream infection every year.

What is not to like about that? That is the theory of health care reform that Don Berwick is the lead proponent of. So I came back to the floor because this story is so clearly on point as to exactly the kind of reform he has been a proponent of—from his years on the

Clinton Consumer Quality and Protection Commission—I do not have its exact name right now, but it was a Clinton-era quality reform initiative—from his leadership writing "To Err Is Human," the initial report that kicked off the health care quality reform movement, and the follow-on report, "Crossing the Quality Chasm."

This is what this guy specializes in and this ability to go into the American health care system and find these ways where, by improving the quality of care, we lower the cost. Again, whatever 80,000 patients is times—I may have the number wrong, but my recollection is about \$60,000 per infection—we get into pretty big money in a pretty big hurry. It is preventable, and it is that kind of savings that is going to help turn the corner for American health care.

So I ask unanimous consent that this Washington Post article entitled "Hospital infection deaths caused by ignorance and neglect, survey finds" by N.C. Aizenman, dated Tuesday, July 13, 2010, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 13, 2010]

HOSPITAL INFECTION DEATHS CAUSED BY
IGNORANCE AND NEGLECT, SURVEY FINDS

(By N.C. Aizenman)

Deadly yet easily preventable bloodstream infections continue to plague American hospitals because facility administrators fail to commit resources and attention to the problem, according to a survey of medical professionals released Monday.

An estimated 80,000 patients per year develop catheter-related bloodstream infections, or CRBSIs—which can occur when tubes that are inserted into a vein to monitor blood flow or deliver medication and nutrients are improperly prepared or left in longer than necessary. About 30,000 patients die as a result, according to the Centers for Disease Control and Prevention, accounting for nearly a third of annual deaths from hospital-acquired infections in the United States.

Yet evidence suggests hospital workers could all but eliminate CRBSIs by following a five-step checklist that is stunningly basic: (1) Wash hands with soap; (2) clean patient's skin with an effective antiseptic; (3) put sterile drapes over the entire patient; (4) wear a sterile mask, hat, gown and gloves; (5) put a sterile dressing over the catheter site.

The approach also calls for clinicians to continually reconsider whether the benefits of keeping the catheter in for another day outweigh the risks and to use electronic monitoring systems that allow them to spot infections quickly and assemble a rapid response team to treat them.

A federally funded program implementing these measures in intensive-care units in Michigan hospitals reduced the incidence of CRBSIs by two-thirds, saving more than 1,500 lives and \$200 million in the first 18 months. Similar initiatives across the country helped bring the overall national rate of these and related bloodstream infections down by 18 percent in the first six months of 2010, according to the CDC.

"Our research shows that the cost of implementing [such programs] is about \$3,000

per infection, while an infection costs between \$30,000 to \$36,000," said Peter Pronovost, a professor at Johns Hopkins University School of Medicine who led the program. "That means an average hospital saves \$1 million."

So why aren't hospitals leaping to adopt these best practices?

The survey released Monday, which was conducted by the Association for Professionals in Infection Control and Epidemiology and funded by Bard Access Systems, a maker of catheters, pointed to ignorance and neglect at the top.

More than half of the 2,075 respondents, most of whom were infection control nurses employed by hospitals, reported that they use a cumbersome paper-based system for tracking patients' conditions that makes it harder to spot infections in real time. Seven in 10 said they are not given enough time to train other hospital workers on proper procedures. Nearly a third said enforcing best practice guidelines was their greatest challenge, and one in five said administrators were not willing to spend the necessary money to prevent CRBSIs.

Pronovost said part of the problem was that many hospital chief executives aren't even aware of their institution's bloodstream infection rates, let alone how easily they could bring them down.

When hospital leaders decide to create a culture in which preventing infections is a priority, he added, nurses feel empowered to remind physicians to follow the checklist when inserting catheters, physicians are provided antiseptic soaps as part of their catheter kits and infection control personnel have the best tools to monitor patients.

"If anyone in that chain of accountability doesn't work, you won't get your [infection] rates down," he said. "But it's the hospital's senior leadership that is ultimately responsible."

Mr. WHITEHOUSE. Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant editor of the Daily Digest proceeded to call the roll.

Mr. KYL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KYL. Mr. President, I just want to take a moment to ask unanimous consent to have printed in the RECORD, at the conclusion of my remarks, an editorial dated today from the Arizona Republic. That is my hometown newspaper in Phoenix, AZ.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. KYL. The editorial is entitled "End run denies public a debate on health care." The point of the editorial is that while we had a very long debate over the so-called health care legislation—I think the name of the act was the Patient Protection and Affordable Health Care Act—we never had the kind of debate that would have edified the American public on the general question of a government-run health care system versus one that was more amenable to the doctor-patient rela-

tionship and the privacy that Republicans were suggesting was a better way to go.

What the editorial says is that the President's recess appointment of Dr. Berwick obviated the kind of debate that could have occurred had he gone through the regular nomination process and had a hearing at which his views could be elicited, and we could have then debated whether he, with his views, was the right person to head the CMS, which is the entity that will be running the program.

The editorial concludes with these comments, after noting that even Democratic leaders in the Senate were perplexed by the recess appointment, noting Senate Finance Committee chairman, MAX BAUCUS, saying he was "troubled" by the move. The editorial concludes:

Considering how dubious the public remains about Obamacare, there is every reason to believe the Republicans really did want an exchange with the candid, erudite Berwick. The recess appointment strongly suggests the White House simply did not want to have another fight over the contentious health care issue.

Political parties can be devious. History is littered with appointments delayed to death out of little more than spite.

This wasn't one of those appointments. Dr. Berwick will head a federal agency that spends \$800 billion a year. The public deserves to know what he thinks.

The point is, we would have had an opportunity to know what Dr. Berwick thinks and for the American people to express themselves on that issue through their representatives in the Senate had we gone through the regular nomination process. But because the President decided to short-circuit that while we were off and back home on our July 4th recess, and made the recess appointment, we will never have that opportunity. As the editorial notes, that is lamentable. It denies the public an opportunity they would have had to understand better what his point of view was and perhaps to have a debate about the general underlying nature of the health care bill that was passed.

EXHIBIT 1

[From the Arizona Republic, July 13, 2010]
END RUN DENIES PUBLIC A DEBATE ON HEALTH CARE

Crazy as it sounds, we did not have a real "debate" over health care in those many months prior to the passage of the Patient Protection and Affordable Care Act in March.

Basically, the warring factions had an 18-month fight over interpretations.

President Barack Obama and Democrats interpreted the new law as one that would, affirmatively, lower costs, preserve existing options, extend coverage near-universally and improve care overall.

On defense against the interpretations of mostly Republican critics, they argued the plan did not constitute socialized medicine, was not a Washington power grab, would not explode costs, would not create "death panels," would not reduce insurance options,

would not foist new burdens on the states, and wouldn't increase federal deficit spending.

It was a debate over the meaning of a constantly evolving bill, not one of competing philosophies.

But a debate over the efficacy of a centralized, government-led health-care system vs. a decentralized, mostly private system? Rarely was the epic struggle ever that straightforward.

Senate hearings on the appointment of Obama's nominee to head the Centers for Medicare & Medicaid Services, Dr. Donald Berwick, would have been a great opportunity to hear those debates, at long last.

Unfortunately, that isn't going to happen. The president short-circuited those hearings by using his power to make appointments during congressional recesses. According to a White House spokesman, the president anticipated Republican obstructionism, and so performed the end run. That explanation is debatable. There was no discernable "impasse" on the Berwick appointment.

Republicans claim they greatly anticipated the Berwick hearings, given the Harvard-educated pediatrician's candid commentary over the years about his enthusiasm for a single-payer health-care system similar to that of Great Britain. Likewise, Democratic leaders in the Senate also were perplexed at the recess appointment. Senate Finance Committee Chairman Max Baucus of Montana said he was "troubled" by the move.

Considering how dubious the public remains about Obamacare, there is every reason to believe the Republicans really did want an exchange with the candid, erudite Berwick. The recess appointment strongly suggests the White House simply did not want to have another fight over the contentious health-care issue.

Political parties can be devious. History is littered with appointments delayed to death out of little more than spite.

This wasn't one of those appointments. Dr. Berwick will head a federal agency that spends \$800 billion a year. The public deserves to know what he thinks.

Mr. KYL. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. GILLIBRAND). The clerk will call the roll.

The assistant editor of the Daily Digest proceeded to call the roll.

Mr. BROWN of Ohio. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. HAGAN). Without objection, it is so ordered.

Mr. BROWN of Ohio. Madam President, I ask unanimous consent to speak for up to 10 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNEMPLOYMENT BENEFITS

Mr. BROWN of Ohio. Madam President, it is, I believe, day 42 since 41 Members of the Senate have blocked us through filibuster, through obstructionism, through threat of tying up the Senate and shutting it down basically so that we have not been able to extend

unemployment benefits to workers in Charlotte, in Ashville, NC, and Columbus and Cleveland, OH. It is unconscionable. It is unfair to those workers who have worked for 20 years and lost their jobs through no doing of their own. It is bad economics.

Presidential candidate MCCAIN's economic adviser, Mark Zandi, during the Presidential campaign said every dollar of unemployment benefits generates \$1.60 in economic growth. He examined various kinds of expenditures—everything from tax cuts to a whole bunch of other government programs—and what would stimulate the economy best, from road construction to small business tax breaks, all the kinds of things that we could do for job growth.

He said—this is Republican JOHN MCCAIN who voted against unemployment extension—his economic adviser in the Presidential race said the best stimulus for the economy is unemployment benefits because every dollar that goes into the pocket of an unemployed worker in Lima, Gallipolis, Steubenville, or Miamisburg, OH, generates \$1.60 in economic activity. That means they spend that dollar quickly because they need that money to pay their rent, to pay for utilities, to buy groceries, to go to the drugstore—to do all the things that are necessities of life that are obviously so important.

As the Akron Beacon Journal analyzed, Summit County emergency cash assistance cases rose 27 percent from May 2009 to May 2010. Food stamp cases climbed 22 percent over the same period.

It is an economic equation, to be sure, that extending unemployment benefits is the best thing for our economy. It is also a human equation, for all the problems people face in our country of not being able to simply provide for their families.

We can talk about the statistics; 90,000 Ohioans have seen their unemployment benefits expire. Forty-one Members of this body—40 of them Republicans—have said no to extending these benefits. We know these numbers. We see them all the time. We are blinded sometimes by all the statistics.

I would like to, as I do many days, put a human face on this issue and share what people in my State write to me telling me what these unemployment benefits mean to them.

Lisa from Cuyahoga County, the Cleveland area:

Please do not strand us here on the sea of uncertainty and washed up on the shore of ruin. That statement may be dramatic, but that is how it feels out here.

In my case, if I was guaranteed a 40 hour a week job working at a fast food restaurant, I would take it in a heartbeat.

I am currently taking care of my elderly mother college age daughter on \$213 a week after taxes. Do you know how far that goes? I have to pay rent, electric bills, and put food on the table. I am a single mother. How am I supposed to live?

I sit in a bedroom away from my mother and daughter and cry because I feel I have failed by family and we are headed for ruin. We already lost the family home due to unscrupulous lenders. Now I am one rent check away from being homeless.

Please, I am begging you to be my voice and the voice of the unemployed in Washington.

Again, these are people who want to work. Some of my colleagues, some of the 41 who vote no consistently—we have tried week after week to bring this legislation to a vote—seem to think unemployment is welfare. It is not welfare. Many of the letters I get are from people who worked in the same job 20 and 30 years and lost that job and are trying to find work, as they are required to under the law. If you draw unemployment benefits, you are required to continue to look for work. You send out resumes, make visits to the plant, the office, or restaurant to try to get a job.

Every one of these workers paid in. This is not welfare; this is insurance. Every one of these workers paid into the unemployment insurance fund, and now when they are unemployed, they are deserving of collecting on their insurance, if you will.

Rebecca from Lorain County—that is the county in which I live in west Cleveland—works for Catholic Charities helping the unemployed:

My job is trying to find resources for the people in need. Every day I am deluged with requests for rental and mortgage assistance by many who have exhausted their unemployment benefits and have not been able to find other employment.

One gentleman in particular is an unemployed steelworker of over 25 years who is raising a 2-year-old son by himself. His home is about to be foreclosed on and his employment benefits have run out. What else can he do? What can I do to assist him?

I look across the aisle when we are all in this Chamber and I think: 41 people voted against the extension of unemployment benefits. I think all of us are a bit too isolated in this job. We are paid well. We get a lot of attention. We all have good staffs, fairly large staffs of 40, 50, 60 people both in Washington and our States, in Columbus, Cleveland, Cincinnati, and Lorain. I don't know that we talk with enough people who have been in a situation that she writes about the steelworker—25 years and raising a 2-year-old son by himself.

Lisa from Cuyahoga County is taking care of her elderly mother and college-age daughter and already lost her home. I know empathy is in short supply in this world and particularly in the Senate. I wish each of us would read these letters and sit down and talk with somebody such as Lisa who first lost her job. Then she lost her health care. Then she has to explain to her daughter: Honey, we are not going to be able to stay in this house much longer because we cannot afford the rent—or got foreclosed.

Mom, where are we going to live?

I don't know yet.

Am I going to be able to go to the same grade school I go to now?

I don't know yet, honey, if that is going to happen.

How are we going to move? How are we going to move our stuff?

I don't know. We have to figure that out.

These are questions people such as us do not have to answer very often, are not faced with. If my 41 colleagues would sit down and listen to people who deal with these problems, who experience these problems, it might be a different situation.

The last letter I will read is from Marjorie from Summit County. That is in the Akron area:

I have been unemployed since January. My husband lost his job shortly before that. We are both college graduates. My husband has a master's degree.

Since we are both 61 years of age, employers are not hiring us because we are not the right fit for the position because we are either overqualified and/or too old.

Our house is on the market because we are reaching a point where we will be unable to make mortgage payments.

We have always done the right thing raising our children and being responsible citizens. But now we can't even keep a roof over our heads.

Something is not right when people make generalizations—as they are doing now—about people like us who want to work, who want to take care of themselves, and who are tired of being shunned because we are “one of those people.”

We do not like the deficit growth, but we paid our taxes, and we did not create this recession.

Please share our story with those who are in a position to, at least, help us with something.

I don't know Marjorie, but I received this letter from her. I know from every indication that she and her husband have worked their whole lives. They are highly educated. Both have college degrees. One has a master's degree. They are not people who are unmotivated. They have lived in this house a long time. They do not want to sell their house, but they do not have much choice.

Why can't 60 of us, with these sometimes dysfunctional Senate rules, with just one person from the other side of the aisle, one Republican, join in voting, or a couple of them come over here and vote for this extension so we can get the 60 votes we need? They are only going to get \$300 a week in unemployment benefits. Most of these people have paid into these funds for 10, 20, 30 years, never collecting anything. But they are only going to get \$300 a week.

They are not going to be rich. It is not so much money that they will think: I don't want to bother going to work. I don't want to keep looking for a job. They have to keep looking for a job.

It is the right thing to do morally. It is the right thing to do because of the

values we hold dear in this country. It is the right thing to do for economic reasons. As Senator MCCAIN's chief economic adviser in his Presidential race said: Nothing stimulates the economy more than putting this money into the community in Ravenna or Mansfield or Warren or Findlay and getting this generation of economic activity which will help to create more jobs and help to get us out of this recession.

I implore again my colleagues to support the extension of unemployment benefits.

Madam President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant editor of the Daily Digest proceeded to call the roll.

Mr. BURRIS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BURRIS. Madam President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BURRIS. Madam President, we are on the small business bill; is that correct?

The PRESIDING OFFICER. The Senate is still conducting morning business.

NEED FOR BOLD ACTION

Mr. BURRIS. Thank you, Madam President.

For the past 2 years, this country has been held in the grip of an unprecedented economic crisis. The housing market collapsed, the bottom dropped out of Wall Street, and for the first time in generations many Americans felt their hard-earned economic security begin to slip away.

Here in Washington, Members of the House and Senate were faced with a harsh reality: For decades, regulators and policymakers alike had fallen short of their responsibilities. A divisive political process drove them to duck the tough issues and kick the can down the road time and time again.

This failure of regulation and the absence of political will allowed Wall Street fat cats to let their greed get the better of them. They gambled with our economic future. They designed complicated financial products and placed high-stake bets against them. In short, they built a house of cards, and when it finally came crashing down, the American economy lay in ruins.

There can be no quick fixes after a disaster of this magnitude. But under President Obama's leadership, our elected leaders finally took the bull by the horns and did what was necessary to stop the bleeding and set our country back on the road to recovery. I was

proud to join many of my colleagues in supporting the American Recovery and Reinvestment Act—a landmark stimulus bill that helped reverse the rising tide of economic misfortune. Thanks to this legislation, we have made some significant progress, though we still have a very long way to go. But this is an election year, and that means partisan bickering is in the air and it is on the rise. So I believe my colleagues and I have a decision to make: We can focus on winning the next news cycle—pitting Republicans against Democrats, and falling into the same tired political battles that usually consume election years in Washington—or we can reach for something better. We can tune out the partisan fights, reject the failed policies that got us into this mess, and prove to the American people that we have the will to make tough decisions.

Our recovery is far from complete. I believe if we fail to continue the bold policies that pulled us back from the brink of disaster, if we shrink away from difficult decisions that will move this recovery forward, then we place our economy at grave risk of slipping back into a recession. This is a time for bold action, not pointless ideological battles. This is a time to move forward, not backward.

I call upon my colleagues to seize this opportunity. Let us keep America on the road to recovery, and restore the hard-earned security of ordinary folks who have suffered because of bad decisions on Wall Street. It won't be easy, but it is our responsibility, and it is the right thing to do.

We should start by increasing our support for small businesses, especially those disadvantaged and minority-owned businesses. These companies foster progress and innovation. They have the power to create jobs and direct investment to local communities, where it can have the greatest impact. Small businesses form the backbone of our economy, but in many ways they have suffered the most as a result of this economic crisis.

That is why I have filed an amendment that will improve and expand the Small Business Administration's 8(a) Program. This measure would increase the continued eligibility amount from the current \$750,000 net worth to \$2.5 million so more small businesses could benefit from this assistance.

It is no secret that minority-owned businesses, particularly those in poor or urban areas, have been hit hardest by the current economic downturn. That is why these are the areas we should target for our strongest support. By expanding the existing 8(a) program, we can increase its economic impact without having to reinvent the wheel. We can rely on a proven initiative to inject new life into disadvantaged areas.

I ask my colleagues to support my amendment when it comes up for a

vote, as well as the underlying Small Business Lending Act as a whole, which we will be debating shortly on the floor. I ask them to reject the tired politics that got us into this mess and embrace the spirit of bipartisanship that can lead us out.

On behalf of small and minority-owned businesses, I call upon this body to take action in that regard. Our economic future may be uncertain, but with my proposal, the Small Business Lending Act, we have the rare opportunity to influence that future. So let's pass these measures to guarantee some degree of relief for the people who continue to suffer the most. Let's renew our investment in America's small businesses and rely on them to drive our economic recovery. Let's do it now. We need no more rhetoric, no more politics. Let's move forward and help small businesses in general, minority- and women-owned businesses in particular.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. UDALL of Colorado. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BURRIS). Without objection, it is so ordered.

Mr. UDALL of Colorado. Mr. President, we are working here on the floor of the Senate to encourage a strong economic recovery, but it still remains clear that too many Americans are unable to find work. We know small businesses are the real job engines in our economy, so I am particularly pleased that the Senate is right now debating a small business lending bill.

I rise today because I would like to further improve the bill through an amendment that would take a simple step to safely increase lending to small businesses. We do that mainly by getting government out of the way so that credit unions can increase their small business loan portfolios.

Today, in every single State of the United States, there are credit unions that have cash on their balance sheets, and they are ready to respond with loans for more money. There are many worthy small businesses in communities across our country, in Colorado and Illinois, that need the loans, but Federal law currently prohibits Federal credit unions from fully helping our entrepreneurs. Especially in this economy, we need to change that. We know small business expansion is what is going to pull us out of this recession.

Small businesses have always been the job engine of our economy. In the last 15 years, small businesses have generated nearly two-thirds of all new jobs created in our country, and they currently employ more than half of all Americans.

I traveled across Colorado this year and last year, as you have in your State, Mr. President. I constantly visited with scores of small business owners, and they continually ask me: Where is the lending? I thought the banks were supposed to start lending again.

I heard this. I think every Senator in the Chamber has heard this. But despite remaining profitable, small businesses have been unable to secure the loans they need to make investments in inventory, expand, and ultimately hire new workers. That is why I am introducing this amendment to allow credit unions to ramp up their small business lending without costing taxpayers a single dime.

Back in December of last year, I was joined by Senators SNOWE, SCHUMER, LIEBERMAN, BOXER, COLLINS, BENNET of Colorado, our Majority Leader REID of Nevada, SPECTER, BILL NELSON, SANDERS, and GILLIBRAND in introducing the Small Business Lending Enhancement Act.

The bill would have increased lending for small business by lifting the arbitrary cap on credit union small business loans. Why is that a problem and why is that a cause of concern? Right now credit unions are required to limit small business lending to 12.25 percent of their total assets. But many credit unions have run up against that cap and the only thing keeping them from jump-starting their local economies is an outmoded law I acknowledged.

After introducing our bill last year, we heard from scores of banks that were concerned about the safety and soundness of allowing credit unions to increase their small business loan portfolios. I realize that dealing with banking credit unions can be like injecting yourself between the Hatfields and the McCoys, but I feel so strongly about helping small businesses and unlocking the credit markets that I am willing to take some lumps in the process.

I have gone back to the banks, listened to their concerns, and we went to the drawing board. I spoke to the Senate Banking Committee, Treasury Department, and even the credit unions' own regulator, the National Credit Union Administration, to see if there was something we could all agree on.

That work has paid off, which is why I am proud to introduce a new compromise that will safely and soundly increase small business lending by credit unions without costing Americans a dime. Best of all, this legislation could lead to large-scale job creation in my home State of Colorado and all around our great country.

If the Members would indulge me, I wish to explain what is in the compromise. In response to questions about the safety and soundness of allowing credit unions to expand their small business lending all at once, our new proposal institutes strict eligibility

criteria. Under this amendment, the credit union must first be well capitalized. Second, they must have offered small business loans for at least the last 5 years; third, proof they have sound underwriting and strong historical management practices; and, fourth, it must show they have been running up against their previous loan cap. Credit unions that meet all of those strict criteria then go to the NCUA, their regulator, and apply to increase their small business lending. Then when they are approved, that cap would increase slowly from the current 12.25 percent to a maximum of 27.5 percent, and even that transition would be overseen by regulators to ensure it is done in a measured and prudent fashion.

Nobody can argue that this is irresponsible. I would challenge anybody to tell me this is not a sound and sure-fire way to grow our economy by increasing credit unions' capacity to lend to small businesses. The Credit Union National Association estimates that these sensible reforms would increase small business lending by over \$10 billion a year, including—and let me talk about Colorado—an increase of \$200 million in my home State of Colorado.

This new access to credit is also predicted conservatively to produce more than 100,000 new jobs nationwide. I think everybody would agree this is the sort of pro-business, pro-jobs policy we need.

The small business community, led by the National Small Business Association, the National Association of Realtors, and even chambers of commerce such as those in Texas have even gotten behind our effort and are now asking the Congress to pass this important provision.

We all know what shape our economy is in today. Small businesses continue to struggle to access credit, as large banks have significantly cut back on Main Street lending.

Mr. President, you been here the last 18 months and you have noted, I know, that the 22 banks that received the most funding through the Troubled Assets Relief Program, TARP, actually have cut their collective small business loan balance, and then America's community banks which, by and large, did not receive any Federal bailout funds, are still struggling to fill that Main Street credit vacuum that was created by these large financial institutions.

We need to do better. Small businesses are counting on us all across our country. I mentioned earlier we have all met business owners. One Coloradan I was particularly compelled by is Stacy Hamon. Stacy is a small business owner in Thornton, CO, who started her own business, the 1st Street Salon. Initially she went to a bank only to be turned away because credit was in short supply, not because of any problem with her credit history. So

Stacy turned to make her dream come true to her local credit union, and that credit union granted her a loan through a second mortgage on her home. Since that time her salon has become even more successful. I visited her business. I was impressed. She hired more workers. She created real American jobs. Her story is a shining example of the economic expansion that awaits us if we will increase the amount of lending that credit unions can undertake.

Another Coloradan, because this is about real people who are eager to build their business, is Lisa Herman. She e-mailed me a story about a loan she secured from a credit union to expand her business, called Happy Cakes Bakeshop. It is in the Highland Square area of Denver. She has been in business since 2007. Despite a tough economy, her revenue has been up by about 25 percent since the summer of 2008. She has booked over 20 weddings a month, and her retail operation has expanded to the point that she needed to build and move into a new shop.

Her traditional bank lender could not expand her credit, but her local credit union could. She went on and expanded her business. This meant more jobs and more business for her community. That is the American way, is it not?

As I begin to close, some would have you believe that this is about banks or credit unions. I mentioned the Hatfields and the McCoys earlier. But it is about small business; not about the banks, not about the credit unions, it is about small business.

In this kind of a climate, we cannot turn away entrepreneurs such as Stacy and Lisa. I doubt there is a single Member of this Senate who wants to look a small business owner in the eye who could not get a loan because of an arbitrary government cap on small business lending. We all have an enormous responsibility to do all we can to unlock credit markets for small businesses in Colorado and across our country.

This amendment is an important part of that effort. I look forward to working with all 98 of my colleagues to move this amendment, to add it to this important small business lending package and allow our Nation's small businesses to again set our country on a path toward job growth and future prosperity.

I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Ms. STABENOW. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNEMPLOYMENT

Ms. STABENOW. Mr. President, I come to the floor, as I have on a number of occasions, to urge colleagues to extend unemployment benefits for now well over 1 million people who have lost their benefits because of the stalling, the filibustering, unfortunately, by colleagues on the other side of the aisle.

I am very appreciative of the fact that we have two Republican colleagues joining with us to stop a filibuster, but as the Presiding Officer knows, that is not enough. We need one more Member to come forward to join us, not to get a majority to pass unemployment benefits—we have a majority—but we do not have a supermajority. That has now been required on every single issue that has come before the Senate in order to try to get things done for the American people.

When I was home last week—of course I jump on a plane every Friday and come back on Monday; I view this as a long distance commute to work—I heard over and over concerns from families who have been employed all their life, had good middle-class lifestyles, have had the ability to take care of their families, have had not only the ability to have a home but maybe a cottage or a mobile home to be able to enjoy beautiful northern Michigan and the Great Lakes in the summertime, and folks who have felt confident they could send their kids to college, who literally had the rug pulled out from under them through no fault of their own.

We can go through all that brought us to this point: a decade of policies under the previous administration that created huge deficits, policies that did not work, making sure that those doing very well in this country received tax cuts, but middle-class families were left out there on their own; not enforcing trade laws so that more and more of our jobs were being shipped overseas.

That needs to change. And, in fact, it is changing. Despite what this President inherited, what we inherited 18 months ago when President Obama came into office, 750,000 jobs a month being lost, we have begun to turn that around. We are now gaining jobs every month rather than losing jobs. But we know there is so much more to do.

While we are doing that, while we are focused on creating jobs, partnering with small businesses and manufacturers to create jobs, we have millions of people, over 15 million people, who have been caught in this economic tsunami, through no fault of their own. They are simply asking that something called unemployment insurance—and, by the way, it is insurance. You pay into it when you are working, you receive assistance when you are not. But they are asking that we do what every other Congress has done, Democratic

President, Republican President. Anytime we have seen unemployment numbers such as we are seeing today, the Congress of the United States has understood and stepped up to extend unemployment benefits—except now. In the midst of every other initiative being stalled, the folks on the other side of the aisle who have been dubbed the party of no have, in fact, been saying no to everything, including no to families who are in situations now where it is literally about whether they will have a home, whether they can pay their bills and put food on the table, whether they can go to school—as we have all said, we will go back to school and get retraining. People are doing that.

But they are taking that small amount, that \$250 or \$300 a week, that is the difference between their being able to stay in school with a roof over their head or having to drop out and not be able to start a new career.

I wish to share a few letters of thousands of letters I have received. I am sure the Presiding Officer receives them as well. But they represent people who are asking us to stop the politics for 5 minutes and understand what is happening to people in this country, and step up and do the right thing.

Kim from Bellmont, MI, wrote me:

Thank you for trying your best to extend unemployment benefits. My husband worked 24 years in a factory and then he was laid off. I have a hair salon I run from my home. We were a happy middle-class family. But now life has been turned upside down, to put it mildly. I now work three jobs. Two are very low paying. I never see my kids or my husband. So darn tired. But I knew with the help of unemployment and my husband applying for a job, and his going to back to school, we could sustain ourselves until something came along.

Only 6 months have gone by. Now along with his job loss, we will lose our home, which means my business also. I do know you have tried. Please keep trying.

I will. But what needs to happen is, we need to find at least one more Member who will join with us to get beyond this roadblock of a filibuster so that Kim doesn't have to lose her home. She can keep her business she runs out of her home, her hair salon, and keep things going while her husband goes back to school so he can get another job.

Judith from Taylor wrote me:

We did not do anything to have this horrible circumstance come our way. Both my husband and I appreciate the work you are doing but please don't give up on us. This week we received notice that our mortgage bank has started foreclosure proceedings on our home. The frustrating thing about this is, we have been trying to sell our house since February of 2009. We have had buyers who were interested [but the] bank stopped proceedings saying they wanted more money out of us. We have been waiting since April for the bank's decision on the present purchase agreement. And the only thing we have gotten from this bank is a letter of foreclosure proceedings this week. Not like

we didn't have enough to contend with, our youngest son left from Ft. Campbell, KY to the war in Afghanistan on June 9th. This is a very scary and emotional time for our family. We are definitely on overload but we are just one family of millions who are experiencing how life has changed in this world. We have strong faith in the Lord and a strong belief that life will get better. I love this country but grow weary as to the direction the country is heading. Politics should not play games with the American people's lives.

That is what is happening right now. I should mention that one of the leaders in the Republican caucus has indicated that when it comes to extending tax cuts for the wealthiest Americans, we should not worry about the debt. We should not worry about paying for those. But when it comes to helping people who are out of work, then the rules ought to be different. When it comes to helping people out of work, then we should change the rules that have been in place calling it emergency spending and require something different. If 15 million people out of work isn't an emergency, I don't know.

Dawn from Hudsonville writes:

I listen daily to the radio and I have heard the lack of progress regarding unemployment. I am blessed to have a loving and generous family so my son and I won't be homeless but there will be significant upheaval. My son will graduate from high school next year (if I'm not forced to move) . . . I have done everything I can think of to continue living here; cut expenses to the bone, free lunches for my son, visits to the food pantry—so many things I never thought I would have to do. I realize the scarcity of jobs, my age (51) is a definite factor, but I honestly never imagined the depth of this recession.

Melvin from Auburn Hills:

I urge you to please encourage your peers to reconsider their vote. Personally, I am 41 years old, had a job since I was 16, and have never collected unemployment until 2009. During the past 16 months, I returned to school and I am about to take another course. I have taken any opportunity possible to work which has included three jobs that were low paying, part time, or short term, and I don't know what I will do if these extensions stop. I have already moved to Michigan to live with family because I couldn't afford rent in Illinois anymore. However, I will be forced to live under an overpass if I can't even contribute to household expenses during this difficult time in my life. It saddens me that a hardworking person like myself is lumped into a category of "losers and mooches" by the attitude of some elected officials, when my lifetime of hard work without ever receiving any unemployment (or any other government assistance) should clearly identify me as a victim of what is the worst economic time in my entire adult life. I want to work and return to a job, and that is why I am doing additional schooling to make myself stand out to potential employers. In the meantime, please help folks like me sustain our modest existence. Please encourage another vote in the Senate to extend unemployment insurance benefits.

I thank Melvin for working hard and for hanging in there. That is what we do in Michigan, we work hard. If we are knocked down, we get back up, and we

go back to work. The people whose letters I have shared this evening are people who are working one or two or three part-time jobs trying to hold it together. But mom and dad may have both lost their jobs. They are trying to hold it together for their families. As Melvin said:

I don't like being lumped into a category of "losers and mooches" by the attitude of some elected officials.

People in Michigan are not losers. They are not mooches. They are people who have been caught in the middle of an economic tsunami. They didn't cause it. They weren't the ones who were reckless on Wall Street who caused us to lose jobs and lose credit availability and home mortgages and pensions and 401(k)s. They were not the ones who made the decisions that got us to this point. It is critically important they not continue to pay the price.

I see our distinguished leader on the Senate floor. I thank him for his passion and commitment for people who have lost their jobs and his commitment as soon as possible to bring this up for a vote one more time. But it is very sad that we have had to get to this point where over 1 million people have already been hurt losing their unemployment benefits and others are just holding their breath about what is going to happen. We are committed to continuing to do everything we can until we can get this done—extending unemployment benefits and remaining laser focused on jobs for the American people. We will continue to do that.

But it would be very nice if somehow one more person from the other side of the aisle would step up tonight or tomorrow and we could end what has been a nightmare for millions of Americans wondering what is going to happen to themselves and their families.

The PRESIDING OFFICER. The majority leader is recognized.

CONCLUSION OF MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that morning business be closed.

The PRESIDING OFFICER. Without objection, it is so ordered.

WALL STREET REFORM AND CONSUMER PROTECTION ACT—CONFERENCE REPORT

Mr. REID. I now move to proceed to consideration of the conference report to accompany H.R. 4173.

The PRESIDING OFFICER. The question is on agreeing to the motion. The motion was agreed to.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the

amendments of the Senate to the bill (H.R. 4173) to provide for financial regulatory reform, to protect consumers and investors, to enhance Federal understanding of insurance issues, to regulate the over-the-counter derivatives markets, and for other purposes, having met, after full and free conference, have agreed that the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment, and the Senate agree to the same, that the House recede from its disagreement to the amendment of the Senate to the title and agree to the same, signed by a majority of the conferees on the part of both Houses.

(The conference report is printed in the House proceedings of the RECORD of June 29, 2010.)

CLOTURE MOTION

Mr. REID. I have a cloture motion at the desk.

The PRESIDING OFFICER. Pursuant to rule XXII, the clerk will report the motion to invoke cloture.

The assistant bill clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the conference report to accompany H.R. 4173, the Wall Street Reform and Consumer Protection Act.

Harry Reid, Christopher J. Dodd, Charles E. Schumer, Sheldon Whitehouse, Amy Klobuchar, Thomas R. Carper, Benjamin L. Cardin, Jeff Merkley, Kay R. Hagan, John F. Kerry, Tom Harkin, Jack Reed, Frank R. Lautenberg, Mark Begich, Barbara Boxer, Mark R. Warner, Joseph I. Lieberman.

Mr. REID. Mr. President, I ask unanimous consent that the mandatory quorum be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Connecticut is recognized.

Mr. DODD. Mr. President, very briefly, because the hour is late and we will have a longer time to engage in a debate about the conference report, I wish to begin this evening, as I will try to repeat during the next 2 days, with my deep appreciation to the majority leader, HARRY REID. While there were a lot of people involved in this process over the last several years who have brought us to this moment for us to consider this very important landmark piece of legislation regarding reform of our financial services, none of this ever happens unless you have a leader who makes it possible to happen.

While that is a simple enough sentence to say, there is so much that goes into that sentence—the organization, bringing people together, seeing to it that the time is available, making sure the procedures that we will work under allow us to have a full-throated debate, as we were able to on this bill.

This bill went through almost a month of consideration on the Senate floor. We considered almost 60 different amendments offered by both parties,

many of which were adopted to change the bill, added value to it. It then proceeded to a conference with the other body in which we spent another 2 weeks, well into the all-night session until June 25 in which another 60 or 70 amendments were considered, and then came back to this Chamber where we are now in the position of adopting the conference report. None of that happens without having leadership in a body that makes it possible for those events to unfold.

While there will be a lot of talk over the coming days about how this happened and what is in the bill, it is important that as we begin the conversation over the next several days, before we vote whether to accept this conference report, that I begin by expressing my gratitude to the majority leader and his staff and others who made it possible for us to arrive at this historic moment as to whether we will change the status quo and set up a regulatory structure that makes it possible for us to address future economic crises, as certain as they will occur, with the ability to deal with them early on, to avoid them becoming larger problems as this one did because we failed to have the regulatory process in place, we failed to have the kind of oversight, we failed to have the kind of protections for consumers that this bill drafts and provides for.

I thank the majority leader for his leadership. While he was not directly involved day to day, there wasn't a single occasion when I could not pick up that phone or walk into his office, cite a problem I had on how to get from point A to point B in which he didn't stop everything he was doing to make sure we could work our way through those difficulties. A lot goes on unseen on how we operate in this Chamber. But, again, when this bill is adopted, as I hope it will be, there are many people who deserve gratitude and expressions of thanks. We ought to begin by thanking the majority leader for making it possible. To him and to his staff and others, I say thank you. I look forward over the next 2 days to the debate.

I yield the floor.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. REID. Mr. President, I hope the distinguished Senator from Connecticut and I have an opportunity, which we will, to sit down and talk about what we have been through the last 2 years. We had a difficult situation with the banks, financial institutions going bankrupt, going to close, and we worked our way through that. We had credit card legislation that was so very difficult. We had the housing legislation that was so extremely difficult. And, of course, we have had this.

This piece of legislation is really a masterpiece. To think that we have been able to get as far as we have—for example, in today's newspaper, it did

not go unnoticed by me that Secretary Paulson said some extremely nice things about this piece of legislation. He did not have to do that. He did it because he thought it was the right thing to do. Here is a man who came to Washington inexperienced in government in any way and was given this plate of a really bad situation that developed. So we have the present Secretary of Treasury and the past Secretary of Treasury saying this is an extremely fine piece of legislation, which it is.

I have been around not as long as my friend from Connecticut in the Congress of the United States, but I have been around a long time and this really, I repeat, is a masterpiece. I think it is appropriate to acknowledge the work he has done in this legislation. He was saying nice things about me—I appreciate that—but that is really not very meaningful for someone who was watching him work his way through this legislation.

The vote is not complete yet, and we hope it will all turn out well. But there are a number of people who have been very courageous in allowing us to move forward. We will talk more about them later. They are three or four in number and we will talk about them later. But my friend and I have developed a forever friendship based on the crisis we have gone through together, and I so admire him. There will be another time for talking about his more complete service, but I can say this without any hesitation or reservation, I will so miss this man who has done such a remarkably good job for the State of Connecticut and our country in his long service. He has been an exemplary Senator to me, and I am so fortunate I have gotten to know him as well as I have.

SMALL BUSINESS LENDING FUND ACT

Mr. President, we have been on the small business jobs bill trying to work our way through, and there are a lot of issues we could work our way through, but my friends on the other side of the aisle made a decision today—maybe not tomorrow but today—to not let us move forward. I had a conversation with the Republican leader an hour or so ago and he said he wants to do some legislating on the bill tomorrow. I hope that, in fact, is the case because we are ready to do that.

This small business jobs bill is extremely important. It is a bipartisan bill and I hope we can get it completed. Having said that, I sadly report there will be no votes tonight.

Mr. DODD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REGULATORY CAPTURE

Mr. WHITEHOUSE. Mr. President, the majority leader indicated today that he would be preparing legislation on energy to deal with a number of different issues, among them the response we should make to the terrible spill, geyser of oil gushing into the Gulf of Mexico and all the damage that has ensued in the gulf States as a result.

I come to the floor this evening to say a few words about a problem I believe we need to address in the context of this catastrophe. That problem is the problem of regulatory capture of the captive regulator. Although it comes up in the context of the failure of the Minerals Management Service to do its job to see that the private sector deepwater drilling in the gulf was done properly, it is a problem that is not limited just to the geyser of oil gushing into the Gulf of Mexico and the failure of MMS to have taken adequate steps to prevent it. It occurs in other areas as well.

One that leaps to mind is the Securities and Exchange Commission, the so-called securities watchdog which was sound asleep at the switch as the economy careened towards the huge financial meltdown with repercussions we are still seeing today.

The Senator from Michigan, Ms. STABENOW, was just talking about the catastrophes in her State and the pain that the lack of unemployment insurance is creating. That goes back to the original Wall Street meltdown, and that launched a tsunami of misery across the country that we are still dealing with today.

So if you take a look at those two catastrophes—the giant financial meltdown catastrophe, the consequences of which we are still living, that families in Rhode Island, families in Illinois, families in Michigan are still dealing with; and the disaster in the gulf that has created a catastrophe throughout Louisiana, Alabama, Florida—they have a common theme. The common theme is this issue of regulatory capture.

My hometown paper editorialized pretty trenchantly about the gulf problem. They said:

The Deepwater Horizon accident has made it painfully clear that, in its current form, MMS is a pathetic public guardian. Neither it nor BP was prepared for a disaster of this magnitude, and MMS' cozy relationship with industry is a big reason why.

The issue of regulatory capture has been written about for a long time. In 1913, Woodrow Wilson wrote:

If the government is to tell big business men how to run their business, then don't you see that big business men have to get closer to the government even than they are now? Don't you see that they must capture the government, in order not to be restrained too much by it?

“ . . . they must capture the government, in order not to be restrained too much by it.”

The first dean of the Woodrow Wilson School, Marver Bernstein, wrote, 55 years ago, that regulators tend over time to “become more concerned with the general health of the industry” and that they try “to prevent changes which will adversely affect” the industry. He said, it “is a problem of ethics and morality as well as administrative method.” He called it “a blow to democratic government and responsible political institutions.” And ultimately he said it leads to what he called “surrender.” He said, “The commission finally becomes a captive of the regulated groups.”

Even recently, the Wall Street Journal editorial page contained an article by a senior fellow at the Cato Institute, saying:

By all accounts, MMS operated as a rubber stamp for BP. It is a striking example of regulatory capture: Agencies tasked with protecting the public interest come to identify with the regulated industry and protect its interests against that of the public. The result: Government fails to protect the public.

So from Woodrow Wilson, in 1913, through Marver Bernstein, 55 years ago, to the Wall Street Journal editorial page just this month, the identification of the problem at MMS with the doctrine of regulatory capture I think is clear.

So the question is, What are we going to do about that? It has been a recurring problem, and the difficulty is that for the regulatory agency, they are constantly engaged with the regulated industry. The industry is there all the time. The industry is pushing on them all the time. The industry is on the other side of the revolving door of jobs, often. The industry has lawyers and lobbyists working the agency. The industry threatens lawsuits if it gets regulations it does not like, and is accommodating and friendly when it gets regulations it does like. In some cases, such as MMS, the relationship gets completely toxic and you get social events with industry representatives, including illegal drug use and sex. You get staff failing to collect millions of dollars in royalties owed to the American people. You get senior executives steering contracts to an outside company created by those executives. You get district managers telling investigators: Hey, obviously we are all oil industry. You get employees accepting gifts from the companies regulated by MMS, trips to the Peach Bowl on a private airplane, skeet shooting contests, hunting and fishing trips, golf tournaments.

You get an MMS inspector inspecting the oil drilling platforms of a company that he has a job application in with. While they are considering whether to hire him, he is inspecting their oil drilling rigs. I guess it comes as no surprise that in those oil rig inspections

he found no violations. But that is an environment in which the regulatory agency has yielded to this long recognized problem of regulatory capture. So I think it is time we did something about it.

It is a doctrine that has been known for many years, and clearly both at the Securities and Exchange Commission and at MMS it has been realized, and it has been realized in ways that are extraordinarily painful and damaging for America. It has been realized in ways that are truly catastrophic—in one case, for our economy, in another case, for the environment of the gulf area.

What I have proposed is that we authorize the Attorney General of the United States, at the direction of the President or upon the invitation of a Cabinet official who senses a concern about that agency, to make a determination whether that agency is still truly independent of the industry it is supposed to regulate. If the President or the Cabinet official deemed that component no longer credibly independent of the corporation or the industry it is supposed to regulate, then the Attorney General is allowed to step in and clean up.

It is as simple as that. They would be charged to hire and fire and take personnel actions; to ensure the integrity of the personnel within the component; to establish interim regulations and procedures; to ensure the integrity of a process in the component of government. They would be charged to audit the permits and the contracts and ensure that the component of government has signed off on them legitimately, and if it appears that the permits or contracts have been affected by improper corporate influence, to recall them and renegotiate them so that they are done fairly and squarely and not a friendly negotiation in which both sides of the negotiation are, in effect, working for the industry and no one is representing the public interest. They would be charged to establish an integrity plan for that component and then to clear out once his or her job is done.

We have known about regulatory capture now for a century. We have seen it in action throughout that period. We have had two of the most catastrophic examples of regulatory capture happen just now on our watch, and in all this time we have never really come up with a mechanism for addressing it, because the pressure on these regulatory agencies is systemic, because it is constant and persistent, because it is done quietly. The industry doesn't come in and say: We are taking over. News flash to the world: This isn't going to be an independent agency any longer.

No. Quietly, as quietly as they can, they slip their tentacles deeper and deeper and deeper into the agency until they quietly control it—surrep-

titiously, stealthily, but they own it—and the interest that agency wants to serve is now the corporate interest and not the public interest.

So if we are going to face up to a problem that is that persistent, that constant, which has been recognized for a century and has recently yielded the two biggest disasters, economic and environmental, this country has recently seen, we have to create a persistent counterpressure. I think the threat of the Attorney General of the United States, our top law enforcement officer, coming in and cleaning house is that kind of persistent counterpressure we need.

So I urge my colleagues, as we discuss the different provisions we are going to bring to bear that are going to be our lessons learned from the gulf catastrophe, that we not overlook what is probably the biggest lesson of all: the lesson we have known for a long time about the problem of regulatory capture and the incidence of regulatory capture in these particular cases bearing such painful, damaging fruit, such bitter harvest for the American people.

I will continue to push. If colleagues have ideas they think would improve it, I would be delighted to discuss those ideas. I think we will have failed in our duty to the public if we do not take away from the financial disaster caused by the deliberately blind eye of the Securities and Exchange Commission and the catastrophe caused by the complete co-opt of MMS—if we don't take away from those the lesson that this can't be tolerated anymore.

Regulatory capture is no longer a theory; it has been proven to be a disastrous practice in at least those two agencies, and we don't know how many more agencies are in a similar position. The disaster may not yet have happened, but they may be just as captive. When you think of the billions and billions of dollars of taxpayer value in Federal land, in timber leases, in mining leases within the continental United States, in contrast with giant corporations; when you think of that huge pile of public wealth from which the giant corporations feed, it is hard to imagine they are not working just as hard to co-opt the regulators who protect that wealth as they work to successfully co-opt the regulators who are supposed to be watching the Wall Street financiers and who are supposed to be watching big oil as it drilled in the gulf.

So let's not overlook this lesson. I am willing to consider a lot of ideas that will help get us there. I put this out because it is the best one I have come up with yet, and I look forward to working with folks. It is too important that we don't go away from this having failed in our duty to protect the American public from the next disaster.

I thank the Presiding Officer.

I yield the floor, and I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO MARCA BRISTO

Mr. DURBIN. Mr. President, I rise today to honor my dear friend Marca Bristo and recognize her work as a disability rights activist and the community-based disability agency, Access Living, that she founded 30 years ago in my home State of Illinois.

Access Living opened its doors in 1980 to ensure that people with disabilities had equal rights.

Three decades ago, people with disabilities faced a world of dependency. Even though Congress had enacted important legislation such as the Rehabilitation Act of 1973 to prevent discrimination and the Individuals with Disabilities Education Act of 1975 to expand learning opportunities for those with disabilities, people with disabilities still lacked equal rights. Social prejudice fueled discrimination against people with disabilities in housing, employment and basic public accommodations. The concepts of independent living, wheelchair accessible public transportation and quality jobs were not yet part of everyday life.

Access Living was founded to insist on independent living options and higher quality of life for people with disabilities. The agency is governed and staffed by people with disabilities and operates under a fundamental belief that people with disabilities must become a political force if they are to effect social change. Marca Bristo, Access Living's president and CEO, knows that pride and commitment to social change is the most effective way to ensure that civil rights are enforced.

This passion stems from a personal experience. A diving accident at the Pratt Boulevard Beach pier left Marca partially paralyzed in 1977. Through this tragedy, she re-imagined her capabilities to work and thrive from a wheelchair. However, the adjustment was not always easy, because cultural and even physical barriers stood in her way.

Early in Marca's disability, the city of Chicago lacked curb cuts on public

streets, which made it hard for her to travel up and down city blocks in her wheelchair. This restriction prevented Marca from accomplishing basic errands such as a trip to the grocery store or a pick-up from the dry cleaners and from using public transportation to commute to work.

Marca and Access Living's vision of equality led to architectural and attitudinal changes in the city of Chicago and throughout the country. Years of litigation led the Chicago Transit Authority to add wheelchair lifts to their mainline buses. The city has also incorporated scrolling marquee, audible street announcements and thousands of curb cuts to make transportation feasible for people with disabilities.

Beyond these physical changes, Marca has also worked tirelessly to break down cultural barriers and integrate people with disabilities into community life. Access Living's work fosters dignity, pride, and self-esteem in people with disabilities. With that in place, they can choose individualized, satisfying lives.

It turns out, I am not the only person who has been impressed by Marca's leadership and vision for change. She was appointed by President Clinton to chair the Nation Council on Disability. She was here, fully engaged in the fight, when Congress wrote the Americans with Disabilities Act of 1990. She has also served as president of the National Council on Independent Living and is currently president of the U.S. International Council on Disabilities—USICD.

But the ADA means only as much as its implementation. We have work to do eliminating discrimination in employment, public services and public accommodations in the United States. As the ADA turns 20 in this month, we recognize the law's and Access Living's work to increase the visibility of people with disabilities in our country.

We as a Nation should also look to be global leaders in this arena. Through her work with USICD, I am confident that Marca will continue to focus the energy, expertise and resources of the U.S. Government and disability community to improve the lives of people with disabilities worldwide.

Fair and equal treatment is a cornerstone of our society and political system. Access Living and Marca Bristo's dedication to ending discrimination against people with disabilities have improved the lives of families in Chicago and nationwide.

TRIBUTE TO KENTUCKY HONOR FLIGHT MEMBERS

Mr. McCONNELL. Mr. President, today I rise to recognize 35 Kentucky veterans who recently came to Washington, DC to visit the memorial they helped to inspire. A few weeks ago, this group of distinguished men and women

were able to visit our Nation's Capital, some for the first time, because of the Honor Flight Program.

The Bluegrass Honor Flight chapter has brought over 600 veterans from Kentucky to Washington, DC, providing these brave patriots the opportunity to see firsthand the memorial built in their honor. The program provides transportation, lodging and food for these veterans, who otherwise may not have been able to visit the Capital or the monuments they inspired.

These brave individuals answered the call to duty by stepping up when their Nation needed them most. The sacrifices they made were extraordinary. With unyielding commitment to our great Nation, these men and women bravely served and defended the freedom and rights that we cherish. The courage shown by America's veterans will be long appreciated and never forgotten. And after their years of service, I am proud to be able to honor them today.

I would ask that my colleagues join me in honoring these Kentucky veterans:

Dewey Abrams, Charles Adams, Geneva Andress, Algernon Rowland, Jim Booher, Ralph Brewer, George Capito, Paul Chandler, Donald Cooper, Roland Davis, Miram Dewart, Cecil Dunn, Charles Wilson, Harris Gibboney, George Hauck, Joe Hutchins, Gerald Kincaid, Robert Koegel, Anne Laing, John Fultz, William Malcolm, Edward Martin, Cecil McGee, Frank Milburn, Howell Moore, Kenneth Oster, Obie Owens, Reverend Thomas Pittman, John Krabbenhoft, Dewitt Rowland, Elmer Susemichel, Donald Thom, Roger Tyler, William Warde and Richard Zapp.

RECOGNIZING THE URSULINE SISTERS OF LOUISVILLE

Mr. McCONNELL. Mr. President, I rise today to bring to my colleagues' attention the work of the Ursuline Sisters of Louisville, which will soon receive a special recognition from the Commonwealth of Kentucky for their decades of service.

The Ursuline Sisters began their ministry in Kentucky in 1858 when three Sisters from Germany, led by Mother Salesia Reitmeier, answered a call to teach at St. Martin School in Louisville. Within 2 weeks of their arrival, the Sisters were teaching 50 students and had plans to construct a convent and boarding school on the corner of Chestnut and Shelby streets in Louisville, KY. The building was completed in 1859 and became the home of the Ursuline Academy. The new boarding school for girls offered classes from elementary through high school.

Soon the Ursuline Sisters were asked to operate and staff other schools. They established Sacred Heart Academy in 1877. Within 100 years of their

establishment in Kentucky, the Ursuline Sisters had staffed or were staffing 23 parochial schools in the Louisville area, as well as schools in other States. They owned and operated Ursuline College, Ursuline Academy, Sacred Heart Academy, Sacred Heart Model School and the Ursuline Speech Clinic. The original Motherhouse and Convent for the Ursuline Sisters is located near the original school in downtown Louisville that was established by those three German immigrants 152 years ago and is listed in the National Park Service's National Register of Historic Places.

These Sisters serve as educators, spiritual ministers, health care professionals, and administrators. They operate programs for the poor and disenfranchised and continue to search for ways to assist others to grow personally and spiritually.

On July 25, 2010, the Ursuline Sisters' history of ministry and service will be recognized by the Commonwealth of Kentucky with the placement of a historical marker outside that original location on Chestnut Street. This marker will note the founding and mission of the Ursuline Sisters and inform people of the contributions these Sisters have made to the community.

While the true record of their good deeds will continue to be chronicled in a place not of this Earth, it is entirely appropriate for the Commonwealth to take note of the good work the Ursuline Sisters have done for my hometown. And I hope my colleagues will join me in congratulating the Ursuline Sisters for all their hard work of ministering to mind, body and spirit.

REMEMBERING SENATOR ROBERT C. BYRD

Ms. SNOWE. Mr. President, I join with my colleagues today to express my profound and heartfelt sadness on the passing of Senator Robert C. Byrd, as the U.S. Senate, the people of West Virginia, and our entire Nation mourn the loss of a giant of public service—a distinguished, iconic legislator whose life and legacy will forever be synonymous with the greatest deliberative body the world has ever known.

Senator Byrd's counsel, wisdom, and knowledge of the Senate was unmatched and awe-inspiring. As the longest-serving Member of Congress and a former majority and minority leader of the Senate, Senator Byrd was time and again the conscience and champion of Congress and a vigorous and stalwart sentinel of the first branch of our government. Protector, steward, advocate, and guardian these descriptions only begin to convey Senator Byrd's lifelong commitment to the Senate in which he served for a record 51 years and an unprecedented nine terms.

No one fought more to ensure the preservation of the U.S. Senate and its

constitutional prerogatives than Senator Byrd. No one was more masterful in comprehending and harnessing the powers of parliamentary procedure in the upper Chamber. No one was fiercer in battling against any encroachments that would dilute or diminish the role of Congress as a coequal branch of government. And no one possessed greater command of Senate history and used it to better effect than Senator Byrd, who himself authored a four-volume history of the Senate.

The same zeal with which Senator Byrd demonstrated his allegiance to the legislative branch was every bit as evident in his unshakable dedication to the U.S. Constitution itself—a pocket-sized copy of which he carried at all times. In fact, like many of my colleagues, I will never forget as a member of the “Gang of 14,” which was forged at a time when the very institution of the Senate was caught in the crosshairs of a struggle over judicial nominations, how each of us received a copy of the Constitution from Senator Byrd. With one symbolic gesture as only he could, Senator Byrd spoke volumes about the historic imperative that was ours to seize if we were to jettison the partisanship that threatened our Chamber.

Senator Byrd’s reverence for history stemmed of course from the premium he placed on education, and as much as anyone who ever occupied a seat in the Senate, Senator Byrd exemplified the American story of the self-made individual. During his remarkable trajectory from humble beginnings in the southern coalfields of West Virginia, Senator Byrd was an ardent believer in learning not only as the great equalizer in American life, but as a catalyst for personal and professional success. A self-educated man, Senator Byrd’s knowledge of Shakespeare, the Holy Bible, and the pillars of thought from Ancient Greece and Rome formed the basis of an eloquence and service that will reverberate not only in the hallowed Halls of Congress, but also throughout his beloved home State—which he served so passionately—for generations to come.

Indeed, his roots in West Virginia were ever-present and the indispensable lifeblood that spurred him to political and legislative heights that were the capstone of his landmark tenure in public service. Indisputably, he never forgot where he came from, and in fact, always remembered he stood on the shoulders of every West Virginian who sent him back to the U.S. Senate term after term. And as much as Senator Byrd revered Congress, the Constitution, and his fellow West Virginians, nowhere was his devotion greater than with his beloved Erma, his wife of nearly 69 years, and they now are finally together in their eternal resting place.

As a Senator from Maine, it is only fitting that I pay tribute to Senator

Byrd by citing the opening lines by the immortal American poet and Son of Maine, Henry Wadsworth Longfellow, that I so often heard him quote from memory on the Senate floor . . . “Thou, too, sail on, O Ship of State! Sail on, O Union, strong and great! Humanity with all its fears, / With all the hopes of future years . . .” Our Ship of State sails better for Senator Byrd’s having lived, served, and led. But today, our Ship of State sails at a slower pace as we pause to pay our respects and mourn the loss of a man whose like we will never see again. The Senate will not be the same without the Senator from West Virginia, Robert C. Byrd.

Ms. MURKOWSKI. Mr. President, I rise today to pay tribute to my friend and dear colleague, Senator Robert C. Byrd, who left us on Monday, June 28, 2010 at the age of 92. Senator Byrd was the longest serving member of the Senate. It is noteworthy that he was sworn in as a U.S. Senator on January 3, 1959, the same day Alaska was admitted as the 49th State.

How does one do justice to a life as full, as human, as authentic, as uniquely American as that of Senator Byrd’s in just a few minutes? Born in poverty, a self-described foster son of an impoverished coal miner, a product of a two-room schoolhouse, he went on to walk with kings, to meet with prime ministers, and to debate with Presidents. Only in America could one come so far from so little. His is a textbook case of American exceptionalism.

Robert C. Byrd was a man of principle who was unwavering in his priorities. The Lord came first, his family second, and then the business of West Virginia and Nation. Senator Byrd was remarkable in that he could juggle all of these obligations with apparent ease.

He was a man who carried the Constitution in his breast pocket, closest to his heart. A fierce protector of the prerogatives of the Senate, he frequently recalled that the Congress is mentioned in the Constitution before the Executive. He once remarked, “I am not the President’s man. I am a Senate man.”

So many of our colleagues take delight in this quote from *The Almanac of American Politics* and it bears repeating. The *Almanac* described Senator Byrd as the one among us who “may come closest to the kind of senator the Founding Fathers had in mind than any other.”

On the occasion of his 90th birthday, Senator Ted Stevens referred to Senator Byrd as a “symbol of the Senate,” adding that, “No man has taught the Senate more than Robert C. Byrd.”

Senator Byrd made it his personal responsibility to educate new Senators in the history and traditions of the Senate and to mentor us along. He made a real difference in my orientation to the

Senate. His statesmanship was an inspiration to me. It was an inspiration to all of us.

As contentious as our debates may seem, as partisan as we often seem to the American public, the Senate prefers to regard itself as a family. Yes, a family that fights, but a family nonetheless.

Senator Stevens once observed, “As part of the Senate family, Senator Byrd is not only a gentleman, he has been a person who has reached out to us in personal times as well.”

I came to know that well after I injured my leg in a skiing accident last year. For a period of time I had to navigate the Senate floor in a wheelchair. The Senate floor is not exactly wheelchair friendly, but Senator Byrd had adapted to the challenge. One day, as we were going to the floor to vote, our wheelchairs met and we reached out to hold hands as we wheeled our chairs to the well of the Senate.

Like Ted, I loved Robert C. Byrd. Yet I regret that I never had the opportunity to enjoy the close friendship that my colleague Ted Stevens did.

Yes, they had their spats, but Senator Stevens and Senator Byrd regarded each other as family. Senator Stevens’ daughter Lily referred to Senator Byrd as an uncle. Senator Byrd published in the *CONGRESSIONAL RECORD* excerpts from Lily’s senior thesis from Stanford, “The Message of the Dome: The United States Capitol in the Popular Media.”

Senator Stevens began working with Senator Byrd in 1968. In 1972, they joined each other on the Senate Appropriations Committee. Both served as President pro tempore of the Senate, a position reserved for the most senior Member of the Senate in the majority party. Yet as Senator Byrd liked to note, Ted was a relative youngster.

Working together on a bipartisan basis, Ted Stevens helped Robert Byrd lift West Virginia out of poverty. And Senator Byrd demonstrated great empathy for Senator Stevens’ crusade to end the third-world conditions that plague Alaska’s Native people in the more than more than 230 traditional villages of rural Alaska. Like the West Virginia of Robert Byrd’s childhood, rural Alaska lacked the sorts of infrastructure that the rest of America takes for granted—lack of road infrastructure, a lack of basic sanitation facilities, unreliable electricity, and unemployment.

This may explain why Senator Byrd was greatly sympathetic to Senator Stevens’ crusade to bring indoor plumbing to rural Alaska, to eliminate the honeybucket. Alaska’s Denali Commission was modeled closely after the Appalachian Regional Commission, which Senator Byrd championed for decades.

Ted Stevens and Robert Byrd worked together to make things better for the

people of rural Alaska. Our Native people deeply appreciate the Alaska legacy of Robert C. Byrd.

On the occasion of Senator Stevens' farewell from the Senate in 2008, a tearful Robert C. Byrd came to the Senate floor and said this "Politics is a rough business, with lots of highs and lots of lows. After a long time in politics, I come to understand that the point of it all is helping people. Thank God we will be judged in the next world by the good we do in this world."

On Monday, our dear friend, Senator Byrd, joined his beloved wife Erma in Heaven, where he will be judged by all of the good he has done for his Lord, his family, the people of West Virginia, and the Nation. I will miss him greatly.

On behalf of Alaska's people, I extend my condolences to Senator Byrd's daughters Mona and Marjorie, his five grandchildren and seven great-grandchildren, to the people of West Virginia, and to all who knew and loved this great American.

HONORING OUR ARMED FORCES

Mr. LAUTENBERG. Mr. President, another 8 months have passed, and more American troops have lost their lives overseas in Iraq and Afghanistan. I wish to honor their service and sacrifice by including their names in the CONGRESSIONAL RECORD.

Since I last included the names of our fallen troops on November 2, 2009, the Pentagon has announced the deaths of 313 troops in Iraq and in Operation Enduring Freedom, which includes Afghanistan. They will not be forgotten, and today I submit their names into the RECORD:

SSG Jesse W. Ainsworth, of Dayton, TX; SGT Donald R. Edgerton, of Murphy, NC; SPC Joseph W. Dimock II, of Wildwood, IL; SPC Robert W. Crow, of Kansas City, MO; PFC Anthony W. Simmons, of Tallahassee, FL; PFC Michael S. Pridham, of Louisville, KY; SPC Roger Lee, of Monterey, CA; SSG Marc A. Arizmendez, of Anaheim, CA; SPC Jerod H. Osborne, of Royce City, TX; SPC Keenan A. Cooper, of Wahpeton, ND; PFC Jacob A. Dennis, of Powder Springs, GA; SGT Andrew J. Creighton, of Laurel, DE; SSG Christopher F. Cabacoy, of Virginia Beach, VA; PFC Edwin C. Wood, of Omaha, NE; SGT Jordan E. Tuttle, of West Monroe, LA; PFC David Jefferson, of Philadelphia, PA; SPC Clayton D. McGarragh, of Harrison, AR; SPC Louis R. Fastuca, of West Chester, PA; Capt. David A. Wisniewski, of Menville, IA; PFC Ryan J. Grady, of Bristow, OK.

SGT Johnny W. Lumpkin, of Columbus, GA; SPC Morganne M. McBeth, of Fredricksburg, VA; SFC Kristopher D. Chappelle, of LaGrange, KY; Cpl Larry D. Harris Jr., of Thornton, CO; SPC Matthew R. Hennigan, of Las Vegas, NV; SSG Brandon M. Silk, of Orono, ME; SGT David W. Thomas, of St. Petersburg, FL; SSG Eric B. Shaw, of Exeter, ME; SGT David A. Holmes, of Tennesse, GA; PFC Bryant J. Haynes, of Epps, LA; SGT John M. Rogers, of Scottsdale, AZ; PFC Robert K. L. Repkie, of Knoxville, TN; LCpl William T. Richards, of Tren-

ton, GA; PFC Russell E. Madden, of Dayton, KY; Cpl Daane A. Deboer, of Ludington, MI; SPC Jared C. Plunk, of Stillwater, OK; SPC Blair D. Thompson, of Rome, NY; Sgt Joseph D. Caskey, of Pittsburgh, PA; SSG Edwardo Lored, of Houston, TX; ISG Robert N. Barton, of Roxie, MS.

SPC Russell E. Madden, of Dayton, KY; PFC Anthony T. Justesen, of Wilsonville, OR; Cpl Joshua R. Dumaw, of Spokane Valley, WA; Cpl Kevin A. Cueto, of San Jose, CA; Cpl Claudio Patino IV, of Yorba Linda, CA; SGT Andrew R. Looney, of Owasso, OK; PFC David T. Miller, of Wilton, NY; ISG Eddie Turner, of Fort Belvoir, VA; SPC Jacob P. Dohrenwend, of Milford, OH; LCpl Timothy G. Serwinowski, of North Tonawanda, NY; SPC Scott A. Andrews, of Fall River, MA; SSG James P. Hunter, of South Amherst, OH; PFC Benjamin J. Park, of Fairfax Station, VA; SPC Nathan W. Cox, of Fremont, CA; PFC Gunnar R. Hotchkin, of Naperville, IL; SPC Joseph D. Johnson, of Flint, MI; CPT Michael P. Cassidy, of Simpsonville, SC; SN William Ortega, of Miami, FL; SPC Benjamin D. Osborn, of Queensbury, NY; LCpl Michael C. Bailey, of Park Hills, MO.

Cpl Jeffrey R. Standfest, of St. Clair, MI; SPC Blaine E. Redding, of Plattsmouth, NE; SPC Charles S. Jirtle, of Lawton, OK; SPC Matthew R. Catlett, of Houston, TX; SGT Joshua A. Lukeala, of Yigo, GU; SPC Christopher W. Opat, of Spencer, IA; SPC Brian M. Anderson, of Harrisonburg, VA; SGT Mario Rodriguez, of Smithville, TX; SPC Christian M. Adams, of Sierra Vista, AZ; CPL William C. Yauch, of Batesville, AR; SGT Israel P. Obryan, of Newbern, TN; SSG Bryan A. Hoover, of West Elizabeth, PA; SFC Robert J. Fike, of Conneautville, PA; LCpl Gavin R. Brummund, of Arnold, CA; LCpl Michael G. Plank, of Cameron Mills, NY; SrA Benjamin D. White, of Erwin, TN; SSgt David C. Smith, of Eight Mile, AL; 1st Lt. Joel C. Gentz, of Grass Lake, MI; SSgt Michael P. Flores, of San Antonio, TX; SGT Erick J. Klusacek, of Calcium, NY.

Sgt Zachary J. Walters, of Palm Coast, FL; Sgt Derek L. Shanfield, of Hastings, PA; SGT Steve M. Theobald, of Goose Creek, SC; SPC Brendan P. Neenan, of Enterprise, AL; Sgt John K. Rankel, of Speedway, IN; 2LT Michael E. McGahan, of Orlando, FL; Cpl Donald M. Marler, of St. Louis, MO; LCpl Derek Hernandez, of Edinburg, TX; Sgt Brandon C. Bury, of Kingwood, TX; 1LT Joseph J. Theinert, of Sag Harbor, NY; PVT Francisco J. Guardado-Ramirez, of Sunland Park, NM; SPC Jonathan K. Peney, of Marietta, GA; PFC Alvaro R. Regalado Sessarego, of Virginia Beach, VA; PFC Jake W. Suter, of Los Angeles, CA; LCpl Anthony A. Dilisio, of Macomb, MI; Cpl Jacob C. Leicht, of College Station, TX; SGT Edwin Rivera, of Waterford, CT; MAJ Ronald W. Culver Jr., of Shreveport, LA; PFC Christopher R. Barton, of Concord, NC; SSG Amilcar H. Gonzalez, of Miami, FL.

SPC Stanley J. Sokolowski III, of Ocean, NJ; PFC Jason D. Fingar, of Columbia, MO; LCpl Philip P. Clark, of Gainesville, FL; PFC Billy G. Anderson, of Alexandria, TN; SSG Shane S. Barnard, of Desmet, SD; LCpl Patrick Xavier Jr., of Pembroke Pines, FL; SPC Joshua A. Tomlinson, of Dubberly, LA; SSgt Richard J. Tieman, of Waynesboro, PA; LTC Thomas P. Belkofer, of Perrysburg, OH; LTC Paul R. Bartz, of Waterloo, WI; COL John M. McHugh, of West Caldwell, NJ; SSgt Adam L. Perkins, of Antelope, CA; Cpl Nicholas D. Paradarodriguez, of Stafford, VA; PO3 Zarian Wood, of Houston, TX; SGT Denis D. Kisseloff, of Saint Charles, MO; Sgt Joshua

D. Desforges, of Ludlow, MA; Sgt Donald J. Lamar II, of Fredericksburg, VA; Sgt Kenneth B. May, Jr., of Kilgore, TX; Cpl Jeffrey W. Johnson, of Tomball, TX; SPC Jeremy L. Brown, of McMinnville, TN.

Cpl Kurt S. Shea, of Frederick, MD; CPT Kyle A. Comfort, of Jacksonville, AL; LCpl Christopher Rangel, of San Antonio, TX; LCpl Joshua M. Davis, of Perry, IA; SSG Esau S.A. Gonzales, of White Deer, TX; LCpl Richard R. Penny, of Fayetteville, AK; SPC Wade A. Slack, of Waterville, ME; SPC Eric M. Finniginam, of Colonia, FM; 1st Lt. Brandon A. Barrett, of Marion, IN; MSG Mark W. Coleman, of Centerville, WA; SGT Ralph Mena, of Hutchinson, KS; AIC Austin H. Gates Benson, of Hellertown, PA; SGT Anthony O. Magee, of Hattiesburg, MS; 1LT Salvatore S. Corma, of Wenonah, NJ; SGT Nathan P. Kennedy, of Claysville, PA; SGT Keith A. Coe, of Auburndale, FL; SGT Grant A. Wichmann, of Golden, CO; LCpl Thomas E. Rivers, Jr., of Birmingham, AL; SGT Jason A. Santora, of Farmingville, NY; SGT Ronald A. Kubik, of Brielle, NJ.

SSG Christopher D. Worrell, of Virginia Beach, VA; CSM John K. Laborde, of Waterloo, IA; SGT Robert J. Barrett, of Fall River, MA; PFC Charlie C. Antonio, of Kahului, HI; SSG James R. Patton, of Fort Benning, GA; SGT Michael K. Ingram, Jr., of Monroe, MI; SGT Randolph A. Sigley, of Richmond, KY; PFC Jonathon D. Hall, of Chattanooga, TN; CPL Michael D. Jankiewicz, of Ramsey, NJ; SPC Joseph T. Caron, of Tacoma, WA; SGT Sean M. Durkin, of Aurora, CO; SGT Roberto E. Diaz Borio, of San Juan, PR; PFC William A. Blount, of Petal, MS; 1LT Robert W. Collins, of Tyrone, GA; SMSgt James B. Lackey, of Green Cove Springs, FL; Maj. Randell D. Voas, of Lakeville, MN; SGT Kurt E. Kruize, of Hancock, MN; LCpl Curtis M. Swenson, of Rochester, MN; SSG Scott W. Brunkhorst, of Fayetteville, NC; Sgt Frank J. World, of Buffalo, NY.

LCpl Tyler O. Griffin, of Voluntown, CT; LT Miroslav Zilberman, of Columbus, OH; PFC Raymond N. Pacleb, of Honolulu, HI; SPC James L. Miller, of Yakima, WA; LCpl Randy M. Heck, of Steubenville, OH; LCpl Jacob A. Ross, of Gillette, WY; LCpl Rick J. Centanni, of Yorba Linda, CA; SgtMaj Robert J. Cottle, of Whittier, CA; SFC Carlos M. Santos-Silva, of Clarksville, TN; LCpl Justin J. Wilson, of Palm City, FL; SPC Robert M. Rieckhoff, of Kenosha, WI; CPO Adam Brown, of Hot Springs, AR; SGT Joel D. Clarkson, of Fairbanks, AK; GySgt Robert L. Gilbert II, of Richfield, OH; SSG Richard J. Jordan, of Tyler, TX; SPC Steven J. Bishop, of Christiansburg, VA; SFC Glen J. Whetten, of Mesa, AZ; PFC Erin L. McLyman, of Federal Way, WA; Cpl Jonathan D. Porto, of Largo, FL; LCpl Garrett W. Gamble, of Sugarland, TX.

PFC Jason M. Kropat, of White Lake, NY; SGT Jonathan J. Richardson, of Bald Knob, AR; PVT Nicholas S. Cook, of Hungry Horse, MT; SPC Lakeshia M. Bailey, of Columbus, GA; SGT Aaron M. Arthur, of Lake City, SC; SPC Alan N. Dikcis, of Niagara Falls, NY; SGT Anthony A. Paci, of Rockville, MD; LCpl Nigel K. Olsen, of Orem, UT; SGT Vincent L.C. Owens, of Fort Smith, AR; LCpl Carlos A. Aragon, of Orem, UT; SPC Ian T.D. Gelig, of Stevenson Ranch, CA; SPC Matthew D. Huston, of Athens, GA; SPC Josiah D. Crumpler, of Hillsborough, NC; SSG William S. Ricketts, of Corinth, MS; SGT William C. Spencer, of Tacoma, WA; CPL Daniel T. O'Leary, of Youngsville, NC; SGT Marcos Gorra, of North Bergen, NJ; CW2 Billie J. Grinder, of Gallatin, TN; CPT Marcus R. Alford, of Knoxville, TN; PFC JR Salvacion, of Ewa Beach, HI.

LCpl Eric L. Ward, of Redmond, WA; LCpl Matthias N. Hanson, of Buffalo, KY; SSG Michael David P. Cardenaz, of Corona, CA; SSgt Christopher W. Eckard, of Hickory, NC; LCpl Adam D. Peak, of Florence, KY; Cpl Gregory S. Stultz, of Brazil, IN; LCpl Joshua H. Birchfield, of Westville, IN; Sgt Jeremy R. McQueary, of Columbus, IN; LCpl Kielin T. Dunn, of Chesapeake, VA; LCpl Larry M. Johnson, of Scranton, PA; PFC Kyle J. Couto, of Providence, RI; PFC Charles A. Williams, of Fair Oaks, CA; PFC Eric D. Currier, of Londonderry, NH; LCpl Alejandro J. Yazzie, of Rock Point, AZ; SPC Bobby J. Pagan, of Austin, TX; SGT Jeremiah T. Wittman, of Darby, MT; SSG John A. Reiners, of Lakeland, FL; PO1 Sean L. Caughman, of Fort Worth, TX; LCpl Noah M. Pier, of Charlotte, NC; PFC Jason H. Estopinal, of Dallas, GA.

Cpl Jacob H. Turbett, of Canton, MI; PFC Adriana Alvarez, of San Benito, TX; SGT Adam J. Ray, of Louisville, KY; SGT Dillon B. Fox, of Traverse City, MI; SSG Mark A. Stets, of El Cajon, CA; SFC Matthew S. Sluss-Tiller, of Callettsburg, KY; SFC David J. Hartman, of Okinawa, Japan; PFC Zachary G. Lovejoy, of Albuquerque, NM; CPT Daniel Whitten, of Grimes, IA; SSG Rusty H. Christian, of Greenville, TN; LCpl Michael L. Freeman Jr., of Fayetteville, PA; SPC Marc P. Decoteau, of Waterville Valley, NH; CPT David J. Thompson, of Hooker, OK; Sgt David J. Smith, of Frederick, MD; PFC Scott G. Barnett, of Concord, CA; SGT Carlos E. Gill, of Fayetteville, NC; LCpl Zachary D. Smith, of Hornell, NY; LCpl Timothy J. Poole, of Bowling Green, KY; Sgt Daniel M. Angus, of Thonotosassa, FL; LCpl Jeremy M. Kane, of Towson, MD.

PO2 Xin Qi, of Cordova, TN; PFC Gifford E. Hurt, of Yonkers, NY; SSG Thaddeus S. Montgomery II, of West Yellowstone, MT; CPT Paul Pena, of San Marcos, TX; SFC Michael P. Shannon, of Canadensis, PA; TSgt Adam K. Ginett, of Knightdale, NC; SPC Robert Donevski, of Sun City, AZ; SSG Anton R. Phillips, of Inglewood, CA; PFC Geoffrey A. Whitsitt, of Taylors, SC; SSG Daniel D. Merriweather, of Collierville, TN; SGT Lucas T. Beachnaw, of Lowell, MI; Sgt Christopher R. Hrbek, of Westwood, NJ; SPC Kyle J. Wright, of Romeoville, IL; Cpl Nicholas K. Uzanski, of Tomball, TX; Cpl Jamie R. Lowe, of Johnsonville, IL; SSgt Matthew N. Ingham, of Altoona, PA; PFC Michael R. Jarrett, of North Platte, NE; LCpl Jacob A. Meinert, of Fort Atkinson, WI; LCpl Mark D. Juarez, of San Antonio, TX; SFC Jason O. B. Hickman, of Kingsport, TN.

SPC David A. Croft Jr., of Plant City, FL; PFC John P. Dion, of Shattuck, OK; SPC Brian R. Bowman, of Crawfordsville, IN; SGT Joshua A. Lengstorf, of Yoncalla, OR; SrA Bradley R. Smith, of Troy, IL; SPC Brushaun X. Anderson, of Columbus, GA; SSG Ronald J. Spino, of Waterbury, CT; SPC Jason M. Johnston, of Albion, NY; SSG David H. Gutierrez, of San Francisco, CA; LCpl Omar G. Roebuck, of Moreno Valley, CA; SGT Albert D. Ware, of Chicago, IL; PFC Serge Kropov, of Hawley, PA; TSgt Anthony C. Campbell Jr., of Florence, KY; PVT Jhanner A. Tello, of Los Angeles, CA; PFC Jaiciae L. Pauley, of Austell, GA; Sgt Ralph Anthony Webb Freitas, of Detroit, MI; SSG Dennis J. Hansen, of Panama City, FL; Cpl Xhacab Letorre, of Waterbury, CT; SGT Elijah J. Rao, of Lake Oswego, OR; SGT Kenneth R. Nichols Jr., of Chrisman, IL.

LCpl Jonathan A. Taylor, of Jacksonville, FL; PFC Derrick D. Gwaltney, of Cape Coral, FL; SGT Brandon T. Islip, of Richmond, VA; PO3 David M. Mudge, of Sutherlin, OR; PFC

Michael A. Rogers, of White Sulphur Springs, MT; SGT Jason A. McLeod, of Crystal Lake, IL; SSG Matthew A. Pucino, of Cockeysville, MD; PFC Marcus A. Tynes, of Moreno Valley, CA; SGT James M. Nolen, of Alvin, TX; SGT Briand T. Williams, of Sparks, GA; LCpl Nicholas J. Hand, of Kansas City, MO; SGT Daniel A. Frazier, of Saint Joseph, MI; SSG John J. Cleaver, of Marysville, WA; PO2 Brian M. Patton, of Freeport, IL; SPC Joseph M. Lewis, of Terrell, TX; SSG Ryan L. Zorn, of Upton, WY; SGT Benjamin W. Sherman, of Plymouth, MA; SPC Christopher J. Coffland, of Baltimore, MD; Cpl Shawn P. Hefner, of Hico, TX; SSgt Stephen L. Murphy, of Jaffery, NH.

LCpl Justin J. Swanson, of Anaheim, CA; CW2 Earl R. Scott III, of Jacksonville, FL; CW2 Mathew C. Heffelfinger of Kimberly, ID; Sgt Charles I. Cartwright, of Union Bridge, MD; SPC Gary L. Gooch Jr., of Ocala, FL; SPC Aaron S. Aamot, of Custer, WA; SPC Tony Carrasco Jr., of Berino, NM; SSG Amy C. Tirador, of Albany, NY; SPC Julian L. Berisford, of Benwood, WV; SPC David A. Croft Jr., of Plant City, FL; Sgt Cesar B. Ruiz, of San Antonio, TX; SPC Jonathon M. Sylvestre, of Colorado Springs, CO; SPC Christopher M. Cooper, of Oceanside, CA.

We cannot forget these men and women and their great sacrifice. These brave individuals left behind parents, spouses, children, siblings, and friends. We want them to know this country pledges to preserve the memory of our fallen soldiers who gave their lives for our country.

PRIVATE FIRST CLASS EDWIN C. WOOD

Mr. NELSON of Nebraska. Mr. President, I rise today to honor Private First Class Edwin C. Wood of Omaha, NE.

Private First Class Wood was an "All-American kid," who dreamed of one day serving his country. That opportunity came in October 2009 when he enlisted in the U.S. Army and became a cavalry scout for the 1st Squadron, 71st Armor Regiment, 1st Brigade Combat Team of the 10th Mountain Division, based in Fort Drum, NY.

A graduate of Omaha North High School, Private First Class Wood, better known as Eddie or Freckles, spent his time growing up as a member of the Boy Scouts and Junior Reserve Officers' Training Corps a military reenactor and a junior counselor at YMCA Camp Pokamoke in Crescent, IA. He was a role model to all who knew him.

Private First Class Wood had just gotten back to Afghanistan, after being home on leave in June, when the truck he was driving on July 5, 2010, was hit by an improvised explosive device. The explosion took this brave young man's life, along with that of another soldier, SSG Christopher F. Cabaco.

Although he was only in the service for a short time, Private First Class Wood's awards and decorations include the Army Good Conduct Medal, National Defense Service Medal, Afghanistan Campaign Medal, Global War on Terrorism Service Medal, and Combat Action Badge.

PFC Edwin C. Wood served his country honorably and made the ultimate sacrifice for his fellow Americans. His courageous choice to protect his country and help the people of Afghanistan achieve peace and security represents all that we can be proud of in our armed forces. I know I join all Nebraskans in grieving the loss of Private Wood; he will be remembered for the selfless hero he was. Private First Class Wood's family and friends remain in our thoughts and prayers.

CORPORAL TODD NICELY

Mr. BOND. Mr. President, I rise today to honor U.S. Marine Cpl Todd Nicely, of Arnold, MO—a true American hero.

Corporal Nicely is greatly admired by his fellow marines—and when you hear his story you will admire him too.

As a marine, Corporal Nicely brought the fight to the terrorists in Afghanistan, so our families in Missouri and across the Nation could live in peace and security.

But what makes Corporal Nicely an American hero is not only his leadership on the battlefield but also his leadership here at home.

On March 26, 2010, Corporal Nicely and his fellow marines were on a foot patrol in Helmand province—one of the most dangerous regions in Afghanistan—when he stepped on an improvised explosive device, triggering a devastating explosion. When Corporal Nicely woke up, he realized that all four of his limbs were lost in the blast.

Instead of defeat, however, Corporal Nicely faced his injuries with the same warrior spirit he showed on the battlefield. This brave marine has astounded many with his swift progress—evidence of his unwavering spirit and courage among overwhelming odds. Corporal Nicely remains one of the few surviving quadruple amputees from the war in Iraq and Afghanistan.

At Bethesda Naval Hospital and Walter Reed Army Medical Center, Corporal Nicely has endured—and surpassed—these odds with the love and support of his lovely wife Crystal, who also served her country as a marine. His story, courage and unwavering service make me proud to be an American. Our prayers and thoughts are with Corporal Nicely and his family, and I ask unanimous consent that this poem—penned in honor of this great American, by Bert Caswell—be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MORE, THAN A MAN

More. . .
More, Than!
More, Than A Man!
As once Nicely, you so ran!
Like a deer . . .
As once you stood. . .
So Strong and Proud, as you so would!
For all that was right, and good!

As to greatness, your fine heart so ran. . . .
 As a United States Marine, as upon battlefields of honor seen . . .
 Burning Bold, Burning Bright . . . as into that darkness, bringing your light!
 As all of your Brother's hearts, you'd ignite! Oh how you so gleamed!
 As there you so led, while gently holding your Brothers In Arms . . . as they died and bled!
 Until that moment . . . when it all so changed . . .
 As you awoke, as the tears running down your most heroic eyes so spoke!
 So spoke, of all your loss and pain . . . and yet somehow inside of you, still hope remained!
 Todd, Nicely done!
 As you knew things would never be the same . . .
 As when, all in that moment you'd became! More, Than A Man!
 As when you so chose to rise, and get up . . . and run once again!
 But, now at greater speeds!
 With but your fine heart and soul, you United States Marine . . . to lead!
 While all along, held in our Lord's arms . . . as your new battle so convened!
 For some, are placed on this earth!
 To bless us all, all in their courage and fine worth!
 Such Angels, by our Lord God . . . to show us all what so comes first!
 To Teach Us! To Beseech Us!
 To all our hearts and souls, To So Reach Us!
 For there is no Missouri Compromise, in this Marine!
 Uhraaah Jar Head because you've got mountains to climb . . . dreams to dream!
 As now high above all of us, you are so seen!
 As your gait has gotten stronger . . .
 And you stride so much more faster, and so much longer . . .
 As you've become stronger, in your faith that belongs here . . . as the days have gotten longer!
 As you've become, More, Than A Man!
 With but your divine acceptance and grace, as you have put such tears upon our face!
 How can such strength be explained?
 As it's clear, yea Marine . . . You Are More Than A Man!
 Showing us all, that arms and legs we all need!
 But, we can survive . . . but without a heart, we will so surely die!
 And if I could, but have a Son . . . as bright as you, this one!
 Then, what a gift to this our world . . . I would leave!
 For in the night as you sleep, our Lord's tears from Heaven fall upon you to so keep!
 To so keep you safe and strong, for your life is like a song!
 To lift us all up where we belong!
 I ask, could we but have such the strength like you, and your family for how you stand!
 And one fine day, as when up in Heaven you all so meet . . . our Lord will repeat . . .
 "Uhraaah Marine, you've been promoted to an Angel so very sweet . . . Nicely Done!"
 For in Heaven you need not arms and legs, we need Marines like you . . . to evil to defeat!
 Men like you, Who are More Than A Man!
 SPECIALIST CLAYTON D. MCGARRAH
 Mrs. LINCOLN. Mr. President, today I honor SPC Clayton D. McGarrah, 20,

of Harrison, who died July 4, 2010, in Arghandab, Afghanistan, in support of Operation Enduring Freedom. According to initial reports, Specialist McGarrah died of injuries sustained when an improvised explosive device detonated near his dismounted patrol, followed by small arms and rocket-propelled grenade fire.

As Arkansans and Americans gathered together to celebrate our freedom, SPC Clayton D. McGarrah made the ultimate sacrifice on behalf of our Nation. My heart goes out to his family for their loss. Along with all Arkansans, I am grateful for Specialist McGarrah's service and for the service and sacrifice of all of our military servicemembers and their families. I am committed to ensuring they have the full support they need and deserve. Our grateful Nation will not forget them when their military service is complete.

Specialist McGarrah was assigned to C Company, 2nd Battalion, 508th Parachute Infantry Regiment, 82nd Airborne Division, Fort Bragg, NC. His wife and parents reside in Harrison.

More than 11,000 Arkansans on Active Duty and more than 10,000 Arkansas Reservists have served in Iraq or Afghanistan since September 11, 2001. These men and women have shown tremendous courage and perseverance through the most difficult of times. As neighbors, as Arkansans, and as Americans, it is incumbent upon us to do everything we can to honor their service and to provide for them and their families, not only when they are in harm's way but also when they return home. It is the least we can do for those whom we owe so much.

VOTE EXPLANATION

Mr. BROWNBACK. Mr. President, I regret that on July 12, 2010, I was unable to vote on the confirmation of Sharon Johnson Coleman, of Illinois, to be U.S. District Judge for the Northern District because my flight from Kansas City was delayed. I wish to address this vote, so that the people of the great State of Kansas, who elected me to serve them as U.S. Senator, may know my position. I would have voted in favor of this confirmation.

ADDITIONAL STATEMENTS

ANNUAL VIBORG DANISH VIKING DAYS

• Mr. JOHNSON. Mr. President, today I pay tribute to the Viborg annual Danish Viking Days celebration.

The Viborg community showed its unity in 1999 when the Danish Days Committee began developing the Avenue of Flags. Over 100 flags are displayed on holidays to commemorate veterans and individuals from the area.

Named after Viborg, Denmark, this South Dakota town has maintained its ties to its Danish past. Following the notable feature of their Danish counterpart, the people of Viborg built Our Savior's Lutheran Church on the town's highest point in 1911. When a post office and store were first established in this area, it was known as Daneville. With the coming of the railroad, Viborg was constructed half a mile away, and Daneville slowly ceased. Regardless of the town name, the Danish traditions remained in the area.

Originally, Danish Days were celebrated to coincide with Denmark's Independence Day on June 5 but has now been moved to the third weekend in July. This year's events are July 16 to 18. It will include a presentation by Joy Ibsen on her new book of stories from Viborg, a parade, a golf tournament, an all-school reunion, and plenty of food. There will also be the 17th annual Leadership Luncheon, which starts the festival. The luncheon honors accomplishments in Viborg. Since 2003, this has included the Friends of Viborg Award. This year, the honor goes to the Viborg Public School's past and current teachers, administrators, employees, and board members to recognize their notable contributions to the community. I am proud to recognize the recipients and would like to join with the committee in sharing my appreciation for all these people have done.●

BIG STONE CITY, SOUTH DAKOTA

• Mr. JOHNSON. Mr. President, today I pay tribute to the 125th anniversary of Big Stone City. This picturesque town has made it 125 years, and I am proud to represent them.

Big Stone City is bordered by Big Stone Lake in South Dakota and the State of Minnesota. Originally the site of an Indian village called Inkpa, the first settlers arrived in 1871. In 1875, this new town, then called Inkpa City, was chosen for a post office. Another small town, Geneva, was also formed during that time, located to the northeast of Inkpa City. In 1885, the two towns were consolidated and Big Stone City was incorporated.

Religion was an integral part of the founding of Big Stone City. The first sermon was preached in 1879, before the town had even been incorporated. The German Evangelical Church was built in 1880, with at least three additional churches following in the next 3 years. The first mass in the territory was celebrated in Big Stone City. The first school was opened in 1880, with a charge of \$1 per student for each month. In 1900, the school was upgraded from a small prairie school to a much larger brick building. In 1913, plans were made to run the Milwaukee Railroad through Big Stone City. With

industries of brick manufacturing, limestone, food canning, and a creamery, Big Stone City has a unique and varied past.

Residents of Big Stone City joined together July 9 to 11, 2010, to honor their historic milestone with a weekend full of festivities. The town celebrated with dances, a chili cookoff, an all-school reunion, a parade, and more. I am proud to recognize Big Stone City on this achievement, and I look forward to seeing what the future holds for this great South Dakota community.●

DUPREE, SOUTH DAKOTA

● Mr. JOHNSON. Mr. President, today I pay tribute to the 100th anniversary of the founding of Dupree, SD, one of many communities on the Cheyenne River Indian Reservation. This hearty town is the county seat of Ziebach County and has withstood recent tornadoes to come out stronger.

Named after a young Canadian fur trader named Fred Dupris, the spelling changed to conform to the people's preference. With two train stations, Dupree became a popular area to homestead. Dupree's vision statement nicely sums up the town. "Dupree is the front door to the West. It has a rich heritage; is full of wide open spaces, and home for family and friends—the kind of place people want to hang their hat." Small towns like Dupree are the backbone of South Dakota, embodying the values our State hold dear.

Dupree will celebrate with a 3 day wagon and trail ride, a parade, a powwow, a demolition derby, and more. They are also selling tickets to a raffle for a Limited Edition Dupree Centennial Rifle. A rodeo will conclude the weekend celebration. I would like to recognize Dupree on this historic milestone, and I wish its citizens the best on their future.●

TRIBUTE TO JEFFREY HIRSCHBERG AND JOAQUIN BLAYA

● Mr. KAUFMAN. Mr. President, today, I wish to express my appreciation to two members of the Broadcasting Board of Governors, whose terms have come to an end. During their 8 years of exceptional service on the BBG, Jeff Hirschberg and Joaquin Blaya have contributed to ensuring the relevance and timeliness of international broadcasting. Both Jeff and Joaquin have served the nation's international broadcasting mission with great honor and commitment. Their unique contributions have resulted in a robust enhancement of U.S. international broadcasting in critical regions at crucial times.

Jeffrey Hirschberg, who served on the board since 2002, brought his deep experience in government and the private sector to bear during his tenure on the

board. Previously, he served in the U.S. Attorney General's Office as special counsel and assistant U.S. attorney, and later, as an attorney in private practice. While on the BBG, he applied his vast knowledge and understanding of the Soviet Union and Russia he acquired during his tenure as Director of the U.S.-Russian Investment Fund, a member of the U.S.-Russia Center for Entrepreneurship, and Director of the U.S.-Russia Business Council, to greatly improve programming in Russia and former Soviet states.

Joaquin Blaya, who also joined the board in 2002, brought to the BBG his vast experience in broadcasting as former chairman of Radio Unica, as CEO of Telemundo, and as president of Univision. In fact, Joaquin founded Radio Unica and oversaw its operations as it became the first 24-hour Spanish language radio network, reaching approximately 80 percent of the Spanish-speaking population in the United States. His vision and conviction as a member of the BBG resulted in improved programming on Radio Marti, and a ground-breaking television programming in the Middle East via Al Hurrah, which is the most widely viewed channel in Iraq today.

As U.S. international broadcasting begins this new chapter in its history, I want to convey my utmost respect and appreciation to Jeff Hirschberg and Joaquin Blaya for their honorable service and vision as members of the BBG.●

CONGRATULATING EDWARD COLEMAN LEADERSHIP INSTITUTE GRADUATES

● Mrs. LINCOLN. Mr. President, today I congratulate the staff, volunteers, and participants of the Striving Toward A New Direction Foundation, or STAND, as they celebrate the recent graduation of 34 members of their Leadership Institute. These graduates represent the best of Arkansas, and I am proud to see them achieve this great honor. They are the future of our State, and all Arkansans should be proud of their accomplishments.

Under the guidance of CEO Tracy Steele, STAND is a nonprofit organization that offers leadership training to promote economic opportunities, social progress, and community development in Arkansas. STAND offers formal leadership training in four cities across the state: Arkadelphia, El Dorado, Little Rock, and Pine Bluff. Named after program coordinator Edward Coleman, the Leadership Institute seeks to provide education and mentoring that will lead to community service and career placement and advancement opportunities.

Graduates leave this program with a stronger sense of self and community, learning constructive ways to make a difference for their fellow citizens. I have seen their efforts in our State,

and I know that this program makes a difference in the lives of its participants and the entire Arkansas community.

I again congratulate STAND graduates, faculty, and staff for their work to prepare the future leaders of our State for the opportunities and challenges that await them. They are to be commended for their efforts.●

RECOGNIZING THE ACHIEVEMENTS OF AEROJET'S REDMOND, WASHINGTON, EMPLOYEES

● Mrs. MURRAY. Mr. President, today I am joined with my colleague, Senator CANTWELL, to recognize the employees of Aerojet-General Corporation's Redmond, WA, research, development and production facility. Aerojet-Redmond has recently been selected by the United Space Alliance to receive the Space Flight Awareness Supplier Award for Aerojet's sustained superior performance as a key supplier on NASA's space shuttle program over the course of nearly 30 years. This most significant achievement will be commemorated with a presentation from United Space Alliance and celebration ceremony held at Aerojet's facility in Redmond, WA, on Thursday, July 8, 2010.

Aerojet is a world-recognized aerospace and defense leader principally serving the space and missile propulsion, defense and armaments markets. Aerojet Redmond propulsion has been on every NASA manned space flight mission and has enabled the United States to visit every planet in the solar system. The Space Flight Awareness Supplier Award is a very prestigious award bestowed upon United Space Alliance supplier companies—from among over 2,000 active suppliers located throughout the United States—that have performed extraordinary work that added to safety, mission success, schedule compliance, and enhanced flight capability. Aerojet's Redmond Operations will be only the 21st company to receive this highly selective award.

Aerojet-Redmond is the world leader in the in-space propulsion market and as such is the manufacturer of the 38 primary and 6 vernier reaction control thrusters used on every space shuttle mission. The shuttle's reaction control system is used to position the space shuttle during flight operations such as payload insertions and International Space Station docking.

On the occasion of this most significant milestone, Senator CANTWELL and I are proud to join together and lend our voices to congratulate and honor the more than 425 Aerojet workers in Redmond, WA, on a job well-done. You have served our State and our Nation admirably for more than 40 years.●

MESSAGE FROM THE HOUSE

At 4:15 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 5503. An act to revise laws regarding liability in certain civil actions arising from maritime incidents, and for other purposes.

H.R. 5609. An act to amend the Lobbying Disclosure Act of 1995 to prohibit any person from performing lobbying activities on behalf of a client which is determined by the Secretary of State to be a State sponsor of terror.

H.R. 5618. An act to continue Federal unemployment programs.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 290. A concurrent resolution expressing support for designation of June 30 as "National ESIGN Day".

The message further announced that the House agrees to the amendment of the Senate to the bill (H.R. 4899) making emergency supplemental appropriations for the fiscal year ending September 30, 2010, and for other purposes, with an amendment, and agrees to the amendment of the Senate to the title of the bill.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 5503. An act to revise laws regarding liability in certain civil actions arising from maritime incidents, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 5609. An act to amend the Lobbying Disclosure Act of 1995 to prohibit any person from performing lobbying activities on behalf of a client which is determined by the Secretary of State to be a State sponsor of terrorism to the Committee on Homeland Security and Governmental Affairs.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 290. Concurrent resolution expressing support for designation of June 30 as "National ESIGN Day"; to the Committee on Commerce, Science, and Transportation.

MEASURES READ THE FIRST TIME

The following bill was read the first time:

H.R. 5618. An act to continue Federal unemployment programs.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC-6540. A communication from the Deputy Director of Regulations and Policy Management Staff, Food and Drug Administra-

tion, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Change of Contact Information; Technical Amendment" (Docket No. FDA-2010-N-0010) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-6541. A communication from the Under Secretary of Defense (Personnel and Readiness), transmitting the report of (8) officers authorized to wear the insignia of the grade of brigadier general in accordance with title 10, United States Code, section 777; to the Committee on Armed Services.

EC-6542. A communication from the Director of Defense Procurement and Acquisition Policy, Department of Defense, transmitting, pursuant to law, the report of a rule entitled "Defense Federal Acquisition Regulation Supplement; Notification Requirements for Awards of Single-Source Task or Delivery Orders" (DFARS Case 2009-D036) received during adjournment of the Senate in the Office of the President of the Senate on July 9, 2010; to the Committee on Armed Services.

EC-6543. A communication from the Chief Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Changes in Flood Elevation Determinations" ((44 CFR Part 65)(Docket No. FEMA-2010-0003)) received during adjournment of the Senate in the Office of the President of the Senate on July 7, 2010; to the Committee on Banking, Housing, and Urban Affairs.

EC-6544. A communication from the Chief Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Changes in Flood Elevation Determinations" ((44 CFR Part 65)(Docket No. FEMA-2010-0003)(Internal Agency Docket No. FEMA-B-1129)) received during adjournment of the Senate in the Office of the President of the Senate on July 7, 2010; to the Committee on Banking, Housing, and Urban Affairs.

EC-6545. A communication from the Chief Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Changes in Flood Elevation Determinations" ((44 CFR Part 65)(Docket No. FEMA-2010-0003)) received during adjournment of the Senate in the Office of the President of the Senate on July 7, 2010; to the Committee on Banking, Housing, and Urban Affairs.

EC-6546. A communication from the Chief Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Suspension of Community Eligibility" ((44 CFR Part 64)(Docket No. FEMA-2010-0003)(Internal Agency Docket No. FEMA-8135)) received during adjournment of the Senate in the Office of the President of the Senate on July 7, 2010; to the Committee on Banking, Housing, and Urban Affairs.

EC-6547. A communication from the Chief Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Suspension of Community Eligibility" ((44 CFR Part 64)(Docket No. FEMA-2010-0003)(Internal Agency Docket No. FEMA-8137)) received during adjournment of the Senate in the Office of the President of the Senate on July 8, 2010; to the Committee on Banking, Housing, and Urban Affairs.

EC-6548. A communication from the Assistant to the Board of Governors, Division of Consumer and Community Affairs, Federal Reserve System, transmitting, pursuant to law, the report of a rule entitled "Truth in Lending" ((Regulation Z)(12 CFR Part 226)(Docket No. R-1370)) received during adjournment of the Senate in the Office of the President of the Senate on July 9, 2010; to the Committee on Banking, Housing, and Urban Affairs.

EC-6549. A communication from the Assistant General Counsel for Legislation and Energy Efficiency, Office of Energy Efficiency and Renewable Energy, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Energy Conservation Program for Consumer Products and Certain Commercial and Industrial Equipment: Final Determination Concerning the Potential for Energy Conservation Standards for High-Intensity Discharge (HID) Lamps" (RIN1904-AA86) received during adjournment of the Senate in the Office of the President of the Senate on July 9, 2010; to the Committee on Energy and Natural Resources.

EC-6550. A communication from the Secretary of Energy, transmitting, pursuant to law, a report relative to the status of the Exxon and Stripper Well oil overcharge funds as of September 30, 2008; to the Committee on Energy and Natural Resources.

EC-6551. A joint communication from the Assistant Secretary (Water and Science) of the Department of the Interior, the Assistant Secretary (Civil Works) Department of the Army, and the Administrator of the Western Area Power Administration, transmitting, pursuant to law, a report relative to a wind and hydropower feasibility study; to the Committee on Energy and Natural Resources.

EC-6552. A communication from the Director of Congressional Affairs, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "List of Approved Spent Fuel Storage Casks: MAGNASTOR System, Revision 1" (RIN3150-AI86) received during adjournment of the Senate in the Office of the President of the Senate on July 6, 2010; to the Committee on Environment and Public Works.

EC-6553. A communication from the Director of Congressional Affairs, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "Quality Assurance Program Requirements for Research and Test Reactors" (Regulatory Guide 2.5, Revision 1) received during adjournment of the Senate in the Office of the President of the Senate on July 6, 2010; to the Committee on Environment and Public Works.

EC-6554. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the Annual Medicaid Integrity Program Report for Fiscal Year 2009; to the Committee on Finance.

EC-6555. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to the Case—Zablocki Act, 1 U.S.C. 112b, as amended, the report of the texts and background statements of international agreements, other than treaties (List 2010-0093-2010-0097); to the Committee on Foreign Relations.

EC-6556. A communication from the Assistant Secretary, Employee Benefits Security Administration, Department of Labor, transmitting, pursuant to law, the report of a rule entitled "Amendment to Prohibited Transaction Exemption (PTE) 84-14 for Plan Asset Transactions Determined by Independent Qualified Professional Asset Managers"

(RIN1210-ZA07) received during adjournment of the Senate in the Office of the President of the Senate on July 8, 2010; to the Committee on Health, Education, Labor, and Pensions.

EC-6557. A communication from the Director, Office of Regulations, Social Security Administration, transmitting, pursuant to law, the report of a rule entitled "Setting the Time and Place for a Hearing Before an Administrative Law Judge" (RIN0960-AG61) received during adjournment of the Senate in the Office of the President of the Senate on July 9, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC-6558. A communication from the Acting Senior Procurement Executive, Office of Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of a rule entitled "Federal Acquisition Regulation; Federal Acquisition Circular 2005-43; Introduction" (FAC 2005-43) received during adjournment of the Senate in the Office of the President of the Senate on July 6, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC-6559. A communication from the Acting Senior Procurement Executive, Office of Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of a rule entitled "Federal Acquisition Regulation; FAR Case 2008-011, Government Property" (RIN9000-AL41) received during adjournment of the Senate in the Office of the President of the Senate on July 6, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC-6560. A communication from the Acting Senior Procurement Executive, Office of Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of a rule entitled "Federal Acquisition Regulation; FAR Case 2008-035, Registry of Disaster Response Contractors" (RIN9000-AL30) received during adjournment of the Senate in the Office of the President of the Senate on July 6, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC-6561. A communication from the Acting Senior Procurement Executive, Office of Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of a rule entitled "Federal Acquisition Regulation; FAR Case 2010-008, Recovery Act Subcontract Reporting Procedures" (RIN9000-AL63) received during adjournment of the Senate in the Office of the President of the Senate on July 6, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC-6562. A communication from the Acting Senior Procurement Executive, Office of Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of a rule entitled "Federal Acquisition Regulation; FAR Case 2008-023, Clarification of Criteria for Sole Source Awards to Service-Disabled Veteran-Owned Small Business Concerns" (RIN9000-AL29) received during adjournment of the Senate in the Office of the President of the Senate on July 6, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC-6563. A communication from the Acting Senior Procurement Executive, Office of Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of a rule entitled "Federal Acquisition Regulation; FAR Case 2009-040, Trade Agreements Thresholds" (RIN9000-AL57) received during adjournment of the Senate in the Office of the President of the Senate on July 6, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC-6564. A communication from the Acting Senior Procurement Executive, Office of Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of a rule entitled "Federal Acquisition Regulation; FAR Circular 2005-43, Small Entity Compliance Guide" (FAC 2005-43) received during adjournment of the Senate in the Office of the President of the Senate on July 6, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC-6565. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, the Semi-Annual Report of the Inspector General for the period from October 1, 2009 through March 31, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC-6566. A communication from the Executive Director, Office of Compliance, transmitting, pursuant to law, the Office's Annual Report for fiscal year 2009; to the Committee on Homeland Security and Governmental Affairs.

EC-6567. A communication from the Regulatory and Policy Specialist, Bureau of Indian Affairs, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Indian Self-Determination Act Contracts and Annual Funding Agreements—Appeal Procedures" (RIN1076-AE86) received during adjournment of the Senate in the Office of the President of the Senate on July 9, 2010; to the Committee on Indian Affairs.

EC-6568. A communication from the Director, Administrative Office of the United States Courts, transmitting, pursuant to law, a report entitled "Report of the Director of the Administrative Office of the United States Courts on Applications for Delayed-Notice Search Warrants and Extensions"; to the Committee on the Judiciary.

EC-6569. A communication from the Director, Regulation Policy and Management, Office of the General Counsel, Department of Veterans Affairs, transmitting, pursuant to law, a report of a rule entitled "Stressor Determination for Posttraumatic Stress Disorder" (RIN2900-AN32), received during adjournment of the Senate in the Office of the President of the Senate on July 9, 2010; to the Committee on Veterans' Affairs.

EC-6570. A communication from the Chief of the Policy and Rules Division, Office of Engineering and Technology, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Part 27 of the Commission's Rules to Govern the Operation of Wireless Communications Services in the 2.3 GHz Band; Establishment of Rules and Policies for the Digital Audio Radio Satellite Service in the 2310-2360 MHz Frequency Band" ((WT Docket No. 07-293)(FCC 10-82)) received during adjournment of the Senate in the Office of the President of the Senate on July 9, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6571. A communication from the Senior Deputy Chief, Wireless Telecommunications Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Reexamination of Roaming Obligations of Commercial Mobile Radio Service Providers and Other Providers of Mobile Data Services" (FCC 10-59) received during adjournment of the Senate in the Office of the President of the Senate on July 9, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6572. A communication from the Regulatory Ombudsman, Federal Motor Carrier Safety Administration, Department of

Transportation, transmitting, pursuant to law, the report of a rule entitled "Cargo Insurance for Property Loss or Damage" (RIN2126-AB21) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6573. A communication from the Deputy Chief of the Broadband Division, Wireless Telecommunications Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Part 101 of the Commission's Rules to Accommodate 30 Megahertz Channels in the 6525-6875 MHz Band; Amendment of Part 101 of the Commission's Rules to Provide for Conditional Authorization on Additional Channels in the 21.8-22.0 GHz Band; Fixed Wireless Communications Coalition Request for Waiver" ((WT Docket No. 09-114)(FCC 10-109)) received during adjournment of the Senate in the Office of the President of the Senate on July 9, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6574. A communication from the Senior Regulations Analyst, Office of the Secretary of Transportation, Department of Transportation, transmitting, pursuant to law, a rule entitled "Procedures for Transportation Workplace Drug and Alcohol Testing Programs" (RIN2105-AB84) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6575. A communication from the Deputy Chief Counsel, Research and Innovative Technology Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Submission of Aviation Data via the Internet" (RIN2139-AA11) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6576. A communication from the Deputy Chief, Consumer and Governmental Affairs Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Structure and Practices of the Video Relay Service Program, Declaratory Ruling, Order and Notice of Proposed Rulemaking, CG Docket No. 10-51" (FCC 10-88) received during adjournment of the Senate in the Office of the President of the Senate on July 8, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6577. A communication from the Deputy Chief, Consumer and Governmental Affairs Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities, Order, CG Docket No. 03-123" (FCC 10-115) received during adjournment of the Senate in the Office of the President of the Senate on July 8, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6578. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Revocation of Class D and E Airspace; Big Delta, AK" ((RIN2120-AA66)(Docket No. FAA-2010-0083)) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6579. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation,

transmitting, pursuant to law, the report of a rule entitled "Automatic Dependent Surveillance—Broadcast (ADS-B) Equipage Mandate to Support Air Traffic Control Service; CORRECTION" ((RIN2120-AI92)(Docket No. FAA-2007-29305)) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6580. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Automatic Dependent Surveillance—Broadcast (ADS-B) Equipage Mandate to Support Air Traffic Control Service; Technical Amendment" ((RIN2120-AI92)(Docket No. FAA-2007-29305)) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6581. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment of Norton Sound Low and Control 12341, Offshore Airspace Areas; Alaska" ((RIN2120-AA66)(Docket No. FAA-2010-0071)) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6582. A communication from the Trial Attorney, Federal Railroad Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "State Highway-Rail Grade Crossings Action Plans" (RIN2130-AC20) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6583. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures (96); Amdt. No. 3378" (RIN2120-AA65) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6584. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures (96); Amdt. No. 3379" (RIN2120-AA65) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6585. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Cessna Aircraft Company Model 525A Airplanes" ((RIN2120-AA64) (Docket No. FAA-2010-0327)) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6586. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Honeywell International Inc. Auxiliary Power Unit Models GTCP36-150(R) and GTCP36-150(RR)" ((RIN2120-AA64) (Docket No. FAA-2009-0803)) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6587. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Empresa Brasileira de Aeronautica S.A. (EMBRAER) Model EMB-135ER, -135KE, -135KL, and -135LR Airplanes; and EMBRAER Model EMB-145, -145ER, -145MR, -145LR, -145XR, -145MP, and -145EP Airplanes" ((RIN2120-AA64) (Docket No. FAA-2010-0170)) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6588. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; CFM International, S.A. CFM56-5, -5B, and -7B Series Turbofan Engines" ((RIN2120-AA64) (Docket No. FAA-2010-0026)) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6589. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Mitsubishi Heavy Industries, Ltd. Various Models MU-2B Airplanes" ((RIN2120-AA64) (Docket No. FAA-2009-1076)) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6590. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Piper Aircraft, Inc. Models PA-32R-301T and PA-46-350P Airplanes" ((RIN2120-AA64) (Docket No. FAA-2010-0122)) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6591. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Bombardier Inc. Model CL-600-2C10 (Regional Jet Series 700 and 701) Airplanes, Model CL-600-2D15 (Regional Jet Series 705) Airplanes, and Model CL-600-2D24 (Regional Jet Series 900) Airplanes" ((RIN2120-AA64) (Docket No. FAA-2009-0995)) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6592. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; McDonnell Douglas Corporation Model DC-10-10, DC-10-10F, and MD-10-10F Airplanes" ((RIN2120-AA64) (Docket No. FAA-2010-0043)) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6593. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Bombardier, Inc. Model DHC-8-400 Series Airplanes" ((RIN2120-AA64) (Docket No. FAA-2010-0273)) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6594. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Fokker Services B.V. Model F.28 Mark 0070 and 0100 Airplanes" ((RIN2120-AA64) (Docket No. FAA-2010-0220)) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6595. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Bombardier, Inc. Model CL-600-2B19 (Regional Jet Series 100 and 440) Airplanes" ((RIN2120-AA64) (Docket No. FAA-2009-1029)) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6596. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Fokker Services B.V. Model F.27 Mark 500 and 600 Airplanes" ((RIN2120-AA64) (Docket No. FAA-2010-0551)) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6597. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Cod for American Fisheries Act Catcher Processors Using Trawl Gear in the Bering Sea and Aleutian Islands Management Area; C Season" (RIN0648-XW75) received during adjournment of the Senate in the Office of the President of the Senate on July 7, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6598. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Rock Sole, Flathead Sole, and "Other Flatfish" by Vessels Participating in the Amendment 80 Limited Access Fishery in the Bering Sea and Aleutian Islands Management Area" (RIN0648-XW74) received during adjournment of the Senate in the Office of the President of the Senate on July 7, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6599. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Atlantic Highly Migratory Species; Atlantic Bluefin Tuna Fisheries; Temporary Rule; Inseason General Category Retention Limit Adjustment" (RIN0648-XW54) received during adjournment of the Senate in the Office of the President of the Senate on July 7, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6600. A communication from the Attorney-Advisor, Office of General Counsel, National Oceanic and Atmospheric Administration, transmitting, pursuant to law, the report of a rule entitled "Regulations to Amend the Civil Procedures" (RIN0648-AY66) received during adjournment of the Senate in the Office of the President of the Senate on July 7, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6601. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report entitled "United States Department of Transportation Report to Congress on Recommendations of the Intelligent Transportation System (ITS) Program Advisory Committee 2009"; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LEAHY, from the Committee on the Judiciary, without amendment:

H.R. 1933. A bill to direct the Attorney General to make an annual grant to the A Child Is Missing Alert and Recovery Center to assist law enforcement agencies in the rapid recovery of missing children, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Ms. MURKOWSKI (for herself, Mrs. MURRAY, Ms. CANTWELL, and Mr. CRAPO):

S. 3570. A bill to improve hydropower, and for other purposes; to the Committee on Energy and Natural Resources.

By Ms. MURKOWSKI:

S. 3571. A bill to extend certain Federal benefits and income tax provisions to energy generated by hydropower resources; to the Committee on Finance.

By Mrs. LINCOLN (for herself and Mr. PRYOR):

S. 3572. A bill to require the Secretary of the Treasury to mint coins in commemoration of the 225th anniversary of the establishment of the Nation's first law enforcement agency, the United States Marshals Service; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. INHOFE:

S. 3573. A bill to authorize the Secretary of the Interior to allow the storage and conveyance of nonproject water at the Norman project in Oklahoma, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BROWN of Ohio (for himself and Mr. COBURN):

S. 3574. A bill to amend title II of the Social Security Act to prohibit the inclusion of Social Security account numbers on Medicare cards; to the Committee on Finance.

By Mr. DURBIN (for himself, Mr. SESSIONS, Mr. DODD, Mr. BROWN of Ohio, Mr. VITTER, and Mr. ALEXANDER):

S. 3575. A bill to amend and reauthorize the controlled substance monitoring program under section 3990 of the Public Health Service Act and to authorize the Secretary of Veterans Affairs to share information about the use of controlled substances by veterans with State prescription monitoring programs to prevent misuse and diversion of prescription medicines; to the Committee on Health, Education, Labor, and Pensions.

By Ms. KLOBUCHAR (for herself and Mr. JOHNSON):

S. 3576. A bill to promote the production and use of renewable energy, and for other purposes; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BROWNBACK (for himself and Mr. LIEBERMAN):

S. Res. 579. A resolution honoring the life of Manute Bol and expressing the condolences of the Senate on his passing; to the Committee on the Judiciary.

By Mr. SCHUMER (for himself, Mrs. GILLIBRAND, Mr. NELSON of Florida, and Mr. LEMIEUX):

S. Res. 580. A resolution commemorating the life and work of George M. Steinbrenner of the State of New York; considered and agreed to.

ADDITIONAL COSPONSORS

S. 493

At the request of Mr. CASEY, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 493, a bill to amend the Internal Revenue Code of 1986 to provide for the establishment of ABLE accounts for the care of family members with disabilities, and for other purposes.

S. 632

At the request of Mr. BAUCUS, the name of the Senator from Tennessee (Mr. CORKER) was added as a cosponsor of S. 632, a bill to amend the Internal Revenue Code of 1986 to require that the payment of the manufacturers' excise tax on recreational equipment be paid quarterly.

S. 653

At the request of Mr. CARDIN, the names of the Senator from Oklahoma (Mr. INHOFE) and the Senator from New Mexico (Mr. UDALL) were added as cosponsors of S. 653, a bill to require the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the writing of the Star-Spangled Banner, and for other purposes.

S. 781

At the request of Mr. ROBERTS, the name of the Senator from Oklahoma (Mr. COBURN) was added as a cosponsor of S. 781, a bill to amend the Internal Revenue Code of 1986 to provide for collegiate housing and infrastructure grants.

S. 1158

At the request of Ms. STABENOW, the name of the Senator from Minnesota (Mr. FRANKEN) was added as a cosponsor of S. 1158, a bill to authorize the Secretary of Health and Human Services to conduct activities to rapidly advance treatments for spinal muscular atrophy, neuromuscular disease, and other pediatric diseases, and for other purposes.

S. 1237

At the request of Mrs. MURRAY, the names of the Senator from Michigan (Ms. STABENOW) and the Senator from Rhode Island (Mr. WHITEHOUSE) were

added as cosponsors of S. 1237, a bill to amend title 38, United States Code, to expand the grant program for homeless veterans with special needs to include male homeless veterans with minor dependents and to establish a grant program for reintegration of homeless women veterans and homeless veterans with children, and for other purposes.

S. 1376

At the request of Ms. KLOBUCHAR, the name of the Senator from Minnesota (Mr. FRANKEN) was added as a cosponsor of S. 1376, a bill to restore immunization and sibling age exemptions for children adopted by United States citizens under the Hague Convention on Intercountry Adoption to allow their admission into the United States.

S. 1567

At the request of Mr. BROWNBACK, the name of the Senator from Colorado (Mr. UDALL) was added as a cosponsor of S. 1567, a bill to provide for the issuance of a Multinational Species Conservation Funds Semipostal Stamp.

S. 2129

At the request of Ms. COLLINS, the name of the Senator from Oregon (Mr. MERKLEY) was added as a cosponsor of S. 2129, a bill to authorize the Administrator of General Services to convey a parcel of real property in the District of Columbia to provide for the establishment of a National Women's History Museum.

S. 3034

At the request of Mr. SCHUMER, the names of the Senator from Rhode Island (Mr. WHITEHOUSE), the Senator from Georgia (Mr. CHAMBLISS), the Senator from Massachusetts (Mr. BROWN) and the Senator from Mississippi (Mr. WICKER) were added as cosponsors of S. 3034, a bill to require the Secretary of the Treasury to strike medals in commemoration of the 10th anniversary of the September 11, 2001, terrorist attacks on the United States and the establishment of the National September 11 Memorial & Museum at the World Trade Center.

S. 3043

At the request of Mrs. GILLIBRAND, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 3043, a bill to award planning grants and implementation grants to State educational agencies to enable the State educational agencies to complete comprehensive planning to carry out activities designed to integrate engineering education into K-12 instruction and curriculum and to provide evaluation grants to measure efficacy of K-12 engineering education.

S. 3184

At the request of Mrs. BOXER, the names of the Senator from Wisconsin (Mr. FEINGOLD) and the Senator from Massachusetts (Mr. BROWN) were added as cosponsors of S. 3184, a bill to provide United States assistance for the purpose of eradicating severe forms of

trafficking in children in eligible countries through the implementation of Child Protection Compacts, and for other purposes.

S. 3190

At the request of Ms. LANDRIEU, the name of the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of S. 3190, a bill to reaffirm that the Small Business Reauthorization Act of 1997 does not limit a contracting officer's discretion regarding whether to make a contract available for award pursuant to any of the restricted competition programs authorized by the Small Business Act.

S. 3199

At the request of Ms. SNOWE, the name of the Senator from Illinois (Mr. BURRIS) was added as a cosponsor of S. 3199, a bill to amend the Public Health Service Act regarding early detection, diagnosis, and treatment of hearing loss.

S. 3238

At the request of Mr. SCHUMER, the name of the Senator from Rhode Island (Mr. WHITEHOUSE) was added as a cosponsor of S. 3238, a bill to provide for a medal of appropriate design to be awarded by the President to the next of kin or other representative of those individuals killed as a result of the terrorist attacks of September 11, 2001, and to the memorials established at the 3 sites that were attacked on that day.

S. 3246

At the request of Mr. WYDEN, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S. 3246, a bill to exclude from consideration as income under the Native American Housing Assistance and Self-Determination Act of 1996 amounts received by a family from the Department of Veterans Affairs for service-related disabilities of a member of the family.

S. 3339

At the request of Mr. KERRY, the name of the Senator from Mississippi (Mr. WICKER) was added as a cosponsor of S. 3339, a bill to amend the Internal Revenue Code of 1986 to provide a reduced rate of excise tax on beer produced domestically by certain small producers.

S. 3425

At the request of Mrs. MURRAY, the name of the Senator from New York (Mrs. GILLIBRAND) was added as a cosponsor of S. 3425, a bill to amend title 10, United States Code, to require the provision of behavioral health services to members of the reserve components of the Armed Forces necessary to meet pre-deployment and post-deployment readiness and fitness standards, and for other purposes.

S. 3493

At the request of Mr. SPECTER, the name of the Senator from Massachusetts (Mr. KERRY) was added as a co-

sponsor of S. 3493, a bill to reauthorize and enhance Johanna's Law to increase public awareness and knowledge with respect to gynecologic cancers.

S. 3510

At the request of Mr. CONRAD, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 3510, a bill to amend the Internal Revenue Code of 1986 to permanently extend the 15-year recovery period for qualified leasehold improvement property, qualified restaurant property, and qualified retail improvement property.

S. 3518

At the request of Mr. LEAHY, the name of the Senator from Delaware (Mr. KAUFMAN) was added as a cosponsor of S. 3518, a bill to amend title 28, United States Code, to prohibit recognition and enforcement of foreign defamation judgments in United States Courts where those judgments undermine the first amendment to the Constitution of the United States, and to provide a cause of action for declaratory judgment relief against a party who has brought a successful foreign defamation action whose judgment undermines the first amendment.

S. 3519

At the request of Ms. SNOWE, the names of the Senator from Michigan (Ms. STABENOW) and the Senator from New Hampshire (Mrs. SHAHEEN) were added as cosponsors of S. 3519, a bill to stabilize the matching requirement for participants in the Hollings Manufacturing Partnership Program.

S. 3552

At the request of Mr. ENSIGN, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S. 3552, a bill to require an Air Force study on the threats to, and sustainability of, the air test and training range infrastructure.

S.J. RES. 30

At the request of Mr. ISAKSON, the names of the Senator from Maine (Ms. SNOWE), the Senator from Arizona (Mr. MCCAIN), the Senator from Alabama (Mr. SHELBY) and the Senator from Massachusetts (Mr. BROWN) were added as cosponsors of S.J. Res. 30, a joint resolution providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the National Mediation Board relating to representation election procedures.

S. RES. 555

At the request of Ms. STABENOW, the name of the Senator from Ohio (Mr. BROWN) was added as a cosponsor of S. Res. 555, a resolution supporting the goals and ideals of National Ovarian Cancer Awareness Month.

S. RES. 565

At the request of Mr. MERKLEY, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. Res. 565, a resolution supporting and recognizing the achievements of the

family planning services programs operating under title X of the Public Health Service Act.

S. RES. 573

At the request of Mr. FEINGOLD, the name of the Senator from Maryland (Mr. CARDIN) was added as a cosponsor of S. Res. 573, a resolution urging the development of a comprehensive strategy to ensure stability in Somalia, and for other purposes.

AMENDMENT NO. 4410

At the request of Mr. KERRY, the names of the Senator from Maine (Ms. SNOWE), the Senator from Alaska (Mr. BEGICH) and the Senator from New Jersey (Mr. MENENDEZ) were added as cosponsors of amendment No. 4410 intended to be proposed to H.R. 5297, an act to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

AMENDMENT NO. 4412

At the request of Ms. LANDRIEU, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of amendment No. 4412 intended to be proposed to H.R. 5297, an act to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

AMENDMENT NO. 4413

At the request of Mr. FEINGOLD, the names of the Senator from North Dakota (Mr. DORGAN) and the Senator from Oregon (Mr. MERKLEY) were added as cosponsors of amendment No. 4413 intended to be proposed to H.R. 5297, an act to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

AMENDMENT NO. 4439

At the request of Mr. SANDERS, the names of the Senator from New Hampshire (Mrs. SHAHEEN) and the Senator from Oregon (Mr. MERKLEY) were added as cosponsors of amendment No. 4439 intended to be proposed to H.R. 5297, an act to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend

the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

AMENDMENT NO. 4443

At the request of Mr. UDALL of Colorado, the name of the Senator from Minnesota (Mr. FRANKEN) was added as a cosponsor of amendment No. 4443 intended to be proposed to H.R. 5297, an act to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

STATEMENTS ON INTRODUCED
BILLS AND JOINT RESOLUTIONS

By Ms. MURKOWSKI (for herself,
Mrs. MURRAY, Ms. CANTWELL,
and Mr. CRAPO):

S. 3570. A bill to improve hydropower, and for other purposes; to the Committee on Energy and Natural Resources.

Ms. MURKOWSKI. Mr. President, I rise today to introduce two pieces of legislation aimed at increasing the production of our hardest working renewable resource, one that often gets overlooked in the clean energy debate—hydropower. The first bill I would like to introduce today is the Hydropower Improvement Act of 2010, co-sponsored by my colleagues Senators MURRAY, CANTWELL, and CRAPO, true hydropower advocates. The Hydropower Improvement Act of 2010 seeks to substantially increase the capacity and generation of our clean, renewable hydropower resources that will improve environmental quality and support hundreds of thousands of green energy jobs.

There is no question that hydropower is, and must continue to be, part of our energy solution. It is the largest source of renewable electricity in the United States. The 96,000 megawatts of hydroelectric capacity we now have today provide about 7 percent of the Nation's electricity needs. Hydroelectric generation is carbon-free baseload power that allows us to avoid 225 million metric tons of carbon emissions each year. Hydropower is clean efficient, and inexpensive. Yet, despite its tremendous benefits, I am constantly amazed at how some undervalue this important resource.

Perhaps it is because conventional wisdom dismisses our Nation's hydropower capacity as tapped out. That is simply not the case. If anything, hydropower is really an under-developed resource—something we certainly understand in my home state of Alaska where hydro already supplies 24 percent of the state's electricity needs and over 200 promising sites for further hy-

dropower development have been identified. There is great potential for additional hydropower development in every State, not just Alaska.

According to the Obama administration, conventional hydropower facilities have the capacity to generate an additional 75,000 megawatts of power—a staggering amount of clean, inexpensive power. Now that doesn't seem possible until you realize that only 3 percent of the country's 80,000 existing dams are even electrified. Significant amounts of new capacity—anywhere between 20,000 and 60,000 megawatts—can be derived from simple efficiency improvements or capacity additions at existing facilities.

Additional hydropower can be captured in existing man-made conduits and hydroelectric pumped storage projects can help reliably integrate other renewable resources that are intermittent, such as wind, onto our grid.

The Hydropower Improvement Act of 2010 seeks to increase substantially our nation's hydropower capacity in an effort to expand renewable power generation and create much needed American jobs. The legislation establishes a competitive grants program to support further hydropower development and directs the Energy Department to produce and implement a plan for the research, development and demonstration of increased hydropower capacity. The bill provides the Federal Energy Regulatory Commission with additional authority to extend preliminary permit terms; to work with Federal resource agencies to streamline the review process for conduit hydropower projects; and to conduct a Notice of Inquiry into a possible two-year licensing process for certain minimal impact projects. The Act also calls for studies on pumped storage sites and the potential for nonfederal development at Bureau of Reclamation facilities, and authorizes training for hydroelectric power technology at community colleges.

It is my hope that as the Senate turns to energy legislation, we can finally recognize the important contribution the renewable resource of hydropower makes, and will continue to make, to our clean energy goals. This legislation is supported by the National Hydropower Association, the American Public Power Association, the Family Farm Alliance, the National Rural Electric Cooperative Association, the Edison Electric Institute, and the National Water Resources Association. I ask my colleagues to join me in supporting the Hydropower Improvement Act of 2010 to promote the further development of our most cost-effective, clean energy option while creating hundreds of thousands of new green jobs.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3570

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “Hydropower Improvement Act of 2010”.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings.
- Sec. 3. Definitions.
- Sec. 4. Sense of Congress on the use of hydropower renewable resources.
- Sec. 5. Grants for improvements for increased hydropower production.
- Sec. 6. Plan for research, development, and demonstration to increase hydropower capacity.
- Sec. 7. Notice of inquiry for minimal impact hydropower projects.
- Sec. 8. FERC authority to extend preliminary permit terms.
- Sec. 9. Streamlining review process for conduit hydropower projects.
- Sec. 10. Non-Federal hydropower development at Bureau of Reclamation projects.
- Sec. 11. Pumped storage study.
- Sec. 12. National Renewable Energy Deployment Program.
- Sec. 13. Hydroelectric power worker training.
- Sec. 14. Report on memorandum of understanding on hydropower.
- Sec. 15. Nonapplication to Federal Power Marketing Administrations.
- Sec. 16. Budgetary effects.

SEC. 2. FINDINGS.

Congress finds that—

(1) hydropower is the largest source of clean, renewable electricity in the United States;

(2) as of the date of enactment of this Act, hydropower resources, including pumped storage facilities, provide—

(A) 7 percent of the electricity generated in the United States, avoiding 225,000,000 metric tons of carbon emissions each year; and

(B) approximately 96,000 megawatts of electric capacity in the United States;

(3) only 3 percent of the 80,000 dams in the United States generate electricity so there is substantial potential for adding hydropower generation to nonpower dams;

(4) in every State, a tremendous untapped growth potential exists in hydropower resources, including—

(A) efficiency improvements and capacity additions;

(B) adding generation to nonpower dams;

(C) conduit hydropower;

(D) conventional hydropower;

(E) pumped storage facilities; and

(F) new marine and hydrokinetic resources; and

(5) improvements in increased hydropower production in the United States have the potential—

(A) to create hundreds of thousands of new green jobs during the next 15 years;

(B) to increase the clean energy generation of the United States; and

(C) to provide ancillary benefits that include grid reliability, energy storage, and integration services for variable renewable resources.

SEC. 3. DEFINITIONS.

In this Act:

(1) CONDUIT.—The term “conduit” means any tunnel, canal, pipeline, aqueduct, flume,

ditch, or similar manmade water conveyance that is operated for the distribution of water for agricultural, municipal, or industrial consumption and not primarily for the generation of electricity.

(2) SECRETARY.—The term “Secretary” means the Secretary of Energy.

SEC. 4. SENSE OF CONGRESS ON THE USE OF HYDROPOWER RENEWABLE RESOURCES.

It is the sense of Congress that the United States should increase substantially the capacity and generation of clean, renewable hydropower resources which will improve environmental quality in the United States and support hundreds of thousands of green energy jobs.

SEC. 5. GRANTS FOR IMPROVEMENTS FOR INCREASED HYDROPOWER PRODUCTION.

(a) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Secretary shall establish in the Department of Energy a program under which the Secretary shall make competitive grants to eligible entities that—

(1) make efficiency improvements or capacity additions at an existing hydroelectric power generating facility;

(2) add hydropower generation to a nonpower dam;

(3) develop pumped storage facilities;

(4) address aging infrastructure at existing hydroelectric power generating facilities; and

(5) develop hydroelectric generation within existing conduits.

(b) ADMINISTRATION.—

(1) IN GENERAL.—The Secretary shall establish terms and conditions, including eligibility, for the receipt of grants under this section.

(2) INCLUSIONS.—In carrying out this section, the Secretary shall ensure that powerhouses and projects that require new dam infrastructure are included among the eligible entities that may receive grants under this section.

(c) COST SHARING.—The Secretary shall carry out the program under this section in compliance with sections 988 and 989 of the Energy Policy Act of 2005 (42 U.S.C. 16352, 16353).

(d) FUNDING.—From amounts made available under section 625(e) of the Energy Independence and Security Act of 2007 (42 U.S.C. 17204(e)), the Secretary may use to carry out this section \$50,000,000 for each of fiscal years 2011 through 2015, of which not more than 20 percent of the amount made available for a fiscal year may be used to carry out an individual project.

SEC. 6. PLAN FOR RESEARCH, DEVELOPMENT, AND DEMONSTRATION TO INCREASE HYDROPOWER CAPACITY.

(a) IN GENERAL.—Not later than 270 days after the date of enactment of this Act, the Secretary shall establish, and submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives, a plan—

(1) to facilitate through technology research, development, and demonstration the increased use of hydropower renewable resources in accordance with section 4; and

(2) to coordinate research and development on advanced hydropower technologies.

(b) ADMINISTRATION.—The Secretary shall—

(1) implement the plan established under this section as soon as practicable after the date of enactment of this Act; and

(2) review and update the plan on an annual basis.

(c) COST SHARING.—The Secretary shall carry out the program under this section in compliance with sections 988 and 989 of the Energy Policy Act of 2005 (42 U.S.C. 16352, 16353).

(d) COORDINATION.—The Secretary shall coordinate, to the maximum extent practicable, activities under this section with other programs of the Department of Energy and other Federal research programs.

(e) FUNDING.—From amounts made available under section 401(a) of the American Clean Energy Leadership Act of 2009, the Secretary may use to carry out this section \$50,000,000 for each of fiscal years 2011 through 2015.

SEC. 7. NOTICE OF INQUIRY FOR MINIMAL IMPACT HYDROPOWER PROJECTS.

(a) DEFINITIONS.—In this section:

(1) COMMISSION.—The term “Commission” means the Federal Energy Regulatory Commission.

(2) MINIMAL IMPACT HYDROPOWER PROJECT.—The term “minimal impact hydropower project” means—

(A) the addition of hydropower generation to an existing nonpower dam if the addition of the project will not cause any significant environmental impact; or

(B) closed-loop hydropower storage that does not require any change in an existing diversion or impoundment of a river, and otherwise will not cause any significant environmental impacts under applicable law.

(b) NOTICE OF INQUIRY.—Not later than 180 days after the date of enactment of this section, the Commission shall issue a notice of inquiry for the licensing of proposed minimal impact hydropower projects that take not more than 2 years from the beginning of the prefiling licensing process to the issuance of a license by the Commission.

(c) REPORT.—Not later than 180 days after the completion of the notice of inquiry under subsection (b), the Commission shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report that describes the results of the notice of inquiry.

SEC. 8. FERC AUTHORITY TO EXTEND PRELIMINARY PERMIT TERMS.

Section 5 of the Federal Power Act (16 U.S.C. 798) is amended—

(1) by designating the first, second, and third sentences as subsections (a), (c), and (d), respectively; and

(2) by inserting after subsection (a) (as so designated) the following:

“(b) EXTENSION.—The Commission may extend the term of a preliminary permit once for not more than 2 additional years if the Commission finds that the permittee has carried out activities under the permit in good faith and with reasonable diligence.”.

SEC. 9. STREAMLINING REVIEW PROCESS FOR CONDUIT HYDROPOWER PROJECTS.

(a) IN GENERAL.—Section 30 of the Federal Power Act (16 U.S.C. 823a) is amended—

(1) in subsection (a), by striking paragraphs (1) and (2) and inserting the following:

“(1) is located on non-Federal lands or Federal lands; and

“(2) uses for the generation only the hydroelectric potential of a conduit.”; and

(2) by adding at the end the following:

“(f) SAVINGS CLAUSE.—This section shall not apply to any reclamation projects under which hydroelectric power development has been reserved—

“(1) under Federal law or by regulation or order, exclusively for development under Federal reclamation law; or

“(2) for non-Federal development under reclamation law.

“(g) DEFINITION OF CONDUIT.—In this section, the term ‘conduit’ means any tunnel, canal, pipeline, aqueduct, flume, ditch, or similar manmade water conveyance that is operated for the distribution of water for agricultural, municipal, or industrial consumption and not primarily for the generation of electricity.”.

(b) MEMORANDUM OF UNDERSTANDING ON CONDUIT HYDROPOWER PROJECTS.—Not later than 180 days after the date of enactment of this Act, the Federal Energy Regulatory Commission shall enter into a memorandum of understanding with relevant Federal agencies that have conditioning authority under section 30(c)(1) of the Federal Power Act (16 U.S.C. 823a(c)(1))—

(1) to establish a coordinated and streamlined approach to any environmental impact statement or similar analysis required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) relating to the consideration of conduit hydropower projects; and

(2) to develop and carry out an expedited approval process for conduit hydropower projects.

(c) PUBLIC WORKSHOPS AND PILOT PROJECTS ON CONDUIT HYDROPOWER PROJECTS.—

(1) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Commissioner of Reclamation and the Federal Energy Regulatory Commission shall conduct 3 public workshops with relevant stakeholders, including water users and the environmental community, to identify ways in which the conduit approval process may be modified—

(A) to reduce barriers to conduit hydropower projects, including barriers created by project costs or the timeframe for approval and maintain adequate environmental, health, and safety protections; and

(B) to develop pilot projects in conjunction with voluntary participants to demonstrate flexible and innovative ways to reduce barriers to conduit hydropower while maintaining adequate environmental, health, and safety protections.

(2) REPORT.—Not later than 180 days after the date of the completion of the workshops under paragraph (1), the Commissioner of Reclamation and the Federal Energy Regulatory Commission shall submit to the appropriate committees of Congress a report that describes any recommendations for the conduit approval process developed in the workshops and pilot projects described in paragraph (1).

(3) FUNDING.—From amounts made available under section 9503(f) of the Omnibus Public Land Management Act of 2009 (42 U.S.C. 10363(f)), the Secretary may use to carry out pilot projects described in paragraph (1)(B) \$5,000,000 for the period of fiscal years 2011 through 2015, to remain available until expended.

SEC. 10. NON-FEDERAL HYDROPOWER DEVELOPMENT AT BUREAU OF RECLAMATION PROJECTS.

(a) STUDY OF NON-FEDERAL HYDROPOWER DEVELOPMENT AT BUREAU OF RECLAMATION PROJECTS.—Not later than 180 days after the date of enactment of this section, the Commissioner of Reclamation (in consultation with the Federal Energy Regulatory Commission, preference power customers, water users, and other interested stakeholders) shall—

(1) conduct a study of barriers to non-Federal hydropower development at Bureau of Reclamation projects; and

(2) report to Congress the results of the study.

(b) MEMORANDUM OF UNDERSTANDING.—Not later than 180 days after the date of enactment of this section, the Commissioner of Reclamation and the Federal Energy Regulatory Commission shall develop and issue a revised interagency memorandum of understanding to improve the coordination and timeliness of the non-Federal development of hydropower resources at Bureau of Reclamation projects.

SEC. 11. PUMPED STORAGE STUDY.

(a) IN GENERAL.—The Secretary, in coordination with the Director of the United States Geological Survey, shall conduct a study (including identification) of Federal land that is well-suited for pumped storage sites and is located near existing or potential sites of intermittent renewable resource development, such as wind farms.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report that describes the results of the study conducted under subsection (a), including any recommendations.

SEC. 12. NATIONAL RENEWABLE ENERGY DEPLOYMENT PROGRAM.

(a) IN GENERAL.—Section 803 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17282) is amended by striking the section heading and inserting “NATIONAL RENEWABLE ENERGY DEPLOYMENT PROGRAM”.

(b) DEFINITIONS.—Section 803(a) of the Energy Independence and Security Act of 2007 (42 U.S.C. 17282(a)) is amended—

- (1) by striking paragraph (1);
- (2) by redesignating paragraphs (2) through (4) as paragraphs (1) through (3), respectively; and
- (3) in paragraph (3)(B)(iv) (as so redesignated), by striking “Alaska small”.

(c) RENEWABLE ENERGY CONSTRUCTION GRANTS.—Section 803(b) of the Energy Independence and Security Act of 2007 (42 U.S.C. 17282(b)) is amended—

(1) in paragraph (1), by inserting “establish a national renewable energy construction grants program under which the Secretary shall” after “shall”; and

(2) by adding at the end the following:

“(5) PRIORITY.—In making grants to eligible applicants to carry out renewable energy projects under this section, the Secretary shall give priority to applicants that—

“(A) have power costs that are 125 percent or more of average national retail costs; or

“(B) will use the grant to construct renewable electricity projects to replace fossil fuel projects.”.

SEC. 13. HYDROELECTRIC POWER WORKER TRAINING.

Section 439(b) of the American Clean Energy Leadership Act of 2009 is amended in the second sentence—

- (1) in paragraph (6), by striking “and” after the semicolon at the end;
- (2) in paragraph (7), by striking the period at the end and inserting “; and”; and
- (3) by adding at the end the following: “(8) hydroelectric power technology.”.

SEC. 14. REPORT ON MEMORANDUM OF UNDERSTANDING ON HYDROPOWER.

Not later than 18 months after the date of enactment of this Act, the President shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report on actions taken by the Department of Energy, the Department of the Interior, and the Corps of

Engineers to carry out the memorandum of understanding on hydropower entered into on March 24, 2010, with particular emphasis on actions taken by the agencies to work together and investigate ways to efficiently and responsibly facilitate the Federal permitting process for Federal and non-Federal hydropower projects at Federal facilities, within existing authority.

SEC. 15. NONAPPLICATION TO FEDERAL POWER MARKETING ADMINISTRATIONS.

(a) IN GENERAL.—This Act and the amendments made by this Act shall not—

(1) apply to a hydroelectric project that provides power marketed by a Federal Power Marketing Administration; or

(2) impact any additions, improvements, or replacements of hydroelectric generation at Federal projects carried out by a Federal Power Marketing Administration.

(b) MODIFICATIONS.—Nothing in this Act limits the authority under existing law of a Federal Power Marketing Administrator in the event that operations at Federal projects with hydropower facilities are modified.

SEC. 16. BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, submitted for printing in the Congressional Record by the Chairman of the Senate Budget Committee, provided that such statement has been submitted prior to the vote on passage.

By Ms. MURKOWSKI:

S. 3571. A bill to extend certain Federal benefits and income tax provisions to energy generated by hydropower resources; to the Committee on Finance.

Ms. MURKOWSKI. Mr. President, today I introduce the Hydropower Renewable Energy Development Act of 2010. This is legislation to extend certain benefits and income tax provisions to energy generated by hydropower resources.

We have an incredible amount of hydropower potential in my home State of Alaska. To date, we have almost 50 hydropower projects—in a range of sizes from the 126-megawatt Bradley Lake project to the 7-kilowatt Walsh Creek project—that produce about 24 percent of the State’s electricity needs. Alaska is proof that the hydropower resource is not tapped out—not even close. Currently, there are 32 additional hydropower projects, just in Southeast, that are either under construction or on the drawing boards. Statewide there are another 200 areas that have been identified as promising sites for lake taps, run of river, pumped storage and even new hydroelectric reservoirs. With the proper financing, we could keep a dozen hydro construction companies fully employed in the State for a decade or even longer. That is just in Alaska. There are tremendous opportunities in each and every State to further develop this clean energy alternative.

Hydropower, by definition, is a renewable resource. It produces no carbon emissions and through rainfall and melting snowpacks it is able to be re-

plenished. Yet there are some who would deny this important classification to the hydropower resource. The Hydropower Renewable Energy Development Act of 2010 directs that the generation of hydroelectric power be treated as a “renewable” resource for purposes of any Federal program or standard. This reclassification of hydroelectric generation should help to incent the further production of this important and often undervalued resource.

Next, the bill provides parity treatment for hydropower resources in the Production Tax Credit, PTC. Currently, companies that generate wind, solar, geothermal, and “closed-loop” biomass systems are eligible for the PTC which provides a 2.1 cent per kilowatt-hour, kWh, benefit for the first 10 years of a renewable energy facility’s operation. Other technologies, such as incremental hydropower, certain generation at non-power facilities, and wave and tidal receive a lesser value tax credit of 1.0 cent per kWh. The Hydropower Renewable Energy Development Act of 2010 eliminates the distinction between the two categories so that all qualified hydropower resources receive the full PTC credit. The bill further expands upon the types of hydropower resources that can qualify for the PTC, allowing new hydro generation, small hydropower under 50 megawatts, lake taps, and pumped storage to qualify as well.

The Hydropower Renewable Energy Development Act of 2010 also carries this expanded qualification of hydropower to the Clean Renewable Energy Bonds, CREBS, program. Because non-profits like rural electric cooperatives and public power providers are not eligible for the PTC due to their tax-exempt status, CREBS was created to encourage these entities to undertake renewable energy development as well. This program has been wildly popular and has been oversubscribed since its inception. There are endless possibilities for increased hydropower production by electric cooperatives and public power providers and they should be given the proper financial incentive to do so.

I ask my colleagues to support this hydropower tax legislation. The further development of this untapped renewable resource will help us meet our clean energy goals through the generation of carbon-free, baseload power. At a time of record unemployment, the addition of hydropower capacity throughout the Nation will lead to hundreds of thousands of good paying, domestic jobs.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3571

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Hydropower Renewable Energy Development Act of 2010”.

SEC. 2. HYDROELECTRIC ENERGY TREATED AS RENEWABLE ENERGY.

Notwithstanding any other provision of law or regulation, for purposes of any Federal program or standard, the term “renewable energy” shall include hydroelectric energy generated in the United States by a hydroelectric facility, including electric power produced by efficiency improvements and capacity additions, generation added to nonpower dams, conduits, pumped storage facilities, marine and hydrokinetic resources, and conventional hydropower.

SEC. 3. PRODUCTION TAX CREDIT FOR HYDROPOWER RESOURCES.

(a) IN GENERAL.—Subparagraph (A) of section 45(c)(8) of the Internal Revenue Code of 1986 is amended—

(1) by striking “and” at the end of clause (i),

(2) by striking the period at the end of clause (ii) and inserting “, and”, and

(3) by adding at the end the following new clause:

“(iii) in the case of any hydropower facility described in subparagraph (D), the hydropower production from the facility for the taxable year.”.

(b) PRODUCTION.—Paragraph (8) of section 45(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

“(D) OTHER HYDROPOWER PRODUCTION FACILITIES.—For purposes of subparagraph (A), a facility is described in this subparagraph if such facility—

“(i) is a hydroelectric dam or nonhydroelectric dam—

“(I) which is placed in service after the date of the enactment of the Hydropower Renewable Energy Development Act of 2010, and

“(II) which would be described in subparagraph (A)(i) or (C) but for the placed in service date,

“(ii) is a hydroelectric facility not described in clause (i) which has a nameplate capacity rating of less than 50 megawatts, or

“(iii) is not described in clause (i) or (ii) and generates energy through the use of a lake tap or pumped storage.”.

(c) QUALIFIED FACILITIES.—Paragraph (9) of section 45(d) of the Internal Revenue Code of 1986 is amended to read as follows:

“(9) QUALIFIED HYDROPOWER FACILITY.—

“(A) INCREMENTAL HYDROPOWER PRODUCTION.—In the case of a facility described in subsection (c)(8), without regard to subparagraph (C) or (D) thereof, which produces incremental hydropower production, the term ‘qualified facility’ means such facility but only to the extent of such incremental hydropower production attributable to efficiency improvements or additions to capacity described in subsection (c)(8)(B) placed in service after August 8, 2005, and before January 1, 2014.

“(B) PRODUCTION FROM CERTAIN NONHYDROELECTRIC DAMS.—In the case of a facility described in subsection (c)(8)(C) which produces qualified hydropower production, the term ‘qualified facility’ means any such facility placed in service after August 8, 2005, and before January 1, 2014.

“(C) PRODUCTION FROM OTHER HYDROPOWER FACILITIES.—In the case of qualified hydropower production at a facility after the date

of the enactment of the Hydropower Renewable Energy Development Act of 2010, the term ‘qualified facility’ includes any such facility which is described in subsection (c)(8)(D).

“(D) CREDIT PERIOD.—In the case of a qualified facility described in subparagraph (A), the 10-year period referred to in subsection (a) shall be treated as beginning on the date the efficiency improvements or additions to capacity are placed in service.”.

(d) INCREASE IN CREDIT RATE.—Subparagraph (A) of section 45(b)(4) of the Internal Revenue Code of 1986 is amended by striking “(9).”.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to electricity produced after the date of the enactment of this Act.

By Mr. DURBIN (for himself, Mr. SESSIONS, Mr. DODD, Mr. BROWN of Ohio, Mr. VITTER, and Mr. ALEXANDER):

S. 3575. A bill to amend and reauthorize the controlled substance monitoring program under section 3990 of the Public Health Service Act and to authorize the Secretary of Veterans Affairs to share information about the use of controlled substances by veterans with State prescription monitoring programs to prevent misuse and diversion of prescription medicines; to the Committee on Health, Education, Labor, and Pensions.

Mr. DURBIN. Mr. President, the non-medical use and abuse of prescription drugs is a serious and growing public health problem in this country. The 2008 National Survey on Drug Use and Health showed that more than 15 million Americans had used prescription psychotherapeutic drugs non-medically in the past year. That is more than 6 percent of the U.S. population. More than 20 percent of Americans had abused these drugs during their lifetime. The Substance Abuse and Mental Health Services Agency, SAMHSA, estimates that half a million residents in my home State of Illinois are using prescription drugs illegally and in ways that can lead to dependence and even death.

Since 1999, abuse, misuse, and overdose of prescription drugs has increased, and the health consequences are significant. Each year, more than 20,000 people in the United States die from drug overdose. Illinois hospitals report an increase in patients visiting Emergency Departments because of prescription drug misuse. From 2003 to 2007, Chicago area hospitals saw the number of visits for pain medication misuse more than double and visits for sedative misuse quadruple.

The trends among teens are especially worrisome. Prescription pain relievers are the second most common drugs used as gateway drugs among teens. Over the past decade, there has been a 300 percent increase in the number of teens seeking treatment for addiction to prescription painkillers.

To address this threat to public health, my colleague Senator SESSIONS

and I worked together to enact Public Law 109–60, the National All Schedules Prescription Electronic Reporting Act of 2005, NASPER. This program provides grants through the Department of Health and Human Services to establish or improve State-based prescription drug monitoring programs, PDMPs. The first grants were awarded through NASPER beginning in fiscal year 09, and currently over 40 States are operating PDMPs or have enacted legislation to establish them.

While each State’s program is unique, in general they require that pharmacies, physicians or both submit information to a central office within the State on prescriptions dispensed for certain controlled substances—narcotics, stimulants, sedatives, depressants, etc. By creating these systems, States can ensure that health care providers, law enforcement officials and other regulatory and licensing bodies have access to accurate, timely prescription history information as permitted by law.

The data in these systems can be used for many purposes: to assist in the early identification of patients at risk for addiction, prevent patients from doctor shopping, and help with investigations of drug diversion and errant prescribing or dispensing practices by pharmacists or medical providers.

In my home State of Illinois, the State PDMP is called Prescription Information Library, PIL. The State was awarded a NASPER grant in fiscal year 09, which allowed it to expand and improve its program. In the month of June 2010 alone, the PIL website was used by over 3,600 doctors, pharmacists and other registered users who made over 24,000 visits to the site. In addition, the number of law enforcement requests for information from PIL increased from 16 in 2007 to 321 in 2009. Use of the program continues to grow—in the first 6 months of 2010, law enforcement officials have already made 271 requests for information from the database. The growth of the Illinois program demonstrates that it is a valuable tool for protecting public health and safety by identifying people at risk for prescription drug abuse and doctors who betray the high ethical standards of their profession by over or incorrectly prescribing prescription drugs.

Today, along with Senator SESSIONS and several other colleagues, I am introducing the National All Schedules Prescription Electronic Reposing Reauthorization Act of 2010. This bill reauthorizes and extends this vital program for 5 more years at \$15 million for fiscal year 2011 and \$10 million each year thereafter. It also makes small changes to improve and strengthen the program, including allowing grants to be made available to States to plan or

maintain a PDMP in addition to establishing or improving a program; requiring States to help educate medical providers about the benefits of the systems and facilitate their use of them; requiring, States to report aggregate data to the Secretary to allow for evaluation of the success of the program; allowing participation by the territories; and permitting the Department of Veterans Affairs to share information about the use of controlled substance by veterans with State PDMPs.

Reauthorizing the NASPER program for another 5 years with these changes to improve its operation will assist States in combating abuse and misuse of prescription drugs. This common-sense legislation has bipartisan support, and I look forward to working with my colleagues to enact it into law.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3575

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “National All Schedules Prescription Electronic Reporting Reauthorization Act of 2010”.

SEC. 2. AMENDMENT TO PURPOSE.

Paragraph (1) of section 2 of the National All Schedules Prescription Electronic Reporting Act of 2005 (Public Law 109-60) is amended to read as follows:

“(1) foster the establishment of State-administered controlled substance monitoring systems in order to ensure that—

“(A) health care providers have access to the accurate, timely prescription history information that they may use as a tool for the early identification of patients at risk for addiction in order to initiate appropriate medical interventions and avert the tragic personal, family, and community consequences of untreated addiction; and

“(B) appropriate law enforcement, regulatory, and State professional licensing authorities have access to prescription history information for the purposes of investigating drug diversion and prescribing and dispensing practices of errant prescribers or pharmacists; and”.

SEC. 3. AMENDMENTS TO CONTROLLED SUBSTANCE MONITORING PROGRAM.

Section 3990 of the Public Health Service Act (42 U.S.C. 280g-3) is amended—

(1) in subsection (a)(1)—
(A) in subparagraph (A), by striking “or”;
(B) in subparagraph (B), by striking the period at the end and inserting “; or”; and
(C) by adding at the end the following:

“(C) to maintain and operate an existing State controlled substance monitoring program.”;

(2) by amending subsection (b) to read as follows:

“(b) MINIMUM REQUIREMENTS.—The Secretary shall maintain and, as appropriate, supplement or revise (after publishing proposed additions and revisions in the Federal Register and receiving public comments thereon) minimum requirements for criteria to be used by States for purposes of clauses

(ii), (v), (vi), and (vii) of subsection (c)(1)(A).”;

(3) in subsection (c)—

(A) in paragraph (1)(B)—

(i) in the matter preceding clause (i), by striking “(a)(1)(B)” and inserting “(a)(1)(B) or (a)(1)(C)”;

(ii) in clause (i), by striking “program to be improved” and inserting “program to be improved or maintained”; and

(iii) in clause (iv), by striking “public health” and inserting “public health or public safety”;

(B) in paragraph (3)—

(i) by striking “If a State that submits” and inserting the following:

“(A) IN GENERAL.—If a State that submits”;

(ii) by inserting before the period at the end “and include timelines for full implementation of such interoperability”; and

(iii) by adding at the end the following:

“(B) MONITORING OF EFFORTS.—The Secretary shall monitor State efforts to achieve interoperability, as described in subparagraph (A).”;

(C) in paragraph (5)—

(i) by striking “implement or improve” and inserting “establish, improve, or maintain”; and

(ii) by adding at the end the following: “The Secretary shall redistribute any funds that are so returned among the remaining grantees under this section in accordance with the formula described in subsection (a)(2)(B).”;

(4) in the matter preceding paragraph (1) in subsection (d), by striking “In implementing or improving” all that follows through “with the following:” and inserting “In establishing, improving, or maintaining a controlled substance monitoring program under this section, a State shall comply, or with respect to a State that applies for a grant under subsection (a)(1)(B) or (C) submit to the Secretary for approval a statement of why such compliance is not feasible and a plan for bringing the State into compliance, with the following:”;

(5) in subsections (e), (f)(1), and (g), by striking “implementing or improving” each place it appears and inserting “establishing, improving, or maintaining”;

(6) in subsection (f)—

(A) in paragraph (1)(B) by striking “misuse of a schedule II, III, or IV substance” and inserting “misuse of a controlled substance included in schedule II, III, or IV of section 202(c) of the Controlled Substance Act”; and
(B) add at the end the following:

“(3) EVALUATION AND REPORTING.—Subject to subsection (g), a State receiving a grant under subsection (a) shall provide the Secretary with aggregate data and other information determined by the Secretary to be necessary to enable the Secretary—

“(A) to evaluate the success of the State’s program in achieving its purposes; or

“(B) to prepare and submit the report to Congress required by subsection (k)(2).

“(4) RESEARCH BY OTHER ENTITIES.—A department, program, or administration receiving nonidentifiable information under paragraph (1)(D) may make such information available to other entities for research purposes.”;

(7) by redesignating subsections (h) through (n) as subsections (i) through (o), respectively;

(8) in subsections (c)(1)(A)(iv) and (d)(4), by striking “subsection (h)” each place it appears and inserting “subsection (i)”;

(9) by inserting after subsection (g) the following:

“(h) EDUCATION AND ACCESS TO THE MONITORING SYSTEM.—A State receiving a grant under subsection (a) shall take steps to—

“(1) facilitate prescriber use of the State’s controlled substance monitoring system; and
“(2) educate prescribers on the benefits of the system both to them and society.”;

(10) in subsection (m)(1), as redesignated, by striking “establishment, implementation, or improvement” and inserting “establishment, improvement, or maintenance”;

(11) in subsection (n)(8), as redesignated, by striking “and the District of Columbia” and inserting “, the District of Columbia, and any commonwealth or territory of the United States”; and

(12) by amending subsection (o), as redesignated, to read as follows:

“(o) AUTHORIZATION OF APPROPRIATION.—To carry out this section, there are authorized to be appropriated \$15,000,000 for fiscal year 2011 and \$10,000,000 for each of fiscal years 2012 through 2015.”.

SEC. 4. AMENDMENTS TO TITLE 38.

(a) EXCEPTION WITH RESPECT TO CONFIDENTIAL NATURE OF CLAIMS.—Section 5701 of title 38, United States Code, is amended by adding at the end the following new subsection:

“(1) Under regulations the Secretary shall prescribe, the Secretary may disclose information about a veteran or the dependant of a veteran to a State controlled substance monitoring program, including a program approved by the Secretary of Health and Human Services under section 3990 of the Public Health Service Act (42 U.S.C. 280g-3), to the extent necessary to prevent misuse and diversion of prescription medicines.”.

(b) EXCEPTION WITH RESPECT TO CONFIDENTIALITY OF CERTAIN MEDICAL RECORDS.—Section 7332(b)(2) of such title is amended by adding at the end the following new subparagraph:

“(G) To a State controlled substance monitoring program, including a program approved by the Secretary of Health and Human Services under section 3990 of the Public Health Service Act (42 U.S.C. 280g-3), to the extent necessary to prevent misuse and diversion of prescription medicines.”.

(c) REPORT.—

(1) IN GENERAL.—Not later than one year after the date of the enactment of this Act, the Secretary of Veterans Affairs shall submit to Congress a report on the participation of the Department of Veterans Affairs in State controlled substance monitoring programs, including programs approved by the Secretary of Health and Human Services under section 3990 of the Public Health Service Act (42 U.S.C. 280g-3).

(2) ELEMENTS.—The report required by paragraph (1) shall include the following:

(A) A summary of the activities of the Department of Veterans Affairs relating to programs described in paragraph (1).

(B) A list of the programs described in paragraph (1) in which the Department is participating.

(C) A description of how the Secretary determines which programs described in paragraph (1) in which to participate.

(D) The status of the regulations, if any, prescribed by the Secretary under section 5701(l) of title 38, United States Code, as added by subsection (a) of this section.

Mr. DODD. Mr. President, I rise today in support of reauthorization of the National All Schedules Prescription Electronic Drug Reporting Act, NASPER, program critical to combating the abuse of prescription drugs

in our Nation. I am proud to once again join my colleagues Senators DICK DURBIN, JEFF SESSIONS, and SHERROD BROWN on this important legislation which would reauthorize the NASPER program.

In 2008, over 15 million Americans abused prescription drugs and nearly 2 million of those Americans were between the ages of 12 and 17. Further, the National Institute on Drug Abuse at the National Institutes of Health found that last year more than 1 in 10 high school seniors used a narcotic for nonmedical purposes. These statistics are simply unacceptable. We must do more to address the issue of prescription drug abuse in this country.

When used under the supervision of a medical professional prescription drugs can be life saving but when they are abused they can become life-threatening. NASPER will help prevent unnecessary deaths by allowing credentialed professionals access to key information regarding prescriptions for many controlled substances. This access will help prevent doctor shopping and will help health professionals to more closely monitor the prescriptions being issued to their patients.

NASPER is a valuable tool available to states to help detect and prevent abuse of prescription drugs. Reauthorization of this program will allow states to establish, maintain, and grow their own electronic prescription drug monitoring programs. Beyond this it will help states establish linkages to surrounding states so that information can be more easily shared, making doctor shopping across state lines more difficult.

I am proud of the work that is going on in my own state of Connecticut around this issue. Our Drug Control Division within the Department of Consumer Protection has worked tirelessly to build a successful prescription drug monitoring program. This program has helped to not only prevent abuse of prescription drugs but it has helped to detect and prevent abuse of critical programs such as Medicare and Medicaid. In one case, an investigation of a pharmacist fraudulently billing Medicaid and Medicare resulted in a settlement with the government for \$340,000.

As you can see NASPER is an important tool we cannot afford to lose and I urge my colleagues to join me in supporting this important legislation.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 579—HONORING THE LIFE OF MANUTE BOL AND EXPRESSING THE CONDOLENCES OF THE SENATE ON HIS PASSING

Mr. BROWBACK (for himself and Mr. LIEBERMAN) submitted the fol-

lowing resolution; which was referred to the Committee on the Judiciary:

S. RES. 579

Whereas Manute Bol was born the son of a Dinka tribal chief in Sudan, and was given the name "Manute", which means "special blessing";

Whereas Manute Bol traveled to the United States in 1983 and played college basketball at the University of Bridgeport during the 1984-1985 season;

Whereas Manute Bol began his National Basketball Association (NBA) career with the Washington Bullets in 1985, setting the rookie shot-blocking record;

Whereas Manute Bol played in the NBA for 10 years, setting numerous shot-blocking records;

Whereas, after beginning his career in the NBA, Manute Bol used his fame and fortune to raise funding and awareness for the people of Sudan;

Whereas Manute Bol was admitted to the United States as a religious refugee and lost over 250 members of his extended family to a civil war rife with religious tensions, but nevertheless spent his life working for reconciliation between Christians and Muslims in Sudan;

Whereas Manute Bol's last project to foster reconciliation was to build 41 schools for Christians and Muslims to learn and live together in the spirit of reconciliation;

Whereas Manute Bol constantly put himself in danger to bring peace and stability to Sudan, including by flying into war zones and visiting refugee camps that were targeted for aerial attack;

Whereas, on Manute Bol's last humanitarian visit to Sudan, the President of Southern Sudan, Salva Kiir, requested that Manute Bol extend his visit to make appearances at Sudan's national election and use his influence to counter corruption, which ultimately led to the deterioration of his health and his sudden death;

Whereas Manute Bol advocated for human rights in Sudan by appearing before Congress and lobbying Members of Congress, thus positively influencing United States foreign policy on Sudan;

Whereas, after Manute Bol retired, he resided in West Hartford, Connecticut and Olathe, Kansas;

Whereas Manute Bol died at the age of 47 on June 19, 2010; and

Whereas Manute Bol's perseverance in his advocacy for Sudan affected the lives of thousands, and possibly millions, of people in Sudan: Now, therefore, be it

Resolved, That the Senate—

(1) expresses profound sorrow at the death of Manute Bol;

(2) conveys its condolences to the family, friends, and colleagues of Manute Bol;

(3) expresses gratitude to Manute Bol for his passion and determination in raising awareness of human rights abuses, and his dedication to bringing peace to Sudan; and

(4) encourages the National Collegiate Athletic Association (NCAA) and the National Basketball Association (NBA) to pursue exhibition games with a Sudanese basketball team to increase awareness of the political and humanitarian situation in Sudan, with proceeds from these games donated toward the construction of reconciliation schools in Sudan, as proposed by Manute Bol.

SENATE RESOLUTION 580—COMMEMORATING THE LIFE AND WORK OF GEORGE M. STEINBRENNER OF THE STATE OF NEW YORK

Mr. SCHUMER (for himself, Mrs. GILLIBRAND, Mr. NELSON of Florida, and Mr. LEMIEUX) submitted the following resolution; which was considered and agreed to:

S. RES. 580

Whereas George M. Steinbrenner was born on July 4, 1930, in Rocky River, Ohio, and died on July 13, 2010, at the age of 80;

Whereas George M. Steinbrenner served the United States for 2 years in the United States Air Force;

Whereas George M. Steinbrenner owned the American Ship Building Company, the dominant shipbuilding company in the Great Lakes region during the existence of the company;

Whereas, since 1973, George M. Steinbrenner was the principal owner of the New York Yankees Major League Baseball franchise;

Whereas, under the wise and astute leadership of George M. Steinbrenner, the New York Yankees won 7 World Series Championships and 11 American League Championships;

Whereas the New York Yankees, under the leadership of George M. Steinbrenner, brought New Yorkers and New York Yankee fans across the United States countless hours of joy rooting for the consistently competitive teams that Mr. Steinbrenner helped assemble;

Whereas George M. Steinbrenner was the longest-tenured owner in Major League Baseball and became 1 of the most prominent personalities in Major League Baseball;

Whereas George M. Steinbrenner helped many civic causes, including the United States Olympic Committee;

Whereas George M. Steinbrenner was honored as both an "Outstanding New Yorker" and as the "Citizen of the Year" of Tampa, Florida;

Whereas, under the leadership of George M. Steinbrenner, the New York Yankees organization created a premier Spring Training facility, and developed some of the greatest talent in Major League Baseball, in Tampa, Florida;

Whereas "Legends Field", the Spring Training facility of the New York Yankees in Tampa, Florida, was renamed "Steinbrenner Field" in March 2008 in honor of Mr. Steinbrenner by the Hillsborough County Commission and the Tampa City Council; and

Whereas George M. Steinbrenner helped to grow the game of baseball into a global sport, with Major League Baseball games now played in Japan and Puerto Rico, and Major League Baseball players originating from over 20 countries: Now, therefore, be it

Resolved, That the Senate—

(1) commemorates the life and work of George M. Steinbrenner;

(2) conveys the condolences of the Senate to the family, friends, and colleagues of George M. Steinbrenner;

(3) recognizes the continuing contributions of George M. Steinbrenner to the State of New York, the State of Florida, and Major League Baseball; and

(4) expresses gratitude to George M. Steinbrenner for his significant contributions to the State of New York, the State of Florida, and the New York Yankees.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4455. Mr. JOHANNIS (for himself, Mr. BARRASSO, Mr. RISCH, Mr. INHOFE, Mr. ENSIGN, and Mr. THUNE) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table.

SA 4456. Mr. DEMINT (for himself and Mr. VITTER) submitted an amendment intended to be proposed by him to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4457. Mr. FEINGOLD submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4458. Mr. ENSIGN submitted an amendment intended to be proposed by him to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4459. Mr. BENNET submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4460. Mr. BENNET submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4461. Mr. HATCH submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4462. Mr. CARDIN submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4463. Mr. HARKIN submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4464. Mr. DEMINT (for himself and Mr. VITTER) submitted an amendment intended to be proposed by him to the bill H.R. 5297, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 4455. Mr. JOHANNIS (for himself, Mr. BARRASSO, Mr. RISCH, Mr. INHOFE, Mr. ENSIGN, and Mr. THUNE) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses,

to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title II, add the following:

PART V—OTHER PROVISIONS

SEC. 2051. REPEAL OF EXPANSION OF INFORMATION REPORTING REQUIREMENTS.

Section 9006 of the Patient Protection and Affordable Care Act, and the amendments made thereby, are hereby repealed; and the Internal Revenue Code of 1986 shall be applied as if such section, and amendments, had never been enacted.

SA 4456. Mr. DEMINT (for himself and Mr. VITTER) submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. None of the funds made available in this Act to the Department of Justice may be used to participate in any lawsuit that seeks to invalidate those provisions of the Arizona Revised Statutes amended by Arizona Senate Bill 1070, 49th Leg., 2nd Reg. Sess., Ch. 113 (Az. 6 2010) (as amended by Arizona House Bill 2162, 49th 7 Leg., 2nd Reg. Sess., Ch. 211 (Az. 2010)).

SA 4457. Mr. FEINGOLD submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 41, between lines 3 and 4, insert the following:

SEC. 1137. COORDINATION WITH DEPARTMENT OF AGRICULTURE.

Section 7 of the Small Business Act (15 U.S.C. 636) is amended by adding at the end the following:

“(o) COORDINATION WITH DEPARTMENT OF AGRICULTURE.—

“(1) IN GENERAL.—In coordination with the Administrator of the Farm Service Agency, the Under Secretary for Rural Development, and the head of any other appropriate Federal agency, the Administrator shall conduct outreach and provide technical assistance to farmers and other rural businesses with regard to programs of the Administration for which the farmers and rural businesses may be eligible.

“(2) AGREEMENT.—The coordination under this subsection shall include evaluating

whether the Administrator should enter an agreement under which—

“(A) offices of the Department of Agriculture may assist in completing and accept applications for programs of the Administration; or

“(B) employees of the Administration periodically have office hours at offices of the Department of Agriculture.”.

SA 4458. Mr. ENSIGN submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

After section 2042, insert the following:

PART V—PROVIDING PERMANENT STATE AND LOCAL TAX DEDUCTIONS

SEC. 2051. STATE AND LOCAL TAX DEDUCTIONS.

(a) IN GENERAL.—Section 164(b)(5) of the Internal Revenue Code of 1986 is amended by striking subparagraph (I).

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

(c) OFFSET.—Notwithstanding section 5 of the American Recovery and Reinvestment Act of 2009 (Pub. Law 111-5), from the amounts appropriated or made available and remaining unobligated under such Act, the Director of the Office of Management and Budget shall transfer from time to time to the general fund of the Treasury an amount equal to the sum of the amount of any net reduction in revenues resulting from the application of subsection (a).

SA 4459. Mr. BENNET submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 7, strike lines 15 through 18 and insert the following:

(4) in clause (iv)—

(A) by striking “\$4,000,000” and inserting “\$5,500,000”; and

(B) by striking “and” at the end;

(5) in clause (v)—

(A) by striking “\$4,000,000” and inserting “\$5,500,000”; and

(B) by striking the period at the end and inserting “; and”; and

(6) by adding at the end the following:

“(vi) during the 2-year period beginning on the date of enactment of the Small Business Jobs Act of 2010, \$10,000,000 for each project for a small business concern that constitutes a major source of employment, as determined by the Administrator.”.

SA 4460. Mr. BENNET submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 113, between lines 17 and 18, insert the following:

SEC. 1348. SMALL BUSINESS CLEARINGHOUSE.

Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by adding after paragraph (35), as added by section 1206 of this Act, the following:

“(36) SMALL BUSINESS CLEARINGHOUSE.—

“(A) SUBMISSION TO ADMINISTRATION.—

“(i) IN GENERAL.—The Administrator shall establish a process under which a lender participating in a program under this subsection that denies an application by small business concern for a loan guaranteed under this subsection may submit the application to the Administrator for the purpose of making the application available to other lenders under this paragraph.

“(ii) INFORMATION.—With the approval of the applicant, a lender shall include with an application submitted to the Administrator under clause (i) any information in the possession of the lender relating to the creditworthiness and repayment ability of the applicant.

“(iii) DETERMINATION.—The Administrator shall determine whether an application submitted under clause (i) meets the eligibility and credit standards that a lender would be required to apply to approve a loan under this subsection.

“(B) PARTICIPATION OF LENDERS.—

“(i) IN GENERAL.—The Administrator shall establish a process under which the Administrator makes available to lenders each loan application submitted and determined to meet basic eligibility and credit standards under subparagraph (A) for the purpose of the lenders originating, underwriting, closing, and servicing the loan for which the applicant applied.

“(ii) ELIGIBILITY.—A lender shall be eligible to receive a loan application described in clause (i) if the lender participates in the programs established under this subsection.

“(iii) LOCAL LENDERS.—The Administrator shall initially make available a loan application described in clause (i) to lenders participating in a program under this subsection with an office located within approximately 100 miles of the principal office of the loan applicant.

“(iv) PREFERRED OR CERTIFIED LENDERS.—If, as of 10 business days after the date the Administrator makes a loan application available under clause (iii), no lender described in clause (iii) has agreed to originate, underwrite, close, and service the loan, the Administrator shall make available the loan application to lenders participating in the Preferred Lenders Program under paragraph (2)(C)(ii) and lenders participating in the Certified Lenders Program under paragraph (19).

“(C) REFERRAL FEE.—A lender that agrees to originate, underwrite, close, and service a

loan under subparagraph (B) shall pay a nominal referral fee, in an amount established by the Administrator, to the lender that submitted the application for the loan under subparagraph (A).”.

SA 4461. Mr. HATCH submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title II, insert the following:

PART V—OTHER PROVISIONS

SEC. _____ . RESEARCH CREDIT.

(a) IN GENERAL.—Subparagraph (B) of section 41(h)(1) of the Internal Revenue Code of 1986 is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) CONFORMING AMENDMENT.—Subparagraph (D) of section 45C(b)(1) of such Code is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after December 31, 2009.

SA 4462. Mr. CARDIN submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 200, between lines 2 and 3, insert the following:

SEC. 3114. PILOT PROGRAM FOR DIRECT LOANS TO SMALL BUSINESS CONCERNS.

(a) DEFINITIONS.—In this section—

(1) the terms “Administration” and “Administrator” mean the Small Business Administration and the Administrator thereof, respectively;

(2) the term “eligible small business concern” means a small business concern with fewer than 25 employees;

(3) the term “pilot program” means the pilot program established under subsection (b)(1);

(4) the term “region of the Administration” means the geographic area served by a regional office of the Administration established under section 4(a) of the Small Business Act (15 U.S.C. 633(a)); and

(5) the term “small business concern” has the meaning given that term under section 3 of the Small Business Act (15 U.S.C. 632).

(b) LOAN PROGRAM ESTABLISHED.—

(1) IN GENERAL.—The Administrator and the Secretary shall jointly establish a pilot

program under which the Administrator and the Secretary, acting through the regional offices of the Administration, may make loans to eligible small business concerns.

(2) LOCATIONS FOR PILOT PROGRAM.—The Administrator and the Secretary—

(A) shall jointly select 6 States in which to make loans under the pilot program; and

(B) may not select more than 1 State in any region of the Administration under subparagraph (A).

(3) START OF PILOT PROGRAM.—The Administrator and the Secretary shall begin making loans under the pilot program not later than January 1, 2011.

(c) TERMS AND CONDITIONS.—

(1) IN GENERAL.—Except as provided in paragraph (2), a loan under the pilot program shall have the same terms and conditions as, and may be used for any purpose authorized for, a guaranteed by the Administrator under section 7(a) of the Small Business Act (15 U.S.C. 636(a)), as amended by this Act.

(2) MAXIMUM AMOUNT.—A loan under the pilot program may be in an amount not more than \$1,000,000.

(d) FUNDING.—From the Fund, \$500,000,000 shall be available to the Administrator and the Secretary, without further appropriation or fiscal year limitation, to carry out the pilot program.

(e) TERMINATION.—The Administrator and the Secretary may not make a loan under the pilot program after December 31, 2013.

SA 4463. Mr. HARKIN submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title II, insert the following:

PART V—OTHER PROVISIONS

SEC. _____ . SPECIAL RULE FOR PRIVATE ACTIVITY BOND PRIVATE USE TESTS WITH RESPECT TO THE PURCHASE OF WATER OUTPUT.

(a) IN GENERAL.—A qualified water output agreement shall be disregarded in determining whether the private business tests under section 141(b) of the Internal Revenue Code of 1986 are met with respect to an issue of bonds.

(b) QUALIFIED WATER OUTPUT AGREEMENT.—For purposes of this section, the term “qualified water output agreement” means, with respect to any issue of bonds, any agreement with a qualified entity for the purchase of water from a facility which is financed by such issue if it is reasonably expected on the date of issuance that not less than 10 percent of the water will be sold by such qualified entity to individuals not involved in a trade or business or to political subdivisions or their utilities.

(c) QUALIFIED ENTITY.—For purposes of this section, the term “qualified entity” means any rural water association—

(1) no part of the net earning of which inures to the benefit of any private shareholder or individual, and

(2) which is described in section 501(c)(12) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code.

SA 4464. Mr. DEMINT (for himself and Mr. VITTER) submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. No funds made available in any provision of law may be used to participate in any lawsuit that seeks to invalidate those provisions of the Arizona Revised Statutes amended by Arizona Senate Bill 1070, 49th Leg., 2nd Reg. Sess., Ch. 113 (Az. 6 2010) (as amended by Arizona House Bill 2162, 49th 7 Leg., 2nd Reg. Sess., Ch. 211 (Az. 2010)).

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. SCHUMER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on July 13, 2010, at 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. SCHUMER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on July 13, 2010, at 10 a.m. in SH-216 of the Hart Senate Office Building, to conduct an executive business meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. SCHUMER. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on July 13, 2010, at 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT, GOVERNMENT INFORMATION, FEDERAL SERVICES, AND INTERNATIONAL SECURITY

Mr. SCHUMER. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs' Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security be authorized to meet during the session of the Senate on July 13, 2010, at 2:30 p.m. to conduct a hearing entitled, "The Cost Effectiveness of Procuring Weapon Systems in Excess of Requirements."

The PRESIDING OFFICER. Without objection, it is so ordered.

TO AMEND THE EFFECTIVE DATE OF THE GIFT CARD PROVISIONS OF THE CREDIT CARD ACCOUNTABILITY RESPONSIBILITY AND DISCLOSURE ACT OF 2009

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that the Banking Committee be discharged from further consideration of H.R. 5502 and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the bill by title. The assistant legislative clerk read as follows:

A bill (H.R. 5502) to amend the effective date of the gift card provisions of the Credit Card Accountability Responsibility and Disclosure Act of 2009.

There being no objection, the Senate proceeded to consider the bill.

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table with no intervening action or debate, and any statements related to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 5502) was ordered to be read a third time, was read the third time, and passed.

COMMEMORATING THE LIFE AND WORK OF GEORGE M. STEINBRENNER

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 580, submitted earlier today.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 580) commemorating the life and work of George M. Steinbrenner of the State of New York.

There being no objection, the Senate proceeded to consider the resolution.

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motions to reconsider be laid upon the table, with no intervening action or debate, and that any statements related to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 580) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 580

Whereas George M. Steinbrenner was born on July 4, 1930, in Rocky River, Ohio, and died on July 13, 2010, at the age of 80;

Whereas George M. Steinbrenner served the United States for 2 years in the United States Air Force;

Whereas George M. Steinbrenner owned the American Ship Building Company, the dominant shipbuilding company in the Great Lakes region during the existence of the company;

Whereas, since 1973, George M. Steinbrenner was the principal owner of the New York Yankees Major League Baseball franchise;

Whereas, under the wise and astute leadership of George M. Steinbrenner, the New York Yankees won 7 World Series Championships and 11 American League Championships;

Whereas the New York Yankees, under the leadership of George M. Steinbrenner, brought New Yorkers and New York Yankee fans across the United States countless hours of joy rooting for the consistently competitive teams that Mr. Steinbrenner helped assemble;

Whereas George M. Steinbrenner was the longest-tenured owner in Major League Baseball and became 1 of the most prominent personalities in Major League Baseball;

Whereas George M. Steinbrenner helped many civic causes, including the United States Olympic Committee;

Whereas George M. Steinbrenner was honored as both an "Outstanding New Yorker" and as the "Citizen of the Year" of Tampa, Florida;

Whereas, under the leadership of George M. Steinbrenner, the New York Yankees organization created a premier Spring Training facility, and developed some of the greatest talent in Major League Baseball, in Tampa, Florida;

Whereas "Legends Field", the Spring Training facility of the New York Yankees in Tampa, Florida, was renamed "Steinbrenner Field" in March 2008 in honor of Mr. Steinbrenner by the Hillsborough County Commission and the Tampa City Council; and

Whereas George M. Steinbrenner helped to grow the game of baseball into a global sport, with Major League Baseball games now played in Japan and Puerto Rico, and Major League Baseball players originating from over 20 countries: Now, therefore, be it

Resolved, That the Senate—

(1) commemorates the life and work of George M. Steinbrenner;

(2) conveys the condolences of the Senate to the family, friends, and colleagues of George M. Steinbrenner;

(3) recognizes the continuing contributions of George M. Steinbrenner to the State of New York, the State of Florida, and Major League Baseball; and

(4) expresses gratitude to George M. Steinbrenner for his significant contributions to the State of New York, the State of Florida, and the New York Yankees.

MEASURE READ FIRST TIME—H.R. 5618

Mr. WHITEHOUSE. Mr. President, I understand that H.R. 5618 has been received from the House and is at the desk.

The PRESIDING OFFICER. The Senator is correct. The clerk will read the title of the bill for the first time.

The legislative clerk read as follows:

A bill (H.R. 5618) to continue Federal unemployment programs.

Mr. WHITEHOUSE. Mr. President, I ask for its second reading and object to my own request.

The PRESIDING OFFICER. Objection is heard. The bill will be read for the second time on the next legislative day.

ORDERS FOR WEDNESDAY, JULY
14, 2010

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 10 o'clock a.m. on Wednesday, July 14; that following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed to have ex-

pired, the time for the two leaders be reserved for their use later in the day; that following any leader remarks, the Senate proceed to a period of morning business until 12 noon, with Senators permitted to speak therein for up to 10 minutes each, with the time equally divided and controlled between the leaders or their designees, with the majority controlling the first 30 minutes and the Republicans controlling the next 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. WHITEHOUSE. Mr. President, I understand that we hope to reach an

agreement on the initial amendments in order to the small business jobs bill, H.R. 5297, and that we will be able to resume its consideration tomorrow.

ADJOURNMENT UNTIL 10 A.M.
TOMORROW

Mr. WHITEHOUSE. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that it adjourn under the previous order.

There being no objection, the Senate, at 7:11 p.m., adjourned until Wednesday, July 14, 2010, at 10 a.m.

HOUSE OF REPRESENTATIVES—Tuesday, July 13, 2010

The House met at 2 p.m. and was called to order by the Speaker pro tempore (Mr. CUELLAR).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
July 13, 2010.

I hereby appoint the Honorable HENRY CUELLAR to act as Speaker pro tempore on this day.

NANCY PELOSI,
Speaker of the House of Representatives.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer: Lord God without beginning or end, in the passing scene of life, help the Members of Congress to keep focused on the public trust they have been given.

May they make just and prudent decisions that will strengthen this Nation in its constitutional integrity and bring peace and prosperity in our day.

With Your blessing, may each moment of this session of Congress be dedicated to justice, and may our public service give You glory, both now and forever.

Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentlewoman from North Carolina (Ms. FOXX) come forward and lead the House in the Pledge of Allegiance.

Ms. FOXX led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, July 13, 2010.

Hon. NANCY PELOSI,
The Speaker, U.S. House of Representatives,
Washington, DC.

DEAR MADAM SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on July 13, 2010 at 11:28 a.m.:

That the Senate passed S. 2872.

That the Senate agreed to without amendment H. Con. Res. 289.

Appointments:

National Advisory Committee on Institutional Quality and Integrity.

With best wishes, I am

Sincerely,

LORRAINE C. MILLER.

By Robert F. Reeves, Deputy Clerk.

TOWN HALL MEETINGS ACROSS SOUTH CAROLINA'S SECOND DISTRICT

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Mr. Speaker, over the last week, I have held six town hall meetings all across South Carolina's Second Congressional District focused on job creation and Washington's reckless spending habits. Residents in Aiken, Barnwell, Richland, Lexington, Orangeburg, Varnville, and Bluffton came out to express their concerns and hear the opinions of their neighbors.

Mr. Speaker, the message I bring back from South Carolina's Second District residents is simple: stop this out-of-control spending and pass job creation policies that incentivize small businesses to create jobs and families to invest.

People are concerned. They are concerned about their family's economic future. They are concerned about the enormous debt being imposed on our children and grandchildren.

I encourage residents who couldn't attend to take advantage of two new interactive forums designed to give Americans a voice in Congress to share policy solutions: AmericaSpeakingOut.com and YouCut.

In conclusion, God bless our troops, and we will never forget September 11th in the global war on terrorism.

PRAISING BRIDGESTONE AIRCRAFT TIRE IN ROCKINGHAM COUNTY

(Ms. FOXX asked and was given permission to address the House for 1 minute.)

Ms. FOXX. Mr. Speaker, I had the honor to visit a North Carolina business success story last week. Bridgestone Aircraft Tire, located in Rockingham County, came to North Carolina in 2007 from Miami when their Miami manufacturing facility was taken in an eminent domain proceeding.

Bridgestone brought about 70 new jobs to the community as well as what they call its United Nations of employees. The Bridgestone employees hail from not just Rockingham but around the globe, including Colombia, Venezuela, Jamaica, Singapore, Japan, Haiti, and Honduras.

Best of all, Bridgestone and its employees have been active participants in the community. Plant employees volunteer their time, recently helping to restore the local Mayo River Park to become the newest State park in North Carolina, as well as supporting local youth sports, United Way, Salvation Army, and a local charity for non-insured cancer patients.

Mr. Speaker, this facility and its dedicated, hardworking employees are truly a tremendous asset to North Carolina.

AMERICANS ARE ANGRY AT THE MEDIA

(Mr. SMITH of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Texas. Mr. Speaker, two-thirds of Americans say they are "angry" at the national media, according to a new Rasmussen public opinion poll. The poll suggests that Americans are angry because of the national media's clear liberal bias.

By a margin of more than 3-1, Americans say the average reporter is more liberal than they are, rather than more conservative. By almost the same margin, Americans think reporters are trying to help President Obama pass his agenda. Seven in 10 say most reporters try to help the candidate they want to win. And a majority think employees would hide information that might hurt a candidate they wanted to win.

Americans will continue to be angry until the national media report the facts and stop telling the American people what to think.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote incurs objection under clause 6 of rule XX.

Record votes on postponed questions will be taken after 6 p.m. today.

SUGAR LOAF FIRE PROTECTION DISTRICT LAND EXCHANGE ACT

Ms. BORDALLO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3923) to provide for the exchange of certain land located in the Arapaho-Roosevelt National Forests in the State of Colorado, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 3923

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Sugar Loaf Fire Protection District Land Exchange Act".

SEC. 2. DEFINITIONS.

In this Act:

(1) **DISTRICT.**—The term "District" means the Sugar Loaf Fire Protection District of Boulder, Colorado.

(2) **FEDERAL LAND.**—The term "Federal land" means—

(A) the parcel of approximately 1.52 acres of land in the National Forest that is generally depicted on the map numbered 1, entitled "Sugarloaf Fire Protection District Proposed Land Exchange", and dated November 12, 2009; and

(B) the parcel of approximately 3.56 acres of land in the National Forest that is generally depicted on the map numbered 2, entitled "Sugarloaf Fire Protection District Proposed Land Exchange", and dated November 12, 2009.

(3) **NATIONAL FOREST.**—The term "National Forest" means the Arapaho-Roosevelt National Forests located in the State of Colorado.

(4) **NON-FEDERAL LAND.**—The term "non-Federal land" means the parcel of approximately 5.17 acres of non-Federal land in unincorporated Boulder County, Colorado, that is generally depicted on the map numbered 3, entitled "Sugarloaf Fire Protection District Proposed Land Exchange", and dated November 12, 2009.

(5) **SECRETARY.**—The term "Secretary" means the Secretary of Agriculture.

SEC. 3. LAND EXCHANGE.

(a) **IN GENERAL.**—Subject to the provisions of this Act, if the District offers to convey to the Secretary all right, title, and interest of the District in and to the non-Federal land, and the offer is acceptable to the Secretary—

(1) the Secretary shall accept the offer; and

(2) on receipt of acceptable title to the non-Federal land, the Secretary shall convey to the District all right, title, and interest of the United States in and to the Federal land.

(b) **APPLICABLE LAW.**—Section 206 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716) shall apply to the land exchange authorized under subsection (a), except that—

(1) the Secretary may accept a cash equalization payment in excess of 25 percent of the value of the Federal land; and

(2) as a condition of the land exchange under subsection (a), the District shall—

(A) pay each cost relating to any land surveys and appraisals of the Federal land and non-Federal land; and

(B) enter into an agreement with the Secretary that allocates any other administrative costs between the Secretary and the District.

(c) **ADDITIONAL TERMS AND CONDITIONS.**—The land exchange under subsection (a) shall be subject to—

(1) valid existing rights; and

(2) any terms and conditions that the Secretary may require.

(d) **TIME FOR COMPLETION OF LAND EXCHANGE.**—It is the intent of Congress that the land exchange under subsection (a) shall be completed not later than 1 year after the date of enactment of this Act.

(e) **AUTHORITY OF SECRETARY TO CONDUCT SALE OF FEDERAL LAND.**—

(1) **IN GENERAL.**—In accordance with paragraph (2), if the land exchange under subsection (a) is not completed by the date that is 1 year after the date of enactment of this Act, the Secretary may offer to sell to the District the Federal land.

(2) **VALUE OF FEDERAL LAND.**—The Secretary may offer to sell to the District the Federal land for the fair market value of the Federal land.

(f) **DISPOSITION OF PROCEEDS.**—

(1) **IN GENERAL.**—The Secretary shall deposit in the fund established under Public Law 90-171 (commonly known as the "Sisk Act") (16 U.S.C. 484a) any amount received by the Secretary as the result of—

(A) any cash equalization payment made under subsection (b); and

(B) any sale carried out under subsection (e).

(2) **USE OF PROCEEDS.**—Amounts deposited under paragraph (1) shall be available to the Secretary, without further appropriation and until expended, for the acquisition of land or interests in land in the National Forest.

(g) **MANAGEMENT AND STATUS OF ACQUIRED LAND.**—The non-Federal land acquired by the Secretary under this section shall be—

(1) added to, and administered as part of, the National Forest; and

(2) managed by the Secretary in accordance with—

(A) the Act of March 1, 1911 (commonly known as the "Weeks Law") (16 U.S.C. 480 et seq.); and

(B) any laws (including regulations) applicable to the National Forest.

(h) **REVOCATION OF ORDERS; WITHDRAWAL.**—

(1) **REVOCATION OF ORDERS.**—Any public order withdrawing the Federal land from entry, appropriation, or disposal under the public land laws is revoked to the extent necessary to permit the conveyance of the Federal land to the District.

(2) **WITHDRAWAL.**—On the date of enactment of this Act, if not already withdrawn or segregated from entry and appropriation under the public land laws (including the mining and mineral leasing laws) and the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.), the Federal land is withdrawn until the date of the conveyance of the Federal land to the District.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Guam (Ms. BORDALLO) and the gentlewoman from North Carolina (Ms. FOXX) each will control 20 minutes.

The Chair recognizes the gentlewoman from Guam.

GENERAL LEAVE

Ms. BORDALLO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and in-

clude extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Guam?

There was no objection.

Ms. BORDALLO. I yield myself such time as I may consume.

Mr. Speaker, H.R. 3923 was introduced by our colleague from Colorado, Congressman JARED POLIS. Since 1967, the Forest Service has issued two special use permits to the Sugar Loaf Fire Protection District to own and operate two fire stations on National Forest System land.

The District would like to own the parcels of land on which the fire stations sit in order to build an area for firefighter training and bathroom facilities. Currently, the fire stations do not have running water because State and county regulations prohibit well and septic systems on public lands for private use.

The District would receive approximately 5 acres of Federal land on which the fire stations sit, and the Forest Service would receive land of equal value from the District. A specific in-holding owned by the District has been identified for the exchange.

Mr. Speaker, we commend Congressman POLIS for his work on this bill, and we support passage of this measure.

I reserve the balance of my time.

□ 1410

Ms. FOXX. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, throughout the West there are communities struggling to provide basic services because of a limited tax base and a shortage of non-Federal lands to build infrastructure. The Sugar Loaf Fire District in Colorado has provided services to the surrounding National Forest area for years and is simply seeking a tiny parcel of land in order to make much-needed improvements in their facilities.

This commonsense land conveyance should have been handled administratively by the Forest Service. Something is not working right when cash-strapped fire districts who are providing incalculable benefits to Federal lands have to spend years and money they do not have to push for legislation for something that should be handled quickly and at the local level.

With that, Mr. Speaker, I reserve the balance of my time.

Ms. BORDALLO. Mr. Speaker, I yield such time as he may consume to the gentleman from Colorado (Mr. POLIS).

Mr. POLIS. Mr. Speaker, I rise today in support of my bill, H.R. 3923, the Sugar Loaf Fire Protection District Land Exchange Act. This legislation is the result of a long-term effort by the Sugar Loaf Fire Protection District in Sugar Loaf, Colorado. This exchange

will be of great benefit to those volunteer firefighters and the communities that they serve.

The Sugar Loaf Fire Protection District and the U.S. Forest Service have always worked closely with each other since the fire district's inception in 1967. The Sugar Loaf Fire Protection District volunteers are key first responders to both wild-land and residential fires as well as car accidents and health emergencies within the communities and the public lands that they serve.

In its fledgling start, the fire district's physical home was established in an existing building on U.S. Forest Service land through a special use permit. Three years later, a second building was constructed under another special use permit, both in important locations for accessibility to the few main roads in the mountainous areas. This bill today would exchange the small amount of Federal land on which these facilities exist with private land that has been purchased by the fire district for this transfer, land that is better suited for the scenic and recreational services of the local public lands.

While the U.S. Forest Service and these special use permits have been incredibly valuable during the over 40-year history of the fire district, it is now important that the fire district has the autonomy to better self-direct its future, invest, and ensure the modernization of its facilities.

Currently these buildings are without even the most basic amenities, like running water and restrooms, and their location on public land has precluded them from making modernizations. As the surrounding communities have grown considerably in the past few decades, these buildings have taken on added responsibility as community meeting centers, making it even more important that they be updated to accommodate this new rule, and this bill will allow for them to be updated and modernized.

I would like to thank Chairman RAHALL and Ranking Member HASTINGS, as well as Subcommittee Chairman GRIJALVA and the gentlewoman from Guam, for their hard work on this effort. It is an important measure for the local communities of my district, and I urge a "yes" vote on this measure.

The SPEAKER pro tempore. Without objection, the gentlewoman from Wyoming (Mrs. LUMMIS) will control the time.

There was no objection.

Mrs. LUMMIS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. BORDALLO. Mr. Speaker, I would like again to urge Members to support the bill.

I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Guam (Ms. BORDALLO) that the House suspend the rules and pass the bill, H.R. 3923, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

EXTENDING AUTHORIZATION FOR NATIONAL GREAT BLACKS IN WAX MUSEUM

Ms. BORDALLO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3967) to amend the National Great Black Americans Commemoration Act of 2004 to authorize appropriations through fiscal year 2015.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 3967

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION OF APPROPRIATIONS THROUGH FISCAL YEAR 2015.

Section 3(c) of the National Great Black Americans Commemoration Act of 2004 is amended by striking "2009" and inserting "2015".

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Guam (Ms. BORDALLO) and the gentlewoman from Wyoming (Mrs. LUMMIS) each will control 20 minutes.

The Chair recognizes the gentlewoman from Guam.

GENERAL LEAVE

Ms. BORDALLO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Guam?

There was no objection.

Ms. BORDALLO. I yield myself such time as I may consume.

Mr. Speaker, H.R. 3967, introduced in October of 2009 by our colleague Representative ELIJAH CUMMINGS, helps tell the story of the African American struggle for equality.

For the last quarter century, Doctors Joanne and Elmer Martin have worked tirelessly to create a safe, nurturing environment for Baltimore's youth. Through their work to build and fund the National Great Blacks in Wax Museum and the Justice Learning Center, they have created a unique opportunity to teach and connect with young people to tell the story of great African American leaders in the history of our United States of America.

H.R. 3967 amends the National Great Black Americans Commemoration Act of 2004 to extend authorization for Fed-

eral grant funding. Representative CUMMINGS is to be commended for his work on behalf of this outstanding education and outreach program.

Mr. Speaker, we support this legislation.

I reserve the balance of my time.

Mrs. LUMMIS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3967 renews the authority to spend appropriations for the Great Blacks in Wax Museum in Baltimore, Maryland. A legislative hearing was held on this bill, but, unfortunately, the National Park Service did not provide us with any information about this program or the necessity to fund it. What we did learn is that this program will be funded and overseen through the Department of Justice, leaving us with even more questions, not the least of which is why this bill went through a public lands committee.

That being said, I am concerned that extending Federal spending at this time may not be appropriate until we can better understand how this program will be administered and what has been done in the last 6 years since it was originally authorized.

Finally, while I have no doubt that the Great Blacks in Wax Museum is a positive influence in the City of Baltimore, it is unclear why it is necessary to involve the Federal Government in the wax museum industry. This may be yet another highly illustrative example of why we are buried by overwhelming Federal debt.

Ms. RICHARDSON. Mr. Speaker, I rise today in support of H.R. 3967, which amends the National Great Black Americans Commemoration Act of 2004 to authorize appropriations through 2015. This important measure will extend a program that, for the last six years, has helped educate the public about the contributions of major African American figures in American history.

I thank Chairmen RAHALL and CONYERS for their leadership in bringing this bill to the floor. I also thank the sponsor of this legislation, Congressman CUMMINGS, for recognizing the importance of continuing funding for this socially significant program that promotes cross-cultural awareness and appreciation.

Mr. Speaker, black Americans have served honorably in Congress, senior executive branch positions, the law, the judiciary, and many other fields. Black Americans have also had a massive and important impact on cultural life in the United States, from television and cinema to the performing and visual arts. Unfortunately, these contributions are not well known by many in the public and underrepresented in textbooks, history lessons, and, importantly, our nation's museums.

The National Great Black Americans Commemoration Act of 2004 authorized funds for the Great Blacks in Wax Museum, Inc., a museum based in Baltimore, Maryland that celebrates important black figures in American history through the medium of wax sculpture. With Congressional funding, the Great Blacks in Wax Museum has been able to further its

mission of bringing recognition to black Americans who have had lasting impacts on our nation. The museum showcases black Americans such as Rosa Parks, Colin Powell, Frederick Douglass, Harriet Tubman, Jesse Owens, Ida B. Wells, and many others.

H.R. 3967 will allow this non-profit organization to continue educating the public about the importance of African Americans to the history of the United States and ensuring that American history does not favor one race or culture over another, but rather accurately reflects the intricate racial and cultural tapestry that defines American society. This mission is one that is, without question, worthy of our support.

I urge my colleagues to join me in supporting H.R. 3967.

Mr. JOHNSON of Georgia. Mr. Speaker, I rise today in support of H.R. 3967, a bill to amend the National Great Black Americans Commemoration Act of 2004 to authorize appropriations through fiscal year 2015. The funds, approximately \$5 million, would be used by the National Great Blacks in Wax Museum in order to build a Justice Learning Center. I would also like to commend my esteemed colleague, Representative ELIJAH CUMMINGS, for his dedication to the preservation of Black American history.

In 1983, Drs. Elmer and Joanne Martin opened the doors to the National Great Blacks in Wax Museum. It is the first wax museum of African-American history in the nation, and the first wax museum in Baltimore, Maryland. The facility was created to stimulate an interest in African-American history by revealing little-known and often neglected facts of history. The founders also sought to improve race relations by dispelling myths of racial inferiority and superiority, as well as use the figures of great leaders to inspire and uplift African Americans to reach their full potential.

In 2004, the National Great Black Americans Commemoration Act of 2004 was signed into law. The act directed the Attorney General to make grants available to the Great Blacks in Wax Museum, in part for building a Justice Learning Center, and also for carrying out programs relating to civil rights and juvenile justice. Though the legislation passed, no funds were distributed to the museum and the museum continues to operate on funding from private donors just as it has for the past 27 years. The Justice Learning Center will serve as another venue for the museum to educate and empower citizens with information relating to Black American history. H.R. 3967 gives this Congress an opportunity to support the museum in this project.

Mr. Speaker, fellow colleagues, it is imperative that we support this bill. Should we fail to pass this legislation and appropriate funds to the Great Blacks in Wax Museum, great Georgians like Andrew Bryan, founder of the first American black Baptist church, in Savannah, GA, and Julian Bond, a former civil rights leader, United States Congressman, and recent chairman of the NAACP, would go unnoticed and overlooked along with other African-American leaders. In addition to all of the war funding, foreign aid, and domestic agendas we support, I believe our goal should also be to preserve and maintain our rich history for our children and generations yet to come. I urge

my colleagues to stand with me and support this legislation.

Ms. JACKSON LEE of Texas. Mr. Speaker, I rise in support of H.R. 3976, an act that seeks to amend the National Great Black Americans Commemoration Act of 2004 to authorize more appropriations through the fiscal year of 2015. I also want to thank my colleague, Representative ELIJAH E. CUMMINGS, for introducing this important legislation.

Today we acknowledge the success and importance of the Great Blacks in Wax Museum, Inc., and seek to provide it with appropriations. This bill will amend the National Great Black Americans Commemoration Act of 2004 to extend the authorization of appropriations for grants to the Great Blacks in Wax Museum, Inc., in Baltimore, Maryland, through 2015. This bill will also carry out programs related to civil rights and juvenile justice through the National Great Blacks in Wax Museum and Justice Learning Center.

The National Great Black Americans Commemoration Act of 2004 (Public Law 108-238, 118 Stat. 670-672) directs the Attorney General to make a grant to the Great Blacks in Wax Museum, Inc., in Baltimore, Maryland, to be used only for carrying out programs relating to civil rights and juvenile justice through the National Great Blacks in Wax Museum and Justice Learning Center. To receive a grant, the Great Blacks in Wax Museum, Inc., shall submit to the Attorney General a proposal for the use of the grant, which shall include detailed plans for such programs.

The founders of the museum outlined four specific areas that they meant for the museum to cover. First, according to a mission statement they wrote, the founders of the museum wanted the Great Blacks in Wax Museum to stimulate an interest in African-American history by revealing the little-known, often-neglected facts of history. Second, the museum was intended to use great leaders as role models to motivate youth to achieve. Third, the museum should improve race relations by dispelling myths of racial inferiority and superiority. Lastly, the museum supports and works in conjunction with other nonprofit, charitable organizations to seek to improve the social and economic status of African Americans.

The museum's goals are important to achieve in our society. It is important that we cherish and appreciate our history while looking to the future. In the process of this remembrance, we can work for a brighter future.

For the foregoing reasons, I stand with Representative ELIJAH E. CUMMINGS in support of this act.

I urge my colleagues to support this bill.

Mr. CUMMINGS. Mr. Speaker, I thank Chairman RAHALL, Chairman GRIJALVA and the hardworking staff on the Subcommittee on National Parks for getting this legislation to the floor today.

Mr. Speaker, originally enacted in June 2004, the National Great Black Americans Commemoration Act will help to expand and develop museum exhibits and educational programs honoring African Americans who have made significant contributions to the nation, but whose names, faces and achievements may not be well known to the average citizen.

This recognition can and will be accomplished and preserved with the expansion of

the Great Blacks in Wax Museum, a national treasure that is located in my district and hometown of Baltimore, Maryland.

Mr. Speaker, the Great Blacks in Wax Museum was founded in 1983 by Dr. Elmer Martin and Dr. Joanne Martin, who started the museum with their own funds carrying a few wax figures and exhibit materials around the country in their car.

I am proud to report that the museum currently occupies part of a city block in East Baltimore and includes more than 200 wax figures. It is America's first wax museum of Black history. The museum now receives well over 200,000 visitors per year—more than half of these visitors are school children.

Several members of Congress and their staffs have visited the museum and relayed to me the awesome nature of their visit—how the figures and exhibits both moved and informed them, resulting in a truly enriching experience. Enactment of H.R. 3967 makes certain that the Museum can continue its mission to preserve a great part of our nation's history.

Lastly, this legislation authorizes assistance in establishing a Justice Learning Center as a component of the expanded Museum complex. The Justice Learning Center will include state-of-the-art facilities and resources to educate the public, especially at-risk youth, about the role of African Americans in our nation's judicial system. It will include a special focus on the civil rights movement, and on the role of African Americans as lawmakers, attorneys and in the Judiciary.

Federal dollars used will be spent efficiently and effectively. This is an issue that is critical to assess when we ask citizens for funding any program. This expansion will provide jobs, but it will also create a link for our children to a past that is so often forgotten.

Learning is enhanced when all of the senses can be engaged. This museum will bring the past to life, not just in the minds of the students, but in front of their eyes. Funding this educational opportunity is another critical step in creating an appreciation and understanding of history in our young people.

These gains are well worth the cost. This is simply a technical measure to reauthorize legislation that was enacted by Congress in 2004.

Again, I thank Chairmen RAHALL and GRIJALVA for their support, and encourage my colleagues to join me in supporting the passage of this legislation.

Mrs. LUMMIS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. BORDALLO. Mr. Speaker, I again urge Members to support this bill.

I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Guam (Ms. BORDALLO) that the House suspend the rules and pass the bill, H.R. 3967.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

□ 1420

COLONEL CHARLES YOUNG HOME STUDY ACT

Ms. BORDALLO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4514) to authorize the Secretary of the Interior to conduct a special resource study to determine the suitability and feasibility of designating the Colonel Charles Young Home in Xenia, Ohio as a unit of the National Park System, and for other purposes, as amended.

The Clerk read the title of the bill.
The text of the bill is as follows:

H.R. 4514

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Colonel Charles Young Home Study Act".

SEC. 2. SPECIAL RESOURCE STUDY.

(a) *STUDY.*—The Secretary of the Interior (referred to in this Act as the "Secretary"), in consultation with the Secretary of the Army, shall conduct a special resource study of the Colonel Charles Young Home, a National Historic Landmark in Xenia, Ohio (referred to in this Act as the "Home").

(b) *CONTENTS.*—In conducting the study under subsection (a), the Secretary shall—

(1) evaluate any architectural and archeological resources of the Home;

(2) determine the suitability and feasibility of designating the Home as a unit of the National Park System;

(3) consider other alternatives for preservation, protection, and interpretation of the Home by Federal, State, or local governmental entities or private and nonprofit organizations, including the use of shared management agreements with the Dayton Aviation Heritage National Historical Park or specific units of that Park, such as the Paul Laurence Dunbar Home;

(4) consult with the Ohio Historical Society, Central State University, Wilberforce University, and other interested Federal, State, or local governmental entities, private and nonprofit organizations, or individuals; and

(5) identify cost estimates for any Federal acquisition, development, interpretation, operation, and maintenance associated with the alternatives considered under the study.

(c) *APPLICABLE LAW.*—The study required under subsection (a) shall be conducted in accordance with section 8 of Public Law 91–383 (16 U.S.C. 1a–5).

(d) *REPORT.*—Not later than 3 years after the date on which funds are first made available for the study under subsection (a), the Secretary shall submit to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report that contains—

(1) the results of the study under subsection (a); and

(2) any conclusions and recommendations of the Secretary.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Guam (Ms. BORDALLO) and the gentlewoman from Wyoming (Mrs. LUMMIS) each will control 20 minutes.

The Chair recognizes the gentlewoman from Guam.

GENERAL LEAVE

Ms. BORDALLO. Mr. Speaker, I ask unanimous consent that all Members

may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Guam?

There was no objection.

Ms. BORDALLO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4514, introduced by Congressman LACY CLAY of Missouri, directs the National Park Service to study the suitability and feasibility of designating the Colonel Charles Young Home in Xenia, Ohio, as a unit of the National Park System. Colonel Charles Young was a distinguished African American officer in the U.S. Army during the late 1800s and early 1900s and the first African American to hold the rank of colonel. Young is also credited with being the first African American national park superintendent, when, as commander of the 10th Cavalry, he was sent to protect the newly established Sequoia National Park and General Grant National Park in California.

Through this study, the Park Service will thoroughly review the cultural and historical resources associated with the remarkable story of Colonel Young and determine how best to interpret his role in American history.

So, Mr. Speaker, I commend Congressman CLAY for his efforts to highlight the story of this great American, and I urge the House to support H.R. 4514.

I reserve the balance of my time.

Mrs. LUMMIS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill authorizes the Secretary of the Interior to study the suitability and feasibility of designating the Colonel Charles Young Home in Xenia, Ohio, as a unit of the National Park Service. The bill also directs the Secretary to consider other initiatives for protection of the home and interpretation of the life and accomplishments of Colonel Young.

Colonel Young was the third African American to graduate from West Point and had a distinguished career in the U.S. Army from 1884 to 1922, including command of troops in the Spanish-American War. Colonel Young is also the first black to serve, in effect, as the superintendent of a national park, because he commanded the Army unit assigned to protect Sequoia National Park and General Grant National Park. Colonel Young served our country with great distinction, and I hope this study will help us find appropriate ways to honor his life.

Mr. Speaker, I yield back the balance of my time.

Ms. BORDALLO. Mr. Speaker, I again urge Members to support the bill, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by

the gentlewoman from Guam (Ms. BORDALLO) that the House suspend the rules and pass the bill, H.R. 4514, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Ms. BORDALLO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

ROTA CULTURAL AND NATURAL RESOURCES STUDY ACT

Ms. BORDALLO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4686) to authorize the Secretary of Interior to study the suitability and feasibility of designating prehistoric, historic, and limestone forest sites on Rota, Commonwealth of the Northern Mariana Islands, as a unit of the National Park System, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4686

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; FINDINGS.

(a) *SHORT TITLE.*—This Act may be cited as the "Rota Cultural and Natural Resources Study Act".

(b) *FINDINGS.*—Congress finds as follows:

(1) The island of Rota was the only major island in the Mariana Islands to be spared the destruction and large scale land use changes brought about by World War II.

(2) The island of Rota has been described by professional archeologists as having the most numerous, most intact, and generally the most unique prehistoric sites of any of the islands of the Mariana Archipelago.

(3) The island of Rota contains remaining examples of what is known as the Latte Phase of the cultural tradition of the indigenous Chamorro people of the Mariana Islands. Latte stone houses are remnants of the ancient Chamorro culture.

(4) Four prehistoric sites are listed on the National Register of Historic Places: Monchon Archeological District (also known locally as Monchon Latte Stone Village), Taga Latte Stone Quarry, the Dugi Archeological Site that contains, latte stone structures, and the Chugai Pictograph Cave that contains examples of ancient Chamorro rock art. Alaguan Bay Ancient Village is another latte stone prehistoric site that is surrounded by tall-canopy limestone forest.

(5) In addition to prehistoric sites, the island of Rota boasts historic sites remaining from the Japanese period (1914–1945). Several of these sites are on the National Register of Historic Places: Nanyo Kohatsu Kabushiki Kaisha Sugar Mill, Japanese Coastal Defense Gun, and the Japanese Hospital.

(6) The island of Rota's natural resources are significant because of the extent and intact condition of its native limestone forest that provides habitat for several federally endangered listed species, the Mariana crow, and the Rota bridled white-eye birds, that are also native to the island of Rota. Three endangered plant species

are also found on Rota and two are endemic to the island.

(7) Because of the significant cultural and natural resources listed above, on September 2005, the National Park Service, Pacific West Region, completed a preliminary resource assessment on the island of Rota, Commonwealth of the Northern Mariana Islands, which determined that the "establishment of a unit of the national park system appear[ed] to be the best way to ensure the long term protection of Rota's most important cultural resources and its best examples of its native limestone forest."

SEC. 2. NPS STUDY OF SITES ON THE ISLAND OF ROTA, COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.

(a) *STUDY.*—The Secretary of the Interior shall—

(1) carry out a study regarding the suitability and feasibility of designating prehistoric, historic, and limestone forest sites on the island of Rota, Commonwealth of the Northern Mariana Islands, as a unit of the National Park System; and

(2) consider management alternatives for the island of Rota, Commonwealth of the Northern Mariana Islands.

(b) *STUDY PROCESS AND COMPLETION.*—Except as provided by subsection (c) of this section, section 8(c) of Public Law 91–383 (16 U.S.C. 1a–5(c)) shall apply to the conduct and completion of the study required by this section.

(c) *SUBMISSION OF STUDY RESULTS.*—Not later than 3 years after the date that funds are made available for this section, the Secretary shall submit to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report describing the results of the study.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Guam (Ms. BORDALLO) and the gentlewoman from Wyoming (Mrs. LUMMIS) each will control 20 minutes.

The Chair recognizes the gentlewoman from Guam.

GENERAL LEAVE

Ms. BORDALLO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Guam?

There was no objection.

Ms. BORDALLO. Mr. Speaker, H.R. 4686, introduced by Congressman SABLAN, directs the National Park Service to study the cultural and natural resources of the island of Rota in the Commonwealth of the Northern Mariana Islands. The study will determine if those resources are suitable and feasible for addition to the National Park System.

Mr. Speaker, the NPS has already done a preliminary survey of the island and found some wonderful cultural resources and important natural features. The study authorized by H.R. 4686 will allow for a more complete examination of these resources and, just as importantly, provide for full public participation as the agency considers whether to recommend establishment of a park on Rota.

Mr. Speaker, I commend Congressman SABLAN for his diligence in pursuing this matter, and I urge the House to support H.R. 4686.

I reserve the balance of my time.

Mrs. LUMMIS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill authorizes the Secretary of the Interior to study the suitability and feasibility of designating sites on Rota as a unit of the National Park System. With now almost 400 parks, our far-flung National Park System is already vast and, under this bill, will be extended further to include the island of Rota in the Commonwealth of the Northern Mariana Islands. Rota's caves and prehistoric relics should be appropriately preserved and its limestone forests and sites commemorating the Japanese occupation properly managed. But it is a mistake to assume that designation as a national park is the only way or is always the best way to manage places that require special administration.

Although our good intentions adding to the park system are unlimited, our ability to pay for every conceivable new park is limited. And our ability to manage the upkeep of our existing parks is obviously in doubt. So I feel compelled to raise a note of caution about this and certain other bills that add to the already very long list of new park ideas awaiting evaluation by the National Park Service.

Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. AUSTRIA).

Mr. AUSTRIA. I thank the gentlewoman from Wyoming for yielding.

I rise in support of H.R. 4686, but also H.R. 4514, the Colonel Charles Young Home Study Act, the bill previously discussed.

Just to talk about the previous bill, if I may, the bill directs the Secretary of the Interior to conduct a special resource study of the Colonel Charles Young Home located in Xenia, Ohio, to determine if the home could be designated as a unit of the National Park Service. The Colonel Charles Young Home, built in 1859, is a national historic landmark and has been designated as the future site of the National Museum of African American Military History.

Colonel Charles Young was a distinguished officer and Buffalo soldier and the third African American to graduate from the U.S. Military Academy at West Point. He served in the Army for 37 years, carrying out a variety of assignments throughout the U.S., Philippines, Haiti, Liberia, and Mexico. When forced into retirement—and this is very interesting—by the Army for medical reasons, Charles Young rode his horse 500 miles from his home in Wilberforce, Ohio, to Washington, DC, to prove he was fit for duty. And I can tell you I drove 8½ hours over the weekend—that same route. So that's a long way.

After petitioning the Secretary of War, Young was reinstated and promoted to full colonel, becoming the first African American to reach his rank by World War II. In addition to a distinguished military career, Colonel Young was also a professor of military science at Wilberforce University in Xenia, Ohio, and the first African American named as superintendent of a national park. Because of his immeasurable contributions Colonel Young has made to not only military history, but our American history, it's necessary we recognize his achievements by passing this legislation to determine if his home can be designated as a unit of the National Park Service.

I would like to thank Representative CLAY from Missouri for his help also on the bill. Again, I support both these bills. I thank the gentlewoman from Wyoming for yielding, and I strongly support, again, H.R. 4514.

□ 1430

Mrs. LUMMIS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. BORDALLO. Mr. Speaker, I yield 4 minutes to the gentleman from the CNMI, Congressman SABLAN.

Mr. SABLAN. I would like to thank the distinguished Member from Guam, Chairwoman BORDALLO, for assisting us and managing the bill through today's session. I also want to thank Congressman RAÚL GRIJALVA, chairman on the Subcommittee on National Parks, Forests and Public Lands, and his staff for helping him bring this bill to the floor, and thank Natural Resources Chairman NICK RAHALL for moving this bill through the committee.

Mr. Speaker, this legislation means a lot to my constituents on Rota. I would like to add to the RECORD a letter of support for H.R. 4686 from the mayor of Rota, the Honorable Melchor A. Mendiola.

Mr. Speaker, it was residents of Rota who first asked me to explore the possibility of a national park on their island. H.R. 4686 does just that. It authorizes the Secretary of the Interior to determine whether the cultural, archaeological, historical, and natural resources of Rota are of national significance. If they are of national significance, the bill asks the Secretary to report to Congress on the feasibility and suitability of designating parts of Rota as a unit of our great national parks system.

At the hearing on this bill before Chairman GRIJALVA's subcommittee, Rota was represented by Teresita A. Santos, who is also Rota's representative in the Northern Mariana Islands House of Representatives. She described her island to the subcommittee. She spoke of the ancient Latte Stone Culture of the original Chamorro people at Mochan Village and Alaguan Bay Village and of the Taga quarry, where

the ancients carved out the massive stones that held up their houses. She spoke of the Chugai Pictorial Cave where these same people left their drawings. She spoke of the remnant structures from the Japanese era of colonialism in the early 20th century, and she spoke of the unique limestone forests, home to rare and endangered bird and plant life which remain intact on parts of Rota; whereas, on other islands in the Northern Marianas, volcanic activity and the impact of modern-day humans have largely removed those forests.

Representative Santos also showed the subcommittee photographs of the places she was describing. The presentation was so powerful that one of the subcommittee members called Rota "a jewel." I could not agree more. But this jewel needs protection.

As the Interior Department witness at the hearing noted, Rota is today at a crossroads. Development is bearing down. Just a few miles across the ocean, a massive buildup of U.S. military forces is about to commence on the island of Guam. That growth is bound to spill over to Rota as military families look for weekend getaways and the waters and beaches of Rota beckon.

The national park study offers the people of Rota an opportunity, I believe, to make some thoughtful decisions about what is truly important to preserve. The process of public input and discussion—that will be as much a part of the study as the cataloguing of natural and cultural resources—will help the people of Rota make these determinations. And if a park is recommended and one day designated by Congress, that clear definition of what most needs to be formally preserved will also allow development on the rest of Rota to proceed with more freedom.

It is the acknowledged goal of Rota to be a site for ecotourism, so no development there will be conducted in a way that would spoil the very character of the island that draws the ecotourist. In fact, the presence of a national park, which underscores the rarity and importance of the archaeological, historical, and natural resources I have described on Rota, would itself complement and enhance this goal of becoming an ecotourism destination.

It's a win-win. We can spur economic growth, create jobs, and increase protection of significant national treasures. But for any of this to occur requires, first, the study authorized by my bill. So let us take the first step today, and I urge my colleagues to vote in favor of H.R. 4686.

Northern Mariana Islands June 22, 2010.

OFFICE OF THE MAYOR,

MUNICIPALITY OF ROTA,

Hon. GREGORIO KILILI CAMACHO SABLÁN

U.S. House of Representatives, Washington DC

DEAR CONGRESSMAN SABLÁN: Congratulations for getting the Rota National Park

Study (H.R. 4686) approved by the U.S. House of Representatives Natural Resources Committee. It is an important step towards approval by the U.S. House of Representatives.

It is very important that a National Park in Rota be established as it would greatly enhance Rota's attraction as a tourist destination. It would also contribute significantly towards our overall economic development. As you pointed out, eco-tourism has been targeted as a most favorable type of tourism for Rota. A well planned and well structured national park would be the best avenue to develop Rota's eco-tourism potential. Please convey to the member of the U.S. Congress that the people of Rota support the establishment of a National Park in Rota.

On behalf of the people of Rota, I wish to thank you for your efforts and please do not hesitate to contact me should you need my assistance.

Sincerely,

MELCHOR A. MENDIOLA,

Mayor of Rota.

Ms. BORDALLO. I again urge the Members of Congress to support the bill.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Guam (Ms. BORDALLO) that the House suspend the rules and pass the bill, H.R. 4686, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to authorize the Secretary of the Interior to study the suitability and feasibility of designating prehistoric, historic, and limestone forest sites on Rota, Commonwealth of the Northern Mariana Islands, as a unit of the National Park System."

A motion to reconsider was laid on the table.

SAN ANTONIO MISSIONS NATIONAL HISTORICAL PARK LEASING AND BOUNDARY EXPANSION ACT OF 2010

Ms. BORDALLO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4438) to authorize the Secretary of the Interior to enter into an agreement to lease space from a nonprofit group or other government entity for a park headquarters at San Antonio Missions National Historical Park, to expand the boundary of the Park, to conduct a study of potential land acquisitions, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4438

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "San Antonio Missions National Historical Park Boundary Expansion Act of 2010".

SEC. 2. PARK BOUNDARY STUDY.

Section 201 of Public Law 95-629 (16 U.S.C. 410ee) is amended—

(1) by redesignating subsections (b), (c), (d), (e), and (f) as subsections (c), (e), (f), (g), and (h) respectively;

(2) by inserting after subsection (a) the following new subsection:

"(b)(1) The Secretary shall conduct a study of lands within Bexar and Wilson Counties, Texas, to identify lands that would be suitable for inclusion within the boundaries of the park. In conducting the study, the Secretary shall examine the natural, cultural, recreational, and scenic values and characteristics of lands within Bexar and Wilson Counties.

"(2) Not later than 3 years after the date funds are made available for the study under paragraph (1), the Secretary shall submit to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report on the findings, conclusions, and recommendations of the study.";

(3) by inserting after subsection (c) (as so redesignated) the following new subsection:

"(d) The Secretary may assign park employees to provide interpretive services, including visitor information and education, at facilities outside the boundary of the park."

SEC. 3. BOUNDARY EXPANSION.

Section 201(a) of Public Law 95-629 (16 U.S.C. 410ee(a)) is amended as follows:

(1) By striking "In order" and inserting the following: "(1) In order".

(2) By striking "The park shall also" and inserting the following:

"(2) The park shall also".

(3) By striking "After advising the" and inserting the following:

"(4) After advising the".

(4) By inserting after paragraph (2) (as so designated by paragraph (2) above) the following:

"(3) The boundary of the park is further modified to include approximately 151 acres, as depicted on the map titled 'San Antonio Missions National Historical Park Proposed Boundary Addition 2009', numbered 472/68.027, and dated November 2009. The map shall be on file and available for inspection in the appropriate offices of the National Park Service, U.S. Department of the Interior. The Secretary of the Interior may not use condemnation authority to acquire any lands or interests in lands under this Act."

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Guam (Ms. BORDALLO) and the gentleman from Wyoming (Mrs. LUMMIS) each will control 20 minutes.

The Chair recognizes the gentleman from Guam.

GENERAL LEAVE

Ms. BORDALLO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Guam?

There was no objection.

Ms. BORDALLO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4438 was introduced by Representative CRO RODRIGUEZ from San Antonio, Texas. The bill would expand the boundaries of the

San Antonio Missions National Historical Park and require a study of possible further additions.

San Antonio Missions National Historical Park was established in 1978 to preserve, restore, and interpret four Spanish missions along the San Antonio River. H.R. 4438 would expand the current boundaries of the park to include 151 acres of land that has already been found suitable for addition to the park. The bill also would direct the NPS to study other lands that might be suitable for inclusion in the park boundaries in Bexar and Wilson Counties.

The version before the House today does not include language that would have authorized the park to lease space outside the park for headquarters offices and an educational center. We have removed that provision to address PAYGO concerns.

Mr. Speaker, Representative RODRIGUEZ has been an excellent advocate for the many people in his district who hope to see this important and historic park grow and flourish. I commend his efforts, and I urge the House to support this excellent bill.

I reserve the balance of my time.

Mrs. LUMMIS. Mr. Speaker, I yield myself such time as I may consume.

H.R. 4438 has both fiscal and policy problems. The stated purpose of this bill is to expand the park by an additional 151 acres. The reasons for the expansion are vague, but the CBO cost estimate is fairly precise, \$4 million. Add to this another \$350,000 that will be spent by the National Park Service to determine whether it wants even more property.

The current level of Federal spending is too high to rubber-stamp the flood of plans to expand our government's property holdings. Our parks are important assets, but I question the wisdom of going further into debt to continually expand Park Service holdings while our existing parks face a \$9 billion backlog in maintenance and upkeep.

I am pleased that the Resources Committee did include one Republican amendment to prohibit takings by condemnation. However, under this bill, property owners who have not consented to being included within the expanded boundaries of this park may find themselves fending off the unwanted attention of Federal officials pursuing their land. This can be an overwhelming burden and not one with which we should yoke the American people.

I am also concerned that national parks are increasingly being used by litigation-prone environmental activists and by some in the National Park Service to control activities outside the congressionally determined boundaries of each park.

□ 1440

De facto buffer zones have been used to interfere with energy projects that

are planned near and even far from national parks.

To restrain this particular abuse, Republicans offered amendments in the Resources Committee to prevent the park designation from being misused to prohibit construction and maintenance of power generating facilities, whether coal-fired, wind or solar. With some people opposed to almost any new power facility, and others opposed only to those near their backyards, this has been an escalating problem. The National Park Service has participated in killing or delaying affordable and renewable energy projects from coast to coast. Unfortunately, Committee Democrats rejected these common-sense amendments on nearly party-line votes, and those protections are not in this bill today.

Unfortunately, we are considering this bill under suspension of the rules and we are being denied the opportunity to offer amendments to salvage this flawed legislation. I urge my colleagues to exercise some fiscal restraint here today, support property rights, and oppose this bill.

Mr. Speaker, I reserve the balance of my time.

Ms. BORDALLO. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. RODRIGUEZ), the author of the bill.

Mr. RODRIGUEZ. Mr. Speaker, and Madam Chairman, I stand here today in support of my legislation, H.R. 4438, a bill to authorize the expansion of the San Antonio Mission National Historic Park boundaries, and to authorize a boundary study that would identify possible lands for inclusion in the park within Bexar and Wilson Counties.

This bipartisan piece of legislation is cosponsored by all three of my colleagues from San Antonio, Congressman CHARLIE GONZALEZ, Congressman LAMAR SMITH, and Congressman HENRY CUELLAR. My colleague in the Senate, Senator KAY BAILEY HUTCHISON, has also introduced companion legislation.

The San Antonio Missions is the largest concentration of Catholic missions in North America and serve as some of the most well preserved representations of Spanish colonial history, influence and culture in the Southwest. It is on this foundation that the City of San Antonio was established, and today the Missions serve as an important reminder of the connections to the city's rich past.

Built along the San Antonio River in the early 1700s by Spanish missionaries, the Missions became important social and cultural centers of the time. Today, four missions still stand and continue to be active parishes.

Established as a national park in 1978, the National Park Service and the City of San Antonio and Bexar County have worked diligently to restore and preserve the Missions and the surrounding river area.

After years of channelization, the area along the river is at last being restored to its natural ecosystem. Preserving the natural habitat in an urban area is hugely important and has long been a priority of the San Antonio community. Now that this process is underway, expanding the Missions National Park to include this area is vital to creating a continuous and seamless park along the river.

This legislation will authorize the acquisition of previously identified lands currently owned, and I stress, currently owned, by the City of San Antonio and Bexar County that are suitable for inclusion in the park. These are willing sellers.

It will also authorize a boundary study for future areas. This bill will continue the deep tradition of preservation for the parks and river region, while also ensuring its future growth.

The need to prepare for this growth is clear. Just last year alone, in 2009, the park had a record-breaking year of visitations with over 1.7 million people visiting the park, a 35 percent increase over 2008 levels.

This legislation ensures that future generations will be able to walk along the river and see the city through the eyes of its past inhabitants as they look upon these historic structures and learn about the people that settled the region.

I urge my colleagues to join me in support of H.R. 4438.

Mrs. LUMMIS. Mr. Speaker, I yield back the balance of my time.

Ms. BORDALLO. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I would note that the gentlelady from Wyoming has expressed concerns over the pending measure and the one we considered prior to it, which was a National Park Study bill. The next bill we will consider is also a National Park Study bill, and I will be pleased to support it, noting that the gentlelady from Wyoming is that bill's sponsor.

Mr. Speaker, I again urge Members to support the bill.

Ms. JACKSON LEE of Texas. Mr. Speaker, I rise today in strong support of H.R. 4438, the "San Antonio Missions National Historical Park Leasing and Boundary Expansion Act of 2010," as introduced by my fellow member of the Texas delegation, the distinguished Ciro RODRIGUEZ. This bill will expand the boundaries of the San Antonio Missions National Historical Park, adding an additional 150 acres of land to the site that preserves important pieces of Texas history.

In the early 18th Century, the five missions in San Antonio were the largest concentration of Catholic missions in North America. Built primarily to expand Spanish New World influence northward from Mexico, the missions also served to introduce native inhabitants into Spanish society. All five thrived through the middle of the 18th Century, and then slowly declined towards the end of the 1700s, through disease, inadequate military support,

and increased hostility from Comanches and Apaches.

The Alamo, the most famous of the missions, is well known to all, as a shrine of Texas history. The other four missions—San Jose, San Juan, Concepcion, and Espada—have been in active operation as houses of worship since the 1800s, and are still important to the history of Texas.

In 1978, the San Antonio Missions National Historical Park was authorized by the National Park Service. At that time, the San Antonio River, which runs through much of the Park's area, was somewhat polluted. It was always planned and expected that, as the river was cleaned up, the Park would expand to take advantage of the unpolluted riverside areas. Now, that time has come.

H.R. 4438 will direct the Secretary of the Interior to study lands within Bexar and Wilson Counties in Texas, to identify lands that would be suitable for inclusion. It will also authorize the leasing of office space for a headquarters and support building, and allow the construction of an education and research center. It is only fitting that, as Mission Concepcion has recently been restored, and Mission San Jose is about to be restored, that the Park they are a part of is expanded to what it was originally imagined to be. Therefore, I strongly support this legislation, and urge my colleagues to join me.

Ms. BORDALLO. I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Guam (Ms. BORDALLO) that the House suspend the rules and pass the bill, H.R. 4438, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mrs. LUMMIS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

HEART MOUNTAIN RELOCATION CENTER STUDY ACT OF 2009

Ms. BORDALLO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3989) to authorize the Secretary of the Interior to conduct a special resource study to determine the suitability and feasibility of adding the Heart Mountain Relocation Center, in the State of Wyoming, as a unit of the National Park System.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 3989

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Heart Mountain Relocation Center Study Act of 2009".

SEC. 2. SPECIAL RESOURCE STUDY.

(a) STUDY.—The Secretary of the Interior shall conduct a special resource study of the

Heart Mountain Relocation Center, in Park County, Wyoming.

(b) CONTENTS.—In conducting the study under subsection (a), the Secretary shall—

(1) evaluate the national significance of the Heart Mountain Relocation Center and surrounding area;

(2) determine the suitability and feasibility of designating the Heart Mountain Relocation Center as a unit of the National Park System;

(3) identify any potential impacts of preservation, protection, and interpretation of the site by Federal, State, or local governmental entities, or private and nonprofit organizations;

(4) identify cost estimates for any Federal acquisition, development, interpretation, operation, and maintenance associated with the alternatives;

(5) identify any potential impacts of designation of the site as a unit of the National Park System on private landowners; and

(6) consult with interested Federal, State, or local governmental entities, federally recognized Indian tribes, private and nonprofit organizations, owners of private property that may be affected by any such designation, or any other interested individuals.

(c) APPLICABLE LAW.—The study required under subsection (a) shall be conducted in accordance with section 8 of Public Law 91-383 (16 U.S.C. 1a-5).

(d) REPORT.—Not later than 3 years after the date on which funds are first made available for the study under subsection (a), the Secretary shall submit to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report containing the results of the study and any conclusions and recommendations of the Secretary.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Guam (Ms. BORDALLO) and the gentlewoman from Wyoming (Mrs. LUMMIS) each will control 20 minutes.

The Chair recognizes the gentlewoman from Guam.

GENERAL LEAVE

Ms. BORDALLO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Guam?

There was no objection.

Ms. BORDALLO. Mr. Speaker, H.R. 3989 was introduced by Congresswoman CYNTHIA LUMMIS in November of 2009.

Heart Mountain Relocation Center was one of 10 Japanese internment camps set up during World War II when anti-Japanese sentiment was running rampant following the attack on Pearl Harbor. At its peak, nearly 11,000 Japanese Americans who were forced from their communities in California, Washington and Oregon, were detained in Heart Mountain's tar-paper barracks.

H.R. 3989 would direct the National Park Service to construct a special resource study to determine the national significance of Heart Mountain and the suitability and feasibility of designating it as a unit of the National Park System.

Mr. Speaker, we support the passage of H.R. 3989.

I reserve the balance of my time.

Mrs. LUMMIS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, between 1942 and 1945, Heart Mountain was one of 10 confinement facilities for Japanese Americans run by Franklin Roosevelt's War Relocation authority. At its peak, the camp confined nearly 11,000 people, most of whom were United States citizens.

This bill would authorize the Secretary of the Interior to conduct a Special Resource Study to determine the suitability and feasibility of designating the Heart Mountain Relocation Center in the State of Wyoming as a unit of the National Park System.

The park, if created, would be on Bureau of Land Management land and on land owned by the Wyoming Heart Mountain Foundation.

Former United States Senator Alan Simpson and former Congressman and Secretary of Commerce and Transportation, Norman Mineta, met each other as boys when the future Secretary Mineta was interned at Heart Mountain and future Senator Simpson was growing up in Park County.

□ 1450

Both now serve on the board of the Wyoming Heart Mountain Foundation. Under their leadership, the foundation is currently building an interpretive center that is scheduled to open next year. If the park is created, the Wyoming Heart Mountain Foundation has indicated its willingness to donate its land to the Park Service. No additional acquisition of private land is contemplated. Creation of this park has strong local support in Park County, Wyoming. And as the author of the bill, I urge my colleagues to join me in voting for it.

Mr. Speaker, though the gentlewoman from Guam raises an excellent point about the fact that I have questioned the propriety during these tough economic times of purchasing land in the previous bill, H.R. 4686, that is a proposal for the National Park Service to purchase land, and authorizing \$4 million to do so, whereas the Heart Mountain proposal is to donate the land if the National Park Service chooses to accept it and recommend it as a unit of the National Park Service. That is the difference in the bills, Mr. Speaker.

I have no further requests for time, and I yield back the balance of my time.

Ms. BORDALLO. Mr. Speaker, I again urge Members to support the bill.

I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Guam (Ms.

BORDALLO) that the House suspend the rules and pass the bill, H.R. 3989.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

FORT PULASKI NATIONAL MONUMENT LEASE AUTHORIZATION ACT

Ms. BORDALLO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4773) to authorize the Secretary of the Interior to lease certain lands within Fort Pulaski National Monument, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4773

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Fort Pulaski National Monument Lease Authorization Act".

SEC. 2. LEASE AUTHORIZATION.

(a) IN GENERAL.—The Secretary of the Interior (referred to in this section as the "Secretary") may lease to the Savannah Bar Pilots Association, or a successor organization, no more than 30,000 square feet of land and improvements within Fort Pulaski National Monument (referred to in this section as the "Monument") at the location on Cockspur Island that has been used continuously by the Savannah Bar Pilots Association since 1940.

(b) RENTAL FEE AND PROCEEDS.—

(1) RENTAL FEE.—For the lease authorized by this Act, the Secretary shall require a rental fee based on fair market value adjusted, as the Secretary deems appropriate, for amounts to be expended by the lessee for property preservation, maintenance, or repair and related expenses.

(2) PROCEEDS.—Disposition of the proceeds from the rental fee required pursuant to paragraph (1) shall be made in accordance with section 3(k)(5) of Public Law 91-383 (16 U.S.C. 1a-2(k)(5)).

(c) TERMS AND CONDITIONS.—A lease entered into under this section—

(1) shall be for a term of no more than 10 years and, at the Secretary's discretion, for successive terms of no more than 10 years at a time; and

(2) shall include any terms and conditions the Secretary determines to be necessary to protect the resources of the Monument and the public interest.

(d) EXEMPTION FROM APPLICABLE LAW.—Except as provided in section 2(b)(2) of this Act, the lease authorized by this Act shall not be subject to section 3(k) of Public Law 91-383 (16 U.S.C. 1a-2(k)) or section 321 of Act of June 30, 1932 (40 U.S.C. 1302).

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Guam (Ms. BORDALLO) and the gentlewoman from Wyoming (Mrs. LUMMIS) each will control 20 minutes.

The Chair recognizes the gentlewoman from Guam.

GENERAL LEAVE

Ms. BORDALLO. Mr. Speaker, I ask unanimous consent that all Members

may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Guam?

There was no objection.

Ms. BORDALLO. Mr. Speaker, H.R. 4773, introduced by Representative JACK KINGSTON of Georgia, would allow the National Park Service to lease a small facility at Fort Pulaski National Monument to the Savannah Bar Pilots Association.

The pilots perform a vital public service, keeping the Savannah River and the harbor safe, and they have used this facility at Fort Pulaski for more than 40 years under a special use permit. H.R. 4773 would regularize that arrangement under a lease.

Mr. Speaker, we urge support of H.R. 4773.

I reserve the balance of my time.

Mrs. LUMMIS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4773 would allow the Savannah Bar Pilots Association to continue leasing a facility at Fort Pulaski National Monument, as they have done since the 1940s. The National Park Service supports this legislation, and we are pleased that this is one piece of legislation that will not place additional burdens on American taxpayers.

I urge my colleagues to support the legislation.

Mr. KINGSTON. Mr. Speaker, in the simplest terms, my bill allows the Secretary of the Interior to enter into a lease with the Savannah Bar Pilots Association for the Bar Pilots' continued use of the pilot base located on Cockspur Island at Fort Pulaski National Monument. They currently operate under a similar arrangement, and this bill simply aims to prolong the relationship between the Park Service and the Bar Pilots. Since 1940, the Pilots Association has continuously occupied a facility at Fort Pulaski which acts as a station for the pilots to move to and from the vessels that call on the Port of Savannah. The original special use permit allowing the pilots' station at Fort Pulaski was the result of a direct order from the Secretary of the Interior.

The Bar Pilots perform a vital role in the operation of the Port of Savannah. The pilots assist cargo ships navigating the Savannah River to reach the Georgia Port Authority's Garden City Terminal, which is about 20 miles from the mouth of the Savannah River. After an incoming ship contacts the pilots and a meeting is established, the pilots are ferried on one of several pilot boats, up to 12 miles, to the "pilotage grounds" outside the channel in the Atlantic Ocean, where vessels wait for the pilots. The Bar Pilots then climb aboard the ship and tell the ship's captain how to safely pass the dangerous sand bars in the Savannah River. Pilots must not only hold an unlimited Coast Guard license, but demonstrate an absolute knowledge of the river. The Cockspur Island location was chosen due to its location between the Garden City terminal and the pilotage grounds in the Atlantic Ocean.

The Savannah River Pilots contributions to Savannah can be traced back to 1760s. According to early records, William Lyford established a pilot house on Cockspur in 1768 to help ships from England carrying lumber, cattle, hogs, and poultry navigate the shallow and muddy waters of the Savannah River. By the early 1800s, trade between Savannah and England was thriving, and more able pilots were needed to help the influx of ships through the channel. In 1864, the Savannah Pilots Association was formally organized to emphasize the city's commitment to developing Savannah as a port city. Today, the Port of Savannah is the second largest container port on the East Coast, the fourth largest in the Nation, and the fastest growing container port in the United States. One out of every 14 jobs in Georgia can be directly or indirectly tied to the state's ports and over 1,700 new port-related jobs were announced in 2009. The success of the Port of Savannah can be tied to the expertise of the Bar Pilots who guide the container ships safely into the harbor. Every cargo ship above 200 gross tons—which is nearly every ship that calls on the Port of Savannah—must have bar pilot on board.

Since 1940, the Savannah Bar Pilots Association has been entering into special use permits with the U.S. Department of the Interior for the use of the station at Fort Pulaski. The terms of these permits have ranged in length from a one-year permit to a 20 year permit that existed from 1973 to 1993. The current special use permit between the Pilots Association and the Department of Interior was entered on December 8, 2008 and expires on December 8, 2010. Because of recent changes to the Department of the Interior's policies regarding special use permits at various national parks and national monuments, the National Park Service since 2007 has been discussing with the Pilots Association a long term arrangement to enable the Pilots Association to continue to use the facility at Fort Pulaski. H.R. 4773 is the result of research done by attorneys for the Department of the Interior and counsel for the Pilots Association. The legislation will enable the Pilots Association to enter into a renewable 10 year lease with the Department of Interior, the pricing for which will be based upon fair market value for the property. The authorization for a 10 year lease will enable Fort Pulaski National Monument and the Pilots Association to continue their relationship spanning more than 70 years on Cockspur Island that has been beneficial for both parties.

Other than the location at Fort Pulaski, there is no other available land near the Savannah River entrance from which the pilot boats can reach the pilotage grounds off the coast of Georgia. Any relocation of the pilot station would result in longer transit times for vessels, increased safety risks in foul weather, possible delays in ship movements, and greater fuel usage and operating costs for the pilots and ships requiring pilotage services. H.R. 4773 does not seek to give any special treatment to the Bar Pilots. They currently operate under a similar agreement, and this bill simply aims to prolong this relationship between the Park Service and the Bar Pilots that has allowed the Bar Pilots to effectively perform the valuable public service of facilitating international

commerce and economic development. Employees of the Park Service initially approached the Bar Pilots to suggest legislative action, and the Park Service has been involved in this process every step of the way. This bill will not take land out of the Park Service's protection, nor will it pose any cost to the American taxpayers. In fact, the bill requires Bar Pilots will to help with park maintenance costs. We are not aware of any local opposition.

Mrs. LUMMIS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. BORDALLO. Mr. Speaker, I again urge all Members to support the bill.

I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Guam (Ms. BORDALLO) that the House suspend the rules and pass the bill, H.R. 4773.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Ms. BORDALLO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

SHASTA-TRINITY NATIONAL FOREST ADMINISTRATIVE JURISDICTION TRANSFER ACT

Ms. BORDALLO. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (H.R. 689) to interchange the administrative jurisdiction of certain Federal lands between the Forest Service and the Bureau of Land Management, and for other purposes.

The Clerk read the title of the bill.

The text of the Senate amendment is as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Shasta-Trinity National Forest Administrative Jurisdiction Transfer Act".

SEC. 2. TRANSFER OF ADMINISTRATIVE JURISDICTION TO THE BUREAU OF LAND MANAGEMENT.

(a) *IN GENERAL.*—Administrative jurisdiction over the Federal land described in subsection (b) is transferred from the Secretary of Agriculture to the Secretary of the Interior.

(b) *DESCRIPTION OF LAND.*—The Federal land referred to in subsection (a) is the land within the Shasta-Trinity National Forest in California, Mount Diablo Meridian, as generally depicted on the map entitled "Shasta-Trinity Administrative Jurisdiction Transfer: Transfer from Forest Service to BLM, Map 1" and dated November 23, 2009.

(c) *MANAGEMENT AND STATUS OF TRANSFERRED LAND.*—The Federal land described in

subsection (b) shall be administered in accordance with—

(1) the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.); and

(2) any other applicable law (including regulations).

SEC. 3. TRANSFER OF ADMINISTRATIVE JURISDICTION TO THE FOREST SERVICE.

(a) *IN GENERAL.*—Administrative jurisdiction over the Federal land described in subsection (b) is transferred from the Secretary of the Interior to the Secretary of Agriculture.

(b) *DESCRIPTION OF LAND.*—The Federal land referred to in subsection (a) is the land administered by the Director of the Bureau of Land Management in the Mount Diablo Meridian, California, as generally depicted on the map entitled "Shasta-Trinity Administrative Jurisdiction Transfer: Transfer from BLM to Forest Service, Map 2" and dated November 23, 2009.

(c) *MANAGEMENT AND STATUS OF TRANSFERRED LAND.*—

(1) *IN GENERAL.*—The Federal land described in subsection (b) shall be—

(A) withdrawn from the public domain;

(B) reserved for administration as part of the Shasta-Trinity National Forest; and

(C) managed in accordance with the laws (including the regulations) generally applicable to the National Forest System.

(2) *WILDERNESS ADMINISTRATION.*—The land transferred to the Secretary of Agriculture under subsection (a) that is within the Trinity Alps Wilderness shall—

(A) not affect the wilderness status of the transferred land; and

(B) be administered in accordance with—

(i) this section;

(ii) the Wilderness Act (16 U.S.C. 1131 et seq.); and

(iii) the California Wilderness Act of 1984 (16 U.S.C. 1132 note; Public Law 98-425).

SEC. 4. ADMINISTRATIVE PROVISIONS.

(a) *CORRECTIONS.*—

(1) *MINOR ADJUSTMENTS.*—The Secretary of Agriculture and the Secretary of the Interior may, by mutual agreement, make minor corrections and adjustments to the transfers under this Act to facilitate land management, including corrections and adjustments to any applicable surveys.

(2) *PUBLICATIONS.*—Any corrections or adjustments made under subsection (a) shall be effective on the date of publication of a notice of the corrections or adjustments in the Federal Register.

(b) *HAZARDOUS SUBSTANCES.*—

(1) *NOTICE.*—The Secretary of Agriculture and the Secretary of the Interior shall, with respect to the land described in sections 2(b) and 3(b), respectively—

(A) identify any known sites containing hazardous substances; and

(B) provide to the head of the Federal agency to which the land is being transferred notice of any sites identified under subparagraph (A).

(2) *CLEANUP OBLIGATIONS.*—To the same extent as on the day before the date of enactment of this Act, with respect to any Federal liability—

(A) the Secretary of Agriculture shall remain responsible for any cleanup of hazardous substances on the Federal land described in section 2(b); and

(B) the Secretary of the Interior shall remain responsible for any cleanup of hazardous substances on the Federal land described in section 3(b).

(c) *EFFECT ON EXISTING RIGHTS AND AUTHORIZATIONS.*—Nothing in this Act affects—

(1) any valid existing rights; or

(2) the validity or term and conditions of any existing withdrawal, right-of-way, easement, lease, license, or permit on the land to which

administrative jurisdiction is transferred under this Act, except that beginning on the date of enactment of this Act, the head of the agency to which administrative jurisdiction over the land is transferred shall be responsible for administering the interests or authorizations (including reissuing the interests or authorizations in accordance with applicable law).

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Guam (Ms. BORDALLO) and the gentlewoman from Wyoming (Mrs. LUMMIS) each will control 20 minutes.

The Chair recognizes the gentlewoman from Guam.

GENERAL LEAVE

Ms. BORDALLO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Guam?

There was no objection.

Ms. BORDALLO. Mr. Speaker, H.R. 689 was introduced by our colleague from California, Representative HERGER. The bill authorizes an interchange of land between the Forest Service and the Bureau of Land Management. The specific lands are located within the Shasta-Trinity National Forest and on adjacent public lands in northern California. The purpose of the interchange is to ease problems that off-highway vehicle users are having with permitting. The administration supports this legislation.

H.R. 689 originally passed the House by voice vote on June 2, 2009. The Senate has amended the House-passed version of the bill to clarify the hazardous substance cleanup responsibilities of each agency.

Mr. Speaker, we support passage of this measure with the Senate amendment.

I reserve the balance of my time.

Mrs. LUMMIS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to commend Congressman HERGER for his excellent work on this legislation. Working closely with many constituents who enjoy outdoor recreation, Congressman HERGER developed this bill allowing Forest Service and Bureau of Land Management officials to better manage a complex mix of administrative jurisdictions in Shasta County. This legislation will not only help both agencies, but will also greatly benefit the many families who enjoy wholesome outdoor recreation in the area, especially the many off-highway vehicle users who have been using this area for generations. Not surprisingly, the bill has widespread support among the local OHV users.

It is a rare feat to have two separate Federal agencies and the public all agreeing that a particular piece of legislation is worthy of praise. Congressman HERGER should be congratulated for this win-win legislation.

Mr. HERGER. Mr. Speaker, I strongly support passage of H.R. 689. This legislation is the result of a collaborative and bipartisan effort to limit government bureaucracy and improve the management of federal lands in Northern California. For years, many of my constituents raised concerns over difficulties in dealing with two federal agencies in order to use the Chappie-Shasta Off-Highway Vehicle Area in Shasta County, California. Though the Bureau of Land Management has managed the majority of this area, Forest Service holdings within the area have led to such issues as duplicative permitting and even different opening dates for the same area. This situation has led to increasing frustration from thousands of users who come from across California and elsewhere to enjoy this OHV area.

This simple legislation provides a common-sense solution by allowing the BLM to consolidate the OHV area while the Forest Service will benefit by receiving jurisdiction over small tracts of BLM land that are already contiguous to the Shasta-Trinity National Forest.

This bill first passed the House by unanimous consent, and after a few technical changes, again received unanimous support from the Senate. Concurrence with the Senate's changes will finally allow for more efficient management of the Chappie-Shasta OHV Area and greater enjoyment of its users. This legislation represents a win-win for taxpayers and their enjoyment of our federal lands. I thank Senators FEINSTEIN and BOXER for their work in supporting this effort and I urge my colleagues to support it as well.

Mrs. LUMMIS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. BORDALLO. Mr. Speaker, I again urge Members to support the bill.

I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Guam (Ms. BORDALLO) that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 689.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the Senate amendment was concurred in.

A motion to reconsider was laid on the table.

□ 1500

NATIONAL WILDLIFE REFUGE VOLUNTEER IMPROVEMENT ACT OF 2010

Ms. BORDALLO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4973) to amend the Fish and Wildlife Act of 1956 to reauthorize volunteer programs and community partnerships for national wildlife refuges, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4973

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Wildlife Refuge Volunteer Improvement Act of 2010".

SEC. 2. REAUTHORIZATION OF APPROPRIATIONS TO IMPLEMENT VOLUNTEER, COMMUNITY PARTNERSHIP AND EDUCATION PROGRAMS UNDER FISH AND WILDLIFE ACT OF 1956.

(a) REAUTHORIZATION.—Section 7(f) of the Fish and Wildlife Act of 1956 (16 U.S.C. 742f(f)) is amended to read as follows:

"(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary of the Interior to carry out subsections (b), (c), (d), (e), and (f), \$2,000,000 for each of fiscal years 2011 through 2014."

(b) TECHNICAL CORRECTIONS.—Section 7 of the Fish and Wildlife Act of 1956 (16 U.S.C. 742f) is amended in subsections (b)(2)(B)(ii) and (d)(2)(C)(i) by striking "National Wildlife Refuge Administration Act of 1966" each place it appears and inserting "National Wildlife Refuge System Administration Act of 1966".

SEC. 3. AMENDMENTS TO NATIONAL WILDLIFE REFUGE SYSTEM VOLUNTEER AND COMMUNITY PARTNERSHIP ENHANCEMENT ACT OF 1998.

Section 4(a) of the National Wildlife Refuge System Volunteer and Community Partnership Enhancement Act of 1998 (16 U.S.C. 742f-1) is amended—

(1) in the subsection heading by striking "PROJECTS" and inserting "NATIONAL VOLUNTEER COORDINATION PROGRAM";

(2) by amending paragraph (1) to read as follows:

"(1) IN GENERAL.—Subject to the availability of appropriations, and in conformance with the strategy developed under paragraph (2) and consistent with the authorities regarding gifts, volunteer services, community partnerships, and refuge education enhancement under section 7 of the Fish and Wildlife Act of 1956 (16 U.S.C. 741f), the Secretary of the Interior, through the Director of the United States Fish and Wildlife Service, shall carry out a National Volunteer Coordination Program within the National Wildlife Refuge System to—

"(A) augment and support the capabilities and efforts of Federal employees to implement resource management, conservation, and public education programs and activities across the National Wildlife Refuge System;

"(B) provide meaningful opportunities for volunteers to support the resource management, conservation, and public education programs and activities of national wildlife refuges or complexes of geographically related national wildlife refuges in each United States Fish and Wildlife Service region; and

"(C) fulfill the purpose and mission of the National Wildlife Refuge System under the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.).";

(3) by amending paragraph (2) to read as follows

"(2) VOLUNTEER COORDINATION STRATEGY.—

"(A) IN GENERAL.—No later than one year after date of enactment of this paragraph, the Director shall publish in the Federal Register a national strategy for the coordination and utilization of volunteers within the National Wildlife Refuge System.

"(B) CONSULTATION REQUIRED.—The strategy shall be developed in consultation with State fish and wildlife agencies, Indian tribes, refuge friends groups or similar volunteer organizations, and other relevant stakeholders.

"(C) VOLUNTEER COORDINATORS.—The Director shall provide, subject to the availability of appropriations, no less than one regional volunteer coordinator for each United States Fish and Wildlife Service region to implement the strategy published under this paragraph. Such coordinators may be responsible for assisting partner or-

ganizations in developing and implementing volunteer projects and activities under cooperative agreements under section 7(d) of the Fish and Wildlife Act of 1956 (16 U.S.C. 742f(d))."; and

(4) in paragraph (4), by striking "for for each fiscal year through fiscal year 2009" and inserting "for each fiscal year through fiscal year 2014".

SEC. 4. VOLUNTEER, COMMUNITY PARTNERSHIPS, AND EDUCATION PROGRAMS REPORT.

(a) IN GENERAL.—Section 7 of the Fish and Wildlife Act of 1956 (16 U.S.C. 742f(e)) is amended—

(1) by redesignating subsection (f) (as amended by this Act) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection:

"(f) REPORT.—Not later than 1 year after the date of enactment of this subsection and every 5 years thereafter, the Secretary of the Interior shall submit a report to the Committee on Natural Resources of the House of Representatives and the Committee on Environment and Public Works of the Senate—

"(1) evaluating the accomplishments of the volunteer program, the community partnerships program, and the refuge education programs authorized under this section, and of the National Volunteer Coordination Program and volunteer coordination strategy under section 4(a) of the National Wildlife Refuge System Volunteer and Community Partnership Enhancement Act of 1998 (16 U.S.C. 742f-1); and

"(2) making recommendations to improve the effectiveness of such programs, including regarding implementing subparagraphs (A), (B), and (C) of paragraph (1) of subsection (e)."

(b) CONFORMING AMENDMENT.—Section 4(a) of the National Wildlife Refuge System Volunteer and Community Partnership Enhancement Act of 1998 (16 U.S.C. 742f-1) is further amended by striking paragraph (3), and by redesignating paragraph (4) (as amended by this Act) as paragraph (3).

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Guam (Ms. BORDALLO) and the gentlewoman from Wyoming (Mrs. LUMMIS) each will control 20 minutes.

The Chair recognizes the gentlewoman from Guam.

GENERAL LEAVE

Ms. BORDALLO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Guam?

There was no objection.

Ms. BORDALLO. Mr. Speaker, H.R. 4973, the National Wildlife Refuge Volunteer Improvement Act, was introduced by our colleague from Maryland, Representative FRANK KRATOVL.

The National Wildlife Refuge System encompasses a national network of public lands and waters set aside to conserve habitat and protect natural resources and, consequently, plays an integral role in our national network of Federal public lands.

During these difficult economic times, the government has looked for efficient and practical solutions to lower costs while maintaining critical refuge systems services. The National

Wildlife Refuge Volunteer Program serves this purpose. Last year, volunteers contributed to more than 1.5 million hours of support, the equivalent of nearly 750 full-time employees. This is better than \$7 returned on each dollar invested.

The pending measure would make the volunteer program permanent, establish a volunteer coordination strategy, and formalize a reporting schedule to ensure oversight and accountability.

I commend Mr. KRATOVL for his important work on behalf of this initiative, and I ask Members on both sides to support passage of this bill.

I reserve the balance of my time.

Mrs. LUMMIS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4973. While individuals have been volunteering their time and talents to the National Wildlife Refuge System for nearly 30 years, the value of their work has significantly increased from \$1.1 million to \$30.3 million. Volunteers now perform about 20 percent of the work done on refuges, and for each refuge employee, there are nine volunteers. Without these dedicated men and women, many visitor centers would be open less frequently, fewer recreational opportunities would be available, many hunting programs would not occur, and important fish and wildlife population surveys would not be completed.

Mr. JOHNSON of Georgia. Mr. Speaker, I rise today to support H.R. 4973, the National Wildlife Refuge Volunteer Improvement Act of 2010. I would like to thank Congressman KRATOVL for introducing this important bill and acknowledging the importance of the preservation of wildlife to our nation.

This bill would reauthorize volunteer programs and community partnerships for national wildlife refuges. Volunteers are essential to the operation of these refuges and the preservation of our environment. Wildlife Refuge volunteers assist with laboratory research, photographing natural resources, conducting population services, and leading tours for visitors. Volunteers help provide important services to the public at no cost to taxpayers. Their service improves the quality of the visitor experience at our National Wildlife Refuges. This bill would also require the Director of the United States Fish and Wildlife Service to publish a national strategy for the use and coordination of volunteers.

The National Wildlife Refuge system is the premier system of public lands and waters set aside to conserve America's fish, wildlife and plants. The mission of the Refuge System is to manage a national network of lands and waters for the conservation, management, and where appropriate, restoration of fish, wildlife and plant resources and their habitat. It is the volunteers that help make this mission possible and this bill will make sure that these volunteers have the resources they need. I strongly support our National Wildlife Refuge system and am heartened that so many Americans choose to volunteer their time on National Wildlife Refuges.

I feel strongly about the importance of protecting our natural world. I encourage my col-

leagues to support this bill in efforts to preserve our environment, one small step at a time.

Mrs. LUMMIS. Mr. Speaker, I yield back the balance of my time.

Ms. BORDALLO. Mr. Speaker, I again urge Members to support the bill, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Guam (Ms. BORDALLO) that the House suspend the rules and pass the bill, H.R. 4973, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

AUTHORIZING HYDROGRAPHIC SERVICES FOR LOSS OF ICE IN ARCTIC

Ms. BORDALLO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2864) to amend the Hydrographic Services Improvement Act of 1998 to authorize funds to acquire hydrographic data and provide hydrographic services specific to the Arctic for safe navigation, delineating the United States extended continental shelf, and the monitoring and description of coastal changes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2864

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION OF APPROPRIATIONS.

Section 306 of the Hydrographic Services Improvement Act of 1998 (33 U.S.C. 892d) is amended—

(1) by inserting before the text the following: “(a) IN GENERAL.—”; and

(2) by adding at the end the following new subsection:

“(b) ARCTIC PROGRAMS.—Of the amount authorized for each of fiscal years 2011 and 2012—

“(1) \$5,000,000 is authorized for use to acquire hydrographic data, provide hydrographic services, conduct coastal change analyses necessary to ensure safe navigation, and improve the management of coastal change in the Arctic; and

“(2) \$2,000,000 is authorized for use to acquire hydrographic data and provide hydrographic services in the Arctic necessary to delineate the United States extended Continental Shelf.”.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Guam (Ms. BORDALLO) and the gentlewoman from Wyoming (Mrs. LUMMIS) each will control 20 minutes.

The Chair recognizes the gentlewoman from Guam.

GENERAL LEAVE

Ms. BORDALLO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Guam?

There was no objection.

Ms. BORDALLO. I yield myself such time as I may consume.

Mr. Speaker, recent scientific findings have shown that the Arctic sea ice is shrinking with significantly smaller amounts of summer sea ice cover. Consequently, more open water space in the Arctic Ocean will be available for ship travel, which will present a changed landscape for international marine commerce and national security interests and greater accessibility to natural resources. These activities are likely to create substantial new demands on the National Oceanic and Atmospheric Administration to provide hydrographic data and hydrographic services in the near term.

I support this noncontroversial legislation to amend the Hydrographic Services Improvement Act to give NOAA specific authorization to conduct hydrographic surveys and to provide other hydrographic services in the Arctic, and I urge Members on both sides to do likewise.

I reserve the balance of my time.

Mrs. LUMMIS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2864 would authorize hydrographic surveys in the Arctic region, an area which lacks up-to-date survey data. The last major survey in the Arctic occurred more than 60 years ago after World War II. Since the majority of U.S. foreign trade by weight moves by sea and the Arctic has the potential to become a viable shipping corridor, it is essential that we support these surveys to help create accurate nautical charts.

I compliment the author of this measure, Congressman DON YOUNG, for his leadership. This bill has been scored by the CBO as having no cost.

I urge support of the bill.

Mr. Speaker, I yield such time as he may consume to the gentleman from Alaska (Mr. YOUNG).

Mr. YOUNG of Alaska. I thank the good lady for yielding.

Just yesterday, the Alaska Dispatch chronicled the increased tourist and commercial vessel traffic in the Arctic and the challenges the Coast Guard is facing in ensuring safe navigation. For example, the Coast Guard recently announced that the *Polar Sea* icebreaker will be out of service until next year and the *Polar Star* icebreaker won't be fixed until 2013. As a result, there are no adequate icebreakers to patrol in the Arctic or come to the aid of anyone in need. Simply, safe navigation in the U.S. Arctic is in a precarious state.

My bill would amend the Hydrographic Services Improvement Act to authorize much-needed funds for hydrographic surveys and coastal mapping of the Arctic regions.

Sadly, we still have a long way to go before we finish the job on nautically

charting critical navigation regions throughout this country. The Arctic region in particular has been ignored and lacks survey data. It is my understanding, as the good lady said, the last major hydro survey campaign in the Arctic was conducted following World War II, over 60 years ago.

Currently, base hydrographic data in the Arctic is woefully inadequate and not sufficient to support current, let alone future, marine activity. With the reduction of sea ice, there's increased vessel traffic and opportunities for more drilling, and up-to-date nautical charts or coastal maps are critical for these activities.

H.R. 2864 is an effort to move this process forward by directing NOAA to acquire additional hydrographic data and provide hydrographic services to the Arctic region.

Alaska is the only Arctic State in this Nation. It makes this bill both critically important for my State and our Nation, and I urge Members to support this legislation.

Mrs. LUMMIS. Mr. Speaker, I yield back the balance of my time.

Ms. BORDALLO. Mr. Speaker, we should take this time to congratulate my colleague, Mr. YOUNG, for his work on this legislation. Also, I would like to thank the gentlelady from Wyoming. I've enjoyed managing the bills this afternoon with her.

Mr. Speaker, I urge Members to support the bill, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Guam (Ms. BORDALLO) that the House suspend the rules and pass the bill, H.R. 2864, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Ms. BORDALLO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until approximately 6 p.m. today.

Accordingly (at 3 o'clock and 9 minutes p.m.), the House stood in recess until approximately 6 p.m.

□ 1800

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. HEINRICH) at 6 p.m.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on motions to suspend the rules previously postponed.

Votes will be taken in the following order:

H.R. 4514, by the yeas and nays;

H.R. 4438, by the yeas and nays; and

H.R. 4773, by the yeas and nays.

Proceedings on H.R. 2864 will resume later in the week.

The first electronic vote will be conducted as a 15-minute vote. Remaining electronic votes will be conducted as 5-minute votes.

COLONEL CHARLES YOUNG HOME STUDY ACT

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and pass the bill (H.R. 4514) to authorize the Secretary of the Interior to conduct a special resource study to determine the suitability and feasibility of designating the Colonel Charles Young Home in Xenia, Ohio as a unit of the National Park System, and for other purposes, as amended, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Guam (Ms. BORDALLO) that the House suspend the rules and pass the bill, as amended.

The vote was taken by electronic device, and there were—yeas 350, nays 26, not voting 56, as follows:

[Roll No. 434]

YEAS—350

Ackerman
Aderholt
Adler (NJ)
Altmire
Andrews
Arcuri
Austria
Baca
Bachmann
Bachus
Baird
Baldwin
Barrow
Bartlett
Barton (TX)
Becerra
Berkley
Berman
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Boccheri
Boehner
Bonner
Bono Mack
Boozman
Boren
Boswell
Boustany
Boyd
Brady (PA)
Braley (IA)
Bright

Brown (SC)
Brown, Corrine
Brown-Waite,
Ginny
Buchanan
Burton (IN)
Butterfield
Calvert
Cantor
Cao
Capito
Capps
Capuano
Cardoza
Carson (IN)
Carter
Cassidy
Castle
Castor (FL)
Chaffetz
Chandler
Childers
Chu
Clarke
Clay
Clever
Clyburn
Coffman (CO)
Cole
Conaway
Connolly (VA)
Conyers
Cooper
Costa
Courtney
Gramm
Critz
Crowley

Cuellar
Cummings
Dahlkemper
Davis (CA)
Davis (KY)
Davis (TN)
DeFazio
DeGette
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Djou
Doggett
Donnelly (IN)
Dreier
Driehaus
Edwards (MD)
Edwards (TX)
Ellison
Emerson
Engel
Eshoo
Etheridge
Farr
Fattah
Forbes
Foster
Franks (AZ)
Frelinghuysen
Fudge
Gallegly
Garamendi
Garrett (NJ)
Gerlach

Gingrey (GA)
Gonzalez
Goodlatte
Gordon (TN)
Granger
Graves (MO)
Grayson
Green, Al
Green, Gene
Grijalva
Guthrie
Gutierrez
Hall (NY)
Hall (TX)
Halvorson
Harman
Harper
Hastings (WA)
Heinrich
Heller
Hensarling
Herseth Sandlin
Higgins
Hill
Himes
Hinchee
Hirono
Hodes
Holden
Holt
Honda
Hoyer
Hunter
Inglis
Inslee
Jackson (IL)
Jackson Lee
(TX)
Jenkins
Johnson (GA)
Johnson (IL)
Johnson, Sam
Jones
Jordan (OH)
Kanjorski
Kennedy
Kildee
Kilpatrick (MI)
Kilroy
Kind
King (NY)
Kirk
Kirkpatrick (AZ)
Kissell
Klein (FL)
Kline (MN)
Kosmas
Kratovil
Kucinich
Lance
Langevin
Larsen (WA)
Larson (CT)
Latham
LaTourette
Latta
Lee (NY)
Levin
Lewis (CA)
Lewis (GA)
Lipinski
LoBiondo
Loebach
Lofgren, Zoe
Lowey
Lucas
Lujan
Lummis
Lungren, Daniel
E.
Lynch

Maloney
Manzullo
Marchant
Markey (CO)
Markey (MA)
Marshall
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCaul
McClintock
McCollum
McCotter
McDermott
McGovern
McHenry
McIntyre
McKeon
McMahon
McMorris
Rodgers
McNerney
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Minnick
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Murphy, Tim
Myrick
Nadler (NY)
Napolitano
Neal (MA)
Nye
Oberstar
Obey
Oliver
Ortiz
Owens
Pallone
Pascarella
Pastor (AZ)
Paulsen
Payne
Perriello
Peters
Peterson
Petri
Pingree (ME)
Pitts
Platts
Polis (CO)
Pomeroy
Posey
Price (GA)
Price (NC)
Quigley
Radanovich
Rahall
Rangel
Reichert
Reyes
Richardson
Rodriguez
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)

Rooney
Ros-Lehtinen
Roskam
Ross
Rothman (NJ)
Roybal-Allard
Ruppersberger
Ryan (OH)
Salazar
Sanchez, Loretta
Sarbanes
Scalise
Schakowsky
Schauer
Schiff
Schock
Schradler
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sessions
Sestak
Shea-Porter
Sherman
Shuster
Simpson
Sires
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Space
Speier
Spratt
Stark
Stearns
Stupak
Sullivan
Sutton
Tanner
Teague
Terry
Thompson (CA)
Thompson (MS)
Thompson (PA)
Tiberi
Tierney
Titus
Tonko
Towns
Tsongas
Turner
Upton
Van Hollen
Velázquez
Visclosky
Walz
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Westmoreland
Whitfield
Wilson (OH)
Wilson (SC)
Wittman
Wolf
Woolsey
Wu
Yarmuth
Young (AK)

NAYS—26

Brady (TX)
Broun (GA)
Burgess
Campbell
Coble
Culberson
Duncan
Flake
Foss
Gohmert
Graves (GA)
Herger
Issa
King (IA)
Kingston
Lamborn
Mack
Neugebauer

NOT VOTING—56

Akin
Alexander
Barrett (SC)
Bean
Berry
Blunt
Boucher
Buyer
Camp
Carnahan
Carney
Cohen
Costello
Davis (AL)
Davis (IL)
Deutch
Doyle
Ehlers
Ellsworth

Fallin
Filner
Fleming
Fortenberry
Frank (MA)
Giffords
Griffith
Hare
Hastings (FL)
Hinojosa
Hoekstra
Israel
Johnson, E. B.
Kagen
Kaptur
Lee (CA)
Linder
Luetkemeyer
Maffei

Miller (FL)
Moran (KS)
Olson
Pence
Perlmutter
Putnam
Rehberg
Rohrabacher
Rush
Sánchez, Linda
T.
Schmidt
Shimkus
Shuler
Taylor
Tiahrt
Walden
Wamp
Young (FL)

□ 1830

Messrs. COBLE, KINGSTON, NEUGEBAUER, MACK, and KING of Iowa changed their vote from “yea” to “nay.”

So (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. FILNER. Mr. Speaker, on rollcall 434, I was away from the Capitol in my capacity as Chairman of the House Veterans' Affairs Committee. Had I been present, I would have voted “yes.”

SAN ANTONIO MISSIONS NATIONAL HISTORICAL PARK LEASING AND BOUNDARY EXPANSION ACT OF 2010

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and pass the bill (H.R. 4438) to authorize the Secretary of the Interior to enter into an agreement to lease space from a nonprofit group or other government entity for a park headquarters at San Antonio Missions National Historical Park, to expand the boundary of the Park, to conduct a study of potential land acquisitions, and for other purposes, as amended, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Guam (Ms. BORDALLO) that the House suspend the rules and pass the bill, as amended.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 264, nays 114, not voting 54, as follows:

[Roll No. 435]

YEAS—264

Ackerman
Adler (NJ)
Altmire
Andrews
Arcuri
Austria
Baca
Bachus
Baird

Baldwin
Barrow
Barton (TX)
Becerra
Berkley
Berman
Bishop (GA)
Bishop (NY)
Blumenauer

Bocieri
Bonner
Bono Mack
Boren
Boswell
Boyd
Brady (PA)
Brady (TX)
Braley (IA)

Bright
Brown, Corrine
Buchanan
Butterfield
Cao
Capito
Capps
Capuano
Cardoza
Carson (IN)
Carter
Castor (FL)
Chandler
Childers
Chu
Clarke
Clay
Cleaver
Clyburn
Cole
Connolly (VA)
Conyers
Cooper
Costa
Courtney
Crenshaw
Critz
Crowley
Cuellar
Cummings
Dahlkemper
Davis (CA)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Djou
Doggett
Donnelly (IN)
Driehaus
Edwards (MD)
Edwards (TX)
Ellison
Ellsworth
Engel
Eshoo
Etheridge
Farr
Fattah
Foster
Fudge
Garamendi
Gonzalez
Gordon (TN)
Granger
Grayson
Green, Al
Green, Gene
Grijalva
Hall (NY)
Hall (TX)
Halvorson
Harman
Heinrich
Herseth Sandlin
Higgins
Hill
Himes
Hinchey
Hirono
Hodes
Holden
Holt
Honda

Brown (SC)
Brown-Waite,
Ginny
Burgess
Burton (IN)
Calvert
Campbell
Cantor
Cassidy
Castle
Chaffetz
Coble
Conaway

Brown (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Nadler (NY)
Napolitano
Neal (MA)
Nye
Oberstar
Obey
Oliver
Ortiz
Owens
Pallone
Pascrell
Pastor (AZ)
Paulsen
Payne

Perriello
Peters
Peterson
Pingree (ME)
Poe (TX)
Polis (CO)
Pomeroy
Price (NC)
Quigley
Radanovich
Rahall
Rangel
Reichert
Reyes
Rodriguez
Rogers (AL)
Ros-Lehtinen
Ross
Rothman (NJ)
Roybal-Allard
Ruppersberger
Ryan (OH)
Salazar
Sanchez, Loretta
Sarbanes
Schakowsky
Schauer
Schiff
Levin
Schrader
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sessions
Sestak
Shea-Porter
Sherman
Simpson
Sires
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Space
Speier
Spratt
Stark
Stupak
Sutton
Tanner
Teague
Terry
Thompson (CA)
Thompson (MS)
Tierney
Titus
Tonko
Townsend
Tsongas
Van Hollen
Velázquez
Visclosky
Walz
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Whitfield
Wilson (OH)
Wittman
Woolsey
Wu
Yarmuth

NAYS—114

Aderholt
Bachmann
Bartlett
Bean
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Boehner
Boozman
Boustany
Broun (GA)

Brown (SC)
Brown-Waite,
Ginny
Burgess
Burton (IN)
Calvert
Campbell
Cantor
Cassidy
Castle
Chaffetz
Coble
Conaway

Culberson
Davis (KY)
Dreier
Duncan
Emerson
Flake
Forbes
Fox
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach

Gingrey (GA)
Gohmert
Goodlatte
Graves (GA)
Graves (MO)
Guthrie
Harper
Hastings (WA)
Heller
Hensarling
Herger
Hunter
Inglis
Issa
Jenkins
Johnson, Sam
Jordan (OH)
King (IA)
King (NY)
Kingston
Kline (MN)
Lamborn
Latta
Lee (NY)
Lewis (CA)
LoBiondo

Lummis
Lungren, Daniel
E.
Mack
Manzullo
Marchant
McCarthy (CA)
McClintock
McCotter
McHenry
McKeon
McMorris
Rodgers
Mica
Miller (MI)
Miller, Gary
Murphy, Tim
Myrick
Neugebauer
Nunes
Paul
Pence
Petri
Pitts
Platts
Posey

Price (GA)
Roe (TN)
Rogers (KY)
Rogers (MI)
Rooney
Roskam
Royce
Ryan (WI)
Scalise
Schock
Sensenbrenner
Shadegg
Shuster
Smith (NE)
Stearns
Sullivan
Thompson (PA)
Thornberry
Tiberi
Turner
Upton
Walden
Westmoreland
Wilson (SC)
Wolf
Young (AK)

NOT VOTING—54

Akin
Alexander
Barrett (SC)
Berry
Blunt
Boucher
Buyer
Camp
Carnahan
Carney
Coffman (CO)
Cohen
Costello
Davis (AL)
Davis (IL)
Deutch
Doyle
Ehlers
Fallin

Filner
Fleming
Fortenberry
Frank (MA)
Giffords
Griffith
Gutierrez
Hare
Hastings (FL)
Hinojosa
Hoekstra
Johnson, E. B.
Kagen
Kaptur
Lee (CA)
Linder
Luetkemeyer
Maffei
Miller (FL)

Moran (KS)
Olson
Perlmutter
Putnam
Rehberg
Richardson
Rohrabacher
Rush
Sánchez, Linda
T.
Schmidt
Shimkus
Shuler
Taylor
Tiahrt
Wamp
Young (FL)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining in this vote.

□ 1838

Mr. HARPER changed his vote from “yea” to “nay.”

So (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: “A bill to authorize the Secretary of the Interior to expand the boundary of the Park, to conduct a study of potential land acquisitions, and for other purposes.”

A motion to reconsider was laid on the table.

Stated for:

Mr. FILNER. Mr. Speaker, on rollcall 435, I was away from the Capitol in my capacity as Chairman of the House Veterans' Affairs Committee. Had I been present, I would have voted “yes.”

Stated against:

Mr. COFFMAN of Colorado. Mr. Speaker, on rollcall No. 435, I was unavoidably detained. Had I been present, I would have voted “no.”

FORT PULASKI NATIONAL MONUMENT LEASE AUTHORIZATION ACT

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and pass the bill (H.R. 4773) to authorize the Secretary of the Interior to lease certain lands within Fort Pulaski National Monument, and for other purposes, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Guam (Ms. BORDALLO) that the House suspend the rules and pass the bill.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 379, nays 0, not voting 53, as follows:

[Roll No. 436]

YEAS—379

Ackerman	Clarke	Granger
Aderholt	Clay	Graves (GA)
Adler (NJ)	Cleaver	Graves (MO)
Altmire	Clyburn	Grayson
Andrews	Coble	Green, Al
Arcuri	Coffman (CO)	Green, Gene
Austria	Cole	Grijalva
Baca	Conaway	Guthrie
Bachmann	Connolly (VA)	Gutierrez
Bachus	Conyers	Hall (NY)
Baird	Cooper	Hall (TX)
Baldwin	Costa	Halvorson
Barrow	Courtney	Harman
Bartlett	Crenshaw	Harper
Barton (TX)	Critz	Hastings (WA)
Bean	Crowley	Heinrich
Becerra	Cuellar	Heller
Berkley	Culberson	Hensarling
Berman	Cummings	Herger
Biggart	Dahlkemper	Herseth Sandlin
Bilbray	Davis (CA)	Higgins
Bilirakis	Davis (IL)	Hill
Bishop (GA)	Davis (KY)	Himes
Bishop (NY)	Davis (TN)	Hinchey
Bishop (UT)	DeFazio	Hirono
Blackburn	DeGette	Hodes
Blumenauer	Delahunt	Holden
Boccheri	DeLauro	Holt
Boehner	Dent	Honda
Bonner	Diaz-Balart, L.	Hoyer
Bono Mack	Diaz-Balart, M.	Hunter
Boozman	Dicks	Inglis
Boren	Dingell	Inslee
Boswell	Djou	Israel
Boustany	Doggett	Issa
Boyd	Donnelly (IN)	Jackson (IL)
Brady (PA)	Dreier	Jackson Lee
Brady (TX)	Driehaus	(TX)
Bralley (IA)	Duncan	Jenkins
Bright	Edwards (MD)	Johnson (GA)
Broun (GA)	Edwards (TX)	Johnson (IL)
Brown (SC)	Ellison	Johnson, Sam
Brown, Corrine	Ellsworth	Jones
Brown-Waite,	Emerson	Jordan (OH)
Ginny	Engel	Kanjorski
Buchanan	Eshoo	Kennedy
Burgess	Etheridge	Kildee
Burton (IN)	Farr	Kilpatrick (MI)
Butterfield	Flake	Kilroy
Calvert	Forbes	Kind
Campbell	Foster	King (IA)
Cantor	Fox	King (NY)
Cao	Frank (MA)	Kingston
Capito	Franks (AZ)	Kirk
Capps	Frelinghuysen	Kirkpatrick (AZ)
Capuano	Fudge	Kissell
Cardoza	Galleghy	Klein (FL)
Carson (IN)	Garamendi	Kline (MN)
Cassidy	Garrett (NJ)	Kosmas
Castle	Gerlach	Kratovil
Castor (FL)	Gingrey (GA)	Kucinich
Chaffetz	Gohmert	Lamborn
Chandler	Gonzalez	Lance
Childers	Goodlatte	Langevin
Chu	Gordon (TN)	Larsen (WA)

Larson (CT)	Napolitano	Sensenbrenner
Latham	Neal (MA)	Serrano
LaTourette	Neugebauer	Sessions
Latta	Nunes	Sestak
Lee (NY)	Nye	Shadegg
Levin	Oberstar	Shea-Porter
Lewis (CA)	Obey	Sherman
Lewis (GA)	Oliver	Shuster
Lipinski	Ortiz	Simpson
LoBiondo	Owens	Sires
Loeb	Pallone	Skelton
Lofgren, Zoe	Pascarell	Slaughter
Lowe	Pastor (AZ)	Smith (NE)
Lucas	Paul	Smith (NJ)
Lujan	Paulsen	Smith (TX)
Lummis	Payne	Smith (WA)
Lungren, Daniel	Pence	Snyder
E.	Perriello	Space
Lynch	Peters	Speier
Mack	Peterson	Spratt
Maloney	Petri	Stark
Manzullo	Pingree (ME)	Stearns
Marchant	Pitts	Stupak
Markey (CO)	Platts	Sullivan
Markey (MA)	Poe (TX)	Sutton
Marshall	Polis (CO)	Tanner
Matheson	Pomeroy	Teague
Matsui	Posey	Terry
McCarthy (CA)	Price (GA)	Thompson (CA)
McCarthy (NY)	Price (NC)	Thompson (MS)
McCaul	Quigley	Thompson (PA)
McClintock	Radanovich	Thornberry
McCollum	Rahall	Tiberi
McCotter	Rangel	Tierney
McDermott	Reichert	Titus
McGovern	Reyes	Tonko
McHenry	Richardson	Towns
McIntyre	Rodriguez	Tsongas
McKeon	Roe (TN)	Turner
McMahon	Rogers (KY)	Upton
McMorris	Rogers (MI)	Van Hollen
Rodgers	Rooney	Velázquez
McNerney	Ros-Lehtinen	Visclosky
Meek (FL)	Roskam	Walden
Meeks (NY)	Ross	Walz
Melancon	Rothman (NJ)	Wasserman
Mica	Roybal-Allard	Schultz
Michaud	Royce	Waters
Miller (MI)	Ruppersberger	Watson
Miller (NC)	Ryan (OH)	Watt
Miller, Gary	Ryan (WI)	Waxman
Miller, George	Salazar	Weiner
Mitchell	Sanchez, Loretta	Welch
Mollohan	Sarbanes	Westmoreland
Moore (KS)	Scalise	Whitfield
Moore (WI)	Schakowsky	Wilson (OH)
Moran (VA)	Schauer	Wilson (SC)
Murphy (CT)	Schiff	Wittman
Murphy (NY)	Schock	Wolf
Murphy, Patrick	Schrader	Woolsey
Murphy, Tim	Schwartz	Wu
Myrick	Scott (GA)	Yarmuth
Nadler (NY)	Scott (VA)	Young (AK)

NOT VOTING—53

Akin	Fattah	Minnick
Alexander	Filner	Moran (KS)
Barrett (SC)	Fleming	Olson
Berry	Fortenberry	Perlmutter
Blunt	Giffords	Putnam
Boucher	Griffith	Rehberg
Buyer	Hare	Rogers (AL)
Camp	Hastings (FL)	Rohrabacher
Carnahan	Hinojosa	Rush
Carney	Hoekstra	Sánchez, Linda
Carter	Johnson, E. B.	T.
Cohen	Kagen	Schmidt
Costello	Kaptur	Shimkus
Davis (AL)	Lee (CA)	Shuler
Deutch	Linder	Taylor
Doyle	Luetkemeyer	Tiahrt
Ehlers	Maffei	Wamp
Fallin	Miller (FL)	Young (FL)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members have 2 minutes in which to record their vote.

□ 1846

So (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. FILNER. Mr. Speaker, on rollcall 436, I was away from the Capitol in my capacity as Chairman of the House Veterans' Affairs Committee. Had I been present, I would have voted "yes."

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1722, TELEWORK IMPROVEMENTS ACT OF 2010

Mr. CARDOZA, from the Committee on Rules, submitted a privileged report (Rept. No. 111-535) on the resolution (H. Res. 1509) providing for consideration of the bill (H.R. 1722) to improve teleworking in executive agencies by developing a telework program that allows employees to telework at least 20 percent of the hours worked in every 2 administrative workweeks, and for other purposes, which was referred to the House Calendar and ordered to be printed.

□ 1850

GETTING OUT OF THE SLUMP

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, when will this House leadership take action to get us out of this perpetual economic slump and provide the economic growth that we need to create the jobs that American families need?

Unemployment nationally remains high at 9.5 percent for June, with the U.S. economy losing 125,000 jobs in that month alone. In my area of south Florida, our unemployment rate is steadily increasing to 12.3 percent.

It is time for the administration and the liberal House leadership to take a proven approach of providing tax relief for working families and small businesses while reducing the debt, which is delaying future economic growth.

Lowering the tax burden on small firms, simplifying the Tax Code, that will encourage job creation. I also support extending the \$8,000 first time Homebuyer Tax Credit, which has done so much to help revive our slow housing industry in south Florida.

Let's act now. It is overdue.

CONGRATULATING THE NAACP ON 101 YEARS OF SERVICE

(Ms. JACKSON LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON LEE of Texas. Mr. Speaker, I want to congratulate the NAACP, which is holding their 101st

convention, or celebrating 101 years, a century of service. I also want to affirm their First Amendment right to make statements on the policies of groups who advocate for causes that sometimes are colored in race.

The NAACP is a fighter for justice for all people, and I was glad to be there this weekend speaking about issues dealing with the environment, civil justice and the economy.

It is also important to note, Mr. Speaker, that corporations are now showing one of the best quarterly returns that they have ever had. Businesses create jobs, and we have created an economic opportunity for them to do so. But all of the economists are saying they are sitting on their money. They are hoarding their money.

It is time now for us to stand up as Americans and work together to create jobs, just as this government has stimulated the economy by providing stimulus dollars to create thousands and thousands of jobs. Work together, not divide. That is how we will move this economy forward.

Congratulations, NAACP.

POLITICS OF PANIC

(Mr. POE of Texas asked and was given permission to address the House for 1 minute.)

Mr. POE of Texas. Mr. Speaker, the administration continues its assaultive crusade against the workers in the domestic deepwater drilling industry.

Yesterday, it doubled down its relentless destruction of the gulf coast energy industry by issuing yet another ill-advised moratorium on deepwater drilling. Never mind that two courts have said the first moratorium on drilling was "arbitrary, capricious and wrong."

The Federal Government furnished no credible evidence or specifics that shutting down deepwater drilling was absolutely necessary. Never mind the facts, never mind that the second edict from the administration violates the spirit of the court rulings. Never mind that this job-killing ban is more about the politics of panic than about the safety of offshore drilling.

The administration is intentionally and knowingly destroying domestic energy and making us more dependent on foreign oil. The administration is permanently sinking the jobs of offshore workers, and the President's plan is succeeding. Jobs are being lost, rigs are leaving the gulf to friendlier waters. And why? Who knows.

The second disaster of the gulf is brought to you by this administration and our own Federal Government.

And that's just the way it is.

TRIBUTE TO JAMES "BUDDY" KEATON

(Mr. TOWNS asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. TOWNS. Mr. Speaker, my heart is heavy this evening because a very dear friend of mine passed away, Buddy Keaton.

Buddy Keaton has been a real fixture in the Brooklyn community for so many years. Many, many basketball players are in the NBA because of Buddy Keaton. Buddy Keaton was a person that spent a lot of time with young people, helping them to understand how important it is to go straight in life, and also how important it was to really work on your skills. But at the same time, he indicated that they needed to be involved in making certain that their academics were in order.

Buddy Keaton, as a result of his involvement, made it possible for many basketball officials to be able to officiate games. Some have gone on to the NBA and to other places as a result of Buddy Keaton and his involvement.

Buddy Keaton was truly a coalition builder. He was a person that just had a natural flair for saying the right thing at the right time. He knew how to do that.

So I say to the Brooklyn community and to the family of Buddy Keaton, and, of course, to my good friend Hank Carter and to all those who knew him in terms of his work and how hard he has worked on behalf of people, we say to his family, you have our deepest sympathy. If there is anything that we can do, please do not hesitate to reach out.

What a tremendous loss for the Brooklyn community.

THERAPEUTIC RECREATION WEEK

(Mr. THOMPSON of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMPSON of Pennsylvania. Mr. Speaker, I rise today to draw both awareness and support for Therapeutic Recreation Week, which runs from July 11 to July 17. The purpose of recreational therapy is to restore, remediate and rehabilitate, all of which help to improve and maintain the physical, cognitive, social, emotional and spiritual functioning of individuals facing life-changing disease and disability.

This week serves to raise awareness of therapeutic recreation programs, promote these opportunities for those in need, and recognize the dedicated services of certified therapeutic recreation specialists. These specialists are certified by the National Council for Therapeutic Recreation Certification and serve a vital role in helping individuals facing disease and disability and helps them to achieve and maintain independence. Their services are both cost-effective and heartfelt.

Mr. Speaker, I congratulate the caring therapeutic recreation profes-

sionals for their selfless efforts to improve the lives of others, and encourage the public to take advantage of the many programs, workshops, presentations, lectures and receptions hosted in recognition of Therapeutic Recreation Week.

RECOGNIZING THE SERVICE OF REVEREND KENNETH MARCUS

(Mr. GINGREY of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGREY of Georgia. Mr. Speaker, today I rise to recognize the service of a very influential spiritual leader within the Marietta community, Reverend Kenneth Marcus, the Senior Pastor of Turner Chapel A.M.E. Church.

Reverend Marcus came to America from the Island of Trinidad in 1975 to pursue a higher education. He received his undergraduate degree from Morris Brown College and master of business from Atlanta University. He first felt called to preach while in college, and then attended Emory, where he received a master of divinity in theology.

Reverend Marcus is very well respected at Turner Chapel, as he transformed a small church of just over 150 people to a large congregation consisting of over 6,000 members today. Most notably, the African Methodist Episcopal University in Monrovia, Liberia, conferred the doctor of divinity degree on Reverend Marcus in recognition of his impact on the city of Marietta.

Mr. Speaker, Reverend Marcus's wife is also his co-pastor, the Reverend Cassandra Marcus, and I send them both my best wishes.

□ 1900

HONORING THE CITY OF EDEN PRAIRIE: THE BEST PLACE TO LIVE IN AMERICA

(Mr. PAULSEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PAULSEN. Mr. Speaker, I rise to honor Eden Prairie, Minnesota—the best place to live in America. Yesterday, my hometown of Eden Prairie was named by Money Magazine as their 2010 Best Place to Live in America. Of course, the people of Eden Prairie have known this for some time. But being true Minnesotans, we're very modest about our achievements. In fact, you usually won't hear anyone from Eden Prairie brag about our nationally recognized companies that we're home to, our beautiful lakes and rivers, or the miles of hiking and biking trails that run through town. You also won't hear anyone from Eden Prairie that brags about our award-winning schools, the civic-mindedness of our business community, or the friendliness of our citizens. In Eden Prairie, our preference is

to leave that type of grandstanding to others like Matt Lauer and "The Today Show" and nationally circulated magazines with millions of subscribers.

Eden Prairie has been my family's home for close to 20 years. It's the place that I represented in the Minnesota State legislature, and now in Congress—and I can't think of a more deserving honor than being named The Best Place to Live in America.

BEWARE OF SPECIAL SESSIONS

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, if I were tonight addressing the people of this country, I would say: beware of special sessions. We're not going to accomplish much between now and when we get out of here for the election in November. And the reason we're not is because of my Democrat colleagues, many of whom realize that they're probably not going to be re-elected.

And so the President and the majority in this body and the other body are going to wait until the election is over and they're going to call a special session. And when they call that special session, they're going to try to ram through things such as cap-and-trade, which is going to cost every family in this country about \$4,000 more for utility bills. They're going to try to ram through a bunch of tax increases and a whole lot of other things that are bad for the United States of America and all the people in this country.

And so if I were talking to the America people tonight, I'd say: Call your Congressman, call your Senator, and call the President and say, We don't want anything being rammed through by people who are out of office between November and January of next year.

HONORING THE SACRIFICE OF PRIVATE FIRST CLASS CLAY MCGARRAH

(Mr. BOOZMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOOZMAN. Mr. Speaker, I rise today to honor one of America's bravest, Private First Class Clay McGarrah, who sacrificed his life in Afghanistan on our Nation's birthday in support of Operation Enduring Freedom. Private First Class McGarrah, also a specialist in the United States Army, was a lifelong resident of Arkansas' Third District, where he attended Harrison High School. His loved ones describe McGarrah as a hardworking hero before he ever made his free choice to join the United States Army.

In addition to being described as a joy who brought happiness to the loved

ones around him, McGarrah was also extremely patriotic and sacrificed himself for his life's passion for the military and our great Nation. Specialist McGarrah was assigned to C Company, 2nd Battalion, 508th Parachute Infantry Regiment, 82nd Airborne Division in Fort Bragg, North Carolina. He deployed to Afghanistan in June.

Private First Class Clay McGarrah made the ultimate sacrifice for his country at the young age of 20. He is a true America hero. I ask my colleagues to keep his family and friends in their thoughts and prayers during this very difficult time, and I humbly offer my appreciation and gratitude to this American hero for his selfless service to the security and well-being of our country.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

BANKROLLING THE ENEMY?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, a gentleman from my district, Will Bennett of Santa Rosa, recently wrote a letter to the editor of the Santa Rosa Press Democrat and made an excellent point. He noted that Afghan President Hamid Karzai had said of the Taliban, "They are not the enemy. They are the sons of this land." As Mr. Bennett points out, then who is the enemy? "Is this a pretend war," he asks.

How can we possibly win a war in which our chief ally doesn't share our vision of who is the enemy? But then you realize that maybe the U.S. approach to the Taliban is closer to Karzai's than we'd be comfortable admitting. Because in certain respects we're treating them more like a vendor than like an enemy. It turns out our own contracting practices in Afghanistan may actually be putting money in the hands of the very Taliban insurgents we're trying to drive from the country—the very people who are killing our troops, the very organization that provided safe haven for al Qaeda to plot 9/11.

My distinguished colleague from Massachusetts (Mr. TIERNEY) and his Government Oversight Subcommittee recently completed a shocking report based on a 6-month investigation, which provides the details. At a cost, Madam Speaker, of more than \$2 billion, the Pentagon outsources the responsibility for shipping supplies to U.S. troops. And the contractor, unburdened by any meaningful government oversight, has been paying off a shad-

owy cabal of warlords, strongmen, and corrupt officials in order to guarantee security on Afghan roads.

The evidence is strong that the highway warlords are, in turn, paying protection money to the Taliban, who control many of the routes. Mr. TIERNEY calls this, "Warlord, Inc.: Extortion and Corruption Along the U.S. Supply Chain in Afghanistan." And perhaps most disturbing of all, Madam Speaker, is the Department of Defense apparently has long been aware of this and hasn't done a thing about it.

As Mr. TIERNEY points out, at a time when communities here at home are crying out for investment in schools, hospitals, and other infrastructure, it's galling to think that American taxpayer dollars are supporting the kind of thuggery in Afghanistan that is quite possibly endangering our troops. It's bad enough, Madam Speaker, that the American people are being asked to pay for our failed war. Now it appears that they're being asked to pay for the wrong side.

Madam Speaker, we simply cannot sustain a counterterrorism strategy that has us doing business, however indirectly, with the terrorists themselves. It's illogical and it's unconscionable. This is just one more piece of evidence that this war is failing the American people, undermining instead of advancing our national security objectives. It's time for a radical change in our policy. It's time to bring our troops home.

□ 1910

STAFF SERGEANT EDUARDO LOREDO—AMERICAN SOLDIER

The SPEAKER pro tempore (Mrs. DAHLKEMPER). Under a previous order of the House, the gentleman from Texas (Mr. POE) is recognized for 5 minutes.

Mr. POE of Texas. Madam Speaker, it's my solemn honor tonight to pay tribute to an American hero and a son of Texas killed in Afghanistan in service to our country.

Staff Sergeant Edwardo Loredó died in Afghanistan supporting Operation Enduring Freedom. Edwardo was killed by injuries sustained when an IED was detonated near his dismounted patrol. Madam Speaker, IEDs are the way the cowards of the desert fight against our Americans. Sergeant Loredó was just 34 years of age, and it was just one day before his 35th birthday when he gave his life for our Nation.

This great American warrior was born and raised in Houston, Texas. He was an Army Airborne soldier. Edwardo served combat tours in both Iraq and Afghanistan and was with C Company, 2nd Battalion, 508th Parachute Infantry Regiment, 82nd Airborne out of Fort Bragg.

Now the 82nd Airborne Division has had its share of famous soldiers, from

Sergeant Alvin C. York to General James M. Gavin. But the real story of the 82nd Airborne Division is the selfless men like Edwardo Loredó—one of the thousands of paratroopers in jump boots, baggy pants, and maroon berets. They jump out of aircraft loaded with a ton of gear and stare danger right in the face. And if you are looking for peril, you will find our paratroopers there, jumping out of airplanes into the worst hellholes on the planet, finding the terrorists cowering in their caves, taking the fight to the enemy, and treading where the timid dare not go.

You see, Madam Speaker, our Airborne soldiers plant the American flag and say, The American soldier is here to defend freedom and liberty. They go to liberate, not to conquer. And you can point them to danger, and they'll jump right in. They're the Airborne soldiers of the 82nd. They're called the "All Americans," signified by their famous "AA" patch on their shoulder. Their division was first formed by soldiers from all of the 48 States at the time.

Staff Sergeant Edwardo Loredó was one of such American troopers. He graduated from Sam Houston High School and joined the Army shortly after graduation. He met his wife, Jennifer, in the Army. First Sergeant Jennifer Loredó, Edwardo's wife, was deployed to northern Afghanistan when she got news that her husband had been killed in southern Afghanistan.

This fine young couple are examples of the absolute best America has. They sacrificed so much in service for the country that they love. Edwardo called his fellow soldiers his family as well, and he loved the Army life.

Edwardo is survived by his 2-year-old son, Eddie; his 7-year-old daughter, Laura; and his 13-year-old stepdaughter, Alexis.

His family says Edwardo was an adventurer. He was an adoring husband and father, and he loved to cook for his family. America is blessed to have such a rare breed of man who serves as protector to his family and to his Nation.

Madam Speaker, this is a photograph of Staff Sergeant Edwardo Loredó. General Douglas MacArthur talked about such men, and he summed up their service in three words when he said, "Duty, honor, country." Those three hallowed words reverently dictate what these people will be, what they can be, and what they will always be. Staff Sergeant Edwardo Loredó lived those words. He honored his country and his family with his courage and his dedication, and he gave his life for the things he believed in.

It was once said that what we do for ourselves dies with us, but what we do for the others and the world remains and is immortal. Edwardo's sacrifice will not be forgotten by our Nation. Staff Sergeant Edwardo Loredó's name

is now written on the sacred rolls of American patriots who paid in blood for this Nation's freedom and for the freedom of other nations.

Today I offer a grateful nation's thanks and prayers. We are grateful that a man like Edwardo Loredó lived and loved America. My heartfelt condolences to Edwardo's wife and children, his friends and family in Houston, and to the 82nd Airborne family. Today we honor this great American warrior's life and are humbled by his greatest of sacrifices. We are truly blessed to have called Staff Sergeant Edwardo Loredó an American.

And that's just the way it is.

MANY MORE 1099'S FOR SMALL BUSINESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. UPTON) is recognized for 5 minutes.

Mr. UPTON. Madam Speaker, it was a few months ago that Congress passed and the President signed this health care bill; 2,700 pages that I don't think a lot of people read. But if you did read it, you might have gotten to this one section, section 9006, and I will just read it very quickly.

"Expansion of Information Reporting Requirements. In General—Section 6041 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsections:

"(h) Application to Corporations.—Notwithstanding any regulation prescribed by the Secretary before the date of the enactment of this subsection, for purposes of this section the term 'person' includes any corporation that is not an organization exempt from tax under section 501(a).

"(i) Regulations.—The Secretary may prescribe such regulations and other guidance as may be appropriate or necessary to carry out the purpose of this section, including rules to prevent duplicative reporting of transactions."

(b) Payments for Property and Other Gross Proceeds.—Subsection (a) of section 6041 of the Internal Revenue Code of 1986 is amended—

(1) by inserting "amounts in consideration for property," after "wages,"

(2) by inserting "gross proceeds" after "emoluments, or other", and

(3) by inserting "gross proceeds," after "setting forth the amount of such".

(c) Effective Date.—The amendments made by this section shall apply to payments made after December 31, 2011."

A lot of gobbledygook, right? Anybody here know what that means? No, they don't. Let me tell you what it means. That section that I just read, even if you read it before we voted on the House floor, is a requirement that every business in America, beginning

January 1 of next year, 2011, will have to file a 1099-MISC for any transaction that exceeds \$600 during the course of the year.

So what does that mean? You've got a business that goes to Staples. They're going to have to keep track of every transaction that they made. If you buy, as a business, \$50 a month from Staples, you are going to have to file a 1099. If you've got a sales force, maybe they go out to a bunch of hotels or restaurants during the course of the year, you are going to have to find every one of those for all of your employees.

During this recent break that we were home, I met with one of my small business people in Michigan. Last year, they filed 10 1099s. They figure that next year—they have, I don't know, 30 people that work for them—they are going to have to file 350 1099s. Any business transaction that exceeds \$600 over the course of the year, they are going to have to file a 1099.

And what does that have to do with health care? How does that help the employees that are working there? Maybe they will have to hire some more people to fill out the 1099s, and they are going to be covered. Well, that's just crazy. This is a new regulation that's going to be put on businesses. It's going to cost a lot more money. If anything, it's going to take away from folks that have health care in America.

Now, we have some good news. There is a bill. My colleague DAN LUNGREN from California introduced a bill, H.R. 5141, the Small Business Paperwork Mandate Elimination Act. Just on the title, you know what that means versus what I just read at the beginning of my remarks. It takes this away. What the heck are we going to be collecting that information for? Well, somewhere else—I don't know what page it's in here, but of course it calls for the hiring of 15,000 more IRS agents. Maybe that's why they have to hire them, so they can look at all these 1099s that every business is going to have to file.

Now remember, when you do a 1099, it's more than just the amount. You're going to have to go get the Employer Identification Number for every business that you made that purchase. So, as I talked to my Kalamazoo homebuilders the last couple of times over the last couple of weeks, if they just happen to take their pickup and fill up at that Marathon or Speedway station every other week and it's going to be more than \$600 over the course of the year, they are going to have to get that Employer Identification Number and keep track of all those gas records. Think about the utilities, Consumers Energy, American Electric Power, I&M. All of the utility companies will have to do a separate 1099 for every business that they serve if they sell

more than, in essence, \$50 worth of electricity a month to them.

□ 1920

What a nightmare.

Now, some might suggest that this is the first step to a VAT tax. That's right. The IRS now is going to assemble all this information and maybe—and remember, it says it's effective in 2012, but that means you have to start filing beginning January 1, only 5 or 6 months from now. It's the first step. It's the wrong step. We need to repeal it.

RELEASE OF POLITICAL PRISONERS IN CUBA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Ms. ROS-LEHTINEN) is recognized for 5 minutes.

Ms. ROS-LEHTINEN. Madam Speaker, today marks the anniversary of the horrific 13th of March tugboat massacre, in which 41 Cubans lost their lives at the hands of the Cuban regime's Coast Guard.

Risking their lives to escape from the brutal oppression of the Castro tyranny, the victims and the survivors of that attack 16 years ago symbolize the ongoing struggle of the Cuban people to be free.

This anniversary serves to remind the world that the same callous dictatorship that rammed the small tugboat and turned water cannons on innocent Cuban men, women and children so that they could fall and drown to death is the same dictatorship in power today.

This is a regime that trades political prisoners like baseball cards to manipulate public opinion and advance its brutal agenda. Do not be fooled. These are not releases. They are forced exile; means by which the tyrannical rulers in Havana seek to eliminate their opponents. And in forcibly removing them, the regime, yet again, is violating the fundamental rights of these prisoners of conscience.

Having spent years in Castro's dungeons for having the courage to stand up for the basic liberties of the Cuban people, now these brave individuals will be banished from their homeland, courtesy of the dictatorship and its accomplice, the Spanish government.

Faced with this prospect, nearly a dozen of the prisoners of conscience reported to have made the list have already expressed their refusal to leave the island upon release, including Dr. Oscar Elias Biscet, a 2007 recipient of the Presidential Medal of Freedom.

Years ago Dr. Biscet wrote to his fellow comrades, his countrymen, of "a movement of complacency," to use his words, a movement that, and I quote him, "tries to make Cubans devoted to freedom believe that they should applaud and be content with receiving

limited doses of freedom, a movement which suggests that we Cubans do not deserve total freedom, but only small tokens of it. This movement of low expectations speculates that other fragments of freedom and democracy will automatically follow it."

While some will use this latest farce to reward the Cuban regime, those who truly support freedom and democracy will heed the wise words of Dr. Biscet.

It is no coincidence that this latest scheme promptly follows recent legislative efforts to provide an economic lifeline to the Cuban dictatorship. It is no coincidence that Fidel Castro chose this weekend to make his first public appearance in years, or to do a television interview on the Middle East to praise the enemies of freedom while attacking our democratic ally, Israel.

But this is not the first time that the regime has used political prisoners as pawns in its pursuit of infinite power. In 1978, the regime released 3,600 political prisoners in exchange for the Carter administration's easing of sanctions on the regime. Then 26 were released for Jesse Jackson in 1984, three for Bill Richardson in 1996, another one for former President Jimmy Carter in 2002, and 80 for Pope John Paul II in 1998.

No sooner were these political prisoners freed than the cells once again were then filled with those seeking freedom from Castro's tyranny.

With a recent visit from Syria's dictator and longstanding ties with fellow state sponsor of terrorism, Iran, the tyrants of those rogue states are likely sharing trade secrets on how to best manipulate foreign nations to serve their own nefarious purposes.

Syria, like Iran, is seeking nuclear capabilities, other nonconventional weapons, ballistic missiles, and it actively supports Islamic extremists.

Similarly, Cuba provides safe haven to known extremists from around the world and continues to publicly defend violent organizations such as the FARC in Colombia.

The anti-American, anti-democratic, anti-freedom agenda that these dictators have in common presents a threat to our U.S. national security interests.

Let us not be fooled, Madam Speaker.

For the sake of all those who have been victims of the Cuban tyranny—including Americans like Alan Gross and the members of Brothers to the Rescue murdered by Castro's thugs in February 1996—the United States must not, and cannot, fall for this latest façade by the Castro regime: Until all political prisoners are liberated; all political parties, labor unions, independent media are allowed to operate freely; and, all Cuban people are able to fully exercise their universal rights, maximum pressure must be exerted on the Cuban tyranny.

UPHOLDING THE RULE OF LAW

The SPEAKER pro tempore. Under the Speaker's announced policy of Jan-

uary 6, 2009, the gentleman from Texas (Mr. CARTER) is recognized for 60 minutes as the designee of the minority leader.

Mr. CARTER. Madam Speaker, while these young folks are setting this up for me, I want to start off tonight by talking about what we've been talking about in this hour now for close to a year, and that is that the United States is a Nation of laws, not of men. It was designed by our Founding Fathers to be such. It is something we are proud to be a part of. It's something we are proud to step up to the plate and say we defend because we believe that the rule of law is more fair than having individuals set their own rules as kings and dictators do. And so, the rule of law is a sacred part of our institution.

We say that the people will elect representatives to represent them in this Congress and in State legislatures across the country and other legislative or quasi-legislative bodies to speak on their behalf, to vote on their behalf, and to set up laws and rules which establish what a civil society will be and what we will consider right and wrong in our world.

This is a simple concept, arguably, a biblical concept going back for centuries and centuries, in fact, thousands of years. There have been sets of rules in every society, every culture, and every religious background, sets of rules that are established that allows society to function.

The rule of law is important to America. In fact, it is the underpinning that allows me and other folks like me who are blessed to be able to serve in this Congress, allows us to do this job because we stand on that rock, that the law in this country is something that we enforce.

In fact, we take an oath to preserve and protect and defend the Constitution of the United States against all enemies, foreign and domestic. And we take that oath freely because we're saying, the basis of our legal structure, the ground rock of the rule of law, is the Constitution of the United States, which was adopted by this country and formed our Nation as we presently know it.

So we've been talking about that Members of Congress, administration people, and others need to be dealt with in the light of the rule of law, and when there are questions that should be raised, they should be raised publicly.

And so tonight, as I've done on many occasions in the past, I'm going to talk about some things that are concerning me, concerning others who care about the rule of law. I hope to be joined by some of my colleagues here tonight.

But to start off with, I'm really concerned about what's being reported by the Obama administration, with the political backing of the Democrats in this House.

□ 1930

We are arguably seeing one of the most lawless political crusades in American history. Blatantly, this administration has violated both the spirit and the letter of the law in advancing a theory of European-style socialism on State governments and on the unwilling people.

The administration's ignored two Federal court orders that have just come out, and have ignored both of them now, saying that the drilling ban in the Gulf of Mexico is arbitrary and capricious and wrong, and ordering the United States and the Secretary to withdraw and lift that drilling ban. And yet the minute these two courts, both a Federal district court and a United States court of appeals, the 5th Circuit Court of Appeals, told this administration, this President and this Secretary, that they were to lift the drilling ban and save the between 140,000 and 250,000 jobs that are connected with that industry along the entire stretch of the Gulf of Mexico, that it was arbitrary and capricious to ban all drilling and it should not be done, they immediately amend and reissue another drilling ban in the face of that court.

The administration blocks Louisiana's efforts to proceed to fight their own environmental fight by trying to throw up a little small rock barrier and a sand barrier to maybe keep the oil from getting into the marsh. It's bad enough when this oil stacks up on the beach because it makes tar balls, and it makes nastiness on that beach. It makes that beach very ugly. But you know what, it just gets on your feet and gets your feet dirty, and it just picks up.

But when it goes in the marsh, when this oil goes in the Louisiana marsh, it affects an entire ecosystem that has to do with our shrimping industry, our oyster industry, our fishing industry. It has to do with the ecosystem of the entire State and the Gulf of Mexico because there is a lot that flows in and out of that marsh that has to do with the ecosystem of the gulf. And when oil gets in amongst those grasses and amongst those habitats, it kills. On the beach it probably causes some terrible environmental impact, but nothing like going into those marshes.

So Governor Jindal says let's do something about it, and our administration blocks it. And international companies call out and say we have material to help clean up, and the administration refuses to allow them to come.

The administration refused to allow the United States Senate to conduct a single hearing over the appointment of Dr. Berwick to head Medicare at the same time that this Congress and the President plan cutting Medicare by \$50 billion, and putting a man in charge of Medicare that there is a lot of ques-

tions that should have been asked by the Senate. But using a recess appointment, which is legal, it's legal, but in the face of what's facing Medicare and in the face of the conversation we just had earlier with Mr. UPTON about the massive burdens that are going to be created by this ObamaCare bill that has now been signed into law, and just the burdens on industry and business that are going to be put on there for really no good understandable reason, you've got to ask the question why you put a guy in there who says the things that Mr. Berwick has said and then don't allow the Senate to ask questions about that. I think that's something we ought to be concerned about.

We have a Supreme Court opinion, a recent Supreme Court opinion, that protected certain First Amendment rights of free speech, and this Congress and this administration immediately brought to this floor and shoved through on a partisan vote a bill called the DISCLOSE Act, which gives special free speech rights to some and bars other groups from having the same rights, which is in the face of a Supreme Court opinion that's taken place this summer. And so you have to say what is it about "no" that you don't understand? But you know, this is the way we are operating.

This administration has filed a lawsuit against the State of Arizona to try to block them from enforcing their laws and Federal laws with specific provisions against discrimination in any form or fashion, and profiling in any form or fashion, but to just try to save their State from the invasion that happens nightly and from the slaughter of American citizens that has happened over the last couple years, and the multiple slaughters across the border.

The administration's refused to defend the Republic against the most egregious violations of voting rights since the Civil Rights Act was passed. And we all saw them on television. It's kind of like we used to wonder how you were going to get the guy that shot Lee Harvey Oswald, ever get him a fair trial when the whole world saw the shooting on television. Well, the whole world saw these two guys, one with a club, standing out in front of a polling place, intimidating voters. And yet this administration says that they don't see any harm in that, and they are not going to enforce it.

So we are going to go through some of these things tonight and talk about them. And the first one I just brought up: the voting rights violations are ignored. Attorney General Eric Holder, who is right now very proud to be out suing the State of Arizona, dropped the case that, hey, I will ask you, if you can see this clearly, if you will look right there, you will see a club or a shillelagh or a baton, but it is, if you go down to the gun store you can buy that weapon. So it's clearly a weapon.

Then if you would watch the film, you would hear the intimidating language that's going on there, and yet this is dropped. And it's a blatant voting rights violation. Refused to sentence the Black Panthers to default judgment. These guys were sued and didn't even show up. And it was a default judgment got against them, and then they dropped it. They didn't even have to work to get something against these guys. These guys lost. I mean, a fresh-out-of-law-school, brand-new lawyer can handle a default judgment and get recourse against these people. But the Justice Department chose, after these guys defaulted in the lawsuit, to drop the suit. I think this is a blatant disregard of something.

Civil rights is an issue that when we say the term "civil rights" of course we remember what developed in the sixties, of course we know where it came from. Of course we know it had to do with the treatment of African Americans in this country initially. But it was not written just for African Americans. It was written for Americans, every kind of American. And then an off-shoot of civil rights is the Voting Rights Act, which protects every American's right to freely vote.

Now, if two guys dressed in paramilitary uniforms, carrying clubs, are standing in front of a polling place and intimidating people and making them afraid to go up to that polling place, why in the world wouldn't it be the duty of our Attorney General, the man who is sworn to represent us in this type of law and to represent us being the American people and the Federal Government, why wouldn't they pursue this?

And that's why I say this is blatantly avoiding, ignoring, of not doing your job and doing your duty to this country to preserve the laws.

□ 1940

So if one man, Eric Holder, makes the determination—and maybe a couple other lawyers in the office, I don't know. There are a whole bunch of them over there. But if he made the decision not to enforce this law, is that a rule of law or is that a rule of men?

Now, you'll hear prosecutors say every prosecutor determines what's a good case. That's true. But they have a civil suit already that they already won, okay. I mean, they didn't have to do anything but take it to judgment, and they didn't do it—much less go prosecute the other violations under the Civil Rights Act.

So you have to ask yourself: Is this the rule of law or the rule of Eric Holder? And if it's the rule of Eric Holder, then it's not what this country is designed to be. It's not designed to be the rule of Eric Holder. It's not designed to be the rule of Barack Obama. It's not designed to be the rule of George Bush or any other President or leader

of this country. It's designed to be the rule of law. And this body has an awful lot to do with what is in that body of law that's called a rule of law.

And if we are going to arbitrarily and capriciously make changes or choose how we're going to enforce the law, I would argue that we're going down a slippery slope, and that slippery slope could lead to real disaster for this country, because if Eric Holder made this decision based on some personal decision that he has, what's to prevent the next Attorney General to have a different personal opinion and avoid some other law that's important to the rights of the American people? I don't know.

So it's the Office of Attorney General we need to be talking about. And what's their job? And I would argue their job is to enforce the law. And if there is any question as to whether or not this is intimidation—and I would almost guarantee you there is—that's for a jury or a judge to decide in a court of law; not for a group of lawyers sitting around a back room someplace deciding which group you want to protect. That's not the way it's supposed to work.

I would hope that the Attorney General will be taking another look at this. And if he thinks there is any way anybody could think this guy with a club is intimidating somebody under the Civil Rights Act, then let a trier of fact make that decision and do your job and present your case in court like a good lawyer should, and let's find out just what the courts that we trust with these decisions have to say about it. I'll accept that. I think that's right. That's the way it's supposed to operate.

So there's one blatant avoidance of the law.

Now, let me start off—because I like to be straight as I can be. To do a recess appointment—it's been done in the past. I can certainly tell you the last administration did it. Other administrations have done it. Using that method is not what I have a concern about because the President absolutely has the right to do it.

Now, he picked sort of a brief recess but, hey, that's okay. It's been done on brief recesses in the past. So that's all right. I'm not complaining about that.

But one of the things we've got to ask ourselves is, when the President of the United States told the American people what was in that 2,500-page bill that NANCY PELOSI said we were going to have to pass so we'll find out what's in it because she didn't know and neither did anybody else in this House, now we're getting to know what's in that bill.

But the promises that were made by the administration were a lie. And one of those promises was there are no death committees. There's nobody going to be deciding your life or death.

Nothing in this bill is going to create or have someone in charge that's operating this bill that believes that rationing your health care and making decisions about whether or not you get treated—that's what we were promised. The President of the United States himself told us that on multiple occasions. And not only the President, but almost everybody that represented what was in this bill said, We're not in the business of rationing health care. This bill's not going to ration health care. That's what they said. That's what they all told us.

Now, who's this guy Donald Berwick who's now been put in charge of Medicare and Medicaid? He's a proponent of the British health care system and believes in rationing your health care and redistributing wealth. What he said, and if you watch—I know it's on FOX; I hope it's on all of the channels, his statement about how he viewed health care. He basically said health care, by its very nature, requires you to have some form of rationing and a redistribution of wealth from the more prosperous to the least prosperous. It's the very nature of the beast, he said. He told us rationing health care is inevitable.

Now, wait a minute. We were promised by the President of the United States that we were not talking about rationing health care. Why would the first guy put in charge of this be a guy who publicly endorses rationing health care?

You know, I was talking about rationing health care back home, and I was surprised to learn that people didn't get the whole concept. So let me give you an example, okay, and I've given this example before.

My wife was born and raised in the Netherlands, in Holland, where they have socialized medicine and have had socialized medicine since the Second World War. My mother-in-law, who lived a long time—into her nineties—she lived under a system of socialized medicine. And she was healthy enough and so desirous of seeing her grandchildren that, even when she was really struggling with a lot of health issues, she still flew to the United States to be with her grandchildren and to be with her daughters. She's got a daughter here and a daughter in Florida. My wife's one of her daughters.

My mother-in-law, back when she was in her mid to late eighties, was suffering from anal polyps—not a pleasant thing to talk about—and she was having a lot of bleeding issues, and she went to the health care people in the Netherlands. And when she came to the United States, she was still—she'd been treated with a drug that they gave her for almost a year, and it had not changed her situation at all. Very embarrassing for a very nice woman to have this situation.

So we took her to a Dutch doctor that we knew that worked in Austin,

Texas, and spoke Dutch, and we had gotten to be friends with him. And he went in and talked to my mother-in-law about it, what it was, and when he came out he said, You know, he said, this is a shame. They're treating your mother—he's talking to my wife—with sulfa drugs. Now, we haven't treated people with sulfa drugs since the Second World War because we have antibiotics. And sulfa drugs were our drugs of choice in pre-antibiotic days, but at a time when you're 88 years old and it costs the system a lot of money for antibiotics to fight this bug, just treat the old person with sulfa drugs because, quite frankly, she's not worth the investment. That's rationing.

So being in the United States of America, the doctor immediately prescribed two antibiotics. Two weeks later, my mother-in-law was cured after a year of suffering with this situation. That's rationing. That's a governmental agency making a decision what drug you get for your illness.

And we've got a guy that we just put in charge of the health care for our elderly and the health care for our poor, Medicaid. So our needy and our elderly are now under the charge of a man who says a health care system, by its very nature, has to have rationing in order to be fiscally able to function; in other words, in order to pay the bills. And we have been promised that this wouldn't happen.

So what rule am I saying this is a violation of? It's not a rule that—they followed the rules. But it's the spirit of the thing, that the Senate should have been able to at least ask a few questions about these statements which were promised weren't going to happen. And I think the American people deserve to have those questions answered, so that's something else.

We have had one of the worst, if not the worst, environmental disaster in the history of the United States on British Petroleum's poor management and poor operation of their offshore drilling resulting in an oil spill that is catastrophic.

□ 1950

We are in like the 95th day of that oil spill right now. We have a new procedure being worked on as we speak and we're hopeful it will help. But it doesn't matter. We have poured millions of barrels, not gallons but barrels of oil into the Gulf of Mexico; and the consequences, we are beyond thinking about.

But one of the problems is the action of the Obama administration because of this one leaking oil well. Now, it is kind of interesting that the United States has drilled, according to what they are reporting today, 42,000 plus oil wells in the Gulf of Mexico, and the United States, the United States drilling area, has had one drilling mishap, and that's the one we're dealing with

today. One in 42,000 is what the record is, right now.

So the question is, what should we do about it? Well, I would argue, and this is not hard stuff, plug the well, which has got to be done a certain way and I think they're ultimately going to do it. I'm not pleased with their performance. And secondly, under the Oil Spill Act, the Federal Government took control of oil spills. We have a written law, the Oil Spill Act, and it puts one person in charge of making sure that all the resources of America, and anywhere else we can get, I would argue, are to be put in to clean up that mess. And under the Federal Oil Spill Act, the President of the United States is in charge of that. It's his jobs. BP's got to stop the oil drilling and they've got to pay damages, but the United States has got the duty under the Oil Spill Act to clean up the mess. And they have a way to try to collect on who will pay the damages. I'm not talking about a damage issue. I'm talking about who says to clean up boat number 5, go out there and clean. How about you number 10, go clean. Number 100, go clean. Number 1,000, go clean. Who says that? The Federal Government does that.

Okay. We are close to 100 days into this oil spill and the responsibility for the cleanup belongs to the Federal Government. Now what is the solution that our administration, the Obama administration, has come up with? We're going to put an oil drilling moratorium and shut down all oil drilling in the gulf. Later they tried to amend it to make it deep water only. But what happens when you do that, when you say the power of this government says stop drilling, what do the people who are in the gulf do? Stop drilling.

Now I can't tell you the number of drilling rigs we've got in the gulf, but it's a lot. Deep water, we have in the twenties or thirties or forties out there, in deep water. Those are the big expensive drilling rigs. But all of them cost a lot of money, even the shallow water rigs. We shut down drilling in the gulf, started making accommodations for the shallow water people, but interestingly enough, since that occurred, nobody, not one person, has been issued a permit to drill out there. So they may have told them they could drill but they haven't issued them a permit to let them drill, so, quite honestly, nobody's drilling.

Now what this means to the economy of the Gulf of Mexico, Texas, Louisiana, Mississippi, Alabama, possibly portions of Florida, is that a lot of people are going to lose their jobs. The public number that they're giving out is 140,000, but that I believe is the number that was determined in Louisiana alone. I asked the question of a person very knowledgeable at the Chamber of Commerce in Houston, Texas, what they thought this—what could ultimately

end up as a permanent ban out there, or at least a long-term ban—will do to Houston, and they said 250,000 jobs.

Now is this what you do in a time of recession? At a time when unemployment is at record numbers? I don't think so. But they did. They issued a moratorium. And they were taken to court. And the Federal district court said, No, lift that moratorium, this is arbitrary and capricious, and it is the wrong thing to do. Lift it. Well, of course, not being willing to take no for an answer, they took it to the appellate court, Fifth Circuit, in New Orleans. Lo and behold, the Fifth Circuit said, No. The trial court is right. It's arbitrary and capricious. Lift that drilling ban. You're doing harm by having that drilling ban.

And Secretary Salazar steps up, makes a few adjustments to zero in on some deep water rigs, floating deep water rigs, and issues another moratorium. Now first, I think there are probably a bunch of judges both on the Fifth Circuit and in the district court that ought to be asking Mr. Salazar, "Secretary Salazar, excuse me, sir, but what is it about no that you don't understand?" I have asked that of lawyers who argued in my court from time to time, and I think that question ought to be asked: What is it about no that you don't understand? We've told you this is an arbitrary and capricious and way beyond the scope of what you should be doing here and you're doing it anyway. Why don't you understand the word "no" when people you are supposed to be answering to are telling you no? I think that's a question that's valid, and I think that's a question that we as people who defend the rule of law, we ought to be asking that question. I don't think we have an answer, but I do know what they did. They issued another moratorium.

Now those who would defend the moratorium would say, yeah, but they've lightened it each time. The issue is at some point in time until the playing field is cleared, the people who operate those rigs don't know if they're in trouble or not in trouble if they start to drill. They don't know. Because this keeps in the court system.

See, one of the real crimes that happens in this country and happens in every part of the country now, even including politics, is we use our courts as a weapon, sometimes when we really have no real position in law that would allow us to do so. We used to have a saying back where I come from that any idiot can file a lawsuit. All he's got to do is have the price of the filing fees and directions to the courthouse. That doesn't mean it's a good lawsuit, but defending that bad lawsuit can be so economically depressing to whoever's getting sued that ultimately that becomes a weapon, and even though they would have won if they had contested,

the cost of contesting it becomes a weapon.

Well, now in this case, they've gone to court. They've been told by the court it's arbitrary and capricious. They've been told by the appellate court it's arbitrary and capricious. They've done it a third time. Now if you're a driller sitting on a drilling rig that costs somewhere between a half a million and a million dollars a day just sitting there and not operating, if you are that owner operator of that drilling rig, do you know if you can drill the day after the district court ruled? No. Because you've got the appellate court. Do you know you can drill after the appellate court ruled? No, because they've issued another moratorium.

Now eventually that guy that's running that rig says, you know what, this is costing me somewhere around a million bucks every 2 days. I can pick this thing up and I can go over as I believe was announced by a group, Diamond or something like that, Diamond drilling rig, Diamond offshore drilling pulled their rig out today and moved it off the coast of Egypt.

Well, why wouldn't you? Is it good business to lose half a million dollars a day? Because people are clouding the waters so much or clouding the environment so much that you don't know whether if you start drilling, they're going to come drag you off and throw you in jail for violating a moratorium. I mean, that's why the drilling rigs aren't drilling. That's why they're pulling out and moving to other places. So at least Diamond is going off the shore of Egypt. Others will move off the shore of Australia. Others will move off the shore of Europe, into north Africa. Others will move off the shore of Libya; off the shore of Brazil.

□ 2000

Now, what is wrong with this picture? What is wrong with this picture? We all attach to the same oceans. The rest of the world is drilling. And we have had two courts of jurisdiction say, no, you can't have a moratorium. Why do we have a moratorium? Because I would argue that Secretary Salazar is ignoring the courts and ignoring the rule of law, and we ought to be concerned about that.

It has nothing to do with defending British Petroleum. They ought to get hammered every way they can get hammered, because they actually did some very bad business practices, it is going to prove out, I think. But we will have to see the proof. But still they have to pay for the damages they have done, which they have agreed to do, by the way.

Let's talk about another issue that in Texas at least is on our minds 24/7, and that is the issue of what is going on at our borders. President Barack Obama made a speech about 10 days ago that specifically raised this issue of immigration. He talked about we needed to

do a comprehensive immigration plan and that we were defending our borders better than we have ever defended them, ever; that we have improved the situation greatly.

In the interest of fairness, I would argue that maybe he should have mentioned that the day before he made this announcement that there had never been a better defense of our borders, automatic weapon fire hit the city hall of El Paso, Texas, fired from across the border at city hall. I think at least in the order of fairness, we should have known that, well, except for maybe the fact that for the first time since 1919, the City of El Paso has been fired upon from across the border.

By the way, in 1919 when they did fire across the border, the American troops went across the border and cleaned out Juarez, in fact chased Pancho Villa, and they all came from right there at Fort Bliss, and we are sitting with 24,000 experienced combat soldiers at Fort Bliss right now. I am not saying he should have called them out. I am just saying let's paint the picture accurately.

Even if it is true that we have got more resources on the border than ever, and I think there is something to that, we have also had a massive escalation of what is going on across the border from our southern border States.

The cartels that promote and sell various sorts of drugs, and being an old judge I have tried more drug cases than 10 times the number of seats there are in this room, but I can tell you that when the cartels moved to the Mexican border, especially that strip of border between El Paso and Brownsville, we have got two, arguably three cartels fighting for who will control that area. Each of the two major cartels formed hit squads, separate organizations like Murder, Incorporated, when they used to talk about the Italian Mafia, and these groups became the murder squads, going out and killing not only other cartel members from the opposite cartel, but also killing Mexican police officers and Mexican army military people, Mexican civilians, kidnapping Americans, et cetera. Now those hit squads are thinking about becoming cartels themselves, so we have a real Wild West shootout going on across the border from where we live.

Now, I didn't mean that to be humorous. But the week before the firing on the El Paso city hall, 21 people were killed in one day in Juarez, Mexico, in gun battles. I am sorry, but if you will check Afghanistan and Iraq, the number of days that 21 people were killed, there were very few, in one day. So arguably we have got a situation in a city of almost 2 million people directly across the Rio Grande River from the State of Texas that is frightening. It is frightening.

Senator JOHN KYL says that President Obama told him, the problem is, if

we secure the border, then you all won't have any reason to support comprehensive immigration reform. The White House denies that. Senator KYL sticks with his story. I don't know. But the issue that we really need to be talking about is defending our border, and I would say we are refusing to defend our border.

Arizona enacted a law to actually enforce the immigration laws the Federal Government has failed to enforce. Attorney General Eric Holder and the Obama administration have filed a lawsuit against Arizona saying it has no right to enforce that law. This is going to be a question that is going to be settled by the courts. How many times have I said on this floor I respect the decisions of the court? So we will certainly see how it comes out.

But why did the Arizona legislature and the Arizona Governor put this law forward? And why, by the way, did they take this law and track, according to multiple experts, word-for-word the enforcement provisions set out in the Federal law as far as the actions of Federal agents and what they can and cannot ask someone? Why does it track word-for-word the Federal law? Why did they pass this with specific provisions saying that we will not do any kind of profiling of any sort, racial or otherwise, and it can only be done as a result of a lawful stop on other matters, can you ask a question about the immigration status of the person you are talking to, or what country they come from.

So, you say, why did the legislature pass this? Why is the Governor stepping up and doing it? Because they have been begging in Arizona, please, come help us. You guys are not stopping this flow of people.

We had a rancher brutally murdered in his own living room for standing up to these drug lord caravans coming across the border bringing people and drugs into the United States. And the guy, all he did, he was out on his land, he told these people, you are not supposed to be here. And they killed the guy.

In Texas, we have a river between us. They have a barbed wire fence between them and Mexico, and we have got a river between us.

I have friends, I talked to a good friend of mine, a former county commissioner in my home county, who told me that at his place at Carrizo Springs down close to the border, that he leaves food and water out for people because he doesn't want them tearing the place up. He leaves the place unlocked because there used to be mostly economic people looking for a job coming through there and all they wanted was something to eat and something to drink. But now these thugs are coming across the border stealing everything not nailed down and tearing the place to shreds, these lawless people that come across our border.

□ 2010

Now, maybe that's why the State of Arizona has said, You know what? You guys in the Federal Government are not doing your job. We're going to help. And I haven't heard anybody say that if they ask someone, Are you an American citizen, and they say, No, I'm from Guatemala, or whatever, and they say, Well, we're going to call the Border Patrol. At that point, that's where their participation stops, the way I understand it.

Whether the Border Patrol is going to do their job, well, that's going to be a whole different issue. But it's going to be decided by the courts. But I just think really and truly the real solution to the Arizona problem is for the Federal Government to enforce the laws that are on the books. The laws are on the books right now.

And I was thinking about this coming over here tonight. I will make a slight presumption, but it's not much of a presumption, that possession of cocaine in Arizona is against the law—especially large amounts. I would make the presumption that possession of marijuana in Arizona is against the law. I think there's a good presumption by an old judge from Texas that possession of heroin in that State of Arizona is against the law. I do think under those circumstances, if those are written into the code, which I presume they are, they are probably felony cases of a serious nature. I think that carrying automatic weapons, fully automatic weapons, is both against the Federal and the State law in Arizona. I'm pretty sure. I know they are in Texas.

Now, if people are coming across our border armed with AK-47 weapons, backpacks full of drugs, marching in caravans, in many cases dressed in uniforms—paramilitary uniforms—marching into the public lands of Arizona and I guess turning over to some motorized operation they want to that takes it and spreads that filth all over the country, the State of Arizona has the right to enforce, if nothing else, the drug laws of Arizona. And I would argue if they don't have the resources to stop this epidemic of violence and drugs and prostitution and smuggling of individuals from every part of the world into our country, if there's not enough law enforcement personnel to put on the ground to enforce those laws, which they have absolutely the right to enforce, they ought to be able to call out the Guard to do it, as long as they abide by the posse comitatus laws.

So this is just after you have caught the drug dealer with a pack full of heroin and an AK-47 on his shoulder. How bad is it to ask, Oh, by the way, are you an American citizen? I don't know. First off, you don't have to call the Border Patrol. Throw them in jail and prosecute them for violation of State

law. So this thing is kind of out of whack a little bit, by my way of thinking. But the real shame to me is suing Arizona.

Finally, we spent almost a year and a half talking about, dealing with, and behind closed doors, writing of the majority party's bill for health care reform. And in that bill we basically mandate that the government will tell people what product they will buy and how they can buy it from. As a result, the individual mandate extends the commerce clause power beyond the economic activity to economic inactivity. That is unprecedented. In other words, what they're saying is, If you don't buy this product for your employees, you're going to be punished with a \$2,000 fine. And the question becomes: Is this commerce as the commerce clause of the United States is written?

Basically, we have expanded the Federal Government probably farther under the commerce clause than any other single clause in the Constitution. And now, using the commerce clause as an argument, the argument in here is that you can make an employer buy a product sold by a company or your choice of companies, or if they don't buy it, they get fined. And the question is, Where does that stop? If that's the law, why can't we make everybody buy a Chevrolet? I don't know. Why can't we? If we can make them buy Blue Cross or some other company's policy or be fined \$2,000, why can't we say everybody that buys a car in America next year has to buy a Chevrolet or a Buick or a Ford? Let's not get in trouble with the auto manufacturers. Or, I don't care what. You have to buy one or they pay a \$2,000 fine. If they can do it on health care, they ought to be able to do it on automobiles, shouldn't they? Where does it stop? That's the kind of issue we've got to ask ourselves as we look at this.

Never before has the Congress used its commerce power to mandate that an individual person engage in an economic transaction with a private company. Regulating the auto industry or paying cash for clunkers is one thing; making everyone buy a Chevy is quite another. This is in *The Washington Post*.

But the real question we have to ask ourselves is: How are we marching over human rights in this country, individual rights—the real thing that sets us apart from the rest of the world? How are we stepping all over people as a government. And shouldn't we be concerned about stepping all over people? And I've lost count, but I know it's in the teens of people who have filed lawsuits against the Federal Government in at least two jurisdictions, and maybe three, saying this is unconstitutional; you can't do this.

Shouldn't we be thinking about all this? Shouldn't we wonder if the rule of

law prevailed in other parts of that 2,500-page document we call the ObamaCare or health care bill? Because when we wrote that bill, we created some of those laws that are the rule of law. And the rule of law has to comply with and be supported by the United States Constitution, because that's the rock we build our laws upon.

So as we finish up talking today about the rule of law, I bring these issues up so that this House and others can ponder them and say, As we continue to march down a corridor which steps all over the rule of law, where does it stop? And where do we stand up and say, Wait a minute, that's not right. Wait a minute. When a court tells you something and orders you to do something and then you appeal it and the appeals court tells you the same thing, then what is it about "no" that you don't understand? When Governors are trying to save their environment, why are you getting in the middle of their business and not letting them build a berm. Why aren't you helping them?

We've got issues we've got to talk about as far as the overreaching of this Federal Government, and I think we will. I think we will be discussing them this fall in a pretty serious manner.

Madam Speaker, my time is almost done. I thank you for the time you've yielded me tonight.

I yield back the balance of my time.

□ 2020

THE COUNTRY'S ECONOMIC FUTURE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentlewoman from Florida (Ms. WASSERMAN SCHULTZ) is recognized for 60 minutes as the designee of the majority leader.

Ms. WASSERMAN SCHULTZ. Madam Speaker, it's a privilege to join my colleagues on the floor this evening to talk about the future of our economy and the new direction that we, the Democrats, are moving this country since taking over the Congress. We will plan to spend the next 45 minutes to an hour talking about where we've been and where we are at this point and the opportunities that we have to continue to go. My colleagues and I will talk about the progress that we've made and the efforts that we've employed to try to create jobs and turn the economy around.

We feel really excited about the accomplishments that we've made thus far. We have only to look back to the month before President Obama took office in January of 2009 to see at that point the economy having bled 700,000-plus jobs. Fast-forward to June, now July of 2010, and we are now adding, on average, between 125,000 and 200,000 jobs per month. And those are private

sector jobs. We also have the addition of public-sector jobs through the census. But consistently month after month, particularly starting at the beginning of this year, the economy has consistently added private sector jobs, and that is incredibly important. We know that the way we're going to continue to turn our economy around, the key to our economic revival, is through job creation.

We can attribute much of the success and much of the turnaround that has occurred thus far to our passage of the American Recovery and Reinvestment Act last February. We know that the \$787 billion stimulus package that we passed injected badly needed resources into the economy. But, Madam Speaker, it also injected badly needed capital in the form of tax cuts for the middle class and for working families, and that's something that doesn't get talked about enough.

We do talk a whole lot about job creation, but one of the keys to job creation, we know, is stimulating the economy through tax cuts targeted towards the middle class, working families, and small businesses. We have really endeavored to make sure that we've struck a careful balance and the right balance between stimulating the economy by injecting the badly needed resources and also generating the tax cuts that we know are the lifeblood of so many small businesses, for them to have the capital available to be able to make the investments that they need in the infrastructure of their businesses so that they can have the wherewithal to add new hires and create more jobs.

And that's something that, if you compare and contrast the priorities of the previous administration to the priorities of the Obama administration and our leadership under Speaker PELOSI and the Democratic leadership here in the House of Representatives, the priorities back in the Bush era were, again, a return to the trickle-down theory of economics; that if you focus tax cuts and if you focus all of your attention on the wealthiest Americans, on the largest corporations, then somehow that largess will flow downward through the economy and, you know, "rising tides lift all boats." Except in this case, we know that that policy sunk the boats and, instead, we capsized a whole lot of small businesses in the water; and now we have been engaged in a really significant effort to try to right those ships and get the economy back on track. We're excited about the progress that we've made, but we also recognize that we have a long way to go.

There are a number of things that we are going to want to focus on tonight. Let's just look at the weekly economic update just in the last week and in the last month. If you look at employment, the private sector in the month of June

created an additional 83,000 jobs, and the unemployment rate continues to fall. It fell to 9.5 percent. That's the sixth straight month of job growth in the private sector, and the fall in total unemployment reflected a decrease in our temporary census jobs. We added 9,000 manufacturing jobs in June, and that is the 11th month in a row that we have added manufacturing jobs.

So the progress that we're making is evident. We need to be able to continue that progress and not get too timid or gun-shy while we balance our priorities and make sure that we can focus on getting the jobs done.

The June jobs report was another reminder of just how far we've come since last year and how much work remains to be done to stop the free fall. The President and Congress took strong and immediate steps in the Recovery Act and put those people back to work after 22 straight months of job loss before President Obama took office. We now have seen our economy create private sector jobs for the last 6 months in a row, and we need to make sure that we can continue that recovery.

We're moving in the right direction. We know it's not fast enough, but that's why President Obama is fighting for additional steps to speed up the recovery and keep the economy growing. And he and we have made clear that creating jobs is our top priority.

Another priority, for example, in a State like mine, in my home State of Florida, particularly in south Florida, is making sure that we can get lending kick-started again and make sure that folks who are struggling to be able to make their mortgage payments and remain in their homes still have the ability to do that. We have been very focused, and the administration has been very focused on creating programs that will help keep people in their homes, that will give banks and banking institutions the opportunity to work with homeowners so that we don't see masses of individuals out on the street and continue the flood of housing that has become available on the market as a result. So we have a lot of things to think about.

I am joined tonight by several of my colleagues, the first of which is my colleague from Houston, Texas, who has been a long-time Member, focuses on the needs of her district like a laser beam, and has talked quite a bit about the need for job growth. She is struggling in her community, as a fellow Gulf Coast Stater, dealing with the aftermath of the BP oil spill, my good friend, Congresswoman SHEILA JACKSON LEE.

Ms. JACKSON LEE of Texas. I am very glad to join multiple friends from a number of our great States in America. But more importantly, I am glad to be part of the team, working with the Congresswoman, our leadership, of

course, and the President that focuses on creating jobs for Americans. That's an exciting message for all of us.

And I am very delighted to sort of dash the misstatements that have been going on about what we have accomplished here, and if I might just be redundant and cite the fact that the private sector has created 83,000 jobs in June.

But I would like to add something else, Congresswoman. I think you have seen this number as well, that this has been one of the best quarters for corporations in terms of profits. It is well known, and of course many of us encourage individuals to save money and to invest. But I think it's particularly important for the American public to know that our corporations have money. We've created the right economic atmosphere for them to grow, but they've decided to not create all of the jobs they could. And I would just like this evening to congratulate them for the profits that they've made, but I want them to be inspired to create jobs for the American people because the government has worked very hard to create a banking system for them to feel comfortable with as we pass the Wall Street reform so that they can create jobs, hire people.

There were 9,000 manufacturing jobs created in June, and I think that is extremely important, but 136,000 jobs since December. We have good news for the American public. We have heard you, and we believe in buying America and making it in America. Therefore, we're going to be looking, over the next couple of months, to craft an agenda where you will see jobs being created by the message of this Democratic leadership.

We can tell you that we mean business because we can show you the facts. For the 11th consecutive month, the manufacturing sector has expanded. They have heard our call. They have heard our creed.

The Purchasing Managers Index registered at 56.2 in June. Of the 18 industries surveyed, 13 reported growth.

Look at, if you will, the gigantic change that we have seen in the automobile manufacturing sector where our companies are coming back. Many people complain about the approach we utilize, but we can look at the bottom line. Ford never took the money. GM has paid the money back. But what we want them to do is to manufacture smartly, hire people and create jobs. We have created—this Democratic leadership, this President has created the atmosphere for these companies to grow, and we want them to grow more.

Let me just add these one or two points. Consumers who have been feeling the pinch—we know there's unemployment, and right now, today, we're fighting to extend unemployment for those hardworking Americans who have seen their jobs go but need to support their families.

□ 2030

And let me make it very clear. Unemployment insurance is not a hand-out. It is a gift coming back, or it is an acknowledgment of your hard work, and we want to keep you over a bridge. We want to give you a bridge until you get another job.

But disposable personal income grew by 0.5 percent in May. It grew by .6 percent in April, and it grew by .4 percent in May. So you can see that it's steadily going up. It's steadily going up, and this is making a difference.

As I cite these last points, Congresswoman, to emphasize how we, on this side of the aisle, the Democrats, have a positive attitude about knowing that America's going to make it as we make products and as manufacturing grows, I'm disappointed that some of my friends who are on the other side of the aisle are thinking differently.

One of the things that they don't like to say is that when President Obama first came into office he inherited an economy that was losing an average of 750,000 jobs in 1 month. Now, I'm not the kind of personality that wants to look back and blame the last administration. But we know for a fact that there were no jobs created in the last 8 years.

And so let me conclude on remarks that have been made by a good friend. The minority whip asked the question, stimulus dollars have not produced jobs. This is what the minority whip said while hosting a job fair in Virginia. And I would only like to say that to help the American people, it would be grand for us to work and march in step, in a bipartisan step, and that is the only thing we're concerned about, no matter what region we come from, is creating jobs.

Many of you know that we are being hit in the Gulf in many different ways by the BP oil spill. My good friend is being hit for tourism. I just had one of her mayors before my committee, and they said they're not being listened to about tourism.

I'm being hit because of fishermen and shrimpers and oysters, but also I'm being hit by the hardworking people who work in the energy industry who are innocent who may be losing jobs who cannot work offshore.

But our good friend, Mr. CANTOR, rather than working together to produce jobs, has said this: He hasn't seen any evidence of jobs being created.

Well, according to the Council of Economic Advisers, the Recovery Act created or saved more than 48,000 jobs in Virginia in 2009. In May, the Congressional Budget Office reported that in the first quarter of 2010 the Recovery Act was responsible for an increase in the number of people employed by 1.2 million, and 2.8 million. This is stunning.

And the job fair that Mr. CANTOR had, and I congratulate him for having

a job fair. I congratulate the companies for coming, and I'm very glad that the companies that were in the room had gotten \$52 million in Recovery Act funds to create jobs.

Can you imagine?

This is not a partisan commitment to America. Wherever you are and you need a job, our stimulus dollars have been there.

And so I hope that we can end our criticism of the Recovery Act, because we know we can point out infrastructure projects and jobs created in all of our home districts, and we can point to the Democratic leadership where their message is jobs, jobs, jobs.

We have nothing to be ashamed of, but we must stay steady. We must stay consistent. We must make sure that the unemployment insurance goes out to our constituents. We're going to fight to the end to make sure that that goes where it needs to go, and that is to the people who need it.

And finally, I'm excited about the manufacturing spurt, surge that we're going to continue when we take the message of buy America and make it in America, we are creating jobs. And this Democratic leadership believes that America is standing tall, and we will be a country that recovers in a very, very special way.

And I'm delighted to be able to join with my friends who understand that there is an American economic recovery. We know it, we see it, and we're working on it.

I yield back.

Ms. WASSERMAN SCHULTZ. Thank you so much. Thank you, Ms. JACKSON LEE. Thank you for joining us and for your leadership. You have really been a stalwart fighter for the middle class and working families that Democrats have always stood for and stood by, and it's just absolutely critical that you've come down here tonight to help us get that message out. So thank you so much.

And it's a really wonderful transition, the item that Ms. JACKSON LEE closed on, making sure that we can make things again. And focusing on manufacturing and the resurgence of manufacturing in this country is a perfect segue to the priorities and the message that I know my good friend from Michigan, whose district I was just in this morning and had the privilege of joining him in his district in Ann Arbor and had an opportunity to meet with his constituents who are very supportive of his efforts to create jobs here and to focus the needs on Michigan's economy right here in Washington. So my good friend, MARK SCHAUER from the great State of Michigan.

Mr. SCHAUER. Thank you, Congresswoman. I'm proud to be here tonight to talk about our recovery, our economic recovery, about jobs, about a manufacturing agenda, and a "made it in America" agenda.

The people that I represent in Michigan understand that we have a fundamental problem with our economic recovery, and that is unfair trade policies that have cost us in Michigan hundreds of thousands of jobs.

I've cosponsored a bill to repeal NAFTA. I know there are different views on that. My views are very clear, that we need to support trade policies that put American jobs and American workers first.

The people at home that I represent have heard me say it, and I'm proud to say it on the floor of the House of Representatives here today. The time is now to fight for American jobs. The time is now to fight for American jobs.

There's an issue that I'm working on that I think I've gotten some attention of certainly Democratic leadership that wants to fight for American jobs and manufacturing and American workers, and I think this is an issue where my friends on the other side of the aisle will embrace as well. I've already got one Republican cosponsor on H.R. 5312. And it's a very simple issue. It's about fairness. It's about fair trade rather than trade policies that, again, have cost us millions of jobs in this country.

What I learned as I've been fighting for fair trade and giving our businesses, small businesses and large, an opportunity to make things again in my State and in this country, is that we have been using our tax dollars to support and create jobs in China rather than jobs here in the United States of America. As I dug into this issue, quite innocently, I was looking through some census promotional materials, and I was shocked to find that some of those materials to promote something that I support 110 percent, the United States Census, each of our communities needs to get its fair share of dollars to support education and housing and public safety, and so forth, but some of these promotional materials, you guessed it, were made in China.

This is a key ring that—I carry this everywhere I go. And I show small businesses, tool and die shops, small manufacturers, they tell me that they could tool this little key chain, and it says, United States Census 2010. They could have the tooling done, they could have their manufacturing process ready in 1 week to make this little metal key chain.

Now, what you may not be able to see at home, you may not be able to read where it says United States Census. And again, I want to remind you that your tax dollars are paying for this. There's a little sticker, and you guessed it, it says "made in China."

Now, we can and we should make this with our tax dollars here. Now, China, when they joined the World Trade Organization in 2001, did not sign the government—

Ms. WASSERMAN SCHULTZ. Would the gentleman yield for a question on the key chain?

Mr. SCHAUER. I will yield.

Ms. WASSERMAN SCHULTZ. Have you had an opportunity to talk with the Census Bureau about why it is that they are getting promotional material that they're using to get Americans to complete the census form from China?

Mr. SCHAUER. I have. Thank you for asking me that. I've heard a couple of interesting answers.

□ 2040

And I also have a hat. The people that I represent at home see me with this hat. It's white, a very poor quality hat that says "United States Census 2010," you guessed it, made in China. And the United States Census says, well, if products are substantially altered, substantially altered—this sounds like bureaucratic speak—can qualify as made in America.

So I guess what they consider substantially altered is this little metal key chain that was made in China, apparently had the "United States Census 2010" printing done in the U.S., and that's substantially altered. The hat that I usually have with me—I don't have it tonight—same thing: the hat is made in China.

Ms. WASSERMAN SCHULTZ. If the gentleman would yield for another question. So essentially the screen printing that was done onto the item, they define that as substantially altering the actual piece.

Mr. SCHAUER. Correct.

Ms. WASSERMAN SCHULTZ. So it's exempted?

Mr. SCHAUER. It satisfies the Buy American provision. I actually met with Commerce Secretary Gary Locke about this—and by the way, I have been appointed to the President's Export Council, and I plan to work on these American jobs issues—is if there are certain orders that have to be done quickly, that there is a loophole.

Ms. WASSERMAN SCHULTZ. Okay, but can I ask you another question?

Mr. SCHAUER. Yes.

Ms. WASSERMAN SCHULTZ. Because it's not like we don't know that we do the census every 10 years and that we are going to need promotional materials to promote the census.

Mr. SCHAUER. Exactly.

Ms. WASSERMAN SCHULTZ. So what would be the urgent nature or last-minute ordering that would be done for key chains or hats? We know in 2020 we are going to need that. We know in 2030 we are going to need that.

Mr. SCHAUER. Exactly right. Exactly right.

Ms. WASSERMAN SCHULTZ. Stock up.

Mr. SCHAUER. The point is there is no good answer. And so we as Democrats have to look at—we have to scour the law, all of our laws, and look at

Buy American provisions and make sure there are no loopholes like these that allow our tax dollars to create jobs in other countries. It's not just China. There are T-shirts, I think it was, made in Honduras and so forth.

Ms. JACKSON LEE of Texas. Would the gentleman yield just for a quick comment? That very product, T-shirts, hats, and there may be many others, just fits right in with small- and medium-sized businesses, the very businesses that make jobs. I would yield to the gentleman for a response on that. Isn't this the kind of products that fit right into that?

Mr. SCHAUER. I was in Reading, Michigan, at a small business appreciation dinner. And I took the hat, took the key chain, and I said, Can anyone here make these? Hands went up. I mean, we can make these things. We do. And, in fact, when I testified before the House Ways and Means Committee on this issue, Congressman SANDY LEVIN held a hearing on our trading relationship with China. And the other thing that the Census Bureau says is, well, we don't make these things here, or we don't put them out—you know, we can't find folks here in the United States that make these.

I took seven or eight hats from my office representing different groups in my district. One was from Grand Ledge High School, their baseball team cap. They were all made in America. And of course those items were of a much better quality than the hat that was made in China.

My ultimate point is that China has been playing us for fools. China has been playing us for fools. They are eating our lunch. We are letting them do it. And so it's time for us collectively as Democrats, and I hope our Republican colleagues join us in this fight, it's time to fight for our jobs. This is a simple matter of fairness.

I will sum up this issue that what my bill does, it's a straight issue of reciprocity, a true fair trade issue. And the way it works is that we will allow Chinese companies the same access to our government contracts as China's government is allowing our companies to have access to their government contracts. So if that number in China is zero, then you guessed it, no Chinese company will have access to our government contracts. If the number is a million, then there will be straight reciprocity. So it's time for us to decide which jobs we are going to use our tax dollars to support. And I think the answer for us as Democrats is those jobs are American jobs.

Ms. WASSERMAN SCHULTZ. Absolutely. And thank you so much for your leadership on this, Congressman SCHAUER. Really, this is something that you have been spearheading for a long time. And it's finally cracking through. I know that it's a priority that we're going to be taking up in the

very near future. And I have a hunch that legislation is going to definitely be sent over to the Senate. And they would be hard pressed not to take it up.

With that, I want to turn it over to the very eloquent and hardworking stalwart for creating jobs and helping us turn the economy around in his home State of New York, Mr. PAUL TONKO.

Mr. TONKO. Thank you, Representative WASSERMAN SCHULTZ, and thank you for bringing us together to discuss an important aspect of the work we do, creating jobs, providing the dignity of work for individuals and families across this great country. And it's great to join with you and Representative JACKSON LEE, Representative SCHAUER. I know we are going to be hearing from Representative MURPHY.

But to be with everyone here and put our thoughts into a context that allows people to understand where we are headed with this recovery program, I think this chart expresses it in a very straightforward, simplistic way, a simple straightforward decline for many months, where we lost \$17.5 trillion of household income, where 8.2 million jobs were lost. We were headed for a deep, deep depression. And then this sharp straight line upward, which now expresses a recovery.

And I should point out that many of us believe, all of us here on this floor tonight believe, that we're not only recovering the economy, but we're restructuring the economy. That's an important aspect of the work we're doing. To create those jobs that will bring strength to the American worker, provide economic vitality for the American family. And so we see this clustering here of 6 months of recovery in the private sector area of job creation and job retention.

This is an important aspect to the investment that has been made, the policy reforms that have been initiated and responded to by this administration and the leadership of this House. But there is more to come. We're not satisfied with this.

But when we hear the critics from the other side of the aisle say where's that great number of jobs, where are those new jobs, well, we can point to these new jobs. They're there. They're a statistic. They're historic now. Where were you to decry the loss of those jobs? There was silence about the jobs being lost. There's huge contrast in their approach to the jobs. We heard nothing with job loss. Now we're hearing complaints, diminishing, of the efforts to create jobs, especially in the private sector, which is happening.

I think rather than dwell on statistics, and all of my colleagues have done this very well tonight about statistically showing that we're making progress and that we've turned the corner and that there's been a sharp U-

turn in the response as a Nation for job creation, but I think we need to put it in the big-picture framework of trust, of competence.

This party, the Democrats, have come forward with a plan of action, one that has saved a lot of effort of further loss, economic consequences for American families. And we know who brought us that steep red line of decline: it was a party that continues to espouse privatization of Social Security, vouchering of Medicare, supporting tax breaks to ship jobs offshore, to call the response to Wall Street reform akin to attacking an ant with an atom bomb.

What a gross misrepresentation. What a gross unawareness of the issues that brought this country's economy to its knees. And so I bring forth that sort of contrast because I think it's what's governing the response today. The positives, the optimism that we share, the reforms we're promoting are swinging us upward. The contrast is that continued effort to further push hard on the middle class, to not allow for Medicare—a system that has worked well for our Nation's seniors—to raise the age limit, the threshold for Social Security. All of these efforts coming, all of this denouncement of Social Security, of Medicare, that has stabilized people in their retirement years, are what they advance and what they promote.

□ 2050

Are you going to trust that thinking, that party, to continually pull us into the red, or are you going to look at Democratic action where we've resisted this sort of behavior, where we are believing we can grow the economy, where we are embracing the theme that we are going to make it in America again? Let American workers know that we're standing for that turnaround.

Ms. WASSERMAN SCHULTZ. Will the gentleman yield for a question?

Mr. TONKO. I most certainly will.

Ms. WASSERMAN SCHULTZ. Thank you. Because I wanted to ask you, the way you're characterizing our colleagues' view—and I want to bring our good friend, Mr. MURPHY, into this discussion because he and I, in the 2006 to 2008, in the 110th Congress, we spent quite a bit of time on the House floor talking about the Republicans' efforts to privatize Social Security. And I'm wondering if your characterization of their agenda is one that you—is this something that you think is—is it your opinion?

From what I understand, we have a number of different third party validators that can document that they have consistently supported privatization of Social Security and vouchering of the Medicare system as we know it.

Mr. TONKO. Oh, absolutely. As stated on the floor, we know what people

want. We know where they want to take us. And I just think the contrast needs to be shared, because that same thinking is prevalent in terms of economic recovery, of economic development policies, of the sort of stopping of the bleeding that we promoted here in the House by inserting a new order of thinking.

You know, even with the energy crisis, with the devastation—Representative JACKSON LEE, you see it from where you sit, and Representative WASSERMAN SCHULTZ, you see it from the Florida perspective, Texas perspective—the gulf has been impacted. And for people from the cheap energy voice in this House, coming from the Energy and Commerce Committee, required an apology, demanded an apology from the President for coming down hard on BP. And all of the devastation to the economy, to the people, 11 lives lost, the ecosystem being devastated. That's another sign of difference where there isn't trust, in my opinion, or confidence.

So people, I think, are going to take a look at this and say, Let's continue this. The path out of the damaged zone may not be as quick as we would have liked, but it is happening. It is happening in a positive measurement and its growth in the private sector of job creation for 6 continuous months.

So I just think that contrast is important in the discussion that we have here tonight on the floor of the House.

Ms. WASSERMAN SCHULTZ. Thank you, Mr. TONKO. Really, you have hammered home, you're here night after night, week after week, to make sure that we can talk to the American people, illuminate not just our efforts on turning the economy around and creating jobs but our successes.

And someone who has been really focused on creating jobs, making sure, as a member of the House Committee on Energy and Commerce, making sure that we do that through our innovation agenda, through our passage of the global warming and climate change legislation and also through health care reform, is the leader from the great State of Connecticut, Congressman CHRIS MURPHY.

Mr. MURPHY of Connecticut. Thank you very much, Representative WASSERMAN SCHULTZ, Representative TONKO, Representative JACKSON LEE.

Listen, everybody should take a look at that chart that was next to Representative TONKO. It's not a coincidence that from month to month to month in the last year of the Bush administration we lost more and more and more jobs, and then immediately upon the new President, President Obama, taking office, we started to lose less and less and less jobs to the point now where we are adding jobs to the economy. It's because the stimulus has worked. It is because it is infusing new money into the economy. It is be-

cause tax rates are the lowest in this country since 1950. People have more money to spend than ever before. It's because we put money in the hands of teachers and firefighters and police officers and renewable energy companies and solar companies and advanced battery technology companies. The leading edge of our economy is creating jobs. It's because manufacturing is coming back.

To Mr. SCHAUER's point in June, 9,000 new manufacturing jobs in this economy. Since December, 136,000 new manufacturing jobs. The economy is heading in the right direction because we're putting new policies into place that are investing in small manufacturers, in small businesses, in Main Street.

And that's the dichotomy here. I mean, that's why I ran for Congress 4 years ago, because I watched Washington, I watched the Bush administration put all of its focus on the haves, on the big multinational companies, on the big oil companies, the big pharmaceutical companies, the big defense contractors, and very little emphasis on the small manufacturer with 10 employees around the corner from me; very little emphasis on the small mom-and-pop business that was struggling to get by paying for the energy costs and the health care costs that were padding the pockets of the big guys. That's the fundamental shift that's happened here, and you see it on issue after issue.

You see it in our approach to energy as, Mr. TONKO, you said we're investing in small renewable energy companies while the Republican leadership, on issues of energy, are asking for apologies to BP. You see it on health care reform, where we're putting power in the hands of consumers; whereas, the Republicans, when they tried their stab at health care reform with the Medicare Prescription Drug Act, put all the power in the hands of insurance companies and drug companies. And you see it with respect to manufacturing.

What we're talking about as Democrats is reinvigorating American manufacturing, to stop this defeatist notion that we can't make things here in America anymore. That's what sort of drove the House of Representatives when the Republicans were in charge was manufacturing is dead. They can't do it here any longer; we're just going to sign free trade agreements with any country that comes to us without any regard to fair trade, that we're going to allow jobs to flow out to China, to India, to Mexico.

Democrats and the Obama administration refuse to give in to that notion. And I think you are going to see, over the course of the next several weeks and several months on this House floor, Democrats in the House of Representatives standing up for American manufacturing and saying we can make it here in the United States.

Mr. SCHAUER's initiative is right on, right on. If we can start standing up to countries like China and say, Listen, if you're going to—if you want free trade with the United States, then you have to allow us to sell to you just like you sell to us. I think it starts with the way that we buy things for the American Government.

A number of us are working on legislation that we hope will come before the floor very shortly that will say simply this: When the American Government buys things, whether it be for the census or whether it be for the Defense Department, let's buy it here in the United States.

Sure, you might be able to find that part for the jet engine 10 percent cheaper in China, but that job being created in China rather than in a machine shop in New York or Connecticut is costing our government, is costing our economy way more than the 10 percent you saved in lost wages, in lost taxes, and in increased social safety net costs like unemployment compensation.

So I'm looking forward to this summer and this fall as we build on the work that we've done here, when Democrats do what we're good at doing, which is standing up for small guys, for little guys, for American manufacturing, and that we put an end to what has been a decade-long defeatist attitude in this country and in this government to just allow for manufacturing to go to the folks that can do it for the cheapest and who can do it with the lowest and the worst environmental and labor regulations around.

I think we're going to stand up for American manufacturing. I think we're going to continue this trend of growing manufacturing jobs. I think it's going to be part, Ms. WASSERMAN SCHULTZ, of the story of the recovery and the resurgence of the American economy.

Ms. WASSERMAN SCHULTZ. Thank you very much for helping us share that story with the American people and with our constituents, because it's absolutely critical, as we turn the corner and go through the summer, that we make sure that we talk about our efforts to continue to focus on job creation, and particularly on tax cuts for working families and the middle class because it's such a dramatic shift from where we were. And as we get closer and closer to the choice that Americans will be making in November, it's going to be critical that people understand the choice that they're going to be making. They can backslide toward the Bush era, where the focus was exclusively on the wealthiest few in America, exclusively on the largest corporations and the trickle-down theory of economics that was disproven time and again, or we can continue to go in the direction, the new direction that we have been pursuing, which is focusing on job creation, focusing on

making sure that the middle class can thrive.

And there is no one that knows that effort better than my good friend TOM PERRIELLO from the great State of Virginia.

Mr. PERRIELLO. Thank you so much for bringing this group together to talk about jobs.

As the gentleman from Connecticut mentioned, we can build things, make things, and grow things better than anyone else in the world if we give the American people a chance. For too many years, the other side has had a strategy of saying if we just nickel-and-dime the middle class enough, maybe we can win a race to the bottom with China. If we just cut into our environment enough, maybe we can win a race to the bottom with China. That's been the Republican strategy. We will not win a race to the bottom with China.

Our side wants to win a race to the top with China. We can outcompete China and India as well as Europe and Japan if we unleash the innovation, entrepreneurship of the American people that comes from our small businesses, if we understand that instead of bailing out the biggest companies for their failures we start to give just a little bit of support to our small business owners, our entrepreneurs, our scientists, our innovators.

□ 2100

We made a down payment last year on rebuilding America's competitive advantage. We made a down payment to unleash the research and development, the technology and the innovation in our small businesses. And we also understand that to win that race to the top against China, we have to have a 21st century workforce, so we have made college a little more affordable.

But it is not just kids headed to college. We also want to invest in those who want to learn a trade or career in technical training. That can be the difference between making minimum wage and 20 bucks an hour. Sometimes in this city or on Wall Street the difference between minimum wage and 20 bucks an hour doesn't seem like a whole lot, but to people back home it is the difference between being able to support your family or not, being able to pay those bills or not.

And we have tried to go after those who are nickle and diming the working class and the middle class in this country, the utilities, the credit card companies, the health insurance companies and others that have been bankrupting our small business owners and our working class and middle-class folks.

We can still build it here. We are already seeing this in the energy sector. As many of the people here tonight have talked about, our farmers can be on the front line of that struggle for

America's energy independence. Our manufacturing in our district is actually exporting to Asia on high quality efficiency technologies.

But it is not going to happen by pulling in our shell. It is not going to happen by thinking small. It is not going to happen by doubting the resolve of the American spirit, the American individual, the American entrepreneur. It is going to be doing it by giving that support.

Right now we can be doing more to rebuild this Nation's infrastructure; the infrastructure of yesterday, our sewage, our water, our roads; and of tomorrow, our broadband technology, our electric grid technology, so that we have the most efficient system. That is how we outcompete the world. We can still do this better than anyone else. We must call all of us to that best self right now to outcompete, and we are not going to do it by taking our foot off the pedal right now.

We are in tough economic times. Our American families feel it. Just this last week I did a tour of over a dozen Main Streets in my district in central and southern Virginia, talking to small business owners who spent a lifetime building up their business, their clientele, their reputation, to one day sell that business in order to be able to retire securely.

Times are tough. That is not where we live right now in terms of Main Street. But we have to start putting Main Street ahead of Wall Street, and I mean the kind of values we have on Main Street, of basic decency and accountability. That is what we need in terms of real Wall Street reform. That is what we mean in terms of transparency, like the DISCLOSE Act.

Where I come from, if you want to say something, you stand by it. You put your name by it. That is the simple rule of the DISCLOSE Act. To Wall Street, we are just saying if you don't have the money, you shouldn't be able to lend out the money. I think we need to do more to put a hard cap on these leverage restrictions. And I mean Main Street jobs, and thinking we still need those jobs for people that they can support a family with.

The people here tonight are dedicated to that working and middle-class American who has been struggling in these tough economic times, to make it a little easier to get that business started, a little easier to get through the tough times, a little easier to get that child off to college or to trade school, and a little easier to make sure that you are going to have a secure retirement.

I look forward to this month, because we are in an urgent time. This is not a time for political games by either side. This is a time where we shouldn't leave until we have launched a manufacturing strategy and an agricultural strategy for the 21st century, where we

have helped to put our construction crews back to work making this country more efficient.

We can do these things, I have no doubt that we can, and I believe that we will continue to fight the people here to make sure that that happens and that we will see that economic growth and recovery back on Main Street.

Ms. WASSERMAN SCHULTZ. Thank you so much, Mr. PERRIELLO, and thank you for your leadership in your district and the optimism and hope that you fight for every single day.

You know, it really always boggles my mind how the Republicans wake up every morning, come to work and decide, I am going to be an obstructionist today. I think today I am going to figure out yet another way to say no. And rather than come to the table and work with us, because they need jobs in their districts too, instead, they vote no here, and then they do like the minority whip did just in the last week when he was home in his district. After voting no on the Recovery Act and being critical of the Recovery Act, he didn't have any problem showing up and taking credit for one of the projects funded by the Recovery Act in his district. I think Americans really see through that transparent attempt at hypocrisy.

We are a party of genuine articles. We are Members who work hard every day to make sure that we can get it done for the American people and get this economy turned around.

There is no one that works harder at that in rural America than my good friend LINCOLN DAVIS from the great State of Tennessee.

Mr. DAVIS of Tennessee. DEBBIE, it is certainly good to be here. And as I have listened to the debate, the discussions that we have had about creating jobs in America, I think personally to go back and check a little bit of history, I represent a unique congressional district, but so do 434 other Members of the U.S. House. The district I represent is the fourth most rural residential congressional district in this country. It has the third highest number of blue collar workers.

We are hurting in the Fourth Congressional District, as we are throughout America. And what we have been seeing in the last several years is an administration and those who truly do not understand, not only rural America, but those who live in urban and inner-city as well.

As an example, starting on January 1st, 2008, through October 31st, 2009, we lost eight million jobs in this country, eight million moms and dads, eight million working sons and daughters who lost their jobs starting in January. I am not talking about 2007, I am talking about just in that 22-month period alone, eight million jobs. During the Bush administration, around one million jobs were created, new jobs in the

time January 1st of 2001 through the time that George Bush left office on January 20th of 2009.

If you take that growth number during that period of 8 years and look how long it would take us to find the jobs to replace the eight million that were lost, it would take 64 years at the same growth rate during the Bush administration.

So for the folks on the other side of the aisle, start using math. When you use the math, be sure it adds up to what you are saying.

When we look at eight million jobs that we have lost starting in January, the last 13 months of the Bush administration, through October 31st of 2009, if we were to create 200,000 jobs a month—during the Clinton administration that is what happened, about 250,000 on the average jobs per month during the 8 years that Clinton was President. But if we take those numbers, it will take over 3 years to just replace the eight million jobs we lost as a result of the trade policies and the policies of the Bush administration.

So if we want to start analyzing and blaming folks, let's get the facts straight. Let's get the figures right. People in my district don't care who it is, whether it is Bush or whether it is the Obama administration, whether it is the Clinton administration. They want jobs.

How will we create those? Through the eighties, in the area I represent, the apparel industry and the textile industry was a great part of the low wages, quite frankly, and some of the low-skilled jobs that we had.

My brother worked at a garment factory that worked almost 1,500 people in 1983. As a result of the trade deals that we cut with the Caribbean steel initiative and the Andean region, as the result of the tax policy that we had, we reduced taxes on the richest people in America from 70 percent, as it was on January 1, 1981, to 28 percent was the max.

I am not complaining because we had a tax cut, but here is what I do disagree with. We also during that period of time told small business folks, I am sorry, the depreciation schedules you had, 10 to 15 years, are no longer in place. It is going to take you 30-plus years now. So in essence what we told small business folks, you no longer have the tax breaks that you had at one time. You no longer have the tax incentives to create jobs for folks who live in rural America and inner-city or urban areas, because what we are doing is giving the tax breaks to the wealthiest individual wage earners, not small business folks.

When the other side talks about helping small business engage, let's really get serious about a tax policy through depreciation schedules that will encourage small business folks, the creator of 70 percent of the jobs in our

country, an opportunity to start revitalizing America again.

In 1970, one out of four people worked in manufacturing in this country. Today it is one in 10. Let me repeat that. One out of four people worked in manufacturing. One in 10 does today. Where are those jobs?

In 1998, we signed an agreement, this country did, and I have to blame the Clinton administration and perhaps Mr. Rubin, who was the Treasurer at that time, we signed trade deals called GATT, General Agreement on Trade and Tariffs, and we brought two large countries, India and China, which has a third of the world's population, into the WTO.

□ 2110

In 1998, you could not find an American label in China. It's hard to find an American label in America today. They're all over there. And when you purchase an item today that has always had an American label on it, whether it's toys, whether it's clothing, or whatever it may be, that American label is still stamped on it to look where it's made. It was made here at one time in this country. So from my standpoint, we've got to revisit many things that have caused us to lose 8 million jobs in 22 months. And if we don't do something about it, we'll never be able to regain those. We'll continue to see our economy and America slide backward when it comes to industrial development and economic growth.

I propose—and I hope that we can possibly take a serious look at a bipartisan effort to revisit the trade deals—the free trade deals—and make them reciprocal trade deals. Reciprocity means each of us shares equally. Unfortunately, that has not been the case. From this standpoint, when we also gave fast track to the former President to actually make the deals and send them to Congress, where we can't change those deals, it hamstrung the advocates for America, the direct representatives for America. The U.S. House of Representatives was denied an opportunity to amend any trade agreement.

So as we engage in trade in the future—and my time is running short—we need to realize 8 million jobs, 200,000 jobs created a month more than what we had starting the first of the month. It will take us almost 3 years to recover the jobs we lost in the last budget year with the Bush administration. I don't really like to be partisan, but I hear so much rhetoric from the other side. No one is pointing out the facts. It's time for the facts, and it's time the American people start listening to the facts rather than listening to bumper sticker slogans.

It's America, folks. It's our country, folks. It's not about Democratic or Republican politics. It's not about

ideologues. An ideologue looks for the future. It's reality today. And the future will be reality when it appears. The ideologues will never have it where they want it—on the left or the right. It's time we start worrying about America again and creating jobs for all of us in this Nation.

Ms. WASSERMAN SCHULTZ. Thank you so much, Mr. DAVIS. Really, I think it's so incredible. We had nine Members join us tonight for this hour. And we had the full philosophical spectrum—from the most conservative member of our caucus to the moderates to progressive members of our caucus. And that shows not only the big tent that we are in the Democratic Caucus but that we really are a reflection of America and American values, whether it's making sure that we can create jobs in rural America or the most urban core. It's absolutely critical.

Mr. DAVIS of Tennessee. Would you yield?

Ms. WASSERMAN SCHULTZ. Yes.

Mr. DAVIS of Tennessee. I notice there's a chart up showing the huge deficits. When Barack Obama was elected President, the first 30 days of his term he had to renew a trillion dollars and pay the interest on it. If JOHN MCCAIN had been elected, he would have had to renew a trillion dollars that he didn't bring to the table. Whoever was elected President and sworn in on January 20 in 2009, the next 30 days we had \$12 trillion in total national debt. You look at that on a monthly basis, that's a trillion a month we have to renew and pay the interest on it. It didn't matter who it was. So as we look at the national debt, please, America, yeah, we need to reduce the deficit. And we're working on that. We call that pay-as-you-go. We need performance-based programming in our budget.

And so I would just want to remind you: 8 million jobs lost, starting on January 1, 2008, America, and the current President, regardless of who it is—Barack Obama or if it had been JOHN MCCAIN—had \$1 trillion every month since they'd been President to renew and pay the interest on.

Ms. WASSERMAN SCHULTZ. You're absolutely right. Thank you so much for your leadership and for joining us this evening.

To close us out in the hour, we have a duo from the great State of Pennsylvania. Both of them are freshmen. The gentlelady from Pennsylvania was particularly pleased, I know, when her colleague from Pennsylvania was elected recently in a special election because that made her not one of the most junior Members in the Chamber. Now he holds that title. But the gentlelady from Pennsylvania, Mrs. KATHY DAHLKEMPER.

Mrs. DAHLKEMPER. Thank you so much. I appreciate the gentlewoman from Florida's leadership here. I want

to reiterate my good friend from Tennessee brought up some of the important numbers that need be brought up. I'm from western Pennsylvania, as is my fellow colleague who has now made me not the junior Member. We have a manufacturing-based economy. And the numbers that my friend from Tennessee talked about are the numbers that I have seen not in the past 2 years but over the last 12 or 15 years in terms of good manufacturing jobs lost in our region.

And what I find most exciting about this recovery that we are in is that we are making things again. And it's already been talked about tonight. But we are making things in America again. For the 11th consecutive month, the manufacturing sector has expanded in this country. We have got to depend on making things for our economic growth, not on the paper industry of Wall Street. And we have seen the problems with that, starting in 2007 and beyond.

I want to bring up a few highlights from an article from the Erie Daily Times today, an article that talked about Erie County, where my home is from: manufacturing employment rose in May for the third month in a row. Viking Plastic in Erie County had increased employment from a low of 65 workers to nearly 100. GE Transportation, which reduced payroll by 1,500 workers in 2009, has called back 200 permanent and temporary workers.

Economic growth is being seen throughout my district in the manufacturing sector. I visited a small electronics manufacturer, AMS Electronics, in Butler, Pennsylvania. They're performing well, despite the downturn, having increased their client base with the help of their local manufacturing extension partnership, a program that we fund through an act called the America COMPETES Act, which has recently been passed through the House.

So there is good news coming out of western Pennsylvania. Just even yesterday, I was at Donjon Shipping, a new manufacturer. We're building currently a tug boat; working on a barge next. Making things, permanent products that are going to be helping to improve the wealth of our Nation and bring great jobs here.

So I want to just reiterate what so many of my colleagues have said tonight, that there is good news. America is recovering. Not as fast as those out there need us to. Obviously, too many people still unemployed. But when you've lost 8 million jobs, 8 million jobs. We're on track this year to create more jobs than were created under 8 years of the Bush administration. I think that's important to remember.

So we are moving forward. We are creating jobs in this country. I just wanted to tell a little bit about the good news from western Pennsylvania.

I want to thank everyone for their help tonight here with bringing this message to the American people—the message that we are continuing to recover. This summer we're going to see what we call the “summer of stimulus,” where we're going to see, I think, great numbers with highway projects that will increase by more than 600 percent from July of 2009 to this July.

Ms. WASSERMAN SCHULTZ. Will the gentle lady yield?

Mrs. DAHLKEMPER. Yes.

Ms. WASSERMAN SCHULTZ. Given that you're from a State that is in the heart of the Manufacturing Belt, can you talk a little bit about what is going on in your district and the efforts that we're making here to create jobs and what kind of progress the recent surge in manufacturing has brought to communities in Pennsylvania?

Mrs. DAHLKEMPER. One of the great things about my part of Pennsylvania, and I really think Pennsylvania in general—I have to be a bit biased here—but we have a great ethic and we have people with great skills. We have been a manufacturing-based economy for a long time. So when businesses come there and they see the work ethic of the people, they want to stay, expand, and grow. And what we're doing is trying to provide that climate that will allow our businesses to grow and to provide those opportunities maybe for those new entrepreneurs that they have an opportunity to actually take that product that really could do great things in our country and do great things actually throughout the world. Because I see more and more of our businesses actually exporting also, and work that was going to Mexico and to China actually coming back, because we can make anything as well, if not better, than anybody else in the world. And we know that.

So we're working hard. As I mentioned, great numbers coming out of our district because there's new products, there's new clientele, there's expansion and creation going on throughout many different sectors of our manufacturing-based economy. And so whether we're talking about some of the tax credits and incentives we've been trying to do either through the recovery package or with other pieces of legislation, we are working hard to get back to that manufacturing base. At least from my part of the world, my part of the country, it's important. I know not so much in Florida, but in Pennsylvania it certainly is the backbone of our economy, along with agriculture.

Ms. WASSERMAN SCHULTZ. Mrs. DAHLKEMPER, it's okay. You're right. In Florida, we don't have a strong manufacturing base, but we want to make sure that folks in Pennsylvania are able to thrive economically so they can come down and vacation and they can

afford to take a vacation and come down to south Florida and across my beautiful home State and spend their hard-earned dollars that they have been able to use and invest in their small business and come down and make sure that they can help our economy thrive.

Thank you, Madam Speaker. We yield back the balance of our time and thank the Speaker for the opportunity and look forward to hearing from our colleagues.

□ 2120

SOCIAL SECURITY AND THE ECONOMY

The SPEAKER pro tempore (Ms. KOSMAS). Under the Speaker's announced policy of January 6, 2009, the gentleman from Texas (Mr. GOHMERT) is recognized for 60 minutes.

Mr. GOHMERT. Madam Speaker, that's one of the great things about our system, we have a chance to speak from both sides. As I listened, I was surprised to hear I had taken so many positions that I had never taken. But let me just say that with regard to Republicans being for privatizing Social Security, that bill did not pass. It didn't even get around here to get passed because so many Republicans were not in favor of it. And, in fact, you can go back and find this Republican saying repeatedly then and still saying that what we should do is what was not done when Social Security came into existence, and that is take Social Security tax dollars and put them in a Social Security account.

Now, until I got here 5½ years ago, I was under the impression that it was some kind of modern creation that Social Security tax dollars were taken away, they never even get to the Social Security Trust Fund but went to general revenue with IOUs being placed in file cabinets for the Social Security Trust Fund. But lo and behold, come to find out, Social Security tax dollars have never, ever gone into the Social Security Trust Fund, not since its inception.

Now, in Texas, we have the Texas Employee Retirement System. Teachers have an employee retirement system. And those systems have done many times better than Social Security for one reason: They put dollars into the retirement fund so the fund was able to grow. And because it was able to grow, people can get several times more in the way of retirement payments from those retirement systems than you can from Social Security. In fact, when I first got here in 2005, I had my staff run a check to find out—and I gave them a hypothetical to submit to Social Security as well as to the Texas Employee Retirement System and another retirement system to find out what kind of monthly income

you would receive under that hypothetical.

It turned out, the best Social Security could tell us was that under the hypothetical we gave them, that the monthly income from Social Security to a deserving senior would be somewhere between \$600 and \$900 a month. Well, if anybody is familiar with seniors and the costs that they end up being out of pocket, you will know that \$600 to \$900 does not go far enough, but that's what Social Security payments would be. And as I recall the hypothetical, it was \$30,000 average for 30 years before retirement, and that was the best we could get, \$600 to \$900.

However, when that hypothetical was provided to the Texas Employee Retirement System, which puts real money into an account, it turns out the monthly payment was somewhere between \$2,600 to \$2,800 per month—the same hypothetical—and the difference was that real money went into the trust fund.

But President Franklin Roosevelt knew, apparently, when this began that there would not be real money going into the trust fund, and every President since then has known that. President Roosevelt, President Truman, President Eisenhower, President Kennedy, Presidents Johnson, Nixon, Ford, Carter, Reagan, Bush, Clinton, George W. Bush, and Obama, they've all known. No money that is pried out of the hands of those who earn it and those that pay those who earn it, none of that money goes into the Social Security Trust Fund, not a dime. Now, that's tragic.

I was pushing that back at the time in 2005. And true, there were Republicans who did not support that, and there were lots of Democrats who didn't because, as we've seen since my friends across the aisle have had such a huge majority in recent years, they've done nothing about Social Security tax money going into the Social Security Trust Fund. They control both Houses. They could have passed a bill requiring Social Security tax money to go into the trust fund in January of 2007. Madam Speaker, I can tell you, there would have been a lot of us Republicans voting for that had they decided to bring that to the floor. If it was brought to the floor this week, next week, I would vote for it. Social Security tax money must go into the Social Security Trust Fund.

But there has been a reason that they have not wanted that to go from the general revenue into the Social Security Trust Fund to shore up Social Security, and that's because there are so many other little pet projects and pet ideas that this money goes to fund. I heard my friends across the aisle talking repeatedly about how important infrastructure was. Isn't that ironic, because after President Obama was sworn in, became President, the Democratic

Party had such big majorities—a majority here in the House and was veto-proof, or had a supermajority down in the Senate at the time—they didn't do anything about Social Security being shored up. They didn't do anything about infrastructure, not in the way that it was talked about.

We heard so many beautiful, eloquent speeches from friends across the aisle on how this spendulus stimulus bill was going to pay for all of this wonderful infrastructure. America was led to believe that the whole \$787 billion was going to end up being for infrastructure and really be good for America. Well, there was a little bait-and-switch that went on, which is easy to do.

My colleague, for whom I have great respect, I heard saying that Republicans have "hamstrung the deliberative process." So apparently, as best I can figure—I'm sure he's smarter than I am, but the deliberative process then, apparently, must mean that you rush in with a 2,000-page bill not once but repeatedly, say, There's no time for anybody to read this. Too many jobs are being lost every day. There's no time for this to go through committee. There's no time for amendments. There's no time for anything. People are losing their jobs as we speak. You've just got to vote for it now.

Now, see, to me, just from the very practical, pragmatic growing up that I had, a deliberative process would have meant that it had time to be viewed and get some sunshine into those 2,000 pages to figure out where all this pork was going, that that would have been part of the deliberative process.

□ 2130

But apparently, as Republicans, we hamstrung the process that they called deliberative, where you rush in with a 2,000-page bill repeatedly, say there's no time to read it, just pass it and then we'll find out what's in it. See, I wouldn't have thought that was deliberative. But apparently, since my colleague said Republicans hamstrung the deliberative process, that must be what he's talking about.

So they rush in with this \$787 billion stimulus bill. You could have polled Americans after it passed and the majority would have said, you know, this is going to be great for building infrastructure. We need infrastructure. Little did they know that 6, less than 7 percent of the \$787 billion was ever even thought to have anything to do with infrastructure. So that's why I say a bit of a bait and switch there.

America wasn't even sold on it, but the few that were thought that was going to be for infrastructure and that didn't happen. Just such a tiny, tiny bit of it.

We heard our friends during the last hour talk repeatedly about small business and how the stimulus was so good for small business. What they forgot to

mention, they may not be aware, but of that \$787 billion, less than 1 percent was for small business. How about that?

So it was all about small business and infrastructure, and yet less than 7 percent was for infrastructure and less than 1 percent geared, aimed at small business. Interesting.

So is it any wonder that, with people thinking that 6, 7 percent of \$787 billion will build all the infrastructure we need and less than 1 percent will help small business more than anybody else, that it hasn't had the desired effect?

And I couldn't really see my colleague's chart well enough to see what the last month was where they were talking about all these private jobs being created.

But forget the charts. Let's look at real numbers. And the real numbers for the month of June came out, and I don't have a big pretty chart for it, but the fact is that in the month of June there was great news and then there was really bad news. The great news was that for the month of June, 431,000 jobs were created. That is great news. The really bad news is that 411,000 of those were temporary census workers. So much for all those private sector jobs we were hearing about.

I heard my colleagues talk about Republicans just want to nickel and dime the middle class. I've got an awful lot of Republican friends, and I don't remember any Republicans I know of wanting to nickel and dime the middle class. The ones I know of see people in the poorest sector of America, see people in the middle class of America and want them to do even better. But it won't happen when the government is taking over control of everything. You kill incentives.

And I've mentioned this before, but it is just such a clear lesson of what happens when the government gets involved and decides it's going to be the one that creates the jobs.

And it was 1973, as an exchange student for the summer to the Soviet Union, going out to a collective farm, 30 miles or so from Kiev in Ukraine, and farmers sitting in the shade when their fields looked terrible. This is in the middle of summertime. Well, anybody's worked on farms or ranches knows in the middle of the morning is when you want to be working hard because you want to try to get done before the sun gets to its hottest in the afternoon, and so you start when the sun does and you try to finish before it gets to its hottest. And here it was, the best time of the day to be working, and they were all sitting in the shade with no movement toward going to work.

And so I spoke a little Russian back then and asked, when do you work in the field? And they all laughed. And one of them said, I make the same number of rubles if I'm out there or if I'm here in the shade, so I'm here.

That's what the government did. It kills incentives when it decides it's going to take over the job market.

And I loved hearing the discussion about big corporations, big pharmaceuticals, big oil. You know, we've heard this Wall Street, they're all the big buddies of the Republicans. And yet, if you go check, Wall Street has traditionally given 4-1 to Democrats over Republicans. That was true for Goldman Sachs. If you don't just look at the officers, but you look at their spouses and their children, then you find a 4-1 average giving to Democrats over Republicans.

And the big pharmaceutical companies that were mentioned, they let greed get the better side of them in coming out in support of the ObamaCare bill. And for the short term they'll make billions, maybe hundreds of billions more than they would have without the bill. But in the long term, they've written their own death warrant. The same with AMA, AHA. They sold their souls. Short term, they'll come out good. In the long run their professions, as we know it, will be changed forever for the worst for American health care. And we're already seeing those things.

I get out in my district. I've been in other parts of the country. I'm hearing the people say, you know, we've decided not to hire because this crap-and-trade bill may get passed. We've already had this health care monstrosity wrapped around our necks. We're going to have to end up having to pay more than ever.

You know, the President went out there to have a big photo OP with Caterpillar, and then it turns out they were going to lose over a million, was it \$100 million this year?

We know jobs are being lost all over the country because of that health care bill. There was no need to push good jobs out of this country. When I hear my friends say, I couldn't believe they said the Democrats want it manufactured here and Republicans don't. That's ridiculous.

I went with a bipartisan group to China 5 years ago, bipartisan because there were both Republicans and Democrats. And the ones I talked to on both sides of the aisle wanted to see jobs return to America, manufacturing jobs. And I thought that perhaps, as we talked to CEOs, the number one thing I would hear was they left the U.S. and went to China because labor was so much cheaper there. That was not the number one thing I heard.

The number one thing I heard was the corporate taxes in China, 17 percent, U.S. 35 percent, plus States pop them on top of that, and local governments do as well. And so not only that, but China would cut deals with them. No income tax for 5 years, then gradually increase up to 17 percent.

And one of the things I loved hearing was that the quality of the work by

American workers was greatly exceeding that that could be done in China by the workers there. That was good to hear. Quality control in the U.S. was so much better.

But that huge 35 to 40 percent hit that they had to take before they competed in the global economy was just too much. It was putting them under. And they could go to China, and with the dramatic cut in corporate tax, they could build state-of-the-art facilities that allowed them to have workers who were not capable of as good a quality control here, and then their state-of-the-art facility would be paid for by the time, many times before the taxes really kicked in in earnest at less than half of what they were in the United States.

□ 2140

So if my friends across the aisle were really serious about bringing manufacturing jobs here, then the solution would be to eliminate the corporate tax. It's one of the most insidious governmental creations in this country. Insidious because everybody gets to talk about these mean, evil corporations and how we want to sock it to the corporations, when the insidious truth is no matter how much tax you lay onto the corporations, if they don't pass that onto the consumer, they don't stay in business. And that's why so many have left and gone to other countries, one of the biggest reasons why they've left and gone to other countries.

Now, we've heard some are not building here for refineries or energy businesses because of this looming threat of the crap-and-trade bill. Our President in 2008 had commented that he wasn't going to—basically, he said he wasn't going to put coal power plants out of business, but he would skyrocket the cost of energy. And that's where we're headed, and so that will drive businesses out of the U.S.

We've had the moratorium declared by the President that was then struck down as unconstitutional. But this administration did not want to let a little thing like the Constitution get in the way, so this week they've come back with another moratorium, basically throwing the Constitution, the judicial sector, throwing them away because just as they did with the auto task force, no confirmation from the Senate, just appointed people, and they took charge of the automobile business.

They came out with a declaration as to what dealerships would close, which ones would have their property taken without due process of law. They came out with a bankruptcy plan that did not go through the requirements of bankruptcy law. They found a judge—I don't know the judge, but bankruptcy judges have to be confirmed I believe it's every 10 years. It's not a lifetime

appointment. Many of them would like to be district judges. So apparently it wasn't hard to find a judge who would sign off on an illegal, unconstitutional auto task force plan, and no accountability to anybody. And once the Congress let it go without stepping in and being the check and balance on illegality and unconstitutionality, then there was only one branch left to stop such unconstitutional, illegal activity, and that was the Supreme Court.

To her wonderful credit, Ruth Bader Ginsburg put a 24-hour hold on it. And apparently the administration improperly scared the Supreme Court into thinking that if they extended the hold any longer than 24 hours, all the automobile industry, all of those related to the auto industry would go under and it would all be on the Supreme Court's head. And supposedly, the Supreme Court would never let such a ridiculous thing, unconstitutional thing go through again, but they let it through then.

And so we know that this administration is capable of doing end runs on the Constitution. And it looks like that's what they're doing again on the moratorium. So with the moratorium being in place, as one person in Louisiana said, we stand a chance of losing more jobs from the moratorium than we do from the oil spill. And of course beat up on Big Oil. Yet as the Deepwater Horizon rig was exploding and sinking, there were still deals being cut with this administration and this majority's dear friend British Petroleum, because they were one of the few big energy firms that were supportive of the crap-and-trade bill. So they hated to see their good friend get in trouble.

They were hoping it would blow over, they would get control of this disastrous well in the gulf coast. But they didn't, and eventually the administration and majority had to throw them under the bus. Whereas, if they had been able to get control of the oil well, you would have seen a big photo op with the BP executives as they pushed through the crap-and-trade bill. So, hopefully it will not come back and get passed because it will mean so many jobs that will be lost in America.

And you know, I know they meant well, I know the intentions were good across the aisle when we debated that bill here in the House. And so many people came in here and said nobody is going to lose their job as a result of this bill. In fact, we're going to create jobs. It's going to be like Spain. We're going to create so many green jobs. Well, since then we found out Spain has actually lost two jobs for every one green job they have created, and now they are trying to abandon the very thing that this administration and this majority are trying to push us toward.

But it was so ironic that so many people I am sure unintentionally saying that no one would lose their job because I know it wasn't intentional because obviously they hadn't written the bill, they hadn't read the bill, they had their talking points. But if you read toward the back of the bill, I don't remember the page number, I had it here on the floor and was reading from it at the time, the bill itself created a fund to pay people who lost their job as a result of that crap-and-trade bill. Not only that, it created a fund that would help reimburse them travel expenses to help them move to where their jobs were going as a result of that bill.

So, whichever left wing organization wrote that bill, or whoever's staffer helped them write it, they knew people would lose their jobs right and left. That's why they were creating a fund in there. But my friends across the aisle had not read it. Apparently, the deliberative process from their standpoint was ram the stuff through, don't read it, don't get bothered with the actual provisions in the bill. Push it through, and we'll find out what's in it later. Apparently, that's deliberative. That's no bill to saddle America with. It means more lost jobs.

Now, we had another job fair last week in east Texas, this one in Nacogdoches. We had over 550 people attend, around four, five dozen employers that were there. Some people left with jobs that didn't have them. Some people have hope for the future through the interview process.

And, normally, when you throw a party, you are really thrilled when people show up. But just as I saw in Marshall and Longview when we had a job fair there, and Lufkin, you look in the eyes of folks who have lost their jobs and you can't be pleased that the turnout is big because every one represents hurt, it represents lost finances, people struggling, many of them struggling for self-esteem because even though it wasn't their fault, so many get their strength and their pride from the job that they hold. And so it's very difficult to see so many people out of work.

But what I keep hearing also from businesses is the same thing, similar thing: they can't get credit, they can't get loans from their bank. Banks are telling them they're not going to extend their line of credit because they got regulators breathing down their throats. Because regulators, on instructions from this town are out there telling them, micromanaging, telling good community, solid community banks that were not the source of the problems—the source of the biggest problems were those on Wall Street that give four to one to Democrats. That was the big source, the investment banking firms, not the community banking firms. But the community banking firms, on instructions

from those who were closest to the investment banking firms telling the regulators to go after them. And even hold them to having more in reserve than the law requires. Had that admission from regulators themselves.

And so people don't have capital because this obese monstrosity of a government that keeps growing can't control its appetite. And so it sucks up all the capital and throws it away on the government's pet projects.

□ 2150

It's no way to run a country. It's a way to lose a country.

Well, I didn't intend to spend that much time on the economy, but having heard so many comments from my friends across the aisle on what I believed and what I support, which were things that I simply do not, and have not supported, I had to address that.

But there are so many dangers in the world. One of them, of course, is this out-of-control spending. And one final thing on the economy, my friends across the aisle keep talking about how bad it's been since 2007, 2008, 2009. And the fact is they've been controlling everything but the White House since January of 2007. So when they took control and they let spending explode on their watch—they were right. They won the majority because Republicans did not control spending, and too many Republicans equated compassion with spending.

And so Democrats over and over, over and over came to the floor and said, you know, a hundred billion, \$200 billion deficit in 1 year is outrageous. It shouldn't be allowed. We need to be in the majority so we'll control the spending. We'll cut the deficit. We'll get back on track. And so Republicans appropriately lost the majority because they had not controlled spending.

And what has happened since? Spending has gone through the roof. And under this administration, once the Democrats had the White House and both Houses with such huge majorities, spending became giddiness, and that hundred, \$200 billion deficit in a year has bloomed now to a \$1.5 trillion dollar deficit in a year. It's unbelievable.

And at the same time, it's been encouraging to see this administration in the past week show some friendliness toward our wonderful ally Israel, because all of the snubbing and pettiness by this administration in the way that it's treated Israel in conjunction with willing allies like The New York Times, like the 5,000-page editorial that was written about, there's just so much pettiness and snubbing of our friend Israel from this administration and its allies that they're hurting this Nation. Because when you hurt Israel, you hurt a true democracy in the middle of the Middle East, you hurt this country. You hurt any democracy when

you hurt democracy that exists in the Middle East.

And I read this weekend an editorial written by Caroline Glick, and it's entitled, "Fit for The New York Times." And Caroline Glick is so articulate. I wanted to read verbatim what she had to say about the article in The New York Times. So I will read from Caroline Glick. This was published July 9, 2010.

She says, "Two important statements this week shed a light on the nature of the Palestinian conflict with Israel. Both were barely noted by the media.

"On Saturday the London-based Al-Hayat newspaper reported that Palestinian Authority Chairman Mahmoud Abbas gave U.S. mediator George Mitchell a letter detailing a number of concessions that he would make towards Israel in a final peace treaty. These included a willingness to accept permanent Israeli sovereignty over the Jewish Quarter in Jerusalem's Old City and over the Western Wall. The Al-Hayat report received enthusiastic and expansive coverage in the Israeli media and in media outlets throughout the world.

"What was barely noted was that just hours after the report hit the airwaves, Abbas's chief negotiator Saeb Erekat categorically denied the story. In an interview with Israel Radio, Saeb Erekat said the story was untrue.

"Abbas has been the recipient of adulatory press coverage in Israel over the past several days. Last week he thrilled the Hebrew-language media when he invited Israeli reporters to a sumptuous feast at his Ramallah headquarters. And then the Al-Hayat story came out. Lost in the excitement was Abbas's eulogy for arch terrorist Muhammad Daoud Oudeh who died over the weekend. Oudeh was the mastermind of the PLO's massacre of 11 Israeli athletes during the 1972 Munich Olympics. Abbas himself served the operation's paymaster.

"As Palestinian Media Watch reported, in a condolence telegram quoted in the Abbas-controlled Al-Hayat al Jadida newspaper, Abbas touted Oudeh as, 'a wonderful brother, companion, tough and stubborn, relentless fighter,' and described him as 'one of the prominent leaders of the Fatah movement.'

"So while the local and international media pounced on the Al-Hayat story as proof that the Palestinians are serious about peace, they failed to mention that their hope was based on a story that the Palestinians themselves deny. So too, in their rush to embrace Abbas, they failed to mention his glorification of an unrepentant mass murderer who commanded the terror squad that massacred Israel's Olympic athletes.

"These statements by Palestinian officials the media routinely characterize as moderates, demonstrates how

deeply distorted and largely irrelevant the discourse on the Middle East has become. As the 'moderate' Palestinians insist they are uninterested in peaceful coexistence and territorial compromise with Israel, news coverage in Israel and throughout the Western world is dominated by other issues. Specifically, discussion of prospects for peace between Israel and the Palestinians is dominated by an endless discussion of Israel's Jewish communities in Judea and Samaria and Jewish neighborhoods in eastern, southern and northern Jerusalem.

"The most egregious recent example of this distortion was a 5,000 word article in Tuesday's New York Times regarding US charitable contributions to these Jewish communities. Titled, 'Tax Exempt Funds Aid Settlements in the West Bank,' the report was co-authored by five Times reporters. It was the product of weeks of research. And notably, the New York Times chose to publish it on its front page above the fold on the very day that Prime Minister Binyamin Netanyahu visited the White House.

"The Times article is a textbook case of the media's ideologically motivated aggression against Middle East reality. Any way you look at it, it is a premeditated affront to the very notion that the role of a newspaper is to report facts rather than manufacture news aimed at shaping perceptions and skewing debate.

"The article goes to great lengths to discredit the American citizens who make charitable, tax deductible donations to organizations that provide lawful support to Jewish communities in Judea and Samaria and Jewish neighborhoods in southern, northern and eastern Jerusalem. It paints a sinister picture of such contributions and contributors and accuses them of actively undermining U.S. foreign policy.

"The contributors, we are told in the opening lines of the report are the Left's bogeyman—Evangelical Christians and religious Jews. They are unacceptable actors in the Middle East because they both believe that Jewish control of Judea and Samaria is a precursor to the coming of the messiah.

"Reacting to the Times' report, on Wednesday Honest Reporting noted that the article appears to be the product of active collusion between the Times and the radical, anti-Zionist, tax-exempt Gush Shalom organization. As Honest Reporting relays, in July of 2009, Gush Shalom sent out a communique to its supporters calling for the initiation of a campaign that, 'includes a combination of legal action and public advocacy aimed at denying Federal tax exempt (501c3) status to U.S. charities supporting settlement activity.'

"The Times' article bears all the markings of a political campaign. First, despite the valiant efforts of five Times reporters, the article exposes no

illegal activity. At best, its investigation of more than forty organizations that contribute funds to the hated Jewish communities in Jerusalem, Judea and Samaria indicated that less than a handful of them are guilty of poor accounting practices."

□ 2200

Assuming that Honest Reporting's eminently reasonable conclusion that the Times report is the product of collaboration between the newspaper and radical anti-Zionist groups is accurate, the report is shockingly hypocritical. By publishing it, the New York Times is engaging in the precise behavior it argues the organizations it investigated should be punished for purportedly engaging in.

To wit, in the service of radical tax deductible organizations, the Times seeks to undermine U.S. foreign policy. For the past four decades, it has been the foreign policy of the United States to maintain a strategic alliance with Israel. The goal of Times-aligned groups like Gush Shalom is to undermine that alliance by discrediting and criminalizing those who wish to strengthen and maintain it.

The Times article uses dark language and innuendo to create the impression that there is something treacherous and evil about contributions to Jewish communities in neighborhoods in Judea, Samaria and Jerusalem.

For instance, the article argues, "The donations to the settler movement stand out from other charitable, and this is in brackets, from other charitable contributions that promote U.S. foreign policy goals, close brackets, because of the centrality of the settlement issue in the current talks and the fact that Washington has consistently refused to allow Israel to spend American government aid in the settlements. Tax breaks for the donations remain largely unchallenged and unexamined by the American government."

What the Times fails to acknowledge is that the reason these donations are "largely unchallenged and unexamined" is because it is the constitutional right of American citizens to contribute to charities that promote policy goals, even when those goals, like those of Gush Shalom, are antithetical to U.S. policy as determined by the U.S. Government.

The New York Times alleges that these communities are illegal. Its authority for this allegation is none other than the Palestinian negotiator Saeb Erekat. Erekat opined to the paper, "Settlements violate international law."

The truth is that Israeli communities beyond the 1949 armistice lines are legal. But even if one were to accept the argument that they are unlawful, one would be accepting an argument based on the language of the Fourth

Geneva Convention from 1949 which prevents occupying powers from transferring their population to the areas under occupation.

There is no possible reading of the convention that would prohibit the voluntary movement of Israelis to Judea, Samaria and post-1967 neighborhoods in Jerusalem. Likewise, there is no possible reading of the convention that would prohibit the provision of financial support to Israelis who voluntarily move to the areas in question. Yet it is precisely this indisputably lawful, voluntary movement of Jews to these areas which the Times acknowledges is often done against the wishes of Israel's government that the Times article attacks.

In short, the Times' contention that there is something legally problematic about these donations is preposterous, both as it relates to U.S. law and as it relates to international law.

From a journalistic perspective, worse than the Times' decision to engage in precisely the behavior it seeks to criminalize when carried out by its political nemesis on the Christian and Jewish right and worse even than the article's false characterization of law is the article's clear attempt to obfuscate the main problem with land issues in Judea and Samaria. This it does in the interests of manufacturing a false but ideologically sympathetic picture of the situation on the ground.

The Times only gets around to alluding to and obfuscating the real problem with the land issues in the 58th paragraph of the article. The Times reports "Islamic judicial panels have threatened death to Palestinians who sell property in the occupied territories to Jews."

Actually, while this may be true, it is not the problem. The problem is that the second law promulgated by the Palestinian Authority just weeks after it was established in 1994 criminalized all Arab land sales to Jews as a capital crime.

Since 1994, scores of Arabs have been killed in both judicial and extrajudicial executions for selling land to Jews. This open move to hide the fact that since 1994 the PA has dispatched death squads to murder both Palestinians and Israeli Arabs suspected of selling land to Jews is a shocking miscarriage of journalistic standards.

Whereas the New York Times required five reporters to work for weeks to come up with exactly nothing illegal in the operations of U.S. charitable groups that support Jewish communities the Times wishes to destroy, the Times would have needed to invest no resources whatsoever to discover that the PA kills any Arab who sells land to Jews. The PA has made no effort to hide this policy. It is in the public sphere for anyone willing to look at reality.

That is, of course, the real issue here. The entire New York Times investigation, so-called, of American charitable groups that support Jewish communities in neighborhoods in Judea, Samaria and Jerusalem is a blatant attempt by major newspaper to hide the real issues prolonging the Palestinian conflict with Israel. Those issues exposed by Abbas's praise for a terrorist mass murderer, Erekat's denial that Abbas has any interest in compromising with Israel, as well as by the PA's policy of killing all Arabs who sell lands to Jews, do not serve the Times' purpose of blaming the absence of peace on Israel generally and on the Israeli right and its supporters in the U.S. in particular.

And so it is that 17 years after the start of the so-called peace process between Israel and the PLO, and 10 years after the PLO destroyed that process by launching a terror war against Israel, and 4½ years after the Palestinians elected Hamas to lead them, we are still stuck in a distorted, irrelevant discourse about the Middle East.

We are stuck in a rut because politically and ideologically motivated media organs operate hand-in-glove with radical groups seeking to undermine Israel's national sovereignty and end its alliance with the U.S. Together, they manufacture news that bears no relation with reality or the true challenges facing those who seek peace in the Middle East. But obviously for the New York Times, that is what makes it fit to print.

That was posted July 9, 2010, 7:27 a.m. by my friend Caroline Glick.

□ 2210

The article speaks for itself. It is a sad day when the New York Times has become such a political hack of a newspaper that in the summer of 1973, when I was in the Soviet Union, it was exciting. Actually, got a chance of going over there through Europe, coming out through Europe, to see a New York Times, especially in English. Exciting. And it was trusted to be the international resource. So it is a bit heartbreaking that as its sales circulation continues to plummet, it continues to proceed with the very things that have brought down its reputation and hurt it as such an objective resource. Doing reports growing up as a kid, you knew you could count on anything that you found in the New York Times and cite it as a valuable and accurate resource. Not so anymore. Not so anymore.

Israel is a friend, and I'm grateful that democracy has worked to the extent that this administration got concerned about its plummeting numbers enough that it realized maybe this time it should treat the Prime Minister of Israel with some respect, just as it is and just as it has heads of states of countries that despise us and have said

they would be glad to see us fall as a Nation. It's nice if they could treat Prime Minister Netanyahu with the same respect that it treats some of our sworn enemies.

Very interesting. There's just so much to cover, so little time. But I did want to address that issue and the fact that Iran is continuing to have its centrifuges spin. It has been reported by this administration, by the IAEA, that Iran has apparently at least enough uranium material, at least, to manufacture two nuclear weapons. So the rhetorical question to be asked, How many nuclear bombs does it take to become an existential threat to Israel or to this Nation? I would submit a nuke in New York Harbor, coming up the Potomac, the Houston and New Orleans shipping channel taking out the majority of our energy resources, Los Angeles, the lake right up next to Chicago, the effect could be existential to the U.S.

This isn't a game. You can't keep walking around blaming the prior administration. Yes, I was upset with the Bush administration with the TARP. Yes, this administration went right out and hired the same people that helped push that thing through. And they're still pushing it. Still like it. Should have never been passed. That was a huge mistake by the Bush administration, and we should not continue to confound it.

Well, just as we've seen the New York Times can twist and distort, we've seen throughout America people distorting our heritage. And so in an effort to correct yet another distortion, I want to finish with this. This is from a book written by Peter Lillback, "Wall of Misconception." A small book, lots of resources. Dr. Lillback says: "Everyone agrees that George Washington was critical for the formation of America's values. Washington was conscious that his every act created a precedent for good or ill for all that would follow him. As our first President, everything he did established precedents for how our country was to work."

"So there is no accident that so many have sought to portray Washington as a man without faith. For if he exercised faith in the public square, this in turn argues that the Judeo-Christian system still has relevance and vitality in the public square today. Did Washington's legacy include strong precedents of advocating the Judeo-Christian values in the public square? Recent authors have declared an emphatic no."

"Randall writes, 'Washington was not a deeply religious man.' Douglas Southall Freeman says, 'He had believed that a God directed his path, but he had not been particularly ardent in his faith.' James Thomas Flexner states that 'Washington . . . avoided, as was his deist custom, the word

'God.'" Judging from these writers, Washington could hardly be called a 'godly leader.' But are these claims correct?"

I could go on, as I have, taking people on tours through this building for about 2 or 3 hours with what Washington wrote and said and did. But continuing Dr. Lillback's book: "The very men who gave us the First Amendment did not intend to impose a radical separation of church and State that is advocated by so many today. In fact, the day after Congress adopted the words of the First Amendment, they sent a message to President Washington asking him to declare a day of thanksgiving to show America's appreciation to God for the opportunity to create America's new national government in peace and tranquility."

"So on October 3, 1789, President Washington made a Proclamation of a National Day of Thanksgiving. He declared: Whereas it is the duty of all nations to acknowledge the Providence of Almighty God—I guess he did use the word God—"to obey His will, to be grateful for his benefits, and humbly to implore His protection and favor. And, whereas both Houses of Congress have by their joint Committee requested me 'to recommend to the people of the United States a day of public thanksgiving and prayer to be observed by acknowledging with grateful hearts the many signal favors of Almighty God'"—oops, he used it again—"especially by affording them an opportunity peaceably to establish a form of government for their safety and happiness, now, therefore, I do recommend and assign Thursday the 26th day of November next to be devoted by the people of the United States to the service of that great and glorious Being, who is the beneficent author of all the good that was, that is, or that will be; that we may then all unite in rendering unto Him our sincere and humble thanks, for His kind care and protection of the people of this country previous to their becoming a Nation; for the signal and manifold mercies, and the favorable interpositions of His providence, which we experienced in the course and conclusion of the late war; for the great degree of tranquility, union, and plenty, which we have since enjoyed, for the peaceable and rational manner in which we have been enabled to establish constitutions of government for our safety and happiness, and particularly the national one now lately instituted, for the civil and religious liberty with which we are blessed, and the means we have of acquiring and diffusing useful knowledge; and in general for the great and various favors which He hath been pleased to confer upon us."

"And also that we may then unite in most humbly offering our prayers and supplications to the great Lord and Ruler of Nations, and beseech Him to pardon our national and other transgressions to enable us all—and deists

doesn't ask God to enable us to do anything—whether in public or private stations to perform our several relative duties properly and punctually.”

I see my time is running out so I will go straight to the bottom of George Washington's words: “to promote the knowledge and practice of true religion and virtue, and the increase of science among them and us; and generally to grant unto all mankind such a degree of temporal prosperity as He alone knows to be best.

“Given under my hand, at the City of New York, the 3rd of October, in the year of our Lord, 1789.” Again, George Washington's words.

Therefore, Madam Speaker, I yield back.

□ 2220

EXTENDING AMERICA'S UNEMPLOYMENT BENEFITS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from Pennsylvania (Mr. CRITZ) is recognized for 60 minutes.

Mr. CRITZ. Madam Speaker, I rise today to address the egregious actions taken by both the House and Senate against unemployed Americans. Members of this body have continued to vote against extending benefits to millions of Americans who need it the most right now. While these citizens are facing the worst job market that this Nation has seen in generations, these Members have turned their backs on them. They claim that the Restoration of Emergency Unemployment Compensation Act is budget-busting legislation. Madam Speaker, any bill whose intention is to assist 14.7 million jobless Americans while adding a needed infusion of cash into our still fragile economy is not budget-busting legislation. It is the right legislation.

Senate Minority Leader MITCH MCCONNELL has claimed that the Republicans continue to block the extension of unemployment benefits because they are not “willing to use worthwhile programs as an excuse” to create “even bigger national debt than we've already got.” Where were these same Republicans when we began our descent into fiscal disarray? Where were the Republicans when our national debt doubled when they had control of the White House and Congress? Where were the Republicans in stopping this atrocity from taking place?

And with that, I would like to put a chart up that some of my former colleagues used to show where we were and where we came from. In western Pennsylvania, where I'm from, many times I've been taught over the years that you have to look back to see where you were to know where you're going. And I think this chart shows pretty dramatically where we were just

a decade ago and where the last administration brought us.

Republicans have made a political calculation and decided to present this as a debate about our national debt. If we look back at history, we can see this new mantra of fiscal responsibility heralded by the Republican Party of today was not what they lived by a few years ago. Our national debt grew to enormous numbers because of actions Republicans have taken in the past decade. Let us not forget, when President Bush came into office in 2001, he inherited a \$236 billion budget surplus, 2.4 percent of our total GDP. This was the first surplus of this magnitude in the history of our country. These surpluses were projected to continue for at least the next 10 years.

According to a Congressional Budget Office report on the Economic Outlook for the Next Decade published in January of 2000, if the policies in place under President Clinton were maintained, total surpluses would have accumulated to between \$3.2 and \$4.2 trillion over the next 10 years. With these surpluses, it was projected that the Treasury would have sufficient cash on hand sometime between 2007 and 2009 to retire all debt held by the public. Now, let me read that to you again. With these surpluses, it was projected that the Treasury would have sufficient cash on hand sometime between 2007 and 2009 to retire all debt held by the public.

Madam Speaker, we've come a long way from the days of President Clinton, and it's been under the Republican leadership that this descent has taken place. As a country, we were on a path towards true fiscal responsibility and recovery. Rather than demand that we use these funds to eradicate our national debt then, Republicans dwindled our surplus on unpaid programs that greatly benefited the wealthiest citizens in our Nation. The Economic Growth—and I love the titles—the Economic Growth and Tax Reconciliation Act of 2001 passed the Republican Congress and was signed by President Bush, and it was an unpaid tax cut for the rich.

The CBO revised its economic outlook at the beginning of 2002 to reflect the changes in spending policy that have taken place during President Bush's first year. Although they still projected surpluses, the total amount had dropped by \$4 trillion under the prior year's estimate; \$2.4 trillion, or 60 percent, of that decline was attributed to laws enacted in 2001, including the Bush tax cuts. When the tax policy was studied for its long-term impact on our national budget, it was determined that the plan would cost us \$1.35 trillion over 10 years. At the end of fiscal year 2002, we reported our first budget deficit since 1997 in the amount of \$157.8 billion. Even then, there were no trumpets sounded by the Republicans

to reverse our spending habits to pay down the national debt. In fact, they continued to embrace policies that would lead us deeper and deeper into the financial black hole we see ourselves in today.

In 2003, there was a second round of major tax cuts enacted. The law accelerated previous provisions from the 2001 cuts while enacting new terms. Here we go with these great titles. The Jobs and Growth Tax Relief Reconciliation Act of 2003 was projected to increase Federal budget deficits by \$349.7 billion in the next 10 years. From 2001 to 2008, the Republicans added \$4.9 trillion to our national debt, bringing it to a total of \$10.6 trillion by the time President Obama took office. The Republican leadership was able to turn a projected \$4 trillion surplus into a nearly \$5 trillion budget deficit in a matter of 8 years.

Madam Speaker, 2008 was a trying year for all Americans. We witnessed a dramatic dip in housing prices, a skyrocketing number of foreclosed homes, the failing of financial institutions, what appeared to be a full collapse of our banking system, and the loss of 3.1 million American jobs by the end of the year. It was a catastrophe on a magnitude this Nation had not seen in decades. The economic meltdown prompted President Bush's Treasury Secretary Paulson and Federal Reserve Chairman Bernanke to visit the Speaker's Office on Thursday, September 18 of that year to deliver information to congressional leaders on our country's dire economic situation.

The Treasury Secretary and Chairman of the Fed described how, under the Bush administration, our economy had reached the equivalent of driving a tanker off of Allegheny Mountain. They believed that a serious government intervention was needed in order to rescue the system. On Saturday, September 20, a mere 2 days after this briefing, the Treasury Department delivered a three-page proposal to Congress asking for \$700 billion and giving the Secretary authority to purchase mortgage-related assets from any financial institution.

In a hearing held by the House Financial Services Committee on the financial crisis, Secretary Paulson stated this major outlay of government money was needed to restore confidence in our financial markets and financial institutions so that they can perform their mission of supporting future prosperity and growth. The CBO estimated that the bill, signed by President Bush on October 4, 2008, in its entirety, including several tax provisions added on to it, would increase the national debt by \$814 billion.

In the 8 years that President Bush and his administration led this country, they doubled our national debt. Not once did Republicans stand up to say the Bush administration and the

Republican-controlled Congress were responsible for this. But now when Americans are in need of help, the Republicans refuse to offer it.

The financial crisis left a lasting effect on our country. Not only were Wall Street and our Nation's financial institutions left in disarray, but millions of Americans were left without jobs. Our unemployment rate jumped to 7.4 percent at the end of December 2008 and now stands over 9 percent. Americans are suffering because of this crisis and are in dire need of assistance, yet Republicans believe that it is politically astute to deny millions of American families the aid they need to put food on their tables while searching for a job during this difficult time.

When the House took up the Restoration of Emergency Unemployment Compensation Act on July 1, it passed by a 270-153 vote. It is wonderful that 270 Members of this body see the needs of the people and are appropriately providing for them, yet 80 percent of the Republicans in the House opted to continue being the party of "no."

□ 2230

Nearly all Republicans in the Senate decided to do the same. They continue to turn their backs on American families in need.

Republicans believe that this is all in the name of fiscal responsibility. How is denying Americans needed funding to support their families fiscally irresponsible?

Not only do these funds help American families, they help the American economy. One reason there is not enough jobs right now is weak consumer demand. CBO has found that extending unemployment benefits to be one of the most cost-effective and fast-acting ways to stimulate the economy.

Every dollar in unemployment benefits creates at least \$1.64 in economic activity, as opposed to the 29 cents the Bush tax cuts would generate if extended, according to chief economist Mark Zandi of moodys.com. Virtually every dollar from unemployment benefits would be quickly spent on living expenses with the purchase of goods and services.

The CBO projected that the Restoration of Emergency Unemployment Compensation Act of 2010 would cost \$33 billion, which works out to be about \$2,200 per unemployed person of those 14.7 million people. This is roughly seven-thousandths of 1 percent of the debt amassed by the Republicans under the Bush administration. Yet the Republicans now want to claim fiscal responsibility. Providing these benefits is fiscally responsible and, more than that, it's a moral responsibility.

In the month of May, the State of Pennsylvania had a 9.1 percent unemployment rate. And in my area in southwest Pennsylvania we see many counties that are still hovering around

the 10 percent market. While I was in the district over this past week I heard many stories about families and how they're hurting while I was around visiting them.

At a senior center I talked to a young woman whose husband used to work in one of the factories in Johnstown. He worked there for 30 years. They paid their taxes. They did everything that they were supposed to do. Now his unemployment benefits are running out, but the Republican Members in this body and in the Senate feel it's not important enough to pass the emergency unemployment benefits.

One unemployed constituent lost her car because she's unable to make her payments once she stopped receiving the benefits in June. She's now left to find a job with no means of transportation, but that's not important enough for the folks in this body.

I received this letter last week from one of my constituents who desperately needs Congress to pass the unemployment extension. Her letter reads, "I am writing this message to tell you about the harm that failure to extend unemployment is causing for my family. Both my husband and I lost jobs through no fault of our own, like millions of other Americans. We have worked hard and paid taxes for a combined total of 71 years; two of these include my husband's 2 years in the military service."

"We have tried to get work since being laid off over a year and a half ago. My husband has worked for the Census." Remember, those are some of those jobs that have been noted that they're not real jobs. "My husband has worked for the Census a few weeks each of these past 2 years, but that will end soon. I have tried to get work during the past 2 years, but so far have not found anything. I have read that for every job that opens in Pennsylvania, there are five workers that would need it."

"We feel that we have been let down. Our country has bailed out companies and banks, and has saved high-paying jobs and bonuses, but feels it is too expensive to continue to help the unemployed. Some say that there are jobs out there that people aren't taking. I would like to know what they are and especially whether they are jobs that my husband and I could do."

Now, this is western Pennsylvania. The people in my district want to work. Sometimes there isn't work though, and they need the help that these unemployment benefits offer. And it really, it hurts my feelings and it angers me that this body can turn that kind of help down.

"Most of our 71 years of work have been in public libraries, which are hurting more than any other service from huge cuts by the State and local governments."

"I don't know how Congressmen and Senators can take a break when mil-

lions of Americans' lives are on hold. We can't make the rent or mortgage, pay for prescription drugs, feed and clothe our children, put gas into our cars so that we can continue to look for jobs and many other necessities."

And just as a side note, before I continue the speech that my staff and I put together, in western Pennsylvania we've seen the loss of jobs over many years. It used to be the hub of the steel industry of this country. Well, steel left in the late seventies and early eighties, and we've been fighting to create jobs in western Pennsylvania for a long time. We're a very hard working people. We do the best job that we can.

And why I'm so angered by the rhetoric that's been thrown around about this unemployment extension of unemployment benefits is these are hard working people, and if the jobs were there they'd be working. They're not looking for any kind of handout. But sometimes you need help, and that's all they're asking for.

She goes on to say, "I would like for you to share this letter with other Congressmen and Senators. I hope that you will all realize that we did not ask for this situation and would be glad to return to work if only we could."

"The unemployed need help and we need it fast. Please work as hard as you can to get our benefits back."

Madam Speaker, these families, like millions of other American families, need our help. I urge my colleagues in the Senate to pass the Restoration of Emergency Unemployment Compensation Act and provide our citizens the help they require in this time of crisis.

And again, let me reference where we were and then where we went.

This is not budget busting. This is helping men and women who are in need.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HASTINGS of Florida (at the request of Mr. HOYER) for today on account of personal business.

Ms. EDDIE BERNICE JOHNSON of Texas (at the request of Mr. HOYER) for today on account of business in the district.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. WOOLSEY) to revise and extend their remarks and include extraneous material:)

Ms. WOOLSEY, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

(The following Members (at the request of Mr. POE of Texas) to revise and extend their remarks and include extraneous material:)

Mr. MORAN of Kansas, for 5 minutes, today, July 14, 15, 16, 19, and 20.

Mr. BURTON of Indiana, for 5 minutes, today, July 14, 15, and 16.

Mr. POE of Texas, for 5 minutes, today, July 14, 15, 16, 19, and 20.

Mr. UPTON, for 5 minutes, today.

Mr. JONES, for 5 minutes, today, July 14, 15, 16, 19, and 20.

Ms. ROS-LEHTINEN, for 5 minutes, today and July 14.

BILLS PRESENTED TO THE PRESIDENT

Lorraine C. Miller, Clerk of the House reports that on July 1, 2010 she presented to the President of the United States, for his approval, the following bills.

H.R. 5611. To amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes.

H.R. 5623. To amend the Internal Revenue Code of 1986 to extend the homebuyer tax credit for the purchase of a principal resi-

dence before October 1, 2010, in the case of a written binding contract entered into with respect to such principal residence before May 1, 2010, and for other purposes.

H.R. 5569. To extend the National Flood Insurance Program until September 30, 2010.

ADJOURNMENT

Mr. CRITZ. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 34 minutes p.m.), the House adjourned until tomorrow, Wednesday, July 14, 2010, at 10 a.m.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports concerning the foreign currencies and U.S. dollars utilized for Speaker-Authorized Official Travel during the fourth quarter of 2009 and the second quarter of 2010 pursuant to Public Law 95-384 are as follows:

(AMENDED) REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO DENMARK, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN DEC. 7 AND DEC. 22, 2009

Name of Member or employee	Date		Country	Per diem ¹		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²
Cary Lane	12/17/09	12/19/09	Denmark		4,010.00		(³)				4,010.00
This is an amendment to report of 1/19/10											
Committee total					4,010.00						4,010.00

¹ Per diem constitutes lodging and meals.

² If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

³ Military air transportation.

NANCY PELOSI, Speaker of the House, June 18, 2010.

(AMENDED) REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO QATAR, AFGHANISTAN, GERMANY, HOUSE OF REPRESENTATIVES EXPENDED BETWEEN MAY 6 AND MAY 10, 2010

Name of Member or employee	Date		Country	Per diem ¹		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²
Hon. Nancy Pelosi	5/7	5/8	Qatar		227.00		(³)				227.00
Hon. Susan Davis	5/7	5/8	Qatar		341.00		(³)				341.00
Hon. Donna Edwards	5/7	5/8	Qatar		341.00		(³)				341.00
Hon. Niki Tsongas	5/7	5/8	Qatar		341.00		(³)				341.00
Hon. Madeleine Bordallo	5/7	5/8	Qatar		341.00		(³)				341.00
Hon. Wilson Livingood	5/7	5/8	Qatar		280.00		(³)				280.00
Wyndee Parker	5/7	5/8	Qatar		291.00		(³)				291.00
Bridget Fallon	5/7	5/9	Qatar		682.00		(³)				682.00
Kate Knudson	5/7	5/9	Qatar		682.00		(³)				682.00
Brendan Daly	5/7	5/8	Qatar		277.31		(³)				277.31
Debra Wada	5/7	5/8	Qatar		341.00		(³)				341.00
Hon. Nancy Pelosi	5/8	5/9	Afghanistan				(³)				
Hon. Susan Davis	5/8	5/9	Afghanistan		28.00		(³)				28.00
Hon. Donna Edwards	5/8	5/9	Afghanistan		28.00		(³)				28.00
Hon. Niki Tsongas	5/8	5/9	Afghanistan				(³)				
Hon. Madeleine Bordallo	5/8	5/9	Afghanistan		28.00		(³)				28.00
Hon. Wilson Livingood	5/8	5/9	Afghanistan				(³)				
Wyndee Parker	5/8	5/9	Afghanistan		10.00		(³)				10.00
Brendan Daly	5/8	5/9	Afghanistan				(³)				
Debra Wada	5/8	5/9	Afghanistan				(³)				
Hon. Nancy Pelosi	5/9	5/10	Germany		87.00		(³)				87.00
Hon. Susan Davis	5/9	5/10	Germany		177.25		(³)				177.25
Hon. Donna Edwards	5/9	5/10	Germany		177.25		(³)				177.25
Hon. Niki Tsongas	5/9	5/10	Germany		107.25		(³)				107.25
Hon. Madeleine Bordallo	5/9	5/10	Germany		177.25		(³)				177.25
Wilson Livingood	5/9	5/10	Germany		116.25		(³)				116.25
Wyndee Parker	5/9	5/10	Germany		96.87		(³)				96.87
Bridget Fallon	5/9	5/10	Germany		230.50		³ 908.00				1,138.50
Kate Knudson	5/9	5/10	Germany		230.50		³ 908.00				1,138.50
Brendan Daly	5/9	5/10	Germany		53.25		(³)				53.25
Debra Wada	5/9	5/10	Germany		85.25		(³)				85.25
Committee total											7,592.93

¹ Per diem constitutes lodging and meals.

² If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

³ Military air transportation.

NANCY PELOSI, Speaker of the House, June 18, 2010.

EXECUTIVE COMMUNICATIONS,
ETC.

Under clause 2 of rule XIV, executive communications were taken from the Speaker's table and referred as follows:

8258. A letter from the Administrator, Department of Agriculture, transmitting the Department's final rule — Tart Cherries Grown in the States of Michigan, New York, Pennsylvania, Oregon, Utah, Washington, and Wisconsin; Order Amending Marketing Order No. 930 [Doc. No.: AO-370-A8; AMS-FV-06-0213; FV07-930-2] received June 22, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8259. A letter from the Administrator, Department of Agriculture, transmitting the Department's final rule — Marketing Order Regulating the Handling of Spearmint Oil Produced in the Far West; Salable Quantities and Allotment Percentages for the 2010-2011 Marketing Year [Doc. No.: AMS-FV-09-0082; FV10-985-1 FR] received June 22, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8260. A letter from the Administrator, Department of Agriculture, transmitting the Department's final rule — Tart Cherries Grown in the States of Michigan, Et al.; Final Free and Restricted Percentages for the 2009-2010 Crop Year [Doc. No.: AMS-FV-09-0069; FV09-930-2 FR] received June 22, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8261. A letter from the Administrator, Department of Agriculture, transmitting the Department's final rule — Sweet Cherries Grown in Designated Counties in Washington; Change in the Handling Regulation [Doc. No.: AMS-FV-09-0033; FV09-923-1 FR] received June 22, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8262. A letter from the Administrator, Department of Agriculture, transmitting the Department's final rule — Blueberry Promotion, Research, and Information Order; Increase Membership [Document Number: AMS-FV-09-0022; FV09-705] received June 22, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8263. A letter from the Administrator, Department of Agriculture, transmitting the Department's final rule — Nectarines and Peaches Grown in California; Increased Assessment Rates [Doc. No.: AMS-FV-09-0091; FV10-916/917-2 FR] received June 22, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8264. A letter from the Congressional Review Coordinator, Department of Agriculture, transmitting the Department's final rule — Citrus Greening and Asian Citrus Psyllid; Quarantine and Interstate Movement Regulations [Docket No.: APHIS-2008-0015] (RIN: 0579-AC85) received June 22, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8265. A communication from the President of the United States, transmitting A Request For Budget Amendments For Fiscal Year 2010 proposals in the Fiscal Year 2011 Budget for the Department of Homeland Security and Justice; (H. Doc. No. 111—130); to the Committee on Appropriations and ordered to be printed.

8266. A letter from the Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting the Department's final rule — Defense Federal Acquisition Regulation Supplement; Pararamid Fibers and Yarns Manufactured in Qualifying Country (DFARS Case 2008-D024)

(RIN: 0750-AG13) received June 22, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

8267. A letter from the Assistant Secretary, Legislative Affairs, Department of State, transmitting the 45th report required by the FY 2000 Emergency Supplemental Act, pursuant to Public Law 106-246, section 3204(f); to the Committee on Armed Services.

8268. A communication from the President of the United States, transmitting the annual certification of the nuclear weapons stockpile by the Secretaries of Defense and Energy and accompanying report; to the Committee on Armed Services.

8269. A letter from the Chief Counsel, Department of Homeland Security, transmitting the Department's final rule — Suspension of Community Eligibility [Docket ID: FEMA-2010-000; Internal Agency Docket No. FEMA-8123] received June 17, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8270. A letter from the Assistant to the Board, Federal Reserve System, transmitting the System's "Major" final rule — Electronic Fund Transfers [Regulation E; Docket No.: R-1343] received July 1, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8271. A letter from the Assistant Secretary, Employee Benefits Security Administration, Department of Labor, transmitting the Department's "Major" final rule — Patient Protection and Affordable Care Act: Pre-existing Condition Exclusions, Lifetime and Annual Limits, Rescissions, and Patient Protections (RIN: 1210-AB43) received June 29, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and Labor.

8272. A letter from the Director, Defense Security Cooperation Agency, transmitting Transmittal No. 10-05, pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended; to the Committee on Foreign Affairs.

8273. A letter from the Director, Defense Security Cooperation Agency, transmitting Transmittal No. 10-11, pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended; to the Committee on Foreign Affairs.

8274. A letter from the Director, Defense Security Cooperation Agency, transmitting Transmittal No. 10-06, pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended; to the Committee on Foreign Affairs.

8275. A letter from the Director, Defense Security Cooperation Agency, transmitting Transmittal No. 10-18, pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended; to the Committee on Foreign Affairs.

8276. A letter from the Director, Defense Security Cooperation Agency, transmitting Transmittal No. 10-21, pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended; to the Committee on Foreign Affairs.

8277. A letter from the Acting Assistant Secretary, Bureau of Political-Military Affairs, Department of State, transmitting an addendum to a certification, transmittal number: DDTC 10-008, pursuant to Public Law 110-429, section 201; to the Committee on Foreign Affairs.

8278. A letter from the Assistant Secretary, Bureau of Political-Military Affairs, Department of State, transmitting an addendum to a certification, transmittal number: DDTC 10-056, pursuant to Public Law 110-429, section 201; to the Committee on Foreign Affairs.

8279. A letter from the Assistant Secretary, Legislative Affairs, Department of State, transmitting the Department's letter in accordance with Section 3 of the Arms Export Control Act; to the Committee on Foreign Affairs.

8280. A letter from the Assistant Secretary, Legislative Affairs, Department of State, transmitting Memorandum of Justification and report; to the Committee on Foreign Affairs.

8281. A letter from the Assistant Secretary, Legislative Affairs, Department of State, transmitting the Report on Adherence to and Compliance with Arms Control, Nonproliferation and Disarmament Agreements and Commitments for July 2010; to the Committee on Foreign Affairs.

8282. A letter from the Auditor, Office of the District of Columbia, transmitting a copy of the report entitled, "Auditor's Certification of the District Department of Transportation's FY 2008 Performance Accountability Report", pursuant to D.C. Code section 47-117(d); to the Committee on Oversight and Government Reform.

8283. A letter from the Secretary, Department of Agriculture, transmitting the Department's strategic Plan for FY 2010 — 2015; to the Committee on Oversight and Government Reform.

8284. A letter from the Executive Analyst, Department of Health and Human Services, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Oversight and Government Reform.

8285. A letter from the Executive Analyst, Department of Health and Human Services, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Oversight and Government Reform.

8286. A letter from the Deputy Associate General Counsel for General Law, Department of Homeland Security, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Oversight and Government Reform.

8287. A letter from the Administrator, Environmental Protection Agency, transmitting the Agency's semiannual report from the Office of the Inspector General during the 6-month period ending March 31, 2010; to the Committee on Oversight and Government Reform.

8288. A letter from the Chair, Equal Employment Opportunity Commission, transmitting Semiannual Management Report from the office of the Inspector General for the period ending March 31, 2010; to the Committee on Oversight and Government Reform.

8289. A letter from the Inspector General, General Services Administration, transmitting the Semiannual Report of the Inspector General and the Semiannual Report on Final Action Resulting from Audit Reports for the 6-month period ending March 31, 2010, pursuant to 5 U.S.C. app. (Insp. Gen. Act), section 5(b); to the Committee on Oversight and Government Reform.

8290. A letter from the General Counsel, National Labor Relations Board, transmitting the Board's semiannual report from the office of the Inspector General for the period October 1, 2009 through March 31, 2010; to the Committee on Oversight and Government Reform.

8291. A letter from the Administrator, Small Business Administration, transmitting the Administration's semiannual report from the office of the Inspector General for the period October 1, 2009 through March 31,

2010, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Oversight and Government Reform.

8292. A letter from the Deputy Assistant Administrator for Regulatory Programs, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic; Amendment to Emergency Fisheries Closure in the Gulf of Mexico Due to the Deepwater Horizon Oil Spill [Docket No.: 100503210-0215-01] (RIN: 0648-AY87) received June 17, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

8293. A letter from the Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Endangered and Threatened Wildlife and Plants: Final Rulemaking To Establish Take Prohibitions for the Threatened Southern Distinct Population Segment of North American Green Sturgeon [Docket No.: 070910507-0037-02] (RIN: 0648-AV94) received June 17, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

8294. A letter from the Administrator, FEMA, Department of Homeland Security, transmitting notification that funding under Title V, subsection 503(b)(3) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended, has exceeded \$5 million for the cost of response and recovery efforts for FEMA-3309-EM in the State of North Dakota, pursuant to 42 U.S.C. 5193(b)(1); to the Committee on Transportation and Infrastructure.

8295. A letter from the Senior Program Analyst, Department of Transportation, transmitting the Department's "Major" final rule — Automatic Dependent Surveillance — Broadcast (ADS-B) Out Performance Requirements To Support Air Traffic Control (ATC) Service; Correction [Docket No.: FAA-2007-29305; Amdt. No. 91-314-A] (RIN: 2120-AI92) received June 31, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8296. A letter from the Senior Program Analyst, Department of Transportation, transmitting the Department's "Major" final rule — Automatic Dependent Surveillance — Broadcast (ADS-B) Out Performance Requirements To Support Air Traffic Control (ATC) Service; Technical Amendment [Docket No.: FAA-2007-29305; Amdt. No. 91-316] (RIN: 2120-AI92) received June 31, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8297. A letter from the Senior Program Analyst, Department of Transportation, transmitting the Department's final rule — Standard Instrument Approach Procedures, and Takeoff Minimums and Obstacle Departure Procedures; Miscellaneous Amendments [Docket No: 30728; Amdt. No. 3377] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8298. A letter from the Senior Regulations Analyst, Department of Transportation, transmitting the Department's final rule — Transportation for Individuals with Disabilities: Passenger Vessels [Docket: OST-2007-26829] (RIN: 2105-AB87) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8299. A letter from the Adjutant General, Veterans of Foreign Wars of the U.S., transmitting proceedings of the 109th National Convention of the Veterans of Foreign Wars

of the United States, held in Orlando, Florida, August 16-21, 2008, pursuant to 36 U.S.C. 118 and 44 U.S.C. 1332; (H. Doc. No. 111—131); to the Committee on Veterans' Affairs and ordered to be printed.

8300. A letter from the Adjutant General, Veterans of Foreign Wars of the U.S., transmitting proceedings of the 110th National Convention of the Veterans of Foreign Wars of the United States, held in Phoenix, Arizona, August 15-20, 2009, pursuant to 36 U.S.C. 118 and 44 U.S.C. 1332; (H. Doc. No. 111—132); to the Committee on Veterans' Affairs and ordered to be printed.

8301. A letter from the Director, Office of Regulations, Social Security Administration, transmitting the Administration's final rule — Extension of Expiration Dates for Several Body System Listings [Docket No.: SSA-2010-0021] (RIN: 0960-AH20) received June 17, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8302. A letter from the Deputy Associate Commissioner of Office of Regulations, Social Security Administration, transmitting the Administration's final rule — Revised Medical Criteria for Evaluating Hearing Loss [Docket No.: SSA-2008-0016] (RIN: 0960-AG20) received June 17, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RAHALL: Committee on Natural Resources. H.R. 3923. A bill to provide for the exchange of certain land located in the Arapaho-Roosevelt National Forests in the state of Colorado, and for other purposes; with an amendment (Rept. 111-525). Referred to the Committee of the Whole House on the State of the Union.

Mr. RAHALL: Committee on Natural Resources. H.R. 3967. A bill to amend the National Great Black Americans Commemoration Act of 2004 to authorize appropriations through fiscal year 2015 (Rept. 111-526 Pt. 1). Referred to the Committee of the Whole House on the State of the Union.

Mr. RAHALL: Committee on Natural Resources. H.R. 4514. A bill to authorize the Secretary of the Interior to conduct a special resource study to determine the suitability and feasibility of designating the Colonel Charles Young Home in Xenia, Ohio as a unit of the National Park System, and for other purposes; with an amendment (Rept. 111-527). Referred to the Committee of the Whole House on the State of the Union.

Mr. RAHALL: Committee on Natural Resources. H.R. 4686. A bill to authorize the Secretary of Interior to study the suitability and feasibility of designating prehistoric, historic, and limestone forest sites on Rota, Commonwealth of the Northern Mariana Islands, as a unit of the National Park System; with amendments (Rept. 111-528). Referred to the Committee of the Whole House on the State of the Union.

Mr. RAHALL: Committee on Natural Resources. H.R. 3989. A bill to authorize the Secretary of the Interior to conduct a special resource study to determine the suitability and feasibility of adding the Heart Mountain Relocation Center, in the State of Wyoming, as a unit of the National Park System (Rept. 111-529). Referred to the Committee of the Whole House on the State of the Union.

Mr. RAHALL: Committee on Natural Resources. H.R. 4773. A bill to authorize the Secretary of the Interior to lease certain lands within Fort Pulaski National Monument, and for other purposes (Rept. 111-530). Referred to the Committee of the Whole House on the State of the Union.

Mr. RAHALL: Committee on Natural Resources. H.R. 4973. A bill to amend the Fish and Wildlife Act of 1956 to reauthorize volunteer programs and community partnerships for national wildlife refuges, and for other purposes; with an amendment (Rept. 111-531). Referred to the Committee of the Whole House on the State of the Union.

Mr. RAHALL: Committee on Natural Resources. H.R. 2884. A bill to amend the Hydrographic Services Improvement Act of 1998 to authorize funds to acquire hydrographic data and provide hydrographic services specific to the Arctic for safe navigation, delineating the United States extended continental shelf, and the monitoring and description of coastal changes; with an amendment (Rept. 111-532). Referred to the Committee of the Whole House on the State of the Union.

Mr. RAHALL: Committee on Natural Resources. H.R. 2476. A bill to amend the National Forest Ski Area Permit Act of 1986 to clarify the authority of the Secretary of Agriculture regarding additional recreational uses of National Forest System land that are subject to ski area permits, and for other purposes; with an amendment (Rept. 111-533 Pt. 1). Ordered to be printed.

Mr. FRANK of Massachusetts: Committee on Financial Services. H.R. 2555. A bill to ensure the availability and affordability of homeowners' insurance coverage for catastrophic events; with an amendment (Rept. 111-534). Referred to the Committee of the Whole House on the State of the Union.

Mr. MCGOVERN: Committee on Rules. House Resolution 1509. Resolution providing for consideration of the bill (H.R. 1722) to improve teleworking in executive agencies by developing a telework program that allows employees to telework at least 20 percent of the hours worked in every 2 administrative workweeks, and for other purposes (Rept. 111-535). Referred to the House Calendar.

DISCHARGE OF COMMITTEE

Pursuant to clause 2 of rule XIII the Committee on the Judiciary discharged from further consideration. H.R. 3967 referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. FALCONER: H.R. 5711. A bill to provide for the furnishing of statues by the territories of the United States for display in Statuary Hall in the United States Capitol; to the Committee on House Administration.

By Mr. LEVIN (for himself, Mr. WAXMAN, Mr. DINGELL, Mr. STARK, and Mr. PALLONE): H.R. 5712. A bill to provide for certain clarifications and extensions under Medicare, Medicaid, and the Children's Health Insurance Program; to the Committee on Energy and Commerce, and in addition to the Committees on the Budget, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. WITTMAN:

H.R. 5713. A bill to direct the Administrator of General Services to extend to private property owners and managers in the City of Fredericksburg and the counties of Caroline, King George, Spotsylvania, and Stafford in Virginia the same preferences in negotiating for the leasing of space for the use of the Federal government that are given to private property owners and managers in jurisdictions in the National Capital region; to the Committee on Transportation and Infrastructure.

By Mr. DOGGETT (for himself, Mr. SAM JOHNSON of Texas, Mr. BLUMENAUER, Mr. WILSON of Ohio, Ms. KILROY, Mr. GENE GREEN of Texas, Mr. HILL, Mrs. KIRKPATRICK of Arizona, Mr. STARK, Mr. GONZALEZ, Mr. GORDON of Tennessee, Ms. HIRONO, Mr. CAMP, Mr. HERGER, Mr. BRADY of Texas, Ms. SCHAKOWSKY, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. MORAN of Virginia, Mr. LINDER, Mr. McDERMOTT, and Mr. FARR):

H.R. 5714. A bill to amend title II of the Social Security Act to prohibit the inclusion of Social Security account numbers on Medicare cards; to the Committee on Ways and Means.

By Mr. LARSON of Connecticut (for himself, Mr. ROSKAM, Mr. POLIS, and Mr. PAULSEN):

H.R. 5715. A bill to amend the Internal Revenue Code of 1986 to establish lifelong learning accounts to provide an incentive for employees to save for career-related skills development and to promote a competitive workforce through lifelong learning; to the Committee on Ways and Means, and in addition to the Committee on Education and Labor, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GORDON of Tennessee:

H.R. 5716. A bill to provide for enhancement of existing efforts in support of research, development, demonstration, and commercial application activities to advance technologies for the safe and environmentally responsible exploration, development, and production of oil and natural gas resources; to the Committee on Science and Technology, and in addition to the Committee on Natural Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BECERRA (for himself, Mr. SAM JOHNSON of Texas, Ms. MATSUI, and Mr. WOLF):

H.R. 5717. A bill to authorize the Board of Regents of the Smithsonian Institution to plan, design, and construct a facility and to enter into agreements relating to education programs at the National Zoological Park facility in Front Royal, Virginia, and for other purposes; to the Committee on House Administration, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ACKERMAN:

H.R. 5718. A bill to amend chapter 44 of title 18, United States Code, to restrict the ability of a person whose Federal license to import, manufacture, or deal in firearms has been revoked, whose application to renew such a license has been denied, or who has received a license revocation or renewal de-

nial notice, to transfer business inventory firearms, and for other purposes; to the Committee on the Judiciary.

By Mr. CARDOZA (for himself and Mr. PUTNAM):

H.R. 5719. A bill to amend title 10, United States Code, to require the Secretary of Veterans Affairs to develop, and the Secretary of Defense to distribute to members of the Armed Forces upon their discharge or release from active duty, information in a compact disk read-only memory format or other appropriate digital format that lists and explains the health, education, and other benefits for which veterans are eligible under the laws administered by the Secretary of Veterans Affairs; to the Committee on Armed Services, and in addition to the Committee on Veterans' Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DJOU:

H.R. 5720. A bill to designate the facility of the United States Postal Service located at 1227 Lunalilo Street, Honolulu, Hawaii, as the "Cecil L. Heftel Post Office Building"; to the Committee on Oversight and Government Reform.

By Mr. DJOU:

H.R. 5721. A bill to designate the facility of the United States Postal Service located at 335 Merchant Street, Honolulu, Hawaii, as the "Frank F. Fasi Post Office Building"; to the Committee on Oversight and Government Reform.

By Mr. DRIEHAUS:

H.R. 5722. A bill to direct the Administrator of the Federal Emergency Management Agency to provide reimbursement for certain services relating to an approved letter of map amendment, and for other purposes; to the Committee on Financial Services.

By Mrs. MCCARTHY of New York:

H.R. 5723. A bill to designate the facility of the United States Postal Service located at 100 Broadway in Lynbrook, New York, as the "Navy Corpsman Jeffrey L. Wiener Post Office Building"; to the Committee on Oversight and Government Reform.

By Ms. NORTON (for herself, Mr. MORAN of Virginia, and Ms. GIFFORDS):

H.R. 5724. A bill to amend the Federal Water Pollution Control Act to clarify Federal responsibility for stormwater pollution; to the Committee on Transportation and Infrastructure.

By Mr. POSEY (for himself and Mrs. BLACKBURN):

H.R. 5725. A bill to amend the Internal Revenue Code of 1986 to repeal taxes on the income of senior citizens and to improve income security of senior citizens; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. QUIGLEY (for himself, Mr. HINCHAY, Ms. NORTON, Mr. POLIS, and Mr. WELCH):

H.R. 5726. A bill to improve the management and oversight of Federal contracts, and for other purposes; to the Committee on Oversight and Government Reform.

By Mr. SHUSTER:

H.R. 5727. A bill to amend the Federal Water Pollution Control Act to provide for the establishment of a process for quickly and effectively soliciting, assessing, and de-

ploying offshore oil and hazardous substance cleanup technologies, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. THOMPSON of Mississippi:

H.R. 5728. A bill to designate the facility of the United States Postal Service located at 95 Dogwood Street in Cary, Mississippi, as the "Spencer Byrd Powers, Jr. Post Office"; to the Committee on Oversight and Government Reform.

By Mr. THORNBERRY (for himself, Mr. SMITH of Washington, Mr. LANGEVIN, Ms. GIFFORDS, Mr. REHBERG, Mr. POE of Texas, Mr. MILLER of Florida, Mr. TANNER, Mr. BOREN, and Mr. ROHRBACHER):

H.R. 5729. A bill to modernize authorities to fight and win the war of ideas against violent extremist ideologies over the internet and other mediums of information, and for other purposes; to the Committee on Foreign Affairs.

By Mr. GOHMERT:

H. Res. 1510. A resolution providing for consideration of the bill (H.R. 4636) to prohibit United States assistance to foreign countries that oppose the position of the United States in the United Nations; to the Committee on Rules.

By Mr. GRIJALVA (for himself, Mr. ORTIZ, Mr. FILNER, Mr. CUELLAR, Mr. RODRIGUEZ, and Mr. REYES):

H. Res. 1511. A resolution honoring the United States-Mexico Border Health Commission on the 10th anniversary of the full commission establishment and for a decade of significant contributions; to the Committee on Foreign Affairs, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. MCCARTHY of New York (for herself, Mr. INGLIS, Mr. MORAN of Virginia, Ms. JACKSON LEE of Texas, Mr. WELCH, Ms. KILROY, Mr. BOUCHER, Mr. FOSTER, and Mr. WU):

H. Res. 1512. A resolution commending Google Inc. and other companies for advocating for an uncensored Internet, adhering to free speech principles, and keeping the Internet open for users worldwide; to the Committee on Foreign Affairs.

By Mr. MURPHY of New York:

H. Res. 1513. A resolution congratulating the Saratoga Race Course as it celebrates its 142nd season; to the Committee on Oversight and Government Reform.

By Ms. NORTON:

H. Res. 1514. A resolution expressing support for the designation of July 31, 2010, as National Dance Day; to the Committee on Energy and Commerce.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 147: Ms. CHU.

H.R. 211: Mr. SPRATT and Mr. REICHERT.

H.R. 275: Mr. MCCOTTER.

H.R. 303: Mrs. DAHLKEMPER.

H.R. 305: Mr. KILDEE, Mr. WU, and Ms. MATSUI.

H.R. 391: Mr. GRAVES of Georgia.

H.R. 413: Mr. LEE of New York.

H.R. 745: Ms. MATSUI and Mr. MEEK of Florida.

H.R. 764: Mr. McKEON.

H.R. 832: Ms. MCCOLLUM and Mr. ROTHMAN of New Jersey.

- H.R. 855: Mrs. BLACKBURN.
H.R. 1067: Mr. KISSELL.
H.R. 1205: Mrs. EMERSON, Ms. TITUS, Mr. ARCURI, Ms. SPEIER, and Mr. McDERMOTT.
H.R. 1230: Mr. CHANDLER, Mr. TOWNS, Ms. NORTON, Mr. HALL of Texas, Mr. NEAL, and Mr. HILL.
H.R. 1305: Mr. COURTNEY.
H.R. 1322: Mr. JOHNSON of Georgia.
H.R. 1403: Mr. PETRI.
H.R. 1443: Mr. FRANK of Massachusetts.
H.R. 1547: Mr. BILBRAY and Mr. GRIFFITH.
H.R. 1597: Mr. TIAHRT.
H.R. 1625: Ms. PINGREE of Maine and Mr. YOUNG of Florida.
H.R. 1806: Mr. CHANDLER.
H.R. 1835: Mr. CRITZ.
H.R. 1924: Mr. SCHAUER.
H.R. 2000: Mr. SMITH of New Jersey, Mr. BILIRAKIS, Mr. WAXMAN, Ms. MATSUI, Mr. FATTAH, Mr. BERMAN, and Ms. DELAULO.
H.R. 2067: Mr. JOHNSON of Georgia, Mr. DAVIS of Illinois, and Mr. CONNOLLY of Virginia.
H.R. 2103: Mr. DAVIS of Illinois and Mr. ACKERMAN.
H.R. 2135: Mr. POLIS.
H.R. 2149: Mr. LATHAM.
H.R. 2159: Ms. NORTON.
H.R. 2349: Mr. PRICE of North Carolina.
H.R. 2378: Mr. STUPAK.
H.R. 2408: Ms. DELAULO.
H.R. 2455: Mr. VAN HOLLEN, Ms. MATSUI, Mr. MARKEY of Massachusetts, Mr. DEUTCH, Mr. LIPINSKI, and Mr. HALL of New York.
H.R. 2624: Mr. MICHAUD.
H.R. 2693: Mr. SESTAK.
H.R. 2766: Ms. LEE of California, Mr. LANGEVIN, and Ms. SHEA-PORTER.
H.R. 2866: Mr. PASCRELL.
H.R. 2882: Mr. ISRAEL, Mr. HARE, and Ms. MOORE of Wisconsin.
H.R. 2979: Ms. SUTTON.
H.R. 2982: Mr. HEINRICH.
H.R. 3039: Mr. DJOU.
H.R. 3077: Mr. DOYLE, Mr. DAVIS of Illinois, and Mr. BRADY of Pennsylvania.
H.R. 3163: Mr. TIAHRT.
H.R. 3249: Ms. ROYBAL-ALLARD.
H.R. 3251: Mr. BOEHNER.
H.R. 3264: Mr. PRICE of North Carolina.
H.R. 3367: Mr. WU and Mr. HALL of New York.
H.R. 3408: Mr. GENE GREEN of Texas, Ms. KILPATRICK of Michigan, Mr. HODES, Mr. BRALEY of Iowa, Mr. WELCH, Mr. HINCHEY, and Mr. KUCINICH.
H.R. 3488: Ms. DELAULO.
H.R. 3554: Mr. CRITZ.
H.R. 3564: Mr. WEINER and Mr. AL GREEN of Texas.
H.R. 3567: Ms. SLAUGHTER.
H.R. 3577: Mr. PETRI and Mr. CRITZ.
H.R. 3595: Ms. FALLIN and Mr. LAMBORN.
H.R. 3668: Mr. ADERHOLT, Mr. SNYDER, and Mr. STEARNS.
H.R. 3693: Mr. BILBRAY.
H.R. 3716: Mr. BARROW, Mr. MURPHY of Connecticut, Mr. DOYLE, Mr. INSLEE, Ms. SUTTON, Mr. RUSH, Ms. BALDWIN, Mr. MELANCON, Mr. ROSS, and Mr. HINCHEY.
H.R. 3724: Mr. McCOTTER.
H.R. 3729: Mr. AL GREEN of Texas, Mr. KAGEN, Mr. ISRAEL, and Mr. MICHAUD.
H.R. 3742: Mr. MORAN of Virginia and Mr. KUCINICH.
H.R. 3781: Mr. GERLACH and Mr. BOREN.
H.R. 4116: Mr. DELAHUNT and Mr. PRICE of North Carolina.
H.R. 4148: Ms. HIRONO.
H.R. 4190: Mr. PRICE of North Carolina.
H.R. 4197: Ms. BORDALLO.
H.R. 4278: Ms. ZOE LOFGREN of California and Mr. ROTHMAN of New Jersey.
H.R. 4296: Mr. ACKERMAN.
H.R. 4298: Ms. NORTON.
H.R. 4306: Mr. TIAHRT.
H.R. 4324: Mr. CONNOLLY of Virginia.
H.R. 4359: Mr. TIM MURPHY of Pennsylvania.
H.R. 4399: Mr. McDERMOTT.
H.R. 4420: Mr. DAVIS of Illinois.
H.R. 4544: Ms. HERSETH SANDLIN, Mr. HONDA, and Mr. MICHAUD.
H.R. 4553: Mr. PATRICK J. MURPHY of Pennsylvania.
H.R. 4557: Mr. NEAL of Massachusetts and Mr. GUTIERREZ.
H.R. 4558: Mr. KILDEE.
H.R. 4599: Ms. HIRONO.
H.R. 4611: Mr. GRAVES of Missouri.
H.R. 4629: Mr. WU.
H.R. 4653: Mr. TIM MURPHY of Pennsylvania.
H.R. 4662: Mr. SNYDER, Mr. MEEK of Florida, and Mr. KILDEE.
H.R. 4677: Mr. HOLT.
H.R. 4692: Mr. GENE GREEN of Texas, Ms. DELAULO, and Mr. LARSON of Connecticut.
H.R. 4693: Mr. SCOTT of Virginia and Ms. DEGETTE.
H.R. 4710: Mr. HINCHEY.
H.R. 4734: Mr. WU.
H.R. 4759: Ms. SCHAKOWSKY.
H.R. 4787: Mr. TIM MURPHY of Pennsylvania and Ms. DEGETTE.
H.R. 4796: Mr. PAUL, Ms. TITUS, and Ms. DEGETTE.
H.R. 4800: Mr. CAPUANO.
H.R. 4806: Mr. MORAN of Virginia.
H.R. 4820: Ms. NORTON.
H.R. 4830: Ms. DEGETTE.
H.R. 4864: Mr. HARE, Ms. HIRONO, and Mr. GRIJALVA.
H.R. 4870: Mr. PALLONE, Mr. MCGOVERN, and Ms. MOORE of Wisconsin.
H.R. 4886: Mr. HOLT.
H.R. 4914: Mr. FALCOMA VEGA, Mr. LANGEVIN, Mr. KENNEDY, and Mr. HIGGINS.
H.R. 4925: Mr. CHILDERS.
H.R. 4926: Mr. GENE GREEN of Texas and Mr. ROTHMAN of New Jersey.
H.R. 4947: Mr. McCOTTER and Mr. ROTHMAN of New Jersey.
H.R. 4999: Mr. FRANKS of Arizona.
H.R. 5012: Mr. ROTHMAN of New Jersey and Mr. GUTIERREZ.
H.R. 5032: Mr. HASTINGS of Florida.
H.R. 5040: Mr. CLAY, Mr. PLATTS, Ms. DELAULO, Mr. SESTAK, and Mr. SCOTT of Georgia.
H.R. 5041: Mr. BRADY of Pennsylvania.
H.R. 5081: Mr. JACKSON of Illinois, Mr. LOEBBACH, Mr. HASTINGS of Florida, Ms. KAPTUR, and Mr. OWENS.
H.R. 5090: Mr. PASTOR of Arizona, Ms. MOORE of Wisconsin, and Mr. DOYLE.
H.R. 5092: Mr. McCOTTER.
H.R. 5107: Mr. MORAN of Virginia, Mr. SESTAK, and Ms. MCCOLLUM.
H.R. 5115: Mr. ROGERS of Michigan.
H.R. 5121: Mr. GUTIERREZ and Mr. LEWIS of Georgia.
H.R. 5141: Mr. TIM MURPHY of Pennsylvania, Mr. HOEKSTRA, and Mr. SMITH of Texas.
H.R. 5211: Mr. SCOTT of Virginia.
H.R. 5218: Mrs. DAVIS of California.
H.R. 5244: Mrs. EMERSON and Mr. CHANDLER.
H.R. 5248: Mr. CLAY.
H.R. 5268: Mr. DAVIS of Illinois, Mr. HINCHEY, and Mr. DOYLE.
H.R. 5283: Ms. ZOE LOFGREN of California and Mr. CONYERS.
H.R. 5289: Mr. SESTAK.
H.R. 5295: Ms. GIFFORDS.
H.R. 5319: Mr. OLSON.
H.R. 5322: Mr. BOUCHER.
H.R. 5323: Mr. SHIMKUS, Mr. KINGSTON, Mr. MANZULLO, Mr. FORBES, Mr. GOHMERT, Mr. ROE of Tennessee, Mr. CAMPBELL, Mr. GALLENGLY, Mr. GARY G. MILLER of California, Mr. McKEON, Mr. POE of Texas, Mr. BARTON of Texas, Mr. UPTON, Mr. PETRI, Mr. BARTLETT, and Ms. JENKINS.
H.R. 5418: Mr. FILER.
H.R. 5424: Mr. PLATTS and Mr. BUCHANAN.
H.R. 5425: Mr. AUSTRIA.
H.R. 5429: Ms. ROYBAL-ALLARD and Mrs. NAPOLITANO.
H.R. 5434: Mr. TIERNEY, Mr. CLEAVER, Ms. SPEIER, Ms. RICHARDSON, Ms. SHEA-PORTER, Mr. PETRI, Mr. KILDEE, Mr. BISHOP of New York, Mr. WAXMAN, Mrs. MALONEY, Mr. RAHALL, Ms. MOORE of Wisconsin, Mrs. NAPOLITANO, Mr. DOYLE, Mrs. MCCARTHY of New York, Mr. SESTAK, and Mr. JONES.
H.R. 5440: Mr. ANDREWS.
H.R. 5458: Mr. SESTAK, Mr. FOSTER, Ms. LORETTA SANCHEZ of California, and Ms. BERKLEY.
H.R. 5467: Ms. NORTON.
H.R. 5504: Mrs. DAHLKEMPER, Ms. CASTOR of Florida, Mr. MEEK of Florida, Ms. BORDALLO, Mr. CONYERS, and Mr. RAHALL.
H.R. 5506: Mr. PRICE of North Carolina.
H.R. 5509: Mr. FORBES and Mr. THOMPSON of Pennsylvania.
H.R. 5510: Mr. CONYERS, Mr. MILLER of North Carolina, and Mr. WATT.
H.R. 5518: Mr. PASTOR of Arizona.
H.R. 5523: Mr. GERLACH.
H.R. 5527: Mr. MCGOVERN, Ms. SCHWARTZ, Ms. SCHAKOWSKY, and Mr. TIBERI.
H.R. 5563: Ms. RICHARDSON and Mr. THOMPSON of Mississippi.
H.R. 5564: Mr. McHENRY and Mr. MELANCON.
H.R. 5565: Mr. CUELLAR, Mr. HINOJOSA, and Mr. PAUL.
H.R. 5566: Mr. TONKO and Mr. McCOTTER.
H.R. 5577: Ms. LINDA T. SANCHEZ of California.
H.R. 5578: Ms. LINDA T. SANCHEZ of California.
H.R. 5580: Mr. COFFMAN of Colorado.
H.R. 5588: Mr. BOUCHER, Mr. BLUMENAUER, and Mr. COURTNEY.
H.R. 5597: Mr. KILDEE, Mrs. BLACKBURN, Ms. SCHWARTZ, and Mr. MARSHALL.
H.R. 5605: Ms. SCHWARTZ, Mr. SESTAK, and Mr. TIM MURPHY of Pennsylvania.
H.R. 5606: Ms. SCHWARTZ, Mr. SESTAK, and Mr. TIM MURPHY of Pennsylvania.
H.R. 5614: Mr. MCCAUL, Mr. MATHESON, and Mr. KRATOVL.
H.R. 5620: Mr. BURTON of Indiana.
H.R. 5631: Ms. HIRONO and Mr. AL GREEN of Texas.
H.R. 5634: Mr. HINCHEY and Mr. QUIGLEY.
H.R. 5636: Mr. MCGOVERN and Mr. ELLISON.
H.R. 5643: Mr. SESTAK.
H.R. 5644: Mr. STARK, Ms. HIRONO, and Mrs. CAPPS.
H.R. 5648: Mr. WALZ, Mr. MILLER of Florida, and Mr. BUCHANAN.
H.R. 5679: Mr. SHIMKUS, Mr. BURTON of Indiana, Mr. THOMPSON of Pennsylvania, Mr. ROE of Tennessee, and Mr. LATTA.
H.R. 5687: Mr. ORTIZ.
H.R. 5694: Mr. HONDA.
H.J. Res. 42: Mr. DJOU.
H. Con. Res. 110: Mr. SESSIONS.
H. Con. Res. 232: Mr. BACHUS and Mr. OLVER.
H. Con. Res. 266: Mr. CUMMINGS, Ms. LINDA T. SANCHEZ of California, Mr. ROYCE, Ms. BALDWIN, and Mr. BOREN.
H. Con. Res. 274: Mr. DUNCAN, Mr. ROSS, Mr. LEE of New York, Mr. BONNER, Mr. RAHALL, Mr. HUNTER, Mr. STEARNS, Mr.

TERRY, Mrs. BIGGERT, Mr. BISHOP of Georgia, Mr. BARTLETT, Mr. BRIGHT, and Mr. SMITH of Nebraska.

H. Con. Res. 287: Mr. AUSTRIA, Mr. KINGSTON, Mr. ROGERS of Alabama, Mrs. BLACKBURN, Mr. YOUNG of Florida, Mr. PRICE of Georgia, Mr. BISHOP of Utah, Mr. WESTMORELAND, Mr. CRENSHAW, Ms. JENKINS, Mr. THOMPSON of Pennsylvania, Mr. COFFMAN of Colorado, Mrs. BACHMANN, Mr. PAUL, Mr. BLUNT, Mr. BACHUS, Mr. BOOZMAN, Mr. DAVIS of Kentucky, Mr. HENSARLING, Mr. JORDAN of Ohio, Mr. HUNTER, Mr. DJOU, Mr. LATTA, Mr. MACK, and Mr. ROGERS of Kentucky.

H. Con. Res. 291: Mr. PAYNE and Mr. INSLEE.

H. Con. Res. 292: Mr. POSEY, Ms. RICHARDSON, Ms. GIFFORDS, Mr. LARSON of Connecticut, Mr. ROGERS of Alabama, and Mr. OLSON.

H. Con. Res. 295: Mr. GALLEGLY, Mrs. BACHMANN, Mr. TIAHRT, Mr. ISSA, and Mr. WEINER.
H. Con. Res. 296: Mrs. MYRICK, Mr. KINGSTON, Mr. KIRK, Mr. KLINE of Minnesota, Mr. BOREN, Mr. OWENS, and Mr. WALZ.

H. Res. 20: Mr. WILSON of South Carolina.

H. Res. 22: Ms. ROYBAL-ALLARD.

H. Res. 111: Mr. GRAVES of Missouri, Mr. ALEXANDER, Mr. OWENS, and Mr. CARSON of Indiana.

H. Res. 173: Ms. GIFFORDS, Mr. FATTAH, Mr. OBERSTAR, Mr. KIND, and Mr. JOHNSON of Georgia.

H. Res. 249: Mr. DJOU.

H. Res. 709: Mr. HONDA.

H. Res. 771: Mr. SIRES and Mr. HUNTER.

H. Res. 869: Mr. TIAHRT.

H. Res. 874: Mr. TIAHRT.

H. Res. 1052: Mr. HUNTER, Mr. BRIGHT, Mr. THORNBERRY, and Mr. KRATOVIL.

H. Res. 1217: Mr. COHEN, Mr. ISSA, Mr. POE of Texas, Mrs. NAPOLITANO, Mrs. DAHLKEMPER, Mr. LARSON of Connecticut, and Mr. MOORE of Kansas.

H. Res. 1241: Mr. DANIEL E. LUNGREN of California, Mr. SCHOCK, Mr. COFFMAN of Colorado, Mr. YOUNG of Florida, and Mr. BARRETT of South Carolina.

H. Res. 1326: Mr. DELAHUNT, Mr. HOLT, and Mr. RUSH.

H. Res. 1342: Mr. SCHRADER.

H. Res. 1355: Mr. KUCINICH.

H. Res. 1370: Mr. DOYLE.

H. Res. 1401: Mr. DAVIS of Kentucky, Mr. BRADY of Pennsylvania, and Mr. SESTAK.

H. Res. 1402: Mr. PAULSEN, Ms. WATSON, Mr. SESSIONS, Mr. CASSIDY, Mr. McDERMOTT, and Mr. WALZ.

H. Res. 1411: Mr. ADLER of New Jersey, Ms. BEAN, Mr. BLUMENAUER, Mr. CAPUANO, Ms. CASTOR of Florida, Mr. CONNOLLY of Virginia, Mr. HIGGINS, Mr. HIMES, Mr. KIND, Mr. LARSON of Connecticut, Mr. LIPINSKI, Mr. MCGOVERN, Mr. TANNER, Mr. THOMPSON of California, Mr. TONKO, Mr. WALZ, Ms. TITUS, Mr. SMITH of Texas, and Mr. BERMAN.

H. Res. 1420: Mr. RUSH and Mrs. CAPPS.

H. Res. 1423: Mr. MCGOVERN, Mr. HASTINGS of Florida, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. MCCOLLUM, and Mr. BRALEY of Iowa.

H. Res. 1443: Mr. HONDA, Ms. BORDALLO, and Mr. POLIS.

H. Res. 1445: Mr. GINGREY of Georgia, Mr. POSEY, and Mr. KLEIN of Florida.

H. Res. 1472: Mr. SABLAN, Mr. SCOTT of Virginia, Mr. SESTAK, Ms. NORTON, Mr. KILDEE, Mr. SNYDER, and Mr. MAFFEL.

H. Res. 1473: Mr. BRIGHT.

H. Res. 1483: Mrs. MYRICK, Mr. MCGOVERN, Mr. MCCOTTER, and Mr. HILL.

H. Res. 1485: Mr. ROTHMAN of New Jersey, Ms. NORTON, Mr. RAHALL, Mr. CUMMINGS, Mr. MARSHALL, Mr. BURTON of Indiana, and Mr. CHAFFETZ.

H. Res. 1488: Mr. PAUL, Mrs. BLACKBURN, Mr. LOBIONDO, Mr. RYAN of Ohio, Mr. KENNEDY, Mr. HOLT, Mrs. McMORRIS RODGERS, Ms. LEE of California, Mr. MOORE of Kansas, Mr. MEEKS of New York, Ms. ZOE LOFGREN of California, Mr. GERLACH, Mr. ROTHMAN of New Jersey, Mr. SERRANO, Mr. LANCE, Mr. SESSIONS, Mr. JOHNSON of Georgia, and Mr. WU.

H. Res. 1494: Mr. CARSON of Indiana, Ms. BORDALLO, Mr. TURNER, and Mr. INSLEE.

H. Res. 1497: Mr. KIRK.

H. Res. 1503: Ms. ROYBAL-ALLARD.

CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, OR LIMITED TARIFF BENEFITS

Under clause 9 of rule XXI, lists or statements on congressional earmarks, limited tax benefits, or limited tariff benefits were submitted as follows:

The amendment to be offered by Representative Waters, or a designee, to H.R. 5114, the Flood Insurance Reform Priorities Act of 2010, does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI.

EXTENSIONS OF REMARKS

HONORING THE VNA

HON. BRIAN HIGGINS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. HIGGINS. Madam Speaker, today I am extremely proud to rise to honor the Visiting Nursing Association (VNA) of Western New York and recognize their 125 years of exemplary health care delivery in our community.

The VNA was one of the very first visiting nurse charities here in the United States. Over the years it has grown to be one of the largest home health care agencies in the nation, providing a range of services for all ages.

In 1885 Elizabeth Coe Marshall, a Buffalo teacher, founded what became the VNA when she recognized the need and collected donations to support a traveling nurse to serve the ill and indigent. Today the VNA of WNY is 900 nurses strong and provides a broad array of services that range from counseling new nursing mothers to providing health care that allows seniors to remain in the comfort of their own home. This devoted group serves 6,500 patients each and every day and makes more than one-half million home visits each year.

Over the decades the VNA of WNY has continued to adapt to meet the latest needs and incorporate today's technology. This has included rising to the demand to deliver H1N1 vaccines and integrating telemedicine into home care delivery.

Madam Speaker, it is with most sincere gratitude that I pay tribute to the Visiting Nursing Association of Western New York for their leadership in health care and 125 years of service and dedication to this great community.

RECOGNIZING BARBARA WOODS
FOR HER DISTINGUISHED CAREER
WITH THE INTERNAL REVENUE SERVICE

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. ISRAEL. Madam Speaker, I rise today to acknowledge Barbara Woods for her distinguished career with the Internal Revenue Service in Holtsville, New York, and to congratulate her on her retirement on Friday, July 2nd, 2010.

For the past ten years, Ms. Woods has served as a Case Advocate within the Taxpayer Advocate Service. In this capacity, she has devoted herself to helping citizens of Long Island navigate our nation's complex tax system. She has also shared her wealth of knowledge and experience with new Case Advocates undergoing training. Because of her, in-

dividuals on Long Island have been able to communicate successfully with the Internal Revenue Service, and will continue to do so well into the future.

I am proud to recognize Ms. Woods for her dedication and service.

COMMENDING TAIWAN

HON. LINCOLN DIAZ-BALART

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. LINCOLN DIAZ-BALART of Florida. Madam Speaker, I rise to commend the Republic of China, Taiwan, for assisting the oil spill relief efforts in the Gulf of Mexico.

In response to requests by the International Spill Control Organization and BP, the Environmental Protection Administration of the Republic of China, Taiwan, airlifted 600 feet of fire boom for use in the Gulf in order to contain surface oil and burn it offshore.

What is truly remarkable is the speed with which Taiwan has responded. When the request arrived in Taipei, Taiwanese officials and agencies worked expeditiously to process the request. Taiwan has joined seventeen other nations and various other international bodies in helping to mitigate the effects of the oil spill in the Gulf.

Taiwan's efforts should be recognized and commended. Taiwan has been most generous in helping the United States in its hour of need. We also remember Taiwan's humanitarian assistance to Haiti after its January earthquake. The world certainly could use more caring nations like Taiwan.

MEDIA MOGUL ADMITS HE
HELPED WRITE PRESIDENT'S
SPEECH

HON. LAMAR SMITH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. SMITH of Texas. Madam Speaker, Mort Zuckerman, the chairman and editor-in-chief of U.S. News & World Report and publisher of the New York Daily News, admitted on Fox News that he "voted for [President] Obama" and "helped write one of his speeches."

Perhaps the real surprise is not that a prominent member of the national media helped President Obama, but that he actually admitted to it on national television.

Mr. Zuckerman is not the only member of the media who has worked for President Obama. An astonishing 15 journalists have left a national media outlet to join either the Obama administration or a liberal group, according to a recent tally by the Media Research Center.

It's no wonder just 8 percent of Americans trust the media, according to a recent public opinion poll.

The national media should give Americans the facts, not cover for the Obama administration.

H.R. 2194, COMPREHENSIVE IRAN
SANCTIONS, ACCOUNTABILITY,
AND DIVESTMENT ACT

HON. TODD TIAHRT

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. TIAHRT. Madam Speaker, Iran continues down a dangerous path that must be confronted with resolve and action. Unfortunately, instead of supporting the national interests of the United States, the Obama administration has attempted to aid hostile regimes over allies, supported dictators over democracy, and been more interested in talking to our adversaries than supporting our longstanding friends in the Middle East. To redirect U.S. foreign policy in the region, I am pleased to be a co-sponsor of H.R. 2194, the Comprehensive Iran Sanctions, Accountability, and Divestment Act, which we are considering today.

The threat posed by Iran is clear. First, we know that Iran is developing nuclear weapons. In 2009, Dennis Blair, Director of National Intelligence testified before Congress that "Iran has the scientific, technical, and industrial capacity to eventually produce nuclear weapons." He went on to say that Iran could soon have enough highly enriched uranium for a nuclear weapon.

Second, we know that Iran has advanced short and medium-range missiles, and is rapidly developing capable longer-range missiles. Iran has already deployed the Shahab-3 missile, which has a range of over one-thousand miles. This missile can strike Israel and allies in Europe as well as American troops deployed in the Middle East, Asia and Europe. In February, Iran launched its first satellite into space. There are just relatively minor technological steps between a space launch and an inter-continental ballistic missile launch. In fact, a recent Air Force report said Iran's "ambitious ballistic missile and space launch development programs" could allow them to have an inter-continental ballistic missile capable of hitting the United States by 2015.

Third, we know Iran is the world's most active state sponsor of terrorism. According to our own State Department, "Iran's involvement in the planning and financial support of terrorist attacks throughout the Middle East, Europe, and Central Asia had a direct impact on international efforts to promote peace, threatened economic stability in the Gulf, and undermined the growth of democracy." Iran provides aid in the form of weapons, training, and

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

funding to Hamas and other Palestinian terrorist groups, Lebanese Hezbollah, Iraq-based militants, and Taliban fighters in Afghanistan—and those are the ones we know about.

Finally, we know that Iranian leaders continue to call for the destruction of Israel. Israel is our most important ally in the Middle East. The United States has a strategic and moral responsibility to stand with them against all threats and aggression.

To counter this clear Iranian threat, I am pleased the House is today considering the conference report for H.R. 2194. This legislation will dramatically limit Iran's ability to import and produce refined petroleum products by requiring the president to impose sanctions on companies helping Iran in these areas. The bill also adds three new sanctions to limit Iranian access to the U.S. banking system and foreign exchanges, and toughens the sanctions regime by requiring the president to investigate any reports of certain sanctionable activity for which there is credible evidence and make a determination to Congress whether such activity has indeed occurred.

While the Obama administration has failed to alter Iranian action through appeasement, H.R. 2194 will take serious actions. Although a large oil producer, Iran is dependent on imported refined petroleum products. With these new sanctions in place, the Iranian economy will be dramatically hindered and hopefully Iran will be forced to change course especially in regards to nuclear weapons program.

While I join with my colleagues in strong support of this legislation, I am disappointed with two aspects of this conference report. First of all, the timing. This legislation was introduced 14 months ago and passed on the floor of the House six months ago. All of these delays were at the behest of the Obama administration due to their continued opposition to the bill. The administration finally allowed the legislation to move forward only after securing an important concession providing the President extensive waivers, which is my second concern.

Originally containing limited waiver authority, Democrats added much more extensive presidential waivers. This is a farce and undermines the legislation. The administration has shown time and time again its interest in appeasement and opposition to a strong sanctions regime. I fear this important legislation will just be waived like so many other sanction laws aimed at Iran.

While I support this conference report, I call on the administration to not utilize any waiver authority and allow every sanction in this bill to take effect. This legislation is the clear will of Congress and the American people, and should be carried out to its fullest extent by the administration.

Madam Speaker, H.R. 2194 is not perfect, but it is a good step forward in protecting U.S.-vital interests. Therefore, I encourage my colleagues to support final passage.

HONORING THE 175TH ANNIVERSARY OF HUNTSVILLE, TEXAS

HON. KEVIN BRADY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. BRADY of Texas. Madam Speaker, I rise today to recognize the 175th anniversary of the City of Huntsville, Texas, and I extend my congratulations to its citizens on this memorable occasion.

Huntsville has a rich and memorable history that is as old as the state of Texas itself. This great city started out in 1835 as an Indian trading post established by Pleasant and Ephraim Gray who moved to the area from Huntsville, Alabama. Because their trading post was situated near the Trinity River, as trade along the river's banks grew, so did the number of settlers in Huntsville. New residents found the prairie lands in and around Huntsville to be fertile grounds for farming and ranching, and they found lush timber lands for harvesting.

The 1840s and 1850s were prosperous times for Huntsville, as settlers from eastern states continued to arrive and establish homesteads and businesses in the city. In 1845, the city was incorporated by the Congress of the Republic of Texas. In 1849, Austin College was founded in Huntsville. In 1850, the Huntsville Item newspaper was established and continues to be the second oldest continually published newspaper in the state of Texas.

Huntsville is known as the home of the great General Sam Houston, who served as President of the Republic of Texas, Governor of Texas, U.S. Representative, and U.S. Senator. It is also the home of Sam Houston State University, founded in 1879, and the Texas Department of Criminal Justice.

Today, Huntsville enjoys a vibrant economy and still maintains the natural beauty that attracted many of its earliest settlers. Tourists come to Huntsville to visit the Huntsville State Park, the Sam Houston National Forest, the Sam Houston Memorial Museum and statue, HEARTS Veterans Museum, the Texas Prison Museum, and the nearby attractions of the Trinity River and Lake Livingston.

In keeping with the traditions of its founding, Huntsville remains a friendly city that welcomes new families and individuals to enjoy life in the Piney Woods region of Texas. It is a place that values hard work and entrepreneurship and a place where residents respect and honor the freedom provided by our Armed Forces. Its citizens are some of the most patriotic and philanthropic you will find anywhere.

Madam Speaker, it is a privilege to represent the citizens of the city of Huntsville, Texas, in the House of Representatives. In the words of John W. Thomason, Jr., one of Huntsville's most notable residents who wrote many years ago, Huntsville continues to remain a "place of prominence: notable for culture, for manners, and for morals." Please join me in congratulating the citizens of Huntsville on this momentous occasion.

RECOGNIZING THE LIFE AND MILITARY SERVICE OF COLONEL WILLIAM B. IMANDT

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. ISRAEL. Madam Speaker, I rise today to honor the life and service of Colonel William B. Imandt, who was laid to rest in Arlington National Cemetery on Friday, July 2nd, 2010.

Colonel Imandt was a veteran of World War II, and courageously endured time as a soldier Missing in Action and a Prisoner of War. For his service in defense of our nation, he was awarded both the Bronze Star and a Purple Heart. His legacy will live on through his family and his commitment will not be forgotten.

I am proud to recognize Colonel Imandt for his brave service and dedication to our nation and the cause of freedom.

SAVANNAH GARCIA

HON. ED PERLMUTTER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. PERLMUTTER. Madam Speaker, I rise today to recognize and applaud Savannah Garcia who has received the Arvada Wheat Ridge Service Ambassadors for Youth award. Savannah Garcia is an 8th grader at Drake Middle School and received this award because her determination and hard work have allowed her to overcome adversities.

The dedication demonstrated by Savannah Garcia is exemplary of the type of achievement that can be attained with hard work and perseverance. It is essential students at all levels strive to make the most of their education and develop a work ethic which will guide them for the rest of their lives.

I extend my deepest congratulations once again to Savannah Garcia for winning the Arvada Wheat Ridge Service Ambassadors for Youth award. I have no doubt she will exhibit the same dedication and character to all her future accomplishments.

HONORING RON GETTELFINGER

HON. JOHN A. BOCCIERI

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. BOCCIERI. Madam Speaker, I rise today to honor a man who served as a statesman for organized labor and the United Auto Workers, leading his brothers and sisters through some of the most difficult economic times facing our nation.

While a chassis line repairman, Ron Gettelfinger became a member of the UAW in 1964. Since then, elected by his peers each time, he became Director, then Vice President and finally President of the UAW.

Now, after serving two consecutive terms as President of the UAW, Ron Gettelfinger will retire from his tenure.

Mr. Gettelfinger believed in fighting "for something better" and he achieved this during his 8 year term as President of the UAW in a multitude of ways.

He championed the fight for fair trade agreements that contained strong labor protections and he stood up in support of clean energy issues.

He fought to keep manufacturing jobs here in the United States by supporting domestic investments in advanced technology vehicles.

And as a steadfast advocate for the American worker, he strongly supported accessible and affordable healthcare for everyone.

I thank Ron Gettelfinger for his service to our great country and the UAW as a voice for the ordinary, hard working American.

RECOGNIZING GROCERY STORE DONATIONS TO FOOD BANKS

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. WOLF. Madam Speaker, I rise today to recognize grocery stores in the 10th District of Virginia for their assistance in working with local food banks and food pantries.

I salute the excellent work of community grocery store managers, employees, and volunteers for their dedicated work with local area food banks and food pantries. These grocery stores are the backbone of the food donation network. Without their support, food banks and food pantries would not be able to serve the community.

This community partnership is vital to continuing to feed families throughout the 10th District of Virginia who are struggling to put food on the table. Grocery stores around the country can make a positive difference in their communities by donating unused food to their local food banks and food pantries. I also want to make it clear that food donations from grocery stores to food banks are protected from liability under the Bill Emerson Good Samaritan Act. I urge grocery stores nationwide to follow the example of these stores in northern Virginia by donating food that would otherwise go to waste.

IN REMEMBRANCE OF WILLIAM L. TAYLOR, LAWYER AND CHAM- PION OF CIVIL RIGHTS AND EDU- CATION

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. GEORGE MILLER of California. Madam Speaker, our country lost a true education civil rights pioneer last week. William L. Taylor was a friend, an ally, a trusted advocate and true hero to our nation's children. His work helped all children succeed and profoundly impacted the way we educate children in this country. Both the Washington Post and the New York Times ran obituaries on his passing. I have submitted these for the RECORD as well as the

eulogy by Ralph Neas given at his Memorial Services. Bill will be deeply missed. My thoughts and prayers are with the Taylor family during this difficult time.

[From the Washington Post, June 30, 2010]

WILLIAM L. TAYLOR, 78; WASHINGTON LAWYER,
CHAMPION OF CIVIL RIGHTS

(By Emma Brown)

William L. Taylor, 78, a Washington lawyer and civil rights activist for more than half a century who fought discrimination on many fronts and was particularly dedicated to desegregating the nation's schools, died June 28 at Suburban Hospital in Bethesda of complications from a fall.

In a career spanning six decades, Mr. Taylor worked largely behind the scenes in courtrooms and on Capitol Hill, advising members of Congress, drafting legislation and taking advantage of changing attitudes about race and equality to strengthen the nation's civil rights laws and their enforcement.

One of his early mentors was Thurgood Marshall, who later became the first African American Supreme Court justice. Mr. Taylor went to work for Marshall at the NAACP Legal and Education Defense Fund in 1954, months after the Supreme Court's landmark *Brown v. Board of Education* decision outlawed public school segregation.

In 1958, Mr. Taylor helped write the NAACP's legal brief for the Supreme Court case that compelled schools in Little Rock—and required schools across the nation—to comply with *Brown v. Board* and integrate public schools.

During the 1960s, Mr. Taylor was the general counsel and staff director of the U.S. Commission on Civil Rights. He played a key role in organizing on-the-ground hearings and investigations into discrimination against African Americans in the Deep South. The resulting recommendations by the commission became the foundation for the 1964 Civil Rights Act and the 1965 Voting Rights Act.

In the late 1960s, he left the government to become a government watchdog. He launched two organizations to monitor the government's efforts to enforce civil rights laws, the Center for National Policy Review at Catholic University, where he taught law, and later the Citizens' Commission on Civil Rights.

During the administrations of Ronald Reagan and George H.W. Bush, Mr. Taylor lobbied for and helped draft stronger laws to address discrimination in housing, employment and voting. He also was in the group that led the fight against Reagan's nomination of Robert Bork to the Supreme Court. They examined every article, every speech, every decision, every statement that Robert Bork ever made and put together the book on Bork—and that was literally and figuratively the foundation for Bork's rejection by the Senate, said Ralph Neas, the former executive director of the Leadership Conference on Civil Rights, who chaired the Block Bork coalition.

Mr. Taylor was perhaps best known for his efforts to force states and cities to make good on the promise of equal schools for all. Through the courts, he pressed for the desegregation of a number of urban school districts. In St. Louis, after a parent challenged the segregated school system, Mr. Taylor led negotiations in the 1980s that established the nation's largest voluntary metropolitan school desegregation plan.

In recent years, Mr. Taylor helped draft No Child Left Behind, the 2002 federal law in-

tended to boost the quality of the nation's schools by measuring student progress on standardized tests, and he defended it against legal challenges. In his eyes, ensuring excellent schools for all students was a matter of civil rights. "He was a huge champion for closing the achievement gap, for accountability—just a hawk, and I use that as a huge compliment because he was ever-vigilant about that cause," said Margaret Spellings, who was secretary of education under President George W. Bush.

William Lewis Taylor was born Oct. 4, 1931, in Brooklyn, N.Y., the son of Jewish emigrants from Lithuania. Growing up, Mr. Taylor was the target of anti-Semitic slurs. He graduated from high school in 1947, the same year that Jackie Robinson went to bat for the Brooklyn Dodgers, drawing countless racial insults as he broke the major league color barrier. "The very first awareness I had about prejudice against blacks came from watching what Robinson went through," Mr. Taylor said in a 1999 interview.

In 1952, he graduated from Brooklyn College, where he met his future wife, Harriett Rosen. He graduated from Yale University's law school in 1954.

Mr. Taylor had served since 1982 as vice chair of the Leadership Conference on Civil and Human Rights in Washington and taught education law at Georgetown University.

His wife of 43 years, who became a D.C. Superior Court judge, died in 1997.

Survivors include their three children, Lauren R. Taylor of Takoma Park, Debbie L. Taylor of San Francisco and David S. Van Taylor of Brooklyn; a brother, Burton Taylor of Rockville; and three grandchildren.

At Brooklyn College, Mr. Taylor was editor of the campus newspaper for two issues before it was shut down by the college's president, Harry Gideonse, who thought the paper was too sympathetic to Communist interests. When the New York Times printed a story about the closing, Mr. Taylor recalled in his 2004 memoir, "The Passion of My Times," he was called into Gideonse's office. "I hate to ruin anyone's career," he remembered the president saying, "but in your case, I'm prepared to make an exception."

Years later, Mr. Taylor obtained his FBI file, which showed that college officials had urged the federal government not to hire Mr. Taylor when he was being considered for the U.S. Commission on Civil Rights. They criticized him for his involvement with the student government, which one official said had "espoused liberal causes such as the rights of the Negro in the South."

In 2001, Brooklyn College gave Mr. Taylor an honorary degree, honoring his efforts to secure civil rights for all Americans. "It was a character-building experience," Mr. Taylor said at the time. "I learned that you could speak out for things you believed in and that nothing bad would happen to you. I have spent my life doing that."

[From the Washington Post, July 2, 2010]

THE LOSS OF CIVIL RIGHTS ADVOCATE
WILLIAM L. TAYLOR

Bill Taylor was not one of those bold-face Washington names—except to those in the civil rights movement. If you were in that movement, you probably knew William L. Taylor, who died Monday at the age of 78; and if you didn't know him, you certainly knew what he had accomplished.

For more than half a century, Mr. Taylor was at the center of every major civil rights battle. As a young lawyer at the NAACP Legal Defense and Education Fund, he wrote

the Supreme Court brief in *Cooper v. Aaron*, the case in which the justices insisted that the Little Rock schools be desegregated notwithstanding massive local resistance. He worked not only to pass the landmark civil rights statutes of the 1960s—the Civil Rights Act of 1964, the Voting Rights Act of 1965, the Fair Housing Act of 1968—but to ensure their extension and rewriting in the face of hostile Supreme Court decisions in the following decades. He focused particularly on school desegregation—most notably negotiating a voluntary desegregation plan for St. Louis schools—and ensuring educational opportunity for students in impoverished areas, a passion that led him to join forces with the Bush administration in writing the *No Child Left Behind* law. In his various roles, as general counsel and staff director of the U.S. Commission on Civil Rights, as executive director of the Leadership Conference on Civil Rights, as a law professor and private practitioner, Mr. Taylor was, in the words of the late Sen. Edward M. Kennedy, “a long-distance runner on the road to justice.”

The Brooklyn-born son of Lithuanian immigrants, Mr. Taylor wrote in his memoir, “The Passion of My Times,” that he turned up for work at the Legal Defense and Education Fund fresh out of Yale Law School “with virtually no interaction with African Americans. Jackie Robinson provided my only civil rights education.” But his passion for civil rights, like his passions for baseball and jazz, never waned. His funeral Wednesday featured repeated references to Mr. Taylor’s strong, sometimes prickly, personality. “He was never afraid to share his side of the argument—whether or not you wanted to hear it,” his 13-year-old granddaughter, Simone, wrote in a memoir read at the service. “He knew when to take a stand, and he knew when to hammer out a compromise with integrity,” said Rabbi David Saperstein, a longtime colleague.

“The strange thing about working in civil rights is that you always feel that you are stuck in a period of great difficulty,” Mr. Taylor said in a 1999 interview with the *D.C. Bar* magazine. “There was tremendous resistance to the Brown decision, and then we went through all of the tumultuous violence of the 1960s. There were times when it felt very grave, ugly and hateful. But every few years you look up and realize that things have changed in fundamental ways.” Mr. Taylor helped bring about that fundamental change.

[From the New York Times, June 29, 2010]

WILLIAM TAYLOR, VIGOROUS RIGHTS
DEFENDER, DIES AT 78
(By Douglas Martin)

William L. Taylor, who as a lawyer, lobbyist and government official for more than a half century had significant roles in pressing important civil rights cases and in drafting and defending civil rights legislation—died Monday in Bethesda, Md. He was 78 and lived in Washington. His son, David Van Taylor, said the direct cause of death was fluid in his lungs, a complication of a head injury he suffered in a fall a month ago.

William Taylor began his long fight for racial justice as a young lawyer at the NAACP Legal Defense and Educational Fund Inc. working with Thurgood Marshall, who would later become a Supreme Court justice. He helped fight some of the difficult civil rights battles that followed the Supreme Court order in 1954 that schools be desegregated. One assignment was writing much of the brief that persuaded the court to order the

continued desegregation of schools in Little Rock, Ark., in an extraordinary summer session in 1958. The local school board had decided to suspend desegregation because of heated resistance the previous year.

Mr. Taylor went on to the United States Commission on Civil Rights as general counsel and staff director during the Kennedy and Johnson administrations. He directed research that contributed to the 1964 Civil Rights Act, the 1965 Voting Rights Act and the 1968 Fair Housing Act.

Later victories included negotiating a voluntary school desegregation plan in St. Louis in the 1980s as well as deals with other school systems. In a statement Tuesday, the N.A.A.C.P. called Mr. Taylor “a staunch advocate for educational equity throughout his storied legal career.”

Starting in 1982, Mr. Taylor used his position as vice chairman of the Leadership Conference on Civil and Human Rights to help renew and strengthen some of the major civil rights legislation of the 1960s.

He headed a team of lawyers assembled by the conference that evaluated civil rights enforcement in the first year of the Reagan administration. In a 75-page report, the lawyers found that the administration had “repudiated” constitutional interpretations by the Supreme Court that protected rights and that it had attacked lower courts for protecting minorities.

“For more than half a century, Bill Taylor’s voice was synonymous with equality,” Representative George Miller, the California Democrat who is chairman of the House Education and Labor Committee, said in a statement.

Mr. Taylor is also credited with helping to devise a strategy by liberals to defeat President Ronald Reagan’s nomination of Robert Bork to the Supreme Court in 1987, partly by recruiting well-known law professors to criticize him. Mr. Taylor could sometimes be unpredictable, as when he openly supported President George W. Bush’s *No Child Left Behind* law to overhaul education. Liberal critics called the measure punitive, poorly financed and too oriented toward standardized tests.

William Lewis Taylor was born on Oct. 4, 1931 to first-generation immigrants from Lithuania in the Crown Heights section of Brooklyn. In speeches over the years he said that as a Jewish teenager he had experienced anti-Semitism in a neighborhood that Jews shared mainly with Italians. “I remember being pushed around as a kid and being called a ‘Christ killer,’” he once said. He became aware of prejudice against blacks, he said, when he saw whites harass Jackie Robinson when he broke baseball’s color line in 1947.

Mr. Taylor attended Brooklyn College, where he was editor of the college newspaper. The college president suspended him for printing an article that the president had objected to; it said a professor had been denied tenure because of his political views. A decade later, when Mr. Taylor was applying for a job with the federal government, Brooklyn College officials urged the government not to hire him. According to his F.B.I. file, college officials said that as a student he had “espoused liberal causes such as the rights of the Negro in the South.” The New York Times reported in 2001.

That year, in a gesture of both contrition and pride, Brooklyn College awarded Mr. Taylor an honorary degree. Christoph M. Kimmich, the college president, called him “a person who represents what this institution is about.”

Mr. Taylor graduated from Brooklyn College in 1952 and Yale Law School in 1954, wrote many articles and two books, and taught at the law schools of the Catholic University of America, Stanford and Georgetown.

His wife, the former Harriett Elaine Rosen, a trial judge in Washington for 17 years, died in 1997. In addition to his son, Mr. Taylor is survived by his daughters, Lauren and Deborah Taylor; his brother, Burton; and three grandchildren.

In the 1950s, Mr. Taylor was a popular contestant on the game show “Tic-Tac-Dough,” his son said. When producers offered him answers, which would have guaranteed his earnings, he refused. He later testified to a grand jury investigating quiz show fraud. The jury foreman, who had heard the testimony of other “Tic-Tac-Dough” contestants, informed Mr. Taylor that he had won more money than anyone else who had not taken answers. His son said that was a lasting source of pride.

REMARKS OF RALPH G. NEAS, PRESIDENT AND
CEO, NATIONAL COALITION ON HEALTH CARE,
MEMORIAL SERVICE FOR WILLIAM L. TAY-
LOR, TIFERETH SYNAGOGUE, JUNE 30, 2010

Good Morning.

Lauren, Debbie, David, Simone, Jesse, Nathaniel, Burt and Susan, other members of the family and friends, I am honored to be with you today.

Sometimes in your life, you get lucky. It certainly happened to me when I met my wife, Katy. It happened again when our daughter, Maria, entered our lives. And it most definitely happened one Spring day in 1974. My first boss, Senator Edward W. Brooke, was fighting those who were trying to undermine school desegregation.

The Leadership Conference on Civil Rights (LCCR) offered to help Senator Brooke. Into the office walked Arnie Aronson, Clarence Mitchell, Joe Rauh, and Bill Taylor. At age 26, I was in one room with this extraordinary group of individuals who would mentor me for the next four decades. I did not know it then, but I had just won the lottery. And, except for Katy, no one has been with me more over that span of time than Bill Taylor. Bill was one part mentor, one part side-kick. Whether it was civil rights advocacy, playing tennis, discussing baseball, listening to jazz, or going to the movies; we did it together.

By the time I met Bill, he was in his forties. In many ways, Bill, along with Mary Frances Berry and Raul Yzaguirre, served as bridges between the great generation of the Rauhs, Mitchells, Dorothy Heights, and Aronsons and that of my peers, who were just coming of age—Marcia Greenberger, Elaine Jones, David Saperstein, Antonia Hernandez, Judy Lichtman, Barbara Arnwire, Wade Henderson, Nan Aron, Karen Narasaki and so many others in this room.

By the time we met, Bill already had a distinguished professional career. Right out of Yale Law School, he joined the staff of Thurgood Marshall at the NAACP Legal Defense and Education Fund. His first major case was *Cooper v. Aaron*, the historic 1958 Little Rock school desegregation decision. Now, that’s one hell of a way to begin a career!

For the next 50 years, Bill continued his abiding interest in equal educational opportunity, especially in important school desegregation cases across the country. Bill went on to become the head of the United States Commission on Civil Rights where he supervised important investigative and research work that helped lay the foundation for the

enactment of the 1964 Civil Rights Act, the Voting Rights Act of 1965, and the 1968 Fair Housing Act.

While Bill and I teamed up many times in the 1970's, our real partnership began in April of 1981 when I became the Executive Director of LCCR. For the next 12 years, we were inseparable, constituting with the leaders I have mentioned previously, a core group of strategists, organizers, lawyers, and advocates that remained close and effective over the years.

But during the Reagan-Bush Administrations, Bill Taylor helped the Civil Rights Movement perform the impossible. In the face of huge resistance, LCCR directed two-dozen national campaigns that strengthened every major civil rights law, overturned more than a dozen adverse Supreme Court decisions, and defeated the Supreme Court nomination of Robert Bork. Laws enacted included the 1982 Voting Rights Act, the Civil Rights Restoration Act of 1988, the Fair Housing Act Amendments of 1988, the Civil Rights Act of 1991 and the Americans with Disabilities Act. Bill's role in all of these hard fought victories was that of the indispensable senior advisor.

As essential as Bill was to my professional life, he was also a vital part of my personal life. Indeed, Bill Taylor, along with Mary Frances, actually lent me the money I needed to buy an engagement ring for Katy. He then joined Katy and me in Des Moines, Iowa, Thanksgiving 1988, to be a member of our wedding party. Again with Mary Frances, Bill became a Godparent to Maria in 1999.

And Bill's wonderful 43 year marriage to Judge Harriett Taylor had a profound impact on me. I have never observed a better, warmer, more trusting partnership than theirs.

In all of his endeavors, certain personal qualities about Bill always stood out. First, was Bill's brilliance. His mind was quick and facile, especially in moments when something had to be forged that could command a bi-partisan legislative consensus. Not surprisingly, Ted Kennedy, Hamilton Fish, and Don Edwards were his best friends in Congress. Next, was his exceptional sense of humor. Bill could really tell a story. His puns, his pointed sarcasm, and quick wit always were entertaining companions during a meal or a drink after work. And many times that humor defused a tense situation.

To be honest, one has to mention Bill's stubbornness, sometimes accompanied by a strong temper. God, that man could be unyielding. Bill always had a flair for the dramatic. And Monday could not have been more a dramatic day. The retirement of Justice John Paul Stevens. The first day of Elena Kagan's Supreme Court nomination hearings. But perhaps the most fascinating serendipity was the passing of Senator Robert Byrd. Indeed, no one better personifies Bill's unquenchable optimism in the truthfulness of Martin Luther King's quote, "That the arc of the moral universe is long but it bends toward justice. In his 20's, Senator Byrd was a member of the Ku Klux Klan. In his forties, he filibustered the Civil Rights Act of 1964. Then miraculously, perhaps due in some small measure to the Voting Rights Act of 1965, he evolved into a champion of civil rights. No better example could underscore the power and accuracy of Martin's observation.

Bill wrote a marvelous autobiography, *The Passion of My Times: A Civil Rights Advocate's 50 Year Journey*. As we know, the title came from an Oliver Wendell Holmes Jr. quote: . . . it is required of a man that he

should share the passion and action of the time, at peril of being judged not to have lived. Bill Taylor, you lived that quote. And because you did, America made progress.

For everyone in this synagogue today and for countless others who may not even know his name, Bill was a special person who was always there. Bill Taylor was a mensch.

Bill, we were so fortunate to have you as a friend.

THE FY10 SUPPLEMENTAL APPROPRIATIONS BILL

HON. CHRIS VAN HOLLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. VAN HOLLEN. Madam Speaker, this supplemental bill contains funding to support our troops in the field and resources to keep our teachers in the classroom. It also provides funding for other priorities, including strengthening our border security and relief to victims of the oil spill in the Gulf and the earthquake in Haiti.

I support President Obama's request to provide our troops with the equipment and support they need for their mission. We also owe it to our troops to have a realistic strategy that is worthy of their sacrifice.

The toughest decisions we face as a nation are questions of war and peace. Whenever we ask the men and women of our armed forces to put their lives at risk, the President and Members of Congress have a solemn obligation to consider all the facts and exercise their best judgment for the country.

More than eight years ago, our nation was the target of a terrorist attack launched by al Qaeda operating out of Afghanistan. The United Nations unanimously passed a resolution supporting the right of the United States to respond forcefully to that attack. Our NATO allies universally backed our actions, invoking the provisions of the NATO charter stating that an attack on one was an attack on all. Today, largely because the Bush administration diverted attention and resources away from this region to Iraq, Osama bin Laden and al Qaeda continue to regain strength and plot attacks against Americans from along the Afghanistan-Pakistan border. The Bush Administration also failed to persuade Pakistan to confront the Afghan Taliban insurgents operating inside Pakistan with the support of al Qaeda.

While there is no doubt that al Qaeda operates in parts of Yemen, Sudan, Somalia, and other areas, the Afghanistan-Pakistan border region remains the operational and ideological center for al Qaeda's global operations. The President is right to conclude that allowing al Qaeda to operate there unchecked poses a serious security risk to the U.S. and American citizens around the world.

President Obama has developed a carefully considered and comprehensive "counterinsurgency" strategy for Afghanistan and Pakistan that relies not only on the use of troops but also the use of civilian resources.

The strategy has four parts. First, American and NATO forces will accelerate the training and deployment of the Afghan national security forces, both army and police. This will

allow U.S. forces to begin returning home starting in July of next year. Second, in the interim, U.S. and Afghan forces will reverse the Taliban's momentum by working to stabilize major population centers.

Third, the strategy engages Pakistan as a full partner in these efforts. As a result of better coordination between our two countries, for the first time since the beginning of the war, al Qaeda and the Taliban are being genuinely challenged by the Pakistan military.

Finally, the U.S. will work with its partners in Afghanistan and Pakistan to create a more effective civilian strategy—with the goal of establishing sustainable economic opportunities for Afghans and strengthening the country's national and local governance structures. As the 9–11 Commission determined, extremist groups exploit the poor socioeconomic conditions, such as high unemployment, in the border areas to gain adherents to their cause. With this in mind, I introduced the Afghanistan-Pakistan Security and Prosperity Enhancement Act, which will allow the President to designate Reconstruction Opportunity Zones (ROZs) in Afghanistan and parts of Pakistan and allow qualified businesses duty-free access to U.S. markets for designated products. This legislation, which has passed the House and is pending in the Senate, would help create meaningful job opportunities for young people who are currently vulnerable to the lure of extremism.

The President's strategy contains a timeline which initiates a responsible redeployment of American troops in July of next year. He has established this timeline to send a clear message to the Afghan government that they must take seriously their role in creating a stable Afghanistan and to communicate to the people of Afghanistan that the U.S. has no interest in an open-ended engagement in their country.

During floor consideration of the bill, I supported the McGovern/Obey Amendment which would codify the president's plan to initiate a responsible drawdown of U.S. forces beginning a year from now. The amendment requires that by April 4, 2011, the president submit to Congress a redeployment plan that is consistent with the policy he announced in December 2009.

While I supported the McGovern/Obey Amendment, I opposed amendments that would lead to the immediate cutoff of funds to support the president's strategy in Afghanistan and Pakistan. The immediate withdrawal of U.S. forces from Afghanistan would have two negative consequences. First, it would immediately strengthen the hand of the most extremist Taliban leaders (those most closely tied to al Qaeda), undercutting any leverage behind ongoing efforts to get some Taliban fighters to lay down their arms and undermining Afghan President Hamid Karzai's new initiative to reach a political accommodation with those members of the Taliban open to national reconciliation. If such a political solution is undermined and the old Taliban regime retakes control of Afghanistan, they will again turn that country into a safe haven for expanded al Qaeda operations. It would also lead to the return of an extreme Taliban regime that encourages horrendous acts like pouring gasoline into the eyes of girls who attempt to go to school.

Second, an immediate withdrawal of NATO forces would weaken Pakistan's resolve to confront the Pakistani Taliban, the Afghan Taliban, and al Qaeda. The most promising development over the last year has been the Government of Pakistan's willingness to fight the growing menace of the Pakistani Taliban. In addition, very recently, the Pakistani government has also shown a willingness to confront elements of the Afghan Taliban. The capture of Mullah Bandar, the operational chief of the Afghan Taliban, and two Afghan Taliban shadow governors, demonstrates this progress. The withdrawal of U.S. forces from Afghanistan would sabotage those nascent efforts. Why should the Pakistani forces confront the Afghan Taliban if the U.S. walks away now?

There are no guarantees of success in Afghanistan and Pakistan. But, we do know that failure to confront al Qaeda would leave Americans constantly exposed to another attack like that perpetrated on September 11, 2001.

In addition to funding for our troops, the bill also includes \$10 billion to preserve teachers' jobs—a priority for many members of Congress as well as the Administration. While I share the Administration's concern about paying for this vital relief with unexpended "Race to the Top" funds, I am certain the Committee would have welcomed the Administration's input to identify other viable pay-fors.

To help families suffering as a result of the recession, the measure includes \$4.95 billion for Pell grants and \$50 million for emergency food assistance.

To strengthen homeland security, the bill includes \$701 million for enforcement along our southern border, including \$208 million for 1200 additional Border Patrol agents.

Finally, for those still suffering in the wake of the devastating earthquake in Haiti and the Deepwater Horizon disaster, the bill includes \$2.9 billion and \$162 million respectively.

Madam Speaker, I support adoption of the FY10 Supplemental Appropriations Bill.

SHAWN BRUCE

HON. ED PERLMUTTER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. PERLMUTTER. Madam Speaker, I rise today to recognize and applaud Shawn Bruce who has received the Arvada Wheat Ridge Service Ambassadors for Youth award. Shawn Bruce is a 12th grader at Arvada School and received this award because his determination and hard work have allowed him to overcome adversities.

The dedication demonstrated by Shawn Bruce is exemplary of the type of achievement that can be attained with hard work and perseverance. It is essential students at all levels strive to make the most of their education and develop a work ethic which will guide them for the rest of their lives.

I extend my deepest congratulations once again to Shawn Bruce for winning the Arvada Wheat Ridge Service Ambassadors for Youth award. I have no doubt he will exhibit the same dedication and character to all his future accomplishments.

CONGRATULATING THE UNIVERSITY OF MICHIGAN'S SOLAR CAR TEAM FOR WINNING THE AMERICAN SOLAR CAR CHALLENGE

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. DINGELL. Madam Speaker, I rise today to congratulate the University of Michigan Solar Car Team on its recent victory in the American Solar Challenge.

Two years ago, I rose to laud the successful efforts of this group on its back-to-back wins in the North American Solar Challenge. Today, I rise again to congratulate the team on its third consecutive North American solar car victory, and the University's sixth in ten North American races.

This year's car, Infinium, is considered the University's fastest car yet. Tested at over 100 miles per hour, Infinium navigated the 1,100-mile course in 28 hours, 14 minutes, and 44 seconds, winning the race by over two hours. Adhering to posted speed limits, the car averaged 40 miles per hour and required only one brief stop to fix a minor mechanical difficulty.

The University of Michigan Solar Car Team is an entirely student-run organization whose purpose is to design, finance, build, and race a solar-powered vehicle in competitions around North America and the world. The team is dedicated to the development of its members as teammates, educators, and leaders, and to the education of its community on the potentials of alternative energy technology. Students who volunteer for the Solar Car Team are typically undergraduates who come from a wide range of academic disciplines, including majors within the College of Engineering, the Ross School of Business, and the College of Literature, Science, and the Arts. Each project operates on a two-year project cycle and sees as many as 200 volunteer students participating on the team.

The Solar Car Team serves as a shining example of teamwork, creativity, and dedication. In addition to college courses, these students spend countless hours developing technology, raising money, and building partnerships within the University and with outside organizations and businesses. Further, these students are making a major contribution to fuel efficiency and energy conservation. These efforts came together on Saturday, when the team crossed the finish line for its third consecutive title.

Madam Speaker, I ask that my colleagues join me in congratulating the University of Michigan Solar Car team, its faculty advisors, and its sponsors on its recent victory.

HONORING MR. AND MRS. JAMES LEE AND CAROLYN LOUISE ANDREWS

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Ms. EDDIE BERNICE JOHNSON of Texas. Madam Speaker, I rise today to honor Mr. and

Mrs. James and Carolyn Andrews on the occasion of their upcoming 50th wedding anniversary. The lives of these individuals have been uniquely American, and this Golden Anniversary of theirs is a special moment for not only them, but for their family and friends as well.

Carolyn and James were married on December 23, 1960 in Dallas, Texas. Together, they raised four children: Frederick Andrews of Mansfield, Texas; Eric Andrews of Waxahachie, Texas; Tonya Robertson of Allen, Texas and Yolanda Owens who resides in Danbury, Connecticut. Their family now extends to nine grandchildren and five great-grandchildren.

Mrs. Andrews is a homemaker. Her loving husband worked at Texas Oklahoma Express for 20 years and then General Electric (GE) for the next 17½ years; where he later retired his professional career. The Andrews are active in the community and have been members of the Gospel Hour Chorus for over 45 years. The devoted couples' marriage has been based on a strong Biblical foundation, love, respect and friendship.

Currently, the Andrews reside in Cedar Hill, Texas and are faithful members of the Whispering Hills Church of Christ.

Madam Speaker, I ask my colleagues in the House of Representatives to join me on congratulating James and Carolyn Andrews upon the occasion of their 50th anniversary. For their commitment and generosity to family, friends, and each other, they are to be commended.

A TRIBUTE TO THE PASADENA HOST LIONS CLUB ON ITS 90TH ANNIVERSARY

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. SCHIFF. Madam Speaker, I rise today to congratulate the Pasadena Host Lions Club as it celebrates 90 years of service.

Since its beginning on March 26, 1920, with 41 charter members, the Pasadena Host Lions Club has tirelessly served the Pasadena community as part of the Lions Clubs International, a globally recognized organization that boasts over 1.4 million volunteers and 45,000 clubs throughout the world. Former President Jimmy Carter is one of the most notable living Lions.

The Lions clubs, "Knights of the Blind," as Helen Keller once called them, are well-known for their support of organizations that serve the sight impaired. Although the Pasadena Lions Club follows this tradition, such as its well-known support of a "White Cane" drive in the 1920s, the club is also active in other community activities. In the 1930s, the club, as a member of United Service Clubs, helped Pasadena enter its first float in the Pasadena Tournament of Roses Parade, and has been involved with this tradition ever since, eventually building the first annual Lions float in the 1990s. In 1933, amidst the chaos of the Long Beach earthquake, Pasadena Lions were among the first responders, providing financial relief and ambulance service to victims. The

1940s brought the pandemonium of World War II, a war in which many members served, and during which the club assisted in the war effort by selling tens of thousands of war bonds; additionally, during this time, the club donated an iron lung to Huntington Memorial Hospital. In the 1950s, the club bought land and a building to house the Braille Club of Pasadena; during the 1960s, the club purchased the land and established the Vista Nova Home of the Blind in Pasadena; and in the 1970s, the Pasadena Host Lions Club helped to found the Lions Eye Foundation of Southern California. Also in the 1970s, the club was recognized as the all-time fundraising Lions Club in its district.

Over the many decades, the Pasadena Host Lions Club has expanded its charitable efforts to support many organizations in the Pasadena area, including Longfellow Elementary School, Union Station Homeless Services, Rosemary Children's Services, Huntington Memorial Hospital, and Partners in Education, while continuing their support of the Pasadena Braille Club, Vista Nova Home of the Blind and the White Cane effort. In addition, the club developed youth Leo Clubs in elementary and high schools in Pasadena, installing youth with the spirit of volunteer leadership.

The Pasadena Host Lions Club has tirelessly served the Pasadena area over the last nine decades and the residents have benefited greatly from their generosity. I ask all Members to join with me in commending the Pasadena Host Lions Club on their landmark 90th anniversary.

STEPHANIE JORDAN

HON. ED PERLMUTTER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. PERLMUTTER. Madam Speaker, I rise today to recognize and applaud Stephanie Jordan who has received the Arvada Wheat Ridge Service Ambassadors for Youth Award. Stephanie Jordan is a 12th grader at Wheat Ridge High School and received this award because her determination and hard work have allowed her to overcome adversities.

The dedication demonstrated by Stephanie Jordan is exemplary of the type of achievement that can be attained with hard work and perseverance. It is essential students at all levels strive to make the most of their education and develop a work ethic which will guide them for the rest of their lives.

I extend my deepest congratulations once again to Stephanie Jordan for winning the Arvada Wheat Ridge Service Ambassadors for Youth Award. I have no doubt she will exhibit the same dedication and character to all her future accomplishments.

HONORING THE ASSOCIATION OF INDIANS IN AMERICA

HON. MIKE QUIGLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. QUIGLEY. Madam Speaker, I rise today to recognize the Association of Indians in America, AIA, the oldest national association of Asian Indians. This grassroots nonprofit organization was founded on August 20, 1967 to provide Indian immigrants opportunities to get involved in their communities.

Representing the hopes of Indian immigrants, the AIA strives to involve its members through the public policy process, leadership roles, and community activities. The organization remains dedicated to bringing their members together through a combination of shared Indian and American heritage and civic responsibility.

The Illinois chapter of AIA is particularly active. The chapter sponsors several councils that encourage responsible citizenship and awareness of community needs in such fields as medicine, business, and public policy.

Madam Speaker, I ask my colleagues to join me in commending the Association of Indians in America for their extraordinary contributions throughout Illinois and the Nation.

IN HONOR OF JOYCE PALMER

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. PALLONE. Madam Speaker, I rise today to honor New Jersey Lions 16-B District Governor Joyce Palmer for an outstanding level of dedication to the betterment of her community. District Governor Palmer has been a member of the New Jersey Oceanport Lions Club for 14 years, in which six of those years she has served as Secretary and five years as President.

District Governor Palmer's generosity, time, spirit and commitment to serving others are evident in her work with the Oceanport Lions Club "Project Michael." District Governor Palmer and her husband were approached by the parents of Michael, a five year old child in need of costly medication for his prosthetic eye. Ms. Palmer's compassion was exemplified as she quickly contacted the prescriber of Michael's medication in California and shared his compelling story. Sympathetic to Michael's case, the manufacturer mailed a year's supply worth of medication for free. Under the direction and leadership of District Governor Palmer, the Oceanport Lions Club organized a spaghetti dinner to raise funds to help offset Michael's medical expenses.

District Governor Palmer's dedication to Michael did not end there. Soon after, she became the co-chairperson for "Project Michael," uniting five New Jersey Lions Clubs committed to raising more money to fund a new prosthetic eye for Michael as he grows up. District Governor Palmer considers becoming a Lion her greatest life achievement because her position enables her to help those in need.

Not only does District Governor Palmer serve her community as a Lion, she has held multiple leadership positions on a district level as Cabinet Secretary, 16-B Public Relations Co-Chair, member of 16-B State Sight Committee, member of 16-B Katzenbach Committee, and member of Women's Development & Participation. She became a Certified Guiding Lion in 2008, participated in the reorganization of the Jackson Lions, and deservingly won Lion of the Year in 2001-2002. Furthermore, District Governor Palmer has represented the club at eight State Conventions, nine Charity Balls and was awarded later the Melvin Jones Fellow by the Oceanport Lions Club.

Madam Speaker, I would once more like to thank District Governor Joyce Palmer for her outstanding life achievements and dedication to her community. She has truly inspired so many people with her community leadership and commitment to providing vision for those who are unable to see.

TYLER SALEN

HON. ED PERLMUTTER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. PERLMUTTER. Madam Speaker, I rise today to recognize and applaud Tyler Salen who has received the Arvada Wheat Ridge Service Ambassadors for Youth Award. Tyler Salen is a 10th grader at Ralston Valley High School and received this award because his determination and hard work have allowed him to overcome adversities.

The dedication demonstrated by Tyler Salen is exemplary of the type of achievement that can be attained with hard work and perseverance. It is essential students at all levels strive to make the most of their education and develop a work ethic which will guide them for the rest of their lives.

I extend my deepest congratulations once again to Tyler Salen for winning the Arvada Wheat Ridge Service Ambassadors for Youth Award. I have no doubt he will exhibit the same dedication and character to all his future accomplishments.

IN RECOGNITION OF MATRIARCH
ELEANOR B. HOLMES 90TH
BIRTHDAY CELEBRATION "A
WOMAN OF STRENGTH AND
FAITH"

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. RANGEL. Madam Speaker, throughout our history, the vision and determination of women have strengthened and transformed America. Change can only come to our nation by those strong women whose contributions shape the history of our country. Women continue this legacy of leadership as professionals, public officials, leaders in their homes, as well as churches and other community organizations. They continuously provide guidance and care to their loved ones and

strengthen America's families and communities.

We have a fine example of a strong woman, Matriarch Eleanor B. Holmes, who has been a dedicated servant of the Church of New Hope Ministries for over 40 years. Over those forty years, Eleanor has served in various roles such as: International Women's Council, 21 Years as the Local Missionary President, Usher Board member, Sunday School Teacher, Mother Board member, Missionary State Chaplin, and Chairperson of the South Carolina State Missionary Banner Committee.

Born June 28, 1920, in Mayesville, South Carolina to Rosa (Smith) Bowens and Hugh Bowens. Eleanor's ancestry traces back to her grandparents Reverend David E. Smith & Rosa Smith, both were born in 1860 into slavery. As a daughter of the South and descendant of Slavery, Eleanor Holmes was on the front line for civil rights and against Jim Crow. She fought for causes true to her faith and community by creating programs, like "Feed A Child Program (Friendship Apartments, Sumter, SC)," and establishing the New Hope Church Day Care Center.

As a child, Eleanor walked from Shaw Cross Road, Mayesville, South Carolina to Salterstown, South Carolina. Reminded by the many years of walking several miles a day to attend Elementary and High School, she launched community school bus service so children of Sumter would not have to endure what she had to endure as a child growing up in the South. In 1947, Eleanor married William N. Holmes, a World War II Veteran, and from that union came eight children, thirteen grandchildren, and 17 great grandchildren.

Madam Speaker, so often unrecognized and unrewarded, we have an outstanding individual, a real American hero, Eleanor Holmes, who has contributed greatly to the lifeblood of our nation and her beloved South Carolina. Please join me in recognizing Matriarch Eleanor B. Holmes on the occasion of her 90th Birthday, and her undaunted service to her community of Sumter, South Carolina.

OUR UNCONSCIONABLE NATIONAL DEBT

HON. MIKE COFFMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. COFFMAN of Colorado. Madam Speaker, today our national debt is \$13,194,523,014,378.23.

On January 6th, 2009, the start of the 111th Congress, the national debt was \$10,638,425,746,293.80.

This means the national debt has increased by \$2,556,097,268,084.43 so far this Congress.

This debt and its interest payments we are passing to our children and all future Americans.

RECOGNIZING THE 2010 BEST OF BRADDOCK AWARDEES

HON. GERALD E. CONNOLLY

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. CONNOLLY of Virginia. Madam Speaker, it is my great honor to recognize the recipients of the 2010 Best of Braddock Awards. The awards are given annually to deserving individuals, organizations and companies in the Braddock Magisterial District of Fairfax County, Va., who have demonstrated an outstanding commitment to the community.

Residents of the 11th Congressional District enjoy an exceptional quality of life. Fairfax County schools are ranked as some of the best in the country, our communities are safe, and our employment rate is second highest in the nation. However, much of what defines a community cannot be found in statistics; it lies in the commitment and contributions of all who strive for the betterment of the community as a whole.

Recipients of the 2010 Best of Braddock Awards:

Citizen of the Year—Duane Murphy.

Club or Organization Making a Difference—Burke/West Springfield Senior Center Without Walls.

Most Can-Do Public Employees (Local)—Neighborhood College Team for the 2010 Sessions.

Most Can-Do Public Employees (Federal)—Mike McMahon, National Park Service.

Young Person of the Year—Kelsey Rose, West Springfield High School; Melissa Sbrocco, Robinson Secondary School.

Special Achievement Award—Tommy Salvi, Canterbury Woods Elementary School.

Outstanding Business Persons—Jules and Nicky Verster, previous owners Great Harvest Bread.

Neighborhood Enhancement or Beautification, Homeowner—Fernando Restropo, Wakefield Chapel Road.

Neighborhood Enhancement or Beautification, Civic Association—Mike Walsh, Woodwalk HOA Landscaping Committee Chair.

Madam Speaker, I ask my colleagues to join me in congratulating these outstanding residents and companies and also in thanking them for their service to our community. Their efforts and leadership have been a great benefit to our community and truly merit our highest praise.

REMEMBERING JOSHUA FUESTON

HON. RICK LARSEN

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. LARSEN of Washington. Madam Speaker, nearly one year ago Joshua Fueston, a 19-year-old Army soldier from Bellingham, Washington, committed suicide in Washington, DC. Joshua was at Walter Reed Army Medical Center receiving treatment for physical wounds suffered in Iraq, but he was also suffering from Post-Traumatic Stress Disorder (PTSD).

In honor of his life and service, I request that the following poem, penned by Bert Caswell, be placed in the CONGRESSIONAL RECORD.

THE SCARS OF WAR

As when our finest sons and daughters go off to war. . . .
Much heartache, and such great burdens bore!
As some come home all encased in wood, all but for the greater good!
While, others come home without arms and legs. . . as do they!
Ones without eyes, and faces . . . with burns upon their bodies as placed this . . .
Touching all hearts, in so many ways . . . as it's for them we now so pray . . .
But, some scars are not so easily seen . . .
But found deep down inside most heroic hearts, convened!
Are but found Those Scars of War, not so easily seen!
The kind that, in the middle of the dark night make them so awake . . .
All in cold sweats, as upon all of their fine souls such heartache is placed . . .
All in their most sleepless sleeps, now carried in their souls so very deep . . .
As each day these scenes from hell they pray not repeat, as its for them we weep!
For War is Hell, and Hell is War!
For their battles do not end, when they reach their home shores again!
As from the outside, they look so strong and secure . . .
While, deep down inside . . . in all of them, the battle builds all the more . . .
Destroying even the bravest, and the strongest of all hearts for sure!
As upon their fine hearts and souls, but lie these most dreadful scars of war!
As P.T.S.D., is but the silent killer . . . that we all should so look for!
Because, while some die on battlefields of honor bright . . .
And then others, come home all in anguish . . . to fight this fight!
And sadly, without help . . . many will but live their last and final nights!
As they must fight their own private wars, never ending both day and night . . .
As this darkness upon them so lies, as they so try and try!
With tears in eyes!
As another Hero died this day!
Take a look around you, I say . . .
A Hero stands beside you, with tears of heartache upon their souls which lay!
All in their quiet suffering, we must somehow so hear their pain!
For some things are not so clearly seen!
But, lie so deep down so inside this pain . . .
Remember, under the surface but lie all of their most dreadful dreams . . .
Such things that Heroes dare not repeat!
Now, carried all in their fine hearts, so very deep!
For ever vigilant, as we must keep!
For all of our Sons and Daughters, who deep down inside their fine hearts!
The Scars of War, they so keep!
P.T.S.D. a silent enemy . . .

SERVAAS STOKVIS

HON. ED PERLMUTTER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. PERLMUTTER. Madam Speaker, I rise today to recognize and applaud Servaas

Stokvis who has received the Arvada Wheat Ridge Service Ambassadors for Youth Award. Servaas Stokvis is an 8th grader at Arvada Middle School and received this award because his determination and hard work have allowed him to overcome adversities.

The dedication demonstrated by Servaas Stokvis is exemplary of the type of achievement that can be attained with hard work and perseverance. It is essential students at all levels strive to make the most of their education and develop a work ethic which will guide them for the rest of their lives.

I extend my deepest congratulations once again to Servaas Stokvis for winning the Arvada Wheat Ridge Service Ambassadors for Youth Award. I have no doubt he will exhibit the same dedication and character to all his future accomplishments.

HONORING THE LIFE OF U.S.
ARMY PRIVATE FIRST CLASS MICHAEL S. PRIDHAM, JR.

HON. BARON P. HILL

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. HILL. Madam Speaker, on Tuesday, July 6, 2010, America tragically lost another of its brave heroes. Army Private First Class Michael "Mikey" Pridham, Jr. was killed in Qalat, Afghanistan, when his vehicle was struck by an improvised explosive device. He was 19 years old. A Louisville, KY, native, Mikey's father currently lives in New Albany, IN.

Mikey, who was known to have a great sense of humor and cared greatly for people, joined the Army as he saw the military as a better path to the one he was on prior to enlisting. According to his father, "Mikey was more of a man at 19 years old because of the Army than most men I know." His mother said he was more mature after returning home from basic training and that he had an eye on building a life.

Days before deploying to Afghanistan, Pridham married his wife, Deidre, who is expecting the birth of their first child. At the time of his death, Pridham was just six weeks away from redeployment—he would have been back just in time for the birth of his baby girl. While in Afghanistan, Mikey and Deidre spoke on the phone twice a day, every day. He would tell his wife how excited he was to come home and be with her and their daughter. Justly, Deidre plans on telling their daughter that her father died a hero.

Pfc. Michael Pridham is a true hero. His sacrifice for our nation deserves our most heartfelt gratitude and reverence. Though I did not have the pleasure of knowing Pfc. Pridham, I will mourn his death. His friends and family are in my prayers.

CONDEMNING THE RISE OF SEXUAL VIOLENCE AGAINST WOMEN IN HAITI IN THE AFTERMATH OF THE EARTHQUAKE

HON. RUSS CARNAHAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. CARNAHAN. Madam Speaker, in the aftermath of the catastrophic earthquake, and its aftershocks, that struck Haiti in January, 2010, there has been a horrifying rise of sexual violence against displaced women there. I rise in condemnation of this unconscionable crime and fundamental violation of human rights. And, I call upon my colleagues in Congress, the administration, the international community, and all Americans to speak out against this abuse and act swiftly to end it.

It is widely documented that sexual violence often increases in emergencies and post-crisis situations, due to mass displacements of people, lack of safe, secure shelter and other scarce resources, and the breakdown of rule of law. In Haiti, according to reports from the United Nations, Amnesty International, Human Rights Watch, major media outlets and many others, violence against women in the aftermath of the earthquake has risen dramatically.

In particular, the displaced women in camps have been the main targets of sexual violence. These women have lost their homes, loved ones, contact with friends and family, and have nowhere else to go but to makeshift shelters often consisting of little more than a plastic tarp. These camps offer little privacy, order, or protection from any kind of danger.

The conditions in the camps are so deplorable that they actually increase the chances of women and girls experiencing sexual violence. For example, men and women share the same latrines, which remain unlit after dark, effectively turning a basic necessity into a predatory opportunity and increasing the chances that a woman using those facilities will be raped.

Access to food, clean water, health service and other critical necessities is also limited or nonexistent in these camps. This forces women to take on great personal risk and brave unsafe conditions simply to acquire essential requirements for survival, for themselves and their dependants.

The breakdown of law enforcement has only exacerbated this intensifying problem. There is insufficient policing in and around the most volatile areas. Women have no recourse to report violence, seek protection from abuse, and ensure their cases are brought to justice. Often they are too afraid to speak because their attackers live in the same camp and the women fear retribution. They have nowhere to seek refuge.

Furthermore, as many individuals are still unaccounted for, women and girls who are sexually assaulted are too often faceless, nameless victims. Any surviving family may not know their loved ones are out there, let alone in dire need of protection from rape.

We must make the safety and protection of women and girls in Haiti a top priority during the ongoing recovery efforts. It is critical that we in Congress, along with the UN, human

rights groups and non-governmental organizations take a strong stand against this sexual violence and do all we can to protect women in Haiti during this difficult time of national crisis.

We must not allow sexual violence against women in Haiti to continue. Freedom from violence and intimidation is essential to empowering women and improving societies all over the world. It is a fundamental human right.

I strongly urge for a greater police presence as well as more peacekeeping forces on the ground to enhance and ensure security for vulnerable women and girls. Additionally, I strongly support efforts to help strengthen the capacity of local women's organizations. These local organizations help women acquire access to crucial medical and mental health services after an attack.

Strengthening medical and counseling services while building a stronger and more effective security force that patrols the camps are critical first steps to curb the rampant rise of sexual violence and address its devastating consequences for women already suffering from the trauma of the earthquakes that devastated their country just six months ago.

Madam Speaker, in the aftermath of the earthquake we saw a worldwide outpouring of support and goodwill that was truly inspirational and demonstrated the best of what is within all of us. We also heard a lot of talk about ensuring accountability, sustainability, and a commitment to revive Haiti at all levels, above and beyond pre-earthquake conditions. Now we are seeing an ugly rise of violence against the most vulnerable.

We in Congress, along with our international partners, must stand up now to take bold action on ensuring that women and girls in Haiti are no longer targets of that violence. We need to make sure that women's rights in Haiti are protected in every capacity during and after reconstruction.

We have committed ourselves and our resources to helping to rebuild Haiti. We cannot deliver on that promise if women's security is at risk. Full participation and empowerment of women in rebuilding and development processes are key components for success in Haiti, and this depends on ensuring their safety now.

SKIP KHAMVONGSA

HON. ED PERLMUTTER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. PERLMUTTER. Madam Speaker, I rise today to recognize and applaud Skip Khmavongsa who has received the Arvada Wheat Ridge Service Ambassadors for Youth award. Skip Khmavongsa is a 7th grader at Mandalay Middle School and received this award because his determination and hard work have allowed him to overcome adversities.

The dedication demonstrated by Skip Khmavongsa is exemplary of the type of achievement that can be attained with hard work and perseverance. It is essential students at all levels strive to make the most of

their education and develop a work ethic which will guide them for the rest of their lives.

I extend my deepest congratulations once again to Skip Khmavongsa for winning the Arvada Wheat Ridge Service Ambassadors for Youth award. I have no doubt he will exhibit the same dedication and character to all his future accomplishments.

TRIBUTE TO CARL STANLEY
"STAN" BEGLEY

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. ROGERS of Kentucky. Madam Speaker, I rise today to pay tribute to the late Carl Stanley "Stan" Begley of Grays Creek, Kentucky, who was an inspiration to thousands of young aspiring athletes, a tenacious business operator and supporter of the coal industry and a savvy political advisor in southeastern Kentucky.

Even a devastating 6-year battle with cancer didn't stop Stan Begley from enjoying his life-long passions during his illness. The greatest thrill of his life was helping others succeed. As an avid sports fan and former local high school basketball star in Buckhorn, Kentucky, Stan's drive to live carried on through his involvement in little league sports. He was more than a little league coach. Stan provided shoes if necessary, transportation and friendship to youngsters who needed a true role model.

As a young man, Stan got involved in the operations of his stepfather's trucking business and would later become the operator of Virgil Raleigh Coal. Stan also became a local political advisor, realizing the positive impact he could influence on a larger scale through leadership. Only months before he passed, Stan braved 90-degree heat to attend two coal rallies in an effort to protect the industry he loved.

Madam Speaker, I ask my colleagues to join me in honoring Stan Begley for dedicating a lifetime of service to the youth and families of eastern Kentucky.

IN LOVING MEMORY OF SISTER
MARY CELINE GRAHAM: "A
WOMAN OF COMPASSION AND
FAITH"

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. RANGEL. Madam Speaker, it is with great sadness that I rise today to memorialize a beloved member of our community, Sister Mary Celine Graham, whose mass will be celebrated tomorrow at Saint Aloysius Roman Catholic Church in her beloved Harlem. Her tragic and senseless death came as a result of a horrific accident and has left behind a deeply felt void within the Handmaids of Mary of the Most Pure Heart family and the greater Harlem community. The Handmaids of Mary

have a special place in my heart going back to my youth, and the loss of Sister Mary Celine is especially profound.

Sister Mary Celine was born in Jacksonville, Florida and raised in Detroit. At the age of 22, she joined the Franciscan Handmaids of the Most Pure Heart of Mary in Harlem, which is one of only three historically black orders of Roman Catholic nuns in the United States. She continued to share her love and services with her community for the next 61 years.

Her death at the age of 83 leaves behind a great legacy of tireless service and devotion to those who needed her. Sister Mary Celine is remembered as a woman of true compassion who believed in education for the young. She dedicated her life to being a teacher, director, and surrogate grandmother to the children of St. Benedict's Day Nursery on 124th Street at Marcus Garvey Park.

As the New York Times reported last week, Sister Mary Celine left an indelible mark on the children she cared for and educated. She was a gently firm yet caring teacher who recognized the potential in each individual and worked to bring that potential to fruition. Sister Mary Celine was not only an educator but was also a loving mother figure to the children. These children not only learned the basics of reading and numbers but also learned what it was to love, and what it was to serve others.

The undivided attention and care she poured out to the children and the community will be forever etched in the hearts of all those that encountered her. She was a true kindred spirit that emanated a sense of peace and order.

Madam Speaker, although her life was taken from us too abruptly, rather than mourn this tragedy, I hope that my colleagues will join me in remembering and celebrating the tremendous and loving spirit of Sister Mary Celine Graham—one of God's special angels who served Harlem at the Franciscan Handmaids of the Most Pure Heart of Mary.

A BILL TO AMEND THE FEDERAL
WATER POLLUTION CONTROL ACT

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Ms. NORTON. Madam Speaker. I rise today to introduce a bill to clarify that the federal government, like private citizens and corporations, must take responsibility for the pollution it produces. This bill will clarify that the federal government has a responsibility to pay fees assessed by local governments for managing polluted stormwater runoff from federal properties.

Recently, the Government Accountability Office issued letters to federal agencies in the District of Columbia that instructed them not to pay the District of Columbia's Water and Sewer Authority's, D.C. Water's, Impervious Area Charge. D.C. Water calculates the charges based on the amount of impervious land occupied by the landowner. Impervious surfaces, such as roofs, parking lots, sidewalks and other hardened surfaces are the major contributors to stormwater runoff enter-

ing the sewer system and local rivers, lakes and streams, which causes significant amounts of pollutants to enter these waters.

D.C. Water's Impervious Area Charge simply is to defray the cost of reducing water pollution caused by stormwater runoff. In fact, D.C. Water's fees are the result of a federal mandate to reduce sewer overflows from excess stormwater and to improve water quality in local waters, such as the Anacostia and Potomac Rivers and the Chesapeake Bay. It is, therefore, unfair, at best, for the federal government to turn around and refuse to pay these fees. Moreover, it is contrary to President Obama's commitment to preserve the Chesapeake Bay and the Anacostia River, as outlined in Executive Order 13508, which I have applauded many times.

When I looked into this issue further, I found that at least nine states faced the same issue of federal agencies refusing to pay the local fees associated with controlling the stormwater pollution originating from their properties. Surely, the federal government understands that these local governments still must cover the cost of managing the pollution from federal properties. So, in effect, what the federal government is doing is passing on that cost to already financially burdened citizens. In a city such as the District of Columbia, where nearly a quarter of the land is owned by the federal government and still more is leased by the federal government, the refusal by the federal government to pay these fees will impose substantial and burdensome costs on individual citizens.

It is important that we continue to work to improve the quality of our waters. Reducing pollution and improving water quality in the District has been a priority for me. My bill to secure funding for the Anacostia River cleanup plan became law in 2007 and the plan was released by the U.S. Army Corps of Engineers in April. Additionally, my bill to amend the National Children's Island Act of 1995 to make Kingman and Heritage Islands a center for environmental education recreation and restoration of the Anacostia River ecosystem passed in the House last year and I am working hard to get it through the Senate this year. This bill simply requires the federal government to continue its recent commitment to protecting and cleaning our waters, as well as to be a good neighbor here in the District and throughout the country.

I urge my colleagues to support this bill.

HONORING DENNIS SHEPHERD—
2010 SODEXO HERO OF EVERY-
DAY LIFE

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. JONES. Madam Speaker, in this world of such negativity, I think it is important to bring attention to the good things people do for others.

My constituent, Dennis Shepherd of Hubert, NC, has been declared a "2010 Hero of Everyday Life" by the Sodexo Foundation. The Sodexo Foundation is a committed force that contributes to ending hunger in America.

Every year since 2000, the Sodexo Foundation has recognized Sodexo employees who invest their time, talent, and service spirit in helping some of the 49 million people who are at risk of hunger in the United States. Nominated by a colleague, friend, or employer, selected Heroes are honored by the foundation and a donation is made to their local hunger-related charities of choice.

After serving 22 years in the United States Marine Corps, Dennis has been instrumental in the success of Sodexo Servathon at the USMC by organizing and delivering food donations to the Onslow Community Ministries Kitchen and Jacksonville Food Bank. Since 2004, Dennis has collected and delivered 18,000 pounds of food.

After Dennis finishes his regular work day, he volunteers at least 10 hours a week, doing charitable jobs including cutting grass and baking cakes to help gather food donations, supplies, and money for local charities. Dennis also engages in creative activities such as posting advertisements to help spread the word and encouraging others to help support people in need throughout the community.

Since 2004, Dennis has collected donations valued at \$20,000 for children and families in need. The award from the Sodexo Foundation has continued to open doors to Dennis' work. So far in 2010, he has already raised \$17,000—plus a \$5,000 grant that he received as part of the Heroes of Everyday Life award.

Dennis has been married to his wife Naomi for 19 years. He met Naomi while stationed in Okinawa, Japan during the 16 years he spent there with the United States Marine Corps.

Dennis also finds time to be a devoted father to his three children, Jonathan, Christina and Vega.

People like Dennis Shepherd make our world a better place to live, and I am proud that Dennis and his family live in the 3rd district. We could all learn from Mr. Shepherd's example and do more for our communities.

May God continue to bless Dennis Shepherd and his family, may God bless our men and woman in uniform, and may God continue to bless America.

TATE LINDEMANN

HON. ED PERLMUTTER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. PERLMUTTER. Madam Speaker, I rise today to recognize and applaud Tate Lindemann who has received the Arvada Wheat Ridge Service Ambassadors for Youth award. Tate Lindemann is a 7th grader at Oberon Middle School and received this award because his determination and hard work have allowed him to overcome adversities.

The dedication demonstrated by Tate Lindemann is exemplary of the type of achievement that can be attained with hard work and perseverance. It is essential students at all levels strive to make the most of their education and develop a work ethic which will guide them for the rest of their lives.

I extend my deepest congratulations once again to Tate Lindemann for winning the Ar-

vada Wheat Ridge Service Ambassadors for Youth award. I have no doubt he will exhibit the same dedication and character to all his future accomplishments.

AAPI HOSTS SUCCESSFUL CONVENTION

HON. JOE WILSON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. WILSON of South Carolina. Madam Speaker, I rise to commend the American Association of Physicians of Indian Origin for their successful 28th annual convention. I was honored to join AAPI members from around the country at a reception on Capitol Hill, where nearly 500 physicians from 27 states had registered to make their voices heard in Congress.

As the past co-chair of the Congressional Caucus on India and Indian Americans, I have seen firsthand the professionalism, dedication, and success of Indian American doctors from rural and medically underserved areas to cities across South Carolina. I was recruited for the Caucus before I was elected by noted Lexington physician Dr. Kaushal Sinha and his wife Arunima, of Irmo, South Carolina.

I want to commend Dr. Vinod K. Shah of Maryland for his successful presidency and wish Dr. Ajeet R. Singhvi of California the very best as he leads AAPI forward.

This is an historic period for South Carolina where State Representative Nikki Haley of Lexington, a very successful legislator of Indian heritage has served as a Majority Whip and is now a nominee for Governor.

In conclusion, God bless our troops and we will never forget September 11th in the Global War on Terrorism.

THE REAL WORLD CONSEQUENCES AND UNCERTAINTIES OF HEALTH CARE REFORM

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. BURTON of Indiana. Madam Speaker, I have come down to this Floor many times over the past year and a half to share with my colleagues my profound concerns over the direction the Majority was taking with regard to health care reform. Regrettably, the enactment into law of Patient Protection and Affordable Care Act—accomplished via an unprecedented and extraordinary misuse of budget reconciliation rules—did nothing to alleviate my concerns. In fact, now that health care reform is law and the American people can finally see, in the full light of day, the law that the Democrat Majority wrote and jammed down their throats, a strong preponderance of Americans want this turkey of a law repealed.

I am firmly convinced that the credibility gap between what the Majority claimed its health care reform bill would do, and what all of the experts say it will actually do now that it is

law, is a large part of why, according to the latest Gallup opinion poll, only 20% of Americans, a mere 2 in 10, have a favorable opinion of this Congress.

This Majority and this Administration has shown more disregard for the opinions and desires of the American people than any Congress and any presidential Administration, certainly of the modern age, if not history. It is time we listen to the American people; listen to the ordinary moms and dads and the small business owners who must live with the consequences—intended and unintended—of the laws that we pass.

To that end, I would like to share with my colleagues a letter I received from Pharmakon Long Term Care Pharmacy, Inc. and Pharmakon Pharmaceuticals; two Indiana corporations that provide pharmacy services to Indiana nursing and institutional facilities. Founded in 2003, these two companies have grown to over one hundred and fifty, 150, full-time employees serving more than six thousand, 6,000, people throughout Indiana and part of Illinois. I ask unanimous consent to include a copy of the letter in the CONGRESSIONAL RECORD after my statement.

I ask my colleagues to pay particular attention to the questions and concerns expressed in the letter about the Patient Protection and Affordable Care Act but I think it is also important to understand their observations about problems with Medicare and insurance billing as well as their concerns about DEA rules when it comes to dispensing medications; because these are the kinds of real world problems in our health care system that we should have been working to resolve if only we had been listening.

LETTER TO CONGRESSMAN BURTON ON
HEALTHCARE

MAY 27, 2010

Congressman DAN BURTON,
Rayburn House Office Building,
Washington, DC.

Pharmakon Long Term Care Pharmacy, Inc. and Pharmakon Pharmaceuticals (d/b/a Pharmakon Compounding, Inc.) Inc. are two Indiana Corporations founded by Paul J. Elmer R.Ph. Pharmakon Long Term Care Pharmacy, Inc. was founded in 2003 with the purpose of providing pharmacy services to Indiana Nursing Facilities and Institutional Facilities. Since its founding Pharmakon has grown from 5 employees to a company with over 150 full time employees; serving more than 6,000 individuals throughout Indiana and part of Illinois. Carol and Paul Elmer, R.Ph. founded Pharmakon Pharmaceuticals, Inc. in 2006 with the purpose of providing medications to hospitals run by the Department of Defense, throughout the United States. Pharmakon Pharmaceuticals has a current staff of 25 employees with an expected growth of over 100 within the next two years. In the past 7 years, both Pharmakon LTC Pharmacy and Pharmakon Pharmaceuticals have been able to provide jobs in this rough economy and continue to grow and provide services to our most vulnerable population, the elderly.

Currently, the Pharmakon Long Term Care Pharmacy, Inc. experiences multiple barriers as a long-term care pharmacy. A long-term care pharmacy differs from your local retail pharmacy in that it is a highly specialized organization, with the primary purpose of providing pharmacy services (medications, medical supplies, consultant

services, and the such) to the elderly and institutional residents in nursing facilities and various institutional facilities, such as mental hospitals. Because it is a highly specialized pharmacy, it faces multiple barriers daily, which make it extremely difficult at times to provide the required services to the most fragile population in the American Society. These barriers are not challenges but are rather outright problems that must be solved in order for these individuals to receive the service and care they deserve. The following are examples of some of our current barriers, none of which are addressed in the current Healthcare Reform.

First, most pharmacy bills come due the 15th of the month or the 30th of the month. The problem with this is that the pharmacy is not paid on insurance claims for usually 30 days; however, it is more common for the insurance company to take up to 60 or even 90 days to pay the pharmacy. In addition any claims submitted to Medicare Part B or D generally are not paid to the pharmacy for 30 to 90 days. So while the pharmacy must pay its bills when they come due, the insurance and government plans generally do not pay within a timely matter—this thus leaves the pharmacy with an ongoing debt.

Furthermore, another payment problem with Part D is whom does the pharmacy contact when there are problems with Part D? It would be beneficial for the pharmacy to know who holds the position of managing the administration of the government program. For example, when the pharmacy is not getting paid on claims by Part D. Another whom can they contact to get this resolved? The pharmacy, cannot continue to operate without getting paid; we set out to create jobs in the community while servicing some of the most vulnerable populations; however, when the pharmacy is not being paid, we cannot pay our bills or employees and thus those who need our services cannot receive the services and goods they require in some cases to continue living.

With that being said, another barrier the Pharmacy continues to run into is Prior Authorizations. We, as a pharmacy, have had to hire a nurse to work on prior authorizations due to the fact that the nursing staff at the facilities has no time to handle these and the doctors generally refuse to do them. We must contact the insurance company for prior approval for a medication. Generally, on a good day, it is a 30-minute phone conversation with the insurance company; however in some instances it may take up to 72 hours for the insurance company to reply and say yes. While we wait for the insurance company's reply, the individual is suffering in pain waiting for their medications. Because we must contact the insurance company for a prior authorization this slows our ability to get the medication to the individual, leaving them suffering in pain.

Additionally, many hours are spent handling, monitoring and appealing insurance audits; rather than providing pharmacy services. Insurance audits have become burdensome; we understand the need for them; however, insurance companies do not understand the Long Term Care Industry and the majority of the time as it relates to these audits is spent on educating the insurance company about this industry. Once educated we usually win the audit; however, the time it takes to reach this result, takes away from our primary purpose, which is providing pharmacy services. Additionally, the time frames set forth by the insurance company are not realistic; they are too short for a pharmacy to return with proper information

and many times, we end up paying for something that was originally covered and properly processed to begin with.

Similarly, insurance formularies are not conducive to residents in a Long Term Care Facility; for example, many do not cover IV therapy, in which case we must get an override in order to provide the necessary medication to the individual and even with that we are audited for those claims. It appears from our point of view that the insurance companies do not grasp that these residents are cared for 24/7 by healthcare professionals of many different disciplines and when they are denied various medications due to the formularies, they lay in pain suffering until we can finally get the needed medications covered. These individuals pay for plans to cover their medications, in most cases these are expensive medications which the individual themselves more than likely could not pay for out of pocket. Additionally, we are not in the business of providing free, expensive medications; as much as we would like to, we cannot pay our employees while handing out free medications. Since we cannot just give the medications away, and since the patient cannot pay for it and nor will the insurance; we are left in a difficult position while the individual suffers.

Finally, one of our biggest barriers is the DEA not treating nurses in long-term care facilities as agents of the prescribing doctor when it comes to controlled substances. There are times when a resident needs an emergency dosage of a Controlled Substance, generally a Schedule II, and the nurse must call a doctor who is generally not near a fax machine. The nurse may not call in the prescription due to the fact that the nurse is not considered an agent of the doctor by the DEA and thus the pharmacy must attempt to reach the doctor via phone before sending out the medication; which can take hours; all the while the resident is agonizing in pain. If the nurse would be permitted to be an agent of the doctor this would reduce the time between when the order is called in and when it is delivered to the individual.

HOW WILL THE PATIENT PROTECTION AND AFFORDABLE CARE ACT EFFECT PHARMAKON LONG TERM CARE PHARMACY AND PHARMAKON PHARMACEUTICALS, INC.?

First, there are several sections that state the employer must provide affordable coverage, but who is determining what is affordable? In some instances, our hourly individuals may want to opt out and purchase from the exchange because to them they may find one a plan on the exchange more to their liking and more what they deem affordable opposed to the plan we offer. Why should we be punished for the decision that the individual makes. We, as a corporation, cannot force our employees to spend their hard earned wages toward something they may personally decide either (a) they have no interest in procuring from us (b) find that they just do not think they can afford it or (c) they have no interest in purchasing period from us or the exchange. The affordability is truly a personal decision and should be left to the individual to decide and the employer should not be punished for the individual's decision. Furthermore, there is also the issue that in some cases, our employees may choose just not to purchase insurance from us or from an exchange and again we cannot force them to buy it. We have many employees who just choose not to buy the insurance we currently offer. Additionally, the Bill states that the Employer is responsible to cover 60% of all health care; for our particular business this is a large sum that we just possibly could

not do and continue to pay our employees at their current rates. If we are forced to cover 60%, there is a good chance that we would have to lay off many employees in order to be able to provide the required healthcare coverage.

Under this Bill, HSA cannot be used for over the counter drugs, this seems to be counterproductive. The purpose of an HSA is for the individual with a high premium to use those monies for office visits, medication, and the such. In some instances, why should an individual visit the doctor to receive a prescription for Claritin-D just so that they can use their HSA, now the individual will have to pay for the office visit, which in the scheme of things may be more costly than just buying the medication out of pocket. In all reality this is the individual's hard earned money, the government should not tell them how they may spend it; especially when it comes to accounts set up just for health care concerns. Yes, people may be irresponsible; but at some point, the government needs to just trust that its citizens will do the right thing and use their non-taxed dollars on their health care. We at Pharmakon have HSA accounts due to our high premiums; we believe that it should be the individual's decision as to how to spend their monies and if they choose to purchase Over the Counter medications, which they need then they should be permitted to use their HSA accounts.

The Class Act states that an employee can enroll and disenroll but how will this affect the employer? If an employee chooses not to enroll, will we the employer be penalized? Again, we cannot force our employees to do something they do not want; nor can we force them to spend their hard-earned money on something they have no desire to. Additionally what protections are there that we will not be forced to enroll all employees in this when it becomes apparent that it cannot support itself?

The Bill sets up Health Information Technology; however, it is vital to ensure that Long Term Care especially the Long Term Care Facilities and Pharmacies are brought to the table in this process. We must realize that in a few years, the baby-boomer generation will be the new class of residents in these Long Term Care Facilities and with this increase of resident population; we must look to the LTC community for suggestions as it relates to Health Information Technology. Many do not realize that while the pharmacies may be state of the art, many of the facilities are not equipped with some of the most basic technology; additionally most of the staff would be in complete shock if they were just slammed with this new technology; thus input from the LTC area is extremely vital. Furthermore, the way things are done in a doctor's office and hospital do not always transfer as easily to LTC settings. HIT while vital and extremely beneficial will be useless in the LTC setting if LTC providers are not consulting in the development of it. In addition the Pharmacy cannot be left holding the price tag for updating LTC facilities when it comes to this technology; there must be a way in which we can encourage these facilities to update their own technology and not depend on the Pharmacy to do it for them. Some of these HIT grants should not only be given to LTC Pharmacies but also the Facilities we service.

With the new Bundling system, the unanswered question here is under the pilot program if one hospital receives a bid will they determine which nursing facilities the individual may use? One of the concerns with

Bundling is what if the hospital chooses to use nursing facilities which they own or which are related in some manner to the hospital, will patients have a choice as to which facility they want? If not then the question becomes what will protect those facilities, which are currently in business? Those facilities which are related to the hospital may have the technology which non-related facilities lack and then the question becomes who is to provide the technology, across the board, most Long Term Care Facilities are accustomed to Pharmacies providing all of their equipment needs, fax machines, med carts and so forth. If and when this new technology is implemented there will be a vast problem of who is to provide it and furthermore uniformity. Pharmacies cannot bear the burden of providing this to Facilities, and additionally neither should hospitals.

The establishment of CMI within CMS aims to move the fee payment from fee for service based reimbursement toward a salary-based payment; however, providers are not defined, so do Pharmacies fall into this? Additionally under CMS, there is the Medicare Shared Savings Program, which sets up Accountable Care Organizations—with the development of this new organization the question becomes will pharmacies be a group later determined by the Secretary to be part of this process? If so or if not the question then becomes how will these organizations effect our ability to procure business or which homes may be able to willingly choose us for their pharmacy services? All of these issues are left open and yet to be determined, these are rather important issues; and there are so many unanswered questions and with the possibility of this new fee payment reimbursement, which may affect LTC pharmacies.

Under the Medicare Shared Savings Program, subsection (b) Eligible Accountable Care Organization. The payment would be via shared saving; this section does not list pharmacies but allows the Secretary to determine groups of providers and supplies as appropriate. The big question is would this new program affect how we as a pharmacy obtain new business and in some cases keep current customers? Would this limit which nursing facilities, institutions and so forth can utilize our services?

Due to the fact that the bill does not address these above stated questions, we are left wondering how these new programs will affect the Long Term Care industry, specifically the Pharmacies. While there is some concern about how we will be paid, we are more concerned as to what will happen to us and how these programs affect us. There is a concern that because LTC pharmacies aren't mentioned by name, we may not necessarily fall into one of these programs, and under the guise of cost control our reimbursement fees may be cut; which in turn will create a larger problem for us as how to pay our employees and how to continue to provide the services that we are do and that the facilities are accustomed to.

Our concern with Individuals at Home Demonstration Program, specifically the payment methods governed by (subsection (c)). The issue is the spending targets, which will be determined on a per capita basis, what does that mean for items covered under Part A and Part B and those cuts? While, we agree that there is wasteful spending and that budget controls are needed, we ask that those cuts to remedy the increase in cost do not affect the Pharmacy. As a pharmacy, there is only so much we can provide while not running at a loss and if the spending tar-

gets reduce payments to the pharmacy, there is a chance that the pharmacy will not be able to provide to those who are most vulnerable and need all the care we can give them.

While we at Pharmakon agree that Health Care needs to be reformed, we believe that this current Reform Bill will create more barriers in our ability to provide services to the most vulnerable in our society and in addition as a medium size business with mainly hourly employees, we feel that many of these changes will affect our ability to continue to employ many of our employees and will affect them in their personal choices.

Sincerely,

PHARMAKON LONG TERM
CARE PHARMACY, INC.
PHARMAKON
PHARMACEUTICALS, INC.

TERA PROPER

HON. ED PERLMUTTER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. PERLMUTTER. Madam Speaker, I rise today to recognize and applaud Tera Proper who has received the Arvada Wheat Ridge Service Ambassadors for Youth award. Tera Proper is a 10th grader at Ralston Valley High School and received this award because her determination and hard work have allowed her to overcome adversities.

The dedication demonstrated by Tera Proper is exemplary of the type of achievement that can be attained with hard work and perseverance. It is essential students at all levels strive to make the most of their education and develop a work ethic which will guide them for the rest of their lives.

I extend my deepest congratulations once again to Tera Proper for winning the Arvada Wheat Ridge Service Ambassadors for Youth award. I have no doubt she will exhibit the same dedication and character to all her future accomplishments.

IN RECOGNITION OF JEFFREY AND SUZANNE CITRON

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. PALLONE. Madam Speaker, I rise today to recognize Jeffrey and Suzanne Citron for their immeasurable contributions to their communities, and the subsequent honor they have received from the American Cancer Society (ACS) in appreciation of their efforts. The Citrons are valuable members of my district and assets to their communities. I would like to congratulate them on being the honored individuals at ACS's Annual Golf Classic 2010.

Jeffrey and Suzanne Citron are married, have two children, Kyra and Noah, and are both extremely successful business leaders and philanthropists. Mr. Citron has always been a visionary entrepreneur, even right out of high school, beginning on Wall Street at the age of 17. He revolutionized financial services

in the '90s when he founded the computerized trading system known as Island ECN, allowing traders to cut out the middleman in the stock market. He was the CEO for Datek Online Holdings until 1999, and then became the CEO and founder of the VoIP company, Vonage. Founded in Edison, New Jersey, and now located in Holmdel, Vonage is a publicly traded company on the NYSE as of 2007. Mr. Citron has now retired from Vonage and enjoys spending time with his family.

His wife, Suzanne, is also a vigorous philanthropist. Mrs. Citron herself has been a former member of the ACS' Peer Review Committee for Institutional Research Grants, and has also been on the society's Jersey Shore Region Board of Advisors. Together, the Citrons have founded the Charles Laffite Foundation in 1999, which is dedicated to education, medical research, children, and the arts. Their commitment to their communities and the betterment of it, as well as their entrepreneurial business intellect, is a credit to the state of New Jersey and the nation as a whole.

Madam Speaker, I would once more like to thank Jeffrey and Suzanne Citron for their immeasurable contributions to my district and their communities and to again congratulate them for the honors they have received from the American Cancer Society in this year's Annual Golf Classic.

HONORING DON SHERMAN HUBERT VETERANS OF FOREIGN WARS POST 345

HON. THADDEUS G. McCOTTER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. McCOTTER. Madam Speaker, today I rise to honor and acknowledge the Don Sherman Hubert Veterans of Foreign Wars Post 345 in Redford Township, Michigan, as they celebrate 80 years of service to our veterans, our community and our country.

Named in recognition of Don Sherman Hubert, a 22-year-old private who served in Company A, 25th Infantry Regiment, 32nd Division, who was killed in action on August 29, 1918, during the assault in Juvigny, France, and became the first Redford Township serviceman killed during World War I. Post 345 has been a part of the Redford community since August 6, 1930. Originally located at Seven Mile Road and Dalby St., the post moved to the Metropolitan Club on Plymouth Rd from 1977–1982, before moving to its current location at Schoolcraft and Inkster Roads.

Upholding the commitment begun in 1899 when veterans of the Spanish-American War and the Philippine Insurrection founded local organizations to secure rights and benefits for returning soldiers, the VFW's national voice has been instrumental in establishing the Veteran's Administration, creating the GI Bill, and the development of the national cemetery system. Citing the VFW mission "to honor the dead by helping the living" through veterans service, community service, national security and a strong national defense, the 289 members of Post 345, ranging in age from 21–94, participate in various volunteer projects with local hospitals and schools.

Madam Speaker, for 80 years the Don Sherman Hubert VFW Post 345 has maintained a prominent presence in the Metropolitan Detroit area as a leader in service to veterans and civilians alike. Today, I ask my colleagues to join me in congratulating the storied soldiers of Post 345 and recognizing their years sacrifice and loyal service to our veterans, our community and our country.

RECOGNIZING THE IMPORTANCE
OF EDUCATION AS A KEY COM-
PONENT IN HAITI'S RECON-
STRUCTION

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. RANGEL. Madam Speaker, I stand before you today to acknowledge the role of education as an essential sector for effective and durable economic and social development, all of which should be fundamental in the rebuilding of a great nation, such as Haiti.

The Haitian government has reported that the January earthquake has caused the destruction of 95 percent of schools in the Port-au Prince area. It is my belief that an uneducated population has the potential to become a national security threat and considering this dramatic situation, we must confront the crisis head on. In our effort to assist Haiti in becoming self-sustainable, education is the first step.

Without the promotion and cultivation of human capital, there can be no substantial poverty reduction. We know that educational attainments improve the livelihoods of the poor and reduce the likelihood of becoming poor.

Since Haiti has one of the largest income gaps between the rich and the poor in the world, providing accessible education is instrumental to creating a strong middle class, as well as sustaining small business and stimulating entrepreneurship.

There needs to be a plan in place that utilizes the skills of highly educated staff and the input of leading experts in the field of education. This is needed to provide improvements to the Haitian educational system but also serve as a platform for innovation. High quality education and partnerships between Haitian and foreign educational institutions are attainable goals.

The Government of Haiti has indicated its intention to promote free quality education and it is imperative that the United States and other friends of Haiti mobilize their efforts to provide easy access to education for all Haitian children. Let this be our gift to the children of Haiti in return for their ancestors' sacrifice for democracy.

TRIBUTE TO PAUL E. HALL

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. ROGERS of Kentucky. Madam Speaker, I rise today to pay tribute to Paul E. Hall of

Viper, Kentucky, whose tireless efforts and trusted partnerships have improved the basic infrastructure and quality of life for people living in the Kentucky River area of southeastern Kentucky.

In 1993, Paul Hall began working at the Kentucky River Area Development District, KRADD. His exemplary Leadership and visionary skills were highly noted amongst peers and 3 years later, he was appointed executive director. Since then, Paul has been a vital voice for the leaders of the same rural, impoverished cities and counties, as well as our beloved Appalachian region. Paul has served on the Kentucky Appalachian Commission, served as chairman of the Kentucky Association of District Directors and as the Kentucky representative on the Development District Association of Appalachia.

Before working with KRADD, Paul spent 24 years in the mining industry where his duties spanned every position ranging from equipment operator to vice president and general manager of Diamond Shamrock Coal Company, Falcon Coal Division. It was his experience in the coal industry that provided him the foresight and understanding to work on behalf of counties that depend on our rich natural resource.

Madam Speaker, I ask my colleagues to join me in honoring Paul E. Hall for his dedication and service to the leaders and families of eastern Kentucky.

VALERIA SAPUNOVA

HON. ED PERLMUTTER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. PERLMUTTER. Madam Speaker, I rise today to recognize and applaud Valeria Sapunova who has received the Arvada Wheat Ridge Service Ambassadors for Youth award. Valeria Sapunova is a 12th grader at Arvada High School and received this award because her determination and hard work have allowed her to overcome adversities.

The dedication demonstrated by Valeria Sapunova is exemplary of the type of achievement that can be attained with hard work and perseverance. It is essential students at all levels strive to make the most of their education and develop a work ethic which will guide them for the rest of their lives.

I extend my deepest congratulations once again to Valeria Sapunova for winning the Arvada Wheat Ridge Service Ambassadors for Youth award. I have no doubt she will exhibit the same dedication and character in all her future accomplishments.

COMMENDING THE PUBLICATION
OF THE SAVILLE INQUIRY AND
THE BRITISH GOVERNMENT'S
ACKNOWLEDGEMENT OF THE
TRAGIC EVENTS OF "BLOODY
SUNDAY"

HON. RUSS CARNAHAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. CARNAHAN. Madam Speaker, on June 15, 2010, the British Government published the conclusions of Lord Saville's comprehensive report on the tragic events in Northern Ireland of January 30th, 1972, otherwise known as "Bloody Sunday."

After 38 years this full and sober account of the events of that day at last made unmistakably clear that 14 innocent civilians lost their lives in one of the worst episodes of a dark era in the history of Northern Ireland.

Nothing can erase the pain endured by the families and loved one of those who were killed in the unjustifiable Bloody Sunday shootings. However, the admissions of the Saville Inquiry have helped advance the healing process of those affected and the country as a whole.

It also serves as a reminder of how far the peace process in Northern Ireland has come; how many brave steps have been taken on both sides; and how firm the commitment to peace and reconciliation has proven itself for more than a decade now, since the 1998 signing of the historic Good Friday Agreements.

The Saville Inquiry was commissioned in 1998 and opened in 2000 in response to outcries from the families of the victims of Bloody Sunday. This Inquiry was specifically tasked to resolve unanswered accusations left after a previous inconclusive tribunal immediately following the shootings, as well as the establishment of a definitive account of events.

For ten years the Saville tribunal heard testimony from witnesses in order to fully ascertain the truth of what happened that terrible day in 1972. The findings of the Saville Inquiry state unambiguously that the conduct of British Army soldiers on January 30, 1972, was "both unjustified and unjustifiable."

It concludes that certain British soldiers "reacted by losing self-control . . . forgetting or ignoring their instructions and training." Without provocation, the soldiers fired the first shots at unarmed civilians.

Many of those civilians had been marching in protest to a policy of internment without trial introduced in response to rising sectarian and paramilitary violence particularly against British soldiers, during the height of the period known as "The Troubles."

It is clear that the recent history of Northern Ireland is a painful one with deep divisions and violent sectarian clashes in which thousands of people on all sides lost their lives, lost loved ones, and suffered terrible injustice as a result of the escalation of tensions and force. Over 3,500 people from every community lost their lives in the violence in Northern Ireland.

However, the history of Northern Ireland is also a shining example of the resilience and determination of the will to live in peace, and

how people with the strength to cross the divide can indeed build a better future together. Northern Ireland can and should be very proud of the remarkable peace and cross-community cooperation it has accomplished.

While there are many more unanswered questions lingering in Northern Ireland, and many unacknowledged tragedies across each community, no step to resolve these is trivial. The publication of the Saville Inquiry is an important component of the ongoing reconciliation process in Northern Ireland.

I commend Lord Saville and the members of his tribunal for their determination to bring the truth to light. I also commend former British Prime Minister Tony Blair for his leadership in helping to begin this critical process, and current Prime Minister David Cameron for taking up that torch in offering his heartfelt apology on behalf of the British Government for the events of Bloody Sunday. His Statement to the House of Commons on June 15, 2010, was deeply moving.

This Inquiry at last lays to rest one of the most tragic events in the history of Northern Ireland. And I hope it will help bring closure to the affected families and further the healing process in Northern Ireland. There is still more work to be done, and I stand ready, with my colleagues, to lend assistance to our friends in the British Government, and the people of Northern Ireland, to ensure that peace and reconciliation continue to progress in Northern Ireland.

IN RECOGNITION OF LAWRENCE S.
SYKOFF

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. PALLONE. Madam Speaker, I rise today to recognize Lawrence Sykoff for his contribution and commitment to his community, and the subsequent honor he has received from the American Cancer Society (ACS) in appreciation of his efforts. Lawrence Sykoff is a valuable member of my district. I would like to congratulate him on being the honored individual at ACS's Annual Golf Classic 2010.

Lawrence Sykoff has been the Headmaster of Ranney School since 1993, a private elementary school in Tinton Falls, NJ, committed to high quality education. Mr. Sykoff is a highly influential force in the field of education, having been a teacher and administrator for over 35 years, as well as an active member of the National Association of Independent Schools (NAIS), the Council for the Advancement and Support of Education, and the New Jersey Association of Independent Schools (NJ AIS). The publications he has written for NAIS and doctoral dissertation on child education marks Mr. Sykoff as an exceptionally dedicated intellectual leader in the field of education. Moreover, in addition to his successful professional career, Mr. Sykoff is an active member of his community. He is on the Board of Trustees of the Count Basie Theatre, the Board of the Riverview Medical Center Foundation, as well as on the Board of the American Cancer Society. I, myself, have honored Mr. Sykoff on two oc-

casions with a Certificate of Special Congressional Recognition for his community service. He is unquestionably deserving of our praise and attention.

Madam Speaker, I would once more like to thank Lawrence Sykoff for his immeasurable contributions to my district and his community, and to again congratulate him for the honors he has received from the American Cancer Society in this year's Annual Golf Classic.

CONGRATULATING KAROLE WHITE
FOR HER NOMINATION TO THE
MICHIGAN ASSOCIATION OF
BROADCASTERS HALL OF FAME

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. DINGELL. Madam Speaker, I rise to pay tribute to one of my district's outstanding citizens, Karole White. Karole was recently nominated to the Michigan Association of Broadcasters (MAB) Hall of Fame because of her service to my home state of Michigan.

Karole is best known for her selfless work on behalf of the MAB. For nearly 25 years, she has dedicated herself to the growth and improvement of that organization.

When Karole joined the MAB, the organization had minimal resources, and membership was at about half of what it could have been. She played a large role in growing the MAB into one of Michigan's most respected trade associations and among the nation's finest state broadcaster associations. Karole's strong leadership and innovation have helped the MAB integrate into all areas of the broadcasting industry. Currently, over 89 percent of individuals, companies, and organizations affiliated with broadcasting in Michigan have joined the MAB.

As you know, Karole is a highly respected member of the broadcasting industry, and her related expertise has allowed her to build a strong relationship with my staff and me. She often provides valuable input on telecommunications issues and is always eager to collaborate with others for the public good. Most importantly, however, her integrity and reliability make me consider her a close friend.

Karole continues to employ the MAB's resources to benefit Michigan's communities through the Michigan Association of Broadcasters Foundation. She is truly deserving of her nomination to the MAB Hall of Fame, and I ask my colleagues to join me in congratulating her on this honor.

McLEAN CENTENNIAL
CELEBRATION

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. WOLF. Madam Speaker, I rise today to recognize the centennial of McLean, Virginia, and the celebration event held on June 26. I want to thank the McLean Community Center,

honorary chair former Virginia Governor and Senator Charles Robb, master of ceremonies former Delegate Vince Callahan, and McLean & Great Falls Celebrate Virginia board of directors for making the centennial celebration possible.

McLean & Great Falls Celebrate Virginia was founded to perpetuate and promotion the preservation of local history. It grew out of the local organization founded in 2003 as part of the statewide celebration for the 400th anniversary of the settlement at Jamestown and has worked tirelessly to organize the 100th anniversary celebration for the McLean community.

The small village that grew to become McLean began when John R. McLean and Senator Stephen Elkins of West Virginia obtained a charter to operate a trolley line called the Great Falls & Old Dominion Railroad to promote the scenic beauty of the Great Falls of the Potomac. The 14-mile electrified railroad linked Washington, D.C., to the falls on the old Aqueduct Bridge. Over the last century many people have made McLean their home, seeking a refuge from the hectic lifestyle of the nation's capital. The beauty and mixture of farmland, forests, and the Great Falls of the Potomac make McLean a truly unique and special place.

While McLean has grown over the years it has managed to keep its community spirit and rural flavor. With first class schools both public and private, safe neighborhoods, and special sense of community, the "village" of McLean is indeed a welcoming place to live and raise a family.

Madam Speaker, it is my honor and privilege to represent the McLean community and to help commemorate the 100th anniversary of this special community.

VANESSA VASQUEZ

HON. ED PERLMUTTER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. PERLMUTTER. Madam Speaker, I rise today to recognize and applaud Vanessa Vasquez who has received the Arvada Wheat Ridge Service Ambassadors for Youth award. Vanessa Vasquez is a 12th grader at Pamona High School and received this award because her determination and hard work have allowed her to overcome adversities.

The dedication demonstrated by Vanessa Vasquez is exemplary of the type of achievement that can be attained with hard work and perseverance. It is essential students at all levels strive to make the most of their education and develop a work ethic which will guide them for the rest of their lives.

I extend my deepest congratulations once again to Vanessa Vasquez for winning the Arvada Wheat Ridge Service Ambassadors for Youth award. I have no doubt she will exhibit the same dedication and character to all her future accomplishments.

IN HONOR OF PROFESSOR THOMAS
J. REED

HON. JOE SESTAK

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. SESTAK. Madam Speaker, on the occasion of his retirement from the School of Law at Widener University, it gives me great pleasure to acknowledge the achievements and contributions of the talented and altruistic public servant, author, professor, warrior, and history buff Professor Thomas J. Reed, J.D. A 2nd Lieutenant of the U.S. Marine Corps awarded the Air Medal for his efforts in the Dominican Republic in 1965, and loved father of Heather and wife of Emily, Tom certainly deserves our praise.

Throughout Professor Reed's career, he has shown the greatest respect for public service. He has served in our nation's military, worked as a Reporter to the Delaware Supreme Court for the Delaware Appellate Handbook and the Supreme Court for revisions to the Delaware Uniform Rules of Evidence, worked for and served as the President of the Civil War Round Table of Wilmington, Delaware, and was instrumental in the establishment of the Widener University Veterans Law Clinic, which specializes in representing those Veterans without the means to mount a challenge to unfair decisions rendered by the VA.

In addition to his noteworthy service to many venerable organizations of our nation, Professor Thomas Reed has spent 29 years of his life educating generations of prospective lawyers at the Widener University School of Law in effective and innovative ways. His play, entitled Delaware: A State Divided is an excellent learning device for school-age children, and he has recently filmed a short piece to introduce law students to the intricacies and challenges associated with trials.

Professor Reed has worked extensively with my office to defend the rights of our heroes who fight for our freedom day in and day out. His innovative ideas on merging Department of Defense and Veterans Administration records to permit the seamless flow of information between those two organizations could dramatically improve the delivery of cost-effective medical care to Veterans. Professor Reed also was recently recognized by the Taischoff Advocacy, Technology, and Public Service Institute as the first Taischoff Professor of Law upon the organization's creation in 2008.

As our nation struggles on so many fronts—suffering the most severe economic woes in decades and fighting multiple wars abroad—it is important to remember the successes achieved by our constituents in our communities every single day. I am truly honored to offer this recognition to Professor Thomas J. Reed, and I wish him well in his retirement.

HONORING THE LIFE OF H.D.
“DILL” MULLIS

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. YOUNG of Alaska. Madam Speaker, I rise today to honor the life of H.D. “Dill” Mullis, a truly great Alaskan and a good friend.

Dill Mullis was born on March 13, 1935 in Jacksonville, FL to H.D. and Sara A. Mullis. He graduated from Andrew Jackson High School and the University of Florida.

Following his undergraduate education, Dill courageously joined the armed forces. He was an Air Force pilot and Vietnam veteran. His military decorations include: The Distinguished Flying Cross, Bronze Star; Air Medals, Meritorious Service Medal, RVN Cross of Gallantry and RVN Air medals.

After his honorable and courageous service to his country, Dill joined the ITT Company in 1971, where he was assigned to Anchorage in the military contracts and commercial operations division. Subsequently, he was involved in the construction, operations, and maintenance in support of the exploratory drilling program in the National Petroleum Reserve Alaska, the Trans-Alaska Pipeline System and various projects throughout Alaska.

Dill was a quintessential Alaskan and he will be dearly missed. His courage, tenacity and independence helped to show everyone around him, and the rest of the Lower 48, what it really meant to be an Alaskan.

He is survived by his wife, Beverly; daughters, Patricia Hopkins of Anchorage and Kathleen Matson of Eugene, Oregon; daughter in law, Cindie Mullis of Anchorage; sons, Stephen Mullis of Portage, Wisconsin, and Mark Mullis of Hong Kong, China. He is also survived by 12 grandchildren and four great-grandchildren.

A TRIBUTE TO MARGUERITE
STERLIN

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. TOWNS. Madam Speaker, I rise today in recognition of Marguerite Sterlin on the occasion of her 106th birthday.

Marguerite Sterlin was born on July 20, 1904 in Cap Haitian. She came to the United States in the early 1960s, and has been a resident of Brooklyn ever since.

For approximately 30 years, Ms. Sterlin worked as a babysitter and a seamstress. She is now retired.

Ms. Sterlin was never married, and did not have children of her own. She is the only survivor of her five siblings, but is visited by her nieces and nephews.

Ms. Sterlin is a member of St. Francis of Assisi Catholic Church. Her hobbies include sewing, cooking, and dancing. She also enjoys Haitian music and ice cream, and she is known to many as “JoJo,” pronounced “GoGo.”

She has been at River Manor Care Center in Brooklyn, New York, since 2003. She is a regular participant in daily recreational programs, and is very close to the Haitian staff of River Manor, and is considered their adopted grandmother.

Madam Speaker, I urge my colleagues to join me in recognizing the life of Marguerite Sterlin.

COMMEMORATING THE NATIONAL
ASSOCIATION OF COLORED WOMEN'S CLUBS AND YOUTH AFFILIATES, INC.'S 114TH ANNIVERSARY

HON. MIKE COFFMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. COFFMAN of Colorado. Madam Speaker, today I would like to recognize the National Association of Colored Women's Clubs and Youth Affiliates, Inc.'s 114th Anniversary and 57th Biennial Convention. This convention, scheduled to take place between July 29th and August 2nd in Denver, Colorado will be a fantastic opportunity for such a distinguished club to showcase its achievements and renowned history.

The club's history dates back to 1895 when Josephine St. Pierre Ruffin issued a call for a national meeting of women of color to take place in Boston, Massachusetts. This marked the beginning of the National Association of Colored Women's Clubs. Founded by Ida B. Wells, Harriet Tubman, Frances E.W. Harper and Mary Church Terrell in 1896, the NACWC began the uphill battle for women and African Americans throughout the twentieth century. For the past one-hundred and fourteen years, the organization has fought barriers to economic and political advancement for women of color. Its creed encourages members to contribute heavily to community service within American society, particularly to causes related to the plight of the African American woman. It emphasizes the role of all women in improving society for the benefit of everyone. Through their educational workshops and seminars, their scholarship programs, and their youth programs, the NACWC has cultivated the talents of generations of successful women.

Historically, the group was the educational and support base for Black Colleges and Universities, which promoted literacy among African Americans throughout the 19th and 20th centuries. The work of the organization's founders and members has proven an inspiration for future African American women to lift up their communities as they climb their respective stairways to success. The National Association of Colored Women's Clubs has become the exemplar of what can be accomplished when women throughout the nation come together to promote interracial understanding, justice and peace among all people, raise the standard of the home, and advance the moral, economic, social and religious welfare of the family. The courage, persistence and unity of the women of the NACWC have served as inspiration and hope for the future

of an America that will embrace the value of diversity for generations to come.

MARINE CORPS CORPORAL DAANE
ADAM DEBOER

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. VISCLOSKY. Madam Speaker, it is with great respect and deep sadness that I wish to commend United States Marine Corps Corporal Daane Adam DeBoer for his bravery and willingness to fight for his country. Corporal DeBoer was killed when hit by an improvised explosive device while on foot patrol in the Helmand province in Afghanistan. His sacrifice will forever be remembered by a community that has been struck by the devastating loss of one of their own.

Daane Adam DeBoer was born in Valparaiso, Indiana. He attended Immanuel Lutheran School through the sixth grade. Former teachers report that Daane was an energetic youth with a zest for life. From a young age, family members remember Daane as having a thirst for the extreme. He enjoyed extreme sports, whether he was skiing in Colorado or walking the 2,200 miles of the Appalachian Trail to help raise money for the Susan G. Komen for the Cure fund. Although he was only a young man, he garnered the respect and admiration of others in the communities that he was a part of, as made evident by the numerous prayer circles initiated upon the news of his death.

Daane would later use his enthusiasm and spirit to protect his country in the United States Marine Corps. Corporal DeBoer joined the Marines in 2009 and was deployed for combat for the first time to Afghanistan in March of 2010. His service awards include the Purple Heart, the Combat Action Ribbon, the National Defense Service Medal, the Afghanistan Campaign Medal, the Global War on Terrorism Service Medal, and the Sea Service Deployment Ribbon.

The youngest of a loving family, Daane is survived by his father and stepmother, David and Mary DeBoer of Valparaiso, his mother and stepfather, Charlene and Jim Zerrenner of Ludington, Michigan, and his three sisters: Aubrey, Ashley, and Lindsey.

Madam Speaker, at this time I ask that you and my other distinguished colleagues join me in honoring a fallen hero, United States Marine Corps Corporal Daane DeBoer. Corporal DeBoer sacrificed his life in service to his country, and his passing comes as a great setback to our nation, shaken by the realities of war. Corporal DeBoer will forever remain a hero in the eyes of his family, his community, and his country. Thus, let us never forget the sacrifice he made to preserve the ideals of freedom and democracy.

TRIBUTE TO JENNIE MIRZA ESHOO

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Ms. ESHOO. Madam Speaker, I rise today to honor Jennie Mirza Eshoo who will celebrate her 95th birthday on July 17, 2010.

Jennie Eshoo was born Jennie Katherine Mirza on July 17, 1915 in Chicago, Illinois to Agase B. Mirza and Martha Alaverdy Mirza. She is the eldest of seven siblings: Julia Alexander, Elsie Eshoo, the late Esther Aziz, Alice Maupin, Sam Mirza, and Bill Mirza. She graduated from Waller High School in Chicago in 1934 and on September 22nd of that year she married Paul Eshoo.

Jennie and Paul Eshoo moved from Chicago to Turlock, California where they raised four children on the family farm, growing grapes and walnuts and tending their laying hens: Peter, George, Agnes and Alice. They were active in the Assyrian-American community and Paul was a founder of the Turlock Assyrian American Civic Club. Jennie has been a charter member of the Turlock Assyrian American Civic Club since 1946.

Jennie is a devoted member of St. John's Presbyterian Church and its oldest member. She has been a Church Elder for 37 years and served as Clerk of the Session from 1973 to 1979 and from 1980 to 1986. She also served on Presbyterian Ethnic Concerns as a delegate and as their Treasurer from 1973 to 2006.

Jennie Mirza Eshoo is known throughout the community for her generosity and helpfulness to so many and volunteered at Emanuel Medical Center in Turlock for 32 years. From 1966 to 1971, she worked at California State University Stanislaus and was a kindergarten teacher's aide at Crowell Elementary School from 1974 to 1986. Jennie has an abiding love of democracy and served as a faithful election polling supervisor for Stanislaus County from 1987 to 2005.

Jennie is an avid reader whose taste ranges from National Geographic to the latest novels. She loves to travel and on her two trips to Israel in 1980 and 1984, relished visiting in person the sites she has "visited" in the Bible and other readings. Jennie still drives her own car which provides her convenient transportation for shopping as well as attending church services.

Jennie is the matriarch of a large and loving family. In addition to her four children, she has eight grandchildren and eight great-grandchildren. Her grandchildren are Lisa Brown, Lori Hill, Cherie Thompson, Christine Benjamin Nedved, Michelle Benjamin Eldridge, Annelise Martella, Karen Eshoo and Paul Eshoo. Her great-grandchildren are Amanda and Emily Brown, Madison and Jacob Eldridge, Cory Hill, Katherine and Jacqueline Nedved, and Peter Thompson.

Madam Speaker, it is a privilege to honor Jennie Mirza Eshoo as she celebrates her 95th birthday. I ask the entire House of Representatives to join me, her family and her many friends in saluting her as she celebrates this extraordinary milestone and thank her for her decades of contributions to the Turlock

community, her lifetime of love for her family, and her unwavering patriotism and love of our country.

PERSONAL EXPLANATION

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Ms. WOOLSEY. Madam Speaker, on July 1, 2010, I was unavoidably detained and was unable to record my vote for Rollcall No. 415–433. Had I been present I would have voted:

Rollcall No. 415: Yes—Honoring the veterans of Helicopter Attack Light Squadron Three and their families.

Rollcall No. 416: Yes—Salmon Lake Land Selection Resolution Act.

Rollcall No. 417: Yes—Recognizing the important role pollinators play in supporting the ecosystem and supporting the goals and ideals of National Pollinator Week.

Rollcall No. 418: Yes—Providing for consideration of the bill (H.R. 5618) to continue Federal unemployment programs, and waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules.

Rollcall No. 419: Yes—Expressing the sense of the House of Representatives that the political situation in Thailand be solved peacefully and through democratic means.

Rollcall No. 420: Yes—Congratulating the people of the 17 African nations that in 2010 are marking the 50th year of their national independence.

Rollcall No. 421: Yes—Congratulating the Government of South Africa upon its first two successful convictions for human trafficking.

Rollcall No. 422: Yes—On Motion to Table the Appeal of the Ruling of the Chair.

Rollcall No. 423: Yes—Restoration of Emergency Unemployment Compensation Act.

Rollcall No. 424: Present—Quorum Call.

Rollcall No. 425: Yes—To amend the Federal Election Campaign Act of 1971 to prohibit any registered lobbyist whose clients include foreign governments which are found to be sponsors of international terrorism or include other foreign nationals from making contributions and other campaign-related disbursements in elections for public office.

Rollcall No. 426: Yes—Expressing support for designation of June 30 as "National ESIGN Day".

Rollcall No. 427: Present—Quorum Call.

Rollcall No. 428: Yes—Providing for consideration of the Senate amendments to the bill (H.R. 4899) making emergency supplemental appropriations for disaster relief and summer jobs for the fiscal year ending September 30, 2010.

Rollcall No. 429: Yes—Expressing support for the people of Guatemala, Honduras, and El Salvador as they persevere through the aftermath of Tropical Storm Agatha which swept across Central America causing deadly floods and mudslides.

Rollcall No. 430: Yes—Second Portion of the Divided Question [Amendment 2]—Obey.

Rollcall No. 431: Yes—Third Portion of the Divided Question [Amendment 3]—Strike military funding.

Rollcall No. 432: Yes—Fourth Portion of the Divided Question [Amendment 4]—Lee.

Rollcall No. 433: Yes—Fifth Portion of the Divided Question [Amendment 5]—McGovern/Obey/Jones.

IN HONOR OF CAPTAIN JOSEPH
SADIE

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. KUCINICH. Madam Speaker, I rise today to honor Captain Joseph Sadie of the Cleveland Police Department. For 43 years, Captain Sadie rose through the ranks of the Cleveland Police Department, tirelessly protecting and defending our local communities.

In addition to his dedicated police service, Captain Sadie ran a local program called Cops & Kids. In the last 20 years, this program provided clothes, toys, food, appliances, and other necessities to 20,000 families in need.

Captain Sadie's passion for helping the community had him on call all year round; people close to him said his phone never stopped ringing. Despite the overwhelming need and number of requests, Captain Sadie always came through.

Madam Speaker and colleagues, please join me in honoring Captain Joseph Sadie of the Cleveland Police Department. Captain Sadie's leadership, kindness, compassion, and concern for others have made the local communities in and around Cleveland a better place. The impact of his dedication will carry on in the lives of all of those he helped.

HONORING THE LIFE OF
CELESTINO GAMBINO

HON. TIMOTHY H. BISHOP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. BISHOP of New York. Madam Speaker, I rise with sadness following the passing of Celestino Gambino, proprietor of La Parmigiana Restaurant in Southampton, NY and a beloved member of the community that I have the privilege of representing.

Celestino Gambino emigrated to the United States from Palermo Sicily, with little money and speaking no English, to make a better life for himself, his wife Josephine, and their seven children. He kept his family together, and with them and a lot of hard work, he built one of the most successful businesses on the East End of Long Island. He was devoted to his family, to his church and to his community, and he became a beloved figure in Southampton. On July 1 Mr. Gambino passed away at the age of 73.

Celestino Gambino opened La Parmigiana, or "La Parm" as it is affectionately known, in 1974 as a small pizza parlor, but over the years it became a Southampton mainstay. Located on Hampton Road in the heart of South-

ampton Village, La Parm is a family restaurant serving plates piled high with Italian food, such as their traditional Sicilian dishes, Penne alla Norcina and Margarita con Melanzane. A specialty shop in the restaurant sells Italian olive oil, La Parm's own sauce and salad dressing, pastries, pastas and other items.

As delicious as the food is, the true draw of the restaurant was the fact that patrons knew they would see Mr. Gambino, smoking his pipe and wearing his white apron, when they visited his restaurant, and if not him—then one of his family members. All of his children and several of his grandchildren work in La Parm, and all of them help give it the friendly, welcoming atmosphere it is known for—even when the pick-up counter is jammed with people waiting for their orders on a Friday night. People knew they could count on Mr. Gambino to give them good, quality service, whether they were ordering a slice or sitting down to a family meal.

It is a place of Old World charm, with good food for a good value. Mr. Gambino once said that the restaurant sold 20,000 pizza pies a year. But as busy as the restaurant kept him, Celestino Gambino always had time for people. He always took the time to listen and find a way to help, quietly and without fanfare. He was a gentleman, considerate and kind, and he was respected for that. In good times and in hard times, he kept his family together. On Mondays, the only day the restaurant was closed, the family would gather at his home far a family meal. He would always sit at the head of the table surrounded by his wife, their seven children and 19 grandchildren. On Sundays he made dinner for the priests at his church, Sacred Hearts of Jesus and Mary Roman Catholic Church.

The Gambino family is a shining example of the hard work, family love, and generosity of spirit that have made this country great. With the death of Celestino Gambino, we have lost a bit of Southampton, but we know that his family will carry on the traditions he established at the place he owned and operated for 36 years, and in them he will live on and we will be constantly reminded of the values for which he stood.

PERSONAL EXPLANATION

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Ms. WOOLSEY. Madam Speaker, on June 24, 2010, I was unavoidably detained and was unable to record my vote for Rollcall No. 394. Had I been present I would have voted:

Rollcall No. 394: Yes—Comprehensive Iran Sanctions, Accountability, and Divestment Act.

RECOGNIZING REAR ADMIRAL
MICHAEL MILLER

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. SKELTON. Madam Speaker, let me recognize and congratulate an outstanding Naval

Officer, RADM Michael Miller, upon the completion of more than two years of distinguished service as the United States Navy's Chief of Legislative Affairs. I am honored to commend Rear Admiral Miller's achievements on the Navy's behalf as well as his devotion to our nation.

Rear Admiral Miller graduated from the United States Naval Academy in 1974 and earned his "Wings of Gold" two years later. He has served tours around the world flying the S-3 Viking, and he has served at sea as Executive Officer and later in command of the USS *John F. Kennedy* (CV-67), the USS *Coronado* (AGF-11), and Carrier Strike Group 7. Rear Admiral Miller also served as the first-ever active duty Director of the White House Military Office.

As Chief of Legislative Affairs, Rear Admiral Miller showed the integrity, skill, and professionalism for which we honor our brave men and women in uniform. His work helped ensure the United States Navy's readiness and superior capabilities.

Rear Admiral Miller was recently nominated and confirmed for appointment to the rank of Vice Admiral. In connection with this promotion, he will be assigned as Superintendent of the United States Naval Academy in Annapolis, Maryland.

Madam Speaker, I wish Rear Admiral Miller continued success and fulfillment as he undertakes this new challenge. I trust my colleagues in the House will join me in saluting this fine Naval Officer.

CONGRATULATING ABDUL HAMKA
AND DARIUS WILBERT FOR BE-
COMING NATIONAL SEMI-FINAL-
ISTS IN THE DASH+ NATIONAL
STUDENT COMPETITION

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. CONYERS. Madam Speaker, I rise today to honor two students from my district who have been named as semifinalists of the Progressive Insurance DASH+ National Student Competition.

Abdul Hamka and Darius Wilbert of The Henry Ford Academy in Dearborn Michigan designed an eco-friendly dashboard for the Dash Plus National Student Competition. Hamka and Wilbert designed a dashboard that is able to communicate to the driver how they are impacting fuel economy and the environment. Abdul and Darius's panel connects multiple information sources that increase driver awareness. The dashboard can also calculate routes that have fewer hills and traffic lights, helping the driver reduce unnecessary acceleration and braking and in turn reduce overall fuel emissions. The dashboard is constructed out of emerging industrial-grade bio-plastics that are derived from vegetable oil, corn, soy, and algae. This gives the panel a reduced weight which in turn means less fuel consumption and a smaller carbon footprint.

Projects like the DASH Tech competition provide students with a platform to be innovative and put to use skills they learn while

studying STEM fields. Madam Speaker, one out of every ten people in Southeast Michigan is an engineer. Helping to promote the new green economy will help drive job creation and innovation in Michigan. My constituents and I are proud of what Abdul and Darius have accomplished and we know that they will be industry leaders one day.

**THE FEDERAL LANDS COUNTER-
DRUG STRATEGY AND ENFORCE-
MENT ENHANCEMENT ACT (H.R.
5645)**

HON. DEVIN NUNES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. NUNES. Madam Speaker, on Wednesday, June 30th, I introduced H.R. 5645, the Federal Lands Counterdrug Strategy and Enforcement Enhancement Act, legislation designed to combat drug trafficking on our nation's public lands.

Drug traffickers, primarily Mexican and Asian drug gangs involved with cannabis cultivation and marijuana distribution, are increasingly using our nation's public lands to operate large-scale operations. Eighty three percent of all plants eradicated from U.S. forests between 2004 and 2008 were removed from national forests in California. Sadly, Tulare County, California, recorded three consecutive seasons in which the number of marijuana plants seized exceeded \$1 billion.

Traffickers find the remoteness of the public lands appealing as it reduces the risk of detection and asset forfeiture. By cultivating marijuana on our public lands, international drug trafficking organizations avoid the risk and expense of smuggling their product across the border. It also makes distribution less risky because it can be easily driven to major cities, where it is distributed to street dealers. Accordingly, cultivation of marijuana is expanding from the M7 states including California, Hawaii, Kentucky, Oregon, Tennessee, Washington, and West Virginia, into Utah, Idaho, Texas, Wisconsin, and Ohio. This illicit activity poses a significant threat to our nation and those Americans who choose to camp, hike, hunt, ride, or otherwise use our nation's public lands.

Drug traffickers also are growing increasingly aggressive toward law enforcement officials and members of the public who enter the area in which drugs are being cultivated and produced. They are encircling their plots—some of which have as many as 75,000 plants—with crude explosives and patrolling them with firearms, including AK-47s. In one instance reported last year by The Washington Post, two Lassen County, California, law enforcement officers were wounded by a gunman guarding a grove on Bureau of Land Management property. In another incident, an eight-year-old boy and his father were shot after they accidentally stumbled onto a hidden marijuana grow in El Dorado County, California. One Placer County, California, law enforcement official reported that, "In every garden, every single encounter, we find weapons."

Moreover, drug traffickers are causing serious and extensive environmental damage to our public lands. Animal poisons are used as are chemical repellants, fertilizers, pesticides, and herbicides many of which are banned in the United States. Traffickers often pour fertilizer directly into streams and pools and run it through their homemade irrigation systems. The use and abandonment of these and other hazardous substances—such as gasoline—results in toxic levels of chemicals in the soil, groundwater, streams, and rivers. Eventually, these hazardous substances enter our residential and agricultural water supplies.

I find this situation utterly unacceptable. We cannot meaningfully address drug trafficking on public lands without a comprehensive strategy. Such a strategy has been authorized and developed for the southwestern border and I am firmly convinced that one should be done to better combat drug trafficking on public lands.

The Federal Lands Counterdrug Strategy and Enforcement Act would address this situation by requiring the Office of National Drug Control Policy to develop a strategy to combat drug trafficking on public lands. The bill would also increase the penalties available for cultivating or manufacturing drugs on public land as well as for using hazardous chemicals, diverting streams, removing vegetation without authorization, and using boobytraps or firearms to produce drugs on public lands. Accordingly, I ask my colleagues to join with me to enact this legislation.

PERSONAL EXPLANATION

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Ms. WOOLSEY. Madam Speaker, on June 29, 2010, I was unavoidably detained and was unable to record my vote for rollcall No. 395–401. Had I been present I would have voted: rollcall No. 395, "yes"—On Approving the Journal; rollcall No. 396, "yes"—Congratulating the Chicago Blackhawks on winning the 2010 Stanley Cup Championship; rollcall No. 397, "no"—On Motion to Adjourn; rollcall No. 398, "yes"—Restoration of Emergency Unemployment Compensation Act; rollcall No. 399, "yes"—Recognizing the National Collegiate Cyber Defense Competition for its now five-year effort to promote cyber security curriculum in institutions of higher learning; rollcall No. 400, "yes"—Firearms Excise Tax Improvement Act; and rollcall No. 401, "yes"—Homebuyer Assistance and Improvement Act.

**RECOGNIZING COLONEL ROBERT
GREENE OF CITRUS COUNTY,
FLORIDA**

HON. GINNY BROWN-WAITE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Ms. GINNY BROWN-WAITE of Florida. Madam Speaker, I rise today to honor COL

Robert Cushing Greene, USA (Ret.) of Citrus County, Florida. On July 24th Colonel Greene will do something that all of us strive to do, but that very few of us will ever accomplish, celebrate his 100th birthday.

Bob was born July 24, 1910 in Keene, NH, he is the fifth of six children, born to his mother, Lillian Francis Greene and his father, Corydon Burton Greene, a furniture salesman. In April of 1931, while still attending the University of New Hampshire, he married his first wife and eventual mother to his three children, "Betty". That summer he was commissioned into the United States Army Reserve. One year later, he graduated college in the thick of the Great Depression. He took a job working for Betty's father's lumber company until 1939 when, he began working as a traveling cement salesman.

In April of 1941, war clouds were gathering and Bob was called up to active duty. He reported to Ft. Benning, GA to receive his infantry training. In August of 1943 he received his orders to head overseas to serve in the Northern Combat Area Command in China-Burma-India during World War II where he served as an intelligence officer. While in Burma, he was promoted from captain to major.

In 1945, at the wars end, many soldiers were trying to get out of the Army, but Major Greene and Betty decided that they liked the Army life and decided to stay in. From 1947 to 1949 Major Greene, Betty and their children lived in Panama, followed by Virginia where he transferred into the Quarter Master's Corps. He served in the Korean War, followed by two additional posts in Massachusetts and France. In 1961, after serving in two wars, crossing 69 countries and earning two Bronze Stars with oak leaf cluster, he retired from military service as a full colonel.

He served as a civil servant until 1975 when, he and Betty were once again bit by the travel bug. They embarked on what Betty called "the world's longest bridge game". For nearly three years they traveled the country in a motorcoach. In 1979, they finally parked in Inverness, FL to be close to many friends whom they had met along their journey together. Betty passed away five years later. Their children, Bob, Sherry and Michael say their parents were, "the very best".

In 1995, Colonel Greene married his current wife, Lori. His son, Bob, remarked that they credit Lori for their dad's enduring spirit. She encouraged him to become a mentor at the Inverness Primary School; He is also a former president of what is now the Citrus County MOAA Chapter. He enjoys spending time with his children, grandchildren and great-grandchildren, many of whom will join him on the 24th for his centennial celebration.

Madam Speaker, please join me in thanking Colonel Greene for his service and congratulating him on one hundred years of life.

INTRODUCTION OF VETERANS',
SENIORS', AND CHILDREN'S
HEALTH TECHNICAL CORREC-
TIONS ACT OF 2010

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. LEVIN. Madam Speaker, I rise today to introduce the Veterans', Seniors', and Children's Health Technical Corrections Act of 2010. This bill contains many time-sensitive provisions that affect our nation's veterans, seniors, and children and that have already been considered by the House as part of H.R. 4213, the American Jobs and Closing Tax Loopholes Act of 2010, which passed the House before the Memorial Day recess. I understand that the Senate is renewing their consideration of this jobs legislation. I encourage them to do so—and to do so quickly—as it contains critical provisions to create jobs, cut taxes, and support American workers. Should the Senate face delays in passing that larger legislation, this bill guarantees the consideration of necessary, time-sensitive, and non-controversial health care provisions.

This legislation contains clarifications and extensions under Medicare, Medicaid and the Children's Health Insurance Program. For veterans, this legislation clarifies a special enrollment period to ensure that they can properly enroll in Medicare Part B and retain their TRICARE eligibility.

For children, this legislation clarifies that eligible children's hospitals retain access to discounts for expensive orphan drugs. Children will also benefit from technical corrections in this bill that relate to Medicaid and CHIP.

For teaching hospitals that train our newest physicians, this legislation makes a technical correction to clarify that residency positions currently shared between teaching hospitals will not be redistributed. In 36 states, this will affect more than 300 hospitals with affiliation agreements in place that are currently using these residency slots.

For Medicare beneficiaries receiving care at a skilled nursing facility, this legislation guarantees that they will be covered under the most current refined payment system.

We pay for this bill largely with funds from the Medicare Improvement Fund. CBO estimates that this bill results in small savings to the federal government.

So colleagues, I ask you to join me in supporting this time-sensitive and noncontroversial legislation pertaining to veterans, Medicare providers including skilled nursing facilities, teaching hospitals, and children's hospitals.

IN HONOR AND RECOGNITION OF
BOB FRITZ

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. KUCINICH. Madam Speaker, I rise today in honor and recognition of Bob Fritz, as

he celebrates his retirement after nearly 40 years of unwavering leadership, kindness and devotion as CEO of Avtron Manufacturing, Inc., of Independence, Ohio.

The son of Dwain and Carolyn Fritz, founders of Avtron Manufacturing Inc., Bob Fritz's parents instilled within him a strong work ethic and values. He graduated from Shaw High School and enrolled at Carnegie Melon University, where he graduated with honors and a degree in physics. He later earned an MBA from Harvard Business School, where he was awarded a National Honorary Fellowship.

Mr. Fritz's intellect is matched by his kindness, ability to relate to others, and build upon a new vision. Within a few years of becoming CEO, Avtron soared to new levels in the areas of sales, product development, and a renewed focus on the welfare of employees. In the past 36 years, Avtron increased its number of employees from 100 to 400, 95% of whom live in Cuyahoga County. During his tenure, Avtron was honored numerous times, including three North Coast 99 Awards for being one of the best places to work in Northeast Ohio. Mr. Fritz has also volunteered his time as both a member and a leader of several community organizations, including Vistage, an organization of CEOs that focus on guiding, mentoring and assisting struggling businesses.

Madam Speaker and colleagues, please join me in honor and recognition of Bob Fritz on the occasion of his retirement as leader of Avtron Manufacturing, Inc. His devotion to his family, employees, and community serves to strengthen the foundation of greater Cleveland. I wish him, his wife Linnet, and their entire family an abundance of health and happiness as he journeys onward.

PERSONAL EXPLANATION

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Ms. WOOLSEY. Madam Speaker, on June 30, 2010, I was unavoidably detained and was unable to record my vote for rollcall Nos. 402–414. Had I been present I would have voted: rollcall No. 402, “yes”—Recognizing the work and importance of special education teachers; rollcall No. 403, “yes”—To designate the facility of the United States Postal Service located at 151 North Maitland Avenue in Maitland, Florida, as the “Paula Hawkins Post Office Building”; rollcall No. 404, “yes”—Recognizing the residents of the City of Tracy, California, on the occasion of the 100th anniversary of the city's incorporation, for their century of dedicated service to the United States; rollcall No. 405, “yes”—To name the Department of Veterans Affairs community-based outpatient clinic in Artesia, New Mexico, as the “Alejandro Renteria Ruiz Department of Veterans Affairs Clinic”; rollcall No. 406, “yes”—On Ordering the Previous Question; rollcall No. 407, “yes”—Waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules, and for other purposes; rollcall No. 408, “yes”—To enable State homes to furnish nursing home care to par-

ents any of whose children died while serving in the Armed Forces; rollcall No. 409, “yes”—Providing for an adjournment or recess of the two Houses; rollcall No. 410, “yes”—Rule providing for the consideration of the conference report to accompany H.R. 4173, the Dodd-Frank Wall Street Reform and Consumer Protection Act; rollcall No. 411, “yes”—Fountainhead Property Land Transfer Act; rollcall No. 412, “no”—On Motion to Recommit the Conference Report with Instructions; rollcall No. 413, “yes”—Wall Street Reform and Consumer Protection Act of 2009; rollcall No. 414, “yes”—Indian Pueblo Cultural Center Clarification Act.

INTRODUCTION OF THE SMITHSONIAN
CONSERVATION BIOLOGY
INSTITUTE ENHANCEMENT ACT

HON. XAVIER BECERRA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 2010

Mr. BECERRA. Madam Speaker, I rise today with my fellow congressional Regents, Representatives SAM JOHNSON and DORIS MATSUI, and our colleague Representative FRANK WOLF, to introduce the Smithsonian Conservation Biology Institute Enhancement Act, which authorizes funding for this institute's important work in conservation biology. Companion legislation has been introduced in the Senate by Senators PATRICK LEAHY, THAD COCHRAN and CHRIS DODD.

While some 30 million individuals annually visit and enjoy the Smithsonian's 19 museums and National Zoo, the Smithsonian's nine research centers carry out important work that advances the Institution's mission of expanding and diffusing knowledge. As one of these centers, the Smithsonian Conservation Biology Institute, SCBI, is headquartered in Front Royal, Virginia, in Representative WOLF's district, at the facility previously known as the National Zoo's Conservation and Research Center. The SCBI launched in January of 2010 as an umbrella for six Smithsonian units working in a global effort to conserve species and train future generations of conservationists.

The Smithsonian Institution, SI, has a long history of creatively collaborating with strategic partners to advance the important goals of discovering and understanding biological diversity, advancing scientific solutions and conserving wildlife. Toward that end, the National Zoological Park, NZP, Comprehensive Facilities Master Plan completed in December 2008 includes plans to create a campus-like setting for the SCBI at the NZP facility in Front Royal, Virginia, NZP-FR, with space capable of hosting multiple partners who share common goals and are willing to work with SI scientists and staff to advance efforts in conservation biology.

To allow the Smithsonian to progress in its master plan, this bill authorizes the SI to invest \$1 million for each of fiscal years 2010 and 2011 and \$3 million in aggregate for all succeeding fiscal years in order to plan, design and construct an education facility at its Front Royal site. The bill also authorizes the Smithsonian Board of Regents to enter into

agreements for the provision of housing and other services related to the facility's programs at no cost to the SI. Finally, it authorizes the SI to use its non-federal funds to plan, design and construct animal holding and related program facilities on the property. The goal is to open the facilities by the Fall of 2012 semester.

The SCBI scientists' domestic and international biodiversity accomplishments span many decades. For example:

Since 1972, SCBI scientists have studied the endangered golden lion tamarins and established one of the most successful reintroduction programs ever attempted. Thanks to their leadership, more than 1,500 animals survive in Brazil's Atlantic coastal rain forest.

Since 1978, SCBI scientists have conducted breeding and conservation research on cap-

tive and wild endangered clouded leopards. More than 70 clouded leopards have been born at the SI's Conservation and Research Center in Front Royal, Virginia in the past 30 years, including two born in 2009. Working with Thai counterparts, the SCBI team developed a captive breeding program that has produced 40 cubs. These collaborative international projects serve as a model for conserving treasured species.

Since 1985, SCBI scientists have led the way in developing breeding and management techniques resulting in the birth of nearly 600 endangered black-footed ferrets at SCBI facilities in Front Royal, Virginia. More than 200 SCBI-produced ferrets and their descendents have been released in seven states.

Madam Speaker, SCBI staff has conducted training courses for undergraduate, graduate

and professional audiences in the United States and at more than 20 international locations—reaching more than 5,000 individuals from over 85 countries. Supporting the Smithsonian Conservation Biology Institute's next phase of development will not only expand its notable record of providing educational classes, it will also help ensure that the next generation of conservation and scientific professionals has the necessary training to help sustain a biodiverse planet.

I urge my colleagues to join us in passing this bipartisan legislation so that our Smithsonian scientists can continue to be recognized as global leaders in the field of biodiversity and so that our nation can continue to do its part in leaving the planet in the best possible condition for our children.

HOUSE OF REPRESENTATIVES—Wednesday, July 14, 2010

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. PASTOR of Arizona).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
July 14, 2010.

I hereby appoint the Honorable ED PASTOR to act as Speaker pro tempore on this day.

NANCY PELOSI,
Speaker of the House of Representatives.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer: Lord God, our Creator, You are the source of love and of life. You want us to have life and the fullness of life as members of society and as a nation.

By Your Divine Providence, the full expression of love for You, Almighty God, as well as love of neighbor, begins with the realization of the unique personhood in each and every member within the family. It is there we learn the great task of love, how to accept love and show love in return. Human life teaches us that neither friendship nor patriotism can take the place of family in helping us find our place of fitting in or belonging.

Lord, may the prism of family life prove to be the instrument of discernment for the Members of Congress as they formulate laws and policies for the good of this Nation.

May You bless the families of Congress and this Nation so this common ground may give You glory, both now and forever. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The Pledge of Allegiance will be led by the gentleman from Illinois (Mr. QUIGLEY).

Mr. QUIGLEY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain up to 15 requests for 1-minute speeches on each side of the aisle.

UNEMPLOYMENT BENEFITS

(Ms. WATSON asked and was given permission to address the House for 1 minute.)

Ms. WATSON. Mr. Speaker, right now, 15 million out-of-work Americans are waiting on the Senate to extend unemployment benefits which contribute to paying mortgages, health care bills, utility bills and the cost of food when there isn't a paycheck coming in.

The Democrats' unemployment bill will provide up to 99 weeks of unemployment checks, averaging about \$300, to people whose 26 weeks of State-paid benefits have run out. The benefits would be extended through the end of November. In a new Washington Post-ABC News poll released July 13, more than six in ten Americans support congressional action to extend unemployment benefits for jobless workers.

Earlier this month, the House passed the Restoration of Emergency Unemployment Compensation Act to restore and extend emergency unemployment benefits through November 30. Americans know these benefits not only are much needed, but they are their life support.

CONGRATULATING THE PATRIOTS OF PACE HIGH SCHOOL ON BECOMING THE REGION 1, CLASS 5A BASEBALL STATE CHAMPIONS

(Mr. MILLER of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of Florida. Mr. Speaker, it is my pleasure to rise today and congratulate the Patriots of Pace High School for becoming the Region 1, Class 5A baseball state champions.

Pace High School's varsity baseball team, led by Coach Charlie Warner, finished the season with an impressive 31-2 record. The Patriots went unbeaten against Florida competition and won their last 25 games.

For their dominance on the baseball diamond, the Patriots of Pace High earned a number one ranking from ESPN and were crowned ESPN's RISE FAB 50 national champions.

Now, while the Patriots achieved their goal and brought home a state

championship, it was not done without countless hours of practice and immeasurable amounts of sacrifice. The time they spent together on and off the field will not only be remembered for capturing a second state title in 5 years, but the forged friendships and lessons learned will never be forgotten.

Once again, I would like to congratulate Pace High School's baseball team on winning their fourth state championship. My wife Vicki and I are extremely proud of these young men.

MOVING IN THE RIGHT DIRECTION

(Mr. BACA asked and was given permission to address the House for 1 minute.)

Mr. BACA. These are tough times for our Nation, but the American people can take heart that with the leadership of President Obama, we are headed in the right direction.

When the President took office, he inherited a \$1.2 trillion deficit, two wars, the recession, mounting job losses, and disasters like Katrina that pushed our economy to the brink.

Since then, with his guidance we have passed the American Recovery Act that saved jobs; the expansion of SCHIP, to provide health coverage to 11 million children; the Lilly Ledbetter Fair Pay Act, the equal pay act for women in the workplace; the Credit Card Bill of Rights; and the historic health reform that finally makes quality, affordable coverage a right for every American. Soon we will enact financial reforms that give us the oversight and accountability to prevent another economic collapse.

The President continues to move us in the right direction and is doing all the right things. Unfortunately, our Republican colleagues continue to have no plan and no direction.

TRIBUTE TO PEARL REX-HARTZELL

(Mr. CHAFFETZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHAFFETZ. Mr. Speaker, I come before the House to pay special tribute to Pearl Rex-Hartzell, who passed away recently.

Pearl's life was dedicated to serving others. She said once, "As long as I live I have to serve." Living up to her motto of service, she could be found constantly smiling, dancing and participating in numerous organizations.

Pearl believed that “we can’t just sit back and enjoy freedom. We must work to preserve it.” This remarkable woman had a deep love of God, country, and family, and she selflessly dedicated her life to helping all those in need.

Pearl represents the reality that a single person can make a positive difference in the lives of those around her by smiling, serving and standing by their principles.

It is appropriate that we honor her accomplishments, her example and her lifelong dedication to community service. I wish nothing but the best to her family and hope they feel the deep gratitude of Utah and truly remember this remarkable woman. She has served our community well, and we will miss her.

DON'T BE FOOLED BY RELEASE OF POLITICAL PRISONERS BY CUBA

(Mr. QUIGLEY asked and was given permission to address the House for 1 minute.)

Mr. QUIGLEY. Mr. Speaker, I rise today because we cannot be fooled by the Castro regime's announcement to release 52 political prisoners. That would be 52 out of approximately 5,000.

The release of these prisoners, held only because they disagree with the government, would be good news if they were actually being released, but only five to 10 prisoners will be released immediately. The rest will be let go over the next three to four months. Why does it take months to release a group of prisoners when it only took one night to arrest them? We cannot be fooled.

The Castro regime has released prisoners many times before in exchange for lesser sanctions, but these temporary releases never result in permanent reforms.

The regime is unilaterally releasing 52 prisoners, but what is to keep them from simply arresting hundreds more? We cannot be fooled. And above all, we cannot alter our sanctions or policies towards Cuba based on this one superficial gesture.

□ 1010

DEBT

(Ms. JENKINS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JENKINS. For the past 18 months, the leadership in the House has ignored the impending fiscal crisis, acting like they know best and that the economy would recover if we simply spent more money. They're wrong. And today, I'd like to remind them of one number that should get their attention: \$166 billion. A few years ago,

that was more than the annual budget deficit. Now, that's how much the debt increased on June 30 alone. The President's fiscal commission said this debt is a cancer “that will destroy the country from within.” As a daughter of two cancer survivors, those words are strong. But as a CPA that knows how debilitating debt can be, I couldn't agree more. It's time for the majority to stop ignoring reality. It's time to stop the reckless spending and get the \$13.2 trillion debt under control.

FISCAL RESPONSIBILITY

(Mr. SCHRADER asked and was given permission to address the House for 1 minute.)

Mr. SCHRADER. As a member of the fiscally conservative Blue Dog Coalition, I would like to bring attention to my district's growing concern about our national debt. Oregon's Fifth Congressional District has been severely impacted by the recent economic downturn. Like Oregon families throughout my State, Congress must start learning to live within its means. I put a high priority on financial responsibility, which is why I've introduced H.R. 5363, the Preventing Waste, Fraud, and Abuse Act of 2010. The Act encourages the Federal Government to make strategic investments to eliminate waste, fraud, and abuse in our entitlement programs. For every dollar we put into the program, we get \$1.50 to \$8 back.

Today, we will be voting on the Improper Payments Elimination and Recovery Act of 2010. By passing this bill, we will expand the process of identifying programs and activities susceptible to improper payments. Identifying these programs will eliminate fraud. I urge my colleagues to support this bill.

MOB VIOLENCE

(Mr. COBLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COBLE. Mr. Speaker, mob violence serves no good purpose. Last week, a California mob violently disagreed with the jury verdict in a high-profile case. I have no opinion if the verdict is inconsistent with the facts of the case, but I do have an opinion that mob violence offers no solutions. I do not embrace all jury verdicts, but when I am not in agreement with jury verdicts, I do not resort to violence. I do not promote the smashing of plate-glass windows. I do not promote the stealing of goods behind those windows. I do not promote the inflicting of injury upon innocent third parties.

Mob members taking the law into their own hands, Mr. Speaker, is opposed to all that is good about America, yet few people have spoken out

against it. Surely, the majority of Americans are opposed to mob violence. I reiterate: Mob violence serves no good purpose and should be deterred and rejected.

FIGHTING FOR SENIORS

(Mr. MURPHY of New York asked and was given permission to address the House for 1 minute.)

Mr. MURPHY of New York. Mr. Speaker, I rise today in support of seniors across upstate New York. Since coming to Washington, I have fought to strengthen Medicare, protect Social Security, and ensure that our seniors can retire with dignity. As a founding member of the Seniors Task Force, I was proud to help introduce the Seniors Bill of Rights to guarantee the dignity and independence of all older Americans. We need to ensure that they have access to quality, affordable health and long-term care. We need to provide protection from scams, abuses, and exploitation. And we need to provide safe and livable communities.

For years, credit card companies have taken advantage of our seniors by doing things like changing the terms of their agreements without telling them or advertising one rate and giving another. Last year, we saw a bipartisan effort with the Credit CARD Act to prevent these kinds of scams. We also worked this year to close the Medicare part D doughnut hole. Last month, our seniors started receiving \$250 checks to close that hole. And by 2020, it will be gone entirely. No senior should have to choose between purchasing drugs and medicines they need or putting food on their table. And no senior should be scammed by credit card companies.

TRIBUTE TO GEORGE STEINBRENNER

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, as the owner of the New York Yankees, George Steinbrenner was known for his bravado. But to the people of my district, he was known as a gentleman horse farm owner and community leader. He had a tremendous impact on north central Florida. In 1969, he bought the 850-acre Kinsman Stud Horse Farm in Ocala. He was an active horse breeder and a successful local businessman. He also owned the Pinstripes Ramada Inn in Ocala. In addition, Mr. Speaker, he became one of the largest benefactors in the University of Florida's history. He built the George Steinbrenner Band Hall, and he helped found the large animal and equine programs at the University of Florida veterinary school.

While most of the tributes to George Steinbrenner rightfully focus on his

ownership of the New York Yankees, the people of north central Florida feel we have lost a great friend and a good neighbor.

EXTEND UNEMPLOYMENT BENEFITS

(Mr. SCHAUER asked and was given permission to address the House for 1 minute.)

Mr. SCHAUER. Mr. Speaker, I ran for Congress to support ideas, no matter whose they were, to get our economy going. Well, unemployment rates across my district in Michigan are gradually falling. There are 23,000 people that I represent that will lose their lifeline by the end of the year unless the Republicans end their filibuster in the Senate.

Let's be clear: Our economy will worsen and our deficit will worsen if unemployment benefits aren't extended. I repeat that: Our economy will worsen and our deficit will worsen if unemployment benefits aren't extended at this critical time. Don't take my word for it—economists of all political stripes agree. Even JOHN MCCAIN's economic adviser, Mark Zandi, said, No form of the fiscal stimulus has proved more effective during the past 2 years than emergency unemployment insurance benefits providing a bang-for-the-buck of \$1.61 for every dollar of unemployment benefits.

It's time for us to act to provide a lifeline and help our economy.

MORE DELAYS ON TROOP FUNDING

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Mr. Speaker, before Congress adjourned for the July 4th recess, I stood at this spot with a plea to Democratic leadership to do the right thing and bring the military supplemental bill forward as a clean bill for quick passage. My request and those of many of my colleagues went unanswered. The result? Our troops at risk do not have the funding they need. It is a shame that Congress could not get this troop funding bill passed before the Pentagon's deadline. By not passing or debating a budget—another travesty—Congress certainly has had plenty of time to get this done.

As a veteran myself, with four sons currently serving in the military, I know we have brave men and women in uniform around the world who shouldn't have to worry about Congress' failure to fund their programs and missions. We have counterinsurgency operations right now in Iraq and Afghanistan that should not be interrupted or held up by lawmakers so they can add billions of additional dollars in unrelated pet projects.

In conclusion, God bless our troops, and we will never forget September the 11th in the global war on terrorism.

WHY GO BACK?

(Mr. JOHNSON of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JOHNSON of Georgia. Republicans, sadly, apologized to BP and call Wall Street reform an ant being hated by the U.S. Government. Meanwhile, they continue to say "no" to Democratic Party attempts to extend unemployment insurance benefits for the next 6 months. They're calling these benefits an "entitlement" and say that they're being abused by folks who can't find a job. And this despite an analysis by the nonpartisan Congressional Budget Office suggesting that extending unemployment benefits is the most cost-effective and fast-acting way to spur the economy.

Congressional Republicans support the special interests that benefited from George Bush policies and created the worst financial crisis since the Great Depression. A decade of Republican rule nearly doubled our national debt. Why would we go back to that?

□ 1020

AMERICA SPEAKING OUT

(Mr. REHBERG asked and was given permission to address the House for 1 minute.)

Mr. REHBERG. Thousands of Montanans are joining millions of Americans speaking out. I have heard from them at seven listening sessions across Montana just last week. And thanks to an innovative House Republican initiative called America Speaking Out, they can join people around the country online at americaspeakingout.com.

Unfortunately, this majority has not been listening. When emails and phone systems were overwhelmed by the opposition to the stimulus, they turned off their phones. When town hall meetings were overrun by angry constituents, they stopped holding public meetings. When the opposition to their health care takeover got too hot, they held closed-door meetings and capped it off with a 1 a.m. vote. Americans deserve better.

We deserve a government that listens first and then acts. We deserve a government that remembers who it works for. That's what I'm doing in Montana, and that's what House Republicans are doing online. Please join me today by logging on at americaspeakingout.com. Together, we will make a difference.

CUBA CONTINUES TO OPPRESS ITS PEOPLE

(Ms. WASSERMAN SCHULTZ asked and was given permission to address

the House for 1 minute and to revise and extend her remarks.)

Ms. WASSERMAN SCHULTZ. Mr. Speaker, I rise today in protest of the Castro regime's intention to forcibly deport 52 political prisoners under the guise of release. Historically, the Castro regime has used political prisoners as pawns to extract international concessions and ease criticism. But as The Washington Post pointed out in their reporting on this story, this gesture does not represent fundamental political change. As more political dissidents die of hunger strikes in Cuba, we cannot allow this hollow gesture to blind us from the reality on the ground.

In Cuba's authoritarian dictatorship, every dollar that flows into the country props up the Castro regime. In the meantime, Alan Gross of Potomac, Maryland, arrested for distributing cell phones and laptops to Cuba's tiny Jewish community, continues to sit in prison with no hope of release.

A relationship with the United States must be earned. Banishing political dissidents from their homeland hardly meets that test. This cheap political trick is surely of no solace for Gross and others still in jail.

CUBA'S POLITICAL PRISONERS

(Mr. LINCOLN DIAZ-BALART of Florida asked and was given permission to address the House for 1 minute.)

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, Fidel Castro showed himself on television this week to remind the world that he is alive and in power, despite having turned over some titles to his puppet brother. What he does is he throws Cuban patriots in the dungeons; and then when he feels pressure, he releases Cuban patriots, deports them from the country, expels them, gives them the choice, "Do you want to stay in the dungeon or be expelled from your country?" to gain diplomatic and economic oxygen. He wants U.S. sanctions eliminated and he wants the European common position, which ties a close relationship between Cuba and Europe to an improvement in human rights, he wants that common position eliminated.

He comes together with the Spanish Foreign Minister, Mr. Moratinos, and they agree upon a supposed number of political prisoners; under 200, they say there are. The U.S. State Department, in March, makes clear that only those charged under so-called dangerousness—whatever that means—number 5,000 in the Cuban dungeons.

Let's not be fooled. Let's not be fooled. The solution to the Cuban problem is free elections, the release of all political prisoners through free elections in Cuba.

UNEMPLOYMENT BENEFITS

(Ms. HIRONO asked and was given permission to address the House for 1 minute.)

Ms. HIRONO. Mr. Speaker, by continuing to deny the extension of unemployment benefits, Republicans are perpetuating their heartlessness on the backs of the working people of this country. Last week in Hilo, I met a group of contractors who shared with me not only their struggles in today's difficult economy, but that of people they know who have lost their jobs. These hardworking people can't find jobs not for a lack of effort but for a lack of jobs.

Before the July 4 recess, the House passed a bill that would extend unemployment benefits through the end of November. This extension would save 6,000 residents in Hawaii from losing their benefits. Every month that Congress fails to act, another 2,150 people in Hawaii will lose their benefits. These benefits amount to an average of \$415 a week, which helps families buy food and keep a roof over their heads until they can find a job. And for every \$1 they spend, \$1.60 is generated in economic growth for local businesses.

We cannot turn our backs on hardworking people by taking away their unemployment benefits. The time to act is now.

TIMMY BERGERON WRITES THE PRESIDENT

(Mr. POE of Texas asked and was given permission to address the House for 1 minute.)

Mr. POE of Texas. Mr. Speaker, I received a letter from a really mad Cajun named Timmy Bergeron. He is from Houma, Louisiana, and runs an oil-related drilling business.

Timmy's letter is to the President and says, "I am terribly troubled that after striving to find jobs for Americans, you make a hasty decision to stop drilling for 6 months. Did you stop coal mining after all the incidents they have been having? No. Did you stop the airlines after all the crashes and accidents they have been having? No. Now you want to shut down the oil industry for 6 months, which will hurt tens of thousands of workers! I only hope you understand the trickle-down effect this will have on many industries."

Mr. Speaker, the rest of the letter gets a bit more colorful, but Mr. Bergeron wants to know why the President is intentionally putting him out of business. Maybe the President will write him back. Meanwhile, the ill-advised deepwater drilling ban is putting people out of work and is the second disaster in the Gulf of Mexico.

And that's just the way it is.

EXTEND UNEMPLOYMENT BENEFITS FOR AMERICANS

(Mr. YARMUTH asked and was given permission to address the House for 1 minute.)

Mr. YARMUTH. Mr. Speaker, Senate Republicans continue to refuse to allow the extension of unemployment insurance benefits to the American people. Let me tell you what that does in my State.

If we don't extend those benefits within a very short period of time, 125,000 Kentuckians will be without the means to support their families. That means, in addition to human suffering, we're talking about \$125 million a month that will not be spent in the Kentucky economy. Multiply that across the country, and you see the incredible effect that it can have.

I don't think that Republicans really mean it when they say, Well, we're okay with supporting it, but we want to pay for it. They didn't say the same thing when they got into two wars, provided a new entitlement prescription drug benefit, and passed tax cuts for the wealthiest Americans.

You can't build a political philosophy on the pain and suffering of the American people, but that's the only conclusion that I can reach. They figure, create as much pain and damage as you can create, and then the American people will blame the party in power for it. That's a pretty cynical way to approach the lives of the American people and Kentuckians.

A TRIBUTE TO THE THIRD CONGRESSIONAL DISTRICT OF TEXAS

(Mr. SAM JOHNSON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SAM JOHNSON of Texas. Mr. Speaker, I rise to honor the recent accolades of the Third Congressional District of Texas. While I know it's a great place to live, work, and raise a family, clearly, other notable and even national publications have paid attention, too.

For example, D Magazine put the spotlight on the best suburbs for Dallas; and 11 out of all 11 cities in the Third District outside of Dallas ranked among the top: Parker, Murphy, Allen, Sachse, Plano, Frisco, Wylie, McKinney, Rowlett, Richardson, and Garland.

Money Magazine just named McKinney, Texas, as the fifth most desirable place to live in the Nation, while Allen took 16th and Rowlett claimed 24th. In addition, Newsweek featured 10 Third District high schools in June in the America's Best High Schools edition.

My hat goes off to the people who make Texas places so special and the leaders who had the vision and courage to make their dreams for these communities a reality. Congratulations to all. God bless you. I salute you.

A TRIBUTE TO TOMMY DURHAM

(Mr. DAVIS of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAVIS of Illinois. Mr. Speaker, I rise today to pay tribute to Tommy Durham, a gentleman in my community who passed away a few days ago. Tommy was known as the mayor of West Madison Street, where he ran a used appliance business and fixed air conditioners, stoves, heaters. Anything that needed fixing, Tommy could do it.

He was passionately involved in politics and ran for office more than 40 years ago. He did not win the election, but he did win a place in the hearts and minds of the people, and I pay tribute to him and his life today.

□ 1030

CUBA'S RELEASE OF POLITICAL PRISONERS

(Mr. MARIO DIAZ-BALART of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARIO DIAZ-BALART of Florida. Mr. Speaker, this week we've seen that the Castro dictatorship has released a handful of political prisoners in an attempt to try to win concessions from the European Union and the United States. It's not the first time they've done that to try to win concessions.

At the same time, the Obama administration recognizes that there are about 5,000 Cubans that are held in the gulags of that nation for the charge of dangerousness. Those are 5,000 additional political prisoners that languish in prison.

We've got to remember who the Castro regime, that terrorist regime, who they are. This week alone they've blamed the United States for sinking the South Korean ship that killed 46 sailors early this year. They blamed the United States.

This is the same regime that holds an American hostage, Mr. Alan Gross, a Jewish American contractor who was providing humanitarian aid to Cuban Jews within that island nation.

This is the same regime that, last month, Fidel Castro himself compared Israel to Nazi Germany. And yet some want to give concessions to that regime. Some want to help that regime with billions of dollars.

Let's stay firm. Let's demand elections. Let's demand freedom for the Cuban people.

EXTEND UNEMPLOYMENT COMPENSATION INSURANCE BENEFITS

(Ms. KILROY asked and was given permission to address the House for 1 minute.)

Ms. KILROY. Mr. Speaker, today I rise to call on my colleagues, and particularly my colleagues in the Senate and those Republicans, to give much needed relief to 15 million out-of-work Americans and extend unemployment compensation insurance benefits. It is unprecedented not to do so at a time of high unemployment, over 10 percent in my district.

And I take strong issue with comments that the unemployed don't want to work, that they aren't looking for jobs. They do. They want to pay their bills. They want to support their families, make those utility payments, put food on their table, send their children to college.

But right now I have talked to anguished, hardworking men and women who have lost jobs when their factories closed and have been looking continuously for work. It's not yet there. They are looking for these jobs, but they need this help now. It is time that we extend unemployment compensation and give these hardworking citizens the help that they need.

HONORING THE LIFE OF SERGEANT MATTHEW R. HENNIGAN

(Ms. TITUS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. TITUS. Mr. Speaker, I rise today to honor Army Sergeant Matthew Hennigan, a resident of southern Nevada who was killed in action serving in Afghanistan.

Sergeant Hennigan was a strong willed and brave soldier who never shied away from a challenge or turned down an opportunity to serve. With a contagious smile and a warm personality, Sergeant Hennigan was a strong and fearless soldier and a friend to many. He is remembered by his fellow soldiers as a model citizen, a strong warrior, and a respected leader.

He was an inspirational captain of the Silverado High School wrestling team in his senior year; and upon graduation, he answered the call to serve his Nation at the young age of 17. He did so with valor and dignity.

Matthew Hennigan is a true American hero. He epitomizes the best this country has to offer. Let us always honor his memory, never forget his sacrifice, and promise to be there for his family in this sad time.

God bless our troops.

PASSPORTS FOR THE IROQUOIS NATIONAL LACROSSE TEAM

(Mr. MAFFEI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAFFEI. Mr. Speaker, this morning a team of Iroquois Indians attempted to board a plane for the

United Kingdom to compete in an international lacrosse competition, where they would represent the Iroquois or Hodneshoni Nation on the world stage. Again they were denied entry because they were traveling on their own people's passports instead of U.S. or Canadian.

Though the British invited this team to compete from the Iroquois Nation, they refused the Iroquois passports unless the U.S. officially said it was okay. But the U.S. refused to do so, even though dozens of Iroquois have traveled internationally, including overseas with these documents.

Mr. Speaker, the Iroquois nationals team is not a security risk and willingly subjected themselves to fingerprinting and background checks. In fact, the U.S. State Department offered to rapidly expedite U.S. passports for much of the team. But to this team, accepting U.S. passports would be akin to renouncing their own national and ethnic identity. It's a matter of principle to them.

The State Department and Homeland Security Department have lost the forest through the trees in refusing to allow the team to travel as citizens of an indigenous nation.

Mr. Speaker, in the Academy Award winning film, "Chariots of Fire," a Scottish running hero, Eric Liddell, is praised for sticking to his religious beliefs even when they threatened to keep him out of the 1924 Olympics. He's a true man of principle.

Mr. Speaker, this team is a true team of principle.

EXTENSION OF UNEMPLOYMENT INSURANCE

(Mr. McDERMOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McDERMOTT. Mr. Speaker, recently Senator JOHN KYL called unemployment insurance "a necessary evil," and I must say his statement gave me some clarity for the first time in months. I've been mystified about how the Republicans could repeatedly block unemployment benefits in a struggling economy that they drove into the ditch.

I couldn't grasp this reasoning behind depriving millions of American families the support they need to buy food and pay their mortgage while they searched for work. Now, I understand that Republicans evidently believe that helping jobless workers is an evil.

I foolishly thought we might hear some compassion from the very party that is causing countless Americans to lose their lifeline. I just hope that enough Republicans in the other body will find the courage to buck their party and end this.

Millions of families are counting on them. Their phone calls come into my

office every single day from all over the country: When will the extended benefits be put back in? And I say, look to the Republicans in the Senate.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote incurs objection under clause 6 of rule XX.

Record votes on postponed questions will be taken later.

IMPROPER PAYMENTS ELIMINATION AND RECOVERY ACT OF 2010

Mr. DAVIS of Illinois. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1508) to amend the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) in order to prevent the loss of billions in taxpayer dollars.

The Clerk read the title of the bill.

The text of the bill is as follows:

S. 1508

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Improper Payments Elimination and Recovery Act of 2010".

SEC. 2. IMPROPER PAYMENTS ELIMINATION AND RECOVERY.

(a) SUSCEPTIBLE PROGRAMS AND ACTIVITIES.—Section 2 of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) is amended by striking subsection (a) and inserting the following:

“(a) IDENTIFICATION OF SUSCEPTIBLE PROGRAMS AND ACTIVITIES.—

“(1) IN GENERAL.—The head of each agency shall, in accordance with guidance prescribed by the Director of the Office of Management and Budget, periodically review all programs and activities that the relevant agency head administers and identify all programs and activities that may be susceptible to significant improper payments.

“(2) FREQUENCY.—Reviews under paragraph (1) shall be performed for each program and activity that the relevant agency head administers during the year after which the Improper Payments Elimination and Recovery Act of 2010 is enacted and at least once every 3 fiscal years thereafter. For those agencies already performing a risk assessment every 3 years, agencies may apply to the Director of the Office of Management and Budget for a waiver from the requirement of the preceding sentence and continue their 3-year risk assessment cycle.

“(3) RISK ASSESSMENTS.—

“(A) DEFINITION.—In this subsection the term ‘significant’ means—

“(i) except as provided under clause (ii), that improper payments in the program or activity in the preceding fiscal year may have exceeded—

“(I) \$10,000,000 of all program or activity payments made during that fiscal year reported and 2.5 percent of program outlays; or

“(II) \$100,000,000; and

“(ii) with respect to fiscal years following September 30th of a fiscal year beginning before fiscal year 2013 as determined by the Office of Management and Budget, that improper payments in the program or activity in the preceding fiscal year may have exceeded—

“(I) \$10,000,000 of all program or activity payments made during that fiscal year reported and 1.5 percent of program outlays; or

“(II) \$100,000,000.

“(B) SCOPE.—In conducting the reviews under paragraph (1), the head of each agency shall take into account those risk factors that are likely to contribute to a susceptibility to significant improper payments, such as—

“(i) whether the program or activity reviewed is new to the agency;

“(ii) the complexity of the program or activity reviewed;

“(iii) the volume of payments made through the program or activity reviewed;

“(iv) whether payments or payment eligibility decisions are made outside of the agency, such as by a State or local government;

“(v) recent major changes in program funding, authorities, practices, or procedures;

“(vi) the level, experience, and quality of training for personnel responsible for making program eligibility determinations or certifying that payments are accurate; and

“(vii) significant deficiencies in the audit report of the agency or other relevant management findings that might hinder accurate payment certification.”.

(b) ESTIMATION OF IMPROPER PAYMENTS.—Section 2 of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) is amended by striking subsection (b) and inserting the following:

“(b) ESTIMATION OF IMPROPER PAYMENTS.—With respect to each program and activity identified under subsection (a), the head of the relevant agency shall—

“(1) produce a statistically valid estimate, or an estimate that is otherwise appropriate using a methodology approved by the Director of the Office of Management and Budget, of the improper payments made by each program and activity; and

“(2) include those estimates in the accompanying materials to the annual financial statement of the agency required under section 3515 of title 31, United States Code, or similar provision of law and applicable guidance of the Office of Management and Budget.”.

(c) REPORTS ON ACTIONS TO REDUCE IMPROPER PAYMENTS.—Section 2 of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) is amended by striking subsection (c) and inserting the following:

“(c) REPORTS ON ACTIONS TO REDUCE IMPROPER PAYMENTS.—With respect to any program or activity of an agency with estimated improper payments under subsection (b), the head of the agency shall provide with the estimate under subsection (b) a report on what actions the agency is taking to reduce improper payments, including—

“(1) a description of the causes of the improper payments, actions planned or taken to correct those causes, and the planned or actual completion date of the actions taken to address those causes;

“(2) in order to reduce improper payments to a level below which further expenditures to reduce improper payments would cost more than the amount such expenditures would save in prevented or recovered improper payments, a statement of whether the agency has what is needed with respect to—

“(A) internal controls;

“(B) human capital; and

“(C) information systems and other infrastructure;

“(3) if the agency does not have sufficient resources to establish and maintain effective internal controls under paragraph (2)(A), a description of the resources the agency has requested in its budget submission to establish and maintain such internal controls;

“(4) program-specific and activity-specific improper payments reduction targets that have been approved by the Director of the Office of Management and Budget; and

“(5) a description of the steps the agency has taken to ensure that agency managers, programs, and, where appropriate, States and localities are held accountable through annual performance appraisal criteria for—

“(A) meeting applicable improper payments reduction targets; and

“(B) establishing and maintaining sufficient internal controls, including an appropriate control environment, that effectively—

“(i) prevent improper payments from being made; and

“(ii) promptly detect and recover improper payments that are made.”.

(d) REPORTS ON ACTIONS TO RECOVER IMPROPER PAYMENTS.—Section 2 of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) is amended—

(1) by striking subsection (e);

(2) by redesignating subsections (d) and (f) as subsections (f) and (g), respectively; and

(3) by inserting after subsection (c) the following:

“(d) REPORTS ON ACTIONS TO RECOVER IMPROPER PAYMENTS.—With respect to any improper payments identified in recovery audits conducted under section 2(h) of the Improper Payments Elimination and Recovery Act of 2010 (31 U.S.C. 3321 note), the head of the agency shall provide with the estimate under subsection (b) a report on all actions the agency is taking to recover improper payments, including—

“(1) a discussion of the methods used by the agency to recover overpayments;

“(2) the amounts recovered, outstanding, and determined to not be collectable, including the percent such amounts represent of the total overpayments of the agency;

“(3) if a determination has been made that certain overpayments are not collectable, a justification of that determination;

“(4) an aging schedule of the amounts outstanding;

“(5) a summary of how recovered amounts have been disposed of;

“(6) a discussion of any conditions giving rise to improper payments and how those conditions are being resolved; and

“(7) if the agency has determined under section 2(h) of the Improper Payments Elimination and Recovery Act of 2010 (31 U.S.C. 3321 note) that performing recovery audits for any applicable program or activity is not cost-effective, a justification for that determination.

“(e) GOVERNMENTWIDE REPORTING OF IMPROPER PAYMENTS AND ACTIONS TO RECOVER IMPROPER PAYMENTS.—

“(1) REPORT.—Each fiscal year the Director of the Office of Management and Budget shall submit a report with respect to the preceding fiscal year on actions agencies have taken to report information regarding improper payments and actions to recover improper overpayments to—

“(A) the Committee on Homeland Security and Governmental Affairs of the Senate; and

“(B) the Committee on Oversight and Government Reform of the House of Representatives.

“(2) CONTENTS.—Each report under this subsection shall include—

“(A) a summary of the reports of each agency on improper payments and recovery actions submitted under this section;

“(B) an identification of the compliance status of each agency to which this Act applies;

“(C) governmentwide improper payment reduction targets; and

“(D) a discussion of progress made towards meeting governmentwide improper payment reduction targets.”.

(e) DEFINITIONS.—Section 2 of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) is amended by striking subsections (f) (as redesignated by this section) and inserting the following:

“(f) DEFINITIONS.—In this section:

“(1) AGENCY.—The term ‘agency’ means an executive agency, as that term is defined in section 102 of title 31, United States Code.

“(2) IMPROPER PAYMENT.—The term ‘improper payment’—

“(A) means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements; and

“(B) includes any payment to an ineligible recipient, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received (except for such payments where authorized by law), and any payment that does not account for credit for applicable discounts.

“(3) PAYMENT.—The term ‘payment’ means any transfer or commitment for future transfer of Federal funds such as cash, securities, loans, loan guarantees, and insurance subsidies to any non-Federal person or entity, that is made by a Federal agency, a Federal contractor, a Federal grantee, or a governmental or other organization administering a Federal program or activity.

“(4) PAYMENT FOR AN INELIGIBLE GOOD OR SERVICE.—The term ‘payment for an ineligible good or service’ shall include a payment for any good or service that is rejected under any provision of any contract, grant, lease, cooperative agreement, or any other funding mechanism.”.

(f) GUIDANCE BY THE OFFICE OF MANAGEMENT AND BUDGET.—Section 2 of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) is amended by striking subsection (g) (as redesignated by this section) and inserting the following:

“(g) GUIDANCE BY THE OFFICE OF MANAGEMENT AND BUDGET.—

“(1) IN GENERAL.—Not later than 6 months after the date of enactment of the Improper Payments Elimination and Recovery Act of 2010, the Director of the Office of Management and Budget shall prescribe guidance for agencies to implement the requirements of this section. The guidance shall not include any exemptions to such requirements not specifically authorized by this section.

“(2) CONTENTS.—The guidance under paragraph (1) shall prescribe—

“(A) the form of the reports on actions to reduce improper payments, recovery actions, and governmentwide reporting; and

“(B) strategies for addressing risks and establishing appropriate prepayment and postpayment internal controls.”.

(g) DETERMINATIONS OF AGENCY READINESS FOR OPINION ON INTERNAL CONTROL.—Not later than 1 year after the date of enactment

of this Act, the Director of the Office of Management and Budget shall develop—

(1) specific criteria as to when an agency should initially be required to obtain an opinion on internal control over improper payments; and

(2) criteria for an agency that has demonstrated a stabilized, effective system of internal control over improper payments, whereby the agency would qualify for a multiyear cycle for obtaining an audit opinion on internal control over improper payments, rather than an annual cycle.

(h) RECOVERY AUDITS.—

(1) DEFINITION.—In this subsection, the term “agency” has the meaning given under section 2(f) of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) as redesignated by this Act.

(2) IN GENERAL.—

(A) CONDUCT OF AUDITS.—Except as provided under paragraph (4) and if not prohibited under any other provision of law, the head of each agency shall conduct recovery audits with respect to each program and activity of the agency that expends \$1,000,000 or more annually if conducting such audits would be cost-effective.

(B) PROCEDURES.—In conducting recovery audits under this subsection, the head of an agency—

(i) shall give priority to the most recent payments and to payments made in any program or programs identified as susceptible to significant improper payments under section 2(a) of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note);

(ii) shall implement this subsection in a manner designed to ensure the greatest financial benefit to the Government; and

(iii) may conduct recovery audits directly, by using other departments and agencies of the United States, or by procuring performance of recovery audits by private sector sources by contract (subject to the availability of appropriations), or by any combination thereof.

(C) RECOVERY AUDIT CONTRACTS.—With respect to recovery audits procured by an agency by contract—

(i) subject to subparagraph (B)(iii), and except to the extent such actions are outside the agency’s authority, as defined by section 605(a) of the Contract Disputes Act of 1978 (41 U.S.C. 605(a)), the head of the agency may authorize the contractor to notify entities (including persons) of potential overpayments made to such entities, respond to questions concerning potential overpayments, and take other administrative actions with respect to overpayment claims made or to be made by the agency; and

(ii) such contractor shall have no authority to make final determinations relating to whether any overpayment occurred and whether to compromise, settle, or terminate overpayment claims.

(D) CONTRACT TERMS AND CONDITIONS.—

(i) IN GENERAL.—The agency shall include in each contract for procurement of performance of a recovery audit a requirement that the contractor shall—

(I) provide to the agency periodic reports on conditions giving rise to overpayments identified by the contractor and any recommendations on how to mitigate such conditions;

(II) notify the agency of any overpayments identified by the contractor pertaining to the agency or to any other agency or agencies that are beyond the scope of the contract; and

(III) report to the agency credible evidence of fraud or vulnerabilities to fraud, and con-

duct appropriate training of personnel of the contractor on identification of fraud.

(ii) REPORTS ON ACTIONS TAKEN.—Not later than November 1 of each year, each agency shall submit a report on actions taken by the agency during the preceding fiscal year to address the recommendations described under clause (i)(I) to—

(I) the Office of Management and Budget; and

(II) Congress.

(E) AGENCY ACTION FOLLOWING NOTIFICATION.—An agency shall take prompt and appropriate action in response to a report or notification by a contractor under subparagraph (D)(i)(I) or (II), to collect overpayments and shall forward to other agencies any information that applies to such agencies.

(3) DISPOSITION OF AMOUNTS RECOVERED.—

(A) IN GENERAL.—Amounts collected by agencies each fiscal year through recovery audits conducted under this subsection shall be treated in accordance with this paragraph. The agency head shall determine the distribution of collected amounts, less amounts needed to fulfill the purposes of section 3562(a) of title 31, United States Code, in accordance with subparagraphs (B), (C), and (D).

(B) USE FOR FINANCIAL MANAGEMENT IMPROVEMENT PROGRAM.—Not more than 25 percent of the amounts collected by an agency through recovery audits—

(i) shall be available to the head of the agency to carry out the financial management improvement program of the agency under paragraph (4);

(ii) may be credited, if applicable, for that purpose by the head of an agency to any agency appropriations and funds that are available for obligation at the time of collection; and

(iii) shall be used to supplement and not supplant any other amounts available for that purpose and shall remain available until expended.

(C) USE FOR ORIGINAL PURPOSE.—Not more than 25 percent of the amounts collected by an agency—

(i) shall be credited to the appropriation or fund, if any, available for obligation at the time of collection for the same general purposes as the appropriation or fund from which the overpayment was made;

(ii) shall remain available for the same period and purposes as the appropriation or fund to which credited; and

(iii) if the appropriation from which the overpayment was made has expired, shall be newly available for the same time period as the funds were originally available for obligation, except that any amounts that are recovered more than five fiscal years from the last fiscal year in which the funds were available for obligation shall be deposited in the Treasury as miscellaneous receipts, except that in the case of recoveries of overpayments that are made from trust or special fund accounts, such amounts shall revert to those accounts.

(D) USE FOR INSPECTOR GENERAL ACTIVITIES.—Not more than 5 percent of the amounts collected by an agency shall be available to the Inspector General of that agency—

(i) for—

(I) the Inspector General to carry out this Act; or

(II) any other activities of the Inspector General relating to investigating improper payments or auditing internal controls associated with payments; and

(ii) shall remain available for the same period and purposes as the appropriation or fund to which credited.

(E) REMAINDER.—Amounts collected that are not applied in accordance with subparagraph (A), (B), (C), or (D) shall be deposited in the Treasury as miscellaneous receipts, except that in the case of recoveries of overpayments that are made from trust or special fund accounts, such amounts shall revert to those accounts.

(F) DISCRETIONARY AMOUNTS.—This paragraph shall apply only to recoveries of overpayments that are made from discretionary appropriations (as that term is defined by paragraph 7 of section 250 of the Balanced Budget and Emergency Deficit Control Act of 1985) and shall not apply to recoveries of overpayments that are made from discretionary amounts that were appropriated prior to enactment of this Act.

(G) APPLICATION.—This paragraph shall not apply to recoveries of overpayments if the appropriation from which the overpayment was made has not expired.

(4) FINANCIAL MANAGEMENT IMPROVEMENT PROGRAM.—

(A) REQUIREMENT.—The head of each agency shall conduct a financial management improvement program, consistent with rules prescribed by the Director of the Office of Management and Budget.

(B) PROGRAM FEATURES.—In conducting the program, the head of the agency—

(i) shall, as the first priority of the program, address problems that contribute directly to agency improper payments; and

(ii) may seek to reduce errors and waste in other agency programs and operations.

(5) PRIVACY PROTECTIONS.—Any nongovernmental entity that, in the course of recovery auditing or recovery activity under this subsection, obtains information that identifies an individual or with respect to which there is a reasonable basis to believe that the information can be used to identify an individual, may not disclose the information for any purpose other than such recovery auditing or recovery activity and governmental oversight of such activity, unless disclosure for that other purpose is authorized by the individual to the executive agency that contracted for the performance of the recovery auditing or recovery activity.

(6) OTHER RECOVERY AUDIT REQUIREMENTS.—

(A) IN GENERAL.—(i) Except as provided in clause (ii), subchapter VI of chapter 35 of title 31, United States Code, is repealed.

(ii) Section 3562(a) of title 31, United States Code, shall continue in effect, except that references in such section 3562(a) to programs carried out under section 3561 of such title, shall be interpreted to mean programs carried out under section 2(h) of this Act.

(B) TECHNICAL AND CONFORMING AMENDMENTS.—

(i) TABLE OF SECTIONS.—The table of sections for chapter 35 of title 31, United States Code, is amended by striking the matter relating to subchapter VI.

(ii) DEFINITION.—Section 3501 of title 31, United States Code, is amended by striking “and subchapter VI of this title”.

(iii) HOMELAND SECURITY GRANTS.—Section 2022(a)(6) of the Homeland Security Act of 2002 (6 U.S.C. 612(a)(6)) is amended by striking “(as that term is defined by the Director of the Office of Management and Budget under section 3561 of title 31, United States Code)” and inserting “under section 2(h) of the Improper Payments Elimination and Recovery Act of 2010 (31 U.S.C. 3321 note)”.

(7) RULE OF CONSTRUCTION.—Except as provided under paragraph (5), nothing in this

section shall be construed as terminating or in any way limiting authorities that are otherwise available to agencies under existing provisions of law to recover improper payments and use recovered amounts.

(1) **REPORT ON RECOVERY AUDITING.**—Not later than 2 years after the date of the enactment of this Act, the Chief Financial Officers Council established under section 302 of the Chief Financial Officers Act of 1990 (31 U.S.C. 901 note), in consultation with the Council of Inspectors General on Integrity and Efficiency established under section 7 of the Inspector General Reform Act of 2009 (Public Law 110-409) and recovery audit experts, shall conduct a study of—

- (1) the implementation of subsection (h);
- (2) the costs and benefits of agency recovery audit activities, including—
 - (A) those activities under subsection (h); and
 - (B) the effectiveness of using the services of—
 - (i) private contractors;
 - (ii) agency employees;
 - (iii) cross-servicing from other agencies; or
 - (iv) any combination of the provision of services described under clauses (i) through (iii); and
- (3) submit a report on the results of the study to—

(A) the Committee on Homeland Security and Governmental Affairs of the Senate;

(B) the Committee on Oversight and Government Reform of the House of Representatives; and

(C) the Comptroller General.

(A) the Committee on Homeland Security and Governmental Affairs of the Senate;

(B) the Committee on Oversight and Government Reform of the House of Representatives; and

(C) the Comptroller General.

SEC. 3. COMPLIANCE.

(a) **DEFINITIONS.**—In this section:

(1) **AGENCY.**—The term “agency” has the meaning given under section 2(f) of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) as redesignated by this Act.

(2) **ANNUAL FINANCIAL STATEMENT.**—The term “annual financial statement” means the annual financial statement required under section 3515 of title 31, United States Code, or similar provision of law.

(3) **COMPLIANCE.**—The term “compliance” means that the agency—

(A) has published an annual financial statement for the most recent fiscal year and posted that report and any accompanying materials required under guidance of the Office of Management and Budget on the agency website;

(B) if required, has conducted a program specific risk assessment for each program or activity that conforms with section 2(a) of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note); and

(C) if required, publishes improper payments estimates for all programs and activities identified under section 2(b) of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) in the accompanying materials to the annual financial statement;

(D) publishes programmatic corrective action plans prepared under section 2(c) of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) that the agency may have in the accompanying materials to the annual financial statement;

(E) publishes improper payments reduction targets established under section 2(c) of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) that the agency may have in the accompanying materials to the annual financial statement for each program assessed to be at risk, and is meeting such targets; and

(F) has reported an improper payment rate of less than 10 percent for each program and activity for which an estimate was published

under section 2(b) of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note).

(b) **ANNUAL COMPLIANCE REPORT BY INSPECTORS GENERAL OF AGENCIES.**—Each fiscal year, the Inspector General of each agency shall determine whether the agency is in compliance and submit a report on that determination to—

- (1) the head of the agency;
- (2) the Committee on Homeland Security and Governmental Affairs of the Senate;
- (3) the Committee on Oversight and Government Reform of the House of Representatives; and
- (4) the Comptroller General.

(c) **REMEDATION.**—

(1) **NONCOMPLIANCE.**—

(A) **IN GENERAL.**—If an agency is determined by the Inspector General of that agency not to be in compliance under subsection (b) in a fiscal year, the head of the agency shall submit a plan to Congress describing the actions that the agency will take to come into compliance.

(B) **PLAN.**—The plan described under subparagraph (A) shall include—

(i) measurable milestones to be accomplished in order to achieve compliance for each program or activity;

(ii) the designation of a senior agency official who shall be accountable for the progress of the agency in coming into compliance for each program or activity; and

(iii) the establishment of an accountability mechanism, such as a performance agreement, with appropriate incentives and consequences tied to the success of the official designated under clause (ii) in leading the efforts of the agency to come into compliance for each program and activity.

(2) **NONCOMPLIANCE FOR 2 FISCAL YEARS.**—

(A) **IN GENERAL.**—If an agency is determined by the Inspector General of that agency not to be in compliance under subsection (b) for 2 consecutive fiscal years for the same program or activity, and the Director of the Office of Management and Budget determines that additional funding would help the agency come into compliance, the head of the agency shall obligate additional funding, in an amount determined by the Director, to intensified compliance efforts.

(B) **FUNDING.**—In providing additional funding described under subparagraph (A), the head of an agency shall use any reprogramming or transfer authority available to the agency. If after exercising that reprogramming or transfer authority additional funding is necessary to obligate the full level of funding determined by the Director of the Office of Management and Budget under subparagraph (A), the agency shall submit a request to Congress for additional reprogramming or transfer authority.

(3) **REAUTHORIZATION AND STATUTORY PROPOSALS.**—If an agency is determined by the Inspector General of that agency not to be in compliance under subsection (b) for more than 3 consecutive fiscal years for the same program or activity, the head of the agency shall, not later than 30 days after such determination, submit to Congress—

(A) reauthorization proposals for each program or activity that has not been in compliance for 3 or more consecutive fiscal years; or

(B) proposed statutory changes necessary to bring the program or activity into compliance.

(d) **COMPLIANCE ENFORCEMENT PILOT PROGRAMS.**—

(1) **IN GENERAL.**—The Director of the Office of Management and Budget may establish 1 or more pilot programs which shall test po-

tential accountability mechanisms with appropriate incentives and consequences tied to success in ensuring compliance with this Act and eliminating improper payments.

(2) **REPORT.**—Not later than 5 years after the date of enactment of this Act, the Director of the Office of Management and Budget shall submit a report to Congress on the findings associated with any pilot programs conducted under paragraph (1). The report shall include any legislative or other recommendations that the Director determines necessary.

(e) **REPORT ON CHIEF FINANCIAL OFFICERS ACT OF 1990.**—Not later than 1 year after the date of the enactment of this Act, the Chief Financial Officers Council established under section 302 of the Chief Financial Officers Act of 1990 (31 U.S.C. 901 note) and the Council of Inspectors General on Integrity and Efficiency established under section 7 of the Inspector General Reform Act of 2009 (Public Law 110-409), in consultation with a broad cross-section of experts and stakeholders in Government accounting and financial management shall—

(1) jointly examine the lessons learned during the first 20 years of implementing the Chief Financial Officers Act of 1990 (31 U.S.C. 901) and identify reforms or improvements, if any, to the legislative and regulatory compliance framework for Federal financial management that will optimize Federal agency efforts to—

(A) publish relevant, timely, and reliable reports on Government finances; and

(B) implement internal controls that mitigate the risk for fraud, waste, and error in Government programs; and

(2) jointly submit a report on the results of the examination to—

(A) the Committee on Homeland Security and Governmental Affairs of the Senate;

(B) the Committee on Oversight and Government Reform of the House of Representatives; and

(C) the Comptroller General.

The **SPEAKER** pro tempore. Pursuant to the rule, the gentleman from Illinois (Mr. DAVIS) and the gentleman from Utah (Mr. CHAFFETZ) each will control 20 minutes.

The Chair recognizes the gentleman from Illinois.

GENERAL LEAVE

Mr. DAVIS of Illinois. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Office of Management and Budget recently reported that the Federal Government made \$98 billion in improper and overpayments last year. This is a staggering amount and completely unacceptable. No family or business in America would tolerate being charged twice or overbilled for anything, and neither should our government.

We need to do everything we can to ensure that the government spends every tax dollar in the most responsible way possible. In fact, we have an

obligation to the taxpayers to fight waste, fraud and abuse and to ensure that if the government overpays for something, it has the means to recover those precious tax dollars.

The bill we're now considering, S. 1508, the Improper Payments Elimination and Recovery Act of 2010, will provide the government with the means to fulfill this obligation to the taxpayers.

Senate 1508 amends the Improper Payments Information Act of 2002 to require the head of each Federal agency to review agency programs and activities every 3 fiscal years and identify those programs that may be susceptible to significant improper payments. If agency heads determine that significant overpayments have occurred, they must then recover them by following the procedures in the act.

The bill also requires the agencies which make significant improper payments to implement internal controls and other procedures to help eliminate any future improper payments.

□ 1040

The House passed a companion bill, H.R. 3393, the Improper Payments Elimination Act of 2009, introduced by Representative PATRICK MURPHY on April 28, 2010, by a voice vote. S. 1508 has small but important changes from the base text in H.R. 3393. S. 1508 strengthens the bill by requiring recovery audit contractors to report the fraud they find and to conduct appropriate training on the means and methods to do so. S. 1508 also requires the agencies to report to Congress and OMB their actions and plans to address the recommendations they receive from the audit recovery contractors.

S. 1508 provides the Federal Government with the tools needed to prevent mistakes and overpayments in the first place, and recover funds that are paid in error. It makes Federal agencies more accountable for properly managing taxpayer funds. The bill requires agencies to develop and report corrective action plans based on measured error rates, and creates incentives for meeting their goals and penalties for failure. Importantly, the bill also gives the agency the means to go after the funds they have overpaid, which will make the taxpayer, agencies, programs, and activities which relied on those appropriations whole.

We are living in a time when our government is living under extreme fiscal demands, and we need to do everything possible to ensure that every tax dollar goes to where it is needed. To ensure this takes place, we need to provide our Federal agencies with the tools to properly manage their spending. We also need to give the agencies the ability to follow through with their oversight and provide them with the ability to recover erroneous payments. However, we cannot stop there. We must do

everything we can to ensure that Federal agencies that make improper payments fix the problems that allowed the improper payments in the first place.

I would like to thank Representatives MURPHY, BILBRAY, TOWNS, and ISSA for working together in a truly bipartisan manner to get this important piece of legislation enacted into law. S. 1508 is a commonsense, good government bill, and I encourage my colleagues to join me in supporting it.

Mr. Speaker, I reserve the balance of my time.

Mr. CHAFFETZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of Senate bill 1508, the Improper Payments Elimination and Recovery Act of 2010. The amount of waste, fraud, and abuse of taxpayer dollars by Federal agencies is absolutely staggering. The Office of Management and Budget, the OMB, has reported that nearly \$100 billion is wasted each year as a result of mistakes by our Federal agencies when paying for products and services. Last year, roughly \$98 billion was lost in improper payments, \$98 billion, the result of fraud or poor financial management. Half of this came from Medicare and Medicaid programs alone.

Ninety-eight billion dollars is more than double the budget of the Department of Homeland Security. At a time when our country is facing record budget deficits, we cannot afford to lose billions of dollars each year to mistakes and fraud.

Mr. Speaker, in April of this year, the House passed H.R. 3393, the companion to Senate bill 1508. The Senate has since made improvements to the legislation that will strengthen our ability to eliminate improper payments and recover lost funds. Like H.R. 3393, Senate bill 1508 helps prevent improper payments by requiring agencies to report their corrective action plans and improper payment reduction targets used to remedy their payment error problems, lowers the reporting threshold for improper payments, and expands the use of recovery auditing by requiring that all agencies with outlays of more than \$1 million perform recovery audits on their programs and activities to increase the recovery of overpayments.

Senate bill 1508 strengthens H.R. 3393 by requiring additional reporting and training related to fraud, and ensures that agencies take action to mitigate overpayment vulnerabilities by requiring agencies to report to the OMB and the Congress on the measures that they are taking.

Mr. Speaker, I urge all of my colleagues to support this important piece of legislation to help stop the waste, fraud, and abuse of the taxpayer dollars. We should expect nothing less.

Mr. Speaker, I yield such time as he may consume to one of the key people

in the development of this legislation, my colleague from California (Mr. BILBRAY).

Mr. BILBRAY. I would like to thank the gentleman from Utah for yielding.

Mr. Speaker, I enjoyed working with PATRICK MURPHY, the gentleman from Pennsylvania, developing this bill, really looking at creating a transparent process so the American people can finally see what they have been telling Washington for a long time existed.

While this is a small step, it is a good example of what the American people have been demanding over the years, but especially just recently. I think all of us that go home and talk to our constituents understand that the exchanges with the average citizen for a Member of Congress has been let's just say brisk to say the least. And one of the greatest things that the American people are upset about is the feeling that their money is not being handled appropriately, that the dollars and cents that the Federal Government is taking from them after they work hard for every dollar and cent is not being handled in an appropriate way that they feel confident with.

Today we are going to take an action that is a small step. It's not going to solve the problem, but it is very much an indication of the kind of action the American people have been demanding. The fact is it's time that the bipartisan forces in this Congress and in future Congresses understand that our greatest responsibility and obligation is not to the party leaders of either Republican or Democrat, but to the taxpayers who pay our salary, but more importantly, trust us with their hard-earned money to use it appropriately and responsibly.

Mr. Speaker, when we talk about this year facing a \$1.3 trillion deficit, I think that we have got to recognize it's time that we start doing what the American people are demanding. Ending improper payments is the low-hanging fruit right now. Basically, it's there for the picking. And that's probably why we are able to do it today.

Frankly, according to the Office of Management and Budget, we are talking about approximately \$98 billion. Now, \$98 billion seems to be an abstract, but consider the fact that that is almost twice what we spend on the homeland security budget. We talk about defending our neighborhoods, trying to secure our borders, trying to make sure terrorism stays out of our communities, we talk a lot about that. But when we recognize that we are now giving away, wrongly, twice as much money as we spend on our own homeland security, I think the American people have a reason to be outraged, and justifiably so.

By working in a bipartisan manner, we have been able to get the Senate to cooperate and craft a solution for this

long-standing problem. And frankly, I think our bill really does set the goal that we should try to follow, and that is, let's find out how much more we can cooperate, how many more dollars we can save, and how much more credibility we can finally start bringing back to this body from the American people, for the American people. Our bill is endorsed by the budget watchdog organizations like the National Taxpayers Union and the Council on Citizens Against Government Waste.

Mr. Speaker, I have the privilege of serving as the ranking member for the Subcommittee on Procurement. I not only strongly ask my colleagues to support this bill, but I would like to leave you with a question, a question for Republicans and Democrats, but most importantly a question the American people would like to ask. And that is, how much more could we save if this Congress was brave enough to look deeper into our budget and our expenditures? How much more could we be saving for the taxpayer or providing to the citizens if we were brave enough to really audit our own books the way we expect the private sector and citizens to do every year?

If we only had the bravery to look in and find the truth and take action on it, I think that when we go back to our districts there would be a different welcome, a different type of response. And frankly, I think the response we have received in the past is one that we have deserved. Hopefully, we will earn the right to deserve a more positive response from the constituents when we take this action and follow it up with more concrete action to make sure that we do maintain the trust.

So again, I ask Congress let's take this as a first step. I appreciate the support from my colleague from his great State to be able to say let's work together, let's make the move, but let's stop being in denial that there isn't more that Congress ought to do to maintain the integrity of our budget process.

Mr. DAVIS of Illinois. Mr. Speaker, at this time I yield such time as he may consume to one of the persons who worked extremely hard to bring this legislation to the floor and to craft a very excellent piece of legislation, Representative MURPHY.

Mr. PATRICK J. MURPHY of Pennsylvania. I thank the gentleman from Illinois for the time.

Mr. Speaker, I do want to thank my colleague from the other side of the aisle, Republican Representative BRIAN BILBRAY from California, for partnering with me on this bipartisan bill for commitment to fiscal responsibility. I also want to thank the other Chamber over in the Senate, specifically Senator TOM CARPER, for his tireless efforts in advancing this legislation over in the other body, and his Republican colleague on this bill, Senator JOHN MCCAIN.

□ 1050

Mr. Speaker, this legislation is proof that good things can happen when Democrats and Republicans are willing to work together and put their differences aside for commonsense measures to get things done for the American taxpayer.

Now, I am so proud that after 2 years of hard work on this piece of legislation, Mr. BILBRAY and I, after we vote on this today in this House because it just passed in the Senate, will be sending this bill to the President of the United States for signature and it will become law. In this time of tightened belts and strained budgets, it is more important than ever to get our fiscal house in order and to eliminate waste from our system and make sure that we earn the trust of the American taxpayer.

Mr. Speaker, my bill, the Improper Payments Elimination and Recovery Act, is a bipartisan, commonsense solution to cut waste from the Federal budget and streamline the payment systems of Federal agencies.

Mr. Speaker, I know the American people would be horrified to learn that every day the Federal Government either overpays or pays twice the amount for products and services than they need to. In fiscal year 2009 alone, Federal agencies made nearly \$98 billion in improper payments. These improper payments occur as a result of fraud or from poor financial management systems that do not detect or prevent mistakes before Federal dollars are already out the door.

This bill, our bill, will help identify, reduce, and eliminate these improper payments. It will cut fraud and abuse by requiring agencies to develop action plans to avoid improper payments.

Mr. Speaker, I think now is the time that we must demand higher levels of fiscal management and accountability from each Federal agency. There needs to be repercussions of money misspent and wasted. That is why this legislation contains strong measures to hold those in power accountable for failing the American taxpayer. And perhaps most importantly, this legislation would force the Federal Government to reclaim more money that was improperly sent out.

My bill ensures that the Federal Government holds itself to the same standard of fiscal responsibility as any hard-working household or any business would across America and in my home district in Bucks County, Pennsylvania. It will save the American taxpayers billions of dollars that would otherwise be lost.

You know, Mr. Speaker, we already know that this legislation will work by setting stricter targets for reducing and recovering improper payments. The Office of Management and Budget was able to reduce errors in the food stamp program by a little more than

half of a percentage point. But those stamps and a fraction of a percent saved the American taxpayer \$330 million just last year. That's one little program and one little agency, a half of a percentage point. That's \$330 million. That's \$330 million that can go to pay off our national debt, to provide tax relief to middle class families, or make critical investments in our future. With this bill, we can replicate that success in every single Federal agency and every program within the Federal Government.

Mr. Speaker, quite frankly, after 2 hard years to get this to this point today, we all know that this legislation is long overdue. The American people are demanding that this kind of action from our government today will happen, and it's about time.

So I want to thank Mr. BILBRAY. I want to thank Chairman TOWNS and Ranking Member DARRELL ISSA. I urge my colleagues to vote "yes," and finally, after years of hard work, that we pass this legislation on behalf of the American taxpayer.

Mr. CHAFFETZ. Mr. Speaker, I yield back the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, my father always taught us that a penny saved was a penny earned. And, of course, if it's good enough for our families, it certainly is good enough for our national government.

I compliment the gentleman on the development of an excellent piece of legislation. I urge its passage.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. DAVIS) that the House suspend the rules and pass the bill, S. 1508.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. DAVIS of Illinois. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

DAVID JOHN DONAFEE POST OFFICE BUILDING

Mr. DAVIS of Illinois. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5390) to designate the facility of the United States Postal Service located at 13301 Smith Road in Cleveland, Ohio, as the "David John Donafée Post Office Building".

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5390

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DAVID JOHN DONAFEE POST OFFICE BUILDING.

(a) DESIGNATION.—The facility of the United States Postal Service located at 13301 Smith Road in Cleveland, Ohio, shall be known and designated as the “David John Donafee Post Office Building”.

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the “David John Donafee Post Office Building”.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois (Mr. DAVIS) and the gentleman from Utah (Mr. CHAFFETZ) each will control 20 minutes.

The Chair recognizes the gentleman from Illinois.

GENERAL LEAVE

Mr. DAVIS of Illinois. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DAVIS of Illinois. Mr. Speaker, I yield such time as he may consume to the author of this legislation, the gentleman from Cleveland, Ohio, Representative KUCINICH.

Mr. KUCINICH. I thank my colleague and all Members for their support of this bill: Mr. DAVIS, Mr. CHAFFETZ, and my colleague Ms. SUTTON.

Mr. Speaker, I am proud to offer today H.R. 5390, which renames the post office located at 13301 Smith Road in Cleveland, Ohio, as the “David John Donafee Post Office Building.” I would like to thank Chairman LYNCH for his efforts to bring H.R. 5390 to the floor of the House.

David John Donafee was a lifelong northeast Ohioan who committed his life to family and community. He was born and raised in Brook Park, Ohio, and graduated from Polaris High School in Berea.

He served northeast Ohio as a postal carrier for 14 years. His coworkers knew David for his geniality and positive spirit, his sense of humor and willingness to go out of his way for anyone. One coworker remarked, “He was the guy that made the place a little better.”

David was well known in the local hockey community for his support of and involvement in his son’s youth hockey league. He announced and scored the games. He was the “heart of all of the teams,” according to his wife, Sandi.

Mr. Speaker, on February 14, 2008, Valentine’s Day, David Donafee was walking his mail route in Parma Heights, Ohio. He was delivering the mail to people on his route just like he did every other day, but this day was different. He was struck by a car while in the line of his duties as a postal

worker, as a mail carrier, and he was killed. His tragic death resounded in the community and resounded with his coworkers.

He left behind his wife, Sandi, and their two sons, Derek and Liam. And my thoughts and the thoughts of the people in the community continue to be with the Donafee family as they adjust to life without their beloved David.

In honoring David John Donafee by naming a post office building after him, we actually honor all of those who deliver the mail, showing that when something like an unexpected tragedy happens, that this Congress does appreciate the work of those who make it possible for the commerce of the country to move by virtue of the mail.

□ 1100

So I ask my colleagues to join me in celebrating the life of David John Donafee and honoring his legacy. I urge passage of H.R. 5390.

[From cleveland.com, Sept. 4, 2008]

SOUTHWEST BREWFEST TO BENEFIT FAMILY OF DECEASED LETTER CARRIER DAVID DONAFEE

(By Damon Sims)

Neither snow nor rain nor gloom of night kept David Donafee from his appointed rounds.

Nor could a little foul weather keep the 42-year-old letter carrier from scoring his son’s Padua High School hockey games, or from the Friday night beer-and-bull session with his buddies at the Brew Kettle Taproom & Smokehouse in Strongsville.

“It was like ‘Cheers,’” said Donafee’s wife, Sandi. “My husband was kind of the life of the party, but in a quiet, gentle way.”

That all changed on a gloomy Valentine’s Day this year. Donafee, a postman for 14 years, was making his rounds about noon when he was struck by a car and killed while crossing York Road near Valley Forge High School in Parma Heights. The driver, a 19-year-old Cleveland man, was questioned. No charges have been filed, and the accident remains under investigation.

Donafee, of Brunswick, is survived by his wife, Sandi, and sons, Derek, 15, and Liam, 11. His death also left a void in the youth-hockey community, with his postal-worker colleagues and with his friends at the Brew Kettle, who remember him as a fun and convivial companion.

“He was one of the happiest, most positive people I’ve ever met,” said the Brew Kettle’s owner, Chris McKim. “When the world loses a grouch, it’s sad. When it loses a guy like Dave, a guy who was always upbeat and always on his A-game, it’s a tragedy.”

The different forces that helped define Donafee’s life—good friends, good music, good beer—are coming together Saturday for an event designed to honor his memory and help his family. McKim has organized the first Southwest Brewfest, a charity craft-beer festival at the Chalet near the Cleveland Metroparks’ toboggan chutes in the Mill Stream Run Reservation in Strongsville.

The festival will feature beer from brewers in Cleveland’s southern and western suburbs: Brew Kettle, Rocky River Brewing Co., Cornerstone Brewing Co. and Buckeye Brewing.

Musicians David Fayne, Woody Leffel and the Armstrong Bearcat Band will provide the

soundtrack to the event, which takes place from 1 to 7 p.m. The \$30 ticket will include a commemorative glass along with 10 four-ounce beer samples.

Proceeds will help the Donafee family with Derek’s \$8,300 annual tuition at Padua, a Catholic preparatory school in Parma Heights.

The annual event will also help send Liam, now a sixth-grader, to Padua. Leftover money will go directly to Padua to benefit other students.

That would have meant a lot to Donafee, who said Derek’s experience at Padua turned around his son’s academic career, according to McKim, himself a Padua graduate.

Donafee’s death didn’t escape the notice of the powers-that-be. Earlier this year, U.S. Rep. Dennis Kucinich paid tribute to the mail carrier on the floor of the House. Sandi Donafee has the congressman’s words inscribed on a plaque in her living room.

“May his life be an example of how we should lead our own,” Kucinich told colleagues.

And what would the genial mailman have thought of all the attention?

“It would have made Dave smile,” McKim said with a chuckle.

[From cleveland.com, Feb. 14, 2009]

WIDOW SANDI DONAFEE OF BRUNSWICK MOURNS HUSBAND, DAVID, WHO WAS KILLED ON VALENTINE’S DAY

(By Stan Donaldson, Plain Dealer Reporter)

PARMA HEIGHTS.—Sandi Donafee left a handmade valentine Tuesday on York Road for her husband—a cracked heart.

As cars drove by the poster-size card, a tear rolled down the cheek of the 43-year-old Brunswick woman’s face.

This is where her husband, David, a U.S. postal worker, was killed last Valentine’s Day after he was hit by a car as he crossed the street while delivering mail.

Since the accident, Donafee, a hairstylist, has had to raise her two teenage sons without their dad. His postal brethren, family and friends have worked to help them through the grieving process.

“I feel like this has been one big nightmare that I haven’t been able to wake up from,” said Donafee, as she looked at a two-sided valentine she placed on a telephone pole. It reads “Recklessness took my love.”

The valentine includes a photo of the couple smiling.

Police said David Donafee, a 42-year-old father of two, was hit by Jeff Kluter, 19, as he crossed York near Independence Street. Donafee was not in a crosswalk.

Kluter was arraigned on misdemeanor aggravated vehicular homicide charges in November. Kluter has a pretrial hearing scheduled for Monday.

If convicted, he faces up to six months in jail and a fine of up to \$1,000.

Messages left for Kluter were not returned this week. Donafee’s family and friends are upset because they feel the Cleveland man should face more time in jail. Sandi Donafee also wants Parma Heights City Council to reduce the 35 mph speed limit to 25 mph because it’s near Valley Forge High School and Cuyahoga Community College.

Eric Donafee, 51, said the family will forever be heartbroken.

He said his kid brother left the steel industry in his mid-20s to become a postal worker because he thought of it as a safer career.

[From cleveland.com, Feb. 15, 2009]

A CRACKED HEART MARKS BRUNSWICK
WOMAN'S VALENTINE PAIN

(By John Kroll, The Plain Dealer)

PARMA HEIGHTS.—Sandi Donafee left a hand-made Valentine Tuesday on York Road for her husband—a cracked heart.

As cars drove by the poster-size card, a tear rolled down the cheek of the 43-year-old Brunswick woman's face.

This is where her husband David Donafee, a U.S. postal worker, was killed last Valentine's Day after he was hit by a car as he crossed the street while delivering mail.

Since the accident, Donafee, a hair stylist, has had to raise her two teen-age sons without their dad. His postal brethren, family and friends have worked to help them through the grieving process.

"I feel like this has been one big nightmare that I haven't been able to wake up from," said Donafee, as she looked at a two-sided Valentine she placed on a telephone pole that says "Recklessness took my love."

The Valentine includes a photo of the couple smiling.

Police said that Donafee, a 42-year-old father of two, was hit by Jeff Kluter, 19, as he crossed York near Independence Street. Donafee was not in a crosswalk.

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Eric Donafee, 51, said the family will forever be heartbroken. He said his kid brother left the steel industry in his mid 20s to become a postal worker because he thought of it as a safer career.

"It happened because [the driver] was negligent," his brother said. "He broke a lot of hearts and it isn't right."

His sister-in-law also wants justice.

"I have tried in my heart to forgive him but I am not there yet," Donafee said. "I look at what my boys and I lost . . . it is too hard."

At the accident site, Donafee was surrounded by some of her husband's former co-workers from the Middleburg Heights post office branch where he had worked for 14 years. They stood at the makeshift memorial and shared stories.

In September, friends held a benefit in Strongsville that raised money for his sons—ages 16 and 11—to attend Padua, a Catholic prep school in Parma. Members from the post office will lay a wreath at his grave today—the family isn't emotionally ready to go back just yet.

"This shouldn't be a part of the job," said Paul Hunt, who worked with Donafee for more than 10 years. "You shouldn't have to worry about getting hit by a car."

Mr. CHAFFETZ. Mr. Speaker, I yield myself such time as I may consume.

I rise today in support of H.R. 5390 to designate the facility of the United States Postal Service located at 13301 Smith Road in Cleveland, Ohio, as the David John Donafee Post Office Building.

I appreciate the good work that my colleague Mr. KUCINICH has done on this and his heartfelt and sincere approach to recognizing this great gentleman and the tragic situation but also the great life that he led.

Mr. Speaker, it is altogether fitting and proper that we honor Mr. Donafee by naming this post office in Cleveland for him. It was out of this post office that he was based.

On February 14, Valentine's Day, 2008, David Donafee was delivering the mail on foot along his usual route in Parma Heights, Ohio, only minutes from the post office on Smith Road. As he was crossing York Road near Independence Boulevard, Mr. Donafee was struck and killed by a vehicle driving recklessly down the street.

Tragically, the 42-year-old husband and father of two was run over only blocks from the post office to be named in his memory. Mr. Donafee was killed on a route that is notorious among local mail carriers for dangerous drivers. I hope that the tragic circumstances of Mr. Donafee's death will serve as a call for safer driving on all roads across our country.

Prior to his career of delivering mail, Mr. Donafee had worked in a Cleveland area steel mill which he had told family members he felt was too dangerous of a place to work. His older brothers recall that David took the job in the post office so that he could have a safer place to work. Sadly, the 14-year veteran of the postal service couldn't escape the danger he had tried to get way from.

Mr. Donafee is remembered by his wife as a great father and by coworkers as a generous man who "would do anything for you." He had a wonderful sense of humor, and according to fellow mail carriers, he was the guy that made the place a little better.

An active member of his community, Mr. Donafee was very involved with his town of Brunswick's youth hockey league.

Mr. Donafee was born on April 29, 1965, in Parma, Ohio. He leaves behind his wife, Sandi, of almost 18 years, and his two teenage sons, Derek and Liam. Our heart goes out to this family.

Mr. Speaker, it is proper that we pass this resolution to honor the memory of David John Donafee. I call on all Members of this House to support this measure and hope they know that members of the postal community, the greater postal community, those who work and serve every day in their lives, if by this small gesture we can remember them and give some degree of comfort to that family and that we always remember them.

I yield back the balance of my time, Mr. Speaker.

Mr. DAVIS of Illinois. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Ohio, Representative BETTY SUTTON.

Ms. SUTTON. I thank the gentleman for the time, and I thank my colleague, Congressman KUCINICH, for his efforts and leadership on this legislation.

David John Donafee was a 42-year-old letter carrier for the U.S. Postal Service who lived in the congressional district that I am so honored to serve. He lived in Medina County, Ohio, in the city of Brunswick; and, sadly, David was crossing the street while walking his route when he was fatally hit by a car on February 14, 2008.

David was a devoted husband, a father, a son, a brother, a brother-in-law and uncle; and he was very involved in the community in children's hockey.

For 14 years, David delivered the mail; and to paraphrase the U.S. Postal Service's motto, he went about his life with duty, honor, and pride. Neither snow, nor rain, nor heat, nor gloom of night, nor the winds of change, nor a Nation challenged stayed David from the swift completion of his appointed rounds. But tragically, a reckless driver did.

Our hearts remain with Sandi, his wife, his children, and the entire Donafee family. David's death was a tragedy that should not have happened. While we are honoring his life by naming the post office after him, as it should be, we also have a duty to remind drivers to yield to pedestrians crossing the street. We know that this small gesture will not close the hole in the Donafee family's hearts, but we want them to know that we care and we appreciate all that he did for our community. He connected us, one with another.

With this post office naming, we will remind people of David's noble service, and we will remind each other of our obligation to look out one for another.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on behalf of the House Committee on Oversight and Government Reform, I rise in support of H.R. 5390, a bill designating the facility of the United States Postal Service located at 13301 Smith Road in Cleveland, Ohio, as the David John Donafee Post Office Building.

H.R. 5390 was introduced by my colleague, the gentleman from Ohio, Representative DENNIS KUCINICH, on May 25, 2010. It was referred to the Committee on Oversight and Government Reform, which ordered it reported favorably by unanimous consent on June 7, 2010. The measure has the bipartisan support of 17 Members of the Ohio delegation.

Mr. David John Donafee was a letter carrier for the United States Postal Service for 14 years. An active member of his community, Mr. Donafee volunteered with the youth hockey league in his town of Parma, Ohio. Tragically, he passed away on February 14, 2008, at the age of 42, after being struck by the

driver of a car while delivering mail on his regular route. He is survived by his wife, Sandi, and two sons, Derek and Liam.

Mr. Speaker, Mr. Donafee's untimely death during the course of his duties as a letter carrier is deeply saddening. Let us now pay tribute to this man's life through the passage of H.R. 5390. I urge my colleagues to join me in supporting it.

I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. DAVIS) that the House suspend the rules and pass the bill, H.R. 5390.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed without amendment a bill of the House of the following title:

H.R. 5502. An act to amend the effective date of the gift card provisions of the Credit Card Accountability Responsibility and Disclosure Act of 2009.

CLARENCE D. LUMPKIN POST OFFICE

Mr. DAVIS of Illinois. Mr. Speaker, I move to suspend the rules and concur in the Senate amendments to the bill (H.R. 4840) to designate the facility of the United States Postal Service located at 1979 Cleveland Avenue in Columbus, Ohio, as the "Clarence D. Lumpkin Post Office".

The Clerk read the title of the bill.

The text of the Senate amendments is as follows:

Senate amendments:

On page 2, line 3, strike "1979" and insert "1981".

Amend the title so as to read: "An Act to designate the facility of the United States Postal Service located at 1981 Cleveland Avenue in Columbus, Ohio, as the 'Clarence D. Lumpkin Post Office'."

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois (Mr. DAVIS) and the gentleman from Utah (Mr. CHAFFETZ) each will control 20 minutes.

The Chair recognizes the gentleman from Illinois.

GENERAL LEAVE

Mr. DAVIS of Illinois. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on behalf of the House Committee on Oversight and Government Reform, I rise in support of H.R. 4840, a bill designating the United States postal facility located at 1981 Cleveland Avenue in Columbus, Ohio, as the Clarence D. Lumpkin Post Office.

H.R. 4840 was introduced by my colleague, the gentleman from Ohio, Representative PATRICK TIBERI, on March 12, 2010. It was referred to the Committee on Oversight and Government Reform, which reported it by unanimous consent on March 18, 2010.

□ 1110

The measure passed the Senate with an amendment correcting the address by unanimous consent on May 25, 2010. It has bipartisan support from 17 members of the Ohio delegation.

Mr. Clarence Lumpkin was born in 1925 and spent years as a community activist in Columbus, Ohio. He is also affectionately referred to as the "Mayor of Linden," a neighborhood in the northeastern part of the city.

Among his many accomplishments, Mr. Lumpkin has helped the Community Development Block Grant Task Force, persuaded the city to separate storm and sanitation sewers to stop basement flooding, led antidrug marches throughout Columbus, made Linden the first inner-city community with lights on every residential street, and improved the Linden area by including the Point of Pride concept that was first shared by city leaders in a speech given in 1974.

Before moving to Linden, Mr. Lumpkin served in the United States Army and is a veteran of World War II.

Mr. Speaker, Clarence Lumpkin has spent his life serving his community and his country doing everything he could to improve the lives of his fellow citizens. I urge my colleagues to join me in honoring this great American by supporting this resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. CHAFFETZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 4840, designating the United States Postal Service located at 1981 Cleveland Avenue in Columbus, Ohio, as the Clarence D. Lumpkin Post Office.

Mr. Speaker, H.R. 4840 was passed by this body on March 21, 2010, by a vote of 420-0. The bill was originally passed with an incorrect street number in the address. With the address now accurate and the correction being made, I fully support the passage of H.R. 4840. I urge all Members to join me in supporting this bill.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. DAVIS) that the House suspend the rules and concur in the Senate amendments to the bill, H.R. 4840.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the Senate amendments were concurred in.

A motion to reconsider was laid on the table.

TOM BRADLEY POST OFFICE BUILDING

Mr. DAVIS of Illinois. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5450) to designate the facility of the United States Postal Service located at 3894 Crenshaw Boulevard in Los Angeles, California, as the "Tom Bradley Post Office Building".

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5450

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TOM BRADLEY POST OFFICE BUILDING.

(a) DESIGNATION.—The facility of the United States Postal Service located at 3894 Crenshaw Boulevard in Los Angeles, California, shall be known and designated as the "Tom Bradley Post Office Building".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the "Tom Bradley Post Office Building".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois (Mr. DAVIS) and the gentleman from Utah (Mr. CHAFFETZ) each will control 20 minutes.

The Chair recognizes the gentleman from Illinois.

GENERAL LEAVE

Mr. DAVIS of Illinois. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DAVIS of Illinois. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Los Angeles, California (Ms. WATSON), the author of this legislation.

Ms. WATSON. Mr. Speaker, I rise today in support of H.R. 5450. I would also like to thank the members of the California delegation for supporting this bill.

H.R. 5450 would designate a Post Office in my district located at 3894 Crenshaw Boulevard in Los Angeles, California, as the Tom Bradley Post Office Building.

Tom Bradley served as the mayor of Los Angeles for an unprecedented 20 years, as a city councilman for 10 years, and as a Los Angeles police officer for 21 years. Tom Bradley, the son of sharecroppers and the grandson of a former slave, was born on December 29, 1917, to Lee and Crenner Bradley in Calvert, Texas. In 1924, the Bradleys moved to Los Angeles near Temple and Alvarado Streets.

A young Tom Bradley attended Polytechnic High School, where he starred in track and was an all-city football player. Upon graduating from high school in 1937, Bradley attended the University of California at Los Angeles on a track scholarship. During his junior year at UCLA, Bradley dropped out to attend the Los Angeles Police Academy.

After becoming a police officer in 1940 and serving many years in the department, Tom Bradley would rise to the rank of lieutenant, which was the highest rank for an African American at that time.

While working for the Los Angeles Police Department, Bradley studied at night at Southwestern University School of Law and received his law degree in 1956. He later passed the State bar, and in 1961 he would leave the LAPD to practice law.

In 1963, Tom Bradley, along with Billy Mills, would become the first African Americans elected to the Los Angeles City Council. Bradley would serve on the City Council until the year 1972. During his tenure on the City Council, he would speak out against racial segregation within the LAPD, as well as the department's handling of the Watts riots in 1965.

In 1969, Tom Bradley first challenged incumbent mayor Sam Yorty. Armed with key endorsements, Bradley held a substantial lead over Yorty in the primary, but was a few percentage points shy of winning the race outright. However, in the runoff, Yorty pulled an amazing come-from-behind victory to win reelection, primarily because he played racial politics.

In 1973, Tom Bradley would unseat Sam Yorty to become Los Angeles' first African American mayor and the second African American to be mayor of a major United States city.

During Tom Bradley's tenure as mayor, Los Angeles overtook San Francisco as the financial capital of the State and much of the West. The City of Los Angeles sprouted a skyline of new and impressive office buildings, and with a booming international airport and Port of Los Angeles, the city became a transportation hub and gateway to the Pacific rim.

In 1982, as the Democratic Party nominee, Tom Bradley lost the race for California governor to George Deukmejian by less than 1 percentage point of the vote. The racial dynamics that appeared to underlie his narrow

and unexpected loss in 1982 gave rise to the political term "the Tom Bradley effect."

In 1984, amid a chorus of people predicting disaster, Tom Bradley championed Los Angeles as the host of the Summer Olympics. The games were a huge success, bringing the city not only great publicity, but a \$250 million surplus, and I am happy to announce that that surplus has grown and it still remains around \$300 million.

Tom Bradley's most difficult moments as mayor came in the last years of his tenure. During the 1992 Los Angeles riots, more than 50 people were killed in the civil unrest following the acquittal of the police officers involved in the Rodney King beating.

During a speech in September of 1992 when Bradley announced he would not seek a sixth term as mayor, he stated, "The April unrest tore at my heart, and I will not be at peace until we have healed our wounds and rebuilt our neighborhoods. Let us all, every one of us, pledge to make Los Angeles a beacon of mutual respect, justice and tolerance from this day forward."

□ 1120

The words of tolerance, justice, and respect were how Tom Bradley lived his life, governed the city of Los Angeles, and created coalitions with people from every race, religion, and ethnic background.

At the age of 80, Tom Bradley died on September 29, 1998. He was survived by his late wife, Ethel Bradley, and their two daughters, Lorraine and Phyllis. The city of Los Angeles will never have a mayor that served as long as Tom Bradley and had the type of impact and influence he commanded. For this Congress to give Tom Bradley this honor would be fitting, due to his life's work as a public servant working to bring justice and prosperity to all citizens of Los Angeles.

And I proudly, Mr. Speaker, would like all of you to know Tom Bradley followed my father, who was a police officer in Los Angeles, and he was proud to say that he helped to train him.

Mr. Speaker, I urge my colleagues to support H.R. 5450.

Mr. CHAFFETZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 5450, to designate the facility of the United States Postal Service located at 3894 Crenshaw Boulevard in Los Angeles, California, as the "Tom Bradley Post Office Building." Mr. Speaker, it is altogether fitting and proper that we name this for the late Mayor Tom Bradley, a man who tirelessly and selflessly served the citizens of Los Angeles, and who truly embodies the quintessential American success story.

Born in Calvert, Texas, on December 29, 1917, Mayor Bradley was the son of

sharecroppers and the grandson of a slave. In 1924, he moved to Los Angeles, where he was raised by his single mother and excelled in school and athletics. Upon graduation from high school, Mayor Bradley attended the University of California at Los Angeles, or UCLA, where he ran track and field, as well as achieving multiple records, and eventually became the team captain. When he graduated from UCLA in 1940, Mayor Bradley joined the Los Angeles Police Department and eventually was promoted to the rank of lieutenant. He was the first African American in the department's history to attain that rank. While working for the LAPD, Mr. Bradley attended Southwestern Law School at night and graduated in 1956. He passed the State Bar of California on the first try, and in 1961 resigned from the LAPD so he could practice law full time.

Mr. Speaker, like so many of us, Tom Bradley entered politics because he cared about the community in which he resided. In 1949, he volunteered for an Los Angeles City Council campaign and during his time at the LAPD he became active in the Democratic Minority Conference and the California Democratic Council. In 1963, he threw his hat into the political ring and was elected to the Los Angeles City Council, representing the city's 10th District. That year marked the first time in the city's history that an African American was elected to the city council, Bradley being one of those three.

After winning reelection in 1967, the always ambitious Bradley ran for mayor of Los Angeles in 1969. After winning the primary, Bradley lost in a runoff in his bid for mayor to Sam Yorty. Not discouraged by the outcome of his first try for mayor, Bradley ran again in 1973, this time beating Sam Yorty. Bradley became the first African American elected as mayor of Los Angeles. Mayor Bradley was able to win by building a multiethnic coalition that transcended race and united residents from all walks of life.

Tom Bradley would go on to serve five consecutive terms. During his 20 years in office, Mayor Bradley did much for the citizens of Los Angeles. Under his stewardship, Los Angeles became the financial capital of California and gained international prominence as the gateway to the Pacific Rim. Not only did Bradley promote and expand international trade and travel through Los Angeles, he improved social services and the lives of those struggling most in the inner city. Mayor Bradley doubled the number of minorities and women working in City Hall. And though he endured much opposition, he successfully brought civilian control over the Los Angeles Police Department.

Aside from the economic development and skyline of new and impressive buildings in downtown Los Angeles, many would argue that Mayor

Bradley's greatest accomplishment surrounded the 1984 Summer Olympics hosted in Los Angeles. Amid much skepticism, Mayor Bradley was able to not only bring the games to Los Angeles, but he helped make them a huge success. Los Angeles received fame and publicity. And when the games left town, Los Angeles had a \$250 million surplus that evidently continues to grow. After serving five terms as mayor, Tom Bradley resigned in 1993. He was the city's longest-serving mayor.

Tragically, in 1996, Mayor Bradley suffered a debilitating stroke that left him partially paralyzed and not able to speak. Then, on September 29, 1998, Mayor Bradley passed away after suffering a heart attack. He was 80 years old. Surviving him was his wife of 57 years, Ethel Arnold Bradley, as well as his two daughters, Lorraine and Phyllis.

Mr. Speaker, in closing, I leave this body with a quote from Mayor Bradley upon his resignation as mayor, where he said, "Let us all, every one of us, pledge to make Los Angeles a beacon of mutual respect, justice, and tolerance from this day forward." I firmly believe this is a pledge that not only Angelenos should take, but that all Americans should consider.

Mr. Speaker, it is proper that we pass this legislation in honor of the memory of Mayor Tom Bradley, a true American hero and success story. I urge all Members to support this bill.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on behalf of the House Committee on Oversight and Government Reform, I am pleased to present H.R. 5450 for consideration. This measure would designate the facility of the United States Postal Service located at 3894 Crenshaw Boulevard in Los Angeles California as the "Tom Bradley Post Office Building."

H.R. 5450 was introduced by my colleague, the gentlewoman from California, Representative DIANE WATSON, on May 27, 2010. It was referred to the Committee on Oversight and Government Reform, which ordered it reported favorably by unanimous consent on June 17, 2010. The measure enjoys the bipartisan support of 52 members of the California delegation.

Mr. Speaker, Tom Bradley was born on December 29, 1917, in Calvert, Texas. The son of a sharecropper and the grandson of former slaves, Mr. Bradley achieved many firsts over the course of his career in Los Angeles, where he moved with his family as a child. He was the first African American lieutenant in the Los Angeles Police Department, where he served for 22 years. He took night classes at the Southwestern

University School of Law during this time and received a law degree in 1956. In 1963, he was elected to the Los Angeles City Council and was its first African American member. He was also the city's first African American mayor as well as the longest-serving mayor in the city's history, serving from 1974 to 1994.

Mr. Bradley was a physically imposing figure, standing well over 6 feet tall, but his manner was soft, low-key, and calming. He helped lead Los Angeles through difficult times, including the first energy crisis of 1973 to 1974, and helped to boost economic development and investment in the city. Following the riots associated with the Rodney King incident in 1992, Mr. Bradley, along with then-Governor Pete Wilson, formed the Rebuild Los Angeles Task Force, an extensive effort to revitalize the city. Mr. Bradley also formed the Christopher Commission in July of 1991, charging it with conducting "a full and fair examination of the structure and operation of the Los Angeles Police Department, including its recruitment and training practices, internal disciplinary system, and citizen complaint system."

□ 1130

And so, Mr. Speaker, Mr. Bradley's leadership, vision for his community, and skill as a conscientious administrator are inspirations to us all. Let us now pay tribute to this great American through the passage of H.R. 5450. I urge my colleagues to join me in supporting it.

Again, I commend Representative DIANE WATSON for introducing this legislation. It deserves all of our votes, and I would urge its passage.

Ms. RICHARDSON. Mr. Speaker, I rise today in support of H.R. 5450, which honors long-time Los Angeles Mayor Tom Bradley by designating the United States Postal Service located at 3894 Crenshaw Boulevard in Los Angeles, California, the "Tom Bradley Post Office Building." H.R. 5450 is an important measure that commends a man who has left a lasting and positive impact on the Los Angeles community and our nation.

I would like to thank Chairman TOWNS for his leadership in bringing this bill to the floor. I also thank the sponsor of this legislation, Congresswoman WATSON, for taking the time to honor Tom Bradley and his historic contributions to our nation's social and economic progress.

Mr. Speaker, Mayor Tom Bradley did much to improve the city of Los Angeles during his record five terms as mayor. In his 20 years in office, Los Angeles successfully hosted the 1984 Olympics and passed Chicago to become the second most populous city in the country. These changing dynamics brought social challenges that demanded incredible leadership from Mayor Bradley. After the 1992 Rodney King riots he worked tirelessly to rebuild Los Angeles and continue the process of racial reconciliation. Mayor Bradley famously stated, "The April unrest tore at my heart, and

I will not be at peace until we have healed our wounds and rebuilt our neighborhoods. Let us all, every one of us, pledge to make Los Angeles a beacon of mutual respect, justice and tolerance from this day forward."

Prior to his record five terms as mayor of Los Angeles, Tom Bradley served on the Los Angeles City Council from 1963 to 1972. In 1963, he and Mr. Billy G. Mills became the first African Americans elected to the City Council. The district that he represented was based around the ethnically diverse Crenshaw neighborhood. During his tenure, he spoke out against racial segregation within the LAPD, as well as the department's mishandling of the Watts Riots in 1965.

Growing up in the Los Angeles area, Mayor Tom Bradley had a positive impact on my life. His service to our community, commitment to social and economic progress, and hard work to bring about racial reconciliation was an example that inspired me to get involved in public service. I am grateful for the progress that he led in the Los Angeles community.

Mr. Speaker, it is entirely fitting that we honor and express our national gratitude for Mayor Tom Bradley's record service, during which time he worked on behalf of millions of Americans and helped fight poverty, inequality, and social injustice. The U.S. Postal Service building at 3894 Crenshaw Boulevard will honor a great humanitarian, politician, and all around remarkable individual. Naming a post office in his honor is the least we can do to recognize Mayor Tom Bradley's great contributions to the Los Angeles community and our nation.

Mr. Speaker, I urge my colleagues to join me in supporting H.R. 5450.

Mr. DAVIS of Illinois. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. DAVIS) that the House suspend the rules and pass the bill, H.R. 5450.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

VETERANS', SENIORS', AND CHILDREN'S HEALTH TECHNICAL CORRECTIONS ACT OF 2010

Mr. STARK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5712) to provide for certain clarifications and extensions under Medicare, Medicaid, and the Children's Health Insurance Program.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5712

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans', Seniors', and Children's Health Technical Corrections Act of 2010".

SEC. 2. CLARIFICATION OF EFFECTIVE DATE OF PART B SPECIAL ENROLLMENT PERIOD FOR DISABLED TRICARE BENEFICIARIES.

Effective as if included in the enactment of Public Law 111-148, section 3110(a)(2) of such Act is amended to read as follows:

“(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to elections made on and after the date of the enactment of this Act.”.

SEC. 3. REPEAL OF DELAY OF RUG-IV.

Effective as if included in the enactment of Public Law 111-148, section 10325 of such Act is repealed.

SEC. 4. CLARIFICATION FOR AFFILIATED HOSPITALS FOR DISTRIBUTION OF ADDITIONAL RESIDENCY POSITIONS.

Effective as if included in the enactment of section 5503(a) of Public Law 111-148, section 1886(h)(8) of the Social Security Act (42 U.S.C. 1395ww(h)(8)), as added by such section 5503(a), is amended by adding at the end the following new subparagraph:

“(I) AFFILIATION.—The provisions of this paragraph shall be applied to hospitals which are members of the same affiliated group (as defined by the Secretary under paragraph (4)(H)(ii)) and the reference resident level for each such hospital shall be the reference resident level with respect to the cost reporting period that results in the smallest difference between the reference resident level and the otherwise applicable resident limit.”.

SEC. 5. CONTINUED INCLUSION OF ORPHAN DRUGS IN DEFINITION OF COVERED OUTPATIENT DRUGS WITH RESPECT TO CHILDREN'S HOSPITALS UNDER THE 340B DRUG DISCOUNT PROGRAM.

(a) DEFINITION OF COVERED OUTPATIENT DRUG.—

(1) AMENDMENT.—Subsection (e) of section 340B of the Public Health Service Act (42 U.S.C. 256b) is amended by striking “covered entities described in subparagraph (M)” and inserting “covered entities described in subparagraph (M) (other than a children's hospital described in subparagraph (M))”.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect as if included in the enactment of section 2302 of the Health Care and Education Reconciliation Act of 2010 (Public Law 111-152).

(b) TECHNICAL AMENDMENT.—Subparagraph (B) of section 1927(a)(5) of the Social Security Act (42 U.S.C. 1396r-8(a)(5)) is amended by striking “and a children's hospital” and all that follows through the end of the subparagraph and inserting a period.

SEC. 6. MEDICAID AND CHIP TECHNICAL CORRECTIONS.

(a) REPEAL OF EXCLUSION OF CERTAIN INDIVIDUALS AND ENTITIES FROM MEDICAID.—Section 6502 of Public Law 111-148 is repealed and the provisions of law amended by such section are restored as if such section had never been enacted. Nothing in the previous sentence shall affect the execution or placement of the insertion made by section 6503 of such Act.

(b) INCOME LEVEL FOR CERTAIN CHILDREN UNDER MEDICAID.—Effective as if included in the enactment of Public Law 111-148, section 2001(a)(5)(B) of such Act is amended by striking all that follows “is amended” and inserting the following: “by inserting after ‘100 percent’ the following: ‘(or, beginning January 1, 2014, 133 percent)’”.

(c) CALCULATION AND PUBLICATION OF PAYMENT ERROR RATE MEASUREMENT FOR CERTAIN YEARS.—Section 601(b) of the Children's Health Insurance Program Reauthorization Act of 2009 (Public Law 111-3) is amended by

adding at the end the following: “The Secretary is not required under this subsection to calculate or publish a national or a State-specific error rate for fiscal year 2009 or fiscal year 2010.”.

(d) CORRECTIONS TO EXCEPTIONS TO EXCLUSION OF CHILDREN OF CERTAIN EMPLOYEES.—Section 2110(b)(6) of the Social Security Act (42 U.S.C. 1397jj(b)(6)) is amended—

(1) in subparagraph (B)—

(A) by striking “PER PERSON” in the heading; and

(B) by striking “each employee” and inserting “employees”; and

(2) in subparagraph (C), by striking “, on a case-by-case basis,”.

(e) ELECTRONIC HEALTH RECORDS.—Effective as if included in the enactment of section 4201(a)(2) of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5), section 1903(t) of the Social Security Act (42 U.S.C. 1396b(t)) is amended—

(1) in paragraph (3)(E), by striking “reduced by any payment that is made to such Medicaid provider from any other source (other than under this subsection or by a State or local government)” and inserting “reduced by the average payment the Secretary estimates will be made to such Medicaid providers (determined on a percentage or other basis for such classes or types of providers as the Secretary may specify) from other sources (other than under this subsection, or by the Federal government or a State or local government)”;

(2) in paragraph (6)(B), by inserting before the period the following: “and shall be determined to have met such responsibility to the extent that the payment to the Medicaid provider is not in excess of 85 percent of the net average allowable cost”.

(f) CORRECTIONS OF DESIGNATIONS.—

(1) Section 1902 of the Social Security Act (42 U.S.C. 1396a) is amended—

(A) in subsection (a)(10), in the matter following subparagraph (G), by striking “and” before “(XVI) the medical” and by striking “(XVI) if” and inserting “(XVII) if”; and

(B) in subsection (ii)(2), by striking “(XV)” and inserting “(XVI)”.

(2) Section 2107(e)(1) of the Social Security Act (42 U.S.C. 1397gg(e)(1)) is amended by redesignating the subparagraph (N) of that section added by 2101(e) of Public Law 111-148 as subparagraph (O).

SEC. 7. FUNDING FOR CLAIMS REPROCESSING.

For purposes of carrying out the provisions of, and amendments made by, this Act that relate to title XVIII of the Social Security Act, and other provisions relating to such title that involve reprocessing of claims, there are appropriated to the Secretary of Health and Human Services for the Centers for Medicare & Medicaid Services Program Management Account, from amounts in the general fund of the Treasury not otherwise appropriated, \$95,000,000. Amounts appropriated under the preceding sentence shall remain available until expended.

SEC. 8. EXTENSION OF SECTION 508 RECLASSIFICATIONS.

(a) IN GENERAL.—Section 106(a) of division B of the Tax Relief and Health Care Act of 2006 (42 U.S.C. 1395 note), as amended by section 117 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (Public Law 110-173), section 124 of the Medicare Improvements for Patients and Providers Act of 2008 (Public Law 110-275), and sections 3137(a) and 10317 of Public Law 111-148, is amended by striking “September 30, 2010” and inserting “September 30, 2011”.

(b) CONFORMING AMENDMENT.—Section 117(a)(3) of the Medicare, Medicaid, and

SCHIP Extension Act of 2007 (Public Law 110-173), is amended by inserting “in fiscal years 2008 and 2009” after “For purposes of implementation of this subsection”.

SEC. 9. REVISION TO THE MEDICARE IMPROVEMENT FUND.

Section 1898(b)(1) of the Social Security Act (42 U.S.C. 1395iii(b)(1)) is amended by striking subparagraphs (A) and (B) and inserting the following subparagraphs:

“(A) fiscal year 2015, \$0;

“(B) fiscal year 2016, \$125,000,000; and”.

SEC. 10. PAYGO COMPLIANCE.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. STARK) and the gentleman from California (Mr. HERGER) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. STARK).

GENERAL LEAVE

Mr. STARK. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. STARK. I reserve the balance of my time.

Mr. HERGER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the majority is again bringing to the floor more fixes to the fatally flawed health care overhaul. The health care law was riddled with errors; some were oversights, the likes of which we are here today to address. However, the majority has failed to rectify the fundamentally flawed policies that threaten our economic stability and America's health care, all the while driving Federal and State budgets down a further unsustainable path.

Mr. Speaker, where is the fix for the up to 117 million Americans with health insurance from their employers that, by the administration's own estimates, will not be able to keep the plan they have and like? That promise was repeatedly made by President Obama and the Democratic majority to assure to the American people that health care overhaul would not force them into a one-size-fits-all government-approved insurance plan. Unfortunately, this has repeatedly proven to be false.

Where is the fix for the millions of small businesses that will be forced to file 1099 tax forms for each business from which they purchase more than \$600 worth of goods and services during this year? The National Federation of Independent Business, NFIB, describes these new requirements as crippling,

and they will further divert investment away from jobs, which should be our number one concern.

Mr. Speaker, where is the fix for seniors whose Medicare coverage is threatened by the health care overhaul? Medicare's own actuaries found that the \$500 billion in Medicare cuts could jeopardize access to care for seniors. Furthermore, the actuaries predict millions of seniors will lose their Medicare plan because massive cuts to the program will result in "about 50 percent" of seniors no longer being in a plan.

Unfortunately, the merits of today's legislation pale in comparison to the merits of addressing the needs of the millions of Americans losing the plan they have and like, the small businesses facing burdensome new costs and regulations, and seniors relying on Medicare. When will these pressing needs be addressed?

Mr. Speaker, while I support the bill before us, it is not enough. We must move beyond mere technical corrections and fix the fundamental flaws of the Democrats' health care law by repealing it and replacing it with solutions that work.

Mr. Speaker, I yield the balance of my time to the gentleman from Nebraska (Mr. TERRY).

The SPEAKER pro tempore. Without objection, the gentleman from Nebraska will control the time.

There was no objection.

Mr. TERRY. I reserve the balance of my time at this point.

Mr. STARK. Mr. Speaker, I yield myself such time as I may consume.

I rise today in support of H.R. 5712. It's a small but important bill. It's fully paid for and contains time-sensitive, mostly technical changes that strengthen the programs that care for the health of our Nation's veterans, senior citizens, and children. I appreciate the support of my distinguished ranking member for this bill.

This bill is supported by the National Association of Children's Hospitals, the American Hospital Association, Federation of American Hospitals, and most of the health care groups. And we can proceed on issues concerning other matters at another time.

At this point, I yield the balance of my time to the distinguished gentleman from California (Mr. WAXMAN).

The SPEAKER pro tempore. Without objection, the gentleman from California will control the time.

There was no objection.

Mr. WAXMAN. Mr. Speaker, I reserve the balance of my time.

Mr. TERRY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to announce, as a representative of the Energy and Commerce Committee, that we are not opposed to this bill and we're pleased with this these corrections. It is especially important that

our veterans' access to care is not impeded or delayed and that these other corrections will improve the efficiency and effectiveness of some of the programs that our citizens depend on the most.

This bill, as the gentleman from California mentioned, is budget neutral. In fact, there may even be as much as a \$50 million savings if everything goes right here, which I think is important. It's a small number with regard to the trillion-dollar deficit that we've already hit by the end of June and the \$1.5 trillion deficit that we may experience for this year.

I would like to see a budget where—I think we're missing an opportunity with items like this where we can save \$50 million here, hopefully save \$50 million here. If we had a budget, it could be part of a master plan to reduce our deficits and empower the private sector to create jobs.

These are technical corrections that are necessary. But this is what happens when the majority works in secret, crafts legislation that doesn't receive the input from others, the minority side. And, frankly, I wouldn't be surprised that, after drastically altering the health care system so quickly, we'll have many more technical corrections necessary as time goes on.

□ 1140

The technical errors, however, are hardly the biggest problems facing this country's health care system. Far worse are the looming ill effects of the majority's basic policy mistakes. Who doesn't know the problems in that they refuse to exercise the fundamental responsibility of the House to conduct oversight hearings on how this is set up. And the grandfathering clause has already been very confusing. This is what we'll have to look out for as the health care bill proceeds.

Now, just for the record, let's consider some of the problems that we face from this bill. The law will cut \$575 billion out of Medicare. Concerning me equally as much is that it's with no direction from Congress, leaving these decisions to Health and Human Services and the Center for Medicare and Medicaid Services.

In Nebraska, in my district, many of my seniors rely on Medicare Advantage as a program, but \$145 billion will be taken from Medicare Advantage, reducing the enrollment, according to the nonpartisan estimates, by as much as 50 percent.

It will raise spending nearly 90 percent for States in Medicaid programs, squeezing State taxpayers and crippling State budgets.

Despite the claims that the bill would lower health care costs and deficits, the Chief Actuary of Medicine has since concluded that spending won't go down, it will actually go up, as many people believed.

And remember the promise that if you like your coverage, you can keep it? With the new grandfathering rules that are being rolled out, it is now estimated that, and this is the administration's estimate, that as many as 66 percent of small businesses will not be eligible to keep what they have and will have to accept something from the exchange which will be pre-approved by HHS.

We're also learning the recession might worsen now because employers are hesitant to expand. We're hearing from many employers, articles in the Wall Street Journal, that they're sitting on cash because they don't want to spend now, be hit with these higher costs, and then have to lay off later. So it's arresting investment and hiring of new workers because businesses don't know the costs of implementation of this health care bill.

Now, the Democrats at every level are in hiding mode. They don't want a new public debate on this. We had a recess appointment of Donald Berwick, Dr. Donald Berwick, who is a great intellectual on medical savings, particularly in a British system that says that a rationing-type of system relies on a mathematical formula of age, as well as comparative effectiveness. And the comparative effectiveness provision in this bill provides Dr. Berwick carte blanche to implement those type of British policies.

This is probably—this won't be the last time that we hear about health care, but probably we won't hear about it until after November 2. The American people know why. I can only hope that we choose to conduct oversight of the new health care law and fix its disastrous effects.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WAXMAN. I yield myself such time as I may consume.

Mr. Speaker and my colleagues, I rise to join everybody else who has spoken in favor of this bill and urge passage of H.R. 5712, the Veterans, Seniors and Children's Health Technical Corrections Act. It's a small set of non-controversial changes to the law needed to provide for the smooth functioning of the Medicare, Medicaid, Child Health Insurance, or CHIP program, as well as the 340B program. The legislation has no cost.

One provision ensures that a special enrollment period into Medicare part B does not exclude some of the veterans for whom the policy was intended.

Another provision clarifies that the redistribution of unused Medicare-funded residency slots not inadvertently take slots away from hospitals that were cooperating with other hospitals to actually use these slots. This is a practice that occurs in 36 States, and they want this clarification.

We also have a clarification that children's hospitals will continue to

have access to discounts on orphan drugs through the 340B program tape.

The bill would modify the payment system for nursing facilities in Medicare, ensuring smoother operations of that program.

And virtually all of these provisions have been passed by the House at least once. Many of them have been passed by the Senate as well. This legislation needs to be enacted now because it modifies provisions of law that are coming into effect now, or will come into effect within the next few months.

So the legislation is fully paid for, will not increase the deficit. It involves technical corrections only. It's a bipartisan bill, and I'd urge my colleagues to suspend the rules and pass this legislation.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. STARK) that the House suspend the rules and pass the bill, H.R. 5712.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

RENEWING IMPORT RESTRICTIONS OF BURMESE FREEDOM AND DEMOCRACY ACT

Mr. CROWLEY. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 83) approving the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003, as amended.

The Clerk read the title of the joint resolution.

The text of the joint resolution is as follows:

H.J. RES. 83

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. RENEWAL OF IMPORT RESTRICTIONS UNDER BURMESE FREEDOM AND DEMOCRACY ACT OF 2003.

(a) IN GENERAL.—Congress approves the renewal of the import restrictions contained in section 3(a)(1) and section 3A (b)(1) and (c)(1) of the Burmese Freedom and Democracy Act of 2003.

(b) RULE OF CONSTRUCTION.—This joint resolution shall be deemed to be a "renewal resolution" for purposes of section 9 of the Burmese Freedom and Democracy Act of 2003.

SEC. 2. CUSTOMS USER FEES.

Section 13031(j)(3)(B)(i) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)(B)(i)) is amended by striking "August 17, 2018" and inserting "August 24, 2018".

SEC. 3. TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES.

The percentage under paragraph (2) of section 561 of the Hiring Incentives to Restore Employment Act in effect on the date of the enactment of this Act is increased by 0.25 percentage points.

SEC. 4. PAYGO COMPLIANCE.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go-Act of 2010, shall be determined by reference to the latest statement titled "Budgetary Effects of PAYGO Legislation" for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

SEC. 5. EFFECTIVE DATE.

This joint resolution and the amendments made by this joint resolution shall take effect on the date of the enactment of this joint resolution or July 26, 2010, whichever occurs earlier.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. CROWLEY) and the gentleman from Louisiana (Mr. BOUSTANY) each will control 20 minutes.

The Chair recognizes the gentleman from New York.

GENERAL LEAVE

Mr. CROWLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CROWLEY. Mr. Speaker, I yield myself such time as I may consume.

I want to thank my friend, Mr. BOUSTANY, for being here this morning and joining in this resolution.

I rise in strong support of House Joint Resolution 83, a measure to renew the ban on imports from the country of Burma. The renewal of this bill is extremely important in the struggle for human rights and democracy in Burma. This measure, and other sanctions on Burma, prevent hundreds of millions of American dollars from getting into the hands of the military regime and funding its illegal activities.

We must never forget that the inspiration for this measure came from a remarkable woman, Nobel Peace Prize recipient Aung San Suu Kyi. She's the world's only imprisoned Nobel Peace Prize recipient. She and her political party, the National League for Democracy, have called on freedom-loving people throughout the world saying, and I quote, "Please use your liberty to promote ours."

That's what makes these sanctions categorically different from many other situations. The people of Burma support these sanctions.

I believe it's also important to remember that Burma's military regime, or its junta, is not simply a government that is rough on its own people. It is among the most brutal, maybe even the most brutal, regime in the world today.

□ 1150

The regime operates with complete impunity. The Burmese regime has re-

cruited thousands of child soldiers, by some estimates more than any other country in the world today. The regime has destroyed over 3,500 ethnic minority villages, forcing hundreds of thousands of people to flee their homes in terror. Millions of these refugees live in neighboring countries like Thailand and Bangladesh.

The regime uses rape as a weapon of war against innocent Burmese women. Over 2,000 innocent civilians remain locked behind bars as political prisoners. And it's important to note that many of these abuses are not just human rights abuses; these are crimes against humanity. That is why the United Nations investigator on human rights in Burma called for an international investigation into war crimes and crimes against humanity in Burma. This is something I have been calling for myself for a very, very long time.

It is long overdue that the world acknowledges the regime, the junta, is guilty of many heinous crimes, and we must lead the effort to hold it accountable. As a first step, I hope the United States will go on record in acknowledging that the Burmese regime has continued crimes against humanity. At the same time, I hope the administration fully implements all the provisions of the Block Burmese JADE Act that we passed in 2008, including the tough banking sanctions enumerated into law. That also includes imposing tough financial sanctions on banks and companies propping up Burma's military regime and junta, even if those companies are not based in the United States themselves.

By passing the JADE Act, we gave the administration the authority to impose tough sanctions. Now it's time to make it happen. We don't have any time to wait. The Burmese regime is planning a sham election for this year that, without strong international action, will result in a government that is a wolf in sheep's clothing.

The regime has stacked the deck against the people of Burma so that the exact same military junta will be in power after the election. In fact, it is not really an election at all since the results are preordained. Aung San Suu Kyi is specifically barred from taking part in these elections. It would be a disservice to those struggling for freedom in Burma to recognize the results of this undemocratic and illegitimate election process.

The administration has worked hard I know to reach out to Burma's military regime and has urged them to change their ways. I believe those efforts, while worthwhile and valuable, have been completely and utterly rejected by the junta. In fact, the situation in Burma has grown worse. That's why now is the time to crank up the pressure on Burma's military junta.

I urge my colleagues to pass House Joint Resolution 83.

Mr. Speaker, I reserve the balance of my time.

Mr. BOUSTANY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join my colleague and friend on the Ways and Means Committee in strong support of H.J. Res. 83, which would continue the imposition of sanctions against the repressive regime in Burma for another year.

The purpose of imposing sanctions against Burma is to promote democracy, develop a respect for human rights, and improve living conditions for the Burmese people. Unfortunately, the ruling junta is still dedicated to working against, not toward those objectives. For that reason, I am in favor of continuing our practice of extending import sanctions against Burma for another year.

Burma's regime is one of the world's most repressive. And it continues to oppress democratic movements and humanitarian efforts. In reading the State Department's human rights report on Burma, I am appalled at the extent and scale of grave human rights violations. According to the State Department, this repugnant regime, in which military officers wield the ultimate authority at every level of government, routinely continues to abridge the right of citizens to change their government and commits to other severe human rights abuses. Specifically, government security forces allowed custodial deaths to occur, and committed extrajudicial killings, disappearances, rape, and torture. The regime detains civic activists indefinitely and without charge, and engages in harassment, abuse, and detention of human rights and pro-democracy activists.

Opposition leader Aung San Suu Kyi is still being falsely detained by the regime. And as of March 2010, the regime held an estimated 2,100 political prisoners. The army attacks ethnic minority villages. Violence and societal discrimination against women, recruitment of child soldiers, and trafficking in persons have continued. The regime also severely restricts freedom of assembly, expression, association, movement, and religion.

In addition, I am very concerned that the regime has taken steps that seem to guarantee that the elections that will be held in Burma later this year will not, in the words of the State Department, be transparent, inclusive, or credible. And I am still disappointed that there has not been additional multilateral pressure against this regime.

I strongly urge the administration to put more pressure on our trading partners and the United Nations to put the leaders of this regime and its cronies under targeted economic pressure that denies them access to personal wealth and sources of revenue. I call on the United Nations, Burma's Southeast Asian neighbors in ASEAN, and the

People's Republic of China to step up engagement considerably.

I am pleased that this Congress amplified our sanctions 2 years ago to eliminate trade in jewelry containing Burmese rubies and jadeite, even if the jewelry was made in and exported from a third country. The expansion was designed to bring about multilateral pressure on the regime through the United Nations and World Trade Organization, similar to successful legislation on conflict diamonds. We are still in the process of assessing the effectiveness of that law.

The General Accountability Office reported to us several months ago on the effectiveness of the expanded sanctions, and we are considering its recommendations for improving the administration of the program and assuring that legitimate trade in these stones is not constrained. I must be clear that I generally view import sanctions with great skepticism. However, if there is a right way to impose sanctions, I think these Burma sanctions are crafted to maximize their ability to effect change.

For example, they require the administration to issue annual reports on Burma that include whether U.S. national security, economic, and foreign policy interests are being served so we can make an informed decision. Perhaps the most critical aspect of the Burma sanctions program is that they require us to redirect our attention every summer to the question of whether these sanctions should be continued. They are not self-executing. We here in Congress must consider this issue and vote to continue them on an annual basis.

I continue to believe that our greatest hope for effecting real change in Burma is multilateralism. The whole world, particularly China and the ASEAN countries, must put economic pressure on this regime. I support this resolution because it increases our chances to bring about this multilateral effect.

Mr. Speaker, I reserve the balance of my time.

Mr. CROWLEY. I thank the gentleman for his comments. And I couldn't agree with him more that we do need to see more of a multilateral impact on Burma, particularly China, India, and the surrounding countries of Bangladesh and Thailand and such. And it's my hope that we will continue to see further isolation of Burma. And I think we continue to stretch out a hand to encourage the regime, but they continue to keep slapping it back. And I think now is not the time for recognition; now is the time for further isolation.

So I appreciate the comments of my colleague and friend from Louisiana (Mr. BOUSTANY), and I know of his support for this.

Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. BOUSTANY. Mr. Speaker, I have no further Members wishing to speak on this issue, and I am prepared to yield back my time. I look forward to working with my colleague on the Ways and Means Committee in this effort to hopefully change this regime's behavior.

Mr. Speaker, I yield back the balance of my time.

Mr. CROWLEY. I appreciate my colleague's willingness to work with us in the future, and look forward to that as well on this and many other issues.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. CROWLEY) that the House suspend the rules and pass the joint resolution, H.J. Res. 83, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the joint resolution, as amended, was passed.

The title was amended so as to read: "Joint resolution approving the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003, and for other purposes."

A motion to reconsider was laid on the table.

□ 1200

PROVIDING FOR CONSIDERATION OF H.R. 1722, TELEWORK IMPROVEMENTS ACT OF 2010

Mr. MCGOVERN. Madam Speaker, by direction of the Committee on Rules, I call up House Resolution 1509 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1509

Resolved, That upon the adoption of this resolution it shall be in order to consider in the House the bill (H.R. 1722) to improve teleworking in executive agencies by developing a telework program that allows employees to telework at least 20 percent of the hours worked in every 2 administrative workweeks, and for other purposes. All points of order against consideration of the bill are waived except those arising under clause 9 or 10 of rule XXI. The amendment in the nature of a substitute recommended by the Committee on Oversight and Government Reform now printed in the bill, modified by the amendment printed in the report of the Committee on Rules accompanying this resolution, shall be considered as adopted. The bill, as amended, shall be considered as read. All points of order against provisions of the bill, as amended, are waived. The previous question shall be considered as ordered on the bill, as amended, to final passage without intervening motion except: (1) one hour of debate equally divided and controlled by the chair and ranking minority member of the Committee on Oversight and Government Reform; and (2) one motion to recommit with or without instructions.

SEC. 2. House Resolution 1496 is laid on the table.

The SPEAKER pro tempore (Ms. EDWARDS of Maryland). The gentleman from Massachusetts is recognized for 1 hour.

Mr. MCGOVERN. For the purpose of debate only, I yield the customary 30 minutes to the gentlewoman from North Carolina, Dr. FOXX. All time yielded during consideration of the rule is for debate only.

GENERAL LEAVE

Mr. MCGOVERN. I ask unanimous consent that all Members may be given 5 legislative days in which to revise and extend their remarks on House Resolution 1509.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MCGOVERN. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, H. Res. 1509 provides for consideration of H.R. 1722, the Telework Improvements Act. The rule provides 1 hour of debate controlled by the Committee on Oversight and Government Reform. The rule waives all points of order against consideration of the bill except those arising under clauses 9 and 10 of rule XXI. The rule makes in order the substitute reported by the Committee on Oversight and Government Reform as modified by an amendment printed in the Rules Committee report. The rule also provides one motion to recommit the bill with or without instructions.

Madam Speaker, I rise today in strong support of this rule and in strong support of the underlying bill. Even in this July heat, it is hard to forget the historic snowfall that blanketed the Washington region this past winter. OMB estimated that for each day the Federal Government was shut down during the storms, the government lost \$71 million worth of productivity. Had some agencies not allowed their employees to telecommute, the cost of lost productivity would have been \$100 million.

With today's mobile technology, we can do better to ensure that Federal employees can effectively telecommute regardless of weather conditions. The Telework Improvements Act will provide a framework to expand the current telecommuting program so that all Federal employees can enjoy the benefits. Telecommuting also helps to reduce traffic congestion. I don't think you will find too many Federal employees complaining about missing out on rush-hour traffic in metro D.C.

Now, some may argue that telecommuting will just allow lazy employees to sit at home and pretend to work. That's simply not the case. This bill requires agencies to establish a telecommuting policy that authorizes employees to telecommute to the maximum

amount possible only to the extent that it doesn't diminish employee performance or agency operations.

The U.S. Patent and Trademark Office, the Defense Information Systems Agency, and the General Services Administration have already established efficient and effective telework policies.

For those concerned about the deficit, the bill is deficit neutral and, therefore, PAYGO compliant. CBO's estimated cost of \$30 million over 5 years pales in comparison to the \$71 million per day the government lost due to snow last winter.

Madam Speaker, I want to remind all of my colleagues that a bipartisan majority of them supported this bill when it came to the floor under suspension in May of this year. I urge them to once again support this rule and the underlying bill.

I reserve the balance of my time.

Ms. FOXX. I thank my colleague from Massachusetts for yielding time, and I yield myself such time as I may consume.

Madam Speaker, as has become routine in this Congress, it's my sad duty to come before you yet again today to speak in opposition to spending this House's valuable time to consider a bill that would do absolutely nothing to respond to the very real concerns facing Americans every day.

Here we are with a 9.5 percent unemployment rate, the largest deficit in our history, and the national debt at almost \$14 trillion. The response of the liberal Democratic leadership? A bill making it easier for Federal employees to stay at home to work and creating more government union jobs.

Here we are with a financial crisis of global proportions resulting from an unprecedented expansion of government. The response of liberal Democratic leadership? A resolution recognizing National Train Day.

Here we are with a torrent of oil gushing into the gulf day after day, depriving untold numbers of people of their livelihoods. The liberal Democratic response? A resolution supporting the goals and ideals of RV Centennial Celebration Month to recognize and honor a hundred years of the enjoyment of recreational vehicles in the United States.

In fact, this Congress so far has considered no fewer than 73 bills naming post offices, 36 measures recognizing sporting events and achievements, and 145 designations or recognitions for various days, weeks, months, or years.

Despite these very real problems, the liberal Democrats ruling Congress are running around the country trying to convince the American people that everything is just fine and they don't need to worry because the Democrats are solving their problems. While government employees and their union handlers might be satisfied with the

liberal Democrat jobs agenda, try asking the small business men forced to close their doors or the 7 million private business employees who've lost their jobs since the liberal Democrats took control of Congress in 2007 and want to get back to work. This is the wrong bill at the wrong time.

And with that, Madam Speaker, I reserve the balance of my time.

Mr. MCGOVERN. Madam Speaker, the gentlelady mentioned the deficit and how concerned she is about the deficit. It's somewhat puzzling to me then that she hasn't been out front wanting to pay for the Bush tax cuts that cost hundreds of billions of dollars, that there's been no effort on the other side to want to pay for the George Bush prescription drug bill which cost hundreds of billions of dollars all on to our credit card, that there is no effort on the other side to want to pay for these wars which have now cost \$1 trillion—\$1 trillion in borrowed money.

I should say, with one exception. The minority leader, Mr. BOEHNER, suggested that we could pay for the wars with the Social Security Trust Fund, that we should raise the retirement age and whatever savings we have should not go into the Social Security Trust Fund, should go to pay for our wars so our senior citizens who have paid into the system year after year after year should be robbed of a solid program and, instead, that money should go to pay for the wars.

When they talk about deficits and debt, it is laughable, because they inherited from Bill Clinton one of the biggest surpluses in history and they squandered it on tax cuts that weren't paid for—mostly for the rich, mostly for their big contributors—and on wars that were not paid for.

And what this President and this Congress is trying to do is clean up their mess. And I'm sorry that that bothers some of my friends on the other side, but we're going to clean up their mess, and we're going to move this economy forward.

With that, I reserve the balance of my time.

Ms. FOXX. I yield myself such time as I may consume.

As I have said before on the floor here to my colleagues who want to rewrite history, they can't blame everything on President Bush. They can't continue to do that. And they want to give President Clinton all the credit.

But, of course, the Congress was controlled by the Republicans for 6 of the 8 years that President Clinton was in office. It's the Congress that controls the spending. Our Democratic colleagues know that. They simply choose to ignore it when it suits their arguments.

□ 1210

Let me quote from the Wall Street Journal article of the 13th of July. It's

very recent, so my colleague may not have seen it.

The Bush Tax Cuts and the Deficit Myth—and I won't read the entire article; but, Madam Speaker, I insert the entire article into the RECORD.

Let me read again a little bit from it: In short, it's all President Bush's fault. But Mr. Obama's assertion fails on three grounds.

First, the wars, tax cuts and the prescription drug program were implemented in the early 2000s, yet by 2007 the deficit stood at only \$161 billion.

When our colleagues across the aisle took over the Congress, the deficit stood at \$161 billion. I go back to quote: How could these stable policies have suddenly caused trillion-dollar deficits beginning in 2009? Obviously, what happened was collapsing revenues from the recession along with stimulus spending.

Second, the President's \$8 trillion figure minimizes the problem. Recent CBO data indicate a 10-year baseline deficit closer to \$13 trillion if Washington maintains today's tax-and-spend policies, whereby discretionary spending grows with the economy, war spending winds down, ObamaCare is implemented, and Congress extends all the Bush tax cuts, the alternative minimum tax patch and the Medicare doc fix, i.e., no reimbursement cuts.

Under this realistic baseline, the 10-year cost of extending the Bush tax cuts, \$3.2 trillion, the Medicare drug entitlement and Iraq and Afghanistan spending add up to \$4.7 trillion. That's approximately one-third of the \$13 trillion in baseline deficits, far from the majority the President claims.

Third and most importantly, the White House methodology is arbitrary. With Washington set to tax \$33 trillion and spend \$46 trillion over the next decade, how does one determine which policies "caused" the \$13 trillion deficit? Mr. Obama could have just as easily singled out Social Security, \$9.2 trillion over 10 years; anti-poverty programs, \$7 trillion; other Medicare spending, \$5.4 trillion; net interest on the debt, \$6.1 trillion; and the article goes on and on with nondefense discretionary spending.

Madam Speaker, I have a chart here which we have put together which I think does a very good job of showing deficit spending as a percent of GDP. That's what really is the way we should look at this; and let me point out that in 1992 under Democrat control the deficit as a percent of GDP is this line; 1993, this line; 1994. Republicans then take over the Congress in 1995, and look how the deficit goes down, significantly goes down. It does go up some in 2002 under a Republican Congress and Republican President but we go into war in 2003, 2004, and then what happens when the Democrats take back over? It shoots back up. The red lines are the projected deficits as percent of GDP.

Madam Speaker, this argument just won't hold. Our friends very selectively come up with numbers, and we're going to point out the facts each time that they try to make up facts.

Mr. DREIER. Madam Speaker, would the gentlewoman yield?

Ms. FOXX. I would be happy to yield to my friend from California.

Mr. DREIER. I thank my friend for yielding.

Madam Speaker, I'm really struck having seen that chart with a fascinating juxtaposition that I've pointed out a couple of times here on the House floor.

There is a requirement for membership in the European Union. The requirement for a new country to join the European Union, Madam Speaker, is that they not have a debt that exceeds 60 percent of the gross domestic product of that country. Now, what does that mean? As we look at that chart today, the United States of America, Madam Speaker, interestingly enough, could not qualify for membership in the European Union because of that debt burden which is continuing to be passed on and on and on to our children and future generations.

Ms. FOXX. Reclaiming my time, I thank my colleague for pointing out the very important issue of the percentage of debt to the GDP because it is an important issue and our friends across the aisle have created much of that problem along with our President. They have been in charge since January 2007, and that's where the problem comes from.

[From the Wall Street Journal, July 13, 2010]

THE BUSH TAX CUTS AND THE DEFICIT MYTH

(By Brian Riedl)

President Obama and congressional Democrats are blaming their trillion-dollar budget deficits on the Bush tax cuts of 2001 and 2003. Letting these tax cuts expire is their answer. Yet the data flatly contradict this "tax cuts caused the deficits" narrative. Consider the three most persistent myths:

The Bush tax cuts wiped out last decade's budget surpluses. Sen. John Kerry (D-Mass), for example, has long blamed the tax cuts for having "taken a \$5.6 trillion surplus and turned it into deficits as far as the eye can see." That \$5.6 trillion surplus never existed. It was a projection by the Congressional Budget Office (CBO) in January 2001 to cover the next decade. It assumed that late-1990s economic growth and the stockmarket bubble (which had already peaked) would continue forever and generate record-high tax revenues. It assumed no recessions, no terrorist attacks, no wars, no natural disasters, and that all discretionary spending would fall to 1990s levels.

The projected \$5.6 trillion surplus between 2002 and 2011 will more likely be a \$6.1 trillion deficit through September 2011. So what was the cause of this dizzying, \$11.7 trillion swing? I've analyzed CBO's 28 subsequent budget baseline updates since January 2001. These updates reveal that the much-maligned Bush tax cuts, at \$1.7 trillion, caused just 14% of the swing from projected surpluses to actual deficits (and that is according to a "static" analysis, excluding any rev-

enues recovered from faster economic growth induced by the cuts).

The bulk of the swing resulted from economic and technical revisions (33%), other new spending (32%), net interest on the debt (12%), the 2009 stimulus (6%) and other tax cuts (3%). Specifically, the tax cuts for those earning more than \$250,000 are responsible for just 4% of the swing. If there were no Bush tax cuts, runaway spending and economic factors would have guaranteed more than \$4 trillion in deficits over the decade and kept the budget in deficit every year except 2007.

The next decade's deficits are the result of the previous administration's profligacy. Mr. Obama asserted in his January State of the Union Address that by the time he took office, "we had a one-year deficit of over \$1 trillion and projected deficits of \$8 trillion over the next decade. Most of this was the result of not paying for two wars, two tax cuts, and an expensive prescription drug program."

In short, it's all President Bush's fault. But Mr. Obama's assertion fails on three grounds.

First, the wars, tax cuts and the prescription drug program were implemented in the early 2000s, yet by 2007 the deficit stood at only \$161 billion. How could these stable policies have suddenly caused trillion-dollar deficits beginning in 2009? (Obviously what happened was collapsing revenues from the recession along with stimulus spending.)

Second, the president's \$8 trillion figure minimizes the problem. Recent CBO data indicate a 10-year baseline deficit closer to \$13 trillion if Washington maintains today's tax-and-spend policies—whereby discretionary spending grows with the economy, war spending winds down, ObamaCare is implemented, and Congress extends all the Bush tax cuts, the Alternative Minimum Tax (AMT) patch, and the Medicare "doc fix" (i.e., no reimbursement cuts).

Under this realistic baseline, the 10-year cost of extending the Bush tax cuts (\$3.2 trillion), the Medicare drug entitlement (\$1 trillion), and Iraq and Afghanistan spending (\$5.5 billion) add up to \$4.7 trillion. That's approximately one-third of the \$13 trillion in baseline deficits—far from the majority the president claims.

Third and most importantly, the White House methodology is arbitrary. With Washington set to tax \$33 trillion and spend \$46 trillion over the next decade, how does one determine which policies "caused" the \$13 trillion deficit? Mr. Obama could have just as easily singled out Social Security (\$9.2 trillion over 10 years), antipoverty programs (\$7 trillion), other Medicare spending (\$5.4 trillion), net interest on the debt (\$6.1 trillion), or nondefense discretionary spending (\$7.5 trillion).

There's no legitimate reason to single out the \$4.7 trillion in tax cuts, war funding and the Medicare drug entitlement. A better methodology would focus on which programs are expanding and pushing the next decade's deficit up.

Declining revenues are driving future deficits. The fact is that rapidly increasing spending will cause 100% of rising long-term deficits. Over the past 50 years, tax revenues have deviated little from their 18% of gross domestic product (GDP) average. Despite a temporary recession-induced dip, CBO projects that even if all Bush tax cuts are extended and the AMT is patched, tax revenues will rebound to 18.2% of GDP by 2020—slightly above the historical average. They will continue growing afterwards.

Spending—which has averaged 20.3% of GDP over the past 50 years—won't remain as stable. Using the budget baseline deficit of \$13 trillion for the next decade as described above, CBO figures show spending surging to a peacetime record 26.5% of GDP by 2020 and also rising steeply thereafter.

Putting this together, the budget deficit, historically 2.3% of GDP, is projected to leap to 8.3% of GDP by 2020 under current policies. This will result from Washington taxing at 0.2% of GDP above the historical average but spending 6.2% above its historical average.

Entitlements and other obligations are driving the deficits. Specifically, Social Security, Medicare, Medicaid and net interest costs are projected to rise by 5.4% of GDP between 2008 and 2020. The Bush tax cuts are a convenient scapegoat for past and future budget woes. But it is the dramatic upward arc of federal spending that is the root of the problem.

With that, Madam Speaker, I reserve the balance of my time.

Mr. MCGOVERN. Madam Speaker, I yield myself such time as I may consume.

My friends on the other side of the aisle can pull out all their charts and artwork that their Republican National Committee wants to put together for them; but some facts are undeniable, and that is, that when this President came to office, he inherited from George W. Bush the worst economy since the Great Depression. That is undeniable. This economy was in a tail spin, and if it wasn't for the stimulus package, this economy would have continued to go further down the tubes. There was no question about that.

When they talk about deficits, they conveniently leave out the fact that hundreds of billions of dollars in deficit spending went to pay for their tax cuts for their rich friends. That's what they did when they were in power, tax breaks, tax loopholes, all kinds of special interest breaks, for oil companies, for the wealthiest people in this country, and we went deeper and deeper into debt and they didn't care.

Two wars, none of it paid for. None of it paid for, and it should be paid for. The only people sacrificing in these wars are our soldiers and their families. The rest of us are asked to do nothing, and the only possible solution to that that we heard from the other side of the aisle came from the minority leader who said that we should raise the retirement age for those receiving Social Security and take that money and pay for the war. Our senior citizens should pay for these wars? Shouldn't we want to protect Social Security, and shouldn't we find other ways to pay for these wars?

In today's Washington Post, the editorial entitled, "GOP has no problem extending tax cuts for the rich," let me quote from a couple of lines in this editorial: "Senate Republicans, committed as they are to preventing the debt from mounting further, can't ap-

prove an extension of unemployment benefits because it would cost \$35 billion. But they are untroubled by the notion of digging the hole \$678 billion deeper by extending President Bush's tax cuts for the wealthiest Americans."

And this is how the editorial ends: "The issue is whether the tax cuts for the wealthiest Americans should be extended, adding another \$678 billion to the deficit over the next decade. The tax cuts, it's worth remembering, passed originally in 2001 with the argument that the surplus was so large that rates could be cut with budgetary room to spare. Now that the fiscal picture has deteriorated so badly, the questions remains: How are you going to pay the \$678 billion? And if you don't, how are you going to justify the added damage to an already grim fiscal outlook?"

I insert this article in the RECORD at this point.

[From the Washington Post, July 14, 2010]

GOP HAS NO PROBLEM EXTENDING TAX CUTS FOR THE RICH

Senate Republicans, committed as they are to preventing the debt from mounting further, can't approve an extension of unemployment benefits because it would cost \$35 billion. But they are untroubled by the notion of digging the hole \$678 billion deeper by extending President Bush's tax cuts for the wealthiest Americans. On Fox News Sunday, Chris Wallace asked Republican Whip Jon Kyl (R-Ariz.) about this contradiction. Mr. Kyl's response is worth examining because of what it says about the GOP's refusal to practice the fiscal responsibility it preaches.

Mr. Kyl's first line of defense was to dismiss Mr. Wallace's query as "a loaded question" because "the Bush tax cuts applied to every single American." Mr. Wallace pointed out that he was only referring to the top tax brackets, but Mr. Kyl persisted in his refusal to answer. "So let's, first of all, start with those that don't apply to the wealthy. Shouldn't those be extended?" Never mind that no one in a policymaking position—not President Obama, not Democrats in Congress—is arguing against extending those tax cuts, at least temporarily. So when Mr. Kyl contends that "all of that goes away," he is just blowing smoke.

Eventually, Mr. Kyl trotted out the tired and unsubstantiated argument that the tax cuts for the wealthy must be extended because otherwise "you're going to clobber small business." Mr. Wallace persisted: "But, sir, . . . how are you going to pay the \$678 billion?"—at which point Mr. Kyl descended into nonsense. "You should never raise taxes in order to cut taxes," he declared. "Surely Congress has the authority, and it would be right to, if we decide we want to cut taxes to spur the economy, not to have to raise taxes in order to offset those costs. You do need to offset the cost of increased spending, and that's what Republicans object to. But you should never have to offset [the] cost of a deliberate decision to reduce tax rates on Americans."

Huh? No one's talking about cutting taxes on the wealthy to stimulate the economy. The issue is whether the tax cuts for the wealthiest Americans should be extended, adding another \$678 billion to the deficit over the next decade. The tax cuts, it's worth remembering, passed originally in 2001 with

the argument that the surplus was so large that rates could be cut with budgetary room to spare. Now that the fiscal picture has deteriorated so badly, the questions remains: How are you going to pay the \$678 billion? And if you don't, how are you going to justify the added damage to an already grim fiscal outlook?

Madam Speaker, my friends on the other side of the aisle have been fighting with all their might to deny Americans who have lost their jobs, mostly through no fault of their own, they have been fighting with all their energy to deny them unemployment benefits during this very difficult time where people who can't get these benefits and whose savings are drying up are not going to be able to afford to pay their bills, be able to keep their home; and my friends on the other side of the aisle say we can't afford that, we can't afford that, notwithstanding the fact it's a one-time expenditure.

But you know, when it comes to the wars, let's vote to add another \$33 billion in borrowed money on to our children's credit card and no questions asked.

I'd like to do a little nation building, Madam Speaker, here in the United States. I think we have an obligation to take care of the people here in this country, and so I'm all for working on trying to reduce our deficit and our debt. That's what the Democratic Party is dedicated to. The President is dedicated to that. He's formed a bipartisan commission, but to come on the floor and to say that somehow the policies of the previous President, the tax cuts for the rich, billions and billions and billions of dollars in added deficit spending, the war, the prescription drug benefit bill, not even paid for, to suggest that that didn't occur is ludicrous.

The bottom line is that you delivered to this President, my friends on the other side of the aisle delivered to this President, the worst economy since the Great Depression and he has been working overtime to try to dig this country out of the ditch that the Republicans dug, and we need to continue to move forward.

I will add one other thing, Madam Speaker, and that is, during the first year of President Obama's administration more jobs were created than during the 8 years of George W. Bush, and that's a fact.

I reserve the balance of my time, Madam Speaker.

□ 1220

Ms. FOXX. Madam Speaker, I just want to quickly respond to two things that my colleague from Massachusetts said.

He talks about the fact that the Federal Government is paying for wars. Well, let me say that the Constitution of the United States says, "We the People of the United States, in Order to form a more perfect Union, establish

Justice, insure domestic Tranquility, provide for the common defence, promote the general Welfare," et cetera. It is the role of the Federal Government to protect us in this country. It is the only entity in our country who can do that. It is our role.

The other comment he makes is "tax cuts for the rich." My colleague, just like almost all my colleagues across the aisle, have an assumption that all the money that is generated in this country belongs to the government and that if there is a tax cut provided, that that is a gift from the government to the people getting the tax cut.

No, Madam Speaker, that is not right. The government is not in control in this country. The people are in control. And for them to have that assumption is the biggest part of the problem that we have here right now.

Madam Speaker, I yield such time as he may consume to the distinguished ranking member of the Rules Committee (Mr. DREIER).

Mr. DREIER. Madam Speaker, let me at the outset say I twice asked my friend from Worcester to yield, and I will say that at any time during my remarks that he would like to challenge me, I look forward to yielding to him.

Now, Madam Speaker, let me say first and foremost that this issue of who is in fact responsible for the security of the United States of America, my friend from Grandfather Community, North Carolina, is absolutely right. The five most important words in the middle of that preamble to the Constitution that she just read are "provide for the common defence." Virtually everything else that we do can be dealt with by individuals, families, churches or synagogues, cities, counties or States. But the national security of the United States of America can only be dealt with by the Federal Government, and we should never forget that.

Now, as we listen to some of the specious charges that have been coming from the other side of the aisle, like this chart that my colleague on the Rules Committee offered, saying that this was from the Republican National Committee, this is from usgovernmentspending.com, a completely nonpartisan entity and they are facts. We have seen a dramatic increase in spending.

My friend regularly talks about the fact that this administration, this President, inherited a bad economy. We all acknowledge that. But what is it that has happened since then, Madam Speaker? Contrary to what my friend just said, we have seen the economy get worse and worse and worse.

We were promised, and I will be happy to yield to my friend if he would like to, we were promised that the unemployment rate would not exceed 8 percent if we were to pass the \$1 trillion stimulus bill. Where is it today? At 9.5 percent.

Across the country, many of us are hosting job fairs. There are people who are hurting. In the area that I represent, Madam Speaker, part of it has an unemployment rate that exceeds 14 percent.

The American people know one thing that they have learned over the past year-and-a-half, and that is you cannot spend your way to prosperity.

Now, Madam Speaker, what is it that we are trying to do? We want to ensure that future generations are not saddled with this tremendous debt burden that has been imposed.

This morning I had the opportunity to meet a young man who is very, very inspiring with what he has done over the past 39 days. He visited me. His name is Joseph Machado, and he is here with his parents and his brother Robert and his sister Mercedes. What this young man did, 13 years of age, having gone through tremendous physical adversity, having suffered over the past few years because of an accident, he has been wheelchair-bound. But what has he done over the past 39 days, Madam Speaker? He rode a bicycle from Southern California to the White House. He came here, I met him this morning here in the Capitol, and he has been doing this to raise money and focus resources on the challenges that young people are dealing with.

Now, I raise the name of Joseph Machado to say that as we look at this 13-year-old boy and the challenges that he has gone through, the idea that we will be thrusting on to his shoulders and his brother Robert and his sister Mercedes the responsibility of paying for such profligate spending that has been going on is just plain wrong.

We feel strongly about the need to ensure that we do not do that, that we do everything we can to decrease that. That is one of the reasons that we are going to urge our colleagues today to vote no on the previous question, and in voting no on the previous question we will allow the House to have a chance to vote on a proposal that our colleague from Peoria, Mr. SHOCK, has offered that is going to deal with training to rein in spending.

The people of this country have driven around, and I laugh, I mean sadly laugh, when I see the signs along the side of the road that credit the Reinvestment Act with the job creation that is supposedly going on in dealing with infrastructure issues. Millions and millions of dollars are being expended putting up the signs along the side of the road. The burden of those is going to be passed on to Joseph Machado and other young people in this country, and we believe that that is an example that the American people can get so they don't have to see signs that they are paying for along the side of the road.

Every Member of this House, Madam Speaker, is going to have an opportunity to vote no, to say that we

shouldn't be continuing to spend millions of dollars on road signs crediting the stimulus bill for the construction that is taking place on those roads.

So I am going to join in urging my colleagues under this YouCut proposal to vote "no" on the previous question, because that vote in and of itself will allow us the opportunity to consider this measure.

Madam Speaker, with that, I urge a "no" vote on the previous question and a "no" vote on the rule, because this is a completely closed rule, having had this measure considered under suspension of the rules.

Mr. MCGOVERN. Madam Speaker, I yield myself such time as I may consume.

Let me remind my colleagues, Madam Speaker, that when President Obama came to office, he inherited an economy that was losing on average 750,000 jobs a month. That is what President Obama was left with.

My friends talk about the fact that the economy is still struggling. It is still struggling. But the June numbers, as much as we wish they were better, we were told that 83,000 private sector jobs were created and 9,000 manufacturing jobs. I would rather be creating jobs, again, I would like to create 100 times more jobs than we were able to do in June, but I would rather be creating jobs than going back to where we were losing hundreds of thousands of jobs a month.

My friend mentioned job fairs, all my colleagues are doing job fairs. What I find particularly ironic is that my colleagues are hosting job fairs touting stimulus money. The distinguished minority whip on the Republican side from Virginia has been one of the Recovery Act's most vocal critics, uniformly whipping the Republican Caucus into opposing the stimulus. But despite his withering attacks and despite the withering attacks of others on the other side, they continue to host job fairs filled with employers hiring directly because of stimulus grants and programs.

We are told that over half the GOP Caucus, 114 lawmakers who voted to kill the stimulus, then took credit for its success, hosting job fairs, touting the stimulus, doing press releases every time a stimulus award was announced.

So, I guess they want to have it both ways. They want to be out here criticizing the Recovery Act, but when they go home, they are standing and posing for pictures, handing checks to their constituents and small businesses with stimulus money.

So I would again urge my colleagues on the other side of the aisle to at least be consistent. If you are going to oppose the Stimulus Act, the American Recovery Act, don't go home and take credit for it. Don't go home and say "I did this for you" when you were here in

Washington and you voted to deny your communities the very money that is helping to create some jobs.

I reserve the balance of my time, Madam Speaker.

□ 1230

Ms. FOXX. Madam Speaker, I yield myself such time as I may consume.

I can assure my colleague across the aisle that I wasn't one of those people who went home to take credit for the Stimulus Act. So he needs to take that issue up with those who have done it and not paint us all with the same brush.

Madam Speaker, the underlying bill proposes spending \$30 million creating a variety of initiatives promoting telework opportunities to allow Federal employees to work at home. This bill would require each Federal agency to create a teleworking managing officer. But there are many people who wonder if creating this kind of a situation is going to improve efficiency among Federal employees, and it may even reduce the productivity of the Federal Government.

While the 3 million Americans who have lost their jobs since President Obama took office are asking, Where are the jobs we were promised, the Congress is pushing this initiative to make it easier for Federal employees who already have it much better than the rest of the country to avoid coming to work. So why is this bill so popular with the ruling liberal Democrats? Perhaps it has something to do with their longstanding subservience to labor unions.

New data from the Bureau of Labor Statistics show that a majority of American union members now work for the government. That's 52 percent of all union members now work for the Federal, State, or local government, representing a sharp increase from the 49 percent in 2008. A full 37.4 percent of government employees belonged to the unions in 2009, up six-tenths of a percent from 2008. This shift toward representing government employees has changed the union movement's priorities, as unions now campaign for higher taxes on Americans to fund more government spending.

These changes in union membership are certainly not surprising, as unionized companies do poorly in the marketplace and lose jobs relative to their nonunion competitors. Government employees, however, face no competition, as the government never goes out of business. The recession has left union bosses looking for new membership targets—and where better to look than in the government, which they see as having the deepest of all pockets and a host of sympathetic liberal Democratic politicians eager to please their political base. In fact, as reported by USA Today, overall, Federal workers earned an average salary of \$67,691

in 2008 for occupations that exist both in government and the private sector, according to the Bureau of Labor Statistics data. The average pay for the same mix of jobs in the private sector was \$60,000. These salary figures don't include the value of health, pension, and other benefits, which average \$40,785 per Federal employee in 2008 versus \$9,882 per private worker, according to the Bureau of Economic Analysis. So the average Federal employee's benefits are worth four times what the average benefits are worth in the private sector.

A March 26, 2010, Wall Street Journal editorial entitled "The Government Pay Boom" reveals that "the real windfall for government workers is in benefits." And it goes on to talk about how these benefits are growing, growing, growing. We know that the number of Federal employees making over \$100,000 has increased by almost 5 percent since 2007, since the Democrats took over in Congress. Currently, there are more people in the Federal Government making in excess of \$100,000 than those making \$40,000.

Since the recession began in 2007, public worker pay has risen 7.8 percent, while private-sector wages remain stagnant. The 2010 pay increase for Federal civilian employees was 2 percent. In 2009, the average Federal employee received a pay raise of 3.9 percent, and an average pay increase of 3.5 percent in 2008. In 2007, the Department of Transportation had only one employee making over \$170,000. At the end of last year, it had 1,690 employees making that amount.

Madam Speaker, we are growing the Federal Government while we have a 9.7 percent unemployment rate in the private sector. This is unacceptable to the American people. That's why we should vote "no" on this rule and "no" on this bill, because we are not heeding what the American people want us to do.

I reserve the balance of my time.

Mr. MCGOVERN. Madam Speaker, I think the gentlelady from North Carolina kind of just summed it all up. The Republican message to workers all across the country is, We don't want you to have good wages; we don't want you to have good benefits; we don't want you to have good retirement. We want to go back to the days when you get paid less; when one job doesn't earn enough for you to be able to support your family. I've never heard anybody get up before and talk about and advocate lower wages for people. They're all upset that a researcher at NIH trying to find a cure for cancer or a cure to Alzheimer's disease or Parkinson's disease is somehow being overpaid. I've heard a lot of things on this floor, but I've never had anyone come out and decry the fact that workers in this country should be paid less.

My friend from North Carolina always likes to talk about the fact that

government should act more like a business. Well, I want to remind her that the bill that we are talking about here today, the telework bill—telework practices have been adopted by the private sector all throughout the country. I will give you an example. Teleworking allows IBM to reduce office space and save \$56 million per year every year. Well, it works in the private sector. Why don't we take that example of where the private sector is able to save some money and bring it to the government sector where we may be able to save some money. If we can save tens of millions of dollars each year, that is a good thing. Maybe we can take that money and put it toward deficit reduction. But the idea to come out here and to be against this bill because of unions and all this other stuff, I think, is ridiculous.

This is a commonsense measure that's going to save the American taxpayer a lot of money. I urge all my colleagues, Democratic and Republican alike, to support this commonsense measure.

I reserve the balance of my time.

Ms. FOXX. Madam Speaker, I now yield 4 minutes to the distinguished Republican whip, the gentleman from Virginia (Mr. CANTOR).

Mr. CANTOR. I thank the gentlelady for yielding.

Madam Speaker, I rise today to ask Members to join me in voting "no" on the previous question. For the past couple of years, the American people have been forced to make some extremely difficult budgeting decisions. Because when times are tough and your back is up against the wall, you have no choice but to rein in your expenditures and pare down your debts.

This vote today on the previous question, the reason why we're standing in opposition, is because Republicans would like to see us include in this rule the opportunity to vote on this week's winning YouCut proposal. This proposal would prohibit funding for the droves of puzzling and flamboyant signs attributing various projects to last year's stimulus bill. Often visible along highways, these signs do not provide any meaningful information and do not create any jobs. They are the public face of an administration PR campaign that taxpayers are unwittingly financing. While the precise cost of these signs is unknown, press reports peg it in the tens of millions of dollars.

The painful sacrifice borne by families and small businesses are hugely disconnected from the status quo here in Washington. Inside this Chamber of Congress, the excessive, untargeted, and ineffective spending binge that gives us the failed stimulus is alive and kicking. But now, Madam Speaker, the American people are fed up. Across the country, from big cities to quiet suburbs to rural towns, Americans of all

backgrounds are demanding that Washington stop the wasteful spending.

Today, here in this body we will hold the seventh YouCut vote—and the American people will once again be able to see which Member of Congress hears their plea and gets the message. This week's proposal, by Representative SCHOCK of Illinois, would require agencies to report on the amount already spent on the signs. And it would recapture those funds by reducing the agencies' administrative expenses by that same amount.

Madam Speaker, America is at a crossroads. The Federal Government needs to stop spending our country out of prosperity and into a quicksand of unsustainable debt. We need to change the culture in Washington and tip the balance in the direction of savings. I urge my colleagues to vote "no" and to bring this week's YouCut proposal to a vote before the full House.

□ 1240

Mr. MCGOVERN. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, this is laughable. If we're talking about trying to reduce the deficit and get the debt under control, this is the best that we can get, you know, not putting up signs? I mean, how about paying for the tax cuts for the rich that my friends on the other side of the aisle passed? Hundreds of billions of dollars in debt that you put on the backs of my kids and my grandkids so that the wealthiest of the wealthy in this country can get a tax break? Why don't you pay for that, if you want to get this deficit or this debt under control? Signs, that's the best we can do?

Again, with respect to the distinguished minority whip, who I heard again beat up on the stimulus package, it's funny that he beats up on the stimulus package here, but when he goes home, he holds a job fair that so everybody can take advantage of the of the stimulus package. Employer after employer after employer in the gentleman from Virginia's district has received money from the stimulus package so they can create more jobs, and the gentleman takes credit for it, and so do a great many people on the other side of the aisle.

I find it somewhat hypocritical that on one hand we're here saying, "We don't like it," but when you go back home, you tell everybody, "Oh, this is what I'm doing for you."

But if you want to get serious about reducing our deficit, we have a bipartisan commission set up to try to make recommendations to this Congress. We need to do it holistically. It's going to be tough. We all want to do it. But to come up and say, "Oh, you know, our suggestion is to eliminate the signs on projects that benefit from money from the Recovery and Reinvestment Act," I think that's just silly.

I would urge my colleagues again to remember the underlying bill that we're talking about, this telework bill, will save tens of millions of dollars for the taxpayers. Those tens of millions of dollars I would bet is a lot more than the signs and could be put toward deficit reduction or could be put toward what I think needs to happen right now, which is that we need to extend unemployment benefits to those who are struggling in this difficult economy. Unfortunately, my Republican friends don't agree to that, and they are blocking it in the Senate.

I reserve the balance of my time.

Ms. FOXX. Madam Speaker, I will invite my colleague from Massachusetts, when he speaks again, to give us the citation for the study that he's talking about that shows that this bill will save tens of millions of dollars. I have done a little research on it myself, and I will be talking about that study. But I would invite him to prove to the American people that this will save money.

And I want to point out to him that he's poking fun at Republicans on recommending that we save money on signs, but what he was really doing is poking fun at the American people. It wasn't the Republicans on this side of the aisle who came up with this. It's the American people who voted on this, and the American people understand the biblical admonition, If you are a good steward of small things, you will be a good steward of big things. We should start where we can save money. And I agree with the people. This is a good place to start.

With that, I yield 3 minutes to my colleague from Illinois (Mr. SCHOCK).

Mr. SCHOCK. I thank my good friend, Dr. FOXX, for the time here today.

Madam Speaker, at the President's first news conference after his first official Cabinet meeting, he addressed the Nation, and he said that he was asking his agency heads to come together and collectively come up with \$100 million in savings that they could bring forward for this next budget year to eliminate over last year's spending. His quote was, "We've got to earn their trust." The President said, "They've got to feel confident that their dollars are being spent wisely." I couldn't agree with the President any more.

So that is really what today is about. We bring forward House Resolution 5679, which is really quite simple. It says we don't need to tell the American people with propaganda signs that we're spending their tax dollars wisely. More specifically, we don't need to put up road signs all over the country when we're doing paving projects at the tune of hundreds, sometimes thousands. We've found signs that cost over \$10,000 apiece simply to say this is your tax dollars at work.

First of all, I would suggest to you that it's an insult to the intelligence of

my taxpayers to suggest that they drive by a public works project and think that anyone other than they, as taxpayers, are paying for it. Second, I would suggest to you that this is a dangerous precedent. Think if every unit of government, from your school board, your township officials, your State government, your Federal Government put a label on everything that they were using to spend your tax dollars on. The unnecessary bureaucratic expense, the unnecessary overhead that it creates.

We have found in 1 year since the stimulus bill was passed that we have spent over \$20 million just on signs. The Illinois Department of Transportation, in my home State, has spent over \$650,000 on signs. The State of Ohio reports they've spent over \$1 million just on signs—not creating jobs, not the infrastructure that was promised, not to lower unemployment, but rather a bunch of sheet metal along the road.

This is not only the financially smart thing to do. I would argue it's the environmentally right thing to do. And then my friends on the other side of the aisle stand up and suggest, well, gee, you know, AARON, it's only \$20 million. The estimates, if we don't stop doing this, are that by the time the stimulus program has run its course, we will spend \$192 million on these signs. Now, I don't know about you, but whether you supported the stimulus program or you voted against the stimulus program, I hope we can come together and say, You know what? At the end of the day, this \$192 million, this \$20 million that's already been spent, would better be spent on road projects, on filling potholes, on fixing bridges, on something that we can show for that we're going to ask the next generation of Americans to pay for. And that's all we're doing. We're saying, from this day forward, you can't spend money on signs. Put it into the infrastructure.

Mr. MCGOVERN. Madam Speaker, again, I am always interested in what my colleagues have to say today. But where were they when President Bush and the administration sent out a press release on the prescription drug bill that they didn't pay for that cost millions and millions of dollars to all the senior citizens of this country? There was silence. And if we want to have a serious discussion about deficit reduction, which I think we should, this is where we begin? Why don't we talk about paying for the Bush tax cuts for the rich? Why not offset those tax cuts? Why not pay for them? Why not have that discussion? My friends talk about the deficit, but they didn't have any problem adding hundreds of billions of dollars onto the credit card for the prescription drug bill. They didn't think it was important to pay for it.

Under the Democratic leadership, we're abiding by PAYGO. We're paying

for things as we go forward. My friends on the other side of the aisle, when they were in charge, they didn't do that. That's one of the reasons why we're in such trouble right now. But if you really want to reduce the deficit in this country, if you really want to get at the debt, if you really want to do this right, then we need a serious discussion; and the President, I think, has taken the first step toward that discussion by putting together a bipartisan commission to figure out how we do this.

And you know what? The recommendations are going to be such that none of us are going to like them, and we are going to have to make some tough decisions, and hopefully we'll do it together. If not, we'll do it alone. But I think the fact of the matter is getting the deficit under control is a priority. But I'll tell you this: You're not going to get the deficit under control unless you get the economy back on track, unless you put people back to work.

And I really regret that my friends on the other side of the aisle, every chance they get, try to undercut this President's economic agenda to try to create and incentivize more jobs. Every chance, every single chance, they object or they try to obstruct. Again, I will go back to what I said earlier. They come on the floor and they decry the American Recovery and Reinvestment Act, but then they go back to their districts and they do press conferences and they do press releases and they take all kinds of bows for all the money that they voted against. A lot of that money, Madam Speaker, is creating jobs in their districts. And the reason why, I guess, they're taking bows is because they see that some of the help to some of the small businesses and to some of their manufacturers and to some of the States and cities and towns for building their infrastructure is important to job creation.

So, again, let's get back to what we're here to talk about, which is this telework bill, which I think will save the Federal Government a great deal of money. I'm not the only one who thinks that. There are others in the private sector and in the public sector that have made the argument that if we do this right, we could save not just tens of millions of dollars but maybe hundreds of millions of dollars, and I think that's a good step for us to take. If my friends on the other side of the aisle don't want to take that step, fine. They can do what they usually do and obstruct everything. But this is good for the taxpayers of this country, and I hope that it passes with an overwhelming margin.

I reserve the balance of my time.

□ 1250

Ms. FOXX. Madam Speaker, I just want to point out to my colleague from

Massachusetts that the Republicans can't obstruct the President's effort because we are in the minority. And we don't have to obstruct him anyway because they've all failed. Nothing has worked that the President and our friends across the aisle have tried, and so they're going to fail of their own weight.

Madam Speaker, I yield 2 minutes to my colleague from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Madam Speaker, I agree with my colleague from Massachusetts that we need to get this economy back on track, but you don't get it back on track by creating the great uncertainty that your side has created in the economy, raising health care costs, raising energy costs—potentially raising energy costs—raising taxes. Businesses aren't going to invest when there's this much uncertainty out there. And I hear it every single day from my colleagues from around the country, from businesses that I speak to.

But what we can do is start to find out ways to cut wasteful spending. And I support Mr. SCHOCK from Illinois's proposal today to cut the wasteful spending on these signs that are across this country. \$20 million. They're not creating a single job. They're not improving safety in this country. In fact, as my colleague said, I find it silly that this administration is spending \$20 million on signs.

In my State of Pennsylvania, which has more structurally deficient bridges than any other State in the Nation, we could take these \$20 million and apply it to some of these bridges in Pennsylvania and across this country. And I'll just point out three of them in Pennsylvania, while I'm sure there are hundreds if not thousands across this country:

\$1.1 million to replace the Bolden Ridge Bridge in Fayette County, a project that would create 33 jobs and improve safety for the traveling public;

\$3 million to replace the Fair Grounds Bridge in Somerset County, Pennsylvania, a project that would create 92 jobs and, again, improve safety for our citizens;

And, finally, \$5.5 million to repair a sinkhole that's occurring in Huntington County, Pennsylvania, that is going to pose a serious risk to the traveling public in Huntington County, Pennsylvania, and those people that cross that road. \$5.5 million will create 167 jobs, and it will make our roadways safer.

These projects will create jobs. They will improve our infrastructure. And most importantly, they'll improve safety.

So I ask my colleagues on the other side to stand up with us today and say, let's stop this silliness. Let's stop spending \$20 million on these signs that aren't creating jobs and are not

ing more than propaganda. So I ask them to support my colleague's, Mr. SCHOCK, H.R. 5679.

Mr. MCGOVERN. Madam Speaker, I'm a little bit confused. I don't know whether the gentleman supports the stimulus package or opposes the stimulus package.

On one hand, you know, Pennsylvania was one of the top recipients of aid from the American Recovery and Reinvestment Act. A lot of bridges are being repaired; a lot of highways are being fixed. Does the gentleman want to take that money back? Does he think that the people who worked on constructing those bridges and building those roads are somehow, those jobs aren't worth it?

The fact of the matter is, you know, it's another example of where, on one hand, my colleagues are saying we want more money for bridges and roads and infrastructure. And the very bill that delivered a lot more money for bridges and roads, they all voted against.

So I would again urge my colleagues to be consistent. And I would also urge them to support the underlying bill, this telework bill, which I think will save the taxpayers millions and millions of dollars.

Mr. SHUSTER. Will the gentleman yield?

Mr. MCGOVERN. I'm happy to yield to the gentleman.

Mr. SHUSTER. When we did the stimulus bill, we spent money on all different kinds of programs, many of which don't create jobs. Only 8 percent went to infrastructure in this country, 8 percent, which is a very small amount.

Mr. MCGOVERN. I reclaim my time. But the fact of the matter is a lot of infrastructure projects are going on in Pennsylvania right now. And the people who are working on those jobs are happy to have a job. And the people who run the State are happy that they are able to make some improvements because States have been suffering greatly as a result of this economy.

So, you know, I would also point out again that, for all the talk of jobs, when they were in charge, we were losing on average 750,000 jobs a month; 750,000 jobs a month we were losing when they were in charge.

We're now gaining jobs, not as many as we would like, but we're moving in a different direction. I don't want to go backwards. I don't want to go backwards to 22 consecutive months of job loss.

Barack Obama has created more jobs in 1 year than George Bush created in 8 years, and that is a fact. And so to all my colleagues who are talking about jobs, here's your choice: you can go backwards and experience once again historic job losses, or you can stick with this economic agenda, get through this difficult time, put people

back to work, get this economy moving again and start paying down our debt.

Madam Speaker, I reserve the balance of my time.

Ms. FOXX. Madam Speaker, my colleague again is very selectively using statistics. He knows that he cannot back up the data that says that in the first year of President Obama's administration he has created more jobs than in all the Bush administration.

I have this chart which shows the unemployment rate under President Obama, under President Bush; and, again, we had many more jobs created under President Bush than have been created under President Obama, because all we've done is lose jobs under President Obama and create government jobs.

That's the whole issue here, Madam Speaker. We've lost four million jobs since President Obama took office. That's it.

And, you know, my colleague across the aisle says we need to be consistent. Well, he should be consistent. This will bring savings immediately, what we're proposing. What he's talking about might bring savings 30 years down the road. In fact, the study that I asked him to talk about, there's no study, Madam Speaker. I asked for a copy of the study. You know what it is? An article that was in the newspaper last February when we shut the government down, or the Democrats shut the government down for a week. They were losing \$100 million a day. But they found out 30 percent of the people were logging into their computers, so they call that a savings of \$30 million per day.

Listen, the American people are tired of that kind of thing being passed off as a study. There is no study.

Madam Speaker, this bill does not need to be passed. This rule does not need to be passed.

The SPEAKER pro tempore. The time of the gentlewoman has expired.

Mr. MCGOVERN. Madam Speaker, I yield the gentlelady an additional 20 seconds to finish her statement.

Ms. FOXX. Madam Speaker, I ask unanimous consent that the text of the amendment and extraneous material be placed in the RECORD prior to the vote on the previous question.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from North Carolina?

There was no objection.

Mr. MCGOVERN. Madam Speaker, how much time do I have remaining?

The SPEAKER pro tempore. The gentleman has 8 minutes remaining.

Mr. MCGOVERN. Madam Speaker, I won't take the full 8 minutes, but I again want to point out a couple of facts to my colleagues here. We are faced with a very difficult economy, and this is an economy that President Obama inherited. He is trying to dig this economy out of the ditch that my

friends on the other side of the aisle dug us into. It is not easy, and it's not going to happen overnight.

But it is a fact that Barack Obama has created more jobs in 1 year than George Bush created in 8 years. We were losing hundreds of thousands of jobs on average each month when President Bush was in office. We are now gaining jobs; not as many as we would like, not as fast as we would like, but we are moving in a very different direction. We're moving in the direction where we are creating more jobs, and we're moving toward a healthier economy. That is just the fact.

And the question is, Do we try to work with this administration to get this economy back on a strong footing, or are we going to try to obstruct everything and root for failure?

I mean, my friends on the other side of the aisle, their whole kind of, their whole platform is based on this President failing, on this economy failing. How cynical can you get?

The fact is, we have a lot of work to do, and we need to focus on jobs. Jobs is the issue. We need to extend unemployment benefits to those who have lost their jobs, mostly through no fault of their own.

□ 1300

We need to help them get through this difficult time. I regret that my Republican friends in the Senate continue to obstruct the extension of unemployment benefits. I hope nobody goes home for an August recess until unemployment benefits are extended.

My friends say we can't afford to pay for it. Can't afford to pay to help people in our own country. Yet last week \$33 billion in borrowed money for nation building that supports a corrupt government in Afghanistan. They all support it. No questions asked. All borrowed money. And I get it. You know, if you think it's important, fine. But if nation building in Afghanistan is important, a little bit more nation building here in the United States of America is important.

We have to take care of our people here who are experiencing very difficult times because of the troubled economy. We just can't sit here and bicker and bicker and bicker and let people lose their homes and let people not be able to pay their bills or put food on their table.

The fact of the matter is, Madam Speaker, this President has accomplished a great deal in a very short time. And my expectation is that if we continue to follow his economic agenda, that we will see this economy get on stronger footing. The bill that's before us, the telework bill, I think is a good bill. It will save the taxpayers lots of money. IBM, a private-sector company, says it saved them tens of millions of dollars each year. If it can

save IBM tens of millions of dollars each year, it ought to save the Federal Government hundreds of millions. Let us take that money, put it toward deficit reduction or put it toward helping our people who are in deep trouble as this economy tries to recover.

Madam Speaker, I would close by urging my colleagues to support the rule. I would urge a "yes" vote on the previous question on the rule.

The material previously referred to by Ms. FOXX is as follows:

AMENDMENT TO H. RES. 1509 OFFERED BY MS. FOXX OF NORTH CAROLINA

At the end of the resolution add the following new section:

SEC. 4. Immediately upon the adoption of this resolution the Speaker shall, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 5679) to prevent funding from the American Recovery and Reinvestment Act of 2009 from being used for physical signage indicating that a project is funded by such Act, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the Majority Leader and the Minority Leader or their respective designees. After general debate the bill shall be considered for amendment under the five-minute rule. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII. Amendments so printed shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. If the Committee of the Whole rises and reports that it has come to no resolution on the bill, then on the next legislative day the House shall, immediately after the third daily order of business under clause 1 of rule XIV, resolve into the Committee of the Whole for further consideration of the bill. Clause 1(c) of rule XIX shall not apply to the consideration of H.R. 5679.

(The information contained herein was provided by Democratic Minority on multiple occasions throughout the 109th Congress.)

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Democratic majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's Precedents of the House of Representatives, (VI, 308-311) describes the vote on the previous question on the rule as "a motion to direct or control the

consideration of the subject before the House being made by the Member in charge." To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's ruling of January 13, 1920, to the effect that "the refusal of the House to sustain the demand for the previous question passes the control of the resolution to the opposition" in order to offer an amendment. On March 15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the opposition rose to a parliamentary inquiry, asking who was entitled to recognition. Speaker Joseph G. Cannon (R-Illinois) said: "The previous question having been refused, the gentleman from New York, Mr. Fitzgerald, who had asked the gentleman to yield to him for an amendment, is entitled to the first recognition."

Because the vote today may look bad for the Democratic majority they will say "the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution . . . [and] has no substantive legislative or policy implications whatsoever." But that is not what they have always said. Listen to the definition of the previous question used in the Floor Procedures Manual published by the Rules Committee in the 109th Congress, (page 56). Here's how the Rules Committee described the rule using information from Congressional Quarterly's "American Congressional Dictionary": "If the previous question is defeated, control of debate shifts to the leading opposition member (usually the minority Floor Manager) who then manages an hour of debate and may offer a germane amendment to the pending business."

Deschler's Procedure in the U.S. House of Representatives, the subchapter titled "Amending Special Rules" states: "a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate." (Chapter 21, section 21.2) Section 21.3 continues: "Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon."

Clearly, the vote on the previous question on a rule does have substantive policy implications. It is one of the only available tools for those who oppose the Democratic majority's agenda and allows those with alternative views the opportunity to offer an alternative plan.

Mr. MCGOVERN. I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Ms. FOXX. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 and clause 9 of rule XX, this 15-minute vote on ordering the previous question will be followed by 5-minute votes on adopting House Resolution 1509, if ordered; and suspending the rules and passing H.R. 2864.

The vote was taken by electronic device, and there were—yeas 232, nays 184, not voting 16, as follows:

[Roll No. 437]

YEAS—232

Ackerman
Adler (NJ)
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
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Bean
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Berkley
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Boyd
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Cardoza
Carnahan
Carney
Carson (IN)
Castor (FL)
Chandler
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Clarke
Clay
Cleaver
Clyburn
Cohen
Connolly (VA)
Conyers
Cooper
Costa
Costello
Courtney
Critz
Crowley
Cuellar
Dahlkemper
Davis (AL)
Davis (CA)
Davis (IL)
Davis (TN)
DeFazio
DeGette
DeLauro
Dicks
Dingell
Doggett
Donnelly (IN)
Doyle
Driehaus
Edwards (MD)
Edwards (TX)
Ellison
Ellsworth
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Foster
Frank (MA)
Fudge
Gonzalez
Gordon (TN)
Grayson

Green, Al
Green, Gene
Gutierrez
Hall (NY)
Halvorson
Hare
Harman
Heinrich
Herseth Sandlin
Higgins
Himes
Hinchey
Hirono
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Honda
Boccieri
Inslee
Israel
Jackson (IL)
Jackson Lee
(TX)
Johnson (GA)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick (MI)
Kilroy
Kind
Kissell
Klein (FL)
Kosmas
Kucinich
Langevin
Larsen (WA)
Larson (CT)
Lee (CA)
Levin
Lewis (GA)
Lipinski
Loebach
Lofgren, Zoe
Lowey
Lujan
Lynch
Maffei
Maloney
Markey (CO)
Markey (MA)
Matheson
Matsui
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McMahon
McNerney
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Nadler (NY)
Napolitano
Neal (MA)
Oberstar

Obey
Oliver
Ortiz
Owens
Pallone
Pascarelli
Pastor (AZ)
Payne
Perlmutter
Perrillo
Peters
Peterson
Pingree (ME)
Polis (CO)
Pomeroy
Price (NC)
Quigley
Rahall
Hoyer
Rangel
Reyes
Richardson
Rodriguez
Ross
Rothman (NJ)
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sanchez, Loretta
Sarbanes
Schakowsky
Schauer
Schiff
Schradner
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (WA)
Snyder
Speier
Spratt
Stark
Stupak
Sutton
Tanner
Teague
Thompson (CA)
Thompson (MS)
Tierney
Titus
Tonko
Townsend
Tsongas
Van Hollen
Velázquez
Visclosky
Walz
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Wilson (OH)
Woolsey
Wu
Yarmuth

Brown-Waite,
Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp
Campbell
Cantor
Cao
Capito
Carter
Cassidy
Castle
Chaffetz
Childers
Coble
Coffman (CO)
Cole
Conaway
Crenshaw
Culberson
Davis (KY)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Djou
Dreier
Duncan
Ehlers
Emerson
Fallin
Flake
Fleming
Forbes
Fortenberry
Foxy
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Giffords
Gingrey (GA)
Gohmert
Goodlatte
Granger
Graves (GA)
Graves (MO)
Griffith
Guthrie
Hall (TX)
Harper
Hastings (WA)

Heller
Hensarling
Herger
Hill
Hunter
Inglis
Issa
Jenkins
Johnson (IL)
Johnson, Sam
Jones
Jordan (OH)
King (IA)
King (NY)
Kingston
Kirk
Kirkpatrick (AZ)
Kline (MN)
Kratovil
Lamborn
Lance
Latham
LaTourette
Latta
Lee (NY)
Lewis (CA)
Linder
LoBiondo
Lucas
Luetkemeyer
Lummis
Lungren, Daniel
E.
Mack
Manzullo
Marchant
McCarthy (CA)
McCaul
McClintock
McCotter
McHenry
McKeon
McMorris
Rodgers
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Minnick
Mitchell
Moran (KS)
Murphy, Tim
Myrick
Neugebauer
Nunes

Bachus
Capuano
Cummings
Delahunt
Deutch
Garamendi

NOT VOTING—16

□ 1329

Mrs. CAPITO, Messrs. BARTON of Texas, CRENSHAW, LUETKEMEYER, and ISSA changed their vote from "yea" to "nay."

Ms. SPEIER changed her vote from "nay" to "yea."

So the previous question was ordered. The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Ms. FOXX. Madam Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 238, noes 180, not voting 14, as follows:

Aderholt
Akin
Alexander
Austria
Bachmann
Barrett (SC)
Bartlett
Barton (TX)

Biggert
Billbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner

Bono Mack
Boozman
Boustany
Brady (TX)
Bright
Broun (GA)
Brown (SC)

Olson
Sánchez, Linda
T.
Tiahrt
Whitfield

[Roll No. 438]

AYES—238

Ackerman
Adler (NJ)
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Bocieri
Boren
Boswell
Boucher
Boyd
Brady (PA)
Braley (IA)
Bright
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carney
Carson (IN)
Castor (FL)
Chandler
Chu
Clarke
Clay
Cleaver
Clyburn
Cohen
Connolly (VA)
Conyers
Cooper
Costa
Costello
Courtney
Critz
Crowley
Cuellar
Cummings
Dahlkemper
Davis (AL)
Davis (CA)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Donnelly (IN)
Doyle
Driehaus
Edwards (MD)
Edwards (TX)
Ellison
Ellsworth
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Foster
Frank (MA)
Fudge
Garamendi

Gonzalez
Gordon (TN)
Grayson
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Heinrich
Herseth Sandlin
Higgins
Himes
Hinchev
Hirono
Hodes
Holden
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson Lee
(TX)
Johnson (GA)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick (MI)
Kilroy
Kind
Kirkpatrick (AZ)
Kissell
Klein (FL)
Kosmas
Kucinich
Langevin
Larsen (WA)
Larson (CT)
Lee (CA)
Levin
Lewis (GA)
Lipinski
Loeb sack
Lofgren, Zoe
Lowey
Lujan
Lynch
Maffei
Maloney
Markey (CO)
Markey (MA)
Matheson
Matsui
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNerney
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Nadler (NY)
Napolitano
Neal (MA)

Nye
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor (AZ)
Payne
Perlmutter
Perriello
Peters
Peterson
Pingree (ME)
Polis (CO)
Pomeroy
Price (NC)
Quigley
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Rothman (NJ)
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sanchez, Loretta
Sarbanes
Schakowsky
Schauer
Schiff
Schradler
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Space
Speier
Spratt
Stark
Stupak
Sutton
Tanner
Teague
Thompson (CA)
Thompson (MS)
Tierney
Titus
Tonko
Towns
Tsongas
Van Hollen
Velázquez
Visclosky
Walz
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Wilson (OH)
Wolf
Woolsey
Wu
Yarmuth

NOES—180

Aderholt
Akin
Alexander
Austria
Bachmann
Barrett (SC)
Bartlett
Barton (TX)
Biggart
Bilbray

Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono Mack
Boozman
Boustany
Brady (TX)

Broun (GA)
Brown (SC)
Brown-Waite,
Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp

Campbell
Cantor
Cao
Capito
Carter
Cassidy
Castle
Chaffetz
Jones
Childers
Coble
Coffman (CO)
Cole
Conaway
Crenshaw
Culberson
Davis (KY)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Djou
Dreier
Duncan
Ehlers
Emerson
Fallin
Flake
Fleming
Forbes
Fortenberry
Foxy
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Giffords
Gingrey (GA)
Gohmert
Goodlatte
Granger
Graves (GA)
Graves (MO)
Griffith
Guthrie
Hall (TX)
Halvorson
Harper
Hastings (WA)
Heller
Hensarling
Herger

Hill
Hunter
Inglis
Issa
Jenkins
Johnson (IL)
Johnson, Sam
Jordan (OH)
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Kratovil
Lamborn
Lance
Latham
LaTourette
Latta
Lee (NY)
Lewis (CA)
Linder
LoBiondo
Lucas
Luetkemeyer
Lummis
Lungren, Daniel
E.
Mack
Manzullo
Marchant
McCarthy (CA)
McCaul
McClintock
McCotter
McHenry
McMorris
McMorris
Rodgers
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Minnick
Mitchell
Moran (KS)
Murphy, Tim
Myrick
Neugebauer
Nunes
Paul

Paulsen
Pence
Petri
Pitts
Platts
Poe (TX)
Posey
Price (GA)
Putnam
Radanovich
Rehberg
Reichert
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rooney
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Scalise
Schmidt
Schock
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuler
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Stearns
Sullivan
Taylor
Terry
Thompson (PA)
Thornberry
Tiberi
Turner
Upton
Walden
Wamp
Westmoreland
Wilson (SC)
Wittman
Young (AK)
Young (FL)

NOT VOTING—14

Bachus
Deutch
Hastings (FL)
Hinojosa
Hoekstra

Kagen
Marshall
McKeon
McMahon
Olson

Sánchez, Linda
T.
Sires
Tiahrt
Whitfield

□ 1338

Mr. REICHERT changed his vote from “aye” to “no.”

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. MCMAHON. Madam Speaker, on rollcall No. 438, had I been present, I would have voted “yes.”

AUTHORIZING HYDROGRAPHIC SERVICES FOR LOSS OF ICE IN ARCTIC

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and pass the bill (H.R. 2864) to amend the Hydrographic Services Improvement Act of 1998 to authorize funds to acquire hydrographic data and provide hydrographic services specific to the Arctic for safe navigation, delineating the United States extended continental shelf, and the monitoring of coastal

changes, as amended, on which the yeas and nays were ordered.

The Clerks read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Guam (Ms. BORDALLO) that the House suspend the rules and pass the bill, as amended.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 420, nays 0, not voting 12, as follows:

[Roll No. 439]

YEAS—420

Ackerman
Aderholt
Adler (NJ)
Akin
Alexander
Altmire
Arcuri
Austria
Baca
Bachmann
Baird
Baldwin
Barrett (SC)
Barrow
Bartlett
Barton (TX)
Bean
Becerra
Berkley
Berman
Berry
Biggart
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Bocieri
Boehner
Bonner
Bono Mack
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Brady (PA)
Braley (IA)
Bright
Broun (GA)
Brown (SC)
Brown, Corrine
Brown-Waite,
Ginny
Buchanan
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp
Campbell
Cantor
Cao
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Carson (IN)
Carter
Cassidy
Castle
Castor (FL)
Chaffetz
Chandler
Childers
Chu
Clarke
Clay
Cleaver
Clyburn

Coble
Coffman (CO)
Cohen
Cole
Conaway
Connolly (VA)
Cooper
Costa
Costello
Courtney
Crenshaw
Critz
Crowley
Cuellar
Culberson
Cummings
Dahlkemper
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Djou
Doggett
Donnelly (IN)
Doyle
Dreier
Driehaus
Duncan
Edwards (MD)
Edwards (TX)
Ehlers
Ellison
Ellsworth
Emerson
Engel
Eshoo
Etheridge
Fallin
Farr
Fattah
Filner
Flake
Fleming
Forbes
Fortenberry
Foster
Foxy
Frank (MA)
Franks (AZ)
Frelinghuysen
Fudge
Gallegly
Garamendi
Garrett (NJ)
Gerlach
Giffords
Gingrey (GA)
Gohmert
Gonzalez
Goodlatte
Gordon (TN)
Granger
Graves (GA)
Graves (MO)
Grayson
Green, Al
Green, Gene

Griffith
Grijalva
Guthrie
Gutierrez
Hall (NY)
Hall (TX)
Halvorson
Hare
Harman
Harper
Hastings (WA)
Heinrich
Heller
Hensarling
Herger
Herseth Sandlin
Higgins
Hill
Himes
Hinchev
Hirono
Hodes
Holden
Holt
Honda
Hoyer
Hunter
Inglis
Inslee
Israel
Issa
Jackson (IL)
Jackson Lee
(TX)
Jenkins
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones
Jordan (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick (MI)
Kilroy
Kind
King (IA)
King (NY)
Kingston
Kirk
Kirkpatrick (AZ)
Kissell
Klein (FL)
Kline (MN)
Kosmas
Kratovil
Kucinich
Lamborn
Lance
Langevin
Larsen (WA)
Larson (CT)
Latham
LaTourette
Latta
Lee (CA)
Lee (NY)
Levin
Lewis (CA)
Lewis (GA)
Linder
Lipinski
LoBiondo
Loeb sack
Lofgren, Zoe

Lowey	Owens	Shadegg
Lucas	Pallone	Shea-Porter
Luetkemeyer	Pascarella	Sherman
Luján	Pastor (AZ)	Shimkus
Lummis	Paul	Shuler
Lungren, Daniel	Paulsen	Shuster
E.	Payne	Simpson
Lynch	Pence	Sires
Mack	Perlmuter	Skelton
Maffei	Perriello	Slaughter
Maloney	Peters	Smith (NE)
Manzullo	Peterson	Smith (NJ)
Marchant	Petri	Smith (TX)
Markey (CO)	Pingree (ME)	Smith (WA)
Markey (MA)	Pitts	Snyder
Marshall	Platts	Space
Matheson	Poe (TX)	Speier
Matsui	Polis (CO)	Spratt
McCarthy (CA)	Pomeroy	Stark
McCarthy (NY)	Posey	Stearns
McCaul	Price (CA)	Stupak
McClintock	Price (NC)	Sullivan
McCollum	Putnam	Sutton
McCotter	Quigley	Tanner
McDermott	Radanovich	Taylor
McGovern	Rahall	Teague
McHenry	Rangel	Terry
McIntyre	Rehberg	Thompson (CA)
McKeon	Reichert	Thompson (MS)
McMahon	Reyes	Thompson (PA)
McMorris	Richardson	Thornberry
Rodgers	Rodriguez	Tiberi
McNerney	Roe (TN)	Tierney
Meek (FL)	Rogers (AL)	Titus
Meeks (NY)	Rogers (KY)	Tonko
Melancon	Rogers (MI)	Towns
Mica	Rohrabacher	Tsongas
Michaud	Rooney	Turner
Miller (FL)	Ros-Lehtinen	Upton
Miller (MI)	Roskam	Van Hollen
Miller (NC)	Ross	Velázquez
Miller, Gary	Rothman (NJ)	Visclosky
Miller, George	Roybal-Allard	Walden
Minnick	Royce	Walz
Mitchell	Ruppersberger	Wamp
Mollohan	Rush	Wasserman
Moore (KS)	Ryan (OH)	Schultz
Moore (WI)	Ryan (WI)	Waters
Moran (KS)	Salazar	Watson
Moran (VA)	Sanchez, Loretta	Watt
Murphy (CT)	Sarbanes	Waxman
Murphy (NY)	Scalise	Weiner
Murphy, Patrick	Schakowsky	Welch
Murphy, Tim	Schauer	Westmoreland
Myrick	Schiff	Whitfield
Nadler (NY)	Schmidt	Wilson (OH)
Napolitano	Schock	Wilson (SC)
Neal (MA)	Schrader	Wittman
Neugebauer	Schwartz	Wolf
Nunes	Scott (GA)	Woolsey
Nye	Scott (VA)	Wu
Oberstar	Sensenbrenner	Yarmuth
Obey	Serrano	Young (AK)
Oliver	Sessions	Young (FL)
Ortiz	Sestak	

NOT VOTING—12

Andrews	Hastings (FL)	Sánchez, Linda
Bachus	Hinojosa	T.
Brady (TX)	Hoekstra	Tiahrt
Conyers	Kagen	
Deutch	Olson	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining in this vote.

□ 1346

So (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. BACHUS. Madam Speaker, on July 14, 2010, I missed rollcall votes 437, 438 and 439

while visiting with World War II veterans from my district at the National World War II Memorial as part of the Birmingham Honor Flight program. Had I been present, I would have voted "nay" on Nos. 437 and 438 and voted "yea" on No. 439.

TELEWORK IMPROVEMENTS ACT
OF 2010

Mr. LYNCH. Madam Speaker, pursuant to House Resolution 1509, I call up the bill (H.R. 1722) to improve teleworking in executive agencies by developing a telework program that allows employees to telework at least 20 percent of the hours worked in every 2 administrative workweeks, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 1509, the amendment in the nature of a substitute printed in the bill, modified by the amendment printed in House Report 111-535, is adopted and the bill, as amended, is considered read.

The text of the bill, as amended, is as follows:

H.R. 1722

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Telework Improvements Act of 2010".

SEC. 2. TELEWORK.

(a) IN GENERAL.—Part III of title 5, United States Code, is amended by inserting after chapter 63 the following:

"CHAPTER 65—TELEWORK

"Sec.

"6501. Definitions.

"6502. Governmentwide telework requirement.

"6503. Implementation.

"6504. Telework Managing Officer.

"6505. Evaluating telework in agencies.

"§6501. Definitions

"For purposes of this chapter—

"(1) the term 'agency' means an Executive agency (as defined by section 105), except as otherwise provided in this chapter;

"(2) the term 'telework' or 'teleworking' refers to a work flexibility arrangement under which an employee performs the duties and responsibilities of such employee's position, and other authorized activities, from an approved worksite other than the location from which the employee would otherwise work;

"(3) the term 'continuity of operations', as used with respect to an agency, refers to measures designed to ensure that functions essential to the mission of the agency can continue to be performed during a wide range of emergencies, including localized acts of nature, accidents, public health emergencies, and technological or attack-related emergencies; and

"(4) the term 'Telework Managing Officer' means, with respect to an agency, the Telework Managing Officer of the agency designated under section 6504.

"§6502. Governmentwide telework requirement

"(a) TELEWORK REQUIREMENT.—

"(1) IN GENERAL.—Not later than one year after the date of the enactment of this chapter, the head of each agency shall establish a policy

under which employees shall be authorized to telework, subject to paragraph (2) and subsection (b).

"(2) AGENCY POLICIES.—The head of each agency shall ensure—

"(A) that the telework policy established under this section—

"(i) conforms to the regulations promulgated by the Director of the Office of Personnel Management under section 6503, and

"(ii) authorizes employees to telework to the maximum extent possible without diminishing agency operations and performance; and

"(B) that information on whether a position is eligible for telework is included in descriptions of available positions and recruiting materials."

"(b) PROVISIONS RELATING TO CERTAIN CIRCUMSTANCES.—Nothing in subsection (a) shall be considered—

"(1) to require the head of an agency to authorize teleworking in the case of an employee whose duties and responsibilities—

"(A) require daily direct handling of classified information; or

"(B) are such that their performance requires on-site activity which cannot be carried out from a site removed from the employee's regular place of employment; or

"(2) to prevent the temporary denial of permission for an employee to telework if, in the judgment of the agency head, the employee is needed to respond to an emergency.

"(c) RULE OF CONSTRUCTION.—Nothing in this chapter shall—

"(1) be considered to require any employee to telework;

"(2) prevent an agency from permitting an employee to telework as part of a continuity of operations plan; or

"(3) authorize telework by an employee who has been officially disciplined for violations of subpart G of the Standards of Ethical Conduct for Employees of the Executive Branch for viewing, downloading, or exchanging pornography, including child pornography."

"§6503. Implementation

"(a) RESPONSIBILITIES OF AGENCIES.—The head of each agency shall ensure that—

"(1) appropriate training is provided to supervisors and managers, and to all employees who are authorized to telework, as directed by the Telework Managing Officer of such agency;

"(2) the training covers the information security guidelines issued by the Director of the Office of Management and Budget under this section;

"(3) no distinction is made between teleworkers and nonteleworkers for purposes of—

"(A) periodic appraisals of job performance of employees,

"(B) training, rewarding, reassigning, promoting, reducing in grade, retaining, or removing employees,

"(C) work requirements, or

"(D) other acts involving managerial discretion;

"(4) in determining what constitutes diminished performance in the case of an employee who teleworks, the agency shall consult the performance management guidelines of the Office of Personnel Management; and

"(5) in the case of an agency which is named in paragraph (1) or (2) of section 901(b) of title 31, the agency incorporates telework in its continuity of operations plans and uses telework in response to emergencies.

"(b) RESPONSIBILITIES OF OPM.—The Director of the Office of Personnel Management shall—

"(1) not later than 180 days after the date of the enactment of this chapter, in consultation with the Administrator of General Services, promulgate regulations necessary to carry out this chapter, except that such regulations shall not

apply with respect to the Government Accountability Office;

“(2) provide advice, assistance, and any necessary training to agencies with respect to the requirements of this chapter, including with respect to—

“(A) questions of eligibility to telework, such as the effect of employee performance on eligibility, and

“(B) making telework part of the agency’s goals, including those of individual supervisors and managers; and

“(3) in consultation with the Administrator of General Services, maintain a central, publicly available telework website that includes—

“(A) any regulations relating to telework and any other information the Director considers appropriate,

“(B) an e-mail address which may be used to submit comments to the Director on agency telework programs or agreements, and

“(C) a copy of all reports issued under section 6505(a).

“(c) **SECURITY GUIDELINES.**—The Director of the Office of Management and Budget, in coordination with the National Institute of Standards and Technology, shall issue guidelines not later than 180 days after the date of the enactment of this chapter to ensure the adequacy of information and security protections for information and information systems used while teleworking. Such guidelines shall, at a minimum, include requirements necessary—

“(1) to control access to agency information and information systems;

“(2) to protect agency information (including personally identifiable information) and information systems;

“(3) to limit the introduction of vulnerabilities;

“(4) to protect information systems not under the control of the agency that are used for teleworking;

“(5) to safeguard wireless and other telecommunications capabilities that are used for teleworking; and

“(6) to prevent inappropriate use of official time or resources that violates subpart G of the Standards of Ethical Conduct for Employees of the Executive Branch by viewing, downloading, or exchanging pornography, including child pornography.”.

“§ 6504. Telework Managing Officer

“(a) **DESIGNATION AND COMPENSATION.**—Each agency shall designate an officer, to be known as the ‘Telework Managing Officer’. The Telework Managing Officer of an agency shall be designated—

“(1) by the Chief Human Capital Officer of such agency; or

“(2) if the agency does not have a Chief Human Capital Officer, by the head of such agency.

“(b) **STATUS WITHIN AGENCY.**—The Telework Managing Officer of an agency shall be a senior official of the agency who has direct access to the head of the agency.

“(c) **LIMITATIONS.**—An individual may not hold the position of Telework Managing Officer as a noncareer appointee (as defined in section 3132(a)(7)), and such position may not be considered or determined to be of a confidential, policy-determining, policy-making, or policy advocating character.

“(d) **DUTIES AND RESPONSIBILITIES.**—Each Telework Managing Officer of an agency shall—

“(1) provide advice on teleworking to the head of such agency and to the Chief Human Capital Officer of such agency (if any);

“(2) serve as a resource on teleworking for supervisors, managers, and employees of such agency;

“(3) serve as the primary point of contact on telework matters for agency employees and

(with respect to such agency) for Congress and other agencies;

“(4) work with senior management of the agency to develop and implement a plan to incorporate telework into the agency’s regular business strategies and its continuity of operations strategies, taking into consideration factors such as—

“(A) cost-effectiveness,

“(B) equipment,

“(C) training, and

“(D) data collection;

“(5) ensure that the agency’s telework policy is communicated effectively to employees;

“(6) ensure that electronic or written notification is provided to each employee of specific telework programs and the agency’s telework policy, including authorization criteria and application procedures;

“(7) develop and administer a tracking system for compliance with Governmentwide telework reporting requirements;

“(8) provide to the Director of the Office of Personnel Management and the Comptroller General such information as such individuals may require to prepare the reports required under section 6505, including the techniques used to verify and validate data on telework, except that this paragraph shall not apply with respect to the Government Accountability Office;

“(9) establish a system for receiving feedback from agency employees on the telework policy of the agency;

“(10) develop and implement a program to identify and remove barriers to telework and to maximize telework opportunities in the agency;

“(11) track and retain information on all denials of permission to telework for employees who are authorized to telework, and report such information on an annual basis to—

“(A) the Chief Human Capital Officer of such agency (or, if the agency does not have a Chief Human Capital Officer, the head of such agency), and

“(B) the Director of the Office of Personnel Management, for purposes of preparing the reports required under section 6505(a), except that this subparagraph shall not apply with respect to the Government Accountability Office;

“(12) ensure that employees are notified of grievance procedures available to them (if any) with respect to any disputes that relate to telework; and

“(13) perform such other duties and responsibilities relating to telework as the head of the agency may require.

“(e) **RULE OF CONSTRUCTION REGARDING STATUS OF TELEWORK MANAGING OFFICER.**—Nothing in this section shall be construed to prohibit an individual who holds another office or position in an agency from serving as the Telework Managing Officer for the agency under this chapter.

“§ 6505. Evaluating telework in agencies

“(a) **ANNUAL REPORT BY OPM.**—

“(1) **IN GENERAL.**—The Director of the Office of Personnel Management shall submit to the Comptroller General and the appropriate committees of Congress a report evaluating the extent to which each agency is in compliance with this chapter with respect to the period covered by the report, and shall include in the report an evaluation of each of the following:

“(A) The degree of participation by employees of the agency in teleworking during the period. In the case of an agency which is an Executive department, the evaluation will include the degree of participation by employees of each component within the department, including—

“(i) the total number of employees in the agency;

“(ii) the number and percentage of such employees who are eligible to telework; and

“(iii) the number and percentage of such employees who do telework, broken down by the number and percentage who telework 3 or more days per week, one or two days per week, and less frequently than one day per week.

“(B) The method the agency uses to gather data on telework and the techniques used to verify and validate such data.

“(C) Whether the total number of employees who telework is at least 10% higher or lower than the number who teleworked during the previous reporting period and the reasons identified for any such change.

“(D) The agency’s goal for increasing the number of employees who telework in the next reporting period.

“(E) The extent to which the agency met the goal described in subparagraph (D) for its previous report, and, if the agency failed to meet the goal, the actions the agency plans to take to meet the goal for the next reporting period.

“(F) The best practices in agency telework programs.

“(G) In the case of an agency which is named in paragraph (1) or (2) of section 901(b) of title 31, the extent to which the agency incorporated telework in its continuity of operations plans and used telework in response to emergencies.

“(2) **MINIMUM REQUIREMENT FOR COMPLIANCE.**—For purposes of the reports required under this subsection, the Director shall determine that an agency is in compliance with the requirements of this chapter if the Director finds that the agency—

“(A) reported the requested data accurately and in a timely manner; and

“(B) either met or exceeded the agency’s established telework goals, or provided explanations as to why the goals were not met as well as the steps the agency is taking to meet the goals.

“(3) **REPORTING PERIOD; TIMING.**—The Director shall submit a report under this subsection with respect to the first 1-year period for which the regulations promulgated by the Director under section 6503(b) are in effect and each of the 4 succeeding 1-year periods, and shall submit the report with respect to a period not later than 6 months after the last day of the period to which the report relates.

“(4) **EXCLUSION OF GOVERNMENT ACCOUNTABILITY OFFICE.**—The Director shall not submit a report under this subsection with respect to the Government Accountability Office.

“(b) **REPORTS BY COMPTROLLER GENERAL.**—

“(1) **EVALUATIONS OF REPORTS BY DIRECTOR OF OPM.**—Not later than 6 months after the Director submits a report under subsection (a), the Comptroller General shall review the report and submit a report to the appropriate committees of Congress. The report shall evaluate the compliance of the Office of Personnel Management and agencies with this chapter and address the overall progress of agencies in carrying out this chapter, and shall include such other information and recommendations as the Comptroller General considers appropriate.

“(2) **REPORTS ON GOVERNMENT ACCOUNTABILITY OFFICE.**—The Comptroller General shall submit a report with respect to the Government Accountability Office in the same manner and in accordance with the same requirements applicable to a report submitted by the Director with respect to any other agency under subsection (a).

“(c) **APPROPRIATE COMMITTEES OF CONGRESS DEFINED.**—In this section, the term ‘appropriate committees of Congress’ means—

“(1) the Committee on Oversight and Government Reform of the House of Representatives; and

“(2) the Committee on Homeland Security and Governmental Affairs of the Senate.”.

(b) **TECHNICAL AND CONFORMING AMENDMENTS.**—(1) The analysis for part III of title 5,

United States Code, is amended by inserting after the item relating to chapter 63 the following:

"65. Telework 6501".

(2) Section 622 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2005, as contained in the Consolidated Appropriations Act, 2005 (5 U.S.C. 6120 note) is amended by striking "designate a 'Telework Coordinator' to be" and inserting "designate a Telework Managing Officer or designate the Chief Human Capital Officer or other career employee to be".

SEC. 3. POLICY GUIDANCE.

Not later than the expiration of the 120-day period which begins on the date of the enactment of this Act, the Director of the Office of Management and Budget shall issue policy guidance requiring each Executive agency (as such term is defined in section 105 of title 5, United States Code), when purchasing computer systems, to purchase computer systems that enable and support telework, unless the head of the agency determines that there is a mission-specific reason not to do so.

SEC. 4. AUTHORITY FOR TELEWORK TRAVEL EXPENSE TEST PROGRAMS.

(a) IN GENERAL.—Subchapter I of chapter 57 of title 5, United States Code, is amended by adding at the end the following:

"§5711. Authority for telework travel expense test programs

"(a)(1) Notwithstanding any other provision of this subchapter, under a test program which the Administrator of General Services determines to be in the interest of the Government and approves, an employing agency may pay through the proper disbursing official any necessary travel expenses in lieu of any payment otherwise authorized or required under this subchapter for employees participating in a telework program. Under an approved test program, an agency may provide an employee with the option to waive any payment authorized or required under this subchapter. An agency shall include in any request to the Administrator for approval of such a test program an analysis of the expected costs and benefits and a set of criteria for evaluating the effectiveness of the program.

"(2) Any test program operated under this section shall be designed to enhance cost savings or other efficiencies that accrue to the Government.

"(3) Under any test program operated under this section, if an agency employee voluntarily relocates from the pre-existing duty station of that employee, the Administrator may authorize the employing agency to establish a reasonable maximum number of occasional visits to the pre-existing duty station before that employee is eligible for payment of any accrued travel expenses by that agency.

"(4) Nothing in this section is intended to limit the authority of any agency to conduct test programs.

"(b) The Administrator shall transmit a description of any test program approved by the Administrator under this section, and the rationale for approval, to the appropriate committees of the Congress at least 30 days before the effective date of the program.

"(c)(1) An agency authorized to conduct a test program under this section shall provide to the Administrator, the Telework Managing Officer of that agency, and the appropriate committees of Congress a report on the results of the program not later than 3 months after completion of the program.

"(2) The results in a report described under paragraph (1) may include—

"(A) the number of visits an employee makes to the pre-existing duty station of that employee;

"(B) the travel expenses paid by the agency;

"(C) the travel expenses paid by the employee; or

"(D) any other information the agency determines useful to aid the Administrator, Telework Managing Officer, and Congress in understanding the test program and the impact of the program.

"(d) No more than 10 test programs under this section may be conducted simultaneously.

"(e) The authority to conduct test programs under this section shall expire 7 years after the date of the enactment of the Telework Improvements Act of 2010.

"(f) In this section, the term 'appropriate committees of Congress' means the Committee on Oversight and Government Reform of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate."

(b) CLERICAL AMENDMENT.—The table of sections for subchapter I of chapter 57 of title 5, United States Code, is amended by adding at the end the following:

"Sec. 5711 Authority for telework travel expense test programs."

SEC. 5. TELEWORK RESEARCH.

(a) RESEARCH BY OPM ON TELEWORK.—The Director of the Office of Personnel Management shall—

(1) conduct studies on the utilization of telework by public and private sector entities that identify best practices and recommendations for the Federal government;

(2) review the outcomes associated with an increase in telework, including the effects of telework on energy consumption, the environment, job creation and availability, urban transportation patterns, and the ability to anticipate the dispersal of work during periods of emergency; and

(3) make any studies or reviews performed under this subsection available to the public.

(b) USE OF CONTRACT TO CARRY OUT RESEARCH.—The Director of the Office of Personnel Management may carry out subsection (a) pursuant to a contract entered into by the Director using competitive procedures.

The SPEAKER pro tempore. The gentleman from Massachusetts (Mr. LYNCH) and the gentleman from California (Mr. ISSA) each will control 30 minutes.

The Chair recognizes the gentleman from Massachusetts.

Mr. LYNCH. Madam Speaker, I yield myself 3 minutes.

Madam Speaker, as chairman of the House subcommittee with jurisdiction over the Federal workforce, postal service, and the District of Columbia, I'm pleased to offer H.R. 1722 for consideration. This legislation seeks to improve and expand access to telework for Federal employees in the executive branch.

The bipartisan measure before us today was introduced by Congressman JOHN SARBANES of Maryland, along with myself and Representatives FRANK WOLF, GERRY CONNOLLY of Virginia, JIM MORAN of Virginia, DUTCH RUPPERSBERGER of Maryland, and DANNY DAVIS of Illinois back in March 2009. The bill was then amended and ordered reported favorably by our subcommittee on March 24, and again shortly thereafter by the Oversight and Government Reform Committee on April 14, 2010.

□ 1350

Madam Speaker, despite the evolving nature of the way the Federal Government conducts its affairs, telework, which allows an employee to regularly perform work from a remote location other than their usual workplace, continues to be underutilized by Federal agencies. Experience has consistently demonstrated that the private and public sector employers who utilize telework experience increased productivity and retention rates. More specifically, the U.S. Patent and Trademark Office and the Defense Information Systems Agency have successfully used telework programs, which shows potentially how telework can transform and enhance agencies' customer service offerings for our citizens and do so with greater efficiency and lower costs.

H.R. 1722 provides for improvements to increase the number of Federal employees that participate in telework programs by requiring agencies to develop comprehensive telework policies within 1 year that allow authorized employees to telework and by directing the Office of Personnel Management to develop regulations on overall telework policies and to annually evaluate agency telework programs.

H.R. 1722 also seeks to elevate the importance of incorporating telework into the continuity of operations planning for our Federal agencies. For example, Office of Personnel Management Director John Berry estimated that the use of telework reduced the estimated cost of lost productivity during the recent snowstorms this past winter in the District of Columbia by approximately \$30 million per day.

I urge my colleagues on both sides of the aisle to vote in favor of moving telework forward by passing H.R. 1722, the Telework Improvement Act. This legislation has long enjoyed bipartisan support in the Oversight Committee and in the House over several Congresses and will help ensure the government operates more efficiently and effectively as a modern-day employer.

With that, I reserve the balance of my time.

Mr. ISSA. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise with serious concerns with H.R. 1722, the Telework Improvement Act. This began as a bipartisan bill, and if our one opportunity, a motion to recommit, is passed, it will have an opportunity to end as a bipartisan bill. There is no question in my mind that telework is the future. It, in fact, is the present. Virtually every Member of Congress has remote access. Virtually every Member of Congress and many of their staff carry BlackBerrys and use other tools so that we can work here and around the world. It would be just about impossible for a Member of Congress and their key staff to bounce

back and forth between their far-away districts, here on the Hill, and various meetings if we didn't have the ability to be portable in our information access. So we are not here to talk about telework as though it is a bad thing, because it can be an extremely effective tool.

We do have concerns. One of our specific concerns in the underlying legislation is, at a time in which we're borrowing nearly 40 percent of the operating cash of our government—put in another way, once you get past entitlements, everything we spend is borrowed—it would seem ridiculous that something that can save money, that is argued to save money, in fact, is not required to be at least neutral in its expenditure. This bill is expected to cost millions of dollars per year and, like most government estimates, is likely to cost far more than that if it's expanded to its logical conclusion.

So, Madam Speaker, it is my hope that as we begin offering what we were not allowed to offer under the rule, which would be any amendments that would curtail the millions of dollars in costs over 5 years or to deal with the reality that if you're going to claim that you can save the construction of office buildings, you should be required to show that you are saving it. If you claim that you are going to be more efficient by not having a commute time, you should at least be required to show it. Additionally, we are very concerned that recent discoveries have shown that there are vulnerabilities which have not been properly cared for in this bill. The bill authorizes it but does not require it.

I am, however, pleased that in a number of areas, the majority has made improvements and has taken many suggestions. The committee did work, as you would expect us to, in favor of the efficiency and effectiveness of the Federal workforce in getting this bill as far as we could go. It is my sincere hope that one and only one opportunity to further amend would be accepted and that this will be a broadly bipartisan bill at the end.

I reserve the balance of my time.

Mr. LYNCH. I thank the gentleman for his remarks.

GENERAL LEAVE

Mr. LYNCH. For the record, Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks with respect to H.R. 1722.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LYNCH. I would now like to yield 5 minutes to the lead sponsor of this measure, Mr. SARBANES of Maryland.

Mr. SARBANES. I thank the gentleman for yielding, and I want to thank him for his work in shepherding

this through the process of bringing it to the House floor.

Madam Speaker, I am delighted that we are going to be voting today on the Telework Improvements Act of 2010, a bill that I introduced some time ago with bipartisan cosponsorship. And I want to acknowledge Congresswoman NORTON, who is here, Congressman DAVIS, Congressman CONNOLLY, JIM MORAN of Virginia, and other cosponsors.

I do also want to salute the fact that we had bipartisan support for this from the outset—Congressman WITTMAN, SHELLEY MOORE CAPITO and, of course, FRANK WOLF, who has really been a leader on this issue from the get-go. He was working on telework before I even came to Congress and understood what a valuable contribution telework could make to our Federal workforce and its productivity.

What this bill will do is expand the Federal telework policy, which was begun in a nascent way. There was just a survey done that indicated about 10 percent of the Federal workforce is now teleworking at least 1 day a week, but it can take that up to the next level by establishing a policy across our Federal agencies that promote telework and make it clear to employees how they can go about taking advantage of that opportunity. It would instruct the Office of Personnel Management to develop telework regulations, a uniform governmentwide telework policy for Federal employees. And that's important because, if you look at the different agencies, some of them have been very successful in pushing telework forward. Others have not been as attentive to it.

What this is going to do is it's going to establish an expectation to cut across our Federal workforce and encourage this opportunity. Critical to that is to designate a telework managing officer within each agency who takes responsibility, who has accountability for making sure that the telework policy is being distributed broadly within that agency, is helping to evaluate it, make sure that it's working properly.

There will be greater access provided, as a result of this bill, to telework training and education to more employees and supervisors. And the Office of Personnel Management is also going to make sure, in cooperation with the Government Accountability Office, that there's a periodic evaluation conducted so that we can see how this telework policy is advancing forward.

So these are some of the key elements of the bill that is on the floor today. I'm appreciative that Congressman ISSA recognizes the inherent value of pursuing telework. And as I said, we did have bipartisan support at every step along the way.

Why is it important to do teleworking? I would say this is a win

times five when you look at. First of all, it's going to help the Federal workforce recruit better out in the market. The private sector is doing this, and they're recruiting people, using this as an opportunity for more flexible work arrangements. The Federal workforce should be doing the same thing.

It will help to improve productivity and morale among the workforce. Those agencies that have taken full advantage of teleworking have shown that productivity has been enhanced within their agency.

□ 1400

And, frankly, it leads to more of a culture of looking at performance and delivery of important functions in the workplace, so that you're seeing that productivity rise, not just among those who are teleworking, but across an entire agency where teleworking is being implemented in a meaningful way.

At one point in the evolution of this legislation, we actually were going to attach it to an energy bill because it will have the effect of reducing the carbon footprint of the Federal Government. People won't need to be in their cars as much going back and forth to work if they can take advantage of teleworking opportunities to some extent. So that's a third win here.

A fourth win, very important, is the continuity of operations. We've seen situations where the Federal Government may be forced to shut down. If you've got telework in place, you can continue to run the operations of these agencies, even in that situation. And the best example of this we had this past winter was when we had a snowstorm that shut down the Federal Government, except 30 percent of the workforce was able to engage in their operations.

Mr. ISSA. Madam Speaker, I yield 5 minutes to the gentleman from Virginia (Mr. WOLF), one of the cosponsors of the bill.

Mr. WOLF. Madam Speaker, I rise in strong support of the bill. But let me just say, Mr. ISSA said that the Republicans wanted to be part of this. And I think we've got to start doing things in this institution in a bipartisan way. Quite frankly, I skimmed the motion to recommit, and it looks like it's pretty good. So the more we can kind of work together, the better, the better it will be for all of us. And so I appreciate the gentleman giving me this time.

I've been involved in this issue for a number of years. IBM—in fact, many times I hear Members on both sides say we should be more like the private sector. IBM has 115,000 employees every day teleworking. And if you want the government to be like the private sector, allow the Federal employees to do the same. And it saves them roughly \$450 million a year.

There's nothing magic about strapping yourselves into a metal box and

driving 25 and 35 miles a day to a place and sitting before a laptop when you can do it at home.

Simon and Garfunkel, in the song called "The Boxer," says: "Man hears what he wants to hear and disregards the rest." This Congress on both sides many times only hears what it wants to hear and more often than not disregards the rest.

Let me tell you, 9/11, if you were here on 9/11, nothing worked. If you couldn't have teleworked, or if we had more telework, we could have had a continuity of government. The government shut down. It shut down. Would you rather have somebody not working at home and getting paid or working?

Secondly, the earthquake in California, the so-called World Series earthquake. Do you remember that? Norm Mineta was Secretary of Transportation. That's when telework really took off, because had they had to go into work, the people of California wouldn't have had highways. They wouldn't have been able to get search and rescue people there.

Continuity of government. Hurricanes. Has anyone ever heard of Katrina?

You want to shut down the government in the South, Louisiana and Texas, and say go home and we'll pay you? Or do you want them to telework at home, where they can do, where they can get and connect to a Veterans Administration, someone's who's having a difficult problem, maybe some who has prostate cancer: How can I connect? How can I get my treatment?

Telework. Telework makes all the difference in a tornado. As tornadoes hit and destroy, telework gives you that ability to do it.

Continuity of government, saving money. So man hears what he wants to hear. But what you're disregarding, this is important. This is a good "yes" vote for continuity of government. This is a good "yes" vote so you can serve your constituents. This is a good "yes" vote if you really want to save money. The vote to save money today, the vote that will save money will be the vote for this bill.

I want to thank, again, Mr. Issa. And I would urge you, Mr. Chairman, if you can take—I think the motion to recommit has a lot of good things. But I think it's more important that we come together and find some things that we can come together and work in a bipartisan way.

But for continuity of government and to save money, I ask for a "yea" vote on this bill.

Mr. LYNCH. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. Towns), the full committee chairman, energetic and wise chairman of the Oversight Committee.

Mr. Towns. Let me thank you, Mr. Lynch, for the hard work that you have done on this bill.

And let me begin by saying to the other side, I hope we're talking about the same legislation here, because in the committee, the only—as I remember very vividly—the only amendment that was offered was accepted. We accepted the amendment. And of course, the committee voice voted the legislation out.

Now I hear about this motion to recommit. And I understand working together. I do believe in that, and I think you accomplish a whole lot more when you do that.

But the point is, we have not even seen the motion to recommit. So, therefore, you're talking about working together and sharing information but, at the same time, you're withholding information. That, to me, I find very, very strange.

This is a committee that would welcome ideas and suggestions. But the point is that we can't go through a whole process and then, at the end of the process, you complain about the fact that I did not have an opportunity.

I want you to know that we recognize the importance of amendments, and if they strengthened the legislation we would have accepted it.

So I want to thank all the folks that worked on this. And it seems hard, I understand now, to imagine with the sweltering summer heat that has arrived, but during February's record-breaking snowstorm, the Federal Government in the D.C. area shut down for nearly an entire work week. We now have almost forgotten that. The government's lost productivity was significantly reduced because so many employees were not able to get to work. After the storm, OPM Director John Berry reported that the government saved approximately \$30 million—and I repeat that—saved almost \$30 million a day in the productivity costs because of the growing number of teleworking employees. H.R. 1722 will help the government do even better. And I think that we should not lose sight of that.

The legislation builds on the government's current telework capability and will strengthen it by requiring the head of each agency to establish a telework policy. The legislation also holds agencies accountable for successful implementation of their telework policy.

I should note that similar bipartisan legislation sponsored by Senator DANIEL AKAKA and, of course, GEORGE VOINOVICH, passed the United States Senate by unanimous consent as well.

I am pleased to offer my support for this bipartisan, good-government bill that will save the taxpayers money while reducing energy consumption, air pollution, and traffic congestion. It will promote more flexibility for Federal employees and allow the government to attract top talent from every State and every district in the country.

This is win-win-win legislation. I urge all Members to support the bill.

And of course I say to my colleagues, let's move forward. Let's not look back. Let's move forward. We know what we need to do.

And of course, again, let me say that any amendment that was offered was accepted.

□ 1410

Mr. ISSA. Mr. Speaker, I yield 4 minutes to the gentleman from Virginia (Mr. WITTMAN).

Mr. WITTMAN. Mr. Speaker, I would like to thank Ranking Member Issa for his great work on this bill. I appreciate your words and Congressman WOLF's words concerning the things that we need to do. Telework is a nonpartisan issue. It just make sense. It's how do we create efficiencies? And these days we want to be able to do more with less in what is definitely a resource-challenged environment.

Despite the fact there are numerous benefits of teleworking, such as reduced traffic congestion and reduced energy consumption, cost savings, competitive hiring and retention, and emergency preparedness, as we saw during the snowstorm, many Federal agencies continue to underutilize telework. And this bill is going to help ensure that Federal employees who are eligible to telework are able to do so without diminishing agency operations and performance.

Under this legislation, Federal employees handling classified information, though, would not be eligible to telework. And folks, that's a group of people that we are missing out on. There's a great opportunity there to bring those folks that work in secure networks to the table to participate in telework. And I offered an amendment that was rejected by the Rules Committee that would have required the Office of Personnel Management to report on the status of any programs for teleworking by Federal employees whose primary duties require access to secure networks, and to identify at least two sites for a possible teleworking pilot program. And I look forward in the future to working with my colleagues to further explore the potential for secure teleworking.

We all know in this region there are a number of agencies that have their employees working on secure networks. We ought to make sure we are looking at bringing those folks in. We saw during the snowstorm \$30 million of efficiency we picked up during that period of time. So this truly is a nonpartisan issue of looking at increased efficiencies. We ought to be looking across the board at all the ways that we can lift telework up, make it available for every different aspect of Federal work operations to make sure we are doing all we can to increase efficiencies, folks. And this is entirely possible.

We have had conversations with folks within the agencies. They are ready,

willing, and able to pursue this. We need to give them the mechanism to get this done. The desire is there. The need is there. Whenever we match those two together, we have the ability to get this done. So again, this is a nonpartisan issue. I urge all of my colleagues to vote in favor of this, and let this be the first step to making sure we have telework as an opportunity for the entire Federal workforce.

Mr. LYNCH. Mr. Speaker, I want to thank the gentleman from Virginia for his thoughtful comments.

At this time I yield 1 minute to our distinguished majority leader, Mr. HOYER.

Mr. HOYER. I thank the gentleman for yielding.

I want to thank Mr. LYNCH and certainly my colleague from Maryland, Congressman SARBANES, for his leadership and for his efforts on this bill. I also want to thank those members of the subcommittee and Mr. ISSA for facilitating this bill coming to the floor.

I have been working on this issue along with FRANK WOLF for a very long time, indeed over two decades. Congressman WOLF and I, Congressman WOLF from Virginia, a Republican, and myself served on the Treasury and Postal Committee, which is now called the Financial Services Subcommittee of the Appropriations Committee. That committee many, many years ago, and interesting enough John Berry, who is now the director of the Office of Personnel Management, was on my staff at that point in time. And we worked on this issue of telework, which makes so much sense for so many reasons. It saves gas. That's an important issue. It helps the environment in doing so. Reduces road congestion, lowers commuting costs for all drivers, helps employees balance work and family, and saves employers money.

Now, let me speak about the family aspect of this. Think to yourself the average commuter certainly in the Washington metropolitan area spends some 35 minutes on the road. If you are in my district, you spend 45 minutes to an hour on the road. Mr. CONNOLLY is shaking his head. Many of his constituents do the same. The gentleman from Virginia is in the same aspect. Think of that time that is not necessarily very productive, but could be family time. And a less stressed-out worker could be performing their services, when now we deal with so much work being done from a technology aspect where you don't need to be at a given site. That is what this legislation seeks to enhance.

And again, I congratulate Mr. SARBANES from my State for his leadership and for the bipartisan leadership. It would bring flexibility to 21st-century Federal workers by creating guidelines for increased teleworking, or telecommuting as some call it.

With today's technology, many employees perform at least some of their

work, and indeed some all of their work, functions at their homes or at an alternate worksite closer to their homes, eliminating or reducing the need to commute. That's what the gentleman from Virginia was talking about in terms of a secure site, which could be—we had one in Prince Frederick. We have one at the community college in Waldorf, Maryland. I don't know whether they are secure sites. I think they are not. But a secure site for a group of employees who need such a secure site closer to their home effects all of the same kinds of efficiencies that I have talked about.

That's why this bill is such an important encouragement to the Federal Government, one of the world's largest employers, to effect this efficiency. It is also I think a lesson that we have learned from the private sector, many of whom telecommute or telework. Many insurance agencies, when you call your insurance agent for information, you have no idea where they are sitting, and don't care. All you want to know is that they respond to the question you have and can access the information you need, which of course they can do on their computer. So this is a very effective, efficient, family friendly, environmentally friendly action for us to take.

I commend Mr. SARBANES, Mr. LYNCH and the committee for their leadership on this, and I commend Mr. ISSA as well for his leadership.

Mr. ISSA. Mr. Speaker, I yield myself such time as I may consume.

The chairman and the majority leader both make good points, and I would like to address them for just a moment. The chairman, who I have had a good working relationship with, made the point that this passed out of committee without anything left unresolved. And to a certain extent I would agree with him. Except of course we didn't have a score on this. We never do. We didn't know what this bill was going to cost. And when we discovered that this was going to cost millions of dollars every year, we made it clear before the last round of a request for a vote that we would have to find an offset or we would have to modify the bill to ensure that it would not cause the taxpayers to look at this as simply a perk for government.

Because ultimately we can talk about morale, but the Federal workforce makes on the average \$60,000 more than their private-sector counterparts. So morale should already be good in an organization the size of the government that has added a quarter of a million new workers since we went into a recession.

There is no question that telework can justify this if it's done properly. Our amendment is going to seek, our one motion to recommit—we weren't allowed any amendments—to try to at least trim around the edges to have our

Members be able to go home and say of course we supported telework, but we made sure there were some safeguards of the American people's money.

The amendments that we tried to offer to what was known in advance to be a closed rule, a please do not suggest, create a process problem that I hope, Mr. Speaker, that you will be sensitive, along with the American people, to. Our committee has 40 or so members. That's roughly one-tenth of the Congress. So 9 out of 10 Members of the House never get an opportunity to be there. As a matter of fact, including the Delegates, it works out just exactly as 10 percent. So 400 people didn't have input when we were working this through committee.

Some may have noticed the bill, but as the majority leader said, he has been working on this for 20 years. Who would have thought it would come to the floor now? So can we as a body deny the process of 400 people, 400 voters, if you will, or representatives of voters, including yourself, Mr. Speaker? How can we deny you the ability to look at something when it's going to become a bill on the floor and offer constructive amendments?

The process of the Rules Committee is supposed to deal with germaneness. It's supposed to deal with whether or not your amendment is properly written, whether it seeks to amend a portion of the bill allowed to be amended. That's not the way it is here in the House right now. We had amendments perfectly allowable, and they simply were ruled out because you could. So we will use our one opportunity, our motion to recommit. We trust that we have written it properly, and that it will be found to be in order. And we trust that both sides will see that it is modest, it's moderate, it's intended simply to deal with cost and other concerns in the bill.

There is no killer in this bill. There's nothing the American people would not be happy with in this bill the way it is. And there is nothing they will be unhappy with if the motion to recommit passes. We structured it that way. We would like to have something that started off as bipartisan end as bipartisan.

Mr. Speaker, I truly believe we are going to have that opportunity. I would hope that everyone in this body will view it that way, look at it carefully, come to the same conclusion, and we will leave here today on a bipartisan basis.

I reserve the balance of my time.

Mr. LYNCH. Mr. Speaker, I just want to ask for a clarification, did the gentleman say that the Federal employees make an average of \$60,000 more than their counterparts?

Mr. ISSA. If the gentleman would yield, that's correct.

I'm sorry, Mr. Chairman. It's pay and benefits.

□ 1420

Mr. LYNCH. Sixty thousand dollars more.

Mr. ISSA. At \$175,000, one Congressman to another, yes. The typical American making \$35,000 or \$40,000 understands we make a lot more.

Mr. LYNCH. The typical Federal employee makes \$60,000 more?

Mr. ISSA. In pay and benefits.

Mr. LYNCH. If the gentleman would produce some type of—that fact's not in evidence at all. I'm sure that we have kids that are working for \$30,000, \$40,000 a year. How are they making \$60,000 more than their counterparts?

Mr. ISSA. Even though it's not germane to today, I'll be glad to make that available to the gentleman.

Mr. LYNCH. Mr. Speaker, at this time I yield 5 minutes to the gentlelady, Congresswoman ELEANOR HOLMES NORTON, from the District of Columbia.

Ms. NORTON. I thank the gentleman from Massachusetts for yielding, but I particularly thank him for his leadership on many issues in our subcommittee, not the least of which is this issue which he has shepherded to the floor so rapidly. And I certainly want to thank Mr. SARBANES, add my kudos to those he's already heard from the leadership, what he has shown when he was a member of our subcommittee.

Mr. Speaker, this bill does nothing more than give us a presumption in favor of teleworking, and I believe that's the most important thing the bill does. You have heard we have been doing something called teleworking for decades, but that was whatever agency chose to move forward, whatever employees chose to participate.

I can't imagine what the ranking member is talking about when he says millions of dollars this is going to cost the Federal Government. Mr. WOLF, from his side, essentially rebutted that by getting up and talking about how much money it saved and citing examples.

Let me cite an example of something that is almost intuitive. I had occasion to speak to a practitioner, small practitioner, and he was glowing about how his practice has, in fact, developed and expanded. He didn't have to have an office anymore. He has a tiny hole on Tenth Street, and he's got about 15 lawyers working out of their homes.

In a real sense, the Federal Government is behind. There is no case to be made that when you allow people to work at home, you somehow are costing the government more money. Perhaps it costs a few dollars in administrative costs, transaction costs to set up the system, but anybody from the private sector hearing a Federal official get up and say, "Oh, we're going to teleworking and boy is that going to cost us an arm and a leg" will scratch his head and say, "What is he talking about? Don't they know this is one of

the first and most important things the private sector has done, invested money in doing, precisely to save money?" They look at the bottom line. That's the conclusion they reached long before today.

When I speak of the presumption in favor of telework, notice that an agency has a 20 percent goal every 2 weeks of doing telework. We wouldn't have set that goal if they were already doing it. And the fact that you have to do it gives us a some uniformity across the government, and with the appropriate exceptions allows many, many workers, many, many employees to buy into what has now become essentially a workforce practice everywhere with a workforce as large as ours.

The bill, it's very careful. Managers are going to have to be trained. Many are old-school managers. They do not know perhaps as well do I feel instinctively as at home with employees under their supervision who telework. They're going to have to learn how it's done. And importantly, teleworking, as opposed to coming in, does not affect your job performance evaluation. So people are not going to have to think, if I'm in the boss's face for 8 or 9 hours a day, I've got to do better than this mother who is at home and producing as much work as I do.

Continuity of operations has been talked about here.

Post 9/11, the closest thing we have even had to continuity of operations is the kind of teleworking that goes on anyway in the Federal Government. Everybody in the Federal Government at certain levels does teleworking. They take their work home. Employees have been voting with their feet. Managers have been allowing them to vote with their feet and take the work home.

The flexibility, we cannot say enough about the flexibility. We're in an era where fathers and mothers feel responsibility for their children and where, because they are adept at technology, they are able to get as much done and more done. They're doing it at home rather than spending what in this region could easily be an hour or so back and forth each way.

Everybody teleworked in the snowstorm. There weren't a lot of people just sitting at home. We are doing it anyway. We are just not doing it systematically. We are doing it episodically. Doing it that way, we are, in fact, wasting money. Let's, in fact, save money by making sure that as many as are capable are doing what they can given the new technology.

Mr. ISSA. Mr. Speaker, I note the gentlelady acts as though already everybody teleworks. It's very clear that the people who were able to telework, that, quote, saved us \$30 million during that snowstorm, were the people who have redundant activities, for the most part, people who had a duplicate com-

puter, duplicate capacity. That costs money. That is an item that we simply want to make sure is cost justified.

You know, many people on the other side of the aisle, including the next speaker, have talked about the private sector. Well, I, for one, came from the private sector, and I very much understand that we do a cost benefit.

The previous speaker talked about insurance salesmen. You don't care where they are. That's right. An insurance salesman is usually a commission person. It's somebody who's very accountable for their pay because it's earned and justified against revenue. More importantly, even their package of perks is figured into that.

So, in the private sector, if somebody costs, if you will, \$190,000 dollars—or as the average Federal worker costs, non-uniformed, \$119,000 per worker versus \$59,000 in the private sector—in the private sector they know what their sales or revenues or profits are relative to that cost. In the public sector, we don't.

All we're seeking to do, all we're talking about here today is we want telework to be used and rolled out extensively where it can be at least revenue or cost-neutral relative to alternatives of bringing people in. That's all we're asking for. We believe it's reasonable.

I reserve the balance of my time.

Mr. LYNCH. Mr. Speaker, I do want to note that we do have one study here that I think is probably the most extensive one done on comparing private sector jobs to Federal jobs, and that is by the Bureau of Labor Statistics, and they compared occupation to occupation. They took an engineer in private sector versus an engineer working for the Federal Government, and they have reported that Federal employees are paid 22 percent less than their private sector counterparts.

At this point, I yield 5 minutes to an energetic and diligent member of our subcommittee, the gentleman from Virginia (Mr. CONNOLLY).

Mr. CONNOLLY of Virginia. Mr. Speaker, I thank my good friend and colleague from Massachusetts (Mr. LYNCH) for his outstanding leadership on this and so many other issues on the Oversight and Government Reform Committee. I also thank the ranking member, Mr. ISSA, for his friendship and his leadership on our committee as well.

□ 1430

I particularly want to thank my colleague from Virginia (Mr. WOLF) who's been a long-time leader in telework, and my colleague and friend from Maryland (Mr. SARBANES) for his leadership on this legislation. Without that leadership, we wouldn't be here today and relief wouldn't be on the way to our Federal workforce and hard-pressed commuters in the national capital region.

Mr. Speaker, before I came to Congress, I represented a major jurisdiction in the national capital region, Fairfax County, for 14 years, the last five being its chairman; and I, like Mr. Issa, came from the private sector. I spent the last 20 years of my career before coming here working for a number of information technology companies, and I saw firsthand the value of telework in the private sector.

One of the major employers in my district, for example, is AT&T. I went and visited a major facility they have in my district. Thirty-three percent of their workforce teleworks regularly, 33 percent; and their estimated cost savings in terms of reduced absenteeism is \$2,000 per employee. So, if we took that kind of statistic and superimposed it on the Federal workforce, we would obviously save a lot more than whatever the implementation costs of this bill might be.

I believe, like my colleagues who have spoken before, this is critical. This is critical for Federal operations. Every Federal agency now needs to have a continuity of operations plan in place; and in the national capital region, tragically, that is underscored.

FRANK WOLF, my colleague from Virginia, talked about 9/11. He was here in Congress while I was a supervisor in Fairfax County. My office was in the fire station, Fire Station 30 in Merrifield, and my men and women in that fire station were backup to the Arlington Fire Department at the Pentagon the day it was attacked, the second worst terrorist attack in American history. And I saw what they went through, and I know what happened to this region that day. A continuity of operations plan, if we needed a reminder, a tragic reminder, of how critical that is to our national security, 9/11 was it.

Subsequently, we've had lots of natural events here in the national capital region that have further reminded us of how important it is that the largest single employer in our region, the Federal Government, have a vigorous telework program in place because, without that, there is no continuity of operations plan of any meaning.

So for national security reasons and in service to the taxpayers we serve through the Federal agencies, we must have a vigorous telework program in place.

In the national capital region, if we could reach 20 percent of our daily commuters of 2.5 million people teleworking at least 1 day a week, we could take 4 to 6 percent of the cars off the road every day, improving air quality, improving congestion, and improving productivity. The Federal Government being the largest employer has a special responsibility. I mentioned AT&T has 33 percent teleworking in its workforce. The average in the Federal Government ranges from 6 to 10 percent,

far below what the private sector is, in fact, doing. We can and must do better. The Federal workforce lends itself to telework in some ways that are unique to the Federal workforce, and we know the benefits.

We've heard some arguments here that only 10 percent of the Congress sits in the Oversight and Government Reform Committee, and, therefore, we need more time to make sure that we can examine this legislation and its costs. I will argue there are no net costs to this bill. I would argue that this bill has been scored before in many incarnations, in legislation that was before the previous Congress and voted on, in legislation in the other body. So it's not like we didn't know, and we know that the productivity gains and savings are considerable but more than wipe out any potential implementation costs. Whatever costs there are can and will be absorbed by the implementing Federal agencies, and we know that. That ought not to be an excuse for inaction.

This is something that can bring us together on a bipartisan basis. I do find it a little ironic, however, to hear about the need to come together and maybe we can use the motion to recommit to do that when our side of the aisle has not seen the motion to recommit, and obviously we can't buy something in the hopes that it's going to do something positive, and I would urge my colleagues to share the motion to recommit so that perhaps we can come to common ground on that.

But at the end of the day, this legislation is critical to the future workforce of the Federal Government and, frankly, for the national security of the national capital region.

Mr. ISSA. Mr. Speaker, I yield myself just 1 minute.

Mr. Speaker, my good friend from Virginia was accurate in almost everything he said, but the one part that I'd like to correct is we don't need more time. We had sufficient time, once the scoring was in, to figure out what needed to be changed among the various hundred or so Republicans who were not on the committee, and we offered them. And the gentleman from Virginia is not on the Rules Committee so he's not part of that hidden hand that simply doesn't allow any dissent or any amendments or any corrections once a decision has been made by the majority. So, you know, I appreciate the fact he has been good to work with and that he is not somebody who would have limited that, and we would be happy to share all of our amendments if we had a chance of having them ruled in.

I reserve the balance of my time.

Mr. LYNCH. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Illinois (Mr. DAVIS), who has been a long-time advocate on this issue.

Mr. DAVIS of Illinois. Mr. Speaker, I rise in support of H.R. 1722, the

Telework Improvements Act. This legislation is similar to a bill I introduced last Congress that passed the House with bipartisan support by voice vote. Unfortunately, the Senate never acted on that bill so I am pleased that we once again have the opportunity to move telework legislation forward with the leadership of Representative SARBANES.

We currently know that telework continues to be underutilized by Federal agencies and improvements are needed to allow more Federal employees to participate in telework programs.

Telework provides numerous benefits including increased flexibilities for both employers and employees, continuity of operations during emergency events—as noted by the massive snow storms that shut down the government during February, yet saved the government an estimated \$30 million each day and decreased energy use and air pollution by minimizing the amount of congestion on the roads.

Study after study has shown these benefits to be paramount to making the Federal Government more efficient, productive, and prepared. However, a top information security officer at the State Department recently stated: "the real national security issue is if we had something that disrupted the ability of the Federal workforce to get to the office, could we continue to provide the services of government? I think you'd find that many departments and agencies would have problems." This speaks to the need and importance of the passage of this bill.

In addition, according to a survey of Patent and Trademark Office employees, 80 percent of employees who telework report that the flexibility of working at home has allowed them to decrease the amount of sick leave used by at least 8 hours per year.

Since the 109th Congress, my office has aggressively participated in the Telework program and created a more worker friendly environment for our working families.

The attributes of teleworking alone allows greater flexibility for these parents while increasing a better work attitude and work product. I encourage all Members of Congress to get more involved in the Telework program in the future as we move to make a more efficient and productive government.

I am pleased to join Representative SARBANES in supporting H.R. 1722.

Plus, we've heard the tremendous cost savings that exist, as well as the anti-pollution measures that take place, but I feel very fortunate in my office to have had individuals who have effectively used telework, I guess to the nth degree; and it has proven to be not only cost savings, but it also has provided them the opportunity to spend time with young children, with their families to the extent they needed to do. This gives us an opportunity to recruit the best and the brightest and have them be productive. It is a great measure. I am pleased to support it.

Mr. ISSA. Mr. Speaker, I yield myself such time as I may consume.

As I begin, my staff is bringing over to the chairman a copy of something I am going to include in the RECORD from the Bureau of Economic Analysis, Department of Commerce. The chairman may recognize the Department of Commerce is part of the administration and part of government.

Their assessment in 2008—and it has only become greater—is that we have as Federal workers against average—this is not against average of job per job but just against the working stiff, whatever they do in the outside world versus the working stiff in government, \$29,169.63 of additional wages. What makes the huge difference the American people don't always see is that in the private sector, a typical benefit package is about \$9,881. Well, a civilian Federal Government employee has a benefit package on the average worth about \$40,784 or \$30,900 more.

So, Mr. Speaker, we do have the Department of Commerce currently, during the Obama administration, telling us very clearly—not that engineer versus engineer. I appreciate the way you can match up various jobs, but the Federal workforce is a highly skilled and highly paid workforce, and we should understand that if we are going to have telework go greater and greater—and I approve of it doing it—we have two reasons to do it.

One is continuity of government, and sometimes continuity of government can cost more. It can be for redundant computers, redundant centers and so on, no question at all. But often it is, and as it is justified in this bill by many of the people speaking on it on both sides of the aisle, it is also about avoiding traffic, avoiding building new buildings, avoiding heating and air conditioning, avoiding costs. All the minority would like to make sure is that this expansion meets one of those requirements or the other. If it is necessity and it costs more, fine. Of course you can have redundant facilities; but if it is intended to be cost savings, let's make sure it's cost savings.

I reserve the balance of my time.

□ 1440

Mr. LYNCH. Mr. Speaker, I thank the gentleman for the sheet, but I do want to note this does not compare job-to-job, nor does it indicate that there is anything close to a \$60,000 delta between the private and the public employee.

I yield 1 minute to the gentleman from New Jersey (Mr. SIREs), who also has been an energetic worker on this issue.

Mr. SIREs. Mr. Speaker, I rise today in strong support of H.R. 1722, the Telework Improvements Act of 2010. This bill will modernize the Federal Government and establish our Federal agencies as a model for telework.

During the month of February, when snowstorms shut down D.C. and other

parts of the east coast, telework was used to keep our government operating at an optimum level. However, according to the Office of Personnel Management, only 56 percent of government agencies have formally introduced telework in their continuity of operations plans.

Teleworking benefits are economic, social, and environmental. The Congressional Budget Office scored this legislation as deficit neutral, and telework produces savings from reduced office space as well as increased productivity during emergencies in inclement weather.

H.R. 1722 would allow employees more flexibility and create a higher quality of life. Also this legislation would reduce traffic congestion. Traffic congestion costs our Nation billions of dollars in wasted fuel, time, and productivity.

Congestion is very prevalent in my district in New Jersey, which is just across the river from New York. However, it also is a problem that is growing in rural areas throughout this country. Transportation contributes nearly 28 percent of the greenhouse gasses emitted in the United States, and teleworking can act as a tool to lower this number.

I urge my colleagues to support the passage of H.R. 1722.

Mr. ISSA. Mr. Speaker, I reserve the balance of my time.

Mr. LYNCH. Mr. Speaker, I yield 1 minute to the gentleman from Connecticut (Mr. HIMES).

Mr. HIMES. A sincere thank you to the gentleman from Massachusetts for his leadership on this issue.

Mr. Speaker, I too rise in strong support of H.R. 1722, the Telework Improvements Act. We have heard articulated today a set of very powerful arguments around security, around productivity and around cost savings for the passage of this measure.

I would like to note that I represent, like my friend from New Jersey, a district whose economic vitality is compromised by the commuting situation. Many of my constituents spend otherwise what could be productive hours looking at the taillights of other cars on 95 and on the Merritt Parkway as it runs through Connecticut.

One additional reason why the Federal Government should lead and why we should pass this act today is that the Federal Government should lead on telecommuting, on increasing not just its productivity, but increasing the productivity of the private sector in places like Connecticut, which I represent.

I am a strong backer of the Telecommuter Tax Fairness Act, H.R. 2600, and a variety of other measures that will help with telecommuting. I appreciate the leadership, and I urge my colleagues to support and pass this bill.

Mr. ISSA. I yield myself such time as I may consume.

Mr. Speaker, although we have 12 minutes left on our side in debate, I don't intend to use it. I also don't intend to continue to have the American people hear haggling on the House floor about how much one side gets paid or another. For that reason, I will today post at republicans.oversight.house.gov the Department of Commerce report in sufficient detail for people to realize that \$60,072.97 is roughly the additional amount in pay and benefits that Federal employees receive than the average private sector.

But the interesting thing about the Federal workforce versus the gentleman who was talking about commuting from Bridgeport and other parts in his State, is they are not laid off. They are not suffering. As a matter of fact, they have been net-hired. The growth that has occurred over the last 2 years has been in government. The pay increases have been in government. The benefit increases have been in government.

Now, we are not talking about telework as a benefit, although some speakers have talked about family time because you can telework and so on. We are talking about telework for one of two reasons that are justified, and Republicans will today, I hope, vote for the motion to recommit and then vote for final passage, because it either is part of the job of government, the sustainability, the continuity of government, and we want to make sure we use telework in order to advance that, or remote access, if you will, or it saves the taxpayers dollars.

If someone doesn't drive for an hour and they work an hour more remotely, that is a good thing. But if we are simply improving quality of life, having redundant computers at a cost of several thousand dollars plus several more thousand dollars in maintenance and overhead and renewal and software support, Mr. Speaker, we are not doing what the American people expect us to do.

The American people expect us to start being safeguarders of their precious money, which isn't even current but the money we are going to have to take from them in the future to pay back what we are borrowing today.

If we don't start counting the pennies, the nickles and the dollars and make sure they are well spent, then it is very clear we will never get to any kind of an affordable government, a balanced budget, and there will be an inevitably that the United States will look too much like Greece and not enough like the country that we were so proud of this past Fourth of July.

We have a great tradition, a tradition of small government and large private sector. Mr. Speaker, I want to make sure that our government works more efficiently so we can have a smaller government that meets the basic requirements, not that we simply expand

government with one after another programs.

With that, I fully expect that we will make this bill better, that we will continue to work on telework being to the advantage of the American taxpayer and not simply an additional item to be spent.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. LYNCH. Mr. Speaker, in closing, I again would like to express my strong support for the passage of H.R. 1722, the Telework Improvements Act of 2010. I would like to thank Mr. SARBANES, our lead sponsor on this measure which is before us today, which promotes good and common sense governance policy which will ensure a more efficient, responsive Federal government, especially in times of national security and weather-related emergencies.

Moreover, H.R. 1722 will allow executive branch agencies to act more like other 21st century employers, particularly private sector employers, which for years have utilized and reaped the benefits of telework in terms of increased job productivity as well as employee moral.

I want to paraphrase the words of my Republican colleague, Mr. WOLF of Virginia, who said that the vote for saving money and the vote for cutting costs here is a "yes" vote on this measure.

With that, I urge my colleagues to vote in favor of H.R. 1722.

Mr. BLUMENAUER. Mr. Speaker, I am proud today to have the opportunity to support H.R. 1722, the Telework Improvements Act of 2009. I would like to thank Representative SARBANES, Representative LYNCH, Chairman TOWNS and Representative WOLF for their leadership on this legislation and for working to improve the lives of government employees across the country. Giving people the flexibility to work from home, when possible, makes the federal government a more productive and environmentally responsible employer by saving money, decreasing greenhouse gas emissions, decreasing congestion and improving productivity.

Currently only 10 percent of eligible federal employees telework on a regular basis, even though many federal jobs would be well suited to teleworking. 95 percent of federal government employees expressed interest in teleworking, but the majority of these workers said there was not adequate support from their agency to do so. This bill will give federal workers the flexibility to telework when appropriate. There are many private companies, such as Intel in my home state of Oregon, where up to one third of employees telework regularly, and these companies have seen increased employee satisfaction, employee retention, and an average savings of \$4,500 a year per employee in transportation costs and time savings.

Unfortunately, teleworking is a case where the federal government has missed the opportunity to lead by example, and now we need to catch up. Federal government employees should be able to take advantage of the same

technology for workplace flexibility, time savings, and environmental benefits that private sector employees do.

This winter, the federal government was essentially shut down for a week because of snowstorms. Even with the minimal support in place for teleworking, estimates suggest that the federal government saved \$30 million a day, because of teleworking.

Finally, we cannot discuss the importance of telework without looking at the environmental impact. The Telework Exchange estimates that if 20 percent of Americans were to telework, we could eliminate 67 million tons of greenhouse gas emissions annually and reduce Persian Gulf oil imports by 40 percent. More to the point for this legislation, if all eligible federal employees were to telework for two days per week, it would save 2.7 metric tons of pollution each year.

This bill is an important first step, and I would also like to encourage my colleagues to look at the telework provisions in legislation I have introduced. H.R. 3271, Green Routes to Work, is a collection of green commuting tax incentives. The legislation promotes a variety of commuting methods, including transit, bicycling and walking, but it also provides a tax credit for qualified teleworking expenses. I hope that my colleagues will look at Green Routes to Work as another tool to incentivize teleworking.

Encouraging teleworking will help the federal government be a better partner as we look for ways to improve families' quality of life and make all communities safer, healthier and more economically secure. Putting money back in individuals' pockets, saving the federal government money, reducing carbon emissions and reducing time spent in traffic are important aspects of a livable community, and I am proud to support this legislation.

Ms. ESHOO. Mr. Speaker, I rise today in support of H.R. 1722, the Telework Improvements Act of 2009. I supported this legislation when it came to the House floor earlier this year, and I intend to vote in favor of it again today.

Technology plays an integral role in how our entire country works today. It has made workplace communication more efficient. It has eliminated borders across the globe to allow every aspect of the U.S. economy to flourish. It permits our first responders to stay connected during times of emergency and natural disasters. So many in the workforce already take advantage of the benefits of technology and the federal government should be able to as well.

The Telework Improvements Act will define telework for all federal agencies and establish a policy that authorizes employees to telework. This legislation will reduce the numbers of cars on the road, attract more talent to the federal workforce, and save taxpayer dollars over the long-term.

As a Member of the Intelligence Committee, I'm also pleased this legislation places a priority on ensuring the security of government information. We know all too well the dangers of data breaches, viruses, and cyberattacks to sensitive government information. H.R. 1722 requires the Office of Management and Budget, in coordination with the National Institute on Standards and Technology to issue guide-

lines for information and security protections for telework.

I applaud the work of Representative SARBANES on this legislation and I urge all my colleagues to support H.R. 1722, the Telework Improvements Act of 2009.

Mr. VAN HOLLEN. Mr. Speaker, as a representative of a district with a large number of federal employees, I rise in strong support of H.R. 1722, the Telework Improvements Act. I want to thank Chairmen TOWNS and LYNCH and Representative SARBANES for their leadership in crafting this important bi-partisan bill.

If passed, this measure will put the federal government on equal footing with many private sector employers and state governments which allow their employees to perform many of their duties and responsibilities from home or at another work site.

The Telework Improvements Act requires each executive agency to establish a policy that enables federal employees to telework in a way that does not diminish employee performance or agency operations, and that ensures that no distinction is made between teleworkers and non-teleworkers for performance appraisal and training purposes.

Having the option to telework will enhance the quality of life for many federal employees and save money for the taxpayers. For example, there is an effort underway to attract more young people to federal government service to offset the growing number of older employees who are retiring. Offering prospective employees the option to telework increases the possibility that those employees with families will join the federal workforce.

Telework also is smart fiscally. According to the Office of Personnel Management, during the blizzard that hit Washington, DC last winter, the government lost \$71 million worth of productivity for each day it remained closed. This number might have been far larger had some federal workers not had the opportunity to work from home.

The Telework Improvements Act makes environmental, administrative and fiscal common sense. Increasing telework opportunities for employees of the country's largest employer means fewer cars on the roads as workers commute less; it means lower carbon emissions; it means better quality of life for workers and their families; and, it means reduced costs for taxpayers and higher government efficiency because of lower absenteeism.

I encourage my colleagues to join me in supporting the bill and I urge its immediate passage.

Mr. WOLF. Mr. Speaker, I rise today in strong support of the Telework Improvements Act of 2010, and thank the gentleman for yielding.

I have been pleased to work with the gentleman from Maryland, Mr. SARBANES, in sponsoring this legislation and thank him for his tireless efforts. I also appreciate the persistent work of the gentleman from New York, Mr. TOWNS, on this matter.

There are several points I would like to make, especially to my side of the aisle.

H.R. 1722 does not authorize any new appropriations of taxpayer funds. The Congressional Budget Office in April scored this legislation as deficit-neutral.

CBO estimated that the implementation costs of \$30 million over 5 years, assuming

the appropriations of necessary funds, will come from developing regulations to implement telework programs, reporting and training costs. As my colleagues know, however, such costs are routinely absorbed by current administrative budgets in each agency.

Let me repeat—this legislation is deficit-neutral and does not authorize any new appropriations.

I have been actively engaged in the telework issue for over 20 years and know for a fact that telework saves money.

The limited administrative costs will be more than offset when a robust telework program is fully integrated into the federal government's Continuity of Operations Plans (COOP).

During February's snow storm, when the government was shut down for four days, the Office of Personnel Management (OPM) estimated that roughly 30 percent of eligible federal workers in the metropolitan D.C. area teleworked.

Rather than absorbing the almost \$30 million in salaries for those employees for each day that it was closed, the federal government reaped the rewards of telework because those employees were productive and continued the work of the federal government when they couldn't reach their regular workplaces.

The government must be able to function during an emergency or natural disaster. Currently, only 56 percent of government agencies have formally included telework in their COOP plans. H.R. 1722 would change that policy.

What if there is another terrorist attack? Telework was vital to ensuring that our government continued to function after 9/11.

Or what if the "big one" earthquake hits California? Some 700,000 of the one million workers displaced by the 1989 Loma Prieta earthquake—the World Series earthquake—teleworked from their homes or nearby locations, including federal workers.

What happens when snowmageddon hits the nation's capital again? Those federal employees who were eligible to telework recognized that the government must continue to function and that people in other parts of our nation were counting on them to do their jobs.

Snowstorms or hurricanes or tornados should not prevent the most powerful nation on earth from functioning. We must fully embrace new technologies to keep the government working and telework is the ideal way to keep employees on the job.

Telework also provides other obvious benefits, from reducing traffic congestion, air pollution, gasoline consumption and our dependency on foreign oil to allowing individuals and working parents the flexibility to meet everyday demands outside of work.

Employers with a strong telework option report fewer days used by employees for sick leave, better worker retention, higher productivity, and increased morale. They also report overhead savings in office space.

The private sector has long recognized the benefits of telework. Roughly 115,000 IBM employees telecommute each day with 40 percent operating without dedicated office space. In return, IBM saves \$450 million a year in infrastructure costs.

One government agency, the Patent and Trademark Office (PTO), has had a long track

record on telework mirroring the success that IBM has had in the private sector. Some 83 percent of eligible PTO employees telework. These arrangements have enabled the agency to save \$11 million otherwise needed for new office space.

No other federal agency has the policies in place to enable more than 50 percent of eligible employees to telework at least one day a week.

Work is something you do, not someplace you go. There is no magic about strapping ourselves into a car, driving sometimes up to an hour and a half to our workplaces, and sitting in front of our computers all day. Information accessed at workplaces can just as easily be accessed from computers in our living rooms.

Telework is a win-win for employers and employees and the federal government should be the model for telework in the 21st Century workplace.

H.R. 1722 is good government legislation and I urge my colleagues to support its passage.

Mr. LYNCH. I yield back the balance of my time.

The SPEAKER pro tempore (Mr. JACKSON of Illinois). Pursuant to House Resolution 1509, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT

Mr. ISSA. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. ISSA. I am, in its present form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Issa moves to recommit the bill H.R. 1722 to the Committee on Oversight and Government Reform with instructions to report the same back to the House forthwith with the following amendment:

Page 5, strike line 11 and all that follows through page 6, line 9, and insert the following:

“(b) LIMITATIONS.—

“(1) CERTAIN EMPLOYEES NOT AUTHORIZED TO TELEWORK.—An employee may not telework under a policy established under this chapter if any of the following apply to the employee:

“(A) The employee has a seriously delinquent tax debt (as determined under paragraph (2)).

“(B) The employee has been officially disciplined for violations of subpart G of the Standards of Ethical Conduct for Employees of the Executive Branch for viewing, downloading, or exchanging pornography, including child pornography, on a Federal Government computer or while performing official Federal Government duties.

“(C) The employee received a payment under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.) but was ineligible to receive the payment under the criteria described in section 2605(b)(2) of such Act (42 U.S.C. 8624(b)(2)).

“(D) The employee has been officially disciplined for being absent without permission for more than 5 days in any calendar year.

“(2) DETERMINATION OF SERIOUSLY DELINQUENT TAX DEBT.—

“(A) IN GENERAL.—For purposes of paragraph (1)(A), a ‘seriously delinquent tax debt’ means an outstanding debt under the Internal Revenue Code of 1986 for which a notice of lien has been filed in public records pursuant to section 6323 of such Code, except that such term does not include—

“(i) a debt that is being paid in a timely manner pursuant to an agreement under section 6159 or section 7122 of such Code;

“(ii) a debt with respect to which a levy has been issued under section 6331 of such Code upon accrued salary or wages (or, in the case of an applicant for employment, a debt with respect to which the applicant agrees to be subject to a levy issued under such section upon accrued salary or wages); and

“(iii) a debt with respect to which a collection due process hearing under section 6330 of such Code, or relief under subsection (a), (b), or (f) of section 6015 of such Code, is requested or pending.

“(B) REGULATIONS.—The Office of Personnel Management shall, for purposes of carrying out this paragraph, prescribe any regulations which the Office considers necessary, except that such regulations shall provide that an individual shall be given a reasonable amount of time to demonstrate that the individual's debt is described in clause (i), (ii), or (iii) of subparagraph (A).

“(3) CERTIFICATION OF SAVINGS.—An agency may not permit employees to telework under a policy established under this chapter unless the head of the agency certifies to the Director of the Office of Personnel Management that the implementation of the policy will result in savings to the agency.

“(4) PROVISIONS RELATING TO CERTAIN CIRCUMSTANCES.—Nothing in subsection (a) shall be considered—

“(A) to require the head of an agency to authorize teleworking in the case of an employee whose duties and responsibilities—

“(i) require daily direct handling of classified information; or

“(ii) are such that their performance requires on-site activity which cannot be carried out from a site removed from the employee's regular place of employment; or

“(B) to prevent the temporary denial of permission for an employee to telework if, in the judgment of the agency head, the employee is needed to respond to an emergency.

“(c) PROHIBITING COLLECTIVE BARGAINING ACTIVITIES WHILE TELEWORKING.—Notwithstanding any provision of chapter 71, any time during which an employee teleworks may not be treated as ‘official time’ for purposes of the authority to carry out any activity under section 7131 of this title.

“(d) REQUIREMENT THAT PRESIDENTIAL AND VICE-PRESIDENTIAL RECORDS CREATED ON NON-OFFICIAL ELECTRONIC MAIL OR SOCIAL MEDIA ACCOUNTS WHILE TELEWORKING BE COPIED TO OFFICIAL ELECTRONIC MAIL ACCOUNTS.—In the case of any employee who, while teleworking pursuant to a policy established under this chapter, creates or receives a Presidential record or Vice-Presidential record within the meaning of chapter 22 of title 44, United States Code, through a non-official electronic mail account, a social media account, or any other method (electronic or otherwise), the employee shall electronically copy the record into the employee's official electronic mail account.

“(e) RULE OF CONSTRUCTION.—Nothing in this chapter shall—

“(1) be considered to require any employee to telework; or

“(2) prevent an agency from permitting an employee to telework as part of a continuity of operations plan.”.

Mr. ISSA (during the reading). Mr. Speaker, I ask unanimous consent to dispense with the reading.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. LYNCH. I object.

I reserve a point of order.

The SPEAKER pro tempore. Objection is heard.

The Clerk will continue to read.

The Clerk continued to read.

The SPEAKER pro tempore. The gentleman from Massachusetts' point of order is reserved.

Pursuant to the rule, the gentleman from California is recognized for 5 minutes in support of his motion.

Mr. ISSA. Mr. Speaker, this is a straightforward motion. It is a motion that, if passed, will cause the Republicans to vote for this, if not unanimously, virtually unanimously. If we take out the \$30 million in cost by insisting that there be reasonable offsets, then we will in fact have fixed one of the problems that was unnecessary in the bill. Additionally, as was so well read by our Clerk just a moment ago, it is very, very clear that there are some small areas but meaningful areas. We do not want the American people to believe that telecommuters are downloading pornography full time the way \$200,000-plus executives at SEC, the Securities and Exchange Commission, were doing.

Now, I wanted to include in the motion to recommit that if you're found downloading while telecommuting, you'd be fired, but it turns out, Mr. Speaker, the rules of the House prevent me from offering that. I am not allowed under the rules to insist on behalf of the American people that somebody be terminated if they've downloaded endless pornography while telecommuting. So instead we have simply said in the motion to recommit that if they're found downloading pornography, they can no longer telecommute.

Likewise, on a number of other areas we feel that the American people should know that there is accountability. Accountability as to the Presidential Records Act. Mr. Speaker, as you know, the Presidential Records Act is extremely important. That if somebody is working offsite, we want to ensure that they do not use a Gmail account or in some other way go off system and have that lost for the rest of eternity. It is too important and it is too uniform a law to not make sure it is included in this Act. Additionally, the question of official business.

Now, often motions to recommit include poison pills. This is not one. We wanted to make sure that if there's a union contract in which there's union negotiation or other time allotted—of-

ficial time—that it not be done clandestinely around telecommuting. The fact is that if a union leader who is also a Federal employee has a right to have so much time spent doing that, this would not stop them, but it would make it very clear that you can't simply be working out of your house and use that as collective bargaining time or other work that would not be manageable.

It's very clear that we were limited in this. This does not fix everything, Mr. Speaker. This does not fix everything I'd like to fix, but it simply makes the bill revenue neutral and in a couple of important areas assures the American people that their taxpayer dollars are not being misused while someone is telecommuting.

With that, I yield to the gentleman from Georgia.

Mr. GINGREY of Georgia. Mr. Speaker, I want to thank Mr. ISSA for offering this motion to recommit.

Since the stimulus passed last February, the private sector has shed over 3.2 million jobs and unemployment now stands at a staggering 9.5 percent. Now is not the time to give another perk to Federal employees while the rest of America is struggling to make ends meet.

By requiring Federal agencies to duplicate an existing law and spend 20 percent of their official time out of the office and on a mobile worksite, we're costing the taxpayers another \$32 million while promoting an inefficient Federal workforce.

□ 1500

I'm proud that this motion to recommit corrects some of these problems. Thankfully, if adopted, this motion will require that each agency must certify to the Office of Personnel Management that the agency's telework program will save money, rather than increase spending. Furthermore, teleworking privileges will not be granted to employees that have been disciplined for poor work performance and behavior, such as viewing pornography on work computers, having a record of being absent without permission, or who are delinquent in paying their taxes.

Finally, Mr. Speaker, I am very proud that this motion will prohibit Federal employees from engaging in union or collective bargaining activities while teleworking. OPM reported that in fiscal year 2008 alone, nearly 3 million official time hours were used in collective bargaining or arbitration of grievances against an employer, equating to over \$120 million tax dollars spent on union activities. It's irresponsible, Mr. Speaker, to use these dollars for nonrelated official duties while on official time.

So, Mr. Speaker, this motion to recommit is necessary to save precious tax dollars and ensure the integrity of

the Federal workforce. I commend Mr. ISSA for bringing this forward. I urge my colleagues to support this motion.

Mr. ISSA. I yield back the balance of my time.

Mr. LYNCH. Mr. Speaker, I rise to claim time in opposition to the motion.

The SPEAKER pro tempore. Does the gentleman continue to reserve his point of order?

Mr. LYNCH. No.

The SPEAKER pro tempore. The gentleman from Massachusetts is recognized for 5 minutes.

Mr. LYNCH. Mr. Speaker, there are a number of points here that I would like to make at the outset, and I appreciate the spirit in which the gentleman has offered these amendments.

Many of the concerns that the gentleman has raised in his motion to recommit have been addressed in the bill. I would like to begin by saying that right now, with respect to tax delinquency and enforcing the tax laws against Federal employees, we have greater protections right now in place against those Federal employees than exist against any other employee in America today. We have the ability to remove them from their jobs. We have the ability to garnish their wages. We have the ability to demand of them compliance with the tax law that is much more difficult to implement against the average private sector employee. So I do not think that the measures here and the “seriously delinquent” category that does not exist under the IRS Tax Code well serves the underlying purpose of this bill.

I do want to say that prohibiting collective bargaining activity while teleworking is also a question of possible violation with other statutes that I believe may be infringed upon by this motion. So I would be very, very concerned about—obviously we were given this motion about a minute ago—well, a couple of minutes ago, so I'm not so sure how that would affect Taft-Hartley collective bargaining rights. But it would appear that they would do a carve-out here for those workers who are teleworking and yet unable to exercise the rights that otherwise might exist in those employees. So I am very, very concerned about that.

I understand the restrictions. Further, the amended version of H.R. 1722 already incorporates language to restrict allowing employees to telework based on previous disciplinary issues that might have been presented.

With respect to the concern raised by my friend and colleague with respect to accessing pornographic sites, I should note that history has shown us that those who rail against weaknesses of the human spirit are usually the very people who succumb to those very weaknesses. But we would certainly agree that that is inappropriate behavior and it should be punished. I tend to

think that that is a point of agreement, but I think it's just a matter of how to implement that prohibition.

There is also a difficulty at the heart of this, which is that the gentleman's motion to reconsider requires us to demonstrate a savings now at this level. Here's the problem: We are not in an Appropriations Committee. We have not appropriated any money for this. We don't have the ability to do that. This is authorization. So how are we supposed to know where the break point on savings might be when we don't know, in this forum, how much money might be spent?

Those are structural flaws, I think, in the bill that prevent us from accepting the amendment at this time. However, I understand that some Members may see one or two of these issues as decisive on their behalf, and I would understand and respect the Members' rights to vote as they might on this measure. But because of the issues that I have raised—one, because it creates a level of impossibility for us to demonstrate savings when we don't know how much money is going to be used in implementing this measure. That will be decided by the appropriators. And, as well, we realize that to set this up, in order to establish the teleworking protocols, there will be an expenditure to begin with, but the savings will result at a later time. So I urge my colleagues to vote against this.

I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit. The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ISSA. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 and clause 9 of rule XX, this 15-minute vote on the motion to recommit will be followed by 5-minute votes on passage of H.R. 1722, if ordered; and the motion to suspend the rules on S. 1508.

The vote was taken by electronic device, and there were—yeas 303, nays 119, not voting 10, as follows:

[Roll No. 440]

YEAS—303

Ackerman	Bean	Boswell
Aderholt	Berkley	Boucher
Adler (NJ)	Biggart	Boustany
Akin	Bilbray	Boyd
Alexander	Bilirakis	Brady (TX)
Altmire	Bishop (NY)	Bright
Arcuri	Bishop (UT)	Brown (GA)
Austria	Blackburn	Brown (SC)
Baca	Blunt	Brown-Waite,
Bachmann	Boccheri	Ginny
Bachus	Boehner	Buchanan
Barrett (SC)	Bonner	Burgess
Barrow	Bono Mack	Burton (IN)
Bartlett	Boozman	Buyer
Barton (TX)	Boren	Calvert

Camp	Hodes	Peters
Campbell	Holden	Peterson
Cantor	Hunter	Petri
Cao	Inglis	Pitts
Capito	Israel	Platts
Cardoza	Issa	Poe (TX)
Carnahan	Jackson (IL)	Pomeroy
Carney	Jackson Lee	Posey
Carson (IN)	(TX)	Price (GA)
Carter	Jenkins	Putnam
Cassidy	Johnson (IL)	Quigley
Castle	Johnson, Sam	Radanovich
Chaffetz	Jones	Rahall
Chandler	Jordan (OH)	Rehberg
Childers	Kaptur	Reichert
Coble	Kildee	Rodriguez
Cofoan (CO)	Kind	Roe (TN)
Cole	King (IA)	Rogers (AL)
Conaway	King (NY)	Rogers (KY)
Connolly (VA)	Kingston	Rogers (MI)
Conyers	Kirk	Rohrabacher
Cooper	Kirkpatrick (AZ)	Rooney
Costa	Kissell	Ros-Lehtinen
Costello	Klein (FL)	Roskam
Courtney	Kline (MN)	Ross
Crenshaw	Kosmas	Rothman (NJ)
Critz	Kratovil	Royce
Cuellar	Lamborn	Rush
Culberson	Lance	Ryan (OH)
Dahlkemper	Latham	Ryan (WI)
Davis (AL)	LaTourette	Salazar
Davis (KY)	Latta	Sanchez, Loretta
Davis (TN)	Lee (NY)	Scalise
DeFazio	Lewis (CA)	Schauer
Dent	Linder	Schiff
Diaz-Balart, L.	Lipinski	Schmidt
Diaz-Balart, M.	LoBiondo	Schock
Djou	Loebbeck	Schrader
Doggett	Lucas	Schwartz
Donnelly (IN)	Luetkemeyer	Sensenbrenner
Dreier	Lujan	Sessions
Drieaus	Lummis	Sestak
Duncan	Lungren, Daniel	Shadegg
Edwards (TX)	E.	Shea-Porter
Ehlers	Mack	Shimkus
Ellsworth	Maffei	Shuler
Emerson	Manzullo	Shuster
Etheridge	Marchant	Simpson
Fallin	Markey (CO)	Skelton
Flake	Marshall	Smith (NE)
Fleming	Matheson	Smith (NJ)
Forbes	McCarthy (CA)	Smith (TX)
Fortenberry	McCauley	Space
Foster	McClintock	Speier
Fox	McCotter	Spratt
Franks (AZ)	McHenry	Stearns
Frelinghuysen	McIntyre	Stupak
Gallely	McKeon	Sullivan
Garrett (NJ)	McMahon	Sutton
Gerlach	McMorris	Tanner
Giffords	Rodgers	Taylor
Gingrey (GA)	McNerney	Teague
Gohmert	Melancon	Terry
Gonzalez	Mica	Thompson (PA)
Goodlatte	Miller (FL)	Thornberry
Gordon (TN)	Miller (MI)	Tiberi
Granger	Miller, Gary	Tierney
Graves (GA)	Minnick	Titus
Graves (MO)	Mitchell	Turner
Grayson	Mollohan	Upton
Green, Al	Moore (KS)	Visclosky
Green, Gene	Moran (KS)	Walden
Griffith	Moran (VA)	Walz
Guthrie	Murphy (CT)	Wamp
Hall (NY)	Murphy (NY)	Weiner
Hall (TX)	Murphy, Patrick	Welch
Halvorson	Murphy, Tim	Westmoreland
Hare	Myrick	Whitfield
Harman	Neugebauer	Wilson (OH)
Harper	Nunes	Wilson (SC)
Heinrich	Nye	Wittman
Heller	Ortiz	Wolf
Hensarling	Pastor (AZ)	Wu
Herger	Paul	Yarmuth
Herseeth Sandlin	Paulsen	Young (AK)
Hill	Pence	Young (FL)
Himes	Perlmutter	
Hinchev	Perriello	

NAYS—119

Andrews	Berry	Brown, Corrine
Baird	Bishop (GA)	Butterfield
Baldwin	Blumenauer	Capps
Becerra	Brady (PA)	Capuano
Berman	Braley (IA)	Castor (FL)

Chu	Kanjorski	Pascarell
Clarke	Kennedy	Payne
Clay	Kilpatrick (MI)	Pingree (ME)
Cleaver	Kilroy	Polis (CO)
Clyburn	Kucinich	Price (NC)
Cohen	Langevin	Rangel
Crowley	Larsen (WA)	Reyes
Cummings	Larson (CT)	Richardson
Davis (CA)	Lee (CA)	Roybal-Allard
Davis (IL)	Levin	Ruppersberger
DeGette	Lewis (GA)	Sarbanes
Delahunt	Lofgren, Zoe	Schakowsky
DeLauro	Lowey	Scott (GA)
Dicks	Lynch	Scott (VA)
Dingell	Maloney	Serrano
Doyle	Markey (MA)	Sherman
Edwards (MD)	Matsui	Sires
Ellison	McCarthy (NY)	Slaughter
Engel	McCollum	Smith (WA)
Eshoo	McDermott	Snyder
Farr	McGovern	Stark
Fattah	Meek (FL)	Thompson (CA)
Filner	Meeks (NY)	Thompson (MS)
Frank (MA)	Michaud	Tonko
Fudge	Miller (NC)	Towns
Garamendi	Miller, George	Tsongas
Grijalva	Moore (WI)	Van Hollen
Gutierrez	Nadler (NY)	Velázquez
Hirono	Napolitano	Wasserman
Holt	Neal (MA)	Schultz
Honda	Oberstar	Waters
Hoyer	Obey	Watson
Inslee	Oliver	Watt
Johnson (GA)	Owens	Waxman
Johnson, E. B.	Pallone	Woolsey

NOT VOTING—10

Deutsch	Hinojosa	Sánchez, Linda
Hastings (FL)	Hoekstra	T.
Hastings (WA)	Kagen	Tiahrt
Higgins	Olsen	

□ 1537

Messrs. BISHOP of Georgia, FILNER, ELLISON, NEAL of Massachusetts, FATTAH, GEORGE MILLER of California, KUCINICH, GUTIERREZ, FARR, OBERSTAR, STARK, CLYBURN, MEEK of Florida, PAYNE, SERRANO, LARSON of Connecticut, Mrs. DAVIS of California, and Mr. LANGEVIN changed their vote from "yea" to "nay."

Messrs. ORTIZ, HALL of New York, JACKSON of Illinois, BLUNT, ACKERMAN, WILSON of Ohio, ROTHMAN of New Jersey, HEINRICH, ETHERIDGE, COOPER, CONNOLLY of Virginia, WEINER, MOORE of Kansas, BACA, SCHIFF, Ms. HARMAN, Messrs. GONZALEZ, PASTOR of Arizona, CARDOZA, PERLMUTTER, BISHOP of New York, KIND, and BARTON of Texas changed their vote from "nay" to "yea."

So the motion to recommit was agreed to.

The result of the vote was announced as above recorded.

Mr. LYNCH. Mr. Speaker, pursuant to the instructions of the House in the motion to recommit, I report the bill, H.R. 1722, back to the House with an amendment.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. LYNCH:
Page 5, strike line 11 and all that follows through page 6, line 9, and insert the following:

“(b) LIMITATIONS.—

“(1) CERTAIN EMPLOYEES NOT AUTHORIZED TO TELEWORK.—An employee may not telework under a policy established under

this chapter if any of the following apply to the employee:

“(A) The employee has a seriously delinquent tax debt (as determined under paragraph (2)).

“(B) The employee has been officially disciplined for violations of subpart G of the Standards of Ethical Conduct for Employees of the Executive Branch for viewing, downloading, or exchanging pornography, including child pornography, on a Federal Government computer or while performing official Federal Government duties.

“(C) The employee received a payment under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.) but was ineligible to receive the payment under the criteria described in section 2605(b)(2) of such Act (42 U.S.C. 8624(b)(2)).

“(D) The employee has been officially disciplined for being absent without permission for more than 5 days in any calendar year.

“(2) DETERMINATION OF SERIOUSLY DELINQUENT TAX DEBT.—

“(A) IN GENERAL.—For purposes of paragraph (1)(A), a ‘seriously delinquent tax debt’ means an outstanding debt under the Internal Revenue Code of 1986 for which a notice of lien has been filed in public records pursuant to section 6323 of such Code, except that such term does not include—

“(i) a debt that is being paid in a timely manner pursuant to an agreement under section 6159 or section 7122 of such Code;

“(ii) a debt with respect to which a levy has been issued under section 6331 of such Code upon accrued salary or wages (or, in the case of an applicant for employment, a debt with respect to which the applicant agrees to be subject to a levy issued under such section upon accrued salary or wages); and

“(iii) a debt with respect to which a collection due process hearing under section 6330 of such Code, or relief under subsection (a), (b), or (f) of section 6015 of such Code, is requested or pending.

“(B) REGULATIONS.—The Office of Personnel Management shall, for purposes of carrying out this paragraph, prescribe any regulations which the Office considers necessary, except that such regulations shall provide that an individual shall be given a reasonable amount of time to demonstrate that the individual’s debt is described in clause (i), (ii), or (iii) of subparagraph (A).

“(3) CERTIFICATION OF SAVINGS.—An agency may not permit employees to telework under a policy established under this chapter unless the head of the agency certifies to the Director of the Office of Personnel Management that the implementation of the policy will result in savings to the agency.

“(4) PROVISIONS RELATING TO CERTAIN CIRCUMSTANCES.—Nothing in subsection (a) shall be considered—

“(A) to require the head of an agency to authorize teleworking in the case of an employee whose duties and responsibilities—

“(i) require daily direct handling of classified information; or

“(ii) are such that their performance requires on-site activity which cannot be carried out from a site removed from the employee’s regular place of employment; or

“(B) to prevent the temporary denial of permission for an employee to telework if, in the judgment of the agency head, the employee is needed to respond to an emergency.

“(C) PROHIBITING COLLECTIVE BARGAINING ACTIVITIES WHILE TELEWORKING.—Notwithstanding any provision of chapter 71, any time during which an employee teleworks may not be treated as ‘official time’ for purposes of the authority to carry out any activity under section 7131 of this title.

“(d) REQUIREMENT THAT PRESIDENTIAL AND VICE-PRESIDENTIAL RECORDS CREATED ON NON-OFFICIAL ELECTRONIC MAIL OR SOCIAL MEDIA ACCOUNTS WHILE TELEWORKING BE COPIED TO OFFICIAL ELECTRONIC MAIL ACCOUNTS.—In the case of any employee who, while teleworking pursuant to a policy established under this chapter, creates or receives a Presidential record or Vice-Presidential record within the meaning of chapter 22 of title 44, United States Code, through a non-official electronic mail account, a social media account, or any other method (electronic or otherwise), the employee shall electronically copy the record into the employee’s official electronic mail account.

“(e) RULE OF CONSTRUCTION.—Nothing in this chapter shall—

“(1) be considered to require any employee to telework; or

“(2) prevent an agency from permitting an employee to telework as part of a continuity of operations plan.”.

Mr. LYNCH (during the reading). Mr. Speaker, I ask unanimous consent to dispense with the reading.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LYNCH. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 290, nays 131, not voting 11, as follows:

[Roll No. 441]

YEAS—290

Ackerman
Adler (NJ)
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Bartlett
Bean
Becerra
Berkley
Berman
Biggett
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Blumenauer
Bocieri
Bono Mack
Boren
Boswell
Boucher
Boyd
Brady (PA)
Braley (IA)

Bright
Brown, Corrine
Buchanan
Butterfield
Cao
Capito
Capps
Capuano
Carboza
Carnahan
Carney
Carson (IN)
Cassidy
Castle
Castor (FL)
Chaffetz
Chandler
Childers
Chu
Clarke
Clay
Clyburn
Coffman (CO)
Cohen
Connolly (VA)
Conyers
Cooper
Costa

Costello
Courtney
Critz
Crowley
Cuellar
Cummings
Dahlkemper
Davis (AL)
Davis (CA)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Dicks
Dingell
Djou
Doggett
Donnelly (IN)
Doyle
Dreier
Driehaus
Edwards (MD)
Edwards (TX)
Ehlers
Ellison

Ellsworth
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Forbes
Fortenberry
Foster
Frank (MA)
Fudge
Garamendi
Gerlach
Giffords
Gonzalez
Goodlatte
Gordon (TN)
Granger
Graves (MO)
Grayson
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hall (TX)
Halvorson
Hare
Harman
Heinrich
Herseth Sandlin
Hill
Himes
Hinchee
Hirono
Hodes
Holden
Holt
Honda
Hoyer
Inslee
Israel
Issa
Jackson (IL)
Jackson Lee
(TX)
Johnson (GA)
Johnson, E. B.
Jones
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick (MI)
Kilroy
Kind
Kirk
Kirkpatrick (AZ)
Kissell
Klein (FL)
Kline (MN)
Kosmas
Kratovil
Kucinich
Langevin
Larsen (WA)
Larson (CT)
Latham
LaTourette

Lee (CA)
Levin
Lewis (GA)
Linder
Lipinski
LoBiondo
Loeback
Loifgren, Zoe
Lowey
Lujan
Lungren, Daniel
E.
Lynch
Maffei
Maloney
Markey (CO)
Markey (MA)
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum
McCotter
McDermott
McGovern
McIntyre
McMahon
McNerney
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (MI)
Miller (NC)
Miller, George
Minnick
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Nadler (NY)
Napolitano
Neal (MA)
Nye
Oberstar
Obey
Oliver
Ortiz
Owens
Pallone
Pascarella
Pastor (AZ)
Paulsen
Payne
Perlmuter
Perriello
Peters
Peterson
Petri
Pingree (ME)
Platts
Polis (CO)
Pomeroy
Price (NC)
Quigley
Rahall

NAYS—131

Aderholt
Akin
Alexander
Austria
Bachmann
Bachus
Barrett (SC)
Barton (TX)
Berry
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite,
Ginny
Burgess
Burton (IN)

Buyer
Calvert
Camp
Campbell
Cantor
Carter
Coble
Cole
Conaway
Crenshaw
Culberson
Davis (KY)
Diaz-Balart, L.
Diaz-Balart, M.
Duncan
Emerson
Fallin
Flake
Fleming
Foxy
Franks (AZ)
Frelinghuysen
Gallegly

Rangel
Reichert
Reyes
Richardson
Rodriguez
Ros-Lehtinen
Ross
Rothman (NJ)
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sanchez, Loretta
Sarbanes
Schakowsky
Schauer
Schiff
Schrader
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Space
Speier
Spratt
Stark
Stupak
Sutton
Tanner
Taylor
Teague
Terry
Thompson (CA)
Thompson (MS)
Tierney
Titus
Tonko
Towns
Tsongas
Upton
Van Hollen
Velazquez
Visclosky
Walden
Walz
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Wilson (OH)
Wittman
Wolf
Woolsey
Yarmuth

Garrett (NJ)
Gingrey (GA)
Gohmert
Graves (GA)
Griffith
Guthrie
Harper
Heller
Hensarling
Herger
Hunter
Inglis
Jenkins
Johnson (IL)
Johnson, Sam
Jordan (OH)
King (IA)
King (NY)
Kingston
Lamborn
Lance
Latta
Lee (NY)

Lewis (CA)	Paul	Sessions
Lucas	Pence	Shadegg
Luetkemeyer	Pitts	Shimkus
Lummis	Poe (TX)	Shuster
Mack	Posey	Simpson
Manzullo	Price (GA)	Smith (NE)
Marchant	Putnam	Smith (TX)
McCarthy (CA)	Radanovich	Stearns
McCaul	Rehberg	Sullivan
McClintock	Roe (TN)	Thompson (PA)
McHenry	Rogers (AL)	Thornberry
McKeon	Rogers (KY)	Tiberi
McMorris	Rogers (MI)	Turner
Rodgers	Rohrabacher	Wamp
Mica	Rooney	Westmoreland
Miller (FL)	Roskam	Whitfield
Miller, Gary	Royce	Wilson (SC)
Moran (KS)	Ryan (WI)	Wu
Murphy, Tim	Scalise	Young (AK)
Myrick	Schmidt	Young (FL)
Neugebauer	Schock	
Nunes	Sensenbrenner	

NOT VOTING—11

Cleaver	Higgins	Olson
Deutch	Hinojosa	Sánchez, Linda
Hastings (FL)	Hoekstra	T.
Hastings (WA)	Kagen	Tiahrt

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members have 1 minute remaining in this vote.

□ 1545

Mr. COFFMAN of Colorado changed his vote from “nay” to “yea.”

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: “A bill to require the head of each executive agency to establish and implement a policy under which employees shall be authorized to telework, and for other purposes.”.

A motion to reconsider was laid on the table.

IMPROPER PAYMENTS ELIMINATION AND RECOVERY ACT OF 2010

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and pass the bill (S. 1508) to amend the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) in order to prevent the loss of billions in taxpayer dollars, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. DAVIS) that the House suspend the rules and pass the bill.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 414, nays 0, not voting 18, as follows:

[Roll No. 442]

YEAS—414

Ackerman	Austria	Bartlett
Aderholt	Baca	Barton (TX)
Adler (NJ)	Bachmann	Bean
Akin	Bachus	Becerra
Alexander	Baird	Berkley
Altmire	Baldwin	Berman
Andrews	Barrett (SC)	Berry
Arcuri	Barrow	Biggert

Bilbray	Ehlers	Larsen (WA)
Bilirakis	Ellison	Larson (CT)
Bishop (GA)	Ellsworth	Latham
Bishop (NY)	Emerson	LaTourette
Bishop (UT)	Engel	Latta
Blackburn	Eshoo	Lee (CA)
Blumenauer	Etheridge	Lee (NY)
Blunt	Fallin	Levin
Boccieri	Farr	Lewis (CA)
Boehner	Fattah	Lewis (GA)
Bonner	Filner	Linder
Bono Mack	Flake	Lipinski
Boozman	Fleming	LoBiondo
Boren	Forbes	Loeback
Boswell	Fortenberry	Loftgren, Zoe
Boucher	Poster	Lowey
Boustany	Fox	Lucas
Boyd	Frank (MA)	Luetkemeyer
Brady (PA)	Franks (AZ)	Lujan
Brady (TX)	Frelinghuysen	Lummis
Braley (IA)	Fudge	Lungren, Daniel
Bright	Gallagher	E.
Broun (GA)	Garamendi	Lynch
Brown (SC)	Garrett (NJ)	Mack
Brown, Corrine	Gerlach	Maffei
Brown-Waite,	Giffords	Maloney
Ginny	Gingrey (GA)	Manzullo
Buchanan	Gohmert	Marchant
Burgess	Gonzalez	Markey (CO)
Burton (IN)	Goodlatte	Markey (MA)
Butterfield	Gordon (TN)	Marshall
Buyer	Granger	Matheson
Calvert	Graves (GA)	Matsui
Camp	Graves (MO)	McCarthy (CA)
Campbell	Grayson	McCarthy (NY)
Cantor	Green, Al	McCaul
Cao	Green, Gene	McClintock
Capito	Griffith	McCullum
Capps	Grijalva	McCotter
Capuano	Guthrie	McDermott
Cardoza	Gutierrez	McHenry
Carnahan	Hall (NY)	McIntyre
Carney	Hall (TX)	McKeon
Carson (IN)	Halvorson	McMahon
Cassidy	Hare	McNerney
Castle	Harman	Meek (FL)
Castor (FL)	Harper	Meeks (NY)
Chaffetz	Heinrich	Melancon
Chandler	Heller	Mica
Childers	Hensarling	Michaud
Chu	Herseth Sandlin	Miller (FL)
Clarke	Hill	Miller (MI)
Clay	Himes	Miller (NC)
Cleaver	Hinche	Miller, Gary
Clyburn	Hirono	Miller, George
Coble	Hodes	Minnick
Coffman (CO)	Holden	Mitchell
Cohen	Holt	Moore (KS)
Cole	Honda	Moore (WI)
Conaway	Hoyer	Moran (KS)
Connolly (VA)	Hunter	Moran (VA)
Conyers	Inglis	Murphy (CT)
Cooper	Inslee	Murphy (NY)
Costa	Israel	Murphy, Patrick
Costello	Issa	Murphy, Tim
Courtney	Jackson (IL)	Myrick
Crenshaw	Jackson Lee	Nadler (NY)
Critz	(TX)	Napolitano
Crowley	Jenkins	Neal (MA)
Cuellar	Johnson (GA)	Neugebauer
Culberson	Johnson (IL)	Nunes
Cummings	Johnson, E. B.	Nye
Dahlkemper	Johnson, Sam	Oberstar
Davis (AL)	Jones	Obey
Davis (CA)	Jordan (OH)	Oliver
Davis (IL)	Kanjorski	Ortiz
Davis (KY)	Kaptur	Pallone
Davis (TN)	Kennedy	Pascarell
DeFazio	Kildee	Pastor (AZ)
DeGette	Kilpatrick (MI)	Paul
Delahunt	Kilroy	Paulsen
DeLauro	Kind	Payne
Dent	King (IA)	Pence
Diaz-Balart, L.	King (NY)	Perlmutter
Diaz-Balart, M.	Kingston	Perriello
Dicks	Kirk	Peters
Dingell	Kirkpatrick (AZ)	Peterson
Djou	Kissell	Petri
Doggett	Klein (FL)	Pingree (ME)
Donnelly (IN)	Kline (MN)	Pitts
Doyle	Kosmas	Platts
Dreier	Kratovil	Poe (TX)
Driehaus	Kucinich	Polis (CO)
Duncan	Lamborn	Pomeroy
Edwards (MD)	Lance	Posey
Edwards (TX)	Langevin	Price (GA)

Price (NC)	Schrader	Thornberry
Putnam	Schwartz	Tiberi
Quigley	Scott (GA)	Tierney
Radanovich	Scott (VA)	Titus
Rahall	Sensenbrenner	Tonko
Rangel	Serrano	Towns
Rehberg	Sessions	Tsongas
Reichert	Sestak	Turner
Reyes	Shea-Porter	Upton
Richardson	Sherman	Van Hollen
Rodriguez	Shimkus	Velázquez
Roe (TN)	Shuler	Visclosky
Rogers (AL)	Shuster	Walden
Rogers (KY)	Simpson	Walz
Rogers (MI)	Sires	Wamp
Rohrabacher	Skelton	Wasserman
Rooney	Slaughter	Schultz
Ros-Lehtinen	Smith (NE)	Waters
Roskam	Smith (NJ)	Watson
Ross	Smith (TX)	Watt
Rothman (NJ)	Smith (WA)	Waxman
Roybal-Allard	Snyder	Weiner
Royce	Space	Welch
Ruppersberger	Speier	Westmoreland
Rush	Spratt	Whitfield
Ryan (OH)	Stark	Wilson (OH)
Ryan (WI)	Stearns	Wilson (SC)
Salazar	Stupak	Wittman
Sanchez, Loretta	Sullivan	Wolf
Sarbanes	Sutton	Woolsey
Scalise	Tanner	Wu
Schakowsky	Taylor	Yarmuth
Schauer	Terry	Young (AK)
Schiff	Thompson (CA)	Young (FL)
Schmidt	Thompson (MS)	
Schock	Thompson (PA)	

NOT VOTING—18

Carter	Hoekstra	Owens
Deutch	Kagen	Sánchez, Linda
Hastings (FL)	McGovern	T.
Hastings (WA)	McMorris	Shadegg
Herger	Rodgers	Teague
Higgins	Mollohan	Tiahrt
Hinojosa	Olson	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Two minutes remain in this vote.

□ 1553

So (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 5621

Mr. PAUL. Madam Speaker, I ask unanimous consent to have my name removed from H.R. 5621.

The SPEAKER pro tempore (Ms. KOSMAS). Is there objection to the request of the gentleman from Texas?

There was no objection.

ECONOMIC CRISIS CONTINUES

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Madam Speaker, as the massive Federal spending and overregulating continue, so does the ongoing economic crisis. The Labor Department reported this week that job openings dropped in May from the previous month and layoffs edged up. Businesses added a net total of only

83,000 jobs in June and 33,000 in May, after average net gains of 200,000 in March and April.

A major reason for this weak hiring is that small businesses, which create about 60 percent of new jobs, are having trouble getting the credit they need to expand and hire more workers. Meanwhile, in the middle of this recession, the liberal leadership in the House is about to unload another 2,500 pages of hundreds of new regulations on the very businesses that provide credit.

Madam Speaker, we need to act now to reverse course, to lower the tax burden on small firms and simplify the regulations in order to encourage job creation, and we need it now.

AMERICANS DON'T TRUST NATIONAL MEDIA

(Mr. SMITH of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Texas. Madam Speaker, it's hard to find any organization that is less trusted than the national media. Just 8 percent of Americans trust the media, according to a new Zogby public opinion poll. Eighty-eight percent say they have little or no trust in the media—by far the worst rating of any organization mentioned. In comparison, the poll found that Americans trust major high-tech companies and even the social networking Web site Facebook more.

This is the latest of many recent polls showing the public has lost faith in the national media. If the media want to restore Americans' trust, they should stop the liberal spin and report the facts.

CHINESE TRADE DEFICIT

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute.)

Mr. DEFAZIO. Press reports today show that our trade deficit with China has jumped to \$22.3 billion dollars—in 1 month.

Now President Obama wants to double down on Afghanistan with a counterterrorism strategy for \$30 billion that many of us believe won't work. But that's because he's a war-fighting President.

This is a war with China, it's a trade war, and we have surrendered to China. Secretary Geithner pretends they aren't manipulating their currency. Our Special Trade Representative pretends they aren't precluding American products with unfair trade barriers. We never file complaints against their unfair trade barriers precluding our products from getting into their country.

We are losing the trade war with China. We're losing our national manufacturing base. We need those jobs. We

can't keep borrowing money from China to buy things that we used to make in America. That's not a sustainable system.

Wake up downtown at the White House, please.

RECOGNIZING SANDY MORRIS

(Mr. GINGREY of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGREY of Georgia. Madam Speaker, I rise today to recognize a very distinguished businesswoman, Sandy Morris, the founder and CEO of Bradley Morris, Incorporated based in Kennesaw, Georgia. Sandy built Bradley Morris, Incorporated—BMI—from the ground up. Her goal was to create the biggest and best military recruiting firm in the country, and nearly 20 years later, I would say Sandy has more than surpassed her goal. BMI is now the largest military recruiting firm in the country and they have helped more than 20,000 military personnel find careers after serving our country.

Madam Speaker, Sandy's career—influenced by her father's service in World War II—has taken her all the way to the top 3 percent of all women-owned firms with revenues of \$1 million or more. She is truly an impressive woman, and I wish her the best of luck.

RECOGNIZING ISRAELI HUMANITARIAN EFFORTS IN HAITI

(Ms. BERKLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. BERKLEY. Madam Speaker, I am going to be putting into the CONGRESSIONAL RECORD an article in the Annals of Internal Medicine entitled Early Disaster Response in Haiti: the Israeli Field Hospital Experience. It talks about how the Israeli Defense Forces Medical Corps Field Hospital was fully operational only 89 hours after the earthquake struck and was capable of providing sophisticated medical care. In the 10 days the hospital was operational, the Israelis treated over 1,100 patients, hospitalized 737 patients, and performed 244 operations. At the same time, the Iranians were shipping Scud missiles through Syria to Hezbollah to rearm them on the northern border of Israel; the Turks were trying to create an international incident with their ridiculous flotilla; the Iraqis, the Sunnis and the Shiites kept killing each other. In Pakistan, the government seems to be immobile when it comes to the terrorist attacks in that country. In Afghanistan, the Taliban keeps killing Americans; and Hamas continues to terrorize its own Palestinian people in the Gaza. All of that while the Israelis are actually

doing something important for humanity. I think we ought to wake up and appreciate what the Israelis do.

[From Annals of Internal Medicine, May 4, 2010]

EARLY DISASTER RESPONSE IN HAITI: THE ISRAELI FIELD HOSPITAL EXPERIENCE
(By Yitshak Kreiss, MD, MHA, MPA; Ofer Merin, MD; Kobi Peleg, PhD, MPH; Gad Levy, MD; Shlomo Vinker, MD; Ram Sagi, MD; Avi Abargel, MD, MHA; Carmi Bartal, MD, MPH; Guy Lin, MD; Ariel Bar, MD, MHA; Elhanan Bar-On, MD; Mitchell J. Schwaber, MD, MSc; and Nachman Ash, MD, MS)

(The earthquake that struck Haiti in January 2010 caused an estimated 230,000 deaths and injured approximately 250,000 people. The Israel Defense Forces Medical Corps Field Hospital was fully operational on site only 89 hours after the earthquake struck and was capable of providing sophisticated medical care. During the 10 days the hospital was operational, its staff treated 1111 patients, hospitalized 737 patients, and performed 244 operations on 203 patients. The field hospital also served as a referral center for medical teams from other countries that were deployed in the surrounding areas.

The key factor that enabled rapid response during the early phase of the disaster from a distance of 6000 miles was a well-prepared and trained medical unit maintained on continuous alert. The prompt deployment of advanced-capability field hospitals is essential in disaster relief, especially in countries with minimal medical infrastructure. The changing medical requirements of people in an earthquake zone dictate that field hospitals be designed to operate with maximum flexibility and versatility regarding triage, staff positioning, treatment priorities, and hospitalization policies. Early coordination with local administrative bodies is indispensable.)

An earthquake measuring 7.0 on the Richter magnitude scale struck close to Port-au-Prince, Haiti, on 12 January 2010. The official death toll was set at 230,000, and local authorities estimated that 250,000 people were injured. This catastrophic event galvanized a strong and rapid response worldwide, and the Israeli government quickly decided to launch a medical humanitarian mission to provide medical care as advanced as possible under the circumstances.

Whereas the fate of patients with life-threatening internal-organ injuries is determined within the first hours of a disaster, early provision of treatment for the multitudes of patients with open fractures can prevent life-threatening sepsis and limb-threatening infections. In addition, situations involving substantial casualties combined with extensive damage to local medical facilities and infrastructure highlight the need for a resourceful, experienced, and trained medical team backed by a logistics contingent. The Israel Defense Forces Medical Corps (IDF-MC) Field Hospital comprises such a unit.

The field hospital staff consisted of 121 servicemen and servicewomen (Appendix Table 1, available at www.annals.org) and was organized into medical, surgical, orthopedic, pediatric, gynecologic, and ambulatory care divisions, as well as auxiliary units (Appendix Figure, available at www.annals.org), with a capacity of 60 inpatient beds that could be expanded to 72.

To ensure maximum optic independence and to shorten the time to deployment, we brought all hospital supplies; a fully stocked

pharmacy, including sufficient oral antibiotics to be distributed on discharge; imaging machinery; a laboratory that could perform blood tests and urine chemistry, hematology, blood gases, and microbiology analyses; and autoclaves for sterilization. Energy sources (generators) and accommodations (tents and latrines) were also brought from Israel. This crucial effort was carried out by a highly trained, skilled logistics unit of 109 personnel, including computer and communication specialists, security staff, kitchen staff, carpenters, plumbers, mechanics, electricians and a burial team.

BUSINESS ADVISORY TOUR

(Mr. GRAVES of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GRAVES of Georgia. Madam Speaker, last week during the July 4th recess, I had the privilege of announcing my Economic Advisory Council as I toured each county in Georgia's Ninth Congressional District. During this time, business leaders in all 15 counties I represent took time from their busy day to join me to discuss ideas for job creation.

Do you know what was unanimous from each of these business leaders? It was stop the crazy spending that's going on here in Washington and start sending clear signals that Washington is serious about creating jobs through the expansion of the private sector and not expansion of government.

This starts with lowering taxes and stopping the runaway debt. We must stop cap and trade, repeal ObamaCare and get our house in order. In fact, Congress should block all tax increases, freeze discretionary spending to at least 2006 levels, and stop all proposed regulations that have any negative economic impact.

In other words, the business community in my district is saying loud and clear, "Washington, you're not helping. Get out of the way and let the free market work."

I couldn't agree with them more.

□ 1600

BUY AMERICA PROVISIONS WORKING

(Mr. MURPHY of Connecticut asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MURPHY of Connecticut. Madam Speaker, a few weeks ago I visited a company in my district, Integro, and through the enforcement of the Buy America clause, their business in making lighting for airstrips has almost doubled.

In visiting them, I found out that they then have increased their purchasing from other domestic firms. So earlier this week I visited a company in Plainville, Connecticut, Olson Brothers, who has seen their business

increase 20 to 30 percent because of the purchasing done by Integro.

They buy their raw product from a company in Massachusetts, and hopefully later on during the August break I will get to visit them as well.

The point is when you enforce Buy America regulations, when we make sure that the things we buy for the Federal Government are bought from domestic firms, you don't just create business with one company, you create business with three companies, with five companies, with 10 companies. That is why Buy America works. That is why we should reinvest and strengthen that policy here in Congress.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

TRIBUTE TO ARMY SPECIALIST BRENDAN PATRICK NEENAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. BRIGHT) is recognized for 5 minutes.

Mr. BRIGHT. Madam Speaker, I rise with a heavy heart to pay tribute to Army Specialist Brendan Patrick Neenan today. Specialist Neenan was killed in Afghanistan on June 7th by an improvised explosive device, otherwise known as an IED. He died while defending the country he loved so dearly. He was only 21 years of age.

A native of Enterprise, Alabama, Brendan was the third generation of his family to be a part of the 82nd Airborne Division. He was stationed at Fort Bragg, North Carolina, and a member of the 2nd Battalion, 508th Parachute Infantry Regiment, 4th Brigade Combat Team.

After high school, Brendan enrolled at Enterprise State Community College, where I went to school, where, like his older brother Tim, he showed an interest in comedy. But Brendan had a higher calling and strongly believed he should serve his country first before doing anything else. Without question, he adhered to the concept of America first.

His brother Tim noted to the Southeast Sun newspaper in Enterprise, "Brendan was a third generation 82nd Airborne. Him, my dad and my grandfather did the exact same thing in the military. He was very proud of being a third generation 82nd. He absolutely, not in a political way, but in an altruistic way, believed in doing something," and that something was serving his country.

Even when he was preparing to deploy to Afghanistan, Brendan was worried more about his family than himself. He told his sister Katie to keep

her grades up. He encouraged his brother Tim to continue his career in comedy. His father Hugh Neenan said, "He was a very gentle soul, the nicest soul you would ever want to meet, but he was a tough, tough young man."

When Brendan passed away, the loss was not only for the Neenan family, but for the entire country. America lost a true hero, someone dedicated to standing up for the values we hold so dear. He was an outstanding young American.

When I spoke to Hugh Neenan shortly after his son's passing, Brendan's character shined through despite the fact that Mr. Neenan was understandably still distraught from losing a son. Brendan was simply performing his duty to his country, following a proud family tradition.

Madam Speaker, delivering these speeches is one of the toughest duties any Member of Congress has to do during his tenure or her tenure here, but what we do here pales in comparison to the brave actions of all of our men and women serving overseas. They are the true American heroes and they deserve our unending gratitude for their sacrifices.

Brendan was laid to rest on June 22nd in Arlington National Cemetery alongside 300,000 other American patriots. His tomb there will be an eternal reminder of his sacrifice to our country.

The loss of Brendan was a blow to his father Hugh, his stepmother Lesa, his brother Tim, his sister Katie, as well as the entire Wiregrass area in southeast Alabama. Enterprise and the area surrounding Fort Rucker, Alabama, have seen more than its fair share of loss over the last several years.

May our thoughts and prayers be with the entire Wiregrass community, as well as Brendan's family, during their time of mourning.

□ 1610

GOVERNMENT BORDER SECURITY PLAN: ERECT A FEW SIGNS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. POE) is recognized for 5 minutes.

Mr. POE of Texas. Madam Speaker, I bring you news from the third front. We have the first front in the war in Afghanistan, the second front is the war in Iraq, and the third front is the border with our neighbors to the south—Mexico. We are finally beginning to learn that there is concrete evidence of a new border plan by this administration. The administration's new plan is this. And let me show you. The plan is to put up warning signs—signs like this one right here. And I happen to have a photograph of one of these signs. It's on Interstate 8 in Arizona.

The Bureau of Land Management began posting these signs recently in

locations along Interstate 8 between Casa Grande and Gila Bend in Arizona. It's an east-west stretch of highway about 60 miles long. Phoenix is 30 miles to the north. The border with Mexico is 80 to 100 miles to the south. About a dozen of these signs have been posted.

You probably can't see this, Madam Speaker, so let's go through it. Of course, at the top it's in red: Danger: Public Warning—Travel Not Recommended. The Federal Government, the administration, and its new border security plan is to tell us, Don't travel this highway. It's not recommended by the Federal Government. The administration has issued travel warnings to citizens to not travel in parts of America. It's just too dangerous for Americans to go through America.

The sign goes on and says some more. Right here, the first bullet point: Active Drug and Human Smuggling Area. So now we know why we're not to be in that part of Arizona—because it's not safe. There's an active area of drug smuggling and human trafficking. And so the remedy of the Federal Government is warning Americans to stay away.

Further, the sign says: Visitors May Encounter Armed Criminals and Smuggling Vehicles Traveling at High Rates of Speed. Another reason why Americans are encouraged not to go through America. It's just not safe.

Now, would those visitors be American? It must be because the sign is actually written in English, supposedly for Americans traveling this interstate highway across America.

The sign further gives some more warning comments: Stay Away from Trash, Clothing, Backpacks, and Abandoned Vehicles. We're not supposed to get near those items when we travel Interstate 8. You see, it continues to say: If You See Suspicious Activity—and this must be important because it is underlined—Do Not Confront. Move Away. Call 911.

Now let's go over this warning on this interstate highway sign telling Americans not to travel through America because it's just too dangerous because of the illegal activity in the area. It says, If you see something that you think is suspicious, don't confront those people. Move away and call 911.

Now let's go through this a little bit. Call 911. You pick up the phone, you call 911. Normally, when you call 911, you get local law enforcement to answer the phone. You don't get the Federal Government because they don't answer 911 calls.

So our government is suing Arizona and doesn't want Arizona local law enforcement to enforce immigration laws and border security, but local security—police officers—will answer 911. They will probably say, Well, we're not supposed to be enforcing immigration laws so we're going to turn you over to ICE. They connect you to ICE—Immigra-

tion and Customs Enforcement. And what are they going to say? If we actually get to the Federal Government, what will they say? They will probably say, Well, read the rest of the sign and move away, because we have really not tried to enforce the law along Interstate 8 in Arizona. Seems to be a little nonsense to me.

Here's my favorite one down here at the bottom. The last one says, The BLM—that's the Bureau of Land Management. They manage Federal lands in the United States to take care of us all. It says: The Bureau of Land Management Encourages Visitors to Use Public Lands North of Interstate 8. In other words, don't go south of Interstate 8, that 80 miles to 90 miles to Mexico. Go north of Interstate 8. Phoenix is only 30 miles from here, by the way.

So, are we ceding as a country land south of Interstate 8 to Mexico, the drug cartels, to the human smugglers, to the drug traffickers? Are we just giving that land back because our Federal Government says, Sorry, we're not protecting that part of America. We're not going to keep that safe.

That is unfortunate, giving this land over to the crime cartels. And so ceding the land to Mexico is not a border security plan at all. Our government's plan seems to be simple—erect a few signs, tell Americans to run and hide in their own country, and then sue the State of Arizona for trying to protect its citizens. That's not a plan. That's nonsense. The Federal Government is missing in action. We need to send the National Guard to the border and protect Americans.

And that's just the way it is.

CONGRATULATING OCEAN WATCH AND ITS CREW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. McDERMOTT) is recognized for 5 minutes.

Mr. McDERMOTT. Madam Speaker, I rise today to congratulate the crew of the sailing ship *Ocean Watch*, a 60-foot sailboat, which just completed a 28,000-mile journey around the Americas. It's been a little more than a year ago that Mark Schrader, Herb McCormick, David Thoreson, and David Logan left Seattle and sailed north. They sailed around Alaska and then through the treacherous Northwest Passage, an area that's usually too full of ice to pass but is now navigable because of the rapidly warming Arctic.

After about a hundred days, the crew arrived safely in the waters of the Atlantic Ocean. From there, the *Ocean Watch* sailed south along the Atlantic coast of both continents to the challenging route around Cape Horn, where they once again met the waters of the Pacific. After traveling over a year and

completing more than 28,000 nautical miles, they finished their expedition and returned home to Seattle. They set sail with the mission of inspiring, educating, and engaging the citizens throughout the Americas to protect our fragile oceans.

This amazing journey was envisioned by David Rockefeller, Jr., and Captain Mark Schrader of Stanwood, Washington. To implement their shared vision, Mr. Rockefeller enlisted the assistance of a nonprofit organization he helped to found, Sailors for the Sea, that encourages sailors to become more active stewards of the world's oceans. Over the course of their journey, the crew that included experienced sailors, photographers, journalists, educators, and scientists, visited 13 countries at 45 ports of call. In Alaska, they visited with the Namgis Indians of British Columbia and were themselves educated on the destruction of the local habitat by industrial logging and over-fishing. They docked in New York City for a presentation at the New York Yacht Club, where they shared their experience and mission to a standing-room only crowd.

At each stop, the crew shared their experiences and raised awareness of important ocean health issues like polar ice melt, ocean pollution, collapsing fisheries, acidification, and coastal erosion due to sea level rise. To aid in their mission, the *Ocean Watch* carried with it various instruments and cameras, coordinated data collection with various NASA and NOAA satellites, and took advantage of the unique opportunity to track and monitor global data from a single platform. In the true spirit of conservation and education, these measurements will be shared and used to complement other oceanographic, atmospheric, and climate research programs, the majority of which originated from the Applied Physics Lab and the Joint Institute for the Study of the Atmosphere and Oceans at the University of Washington. To help in accomplishing the educational goals of this project, they used a set of curricula and educational resources developed by Seattle's Pacific Science Center, and brought with them trained, bilingual educators who shared lessons linked to the onboard scientific research with the communities that they visited.

The completion of *Ocean Watch*'s extraordinary voyage cannot come at a more critical time in our Nation's ecological history. As we watch helplessly as the oil gushes into the Gulf of Mexico and it devastates the region's ecosystem with the far-reaching potential of consequences that extend well into the Gulf, we need more advocates who understand the importance of protecting our fragile oceans.

While the crew of the *Ocean Watch* successfully completed their voyage, their work has only just begun. After

both the *Exxon Valdez* and the disaster in the Gulf, I'm not sure how many more wake-up calls we need, but I do know that we're going to need people like Mark Schrader and his crew to help educate us on what is happening to our oceans. I commend the crew of the *Ocean Watch* for moving us forward on this difficult path.

I recently read a quote by a British man named Thomas Fuller in 1732. He said, "We never know the worth of water until the well is dry." I sincerely hope that with advocates like the crew of the *Ocean Watch*, we will prove Mr. Fuller wrong.

□ 1620

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair announces that the correct tally on roll call vote No. 440 was 303 yeas and 119 nays.

RULES OF ENGAGEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

Mr. JONES. Madam Speaker, when we were debating the issue of Afghanistan a couple of weeks ago, during the 3 minutes of time that I had, I brought up the issue of rules of engagement. These are the rules that our men and women in uniform in Afghanistan and Iraq have to follow if they're going to be confronted by the enemy.

Well, I have been very disappointed that we've put so many restrictions on our men and women in uniform that I, along with two other Members of the House—JEFF MILLER, a Congressman from California and DOUG LAMBORN, a Congressman from Colorado—wrote to Chairman IKE SKELTON and Ranking Member BUCK McKEON, and we asked for a classified hearing on this issue of the rules of engagement.

And, Madam Speaker, in the letter that we wrote to the chairman and ranking member, we cited in there an article from The Washington Post that was entitled, "This is not how you fight a war." One example, one of the United States Army officers serving in southern Afghanistan quoted in this article, "Minimizing civilian casualties is a fine goal, but should it be the be-all and end-all of the policy? If we allow soldiers to die in Afghanistan at the hands of a leader who says, 'We're going to protect civilians rather than soldiers,' what's going to happen on the ground? The soldiers are not going to execute the mission to the best of their ability. They won't put their hearts into the mission. That's the kind of atmosphere we're building" in Afghanistan.

Another soldier in the same article was quoted as saying, "This is not how

you fight a war, at least not in Kandahar! We've been handcuffed by our chained chain of command."

Madam Speaker, also from that article, I would like to read another paragraph: "For troops on the ground, the directive has lowered their morale and limited their ability to pursue insurgents. They note that Taliban fighters seem to understand the new rules and have taken to sniping at troops from inside homes or retreating inside houses after staging attacks."

This is an ongoing issue and problem for our military. In fact, in a June article, there was a syndicated column by George Will, and I will read just one paragraph. In "a recent email from a noncommissioned officer serving in Afghanistan" . . . "he explains why the rules of engagement for U.S. troops are too prohibitive for coalition forces to achieve sustained tactical successes."

And, Madam Speaker, also during that debate a couple of weeks ago, I held up these two articles from Marine Times, "left to die. They call for help. Negligent Army leadership refuse and abandon them on the battlefield. Four marines and one Army killed" because they did not get the support that they needed because of rules of engagement.

I also have spoken to a father from Maine who was quoted in another Marine Times article, "Caution killed my son. Marine families blast suicidal tactics in Afghanistan." The father said to me—he, himself, a retired marine—that my son and the platoon, if they had gotten the cover that they needed the day before when they saw Taliban soldiers going into a cave—they called for air support. The helo came over the gunship but did not fire into the cave because the pilot said, "We cannot see the enemy," yet the young lieutenant had just reported to them, "We saw the Taliban soldiers go into the cave."

Madam Speaker, it is time to get out of Afghanistan. We have put our troops over there in harm's way, and we're not letting them fight as they should be able to fight.

Before I close, in a poll from CBS just 2 days ago, "Should U.S. Set a Timetable for Withdrawing Troops from Afghanistan?" 54 percent said "yes," 41 percent said "no," and 5 percent were undecided.

Madam Speaker, I want to close by asking God to please bless our men and women in uniform, to please bless the families of our men and women in uniform. God, in Your loving arms, hold the families who have given a child dying for freedom in Afghanistan and Iraq. And I will ask God to please bless the House and Senate that we will do what is right in the eyes of God. And I will ask God to give wisdom, strength, and courage to the President of the United States that he will do what is right in the eyes of God. And three times—God, please, God, please, God, please continue to bless America.

FISCAL DISCIPLINE

The SPEAKER pro tempore (Ms. FUDGE). Under a previous order of the House, the gentlewoman from Arizona (Mrs. KIRKPATRICK) is recognized for 5 minutes.

Mrs. KIRKPATRICK of Arizona. Madam Speaker, on Sunday, two leading voices from both sides of the aisle outlined as clearly as ever the consequences of Washington's unrestrained spending. The cochairs of the nonpartisan Debt and Deficit Commission, former Republican Senator Alan Simpson and former Clinton administration Chief of Staff Erskine Bowles said that if the government stays on its current path, our crushing Federal debt will "destroy the country from within." Bowles went on to describe it as a "cancer" on our Nation.

These are just the latest warnings of the disaster we face if Congress does not begin making the tough choices to restore fiscal discipline. Washington politicians have heard it from policy experts, from public servants, and, above all, from the people. When will they start to listen? How much plainer can we make the stakes? What more will it take to get the message through?

I was proud to fight for the strongest possible debt commission, and I will push Congress for an up-or-down vote on each of their recommendations. But the cochairs have already laid out what needs to be done to get our fiscal house in order, and this House must not waste any opportunity to take action.

As Members put together the appropriation bills for the next fiscal year, they should work creatively and aggressively to cut spending levels and do more with less. As I have proposed, they should start by reducing congressional pay by 5 percent. Congress needs to lead by example. Before they ask the rest of the Federal Government to make cuts, they must go on to find big and small ways to save billions of taxpayer dollars.

Paying down the debt and balancing the budget will not be easy. There will be politically unpopular decisions to be made. But as Senator Simpson and Mr. Bowles reminded us, leaving the hard calls for another day is no longer an option.

THE MIAMI VA'S CONTINUED PROBLEMS WITH COLONOSCOPIES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Ms. ROS-LEHTINEN) is recognized for 5 minutes.

Ms. ROS-LEHTINEN. Madam Speaker, over a year ago, more than 3,000 veterans in the Miami Veterans Affairs Medical Center were notified that they could have been exposed to life-threatening diseases like HIV and hepatitis because the Miami VA was not properly sterilizing its equipment for

colonoscopies. These are veterans who went in for routine screenings, who put their trust in the medical professionals at the VA, and could have been possibly infected with any number of viruses. Our veterans who sacrificed so much for our country deserve better than this.

When this matter first came to light last year, immediate hearings into the matter were called. My colleagues and I were told multiple times that every veteran who underwent a colonoscopy during the risk period would be contacted and would be tested. During followup site visits at the Miami VA, I was again personally assured that the VA had informed every impacted veteran. Most importantly, both local and national VA officials were certain that real positive changes had been made to restore accountability and trust. Now, Madam Speaker, 1 year later, we find out that an additional 79 veterans might have been exposed to these life-threatening viruses but were, in fact, never notified of their risk.

Now, we are blessed to have excellent doctors, excellent nurses, excellent health care professionals working at the Miami VA, and I'm sure that they are saddened by this repeated problem. I thank this dedicated group of health care professionals for caring so deeply about our veterans. They should not be faulted for the problems of a few.

This most recent mistake was only discovered by the Miami VA when one of the veterans, himself, came forward. He wondered why the hospital had not contacted him about his colonoscopy which was performed during the risk period. Without his coming forward, these 79 potentially impacted patients could have easily gone completely unnoticed.

HIV and hepatitis are much more easily treated, and survivability is greatly enhanced, obviously, if the diseases are caught early. The failure of some in the Miami VA to identify those veterans is near unfathomable when considering the supposed microscope that the VA had promised they would be held under.

□ 1630

Yet 79 of the veterans still fell through the cracks. Nationally, the VA has promised to deliver on its pledge of greater management accountability and trust. The VA must follow basic procedures to protect its patients and implement a process for examining its faults and resolving them.

The Miami VA is again contacting every single patient who may have been exposed so that he can be tested and, if need be, treated. The VA must make sure that this tragedy is never repeated and that accountability and oversight are restored.

Our country is deeply indebted to the sacrifices made by our courageous men and woman who have served in our

Armed Forces. We owe it to them to make sure that they are taken care of upon their return home.

This terrible mistake that led our veterans to being potentially impacted with life-threatening diseases cannot be repeated. To restore that lost credibility, the VA must enact new procedures to ensure that similar problems never occur in the future and make sure that there are proper mechanisms in place to resolve any issues that do arise.

I know that the Miami VA health care professionals have a lot of work ahead of them to rebuild the trust, and they will do so. They will re-establish that bond between each veteran and the most excellent Miami VA center.

Our veterans know that they deserve to know what went wrong and, more importantly, that it will never happen to a fellow veteran from here on out.

PASSPORTS FOR THE IROQUOIS LACROSSE TEAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. MAFFEI) is recognized for 5 minutes.

Mr. MAFFEI. Madam Speaker, I rise to give the House an update on the situation concerning the Iroquois Nationals lacrosse team trying to travel to the 2010 World Lacrosse Championship in Great Britain.

Madam Speaker, I rose this morning to talk about how this team is trying to travel to this. They are traveling on their own passports as an indigenous people, and they were not allowed to board the plane multiple times.

Since I last reported to the House, the State Department, because of the direct intervention of the Secretary of State, Hillary Clinton has become involved; and they have issued an assurance to the British Government that indeed this team, who have already subjected themselves to all the security considerations, including a full bio-scan, fingerprints and other background checks, that this team would be allowed back in the United States and was, indeed, a legitimate team.

However, Madam Speaker, the British have not yet decided whether or not to let the team into this international competition.

Madam Speaker, the 2010 World Lacrosse Championships are being hosted in Great Britain. This team, the Iroquois Nationals, that represent the six nations of the Iroquois Confederacy, or as they call it, the Hodnashone People, this team was invited, not to compete for the United States or Canada or any other country other than the Iroquois Country. They were invited because of their own national identity. And so it seems particularly odd and contradictory that the British Government would require them to have passports of a country that they don't feel that they're representing.

Now, we do have many examples of times in our history when we've had people who've stood up to principle and have not been able to compete. In 1924, a Scottish Olympic star named Eric Liddell did not want to compete on the Sabbath. He was told that he would not be able to participate in the 1924 Olympics because of that.

In the movie "Chariots of Fire," which was an Academy Award-winning movie in 1981, this was chronicled; and he was called in that movie a true man of principle, a true athlete. His speed is a mere extension of his life, it's force; and we sought to sever his running from himself.

Madam Speaker, if the British, or any national entity, seek to sever this Iroquois National team from their own national identity, then they are asking them to not be the athletes that they are.

I urge the British Government to do everything in their power to make sure that once safety considerations are considered, that this team be allowed to go to travel to Great Britain and to be allowed to compete. These Iroquois, or Hodnashone, were the inventors of the game of lacrosse. It would be an international embarrassment if they're not allowed to compete. And they have been allowed to compete in other countries such as Australia and Japan.

We cannot lose the forest for the trees. We cannot look at some bureaucratic excuse, particularly for the country that's allegedly hosting the Olympics in 2012 in London. If they're going to host an international game, they have to be ready to welcome an international team.

RECOGNIZING CONSTITUTING AMERICA'S "WE THE PEOPLE 9/17 CONTEST"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. GARRETT) is recognized for 5 minutes.

Mr. GARRETT of New Jersey. It was John Adams who once wrote, "Liberty cannot be preserved without a general knowledge of the people." And when I first came to Congress, I resolved that promoting knowledge of the U.S. Constitution would be one of my primary responsibilities and priorities. And to that end, I founded and continue to this day to chair the Congressional Constitution Caucus.

I come here to the floor tonight just to say that I'm not alone in this effort in working to preserve our freedoms through education and specifically of the U.S. Constitution. And so tonight I would just like to recognize a group whose mission is to inform America's youth and her citizens about the importance of the U.S. Constitution and the foundation it sets forth regarding our freedoms and rights.

The name of this group is Constituting America. And I commend the efforts of the two founders, and that is Janine Turner and Cathy Gillespie. It is these two women, along with Janine's daughter, Juliette, who are trying and working hard to inspire students across this country to learn more about this fundamental, primary document, the U.S. Constitution. And they're doing it by launching the first ever annual "We the People 9/17 Contest."

Students had until just last week, that was July 4, to submit either a poem or an essay, a song or even a short film or any other type of creative work. I come here tonight to offer to every one of the participants my heartfelt congratulations for their hard work in this endeavor.

This contest, and the creation of Constituting America, really fittingly represents the genius of the American Republic, for we are a civilization that prizes individual freedom, that prizes personal responsibility, continuing education, great innovation and, most importantly, civic virtue.

So I thank Janine and Cathy for providing a relevant means to further our understanding of our Nation's values, our history, and our founding documents. The American story is filled with great intrigue and bravery; and remembering its past, remembering and having an understanding of these founding documents of the U.S. Constitution will help secure us as we write the next chapter.

OUR INCONSISTENT POLICY TOWARD ILLEGAL ALIENS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

Mr. BURTON of Indiana. Madam Speaker, I get a little concerned sometimes when there's a real inconsistency in our policy toward illegal aliens in this country. The administration and the Justice Department have said they're going to take the State of Arizona to court because the State of Arizona has passed a law which deals with stopping illegal immigration, and it parallels, it mirrors almost exactly the Federal statute.

So the Federal Government is not doing what it should in enforcing the law dealing with our southern border. And so Arizona, who's dealing with drug traffickers, criminals, illegal aliens and possibly terrorists coming across the border, they have decided to do what the Federal Government won't. The Federal Government is supposed to do what Arizona is doing, and because Arizona is doing it, the Federal Government is suing them.

□ 1640

Now, at the same time we have what's called sanctuary cities, cities

where illegals are encouraged to go, and they are in effect being protected. That is against the law. And so here you have the Federal Government, the Justice Department and the President saying we're not going to go after the sanctuary cities who are protecting illegal aliens that are in this country, and at the same time they're not going to enforce the law which says that we've got to protect the border against illegals coming in in the first place. It really is a real inconsistency, and it bothers almost everybody who thinks about it to say we're not enforcing one law and we're opposing another law.

The government of the United States, the Justice Department, is opposing the very law that they're suing Arizona for in trying to protect that southern border. And at the same time, there is a law that deals with illegal aliens in sanctuary cities, and the Federal Government will not go after them. And the appearance is the Federal Government under the President, President Obama, and the Justice Department wants to protect those who are here illegally in sanctuary cities, but they do not want to police the border as prescribed by law. That is just dead wrong. It's an inconsistency. And the Justice Department and the administration should be taken to task for this.

If I were talking to the American people, I would tell them to contact their Congressman if they are concerned about illegal immigration. We've got 12 to 15 million illegals in this country, and they are being protected in sanctuary cities against the law, and the Justice Department will do nothing about it, and the administration will do nothing about it. And at the same time, because Arizona is experiencing a real tragic situation down there, and they passed a law that is consistent with Federal statutes, the Federal Government is going after them.

It makes absolutely no sense. And it begs the issue and the question about whether or not this administration and this Justice Department does want to protect our borders from illegal aliens. It doesn't appear that they really want to do that.

REMEMBERING THE LATE SENATOR DAVE COX

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DANIEL E. LUNGREN) is recognized for 5 minutes.

Mr. DANIEL E. LUNGREN of California. Madam Speaker, I rise today to recognize and honor the late California State senator and former California Assembly Republican Leader Dave Cox, who passed away at his home yesterday, surrounded by his loving family.

I had the great pleasure of working with Dave, and I admired not only his

energy, but his tireless service to the people he represented. I was pleased that I was able to represent some of those same people in my congressional district, which overlapped his State senate district.

He constantly strove to make government work better for people, and I do believe he accomplished this mission. His public service spanned more than two decades, and it goes without saying that he will be sorely missed across the entire Sacramento region.

Dave served on the Sacramento Municipal Utility District Board, and was a 6-year Sacramento County supervisor before joining the California Assembly in 1998, and then the California Senate in 2004.

Much can be said about Dave Cox the public servant, but let us remember that he was a devoted husband, father, and grandfather as well. Dave, along with his wife, Maggie, raised three daughters, and were the proud grandparents of six grandchildren.

I was pleased to be able to speak with him just a few weeks ago, when he had returned from receiving some treatment for the cancer. And he told me that he was going to return to the State senate, which he did several days later. Here was yet another example of a man serving the people he loved until the very end. He said to me at that time, well, he was only about 90 percent. And I said, "Well, 90 percent of Dave Cox is better than a hundred percent of most of the people in public service."

I am honored to remember my friend, the late Senator Dave Cox, a devoted family man, an exemplary public servant, and a trusted colleague. Eternal rest, grant unto him, O Lord, and let perpetual light shine upon him. May he rest in peace.

A DISCUSSION ABOUT JOBS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from California (Mr. GARAMENDI) is recognized for 60 minutes as the designee of the majority leader.

Mr. GARAMENDI. Madam Speaker, thank you.

Following on Congressman LUNGREN, my colleague from the neighboring district, I didn't realize that Senator Dave Cox had died. I join him in the eulogy that he so graciously gave here on the floor. An extraordinary individual, represented my mother in the mountain counties, and was dedicated, as was said, to the betterment of California. So I will start with that.

What I intended to discuss here today was jobs, American jobs, and the situation we are faced with today and the extraordinary burden that's placed upon so many Americans who have lost their jobs in the last years of this great recession.

What I wanted to really start with was to try to get a sense of what has happened over the last 3 years, 2½, almost 3 years now. Beginning in December of 2007, the great American recession began during the George W. Bush period. And we began to lose jobs, largely as a result of the subprime mortgage, the lack of regulation that was going on, loans being made to people that didn't qualify, and all the games of Wall Street that began to unravel and to cause the American economy to literally crash.

As that Wall Street problem magnified and grew, the number of jobs that were lost grew, so between December of 2007, when there is actually some modest job growth, and December of 2008, we saw an extraordinary decline in jobs. So that in December 2008 you are looking at over 750,000 jobs lost.

Now, in January, at the end of January, the Obama administration came in, and again in January we faced another 700,000 jobs lost. But almost all that period of time was the previous administration. And the new Obama administration did not have any opportunity until the last 5 days of the month to even take over the administration of government.

Thereafter, and most every month since then we have seen a decline in the number of jobs lost, so that now in the fall of 2009 we actually began to see the first signs of job growth. So that in September, October of 2009 there is actually a small, very modest increase in jobs, followed the next month by again a decline. But then in the following months since the fall of 2009 to this period, we have actually seen a growth in the number of jobs in America. And that's good news.

We're not anywhere near where we need to be. And I think we all need to understand what has been done to—the effect of all of this job loss. So if I might just go to another chart here so that we can set the foundation for what we're going to talk about, you know, the numbers basically lay it out there.

During the Great Recession, beginning in the fall of 2007 and then continuing on until the fall of 2009, 8 million jobs were lost. Nearly all of those were lost during the George W. Bush administration. For the Americans that depended on their savings, their retirement accounts, \$17 trillion in retirement savings were lost during this period of time.

You just compare that to the previous 8 years of the Clinton administration, when 22 million jobs were created during the Clinton administration. The question arises, why? What was the difference? What happened that caused during the last years of the George W. Bush administration the loss of these some 8 million jobs compared to 22 million jobs that were created under the Clinton administration? We're going to come to that during this

discussion. And it's a fundamental question, because it is the question of national policy.

□ 1650

During the prior period of the Bush administration, by contrast, 1 million jobs were created in America. Again, enormous difference—22 versus 1. Why? What's the reason for this? And the policy decisions that were made that led to this enormous difference here.

I'd tell you what we'd like to do for the remainder of this year is create some 900,000 jobs, and we're on course to do that. It's going to take a lot of work. It's going to take a lot of changes in policy.

Beginning with the Obama administration, a series of pieces of legislation were put into place, and I'd like to just review those pieces of legislation and what they were doing. Many of these were designed specifically to deal with the great recession and to prevent the American economy from falling into a 1930 Depression. We were on the edge. We were teetering on the edge of that.

Some of this was done in the last days of the George W. Bush administration, which was the bailout of Wall Street, the TARP program. That program pumped some \$700-plus billion into Wall Street. A lot of controversy about it. Other nations around the world were doing the same thing. And the result was a stabilization of the financial industry. For me, I would have liked to have seen it done differently, but it was done that way during the Bush administration, and it did actually stabilize the economy. Now, because of bills that have been passed since that time, we're seeing a good portion of that money returned to the American Treasury.

Now, beginning with the Obama administration, immediate action was taken here on the floor of this House and in the Senate to try to stabilize the job market to try to put Americans back to work. And the very first bill that was enacted, I believe, within the first 30 days was the American Recovery and Reinvestment Act.

Now, economists looking at that today have said that that legislation alone created 2.8 million jobs, including teachers, police, firemen, construction workers, and the like. It also provided the American middle class with the largest tax cut ever for the middle class. Ninety-eight percent of Americans received a reduction in their taxes as a result of that, so that today the amount of money collected from the American taxpayers is at a rate that is as low as it was in the 1950s.

There was also a major element of it that was called rebuilding America with clean energy jobs and with infrastructure. So 2.8 million jobs were enacted.

I'm going to quickly go through these others. I'll come back to them

during the course of this discussion. But also I want to just tell you the way we're going to do this, and that is we're going to talk about what's going on in various parts of America.

So, from time to time, I'll come back and talk about the other six fundamental pieces of legislation that have been signed into law by President Obama, passed by this House. All seven, including the American Recovery and Reinvestment Act, have created jobs in America and turned around the American economy. So we're growing. Not as much as we should and not as much as necessary, but we're growing.

I'd like now to reach out—well, I guess I'm a Californian, but basically I'm from northern California. I represent a district in the San Francisco Bay Area east of the San Francisco Bay. But there's another part of California that is rather big. That would be the Los Angeles Basin. And specifically, joining me from Orange County is the gentlewoman from Orange County, LORETTA SANCHEZ.

Can you talk to us about what's happening there and the nature of the economy and the job situation.

Ms. LORETTA SANCHEZ of California. Absolutely.

As you know, I live in an incredibly wonderful area called Orange County, the OC that many of you have seen on television before. It's not clearly the way it's depicted there, but it is a beautiful place. We're the home of Disneyland, of the Anaheim Angels. We have one of the largest concert arenas in the Nation. We also have a beautiful coastline that so many people want to come to in Newport Beach and Laguna Beach, and it's just a very, very special place.

But the housing issue affected Orange County in a dramatic way. We had, in Orange County, four of the six largest subprime lenders across the Nation were in Orange County. So almost overnight we lost 40,000 jobs just to the housing issue.

Well, I would like to let people know that it was reported in today's Los Angeles Times that housing is coming back in California. And specifically it noted, of course, this whole tax issue, because my colleague, my wonderful colleague from the northern portion of our State noted the tax cuts that we had in the American Recovery and Reinvestment Act, in particular.

For people who say that Democrats—and I am a Democrat—never liked tax cuts, that's just not true. The fact of the matter in the stimulus package, in the American Recovery Act, we actually have a third of the moneys go to tax cuts. But we put them to specific areas to help people get an education, to help them keep their homes, to help them, encourage them to buy homes, to keep the economy going. And so today we have found in the newspaper

that there is a 7.2 percent jump in southern California home sales. And Orange County, out of any place in the Nation, leads the way in selling homes, putting homes on the market, getting new families excited to get into these new homes. Yes, a lot of the people that I represent have lost their homes. Right next door to my home there's a foreclosure. And so it is difficult.

But in order to keep people in their homes, we've also passed legislation that would help modify some of those home loans so that people would actually get a chance to stay in their homes. And if they did have to leave their home before we could get somebody else in to buy that home, we also passed funds to help cities, for example, \$10 million and \$6 million to the cities of Santa Ana and Anaheim that I represent, to make sure that homes were taken care of as we transitioned them from one family or person to the next.

So we have actually passed quite a few pieces of legislation that have helped the housing market. And in helping the housing market, this is beginning to create some of the jobs that we see, especially in Orange County.

So I'm so glad that my colleague has taken this hour to talk a little bit about how, slowly, we are beginning to come back and the effects of that very important piece of legislation we passed a year ago, the American Recovery and Reinvestment Act, and the additional pieces that we have passed to help.

Mr. GARAMENDI. So thank you so very much for talking about down home and what's going on there.

I will note that the American Recovery and Reinvestment Act, which the economists suggest has created 2.8 million jobs, provided the largest middle class tax cut ever, and also did the infrastructure—streets, roads, sanitation facilities—and renewable green energy programs. Not one Republican voted for that.

Ms. LORETTA SANCHEZ of California. Absolutely. And if my colleague will just give me a little bit more time, I will say to him, we have felt that in Orange County, \$2.2 billion for the first piece of the high speed rail that will connect Anaheim all the way up to San Francisco, to your area, that \$2.2 billion given to the Anaheim/Los Angeles portion of that high-speed rail.

So looking to the future, other pieces of that legislation—research in the greening of America, research in new technologies for energy independence, and also research and to change over our hospitals to electronic filing rather than to have paperwork being shuffled between doctors. So it carried a lot of future-looking pieces.

And, of course, when you look at innovation, that is what California is about. That is what is going to lead us out of a bad economy, and that is what

we will, in fact, sell to the rest of the world after we establish those new areas of innovation.

Mr. GARAMENDI. I thank you for bringing up the question of innovation and research. It was a very big portion of that. I'm going to come back a little later to another piece of legislation that has passed this House, yet to pass the Senate. But with regard to the American Reinvestment and Recovery Act, once again, it was the Democrats that carried the ball that shouldered the burden and passed and provided the votes. Not one Republican vote.

You mentioned the home-buying situation in Orange County. The first-time home buyer credit, I think it's \$6,000, was made available through a piece of legislation that once again was pushed forward by the Democrats in this House and over in the Senate. And 93 percent of the Republicans on this floor voted against that provision that gives first-time home buyers that additional money that they needed for that down payment so they could buy that home.

□ 1700

It goes on and on and on. One of the issues that confronts us, since we're not back where we need to be with our employment, is the unemployment insurance situation.

Now, representing a part of the Nation that has been really harmed by the loss of manufacturing jobs is the Ohio Valley region. Representative CHARLIE WILSON is from the Youngstown area, and I invite him here to talk to us about his situation in the Ohio Valley and the Youngstown region. Welcome. Thank you.

Mr. WILSON of Ohio. Thank you for convening this important discussion about our economy and our need to create jobs. I appreciate both of my colleagues from the California area and say that I represent the Ohio River Valley area that runs from Youngstown down through Steubenville, Athens, Marietta-Athens, and on down. So it's all along the Ohio River where we have had for many years and generations steel workers and people that have helped to move this economy and our country forward.

But by July 17 over 112,000 people in the State of Ohio will lose their unemployment benefits. This is due to the Senate's inaction to extend unemployment benefits which contribute to the important every-day expenses like paying your mortgage, health care bills, utility bills, and cost of food where there isn't a paycheck coming in. The American people are hurting, and they want to work. Until we can get everyone who wants a job working again, I believe that it is important that we continue to support unemployment insurance.

On July 1, I was proud to vote in favor of the House-passed legislation to

extend unemployment benefits for millions of American families. This 6-month extension of benefits will not only help families looking for work, but it is a proven fact that it will boost our economy also.

In a recent Washington Post/ABC News poll, more than 6 in 10 Americans support congressional action to extend unemployment benefits for jobless workers. And The Washington Post agrees, stating in a recent article that passing the extension of unemployment insurance is both the right thing to do and the fiscally prudent thing to do.

I would like to quote The Washington Post editorial: "Drawing the deficit line at additional unemployment benefits is shortsighted, because, if anything, the economy could benefit from more stimulus spending, not less. Unemployment benefits, which are most apt to be immediately plowed back into the economy, are about the most stimulative form of spending. Extending them is both fiscally sensible and morally decent."

"Unemployment benefits . . . are an essential lifeline. The Senate needs to extend them."

In fact, the analysis from the non-partisan Congressional Budget Office suggests that extending unemployment benefits is one of the most cost-effective and fast-acting ways to stimulate our economy. It's not just the CBO. Many economists agree that extending these benefits decreases the chances of slipping back into a double-dip recession.

As a matter of fact, I have here from Mark Zandi, chief economist at Moody's Analytics, a former economist to Senator JOHN MCCAIN, who says for every dollar that is invested in unemployment insurance \$1.61 is pumped back into the American economy. I hope that all of us can see the need for extending these unemployment benefits and move quickly to get our people voted back to be able to have the Senate do the right thing and pass unemployment.

Mr. GARAMENDI. Thank you very, very much for the view from the great Ohio Valley.

Before we started this 1 hour, you and I were chatting off the floor, and you raised another point and maybe the two of us can kind of talk about this for a second.

We're really faced with a choice. First of all, this is unemployment insurance. This has always been a program in which over time employers pay into a fund for insurance if their workers become unemployed. Because of the downturn in the economy, the Federal Government has had to backstop that insurance program. Presumably over time, we get the economy going, some of that will be refunded. I know it certainly will be at the State level because the States are obligated to make it back up.

But with regard to the individuals involved here, their unemployment insurance has run out. They have not received a check now I think for the last 2 weeks. If this is not extended, what happens to them?

Mr. WILSON of Ohio. Well, it is sad because what will happen is they will go down to the welfare level. They have to be able to have food and some way to be able to survive, and I think it is the biggest part of cruelty and, secondly, I believe that the States are already scraping by with just not having the proper funding that they need. So to push this down to the State level would be catastrophic for a State like Ohio.

Mr. GARAMENDI. And a person that was working, was receiving insurance, is now going to be on welfare.

Mr. WILSON of Ohio. That's correct.

Mr. GARAMENDI. So there is no win in this, and once again, where's the Senate? I know what happened in this House. The Democrats almost universally voted for this. We were able to get 29 Republicans to vote for this unemployment insurance program, and only 29 Republicans did so. We were able to pass it; 153 Republicans voted "no."

So what's the sense of all this? It really raises the question in my mind because as we go through these bills that have been passed from this House, some of which have been signed into law, passed the Senate, signed into law, the Republicans universally vote "no" on these jobs bills and even on unemployment insurance. I don't quite get it. We were talking earlier about the workers, the first-time homeowner buyers, tax relief for small businesses, emergency relief for American families. That bill passed here with only 7 percent of Republicans voting "yes" and 93 voting "no."

Even on student aid, we're talking about men and women that want to go back to school, that want to be able to continue their education, and one of the most important ways to stimulate the future economy is to have a well-educated workforce; but in that case, that particular piece of legislation that passed this House would have increased the Pell Grants so that kids and adults could afford to go to school. What did the Republicans do? Not one Republican voted for student aid to help students go to school, to continue in school.

I'm curious what's going on here. I just noticed that my colleague from Connecticut has arrived here, JOHN LARSON. Maybe you can answer this or just tell us what is going on in Connecticut.

Mr. LARSON of Connecticut. First of all, let me thank the gentleman from California for organizing this hour, along with the gentlelady from California (Ms. LORETTA SANCHEZ), and I want to associate myself with the re-

marks of the gentleman from Ohio and join with you, well, frankly, out of frustration in terms of the kind of opposition that we're seeing in the United States Senate on an issue that's so important to people who, through no fault of their own, have found themselves in a situation where they are unemployed.

I think during this Bush recession as we persevere through the Bush wars and the Bush financial collapse, when unemployment has hit this country hard, when America loses \$17 trillion in wealth and assets from March of 2007 to February of 2009, you begin to see why Americans are so frustrated with these circumstances, and while this administration under Barack Obama has created 6 million new jobs, the frustration remains amongst the American people.

In the midst of all of this, to deny unemployment benefits to those who are most in need, especially as the gentleman from Ohio has pointed out when we know that every dollar we spend in unemployment benefits creates \$1.61 in the economy because the need is there to spend.

Franklin Delano Roosevelt said it best about our colleagues on the other side of the aisle. They are frozen in the ice of their own indifference; frozen in the ice of their indifference to people who are without work; frozen in their icy indifference between the need to invest in America and make things here in America and put this country back to work; frozen in an indifference that has them preoccupied politically and obsessed with blocking every item of the Obama agenda, even if it means providing unemployment to those who need it, even if it means providing health care to those who have had their policies rescinded or have found themselves in a situation because of a preexisting condition where they were denied coverage.

This is the kind of thing that has frustrated Americans. I am proud to be associated with the gentlemen who have come to this floor this evening to speak out on behalf of their constituents, speak out on behalf of the administration, and point down the Hall where they need to come and work. More than 314 bills that have passed the House of Representatives have gone unattended to down in the United States Senate and, most importantly, including unemployment benefits.

Stay in over the weekend. Do your work. Put America back to work. Provide those with the benefits that need them so that we can keep this economy going and so that we can restore the faith in the American people and their government.

I thank the gentleman from California for organizing this important hour on this very timely and important issue and thank the gentleman from Ohio for joining him.

□ 1710

Mr. GARAMENDI. Mr. LARSON, thank you so very much. You've brought a great deal of passion to this. I know it's in your heart. I know that you see this problem in your own district among friends and others who are there.

I want to turn back to my colleagues from Ohio and California in a moment. I said there were seven pieces of legislation that have passed and have been signed into law. I'm going to go through them quickly because in their own way each one of these has created economic growth and jobs here in California, in Ohio and in other States across the Nation.

I mentioned the American Recovery and Reinvestment Act. We talked about the Worker, Homeownership, and Business Assistance Act; First Time Homebuyers. The gentleman from Connecticut talked briefly about insurance reform, the way in which the insurance system discriminates against women, against people who have preexisting conditions. That insurance reform was embodied in the Health Insurance Reform Act that passed this floor and not one Republican voted for it. There will be a day of reckoning when somebody out there says, My 23-year-old daughter can stay on insurance now because the Democrats and President Obama passed the Health Insurance Reform Act.

Student aid. We talked about that a moment ago. It is extremely important, so that adults can go on to school, can stay there, improve their employability, learn new skills; and as the economy is coming back, will be able to get a job.

This one I found to be personally very upsetting because my old clunker didn't qualify. I actually did not register it in California. By the time you passed this, I wasn't here. It wasn't registered and I couldn't get rid of my clunker. But 700,000 cars were sold as a direct result of the clunker law and it really did help American automobile manufacturing. I know that a lot of people say that Toyota got more than its share, and it did, but a lot of that share were Corollas that were manufactured in Fremont, California; Toyotas to be sure, but nonetheless they were manufactured in California.

We talked about the HIRE Act. Incidentally, 95 percent of Republicans voted against the Cash for Clunkers law. The Hiring Incentives to Restore Employment Act, the HIRE Act, created 300,000 jobs. Created. Not some wish list but actually created 300,000 jobs and unleashed billions of dollars of infrastructure across the United States—streets, roads, sanitation facilities. Cut taxes for businesses that hire new workers that had been unemployed and cracked down on offshore tax havens.

Oh, this one I love. I'm going to come back to this one.

Again, 97 percent of Republicans voted against that program. Three hundred thousand jobs. They voted against it. What are you guys doing? We need to put people to work.

Finally, one that most of the Republican leadership opposed, eventually it did become law and many, many Republicans voted against this one, which was the Credit Cardholders' Bill of Rights. Which one of us has not been ripped off by some credit card scheme or scam? But this really gives those of us that have credit cards—and I've got more than I'd like to say in my pocket right now—gives us at least a little bit of an equal footing here on that.

So here are seven bills, all of them in one way or another providing in this case credit, the opportunity to get reasonable credit; hire people; cash for clunkers, education; health care and other kinds of stimulus. Democrats in this side took it upon themselves to shoulder the burden, to pass the legislation necessary to put people to work.

My final point before I turn back to my colleagues is that the argument that I keep hearing is that it will raise the deficit. Yes. But we ought to understand where the deficit really came from, and we'll go through that. The deficit was really created as a result of three things. Keep in mind that when Clinton left office, this Nation was in a surplus. We were running a surplus of over half a trillion dollars. George W. Bush came in and did three things that created as he left office for the next 10 years, an \$11 trillion deficit:

One, he started two wars, Iraq and Afghanistan, and didn't pay for them; really the first time in American history. Secondly, he started Medicare part D, the drug benefit, I think 700 to \$800 billion in 10 years, not paid for. And thirdly the great recession with the financial collapse. Those three things added up, beginning the day that Obama took office, he was handed a \$1.3 trillion debt, given to him by the Bush administration. And if you look at the years out, continuing the Bush policy, that would add up to an \$11 trillion deficit.

We've got to put people to work. The question that I always ask is, do you want tax takers, welfare recipients, who cannot get a job, cannot get unemployment insurance, or do you want taxpayers? The Democratic House has voted consistently to put people to work so that they could become taxpayers.

Ms. LORETTA SANCHEZ of California. If the gentleman will yield just for a minute, when we as Democrats look at what is it that we can do, if we are going to spend money, we should spend money to invest in America. There are four major things in Economics 101, or any other book you read on economics, that will tell you how to increase the productivity and the innovation of a nation, because that is how

we compete, by increasing the productivity of Americans. The first is, you have to have an educated workforce. Some of the bills that my colleagues mentioned are about education, education, education.

Mr. GARAMENDI. Excuse me. If I might interrupt, there is some House business that needs to be attended to. I notice our colleague arriving from the Rules Committee to take care of some House business.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 5114, FLOOD INSURANCE REFORM PRIORITIES ACT OF 2010

Mr. ARCURI, from the Committee on Rules, submitted a privileged report (Rept. No. 111-537) on the resolution (H. Res. 1517) providing for consideration of the bill (H.R. 5114) to extend the authorization for the national flood insurance program, to identify priorities essential to reform and ongoing stable functioning of the program, and for other purposes, which was referred to the House Calendar and ordered to be printed.

A DISCUSSION ABOUT JOBS— Continued

The SPEAKER pro tempore (Ms. FUDGE). The Chair recognizes the gentleman from California.

Mr. GARAMENDI. Please continue.

Ms. LORETTA SANCHEZ of California. As I was saying, there are four basic things that you can do to increase the productivity of your people, to increase innovation, if you will, of our Nation. The first is to educate your people. We have been putting money into that, including the GI Bill that we passed over a year ago. Health. If your workers aren't healthy, they can't go to work. So the health care reform. Incredibly important. Transportation. How do you move people and goods? That was part of the Recovery Act, when we said, let's build high speed rail; when we said, let's put in systems of water and sanitation that work for our people. And, number four, communication, investing in innovation and communication for people; in broadband that we've been putting across our Nation.

So that is the way we increase the productivity of our people. I have to say that on this side, on the Democratic side, even though people have been saying that we have been deficit spending, I say to them, anytime that you can invest in the American people, the American people will pay you back four or five or tenfold on that investment.

□ 1720

So I am again proud to stand here with you and talk about the accomplishments of this Congress.

Mr. GARAMENDI. Let's turn to Ohio, and we will continue on with the story of jobs and what it means in our local districts.

Mr. WILSON of Ohio. In addition to supporting those that are out of work with unemployment benefits, we need to support small business so that they can create more job opportunities for our workforce.

Why aren't small businesses hiring? On NPR this morning, one small business owner said it as clearly as anyone can say: Small businesses are not hiring because they don't have to. We need to create an economic environment that makes it necessary for small business to hire.

As we all know, 60 to 80 percent of the new jobs come from small businesses. Most Americans get their first jobs at a small business. I know I did. And the small businesses on Main Street are the ones that will lead our economic comeback, not the big businesses on Wall Street.

So what can we do here in Congress to help small business? Access to credit is one of small business's biggest challenges. For small firms to play their job-creation role, they need the right tools to work with, and without the access to capital, small businesses have a tough time staying afloat. According to the SBA, without access to affordable credit, small enterprises are twice as likely to fail compared to businesses that can find credit. They must be able to access capital to be able to get their new venture off the ground or expand their operations.

Given how tight credit markets are, that is a challenge that every business in every community is encountering. That is why Congress has taken steps to address these problems.

Legislation that Congress passed in February strengthened the SBA lending programs and made them even more usable for small business. This important new law does a number of things to help small business. It provides interest-free loans of \$35,000, giving that shot in the arm, the immediate cash to cover existing business obligations.

It makes it easier for small business owners to get small business SBA loans, and that is cutting away much of the redtape. So many people have stayed away from SBA because of the redtape that has been cut back significantly or eliminated in many cases.

This will reduce the cost of loans. It helps small firms raise equity and capital. In total, the new law will generate \$21 billion in new lending and investment for small business.

These programs, when paired with existing programs at the Small Business Administration, will help business to continue and America's small business weather the storm and lead us back to prosperity.

In addition, I support the Small Business Lending Funding Act. The bill

would boost funding to small business by investing capital in community and smaller banks. The more that participating banks increase their total loans to small business, the more favorable the terms become.

Finally, I also support the Small Business Jobs Tax Relief Act. It is a companion measure to the Small Business Lending Fund that will help small business grow and create new jobs through, number one, 100 percent exclusive of small business capital gains, small business penalty relief and increased deductions for startup expenditures.

Again, I would like to thank Congressman GARAMENDI of California for convening this session, and I am happy to be with you and share with you some of the problems and issues and solutions we have in Ohio.

Mr. GARAMENDI. I thank you so very, very much for raising the critical role of small business in creating jobs. It is where many of the jobs are created, as you so correctly stated.

You also referred to two bills that passed this House, H.R. 5297, which was the small business lending program, and it did all of the things you said. There is actually \$30 billion in that that would be available to community banks to deliver loans to small businesses, \$30 billion made available to them.

There is also a requirement that they would have 10 years to pay back those funds. So it would go on the books of the bank as a loan, but it would be a long-term loan so that they would have the capital. I am told by the small businesses in our area that they were able to get \$1 million of capital, which this provided up to \$30 billion to small banks. If they could get \$1 million of capital, they could then make \$10 million of loans. So there is that kind of leverage involved here.

That bill passed this House with 98 percent of the Republicans voting no. Now, I don't know how many times I have sat here on the floor and listened to our colleagues on the Republican side of the aisle talk about their support for small businesses. But here where they had a concrete chance to help community banks and small businesses, 98 percent of them voted no.

You mentioned the small business tax incentive program, \$3.5 billion of tax incentives for small businesses to specifically help small businesses weather the storm. It also granted tax relief from penalties that they may have had from mistakes that were made in the past. Again, a bill specifically designed to help small businesses.

Ninety-seven percent of our Republican colleagues voted no on that. So don't come to the floor and say you are for small businesses when you had a chance to vote for legislation that would specifically help small businesses.

There is another one that just came to me. We actually passed it and it is a good bill, it is important for many reasons. But I got a phone call last Saturday from a friend who was—"was" is the right word—was a home builder in California. He built many homes, high quality homes, was deeply involved in making those homes as green as possible, large energy conservation in solar and the like.

He said, JOHN, you have got to make sure that the HOME STAR programs that provide an incentive for homeowners to upgrade their home so that they can install triple pane windows, insulation, the cash for caulker things. They are really important, because it gives the homeowner a chance to reduce their annual energy bill, whether it is heating in the winter or air conditioning in the summer.

He said, beside that, it is my new business. It is my new business. I am not building homes for a while because of the market in the area in which he was working, but he said I am going to existing homes and giving them the chance to make their homes energy efficient. I can make some money, they will make some money.

There are other programs that are out there that provide additional assistance such as tax credits, and I want to come to that in a few moments.

So when that bill was on the floor, what happened? Where do you stand? Do you stand with homeowners and small businesses such as I just described, or are you standing for Wall Street?

Well, let's find out. Ninety-three percent of the Republicans on this floor voted against the HOME STAR energy program. I don't get it. I don't get it. We are saving energy, helping us consume less energy, giving people an opportunity to work and homeowners an opportunity to reduce their energy bill.

I don't know what that means in Ohio, but I do know what it means in California. It is a chance for a small contractor to change his business model and to move in a direction that is good for him, good for the homeowner, and good for America.

Mr. WILSON of Ohio. I believe that we have seen examples of this back in my district in Ohio also. We have seen a roofing company that we just visited last week, and they have come up with a new type of roof that is a green roof that actually has vegetation growing on it. It not only keeps the inside of the building cooler, but it is much more pleasant to look at.

Another option they had was a white roof instead of a second, and I was amazed. With that white roof, Congressman, you could hold your hand out like this and just feel the heat reflecting back off that roof versus going into the building. These are the type of energy efficiencies that we are going to have to look at as we move forward in

our country to become the leader again.

Mr. GARAMENDI. These are the kinds of jobs that really don't require a Ph.D. People can take these jobs that were working on the line in a manufacturing industry or working in the housing industry. They may already have some skills that are available to them. But there is an enormous, enormous potential here. And the other pieces of legislation provide for a tax credit to the homeowner to put in these systems. So we need to really move along on these kinds of things.

I am going to just run through another series of bills here that are very important to us, I believe. Again, this is the Jobs For Main Street Act that creates jobs for firefighters, for teachers, and to rebuild highways and the like, extending health care benefits for those who had lost their insurance because of the downturn, something as sensible as keeping teachers employed, something as sensible as making sure that firefighters are still there.

Yes, it is the Federal Government helping local governments. It is true. And it is a deficit issue. But what if we don't have teachers? What if there are teachers being laid off and the classroom size goes from 20 to 30? What about the next generation's ability to compete internationally, their educational opportunities are stifled? That is not a what-if. That is my daughter's classroom. She is a teacher, first grade. She has gone from 20 to 30.

The economy is down. The State of California is in financial trouble. The Federal Government has the ability to help here, to keep people employed, teachers in this case, others in schools, and, more importantly, make the most fundamental investment, which is the investment in the education of our children.

You may be seeing something like that in Ohio. I know it is a major problem all across this Nation.

Mr. WILSON of Ohio. We are seeing that in Ohio, and we are working on our education. We are trying more than ever to get the reading programs going as best we can.

What we found out, Congressman, is that when a child can read and comprehend, the science and math scores go up and the discipline problems go down. So the education and the development and work that we have going on in the State of Ohio is something that our governor has been very firm about, and is not giving up the fight for a better education for our children.

Mr. GARAMENDI. Well, these things are critically important.

One more bill that I want to take up before I turn to what we can do next is a bill that dealt with the fundamental reason that the American economy crashed in 2007–8, and that was the meltdown of Wall Street.

□ 1730

The extraordinary greed, the games that were being played, the gamble that was being made with our money by Wall Street led to the collapse. Obviously, the housing industry, the subprime mortgage market, the collateralized debt obligations, the derivatives, all of those games were being played on Wall Street. For more than a year—almost 2 years now—this House, the Democrats, have fought to rein in Wall Street; to force Wall Street to operate with rigorous rules that hold them accountable and responsible. We finally succeeded late last year to pass a Wall Street Reform Act. It went over to the Senate. It took almost 9 months for the Senate to gestate a bill. Conference committee took place. The conferees met. The bill came to this floor. And we added a few provisions to the— the bill came to the floor and it passed with provisions that were added during the conference committee. A good bill. It does rein in Wall Street, does set clear rules. It makes it impossible for a bank to fail and for taxpayers to bail out a bank—a big bank. There are things in it that went beyond that. Providing opportunities for small banks. Some of the additional benefit to small banks. They were given a break so that the heavy-duty regulations that were imposed on the major banks were not imposed on the small banks.

Where do you stand? Do you stand to rein in Wall Street and finally bring to heel the bankers that brought this Nation's economy to its knees and dog-gone near tanked the economy, putting us into a Depression equal to 1930? Do you stand with that kind of regulation or do you stand with the Wall Street bankers that said say, Oh, trust us. We'll never do it again.

The Democrats in this House carried the burden of reining in Wall Street, setting in place the regulations, setting in place the rules of the road going forward, hopefully preventing, and I think will prevent, the kind of meltdown that we had. Our colleagues on the Republican side to a person voted "no" when it came time to discipline Wall Street. They voted "no" when it came time to discipline Wall Street. You know where you stand when you vote here in this House. In this case, do you stand with the regulation of Wall Street or let them continue doing what they did? It's clear where we stood as Democrats.

Now, Representative WILSON, would you like to add to that?

Mr. WILSON of Ohio. Yes, I would. Thank you. I believe that the other thing that needs to be said here, too, is Democrats stood strong for financial reform by making sure that we never get in the position where the taxpayers have to bail out a bank again. There's no such thing as too big to fail anymore. There are further amounts I

would like to have seen done. But in order to get it through, we had to lighten up some—

Mr. GARAMENDI. A compromise.

Mr. WILSON of Ohio. Yes, some compromise. But that being said, I truly believe that now we have taken the risk away from the taxpayers having to pay for really the reckless gambling and things that went on with the derivatives and how they accounted for them and how they were able to be manipulated. And really oversight is now on Wall Street—and it needed to be there all along. I truly believe we would have not had the meltdown we had had it been there in the first place. It is there now, and it will continue to help us in the future.

Mr. GARAMENDI. I was back in the district over the Fourth of July week and somebody said, Well, it's kind of like an NFL football game. I said, What do you mean by that? He said, Well, you used to play football at the University of California Berkley and you could have been in the NFL but you decided to go in the Peace Corps. I said, Yeah, it was a good decision. But what's the point here? He said, Well, you know, this Wall Street bunch, before your reform, it was like an NFL football game without any rules, and the referees were sent into the locker room. And you can kind of imagine what the outcome would be. Wild chaos and a lot of mayhem. He said, That's exactly what happened on Wall Street. The regulators during the Bush period stepped out of the room. The rules were not there to prevent the kind of excesses—if there were rules, there was nobody to make them obey it. And we wound up with the problem we had.

Let's move to the future here. So what are we going to do next? In the financial reform, Wall Street reform, there was a provision, and in another bill that we passed earlier there was a provision that is extraordinarily important to the American worker. In existing law today and for the last couple of decades there's been a tax break for corporations who offshore jobs—a tax break that literally gives a tax reduction when an American corporation sends jobs offshore.

You say, Excuse me, did I hear what you said, Congressman? You did hear what I said. What I said is, in the law today there is a tax break for sending jobs offshore. We have twice passed on this floor legislation that would end that tax break and annually restore to the American Treasury \$14.5 billion that now sits in the popular corporations that have offshored American jobs. Must stop. It's got to be over. The Republicans voted with the corporations to keep that tax break in place. I'm not there. And I suspect you're not there, Mr. WILSON, either.

So we need to make sure that that bill that's sitting over there in the Senate where the power of one senator

can simply stop everything, that it is busted loose and comes back so that corporations—American corporations—no longer get a tax break when they send American jobs overseas. Issue one. Let's get with it, Senate.

Secondly, this one really drives me crazy because this is really California. We've got solar in California. We started that in California. In 1978, I passed a law as a California State Senator that gave a tax break for the solar industry. The first in the Nation. And it started the solar industry. It also started the wind turbine industry in California. Right now, we're spending about \$5 billion a year of tax money on buses; we spend billions of dollars supporting the solar industry with tax credits, some of which we've talked about; and the wind industry. We need, in my view, a law that says if it's our tax money, then it will be made in America. It will be used to buy American-made buses, trains, light rail. It'll be used to pay for solar panels and tax credits on the homes of Americans; panels and equipment that are made in America. It is, after all, our tax money. And with the windmills or the wind turbines.

In my district, we have two of the biggest wind farm areas in the Nation. We've got the Montezuma Hills in Solano County, which I represent, and we have the Altamont Pass area in Alameda, and San Joaquin County. Many of the new turbines that are being put up are made overseas—and most of them are made in China. And I'm going, Wait a minute. We're giving them a tax credit, those companies that own these machines? We're giving them a tax credit to buy turbines that are made where? China? No way, no how. There ought to be a law. And I believe this Democratic Party and this floor is going to put such a law together.

□ 1740

I think we've got about 10 minutes left, and I just noticed a colleague from the great Midwest just arrived. Congresswoman KAPTUR, thank you so very much for joining us. I know you and I have had conversations about jobs, and I know that your part of the country used to be manufacturing center one. I guess the two of you can debate that. But let's talk about these kinds of things. How do we restore American manufacturing?

Ms. KAPTUR. Well, Congressman GARAMENDI, I just want to say I thank you so very much. You are from the State of California, a State that's about four times as large as ours, maybe five, with 53 million people. We have over 11 million people in Ohio, but we are a State that has had to grow our way forward, to build our way forward for so many generations. We really aren't federally dependent in the sense that we don't have gigantic bases. We do have Wright-Patterson Air Force

Base in the city of Columbus, our capital. But the rest of Ohio has to either mine—and Congressman WILSON comes from a part of our State that actually supplies so much of the coal that is shipped to our region and others. We either have to grow in regions like mine—I represent a major agricultural region that abuts Lake Erie's southern shore—or we have to manufacture. We don't really have any choice. So we have to create wealth, basically.

And what's been happening over our country for many decades now is that we are amassing trillion-dollar trade deficits every year, which means all that spending benefits someplace else. Ten percent of the goods that are exported from China go to one company—Wal-Mart. They are a bazaar for Chinese goods.

We look at what you have pictures of up there, vehicles and wind turbines. I was just through a part of my district where wind turbines are going up now. We'd like to manufacture them as well as deploy them. And we are the solar capital of the Midwest—Toledo, Ohio, and northern Ohio. We are one of three centers on the continent, actually. People don't realize that we've built that off of our glass industry, and it is a new age for us. In fact, the largest solar field in Ohio was just dedicated in Upper Sandusky recently, and I have bases in my district—smaller bases, like the F-16 Fighter Wing and the 983rd Engineer Battalion and our Camp Perry—that have deployed solar fields.

So we are trying to move our region into the new energy era, but it's tough. It's really tough because we are on such an unlevel global playing field. Other countries aren't open to our products. And there is no question that unless we reduce that trade deficit and stop outsourcing our jobs to China, Mexico, every other place in the world, we are not going to be able to create a strong middle class and maintain the middle class that we have today.

So I want to commend you for doing this Special Order tonight. We know that our future lies in wealth creation, and it has to come from places like Ohio that have to stand on their own two feet and pull themselves up by their bootstraps.

Mr. GARAMENDI. I thank you so very much, Congresswoman KAPTUR, for joining us.

The heart and soul of America's manufacturing sector was the Midwest, and Ohio at one point was the strongest part of America's manufacturing economy. I know it can be restored. And right here in this area with the rolling stock of America's transportation system, with the new technologies, whether they're wind or turbine, if we use our tax money to support these industries rather than to support industries that are located in China or other countries, I think we can then provide the kind of strength that will return to

America once again in the manufacturing sector.

We're nearly out of time, and this has been a great discussion. I just want to turn for a few moments to another colleague from California. We do think that we are the biggest part of the American economy. And a big part of it happens to be where Congresswoman WATSON lives, which is the entertainment industry.

Congresswoman WATSON, I think we're out of time.

THE GOVERNMENT, THE ECONOMY AND JOBS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from Missouri (Mr. AKIN) is recognized for 60 minutes as the designee of the minority leader.

Mr. AKIN. Madam Speaker, it's a treat to be able to join you this evening to talk about the things that are of great significance to our country and to every individual citizen that lives in America. I thought that as we got into the subject of where things are with jobs and the economy tonight I might start by introducing it in a little different way than we do sometimes here on the floor, and what I'm going to be talking about tonight really is the fact that there is this fundamental difference between Republicans and Democrats. And most of the fighting and argument comes really in the answer to just one question. It's kind of a really simple thing. And the question is this: What should the Federal Government do? That's really what divides us. That's what makes all the people here in this Chamber disagree with each other, and sometimes even scream and yell, but at least respectfully disagree with each other, because we have a fundamentally different idea of what the Federal Government should do. That's a huge part of what we discuss. And, of course, the more that the Federal Government is going to do, it is going to cost more. And the more that it costs, the more regulations and all that you have, the more laws that are passed. And, inevitably, as the government does more, people have less freedom.

So there is some sort of a question, well, you know, what should the Federal Government do. So we're going to be talking in a way about that tonight because it is the question of politics, essentially. And of course the Democrat position is—it's almost like the law of gravity, that wherever there's a problem, the answer always is more taxes and more government. The government should fix that problem. That's what they think. And the Republicans always say, well, we want less taxes and less government, and they tend to go that way. So we're going to talk a little bit about that.

We're also going to talk about sort of a theoretical question that sometimes I used to ask interns. We had an intern program. These are students that are in college and are just about to graduate from college. And I would ask them this question, and that is, Is it possible for the government to steal? Can the government steal from people? And you'd see they'd get these quiz-zical or puzzled looks on their faces. Can the government steal? Well, what does that mean? And you'd see them thinking, Well, I guess it's impossible because the government can kind of do anything they want and, therefore, the government can't steal.

Of course if you come to the conclusion that the government can't steal, then that means that you believe the government owns everything. Do you really believe that? Many people are taught that in school. As they get older, as they work hard for a living, they start to take a different perspective. They worked hard for that dollar bill, and they're not so sure they want the government to confiscate it.

Anyway, we are going to be talking a little bit about the conditions in our economy and where we are. Why is it that we have a problem with jobs? Why is the economy flat on its back? Why do we have a sense that things are not well in America? And there are some answers to those questions. It's not complicated. We simply look to the people who have gone before us and see what those are.

I am joined here this evening by a new Member of Congress, a young man that shows tremendous promise and is joining us here on the floor tonight from Georgia. Georgia seems to be a good State for growing congressmen. And my good friend Congressman GRAVES is joining me on the floor here tonight from the State of Georgia. We are here early enough that it may be that even some of your constituents will have a chance to say, Hey, that's my guy. We sent him to Congress, and he's doing a great job.

Welcome, Congressman, and we are going to get into things here in just a minute. I thought I might start, though, by going back a little bit to how did this economic problem come to be.

□ 1750

And of course history just kind of continues to go along. But if I had to pick a point, this is kind of an interesting one. This is September 11, but it's not 2001, it's 2003, 2 years after the attack on New York City, September 11, 2003.

This is the New York Times, not exactly a conservative oracle, is reporting some news and this the news. It says that the Bush administration today recommended the most significant regulatory overhaul in the housing finance industry since the savings and loan crisis nearly a decade ago.

And it goes on to say that under the plan disclosed in the congressional hearing today a new agency would be created within the Treasury Department to assume supervision of Fannie Mae and Freddie Mac. Why? Because they just lost about a billion dollars, and they weren't running their house very well.

Now, Freddie and Fannie are not government organizations. They're quasi-government. And when Freddie and Fannie started doing some wild and wooly things economically, the problem was that the assumption was the Federal Government would come and bail them out. And so Freddie and Fannie are getting out. This is 2003. Real estate market's booming.

President Bush says, watch out, Freddie and Fannie are getting in trouble. I need more authority as President to control Freddie and Fannie. Freddie and Fannie, paying many lobbyists up here on the Hill, dishing out hundreds and hundreds of thousands of dollars, thousand dollar bills, just passing them out all over here. So there's Freddie and Fannie. They're starting to get in trouble. President Bush says we've got to regulate them.

Now the Democrats, on the other hand, the guy who is now in charge of taking care of regulating Freddie and Fannie because he's in the majority now, this is Congressman FRANK, the Democrat, he says, these two entities, Freddie and Fannie, are not facing any kind of financial crisis.

Well, that's interesting. We, of course, 20/20 hindsight we say, well, obviously you were wrong. I'm sure he would admit he was wrong. They were facing a financial crisis. And as Freddie and Fannie start to crash and collapse, we start to see the recession that's upon us. And so that was a piece of it.

Now, Freddie and Fannie, their whole concept was that we're going to require banks to make loans to people who really can't afford to pay the loans. Now, how that's compassionate I'm not so sure because I wouldn't want to be in debt to some loan for my home that I couldn't afford to pay the mortgage payments on.

But many people were encouraged to take loans out on houses because they're going up in value so fast during those years. You just go ahead and take the loan, postpone paying any interest payments. Five years later turn the house over, you doubled your money. It sounded good for a while until the music stopped, and then you didn't have a chair to sit in. And so we have the beginning of this financial problem that was based on liberal social policy that said that banks have to loan money to people who can't afford to pay those mortgages, and we'll just sort of sweep it under the carpet.

Well, then as the economy crashes, what happens? Well, we go back to the

same old mistake we've made in the past. Unfortunately, with the stimulus bill the Democrats didn't learn from their mistakes. I wish they would learn from other Democrats. They may not want to learn from Republicans, but at least learn from other Democrats.

This guy, Henry Morgenthau, is Franklin Delano Roosevelt's Treasury Secretary, and he's the one that started with the recession which turned into the Great Depression because they did the wrong things.

So he says now, after 8 years—their idea was that if you grab the loops of your boots and pull hard enough, you can fly around the room. The idea is if the government spends enough money, it will make the economy do really well. And so they tried it for 8 years. And this is his report to Congress.

He says, We have tried spending money. We're spending more than we've ever spent before, and it does not work. I wish they heard those words: "it does not work."

I say, after 8 years of the administration, we have just as much unemployment as when we started, and an enormous debt to boot.

You want to know why we've got unemployment? Because we haven't learned from going back even to FDR's Treasury. This was Keynesian economics. It says if the government hires a whole lot of people, spends a whole lot of money, it's going to make the economy okay. But the trouble is, it doesn't work.

I'd like to ask my good friend from Georgia now, Congressman GRAVES, if you would just join us. Let's talk a little bit about this whole situation because I don't want to be just critical of the Democrats. I will be critical of them, not because I don't like them, but because they're wrong. Their economics are wrong. They're doing the wrong thing. They're hurting the American public.

People are out of jobs, and what we need to do is say, that's not the right way to do it. But we have to have a good solution. We have to offer something constructive.

And let's talk about that. I yield.

Mr. GRAVES of Georgia. It's great to join you tonight on this discussion. I think it's the number one discussion going on across America right now, and that's our economy, how's it going to get back on track.

And we've seen 15, 16 failed months of economic policy coming out of Washington, DC right here. And as I spent my time on the recess, and I had the opportunity 31 individual times to speak to various groups on those 12 days, I can tell you the economy is on the tops of the minds of the people.

Mr. AKIN. It sounds like the people from Georgia got their nickel's worth out of their Congressman. Thirty-one separate meetings?

Mr. GRAVES of Georgia. Thirty-one separate addresses or speeches over 12 straight days.

Mr. AKIN. I wouldn't want to be your car.

Mr. GRAVES of Georgia. But I can tell you, it's the number one topic on the minds of north Georgians, is how to get this economy back on track.

But what astonished Georgians so much was that just 4 days before July 4, the day of independence, the day of celebrating independence from tyranny and bondage of years ago, 4 days before that, \$167 billion of indebtedness was created on 1 day here because of the Federal Government. That's the numbers, 1, 6 and 7, with 9 zeroes behind it, a phenomenal amount, nearly \$1,500 per person here in the United States just on 1 day.

Mr. AKIN. You're saying \$167 billion of indebtedness just up to the time of just before the 4th of July?

Mr. GRAVES of Georgia. No, just on 1 day. That was June 30, June 30 of this year alone, which was more than the deficit of 2006 altogether.

And you look at the stated budget of the State of Georgia, the annual budget is about \$17 billion today. So almost 10 times the budget of the State of Georgia for an entire year was borrowed in 1 day here for the Federal Government.

Mr. AKIN. Wow, that's a lot of borrowing.

Mr. GRAVES of Georgia. So Georgians want to know how are we going to get back on track. So I spent part of my time this week on what I was calling my Economic Advisory Tour. We decided we're going to tear down the walls that we see here in Washington where Washington is not listening to the constituents. Instead, we're going to open up communication. Instead of Washington pushing down ideas on job creation on the private sector, why don't we get the ideas from the business leaders themselves, the risk-takers, the entrepreneurs, the ones that have the vision and the dreams themselves.

And so we had a great tour this week. And we came up with a simple formula. We're not that far away. In fact, we have, what, in America, 17 million Americans without a job, 27 million businesses all throughout the Nation; and we know all those businesses want to expand, succeed, have a profit because we believe profit's a good word here in the Republican Caucus.

But you have 17 million unemployed. You have 27 million businesses, so the formula is simple. If just one business out of every three would hire one person in the next 12 months, unemployment would be cut in half. And you know what? I didn't say government.

Mr. AKIN. That's pretty straightforward. All you have to do is just create one job per every three businesses, and there's no more unemployment.

Mr. GRAVES of Georgia. And we didn't say if government would hire one more American. We said the private sector. So the question comes

down to this, and this is probably what would be a great discussion tonight is, Why? Why are businesses in north Georgia and all across this Nation saying, you know what? I'm not going to hire somebody right now, even though I want to. I want to expend my business. I want to see my profits grow, my sales increase. I want to invest in capital, but I'm not right now.

Mr. AKIN. Not going to do it. Hey, you know, I'd really like to pick up because, as you said, there are people sitting around having dinner in America. In fact, I'm a little hungry myself. I'm going to look forward to getting some chow. But they're sitting around there talking about the same things you and I are talking about here tonight.

And we've talked about one solution, which was the government takes \$800 billion. That's what the Democrats did with their stimulus bill, and they said, if you don't pass this stimulus bill, do you know what's going to happen? We might get unemployment as high as 8 percent if you don't pass this stimulus bill. So the Republicans didn't vote for it, but they pushed it through anyway. Spent \$800 billion.

And it really wasn't even good old FDR, you know, "stimulus." It wasn't concrete to build hydro-plants or roads. It was basically taking money from one State, like in the State of, I don't know about Georgia, but Missouri, we're fairly conservative and we have a balanced budget, and we're not overspending. And yet you've got Illinois or California, they're overspending on the pensions of a lot of, like, teachers and things. So they take money away from our States, and I assume Georgia is probably a little bit more cautious fiscally. They take money away from our constituents and send them to the other States where the governments have been out of control spending.

Well, anyway, so they get this idea.

□ 1800

Mr. GRAVES of Georgia. Wealth redistribution.

Mr. AKIN. The old socialism deal. So anyway it is \$800 billion. And here is what actually happened. This is putting people back to work the big government, Democrat way. Look what happens to the employment in the private sector. It's this white line. So 2007, 8, 9, 10, you see there is unemployment. And yet if you take a look at the red line, that's the Federal Government. It's hiring all right. Instead of letting the businesses keep some of their money and hire people, instead they're hiring government workers. So that's how it works.

Mr. GRAVES of Georgia. If I remember right, what, about 700,000 temporary workers for census data gathering, which already a third of them have been laid off.

Mr. AKIN. The trouble is really the government can't stimulate the econ-

omy. The whole assumption is silly, because all the government does is takes money and spend it. But if you hire a government employee, does that create a job? The answer is no, because for every one government employee you have two jobs you have lost from the private sector because you are sucking money out of the private sector. So when you have the government spending a lot, you take jobs away. That's what's going on. That's why the jobs are going.

Mr. GRAVES of Georgia. If I could expand upon that, because you make an interesting point. Because what I have started to understand, just from talking to business owners, is that the labor pool is a zero sum game. You are either in the private sector or you are in the government sector, one or the other. And so as the government sector expands, you are actually drawing intellectual capital and wealth out of the private sector all together and expanding the governmental sector. So the inverse of that would be if we want to shift some intellectual capital and wealth back to the private sector, we must shrink the governmental sector.

Mr. AKIN. It's one of those things, it's sort of an inevitable law. And you can't just let the government continue to grow and grow and grow, because eventually it takes over everything like a cancer.

Mr. GRAVES of Georgia. I guess to illustrate that point even more clearly, let's assume government is the solution here. And we hear a lot of people say government's the solution. So why don't we make every American a government employee? Why wouldn't we do that if everyone could have—

Mr. AKIN. Don't you go giving people ideas here in D.C. Somebody will try and do that you know.

Mr. GRAVES of Georgia. But they say that's the solution, to expand government. That's what creates jobs. So why don't we do that for everyone?

Mr. AKIN. Of course, obviously, that doesn't work, does it?

Mr. GRAVES of Georgia. It doesn't work. Why? You are right. The answer then is the private sector.

Mr. AKIN. This is what was promised with the government bailout. You know, we are going to do the stimulus bill, \$800 billion. And if you do the stimulus bill, these are the numbers the administration and the Democrats said—this is what's going to happen to unemployment; it's going to go down. And if you don't pass the bill, they said this is what's going to happen. But we did pass the bill, and that's what happened. Obviously, their economics doesn't work. They don't understand the facts.

So where have we gone? Here is the picture right here. This is the nasty little secret down here. You remember hearing that they used to say that George Bush spent too much money.

Mr. GRAVES of Georgia. Right. Eight failed years, if I remember right.

Mr. AKIN. See, those are these blue years, was George Bush. And then right here was a Bush year, but this is when Speaker PELOSI was in charge of Congress. So this was in a way, if you give Bush credit for when PELOSI was in Congress, Congresswoman PELOSI, then this would be his worst year, which is about \$460 billion worth of deficit. That's his worst year.

The next year, 2009, was when President Obama and the Democrats ran everything. Take a look at this jump. My goodness, it's a three times worse deficit than the Republicans had run under Bush, and Bush was spending too much money. And I agree we were spending too much money. And then the next year, 2010, it's even worse.

Mr. GRAVES of Georgia. So if you go back to your other graph that talked about employment and the growth of employment, or I guess in our case what we are talking about is the growth of unemployment today, you would see it probably correlates with that deficit spending.

Mr. AKIN. If you spend more money, look what happens. You start to lose jobs.

Mr. GRAVES of Georgia. Yeah.

Mr. AKIN. Now, does that make sense? Is that logical? Now, you know, I was talking to a bunch of people, too, as I went around my district. And you know, people make economics way too complicated. I said, look, it's not that complicated. It's like a lemonade stand. Just picture you run a lemonade stand. It doesn't have to be complicated. And if you want a little business, if it's a lemonade stand or a machine shop or whatever it is, you want to make some jobs, you want to do some jobs, what you want is you have got to allow the guy that owns it to make enough profit from it so that he will add another wing on it, and he is going to sell tea mixed with lemonade, and then he is going to have peach lemonade, and different things and different products, different people. So as he expands his business he hires more people.

But in order to let him do that, first of all he's got to keep enough of his profit to be able to invest it back in his business. I mean it's isn't complicated. Don't make economics so hard. And so I am sure you are talking to your constituents. My constituents are nodding their head up and down, yeah, I understand that. Not that complicated.

So if you want to know what's going to kill jobs, the first thing is excessive taxation. It's just a killer to jobs. Where does the government get all its money? Taxation. Did you talk about that back in Georgia?

Mr. GRAVES of Georgia. We did. And I know we are moving to solutions here.

Mr. AKIN. Good.

Mr. GRAVES of Georgia. It's easy to look back and sort of, I guess, bash the policies of the last several months, but what's important right now as a Nation is looking for leadership. I mean there has been a lack of leadership coming out of Washington for some time now. The Nation's looking for leadership. They're looking for a vision. They're looking for a plan. And what we have discovered is it's about certainty in the marketplace. When the marketplace has a little bit of certainty about what's going to happen in the future, that creates confidence. There is no confidence in the business marketplace.

So your first point up there is excessive taxation. The one thing that is certain right now is that because of inaction right here in Congress because of the Democrat leadership, taxes will go up this January of 2011. Capital gains will rise. Dividend tax will rise. Every income tax bracket will rise. The death tax will rise. The marriage penalty will rise. All of those will rise. So if we want to bring some confidence back to the marketplace, we would make those tax cuts permanent, wouldn't you think?

Mr. AKIN. You are absolutely right. I think you are hitting a couple of different points in this chart. The first one I am talking about is excessive taxation. But taxation also creates an economic uncertainty. And if you have got that lemonade stand and you don't know what's going on, you think maybe a tornado is coming, or maybe there is a tornado coming from Washington, or whatever it is, what you are going to do is you are going to hunker down. In Missouri, we use the word hunker down. I don't know if there is a verb to hunker or not.

Mr. GRAVES of Georgia. You know, that's a favorite Georgia Bulldogs statement.

Mr. AKIN. Is it? Okay. Anyway, if you are talking about economic uncertainty, if you don't know what's going on as a businessman, what you are going to do is you are going to be very cautious, very conservative, and you are not going to hire a bunch of extra people.

But let's take a look at these job killers. Excessive taxation. Let's take a look at what's coming down the pike. You have to be able to see. This is the largest tax increase in history unless Congress is going to act to deal with it. First of all, for married people the standard deduction decreases if you are married. And then parents, you have a child tax credit, it will be cut in half from a thousand to 500 per kid. If you die this year and you have an estate, you pay nothing. Next year if you die, 55 percent tax on it.

You are a small businessman. You have gotten to be 80 years old. You got your business all going, it's really doing good. It's actually a farm. It's

1,000 acres with some big pieces of equipment. It's worth \$10 million, your farm is. And you up and die this year, and you pass that farm on to your son and he runs it, no problem. Next year same thing happens, you got the nice farm, got it all set up, you die, the government says, hey, taps your son on the shoulder, I need 55 percent. But he says wait a minute. If I take half the land of the farm then it doesn't make the thing work economically. I can't run the farm on half the land and half the equipment. If I have to sell 55 percent of it, you are going to put me out of business. They say you don't understand. You owe the IRS 55 percent of the cost of that farm. And so that small business closes down next year because of this policy.

Because what are we doing? Largest tax increase in history. Take a look at some of these tax increases. If you are paying 10 percent, you are going to be paying 15 percent next year. Those who are paying 25 percent of what they earn, they are going to be paying 28 percent. Those paying 28 are going to go to 31. Those paying 33 are going to go to 36. Thirty-five is going to go 39. Capital gains, dividends, death taxes. All of this stuff is going up.

Mr. GRAVES of Georgia. Now, if I remember right, a couple years ago we heard a lot about hope, a lot about change. Taxes were not going to go up on the middle class if I remember right. But if I look at your charts, it's clear that the taxes are going to go up on not just the middle class, but every class. Everyone will pay taxes, regardless of where they are on the economic spectrum whatsoever. And as a result, businesses will not hire as many individuals because their taxes are going to go up. And if businesses aren't hiring individuals, unemployment continues to rise. Unemployment continues to rise, it impacts everyone throughout this Nation. Again we are back in this crazy cycle.

Mr. AKIN. Same cycle again. So basically what you are saying is, let's say that you don't make hardly any money at all. And so you are saying to yourself, hey, I am not making much money, so I am not paying any income taxes. So do I care? I like it if the taxes go up.

□ 1810

Oh, no, you don't, because what happens if you have excessive taxation? You get no jobs. You know, you can't just beat up on businesses, say all businesses are bad and then complain there aren't any jobs. So if we keep soaking the owners of businesses with excessive taxation, we're going to have a problem with jobs.

So what the solution to these problems is—we're making it sound complicated. It shouldn't be complicated. It's simply that you've got to back off on taxes and back off on government spending. It's as simple as that.

Mr. GRAVES of Georgia. So the solutions aren't reform and takeover of various industry in this Nation. In fact, it's just the opposite, because in the 15 counties that I spoke to this week, they said, Look, just get out of our way. Let us once again be creative, come up with the ideas to dream and to expand my business. But don't put that next regulation, don't force health care upon me. Don't increase taxes right now at all. Instead, let us, the business owners, the entrepreneurs, the risk-takers, the ones who are willing to risk it all and work the hardest here and put it all on the line, allow us to do that without government interference.

Mr. AKIN. This is kind of an amazing chart. These are all different countries all around the world down here, and there's a little green line there. And this is the corporate tax rates. And this little green line happens to be the United States. And the only one with higher taxes on corporations is Japan. And we wonder, gosh, we can't understand why we've lost jobs in this country. Well, we've got the second highest corporate tax rate going, not to mention the taxes on individuals, as you're saying.

So we're not doing the job. And part of the reason we're doing all of this taxation, of course, is because we're spending too much money.

Mr. GRAVES of Georgia. It seems that there was a report put out by the Heritage Foundation that indicated that America is now classified for the first time as "mostly free," I believe, given their ranking system. And that would be a great illustration. I don't think most Americans realize that America is second highest in the world when it comes to corporate tax rates, behind Japan, that all of these other nations that you have on this chart have lower tax rates than the United States of America. And we wonder why jobs go overseas to other countries.

Mr. AKIN. Right. And that's the thing. People get really upset. In fact, the Democrats that were talking before we came on tonight, they're very upset that all of these jobs went overseas. And I'm thinking to myself, Well, who's pushing all of the jobs overseas? You create an environment in America that is hostile to business and the jobs are going to go overseas. It is as inevitable as water running downhill.

And what do we do? We keep increasing taxes, increasing government spending, and the smart executives and corporations in America that have plants and facilities all over the world, they keep creating jobs. It's just the jobs aren't here. The jobs are going overseas because they've created such a hostile environment that the jobs aren't going to be here. And how do they make the environment hostile? Well, first of all, by too much in taxes, and the second thing, of course, is too much spending.

Here's a containment dome. We've had some trouble with oil leaking out of containment domes. And here's one. This is a containment dome. There's another containment dome, and it's not working either. It sure isn't working. Take a look at the rate of the spending that we've been doing. And the spending is always followed by, of course, a whole lot of taxation.

And so the first thing is, if you want to get this thing back on track, if you want to do the opposite of job killers, you want to create jobs, then what you need to do is you want to cut your taxation. This is one of those things I started out by saying I wish the Democrats would learn from the other Democrats, and one of them they could learn from was JFK. JFK had a bad economy and he did the right thing. He cut taxes. And when he cut taxes significantly, guess what happened? More jobs, stronger economy.

And the funny thing is—now this is sort of odd. If you cut taxes, the Federal Government will actually take in more money in revenue than if you didn't tax it. Have you thought about that? It's almost counterintuitive.

Mr. GRAVES of Georgia. Well, it explains exactly what we need to do. You're right. It's counterintuitive, but it works. Just as if that were to work, then the opposite must be true if you increased taxes. That means your revenue decreases. There is a great illustration in the State of Georgia. They're trying to increase the tobacco tax in order to fill a budget hole. But prior to that, the administration here had raised tobacco taxes. And as a result of the raise of tobacco taxes from the Federal level, income of the State tobacco taxes had decreased by 20 percent.

Mr. AKIN. So let's do that again, because these numbers are interesting.

You're saying Georgia basically did a little experiment along these lines. It was a specific tax on one product—that is, tobacco—and they increased the tax on tobacco.

Mr. GRAVES of Georgia. They were proposing to increase the tax on tobacco. Then they looked, and they looked at what had happened just prior to that. And it was the year before, and it was the administration here that actually raised taxes on tobacco. And as a result of that, the revenue for the State of Georgia actually declined 20 percent. Without the State of Georgia raising taxes, the Federal Government raising taxes, but the State of Georgia's taxes that they would normally collect from tobacco actually declined by 20 percent. This shows that when you increase taxes, you actually—productivity or consumption, all of those things, decrease and therefore it's more damaging to the economy.

Mr. AKIN. I was trying to explain that to some—because I give some of these talks to my constituents, and

one of the ways I try to explain it is let's say that you're king for a day and your job is to tax a loaf of bread and you want to get as much tax revenue as you can by taxing bread. And so you go through this little exercise in your mind and say, I can tax the bread \$10 a loaf or one penny a loaf. If I taxed at one penny a loaf, nobody would notice, and I would get a penny times all of those loaves of bread. But if I got \$10 on a loaf, wow, I could make a lot of money, but then maybe nobody would buy any bread because it's too expensive. So common sense would say somewhere between a penny and \$10 you're going to come to an optimum place where you can get the most tax on it and people will still keep buying bread. If you increase it, you actually lose revenue; If you decrease it—so there's an optimum spot.

And what's happening is the government is taxing people so much, by increasing the taxes, it basically stalls the economy and so their revenue drops.

Now, if I were a happy socialist, if I were really one of these guys that wants the government to do everything for everybody—

Mr. GRAVES of Georgia. Is there such thing as a happy socialist? I mean, help me with that.

Mr. AKIN. That's the trouble. There aren't very many of them that are happy because they're so worried about somebody else making money that they don't think—if I were a happy socialist, I would want a strong economy so I had more money to swap around to my buddies, you see. But instead what we're doing is we raise the taxes so much, it kills the economy and we don't have as much money to work on.

Now, the Federal Government doesn't notice it so much, but State governments that have balanced budgets—Missouri has a balanced budget amendment. We have to balance a budget. And if you're a legislator or Governor, particularly in a State that has a balanced budget—and most of them do—when you have a recession, it is a tough time to be the leader of your State because people hate you because you have to keep cutting things to keep the budget balanced. Of course, down here, we just let it go.

Mr. GRAVES of Georgia. It's that print, spend, and borrow mentality down here.

What you were referring to a minute ago, there's a line of demarcation that I refer to as the tipping point that occurs. And whether it's an economy or anywhere else, there is a great book written on that very subject matter of how that occurs throughout time in various ways.

So what we need to do right now is look for solutions that tip the other way. I think we Republicans are certainly the ones for less taxes, less government, personal responsibility, and

it's those positive solutions that I think Americans are looking for right now. They're looking for that glimmer of, I guess, sunshine out there that says we're going to get through this.

I'm telling you, we are going to get through this. We're going to get through this as Americans together working hard, once again, dreaming and not being dependent on the Federal Government to be the solution.

Mr. AKIN. You're absolutely right. I like the idea of being positive. And the solutions, one of them was JFK. He cut taxes, and the recession, after a period of about a year, turns right around and things go along well. Ronald Reagan did the same thing. Massive tax cut. As soon as he did that, the economy—takes a little while—the economy turns right around because there's money now being invested not in more big government but the businessman puts that money into different new ways of creating, buying another milling machine, another wing on the building, more money for research and development to come up with a better way to make a product. And all of those things together, when the money goes back to the small business man, they start to hire people.

I think—what is it?—companies with 500 or fewer employees employ 80 percent of Americans. So if those smaller businesses from 500 employees on down, if they got more money to spend on their own business, that's part of the solution. And everybody does better when that happens.

Of course, another thing that kills jobs is this insufficient liquidity. The businessman can't borrow money because it's all tied up in banks. Of course, we've got that problem going on now, too, and part of the reason is the government is gobbling up so much money with their incredible, incredible level of Federal spending which, once again, we point to this chart. This is what's happened under Obama the first 2 years of his Presidency. It's three times more deficit than Bush, in his worst year, had.

So this liquidity is a big deal to the businessman. And the banking rules right now make it hard for small business men to get liquidity. And as you mentioned, the economic uncertainty. Who is going to take a risk when you see the lineup of what's happened to us? First of all, you've got Wall Street bailout, and then you've got Cash for Clunkers, and you've got this stimulus bill where we waste \$800 billion.

□ 1820

And then we passed cap-and-tax at three o'clock in the morning. It was supposed to be about how bad CO₂ is, and what's the solution to the bill to keep CO₂ down? You guessed it, a whole lot of taxes and a whole lot of red tape and government regulations.

Mr. GRAVES of Georgia. Those taxes are only on Big Business, right, that

wouldn't impact the consumer? That seems to be the argument that is put out there, but we all know that it's not Big Business that pays taxes. It's not the corporations that pay taxes. It's all passed down through the consumer through the cost of any goods and services as any other cost would be in a service or in a product.

But I've been here 30 days. Thirty days I've been sworn in here as a Member of Congress.

Mr. AKIN. We are glad to have you, too. We wish we had some more people who would vote along the lines of getting these jobs going and getting the economy going.

Mr. GRAVES of Georgia. It is an honor to represent Georgia's Ninth Congressional District. I tell you, in Georgia what an incredible State. I know your State is great as well. But we have 13 Fortune 500 companies, three Fortune 100, the world's busiest and largest airport, the fourth busiest port in the Nation, an incredible university system and so much when it comes to entrepreneurial spirit.

Mr. AKIN. But you haven't mentioned Georgia peaches yet. You've got some good peaches down there.

Mr. GRAVES of Georgia. But a great State, so much to work with there, but there's that uncertainty that lies out there.

So in my 30 days here, the House voted on TARP II—of course, I opposed that—the expansion of unemployment benefits to a far-reaching amount, and then the war supplemental budget which was 61 percent un-war related, and it goes one thing after another, whether it is financial reform or whether it is this reform or that reform, just in my 30 days. So there is a little bit of certainty out there in the business community.

The certainty is that something's going to come down from Washington that's going to put another burden on them, another tax on them and it is killing job creation today. It's time to change that certainty around and say you can be certain that coming out of Washington it's going to be less taxes, less government, personal responsibility, and liberty and just for all. Let's get back to free markets and capitalism.

Mr. AKIN. That's what it boils down, too, isn't it? Two different visions for America. One of them is there are all these people who are victims and the government has to take care of them and you don't have to be responsible and you are just going to be part of this permanent welfare idea. And I don't think Americans by and large really want that. I think Americans really like the idea more of having the courage to live some dream that God puts on their hearts.

You know, the way that this country was founded, they believed that every single person that God created in this

world had some purpose, some job that God had in mind for them to do. So what they did was they came up with the idea that the only thing that you got in trouble for up in New England was if you didn't work. You see, over in Europe they had all these classes and they had certain people who didn't want any calluses on their hands because they didn't like the idea of working.

But the people that came to this country said, no, your job is to work hard because God made a job for everybody to do. In the process of doing that, they created almost a classless society because how can you look down your nose at somebody else if God made one person to be an accountant, another person to be a blacksmith, another one to be a farmer? How could you look down your nose if somebody is doing what God called them to do?

But it was always the idea of hard work and being honest and so people could be free and chase the dreams that they had in their heart. But I don't think people are happy when the government is dishing them out, you know, always dependent on the government, you see, and I don't think that's what America is all about. I don't think Americans are happy with the system where they're just constantly going to be dependent on the government. I think people love freedom in this country.

As you talk to people around your district, I ask people if you had to summarize what is America all about—I love to ask that question. Let's say somebody from some foreign country came and they had a bunch of TV cameras and put it in your face, and you've lived in America. Can you tell me just in a sentence what is the basic secret of what makes America such a special place. And the word that I always hear is freedom, freedom. It is not like, no, that the government's going to take care of me. No, it's the idea of being a free person, and that's something that's so precious to us in this country.

Mr. GRAVES of Georgia. You're right, and it's great, and that's what we've got to get back to is allowing the freedom to succeed and the freedom to fail, wouldn't you say? I mean, that is a freedom as well. Not government bailouts and government taking care of businesses that make poor decisions or take a risk that just doesn't work out, for whatever reason. But, you know, when we think about where we are going in the future—and I think we've got a great future—we just have to be positive. We have to come up with positive solutions and solutions that aren't the government being the solution but empowering the private sector.

We've come into a new era I believe, and I believe it's coming. I would like to say the sun is setting on an era, and that's the era of the champions of government, that the sun is setting on

that and now a new dawn is arising and that is going to be the champions of the taxpayer.

So as we move forward through these next weeks and this great recess, I think America is waiting for this Congress to take a recess so that they will stop passing policies that are damaging to small businesses and elect a new governing majority here coming up soon and we have positive solutions that just reduce the business owners and, once again, empower them to be the job creators instead of empowering government to be that.

Mr. AKIN. You know, when people make a mistake—we were talking quite a bit about socialism, and liberals really just hate it when you mention that word “socialism,” but really an awful lot of Americans don't know socialism when they see it. And it is very dangerous, it's deadly, and it goes to the idea of what's the job of the government.

And if you go to our Founders, right off the bat the Pilgrims had socialism imposed on them by the loan sharks from England, and they pitched it out. They knew it wasn't any good. They knew that socialism was really a system of stealing where the government would take from one person and give to another person. If you go to the founding of our country, it was built on a bright vision. There was a fresh air; there was a vibrancy and enthusiasm because you could fail. There was an incentive to do well.

The understanding was that the job of the government was limited and limited in a particular way, and that was, the job of the government was justice. And Lady Justice was depicted—they chipped her out of marble, you know, and she's sitting there and she always had this blindfold over her eyes and she held up the scales, and the scales were what the law says and your own actions. But she always had that blindfold on. Well, what did the blindfold mean? Well it meant when you came before the government, before Lady Justice, she didn't peek whether you're black or white or male or female, rich or poor. She just said this is the way the law applies evenly to all people.

But socialism does something different. Lady Justice peeks and says this one's rich, this one's poor. I'm going to take from this one to give to this one and then we get sophisticated and we steal from everybody and pass it around to everybody else in the government. It gets more and more inefficient, but Lady Justice is peeking. That's socialism. It's wealth redistribution. It is institutionalized debt. It's morally wrong, and worst of all, it doesn't work.

Mr. GRAVES of Georgia. Right. And I believe Bastiat over 150 years referred to that as “legalized plunder” in the book, “The Law,” where he knew that anyone that was taking without permission and giving to someone else was

plunder. And in the case of taxation here in the United States and the raising of taxes that we're going to see in January 2011 just due to the inaction of the leadership here in Washington, that is an increased legalized plunder that is going to occur.

Mr. AKIN. Which really kind of wraps back around. I promised when we started we'd ask a couple of these really basic questions, that is, Can the government steal? A lot of kids say, well, the government can't possibly steal. The fact of the matter is the government can steal when the government does stuff that it's not its job to do. And one of the things it's not its job to do is to take something from one person and give it to someone else and that's, of course, what the President said that he wanted to do with the government. He announced that before he was elected that that was his plan, to take money from Joe the plumber and give it to someone else.

And, of course, he said he wouldn't tax anybody that made less than \$250,000, and yet that silly cap-and-tax bill that we passed in this Chamber before you were here—you don't have the shame of having that having gone through here—but if you flipped a light switch, you start paying a tax. You know, it isn't a matter of 250,000 bucks, you flip a light switch you're going to be taxed.

And that socialized medicine bill, wow, is that ever a disaster. They've got taxes in there on wheelchairs. I thought I saw a taxing on everything that moves or doesn't move, but they've even got taxes on wheelchairs in that thing, and of course the problem is that's what kills jobs. It's messing the economy up, adding to the insufficient liquidity, the economic uncertainty and of course the red tape and government mandates.

You put this package together and you can go both ways. You can have a vibrant economy, people free and prosperous and out there chugging along, good economy, or you can just keep on dialing in more and more government interference, more tremendous levels of spending, and basically what you're doing is you're killing freedom.

□ 1830

Mr. GRAVES of Georgia. When you think about it, imagine if you had the opportunity to implement the policies that you felt were best to get jobs moving forward here in this Nation. If it was me, I would say, let's empower the private sector. Let's allow them to be the job creators, not government. Let's reduce the tax burden. Let's start with the capital gains tax, the corporate tax rate, as well as many of the other tax rates involved in there. But then not only reduce taxes, cut spending. You have to cut spending in association with those tax cuts. In addition, we need to cut it beyond because of the

spending level that we're currently on. But when you think about spending, everyone around here says, well, you can't cut spending. And you have to ask the question: Are we running at an efficient level here as government? We know the answer. The answer to that is no. In my opinion there are no sacred cows. It is time to cut government and cut it and cut deep when it comes to cutting government. Americans all across this Nation are cutting their budget, and there are a lot of important things in their budget. I believe it's time for the Federal Government to cut their budget tremendously, reduce taxes, reduce the regulation, and let the private sector once again flourish.

Mr. AKIN. I think you're absolutely right.

The idea, though, that we can bring the level of spending that we've got going on under control by just trying to get efficiency, I think that's probably optimistic. I think what we have to do is decide that there are some things that Washington, D.C. should not be doing in the first place. We shouldn't cut it; we should just totally eliminate it. It should just stop. None. We need to take a good look at our Federal spending and say, What are the things the Federal Government has to do? We have to defend our Nation. We know that much. Because the States aren't going to do that. We have to make sure there's no pirates on the high seas. There used to be a law, it was one of the few Federal laws against piracy on the high seas. There was a Federal law when America started that was against counterfeiting, because that was not a State job; that had to be a Federal job.

There are very few jobs that originally started at the Federal level. And then everything else, we have to push them back to the States. I would be happy to say, look, if the people of California, or Massachusetts, or Tennessee want to have socialized medicine, let them try it and see how it works. They could learn from Massachusetts. It didn't work well. They could learn from Tennessee. They about shut down medicine in Tennessee. If States want to try these things, let the experiments begin at the State level. But at the Federal level, we have got to basically stop a lot of stuff. The first place I would start with would be just what Ronald Reagan said, shut down that Department of Education.

I had a group I was talking to down at a Honda dealership just a couple of days ago and I asked them, How much benefit do you think you've gotten from a whole bunch of Federal bureaucrats that work in the Department of Education? Has it helped your kid any at all? There were these blank looks. No, I don't think it's helped a whole lot.

So what happens if you sell the building and just shut down the Department of Education at the Federal level? Why can't that be done at the State or local level? I think we have to ask those tough questions. Maybe you could make a case, gosh, it would be nice if; but we can't afford it.

Here's a number: Debt and deficit as a percent of GDP. This is deficit. Here's the United States. We're right alongside of Greece and Spain and the United Kingdom. We're right in there with these European countries that are struggling, and we're not much better off than they are. We're way over-spending.

Here is debt as a percent of GDP. You've got the United States. There are only two other countries that are worse than we are, that's Greece and Italy.

Mr. GRAVES of Georgia. If you had to simplify that for the American viewers out there, and I see that says about 91 percent of our debt as a percentage of GDP. How would you simplify that in terms of the average household at home and they have income coming in, their pay as it relates to debt?

Mr. AKIN. Let's try and speculate a little bit. Let's say the income for the whole year, they make a hundred bucks. So what does this mean, 91 percent? If their income is a hundred dollars for the year, what does that mean? That means they've got an incredible level of debt. They're not going to get back out from under it hardly.

Mr. GRAVES of Georgia. You're saying that 91 percent of that goes to debt; that income has to go to debt.

Mr. AKIN. That's the problem.

Mr. GRAVES of Georgia. If the liability was called in at that point. It is a liability of 91 percent.

Mr. AKIN. Yes.

So the point is, what do we do here in America? We basically have to stop thinking that the Federal Government is God and that it's going to solve every problem. We've got the Federal Government now, they're into the automobile business, the insurance business, the student loan business, they're in the flood insurance business, they're in the food business, they're in the housing business.

It kind of reminds me, there was this country that I grew up paying close attention to in the U.S., and it had this philosophy that the government is going to give you food, and it's going to give you a place to live, some shelter, it's going to give you an education, the government's going to give you a job and it's going to give you health care. We looked at that country and thought, That's not going to work. And it didn't work. The whole country crashed economically. It was called the USSR.

Here we are today, and what does the Federal Government try to do? Give people housing and food and education

and a job and health care. How are we different? What we have to understand is the Federal Government has to be reined in to do just what it's supposed to do, which is justice. That is, provide a set of laws where everybody is equal before the law and a national security that protects us from terrorists and other people that wish us ill. So that Federal Government is just going to have to go on a diet.

Mr. GRAVES of Georgia. That's right.

I've only been here 30 days and I can tell you, this government is way too big. It does not run efficiently. There are many tasks that it should not be involved in whatsoever. We've seen those pass this House just in my few short weeks of being here. As I think about where we're going and I think about the solutions that we're all seeking, the Economic Advisory Council that I've put together across the 15 counties of the Ninth Congressional District is going to be one of the most dynamic councils I believe we have ever seen, because these are the business leaders, those that are on the ground hiring and making decisions for their business, that are making tough decisions; what to cut out of their budgets, what hours are they going to operate, what supplies are they going to buy. And we're asking them that question, What is keeping you from hiring that next employee? Because it goes back to that, if one out of three businesses would just hire one person in the next 12 months, unemployment would be cut in half. That's how close we are.

So what is it that the government is doing to prevent you from hiring that next employee? I am excited that soon I will be bringing back what I believe are going to be some powerful recommendations to the House of Representatives right here and say, From the Ninth Congressional District, from the business leaders in north Georgia, here's what they say needs to be done in order to get this economy back on track.

Mr. AKIN. I think you and I have a pretty good idea what they're liable to say, because they have enough business sense to know what's happened historically. They know socialism doesn't work, and they know what you've got to do is as the jobs and wealth and freedom, those are things that come from free people. It isn't the government that makes jobs. It's the businesses. It's all of the innovative Americans that are out there, that are living that dream in their heart. From the beginning days of this country, there are these people, these crazy people that came to this land with some dream of something they wanted to do.

I remember there was one guy that had this idea, he wanted to build light bulbs. He built a hundred of them and none of them worked. His attitude was,

now I know a hundred ways not to build a light bulb. These crazy people came with these dreams in their hearts, the dream became a vague possibility and eventually it became a reality, and America was built, one dream at a time. It got to be so common, we called it the American Dream.

I know, gentlemen, as you travel in Georgia and you talk to those people, that you really get to love them out there, and you hear the stories:

"Well, my wife and I were sleeping under a park bench, but we had this idea for a little business. That was 20 years ago. Well, now, my goodness, we've done pretty well. The kids are in good shape. We've got a nice house. I think I might be selling the business."

We do this, this, or that. Who would have thought it? We've got one guy in Missouri. He started a little company called Innoventor. I love this story. Talk about somebody with some imagination. He had grown up on a hog farm. Some of us that are from suburbia, we're not too fond of the by-product of those hog farms. But he had a lot of that by-product kicking around trying to figure out what to do with it. And so this guy took all this pig manure and he put it into a tank and he ran the temperature up and the pressure up in the tank according to some basic principles of the way that we work with petroleum products and figured out a way to turn all that pig manure into this thick oily sludge which they then use to make asphalt.

And so he's got a section of road in the State of Missouri that's paved with asphalt made from pig manure. Of course the first question is, does the road smell? He says, No, when you get it up to this temperature, all the ammonia and things that you associate with smell is gone. But here's a guy that took something that nobody wanted, people looked at it as a liability, and he's got an invention that's going to turn that pig manure into asphalt to pave our roads with.

That's the kind of thing that makes America. I thought that was a colorful example. I know you've got stories of your own from Georgia. My brother was a Ramblin' Wreck from Georgia Tech. I know they've trained some good engineers down there.

□ 1840

Mr. GRAVES of Georgia. There are great talents and opportunities in Georgia. And as I know we are wrapping up our time probably here, and as I sort of close out, it goes back to that zero sum. It is a zero sum game when it comes to employment.

You are either expanding the private sector, or you are expanding the governmental sector. And I believe our objective, and I am glad that you are of like mind with me, that as we consider the deliberations over the next several weeks, that those who are watching to-

night know that there are two men, plus more here, who really want to see the private sector expand, and expand through innovation and the excitement of the idea.

So I sort of liken it to the flame. There is that entrepreneurial flame out there. It has been dampened. It has been dampened quite a bit over the last 15-16 months with the policies coming out of Washington, and I believe it is our objective and I believe we can do this.

It is time to once again fan that flame and get that dampened spark flamed back up and get that entrepreneur fired back up about that American dream that you just spoke of.

I will close with this story, because my son who is 10 shared with me the greatest illustration last year. We were debating allowances. We were talking a dollar for this task and a dollar for that task. And he stopped me and he said, dad, if you give me a dollar to do something that I should already be doing, doesn't that just take away from what mom can buy groceries with? Wouldn't it be better if I made something and sold it and added to the family?

I mean, what a phenomenal example from a 10-year-old boy who understands productivity and wealth accumulation. That is something that excites me, that that young generation gets it.

Mr. AKIN. Well, you know, that is a heartwarming story, and it shows the basic nature of your 10-year-old son. He understands that somewhere along the line, that he was made to do something, and even that God maybe has a plan for him, and his thinking was, I want to help my dad.

You know, there is nothing I think as a Christian that inspires me more than a passage in the Bible that is in Ephesians. It says that we are God's workmanship created in Christ Jesus. That means that each one of us is a unique and special person.

But not only that. Here is what exciting. He says unto good work which God prepared for us to do, every single one of us has a purpose in this world, and the purpose is to do some good work, which our Father wants us to do. And it is a pretty exciting thing if you are not cynical to say, you mean I can actually do something that would please my Father in heaven?

You see, I think the freedom that we treasure in America was given to us so that we could do that mission that we were created to do. That is what freedom is all about. It is not to abuse, not to have the government take from one person and give to another person. It is about each one of us doing what we were called to do and living that American dream.

Then as the country builds and becomes strong and we have this attitude that everybody has a purpose, everybody, there is no one that isn't included in that, and that the freedom we

enjoy is freedom so that we can do what we were created to do in the first place. When we have that kind of attitude, it gets contagious, and all over the world people are going to say, hey, look what is going on in America. Isn't that exciting? Those people really do believe in freedom. They understand the difference between socialism, which is big government doing something that is stealing, it is dishonest, and allowing people to follow their god-given direction.

That means as you said though that people will fail sometimes. We try, we fall down, we have to get up and try it again. If we didn't understand that, none of us would know how to walk. We fall down the first few times. And I found that out trying to ski as well. You know, there is a part of my anatomy that worked as a brake for quite a while. It got pretty sore.

But we keep getting back up again, and that is necessary in a free kind of society. But I think America loves that sunlight and bright light of freedom and that fresh air and the enthusiasm of the challenge, and the fact that every one of us has a purpose that we were put on this earth to do.

The Lord has given us the simple commandment, thou shalt not steal, and when somebody takes something from one person and gives it to you and you didn't earn it, you see, that is short-circuiting the way God made everything, and that is why it didn't work. It didn't work for the Soviet Union, it hasn't worked in these other countries.

Socialized medicine doesn't work. Yes, you get insurance, but you can't get any health care. That doesn't do you any good.

Well, I appreciate your joining me, and thank the good citizens from Georgia for sending up such a great Congressman, Congressman GRAVES. Is a pleasure joining you.

BRITISH PETROLEUM AND OTHER ISSUES OF THE DAY

The SPEAKER pro tempore (Mrs. HALVORSON). Under the Speaker's announced policy of January 6, 2009, the gentleman from Texas (Mr. GOHMERT) is recognized for 60 minutes.

Mr. GOHMERT. Madam Speaker, it is always an honor and privilege to speak on the floor of the House of Representatives where so much history has been made. There are a number of things we need to cover.

I had some interesting things going on in the Natural Resources Committee today because we are taking up legislation as a result of the oil spill. Those pesky words keep resurfacing, "never let a crisis go to waste," and it appears that is what is happening here.

We had 11 people lose their lives in the Deepwater Horizon explosion. Many thousands may lose their liveli-

hood. We know that it is the worst environmental accident we have had in the United States.

It has been amazing that so little had been done to try to assist from the Federal Government. Eventually the Coast Guard came on board, but three days after this terrible accident, it is nations like the Netherlands that have extraordinary expertise in building barrier islands, in actually taking in water and separating out the oil, people that had all these wonderful inventions and ideas and things that would help capture the oil, should have all been utilized because so many of them have merit, and yet the Coast Guard kept turning them away. Kevin Costner had spent \$10 million of his own money to see this thing developed that would separate oil and water and do so in large numbers, but didn't get a lot of attention.

So I know there were a lot of pressing things to do. There were golf courses to be played, there were things that had to be done, parties that had to be attended. All the while the oil kept coming up and the environment kept suffering, wildlife kept suffering.

And then when we eventually find out, well, actually there was a reason. British Petroleum thought they were bulletproof. They thought they could have more safety violations, hundreds of times more safety violations than other oil companies drilling in the Gulf of Mexico, and be immune from having the administration come down on it.

It is understandable now, once we got into it. They were supportive of the administration's crap-and-trade bill. In fact, as the Deepwater Horizon rig was sinking, Senator KERRY down the hall was making negotiations making sure BP was still on board with the crap-and-trade bill. The White House counted them as being supportive of the bill. And they, of course, have so many lobbyists. Their best lobbyists are all from Democratic administrations. They felt like they were bulletproof.

So then it begins to explain why it took so long to finally get on to BP and fuss at them, because America had had enough. They had seen the kind of poor safety record BP had.

□ 1850

So BP got thrown under the bus, much to their apparent surprise, after all their support. They've given heavily to the President's campaign. So I'm sure they were surprised when they ultimately were thrown under the bus.

But as a result of that terrible tragedy there are some laws that are being voted out of committee. We had debate on them for several hours today. And that's as it should be. A bill shouldn't come to the floor that is so sweeping unless it goes through proper committee channels. Didn't go through subcommittee, but we had a long hearing on it today. And it will be voted on

in the morning. All the votes were rolled so that they'll take place in the morning. It's just hard to believe that out of a crisis like the gulf oil spill, that people would take advantage of that and want to pork up the bill. Shocking. Shocking.

One of the things that economists have proposed across the country that would help get us on track is that—financially, that is, on track—is that is we have got to get out of the mentality of constantly buying more and more and more and more land. The Federal Government seems to want to take over the country, or at least those States that often vote heavily Republican. The colleagues across the aisle want to buy more and more of the land.

So I had a chart here of what the West looks like, the Western part of the United States, how much of it we have in red that is owned by the United States. That is, by the United States Government. So you get an idea. Here is the Western United States. The red parts are those that are owned by our Federal Government. And the Federal Government wants more. We have had information on the amount of money that our Federal Government has been spending in the past on buying land, and it's been rather shocking to see the numbers. Here we have the amount of money that was allocated in 2008 for the Federal Government to spend on buying more land in the United States for the Federal Government to take over. It's important to understand that when the Federal Government takes over land, it means the schools in that vicinity, the local governments in that vicinity get nothing. Because all of the land, when the Federal Government takes it, is removed from the tax rolls. It cannot be taxed. Schools, cities, counties, States cannot tax the Federal Government once it takes over the land.

So it makes sense that you want to be cautious in having the Federal Government take over more and more land in this country. In fact, that's what economists have said. You have got to get out of the mentality of continuing to buy land. Start selling some. Let's get on track to get rid of our deficit. Quit buying land. And it turns out that right now we're \$3.7 billion behind in the projects that are needed to keep up the existing Federal land and Federal parks that we have right now. Our parks are going to squalor in many places. Places that people used to love to visit are just being let go because the money is not there to take care of it. Why? Because we keep spending money on buying more and more land and locking that land up so it cannot be used for any purpose.

That's one of the problems we've got down with the border between Arizona—a U.S. border—and Mexico. Thirty-two miles of that border are wilderness, national park, which means the

Border Patrol are the only ones that can't take—or U.S. Federal agents are the only ones that can't take vehicles in there. It's against the law. They commit a crime if they do that. But it doesn't stop the drug smugglers, the illegal alien smugglers from taking vehicles across there. And so that's what happens. They can have mechanical instruments. But even if you need to bring a helicopter in to lift out somebody that's been shot, like a Border Patrol Agent, which has happened, the helicopter can't land. Illegal aliens, drug smugglers, they can drive right by them, but our Border Patrol cannot go in there because it's a national park wilderness area. That's why I've got a bill to try to do something about that, but apparently it's not going to see the light of day.

So here we have in 2008, the last year of the Bush Presidency. But since all appropriations originate in the House of Representatives, no matter what the President wants to do, it originates here, and if you check back in 2004, 2005, 2006, it was a fraction of a hundred million dollars. Well, in 2008 it was a little over a hundred million dollars. In 2009, it was still about \$150 million or so, according to the chart. And then in 2010, this year, from last year's appropriation, it shot up to nearly \$300 million. And for next year it's already—what is being laid out for next year's land acquisitions is nearly \$400 million.

So here we are, in the worst budget crunch we have ever had, and what happens? For the first time since 1974, Congress is not going to have a budget. Apparently, it was considered too politically difficult for people to come in and vote for a budget that would expand costs as apparently the desire is to have done. So here you have a tragedy in the Gulf of Mexico, still ongoing. Hopefully, the cap is going to hold. But that remains to be seen. There's still so much damage.

And since we're dealing with a time when those in control do not want to let a good crisis go to waste without taking advantage of it, in the legislation that we debated today and that will apparently pass in the morning around 9:15, we're going to stick in \$900 million for land acquisition. That's in the committee, July, 2010. That's what is apparently going to happen because the majority will have the votes. They're going to appropriate in an authorization bill \$9 million to buy more land, as if our parks are not in enough trouble because all of this money keeps going for more and more land acquisition. We're going to not cut spending on land acquisition and just even have a moratorium just for a little while. Let this country catch its breath.

We're looking at a \$1.5 trillion deficit for 1 year. My first year here, I kept hearing people across the aisle talking about how \$100 billion, \$200 billion was an outrage for a deficit in 1 year. And,

you know what? They were right. There shouldn't have been \$100 billion and \$200 billion deficit for 1 year. And that's why people voted them into the majority in November 2006.

□ 1900

Yet here we go this year. The same people have no problem with a \$1.5 trillion deficit in 1 year because of all the jobs that it apparently, they think, is creating. Well, it did. For June, 431,000 jobs were created. Unfortunately, 411,000 of them were temporary census jobs.

So here's our chart. This is what will pass tomorrow because me and my friends simply do not have enough votes to keep it from passing. They're going to pork up this bill to deal with the gulf oil crisis by sticking \$900 million of pork in there to buy more land for the Federal Government to own, to put local governments, local schools, State governments in a difficult situation because they'll never be able to generate any tax dollars or revenue from that land once the Federal Government takes it over.

And so with that in mind, we look back at the chart again, the map, that shows the western part of the United States with that in red, representing areas that the Federal Government already owns. But apparently to those in charge right now, it's not enough. It's not enough to own nearly all of Nevada. It's not enough to own 70 percent of Utah. It's not enough to own most of Idaho, Arizona, Wyoming. So tomorrow, \$900 million will be appropriated in this bill about the gulf oil crisis to buy more Federal land that will hurt more local governments and more local schools. It's just hard to fathom. It is hard to believe that this is going to happen tomorrow, but we simply do not have enough votes in our minority to keep that kind of pork from being added to a bill emanating from a crisis.

You know, we've already heard from people, families of victims who were killed on Deepwater Horizon, out begging, Please do not have a moratorium, because they knew their friends would be out of work, other family members would be out of work. I don't have a problem if you want to shut down every one of BP's offshore rigs until we can be sure that they are safe. But when, as we heard in the hearing today, BP had had 800 safety violations to, in some cases, none for other oil companies in the same period, one for other oil companies in the same period, they had 800, so what did this administration do? They gave them an award for safety. That's right. They didn't fine them. They gave them an award for safety.

But when you understand they were embracing a tax, a gas tax, they were embracing so many of the bills this administration was pushing forward that most in the country didn't support,

they didn't want to lose their good friend BP, and that's why it took them so long to throw them under the bus. Well, that's one area in which we're throwing away a lot of money. It's pretty amazing, pretty outrageous.

Another area is in our foreign assistance programs. Now, this is my third term here. In each of my three terms, I have filed a bill. This is no exception. It's H.R. 4636. I have now filed for a discharge petition. So hopefully we can get enough folks that will sign on to the discharge petition to force this bill to the floor for an up-or-down vote, because we haven't been able to get one. This is a very simple bill. In essence, it says—well, it's entitled the United Nations Voting Accountability Act. It is very simple. Any nation that votes against the United States' position more than half the time on contested votes in the United Nations will receive no Federal assistance from our government to theirs. Very simple. And as I have said before, you don't want to have to pay people to hate you. They'll do it for free. Why pay them to hate you when they'll do it for free?

So we pulled the report for this year—because each year a report comes out; it has to come out by March 31 of each year—of all of the votes, the contested votes from the year before so that we could get some idea of who is voting with us, how often, who we're paying to hate us.

For example, in 2008, there was \$105 million given to Bangladesh. They voted against the U.S. position 82.4 percent of the time in 2008 and 80 percent of the time in 2009.

We gave millions to Belarus, a former state in the Soviet Union, and they voted against us in 2008 84.6 percent of the time, and this past year voted 75 percent of the time against the U.S. interests and position.

You've got Bolivia down in South America. We've given them over \$100 million. That was in 2008. As I understand, it was a great deal more than that in 2009. They were our great ally and were only voting against us 85.2 percent of the time in 2008. And it got a little better in 2009. Only 70 percent of the time they voted against the country that provided them over \$100 million in aid. We're paying them to hate us.

Brazil. Of course we've heard recently about the \$2 billion that we're loaning to Brazil to develop their deepwater territories, their deepwater offshore drilling program. And lo and behold, it turns out apparently George Soros' biggest personal investment is in a company that does that drilling, so we provided \$2 billion to help our dear friend George Soros make that much more money from his biggest investment, personally. And so Brazil, we loaned them millions—I'm sorry. We loaned them billions, give them millions, and they voted against us in 2008

70.7 percent of the time and against us last year in 2009 62.5 percent of the time.

You've got Cambodia, where lots of Americans lost their lives fighting for freedom for the people. We let them out from under all the murderous regimes that have followed. But with tens of millions of dollars, they voted against us 84 percent of the time in 2008 and 62.5 percent of the time in 2009. We are still just pouring money into them.

Now, I have been talking to them about this ever since I came on into Congress in 2005, and it makes me think that maybe we're doing some good, because of all the hundreds of millions we've given to Colombia, in 2008, they voted against the U.S. position 80 percent of the time. Last year, it was 40 percent of the time. So they would not be adversely affected by this bill because they have found their way clear to support us.

Most people think with the embargo sanctions against Cuba, that's taken care of. Not true. In 2008 alone, we gave \$45 million in aid to Cuba when they voted against us in the U.N. 87.8 percent of the time. And in 2009, they got even higher, up to 90 percent of the time.

Now, the Republic of the Congo in 2008 got \$103 million, \$104 million, and for some reason, that same year they only voted against us 7 percent of the time. This year, I was under the impression they got even more money, but they voted against us 71 percent of the time. So from 7 percent to a 71.5 percent turnaround there.

□ 1910

You've got Dominican Republic. Give them tens of millions of dollars. They voted against us 80.5 percent of the time in '08, 60 percent of the time in '09.

Egypt gets a couple of billion dollars, in essence, but they voted against us in the U.N. against our position 93.3 percent of the time in '08, and in '09, 81.8 percent of the time.

Got Ethiopia. We gave \$455 million in '08. They voted against us to show their gratitude 82.9 percent of the time in the U.N. in '08, and 83.3 percent in '09.

Again, you don't have to pay people to hate you. They'll do it for free.

India, \$99 million that we gave away as Federal assistance to India in 2008. They voted against us 76.3 percent of the time. That number, I think, may have risen and now so has their opposition to anything we hold dear. They're now up to 88.9 percent of the time in 2009, voting against us.

India is benefiting from our high corporate taxes. They're benefiting from the threat of the crap-and-trade bill passing. They're benefiting from the health care bill that just got passed because employers, big manufacturers are saying, we've got to go where the country doesn't hate us being there so

much. We're going to India, we're going to China, we're going to South America.

So a lot of these countries we're pouring money into that we don't have, that we're having to borrow from China, all the while they're opposing us every step of the way.

You've got Indonesia, 189, basically \$190 million simply in foreign aid, not counting the other benefits we've given them. And yet they opposed us 84.9 percent of the time in the U.N. in '08, and 80 percent of the time in '09.

Pouring money into these countries that we don't have, that we're having to borrow, while people are out of work, hurting, searching for jobs, hoping for the economy to turn around, and something besides temporary census jobs to become available, and this is what they find out.

Jordan, in 2008 got \$687 million, simply in aid, and they voted against us 91.7 percent of the time in '08 and 60 percent of the time in '09.

Now, Mexico, this shows \$50 million in foreign aid in '08. But also, of course, we had, I believe, \$500 million that we provided them to assist them in their defense effort. And as a result, we have the President of Mexico come in here and chastise us for having immigration laws that he says promote racism; laws like that passed in Arizona that simply are begging to have our laws enforced.

Well, Mexico voted against us 75.9 percent of the time in '08. But in '09 that dropped to 36.4 percent of the time, so apparently we're buying some love and affection there.

Nicaragua, they've got tens of millions of dollars each year, yet they voted against us in '08, 84.7 percent of the time, and against our positions 80 percent of the time in '09.

You've got Nigeria, \$486 million they received in 2008, simply in foreign aid, not counting other types of aid; '08 they voted against us that same year 82.7 percent of the time in the U.N., and against our position 63.6 percent of the time in 2009.

Pakistan, that we keep hoping is going to make a turn for the better, well, in 2008, simply in foreign aid, we gave them \$737 million. They voted against our position 81.1 percent of the time in '08; 87.5 percent of the time in '09.

Got the Philippines. They wanted to be completely shed of the United States, didn't want anything to do with us. Well, almost nothing to do with us. They did want our hundred-plus million dollars that we will give them, as we did in 2008, while they voted against our position in the U.N. 81.2 percent of the time in '08; 62.5 percent of the time in '09.

Philippines have people there, many of whom are very dear to the United States. But as a separate independent nation, they're free to make their own decisions, love us or hate us. But we

shouldn't have to pay people to hate us when they're willing to do it for free.

Russia, hard to believe, but we gave them \$81 million in foreign aid in 2008, and they voted against us 82.9 percent of the time in '08. Did a little better, 66.7 percent of the time they were against our position in '09.

South Africa, \$574 million in '08 we gave, only in foreign aid, not counting other types of aid. They voted against us, our positions, 84.5 percent of the time in 2008, and against our position 66.7 percent of the time in 2009.

Sudan, gave them \$337 million in 2008, they voted against us to show their gratitude 91.9 percent of the time in 2008, and a clear 90 percent of the time in 2009.

You've got Uganda. We gave them \$350 million, simply in foreign aid, not counting all the other types of assistance in 2008. They showed their gratitude by voting against our position 82.3 percent of the time in '08; 62.5 percent in '09.

Venezuela. I bet most people didn't know we were giving Venezuela foreign aid, but we did. This majority voted to give them around \$10 million in 2008. Regardless who is in the White House, the Congress is the one that votes appropriations. Venezuela got basically \$10 million, simply in foreign aid, and of course they showed their love and affection for the United States by voting against us in opposition, 86.1 percent of the time in '08 and 81.8 percent of the time in '09.

You've got Vietnam. Vietnam, we've gotten so friendly with, they got over \$100 million of U.S. taxpayer money. Actually, I'm sure it's borrowed money from China that our grandchildren will pay the interest on, and pay the principal as well, unless they have to declare bankruptcy as a nation because of our gluttony. But Vietnam, we gave away over \$100 million to them, and their gratitude was expressed by voting against the things we believe in 94.5 percent of the time in '08, and 75 percent of the time in '09.

□ 1920

Yemen. Yemen. Now, this was just giveaway money here. It's \$16 million, \$17 million just as foreign aid to Yemen in 2008. Showed their appreciation by voting against our position 92.8 percent of the time in 2008, 71.4 percent in 2009.

But Yemen, not only did they get millions and millions of dollars simply in foreign aid from the United States, New England gave them a real boon. New England, just found out in the last few weeks, this year New England gave them a contract to provide liquid natural gas for the next 20 years to Yemen.

Now, in order for Yemen to get that contract we had to snub our nose at countries who have been very supportive and have been friends, including some in the Caribbean. We snubbed

our nose at our friends, and New England gives what will result in incredible amounts of money to Yemen for liquid natural gas.

At the same time, we were having hearings, been having hearings in the Natural Resources Committee to try to hamper hydraulic fracking. By the use of hydraulic fracking, we have been able to secure over 100 years' reserves of natural gas that we could be using, our own natural gas. DAN BOREN across the aisle has a wonderful bill that would encourage making cars that run on natural gas more widespread, more easy to get, and trying to move some of our country over to natural gas vehicles because we have so much of it. Of course if we eliminate hydraulic fracking, which by the way has never been shown to have polluted drinking water—we have had hearings on that—there is no need for the Federal Government to get in and try to oppose hydraulic fracking. Many States that have it regulate it themselves, and they have done a good job in controlling that, and will continue for the future.

As one of the Members of Congress from Louisiana said today, if you were to eliminate hydraulic fracking, you would do more damage to Louisiana and its economy and people's livelihoods than this environmental disaster will do. Yet Yemen got this massive contract to provide liquefied natural gas to New England.

That means big, huge ships carrying massive amounts of liquefied natural gas. In other words, a rather large bomb will be floating in routinely to Boston Harbor. And I found a quote from the Coast Guard where they indicate, gee, one of their biggest concerns, since Yemen has proved to be home of so many terrorists that want to destroy our way of life, one of their biggest jobs is going to try to make sure there is not one stowaway somewhere on that Yemen tanker that may set the thing off and wipe out much of Boston in the process. I wonder if the people of Boston knew that that was going on, that not only were we giving away so many millions to Yemen—of course, some may remember that just recently people were allowed to leave Guantanamo Bay, went to Yemen, and Yemen of course ended up seeing them take off and we don't know where they are anymore. Heck, they may be back here coming across our Mexican border, since we haven't secured that.

So, going back to my bill, 4636, I am going to keep bringing it up, and we will have a discharge petition and give people on both sides of the aisle an opportunity to sign that and bring that to the floor for a vote. That will end up cutting off foreign aid to countries that so strongly oppose the things that we hold dear, the things for which we have sacrificed, in John Adams' words, toil and blood and treasure to secure.

And yet we just keep giving money to those who are opposing us in almost every turn.

They are sovereign nations. We shouldn't get into nation building. They are big folks. They can make their own decisions. But if they want to oppose us at every turn, they can't expect us to continue to pay them to oppose us at every turn. Are so it just is hard to believe that that's something we are still dealing with, but it is.

And I have to mention this. Regarding the gulf oil spill and this legislative markup, as it's called; it's of course voting a bill out of committee. It's the emergency response to the gulf oil bill that includes \$900 million a year for the next 30, 40 years simply to buy more land. Think about the James Bond title "The World Is Not Enough." Well, owning most of the West doesn't seem to be enough.

My friend ROB BISHOP from Utah indicated how about a friendly amendment to just say the Federal Government will only buy land in States in which the Federal Government does not already own up to 20 percent of the State? But my friends across the aisle from those States in the East that love continuing to purchase land in the West, forcing schools to lay off teachers, shut down schools, inability to provide tax revenue—they love that because they're not going to have land bought in their States. The friendly amendment that Mr. BISHOP offered, since the Federal Government already owns 70 percent of his State, was not accepted. So the intent appears clear: They want to keep buying more land in the West. They don't want it purchased up in the East for the most part.

So in addition to that, during the hearings regarding the gulf crisis, when I was questioning Director Birnbaum, brought out the facts that we learned that there was only one entity, one group within MMS, Minerals Management Service, that was allowed to unionize, and that was the offshore inspectors. The offshore inspectors, the people that stand between disaster and our beloved homeland. And they are unionized.

So I offered a simple amendment today, because those offshore inspectors that go out to make sure things are done properly to protect us from disaster on our homeland, they are like people in the Army. You know, I never went into warfare. I was commissioned based on an Army scholarship I had at Texas A&M. I had an Army scholarship there. I owed the Army 4 years, but I wasn't commissioned until a year after Vietnam. When I took the scholarship, I anticipated I would end up in Vietnam, but the war ended.

And we were taught, though, in training—and I had been a sentry before, put out on a perimeter to sit guard during the night. And I was out

there to stand guard to make sure nothing happened to my friends who were getting some sleep at night. I was their protection. So I wasn't about to fall asleep when as dark as it was out on perimeter because I had to warn them if someone was coming in. And sure, you know, it was drills, it was practice if some want to call it that. But during drills you take it very seriously. But I came to appreciate the role of someone who is a forward observer, someone who is a sentry, someone who is out there on the perimeter sitting, standing guard to make sure that they are protected back in the main group.

Well, that's the way the role of an offshore inspector struck me. They are out there protecting us. Can you imagine someone on guard duty out protecting your perimeter calling in and saying, guess what, I am going on strike?

□ 1930

I don't like my contract. I'm going on strike. So you're no longer protected out here. Things could go completely awry. I'm not inspecting. I'm on strike. That should not be allowed to happen in the military. It shouldn't be allowed to happen on offshore rigs.

So I had a simple amendment that said offshore inspectors are not allowed to strike or threaten to strike from doing their jobs. Votes were rolled. So we will have a recorded vote on that in the morning and we'll find out how serious people on both sides of the aisle are about protecting our homeland, or are they going to have to kowtow and cater to unions as we've seen on so many votes. This, we're talking about our homeland. We're talking about prevention of environmental disaster.

So, Madam Speaker, I hope that people will let their Members of Congress know that are on the Natural Resources Committee, Don't vote for the unions; vote for the homeland. Don't vote to allow our soldiers, our offshore inspectors out there on our shore, on our offshore rigs, to go on strike because, wow, what leverage.

It would be like an air traffic controller saying, All of those planes are in the air, and I don't care if they land or crash. We're walking away. They're on their own. You can't let them do that.

You have to provide for our country's security. You can't let people in the position with the leverage over lives and livelihoods to walk away on strike at the worst possible time. So we'll find out tomorrow who's voting for our Nation's homeland, our homeland, all we love and hold dear—the environment, the animals, the plants that can't do anything about the oil coming ashore. We'll see whether the vote will be for the unions so that offshore inspectors can continue to have the threat to strike if they so feel like it or not. That's tomorrow.

One other thing I want to get to, because I know our President said this year that we're not a Christian nation, and I want to debate that because I don't know if we are or not anymore. But I know how we got started, and it's easy to see in the writings, the things that were said, the proclamations. It's easy to see.

For example, George Washington, May 2, 1778, gave this order to his troops, May 2, 1778, to the troops at Valley Forge. Here it is, and I'm quoting from George Washington's order. "The Commander-in-Chief directs that Divine service be performed every Sunday at 11 o'clock, in each Brigade which has a Chaplain. Those Brigades which have none will attend the places of worship nearest to them. It is expected that officers of all ranks will, by their attendance, set an example for their men. While we are zealously performing the duties of good citizens and soldiers, we certainly ought not to be inattentive to the higher duties of religion. To the distinguished character of Patriot, it should be our highest glory to laud the more distinguished Character of," and this is Washington's words, "Christian."

That was his order to the Continental Army, May 2, 1778. Again, I won't debate whether or not we're a Christian nation now. But it is important that people in this body know, and people across America know, that we, at one time were—the Judiciary Committee of the Senate made that proclamation at one time in one of their votes. They said point blank, We are a Christian nation. That was in the 1800s.

Abraham Lincoln, July 7, 1864, said this in his proclamation. Abraham Lincoln said, "I do hereby further invite and request the heads of the Executive Departments of this Government, together with all legislatures, all judges and magistrates, and all other persons exercising authority in the land, whether civil, military, or naval, and all soldiers, seamen, and marines in the national service, and all of the other law-abiding people of the United States, to assemble in their preferred places of public worship on that day, and there and then to render to the Almighty and merciful Ruler of the Universe such homages and such confessions to offer to Him such supplications, as the Congress of the United States have in their aforesaid resolution so solemnly, so earnestly, and so reverently recommended." That was for the day July 7, 1864.

September 5 of 1864, Abraham Lincoln addressed a committee, and according to the historic document of Colored People from Baltimore—that's according to the historic document. Now, that would be African Americans,

I'm sure, but back in 1864, apparently Lincoln didn't know better. So acknowledging a gift of a Bible from those wonderful people, he said, this is Lincoln's words, "In regard to this Great Book, I have but to say, I believe the Bible is the best gift God has given to man. All the good Saviour," that's Lincoln's words, "All the good Saviour gave to the world was communicated through this Book. But for this Book we could not know right from wrong. All things most desirable for man's welfare, here and hereafter, are to be found portrayed in it." In the Bible. How about that. Those are Lincoln's words.

You'll look at his second inaugural address. Interestingly enough, he said these words. These are carved in the north wall of the Lincoln Memorial. In the middle of his second inaugural address, he's talking about both the North and the South. He said, "Both read the same Bible, and pray to the same God. The prayers of both could not be answered. That of neither has been fully answered. The Almighty has His own purposes." Then he quotes the Bible, "Woe unto the world because of offenses."

"Yet, if God wills that it continue, until all the wealth piled by the bondsman 250 years of unrequited toil shall be sunk, and until every drop of blood drawn with the lash, shall be paid by another drawn with the sword, as was said 3,000 years ago, so still it must be said, 'the judgements of the Lord, are true and righteous.'" Those were Lincoln's words in the second inaugural address.

So I won't debate whether or not we're a Christian nation. But that's how we got our start. Despite the efforts of those even in the early 1800s up to the present day who disregard the facts, they disregard so many of our Founders' own words. Call Benjamin Franklin a deist, even though at 80 years of age at the Constitutional Convention he's the one that says, "I have lived, sir, a long time, and the longer I live, the more convincing proofs I see of this truth—God governs in the affairs of men. And if a sparrow cannot fall to the ground without his notice, is it probable that an empire can rise without his aid? We have been assured, Sir, in the sacred writing, that unless the Lord build the House, they labour in vain that build it."

□ 1940

He went on to urge those other members at the Constitutional Convention—his words, not mine—he said, "Firmly believe this; and I also believe that without his concurring aid we shall succeed in this political building no better than the Builders of Babel." So much for him being a deist.

Regardless of where we are now, this Nation started as a Christian Nation. All of the indications from the official sources, from our Presidents, indicated as much. So, regardless of where we are now, that's where we started. We need to get history right if we're going to have a future.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HASTINGS of Florida (at the request of Mr. HOYER) for today and the balance of the week on account of personal business.

Mr. HINOJOSA (at the request of Mr. HOYER) for July 13 and the balance of the week on account of the effect of Hurricane Alex on his district.

Mr. OLSON (at the request of Mr. BOEHNER) for July 13 and the balance of the week on account of medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BRIGHT) to revise and extend their remarks and include extraneous material:)

Mr. BRIGHT, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mr. MCDERMOTT, for 5 minutes, today.

Mrs. KIRKPATRICK of Arizona, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. DEFazio, for 5 minutes, today.

(The following Members (at the request of Mr. POE of Texas) to revise and extend their remarks and include extraneous material:)

Mr. POE of Texas, for 5 minutes, July 21.

Mr. JONES, for 5 minutes, July 21.

Mr. GARRETT of New Jersey, for 5 minutes, today.

Ms. ROS-LEHTINEN, for 5 minutes, July 19 and 20.

Mr. PENCE, for 5 minutes, today.

Mr. DANIEL E. LUNGREN of California, for 5 minutes, today.

ADJOURNMENT

Mr. GOHMERT. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 40 minutes p.m.), the House adjourned until tomorrow, Thursday, July 15, 2010, at 10 a.m.

BUDGETARY EFFECTS OF PAYGO LEGISLATION

Pursuant to Public Law 111-139, Mr. SPRATT hereby submits, prior to the vote on passage, the attached estimate of the costs of H.J. Res. 83, approving the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003, as amended, for printing in the CONGRESSIONAL RECORD.

ESTIMATE OF THE STATUTORY PAY-AS-YOU-GO EFFECTS FOR H.J. RES. 83, A JOINT RESOLUTION APPROVING THE RENEWAL OF IMPORT RESTRICTIONS CONTAINED IN THE BURMESE FREEDOM AND DEMOCRACY ACT OF 2003, AS AMENDED

	By fiscal year, in millions of dollars—													
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010–2015	2010–2020	
	NET INCREASE OR DECREASE (–) IN THE DEFICIT													
Statutory Pay-As-You-Go Impact	0	2	0	0	0	–153	153	0	–3	–7	0	–151	–8	
Sources: Congressional Budget Office and Joint Committee on Taxation.														

Sources: Congressional Budget Office and Joint Committee on Taxation.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XIV, executive communications were taken from the Speaker's table and referred as follows:

8303. A letter from the Acting, Administrator, Rural Business-Cooperative Service, Department of Agriculture, transmitting the Department's final rule — Value-Added Producer Grant Program (RIN: 0570-AA79) received June 17, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8304. A letter from the Director, Regulatory Management Division, Environmental Protection Agency, transmitting the Agency's final rule — Thiamethoxam; Pesticide Tolerances [EPA-HQ-OPP-2009-0737; FRL-8830-4] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8305. A letter from the Acting Under Secretary, Department of Defense, transmitting the Department's report on the amount of purchases from foreign entities in Fiscal Year 2009. The report separately identifies the dollar value of items for which the Buy American Act was waived, pursuant to Public Law 104-201, section 827 (110 Stat. 2611); to the Committee on Armed Services.

8306. A letter from the Secretary, Air Force, Department of Defense, transmitting RAND Report, "Retaining F-22A Tooling: Options and Costs"; to the Committee on Armed Services.

8307. A letter from the Chief Counsel, Department of Homeland Security, transmitting the Department's final rule — Changes in Flood Elevation Determinations [Docket ID: FEMA-2010-0003; Internal Agency Docket No. FEMA-B-1121] received June 17, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8308. A letter from the Chief Counsel, Department of Homeland Security, transmitting the Department's final rule — Changes in Flood Elevation Determinations [Docket ID: FEMA-2010-000; Internal Agency Docket No. FEMA-B-1090] received June 17, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8309. A letter from the Chief Counsel, Department of Homeland Security, transmitting the Department's final rule — Changes in Flood Level Elevation Determinations [Docket ID: FEMA-2010-0003] received June 17, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8310. A letter from the Chief Counsel, Department of Homeland Security, transmitting the Department's final rule — Final Flood Elevation Determinations [Docket ID: FEMA-2010-0003], pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8311. A letter from the Chairman and President, Export-Import Bank, transmitting a report on transactions involving U.S. exports to Mexico and Canada pursuant to Section 2(b)(3) of the Export-Import Bank Act of 1945, as amended; to the Committee on Financial Services.

8312. A letter from the Chairman and President, Export-Import Bank, transmitting a report on transactions involving U.S. exports to Mexico pursuant to Section 2(b)(3) of the Export-Import Bank Act of 1945, as amended; to the Committee on Financial Services.

8313. A letter from the Assistant General Counsel for Regulatory Services, Department of Education, transmitting the Department's final rule — National Institute on Disability and Rehabilitation Research (NIDRR)—Disability and Rehabilitation Research Projects and Centers Program—Rehabilitation Engineering Research Centers (RERCs). Catalog of Federal Domestic Assistance (CFDA) Numbers: 84.133E-1 and 84.133E received June 22, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and Labor.

8314. A letter from the Secretary, Department of Energy, transmitting the Department's Annual Report for the Strategic Petroleum Reserve covering calendar year 2008, in accordance with section 165 of the Energy Policy and Conservation Act; to the Committee on Energy and Commerce.

8315. A letter from the Director, Regulatory Management Division, Environmental Protection Agency, transmitting the Agency's final rule — Oklahoma: Incorporation by Reference of Approved State Hazardous Waste Management Program [EPA-R06-2009-0567; FRL-9162-7] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8316. A letter from the Director, Regulatory Management Division, Environmental Protection Agency, transmitting the Agency's final rule — Approval and Promulgation of Air Quality Implementation Plans; Ohio; Final Approval and Promulgation of State Implementation Plans; Carbon Monoxide and Volatile Organic Compounds [EPA-R05-OAR-2005-OH-0003; FRL-9159-3] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8317. A letter from the Director, Regulatory Management Division, Environmental Protection Agency, transmitting the Agency's final rule — Arkansas: Final Authorization of State-initiated Changes and Incorporation by Reference of State Hazardous Waste Management Program [EPA-R06-RCRA-2009-0708; FRL-9161-9] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8318. A letter from the Director, Regulatory Management Division, Environmental

Protection Agency, transmitting the Agency's final rule — Determination of Attainment for PM10 for the Sandpoint PM10 Non-attainment Area, Idaho [Docket: EPA-R10-OAR-2010-0294; TRI-9165-2] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8319. A letter from the Director, Regulatory Management Division, Environmental Protection Agency, transmitting the Agency's final rule — Massachusetts: Final Authorization of State Hazardous Waste Management Program Revisions [EPA-R01-RCRA-2010-0468; FRL-9165-8] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8320. A letter from the Director, Regulatory Management Division, Environmental Protection Agency, transmitting the Agency's final rule — Significant New Use Rules on Certain Chemical Substances [EPA-HQ-OPPT-2008-0920; FRL-8824-6] (RIN: 2070-AB27) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8321. A letter from the Secretary, Department of the Treasury, transmitting as required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), a six-month periodic report on the national emergency with respect to the former Liberian regime of Charles Taylor that was declared in Executive Order 13348 of July 22, 2004, pursuant to 50 U.S.C. 1703(c); to the Committee on Foreign Affairs.

8322. A letter from the Assistant Secretary, Legislative Affairs, Department of State, transmitting Transmittal No. DDTC 10-066, certification of a proposed technical assistance agreement to include the export of technical data, and defense services, pursuant to section 36(c) of the Arms Export Control Act; to the Committee on Foreign Affairs.

8323. A letter from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting report prepared by the Department of State concerning international agreements other than treaties entered into by the United States to be transmitted to the Congress within the sixty-day period specified in the Case-Zablocki Act; to the Committee on Foreign Affairs.

8324. A letter from the Auditor, Office of the District of Columbia Auditor, transmitting a copy of the report entitled, "Fiscal year 2009 Annual Report on Advisory Neighborhood Commissions", pursuant to D.C. Code section 47-117(d); to the Committee on Oversight and Government Reform.

8325. A letter from the Chief Human Capital Officer, National Science Foundation, transmitting report on the Foundation's use

of the category rating method of evaluating external applicants for Federal positions, pursuant to 5 U.S.C. 3319; to the Committee on Oversight and Government Reform.

8326. A letter from the General Counsel and Senior Policy Advisor, Office of Management and Budget, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Oversight and Government Reform.

8327. A letter from the General Counsel and Senior Policy Advisor, Office of Management and Budget, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Oversight and Government Reform.

8328. A letter from the General Counsel and Senior Policy Advisor, Office of Management and Budget, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Oversight and Government Reform.

8329. A letter from the Director, Office of National Drug Control Policy, transmitting a report entitled, "Fiscal Year 2009 Accounting of Drug Control Funds"; to the Committee on Oversight and Government Reform.

8330. A letter from the Director, National Legislative Commission, American Legion, transmitting a copy of the Legion's financial statements as of December 31, 2009, pursuant to 36 U.S.C. 1101(4) and 1103; to the Committee on the Judiciary.

8331. A letter from the Secretary, Department of Transportation, transmitting the Department's report entitled, "Fundamental Properties of Asphalts and Modified Asphalts — III"; to the Committee on Transportation and Infrastructure.

8332. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Amendment of Class E Airspace; Magnolia, AR [Docket No.: FAA-2009-1179; Airspace Docket No. 09-ASW-35] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8333. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Modification of Class C Airspace; Beale Air Force Base, CA [Docket No.: FAA-2010-0367; Airspace Docket No. 10-AWA-2] (RIN: 2120-AA66) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8334. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Establishment of Class E Airspace; Panama City, Tyndall AFB, FL [Docket No.: FAA-2010-0249; Airspace Docket No. 10-ASO-22] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8335. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Establishment of Class E Airspace; Quitman, GA [Docket No.: FAA-2010-0053; Airspace Docket No. 10-ASO-12] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8336. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Amendment of Class E Airspace; Hoquiam, WA [Docket No.: FAA-2009-1063; Airspace Docket No. 09-ANM-22] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8337. A letter from the Program Analyst, Department of Transportation, transmitting

the Department's final rule — Modification of Class E Airspace; West Yellowstone, MT [Docket No.: FAA-2009-1101; Airspace Docket No. 09-ANM-24] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8338. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Grandfathered Health Plans under the Patient Protection and Affordable Care Act [TD 9489] received June 18, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8339. A letter from the Deputy Associate Commissioner, Office of Regulations, Social Security Administration, transmitting the Administration's final rule — Social Security Administration Implementation of OMB Guidance for Drug-Free Workplace Requirements [Docket No.: SSA-2009-0054] (RIN: 0960-AH14) received June 17, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8340. A letter from the Chairman, Medicare Payment Advisory Commission, transmitting a copy of the Commission's "June 2010 Report to the Congress: Aligning Incentives in Medicare"; jointly to the Committees on Energy and Commerce and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WAXMAN: Committee on Energy and Commerce. H.R. 5381. A bill to require motor vehicle safety standards relating to vehicle electronics and to reauthorize and provide greater transparency, accountability, and safety authority to the National Highway Traffic Safety Administration; with an amendment (Rept. 111-536). Referred to the Committee of the Whole House on the State of the Union.

Ms. MATSUI: Committee on Rules. House Resolution 1517. Resolution providing for consideration of the bill (H.R. 5114) to extend the authorization for the national flood insurance program, to identify priorities essential to reform and ongoing stable functioning of the program, and for other purposes (Rept. 111-537). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Ms. MARKEY of Colorado:

H.R. 5730. A bill to rescind earmarks for certain surface transportation projects; to the Committee on Transportation and Infrastructure.

By Mrs. KIRKPATRICK of Arizona:

H.R. 5731. A bill to amend title 38, United States Code, to provide for annual reviews of mental health professionals treating veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Ms. KILROY (for herself, Mr. THORNBERRY, and Mr. BURGESS):

H.R. 5732. A bill to amend title XVIII of the Social Security Act to permit coverage of certain covered part D drugs for uses that are determined to be for medically accepted indications based upon clinical evidence in

peer reviewed medical literature; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BRALEY of Iowa:

H.R. 5733. A bill to permit health care providers to disclose certain protected health information to law enforcement officials; to the Committee on Energy and Commerce.

By Mr. DONNELLY of Indiana (for himself and Mr. UPTON):

H.R. 5734. A bill to direct the Administrator of the Small Business Administration to extend and improve the Dealer Floor Plan Pilot Initiative, and for other purposes; to the Committee on Small Business.

By Mr. HELLER:

H.R. 5735. A bill to require the Secretary of the Interior to establish a competitive leasing program for wind and solar energy development on Federal land, and for other purposes; to the Committee on Natural Resources, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. MCCARTHY of New York (for herself, Mr. NADLER of New York, Mr. BRADY of Pennsylvania, Mr. FATTAH, Ms. SCHWARTZ, Mr. DOYLE, Mr. ISRAEL, and Mr. KENNEDY):

H.R. 5736. A bill to amend chapter 44 of title 18, United States Code, to require the owner or lawful possessor of a firearm to report its theft or loss; to the Committee on the Judiciary.

By Ms. MOORE of Wisconsin:

H.R. 5737. A bill to amend title 38, United States Code, to extend the age of eligibility of dependent children for receipt of transferred educational assistance under the Post-9/11 Educational Assistance Program of the Department of Veterans Affairs; to the Committee on Veterans' Affairs.

By Mr. RAHALL (for himself, Mr. MOLLOHAN, Mr. ROGERS of Kentucky, Mr. THOMPSON of Mississippi, and Mrs. CAPITO):

H.R. 5738. A bill to amend the Richard B. Russell National School Lunch Act to carry out a pilot program to reduce the amount of processed food served each day under the school breakfast program or school lunch program; to the Committee on Education and Labor.

By Mr. ROONEY:

H.R. 5739. A bill to amend title 36, United States Code, to grant a Federal charter to the American Military Retirees Association, and for other purposes; to the Committee on the Judiciary.

By Mr. TOWNS:

H.R. 5740. A bill to provide for the mandatory recall of adulterated or misbranded drugs; to the Committee on Energy and Commerce.

By Ms. LORETTA SANCHEZ of California (for herself and Ms. ZOE LOFGREN of California):

H. Res. 1515. A resolution calling on the Socialist Republic of Vietnam to uphold and respect basic human rights by releasing three women democracy activists, writer Tran Khai Thanh Thuy, attorney Le Thi Cong Nhan, and cyber-activist Pham Thanh Nghien; to the Committee on Foreign Affairs.

By Mr. SKELTON (for himself and Mr. MCKEON):

H. Res. 1516. A resolution recognizing the 65th anniversary of the end of World War II, honoring the service members who fought in World War II and their families, and honoring the service members who are currently serving in combat operations; to the Committee on Armed Services.

By Mr. LEWIS of Georgia (for himself and Mr. PAYNE):

H. Res. 1518. A resolution expressing the sense of the House of Representatives on the inaugural Nelson Mandela International Day; to the Committee on Foreign Affairs.

By Mr. McDERMOTT (for himself, Mr. FARR, Mr. LARSEN of Washington, and Mr. BLUMENAUER):

H. Res. 1519. A resolution congratulating the crew of the Ocean Watch for their remarkable voyage around North and South America and recognizing the importance of ocean and coastal conservation; to the Committee on Natural Resources.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

332. The SPEAKER presented a memorial of the Senate of the Commonwealth of Pennsylvania, relative to Senate Resolution No. 287 memorializing the Congress to designate the Honor and Remember Flag as a national emblem of service and sacrifice by the members of the Armed Forces who had given their lives in the line of duty; to the Committee on the Judiciary.

333. Also, a memorial of the House of Representatives of the State of Michigan, relative to House Resolution No. 151 memorializing the Congress to reauthorize funding for the Beaches Environmental Assessment and Coastal Health Act; to the Committee on Transportation and Infrastructure.

334. Also, a memorial of the Senate of the Commonwealth of Pennsylvania, relative to Senate Resolution No. 205 urging the Congress to restore the presumption of a service connection for Agent Orange exposure for veterans who served on the waterways, territorial waterways and airspace of the Republic of Vietnam and in Thailand, Laos and Cambodia by passing the Agent Orange Equity Act of 2009; to the Committee on Veterans' Affairs.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 197: Mr. HILL.
H.R. 208: Mr. HOEKSTRA, Mr. SHULER, Mr. BONNER, Mr. MELANCON, and Mr. DJOU.
H.R. 211: Ms. LORETTA SANCHEZ of California.

H.R. 301: Mr. GRAVES of Georgia.
H.R. 333: Mr. CRITZ, Mr. BONNER, and Mr. COHEN.

H.R. 336: Mr. COHEN and Ms. NORTON.
H.R. 365: Mr. DJOU.
H.R. 536: Ms. MOORE of Wisconsin.
H.R. 564: Ms. MCCOLLUM.
H.R. 571: Ms. ROYBAL-ALLARD.
H.R. 614: Mr. SULLIVAN and Mr. PRICE of Georgia.

H.R. 672: Ms. NORTON.
H.R. 678: Mr. YOUNG of Florida.
H.R. 881: Mr. HERGER, Mr. YOUNG of Alaska, and Mr. HARPER.

H.R. 988: Ms. RICHARDSON, Mrs. CHRISTENSEN, Mr. WU, and Mr. HODES.

H.R. 1021: Mr. SULLIVAN.
H.R. 1036: Mr. HODES.
H.R. 1066: Ms. TSONGAS.
H.R. 1136: Mr. PAULSEN.
H.R. 1193: Mr. ARCURI.
H.R. 1236: Mr. KUCINICH.
H.R. 1240: Mr. BOUCHER.
H.R. 1294: Mr. DJOU.
H.R. 1326: Mr. ORTIZ.
H.R. 1371: Mrs. MALONEY.
H.R. 1410: Mr. GENE GREEN of Texas.
H.R. 1458: Mr. GUTIERREZ.
H.R. 1569: Ms. WOOLSEY.
H.R. 1792: Mr. TIAHRT.
H.R. 1864: Mr. MELANCON.
H.R. 1923: Mr. ROGERS of Michigan, Mr. ALEXANDER, and Mr. KLINE of Minnesota.
H.R. 2024: Mr. PRICE of North Carolina and Mr. CONNOLLY of Virginia.
H.R. 2067: Mr. SALAZAR and Mrs. CAPPS.
H.R. 2103: Mr. TOWNS.
H.R. 2156: Mr. BOREN.
H.R. 2328: Mr. KIND.
H.R. 2378: Mr. YOUNG of Alaska.
H.R. 2406: Mr. MICA and Mr. BARTLETT.
H.R. 2443: Mr. MELANCON.
H.R. 2598: Mr. INSLEE and Mr. MURPHY of New York.

H.R. 2625: Mr. ANDREWS.
H.R. 2648: Mr. HEINRICH and Mr. GRIJALVA.
H.R. 2685: Mr. DJOU.
H.R. 2828: Mr. TIAHRT.
H.R. 2839: Mr. ROTHMAN of New Jersey.
H.R. 2853: Ms. SUTTON and Mr. WELCH.
H.R. 3077: Mr. GENE GREEN of Texas and Mr. TOWNS.

H.R. 3408: Mr. AL GREEN of Texas.
H.R. 3421: Mr. INSLEE and Mrs. NAPOLITANO.
H.R. 3424: Mr. PASCRELL.
H.R. 3464: Mr. NUNES, Mr. WALDEN, and Mr. HALL of New York.

H.R. 3486: Mr. LEE of New York and Mr. DJOU.

H.R. 3578: Mr. CONNOLLY of Virginia.
H.R. 3680: Mr. DJOU.
H.R. 3718: Mr. ROTHMAN of New Jersey.
H.R. 3720: Ms. HERSETH SANDLIN.
H.R. 3729: Mr. BOSWELL.
H.R. 3758: Mr. CALVERT.
H.R. 3786: Mr. RYAN of Ohio and Ms. SCHAKOWSKY.

H.R. 3974: Mr. AL GREEN of Texas and Mr. TIERNEY.

H.R. 4038: Mr. PLATTS.
H.R. 4106: Ms. BALDWIN.
H.R. 4190: Mr. FRANK of Massachusetts.
H.R. 4195: Ms. TSONGAS.
H.R. 4278: Mr. BRADY of Pennsylvania and Mr. KINGSTON.

H.R. 4311: Ms. BEAN.
H.R. 4386: Mr. KUCINICH.
H.R. 4427: Mr. BONNER.
H.R. 4525: Mr. BONNER, Mr. KLEIN of Florida, and Mr. MCCOTTER.

H.R. 4529: Mr. MILLER of Florida.
H.R. 4530: Mr. PASTOR of Arizona.
H.R. 4544: Mr. NADLER of New York and Ms. CLARKE.

H.R. 4557: Mr. AL GREEN of Texas.
H.R. 4594: Mr. PATRICK J. MURPHY of Pennsylvania.

H.R. 4599: Ms. BEAN and Mr. MCGOVERN.
H.R. 4645: Mr. POLIS and Ms. MATSUI.
H.R. 4690: Mr. MORAN of Virginia and Mr. HONDA.

H.R. 4695: Mr. DJOU.
H.R. 4733: Ms. KILPATRICK of Michigan and Mr. MCGOVERN.

H.R. 4746: Mr. BARRETT of South Carolina and Mr. HELLER.
H.R. 4764: Mr. EDWARDS of Texas and Mr. BRALEY of Iowa.

H.R. 4772: Mr. CHILDERS and Mr. WELCH.
H.R. 4788: Mr. PERRIELLO, Mr. SPRATT, Ms. BERKLEY, and Mr. SESTAK.

H.R. 4923: Mr. SESTAK and Mr. INSLEE.
H.R. 4933: Mr. SIREs.
H.R. 4947: Mr. LUCAS.
H.R. 4958: Mr. BISHOP of Georgia.
H.R. 4972: Mr. SIMPSON, Mr. BUCHANAN, Mrs. EMERSON, Mr. PLATTS, and Mr. BACHUS.
H.R. 4986: Mr. GARRETT of New Jersey and Mr. CALVERT.

H.R. 4993: Ms. WOOLSEY and Mr. WU.
H.R. 5016: Mr. MICA and Mrs. EMERSON.
H.R. 5028: Ms. HIRONO.
H.R. 5029: Mr. GARY G. MILLER of California.

H.R. 5034: Mr. HARPER.
H.R. 5040: Ms. HARMAN.
H.R. 5044: Ms. BEAN.
H.R. 5058: Mr. MCCAUL.
H.R. 5081: Mrs. HALVORSON, Mr. BACHUS, and Mr. BURTON of Indiana.

H.R. 5143: Mr. MILLER of North Carolina and Ms. SPEIER.
H.R. 5162: Mr. COFFMAN of Colorado and Mr. COLE.

H.R. 5226: Mrs. CAPITO.
H.R. 5234: Mr. PETERSON.
H.R. 5240: Mr. PAYNE, Ms. FUDGE, Mr. ROTHMAN of New Jersey, and Mrs. CHRISTENSEN.

H.R. 5243: Mr. PAUL.
H.R. 5258: Mr. DJOU and Mr. POLIS.
H.R. 5266: Mrs. NAPOLITANO.
H.R. 5300: Mr. COHEN.
H.R. 5309: Mr. ROTHMAN of New Jersey and Mr. KUCINICH.

H.R. 5359: Ms. ROYBAL-ALLARD.
H.R. 5369: Mr. PETERS and Mr. CHANDLER.
H.R. 5389: Mr. FILNER.
H.R. 5428: Mr. JONES and Mr. KISSELL.
H.R. 5434: Mr. SCHIFF, Mr. SCHRADER, and Mr. CALVERT.

H.R. 5440: Mr. POLIS.
H.R. 5441: Mr. FRANK of Massachusetts.
H.R. 5458: Mrs. HALVORSON, Ms. TITUS, Mr. CONNOLLY of Virginia, Mr. TEAGUE, and Mrs. KIRKPATRICK of Arizona.

H.R. 5460: Ms. LEE of California and Mr. LUJAN.

H.R. 5471: Mr. DEUTCH and Mr. GRIJALVA.
H.R. 5476: Mr. SESTAK.
H.R. 5487: Ms. LEE of California.
H.R. 5495: Ms. NORTON, Mr. MCGOVERN, and Mr. CLAY.

H.R. 5504: Ms. SCHAKOWSKY and Mrs. MALONEY.
H.R. 5529: Mrs. MYRICK, Mr. CALVERT, and Mr. BONNER.

H.R. 5538: Mr. SAM JOHNSON of Texas.
H.R. 5540: Mr. NEUGEBAUER.
H.R. 5541: Mr. NEUGEBAUER.
H.R. 5542: Mr. NEUGEBAUER.
H.R. 5555: Mr. BUTTERFIELD and Mr. MCCOTTER.

H.R. 5565: Mr. BARTON of Texas.
H.R. 5566: Mr. BISHOP of Utah, Mr. RANGEL, Ms. SCHAKOWSKY, Mr. GEORGE MILLER of California, Mr. SAM JOHNSON of Texas, and Mr. TIERNEY.

H.R. 5585: Mr. YOUNG of Florida.
H.R. 5605: Mr. THOMPSON of Pennsylvania, Mr. GERLACH, Mr. DENT, Mr. ALTMIRE, Mr. PATRICK J. MURPHY of Pennsylvania, and Mr. BRADY of Pennsylvania.

H.R. 5606: Mr. THOMPSON of Pennsylvania, Mr. GERLACH, Mr. DENT, Mr. ALTMIRE, Mr. PATRICK J. MURPHY of Pennsylvania, and Mr. BRADY of Pennsylvania.

H.R. 5625: Mr. CONYERS.
H.R. 5644: Mr. MCGOVERN.
H.R. 5652: Mr. ROTHMAN of New Jersey, Mr. QUIGLEY, Mr. DELAHUNT, and Ms. NORTON.

H.R. 5662: Mr. CARNEY, Ms. ROYBAL-ALLARD, and Mr. FILNER.
H.R. 5663: Mr. KUCINICH, Ms. CHU, and Mr. COSTELLO.

H.R. 5664: Mr. SCOTT of Georgia, Mr. LEWIS of Georgia, Ms. PINGREE of Maine, Ms. NORTON, Mr. KISSELL, Mr. GEORGE MILLER of California, and Mr. FARR.

H.R. 5679: Mr. REHBERG and Mr. LINDER.

H.R. 5680: Mr. AKIN, Mr. ARCURI, Mr. BERRY, Mr. BILBRAY, Mr. BILIRAKIS, Mr. BISHOP of Utah, Mrs. BLACKBURN, Ms. BORDALLO, Mr. BOREN, Mr. BRADY of Pennsylvania, Mr. BROUN of Georgia, Ms. CORRINE BROWN of Florida, Mr. BROWN of South Carolina, Mr. BURGESS, Mr. CAMP, Mr. CAO, Mr. CARSON of Indiana, Mr. COBLE, Mr. COFFMAN of Colorado, Mr. COHEN, Mr. COLE, Mr. CONAWAY, Mr. CONNOLLY of Virginia, Mr. CRENSHAW, Mr. CULBERSON, Mr. CUMMINGS, Mr. LINCOLN DIAZ-BALART of Florida, Mr. DUNCAN, Mr. FORBES, Mr. FRANKS of Arizona, Ms. FUDGE, Mr. GALLEGLY, Ms. GIFFORDS, Mr. GOMMERT, Ms. GRANGER, Mr. GRAYSON, Mr. GENE GREEN of Texas, Mr. HALL of New York, Mr. HERGER, Mr. HINCHEY, Mr. HINOJOSA, Mr. JACKSON of Illinois, Ms. JACKSON LEE of Texas, Ms. JENKINS, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. JONES, Mr. KING of New York, Mr. KING of Iowa, Mr. KINGSTON, Mrs. KIRKPATRICK of Arizona, Mr. LATTI, Mr. LUETKEMEYER, Mrs. MALONEY, Mr. MARCHANT, Mr. MCCAUL, Mr. MCCLINTOCK, Mr. MCHENRY, Mrs. MORRIS RODGERS, Mr. MEEKS of New York, Mr. MICA, Mr. MICHAUD, Mr. GARY G. MILLER of California, Mr. MILLER of Florida, Mr. MINNICK, Mr. MOORE of Kansas, Mr. MORAN of Kansas, Mrs. MYRICK, Mrs. NAPOLITANO, Mr. NEUGEBAUER, Ms. NORTON, Mr. NYE, Mr. OLVER, Mr. PETRI, Mr. PLATTS, Mr. POE of Texas, Mr. POSEY, Mr. PRICE of Georgia, Mr. PUTNAM, Mr. RANGEL, Mr. REHBERG, Mr. REICHERT, Ms. RICHARDSON, Ms. ROS-LEHTINEN, Mr. ROSS, Mr. RUPPERSBERGER, Mr. SALAZAR, Mr. SESSIONS, Mr. SESTAK, Mr. SHIMKUS, Mr. SHULER, Mr. SHUSTER, Mr. SMITH of New Jersey, Mr. SMITH of Texas, Mr. SNYDER, Mr. STUPAK, Mr. TAYLOR, Mr. TERRY, Mr. THORNBERRY, Mr. TURNER, Mr. WALZ, Ms. WATERS, Mr. WESTMORELAND, Mr. WHITFIELD, Mr. WILSON of South Carolina, Mr. WOLF, and Mr. YOUNG of Alaska.

H.R. 5685: Ms. RICHARDSON and Mr. BISHOP of Georgia.

H.R. 5689: Mr. PASTOR of Arizona.

H.R. 5692: Mr. HONDA.

H.R. 5711: Ms. BORDALLO, Mr. PIERLUISI, Mr. SABLAN, and Mrs. CHRISTENSEN.

H. Con. Res. 16: Mr. YOUNG of Alaska.

H. Con. Res. 226: Mr. MINNICK, Mr. TEAGUE, Mr. COSTA, Mr. ORTIZ, Mr. HARE, Mr. BRADY of Pennsylvania, Mrs. MCCARTHY of New York, Mr. SCHAUER, Mr. WU, Mr. PASCRELL, Mr. PITTS, Mr. DOYLE, Mr. COURTNEY, Mr. FATTAH, Mr. LOEBSACK, Mr. THOMPSON of Pennsylvania, Mr. TIERNEY, Ms. WASSERMAN SCHULTZ, Mr. KLINE of Minnesota, Mr. KING of New York, Mr. ROYCE, Mr. HIGGINS, Mr.

CASSIDY, Mr. FALEOMAVAEGA, Mr. LEWIS of California, Mr. DJOU, Mr. MELANCON, and Mr. UPTON.

H. Con. Res. 261: Mr. TIAHRT, Ms. SHEA-PORTER, Mr. TURNER, Mr. COHEN, and Mr. HARPER.

H. Con. Res. 267: Mr. PAULSEN.

H. Con. Res. 274: Mr. SKELTON, Mr. MCCARTHY of California, Mr. TAYLOR, and Mr. MARCHANT.

H. Con. Res. 281: Mr. CULBERSON.

H. Con. Res. 292: Mr. CALVERT and Ms. BORDALLO.

H. Con. Res. 295: Mr. LATTI.

H. Res. 173: Mrs. SCHMIDT and Mr. SKELTON.

H. Res. 611: Mr. ARCURI, Mr. BOCCIERI, Mr. BUTTERFIELD, Ms. CLARKE, Mr. COSTELLO, Mr. COURTNEY, Mrs. DAVIS of California, Mr. DOYLE, Mr. FRANK of Massachusetts, Ms. FUDGE, Mr. GRIJALVA, Mr. HOLT, Mr. JOHNSON of Illinois, Mr. KILDEE, Mr. KLEIN of Florida, Mr. KUCINICH, Mr. LEWIS of Georgia, Mr. LOEBSACK, Mr. MANZULLO, Mr. MARKEY of Massachusetts, Mr. MCMAHON, Ms. MOORE of Wisconsin, Ms. NORTON, Mr. RUSH, Ms. SUTTON, Mr. TONKO, and Mr. MCGOVERN.

H. Res. 913: Mrs. CHRISTENSEN and Mr. HARE.

H. Res. 1052: Mr. LANGEVIN.

H. Res. 1207: Mr. BACHUS and Mr. TAYLOR.

H. Res. 1226: Mr. SHADEGG, Mr. GINGREY of Georgia, Mr. MURPHY of Connecticut, Mr. CONYERS, and Mr. FRANK of Massachusetts.

H. Res. 1285: Ms. ROS-LEHTINEN and Mr. COHEN.

H. Res. 1308: Mr. DJOU and Mr. HONDA.

H. Res. 1375: Mr. POLIS, Mr. DELAHUNT, Mr. GUTIERREZ, Mr. SESTAK, and Mr. BRADY of Pennsylvania.

H. Res. 1390: Mr. BLUMENAUER and Mrs. CAPPS.

H. Res. 1420: Mr. McDERMOTT.

H. Res. 1431: Mr. BILBRAY, Mr. BURTON of Indiana, Mr. MARCHANT, Mr. MCCOTTER, Mr. PETERSON, and Ms. NORTON.

H. Res. 1433: Mr. MORAN of Virginia, Mr. BACA, Mr. PAUL, Mr. CRITZ, Mr. GORDON of Tennessee, Mr. OBERSTAR, and Ms. DEGETTE.

H. Res. 1442: Mr. COBLE, Mr. KIRK, Mr. KINGSTON, Mr. WITTMAN, Mr. WOLF, Mr. CAMPBELL, Mr. SABLAN, Mr. MCNERNEY, and Mr. TURNER.

H. Res. 1472: Mr. MICHAUD.

H. Res. 1476: Ms. WATSON, Mrs. NAPOLITANO, Mr. DOGGETT, Mr. SABLAN, Mr. STARK, Mr. DELAHUNT, Mr. BACA, and Mr. WAXMAN.

H. Res. 1483: Mr. WITTMAN.

H. Res. 1494: Ms. FUDGE, Mr. MURPHY of New York, Mr. BOCCIERI, Mr. SALAZAR, and Ms. KILROY.

H. Res. 1504: Mr. THOMPSON of Mississippi, Mr. SESSIONS, Ms. RICHARDSON, Mr. GRIJALVA, Mr. KILDEE, Ms. EDWARDS of Maryland, Ms. DELAURO, Ms. SCHAKOWSKY, Ms. SHEA-PORTER, Mr. LEVIN, Ms. NORTON, Mr.

DAVIS of Illinois, Mr. DOYLE, Mr. MEEKS of New York, Mr. STARK, Mrs. MALONEY, Mr. RUPPERSBERGER, Mr. MORAN of Virginia, Ms. BORDALLO, Ms. KILPATRICK of Michigan, Ms. JACKSON LEE of Texas, Mrs. CHRISTENSEN, Mr. LOEBSACK, Mr. LEWIS of Georgia, Mr. GONZALEZ, Ms. LEE of California, Mr. DINGELL, Ms. WOOLSEY, Mr. HINCHEY, Ms. ESHOO, Mr. GUTIERREZ, Ms. BALDWIN, Mr. VAN HOLLEN, and Mr. JOHNSON of Georgia.

H. Res. 1513: Mr. POMEROY, Mr. BOCCIERI, Ms. BEAN, Ms. WATSON, Mr. KIND, Mr. MELANCON, Mr. RUPPERSBERGER, Ms. HERSETH SANDLIN, Mr. NEAL of Massachusetts, Mr. COURTNEY, Mr. DONNELLY of Indiana, Mr. YARMUTH, Mr. SMITH of Washington, Mr. PATRICK J. MURPHY of Pennsylvania, Mr. STUPAK, Mr. ENGEL, Mrs. MALONEY, Mr. MCMAHON, Mr. TONKO, Mr. WELCH, Mr. GEORGE MILLER of California, Mr. ARCURI, Mr. QUIGLEY, Mr. MAFFEI, Mr. MINNICK, Mr. GRIJALVA, Mrs. MCCARTHY of New York, Mr. RANGEL, Mr. LOEBSACK, Mr. LARSON of Connecticut, Mr. HALL of New York, Mr. CARNEY, Mr. CROWLEY, Mr. OWENS, Ms. LORETTA SANCHEZ of California, Mr. COHEN, Mr. BARROW, Mr. CARDOZA, Mr. HILL, Mr. KRATOVIL, Mr. HIGGINS, Mr. RYAN of Ohio, Mr. ADLER of New Jersey, Mr. THOMPSON of California, Mr. FOSTER, Mr. BOSWELL, Mr. COOPER, Mr. TANNER, Mr. MOORE of Kansas, Mr. SCHRADER, Ms. HARMAN, Mr. SCOTT of Georgia, Mrs. DAHLKEMPER, Mr. HOLDEN, Mr. CHANDLER, Mr. BISHOP of Georgia, Mr. HEINRICH, and Mr. LEVIN.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 5621: Mr. PAUL.

PETITIONS, ETC.

Under clause 3 of rule XII, petitions and papers were laid on the clerk's desk and referred as follows:

159. The SPEAKER presented a petition of Legislature of Rockland County, New York, relative to Resolution No. 251 of 2010 requesting that the United States Senate pass S. 2747, the Land and Water Conservation Authorization and Funding Act of 2009; to the Committee on Natural Resources.

160. Also, a petition of Council, District of Columbia, relative to Council Resolution 18-485, the "Sense of the Council in Support of Uniting American Families Act Resolution of 2010"; to the Committee on the Judiciary.

SENATE—Wednesday, July 14, 2010

The Senate met at 10 a.m. and was called to order by the Honorable TOM UDALL, a Senator from the State of New Mexico.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Almighty God, by Your providence, You gave us a nation conceived in liberty and dedicated to equal justice for all.

Today, infuse our lawmakers with this spirit of liberty and justice so that their labors will reflect Your purposes and plans. May their knowledge of your providential purposes keep them from detours that lead away from abundant living. May their small successes prompt them to attempt larger undertakings for human betterment. As they seek to do Your will, bless them with the awareness of the constancy of Your presence. Lord, guide them by Your higher wisdom and keep their hearts at peace with You.

We pray in Your great Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable TOM UDALL led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. INOUE).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 14, 2010.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TOM UDALL, a Senator from the State of New Mexico, to perform the duties of the Chair.

DANIEL K. INOUE,
President pro tempore.

Mr. UDALL of New Mexico thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. REID. Mr. President, following leader remarks, the Senate will proceed to a period of morning business until noon. Senators will be allowed to speak for 10 minutes each during that period. The majority will control the first 30 minutes and Republicans will control the next 30 minutes.

We are working hard to come to agreement on amendments dealing with the small business jobs bill. I had a conversation with the Republican leader last night. We are hopeful we can reach agreement to move forward on that legislation today. We have to have consent to move off Wall Street reform, but I think that will not be a problem.

As a reminder, yesterday I filed cloture on the conference report to accompany H.R. 4173. That cloture vote will occur sometime tomorrow morning. I will work with the Republican leader to come up with a time that is convenient to both sides.

MEASURE PLACED ON THE CALENDAR—H.R. 5618

Mr. REID. I understand H.R. 5618 is due for a second reading.

The ACTING PRESIDENT pro tempore. The clerk will read the bill for the second time.

The legislative clerk read as follows:

A bill (H.R. 5618) to continue Federal unemployment programs.

Mr. REID. I object to any further proceedings at this time.

The ACTING PRESIDENT pro tempore. Objection is heard. The bill will be placed on the calendar.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The minority leader is recognized.

SMALL BUSINESS JOBS BILL

Mr. McCONNELL. Mr. President, my friend the majority leader mentioned the small business jobs bill. I recently had an opportunity to talk to Senator SNOWE, who is the author of that legislation. I assured her we are anxious to move forward. I appreciate his bringing up the discussion we have been having about reaching a consent agreement that would allow us to expedite the bill. I know my friend from Nevada shares my view that small business is an area that needs attention. We are going to continue to try to come to

agreement to move forward with that very important piece of legislation which I support and I believe most Members of my conference do as well.

Mr. REID. Mr. President, as I have said before, this legislation is bipartisan. Most of the bill has been crafted in the past when Senator SNOWE was chairman of the Small Business Committee. I am glad to hear my friend Senator SNOWE has had a conversation with the Republican leader. That is good news. We will see what we can do to move on. I hope everyone realizes that jobs in America are not created in large numbers by big companies; it is small businesses.

In the past few months, we passed a relatively small piece of legislation, but it has been extremely helpful to small business. We extended the highway bill for a year. That saved 1 million jobs in America, hundreds of jobs in Nevada. We also had a provision that was unique and has created some jobs that has been extremely helpful. If somebody is out of work for 60 days, they can be hired for 30 hours. We don't set what price they can be hired, the minimum wage or whatever. At the end of their report period for withholding, they don't have to pay the withholding tax. At the end of a year, we give them a \$1,000 tax credit for every employee. We also did something that was totally bipartisan, a bill developed by Senators SCHUMER and HATCH. That is what I just talked about. That was totally bipartisan. We had another provision in that bill that said that a small business, if they wanted to buy a piece of equipment, whether it was an automobile, furniture, whatever it might be, no longer had to depreciate that. Up to \$250,000, they could simply write it off. We also added to that bill some money for Build America Bonds which local governments loved. That has created some jobs, but it is relatively small compared to the other things we have in this bill before the Senate now. I am glad to hear what the distinguished Republican leader had to say about that.

Mr. McCONNELL. The majority leader is entirely correct about the importance of small business. We know it creates the vast majority of jobs. There is no question that small business at this particular point is kind of frozen with concern about the economy, about increased regulation, the potential for increased taxation as well. Senator SNOWE has certainly been the leader on our side on focusing on small business and small business job development. I am hoping we can work out a way to go forward on a bipartisan basis. It sounds

to me as though both sides agree on the premise. Now if we can get a procedure for moving forward, hopefully we can address this most important subject.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period of morning business until 12 noon, with Senators permitted to speak therein for up to 10 minutes each, with the time equally divided and controlled between the two leaders or their designees, with the majority controlling the first 30 minutes and the Republicans controlling the next 30 minutes.

Mr. REID. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CARPER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CARPER. Good morning, Mr. President.

IMPROPER PAYMENTS

Mr. CARPER. Mr. President, I rise today to applaud, really, to share with our colleagues an important step by Congress to curb waste and, I think, fraud within the Federal Government. Later today our colleagues over in the House, where both the Acting President pro tempore and I once served, are expected to approve a piece of legislation—not a sexy title, but it is called Improper Payments Elimination and Recovery Act—and then they are going to send that bill to the President for his signature.

Every year, for about the last 6 or 7 years, Federal agencies have been required by law—important payments law signed by George W. Bush—to review their payments and to figure out which ones were appropriate and which ones were inappropriate. Initially, back in the middle of the last decade not very many agencies complied with the new law. But thanks to the perseverance of OMB and the commitment of a number of agency and department heads, over time more and more Federal agencies have begun reporting improper payments, mostly overpayments.

As we gather here today, there is still a number of very large agencies

that do not comply with the law. The Department of Defense is a huge expender of taxpayer money. The Department of Defense does not comply with the law. The Department of Homeland Security complies in part with the law. If you look at Medicare, for Medicare Parts A and B, I believe they actually do a fairly decent job of complying with the law but for Parts C and D they do not.

But even without the full compliance of all Federal agencies reporting their improper payments, last year close to \$100 billion of improper payments were reported by the agencies that are already reporting them. That does not include the Department of Defense. It does not include all of Homeland Security. Frankly, it does not include some other major programs of the Federal Government.

But the good news here is that, one, agencies are beginning to report their improper payments. That is good. The second thing we want them to do is stop making the improper payments. The third thing we want them to do is to figure out where the improper payments have gone, especially the overpayments, and go out and recover the money. That is what we are about here: identify the improper payments and once they have been identified, stop making them. And the third thing is to go out and recover as much of the money as we can.

Why is this important? Well, I think we all know our Nation has a large and growing debt. I am not so sure when the Acting President pro tempore joined the House of Representatives, but I believe he may have been there by the end of the Clinton administration and may recall when we actually had balanced budgets. We went from 1968—I want to say to 2000—maybe 2001—when we actually balanced our budget.

I remember being in a hearing here in the Senate where one of our witnesses—I am not sure; I think somebody from the Federal Reserve maybe, maybe somebody from Treasury—actually expressed concerns at the time that we were in danger of paying down our debt too quickly and that we had some threat of destabilizing our financial system or our economy. Imagine that: a decade ago concerns about paying down our debt too quickly.

Well, we did not do that. We did not pay down our debt at all. Between 2001 and 2008, we doubled our Nation's debt. In those 8 years we ran up as much new debt as we did in the previous 208 years of our Nation's history. We are on course now—even though we are starting to see deficits that begin to trend down—to double our Nation's debt again over the next decade, unless we do some things dramatically different.

Our President, to his credit, has suggested among the things we do are these: No. 1, to put an overall freeze on

domestic discretionary spending, starting with this October 1, for the next 3 years. Certain programs within the overall discretionary spending budget can go up, some can go down, but overall, for 3 years, a freeze, and not a freeze that is just adjusted with the cost of living but an actual freeze on nominal dollars.

The second thing he suggested we do—when we tried to do this on the floor, seven of our Members who cosponsored the legislation, the Acting President pro tempore may recall, ended up voting against it. But the idea was to create a commission, much as we have had earlier commissions, and especially back in 1982 we created a commission—President Reagan was the President, Tip O'Neill was the Speaker—to actually examine Social Security, which was about to run out of money. They came up with a bunch of ideas that were adopted and implemented in 1983.

But anyway, when we failed to adopt by law and create a statutory commission on deficit reduction to look at entitlements, to look at revenues, our President, by executive order, created the commission. Erskine Bowles is one of the cochairs, former Chief of Staff to President Clinton. Alan Simpson, a Republican Senator, retired, from Wyoming is the other cochair. The people, for the most part, on the commission are very serious, very smart people. They have been meeting quite a bit. Their job is to come back to us and tell us, later this year, some ways they think we could actually reduce the deficits further, through entitlement spending and looking at revenues and the way we collect money.

There are still some other things we need to do. I want to mention a few of those. One of those deals is what I call the tax gap. The IRS reported that in the last decade some \$300 billion of taxes that have been owed are going uncollected, and in many cases we know who owes the money. We have some idea how much they owe. Despite efforts in the past to close that tax gap, it is still too large, and we need to further continue to concentrate on that. My hope is, in part, this deficit reduction commission can help us with that. In the meanwhile, I know the Finance Committee and others in the House are endeavoring to reduce the tax gap.

A second thing we want to do is to change the way we manage and dispose of surplus property. The Federal Government is a huge owner of surplus properties. We do not use them all. A lot of them are vacant. We pay security costs to secure them. We pay utility costs. We pay maintenance costs in many cases. But we, for the most part, and too often, do not sell them. We do not dispose of them.

There is legislation that has been introduced again in this Congress, working with OMB, working with some of

the homeless groups, to try to make sure their concerns are addressed, but that at the end of the day we should not be continuing to own and maintain and secure and provide utilities for thousands of pieces of property, buildings we do not need and we do not use.

Another area deals with weapons systems. It was reported back in 2001 that we spent \$45 billion in cost overruns for major weapons systems. Think about that: \$45 billion in 2001 on cost overruns for major weapons systems. We got an update on that about a year or two ago, and it was no longer \$45 billion. That is the good news. The bad news is, it is about \$295 billion.

We had a big debate here last fall, some will recall, on whether we ought to continue to buy F-22 aircraft that cost roughly \$300 million a copy at about a 55-percent mission capable rate, which means on any given day only about 55 percent of them can fly. It costs about \$45,000 a flight hour. They have never flown a single mission in Iraq, a single mission in Afghanistan. The question is, are we going to continue to buy them? That is the kind of thing we do not need to do.

We had a hearing yesterday on our Homeland Security and Governmental Affairs Committee on whether we ought to continue buying C-17 aircraft. It is a cargo aircraft, a great aircraft. We have about 200, almost 230 of them. The Pentagon says we do not need them, we do not need any more. They say they only need about 190 or 200, no mas, no more. They cost about a quarter billion dollars apiece, plus we have to operate them and provide hangars for them and maintenance, and so forth, and crew them. They said there is a more cost effective way to meet our airlift needs, suggesting what that might be, in part to modernize some older C-5As and Bs, and help make them more efficient and more dependable. We are already starting to do that, and it is actually very encouraging.

What else can we do? We can do little things. I read in the news, maybe 2 weeks ago, we decided to go almost entirely to direct deposits and to move away from paper check. It does not save a huge amount of money, maybe \$5 million a year, \$50 million over 10 years, but it is the kind of thing we ought to do.

Another idea that has been kicked around for years is whether we ought to give the President something like statutory line-item veto power. Most Governors have line-item veto power, mostly through their State's constitution. Is that a good idea? We tried to do it in the House in 1992, to give like a 2-year test drive, to enhance the President's rescission power. That died in the Senate.

Senators FEINGOLD, MCCAIN, and I have come up, working with the administration, on a 4-year test drive that we

think will meet constitutional muster, and to not give forever the President strength in rescission powers, but to make his powers real and to require us to vote on them. It requires us to vote on the President's proposed rescissions.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. CARPER. Mr. President, in closing, I want to come back later today and talk about the Improper Payments Act, which is going to be passed by the House today and I hope signed by the President, to speak about why that is another important step to get our fiscal house in order. I appreciate the opportunity to begin that discussion this morning.

I thank you chair.

The ACTING PRESIDENT pro tempore. The Senator from Maryland is recognized.

NOMINATION OF ELENA KAGAN

Mr. CARDIN. Mr. President, next week, the Senate Judiciary Committee will be voting on the nomination of Elena Kagan to be the next Associate Justice of the Supreme Court of the United States. This vote in the Judiciary Committee follows 4 days of hearings on her nomination. As the Acting President pro tempore knows, she is currently the Solicitor General of the United States. We not only had 4 days of hearings, every member of the Judiciary Committee had ample opportunity to ask questions and get responses from Ms. Kagan. We heard from outside witnesses, some who were directly affected by decisions of the Supreme Court of the United States. We reviewed tens of thousands of pages of documents.

I pointed out during these hearings why Americans should be so concerned about who the next Associate Justice of the Supreme Court will be because the decisions of the Supreme Court affect your life. If you work, if you are a woman, if you vote, if you care about the air you breathe or the water you drink, if you are a consumer, you need to be concerned about the Supreme Court of the United States.

The Constitution protects us from the abuses of power, whether those powers are generated by government or powerful special interests. The Supreme Court was designed to be the protector of our constitutional rights.

We the people of the United States—

“We the people”—

in Order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defence, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America.

The authors of the Constitution understood the timeless idea that justice was paramount. After questioning Solicitor General Kagan and listening to

her testimony for a week, I am convinced she has a clear understanding of how profound an impact her future decisions may have on the lives of everyday Americans.

Based on the hearing and the conversations I have had with her, I am confident she will put the interests of the American people and justice for the American people first, above popular opinion or politics.

As Solicitor General Kagan said in her opening statement to the committee, equal justice under law “means that everyone who comes before the Court—regardless of wealth or power or station—receives the same process and protections. . . . What it promises is nothing less than a fair shake for every American.”

During the confirmation hearings, I asked Solicitor General Kagan about civil rights, campaign financing, and our environment. I used those three areas to demonstrate how important the decisions of the Supreme Court can be in the lives of everyday Americans. My concerns about recent Supreme Court decisions were an activist court that, by the narrowest margins—usually 5-to-4 decisions—reversed precedent, legislated from the bench, and ruled on the side of businesses over individual rights.

In civil rights, I think the importance of the Supreme Court was underscored by the decision of *Brown v. Board of Education* which opened educational opportunity for the people of this Nation. I pointed out during the hearings before the Judiciary Committee that it was Thurgood Marshall, a young attorney from Baltimore, who argued that case before the Supreme Court and then became, as the Presiding Officer knows, the first African-American Justice on the Supreme Court of the United States, and one of his law clerks was Elena Kagan.

Recent decisions of the Supreme Court underscore my concern as to whether the Supreme Court is following legal precedent to protect the civil rights of the people of our Nation. The *Ledbetter* decision dealt with gender equity. Here the Supreme Court, by a 5-to-4 decision, reversed precedent and the clear intent of Congress to deny women the opportunity to effectively enforce their rights for equal pay by saying to Ms. *Ledbetter* that she had to bring her case on pay discrimination within 180 days of the discrimination, although it was impossible for her to discover she was being discriminated against during that period of time. Now we have taken action in the Senate to reverse that, and President Obama signed legislation to reverse it, but the Supreme Court never should have ruled against American workers and women in the *Ledbetter* decision.

I also mentioned the *Gross* decision which deals with age discrimination

where the Supreme Court reversed its own precedent and clear congressional intent to deny an effective remedy on age discrimination, changing the standards in order for a person to be able to bring a case.

I talked about campaign finance and the Citizens United case where the Supreme Court, again by a 5-to-4 decision, reversed precedent, reversed congressional action, and allowed more corporate money into our election system. Corporations don't have enough power already? The Supreme Court gave corporations even more influence in our Federal election process.

I was impressed, and I think the members of the Judiciary Committee were impressed, that the first case Solicitor General Kagan decided to argue before the Supreme Court was to try to uphold our action in Congress regarding campaign finance reform. I think Justice Stevens got it right when he said:

Essentially, five Justices were unhappy with the limited nature of the case before us, so they changed the case to give themselves an opportunity to change the law . . . there were principled, narrower paths that a Court that was serious about judicial restraint could have taken.

Then, in the environmental arena, I mentioned the Rapanos case where the Supreme Court, once again by a 5-to-4 decision, reversed the clear intent of Congress and legal precedent to restrict the Environmental Protection Agency's ability to protect the clean waters of our Nation under the Clean Water Act. Then, once again, in *Exxon v. Baker*, the Supreme Court just very recently restricted the amount of claims that can be brought in regards to polluters in the *Exxon Valdez* issue. That is of particular concern to all of us who are trying to make sure those who have been victimized by the BP oilspill have an effective remedy and that taxpayers don't have to provide bailout for the damages caused by BP Oil.

Solicitor General Kagan stated, in answer to questions before us:

Congress certainly has broad authority under the Constitution to enact legislation involving the protection of our environment. When Congress enacts such legislation, the job of the courts is to construe it consistent with Congressional intent.

Well, that is the type of person I would like to see, and I hope all of us would like to see, on the Supreme Court of the United States, giving due deference to Congress as the legislative body under the Constitution. She said: The job of the courts is to construe the laws consistent with congressional intent.

I am puzzled by those who have defended these Supreme Court decisions that have taken away our citizens' rights for civil liberties and civil rights and who say that corporations don't have enough power in this country so they need more power; who have jeop-

ardized our environment and have supported those decisions, even though it reverses previous precedent and even though it is legislating from the courts, reversing congressional action. Those who profess to be against judicial activism have supported those decisions by the Supreme Court of the United States.

I am confident Elena Kagan will follow legal precedent. She will respect the rights of the Congress of the United States to legislate. She will protect our rights against the abuses of power, whether it is from the government or from powerful corporate special interests. She will respect the rights of the people of this Nation that the Constitution was so well designed to deal with.

Lastly, let me say she is well qualified to serve on the Supreme Court of the United States. She was the dean at Harvard Law School, Solicitor General of the United States, commonly referred to as the 10th justice because of how closely she has worked with the Supreme Court. She has received bipartisan support from those who know her best. Former Solicitors General of the United States, appointed by both Democrats and Republicans, support her nomination to be the next Associate Justice of the Supreme Court of the United States. When we confirm her appointment, she will be one of three women to serve on the Supreme Court of the United States, the first time in the history of America and a proud moment for this body to confirm her nomination.

Next Tuesday, I will vote to confirm Elena Kagan to be the next Associate Justice of the Supreme Court of the United States. I look forward to when each Member of the Senate will have an opportunity to vote on her confirmation, and I hope it will be an overwhelming confirmation for her to serve the American people on the Supreme Court of the United States.

With that, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska.

HONORING OUR ARMED FORCES

SPECIALIST EDWIN C.L. WOOD

Mr. JOHANNES. Mr. President, I rise today to remember and to pay tribute to a fallen hero, U.S. Army SPC Edwin C.L. Wood of Omaha, NE.

Edwin was a proud member of B Troop, 1st Squadron, 71st Armored Regiment of the 10th Mountain Division operating in Kandahar. As many have heard, this area is a Taliban stronghold and one of the most dangerous areas in Afghanistan.

On July 5, only a few weeks after arriving there, Specialist Wood was killed when an improvised explosive device detonated near his vehicle. His death is a great loss to our Nation and to Nebraska, his home State. People in

his home community of Omaha recall Eddie's big heart, his willingness to jump right in to help out, and his long-standing love for the military. He was a leader of the North High School Junior ROTC Program. He served as a counselor and a mentor at the YMCA Camp in Crescent, IA, and from an early age participated in military reenactments with his father. Also from an early age he loved wearing uniforms. His nickname was "Freckles," which also fit his cheerful, helpful personality.

After graduating from North High School in 2009, it did not take long to decide that the U.S. Army was the place for him. Specialist Wood's Army career was short yet very intense. After entering the Army in October 2009, he breezed through basic and advanced training before arriving at Fort Drum. Fort Drum is the home of the elite 10th Mountain Division which specializes in fighting under harsh terrain and weather conditions.

Specialist Wood wanted to serve with the best, and his wish came true. Within a month, he deployed to the Kandahar region of Afghanistan. Shortly thereafter he first encountered the enemy that attacked with an improvised explosive device. Despite lingering effects from his injuries, he chose to stay in the fight with his B Troop buddies.

The decorations and badges earned during a far too brief Army career speak to his dedication and they speak to his bravery: the Army Service Medal, the Army Good Conduct Medal, the National Defense Service Medal, the Afghanistan Campaign Medal with Bronze Service Star, the Global War on Terrorism Service Medal, the Overseas Service Ribbon, NATO Medal, Bronze Star Medal, and the Purple Heart.

He proudly wore the Combat Action Badge, the Expert Marksmanship Badge with Rifle Bar, and the Overseas Service Bar.

Today, I join Specialist Wood's mother and father, siblings and friends in mourning the death of their beloved son, their brother, their friend.

Specialist Wood made the ultimate sacrifice in defense of our great Nation, and we owe him and his family an immeasurable debt of gratitude. May God be with the Wood family and all those who mourn his death and celebrate his life and his accomplishments. We will remember Specialist Wood when recalling the Nation's warriors who gave their lives so we might live in peace. Their names are etched on the conscience of this Nation.

I offer my prayers to all those serving in uniform today and especially those serving in peril overseas. May God bless them and their families and see them through these difficult times.

Mr. President, I yield the floor.

I note the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DURBIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, I ask unanimous consent to speak as in morning business, and I ask I be given as much time as needed. I promise not to abuse that, but it may go slightly beyond the 10 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Illinois is recognized.

FINANCIAL REGULATORY REFORM

Mr. DURBIN. Mr. President, probably tomorrow morning, we will consider this conference report, which is historic in its impact on America. It is the conference report of the Banking Committees of the House and Senate, which were charged with the responsibility to reform the financial laws in America, to make certain that our country never faces again what we faced a short time ago under President Bush.

We can remember that at the end of the President's term, when the economy started to go into a tailspin. I remember it very well because there was a special meeting called in October of 2008 of the leaders of the House and Senate—Democratic and Republican—to meet with the Chairman of the Federal Reserve, Ben Bernanke, and the Treasury Secretary, Mr. Paulson, to discuss a matter of great urgency. Those types of meetings are rare around here, and everyone was a little nervous as we entered the room that is a few feet away from the Senate Chamber.

These two leaders of our economy came forward and told us that we were facing the collapse of major businesses in America. Specifically, they pointed to the collapse of AIG. It was an insurance company—the largest in our country. Unfortunately, they had engaged in some practices where it had promised as an insurance policy that it would back up commercial transactions. If they fail, AIG, the insurance company, would come in and make the parties whole.

They overextended themselves. In so doing, as these commercial transactions started to fail, AIG did not have sufficient reserves to meet their promises. There was a fear that if they started this cascading effect of failures and the inability of AIG to keep its promise, it would result in a panic in our economy and a decline, which would have been even more precipitous than what we had imagined.

It was at this meeting that Ben Bernanke of the Federal Reserve said

they were going to provide significant resources to AIG to help them weather this crisis. It came as a surprise to many of us in the room, unaware of the fact that the Federal Reserve had both the resources and the legal authority to do that. It is an authority that had not been exercised, to my knowledge, since it was first created almost 80 years ago.

That was the first meeting. It was an indication of a terrible, rocky, rough road ahead for America and ultimately for the world. Subsequent meetings were even more alarming, as we were told by Secretary of the Treasury Hank Paulson that unless we came up with \$800 billion in what was known as the TARP fund, which would be used to basically bail out the largest financial institutions in America, America's economy and the global economy could collapse. I have been involved in public life for a number of years. That is the type of conversation you never forget. Many of us were at a loss to argue the other side of the case that the problem was not that large or that the response did not have to be that significant or that the strategy and tactics were not the right ones. This was really uncharted water. We relied on our economic leaders from the Federal Reserve and from the Department of the Treasury to suggest what we needed to do to go forward.

This rescue operation had some real value, I believe, in slowing down the decline in our economy. But just a few weeks after that, the election of the new President, Barack Obama, really gave to him and the new administration economic challenges which no previous administration had ever faced. When the President came to office, in the month he was sworn in, almost 750,000 were losing their jobs. In the span of the next 60 and 90 days, the numbers grew. The President walked into a terrible situation, with the economy still in decline, with the TARP program President Bush had started in process but not completed, with unemployment reaching modern-day record levels, and with no end in sight. He inherited the biggest deficit in the history of the United States from President Bush. What a contrast to what President Bush inherited 8 years before.

Yesterday, when President Obama named Jack Lew as the new head of the Office of Management and Budget, he said Jack, who is an extraordinarily talented public servant, is fit for the Hall of Fame. I am sure Jack Lew, a modest man, would dispute that. The record speaks for itself.

In his former capacity as Budget Director under President Clinton, Jack Lew, in January of 2001, left President George W. Bush a surplus in the Federal Treasury of \$236 billion. That is an amazing legacy, to end 8 years of President Clinton's administration with a

surplus in the Federal Treasury, the deficit coming down, Social Security getting stronger, and to hand it off to President Bush. At that moment in time, the accumulated debt of the United States of America from the time of George Washington until the end of the Clinton Presidency was approximately \$5 trillion. Eight years later when President George W. Bush left office, the accumulated debt of America had grown from \$5 trillion to \$12 trillion—more than doubled in an 8-year period of time. Instead of leaving to President Obama a surplus, as President Bush had inherited from President Clinton, he left him a \$1.3 trillion deficit. President Bush's administration, which was dedicated to balancing the budget and conservative fiscal policy, more than doubled the national debt that had been accumulated by America in its entire history, and instead of leaving a surplus for incoming President Obama, left him a gaping hole in the budget.

In that context, we have many challenges, but one of the challenges is to make sure we never, ever again experience what happened with these terrible decisions being made on Wall Street and the virtual collapse or decline of the American economy, which led us into our deficit situation, to the business losses across America, and record levels of unemployment.

President Obama challenged us to come forward with Wall Street reform, change the way we do business on Wall Street so we never have to go through this again. Let's not have a repeat of this economic disaster. I commend Chairman Chris Dodd and Chairman Barney Frank for the extraordinary effort they put into this conference report.

More than 2 years after Bear Stearns failed, more than 18 months since Wall Street brought America to the brink of another depression, more than a year after President Obama provided his outline for strong financial reform, finally Wall Street reform is coming. After 8 million Americans—actually, more than 8 million Americans—have lost their jobs; after more than 1.2 million Americans have lost their homes; after the American average household has lost 20 percent of its accumulated wealth and savings, finally Wall Street reform will help prevent such a crisis from ever occurring again.

As we began this debate in the Senate several months ago, we were faced with a series of challenges and questions:

Should we give America's consumers the strongest consumer protections in our history or should we allow Wall Street to continue to do business as usual, complete with the fine print, the tricks and the traps, and the shadowy markets we have today in America?

Should we empower consumers to make informed choices for themselves

and their own economic future when it comes to mortgages, credit cards, and student loans by forcing banks and credit card companies to offer clear terms in plain English or should we allow Wall Street and the predatory lenders to continue to skirt the law, knowing there is no cop on the beat to enforce it?

Should we force the Wall Street banks to make their big gambling bets on commodities and everything else they can dream up out in the open, on fully transparent exchanges, or should we allow Wall Street to continue running a multitrillion-dollar shadow casino, one nobody can monitor, one that allowed AIG to nearly cripple the entire financial system?

Should we protect the taxpayers so they never again are faced with bailing out the biggest banks in America? And—let me add insult to injury—after we put all our hard-earned tax dollars into bailing out the big banks, they showed their gratitude by giving bonuses, multimillion-dollar bonuses, to one another. Should we change that? That was one of the questions facing us when we debated this legislation.

This conference report has the right answers to those questions. The Dodd-Frank Wall Street Reform and Consumer Protection Act accomplishes two basic goals: It substantially reduces the risk that financial markets will cause the economy to implode again, and it empowers consumers and small businesses to make better financial choices.

To reduce the risk of another financial crisis, this bill strengthens three traditional layers of oversight of financial institutions:

First, the bill improves basic bank governance so institutions are run more carefully and more prudently. Executive pay and banking is going to be tied more closely to long-term gains rather than massive risk-taking, short-term thinking, and mortgages and other loans will have to be underwritten much more carefully.

Second, the bill helps creditors and investors spot problems more easily at banks that continue to be run poorly. That imposes an extra layer of discipline when bank boards fall asleep at the wheel. Credit rating agencies and the SEC will provide much better information to investors in both the debt and equity markets than investors have today. I might add, as chairman of the subcommittee which funds both the Securities and Exchange Commission and the Commodity Futures Trading Commission, we are dramatically increasing the resources for each of those watchdog agencies to make sure they can implement the new powers given them by this law.

Third, the bill strengthens the regulatory structure that oversees the financial industries. That will help us identify and address failures at these

institutions that are not properly managed either by bank leadership or by pressure from the debt and equity markets. A new Financial Stability Oversight Council will require regulators to work together more closely to minimize systemic risks. A new resolution authority will give regulators tools they lacked when Lehman Brothers was in meltdown. And risky derivatives will be brought out of the shadows and into transparent clearinghouses and exchanges so that the transactions can be seen rather than hidden from public scrutiny.

That is all very important, but outside Washington and New York, many American families and small businesses are basically going to ask: That is all well and good, Senator. What is in it for us?

The Dodd-Frank conference report will bring basic accountability and fairness to consumers and small businesses across the Nation.

First, a new Bureau of Consumer Financial Protection will protect consumers of financial products from the worst forms of abusive lending.

One of the benefits of this job is we get to meet some of the most impressive people in America. One of those persons is a woman named Elizabeth Warren. She is a law school professor at Harvard. Several years ago, Professor Warren came and spoke to us at one of these weekend getaways we have to try to think beyond the pressing business of today in longer terms. She said what we need in this country is an agency that helps consumers have enough information so they can make the right choices for themselves when they are making financial decisions.

I went up to her after her remarks, and I said: Professor Warren, I want to introduce that bill. Will you help me write it?

And she did. I introduced the earliest legislation on this issue. My version of it has been included in this bill but changed. I think they have improved substantially on the original bill I offered, but credit should be given where it is due. Professor Warren inspired me to write my bill and I know inspired many on the conference committee to follow through and pass this legislation.

Lenders will have to compete for business based on good loans rather than competing to dream up clever tricks in order to drain as many dollars as possible out of borrowers' pockets.

Finally, there is going to be a cop on the beat with this consumer financial protection agency to ensure that mortgage brokers, private student lenders, payday lenders, banks, and credit unions provide consumers with complete information so families can make good financial choices. I cannot tell you how much the banking lobbyists hate this provision. They came to my office and said: This is the worst idea

possible, to have an agency that is going to watch the documents we put in front of our borrowers to make sure they do not include deceptive language, tricks, and traps that could literally cost a person, a family, the money they have saved. Fortunately, we overcame that lobby and included this consumer financial protection agency as part of the act. Finally, there is going to be a single voice in Washington, DC, with the mission of helping consumers make the right decisions for themselves.

Second, small businesses and merchants will receive relief from one of their largest expenses over which they currently have no control—debit card interchange fees. For most people, they never heard of it. But ask a restaurant, a business, a grocery store in Iowa, in Illinois, or in New Mexico what is the biggest pain in the neck they are running into, and they will tell you that on the short list is the money they have to pay to Visa and MasterCard and other credit card and debit card companies every time a customer uses a card. You don't think about it, do you, that when you hand over that credit or debit card to pay for your restaurant bill, not only do you have an obligation to pay what you have just charged but the restaurant is going to end up paying a percentage of your bill to the card company.

It turns out that small businesses and merchants across America have literally no strength, no power, no voice in determining these interchange fees. We are becoming more and more a plastic culture. Our young pages here in the Senate—and I think of my own children—many of them don't carry much cash around any more. They have little plastic debit cards and credit cards which they use when they become of age and are eligible for them. More than half the transactions in America now are done in plastic. As more of these transactions take place, the merchants and businesses which honor the cards find that the interchange fees charged by the credit card companies are virtually uncontrollable, until this bill.

For years, Visa and MasterCard, and their big bank backers, have unilaterally fixed prices on the fees small businesses pay every time they accept a debit card from a customer. The two giant card networks control 80 percent of the debit card market—that is Visa and MasterCard. And it is no surprise that debit interchange fees have risen, even as the price of processing the transaction has fallen. They can impose these prices and say to the local businessperson: Take it or leave it. Small businesses in Illinois and throughout the country have pleaded over and over again with these card network giants: Give us some way to reduce these costs so that we can reach profitability, hire more people, and prosper as a business and pass on savings to consumers.

The conference report that we have before us will require the Federal Reserve to ensure that Visa, MasterCard, and their big bank allies can only charge debit interchange fees that are reasonable and proportional to the cost of processing each transaction. It also prevents Visa and MasterCard from engaging in certain specific anticompetitive practices. I might add, the Department of Justice's antitrust section has confirmed publicly, at a meeting before the Senate Judiciary Committee a little over a month ago, that Visa and MasterCard are currently under investigation. Finally, Visa, MasterCard, and the Wall Street banks will face some check against their unbridled market power in the credit and debit industries.

Finally, small businesses and merchants are going to have relief that will lead to real savings, profitability, and reduced cost for consumers. The Dodd-Frank Wall Street Reform and Consumer Protection Act is a landmark bill, including the most sweeping reforms to Wall Street since the New Deal.

Let me tell you the political reality. In the Senate, there are 41 Republican Senators. The bill I have described should be a bill supported by both sides of the aisle. We will be fortunate to have four or five Republicans step up and join us to pass this bill. The overwhelming majority of Republicans will oppose this bill and side with the banking industry.

One of the Republican leaders in the House, JOHN BOEHNER of Ohio, said we were using with this bill a nuclear weapon to kill an ant. I don't think anybody in America believes the recession we are facing today, with 8 million unemployed and 1.2 million losing their homes, is an ant. It is devastating to the millions of Americans who are unemployed and those who are losing their homes. I think this response is a measured, thoughtful, good response to deal with it.

Why don't we have the support of more Republicans? Why won't they step up with us and make this bipartisan? Four or five of them will have the courage to do it, and I tip my hat to them. I am glad they are joining us. This should be a bipartisan effort. But the others need to explain why they do not want us to move forward with financial regulatory reform. They have to explain why they wanted to stand for the status quo, leave the laws as written, and run the risk of another recession in another day, leading to millions of people losing their jobs and businesses failing. They do not have an answer for that. Their vote against this will be good news to the banking industry, the special interest groups, such as credit card companies, but it certainly doesn't face the responsibility we all have to deal with the economic crisis facing this Nation.

On behalf of the taxpayers in Illinois and throughout the country, who never again want to bail out big banks, I wholeheartedly support this bill's passage. On behalf of consumers and small businesses in Illinois and throughout the country, who want the power to make wise financial choices, I wholeheartedly support this bill. I am going to urge my colleagues to vote yes on this conference report so that President Obama can sign this bill into law.

Finally, reform will have to come to Wall Street.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. BURRIS). The Senator from Iowa.

EXTENSION OF UNEMPLOYMENT COMPENSATION

Mr. HARKIN. Mr. President, I want to thank my friend and our majority whip, Senator DURBIN, for laying out, I think in very stark and honest and open terms, what we are facing in this country today. I wish to pick up on that and to carry it a little further in talking about the number of people who are unemployed, what is happening to people across America today who can't find work, while the Congress sits here immobilized, unable to pass an extension of unemployment insurance benefits.

It is unconscionable what is happening to so many people in America, through no fault of their own—people who are at the end of the line. They are looking to us, asking us to do something. Yet the Congress sits here immobilized, unable to act. We are unable to act because a small minority here in the Senate on the Republican side refuses to let us move ahead with an extension of unemployment insurance benefits. If we could ever have a vote—if we could get a vote on it—we would get over 50 votes. A majority would vote for the extension. But once again, under the rules of the Senate, a minority of the Senate gets to decide what we vote on.

I wonder how many students in government classes that are being taught in high school today, even in college, are being taught that the majority does not govern in the Senate. I wonder how many understand that in our democratic form of government, 41 Senators decide what we vote on—41. Not 51 but 41 Senators decide what legislation comes before this body.

You can go back to the Framers of our Constitution and read all they wrote in our Federalist Papers—what Madison said and others—and they all warned against the tyranny of the minority. That is why they set up a system of majority rule. I think it was Madison who referred to the aspect as perhaps a small junta being able to control legislation if we did not have a majority vote. Well, we have turned that on its head. Because today, a mi-

nority—41 Senators—decides what we vote on. Please explain that in terms of our democratic principles to kids who are taking government classes throughout America today.

Go to other countries, where we are trying to get them to establish democratic forms of government, and tell them: Oh, it is okay to have a minority decide what you vote on. They have to scratch their heads and say: What are you talking about? We need a majority. Yet here in our own country, a minority rules in the Senate.

I know a lot of polls show that people are angry and they are mad at Congress. I can understand that. If I had been out of work for 99 weeks and I had a family to feed and house payments to make and all of a sudden my unemployment insurance benefits ended, I would be pretty mad at Congress too. I think what the Republicans are counting on is that this fall they will be so mad they will vote against whoever is running Congress, and that is the Democrats, obviously. That is what they are counting on; that people will vote because they are mad, they are angry, and they will vote the Democrats out. Yet it is the Republicans, a minority, who are keeping us from voting on extending unemployment insurance benefits.

I don't care what my friends on the other side of the aisle think. The American people will know. People are not stupid. The voters of this country are pretty smart. Oh, you might fool them for a little bit. As Abraham Lincoln said: You can fool them for a little bit, but not all the time. And pretty soon they will catch on. They will catch on that the Congress is not acting because a small minority of the Senate will not let us act.

A group of business economists recently released their economic outlook and they said that we are on track for recovery. They gave a large share of the credit to the Recovery Act that we passed last year, of course without one single Republican vote. I think the recovery bill prevented a catastrophe. But, quite frankly, the economy is still in the doldrums. Sales of new homes plummeted last month to 33 percent, the lowest level in 40 years.

According to the Federal Reserve, U.S. companies—get this—private U.S. companies are now hoarding an all-time high sum of \$1.84 trillion in cash. Companies in America are holding \$1.84 trillion in cash. They are unwilling to invest, to hire, or to expand. So again, it is a very fragile recovery that could dip back into even another big recession.

We had the Great Depression in the 1930s. In the 1990s, as a result of the profligate spending and the huge tax cuts for the wealthy under the Bush administration and the Republicans who controlled Congress—as the Senator from Illinois pointed out—President

Obama was left with a deficit of \$1.3 trillion. When President Clinton left office, there was a budget surplus of about close to \$300 billion. Because of all that, we have had the great recession of the 2000s—2007, 2008, 2009, and now 2010.

A lot of figures are thrown around about how many are unemployed. The official unemployment is 9.5 percent with nearly 15 million workers. But the real unemployment, including those discouraged workers, those who are working part time because they can't find a full-time job, is close to 26 million Americans. Twenty-six million Americans can't find a full-time job. They are desperate and they need help. Right now, there are five job seekers for every new job opening. Actually, more accurately, there are more than eight. This 26 million who are right now unemployed, officially, they say, there are about 5 to 6 unemployed workers for every job. But actually, it is closer to about eight job seekers for every opening.

I was reading an article in the Post yesterday. Michael D. Tanner, a senior fellow at the Cato Institute—a libertarian think tank—said:

Workers are less likely to look for work or accept less than ideal jobs as long as they are protected from the full consequences of being unemployed. That is not to say that anyone is getting rich off of unemployment or that unemployed people are lazy, but it is simple human nature that people are a little less motivated as long as the check is coming in.

Boy, that almost takes your breath away, that we have people such as this in high places who are setting economic policy, or trying to set economic policy. He says: As long as people are protected from the full consequences of being unemployed. What does he mean: They have to starve; they have to go out on the street corner with hat in hand, give up their homes, put their furniture out on the street, send their kids to the orphanage? Is that what Mr. Tanner means by the full consequences of being unemployed? Maybe starving; can't get enough to even eat? What is he talking about—the full consequences—when there are eight people looking for every job?

He says that by extending unemployment benefits, it makes people less inclined to look for work. You wonder where people like this come from. Where did they ever go to school? What did they learn in their lifetimes? Or are they just so uncaring about their fellow human beings that they just say: Let it happen. Whatever happens, let it happen and the government can't do anything to help.

We had that attitude prior to the 1930s, prior to the Great Depression. But I thought we turned the corner. I thought we recognized that government could be an instrument to make sure that people's lives were not miserable, that they did not have to suffer

the "full consequences of being unemployed," being thrown out on the street or starving or putting their kids in orphanages because they couldn't take care of them any longer. I thought we turned the corner on that. But, obviously, there are some who would like to turn the clock back.

There are eight job seekers for every one unemployed. They are hanging by a thread. Their savings are exhausted. They have no safety net whatsoever. Every day we get stories in our office, heartbreaking stories, of families back home struggling to survive, but there just are not any jobs. I heard from a woman in Waukon, IA. She worked in the same job for 33 years, the plant closed, she and 300 other workers lost their jobs. This is in a town of 3,500 people. She is a diabetic without health insurance. She has applied for more than 200 jobs. She is crying out for a job. She wants to work, but she comes up emptyhanded because there are no jobs.

I heard from a worker in the Des Moines area who had been in the insurance industry for many years and was laid off a year ago. Her benefits were cut off last week. Here is what she said:

My concern is that my family cannot survive without the unemployment benefits. We have depleted our savings just to save the house and not get behind on the bills. I know there are others far worse off. Please help pass the emergency unemployment insurance extension.

These are hard-working people. They have tried their best. They have not shirked their duties and responsibilities. They are being good citizens, hard-working citizens. What we are talking about is just a matter of fundamental fairness and decency and using the power of the government to make sure people do not—what did Mr. Tanner say?—"suffer the full consequences of being unemployed," whatever that may mean.

Yet in the face of these families in this crisis, the extension of unemployment insurance benefits is stalled, it is stuck. I would say it is cruelly obstructed in the Senate. We have tried time and time again to pass an extension. Every time it is blocked by our Republican colleagues on the other side of the aisle. As a result of this, more than 2 million Americans have now exhausted their unemployment benefits.

Actually, when I took this floor before the Fourth of July recess, I talked about the number of people who would be out, and I said it would be about 2 million. It is now 2.5 million. Last week, 2.1 million; this week, 2.5 million. These are people out of work. They have been out of work so long, although they have looked for work, that now their unemployment benefits are gone.

I ask people to think about it. Around this place we all have jobs, don't we? We all have jobs. Everybody

who works on the Senate floor has a job. I have a job. You, Mr. President, have a job. We get paid pretty darned well too. We are not facing unemployment. No one who works here is facing unemployment. Just think how you would feel. Just think how you would feel if you got a pink slip yesterday, and it said don't come to work next week. You have house payments to make, you have kids in school, maybe one in college or two. You might even have car payments to make. All of a sudden you are out of work and you cannot find a job. They say: I am sorry, you can't get unemployment benefits either. What do you do? What do you do?

Put yourself in the shoes of these people. What would you do? How mad would you be at the U.S. Congress and the government if you had worked all your life, like this woman from Waukon, 33 years—out of work, diabetic, no health insurance, has applied for over 200 jobs, can't find a job, and we cut off your unemployment benefits? How mad would you be?

We keep hearing this, and I have heard it from the other side of the aisle, I have heard it from Sarah Palin and others, that people are lazy. They just rely on those benefits instead of looking for work. Even the distinguished minority whip, Senator KYL, put it recently—here is the quote:

Continuing to pay people unemployment compensation is a disincentive for them to seek new work.

There are eight people looking for every job. How low do we have to drive people down? I suppose if we paid people 50 cents an hour we might get people to work, to do things. Is that what we have come to as a country, that people have to be pushed that far down before we respond?

I think those who say people are just lazy are out of touch with reality. Let's look at the facts. Numbers vary from State to State. Unemployment insurance benefits vary from State to State. Right now it is about \$300 a week average nationwide—\$300 a week. For a family of four, get this, if you get unemployment benefits—if you are lucky enough to still be on them—you are getting \$300 a week average. That is about \$15,000 a year. Can you keep your family going on \$15,600 a year, a family of four? The poverty line is \$22,000. I suppose, according to my friend from Arizona, Senator KYL, if you are getting \$15,600 a year, that is a disincentive for you to try to find a job that pays more than \$22,000.

I don't understand the logic of that reasoning. The truth is, the long-term unemployed would like nothing more than to pull themselves up by their bootstraps. But the problem is, in the economy right now we are kind of short of bootstraps.

Another argument I hear from our Republican colleagues is that extending the unemployment benefits will

add to the deficit. Their argument is that we should cut off some of the most desperate people in our economy, take away their last meager lifeline, because we are concerned about the deficit. Yet those very same Senators are demanding that we extend hundreds of billions of dollars in tax breaks for the wealthiest Americans in our society. My friend, the Senator from Vermont, Mr. SANDERS, who was here yesterday morning, gave a great speech on what is happening in our society in terms of the few controlling more and more and the rest getting less and less. As he pointed out, the top 1 percent, the richest people in America, control 90 percent of the wealth. They control 90 percent. The rest can get all the rest. Yet my Republican colleague said we have to keep giving them more tax breaks, but we cannot help people who are unemployed; it will add to the deficit.

Extending these tax breaks for the wealthiest in our society also adds to the deficit, but I guess in their way of thinking that is all right.

Again, when we talk about extending these tax breaks, my friends on the Republican side, they don't say we have to find an offset for it. They say, no, add that to the deficit; we don't have to pay for that. But if we want to extend unemployment benefits, we have to somehow pay for that.

Again, I am sorry, I am lost in the logic of that. According to our Republican colleagues, adding massively to the deficit to finance tax breaks for the wealthy is fine, but adding to the deficit to extend benefits for the long-term unemployed is unacceptable. I just happen to think those are misplaced priorities.

Let me speak a little bit about deficits because they are a concern and they are something we do have to pay attention to and we are going to have to fix for the long term. We are in a fiscal mess. But it was not so long ago then-Vice President Dick Cheney dismissed the need for fiscal responsibility when they were cutting tax breaks for the wealthy, spending more and more. Here is what he said: "Deficits don't matter."

Vice President Dick Cheney said: "Deficits don't matter." Again, under his administration, with President Bush, they didn't matter. Boy, the deficits just spiraled out of control. I do not remember any significant Republican dissent from Mr. Cheney's view during that period of time, that deficits don't matter because they were off going after weapons of mass destruction in Iraq, and that misplaced war has cost us pretty close to \$1 trillion, not counting untold lives lost, people injured for life. And the tax breaks for the wealthy spiraled us, again, into a deficit. But Mr. Cheney said deficits don't matter.

I tend to disagree with Mr. Cheney. Deficits do matter. They matter be-

cause when Mr. Clinton was President, we got out of the deficit hole. They said deficits don't matter when Republicans were in control. Now they say deficits do matter. They blame the Federal Government's fiscal mess on President Obama and actions taken by this Congress. That takes a wholesale rewriting and air brushing of recent history.

As we all know, it was the administrations of President Reagan and George Herbert Walker Bush in the 1980s that launched America into a new era of large budget deficits. President Clinton then spent the following 8 years cleaning up the fiscal mess he inherited.

In 1993, President Clinton, along with the Democrats, the Democratic Congress, passed a painful but a courageous deficit reduction plan without one single Republican "yes" vote in the Senate. That plan not only produced record budget surpluses, it expanded our economy. People were employed. It put us on a path, by the year 2000, to completely eliminate the national debt within a decade. We could have wiped out the national debt.

I remember that debate. I was here. In 1993, I remember the Senator from Texas, Mr. Gramm, getting up, wailing about how this plan was going to destroy America. It was going to plunge us into fiscal crisis. It was going to create unemployment. It was going to create a disaster.

We passed it without one Republican vote. Look what happened: the economy grew, unemployment went down, we paid down the national debt, and we left in 2000 with a huge budget surplus.

Yet in 1994, the year after we passed this without one single Republican vote, Republicans were all over the country taking the Democrats to task for raising taxes. You know what happened in 1994. The Democrats lost the Senate and lost the House and Republicans took over. But we were able to keep that program intact. They couldn't repeal it and we kept it intact during the 1990s, resulting in a good strong economy, more employment, less unemployment and, as I said, putting us on a plan to pay off the national debt.

Then in 2001 George Bush came to office, Republicans gained control, and again we moved into deficits once more in our country—huge deficits. As my friend from Illinois said, according to CBO, when President Obama took office we had a \$1.3 trillion deficit. When President Bush took office in 2001 we had about a \$300 billion surplus. What a difference. What a difference.

Now, because of the profligate spending and the deficits of those 8 years of Bush, because of the huge hole we were in when President Obama took over, our economy is in a tailspin.

Now we are trying to work our way out of it. That is why we had the Re-

covery Act. The Recovery Act helped us gain more jobs in this country. As I said, it kept us from having a catastrophe. Now we know we can bring the deficit back under control. We did it during the Clinton administration, and we can do that again.

As my friend from Illinois said yesterday, President Obama nominated Jack Lew to serve as Director of the White House Office of Management and Budget. He held that same position in the Clinton administration, in the latter years of the Clinton administration. So again we are looking to Mr. Lew to help us work our way out of this mess we are in.

So I can say that we Democrats are proud of our record of fiscal responsibility. But forgive us for asking: Why is it that again and again we Democrats are cast in the role of the shovel brigade in the circus cleaning up after the elephants? Why are we always doing that? And then people get mad because we have to clean up the mess. Well, I am tired of being the shovel brigade after those elephants. We all understand that deficits are unaffordable and unsustainable. However, among economists, a broad array of economists in this country; among many Senators—I am one of them—I believe there is a more immediate and urgent concern; that is, getting a recovery from the deepest economic downturn since the Great Depression. Do unemployment benefits cost money? Of course they do. Are they in our long-term interest? Absolutely.

The single most effective way to reduce the deficit is to keep the recovery on track. If we can do that, we can reduce the deficit, according to CBO, from 10 percent of GDP this year to 4 percent by 2014. I will be the first to say we cannot do it overnight. We did not do it overnight in the 1990s. It took us literally 8 years, but it built up slowly, and toward the end we were really rolling by the year 2000: low unemployment, the economy was booming, we had budget surpluses. But it took a long time to get there, and it is going to take us some time to get back there again. But extending unemployment benefits is an essential way to keep us on that path to recovery.

Economists calculate that for every dollar invested, the unemployment insurance safety net generates about \$1.63 in economic activity. Again, they tell us: If you are going to spend government money, if you are going to do that, you get the most bang for the buck by putting it in food stamps. Because when poor people get food stamps, they go out and they buy food. The next is unemployment benefits. When you give it to people who are unemployed, they go out and they spend that money. They buy food, they pay their rent, they pay their food bills, they pay their clothing bills, they pay for car payments, house payments, all

of those things just to keep afloat. So that spurs economic activity. Yet look down here—extending the Bush tax cuts. For every dollar we extend the Bush tax cuts, we only get back 49 cents. Compare that to unemployment benefits. Yet the Republicans want us to do this, spend every dollar we have to extend the Bush tax cuts, for which we will get back about 49 cents. They do not want to do unemployment benefits that for every dollar we spend we get back \$1.63 in economic activity. They say unemployed households spend these dollars on immediate needs.

From the Recovery Act alone in Iowa, more than 3,700 jobs were created in 2009 thanks to the economic activity of the Recovery Act. Did that get us all of the way out of the recession? No. But it sure as heck helped a lot of families and kept us from sinking even further. So that is why we had the Recovery Act, which has at least helped us out of a depression.

David Walker is the former Comptroller General under the Bush administration, the George W. Bush administration. Now he is president of the Peter G. Peterson Foundation, an organization that is single-mindedly focused on cutting long-term deficits. Last week, he testified before the bipartisan deficit reduction panel. He said it is a “myth that we cannot address our current economic crisis and our long-term fiscal crisis at the same time.” Yet that is what we are hearing from Republicans: We can’t do both of those; we have to focus on the deficit, and don’t worry about the crisis we have right now.

David Walker continued:

In our view, the answer is to continue to pursue selected short-term initiatives designed to stimulate the economy and address unemployment, but to couple these actions with specific meaningful actions designed to resolve our long-term structural deficits.

Well, I agree. We have to address the short term and then think about the things we have to do here to address the long-term problems of the deficit.

So, again, for the sake of all of the families who have written in to my office, for all of the families who are at the end of the line, I urge my colleagues on the other side of the aisle to stop this cruel obstructionism and do the right thing right now for people who desperately need our help. Stop the filibuster. Let us vote. There are more than 50 votes. There is a majority here to extend unemployment benefits. I ask the minority to allow us to vote on it, to help these families in desperate need all over the country.

It is my intention, as often as I can, to get to the floor to continue to speak about the desperate needs of those families we cannot continue to ignore.

To those who think they can gain politically at the polls in November, who think they can gain politically by having people suffer more, by having them

more desperate and more destitute, I say that is an aberration, that is a total abdication of our responsibility as officers, as people who are sworn to uphold and defend the Constitution of the United States. It is unworthy. It is unworthy of a great country for their leaders, for their elected leaders, to show they can get political gain by making people more desperate than they are today.

So I hope we can have the vote, we can extend the unemployment benefits, and we can help people who really need a lifeline right now. Anything short of that is not worthy of our great country. I urge the minority to let the bill come up for a vote so we can vote it through. It should be done this week.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DORGAN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. HAGAN). Without objection, it is so ordered.

Mr. DORGAN. Madam President, I ask unanimous consent to speak in morning business for such time as I may consume.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONGRESSIONAL TO-DO LIST

Mr. DORGAN. Madam President, the to-do list in the Congress, and especially in the Senate, is long and difficult. We have witnessed all of this year a determined minority to act as a set of human brake pads. The minority has tried to stop almost everything in the Senate, including providing extended unemployment benefits for those who are out of work during the country’s deepest recession since the Great Depression. It is unbelievable to me.

It seems to me everyone should understand that when we are in a deep recession, as we have been—and we are coming out of it—that is the time to extend unemployment benefits because it is necessary to do. Yet it, too, has gotten caught in this trap of saying no to everything.

I wish to go over just a bit of the to-do list in the Senate. First and foremost, there is no question that one of the most significant challenges facing this country is debt and deficits. Everybody understands that. The question is, How do we deal with it?

The President is criticized for describing what he took over, but it is pretty important. You go to a rental car dealership and they want you to look around and see what the car is like before you rent it, right? This President ran for President, but when

he took over this economy, had he done nothing, not lifted a finger, the Federal budget deficit was going to be \$1.3 trillion. On the first month of his Presidency, the economy he was left with had 680,000 people losing their jobs in that month.

This economy was in steep decline. That is what he inherited. It is not my taking a half hour to describe what was wrong in the previous 8 years, it is stating the obvious. What do we try to do about that?

Well, the President has created this commission to try to address the deficits and debt that have come from this steep economic decline. When a country is experiencing a very deep recession, there is less revenue coming in. We were losing about \$400 billion in revenue that we used to get. And then we have higher expenditures going out because we have the economic stabilizers that we pay for in order to help people during times of economic distress. So we had these unbelievable Federal budget deficits. That is not surprising. That will happen when there is a very steep economic downturn.

But we can’t, it seems to me, go into this with a structural imbalance, as we had, and then have a deep recession and have deficits explode and then not have a plan to deal with them. So the question is for all of us—the President and the Congress—what do we do?

The President has created a high-level bipartisan commission to say: All right, come up with a set of recommendations by the end of this year of what we can do. What are the range of issues with everything on the table? Yes, discretionary spending, military spending, entitlements, all of it. What is the menu necessary to put this country back on track?

In 2001, President Bush proposed very large tax cuts. I voted no on the floor of the Senate, and I said the reason I am voting no is that I don’t think we should provide 10 years of very large tax cuts just because we had a surplus the last year of Bill Clinton’s Presidency. We had a budget surplus—the first budget surplus we had in 30 years. They estimated that not only would we have a budget surplus that year, but we would have surpluses for the next 10 years.

I said: Let’s be a little conservative. What if something happens? What if we don’t have the surpluses?

They said: Don’t worry about that; let’s give large tax cuts—and the bulk of it, by the way, went to the wealthiest Americans. Without my vote, that passed. It did a lot of strange things.

Among the tax cuts was a cut in the estate tax that took the estate tax over these 9 years down, down, down, and down so that this year we have a zero estate tax. Think of that. The estate tax in this country this year is zero. We have about 400 billionaires in

America. I believe four of them have died in this year. This is the "Throw Mama From the Train" year, as the title of the movie goes. This is the year when, if you have a lot of money and you are going to go, this is the year, I suppose, and those who are related to you might think there is divine providence here.

Let me put up this chart. In today's newspaper, it says George Steinbrenner, the colorful owner of the New York Yankees, died. I didn't know George Steinbrenner, but he was quite an extraordinary man, I am sure—a successful businessman and a controversial owner of the New York Yankees. But he was also a billionaire. Today, the Washington Post talks about the fact that this year the estate tax is at zero, so his estate will have no tax obligation at all.

Let me just observe that for the largest estates, most of the wealth comes from the appreciation of assets over the years and has never been taxed. So it has never had to bear a tax to send kids to school or build roads or provide for police or provide for our defense needs—none of it. We have had four billionaires die this year. And we have this goofy process, which the previous administration created, to go to a zero estate tax this year and then spring back to an estate tax next year. It is just nutty.

Do you want to know how to reduce the Federal budget deficit? How about fixing a few of these things. That ought to be on the to-do list. It is embarrassing, it seems to me, for those who understand fiscal policy and understand there is a responsibility for all Americans not just to be glad they are Americans, but also to participate in the things Americans have to participate in together, that that includes paying some taxes, yes, and some estate taxes. It is embarrassing that we have a zero estate tax for the wealthiest Americans at this point. That makes no sense to me.

We have a proposed extension of the tax cuts for middle-income workers that comes from the 2001 tax bill that President Bush pushed through this Congress. One of my colleagues was on a show this Sunday and said: Well, we want to also give a tax cut to the top 2 percent of the American income earners. The moderator of the show said: That is going to cost 680-some billion dollars in lost revenue. How do you pay for that?

My colleague, who talks about the Federal budget deficits a lot and the need to deal with them, said: We don't have to pay for tax cuts.

It seems to me basic arithmetic books allow us to add 1 and 1 and get 2—from time to time, at least. So we are going to deal with the Federal budget deficits by extending income tax cuts to the wealthiest Americans? We are going to deal with the Federal

budget deficits by having a zero estate tax obligation for somebody who dies and has a billion or billions of dollars?

What about the notion of going to war twice, in Iraq and Afghanistan, and not paying a penny for it? We have all of these gatherings to say goodbye—particularly in the National Guard—to a National Guard unit that will be sent to Iraq or Afghanistan. We say Godspeed and be safe. When they come home, we say welcome home. We do everything except pay the bill. We send them to war, have them strap on ceramic body armor in the morning, walk in harm's way and get shot at. But this Congress doesn't have the courage to decide that we ought to pay for wars we are fighting. All of it has been piled on the debt.

Some of us stood in this well and said let's pay for it, and we were told if we do that and try to pay for it, the President will veto it because we are trying to raise revenue. That is right, raising revenue to pay for the cost of sending America's men and women in uniform to fight for this country. It used to be essential, not optional. It was the moral and responsible thing to do. All of this has been charged and added to the debt. So the soldiers go fight and come home, and they will pay the bill as well. That makes no sense to me.

I have described at great length the tax avoidance going on in this country. I described that some of the highest income earners get to pay 15 percent carried interest. They get to pay some of the lowest tax rates, and that is not enough. Some of them are running them through tax haven countries and are playing deferred compensation games in order to avoid paying anything. They want all that America has to offer except responsibility to pay their taxes.

That is true with some very large American corporations as well. The company that was drilling out in the gulf—the licensed company drilling for BP—Transocean had, I believe, 1,200 employees in Houston, TX, and 12 employees in Switzerland. What was the deal there? Well, they moved their home office to Switzerland, despite the fact that they just had a dozen employees there and they had 1,200 in Houston. Why did they do that? To avoid paying taxes, I assume.

There is a to-do list. Maybe we can shut down some of these schemes. How about an estate tax for estates worth billions of dollars, or paying for the cost of war as our soldiers are asked to go fight it? Cutting spending—some come out here and talk about cutting spending. I support that—in the right way. We have a lot of areas where Federal agencies can tighten their belts. By the way, it is one thing to talk about it, it is another thing to do it.

Some years ago, when I came to the Congress, there was \$46 million allocated to build a new Federal court-

house in Fargo, ND. I said I thought that was outrageous. Yes, it is in my State, but I thought it was outrageous. I cut it to \$23 million—from \$46 million to \$23 million—in half—and the courthouse got built for \$19 billion. That was in my State. I was critical of spending in my own State.

I have come to the floor recently critical of what is being proposed to be spent on the small northern border ports of entry, which I think is an excessive amount of money. Yes, those are in my State as well. I think we all ought to take a hard look at Federal spending and look at where we can and should begin to make some cuts.

Finally, when we talk about deficits—we talk a lot about budget deficits. But nobody talks much about the trade deficit. This morning there was a story: Trade deficit jumps to \$42 billion, economists downgrade growth forecasts. I wrote a book about this several years ago. I described in that book, in great detail, what is happening: shipping jobs overseas, going in search of low-wage countries where they can move their production in order to produce and sell the product back in our country. All of that ratchets up this unbelievable deficit. We have had trade deficits in recent years, with \$700 billion and \$800 billion in merchandise trade deficits. The budget deficit is money that we are going to owe to ourselves. We cannot make that case with the trade deficit. We owe that to other countries, and we are going to repay that with a lower standard of living in our country someday.

This is not just about deficits, it is about jobs. When we run these kinds of deficits and see plants and factories closing in this country—5 million factory workers have lost their jobs because we see this unbelievable drain of jobs leaving our country in search of lower wages elsewhere. We have to address this, and we have to address it in the right way. I will talk about that at some point, on another day. It is not rocket science to understand that debt is debt and deficits are deficits. We have to address these issues.

Now, one other point on this economy. I was on a program the other day on CNBC. They said: What about this notion that because of what you are doing on promoting additional regulations on Wall Street and other issues, you are antibusiness—you Democrats in Congress and the Democratic administration are antibusiness?

I have heard a couple of CEOs say that. I said: You know, it is byzantine to me. If you want to run a big company in this country and do business here and look at something that is antibusiness, look at Wall Street and see what they did. See the cesspool of greed they created with a bubble of speculation that was unprecedented in the history of this country—selling and

buying things that had no value, wagering rather than investing, using exotic instruments such as credit default swaps and much more, and planting loans out there for homeowners who could not repay them—giving a \$780,000 home loan to somebody making \$18,000 a year, creating liars loans, saying: Come and get a loan from us, and you don't have to disclose your income. It is called a no-doc loan. Come and get a loan from us, and you don't have to disclose your income or pay any principal the first year—or come and get a loan from us, but don't tell us your income, don't pay any principal the first year, or any interest, and we will make the first 12 payments for you.

Then what would they do, Country-wide mortgage? They would take these loans, pay big bonuses to the people who put the loans out there—the brokers—and wrap them into securities and sell the securities up to hedge funds, investment banks, and they were all making massive profits. Then we had others who would look at these securities and make credit default swaps—wagers on whether these bonds would be good.

What was going on in this country is unbelievable. The whole thing was a house of cards, and it came collapsing down. Now we decide we are going to put regulations in place to say: You cannot do that anymore. You damn near ruined this country's economy, and we won't let you do it anymore.

One of the top manufacturing CEOs in this country said it is antibusiness—the administration is antibusiness. It is not antibusiness to put into place effective, tough regulations to say: Do business the right way. If you do what you have been doing, we are going to put handcuffs on you because it almost ruined this country's economy.

It is not antibusiness to insist that business be done in the right way, when in the basement of the SEC four companies came in to get the SEC, in the last decade, to change the rules so they could go from 12 times leverage to 30 times leverage, and they did it with almost no notice from everybody, with all these handshakes that go on.

When that goes on and regulators say: You know what. Don't worry. It is going to be a new business-friendly place. We won't look. Do what you want. We don't care—when that all happened and it caused the near collapse of the American economy and our way of life, we have a right, it seems to me, without being called antibusiness, to say there needs to be effective regulators and regulations to make sure this doesn't happen again.

Fifteen years ago, I wrote the lead story for the Washington Monthly magazine, and the title was "Very Risky Business." That was the lead story in the Washington Monthly magazine that I wrote 16 years ago.

What was it about? It was about banks in America trading derivatives

on their own proprietary accounts. I said then that we just as well put a blackjack table in their lobby. That is just gambling. We ought not allow it. We know who is going to pick up the bill—the American taxpayer.

It was 11 years ago on the floor of this Senate that I stood up and opposed repealing the laws from the Great Depression—Glass-Steagall and others—that were put in place to protect our country, that separated banking from securities and prohibited certain practices that led to the Great Depression. Then, all of a sudden, it is time to modernize; that is old-fashioned. The proposal to repeal those laws went through here like a hot knife through butter. Eight of us voted no—eight of us. I stood on the floor of the Senate and said: I think within a decade we are going to see massive taxpayer bailouts. I did not have a crystal ball; I just felt this was an unbelievable mistake.

The fact is, we have a right and a responsibility to put together effective regulatory mechanisms that will prevent this from happening again. I understand there are interests out there that will howl so loud, you will hear them coast to coast. It does not matter. This is about what is best for the American people, what is best for this country's economy to expand and create jobs once again.

The to-do list, as I indicated, is fairly lengthy. I have not touched a number of issues. The most important point, obviously, is to find a way to create new jobs.

As I indicated, it is like a bathtub where you have a faucet and a drain. The faucet is, we need to try to create conditions in which new jobs will be created. How do we do that? We give people confidence about the future. It is hard to have confidence when you take a look at the economic circumstances of this country right now. If people are confident, they do things that manifest that confidence and the economy expands. That is our responsibility to do.

Even as we try to provide more confidence, that means tackling tough issues that will give people a feeling that they can expect a better future, can make investments, can hire people. That is part of the faucet—to put new jobs into this economy. We also need to plug the drain. Every single day, we have jobs leaving for China and elsewhere in search of cheap labor. I have spoken about that many times as well. As I said, I have written a book about that.

We need to work on all of those issues, and jobs has to be issue No. 1. It is the most important issue. It makes everything else possible for the American people. Right now, as I speak, there are millions and millions of people who are out of work. Million Americans have lost their jobs just in the

manufacturing area in the last 8 years. We are short somewhere perhaps in the neighborhood of 18 to 20 million jobs in this country. We have to get the engine moving again. We have to get opportunities to expand jobs all across this country. There is a lot to do to make that happen.

TRAVEL TO CUBA

Mr. DORGAN. Madam President, while I am on the floor, I wish to make a point about another piece of public policy I have worked on for some while.

The House of Representatives last week passed legislation through the Agriculture Committee that would lift the travel ban that is now imposed on American citizens to Cuba. I have been to Cuba and have met with the Cuban Government, dissidents, people who have been in prison. It is 90 miles off our shore.

There is an embargo on Cuba and a travel ban to Cuba. This chart shows the ten U.S. Presidents under which this embargo has existed. As one can see, a fair number of Presidents have come and gone while this embargo and travel ban to Cuba has been in place.

The problem with it that I see is this: This embargo is and has always been Fidel Castro's biggest excuse.

Your cities are falling down, your economy is in trouble, things are awful in Cuba.

His response: Yes. That is because this 500-pound gorilla has had its fist around our neck with an embargo for 50 years. You try to run this country.

It is his biggest excuse.

Cuba is a Communist country. I have no interest in doing anything that is helpful to the government at all. I do have an interest in trying to help the Cuban people.

Deciding to tell the American people: We will restrict your right to travel; we are going to infringe on your freedom; our government says you cannot travel, American citizen, to Cuba—I think that is unbelievable. By what right does our government say you cannot travel to Cuba?

Let me show where Americans can travel. It is perfectly appropriate, if you can get a visa, to travel to Iran, according to the Office of Foreign Assets Control in the Treasury Department.

OFAC, by the way, in the basement, the deep bowels of the Treasury Department, are supposed to be tracking money to terrorists. But about a fourth of their resources are devoted to tracking American citizens who are suspected of vacationing in Cuba. Think of that. In a world beset by terrorist threats, we have folks who are trying to figure out: Are there American citizens who have gone to Cuba whom we can track down and against whom we can levy a \$10,000 fine?

You can go to Iran, OFAC says. That is not a problem. You are an American

citizen and you want to go to Iran, that is OK.

If you are an American citizen and you would like to see Kim Jong Il while he is still in office, you can go to North Korea. That is not a big deal for OFAC. If you want to go to Communist North Korea, no problem at all.

You want to go to China, a Communist country? Not a problem. You want to go to Vietnam, a Communist country? That is no problem. I have been to both, by the way. Why have we said that about Vietnam and China? Because we have a very specific policy with respect to that issue. We have said we believe that engagement through trade and travel is the most effective way to move both China and Vietnam toward greater human rights. Let me say that again. Our official policy—Republicans and Democrats—has been that we believe the most effective way to move China and Vietnam—Communist countries—toward greater human rights is through trade and travel through engagement. Engagement. The only outlier to that is Cuba, which is 90 miles off our shore. And Fidel Castro pokes his finger in our eye every chance he gets.

We decided some while ago—many Presidents ago, actually—to put together an embargo, which has not worked at all, which includes restricting the American people's right to travel. Then in 2003, leading up to the elections in 2004, President Bush made this even tighter. He eliminated people-to-people visits in 2003; eliminated secondary school education travel; restricted family travel to once every 3 years; restricted amateur athletic travel. Essentially, he tied it very tight. The upshot of that was, I guess they all felt good that they were going to tighten restrictions around Cuba and tell those Cuban Americans who felt that is the right thing to do that this was something the administration was going to do to be helpful to them.

Here is what the Office of Foreign Assets Control says about travel to Cuba. I just described that North Korea is fine and travel to Iran is fine, China and Vietnam are fine. They say:

Unless otherwise authorized, any person subject to U.S. jurisdiction who engages in any travel-related transaction in Cuba violates the regulations.

Let me describe some of these notorious violators our government has tracked down and tried to levy a \$10,000 fine against. This is Joni Scott. I have met Joni Scott. She is holding a Bible in this picture. The reason Joni Scott is holding a Bible is this young woman went to Havana to pass out free Bibles. An American woman went to Havana to pass out free Bibles. What happened to her? Did the Cuban Government get ahold of her somehow and give her a bad time? No, no. The American Government did. The American Government tracked her down and tried to

levy a fine because she was suspected of traveling to Cuba. Isn't that something? It is unbelievable.

Here is another woman I have met. This is Joan Slote. She is a bicyclist. She is a grandma in her midseventies. She joined a Canadian group to bicycle in Cuba. Her government then tracked her down and not only tried to fine her \$10,000 but tried to attach her Social Security payments and take them away—this from her government. It is unbelievable.

Then, finally, SGT Carlos Lazo, whom I have described before. He fled Cuba and then went to Iraq and fought for America and was awarded a Bronze Star. He then came back to America after having fought for his country. He had two sons in Cuba, one of whom was sick, and his government—the American Government—told this Bronze Star medal winner, a very courageous soldier coming back from the war, that he was not able to visit his sons. They restricted his right to travel.

Here is the point. The point is, the U.S. House of Representatives, through the Agriculture Committee, has now passed legislation that eliminates the restrictions, eliminates the things done by the previous administration to try to stop shipment of food to Cuba. I believe we have the votes in the Senate to move that position as well.

I actually offered the amendment about 10 years ago in the Senate that is now law that opened for the first time the ability to ship food and medicine for cash to Cuba. I just felt it was immoral. I think it is immoral to use food and medicine as a weapon, and that is what we are doing, including food and medicine as part of the embargo. I offered the amendment. It is now law. We shipped a couple billion dollars' worth of food to Cuba, all paid for in cash. But the previous administration decided to change the rules and required payment before shipment as opposed to payment when the goods transferred. That was an effort to try to shut down agricultural sales to Cuba. The House has changed that. We would do that as well. It is important to take this action. I was pleased last week when I read what the House of Representatives did. I think it is the right thing to do.

Here are pictures of who else believes we ought to lift the travel ban. Marcelo Rodriguez does. He is a political prisoner in Cuba. Yoani Sanchez does. She is one of the leading political bloggers in Cuba. Guillermo Farinas, who has staged several hunger strikes in Cuba, believes we should lift the travel ban. Oscar Chepe, a former political prisoner, and his wife Miriam Leiva, the founder of Ladies in White, believe we should lift the travel ban.

They are among 74 Cuban human rights activists who sent a letter to the House of Representatives saying they believe we ought to lift the travel ban.

I have visited with the folks in Cuba who are political dissidents. They do not

like their government. They are doing everything they can to get a new government, a better government. But they also believe this embargo and the travel ban does not serve their interest.

I believe that at some point, when it is appropriate, we will be able to do in the Senate what the House Agriculture Committee has done; that is, lift the travel ban and undo some of the detrimental things that were done as well in the tightening in 2003.

I and Senator ENZI, along with 38 other cosponsors—that is 40 Senators—have cosponsored legislation that would lift the travel ban to Cuba. I believe when we have the opportunity, Senator ENZI and I will offer that bill here on the floor, and I believe we will have the votes to pass it in the Senate.

Once again, it is unthinkable to me that we have decided we are going to try to punish the Cuban Government by restricting the rights of the American people. And we have done it for almost 50 years. By what authority, by what justification do we believe the Federal Government ought to tell the American people: You can travel wherever you want in this world. Go to Iran, go to North Korea, China, Vietnam. But you cannot go to Cuba. By what justification does the government have the right to restrict that right of the American people? The answer is, none, and it is long past the time we fix it. That is what I believe we will do in the Senate in the weeks ahead.

Madam President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DORGAN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FAA REAUTHORIZATION

Mr. DORGAN. Madam President, in 2 minutes or so, let me talk briefly about the FAA reauthorization bill, which we have passed out of the Commerce Committee and out of the full Senate—it passed 93 to 0 here in the Senate. Senator ROCKEFELLER and I, Senator KAY BAILEY HUTCHISON and others, are working very hard to try to negotiate an opportunity to get a report that we can bring back to both the House and the Senate to get this done.

The reason this is urgent and so important is the modernization of our air traffic control system is long overdue and there is so much that is needed in this FAA reauthorization bill. It deals with safety issues. As chairman of the Aviation Subcommittee, I held a number of hearings on the Colgan crash in New York—the tragic crash that took the life of so many. So I wanted to

make a point, because I know people are wondering what is happening on that legislation.

We had a meeting yesterday for over an hour. We are going to have another meeting this week. We had a meeting the week prior to the break last week. We are working very hard to try to find a way to bridge the gap. I think we are very close to being able to get something we can bring back to both the House and Senate. My hope is that early in this work period we can get this done. I talked to Senator ROCKEFELLER late last night by phone after our meeting in the afternoon. So Senator KYL and many others have been involved—Senator WARNER.

This is a very big piece of legislation. Changing our air traffic control system, modernizing our system from a ground-based radar system to a GPS system is a big, challenging project, but we have to get at it. This bill has languished way too long. We have reauthorized it many, many, many times. Now it is time to get the legislation done and get it signed by the President.

We are working very hard, and I hope in the next week or two Senator ROCKEFELLER and I and Senator HUTCHISON and others can come to the floor and report success and bring a bill to the Senate to vote on.

KAGAN NOMINATION

Madam President, let me also finally say—I didn't mention it earlier—that the Kagan nomination is going to come to the floor during this work period, I am sure. I strongly support the Kagan nomination and intend to vote for her nomination. I think she is an awfully good nominee. I know many of my colleagues will be doing so as well. I fully expect her to pass the Senate quite easily. I would expect the nomination to be approved quite easily.

Madam President, I yield the floor, and I suggest the absence of a quorum. The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CARPER. I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

IMPROPER PAYMENTS

Mr. CARPER. Mr. President, only this morning I was standing here and the Senator from New Mexico was presiding over the Senate. I got through half of my remarks and had to yield to the Senator from Maryland. Now that no one is on the floor, I wish to take maybe 5 or 10 minutes and finish what I started this morning. I was talking earlier today about how to reduce the amount of overpayments—we call them improper payments—the Federal Gov-

ernment makes. Last year they added up to almost \$100 billion, not counting the Department of Defense, not counting part of Medicare, not counting part of the Department of Homeland Security—a lot of money.

I also added that Federal agencies are doing, for the most part, a better job of estimating and identifying costly mistakes of improper payments. I think the White House deserves credit. Not only this President but his predecessor George W. Bush deserve credit for, not only in the case of George W. Bush, saying: We ought to have improper payments in the law and we ought to make this a priority, but also for President Obama and his team who are beginning to scour Federal programs for improper payments and also taking strong steps to try to eliminate them in the future.

White House Budget Director Peter Orszag noted that agencies employed stricter standards for identifying improper payments, resulting in much of last fall's reported improper payments increase. I remember maybe 5 years ago, when Senator COBURN and I were working on this issue, we found there was maybe \$40 billion worth of improper payments being reported by Federal agencies. Last year it was about almost \$100 billion. So it sounds as if we are going in the wrong direction.

As it turns out, what has actually happened is more agencies are reporting it. Initially, not very many agencies were reporting it, but as we have fuller reporting by all the agencies, we find we have a better idea of how big the problem is. It is not so much that it is getting worse, it is just that we are having better reporting from the agencies.

Now that we are having that, the key is to make sure the agencies that are making improper payments make fewer of them, and then that we go out and recover the moneys that have been improperly paid.

The White House announced this winter—earlier this year—an executive order to not only improve the collection of improper payments data, but to also improve our ability to avoid making improper payments, and to increase what I think is important, the use of recovery auditing. I say the words “recovery auditing”—postaudit cost recovery. I think for most people, their eyes kind of blur over and they tune out. We are talking about \$100 billion here, money that is going out, most of it improperly, a lot of it overpayments. We are talking about a country where our deficit is over \$1 trillion. If we are going to have the ability to reduce our deficit, it is not going to come from any one silver bullet or any one particular approach. But this is an approach that can help.

I applaud the administration's concrete steps to improve transparency

and make agencies and agency leadership more accountable.

Still, there is a lot more we can do, which is why our legislation currently on its way to the President's desk is so important in order to take the next steps, especially when it comes to actually going out and recovering the money we lose every year to avoidable errors and preventable fraud.

As I often say to my staff—they have heard me say this more times than they care to remember—if it is not perfect, make it better. Everything that I do, I know I can do better. That includes making sure we are making the appropriate payments to the right entity, for the right amount of money.

All of us in Congress share this responsibility to do that; that is, if it is not perfect, to make it better. We all share a responsibility to do that in curbing waste and fraud.

The legislation that I think the House is going to pass later today, and hopefully the President will sign later this month, is called the Improper Payments Elimination and Recovery Act. It is the result of a 6-year journey. During the last Congress, I introduced an earlier iteration of this bill with Senator CLAIRE McCASKILL of Missouri. Over the last several years, I have chaired hearings on the issue of improper payments, waste, and fraud. Since then, we have worked with the Office of Management and Budget, the Congressional Budget Office, many other inspectors general, and many other experts to refine and strengthen our legislation.

The most recent version of that legislation was introduced last summer—about a year ago—along with Senator LIEBERMAN, who chairs our full committee, Senator COLLINS, the ranking member of the Homeland Security and Governmental Affairs Committee, Senator MCCAIN, and Senator McCASKILL. It was approved by the Committee on Homeland Security and Governmental Affairs late last year and was approved by the full Senate in June of this year. A companion bill was also introduced in the House by Representative PATRICK MURPHY from Pennsylvania, our neighbor to the north.

This legislation, I believe, is a perfect example of bipartisan common sense and bicameral common sense. And actually when you consider Senator LIEBERMAN is an Independent, it is tripartisan—Democrat, Republican, and Independent.

I think the bill makes a number of key reforms. First of all, it improves transparency by lowering the threshold whereby agencies are supposed to report improper payments. This will better inform the public about where their taxpayer dollars are going, and it will help us in Congress find ways to fix the problems that lead to waste.

The second key reform in this legislation is it requires agencies to produce

audited corrective action plans with targets to reduce waste. It is all well and good that we report improper payments or wasteful payments. The key is to stop doing it, to not just report it but to go after it and stop repeating the same mistakes.

A third reform is that this legislation increases the recovery of overpayments by requiring all agencies that spend more than \$1 million a year to perform recovery audits on all their programs.

Finally, fourth and last, the legislation penalizes agencies that fail to comply with Federal financial management and accounting laws and would make sure that progress in eliminating improper payments is part of senior agency officials' performance evaluations. So you say to somebody who is like a leader or supervisor in these Federal agencies: Part of your evaluation is going to be whether you are doing a good job of stopping overpayments, going out and making sure you do not make more of them, and going out and collecting money that is being "mispaid" or overpaid.

I am particularly pleased with the provision in the bill requiring major agencies to make greater use of tools that many private sector business use to recover overpayments when they make them. When agencies have used these tools, they have had some success, some real success.

About 7 years ago, 2003, Congress mandated what was at the time described as a pilot Recovery Audit Contractor Program to examine Medicare fee-for-service payments. In other words, Congress said: OK, Medicare, when you are making these fee-for-service payments to doctors, hospitals, and nurses, we want you to do, in three States—California, Florida, and New York—we want you to look at those three States and see if we are overpaying money. If we are making mistakes in Medicare, go get it.

I think a year or so later, we added to the initial three States Massachusetts and South Carolina. During the first year of this demonstration program, about \$50 million was recovered and returned to the Medicare trust fund. In the second year, about a quarter of a billion dollars was recovered, returned to the Medicare trust fund. I think if you add the total for the 3-year pilot program, which ended up in five States, they recovered about \$1 billion. They recovered about \$1 billion. It is real money.

One of the reasons why the Medicare trust fund is running out of money is because of fraud. Some people may have seen—I think it was on "60 Minutes" a year or so ago. Mr. President, "60 Minutes" did a special where they focused on a bunch of doctors' offices in some town in south Florida. The doctors' offices had three things in common: One, they had no patients; two, they had no doctors; three, they

had no nurses. All they were were like a billing operation on Medicare, to defraud money from Medicare and take it from the Medicare trust fund.

Last year, we were looking at the Medicare trust fund running out of money in about 8 years. That is untenable. With the changes we have made in the health care reform legislation, I think we pretty much doubled that life to maybe closer to 15 or 20 years, but we still have a problem. With all the money that is defrauded from Medicare, we want to recover as much of it as we can and put it back into the program.

But in any event, the pilot program—which started in three States and expanded to five States—this year we are expanding it to all 50 States.

There is also a provision in the recently enacted health care law—it is called the Patient Protection and Affordable Care Act, it is the health care reform legislation adopted earlier this year—but there is a provision that says to the folks who run health care at the Department of Health and Human Services that they have to expand this program, this cost recovery program, to include Medicare Advantage, to include the Medicare prescription drug program, and also to include Medicaid. As money is recovered from fraud and overpayments and missed payments in Medicaid, that money will be split between the States and the Federal Government.

The sooner the full program is up and operating, the sooner we can recover even more money—I think probably billions of dollars—in additional overpayments.

There is an added benefit to an expansion of recovery auditing. The Recovery Audit Contracting pilot program has identified dozens of vulnerabilities in the Medicare payment system that can lead to additional waste and fraud.

According to the Centers for Medicare and Medicaid Services—that is the entity that oversees Medicare and Medicaid—the contractors hired to recoup overpayments identified ongoing vulnerabilities that could lead to future overpayments totaling about a third of a billion dollars more. So not only did the contractors recover about \$1 billion in overpayments in the 3-year pilot program, they also identified additional problems in the systems they looked at, which, if we will address them, will reduce and avoid errors in the future.

Tomorrow—what is today, Wednesday?—tomorrow, Thursday—I think tomorrow afternoon—the Subcommittee on Federal Financial Management, which I am privileged to chair, will hold a hearing, and that hearing will examine the history and the opportunities for the Medicare Recovery Audit Contracting.

In conclusion, the Improper Payments Elimination and Recovery Act,

which again, hopefully, the House will pass today—the Senate has already passed it; and hopefully the President will put his "John Henry" on it later this month—that legislation will allow us to make even greater strides in curbing waste and fraud in the work of Federal agencies during the years ahead. Given the size of the budget deficits we face, we need to do that.

Enactment of this legislation is not the last step, but it is an important step. I look forward to seeing this important legislation signed into law and to working with my colleagues and with the administration on its successful implementation.

A lot of times people say to us: Why don't you do something about waste, fraud, and abuse? They are convinced that a lot of their money ends up being misspent, improperly spent, overpaid in some case. The people, or entities, businesses, should not get any of this money. Somebody ought to do something about it. With the legislation that will be on its way to the President, hopefully tomorrow, we are going to do something about it. We already are doing some pretty good things about it. We are going to do more, and we need to build on that record.

Thank you very much, Mr. President.

The ACTING PRESIDENT pro tempore. The Senator from Montana is recognized.

WALL STREET REFORM

Mr. TESTER. Mr. President, I rise today in strong support of the Wall Street reform conference report. The Senate will make history when we pass this legislation that finally holds Wall Street accountable and finally cleans up the schemes and abuses that nearly brought our entire economy to its knees. Most importantly, this bill ends once and for all taxpayer-funded bailouts of Wall Street banks and investment firms. It finally gets rid of any notion that any private company can somehow be "too big to fail."

I never bought that argument. In fact, I was the only Democrat in the Senate to vote against both the bailout of Wall Street and the auto industry. I do not believe in bailouts. But I do believe in making sure folks are playing by the same rules.

Our economy went belly up a year and a half ago because there were no referees on the field. With this bill, that is about to change. Big banks will be required to pay for their own liquidation should they fail, and taxpayers will never again be a part of that equation.

The bill also streamlines the regulation of Wall Street, providing the referees the tools they need to get the job done fairly and effectively.

It also ensures that everyone will now be playing by the same rules, and that unregulated entities offering financial products have to live up to the

same standards as the community banks and credit unions that serve States such as Montana.

The bill has tough new rules to prevent the spread of risky and dangerous products such as subprime mortgages that torpedoed our Nation's entire financial industry.

My focus over the last several months has been to make sure this bill is right for Montana and right for rural America. After some hard work, I think we did just that. This Wall Street reform bill is good for Montana's community banks, and it benefits small businesses.

Even in this era of bitter partisanship, the Senate unanimously passed an amendment I offered to make sure banks only pay their fair share for Federal deposit insurance. Right now, smaller community banks are paying for 30 percent of this insurance, even though they account for only 20 percent of all bank assets. That does not make sense, and this bill fixes that problem.

This conference report also includes a provision I drafted requiring the Consumer Financial Protection Bureau to consider the impact of all rules on community banks and credit unions and the rural customers they serve before any of those rules are made.

The legislation ensures that community banks will not be punished for the bad behavior of the mortgage brokers who offer risky mortgages. Those banks will be able to maintain the community-based regulators they currently have, and in the case of State chartered banks, the same lending limits they currently have.

Additionally, this bill ensures that community banks will be able to continue to provide the same mortgage products—including those specific to farmers and rural Americans—to their customers.

For small businesses, this legislation makes it easier for investors to help get new small businesses up and running while protecting investors from schemers. It exempts small public companies from costly additional compliance and regulation under Sarbanes-Oxley.

This bill is a win for Main Street. It holds Wall Street accountable and preserves the critical role community banks have in strengthening communities, creating jobs, and building small businesses. That is important because Montana families rely on their community banks to finance and grow their businesses and farms, help pay their bills, and put their kids through school.

This is a strong bill. It ends taxpayer-funded bailouts. It begins a new era of strong commonsense regulation to put the sideboards on our fast-moving financial industry, without taking away the fundamental tools it needs for healthy competition and growth, which strengthens this economy.

Let me be clear. Our work on this legislation does not end today. I will continue to remain vigilant to ensure this legislation is implemented and enforced in the way it was intended. We simply cannot afford to do nothing and let our financial industry go by the wayside ever again.

With that, I thank you, Mr. President.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

MR. SESSIONS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

KAGAN NOMINATION

MR. SESSIONS. Mr. President, the week before last, we had the hearing on Elena Kagan for her nomination to the U.S. Supreme Court, which is a tremendously serious and important position. Five members of the Supreme Court—not just nine but only five—can redefine the meaning of words in our Constitution and really alter, in many ways, the very structure of our government. We have seen activist judges that I think have tended in that direction, and it is dangerous and harmful because judges are given lifetime appointments. They are not accountable to the public. They are protected. Even their salaries are not reducible while they serve in office. So we have to know and believe they will be neutral, impartial, unbiased, and will render judgments based on the law and the facts and not on any preconceived commitments they may have had.

Ms. Kagan is now the Solicitor General of the United States. She has taken some sort of leave of absence in recent weeks since this nomination occurred, but she holds that title. The Department of Justice Solicitor General represents the U.S. Government in Federal court, usually before the Supreme Court, and in important cases before the courts of appeals and often is involved in setting legal policy for the United States and helping to advise on that. So it is important that the American people know, before she is confirmed—if she is confirmed—that she has not been involved in matters that would bias her and cause her not to be able to serve impartially under the law and under the Constitution of the United States. That is an important question.

The day before yesterday, I believe, the Wall Street Journal had an editorial entitled “Kagan and ObamaCare” in which it raised questions about the objectivity she might bring to the Court and whether she had been involved legally in the discussions

or drafting the ideas concerning the development and promotion of the health care reform bill so massively affecting health care in America. It raised the question: Should she recuse herself if that comes up, if she has been involved in that? I think that is a very important question.

The seven Republican members of the Senate Judiciary Committee wrote yesterday and asked Ms. Kagan to give detailed explanations as to what extent she may have been involved in any discussions regarding the promotion or legality of the health care reform bill. I think we are entitled to that. It is an important matter.

I see my friend Dr. BARRASSO on the floor, who has been a great expert in our debates on health care reform. He has repeatedly explained how this legislation will impact health care throughout America. As a physician, he understands that, and he has been able to explain it to us in ways that any of us should be able to understand. In fact, he gave us some very serious warnings about the fact that the promises made for this legislation were not legitimate, weren't real, weren't accurate, and in study after study and report after report that has come out, Senator-Dr. BARRASSO has been proven correct. The warnings he gave us that it is not going to reduce costs and that other difficulties will arise have been proven true—too much, in fact—and it is a matter of real seriousness.

So I guess I wish to say that a judge should recuse himself or herself if their impartiality might reasonably be questioned on any matter that came before them.

I believe Dr. BARRASSO has raised previously his concern about what it really means if the U.S. Government tells an individual American citizen who is minding his own business that he has to have an insurance policy. I will recognize him at this point and ask him to at least share his thoughts on that important issue and why he believes having a fair judge on the Supreme Court is important.

The ACTING PRESIDENT pro tempore. The Senator from Wyoming.

MR. BARRASSO. Thank you very much, Mr. President.

I come to the floor today with my friend and colleague because I have just gotten back from a week of traveling all across the State of Wyoming, a beautiful State this time of year. People are out and at parades. I had a chance to visit at several senior centers. The question that continued to come up was, Can the government force me to buy health insurance?

A lot of people in Wyoming carry their copy of the Constitution with them. They carry it in their breast pocket. They carry it with them. It is in the pickup truck. It is with them all the time. They continue to look to the 10th amendment, which says:

The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

The people quote that. It just makes sense to the people of Wyoming that Washington should not be able to come into their communities, into our State, into their homes, and say: You must buy this product.

So when I see the number of States—20 now—that have filed suit against the Federal Government because of a new health care law, a law that I think is going to end up, if it is not repealed and replaced, being bad for patients, bad for payers, the taxpayers in the country and the people who pay their own health care bills as well, and bad for providers—it is a bill that I think is bad medicine, to the point that Senator TOM COBURN and I, the other physician—there are only two physicians who practice medicine in the U.S. Senate, and I have been taking care of people and their families in the State of Wyoming since 1983—we have come up with a report called “Bad Medicine: A Checkup on the New Federal Health Care Law.”

There are people who say: I don’t like this. Now we have a nominee to the Supreme Court who is very likely, if this works its way to the Supreme Court, to have an opportunity to make a ruling, a ruling for the people of the United States, on whether this body—this Senate, this House—has a right to tell the American people what product they must buy, whether it is health insurance, whether it is cars, whether it is the kind of cereal they eat for breakfast in the morning. The American people are very concerned.

So I come to the floor also with this editorial from Tuesday, July 13, this editorial entitled “Kagan and ObamaCare,” because the fundamental question is, Should this nominee recuse herself if she is, in fact, confirmed by this body? One might say: Well, when would someone recuse themselves from making a decision? Because, after all, she has been serving in this administration, serving this President, serving the President who has promoted such a piece of legislation that forces American citizens, forces the citizens of this country to buy a product.

The editorial says:

Recusal arises as a matter of judicial ethics if as a government official she expressed an opinion on the merits of the health-care litigation. This is what she would have to render a judgment on were she to be confirmed for the High Court.

It goes on:

It is also the question on which she is likely to have participated given her role at the Justice Department.

I would have to turn to my colleague who is the ranking member of the Judiciary Committee.

It says as well that:

The Solicitor General is the third ranking official at Justice, its senior expert on Con-

stitutional issues, so it’s hard to believe she wouldn’t have been asked at least in passing about a Constitutional challenge brought by so many states. The debate about the suit was well underway in the papers and on TV. The matter surely must have come up at Attorney General Eric Holder’s senior staff meetings, which the Solicitor General typically attends.

The editorial goes on to say:

We doubt Ms. Kagan would have stayed mum about the cases in internal Justice councils on grounds that Mr. Obama might later nominate her to the Court. At the time the Florida suit was filed on March 23, she was only one of several potential nominees whose names were being floated by the White House.

So here we have this, and that is when you get back to that opening paragraph I read: “Recusal arises as a matter of judicial ethics.”

So I say to my friend and colleague from Alabama, is this not a legitimate area of concern, especially in light of the fact that across this great country people are offended by this law? I just saw a poll that came out today. The popularity of this new law, which has never been very popular and which was forced down the throats of the American people, is now 7 percentage points less popular now than it was even 2 months ago. So something exceptionally unpopular is getting even more unpopular. By a ratio of 2 to 1, people think it is going to raise their costs and lessen their quality of care.

Mr. SESSIONS. Mr. President, let me ask the Senator, on that question, are the American people right or are the people who promoted this bill right? Are costs going up and is the quality of health care going down? What is the Senator’s opinion?

Mr. BARRASSO. Mr. President, I spent Friday visiting with colleagues, friends, patients at the Wyoming Medical Center. Across the board, after talking to physicians, talking to patients, talking to others in the hospital as well as around the State of Wyoming, people believe it is going to be bad for patients, those waiting to get their care; bad for payers, the taxpayers of this country, the individuals who are paying for their insurance as well; and bad for providers, the nurses and the doctors whom I talked to. They have incredible concerns about what the impact is going to be on nurses and doctors when taking care of patients. The patients’ concerns are, are they going to get the kind of care they want, the kind they are accustomed to, because no matter where I go in Wyoming, I hear people saying: This is a bill that wasn’t passed to help me; it was passed and forced down our throats to help someone else, and they are going to make me buy a product that I might not want to buy, according to a number of criteria the government puts forward.

They may not want what the government says they have to buy, and then

you get back to the Constitution. Does this government and does Congress have a right to tell the American people what they must purchase?

Mr. SESSIONS. This is a fundamental question. The Constitution gives the U.S. Government the right to regulate interstate commerce, that is true. The Supreme Court, at times, has taken a most minimal effect on interstate commerce and says the Federal Government can regulate it. But I am not aware of a circumstance in which an individual in Wyoming, or Alabama, minding their own business and not participating in an interstate commerce health insurance policy in any way, and the Federal Government waltzes in and says you must participate in this interstate commerce—you are not participating in it and they require that you do participate in it.

If you believe—and there is only one view—that the Constitution is a government of limited power, it has only powers that are delegated to it—and they are enumerated powers—then have we crossed a divide here that we have not crossed before. That is why these lawsuits are being filed. They are very real. The one in Florida may be farther along than most of them; it is already out there. Ms. Kagan, at this very moment, sits as a Solicitor General of the United States—in title, if not fully acting—and was, I think, before this lawsuit was filed fully acting, and it impacts the Federal Government. The question we have asked that I think must be answered by her is exactly what kind of relationship and discussion she may have had concerning this legislation.

First, I ask Senator BARRASSO—and not being a lawyer can be a benefit in this body, but I assume from the tone of his comments that he is a little uneasy that this high official in the Obama administration—an administration that has committed the whole of its resources to the passing of this legislation—is now about to rise to the Court and would be asked to decide what could be a deciding issue of whether this health care bill stays law or is struck down. So without the niceties at this moment on recusal issues, does that make the Senator nervous?

Mr. BARRASSO. The whole health care law makes me nervous. I look at this and say that the underpinning of this law—the thing that holds it together—is the mandate on the American people that everyone buy insurance, that everyone has to have insurance at work or through Medicare or Medicaid, but if none of those work, you have to buy insurance. It is the government telling someone they have to buy it.

So I have great concerns when a government thinks it is so powerful, and this body thinks it is so powerful—more powerful than the American people. I reject that, and I want to make

sure that, as it gets to the Supreme Court, there are people on the Court who side with the American people and, most importantly, with the Constitution—what to me the tenth amendment means—and the people of Wyoming, which is that the government cannot come into our homes and say you must do this—you must buy this product.

Mr. SESSIONS. Well, I think that is exactly correct. I will say that whether or not being a high official in this administration, which is so committed to passing this legislation, whether that in itself legally requires a person to recuse themselves on the Supreme Court from hearing such a case, I am not prepared to say at this moment, but it makes me uneasy.

I believe a judge who decides that question must be impartial and cannot be corrupted by friendship or empathy or bias in favor of the person who appointed them. That is important.

Secondly, I ask Senator BARRASSO, our question goes to a more specific situation that could mandate recusal, and that is whether the nominee has participated in any discussions, strategies, or making legal advice designed to promote this legislation. I think that would be a clear situation that would require recusal.

Also, specific questions could come up regarding to what extent have these lawsuits that have been filed affected her and has she expressed any opinions concerning the lawsuits.

Finally, I do not believe the President is entitled to launch onto the Supreme Court a political loyalist who will be a legal rubberstamp for anything that gets proposed, whether it is the takeover of AIG or of automobile companies or other things that may be decided. I think we need to be careful about this.

This nominee needs to answer those questions because what the Senator is hearing is what I hear.

Mr. BARRASSO. I ask my colleague this, as he participated in the hearings and the questioning. Apparently, Ms. Kagan says she will recuse herself from participating in a number of cases—I think 11—on which she represented the government in her current job as Solicitor General.

It seems that in a case such as this—the area that the President of the United States put all of his credibility and effort into forcing through this body and through the House and, in my opinion, jamming down the throats of the American people—if she is already going to recuse herself on 11 other issues, it seems to me that we should also get that sort of a commitment on this issue.

As the Senator has said—and he has practiced law—recusal arises as a matter of judicial ethics. Now we are talking about the ethics of the individual involved, and the decisions that person

would then make based on the position to which they are nominated.

Mr. SESSIONS. I believe that is correct. The standard is, among other things, if your impartiality might reasonably be questioned—and many judges are very sensitive about this—if you own a bunch of stock and you have one share in a big company like GE, and a case involving GE comes before you, you are expected to recuse yourself, even though it is unlikely to have an impact on your finances. But it doesn't look good.

I think we are entitled to know how sensitive this nominee is going to be to the dangers of her impartiality being questioned, even if her actions are not such that clearly, as a matter of judicial ethics, mandates her recusal. I think we need to talk about that, and I feel like the American people that we meet with, who are concerned about governmental overreach, who wonder if we have lost all sense of the limited power of this government in Washington, I believe those people are entitled to have absolute confidence that anybody confirmed to the Supreme Court will not sit on a case if they can't be impartial, or if their impartiality could even reasonably be questioned.

I thank the Senator for his leadership on the issue, and I am glad we had this colloquy. I hope we are going to get a complete answer from the nominee soon about any involvement she may have had explicitly, and then to perhaps also inquire further about to what extent she will be prepared to not participate if her impartiality can be questioned.

Mr. BARRASSO. If I can ask a final question. The final paragraph of this editorial that the Senator will introduce into the RECORD says:

As someone who hopes to influence the Court and the law for decades—

We are talking about an appointment that could last a lifetime, 30 or 40 years.

Ms. Kagan should not undermine public confidence in her fair-mindedness by sitting in judgment on such a controversial case that began when she was a senior government legal official.

It seems to me—and I ask the Senator at this time—where someone may be embarking on a long career on the Court, wanting to do the right thing and head in the right direction, that the best decision would be to recuse herself from this case as well, if she is confirmed, rather than get involved in it and potentially have an impact on her reputation for decades to come.

Mr. SESSIONS. I think that is correct. I appreciate the way the Wall Street Journal expressed that. I think that is a legitimate position. I hope the nominee will take very seriously those concerns and will respond promptly to the questions we have asked of her.

I ask unanimous consent that the Wall Street Journal editorial be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, July 13, 2010]

KAGAN AND OBAMACARE

Elena Kagan breezed through her recent confirmation hearings, but there's some crucial unfinished business the Senate should insist on before voting on her nomination to the Supreme Court. To wit, she ought to recuse herself from participating as a Justice in the looming legal challenges to ObamaCare.

In response to Senate queries, Ms. Kagan has said she'll recuse herself from participating in 11 cases on which she represented the government in her current job as Solicitor General. The challenge to ObamaCare isn't one of them, though the cases brought by Florida and 20 other states were filed in March, well before President Obama announced her nomination on May 10.

Ms. Kagan was never asked directly at her hearings about her role as SG regarding the healthcare lawsuits. The closest anyone came was this question from Oklahoma Republican Tom Coburn: "Was there at any time—and I'm not asking what you expressed or anything else—was there at any time you were asked in your present position to express an opinion on the merits of the health-care bill?"

Ms. Kagan: "There was not."

Regarding a potential recusal, that's not the right question. Ms. Kagan was unlikely to have been consulted on the merits of health-care policy, and even if she did express an opinion on policy this would not be grounds for recusal. The legal precedents on that are clear.

Recusal arises as a matter of judicial ethics if as a government official she expressed an opinion on the merits of the health-care litigation. This is what she would have to render a judgment on were she to be confirmed for the High Court. It is also the question on which she is likely to have participated given her role at the Justice Department.

The SG is the third ranking official at Justice, and its senior expert on Constitutional issues, so it's hard to believe she wouldn't have been asked at least in passing about a Constitutional challenge brought by so many states. The debate about the suit was well underway in the papers and on TV. The matter surely must have come up at Attorney General Eric Holder's senior staff meetings, which the SG typically attends.

We doubt Ms. Kagan would have stayed mum about the cases in internal Justice councils on grounds that Mr. Obama might later nominate her to the Court. At the time the Florida suit was filed on March 23, she was only one of several potential nominees whose names were being floated by the White House.

Under federal law (28 U.S.C., 455(b)(3)), judges who have served in government must recuse themselves when they have "participated as counsel, adviser or material witness concerning the proceeding or expressed an opinion concerning the merits of the particular case in controversy."

Though their public chance has passed, Senators can still submit written questions to Ms. Kagan for the record. We hope someone asks her directly whether the legal challenges to ObamaCare ever arose in her presence at Justice, whether she was ever asked

her views, and what she said or wrote about the cases.

We also think there are grounds for recusal based on her response during her Senate hearings on the substance of the state legal challenge. The Florida case boils down to whether Congress can compel individuals to buy health insurance under the Commerce Clause. Ms. Kagan danced around the history of Commerce Clause jurisprudence, but in one response to Senator Coburn she did betray a bias for a very expansive reading of Congress's power.

The Commerce Clause has "been interpreted to apply to regulation of any instruments or instrumentalities or channels of commerce," she said, "but it's also been applied to anything that would substantially affect interstate commerce." Anything? This is the core question in the Florida case. If she already believes that the Commerce Clause justifies anything that substantially affects interstate commerce, then she has all but prejudged the individual mandate question.

A federal judge is required by law to recuse himself "in any proceeding in which his impartiality might reasonably be questioned." This has been interpreted to mean that the mere public expression of a legal opinion isn't disqualifying. But this is no routine case.

Ms. Kagan would sit as Mr. Obama's nominee on the nation's highest Court on a case of momentous Constitutional importance. If there is any chance that the public will perceive her to have prejudged the case, or rubber-stamped the views of the President who appointed her, she will damage her own credibility as a Justice and that of the entire Court.

As someone who hopes to influence the Court and the law for decades, Ms. Kagan should not undermine public confidence in her fair-mindedness by sitting in judgment on such a controversial case that began when she was a senior government legal official.

The ACTING PRESIDENT pro tempore. The Senator from Washington is recognized.

Mrs. MURRAY. Mr. President, I ask unanimous consent to speak as in morning business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

FINANCIAL REGULATORY REFORM

Mrs. MURRAY. Mr. President, I have been fighting hard for a Wall Street reform bill that protects my State's families, holds Wall Street accountable, and includes a guarantee that American taxpayers will never again have to pay to bail out Wall Street or to clean up after big banks' messes. I am proud to say that, finally, after months of hard work, we are so close now to passing legislation that does exactly that.

This should not be a partisan issue. It should not be about right versus left or Republican versus Democrat. It should be about doing what is right for our families and small business owners in my State of Washington and across the country. It should be about who it is we choose to stand up for and who we think needs our support right now.

Some people have spent the last few months standing up for Wall Street and

big banks, trying to water down this reform, and fighting against any changes that would prevent the big banks from going back to their "bonus as usual" mentality.

I have been proud to stand with so many others to fight against the Wall Street lobbyists and special interest groups and stand up for the families I represent in Washington—families who want us to pass strong reform that cannot be ignored or sidestepped in the future, who want us to end bailouts and make sure Wall Street is held accountable for cleaning up their own messes, and who want us to put into place strong consumer protections to make sure big banks can never again take advantage of our families, our students, or our seniors.

For most Americans, this debate is not complex; it is pretty simple. It is not about derivatives or credit default swaps; it is about fundamental fairness. It is about making sure that we have good commonsense rules that work for our families and our small business owners. It is about the person who walks into a bank to sign up for a mortgage, or applies for a credit card, or starts planning their retirement. We want to make sure the rules are now on their side and not with the big banks on Wall Street.

For far too long the financial rules of the road have not favored the American people. Instead, they have favored big banks, credit card companies, and Wall Street. For too long, those people have abused the rules.

As we now approach this vote, I think it is important for all of us to be clear about who it is we are fighting for. I am fighting for people such as Devin Glaser, a school aide in Seattle, who told me that he had worked and saved his money and bought a condo before the recession began. He told me he put 20 percent down on a traditional mortgage and was making his payments. However, like a lot of people who found themselves underemployed as a result of this recession, Devin has been unable to find work for more than 25 hours a week. He told me he is now unable to pay his mortgage. He will be foreclosed on any day now.

I am also fighting for people such as Rob Hays, a Washington State student whose parents have put their retirement on hold and gone back to work in order to send him to school. A few short years ago, Rob's parents were in the process of selling their home and preparing to retire. But then the foreclosure crisis took hold and they could no longer find a buyer. As a result, they were forced to pay two mortgages with the money they had saved for Rob's school, and retirement was put on hold.

I am fighting for people such as Jude LaRene, a small business owner in Washington State, who told me that when the financial crisis hit, his line of

credit was pulled. That forced him to lay off employees, go deep into debt on his personal credit card, and cut back on inventory—despite the fact that his toy stores were more popular than ever.

I am fighting for people such as Devon and Rob and Jude because they are the ones being forced to pay the price now for Wall Street's greed and irresponsibility.

Whether it was gambling with borrowed money from our pension funds, making bets they could not cover, or peddling mortgages to people they knew could never pay, Wall Street made reckless choices that have devastated a lot of working families.

In my home State of Washington, Wall Street's mistakes cost us over 150,000 jobs. They cost average families thousands of dollars in lost income.

They cost small businesses the access to credit they need to expand and hire and, in many cases, caused them to close.

They cost workers their retirement accounts they were counting on to carry them through their golden years and students the college savings that would help launch their college careers.

They cost homeowners the value of their most important financial asset as neighborhoods have been decimated by foreclosures.

They cost our schoolteachers and our police officers and all of our communities. And they cost our workers, such as Devon, our students, such as Rob, and our small business owners, such as Jude.

We owe it to people like them all across the country to reform this system that puts Wall Street before Main Street. We owe it to them to put their families back in control of their own finances. We owe it to them to make sure the rules that protect families sitting around the dinner table at night, balancing their checkbooks and finding ways to save for the future, not those sitting around the board room table finding ways to increase profits at the expense of hard-working Americans. To do that, we have to pass this strong Wall Street reform legislation.

It is important for families to understand what this bill does and what exactly opponents of this legislation are fighting against.

This bill contains explicit language guaranteeing that taxpayers will never again be responsible for bailing out Wall Street. It creates a brandnew Consumer Financial Protection Bureau that will protect our consumers from big bank ripoffs, end unfair fees, curb out-of-control credit card and mortgage rates, and be a new cop on the beat to safeguard consumers and protect their families.

It puts in place new restrictions for small businesses from unfair transaction fees that are imposed by credit

card companies. It enforces limitations on excessive compensation for Wall Street executives. And it offers new tools to promote financial literacy and make sure our families have the knowledge to protect themselves and take personal responsibility for their finances.

I have heard so many stories from people across Washington State who have scrimped and saved and made the best with what they had but were devastated, through no fault of their own—people who played by the rules but who are now paying the price for those on Wall Street who did not. These are the people for whom we have to stand up, the people whose Main Street values I and so many others fight for every day.

With all of the new protections and reforms this bill contains for families and small businesses, one has to ask: Who are the opponents fighting for and who are they standing up to protect?

I grew up working at my dad's five-and-dime store on Main Street in Bothell, WA—actually on Main Street. Like a lot of people in the country, Main Street is where I got my values. I was taught by my dad that the product of your work was not just about the dollars in the till at the end of the day. I learned that a good transaction was one that was good for your business and good for your customer. I learned that strong customer service and lasting relationships often made your business much stronger; that personal responsibility meant owning up to your mistakes and making them right. I learned that one business relied on all the others on the same street.

I was taught that customers were not prey and businesses were not predators, and that an honest business was a successful one.

It is time for us to bring those Main Street values back to our financial system, to bring back an approach that puts Main Street and families over Wall Street and profits; that protects consumers, holds big banks accountable for their actions, and makes sure people such as Devon and Rob and Jude are never again forced to bear the burden for big banks' mistakes.

I urge my colleagues today to stand with us against the status quo and for this strong Wall Street reform bill that families and small businesses in Washington State and across the country desperately need.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Missouri.

Mr. BOND. Mr. President, I rise today to speak about the financial overregulation bill. The so-called financial reform bill before us is being sold to the American people as holding Wall Street accountable for the economic crisis that hurt every American family and business in every community across the Nation. We are told this

bill will end "too big to fail" and prevent future bailouts.

Unfortunately, just as the stimulus bill was supposed to reduce unemployment and the health care bill was supposed to lower health costs and reduce the deficit, this bill, too, will do the opposite of what is advertised. It will not prevent future bailouts. It will create another huge Federal bureaucracy; and instead of punishing Wall Street, it will punish Main Street and the families who suffered—not caused—the financial meltdown.

This bill was meant to rein in Wall Street. Yet the biggest supporters are Goldman Sachs and Citigroup, and the biggest opponents are community banks and small businesses in every city and town and community in the Nation. I think that tells us all we need to know about this bill. I urge my colleagues to listen to the folks at home, the people who have to make a living who are going to be burdened by it.

I strongly oppose cloture on this bill. Yes, there have been improvements made, and I worked with my colleague, Senator DODD, to make sure we did not devastate the venture capital area. Unfortunately, that is coming in another bill. But despite some of the progress we have made, the provisions most harmful to taxpayers, families, and small businesses still remain.

As a matter of fact, new provisions have been airdropped into the conference report that are so problematic that neither Chamber could agree to include them in either version. If we are truly committed to enacting real bipartisan reform, then the majority would never allow items that were never debated and voted on to be included in the bill.

I hope my Democratic colleagues will stand up for these principles about which they have talked so loudly and say no to this backroom practice of airdropping totally new concepts into the bill.

I wish to talk now about some of the most egregious provisions in the bill.

First, it is unbelievable and unacceptable that so many of my colleagues want to turn a blind eye to the government-sponsored enterprises, GSEs, that contributed to the financial meltdown by buying high-risk loans that banks made to people who could not afford them.

Everyone here knows what I am talking about. Despite this bill's 2,300 pages, it completely ignores the 900-pound gorilla in the room: the need to reform Fannie Mae and Freddie Mac, or the toxic twins as I not so fondly have to refer to them now.

The irresponsible actions by Fannie and Freddie turned the American dream into the American nightmare for too many families who have either had their homes foreclosed or who are hanging on by a thread.

The irresponsible actions, pushed by previous administrations on Fannie and Freddie, devastated neighborhoods and communities as property values diminished.

To add insult to injury, after Freddie and Fannie went belly up, it was the very Americans who suffered from their irresponsible actions who were left footing the bill.

As if that were not bad enough, unless we act now to reform the toxic twins, over the next 10 years Fannie and Freddie will cost the American taxpayers at least an additional \$389 billion.

In the joy of the Christmas holiday last December, the administration took off the \$400 billion limit on them. I have to ask: How much money do they think they can lose if \$400 billion is not enough for them to lose?

What is in this bill to address this problem? Absolutely nothing. Zip. Zero.

Next, this bill lumps in the good guys with the bad guys and treats them all the same, particularly when it comes to derivatives.

Folks who are trying to manage and control costs are treated the same as folks who are spending and speculating in the market, making shady bets with money they did not have, making insurance bets on property they did not own.

This was described in the book, "The Big Short," by Michael Lewis. These computer game derivatives, or insurance policies, were dreamed up by Wall Street geniuses, some who made billions, others who lost billions. The billions in losses almost destroyed our financial system and poisoned the world's financial system.

I have heard some folks say: Why do these bad practices mean something is going to happen to me? The way this bill is drafted, utility companies may not be able to lock in steady rates for their customers, leaving them instead at the whim of a volatile market. The utility companies will have to pay billions to Wall Street or Chicago to clear their normal long-term contracts and postcollateral with energy suppliers through clearinghouses run by big financial firms. That money will be immediately passed along to every consumer of power from that utility company. That is what utilities do—they pass it on to you and me as electricity or gas or other customers of theirs.

Mr. President, you and I and folks in every community across the country could pay higher costs every time we flip on the light switch or turn on the air conditioner or heat.

That means family farms may not be able to get long-term financing, forcing many to quit farming and prevent many from beginning to farm.

The Wall Street Journal today, in a front-page article headed "Finance Overhaul Casts Long Shadow on the

Plains" tells how this bill will clobber folks in agricultural communities who have to have forward contracts. They never caused the problem, but it will tie up capital and make them pay tribute to big firms on Wall Street or Chicago. No wonder those big firms are for them. There is a lot of business for them, a lot of expense for the farmer, the commodity hauler trying to make a living.

I am stunned that any Senator in good conscience would vote for a bill that would increase costs for every American, especially at a time when working families are struggling to make ends meet. One thing is certain: This bill will enlarge government.

Today's Wall Street editorial opines that:

Dodd-Frank, with its 2,300 pages, will unleash the biggest wave of new federal financial rulemaking in three generations. Whatever else this will do, it will not make lending cheaper or credit more readily available.

They go on to state that one law firm has estimated that the new law "will require no fewer than 243 new formal rule-makings by 11 different agencies."

What will be the effect? More lawyers, more bureaucracy, more taxpayer money, and more lawsuits.

Certainly, I cannot vote in good conscience for a bill that creates a massive new superbureaucracy with unprecedented authority to impose government mandates and micromanage any entity that extends credit.

We are not talking about the big guys—the Goldman Sachs and the AIGs. In the real world, we are talking about the community banks, small retailers, and even your dentist.

I talked with a lot of small businesses and listened to them. A lot of people were concerned this past week when I was home about what is going on in Washington. I was talking with a group in Maryville in northwest Missouri.

I said: The uncertainty is really a problem for small businesses.

One small businessman corrected me. He said: No, it's the certainty. We know what Washington has already done to the deficit, to the debt, to health care, what it is going to do to financial regulation, and what it is threatening to do to energy costs.

I asked everybody around the table: Should I have said "certainty" rather than "uncertainty"?

They said: You certainly should.

Small businesses are not willing or able or even inclined to create jobs when this massive government rollout of spending, taxation, and regulation is coming down on them.

Let's not be naive. Any of the new costs as a result of new mandates and regulations, regardless of the entity on which they are imposed, will be passed down to the very people this bill claims to protect. Under the new, misnamed Consumer Financial Protection Bu-

reau, or CFPB, the decisions on allocating credit will no longer be based on the safety and soundness requirement for healthy banks. Instead, by empowering this new superbureaucracy with unprecedented power, decisions on credit will be driven by the administration's political will and agenda. Politics will then decide how to allocate credit while operating outside the framework of safety and soundness, thus putting more risk back into the system when we were supposed to be taking risk out of the system.

This giant bill also contains a provision creating a new Office of Financial Research. You will get to know this one. It is given the authority to access personal financial information of any citizen in the United States. Well, I don't know about you, but I would prefer not to have a new bureaucracy rifling through my personal account information in an era of economic and electronic communications where fraud and identity theft run rampant. Ordinary Americans who did not cause the financial meltdown should not be punished and placed at risk because the government wishes to create this new, unnecessary office.

I could continue to list provision after provision, pointing out expansions of government and ill-intended policies that will create more uncertainty while failing to hit the objective of regulatory reform. However, this Chamber doesn't have the hours for my speech alone. I could say: Harsh letter to follow. If anybody wants to know, we will be happy to send them lots of chapters and lots of verses. But, much like the health care bill recently signed into law, I fear small businesses will soon learn of many more unintended consequences which have yet to be seen. Even the bill's sponsors admit that the bill's long reach will not be fully known until it is in place. Remember when the leader on the other side of this building said: If you want to find out what is in the bill, you will have to pass it. Well, in this bill, if you want to find out what it is going to do, unfortunately, you are going to find out if you pass it. I don't want to have my fingerprints on what is going to happen to businesses, to communities, and to jobs in the United States if it passes.

To sum it up, if the goal is to enact real reform that ensures we never, ever have another financial crisis like the one we had 18 months ago, the bill falls woefully short of that goal. It is light on reform, heavy on overreach and unintended consequences. Overall, this bill is too large, too costly for consumers, and would kill job creation at a time when working Americans need to be left to do what they do best, and that is succeed.

There is no doubt we need to protect every American from ever again falling victim to Wall Street gone wild. But

what we do not want—and why this debate is so important—is to punish Americans for a crisis they didn't cause. Unless we scrap this failed version and start over, the Democrats' bill will do just that, and the costs will be paid by Main Street.

Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from today's Wall Street Journal to which I referred.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal]

THE UNCERTAINTY PRINCIPLE

So Republicans Scott Brown, Olympia Snowe and Susan Collins now say they'll provide the last crucial votes to get the Dodd-Frank financial reform through the Senate. Hmmm. Could this be Minority Leader Mitch McConnell's secret plan to take back the Senate, guaranteeing another year or two of regulatory and lending uncertainty and thus slower economic growth?

Probably not, but that still may be the practical effect. This week White House aides leaked to the press that President Obama may seek a review of regulations that are restraining business confidence and bank lending. Yet Dodd-Frank, with its 2,300 pages, will unleash the biggest wave of new federal financial rule-making in three generations. Whatever else this will do, it will not make lending cheaper or credit more readily available.

In a recent note to clients, the law firm of Davis Polk & Wardwell needed more than 150 pages merely to summarize the bureaucratic ecosystem created by Dodd-Frank. As the nearby table shows, the lawyers estimate that the law will require no fewer than 243 new formal rule-makings by 11 different federal agencies.

The SEC alone, whose regulatory failures did so much to contribute to the panic, will write 95 new rules. The new Bureau of Consumer Financial Protection will write 24, and the new Financial Stability Oversight Council will issue 56. These won't be one-page orders. The new rules will run into the hundreds if not thousands of pages in the Federal Register, laying out in detail what your neighborhood banker, hedge fund manager or derivatives trader can and cannot do.

As the Davis Polk wonks put it, "U.S. financial regulators will enter an intense period of rule-making over the next 6 to 18 months, and market participants will need to make strategic decisions in an environment of regulatory uncertainty." The lawyers needed 26 pages of flow charts merely to illustrate the timeline for implementing the new rules, the last of which will be phased in after a mere 12 years.

Because Congress abdicated its responsibility to set clear rules of the road, the lobbying will only grow more intense after the President signs Dodd-Frank. According to the attorneys, "The legislation is complicated and contains substantial ambiguities, many of which will not be resolved until regulations are adopted, and even then, many questions are likely to persist that will require consultation with the staffs of the various agencies involved."

In other words, the biggest financial players aren't being punished or reined in. The only certain result is that they are being summoned to a closer relationship with Washington in which the best lobbyists win, and smaller, younger firms almost always

lose. New layers of regulation will deter lending at least in the near term, and they are sure to raise the cost of credit. Non-blue chip businesses will suffer the most as the financial industry tries to influence the writing of the rules while also figuring out how to make a buck in the new system.

The timing of Dodd-Frank could hardly be worse for the fragile recovery. A new survey by the Vistage consulting group of small and midsize company CEOs finds that “uncertainty” about the economy is by far the most significant business issue they face. Of the more than 1,600 CEOs surveyed, 87% said the federal government doesn’t understand the challenges confronting American companies.

Believe it or not, Mr. Frank has already promised a follow-up bill to fix the mistakes Congress is making in this one. In a recent all-night rewrite session, he and Mr. Dodd made a particular mess of the derivatives provisions. They now say they didn’t really mean to force billions of dollars in new collateral payments from industrial companies on existing contracts that present no systemic risk. But that’s precisely what the regulators could demand under the current language, and the courts will ultimately decide when everyone sues after the new rules are issued.

Taxpayers might naturally ask why legislators don’t simply draft a better bill now. But for Democrats the current and only priority is to pass something they can claim whacks the banks and which they can hail as another “achievement” to sell before the elections.

More remarkable is that a handful of Republicans are enabling this regulatory mess. Mr. Brown and Ms. Collins say they now favor Dodd-Frank because Congressional negotiators agreed to drop the bank tax. But lawmakers didn’t drop the bank tax. They only altered the timing and manner of its collection. Instead of immediately assessing a tax on large financial companies to pay for future bailouts, the final version simply authorizes the bailouts to occur first. The money to pay for them will then be collected via a tax on the remaining firms.

Because this tax will be collected by the Federal Deposit Insurance Corporation, even opponents of the bill have viewed it as part of an insurance system. It isn’t. Insurance is when you pay a premium and the insurance company agrees to replace your house if it burns down. A tax is when you pay the government and then the government decides which houses it wants to replace when there is a fire in the neighborhood.

Under Dodd-Frank, if Firm A pays to cover the cost of the last bailout, there’s no guarantee that the FDIC will rescue its creditors if Firm A fails in the future. This is fundamentally different from traditional deposit insurance, which guarantees the same deal for every bank customer. Dodd-Frank allows the FDIC to discriminate among creditors at its discretion.

This transfer of wealth is a tax by any reasonable definition, borne by the customers, shareholders and employees of the companies ordered to pay it. Is this how Mr. Brown plans to reward the tea partiers who carried him to victory last winter in Massachusetts? Is this the key to a small business rebound in Maine?

A good definition of a bad law is one that its authors are rewriting even before they pass it. The only jobs Dodd-Frank will create are in Washington—and in law firms like Davis Polk.

Triumph of the Regulators—Estimate of new rule-makings under the Dodd-Frank financial reform by federal agency

Bureau of Consumer Financial Protection	24
CFTC	61
Financial Stability Oversight Council	56
FDIC	31
Federal Reserve	54
FTC	2
OCC	17
Office of Financial Research	4
SEC	95
Treasury	9
Total*	243

*The total eliminates double counting for joint rule-makings and this estimate only includes explicit rule-makings in the bill, and thus likely represents a significant underestimate.

Source: Davis Polk & Wardwell

Mr. BOND. Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. MERKLEY). The Senator from New Mexico.

Mr. UDALL of New Mexico. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Mexico is recognized.

Mr. UDALL of New Mexico. I thank the Chair.

(The remarks of Mr. UDALL of New Mexico pertaining to the submission of S. Res. 581 are located in today’s RECORD under “Submission of Concurrent and Senate Resolutions.”)

Mr. UDALL of New Mexico. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. LINCOLN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. LINCOLN. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. LINCOLN. Mr. President, I rise to voice my support for the Dodd-Frank Wall Street Reform Act. As the chairman of the Senate Agriculture Committee, I was fortunate to play a role in writing some of the most important reforms of this legislation, and that was the derivatives title. This historic legislation the Senate stands poised to approve will rein in the reckless Wall Street behavior that nearly destroyed our economy, hurting Arkansas small businesses and costing millions of Americans their jobs.

In 2008, our Nation’s economy was on the brink of collapse. America was being held captive by a financial system that was so interconnected, so large, and so irresponsible that our economy and our way of life were

about to be destroyed. I will never forget the sobering meetings at the Capitol with then-Treasury Secretary Hank Paulson and Federal Reserve Chairman Ben Bernanke, who informed us of the imminent collapse of the U.S. economy. Overnight, the United States of America—the most powerful economic power on the globe—had been brought to the brink of collapse.

Today, American families and small businesses are still managing the consequences of the reckless behavior that occurred on Wall Street and nearly led to our economic collapse. Congress has the duty to the people we represent and to future generations of Americans to ensure that this country’s economic security is never again put in that kind of jeopardy. Failure to correct the mistakes of the past is simply unacceptable. That is why I am proud to say that today we stand poised to deliver the historic reform the American people deserve.

This legislation provides 100 percent transparency and accountability to our shattered financial markets and regulatory system. As chairman of the Senate Agriculture Committee, I was proud to help craft the bill’s strong derivatives title. This legislation brings a \$600 trillion unregulated derivatives market into the light of day, ending the days of Wall Street’s backroom deals and putting this money back on Main Street where it belongs. In all of our communities across this Nation, these reforms will get banks back to the business of banking, protecting innocent depositors and ensuring taxpayers will never again have to foot the bill for risky Wall Street gambling.

After spending countless hours on this legislation and digging into the details of the derivatives world, I am here to reassure my colleagues and all Americans that this bill is strong, it is thoughtful, and it is groundbreaking reform that will fundamentally change our financial system for the better. We worked hard to ensure that it would.

It is important to reiterate that this reform is not regulation for regulation sake. It is surgical in its approach. We maintain an end-user exemption, promote restraints on the regulators, where necessary, and provisions that recognize we are competing in a global financial marketplace.

Over the next year, Congress will rely heavily on the regulators for their guidance and expertise as the rules and regulations are written for this legislation. As chairman of the Senate Agriculture Committee—one of the key committees of oversight—I pledge to be vigilant in this process and retain a watchful eye on those regulators. It is imperative that our vision of strong reform is implemented properly; that everyone should be doing their job—in the legislation we write, the regulations that need to be written to match that, and the oversight to ensure that

balance continues. While the regulators must hold the financial system accountable for its actions, Congress must hold the regulators accountable, just as the voters hold us responsible for a lack of meaningful reform.

As the Senator from a rural State, I will also ensure that our community banks are able to continue to meet the lending needs of rural America and will not be subject to unintended consequences. Our community banks did not create this problem and should not have to shoulder the burden of paying for the solution.

America's consumers and businesses deserve strong reform that will ensure that the U.S. financial oversight system promotes and fosters the most honest, open, and reliable financial markets in the world. Our financial markets have long been the envy of the world. The time has come for our country to restore confidence to our shattered financial system. The time has come for us, the United States, to lead by example. We stand poised to deliver that reform today, and I look forward to final passage of this bill.

Finally, a bill of this complexity and importance requires perseverance and long hours, and the dedicated staff of the Senate deserves congratulations. I thank my colleagues, of course, Senator DODD and his staff, for their tremendous work. In particular, I would like to thank Ed Silverman, the Banking Committee staff director for his dedication to finishing this legislation. I would like to also thank Senator CHAMBLISS, my ranking member on the Senate Agriculture Committee, and his staff for their friendship and eyes and ears throughout this process; Senator REID and his staff, of course, for their leadership; and the administration and regulators for their extraordinary commitment to this reform bill; and certainly our House colleagues, Chairmen FRANK and PETERSON—particularly Chairman PETERSON of the House Agriculture Committee in particular, and their staffs, for their cooperation and leadership.

I also would like to thank my staff for their unbelievable hard work throughout this process. There were a lot of long nights, a lot of complicated issues, and a lot of dedication on their part to ensuring that what we produced was something that was good and solid for the future of this country, particularly Patrick McCarty, Cory Claussen, Brian Baenig, Julie Anna Potts, Matt Dunn, George Wilder, Courtney Rowe, and Robert Holifield on our Agriculture Committee staff, as well as Anna Taylor on my personal staff.

We have an enormous opportunity to do something that is going to move us forward, understanding that we never get things perfect but, more importantly, that we are willing to step to the plate and to do what we can to make our country strong again, to

make our economy strong again, to bring confidence to consumers and investors in this Nation and globally in order to move ourselves forward—not just for ourselves but for future generations. I urge my colleagues to support this conference report, and I look forward to this legislation being signed into law.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CORKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CORKER. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. (Mr. FRANKEN.) Without objection, it is so ordered.

Mr. CORKER. I wish to speak for a moment about the Dodd-Frank bill that we are going to vote on apparently tomorrow evening. I wanted to talk a little bit about politics, which is not my specialty, and then a little bit about the substance.

I know the Presiding Officer has been highly involved in this bill and made a positive contribution. I read recently comments made by our leader, the majority leader here, and the President, and actually the chairman of the Banking Committee regarding the fact that the reason the bill is the way it is is partisan politics, and basically insinuating that Republicans did not want to deal with a financial regulatory bill.

Nothing has disappointed me more than the fact that we have a bill that has basically ended up wrapping folks around the axle as they tried to get two or three votes on our side of the aisle to pass this bill. We had a tremendous opportunity to pass a bipartisan bill. We had a tremendous opportunity to pass a bill that would have shown the American people that we in this body have the ability to work together on big issues and solve problems. I think it is a shame we did not do that. I have to say, from my perspective—and I think I put as much time into this bill as anybody here in the Senate—it ended up being about partisan issues. There was an overreach on issues that had almost nothing to do—as a matter of fact, absolutely nothing to do—with this crisis, to advance some political agenda issues, and then, on the other hand, a total denial to deal with some of the core issues that got us in this situation. So I am disappointed.

We talk a lot. We have had groups come in, and they talk us to about how they want to see bipartisanship. Then some of us on both sides of the aisle step out from time to time to do that.

When it happens, and a lot of effort is expended, and the end product is not achieved, for a lot of forces that exist around here, the very people that you end up reaching out to criticize the fact that we ended up with a partisan bill.

Yet, at the end of the day, let's face it, one side has the majority, one side has the minority. In this particular bill, I do not think there was, at the end, a valid attempt to do that. So I am disappointed. We have issues in this country as they relate to our financial system that do need to be addressed. No doubt, any bill of this magnitude, 2,300 pages, has some good things in it. There are good provisions in this 2,300-page bill. In many ways we punted most of the work to regulators. They are going to spend the next 10 to 18 months making rules that leave a lot of instability in our financial system at a time when I think people want to have a degree of certainty.

I think the Presiding Officer today tried to actually focus on greater certainty in some areas, and I might have disagreed with some of those. But the fact is, I think part of our job here in legislating is to create a degree of clarity.

One of the shortcomings of this bill is that—I think the count keeps going. I have heard a count of 363 rulemakings. I have heard a group come out and say there are 500 rulemakings. In essence, what we did with this bill in many ways is say to the very regulators who had the power, candidly, to do most of what is in this bill anyway, they had that power within their purview, did not do it, and kind of what we said is: Look, we would like for you to make rules.

So K Street and government relations folks are going to make a lot of money over the next 12 to 18 months as they now lobby regulators to sort of figure out what the rules of the road are going to be. In the process, again, jobs in the country will be more stagnant.

The other piece of this is that this all started with this sort of political agenda: We are going to bash Wall Street. Now Republicans have come out and said, no, this is a Wall Street bailout. So we had Democrats going to bash Wall Street, and Republicans saying, this is a Wall Street bailout. Candidly, I do not know that it is either one. The fact is, I think most folks on Wall Street like this bill.

As a matter of fact, I am looking at hedge fund managers right now, reading the Financial Times, many of the folks who probably are involved in the riskiest businesses are now out forming new hedge funds. Now they are moving to a more unregulated area than they were already in. So it is pretty fascinating how we create bills and we do not address the core issues, and then

we have lots of unintended consequences along the way, as we are seeing play out right now.

I am not supporting this bill, which I had hoped to cosponsor. I am not supporting this bill out of partisanship; I am not supporting this bill because it misses the mark. This is not the worst bill that has ever been created. I am not going to say that. It is not. We just did not do our work. I mean, basically what we have done is, as I mentioned, we left it to regulators. We did not deal with some core issues.

I offered an amendment to deal with underwriting. At the end of the day, regardless of everything that people talk about at hieroglyphic levels, we had a lot of loans in this country that were written to people who could not pay them back. We did not have underwriting standards. We still do not have underwriting standards.

At the end of the day, we had two entities. I am not one of those who said, these entities were the core reason for the problem. But the fact is, we had two enablers, Fannie and Freddie, that, let's face it, what they do is they allow people to write bad mortgages, pool them together, and then they insure or purchase those. They were enablers. We have not dealt with that.

I do not support this legislation, not because it is the worst bill in the world. It is not. As a matter of fact, we do not even know what the outcome of this legislation is. It is interesting, I read the papers and they talk about the fact that this is a historical piece of legislation. We have no idea whether this bill is historical. We will not know for a long time until the regulators decide what they are going to do with this bill, because basically the power is left to a huge number of bureaucrats which, by the way, we have created, which is going to be like a malaise over our financial community because we did not give a lot of clear direction. We left it to regulators. We created a bureaucracy.

One other note. I think the issue that in many ways divided us—I know people on the other side of the aisle knew this well, refused to address it, although at one point we got very close and almost had a deal—was this issue of the Consumer Protection Agency.

I am all for consumer protection. I think the concern that I had as an individual is we have created a new entity. It has no board. It is an amazing thing. It has no board. Because of the standards against which the way this organization is judged as it relates to its rulemaking, which is expansive across the entire financial industry, because of the standard against which you have to challenge, there is no veto ability.

This new organization has a budget anywhere from, I think, \$600 million to \$1 billion a year, and the only way the Presiding Officer or I will know what direction this organization is going to

take is who leads it. This is an incredible place for us to be, for us as a Congress to be. I think it is an incredible place for the administration to be, where we are creating an entity, a consumer financial protection organization, that has incredible rule-writing abilities, that has no board, no real veto ability, and yet on its own, one person—I am not talking about a group of people, but one person is going to decide the nature of what this organization is going to engage in. I find that incredible.

For all I know, the fears that I have about it, the fears I have about this organization, may not be borne out—may not be borne out.

I think the Presiding Officer very well may support this concept. He will never know whether his hopes for this organization are borne out until we know who the person is and what their bent and flavor is.

I think that, again, as a body we had a responsibility to put a balance in place so that we knew what the direction of this organization was going to be over time. I find that to be incredibly irresponsible.

As we look at this bill, I think one of the gauges of what it does is, we have the folks on Wall Street who rhetorically my friends on the other side of the aisle wanted to bash, and, candidly, all of America in many ways is upset with Wall Street is loving this bill. They have got teams of compliance officers who have the ability to deal with regulations a consumer protection agency might put out, all these rulemakings. As a matter of fact, typically when we regulate like this, it is the big guys who benefit, and they get bigger.

But the community banks, the smaller banks in my State, and I think across this country, are the ones that are concerned. I know we are all concerned about the employment activity in our country. All of us want to see the economy improve.

At the end of the day, most Americans have to deal with these smaller institutions. Most Americans want to deal with these smaller institutions. They are people they go to church with, they go to Rotary Club, they see at the grocery store. These are the people they have relationships with. What we are doing in this legislation is we are increasing the cost of capital that is available to most Americans, and we are limiting the amount of that increased cost—that capital is going to cost more—we are decreasing the availability.

So we are decreasing the availability of capital in communities across our country, and we are increasing the cost of that. So I find that it is an amazing place where we are. We all care about employment, and yet we put in place policies that are counter to that employment. So, again, I am disappointed in the outcome of this bill.

I have appreciated working with many Members on both sides of the aisle to come up with a balanced piece of legislation that will stand the test of time, a piece of legislation, by the way, that will actually deal with the core issues that created this financial crisis. This bill does not do that in every area. It does in some. I want to say that some of the derivatives—clearing houses, I think that is a good contribution. Again, I think we have got end users out across our country now who are panic stricken, farmers and others, who use derivatives in their daily lives. And now maybe—we do not know because regulators will decide down the road. We punted that. We said, we will let the regulators decide. So for a period of time, they are going to be concerned about whether they are able to put up their tractors and barns and other things as collateral against derivatives or be in a more risky position.

We have missed the mark. I realize that, ironically, after a year of work, 2,300 pages, hundreds and hundreds of rules that are getting ready to be generated by regulators. It is my understanding there is now already another bill coming to correct this bill. That is pretty amazing to me.

I wish to say that politics ends up overcoming substance, I have seen as bills come to the floor. We had an opportunity which we missed to try to get this bill right in a bipartisan way. In spite of the fact that I am disappointed I cannot support this legislation strictly on policy grounds, I do want to say that our staff and our office is going to continue to be engaged with others. I know there is going to be a lot of other activity as a result of this bill, some of the unintended consequences, some of the mistakes that have been made and some of the glaring omissions we did not deal with, things such as—it is hard for me to believe that we would not take the time to upgrade our Bankruptcy Code so that a large entity that fails goes through some of the same things the same entity in Minnesota might go through. It is amazing to me that we did not do that work. But we still have an opportunity.

I know the Presiding Officers have now changed. I know the Presiding Officer sitting here today is on the Judiciary Committee. I also know that over the course of the next year or two we will have the opportunity to work on that and try to develop something so that when a large, highly complex financial entity fails, there is actually a sort of standard they go through when they fail that people understand, and they understand the bankruptcy stats, they understand what their rights are going to be.

There is a lot of work left to be done. I am disappointed in where we are and what we are going to be voting on tomorrow night.

I cannot support it, but I do look forward to working with my colleagues on changes that will have to be made, on the unintended consequences this bill will create and, obviously, the many technical changes that will result because of the fact that we rushed our work.

This process began mostly about substance. A lot of people put a lot of time into trying to understand substance. I know the Presiding Officer focused on one particular issue and tried to offer some substance in that regard. At the end of the day, politics took over.

November is approaching. It would be nice in the eyes of some people to have a 60-, 61-vote bill. Some are said to like obstruction. I can tell my colleagues, nothing could be further from the truth, especially on this piece of legislation.

What I regret most is, I know this bill is going to have the unintended consequence of hurting Tennesseans, hurting people from Oregon and Minnesota and around the country. There is no question that with all that we have laid out in these 2,300 pages, there will be less credit available and the credit that is available will cost more money. What we really have done with this bill is hurt the average American.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MERKLEY. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MERKLEY. I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MERKLEY. Mr. President, I rise to address the Dodd-Frank financial reform bill and to share the reasons it makes a great deal of sense to restore the lane markers and traffic signals to our financial system—lane markers and traffic signals that were ripped away carelessly, thoughtlessly over the course of a decade and led to the economic house of cards that melted down last year, doing enormous damage to America's working families. There may be many in the financial world who feel pretty good about the most recent billion-dollar quarterly profits or million-dollar bonuses, but families in America's working world are not feeling so good. They are looking at their retirement savings being decimated. They look at the value of their house and realize it is worth less than it was 6 years ago. For many families, the amount they owe on the house is more than it is now worth. Families are looking at lost jobs and lost health care that went with those jobs. They are looking at an

economy that struggling to recover, that is providing them few opportunities to get back on their feet.

The meltdown triggered by the economic house of cards built up over the last decade is enormous. It is not only the damage done to families, it is the damage done to the economy as a whole. We cannot talk to any room with owners of small businesses and not hear stories about frozen lending, about credit lines cut in half, about opportunities to expand a business, but, despite a regular banking relationship extended over a decade, that bank cannot now extend the loans that would enable them to seize that opportunity to create jobs. We still have massive disruption in our securities market that provides the credit that fuels not only home mortgages but many other parts of the economy.

This economic meltdown has been a huge factor in contributing to the national debt. In every possible way, the absence of responsible lane markers and traffic signals has wreaked havoc on the American family and the American economy. We are here now to set that straight, to restore those lane markers and traffic signals.

What really happened? It can be summed up in two words: irresponsible deregulation. Let's get into the details a bit further. Let's start with irresponsible deregulation that led to new predatory mortgage practices. One of those practices was liar loans, loans in which the loan officer was making up the numbers and putting them in because they knew they could turn around and sell that loan to Wall Street and have no responsibility for whether that family succeeded in making the payments.

Another predatory practice was steering payments—mortgage originators getting paid huge bonuses to sign people up for mortgages that had in the fine print hidden exploding interest rates, so the family could easily make the payments at 5 percent, but when that hidden language triggered 9 percent, there was no way the family was going to be able to make those loan payments. Since most of those were on a 2-year delay, we can think of it as a 2-year fuse, a ticking timebomb, a ticking mortgage timebomb that was going to go off and destroy that family's finances. Then the prepayment penalty that locked people into those loans. These retail mortgage practices resulted in irresponsible deregulation.

Then we had the securities that were made from those bad mortgages by financial firms, packaging those bad mortgages, putting a shiny wrapper on them, and then selling them with AAA ratings to financial institutions, to pension funds, to investment houses, tossing those mortgage securities hither and yon without full disclosure. When those mortgages that were in those packages went bad, those securities were going to go bad. That is what

happened in 2008 and 2009. It melted down this economy.

Another piece was the irresponsible deregulation lifting leverage requirements on the largest investment houses. Bear Sterns in a single year went from 20-to-1 leverage to 40-to-1 leverage. That means they were going to make a lot more money when everything is going up, but it means the moment things turn down, they can't cover their bets and they are going to go out of business.

Then we had credit default swaps. That is a fancy term for insurance on the success of a bond. That new insurance was issued by AIG without any collateral being set aside to cover the insurance—complete failure to deregulate this new product. Those insurance policies, those credit default policies created an interwoven web in which if one firm failed and couldn't pay off its responsibilities under the credit default swaps or insurance policies, then the firm that it owed was going to fail. It set up a web of potential collapse.

Those are the types of dramatic issues created through irresponsible deregulation that we must address in this body and that are addressed in the Dodd-Frank financial reform bill.

First, the bill ends those three predatory mortgage practices I spoke of. It ends liar loans. It creates underwriting standards. My colleague from Tennessee mentioned he would like to see underwriting standards in this bill. They actually are in the bill. That is a very important part of this legislation. This bill ends the steering payments, the bonuses paid to mortgage originators to basically guide people into tricky mortgages with hidden exploding interest rate clauses. This bill stops prepayment penalties that were used to lock families in. If you are in a mortgage and you have to pay several pounds of flesh to get out of that mortgage—and by that, I mean perhaps 10 percent of the value of your house—where is that 10 percent coming from? You can't do it, so you are locked in. You are chained to the steering wheel of a car going over a cliff. We have gotten rid of that practice.

The second main thing we have done is establish real-time consumer protection to end scams and tricks and traps in financial documents. There was a woman from Salem, OR, who wrote to me. She wanted to share her story, just one of the little pieces of malfeasance that had occurred. She had paid her credit card bill on a timely basis month after month, year after year. She was very surprised when she received a letter saying she had a late payment and owed a fee. So she called up the credit card company and said: How can this be? I always pay on time.

The person on the other end said: Yes, we received your payment, as you indicated. But your contract says we don't have to post your payment for 10

days, and so we didn't post your payment right away. We posted it at the end of that 10-day period. At the end of the 10-day period, your payment was late. So you owe us this fee. It is all in your contract.

She said: How can that be fair?

That is why we need a consumer protection agency for citizens across the country. Members know what I am talking about because virtually every one of us has opened up a statement and gone: Wait, how can that be fair? We did have the delegation of consumer protection responsibilities to the Fed, but the Fed had its monetary mission in the penthouse of their office building. They had safety and soundness on the upper floors, but they put consumer protection down in the basement. They ignored it. They didn't act on the responsibilities they had. So we put those responsibilities in an organization, a Consumer Financial Protection Bureau that has a single mission—not a third mission or a fourth mission, not a forgotten mission, not a mission we put in the basement, but a first mission—so that Americans can choose from responsible financial products, not ones that compete to see who can have the biggest scam, the biggest deception, the biggest trick or the biggest trap but instead can compete on the cost of the product and on the quality of the service.

The third thing this bill does is redirects banks to the mission of providing loans to families and small businesses. This is the core function of the banking world. What happened over the last few years is some of our banks said: It is a lot more fun to bet on high-risk investments than it is to make loans to families and businesses. But that is not the mission of the banks that have access to the Fed window for discounted funds from the Federal Reserve. That is not the mission of the banks that we insure their deposits. The function of those banks is to make sure there is liquidity in the hands of our businesses so they can thrive and so families can thrive. This bill redirects them to that mission.

Let me put it this way: High-risk investing is a little bit like high-speed car racing.

You know as you watch cars going around the race track they are going to push the boundaries, the limits of speed and traction, and they are going to do quite well. They are going to try to nudge ahead of the rest of the cars. But then, eventually, one is going to hit some rubber on the track or some oil or some gravel or get bumped by another car and the race car is going to crash.

When you go to the track, you pretty well know in advance you are going to see a car crash. That is the way it is with investment houses. They are competing with each other to find the best opportunities for the highest return, so

we know they are going to crash—that some of them will—and we accept that. This is an important role in the formation, aggregation, allocation of capital. But we want them to crash on the race track, not to crash out on the streets of the city or the streets of the countryside. That is why this bill moves high-risk investing out of the banks that should be dedicated to the mission of providing loans to small businesses and families.

Another key thing this bill does is restore integrity in the formation of securities. Let me put it to you this way. Imagine that an electrician comes to your house because you are asking that electrician to wire up your basement. The electrician leaves, and you find out he or she took out a fire policy on your house. I think you might be a little worried about the quality of the wiring that was done in your basement.

Or consider this possibility: You buy a car and you find out the person who sold you the car took out a life insurance policy on you. Well, you do not like the idea, I do not like the idea, of the possibility that someone would sell a car that is defective so they can take out a life insurance policy and maybe cash in.

Yet that was what was happening with securities: companies taking bad loans, putting them in a shiny wrapper, selling them, and then taking out an insurance policy—a credit default swap—so when that security went bad they could cash in.

Well, we need to have a level of integrity in the formation of our securities or our bonds. This bill takes us in that direction. This bill puts the sale of swaps on organized markets. What are swaps? Again, they are insurance policies, based on interest rates; insurance policies, based on exchange rates; insurance policies, based on the success of securities.

You cannot sell insurance to the general public without setting aside reserves, but these swaps were sold without reserves. So this bill before us today says reserves are necessary so the bet can be covered if the event you are insuring should happen.

It also creates a market for them so the customer—that is normally a business that wants to hedge its interest rate risk or its exchange risk or its investments in securities, that wants to hedge and protect itself against the possibility that those will go down or change—they can get that at a much better price when they can do so through the power of a transparent, organized market.

So being able to hedge risk at a much cheaper price is a huge contribution to the formation and allocation of capital in our country.

Finally, this bill allows a systematic way to dismantle failing firms in the financial world so it minimizes systemic risk and so the industry itself

picks up the cost of their failure, so we the taxpayers are not in a position of having to pick up that cost.

I know some of my colleagues on the other side have simply asserted the opposite to try to confuse the issue. Well, I think that is irresponsible because so much was done in this bill to make sure American taxpayers are never again on the hook for the failure of financial firms in our Nation. This is the type of responsible lane markers and traffic signals we need in our system.

Certainly every one of us here believes there are further strides that could be made. There are standards in this bill that I would like to have crispier. There are terms for which I know we will need fierce, vigilant regulation to make sure those terms are not expanded into loopholes.

This bill does not do as much as I would like to address the issue of perverse incentives in the system of rating securities, something the Presiding Officer was a huge advocate for, and put forward a terrific policy to address. We are going to have to keep working on that piece.

But in each of these areas I have described, this is a quantum improvement. I think colleagues on both sides of the aisle know that. So beware of efforts to confuse the debate trying to say what is north is south and what is east is west.

So these are the reasons—these core improvements to our financial system that enhance the ability to aggregate and allocate capital efficiently—why I am supporting this bill. I applaud the chairman of the Banking Committee, who steered this bill through enormous sets of obstacles. It is reported that Wall Street hired 1,000 extra lobbyists to try to torpedo the bill that is before us. That is a lot of obstacles to get through.

These are complex issues that required thoughtful analysis and had to be worked and reworked. So I applaud the chairman's work in taking us to this point where we are prepared to send this bill on to the President's desk.

I would like to particularly thank my colleague, Carl Levin, who teamed up to work with me on a proposal to take high-risk investing out of the bank holding companies and to improve the integrity of bonds. That was work that came straight out of the committee work he did in such a capable and timely fashion.

So with that, I conclude by saying we need a financial system that is not about quarterly profit margins on Wall Street, that is not about the size of bonuses on Wall Street but is about providing a foundation for business to thrive, for employment to be increased, for families to find work, and to build financial foundations for the success of those families over the next several decades. That is the type of financial

foundation we need, and this bill certainly is a huge stride in accomplishing that.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I will not take long at this moment. I just want to compliment our colleague from Oregon—as well as other members of the committee—for his work on this historic piece of legislation. This was a long time in putting together a comprehensive, complicated piece of legislation dealing with financial reform. There are many people who deserve credit for the product of this legislation, not the least of which is Senator MERKLEY of Oregon, a new Member to this body but a very active and vibrant member of the Banking Committee who added substantially to the product that is now before us.

So I appreciate having the opportunity to hear his observations about the bill and look forward to further comments today and tomorrow by others on this product. At a later point today, we will go into greater length about the bill. But I would urge my colleagues to support this legislation. I am very grateful to all who have been involved—both Democrats and Republicans—in trying to make this as strong and as good a bill as we possibly could.

I have listened with some interest today to the comments of others about this legislation, with some amusement, I might add, in terms of observations about how we got to where we did. But, nonetheless, that is the nature of this institution, I suppose.

With that, I again thank Senator MERKLEY for his fine work.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Mr. VOINOVICH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

INVESTING IN AMERICA

Mr. VOINOVICH. Mr. President, I rise today to discuss the state of unemployment in our country and what we need to do to finally create sustainable jobs and grow our economy.

The unemployment rate currently stands at 9.5 percent nationally and in my State 10.7 percent. Clearly, something has to be done about this. It appears that the new Senator we are expecting from the State of West Virginia may be the deciding factor when we vote later this month to begin addressing this problem.

First, I think we need to understand that we need to instill certainty into the economy by providing relief to the

segment of our fellow citizens who cannot find work. Because of the downturn in the economy, I have already voted multiple times to extend unemployment insurance from the standard 26 weeks to 99 weeks, amounting to tens of billions of dollars. But this emergency extension has now expired, leaving many without the benefits they need to stay afloat. So let's extend unemployment insurance once again. Resuming this emergency program through November 30 will cost about \$33 billion, and I believe we should pay for at least half of it from the stimulus funds.

Just before the recess, I supported an unemployment insurance extension that was fully paid for, but my Democratic colleagues blocked that amendment offered by Senator JOHN THUNE, preferring instead to continually borrow money on the credit card of our children and grandchildren. Last year, we borrowed \$1.4 trillion. That means we borrowed 41 cents of every dollar we spent last year. Over half of this debt is held by foreign investors. By the end of this year, our national debt will be a staggering \$13.8 trillion. That is an almost \$2 trillion increase in 1 year. As the book of Proverbs tells us in chapter 7, verse 22, "The rich rule over the poor and the borrower is the servant of the lender."

America must address its debt and stop borrowing money from countries such as China and others that don't have our best interests at heart. We just can't keep kicking the can down the road. Our national debt is one of the most important problems we face, and our failure to begin to address the fiscal crisis will damage our economy, our national security, and the kind of future we leave to our children and grandchildren.

Still, I know Ohioans are hurting, so I approached the majority leader and told him I would provide the vote he needed to extend unemployment insurance if the Democrats were willing to use some of the estimated \$40 billion unspent stimulus money to help offset at least half of the stand-alone unemployment insurance extension. He rejected my offer but remained at the table on what I considered to be a fair and simple bill: Extend the unemployment benefits and pay for half of it.

So I say to my friends on the other side of the aisle, let's get it done. Let's extend UI benefits in a bipartisan manner and pay for at least half with stimulus funds. I am confident we could get 60 votes for that tomorrow.

Second, I know most people in America would rather have a job than collect unemployment insurance. They would rather have a job than collect unemployment insurance. But my concern is that not enough is being done by this administration—or by Congress, for that matter—to put people back to work or create an environment

where businesses have enough confidence in the future to unleash a corporate, private sector stimulus.

I wish to quote from a current Newsweek article by Fareed Zakaria entitled "Obama's CEO Problem. He needs business on his side now."

I ask unanimous consent to have this article printed in the RECORD following my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. VOINOVICH. He says the following:

Actually, there is a second stimulus, one that could have a dramatic effect on the economy—even more so than government spending. And it won't add to the deficit.

He goes on:

The Federal Reserve recently reported that America's 500 largest nonfinancial companies have accumulated an astonishing \$1.8 trillion in cash on their balance sheets . . . and yet, most corporations are not spending this money on new plants, equipment, or workers. Were they to loosen their purse strings, hundreds of billions of dollars would start pouring into the economy. And these investments would likely have greater effect and staying power than any government stimulus.

He goes on to say:

The key to a sustainable recovery and robust economic growth is to get companies to start investing in America. So why are they reluctant, despite having mounds of cash lying around? [Mr. Zakaria] put this question to a series of business leaders . . . economic uncertainty was the primary cause of their caution . . . but in addition to economics, they kept talking about politics, about the uncertainty surrounding regulations and taxes.

The Business Roundtable, which has supported the Obama administration, has begun to complain about the myriad of new laws and regulations being cooked up in Washington.

He goes on to say:

One CEO said to me, "Almost every agency we deal with has announced some expansion of its authority, which naturally makes me concerned about what is in store for the future." Another pointed out that between the new health care bill, finance reform, and possibly cap-and-trade, his company had lawyers working day and night trying to figure out the implications of these new regulations.

Finally, Mr. Zakaria concludes:

Obama now needs to outline a growth and competitiveness agenda that will seem compelling to the American business community. This might sound like psychology more than economics, and the populist left will surely scream that the last thing we need to do is pander to business. But in fact the first thing we need is for these people to start spending their money—soon. As a leading New York businessman, who had publicly supported Obama during the campaign, said to me, "Their perception is our reality."

John Meacham, the editor of Newsweek, recently put it this way. He said:

A populism that begins in the boardroom would really be change we could believe in.

So the administration and Congress should listen to these concerns, give

the private sector the certainty it needs to plan and grow, and unleash a lasting stimulus that doesn't cost a dime.

I am reminded of my second inaugural speech as Governor in 1995. I made the following statement which I believe is still relevant today. I was elected Governor in 1990, and this was my second inaugural speech after being reelected:

We have tried to respond to a very clear message the voters sent in 1990 and reaffirmed in 1994. People are fed up with big government—fed up with government that presumed to know or sought to provide all the answers—and fed up with government that had forgotten its mission and lost touch with its customers.

They were telling those of us in government that we were no better than the people whose hard-earned dollars go into the tax basket. Ohioans were expecting us to work harder and smarter and do more with less, just as they were doing in their households, farms, factories, and offices.

And they were reminding us of how Lincoln defined good government. He said, "The legitimate object of government is to do for a community of people, whatever they need to have done, but cannot do at all, or cannot do so well, for themselves, in their separate and individual capacities."

That is what Lincoln had to say.

I still believe these words are relevant today. I think the government can serve the economic needs of the country by doing something I have talked about for a long time, which is by passing a surface transportation reauthorization bill this year, which is a legitimate objective for government. This is something people can't do individually or working with others. The government has to do this. With the U.S. economy struggling from the worst economic recession since the Great Depression, the immediate impact of this bill would be on jobs.

According to the American Association of State Highway and Transportation Officials, AASHTO, which represents the State departments of transportation, there are over \$47 billion of highway projects ready to go, supporting 1.6 million jobs—again, \$47 billion of highway projects ready to go that would create 1.6 million jobs. According to the American Road and Transportation Builders, ARTBA, the transportation construction industry supports the equivalent of 3,383,200 American jobs.

Just think about the massive impact this industry has on employment in the United States. It directly provides more—this is something that is really surprising to me—it directly provides more American jobs than the U.S. motor vehicle and parts manufacturers, plastics and rubber product manufacturers, beverage and tobacco product manufacturers, and petroleum and coal products manufacturers, among others. Our domestic transportation industry is the backbone of virtually all of the major industry sectors that com-

prise the U.S. economy—and the American jobs that they sustain. The infrastructure built, maintained, and managed by this industry is a vital part of our economy.

Unfortunately, the American transportation construction sector is currently in the worst condition since World War II, over 60 years ago. The unemployment rate in construction is over 20 percent—higher than any other industry and two times higher than the unemployment rate in the U.S. economy generally.

As a former member of the Laborers' International Local 310 in Cleveland, I am particularly sensitive to the unemployment among my brothers and sisters in the labor movement. Highway and transit construction accounts for about 75 percent of jobs for laborers in this country. The unions have underscored in meetings all over Ohio that they don't want unemployment. They don't want unemployment. They want jobs, and they can't understand why Congress is hellbent to push a climate bill that will put more of them out of work rather than the reauthorization of the surface transportation bill.

Why aren't we spending our time on the reauthorization of surface transportation? Why are we spending so much time on cap and trade?

I wish to share with my colleagues some stories everyday people on Main Street have to say.

Loree Soggs with the Cleveland Building and Construction Trades Council, which represents more than 17,000 union workers in northeast Ohio, said workers are not seeing much of a spike in jobs, and unemployment figures range from 20 percent in some trades to 40 percent in other trades, such as electricians.

In Cincinnati, OH, Matt Brennan, CEO of Loveland Excavating, Inc., says that his company's sales are down 53 percent, his workforce is down 55 percent, and workers' salaries are down 25 to 35 percent due to the lack of overtime. He has seen numerous projects abandoned due to lack of funding.

Banks are calling lines of credit for creditworthy contractors. There are no lending sources available. Many contractors are failing and closing their doors. That is happening all over. This is not just occurring in my State but, as I say, across the country.

Mr. Hammack, president of C.W. Matthews Contracting Co., one of the largest road construction companies in Georgia, said the ripple effect of the delay of a reauthorization bill has already reached firms like his. His company has already laid off 700 of its 2,000 employees since 2007 because of the recession. Now the delay in passage of the Transportation reauthorization bill and the dearth of State contracts mean he is planning to lay off as many as 200 more employees by the end of the year.

He said:

You can't proceed under business as normal when there's no clear direction out there. It's too dangerous to bet on the future and put your company in financial jeopardy.

He said that the administration's stimulus package, while a positive shot, hasn't provided long-term help for the heavy construction companies such as his.

The stimulus package, at least as it relates to Georgia, isn't putting the heavy equipment to work that moves dirt.

He said:

... It's not a sustainable cure for what ails the transportation industry.

Paul Campbell, executive vice president of Wheeler Machinery, a Caterpillar dealer in Salt Lake City, said that Utah's contract work has ground to a standstill as well.

There's a trickle-down when you mess with infrastructure. It has a freezing effect on everything.

At his firm, this has meant 221 layoffs. He is considering laying off more of the 629 employees left.

Mr. Campbell said:

There's very little private money going into any kind of construction. You take the Federal contracts out of that and it gets a whole lot worse really quick.

We need a reauthorization of the transportation bill. States are facing the most difficult financial situation in 50 years. This year, in spite of the stimulus, 21 States have indicated that they would be forced to reduce spending in transportation.

The reauthorization is a "three-fer." First, it is jobs, jobs, jobs. This bill will give confidence and certainty to an industry that is struggling right now. Recently a contractor testified before the EPW Committee on how a long-term bill will provide certainty to the transportation industry. Here is what he said:

Failure to pass a multiyear transportation bill creates significant market uncertainty. The uncertainty makes it difficult to hold onto valued employees. It makes it hard to convince subcontractors to work for us; it makes it hard to convince lenders to invest in us. When there is an inconsistent flow of Federal funding, State agencies hold up the release of projects that are ready to bid and construct.

Second, a reauthorization bill will be good for our competitive position in terms of our economy and infrastructure. Our Nation's transportation needs exceed current investment at all levels of government. According to the Department of Transportation, the average annual investment level needed to maintain the current condition and performance of our highway system is \$105.6 billion, while the cost necessary to improve our highways and bridges would be another \$174.6 billion. The bridges are in terrible shape. How many more Minneapolis I-35 bridges are lurking out there?

The last reauthorization bill, SAFETEA-LU, created the National Surface Transportation Policy and

Revenue Study Commission to study our infrastructure needs. We called for the commission to give us the straight facts. The commission called for investments of at least \$225 billion annually over the next 50 years at all levels of government to bring our existing transportation infrastructure to a good state of repair and to support our growing economy.

Third, a reauthorization bill will help our environment. Transportation contributes almost 30 percent to the greenhouse gas emissions we have in this country. This figure blows my mind. The average length of time that urban areas experience congested conditions amounts to 6.4 hours each day. Anyone who travels in Washington here understands what that is about. The vehicles caught in stop-and-go traffic emit far more emissions than they do without frequent acceleration and braking. In recent years, drivers have experienced over 4.2 billion hours of delay annually. Traffic congestion is also responsible for 9 billion gallons of wasted fuel each year. Wasted fuel and lost productivity due to traffic congestion costs the U.S. economy over \$78 billion annually. Think about that. A reauthorization bill is needed to reduce congestion and consequently reduce greenhouse gas emissions.

A study recently prepared for the Federal Highway Administration found that bottlenecks on the Nation's highway system—caused by congested intersections, poor highway operations, inadequate capacity, and poor alignments—impose 243 million hours of delay on truck shipments with the direct costs of the delays totaling \$7.8 billion per year. According to the American Trucking Association, truckload miles traveled nationwide were off 17 percent last year. The average miles per truck were down 20 percent. In other words, truck drivers are allowed to only work so many hours. They have X number of miles that they can go. Because of the congestion we have today, they are getting almost 20 percent less mileage covered. That is because of the congestion they encounter all over this country.

This is a great time to invest in infrastructure. We will get a better bang for our buck. Because of the economy today, the return on infrastructure investment is better than it has been in recent years. Over the years, we saw SAFETEA-LU money dwindle because of the high cost of oil. We also saw the high cost of steel. Because of the economy, project bids are coming in extremely low. In fact, in Ohio, bids have been up to 30 percent lower. So what a time to invest. We are going to get a return on our investment.

The gas tax. I want you to know that I am not talking about borrowing the money for the reauthorization of the surface transportation bill, as we do for everything else here. That is what the

American people are very upset about—spending and borrowing the money. The American people, as I say, are fed up because they are concerned with the deficit and budgets not being balanced as far as the eye can see. We will not have to charge our kids' and grandkids' credit cards. We can pay for this by increasing the gas tax, which has not been increased since 1993. The fact is that Americans are willing to pay an increase in the gas tax to create jobs, improve our infrastructure, and better the climate. Many of my conservative colleagues do not consider the gas tax as a tax but a user fee. The SAFETEA-LU-created National Surface Transportation Infrastructure Financing Commission recommends that Congress enact a 10-cent increase in the Federal gasoline tax and a 15-cent increase in the Federal diesel tax to just maintain our infrastructure.

I remember when I was mayor and President Reagan was faced with a similar situation with the economy in 1982. We were facing record unemployment—about 10 percent. I remember that well. As I say, I was mayor of the city of Cleveland. We had 20 percent unemployment in Cleveland. During the lameduck session, the Reagan administration proposed a gas tax increase and, subsequently, Congress passed the Surface Transportation Assistance Act of 1982, which provided a 5-cent gas tax increase.

The American people think they are already paying increased gas taxes. In 2009, Building America's Future conducted a poll, which found that—that is Governor Ed Rendell of Pennsylvania—60 percent of Americans believe that the Federal gas tax has been increased every year. But as you know, the gas tax has not been indexed to inflation, so its purchasing power has declined by 33 percent since it was last increased in 1993.

I have been meeting with groups since March of last year. They desperately want a reauthorization bill and they are willing to pay an increase in the gas tax. Groups that in the past have never accepted such an increase—listen to this—the Chamber of Commerce, National Association of Manufacturers, American Trucking Association—Bill Graves, the head of the truckers—the International Union of Operating Engineers, Laborers' International Union, Association of General Contractors, National League of Cities, National Association of Counties, and the American Public Transit Association, to name a few. There are many more.

I ask unanimous consent to have printed in the RECORD a list of all the groups that support increasing the gas tax. It is an unbelievable group, including the League of American Bicyclists. People are willing to do this.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

American Association of State Highway and Transportation Officials (AASHTO), American Road & Transportation Builders Association (ARTBA), American Public Transportation Association (APTA), Amalgamated Transit Union (ATU), America Bikes, American Concrete Pavement Association (ACPA), American Council of Engineering Companies (ACEC), American Highway Users Alliance, American Society of Civil Engineers (ASCE), American Traffic Safety Services Association (ATSSA), American Trucking Associations (ATA), Associated Equipment Distributors (AED), Associated General Contractors of America (AGC), Association for Commuter Transportation (ACT), Association of Equipment Manufacturers (AEM), Association of Metropolitan Planning Organizations (AMPO), International Union of Operating Engineers, Laborers' International Union of North America (LiUNA!), League of American Bicyclists, National Asphalt Pavement Association (NAPA), National Association of Counties (NACo), National Association of Development Organizations (NADO), National Ready Mixed Concrete Association (NRMCA), New Starts Working Group, Safe Routes to School National Partnership, Transportation Trades Department, AFL-CIO, United Brotherhood of Carpenters and Joiners of America.

Mr. VOINOVICH. This is what is exciting to me. Today, Senators BOXER, INHOFE, BAUCUS, and our staffs are working full time—and a lot of colleagues don't understand what is going on now—to get a bill done this year on a bipartisan basis. Two Democrats and two Republicans are working together. This is real stuff, OK, not something that the leader will have to deal with in his office in terms of climate change and other things that we have been talking about. The good news is that the House of Representatives has been working on reauthorization for 2½ years, and the House bill has been voted out of subcommittee. The bill is ready to be preconference as soon as we get our work done. Unfortunately—and here is the thing I am concerned about—we are still waiting to hear from the White House on their priorities. I recently met with Secretary Ray LaHood, and he indicated that we will be hearing from the administration soon.

But the fact is the person we need to hear from is President Barack Obama. That is who we need to hear from. He is out on the stump talking about creating jobs. Here is an unbelievable opportunity—a way to create real jobs and not borrow the money from our kids and grandkids to pay for it. On occasion, the President has said he is opposed to any tax, including a gas tax, on the "middle class." I point out that the Kerry-Lieberman bill, which he supports, includes an increase in the gas tax of between 20 and 60 cents higher per gallon. That doesn't make sense. He supports that but not 10 cents for highways? It should be noted that all the groups who want the reauthorization bill and are willing to pay for it with a gas tax, by the way, are up in arms about the Kerry-Lieberman bill,

because they think it diverts funds from the highway trust fund.

They sent a letter to the President, saying this gas tax is to be used for transportation and transit in this country. We don't warrant its use in the Kerry-Lieberman bill to raise money for things that don't have anything to do with the concerns that we have.

Passing a surface transportation bill would put a large segment of the economy to bed. Think about it. For 5 years, that part of our economy will feel good about things. It will help States meet their infrastructure needs. It will reduce greenhouse gases and provide certainty and stability to keep it on the road to recovery.

Show me another bill that has bipartisan support from labor, manufacturing, business, truckers, and State and local groups. I doubt any other piece of legislation will get this kind of support before the election. Do you know what we need? We need a sorbet to bring people together. Let the American people know that we hear them. And do you know something? We can get something done on a bipartisan basis, believe it or not. This legislation will create real jobs for Americans. It will be paid for and will put a major part of the economy to rest without adding to an already staggering deficit. It will eliminate the uncertainty about the future that is plaguing our country so we can move forward to provide brighter prospects for our children and grandchildren.

I guess the most important guarantee is that the bill will give peace of mind to millions of workers in transportation and allied industries. They no longer will have to worry about unemployment compensation. They will have a job. They can pay their mortgage, buy a car, pay for their kids' education; and they can have the peace of mind that comes from having a job.

EXHIBIT 1

[From Newsweek, July 6, 2010]

OBAMA'S CEO PROBLEM

(By Fareed Zakaria)

The American economy is sputtering, and we are running out of options. Interest rates can't go any lower. Another burst of government spending—whether a good or bad idea—looks politically impossible. Is there anything that could protect us from the dangers of stagnation or a double dip? Actually, there is a second stimulus, one that could have a dramatic effect on the economy—even more so than government spending. And it won't add to the deficit.

The Federal Reserve recently reported that America's 500 largest nonfinancial companies have accumulated an astonishing \$1.8 trillion of cash on their balance sheets. By any calculation (for example, as a percentage of assets), this is higher than it has been in almost half a century. And yet, most corporations are not spending this money on new plants, equipment, or workers. Were they to begin loosening their purse strings, hundreds of billions of dollars would start pouring through the economy. And these in-

vestments would likely have greater effect and staying power than a government stimulus.

Now, let me be clear. I think there is a strong case for a temporary and targeted government stimulus. Both people and companies are being very cautious about spending. Right now, government spending is what's keeping the economy afloat. Without a second stimulus, state and local governments will have to slash spending and raise taxes, which will produce a downward spiral of higher unemployment, slower growth, lower tax revenue, and a larger deficit. Joel Klein, the New York City schools chancellor, told me that when the stimulus money runs out at the end of this year, he will be forced to lay off 5,000 teachers. Multiply that example a thousand times to get a sense of what 2011 could look like.

But government spending can only be a bridge to private-sector investment. The key to a sustainable recovery and robust economic growth is to get companies to start investing in America. So why are they reluctant, despite having mounds of cash lying around? I put this question to a series of business leaders over the past few days. They were all expansive on the topic, and all wanted to stay off the record, for fear of offending people in Washington.

Economic uncertainty was the primary cause of their caution. "We've just been through a tsunami, and that produces caution," one said to me. But in addition to economics, they kept talking about politics, about the uncertainty surrounding regulations and taxes. Some have even begun to speak out publicly. Jeffrey Immelt, the CEO of General Electric, complained last Friday that government was not in sync with entrepreneurs. The Business Roundtable, which had supported the Obama administration, has begun to complain about the myriad new laws and regulations being cooked up in Washington.

One CEO said to me, "Almost every agency we deal with has announced some expansion of its authority, which naturally makes me concerned about what's in store for us for the future." Another pointed out that between the new health-care bill, financial reform, and possibly cap-and-trade, his company had lawyers working day and night trying to figure out the implications of all these new regulations. Lobbyists in Washington have been delighted by all this new activity. "[Obama] exaggerates our power, but he increases demand for our services," the super-lobbyist Tony Podesta told *The New York Times*.

Most of the business leaders I spoke to had voted for Barack Obama. They still admired him. Those who had met him thought he was unusually smart. But they all thought he was, at his core, anti business. When I would ask them for specifics, they pointed to the fact that Obama had no businessmen or women in his cabinet, that he rarely consulted with CEOs (except for photo ops), that he had almost no private-sector experience, that he'd made clear that he thought government and nonprofit work was superior to work in the private sector. It all added up to a profound sense of distrust.

Some of this is a product of chance. The economic crisis forced the government into expansions of its authority in dozens of areas, from finance to automobiles. But precisely because of these circumstances, Obama now needs to outline a growth and competitiveness agenda that will seem compelling to the American business community. This might sound like psychology more

than economics, and the populist left will surely scream that the last thing we need to do is pander to business. But in fact the first thing we need is for these people to start spending their money—soon. As a leading New York businessman, who had publicly supported Obama during the campaign, said to me, "Their perception is our reality."

The PRESIDING OFFICER (Mr. PRYOR). The Senator from Georgia is recognized.

FINANCIAL REGULATORY REFORM

Mr. ISAKSON. Mr. President, I will be brief. I come to the floor this afternoon in anticipation of the vote tomorrow on the financial regulatory bill and to express the concerns I expressed before its passage on the floor originally, and my continuing concern today about its final form—and I understand it will pass with 60 votes.

Nobody has been more concerned about the economy and the financial markets and financial institutions of our country than I. In part, because of my lifetime in the residential real estate business, I have seen firsthand the sufferings in our mortgage industry, the foreclosures that have taken place, and what the subprime lending industry did in the U.S. economy.

Before we rush to a reregulation of financial institutions, I think we have to stop and reflect on some of the things we have already noted as Members of the Senate.

Senator CONRAD, a Democrat from North Dakota, and myself introduced legislation over a year ago called the Financial Markets Crisis Commission. We introduced it because we believed everything that had happened in late 2008 through March of 2009 that collapsed our markets on Wall Street, collapsed our securities, collapsed our mortgage-backed securities lending, and hurt our banks both community and national need to be investigated. We need to get to the root problem. We need to try to correct it.

This Senate passed the Conrad-Isakson amendment unanimously. The House passed it virtually unanimously. The Senate and the House funded it to the tune of \$8 million. That commission is appointed and working today. It has subpoena powers that it can issue, and it is issuing subpoenas. It is directed by statute to report back to us by December 31 of this year.

Here we find ourselves in the position of getting ready to pass a financial re-regulation bill on the floor of the Senate tomorrow, in the middle of the year in July, knowing that we are not going to have until December of this year the forensic audit of our financial system done by the Financial Markets Crisis Commission which we unanimously funded and demanded. It is like a doctor doing surgery before he does a diagnosis. It does not make a lot of sense.

In particular, there is one part of the bill I want to focus on for a second that

I think is rife for continuing problems without any regulatory oversight, and that is Freddie Mac and Fannie Mae.

I think everyone realizes that the purchase of mortgage-backed subprime securities by Freddie and Fannie created the depository whereby Wall Street went to raise the money to make subprime loans, knowing they could sell them to Freddie and Fannie. Once you create liquidity for those securities, you create a market, and those securities are going to be created to be funded or purchased by those entities.

That is exactly what happened over the 5 or 6 years preceding the beginning of the collapse in late 2007. Freddie and Fannie went from zero holdings in subprime loans to as much as 13 percent of their portfolio. This was not just because they decided to buy them, but it was in part because of a congressional directive for Freddie and Fannie to have a portion of their portfolio in what is known as affordable loans.

These affordable loans became subprime loans. They were securitized on Wall Street. The securities sold around the world, with the legitimacy of those securities based in part on the fact that U.S. Government-sponsored entities, Freddie Mac and Fannie Mae, were buying them, but also because Moody's and Standard & Poor's rated them AAA. Then all of a sudden we had a tremendous collapse of subprime securities that had devastating consequences not just for the United States but for the world.

Briefly, I want to tell a story to make that point. In August of 2008, I was in Kazakhstan with Leader REID and other Members of the Senate on a trip that later took us to Afghanistan and finally to Germany. When we arrived in Kazakhstan and landed at the airport, we went into the city in an ambassador's vehicle. As we went by, I saw this beautiful city in Asia, beautiful countryside, large buildings being built, beautiful flowers, obviously a country of great wealth. They do have most of the oil in the old Soviet Union, now the Russian Federation.

As we came into town, I kept noticing vacant, half-finished 20- and 30-story buildings with a chain-link fences around them and razor wire on the fences and a padlock on the doors.

We went to the Embassy and went to a briefing. When it was over, we were asked if there were any questions. I said: I have one. Is today a holiday?

The Ambassador's officer said: No, it is not a holiday. Why do you ask?

I said: We passed 15, 20 buildings half finished, cranes up, 20 to 30 stories, padlocks on the gates, razor wire on the fences, nobody working. What happened?

He said: U.S. mortgage-backed subprime securities.

I said: I beg your pardon.

He said: U.S. mortgage-backed subprime securities. He said: Just 3 weeks ago, Merrill Lynch in America wrote down their portfolio by 78 cents on the dollar. Therefore, the Bank of Kazakhstan, which had bought a number of these securities, wrote down their portfolio as well. They stopped funding construction loans. They stopped making mortgages.

Kazakhstan is 11½ time zones away from Washington, DC. The reverberations of the subprime security collapse affected not just the United States but the world. Today what is happening in Europe and other areas is, in part in our recession, was a consequence of what began by a mandate by Congress for Freddie Mac and Fannie Mae to purchase affordable mortgage-backed securities which became the subprime securities that collapsed the marketplace.

I tell that story and I make that statement to make my single important point on why this rush to judgment on the financial regulatory bill is wrong. It is wrong because it excludes Freddie Mac and Fannie Mae from any scrutiny or increased regulation. Let me repeat that. The two entities that created the market that bought the securities that fueled the funds for Wall Street to put them together and sell them—the two entities, Freddie Mac and Fannie Mae—are exempt from this financial reregulation bill in terms of scrutiny.

That just, to me, does not make any sense. I think when the Financial Markets Crisis Commission reports back to us at the end of this year, it will make it clear that it is a mistake to rush to judgment.

It is critical that we have all the players under scrutiny and all the players under regulation, not just trying to create a feel-good system where we reregulate those who are already regulated, saying we are doing something about the conditions in the market when, in fact, we are raising the cost of doing business, lowering the ability for banks and lending institutions to extend capital and, in fact, in some ways contributing to a contraction of the recession we experience today in America.

When I cast my "no" vote tomorrow on financial reregulation, it will not be because I don't think we need to do some things in the marketplace, but it will be because I think it is time we listen to the people we have charged to come back to us with a forensic audit and tell us what we should have done rather than take a rush to judgment in a precarious and difficult time in the current recession in the United States.

I am grateful for the time given to me. My vote tomorrow on the financial reregulation bill will be no. It is my hope that when the Financial Markets Crisis Commission comes back in December, we will find the right answers

from that forensic audit to then make the right decisions for the financial markets of the United States of America.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

TRIBUTE TO LIEUTENANT GENERAL FRANKLIN L. HAGENBECK

Mr. REED. Mr. President, next Monday, LTG Franklin Hagenbeck will retire from the U.S. Army after 39 years of service. He is a friend and a classmate from West Point, the class of 1971.

Buster Hagenbeck has distinguished himself as a soldier, as a scholar, as an individual of peerless leadership ability. He entered West Point with the class of 1971. He graduated and was commissioned an infantry officer. He served in a succession of assignments, culminating as the commander of the 10th Mountain Division in Afghanistan. There he fought the fight in Operation Enduring Freedom. He served with great distinction, great judgment, and great discernment of the situation. He certainly not only exemplified the courage and character of our troops, but he felt very deeply for their concern and welfare. That is the type of individual, that is the type of soldier he is.

After serving as the G-1 of the U.S. Army, he was designated the 57th Superintendent of the United States Military Academy. In the last several years, he has distinguished himself as a leader on not only issues of academic excellence but also, much more important, fulfilling the fundamental mission of the Military Academy to produce men and women committed to the motto of the academy: "Duty, honor, country." Selfless service to the Nation. Buster Hagenbeck personifies that spirit.

Under his leadership, West Point has been recognized by Forbes magazine as the best liberal arts college in the country. Every year it has successful candidates for Rhodes Scholarships and Marshall Scholarships. It is ranked at the very top in terms of engineering schools in the United States. But the real hallmark of West Point, as it always has been and always must be, is the men and women they produce, the young lieutenants who are today serving in Iraq and serving in Afghanistan, serving with courage and distinction.

I think it is not only comforting for them to know but inspiring that their Superintendent led forces in Afghanistan before them, that he knows what lies ahead of them, and that he has done everything in his capacity and power to ensure that they are ready to serve the Nation and lead the Army.

I have been privileged to be his friend, to know both him and his wife Judy, to be a beneficiary of their warm friendship and their kindness.

As he retires from the U.S. Army, ending the last class of 1971 graduates in active service to the Army and the Nation, I congratulate him and thank him.

TRIBUTE TO BRIGADIER GENERAL PATRICK FINNEGAN

Mr. REED. Mr. President, I rise to pay tribute to an extraordinary officer and gentleman—my dear friend BG Patrick Finnegan.

Pat Finnegan and I go back a long way. We were classmates from the class of 1971 at West Point. We went to the Kennedy School of Government at Harvard University together. We went to the infantry officer basic course together, the airborne school. In fact, I was Lieutenant Finnegan's platoon leader.

Pat went on to serve first as an infantry officer and then as a military intelligence officer. He was so talented and so obviously marked for big things that he was selected by the Army to attend the University of Virginia Law School. There he demonstrated his great legal mind and talent by his remarkable success in the classroom. He was a member of the Law Review, and then went into the Judge Advocate General Corps. He served with distinction, never serving a Washington billet, but always with the troops in the field, overseas in Germany, but particularly with the Special Operations Command, those warriors who are the tip of the spear for our military forces.

Pat returned to West Point as a full colonel to become the head of the Department of Law. There he nurtured a generation of cadets. His success was such that he was the most obvious and the best choice to become the dean of the Military Academy, and he assumed those duties. For the last several years he has led the academic department at West Point with distinction.

West Point has been selected by Forbes magazine as the best undergraduate institution in the country. It has been recognized in terms of the scholarships awarded to its students and in terms of the excellence of its academic programs.

Pat contributed a lot more than just academic expertise. He and his wife Joan and their children and their grandchildren were a large part of the fabric of the West Point experience. They were there cheering on the cadets at their athletic events. They were there in the good times and the bad times of cadets. They were a source of inspiration and encouragement for class after class at West Point. Pat and Joan have left an indelible mark on the academy. They have done it with great learning and great character, and they have inspired all of us with their dedication to the Army, to the country, and a dedication to each other and to their children.

It is with a great deal of pride that I salute BG Patrick Finnegan on his retirement from the U.S. Army and salute him also upon his appointment as president of Longwood University. Longwood will never regret their choice of a distinguished soldier and a great gentleman as their new president.

Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. KLOBUCHAR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. FRANKEN). Without objection, it is so ordered.

PROTECTING GULF BIRD HABITAT

Ms. KLOBUCHAR. Mr. President, as you well know, it has been 3 months since the Deepwater Horizon oil rig exploded in a massive fireball, killing 11 workers and injuring 17 others. But the extent of this tragedy is still beyond comprehension for everyone in this country. Since then, as we all know, as much as 50,000 barrels of oil per day has flowed into the Gulf of Mexico. At that rate, the Exxon Valdez disaster in Alaska has been duplicated every 4 days. I don't think that when this started, anyone thought that was possible.

There are many resources down there, as we know. It was slow going at first, but now we see more than 6,800 vessels, 117 aircraft, 3 million feet of boom, and more than 45,000 personnel.

In May, I went on an aerial tour of the spill while I was in New Orleans. I saw firsthand the miles and miles of oil slick covering the gulf, threatening the livelihoods of millions of people in the gulf coast as well as some of our Nation's most precious wildlife.

Our priorities are clear. First, we have to plug this well. We know there are some efforts underway as we speak, as well as a long-term plan of pushing some cement in there, that we know may not be completed until mid-August.

The second is that BP and others responsible must pay so that the taxpayers of our State of Minnesota as well as States across the country are not on the hook. The \$20 billion the President and others negotiated with BP was a very strong start because, as we know, what happened with the Exxon Valdez—20 years later, a lot of those families still had not gotten their money. Mr. President, 8,000 of the plaintiffs and fishermen died before they got their money in that case.

Third, we need to figure out what happened so this never happens again.

Fourth, we need to reform the agencies that were supposed to be the

watchdogs but turned out to be the lapdogs and redouble our efforts to diversify the energy supply.

I have focused on addressing this disaster because I believe we owe it to the taxpayers and because this disaster has devastated the resources that belong to all Americans. Now, as we face the worst environmental disaster in our Nation's history, we cannot lose sight of a piece of it that I don't think has gotten enough attention. Why? Because we have not even seen it play out yet. We have seen that wildlife down there right now. We have seen the pelicans drenched with oil hobbling on the beaches. We have seen all that. But what we have not seen yet—and we have no idea of the extent of the problem yet—is what is going to happen to the 13 million migratory birds, waterfowl coming from Minnesota, coming from Wisconsin, that winter in the gulf coast in those marshes.

At first, no one, understandably, focused on the unsettling proposition that millions of birds that winter in the gulf every fall and winter will be faced with toxic shorelines and toxic marshes, but as the oil laps up on the shore, we have to face this unacceptable but real problem right now.

As you know, in our State we know summer has arrived when we hear the loon calls from our 10,000 lakes. Minnesota is home to half a million ducks and the largest population of loons in the continental United States. Hunting and wildlife watching is part of our heritage, but it is also an important part of our economy. Waterfowl hunting contributes almost \$50 million in economic activity in Minnesota every year, and Minnesota has the third highest birding participation rate of all States, at 33 percent or 1.5 million people.

The U.S. Fish and Wildlife Service is heading up the Natural Resource Damage Assessment and Restoration Program, which will come up with an estimate of restoration costs that will be sent to BP for them to pay to help clean up the shorelines, the estuaries, and the marshes. Additionally, the new escrow account that has been created will help ensure that the claims process for individuals and businesses runs smoothly and efficiently, and it will also help ensure that claims by government—State, local, and tribal—that are submitted to BP will not be delayed by a slow claims process.

But, while the Unified National Incident Command is doing all it can to stop the leak, it is important that we simultaneously do all we can to protect the habitat of the birds and the ducks in the gulf that support our hunting and birding economy in this country.

In just a few weeks, millions of birds will begin to migrate south from Canada, from the Great Plains and parts of the Midwest. They will fly hundreds or even thousands of miles to the gulf

coast, where they spend their winters. Remember, all we have seen so far is just the birds that live down there in the heat. Think of when all the birds go down there. This is what they are going to find. They are going to find that beaches that used to have beach balls are now filled with tar balls. So many of them go to the marshes and the wetlands, and the oil is starting to creep into those marshes. We cannot really put up a sign for those birds that says: Hey, go to Mexico instead. There are naturally other places they could go, but, guess what. They can't read. Nor are we going to be able to put some big net up to stop them from flying to those places. I talked to people, experts on this, from Ducks Unlimited and other places. These birds do not have the instinct to avoid those oily areas. They are going to just plow back in where they went last winter. That is why a bipartisan group of Senators joined me in sending a letter to Secretary Salazar to ensure that proper attention and coordination is also made with U.S. Fish and Wildlife and conservation organizations that are working to protect the habitat of migratory birds.

I am pleased that just this week, the National Incident Command announced the launch of a new Web site, restorethegulf.gov, dedicated to providing the American people with clear and accessible information and resources related to the BP oilspill response and recovery.

It is also important that as we focus on stopping this terrible leak, we also prepare for the serious and imminent threats to the birds and wildlife that play a critical role in the regional gulf economies and to the more distant regional economies in places such as Minnesota and Wisconsin.

In just a few weeks, we must be ready for the mass influx of ducks and birds in the gulf region. If we fail to prepare, countless unsuspecting birds, wildlife, will not return to Minnesota and our ecosystems and economies will feel the impact, not just in Minnesota but throughout the country; not just in Louisiana, not just in Florida. It will spread. We will continue to push, with the recovery efforts, to make sure there is adequate focus on this important issue.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DODD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BEGICH.) Without objection, it is so ordered.

FINANCIAL REGULATORY REFORM

Mr. DODD. Mr. President, I want to spend a couple of minutes, a few min-

utes this evening, if I can, talking about the Wall Street reform, the financial reform bill. I want to begin by thanking the Presiding Officer who, while not a member of the committee, played a very active role during the consideration of the legislation on the floor of this body a number of weeks ago.

There will be a debate again, I know, tomorrow before we actually vote on final passage of the bill. A lot of this I will talk about this evening I have discussed in the past over many weeks and months that have brought us to this particular moment, where within the next 24 hours we will make a final decision as to whether this body is prepared to endorse the efforts to reform our financial system in this country so that we never ever again subject the American people to what they were subjected to in the fall of 2008 where the Congress of the United States, along with President Bush, asked the American taxpayer to write a check for \$700 billion to bail out financial institutions which, through their own misfeasance and malfeasance, as well as those of regulators who failed to act, put this country and in fact the globe at financial risk.

I shall never forget as long as I live the meeting in mid-September in the offices of Speaker NANCY PELOSI, along with Democrats and Republicans, and their respective committees in Congress, where the Chairman of the Federal Reserve Board and the Secretary of the Treasury under President Bush announced to all of us that if we did not act within a matter of days, and I am literally quoting the Federal Reserve Chairman and the Secretary of the Treasury, that if we did not act within several days, the entire financial system of this country and maybe a good part of the world would melt down, were their words.

So we acted over the next several weeks. There are a number of Members here who were deeply involved in that effort. The country reacted with great outrage over how we had ever gotten to that position and what steps we were going to take to see to it that we would never ever again subject our Nation not only to the cost of bailing out these firms but also the cost that has ensued as a result of the financial collapse to jobs and homes, retirement accounts, ability of families to educate their children, all of the effects that have been visited upon the American people and many others as a result of events that began to transpire years ago, culminating in the difficulties we saw in the fall of 2008.

Before I begin any remarks about the bill itself and what we have tried to achieve, I want to begin by thanking my colleague from Arkansas, Senator BLANCHE LINCOLN, who chairs the Agriculture Committee. She shared a responsibility with me in this bill, and

while the bulk of the titles came out of the Banking Committee bill, a very critical piece of this legislation involved the participation of the Agriculture Committee. She and SAXBY CHAMBLISS, my colleague from Georgia, along with their colleagues on the committee, worked very hard and I thank them and their staffs for the work they have produced in order to make this a stronger and a better bill.

I want to thank my House counterpart, BARNEY FRANK of Massachusetts, who chairs the Financial Services Committee of the other body. He, along with Chairman PETERSON of the Agriculture Committee, did a very good job in pulling together the House version of this bill. They actually completed their work back in December of last year. The House moved more quickly for all of the reasons that Members are aware of, the rules of the institution and others that facilitate the rights of the majority to basically move along through the underbrush without the nuances that the Senate provides for in terms of the consideration of legislation.

I sat, along with my Senate colleagues from the Banking Committee and the Ag Committee, for 2 long weeks, almost 70 hours in a conference committee. For those who wonder what a conference committee is, very simply it is when the Senate acts on a bill and the House acts on a bill, and you need to resolve the differences between the two, we meet in what is called a conference committee.

The leadership of both Chambers appoints conferees to represent the interests of the respective Chambers, as you then sit down and try and iron out those differences. Chairman BARNEY FRANK chaired that conference committee. There were 42 of us, Members of the House and the Senate, who got together for that lengthy period of time, including one all-night session, to produce what is in front of us today, and that is this. This is the conference report that reflects the work of both bodies over many months in trying to craft a series of ideas and proposals that would minimize, if not all together prohibit, the tragedy we have been through over these last several years.

I would also be remiss at this juncture if I did not thank the members of the Senate Banking Committee who spent a lot of time together over the last number of years. I became chairman of this committee about 40 months ago, in January of 2007. My great friend and colleague with whom I served for so many years from Maryland, Paul Sarbanes, retired from the Senate. The ranking member, Senator SHELBY, was chairman of the Banking Committee for about 4 years prior to January of 2007. So on the seniority system, I reached the elevated status to become chairman of this committee

at a critical moment when obviously the bottom began to fall out of our economy. Since January of 2007, our committee has had around 80 hearings on this subject matter alone that has produced the ultimate product before us here this evening and tomorrow.

I want to begin by thanking my Democratic colleagues on the committee and the members of their staffs. TIM JOHNSON of South Dakota, who has done a wonderful job, has been deeply involved in a number of critical issues before the committee.

JACK REED of Rhode Island is a very valued member of the committee, spent a lot of time working with Senator GREGG on the derivative section in this bill.

Senator CHUCK SCHUMER of New York, extremely knowledgeable about financial matters, has been invaluable in understanding the nuances and the difficulties, as well as understanding this institution very well, and I want to thank him for his service.

Senator BAYH of Indiana, who, along with myself, will be retiring at the end of the year, has been a strong member of the committee, brought a good perspective on the needs of American business and industry as we worked our way through the legislation; BOB MENENDEZ of New Jersey, tremendously helpful as well.

HERB KOHL of Wisconsin, again a knowledgeable businessman in his previous life, comes to the Senate with a lot of strong ideas and contributed to this bill.

DAN AKAKA of Hawaii also added considerable financial literacy. This has been a subject matter he has long been interested in, and seeing to it to how we might elevate the knowledge and understanding of consumer responsibility when it comes to financial matters.

SHERROD BROWN of Ohio. We serve together on two committees involved in both the Health, Education and Labor Committee, which the Presiding Officer also serves on. He is a member of the Banking Committee, and again was tremendously helpful and interested in the subject matter.

JON TESTER of Montana did a very good job as well and was invaluable on rural America, the interests of small banks, the financial needs of more rural aspects, more rural areas of our Nation.

JEFF MERKLEY who played a critical role, along with CARL LEVIN, on a major part of this bill dealing with proprietary trading, the so-called Merkley-Levin rule, which was debated at length over many weeks and is part of this bill.

MARK WARNER of Virginia is a new member of this body, a former Governor of Virginia, and a person who has spent a good part of his life working in the area of financial services. I cannot begin to say enough about MARK WAR-

NER's involvement with this bill. He was invaluable in terms of helping to understand and bring together various people from disparate points of view on resolution mechanisms, as well as winding down of financial institutions and how they ought to work. And while a junior member of the committee, his involvement, his participation, was that of any senior member—in fact, more so. So I thank him.

Then, of course, MICHAEL BENNET of Colorado, as well who comes from a varied background, including financial services, understands it well.

So I thank my Democratic colleagues on the committee for their work.

Senator SHELBY, the Republican ranking member, and I have been great friends for many years, served in the other body and this body together for a number of years. And while we have differing points of view on this bill, and he is not a supporter of it, the Shelby-Dodd amendment, which was offered at the outset of the debate on the floor of this Chamber, put aside I think for most Members once and for all the issue of a bailout, too big to fail. I thank him for that and his involvement in the process as we moved forward.

BOB BENNETT of Utah, tremendously knowledgeable, played a very important role on the Banking Committee over many years.

JIM BUNNING, the nemesis of the Federal Reserve, was never shy at expressing his concerns about the conduct of the Federal Reserve Board. I thank him for that.

MIKE CRAPO of Idaho is very knowledgeable, worked with CHUCK SCHUMER on corporate governance issues. He contributed to this bill. A number of amendments we adopted were Crapo amendments that strengthened the legislation.

BOB CORKER, worked with MARK WARNER. I thank BOB CORKER. I listened to his remarks earlier today. We have a different point of view on the evolution of this bill, but, nonetheless, I thank him for his work on titles I and II of the legislation. Along with Senator WARNER, I think they made a significant contribution—and his staff as well.

MIKE JOHANNIS of Nebraska again has strong interest in the legislation; Senator VITTER of Louisiana; Senator DEMINT of South Carolina; also Senator HUTCHISON. A number of amendments were adopted. KAY BAILEY HUTCHISON of Texas was deeply interested in regional banks, the Reserve banks, and played an important role.

JUDD GREGG of New Hampshire, again a retiring Member at the end of this Congress, while we have had some differences on this bill, which you will no doubt hear more of over the next 2 days, JUDD GREGG played such a pivotal role in the fall of 2008 in trying to put together a proposal that would re-

store some stability to the financial institutions in our country. While we have our disagreements, I have great respect for him. He is a knowledgeable Member, one who brings a great deal of passion to his beliefs and views. There are a lot of matters in which I could point to JUDD GREGG's involvement. I thank him as well.

Those are the members of the Banking Committee. So before beginning any substantive discussion of the bill itself, I wanted to thank the leadership of the House, the Financial Services Committee, and my colleagues on the Banking Committee, as well as, of course, BLANCHE LINCOLN of the Agriculture Committee for their work.

At a later point in these remarks, I will go through and mention staff, people who played such a critical role as well. But I thought at the outset we need a recognition of these Members. Yesterday I spoke briefly about the role of the majority leader, HARRY REID. And again, while not involved on a daily basis in the production of this legislation, the majority leader played such an important role in making sure the institution provided the time and the space and the procedures for the consideration of a matter such as this. As I mentioned earlier, he could have very easily decided to truncate the debate. We ended up taking 4 weeks of the time of this body, considering, as I mentioned earlier, some 60 amendments on the floor, open-ended debate. There were only one or two examples where a supermajority was required. There was only one tabling motion, I believe, of any of those amendments.

A significant number of amendments were adopted that were offered by the minority to this bill, as well as amendments that were offered on a bipartisan basis. In fact, of the 60 amendments that were adopted in the consideration of this bill, 30 of them, one-half, came from the minority as well as a bipartisan combination of amendments that were offered by both a Democrat and Republican together.

So one-half of the product that was adopted on the floor of this Chamber is a reflection of the work of Members from both sides of that political spectrum. And while Members may not want to crow about that, I do, because I think it is a reflection of the determination to make sure that this bill would be available for amendment and consideration.

No one is guaranteed success with their ideas, but you ought to be guaranteed an opportunity to be heard, and what we did in the consideration of this bill is provide that guarantee, and far beyond the guarantee. As I said, one-half of all the amendments adopted over 4 weeks were successfully offered by the minority or on a bipartisan basis, Democrats and Republicans. So the process has been an open one, one in which regardless of whether you like

or support the bill, I would hope it would become an example of how the Senate can conduct its business on a major legislative proposal.

Today and tomorrow, the Senate of the United States will have the opportunity to bring some closure to one of the most challenging times in our recent history with the passage of comprehensive financial reform. This bill was not written to reshape our economy, the most powerful economy the world has ever known. Nor was it written to hinder innovation in our financial sector, the spirit of creativity and entrepreneurship that has made our economy the envy of the developed world, still is strong and vibrant, and I think enhanced by what we have done with this legislation.

As tempting as it would be to let the cries of protest from the worst offenders of the large financial institutions serve as an argument for passage, this bill was not written to punish Wall Street, despite the desires of many.

Our reform legislation does not have an agenda of its own. I would like to point out what we are trying to achieve with this legislation. Here you can see on the graph behind me—I will have several graphs to point to people—our job was—and you can look at various orders of matters on the graph—to end bailouts and too big to fail. Maybe more so than any other issue, this one is an issue which Members of the body were joined together in a common cause that never again did we want to see a bailout of a financial institution at the expense of the American taxpayer. So our first goal, in my view, was to end too big to fail and to end these bailouts.

Another is to grow jobs and create wealth. Obviously, you cannot without a vibrant financial services sector where credit becomes available, whether it is a small bank in Alaska or Connecticut, where credit can flow, capital can move, so businesses can grow and jobs can be created. And while this is not a jobs bill per se, in the absence of doing what we are doing, the idea of talking about long-term growth in our country without reforming the financial institutions would be a pipedream, in my view. So this legislation has as its goal to help create job growth in our Nation.

We want to empower consumers and investors. I will get into this in more detail, but the idea that there is someplace in our Nation where a group of people get up in the morning, not as a second or third afterthought, worrying about what happens to the consumer of financial institutions, whether it be a credit card, a student loan, a home mortgage, a car loan, whatever, an insurance policy—when you get up that morning, your primary obligation is to make sure that average consumer in this country who needs and depends every day on financial services will

have someone watching out for them, to see to it that they are not going to be abused, defrauded, and taken advantage of. For the very first time in our Nation's history, we will have such a place because of this legislation. It is not perfect. It is not exactly what everyone was looking for. But I think allowing an agency like this, a bureau, to exist that will be able to focus its attention on that concern is a major contribution to this legislation.

Fourth, we have here the issue of putting tools in place to avoid these problems from growing as large as they did. One thing I think is very important to say about this bill. There is nothing in this legislation that will stop another economic crisis. It would be ludicrous to suggest we have. There will be other economic crises. The question we ought to be asking ourselves is, If there is one, can we minimize the effect of it or do we have a situation where a relatively small crisis can metastasize, much as a cancer might, across the economic spectrum in such a way that we find ourselves with job losses, foreclosures, and the like, that we have gone through?

We provided in the bill the tools to see to it that our regulatory agencies and others will have the capacity and the ability to identify, to spot early on problems that emerge both here at home and around the world. And I emphasize “around the world” because we have all painfully learned in the last number of weeks and months that a financial problem in a relatively small country some 10,000 or 12,000 miles from here can pose problems right in our own backyard. I speak, obviously, of the difficulties occurring in Greece and Europe as well. So it is very important that we have the capacity and the tools to address financial crises when they happen, as certainly they will.

Then lastly, of course, in this bill we rein in what we call the Wall Street enlarged bonuses that have so angered the American public, where people, even last year, in the midst of all this crisis and hardship—\$20 billion was handed out in bonuses in the major financial institutions in our country. Again, I believe people who do good work and work hard ought to be rewarded. But how do you explain to the person who lost their job, their home, their retirement, their ability to educate their children, that an institution that brought this country to near collapse is rewarding its members with bonuses of \$20 billion? So our legislation gives shareholders and others the opportunity in corporations to decide what those remunerations ought to be, as they should as the owners of these businesses. It is not a radical idea. In fact, it is radical not to allow people who ultimately are the owners of these businesses, as well as those whose hard-earned money gets invested, to have some say in all of this.

So our proposal before you is a comprehensive solution. It is not encompassing. There are obviously areas we did not deal with for reasons I will address momentarily. But it is a comprehensive solution to a very complicated set of problems.

This bill is a response to the failure of our financial regulatory system to protect ordinary families from the consequences of others' bad decisions. This legislation is the change I think the American people deserve after all they have lost and been through.

The effects of the crisis on our financial system are being felt all around us, and they will continue to be felt for some time, even with the adoption of this legislation. I have repeated these statistics, I know, over and over, and I will try to do this briefly, but it is important once again that we understand the impact of what has occurred. Sometimes, just by saying the numbers we dilute the influence or importance of it.

Mr. President, 8.5 million of our fellow citizens have lost their jobs in this economic crisis. Our unemployment rate is dangerously close to double digits. The fact is, it hovers near 20 and 30 percent with lower income people. If you are making \$30,000 to \$40,000 a year, the unemployment rate is triple that number of 9.5 percent or 10 percent. If you are making more than \$75,000 or \$80,000 a year—and many do—the unemployment rate is about 4.5 percent or 5 percent. So when you talk about a 9.5 percent or 10 percent number, that is overall, but within income groups, the number is much higher among lower income workers and working families than it is for the national average. So the job loss has been significant.

I wish there were some way to convey the sense of loss this is for all of us, not just for those who lose their jobs, but what it means to our confidence and our trust and our optimism as a people is far beyond the cost of some financial impact. Again, these numbers hardly reflect the damage done to our country.

Mr. President, 7 million people in our country have lost their homes or entered foreclosure, and millions more are teetering on the brink of foreclosure. Again, I say in this area, for those of us who serve here, obviously, the idea of foreclosure is about as remote as anything we could think of. We are well compensated as Members of the Senate to be in this Chamber. But that notion of having to go home to your family because of a job loss, because of a bad mortgage—one you got into that you could not afford—all of a sudden having to let your family know that the home we live in, we dreamed about, that we got so excited about acquiring, no longer is ours; we have to move; we have to leave—again, I do not know if you could begin to explain or

describe what that means to an individual, to a family, to be through that.

So the 8.5 million jobs, the 14.5 million unemployed citizens in our Nation—a 55-percent increase, by the way, since the crisis began—again, the number I have mentioned to you of 9.5 percent of unemployment—I mentioned the 7 million homes that have been in foreclosure since the housing crisis began. In the first quarter of 2010, half of the States saw an increase in the rate of homes entering foreclosure as opposed to a year ago.

So while we are on the brink, I hope, of passing this bill, let there be no doubt or illusions—that problems persist and this bill does not bring your home back. It does not bring a job back for you in the morning. It does not restore your retirement account. But hopefully it will see to it that we never have to see our country go through these kinds of difficulties again.

We have lost dozens of community banks over the last several years. Thousands of small businesses have had to close their doors. Trillions of dollars in retirement savings and household wealth have evaporated as well.

Let me again just go through some of those numbers for you. The impact of the crisis on community banks: 90 banks in 2010 with assets totalling \$75 billion through July 9 of this year have closed their doors, and 89 of the 90, by the way, held assets of less than \$10 billion. These are small community banks that have had to close their doors as a result of the crisis. In 2009, there were 140 banks in our country with assets of \$170 billion that also closed their doors, and 135 of the 140 that closed their doors had assets of less than \$10 billion. So again, we have seen over the last 2 years the number here approaching 250 banks, the overwhelming majority being small banks.

The FDIC, the Federal Deposit Insurance Corporation, has on its watch list of institutions 700 banks that are shaky. Again, saying they are shaky does not mean they are about to close their doors. But there is a watch list that the FDIC pursues. Again, I would love to tell you that the passage of this bill is going to stop all of that from happening immediately. It does not. But it certainly minimizes the possibility of ever watching that happen again as a result of the circumstances we have been through.

Our work continued as Democrats and Republicans in the committee worked to put together a framework as far back as November. In fact, it goes back and predates earlier. But last November, my colleague from Alabama, the former chairman of the committee, Senator SHELBY, announced—and I believe he was correct—that we had gotten about 80 percent of the way to a bipartisan consensus on this legislation. That is about where it ended, I guess,

but nonetheless this bill does reflect at least strong measures in here that were crafted on a bipartisan basis.

On the Senate floor, we debated the bill for 4 weeks, carefully considering the ideas and concerns of our colleagues. Some 32 amendments were offered either by the minority or together with a Democratic and Republican author, of the 60 amendments. Half of the additions that were made to the bill over 4 weeks came from the minority, either alone or working with a majority member.

Then, for the first time in recent memory, we broadcast every minute of the almost 70 hours of the conference committee between the other body, the House of Representatives, and the U.S. Senate. This conference committee was on C-SPAN. There were no backroom deals because there was not a back room. Everything was done—all—every minute of that conference was reported to the American public—in fact, beyond. C-SPAN, picked up by satellite, was available literally around the world to monitor the events in the conference committee. We approved an additional 14 amendments by my Republican colleagues during the conference. We worked out our differences with colleagues in the House and produced a finished conference report that we have before us today.

So, again, this chart behind me reflects those efforts.

As I mentioned, in the conference committee we held eight public meetings over 2 weeks, for almost 70 hours, where the 42 of us gathered to resolve the differences between these two bills. We approved some 32 amendments in the conference committee. There were 79 votes held. Of the 32 amendments that were approved by the conference committee, 14 came from our Republican colleagues and 18 came from our Democratic colleagues. Almost an equal number were adopted offered by both the minority and majority in conference.

Again, almost an equal number were adopted here on the floor of the Senate. Of the 60 amendments we debated here, 32 were, again, either minority amendments or done in conjunction with a Democratic colleague. We held some 39 rollcall votes on the floor of this body to consider the bill over the 4 weeks we debated the legislation.

I do not want to dwell on all of that, but I think it is important because, as I pointed out earlier, we went through a health care debate. I was very involved in that because of the tragedy, the loss of my great pal and friend from Massachusetts, Senator Kennedy, who chaired the HELP Committee. With his illness, I was asked to take over the acting chairmanship of that committee. We all know what a painful process it was to come to a conclusion on the health care debate. Again, I regret, I am sorry it went through that

process—not exactly a textbook version of how a bill ought to become law—but nonetheless an important contribution to our country.

This bill, by contrast, is a model in many ways of how a bill ought to become law. We did it under an open process. We had a conference that was open, amendments were offered, and Members could be heard. I am not suggesting that is a reason solely for someone to support this bill or oppose it, but I do think it is important in how this body conducts its business as a model of what can be done to restore some civility to a process that is sorely lacking in it on too many occasions as we try to resolve the matters that our constituents have sent us here to work out.

So I talk about the number of votes cast, the time spent, the openness of the process because it ought to be rewarded to some degree. If, in fact, there is no different conclusion, the same roadblocks are offered, and whether or not we have a closed process much as the health care debate was, or as open a process as the financial services bill was, and at the end of the day you are still faced with the same obstruction in trying to pass a bill, why would you bother going through all of this? It seems to me there ought to be a reward for a process that is as involved and as inclusive as this one has been.

So throughout this debate we have heard the same arguments, of course, coming from the opposers of this legislation: Slow down. Don't overreach. Let's let the market work things out. Let's wait for another day and start over. I keep hearing that argument over and over, and as infuriating as that can be to hear from some of the very same people who caused this mess to begin with, we have taken great pains to listen to all sides and included their ideas and proposals in this conference report that is before us. What we haven't heard is an alternative plan to fix the gaping loopholes in our system. Indeed, the alternative is to maintain the status quo. That is all I can conclude because there is no other option, nor has there been placed on the table, that which allowed this process to happen. A status quo that was dangerous 2 years ago, it is even more so tonight.

If we let this opportunity to reform our financial system go by, we will find ourselves, tragically, someday far too soon, in an even deeper hole financially, facing even more of a mess, and needing to write an even bigger bill to clean it up. I would predict that another generation or two would pass before such another historic effort as we have crafted here would come before this body if we fail to accomplish what is before us tomorrow. We cannot afford to let that happen. We must not let that happen. This is truly a strong

and historic piece of legislation. It puts a permanent end to too big to fail, to taxpayer bailouts—gone.

Allow me to remind my colleagues of what is in this historic bill, along with the too-big-to-fail concept and ending the bailouts that have too often persisted in the past. Wall Street firms understand if they gamble with their own risks, it is one thing. Gambling with others is a flaw that we will not tolerate. The American people deserve this assurance, and we provide it in this bill. They were put on the hook, of course, for an unprecedented emergency action that we had to take to save our economy from completely collapsing. They were and still are angry that they had to pay for the greed and recklessness of others, and they were and are still today even angrier that their generosity didn't seem to motivate Wall Street to change its culture, as banks continue to lavish large bonuses on executives while Main Street Americans lost their homes, their jobs, their retirement, and their wealth.

As I mentioned earlier, this bill creates a consumer protection agency with authority and independence. It ends too big to fail; it establishes an advanced warning system for financial threats; and it provides new transparency and accountability for derivatives and other exotic financial instruments. It makes public companies and executives more accountable to their shareholders, and it gives regulators powerful authorities to protect investors and depositors. This legislation, I say to Wall Street, with its outright ban on any future too-big-to-fail bailouts, is the other shoe dropping.

Our bill also establishes, as I mentioned, a consumer financial protection bureau, the very first-of-its-kind watchdog. It will have one job and one job only; that is, to protect and empower American consumers and their financial decisions. American families shouldn't have to have an advanced business degree to plan for their financial future, and they shouldn't have the fear that they will get ripped off by a shady lender or a scam artist as too often has been the case.

For too long they have been on their own because the seven different agencies that were supposed to be looking out for them were distracted by their other sometimes conflicting missions.

Americans need to know this new consumer protection bureau would not make decisions for them. The new bureau will make sure consumers have the information they need to make good decisions about their home mortgages, their student loans, their home equity loans, their credit cards, and other financial matters. It will protect them from being trapped by unfair or deceptive or abusive lending practices, and if they do encounter a problem, there is a single toll-free number to call and get help.

By the way, let me just add to this last point about consumer protection: I have heard some Members suggest we don't deal with underwriting standards for home mortgages. I am looking to staff here, but I think there are some 40, 50, 60 pages of this bill, pages and pages alone dedicated to underwriting standards when it comes to residential mortgages. We spent a great deal of time in seeing to it that no longer would we have these no-doc loans, no requirements, no information, nothing at all that too often led to the financial difficulties we are in.

I urge my colleagues and others to read the bill or read the sections. There is a whole area of this bill, a significant part of it, dealing with underwriting standards for residential mortgages.

This bill will provide an early warning system to sound the alarm should large institutions or new financial products or practices threaten the stability of our financial system. Most Americans were completely unfamiliar with innovative financial instruments such as credit default swaps and mortgage-backed securities until those very instruments sparked a crisis that put millions of people out of work. I noted with some interest just yesterday, I believe it was, that the former Secretary of the Treasury, Hank Paulson—I don't want to exaggerate his comments, but I think I concluded that he thought this bill was a good bill. He identified specifically this early warning system in our legislation as one of the important provisions that had not existed earlier on, not just last year but going back to 2004, 2005, as he rightly points out, when the problems began to emerge, that this problem that we have gone through never would have happened to the extent it has.

So one of the highlights of this bill is that we have far more than just one set of eyes now looking over the landscape both at home and abroad, including State regulators who I think can bring a valuable contribution to the oversight responsibilities when it comes to determining whether institutions themselves or product lines or practices are so risky that they endanger our financial system. Then they have the power to respond to that as well, to see to it that those practices can be brought to a stop before they cause the problems that the last crisis did in so many other areas of our economy.

Our legislation contains strong provisions that bring the \$600 trillion derivative market out of the shadows and into the sunlight. Let me repeat that number. This is an area where we went from \$60 billion, I think it was—a \$60 billion to \$90 billion industry of the derivatives market to \$600 trillion—that is with a "t"—globally, just a massive market, operating in the shadows. Again, our legislation shines the bright light of sunshine on these transactions

so we have far more transparency in this area.

Let me quickly point out that there is absolutely nothing inherently wrong with derivatives. In fact, quite the contrary. Derivatives are vitally important if utilized properly in terms of wealth creation and growing an economy. But what was once a way for companies to hedge against sudden price shocks has become a profit center in and of itself, and it can be a dangerous one as well, when dealers and other large market participants don't hold enough capital to back up their risky bets and regulators don't have information about where the risks lie. AIG was the classic example, of course, where that happened.

Derivatives should help companies manage their risks. That is why they are valued, so they can continue to grow their businesses, hire workers, and improve the quality of our economy. But during this crisis, panic and confusion in the derivatives market led to job losses. Derivatives traders lost sight of the impact their actions were having on the real economy in our Nation.

With this bill, companies can continue, obviously, to use derivatives to hedge their commercial risks, but they must do so in a much safer and transparent way that would not put our whole financial system at risk.

Meanwhile, of course, this bill includes reforms to executive compensation and corporate governance that will make corporate executives more accountable to the owners of their businesses—the shareholders in these companies—and new protections for investors.

Despite the wild protestations of some on Wall Street who, given their actions in the lead-up to this crisis, have little standing to lecture us about keeping our financial system healthy, this bill is good for the financial sector as well. Our bill rewards creativity and innovation without the pressure to take outrageous risks or to deal unfairly with consumers. Honest firms can focus on competing for business by serving their customers better, and for community banks reform means stronger core funding, fair deposit insurance premiums, a stronger insurance fund, and a far more level playing field. These banks will get to keep their Federal regulator, and they would not be charged assessments by the new consumer protection bureau.

For retailers, this reform bill means freedom from inflated interchange fees and for consumers. I wish to thank RICHARD DURBIN, our colleague from Illinois, the majority whip, whose insistence on this language in the bill provoked significant debate and discussion. I didn't mention him earlier, but I wish to thank Senator DURBIN for his involvement, and I thank retailers and others across the country who strongly

supported this provision in this bill. Fifteen million retailers today will be able to earn more and charge their customers less because of these provisions in the bill.

For seniors and veterans and minorities, reform means protections against some of the most hideous scams targeted at these populations in our country. Again, I point out—I don't know if we have this up, but here was the headline in the Wall Street Journal the other day: "Big Win for Small Banks in Overhaul." That certainly is the case. There are 8,000 of them in this country. The Independent Community Bankers Association, while not endorsing the whole bill, sent a memorandum to every Member of this body, I think this morning or yesterday afternoon, outlining why the major provisions in this bill are very good for our small banks in this country. I have enumerated just a couple of measures.

Mr. President, I ask unanimous consent to have printed in the RECORD at this juncture the memorandum from the ICBA, if I may.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ICBA Commentary

THE GOOD IS OFT INTERRED WITH THEIR BONES

(By Jim MacPhee, Mike Menzies and Sal Marranca)

A tsunami of paper, e-mails and every other form of communication predicting everything from the destruction of community banking to financial Armageddon is washing over bankers nationwide as a result of the House passage of the conference report on Wall Street Reform. Some of this stuff is so extreme it practically implies the end of life as we know it. It has Chicken Little in a full sprint.

Ok, enough already. There is some really bad stuff in the bill. Some of the information soaking bankers about the bad stuff is actually very true and accurate, some of it is exaggerated and a bit of a stretch, and some of it is just downright lies designed to scare the daylights out of community bankers. That is so community bankers will pull Wall Street's chestnuts out of the fire for them. Why do you think it is called the "Wall Street Reform Act"?

Everyone has been made painfully aware of all the evil in the bill. What seems to be lacking is a fair and balanced look at what actually may be some good elements in the bill—if you are a community bank that is. Not much good in there for Wall Street—we freely admit that.

From our personal observations, we know that a fair number of community bankers watch the FOX News Channel. And according to FOX News, it does its best to be "fair and balanced." So, in the interest of "fair and balanced," and because just about everything evil, bad and terrible has been said about the Wall Street Reform Act that can be said, let's at least look into the bill and see if there is anything remotely redeeming for community banks.

Keep in mind that we are not fair and balanced when it comes to the financial services industry. As longtime community bank executives, we freely admit that we are fiercely devoted and passionate about the commu-

nity banking industry and don't represent nonbank financial firms or Wall Street. So with that disclaimer, let's look at the other side of the coin.

A U.S. Senate Banking Committee summary of provisions in the bill that will benefit community banks might be a good place to start. As already mentioned, while the Wall Street Reform Bill contains some burdensome measures for community banks, particularly those that impose government price controls on debit interchange fees, the legislation also includes many important provisions and exemptions for community banks that ICBA fought for and won. Some of those provisions will directly benefit community banks' bottom lines. Others are designed to buffer community banks from the actions lawmakers were intent on taking to rein in the megabanks and nonbank financial firms.

Among many other measures beneficial to community banks in the bill, four in particular are worth highlighting . . .

Fairer Deposit Insurance System. The bill will require the FDIC to assess insurance premiums based on total liabilities, not on domestic deposits. This provision alone will save community banks a total of \$4.5 billion over three years.

Deposit Insurance Coverage. The bill will permanently raise the FDIC deposit insurance limit to \$250,000. It will also extend unlimited deposit insurance coverage for non-interest-bearing transaction accounts under the Transaction Account Guarantee program for two years.

Too-Big-To-Fail Regulations. To reduce too-big-to-fail funding advantages and systemic risks, the bill will require the largest banks to hold more capital and liquidity reserves. In addition to creating a new systemic-risk council, the bill will put in place new resolution authority to wind down the largest institutions that fail.

Consumer Financial Protection Bureau Exemptions. ICBA vigorously and continually opposed the creation of the Consumer Financial Protection Bureau, but the bill offers several important measures to exempt community banks from direct bureau oversight. Most nonbank financial firms, for the first time, will be subject to the same lending rules and standards that community banks must follow. Banks with up to \$10 billion in assets will continue to be examined for compliance by their current regulator. A measure to give the bureau "backup enforcement" authority over community banks was eliminated.

Significantly, the CFPB will not have authority to impose assessments on community banks to pay for its operations. Also, the bureau will be required to consult with the banking regulators before proposing any rule and during the comment process (ICBA fought hard for these exemptions). In all of its rule making, the bureau also will have to specifically consider the benefits and costs a new consumer-protection rule would have on banks with less than \$10 billion in assets, and to rural bank customers. Before proposing any rule that would significantly affect community banks, the bureau must convene a panel to gather input directly from community banks.

Now if this bill is defeated all the bad stuff will just come back like a bad habit, but all the good stuff listed above goes away—likely for good. As Mark Antony said at Caesar's funeral, "the evil that men do lives after them; the good is oft interred with their bones." In the context of Wall Street Reform, Mark Antony is saying that if the bill

goes down the bad stuff in the bill will live on in many, many different forms, but the good stuff for community banks in this Act will be buried with it. Through the ages Shakespeare's wisdom has been proven time and again.

At the end of the day, each community banker will have his or her own view of this bill. And that view will be shaped by his or her own circumstances, and that is as it should be. As your elected ICBA executive committee members, we will always ensure that ICBA stays true to its mission to represent the best interests of community banks at all times and flier. We hope this commentary gives you at least a glimpse of the other side of this issue.

Mr. DODD. Mr. President, the ICBA memorandum highlights all of the things done in this bill that warrant the headline in the Wall Street Journal about how the overwhelming majority of the 8,000 small banks in this country do well under this bill. I thank the ICBA for stepping up and making that case for us. The American Bankers Association had been vehemently opposed to this legislation and tried to convince people they represented all banks in the country. The ICBA took great offense at this suggestion and hence the memo sent around to all Members.

I wish to thank other colleagues as well—I didn't mention this earlier—regarding the small business provisions. Particular thanks go to our colleague from Maine, Senator SNOWE, who chairs, along with Senator LANDRIEU, the Small Business Committee. They paid particular attention to how small businesses would be affected by this bill and made a number of suggestions which we adopted as part of the bill on the Senate floor and again preserves them in the conference committee. These are not minor suggestions. They were significant ones and added great value to this bill.

We all talk about small business, but if we are not careful, too often they get lost in the debates around here. Senator SNOWE and other colleagues—I see my colleague from North Carolina, Senator HAGAN, as well—expressed interest as to what would happen to small banks and small businesses and our desire to reform a system to make sure they were not going to be overly burdened with regulations and other things that would make it difficult for them to operate.

So there are other provisions in here, particularly with regard to consumer protection, where the needs and concerns of small businesses must be addressed before rules are promulgated. That would not have happened except for the contribution of my colleague from Maine.

I would be remiss, as well, if I didn't mention—I didn't discuss it here—the capital requirements in this bill. There was a lot of discussion about that. It was the amendment of SUSAN COLLINS, our colleague from Maine as well, who, along with working with the FDIC and Sheila Bair, came up with a very

strong provision in this bill that is a very workable and flexible provision but helps us avoid one of the major problems that contributed to this crisis, which is the capital standards that raised the risks and caused so many of our institutions to get into the trouble they were in. Senator COLLINS made other suggestions to the bill that were important as well. But I think those particularly dealing with capital standards contributed very much to this, and I am grateful to her, as well as her colleague from Maine, Senator SNOWE, for her contributions.

I mentioned earlier we talked about trying to get this right on the question of proprietary trading, the so-called Volcker rule that was raised by the former chairman of the Federal Reserve Board.

Again, I thank Paul Volcker for his contribution, his tireless effort. He has long since left public life, and he could have sat back and offered general commentary on everything, but he decided, at his young age, to get back involved and engaged in this bill. He made a strong contribution to the concept of proprietary trading, where depositors' money should not be put at risk when banks are making choices that involve risk. It is one thing to risk your own money, but to risk your depositors' money is another matter. But it is more complicated than the two sentences I have just uttered.

I thank SCOTT BROWN of Massachusetts, because this was not merely a parochial interest out of the Commonwealth of Massachusetts. There is the whole issue of the de minimis participation, where banks literally have to hedge to protect depositors' money against interest rates. There are a number of legitimate areas where that is required and necessary. As a result of Senator BROWN's involvement and work, we took note of that, and it reflects his ideas and thoughts in this bill as well. It is a stronger bill as a result of his involvement.

These areas of small business, capital standards, and de minimis participation were all significant contributions to our legislation. I thank them all for their work. There are many other aspects. I thank Senator LUGAR and BEN CARDIN of Maryland for their proposal dealing with extraction of natural resources, and requiring that companies that are public that do so have to say in their public filings with the SEC how much they are paying the mostly developing countries for the right to extract these natural resources. I am told by those who follow these issues that that provision alone could have a huge impact when it comes to the ability of developing countries to understand what has happened to their natural resources and some of the corruption that exists in their country.

I note the presence of my friend from Minnesota. I mentioned earlier, when

he was presiding, his contribution on rating agencies. This was a subject matter we debated and discussed endlessly, trying to figure out how to get greater accountability out of the rating agencies, greater due diligence, so that when the institution or person making the decision to purchase a securitized product that had been rated as AAA, or AA, or B, or whatever that label is on there—for years people have relied on that. You saw that AAA and you didn't have to know much more. It didn't get any better than that.

We learned painfully that those ratings were not based on due diligence by the rating agencies but on the information of those purchasing the ratings from the departments who were relying exclusively on the very entity being rated. In a sense, it was fundamentally false to suggest that the rating agency had drawn the conclusion that a particular product, whether a securitized mortgage or others, was actually of the value that the rating would indicate.

Our colleague from Minnesota, of course, played an important role in suggesting an alternative idea that has been incorporated in the bill. I am deeply grateful to him for his involvement. I mentioned earlier some of the provisions.

JEFF MERKLEY is a member of our committee.

One of my dearest friends during my service here in the Senate is my colleague CARL LEVIN. We don't serve on committees together. He is chairman of the Armed Services Committee and also chairman of the Government Operations Committee—the names change; I still believe that is the name of the committee—which has broad jurisdiction, but he held a critical hearing days before we brought this bill to the floor of the Senate, highlighting many of the problems that have persisted in the financial services sector. Working with our colleague from Oregon, Senator MERKLEY, Senator LEVIN and he crafted a proposal to deal with proprietary trading—the Volcker rule, which I mentioned a moment ago. It was due to their involvement that those ideas were incorporated into the bill.

When you have a 2,500-page product—I see my colleague from Michigan; I didn't know he was here. I thank him for what he did in this bill. I have spent a lot of time here, but I suspect that over the next 24 hours or so there will be more discussion about it.

Again, I have been asked: Do you disagree with anything in the bill? Of course I do. This is a bill crafted by a committee, working with our colleagues in this Chamber, and with the 435 others in the other Chamber, working with the White House, the regulators, and the stakeholders in trying to fashion a bill that would reform our financial system. I wrote a bill back in November that I would have preferred. But you don't get to write your own

bill. You can do that, but that may be where it begins and ends. We serve in a legislative body, so it takes compromise and working together to try to achieve the best results we can, recognizing that, in the end, you have to produce the votes. A good idea that doesn't have the votes is just that—an idea. But we bear responsibility of more than just coming up with ideas. The American public expects nothing less of us than to fashion proposals that will minimize great risks to them. None of us lost a job or a home in the last 2 years. None of us has watched our retirement account evaporate overnight. None of us will worry whether our children can get a higher education. That all happened to the people we represent across the country. They are asking that we do our best. They don't ask for perfection. They know we have not solved every problem, and that we are not going to bring back their homes and their jobs; but they expect us to respond to the situation that brought us to the brink of financial disaster. This is our best effort to do so. It is not perfect, I know that. It is not exactly what I would write on my own, nor is it what anybody else would have written. But it is our best judgment on what we can do.

We won't know the full results of what we have done until the very institutions we have created, the regulations we have suggested and provided for are actually tested. We can't legislate wisdom or passion. We cannot legislate competency. All we can do is create the structures and hope that good people will be appointed who will attract other good people—people who will make careers and listen and see to it that never again do we go through what we have been through. That is not our job. Ultimately, that is dependent upon what happens after this bill becomes law—if it does. We need to see to it that the human leadership that makes up these bodies who will be responsible for regulating the activities in these financial areas does its job. None of us has the power to guarantee that. All we can do is provide them with the tools and the structure and the architecture that will allow them to do that job well. We have done our best to provide those very tools, and that structure, and that architecture, in a complicated time—in the midst of understandable anger and frustration. I cannot legislate anger and frustration. That is not our job here. As angry as we are, as mad as we may be at institutions and individuals, that cannot be our motivation in crafting the legislation that the American people expect.

Many have endorsed this bill, but not because they love every aspect of it. I am grateful to Sheila Bair at FDIC. She has been stalwart in her effort to seeing to it that consumers, small banks, and others would survive and do better. I am grateful to her and the staff of the FDIC.

I am grateful to Tim Geithner and the Treasury folks, who have done a great job working our way through technical matters and the like, so we can understand the implications of various ideas to get the job done.

I am grateful to the National Credit Union Administration's chairman, Mr. Matz, who was helpful in putting this bill together.

I mentioned the ICBA, the independent community banks, and their importance as well.

Again, I thank the former Federal Reserve Chairman, Paul Volcker. Also the 20 pension fund managers, including the Connecticut State Treasurer, as well as the CEO of the California State Teachers Retirement System, the Massachusetts Laborers' Benefit Fund, Service Employees International Union, the National Treasury Employees Union, U.S. Public Interest Research Group, National Consumer Law Center, Americans for Financial Reform, Consumer Federation of America, American Association of Retired Persons, the Leadership Conference on Civil and Human Rights, North American Securities Administration, the Institute for College Access and Success—on and on.

I ask unanimous consent that the list of the myriad organizations across this country that endorsed this bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Federal Deposit Insurance Corporation Chairman Sheila Bair; National Credit Union Administration Chairman Matz; Former Federal Reserve Chairman Paul Volcker; 20 prominent Pension plan managers including the CT State Treasurer and the CEO of the CA State Teachers' Retirement System; Massachusetts Laborers' Benefit Funds; Service Employees International Union (SEIU); National Treasury Employees Union; U.S. Public Interest Research Group (U.S. PIRG); National Consumer Law Center; Americans for Financial Reform; Consumer Federation of America; American Association for Retired Persons (AARP); The Leadership Conference on Civil and Human Rights; North American Securities Administrators Association; The Institute for College Access & Success; National Association of College Stores; National Association of Convenience Stores; National Restaurant Association; National Grocers Association; The Food Marketing Institute; The Merchants Payments Coalition; The Petroleum Marketers Association of American and New England Fuel Institute; and 7-Eleven and its Franchisees.

Mr. DODD. Mr. President, lastly, I think it is worth noting that in all the analysis that we did to root out the cause of the crisis, it was not the American people who were at fault. Their prosperity was built on hard work, entrepreneurship, and creativity. Those qualities are as strong now in the American people as they have ever been. We have seen a pattern of exploitation on the part of some executives and others in the financial sector, and

a lack of wisdom on the part of too many Washington regulators. What we have seen is a lack of integrity on the part of some greedy individuals, who sought to get rich by ripping off the American families. What we have seen is a lack of compassion and competence on the part of those who were supposed to be watching out for the interests of consumers and investments.

As a result, there has been a deficit of trust in our markets, foresight in our regulatory system, and confidence in our economy.

The challenge we have faced all along is how do you restore those things? How do we restore trust? I can't put a number on that for you. I can't tell you the financial implications of the absence of trust or a diminution of it. How do we bring back confidence and optimism, which has been the hallmark of our Nation, even through the most difficult of times? You can't legislate trust or confidence or optimism. As I said, you cannot legislate wisdom or integrity, and we have not sought to do so in this bill.

There is nothing I or any other legislator or Senator can do to stop a banker from making a bad decision or a trader for putting profit over principle. Our system will always depend, in part, on human beings. So it will always include human error.

But our system also depends on institutions and those we can do something about. That is what this effort is all about. We can strengthen them to make our financial system more resilient to the shocks that occur and make our economy as a whole less vulnerable to the effects of those shocks.

If you ever played a board game called Jenga with your kids, it involves stacking a series of oddly shaped blocks, one on top of the other. But because the foundation on which the first block is laid never grows any broader, there is only one way to build, and that is up. As you build, the stack becomes more and more unstable, until someone places one fateful block in the wrong spot and the entire structure comes crashing down.

By allowing banks to shop for the most lenient regulators, in a similar fashion, by failing to put a strong cop on the consumer protection beat, by leaving the door open to taxpayer bailouts, we were building our wealth on a narrow and unstable Jenga foundation.

Yet by putting in place strong, clear rules, by giving regulators both the authority and the responsibility to enforce those rules, we can make our structures safer to invest in, safer to start a business in, and safer to participate in the economy of our Nation.

In short, this legislative proposal insists that we rebuild the foundation of our prosperity and, thus, restore the trust that allows us to prosper as a great nation.

This is one of my last acts as a Member of this body, in the legislative con-

text. I am very proud of my colleagues and of this bill. I am proud of the work we have done over the past several years to make it as strong as we possibly could.

I thank my staff as well: Amy Friend sits next to me, our legislative counsel. I also thank Ed Silverman, the staff director. I also thank Jonathan Miller, Dean Shahanian, Julie Chon, Charles Yi, Marc Jarsulic, Lynsey Graham Rea, Catherine Galicia, Matthew Green, Deborah Katz, Mark Jickling, Donna Nordenberg, Levon Bagramian, Brian Filipowich, Drew Colbert, Misha Mintz-Roth, Lisa Frumin, William Fields, Devin Hartley, Beth Cooper, Colin McGinnis, Neal Orringer, Kirstin Brost, Peter Bondi, Sean Oblack, Erika Lee, Abigail Dosoretz, Robert Courtney, Caroline Cook, Joslyn Hemler, Dawn Ratliff, and all of their families.

I thank our legislative counsels: Laura Ayoud, Rob Grant, Allison Wright, and Kim Albrecht Taylor.

I want to thank the Democratic floor staff: Lula Davis, Tim Mitchell, Tricia Engle, and Meredith Melody.

These are remarkable people whose names will never enjoy the spotlight or get notoriety, but day in and day out and over weekends and around the clock, they made all the difference in seeing to it that we arrived at this moment. There are Democrats and Republicans and people who work off the Hill who contributed as well. There are too many names to mention.

I thank Chairman FRANK and DICK SHELBY, my Republican colleague, as well as BLANCHE LINCOLN, who did such a great job along the way. It is a moment of some pride as well as success that we have come this far.

I ask unanimous consent that a list of staff on both sides of the Capitol be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HOUSE FINANCIAL SERVICES COMMITTEE

Jeanne Roslanowick, Michael Beresik, David Smith, Adrienne Threatt, Andrew Miller, Daniel Meade, Kathryn Rosen, Kate Marks, Kellie Larkin, Tom Glassic, Rick Maurano, Tom Duncan, Gail Laster, Scott Olson, Lawranne Stewart, Jeff Riley, Steve Hall, Erika Jeffers, Bill Zavarello, Steve Adamske, Elizabeth Esfahani, Daniel McGlinchey, Dennis Shaul, Jim Segal, Brendan Woodbury, Patty Lord, Lois Richerson, Jean Carroll, Kirk Schwarzbach, Marcos Manosalvas, Marcus Goodman, Garrett Rose, Todd Harper, Kathleen Melody, Jason Pitcock, Charla Ouertatani, Amanda Fischer, Keo Chea, Sanders Adu, Hilary West, Flavio Cumpiano, Karl Haddeland, Glen Sears, Stephane LeBouder.

OFFICE OF REPRESENTATIVE CAROLYN MALONEY

Kristin Richardson.

OFFICE OF REPRESENTATIVE GREGORY MEEKS

Milan Dalal.

OFFICE OF REPRESENTATIVE MARY JO KILROY

Noah Cuttler.

OFFICE OF REPRESENTATIVE GARY PETERS

Jonathan Smith.

HOUSE AGRICULTURE COMMITTEE

Clark Ogilvie.

HOUSE BUDGET COMMITTEE

Greg Waring.

HOUSE ENERGY AND COMMERCE COMMITTEE

Phil Barnett, Michelle Ash, Anna Laitin.

HOUSE JUDICIARY COMMITTEE

George Slover.

HOUSE OVERSIGHT AND GOVERNMENT REFORM COMMITTEE

Mark Stephenson, Adam Miles.

HOUSE LEGISLATIVE COUNSEL

Jim Wert, Marshall Barksdale, Brady Young, Jim Grossman.

SENATE BANKING COMMITTEE

Ed Silverman, Amy Friend, Jonathan Miller, Dean Shahinian, Julie Chon, Charles Yi, Marc Jarsulic, Lynsey Graham Rea, Catherine Galicia, Matthew Green, Deborah Katz, Mark Jickling, Donna Nordenberg, Levon Bagramian, Brian Filipowich, Drew Colbert, Misha Mintz-Roth, Lisa Frumin, William Fields, Beth Cooper, Colin McGinnis, Neal Orringer, Kirstin Brost, Peter Bondi, Sean Oblack, Steve Gerenscer, Dawn Ratliff, Erika Lee, Joslyn Hemler, Caroline Cook, Robert Courtney, Abigail Dosoretz.

SENATE AGRICULTURE COMMITTEE

Robert Holifield, Brian Baenig, Julie Anna Potts, Pat McCarty, George Wilder, Matt Dunn, Elizabeth Ritter, Stephanie Mercier, Anna Taylor, Cory Claussen.

SENATE LEGISLATIVE COUNSEL

Rob Grant, Alison Wright, Kim Albrecht-Taylor, Colin Campbell, Laura McNulty Ayoud.

CONGRESSIONAL RESEARCH SERVICE

Baird Webel.

Mr. DODD. The final result depends on the votes of my colleagues and whether they decide it is better for us to move forward with these reforms as we have crafted them or to do nothing, in effect, and say that after all this time and effort, we have nothing to say about what brought us to this situation.

I have taken a long time. I apologize to my colleagues who want to be heard on this matter. I will be here all day tomorrow to listen to the debates and thoughts as we go forward. This is a moment in which we can take great pride as an institution, both in terms of what we produced and how we produced it. For that, I am deeply grateful to the membership of this institution.

The PRESIDING OFFICER. The Senator from North Carolina.

Mrs. HAGAN. Mr. President, before I begin, I congratulate Senator DODD for all of the extremely hard work he has done on Wall Street reform. We are certainly pleased that we are at this point in time.

UNANIMOUS CONSENT REQUEST—EXECUTIVE CALENDAR

Mrs. HAGAN. Mr. President, I come to the Senate floor this afternoon to discuss two nominees for the Fourth Circuit Court of Appeals—Judges Jim Wynn and Albert Diaz.

When I came to the Senate, I had high hopes of increasing the number of

North Carolinians on the court. North Carolina is the fastest growing and largest State served by the Fourth Circuit. Yet only 1 of the 15 seats is filled by the abundant talent from our State, and over the past century North Carolina has had fewer total judges on the court than any other State.

Furthermore, there have been inexcusable vacancies on this court throughout history. Given that the U.S. Supreme Court only reviews 1 percent of the cases it receives, the Fourth Circuit is the last stop for almost all Federal cases in the region. We must bring this court back to its full strength. Since 1990, when this court was granted 15 seats, it has never had 15 active judges.

Judge Wynn brings decades of judicial experience to the bench. He has served on the North Carolina Court of Appeals since 1990 and had a brief tenure on the State supreme court. He has been the chair of the bar association's Judges Advisory Committee on Ethics.

Additionally, Judge Wynn has served on Active and Reserve Duty in the Navy for 30 years and was a certified military trial judge. He has been honored for his extraordinary service several times, including three Meritorious Service Medals.

Judge Diaz has served since 2005 as one of North Carolina's three business court judges. Prior to that, Judge Diaz was a judge on the State superior court for nearly 4 years.

As a business court judge, Judge Diaz has handled complex business cases. He started as a lawyer in the U.S. Marine Corps, was an appellate counsel in the Navy's Office of the Judge Advocate General and has been a judge in the Marine Corps Reserves.

Judge Diaz also has extensive experience in business litigation and has served on the State Judicial Council which advises the State supreme court's chief justice on ways to improve the courts. He is a graduate of New York University Law School, with a graduate degree in business from Boston University and undergraduate degree in business from the University of Pennsylvania.

I note that both judges have received unanimous ratings of well qualified from the American Bar Association.

Additionally, both men's confirmation to this Federal bench will be historically significant, as Judge Diaz will be the first Latin American on the Fourth Circuit and Judge Wynn will be the fourth African American to ever serve on this bench.

These fine men have the support of both myself and my colleague from North Carolina, Senator BURR. Editorials and newspapers throughout North Carolina have praised these nominations and have urged their swift confirmation. The Charlotte Observer said Judges Wynn and Diaz are "widely regarded as intelligent, ethical judges

who have won respect for their judicial and military careers. They are the kind of judges the federal bench needs . . . Their quality is so unquestioned that only partisanship could stall their nominations."

Unfortunately, I worry that is what is happening. Both Judge Wynn and Judge Diaz were approved by the Senate Judiciary Committee on January 28—Judge Diaz unanimously and Judge Wynn with only one dissenting vote. But for over 5 months now, the nominations have languished on the calendar. It is past time that these two fine judges be confirmed to the Fourth Circuit.

Mr. President, as in executive session, I ask unanimous consent that at a time to be determined by the majority leader, following consultation with the Republican leader, the Senate proceed to executive session and consider en bloc the following nominations on the Executive Calendar: Calendar No. 656, Albert Diaz, to be a U.S. Circuit Judge for the Fourth Circuit, and Calendar No. 657, James Wynn, to be a U.S. Circuit Judge for the Fourth Circuit; that the nominations be debated concurrently for up to 3 hours, with the time equally divided and controlled between Senators LEAHY and SESSIONS or their designees; that upon the use or yielding back of time, the Senate proceed to vote on confirmation of the nominations in the order listed; that upon confirmation, the motions to reconsider be considered made and laid upon the table en bloc, the President be immediately notified of the Senate's action, and the Senate resume legislative session.

The PRESIDING OFFICER. Is there objection?

Mr. MCCONNELL. Mr. President, reserving the right to object, and I will be objecting.

The PRESIDING OFFICER. The Republican leader.

Mr. MCCONNELL. Mr. President, I appreciate the perspective of the junior Senator from North Carolina, but my perspective on the Fourth Circuit covers a little longer period of time.

I advise my friend that for the last Congress of the Bush administration, the Democratic majority only confirmed one nominee to the Fourth Circuit. As a result, the circuit was fully one-third vacant with five vacancies when President Bush left office.

These vacancies were not due to President Bush's failure to nominate several qualified candidates. As a result, my Democratic friends had to resort to creative reasons to justify keeping these seats open.

To give an example, the Fourth Circuit seat from Maryland was kept vacant for the entirety of the Bush administration—8 years. The last nominee for that seat the Democrats objected to was a fellow named Rod Rosenstein. Nobody could reasonably

contest his credentials, so my Democratic colleagues turned his virtues into a vice, saying he was doing too good a job as U.S. attorney in Maryland to be promoted to the circuit court.

Despite the unfair treatment that Mr. Rosenstein received, many Senate Republicans in this Congress, including myself, supported President Obama's nominee to this seat, Andre Davis.

Also in this Congress, Republicans, including myself, supported the confirmation of Barbara Keenen of Virginia to the Fourth Circuit. With her confirmation, the Senate has confirmed twice as many nominees to the Fourth Circuit as occurred during the entire last Congress of the Bush administration when Democrats controlled the Senate.

With respect to the vacancies from North Carolina, President Bush put up a nominee who satisfied all of Chairman LEAHY's criteria for confirmation—Judge Robert Conrad. Judge Conrad had the strong support of his home State Senators. He received the blessing of the ABA, the Democrat's so-called gold standard, and he would fill a judicial emergency. Yet Judge Conrad could not even get so much as a hearing.

In fact, the Senate has been processing President Obama's judicial nominees, both district and circuit court nominees, faster than it processed President Bush's judicial nominees.

How has the President responded to our efforts to work in good faith? He recess appointed Donald Berwick before the Finance Committee could even schedule a hearing on him, and despite the fact that Republicans on that committee requested that a hearing be scheduled on his nomination.

Let me give my colleagues a brief timeline of the nomination of Donald Berwick.

On April 19, 2010, the President nominated Dr. Berwick to serve as Administrator of the Centers for Medicare and Medicaid Services. Less than 3 months later, and without a Senate Finance Committee hearing taking place, the President recess appointed Dr. Berwick. The reason offered was that the Republicans were blocking this vital appointment, so they could wait no longer to follow the constitutional process of Senate confirmation. Yet this position was vacant for the first 16 months of the Obama administration and has not had a confirmed Administrator since 2006, since my friends on the other side of the aisle were blocking the Bush administration nominee.

Democrats did not schedule so much as a committee hearing for Donald Berwick. The mere possibility of allowing the American people the opportunity to hear what he intends to do with their health care was reason enough for this administration to sneak him through without public scrutiny.

Given the President has been so dismissive of the Senate's right to provide advice and consent under the Constitution, I am not inclined at this point to consent to the request proposed by my friend from North Carolina. Therefore, Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The Senator from North Carolina.

Mrs. HAGAN. Mr. President, it is disappointing that we cannot get consent for these judges. Senator RICHARD BURR and I together introduced these two individuals at the Judiciary Committee hearing. I will say that I remain committed to working with my colleagues on both sides of the aisle, as well as any Senator who has concerns over either judge, to working toward a reasonable solution that would allow an up-or-down vote on Judges Wynn and Diaz.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. FRANKEN. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

BUDGET DEFICITS

Mr. FRANKEN. Mr. President, I rise today to discuss an incredibly important subject—our Nation's budget deficits. The deficit for fiscal year 2009 was about \$1.4 trillion. The total national debt is now just under \$13.2 trillion. These numbers are staggering and represent a tremendous threat to our Nation.

We have been hearing a lot about these numbers over the last few months from Members on both sides of the aisle. We heard about the economic dangers of running these deficits—the dangers to us, to our children, and to the very future of this Nation.

I share these concerns over the direction of our budget deficits and our rapidly growing debt. I have held these concerns for some time, as a matter of fact. In a New York Times op-ed way back in 1988—22 years ago—I expressed my alarm that we had gone from being the world's largest creditor Nation to its largest debtor Nation. I noted then that the accumulated trade and budget deficits of the Reagan years worked out to about \$20,000 per American family.

What frustrates me is that I have heard these deficit and debt numbers serve as an excuse for not passing an extension of unemployment benefits. We have been unable to get cloture on these extensions, despite spending weeks of the Senate's time on this matter and despite numerous attempts.

Opponents say our deficits must be addressed, our debt cannot grow any larger, we have to draw a line in the sand and insist these benefits be fully paid for.

This is troubling to me for two reasons. First, because these deficits are not new. Many of my colleagues seem to have suddenly become aware of them only a year and a half ago.

More importantly, I am troubled because one of the biggest threats to our long-term deficits is a double-dip recession and the stunting of our Nation's economic growth. This shortsightedness is not only jeopardizing our short-term economic recovery and our future economic health, it is causing us to abandon the real and urgent needs of families at home and in our States.

Please indulge me as I take a few minutes to take stock of exactly where we find ourselves.

We all know that our unemployment rate has been hovering at about 10 percent, its highest level in over a quarter of a century. There are 14.6 million Americans looking for jobs but unable to find them. Nearly half of these are friends, family, and neighbors who have been out of work for over 6 months, despite sustained efforts to find jobs.

Long-term unemployment is the worst it has been in the 60 years that these statistics have been kept. We have to go back to 1983 to find numbers even half this bad.

The competition for each job is fierce. It is not uncommon for hundreds of people to be fighting for a single job. This chart shows just how hard it is to find work right now. In 2006, there were about 1.5 unemployed workers for each job opening. That number has exploded to five unemployed workers for every opening.

It does not surprise me that countless Americans have given up looking and are not even counted in the bleak unemployment statistics I have been quoting. They have just given up.

I can't imagine many things more demoralizing than not being able to find work, not being able to take care of your family. I have heard the claim from one of my colleagues that unemployment insurance provides an incentive for the millions of unemployed to just sit on their duffs and not look for work. I couldn't disagree more strongly. Unemployment insurance doesn't keep people from working. The lack of jobs keeps people from working.

I have traveled all over Minnesota talking to people who are out of work. I have gone to the Anoka County Workforce Center; I have gone to union halls in Duluth, in Bemidji, in Rochester, and I have met with folks who are literally depressed. These are people who have worked their whole life—guys who started their first paper route when they were 9 years old, who took pride in doing their job, even when it meant going out on a 30-below-zero winter morning in Minnesota, and they have been working ever since. Work is an enormous part of their identity. These Minnesotans don't want an

unemployment check, they want work. Still, I have had a number of them come and say to me: You know, if it weren't for my unemployment insurance, I wouldn't be in my house.

One of my constituents wrote to me and said:

I was employed for 23 years since college graduation and now am in need of extended unemployment benefits as the economy slowly recovers via a "jobless recovery." As a college graduate with an MBA and 23 years of continuous employment at "good jobs," I never imagined even needing basic unemployment. As an active job seeker, I have met hundreds of other job seekers and virtually every one of them wants a job and wants to work.

Now this constituent and thousands of others like him have to hear this junk about how unemployment insurance incentivizes people not to work. I don't know where the Senators who are saying that are going in their States, but from what I have heard from my other colleagues, it is like this all over the country.

But even if we ignore the human side of our economic crisis, even if we are to look only at what is best for our Nation's economy, both in the short term and the long term, it is still the right answer to extend unemployment benefits and to do so without offsetting them by cutting other important programs. I am not an economist—not many of us here are—but there happens to be a pretty convincing record for us to draw from.

According to Mark Zandi, chief economist of Moody's economy.com, and a senior adviser to Senator McCain's Presidential campaign, extending unemployment insurance benefits creates \$1.63 in demand for every dollar spent. That is pretty simple, and it makes sense. Unemployment benefits are likely to be spent quickly and in local communities. Unemployed workers no longer get a paycheck, but they still have to pay their mortgages and they still have to put food on the table and pay their electric bills.

Throughout this crisis we have all heard from economist after economist who is closely watching the strength of consumer spending—our economy rises and falls on it. Unemployment benefits support consumer spending and stimulate the economy. Like other automatic stabilizers—programs for which eligibility is triggered when the economy sinks and are used less as the economy recovers—unemployment benefits are effective and appropriate stimulus measures.

Do you know what else has proven to work? Food stamps, with \$1.73 yield for every dollar spent. Generally, the State governments return \$1.38 on every dollar spent. That is why I have cosponsored a bill with my friend from Ohio, Senator BROWN, to deliver aid to States. The Local Jobs for America Act could save 1 million public sector jobs—the jobs of teachers, firefighters, police officers, childcare workers.

Of course, increased investment in our Nation's infrastructure yields \$1.59 for every dollar spent. Infrastructure spending repairs our crumbling bridges and roads to keep us competitive in the global marketplace. We could build our way out of this crisis just as we did after World War II with our interstate highway system. The 21st-century version of the interstate highway system is our broadband network. Commerce is now highly dependent not just on bridges and roads but on efficient communications.

There is no small irony in the fact that we have fallen behind other countries in our access to the Internet, a technology created by U.S. Government research dollars, and one which itself created so much wealth in the United States and around the world. The Recovery Act has already invested \$85 million in grants and \$32 million in loans to expand broadband coverage in Minnesota. That is a good thing because the more parts of this country we can reach with the broadband network, the more people in our country who will be engaged in trade and in our economy.

This expansion can also help reduce our Nation's other deficit—the trade deficit. The President's export initiative, along with improving exchange rates and local economic growth, can contribute to boosting our exports, and that means more jobs, more growth, and reduced budget deficits. Our country has plenty to offer, especially as countries throughout the world transition to green economies.

In my home State, a National Science Foundation grant helped the University of Minnesota develop a technological breakthrough that will lead to an ultra-efficient solar cell. These cells can produce 60 percent more energy. We shouldn't be importing Chinese solar panels. We should be using this technology to develop our own, for our own use and for export.

But all these things—unemployment benefits, infrastructure, research—cost money. They all require spending. Some of my colleagues seem to think that long-term deficit reduction and short-term spending are somehow incompatible. Take for example the Recovery Act. Yes, it added to our short-term deficit—perhaps. But imagine where our economy would be now if we hadn't enacted it.

I know some of my colleagues will say: Well, the stimulus package was a failure. The President said unemployment would hit 8 percent if we didn't enact the stimulus package, and unemployment has been nearly 10 percent for months. Well, yes, but there are a couple of possibilities. Either the stimulus package was a failure or the recession left by the Bush administration was even worse than his advisers thought it was when President Obama said that.

When President Bush left office, we were bleeding jobs. We lost about 800,000 jobs in that last month of the Bush administration, about 750,000 the first month of President Obama's administration. We lost 4.4 million jobs in Bush's final year in office. Yet with the Recovery Act, the President has been able to turn the economy around and immediately stem the growing losses. The numbers of jobs lost got smaller and smaller each month. This year we have had 5 straight months of growth, and we have created 882,000 net jobs this year. Does anybody see a trend line?

Some may note this little negative bar at the end. That is primarily the result of losing some temporary census jobs. But if we look at only the private sector, we actually saw a net increase of jobs in June. Imagine what this would look like without the Recovery Act. Last month, the CBO estimated that the Recovery Act has increased the number of people employed from 1.2 to 2.8 million. It is the view of many economists that but for the Recovery Act we would have slipped into a depression. In that case, our deficit would actually be a lot higher than it is today because that is what happens during a depression.

Let's remember what was in the Recovery Act. Roughly one-third went to State governments, roughly one-third went to tax cuts for 95 percent of Americans, and roughly one-third went for infrastructure. Many of these projects are now coming online.

I travel all over my State, and I talk to mayors and city planners and county commissioners—as I know the Presiding Officer does in his State of Alaska—and I talk to small business owners. Usually, I don't know, nor do I particularly care, which political party they belong to. Almost invariably they thank me for stimulus funds that financed the repair of an aging wastewater plant or some officers or teachers or funding for worker training or a home foreclosure counseling program that prevented homes from going into foreclosure, saving their communities money. Yes, local and State Republican officeholders and small businessmen thank me for the Recovery Act, a lot, and I wasn't even here to vote for it. Still, they thank me. And you know what. After they thank me, they say: More. They ask for more.

We have an economic crisis on our hands. Congress should be making investments that provide the highest returns on investment that can be at the same time stimulative to our economy. Now is not the time to stop investing. Short-term shocks to the system will impair our economic recovery. We should simultaneously be looking for long-term budgetary solutions while continuing to invest in our recovering economy. These are not incompatible. In fact, I believe it is necessary to do both.

If we don't, we risk seeing a repeat of what happened in 1937. Our country had been making great strides toward a full economic recovery. Production was up, wages were up, unemployment had come down from over 25 percent when Roosevelt took office to 14 percent in 1937. So after his landslide election in 1936, President Roosevelt, upon the advice of his Treasury Secretary, declared the depression over.

His Treasury Secretary, Henry Morgenthau, was getting uneasy about the long stream of deficits they had been running. To reverse course, they cut Federal recovery program spending and raised taxes. This decision proved to be premature. The economy's impressive growth rate of the previous 4 years—it grew 11 percent in 1934, 9 percent in 1935, 13 percent in 1936, 5 percent in 1937—came to a screeching halt, and the economy took another dive. The unemployment rolls increased by 5 million people, up to 19 percent. The economy shrank by 3.4 percent in 1938, and the country's remaining economic indicators remained low until the beginning of World War II.

We shouldn't make the same mistake twice. We should continue investing in our future instead. But some colleagues are skeptical of this approach and talk about the United States as if we were Greece.

Let me be clear: We are not Greece. If we were to take a look at interest rates on the U.S. Treasury bonds, we would see that a 10-year Treasury bond is yielding just about 3 percent in interest. That is the market's pricing. If the market really thought U.S. Treasuries were risky, the market would demand more than 3.09 percent interest on a 10-year Treasury.

The market says we are not Greece. Yet the threat from taking some of the measures Greece has recently taken is very real. Cutting back on spending now will jeopardize our economy and could push us into a double-dip recession. That would drive up unemployment even more, drive small businesses under, and stop us from growing out of the deficits we all want to eliminate.

Growing our economy is how we have come out of far worse deficits in the past. At the end of World War II, our budget deficits had reached over 30 percent of our GDP, but we grew out of it. Today, it is just over 10 percent of our GDP. After World War II, the publicly held debt was 109 percent of GDP, compared to OMB's projection that we will be at 64 percent by the end of this year. We grew ourselves out of it, and we can do it again.

Destimulating our economy at this fragile moment is simply not wise. Don't take my word for it. Burton Malkiel, a member of President Ford's Council of Economic Advisers, said in 2003:

If there is any time in which one ought to have a deficit it is a time where there is eco-

nomie slack and a job market that is not recovering.

Manuel Johnson, one of President Reagan's Assistant Treasury Secretaries, said he didn't think short-term deficits have much to do with the economy's performance. And Reagan's Chief Economic Adviser, Martin Feldstein, who was also one of our most distinguished conservative academics, was one of the strongest voices for robust stimulus legislation last year.

Let's keep going. Michael Boskin, adviser to President George H.W. Bush, said:

The notion that deficits are bad is way too narrow. Deficits can be a serious problem over the medium and long term. There are times it is good to see the deficit worsen or the surplus turn into a deficit.

And he means those times—he means during an economic downturn.

The chair of President George W. Bush's Council of Economic Advisers, Gregory Mankiw, said:

It is a textbook principle of prudent fiscal policy that deficits are an appropriate response in times of war and recession.

Earlier, I mentioned one of Senator McCain's campaign advisers, Mark Zandi. He said that it is typical to run large deficits during a recession and the true problem is persistent large deficits.

To my colleagues who refuse to enact anything that adds a penny to the deficit, what else can I say to convince you? Short-term deficits during a recession are acceptable. In fact, many of the conservative economists advising Republican Presidents or Presidential candidates have said they are prudent and even good. When we distinguish between short- and long-term deficits, we start to paint a very different picture.

I don't want anyone to hear me as saying we should just spend, spend, spend. Everyone agrees we are on a track that is unsustainable. Without significant changes to policy, the Center on Policy and Budget Priorities projects that our national debt could grow to 300 percent of GDP over the next 40 years. That is almost three times as large as the post-World War II level. The problem must be addressed with a careful, measured, and multifaceted approach, the same approach that balanced our budget just 10 years ago.

As you can see, here in 2000 we were running a surplus of \$200 billion and we were headed down the path to eliminating completely the publicly held debt. In fact, our debt could have been paid off today, by today, if no changes had been made to Federal spending policy. But President Bush and Congress did make changes when they took over in 2001, such as passing massive tax cuts for the wealthy. As a result, our national debt more than doubled under President Bush.

In January 2009, when President Obama was just taking office, CBO es-

timated that he was left with a \$1.2 trillion deficit for the fiscal year and the residual effects of ill-advised economic policies.

Let's take a look at this chart which shows our current 10-year budget outlook. As you can see, the Center on Budget and Policy Priorities projects there will be five major contributors to the deficit in 2019. The one that is obviously least under our control is the economic downturn. It is the red. Then there are the wars in Iraq and Afghanistan. That is the green. That proportion is pretty substantial. But here is this little blue, kind of turquoise line. That little thing is the Recovery Act. This is legislation that is targeted over and over for being such a huge contributor to our deficit. This sliver is what so many of our colleagues complain about, that one. Most of its contribution to the deficit is clustered right here in the first 2 years when the economy most needed a boost, but its longer term budget effects are tiny when compared to its effectiveness in keeping us from falling into another Great Depression. And when compared to this yellowish-orange block, the block responsible for over \$7 trillion in debt over this 10-year period, these are the Bush-era tax cuts which were passed without being paid for. This block is the result of an experiment in economic theory. I think the record is clear that the experiment failed. But no matter what you think of the effect of that policy choice on our economy, you cannot deny the effect of that policy choice on our deficit because here it is, in yellowish-orange.

So when my colleagues come down here to rail against the Recovery Act, to blame the Recovery Act for increasing the deficit, I guess it can be technically accurate—a little bit of the blame, this much, maybe a centimeter, that goes to the Recovery Act, even though it very possibly kept us from slipping into a second Great Depression, in which case deficits would have been much larger. But I also want the American people to have a sense of how much of the blame should go to the Recovery Act and how much of it belongs elsewhere, and I think you see it.

This chart gives you a good idea of where all the debt came from. As you can see, the debt accelerates upward with President Reagan and President George H.W. Bush. It smooths out under Bill Clinton. And then it spikes, it skyrockets under George W. Bush, as I mentioned before. President Obama was left with a projected \$1.2 trillion deficit in his first year in office. However, even though this massive debt was handed over to us by our last President, it does not diminish our responsibility to address it.

I am glad to see that so many of my colleagues also appreciate the seriousness of this responsibility and some are proposing commonsense solutions to

bring these long-term deficits under control. We took a major step earlier this year by passing comprehensive health care reform. Health care costs were the No. 1 factor contributing to long-term government deficits. The cost curve on those were out of control. Under previous policies, the costs of Medicare and Medicaid would have gobbled up a third of the total Federal budget by 2030. But health care reform included reforms such as the value index that will finally provide incentives for providing high-quality care at a lower cost, as we do in Minnesota, instead of providing the most expensive care possible without regard to outcomes.

This legislation alone will have an enormous impact on the long-term deficit. The CBO estimates it will bring down the deficit by \$143 billion in the first 10 years and even more in the following decade. That is hundreds of billions of dollars, and that doesn't even include the reduction of private costs to families that will result from the improvements in the overall efficiency in our health care system. These are CBO numbers, the same CBO whose numbers I quoted earlier about the alarming size of projected future deficits if we take no action; the exact same alarming numbers my friends on the other side of the aisle quoted. They are quoting CBO. If you want to rely on those CBO numbers, then CBO numbers are what we must rely on to score health reform.

I strongly support the health care reform bill we passed and am optimistic about the positive changes it will bring to the lives of millions of Americans, including bringing down our deficit.

Let's look at our tax policy. As recently as 1980, the top bracket for the very wealthy in this country was 70 percent, and for two decades prior to that, the wealthiest Americans had income tax rates between 70 and 90-some percent. Today, it is 35 percent. These declining rates on the wealthiest Americans mean that more tax revenue is coming from middle-income earners. This is during a period when the gap between those at the top and those in the middle has grown substantially.

On top of that, we have allowed the estate tax to expire completely in 2010. This is a tax that affects less than one-half of 1 percent of all Americans. My colleagues across the aisle will argue that the estate tax punishes the most productive members of our society, the children of the extremely wealthy. This gift to our most fortunate sons and daughters cost the rest of us \$14 billion this year alone. That tab for that \$14 billion in lost revenues from America's multimillionaires and billionaires will be passed to all of our kids—not just the \$14 billion but the interest on it as well.

I think Teddy Roosevelt put it the best. He said:

The man of great wealth owes a particular obligation to the state because he derives special advantages from the mere existence of government.

Those who want to eliminate the estate tax understandably don't put the children of the incredibly wealthy in their campaign literature. Instead, they talk about family farmers, as if family farms have been lost to the estate tax. Yet according to the New York Times, the American Farm Bureau Federation was unable to name one family farm lost because of the estate tax.

Opponents of the tax insinuate that it is impossible to design a policy that continues to protect the family farms that might be even slightly affected. Yet it is, of course, quite possible to do that. I cosponsored a reasonable approach to estate tax reform offered by Senator SANDERS, HARKIN, and WHITEHOUSE. It retains the 2009 exemption limits—\$3.5 million per person and \$7 million per couple—with a progressive, tiered structure so that the ultrawealthy pay more. And, yes, it makes provisions for family farms.

This proposal will help ease the burden of middle-class families who are now expected to close the budget gap.

Working families are also on the hook for the corporate welfare that is compounding the national debt. Our tax system is riddled with loopholes so corporations can escape liability by shifting operations overseas. In fact, corporations are often actually rewarded for sending jobs overseas by our tax system. That has to stop.

There is something even more offensive. If BP is taken to court because of their negligence in this oilspill and a judge finds they owe punitive damages, those punitive damages can be deducted as a business expense. Why do we allow these oil giants that earned hundreds of billions of dollars in profits in the past decade to deduct punitive damages from the taxes they should pay? And that is if they pay taxes at all. ExxonMobil did not pay any taxes last year. Despite its \$45 billion profit, it paid no income tax.

I do not bring this up to inspire anger at corporations. I bring it up because these loopholes and allowances create revenue shortfalls. Revenue shortfalls equal deficits, unless they are shifted onto the backs of middle-class families.

But we would be remiss to go after these big oil companies without also tackling our own spending problems. Secretary Gates has led the way in explaining how we can, and must, achieve savings in the defense budget. While nothing is more important than the defense of our Nation, national security is not well-served by unnecessary, incredibly expensive weapons programs. Nor are we well-served by programs that come in late, and way over budget.

Secretary of Defense Gates recently quoted his predecessor, Secretary

Rumsfeld, who said it best: "A person employed in a redundant task is one who could be countering terrorism or nuclear proliferation. Every dollar squandered on waste is one denied to the warfighter." That was Secretary Rumsfeld on September 10, 2001.

Our national security priorities must be matched to our real defense priorities in the 21 century, not dictated by expensive weapons systems that are only benefiting the bottom line of big defense contractors.

These are all things that we can do to bring down long-term deficits.

We urgently need bipartisan solutions. One idea that I have supported, a deficit reduction commission, was proposed by Senators CONRAD and GREGG. This commission would make recommendations that would then come up for an up-or-down vote by Congress. That proposal failed, despite its broad bipartisan support. The commission was ultimately supported by more on this side of the aisle than by those across it, including those who cosponsored the original bill and then voted against it when it came up as an amendment. I am curious what changes could be made to such a proposal for it to attract more support. I welcome working with my colleagues across the aisle to find such an approach.

We are all agreed that the current path forward is unsustainable. But we differ on what changes need to be made. It is economically unsound, and potentially dangerous, to require that all spending be offset while we are still recovering from a recession, reeling from nearly 10 percent unemployment rates, and looking for ways to temper the jobs deficit of 12 million workers.

We are putting our economy back at risk just when it is finally turning a corner. Nobel Prize-winning economist Joseph Stiglitz has warned that the upcoming phase-out of Recovery Act spending and State and local spending cutbacks are likely to exert further downward pressure on the economy.

Our working and middle classes are still struggling, and they continue to need our help. We can help them by extending unemployment insurance and COBRA subsidies for those who lost a job through no fault of their own. We can retain vital nutrition assistance programs in the Recovery Act to make sure kids do not go hungry. And we can make investments in renewing our Nation's infrastructure.

These are not government hand-outs, these are the most effective ways to get our economy going again and contributing to our economic recovery. Without these measures, we risk slipping back into a recession. And as I have noted, recessions directly contribute to long-term deficits.

I encourage my colleagues to join with me in standing up to the rhetoric that all spending is created equal. I encourage my colleagues to show compassion toward those still out of work. I

encourage my colleagues to support spending programs that will help us emerge from this downturn. And I encourage my colleagues to join forces in coming up with new ways to tackle our long-term deficits because they matter.

We face enormous economic problems: the short-term economic crisis and the long-term deficit. But we also face a seemingly intractable political problem. As long as this body refuses to face up to the simple facts about where our deficits came from and what we need to do to solve them, as long as we turn a blind eye to the simple facts about what will get us out of this major downturn we will be unable to reach the solutions demanded by these problems and deserved by the American people.

Simply put, if we do not face facts, we can not do our jobs. And that would leave this country in serious trouble.

I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan.

FINANCIAL REGULATORY REFORM

Mr. LEVIN. Mr. President, roughly 2 years ago, our Nation suffered a catastrophe. It was not a hurricane or an earthquake. It was no act of God. It was a man-made disaster, manufactured in the boiler rooms of unscrupulous mortgage lenders and the offices of pay-for-hire credit rating agencies, in the headquarters of sluggish regulators, and then vastly expanded in its negative impact in the boardrooms of Wall Street financial firms.

The financial crisis they all helped create has cost millions of Americans their jobs, their homes, and their financial security. It has endangered businesses large and small. It continues to weigh down our economy today. It required trillions of dollars of government aid just to keep the crisis from sliding into a depression.

Addressing the causes of this crisis, in an effort to ensure that it is not repeated, is our very serious obligation. We now have before us, months in the making, something that constitutes our best efforts to carry out that obligation. The legislation before us contains many important provisions.

But it is, in sum, an attempt to build a firewall between the worst high-risk excesses of Wall Street on the one hand and the jobs and homes and futures of ordinary Americans on the other. I strongly support the Dodd-Frank bill and encourage our colleagues to do the same.

Senator DODD spoke at some length a few minutes ago about this bill. He said that he cannot legislate integrity, wisdom, passion, or competency. That is surely true. But without Senator DODD's integrity, wisdom, passion, and competency, we would not be where we are today, on the threshold of making

a generationally important reform of the financial community.

Senator DODD made reference to the Permanent Subcommittee on Investigations, and the investigations which we held into the financial crisis. I have seen up close and personal and in detail the worst of those excesses. Our colleagues on the subcommittee, including my ranking member, Senator COBURN, my very active member on that subcommittee, Senator KAUFMAN, and others, we saw these excesses in four different hearings.

For over almost a year and a half, our subcommittee devoted our resources to examining some of the causes and consequences of the financial crisis. We issued dozens of subpoenas. We examined millions of pages of documents. We conducted over 100 interviews. We took more than 30 hours of testimony during those four public hearings.

Those hearings focused on the practices of risky mortgage lenders, using Washington Mutual, WaMu, as a case history. We focused in the second hearing on the failures of the regulators to rein in WaMu's risky practices, in a third hearing on the inaccurate risk assessments of credit rating agencies, and then in the fourth hearing on the egregious practices of some Wall Street investment banks using, as a case history, Goldman Sachs.

In each of those hearings, we learned important facts about how the financial industry and those tasked with overseeing it failed in their obligations, plunging the Nation into crisis and a deep recession. I want to set out how the legislation before us addresses many of the lessons we learned in the subcommittee's investigation.

Our hearings began with a case study of Washington Mutual Bank, a \$300 billion Seattle-based thrift, that, thanks to its reckless lending, became the largest bank failure in America's history. In the pursuit of higher and higher profits, WaMu's management turned its focus from traditional mortgage lending to high-risk subprime and adjustable-rate mortgage loans.

In doing so, it engaged in practices that endangered the bank, its borrowers, and the economy at large. It sold loans to borrowers that it knew or should have known would be unable to repay. It paid its salespeople more if they sold higher risk loans, with higher interest rates or other terms that made them more difficult to repay.

Internal audits repeatedly found high levels of fraud and abuse in the bank's loans. But business continued as usual. WaMu then dumped these risky loans into the financial system, selling them or packaging them into mortgage-backed securities that Wall Street eagerly scooped up, flooding the stream of commerce with toxic assets like a polluter dumping poison into a river.

WaMu collapsed in 2008, leaving behind a trail of shattered homeowners

and investors. Its case history was emblematic of a whole host of irresponsible mortgage lenders that loaded up our mortgage markets with toxic securities.

The legislation before us does much to address these problems. A consumer financial protection bureau will bring new scrutiny to the practices of financial companies, providing important oversight that can end the kind of abusive and even fraudulent practices used by WaMu and other mortgage lenders.

Other provisions will require those who create mortgage-backed securities, such as WaMu, and the investment banks it used, to retain a portion of the risk of securities that are backed by those high-risk loans, such as subprime mortgages or option ARM's so that securitizers will not be able to offload all that risk onto the market and walk away from the losses that occur down the road.

Still another set of provisions in this bill ban so-called liar loans, which allowed WaMu and others to sell loans without any documentation of a borrower's income or ability to repay.

The bill also prohibits the practice of paying salespeople more for gouging homeowners with higher rates or other terms that make loans harder to repay. Each of those reforms addresses critical problems exposed in our subcommittee's hearings, which helped to build the legislative history supporting the need for this bill.

Most of the reforms also require implementing regulations. I hope that those writing the regulations will pay heed to the problems uncovered in our hearings and take the steps needed to protect our mortgage markets from future abuses.

WaMu might not have been able to engage in its worst practices for as long as it did had it been confronted by Federal regulators. Instead, our investigation found that the Office of Thrift Supervision, WaMu's primary regulators, was more a lapdog than a watchdog. Repeatedly its examiners identified enormous problems with the bank's lending and securitization operation. Yet higher-ups in the Office of Thrift Supervision failed to take appropriate action. When the Federal Deposit Insurance Corporation sought to address the obvious problems in WaMu, the Office of Thrift Supervision, OTS, erected roadblocks that prevented action.

Documents show that the head of OTS referred to Washington Mutual as their agency's constituent, perhaps reflecting an awareness that the country's largest thrift was also the OTS's largest single source of funding.

I am also afraid that comment calling Washington Mutual a constituent of its regulatory agency also ignored the obligation that should result from

an agency being a fiduciary whose constituents are not the people they regulate but are the people of the United States of America.

Clearly, OTS has outlived its usefulness, and the legislation before us dissolves the OTS. In addition, a new Financial Stability Oversight Council will have broad authority to monitor individual financial institutions as well as the system at large to catch problem institutions such as WaMu and problematic practices such as high risk lending before they endanger the financial system as a whole.

Credit-rating agencies also failed their essential role in this crisis. Our investigation found these agencies, which supposedly supply expert and objective analysis of credit risk, used faulty risk models and assigned super-safe AAA ratings to products later revealed to be little better than junk. Paid by the Wall Street firms whose products they were supposed to objectively assess, they sought market share by working with these firms to ensure the high ratings needed to sell risky products to risk-averse investors such as pension funds and university endowments. They failed to account for overwhelming evidence that fraud was a major factor in a growing number of mortgage loans.

The Dodd-Frank bill sets up a new office in the Securities and Exchange Commission to oversee and examine the work of the credit-rating agencies. I pay tribute, by the way, to Senator FRANKEN for the work he did in this area in the amendment he offered to the Senate. The Dodd-Frank bill requires the agencies to disclose their methodology and their track records. It allows investors to file private causes of action against such agencies that fail to thoroughly investigate products they rate.

The bill also tasks the SEC with examining the clear conflict of interest involved in Wall Street firms shopping for the highest rating among the various rating agencies. I am hopeful, at the end of the study, the SEC will adopt the approach taken in the Franken amendment that won bipartisan support in the Senate, and establish an intermediary that will separate the credit-rating firms from the investment banks that press them for high ratings in return for lucrative compensation. As part of their work, I hope the SEC will take an in-depth look at the documents and testimony in our subcommittee hearings that laid bare the conflicts of interest that undermine the accuracy of credit ratings.

Wall Street investment banks also played the major role in the crisis. Seeking ever higher profits, they aggressively marketed the mortgage-backed securities and exotic derivatives tied to the mortgage market that were at the heart of the crisis. Increasingly, those banks drew their profits

not from helping client investors prosper but by trading for their own accounts, often in direct conflict with their clients' interests. Internal e-mails that the subcommittee disclosed showed Goldman Sachs repeatedly marketed mortgage-related financial instruments that it created and knew to be faulty, junk, and worse. After it did so, it then made the large bets against those very same instruments. Our investigation also showed Goldman Sachs made a large bet that the mortgage market as a whole was headed down, a bet it denies to this very day that it made, despite a mountain of evidence contained in the firm's own documents that it did so.

With Senator MERKLEY, I worked to address the outrageous conflicts of interest revealed in our hearings on investment banks. The Dodd-Frank bill makes important progress on this front. It sharply limits the risky proprietary trading that Goldman Sachs and other Wall Street firms used to rack up enormous profits while endangering the stability of the financial system.

While I wish the bill was more forceful in limiting these risky trades, especially in terms of limiting financial firm investments in hedge funds and private equity funds, the language in this bill will add substantial strength to the stability of the financial system.

In addition, the bill includes language to end the conflicts of interest revealed in our investigation of Goldman Sachs. No longer will financial firms be able to package and sell asset-backed products to investors and then bet against those same products. Those conflicts of interest will end, unless the regulators water down our strong language with weak enforcement.

The Dodd-Frank bill contains other much needed measures as well. It will bring new transparency and accountability to the shadowy market in derivatives. It will protect taxpayers from the need to engage in the kind of multibillion-dollar bailouts required in the current crisis by allowing for an orderly resolution of failing financial firms. It empowers regulators to establish tough new capital requirements that make it harder for firms to become so big they endanger the stability of the system. It requires hedge funds to register with the SEC and provide information about their once-hidden operations. It also strengthens the process for shareholders to select corporate directors and to limit excessive executive pay.

We have seen all too clearly the consequences of lax regulation and tepid oversight, the consequences of assuming that Wall Street can police itself. That attitude has put millions of Americans in unemployment lines, has plastered foreclosure signs on millions of American homes, and has pumped billions of dollars of taxpayer money

into Wall Street firms that happily profited from their risky bets and then leaned on the rest of us to bail them out when the bill came due.

I say to those colleagues who are considering voting against this bill: Knowing what our investigation and others have discovered, how can you oppose this effort to erect a wall between Wall Street's never-ending appetite for reckless risk and the rest of the American economy?

It is time to put the cop back on the beat on Wall Street. It is time to end Wall Street's "heads we win, tails you lose" game. It is time to prevent as best we can the next manmade disaster threatening our jobs, our homes, and our businesses. It is time to pass this major financial reform legislation, and I hope we will see a strong vote for it in the day ahead.

PAKISTAN AND AFGHANISTAN TRIP

Mr. LEVIN. Mr. President, I rise to speak about a trip Senator JACK REED and I recently took to Pakistan and Afghanistan. In Pakistan, we met with the Prime Minister, the Governor of the critical northern province that includes the Swat Valley, the Pakistani general who is commander of their Army's 11th Corps. In Afghanistan, we met in Kabul with General Petraeus, with Ambassador Eikenberry, with President Karzai, with many of his ministers.

Then, in Afghanistan, we traveled to Kandahar Province, where we met with General Carter, who is the commander of the ISAF forces, the Kandahar Governor and the city mayor of Kandahar. Then we met with the commander of the Afghan Army's 205th Corps, Major General Zazai.

One of the key things we saw, and something which is critically important to the success of this mission in Afghanistan, is that the Afghan Army be strengthened, take responsibility, primarily, for the security of the country, and lead operations which are joint operations between the Afghan Army and the coalition forces, including American forces.

That will be dramatized, that movement towards the shift of responsibility to the Afghans, where it belongs. A dramatic moment is going to take place later in July or early in August when, in a major operation in the area around Kandahar city, right in the heart of Taliban country, there is going to be a large number of forces that are Afghan forces, a large number of American forces, and from other countries, and it will be the Afghans who will be in the lead in that operation.

This is the Taliban's worst nightmare: facing an Afghan-led force that is going to clear them from control of the area. The Afghan people detest the

Taliban, and they respect their own army. And our major goal and mission should be to build up that army, strengthen it sizewise and with equipment and training so it can take major security responsibility for that country. This is the path to success in Afghanistan.

Again, because of this planned operation, which is now announced, and because of a number of other steps which have been taken—a very significant number of positive steps in the last 6 months—I have some confidence we are on the way to a successful outcome in Afghanistan.

Afghanistan has made progress in a number of ways since my visit there in January.

The progress I refer to is toward the key goal of preventing Afghanistan from being dominated by a Taliban organization that would once again provide a haven for the international terrorist movement, al-Qaida.

To achieve that goal, Afghanistan must be able to take principal responsibility for its own security. We and other outsiders cannot secure Afghanistan, but we can help the Afghan security forces do so.

The building blocks to achieve that goal are present. The Afghan National Army, ANA, is respected by the people and the Taliban is despised and feared because of the terror they spread and threaten.

A capable, strong, large Afghan Army is the Taliban's worst nightmare because it means that the Taliban's propaganda that foreigners seek to dominate Afghanistan rings hollow. This is particularly true when Afghan troops are in the lead in joint operations with the troops of ISAF.

That is why I believed we should have focused on training and equipping the ANA, why we should have sent in trainers and mentors instead of sending in more combat troops. That is why when President Obama decided to send in 30,000 more U.S. troops, I strongly supported the decision to begin to reduce those troops in July of 2011. That date is the action-driving mechanism to demonstrate to the Afghans the urgency of acting to get their army up to the size and capability where they can succeed in the mission so vital to them and to us—securing their country against the Taliban.

A number of steps have been taken in the last 6 months toward achieving that goal.

First, recruitment for the ANA is up, partly because, according to General Caldwell, who leads the ISAF training mission, the announcement of the July 2011 date last December incentivized the Afghan leaders to act to stimulate recruitment.

Second, the Afghan army has grown very quickly, exceeding the goals. Last December the army had 100,000 men; by May the number was 125,000; and Min-

ister of Defense Wardak said he expects to announce that the end of September 2010 goal of 134,000 will be met by the time of the Kabul conference in late July.

Third, the ratio of ISAF forces to Afghan forces is improving in terms of Afghans becoming numerically dominant. When I was with our marines in Helmand Province in January, there were two or three marines for each Afghan soldier. In Kandahar Province, where Senator REED and I visited last week, the ratio is about one to one and by September it will be predominantly Afghan.

Fourth, the partnering in the field between the ANA and ISAF is real. Every Afghan unit from battalion down to company level is now planning and operating together with ISAF units. This has the twin benefits of training Afghan troops and having the Afghan people see that it is their respected army that they want to provide the security which is doing that, rather than foreign troops which have less understanding of their culture and will someday leave.

Fifth, and central to the success of the mission of Afghans being principal providers of security, is the fact that Afghan troops are more and more in the lead in joint operations. A highly significant event will take place at the end of July and early August. A major joint ANA-ISAF operation will move into the Taliban heartland of the Arghandab Valley, just west of Kandahar city. Approximately 10,000 troops—the Afghan 205th Corps with 5,160 soldiers and ISAF with 4,430 soldiers—will clear the area of insurgents.

The planning is complete and the orders signed. It is a major, incredibly important effort and, of great significance, the Afghans will be in the lead.

The significance of this will not be lost on the Afghan people, nor on the Taliban.

Kandahar Province is where the Taliban movement was born. Months of effort have been extended to “shape” the upcoming effort. The city of Kandahar and its environs are being secured at the cost of many lives—both Afghan and coalition forces—so as to prevent additional insurgents from reinforcing the Arghandab region.

This will not be just a clearing operation.

It will be a clear and hold operation, with Afghan National Police, ANP, and the Afghan National Civil Order Police, ANCOP, doing the holding with the Afghan National Army and coalition military police.

As the Commandant of the Marine Corps, General Conway, said:

To have American Marines standing on a corner in a key village isn't nearly as effective as having an Afghan policeman or Afghan soldier.

The key to success of a counterinsurgency effort, which is aimed at pro-

tecting the people, is winning the support of those people. A significant sign of progress in this respect is that the tips needed about the whereabouts of the Taliban, so essential to defeating them, are coming into the coalition in vastly increasing numbers. An ISAF Strategic Assessment report indicates that there has been increased reporting by local Afghans on the locations of IEDs and weapons caches, resulting in a higher ratio of finds/turn-ins to explosions.

Sixth, the equipping of the Afghan Army is beginning to happen. We authorized the transfer of equipment from Iraq to Afghanistan for the ANA instead of bringing all that equipment back to the United States. We learned that 800 of 1,600 up-armored humvees have arrived in Afghanistan and the rest will soon arrive.

There are other reasons for optimism. We met with the Governor of Kandahar Province and the mayor of the city of Kandahar. Their outspoken opposition to the Taliban and the warlords who have been in power and who recently assassinated the District Governor of Arghandab remains strong and resolute.

Those are some of the signs of progress, but it has come at great cost. We have lost almost 1,200 of our brave troops in Afghanistan, and many times that number wounded. The cost to our treasure has been high. The months ahead will see more casualties, almost all inflicted by IEDs. The strain on our extraordinary troops and their families and on the U.S. civilians in Afghanistan is great. Despite the stress, their morale is high, and regardless of whether one agrees with the mission in Afghanistan, those men and women deserve a tribute from all Americans. We stand in awe of them.

There are also significant threats to the Afghan mission.

The first threat emanates from Pakistan. While Pakistan has taken steps relatively recently to take on some terrorist groups, and has done so at a real cost to the Pakistan Army, they have not taken on a number of groups that use Pakistan as a safe haven, crossing the border into Afghanistan to attack Afghan and ISAF forces, or supplying and supporting those attacks and then returning to the Pakistan safe haven.

Two of those groups are the Haqqani network in the North Waziristan area of the federally administered tribal area, FATA, across the border from eastern Afghanistan, and the home of the Afghan Taliban in Quetta, just across the border from Kandahar.

The State Department maintains a list of foreign terrorist groups. The State Department has said it is currently considering adding the Pakistani Taliban to that list. In my view, the Haqqani network has also long belonged on that list. We would not tolerate such groups attacking us from a

neighboring country. Pakistan's failure to attack them, knowing full well, as they do, the location of their headquarters in Miranshah and Quetta, is also intolerable.

A second threat to the success of our Afghan mission is the failure of the Afghan Government to provide noncorrupt, effective government to their people. This has been the subject of much concern. President Karzai's administration and international action on the civilian government side are beginning to stir into long overdue action.

The number of U.S. Government civilians in Afghanistan has tripled since 2009, with a greater percentage in the field outside Kabul.

A third threat to the success of the Afghan mission is the undiminished power of warlords and power brokers and the so-called private security contractors, paid with U.S. taxpayer dollars, who are engaged in bribes and perverse, blatant racketeering and rip-offs.

General Rodriguez, commander, International Security Assistance Force Joint Command and deputy commander, United States Forces—Afghanistan, is determined to protect our convoys from the warlords and their thugs who extort fees for safe passage and often collaborate with the Taliban to create the very threat of insecurity they presumably are hired to guard against.

The Afghan people hate and live in fear of the power brokers and warlords.

They corrupt the local police and are one reason why there is little public confidence in the local police.

Training of more and better local police and the expansion of the Afghan Civil Order Police, ANCOP, are hopeful signs. But the combination of warlords and power brokers operating in effective league with private security contractors, the Taliban, and an often corrupted local police, remain a significant threat to the Afghan mission's success.

The role of Afghan private security contractors, who often have devastating connections to our enemies and who rip off American tax payers, and who are facilitated by the failures of U.S. contractors to adequately vet and oversee their activities, will be the subject of a forthcoming report of a Senate Armed Services investigation.

Fourth, because success of the Afghan mission depends, probably more than anything else, on the rapid growth and capability of the one nationally respected institution, the ANA, the continuing failure of NATO allies to fill the shortfall of perhaps 2,000 trainers for partnering in the field with Afghan Army and police, so-called operational mentoring and liaison teams, OMLTs, and police operational mentoring and liaison teams, POMLTs, is inexcusable.

Many of our allies, notably the Brits, Canadians, Australians, Poles, Danes, and Georgians have been most admirable in their efforts. But too many NATO allies have failed to make commitments or carry out commitments so important to the success of the first NATO out-of-area combat mission. Continuing pressure on the laggard allies shouldn't be needed—but it is.

The success of the Afghan mission ultimately depends on a political settlement. An approach to the reintegration of those lower level insurgents who can be reintegrated, and the reconciliation with those groups that are not irreconcilable, is underway. The Afghan Government is leading that effort also, as, of course, it must. While our views and experiences in this regard are surely relevant, a brilliant British general leading the ISAF effort in Kandahar reminded us of what T.E. Lawrence said to the British over 100 years ago in a similar situation in a place that is not too far distant from Afghanistan:

Do not try to do much with your own hands. Better (they) do it tolerably than you do it perfectly. It is their war and you are to help them, not to win it for them. Actually, also, under the very odd conditions (there), your practical work will not be as good as, perhaps, you think it is.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. LEVIN. Mr. President, I ask unanimous consent that on Thursday, July 15, following any leader time, the Senate then resume consideration of the conference report to accompany H.R. 4173, with the time until 11 a.m. equally divided and controlled between Senators DODD and SHELBY or their designees; with the 20 minutes prior to 11 a.m. divided as follows: 5 minutes each in the following order: Senators SHELBY, DODD, MCCONNELL, and REID; that at 11 a.m. the Senate proceed to vote on the motion to invoke cloture on the conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. LEVIN. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMEMBERING SENATOR ROBERT C. BYRD

Ms. LANDRIEU. Mr. President, I rise today to honor the memory of one of the Senate's giants, Robert C. Byrd. My family and I were saddened to learn of his passing on Monday morning at the age of 92. I will remember Senator Byrd as a fierce defender of the Constitution, master of Senate procedure and a proud fighter for West Virginia and its rural heritage. Senator Byrd was more than just a colleague, he was a mentor. He taught me—and everyone who had the honor of serving with him—never to apologize for standing up for your State.

During more than a half century of service in Congress, Senator Byrd gave a voice to those who would not have been heard otherwise. There are times when it is easy to get caught up in the petty bickering and partisan squabbles that seem to be increasingly plaguing this chamber. But, we would all do well to follow the example Senator Byrd set for all of us during his legendary Senate career and never lose sight of the fact that we are sent here to fight for those in our home States and across the country who cannot fight for themselves.

Senator Byrd's work on behalf of his constituents is well known. West Virginians knew they could count on their senior Senator to come here to Washington and deliver for them. They were not alone. I will never forget how helpful Senator Byrd was to my State. Louisiana lost a true friend. Through storms and floods, Senator Byrd made sure that promises made to the gulf coast, particularly to Louisiana, were not broken. He kept an eye on the fair and just distribution of funds to Gulf Coast States, and I and everyone I represent will always be grateful for his dedication to our recovery.

One critical example is his effort to provide funding for Louisiana's Road Home program. Road Home, which is the largest single housing recovery program in U.S. history, was designed to provide compensation to Louisiana homeowners whose houses were destroyed by Hurricane Katrina or Rita. In late 2007, as Louisiana faced a daunting program shortfall, it was Senator Byrd who stepped up to help me secure \$3 billion to keep this rebuilding program going.

A year later, Senator Byrd once again stood up for the people of Louisiana, when he worked with me to include \$8.7 billion for gulf coast hurricane recovery and protection in the emergency supplemental spending bill for Iraq and Afghanistan. The funding provided for levees, criminal justice needs, health care and housing for low-income hurricane survivors.

Senator Byrd once said, "The people of Louisiana have the strength and the spirit to rebuild their homes and their communities. We owe them the support

to get the job done.” He did not just pay lipservice to the gulf coast. He delivered for us time and again, because he understood the importance of standing up for those who were hit so hard by the tragic storms that battered the Louisiana coast.

Senator Byrd was not just a colleague who put his weight behind fighting for the gulf coast region. He was also a walking encyclopedia of Senate history, and he was always willing to impart his vast knowledge to anyone who wanted to learn about the legends that walked these halls for more than two centuries before us.

When I was first sworn in as a U.S. Senator, back in 1997, my entire family came to Washington for the event. After it was over, I asked Senator Byrd if he would give my family—both adults and children—a history lesson on the Senate. He graciously obliged, and for 2 full hours spoke eloquently and expertly on the history of this great body. His lecture left a lasting impression on every single member of the Landrieu family, and it is a memory we will always cherish.

Senator Byrd spoke with such passion about John C. Calhoun, Henry Clay, Daniel Webster, Rebecca Felton, Everett Dirksen and the many other historical figures who shaped the Senate. It is only appropriate that he will forever be mentioned in the same breath with these men and women he so truly admired. And, it makes me proud to have had the opportunity to serve with a man who left such an indelible mark on this Chamber.

As we reflect on Senator Byrd’s remarkable life and career, our prayers are with the Byrd family. But we all take comfort in knowing that while he leaves behind one of his great loves—the Senate—he is finally going home to be with his greatest love—Erma.

Mr. ALEXANDER. Mr. President, Senator Pete Domenici from New Mexico served in this body for 36 years. During that time, he was the first Republican chairman of the Budget Committee and later chaired the Energy Committee where, more than almost anyone, he helped spur the revival of interest in nuclear energy. He was truly one of the most consequential senators of the last half century. As we mourn the loss of another very consequential Member of this Chamber, Senator Robert Byrd of West Virginia, I thought it was appropriate to share Senator Domenici’s thoughts on the passing of Senator Byrd.

I ask unanimous consent that Senator Domenici’s statement be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR PETE DOMENICI ON THE PASSING OF SENATOR ROBERT C. BYRD

I’m sorry I can’t be at Senator Robert Byrd’s memorial service in person because

I’m celebrating the first family reunion with my eight children—and their children—from across the country. My wife will join me at this event, and I will be prevented from attending the ceremony for my great friend, Robert Byrd.

I worked with Senator Byrd for my entire 36 years in the Senate. Above all else, I found him a man that one could trust implicitly. He and I both served on the Senate Appropriations Committee for many years, where he was a strong advocate for his home state. He and I both supported local projects for our states and believed that ‘earmarks’ were not only legitimate, but part of the Senator’s duty to his state.

When history is finally written of the United States Senate there is little doubt in my mind that he will go down as one of the greatest of all. He knew the rules and he played by them. He knew the issues and he fought for them. He understood America’s greatness and he heralded it. But most of all, he seemed to always remember the working men and women of his state and this country. He will be missed. I must say thank you, Robert, for your friendship and all you did for me and all of us.

FINANCIAL REGULATORY REFORM

Mr. VOINOVICH. Mr. President, I rise today to explain my opposition to the Restoring American Financial Stability Act. When the Senate first passed the bill in May, I opposed it and explained my reasons for doing so. At that time I hoped the House and Senate would make some changes to the bill during the conference committee to address the root causes of the financial crisis as well as scale back the overreaching powers granted to the new consumer protection bureau. Unfortunately, neither of these changes occurred, and I still believe the bill largely ignores the glaring, fundamental problems that led to our current fiscal catastrophe while increasing regulatory burdens on business when the economy is still struggling to recover. In addition, as Fareed Zakaria recently noted, the uncertainty created by this and other expansive legislation, such as health care reform and potentially cap and trade, is causing many businesses to refrain from new investments until they can understand the full implications of these measures.

As for this legislation, it is now clear that over the past decade or so, specific factors played a critical role in leading our Nation into the financial crisis that first arrested the credit markets in 2007, leading to the collapse of some of our largest financial services firms and a stock market crash in late 2008. The resulting events produced a widespread foreclosure crisis and a devastating recession with massive job loss and sustained record unemployment, all of which continue to be felt by families throughout Ohio and the Nation. In response, Congress has taken up legislation that purports to correct what went wrong and restore safety, soundness, and stability to our financial markets to foster recovery

and fortify the foundation for a strong economy.

Why, then, do I oppose the passage of this legislation? Simply put, because it does not get the job done. This legislation fails to address the causes of the financial crisis, while overreaching in its expanded regulation of businesses, large and small, throughout the economy. I voted to bring the bill to the Senate floor because I believed the American people wanted us to debate the issues that caused the financial collapse and bring forth legislation that would work to minimize the possibility of a future collapse, but this bill fails in too many respects.

First, the bill fails to address two primary causes of the financial meltdown, Fannie Mae and Freddie Mac, whose push to acquire subprime mortgages—spurred by Congress—helped produce a real estate bubble that burst and sent shockwaves across global financial markets, forcing the U.S. economy and other global economies into a tailspin. These now-government-owned institutions, which failed in the midst of the financial crisis, continue to drain taxpayers for billions of dollars. In May, Fannie and Freddie requested an additional \$19 billion of taxpayer moneys to fund operations, bringing the total government assistance to roughly \$145 billion, or an average of \$7.6 billion per month. Moreover, the nonpartisan Congressional Budget Office recently estimated that over the next decade, Fannie and Freddie could cost taxpayers almost \$400 billion. Yet these two giant, systemically risky institutions—whose bailouts far outsize any of those given to other financial institutions—are ignored in this legislation.

Second, at the heart of this financial crisis were residential home loans written to borrowers who did not have the ability to pay their mortgages. When these borrowers defaulted on a massive scale, widespread investment securities based on their mortgages lost significant value, sending investors panicking and retreating while portfolios collapsed and credit froze. These loans were made in large part because of poor underwriting standards and a failure by many lenders and brokers to ensure that buyers had the means to repay their loans. During the Senate debate on this legislation, my colleague, Senator BOB CORKER, offered a common-sense amendment to establish sound underwriting standards, including a minimum down payment, full documentation, and proof of income and ability of the borrower to pay the mortgage. Amazingly, my colleagues rejected this amendment, and thus virtually nothing in this legislation addresses this problem.

Third, the new consumer protection bureau created by this bill is too wide in its regulatory scope, and I believe it will saddle businesses with new, often

unnecessary burdens. The bureau is granted authority to reach its tentacles like an octopus into various sectors of the economy, and pull businesses that were not part of the problem—including retailers, medical providers such as dentists, lawyers, advertising agencies, and even nonprofits—under new government regulation. Attempts by some of my colleagues to curtail the largely unchecked reach of this new regulator were mostly rejected.

Finally, new regulations related to over-the-counter derivatives fail to adequately protect businesses across Ohio and other States that use these risk management tools. I have heard from many businesses concerned that they could be forced to divert capital away from job-creating investments as a result of new clearing procedures in the legislation. They also complain that they may now be forced to use less customized derivative products, which would result in more—rather than less—risk. As businesses sideline more capital, they become less liquid; as they face more risk, they become less creditworthy, and in turn have less access to credit. I am fearful that these new regulatory burdens will serve primarily to slow any eventual economic recovery rather than address the underlying causes of the financial collapse. For example, uncertainty over these potential effects has created widespread concern among farmers in particular, who had nothing to do with the financial meltdown but could face consequences under the legislation.

In sum, the Restoring American Financial Stability Act fails to address the root causes of the problem and overreaches in its regulation. I am disappointed these concerns were not resolved during the conference committee, and thus I will not support the bill.

ADDITIONAL STATEMENTS

TRIBUTE TO COLONEL MICHAEL P. CRALL

• Mr. CASEY. Mr. President, today I honor Colonel Michael P. Crall for the exceptional service he has provided as commander of the Pittsburgh district, U.S. Army Corps of Engineers during the period from July 13, 2007, to July 16, 2010. My colleague from Pennsylvania, Senator SPECTER, has joined me to honor Colonel Crall.

On Friday, July 16, 2010 in Pittsburgh, Pennsylvania the U.S. Army Corps of Engineers Pittsburgh District military Change of Command ceremony will honor the services of the outgoing commander, Colonel Michael P. Crall, and welcome the incoming commander, Colonel William H. Graham.

Colonel Crall will leave a legacy of excellence. His leadership focused the

district's capabilities on demonstrating the value of the Army Corps to the Pittsburgh region. His superb leadership and strong personal engagement strengthened relationships within local, State and Federal partnerships.

During his tenure as district commander, Colonel Crall superbly managed an annual operating budget in excess of \$200 million which funded the planning, engineering, construction, operation, and maintenance of the Pittsburgh district's 23 locks and dams, and 16 reservoirs covering 26,000 square miles in a five-State area.

Colonel Crall's implementation of funding provided to the district through the American Recovery and Reinvestment Act shows that he is an effective steward of taxpayer dollars. The act provided over \$140 million for the Pittsburgh district, almost doubling the district's annual budget. Under Colonel Crall's leadership, the district awarded contracts for projects to help reinvigorate the region's economy. These contracts have also assisted in improving the reliability of the some of the oldest facilities in the Corps.

Early in his tenure, he was faced with the challenge of a severe flash flooding event where he quickly directed available Corps authorities to provide emergency relief and offer immediate assistance. Colonel Crall's actions strengthened the Corps' partnership with local communities and reiterated the Corps value in the region. This event set the foundation for a tenure that focused on ensuring the safety of citizens of the region and a commitment to protecting their property. In addition, Colonel Crall's true compassion for the constituents impacted by this unfortunate event set the tone for his continued engagement in local flood reduction needs throughout the Pittsburgh district.

Throughout his time at the helm of the Pittsburgh district, Colonel Crall continued to stress the Army Corp's concern for maintaining and improving water quality. For instance, Colonel Crall recognized the effect of natural gas drilling on the Monongahela River and immediately took action to reduce any negative impact on public health and safety associated with this activity.

As a decorated military officer, Colonel Crall exemplified his devotion to our soldiers and country through his active role with the flight 93 Memorial. With a singular focus on overcoming unnecessary delays, he directed his team to work with the National Park Service to ensure that the Corps involvement in the memorial was timely and done with great care. Colonel Crall's efforts are helping to move the project in a positive direction. Simply stated, his personal involvement will help ensure that the sacrifices of the

patriots aboard flight 93 will be appropriately memorialized.

Colonel Crall's excellent communication skills and collaborative approach greatly improved the district's image and reputation among the general public, stakeholders, and the workforce. Throughout his entire tour of duty, Colonel Crall's superb leadership and strong personal engagement was instrumental in demonstrating the value of the Pittsburgh district throughout the Upper Ohio Valley. Colonel Crall's performance of duty reflects great credit upon himself, the Corps of Engineers, and the U.S. Army. We honor his service and wish him well in his future endeavors.●

REMEMBERING BENJAMIN GORDON POWELL, JR.

• Ms. LANDRIEU. Mr. President, it is with great sadness that I come to the Senate floor today to reflect upon the passing of Benny Powell, Jr., an esteemed jazz trombonist from Louisiana. Louisiana and the Nation lost a musical icon on June 26 when Benny passed away, but he lives on in our memories and in the music that he created.

Born March 1, 1930, in New Orleans, LA, Benjamin Gordon Powell, Jr. first set his sights on the parade drum. At the time, his mother was working as a maid in the French Quarter and she played the piano. Thankfully, his mother quickly realized his enthusiasm for music and encouraged Benny to play the trombone. By the time he was 14, Benny had landed his first professional band gig. He was tremendously musically gifted, even from such a young age.

Benny has said of the trombone that he loved most how expressive the instrument was. In an interview with the Times-Picayune in 2001, he was quoted as saying that, "It's like a voice. It can go from a whisper to a roar."

Benny has performed from coast to coast with a variety of musical figures. In 1961, he played at President Kennedy's inauguration. He has recorded or performed with Frank Sinatra, Screamin' Jay Hawkins, Lionel Hampton, pianist Randy Weston, in Broadway pit bands, and for many years in the house band on "The Merv Griffin Show." However, he is probably best known for playing with Count Basie from the early 1950s through the early 1960s. Since 1944, he taught at the New School for Jazz and Contemporary Music, passing along his gift to aspiring young musicians. I know younger generations were encouraged and inspired by his talents, strength and wisdom.

There is a deep rooted musical tradition in New Orleans that Benny's music exemplified by his clear passion and rich sound. We will miss his inspiring gift. As we reflect on his life and

his contributions, our prayers are with his daughter, Demitra Powell Clay, his sister, Elizabeth Powell McCrowey, and his grandchildren, Faith and Kyle Swetnam. May we all find some solace in the part of Benny that continues to live on in his music.●

RECOGNIZING GIRLS INC.

● Mrs. LINCOLN. Mr. President, today I congratulate Girls Inc. of Fort Smith, first place winners in the National Park Foundation's inaugural First Bloom program, in which fourth to sixth graders plan and grow native plants that help educate visitors in national parks across the U.S.

For more than a year, Girls Inc. has tended the "officers' garden" at the Fort Smith Historic Site, a part of the National Park Service. To blend in with the history and heritage of the site, the girls wear 1860s attire, complete with a dress, apron, and bonnet. The girls cultivate, plant, water and grow the garden in the way women and girls of that era would have, using plants and seeds that were available in the Civil War-era in Fort Smith. Because of the girls' dedicated efforts, the garden has expanded to twice its original size.

The officers' garden at the Fort Smith site was started 2½ years ago by park interpreter Keri Powers, who would explain to visitors the significance of having a garden for officers' wives, which not only provided food and medicine, but also was a social space for family and friends to gather.

Girls Inc. competed against students with projects in some of our Nation's most best-known national parks, such as Bryce Canyon in Utah and Glacier Bay in Alaska. Their hard work and perseverance paid off, and I know all Arkansans share my pride in their accomplishments.

As a part of their first place prize, the girls received an all-expenses paid trip to Washington. I was honored to meet with these young girls today, to hear more about their project and their experiences. While in Washington, the girls plan to meet with other members of Arkansas's congressional delegation, tour the National Mall, and visit the White House.

Girls Inc. of Fort Smith represents the best of Arkansas. Along with all Arkansans, I congratulate them for this tremendous achievement.●

RECOGNIZING HARVEST OF HOPE

● Mrs. LINCOLN. Mr. President this week "Harvest of Hope," a community organization in my home State of Arkansas, will send 40,000 pounds of rice to the Arkansas Rice Depot, marking a milestone in their donation efforts. The contribution will contain the millionth pound of rice the group has donated, which equals thousands of Ar-

kansans who have received the vital sustenance and nutrition they need.

Harvest of Hope is comprised of community leaders from DeWitt, Batesville, and Malvern who cook and sell smoked meats and use the proceeds to buy rice for the Arkansas Rice Depot. Times are tough for many Arkansans, and I commend these communities for their dedication to helping those in need.

Each community hosts a "Harvest of Hope" event annually. DeWitt's Harvest of Hope occurred over the Fourth of July holiday. Batesville and Malvern will hold their Harvest of Hope events this Labor Day.

Hunger is an epidemic in Arkansas and across our Nation. In fact, Arkansas has the highest incidence of childhood hunger in the country. In my role as chairman of the Committee on Agriculture, Nutrition, and Forestry, I have fought to make strong improvements to our child nutrition programs that will put us on a path toward ending childhood hunger.

I commend the communities of DeWitt, Batesville, and Malvern for doing their part to help end hunger in our State. Along with my fellow Arkansans, I will continue my fight to ensure that Arkansans have access to the food and nutrition they need.●

CONGRATULATING MISS ARKANSAS PAGEANT CONTESTANTS

● Mrs. LINCOLN. Mr. President, this week a time-honored tradition takes place in my home State of Arkansas.

For more than five decades, young women from across the State have gathered each year in Hot Springs to compete in the Miss Arkansas Pageant, the preliminary to the Miss America Pageant. These women represent the best of our State, and I am proud to see them work toward their personal and professional goals as they compete in this event.

Since 1938, the Miss Arkansas Pageant has sent a representative to the Miss America Pageant. In the early days, the Miss Arkansas Pageant was held in various cities across the State, including in my hometown of Helena. In 1957, the pageant moved to Hot Springs, Arkansas's "Spa City," where it has taken place ever since.

This year, 44 contestants seek the title of Miss Arkansas, which will be determined Saturday evening. I wish them all the best as they strive to achieve their goals. I also congratulate Miss Arkansas 2009 Sarah Slocum for the work she has done over the past year representing our state and our Arkansans values. These young women speak well for the future of our state, and I am proud to call them fellow Arkansans.●

TRIBUTE TO JEFF THEERMAN

● Mrs. McCASKILL. Mr. President, today I congratulate Mr. Jeff

Theerman, executive director of the Metropolitan St. Louis Sewer District, MSD, on his election as the new president of the National Association of Clean Water Agencies, NACWA.

Mr. Theerman is an accomplished leader and committed environmental steward. He has dedicated his career to the improvement of the environment and public health in Missouri, and throughout the Nation. Without a doubt, he is ideally suited for this national leadership position with NACWA.

Mr. Theerman has served Missouri through his work at MSD for over 25 years. In October of 2003 he was named MSD's executive director, willingly and ably accepting accountability for all aspects of the utility's operations.

As MSD's executive director, Mr. Theerman leads one of the Nation's largest wastewater and stormwater management utilities, providing services to approximately 1.4 million people in the city of St. Louis and St. Louis County. Under his leadership, the MSD currently operates seven wastewater treatment facilities, treating an average of 330 million gallons of water per day and maintaining 9,649 miles of sewers.

Since joining others in founding NACWA 40 years ago, the Metropolitan St. Louis Sewer District has benefitted from its active engagement with the organization. A member of NACWA's board of directors since 2004, Mr. Theerman has served as the organization's secretary, treasurer, and vice president. It is fitting that his election as president coincides with the 40th anniversary of NACWA's advocacy on behalf of the Nation's clean water agencies—and the environment we all value so much.

Mr. Theerman is a great example of accountable and responsible leadership in my State. Under his able leadership, NACWA looks forward to proactively and effectively addressing the complex 21st century water quality challenges we face as a Nation.

On behalf of myself and the people of Missouri, it is my sincere pleasure to congratulate Jeff Theerman on his election as president of NACWA. I am certain his actions will ensure continued water quality progress for St. Louis, MO, and the Nation.●

RECOGNIZING MATHEWS BROTHERS

● Ms. SNOWE. Mr. President, today I recognize one of the oldest continually operating businesses in my home State of Maine that has been truly successful at adapting to the changing times. Mathews Brothers has been manufacturing high quality windows and doors in the coastal town of Belfast for over 156 years, showing that resilience, innovation, and hard work can overcome even the worst economic downturns in

American history. Currently employing more than 120 individuals, Mathews Brothers provides a prime example of how small businesses can weather economic downturns to emerge stronger time after time.

Mathews Brothers was founded in 1854 as a sawmill and millworks company by brothers Noah Merrill Mathews and Spencer Walcott Mathews. Throughout the years, the firm has set out to add a variety of different products to its repertoire, from blinds and shutters, to coffins and spiral staircases. Today, the company uses state-of-the-art equipment and materials to produce traditional wood, vinyl and contemporary composite windows and doors out of its three manufacturing plants in Belfast, Rockland, and Bangor.

As continual innovators, Mathews Brothers launched Dream Kitchen Studio in 2008 as a separate division providing windows, doors, and kitchens to businesses, homeowners, and contractors throughout the Midcoast region of Maine. Indeed, the company has been breaking barriers and achieving a host of accomplishments from its inception, including being the largest woman-owned business in Maine at the start of the 20th century, as well as building the *Jennie Flood Kregar*, the largest and only 5-masted schooner ever built in Belfast.

In recent years, Mathews Brothers has sought to improve its business model by cutting costs while maintaining quality. Toward this end, they recently completed a two month train-the-trainer lean manufacturing initiative with the Maine Manufacturing Extension Partnership that instructed 116 employees and helped save the company at least \$75,000. In addition to this critical project, the company has sought to expand into overseas markets to sell its products, including participation in trade missions to Brazil, Korea, and Japan in the past several years.

Furthermore, Mathews Brothers maintains a strong commitment to our environment, as it recycles 100 percent of its scrap glass, vinyl, metal, paper, and cardboard from the manufacturing process. The company also uses a recycling glass washer, helping it save 67,000 gallons per month in water consumption. Leftover sawdust is sent to local farms for use as stall bedding, while scrap wood is sold off as kindling or firewood. The firm takes its role as steward of the land seriously through its membership in the Maine Chapter of the U.S. Green Building Council and the Maine Forest Products Council.

Mathews Brothers has also shown a continued commitment to its local community and actively encourages their employees to engage in community service activities. This commitment originated over a century ago in 1904 with then-President Orlando

Frost's commitment to help start up the Waldo County General Hospital. Their employees still volunteer in the oncology department and eagerly participate in the hospital's annual fall oncology walk. Mathews Brothers' commitment to community service was on display again in 2007 when the company raised over \$7,000 to purchase phone cards for soldiers from Maine deployed in Iraq.

Not surprisingly, Mathews Brothers has earned numerous awards for manufacturing and customer service excellence. The firm was recently awarded the Maine Manufacturing Extension Partnership's Manufacturing Excellence Award in June 2010. The award recognizes the company's success in achieving world-class manufacturing status and implementation of best manufacturing practices to stay ahead of the competition, all while maintaining a commitment to loyally serving its customers and assisting the community at large. The company has also received the Governor's Award for Business Excellence in 1994, and was chosen as the Belfast Area Chamber of Commerce's Business of the Year in 2007, among other distinctions.

While rising to the top of its field over the past century and a half, Mathews Brothers has never forgotten the community that helped it get there. Its consistent and enthusiastic endeavors to serve the community and its customers have not gone unnoticed, and I praise them for their efforts to modernize in the face of globalization, a process which has not been kind to American manufacturers. I thank everyone at Mathews Brothers for their philanthropic efforts and tremendous perseverance, and offer my best wishes for another 150 years of success.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mrs. Neiman, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and a withdrawal which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 10:03 a.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 3923. An act to provide for the exchange of certain land located in the Arapaho-Roosevelt National Forests in the State of Colorado, and for other purposes.

H.R. 3967. An act to amend the National Great Black Americans Commemoration Act of 2004 to authorize appropriations through fiscal year 2015.

H.R. 3989. An act to authorize the Secretary of the Interior to conduct a special resource study to determine the suitability and feasibility of adding the Heart Mountain Relocation Center, in the State of Wyoming, as a unit of the National Park System.

H.R. 4438. An act to authorize the Secretary of the Interior to expand the boundary of the Park, to conduct a study of potential land acquisitions, and for other purposes.

H.R. 4514. An act to authorize the Secretary of the Interior to conduct a special resource study to determine the suitability and feasibility of designating the Colonel Charles Young Home in Xenia, Ohio as a unit of the National Park System, and for other purposes.

H.R. 4686. An act to authorize the Secretary of the Interior to study the suitability and feasibility of designating prehistoric, historic, and limestone forest sites on Rota, Commonwealth of the Northern Mariana Islands, as a unit of the National Park System.

H.R. 4773. An act to authorize the Secretary of the Interior to lease certain lands within Fort Pulaski National Monument, and for other purposes.

H.R. 4973. An act to amend the Fish and Wildlife Act of 1956 to reauthorize volunteer programs and community partnerships for national wildlife refuges, and for other purposes.

The message also announced that the House agreed to the amendment of the Senate to the bill (H.R. 689) to interchange the administrative jurisdiction of certain Federal lands between the Forest Service and the Bureau of Land Management, and for other purposes.

At 12:27 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 83. Joint resolution approving the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003, and for other purposes.

At 2:47 p.m., a message from the House of Representatives, delivered by Mr. Novotny, one of its reading clerks, announced that the House agreed to the amendments of the Senate to the bill (H.R. 4840) to designate the facility of the United States Postal Service located at 1979 Cleveland Avenue in Columbus, Ohio, as the "Clarence D. Lumpkin Post Office".

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 3967. An act to amend the National Great Black Americans Commemoration Act of 2004 to authorize appropriations through

fiscal year 2015; to the Committee on the Judiciary.

H.R. 4686. An act to authorize the Secretary of the Interior to study the suitability and feasibility of designating prehistoric, historic, and limestone forest sites on Rota, Commonwealth of the Northern Mariana Islands, as a unit of the National Park System; to the Committee on Energy and Natural Resources.

H.R. 4773. An act to authorize the Secretary of the Interior to lease certain lands within Fort Pulaski National Monument, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 4973. An act to amend the Fish and Wildlife Act of 1956 to reauthorize volunteer programs and community partnerships for national wildlife refuges, and for other purposes; to the Committee on Environment and Public Works.

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

H.R. 5618. An act to continue Federal unemployment programs.

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 3923. An act to provide for the exchange of certain land located in the Arapaho-Roosevelt National Forests in the State of Colorado, and for other purposes.

MEASURES READ THE FIRST TIME

The following bill was read the first time:

S. 3588. A bill to limit the moratorium on certain permitting and drilling activities issued by the Secretary of the Interior, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC-6602. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Homobrassinolide; Exemption from the Requirement of a Tolerance" (FRL No. 8831-2) received during adjournment of the Senate in the Office of the President of the Senate on July 9, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-6603. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Acetic Acid; Exemption from the Requirement of a Tolerance" (FRL No. 8833-8) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-6604. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Residues of Quaternary Ammonium

Compounds, N-Alkyl (C12-14) Dimethyl Ethylbenzyl Ammonium Chloride; Exemption from the Requirement of a Tolerance" (FRL No. 8833-2) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-6605. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Hexythiazox; Pesticide Tolerances" (FRL No. 8833-6) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-6606. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Cyazofamid; Pesticide Tolerances" (FRL No. 8833-1) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-6607. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Castor Oil, Ethoxylated, Oleate; Tolerance Exemption" (FRL No. 8834-4) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-6608. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report relative to violations of the Antideficiency Act in connection with a fiscal year 2009 health care facilities construction project in Nome, Alaska; to the Committee on Appropriations.

EC-6609. A communication from the Secretary of Defense, transmitting a report on the approved retirement of General Stanley A. McChrystal, United States Army, and his advancement to the grade of general on the retired list; to the Committee on Armed Services.

EC-6610. A communication from the Under Secretary of Defense (Personnel and Readiness), transmitting the report of (4) officers authorized to wear the insignia of the grade of major general and brigadier general, as appropriate, in accordance with title 10, United States Code, section 777; to the Committee on Armed Services.

EC-6611. A communication from the Commission on Wartime Contracting in Iraq and Afghanistan, transmitting, pursuant to law, a report entitled "Better Planning for Defense-to-State Transition in Iraq Needed to Avoid Mistakes and Waste"; to the Committee on Armed Services.

EC-6612. A communication from the Chief Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Changes in Flood Elevation Determinations" ((44 CFR Part 65) (Docket No. FEMA-2010-0003)) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Banking, Housing, and Urban Affairs.

EC-6613. A communication from the Paperwork Clearance Officer, Office of Thrift Supervision, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Unfair or Deceptive Acts or Practices; Amendment" (RIN1550-AC38) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Banking, Housing, and Urban Affairs.

EC-6614. A communication from the Secretary of Energy, transmitting, pursuant to law, a report entitled "Report to Congress on Dedicated Ethanol Pipeline Feasibility"; to the Committee on Energy and Natural Resources.

EC-6615. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Lead; Clearance and Clearance Testing Requirements for the Renovation, Repair, and Painting Program; Reopening of Comment Period" (FRL No. 8836-1) received during adjournment of the Senate in the Office of the President of the Senate on July 9, 2010; to the Committee on Environment and Public Works.

EC-6616. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Extension of Deadline for Action on Section 126 Petition from New Jersey" (FRL No. 9174-5) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Environment and Public Works.

EC-6617. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Revisions to the California State Implementation Plan, Sacramento Metropolitan Air Quality Management District and South Coast Air Quality Management District" (FRL No. 9172-3) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Environment and Public Works.

EC-6618. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Terpene Constituents of the Extract of *Chenopodium ambrosioides* near *ambrosioides* (a-Terpinene, d-Limonene and p-Cymene) as Synthetically Manufactured; Exemption from the Requirement of a Tolerance" (FRL No. 8831-4) received during adjournment of the Senate in the Office of the President of the Senate on July 9, 2010; to the Committee on Environment and Public Works.

EC-6619. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans and Designation of Areas for Air Quality Planning Purposes; Wisconsin; Redesignation of the Manitowoc County and Door County Areas to Attainment for Ozone" (FRL No. 9172-9) received during adjournment of the Senate in the Office of the President of the Senate on July 9, 2010; to the Committee on Environment and Public Works.

EC-6620. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans; Texas; Revisions to the New Source Review (NSR) State Implementation Plan (SIP); Flexible Permits" (FRL No. 9174-1) received during adjournment of the Senate in the Office of the President of

the Senate on July 9, 2010; to the Committee on Environment and Public Works.

EC-6621. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Mandatory Reporting of Greenhouse Gases from Magnesium Production, Underground Coal Mines, Industrial Wastewater Treatment, and Industrial Waste Landfills" (FRL No. 9171-1) received during adjournment of the Senate in the Office of the President of the Senate on July 9, 2010; to the Committee on Environment and Public Works.

EC-6622. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, a report entitled "Clean Watersheds Needs Survey 2008 Report to Congress"; to the Committee on Environment and Public Works.

EC-6623. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, a report entitled "Report to Congress on Abnormal Occurrences: Fiscal Year 2009"; to the Committee on Environment and Public Works.

EC-6624. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Update of Weighted Average Interest Rates, Yield Curves, and Segment Rates" (Notice No. 2010-52) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Finance.

EC-6625. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Excise Taxes on Prohibited Tax Shelter Transactions and Related Disclosure Requirements; Disclosure Requirements with Respect to Prohibited Tax Shelter Transactions; Requirement of Return and Time for Filing" ((TD 9492) (RIN1545-BG18)) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Finance.

EC-6626. A communication from the Senior Advisor for Regulations, Office of Regulations, Social Security Administration, transmitting, pursuant to law, the report of a rule entitled "Amendments to Regulations Regarding Major Life-Changing Events Affecting Income-Related Monthly Adjustment Amounts to Medicare Part B Premiums" (RIN0960-AH06) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Finance.

EC-6627. A communication from the Program Manager, Centers for Medicare and Medicaid Services, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Medicare and Medicaid Programs; Electronic Health Record Incentive Program" (RIN0938-AP78) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Finance.

EC-6628. A communication from the Office Manager, Centers for Medicare and Medicaid Services, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Medicare Program; Changes to the Hospital Outpatient Prospective Payment System and Ambulatory Surgical Center Payment System for Calendar Year 2010, and Extension of Part B Payment for Services Furnished by Hospitals or Clinics Operated by the Indian Health Service, Indian Tribes, or Tribal Organizations Made

by the Affordable Care Act and ASC Changes Made by Previous Correction Notices" (RIN0938-AQ08) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Finance.

EC-6629. A communication from the Inspector General, Department of Health and Human Services, transmitting, pursuant to law, a report entitled "Review of Medicare Contractor Information Security Program Evaluations for Fiscal Year 2007"; to the Committee on Finance.

EC-6630. A communication from the Inspector General, Department of Health and Human Services, transmitting, pursuant to law, two reports entitled "Guidance and Standards on Language Access Services: Medicare Provides" and "Guidance and Standards on Language Access Services: Medicare Plans"; to the Committee on Finance.

EC-6631. A communication from the Acting Deputy Assistant Administrator, Bureau for Legislative and Public Affairs, Agency for International Development (USAID), transmitting, pursuant to law, a report relative to purchases of articles, materials, and supplies that were manufactured outside of the United States for fiscal year 2009; to the Committee on Foreign Relations.

EC-6632. A communication from the Assistant Secretary, Bureau of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed technical assistance agreement for the export of defense articles, including technical data, and defense services to the United Kingdom in support of the sale of Hellfire II missiles in the amount of \$25,000,000 or more; to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LEAHY, from the Committee on the Judiciary:

Report to accompany S. 1376, a bill to restore immunization and sibling age exemptions for children adopted by United States citizens under the Hague Convention on Intercountry Adoption to allow their admission into the United States (Rept. No. 111-220).

By Mr. LEAHY, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

H.R. 2765. A bill to amend title 28, United States Code, to prohibit recognition and enforcement of foreign defamation judgments and certain foreign judgments against the providers of interactive computer services.

By Mr. BAUCUS, from the Committee on Finance, without amendment:

S.J. Res. 29. A joint resolution approving the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. SCHUMER (for himself and Mr. DODD):

S. 3577. A bill to encourage savings, promote financial literacy, and expand opportunities for young adults by establishing Life-

time Savings Accounts; to the Committee on Finance.

By Mr. JOHANNES (for himself, Mr. INHOFE, Mr. COBURN, Mr. THUNE, Mr. VITTER, Mr. BARRASSO, Mr. CORNYN, Mr. RISCH, Mr. ENSIGN, Mr. CRAPO, Ms. MURKOWSKI, Mr. ISAKSON, Mr. ROBERTS, and Mr. ENZI):

S. 3578. A bill to repeal the expansion of information reporting requirements for payments of \$600 or more to corporations, and for other purposes; to the Committee on Finance.

By Mr. CARPER (for himself and Mr. BENNETT):

S. 3579. A bill to protect information relating to consumers, to require notice of security breaches, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BEGICH:

S. 3580. A bill to amend the Oil Pollution Act of 1990 to permit funds in the Oil Spill Liability Trust to be used by the National Oceanic and Atmospheric Administration, the Coast Guard, and other Federal agencies for certain research, prevention, and response capabilities with respect to discharges of oil, for environmental studies, and for grant programs to communities affected by oil spills on the outer Continental Shelf, and to provide funding for such uses; to the Committee on Finance.

By Mr. LUGAR:

S. 3581. A bill to implement certain defense trade treaties; to the Committee on Foreign Relations.

By Mr. CASEY (for himself, Mr. BURRIS, Mrs. MURRAY, Mr. KAUFMAN, Mrs. MCCASKILL, Mr. NELSON of Nebraska, and Mrs. BOXER):

S. 3582. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for amounts paid by a spouse of a member of the Armed Forces for a new State license or certification required by reason of a permanent change in the duty station of such member to another State; to the Committee on Finance.

By Mrs. MURRAY (for herself, Mr. SANDERS, Ms. SNOWE, and Ms. COLLINS):

S. 3583. A bill to amend title 38, United States Code, to increase flexibility in payments for State veterans homes, and for other purposes; to the Committee on Veterans Affairs.

By Mr. BEGICH:

S. 3584. A bill to direct the Administrator of the National Oceanic and Atmospheric Administration to institute research into the special circumstances associated with oil spill prevention and response in the Arctic waters, including assessment of impacts on Arctic marine mammals and other wildlife, marine debris research and removal, and risk assessment, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. UDALL of Colorado (for himself and Mr. BENNETT):

S. 3585. A bill to amend title 10, United States Code, to reform Department of Defense energy policy, and for other purposes; to the Committee on Armed Services.

By Mr. REID (for himself, Mr. TESTER, Mr. MERKLEY, Mr. UDALL of Colorado, and Mr. BEGICH):

S. 3586. A bill to promote the mapping and development of United States geothermal resources by establishing a direct loan program for high risk geothermal exploration wells; to the Committee on Energy and Natural Resources.

By Mr. REID (for himself and Mr. TESTER):

S. 3587. A bill to require the Secretary of the Interior to establish a competitive leasing program for wind and solar energy development on Federal land, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. VITTER (for himself, Mr. CORNYN, and Mr. WICKER):

S. 3588. A bill to limit the moratorium on certain permitting and drilling activities issued by the Secretary of the Interior, and for other purposes; read the first time.

By Mr. ROCKEFELLER (for himself and Mr. VOINOVICH):

S. 3589. A bill to provide financial incentives and a regulatory framework to facilitate the development and early deployment of carbon capture and sequestration technologies, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. ROCKEFELLER (for himself and Mr. VOINOVICH):

S. 3590. A bill to amend the Internal Revenue Code of 1986 to provide financial incentives to facilitate the development and early deployment of carbon capture and sequestration technologies, and for other purposes; to the Committee on Finance.

By Mr. ROCKEFELLER (for himself and Mr. VOINOVICH):

S. 3591. A bill to provide financial incentives and a regulatory framework to facilitate the development and early deployment of carbon capture and sequestration technologies, and for other purposes; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. UDALL of New Mexico:

S. Res. 581. A resolution honoring the educational and scientific significance of Dr. Jane Goodall on the 50th anniversary of the beginning of her work in what is today Gombe Stream National Park in Tanzania; to the Committee on the Judiciary.

By Mr. WICKER (for himself, Ms. LANDRIEU, Mr. COCHRAN, Mr. CORNYN, Mrs. HUTCHISON, Mr. LEMIEUX, Mr. NELSON of Florida, Mr. SESSIONS, Mr. SHELBY, and Mr. VITTER):

S. Res. 582. A resolution recognizing the economic and environmental impacts of the British Petroleum oil spill on the people of the Gulf Coast and their way of life and urging British Petroleum to give all due consideration to offers of assistance, products, or services from the States directly impacted by the Deepwater Horizon oil spill; to the Committee on Environment and Public Works.

ADDITIONAL COSPONSORS

S. 305

At the request of Mr. SCHUMER, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. 305, a bill to amend title IV of the Public Health Service Act to create a National Childhood Brain Tumor Prevention Network to provide grants and coordinate research with respect to the causes of and risk factors associated with childhood brain tumors, and for other purposes.

S. 335

At the request of Mrs. GILLIBRAND, the names of the Senator from Alaska (Mr. BEGICH), the Senator from West Virginia (Mr. ROCKEFELLER) and the Senator from New Jersey (Mr. MENENDEZ) were added as cosponsors of S. 335, a bill to amend part D of title IV of the Social Security Act to repeal a fee imposed by States on certain child support collections.

S. 457

At the request of Mr. THUNE, the name of the Senator from Tennessee (Mr. CORKER) was added as a cosponsor of S. 457, a bill to establish pilot projects under the Medicare program to provide incentives for home health agencies to utilize home monitoring and communications technologies.

S. 981

At the request of Mr. REID, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 981, a bill to support research and public awareness activities with respect to inflammatory bowel disease, and for other purposes.

S. 1055

At the request of Mrs. BOXER, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 1055, a bill to grant the congressional gold medal, collectively, to the 100th Infantry Battalion and the 442nd Regimental Combat Team, United States Army, in recognition of their dedicated service during World War II.

S. 1249

At the request of Ms. KLOBUCHAR, the name of the Senator from Minnesota (Mr. FRANKEN) was added as a cosponsor of S. 1249, a bill to amend title XVIII of the Social Security Act to create a value indexing mechanism for the physician work component of the Medicare physician fee schedule.

S. 1273

At the request of Mr. DORGAN, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 1273, a bill to amend the Public Health Service Act to provide for the establishment of permanent national surveillance systems for multiple sclerosis, Parkinson's disease, and other neurological diseases and disorders.

S. 1562

At the request of Mr. BEGICH, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S. 1562, a bill to provide for a study and report on research on the United States Arctic Ocean and for other purposes.

S. 1674

At the request of Mr. WYDEN, the name of the Senator from Minnesota (Mr. FRANKEN) was added as a cosponsor of S. 1674, a bill to provide for an exclusion under the Supplemental Security Income program and the Medicaid program for compensation pro-

vided to individuals who participate in clinical trials for rare diseases or conditions.

S. 1775

At the request of Mr. BAYH, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 1775, a bill to amend the Higher Education Act of 1965 to provide that interest shall not accrue on Federal Direct Loans for members of the Armed Forces on active duty regardless of the date of disbursement.

S. 1932

At the request of Mr. MCCAIN, the name of the Senator from Mississippi (Mr. WICKER) was added as a cosponsor of S. 1932, a bill to amend the Elementary and Secondary Education Act of 1965 to allow members of the Armed Forces who served on active duty on or after September 11, 2001, to be eligible to participate in the Troops-to-Teachers Program, and for other purposes.

S. 3293

At the request of Mr. HARKIN, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 3293, a bill to reauthorize the Special Olympics Sport and Empowerment Act of 2004, to provide assistance to Best Buddies to support the expansion and development of mentoring programs, and for other purposes.

S. 3397

At the request of Ms. KLOBUCHAR, the name of the Senator from Tennessee (Mr. CORKER) was added as a cosponsor of S. 3397, a bill to amend the Controlled Substances Act to provide for take-back disposal of controlled substances in certain instances, and for other purposes.

S. 3434

At the request of Mr. BINGAMAN, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 3434, a bill to provide for the establishment of a Home Star Retrofit Rebate Program, and for other purposes.

S. 3570

At the request of Ms. MURKOWSKI, the name of the Senator from Idaho (Mr. RISCH) was added as a cosponsor of S. 3570, a bill to improve hydropower, and for other purposes.

S. 3575

At the request of Mr. DURBIN, the name of the Senator from Tennessee (Mr. CORKER) was added as a cosponsor of S. 3575, a bill to amend and reauthorize the controlled substance monitoring program under section 3990 of the Public Health Service Act and to authorize the Secretary of Veterans Affairs to share information about the use of controlled substances by veterans with State prescription monitoring programs to prevent misuse and diversion of prescription medicines.

S. RES. 519

At the request of Mr. DEMINT, the names of the Senator from Kansas (Mr.

BROWNBACK) and the Senator from Kansas (Mr. ROBERTS) were added as cosponsors of S. Res. 519, a resolution expressing the sense of the Senate that the primary safeguard for the well-being and protection of children is the family, and that the primary safeguards for the legal rights of children in the United States are the Constitutions of the United States and the several States, and that, because the use of international treaties to govern policy in the United States on families and children is contrary to principles of self-government and federalism, and that, because the United Nations Convention on the Rights of the Child undermines traditional principles of law in the United States regarding parents and children, the President should not transmit the Convention to the Senate for its advice and consent.

AMENDMENT NO. 4417

At the request of Mr. BAUCUS, the name of the Senator from New Mexico (Mr. UDALL) was added as a cosponsor of amendment No. 4417 intended to be proposed to H.R. 5297, an act to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

AMENDMENT NO. 4442

At the request of Mr. BURRIS, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of amendment No. 4442 intended to be proposed to H.R. 5297, an act to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

AMENDMENT NO. 4453

At the request of Mr. THUNE, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of amendment No. 4453 intended to be proposed to H.R. 5297, an act to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

AMENDMENT NO. 4464

At the request of Mr. DEMINT, the name of the Senator from Georgia (Mr. ISAKSON) was added as a cosponsor of amendment No. 4464 intended to be proposed to H.R. 5297, an act to create the Small Business Lending Fund Program

to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CARPER (for himself and Mr. BENNETT):

S. 3579. A bill to protect information relating to consumers, to require notice of security breaches, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. CARPER. Mr. President, I rise today with my colleague Senator BENNETT to introduce an important and bipartisan piece of legislation that will help protect American's from identity and financial theft.

As you may have heard in the news, in 2009 Heartland Payment Systems—a national company that processes payments for retailers and restaurants located in nearly all 50 states—was hacked, leaving possibly 100 million people at risk of identity fraud or financial theft. These types of scenarios happen more than we would like and have the potential to keep American's from getting a loan, a new bank account, or—in worst case scenarios—from even paying the monthly bills. This situation is simply unacceptable and this bill will help address these serious problems.

Our bill requires entities such as financial institutions, retailers, and Federal agencies to safeguard sensitive information before it is compromised, investigate possible security breaches, and to notify customers when there is a substantial risk of identity theft or account fraud.

For example, these new requirements would apply to retailers who take credit card information, data brokers who compile private information, and government agencies that possess non-public personal information.

My colleague and I modeled our legislation after the data security and breach-response regime established under the Gramm-Leach-Bliley Act of 1999, and subsequent regulations. It also builds on existing law to better ensure federal and state regulators comply with the law and to make certain that data security procedures are uniformly applied.

Lastly, we need to replace the current patchwork of State and Federal regulations for identity theft with a national law, like this one, that provides uniform protections across the country. Our comprehensive approach will better serve consumers by making it easier for businesses and government agencies to take the steps necessary to adequately protect all Americans from identity theft and account fraud.

I look forward to working with my colleagues to get this important and necessary bill enacted before it is too late. I think everyone can agree that our identities and bank accounts are some of the most important aspects of our lives and that, if stolen, can at a minimum make life extremely difficult.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3579

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Data Security Act of 2010”.

SEC. 2. DEFINITIONS.

For purposes of this Act, the following definitions shall apply:

(1) **AFFILIATE.**—The term “affiliate” means any company that controls, is controlled by, or is under common control with another company.

(2) **AGENCY.**—The term “agency” has the same meaning as in section 551(1) of title 5, United States Code.

(3) BREACH OF DATA SECURITY.—

(A) **IN GENERAL.**—The term “breach of data security” means the unauthorized acquisition of sensitive account information or sensitive personal information.

(B) **EXCEPTION FOR DATA THAT IS NOT IN USABLE FORM.**—

(i) **IN GENERAL.**—The term “breach of data security” does not include the unauthorized acquisition of sensitive account information or sensitive personal information that is maintained or communicated in a manner that is not usable—

(I) to commit identity theft; or

(II) to make fraudulent transactions on financial accounts.

(ii) **RULE OF CONSTRUCTION.**—For purposes of this subparagraph, information that is maintained or communicated in a manner that is not usable includes any information that is maintained or communicated in an encrypted, redacted, altered, edited, or coded form.

(4) **COMMISSION.**—The term “Commission” means the Federal Trade Commission.

(5) **CONSUMER.**—The term “consumer” means an individual.

(6) **CONSUMER REPORTING AGENCY THAT COMPILES AND MAINTAINS FILES ON CONSUMERS ON A NATIONWIDE BASIS.**—The term “consumer reporting agency that compiles and maintains files on consumers on a nationwide basis” has the same meaning as in section 603(p) of the Fair Credit Reporting Act (15 U.S.C. 1681a(p)).

(7) COVERED ENTITY.—

(A) **IN GENERAL.**—The term “covered entity” means any—

(i) entity, the business of which is engaging in financial activities, as described in section 4(k) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(k));

(ii) financial institution, including any institution described in section 313.3(k) of title 16, Code of Federal Regulations, as in effect on the date of enactment of this Act;

(iii) entity that maintains or otherwise possesses information that is subject to section 628 of the Fair Credit Reporting Act (15 U.S.C. 1681w); or

(iv) other individual, partnership, corporation, trust, estate, cooperative, association, or entity that maintains or communicates sensitive account information or sensitive personal information.

(B) EXCEPTION.—The term “covered entity” does not include any agency or any other unit of Federal, State, or local government or any subdivision of such unit.

(8) FINANCIAL INSTITUTION.—The term “financial institution” has the same meaning as in section 509 of the Gramm-Leach-Bliley Act (15 U.S.C. 6809).

(9) SENSITIVE ACCOUNT INFORMATION.—The term “sensitive account information” means a financial account number relating to a consumer, including a credit card number or debit card number, in combination with any security code, access code, password, or other personal identification information required to access the financial account.

(10) SENSITIVE PERSONAL INFORMATION.—

(A) IN GENERAL.—The term “sensitive personal information” means the first and last name, address, or telephone number of a consumer, in combination with any of the following relating to such consumer:

(i) Social security account number.

(ii) Driver's license number or equivalent State identification number.

(iii) Taxpayer identification number.

(B) EXCEPTION.—The term “sensitive personal information” does not include publicly available information that is lawfully made available to the general public from—

(i) Federal, State, or local government records; or

(ii) widely distributed media.

(11) SUBSTANTIAL HARM OR INCONVENIENCE.—

(A) IN GENERAL.—The term “substantial harm or inconvenience” means—

(i) material financial loss to, or civil or criminal penalties imposed on, a consumer, due to the unauthorized use of sensitive account information or sensitive personal information relating to such consumer; or

(ii) the need for a consumer to expend significant time and effort to correct erroneous information relating to the consumer, including information maintained by a consumer reporting agency, financial institution, or government entity, in order to avoid material financial loss, increased costs, or civil or criminal penalties, due to the unauthorized use of sensitive account information or sensitive personal information relating to such consumer.

(B) EXCEPTION.—The term “substantial harm or inconvenience” does not include—

(i) changing a financial account number or closing a financial account; or

(ii) harm or inconvenience that does not result from identity theft or account fraud.

SEC. 3. PROTECTION OF INFORMATION AND SECURITY BREACH NOTIFICATION.

(a) SECURITY PROCEDURES REQUIRED.—

(1) IN GENERAL.—Each covered entity shall implement, maintain, and enforce reasonable policies and procedures to protect the confidentiality and security of sensitive account information and sensitive personal information which is maintained or is being communicated by or on behalf of a covered entity, from the unauthorized use of such information that is reasonably likely to result in substantial harm or inconvenience to the consumer to whom such information relates.

(2) LIMITATION.—Any policy or procedure implemented or maintained under paragraph (1) shall be appropriate to the—

(A) size and complexity of a covered entity;

(B) nature and scope of the activities of such entity; and

(C) sensitivity of the consumer information to be protected.

(b) INVESTIGATION REQUIRED.—

(1) IN GENERAL.—If a covered entity determines that a breach of data security has or may have occurred in relation to sensitive account information or sensitive personal information that is maintained or is being communicated by, or on behalf of, such covered entity, the covered entity shall conduct an investigation—

(A) to assess the nature and scope of the breach;

(B) to identify any sensitive account information or sensitive personal information that may have been involved in the breach; and

(C) to determine if such information is reasonably likely to be misused in a manner causing substantial harm or inconvenience to the consumers to whom the information relates.

(2) NEURAL NETWORKS AND INFORMATION SECURITY PROGRAMS.—In determining the likelihood of misuse of sensitive account information under paragraph (1)(C), a covered entity shall consider whether any neural network or security program has detected, or is likely to detect or prevent, fraudulent transactions resulting from the breach of security.

(c) NOTICE REQUIRED.—If a covered entity determines under subsection (b)(1)(C) that sensitive account information or sensitive personal information involved in a breach of data security is reasonably likely to be misused in a manner causing substantial harm or inconvenience to the consumers to whom the information relates, such covered entity, or a third party acting on behalf of such covered entity, shall—

(1) notify, in the following order—

(A) the appropriate agency or authority identified in section 5;

(B) an appropriate law enforcement agency;

(C) any entity that owns, or is obligated on, a financial account to which the sensitive account information relates, if the breach involves a breach of sensitive account information;

(D) each consumer reporting agency that compiles and maintains files on consumers on a nationwide basis, if the breach involves sensitive personal information relating to 5,000 or more consumers; and

(E) all consumers to whom the sensitive account information or sensitive personal information relates; and

(2) take reasonable measures to restore the security and confidentiality of the sensitive account information or sensitive personal information involved in the breach.

(d) COMPLIANCE.—

(1) IN GENERAL.—A financial institution shall be deemed to be in compliance with—

(A) subsection (a), and any regulations prescribed under such subsection, if such institution maintains policies and procedures to protect the confidentiality and security of sensitive account information and sensitive personal information that are consistent with the policies and procedures of such institution that are designed to comply with the requirements of section 501(b) of the Gramm-Leach-Bliley Act (15 U.S.C. 6801(b)) and any regulations or guidance prescribed under that section that are applicable to such institution; and

(B) subsections (b) and (c), and any regulations prescribed under such subsections, if such institution—

(i)(I) maintains policies and procedures to investigate and provide notice to consumers

of breaches of data security that are consistent with the policies and procedures of such institution that are designed to comply with the investigation and notice requirements established by regulations or guidance under section 501(b) of the Gramm-Leach-Bliley Act (15 U.S.C. 6801(b)) that are applicable to such institution; or

(II) is an affiliate of a bank holding company that maintains policies and procedures to investigate and provide notice to consumers of breaches of data security that are consistent with the policies and procedures of a bank that is an affiliate of such institution, and that bank's policies and procedures are designed to comply with the investigation and notice requirements established by any regulations or guidance under section 501(b) of the Gramm-Leach-Bliley Act (15 U.S.C. 6801(b)) that are applicable to that bank; and

(ii) provides for notice to the entities described under subparagraphs (B), (C), and (D) of subsection (c)(1), if notice is provided to consumers pursuant to the policies and procedures of such institution described in clause (i).

(2) DEFINITIONS.—For purposes of this subsection, the terms “bank holding company” and “bank” shall have the same meaning given such terms under section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841).

SEC. 4. IMPLEMENTING REGULATIONS.

(a) IN GENERAL.—Except as provided under section 6, the agencies and authorities identified in section 5, with respect to the covered entities that are subject to the respective enforcement authority of such agencies and authorities, shall prescribe regulations to implement this Act.

(b) COORDINATION.—Each agency and authority required to prescribe regulations under subsection (a) shall consult and coordinate with each other agency and authority identified in section 5 so that, to the extent possible, the regulations prescribed by each agency and authority are consistent and comparable.

(c) METHOD OF PROVIDING NOTICE TO CONSUMERS.—The regulations required under subsection (a) shall—

(1) prescribe the methods by which a covered entity shall notify a consumer of a breach of data security under section 3; and

(2) allow a covered entity to provide such notice by—

(A) written, telephonic, or e-mail notification; or

(B) substitute notification, if providing written, telephonic, or e-mail notification is not feasible due to—

(i) lack of sufficient contact information for the consumers that must be notified; or

(ii) excessive cost to the covered entity.

(d) CONTENT OF CONSUMER NOTICE.—The regulations required under subsection (a) shall—

(1) prescribe the content that shall be included in a notice of a breach of data security that is required to be provided to consumers under section 3; and

(2) require such notice to include—

(A) a description of the type of sensitive account information or sensitive personal information involved in the breach of data security;

(B) a general description of the actions taken by the covered entity to restore the security and confidentiality of the sensitive account information or sensitive personal information involved in the breach of data security; and

(C) the summary of rights of victims of identity theft prepared by the Commission

under section 609(d) of the Fair Credit Reporting Act (15 U.S.C. 1681g), if the breach of data security involves sensitive personal information.

(e) **TIMING OF NOTICE.**—The regulations required under subsection (a) shall establish standards for when a covered entity shall provide any notice required under section 3.

(f) **LAW ENFORCEMENT DELAY.**—The regulations required under subsection (a) shall allow a covered entity to delay providing notice of a breach of data security to consumers under section 3 if a law enforcement agency requests such a delay in writing.

(g) **SERVICE PROVIDERS.**—The regulations required under subsection (a) shall—

(1) require any party that maintains or communicates sensitive account information or sensitive personal information on behalf of a covered entity to provide notice to that covered entity if such party determines that a breach of data security has, or may have, occurred with respect to such information; and

(2) ensure that there is only 1 notification responsibility with respect to a breach of data security.

(h) **TIMING OF REGULATIONS.**—The regulations required under subsection (a) shall—

(1) be issued in final form not later than 6 months after the date of enactment of this Act; and

(2) take effect not later than 6 months after the date on which they are issued in final form.

SEC. 5. ADMINISTRATIVE ENFORCEMENT.

(a) **IN GENERAL.**—Section 3, and the regulations required under section 4, shall be enforced exclusively under—

(1) section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), in the case of—

(A) a national bank, a Federal branch or Federal agency of a foreign bank, or any subsidiary thereof (other than a broker, dealer, person providing insurance, investment company, or investment adviser), by the Office of the Comptroller of the Currency;

(B) a member bank of the Federal Reserve System (other than a national bank), a branch or agency of a foreign bank (other than a Federal branch, Federal agency, or insured State branch of a foreign bank), a commercial lending company owned or controlled by a foreign bank, an organization operating under section 25 or 25A of the Federal Reserve Act (12 U.S.C. 601,604), or a bank holding company and its nonbank subsidiary or affiliate (other than a broker, dealer, person providing insurance, investment company, or investment adviser), by the Board of Governors of the Federal Reserve System;

(C) a bank, the deposits of which are insured by the Federal Deposit Insurance Corporation (other than a member of the Federal Reserve System), an insured State branch of a foreign bank, or any subsidiary thereof (other than a broker, dealer, person providing insurance, investment company, or investment adviser), by the Board of Directors of the Federal Deposit Insurance Corporation; and

(D) a savings association, the deposits of which are insured by the Federal Deposit Insurance Corporation, or any subsidiary thereof (other than a broker, dealer, person providing insurance, investment company, or investment adviser), by the Director of the Office of Thrift Supervision;

(2) the Federal Credit Union Act (12 U.S.C. 1751 et seq.), by the National Credit Union Administration Board with respect to any federally insured credit union;

(3) the Securities Exchange Act of 1934 (15 U.S.C.78a et seq.), by the Securities and Ex-

change Commission with respect to any broker or dealer;

(4) the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.), by the Securities and Exchange Commission with respect to any investment company;

(5) the Investment Advisers Act of 1940 (15 U.S.C. 80b-1 et seq.), by the Securities and Exchange Commission with respect to any investment adviser registered with the Securities and Exchange Commission under that Act;

(6) the Commodity Exchange Act (7 U.S.C. 1 et seq.), by the Commodity Futures Trading Commission with respect to any futures commission merchant, commodity trading advisor, commodity pool operator, or introducing broker;

(7) the provisions of title XIII of the Housing and Community Development Act of 1992 (12 U.S.C. 4501 et seq.), by the Director of Federal Housing Enterprise Oversight (and any successor to such functional regulatory agency) with respect to the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and any other entity or enterprise (as defined in that title) subject to the jurisdiction of such functional regulatory agency under that title, including any affiliate of any such enterprise;

(8) State insurance law, in the case of any person engaged in providing insurance, by the applicable State insurance authority of the State in which the person is domiciled; and

(9) the Federal Trade Commission Act (15 U.S.C. 41 et seq.), by the Commission for any other covered entity that is not subject to the jurisdiction of any agency or authority described under paragraphs (1) through (8).

(b) **EXTENSION OF FEDERAL TRADE COMMISSION ENFORCEMENT AUTHORITY.**—The authority of the Commission to enforce compliance with section 3, and the regulations required under section 4, under subsection (a)(8) shall—

(1) notwithstanding the Federal Aviation Act of 1958 (49 U.S.C. App. 1301 et seq.), include the authority to enforce compliance by air carriers and foreign air carriers; and

(2) notwithstanding the Packers and Stockyards Act (7 U.S.C. 181 et seq.), include the authority to enforce compliance by persons, partnerships, and corporations subject to the provisions of that Act.

(c) **NO PRIVATE RIGHT OF ACTION.**—

(1) **IN GENERAL.**—This Act, and the regulations prescribed under this Act, may not be construed to provide a private right of action, including a class action with respect to any act or practice regulated under this Act.

(2) **CIVIL AND CRIMINAL ACTIONS.**—No civil or criminal action relating to any act or practice governed under this Act, or the regulations prescribed under this Act, shall be commenced or maintained in any State court or under State law, including a pending State claim to an action under Federal law.

SEC. 6. PROTECTION OF INFORMATION AT FEDERAL AGENCIES.

(a) **DATA SECURITY STANDARDS.**—Each agency shall implement appropriate standards relating to administrative, technical, and physical safeguards—

(1) to insure the security and confidentiality of the sensitive account information and sensitive personal information that is maintained or is being communicated by, or on behalf of, that agency;

(2) to protect against any anticipated threats or hazards to the security of such information; and

(3) to protect against misuse of such information, which could result in substantial harm or inconvenience to a consumer.

(b) **SECURITY BREACH NOTIFICATION STANDARDS.**—Each agency shall implement appropriate standards providing for notification of consumers when such agency determines that sensitive account information or sensitive personal information that is maintained or is being communicated by, or on behalf of, such agency—

(1) has been acquired without authorization; and

(2) is reasonably likely to be misused in a manner causing substantial harm or inconvenience to the consumers to whom the information relates.

SEC. 7. RELATION TO STATE LAW.

No requirement or prohibition may be imposed under the laws of any State with respect to the responsibilities of any person to—

(1) protect the security of information relating to consumers that is maintained or communicated by, or on behalf of, such person;

(2) safeguard information relating to consumers from potential misuse;

(3) investigate or provide notice of the unauthorized access to information relating to consumers, or the potential misuse of such information for fraudulent, illegal, or other purposes; or

(4) mitigate any loss or harm resulting from the unauthorized access or misuse of information relating to consumers.

SEC. 8. DELAYED EFFECTIVE DATE FOR CERTAIN PROVISIONS.

(a) **COVERED ENTITIES.**—Sections 3 and 7 shall take effect on the later of—

(1) 1 year after the date of enactment of this Act; or

(2) the effective date of the final regulations required under section 4.

(b) **AGENCIES.**—Section 6 shall take effect 1 year after the date of enactment of this Act.

By Mr. LUGAR:

S. 3581. A bill to implement certain defense trade treaties; to the Committee on Foreign Relations.

Mr. LUGAR. Mr. President, I rise today to introduce the Defense Trade Treaty Implementation Act of 2010.

The purpose of this bill is to provide authority to implement two treaties on defense trade cooperation currently pending before the Senate—one with the United Kingdom and one with Australia. These treaties would facilitate defense cooperation with two close allies by eliminating licensing requirements for certain categories of defense articles.

I have long supported the objectives of these treaties. Indeed, in 2003—before the treaties were negotiated—I introduced legislation that would have provided the President the authority to waive licensing requirements for similar defense trade with the United Kingdom and Australia.

Subsequently, the Bush administration negotiated these treaties, and they were submitted to the Senate in 2007. To date, the Senate has not been able to act on the treaties, in significant part because of confusion and uncertainty about how they would be implemented and enforced in U.S. law.

This legislation would address the problem by providing clear legislative authority under the Arms Export Control Act to implement and enforce the treaties. In particular, it would provide authority to exempt from licensing requirements under the Arms Export Control Act exports of defense articles made in connection with the treaties. It would provide authority for the President to issue regulations pursuant to the Arms Export Control Act to implement and enforce the treaties. It would provide authority to allow violations or abuses of the treaty to be prosecuted under enforcement provisions of the Arms Export Control Act. It would provide for notification to the Congress of significant exports of defense articles made pursuant to the treaties.

Previous efforts by both the Bush and Obama administrations to develop a viable approach for implementing and enforcing the treaties without new legislation have been unsuccessful to date, and have created unfortunate delays in bringing these treaties into force. I believe that this legislation will put the implementation and enforcement of the treaties on a far sounder and more certain footing, and eliminate the confusion that has led to these delays.

I look forward to working with other members and with the administration on this legislation. It is my hope that passage of this legislation, together with a resolution of advice and consent to the treaties containing appropriate protections for the Senate's role in overseeing arms exports and approving significant future changes to the treaty regime, may allow the treaties to enter into force this year.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3581

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Defense Trade Treaty Implementation Act of 2010".

SEC. 2. EXEMPTION FROM REQUIREMENTS FOR BILATERAL AGREEMENTS.

Section 38(j)(1) of the Arms Export Control Act (22 U.S.C. 2778(j)(1)) is amended—

(1) in the subparagraph heading for subparagraph (B), by inserting "FOR CANADA" after "EXCEPTION"; and

(2) by adding at the end the following new subparagraph:

"(C) EXCEPTION FOR DEFENSE TRADE COOPERATION TREATIES.—The requirement to conclude a bilateral agreement in accordance with subparagraph (A) shall not apply with respect to an exemption from the licensing requirements of this Act for the export of defense items to give effect to any of the following defense trade cooperation treaties, provided that the treaty has entered into force pursuant to Article II, Section 2, clause 2 of the Constitution of the United States:

"(i) The Treaty Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland Concerning Defense Trade Cooperation, done at Washington and London June 21 and 26, 2007 (and any implementing arrangement thereto).

"(ii) The Treaty Between the Government of the United States of America and the Government of Australia Concerning Defense Trade Cooperation, done at Sydney September 23, 2007 (and any implementing arrangement thereto)."

SEC. 3. ENFORCEMENT.

(a) CRIMINAL VIOLATIONS.—Section 38(c) of such Act is amended by striking "this section or section 39, or any rule or regulation issued under either section" and inserting "this section, section 39, a treaty referred to in subsection (j)(1)(C), or any rule or regulation issued under this section or section 39, including any rule or regulation issued under this section to implement or enforce a treaty referred to in subsection (j)(1)(C) or an implementing arrangement pursuant to such treaty".

(b) ENFORCEMENT POWERS OF PRESIDENT.—Section 38(e) of such Act is amended by striking "defense services," and inserting "defense services, including defense articles and defense services exported or imported pursuant to a treaty referred to in subsection (j)(1)(C)."

(c) NOTIFICATION REGARDING EXEMPTIONS FROM LICENSING REQUIREMENTS.—Section 38(f) of such Act is amended by adding at the end the following new paragraph:

"(4) Paragraph (2) shall not apply with respect to an exemption under subsection (j)(1)(A) to give effect to a treaty referred to in subsection (j)(1)(C) (and any implementing arrangements to such treaty), provided that the President promulgates regulations to implement and enforce such treaty under this section and section 39."

SEC. 4. CONGRESSIONAL NOTIFICATION.

(a) ELIGIBILITY FOR DEFENSE ARTICLES OR DEFENSE ARTICLES.—Section 3(d)(3)(A) of such Act (22 U.S.C. 2753(d)(3)(A)) is amended by inserting after "approved under section 38 of this Act" the following: "or has been exempted from the licensing requirements of this Act pursuant to section 38(j) of this Act".

(b) PRESIDENTIAL CERTIFICATIONS.—

(1) EXPORT LICENSES.—Section 36(c) of such Act (22 U.S.C. 2776(c)) is amended by adding at the end the following new paragraph:

"(6) An export pursuant to a treaty referred to in section 38(j)(1)(C) of this Act to which the provisions of paragraph (1) would apply absent an exemption granted under section 38(j)(1) of this Act shall not take place until 15 days after the President has submitted a certification with respect to such export in a similar manner, and containing comparable information, as required under paragraph (1)."

(2) COMMERCIAL TECHNICAL ASSISTANCE OR MANUFACTURING LICENSING AGREEMENTS.—Section 36(d) of such Act (22 U.S.C. 2776(d)) is amended by adding at the end the following new paragraph:

"(6) An export pursuant to a treaty referred to in section 38(j)(1)(C) of this Act to which the provisions of paragraph (1) would apply absent an exemption granted under section 38(j)(1) of this Act shall not take place until 15 days after the President has submitted a certification with respect to such export in a similar manner, and containing comparable information, as required under paragraph (1)."

SEC. 5. IMPLEMENTING REGULATIONS.

The President is authorized to issue regulations pursuant to the Arms Export Control

Act (22 U.S.C. 2751 et seq.) to implement and enforce the Treaty Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland Concerning Defense Trade Cooperation, done at Washington and London June 21 and 26, 2007 (and any implementing arrangement thereto), and the Treaty Between the Government of the United States of America and the Government of Australia Concerning Defense Trade Cooperation, done at Sydney September 23, 2007 (and any implementing arrangement thereto), consistent with other applicable provisions of the Arms Export Control Act, as amended by this Act, and with the terms of any resolution of advice and consent adopted by the Senate with respect to either treaty.

SEC. 6. RULE OF CONSTRUCTION.

Nothing in this Act, or in the Treaty Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland Concerning Defense Trade Cooperation, done at Washington and London on June 21 and 26, 2007 (and any implementing arrangement thereto), or in the Treaty Between the Government of the United States of America and the Government of Australia Concerning Defense Trade Cooperation, done at Sydney, September 23, 2007 (and any implementing arrangement thereto), or in any regulation issued to implement either treaty, shall be construed to modify or supersede any provision of law or regulation other than the Arms Export Control Act (22 U.S.C. 2751 et seq.), as amended by this Act, and regulations issued pursuant to such Act.

By Mr. UDALL of Colorado (for himself and Mr. BENNET):

S. 3585. A bill to amend title 10, United States Code, to reform Department of Defense energy policy, and for other purposes; to the Committee on Armed Services.

Mr. UDALL of Colorado. Mr. President, today I am introducing legislation to help the Pentagon turn energy from a source of risk to a source of advantage. The Department of Defense, DOD, Energy Security Act would decrease the Pentagon's consumption of petroleum, reduce reliance on the grid, and help plan for the future. All of this would help achieve an important goal that we all support: enhancing our national security.

I am grateful to my former colleague on the House Armed Services Committee, Representative GABRIELLE GIFFORDS of Arizona, who introduced the counterpart bill in the House of Representatives. I am also grateful to Senator BENNET for cosponsoring this legislation. I look forward to continuing to work with both of them on this important legislation and on this important issue.

As a member of the Senate Armed Services Committee and of the Energy and Natural Resources Committee, I have focused on the intersection of defense and energy for some time.

The United States is the world's largest consumer of energy. We depend on foreign imports for nearly 60 percent of our oil. Nearly every military challenge we face is either derived from or

impacted by our reliance on fossil fuels and foreign energy sources.

The Pentagon is a large microcosm of this even larger problem. The U.S. military is the single largest consumer of energy in the world—consuming more energy per day than 85 percent of the world's countries. It is the largest electricity consumer in the federal government and the single largest buyer of fuel in the United States—using 2 percent of our total national consumption.

Energy supply security affects DOD's ability to accomplish its mission, and efforts to secure supply lines and deliver fuel in-theater directly result in the deaths of service members charged with protecting it. But our military's reliance is not just on the battlefield. At home, defense facilities rely on a fragile national grid, leaving critical assets vulnerable. The Defense Science Board found in its 2008 report "More Fight—Less Fuel" that "critical national security and homeland defense missions are at an unacceptably high risk of extended outage from failure of the grid."

The Pentagon's energy consumption has serious national security implications, but it also presents opportunities. As the Logistics Management Institute wrote, "Aggressively developing and applying energy-saving technologies to military applications would potentially do more to solve the most pressing long-term challenges facing DOD and our national security than any other single investment area."

That is why I am introducing this legislation. The Department of Defense Energy Security Act addresses energy supply and use by decreasing consumption by facilities and vehicles and increasing the use of renewable electricity sources to relieve the Department's reliance on external power sources. In addition, the bill sets overarching policies to implement sustainable acquisition practices, sets new DOD Energy Performance Goals, and requires DOD to develop an Energy Performance Plan and an implementation assessment for accomplishing its goal of deriving 25 percent of its electricity from renewable sources by 2025.

Utilizing alternative energy sources and energy efficiency technologies can help our military increase energy reliability and reduce its dependence on oil; improve efficiency in operations, platforms, and vehicles; reduce the costs to taxpayers of military-consumed electricity and fuel; expand portable clean technology options for use in combat and logistics; act as an anchor customer for the alternative fuels and energy efficiency industries; and reduce grid vulnerabilities at our military installations.

Reducing our reliance on fossil fuels and foreign sources of energy is a goal we all share. Helping the Defense Department achieve this goal should be a

national priority. I urge my colleagues—of both parties—to join me in supporting this legislation.

By Mr. REID (for himself, Mr. TESTER, Mr. MERKLEY, Mr. UDALL of Colorado, and Mr. BEGICH):

S. 3586. A bill to promote the mapping and development of United States geothermal resources by establishing a direct loan program for high risk geothermal exploration wells; to the Committee on Energy and Natural Resources.

Mr. REID. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3586

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Geothermal Exploration Act of 2010".

SEC. 2. GEOTHERMAL EXPLORATORY DRILLING LOAN PROGRAM.

(a) DEFINITIONS.—In this section:

(1) FUND.—The term "Fund" means the Geothermal Investment Fund established under subsection (h).

(2) PROGRAM.—The term "program" means the direct loan program for high risk geothermal exploration wells established under this section.

(3) SECRETARY.—The term "Secretary" means the Secretary of Energy.

(b) ESTABLISHMENT.—The Secretary shall establish a direct loan program for high risk geothermal exploration wells.

(c) APPLICATIONS.—An applicant that seeks to receive a loan under the program may submit to the Secretary an application for the loan at such time, in such form, and containing such information as the Secretary may prescribe.

(d) PROJECT CRITERIA.—

(1) IN GENERAL.—In selecting applicants for loans under this section to carry out projects under the program, the Secretary shall consider—

(A) the potential for unproven geothermal resources that would be explored and developed under a project;

(B) the expertise and experience of an applicant in developing geothermal resources; and

(C) the importance of the project in meeting the goals of the Department of Energy.

(2) PREFERENCE.—In selecting applicants for loans under this section to carry out projects under the program, the Secretary shall provide a preference for previously unexplored, underexplored, or unproven geothermal resources in a variety of geologic and geographic settings.

(e) DATA SHARING.—Data from all exploratory wells that are carried out under the program shall be provided to the Secretary and the Secretary of the Interior for use in mapping national geothermal resources and other uses, including—

(1) subsurface geologic data;

(2) metadata;

(3) borehole temperature data; and

(4) inclusion in the National Geothermal Data System of the Department of Energy.

(f) ADMINISTRATION.—

(1) COST SHARE.—

(A) IN GENERAL.—The Secretary shall determine the cost share for a loan made under this section.

(B) HIGHER RISKS.—The Secretary may base the cost share percentage for loans made under this section on a sliding scale, with higher Federal shares awarded to projects with higher risks.

(2) NUMBER OF WELLS.—The Secretary shall determine the number of wells for each selected geothermal project for which a loan may be made under this section.

(3) UNPRODUCTIVE PROJECTS.—The Secretary may grant further delays or dispense with the repayment obligation on a demonstration that a selected geothermal project is unproductive.

(g) LOAN REPAYMENT.—

(1) COMMENCEMENT.—The recipient of a loan made under this section for a geothermal facility shall commence repayment of the loan beginning on the earlier of—

(A) the date that is 4 years after the date the loan is made; or

(B) the date on which the geothermal facility enters into commercial production.

(2) TERM.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the term of a loan made under this section shall be 4 years beginning on the applicable loan repayment commencement date under paragraph (1).

(B) EXTENSION.—The Secretary may extend the term of a loan under this section for not more than 4 years.

(3) USE OF LOAN REPAYMENTS.—Amounts repaid on loans made under this section shall be deposited in the Fund.

(h) GEOTHERMAL INVESTMENT FUND.—

(1) ESTABLISHMENT OF FUND.—There is established in the Treasury of the United States a fund to be known as the "Geothermal Investment Fund", to be administered by the Secretary, to be available without fiscal year limitation and not subject to appropriation, to carry out this section.

(2) TRANSFERS TO FUND.—The Fund shall consist of such amounts as are appropriated to the Fund under subsection (j).

(3) PROHIBITION.—Amounts in the Fund may not be made available for any purpose other than a purpose described in paragraph (1).

(4) ANNUAL REPORTS.—

(A) IN GENERAL.—Not later than 60 days after the end of each fiscal year beginning with fiscal year 2011, the Secretary of Energy shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report on the operation of the Fund during the fiscal year.

(B) CONTENTS.—Each report shall include, for the fiscal year covered by the report, the following:

(i) A statement of the amounts deposited into the Fund.

(ii) A description of the expenditures made from the Fund for the fiscal year, including the purpose of the expenditures.

(iii) Recommendations for additional authorities to fulfill the purpose of the Fund.

(iv) A statement of the balance remaining in the Fund at the end of the fiscal year.

(i) GUIDELINES.—Not later than 180 days after the date of enactment of this Act, the Secretary shall develop guidelines for the implementation of the program.

(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as are necessary for each of fiscal years 2011 through 2020.

By Mr. REID (for himself and Mr. TESTER):

S. 3587. A bill to require the Secretary of the Interior to establish a competitive leasing program for wind and solar energy development on Federal land, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. REID. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3587

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Clean Energy, Community Investment, and Wildlife Conservation Act".

SEC. 2. DEVELOPMENT OF WIND AND SOLAR ENERGY ON FEDERAL LAND.

(a) DEFINITIONS.—In this section:

(1) FEDERAL LAND.—The term "Federal land" means any Federal land under the administrative jurisdiction of the Bureau of Land Management or the Forest Service.

(2) FUND.—The term "Fund" means the Renewable Energy Mitigation and Fish and Wildlife Fund established by section 3(b).

(3) PILOT PROGRAM.—The term "pilot program" means the wind and solar leasing pilot program established under subsection (b).

(4) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(5) STATE.—The term "State" means the State within the boundaries of which income is derived under a lease issued under this section.

(b) WIND AND SOLAR LEASING PILOT PROGRAM.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall establish a wind and solar leasing pilot program for Federal land.

(2) SELECTION OF SITES.—

(A) IN GENERAL.—Not later than 90 days after the date on which the pilot program is established, the Secretary shall select not fewer than 2 sites that are appropriate for the development of a solar energy project, and not fewer than 2 sites that are appropriate for the development of a wind energy project, on Federal land as part of the pilot program.

(B) SITE SELECTION.—In carrying out subparagraph (A), the Secretary shall seek to select sites on Federal land—

(i) for which there is likely to be a high level of industry interest; and

(ii) that has comparatively low value for other resources.

(C) EXCLUSIONS.—For purposes of this Act only, Federal land suitable for wind and solar development does not include—

(i) any unit of the National Wildlife Refuge System;

(ii) any component of the National Wild and Scenic Rivers System;

(iii) any part of the National Landscape Conservation System;

(iv) any designated wilderness area, wilderness study area, or other area managed for wilderness characteristics;

(v) any inventoried roadless area within the National Forest System;

(vi) any National Historic Landmark;

(vii) any National Historic District or an Archaeological District eligible for or listed

in the National Register of Historic Places; or

(viii) other sensitive land, as determined by the Secretary.

(D) COORDINATION WITH COUNTIES.—In selecting sites under the pilot program, the Secretary shall—

(i) coordinate site selection activities with the county and State land management and wildlife agencies in whose jurisdiction the Federal land is located; and

(ii) take into consideration local land use planning and zoning requirements and recommendations.

(3) CONSULTATION.—In establishing the pilot program and the wind or solar leasing programs under subsection (c), the Secretary shall consult with—

(A) appropriate Federal agencies, including the Department of Defense;

(B) affected States and counties;

(C) Indian tribes;

(D) representatives of the wind and solar industries;

(E) representatives of the environmental, conservation, and fish and wildlife conservation communities;

(F) representatives of the motorized and nonmotorized outdoor recreation communities;

(G) representatives of the ranching and agricultural communities; and

(H) the public.

(4) WIND AND SOLAR LEASE SALES.—

(A) IN GENERAL.—Except as provided in subparagraph (C)(ii), not later than 180 days after the date on which sites are selected under paragraph (2), the Secretary shall offer each site for competitive leasing to qualified bidders under such terms and conditions as are required by the Secretary.

(B) BIDDING SYSTEMS.—In offering the sites for lease, the Secretary—

(i) may vary the bidding systems to be used at each lease sale; but

(ii) shall limit bidding to 1 round in any lease sale.

(C) LEASE TERMS.—

(i) IN GENERAL.—As part of the pilot program, the Secretary may vary the length of the lease terms and establish such other lease terms and conditions as the Secretary considers appropriate.

(ii) DATA COLLECTION.—As part of the pilot program, the Secretary shall—

(I) offer on a noncompetitive basis on at least 1 site a short-term lease for data collection; and

(II) on the expiration of the short-term lease, offer on a competitive basis a long-term lease, giving credit toward the bonus bid to the holder of the short-term lease for any qualified expenditures to collect data to develop the site during the short-term lease.

(D) QUALIFICATIONS.—Prior to any lease sale, the Secretary shall establish qualifications for bidders that ensures bidders—

(i) are able to expeditiously develop a wind or solar energy project on the site for lease; and

(ii) possess—

(I) financial resources necessary to complete a project;

(II) knowledge of the applicable technology; and

(III) such other qualifications as determined appropriate by the Secretary.

(5) COMPLIANCE WITH LAWS.—In offering for lease the selected sites under (4), the Secretary shall comply with all applicable environmental and other laws.

(6) REPORT.—The Secretary shall—

(A) compile a report of the results of each lease sale under the pilot program, including—

(i) the level of competitive interest;

(ii) a summary of bids and revenues received; and

(iii) any other factors that may have impacted the lease sale process; and

(B) not later than 90 days after the final lease sale, submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Natural Resources of the House of Representatives the report described in subparagraph (A).

(c) LEASING PROGRAM FOR WIND AND SOLAR ENERGY.—

(1) DETERMINATIONS.—

(A) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Secretary shall determine whether to establish leasing programs under this section for wind and solar energy.

(B) REQUIREMENTS.—Not later than 180 days after the date on which any determination under subparagraph (A) is made, the Secretary shall establish a leasing program if the Secretary determines that the program—

(i) is in the public interest; and

(ii) provides an effective means of developing wind or solar energy on Federal land.

(C) REPORT.—If the Secretary determines that a leasing program should not be established, not later than 60 days after the date of the determination, the Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Natural Resources of the House of Representatives a report describing the reasons and findings for that determination.

(2) LEASES FOR CERTAIN FEDERAL LAND.—

(A) IN GENERAL.—If the Secretary makes the determination to establish a leasing program under this section, except as provided in subparagraph (B) and pursuant to the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.) and the National Forest Management Act of 1976 (16 U.S.C. 1600 et seq.), the Secretary may develop policy and regulations for, and issue leases on, Federal land under the administrative jurisdiction of the Bureau of Land Management and the Forest Service.

(B) EXCEPTION.—The Secretary may not issue any lease on National Forest System land under subparagraph (A) over the objection of the Secretary of Agriculture.

(3) CONSULTATION AND CONSIDERATIONS.—In making the determinations required under this subsection, the Secretary shall—

(A) consult with—

(i) appropriate Federal agencies, including the Department of Defense;

(ii) affected States and counties;

(iii) Indian tribes;

(iv) representatives of the wind and solar industry;

(v) representatives of the environmental, conservation, and fish and wildlife conservation communities;

(vi) representatives of the motorized and nonmotorized outdoor recreation communities;

(vii) representatives of the ranching and agricultural communities; and

(viii) the public; and

(B) consider the results of the report provided under subsection (b)(6) and the results of the pilot program.

(4) REQUIREMENTS.—If the Secretary determines under this subsection that a leasing program should be established, the program shall be carried out in accordance with subsections (d) through (i).

(d) COMPETITIVE LEASES.—

(1) IN GENERAL.—Except as provided in paragraph (2), leases for wind or solar energy

development under this section shall be issued on a competitive basis with a single round of bidding in any lease sale.

(2) **EXCEPTIONS.**—Paragraph (1) shall not apply to Federal land if the Secretary determines that—

(A) there is no competitive interest for the Federal land;

(B) the public interest would not be served by the competitive issuance of a lease;

(C) the lease is for the placement and operation of a meteorological or data collection facility or for the development or demonstration of a new wind or solar technology and has a term of not more than 5 years;

(D) meteorological testing tower or other data collection device has been installed under an approved easement, special-use permit, or right-of-way issued before the date of enactment of this Act; or

(E) the Federal land is eligible to be granted a noncompetitive lease under subsection (e)(3).

(e) **TRANSITION TO LEASING.**—

(1) **IN GENERAL.**—The Secretary shall continue to accept applications for rights-of-way, review the applications, and provide for the issuance of rights-of-way for the development of wind or solar energy on Federal land in accordance with each requirement described in title V of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1761 et seq.) during the pilot program and until the Secretary determines to establish wind and solar leasing programs under subsection (c).

(2) **ADMINISTRATION.**—If the Secretary determines under subsection (c) that a leasing program should be established, the Secretary shall provide for a reasonable transition from the use of rights-of-way to leases, taking into account paragraphs (3) and (4) and the status of the project, including whether—

(A) rights-of-way for testing or construction have been granted;

(B) a plan of development has been submitted; or

(C) a draft environmental impact statement has been published.

(3) **EXISTING RIGHTS-OF-WAY.**—

(A) **IN GENERAL.**—Effective beginning on the date on which the wind and solar leasing programs are established, the Secretary shall not renew an existing right-of-way authorization for wind and solar energy development at the end of the term of the authorization.

(B) **LEASE.**—

(i) **IN GENERAL.**—Subject to clause (ii), at the end of the term of the right-of-way authorization for the wind or solar energy project, the Secretary may grant, without a competitive process, a lease to the holder of the right-of-way for the same Federal land as was authorized under the right-of-way authorization.

(ii) **TERMS AND CONDITIONS.**—Any lease described in clause (i) shall be subject to the terms and conditions generally applicable to other lease sales for similar projects at the time the lease is issued.

(4) **PENDING RIGHTS-OF-WAY.**—Effective beginning on the date on which the wind and solar leasing programs are established, the Secretary may provide any applicant that has filed a plan of development for a right-of-way for a wind or solar energy project with an option to acquire a noncompetitive lease, under such terms and conditions as are required by this section and the Secretary, for the same Federal land included in the plan of development, if—

(A) the plan of development has been determined by the Secretary to be adequate for the initiation of environmental review; and

(B) granting the lease is consistent with all applicable land use planning, environmental, and other laws.

(f) **REQUIREMENTS.**—If the Secretary establishes a leasing program under subsection (c), the Secretary shall ensure that any activity under the wind and solar leasing program is carried out in a manner that—

(1) is consistent with all applicable land use planning, environmental, and other laws; and

(2) provides for—

(A) safety;

(B) protection of the environment;

(C) prevention of waste;

(D) diligent development of the resource, with specific milestones determined by the Secretary;

(E) coordination with applicable Federal agencies;

(F) use of best management practices, including planning and practices for mitigation of impacts;

(G) public notice and comment on any proposal submitted for a lease under this section;

(H) oversight, inspection, research, monitoring, and enforcement relating to a lease under this section;

(I) protection of fish and wildlife habitat; and

(J) efficient use of water resources.

(g) **LEASE DURATION, SUSPENSION, AND CANCELLATION.**—

(1) **IN GENERAL.**—If the Secretary establishes a leasing program under subsection (c), subject to paragraph (2), the Secretary shall establish terms and conditions for the duration, issuance, transfer, renewal, suspension, and cancellation of a lease under this section.

(2) **MINIMUM TERM.**—A wind or solar project with a total capacity of 100 megawatts or more shall be leased for not less than 30 years under this section.

(h) **SECURITY.**—If the Secretary establishes a leasing program under subsection (c), the Secretary shall require the holder of a lease issued under this section—

(1) to furnish a reclamation bond or other form of security determined to be appropriate by the Secretary;

(2) on completion of the activities authorized by the lease—

(A) to restore the Federal land that is subject to the lease to the condition in which the Federal land existed before the lease was granted; or

(B) to conduct mitigation activities (or payment of funds to be transferred to the Fund in lieu of the activities) if the Secretary determines that restoration of the Federal land to the condition described in subparagraph (A) is impracticable; and

(3) to comply with such other requirements as the Secretary considers necessary to protect the interests of the public and the United States.

(i) **BEST MANAGEMENT PRACTICES.**—The Secretary shall—

(1) establish best management practices to ensure the sound, efficient, and environmentally responsible development of wind and solar resources on the Federal land in a manner that will minimize consumptive water use, and avoid, minimize, and mitigate actual and anticipated impacts to fish and wildlife habitat and ecosystem function, resulting from development under a lease issued under this section; and

(2) include—

(A) provisions in the lease requiring renewable energy operators to comply with the practices established under paragraph (1); and

(B) such other provisions as the Secretary considers appropriate.

(j) **PAYMENTS.**—

(1) **IN GENERAL.**—The Secretary shall establish royalties, fees, rentals, bonuses, or other payments to ensure a fair return to the United States, States, and counties for any right-of-way or lease issued for a wind or solar project on Federal land.

(2) **COLLECTION OF PAYMENTS.**—

(A) **IN GENERAL.**—Prior to the collection of royalties under paragraph (4), the Secretary shall collect payments for wind and solar projects in accordance with section 504(g) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1764(g)).

(B) **EXCEPTION.**—Wind or solar energy leases issued under this section shall not be subject to the rental fee exemption for rights-of-way under section 504(g) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1764(g)).

(3) **BONUS BIDS.**—The Secretary may grant credit toward any bonus bid for a qualified expenditure by the holder of a lease described in subsection (d)(2)(C) in any competitive lease sale held for a long-term lease covering the same Federal land covered by the lease described in subsection (d)(2)(C).

(4) **ROYALTIES.**—Except as provided in paragraph (6), the Secretary shall develop and enforce a royalty on electricity produced by wind and solar projects on Federal land that—

(A) encourages production of wind or solar energy;

(B) encourages the maximum energy generation using the least quantity of Federal land and other natural resources, including water;

(C) ensures a fair return (comparable to the return that would be obtained on State and private land) to the public, States, and counties eligible to receive a portion of the revenues under section 3(a); and

(D) encourages the use of energy storage technologies that increase the capacity factor of wind or solar energy generation facilities.

(5) **RULEMAKING.**—Not later than 1 year after the date of enactment of this Act, the Secretary shall complete a rulemaking for wind energy and solar energy royalty rates.

(6) **ROYALTY RELIEF.**—Subject to paragraph (2)(B), to promote the greatest generation of renewable energy, the Secretary may, until fiscal year 2040, provide that no royalty or a reduced royalty is required for a period not to exceed 5 years beginning on the date on which wind or solar generation is initially commenced on the Federal land.

(k) **SEGREGATION FROM APPROPRIATION UNDER MINING AND FEDERAL LAND LAWS.**—

(1) **IN GENERAL.**—On selection of Federal land for leasing under this section, the Secretary may temporarily segregate the selected Federal land from appropriation under the mining and public land laws.

(2) **ADMINISTRATION.**—Segregation of Federal land under this subsection—

(A) may only be made for a period of not to exceed 10 years; and

(B) shall be subject to valid existing rights as of the date of the segregation.

SEC. 3. DISPOSITION OF REVENUE.

(a) **DISTRIBUTION OF PROCEEDS AND PAYMENTS.**—

(1) **IN GENERAL.**—Effective beginning on the date of enactment of this Act, all amounts collected by the Secretary as royalties, fees, rentals, bonuses, or other payments for wind and solar projects on Federal land, including any fees associated with wind and solar energy rights-of-way, shall be distributed as follows:

(A) 25 percent shall be paid by the Secretary of the Treasury to the State within the boundaries of which the income is derived.

(B) 25 percent shall be paid by the Secretary of the Treasury to the 1 or more counties within the boundaries of which the income is derived.

(C) 15 percent shall—

(i) for the period beginning on the date of enactment of this Act and ending on the date specified in clause (ii), be deposited in the Treasury of the United States to help facilitate the processing of renewable energy permits by the Bureau of Land Management, subject to paragraph (2)(A)(i), including the transfer of the funds by the Bureau of Land Management to other Federal and State agencies to facilitate the processing of renewable energy permits on Federal land; and

(ii) beginning on the date that is 10 years after the date of enactment of this Act, be deposited in the Fund.

(D) 35 percent shall be deposited in the Fund.

(2) LIMITATIONS.—

(A) RENEWABLE ENERGY PERMITS.—For purposes of clause (i) of paragraph (1)(C):

(i) Not more than \$50,000,000 shall be deposited in the Treasury at any 1 time under that clause.

(ii) The following shall be deposited in the Fund:

(I) Any amounts collected under that subclause that are not obligated by the date specified in paragraph (1)(C)(ii).

(II) Any amounts that exceed the \$50,000,000 deposit limit under clause (i).

(III) Any amounts provided by the lease holder pursuant to section 2(h)(2)(B).

(B) FUND.—Any amounts deposited in the Fund under subparagraph (A)(ii) or paragraph (1)(C)(ii) shall be in addition to amounts deposited in the Fund under paragraph (1)(D).

(3) AVAILABILITY OF FUNDS.—Funds under this subsection shall be available for expenditure without further appropriation and without fiscal year limitation.

(b) RENEWABLE ENERGY MITIGATION AND FISH AND WILDLIFE FUND.—

(1) ESTABLISHMENT.—There is established in the Treasury of the United States a fund, to be known as the “Renewable Energy Mitigation and Fish and Wildlife Fund”, to be administered by the Secretary, for use in the State.

(2) USE OF FUNDS.—Amounts in the Fund shall be available to the Secretary, who may make the amounts available to the State, Federal agencies, or other interested parties for the purposes of—

(A) mitigating impacts of renewable energy on Federal land, including—

(i) protecting fish and wildlife corridors and other sensitive land; and

(ii) restoring fish and wildlife habitat; and

(iii) securing recreational access to Federal land through easement, right of way, or fee title acquisition from willing sellers for the purpose of providing enhanced public access to existing Federal land that is inaccessible or significantly restricted; and

(B) carrying out activities authorized under the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–4 et seq.) in the State.

(3) AVAILABILITY OF AMOUNTS.—Amounts in the Fund shall be available for expenditure, in accordance with this subsection, without further appropriation, and without fiscal year limitation.

(4) INVESTMENT OF FUND.—

(A) IN GENERAL.—Any amounts deposited in the Fund shall earn interest in an amount

determined by the Secretary of the Treasury on the basis of the current average market yield on outstanding marketable obligations of the United States of comparable maturities.

(B) USE.—Any interest earned under subparagraph (A) may be expended in accordance with this subsection.

SEC. 4. BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, submitted for printing in the Congressional Record by the Chairman of the Senate Budget Committee, provided that such statement has been submitted prior to the vote on passage.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 581—HONORING THE EDUCATIONAL AND SCIENTIFIC SIGNIFICANCE OF DR. JANE GOODALL ON THE 50TH ANNIVERSARY OF THE BEGINNING OF HER WORK IN WHAT IS TODAY GOMBE STREAM NATIONAL PARK IN TANZANIA

Mr. UDALL of New Mexico submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 581

Whereas on July 14, 1960, Dr. Jane Goodall arrived at Gombe Stream Chimpanzee Reserve in what is today Tanzania;

Whereas Dr. Goodall’s research led to numerous groundbreaking discoveries including the creation and use of tools by chimpanzees;

Whereas these and other behavioral observations of chimpanzees forever changed human understanding of the differences between humans and other animal species;

Whereas between 1968 and 1986, Dr. Goodall published a collection of articles and books that remain the foundational scientific works on chimpanzee and wildlife studies;

Whereas her book, *The Chimpanzees of Gombe: Patterns of Behavior* published by Harvard University Press, details the range of behaviors that make up the essential corpus of chimpanzee natural history and remains today a critical reference for researchers in the field;

Whereas Dr. Goodall’s writings not only formed the bedrock of the descriptive analytical study of chimpanzees, they also altered the paradigm of the study of culture in chimpanzees and other animals, especially species with complex social behaviors;

Whereas in support of the research she began, and to advance her vision, Dr. Goodall established the Gombe Stream Research Center in 1965 and the Jane Goodall Institute in 1977;

Whereas researchers in many other institutions continue to carry out pathbreaking analyses related to chimpanzee behavior based on Dr. Goodall’s original scientific work;

Whereas scientists continue to make new discoveries in the field of chimpanzee and wildlife studies today;

Whereas since 1986, Dr. Goodall has advocated for the conservation of chimpanzees and other species, for the protection of the

natural world, for the care of chimpanzees and other animals in captivity, and for world peace;

Whereas Dr. Goodall travels the world approximately 300 days a year, delivering dozens of lectures and engaging with youth of all ages;

Whereas Dr. Goodall has been a leader in mobilizing community involvement in conservation and continues to practice and promote conservation efforts based on the important link between human welfare and environmental stewardship;

Whereas Dr. Goodall has received the highest honors in her field;

Whereas in 2008, she was awarded the Leakey Prize, the nation’s most prestigious award in human evolutionary science;

Whereas the Leakey Prize has only been given 7 times in the past 4 decades;

Whereas in 2007, she received the Harvard Museum of Natural History’s Roger Tory Peterson Medal, and in 1989, she received the Anthropologist of the Year Award;

Whereas in 1995, she received the National Geographic Society’s Hubbard Medal “for her extraordinary 35-year study of wild chimpanzees and for tirelessly defending the natural world we share”;

Whereas Dr. Goodall’s numerous honors include the Medal of Tanzania, Japan’s prestigious Kyoto Prize, the Benjamin Franklin Medal in Life Science, the United Nations Educational, Scientific and Cultural Organization’s 60th Anniversary Medal, the Gandhi-King Award for Nonviolence, the Albert Schweitzer Award of the Animal Welfare Institute, the Encyclopedia Britannica Award for Excellence on the Dissemination of Learning for the Benefit of Mankind, and the French Legion of Honor, which was presented to her in Paris in 2004 by Prime Minister Dominique de Villepin;

Whereas in April 2002, United Nations Secretary-General Kofi Annan named Dr. Goodall a United Nations Messenger of Peace;

Whereas such Messengers help mobilize the public to become involved in work that makes the world a better place, serving as advocates in such areas as poverty eradication, human rights, peace and conflict resolution, HIV/AIDS, community development, and conservation;

Whereas upon becoming the new United Nations Secretary-General, Ban Ki-moon continued her appointment;

Whereas in 2004, in a ceremony at Buckingham Palace, Prince Charles invested Dr. Goodall as a Dame of the British Empire, the female equivalent of knighthood;

Whereas during the last half of the 20th century, she blazed a trail for and inspired other women primatologists, such that women now dominate long-term primate behavioral studies worldwide;

Whereas Dr. Goodall has been a role model for youth of all ages, inspiring boys and girls alike to take action for people, animals, and the environment; and

Whereas through her Jane Goodall Institute, she established the Roots & Shoots global youth program, which now has members in more than 120 countries: Now, therefore, be it

Resolved, That the United States Senate recognizes—

(1) the 50th anniversary of the beginning of Dr. Jane Goodall’s work in what is now Tanzania, Africa, as significant in scientific history;

(2) the significant role that Dr. Goodall’s work and scientific study have had on our knowledge and understanding of both the natural and human worlds; and

(3) recognizes the positive role that Dr. Goodall's work and research have had in education, science, and conservation alike.

Mr. UDALL of New Mexico. Mr. President, today I stand to recognize one of the greatest scientists and leaders of our time and to introduce a resolution honoring the educational and scientific significance of Dr. Jane Goodall on this the 50th anniversary of her first day's work in what is now Tanzania.

Fifty years ago today, Jane Goodall, a young and ambitious scientist, first set foot on the shores of Lake Tanganyika to begin her research under the direction of Dr. Louis Leakey. In the ensuing years, Dr. Goodall became the world's expert on chimpanzees. She had numerous groundbreaking discoveries. She published articles and books that remain the foundational scientific works on chimpanzee and wildlife studies. She established the Gombe Stream Research Center and the Jane Goodall Institute to support further research.

Jane has received many of the highest honors in her field and has become a prominent advocate for international conservation and peace. Consequently, she has been recognized and honored by political leaders and kings and queens throughout the world. The resolution I submit today recognizes Dr. Goodall for her past, present, and future contributions in the fields of science and conservation.

Beyond her incredible knowledge and skills in the sciences, Dr. Jane Goodall is an amazing human being. Her love of others and of the living things around her is what I believe drove her to achieve such great successes. Anyone who hears her speak can feel her sincere adoration for the chimpanzees to which she dedicated her life. It is that love and drive that have made Dr. Goodall world-renowned in her field and admired and beloved throughout the world.

I imagine the ambitious young Jane, who boldly set out on the shores of Lake Tanganyika, was much like the many inspired young people who now work for her and with her. Across the globe, the same hope and inspiration that took Jane into the jungles of Africa now drive thousands of young people to organize conservation and community programs through the Roots and Shoots program which was founded in 1991. These young people care about their communities, their natural resources, and about the living things around them. They, like the young Jane Goodall, want to make a difference in the world, and they strive every day in their own lives to be a catalyst for positive change.

I believe Jane's focus on encouraging young people is one of her greatest accomplishments. Through her own experience as a young scientist, she knows the strength of the connection young

people develop with nature if they have the opportunity. We live in a world where many young people have no connection to the natural world or to their community—a world where urban areas lack any connection to the rhythms of nature, where video games and indoor activities predominate, where a sense of community is absent. A generation lacking that connection is doomed to failing. Jane saw the need to connect them. She saw the need to inspire them. Roots and Shoots provides that crucial connection.

Dr. Goodall's work with young activists does not focus on one area of the world or on one issue of significance; her Roots and Shoots program is in 120 different countries. Young people from preschool through college gather in classrooms, nature centers, refugee camps, zoos, and many other places to identify issues that concern them, and then they act. And, boy, do they act. They are a force for positive change.

We thank Jane Goodall for all her contributions to making this a better world.

We know that when one person in a community ignites positive action, it is contagious. When each community works for positive change, they connect. Community efforts become national endeavors. And nations take action on a global scale. The world becomes a better place—one person at a time.

With the help of student leaders and adult mentors, these young people create hands-on projects to address the issues impacting their homes and communities. Over the past two decades, tens of thousands of young people have formed a network across the globe and are building upon Dr. Jane Goodall's legacy of positive change in the world. This is a network of hope and a generation of positive actors. Thanks to their young and active hearts, our world will thrive into the future.

For 50 years, Dr. Goodall has worked to expand and improve our world. Her work has spread so widely that Jane Goodall is a household name. And with that name, young people from America to Africa and all around the globe learn the wonders of the natural world and our link to the creatures around us, including Dr. Goodall's beloved chimpanzees.

Dr. Goodall recognizes the power that each person has to make positive change. She is a brilliant example of the great things that are possible when one young person connects with the natural world and is inspired to make a difference.

Today, I honor my good friend Dr. Jane Goodall. I ask my colleagues to do the same. And I thank her for her example, and for her confidence in the immense power that young people have to improve the future.

Let us all work together to make positive change in our communities

and support coming generations in their creative and noble ambitions.

SENATE RESOLUTION 582—RECOGNIZING THE ECONOMIC AND ENVIRONMENTAL IMPACTS OF THE BRITISH PETROLEUM OIL SPILL ON THE PEOPLE OF THE GULF COAST AND THEIR WAY OF LIFE AND URGING BRITISH PETROLEUM TO GIVE ALL DUE CONSIDERATION TO OFFERS OF ASSISTANCE, PRODUCTS, OR SERVICES FROM THE STATES DIRECTLY IMPACTED BY THE DEEPWATER HORIZON OIL SPILL

Mr. WICKER (for himself, Ms. LANDRIEU, Mr. COCHRAN, Mr. CORNYN, Mrs. HUTCHISON, Mr. LEMIEUX, Mr. NELSON of Florida, Mr. SESSIONS, Mr. SHELBY, and Mr. VITTER) submitted the following resolution; which was referred to the Committee on Environment and Public Works:

S. RES. 582

Whereas on April 20, 2010, the Mobile Drilling Unit Deepwater Horizon experienced a tragic explosion, resulting in the loss of 11 men;

Whereas the explosion resulted in the sinking of the Mobile Drilling Unit Deepwater Horizon and a discharge of hydrocarbons from the Macondo well;

Whereas since the tragic day of April 20, 2010 it is estimated that more than 2,500,000 barrels of oil have flowed into the Gulf of Mexico;

Whereas resources such as fishing, tourism, shipping, and energy exploration in the Gulf of Mexico generally account for over \$200,000,000,000 in economic activity each year;

Whereas the release of oil has caused a Federal fishery closure since May 2, 2010, which has encompassed up to 37 percent of the Gulf of Mexico exclusive economic zone;

Whereas the impact on the Gulf Coast economy has amounted to over \$175,000,000 in reported claims to date;

Whereas tourism is down significantly on the Gulf Coast as a result of the oil spill;

Whereas the workforce in Louisiana, Mississippi, Alabama, Florida, and Texas has been negatively impacted as a result of the oil spill; and

Whereas Federal disaster response procurement law recognizes a preference for local firms in the award of contracts for disaster relief activities: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes the impact of the Deepwater Horizon oil spill on the way of life, economy, and natural resources of the Gulf Coast States;

(2) supports the continued public and private efforts to stop the oil spill, mitigate further damage to our treasured Gulf Coast, and clean up of this environmental disaster; and

(3) urges British Petroleum (BP) to give all due consideration to individuals, businesses, and organizations of the States directly impacted by the Deepwater Horizon oil spill where practicable, as BP considers services or products related to ongoing efforts in the Gulf of Mexico associated with this tragic oil spill.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4465. Mr. SCHUMER submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table.

SA 4466. Mr. SCHUMER submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4467. Mr. SCHUMER submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4468. Mr. BENNET (for himself and Ms. LANDRIEU) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4469. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4470. Mr. BENNET submitted an amendment intended to be proposed by him to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4471. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4472. Mr. CARPER (for himself, Mr. BUNNING, and Mr. BURR) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4473. Mr. CARPER (for himself, Mr. BUNNING, and Mr. BURR) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4474. Mr. AKAKA (for himself and Mr. VOINOVICH) submitted an amendment intended to be proposed by him to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4475. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4476. Mrs. HUTCHISON (for herself and Mr. BAYH) submitted an amendment intended to be proposed by her to the bill H.R. 5297, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 4465. Mr. SCHUMER submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill

H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title II, insert the following:

PART V—OTHER PROVISIONS**SEC. ____ . SPECIAL INVESTMENT RULE FOR CERTAIN QUALIFIED NEW YORK LIBERTY BOND PROCEEDS.**

For purposes of section 149(g) of the Internal Revenue Code of 1986, the proceeds of any qualified New York Liberty Bond (as defined in section 1400L(d)(2)) issued after September 30, 2009, and before January 1, 2010, which are invested in United States Treasury Obligations – State and Local Government Series shall be treated as invested in bonds described in paragraph (3)(B)(i) of such section.

SA 4466. Mr. SCHUMER submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title II, insert the following:

PART V—OTHER PROVISIONS**SEC. ____ . CHARITABLE DEDUCTION FOR COSTS ASSOCIATED WITH DONATIONS OF WILD GAME MEAT.**

(a) IN GENERAL.—Subsection (e) of section 170 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(8) SPECIAL RULE FOR CONTRIBUTIONS OF WILD GAME MEAT.—

“(A) IN GENERAL.—In the case of a charitable contribution by an individual of qualified wild game meat, the amount of such contribution otherwise taken into account under this section (after the application of paragraph (1)(A)) shall be increased by the amount of the qualified processing fees paid with respect to such contribution.

“(B) QUALIFIED WILD GAME MEAT.—For purposes of this paragraph, the term ‘qualified wild game meat’ means the meat of any animal which is typically used for human consumption, but only if—

“(i) such animal is killed in the wild by the individual making the charitable contribution of such meat (not including animals raised on a farm for the purpose of sport hunting);

“(ii) such animal is hunted or taken in accordance with all State and local laws and regulations, including season and size restrictions,

“(iii) such meat is processed for human consumption by a processor which is licensed for such purpose under the appropriate Fed-

eral, State, and local laws and regulations and which is in compliance with all such laws and regulations, and

“(iv) such meat is apparently wholesome (under regulations similar to the regulations under section 22(b)(2) of the Bill Emerson Good Samaritan Food Donation Act).

“(C) QUALIFIED PROCESSING FEE.—For purposes of this paragraph, the term ‘qualified processing fee’ means any fee or charge paid to a processor which fulfills the requirements of subparagraph (B)(iii) for the purpose of processing wild game meat, but only to the extent that such meat is donated as a charitable contribution under this section.”.

(b) EXCLUSION OF PROCESSOR’S INCOME FROM TAX EXEMPT ORGANIZATIONS.—

(1) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting before section 140 the following new section:

“SEC. 139F. CERTAIN INCOME RECEIVED FROM CHARITABLE ORGANIZATIONS.

“(a) IN GENERAL.—Gross income of a qualified meat processor shall not include any amount paid to such processor as a qualified processing fee by a charitable organization for the processing of donated wild game meat.

“(b) DEFINITIONS.—For purposes of this section—

“(1) QUALIFIED MEAT PROCESSOR.—The term ‘qualified meat processor’ means a processor which fulfills the requirements of section 170(e)(8)(B)(iii).

“(2) CHARITABLE ORGANIZATION.—The term ‘charitable organization’ means an entity to which a charitable contribution may be made under section 170(c) and the charitable purpose of which is to provide free food to individuals in need of food assistance.

“(3) DONATED WILD GAME MEAT.—The term ‘donated wild game meat’ means qualified wild game meat (as defined in section 170(e)(8)(B), without regard to clause (iii) thereof) which is received as a charitable contribution (as defined in section 170(c)) by a charitable organization.

“(4) QUALIFIED PROCESSING FEE.—The term ‘qualified processing fee’ means any fee or charge paid to a qualified meat processor for the purpose of processing donated wild game meat.”.

(2) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting before the item relating to section 140 the following new item:

“Sec. 139F. Certain income received from tax exempt organizations.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to donations made, and fees received, after the date of the enactment of this Act.

SA 4467. Mr. SCHUMER submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title II, insert the following:

PART V—OTHER PROVISIONS

SEC. ____ . MODIFICATION OF EXCISE TAX ON INVESTMENT INCOME OF PRIVATE FOUNDATIONS.

(a) IN GENERAL.—Subsection (a) of section 4940 of the Internal Revenue Code of 1986 is amended by inserting “(1.39 percent in the case of taxable years beginning before January 1, 2015)” after “2 percent”.

(b) TEMPORARY ELIMINATION OF REDUCED TAX WHERE FOUNDATION MEETS CERTAIN DISTRIBUTION REQUIREMENTS.—Subsection (e) of section 4940 of such Code is amended by adding at the end the following new paragraph:

“(7) APPLICATION.—Paragraph (1) shall not apply for any taxable year beginning after December 31, 2009, and before January 1, 2015.”

(c) STUDY.—Not later than December 31, 2013, the Secretary of the Treasury shall conduct and submit to the Congress a study which examines the effect of the change in the rate of tax under section 4940 of the Internal Revenue Code of 1986 (as amended by this section) has on the level of grantmaking by private foundations.

SA 4468. Mr. BENNET (for himself and Ms. LANDRIEU) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 41, between lines 3 and 4, insert the following:

SEC. 1137. TARGETED SMALL BUSINESS LENDING PILOT PROGRAM.

(a) IN GENERAL.—Section 23 of the Small Business Act (15 U.S.C. 650) is amended by adding at the end the following:

“(k) TARGETED SMALL BUSINESS LENDING PILOT PROGRAM.—

“(1) PURPOSE.—The purpose of the targeted small business lending pilot program is to increase the lending activity of small business lending companies to small business concerns operating in low-income communities.

“(2) DEFINITIONS.—In this subsection:

“(A) LOW-INCOME COMMUNITY.—The term ‘low-income community’ means a low-income community within the meaning of section 45D(e) of the Internal Revenue Code of 1986 (relating to the new markets tax credit).

“(B) TARGETED SMALL BUSINESS LENDING COMPANY.—The term ‘targeted small business lending company’ means a business concern—

“(i) described in section 3(r)(1), without regard to whether the business concern was authorized to make loans under section 7(a) before the date on which the Administrator authorizes the business concern to make the loans under this subsection;

“(ii) that has a primary mission of serving or providing investment capital for low-income communities, low-income persons, or businesses located in low-income communities;

“(iii) that maintains accountability to low-income communities through participation of representatives of the communities

on a governing or an advisory board to the business concern;

“(iv) that has a demonstrated ability, directly or through a controlling entity, to make loans to businesses in low-income communities; and

“(v) that makes substantially all of the loans made by the business concern to businesses operating in low-income communities.

“(3) ESTABLISHMENT.—There is established a targeted small business lending pilot program, under which the Administrator—

“(A) shall authorize not more than 12 targeted small business lending companies to make loans under section 7(a); and

“(B) may not charge a fee relating to an authorization under subparagraph (A).

“(4) SAFETY AND SOUNDNESS REQUIREMENTS.—

“(A) PROHIBITION ON SALE OF AUTHORIZATION.—A targeted small business lending company may not sell the authorization of the targeted small business lending company to make loans under section 7(a).

“(B) GAO REVIEW.—During the 2-year period beginning on the date of enactment of this subsection, the Comptroller General of the United States shall—

“(i) review the oversight of targeted small business lending companies by the Administration; and

“(ii) submit periodic reports to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding the review under clause (i).”

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 3(r)(1) of the Small Business Act (15 U.S.C. 632(r)(1)) is amended by inserting “, including a targeted small business lending company authorized under section 23(k)” before the period at the end.

SA 4469. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____ . TERMINATION OF CONSERVATORSHIPS AND DISSOLUTION OF CERTAIN GSES.

(a) SHORT TITLE.—This section may be cited as the “GSE Bailout Elimination and Taxpayer Protection Act”.

(b) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) CHARTER.—The term “charter” means—

(A) with respect to the Federal National Mortgage Association, the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); and

(B) with respect to the Federal Home Loan Mortgage Corporation, the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.).

(2) DIRECTOR.—The term “Director” means the Director of the Federal Housing Finance Agency.

(3) ENTERPRISE.—The term “enterprise” means—

(A) the Federal National Mortgage Association; and

(B) the Federal Home Loan Mortgage Corporation.

(4) GUARANTEE.—The term “guarantee” means, with respect to an enterprise, the credit support of the enterprise that is provided by the Federal Government through its charter as a government-sponsored enterprise.

(c) TERMINATION OF CURRENT CONSERVATORSHIP.—

(1) IN GENERAL.—Upon the expiration of the period referred to in paragraph (2), the Director of the Federal Housing Finance Agency shall determine, with respect to each enterprise, if the enterprise is financially viable at that time and—

(A) if the Director determines that the enterprise is financially viable, immediately take all actions necessary to terminate the conservatorship for the enterprise that is in effect pursuant to section 1367 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4617); or

(B) if the Director determines that the enterprise is not financially viable, immediately appoint the Federal Housing Finance Agency as receiver under section 1367 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, and carry out such receivership under the authority of that section 1367.

(2) TIMING.—The period referred to in this paragraph is, with respect to an enterprise—

(A) except as provided in subparagraph (B), the 24-month beginning upon the date of enactment of this Act; or

(B) if the Director determines before the expiration of the period referred to in subparagraph (A) that the financial markets would be adversely affected without the extension of such period with respect to that enterprise, and upon making such determination notifies Congress in writing of such determination, the 30-month period beginning upon the date of enactment of this Act.

(3) FINANCIAL VIABILITY.—The Director may not determine that an enterprise is financially viable for purposes of paragraph (1) if the Director determines that any of the conditions for receivership set forth in paragraph (3) or (4) of section 1367(a) of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4617(a)) exists at the time with respect to the enterprise.

(d) LIMITATION OF ENTERPRISE AUTHORITY UPON EMERGENCE FROM CONSERVATORSHIP.—

(1) REVISED AUTHORITY.—Upon the expiration of the period referred to in subsection (c)(2), if the Director makes the determination under subsection (c)(1)(A), the following provisions shall take effect:

(A) REPEAL OF HOUSING GOALS.—

(i) REPEAL.—The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 is amended by striking sections 1331 through 1336 (12 U.S.C. 4561–4566).

(ii) CONFORMING AMENDMENTS.—Federal Housing Enterprises Financial Safety and Soundness Act of 1992 is amended—

(I) in section 1303(28) (12 U.S.C. 4502(28)), by striking “and, for the purposes” and all that follows through “designated disaster areas”;

(II) in section 1324(b)(1)(A) (12 U.S.C. 4544(b)(1)(A))—

(aa) by striking clauses (i), (ii), and (iv);

(bb) in clause (iii), by inserting “and” after the semicolon at the end; and

(cc) by redesignating clauses (iii) and (v) as clauses (i) and (ii), respectively;

(III) in section 1338(c)(10) (12 U.S.C. 4568(c)(10)), by striking subparagraph (E);

(IV) in section 1339(h) (12 U.S.C. 4569), by striking paragraph (7);

(V) in section 1341 (12 U.S.C. 4581)—
 (aa) in subsection (a)—
 (AA) in paragraph (1), by inserting “or” after the semicolon at the end;
 (BB) in paragraph (2), by striking the semicolon at the end and inserting a period; and
 (CC) by striking paragraphs (3) and (4); and
 (bb) in subsection (b)(2)—
 (AA) in subparagraph (A), by inserting “or” after the semicolon at the end;
 (BB) by striking subparagraphs (B) and (C); and
 (CC) by redesignating subparagraph (D) as subparagraph (B);
 (VI) in section 1345(a) (12 U.S.C. 4585(a))—
 (aa) in paragraph (1), by inserting “or” after the semicolon at the end;
 (bb) in paragraph (2), by striking the semicolon at the end and inserting a period; and
 (cc) by striking paragraphs (3) and (4); and
 (VII) in section 1371(a)(2) (12 U.S.C. 4631(a)(2))—
 (aa) by striking “with any housing goal established under subpart B of part 2 of subtitle A of this title,”; and
 (bb) by striking “section 1336 or”.
 (B) PORTFOLIO LIMITATIONS.—Subtitle B of title XIII of the Housing and Community Development Act of 1992 (12 U.S.C. 4611 et seq.) is amended by adding at the end the following:

“SEC. 1369E. RESTRICTION ON MORTGAGE ASSETS OF ENTERPRISES.

“(a) RESTRICTION.—No enterprise shall own, as of any applicable date in this subsection or thereafter, mortgage assets in excess of—

“(1) upon the expiration of the period referred to in subsection (c)(2) of the GSE Bailout Elimination and Taxpayer Protection Act or thereafter, \$850,000,000,000;

“(2) upon the expiration of the 1-year period that begins on the date described in paragraph (1) or thereafter, \$700,000,000,000;

“(3) upon the expiration of the 2-year period that begins on the date described in paragraph (1) or thereafter, \$500,000,000,000; and

“(4) upon the expiration of the 3-year period that begins on the date described in paragraph (1), \$250,000,000,000.

“(b) DEFINITION OF MORTGAGE ASSETS.—For purposes of this section, the term ‘mortgage assets’ means, with respect to an enterprise, assets of such enterprise consisting of mortgages, mortgage loans, mortgage-related securities, participation certificates, mortgage-backed commercial paper, obligations of real estate mortgage investment conduits and similar assets, in each case to the extent that such assets would appear on the balance sheet of such enterprise in accordance with generally accepted accounting principles in effect in the United States as of September 7, 2008 (as set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board from time to time; and without giving any effect to any change that may be made after September 7, 2008, in respect of Statement of Financial Accounting Standards No. 140 or any similar accounting standard).”.

(C) INCREASE IN MINIMUM CAPITAL REQUIREMENT.—Section 1362 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4612), as amended by section 1111 of the Housing and Economic Recovery Act of 2008 (Public Law 110-289), is amended—

(i) in subsection (a), by striking “For purposes of this subtitle, the minimum capital

level for each enterprise shall be” and inserting “The minimum capital level established under subsection (g) for each enterprise may not be lower than”;

(ii) in subsection (c)—
 (I) by striking “subsections (a) and” and inserting “subsection”;

(II) by striking “regulated entities” the first place that term appears and inserting “Federal Home Loan Banks”;

(III) by striking “for the enterprises,”;

(IV) by striking “, or for both the enterprises and the banks,”;

(V) by striking “the level specified in subsection (a) for the enterprises or”;

(VI) by striking “the regulated entities operate” and inserting “such banks operate”;

(iii) in subsection (d)(1)—
 (I) by striking “subsections (a) and” and inserting “subsection”;

(II) by striking “regulated entity” each place that term appears and inserting “Federal home loan bank”;

(iv) in subsection (e), by striking “regulated entity” each place that term appears and inserting “Federal home loan bank”;

(v) in subsection (f)—
 (I) by striking “the amount of core capital maintained by the enterprises,”; and
 (II) by striking “regulated entities” and inserting “banks”;

(vi) by adding at the end the following new subsection:

“(g) ESTABLISHMENT OF REVISED MINIMUM CAPITAL LEVELS.—

“(1) IN GENERAL.—The Director shall cause the enterprises to achieve and maintain adequate capital by establishing minimum levels of capital for such enterprises, and by using such other methods as the Director deems appropriate.

“(2) AUTHORITY.—The Director shall have the authority to establish such minimum level of capital for an enterprise in excess of the level specified under subsection (a) as the Director, in the discretion of the Director, deems to be necessary or appropriate in light of the particular circumstances of the enterprise.

“(h) FAILURE TO MAINTAIN REVISED MINIMUM CAPITAL LEVELS.—

“(1) UNSAFE AND UNSOUND PRACTICE OR CONDITION.—Failure of an enterprise to maintain capital at or above its minimum level as established pursuant to subsection (g) of this section may be deemed by the Director, in his discretion, to constitute an unsafe and unsound practice or condition within the meaning of this title.

“(2) DIRECTIVE TO ACHIEVE CAPITAL LEVEL.—

“(A) AUTHORITY.—In addition to, or in lieu of, any other action authorized by law, including paragraph (1), the Director may issue a directive to an enterprise that fails to maintain capital at or above its required level as established pursuant to subsection (g).

“(B) PLAN.—Such directive may require the enterprise to submit and adhere to a plan acceptable to the Director describing the means and timing by which the enterprise shall achieve its required capital level.

“(C) ENFORCEMENT.—Any directive issued pursuant to this paragraph, including plans submitted pursuant thereto, shall be enforceable under the provisions of subtitle C, to the same extent as an effective and outstanding order issued pursuant to subtitle C which has become final.

“(3) ADHERENCE TO PLAN.—

“(A) CONSIDERATION.—The Director may consider the progress of an enterprise in adhering to any plan required under this sub-

section whenever such enterprise seeks the requisite approval of the Director for any proposal which would divert earnings, diminish capital, or otherwise impede the progress of the enterprise in achieving its minimum capital level.

“(B) DENIAL.—The Director may deny such approval where the Director determines that such proposal would adversely affect the ability of the enterprise to comply with such plan.”.

(D) REPEAL OF INCREASES TO CONFORMING LOAN LIMITS.—

(i) REPEAL OF TEMPORARY INCREASES.—

(I) CONTINUING APPROPRIATIONS RESOLUTION, 2010.—Section 167 of the Continuing Appropriations Resolution, 2010 (as added by section 104 of division B of Public Law 111-88; 123 Stat. 2973) is hereby repealed.

(II) AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009.—Section 1203 of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 225) is hereby repealed.

(III) ECONOMIC STIMULUS ACT OF 2008.—Section 201 of the Economic Stimulus Act of 2008 (Public Law 110-185; 122 Stat. 619) is hereby repealed.

(ii) REPEAL OF GENERAL LIMIT AND PERMANENT HIGH-COST AREA INCREASE.—Section 302(b)(2) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(b)(2)) and section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)) are each amended to read as such sections were in effect immediately before the date of enactment of the Housing and Economic Recovery Act of 2008 (Public Law 110-289).

(iii) REPEAL OF NEW HOUSING PRICE INDEX.—Section 1322 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, as added by section 1124(d) of the Housing and Economic Recovery Act of 2008 (Public Law 110-289), is hereby repealed.

(iv) REPEAL.—Section 1124 of the Housing and Economic Recovery Act of 2008 (Public Law 110-289) is hereby repealed.

(v) ESTABLISHMENT OF CONFORMING LOAN LIMIT.—For the year in which the expiration of the period referred to in subsection (c)(2) occurs, the limitations governing the maximum original principal obligation of conventional mortgages that may be purchased by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, referred to in section 302(b)(2) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(b)(2)) and section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)), respectively, shall be considered to be—

(I) \$417,000 for a mortgage secured by a single-family residence;

(II) \$533,850 for a mortgage secured by a 2-family residence;

(III) \$645,300 for a mortgage secured by a 3-family residence; and

(IV) \$801,950 for a mortgage secured by a 4-family residence.

(vi) ANNUAL ADJUSTMENTS.—The limits established under clause (v) shall be adjusted effective each January 1 after the period referred to in clause (v), in accordance with such sections 302(b)(2) and 305(a)(2).

(vii) PROHIBITION OF PURCHASE OF MORTGAGES EXCEEDING MEDIAN AREA HOME PRICE.—

(I) FANNIE MAE.—Section 302(b)(2) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(b)(2)) is amended by adding at the end the following: “Notwithstanding any other provision of this title, the corporation may not purchase any

mortgage for a property having a principal obligation that exceeds the median home price, for properties of the same size, for the area in which such property subject to the mortgage is located.”.

(II) FREDDIE MAC.—Section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)) is amended by adding at the end the following: “Notwithstanding any other provision of this title, the Corporation may not purchase any mortgage for a property having a principal obligation that exceeds the median home price, for properties of the same size, for the area in which such property subject to the mortgage is located.”.

(E) REQUIREMENT OF MINIMUM DOWNPAYMENT FOR MORTGAGES PURCHASED.—

(i) FANNIE MAE.—Section 302(b) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(b)) is amended by adding at the end the following:

“(7) Notwithstanding any other provision of this Act, the corporation may not newly purchase any mortgage unless the mortgagor has paid, in cash or its equivalent on account of the property securing repayment such mortgage, in accordance with regulations issued by the Director of the Federal Housing Finance Agency, not less than—

“(A) for any mortgage purchased during the 12-month period beginning upon the expiration of the period referred to in section 3(b) of the GSE Bailout Elimination and Taxpayer Protection Act, 5 percent of the appraised value of the property;

“(B) for any mortgage purchased during the 12-month period beginning upon the expiration of the 12-month period referred to in subparagraph (A) of this paragraph, 7.5 percent of the appraised value of the property; and

“(C) for any mortgage purchased during the 12-month period beginning upon the expiration of the 12-month period referred to in subparagraph (B) of this paragraph, 10 percent of the appraised value of the property.”.

(ii) FREDDIE MAC.—Section 305(a) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)) is amended by adding at the end the following:

“(6) Notwithstanding any other provision of this Act, the Corporation may not newly purchase any mortgage unless the mortgagor has paid, in cash or its equivalent on account of the property securing repayment such mortgage, in accordance with regulations issued by the Director of the Federal Housing Finance Agency, not less than—

“(A) for any mortgage purchased during the 12-month period beginning upon the expiration of the period referred to in section 3(b) of the GSE Bailout Elimination and Taxpayer Protection Act, 5 percent of the appraised value of the property;

“(B) for any mortgage purchased during the 12-month period beginning upon the expiration of the 12-month period referred to in subparagraph (A) of this paragraph, 7.5 percent of the appraised value of the property; and

“(C) for any mortgage purchased during the 12-month period beginning upon the expiration of the 12-month period referred to in subparagraph (B) of this paragraph, 10 percent of the appraised value of the property.”.

(F) REQUIREMENT TO PAY STATE AND LOCAL TAXES.—

(i) FANNIE MAE.—Paragraph (2) of section 309(c) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723a(c)(2)) is amended—

(I) by striking “shall be exempt from” and inserting “shall be subject to”; and

(II) by striking “except that any” and inserting “and any”.

(ii) FREDDIE MAC.—Section 303(e) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1452(e)) is amended—

(I) by striking “shall be exempt from” and inserting “shall be subject to”; and

(II) by striking “except that any” and inserting “and any”.

(G) REPEALS RELATING TO REGISTRATION OF SECURITIES.—

(i) FANNIE MAE.—

(I) MORTGAGE-BACKED SECURITIES.—Section 304(d) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1719(d)) is amended by striking the fourth sentence.

(II) SUBORDINATE OBLIGATIONS.—Section 304(e) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1719(e)) is amended by striking the fourth sentence.

(ii) FREDDIE MAC.—Section 306 of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1455) is amended by striking subsection (g).

(H) RECOUPMENT OF COSTS FOR FEDERAL GUARANTEE.—

(i) ASSESSMENTS.—The Director of the Federal Housing Finance Agency shall establish and collect from each enterprise assessments in the amount determined under subparagraph (B). In determining the method and timing for making such assessments, the Director shall take into consideration the determinations and conclusions of the study under paragraph (2).

(ii) DETERMINATION OF COSTS OF GUARANTEE.—Assessments under clause (i) with respect to an enterprise shall be in such amount as the Director determines necessary to recoup to the Federal Government the full value of the benefit the enterprise receives from the guarantee provided by the Federal Government for the obligations and financial viability of the enterprise, based upon the dollar value of such benefit in the market to such enterprise when not operating under conservatorship or receivership. To determine such amount, the Director shall establish a risk-based pricing mechanism as the Director considers appropriate, taking into consideration the determinations and conclusions of the study under paragraph (2).

(iii) TREATMENT OF RECOUPED AMOUNTS.—The Director shall cover into the General Fund of the Treasury any amounts received from assessments made under this subparagraph.

(2) GAO STUDY REGARDING RECOUPMENT OF COSTS FOR FEDERAL GOVERNMENT GUARANTEE.—

(A) IN GENERAL.—The Comptroller General of the United States shall conduct a study to determine a risk-based pricing mechanism to accurately determine the value of the benefit that the enterprises receive from the guarantee provided by the Federal Government for the obligations and financial viability of the enterprises.

(B) STUDY REQUIREMENTS.—The study required by this paragraph shall—

(i) establish a dollar value of such benefit in the market to each enterprise when not operating under conservatorship or receivership;

(ii) analyze various methods of the Federal Government assessing a charge for such value received (including methods involving an annual fee or a fee for each mortgage purchased or securitized); and

(iii) include a recommendation of the best such method for assessing such charge.

(C) REPORT TO CONGRESS.—Not later than 12 months after the date of enactment of this

Act, the Comptroller General shall submit to Congress a report setting forth the determinations and conclusions of the study required by this paragraph.

(e) REQUIRED WIND DOWN OF OPERATIONS AND DISSOLUTION OF ENTERPRISE.—

(1) APPLICABILITY.—This subsection shall apply to an enterprise upon the expiration of the 3-year period beginning at the end of the time period in subsection (c)(2).

(2) REPEAL OF CHARTER.—Upon the applicability of this subsection to an enterprise, the charter for the enterprise is repealed, and the enterprise shall have no authority to conduct new business under such charter, except that the provisions of such charter in effect immediately before such repeal shall continue to apply with respect to the rights and obligations of any holders of outstanding debt obligations and mortgage-backed securities of the enterprise.

(3) WIND DOWN.—Upon the applicability of this subsection to an enterprise, the Director and the Secretary of the Treasury shall jointly take such action, and may prescribe such regulations and procedures, as may be necessary to wind down the operations of an enterprise as an entity chartered by the United States Government over the duration of the 10-year period beginning upon the applicability of this subsection to the enterprise (pursuant to paragraph (1)) in an orderly manner, consistent with this section, and the ongoing obligations of the enterprise.

(4) DIVISION OF ASSETS AND LIABILITIES; AUTHORITY TO ESTABLISH HOLDING CORPORATION AND DISSOLUTION TRUST FUND.—The action and procedures required under paragraph (3)—

(A) shall include the establishment and execution of plans to provide for an equitable division and distribution of assets and liabilities of the enterprise, including any liability of the enterprise to the United States Government or a Federal reserve bank that may continue after the end of the period described in paragraph (1); and

(B) may provide for establishment of—

(i) a holding corporation organized under the laws of any State of the United States or the District of Columbia for the purposes of the reorganization and restructuring of the enterprise; and

(ii) one or more trusts to which to transfer—

(I) remaining debt obligations of the enterprise, for the benefit of holders of such remaining obligations; or

(II) remaining mortgages held for the purpose of backing mortgage-backed securities, for the benefit of holders of such remaining securities.

SA 4470. Mr. BENNET submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. EXPEDITING PATENT APPLICATIONS OF SMALL ENTITIES.

(a) **FUNDING FOR EXPEDITING PATENT APPLICATIONS OF SMALL ENTITIES.**—There are appropriated, out of any money in the Treasury not otherwise appropriated, \$10,000,000, to the Department of Commerce for the appropriations account under the heading “SALARIES AND EXPENSES” under the heading “UNITED STATES PATENT AND TRADEMARK OFFICE” for expediting patent applications of small entities, as defined under section 1.27 of the Patent Rules under the Manual of Patent Examining Procedure as in effect on the date of enactment of this Act.

(b) **RESCISSION.**—Of the unobligated amounts appropriated to the Department of Defense in the account “Other Procurement, Army, 2008/2010”, \$10,000,000 are rescinded.

SA 4471. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. EXTENSION OF EXPENDITURE DEADLINE OF SOCIAL SERVICES BLOCK GRANT DISASTER FUNDING.

Notwithstanding any other provision of law, amounts made available to the Department of Health and Human Services, Administration for Children and Families, under the heading “Social Services Block Grant” under chapter 7 of division B of Public Law 110-329, shall remain available for expenditure through September 30, 2012.

SA 4472. Mr. CARPER (for himself, Mr. BUNNING, and Mr. BURR) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 137, line 3, strike the period and insert the following:

“, and

“(D) any sprinkler system classified under one or more of the following:

“(i) National Fire Protection Association 13, Installation of Sprinkler Systems.

“(ii) National Fire Protection Association 13 D, Installation of Sprinkler Systems in One and Two Family Dwellings and Manufactured Homes or International Residential Code Section P2904, Dwelling Unit Fire Sprinkler Systems.

“(iii) National Fire Protection Association 13 R, Installation of Sprinkler Systems in Residential Occupancies up to and Including Four Stories in Height.”.

SA 4473. Mr. CARPER (for himself, Mr. BUNNING, and Mr. BURR) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of part II of subtitle A of title II, insert the following:

SEC. _____. CLASSIFICATION OF AUTOMATIC FIRE SPRINKLER SYSTEMS.

(a) **IN GENERAL.**—Subparagraph (E) of section 168(e)(3) of the Internal Revenue Code of 1986 is amended by striking “and” at the end of clause (viii), by striking the period at the end of clause (ix) and inserting “, and”, and by adding at the end the following:

“(x) any automated fire sprinkler system acquired by the taxpayer under a written binding contract entered into during the 1-year period beginning on the date of the enactment of this clause and placed in service during the 2-year period beginning on such date, in a building or structure which was placed in service before such date.”.

(b) **APPLICABLE DEPRECIATION METHOD.**—Paragraph (3) of section 168(b) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

“(J) Automated fire sprinkler system described in subsection (e)(3)(E)(x).”.

(c) **ALTERNATIVE SYSTEM.**—The table contained in section 168(g)(3)(B) of the Internal Revenue Code of 1986 is amended by inserting after the item relating to subparagraph (E)(ix) the following:

“(E)(x) 39”.

(d) **DEFINITION OF AUTOMATIC FIRE SPRINKLER SYSTEM.**—Subsection (i) of section 168 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(20) **AUTOMATED FIRE SPRINKLER SYSTEM.**—The term ‘automated fire sprinkler system’ means those sprinkler systems classified under one or more of the following:

“(A) National Fire Protection Association 13, Installation of Sprinkler Systems.

“(B) National Fire Protection Association 13 D, Installation of Sprinkler Systems in One and Two Family Dwellings and Manufactured Homes or International Residential Code Section P2904, Dwelling Unit Fire Sprinkler Systems.

“(C) National Fire Protection Association 13 R, Installation of Sprinkler Systems in Residential Occupancies up to and Including Four Stories in Height.”.

(e) **EFFECTIVE DATE.**—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.

SA 4474. Mr. AKAKA (for himself and Mr. VOINOVICH) submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the

availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. PLAIN WRITING.

(a) **SHORT TITLE.**—This section may be cited as the “Plain Writing Act of 2010”.

(b) **PURPOSE.**—The purpose of this section is to improve the effectiveness and accountability of Federal agencies to the public by promoting clear Government communication that the public can understand and use.

(c) **DEFINITIONS.**—In this section:

(1) **AGENCY.**—The term “agency” means an Executive agency, as defined under section 105 of title 5, United States Code.

(2) **COVERED DOCUMENT.**—The term “covered document”—

(A) means any document that—

(i) is relevant to obtaining any Federal Government benefit or service or filing taxes;

(ii) provides information about any Federal Government benefit or service; or

(iii) explains to the public how to comply with a requirement the Federal Government administers or enforces;

(B) includes (whether in paper or electronic form) a letter, publication, form, notice, or instruction; and

(C) does not include a regulation.

(3) **PLAIN WRITING.**—The term “plain writing” means writing that the intended audience can readily understand and use because that writing is clear, concise, well-organized, and follows other best practices of plain writing.

(d) **RESPONSIBILITIES OF FEDERAL AGENCIES.**—

(1) **PREPARATION FOR IMPLEMENTATION OF PLAIN WRITING REQUIREMENTS.**—

(A) **IN GENERAL.**—Not later than 9 months after the date of enactment of this Act, the head of each agency shall—

(i) designate 1 or more senior officials within the agency to oversee the agency implementation of this section;

(ii) communicate the requirements of this section to the employees of the agency;

(iii) train employees of the agency in plain writing;

(iv) establish a process for overseeing the ongoing compliance of the agency with the requirements of this section;

(v) create and maintain a plain writing section of the agency’s website that is accessible from the homepage of the agency’s website; and

(vi) designate 1 or more agency points-of-contact to receive and respond to public input on—

(I) agency implementation of this section; and

(II) the agency reports required under subsection (e).

(B) **WEBSITE.**—The plain writing section described under subparagraph (A)(v) shall—

(i) inform the public of agency compliance with the requirements of this section; and

(ii) provide a mechanism for the agency to receive and respond to public input on—

(I) agency implementation of this section; and

(II) the agency reports required under subsection (e).

(2) **REQUIREMENT TO USE PLAIN WRITING IN NEW DOCUMENTS.**—Beginning not later than 1 year after the date of enactment of this Act, each agency shall use plain writing in every

covered document of the agency that the agency issues or substantially revises.

(3) GUIDANCE.—

(A) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the Director of the Office of Management and Budget shall develop and issue guidance on implementing the requirements of this section. The Director may designate a lead agency, and may use interagency working groups to assist in developing and issuing the guidance.

(B) INTERIM GUIDANCE.—Before the issuance of guidance under subparagraph (A), agencies may follow the guidance of—

(i) the writing guidelines developed by the Plain Language Action and Information Network; or

(ii) guidance provided by the head of the agency that is consistent with the guidelines referred to under clause (i).

(e) REPORTS TO CONGRESS.—

(1) INITIAL REPORT.—Not later than 9 months after the date of enactment of this Act, the head of each agency shall publish on the plain writing section of the agency's website a report that describes the agency plan for compliance with the requirements of this section.

(2) ANNUAL COMPLIANCE REPORT.—Not later than 18 months after the date of enactment of this Act, and annually thereafter, the head of each agency shall publish on the plain writing section of the agency's website a report on agency compliance with the requirements of this section.

(f) JUDICIAL REVIEW AND ENFORCEABILITY.—

(1) JUDICIAL REVIEW.—There shall be no judicial review of compliance or noncompliance with any provision of this section.

(2) ENFORCEABILITY.—No provision of this section shall be construed to create any right or benefit, substantive or procedural, enforceable by any administrative or judicial action.

(g) BUDGETARY EFFECTS OF PAYGO LEGISLATION FOR THIS SECTION.—The budgetary effects of this section, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled "Budgetary Effects of PAYGO Legislation" for this section, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

SA 4475. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the amendment, insert the following:

SEC. . DISCRETIONARY SPENDING LIMITS.

(a) POINT OF ORDER.—It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, or conference report that includes any provision that would cause the discretionary spending limits as set forth in this section to be exceeded.

(b) LIMITS.—In this section, the term "discretionary spending limits" has the fol-

lowing meaning subject to adjustments in subsection (c):

(1) For fiscal year 2011—

(A) for the defense category (budget function 050), \$564,293,000,000 in budget authority; and

(B) for the nondefense category, \$540,116,000,000 in budget authority.

(2) For fiscal year 2012—

(A) for the defense category (budget function 050), \$573,612,000,000 in budget authority; and

(B) for the nondefense category, \$543,790,000,000 in budget authority.

(3) For fiscal year 2013—

(A) for the defense category (budget function 050), \$584,421,000,000 in budget authority; and

(B) for the nondefense category, \$551,498,000,000 in budget authority.

(4) With respect to fiscal years following 2013, the President shall recommend and the Congress shall consider legislation setting limits for those fiscal years.

(c) ADJUSTMENTS.—

(1) IN GENERAL.—After the reporting of a bill or joint resolution relating to any matter described in paragraph (2), or the offering of an amendment thereto or the submission of a conference report thereon—

(A) the Chairman of the Senate Committee on the Budget may adjust the discretionary spending limits, the budgetary aggregates in the concurrent resolution on the budget most recently adopted by the Senate and the House of Representatives, and allocations pursuant to section 302(a) of the Congressional Budget Act of 1974, by the amount of new budget authority in that measure for that purpose and the outlays flowing there from; and

(B) following any adjustment under subparagraph (A), the Senate Committee on Appropriations may report appropriately revised suballocations pursuant to section 302(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(2) MATTERS DESCRIBED.—Matters referred to in paragraph (1) are as follows:

(A) OVERSEAS DEPLOYMENTS AND OTHER ACTIVITIES.—If a bill or joint resolution is reported making appropriations for fiscal year 2011, 2012, or 2013, that provides funding for overseas deployments and other activities, the adjustment for purposes paragraph (1) shall be the amount of budget authority in that measure for that purpose but not to exceed—

(i) with respect to fiscal year 2011, \$50,000,000,000 in new budget authority;

(ii) with respect to fiscal year 2012, \$50,000,000,000 in new budget authority; and

(iii) with respect to fiscal year 2013, \$50,000,000,000 in new budget authority.

(B) INTERNAL REVENUE SERVICE TAX ENFORCEMENT.—

(1) IN GENERAL.—If a bill or joint resolution is reported making appropriations for fiscal year 2011, 2012, or 2013, that includes the amount described in clause (ii)(I), plus an additional amount for enhanced tax enforcement to address the Federal tax gap (taxes owed but not paid) described in clause (ii)(II), the adjustment for purposes of paragraph (1) shall be the amount of budget authority in that measure for that initiative not exceeding the amount specified in clause (ii)(II) for that fiscal year.

(ii) AMOUNTS.—The amounts referred to in clause (i) are as follows:

(I) For fiscal year 2011, \$7,171,000,000, for fiscal year 2012, \$7,243,000,000, and for fiscal year 2013, \$7,315,000,000.

(II) For fiscal year 2011, \$899,000,000, for fiscal year 2012, and \$908,000,000, for fiscal year 2013, \$917,000,000.

(C) CONTINUING DISABILITY REVIEWS AND SSI REDETERMINATIONS.—

(i) IN GENERAL.—If a bill or joint resolution is reported making appropriations for fiscal year 2011, 2012, or 2013 that includes the amount described in clause (ii)(I), plus an additional amount for Continuing Disability Reviews and Supplemental Security Income Redeterminations for the Social Security Administration described in clause (ii)(II), the adjustment for purposes of paragraph (1) shall be the amount of budget authority in that measure for that initiative not exceeding the amount specified in clause (ii)(II) for that fiscal year.

(ii) AMOUNTS.—The amounts referred to in clause (i) are as follows:

(I) For fiscal year 2011, \$276,000,000, for fiscal year 2012, \$278,000,000, and for fiscal year 2013, \$281,000,000.

(II) For fiscal year 2011, \$490,000,000; for fiscal year 2012, and \$495,000,000; for fiscal year 2013, \$500,000,000.

(iii) ASSET VERIFICATION.—

(1) IN GENERAL.—The additional appropriation permitted under clause (ii)(II) may also provide that a portion of that amount, not to exceed the amount specified in subclause (II) for that fiscal year instead may be used for asset verification for Supplemental Security Income recipients, but only if, and to the extent that the Office of the Chief Actuary estimates that the initiative would be at least as cost effective as the redeterminations of eligibility described in this subparagraph.

(II) AMOUNTS.—For fiscal year 2011, \$34,340,000, for fiscal year 2012, \$34,683,000, and for fiscal year 2013, \$35,030,000.

(D) HEALTH CARE FRAUD AND ABUSE.—

(1) IN GENERAL.—If a bill or joint resolution is reported making appropriations for fiscal year 2011, 2012, or 2013 that includes the amount described in clause (ii) for the Health Care Fraud and Abuse Control program at the Department of Health & Human Services for that fiscal year, the adjustment for purposes of paragraph (1) shall be the amount of budget authority in that measure for that initiative but not to exceed the amount described in clause (ii).

(ii) AMOUNT.—The amount referred to in clause (i) is for fiscal year 2011, \$314,000,000, for fiscal year 2012, \$317,000,000, and for fiscal year 2013, \$320,000,000.

(E) UNEMPLOYMENT INSURANCE IMPROPER PAYMENT REVIEWS.—If a bill or joint resolution is reported making appropriations for fiscal year 2011, 2012, or 2013 that includes \$10,000,000, plus an additional amount for in-person reemployment and eligibility assessments and unemployment improper payment reviews for the Department of Labor, the adjustment for purposes paragraph (1) shall be the amount of budget authority in that measure for that initiative but not to exceed—

(i) with respect to fiscal year 2011, \$51,000,000 in new budget authority;

(ii) with respect to fiscal year 2012, \$51,000,000 in new budget authority; and

(iii) with respect to fiscal year 2013, \$52,000,000 in new budget authority.

(F) LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP).—If a bill or joint resolution is reported making appropriations for fiscal year 2011, 2012, or 2013 that includes \$3,200,000,000 in funding for the Low-Income Home Energy Assistance Program and provides an additional amount up to \$1,900,000,000 for that program, the adjustment for purposes of paragraph (1) shall be

the amount of budget authority in that measure for that initiative but not to exceed \$1,900,000,000.

(d) EMERGENCY SPENDING.—

(1) AUTHORITY TO DESIGNATE.—In the Senate, with respect to a provision of direct spending or receipts legislation or appropriations for discretionary accounts that Congress designates as an emergency requirement in such measure, the amounts of new budget authority, outlays, and receipts in all fiscal years resulting from that provision shall be treated as an emergency requirement for the purpose of this subsection.

(2) EXEMPTION OF EMERGENCY PROVISIONS.—Any new budget authority, outlays, and receipts resulting from any provision designated as an emergency requirement, pursuant to this subsection, in any bill, joint resolution, amendment, or conference report shall not count for purposes of this section, sections 302 and 311 of this Act, section 201 of S. Con. Res. 21 (110th Congress) (relating to pay-as-you-go), section 311 of S. Con. Res. 70 (110th Congress) (relating to long-term deficits), and section 404 of S. Con. Res. 13 (111th Congress).

(3) DESIGNATIONS.—If a provision of legislation is designated as an emergency requirement under this subsection, the committee report and any statement of managers accompanying that legislation shall include an explanation of the manner in which the provision meets the criteria in paragraph (6).

(4) DEFINITIONS.—In this subsection, the terms “direct spending”, “receipts”, and “appropriations for discretionary accounts” mean any provision of a bill, joint resolution, amendment, motion, or conference report that affects direct spending, receipts, or appropriations as those terms have been defined and interpreted for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985.

(5) POINT OF ORDER.—

(A) IN GENERAL.—When the Senate is considering a bill, resolution, amendment, motion, or conference report, if a point of order is made by a Senator against an emergency designation in that measure, that provision making such a designation shall be stricken from the measure and may not be offered as an amendment from the floor.

(B) SUPERMAJORITY WAIVER AND APPEALS.—

(i) WAIVER.—Subparagraph (A) may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn.

(ii) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this paragraph shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the bill or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this paragraph.

(C) DEFINITION OF AN EMERGENCY DESIGNATION.—For purposes of subparagraph (A), a provision shall be considered an emergency designation if it designates any item as an emergency requirement pursuant to this paragraph.

(D) FORM OF THE POINT OF ORDER.—A point of order under subparagraph (A) may be raised by a Senator as provided in section 313(e) of the Congressional Budget Act of 1974.

(E) CONFERENCE REPORTS.—When the Senate is considering a conference report on, or an amendment between the Houses in relation to, a bill, upon a point of order being

made by any Senator pursuant to this paragraph, and such point of order being sustained, such material contained in such conference report shall be deemed stricken, and the Senate shall proceed to consider the question of whether the Senate shall recede from its amendment and concur with a further amendment, or concur in the House amendment with a further amendment, as the case may be, which further amendment shall consist of only that portion of the conference report or House amendment, as the case may be, not so stricken. Any such motion in the Senate shall be debatable. In any case in which such point of order is sustained against a conference report (or Senate amendment derived from such conference report by operation of this subsection), no further amendment shall be in order.

(6) CRITERIA.—

(A) IN GENERAL.—For purposes of this subsection, any provision is an emergency requirement if the situation addressed by such provision is—

(i) necessary, essential, or vital (not merely useful or beneficial);

(ii) sudden, quickly coming into being, and not building up over time;

(iii) an urgent, pressing, and compelling need requiring immediate action;

(iv) subject to clause (ii), unforeseen, unpredictable, and unanticipated; and

(v) not permanent, temporary in nature.

(7) UNFORESEEN.—An emergency that is part of an aggregate level of anticipated emergencies, particularly when normally estimated in advance, is not unforeseen.

(e) LIMITATIONS ON CHANGES TO EXEMPTIONS.—It shall not be in order in the Senate or the House of Representatives to consider any bill, resolution, amendment, or conference report that would exempt any new budget authority, outlays, and receipts from being counted for purposes of this section.

(f) POINT OF ORDER IN THE SENATE.—

(1) WAIVER.—The provisions of subsections (a) and (e) may be waived or suspended in the Senate only—

(A) by the affirmative vote of two-thirds of the Members, duly chosen and sworn; or

(B) in the case of the defense budget authority, if Congress declares war or authorizes the use of force.

(2) APPEAL.—Appeals in the Senate from the decisions of the Chair relating to any provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the measure. An affirmative vote of two-thirds of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(3) LIMITATIONS ON CHANGES TO THIS SUBSECTION.—It shall not be in order in the Senate or the House of Representatives to consider any bill, resolution, amendment, or conference report that would repeal or otherwise change this subsection.

SA 4476. Mrs. HUTCHISON (for herself and Mr. BAYH) submitted an amendment intended to be proposed by her to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for

other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . SHAREHOLDER REGISTRATION THRESHOLD.

(a) AMENDMENTS TO THE SECURITIES EXCHANGE ACT OF 1934.—

(1) SECTION 12.—Section 12(g) of the Securities Exchange Act of 1934 (15 U.S.C. 781(g)) is amended—

(A) in paragraph (1)—

(i) by striking subparagraphs (A) and (B) and inserting the following:

“(A) in the case of an issuer that is a bank, as such term is defined in section 3(a)(6) of this title, or a bank holding company, as such term is defined in section (2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841), 2000 persons or more; and

“(B) in the case of an issuer that is not a bank or bank holding company, 500 persons or more.”; and

(ii) by striking “commerce shall” and inserting “commerce shall, not later than 120 days after the last day of its first fiscal year ended after the effective date of this subsection, on which the issuer has total assets exceeding \$10,000,000 and a class of equity security (other than an exempted security) held of record by”; and

(B) in paragraph (4), by striking “three hundred” and inserting “300 persons, or, in the case of a bank, as such term is defined in section 3(a)(6) of this title, or a bank holding company, as such term is defined in section (2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841), 1200”.

(2) SECTION 15.—Section 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(d)) is amended, in the third sentence, by striking “three hundred” and inserting “300 persons, or, in the case of bank, as such term is defined in section 3(a)(6) of this title, or a bank holding company, as such term is defined in section (2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841), 1200”.

(b) STUDY OF REGISTRATION THRESHOLDS.—

(1) STUDY.—

(A) ANALYSIS REQUIRED.—The Chief Economist and Director of the Division of Corporation Finance of the Commission shall jointly conduct a study, including a cost-benefit analysis, of shareholder registration thresholds.

(B) COSTS AND BENEFITS.—The cost-benefit analysis under subparagraph (A) shall take into account—

(i) the incremental benefits to investors of the increased disclosure that results from registration;

(ii) the incremental costs to issuers associated with registration and reporting requirements; and

(iii) the incremental administrative costs to the Commission associated with different thresholds.

(C) THRESHOLDS.—The cost-benefit analysis under subparagraph (A) shall evaluate whether it is advisable to—

(i) increase the asset threshold;

(ii) index the asset threshold to a measure of inflation;

(iii) increase the shareholder threshold;

(iv) change the shareholder threshold to be based on the number of beneficial owners; and

(v) create new thresholds based on other criteria.

(2) REPORT.—Not later than 2 years after the date of enactment of this Act, the Chief Economist and the Director of the Division of Corporation Finance of the Commission shall jointly submit to the Committee on

Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report that includes—

(A) the findings of the study required under paragraph (1); and

(B) recommendations for statutory changes to improve the shareholder registration thresholds.

(c) RULEMAKING.—Not later than one year after the date of enactment of this Act, the Commission shall issue final regulations to implement this section and the amendments made by this section.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. HARKIN. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on July 14, 2010, at 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. HARKIN. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on July 14, 2010, at 10 a.m., in room 215 of the Dirksen Senate Office Building, to conduct a hearing entitled “The Future of Individual Tax Rates: Effects on Economic Growth and Distribution.”

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. HARKIN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on July 14, 2010, at 9:30 a.m., to hold a closed hearing entitled “The New START Treaty (Treaty Doc. 111-5): Monitoring and Verification of Treaty compliance.”

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. HARKIN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on July 14, 2010, at 2 p.m., to hold a hearing entitled “Afghanistan: Governance and the Civilian Strategy.”

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. HARKIN. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be authorized to meet during the session of the Senate on July 14, 2010. The Committee will meet in room 418 of the Russell Senate Office Building beginning at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CRIME AND DRUGS

Mr. HARKIN. Mr. President, I ask unanimous consent that the Com-

mittee on the Judiciary, Subcommittee on Crime and Drugs, be authorized to meet during the session of the Senate, on July 14, 2010, at 10 a.m., in room SD-226 of the Dirksen Senate Office Building, to conduct a hearing entitled “Evaluating The Justice Against Sponsors of Terrorism Act, S. 2930.”

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL TRADE, CUSTOMS, AND GLOBAL COMPETITIVENESS

Mr. HARKIN. Mr. President, I ask unanimous consent that the Subcommittee on International Trade, Customs, and Global Competitiveness of the Committee on Finance be authorized to meet during the session of the Senate on July 14, 2010, at 3 p.m., in room 215 of the Dirksen Senate Office Building, to conduct a hearing entitled “Marine Wealth: Promoting Conservation and Advancing American Exports.”

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON WATER AND POWER

Mr. HARKIN. Mr. President, I ask unanimous consent that the Subcommittee on Water and Power be authorized to meet during the session of the Senate in order to conduct a hearing on Wednesday, July 14, at 3:30 p.m., in room SD-366 of the Dirksen Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. HARKIN. Mr. President, I ask unanimous consent that Stephen Hart, Sean Long, Cara Krueger, and Jesse Greenwald, of my staff, be granted the privilege of the floor for the duration of today's proceedings.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. Mr. President, I ask unanimous consent that Michael Adelman, Dylan Aluise, Tyler Blaser, Jeremy Bui, Michael Curto, Teddy Downe, Tim Fitzsimons, Sarah Flanagan, Oliver Hayes, Megan Keenan, Evan Kravitz, Alice Lu, Lena Peck, Mackie Reilly, Jamie Winchester, and Ben Yeo be granted floor privileges for the duration of the debate on the conference report to accompanying H.R. 4173, the Wall Street Reform and Consumer Protection Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

STEVE GOODMAN POST OFFICE BUILDING

ZACHARY SMITH POST OFFICE BUILDING

MICHAEL C. ROTHBERG POST OFFICE BUILDING

Mr. LEVIN. Mr. President, I ask unanimous consent that the Senate proceed to the following postal naming bills en bloc: Calendar Nos. 450, 451, and 452; H.R. 4861, H.R. 5051, and H.R. 5099.

There being no objection, the Senate proceeded to consider the bills en bloc.

Mr. LEVIN. I ask unanimous consent that the bills be read a third time and passed en bloc, the motions to reconsider be laid upon the table en bloc, with no intervening action or debate, and any statements relating to the bills be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bills (H.R. 4861, H.R. 5051, H.R. 5099) were ordered to be read a third time, were read the third time, and passed.

EMERGENCY MANAGEMENT ASSISTANCE COMPACT GRANT REAUTHORIZATION ACT OF 2009

Mr. LEVIN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 223, S. 1288.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1288) to authorize appropriations for grants to the States participating in the Emergency Management Assistance Compact, and for other purposes.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Homeland Security and Governmental Affairs, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

S. 1288

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Emergency Management Assistance Compact Grant Reauthorization Act of 2009”.

SEC. 2. EMERGENCY MANAGEMENT ASSISTANCE COMPACT GRANTS.

Section 661(d) of the Post-Katrina Emergency Management Reform Act of 2006 (6 U.S.C. 761(d)) is amended by striking “fiscal year 2008” and inserting “each of fiscal years 2010 through 2012”.

Mr. LEVIN. Mr. President, I ask unanimous consent that the committee-reported substitute be agreed to; the bill, as amended, be read a third time and passed; the motions to reconsider be laid upon the table, with no intervening action or debate, and any

statements related to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment in the nature of a substitute was agreed to.

The bill, (S. 1288), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed.

MODIFYING DATE THE ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY AND APPLICABLE STATES MAY REQUIRE PERMITS

Mr. LEVIN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 433, S. 3372.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 3372) to modify the date on which the Administrator of the Environmental Protection Agency and applicable States may require permits for discharges from percent vessels.

There being no objection, the Senate proceeded to consider the bill.

Mr. LEVIN. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, with no intervening action or debate, and any statements related to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 3372) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 3372

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DISCHARGES INCIDENTAL TO NORMAL OPERATION OF VESSELS.

Section 2(a) of Public Law 110-299 (33 U.S.C. 1342 note) is amended by striking “during the 2-year period beginning on the date of enactment of this Act” and inserting “during the period beginning on the date of the enactment of this Act and ending on December 18, 2013”.

MEASURE READ THE FIRST TIME—S. 3588

Mr. LEVIN. Mr. President, I understand that there is a bill at the desk. I ask for its first reading.

The PRESIDING OFFICER. The clerk will read the bill by title for the first time.

The assistant legislative clerk read as follows:

A bill (S. 3588) to limit the moratorium on certain permitting and drilling activities issued by the Secretary of the Interior, and for other purposes.

Mr. LEVIN. Mr. President, I ask for a second reading, and under the provisions of rule XIV, I object to my own request.

The PRESIDING OFFICER. Objection is heard. The bill will be read for the second time on the next legislative day.

ORDERS FOR THURSDAY, JULY 15, 2010

Mr. LEVIN. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 9:30 on Thursday, July 15; that following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day; that following any leader remarks, the Senate resume consideration of the conference report to accompany H.R. 4173, the Wall Street reform bill, as provided for under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. LEVIN. Mr. President, Senators should expect a rollcall vote at approximately 11 a.m. tomorrow. That vote will be on the motion to invoke cloture on the Wall Street reform conference report.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. LEVIN. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that it adjourn under the previous order.

There being no objection, the Senate, at 8:01 p.m., adjourned until Thursday, July 15, 2010, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate:

THE JUDICIARY

VICTORIA FRANCES NOURSE, OF WISCONSIN, TO BE UNITED STATES CIRCUIT JUDGE FOR THE SEVENTH CIRCUIT, VICE TERENCE T. EVANS, RETIRED.

MARCO A. HERNANDEZ, OF OREGON, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF OREGON, VICE GARR M. KING, RETIRED.

BERYL ALAINE HOWELL, OF THE DISTRICT OF COLUMBIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF COLUMBIA, VICE PAUL L. FRIEDMAN, RETIRED.

STEVE C. JONES, OF GEORGIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF GEORGIA, VICE ORINDA D. EVANS, RETIRED.

SUE E. MYERSCOUGH, OF ILLINOIS, TO BE UNITED STATES DISTRICT JUDGE FOR THE CENTRAL DISTRICT OF ILLINOIS, VICE JEANNE E. SCOTT, RESIGNED.

DIANA SALDANA, OF TEXAS, TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF TEXAS, VICE GEORGE P. KAZAN, RETIRED.

MICHAEL H. SIMON, OF OREGON, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF OREGON, VICE ANGER L. HAGGERTY, RETIRED.

DEPARTMENT OF JUSTICE

CONRAD ERNEST CANDELARIA, OF NEW MEXICO, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF NEW MEXICO FOR THE TERM OF FOUR YEARS, VICE GORDEN EDWARD EDEN, JR., TERM EXPIRED.

JAMES EDWARD CLARK, OF KENTUCKY, TO BE UNITED STATES MARSHAL FOR THE WESTERN DISTRICT OF KENTUCKY FOR THE TERM OF FOUR YEARS, VICE RONALD RICHARD MCCUBBIN, JR., TERM EXPIRED.

JOSEPH ANTHONY PAPILI, OF DELAWARE, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF DELA-

WARE FOR THE TERM OF FOUR YEARS, VICE DAVID WILLIAM THOMAS, TERM EXPIRED.

JAMES ALFRED THOMPSON, OF UTAH, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF UTAH FOR THE TERM OF FOUR YEARS, VICE RANDALL DEAN ANDERSON, TERM EXPIRED.

MARK F. GREEN, OF OKLAHOMA, TO BE UNITED STATES ATTORNEY FOR THE EASTERN DISTRICT OF OKLAHOMA FOR THE TERM OF FOUR YEARS, VICE SHELDON J. SPERLING, TERM EXPIRED.

JOSEPH H. HOGSETT, OF INDIANA, TO BE UNITED STATES ATTORNEY FOR THE SOUTHERN DISTRICT OF INDIANA FOR THE TERM OF FOUR YEARS, VICE SUSAN W. BROOKS, RESIGNED.

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be brigadier general

COL. WILLIAM T. COLLINS
COL. JAMES S. HARTSELL
COL. ROGER R. MACHUT
COL. MARCELA J. MONAHAN

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY NURSE CORPS UNDER TITLE 10, U.S.C., SECTIONS 624 AND 3064:

To be lieutenant colonel

ILSE K. ALUMBAUGH
CRISTINA R. BAGAYMETCALF
KIMBERLIE A. BIEVER
SIMONA A. BLACK
REBECCA L. BLANKENSHIP
ROBIN R. BLIXT
KRISTIN A. BROWN
GLEN E. CARLSSON
DAVID A. CERVANTES
AMAL CHATILA
MICHAEL B. CLINE
LASHANDA C. CORBS
DEWEY R. COLLIER II
DONALD D. DENDY
CARLA M. DICKINSON
AMANDA R. FORRISTAL
XIOMARA I. FRAY
BETTY K. GARNER
JOHN J. GODESA
CLYDE L. HILL, JR.
KATHI J. HILL
KEITH F. HOLLIDAY
SUSAN G. HOPKINSON
CRYSTAL L. HOUSE
CONSTANCE L. JENKINS
HARRIET D. JOHNSON
LISA M. JOHNSON
MARJORIE A. JOHNSON
SAMUEL L. JONES, JR.
ROBERT E. KUTSCHMAN
ERIC J. LEWIS
KELLY J. LONGENECKER
MARK A. MACDOUGALL
ELIZABETH A. MANN
LEROY MARKLUND
JOHN J. MELVIN
KRISTAL C. MELVIN
JOHN F. MEYER, JR.
LISA E. MILLER
PAUL B. MITTELSTADT
ANNE M. MITZAK
MICHAEL S. MURPHY
BEEBE A. NAYBACK
LEONETTA T. OLIPHANT
WENDY M. PERRY
DOUGLAS A. PHILLIPS
KYLEE V. PLUMMER
VICTORIA J. PREHN
KATHY PRESPEER
CATHY L. PRICE
SHARON L. PURVIANCE
EVELYN J. QUAIN
CINDY S. RENAKER
JOAN K. RIORDAN
MELAINA E. SHARPE
ANGELA M. SIMMONS
JAMES E. SIMMONS
ANGELA L. STONE
ASTRID D. STURM
JOHN E. TAYLOR
BRIDGET R. TERWILLIGER
RUTH J. TIMMS
MAI T. TRAN
MELISSA A. WALLACE
BRETT L. WELDEN
HEIDI I. WHITESCARVER
MORRIS E. WILDER
CORY M. WILLIAMS
PAMELA M. WULF

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY VETERINARY CORPS UNDER TITLE 10, U.S.C., SECTIONS 624 AND 3064:

To be lieutenant colonel

DERRON A. ALVES
MICHAEL R. BONHAGE

JENNIFER L. CHAPMAN
NICOLE A. CHEVALIER
REBECCA I. EVANS
CHRISTOPHER S. GAMBLE
JAMES T. GILES
MADONNA M. HIGGINS
KIMBERLY LAWLER
JOSEPH NOVAK, JR.
DOUGLAS S. OWENS
CARL I. SHAIA
DEIDRA J. SHUCKLEE
DEIDRE E. STOFFREGEN
MATT S. TAKARA
SAMUEL L. YINGST

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY MEDICAL SERVICE CORPS UNDER TITLE 10, U.S.C., SECTIONS 624 AND 3064:

To be lieutenant colonel

JENNIFER L. ANDERSON
RONALD M. ATKINSON, SR.
JAMES R. AUVEL
BARBARA J. BACHMAN
KEVIN R. BASS
JOHN D. BELEW
ENRICO Z. BERMUDEZ
DANIEL C. BRANT, JR.
LOLITA M. BURRELL
JONATHAN B. BUTLER
JENNIFER J. CAMP
JOSE E. CAPOAPONTE
ROBERTO CARDENAS
STACEY L. CAUSEY
DONALD J. CHAPMAN
CYNTHIA Y. CHILDRESS
WILLIAM D. CLYDE
NOEL A. CUFF
GAYLE DAVIS
WILLIE E. DAVIS
JAMES C. DEAK
FRED L. DELACRUZ
ALYSON M. DELANEY
SCOT A. DOBOSZENSKI
PATRICK A. DONAHUE
CURTIS W. DOUGLASS
CHRISTOPHER F. DRUM
ERIC C. DRYNAN
MARLA J. FERGUSON
DONALD E. FINE, JR.
JAMES T. FLANAGAN, JR.
RICHARD G. FORNILI
FRANCIS M. FOTA
TOBIAS J. GLISTER
JORDAN V. HENDERSON
SHARON L. HENDERSON
MICHAEL S. HOGAN
MICHAEL S. HUGHES
RALPH T. JENKINS
DEBORAH R. JOHNSON
THOMAS A. JONES
TATHETRA M. JOSEPH
DIRK D. LAFLEUR
KELLY M. LAUREL
JAMES E. LEE
EDWARD F. MANDRIL

DAVID A. MARQUEZ
TERRY M. MARTINEZ
ERIC M. MCCLUNG
JENNIFER J. MCDANNALD
DENNIS MCGURK
CHARLES O. MCKEITHEN, JR.
DEBRA J. MCNAMARA
ANTHONY A. MEADOR
CARZELL MIDDLETON
TODD J. MOULTRIE
SCOTT A. MOWER
NEIL I. NELSON
SCOTT H. NEWKIRK
ERIC J. NEWLAND
MATTHEW J. OTTING
ERIC E. POULSEN
ROBERT D. PRINS
JAMES L. REYNOLDS
JONATHAN C. RUWE
THERESA E. SAVILLE
BEVERLY S. SCOTT
DAVID W. SEED
AATIF M. SHEIKH
STEVEN E. SHIPLEY
DAVID L. SLONIKER
COREY L. SMALLS
JOHN P. STALEY
MARK A. STEVENS
GEORGE E. STOPPLECAMP
AUDRA L. TAYLOR
JOSEPH E. THEMANN
GEORGE W. THOMPSON III
CHRISTOPHER M. TODD
CHARLES L. UNRUH
ROY L. VERNON, JR.
JOHN D. VETTER
JOSEPH K. WEAVER
JONATHAN R. WEBB
EDWARD J. WEINBERG
RONALD J. WHALEN
JOHN E. WHITE
RICHARD A. WILSON
RAQUEL D. WRIGHT
DEREK O. ZITKO

THE FOLLOWING NAMED INDIVIDUAL FOR REGULAR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY JUDGE ADVOCATE GENERAL'S CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

To be major

EDWARD J. BENZ III

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY MEDICAL SPECIALIST CORPS UNDER TITLE 10, U.S.C., SECTIONS 624 AND 3064:

To be lieutenant colonel

PAUL W. CARDEN
DAVID A. FREEL
NORMAN W. GILL III
PAGE A. KARSTETER

JAMES T. MILLS III
JAMES T. SCHUMACHER, JR.
AMY J. TREVINO
JOHNNY R. VANDIVER
JOHN M. VONDRUSKA
SHERRY L. WOMACK

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR TEMPORARY APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 5721:

To be lieutenant commander

JARED A. BATTANI
KARL BRANDL
JODY D. BRONAUGH
WILLIAM H. BROWN
DAVID E. BYRNE
MICHAEL CANAVATI, JR.
MICHAEL J. CLUVER
CARL R. CRINGLE
ROBERT L. EDMONSON III
SEAN C. FLANAGAN
JOSEPH M. FONTENOT
PETER A. GAAL
LADONNA M. GORDON
JON S. HALL
TRACY L. HANSON
CHARLES D. LINNEMANN
MICHAEL R. MAZZONE
ROBERT J. MCDOWELL, JR.
JOSEPH B. MITZEN
ADAM J. PAPPAS
SETH A. RUMLER
JEREA D. SINES
JAMES G. TUTHILL III
KATHRYN S. WIJNALDUM
MICHAEL A. WITHERILL
ROBERT D. YOUNG

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant commander

VIRGINIA SKIBA

WITHDRAWAL

Executive Message transmitted by the President to the Senate on July 14, 2010 withdrawing from further Senate consideration the following nomination:

SUE E. MYERSCOUGH, OF ILLINOIS, TO BE UNITED STATES DISTRICT JUDGE FOR THE CENTRAL DISTRICT OF ILLINOIS, VICE JOE B. MCDADE, RETIRED, WHICH WAS SENT TO THE SENATE ON JUNE 17, 2010.

EXTENSIONS OF REMARKS

S. PRESTON WILLIAMS

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. GRAVES of Missouri. Madam Speaker, it is with great pleasure that I rise today to recognize the outstanding service of Mr. S. Preston Williams of North Kansas City, Missouri. Mr. Williams has been awarded the Alexander Doniphan Community Service Award for carrying on Doniphan's legacy through a lifetime of service in the areas of military, law, conservation, and community involvement.

Mr. Williams proudly served our country in the United States Marine Corps during World War I. He served with the 3rd Marine Division in the South Pacific, seeing action in Bougainville, Guadalcanal, and Guam. Following his return to the United States, Mr. Williams continued to serve his country as an instructor at Camp Pendleton. He was released from service in December of 1945.

Mr. Williams is a distinguished leader in the legal profession. He is a former Assistant Prosecuting Attorney for Clay County and served as Assistant Attorney General under Missouri Governor John Dalton. He strongly supports the development of the legal profession through his membership in several Bar Associations. In 1998, he served as president of the Clay County Bar and in 1999, he was honored as Dean of the Bar by the Missouri Bar Association.

Mr. Williams is also involved in the conservation of wildlife. He is an avid member of Ducks Unlimited and served in leadership roles from 1979 until 1986. In February of this year, Ducks Unlimited named Mr. Williams the first recipient of the S. Preston Williams Conservation Award.

Mr. Williams is a strong figure in his local community. He has served as councilman in North Kansas City and has been president of the North Kansas City Historical Society. He received the North Kansas City High School Alumni Hall of Fame award in 2004. He has also served as a member of the Mayor's Corps of Progress and the Law Alumni Board of the University of Missouri-Kansas City.

Madam Speaker, I ask that you join me in applauding Mr. S. Preston Williams for his selfless acts of generosity through volunteerism. I know Mr. Williams's colleagues, family, and friends join with me in thanking him for his commitment to others and wishing him happiness and good health in his future endeavors.

HONORING THE 20TH ANNIVERSARY OF THE AFFORDABLE HOUSING PROGRAM

HON. MAURICE D. HINCHEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. HINCHEY. Madam Speaker, I rise today to honor the 20th anniversary of the Affordable Housing Program created by the Federal Home Loan Bank.

Since it was chartered by Congress in 1932, the Federal Home Loan Bank has become the largest source of mortgage lending in the United States. This venerable institution has invested billions of dollars in communities across our nation. These investments have resulted in the development of over 650,000 housing units and the creation of 78,000 construction jobs, lending additional economic security to our local communities. The sound practices of the Federal Home Loan Bank have made affordable housing, small business lending, foreclosure prevention, and financial literacy possible by maximizing the capacity of our community-based banks to serve their neighborhoods.

Twenty years ago, the Federal Home Loan Bank established the Affordable Housing Program in order to increase the availability of mortgages and home finance to families of all income levels. This laudable goal is being achieved by the Bank setting aside 10% of its own private earnings to support the creation and preservation of housing for lower income families and individuals. This outstanding program has helped countless people achieve the dream of homeownership. It has also enabled countless others to secure high quality, safe and affordable rental units.

Under the guidance of President and CEO Alfred DelliBovi since 1992, the Federal Home Loan Bank of New York has helped community lenders throughout New York, New Jersey, Puerto Rico and the U.S. Virgin Islands advance housing and community growth. This regional bank's Affordable Housing Program has supported more than 1,200 projects with grants totaling more than \$350 million. This has resulted in the creation of more than 50,000 units of affordable housing and the generation of \$6 billion in total development costs. This year the Federal Home Loan Bank of New York, announced that they have awarded \$29.7 million in subsidies to fund 54 affordable housing initiatives throughout the region.

Today I stand to thank Mr. DelliBovi and the Federal Home Loan Bank of New York for their investments into our communities, to congratulate them on the success of the program, and to offer my encouragement for them to continue with this outstanding initiative.

HONORING ANN SILBERFEIN ON THE OCCASION OF HER 100TH BIRTHDAY

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. ACKERMAN. Madam Speaker, I rise to honor the remarkable life of Ann Permut Silberfein as she approaches the occasion of her 100th birthday.

Ann Permut Silberfein was born of immigrant parents; Rose Sachawetsky of Russia and Nathan Permut of Kiev on September 25, 1910. Her parents came to America as children with their parents to escape the religious persecution that was, unfortunately, so common in Europe during the early 20th century. Rose and Nathan met in America at a very young age, were married, and eventually started their own business: a curtain and linen store at 670 Manhattan Avenue in Brooklyn. They knew that owning their own business would not have been possible in Europe and they embraced and achieved the American dream.

Rose and Nathan's children helped out in the family store when they were young. As customers checked out, young Ann Permut would write down the price of each item on a brown paper bag and would add the columns in her head. Her years of calculating customers' tabs in her head put her ahead of her classmates and Ann, graduated from high school at 16 years of age. Ann attended college and graduated from Jamaica Training School for Teachers.

Ann later met her husband, George Silberfein. After a wonderful courtship, they were married on June 24, 1934. They lived on Linden Boulevard in Brooklyn and moved to Ridgely Heights until 1939, when they moved to Huntington, New York. They spent many years as members of Cold Spring Country Club, where Ann won many golf tournaments. In May 1979, Ann and George moved to Hillcrest, Florida.

Ann and George were married for 61 happy years until George passed away in 1995. They gave their children, Judy and Manny, Michael and Jane, and Stephen and Linda, a love for America and a drive to give back to the country that had done so much for their family. Their children all went on to college and gave Ann and George nine grandchildren, Steve and Bonnie, Sue, Richie and Carol, Andy and Amy, Jimmy and Diane, Jeffrey, Adam, Scott and Joey, and Jason and Paige.

Ann still resides in Hillcrest and leads an active life with her friends and family. As Ann prepares to celebrate her 100th birthday in September, she rejoices in the warmth of her children, her grandchildren, and her 11 great grandchildren: Emily, Jackie, Josh, Rebecca, Tori, Jill, Matthew, Ryan, Mattie, Brady, and Reese.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Madam Speaker, on the occasion of her 100th birthday, I ask my colleagues in the House of Representatives to join me in honoring Ann Silberfein and wishing her many, many more years to come.

IN HONOR OF THE LIFE AND
WORKS OF HARVEY PEKAR

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. KUCINICH. Madam Speaker, I rise today to honor the life and works of Harvey Pekar. Best known for his work as an underground comic book writer, Mr. Pekar was an artist and critic of many talents. His brilliance touched the lives of many in his native Cleveland home and throughout the world.

In 1976, Mr. Pekar self-published the first issue of what went on to become his most famous comic series: *American Splendor*. In this series, he depicted the trials and tribulations of a mundane working class life in Cleveland. This raw depiction of the modern human condition slowly attracted a readership within the underground comic book scene and peaked with a circulation of 10,000 in the early 1990s. In 2003, his *American Splendor* series was adapted for film, receiving wide critical acclaim.

His artistic and critical talents were reflected in far more than just his defining series. Harvey Pekar was a distinguished essayist, jazz critic, and he collaborated on musical theatre productions.

Madam Speaker and colleagues, please join me in honoring the life of the artist Harvey Pekar. Pekar's talent and works are unparalleled in his field. The world has lost a great treasure in his passing. He will be missed by those who knew him and knew of his work, especially his wife Joyce Brabner and his adopted daughter Danielle.

HONORING THE WORLD WAR II
VETERANS OF ILLINOIS

HON. BILL FOSTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. FOSTER. Madam Speaker, I rise today to honor all the World War II veterans, but especially our distinguished guests from the Honor Flight Chicago program. This noble program enables hundreds of Veterans from the Chicago area to come visit the memorial built to honor their great service and courage, and I have the great privilege of welcoming them to Washington DC.

We all have a special appreciation for our veterans because we know the sacrifices they made to protect us and bring peace to a world ravaged by war. These servicemen answered our nation's call during one of its greatest times of need. These brave Americans risked life and limb, gave service and sacrificed much, all while embodying what it is to be a hero. We owe them our deepest gratitude and thanks for protecting and ensuring our future.

I welcome these brave veterans to Washington and to their memorial. I am proud to submit the names of these men for all to see, hear, recognize and I call on my colleagues to rise and join me in expressing thanks.

Joseph Adamczyk; Nicholas Ahrens; Lewis Asher; John Barbino; Edward Barrett; William Bennett; Edward Britton; Raymond Bukentica; Sam Cangelosi; Edwin Chapp; Willard Clauser; Anthony Coorlim; Russell Damisch; Robert Degnegaard; Thomas Dobesh; Thomas Dougherty; William Draver; Clarence Edman; Dominic Errichiello; Robert Etchingham;

Glenn Felner; Rollin Flanagan; Ray Ford; Jacob Forney; John Frothingham; Kenneth Gardner; Albert Gilman; Alvin Goodman, Jr.; Charles Goufas; Patricia Graves; Richard Hitzeroth; Don Holwerda; Donald Horton; Charles Hoyert; Michael Hrindak; James Jones; Frank Kania; William Kaske; John Keller; Robert Kelley;

Harry Klich; Herman Kok; Raymond Kriesemint; Anthony Kurek; Lloyd Lawson; George Leavitt; Herschel Leffingwell; Henry Lewandowski; Robert Long; Norman Long; Jerry Lonigro; Hugh Lynch; Henry Malek; Casimer Marks; Robert Marshall; Anthony Matkovich; Edward Melnick; Norbert Melsek; Donald Memenga; Arro Merijohn;

Raymond Mietz; Norman Million; Joseph Mootha; Herbert Morrison; Jack Neistat; Ralph Niles; Berthold Notheisen; Jerry Novak; Oscar Olson; Ralph Raap; Genevieve Rafa; Frank Rafa; George Rinke; James Rosenbaum; Fred Ruben; Henry Rutkowski, Sr.; Charles Sauber; Herman Steagall; William Stowe; Harold Van Houten;

Sander Walk; Robert Walton; Raymond Wasielewski; Norbert Wayer; Robert Weber; Melton Williams; William Woodrow; Stanley Zajac; James Zajicek; Donald Zentz; Arthur Bauer; John Shubic; and John Sladek.

ON THE SERVICE OF JESSICA I.
MARTINEZ, NATIONAL YOUTH
PRESIDENT OF THE LEAGUE OF
UNITED LATIN AMERICAN CITI-
ZENS (LULAC)

HON. MARTIN HEINRICH

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. HEINRICH. Madam Speaker, I rise today to pay tribute to an outstanding young New Mexican, Jessica Martinez, for her three vigorous years of service as National Youth President for the League of United Latin American Citizens (LULAC).

Ms. Martinez is currently studying Political Science and Spanish in our congressional district at the University of New Mexico, and has served as LULAC's National Youth President since 2007. Throughout her term, she has provided invaluable national advocacy on issues including the DREAM Act, a bill that I was proud to co-sponsor, which would repeal the restriction against granting talented, law-abiding immigrant students from earning educational benefits and pursuing their dreams here in America.

I am also proud that Ms. Martinez helped to bring the National LULAC Convention and Exposition to Albuquerque, bringing thousands of participants from around the nation to our community. With over 80 years of service,

LULAC has played an important role in making our nation more equal and just for Latino families. From fighting against the segregation of Latino children in schools during the 1930s, to standing in defense of Latino veterans' dignity during our country's world wars, to working today to ensure that our economic recovery makes a difference for our country's Latino community, LULAC's leadership and work in civil rights has been a vital part of the fabric of America.

This is Ms. Martinez' final year as National Youth President, but I look forward to her continued service to New Mexico and to our nation. If our nation is to continue thriving in the 21st Century, we will need young leaders like Jessica Martinez to help meet our greatest challenges.

PERSONAL EXPLANATION

HON. PHIL HARE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. HARE. Madam Speaker, on July 13, 2010, I was unavoidably detained in Illinois due to a family medical emergency. I would like the RECORD to reflect that had I been present, I would have voted as follows: on rollcall No. 434, On Motion To Suspend the Rules and Pass H.R. 4514, the Colonel Charles Young Home Study Act, I would have voted "aye"; on rollcall No. 435, On Motion To Suspend the Rules and Pass H.R. 4438, the San Antonio Missions National Historical Park Leasing and Boundary Expansion Act of 2010, I would have voted "aye"; and on rollcall No. 436, On Motion To Suspend the Rules and Pass H.R. 4773, the Fort Pulaski National Monument Lease Authorization Act, I would have voted "aye."

H.R. 5730, THE "SURFACE TRANSPORTATION EARMARK RESCISSION, SAVINGS, AND ACCOUNTABILITY ACT"

HON. BETSY MARKEY

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Ms. MARKEY of Colorado. Madam Speaker, today I rise to introduce the "Surface Transportation Earmark Rescission, Savings, and Accountability Act." This bill will eliminate a total of \$713 million in unobligated funding for 309 Member-designated projects contained in previous surface transportation authorizations.

The "Surface Transportation Earmark Rescission, Savings, and Accountability Act" will clear the books of projects that will not go forward and save taxpayer money.

This bill will rescind all remaining earmarks from the Surface Transportation and Uniform Relocation Assistance Act, STURAA, which was signed into law in 1987, and the Intermodal Surface Transportation Efficiency Act, ISTEA, which was signed into law in 1991. This rescission would be effective on December 31, 2010, and would eliminate 156 projects for a total of \$264 million in savings.

This bill will also rescind High Priority Project, HPP, designations contained in the Transportation Equity Act for the 21st Century, TEA 21, that have 90 percent of the original project amount remaining unobligated 12 years after this bill was signed into law in 1998. This rescission will become effective September 30, 2011, and would eliminate 152 projects totaling \$441 million.

In addition to eliminating these earmarks, this bill will rescind \$8.2 million in HPP program funds authorized under the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, SAFETEA-LU, that were not allocated for any specific projects.

Madam Speaker, many of these unobligated balances are tied to projects that are either no longer viable, have not received the necessary matching funds from State or local entities, or projects that have been completed yet still contain funding balances that are no longer needed for the designated project.

Going forward, this bill requires the Secretary of Transportation to submit to the Congress an annual report identifying each project authorized under TEA 21 and SAFETEA-LU that contains inactive funding or that has been completed in the previous year. This will allow Congress to identify projects that are either already completed and have additional funding left over, or that are unlikely to move forward.

Eliminating excess funds that have remained unused by States for nearly 20 years is a commonsense approach toward improving the management of federal funds.

As we confront rising budget deficits, reduced revenues caused by the recession, and an ongoing investment gap in transportation infrastructure, it is imperative that we take every step we can to more efficiently and effectively manage taxpayer dollars and stretch funding as far as possible.

Madam Speaker, the "Surface Transportation Earmark Rescission, Savings, and Accountability Act" accomplishes just that by eliminating funding for earmarks that is not being utilized. I look forward to debating this important effort to pass fiscally responsible legislation.

IN HONOR AND RECOGNITION OF
MR. GERALD "GERRY" TRAFIS

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. KUCINICH. Madam Speaker, I rise today in honor and recognition of Mr. Gerald "Gerry" Trafis, a devoted father to Matthew and Brian, friend, and community leader on the occasion of his 60th birthday.

Early in his life, Mr. Trafis learned the importance of faith, family, and hard work. He grew up in the Slavic Village neighborhood of Cleveland, and graduated from St. Peter Chanel High School. He then enrolled and graduated from the University of Dayton and earned his CPA license shortly thereafter. As a longtime resident of Seven Hills, Ohio, Mr. Trafis continues to dedicate his time and focus toward improving the community.

From 1991 to 1995, Mr. Trafis served as Director of Finance for the City of Seven Hills. In 1995, he was elected to serve as Mayor, where he served for nearly ten years until 2003. He then served one term as a Council Representative in Seven Hills until 2005. Mr. Trafis also served as the CFO for Creativity for Kids and Megas Beauty Care. He was entrusted to serve as the Chairman of the Board of the Regional Income Tax Agency and is founder and president of Pleasant Valley Estates Association. Mr. Trafis is an active member and leader within many organizations, including the Seven Hills Democratic Club, St. Columbkille Holy Name Society, St. Peter Chanel High School Hall of Fame, and the Pulaski Franciscan Community Development Corporation.

Madam Speaker and colleagues, please join me in honor and recognition of Mr. Gerald Trafis, on the occasion of his 60th birthday. His dedication to family, friends and community continues to uplift the lives of many throughout the Cleveland area. I wish my good friend Gerry a very happy birthday and health, peace and happiness in the coming years.

PERSONAL EXPLANATION

HON. JEFF MILLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. MILLER of Florida. Madam Speaker, I missed rollcall vote Nos. 434–436 on July 13, 2010.

If present, I would have voted:

Rollcall vote No. 434, Colonel Charles Young Home Study Act, "aye."

Rollcall vote No. 435, San Antonio Missions National Historical Park Boundary Expansion Act of 2010, "nay."

Rollcall vote No. 436, Fort Pulaski National Monument Lease Authorization Act, "aye."

HONORING THE CITY OF LAKE
OSWEGO'S CENTENNIAL CELEBRATION

HON. KURT SCHRADER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. SCHRADER. Madam Speaker, I rise today to honor the City of Lake Oswego, Oregon on the occasion of their 100th anniversary. From its humble beginnings as an iron industry town to its role today as a cornerstone of the State's economic engine, Lake Oswego has proven itself to be an adaptable and resilient community with a rich history.

The town of Oswego was founded in 1847, shortly after iron ore was discovered in the Tualatin Valley. The iron industry proved to be the driving economic force of the small town and many early settlers hoped to build upon the foundations of the industry and turn the area into an industrial center, the "Pittsburg of the West." While the city was never able to meet these grand expectations, the Oregon

Iron & Steel Company helped create a prosperous society and a growing community on the banks of Oswego Lake.

But the iron industry started to decline in Oswego at the beginning of the 20th century. With this downturn, Oregon Iron & Steel turned their focus to residential land development, selling large tracts of land to developers.

In 1910, the Oswego community was officially incorporated as the City of Oswego. The first land developers aspired to create a city where both work and leisure were integral components of the city's success. The City of Oswego was promoted as a place to "live where you play."

By the 1920s and 1930s, high-speed and clean electrified trains stimulated residential development in the city. The next three decades brought increased growth in the community and in 1960, the City of Oswego annexed part of nearby Lake Grove and the city changed its name to Lake Oswego.

Today, Lake Oswego continues to be an outstanding community to live, work and play. The city has a nationally ranked library, an award winning senior center and a plethora of arts, culture and recreation opportunities available to residents. The city, in partnership with local businesses, has made a priority of economic development and transportation planning that will ensure a bright and sustainable future for the community for years to come. And the Lake Oswego School District is responsible for a public education system that is one of the best in the country, benefitting from widespread community support.

Madam Speaker, 100 years have now passed since the city was officially recognized and I am honored to be the representative for this beloved community. I congratulate Lake Oswego on their centennial celebration and hope the city enjoys another 100 years of growth and prosperity.

RECOGNIZING THE HONORABLE
MILITARY SERVICE OF MAJOR
ALBERT F. CORCHUELO

HON. DARRELL E. ISSA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. ISSA. Madam Speaker, I rise today to recognize the military service of Major Albert F. Corchuelo on the occasion of his retirement from the United States Marine Corps. I commend Major Corchuelo's career and offer my sincerest thanks for his more than 20 years of dedicated service in protecting our nation.

Beginning his career with an appointment to the U.S. Naval Academy, Major Corchuelo's graduation was followed by his commissioning as a Second Lieutenant in the U.S. Marine Corps. His first assignment included serving as an Air Defense Control Officer in Cherry Point, North Carolina and was subsequently hand selected to apply his skills as a Spanish linguist as a liaison in support of counter-narcotics operations in Barranquilla, Columbia.

In 1992, Major Corchuelo was selected to train and was designated as a Naval Aviator in Pensacola, Florida where he was promoted

to Captain during flight training. Upon receiving his Naval Aviator wings, he was assigned to HMT-302 in Tustin, California, followed by HMH-462 where he deployed with 15th and 13th MEU. During his tour he served as Pilot Training Officer, Assistant Logistics Officer, Tactics Officer, Administration Officer, and Legal Officer. Throughout the course of these numerous duties, Major Corchuelo also participated in Exercise Hunter Warrior as part of the Commandant's Advanced Warfighting Experiment.

In 1998, Major Corchuelo graduated from Amphibious Warfare School and served as the Executive Officer (XO) for the Training and Education Company at Headquarters and Service Battalion. Soon after this term, Major Corchuelo joined the Selected Marine Corps Reserve in 2001. Just one year later he accepted orders to the Active Reserves as the Assistant Operations Officer which deployed shortly thereafter.

With distinguished tours of duty in Kosovo, Djibouti, and the Persian Gulf for Operations Enduring Freedom and Iraqi Freedom, Major Corchuelo's tenure in the Marine Corps is certainly worthy of commendation. In 2004 he transitioned to Camp Pendleton where he served as the Officer-in-Charge (OIC), then as the Reserve Officer Recruiter for the West Coast for the next three years. In 2008 he operated as the OIC for Prior Service Recruiting while earning a Master of Science Degree in Information and Telecommunications Systems Management. On July 9, 2010, Major Corchuelo finished out his extensive military career as the Executive Officer for Reserve Site Support Del Mar at Camp Pendleton, California.

Major Corchuelo distinguished himself by extraordinary acts of leadership time and again. Among his many accomplishments, Major Corchuelo's decorations include the Navy and Marine Corps Commendation Medal (2), Navy and Marine Corps Achievement Medal, Presidential Unit Citation, Joint Meritorious Unit Award, Navy Unit Citation (5), Meritorious Unit Citation (3), National Defense Medal (2), Armed Forces Expeditionary Medal (3), Kosovo Campaign Medal, Iraq Campaign Medal, Global War on Terrorism Service Medal, Sea Service Deployment Ribbon, Recruiting Ribbon, Armed Forces Reserve Medal and the NATO Kosovo Medal.

These recognitions are a true testament, among other things, of Major Corchuelo's great dedication, leadership and commitment to our country.

I offer Major Corchuelo my warmest congratulations and may he enjoy a rich and rewarding retirement with his wife Peggy and his two children, Daniel and Brian.

Madam Speaker, I ask you to please join me in honoring all the brave men and women who have served in the United States Armed Forces, and the admirable service of Major Albert Corchuelo.

PERSONAL EXPLANATION

HON. W. TODD AKIN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. AKIN. Madam Speaker, on rollcall No. 436, H.R. 4773, Fort Pulaski National Monument Lease Authorization Act, had I been present, I would have voted "aye."

RECOGNIZING PFC EDWIN "EDDIE" WOOD

HON. LEE TERRY

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. TERRY. Madam Speaker, it is with great sadness that I rise to pay tribute to a young man from Omaha who was killed recently in Afghanistan, in the service of our country.

PFC Edwin "Eddie" Wood, a scout with the Army's 10th Mountain Division, was on patrol when an IED exploded and killed him and another soldier and wounded three others. He is the first soldier from Omaha to die in Afghanistan. He had been in the Army for less than a year and had not even reached his 19th birthday.

Private First Class Wood was a graduate of Omaha North High School, where he was involved in Boy Scouts, drama, and was a member of the ROTC all 4 years. He also participated in early American re-enactor events with his father.

Scouting was a big part of Eddie's life. He started as member of Cub Scout Pack No. 5 and then moved up to Boy Scout Troop No. 20, earning all the ranks up to Life Scout—just below Eagle Scout. He earned and was awarded 32 merit badges. In 2006, I wrote a letter to Eddie, helping him to earn his Citizenship in the Nation badge. His love for Scouting continued even after he enlisted in the Army. He was listed as an active member of the Boy Scouts Mid-America Council.

Madam Speaker, it is times like this when we truly realize the sacrifices that are being made every day by the young men and women who serve in our armed forces. It also brings home the sacrifices that families make in watching their children go off to war. We are so grateful to them.

Today, I join my colleagues in extending our thoughts and prayers to military families, especially the Wood family during this difficult time.

IN RECOGNITION OF COLONEL SHERRY B. KELLER'S SERVICE TO THE ANNISTON ARMY DEPOT

HON. MIKE ROGERS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. ROGERS of Alabama. Madam Speaker, I would like to request the House's attention today to pay recognition to Colonel Sherry B. Keller's service in the United States Army.

Colonel Keller is a Virginia native who began her service by enlisting in the United States Army Reserve. She received her commission through the Reserves Officers Training Corps at Hampton University. Her career in the U.S. Army has taken her across the world from Fort Stewart, Georgia to Germany, and to Korea.

Currently, Colonel Keller serves as Commander of the Anniston Army Depot. The Anniston Army Depot is the designated Center of Industrial and Technical Excellence for combat vehicles, artillery, bridging systems, and small caliber weapons. Its over 4,000 employees provide critical maintenance support at the Depot and serve in direct support overseas. Her leadership continues to allow the Depot to be proudly known as the Pit Crew for the American War Fighter.

I greatly appreciate Colonel Keller for her service to our Nation, the Anniston Army Depot and our community. Her loyalty to duty, honor, and selfless service are in the highest traditions of the Army. I wish her all the best in her next endeavors.

RECOGNIZING SILOAM SPRINGS HIGH SCHOOL FOR ITS ACHIEVEMENTS IN SCHOOL IMPROVEMENT

HON. JOHN BOOZMAN

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. BOOZMAN. Madam Speaker, I would like to recognize Siloam Springs High School for its national recognition for outstanding achievement in school improvement.

Siloam Springs High School is one of only 30 schools to be named a Pacesetter School by the Southern Regional Education Board, an honor given to schools that exemplify the progress they can make when leaders embrace change and support improvement efforts.

Siloam Springs Hill School earned this recognition two years ago and continues to advance its curriculum and instruction to create an environment that encourages high achievement of its students.

School leaders attribute this success to block scheduling that allows teachers to work with a fewer number of students during longer class periods and provide students with more individual assistance as well as an increase in the number of Advanced Placement courses offered.

I am very proud to honor and congratulate the students and staff at Siloam Springs High School as well as the school district and the community for this innovative approach to education. I look forward to the academic excellence that will come from Siloam Springs High School in the years to come.

RECOGNIZING DON MARTENS ON
THE OCCASION OF HIS RETIRE-
MENT

HON. DARRELL E. ISSA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. ISSA. Madam Speaker, I rise today to recognize the distinguished tenure of Mr. Don W. Martens, on the occasion of his retirement as Chair of the American Bar Association (ABA) Section of Intellectual Property Law. At the helm of this association, Mr. Martens has brought a wealth of knowledge, experience and leadership—leaving a profound impression on intellectual property law.

Mr. Martens will end his one-year term as Chair of the ABA Section of Intellectual Property Law in early August. With over forty years' experience as an intellectual property litigator, Mr. Martens is a leading voice in intellectual property matters.

Mr. Martens graduated with honors from the University of Wisconsin with a bachelor's degree in engineering followed by a juris doctorate degree from George Washington University Law School where he was Patent Editor of the Law Review and graduated first in his class.

Among his many accomplishments, Mr. Martens has served as President of the American Intellectual Property Law Association (AIPLA) and three terms as a member of the Court of Appeals for the Federal Circuit's Advisory Council. Prior to his current Chairmanship, Mr. Martens also served as Chair of the Section's Patent Law Reform Task Force.

Additionally, Mr. Martens' list of remarkable achievements include being named as one of "The Top 10 Patent Lawyers in the World" by PLC Global Counsel, as one of "the 20 Best Patent Lawyers in the World" in a comprehensive international survey by Euromoney Legal Media Group, one of two "Leading IP Lawyers" in the United States by the Global Counsel's Handbook and one of the "Best Lawyers in America" for both Alternative Dispute Resolution and Intellectual Property Law—all impressive distinctions.

In 2005, Mr. Martens and the IP Section of the ABA were asked to put together a Patent Law Reform Task Force to assist in the gathering of information for legislative reform efforts in Congress. As a result, the Task Force developed a White Paper which has since become a well-regarded source for objective and well-reasoned analysis and recommendations on patent reform issues, both in Congress and the private sector.

Madam Speaker, I ask that my colleagues please join me in recognizing the celebrated tenure of Mr. Don Martens and applaud his determined efforts as Chair of the ABA Section of Intellectual Property Law to improve the legal process and promote the rights of inventors across the country.

RECOGNIZING THE WORK OF
DEANNA WEEKS

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. HUNTER. Madam Speaker, today I rise to recognize the retirement of Ms. Deanna Weeks from the East County Economic Development Council (ECEDC), located in my congressional district in East San Diego County. For 25 years, Deanna has provided inexhaustible service and dedication to the people and businesses of San Diego's East County. Both as a person and a professional, Deanna will be sorely missed.

One does not have to search very long to find the positive results of Deanna's work, sacrifice and leadership in our community. Like the rest of the nation, our region is going through difficult economic times. I firmly believe, however, it could be much worse for East County if it were not for the significant contributions Deanna made during her time and leadership with the ECEDC. Prior to joining ECEDC Deanna worked at the Center on Aging at San Diego State University followed by Greenwald/McDonald commercial developers. In the early 1990s after joining the ECEDC, Deanna pioneered a grant effort from the Department of Defense that studied the needs of small defense-related firms in the East County, resulting in Connectory.com, an internet connectivity tool that allowed for many San Diego companies to gain business with the U.S. Federal Government and expand and grow into new and exciting areas.

Aside from creating Connectory.com and managing its development and growth from a sub-regional marketing tool into a nationally recognized asset, Deanna was also the leading force behind forming the San Diego Space and Defense Consortium, which provided vital resources to local companies enabling them to compete with large defense contractors. She created and supported the East County Economic Development Foundation and the Supporting Education and Economic Development partnership, both of which work to create and strengthen career and technical education opportunities in our local high schools and community colleges. Deanna has served in other capacities such as the Boards of the Downtown El Cajon Partnership and the San Diego East County Chamber of Commerce and is currently serving on the Board of the Grossmont-Cuyamaca Community College District where she has been a key member of the East County K-16 Collaborative, a joint effort between community education and business that focuses on improving student transition between grade levels and curriculums.

Madam Speaker, in a time when the needs of our community usually score low on our list of priorities, I am always encouraged by the efforts of Deanna and her unending determination and sacrifice to make East San Diego County the special place it is to live. While she will be greatly missed, she has provided us all with a great example of service to the community. I urge all of my colleagues to join me in congratulating Deanna Weeks on her retirement, I wish her all the best in her fu-

ture endeavors and thank her for her many years of unyielding dedication to guiding the economic prosperity of San Diego's East County. We will miss you Deanna, enjoy those grandkids!

CONGRATULATIONS TO THE UNI-
VERSITY OF KANSAS' ROBERT J.
DOLE INSTITUTE OF POLITICS
ON COMPLETION OF THE INSTI-
TUTIONAL ASSESSMENT POR-
TION OF THE AMERICAN ASSO-
CIATION OF MUSEUM'S MUSEUM
ASSESSMENT PROGRAM

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. MOORE of Kansas. Madam Speaker, I am pleased to have this opportunity to congratulate the Robert J. Dole Institute of Politics on the campus of the University of Kansas for completion of the Institutional Assessment portion of the American Association of Museum's Museum Assessment Program, MAP.

Senior Archivist Morgan Davis led the MAP team which included Audio/Visual Archivist Judy Sweets and Assistant Archivists Catherine Riggs and Robert Lay. The team completed an extensive self-study survey which included exercises designed to help improve understanding of museum practices and broaden the scope of services offered in the Dole Archive.

Judith Endelman, Director of the Benson Ford Research Center at The Henry Ford Museum, was selected to assist the Dole Archive in the Museum Assessment Program. During her two-day visit to the Dole Institute, Ms. Endelman met with Dole Institute staff and Dole Archive Advisory Board members to get a better understanding of the programs and services currently offered.

The Dole Archive, which contains the collections of former Senator Bob Dole, is an invaluable research collection documenting Senator Dole's 36 wonderful years in Congress and record setting 11 years of leadership in the Senate. The Dole Archive contains a significant collection of papers, images and objects, many of which are on display in public exhibits at the Dole Institute.

The Dole Institute of Politics is a bipartisan civic institution with a mission to promote civic engagement and public service. Led by Director Bill Lacy, this mission is carried out through public programming which regularly brings figures of national political prominence to speak at the Dole Institute, interpretive exhibits on the life and career of Senator Dole, and the maintenance of the Dole Archive research collections.

Participation in the MAP program was made possible at virtually no cost to the Dole Institute through assistance from the Institute of Museum and Library Services.

I ask my colleagues to join me in congratulating the Dole Institute's achievement.

PERSONAL EXPLANATION

HON. VERNON J. EHLERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. EHLERS. Madam Speaker, on rollcall Nos. 434, 435, and 436, I was absent for two reasons. First, my flights from GRR to DTW and from DTW to DCA were both delayed. Second, I had an important meeting related to my work on the aviation subcommittee and my role as co-chair of the GH caucus. Had I been present, I would have voted "yes" on all three votes.

RECOGNIZING THE OUTSTANDING SERVICE OF ANTHONY CERONE ON THE OCCASION OF HIS RETIREMENT

HON. DARRELL E. ISSA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. ISSA. Madam Speaker, I rise today to honor the service of Anthony Cerone and his dedicated service to the people of the United States on the occasion of his retirement.

In February 1976 Mr. Cerone was hired by the Federal Bureau of Prisons and was assigned as a Correctional Officer at the Metropolitan Correctional Center in San Diego, California. He was promoted to the rank of Senior Officer Specialist in August of 1980.

In 1979, Americans were taken hostage at our Embassy in Tehran, Iran. Mr. Cerone responded by joining the U.S. Air Force Ready Reserve. He remained until 1985 and was Honorably Discharged as a Staff Sergeant.

With a desire to work in the field and within the community enforcing immigration law, Mr. Cerone pursued a career with the U.S. Immigration and Naturalization Service (INS) and was hired in November of 1980, assigned to the U.S. Border Patrol in San Ysidro, CA as an Immigration Detention Officer. He transferred to the San Diego District Downtown Office in May of 1983. He was promoted to Lead Detention Enforcement Officer in 1985 and Deportation Officer in 1987.

Mr. Cerone graduated from Miramar College, San Diego, CA in 1983 and earned a degree in the Administration of Justice.

In 1999, Mr. Cerone was promoted to Supervisory Detention and Deportation Officer where he formed and was the team leader of the newly created Alien Removal Unit. On June 30, 2001, Mr. Cerone voluntarily retired with over 29 years of federal service.

After September 11, 2001, Mr. Cerone desired to return to federal law enforcement to aid in the effort to protect the United States and its citizens from future terrorist attacks.

In March of 2002, he was hired as a Special Deputy U.S. Marshal to protect the U.S. Courts and its staff at the U.S. District Court of Southern California, in San Diego. During this time, he also applied to return to service with the INS.

The U.S. Department of Homeland Security and Immigration and Customs Enforcement

(ICE) hired Mr. Cerone as the Officer-in-Charge of the ICE Otay Detention Facility on June 12, 2005. After two years of overseeing this custodial operation that managed 1,000 ICE detainees and over 400 employees, Mr. Cerone transferred to the downtown ICE office on July 1, 2007, as an Assistant Field Office Director.

Madam Speaker, I ask that my colleagues please join me in recognizing the distinguished career of Anthony Cerone serving the People of the United States.

COMMEMORATING THE 15TH ANNIVERSARY OF THE SREBRENICA GENOCIDE

HON. RUSS CARNAHAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. CARNAHAN. Madam Speaker, on Sunday, July 11, 2010 the world passed to solemnly commemorate the 15th Anniversary of the Srebrenica Genocide. This unconscionable act of cruelty and disregard for human life—Europe's worst massacre since World War II—has left a deep scar upon humanity.

An estimated 8,000 Muslim men and teenage boys were brutally slaughtered and approximately 30,000 refugees were forced from their homes.

United Nations peacekeepers protecting the Srebrenica "safe zone" were outmanned and outgunned with little ability to stop the atrocities. This, unfortunately, highlights the collective failure of nations to take sufficient, decisive, and timely action to prevent this horrific mass murder and ethnic cleansing. We must never forget the important lessons learned from this terrible chapter of Bosnian history, in particular that hatred must never be allowed to take root.

I represent one of the largest populations of Bosnians and Bosnian-Americans. Approximately 35,000 Bosnian-Americans reside in the St. Louis, Missouri region, and of these, upwards of 5,000 are survivors of the Srebrenica massacre. This is an issue for which I feel strongly, as I have seen how profoundly it has affected individuals, families, and the community.

Last year, I met with several of these Missourians while attending the 14th anniversary remembrance ceremony in Srebrenica. I witnessed the mass burial of the remains of over 500 victims recovered from the mass gravesites. It is important for us to remember those who were lost, and honor their memory as we move forward.

Fifteen years later there are still mass grave sites that remain undiscovered, families that have yet to be reunited, and remains of loved ones that have yet to be positively identified. The International Commission on Missing Persons (ICMP) has been doing remarkable forensic work in Bosnia, and training and employing local Bosnians, to help identify remains. Most of the families of survivors in my district have contributed DNA samples in the effort to help identify their missing family members. While they still face serious difficulties, to date they have positively identified two-thirds of the missing persons in Bosnia.

Fortunately, there have been significant efforts, overall, at apprehending war criminals and ensuring that they face justice. The International Criminal Tribunal for the former Yugoslavia (ICTY) has indicted a total of twenty-one individuals for crimes committed in Srebrenica, including seven senior officials who were convicted in June 2010, and former President Radovan Karadzic who is currently on trial.

It is imperative that war criminals be found and brought to justice. I strongly urge the United States, along with the international community, to continue its commitment to help find and bring to justice Bosnian Serb commander Ratko Mladic, who is still at large, for his central role in orchestrating the atrocities of the genocide.

These trials are critical to the social healing and reconciliation process that must take place in order to advance to goal of a lasting peace, prosperity, rule of law, and an effective unity government in Bosnia and Herzegovina. And it is critical to provide some closure to the families of the victims of the Srebrenica Genocide, so that their personal healing can also take place.

Additionally, in March, 2010, the Serbian Parliamentary official of Bosnia issued a formal apology for the 1995 massacre of Bosnian Muslim men and boys. This narrow majority vote cannot replace the losses suffered by the Bosnian people as a result of the genocide, but this signal of acknowledgement by the Serbian community was a necessary and hopefully meaningful step forward.

Bosnia and Herzegovina has taken great strides toward becoming a more stable nation and an international partner, yet increased stability in the region and stronger national institutions are still key priorities moving forward.

The United States can best honor the innocent lives lost by taking a moment of pause, today, to reflect upon the Srebrenica Genocide and recommit ourselves to the defense of human rights and freedoms wherever they are imperiled. We in Congress must also persist in ensuring that justice is served and freedom and democracy endure through our continued show of support for Bosnia and Herzegovina with respect to its constitutional reform, improvement of democratic institutions, strengthening of the rule of law, and increased political and economic stability.

Let us commemorate the tragedy of Srebrenica by delivering on the promise of peace.

PERSONAL EXPLANATION

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Ms. LEE of California. Madam Speaker, yesterday I missed rollcall vote No. 434 on H.R. 4514, rollcall vote No. 435 on H.R. 4438, and rollcall vote No. 436 on H. Res. 4773. Had I been present, I would have voted "aye" on each of these rollcall votes.

COMMEMORATING THE DETROIT
SPORTSMEN'S CONGRESS ON
CELEBRATING ITS 75TH ANNI-
VERSARY

HON. CANDICE S. MILLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mrs. MILLER of Michigan. Madam Speaker, I rise today to acknowledge a special anniversary celebration for an important organization headquartered in my district in the Charter Township of Shelby. In September 2011, the Detroit Sportsmen's Congress, DSC, will mark its 75th Anniversary. This group has already started preparations to properly recognize this historic achievement. The organization traces its inception back to the year 1936 in the City of Detroit. And over time, it has grown into perhaps one of the nation's most distinguished conservation and sportsmen's groups.

The Detroit Sportsmen's Congress has demonstrated an unwavering commitment to preserve the natural treasures and pristine resources we are so blessed to live with in the State of Michigan. The DSC has offered a variety of educational programs for adults, children and the community at-large and has exhibited a strong record promoting conversation and safety. As a Member of the Homeland Security, I also want to applaud the group for offering its training facilities to local, state and federal law enforcement agencies. This is just one of the many examples of how the DSC is serving the people of Metropolitan Detroit.

The Wolverine State abounds with so many wonderful opportunities and recreational activities like hunting, competitive target shooting, fishing, and boating. From the ATV trails to the banks of the magnificent rivers and all across this splendid peninsula, you can find people enjoying some type of leisure and pleasure in the great outdoors. These activities provide a tremendous boost to our quality of life and allow families to spend time together. Building memories with loved ones and handing down family traditions to the next generation are some of the most priceless moments we can hold dear and cherish.

I would be remiss if I did not acknowledge the financial contributions these activities offer to the local and state economy. It is absolutely vital we protect and enhance our environment for not only future preservation, but also the benefits they offer to individuals who depend on them for their livelihoods and careers.

Madam Speaker, I am a water enthusiast and grew up sailing the Great Lakes. In fact, I have made the Great Lakes one of my principle advocacies since being elected to office. Therefore, I appreciate the hard work exhibited by the DSC and its membership both past and present.

Moreover, I am always reminded of my oath to defend the United States Constitution, so safeguarding the Second Amendment is something I take very seriously. That is why supporting legislation which protects law-abiding citizens ability to keep and bear arms is something I will continue to fight for as long as I have the privilege to serve in this Chamber.

Madam Speaker, I applaud the Detroit Sportsmen's Congress for their dedicated ef-

forts to educate people about our rights, our heritage and our environment. The DSC and its affiliates are providing a vital service to the community and continuing what is the strong tradition of sportsmen residing in Michigan.

It is here I am reminded of the words of our nation's 26th President, Theodore Roosevelt, who once said, "To waste, destroy our natural resources, to skin and exhaust the land instead of using it so as to increase its usefulness, will result in undermining in the days of our children the very prosperity which we ought by right to hand down to them amplified and developed." I too would agree we have an obligation to leave the next generation with improved natural resources and even more opportunities in life than what we inherited. This is the ultimate goal and the reason we go to work each day.

Once again, I extend my best wishes to the Detroit Sportsmen's Congress on its upcoming 75th Anniversary. It is my distinct honor to represent this organization in the United States House of Representatives and to commemorate this notable achievement. Happy 75th Anniversary to the Detroit Sportsmen's Congress.

LACKLAND GATEWAY HERITAGE
FOUNDATION

HON. CHARLES A. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. GONZALEZ. Madam Speaker, I rise today to commend the Lackland Gateway Heritage Foundation for their dedication to memorializing the proud heritage, tradition of honor, and legacy of valor of our country's Air Force and the countless sacrifices and contributions that our airmen make to defend and preserve the freedom of this nation. Since 2003, the foundation has been working tirelessly in their efforts to pay tribute to our enlisted airman.

Thanks to the vision of the Lackland Gateway Heritage Foundation, efforts for a modern museum are underway at Lackland Air Force Base in San Antonio, Texas to commemorate the transformation of young men and women into patriotic military professionals and leaders. The United States Air Force Airman Heritage Museum aims to make San Antonio the prime destination for those seeking to learn, understand, and admire the Air Force's history and traditions, providing an educational opportunity for the thousands who already visit Lackland Air Force Base and the many more who will do so in the future.

Madam Speaker, I ask my colleagues to join me in honoring the Lackland Gateway Heritage Foundation as we recognize their noble efforts to memorialize the heritage of our United States Airmen.

HONORING THE LEGACY OF ALAN
REUTHER, LEGISLATIVE DIREC-
TOR OF THE UNITED AUTO
WORKERS

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Ms. WOOLSEY. Madam Speaker, after thirty-three years of dedicated service, Alan Reuther is retiring from his position as legislative director with the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW. As legislative director, he has been responsible for supervising all aspects of the UAW's legislative program, including development of issues, presentation of testimony, lobbying Members of Congress, and grassroots organizing.

During his tenure at the UAW, Alan championed significant legislative accomplishments, including: saving civil legal services for the poor, which were slated for elimination under the Gingrich "Contract for America"; the enactment of minimum wage increases in 1996 and again in 2007; halting efforts by the Bush Administration and Congressional Republicans to privatize Social Security; the enactment of the State Children's Health Insurance Program, SCHIP, in 1997 and its expansion in 2009; the enactment of compromise Corporate Average Fuel Economy legislation in 2007 that included the Section 136 program to fund investment in U.S. production of advanced technology vehicles; fending off repeated attempts by the Bush Administration to erode the protections of the Fair Labor Standards Act; the enactment of the Lilly Ledbetter Fair Pay Act of 2009 and hate crimes prevention legislation; the enactment of federal extended unemployment benefits in economic recessions; and finally, the enactment of both the stimulus provisions of the American Recovery and Reinvestment Act of 2009 and health care reform.

As chair of the Workforce Protections Subcommittee, I know first-hand the significance of Alan's accomplishments on behalf of the American worker. Just to use one recent example, my Subcommittee held the legislative hearing on the Lilly Ledbetter Fair Pay Act. This was the first piece of legislation that President Obama signed into law after he took office, and it is a significant step in the fight to achieve equal pay between men and women. In addition, tireless work in the passage of health care reform cannot be understated. Congratulations, Alan, and thank you for your contributions to the public good. You will be missed—that's for sure.

HONORING ANGELO PLAKAS

HON. THADDEUS G. McCOTTER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. McCOTTER. Madam Speaker, today I rise to honor the extraordinary life of Angelo Plakas and to mourn him upon his passing at the age of 70.

Born on August 2, 1939, Angelo Plakas dedicated his life to serving his community

and his country. After graduating from the University of Detroit in 1960, Angelo taught elementary school before returning to school himself to pursue a law degree. He graduated from Wayne State University in 1967 and began a long and storied relationship with several cities in the Metropolitan Detroit Area, most notably serving the city of Westland for more than 30 years.

Angelo Plakas had represented the City of Westland since 1992 and was recognized as one of the most knowledgeable municipal attorneys in southeastern Michigan. During his tenure as City Attorney, Mr. Plakas served as an integral part of the economic development of the city with the purpose of making Westland a better place to live and work. Angelo donated much of his time and financial support to many civic organizations in Westland and encouraged others to be likewise involved. He was recognized as the Westland Chamber of Commerce Business Person of the Year in 2008. Angelo Plakas helped to form the following non-profit charitable entities: Westland Community Foundation, Westland Historical Society, Westland Rotary Charitable Foundation and S.P.A.R.K. (Sports, Parks and Recreation for Kids).

Angelo Plakas loved his community and his community loved him. Always mindful of where he came from, Angelo never forgot where he'd been and always endeavored to better the world around him. As an alumnus of Detroit McKenzie High School, Mr. Plakas formed the "Friends of McKenzie" to help raise money needed to continue the athletic programs of his beloved alma mater.

Regrettably, on July 13, 2010, Angelo Plakas passed from this earthly world to his eternal reward. He is survived by his beloved wife, Sandra, and his children, Jim and Elaina. Angelo's legacy will continue in the lives of his grandchildren Cameron, Braden, Drew, Emma and Jack. Mr. Plakas also leaves behind his brother Jim.

Madam Speaker, Angelo will be long remembered as a compassionate father, a dedicated husband, community leader and friend. Angelo was a man who deeply treasured his family, friends, community and his country. Today, as we bid Angelo Plakas farewell, I ask my colleagues to join me in mourning his passing and honoring his unwavering patriotism and legendary service to our country and our community.

**HONORING MARYLAND TRUCK
DEALER OF THE YEAR**

HON. JOHN P. SARBANES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. SARBANES. Madam Speaker, I rise today to recognize Mr. John "Jack" Saum who was recently honored by his peers within the trucking industry as the 2010 Dealer of the Year by the American Truck Dealers (ATD) and Heavy Duty Trucking. The award recognizes excellence in dealership performance, industry leadership, civic contributions and community service. Mr. Saum is Chairman of the Board of Beltway Truck Companies, LLC,

which is headquartered in Baltimore, Maryland in my Congressional district.

For more than 40 years, Mr. Saum has been involved in the truck business. He held a series of management positions with International Harvester in the Northeast region of the country before joining Beltway International in 1984. Mr. Saum initially served as general manager at the Beltway dealership and assumed the role of dealer principal in 1997 when he purchased the dealership.

Under his leadership, the dealership has grown exponentially from a single point location in Baltimore to seven locations that span eight Maryland counties, the city of Baltimore, five West Virginia counties, one Delaware county and the city of Wilmington.

Mr. Saum is a strong supporter of green technology within the commercial truck industry. His innovative business approach is exemplified in his "A New Truck is a Green Truck" initiative which focuses on environmentally friendly truck technologies. With support from the National Automotive Dealers Association (NADA) and Navistar, Mr. Saum led efforts to educate public officials about the environmental and fuel efficiency advantages of new truck design improvements with a focus on new diesel-powered trucks, diesel-electric hybrid trucks, auxiliary power units (APUs) and retrofit programs.

Since Jack Saum became chairperson, the Board of Beltway Truck Companies, LLC has been the winner of multiple awards from Navistar for dealership performance, financing, lease and rental and operations excellence. In fact, Mr. Saum has won a number of individual awards from Navistar for his work, culminating with the award we recognize today.

Madam Speaker, I am honored to represent Mr. Jack Saum and his employees at Beltway Truck Companies in Baltimore and ask that you join me in congratulating him for this recent honor and for his efforts on behalf of his customers, his fellow business owners and all Marylanders.

Once again, I offer my best wishes to him for continued success in the future.

**HONORING FRED "UNCLE FRED"
BENJAMIN YOUNG**

HON. KENDRICK B. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. MEEK of Florida. Madam Speaker, today I rise to pay tribute to the life and legacy of the late Mr. Fred "Uncle Fred" Benjamin Young, a constituent in the Congressional district I represent. It is with both profound sadness, but also an enduring sense of gratitude that I recognize him for the tremendous inspiration he provided to the South Florida community.

Mr. Young was born in Spartanburg, South Carolina on March 20, 1932 to the late Mr. Charles Young, Sr. and Mrs. Mattie Mae Bryson-Young. After graduating high school, Mr. Young enlisted in the United States Air Force. He was Honorably Discharged after serving four years as a radio operator on B-29 Bomber Aircrafts during the Korean War.

Upon returning home from the military, Mr. Young enrolled at Livingstone College in Salisbury, North Carolina where he earned a bachelor's degree in Political Science. While in college, Mr. Young pledged Omega Psi Phi, Fraternity. Soon thereafter, he moved to New York, New York.

His professional career began when he secured employment in a number of administrative positions for the State and City of New York. He was later tapped to head one of the largest Anti-Poverty Manpower Training programs—the Opportunities Industrialization Center, Incorporated. He was the Branch manager for the Lower East Side and later the Bronx.

In 1976, Mr. Young relocated to Miami, Florida and held a number of professional positions for the Miami-Dade Public School System. In 1996, he retired as a Data Analyst Manager with the Miami-Dade Schools' Police Department. Upon retirement, Mr. Young served as Administrative Assistant to Dr. Solomon Stinson, Chairman of the Miami-Dade County Public School Board—a position he held until his passing.

Mr. Young was blessed with a loving family who took pleasure in every aspect of his life and his interests. I offer my heartfelt condolences to the Young family.

Madam Speaker, I ask you and all the members of this esteemed legislative body to join me in recognizing the extraordinary life and accomplishments of Mr. Fred "Uncle Fred" Benjamin Young. I am honored to pay tribute to Mr. Young for his invaluable services and tireless dedication to the South Florida community. He will be missed by all who knew him, and I appreciate this opportunity to pay tribute to him before the United States House of Representatives. While he will indeed be missed, his legacy will live on and the outstanding contributions he made to the betterment of Miami-Dade County and South Florida will never be forgotten.

**HONORING DR. DENNIS TRYBUS
ON THE OCCASION OF HIS RE-
TIREMENT FROM THE POSITION
OF EXECUTIVE DIRECTOR AT
THE HELPING HAND REHABILITATION CENTER**

HON. DANIEL LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. LIPINSKI. Madam Speaker, I rise today to honor Dr. Dennis Trybus, a constituent in my district who has nurtured children and adults with developmental disabilities to their full potential for the past 12 years while serving as the Executive Director at the Helping Hand Rehabilitation Center.

Helping Hand has been a fixture in my district for over five decades. Established in 1955 at a time when little support existed for children with disabilities and their families, it has now grown into a successful, respected institution serving 500 individuals per year and offering varied services from education to therapy and from vocational support to residential placement in independent group homes.

For the last 12 years, Helping Hand has flourished under the steady hand of the Executive Director Dr. Trybus. Dr. Trybus spearheaded key expansion projects for Helping Hand, with the construction of three new group homes and the establishment of a specialized school for children with autism—a state of the art model facility. Through his long tenure at Helping Hand, he has built many warm relationships with the Center's clients, their families, and the Center's staff, encouraging a culture of commitment and caring at this institution.

Dr. Trybus' commitment to Helping Hand and to its clients will be sorely missed as he retires from this position—an occasion truly worthy of special recognition and commendation. But his achievements will enable Helping Hand to carry on its work long into the future; and I am happy to announce that Helping Hand will celebrate his legacy by naming its newly constructed Wellness Center in his honor.

I ask you to join me in honoring Dr. Dennis Trybus and his work on behalf of people with developmental disabilities, and to wish him a well-deserved long and happy retirement.

MEDIA SHOW DOUBLE STANDARD ON SUPREME COURT NOMINEES

HON. LAMAR SMITH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. SMITH of Texas. Madam Speaker, the national media have shown a clear double standard in their coverage of Supreme Court nominees, according to recent studies by the Media Research Center (MRC).

MRC found that when President Bush nominated John Roberts and Samuel Alito to the Supreme Court in 2005, the national media repeatedly described both men as "very conservative."

In contrast, when President Obama nominated Sonia Sotomayor in 2009 and Elena Kagan this year, the media rarely described them as "very liberal."

MRC also found that the television networks gave far more coverage to opponents of Roberts and Alito compared to opponents of Sotomayor and Kagan.

The national media should report the facts, not practice a double standard.

INTRODUCING LEGISLATION TO IMPROVE THE POST 9/11 VET- ERANS EDUCATION ASSISTANCE PROGRAM (P.L. 110-252)

HON. GWEN MOORE

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Ms. MOORE of Wisconsin. Madam Speaker, I am proud to rise today to introduce legislation that would help improve one of the major new benefit programs—the Post 9/11 Veterans Education Assistance program (P.L. 110-252)—better known as the Post-9/11 G.I.

Bill that Congress created in recognition of the continuing sacrifice of the men and women in our Armed Forces.

This new law provides veterans with active duty service after Sept. 11, 2001 with enhanced educational benefits to cover more expenses including a living allowance and money for books. Just over 2 years ago—June 30, 2008—this legislation was signed into law and the first benefit checks were disbursed in August 2009. While there have been problems at the startup of this program which I hope have now been largely resolved, hundreds of thousands of veterans are now attending classes using the post-9/11 GI bill.

One of the new benefits available for our men and women in uniform is a provision allowing servicemembers to transfer unused benefits to their spouses and dependent children. Children can use these benefits up until age 26 to pursue higher education. This provision was included in recognition of the invaluable and uncompensated sacrifices made by the families of members of the Armed Forces, and in particular their children, who provide unconditional love and support to their loved ones serving in the Armed Forces. The Department of Defense June 2007 Mental Health Task Force report noted that "The well-being of service members is inextricably linked to the well-being of their families."

The legislation that I am introducing today—the Post 9/11 G.I. Bill Dependent Coverage Improvement Act—would make this transferable benefit useful for more families. The current Post-9/11 G.I. bill statute allows children of servicemembers to use these transferred benefits up until age 26 but regulations essentially require that transfer to take place prior to that child turning age 23.

Mr. Speaker, I can find no valid policy reason for this gap. My bill would close this gap and allow children of servicemembers to be transferred these benefits up to the current limit on when they can use those benefits, age 26. This change is written in a way so that its impact is limited to just this program.

This gap was brought to my attention by a constituent, a veteran of multiple wars, who tried to transfer his Post-9/11 GI Bill benefits to his daughter only to be blocked by the age limitation. I can only imagine his disappointment at finding out that he could not pass these hard earned benefits to the daughter he has loved and supported her whole life.

Age 26 is now widely recognized as a critical age up to which other important benefits for dependent children are being tied, including under the new health care reform law. Earlier this month, the FY 2011 National Defense Authorization Act that this House passed would extend coverage under TRICARE for dependent children up to age 26 to match the requirement in the health reform law. If this fix was appropriate for health care benefits, it certainly ought to be appropriate for education benefits.

When the Post-9/11 GI bill was passed we were primarily concerned with increasing the benefits available to our brave servicemen and servicewomen, not putting up more barriers to keep them from accessing them. Unfortunately, this oversight limits the scope of these new benefits in a way that was certainly unintended. With this legislation, we can correct

this so all eligible dependents are provided access to the benefits this bill provides. I urge my colleagues to join me in this effort.

PERSONAL EXPLANATION

HON. W. TODD AKIN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. AKIN. Madam Speaker, on rollcall No. 434, H.R. 4514—Colonel Charles Young Home Study Act, had I been present, I would have voted "aye."

HONORING ED MOODY

HON. MARSHA BLACKBURN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mrs. BLACKBURN. Madam Speaker, I rise today to celebrate the journey of Ed Moody. Entrepreneur, citizen, veteran, and family man, Mr. Moody celebrates his 90th birthday among family, friends, and those who in the past nine decades are friends who have become Mr. Moody's family.

While stricken with the mumps, brothers Tom and Ed Moody passed the time by dreaming of opening a business of their own. Delayed by his honorable service in World War II, Tom Moody opened Moody's Tire Company doors April 1, 1944. Ed Moody joined his brother two years later. Constantly seeking to offer a service of necessity and patriotism, Moody's Tire Company learned to retread tires after a freeze was placed on creating a new product. This spirit of devotion to community and country is woven throughout Ed Moody's life.

Ed Moody is known in his community as "Mr. Franklin." His perfect attendance at the Franklin noon Rotary meeting, his devotion to the Boys and Girls Club of Franklin and Williamson County, and his commitment to the ideals of the greatest generation are just a few of the accolades his wife Eileen, their daughters Patsy and Rebecca, his four grandchildren and the rest of the Moody family celebrate today.

I ask my colleagues to join me in wishing "happy birthday" to Mr. Ed Moody. As we celebrate his birth and his lasting mark on the community of Franklin, Tennessee, we wish him many more years of life and love.

MOROCCAN GOVERNMENT'S CAMPAIGN OF PERSECUTION

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. WOLF. Madam Speaker, I would like to bring to the attention of my colleagues the following op-ed which appeared in the Wall Street Journal on Tuesday, July 6. The Kingdom of Morocco, often portrayed as a beacon

of tolerance in the Arab world, has shown its true colors with the recent expulsion of dozens of U.S. citizens and scores of foreign nationals without due process. I urge my colleagues to support these American citizens whose human rights have been violated by the Moroccan government.

[From the Wall Street Journal, July 6, 2010]
**EXPULSED IN MOROCCO—U.S. ALLY
 MISTREATS AMERICAN CHRISTIANS**

Morocco has long been considered a bastion of relative religious tolerance in the Muslim world, but since March the government has summarily expelled dozens of Americans for Christian proselytizing.

Of the more than 100 Christians (some of them non-Americans) who have been deported—humanitarian workers, businessmen and teachers—many had lived in Morocco for more than a decade. Most were denied any semblance of due process, and some were given only a few hours to pack their bags. The government has provided little or no evidence of proselytizing, which is illegal in Morocco.

Eddie and Lynn Padilla had been foster parents in the Village of Hope, an orphanage located in the Atlas Mountains east of the capital of Rabat, where they were raising two Moroccan orphan boys under the age of two. The government has long known they are Christians and had granted them a 10-year visa.

That changed on March 9. After three days of police inspection and interrogation, the Padillas were given a few hours to gather their belongings. "It happened so fast that you didn't even really have time to feel the shock of it until later," Mrs. Padilla told us in an interview. "The worst moment of it all was handing over the boys. . . . These children were abandoned by their birth mothers. We were their parents."

Outside of the Christian press, the deportations have largely gone unnoticed. One man who has paid attention is Virginia Representative Frank Wolf, a Republican who co-chairs Congress's Human Rights Commission. In hearings last month, Mr. Wolf scored Secretary of State Hillary Clinton and U.S. Ambassador to Morocco Sam Kaplan for failing to speak up for the expelled Americans.

Mr. Wolf wants Congress to suspend its \$697.5 million five-year Millennium Challenge contract with Morocco. The program, which is intended to fight poverty, gives grants to countries based on factors like "ruling justly." U.S. taxpayers won't tolerate financing governments that mistreat Americans solely because of their religion.

MEDIA SHOW DOUBLE STANDARD ON PROSECUTION OF MEDIA LEAKS

HON. LAMAR SMITH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. SMITH of Texas. Madam Speaker, the national media strongly criticized former President George W. Bush for cracking down on leaks of classified information to the media.

Now, as the Obama Administration intensifies efforts to prosecute media leaks, the national media are mostly silent.

Even the New York Times noticed the double standard:

"In 17 months in office, President Obama has already outdone every previous president in pursuing leak prosecutions. His administration has taken actions that might have provoked sharp political criticism for his predecessor, George W. Bush, who was often in public fights with the press."

The national media should give Americans the facts, not practice a double standard.

COMMENDING THE FRATERNAL ORDER OF THE EAGLES

HON. DAVID LOEBSACK

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. LOEBSACK. Madam Speaker, I rise today to thank the Fraternal Order of the Eagles for their pledge to donate \$25 million over the course of the next five years in order to support diabetes research at the University of Iowa.

The Fraternal Order of the Eagles has recognized that diabetes has become an increasingly serious problem in this country, affecting over 23 million Americans. Their pledge to fund diabetes research at the University of Iowa represents an extraordinary commitment to researching better prevention and management techniques to improve the health of our nation.

The University of Iowa is consistently at the forefront of innovative research, and through this new partnership with the Fraternal Order of the Eagles, I am confident that we can discover new ways to reduce the devastating effects of diabetes.

HONORING TAMPA POLICE DE- PARTMENT OFFICERS, JEFFREY KOCAB AND DAVID CURTIS

HON. KATHY CASTOR

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Ms. CASTOR of Florida. Madam Speaker, I rise today on behalf of my community as we mourn the deaths of two young Tampa Police Department Officers, Jeffrey Kocab and David Curtis, who were fatally shot in the line of duty.

Tampa families and neighborhoods value the service of the brave officers of the Tampa Police Department. On June 29th 2010 the city lost two valuable members of the forces. The officers were conducting a routine traffic stop when the passenger opened fire, hitting the officers. Both passed away at Tampa General Hospital that same morning.

Jeffrey Kocab began his law enforcement career 2006 and was honored as "Officer of the Year" and "Employee of the Month" on four separate occasions for his outstanding performance. Officer Kocab was an achiever who loved his work. In the fourteen months he was with the Tampa Police Department he established himself as a fine officer. His outstanding police skills allowed him to move through the department's training program at

an accelerated pace and his work was a testament to his strong commitment to law enforcement.

David Curtis was a dedicated four-year Tampa officer. A native of Mobile, Alabama Curtis began working for Hillsborough County Sheriffs Department in 2002 where he was part of the Tactical Action Control team. During his tenure there, he went to Mississippi in 2005 to help with the recovery efforts after Hurricane Katrina. He received outstanding evaluations throughout his time at the sheriff's office, but he knew he wanted to one day be a deputy or a police officer on the street. In 2006 he got that opportunity when he began with the Tampa Police Department where he was soon honored as "Employee of the Month" in recognition of his work with a complicated child neglect case. He loved participating in the honor guard and recognizing the people who have given their lives in the line of duty. Officer Curtis was always compassionate with others and was dedicated to his job and community.

Throughout the years we have lost several other police officers and together we honor their memories. Corporal Michael Joseph Roberts was shot and killed in 2009 while investigating a heavily armed man. During his 11 years with the Tampa Police Department he received 33 commendations and awards for his work, including the department's rare "Life Saving Award."

We will also always remember the day of May 19, 1998 when Detectives Ricky J. Childers and Randy Scott Bell were shot while transporting the murder suspect of a 4-year old boy. Both detectives were veteran officers of the Tampa Police Department and had received over 30 letters of commendation each during their service on the force. Their loss motivated changes in the Tampa Police Department's law and policy so officers could better protect themselves while in the line of duty.

On behalf of the generous and appreciative families of the Tampa Bay Area, I am proud to salute the outstanding service of these two young heroes and remember all those who have also sacrificed their life to serve their fellow citizens. I know that their families and communities are proud of them and of their accomplishments. These brave men gave their lives to protecting our city. For that, I rise today before the United States House of Representatives to honor the memory of Officers Jeffrey Kocab and David Curtis.

IN RECOGNITION OF GOOD SAMARITAN RON ROBINSON

HON. BOB ETHERIDGE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. ETHERIDGE. Madam Speaker, I rise today to honor a true hero from my district, Mr. Ron Robinson of Dunn, North Carolina. Mr. Robinson has shown outstanding courage, selflessness and bravery by risking his life to save victims of not one, but two separate car crashes in the past two months.

Once part of the Dunn rescue squad, Ron Robinson quickly put his experience and

knowledge to work, helping those in a crucial time of need. A little over a month ago, two young people were in a tragic car accident outside of the Walmart in Dunn, NC. Mr. Robinson, who was shopping at the Walmart as the SUV slammed into the store, was the first to immediately run outside to help the teens trapped inside the vehicle. With his assistance, Triton High senior Dillon Tart, 18, survived the crash with minor injuries. As I honor Mr. Robinson's heroism, I also wish to pause for a moment to mourn Mr. Tart's Triton High classmate, Ashley Moore, who did not survive the crash, despite Mr. Robinson's efforts. This loss does not diminish Mr. Robinson's valor, but does remind us that not all rescues are in our hands.

This past Thursday, July 8, Mr. Robinson once again came face-to-face with a serious car accident, this one off of Interstate 95 in Dunn. The truck involved in the accident was already on fire as Ron approached the crash, but that didn't stop him from crawling into the vehicle and pulling the driver from the flames. Again, Mr. Robinson risked his life to save the life of another.

This kind of bravery and heroism just doesn't happen every day. It is people like Ron Robinson that truly embody the phrase "Good Samaritan" and remind us what it means to fulfill the directive to "help thy neighbor." I don't like to think what might have happened had Ron not been at the scene of those crashes, but fortunately he was and he serves as a true example of what it means to be part of a community.

Madam Speaker, I urge my colleagues to join me today in recognizing the heroism of an ordinary man performing extraordinary feats. His selflessness and readiness to help those in need is truly something to be admired. We in North Carolina are proud to call Ron Robinson our hometown hero.

PERSONAL EXPLANATION

HON. ADAM H. PUTNAM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. PUTNAM. Madam Speaker, on Tuesday, July 13, 2010, I was not present for three recorded votes. Had I been present, I would have voted the following way:

Roll No. 434—"yea."

Roll No. 435—"yea."

Roll No. 436—"yea."

CONGRATULATING JAMIE OLIVER FOR HIS EMMY NOMINATION

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. RAHALL. Madam Speaker, I bring to my colleagues' attention today Jamie Oliver, who has been nominated for an Emmy for his television series, "Jamie Oliver's Food Revolution," which focused on the children of Huntington, West Virginia. Mr. Oliver highlighted

the importance of a community's dedication to improving their kid's health through what they eat and fostering cooperative partnerships with the Cabell County School District, a community kitchen, and by working with families one-on-one to reach their goal.

Jamie Oliver's show helped Cabell County School District transform their meals to include more fresh foods, which is helping our children to improve their health from an early age.

As our nation faces an obesity epidemic, we need to encourage every effort to improve the meals served in our schools. "Jamie Oliver's Food Revolution" did just that—and Cabell County School District is continuing to implement his program. Mr. Oliver is a leader in the fight against obesity and I am thankful that he and his staff were able to share their lessons with West Virginia.

To support the efforts begun by "Jamie Oliver's Food Revolution," I am also currently drafting legislation that would create a grant program for school districts, like Cabell County, that seek to improve the health of their students by implementing a nutrition program that provides healthier, less-processed foods to their students.

If federal funds can provide the funding boost school districts need to provide healthier foods, I want to make sure we can set aside those funds to encourage these great initiatives. Studies show a healthier diet promotes the physical well being and academic development of our young people. I believe in the program's potential to pave the way to more nutritious menus in our schools, across W. Va. and the nation.

West Virginia has been at the forefront of efforts to improve school nutrition for the past five years—in fact it was the first state to implement many of the recommendations of the Institute of Medicine, which exceed the current national standards for school nutrition. Mr. Oliver's show continued this effort and definitely made an impact on the entire region and I believe our children will be better for it.

I offer my sincere congratulations to Jamie and wish him the best of luck at the Emmys in August.

PERSONAL EXPLANATION

HON. RUBÉN HINOJOSA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. HINOJOSA. Madam Speaker, I request a leave of absence from the House of Representatives for July 13, 2010 and the balance of the week, due to the effect Hurricane Alex and the tropical depression that quickly followed are having on my district, TX-15, in South Texas.

RECOGNIZING THE BIG SPRING VETERANS AFFAIRS MEDICAL CENTER FOR 60 YEARS OF SERVICE

HON. RANDY NEUGEBAUER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. NEUGEBAUER. Madam Speaker, in his second inaugural address, Abraham Lincoln stated "... to care for him who shall have borne the battle and for his widow and his orphan . . ." It is those same words that grace the steps of the headquarters of the Veterans Administration, representing the sacred duty we owe to the men and women who wore the uniform of this great nation.

Some have worn this uniform voluntarily, others by conscription. Others made a life of service in the military their career, often passed down from one generation to the next. The United States generally and west Texas in particular have had a long and proud history of giving thanks to our veterans. Today, American's all-volunteer force is one composed of men and women willing to risk their lives in defense of freedom and liberty for America and her allies, and in return we owe to them a debt of gratitude.

As part of that gratitude, the Big Spring Veterans Affairs Medical Center serves veterans from a 53-county area in west Texas and part of New Mexico. For 60 years now, the Big Spring VAMC has been an institution helping veterans young and old recover from wounds suffered on the field of battle. Without this facility, rural veterans would be at a significant disadvantage in receiving the specialty care many of them have earned. The Big Spring VAMC is a living testament to the men and women of our armed forces.

The Big Spring VAMC provides a wide range of patient care services, including inpatient and outpatient care as well as residential rehabilitation. The hospital is currently expanding to meet the needs of more veterans with a 40-bed residential rehabilitation unit expected to be completed later this year. Through many changes, the Big Spring community has stood in strong support of the hospital and the veterans it serves. I join the community in thanking the Big Spring VAMC for 60 years of service and offer best wishes for many more years to come.

IN HONOR OF FELIX HARVEY FOR HIS NINETIETH BIRTHDAY

HON. BOB ETHERIDGE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. ETHERIDGE. Madam Speaker, I rise today to honor Felix Harvey, a North Carolina businessman and civic leader, as he turns ninety years young on July 16, 2010.

Felix Harvey was born in Kinston, North Carolina, almost a century ago and yet has never grown old. Felix married his wife, Margaret Little Blount, in 1945 and since then has raised two beautiful daughters, Leigh and Sunny. They have seven grandchildren.

In addition to being a family man, Felix is known for his keen business-savvy that has fueled his success for the past fifty years. Felix has been a good North Carolina businessman in every sense, making a living doing right by the folks in his home state. Felix is Chairman of the Board of Harvey Enterprises and Affiliates, which engages in farming and agricultural supplies, cotton ginning, transportation, real estate, and retail petroleum distribution. In addition, he served on several other corporate boards, including the Board of the North Carolina National Bank, now Bank of America, Integon Corporation and North Carolina Natural Gas, to name a few.

More recently, Felix planted an orchard and opened a fruit stand. There is a Greek proverb that says a society grows great when old men plant trees in whose shade they will never sit. Felix has not just planted a tree, but has planted an entire orchard so that others could enjoy its fruit. Felix is always looking into the future and thinking about how he can expand his horizons, growing and learning every day and making North Carolina a better place to live.

Felix remains active in his community and his free time as well. He has been Vice Chairman of the Board and President of the North Carolina Global Transpark foundation since 1993 and he has had a lasting commitment to his alma mater, the University of North Carolina at Chapel Hill. All the while, he still finds time to get outside and perfect his golf game.

Madam Speaker, I urge my colleagues to join me today in recognizing a man who reminds us that age is just a number. It is with great pride and joy that I wish Felix Harvey, a great friend to me and the state of North Carolina, a happy ninetieth birthday. He is an example to us all in his fervor for life and reminds us to "share the fruit" with our future generations.

OUR UNCONSCIONABLE NATIONAL DEBT

HON. MIKE COFFMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. COFFMAN of Colorado. Madam Speaker, today our national debt is \$13,199,290,856,204.31.

On January 6th, 2009, the start of the 111th Congress, the national debt was \$10,638,425,746,293.80.

This means the national debt has increased by \$2,560,865,109,910.50 so far this Congress.

This debt and its interest payments we are passing to our children and all future Americans.

TRIBUTE TO BISHOP ABRAHAM I.J. SWANSON XII

HON. STEVE DRIEHAUS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. DRIEHAUS. Madam Speaker, last week Cincinnati lost an iconic figure in our religious

community when Bishop Abraham I.J. Swanson XII left this world. More than 65 years ago, Bishop Swanson became the founding pastor at the BibleWay Church of God in Christ. Whether preaching to his congregation or to those listening to his forty years of broadcasts on 1480 WCIN, Pastor Swanson offered words of encouragement, hope, and faith to those struggling the most. His words inspired perseverance in the face of adversity, a reflection of his own faith and his commitment to our community. Those who knew him are profoundly grateful for his service, and in his absence we continue to draw strength from his words: "Hold on to your hope, keep the faith, stand your ground until reinforcement comes; it will come in the morning."

INTRODUCING THE SCHOOL ENHANCEMENT OF AMERICA'S TALENTED STUDENTS ACT

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. RAHALL. Madam Speaker, today, I introduce the School Enhancement of America's Talented Students Act, a bill to create a competitive grant program for schools that are striving to combat obesity and improve nutrition in our schools.

One-third of America's youth are now overweight or obese, and it's getting worse. We need to act now as a nation to prevent not only a health crisis, but God forbid these kids be called to our national defense years from now. How prepared will we be to defend our shores? We were caught ill prepared before. We established national child nutrition programs, now it's time to keep them working. It is a fact that our Nation's schools now provide over half the calories our children consume through breakfast and lunch programs. We can feed our kids better by simply shifting the recipes our schools use to fresh vegetables and fruits and other healthier alternatives. Healthy habits formed early, last lifetimes. As families grow healthier, our country prospers. Obesity can bankrupt the health of a nation easier than the most complex far-reaching Wall Street scam. Obesity creates a complex formula of inter-related secondary deadly health risks. We are blessed that we can turn the tide.

This bill creates a competitive grant program for school districts that seek to improve the health of our students by implementing a nutrition program that provides healthier meals. The grant program would give priority to states with the highest obesity rates of at least 30 percent for adults and children and where at least 50 percent of the students are eligible for free or reduced lunch. These states, including my home state of West Virginia, face a steep climb in the battle against child obesity. This grant program will help implement initiatives that will improve the health of the students.

"Jamie Oliver's Food Revolution" was in fact a revolution of recipes for Cabell County Schools in Huntington, West Virginia, where the schools adopted meal plans using more fresh ingredients. I applaud Cabell County

Schools for its innovative program, partnering with Mr. Oliver, and continuing with their own ingenuity and hard work. They are leading the way as we all seek to improve the lives and futures of our kids and grandkids. I want to ensure that other Congressional districts confronting similar circumstances have the opportunity to implement a program that encourages fresh foods in school meals.

As Congress moves towards improving the nutrition of school meals through the Child Nutrition Reauthorization, I urge my colleagues to support this program to give our schools an opportunity to serve healthier foods and begin to reduce childhood obesity.

HONORING GEORGE STEINBRENNER

HON. KATHY CASTOR

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Ms. CASTOR of Florida. Madam Speaker, I rise today to celebrate the life of George Steinbrenner and to acknowledge the profound impact he had on the Tampa Bay community through his philanthropic contributions. He leaves behind an extraordinary legacy and will be remembered for his generous spirit that improved the lives of countless families.

Born in Rocky River, Ohio, Mr. Steinbrenner graduated with a bachelor's degree from Williams College in 1952 and earned a master's degree in physical education at the Ohio State University in 1955. He became the owner of the New York Yankees baseball team in 1973 and settled in Tampa in the mideighties. Tampa is the spring training home of the Yankees and the Legend's Field baseball complex that they use was renamed George M. Steinbrenner Field in 2008. Over the past decades, Steinbrenner truly came to consider Tampa "home," evidenced by his abundant contributions to youth sports, public schools, children's issues, military groups, and law enforcement.

He contributed to many different charities, from the Boys and Girls Clubs to the Tampa Mayor's Alliance of Persons with Disabilities to St. Joseph's Children's Hospital. Steinbrenner was determined to make a difference in the lives of his neighbors. In addition to initiating the school district's middle school athletics program, he gave to local schools to help fund new athletics facilities, including football stadiums, lighting, tracks, and an aquatic center. Steinbrenner hosted students every year at the Tampa Bay Performing Arts Center for the annual holiday concert. He also launched the Gold Shields Foundation, an organization that helps families of slain local law enforcement officers.

From a distance, Mr. Steinbrenner may be remembered nationally as the man who assembled baseball powerhouses, but in Tampa his name evokes a legacy of generosity and a true desire for the betterment of others. As a philanthropist, Steinbrenner made his contributions quietly, often preferring to remain anonymous and avoid publicity in his giving.

I rise today on the floor of the United States House of Representatives to honor the life of

George Steinbrenner, to pay tribute to his outstanding contributions to the Tampa community. His wife Joan and children Jenny, Hank, and Hal are valued family members of our greater community as well. The Steinbrenner family's spirit of charity is an inspiration to all who know them and their philanthropy will live on in the lives of countless friends and families.

ABC, WASHINGTON POST SPIN
POLL RESULTS

HON. LAMAR SMITH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. SMITH of Texas. Madam Speaker, Americans' confidence in President Obama has reached a new low, according to an ABC News/Washington Post poll. But ABC and The Post found a way to spin the poll's results and point out negatives for Republicans.

Six in 10 Americans say they lack faith in the President to make the right decisions for the country, according to the poll. A majority disapprove of his handling of the economy.

And those most likely to vote in the midterm elections prefer Republican leadership over continued Democratic rule by a 15-point margin.

These results are indisputably bad news for Democrats. But during ABC's coverage of the poll, George Stephanopoulos, a former Democratic adviser, claimed that "there's still . . . not a lot of confidence in the Republican Party."

The Washington Post highlighted a misleading graphic that indicated Americans have more trust in Democrats than Republicans. In fact, a greater number of poll respondents said they had at least some trust in Republicans rather than Democrats.

ABC and the Washington Post should give Americans the facts, not spin their poll results.

PERSONAL EXPLANATION

HON. W. TODD AKIN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. AKIN. Madam Speaker, on rollcall No. 435—H.R. 4438, San Antonio Missions National Historical Park Leasing and Boundary Expansion Act of 2010—had I been present, I would have voted "aye."

RECOGNIZING THE PASSING OF
JUDGE IRVIN DOUGLAS SUGG, SR.

HON. THOMAS S.P. PERRIELLO

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. PERRIELLO. Madam Speaker, I would like to take the time to recognize the passing of Judge Irvin Douglas Sugg, Sr. Judge Sugg was a great man in his community, however,

he is most known for being the first African-American judge to preside in Halifax County, Virginia.

Born in 1916, Judge Sugg attended elementary and high school in South Boston, Virginia. He graduated high school from Mary Potter Memorial School, a boarding school in Oxford, NC. After graduation, Judge Sugg matriculated at Virginia Union University in Richmond, Virginia, where he majored in history until he was drafted into the U.S. Army in 1940. His tour of duty lasted until November 1944.

While in the Army, Judge Sugg was stationed at Fort Belvoir, Virginia, and later at Walter Reed Army Medical Center here in Washington, DC. By the end of World War II, he reached the rank of Technical Sergeant, only one promotion from Master Sergeant. He was honorably discharged in November 1945 and had earned the American Defense Campaign Ribbon and the Good Conduct Medal.

Judge Sugg and his family moved back to South Boston where he worked at the Piedmont Grocery Company—his father's store. He was also a professional photographer and real estate investor. Judge Sugg went back to school and earned his B.S. degree in history from Virginia Union University. He also earned his law degree from North Carolina College School of Law—now North Carolina Central University Law School—in Durham, NC, where he graduated cum laude. In 1953, he opened his own law practice in South Boston where he practiced law for 32 years and was the first black lawyer to practice law continuously in Halifax County.

In 1975, Mr. Sugg was appointed by the city of South Boston as Substitute City Court Judge. Three years later, he was appointed Substitute General District Judge for the 10th Judiciary District. In 1985, Judge Sugg was elected by the General Assembly to serve as a judge in the General District Court for the 10th Judicial Circuit, making him the first black judge in the district. In 1991, Judge Sugg won a precedent-setting court case against the state of Virginia, allowing him to work past the mandatory retirement age and serve another six year term. Judge Sugg retired from the bench on February 28, 1998.

Judge Sugg has a long list of personal and professional affiliations including: Omega Psi Phi Fraternity, where he was the longest standing member of Zeta chapter's 90-year history; Free and Accepted Mason, Prince Hall Affiliation; Halifax County School Board member; South Boston Planning Commission member; and member of Mount Olive Baptist Church.

Judge Sugg was married for 68 years to Bernice Humphrey Sugg and was the father to five children, grandfather to 14 and great-grandfather to 15.

Judge Sugg made great contributions to the South Boston community, Virginia and our Nation. He will be greatly missed.

I would like to send my condolences to Judge Sugg's family and friends and to all of the South Boston community.

ON THE 25TH ANNIVERSARY OF
THE SERVICE OF THE REV. DR.
DWIGHT S. RIDDICK, SR., AT
GETHSEMANE BAPTIST CHURCH,
NEWPORT NEWS, VIRGINIA

HON. ROBERT C. "BOBBY" SCOTT

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. SCOTT of Virginia. Madam Speaker, I rise today to honor Reverend Dr. Dwight S. Riddick, Pastor of Gethsemane Baptist Church in Newport News, Virginia. This is the 25th anniversary of Dr. Riddick's service to Gethsemane Baptist and the people of Newport News, and I would like to take this moment to recognize some of his numerous accomplishments during that time.

A native of Chesapeake, Virginia, Dr. Riddick is a graduate of Norfolk State University. In 1991, he received his Master's Degree of Divinity from the Samuel Dewitt Proctor School of Theology at Virginia Union University in Richmond, and in 2005, he earned his Doctorate in Ministry from Regent University in Virginia Beach. Dr. Riddick previously served six years as pastor of First Baptist Church of Dendron, Virginia before coming to Gethsemane Baptist.

In his position as Pastor of Gethsemane, Dr. Riddick has been an extraordinary shepherd over a vibrant and growing flock. Under his visionary leadership, Gethsemane Baptist has grown from a mission with 200 individuals to a church with well over 3,000 active members. I have attended Sunday services at Gethsemane Baptist and have seen his hand at work in his church and community. During his tenure, the Church established a learning and child development center, a Christian school and a Bible Institute. In addition, several community outreach programs and ministries have been created during Dr. Riddick's tenure.

Dr. Riddick led a successful building program which resulted in the construction of the current church building at Chestnut Avenue and 36th Street, and he is currently leading another building program which will result in the Church's second location on a 16-acre campus in Newport News.

Aside from his duties at Gethsemane, Dr. Riddick currently serves as the President of the Baptist General Convention of Virginia, a group with over 1000 member churches. He also serves as the Vice President of the Hampton University Minister's Conference, a member of the Board of Trustees at Virginia Union University, and an Advisory Committee member of Consolidated Bank and Trust.

On the occasion of his 25th anniversary, it gives me great pleasure to recognize and commend Reverend Dr. Dwight S. Riddick for his service and dedication to the parishioners of Gethsemane Baptist Church, the people of Newport News, and the Commonwealth of Virginia.

HONORING MIAMI-DADE COUNTY
AVIATION DEPARTMENT ASSO-
CIATE DIRECTOR OF GOVERN-
MENT AFFAIRS ANA M.
SOTORRIO

HON. LINCOLN DIAZ-BALART

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 2010

Mr. LINCOLN DIAZ-BALART of Florida. Madam Speaker, I rise today to honor Ana Sotorrio, the Associate Director of Government Affairs for the Miami-Dade Aviation Department, who has announced that she will be retiring from her post after 30 years of dedicated service to our community.

Mrs. Sotorrio joined Miami Dade's Aviation Department in 1988 and became an Associate Director in 1990. The Miami-Dade Aviation Department operates several aviation facilities, including Miami International Airport. Under her tenure, the airport experienced dramatic growth, becoming one of the leading international passenger and freight airports in the world, as well as the largest U.S. gateway for Latin America and the Caribbean. As Associate Director of Government Affairs for the department, Mrs. Sotorrio worked alongside the Miami-Dade Board of County Commissioners and gained approval for several of her department's leases, contracts, fiscal, and legislative proposals.

Ana has left a mark of professionalism and serves as an example for others to follow.

Mrs. Sotorrio has earned the opportunity to spend time with her loved ones and dedicate herself to other pursuits. Her family is everything to her, and she will love spending more time with her beloved granddaughter, Bianca, her son, Carlos Jr., her daughter, Jessica, and of course, her husband, Carlos to whom she has been married for over 35 years.

On behalf of a grateful community, I wish to thank Ana Sotorrio for her outstanding service and wish her the best in her future endeavors. Ana, may you long enjoy your retirement with family and friends.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, July 15, 2010 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JULY 20

10 a.m.
Judiciary
Business meeting to consider the nominations of Elena Kagan, of Massachusetts, to be an Associate Justice of the Supreme Court of the United States, and James Michael Cole, of the District of Columbia, to be Deputy Attorney General, Department of Justice.

SH-216

Banking, Housing, and Urban Affairs
Security and International Trade and Finance Subcommittee

To hold hearings to examine continuing oversight on international cooperation to modernize financial regulation.

SD-538

2 p.m.
Rules and Administration
Business meeting to consider the nomination of William J. Boorman, of Maryland, to be Public Printer, Government Printing Office.

S-216, Capitol

2:30 p.m.
Foreign Relations
To hold hearings to examine the nominations of James Franklin Jeffrey, of Virginia, to be Ambassador to the Republic of Iraq, Maura Connelly, of New Jersey, to be Ambassador to the Republic of Lebanon, and Gerald M. Feierstein, of Pennsylvania, to be Ambassador to the Republic of Yemen, all of the Department of State.

SD-419

Intelligence
To hold hearings to examine the nomination of James R. Clapper, of Virginia, to be Director of National Intelligence.

SD-G50

JULY 21

9:30 a.m.
Energy and Natural Resources
Business meeting to consider pending calendar business.

SD-366

Veterans' Affairs
To hold hearings to examine improvements to the post-9/11 Government Issue (GI) Bill.

SR-418

10 a.m.
Banking, Housing, and Urban Affairs
To hold hearings to examine the semi-annual monetary policy report to the Congress.

SD-G50

Finance
To hold hearings to examine an update on the Troubled Asset Relief Program (TARP).

SD-215

Health, Education, Labor, and Pensions
To hold hearings to examine treating rare and neglected pediatric diseases, focusing on promoting the development of new treatments and cures.

SD-430

Homeland Security and Governmental Affairs
To hold hearings to examine the Homeland Security Department's Quadrennial Homeland Security Review and Bottom Up Review.

SD-342

Judiciary
To hold hearings to examine the Second Chance Act, focusing on strengthening safe and effective community reentry.

SD-226

Commerce, Science, and Transportation
Oceans, Atmosphere, Fisheries, and Coast Guard Subcommittee
To hold hearings to examine ensuring effective clean up and restoration in the Gulf.

SR-253

2 p.m.
Aging
To hold hearings to examine continuing care retirement communities (CCRCs), focusing on if CCRCs are a secure retirement or a risky investment.

SD-106

2:30 p.m.
Commerce, Science, and Transportation
To hold hearings to examine Security and Accountability For Every (SAFE) Port Act reauthorization, focusing on our nations infrastructure.

SR-253

Foreign Relations
To hold hearings to examine the nominations of Scot Alan Marciel, of California, to be Ambassador to the Republic of Indonesia, Judith R. Fergin, of Washington, to be Ambassador to the Democratic Republic of Timor-Leste, and Helen Patricia Reed-Rowe, of Maryland, to be Ambassador to the Republic of Palau, all of the Department of State, and Robert M. Orr, of Florida, to be United States Director of the Asian Development Bank, with the rank of Ambassador.

SD-419

JULY 22

10 a.m.
Homeland Security and Governmental Affairs
State, Local, and Private Sector Preparedness and Integration Subcommittee
To hold hearings to examine disaster medical preparedness, focusing on improving coordination and collaboration in the delivery of medical assistance during disasters.

SD-342

Health, Education, Labor, and Pensions
Employment and Workplace Safety Subcommittee
To hold hearings to examine workplace safety and worker protections at BP.

SD-430

2:30 p.m.
Homeland Security and Governmental Affairs
Federal Financial Management, Government Information, Federal Services, and International Security Subcommittee
To resume hearings to examine the Gulf of Mexico oil spill, focusing on ensuring a financially responsible recovery.

SD-342

JULY 23

10 a.m.
Judiciary
To hold an oversight hearing to examine the Federal Bureau of Investigation.

SD-226

JULY 29

2:30 p.m.
Homeland Security and Governmental Affairs
Oversight of Government Management, the Federal Workforce, and the District of Columbia Subcommittee
To hold hearings to examine closing the language gap, focusing on improving

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the Federal government's foreign lan- guage capabilities.		SEPTEMBER 22	tion, focusing on presumptive dis- ability decision-making.
	SD-342	9:30 a.m. Veterans' Affairs	SR-418
		To hold hearings to examine a legislative presentation focusing on the American Legion.	POSTPONEMENTS
AUGUST 5			JULY 21
9:30 a.m. Veterans' Affairs		345, Cannon Building	10 a.m. Homeland Security and Governmental Af- fairs
Business meeting to consider pending calendar business.			To resume hearings to examine nuclear terrorism, focusing on strengthening our domestic defenses.
	SR-418	SEPTEMBER 23	SD-342
		9:30 a.m. Veterans' Affairs	
		To hold an oversight hearing to examine Veterans' Affairs disability compensa-	

HOUSE OF REPRESENTATIVES—Thursday, July 15, 2010

The House met at 10 a.m. and was called to order by the Speaker.

PRAYER

Reverend Dr. John Cross, South Biscayne Church, North Port, Florida, offered the following prayer:

Heavenly Father, thank You for being so kind, gracious, holy, and just. Thank You for demonstrating Your endless love through Jesus. Thank You for giving us the honor of living in our great country. Thank You for those who have gone before us.

We pray for those who are serving now to protect our freedom. Please give them safety. We pray for peace. We pray for our President, Congress, and all who lead our country. Please give them wisdom and direction as they make decisions.

May we look to You as our Source, not our economy. In these days of global terror, may we remember You as our security. Use us to be instruments who bring hope to the underserved and safety for the unprotected. May we be a Nation who humbles ourselves before You. We bless You and please bless America.

In Jesus' name, Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House her approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Texas (Mr. POE) come forward and lead the House in the Pledge of Allegiance.

Mr. POE of Texas led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed without amendment bills of the House of the following titles:

H.R. 4861. An act to designate the facility of the United States Postal Service located at 1343 West Irving Park Road in Chicago, Illinois, as the "Steve Goodman Post Office Building".

H.R. 5051. An act to designate the facility of the United States Postal Service located at 23 Genesee Street in Hornell, New York, as the "Zachery Smith Post Office Building".

H.R. 5099. An act to designate the facility of the United States Postal Service located at 15 South Main Street in Sharon, Massachusetts, as the "Michael C. Rothberg Post Office".

The message also announced that the Senate has passed bills of the following titles in which the concurrence of the House is requested:

S. 1288. An act to authorize appropriations for grants to the States participating in the Emergency Management Assistance Compact, and for other purposes.

S. 3372. An act to modify the date on which the Administrator of the Environmental Protection Agency and applicable States may require permits for discharges from certain vessels.

WELCOMING REVEREND DR. JOHN CROSS

The SPEAKER. Without objection, the gentleman from Florida (Mr. BUCHANAN) is recognized for 1 minute.

There was no objection.

Mr. BUCHANAN. Madam Speaker, it is my privilege today to introduce and thank Dr. John Cross, who gave the opening prayer. The Senior Pastor at South Biscayne Church in Florida, he represents a county that I'm in, my largest county, Sarasota County, in North Port, our largest city. He is joined by his lovely wife, Dawn, and their five children. As a matter of fact, they are celebrating their anniversary.

Dr. Cross is a very innovative, spiritual leader. I've seen him many times on Friday nights in his jeans and T-shirt working with the youth in our community. He's taken a church from 150 people to over 2,000. He has one of the largest churches in our community. He is serving his second term as president of the Southern Baptist Convention.

I commend Dr. Cross for his long-standing service, and it is a pleasure to have him and his family today. God bless.

□ 1010

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will entertain up to 10 further 1-minute speeches on each side of the aisle.

CUTTING WASTEFUL, UNNECESSARY GOVERNMENT SPENDING

(Mrs. DAHLKEMPER asked and was given permission to address the House

for 1 minute and to revise and extend her remarks.)

Mrs. DAHLKEMPER. Madam Speaker, last week I attended the Big Butler Fair in Butler County and the Grange Fair in Mercer County in western Pennsylvania, and what was the number one question my constituents asked? "What are you doing about the deficit?" I visited senior centers in Hermitage and Erie, and what did our seniors say to me? "Stop the unnecessary spending."

Today I'm proud to tell my constituents that we are taking action. We are cutting wasteful, unnecessary government spending to the tune of \$98 billion. That's how much Federal agencies spent in improper payments and overpayments in 2009; \$98 billion is how much we stand to gain with the Improper Payments Elimination and Recovery Act.

This bill will save taxpayer funds and increase transparency by making Federal agencies accountable for the money they spend. I'm telling my constituents right now, we are cutting wasteful spending, and we have a powerful new tool to do it.

MOST AMERICANS WANT TO DRILL IN DEEP WATER

(Mr. POE of Texas asked and was given permission to address the House for 1 minute.)

Mr. POE of Texas. Mr. Speaker, the American people are opposed to the administration's ban on deepwater drilling. Almost three-quarters of American people, 73 percent, say the ban is not necessary. But in spite of the will of most Americans, in spite of two court rulings that say that the moratorium is arbitrary, capricious, and punitive, the administration is determined to kill jobs in the deepwater industry.

You just can't hit the pause button on the gulf coast economy. The President's moratorium on drilling is destroying lives, and good people are being put out of work on purpose by this administration. These aren't statistics. These are real people, hard-working people. How do they pay their mortgage and buy their groceries and put gasoline in their car?

On Friday, one of the world's biggest drilling companies had to move another deepwater rig to the Middle East and out of the Gulf of Mexico because of this moratorium. All of the good-paying jobs are going with it.

Mr. Speaker, the moratorium on drilling is the second disaster in the

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Gulf of Mexico, and it's brought to us by this administration.

And that's just the way it is.

UNEMPLOYMENT

(Mr. SIREs asked and was given permission to address the House for 1 minute.)

Mr. SIREs. Mr. Speaker, right now 15 million out-of-work Americans are relying on Congress to work together and immediately extend unemployment benefits to help them make ends meet while they're looking for a full-time job. Right now the unemployment in my State of New Jersey is 9.7 percent, with nearly half a million out of work. Now is not the time to stall in providing assistance to those who need it most.

Earlier this month, the House passed a bill to restore emergency unemployment benefits for unemployed Americans and their families through the end of November. The Senate must now follow our lead and act swiftly in passing an extension of benefits to send to the President's desk. Doing so would not only provide a much-needed lifeline for jobless Americans and their families, but it makes economic sense.

The CBO has suggested that extending unemployment benefits is one of the most cost-effective and fast-acting ways to stimulate the economy. It is our duty to act now and provide relief for millions of unemployed Americans and their families.

BROKEN GOVERNMENT

(Mr. REICHERT asked and was given permission to address the House for 1 minute.)

Mr. REICHERT. Mr. Speaker, let's get real. The real deal is government is broken.

I'm always thankful to go back to the district and hear from our constituents, but you know what I'm hearing? The government's broken, and the American people are sick and tired of it. So am I. They're tired of partisan games and business as usual. So am I.

Why can't we work together to solve this country's problems? Why can't we get it right? Why are we not listening to the American public? Why? That's the big question the American people are asking. Why can't we, as Members and Representatives of this great country and each and every district that we represent, stand here together on this floor in this House and work together to solve the problems that this Nation is facing? It's about freedom. It's about jobs. It's about our country. It's about our people. It's about our children and our grandchildren.

Mr. Speaker, let's listen to the American people. This government is broken.

UNEMPLOYMENT BENEFITS

(Mr. WILSON of Ohio asked and was given permission to address the House for 1 minute.)

Mr. WILSON of Ohio. Mr. Speaker, by July 17, more than 112,000 people in the State of Ohio will lose unemployment benefits due to the Senate's inaction. For out-of-work families, these benefits help pay the rent, they buy food, and they pay for health care when there isn't a paycheck coming in.

During these tough economic times, extending unemployment benefits is one of the most efficient and fast-acting ways to stimulate our economy. That is why on July 1, I voted in favor of the 6-month unemployment benefits extension, which would continue benefits until November 30.

With the Ohio unemployment rate growing to 11 percent in June, this emergency relief is absolutely necessary for Ohio, and I will continue to fight for the passage of a long-term unemployment package. I urge my colleagues in the Senate to pass the 6-month extension immediately. The time to act is now.

YOU CUT

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Mr. Speaker, seven proposals have been brought to this floor for a vote directly from participants in the interactive forum YouCut. These proposals are commonsense cost savers of the people's money. House Republicans have listened to the will of the people and have voted to save billions by reforming Fannie Mae and Freddie Mac, by selling excess Federal lands, and by preventing taxpayer subsidized union activities. Yesterday, the House had another opportunity to save money by getting rid of promotional stimulus signs.

A year and a half after the spending stimulus passed, unemployment has risen to 10 percent, as the so-called stimulus has failed to create jobs. But liberals cleverly came up with propaganda to push Americans on this failed policy at a cost of up to \$10,000 a sign. Stimulus signs are nationwide. If we eliminated this waste, \$20 million could be saved. When it comes to wasteful Washington spending, all signs point to the stimulus.

In conclusion, God bless our troops, and we will never forget September the 11th in the global war on terrorism.

UNEMPLOYMENT INSURANCE DOES NOT DISCOURAGE THE JOB SEARCH

(Mrs. MALONEY asked and was given permission to address the House for 1 minute.)

Mrs. MALONEY. Mr. Speaker, unemployment benefits are a necessary lifeline for jobless workers trying to make ends meet and also provide a boost to the economy. These benefits are crucial when there are five job seekers for every available job. Unemployment benefits keep workers attached to the workforce, preventing some workers from shifting to other more costly programs, such as Social Security disability insurance.

By the end of 2010, the Joint Economic Committee estimates that 290,000 unemployed disabled workers will exhaust their benefits. Shifting these workers from the labor market and onto the Social Security disability insurance rolls—the cost of inaction—is a staggering \$24.2 billion lifetime cost, contrasted with \$721.3 million this year by extending the benefits.

Extending unemployment benefits is both morally right and the fiscally responsible thing to do, providing a boost to the economy and a savings to the government.

IT'S TIME TO CUT UP THE CREDIT CARD

(Mr. NEUGEBAUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NEUGEBAUER. Mr. Speaker, the Democratic leadership got their credit card bill yesterday, and it wasn't a pretty picture. The Treasury Department announced that the Federal deficit for 2010 hit the trillion-dollar mark at the end of June. That's a staggering amount, and that's not all. There are still 3 months to go in this year. The only time the Federal deficit has ever reached this level was last year.

You know, the American people know, when you hit your spending limit, you stop spending, but President Obama and the Democratic leadership in Congress don't seem to get it. They've taken the Nation on an unprecedented spending spree that's hurting economic growth, slowing job creation, and putting an incredible burden on our future generations.

We have a trillion-dollar deficit, but Congress doesn't even have a budget or a plan. Running deficits of \$1 trillion or more is completely unsustainable. We've got to cut up these credit cards and stop this reckless spending. It's not just something we should do; it's what we have to do. The future of our Nation depends on it.

□ 1020

HONORING RANDA FLINN

(Mr. KLEIN of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLEIN of Florida. Mr. Speaker, today I rise to honor Randa Flinn, a

teacher at Northeast High School in Oakland Park, Florida. Mrs. Flinn was selected as one of only 10 Society for Science & the Public fellows in the entire country. She earned this honor for her hard work inspiring excellence in scientific thinking and research among her students.

The SSP fellowship includes an award of \$8,500 for Mrs. Flinn to use directly in her classroom and full support to attend a Fellows Institute here in Washington, where I will have the personal pleasure of thanking her for her contributions to our schools and our community.

My mother was a public school teacher, and I personally know how hard they work to help our children learn and grow. And that's why Mrs. Flinn and her actions in shaping our future leaders and scientists of our country and her efforts are an inspiration to all of us.

Thank you to Randa Flinn and to all the teachers in south Florida.

FY 2010 EMERGENCY SUPPLEMENTAL

(Mr. ROGERS of Kentucky asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROGERS of Kentucky. Mr. Speaker, enough is enough. The Democrats' failure to lead is now putting a strain on the troops by refusing to pass a clean emergency supplemental war bill. Yesterday, the Pentagon announced that it's putting together an emergency plan in case Congress fails to do its job and does not pass the upcoming supplemental. If the Democrats continue to play political games with this bill, the Pentagon will not be able to make payroll for active duty troops at war. This is a disgrace.

Funding our troops is a national priority. Our brave men and women in uniform do not deserve to suffer because the majority party cannot agree on the precise amount of pork they want to put into this wartime supplemental bill.

We need to pass a clean supplemental, and we need to do it today. I'm tired of excuses, tired of the bickering. Let's put aside election day politics and do the right thing for the troops.

WORKPLACE VIOLENCE

(Mr. HEINRICH asked and was given permission to address the House for 1 minute.)

Mr. HEINRICH. Mr. Speaker, the people of New Mexico's First Congressional District are deeply saddened by the tragic shooting that took place at the Emcore manufacturing plant in Albuquerque on Monday morning.

In a brutal act of workplace domestic violence, six community members were victimized, including Michele Turner

and Sharon Cunningham, who were killed, and four others who were wounded.

This kind of tragedy is every community's nightmare, but this tragedy must also recommit all of us to confronting and preventing the serious problem of domestic violence to insure that a tragedy like this never happens again.

We are grateful for the heroic actions of the many Emcore employees, as well as Albuquerque's police and first responders who arrived on scene within minutes of the first call, and some of whom rushed into the active shooter situation without waiting for back up.

We hold the victims in our hearts. We pray for all touched by this, and we will find the strength as a community to come together and overcome.

IT'S TIME FOR NEW IDEAS

(Mr. PENCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PENCE. Mr. Speaker, in the worst economy in a quarter of a century, American families are hurting. Businesses are struggling in the city and on the farm. And that's obvious to almost everyone in this country, except the Obama administration.

Remarkably, yesterday the White House issued a report saying that the stimulus bill passed a year and a half ago had "saved or created 2.5 to 3.6 million jobs."

As my three teenagers might say to me in like circumstances: Really, 2.5 to 3.6 million jobs? Unemployment was 7.5 percent when the stimulus was passed. It's 9.5 percent today.

It's important the American people know that the report issued by the administration yesterday isn't even based on actual numbers. It comes from what economists within the administration say is a highly inflated projection of how much economic growth is created for every government dollar that's spent.

The facts come from the Bureau of Labor Statistics. They speak for themselves. Since the stimulus was enacted, more than 3 million jobs have been lost in this country, a net job loss of 2.4 million jobs.

Enough with the talk. The stimulus bill has failed. It's time for new ideas, across-the-board tax relief, and fiscal discipline now.

FLOOD INSURANCE REFORM

(Mr. MCNERNEY asked and was given permission to address the House for 1 minute.)

Mr. MCNERNEY. Mr. Speaker, I rise in support of today's flood insurance reform legislation, but also to express my deep frustration with FEMA's decision to increase flood insurance rates

for many residents of Stockton, California.

Prior to issuing new flood maps last year for central Stockton, FEMA encouraged residents to purchase flood insurance early so they could take advantage of the lower-cost preferred rates. In May, FEMA decided to extend those preferred rates for 2 years, a welcome decision.

But for reasons that remain difficult to understand, FEMA delayed the effective date of extension until January of 2011, effectively creating a donut hole in the availability of preferred rate coverage. As a result, residents who must renew their policies before the end of the year are suffering rates many times higher than what they expected, placing a serious burden on family budgets.

I urge FEMA, in the strongest possible terms, to allow Stockton residents to renew their policies without delay.

PROVIDING FOR CONSIDERATION OF H.R. 5114, FLOOD INSURANCE REFORM PRIORITIES ACT OF 2010

Ms. MATSUI. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1517 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1517

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 5114) to extend the authorization for the national flood insurance program, to identify priorities essential to reform and ongoing stable functioning of the program, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived except those arising under clause 9 or 10 of rule XXI. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chair and ranking minority member of the Committee on Financial Services. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Financial Services now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. All points of order against the committee amendment in the nature of a substitute are waived except those arising under clause 10 of rule XXI. Notwithstanding clause 11 of rule XVIII, no amendment to the committee amendment in the nature of a substitute shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each such amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided

and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question. All points of order against such amendments are waived except those arising under clause 9 or 10 of rule XXI. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

SEC. 2. The Chair may entertain a motion that the Committee rise only if offered by the chair of the Committee on Financial Services or his designee. The Chair may not entertain a motion to strike out the enacting words of the bill (as described in clause 9 of rule XVIII).

□ 1030

The SPEAKER pro tempore (Mr. PASTOR of Arizona). The gentlewoman from California is recognized for 1 hour.

Ms. MATSUI. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to my good friend, the gentleman from Florida (Mr. LINCOLN DIAZ-BALART). All time yielded during consideration of the rule is for debate only.

GENERAL LEAVE

Ms. MATSUI. I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks and to insert extraneous materials into the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. MATSUI. I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1517 provides for consideration of H.R. 5114, the Flood Insurance Reform Priorities Act of 2010, under a structured rule. The resolution waives all points of order against consideration of the bill except those arising under clause 9 or 10 of rule XXI. The resolution provides 1 hour of debate on the bill. The resolution provides that a substitute amendment recommended by the Financial Services Committee shall be considered an original bill for purpose of amendment, and shall be considered as read.

The resolution makes in order those amendments printed in the Rules Committee report accompanying the resolution. The resolution waives all points of order against such amendments except those arising under clause 9 or 10 of rule XXI. The resolution provides one motion to recommit with or without instructions, provides the Chair may entertain a motion to rise only if offered by the chair of the House Financial Services Committee or his designee. Lastly, the resolution provides the Chair may not entertain a motion to strike the enacting words of the bill.

Mr. Speaker, I rise this morning in strong support of the rule, the Flood

Insurance Reform Priorities Act, and in strong support of the underlying legislation. I would like to applaud the sponsor of H.R. 5114, Chairwoman MAXINE WATERS, for her leadership in bringing this important bill to the floor. And I commend Chairman FRANK and Ranking Member BAUCUS for being open to a number of improvements to this bill from myself and fellow members.

I am grateful for their long-standing advocacy of my legislation, H.R. 1525, which is incorporated into the underlying bill before us today. Both of them and their incredible staffs have been valuable in this process.

Mr. Speaker, it is critical that our constituents have access to a stable flood insurance program. Toward that end, H.R. 5114, which I am pleased to cosponsor, would reauthorize the National Flood Insurance Program for 5 years, and implement necessary changes that are essential for its continuing viability.

Floods have been, and continue to be, one of the most destructive and costly natural hazards to my hometown of Sacramento and to other communities throughout the country. The NFIP is a valuable tool in addressing the losses incurred due to these disasters, and mitigating against future disasters. The program ensures that families have access to affordable flood insurance, while making certain that their safety is protected. In fact, the NFIP is the primary source of reliable, affordable flood insurance in this country, providing 95 percent of the flood insurance policies nationwide. It covers 5.6 million households and insures \$1.2 trillion of property.

From the Sacramento region to the Louisiana bayous to the plains of the Midwest, communities are improving their flood protection infrastructure in order to keep residents safe and secure. However, as we work to provide certainty to our recovering housing market, these communities are seeking clarity to meet the changing dynamics of Federal standards.

It is for these reasons that I am thrilled that this legislation contains a provision I authored that would provide technical changes to Federal flood zone designations. In my district, the deepest flood depths would be in a region called the Natomas Basin. Fortunately, we have a flood protection project underway to achieve a 200-year level of protection for its residents.

By 2011, the Sacramento Area Flood Control Agency and the State of California will have spent upwards of \$350 million repairing levees in the Natomas Basin. But over the last 5 years, the hundreds of millions devoted to levee improvements in Natomas have not been acknowledged by FEMA in the remapping process. Unfortunately, FEMA's current flood zone certification process does not always take local and State funding into account.

A year ago, I introduced H.R. 1525, which would fix this problem, and it has been included in the bill we are considering today. In addition to making flood insurance available to millions of Americans, this bill also provides communities clarity in order for them to continue their ongoing efforts to improve flood defenses. It would update current law to take local, State, and Federal funding into account when determining flood zone designations. Such investments must be recognized by the Federal Government.

Local communities, States, and the Federal Government must all be thoughtful and committed partners because protecting our constituents from the dangers potential floods pose requires a comprehensive approach. While I have always urged homeowners in floodplains to purchase flood insurance, I have serious concerns about families being forced to incur higher insurance rates during an economic recession. Increased rates on top of the annual flood protection assessments that many residents are paying each year compounds this problem, which is why I am grateful that H.R. 5114 includes another provision I strongly support that would reduce the shock of higher insurance rates by phasing them in over 5 years. It would apply retroactively to September 2008 to areas that have been already remapped.

Most importantly for the thousands of homeowners across the country that have recently gone through the remapping process, H.R. 5114 would lower their flood insurance rates. Without this bill, many of our constituents would likely be forced to pay more than four times the preferred risk policy rate.

Mr. Speaker, the Flood Insurance Reform Priorities Act was unanimously approved by the Financial Services Committee on April 27, 2010. It is budget neutral, and is supported by numerous organizations in the property insurance field. Congress has not reauthorized NFIP since 2004. It is time for us to do so and to make essential changes to the program to ensure its sustainability. As many of my colleagues can attest, providing for the security and safety of flood-prone regions like the one I represent needs to be at the top of our priority list.

Mr. Speaker, I am proud to be part of the solution and to help make sure residents of Sacramento and other flood-prone communities across the country can afford to purchase the flood insurance they need to protect their families, their businesses, and the livelihoods of our communities.

I therefore urge my colleagues to support the rule and the underlying legislation.

I reserve the balance of my time.

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, I would like to thank my good friend, the gentlewoman from California (Ms. MATSUI)

for the time, and I yield myself such time as I may consume.

Almost 18 years ago, in 1993, I first arrived in Congress right in the aftermath of the greatest natural disaster that had ever hit south Florida. August 24, 1992, Hurricane Andrew, a category 5 storm with wind gusts of over 200 miles per hour, hit our community and devastated it. That storm caused over \$26 billion of damage to south Florida. Entire communities were destroyed. Until Hurricane Katrina hit the gulf coast in 2005, Hurricane Andrew was the costliest natural disaster in American history.

We in south Florida were very fortunate to receive generous assistance from our fellow Americans in the wake of Hurricane Andrew. That assistance was vital for our recovery, and I won't forget the support and compassion my colleagues in this Chamber demonstrated during those difficult times.

The National Flood Insurance Program, established by Congress in 1968, was designed to provide an alternative to disaster assistance and to reduce the costs of repairing flood damage to buildings caused by hurricanes or inland flooding of rivers, lakes, or streams. Approximately 20,000 communities across the country participate in the program by adopting and enforcing floodplain management regulations to reduce future flood damage.

□ 1040

In exchange, federally backed flood insurance becomes available to homeowners, renters, and business owners in those communities.

The NFIP was self-supporting through policy premiums and fees until 2005 when the program incurred approximately \$17 billion in flood claims caused by hurricanes Katrina, Rita, and Wilma. Currently, the program is over \$18 billion in debt.

Reauthorization of the NFIP is very important to the economy in south Florida. Without the program, home buyers are unable to close on new homes, suppressing home sales at a time when they're desperately needed in south Florida.

For example, a constituent, Chris O'Neal, wrote to me last month asking for Congress to reauthorize this program. Because the majority had let the program lapse, he and his family were unable to close on their new home and they faced being homeless because their current landlord had forced them to vacate their home. Mr. O'Neal's case wasn't an isolated incident. A number of my constituents have been unable to close on their new homes, and it's my understanding that many throughout the country face a similar situation.

This underlying legislation would rectify that problem and would reauthorize the NFIP through 2015. The bill provides premium discounts to assist residents in newly designated flood

hazard areas who would be subject to a new requirement to purchase flood insurance during a phase-in period of 5 years.

Other provisions include extending the Severe Repetitive Loss grant program to allow government buyouts of properties with frequent and severe losses to reduce program losses in the long term. The bill also allows for premiums to be paid in installments for lower-income property owners, thereby helping them to afford flood insurance and encouraging them to continue to purchase protection.

Although I support the underlying bill, Mr. Speaker, it could have been better, especially if the Taylor-Scalise amendment had been made in order. Their amendment would allow coastal homeowners to buy an option for both wind and flood insurance coverage from the NFIP. This option would be extremely helpful to coastal communities like south Florida and the gulf coast. Unfortunately, the majority on the Rules Committee decided to block even debate on that amendment. And not only did they block the Taylor-Scalise amendment, they blocked out nearly 90 percent of the Republican amendments submitted to the Rules Committee while allowing nearly two-thirds of the Democratic amendments.

So today we will consider three minority and eight majority amendments, plus another 10 majority amendments included in the manager's amendment. That's quite a contrast. It's especially unfortunate when you consider we were told that the process was going to change, that it wasn't going to be this way. The distinguished Speaker promised the American people that her party would run the most open and bipartisan Congress in history. Yet week after week, the majority continues to block an open process. We have yet to consider even one open rule during the entire 111th Congress, not even on the historically open appropriations bills. That's quite sad.

I reserve the balance of my time.

Ms. MATSUI. Mr. Speaker, I yield 3 minutes to the gentlewoman from Maine (Ms. PINGREE), my colleague on the Rules Committee.

Ms. PINGREE of Maine. I thank my colleague for yielding the time.

Mr. Speaker, today the House will consider H.R. 5114, the Flood Insurance Reform Priorities Act.

In Maine, FEMA is remapping York and Cumberland counties. The new maps will help homeowners and businesses assess the flood risk they face.

In Portland, the initial models FEMA used showed much of the city's waterfront would be damaged by waves during a bad storm. FEMA's models turned out to be more appropriate for exposed or standing shorelines. Portland Harbor is not a barrier island nor is it a community built on shifting sand or even walled off from the sea by

levees. Rather, Portland Harbor is a working, thriving waterfront that has endured for hundreds of years.

After working with the city, FEMA recently improved the accuracy of their model, taking into account the impact of the city's working waterfront on the wave action as well as new data provided by the city. In the next few weeks, FEMA will issue preliminary maps that are a result of hard work by the city and the Maine congressional delegation.

Together, we were able to save Portland's working waterfront, but other communities in York and Cumberland counties in my State face similar issues and do not have the resources to hire engineers and collect new data. Our working waterfronts are the economic and cultural hearts of our coastal communities. We need to make sure they are treated fairly in assessing the risks they face.

In Harpswell, one boatyard just spent thousands of dollars to show FEMA they were not in a flood zone and that the maps were wrong. In Rockland, many of the buildings on the working waterfront probably can not be rebuilt if they burn down, and a new herring processing facility had to be built so far away from the water that they put the herring on a truck and drive it across the parking lot to be processed.

You know, FEMA may be correct in their models—that these piers and buildings are in a flood zone and at risk for being damaged or destroyed in a once-in-a-lifetime storm. Frequently, though, sheltered harbors like Portland are relatively protected, and even during a bad hurricane or nor'easter, they may flood and do not get battered by heavy waves.

Our Nation's working waterfronts, like all of our communities, deserve to be mapped using the best science FEMA has available. That's why I worked with the City of Portland to craft language that was included in the manager's amendment to show how these models are applied to working waterfronts and to study how it is done.

We owe it to the American people to make sure that all of our communities receive accurate information about flood risks they face, and all of our communities deserve to work with FEMA in a true partnership.

I urge my colleagues to support the rule, the manager's amendment, and the underlying bill.

Today, the House will consider H.R. 5114, the Flood Insurance Reform Priorities Act. In Maine, FEMA is remapping York and Cumberland counties. The new maps will help homeowners and businesses assess the flood risks that they face. Unfortunately, in some places the remapping process is not as accurate as it could be.

For example, in Portland, the initial models FEMA used showed much of the City's waterfront would be damaged by waves during a

bad storm. FEMA's models turned out to be more appropriate for exposed and sandy shorelines. Portland Harbor is not a barrier island nor is it a community built on shifting sand or even walled off from the sea by levees. Rather, Portland Harbor is a working, thriving, waterfront that has endured for hundreds of years.

After working with the City, FEMA recently improved the accuracy of their model, taking into account the impact of the City's working waterfront on the wave action as well as new data provided by the City. In the next few weeks, FEMA will issue preliminary maps that are the result of the hard work by the City and the Maine Congressional Delegation.

Together, we were able to save Portland's waterfront but other communities in York and Cumberland county face similar issues and do not have the resources to hire engineers and collect new data.

Our working waterfronts are the economic and cultural hearts of our coastal communities. Because businesses in working waterfronts like boatyards are located on the water's edge and often have piers that stick out into a harbor, they are more susceptible to storms and inaccurate models.

In Harpswell, one boatyard just spent thousands of dollars to show FEMA that they were not in a flood zone and that the maps were wrong. In Rockland, many of the buildings on the working waterfront probably cannot be rebuilt if they burn down and a new herring processing facility had to be built so far away from the water that they put the herring in a truck, and drive it across the parking lot to be processed.

FEMA may be correct in their models—that these piers and buildings are in a flood zone and at risk for being damaged or destroyed in a once-in-a-lifetime storm. Frequently though, sheltered harbors like Portland are relatively protected and even during a bad hurricane or nor'easter, they may flood but do not get battered by heavy waves.

Our nation's working waterfronts, like all of our communities, deserve to be mapped using the best science FEMA has available. Our nation's waterfront businesses need accurate flood maps that don't needlessly place our businesses in the restrictive flood areas such as V or A zones and stifle the economic activity on the waterfront.

This is why I worked with the City of Portland to craft language that was included in the Managers Amendment. This language will help protect our nation's working waterfronts and improve the accuracy of FEMA's flood maps in our harbors by requiring FEMA to study how their models and the assumptions that motivate those models are applied to working waterfronts and harbors.

We owe it to the American people to make sure that all of our communities receive accurate information about the flood risks they face and all of our communities deserve to work with FEMA in a true partnership. I urge my colleagues to support the rule, the Managers Amendment and the underlying bill.

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, I reserve the balance of my time.

Ms. MATSUI. Mr. Speaker, I yield 3 minutes to the gentleman from New

York (Mr. ARCURI), my colleague on the Rules Committee.

Mr. ARCURI. I thank my friend and colleague from the Rules Committee, Ms. MATSUI, for yielding me the time. And I'd like to compliment her on her hard work over the years and her leadership with respect to protecting individuals who have been devastated by the effects of floods which brings us here today.

I speak in support of H.R. 5114, the Flood Insurance Reform Priorities Act, which will provide the stability necessary for businesses, realtors, homeowners, and plan effectively to reduce the potential economic loss and costs of repairing damages from future flooding without stifling or preventing otherwise safe development.

As FEMA works to update and modernize flood maps from communities across the country, thousands of families across Upstate New York are facing a new requirement to purchase flood insurance as they are remapped into new flood zone boundaries. It is imperative that these maps are accurate and protect our communities without unnecessarily burdening them or stifling economic development, especially during these very tough economic times.

H.R. 5114 seems to strike the proper balance by allowing property owners a sufficient grace period to account for the need to buy flood insurance or to appeal the determination that their property is within a floodplain, and also phases in flood insurance premium rates over a 5-year period beginning as soon as the property owner initiates the flood insurance policy.

In recent years, I've assisted communities in my district in successfully appealing updated flood maps, saving countless homes and business owners from unnecessarily having to purchase flood insurance.

Instances like this illustrate why the grace period in H.R. 5114 is so important—so property owners have a 5-year delay of the flood insurance purchase requirement within which to appeal FEMA's preliminary determination. This grace period would apply retroactively to any final updated flood map that was enacted since September 1, 2008.

I'm also pleased that H.R. 5114 will create the Office of Flood Insurance Advocate within FEMA to assist policyholders in filing flood insurance claims, settling disputes between policyholders and FEMA, and streamlining the claims process. This is a provision I fought to include in the flood insurance reform legislation in the last Congress, and I applaud the committee for including these provisions in the underlying bill today.

I encourage my colleagues to vote for the rule and the underlying bill.

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, I continue to reserve the balance of my time.

Ms. MATSUI. Mr. Speaker, I yield 3 minutes to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Speaker, I appreciate the gentlelady's courtesy in permitting me to speak on the rule, as I have appreciated her work in her community over the years dealing with the consequences of flooding and water damage.

I rise in support of the rule and reluctantly am supporting the underlying bill.

□ 1050

I have great sympathy for the work that was done by the Financial Services Committee. I understand what horrible timing it is to deal with the huge losses in housing value, other real estate markets, as well as unemployment and the economic slowdown. We are all reluctant to put any additional pressure on people who are located in harm's way.

But I will tell you, having worked on flood insurance reform now for over a decade, there is never a good time to fix this program. The tragedy of Katrina 5 years ago dramatically illustrated both the need for, and the flaws in, our flood insurance program and environmental protections.

For generations, local and State governments and, sadly, in some cases, the Federal Government itself has encouraged people to live in harm's way. Over time, this has become a much more expensive proposition while we have accelerated the potential for disastrous floods as we've engineered our rivers, while we've encouraged filling in wetlands that used to be nature's sponges, and we have more people in the areas that are subjected to even worse flooding.

Now we have the situation where global warming is creating weather instability, extreme weather events, brutal rains and winds that make what was once a one in 100 years or one in 500 year event, sadly routine. We have seen on the floor of this House people come to the floor dealing with 500-year floods that have happened in relatively short time frames, and it is going to continue accelerating in the future.

We need to make sure that FEMA has the resources to do this important mapping job properly, and we need to have the gumption to support FEMA after it has gone through the process and done the mapping right, to enforce that mapping. We need to make sure that people who are in harm's way are encouraged to protect their properties, and after repeated damage, that we don't just keep putting people back in harm's way but help them be located more safely.

The SPEAKER pro tempore. The time of the gentleman has expired.

Ms. MATSUI. I yield the gentleman an additional 30 seconds.

Mr. BLUMENAUER. It is important that we no longer put the taxpayer on

the hook for massive losses and have the rest of the people who pay flood insurance pay higher premiums while people who should start making some modification waiting 10 years before they pay their own way.

This bill is a compromise, but I am hopeful that Congress can do more work to make a compromise that is more effective and long term because this is the tip of the iceberg. If we don't get it right, we're going to be back here time and time again on the hook for more and more money and more loss of life and property.

Mr. LINCOLN DIAZ-BALART of Florida. I yield back the balance of my time.

Ms. MATSUI. Mr. Speaker, I yield myself the balance of my time.

I want to start by thanking the Members and the staff of the Financial Services Committee for their diligence in working with me on this important legislation. Tom Glassic of the Financial Services majority staff has been especially helpful.

Mr. Speaker, as we are all aware, flooding is the most common natural disaster in this country. The National Flood Insurance Program, NFIP, is the primary source of reliable, affordable flood insurance in the United States today. The last reauthorization of NFIP occurred in 2004. Since 2008, it has operated under a series of short extensions, with the current law scheduled to expire at the end of September.

To ensure that individuals nationwide have access to a stable and reasonable flood insurance program, we need to pass the Flood Insurance Reform Priorities Act. This legislation would reauthorize the NFIP and implement other critically important changes that would guarantee the program's sustainability.

In particular, it would help the Sacramento region and other areas advance their ongoing efforts to improve their flood protection. Additionally, the bill would lower the burden of higher insurance rates in remapped communities by phasing them in over 5 years.

According to the Congressional Budget Office, H.R. 5114 would have no impact on the budget over the next 10 years. In fact, the CBO has stated that the measure would increase revenues by \$5 million over 2010–2015 and by \$10 million over 2011–2020.

It would address the NFIP's serious financial challenges by directing it back toward fiscal health and self-sustainability.

This legislation, which was unanimously approved by the Financial Services Committee earlier this year, would provide certainty to our recovering housing market and ensure public safety.

Mr. Speaker, H.R. 5114 is an important bipartisan bill that would help protect our communities from catastrophic flooding. With that in mind, I

urge a "yes" vote on the previous question and on the rule.

Mr. Speaker, I yield 1 minute to the gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR. Yesterday, I appeared before the Rules Committee and offered an amendment that would allow people in coastal America to buy wind insurance as an option to their flood insurance, a measure that is identical to what had passed this House less than 3 years ago as a part of the base bill. It is my understanding that that was not made in order.

My question to the Rules Committee is since the Speaker says she is for it, since Majority Leader HOYER says he is for it, since the chairwoman of jurisdiction, Ms. WATERS, says she's for it, I've got to admit my amazement that it was not made in order, since it's already passed this House by about 270 votes 3 years ago. So I was hoping if the gentlewoman could enlighten those of us who are in support of that amendment what happened.

Ms. MATSUI. Mr. Speaker, if the gentleman will yield, I will respond.

One of the amendments was not germane. One amendment was made in order because it was germane.

Mr. TAYLOR. The amendment, again, that has already passed this House as a part of the base bill of an identical bill 3 years ago, I'm having a little trouble understanding how that's not germane.

I would urge people to oppose the rule.

Ms. MATSUI. May I say that, just to clarify, the amendment that Mr. TAYLOR was talking about was germane to that bill. It is not germane to this bill.

So if I may continue, Mr. Speaker, H.R. 5114 is an important bipartisan bill that would protect our communities from catastrophic flooding. With that in mind, I urge a "yes" vote on the previous question and on the rule.

I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 239, nays 182, not voting 11, as follows:

[Roll No. 443]

YEAS—239

Ackerman
Adler (NJ)
Altmire
Andrews
Arcuri
Baca
Baird

Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry

Bishop (GA)
Bishop (NY)
Blumenauer
Bocciardi
Boren
Boswell
Boucher

Boyd
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carney
Carson (IN)
Castor (FL)
Chandler
Chu
Clarke
Clay
Clever
Clyburn
Cohen
Connolly (VA)
Conyers
Cooper
Costa
Costello
Courtney
Critz
Crowley
Cuellar
Cummings
Dahlkemper
Davis (AL)
Davis (CA)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutch
Dicks
Dingell
Doggett
Donnelly (IN)
Doyle
Driehaus
Edwards (MD)
Edwards (TX)
Ellison
Ellsworth
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Foster
Frank (MA)
Fudge
Garamendi
Giffords
Gonzalez
Gordon (TN)
Grayson
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Halvorson
Hare
Harman
Heinrich
Herseth Sandlin
Hill

Himes
Hinchey
Hirono
Hodes
Holden
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson Lee
(TX)
Johnson (GA)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick (MI)
Kilroy
Kirkpatrick (AZ)
Kissell
Klein (FL)
Kosmas
Kucinich
Langevin
Larsen (WA)
Larson (CT)
Lee (CA)
Levin
Lewis (GA)
Lipinski
Loebach
Lofgren, Zoe
Lowey
Lujan
Lynch
Maffei
Maloney
Markey (CO)
Markey (MA)
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McMahon
McNerney
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Nadler (NY)
Napolitano
Neal (MA)
Nye
Oberstar
Obey
Oliver
Ortiz
Owens

Pallone
Pascrell
Pastor (AZ)
Payne
Perlmutter
Perriello
Peters
Peterson
Pingree (ME)
Polis (CO)
Pomeroy
Price (NC)
Quigley
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Rothman (NJ)
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sanchez, Linda
T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schauer
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Space
Speier
Spratt
Stark
Sutton
Teague
Thompson (CA)
Thompson (MS)
Tierney
Titus
Tonko
Towns
Tsongas
Van Hollen
Velázquez
Visclosky
Walz
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Weiner
Whitfield
Wilson (OH)
Woolsey
Wu
Yarmuth

NAYS—182

Aderholt
Akin
Alexander
Austria
Bachmann
Bachus
Barrett (SC)
Bartlett
Barton (TX)
Biggart
Blibray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono Mack
Boozman

Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite,
Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp
Campbell
Cantor
Cao
Capito
Carter
Cassidy
Castle

Chaffetz
Childers
Coble
Coffman (CO)
Cole
Conaway
Crenshaw
Davis (KY)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Djou
Dreier
Duncan
Ehlers
Emerson
Fallin
Flake
Fleming

Forbes
Fortenberry
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gingrey (GA)
Gohmert
Goodlatte
Granger
Graves (GA)
Graves (MO)
Griffith
Guthrie
Hall (TX)
Harper
Hastings (WA)
Heller
Hensarling
Herger
Hunter
Inglis
Issa
Jenkins
Johnson (IL)
Johnson, Sam
Jones
Jordan (OH)
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Kratovil
Lamborn
Lance
Latham
LaTourette
Latta
Lee (NY)
Lewis (CA)

Linder
LoBiondo
Lucas
Luetkemeyer
Lummis
Lungren, Daniel
E.
Mack
Manzullo
Marchant
McCarthy (CA)
McCaul
McClintock
McCotter
McHenry
McKeon
McMorris
Rodgers
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Minnick
Mitchell
Moran (KS)
Murphy, Tim
Myrick
Neugebauer
Nunes
Paul
Paulsen
Pence
Petri
Pitts
Platts
Poe (TX)
Posey
Price (GA)
Putnam
Radanovich
Rehberg
Reichert
Roe (TN)

Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rooney
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Scalise
Schmidt
Schock
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuler
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Stearns
Stupak
Sullivan
Tanner
Taylor
Terry
Thompson (PA)
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden
Wamp
Westmoreland
Wilson (SC)
Wittman
Wolf
Young (AK)
Young (FL)

NOT VOTING—11

Bright
Culberson
Hastings (FL)
Higgins

Hinojosa
Hoekstra
Kagen
Kind

Olson
Schrader
Welch

□ 1126

Messrs. GALLEGLY, SHIMKUS, and TURNER changed their vote from “yea” to “nay.”

Mr. CAPUANO changed his vote from “nay” to “yea.”

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Ms. WATERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 5114 and to insert extraneous material thereon.

The SPEAKER pro tempore (Mr. CLAY). Is there objection to the request of the gentlewoman from California?

There was no objection.

FLOOD INSURANCE REFORM
PRIORITIES ACT OF 2010

The SPEAKER pro tempore. Pursuant to House Resolution 1517 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the consideration of the bill, H.R. 5114.

□ 1128

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H.R. 5114) to extend the authorization for the national flood insurance program, to identify priorities essential to reform and ongoing stable functioning of the program, and for other purposes, with Mr. PASTOR of Arizona in the chair.

The Clerk read the title of the bill.

The CHAIR. Pursuant to the rule, the bill is considered read the first time.

The gentlewoman from California (Ms. WATERS) and the gentlewoman from West Virginia (Mrs. CAPITO) each will control 30 minutes.

The Chair recognizes the gentlewoman from California.

Ms. WATERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am proud to bring my bill, H.R. 5114, the Flood Insurance Reform Priorities Act of 2010, to the floor today; and I stand in strong support of its passage. Moreover, I'm proud that this bill has the support of my colleagues on both sides of the aisle, having passed out of the Financial Services Committee in April on voice vote.

Mr. Chairman, this bill is essential. The Flood Insurance Program provides valuable protection for approximately 5.5 million homeowners; but, unfortunately, the lack of a long-term authorization has placed the program at risk. The program has lapsed three times now since the beginning of this year: for 2 days in March, for 18 days in April, and again from June 1 to July 2, when President Obama signed my bill to provide for a short-term extension of the program through the end of September of this year.

These lapses meant that FEMA was not able to write new policies, renew expiring policies, or increase coverage limits. These delays also meant that each day 1,200 home buyers who wanted to purchase homes located in flood plains were unable to close on their homes. Given the current crisis in the housing market, this instability in the Flood Insurance Program is hampering that market's recovery and must be addressed.

Mr. Chairman, in drafting this bill, I also wanted to address the challenges posed to communities by the imposition of new flood maps. I saw these challenges firsthand in my home city of Los Angeles. Earlier this year I was able to assist homeowners in the Park Mesa Heights area of Los Angeles who had been mistakenly placed in a flood plain. In this case, FEMA acted quickly to respond to new data and correct the mistake. However, there are thousands of homeowners nationwide who now find themselves in flood zones and subject to mandatory purchase requirements.

H.R. 5114, the Flood Insurance Reform Priorities Act of 2010, would restore stability to the Flood Insurance Program by reauthorizing the program for 5 years. It would also address the impact of new flood maps by delaying the mandatory purchase requirement for 5 years and then phasing in actuarial rates for another 5 years.

The bill also makes other improvements to the program by phasing in actuarial rates from pre-firm properties, raising maximum coverage limits, providing notice to renters about contents insurance, and establishing a flood insurance advocate similar to the taxpayer advocate at the Internal Revenue Service.

Mr. Chairman, we must reauthorize the National Flood Insurance Program and pass the reforms included in H.R. 5114. This country is reeling from major floods in Tennessee, Arkansas, and Oklahoma; and we are now officially in hurricane season, with south Texas still recovering from Hurricane Alex. I urge my colleagues to stand with me in support of this important extension.

In closing, I would like to recognize the many Members on both sides of the aisle who have approached me with their concerns about flood insurance programs. I'm further gratified that, through this bill, we're able to address many of those concerns. I remain committed to working with Members on ensuring that this program works for their communities and their constituents.

I reserve the balance of my time.

Mrs. CAPITO. Mr. Chairman, I yield myself such time as I may consume.

I would like to thank the chairwoman, Chairwoman WATERS, for her hard work on this very important piece of legislation.

H.R. 5114, the Flood Insurance Reform Priorities Act, provides for the long-term reauthorization reform of the National Flood Insurance Program, extending it for 5 years, through September 30, 2015. The bill would phase out subsidized premium rates for certain properties, increase the annual limit on premium rate increases, and impose minimum deductibles for all policies.

The bill before us today, I believe, makes constructive reforms to eliminate certain subsidies and strengthens the financial soundness of the NFIP. Unfortunately, it also includes wasteful government spending. While I wish the bill went further to place the program on a path toward self-sufficiency and limit taxpayer exposure, I will support the final passage of this bill.

The NFIP is currently operating under a short-term extension through September 30, 2010, after experiencing its third lapse this year. H.R. 5114 makes constructive reforms to eliminate certain subsidies and strengthen

financial soundness. In addition, several Republican proposals have been incorporated in H.R. 5114 to strengthen the reforms in this bill, including provisions to eliminate subsidized rates over time for homes that were sold to a new owner, impose minimum deductibles for all insured properties, require a report on the feasibility of incorporating national recognized building codes into the NFIP flood plain management criteria, and to direct the NFIP to report to Congress with a plan to repay its debt to the Treasury within 10 years.

The NFIP is facing serious financial challenges and cannot afford to continue on its current path. The GAO has included the NFIP on its annual list of high-risk government programs since 2006 because of its ongoing potential to incur billions of dollars in losses. With an \$18 billion debt to the Treasury now and the persistence of subsidized premium rates for properties in high-risk areas, the NFIP continues to be underfunded and Federal taxpayers remain at risk.

Unfortunately, recent temporary lapses of the NFIP created uncertainty in the housing market and resulted in negative consequences for home buyers trying to purchase flood insurance protection in high-risk areas where it is required. While many property owners depend on flood insurance for some measure of financial security, and many more should consider purchasing it to protect themselves from potential losses, fundamental reforms are needed to make the flood insurance program more self-sufficient, reduce the potential for losses, and minimize the financial risk to taxpayers.

In the long run, it is my hope, along with most of my Republican colleagues, that all flood insurance premium rate subsidies should be eliminated and underwriting risks should be transferred to the private insurance market to the maximum extent possible.

In this respect, the provisions of H.R. 5114 that phase out and eventually eliminate certain premium rate subsidies represent very positive steps. The bill includes constructive measures to eliminate subsidized rates over time for nonresidential properties and nonprimary residences, including second homes and vacation homes.

H.R. 5114 also raises the cap on rate increases from 10 to 20 percent, which will allow the NFIP to charge premiums more appropriate to the risk within a shorter period of time. These useful reforms are overshadowed, unfortunately, by provisions authorizing almost \$500 million in new Federal spending for new mitigation and outreach grant programs and to establish an Office of Flood Insurance Advocate within FEMA, which administers the Flood Insurance Program.

While there is a definite need to improve FEMA's communication with

communities and to increase advocacy about the impact of the new flood risk maps, Republicans believe that this effort should be undertaken using the existing NFIP funds, rather than new Federal spending in this time of historic deficits.

□ 1140

I know some of my Republican colleagues offered amendments to do just this, to address these concerns. And I wish that they had been made in order today, as their inclusion would have enhanced our debate.

The NFIP was originally intended to reduce the need for emergency disaster assistance from Federal taxpayers to local communities, and the program has a long ways to go to reach the point of being self-funded and self-sustaining. Furthermore, I believe that Congress has an obligation to U.S. taxpayers to challenge the premise that most flooding hazards will never be insurable by the private insurance market.

I remain committed to enacting comprehensive reforms that not only modernize the National Flood Insurance Program so that homeowners will continue to have access to flood insurance, but at the same time protect the American taxpayer.

I reserve the balance of my time.

Ms. WATERS. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois, Representative COSTELLO, who has been the leader on this issue of the maps, the remapping. And because of him we have a strong bill. He worked very hard, and I am very grateful.

Mr. COSTELLO. I thank the gentlelady for yielding.

Mr. Chairman, I rise today in support of H.R. 5114. I have worked on this issue, as Representative WATERS has said. She chairs this committee, has provided great leadership, along with Chairman FRANK. And I thank them for their leadership in bringing the bill to the floor today.

We have worked together with them and members of the Congressional Levee Caucus. We authored provisions included in this bill to delay the onset of mandatory flood insurance purchase requirements in the newly remapped areas for 5 years, and then phase in insurance rates for the next 5 years. This will give communities the time necessary to rebuild levees and address other flood control projects and allow our constituents to make their own decision regarding the purchase of flood insurance.

In August of 2007, FEMA announced that through the remapping process, the levees protecting the Metro East area of Illinois along the Mississippi River, which had been protecting our area for decades, including in the major flood of 1993, would be decertified and treated for flood protection purposes as if they didn't exist. As soon

as the new maps became final, any homeowner or small business with federally backed mortgages would have to purchase flood insurance. It could cost literally thousands of dollars annually.

Let me say, Mr. Chairman, that we have made a lot of progress as part of this process. Local officials continually ask for some relief. What we do in this legislation is, in the provisions that I described earlier in this legislation, the bill allows FEMA, the flood remapping process to proceed, and requires communities to have evacuation and communication plans in place, which must include information about the availability of flood insurance and the consequences of having a flood.

I want to be very clear at this point, while it is not mandatory, I continue to encourage all of my constituents in the affected area to purchase flood insurance. But that decision should be theirs.

The Federal Government needs to work with local officials to solve these local and national issues. I strongly support H.R. 5114. I thank Chairman FRANK and Chairlady WATERS for all of their work and ask my colleagues to support the bill.

Mrs. CAPITO. I yield 5 minutes to my colleague from Texas (Mr. HENSARLING).

Mr. HENSARLING. I thank the gentlelady for yielding.

Mr. Chair, this House recently passed a financial markets regulatory restructuring bill which in essence, unfortunately, will create a new Federal insurance program, or bailout authority, for large financial companies that take on too much risk. I wish we would leave, given the state of the national debt, I wish we would leave the safety net where it currently is, under federally insured depository institutions. And instead, ultimately I fear we will one day be looking at taxpayer subsidies to cover the likes of Goldman Sachs, AIG, and Lehman Brothers.

I wish we had learned our lesson from the National Flood Insurance Program, which we know was supposed to never require any taxpayer funds, any general revenue. But unfortunately, we know today already \$19 billion is owed to the Federal taxpayer. And we look at the other federally administered insurance programs: Social Security, long term deficit of \$15 trillion; Federal Pension Benefit Guaranty Corporation, debt of \$22 billion, projections of \$34 billion by 2019; Federal crop insurance, Medicaid—the list goes on and on and on.

This bill adds to the tab. And the Congressional Budget Office has projected this bill will increase spending by roughly a half-billion dollars over 10 years. Even by Washington standards, I hope we still consider that to be significant funding.

Now, I wish the Federal Government wasn't in this business, but we are in

this business. And if we are in this business, we have to ensure that we are not subsidizing and incenting people to live, essentially put them in harm's way and put them in harm's way at taxpayers' expense. If they are going to put themselves and their property in harm's way, that's a decision they need to be making. But we shouldn't be a party to incenting them to that.

So we still have a program that over-subsidizes certain properties, including condos and vacation homes, and we're asking people in my district, the factory worker in Mesquite, Texas, and maybe making \$50,000 a year, to subsidize the flood insurance of somebody who may be making a half a million dollars a year, maybe because they have a condo on a beach. That's not a program that's particularly fiscally sound or one that I believe is fair.

I certainly want to thank the chairman, I want to thank the ranking member for their work. And there are a number of improvements in this legislation that will help improve the program. I want to thank the chairman for incorporating a modest amendment I offered in 2007 that would at least require the NFIP to conduct a study within the next 6 months of how do you end up repaying the taxpayer at least over a 10-year period so they can recoup their losses on a program they were never supposed to bail out in the first place.

I appreciate the fact that the underlying legislation will raise the annual cap on premium rate increases. I appreciate the leadership of the gentleman from New Jersey (Mr. GARRETT) who offered an amendment that was incorporated that would eliminate subsidies over time for homes that are sold to new owners and phases in actuarially sound premiums on second homes.

There is also language in here that will impose minimum deductibles for all insured properties. All of these are several steps in the right direction to help ensure that the taxpayer doesn't suffer further losses.

But unfortunately, the bill really doesn't do anything to deal with the current almost \$19 billion of funds that are owed to the taxpayer today. Nothing in the bill will help recoup that particular loss. It delays the implementation of actuarial rates, which I think again puts the taxpayer in further harm. It does not phase out the taxpayer subsidies. We still have insurance at subsidized rates, creating perverse incentives that encourage people to essentially live in harm's way. And just like Fannie Mae and Freddie Mac, which have already cost the taxpayer \$150 billion roughly and counting, those programs ultimately need to be returned to competition, and so does this program ultimately need to be returned to market competition.

Now, I know we can't outlaw hurricanes, we can't outlaw floods, but we

can at least make sure that the factory worker in Mesquite, Texas, in my district, doesn't have to keep picking up the tab over and over. And very importantly, this is a program that authorizes almost a half a billion in new spending on an outreach program when one already exists. We cannot afford it.

Ms. WATERS. Mr. Chairman, I yield 1 minute to the gentleman from Arkansas, who has fought so hard for his constituents and making sure that they have a strong advocacy program in this bill, MARION BERRY.

Mr. BERRY. Thank you, Madam Chairman, for the great job you have done and the concern for the people that you have exhibited.

For the time that FEMA has existed, the exception being during the Clinton administration when James Lee Witt ran that agency, FEMA has exhibited an incredible inability to get anything done and accomplished. FEMA, in my part of the world, is worse than the natural disaster that they came to deal with. When we see FEMA show up, it strikes fear in the hearts of grown men and women and small children.

So I thank the chairman for this bill, the constraints she put in this bill as it relates to the floodplains and the designation of them, and urge the passage of this bill.

□ 1150

Mrs. CAPITO. I yield 3 minutes to my colleague from Michigan (Mrs. MILLER).

Mrs. MILLER of Michigan. I thank the gentlelady for yielding me some time.

Mr. Chairman, I rise in opposition to this program and to this bill, and I would once again remind my colleagues that this program is a very, very bad deal for my constituents in the great State of Michigan, the Great Lake State. In fact, it's a bad deal for most all the States that are in the Great Lake States.

As an example, my constituents in Michigan are paying very high flood insurance premiums, yet we rarely receive any claims, and I will give you examples. Since we've instituted this flood program in the Nation since 1978, in Michigan we've received \$44 million in claims; however, we've paid in over \$200 million during that time in premiums. This year alone, in Michigan, our citizens are going to pay \$19 million in claims, which means that in just 2 years of paying premiums, we will have covered all of our losses for the last 32 years. In fact, the GAO report on this program that was published in April found that one in four property owners are paying subsidized rates for their flood insurance that do not reflect the full risk of their flooding.

That same report found that repetitive losses represent only 1 percent of policies but over 25 percent of all of the

claims. In short, we keep paying over and over and over again claims for some Americans to live in flood-prone areas, and it is no wonder that this program is \$19 billion in debt.

Unfortunately, the Rules Committee didn't make one of my amendments in order that would have addressed this problem of repetitive losses, and this is a case in so many properties. They just keep rebuilding and refiling their claims over and over and over again, and I just don't think that's fair to the rest of the Nation. If you insist on rebuilding, then you should assume the risk.

Mr. Chairman, quite frankly, my home State of Michigan feels like the ATM machine for this flood debt program. I think this program is very, very unfair. One thing I would say, in Michigan, we actually look down at the water. We don't look up at the water. And we are very sympathetic, Mr. Chairman, very sympathetic to areas of other parts of the country that are prone to floods, that are prone to hurricanes, et cetera. We appreciate the challenges that they face, but I don't think it's fair that citizens in a State like Michigan have to pay for those kinds of things.

I think we need to have a national catastrophic fund that establishes more fairly the burden on this rather than looking for States like Michigan. I'm not opposed to redigitizing the maps and using the state-of-the-art technology that's happening. I think that's very important. We want to know the proper elevations. You can use it for planning. Local municipalities need it, et cetera. But in Michigan, I can tell you tens of thousands of properties that are now being included in this floodplain that have never been included previously, that have no history of flooding. In the last couple of years, the Great Lakes have had historic lows.

I'm going to be voting against this. I urge my colleagues to vote against this bill, Mr. Chairman.

Ms. WATERS. Mr. Chairman, I yield myself 30 seconds to make sure that the gentlelady understands that we are moderating the subsidy in several ways on second homes, on nonresidential property, and when the homes are sold, and that's an important point that we will have some discussion on later.

At this time I yield 1 minute to the gentleman from Georgia (Mr. SCOTT), who's been responsible for making sure that we give homeowners an opportunity to pay installments instead of up front all of these premiums that they will be responsible for.

Thank you so very much for your work.

Mr. SCOTT of Georgia. Thank you so very much.

I want to extend tremendous accolades to our chairperson, Ms. WATERS, who has done just an absolutely excellent job on this bill.

□ 1200

Mr. Chairman, you know, there is nothing more devastating, more heart-breaking than for individual families to lose their homes and all of their possessions. And if there ever was a time that the role of government plays its most important role, it is to come to their rescue immediately, quickly, and help them to recapture their lives as quickly and to make sure that they have the insurance that is needed.

Nowhere has that been more devastating in terms of flooding than in my own district. As you all recall, many of you sent out prayers and best wishes. As you know, in my district, about a year ago, we had a tremendous flood, the worst flood in Georgia in this century, especially in the Cobb County/Douglas area where we lost seven lives.

This amendment, which will help to provide people the opportunity, that don't have to pay that insurance in one lump sum but will pay it in installments, will go a long way to helping them.

Mrs. CAPITO. Mr. Chairman, I yield 2 minutes to my colleague from Florida, Ms. BROWN-WAITE.

Ms. GINNY BROWN-WAITE of Florida. Mr. Chairman, I rise today actually in support of H.R. 5114, the Flood Insurance Reform Priorities Act. And since the word "priorities" is mentioned in the title, I wanted to share a few of my constituents' priorities.

On balance, they would say this is a good bill, particularly given the fact that over the last few weeks I received numerous calls from Realtors and would-be home buyers who could not close on houses because of the lapse in the National Flood Insurance Program.

While the situation has been taken care of temporarily and while the home buyer tax credit closing deadline was pushed back, I think my colleagues can understand the frustration back home in Florida that this simply is not how we should be handling issues in Washington, D.C.

As for the bill we have on the floor today, I want to draw my colleagues' attention to one provision in particular that gives me pause. Section 5 of the legislation effectively raises homeowners' insurance costs for struggling homeowners. There are a lot of things that keep Floridians up late at night: unemployment, hurricane season, the solvency of Social Security and Medicare, and among others, homeowners insurance premiums.

We have to remember that the NFIP was self-sufficient until Hurricane Katrina and, frankly, it should continue to be. But raising rates during this recession in Gulf States already devastated by hurricanes, oil spills, and failed stimulus plans is a horrifically bad idea.

I offered an amendment at the Rules Committee that would have prevented these increases, but unfortunately my Democrat and Republican colleagues in

flood-prone areas around the country will not have an opportunity to vote on that amendment.

Ms. WATERS. Mr. Chairman, I yield 1 minute to the gentlelady from New York (Mrs. MCCARTHY), who has worked very hard on these issues, and we have, in the manager's amendment, some of the work that she did.

Mrs. MCCARTHY of New York. I thank the chairwoman, and I thank her for the work on bringing this issue to the floor. She basically has covered everything that certainly a lot of my constituents were concerned about.

I want to thank her also for accepting a number of my amendments that will encourage local government agencies who receive grant funds under the Outreach Program to coordinate with entities and agencies that have experience with certain populations in the communities, such as the disabled, older Americans, and minorities. We know that this is a complicated formula, but I believe that with this legislation, it's going to be much easier to go through it.

My other amendment would clarify that once a borrower sufficiently demonstrates to a lender they have purchased flood insurance within the 45 days, the lender must terminate the "force-placed" insurance. The force-placed insurance is something that's put in place until the insurance comes through, and I thank Ms. WATERS for her work with me on getting this legislation through. It is going to help our constituents.

Mrs. CAPITO. Mr. Chairman, I reserve the balance of my time.

Ms. WATERS. I yield 1 minute to my colleague from California, LINDA SÁNCHEZ, who has given a lot of her time to this effort.

Ms. LINDA T. SÁNCHEZ of California. I rise today on behalf of residents of southern California who are struggling to make ends meet. In recent months, I've heard from a number of constituents who will soon be required to pay more than a thousand dollars a year in flood insurance premiums even though they live in a virtual desert. That's right. Southern California is officially a semi-arid, near-desert region, but many of my constituents are being told to pay a thousand dollars a year or more to guard against floods.

These families want to know why their homes were considered safe just months ago but are now considered to be in a flood zone under new FEMA maps. They want to know what has changed in such a short time to threaten their safety, particularly given the recent infrastructure investments in the L.A. River Basin.

Let me be clear, I support the National Flood Insurance Program because floods can devastate a community, but where flood maps are outdated, they should be corrected to better protect communities.

However, local residents should be involved in the process and given a chance to be heard before their homes are rezoned. This bill will also allow families the choice to pay their premiums in installments and allow families to lessen the burden on their budget.

I thank Congresswoman WATERS, and I urge passage of the bill.

Mrs. CAPITO. I continue to reserve the balance of my time.

Ms. WATERS. I yield 1 minute to the gentlelady from D.C., Ms. ELEANOR HOLMES NORTON.

Ms. NORTON. I'd like to thank Chairwoman WATERS for not only today's bill but for her comprehensive bill, the first since 1994; also Chairman FRANK for his work, making sure we got to the floor today as well.

I chair the subcommittee with primary jurisdiction over FEMA and understand how important the chairwoman's comprehensive bill is. I understand also that Katrina was a wake-up call. As controversial as these maps are, and they have been controversial in my district, the most important thing we do in this bill is the 5-year grace period and appeal period delay. It's the least we can do instead of facing property owners with a new and expensive mandate in the middle of an economic crisis that began in a mortgage crisis with hundreds of people waiting to close on homes, others newly in a flood map zone. This is needed relief and the least we can do before we go home. We've had our separate fights. Let's get this temporary bill done and then get on to comprehensive reform.

Mrs. CAPITO. I continue to reserve the balance of my time.

Ms. WATERS. I yield 1 minutes to the gentleman from Texas (Mr. AL GREEN). His State has experienced a lot of hardship with Katrina and Alex, and I thank him for his hard work.

Mr. AL GREEN of Texas. Thank you, Madam Chair, and I thank Ranking Member CAPITO for her assistance as well.

Quickly, I would add two things. One, this bill helps us to stabilize the housing market. There are many persons who seek to buy homes who have not been able to buy homes because the flood insurance was not available, yet required, to make the purchase. We also have persons who are concerned about the hurricane season. We have extended the flood insurance program, but this helps us to stabilize it and stabilize the housing market.

My final point is this: auto insurance is not something that I necessarily want to have. I don't use it regularly. There are many who purchase it and never use it, but it sure is good to know that you have it in the event of an accident. Flood insurance is something that we need, not because we

know it will happen to us but because of the possibility.

I thank the Chair. I thank the ranking member. I beg that we pass this legislation.

Mrs. CAPITO. Could I ask the chairwoman if she has any additional speakers.

Ms. WATERS. I have no other speakers, Mr. Chairman; and I would reserve the right to close.

Mrs. CAPITO. Then I would just like to say that this has been an effort that has been moving forth. As we've said, we've had a lot of lapses in this program across the country. It's caused a lot of disturbances for folks who are trying to purchase new homes or refinancing, and I think that we need a permanent extension of this for 5 years.

So, again, I do have reservations about the additional spending; \$500 million at this time of high debt and deficit and high unemployment is, I think, improperly placed, but this bill does have another purpose, and that is to make sure that homeowners and home purchasers can have the access that they need to the flood insurance program.

With that, I yield back the balance of my time.

Ms. WATERS. Mr. Chairman, I would like to thank the ranking member from West Virginia (Mrs. CAPITO) for her cooperation and the work that she has put into the formulation of this very, very important bill.

I would like to thank Members on both sides of the aisle for the cooperation that we have seen exhibited on this bill, and I think that the Members on both sides of the aisle have done a fabulous job representing their constituencies on this issue.

It is time for us to have a reauthorization for 5 years, given the lapses that we have had and the risks that we have placed homeowners at when we don't have flood insurance coverage. And so Members have come one by one on this issue explaining what is going on in their districts, and of course, we have had a lot of criticism about FEMA. We have had Members explain that neighbors are getting together to fight some of the mapping that is being done. All of that has been brought to our attention, and we've been able to deal with most of those complaints, not only in this bill but, of course, in the manager's amendment.

We have some people who are going to bring amendments to the floor from both sides of the aisle, and I'm confident that with the work that has gone into this bill, the amendments that we will have on the floor—many of them will be adopted—that we will see a good, solid piece of legislation move from this floor that will address the concerns of so many of our constituents across this country.

I'm proud of this legislation. I thank not only the Members on both sides of

the aisle but the staffs from both sides of the aisle who have worked so hard to ensure that we address these concerns.

So, now, with this authorization for 5 years, with the delayed time so that people have the opportunity to prepare, with the installment, with the way that we have done all of this, including putting an advocate in, our constituents are going to get some justice, some real attention; and I think they will be proud of the work that we have done.

AMERICAN INSURANCE ASSOCIATION,
Washington, DC, July 15, 2010.

Hon. BARNEY FRANK,
Chairman, Committee on Financial Services,
House of Representatives, Washington, DC.

Hon. SPENCER BACHUS,
Ranking Member, Committee on Financial Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN AND REPRESENTATIVE BACHUS: The American Insurance Association (AIA) would like to express its strong support for the House Financial Services Committee reported bill reauthorizing and reforming the National Flood Insurance Program (NFIP), H.R. 5114. The recent lapses in the NFIP followed by the use of short-term extensions have caused disruptions to homeowners, businesses and hindered real estate closings nationwide. A long-term NFIP reauthorization will bring much-needed stability to the market and fiscal soundness to the program.

However, we strongly oppose the amendment to be offered by Rep. Gene Taylor (D-MS). The Taylor amendment would negatively impact "Write Your Own" (WYO) companies and significantly alter the way in which claims are processed by the NFIP. Consumers want reasonably priced insurance for the risks they confront. To help meet that objective, insurers must be able to contractually define the parameters of their exposure. Adopting the Taylor amendment will cause WYO companies to take a hard look at their continued participation in the program and jeopardize our support for the underlying bill.

We look forward to continuing to work with you to enact a long-term NFIP reauthorization.

Sincerely,

LEIGH ANN PUSEY,
President and CEO,
American Insurance Association.

NATIONAL ASSOCIATION OF
REALTORS®
Washington, DC, July 13, 2010.

U.S. HOUSE OF REPRESENTATIVES,
Washington, DC.

DEAR REPRESENTATIVE: On behalf of the 1.1 million members of the National Association of REALTORS® (NAR), thank you for the progress that Congress is making toward comprehensive reform of the National Flood Insurance Program (NFIP). Later this week, the House of Representatives is scheduled to consider H.R. 5114, the Flood Insurance Reform Priorities Act, to strengthen the NFIP and bring certainty to real estate markets that are much in need. NAR strongly supports the provision to reauthorize the NFIP through fiscal year 2015, which continues to be a top priority of our membership.

Reauthorizing the NFIP through 2015 is critical to millions of taxpaying American families who rely on the program for flood insurance, which by law, is required to obtain a mortgage in nearly 20,000 communities

across the nation. Since September of 2008, Congress has approved eight short-term extensions of the NFIP's authority to issue new and renewal flood insurance policies. Twice, this authority has been allowed to expire, resulting in multi-week delays if not cancellation of thousands of real estate transactions. The many shut-downs and short-term reauthorizations of this program over the past two years have caused many hardships and lost sales for property buyers, sellers, and their communities. Enacting a multi-year NFIP reauthorization would restore flagging confidence in this vital program by ensuring its continuation for several years without further disruption to real estate markets upon which the U.S.'s economic recovery depends.

We continue to have concerns with provisions of H.R. 5114 that would phase-in actuarial rates for most pre-Flood Insurance Rate Map (pre-FIRM) properties. Section 5 would increase rates on these properties by up to 20 percent a year, beginning on the date of enactment for those non-residential properties and non-primary residences and at the point of sale for the primary residences. The bill already reauthorizes the mitigation program for "severe repetitive loss" properties; there is a sound public policy argument for increasing rates on such properties where there is demonstrated history of repeated losses, representing a disproportionate share of claims on the program. That is not the case for other pre-FIRM properties that would be impacted by the proposed changes included in H.R. 5114.

As a result, the bill in effect increases insurance rates on properties where the risk of flooding has not necessarily changed. Yet, these properties were built before the community's flood risks were known or mapped and therefore could not have been built to NFIP standards. Retrofitting reduces housing affordability, which has a multiplier effect on the tax base of surrounding communities that are older or rely on tourism. We will continue to work with the House and Senate to ensure the fair and effective application of reforms through the home transaction process.

We support moving H.R. 5114, the Flood Insurance Reform Priorities Act, to the Senate and pledge to continue to work with you on these and other important issues.

Sincerely,

VICKI COX GOLDER, CRB,
2010 President, National Association of
REALTORS.®

[STATEMENT ON BEHALF OF THE INDEPENDENT INSURANCE AGENTS & BROKERS OF AMERICA BEFORE THE COMMITTEE ON FINANCIAL SERVICES SUBCOMMITTEE ON HOUSING AND COMMUNITY OPPORTUNITY APRIL 21, 2010]

IIABA is the nation's oldest and largest trade association of independent insurance agents and brokers, and we represent a nationwide network of more than 300,000 agents, brokers, and employees. IIABA represents independent insurance agents and brokers who present consumers with a choice of policy options from a variety of different insurance companies. These small, medium, and large businesses offer all lines of insurance—property, casualty, life, health, employee benefit plans, and retirement products. It is from this unique vantage point that we understand the capabilities and challenges of the insurance market when it comes to insuring against flood risks.

BACKGROUND

The Big "I" believes that the NFIP provides a vital service to people and places

that have been hit by a natural disaster. The private insurance industry has been, and continues to be, largely unable to underwrite flood insurance because of the catastrophic nature of these disasters. Therefore, the NFIP is virtually the only way for people to protect against the loss of their home or business due to flood loss. The NFIP currently provides 95% of flood insurance in the United States and five and a half million taxpayers depend on the NFIP as their main source of protection against flooding, the most common natural disaster in the United States.

Prior to the introduction of the Program in 1968, the Federal Government spent increasing sums of money on disaster assistance to flood victims. Since then, the NFIP has saved disaster assistance money and provided a more reliable system of payments for people whose properties have suffered flood damage. It is also important to note that for almost two decades, up until the 2005 hurricane season, no taxpayer money had been used to support the NFIP; rather, the NFIP was able to support itself through the premiums it collected every year.

Under the NFIP, independent agents play a vital role in the delivery of the product through the Write Your Own (WYO) system. Independent agents serve as the sales force of the NFIP and the conduits between the NFIP, the WYO companies, and consumers. This relationship provides independent agents with a unique perspective on the issues surrounding flood insurance, yet also means that the role of the insurance agent in the delivery process of flood insurance is considerably more complex than that of traditional property/casualty lines. Agents must possess a higher degree of training and expertise than their non-NFIP participating counterparts, which requires updating their continuing education credits through flood conferences and seminars. This is done regularly and can involve traveling to different regions of the country, costing personal time and money. Every agent assumes these responsibilities voluntarily and does so as part of being a professional representative of the NFIP. In an effort to bring the education process to as many people as possible, many of our State associations now provide Internet based seminars. This training has been extremely popular and a tremendous tool. We believe in the effectiveness of the Program and would like to see it continue and offer consumers even greater protections in the years ahead.

LONG TERM EXTENSION

The NFIP has traditionally been authorized for periods of five years in order to provide much needed stability to the marketplace and to instill confidence in consumers that the program will be there for future years. Since 2006, however, the program has unfortunately been caught up in a series of short term extensions while Congress considers large scale reforms of the program. The Big "I" strongly supports Congress' efforts to reform the program in order to bring much needed stability to the program for the benefit of consumers and taxpayers. However, of paramount concern to the IIABA is that the program receives a long term extension, preferably five years.

In 2009 and the first few months of 2010, Congress was forced to pass seven short term extensions of the program. This problem has been exacerbated recently as flood insurance has been included in extensions of unemployment extensions and COBRA subsidies that last for only 1 or 2 months. In fact, twice during the last few months Congress failed

to extend the flood insurance program before its expiration and the program was allowed to lapse, most recently in the beginning of April when the program was expired for nearly 3 weeks.

The Big "I" urges Congress to recognize that each time the program expires there are real consequences for the American people. Expirations inevitably lead to confusion and harm to real estate markets, consumers are potentially put at risk of uninsured losses, and there is the potential of additional tax money put at risk to cover any relief efforts that may occur during such expiration. The effect on the real estate market, in particular, should not be overlooked. During the most recent expiration, IIABA fielded numerous inquiries from agents across the country asking how to proceed with real estate closings for properties in flood zones. Though the federal banking regulators thankfully did the right thing and allowed closings to proceed even without the required flood insurance coverage, unfortunately IIABA heard anecdotal stories from some agents saying that some banks did not, after all, agree to proceed with the closings. At the very least, there was significant confusion immediately following the expiration, evidenced by the fact that the federal banking regulators did not issue their guidance until approximately four days after the program had already been expired.

We are grateful Congress passed another short term extension last week, and that the extension was retroactive to cover the timeframe of the expiration. Unfortunately the program is set to once again expire on May 31, 2010. Congress will likely be forced to pass its eighth extension in the next few weeks. The National Flood Insurance Program is meant to provide some level of stability and protection for homeowners and businesses against dangerously unpredictable and costly flooding events, not to be an unpredictable 'here one minute-gone the next' program subject to monthly congressional action. The Big "I" strongly urges Congress to pass a long term extension of this critical program.

For this reason, the IIABA supports Chairwoman Waters and Ranking Member Capito's draft legislation to reform and extend the program for five years. Though IIABA has some recommended improvements to the draft legislation, the underlying long term extension is vital to provide stability and security to consumers.

MODERNIZATION OF COVERAGES

The Big "I" also urges the Committee to include much needed modernizations of the NFIP. The draft legislation includes one such modernization of the program by increasing maximum coverage limits. The NFIP maximum coverage limits have not been increased since 1994 and since then, the United States has seen a housing market boom of epic proportions. Labor and materials costs have skyrocketed, and yet the maximum indemnity a homeowner can receive for a flood loss is \$250,000. Similarly, a total loss on a commercial property would only net the occupant \$500,000. These figures are caught in time, and they do not provide reasonable financial relief for policyholders facing a complete rebuilding process. The hurricanes of the last several years have clearly showed that homeowners and businesses need higher NFIP coverage limits in order to properly insure their properties. An increase in the maximum coverage limits will better allow both individuals and commercial businesses to insure against the damages that massive flooding can cause,

and we're grateful that this increase was included in the draft legislation.

The IIABA urges the Committee to also include two other very important modernizations in any flood insurance reform bill that they consider. These are optional business interruption insurance and additional living expenses. Both of these additions, which would be purchased at the option of the consumer at actuarial rates, would offer essential coverage to consumers, bring the program additional revenue, and make the program more attractive to consumers.

The inclusion of optional business interruption coverage is particularly crucial to Big "I" members and their commercial customers. If a flooding catastrophe causes business premises to be temporarily unusable, that business may have to relocate or even close down temporarily. Property owners are still required to pay employees, mortgages, leases and other debts during this process, and these ongoing expenses can mount up quickly for a business that has reduced income or no income at all. For property insurance policies, business interruption insurance provides protection against the loss of profits and continuing fixed expenses resulting from an interruption in commercial activities due to the occurrence of a peril. The inclusion of an optional business interruption provision will provide stability to the local economies in the areas affected by flood damage and will offset government disaster relief payments should the flood peril result in widespread destruction across a region. Business interruption coverage, and the security and peace of mind it provides, is crucial to our members and to small businesspeople across America.

The other provision which we strongly recommend that the Committee add to the flood insurance reform legislation is the option to purchase additional living expenses. This provision would provide consumers with greater security during the often bewildering post-flood period, and will do so in an actuarial basis as opposed to relying solely on FEMA grants and assistance. Both business interruption and additional living expenses are common options available to consumers for private commercial and homeowners' property/casualty insurance.

These provisions have been a part of the flood insurance reform bills going back to 2006, when Chairman Mike Oxley and Subcommittee Chairman Richard Baker included these optional coverages in their "Flood Insurance Reform and Modernization Act of 2006" (H.R. 4973) that passed the House. These provisions were again included in H.R. 3121, introduced by Chairwoman Waters in 2007 and also passed by the full House.

Increased coverage limits, optional business interruption, and optional additional living expenses are all pieces of the puzzle that will fit together to modernize the NFIP for the 21st century, and the Big "I" strongly urges the Committee to include all three provisions in the flood insurance reform legislation. These modernizations will hopefully have three positive effects on the NFIP as a whole. First, it will allow consumers to more adequately insure their properties and valuables against their true risks. This will in turn make the NFIP as a whole a more attractive product for consumers, thereby increasing participation in the program. And finally, as optional purchases that would be sold at actuarial rates, these modernizations of coverages will result in a NFIP that is closer to being on actuarially sound footing—which is a goal that the Big "I" strongly supports.

CONCLUSION

The IIABA is very pleased that the Subcommittee is conducting today's hearing on comprehensive flood insurance reform and we urge the Financial Services Committee to pass the Waters-Capito flood insurance legislation and send it to the full House of Representatives for approval. The legislation is critical to ensure the long-term stability of the NFIP. The NFIP is essential to Americans and to the U.S. economy, and we strongly support your efforts to update it to reflect today's risks. Extending this program for five years, and avoiding the recent short term extensions and occasional expirations, would have a profound effect on consumers' confidence in the program. Finally, we also strongly support your efforts to increase the maximum coverage limits and urge you to consider adding provisions to provide for the optional coverage of business interruption insurance and additional living expenses to your draft legislation.

We thank the Committee for the opportunity to express the views of the IIABA on this important program. We hope very much that this hearing will contribute to additional action taken by Congress to pass flood insurance reforms and to ensure the stability of the National Flood Insurance Program.

THE COUNCIL OF INSURANCE
AGENTS AND BROKERS,
Washington, DC, July 13, 2010.

Hon. PAUL E. KANJORSKI,
U.S. House of Representatives, Washington, DC.
ATTENTION: Financial Services Staff
Re H.R. 5114, the Flood Insurance Reform and Priorities Act of 2010.

DEAR REPRESENTATIVE KANJORSKI: Legislation reauthorizing the National Flood Insurance Program (NFIP) may be considered by the House of Representatives this week. H.R. 5114, the "Flood Insurance Reform and Priorities Act of 2010," would restore predictability to a market that is often jolted by unrelated political battles, resulting in four lapses since September 2008. As representatives of the nation's largest and most successful commercial insurance brokerages, who collectively sell 90 percent of the nation's business insurance, we strongly encourage you to support H.R. 5114, the "Flood Insurance Reform and Priorities Act of 2010."

The legislation would reauthorize NFIP for five years, increase outdated coverage limits for residential and commercial properties, and encourage consumers in newly designated flood zones to purchase coverage by phasing in rates. The current authorization of NFIP expires on September 30, 2010.

This long-term strategy to maintain the program, as opposed to short-term reauthorizations passed by Congress over the past two years, is the responsible policy to pursue. H.R. 5114 is key to providing predictability in flood-prone economies, and seeks to responsibly increase coverage in flood zones.

We strongly urge you to support H.R. 5114, the "Flood Insurance Reform and Priorities Act of 2010." If we can answer any of your questions, or be of assistance in any way, please feel free to contact us at (202) 783-4400. Thank you very much.

Sincerely,

KEN A. CRERAR,
President,
JOEL WOOD,
Senior Vice President,
Government Affairs.
JOEL KOPPERUD,
Director, Government
Affairs.

PROPERTY CASUALTY INSURERS
ASSOCIATION OF AMERICA,
Des Plaines, IL, April 26, 2010.

Hon. BARNEY FRANK,
House Financial Services Committee, U.S. House
of Representatives, Washington, DC.

Hon. SPENCER BACHUS,
House Financial Services Committee, U.S. House
of Representatives, Washington, DC.

DEAR CHAIRMAN FRANK AND RANKING MEMBER BACHUS: On behalf of the Property Casualty Insurers Association of America (PCI), I strongly urge your support of H.R. 5114, the "Flood Insurance Reform and Priorities Act of 2010", sponsored by Representative Maxine Waters. The Committee is scheduled to mark-up this bill on Tuesday, April 27.

Floods are the most common natural disasters to occur in the United States. Over 5.5 million Americans rely on the National Flood Insurance Program (NFIP). But with over \$18 billion in debt, the NFIP needs meaningful reform.

Since 2008, Congress has entered into a cycle of passing short-term extensions for the NFIP, leading to lapses in program coverage. This year, there have already been two gaps in the program, including March 1-2 and March 29-April 15. This disjointed approach to NFIP leaves homeowners vulnerable and adds greater uncertainty to the real estate market in flood-prone areas.

The NFIP is currently set to expire again on May 31, 2010, one day before the start of hurricane season and just three months before the 5th anniversary of Hurricane Katrina. We need a long-term, sustainable solution to the flood program. Rep. Waters' bill takes a very responsible approach to making the NFIP more financially stable, providing the program with an important multi-year extension through 2015 and limiting additional federal exposure to natural disasters. The bill also works to increase local awareness of the devastating effects of flooding and the need to purchase flood insurance. This legislation also addresses the cost of flood insurance for consumers who now find themselves in a special flood hazard area and are required to purchase the product by phasing-in the cost.

H.R. 5114 promotes safer building practices to prevent and reduce flood losses. Significant property development, population growth, and rapidly rising real estate prices in areas prone to natural disasters exacerbate the potential for larger human and economic losses, requiring stronger loss prevention, mitigation and greater financial resources for recovery. Stronger building codes are one of the most effective ways to mitigate storm damage. We believe that state and local governments must address the need to restrict development in flood-prone areas and discourage irresponsible development. The first step is to improve outdated and inconsistent requirements for building codes and code enforcement.

We look forward to passage of this important and well-balanced legislation. We would be happy to discuss any questions regarding our support with you. We believe that H.R. 5114 will make buildings stronger, families safer, and the insurance market in flood-prone areas more stable over the long-term. We highly recommend its passage and urge your support of H.R. 5114, the "Flood Insurance Reform and Priorities Act of 2010."

Sincerely,

DAVID A. SAMPSON,
President and CEO.

NATIONAL ASSOCIATION OF
PROFESSIONAL INSURANCE AGENTS,
Alexandria, VA, July 13, 2010.

Hon. NANCY PELOSI,
Speaker, U.S. House of Representatives, Wash-
ington, DC.

Hon. JOHN BOEHNER,
Republican Leader, U.S. House of Representa-
tives, Washington, DC.

DEAR SPEAKER PELOSI AND LEADER BOEHNER: On behalf of the National Association of Professional Insurance Agents (PIA) and our independent insurance agency owners, we are encouraging swift passage this week of H.R. 5114, the Flood Insurance Reform and Priorities Act of 2010, sponsored by Congresswoman Maxine Waters.

It is imperative for our members and the consumers they serve to have a stable flood insurance program available. H.R. 5114 will reauthorize the National Flood Insurance Program (NFIP) for five years, providing stability to the marketplace and fulfilling its vital role in helping citizens protect themselves from the devastating losses floods can cause.

Flooding events are the most common natural disaster in the United States. Since the NFIP's inception, tens of billions of dollars have been paid out to flood insurance customers, providing protection to the citizens of this nation that often can't be found in the private market.

Quickly passing this essential bill will help ensure that the Senate has ample time to consider it before the NFIP lapses again, currently set for September 30, 2010. Allowing the program to regularly lapse, something that has occurred multiple times this year alone, makes it much more difficult for us to convince those who need flood insurance to buy it, leaving America's homes and businesses uninsured.

Permitting uncertainty regarding the long-term future of a program that enjoys broad bipartisan support has had the unintended consequence of delaying real estate closings at a time when our nation is struggling to build a sustainable economic recovery. This has occurred at the same time that we are dealing with an environmental disaster in the Gulf of Mexico and facing the prospect of an active hurricane season.

H.R. 5114 provides much-needed reforms to the NFIP, including increasing NFIP coverage limits, phasing in actuarial property rates and phasing out premium subsidies for second and vacation homes and making business interruption and additional living expense coverages available at actuarial cost.

There is broad consensus that the National Flood Insurance Program is a vital component of America's economic prosperity that provides affordable protection to homeowners and business owners. PIA strongly supports the NFIP because it has been protecting us from flood risks since its inception over 40 years ago. We urge you to bring this bill to the floor and that it be passed quickly.

Thank you for your attention to this critical issue. If you need additional assistance from PIA, please contact Mike Becker at 703-518-1365.

Sincerely,

JON D. SPALDING,
President.
LEN BREVIK,
Executive Vice Presi-
dent.

NATIONAL MULTI HOUSING COUNCIL,
NATIONAL APARTMENT ASSOCIATION,
Washington, DC, April 20, 2010.

Hon. MAXINE WATERS,
Chair, Subcommittee on Housing and Commu-
nity Outreach, U.S. House of Representa-
tives, Washington, DC.

Hon. SHELLEY MOORE CAPITO,
Ranking Member, Subcommittee on Housing and
Community Outreach, U.S. House of Rep-
resentatives, Washington, DC.

DEAR CHAIRWOMAN WATERS AND RANKING
MEMBER CAPITO: The National Multi Housing
Council (NMHC) and The National Apart-
ment Association (NAA) appreciate the op-
portunity to express our views to the Com-
mittee as you consider legislative proposals
to reform the National Flood Insurance Pro-
gram (NFIP) to ensure long term financial
stability. Our members rely on this critical
program to not only protect their property
investment but to help manage the increas-
ing costs of providing housing. Therefore, ef-
forts to ensure the long term financial sta-
bility of the program are of critical impor-
tance to the apartment industry and we ap-
plaud your leadership.

The NMHC and NAA represent the nation's
leading firms participating in the multi-
family rental housing industry. Our com-
bined memberships are engaged in all as-
pects of the apartment industry, including
ownership, development, management, and
finance. The NMHC represents the principal
officers of the apartment industry's largest
and most prominent firms. The NAA is the
largest national federation of state and local
apartment associations. NAA is a federation
of 170 state and local affiliates comprised of
more than 50,000 multifamily housing com-
panies representing more than 5.9 million
apartment homes. NMHC and NAA jointly
operate a federal legislative program and
provide a unified voice for the private apart-
ment industry.

Our membership is extremely concerned
about the future stability of the overall
property insurance market and its ability to
withstand the continued occurrence of not
just floods but all natural disasters. Policy-
holders need some assurances that the re-
sources will be available to cover the risks
both now and in the future. As Congress con-
tinues its deliberations on how best to ad-
dress this critical issue, we hope to partici-
pate in this broader discussion.

We support the discussion draft legislation
as offered by Chairwoman Waters, the Flood
Insurance Reform and Priorities Act of 2010,
and specifically the following provisions that
have the greatest impact on the multifamily
industry:

Long Term Reauthorization of NFIP—Con-
tinuous short term extensions create uncer-
tainty in an already challenging economy.
The inability to issue new policies, renew ex-
isting policies, change limits or pay claims
upon program expiration creates unneces-
sary problems for consumers and businesses
alike. A 5 year reauthorization of the NFIP
is appropriate and necessary.

Maximum coverage limits: Raising the pol-
icy limits for multifamily properties from
\$250,000 to \$335,000 recognizes that current
limits are outdated and do not reflect the in-
creased real estate values.

Subsidized rates for pre-FIRM properties—
The draft bill proposes to phase in actuarial
rates for non-residential and non-primary
residences. We support the clarifying lan-
guage in Section 5 that effectively maintains
the subsidized rate for multifamily prop-
erties of 4 or more dwelling units.

Currently pre-FIRM multifamily prop-
erties located in flood zones and thus eligible

for subsidized rates through the NFIP, most
likely represent a significant segment of the
affordable housing market. The country is
already experiencing a shortage of affordable
housing. As operating costs increase, these
properties will be forced to pass along these
costs to their residents in the form of higher
rent, thus exacerbating this shortage. The
impact can be far more severe for those prop-
erty owners who are prohibited from raising
rents due to rent stabilization restrictions or
federal assistance program rules. These prop-
erty owners cannot adjust their rents and
must therefore determine their ability to
continue in this market. Many may be forced
to withdraw. And those that choose to re-
main may simply decline adequate coverage,
exposing their properties to deterioration
and declining property value.

We thank you for your work to ensure the
future viability of the NFIP and look for-
ward to working with you to secure reau-
thorization of this critical program. If how-
ever, a reform measure cannot be enacted
prior to the May 31, 2010 expiration, we en-
courage Congress to enact a long term exten-
sion of the program to ensure the confidence
of policyholders and stability in the market.

Sincerely,

DOUGLAS M. BIBBY,
President, National
Multi Housing
Council.

DOUGLAS S. CULKIN, CAE,
President, National
Apartment Associa-
tion.

Ms. RICHARDSON. Mr. Chair, I rise today
in support of H.R. 5114, the Flood Insurance
Reform Priorities Act of 2010, which extends
the flood insurance program that provides
peace of mind and security for millions of
Americans. This measure also enacts impor-
tant reforms that make the National Flood In-
surance Program (NFIP) more financially sus-
tainable and provide much-needed assistance
to individuals in newly mapped flood zones.

I thank Chairman FRANK for his leadership
in bringing this bill to the floor. I also thank
Congresswoman WATERS for her commitment
to ensuring that this bill is equitable and does
not disadvantage struggling families and busi-
nesses.

Mr. Chair, the NFIP is an important govern-
ment program that makes flood insurance
available to many vulnerable families that oth-
erwise would be unable to find coverage.
However, it is critical for us to ensure that this
program does not unnecessarily disadvantage
individuals in newly mapped flood zones by
imposing immediate insurance mandates and
crippling premiums.

Fortunately, H.R. 5114 contains important
provisions ensuring that it will not overburden
families and businesses, many of whom are
already struggling in these tough economic
times. This bill delays for five years the man-
datory purchase requirement for flood insur-
ance. Following this five year delay, the bill al-
lows for a five year phase-in of actuarial rates
for newly mapped areas. These provisions
provide necessary relief to families who have
not been required to purchase flood insurance
in the past and may be unprepared for this
new expense.

For example, areas in my district with little
or no history of flooding have recently been
remapped into a flood zone that assigns a
"once in 100 years" risk of flooding. The five

year delay in the purchasing requirement and
the five year phase-in of actuarial rates will
give my district a grace period in which we
can improve our levee and flood protection
systems and ultimately lose our "at risk" des-
ignation. This bill gives districts like mine all
across the country the opportunity to make im-
provements without taking on the financial bur-
den of flood insurance premiums in this period
of economic recovery.

Mr. Chair, this bill is important for the people
for whom it provides flood insurance and the
people that it protects from unnecessary finan-
cial burdens. It is an appropriate measure that
is worthy of our support. I urge my colleagues
to join me in supporting H.R. 5114.

Mr. HARE. Mr. Chair, I rise today in strong
support of H.R. 5114, The Flood Insurance
Reform Priorities Act of 2010. This legislation
would give families in my district and across
the Nation the peace of mind that comes with
knowing they'll be protected from the financial
insecurity caused by flooding.

I'd like to thank Chairwoman WATERS for her
leadership on this issue and for working with
me to include language in the managers
amendment that would require FEMA to up-
date its flood maps for an area that has had
its levee system improved to eliminate the risk
of flooding.

My language also clarifies that updated
flood maps that are issued will result in the
elimination of the mandatory purchase require-
ment for the improved areas.

My district in Illinois lies on the banks of the
Mississippi River and contains large parts of
the Illinois and Rock Rivers—a district obvi-
ously that is impacted greatly by policies deal-
ing with the National Flood Insurance Pro-
gram.

It is why I strongly support the underlying
bill and urge my colleagues to do the same—
this legislation reauthorizes the National Flood
Insurance Program for five years and puts an
end to Congress passing short-term flood in-
surance extensions that leave the program in
a state of uncertainty.

There are several other provisions of this bill
that are common sense and long overdue
which I would like to briefly highlight. The bill:
Phases in Premium Increases; creates a flood
insurance premium payment installation plan
for low-income families; and establishes the
Office of Flood Insurance Advocate within
FEMA, which would help communities and
homeowners interpret, implement and appeal
flood insurance rate maps.

These are just a few of the provisions of this
bill that I thank the chairwoman for including,
and I again urge my colleagues to support
both the manager's amendment and the un-
derlying bill.

Passage of this important legislation will
benefit all Americans who live in flood-prone
areas of our Nation.

Mr. BLUMENAUER. Mr. Chair, I rise in sup-
port of this legislation to reauthorize the Na-
tional Flood Insurance Program (NFIP), which
is essential for people who live in hazardous
areas. The bill makes a number of important
reforms that will help increase the fiscal
soundness and stability of the Program.

First, I am especially pleased that the bill
extends the successful Severe Repetitive Loss
Pilot Program, which was created in the Flood

Insurance Reform Act of 2004. This program provides resources to communities to mitigate properties that have flooded repeatedly.

Repetitive loss properties cost the NFIP about \$400 million annually. While they comprise approximately 2 percent of the program, they account for more than 25 percent of the claims paid.

By extending the Pilot Program, this legislation will help reduce the cost burden of these properties on the Program and will release homeowners from the cycle of flood, rebuild, and flood again. I appreciate that Chairwoman WATERS included a provision in the manager's amendment making a technical fix to ensure that FEMA is implementing the Pilot Program as Congress intended.

I also support language in this bill that will phase in actuarial rates for non-residential properties and non-primary residences. Many houses in hazardous areas were built before the NFIP was put in place and those hazards was identified. For too long, these properties have enjoyed subsidized rates that drive up costs for everyone else in the program and send the wrong signals to property-owners about their risks. By setting rates based on risk, this legislation bolsters the stability of the NFIP and may result in lower costs for all policy-holders.

I am disappointed, however, that the bill includes provisions that I believe will result in consumers not understanding the flood risks they face and will potentially harm both policy-holders and taxpayers.

Under direction from Congress, FEMA has undertaken a map modernization process around the country. The purpose is to identify areas at risk, as flooding patterns have changed over time.

Section 6 of this bill essentially says that even if the new maps find that a property is at risk, property owner will not have to purchase flood insurance for 5 years. This undermines the mandatory purchase requirement of the Program. If there's a flood in the next five years, taxpayers will be on the hook to bail these property owners out.

Section 7 of the bill takes this denial of risk even further, saying that after the five year delay, a property owner newly identified as living in a flood hazard area will enjoy subsidized rates for another 4 years.

Finally, I'm concerned about Section 10, which automatically deems safe properties "protected" by a levee or other flood protection system, effectively removing the mandatory purchase requirement even if the flood protection system no longer works. As my friends from New Orleans know, levees can break. With this provision, we send a signal to homeowners that they do not need to mitigate their risks.

While the bill includes some important reforms, it doesn't go far enough to address the structural problems that have cost taxpayers money, harmed the environment, and kept people in harm's way.

The challenges for the program will only increase with time, as increased development and climate change put more people at risk. Already, over the past thirty years, the number of billion dollar US weather disasters has increased. From 1980–1989, there were 10 disasters that resulted in over \$1 billion in dam-

age. From 2000–2009 there were 44. If we don't take steps now to reform the system, this number will only continue to increase exponentially.

For this reason, I would have preferred that this bill extend the program for less than five years. I understand that FEMA is undertaking a comprehensive review of the program, long overdue, and will come to Congress in two years to make administrative and legislative recommendations to strengthen the Program for the future. I hope that as this bill moves forward through the process we can better coordinate the extension with this review so that Congress can keep the focus on reform.

In the interest of moving this legislation forward and ending the short-term extensions that the NFIP has been facing this year, I urge passage of H.R. 5114. But I look forward to working with my colleagues to make further forms to protect taxpayers, policyholders, and the environment.

Mr. GENE GREEN of Texas. Mr. Chair, I rise today in strong support of H.R. 5114, the Flood Insurance Reform Priorities Act of 2010.

The National Flood Insurance Program makes federally-backed flood insurance available to homeowners, renters, and business owners in participating communities in exchange for those communities adopting and enforcing floodplain management ordinances to reduce future flood damage. Unfortunately, Congress did not reauthorize the program by the May 31 deadline of this year, and as a result many Americans living in flood-prone areas, including people in my congressional district, have been unable to obtain flood insurance or renew their coverage. Hurricane season is now upon us, and therefore this is an issue on which Congress must show urgency.

The Flood Insurance Reform Priorities Act of 2010 would reauthorize the National Flood Insurance Program through the year 2015, along with making certain reforms. One such reform involves a five year phase-in of flood insurance rates for newly mapped areas not previously designated as having special flood hazard. This is particularly important for low-income citizens living in where flood maps change frequently.

I have always been a supporter of the National Flood Insurance Program because I believe that hard-working Americans deserve the peace of mind that comes from knowing that their homes and businesses will be protected in the event of a major flood. I urge my colleagues to support H.R. 5114 and reauthorize the National Flood Insurance Program so that people are once again able to obtain this peace of mind.

Ms. JACKSON LEE of Texas. Mr. Chair, I rise in support of H.R. 5114, "the Flood Insurance Reform Priorities Act of 2010." I want to thank Chairwoman WATERS and Chairman FRANK for their hard work on H.R. 5114. This bill will provide enhanced security, better organization, increased participation, and a clear and improved direction for the future of the National Flood Insurance Program (NFIP). By addressing the financial and administrative issues regarding NFIP, this bill will help protect millions of Americans from the potentially devastating economic effects created by a flood.

Communities like mine in Houston rely heavily on NFIP to provide security against the risk of flood. Without this national flood insurance program, many communities across the U.S. would cease to exist because it is virtually impossible to buy flood insurance in the private market. The importance of this insurance program has grown significantly over the last decade as more and more communities have increased their dependence on the NFIP.

As a direct result of certain natural disasters, including the 2005 hurricanes, and increased annual rain and flooding, NFIP has reached its highest participation rate in its 42-year history. Today, over 5 million homes and businesses rely on NFIP for flood coverage security. It is of extreme importance that this program continues to grow and develop to serve this population.

Mr. Chair, as you know, the Federal Emergency Management Agency (FEMA) has authority to issue, renew, or increase coverage of flood insurance policies under the NFIP; and this authority will again lapse on September 30, 2010. H.R. 5114 will extend these authorities to fiscal year 2015 and continue this program in a renewed and revitalized direction. This bill represents a great opportunity to improve and redefine NFIP and to provide greater security to the American people.

Not only will this bill clean up the NFIP requirements and expand coverage with "phase-ins" of actuarial rates to more properties and in newly mapped high flood risk areas; this bill will also address outreach issues, risk analysis, and economic effects. It will initiate studies to report the impact, effectiveness, and feasibility of NFIP policies as well as potential methods, practices, and incentives that would increase participation by low-income families owning residential properties located within special flood risk areas. The bill will also create an office to oversee and better manage all of the responsibilities of NFIP and provide assistance to communities, businesses, and homeowners with all flood insurance issues.

Furthermore, this bill will require a comprehensive strategy assessing the goals of NFIP to ensure that the program has a clear plan to pay off its debt and ensure itself a healthy future. This not only benefits the recipients of the flood insurance coverage, it also benefits the program, the U.S. budget, and the American people.

I submitted several amendments to complement the goals of this legislation. One would have required a study to analyze important data regarding the damages resulting from floods. The amendment would have directed the Administrator of the Federal Emergency Management Agency to conduct a study on the impacts of excessive rainwater on residences located in areas at high risk for flooding from bayous and highways. The results of this study would have been reported to Congress no later than 5 years after the enactment of this bill. Through this study, my amendment would have provided vital information necessary to assess the dangers of an at-risk area and better prepare communities to protect themselves from flood.

Mr. Chair, the only way to achieve the maximum security and preparedness for at-risk communities is to understand these risks with updated, relevant data and analysis. In the

Houston area, there is already an on-going study, analyzing the effects of the bayou and rainfall, as flooding and its detrimental consequences are often a concern for the Houston area. The White Oak Bayou Federal Flood Damage Reduction Project is an existing project in Houston which is a partnership project between the U.S. Army Corps of Engineers (the Corps) and the Harris County Flood Control District (the District). In developing a flood damage reduction project for White Oak Bayou, the Harris County Flood Control District has performed extensive data collection and analysis. The District has held public meetings within the community several times over the course of developing the project to determine the community's interests and flood damage reduction needs. Using this information, the District developed the flood damage reduction project for White Oak Bayou.

In 1998, the District began a feasibility study for the White Oak Bayou Federal Flood Damage Reduction Project. This investigation has involved an extensive study of the White Oak Bayou watershed. Components to address flooding were analyzed and evaluated in great detail, which generated several alternatives for consideration as part of the project. Some of the components are already being implemented.

Unfortunately, there are many other areas in Houston/Harris County, Texas and other communities throughout this country that experience an inordinate amount of flooding. In Houston, these areas that are frequently flooded from excessive rainwater include the Buffalo Bayou, the Greens Bayou, and the Halls Bayou. These areas could greatly benefit from a study and analysis to determine the impact of excessive rainwater on residences located in areas at high risk for flooding from bayous and highways. Such a study would allow for investigators to better determine the amount of flood damage and create and implement measures to prevent such future damage.

Another amendment I offered would have stated that it is the sense of Congress that it is important to provide resources to address the devastating effects of flooding; that homeowners are particularly negatively affected by flooding; that excessive rainfall often leads to unsafe and hazardous living conditions; that flooding presents unexpected destruction and damage; and that it is necessary to provide consumers the opportunity to buy flood insurance.

This amendment declares to the American people in a loud voice, that Congress understands the seriousness of flooding and the importance of flood insurance. It is important that we candidly illustrate our reasoning for the issuance of this legislation.

Mr. Chair, it is clear that we have not been taking this issue as seriously as we should. We have had three lapses of authority this year alone with the National Flood Insurance Program (NFIP). We must not continue to simply extend this program for 30 days at a time. We must not continue to play with the security of the American people when it pertains to an issue so serious and potentially devastating as floods. The people who own homes in these areas and the businesses who own property deserve better. The communities and the many potential homeowners, who cannot pur-

chase homes without access to flood insurance, deserve better. We must take the first step by making it perfectly clear that we as a Congress will no longer play and toil with this issue. We must affirm that we are very serious about protecting our constituents and securing our nation from the devastating consequences of floods.

Finally, I also offered a well crafted amendment that would have effectively prohibited states and local governments from misusing new federal flood insurance program requirements to disadvantaged businesses and homeowners in any way. Unfortunately, federal law is often misinterpreted by state and local officials, resulting in unintended consequences in many communities across this country. My amendment was a practical and reasonable response to a previously enacted Houston ordinance that had just such unintended consequences. This ordinance prohibited property construction on vacant land or substantially damaged property located in major floodways and bayous and almost resulted in the wrongful taking of property from innocent homeowners, merely because their property was located in the wrong place.

In 2006, I began meeting with hundreds of homeowners in Houston from areas such as Shady Acres, a 100-year-old neighborhood, as a result of the implementation of changes to Chapter 19, the City of Houston's floodplain ordinance. Listening to their testimonies and frustration made the impact of this bill very relevant. Just think, in my home district an ordinance was passed that resulted in the massive reduction in property values for almost 10,000 developed and vacant properties, including 2,400 single family homes. The ordinance took advantage of the fact that FEMA would be expected to decrease flood insurance premiums by 5 percent for those areas. Although the communities could pay less for flood insurance, the difference was minimal compared to the losses to their property values. Many owners were afraid that they would have to sell their homes because of the dramatic drop in value.

By firmly stating that state and local governments should not misinterpret these flood insurance laws to put property owners at a disadvantage, I believe we could have sent a strong message that Congress will protect the property rights and interests of American citizens and the people this bill is intended to aid. It is important to make it known that the use of any unforeseen circumstances to treat flood insurance program requirements as a proxy for the wrongful taking of property is utterly unacceptable.

I truly believe my amendments would have complemented H.R. 5114. However, I still believe the bill is a proactive measure that has been long overdue to address the urgent needs of Americans throughout this country, many of whom experience damage and losses to their homes, property and businesses from flooding.

For these reasons, I urge my colleagues to pass this important bill.

Mr. PAUL. Mr. Chair, the Flood Insurance Reform Priorities Act makes a number of changes to the National Flood Insurance Program. Some of these changes are in the interests of taxpayers, such as the new restrictions

on subsidies for second houses and vacation homes, while others, particularly the coverage limits, are in the interest of those who own property in flood plains. However, taken in its entirety this bill is not really in the interest of taxpayers or property owners because it creates new federal programs that appear to serve no useful purpose and it continues to allow the Federal Emergency Management Agency (FEMA) to impose unnecessary costs on local communities.

At a time when the flood insurance program is running a deficit of 2 billion dollars this legislation wastes millions of taxpayer dollars on "outreach" and "education" programs designed to make sure people living in flood prone areas are aware of the need for flood insurance. Madame Speaker, as a homeowner in a flood plain, I can assure you that property ownership these areas are very aware of the need for flood insurance and do not need any outreach or reminders of the need for flood insurance.

Many critics of flood insurance have pointed out that federally-subsidized insurance encourages people to develop land in areas where under a free market system flood insurance would be prohibitively expensive. This is a valid point; however, it is also true that the flood insurance program often imposes flood insurance mandates on property owners in areas where there is little actual risk of flooding. Much of the controversy over the redrawing of the flood plain maps revolves around concerns that FEMA may force local communities to spend millions of dollars refurbishing levees and dams even though these structures were constructed specifically to protect against the worst conceivable storms.

In some cases, FEMA is even demanding that communities spend money to alter levies that were constructed after consultation with the Corp of Engineers! While I am pleased the bill at least provides a phase-in of the flood insurance mandate for property owners living in the newly-mapped flood plains, I am concerned that it does not do enough to ensure communities and individuals are not forced to incur needless expenses simply to satisfy FEMA bureaucrats. At the least, Congress should not give FEMA the ability to impose new flood maps without adequate oversight. Yet, under this bill, it would be five years before Congress seriously re-examines the flood program.

The basic problem with the flood insurance program is that it assumes government officials are capable of knowing who should and who should not be required to purchase flood insurance, and also determine the premiums for every individual living in a flood-prone area. However, there is no way that government bureaucrats can determine correct amounts of coverage and premium prices for millions of individual homeowners.

If flood insurance were allowed to be provided by the market, private insurance could do an accurate job of pricing risk so that those who wished to live in flood-prone areas could do so as long as they were willing to pay for the risk. Under this market system, property owners and insurance companies would have incentives that are lacking when the program is subsidized by the government; i.e., incentives to adopt innovative ways to mitigate the damage from floods.

My district has experienced numerous storms and floods, including Hurricane Ike in 2008. After each incident, my office inevitably receives complaints from my constituents regarding FEMA's failure to provide them with timely assistance and compensation. My constituents' dissatisfaction with FEMA, along with the shameful way extension of the flood insurance program was held hostage last month in order to blackmail representatives into supporting adding billions more to the national debt, has strengthened my conviction that private markets, local communities, and states can more efficiently and humanely deal with the demand for flood insurance than the federal government.

The Flood Insurance Reform Priorities Act does take some steps toward fixing some of the problems with the flood insurance system, but it also needlessly spends taxpayer money and does not adequately address concerns that FEMA may impose unnecessary costs on local communities—communities which do have plenty of incentive to make sure they are adequately prepared for a flood. Therefore, I must oppose this bill.

Mr. OBERSTAR. Mr. Chair, I rise today in support of H.R. 5114, the Flood Insurance Reform Priorities Act of 2010. This legislation makes several significant changes to the National Flood Insurance Program (NFIP) and extends the authorization of the program through 2015.

I commend the gentleman from Massachusetts (Mr. FRANK), the Chairman of the Committee on Financial Services, and the gentleman from California (Ms. WATERS) for their efforts to advance this important legislation. I thank them for the cooperative spirit in which they have worked with the Committee on Transportation and Infrastructure on flood issues.

The Committee on Transportation and Infrastructure has jurisdiction over the Federal Emergency Management Agency (FEMA) and its programs authorized by the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act). Flooding is the most common risk communities across the country face and floods are the most frequent type of disaster declared by the President. The NFIP works hand in hand with FEMA's pre- and post-disaster programs authorized by the Stafford Act.

The NFIP provides assistance to communities through all the phases of emergency management: preparedness, response, recovery, and mitigation. Initially, the program helps communities prepare by providing incentives to participate in the program; in return for improved zoning and other ordinances, communities received subsidized flood insurance. Further, flood maps under the NFIP help communities prepare for floods by helping to predict where flooding will occur and the likely severity. This in turn helps first responders know which communities need to be evacuated, or where people may need to be rescued, and where flood fighting efforts need to take place.

The NFIP helps in recovery by providing payments to policy holders above and beyond what disaster assistance under the Stafford Act will cover and by transferring these costs from the Federal taxpayers to insurance rate payers. The NFIP pays numerous claims each

year for events that do not warrant Federal disasters assistance under the Stafford Act. The NFIP and flood mapping also helps mitigate damage to property and risks to lives by identifying and mandating steps communities can take to rebuild safer and smarter after a flood, or, proactively, before a flood strikes a community. This assistance works in conjunction with the Hazard Mitigation Grant Program and the Pre-Disaster Mitigation Grant Program authorized by the Stafford Act.

The amendments to the NFIP made by H.R. 5114 will provide for both a strong insurance program and strengthen the NFIP's risk communication and mitigation functions. The bill provides for outreach to communities and residents to ensure that they are aware of the risks they face and the insurance available to them. Even where this bill provides temporary relief from insurance purchase requirements, it requires communities to have the appropriate notice, risk communication, and emergency management plans in place to protect their citizens from the risks posed by floods.

Mr. Chair, I also wish to note several additional issues related to the nation's efforts to address the risk of flooding that are not addressed in this legislation and to state the commitment of the Committee on Transportation and Infrastructure to continue to work on these issues in the hopes of bringing forward comprehensive reform of the nation's flood damage reduction efforts in the near future.

The Committee on Transportation and Infrastructure has a longstanding interest in the maintenance and safety of our nation's infrastructure. Over the past few years, the importance of maintaining the safety of our nation's flood control structures, including our levee systems, has been reinforced by pictures of the catastrophic consequences of their failure.

Since the events of Hurricanes Katrina and Rita, the Committee on Transportation and Infrastructure has held numerous hearings on the condition of the nation's flood damage reduction infrastructure. Most shocking was the realization that our nation had never conducted a simple inventory of all the levees in this country. We learned that Federal, State, and local agencies did not have comprehensive knowledge about where all of the levees in our Nation were located, what condition they are in, or what resources are at risk if they fail or should they be overtopped.

In the 110th Congress, this body voted, by a vote of 361–54 to override a Presidential veto of the Water Resources Development Act 2007, in order to authorize critical but long overdue spending on our nation's water infrastructure. Section 9003 of WRDA 2007 created the National Committee on Levee Safety to develop plans and recommendations for a National Levee Safety Program.

Earlier this Congress, the Subcommittee on Water Resources and Environment held a hearing on the draft recommendations of the National Committee and on proposals to take a more holistic view towards sustainable flood damage reduction including: improvements to the Nation's system of flood control structures; the establishment of clear, national standards for the condition of levees and for maintaining these critical structures; for communicating to the public the inherent risks associated with potential flooding events; and for encouraging

the incorporation of nonstructural approaches into the overall system of flood protection.

Over the past year, our Committee has reached out to numerous Federal, State, and local agencies responsible for flood protection, as well as numerous non-governmental organizations to begin the discussions on how to comprehensively reform our Nation's efforts to protect the lives and livelihoods of its citizenry. I want to thank the Chairman of the Committee on Financial Services (Mr. FRANK) for his participation in these discussions and for his willingness to find longterm, comprehensive solutions to the flooding issues facing this Nation.

The answers to these questions are likely to be lengthy and expensive, but investing in our levee systems now will save billions of dollars and many lives later.

The National Oceanic and Atmospheric Administration (NOAA) estimates that hurricanes and floods cost the country over \$10 billion in damages in an average year. However, extreme events in the past several decades push this number up. For example, Hurricane Katrina, the costliest and most deadly hurricane we have seen this century, caused an estimated \$100 billion in damages and the loss of hundreds of lives. Additionally, the Midwest has seen two 500-year floods in the past 15 years. Flooding in 2008 alone resulted in upwards of \$15 billion in damages and the loss of two dozen lives.

Our goal is to prevent such massive losses in the future by creating an effective national flood damage reduction and levee safety program. We must be clear that no program can effectively eliminate all risk of flooding. However, implementing certain policies will lower this risk.

We must have an accurate assessment of the condition of our current levee system and based on that assessment, create national standards that will apply to all levee systems. Taking into consideration new risk factors, such as changing hydrological conditions, increased development within floodplains, and the effects of global climate change, will be essential in this process. In light of these factors, the current 100-year flood model may no longer be sufficient as a minimum standard for some levees.

Some would have liked the legislation before the House today to address both reforms to the NFIP and to the Nation's overall flood damage reduction efforts. Such broad reform to our system of flood control requires careful consideration and additional work, which the Committee on Transportation and Infrastructure stands ready to do. I look forward to continuing to work with Chairman FRANK and other Members to address this important issue in the near future.

I urge my colleagues to support H.R. 5114.

Mr. KANJORSKI. Mr. Chair, I rise today in strong support of H.R. 5114, the Flood Insurance Reform Priorities Act of 2010. This legislation would reauthorize the National Flood Insurance Program (NFIP) through fiscal year 2015 and make several improvements to the program.

My Congressional District is home to some of the most flood prone rivers and streams in the United States. Nearly every major rain event causes some type of the flooding for

residents and businesses. As a result, the NFIP is a tremendously important program for my constituents and I am proud to be an original cosponsor of this legislation.

H.R. 5114 contains provisions I authored to help communities that are currently constructing flood control projects where new scientific data would require changes in the design of the levee systems. In this situation, residents and businesses would be required to pay flood insurance rates as if the levees were not even constructed.

Mr. Chair, it is enormously unfair for communities that have contributed millions of dollars toward a flood control project to be penalized with higher flood insurance rates because of conflicting scientific data. Communities invest in flood control projects with not only the expectation of being protected from future floods but also having the expectation of receiving reduced flood insurance rates.

My provisions ensure that when this situation arises the community will be treated fairly for purposes of purchasing flood insurance during the construction of flood protection measures.

Mr. HOLT. Mr. Chair, I rise in support of this bill.

This issue of great importance to my constituents, as multiple counties in New Jersey—including several in my district—have frequently been declared Federal disaster areas over the last decade because of severe, frequent floods. From Kingwood to Trenton to South River, thousands of central New Jersey residents have seen their homes and businesses ruined by these floods, which are undoubtedly being driven in part by global climate change that is producing more frequent and severe weather across our country.

The bill before us would ensure that the National Flood Insurance Program is reauthorized through 2015, and it includes many homeowner-friendly provisions. For the first time since 1994, raises the maximum coverage limits for flood insurance policies for residences from \$250,000 to \$335,000. The bill also delays for five years requirement mandating the purchase of flood insurance for homeowners in a neighborhood newly classified as a flood zone—so that these homeowners are not suddenly burdened with unexpected insurance costs. I regret that the House Committee on Rules refused to make in order an amendment I offered that would have frozen annual premium rate increases to no more than 10 percent annually, but I will continue to argue for such a freeze during conference negotiations on this bill.

More broadly, Congress needs to take further steps to help communities mitigate potential flood damage.

Last year, I secured \$314,000 for the Army Corps of Engineers to continue Flood Mitigation in the Raritan River Basin. The funding supports the work of the Army Corps of Engineers to protect the region from flooding. As a result of the 2007 Water Resources Development Act, the Army Corps has begun preconstruction on flood mitigation projects that were recommended in the Corps feasibility report completed in September 2002. The project includes the construction of a storm surge barrier, floodwalls and levees, interior drainage facilities, and ecosystem res-

toration. The project benefits the communities of East Brunswick, Old Bridge and South River. Additionally, I secured \$300,000 for the City of Trenton to implement measures to protect its water filtration plant from flood events. Flood damage to the plant could cause devastating service interruptions and have an adverse impact on the drinking water supply. I will continue to support such preventive measures, even as I work to enact policies that will halt the kind of harmful climatic changes that are at least in part fueling the storms and flooding that perennially threaten our communities.

Ms. WATERS. I yield back the balance of my time.

The CHAIR. All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute printed in the bill shall be considered as an original bill for the purpose of amendment under the 5-minute rule and shall be considered read.

The text of the amendment in the nature of a substitute is as follows:

H.R. 5114

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the “Flood Insurance Reform Priorities Act of 2010”.

(b) **TABLE OF CONTENTS.**—The table of contents for this Act is as follows:

Sec. 1. Short title and table of contents.

Sec. 2. Findings and purposes.

Sec. 3. Extension of national flood insurance program.

Sec. 4. Maximum coverage limits.

Sec. 5. Phase-in of actuarial rates for nonresidential properties, certain pre-FIRM properties, and non-primary residences.

Sec. 6. 5-year delay in effective date of mandatory purchase requirement for new flood hazard areas.

Sec. 7. 5-year phase-in of flood insurance rates for newly mapped areas.

Sec. 8. Increase in annual limitation on premium increases.

Sec. 9. Consideration of construction, reconstruction, and improvement of flood protection systems in determination of flood insurance rates.

Sec. 10. Treatment of certain flood protection projects.

Sec. 11. Notification to homeowners regarding mandatory purchase requirement applicability and rate phase-ins.

Sec. 12. Coverage for additional living expenses and business interruption.

Sec. 13. Exception to waiting period for effective date of policies.

Sec. 14. Minimum deductibles for claims.

Sec. 15. Payment of premiums in installments for low-income policyholders.

Sec. 16. Enforcement.

Sec. 17. Notification to tenants of availability of contents insurance.

Sec. 18. Flood insurance outreach.

Sec. 19. Notice of availability of flood insurance and escrow in RESPA good faith estimate.

Sec. 20. Authorization of additional FEMA staff.

Sec. 21. Plan to verify maintenance of flood insurance on Mississippi and Louisiana properties receiving emergency supplemental funds.

Sec. 22. Flood insurance advocate.

Sec. 23. Eligibility of property demolition and rebuilding under flood mitigation assistance program.

Sec. 24. Study regarding mandatory purchase requirement for non-federally related loans.

Sec. 25. Study of methods to increase flood insurance program participation by low-income families.

Sec. 26. Report on inclusion of building codes in floodplain management criteria.

Sec. 27. Study on repaying flood insurance debt.

Sec. 28. Study regarding impact of rate increases on pre-FIRM properties.

Sec. 29. Study of effects of Act.

Sec. 30. Rulemaking.

SEC. 2. FINDINGS AND PURPOSES.

(a) **FINDINGS.**—The Congress finds that—

(1) since the enactment of National Flood Insurance Act of 1968, the national flood insurance program has been the primary source of reliable, reasonably priced, flood insurance coverage for millions of American homes and businesses;

(2) today over 5,500,000 homes and businesses in the United States rely on the national flood insurance program to provide a degree of financial security;

(3) although participation in the national flood insurance program has, in the past, largely been limited to properties required to participate in the program because of the program's mandatory purchase requirement for properties in special flood hazard areas with loans from federally regulated lenders, recent annual and extraordinary flooding has resulted in the program enjoying its highest voluntary participation since the establishment of the mandatory flood insurance purchase requirement;

(4) several years of below-average flood claims losses and increased voluntary participation in the national flood insurance program have allowed the program to fully service the debt incurred following Hurricanes Katrina and Rita and allowed the program to pay \$598,000,000 of the principal of that outstanding debt;

(5) though significant reforms are needed to further improve the financial outlook of the national flood insurance program, long-term and reliable authorization of the program is an essential element to stabilizing the already fragile United States housing market;

(6) increased flooding in areas outside designated special flood hazard areas prompted the Executive and the Congress in 2002 to begin calling for the national flood insurance program to develop and disseminate revised, updated flood insurance rate maps that reflect the real risk of flooding for properties not previously identified as being located within a special flood hazard area;

(7) dissemination of accurate, up-to-date, flood-risk information remains a primary goal of the national flood insurance program and such information should be disseminated as soon as such information is collected and available;

(8) communities should be encouraged to make their residents aware of updated flood-risk data while communities are assessing and incorporating updated flood-risk data into long-term community planning;

(9) the maximum coverage limits for flood insurance policies should be increased to reflect inflation and the increased cost of housing; and

(10) phasing out flood insurance premium subsidies currently extended to vacation homes, second homes, and commercial properties would result in significant average annual savings to the national flood insurance program.

(b) **PURPOSES.**—The purposes of this Act are—

(1) to identify priorities essential to the reform and ongoing stable functioning of the national flood insurance program;

(2) to increase incentives for homeowners and communities to participate in the national flood insurance program and to improve oversight to ensure better accountability of the national flood insurance program and the Federal Emergency Management Agency; and

(3) to increase awareness of homeowners of flood risks and improve the information regarding such risks provided to homeowners.

SEC. 3. EXTENSION OF NATIONAL FLOOD INSURANCE PROGRAM.

(a) **PROGRAM EXTENSION.**—Section 1319 of the National Flood Insurance Act of 1968 (42 U.S.C. 4026) is amended by striking “September 30, 2008” and inserting “September 30, 2015”.

(b) **FINANCING.**—Section 1309(a) of such Act (42 U.S.C. 4016(a)) is amended by striking “September 30, 2008” and inserting “September 30, 2015”.

(c) **EXTENSION OF PILOT PROGRAM FOR MITIGATION OF SEVERE REPETITIVE LOSS PROPERTIES.**—Section 1361A of the National Flood Insurance Act of 1968 (42 U.S.C. 4102a) is amended—

(1) in subsection (k)(1), by striking “2005, 2006, 2007, 2008, and 2009” and inserting “2011, 2012, 2013, 2014, and 2015”; and

(2) by striking subsection (l).

SEC. 4. MAXIMUM COVERAGE LIMITS.

Subsection (b) of section 1306 of the National Flood Insurance Act of 1968 (42 U.S.C. 4013(b)) is amended—

(1) in paragraph (2), by striking “\$250,000” and inserting “\$335,000”;

(2) in paragraph (3), by striking “\$100,000” and inserting “\$135,000”; and

(3) in paragraph (4)—

(A) by striking “\$500,000” each place such term appears and inserting “\$670,000”; and

(B) by inserting before “; and” the following: “; except that, in the case of any nonresidential property that is a structure containing more than one dwelling unit that is made available for occupancy by rental (notwithstanding the provisions applicable to the determination of the risk premium rate for such property), additional flood insurance in excess of such limits shall be made available to every insured upon renewal and every applicant for insurance so as to enable any such insured or applicant to receive coverage up to a total amount that is equal to the product of the total number of such rental dwelling units in such property and the maximum coverage limit per dwelling unit specified in paragraph (2); except that in the case of any such multi-unit, nonresidential rental property that is a pre-FIRM structure (as such term is defined in section 578(b) of the National Flood Insurance Reform Act of 1994 (42 U.S.C. 4014 note)), the risk premium rate for the first \$500,000 of coverage shall be determined in accordance with section 1307(a)(2) and the risk premium rate for any coverage in excess of such amount shall be determined in accordance with section 1307(a)(1)”.

SEC. 5. PHASE-IN OF ACTUARIAL RATES FOR NON-RESIDENTIAL PROPERTIES, CERTAIN PRE-FIRM PROPERTIES, AND NON-PRIMARY RESIDENCES.

(a) **IN GENERAL.**—Section 1308(c) of the National Flood Insurance Act of 1968 (42 U.S.C. 4015(c)) is amended—

(1) by redesignating paragraph (2) as paragraph (5); and

(2) by inserting after paragraph (1) the following new paragraphs:

“(2) **NONRESIDENTIAL PROPERTIES.**—Any non-residential property, which term shall not include any multifamily rental property that consists of four or more dwelling units.

“(3) **NON-PRIMARY RESIDENCES.**—Any residential property that is not the primary residence of any individual, including the owner of the property or any other individual who resides in the property as a tenant.

“(4) **RECENTLY PURCHASED PRE-FIRM SINGLE-FAMILY PROPERTIES USED AS PRINCIPAL RESIDENCIES.**—Any single family property that—

“(A) has been constructed or substantially improved and for which such construction or improvement was started, as determined by the Director, before December 31, 1974, or before the effective date of the initial rate map published by the Director under paragraph (2) of section 1360 for the area in which such property is located, whichever is later; and

“(B) is purchased after the date of enactment of the Flood Insurance Reform Priorities Act of 2010.”.

(b) **TECHNICAL AMENDMENTS.**—Section 1308 of the National Flood Insurance Act of 1968 (42 U.S.C. 4015) is amended—

(1) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking “the limitations provided under paragraphs (1) and (2)” and inserting “subsection (e)”;

(B) in paragraph (1), by striking “, except” and all that follows through “subsection (e)”;

(2) in subsection (e), by striking “paragraph (2) or (3)” and inserting “paragraph (5)”.

(c) **EFFECTIVE DATE AND TRANSITION.**—

(1) **EFFECTIVE DATE.**—The amendments made by subsections (a) and (b) shall apply beginning upon the expiration of the 3-year period that begins on the date of the enactment of this Act, except as provided in paragraph (2) of this subsection.

(2) **TRANSITION FOR PROPERTIES COVERED BY FLOOD INSURANCE UPON EFFECTIVE DATE.**—

(A) **INCREASE OF RATES OVER TIME.**—In the case of any property described in paragraph (2), (3), or (4) of section 1308(c) of the National Flood Insurance Act of 1968, as amended by subsection (a) of this section, that, as of the effective date under paragraph (1) of this subsection, is covered under a policy for flood insurance made available under the national flood insurance program for which the chargeable premium rates are less than the applicable estimated risk premium rate under section 1307(a)(1) for the area in which the property is located, the Director of the Federal Emergency Management Agency shall increase the chargeable premium rates for such property over time to such applicable estimated risk premium rate under section 1307(a)(1).

(B) **ANNUAL INCREASE.**—Such increase shall be made by increasing the chargeable premium rates for the property (after application of any increase in the premium rates otherwise applicable to such property), once during the 12-month period that begins upon the effective date under paragraph (1) of this subsection and once every 12 months thereafter until such increase is accomplished, by 20 percent (or such lesser amount as may be necessary so that the chargeable rate does not exceed such applicable estimated risk premium rate or to comply with subparagraph (C)).

(C) **PROPERTIES SUBJECT TO PHASE-IN AND ANNUAL INCREASES.**—In the case of any pre-FIRM property (as such term is defined in section 578(b) of the National Flood Insurance Reform Act of 1974), the aggregate increase, during any 12-month period, in the chargeable premium rate for the property that is attributable to this paragraph or to an increase described in section 1308(e) of the National Flood Insurance Act of 1968 may not exceed 20 percent.

(D) **FULL ACTUARIAL RATES.**—The provisions of paragraphs (2), (3), and (4) of such section 1308(c) shall apply to such a property upon the accomplishment of the increase under this paragraph and thereafter.

SEC. 6. 5-YEAR DELAY IN EFFECTIVE DATE OF MANDATORY PURCHASE REQUIREMENT FOR NEW FLOOD HAZARD AREAS.

(a) **IN GENERAL.**—Section 102 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a) is amended by adding at the end the following new subsection:

“(i) **DELAYED EFFECTIVE DATE OF MANDATORY PURCHASE REQUIREMENT FOR NEW FLOOD HAZARD AREAS.**—

“(1) **IN GENERAL.**—In the case of any area that was not previously designated as an area having special flood hazards and that, pursuant to any issuance, revision, updating, or other change in flood insurance maps that takes effect on or after September 1, 2008, becomes designated as an area having special flood hazards, if each State and local government having jurisdiction over any portion of the geographic area has complied with paragraph (2), such designation shall not take effect for purposes of subsection (a), (b), or (e) of this section, or section 202(a) of this Act, until the expiration of the 5-year period beginning upon the date that such maps, as issued, revised, update, or otherwise changed, become effective.

“(2) **NOTICE REQUIREMENTS.**—A State or local government shall be considered to have complied with this paragraph with respect to any geographic area described in paragraph (1) only if the State or local government has, before the effective date of the issued, revised, updated, or changed maps, and in accordance with such standards as shall be established by the Director—

“(A) developed an evacuation plan to be implemented in the event of flooding in such portion of the geographic area; and

“(B) developed and implemented an outreach and communication plan to advise occupants in such portion of the geographic area of potential flood risks, the opportunity to purchase flood insurance, and the consequences of failure to purchase flood insurance.

“(3) **RULE OF CONSTRUCTION.**—Nothing in paragraph (1) may be construed to affect the applicability of a designation of any area as an area having special flood hazards for purposes of the availability of flood insurance coverage, criteria for land management and use, notification of flood hazards, eligibility for mitigation assistance, or any other purpose or provision not specifically referred to in paragraph (1).”.

(b) **CONFORMING AMENDMENT.**—The second sentence of subsection (h) of section 1360 of the National Flood Insurance Act of 1968 (42 U.S.C. 4101(h)) is amended by striking “Such” and inserting “Except for notice regarding a change described in section 102(i)(1) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a(i)(1)), such”.

(c) **NO REFUNDS.**—Nothing in this section or the amendments made by this section may be construed to authorize or require any payment or refund for flood insurance coverage purchased for any property that covered any period during which such coverage is not required for the property pursuant to the applicability of the amendment made by subsection (a).

SEC. 7. 5-YEAR PHASE-IN OF FLOOD INSURANCE RATES FOR NEWLY MAPPED AREAS.

Section 1308 of the National Flood Insurance Act of 1968 (42 U.S.C. 4015), as amended by the preceding provisions of this Act, is further amended—

(1) in subsection (a), in the matter preceding paragraph (1), by inserting “or notice” after “prescribe by regulation”;

(2) in subsection (c), by inserting “and subsection (g)” before the first comma; and

(3) by adding at the end the following new subsection:

“(g) **5-YEAR PHASE-IN OF FLOOD INSURANCE RATES FOR NEWLY MAPPED AREAS.**—Notwithstanding any other provision of law relating to

chargeable risk premium rates for flood insurance coverage under this title, in the case of any area that was not previously designated as an area having special flood hazards and that, pursuant to any issuance, revision, updating, or other change in flood insurance maps, becomes designated as such an area, during the 5-year period that begins upon the expiration of the period referred to in section 102(i)(1) of the Flood Disaster Protection Act of 1973 with respect to such area, the chargeable premium rate for flood insurance under this title with respect to any property that is located within such area shall be—

“(1) for the first year of such 5-year period, 20 percent of the chargeable risk premium rate otherwise applicable under this title to the property;

“(2) for the second year of such 5-year period, 40 percent of the chargeable risk premium rate otherwise applicable under this title to the property;

“(3) for the third year of such 5-year period, 60 percent of the chargeable risk premium rate otherwise applicable under this title to the property;

“(4) for the fourth year of such 5-year period, 80 percent of the chargeable risk premium rate otherwise applicable under this title to the property; and

“(5) for the fifth year of such 5-year period, 100 percent of the chargeable risk premium rate otherwise applicable under this title to the property.”

SEC. 8. INCREASE IN ANNUAL LIMITATION ON PREMIUM INCREASES.

Section 1308(e) of the National Flood Insurance Act of 1968 (42 U.S.C. 4015(e)) is amended by striking “10 percent” and inserting “20 percent”.

SEC. 9. CONSIDERATION OF CONSTRUCTION, RECONSTRUCTION, AND IMPROVEMENT OF FLOOD PROTECTION SYSTEMS IN DETERMINATION OF FLOOD INSURANCE RATES.

(a) IN GENERAL.—Section 1307 of the National Flood Insurance Act of 1968 (42 U.S.C. 4014) is amended—

(1) in subsection (e)—

(A) in the first sentence, by striking “construction of a flood protection system” and inserting “construction, reconstruction, or improvement of a flood protection system (without respect to the level of Federal investment or participation)”; and

(B) in the second sentence—

(i) by striking “construction of a flood protection system” and inserting “construction, reconstruction, or improvement of a flood protection system”; and

(ii) by inserting “based on the present value of the completed system” after “has been expended”; and

(2) in subsection (f)—

(A) in the first sentence in the matter preceding paragraph (1), by inserting “(without respect to the level of Federal investment or participation)” before the period at the end;

(B) in the third sentence in the matter preceding paragraph (1), by inserting “, whether coastal or riverine,” after “special flood hazard”; and

(C) in paragraph (1), by striking “a Federal agency in consultation with the local project sponsor” and inserting “the entity or entities that own, operate, maintain, or repair such system”.

(b) REGULATIONS.—Not later than 90 days after the date of the enactment of this Act, the Administrator of the Federal Emergency Management Agency shall promulgate regulations to carry out the amendments made by subsection (a). Section 5 may not be construed to annul, alter, affect, authorize any waiver of, or establish any exception to, the requirement under the preceding sentence.

(c) IMPLEMENTATION.—The Administrator of the Federal Emergency Management Agency shall implement this section and the amendments made by this section in a manner that will not materially weaken the financial position of the national flood insurance program or increase the risk of financial liability to Federal taxpayers.

SEC. 10. TREATMENT OF CERTAIN FLOOD PROTECTION PROJECTS.

Section 1308 of the National Flood Insurance Act of 1968 (42 U.S.C. 4015), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

“(h) TREATMENT OF CERTAIN FLOOD PROTECTION PROJECTS.—

“(1) INAPPLICABILITY OF MANDATORY PURCHASE REQUIREMENT; PREMIUM RATES.—Notwithstanding any other provision of law, upon full completion, as designed, of a flood protection system that was intended to provide flood protection with respect to a covered area, such covered area—

“(A) shall not be considered to be an area having special flood hazards for purposes of this Act or subsections (a), (b), or (e) of section 102, or section 202(a) of the Flood Disaster Protection Act of 1973; and

“(B) shall be eligible for flood insurance under this Act, if and to the extent that such area is eligible for such insurance under the other provisions of this Act, at premium rates not exceeding those that would be applicable under this section if the flood protection system referred to in paragraph (2) for such area had been completed and accredited as providing protection from floods at the level that the system was designed to provide (before construction, reconstruction, or improvement of the system, as applicable, began).

The flood insurance rate maps shall indicate, for each covered area, the status of the area under subparagraphs (A) and (B).

“(2) COVERED AREA.—For purposes of this subsection, a covered area is an area that was intended to be protected by a flood protection system—

“(A)(i) for which, as of April 15, 2010—

“(I) construction, reconstruction, or improvement has not been completed;

“(II) adequate progress, within the meaning of section 1307(e), has been made on such construction, reconstruction, or improvement; and

“(III) is in an area having special flood hazards; or

“(ii) for which, as of such date—

“(I) construction, reconstruction, or improvement has been completed;

“(II) a determination regarding accreditation has not been made; and

“(III) is in an area having special flood hazards;

“(B) that was designed to provide protection for at least the 100-year frequency flood; and

“(C) that has been determined, pursuant to waterflow data or other scientific information of a Federal agency obtained after, or that has changed since, commencement of construction, reconstruction, or improvement, will not provide protection from floods at the level referred to in subparagraph (B).”

SEC. 11. NOTIFICATION TO HOMEOWNERS REGARDING MANDATORY PURCHASE REQUIREMENT APPLICABILITY AND RATE PHASE-INS.

Section 201 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4105) is amended by adding at the end the following new subsection:

“(f) ANNUAL NOTIFICATION.—The Director, in consultation with affected communities, shall establish and carry out a plan to notify residents of areas having special flood hazards, on an annual basis—

“(1) that they reside in such an area;

“(2) of the geographical boundaries of such area;

“(3) of whether section 1308(h) of the National Flood Insurance Act of 1968 applies to properties within such area; and

“(4) of the provisions of section 102 requiring purchase of flood insurance coverage for properties located in such an area, including the date on which such provisions apply with respect to such area, taking into consideration section 102(i); and

“(5) of a general estimate of what similar homeowners in similar areas typically pay for flood insurance coverage, taking into consideration section 1308(g) of the National Flood Insurance Act of 1968.”

SEC. 12. COVERAGE FOR ADDITIONAL LIVING EXPENSES AND BUSINESS INTERRUPTION.

Subsection (b) of section 1306 of the National Flood Insurance Act of 1968 (42 U.S.C. 4013) is amended—

(1) in paragraph (4), by striking “and” at the end;

(2) in paragraph (5)—

(A) by inserting “pursuant to paragraph (2), (3), or (4)” after “any flood insurance coverage”; and

(B) by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

“(6) in the case of any residential property, each renewal or new contract for flood insurance coverage shall provide not less than \$1,000 aggregate liability per dwelling unit for any necessary increases in living expenses incurred by the insured when losses from a flood make the residence unfit to live in, which coverage shall be available only at chargeable rates that are not less than the estimated premium rates for such coverage determined in accordance with section 1307(a)(1);

“(7) in the case of any residential property, optional coverage for additional living expenses described in paragraph (6) shall be made available to every insured upon renewal and every applicant in excess of the limits provided in paragraph (6) in such amounts and at such rates as the Director shall establish, except that such chargeable rates shall not be less than the estimated premium rates for such coverage determined in accordance with section 1307(a)(1); and

“(8) in the case of any commercial property or other residential property, including multifamily rental property, optional coverage for losses resulting from any partial or total interruption of the insured’s business caused by damage to, or loss of, such property from a flood shall be made available to every insured upon renewal and every applicant, except that—

“(A) the Director may provide such coverage under such terms, conditions, and requirements as the Director considers appropriate to meet the needs of small businesses while complying with the requirement under subparagraph (C); and

“(B) any such coverage shall be made available only at chargeable rates that are not less than the estimated premium rates for such coverage determined in accordance with section 1307(a)(1).”

SEC. 13. EXCEPTION TO WAITING PERIOD FOR EFFECTIVE DATE OF POLICIES.

Section 1306(c)(2)(A) of the National Flood Insurance Act of 1968 (42 U.S.C. 4013(c)(2)(A)) is amended by inserting before the semicolon the following: “or is in connection with the purchase or other transfer of the property for which the coverage is provided (regardless of whether a loan is involved in the purchase or transfer transaction), but only when such initial purchase of coverage is made not later 30 days after

such making, increasing, extension, or renewal of the loan or not later than 30 days after such purchase or other transfer of the property, as applicable”.

SEC. 14. MINIMUM DEDUCTIBLES FOR CLAIMS.

Section 1312 of the National Flood Insurance Act of 1968 (42 U.S.C. 4019) is amended—

(1) by striking “The Director is” and inserting the following: “(a) IN GENERAL.—The Director is”; and

(2) by adding at the end the following:

“(b) MINIMUM ANNUAL DEDUCTIBLES.—

“(1) PRE-FIRM PROPERTIES.—For any structure that is covered by flood insurance under this title, and on which construction or substantial improvement occurred on or before December 31, 1974, or before the effective date of an initial flood insurance rate map published by the Director under section 1360 for the area in which such structure is located, the minimum annual deductible for damage to or loss of such structure shall be—

“(A) \$1,500, if the flood insurance coverage for such structure covers loss of, or physical damage to, such structure in an amount equal to or less than \$100,000; and

“(B) \$2,000, if the flood insurance coverage for such structure covers loss of, or physical damage to, such structure in an amount greater than \$100,000.

“(2) POST-FIRM PROPERTIES.—For any structure that is covered by flood insurance under this title, and on which construction or substantial improvement occurred after December 31, 1974, or after the effective date of an initial flood insurance rate map published by the Director under section 1360 for the area in which such structure is located, the minimum annual deductible for damage to or loss of such structure shall be—

“(A) \$750, if the flood insurance coverage for such structure covers loss of, or physical damage to, such structure in an amount equal to or less than \$100,000; and

“(B) \$1,000, if the flood insurance coverage for such structure covers loss of, or physical damage to, such structure in an amount greater than \$100,000.”.

SEC. 15. PAYMENT OF PREMIUMS IN INSTALLMENTS FOR LOW-INCOME POLICY-HOLDERS.

Section 1306 of the National Flood Insurance Act of 1968 (42 U.S.C. 4013) is amended by adding at the end the following new subsection:

“(d) PAYMENT OF PREMIUMS IN INSTALLMENTS FOR LOW-INCOME POLICYHOLDERS.—In addition to any other terms and conditions under subsection (a), such regulations shall provide that, in the case of any residential property that is owned by a family whose income level is at or below 200 percent of the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673 of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902)) applicable to the size of such family, or a family that has no adult member who is employed, premiums for flood insurance coverage for such property may be paid in monthly installments.”.

SEC. 16. ENFORCEMENT.

Section 102(f) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a(f)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (A)(iii), by striking “or” at the end;

(B) in subparagraph (B), by striking the period at the end and inserting “; or”; and

(C) by adding at the end the following new subparagraph:

“(C) in connection with the making, increasing, extending, servicing, or renewing of any loan, requiring the purchase of flood insurance coverage under the National Flood Insurance Act of 1968, or purchasing such coverage pursu-

ant to subsection (e)(2), in an amount in excess of the minimum amount required under subsections (a) and (b) of this section.”;

(2) in paragraph (5)—

(A) in the first sentence, by striking “\$350” and inserting “\$2,000”; and

(B) in the last sentence, by striking “\$100,000” and inserting “\$1,000,000; except that such limitation shall not apply to a regulated lending institution or enterprise for a calendar year if, in any three (or more) of the five calendar years immediately preceding such calendar year, the total amount of penalties assessed under this subsection against such lending institution or enterprise was \$1,000,000”; and

(3) in paragraph (6), by adding after the period at the end the following: “No penalty may be imposed under this subsection on a regulated lending institution or enterprise that has made a good faith effort to comply with the requirements of the provisions referred to in paragraph (2) or for any non-material violation of such requirements.”.

SEC. 17. NOTIFICATION TO TENANTS OF AVAILABILITY OF CONTENTS INSURANCE.

The National Flood Insurance Act of 1968 is amended by inserting after section 1308 (42 U.S.C. 4015) the following new section:

“SEC. 1308A. NOTIFICATION TO TENANTS OF AVAILABILITY OF CONTENTS INSURANCE.

“(a) IN GENERAL.—The Director shall, upon entering into a contract for flood insurance coverage under this title for any property—

“(1) provide to the insured sufficient copies of the notice developed pursuant to subsection (b); and

“(2) require the insured to provide a copy of the notice, or otherwise provide notification of the information under subsection (b) in the manner that the manager or landlord deems most appropriate, to each such tenant and to each new tenant upon commencement of such a tenancy.

“(b) NOTICE.—Notice to a tenant of a property in accordance with this subsection is written notice that clearly informs a tenant—

“(1) whether the property is located in an area having special flood hazards;

“(2) that flood insurance coverage is available under the national flood insurance program under this title for contents of the unit or structure leased by the tenant;

“(3) of the maximum amount of such coverage for contents available under this title at that time; and

“(4) of where to obtain information regarding how to obtain such coverage, including a telephone number, mailing address, and Internet site of the Director where such information is available.”.

SEC. 18. FLOOD INSURANCE OUTREACH.

Chapter I of the National Flood Insurance Act of 1968 (42 U.S.C. 4011 et seq.), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new section:

“SEC. 1326. GRANTS FOR OUTREACH TO PROPERTY OWNERS AND RENTERS.

“(a) IN GENERAL.—The Director may, to the extent amounts are made available pursuant to subsection (h), make grants to local governmental agencies responsible for floodplain management activities (including such agencies of Indian tribes, as such term is defined in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103)) in communities that participate in the national flood insurance program under this title, for use by such agencies to carry out outreach activities to encourage and facilitate the purchase of flood insurance protection under this Act by owners and renters of properties in such communities and to promote educational activi-

ties that increase awareness of flood risk reduction.

“(b) OUTREACH ACTIVITIES.—Amounts from a grant under this section shall be used only for activities designed to—

“(1) identify owners and renters of properties in communities that participate in the national flood insurance program, including owners of residential and commercial properties;

“(2) notify such owners and renters when their properties become included in, or when they are excluded from, an area having special flood hazards and the effect of such inclusion or exclusion on the applicability of the mandatory flood insurance purchase requirement under section 102 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a) to such properties;

“(3) educate such owners and renters regarding the flood risk and reduction of this risk in their community, including the continued flood risks to areas that are no longer subject to the flood insurance mandatory purchase requirement;

“(4) educate such owners and renters regarding the benefits and costs of maintaining or acquiring flood insurance, including, where applicable, lower-cost preferred risk policies under this title for such properties and the contents of such properties; and

“(5) encouraging such owners and renters to maintain or acquire such coverage.

“(c) COST SHARING REQUIREMENT.—

“(1) IN GENERAL.—In any fiscal year, the Director may not provide a grant under this section to a local governmental agency in an amount exceeding 3 times the amount that the agency certifies, as the Director shall require, that the agency will contribute from non-Federal funds to be used with grant amounts only for carrying out activities described in subsection (b).

“(2) NON-FEDERAL FUNDS.—For purposes of this subsection, the term ‘non-Federal funds’ includes State or local government agency amounts, in-kind contributions, any salary paid to staff to carry out the eligible activities of the grant recipient, the value of the time and services contributed by volunteers to carry out such services (at a rate determined by the Director), and the value of any donated material or building and the value of any lease on a building.

“(d) ADMINISTRATIVE COST LIMITATION.—Notwithstanding subsection (b), the Director may use not more than 5 percent of amounts made available under subsection (g) to cover salaries, expenses, and other administrative costs incurred by the Director in making grants and provide assistance under this section.

“(e) APPLICATION AND SELECTION.—

“(1) IN GENERAL.—The Director shall provide for local governmental agencies described in subsection (a) to submit applications for grants under this section and for competitive selection, based on criteria established by the Director, of agencies submitting such applications to receive such grants.

“(2) SELECTION CONSIDERATIONS.—In selecting applications of local government agencies to receive grants under paragraph (1), the Director shall consider—

“(A) the existence of a cooperative technical partner agreement between the local governmental agency and the Federal Emergency Management Agency;

“(B) the history of flood losses in the relevant area that have occurred to properties, both inside and outside the special flood hazards zones, which are not covered by flood insurance coverage;

“(C) the estimated percentage of high-risk properties located in the relevant area that are not covered by flood insurance;

“(D) demonstrated success of the local governmental agency in generating voluntary purchase of flood insurance; and

“(E) demonstrated technical capacity of the local governmental agency for outreach to individual property owners.

“(f) **DIRECT OUTREACH BY FEMA.**—In each fiscal year that amounts for grants are made available pursuant to subsection (h), the Director may use not more than 50 percent of such amounts to carry out, and to enter into contracts with other entities to carry out, activities described in subsection (b) in areas that the Director determines have the most immediate need for such activities.

“(g) **REPORTING.**—Each local government agency that receives a grant under this section, and each entity that receives amounts pursuant to subsection (f), shall submit a report to the Director, not later than 12 months after such amounts are first received, which shall include such information as the Director considers appropriate to describe the activities conducted using such amounts and the effect of such activities on the retention or acquisition of flood insurance coverage.

“(h) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated for grants under this section \$50,000,000 for each of fiscal years 2011 through 2015.”

SEC. 19. NOTICE OF AVAILABILITY OF FLOOD INSURANCE AND ESCROW IN RESPA GOOD FAITH ESTIMATE.

Subsection (c) of section 5 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2604(c)) is amended by adding at the end the following new sentence: “Each such good faith estimate shall include the following conspicuous statements and information: (1) that flood insurance coverage for residential real estate is generally available under the national flood insurance program whether or not the real estate is located in an area having special flood hazards and that, to obtain such coverage, a home owner or purchaser should contact the national flood insurance program; (2) a telephone number and a location on the Internet by which a home owner or purchaser can contact the national flood insurance program; and (3) that the escrowing of flood insurance payments is required for many loans under section 102(d) of the Flood Disaster Protection Act of 1973, and may be a convenient and available option with respect to other loans.”

SEC. 20. AUTHORIZATION OF ADDITIONAL FEMA STAFF.

Notwithstanding any other provision of law, the Director of the Federal Emergency Management Agency may employ such additional staff as may be necessary to carry out all of the responsibilities of the Director pursuant to this Act and the amendments made by this Act. There are authorized to be appropriated to Director such sums as may be necessary for costs of employing such additional staff.

SEC. 21. PLAN TO VERIFY MAINTENANCE OF FLOOD INSURANCE ON MISSISSIPPI AND LOUISIANA PROPERTIES RECEIVING EMERGENCY SUPPLEMENTAL FUNDS.

The Secretary of Housing and Urban Development and the Director of the Federal Emergency Management Agency shall jointly develop and implement a plan to verify that persons receiving funds under the Homeowner Grant Assistance Program of the State of Mississippi or the Road Home Program of the State of Louisiana from amounts allocated to the State of Mississippi or the State of Louisiana, respectively, from the Community development fund under the Emergency Supplemental Appropriations Act to Address Hurricanes in the Gulf of Mexico and Pandemic Influenza, 2006 (Public Law 109–148) are maintaining flood insurance on the property for which such persons receive such funds as required by each such Program.

SEC. 22. FLOOD INSURANCE ADVOCATE.

Chapter II of the National Flood Insurance Act of 1968 is amended by inserting after section 1330 (42 U.S.C. 4041) the following new section:

“SEC. 1330A. OFFICE OF THE FLOOD INSURANCE ADVOCATE.

“(a) **ESTABLISHMENT OF POSITION.**—

“(1) **IN GENERAL.**—There shall be in the Federal Emergency Management Agency an Office of the Flood Insurance Advocate which shall be headed by the National Flood Insurance Advocate. The National Flood Insurance Advocate shall report directly to the Director and shall, to the extent amounts are provided pursuant to subsection (f), be compensated at the same rate as the highest rate of basic pay established for the Senior Executive Service under section 5382 of title 5, United States Code, or, if the Director so determines, at a rate fixed under section 9503 of such title.

“(2) **APPOINTMENT.**—The National Flood Insurance Advocate shall be appointed by the Director, and without regard to the provisions of title 5, United States Code, relating to appointments in the competitive service or the Senior Executive Service.

“(3) **QUALIFICATIONS.**—An individual appointed under paragraph (2) shall have a background in customer service as well as insurance.

“(4) **STAFF.**—To the extent amounts are provided pursuant to subsection (f), the National Flood Insurance Advocate may employ such personnel as may be necessary to carry out the duties of the Office.

“(b) **FUNCTIONS OF OFFICE.**—

“(1) **IN GENERAL.**—It shall be the function of the Office of the Flood Insurance Advocate to—

“(A) assist insureds under the national flood insurance program in resolving problems with the Federal Emergency Management Agency relating to such program;

“(B) identify areas in which such insureds have problems in dealings with the Agency relating to such program;

“(C) identify potential legislative, administrative, or regulatory changes which may be appropriate to mitigate such problems; and

“(D) assist communities and homeowners with interpreting, implementing, and appealing floodplain maps and floodplain map determinations.

“(2) **ANNUAL REPORTS.**—

“(A) **ACTIVITIES.**—Not later than December 31 of each calendar year, the National Flood Insurance Advocate shall report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate on the activities of the Office of the Flood Insurance Advocate during the fiscal year ending during such calendar year. Any such report shall contain full and substantive analysis, in addition to statistical information, and shall—

“(i) identify the initiatives the Office of the Flood Insurance Advocate has taken on improving services for insureds under the national flood insurance program and responsiveness of the Federal Emergency Management Agency with respect to such program;

“(ii) identify areas of the law or regulations relating to the national flood insurance program that impose significant compliance burdens on such insureds or the Federal Emergency Management Agency, including specific recommendations for remedying these problems; and

“(iii) include such other information as the National Flood Insurance Advocate may deem advisable.

“(B) **DIRECT SUBMISSION OF REPORT.**—Each report required under this paragraph shall be provided directly to the committees identified in subparagraph (A) without any prior review or comment from the Director, the Secretary of

Homeland Security, or any other officer or employee of the Federal Emergency Management Agency or the Department of Homeland Security, or the Office of Management and Budget.

“(c) **FUNDING.**—Pursuant to section 1310(a)(4), the Director may use amounts from the National Flood Insurance Fund to fund the activities of the Office of the Flood Advocate in each of fiscal years 2011 through 2016, except that the amount so used in each such fiscal year may not exceed \$5,000,000 and shall remain available until expended. Notwithstanding any other provision of this title, amounts made available pursuant to this subsection shall not be subject to offsetting collections through premium rates for flood insurance coverage under this title.”

SEC. 23. ELIGIBILITY OF PROPERTY DEMOLITION AND REBUILDING UNDER FLOOD MITIGATION ASSISTANCE PROGRAM.

Section 1366(e)(5)(B) of the National Flood Insurance Act of 1968 (42 U.S.C. 4104c(e)(5)(B)) is amended by striking “or floodproofing” and inserting “floodproofing, or demolition and rebuilding”.

SEC. 24. STUDY REGARDING MANDATORY PURCHASE REQUIREMENT FOR NON-FEDERALLY RELATED LOANS.

(a) **IN GENERAL.**—The Comptroller General shall conduct a study to assess the impact, effectiveness, and feasibility of, and basis under the Constitution of the United States for, amending the provisions of the Flood Disaster Protection Act of 1973 regarding the properties that are subject to the mandatory flood insurance coverage purchase requirements under such Act to extend such requirements to any property that is located in any area having special flood hazards and which secures the repayment of a loan that is not described in paragraph (1), (2), or (3) of section 102(b) of such Act, and shall determine how best to administer and enforce such a requirement, taking into consideration other insurance purchase requirements under Federal and State law.

(b) **REPORT.**—The Comptroller General shall submit a report to the Congress regarding the results and conclusions of the study under subsection (a) not later than the expiration of the 6-month period beginning on the date of the enactment of this Act.

SEC. 25. STUDY OF METHODS TO INCREASE FLOOD INSURANCE PROGRAM PARTICIPATION BY LOW-INCOME FAMILIES.

(a) **IN GENERAL.**—The Comptroller General of the United States shall conduct a study to identify and analyze potential methods, practices, and incentives that would increase the extent to which low-income families (as such term is defined in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b))) that own residential properties located within areas having special flood hazards purchase flood insurance coverage for such properties under the national flood insurance program. In conducting the study, the Comptroller General shall analyze the effectiveness and costs of the various methods, practices, and incentives identified, including their effects on the national flood insurance program.

(b) **REPORT.**—The Comptroller General shall submit to the Congress a report setting forth the conclusions of the study under this section not later than 12 months after the date of the enactment of this Act.

SEC. 26. REPORT ON INCLUSION OF BUILDING CODES IN FLOODPLAIN MANAGEMENT CRITERIA.

Not later than the expiration of the 6-month period beginning on the date of the enactment of this Act, the Administrator of the Federal Emergency Management Agency shall conduct a study and submit a report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing,

and Urban Affairs of the Senate regarding the impact, effectiveness, and feasibility of amending section 1361 of the National Flood Insurance Act of 1968 (42 U.S.C. 4102) to include widely used and nationally recognized building codes as part of the floodplain management criteria developed under such section, and shall determine—

(1) the regulatory, financial, and economic impacts of such a building code requirement on homeowners, States and local communities, local land use policies, and the Federal Emergency Management Agency;

(2) the resources required of State and local communities to administer and enforce such a building code requirement;

(3) the effectiveness of such a building code requirement in reducing flood-related damage to buildings and contents;

(4) the impact of such a building code requirement on the actuarial soundness of the National Flood Insurance Program;

(5) the effectiveness of nationally recognized codes in allowing innovative materials and systems for flood-resistant construction; and

(6) the feasibility and effectiveness of providing an incentive in lower premium rates for flood insurance coverage under such Act for structures meeting whichever of such widely used and nationally recognized building code or any applicable local building code provides greater protection from flood damage.

SEC. 27. STUDY ON REPAYING FLOOD INSURANCE DEBT.

Not later than the expiration of the 6-month period beginning on the date of the enactment of this Act, the Administrator of the Federal Emergency Management Agency shall submit a report to the Congress setting forth a plan for repaying within 10 years all amounts, including any amounts previously borrowed but not yet repaid, owed pursuant to clause (2) of subsection (a) of section 1309 of the National Flood Insurance Act of 1968 (42 U.S.C. 4016(a)(2)).

SEC. 28. STUDY REGARDING IMPACT OF RATE INCREASES ON PRE-FIRM PROPERTIES.

(a) *IN GENERAL.*—The Comptroller General of the United States shall conduct a study to assess the impacts of implementing provisions regarding pre-FIRM properties (as such term is defined in section 578(b) of the National Flood Insurance Reform Act of 1994 (42 U.S.C. 4014)), including the impact on the program participation rate among owners, renters, and tenants of non-primary residences or commercial nonresidential properties. In conducting the study, the Comptroller General shall analyze the cost effectiveness and effect on local government tax base of various options, including an option of implementing such provisions on the severe repetitive loss properties only.

(b) *REPORT.*—The Comptroller General shall submit a report to Congress regarding the results and conclusions of the study under subsection (a) not later than the expiration of the 9-month period beginning on the date of enactment of this Act.

SEC. 29. STUDY OF EFFECTS OF ACT.

(a) *STUDY.*—The Administrator of the Federal Emergency Management Agency shall conduct a study to identify and assess the impacts, including short-term and long-term impacts, of this Act and the amendments made by this Act on the financial soundness of the national flood insurance program.

(b) *REPORT.*—Not later than 12 months after the date of the enactment of this Act, the Administrator shall submit a report to the Congress setting forth the results and conclusions of study under subsection (a), which shall include specific recommendations for actions to mitigate against any negative financial impacts resulting from this Act and the amendments made by this Act that could increase the debt of the national flood insurance program.

SEC. 30. RULEMAKING.

(a) *INTERIM FINAL RULE.*—The Administrator of the Federal Emergency Management Agency shall issue an interim final rule as a temporary regulation implementing this Act and the amendments made by this Act as soon as practicable after the date of the enactment of this Act, without regard to the provisions of chapter 5 of title 5, United States Code. All regulations prescribed under the authority of this subsection that are not earlier superseded by final regulations shall expire not later than one year after the date of the enactment of this Act.

(b) *INITIATION OF RULEMAKING.*—The Administrator of the Federal Emergency Management Agency may initiate a rulemaking to implement this Act and the amendments made by this Act as soon as practicable after the date of the enactment of this Act. The final rule issued pursuant to such rulemaking may supersede the interim final rule promulgated under subsection (a).

The CHAIR. No amendment to the committee amendment is in order except those printed in House Report 111-537. Each amendment may be offered only in the order printed in the report, by a Member designated in the report, shall be considered read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

AMENDMENT NO. 1 OFFERED BY MS. WATERS

The CHAIR. It is now in order to consider amendment No. 1 printed in House Report 111-537.

Ms. WATERS. Mr. Chairman, I have an amendment at the desk that was made in order under the rule.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 9, strike lines 1 through 3 and insert the following:

SEC. 5. PHASE-IN OF ACTUARIAL RATES FOR CERTAIN PRE-FIRM PROPERTIES, SEVERE REPETITIVE LOSS PROPERTIES, AND PROPERTIES SUBSTANTIALLY DAMAGED OR SUBSTANTIALLY IMPROVED.

Page 9, lines 7 and 8, strike “paragraph (5)” and insert “paragraph (7)”.

Page 9, lines 21 and 22, strike “USED AS PRINCIPAL RESIDENCES”.

Page 10, lines 5 and 6, strike “date of enactment” and insert “effective date of this paragraph, pursuant to section 5(c)(1)”.

Page 10, line 7, strike the quotation marks and the last period.

Page 10, after line 7, insert the following:

“(5) SEVERE REPETITIVE LOSS PROPERTIES.—Any severe repetitive loss property, as such term is defined in section 1361A(b), that is so designated as such as a result of losses occurring on or after the date of the enactment of the Flood Insurance Reform Priorities Act of 2010.

“(6) PROPERTIES SUBSTANTIALLY DAMAGED OR SUBSTANTIALLY IMPROVED.—Any property that, on or after the date of the enactment of the Flood Insurance Reform and Priorities Act of 2010, has experienced or sustained—

“(A) substantial damage exceeding 50 percent of the fair market value of such property; or

“(B) substantial improvement exceeding 30 percent of the fair market value of such property.”.

Page 10, line 20, strike “paragraph (5)” and insert “paragraph (7)”.

Page 11, line 7, strike “or (4)” and insert “(4), (5), or (6)”.

Page 12, line 21, strike “and (4)” and insert “(4), (5), and (6)”.

Page 13, line 6, strike “subsection” and insert “subsections”.

Page 13, line 13, strike “September 30, 2008” and insert “September 30, 2007”.

Page 14, line 22, strike the quotation marks and the last period.

Page 14, after line 22, insert the following:

“(j) AVAILABILITY OF PREFERRED RISK RATING METHOD PREMIUMS.—The preferred risk rate method premium shall be available for flood insurance coverage for properties located in areas referred to in subsection (i)(1) and during the time period referred to in subsection (i)(1).”.

Page 15, line 13, before “Section” insert “(a) IN GENERAL.—”.

Page 17, after line 3, insert the following:

(b) *REGULATION OR NOTICE.*—The Administrator of the Federal Emergency Management Agency shall issue an interim final rule or notice to implement this section and the amendments made by this section as soon as practicable after the date of the enactment of this Act.

Strike line 20 on page 18 and all that follows through page 19, line 2, and insert the following:

(b) *REGULATIONS.*—The Administrator of the Federal Emergency Management Agency shall promulgate regulations to implement this section and the amendments made by this section as soon as practicable, but not more than 18 months after the date of the enactment of this Act. Section 5 may not be construed to annul, alter, affect, authorize any waiver of, or establish any exception to, the requirement under the preceding sentence.

Page 21, after line 21, insert the following new section:

SEC. 11. PROHIBITION OF EXTENSION OF SUBSIDIZED RATES TO LAPSED POLICIES.

Section 1308 of the National Flood Insurance Act of 1968 (42 U.S.C. 4015), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

“(i) *PROHIBITION OF EXTENSION OF SUBSIDIZED RATES TO LAPSED POLICIES.*—The Director shall not provide flood insurance coverage under this title to any prospective insured at a rate less than the applicable estimated risk premium rates for the area (or subdivision thereof) for any policy under the flood insurance program that has lapsed in coverage, as a result of the deliberate choice of the holder of such policy.”.

Page 22, line 25, strike the semicolon and insert a period.

Page 22, after line 25, insert the following new sections:

SEC. 13. COMMUNITY OUTREACH PLAN FOR UPDATING FLOODPLAIN AREAS AND FLOOD-RISK ZONES.

The Administrator of the Federal Emergency Management Agency shall, not later than the expiration of the 60-day period beginning upon the date of the enactment of this Act, submit to the Congress a community outreach plan for the updating of floodplain areas and flood-risk zones under section 1360(f) of the National Flood Insurance Act of 1968 (42 U.S.C. 4101(f)).

SEC. 14. NOTIFICATION OF ESTABLISHMENT OF FLOOD ELEVATIONS.

Section 1360 of the National Flood Insurance Act of 1968 (42 U.S.C. 4101) is amended

by adding at the end the following new subsection:

“(1) **NOTIFICATION TO MEMBERS OF CONGRESS OF MAP MODERNIZATION.**—Upon any revision or update of any floodplain area or flood-risk zone pursuant to subsection (f), any decision pursuant to subsection (f)(1) that such revision or update is necessary, any issuance of preliminary maps for such revision or updating, or any other significant action relating to any such revision or update, the Director shall notify the Senators for each State affected, and each Member of the House of Representatives for each congressional district affected, by such revision or update in writing of the action taken.”.

Page 27, line 8, strike “**LOW-INCOME POLICYHOLDERS**” and insert “**RESIDENTIAL PROPERTIES**”.

Page 27, line 13, strike “**LOW-INCOME POLICYHOLDERS**” and insert “**RESIDENTIAL PROPERTIES**”.

Page 27, strike line 16 and all that follows through “is employed” in line 22.

Page 27, line 23, strike “monthly”.

Page 27, after line 23, insert the following new section:

SEC. 19. TERMINATION OF FORCE-PLACED INSURANCE.

Section 102(e) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a(e)) is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (5) and (6), respectively; and

(2) by adding inserting after paragraph (2) the following new paragraphs:

“(3) **TERMINATION OF FORCE-PLACED INSURANCE.**—Within 15 days of receipt by the lender or servicer of a confirmation of a borrower’s existing flood insurance coverage, the lender or servicer shall—

“(A) terminate the force-placed insurance; and

“(B) refund to the borrower all force-placed insurance premiums paid by the borrower during any period during which the borrower’s flood insurance coverage and the force-placed flood insurance coverage were each in effect, and any related fees charged to the borrower with respect to the force-placed insurance during such period.

“(4) **SUFFICIENCY OF DEMONSTRATION.**—A lender or servicer for a loan shall accept any reasonable form of written confirmation from a borrower of existing flood insurance coverage, which shall include the existing flood insurance policy number along with the identity of, and contact information for, the insurance company or agent.”.

Page 30, after line 20, insert the following new section:

SEC. 21. GRANTS FOR DIRECT FUNDING OF MITIGATION ACTIVITIES FOR INDIVIDUAL REPETITIVE CLAIMS PROPERTIES.

(a) **DIRECT GRANTS TO OWNERS.**—Section 1323 of the National Flood Insurance Act of 1968 (42 U.S.C. 4030) is amended—

(1) in the section heading, by inserting “**DIRECT**” before “**GRANTS**”; and

(2) in the matter in subsection (a) that precedes paragraph (1)—

(A) by inserting “, to owners of such properties,” before “for mitigation actions”; and

(B) by striking “1” and inserting “two”.

(b) **AVAILABILITY OF FUNDS.**—Paragraph (9) of section 1310(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4017(a)) is amended by inserting “which shall remain available until expended,” after “any fiscal year.”.

Page 31, line 4, strike “(h)” and insert “(i)”.

Page 33, line 14, strike “(g)” and insert “(i)”.

Page 34, line 19, strike “and”.

Page 34, line 22, strike the period and insert “; and”.

Page 34, after line 22 insert the following:

“(F) the number of flood-related major disaster or emergency declarations made by the President with respect to the relevant area under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) during the preceding five years.

Page 34, line 25, strike “(h)” and insert “(i)”.

Page 35, after line 4, insert the following new subsection:

“(g) **COORDINATION WITH OTHER AGENCIES.**—A local governmental agency that receives a grant under this section, and an entity that receives amounts pursuant to subsection (f), may coordinate or contract with other agencies and entities having particular capacities, specialties, or experience with respect to certain populations or constituencies, including elderly or disabled families or persons, to carry out activities described in subsection (b) with respect to such populations or constituencies.”.

Page 35, line 5, strike “(g)” and insert “(h)”.

Page 35, line 14, strike “(h)” and insert “(i)”.

Page 35, after line 16, insert the following new section:

SEC. 24. TREATMENT OF SWIMMING POOL ENCLOSURES OUTSIDE OF HURRICANE SEASON.

Chapter I of the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new section:

“SEC. 1327. TREATMENT OF SWIMMING POOL ENCLOSURES OUTSIDE OF HURRICANE SEASON.

“In the case of any property that is otherwise in compliance with the coverage and building requirements of the national flood insurance program, the presence of an enclosed swimming pool located at ground level or in the space below the lowest floor of a building after November 30 and before June 1 of any year shall have no effect on the terms of coverage or the ability to receive coverage for such building under the national flood insurance program established pursuant to this title, if the pool is enclosed with non-supporting breakaway walls.”.

Page 36, line 17, strike “and” and insert a comma.

Page 36, line 17, before the period insert “, and the national flood insurance program”.

Page 39, line 6, strike “and”.

Page 39, line 10, strike the period and insert a semicolon.

Page 39, after line 10 insert the following:

“(E) facilitate the sharing of the best-practices of the Federal Emergency Management Agency amongst all offices of the Agency with respect to the creation and updating of floodplain maps;

“(F) not less than one year after receipt of a request from a community, perform an economic impact analysis for such community on the economic impact of floodplain maps and floodplain map determinations on small businesses, lending, real estate development, and other economic indicators within such community;

“(G) establish a national arbitration panel regarding flood map modernization, with panel members consisting of experts in flood insurance, flood map determination, real estate development, structural engineering, and other such experts, including a representative from the Federal Emergency

Management Administration, to allow individuals or communities impacted by a flood map revision to challenge such a revision; such panel may, under such terms and conditions it may establish, temporarily suspend implementation of a floodplain map pending such panel’s review of evidence submitted by such individuals or communities as part of such challenge;

“(H) establish a process under which scientific and engineering data, including maps and an explanation of how the Director makes a determination regarding a map revision, will be made publicly available to any interested individuals to be impacted by a flood map revision; and

“(I) establish a process under which each community to be impacted by a flood map revision will be provided an open community forum to consult with and ask questions of representatives of the Federal Emergency Management Administration.

Page 41, after line 8, insert the following new sections:

SEC. 29. TREATMENT OF PREVIOUSLY MAPPED AREAS.

Section 1360 of the National Flood Insurance Act of 1968 (42 U.S.C. 4101) is amended by adding at the end the following new subsection:

“(k) **TREATMENT OF PREVIOUSLY MAPPED AREAS.**—If the Director issues a letter of map revision for an area or a portion of an area to correct an error in a recently issued flood insurance rate map and such letter results in the designation of such area as not having special flood hazards, the Director shall reexamine the designation of any areas bordering or abutting the area that was the subject of such letter if such areas are located within a special flood hazard area. The Director shall inform the community and residents within such area of the results of such examination no later than one year after the date of the initial letter of map revision.

“SEC. 30. REMAPPING OF AREAS WITH IMPROVED LEVEES.

“Section 1360 of the National Flood Insurance Act of 1968 (42 U.S.C. 4101) is amended by adding at the end the following new subsection:

“(a) **REMAPPING OF AREAS WITH IMPROVED LEVEES.**—If at any time any community, any State, the Army Corps of Engineers, or any other entity improves any levee system that protects any area that is located in an area having special flood hazards and the Director determines that such improvement mitigates flood risk in a manner that eliminates the risk of flooding in the area, the Director shall—

“(1) revise and update the floodplain areas and flood risk zones, and the flood insurance maps reflecting such areas and zones, for the areas protected by such levee system so that any requirement under the Flood Disaster Protection Act of 1973 for mandatory purchase of flood insurance does not apply to such area; and

“(2) make the updated maps and any information regarding such updating available to the affected communities.”.

Page 41, line 12, strike “Section” and insert the following:

(a) FLOOD MITIGATION ASSISTANCE PROGRAM.—Section

Page 41, line 15, before the quotation marks insert “of properties to at least base flood elevation or greater, if required by any local ordinance”.

Page 41, after line 15, insert the following:

(b) **SENSE OF CONGRESS.**—It is the sense of Congress that section 1366 of the Flood Insurance Act of 1968 (42 U.S.C. 4104c), as in effect

on the day before the date of enactment of this Act, authorized the Administrator of the Federal Emergency Management Agency to consider property demolition and rebuilding as eligible activities under the Flood Mitigation Assistance Program. The purpose of the amendment made by subsection (a) is to clarify that such authority exists.

Page 42, line 15, before the period insert **“AND FAMILIES IN RURAL COMMUNITIES AND ON INDIAN RESERVATIONS”**.

Page 42, line 21, after **“(42 U.S.C. 1437a(b))”** insert **“, families residing in rural communities, and families who reside on Indian reservations,”**.

Page 44, line 14, strike **“and”**.

Page 44, line 20, strike the period and insert a semicolon.

Page 44, after line 20, insert the following new paragraphs:

(7) the impact of such a building code requirement on rural communities with different building code challenges than more urban environments; and

(8) the impact of such a building code requirement on Indian reservations.

Page 45, after line 5, insert the following new sections:

SEC. 36. STUDY REGARDING CERTAIN HARBOR AREAS.

(a) **STUDY.**—The Administrator of the Federal Emergency Management Agency shall carry out a study to identify the impacts of the National Flood Insurance Program on harbor areas that are working waterfronts, which shall—

(1) identify the models and assumptions used under such program with respect to wave action in working waterfronts and harbors;

(2) determine whether these are the same models and assumptions used for open or unprotected coast lines;

(3) identify the assumptions used under such program in modeling V-zones;

(4) identify the underlying basis for projected impact of waves on working waterfronts;

(5) identify the frequency with which individual working waterfronts receive revised flood-risk based on the data they provide;

(6) determine the feasibility of basing flood maps for such working waterfronts on actual historical flood and damage data;

(7) identify the standards for construction and design of working waterfront infrastructure that would be needed to safely develop commercial buildings in the V-zone;

(8) determine the economic impacts of the National Flood Insurance Program on working waterfronts and working waterfront dependant businesses;

(9) identify any new or alternative models that may be used to more accurately reflect the risk of flooding in working waterfronts and harbor environments;

(10) review the current coastal flood insurance study guidelines and recommended methodologies;

(11) determine whether methodologies other than those referred to in paragraph (10) should be applied with respect to complicated harbors and open shorelines;

(12) review where 2-D ST Wave methodology should be applied and where other methodologies should be applied;

(13) review available data on wave attenuation through pilings and piers and determine whether a physical model for the attenuation of waves in that environment can be undertaken to derive such data; and

(14) include any other information the Administrator considers relevant to evaluating the flood risk and insurance challenges facing working waterfronts.

(b) **REPORT.**—Not later than 180 days after the date of the enactment of this Act, the Administrator shall submit to the Congress a report setting forth the results and conclusions of the study, including—

(1) a description of all of the matters identified and determined pursuant to subsection (a); and

(2) an analysis of the feasibility of developing a sheltered harbor flood zone for purposes of the National Flood Insurance Program that specifically recognizes the unique challenges faced by working waterfronts and built-up harbors.

(c) **DEFINITION.**—In this section, the term **“working waterfront”** means real property (including support structures over water and other facilities) that provides access to coastal waters to persons engaged in commercial fishing, recreational fishing business, boatbuilding, aquaculture, or other water-dependent coastal-related business and is used for, or that supports, commercial fishing, recreational fishing, boatbuilding, aquaculture, or other water-dependent coastal-related business.

SEC. 37. STUDY REGARDING HAZARD MODELING.

The Administrator of the Federal Emergency Management Agency shall conduct a study to identify and assess the impacts, including short-term and long-term impacts, of significant flooding events and subsequent revisions of hazard modeling and mapping since January 1, 2000, on the financial soundness of the national flood insurance program. The Administrator may enter into an agreement with Water Resources Research Institutes to conduct the study under this section. The Administrator shall provide for a final report regarding the study to be submitted to the Congress not later than the expiration of the 16-month period beginning on the date of the enactment of this Act. The report may include recommendations of the Administrator with respect to revising hazard modeling and mapping.

Strike line 16 on page 46 and all that follows through page 47, line 7, and insert the following:

SEC. 40. INTERIM FINAL RULEMAKING.

The Administrator of the Federal Emergency Management Agency shall issue an interim final rule to implement the amendments made by this Act as soon as practicable, but not more than 18 months after the date of the enactment of this Act. The Administrator of the Federal Emergency Management Agency shall issue a final rule within one year after the effective date of the interim final rule. In the event that the deadlines in this section are not met, the Administrator shall report to the Congress monthly on the status of the rulemakings and the reasons for the failure to comply with the statutory deadlines.

Page 19, after line 8, insert the following new section:

SEC. 10. DISCOUNTED FLOOD INSURANCE RATES FOR PROPERTIES PROTECTED BY A FLOOD-PROTECTION SYSTEM FROM LESS THAN A 100-YEAR FREQUENCY FLOOD.

Section 1307 of the National Flood Insurance Act of 1968 (42 U.S.C. 4014) is amended by adding at the end the following new subsection:

“(g) Except as provided in subsection (f) and notwithstanding any other provision of law, flood insurance coverage shall be made available for a property that the Director determines is protected by a flood-protection system that does not provide protection against a 100-year frequency flood at premium rates that reflect a discount for the

actual protection against flood risk afforded by such flood-protection system.”.

The CHAIR. Pursuant to House Resolution 1517, the gentlewoman from California (Ms. WATERS) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentlewoman from California.

Ms. WATERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the manager's amendment I have submitted to the committee would make further improvements on the bill. The amendment would contribute to the stability of the flood insurance program by prospectively phasing in actuarial rates for severe repetitive loss properties and properties sustaining substantial damage.

The financial solvency of the program would also be protected by a provision that would make sure that homeowners receiving preferred rates who deliberately drop out of the program are charged actuarial rates if they rejoin the program.

The amendment also strengthens protections for homeowners by allowing all homeowners to pay flood insurance premiums in installments, providing grants to homeowners experiencing repeated flooding with funds to mitigate their flood risk, requiring FEMA to take a second look at areas that may be incorrectly mapped, and requiring FEMA to study the impacts of the flood insurance program on working waterfronts.

I am pleased that this amendment also incorporates amendments offered by many Members, including Mr. HINCHAY, Mr. CLYBURN, Ms. HERSETH SANDLIN, Mr. HARE, Ms. MARKEY, Mrs. MCCARTHY, Mr. MELANCON, and Mr. PASCRELL. I thank these Members and others who have made suggestions to me for their constructive additions to this amendment.

This amendment makes significant improvements to the underlying legislation, and I urge an “aye” vote on the amendment.

Mr. Chairman I reserve the balance of my time.

Mrs. CAPITO. I rise to claim time in opposition to the amendment, although I'm not opposed.

The CHAIR. Without objection, the gentlewoman from West Virginia is recognized for 10 minutes.

There was no objection.

□ 1210

Mrs. CAPITO. Mr. Chairman, I would like to say that the chairwoman's manager's amendment does make good improvements to the underlying bill by phasing out taxpayer subsidies for severe repetitive losses.

As we know, and as I said in my opening statement, the NFIP is facing serious financial challenges and the program cannot afford to go on its current path. So in this respect, I think

that Chairwoman WATERS' manager's amendment is a positive step in the right direction. In addition, the manager's amendment includes additional reforms that seeks to reduce the subsidies over time that continue to burden this program.

The measure includes several provisions to address local community concerns that we have all heard in our districts resulting from new flood risk maps and the ongoing flood control projects, resulting in delays of purchase requirements and higher rates in certain cases.

I would like to point out why I believe that phasing out the subsidies for severe repetitive loss properties is important. If you look at the accounting for these losses over the last several years, the repetitive loss properties only account for 1 percent of the total policies in the program nationwide, yet the repetitive loss properties account for almost 30 percent of the claims paid annually.

Well, I think there is a sense of fairness about this, and most of us recognize that this is unfair. The subsidies for folks who continue to live in repetitive loss property areas continue to run up the losses in this very important flood insurance program. The high incidence of claims on repetitive loss properties has cost the National Flood Insurance Program more than \$2.7 billion since 1978.

So with the reforms that the chairwoman has made in the manager's amendment, I support the manager's amendment.

I yield back the balance of my time.

Ms. WATERS. I think everything has been said that needs to be said.

I simply again want to thank all of the Members that have been involved. I am very pleased that we finally are responding to the concerns of all of our constituents, particularly about new mapping. There are a lot of concerns about that. But the way that we delay implementation will give our constituents an opportunity to prepare the installment plans, the way we deal with the actuarial rates. I think this is some of the best work that could have been done to honor the concerns of our constituents.

I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentleman from California (Ms. WATERS).

The amendment was agreed to.

AMENDMENT NO. 2 OFFERED BY MR. PUTNAM

The CHAIR. It is now in order to consider amendment No. 2 printed in House Report 111-537.

Mr. PUTNAM. Mr. Chairman, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 35, strike line 5 and insert the following:

“(g) REPORTING.—

“(1) LOCAL GOVERNMENTS.—Each local government agency that”.

Page 35, after line 13, insert the following new paragraph:

“(2) DIRECTOR.—The Director shall submit an annual report, not later than December 31 of each year, to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate on the effectiveness of grants awarded under this section to local government agencies, the activities conducted using such grant amounts, and the effect of such activities on the retention or acquisition of flood insurance coverage.”.

The CHAIR. Pursuant to House Resolution 1517, the gentleman from Florida (Mr. PUTNAM) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Florida.

Mr. PUTNAM. Mr. Chair, I rise to outline a minor issue but an important issue.

Hurricane season began June 1, and in Florida, the seventh-largest State in terms of flood insurance claims and the third-highest in terms of foreclosure rates, we cannot afford any more uncertainty in our housing market.

When legislation recently failed to move on two separate occasions that would have provided for a temporary extension of flood insurance, I heard from my constituents that were beyond the point of frustration that they could not close on a home or renew an expiring policy, and they had every right to be frustrated.

Florida and Texas combined represent half of the properties covered by the National Flood Insurance Program, and a lapse in NFIP reauthorization prohibits the issuance of new flood insurance policies and renewal of expired ones. Our communities are located along the gulf coast. If a home is damaged by a storm or surge waters contaminated by the oil spill, only flood insurance would cover the cost of those repairs. For a program that has continually been placed on the GAO's high-risk list of government programs since 2006, this is unacceptable. It is time for Congress to reform and provide for a long-term extension of this important program.

Floods are the number one most common natural disaster in the United States, and since 2008 the National Flood Insurance Program has been temporarily extended six times. Whether you are a homeowner, business owner, or renter, the NFIP provides an opportunity to guard against the loss of property. We should encourage individuals and families to protect their property before the next storm hits, not just those communities located in high-risk flood zones.

Given the challenges facing the NFIP, the financial and management challenges, this amendment provides a step in the right direction in working towards the necessary reforms to assist in the long-term viability of the program.

Not expanding the scope of perils that the program currently covers, as well as eliminating subsidized rates over time for vacation homes and charging premiums that more accurately cover the risk associated with the property, are some of the reforms that will strengthen the NFIP. While the NFIP still has a long way to go to reach self-sufficiency, I applaud the bill's sponsors for taking the necessary steps and encourage the Senate to act on the long-term extension as well.

This amendment would require FEMA to submit to Congress though a report on the effectiveness of a portion of the bill that relates to new grants created and awarded to local government agencies for outreach to owners and renters. The report would include the activities conducted with those grants and an assessment of the results, the assessment of the effect that those activities have on the retention or purchase of additional flood insurance.

I caution against whether this is the most fiscally responsible approach to spend tax dollars and ensure that property owners and renters understand the apparent flood risks that exist, even though they are not subject to the mandatory purchase requirement.

The underlying legislation appropriates \$250 million for new outreach grants over a 5-year period. At a time of record deficits and spending, and frustration over a lack of transparency and accountability in our Nation's government, it is imperative that this new spending be fully accounted for.

Clearly, there is a need to control FEMA's communication with property owners and communities concerning flood risk maps and threats of flooding, but this is a large sum of new money to appropriate to an agency that is currently \$18.75 billion in debt to Treasury and consistently on the high-risk list. That is why it is essential to guarantee that the management and utilization of grant funding is completed in an effective and transparent way. I further encourage FEMA to go above and beyond and provide this information in an easily accessible form on their Web site so the taxpayers are aware of how their money is being spent.

We must ensure that these grants are used to increase participation in the program and educate owners and renters on flood preparedness and mitigation efforts which lower risk. This annual report will be an important first step in doing so.

I want to thank the sponsor of the legislation for her work on this issue for two consecutive Congresses and urge adoption of the amendment.

Mr. Chairman, I reserve the balance of my time.

Ms. WATERS. Mr. Chairman, I rise to claim time in opposition, although I am not opposed.

The Acting CHAIR (Mr. CUELLAR). Without objection, the gentlewoman

from California is recognized for 5 minutes.

There was no objection.

Ms. WATERS. Mr. Chairman, I would like to thank the gentleman from Florida for offering this amendment.

The underlying bill authorizes grants to local communities to reach out to homeowners and communities about the flood insurance program and flood risk. As we know, the process by which homeowners receive notification of new flood maps is severely lacking.

Too often, homeowners learn that they are in a floodplain when they receive a letter from their mortgage company informing them that they have 45 days to buy flood insurance or it will be purchased on their behalf. Local communities are supposed to inform residents about new maps. However, communities often receive little notification from FEMA themselves. Also, some communities simply lack the resources to do the type of notification that is necessary to ensure that homeowners are aware of changes to the flood maps.

By providing a grant program to assist communities, the underlying bill would address this problem. The gentleman's amendment would require the director of the flood insurance program to submit annual reports to the Congress on the effectiveness of these grants. I think that is important. And I think that Congress should know how these grants are working and how these funds are being spent.

So I support the gentleman's amendment, and I would urge an "aye" vote.

I yield back the balance of my time.

Mr. PUTNAM. I appreciate the gentlewoman's kind comments.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Florida (Mr. PUTNAM).

The amendment was agreed to.

□ 1220

AMENDMENT NO. 3 OFFERED BY MR. DRIEHAUS

The Acting CHAIR. It is now in order to consider amendment No. 3 printed in House Report 111-537.

Mr. DRIEHAUS. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 46, after line 15, insert the following new section:

SEC. 30. REIMBURSEMENT FOR COSTS INCURRED BY HOMEOWNERS OBTAINING LETTERS OF MAP AMENDMENT.

If the owner of any property located in an area described in section 102(i)(1) of the Flood Disaster Protection Act of 1973 (as added by the preceding provisions of this Act) obtains a letter of map amendment during the 5-year period for such area referred to in such section, the Administrator of the Federal Emergency Management Agency shall reimburse such owner, or such entity or jurisdiction acting on such owner's behalf, for any costs incurred in obtaining such letter.

The Acting CHAIR. Pursuant to House Resolution 1517, the gentleman from Ohio (Mr. DRIEHAUS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Ohio.

Mr. DRIEHAUS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to thank the chairman of the committee, Ms. WATERS, for her tremendous work on this legislation. Also, the cosponsors of this amendment, Mr. WELCH and Mr. HINCHEY. This amendment is pretty straightforward. It would authorize the administrator of the Federal Emergency Management Agency to reimburse property owners or entity or jurisdiction acting on their behalf for any expenses that they incurred in order to file for a letter of map amendment if they are ultimately successful in petitioning the exclusion of their property from a flood zone between fiscal year 2007 to the present, and in the future.

The problem is this, Mr. Chairman. We have thousands of property owners who are challenging these maps as FEMA has currently drawn them. They find out about them after the maps have been drawn, after the maps are official. They then want to challenge that designation. They hire the surveyors. They hire the engineers. They go ahead and incur that cost. And in many cases, when we find out that in fact the property owner was correct and they should not have been included in the designation to begin with, they're excluded. Yet they have incurred the cost. This amendment simply says that if that's the case and we find that the property owner is correct or if we find that the municipality or jurisdiction is correct in challenging the map, that they will be reimbursed by FEMA. CBO has scored this and said it would be negligible in terms of cost, yet it would relieve thousands of homeowners from the burden that they currently see in terms of incurring these costs.

Just a little background. Under current law, FEMA is authorized to reimburse property owners, lessees, and communities for engineering and surveying expenses that they incur for petitioning the inclusion of the property in a flood zone prior to the enactment of a new flood map. But this doesn't serve the folks that we're talking about. I've got a community in Harrison, Ohio, where over 370 households have been included in the flood map. Now, they didn't start the process of challenging the map until after the map was already official. So they're well beyond the time period that FEMA currently allows for that amendment to take place. This would address what is currently wrong in that situation—and that is, it would allow

the homeowners to be reimbursed for their expenses.

With that, I reserve the balance of my time.

Mrs. CAPITO. Mr. Chairman, I claim time in opposition to the amendment.

The Acting CHAIR. The gentlewoman from West Virginia is recognized for 5 minutes.

Mrs. CAPITO. Mr. Chairman, I certainly understand. And I've had constituents myself who have been remapped and fallen into the flood plain and questionable areas a lot, to their frustration. And I understand the gentleman from Ohio's intent on his amendment. But I think it sort of opens the door a little too broadly and a little too widely. While the amendment that he is proposing helps property owners who seek to recoup their expenses of appealing the flood map, it provides for full reimbursement for any costs. There's no specification to what reasonable costs could be—but any cost. And I think this is too broad.

I would prefer to see the amendment go back to the drawing board, reshape it, so that we can address the needs and the cost issues to our constituents but also make sure that we don't leave it so the door is so wide open that it would encourage in some possibilities maybe re-looking at it, overly expensive investigations into the flood mapping, without any kind of reasonable assurances that the costs that are incurred in challenging the maps would fall within a reasonable amount.

With that, I yield back the balance of my time.

Mr. DRIEHAUS. Mr. Chair, I appreciate the concerns of my colleague from West Virginia. I take those very seriously. Although, FEMA does have rulemaking authority that allows them to address the concerns that were raised. This is really an issue of fairness—an issue of fairness for property owners. You've got the Federal Government coming onto your property, telling you that you have to purchase flood insurance because you're now designated within the map. When you find FEMA to be wrong, that payment shouldn't be incurred by you, the property owner, but it should be reimbursed by FEMA. It's just that simple. This is a taking. And the Federal Government shouldn't be in the business of taking property, which is what they're doing in this case, in the form of the expenses that are incurred by the homeowners. This has impacted thousands of Americans. And it's wrong that the Federal Government is making them pay the price to challenge the Federal Government.

With that, Mr. Chairman, I would like to yield 2 minutes to the gentleman from New York (Mr. HINCHEY), the cosponsor of the amendment.

Mr. HINCHEY. Mr. Chairman, I rise today in strong support of H.R. 5114, the Flood Insurance Reform Priorities

Act of 2010 and the manager's amendment. I want to thank Representative WATERS for bringing forward this essential legislation, which will extend the national flood insurance program and make essential reforms to ensure that the program works efficiently and effectively. I also thank Representative WATERS and the committee for including in the manager's amendment several provisions which I sought to help to assist property owners with new costs they face due to the Federal Emergency Management Agency's flood map modernization program and improve congressional oversight.

FEMA is currently working to update, revise, and digitize the flood maps for more than 20,000 communities all across the country. While nobody doubts that we need to have accurate flood maps, some home and business owners in my district and also throughout the country are now finding out that their property is located in a flood zone—even though they may have never experienced a flood. As a result of FEMA's remapping process, many of these home and business owners are now required to purchase insurance.

To help those who suddenly face this new and unexpected cost, the underlying legislation and the manager's amendment do several important things. First, property owners will have the option to delay the requirement to purchase flood insurance for 5 years. Second, home and business owners will then have the option to purchase the insurance at a reduced cost for another 5 years. Third, congressional oversight of the flood mapping process will be greatly improved by requiring FEMA to notify Members of Congress regarding key map modernization developments within their districts.

At a time when small businesses and homeowners throughout New York and everywhere else across the country are still feeling the pinch in a recovering economy, this bill will help ensure that this remapping process doesn't provide an additional burden. Again, I thank Representative WATERS for her strong leadership on this issue and I commend the committee for their understanding of the need for these reforms.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Ohio (Mr. DRIEHAUS).

The amendment was agreed to.

AMENDMENT NO. 4 OFFERED BY MR. FLAKE

The Acting CHAIR. It is now in order to consider amendment No. 4 printed in House Report 111-537.

Mr. FLAKE. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 35, line 16, strike the quotation marks and the last period.

Page 35, after line 16, insert the following new subsection:

“(i) PROHIBITION ON EARMARKS.—No amounts made available for grants under this section may be used for a Congressional earmark as defined in clause 9(e) of Rule XXI of the Rules of the House of Representatives.”.

The CHAIR. Pursuant to House Resolution 1517, the gentleman from Arizona (Mr. FLAKE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Arizona.

Mr. FLAKE. Mr. Chairman, this is a straightforward amendment and should be noncontroversial. H.R. 5114 establishes a new grant program that would provide grants to local government agencies responsible for flood plain management in communities that participate in the national flood insurance program. Funds from this grant program would be used for outreach to inform both renters and owners of the national flood insurance program. This amendment would specifically prohibit any earmarking of the funds made available under this new grant program.

Mr. Chairman, I'm not sure it's the taxpayers'—or, I don't think it is the taxpayers' responsibility to inform renters and owners of these flood plain requirements. Having said that, if we are going to provide funds here and say that it's a competitive grant program, then we shouldn't go in and earmark it later. Those funds ought to be available to those who compete for them, not directed by Members of Congress to favored constituents or groups.

□ 1230

With that, I reserve the balance of my time.

Ms. WATERS. Mr. Chairman, I rise to claim time in opposition, although I am not opposed to the amendment.

The Acting CHAIR. Without objection, the gentlewoman from California is recognized for 5 minutes.

There was no objection.

Ms. WATERS. Mr. Chairman, quite simply, I support the gentleman's amendment. While I believe that the bill is clear that the grants provided under the bill would be competitive and, therefore, not subject to earmarking, I can understand the gentleman's need for wanting to clarify that these funds cannot be used for earmarks. Therefore, I support the amendment, and I would urge an “aye” vote.

I yield back the balance of my time.

Mr. FLAKE. I thank the gentlelady for accepting the amendment.

Some have asked, Why do this if there's no intention to earmark the program? Why do we need this language? Unfortunately, in the past, with programs that have been adopted like this, competitive grant programs, we have said and promised in Congress that we won't earmark those funds, and we've come and earmarked them.

A good example is FEMA's Pre-Disaster Mitigation Grant Program that was put in place. It was not to be earmarked. It was a grant program like this one. Yet in 2007, nearly half of the funds for the program were earmarked. I just want to make sure that they aren't in this program as well.

So I thank the gentlelady for accepting the amendment. I urge its adoption.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Arizona (Mr. FLAKE).

The question was taken; and the Acting Chair announced that the ayes appeared to have it.

Ms. WATERS. Mr. Chairman, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Arizona will be postponed.

AMENDMENT NO. 5 OFFERED BY MR. TAYLOR

The Acting CHAIR. It is now in order to consider amendment No. 5 printed in House Report 111-537.

Mr. TAYLOR. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 35, after line 16, insert the following new section:

SEC. ____ REQUIREMENTS RELATING TO WINDSTORM AND FLOOD.

Section 1345 of the National Flood Insurance Act of 1968 (42 U.S.C. 4081) is amended by adding at the end the following new subsections:

“(d) REQUIREMENTS FOR WRITE-YOUR-OWN INSURERS RELATING TO WINDSTORM AND FLOOD.—

“(1) WRITTEN AGREEMENT.—The Director may not utilize the facilities or services of any insurance company or other insurer or entity to offer flood insurance coverage under this title unless such company, insurer, or entity enters into a written agreement with the Director that provides as follows:

“(A) PROHIBITION ON EXCLUSION OF WIND DAMAGE COVERAGE.—The agreement shall prohibit the company, insurer, or entity from including, in any policy provided by the company or insurer for homeowners' insurance coverage or coverage for damage from windstorms, any provision that excludes coverage for wind or other damage solely because flooding also contributed to damage to the insured property.

“(B) FIDUCIARY RESPONSIBILITY.—The agreement shall provide that the company, insurer, or entity—

“(i) has a fiduciary duty with respect to the Federal taxpayers;

“(ii) in selling and servicing policies for flood insurance coverage under this title and adjusting claims under such coverage, will act in the best interests the national flood insurance program rather than in the interests of the company, insurer, or entity; and

“(iii) will provide written guidance to each insurance agent and claims adjuster for the company, insurer, or entity that sets forth the terms of the agreement pursuant to subparagraph (A) and this subparagraph.

“(2) REQUIREMENTS FOR ADJUSTMENT OF CLAIMS.—The Director shall, in utilizing the facilities of any insurance company or other insurer or entity pursuant to this section to offer flood insurance coverage under this title, the Director shall provide as follows:

“(A) APPROVAL OF ADJUSTMENT PROCEDURES.—No such insurance company, other insurer, or entity may offer flood insurance coverage under this title unless the Director has approved, as meeting standards as the Director shall establish, the procedures, protocols, guidelines, standards, or instructions used by the company, insurer, or entity in adjusting claims for identifying, apportioning, quantifying, and differentiating damage caused by flooding and damage caused by wind.

“(B) TREATMENT OF WIND AND FLOOD CLAIMS FROM SAME EVENT.—The Director shall require any insurance company or other insurer or entity that, pursuant to this section, provides flood insurance coverage under this title for a property and that also provides insurance coverage for the same property for losses resulting from wind, when claims are made both for damage resulting from flood and for damage resulting from wind involved in a single event, to comply with the following requirements:

“(i) CONTEMPORANEOUS ADJUSTMENT.—The claims for damage to the property under the coverage under this title for losses from flood and under the coverage for losses from wind shall be adjusted contemporaneously.

“(ii) INCLUSIONS IN FLOOD CLAIM FILE.—The insurance company, other insurer, or entity shall obtain and include in the file maintained with respect to any claim under the flood insurance coverage under this title, and make available to the Director upon request, the following information relating to the wind claim:

“(I) The amount paid on the claim and the date of such payment..

“(II) An explanation of rationale used by the company, insurer, or entity in determining which damage resulted from flood and which damage resulted from wind.

“(III) Copies of any photographs, witness statements, and other evidence related to the wind or flood claim.

“(iii) REVIEW.—The Director shall review the information obtained pursuant to clause (ii) to ensure that—

“(I) claims are paid under coverage under this title only for losses resulting from flood; and

“(II) in the adjusting the claims, the insurance company or other insurer or entity complied with procedures, protocols, guidelines, standards, or instructions for identifying, apportioning, quantifying, and differentiating damage caused by flooding and damage caused by wind that have been approved by the Director as meeting the standards established by the Director pursuant to subparagraph (A).

“(iv) PAYMENT UNDER FLOOD COVERAGE WHEN CAUSE OF LOSS CANNOT BE DETERMINED.—If the insurance company or other insurer or entity determines that the loss claimed was caused by flooding or wind, but that the evidence is insufficient to differentiate the losses caused by flooding from those caused by wind, the company, insurer, or entity shall pay the claim under the flood insurance coverage for the property as if the entire loss were caused by flooding, and shall submit all information regarding the claim to the Director.

“(v) FEMA DETERMINATION AND RECOVERY.—In the case of any claim paid pursuant to clause (iv), the Director shall review the

information related to the claim and determine, in accordance with procedures for making such a determination regarding such claims as the Director shall establish, the losses caused by wind. The Director shall seek to recover any portion of the losses that the Director determines were caused by wind from the insurance company or other insurer or entity that, pursuant to clause (iv), paid such losses as flood losses”.

The Acting CHAIR. Pursuant to House Resolution 1517, the gentleman from Mississippi (Mr. TAYLOR) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Mississippi.

Mr. TAYLOR. Mr. Chairman, this amendment is to clarify a provision in the existing law. The existing provision was used to deprive thousands of homeowners of the wind coverage they should have had in the wake of Hurricane Katrina. It, unfortunately, had the additional effect of sticking the taxpayer, through the National Flood Insurance Program, with billions of dollars that they should not have paid.

Under the national Write Your Own program, we hired the private sector to write the policy. No problem there. We pay them a commission of 29 percent to write that policy. It saves us the cost of having additional government employees. The problem comes in in that we also let the private insurance company adjust the claim.

So think of it. You are a 29-year-old father of two. You are counting on your Christmas bonus. You work for State Farm, Nationwide or Allstate. A hurricane comes through and your house is gone. Now, you can look at it and say, you know, I see trees falling down. That is an indication of wind. I see tin up in trees. That means the wind blew it up there. But that means that my company is going to have to pay something. Or I could say the flood did it all, which means the taxpayers have to pay it all.

You see, under the law, they are called upon to do a fair adjustment of the claim. But buried in a typical wind insurance policy, in the case of a State Farm policy in Mississippi, on page 10 of a 24-page document, there is one paragraph that said, If any two things happen concurrently, then State Farm wasn't going to pay at all. This question was actually raised before the Mississippi State Supreme Court. And the attorney for Nationwide Mutual Insurance Company, Mr. Landau, was asked a question by the chief justice of the Mississippi Supreme Court, Justice Pierce, “I'm giving you—the example is 95 percent of the home is destroyed, the flood comes in and gets the other 5 percent, and you know that. Does your interpretation of the word ‘sequence’ mean you pay zero?” The attorney for Nationwide Insurance, Mr. Landau, answered, “Yes, Your Honor.”

See, that goes beyond just hurting individuals on their payment. Number

one, a typical insurance policy says that if your home is destroyed, the insurance company will pay to put you up until it's repaired, but if they deny your claim in full, then they pay nothing. So in the case of Hurricane Katrina, our Nation went out and bought 140,000 trailers at \$15,000 per trailer, then paid a friend of the Bush administration another \$16,000 per trailer to deliver those trailers just 60 miles, hook them up to a water line and a sewer line. So \$31,000 per trailer times 44,000 trailers, and that was just in Mississippi. That's \$1.3 billion that the taxpayers paid that the insurance companies, in almost every instance, should have paid. On top of that, there were the homeowners grants; on top of that, there were SBA loans, for a total of \$34 billion.

I understand the gentlewoman's concern that this program lost \$18 billion. The taxpayers lost \$34 billion because the insurance companies didn't pay. This amendment would prohibit the language that was buried in that State Farm insurance policy. This amendment would prohibit that language that was buried in that Nationwide policy. It would go back to, if these people want to do business with the Nation under the national Write Your Own program, then they are going to stick to their obligation of doing a fair adjustment of the claim.

If the house is 50 percent destroyed by water, flood insurance pays 50 percent. If it's 50 percent by wind, then the wind insurance company has to pay 50 percent. But whatever the ratio is, a fair adjustment of the claim, as it should have been, is already spelled out in the contract with the Nation. But the contract between the insurance companies and the individuals had this language buried in there that is completely contrary to what they told our Nation. And, quite honestly, I would like to see which skill for the insurance companies wants to defend what they have done to individuals in the gulf coast and what they have done to the taxpayers as a whole.

I yield to the gentlewoman from California (Ms. WATERS).

Ms. WATERS. Mr. Chairman, I stand in support of this gentleman's amendment.

In April, my subcommittee held a hearing on flood and wind insurance legislative proposals. And at that hearing, the gentleman from Mississippi testified about the way the insurance industry abused the flood insurance program following Hurricane Katrina by claiming that if so much as a drop of water touched a home, that all the resulting damage was the result of flood and not wind, even if there was damage to the contrary. Insurers were able to maintain their bottom line at the expense of the financial solvency of the National Flood Insurance Program.

Nobody has worked harder on these issues than he has. He deserves support

for this amendment, and we will continue to support his instructions about what we should be doing in the future.

Mrs. CAPITO. Mr. Chair, I oppose the amendment, and I rise to claim the time in opposition to it.

The Acting CHAIR. The gentlewoman from West Virginia is recognized for 5 minutes.

Mrs. CAPITO. I would like to begin by saying to my friend from Mississippi, we have kind of had an ongoing discussion on this. I think he knows this is not a personal issue for me, but it is a very personal one for him, and I certainly understand that. I can't really even imagine being in your shoes, quite frankly, and a lot of your fellow Mississippians in what has happened.

But I am going to oppose this amendment, really, by seeking to address the water and wind issue, which is something I think we do need to address. I have several issues that I would like to bring forward.

First of all, I have concern that this could interfere with the State regulation of insurance. As we all know, insurance is regulated through the States. It could dictate some of the processes that I think would undermine the State regulation of insurance.

It's interesting that the gentleman brought up State Farm because—and I'm sure he's aware that State Farm has just recently announced that they are going to be withdrawing from the WYO program, which is the Write Your Own insurance program, for several reasons, I believe. I'm not certain what they all are. But this means that 800,000 customers nationwide who bought their flood insurance coverage through State Farm will now need to be picked up by other Write Your Own insurance companies.

□ 1240

Third, I think this amendment could impose or would impose a new fiduciary responsibility on insurance companies that participate in this program. According to industry experts, this could expose insurers to new lawsuits and force them to place the interests of the Federal program over the interests of their own policy holders.

I think there could be a better way to address this issue and the objectives of this amendment by working with FEMA officials and State insurance regulators to devise a formula with ratios that would apportion losses fairly to address the situation in the future. Some States and companies are already using this approach to help clarify potential wind-versus-water issues.

So, with that, I would like to thank the gentleman for his passion and his "stick-to-it-iveness" to try to solve a very deep problem, particularly in his region of the country. But with the way this amendment is written and printed, I would have to be in opposition to it.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Mississippi (Mr. TAYLOR).

The amendment was agreed to.

AMENDMENT NO. 6 OFFERED BY MRS. MILLER OF MICHIGAN

The Acting CHAIR. It is now in order to consider amendment No. 6 printed in House Report 111-537.

Mrs. MILLER of Michigan. Mr. Chairman, I have an amendment at the desk made in order under the rule.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

At the appropriate place in the bill, insert the following new section:

SEC. ____ STUDY ON PRIVATE INSURANCE MARKET, COMMUNITY PARTICIPATION IN THE NATIONAL FLOOD INSURANCE PROGRAM, AND THE REGIONALIZATION OF THE NATIONAL FLOOD INSURANCE PROGRAM.

(a) STUDY.—The Comptroller General shall conduct a study on—

(1) ways that the private insurance market can contribute to insuring against flood damage;

(2) the impact on the National Flood Insurance Program if communities decide not to participate in the Program; and

(3) the feasibility of regionalizing the National Flood Insurance Program and ensuring that there is no cross-subsidization between regions under such Program.

(b) REPORT.—Not later than one year after the date of the enactment of this Act, the Comptroller General shall submit to Congress a report containing the results of the study conducted under subsection (a).

The Acting CHAIR. Pursuant to House Resolution 1517, the gentlewoman from Michigan (Mrs. MILLER) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Michigan.

Mrs. MILLER of Michigan. Mr. Chairman, my amendment calls for a GAO study to study the ways that the private insurance market can contribute to insuring against flood damage; to further study the impact on the National Flood Insurance Program if communities decide actually not to participate in this program; and to study the feasibility of recognizing the National Flood Insurance Program and ensuring that there's no cross-subsidization between the regions.

The United States, Mr. Chairman, is actually the only industrialized nation that uses our form of government to administer flood insurance. In every other industrialized nation this is done by a private insurance company. Even in Canada or the U.K., they use the private industry to do so. And I believe that the role of the U.S. Government in terms of flood insurance certainly is the creation and maintenance of accurate flood maps, and to have those that live in flood-prone areas, though, pay their own freight by purchasing private flood insurance.

Since Congress established the NFIP, we have engaged in subsidizing our fellow Americans who do live in flood-prone areas, essentially creating a moral hazard. And as a result, more than half of the U.S. population now lives in coastal watershed counties or flood plain areas.

My constituents in Michigan, that's the reason I offered this amendment, Mr. Chairman, are paying very, very high flood insurance premiums; and yet we rarely receive claims. I mentioned this during general debate, but I'll mention it again: since 1978, Michigan residents have actually received about \$44 million in claims from the flood insurance program. However, this year alone our premiums in the State are going to be almost \$20 million, which means that in 2 years of premiums we have covered all of our losses since 1978, in other words, paid over \$200 million in premiums, yet we've sent more than \$150 million to other States since '78. And I would guess that all of the Great Lakes States, all of the States that are in the Great Lakes basin would have similar experiences.

So my constituents and the residents of my State, I think, are unfairly carrying a very high burden, given their relatively low risk. I think it's a very vivid demonstration when you see that the average premium for flood insurance in Michigan is \$764 and yet in Louisiana it's \$647.

I think, Mr. Chairman, again, we need to have a national catastrophic fund. We are very sensitive and very sympathetic to folks that live in States that flood, that are flood-prone, that have hurricanes, et cetera. But I don't think it is fair for property owners in areas that don't have this high risk to keep paying so much money for other areas. I think we should try to share the burden among the entire States.

I would also ask that the GAO would look at regionalization of the National Flood Insurance Program as a means to correct this balance. Currently, FEMA has 10 separate regions, and I believe that if you did this amongst those regions, perhaps that would be a good way to reorganize the flood insurance program. And so each region would then, ideally, have actuarially sound premiums that are reflective of the risk of that region. And I think, under that plan, States like Michigan again would not be forced to subsidize other parts of the Nation that have substantially higher risk than we do.

And in lieu of that, the last part of the study for the GAO would look at the impacts of communities to actually opt out of this program.

Mr. Chairman, several years ago I actually wrote a letter to our Governor asking her to consider having Michigan, our entire State, opt out of this program because we are so unfairly disadvantaged. And although that has not

happened yet, I'm going to continue to press that because I do think if we self-insured and got out of this program, it would be much, much, much better for the State of Michigan to do so.

So, again, my amendment asks the GAO to look at I think several commonsense ways to fix a very severely flawed program. And I would ask that my colleagues consider my amendment and support its adoption as well.

I reserve the balance of my time.

Ms. WATERS. Mr. Chairman, I rise to claim time in opposition, although I'm not opposed to the amendment.

The Acting CHAIR. Without objection, the gentlewoman is recognized for 5 minutes.

There was no objection.

Ms. WATERS. Mr. Chairman, I support the gentlewoman's amendment. I understand that the gentlewoman has some concerns with the flood insurance program. I understand that she does believe that homeowners in her district are subsidizing the cost of flood insurance for homeowners along the coast.

While I disagree with her premise, I see no harm in having the GAO perform the study described in her amendment to look into the role of the private insurance market in providing flood insurance, the impact on the program if communities drop out, and the feasibility of regionalizing the program.

However, I would like to note that flood insurance is just that, insurance. It insures against an event that may or may not happen in the future. We have taken several steps in this bill to address the "sticker shock" that homeowners are encountering as a result of the mandatory purchase requirement resulting from the new maps.

However, if the maps are accurate, and if there is a flood risk, public policy should dictate that homeowners have coverage for that risk because if they don't, the Federal Government will have to pick up the tab.

Therefore, I disagree with the problem the gentlewoman has with the program. But I see no harm in her amendment, and so I would support that amendment.

I yield back the balance of my time.

Mrs. MILLER of Michigan. I would certainly just say that I am very appreciative of the gentlewoman's acceptance of my amendment. I do think it will help the Nation lead us forward on a path to fairness and equity in this issue of flood insurance.

Mr. Chairman, I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentlewoman from Michigan (Mrs. MILLER).

The amendment was agreed to.

□ 1250

AMENDMENT NO. 7 OFFERED BY MR. BOSWELL

The Acting CHAIR. It is now in order to consider amendment No. 7 printed in House Report 111-537.

Mr. BOSWELL. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 14, line 11, insert "appropriate evacuation routes under the evacuation plan referred to in subparagraph (A)," after "risks,".

Page 32, line 15, strike "properties; and" and insert "properties;".

Page 32, line 17, strike the period and insert "; and".

Page 32, after line 17 insert the following: "(6) notify such owners of where to obtain information regarding how to obtain such coverage, including a telephone number, mailing address, and Internet site of the Director where such information is available."

The Acting CHAIR. Pursuant to House Resolution 1517, the gentleman from Iowa (Mr. BOSWELL) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Iowa.

Mr. BOSWELL. Mr. Chairman, I rise today to thank the chairman of the committee and my good friend the gentleman from Massachusetts (Mr. FRANK) and Ranking Member BACHUS for their leadership on this issue, as well as Chairwoman WATERS and Ranking Member CAPITO.

Unfortunately, the Iowans I represent know all too well how flooding can ravage a farm, a neighborhood, a city. Much of the State is still recovering from the devastating floods of 2008, as high rivers and creeks are threatening their homes and businesses yet again. Neighborhoods are sandbagging, and some residents have left their homes. For Iowa, flooding is a real and a tangible threat.

Just last weekend, as I arrived back in my district, in my capital city, I met the mayor, I met the city manager, I met the public works director, and we went to the levees, and we really, really were worried whether we were going to make it through the night. So we understand it very well.

The bill before us is a good bill. I intend to support it. However, I rise today to offer a straightforward amendment that will strengthen this legislation for Iowans and the residents of other States that are often affected by flooding. I certainly understand, after being there and seeing the aftermath, the threat and the concerns that Congressman TAYLOR and his constituents had when they faced Katrina. Where to go, how to get there.

Under section 6 of this bill, State and local governments must provide flood risk and crisis information to residents in order to be eligible for a 5-year delay in the effective date of the mandatory purchase requirement of new flood hazard areas. This amendment would require that these entities also provide appropriate evacuation routes. Floodwaters rise quickly, and when people

are forced to evacuate, we must make sure that residents have the information they need to do so in a way that is safe.

Additionally, my amendment would help residents and property owners to obtain flood insurance by including information about flood coverage in the outreach activities listed under section 1326. This amendment is about providing our constituents with the best possible information to keep their families and their property safe.

I ask my colleagues to support this important amendment.

I reserve the balance of my time.

Mrs. CAPITO. I rise to claim the time in opposition to the amendment, although I am not opposed to it.

The Acting CHAIR. Without objection, the gentlewoman from West Virginia is recognized for 5 minutes.

There was no objection.

Mrs. CAPITO. I would just like to speak very briefly in support of the gentleman's amendment. We have all had in our States issues with knowing the correct way to leave and evacuate certain areas. I sort of was hoping that this area of information was already covered. So I want to thank the gentleman for bringing this amendment forward, and I would ask that we support the gentleman's amendment.

I yield back the balance of my time.

Mr. BOSWELL. I thank the gentlelady for her support, and the chairwoman. I thank you very much, and I encourage passage.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Iowa (Mr. BOSWELL).

The amendment was agreed to.

AMENDMENT NO. 8 OFFERED BY MR. HILL

The Acting CHAIR. It is now in order to consider amendment No. 8 printed in House Report 111-537.

Mr. HILL. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 39, line 6, strike "and".

Page 39, line 10, strike the period and insert "; and".

Page 39, after line 10, insert the following: "(E) identify ways to assist communities in efforts to fund the accreditation of flood protection systems."

The Acting CHAIR. Pursuant to House Resolution 1517, the gentleman from Indiana (Mr. HILL) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Indiana.

Mr. HILL. Mr. Chairman, Indiana has been hit with a number of severe storms over the last few years. Residents in my district of southern Indiana have been hit especially hard, and many of our local communities continue to be devastated by flooding.

While natural disasters cannot be avoided, the government's efforts in responding, preparing, and dealing with

these situations can certainly improve. The amendment I offer here today would call for a very small change, but one that I believe will help provide lasting benefits for American cities and towns in the overall flood insurance program.

The underlying bill establishes an Office of Flood Insurance Advocate within FEMA. This office is tasked with helping people in the program resolve problems with FEMA flood insurance and identifying potential changes to help fix these problems. My amendment would add another function to this office, and call on it to identify ways to assist communities in their efforts to fund the accreditation of flood protection systems.

I have heard from several of my local communities that are having problems obtaining funding to meet requirements to get their flood protection systems accredited. If a levee shows adequate protection, then FEMA will place it in a moderate risk zone, and property owners are not required to carry flood insurance, referred to as an accredited levee. Decertified, or uncertified levees, however, will not be accredited. Therefore, the areas behind these levees will be placed in high-risk areas, and flood insurance will be required for property owners.

While FEMA does not design, construct, fund, or approve levee systems or floodwall systems, in 2007 FEMA issued new guidelines that communities must meet. Unfortunately, private companies charge upwards of \$500,000 to certify levees for communities, and the Corps of Engineers will only perform them for those who obtain a Federal match. This clearly leaves out many smaller communities who are in the most cash-strapped areas. If these communities do not meet FEMA guidelines and due dates, then they will be deemed a high-risk area, and this will dramatically increase the cost of their flood insurance.

My amendment would ensure this office looks into this issue and helps find ways to assist communities in their efforts to comply with these new guidelines. I have two cities, Tell City and Cannelton, that face the possibility of being placed in a high-risk flood zone because they are having trouble obtaining certifications. If we help these communities complete their certifications, then we are helping them provide the checks and inspections that are needed to ensure our levees are safe. And if we have safer levees and flood protections in place, then not only will more Americans be protected from devastating natural disasters, but this will prevent the flood insurance program and the Federal Government from taking on the high cost that would result if the levee or flood protection measure failed to do the job.

While I support updating this important program, I believe any new office

should be focused on finding ways to reduce the cost burden for communities that are struggling during this difficult economy. My amendment would ensure that this new office focuses on communities who bear both the burden of natural disasters and the costs in preventing them.

I urge my colleagues to pass this commonsense amendment.

I reserve the balance of my time.

Mrs. CAPITO. I rise to claim the time in opposition to the amendment, although I am not necessarily opposed to it.

The Acting CHAIR. Without objection, the gentlewoman from West Virginia is recognized for 5 minutes.

There was no objection.

Mrs. CAPITO. I would like to address the gentleman's amendment really in the broader context of the Office of the Flood Insurance Advocate. This is creating it within this bill, and I think in my opening statements I addressed this issue. It's creating a new office. And at a time when we have rising debts and deficits, we are creating another bureaucracy, another obligation on the Federal taxpayer where I think that we could work within existing regulatory and administrative offices to try to accomplish the same thing.

We had a discussion yesterday in the Rules Committee where the chairwoman of our subcommittee talked about the need for advocacy. And I don't oppose the need for helping people wind through the intricacies of FEMA, trying to make appeals, trying to find out when and how they're going to be paid or what their alternate living arrangements might be and all the things that an advocate can do in terms of winding through a large bureaucracy like FEMA. But FEMA has assured us that they have already a functioning appeals process, and on top of an Inspector General and continual GAO oversight of the NFIP program.

So I think that the advocacy office itself is representing some duplicative and unnecessary bureaucracy and spending. So while I don't oppose the gentleman's amendment, if the advocacy office goes through, it's not really the substance of your amendment, it's really more the basis of the flood advocate itself, Office of the Flood Advocate itself.

I yield back balance of my time.

Mr. HILL. I would like to thank the gentlelady and the chairwoman for the opportunity to offer this amendment. It's not a big change, but it's a change I think will help local communities in my district.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Indiana (Mr. HILL).

The amendment was agreed to.

AMENDMENT NO. 9 OFFERED BY MR. LOEBSACK

The Acting CHAIR. It is now in order to consider amendment No. 9 printed in House Report 111-537.

Mr. LOEBSACK. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 41, after line 8, insert the following new section:

SEC. 23. APPEALS.

(a) TELEVISION AND RADIO ANNOUNCEMENT.—Section 1363 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104) is amended—

(1) in subsection (a), by inserting after “determinations” by inserting the following: “by notifying a local television and radio station,”; and

(2) in the first sentence of subsection (b), by inserting before the period at the end the following: “and shall notify a local television and radio station at least once during the same 10-day period”.

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply with respect to any flood elevation determination for any area in a community that has not, as of the date of the enactment of this Act, been issued a Letter of Final Determination for such determination under the flood insurance map modernization process.

The Acting CHAIR. Pursuant to House Resolution 1517, the gentleman from Iowa (Mr. LOEBSACK) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Iowa.

Mr. LOEBSACK. Mr. Chairman, I yield myself such time as I may consume.

I want to thank Congresswoman WATERS for bringing this bill to the floor today. It will help address concerns all of us have likely heard from our constituents about the flood insurance program and flood map modernization efforts. In Iowa, flood insurance is an issue we are all too familiar with.

□ 1300

Two years ago this issue was brought to our attention with terrible effects. Iowa was devastated by the floods of 2008, which left 85 of our 99 counties Presidentially declared disaster areas and caused billions of dollars in damage.

The National Flood Insurance Program was and remains an important program and has helped many homeowners recovering from the floods. Unfortunately, due to a lack of notification during the process of updating the flood insurance rate maps to digital maps, many homeowners continue to be surprised when they find out that their homes may be newly placed in a special flood hazard area and they will be required to purchase flood insurance. Many homeowners don't even know that new proposed flood elevations have been made and a flood rate map update is, in fact, taking place.

My amendment is simple. It will help to ensure communities and homeowners that might be affected by new

maps are made aware of the process taking place from the beginning. Currently, FEMA is only required to publish notice of new flood elevations in a local newspaper. For one community in my district, this translated to roughly a 2-inch by 2-inch paragraph in the legal notice section of the newspaper.

My amendment will require FEMA to notify not only the local paper, but also a local television and radio station of the proposed flood elevations. It will also require FEMA to notify a local television station and radio station in communities that are still in the middle of the flood map modernization process so they are fully informed of the process taking place.

This amendment will ensure the homeowners have the information they need to make informed decisions and to participate in the process while also ensuring media outlets for disseminating information, important information, so the public is made aware as well. The more homeowners that are aware of new flood elevations, I think, the more participation there is in the process.

It would also serve the purpose of making more people aware of the National Flood Insurance Program itself and in general, hopefully increasing voluntary participation rates as well.

I think we can agree that simply notifying a local television and radio station in addition to the local newspaper is a commonsense change and will help get the word out about flood map changes.

I urge my colleagues to support this amendment on behalf of homeowners in all of our districts.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Iowa (Mr. LOEBSACK).

The amendment was agreed to.

AMENDMENT NO. 10 OFFERED BY MR. McMAHON

The Acting CHAIR. It is now in order to consider amendment No. 10 printed in House Report 111-537.

Mr. McMAHON. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 32, line 15, strike "and".

Page 32, line 17, strike the period and insert "; and".

Page 32, after line 17, insert the following:

"(6) educate local real estate agents in communities participating in the national flood insurance program regarding the program and the availability of coverage under the program for owners and renters of properties in such communities, and establish coordination and liaisons with such real estate agents to facilitate purchase of coverage under this Act and increase awareness of flood risk reduction."

The Acting CHAIR. Pursuant to House Resolution 1517, the gentleman from New York (Mr. McMAHON) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New York.

Mr. McMAHON. Mr. Chairman, I want to first thank Chairman FRANK and Chairwoman WATERS and the ranking member as well for their work to reauthorize the National Flood Insurance Program for 5 years.

The Flood Insurance Program is a good example of government providing a basic need for millions of Americans—insurance against catastrophic flooding at a reasonable price. The program is only as strong as the reserve fund created by selling insurance to people in certified flood risk areas and pooling those premiums to cover any losses. That is why this bill includes money to educate local authorities about flood insurance.

Many people don't know that an area requires flood insurance or that the NFIP program exists until it is very late in the process. Others hear the words "flood insurance" and think it is costly or will affect the value of their home. Sometimes people can't close on a House or refinance without having insurance in place. And sometimes people who have been living in a neighborhood all their life only find out that NFIP is needed when they try to move or sell their house.

The uncertainty of the program is something I have heard quite often from my constituents. Representing parts of the city of New York in Staten Island and Brooklyn, an urban area, people are quite often shocked to hear that they live in a floodplain, and quite often they find out too late, and that's why this program is so important.

My amendment will allow NFIP, in their education and partnership efforts, to also include local real estate agents in their outreach on the NFIP program and its costs and benefits. No one knows neighborhoods, markets, price points, and options better than a local Realtor.

This amendment works within the bill's existing outreach program and does not increase the cost of the program in any way.

NFIP should work with the Realtors to increase their knowledge of the NFIP program, educate them when areas are added to the floodplain area, and keep local agents up to date on the program itself.

The real estate market and the job of a Realtor are very dynamic. Things change all the time, and NFIP should communicate directly to them on how they can help their clients take advantage of this program. And this dovetails very nicely into the way FEMA already does communicate with Realtors on other issues.

And finally, in closing, Mr. Chairman, I urge my colleagues to support this long-term extension. The fact that the program expired in September of 2008 and this Congress continues to do short-term extensions isn't helpful to a

fragile real estate market or to the long-term viability of this program. For the millions of current and future American homeowners who take advantage of NFIP, we need to extend this program for 5 years.

Mr. Chairman, I reserve the balance of my time.

Mrs. CAPITO. Mr. Chairman, I rise to claim the time in opposition, although I'm not opposed to the gentleman's amendment.

The Acting CHAIR. Without objection, the gentlewoman from West Virginia is recognized for 5 minutes.

There was no objection.

Mrs. CAPITO. I would like to thank the gentleman for his amendment.

I raise questions about this amendment for the same reason that I raised questions about the previous amendment, and that is, you know, we are at a point here in our economy in this time where we have high unemployment. We have our deficit that has just passed over the trillion dollar mark for the second year in a row. We have increasingly excruciating debt that we're going to be passing on to our children and grandchildren, and yet we're still going to be creating a grant program in this bill that's going to cost the taxpayers \$250 million—significant dollars at a time when people are losing their jobs or cutting back or making decisions in their own lives about the ways to afford the things that they not just want but they absolutely must have and need. And while, you know, further education and outreach is always a good thing, I think now would be a good time for us to make a statement in this bill by saying, not now, not this time, not this \$250 million.

I have a question, too, in terms of the gentleman's amendment, not being a real estate agent myself. I'm not sure that in the real estate agent—in the training to become a real estate agent and the things—I know you have to be licensed and you have to take continuing ed and you have to keep up on all different kinds of financing and property evaluations and all the things. It's kind of a surprise to me that real estate agents don't already know the extent or how to deal with the Flood Insurance Program, particularly if there are regions of the country that are prone to this type of damage and these type of floods. But I don't know if the gentleman has an answer for that.

Are you aware of whether real estate agents now, across the country, are exposed to this kind of information? I mean, why wouldn't they already have this?

I yield to the gentleman if you have an answer to the question. I don't know the answer to that.

Mr. McMAHON. I thank the gentlelady for yielding.

And while real estate agents do go through rigorous training, as the gentlelady knows, the boundaries and lines

of floodplains change through time as topographical maps are changed, as physical conditions change in certain areas. Certainly along the coast or in the harbor where my district exists, water levels change, as well, and requirements change. So it's the changing nature of the program that we seek to have that information provided as requirements change, as mapping lines change and the like.

Mrs. CAPITO. Thank you for that clarification.

Reclaiming my time, I would just additionally say that I would think, through the continuing education of the real estate schools and the licensing boards throughout the different States who have these issues, that this would already be something that's covered.

Again, I will go back to my original premise, \$250 million in 5 years at a time of record debt and deficit and high unemployment, to me, is an improper expenditure at this time.

With that, I yield back the balance of my time.

□ 1310

Mr. MCMAHON. Mr. Chairman, I yield myself the balance of my time.

I thank the gentlelady from West Virginia for her questions and comments and would certainly add that the costs of this program and certainly the Federal deficit and debt itself are of deep concern to me and the people who sent me here a little over 18 months ago to represent them.

My amendment raises no costs whatsoever. It simply says there's an option that if the NFIP program does share information with local community leaders and local entities that they include the local real estate community as well so that they can better provide that information to the people they represent, and I think it's a way to certainly instill confidence in the real estate markets that do exist in floodplain areas. So I think it's a good, commonsense solution and proposal and doesn't cost the taxpayer any money.

I certainly would comment that I share, as I said, the gentlelady's concern about the growing debts and deficits and am certainly glad that her side of the aisle has now joined in this fight with our side of the aisle, for certainly when they were in the majority in the House and had the presidency, there didn't seem to be such a great concern, but certainly we are glad that it is a concern they share with our side of the aisle at this time, and hopefully we can join together in a bipartisan fashion, something that hasn't been done before, to deal with this issue.

Mr. Chairman, I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from New York.

The amendment was agreed to.

AMENDMENT NO. 11 OFFERED BY MR. MURPHY OF NEW YORK

The Acting CHAIR. It is now in order to consider amendment No. 11 printed in House Report 111-537.

Mr. MURPHY of New York. I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

At the end of the bill, add the following new section:

SEC. 31. ETHICS COMPLIANCE.

All funds authorized under this Act or any amendment made by this Act shall be expended in a manner that is consistent with the manual on Standards of Ethical Conduct for Employees of the Executive Branch.

The Acting CHAIR. Pursuant to House Resolution 1517, the gentleman from New York (Mr. MURPHY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New York.

Mr. MURPHY of New York. Mr. Chairman, as a small businessman, I'm deeply concerned with our Nation's fiscal mismanagement. In fact, we've now learned that in fiscal year 2009, Federal agencies were estimated to have made nearly \$98 billion in improper payments. You don't have to be a Democrat or a Republican to know that this is just unacceptable. It's just common sense.

My simple amendment to this bill reiterates that all the funds authorized in this act must be spent in compliance with the manual on Standards of Ethical Conduct for Employees of the executive branch.

As Members of Congress, it's our duty to allocate taxpayer dollars in a measured and responsible way, and we all know that Congress must do more to rein in wasteful spending. However, it is also our responsibility to make sure that the money we allocate is spent appropriately by the Federal agencies.

Sadly, we're far too accustomed to reports of Federal dollars being used inappropriately. Just recently, the Department of Homeland Security's Office of Inspector General issued a report noting that \$247,000 in improper expenses were charged to FEMA credit cards.

These examples highlight the need for Congress to be vigilant in its oversight of Federal agencies and to hold the agencies accountable and to create a system in which waste, fraud and abuse are eliminated. Yesterday, the House took an important step toward this goal when it passed legislation to identify, reduce, and eliminate improper payments, as well as recover lost funds that Federal agencies have spent improperly.

In that same spirit, my amendment today is intended to reaffirm our commitment to ensuring that Federal em-

ployees, in this case FEMA employees, spend Federal moneys properly and on their intended purpose, with only the best interests of the taxpayer.

I urge my fellow Members to support this amendment as well as the underlying bill.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from New York (Mr. MURPHY).

The question was taken; and the Acting Chair announced that the ayes appeared to have it.

Mr. MURPHY of New York. Mr. Chairman, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from New York will be postponed.

ANNOUNCEMENT BY THE ACTING CHAIR

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments printed in House Report 111-537 on which further proceedings were postponed, in the following order:

Amendment No. 4 by Mr. FLAKE of Arizona.

Amendment No. 11 by Mr. MURPHY of New York.

The first electronic vote will be conducted as a 15-minute vote. The remaining electronic vote will be conducted as a 5-minute vote.

AMENDMENT NO. 4 OFFERED BY MR. FLAKE

The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Arizona (Mr. FLAKE) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 423, noes 3, not voting 12, as follows:

[Roll No. 444]

AYES—423

Ackerman	Berman	Brady (TX)
Aderholt	Biggert	Braley (IA)
Adler (NJ)	Bilbray	Brown (GA)
Akin	Bilirakis	Brown (SC)
Alexander	Bishop (GA)	Brown, Corrine
Altmire	Bishop (NY)	Brown-Waite,
Andrews	Bishop (UT)	Ginny
Arcuri	Blackburn	Buchanan
Austria	Blumenauer	Burgess
Baca	Boccheri	Burton (IN)
Bachmann	Boehner	Butterfield
Bachus	Bonner	Buyer
Baird	Bono Mack	Calvert
Baldwin	Boozman	Camp
Barrett (SC)	Bordallo	Campbell
Barrow	Boren	Cantor
Bartlett	Boswell	Cao
Barton (TX)	Boucher	Capito
Bean	Boustany	Capps
Becerra	Boyd	Capuano
Berkley	Brady (PA)	Cardoza

Carnahan	Griffith	McClintock	Sanchez, Loretta	Smith (NJ)	Tsongas	Buyer	Gohmert	Manzullo
Carney	Grijalva	McCollum	Sarbanes	Smith (TX)	Turner	Calvert	Gonzalez	Marchant
Carson (IN)	Guthrie	McCotter	Scalise	Smith (WA)	Upton	Camp	Goodlatte	Markey (CO)
Carter	Gutierrez	McDermott	Schakowsky	Snyder	Van Hollen	Campbell	Gordon (TN)	Markey (MA)
Cassidy	Hall (NY)	McGovern	Schauer	Space	Velázquez	Cantor	Granger	Marshall
Castle	Hall (TX)	McHenry	Schiff	Speier	Visclosky	Cao	Graves (GA)	Matheson
Castor (FL)	Halvorson	McIntyre	Schmidt	Spratt	Walden	Capito	Graves (MO)	Matsui
Chaffetz	Hare	McKeon	Schock	Stark	Walz	Capps	Grayson	McCarthy (CA)
Chandler	Harman	McMahon	Schwartz	Stearns	Wasserman	Capuano	Green, Al	McCarthy (NY)
Childers	Harper	McMorris	Scott (GA)	Stupak	Cardoza	Green, Gene	McCaul	
Christensen	Hastings (WA)	Rodgers	Scott (VA)	Sullivan	Waters	Carnahan	Griffith	McClintock
Chu	Heinrich	McNerney	Sensenbrenner	Sutton	Watson	Carney	Grijalva	McCollum
Clarke	Heller	Meek (FL)	Serrano	Tanner	Watt	Carson (IN)	Guthrie	McCotter
Clay	Hensarling	Meeks (NY)	Sessions	Taylor	Waxman	Carter	Gutierrez	McDermott
Cleaver	Herger	Melancon	Sestak	Teague	Weiner	Cassidy	Hall (NY)	McGovern
Clyburn	Herseeth Sandlin	Mica	Shadegg	Terry	Welch	Castle	Hall (TX)	McHenry
Coble	Hill	Michaud	Shea-Porter	Thompson (CA)	Westmoreland	Castor (FL)	Halvorson	McIntyre
Coffman (CO)	Himes	Miller (FL)	Sherman	Thompson (MS)	Whitfield	Chaffetz	Hare	McKeon
Cohen	Hinchey	Miller (MI)	Shimkus	Thompson (PA)	Wilson (OH)	Chandler	Harman	McMahon
Cole	Hirono	Miller (NC)	Shuler	Thornberry	Wilson (SC)	Childers	Harper	McMorris
Conaway	Hodes	Miller, Gary	Shuster	Tiahrt	Wittman	Christensen	Hastings (WA)	Rodgers
Connolly (VA)	Holden	Miller, George	Simpson	Tiberi	Wolf	Chu	Heinrich	McNerney
Conyers	Holt	Minnick	Sires	Tierney	Woolsey	Clarke	Heller	Meek (FL)
Cooper	Honda	Mitchell	Skelton	Titus	Wu	Clay	Hensarling	Meeks (NY)
Costa	Hoyer	Mollohan	Slaughter	Tonko	Yarmuth	Cleaver	Herger	Melancon
Costello	Hunter	Moore (KS)	Smith (NE)	Towns	Young (FL)	Clyburn	Herseeth Sandlin	Mica
Courtney	Inglis	Moore (WI)				Coble	Hill	Michaud
Crenshaw	Inslee	Moran (KS)				Coffman (CO)	Himes	Miller (FL)
Critz	Israel	Murphy (CT)	Berry	Paul	Young (AK)	Cohen	Hinchey	Miller (MI)
Crowley	Issa	Murphy (NY)				Cole	Hirono	Miller (NC)
Cuellar	Jackson (IL)	Murphy, Patrick				Conaway	Hodes	Miller, Gary
Culberson	Jackson Lee	Murphy, Tim				Connolly (VA)	Holden	Miller, George
Cummings	(TX)	Myrick	Blunt	Hinojosa	Moran (VA)	Conyers	Holt	Minnick
Dahlkemper	Jenkins	Nadler (NY)	Bright	Hoekstra	Olson	Cooper	Honda	Mitchell
Davis (AL)	Johnson (GA)	Napolitano	Hastings (FL)	Kagen	Schrader	Costa	Hoyer	Mollohan
Davis (CA)	Johnson (IL)	Neal (MA)	Higgins	Kirk	Wamp	Costello	Hunter	Moore (KS)
Davis (IL)	Johnson, E. B.	Neugebauer				Courtney	Inglis	Moore (WI)
Davis (KY)	Johnson, Sam	Norton				Crenshaw	Inslee	Moran (KS)
Davis (TN)	Jones	Nunes				Critz	Israel	Moran (NY)
DeFazio	Jordan (OH)	Nye				Crowley	Issa	Murphy (CT)
DeGette	Kanjorski	Oberstar				Cuellar	Issa	Murphy (NY)
Delahunt	Kaptur	Obey				Culberson	Jackson (IL)	Murphy, Patrick
DeLauro	Kennedy	Oliver				Cummings	Jackson Lee	Murphy, Tim
Dent	Kildee	Ortiz				Dahlkemper	(TX)	Myrick
Deutch	Kilpatrick (MI)	Owens				Davis (AL)	Jenkins	Nadler (NY)
Diaz-Balart, L.	Kilroy	Pallone				Davis (CA)	Johnson (GA)	Napolitano
Diaz-Balart, M.	Kind	Pascarell				Davis (IL)	Johnson (IL)	Neal (MA)
Dicks	King (IA)	Pastor (AZ)				Davis (KY)	Johnson, E. B.	Neugebauer
Dingell	King (NY)	Paulsen				Davis (TN)	Johnson, Sam	Norton
Djou	Kingston	Payne				DeFazio	Jones	Nunes
Doggett	Kirkpatrick (AZ)	Pence				DeFazio	Jordan (OH)	Nye
Donnelly (IN)	Kissell	Perlmutter				DeGette	Kanjorski	Oberstar
Doyle	Klein (FL)	Perriello				Delahunt	Kaptur	Obey
Dreier	Kline (MN)	Peters				DeLauro	Kennedy	Oliver
Driehaus	Kosmas	Peterson				Dent	Kildee	Ortiz
Duncan	Kratovil	Petri				Deutch	Kilpatrick (MI)	Owens
Edwards (MD)	Kucinich	Pierluisi				Diaz-Balart, L.	Kilroy	Pallone
Edwards (TX)	Lamborn	Pingree (ME)				Diaz-Balart, M.	Kind	Pascarell
Ehlers	Lance	Pitts				Dicks	King (IA)	Pastor (AZ)
Ellison	Langevin	Platts				Dingell	King (NY)	Paul
Ellsworth	Larsen (WA)	Poe (TX)				Djou	Kingston	Paulsen
Emerson	Larson (CT)	Polis (CO)				Doggett	Kirkpatrick (AZ)	Payne
Engel	Latham	Pomeroy				Donnelly (IN)	Kissell	Pence
Eshoo	LaTourette	Posey				Doyle	Klein (FL)	Perlmutter
Etheridge	Latta	Price (GA)				Dreier	Kline (MN)	Perriello
Faleomavaega	Lee (CA)	Price (NC)				Driehaus	Kosmas	Peters
Fallin	Lee (NY)	Putnam				Duncan	Kosmas	Peterson
Farr	Levin	Quigley				Edwards (MD)	Kucinich	Petri
Fattah	Lewis (CA)	Radanovich				Edwards (TX)	Lamborn	Pierluisi
Filner	Lewis (GA)	Rahall				Ehlers	Lance	Pingree (ME)
Flake	Linder	Rangel				Ellison	Langevin	Pitts
Fleming	Lipinski	Rehberg				Ellsworth	Larsen (WA)	Platts
Forbes	LoBiondo	Reichert				Emerson	Larson (CT)	Poe (TX)
Fortenberry	Loeb sack	Reyes				Engel	Latham	Polis (CO)
Foster	Lofgren, Zoe	Richardson				Eshoo	LaTourette	Pomeroy
Fox	Lowey	Rodriguez				Etheridge	Latta	Posey
Frank (MA)	Lucas	Roe (TN)				Faleomavaega	Lee (CA)	Price (GA)
Franks (AZ)	Luetkemeyer	Rogers (AL)				Fallin	Lee (NY)	Price (NC)
Frelinghuysen	Lujan	Rogers (KY)				Farr	Levin	Putnam
Fudge	Lummis	Rogers (MI)				Fattah	Lewis (CA)	Quigley
Gallely	Lungren, Daniel	Rohrabacher				Filner	Lewis (GA)	Radanovich
Garamendi	E.	Rooney				Flake	Linder	Rahall
Garrett (NJ)	Lynch	Ros-Lehtinen				Fleming	Lipinski	Rangel
Gerlach	Mack	Roskam				Forbes	LoBiondo	Rehberg
Giffords	Maffei	Ross				Fortenberry	Loeb sack	Reichert
Gingrey (GA)	Maloney	Rothman (NJ)				Foster	Lofgren, Zoe	Reyes
Gohmert	Manzullo	Roybal-Allard				Fox	Lowey	Richardson
Gonzalez	Marchant	Royce				Frank (MA)	Lucas	Rodriguez
Goodlatte	Markey (CO)	Ruppersberger				Franks (AZ)	Luetkemeyer	Roe (TN)
Gordon (TN)	Markey (MA)	Rush				Frelinghuysen	Lujan	Rogers (AL)
Granger	Marshall	Ryan (OH)				Fudge	Lummis	Rogers (KY)
Graves (GA)	Matheson	Ryan (WI)				Gallely	Lungren, Daniel	Rogers (MI)
Graves (MO)	Matsui	Sablan				Garamendi	E.	Rohrabacher
Grayson	McCarthy (CA)	Salazar				Garrett (NJ)	Lynch	Rooney
Green, Al	McCarthy (NY)	Sánchez, Linda				Gerlach	Mack	Ros-Lehtinen
Green, Gene	McCaul	T.				Giffords	Maffei	Roskam
						Gingrey (GA)	Maloney	Ross

NOES—3

NOT VOTING—12

□ 1344

Messrs. DAVIS of Illinois, BUCHANAN, and GINGREY of Georgia changed their vote from “no” to “aye.” So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT NO. 11 OFFERED BY MR. MURPHY OF NEW YORK

The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from New York (Mr. MURPHY) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIR. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 421, noes 0, not voting 17, as follows:

[Roll No. 445]

AYES—421

Ackerman	Becerra	Bordallo
Aderholt	Berkley	Boren
Adler (NJ)	Berman	Boswell
Akin	Berry	Boucher
Alexander	Biggett	Boustany
Altmire	Bilbray	Boyd
Andrews	Bilirakis	Brady (PA)
Arcuri	Bishop (GA)	Brady (TX)
Austria	Bishop (NY)	Braley (IA)
Baca	Bishop (UT)	Broun (GA)
Bachmann	Blackburn	Brown (SC)
Baird	Blumenauer	Brown, Corrine
Baldwin	Blunt	Brown-Waite,
Barrett (SC)	Boccheri	Ginny
Barrow	Boehner	Buchanan
Bartlett	Bonner	Burgess
Barton (TX)	Bono Mack	Burton (IN)
Bean	Boozman	Butterfield

Rothman (NJ)	Shuster	Titus
Roybal-Allard	Simpson	Tonko
Royce	Sires	Towns
Ruppersberger	Skelton	Turner
Ryan (OH)	Slaughter	Upton
Ryan (WI)	Smith (NE)	Van Hollen
Sablan	Smith (NJ)	Velázquez
Salazar	Smith (TX)	Visclosky
Sánchez, Linda	Smith (WA)	Walden
T.	Snyder	Walz
Sanchez, Loretta	Space	Wasserman
Sarbanes	Speier	Schultz
Scalise	Spratt	Waters
Shakowsky	Stark	Watson
Schauer	Stearns	Watt
Schiff	Stupak	Weiner
Schmidt	Sullivan	Welch
Schock	Sutton	Westmoreland
Schwartz	Tanner	Whitfield
Scott (GA)	Taylor	Wilson (OH)
Scott (VA)	Teague	Wilson (SC)
Sensenbrenner	Terry	Wolf
Sessions	Thompson (CA)	Woolsey
Sestak	Thompson (MS)	Wu
Shadegg	Thompson (PA)	Yarmuth
Shea-Porter	Thornberry	Young (AK)
Sherman	Tiahrt	Young (FL)
Shimkus	Tiberi	
Shuler	Tierney	

NOT VOTING—17

Bachus	Kagen	Serrano
Bright	Kirk	Tsongas
Hastings (FL)	Moran (VA)	Wamp
Higgins	Olson	Waxman
Hinojosa	Rush	Wittman
Hoekstra	Schrader	

ANNOUNCEMENT BY THE ACTING CHAIR

The Acting CHAIR (during the vote). There are 2 minutes remaining in this vote.

□ 1353

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Stated for:

Mr. WITTMAN. Mr. Chair, on rollcall No. 445, I was unavoidably detained. Had I been present, I would have voted "aye."

Mr. BACHUS. Mr. Chair, on July 15, 2010, I missed rollcall vote No. 445. Had I been present, I would have voted "aye."

Ms. TSONGAS. Mr. Chair, I missed rollcall vote No. 445 to require all funds authorized under H.R. 5114 to be expended in a manner consistent with the manual on Standards of Ethical Conduct for Employees of the Executive Branch.

Had I been present, I would have voted "aye." I have consistently voted to hold Members of Congress and their staffs, Federal employees, and other representatives of government to the highest ethical standards.

The Acting CHAIR. The question is on the committee amendment in the nature of a substitute, as amended.

The amendment was agreed to.

The Acting CHAIR. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. SERRANO) having assumed the chair, Mr. CUELLAR, Acting Chair of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 5114) to extend the authorization for the national flood insurance program, to identify priorities essential to reform and ongoing stable functioning of the program, and for other purposes, and, pursuant to House

Resolution 1517, reported the bill back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the committee amendment in the nature of a substitute, as amended.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT

Mr. HENSARLING. Mr. Speaker, I have a motion to recommit at the desk.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. HENSARLING. I am, in its current form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Hensarling moves to recommit the bill, H.R. 5114, to the Committee on Financial Services with instructions to report the same back to the House forthwith with the following amendment:

Strike section 18 (relating to flood insurance outreach).

The SPEAKER pro tempore. The gentleman from Texas is recognized for 5 minutes.

Mr. HENSARLING. Mr. Speaker, the motion to recommit today is a simple one. It says today, right here, right now, this body will decline to create yet another new government spending program, this one, a quarter of a billion dollar new FEMA outreach program on top of the FEMA outreach program that is already in place.

Mr. Speaker, the American people know already that the National Flood Insurance Program is in trouble, just like almost every other federally administered insurance program.

Social Security has a long-term deficit of \$15.1 trillion. The Federal Pension Benefit Guarantee Corporation has a debt of \$22 billion. The Federal Crop Insurance Program, Medicaid, and the list goes on and on.

The National Flood Insurance Program owes the taxpayer, owes the Treasury already \$19 billion. Why are we going to add to this burden today, Mr. Speaker?

And, in addition, as I said earlier, this is duplicative of an already existing program. I'm not here to say, Mr. Speaker, that outreach is a bad idea. But I am curious what is wrong with the Cooperating Technical Partners Program of FEMA.

□ 1400

Mr. Speaker, even if this wasn't duplicative of an already existing system,

even if we truly needed it, the question is, can we afford it? Is it really worth borrowing 43 cents on the dollar, mainly from the Chinese, and sending the bill to our children and grandchildren? At this time, Mr. Speaker, at a time when our Nation is facing a debt crisis, the motion to recommit says no, it doesn't meet that test.

I mean, Mr. Speaker, we know already that the deficit has increased almost tenfold in just 2 years. I mean we are looking at the largest deficits in American history. Our Nation is literally drowning in debt.

Don't take my word for it. Mr. Speaker, I have the honor, as a number of our Members do, to serve on the President's Fiscal Responsibility Commission. It's led by Democrat Erskine Bowles, former chief of staff to President Clinton, who just this week said before the National Governors Association, "The debt is like a cancer. It is truly going to destroy the country from within." That is the Democratic head of the President's Fiscal Responsibility Commission. He recognizes the problem that we are facing today.

Renowned economist Robert Samuelson has said that our spending could "trigger an economic and political death spiral." Former Comptroller David Walker has said we are facing, quote, "a fiscal cancer."

Mr. Speaker, if there was ever a crisis in our Nation's history that we could see coming from miles away it's this one. Why do we want to make it worse? Right here, right now we can take one tiny step towards ensuring we don't put more debt on our children and our grandchildren for a program that is already in the red almost \$19 billion.

I would say that there is very little that I agree with the distinguished chairman of the Financial Services Committee on. But I noticed that last night on NPR he was quoted as saying, "We have to reduce the deficit. I believe that we are reaching a point where the deficit could be unsustainable. We have to make this point: We're going to have to reduce government spending fairly significantly." And I agree with Chairman FRANK on that point. And I would hope that this would be the moment where we could take that one step.

Mr. FRANK of Massachusetts. Will the gentleman yield?

Mr. HENSARLING. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. I appreciate it, and I hope he would then join me in something really significant like getting our troops out of Iraq for a year and a half and save about a thousand times as much as this motion to recommit.

Mr. HENSARLING. Reclaiming my time, with the chairman being in the majority, I am sure if he wants to do that, he has the opportunity to do that.

If the Democratic majority wants to raise taxes on those who have less than a quarter-billion dollars in income, that is their opportunity to do that. If they want to quit funding our troops in harm's way, they have the opportunity to do that.

What we are saying is there is an opportunity right here, right now not to create yet another duplicative program and add to the debt burden. Now, I am sure we might hear that somehow this is going to create more jobs, but I ask where are the jobs? Where has the spending led to?

I encourage all to support the motion to recommit.

Ms. WATERS. Mr. Speaker, I rise to speak in opposition to the motion.

The SPEAKER pro tempore. The gentlewoman from California is recognized for 5 minutes.

Ms. WATERS. Mr. Speaker and Members, we patiently waited over here to hear what this motion to recommit was going to be all about. We thought about all of the Members who have been calling us, writing us, working with us from both sides of the aisle to please help them address the concerns of their constituents about flood insurance. We have worked very hard with Members from both sides of the aisle to include their concerns in this bill.

You saw Members come to the floor with those amendments. You saw in the manager's amendment that we had worked with so many Members not only to include their concerns, but to answer questions and prepare them for going back to their communities explaining how this whole thing works.

Many of those questions that have been raised by our constituents have been raised over a long period of time. Our offices are bombarded with questions about the mapping. How does it work? How are they going to get timely notification? What are the premiums all about? These questions go on and on and on, to the point where our offices are oftentimes overwhelmed, not able to give sufficient information, or to assist those communities where they have banded together, despite the fact oftentimes they have few resources to deal with these issues.

And now, in this comprehensive authorization that we are doing we address those constituents' concerns with this outreach. I am very surprised that the Members on the opposite side of the aisle would try and deny to their constituents the basic kind of information and services that we should all be responsible for. We should be able to say to our constituents not only do you have a right to this information, but we are going to give you some help. You don't have to try and band together with resources that you don't have to find out how it all works to oppose FEMA, to find out from your mortgage servicers why you didn't get a timely notice, to find out from your

city, who was notified perhaps by FEMA, why they didn't notify the community.

Mr. Speaker and Members, these are simply outreach activities that must be dealt with. These are outreach activities that our constituents deserve. To oppose assisting our constituents when they may be forced into new mapping that's going to cost them money that they had not anticipated, on and on and on, is just unbelievable.

So I would simply say it speaks for itself. Assistance to our constituents asking those basic questions. I would ask for a "no" vote on this motion to recommit. It works against the best interests of all of our constituents. They deserve better than this.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. HENSARLING. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for any electronic vote on the question of passage.

The vote was taken by electronic device, and there were—ayes 191, noes 229, not voting 12, as follows:

[Roll No. 446]

AYES—191

Aderholt	Cole	Hensarling
Akin	Conaway	Herger
Alexander	Cooper	Hunter
Austria	Costa	Inglis
Bachmann	Crenshaw	Issa
Bachus	Culberson	Jenkins
Barrett (SC)	Davis (KY)	Johnson (IL)
Bartlett	Dent	Johnson, Sam
Barton (TX)	Diaz-Balart, L.	Jones
Biggart	Diaz-Balart, M.	Jordan (OH)
Bilbray	Djou	King (IA)
Bilirakis	Donnelly (IN)	King (NY)
Bishop (UT)	Dreier	Kingston
Blackburn	Duncan	Kline (MN)
Blunt	Ehlers	Kratovil
Boehner	Ellsworth	Lamborn
Bonner	Emerson	Lance
Bono Mack	Fallin	Latham
Boozman	Flake	LaTourette
Boustany	Fleming	Latta
Brady (TX)	Forbes	Lee (NY)
Broun (GA)	Fortenberry	Lewis (CA)
Brown (SC)	Fox	Linder
Brown-Waite,	Franks (AZ)	LoBiondo
Ginny	Frelinghuysen	Lucas
Buchanan	Gallely	Luetkemeyer
Burgess	Garrett (NJ)	Lummis
Burton (IN)	Gerlach	Lungren, Daniel
Buyer	Gingrey (GA)	E.
Calvert	Gohmert	Mack
Camp	Goodlatte	Manzullo
Campbell	Granger	Marchant
Cantor	Graves (GA)	Marshall
Capito	Graves (MO)	Matheson
Carter	Griffith	McCarthy (CA)
Cassidy	Guthrie	McCaul
Castle	Hall (TX)	McClintock
Chaffetz	Harman	McCotter
Childers	Harper	McHenry
Coble	Hastings (WA)	McKeon
Coffman (CO)	Heller	

McMorris	Posey	Simpson
Rodgers	Price (GA)	Smith (NE)
Mica	Putnam	Smith (NJ)
Miller (FL)	Radanovich	Smith (TX)
Miller (MI)	Rehberg	Stearns
Miller, Gary	Roe (TN)	Sullivan
Mitchell	Rogers (AL)	Taylor
Moran (KS)	Rogers (KY)	Teague
Murphy (NY)	Rogers (MI)	Terry
Murphy, Patrick	Rohrabacher	Thompson (PA)
Murphy, Tim	Rooney	Thornberry
Myrick	Ros-Lehtinen	Tiahrt
Neugebauer	Roskam	Tiberi
Nunes	Royce	Titus
Nye	Ryan (WI)	Turner
Paul	Scalise	Upton
Paulsen	Schmidt	Walden
Pence	Schock	Westmoreland
Peters	Sensenbrenner	Whitfield
Peterson	Sessions	Wilson (SC)
Petri	Sestak	Wittman
Pitts	Shadegg	Wolf
Platts	Shimkus	Young (AK)
Poe (TX)	Shuster	Young (FL)

NOES—229

Ackerman	Etheridge	McIntyre
Adler (NJ)	Farr	McMahon
Altmire	Fattah	McNerney
Andrews	Filner	Meek (FL)
Arcuri	Foster	Meeks (NY)
Baca	Frank (MA)	Melancon
Baird	Fudge	Michaud
Baldwin	Garamendi	Miller (NC)
Barrow	Giffords	Miller, George
Bean	Gonzalez	Minnick
Becerra	Gordon (TN)	Mollohan
Berkley	Grayson	Moore (KS)
Berman	Green, Al	Moore (WI)
Berry	Green, Gene	Moran (VA)
Bishop (GA)	Grijalva	Murphy (CT)
Bishop (NY)	Gutierrez	Nadler (NY)
Blumenauer	Hall (NY)	Napolitano
Boccelleri	Halvorson	Neal (MA)
Boren	Hare	Oberstar
Boswell	Heinrich	Obey
Boucher	Hill	Olver
Boyd	Himes	Ortiz
Brady (PA)	Hinchey	Owens
Braley (IA)	Hirono	Pallone
Brown, Corrine	Hodes	Pascarell
Butterfield	Holden	Pastor (AZ)
Cao	Holt	Payne
Capps	Honda	Perlmutter
Capuano	Hoyer	Perriello
Cardoza	Inslee	Pingree (ME)
Carnahan	Israel	Polis (CO)
Carney	Jackson (IL)	Price (NC)
Carson (IN)	Jackson Lee	Quigley
Castor (FL)	(TX)	Rahall
Chandler	Johnson (GA)	Rangel
Chu	Johnson, E. B.	Reichert
Clarke	Kanjorski	Reyes
Clay	Kaptur	Richardson
Cleaver	Kennedy	Rodriguez
Clyburn	Kildee	Ross
Cohen	Kilpatrick (MI)	Rothman (NJ)
Connolly (VA)	Kilroy	Roybal-Allard
Conyers	Kind	Ruppersberger
Costello	Kirkpatrick (AZ)	Rush
Courtney	Kissell	Ryan (OH)
Critz	Klein (FL)	Salazar
Crowley	Kosmas	Sanchez, Linda
Cuellar	Kucinich	T.
Cummings	Langevin	Sanchez, Loretta
Dahlkemper	Larsen (WA)	Sarbanes
Davis (AL)	Larson (CT)	Schakowsky
Davis (CA)	Lee (CA)	Schauer
Davis (IL)	Levin	Schiff
Davis (TN)	Lewis (GA)	Schwartz
DeFazio	Lipinski	Scott (GA)
DeGette	Loebach	Scott (VA)
Delahunt	Lofgren, Zoe	Serrano
DeLauro	Lowey	Shea-Porter
Deutch	Lujan	Sherman
Dicks	Lynch	Shuler
Dingell	Maffei	Sires
Doggett	Maloney	Skelton
Doyle	Markey (CO)	Slaughter
Driehaus	Markey (MA)	Smith (WA)
Edwards (MD)	Matsui	Snyder
Edwards (TX)	McCarthy (NY)	Space
Ellison	McCollum	Speier
Engel	McDermott	Spratt
Eshoo	McGovern	Stark

Stupak
Sutton
Tanner
Thompson (CA)
Thompson (MS)
Tierney
Tonko
Towns
Tsongas

Van Hollen
Velázquez
Visclosky
Walz
Wasserman
Schultz
Waters
Watson
Watt

Waxman
Weiner
Welch
Wilson (OH)
Woolsey
Wu
Yarmuth

NOT VOTING—12

Bright
Hastings (FL)
Herseth Sandlin
Higgins

Hinojosa
Hoekstra
Kagen
Kirk

Olson
Pomeroy
Schrader
Wamp

□ 1426

Messrs. McDERMOTT and RUSH changed their vote from “aye” to “no.”

Mr. SAM JOHNSON of Texas changed his vote from “no” to “aye.”

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

Stated against:

Ms. HERSETH SANDLIN. Mr. Speaker, I regret that I was unable to participate in a vote on the floor of the House of Representatives today.

The vote was on the Motion to Recommit on the Flood Insurance Reform Priorities Act of 2010. Had I been present, I would have voted “no” on that question.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Ms. WATERS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 329, noes 90, not voting 13, as follows:

[Roll No. 447]

AYES—329

Ackerman
Adler (NJ)
Altmire
Andrews
Arcuri
Austria
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blumenauer
Blunt
Bocieri
Bonner
Bono Mack
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Brady (PA)
Brady (TX)
Braley (IA)
Brown (SC)
Brown, Corrine

Brown-Waite,
Ginny
Buchanan
Burgess
Butterfield
Cao
Capito
Capps
Capuano
Carnahan
Carney
Carson (IN)
Carter
Cassidy
Castor (FL)
Chandler
Childers
Chu
Clarke
Clay
Cleaver
Clyburn
Coffman (CO)
Cohen
Conaway
Connolly (VA)
Conyers
Cooper
Costa
Costello
Courtney
Crenshaw
Critz
Crowley
Cuellar

Cummings
Dahlkemper
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Deutch
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Djou
Doggett
Donnelly (IN)
Doyle
Driehaus
Edwards (MD)
Edwards (TX)
Ehlers
Ellison
Ellsworth
Emerson
Engel
Eshoo
Etheridge
Fallin
Farr
Fattah
Filner

Forbes
Fortenberry
Foster
Frank (MA)
Fudge
Garamendi
Gerlach
Giffords
Gohmert
Gonzalez
Gordon (TN)
Granger
Graves (MO)
Grayson
Green, Al
Green, Gene
Grijalva
Guthrie
Gutierrez
Hall (NY)
Hall (TX)
Halvorson
Hare
Harman
Harper
Heinrich
Heller
Herseth Sandlin
Hill
Himes
Hinchey
Hirono
Hodes
Holden
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson Lee (TX)
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Jones
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick (MI)
Kilroy
Kind
King (NY)
Kingston
Kirkpatrick (AZ)
Kissell
Klein (FL)
Kosmas
Kratovil
Kucinich
Lance
Langevin
Larsen (WA)
Larsen (CT)
Latham
LaTourette
Lee (CA)
Lee (NY)
Levin
Lewis (GA)
Lipinski
LoBiondo
Loeb sack
Lofgren, Zoe
Lowey
Luetkemeyer

Luján
Lummis
Lungren, Daniel E.
Lynch
Mack
Maffei
Maloney
Markey (CO)
Markey (MA)
Marshall
Matheson
Matsui
McCarthy (NY)
McCaul
McCollum
McDermott
McGovern
McIntyre
McMahon
McNerney
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Miller (FL)
Miller (NC)
Miller, George
Minnick
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Murphy, Tim
Nadler (NY)
Napolitano
Neal (MA)
Nye
Oberstar
Obey
Oliver
Ortiz
Owens
Pallone
Pascarell
Pastor (AZ)
Payne
Perlmuter
Perriello
Peters
Peterson
Petri
Pingree (ME)
Platts
Poe (TX)
Polis (CO)
Pomeroy
Posey
Price (NC)
Putnam
Quigley
Rahall
Rangel
Rehberg
Reichert
Richardson
Rodriguez
Roe (TN)
Rogers (KY)
Rooney
Ros-Lehtinen
Ross

Rothman (NJ)
Roybal-Allard
Ruppersberger
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Scalise
Schakowsky
Schauer
Schiff
Schock
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shimkus
Shuler
Shuster
Simpson
Sires
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Space
Speier
Spratt
Stark
Stearns
Sutton
Tanner
Taylor
Teague
Terry
Thompson (CA)
Thompson (MS)
Thompson (PA)
Thornberry
Tiberi
Tierney
Titus
Tonko
Towns
Tsongas
Turner
Van Hollen
Velázquez
Visclosky
Walden
Walz
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Whitfield
Wilson (OH)
Wilson (SC)
Wittman
Wolf
Woolsey
Wu
Yarmuth
Young (AK)
Young (FL)

NOES—90

Aderholt
Akin
Alexander
Bachmann
Bachus
Barrett (SC)
Bartlett
Barton (TX)
Bigert
Bilbray
Blackburn
Boehner
Broun (GA)
Burtz
Buyer
Calvert

Camp
Campbell
Cantor
Castle
Chaffetz
Coble
Cole
Culberson
Dreier
Duncan
Flake
Fleming
Fox
Franks (AZ)
Frelinghuysen
Gallegly

Garrett (NJ)
Gingrey (GA)
Goodlatte
Graves (GA)
Griffith
Hastings (WA)
Hensarling
Herger
Hunter
Inglis
Issa
Jenkins
Johnson, Sam
Jordan (OH)
King (IA)
Kline (MN)

Lamborn
Latta
Lewis (CA)
Linder
Lucas
Manzullo
Marchant
McCarthy (CA)
McClintock
McCotter
McHenry
McKeon
McMorris
Rodgers
Miller (MI)

Miller, Gary
Moran (KS)
Myrick
Neugebauer
Nunes
Paul
Paulsen
Pence
Pitts
Price (GA)
Radanovich
Rogers (AL)
Rogers (MI)
Rohrabacher
Roskam

Royce
Ryan (WI)
Schmidt
Sensenbrenner
Sessions
Shadegg
Smith (NE)
Smith (TX)
Stupak
Sullivan
Tiahrt
Upton
Westmoreland

NOT VOTING—13

Bright
Cardoza
Hastings (FL)
Higgins
Hinojosa

Hoekstra
Kagen
Kirk
Olson
Reyes

Rush
Schrader
Wamp

□ 1435

Mr. INGLIS changed his vote from “aye” to “no.”

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. RUSH. Mr. Speaker, on rollcall No. 447, had I been present, I would have voted “aye.”

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 5114, FLOOD INSURANCE REFORM PRIORITIES ACT OF 2010

Ms. WATERS. Mr. Speaker, I ask unanimous consent that the Clerk be authorized to make technical corrections in the engrossment of H.R. 5114, to include corrections in spelling, punctuation, section numbering and cross-referencing, the insertion of appropriate headings, and clerical errors in amendatory instructions.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

RESIGNATION OF CHIEF ADMINISTRATIVE OFFICER

The SPEAKER laid before the House the following communication from the Chief Administrative Officer of the House of Representatives:

OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER, HOUSE OF REPRESENTATIVES,

Washington, DC, July 1, 2010.

Hon. NANCY PELOSI,
Speaker, House of Representatives,
Washington, DC.

DEAR MADAM SPEAKER: I'm writing to tender my resignation as Chief Administrative Officer for the U.S. House of Representatives effective July 18, 2010.

It has been a distinct honor and privilege to serve you and House in this position over the past three and one-half years. I believe we have made substantial strides to make House operations more sustainable, provide Members and staff with improved benefits, and provide the House community with a safer and more secure information technology system.

I will always be grateful to you for giving me this opportunity to serve this wonderful institution. I also want to thank you for your personal support.

With warmest best regards, I am

Sincerely yours,

DANIEL P. BEARD.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

APPOINTMENT OF TEMPORARY CHIEF ADMINISTRATIVE OFFICER

The SPEAKER. Pursuant to the provisions of section 208(a) of the Legislative Reorganization Act of 1946, the Chair appoints Daniel J. Strodel of the District of Columbia to act as and to exercise temporarily the duties of Chief Administrative Officer of the House of Representatives, effective July 18, 2010.

Mr. Strodel appeared at the bar of the House and took the oath of office, as follows:

Do you solemnly swear or affirm that you will support and defend the Constitution of the United States against all enemies, foreign and domestic; that you will bear true faith and allegiance to the same; that you take this obligation freely, without any mental reservation or purpose of evasion; and that you will well and faithfully discharge the duties of the office on which you are about to enter, so help you God.

The SPEAKER. Congratulations.

PRIVILEGED REPORT ON RESOLUTION OF INQUIRY TO THE ATTORNEY GENERAL

Mr. CONYERS from the Committee on the Judiciary, submitted an adverse privileged report (Rept. No. 111-538) on the resolution (H. Res. 1455) directing the Attorney General to transmit to the House of Representatives copies of certain communications relating to certain recommendations regarding administration appointments, which was referred to the House Calendar and ordered to be printed.

□ 1440

LEGISLATIVE PROGRAM

(Mr. CANTOR asked and was given permission to address the House for 1 minute.)

Mr. CANTOR. Madam Speaker, I yield to the gentleman from Maryland, the majority leader, for the purpose of announcing next week's schedule.

Mr. HOYER. I thank the Republican whip for yielding.

Madam Speaker, on Monday, the House will meet at 12:30 p.m. for morning-hour debate and 2 p.m. for legislative business, with votes postponed until 6 p.m. On Tuesday, Madam Speaker, the House will meet at 10:30

a.m. for morning-hour debate and 12 p.m. for legislative business. On Wednesday and Thursday, the House will meet at 10 a.m. for legislative business. On Friday, the House will meet at 9 a.m. for legislative business.

We will consider several bills under suspension of the rules. A complete list of all suspension bills will be announced by the close of business tomorrow. In addition, we will consider Mr. TAYLOR's bill, H.R. 1264, the Multiple Peril Insurance Act of 2009. We're also expecting to consider several items from the Senate, including Senate amendments to H.R. 4213, the Restoration of Emergency Unemployment Compensation Act; and Senate amendments to H.R. 4899, the Supplemental Appropriations Act of 2010.

Lastly, Madam Speaker, we expect to consider several bills addressing the oil spill in the gulf, including H.R. 2693, the Oil Pollution Research and Development Program Reauthorization Act; and H.R. 5716, the Safer Oil and Natural Gas Drilling Technology Research and Development Act.

Mr. CANTOR. Madam Speaker, given the schedule the gentleman just announced, I would ask the majority leader whether he expects the House to be in session next Friday.

Mr. HOYER. I say to the gentleman that will, again, depend on what our colleagues in the Senate send over to us and whether or not we can complete the business that we have before us that I've announced by Thursday. In the event that we don't have legislation coming back from the Senate that we needed to deal with on Friday, or our business that is scheduled does not take longer than Thursday, then it is possible that we would not be in session. But, again, I would caution Members that we have 2 weeks left to go and those days will be scheduled and will be utilized if needed.

Mr. CANTOR. Madam Speaker, the gentleman just explained that we do only have 2 more weeks left in the month of July for legislative business. I would ask the gentleman if he could expand upon the schedule for those 2 weeks and what we might expect for those following weeks.

Mr. HOYER. In addition to the bills that we've already mentioned for next week, including the unemployment extension, the supplemental coming from the Senate, and the Science and Technology bills addressing the oil spill, we'll also likely consider a number of other bills addressing oil spill legislation. In addition, I expect we will consider several bills from the Appropriations Committee. I've talked to the chairman about which bills would be most likely for floor action before August, and he's looking at the Veterans and Military Construction and the Transportation-HUD bills.

As the gentleman I'm sure knows, they have marked up now seven, I be-

lieve is the accurate number of appropriations bills—excuse me. I think it's nine because they marked up two today, or are in the process of marking them up today, and I expect by the end of the day there will have been nine appropriation bills marked up. They will proceed. But I think those two bills are probably the first ones that will come forward.

Mr. CANTOR. Madam Speaker, I would ask if those appropriations bills coming to the floor will be brought up under an open rule.

Mr. HOYER. Those bills, as you know, have not been reported out of committee yet and I've not discussed with the chairman his plans on how he would hope to bring those to the floor. I will be discussing it with him probably the latter part of next week, and perhaps we will have more information for you next week. Again, we expect the bills to come to the floor not next week, but the week after.

Mr. CANTOR. Madam Speaker, the gentleman mentioned the troop funding in his schedule for next week. I know originally the goal was to fund our troops by Memorial Day. That didn't happen. Then it became the goal of July 4th, and that didn't happen. I know that the gentleman and I are both committed to getting this critical funding for our men and women in uniform, and I would just suggest to the gentleman it is probably the most direct route to getting our mutual goal accomplished of getting this bill across the floor, that perhaps he and the majority ought to consider taking up the Senate-passed legislation and send it right to the President.

I can say, Madam Speaker, to the gentleman that the Senate bill does have 218 votes on this House floor, and would ask if the supplemental is coming to the House floor next week, whether that is his intention, to go ahead, take this route, expedite it, so our troops can get the money they need.

I yield.

Mr. HOYER. I thank the gentleman for his question and for his observation and for his assurances as well in terms of the number of votes we may have available for that alternative.

I say to the gentleman that it is my intention that certainly by the time we leave here that we will have made sure that the troops have the resources they need to prosecute the mission that we have given them as a Congress and the administration. There's no doubt that we will have 218-plus—a large plus, I think—of votes to accomplish that objective.

As the gentleman knows, however, we have passed a supplemental which does fund the troops. It wasn't the Senate supplemental. The House obviously has its own view on policy, and I'm sure the gentleman would want the House to prosecute its policies and redeem the majority of the House's view

and try to reach agreement with the Senate.

The House acted on the supplemental before the break, including all of the President's request for troop funding, as the gentleman knows. It also included the administration's request for FEMA, Haiti, oil spill, and border security. In addition, as the gentleman knows, we added money to take care of almost 140,000 teachers and offset the additional money with spending cuts. So those were paid for. I'm hopeful that the Senate will not make significant changes to the bill that the House passed and will be able to pass that bill before the August work period begins. Again, however, I want to emphasize that I am fully committed and intend to ensure that the troops have the resources they need.

With respect to the gentleman's observation, he is absolutely correct. I was hopeful we would do it before Memorial Day, and then I was hopeful we would do it before the July 4th break. Interestingly enough, however, as we kept going along and I kept in contact with the chairman of the Defense Appropriations Committee, Mr. DICKS, as to when the funding was needed, the date kept moving. And the date that we now have, as the gentleman probably knows as well as I do, is August 7. But certainly I want to see us pass the funding for the troops and for the prosecution of the effort that the Congress has supported and the administration has set forth for our troops prior to that time.

Mr. CANTOR. I know the gentleman is in receipt of the same information that I am about the urgency now being communicated to us for the need for that money to be delivered. I would say, Madam Speaker, I probably have a little different view as to the intentions of the Senate to try and deliver on stripping out the House amendments that were attached to the supplemental bill, and would say, again, to the gentleman, House Republicans stand ready to vote in an expeditious way on the Senate-passed bill in its original form, and I look forward to being able to deliver that.

I yield.

Mr. HOYER. I thank you for that effort. We will look forward to working with you to make sure that our troops are fully funded.

Mr. CANTOR. Madam Speaker, as we're discussing the schedule for next week, I believe it's important to announce the eighth YouCut vote that will take place on the House floor next week. Over 1.3 million votes have been cast on YouCut to date at the RepublicanWhip.House.Gov/YouCut Web Site. We will vote sometime mid-week on one of five proposals selected by the people of America. The first would be to eliminate mandatory GPO bill printing, which is a \$35 million savings. Another would be to eliminate

Senator DODD's health care clinic earmark in the Obama Care health care bill, estimated to save another \$100 million. Next would be, Madam Speaker, an effort to prohibit subsidies for long-distance "first class" sleeper train tickets, estimated at a cost savings of \$1.2 billion. Another, Madam Speaker, could be to reform the Energy Star program effort, which requires companies to pay for the cost of the program, saving the taxpayers \$655 million.

□ 1450

Another could be, depending on the vote and the will of the American people, an effort to prevent LIHEAP payments to fraudulent claims, an estimated savings of hundreds of millions of dollars to the taxpayer.

Madam Speaker, I would say the gentleman's party has been extolling the virtues of cutting \$7 billion from the President's \$1.12 trillion FY11 budget, \$7 billion. And I would say to the gentleman—I know we've had a lot of discussion about YouCut and the amount of money that we are attempting to cut from the Federal deficit through our program, and, in fact, at this point that total is now reaching \$130 billion. I know that many in his party have been dismissive of this program, saying that that's not real money in Washington. And I will just point out to the gentleman, if individuals on his side of the aisle think that \$7 billion reaches a significant milestone, I would say as well, \$130 billion of proposed cuts would do just as well, if not better.

So, Madam Speaker, I would like to, at this point, take a quick moment to congratulate someone who works together with our staff tirelessly behind the scenes, someone on the staff of the majority leader, Austin Burnes, who got a moment to get away from the floor prior to the recess to attend his own wedding. We wish the gentleman great success and best wishes in his nuptials.

Mr. HOYER. Will the gentleman yield?

Mr. CANTOR. I yield.

Mr. HOYER. We have a very strict leave policy in my office, but we were convinced that getting off for his wedding was an appropriate use of that leave. Austin is a wonderful member of the staff. I am very pleased that you mentioned it. He has a wonderful new bride. His demeanor has changed markedly. He is much happier, and we're all happier to work with him. So Austin, congratulations to you.

Mr. CANTOR. Well, I am told and hopeful as well there will be many more nuptials on your staff, I would say to the gentleman.

ADJOURNMENT TO MONDAY, JULY 19, 2010

Mr. HOYER. Madam Speaker, I ask unanimous consent that when the

House adjourns today, it adjourn to meet at 12:30 p.m. on Monday next for morning-hour debate, and further, when the House adjourns on that day, it adjourn to meet at 10:30 a.m. on Tuesday, July 20, 2010, for morning-hour debate.

The SPEAKER pro tempore (Ms. CHU). Is there objection to the request of the gentleman from Maryland?

There was no objection.

THIS YEAR'S DEFICIT SURPASSES \$1 TRILLION

(Mr. HERGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HERGER. Madam Speaker, the Federal deficit has topped \$1 trillion, and there are still 3 months remaining in the fiscal year. Spending is out of control, and the President and Democratic leadership have shown no sign of slowing down. Americans are still asking, Where are the jobs? Unemployment stands at near 10 percent nationally, and the administration's massive spending increases are harming the small businesses that are so crucial to our job creation. President Clinton's former chief of staff has said, "The debt is like a cancer . . . it is going to destroy the country from within."

Madam Speaker, we must reject Big Government and embrace fiscal responsibility and the pro-small business policies that have guided our Nation out of troubled times in the past.

PROTECTING FLOODWAY PROPERTIES

(Ms. JACKSON LEE of Texas asked and was given permission to address the House for 1 minute.)

Ms. JACKSON LEE of Texas. Madam Speaker, thank you for your leadership; and, as well, I appreciate very much the debate that this House had just a few minutes ago about H.R. 5114, the Flood Insurance Reform Priorities Act of 2010. I rise to support that legislation and, specifically, to discuss an issue that really impacts all Americans.

An amendment that I crafted, a very effective amendment, would have prohibited States and local governments from misusing new Federal flood insurance program requirements to disadvantage businesses and homeowners in any way, meaning, to take their property away because they have misinterpreted the Federal laws as to whether or not your home is in a floodplain or in a floodway. Those of us from the gulf understand that very well.

Unfortunately, under Federal law, it is often misinterpreted by State and local officials, resulting in unintended consequences in many communities across this country. For example, in

the White Oak community, 2,400 homes were being violated because a local government was misinterpreting whether or not these particular individuals could stay in their homes. Their values plummeted.

I am going to continue to work on this legislation going forward to ensure this language gets in the bill and that we fight to protect homeowners once and for all.

CELEBRATING HOWARD, PENNSYLVANIA'S BICENTENNIAL

(Mr. THOMPSON of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMPSON of Pennsylvania. Madam Speaker, I rise today as a lifelong resident of Howard, Pennsylvania, to honor its bicentennial.

Howard, albeit a small community of almost 700, has an extensive history dating back to its settlers in the late 1700s. It was officially formed by the Centre County Court in 1810 and named after English philanthropist John Howard. Howard features several historical structures, such as its post office built in 1828, a Methodist church dating back to 1843, and houses from 1810.

In the 1820s, Howard experienced growth due to industrial interests, as companies such as the Howard Iron Works attracted settlers. The first store in Howard opened in 1829, and the town was also known for its Woolrich factory during the last century.

I recently participated in the celebratory parade, which was followed by evening fireworks. The sense of community is great in Howard. Seeing residents come out and celebrating our history truly is wonderful. Our small size fosters a rare connection among the residents, store owners, and all government levels, and we are proud of this friendship.

I hope to see Howard continue to prosper through another 200 years. It's a great town and a welcoming place to live.

Congratulations to Howard and its citizens on its 200th anniversary.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

STAFF SERGEANT JESSE AINSWORTH—UNITED STATES ARMY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. POE) is recognized for 5 minutes.

Mr. POE of Texas. Madam Speaker, it's with great pride but a heavy heart

that I honor a fallen son of Texas tonight, a United States Army soldier from my Second Congressional District.

Staff Sergeant Jesse Ainsworth gave his life fighting terrorists on a battlefield in a far, faraway, desolate land near Kandahar in Afghanistan on July 10, 2010. He died from injuries caused by an IED, the weapon of terrorists, those cowards that hide in their holes in the rugged deserts and come out like rats at night and plant roadside bombs to kill Americans, women, and children.

□ 1500

This is Jesse Ainsworth. He was 24 years of age. He was an American warrior, and he was born in Texas and Jesse was an all American boy. He loved to hunt and fish in the woods near his home in Dayton, Texas. And after attending Dayton High School, he joined the United States Army.

He was a team leader with the 1st Squadron, 71st Cavalry Regiment of the 10th Mountain Division out of Ft. Drum. Jesse served two combat tours in Iraq before deploying to Afghanistan. And, Madam Speaker, he re-enlisted after his second tour of duty in Iraq and then that is why he went to Afghanistan.

Yesterday, I talked to Jesse's mother, Margeret Hutchins, and she said a lot about her son. They live in a little small community called Kenefic, just outside of Dayton.

Jesse was Margeret's only son. And Margeret said Jesse was her hero. She said she used to pick him up when he was a little kid from kindergarten, and every Friday they'd go to Wal-Mart and buy some toy for him. She said ever since Jesse was an itty bitty fellow he wanted to be a soldier in the United States Army.

And the last time she talked to him, Jesse said he was setting up camp out in the middle of no place in the middle of the desert. And he asked his mother to send him, in the next care package, a Big Red soft drink and some Copenhagen chewing tobacco in that care package. Jesse was all Texas.

Jesse loved the Army, he loved his country, and he loved being a soldier. He was doing what he wanted to do. He was an Army man.

All of the flags in the small town of Dayton, Texas, are flying at half mast this week. There are signs all over this town of just 5,000, handmade signs, electronic signs throughout the community honoring Jesse.

The services will be held on Saturday at the Dayton Community Center, and the whole town will turn out to honor their native son and honor his family.

Jesse is survived by his wife, Sarah; their 6-month old daughter, Lanna Rose; and his daughter, Lexie, who is three; Jesse's mother, Margeret; and stepfather, Wesley; and Jesse's two sisters, Rebecca and Shane.

Jesse will then be buried at the Veterans Memorial Cemetery in Houston, Texas.

All of his fellow soldiers gave some, Madam Speaker, but Jesse Ainsworth gave all in his defense for freedom.

Our brave troopers go to war defending freedom and liberty in faraway lands. In the dark, cold desert night and the parched, insufferable desert heat, these brave warriors pay with their blood and sacrifice for freedom and liberty and for America.

They sanctify with their blood lands they have never seen, and they fight for people they do not know.

Madam Speaker, I have a recent photograph of Jesse. Here he is in Afghanistan with an Afghan farmer. You see, that's what our American troops are doing. They are the greatest ambassadors for freedom and liberty and the American way in the world. And here they are, here Jesse is with a person in Afghanistan, a nation that Jesse and his fellow troopers are liberating.

Patrick Henry once said, "The battle, sir, is not to the strong, it is to the vigilant, to the active, to the brave."

Madam Speaker, those words still ring true today, and our American soldiers carry those values into battle because they are "Army Strong." Jesse Ainsworth was such a soldier and a family man. He was that hero who has given his life to something bigger than himself.

So when we gather Saturday to honor this fallen American, Jesse's flag-draped coffin will be carried by the Honor Guard. The old war horses of the Patriot Guard, those motorcycle riders made primarily of Vietnam veterans, they will stand vigil over this beloved family and over their sacred fallen brother carrying American flags.

The rifles will fire the 21-gun salute, and the bugle will sound taps for the last time as the name of Staff Sergeant Jesse Ainsworth is placed forever on the hallowed roles of those who have given their lives defending American freedom and liberty. He will be surrounded by his family for the last time, and the war will be over for Staff Sergeant Jesse Ainsworth. But the war will never end for his family.

It has been said what we have done for ourselves dies with us. What we have done for others and the world remains and is immortal.

Staff Sergeant Jesse Ainsworth is that rare breed, that American breed that lived and died for something bigger than himself. And today we honor his life and his sacrifice.

And that's just the way it is.

NEW GENERAL, SAME WAR

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Madam Speaker, after General Stanley McChrystal was

relieved of his command last month and replaced by General David Petraeus, we read a lot of headlines that said things like this: "Generals Change, But Afghan Doesn't." "Afghan Policy Won't Change After Dismissal."

But that is precisely, Madam Speaker, the problem. All the chatter about General McChrystal's indiscretion and firing obscured the critical point. The problem isn't with the personnel or the leadership, but with the strategy and the policy. The problem isn't with the generals, but with the war itself.

There's a bit of a rearranging-of-the-deck-chairs-on-the-Titanic quality to all of this. No matter what the captains say and no matter who captains the ship, as long as we continue to prosecute this failed war, as long as we keep sending Americans to die on a mission that's doing nothing to defeat terrorists or stabilize Afghanistan, then we are headed straight for that iceberg.

The more troops we deploy, the more violent Afghanistan becomes and the more Taliban grows its ranks. Unless General Petraeus is prepared to change that, then this change at the top doesn't amount to very much.

If General Petraeus' appointment leads to any change at all, it may not be the kind of change we should be enthusiastic about. In his confirmation hearing, General Petraeus refused to take ownership of the July 2011 troop withdrawal deadline, stating very clearly that he did not recommend such a date to the President, nor did anyone else in uniform. And he once again equivocated about July 2011, calling it the beginning of a process, which sounds an awful lot like a diplomatic way to say he doesn't believe in it and will ask the President to extend it.

He also added in his testimony, and I quote him, he said, "The commitment to Afghanistan must be an enduring one." And on that point, Madam Speaker, I couldn't agree with the general more.

□ 1510

But an enduring commitment doesn't have to be a military commitment. We need an enduring civilian commitment, a smart security approach that invests in Afghanistan infrastructure, bolsters Afghan education, fights Afghan poverty, invigorates Afghan democracy, and much more. But we can do it without combat troops occupying the country, without the military footprint that has earned us more enemies than friends.

Madam Speaker, eight Americans were killed during a 24-hour period in Afghanistan early this week. We've had 35 fatalities already in July, putting it on track to be the deadliest month of the entire war. We are losing our people, we are losing our money, we are losing our credibility without advancing our goals. That has to end. It's time to bring our troops home.

AKC PROJECT 7-4

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

Mr. JONES. Madam Speaker, on July 8, I had the privilege of visiting the American Kennel Club in Raleigh, North Carolina, where care packages were being prepared to be sent to our K-9 units overseas. The effort is called Project 7-4.

Project 7-4 is an effort to help the United States War Dog Association collect much-needed supplies for both dogs and their handlers to send over to our active duty dog teams in Afghanistan and Iraq. It was very touching for me to see all the boxes being prepared by people who care so much. I was absolutely amazed by everything I saw that day at the American Kennel Club in Raleigh, North Carolina.

Last year I had the great opportunity to watch some of these valuable dogs being trained at Lackland Air Force Base. Lackland is the center for all the training of all these dogs that help our men and women in uniform.

Through the years that I have been in Congress, I have had the pleasure and honor to talk to many military dog handlers, some that go back to the Vietnam War, some to Desert Storm, and certainly many who have been in Iraq and Afghanistan. These dogs are so valuable because they are trained to sniff out the IEDs that kill so many and maim so many of our wonderful men and women in uniform.

These dogs themselves many times are wounded, and many times killed. But as I had a soldier tell me one time, Yes, it breaks my heart. This has become my friend, this has become my buddy. But you know what? My buddy is willing to give his life for me so that I can continue to serve this Nation.

I bring that story forward, Madam Speaker, because these dogs are truly heroes, these dogs are truly valuable to the national security of our country. And I have beside me a poster that has the dog named Lex. Lex is looking at the headstone of his master, Marine Corporal Dustin Lee, who was killed by a rocket-propelled grenade in Iraq. He was a dog handler, and this was his friend, his dog Lex. Lex himself has shrapnel in the back. And the family, the Lee family, wanted so badly to have Lex, since they gave their son up for this country. And I want to thank Mike Regner, United States Marine Corps, for helping this become a reality. Madam Speaker, when Dustin was killed and Lex was wounded, the Marine Corps told me that they found Lex laying next to the body of his master.

War dogs have been used in every war throughout history. There are currently between 500 and 700 dog teams stationed in the Middle East. This is not a new concept, but it is time that

these dogs and their handlers are acknowledged for their sacrifice to this country.

I would like to thank the United States War Dog Association for all they do and for helping the American Kennel Club with this tremendous effort. I also encourage anyone who would like to donate to this effort to contact the American Kennel Club or United States War Dog Association. Both dogs and handlers are in need of basic daily items that we all take for granted.

Madam Speaker, as I begin to close I would like to ask God, as I always do on this floor, to please bless our men and women in uniform, ask God to please bless the families of our men and women in uniform, ask God in his loving arms to hold the families who have given a child dying for freedom in Iraq and Afghanistan, and ask God to please bless the House and Senate that we will do what is right in the eyes of God, and ask God to give wisdom, strength, and courage to President Obama that he will do what is right in the eyes of God for the American people.

And I will close by asking three times, God, please, God, please, God, please continue to bless America.

DECLARE VICTORY IN AFGHANISTAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Ms. JACKSON LEE) is recognized for 5 minutes.

Ms. JACKSON LEE of Texas. As you can see, there are untold stories of valor on the front lines of war around the world. We can be very proud as Americans of the resilience of our men and women in the United States military and those valiant animals who stand by them and the support that families have given to them.

I stand here as a proud American not out of arrogance, but simply out of recognition that we are the front-liners for peace and democracy. I had the privilege of spending the last week in Afghanistan, not closed in a small room, but traveling throughout the country, visiting with our commander on the ground, visiting with the international allied forces, being briefed and seeing in action the Afghan National Security Forces, meeting the leadership of the Afghan Government in Kabul, going down to Kandahar and being out on a command post and a check site that was engaged with Afghans on the highway. I got a sense of a country—of which I chair the Afghan Caucus in this Congress. And I want what is best for people who are striving for democracy and freedom.

I want to say to my colleagues that I stand here asking us to do what we did

not do in Vietnam, which was to recognize the valiant and outstanding service of our men and women, and to understand victory had been achieved. Today we have two Vietnams side by side, North and South, exchanging and working. We may not agree with all that North Vietnam is doing, but they are living in peace. I would look for a better human rights record for North Vietnam, but they are living side by side because that was a civil war.

And because the leadership of this Nation did not listen to the mothers and fathers who bore the burden of 58,000 dead and did not declare victory, the mounting deaths, the violence continued going up and up. Rather than understanding the political nature of the war in Vietnam, we did not listen to those families. So we mourned. But I say today they were valiant heroes, proud of them, although fallen, and proud of those who lived.

As I look back on Afghanistan and the past week, I will say to you that it is time not out of defeat, but it is time in victory to return home. Our soldiers can come home in victory, for not one more treasure should be cast in this war that is a civil war. Al Qaeda is not present in Afghanistan. And we have the opportunity to cast over to the Afghan civilian government, which is now working to build up the Afghanistan National Security Forces, which we expect to be some 300,000 strong over the next couple of months, national police, and national army, trained by the brilliance of our young men and women.

We understand the military says the job is yet not done, conditions on the ground. Conditions are movable. They are always changing. What you have to look at is whether you have a government that has the resolve to lead itself. President Karzai must stand against corruption, he must fight to eradicate the poppy crop, he must stop the bribery so that farmers can get their products to market. That is a civilian challenge. That is a challenge of the Afghan people. He must get electricity with the money that has been given to him down in the south.

But to go into the NATO hospital, or to go into a hospital in Germany, to see the brutality of the IED injuries, to see the lost limbs—we have claimed victory. We have provided an opportunity for President Karzai to lead.

□ 1520

And so I'm a proud American; again, not standing here in arrogance, but for the sacrifice of the reservists and others who have come and the full-time military willing to stay as long as the civilian leadership of this country demands that they stay.

And so I say to the moms and dads and families who've sacrificed their loved ones both in terms of those who now serve us and those who have fallen

in battle, we cannot thank you enough. And none of us can mourn as you're mourning if you have lost a loved one. But we can say "thank you" by bringing our troops home with a hero's welcome, something we have not done probably since World War II.

It is time to bring our troops home, to declare victory, and to thank them for being heroes, not only of America but for this world, in the name of peace and freedom.

ARIZONA CRIME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado (Mr. POLIS) is recognized for 5 minutes.

Mr. POLIS. It should be common sense that with the limited dollars we have in law enforcement, diverting those law enforcement resources to hunt down immigrants detracts from our efforts to combat violent crime. However, believe it or not, some supporters of Arizona's new immigration law actually claim that it's a crime-fighting measure.

That overlooks a basic point: Crime rates have already been falling in Arizona for years despite, or perhaps in part because of, the presence of immigrants. This was once again proven by a recent study conducted by America's Voice, which documented the change in violent crime levels in various Arizona police jurisdictions from 2002 through 2009.

As you can see, crime is down in Arizona, the purple line. In fact, the only jurisdiction in the study where crime increased was in the part of Maricopa County under the jurisdiction of the incompetent sheriff Joe Arpaio, who's famously used anti-immigrant policies to advance his political agenda at the expense of keeping his communities safe.

From 2002 to 2009, the crime rate in Maricopa County increased 58 percent while the State as a whole averaged a 12 percent decrease. Compare that 58 percent crime increase to other localities of Arizona that did not use the immigrant-bashing approach. In that same time period, Phoenix enjoyed a 14 percent decrease in crime; Tempe, a 26 percent decrease; and Mesa, a 31 percent decrease—communities dealing with the same types of immigration issues as Maricopa County and yet communities that, during the same period of Sheriff Arpaio's tenure, decreased their crime rate.

Why? In recent years, local law enforcement communities have increased, successfully, community policing efforts, which includes establishing relationships with immigrant communities to fight crime. These efforts are part of the reason why crime is dropping in Arizona. And Senate Bill 1070 threatens to undo that process. That's the reason the Arizona Association of Chiefs of Police, the Yuma

County Sheriff, Mesa Police Chief, and many other law enforcement officials nationally are opposed to the new Arizona law, Senate Bill 1070, which will stretch local police forces and hinder law enforcement's ability to obtain critical information on criminals.

Anti-immigrant laws like Senate Bill 1070 will lead to a crime wave across Arizona and across the Nation, and we see the evidence right here in Sheriff Arpaio's own district.

In my home district of Colorado, the chief of police of Boulder County, Chief Pelle, has been an outspoken leader on this front. He's criticized the Arizona law because it threatens successful community policing efforts that have been implemented in my district and across the Nation.

Misguided laws like Senate Bill 1070 will increase crime. Only comprehensive immigration reform can address this issue, and only Congress has the power to pass it. We need to pass tough, fair, and practical reform that will secure our borders, crack down on employers who hire immigrants illegally, require all immigrants here illegally to register with the government, pass a security check, pay taxes, and learn English.

I call on Congress to fix our broken immigration system now. No one from either side of the aisle thinks that the status quo is working for our country. It's time to stop playing politics with an issue that should have been addressed long ago. We must pass comprehensive immigration reform immediately.

FURTHER MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one if its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4173) "An Act to promote the financial stability of the United States by improving accountability and transparency in the financial system, to end 'too big to fail', to protect the American taxpayer by ending bailouts, to protect consumers from abusive financial services practices, and for other purposes."

OIL DRILLING NEEDED IN GULF OF MEXICO

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from Texas (Mr. BRADY) is recognized for 60 minutes as the designee of the minority leader.

Mr. BRADY of Texas. Madam Speaker, the spill in the gulf coast has produced an environmental tragedy, and obviously losing the lives of 11 American workers has been devastating for

the families. Our prayers are with them.

The gulf coast right now, the priority of America has to be stopping the oil from gushing, and it seems to be making progress there, protecting our beaches and marshes. But we have a new threat to the Gulf of Mexico and America, especially its workers, and this is the White House's moratorium on drilling in the Gulf of Mexico.

According to the Federal courts, the moratorium has been stayed. It was overly broad without much scientific basis. It didn't result in anything more safe or secure for the gulf. But nonetheless, the Secretary of the Interior has issued a new moratorium, thumbing his nose at the courts and really creating a broader moratorium that has stopped drilling in the Gulf of Mexico.

The impact of this is that American rigs are leaving the Gulf of Mexico, and U.S. jobs with it. Capital will soon follow and, ultimately, if the moratorium is allowed to go its full 6 months until the end of the year, we will see a significant, severe dismantling of America's energy infrastructure, future higher gas prices, and we will be ceding more of our energy independence to Middle East and foreign oil.

The truth of the matter is, today, the Gulf of Mexico has been extraordinarily safe to explore for America's traditional energy, our oil and gas. Over 50,000 wells have been drilled in the Gulf of Mexico. This is the first major spill. Over 14,000 deepwater wells have been drilled around the world. This is the first major spill. And just as you don't stop all automobile production because there is a problem with one model, the White House, unfortunately, has stopped all energy production in the gulf because of the disaster with British Petroleum. And the impact on our jobs and our economy is severe. They are laying off workers today. Small businesses are struggling to survive. Rigs are being deployed overseas.

Joining me today to talk about the impact to this economy is Congressman JOHN CULBERSON of Houston, as well. He and I were in a roundtable last week with a number of our small, midsize, independent businesses who are already laying off workers and re-deploying resources as a result of this terrible moratorium that unfortunately is turning an environmental disaster, making it worse by creating an economic disaster, not just in the Gulf of Mexico but one that will reach throughout the United States.

So I yield to the gentleman from Texas, Mr. JOHN CULBERSON.

Mr. CULBERSON. Thank you, Mr. BRADY. Thank you for the invitation, for putting together the roundtable with industries in the Houston area who are part of the oil and gas industry.

We, in Houston, know that our city is to the energy industry what Silicon Valley is to the computer industry, and there are jobs, not just throughout southeast Texas and Louisiana but throughout the Nation, that are dependent on the oil and gas industry. We, as a Nation, are dependent upon the oil and gas produced in the Gulf of Mexico for—I've seen numbers as high as 80 percent of the oil that the United States—where does that 80 percent number come from, KEVIN, of the oil and gas produced in the Gulf of Mexico? What percentage of the oil and gas consumed by the United States comes out of the Gulf of Mexico?

Mr. BRADY of Texas. I think we probably produce about 30 percent. Much of the specialty oil is for jet fuel and a number of our fuels.

Mr. CULBERSON. That's what I remember. The jet fuel is particularly vital.

And, KEVIN, we found out in the roundtable you held in Houston last week, as you said, jobs are being lost as we speak. We, as a Nation, are going to lose those jobs permanently. The infrastructure, the rigs themselves, particularly the semisubmersible floating rigs, are tremendously expensive to operate and maintain, and they are already leaving.

KEVIN, what did we learn? What did you hear about what's happening to these offshore rigs? Where are they going if we don't reverse this moratorium and stop it?

Mr. BRADY of Texas. Already, Diamond Offshore's announced that the first rig is leaving the United States for Egypt. They are already leaving, planning to leave others for West Africa, the Middle East, Brazil, and those points. And as they made the point, these rigs, you have them for a limited amount of time. They are well sought out for around the world. And when they leave, they don't come back for years.

And with them are our energy workers, the companies that support them, American businesses that sell to them and ship to them and provide those services. And as we know, the rest of the world, including state-owned enterprises in China, is now aggressively swooping in to bid for these rigs which, again, takes away our jobs and our prosperity.

□ 1530

Mr. CULBERSON. Once they're gone, those rigs will be almost impossible to bring back to the United States. The world's appetite for oil is going to continue for some time. All of us are committed to an all-of-the-above energy policy that encourages development in the intermediate term of alternative energy sources and the longer term, developing innovative new technologies like the quantum wire project, the extraordinary promise that carbon nano-

tubes hold for transmitting electricity ballistically. There are so many new technologies that we have as a Nation great opportunity, great promise to invest in, but that's down the road.

Right now, it is vitally important for our Nation's strategic security that we continue to find and develop every natural resource we can here in the United States. The Gulf of Mexico, our offshore waters has produced so much of this Nation's oil and gas.

We're joined by our good friend Mr. SCALISE from Louisiana; and since as the one controlling the time, if I could call on Mr. SCALISE to verify, as I've heard it, 99.99 percent of the oil produced in the offshore waters of the United States has been produced cleanly, safely, without an incident, and this is the very first incident of its kind. Tragic and catastrophic as it is, it is the very first. It like an airplane falling out of a clear blue sky, and you would no more ground all aircraft if a plane fell out of the sky for no good reason than you would shut down all drilling.

And I would like to ask Mr. SCALISE to join us and talk about the safety record of producing oil and gas safely and cleanly in offshore waters of the United States.

Mr. BRADY of Texas. I would like to yield to the gentleman from Louisiana who has been a leader on this effort both in trying to compel the Federal Government's response to local and State communities and to keep and protect their beaches and marshes but also to try to stop our energy jobs, our families in the gulf area that have been hurt from being hurt further.

I yield to Congressman SCALISE.

Mr. SCALISE. I thank the gentleman from Texas for yielding. I thank both of my colleagues for talking about this important issue because right now as we're battling what is already a human tragedy with eleven deaths, an environmental tragedy, probably the worst in the country's history, we're trying to battle to keep the oil out of our marsh and our seafood beds and the estuaries where the pelicans nest. We're also now fighting a new battle and that's an economic battle against this moratorium on all energy exploration in not only deep water but shallow water, which is going on.

So what we've been trying to point out is that, in fact, if you look at the safety recommendations that were made by the President's own scientific panel right after the explosion of the Deepwater Horizon, the President assembled a team of scientists, engineers, experts that he picked—we didn't pick, he picked—to come back with a 30-day safety report, report on how to improve safety on the rigs and recommendations on drilling.

In fact, they came back with those recommendations. The interesting part was that many of the recommendations

that they came back with are things that are already being implemented out there in the gulf by companies who have a safety record that is much different than BP, companies that have been in even deeper water. The Deepwater Horizon was in 5,000 feet below the surface. There are companies drilling in 10,000 feet that haven't had any problems because they do follow a different set of safety standards. In fact, they have a very high bar for safety.

As you were talking about, over 2,500 wells have been drilled in the deep water, many more, over 50,000 all across the gulf, but over 2,500 wells in the deep water, and yet this is the first time you've had an incident like this. And it's because the companies that are out there, unlike BP, have a different safety approach and haven't cut corners and haven't done the things that led to this disaster.

So as we're trying to find out what went wrong, we already know many of the things that went wrong and what needs to be done to stop it from happening again, not by reinventing the wheel, but actually going and looking at those companies who are already doing it the right way.

And, in fact, that's what the President's group of scientists came back with in their safety report. So we embrace those safety changes that were recommended that most of the industry is already using; but another thing that the President's commission said was the majority of those members said they oppose this moratorium on drilling, and they did it for a number of reasons, but one of the things they point out that's been interesting and hasn't been talked about in this whole debate is, it's not just all the loss of jobs, because there's a tremendous loss of jobs, over 40,000 good, high-paying jobs in Louisiana alone, and I know in Texas it's an even bigger number.

But they point out, the scientists the President appointed said that it would actually reduce safety in the Gulf of Mexico by having a moratorium. Whereas, the Secretary of the Interior tries to call it a pause, he says, we'll just do a 6-month pause, and if there's some magical pause button you can press and then take your hand off 6-months later and the industry magically reappears. The industry will not magically reappear.

What's already happening today is companies are leaving the Gulf of Mexico to go to foreign countries: Brazil, West Africa, many other nations that are competing for these very scarce resources. You have 33 deep water rigs, many of these are assets of half a billion to a billion dollars each, and their operating costs are half a million dollars a day to a million dollars a day. They can't just afford to sit idle.

So what they're doing is they are starting to lay off employees, starting to move to foreign countries, and what

that does, number one, it makes our country less safe because it reduces America's energy independence. Our demand for oil in this country hasn't dropped, and I want to support all the alternatives in wind and solar and nuclear, everything, all of the above, but in the meantime our demand in this country hasn't dropped for oil. And so as we reduce the supply by maybe 20 percent, that means we're importing more oil from foreign countries who don't like us.

And how does that oil get here? It doesn't magically appear. It has to come in from supertankers and these big barges that bring in the oil, and 70 percent of all spills of oil come from tankers, not from the drilling. So you have actually increased the likelihood of spills.

But the other side of that is why you also reduce safety is your most experienced crews, your most safe and technologically advanced rigs are the ones that leave first. So you lose your rigs, you lose the experience of those 10- to 20-year employees, people that understand drilling better than anybody in the world. They're not going to sit around idle for 6 months collecting unemployment as the President suggested. They're going to go find work somewhere else, maybe they're going to go to these other countries and so we lose all of that experience. And if you then 6 months later remove your hand from some mysterious pause button, you don't have an industry left and we don't have any experience left; and if you start drilling, you're doing it with people without experience, without those new rigs.

So it poses tremendous damage, not only economically for the jobs lost, but it also poses safety challenges and safety problems by having this pause, as the President calls it, on drilling. It's a horrible policy. It is making our country less energy secure, and it's creating a bigger dependence on Middle Eastern oil.

Mr. CULBERSON. If I could, I want to visit with you because you are so knowledgeable about this. The States of Louisiana and Texas, as you know, have played such a vital role in producing oil and gas offshore.

You serve on the Energy and Commerce Committee, and I wanted to ask, isn't it true that the committee, your committee, other committees of Congress, have come to no conclusion as to the cause of this accident, and even though we don't know what caused it yet, the President's imposed a blanket moratorium, shutting down all drilling; is that correct?

Mr. SCALISE. It's correct that there is not a final report. There are a lot of groups out there doing investigations. The Federal Government is, private institutions are, a lot of different investigations are going on as there should be. But we know many of the things

that caused the problems on that rig on the Transocean-BP Horizon, and in fact, they were preventable. And that's the sad part of this is that this was a preventable disaster; and if you look at what the companies do that are in deeper waters, that don't have the safety problems BP had, it's because they do things the right way, a much safer way, and that's what we should be following.

We should go and look to what the President's own safety commission came back with. Unfortunately, the President, when he got that 30-day report back from his scientists and engineers, it didn't give him I guess the results he wanted. It didn't suggest a moratorium, and he just wanted to do one anyway. So he threw away the science and trumped science with politics, and that's a sad state of affairs for our country to be in where we're ignoring science that actually recommends the right way to go for safety, and the President chose a path for a less safe approach that actually throws jobs away and makes our country more dependent on Middle Eastern oil.

Mr. CULBERSON. Which his own commissioned opposed and which flies in the face of the record, tremendous record of safety and cleanliness of producing oil and gas offshore in the gulf. Again 99.99 percent of all the oil and gas produced in offshore waters of the United States have been produced cleanly, safely, even during giant hurricanes, when there were underwater landslides in the gulf. In particular, I remember Hurricane Ivan, which caused underwater landslides and severed oil pipelines underneath the Gulf of Mexico. There were no leaks. They have got a tremendous record of safety because they follow guidelines. All of these rigs as a rule follow the guidelines of the IPAA. The Independent Petroleum Association of America has safety guidelines that are followed by offshore drilling rigs.

□ 1540

They have got a tremendous record of safety. I am not sure of any other energy industry that has got a better safety record than the oil and gas industry, other than perhaps the nuclear industry. This catastrophic tragic accident is one we need to obviously make sure doesn't happen again, but not in such a blanket, destructive way.

Mr. BRADY of Texas. Well, this moratorium's impact on our economy is greater than most imagined. It is not just along the Gulf Coast. But imagine, if you will, you have at this point both the 33 deepwater rigs that are now idle, leaving America, along with our American workers and our American vendors, but in the shallow waters, which has even a more sterling record of safe and secure exploration, which now is also idle because the Interior Department is not providing permitting in

any timely fashion at all. So those rigs are going away, those workers are going away, and that impact is deep.

On any one of those deepwater rigs, you have got at least 1,500 workers tied directly to the rig, Congressman CULBERSON, and more beyond that. Each rig may have 1,000 vendors supplying and servicing it, vendors throughout the United States. I am going to talk about that in a few moments with a map we have here on the floor as well.

These companies are not the big companies. These are family-owned businesses, small and medium-sized businesses. They are already starting to lay off workers. They are already redeploying, as I think Halliburton and Schlumberger, or Halliburton Baker Hughes said they have already been forced to relocate some 4,000 jobs. And offshore development impacts at least 170,000 jobs, all of which are at risk with this moratorium.

As small businesses have told us, who said, I have already laid off 20 percent of my workforce. Next week I lay off 50 percent of my workforce. What small business in America, what industry, can hope to survive without six months of its revenues?

Mr. CULBERSON. That is a key point.

Mr. BRADY of Texas. The answer is none. Maybe the big guys can, but most companies cannot. So at a time when we have almost 10 percent unemployment, people are desperately looking for work, here we have a White House policy that puts at risk 150,000 good-paying American jobs or more that will impact every State in the Nation.

By the way, Congressman CULBERSON, there have been studies that talk about what the impact is in various areas. If you think about it, the average salary in the Gulf of Mexico for petroleum-related workers is almost \$118,000, average annual salary. Some of those are roughnecks, those who may not even have a high school education, who are getting \$70,000, \$80,000 salaries. It is a tough job. It is hard work. But it not only produces fuel to drive America's prosperity, but it gives them an opportunity to raise their family, to live the American dream, to put their kids through college, to own their own home. Those jobs are now at risk.

And who is fighting for them? It seems to me the White House, so far, and I hope it changes, has a deaf ear to these American workers. These are U.S. energy workers. There are more than 2 million of them around America. But with this moratorium, as the rigs leave, as the jobs go, as our vendors and small businesses go as well, many of those are not coming back for years. And with it goes the capital, the funding from companies who have to decide soon whether they put money into exploring in the Gulf of Mexico or

over in Brazil or West Africa or somewhere else around the world.

Also with the rigs and capital and jobs goes our brain power. We worry about a brain drain of America's best and brightest, energy research and workers that will go. And then ultimately when that leaves, the energy headquarters leave as well, which in many communities along the Gulf of Mexico, make up such a big part, good-paying part of our economy.

So this moratorium, the refusal to allow permits, sort of the tin ear on allowing these safe wells to go back to work, is having a devastating impact.

I have invited, and I know you support this, I have invited President Obama to come to Houston, Texas, to meet with our energy workers, those whose jobs have been lost or are at risk. Just as he has visited every State along the Gulf, come to Texas to see the economic spill of his policy, the economic devastation that is beginning, and can be changed and can be averted, not by stopping a well from gushing, but by stopping bad policy, overly broad, that costs U.S. American jobs throughout the country, raises energy prices, makes us more dependent on countries that frankly don't care much for us.

I yield to you, congressman.

Mr. CULBERSON. Congressman BRADY, I know you have seen, as I have, these countries where these rigs are going overseas. The companies themselves also have got high standards. They are going to maintain a safe, clean environment for their workers and produce oil as safely and cleanly as they can.

But common sense tells you, where are they going to have better, cleaner standards for producing oil and gas: In Indonesia, or off the coast of Louisiana and Texas? Where are the standards going to be better to protect the environment: Here in the United States or in a Third World nation where they are not as concerned with protecting the environment as we are here in America?

I had a chance to work on offshore rigs in the summers in college as what is called a mudlogger, sort of a well-side geologist. It was great work. These are great jobs. I had a chance to experience it firsthand and see the level of commitment of these men and now women that work on the rigs and in the offshore industry that know better than anybody how to make sure a well doesn't blow out.

No one has a greater stake in protecting the safety of their workers, in protecting the environment, in producing oil and gas safely and cleanly, than the companies themselves. The liability that they are exposed to is immense. They care deeply about the safety of their workers.

The rigs that I worked on offshore were both jack-up rigs and

semisubmersible rigs. And this was in the late 1970s and 1980s, right before the bottom dropped out and oil got so cheap and a lot of the service companies disappeared because of the price of oil declining so rapidly. But the technology today is so amazing that we are enabled to drill at the depths that the Deepwater Horizon was drilling in, Congressman BRADY.

I have to wonder as a conservative, as a Texan, watching this administration not let any crisis go to waste, and remembering, as I do, Congressman BRADY, when last summer or the summer before the last election, that Speaker PELOSI and this liberal majority had shut down all offshore drilling in the United States.

And you remember when the Congress adjourned in the summer of 2008, KEVIN, I remember you coming on to the House floor with your suitcase. Remember we stayed down here and kept talking to force the Speaker and this liberal majority to lift the moratorium on offshore drilling. We stayed down here and talked to the gallery. We used our social media devices to talk to the country on Twitter and Facebook and Quick.

The country responded. The Nation supports, the Nation understands the importance of producing American oil and gas. The country supports drilling in offshore waters, continues to support drilling in the offshore waters of its United States. Despite this catastrophic, terrible accident, the Nation understands that this is an anomaly, that this is something that does not happen, it has not happened in all the many years that we have been producing oil and gas in the offshore waters of the United States.

And that last summer, that August of 2008, Congressman BRADY, when the House had adjourned and we stayed down here and kept talking, ultimately we forced the leadership of the House to reverse its position and withdraw temporarily their ban on offshore drilling. Yet as soon as this administration actually gets back in place and the first chance they get when they have a catastrophic accident offshore, what do they do, in opposition to the recommendation of their own commission? Without knowing the exact cause of the accident, they impose a blanket moratorium, stopping all drilling.

It literally is as though you stop all airplane flights when a DC-10 falls out of the air in the clear blue sky, a catastrophic, terrible accident. But it is a particular type of aircraft, and you would want to find out what caused that particular type of aircraft to fall out of the sky.

Instead, this administration's knee-jerk reaction, taking advantage of this crisis I believe to achieve their bigger, their long-term goal as liberals to shut off as much domestic oil and gas production and exploration as they can,

they have imposed this moratorium, so destructive, so shortsighted, so damaging, not only to the economy of the Gulf Coast States, Congressman BRADY, but to the Nation, driving up the price of oil and gas, driving up the price of gasoline, driving American jobs overseas, driving these rigs overseas where the wells will be drilled in areas of the world where they do not have the concern, they do not have the restrictions on protecting the environment that we do here in the United States.

□ 1550

The liberals are so obsessed with stopping all drilling in the United States I believe, that's where this moratorium comes from, and we, the American people, understand how shortsighted and how destructive it is.

In fact, one other aspect that we need to be sure to educate people about, Madam Speaker, as a part of the overall policy of this Congress, this liberal majority in Congress, that we talked about earlier today, Congressman BRADY, is the effort of this Congress to prohibit fracturing of formations. There is this general direction of the Obama administration, under the Obama-Pelosi regime, to shut down as much domestic oil and gas production and exploration as they can. They even want to make it illegal to fracture formations, which would devastate the production of natural gas in the United States.

In fact, Congressman BRADY, I see here on the USGS Web site, when you look up how much recoverable oil is available in North Dakota and Montana's Bakken Formation, the U.S. Geological Survey estimates that the Bakken Formation has an estimated 3 to 4 billion barrels, quoting, of undiscovered technically recoverable oil in an area known as the Bakken Formation. Yet if this majority has its way, they would prohibit fracturing thousands of feet deep, far below any fresh drinking water, fracturing those formations and allowing us to get access to that recoverable oil and gas.

This moratorium on offshore drilling is devastating to the gulf, damaging to the Nation, but part of what I see, a larger pattern of behavior by this administration, by this Congress, until we can replace them come January, to shut down all domestic oil and gas exploration.

Is that consistent with what you are seeing and hearing?

Mr. BRADY of Texas. The cost of the drilling moratorium in human lives and jobs, the impact on people's lives and families, is devastating. We face other immediate threats to America's energy future within the next several weeks: The Blowout Prevention Act, through the efforts of Congressman JOE BARTON and others, working with Congressman HENRY WAXMAN and others, I

think has become a more manageable or acceptable bill. A real concern still exists. The Oil Spill Accountability Act, which will stop exploration in America's gulf; energy taxes that will force, or really drive U.S. energy jobs to other countries. All of this will have a huge impact.

Can I talk for a moment, though, about the lives that are already being affected? We know that the lives of those 11 workers that have been lost, praying for their families and their recovery are a top priority for us. Stopping that spill from gushing further. Protecting the beaches and marshes and seabeds and trying to help the gulf States communities recover have to be our priority. The question is, do we make it worse for the gulf by a moratorium? The answer is yes.

Here is the impact on jobs. Just in the short time the moratorium has been in place, I talked about how companies are redeploying thousands of workers to other countries. As National Oceans Industry Association Chairman Burt Adams said, "There is right now no clear path for deepwater exploration companies to follow. Until such a path exists, exploration is at a standstill and more jobs will be lost."

Aker Solutions has workers in Texas now; in Alabama. They have had to refocus their efforts on international projects to compensate for the loss of exploring in the moratorium. Their offshore services work is coming to a halt already. They have about 750 employees in Texas and Alabama, but they are now going elsewhere with their work.

ATP Oil & Gas Corporation, the moratorium caused this company to stop drilling a natural gas development well and release the rig. It went away. The well would have produced 40 million cubic feet of gas daily for America. ATP estimates that they will be penalized about \$30 million because of the moratorium and lose over \$1 million of revenue a day.

Bollinger Shipyards, family-owned and operated since 1946, employs 3,000 American workers. They say, "In the 64 years of our existence, we have never been faced with such an uncertain future. This moratorium has created an environment leaving Bollinger Shipyards no choice but to downsize our company, thereby eliminating good-paying jobs."

Mr. CULBERSON. Where are they located?

Mr. BRADY of Texas. They are in Texas, I believe. It doesn't say so right there, I should say.

CapRock Communications. They will be forced to redeploy personnel to different regions or support them finding some other way. They have over 50 field service and operations personnel supporting clients in the Gulf of Mexico; employ 750 people throughout Houston, Lafayette and New Orleans.

C&C Technologies, they expect to layoff approximately 10 employees to

begin with; will not be hiring the dozen or so workers they expected to hire. So they're laying off workers and we're missing an opportunity to put even more people back to work.

Cobalt International Energy with their exploration, their drilling rigs, services, vessels, tools and people that were contracted to support the drilling programs, all have been released. We talked about the rigs go, the jobs go, the businesses go and the capital leaves America. Cobalt will shift its capital spending program and resources to West Africa, because they have no choice. This White House, this government, is forcing them overseas. Again, as you pointed out, those are not only U.S. energy workers but U.S. energy that's leaving with Cobalt.

Davis-Lynch, Incorporated has locations throughout Lafayette, Houston, Corpus Christi. This moratorium leaves them no alternative other than to implement another reduction in their workforce. They employed over 300 people last year, had to cut 100, were starting to hire people back. Now that is being reversed.

Delmar Systems, operations 100 percent directly related to this, to the deepwater semi-submersibles in the Gulf of Mexico. It will directly affect their ability to operate.

Heerema Marine Contractors, their business future is in a state of uncertainty here in the United States. They employ people in Texas and Louisiana.

I will go on and on here a little later, but the point is these are real American workers. These are real American businesses. Some family-owned, some mid-size, some larger. But the economic devastation. I sometimes wonder, are people as important as turtles and birds? We all love our wildlife and are fighting to protect them, but shouldn't we be fighting to protect American workers and their livelihoods? How about American small businesses and their livelihoods? What about their ability to survive, to employ workers? How about an energy worker who had nothing to do with the BP spill, who no longer has a job, no longer has a future, can't put their kids through college? Mr. President, don't those workers count, too? And why won't you come to Texas and meet with them? Why won't you pay as much attention to them as you do other regions and wildlife? These lives and their livelihoods are at stake. They are already paying a price. They didn't ask for this. The energy industry did not cause this spill. British Petroleum experienced this spill. We ought not punish innocent American workers, communities, our future, force higher energy prices, become more dependent on some of America's worst enemies because of a terrible policy response, moratorium, to what has been an environmental and human tragedy of our own making now, an economic disaster of this government's own making.

I would yield.

Mr. CULBERSON. Congressman BRADY, I couldn't agree with you more. That is so well said. But I wanted to also make the point, Madam Speaker, make sure all Americans listening understand, Congressman BRADY, that this moratorium is not just shutting down deepwater drilling. All of the companies that we have visited with, all of the industries that are involved with drilling and producing, finding, drilling, producing oil and gas in the offshore waters of the United States are telling us that this moratorium has had the effect of shutting down and stopping all permitting in shallow as well as deep water.

Isn't that correct, Congressman BRADY? Talk a little bit about that.

□ 1600

Mr. BRADY of Texas. It is. Well, because they're not permitting. As you know, initially, the moratorium, over the advice of a number of scientists, was extended to both the shallow and deep waters. And then it was lifted in the shallow waters. But no permitting has really—no permit of significance has occurred. So those rigs are idle and going away.

Now the whole moratorium was stayed by the Federal courts and the new moratorium now was put in place. Shallow and deep waters are essentially shut down. And, again, what that means to the rest of America is that workers' jobs are shut down, the ability to provide energy supplies for America is shut down, and our dependence on other countries for our daily energy needs is increased every day because of our wrong-headed government policy.

Mr. CULBERSON. The Obama administration has therefore shut down, Congressman BRADY, all offshore permitting, all offshore drilling in all the continental waters of the United States. That's essentially where we are.

Mr. BRADY of Texas. It is. There is very little activity at all going on.

Mr. CULBERSON. Imagine if you are, Mr. Speaker, a business owner, a banker, someone who wants and needs and is prepared to make a significant investment because these are tremendously expensive operations to drill in either shallow—or in the deep water they're even more expensive—imagine you want to make that investment but you're, A, not sure is the permit deep or shallow. Well, it has now been rewritten by the Obama administration, attempting to circumvent the Federal court's order stopping the moratorium. The administration has simply rewritten their moratorium to bypass the court order.

So if you as a company are trying to make this significant investment, significant amount of money, you have no way of knowing when or if permits are ever going to be issued, what type of

permits are possibly ever going to be issued. They're just going to leave. The money, as Congressman BRADY has said so eloquently, will go overseas. The rigs, the equipment, the jobs, the talent, the skilled American jobs that have worked; people in families generation after generation that have worked in the offshore oil industry in the United States will just leave. They're gone.

Again, I know this firsthand. I've met these men and women. I know how committed they are to finding and producing oil and gas cleanly and safely. And no one has got a bigger stake than they do.

Mr. RANGEL. Might I ask my colleague from Texas whether he could yield to me 5 minutes for the purposes of making a statement?

Mr. BRADY of Texas. Mr. Speaker, I will kindly yield to the gentleman from New York.

Mr. RANGEL. I can't thank you enough, Congressman, for this courtesy that you've extended, especially in view of the great contribution that you make on the committee and in the Congress. And I want to thank you for bringing to attention of the American people the sacrifices that so many are making as a result of the incident that's taking place in the Gulf.

But, Mr. Speaker, I rise to alert the House that, once again, I have introduced legislation to reinstate the draft and to make it permanent during time of war. It is H.R. 5741. And what this does is to make everyone between the ages of 18 and 42, whether they're men or women, whether they're straight or gay, to have the opportunity to defend this great country whenever the President truly believes that our national security is threatened.

During the last few weeks and months, as we have gone through a heat wave in the Northeast, I could not but think of the tens of thousands of Americans that find themselves in the Middle East just hoping and praying that the extent of their inconvenience and suffering was just being in the heat of being back home with their loved ones. And they are so dedicated and there are so few of them that many of them have gone back into combat once, twice, even up to six times. To me, that's asking a whole lot from such a small part of our population. And I truly believe that if people thought for one minute that our Nation was in trouble, that age would not even be a factor in people saying, Count me in, because this great country has been so good to me that whatever we can do, we want to be able to make some type of sacrifice.

And it just seems to me that when Presidents come and say that in their opinion the country has to go or should go, or makes a request to go to war, then ultimately it will be the people of this House and the Senate that will de-

termine whether or not this request is going to be fulfilled. To me, if you're not prepared to put Americans and your kids and grandkids in harm's way, then you have reached a conclusion that the President is wrong and we should not enter this type of a war. If, on the other hand, I am thoroughly convinced that when the American people are persuaded that our great democracy is in danger, that we would not want just a select group of people to be pulled out to over and over and over again put themselves in harm's way.

And so I know the tragedies that have occurred when there's been so many exceptions to the drafts in the past. And for that reason it was not found to be favorable to the average citizen; that if you were in college, if you came from a background, you were excluded from the draft. Well, this is not involved in this in any way. The only exclusions would be those who have mental or physical handicaps or conscientious objectors. Of course, if you're not needed, since it would be an overwhelming number of troops that would be available, then you could in national service be able to provide something in line for the American security.

And so I want to thank the gentleman from Texas for allowing me to interrupt this very informative and educated discussion of the impact of moratoriums and to thank him again for the contribution you make not only to Congress but specifically the Ways and Means Committee.

I yield back any time that I may have.

Mr. BRADY of Texas. Thank you to the gentleman from New York. I appreciate that very much.

Joining us today on this very important topic as we look at the devastating impact of this drilling moratorium on American jobs and energy workers is a Congressman from Humble, Texas, who has taken a lead on a number of key national security interests, especially the border, but lives in a community that's adversely affected.

I yield to the gentleman from Texas (Mr. POE).

Mr. POE of Texas. I thank the gentleman for yielding. We all represent an area of the State of Texas that is dramatically impacted by the oil and gas industry. And having a district on the Gulf Coast representing about 20 percent of the Nation's oil refineries, this is an especially serious incident that has occurred offshore, this BP Deepwater Horizon disaster. No question about it, this problem, this accident has to be solved. I understand within the last hour that the cap that has now been placed on the well by BP is apparently working. Hopefully, it will be working long enough for them to finish drilling the other two wells to solve this problem.

And we always must be mindful of the people that were killed in this tragedy, plus the tremendous damage it has done to certain parts of our environment. But we cannot allow this accident to be an overreaction. And I think the Federal Government has overreacted in this situation.

□ 1610

The deep water in the Gulf of Mexico provides 17.3 percent of the Nation's domestic crude oil, and the Federal Government now has said, No more deepwater drilling until 6 months or when we get back with you. Now, no industry, whether it's a doughnut shop or the oil and gas industry or anybody else, can be shut down for 6 months by the Federal Government and expect to survive.

And these deepwater rigs are not cheap endeavors. They cost \$500,000 a day to drill in the deep water. They're not going to wait 6 months for the Federal Government to make its decision whether they can continue to drill or not. That's why some of them have already left the deep water and gone to friendlier waters where those governments aren't quite as oppressive and prevent deepwater drilling.

Those people who work offshore in the deep water now are unemployed thanks to the Federal Government. It's an overreaction. Now, all of a sudden, 17.3 percent of the Nation's crude oil is gone out of the deep water. To make up for just what is now going to be eliminated in the deep water, it will take 300 tankers a year coming in from those countries in the Middle East to supply or resupply just the difference in the crude oil that we will not obtain from the deep water. And of course those tankers, some of them have had problems of containing that crude oil that is coming all the way from the Middle East. Once again, now we are paying and sending American money overseas, sending jobs somewhere off the coast of Brazil, Africa, and Egypt, and yet it is, in my opinion, an overreaction.

I will give you an example. In 2005, in Texas City, Texas, very near our districts, we had a BP explosion at a refinery. People were killed. In fact, more people were killed then and injured than in this explosion offshore, but we didn't close all of the refineries in the United States. We closed BP's refinery until we found out what the problem was and made sure that they were held accountable for what they did. But we didn't overreact.

I got a letter from a Cajun fellow, a real mad Cajun, from Houma, Louisiana. The Cajun community, as you know, Mr. BRADY, they border our State. We have a lot of Cajuns in our southeast Texas. They come from Louisiana and ours go over there. Anyway, a lot of them work in the oil and gas industry. I want to read a portion of his letter. He wrote it to the President,

but I got a copy of it as well. He runs an offshore drilling related business, and here's what he says.

"I am terribly troubled that after striving to find jobs for Americans, you make a hasty decision to stop drilling for 6 months. Did you stop coal mining after all the incidents they have been having? No. Did you stop the airlines after all the crashes and accidents they have been having? No. Did you shut down the mortgage companies, the banks, and the auto industry after they stole money from those same Americans that invested in them? No. You bailed them out. Now you want to shut down the oil industry for 6 months, which will hurt tens of thousands of workers! I only hope you understand the trickle-down effect this will have on many industries," such as for Timmy Bergeron.

I won't read the rest of the letter. It gets a little more colorful. But it's important that we understand these are real people that are losing their jobs because of this decision.

A Federal judge has said that the Federal Government's decision to stop or to issue a moratorium to stop deepwater drilling—and I quote the Federal judge in issuing an injunction, saying this injunction was wrong. The Federal judge said that the government's decision to stop deepwater drilling was "arbitrary," it was "capricious," it was "unfounded," and it was "punitive"—pretty strong words—because the government couldn't show evidence that stopping the deepwater drilling was necessary because of the accident with BP.

So the Federal Government is still suing the Americans, went and appealed this decision. A three-judge panel ruled that that decision would be upheld. The final decision will be in August. But the Federal Government has had its way because continuing to fight Americans in the courtrooms, prolonging the ultimate decision that will be made by the appellate courts on whether the injunction should be granted to stop the Federal Government's moratorium or not, is such a delay that more of those deepwater rigs will leave.

The people are still unemployed. They need jobs. They want to work offshore. And most of the people in this country, 73 percent of the Nation's population, think we should still continue to drill in the deep water, even in spite of this horrible accident, solve this problem, and allow Americans to continue to work.

With that, I yield back to my friend from Texas (Mr. BRADY).

Mr. BRADY of Texas. Well, I appreciate the gentleman from Texas talking about that gentleman from Houma and about how frustrating it is to see the government ride to the rescue of so many industries and companies and unions and special interests, but when

it comes to just an average U.S. energy worker, they go out of their way to actually kill that job or put that person's livelihood or that small business's livelihood at risk. People may think, Congressman, that this is just one or two States, it doesn't affect us in our community, but nothing could be further from the truth.

The International Association of Drilling Contractors, they surveyed a number of members all throughout the country. They surveyed just nine of their members, nine drilling contractors and one boat company just to ask them, Where are your workers at in America? And just nine companies found workers in almost 300 congressional districts throughout the United States of America. Just these nine companies and one boat company reached through almost 70 percent of U.S. congressional districts. It didn't include tens of thousands of other workers—oil service companies, large and small equipment manufacturers, mom-and-pop operations, oil companies. None of that's included. Just these nine drilling contractors and a boat company, almost 70 percent of the districts in America. You think, well, man, this can't be affecting our neighbors, but it is.

You've got a few examples just from these few companies. You've got wire rope from Missouri and Arkansas that is at risk; workers who build radiators in Minnesota; steel and pipe in Ohio; workers from fabrics and uniform makers in Illinois; those who create protective paints from Missouri; machinery for the offshore oil companies from Michigan; engines from Illinois; corrosion prevention materials from Illinois and Minnesota; Connecticut, workers who make electrical cables; drilling equipment from Illinois; pipe protective chemicals from Ohio; drilling equipment from Kansas; background checks and security services from Wisconsin; safety footwear from Oregon; on and on and on again. These are our neighbors whose jobs are at risk, not because BP didn't follow standard safety practices but because the White House decided these energy jobs weren't worth protecting. They'll bail out the auto unions, but they won't lift a finger to protect these jobs.

These are our people who are researchers and manufacturers. Some of them are roughnecks without a high school education who have the one job in America that allows them to actually raise their family, live the American Dream, and give their kids a college education. And those jobs are disappearing as we speak, and they're not going to come back any time soon. The companies are going. The rigs aren't coming back. The workers aren't coming back. The infrastructure isn't coming back. We become more dependent on foreign oil. Our energy prices for every American will go up. We'll buy

more from companies that detest the United States of America.

That's why we have asked the President, Come to Texas. Come see these drilling workers, these energy workers face to face and tell them why their jobs aren't important, why their livelihoods don't matter, why their small business, family-owned business, it doesn't matter if they go away or not. And these people are from all across all walks of America.

I yield to the gentleman from Texas (Mr. CULBERSON).

Mr. CULBERSON. Congressman BRADY, I also want to say that we have extended an invitation to the President to come to Houston to meet the workers of the Johnson Space Center, where the President's administration has attempted to shut down America's manned space program, similar, as the administrator even admitted in my subcommittee, I asked him, Isn't what the administration is proposing on NASA like privatizing the Navy so that we would have to rent an aircraft carrier, we'd have to rent spacecraft?

It looks to me, Congressman BRADY, that map you've got down there that you're showing us, I see a striking parallel there, Congressman POE, that jobs affected by the President's attempt to shut down the manned space program—which, thankfully, Congress has rejected. And I want to thank the chairmen of the committees because we are going to get legislation to build a heavy-lift vehicle and manned capsule. Congress rejected the President's unwise strategy. We need to reject this unwise moratorium.

□ 1620

But looks like the attempt to shut down the manned space program affected jobs in those same areas. To shut down the oil and gas industry affects jobs in those same areas. The attempt to cap and tax energy production in the United States devastating the American energy industry affects jobs in those same areas. I think all those areas are Republican. Aren't all those States in those areas pretty strongly Republicans? Certainly there's no correlation there, is there? Looks to me like there might be a pattern.

As Congressman BRADY correctly points out, this administration's quick to bail out their buddies in the unions, but slow to protect American jobs that enhance this Nation's security, that enhance our prosperity. This moratorium is an outrage and we need to stop it. I thank you, Congressman BRADY, for giving us this time on the floor to talk about it.

Mr. BRADY of Texas. Well, thank you to the gentleman from Houston.

I'd like to turn to the gentleman from Humble. You're seeing this. You have communities that stretch from the suburbs of Houston over to south-

east Texas, which has some of the highest unemployment rates in the State of Texas. These are the workers tied to these companies. You know them. You visited with them. You've had town hall meetings; they're neighbors.

Can you describe how disheartening this is for these workers who had nothing to do with the spill to have their jobs at risk and their livelihoods at risk?

Mr. POE of Texas. I thank the gentleman for yielding. As you know, Mr. BRADY, Port Arthur, especially Port Arthur, Texas, is a refinery town; but it has high unemployment. The whole area has high unemployment for a lot of reasons. One reason, of course, is we've been hit by numerous hurricanes. Just since I've been in office, we've had Katrina, Rita, Hubert, Gustav and Ike all come through my congressional district and your congressional district. Because of that, it's affected the economy. And now these workers are trying to get back to work. Many of them work offshore, and then they work onshore in oil-related industries.

But the effect of the shutdown in the deep water causes economic hardship, not just on the workers on those platforms, but for the people on shore that supply parts and maintenance and other industries, other commodities to those people who work offshore. And so we don't know yet how many thousands or hundreds of thousands of jobs would be lost because of this.

But one thing that we also need to understand is the loss of energy, the lack of having crude oil that we were producing in the deep water; 17 percent of the Nation's domestic crude oil production comes from deep water. That is now going to be gone, and we'll have to make that up some other way. So we should expect gasoline prices to rise, probably in 2 years, maybe less because of that.

And I think it's imperative that we understand that the folks that are affected want to continue to work. They want to continue to work offshore. They want to continue to work safely. And they don't want the Federal Government putting them out of work. And that's exactly what happened. The Federal Government has shut them down, has sent their jobs overseas.

Mr. BRADY of Texas. Well, if the gentleman would yield, can we talk a little more about how the loss of energy in America from this moratorium drives up fuel prices, makes us more dependent? Because I don't think most people realize, as you said, the Gulf of Mexico is a key generator of oil and natural gas for America. But it actually is very key to keeping OPEC from controlling energy prices throughout the world.

OPEC controls about 40 percent of the world's oil supply. And what happens is, when what we need as the world gets to about within 2 to 3 per-

cent of everything that's produced, OPEC then has amazing leverage to drive those prices up for American families and workers. The Gulf of Mexico is our relief valve. That's where we produce energy and gas here in America. But because we have that producing, OPEC doesn't have the leverage that it historically has.

But with this moratorium, as you said, the energy supply isn't today. The shortage is in 2011 and 2012, which we know from the last time. When energy went to \$4 a gallon, we saw the devastating impact on American energy, American prosperity, our economy and jobs. Man, the average families and small businesses just suffered. We're going to see more of that in the future.

Mr. POE of Texas. Will the gentleman yield?

That's exactly what will occur is not only energy costs, but we also must remember that this deepwater drilling and the crude oil that comes from the deep water produces millions of other products besides just fuel. All of the plastics, many of our technology comes from some base of crude oil. And all of that is affected, and the costs of all those items that are produced in our refineries and petrochemical plants will be affected because of this arbitrary, capricious, and punitive decision to just stop deepwater drilling.

I would hope the administration would re-evaluate their position, quit suing Americans, get out of the courtroom and get down on the Gulf of Mexico and fix this problem and let people go back to work.

I yield back.

Mr. BRADY of Texas. I appreciate the gentleman from Humble and his remarks that are right on target. I have some closing remarks, but I'd like the gentleman from Houston to conclude.

Mr. CULBERSON. Mr. BRADY, I just want to join you and Congressman POE in inviting the President to come to Houston. Come meet, firsthand, these people, these fine men and women who are so committed to finding and producing American oil and gas cleanly and safely. These are our neighbors and friends, Congressman BRADY and Congressman POE, who we live with, alongside, have picnics with. These are good people. We all know how committed they are to this Nation and to finding American oil and gas cleanly and safely.

Come to Houston, President Obama. Meet them firsthand. See how much pride they take in their work, how much pride they take in their country, and how valuable and important their role is in this Nation's economy.

I yield back.

Mr. BRADY of Texas. Well, thank you.

And in conclusion, let me just say, these are not Republican workers. These aren't Democrat workers, these aren't Libertarian workers, these

aren't tea party workers. They're just American workers. These are their jobs. These are their hopes, their dreams, and they didn't do anything wrong. They've paid for the bailouts of other industries. They're not asking for that. They just want to go back to work on the rig that's been safe.

Historically, these energy workers, 50,000 wells in the gulf, this is the first accident. It wasn't their fault. You don't ground them all because of it.

Yet, their lives are at stake. And our energy prices, our energy independence, revenue to our State and Federal Government, small businesses who will never survive this moratorium ever if it goes the full 6 months, did nothing wrong, whose reach is all throughout the United States of America.

We have a lot at stake here. We are asking Republicans and Democrats in Congress to join us in asking the President to end this moratorium. Accept, adopt the safe practices, the newest, the safest practices proposed by experts in the industry. Allow this safe drilling to go forward. Stop sending our rigs overseas. Stop sending our jobs overseas. Stop sending our service companies overseas, our capital, our best and brightest minds, and ultimately our headquarters.

Keep America going on the path of energy independence. But don't hurt these 2 million workers who are tied to this important industry.

With that, I appreciate Congressman CULBERSON, Congressman POE, being here tonight, as well as Congressman SCALISE.

These are jobs. Put our American energy workers back to work.

□ 1630

THE GOVERNMENT IS BUYING TOO MUCH LAND

The SPEAKER pro tempore (Mr. KISSELL). Under the Speaker's announced policy of January 6, 2009, the gentleman from Texas (Mr. GOHMERT) is recognized for 60 minutes.

Mr. GOHMERT. Mr. Speaker, again it's certainly a privilege to get to speak in this hallowed hall, where so many courageous decisions have been made, and also so many ill-begotten decisions have been made.

Speaking of which, today in our Natural Resources Committee we voted a bill out of committee to deal with the disaster in the Gulf of Mexico, disastrous oil spill that hopefully, maybe, prayerfully, maybe, they have gotten the cap on things and are going to be able to stop the oil from destroying lives and livelihoods.

But our bill did some amazing things. For example, the bill we passed in committee—should be coming to the floor now for a vote for the whole Congress—provided \$900 million a year for the next 30 years, through 2040, to buy

more land for the Federal Government to sit on. Now, it was pointed out that actually we already own so much land, we have so many Federal parks, national parks that we can't take care of them, and we are not taking care of them.

There is a report that indicated that just in maintenance alone we are \$3.7 billion behind on just doing necessary maintenance to keep the Federal parks from falling apart. And we are not taking care of that. And here we voted \$27 billion to buy more land for the Federal Government to sit on. And it's important to understand when the Federal Government buys any land at all, that land is immediately taken off of the tax rolls. And the schools, the local governments, the State governments are prohibited from taxing that land. So that land that has brought so much revenue in taxes to those schools, hired teachers, all that kind of thing, hired local servants, it goes away.

And there for a while when this started 100 years-plus ago, old people were assured locally, well, don't worry, though, like if we take timberland, we will sell timber, and we will give you a cut of the proceeds. Well, that's gone away. So the Federal Government takes land and the local folks get nothing.

Some say, oh, no, but it creates green jobs. Right. And just like Spain has found this year, as the report of the country that this administration and this majority has said repeatedly we want to emulate because they have moved toward a green economy, Spain has found that for every one green job that's been created they lost two jobs. And I am tired of looking into the faces of people who have lost their jobs due to no fault of their own, but due to terrible decisions by the public servants that were elected to come here to Washington and not meddle, not take over the country, but just to make sure there was a level playing field, people had an opportunity, not happiness, but the opportunity to pursue happiness. And what we find repeatedly is when this government, when any government weighs in and steps in and buys or takes over land, money, property, it doesn't really leave anybody happy.

So, I got a little chart here we put together yesterday that shows where we have been on money that was appropriated in the budget, been appropriated to buy land. You've got over \$100 million here, not quite \$150 million in 2008, and that was with this majority. This majority took over in 2007, 2008, and they had already gone many times from where we were in 2004, 2005, 2006, 2007. By 2008, the majority started just going many times over. That's how we got over \$100 million to buy land in 2008. And then the same majority in 2009 kicked it up quite a bit more over the \$150 million mark. 2010, this year, we are approaching nearly \$300

million to buy more land for the Federal Government to sit on. And in this bill that passed committee today, there is this provision for \$900 million. Why don't we just call it a billion? You know, you are that close. Doesn't seem like \$100 million means that much to this administration. But it's \$900 million a year for the next 30 years to buy more land.

I had such great hopes. We were hearing responsible economists telling us, you know, there is a way out of this runaway deficit. Now, \$1.5 trillion in 1 year, you know, it took the Bush administration a number of years to do that. And here, boom, 1 year we got it done here with this majority and this administration.

But economists have said, you know, get responsible. Quit frittering away money like it was no issue, like it's growing on trees, because it's growing off of China, and they're saying they about got enough. And we are printing it. Got printing presses running like crazy printing it. We will eventually pay for that with inflation. So the vote today was as if we got all the money in the world. Why not just buy more land?

And what we heard from people who live in the Western half of the country was, you've already taken so much of our State, why do you have to keep taking more and more? One Congressman from Utah, ROB BISHOP, had offered a verbal proposal: How about, if you're so inclined to spend that much money, how about if we just say, okay, we will only buy land from now on from States in which the Federal Government owns less than 20 percent of the State? Because when you look at the Western United States, the red represents land owned by the Federal Government, you begin to understand why people in the West are saying haven't you taken enough of our land?

This country didn't start out owning all the land. And as we've seen over and over, we're not taking care of what we've got. And we've got people who have lost their jobs, and yet last summer we passed a bill for \$700 million to buy wild horses more habitat because there had been a bill before that that this majority passed that said you can't do anything about the overgrowing population of wild horses on Federal land. You can't use birth control, you can't sell them off in auctions. So they have proliferated.

And at a time when Americans are being thrown out of their homes in record numbers this year, foreclosures are up higher than ever before, bankruptcies continue to be filed, the folks in charge decide, you know what, let's take care of the wild horses. They matter more to us than all these people getting thrown out of their homes and losing their livelihoods. That's more important.

We have lost our priorities. And I understand it didn't just start in the last

year-and-a-half. The President I admire greatly, who is smarter than most people give him credit for, a good man, he listened to maybe the worst Secretary of the Treasury we've ever had, Hank Paulson, as he ran around like Chicken Little saying the financial sky was falling, but give me \$700 billion and I can go make my friends rich, and I can fix everything. So Goldman Sachs didn't suffer, AIG didn't suffer. And the American people are suffering.

□ 1640

And I know I've heard people on the other side of the aisle, including this week, talking about, you know, all the rich, fat-cat Republicans, yet if you look at the truth—which is a good thing to look at time to time—you look at the truth and you find out that Wall Street families give to Democrats four times as much as they give to Republicans. You look at BP and you wonder why it took the Federal Government to intervene and call their hand? And they really haven't completely yet. And then you find out they gave much more to this administration than they did to the McCain campaign. They got heavy on Democratic lobbyists from administrations that were Democratic. They'd signed on to the crap-and-trade bill. We're pushing that to be passed.

So this administration, this majority didn't want to buck their good friend that was going to help them push through some things that were not going to help America even though they were going to help BP get richer. So they hated to call their hand, and that's why it took so long. And we're fixing it by buying more land for the Federal Government. How in the world that makes sense.

Now, we also had the committee vote against my amendment that was very important, protecting our homeland. My amendment to the bill was very simple, and it arose out of finding out during hearings that there was only one entity within the Mines and Minerals Management Service that was allowed to be unionized, and that was the offshore inspectors. Unionized. Well, union contracts usually have restrictions on travel, restrictions on how much that can be worked, things like that. And it reminded me a great deal of the job of sentry. And in mock war games when I was in the Army, I sat sentry. I wasn't about to go to sleep, be court-martialed for that, at least an article 15 punishment because you're it. You're the protection for the rest of the people there. You're supposed to be standing guard. That's what our offshore inspectors are. And they're unionized.

And we were told by the Director of MMS that the real check of how we can be so sure that they're doing their job, we send them out in pairs. And we found out the last pair of offshore in-

spectors that went to the Deepwater Horizon rig before it blew was a father-and-son team. Yeah. So much for checks and balances. But that's what we got.

So my amendment just said for people who are offshore, deepwater rig inspectors, you can't strike and you can't threaten to strike. Just like if you're in the military, you can't go on strike. You're protecting the country. Our offshore inspectors are what stand between our homeland and environmental disaster and the loss of lives as we had on the Deepwater Horizon rig. And all but one Democrat voted against my amendment, so our offshore inspectors can strike, can get out there on a rig and say, "You know what? I'm what stands between our homeland and disaster, and either you give me what I want or I'm going on strike and you'll have no protection. And who knows, you may have another Deepwater Horizon happen because I'm not checking anything."

If you've got a problem with your contract, then get your Congress, get others to help if you're working for the Federal Government. But if you're not working for the Federal Government as a government employee and yet at the same time you are the protection for a country, you shouldn't be able to strike. And in this case, even though MMS had become basically, we're told, a stagnant pond that stunk it up because of the cozy relationship between the people that worked there and Big Oil, it had to be divided into three parts.

Well, we haven't found out how it's going to work out. I tried to find out what else was going to be unionized once it was split into three parts, was told they didn't know, didn't know how exactly it was going to come out. But from east Texas, we often find if you want to fix a stagnant, stinking pond, it doesn't help if you just divide it up into three parts. You've got to do something to fix it, and we haven't seen that happen.

And, in fact, when we found out that a person involved in the leases that may have critical testimony as to why the price adjustment language was pulled out of the 1998-1999 leases that have now cost the Federal Treasury billions of dollars—1998-1999, under the Clinton administration. You want to know why they pulled that language out? It made billions extra for the oil companies, but it cost our treasury billions, because that language is normally in there.

Why did they dictate that it be pulled out? And I was told at a hearing by the Inspector General, well, I wasn't able to talk to people that were critical into finding out why they pulled that language out because they've left government service. When the Clinton administration left, they left. And then after hearing President Obama talk

about the cozy relationship between the people in the government managing minerals and Big Oil, I had a hunch and checked. And sure enough, that person, one of the people I was told had been involved and had direct knowledge about the language being pulled that cost us so many billions of dollars, made it for companies like BP, found out she'd gone to work for British Petroleum when she left the Clinton administration. And in June of last year, she came back to work for the same people that managed the affairs of British Petroleum offshore.

Yep, the President knew what he was talking about. He has helped create a cozy relationship between those who were supposed to keep Big Oil honest and Big Oil.

And we find out BP had 800 or so safety violations. And this administration dealt with those in a strong way—by giving them a safety award for a wonderful safety record. And yet they were apparently the only company that had that horrible safety record when compared with Exxon and others that had one or zero violations.

You wonder why was BP entitled to a safety award, and then you find out who they gave most of their contributions to in the election. You find out they were going to support bills that the administration wanted pushed through when other big oil companies would not. So you begin to understand. They felt bullet proof. They felt like they had such good friends in the administration and in the majority that certainly nobody would ever throw them under the bus. Well, guess what? When the public heat got hot enough, they got thrown under the bus.

And how did we deal with it today? We passed a bill through committee to appropriate \$900 million a year for the next 30 years to buy more Federal land. I haven't figured out how that solves the problem in the gulf. And, in fact, it creates a worse problem because, as we've already seen from this administration, they do not like to lease land for drilling.

And, in fact, in the prior administration, 7 years before this administration took office, a leasing process was begun to lease land in the Utah, Wyoming, Colorado area. And it took 7 years to get to the point that companies would be in a position to make a knowing bid, and the bid could be chosen, the high bid, for the lease. Those leases, after that 7 years, were let at the end of 2008. Immediately, Secretary Salazar came in and ordered that the checks not be cashed and then ordered that they be returned, that he was not going to allow the leases that took 7 years to come into being to exist because they were done at, in his words, the midnight hour.

□ 1650

For 7 years, he calls it the midnight hour, as the Bush administration left.

So there went one source of oil that was going to help eliminate the need for deepwater drilling, and we've seen that happening over and over.

Last year, as I understand, the second most rich deposit of uranium was declared off limits. It came through our committee. That was a bill we voted out to put our second best source of uranium off limits, and that all at a time when we're trying to figure out ways how to get off carbon-based fuels, and nuclear should be one of those ways that we utilize, especially when you find out, as we have in our committee, that 90 percent of our uranium we're using in our nuclear plants right now is imported, and yet we have uranium that could be used for that.

God has so richly blessed this country with resources, when you take them all into consideration, like no nation in the world. When you look at all the natural resources that would produce energy, nobody comes close to this little country where we've had until more recently an experiment, as the Founders called it, in a democratic Republic, in an elected representative government.

We appropriated \$900 million a year for the next 30 years to buy land to put more of it off limits. You know, we heard when gasoline went to \$4 a gallon that actually there is land about 500 square miles in this country where within a 500-square-mile area, from the thicker tar sands, if oil is \$80 a barrel, they can do it and be able to make money, produce maybe 1 trillion barrels of oil. We've also heard in the entire Middle East there may only be 1 to 3 trillion barrels of oil; and yet, since then, we've heard there may be 3 to 5 trillion barrels of oil in that same area, as long as oil is \$80 a barrel or higher.

When you start realizing that, you go Why are we not like 90 percent effective in providing all our own energy? Why do we continue to fund people that hate us like Chavez and countries in the Middle East who are harboring terrorists and in which terrorists are farm fed and farm grown.

I mentioned yesterday here on the floor about Yemen. I just wonder how many New Englanders, how many people who live in Boston know that this year for the first time they've gotten rid of their contract for liquid natural gas, liquefied natural gas from areas that are very friendly to us, some in the Caribbean. That's been done away with, and now the contract for the next 20 years is with Yemen. Now, I know they're nice folks. I've met some nice folks from Yemen, but they also happen to harbor terrorists; and when people from Guantanamo were released to Yemen, they ended up getting away and those terrorists are at large, maybe back here in the United States now.

Another thing, of course, that occurred today, in addition to this mas-

sive appropriation that came out of committee, we find out the Senate has voted to send the so-called financial reform bill to the President for signature to come into law. Breaks my heart. Now, there's some things in there that are good reform rules and changes that needed to be done, but there are also poison pills in that bill.

For example, the systemic risk council in which we have some Federal, unelected, unconfirmed by anybody in Congress bureaucrats who are going to decide what businesses they deem to be a systemic risk and, therefore, businesses that the Federal Government will never let fail.

What happened to America? We used to be the land of the free. When the government gets to pick and choose, we're going to let your business be the one that lives because nobody can compete effectively with a business that can run in the red because they know the government will not let them fail because other businesses can't run in the red. They have to declare bankruptcy. So what used to be the land of the free has become the land of the government's hand-picked winners and hand-picked losers. We're not going to allow the opportunity to sink or swim as God as given us, as we've been endowed with by our Creator, because our government has now come to the point where it's decided we're not going to let you decide who wins by how hard you work and how smart you work; we are going to pick winners and losers with our systemic risk council.

There are things in there, once again, they're going to cripple community banks who have suffered enough because of the greed, in some cases avarice, displayed in some of the investment banks. It nearly brought the finances to a standstill. Community banks have just been lumped in with them, and they've been hurt by the regulators and it is tragic.

So much for the financial reform bill because it deforms the market that used to exist, and this government has gotten so busy picking winners and losers and meddling and telling car makers what kind of cars to make and exactly what they've got to do to make them, how to make them, what they can do to make them, and how they got to be when they're finished. We've gotten so busy into the minutia of things that we shouldn't be involved in that the government—we haven't done our jobs, because if we had there would never have been somebody that was able to bilk people out of \$50 billion of their life savings so they could squander it on himself. There were plenty of red flags that went up, but we were too busy as a government meddling to actually do the job to make sure everyone has a level playing field, everybody has an opportunity and people are playing fair, and when they're not playing fairly we punish them.

That's what government is supposed to do; and if as the Founders you look at Romans 13:1-4, you see that as the Founders believed, government's ordained by God. And if you believe as philosophers have pointed out that a democracy ensures that a people are governed no better than they deserve, then you see that we get what we deserve.

So for generations they have been deserving of more opportunity than the last generation before them, and now we come to a place where 70 percent of adults in America when polled say they don't believe their children will have as good a life, as good opportunities as they've had. That has never been the case in American history that a majority of Americans would say that. We've lost our way.

But if you're concerned about the detainees in Guantanamo, there's good news. We've been releasing detainees. And this is a report from this year: it's believed that roughly 20 percent of the 560 detainees released from Guantanamo are back on the terror front lines.

□ 1700

Interesting, huh?

But I really like this story about Abdullah Massoud. He came to Guantanamo, as the House panel was told previously, he came to us without one leg from about the knee down, and we fitted him with a prosthetic leg before he left while he was in U.S. custody. So the leg, this report indicates, the artificial limb cost American taxpayers between \$50,000 and \$75,000. But it was nowhere to be found after Massoud had directed a homicide attack that killed 31 people, and then two months later blew himself up to avoid capture. Now, that was in 2005 that he had been released and did that, so you would think that a smart administration would come in and learn from mistakes of prior administrations.

We heard friends across the aisle over here say over and over, you got to stop deficit spending, and our friends across the aisle won the majority in 2006 for that very reason. Republicans were deficit spending. Now by a margin of about 8 to 1 or 10 to 1 that has been increased in deficit spending for one year. Extraordinary.

Well, then we get back to the issue of morality, because this is what it all comes back to. As Chuck Colson said previously, when you demand the morals of Woodstock, you are going to have to expect some Columbines.

Think about it. When the morality that is demanded by those in charge is one that says if it feels good, do it, then somewhere you are going to have some nut that thinks it might be interesting to find out how it feels to kill people. It might feel good, so let's do it. You can't demand the morality of Woodstock and not expect some terrible tragedies to be wrought from that.

That can also be pointed in the direction of the loss of life of the unborn. We used to talk in terms of over 40 million abortions. Now we are talking about over 50 million abortions.

So we have got to get back to a morality that recognizes there is something more important than ourselves, and it is not the government. It is that we have been endowed by our Creator with certain inalienable rights, and among those are life, liberty, and the pursuit of happiness, and unless we are willing to fight for our endowment, to fight for our inheritance, then, as so many generations, so many countries before us, we lose that for which so many paid the ultimate price. We have an obligation as a government to protect those who have entrusted us with this responsibility.

When I was a judge, one of the jobs was to qualify people for jury duty for anything from significant civil cases to capital murder cases. There were some disqualifications listed in statute, and many times, thank goodness, not that often, but over my 10 years I would have people come in and say, I won't be able to be qualified to be on a jury because I am a Christian, and I am not supposed to judge lest I be judged, and I am supposed to turn the other cheek.

What they didn't understand is, and I never sought to use my position to force my beliefs on someone else, but if they would read their scripture more carefully, they would find out as individuals, we are to forgive and turn the other cheek, but the government is given the responsibility that no individual has.

As Romans talks about, God has given the sword, and the government is his minister to punish evil. And if you do evil, be afraid, because that sword is not given in vain.

You have to understand our history, and that is where maybe we begin to fall down, when people didn't learn our history, and they didn't find out that the Founders were so excited, 1775, 1776, especially around the time of the Declaration, July 4, 1776, because they said we have within our grasp something that philosophers have only dreamed about. We have the chance to govern ourselves.

In England they had a parliament, but the king could throw them out at any time, and did. This was going to be a nation for the first time not like Rome, where there was a Caesar, but where people would govern themselves. And that sword would be given not to a Caesar, not to a king, not to a duke, but to the people, we the people.

So a method of government was set up such that the people as the government would hire servants to come in and do what they hired them to do, and if they didn't do what they were hired to do and said they would do, were told to do, then they could be fired and replaced by other servants, public serv-

ants, to do what the government, the people, we the people, said must be done.

So when citizens of this country, these United States, are called for jury duty and they refuse to serve and they try to do so on the basis of saying, well, I am a Christian, then they have rejected Romans, they have rejected teaching in both the Old and New Testament, they have rejected the sword, the power that was ordained and put in their hand, and said I am not going to do my job. I reject the power that God has placed at my disposal to protect my country.

And when people don't go out and vote, it is the same thing. They are rejecting the power that was put in their hand to govern this country. And when they don't support good candidates, they are rejecting the power that was put in their hands to hire their own servants to carry out their will. And when they don't run for office when they feel that calling to do so, the same thing. They can't say they are an obedient Christian, the way I read scripture and the way so many before us in the founding of this country read it, if they are willing to walk away from that power that is put in their hand to govern this country by hiring servants and firing servants when they don't do their jobs.

Now, I have been told by my staff, you have to be careful talking about those things, because you have an election every 2 years. Somebody could come in and say, okay, I am using your words against you. The people have the right to hire and fire, and so I am saying it is time to fire you.

Well, I am not afraid of that, because I believe I am doing what my district hired me to do. I serve at their pleasure and at their will, and if they say I am not doing the proper job because I believe in this little experiment in elected representative government, this incredible gift that this Nation was given so long ago and has fought to keep ever since, I believe in it to the point where, yes, it will hurt to be defeated, it will hurt your pride. But I can also say thank the Lord, I know there is something else for me to do.

The people, for good, for bad, in a democracy, get the government they deserve. And I think it is too important that people understand that to worry about somebody using my own words against me. Come on and use them, and I will run on my record.

□ 1710

Speaking of the record, we were talking about Guantanamo and people—detainees—that have been released. This article was incredibly good news. The headline in the New York Times said, "Five Charged in 9/11 Attacks Seek to Plead Guilty." Hallelujah. What great news that is.

From Guantanamo Bay, Cuba. "The five Guantanamo detainees charged

with coordinating the September 11th attacks told a military judge on Monday that they wanted to confess in full, a move that seemed to challenge the government to put them to death. That is such great news. Such great news.

Unfortunately, that was on December 9, 2008, December 9, 2008, the five people alive still most responsible for the killing—the wanton, lustful, murderous killing—of over 3,000 people in New York City and in the Pentagon were ready to plead guilty, and this administration came in and snatched defeat for justice from the jaws of victory. It just seems like somebody owes an apology to the victims' families from 9/11 for taking a victory and justice being done and throwing it away, costing millions—some project hundreds of millions, maybe billions—to try these terrorists who, 2 years ago, were ready to plead guilty, and now, with the encouragement of this administration, are ready to play games. Very tragic.

As the last minutes come to an end for this session of Congress, for today, which will be the last for this week, I want to close as I try to normally do by pointing to some history so that, Mr. Speaker, people will understand where we came from. There is no way to really chart a good path of where you're going in the future unless you honestly know where you've been without it being a deception.

There are those who continue to say that George Washington was not a religious man, that he was a deist, didn't really believe in religion, didn't practice religion; and those are great lies. Anyone can go read the huge book George Washington's Sacred Fire written by the same guy that wrote this, Peter Lillback, over in Philadelphia.

Here is a letter, text written by the moderator of the Presbyterian General Assembly, Rev. John Rodgers, in his correspondence with Washington during the war about giving away Bibles to the American troops. The Presbyterians as a group wrote:

"We adore Almighty God, the author of every perfect gift, who hath endued you"—talking about George Washington—"with such a rare and happy assemblage of talents as hath rendered you equally necessary to your country in war and in peace; the influence of your personal character moderates the divisions of political parties."

He had such integrity and character that it moderated through all the squabbles between the parties. They say on further:

"A steady, uniform, avowed friend of the Christian religion, who has commenced his administration in rational and exalted sentiments of piety, and who in his private conduct adorns the doctrines of the Gospel of Christ." That's not a deist.

But, anyway, the letter says Washington "adorns the doctrines of the

Gospel of Christ, and on the most public and solemn occasions devoutly acknowledges the government of divine Providence." That's where we came from. They recognized his character. I read yesterday where Washington's own order said that there could be no higher compliment to the soldiers than that they put on Christian qualities, the qualities of a Christian.

In June of 1985 in a decision, *Wallace v. Jaffree*, unfortunately it was in dissent, but William Rehnquist pointed out the deception that was being talked about by Lillback in the Wall of Misconception, and these are Rehnquist's words:

"The wall of separation between church and state is a metaphor based on bad history, a metaphor which has proved useless as a guide to judging. It should be frankly and explicitly abandoned."

And in the Supreme Court decision, *Lynch v. Donnelly*, the decision itself actually said:

"The Constitution does not require complete separation of church and state. It affirmatively mandates accommodation, not mere tolerance, of all religions, and forbids hostility toward any." And yet we find today as we dealt with hate crime issues, the only group which it is becoming lawful and unfortunate to show prejudice against are Christians. The same people our Founders kept talking about.

Patrick Henry correctly warned future Americans the following:

"Bad men cannot make good citizens. It is impossible that a nation of infidels or idolators should be a nation of free men. It is when a people forget God that tyrants forge their chains."

John Adams wrote, August 28, 1811:

"Religion and virtue are the only foundations, not only of republicanism"—and that doesn't mean our Republican Party at all; it means the system where we have elected Representatives—"they are the foundations not only of republicanism and of all free government, but of social felicity under all governments and in all the combinations of human society." This is just so important that people understand these things.

Harry Truman stated this:

"The fundamental basis of this nation's laws was given to Moses on the Mount." And isn't it ironic, when this Hall of Representatives was built and decorated, above every door up in the gallery is a profile of all of those that our predecessors believed were the greatest lawgivers of all time. The greatest.

Hammurabi. Some say, why is Napoleon up there? The Napoleonic Code. The Justinian Code, of course. But in the middle is the only face that's not a side profile and that is because he was considered to be the greatest lawgiver of all time. As it says under his face, Moses. That's the Moses Truman was talking about.

Truman goes on:

"The fundamental basis of our Bill of Rights comes from the teachings we get from Exodus and St. Matthew, from Isaiah and St. Paul. I don't think we emphasize that enough these days. If we don't have a proper fundamental moral background, we will finally end up with a totalitarian government which does not believe in rights for anybody except the State."

John F. Kennedy said, "The rights of man come not from the generosity of the state but from the hand of God."

Supreme Court Justice Douglas remarked, "We are a religious people whose institutions presuppose a Supreme Being."

James Madison said in November of 1825:

"The belief in a God all powerful, wise and good is so essential to the moral order of the world and to the happiness of man, that arguments which enforce it cannot be drawn from too many sources nor adapted with too much solicitude to the different characters and capacities to be impressed with it."

□ 1720

Our history is so full of such incredible quotes. But those words that are carved into the Jefferson Memorial, so powerful, are these: "God who gave us life gave us liberty. And can the liberties of a Nation be thought secure when we have removed from their only firm basis, a conviction in the minds of the people that these liberties are of the gift of God? That they are not to be violated but with His wrath? Indeed, I tremble for my country when I reflect that God is just; that His justice cannot sleep forever."

That's why we begin every session every day in this Congress with prayer led by a minister from that podium, going back to the unanimous motion by Benjamin Franklin, that unless the Lord build a house, they labor in vain that build it. If we have the morals of Woodstock, we can expect more tragedies. We can expect more greed and more avarice, more lawlessness, and more rights to be usurped by the servants that were elected and selected and hired. And we owe the future generations so much better than that.

With that, Mr. Speaker, I yield back the balance of my time.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. JACKSON LEE of Texas) to revise and extend their remarks and include extraneous material:)

Mr. HOYER, for 5 minutes, today.

Mr. RANGEL, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. HONDA, for 5 minutes, today.

Mr. POLIS, for 5 minutes, today.

Ms. JACKSON LEE of Texas, for 5 minutes, today.

(The following Members (at the request of Mr. POE of Texas) to revise and extend their remarks and include extraneous material:)

Mr. MORAN of Kansas, for 5 minutes, July 21 and 22.

Mr. POE of Texas, for 5 minutes, July 22.

Mr. JONES, for 5 minutes, July 22.

Mr. BURTON of Indiana, for 5 minutes, July 19, 20, 21, and 22.

ENROLLED BILLS SIGNED

Lorraine C. Miller, Clerk of the House, reported and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 689. An act to interchange the administrative jurisdiction of certain Federal lands between the Forest Service and the Bureau of Land Management, and for other purposes.

H.R. 3360. An act to amend title 46, United States Code, to establish requirements to ensure the security and safety of passengers and crew on cruise vessels, and for other purposes.

H.R. 4173. An act to promote the financial stability of the United States by improving accountability and transparency in the financial system, to end "too big to fail", to protect the American taxpayer by ending bailouts, to protect consumers from abusive financial services practices, and for other purposes.

H.R. 4840. An act to designate the facility of the United States Postal Service located at 1981 Cleveland Avenue in Columbus, Ohio, as the "Clarence D. Lumpkin Post Office".

H.R. 5502. An act to amend the effective date of the gift card provisions of the Credit Card Accountability Responsibility and Disclosure Act of 2009.

ADJOURNMENT

Mr. GOHMERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 22 minutes p.m.), under its previous order, the House adjourned until Monday, July 19, 2010, at 12:30 p.m., for morning-hour debate.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XIV, executive communications were taken from the Speaker's table and referred as follows:

8341. A letter from the Under Secretary, Department of Defense, transmitting a report of two violations of the Antideficiency Act, Case Numbers 06-03 and 07-03, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

8342. A letter from the Secretary, Judicial Conference of the United States, transmitting request to be included in any Southwest

border supplemental appropriation; to the Committee on Appropriations.

8343. A communication from the President of the United States, transmitting A Request For Budget Amendments For Fiscal Year 2010 proposals in the Fiscal Year 2011 Budget for the Department of Commerce; (H. Doc. No. 111—133); to the Committee on Appropriations and ordered to be printed.

8344. A letter from the Assistant, Department of Defense, transmitting a copy of the Department of Defense (DoD) Chemical and Biological Defense Program (CBDP) Annual Report to Congress, pursuant to 50 U.S.C. 1523; to the Committee on Armed Services.

8345. A letter from the Chairman and President, Export-Import Bank, transmitting a report on transactions involving U.S. exports to Brazil pursuant to Section 2(b)(3) of the Export-Import Bank Act of 1945, as amended; to the Committee on Financial Services.

8346. A letter from the Chairman and President, Export-Import Bank, transmitting a report on transactions involving U.S. exports to Mexico pursuant to Section 2(b)(3) of the Export-Import Bank Act of 1945, as amended; to the Committee on Financial Services.

8347. A letter from the Chairman and President, Export-Import Bank, transmitting a report on transactions involving U.S. exports to Honduras pursuant to Section 2(b)(3) of the Export-Import Bank Act of 1945, as amended; to the Committee on Financial Services.

8348. A letter from the Chairman and President, Export-Import Bank of the United States, transmitting a report on transactions involving U.S. exports to Ethiopia pursuant to Section 2(b)(3) of the Export-Import Bank Act of 1945, as amended, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Financial Services.

8349. A letter from the Chief Executive Officer, Anti-Doping Agency, transmitting the Agency's 2009 Annual Report and Financial Audit; to the Committee on Energy and Commerce.

8350. A letter from the Vice President and Controller, Federal Home Loan Bank of Des Moines, transmitting the 2009 management report and statements on system of internal controls of the Federal Home Loan Bank of Des Moines, pursuant to 31 U.S.C. 9106; to the Committee on Oversight and Government Reform.

8351. A letter from the Chairman, Merit Systems Protection Board, transmitting the Board's report entitled "Prohibited Personnel Practices — A Study Retrospective", pursuant to 5 U.S.C. 1204(a)(3); to the Committee on Oversight and Government Reform.

8352. A letter from the Chairman, National Capital Planning Commission, transmitting the Commission's annual report for FY 2009 prepared in accordance with the Notification and Federal Employee Antidiscrimination and Retaliation Act of 2002 (No FEAR Act); to the Committee on Oversight and Government Reform.

8353. A letter from the Secretary, Judicial Conference of the United States, transmitting a letter expressing concern over section 6 of H.R. 5503; to the Committee on the Judiciary.

8354. A letter from the General Counsel, National Tropical Botanical Garden, transmitting the annual audit report for the National Tropical Botanical Garden for the period from January 1, 2009 through December 31, 2009, pursuant to 36 U.S.C. 10101(b)(1)(B) Public Law 88-449, section 10(b); to the Committee on the Judiciary.

8355. A letter from the Staff Director, United States Sentencing Commission,

transmitting the Commission's report entitled, "2009 Annual Report and Sourcebook of Federal Sentencing Statistics", pursuant to (98 Stat. 2026); to the Committee on the Judiciary.

8356. A letter from the Senior Program Analyst, Department of Transportation, transmitting the Department's final rule — Establishment of Class E Airspace; Mount Pleasant, SC [Docket No.: FAA-2010-0069; Airspace Docket No. 10-ASO-15] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8357. A letter from the Senior Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Turbomeca Astazou XIV B and XIV H Turboshaft Engines [Docket No.: FAA-2010-0219; Directorate Identifier 2010-NE-14-AD; Amendment 39-16315; AD 2010-11-10] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8358. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Turbomeca Makila 2A Turboshaft Engines [Docket No.: FAA-2010-0411; Directorate Identifier 2010-NE-19-AD; Amendment 39-16278; AD 2010-09-13] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8359. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Thielert Aircraft Engines GmbH (TAE) Models TAE 125-01 and TAE 125-02-99 Reciprocating Engines Installed in, but not limited to, Diamond Aircraft Industries Model DA 42 Airplanes [Docket No.: FAA-2009-0201; Directorate Identifier 2008-NE-47-AD; Amendment 39-16314; AD 2010-11-09] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8360. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; BAE SYSTEMS (Operations) Limited Model BAe 146 Airplanes and Model Avro 146-RJ Airplanes [Docket No.: FAA-2008-0909; Directorate Identifier 2007-NM-363-AD; Amendment 39-16301; AD 2010-10-22] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8361. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Dassault-Aviation Model FALCON 2000 and FALCON 2000EX Airplanes [Docket No.: FAA-2009-0791; Directorate Identifier 2008-NM-213-AD; Amendment 39-16303; AD 2010-10-24] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8362. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Airbus Model A300 Series Airplanes; Model A300 B4-600, B4-600R Series Airplanes, and Model A300 C4-605R Variant F airplanes (Collectively Called A300-600 Series Airplanes); and A310 Series Airplanes [Docket No.: FAA-2010-0172; Directorate Identifier 2009-NM-189-AD; Amendment 39-16308; AD 2010-11-03] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8363. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Gulfstream Aerospace LP (Type Certificate Previously Held by Israel Aircraft Industries, Ltd.) Model Gulfstream 100 Airplanes, and Model Astra SPX and 1125 Westwind Astra Airplanes [Docket No.: FAA-2010-0034; Directorate Identifier 2009-NM-120-AD; Amendment 39-16307; AD 2010-11-02] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8364. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Dowty Propellers R175/4-30-4/13; R175/4-30-4/13e; R184/4-30-4/50; R193/4-30-4/50; R193/4-30-4/61; R193/4-30-4/64; R193/4-30-4/65; R193/4-30-4/66; R.209/4-40-4.5/2; R212/4-30-4/22; R.245/4-40-4.5/13; R257/4-30-4/60; and R.259/4-40-4.5/17 Model Propellers [Docket No.: FAA-2008-0750; Directorate Identifier 2008-NE-21-AD; Amendment 39-16302; AD 2010-10-23] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8365. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; AVOX Systems and B/E Aerospace Oxygen Cylinders as Installed on Various 14 CFR Part 23 and CAR 3 Airplanes [Docket No.: FAA-2010-0272; Directorate Identifier 2010-CE-009-AD; Amendment 39-16310; AD 2010-11-005] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8366. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Empresa Brasileira de Aeronautica S.A. (EMBRAER) Model EMB-135BJ, -135ER, -135KE, -135KL, -135LR, -145, -145ER, 145MR, -145LR, -145XR, -145MP, and -145EP Airplanes [Docket No.: FAA-2009-0132; Directorate Identifier 2008-NM-081-AD; Amendment 39-16306; AD 2010-11-01] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8367. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Quartz Mountain Aerospace, Inc. Model 11E Airplanes [Docket No.: FAA-2010-0261; Directorate Identifier 2010-CE-008-AD; Amendment 39-16312; AD 2010-11-07] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8368. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; AeroSpace Technologies of Australia Pty Ltd Models N22B, N22S, and N24A Airplanes [Docket No.: FAA-2010-0235; Directorate Identifier 2010-CE-010-AD; Amendment 39-16311; AD 2010-11-06] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8369. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; SOCATA Model TBM 700 Airplanes [Docket No.: FAA-2010-0286; Directorate Identifier 2010-CE-013-AD; Amendment 39-16320; AD 2010-11-15] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8370. A letter from the Program Analyst, Department of Transportation, transmitting

the Department's final rule — Airworthiness Directives; Stemme GmbH & Co. KG Model S10-VT Powered Sailplanes [Docket No.: FAA-2008-0788; Directorate Identifier 2008-CE-039-AD; Amendment 39-16313; AD 2010-11-08] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8371. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; McDonnell Douglas Corporation Model MD-11 and MD-11F Airplanes [Docket No.: FAA-2009-0866; Directorate Identifier 2009-NM-074-AD; Amendment 39-16317; AD 2010-11-12] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8372. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Empresa Brasileira de Aeronautica S.A. (EMBRAER) Model ERJ 190-100 STD, -100 LR, -100 IGW, -200 STD, -200 LR, and -200 IGW Airplanes [Docket No.: FAA-2010-0175; Directorate Identifier 2009-NM-187-AD; Amendment 39-16319; AD 2010-11-14] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8373. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Empresa Brasileira de Aeronautica S.A. (EMBRAER) Model ERJ 170 Airplanes [Docket No.: FAA-2010-0176; Directorate Identifier 2009-NM-201-AD; Amendment 39-16318; AD 2010-11-13] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8374. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Airbus Model A330-200 and -300 Series Airplanes, and Model A340-300 Series Airplanes [Docket No.: FAA-2009-0914; Directorate Identifier 2009-NM-122-AD; Amendment 39-16304; AD 2010-10-25] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8375. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Bombardier, Inc. Model CL-600-1A11 (CL-600), CL-600-2A12 (CL-601), and CL-600-2B16 (CL-601-3A, CL-601-3R, and CL-604 Variants) Airplanes [Docket No.: FAA-2010-0169; Directorate Identifier 2009-NM-102-AD; Amendment 39-16305; AD 2010-10-26] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8376. A letter from the Administrator, National Aeronautics and Space Administration, transmitting the Administration's statement of actions with respect to the Government Accountability Office report GAO-10-202; to the Committee on Science and Technology.

recting the Attorney General to transmit to the House of Representatives copies of certain communications relating to certain recommendations regarding administration appointments, adversely; (Rept. 111-538). Referred to the House Calendar and ordered to be printed.

Mr. OBERSTAR: Committee on Transportation and Infrastructure. H.R. 5301. A bill to extend the period during which the Administrator of the Environmental Protection Agency and States are prohibited from requiring a permit under section 402 of the Federal Water Pollution Control Act for certain discharges that are incidental to normal operation of vessels (Rept. 111-539). Referred to the Committee of the Whole House on the State of the Union.

Mr. OBERSTAR: Committee on Transportation and Infrastructure. H.R. 5545. A bill to deauthorize a portion of the project for navigation, Potomac River, Washington Channel, District of Columbia, under the jurisdiction of the Corps of Engineers (Rept. 111-540). Referred to the Committee of the Whole House on the State of the Union.

Mr. OBERSTAR: Committee on Transportation and Infrastructure. House Concurrent Resolution 258. Resolution congratulating the Commandant of the Coast Guard and the Superintendent of the Coast Guard Academy and its staff for 100 years of operation of the Coast Guard Academy in New London, Connecticut, and for other purposes (Rept. 111-541). Referred to the House Calendar.

Mr. OBERSTAR: Committee on Transportation and Infrastructure. House Resolution 1366. Resolution recognizing and honoring the freight rail industry; with amendments (Rept. 111-542). Referred to the House Calendar.

Mr. OBERSTAR: Committee on Transportation and Infrastructure. House Resolution 1401. Resolution expressing gratitude for the contributions that the air traffic controllers of the United States make to keep the traveling public safe and the airspace of the United States running efficiently, and for other purposes; with amendments (Rept. 111-543). Referred to the House Calendar.

Mr. OBERSTAR: Committee on Transportation and Infrastructure. House Resolution 1463. Resolution supporting the goals and ideals of Railroad Retirement Day (Rept. 111-544). Referred to the House Calendar.

Mrs. MALONEY: Joint Economic Committee. Report of the Joint Economic Committee on the 2010 Economic Report of the President (Rept. 111-545). Referred to the Committee of the Whole House on the State of the Union.

Mr. OBERSTAR: Committee on Transportation and Infrastructure. H.R. 5604. A bill to rescind amounts authorized for certain surface transportation programs (Rept. 111-546). Referred to the Committee of the Whole House on the State of the Union.

Mr. CONYERS: Committee on the Judiciary. H.R. 569. A bill to amend titles 28 and 10, United States Code, to allow for certiorari review of certain cases denied relief or review by the United States Court of Appeals for the Armed Forces; with an amendment (Rept. 111-547). Referred to the Committee of the Whole House on the State of the Union.

42 to perform national service, either as a member of the uniformed services or in civilian service in furtherance of the national defense and homeland security, to authorize the induction of persons in the uniformed services during wartime to meet end-strength requirements of the uniformed services, and for other purposes; to the Committee on Armed Services.

By Mr. HOLT (for himself and Mrs. CAPPS):

H.R. 5742. A bill to encourage the use of medical checklists through research, and for other purposes; to the Committee on Energy and Commerce.

By Ms. SPEIER (for herself, Mr. MILLER of North Carolina, Mr. GEORGE MILLER of California, and Mr. FRANK of Massachusetts):

H.R. 5743. A bill to amend the Fair Credit Reporting Act to prohibit the furnishing of certain negative loan modification information to a consumer reporting agency and to prohibit such information from being used in computing a consumer's credit score; to the Committee on Financial Services.

By Mr. YARMUTH:

H.R. 5744. A bill to amend the Internal Revenue Code of 1986 to extend the credit for energy efficient appliances; to the Committee on Ways and Means.

By Mr. LEWIS of California (for himself, Mr. YOUNG of Florida, Mr. ROGERS of Kentucky, Mr. WOLF, Mr. KINGSTON, Mr. FRELINGHUYSEN, Mr. LATHAM, Mr. ADERHOLT, Mrs. EMERSON, Ms. GRANGER, Mr. SIMPSON, Mr. CULBERSON, Mr. KIRK, Mr. CRENSHAW, Mr. CARTER, Mr. ALEXANDER, Mr. CALVERT, Mr. BONNER, Mr. COLE, Mr. WAMP, Mr. REHBERG, and Mr. LATOURETTE):

H.R. 5745. A bill making supplemental appropriations for the fiscal year ending September 30, 2010, and for other purposes; to the Committee on Appropriations, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LYNCH:

H.R. 5746. A bill to amend the provisions of title 5, United States Code, relating to the methodology for calculating the amount of any Postal surplus or supplemental liability under the Civil Service Retirement System; to the Committee on Oversight and Government Reform.

By Mr. RUSH (for himself, Mrs. CHRISTENSEN, Mr. PAYNE, Ms. KILPATRICK of Michigan, Mr. LEWIS of Georgia, Ms. MOORE of Wisconsin, Mr. JOHNSON of Georgia, Mr. LARSON of Connecticut, and Mr. DAVIS of Illinois):

H.R. 5747. A bill to authorize a program to provide grants to nonprofit organizations that carry out child-parent visitation programs for children with incarcerated parents; to the Committee on Education and Labor.

By Mr. CONYERS (for himself, Mr. NADLER of New York, Mr. WU, Mrs. CHRISTENSEN, Mrs. MALONEY, Ms. WATERS, Mr. PRICE of North Carolina, Mrs. NAPOLITANO, Mr. FARR, Mr. SERRANO, Mr. DAVIS of Illinois, Mr. STARK, Ms. WOOLSEY, Ms. KILPATRICK of Michigan, Mr. HASTINGS of Florida, Mr. WATT, Mr. BISHOP of Georgia, Ms. LEE of California, Mr. JOHNSON of Georgia, Mr. THOMPSON of Mississippi, Mr. JACKSON of Illinois, Ms.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CONYERS: Committee on the Judiciary. House Resolution 1455. Resolution di-

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. RANGEL:

H.R. 5741. A bill to require all persons in the United States between the ages of 18 and

FUDGE, Mr. CUMMINGS, Ms. CLARKE, Mr. FATTAH, Mr. SCOTT of Virginia, Mr. MEEKS of New York, Mr. COHEN, Ms. JACKSON LEE of Texas, Ms. CHU, Mr. ELLISON, Ms. BALDWIN, Mr. WEINER, Ms. LINDA T. SÁNCHEZ of California, Mr. POLIS, Mr. QUIGLEY, Mr. GUTIERREZ, Mr. LARSEN of Washington, Mr. RANGEL, Mr. FILNER, Mr. CLAY, Mr. RUSH, Mrs. CAPPS, Ms. MATSUI, Mr. HONDA, Ms. NORTON, Mr. MCDERMOTT, Mr. CAPUANO, Mr. BERMAN, Mr. GEORGE MILLER of California, Ms. ESHOO, Ms. HIRONO, Mr. SCOTT of Georgia, Mr. GRIJALVA, Ms. MCCOLLUM, Ms. SCHAKOWSKY, and Mr. ANDREWS):

H.R. 5748. A bill to eliminate racial profiling by law enforcement, and for other purposes; to the Committee on the Judiciary.

By Mr. GEORGE MILLER of California (for himself and Ms. WOOLSEY):

H.R. 5749. A bill to provide whistleblower and other protections to certain offshore workers, and for other purposes; to the Committee on Education and Labor, and in addition to the Committee on Natural Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. JACKSON LEE of Texas (for herself and Mr. DENT):

H.R. 5750. A bill to increase the number of Federal air marshals for certain flights, require criminal investigative training for such marshals, create an office and appoint an ombudsman for the marshals, and for other purposes; to the Committee on Homeland Security.

By Ms. KILROY:

H.R. 5751. A bill to amend the Lobbying Disclosure Act of 1995 to require registrants to pay an annual fee of \$50, to impose a penalty of \$500 for failure to file timely reports required by that Act, to provide for the use of the funds from such fees and penalties for reviewing and auditing filings by registrants, and for other purposes; to the Committee on the Judiciary.

By Mr. QUIGLEY (for himself, Mr. MINNICK, and Mr. FOSTER):

H.R. 5752. A bill to make the Federal budget process more transparent and to make future budgets more sustainable; to the Committee on the Budget, and in addition to the Committees on Rules, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CARSON of Indiana:

H.R. 5753. A bill to amend the Elementary and Secondary Education Act of 1965 to award grants to eligible entities to establish, expand, or support an existing school-based mentoring program to assist at-risk middle school students with the transition from middle school to high school; to the Committee on Education and Labor.

By Mr. COHEN (for himself, Mr. DELAHUNT, and Ms. HIRONO):

H.R. 5754. A bill to authorize the Secretary of Housing and Urban Development to provide grants to State and local governments to carry out programs to provide mediation between mortgagees and mortgagors facing foreclosure; to the Committee on Financial Services.

By Mr. COURTNEY:

H.R. 5755. A bill to amend title 10, United States Code, to provide authority to restrict competition to businesses within States that

fund projects at military installations; to the Committee on Armed Services.

By Mr. DOYLE (for himself and Mr. SMITH of New Jersey):

H.R. 5756. A bill to amend title I of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 to provide for grants and technical assistance to improve services rendered to children and adults with autism, and their families, and to expand the number of University Centers for Excellence in Developmental Disabilities Education, Research, and Service; to the Committee on Energy and Commerce.

By Mr. FORTENBERRY:

H.R. 5757. A bill to amend the Internal Revenue Code of 1986 to extend and modify the credits for alcohol used as a fuel, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Transportation and Infrastructure, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FRANK of Massachusetts (for himself, Mr. MARKEY of Massachusetts, Mr. NEAL, Mr. OLVER, Mr. DELAHUNT, Mr. MCGOVERN, Mr. TIERNEY, Mr. CAPUANO, Mr. LYNCH, and Ms. TSONGAS):

H.R. 5758. A bill to designate the facility of the United States Postal Service located at 2 Government Center in Fall River, Massachusetts, as the "Sergeant Robert Barrett Post Office Building"; to the Committee on Oversight and Government Reform.

By Mr. HEINRICH:

H.R. 5759. A bill to amend the Mineral Leasing Act to require an operator to compensate a surface owner for damages resulting from the oil and gas operations of the operator on land affected by the operations; to the Committee on Natural Resources.

By Mr. MELANCON:

H.R. 5760. A bill to expand eligibility for Pell grants to certain students who are pursuing a postbaccalaureate professional certification or licensing credential required for employment as a teacher; to the Committee on Education and Labor.

By Mr. MELANCON:

H.R. 5761. A bill to amend the Patient Protection and Affordable Care Act to expedite the application of the provision prohibiting rescissions of health insurance coverage; to the Committee on Energy and Commerce.

By Ms. NORTON:

H.R. 5762. A bill to amend the Internal Revenue Code of 1986 to provide for the creation of disaster protection funds in the District of Columbia by property and casualty insurance companies for the payment of policyholders' claims arising from natural catastrophic events; to the Committee on Ways and Means.

By Mr. POLIS (for himself and Ms. LINDA T. SÁNCHEZ of California):

H.R. 5763. A bill to amend the Internal Revenue Code of 1986 to increase for 2 years the residential energy credit and the investment tax credit with respect to solar property with a nameplate capacity of less than 20 kilowatts; to the Committee on Ways and Means.

By Ms. LINDA T. SÁNCHEZ of California (for herself, Ms. WATSON, Ms. NORTON, Ms. LEE of California, and Mr. MCGOVERN):

H.R. 5764. A bill to amend the Internal Revenue Code of 1986 to reinstate estate and generation-skipping taxes, and for other purposes; to the Committee on Ways and Means.

By Ms. LINDA T. SÁNCHEZ of California (for herself and Mr. POLIS):

H.R. 5765. A bill to amend the Internal Revenue Code of 1986 to increase for 2 years the residential energy credit and the investment tax credit with respect to solar property with a nameplate capacity of less than 20 kilowatts; to the Committee on Ways and Means.

By Mr. THOMPSON of California (for himself, Ms. WOOLSEY, Ms. MATSUI, Mr. ISRAEL, Ms. ZOE LOFGREN of California, Mr. FARR, Mr. STARK, Ms. LORETTA SANCHEZ of California, Ms. ESHOO, Ms. WATSON, Mr. SHERMAN, Mr. BERMAN, Ms. SPEIER, Mrs. DAVIS of California, Mr. MCNERNEY, Ms. SCHWARTZ, Mr. RANGEL, Mr. LEVIN, Mr. MCDERMOTT, Ms. BERKLEY, Mr. NEAL, Mr. BLUMENAUER, Mr. YARMUTH, Mr. SCHIFF, Mr. TIERNEY, Mr. GEORGE MILLER of California, Mr. GARAMENDI, Mr. WAXMAN, Mr. POLIS, and Mr. SARBANES):

H.R. 5766. A bill to ensure that the underwriting standards of Fannie Mae and Freddie Mac facilitate the use of property assessed clean energy programs to finance the installation of renewable energy and energy efficiency improvements; to the Committee on Financial Services.

By Mr. VAN HOLLEN (for himself, Mr. RUPPERSBERGER, Mr. POLIS, Ms. MCCOLLUM, and Ms. SCHWARTZ):

H.R. 5767. A bill to amend the Internal Revenue Code of 1986 to allow a credit for equity investments in high technology and biotechnology small business concerns developing innovative technologies that stimulate private sector job growth; to the Committee on Ways and Means.

By Mr. WELCH (for himself, Mr. BOOZMAN, Ms. BORDALLO, Mr. TEAGUE, and Mr. MICHAUD):

H.R. 5768. A bill to amend title 38, United States Code, to authorize the waiver of the collection of copayments for telehealth and telemedicine visits of veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. OWENS:

H. Con. Res. 297. Concurrent resolution approving certain regulations issued by the Office of Compliance to implement the Veterans Employment Opportunities Act of 1998 with respect to certain covered employees under the Congressional Accountability Act of 1995; to the Committee on House Administration, and in addition to the Committee on Education and Labor, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TOWNS:

H. Con. Res. 298. Concurrent resolution expressing the sense of Congress that the videotaping or photographing of police engaged in potentially abusive activity in a public place should not be prosecuted in State or Federal courts; to the Committee on the Judiciary.

By Mr. PITTS (for himself, Mr. HASTINGS of Florida, and Mr. SMITH of New Jersey):

H. Res. 1520. A resolution expressing the sense of the House of Representatives regarding the situation in the Republic of Kyrgyzstan; to the Committee on Foreign Affairs.

By Ms. SHEA-PORTER:

H. Res. 1521. A resolution supporting the goals and ideals of National Carbon Monoxide Awareness Day; to the Committee on Oversight and Government Reform.

By Ms. WASSERMAN SCHULTZ:

H. Res. 1522. A resolution expressing support for designation of the last week of September as National Hereditary Breast and Ovarian Cancer Week and the last Wednesday of September as National Previvor Day; to the Committee on Oversight and Government Reform.

By Mr. BOSWELL (for himself, Mr. LATHAM, Mr. BRALEY of Iowa, Mr. LOEBSACK, Mr. KING of Iowa, Mr. TERRY, and Mr. MICHAUD):

H. Res. 1523. A resolution to observe the contributions of the chiropractic profession and recognize National Chiropractic Health Month; to the Committee on Energy and Commerce.

By Mr. BACA:

H. Res. 1524. A resolution expressing support for designation of the fourth Friday of March as "Cesar E. Chavez Day"; to the Committee on Education and Labor.

By Mr. BONNER (for himself, Mr. HOYER, Mr. CLYBURN, Mr. BOEHNER, Mr. CANTOR, Mr. BRIGHT, Mr. ROGERS of Alabama, Mr. ADERHOLT, Mr. GRIF-FITH, Mr. BACHUS, and Mr. DAVIS of Alabama):

H. Res. 1525. A resolution honoring the 50th anniversary of the publication of "To Kill a Mockingbird", a classic American novel authored by Nelle Harper Lee of Monroeville, Alabama; to the Committee on Oversight and Government Reform.

By Mr. ENGEL:

H. Res. 1526. A resolution expressing support for the Energy and Climate Partnership of the Americas and its goal to encourage collaboration and cooperation among countries to address the energy and climate change challenges facing the Western Hemisphere; to the Committee on Foreign Affairs.

By Mr. GOHMERT (for himself, Mr. CONAWAY, Mr. MARCHANT, Mr. CAO, Ms. BERKLEY, Mrs. MYRICK, Mr. PIERLUISI, Mr. NUNES, Mr. KAGEN, Mr. KIRK, Mr. QUIGLEY, and Mrs. BONO MACK):

H. Res. 1527. A resolution congratulating the United States Men's National Soccer Team for its inspiring performance in the 2010 FIFA World Cup; to the Committee on Oversight and Government Reform.

By Mr. HONDA (for himself, Ms. ZOE LOFGREN of California, and Ms. ESHOO):

H. Res. 1528. A resolution honoring the life and accomplishments of Paul Leo Locatelli, S.J., and for other purposes; to the Committee on Education and Labor.

By Mrs. MCCARTHY of New York (for herself, Mr. WEINER, Mr. MURPHY of New York, Mr. HALL of New York, Mr. PALLONE, Mr. NADLER of New York, Mr. SERRANO, Mr. MEEKS of New York, and Mr. PASCRELL):

H. Res. 1529. A resolution commending Bob Sheppard for his long and respected career as the public-address announcer for the New York Yankees and the New York Giants; to the Committee on Oversight and Government Reform.

By Mr. OWENS:

H. Res. 1530. A resolution approving certain regulations issued by the Office of Compliance to implement the Veterans Employment Opportunities Act of 1998 with respect to employing offices and covered employees of the House of Representatives under the Congressional Accountability Act of 1995; to the Committee on House Administration, and in addition to the Committee on Education and Labor, for a period to be subsequently determined by the Speaker, in each

case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SCHRADER:

H. Res. 1531. A resolution expressing support for designation of 2011 as "World Veterinary Year" to bring attention to and show appreciation for the veterinary profession on its 250th anniversary; to the Committee on Oversight and Government Reform.

By Ms. TITUS (for herself, Ms. BERKLEY, Mr. KLEIN of Florida, Mr. BILLAKIS, Mr. HELLER, Mr. WEINER, Mr. FRANKS of Arizona, Mrs. BACHMANN, Mr. GOHMERT, Mr. ENGEL, Mr. WAMP, Mr. PETERS, and Mr. LAMBORN):

H. Res. 1532. A resolution urging an investigation into the role of the Insan Hak ve Hurriyetleri ve Insani Yardim Vakfi in providing financial, logistical, and material support to terrorists, and into the role of any foreign governments, including the Republic of Turkey, which may have aided and abetted the organizers of the recent "Gaza Flo-tilla" mission to breach Israeli coastal security and assault the naval defense forces of the State of Israel; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

335. The SPEAKER presented a memorial of the House of Representatives of the State of Michigan, relative to House Resolution No. 292 memorializing the Congress and the Department of Defense to select the Boeing NewGen Tanker aircraft for the United States Air Force; to the Committee on Armed Services.

336. Also, a memorial of the Senate of the State of Michigan, relative to Senate Resolution No. 158 urging the Environmental Protection Agency to rescind rules that would require dairy farms to have oil spill prevention plans; to the Committee on Transportation and Infrastructure.

337. Also, a memorial of the Senate of the State of Louisiana, relative to Senate Resolution No. 61 directing local, state, and federal governmental agencies to work in coordination to minimize the damage to Louisiana's natural resources caused by the Deep-water Horizon oil spill; jointly to the Committees on Transportation and Infrastructure and Natural Resources.

338. Also, a memorial of the Legislature of the State of Virgin Islands, relative to Resolution No. 1738 urging Congress to adopt President Barack Obama's Health Care Plan; jointly to the Committees on Energy and Commerce, Ways and Means, Education and Labor, Rules, Natural Resources, House Administration, the Judiciary, and Appropriations.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 39: Mr. LYNCH.

H.R. 305: Mr. TIERNEY and Mr. VAN HOLLEN.

H.R. 571: Mr. CALVERT, Mr. SCOTT of Virginia, Ms. MATSUI, Mrs. CAPPS, Mr. BISHOP of New York, and Ms. RICHARDSON.

H.R. 610: Mr. LEVIN.

H.R. 709: Mr. DJOU.

H.R. 745: Mr. WALZ, Ms. KILROY, Mr. COURTNEY, Mr. QUIGLEY and Mr. COSTA.

H.R. 758: Mr. LARSEN of Washington.

H.R. 775: Mr. DJOU, Mr. MELANCON, and Mr. GARY G. MILLER of California.

H.R. 840: Mr. FILNER.

H.R. 1210: Mr. KAGEN.

H.R. 1230: Mr. BOUCHER.

H.R. 1240: Ms. BALDWIN.

H.R. 1351: Ms. ROYBAL-ALLARD, Mr. DAVIS of Kentucky, and Ms. WOOLSEY.

H.R. 1521: Mr. MATHESON.

H.R. 1597: Mr. HARE.

H.R. 1751: Mr. LEWIS of Georgia.

H.R. 1806: Mr. YOUNG of Alaska.

H.R. 1816: Mr. WALZ.

H.R. 1831: Ms. JACKSON LEE of Texas.

H.R. 1855: Mr. HASTINGS of Florida.

H.R. 1923: Mr. ROE of Tennessee.

H.R. 1995: Ms. NORTON and Mrs. CAPPS.

H.R. 2000: Mrs. LOWEY, Ms. RICHARDSON, Mr. MCMAHON, Mr. PETERSON, Ms. FUDGE, Mrs. DAHLKEMPER, Mr. BAIRD, Mr. BECERRA, Mr. WELCH, Mrs. NAPOLITANO, Mrs. MCCARTHY of New York, Mr. KUCINICH, Mr. ALTMIRE, Ms. CLARKE, Mr. COURTNEY, Mr. POLIS, Mr. MCKEON, Mr. PLATTS, Mr. WILSON of South Carolina, Mr. GUTHRIE, Mr. HUNTER, Mr. ROE of Tennessee, Mr. THOMPSON of Pennsylvania, Ms. BEAN, and Mr. HINOJOSA.

H.R. 2039: Ms. SUTTON.

H.R. 2149: Mr. LEWIS of Georgia.

H.R. 2159: Mr. MCGOVERN.

H.R. 2262: Mr. NADLER of New York.

H.R. 2275: Mr. RUPPERSBERGER, Mr. TOWNS, Mr. SCHOCK, Ms. BEAN, Mr. PRICE of North Carolina, Mr. FARR, and Mr. LATHAM.

H.R. 2308: Mrs. MALONEY.

H.R. 2408: Mr. GONZALEZ.

H.R. 2853: Mr. PERRIELLO, Mr. HARE, and Mr. DEFAZIO.

H.R. 2962: Ms. EDDIE BERNICE JOHNSON of Texas.

H.R. 2987: Mr. POLIS.

H.R. 3012: Mr. QUIGLEY.

H.R. 3043: Mr. TOWNS, Mr. HONDA, and Mr. SCOTT of Virginia.

H.R. 3077: Ms. EDWARDS of Maryland.

H.R. 3108: Mr. SHULER.

H.R. 3286: Ms. SPEIER and Mr. TERRY.

H.R. 3525: Ms. MATSUI.

H.R. 3578: Mr. COURTNEY.

H.R. 3668: Ms. DELAURO and Ms. KILPATRICK of Michigan.

H.R. 3712: Mr. ROGERS of Kentucky.

H.R. 3729: Ms. RICHARDSON.

H.R. 3742: Mr. LINCOLN DIAZ-BALART of Florida.

H.R. 3764: Mr. MICHAUD.

H.R. 3936: Mr. BOSWELL.

H.R. 3974: Mr. REYES.

H.R. 4037: Ms. BERKLEY and Ms. MARKEY of Colorado.

H.R. 4070: Mr. THOMPSON of Pennsylvania and Mr. CRITZ.

H.R. 4085: Mr. FILNER and Mr. MEEK of Florida.

H.R. 4195: Mr. GRIJALVA, Mr. LOEBSACK, and Mr. MURPHY of Connecticut.

H.R. 4197: Mr. ISSA and Mr. PATRICK J. MURPHY of Pennsylvania.

H.R. 4278: Mr. MOLLOHAN.

H.R. 4296: Mr. COSTELLO.

H.R. 4306: Mr. LINCOLN DIAZ-BALART of Florida.

H.R. 4469: Mr. GINGREY of Georgia, Mr. CLAY, Mr. LARSEN of Washington, and Mr. SPRATT.

H.R. 4530: Mr. PATRICK J. MURPHY of Pennsylvania and Ms. MOORE of Wisconsin.

H.R. 4594: Ms. CHU.

H.R. 4599: Mr. CROWLEY.

H.R. 4671: Mr. PERLMUTTER and Mr. HASTINGS of Florida.

H.R. 4689: Mr. FRANK of Massachusetts, Mr. ADLER of New Jersey, Mr. KILDEE, Ms. KAPTUR, and Mr. CHANDLER.

H.R. 4692: Mr. SHIMKUS.
 H.R. 4693: Mr. PIERLUISI and Ms. TSONGAS.
 H.R. 4771: Mr. ROTHMAN of New Jersey and Mr. ENGEL.
 H.R. 4806: Mr. WEINER.
 H.R. 4808: Mr. MCGOVERN, Mr. SCHAUER, Mrs. MALONEY, Mr. FRANK of Massachusetts, Mr. RANGEL, Ms. BERKLEY, Mr. HODES, Ms. SUTTON, Ms. HIRONO, Mr. SPACE, Mr. BOWELL, Mr. THOMPSON of California, Ms. SCHWARTZ, Mr. FARR, Mr. JOHNSON of Georgia, Ms. MOORE of Wisconsin, Ms. SLAUGHTER, Ms. WOOLSEY, Ms. BEAN, Mr. DINGELL, Mr. BLUMENAUER, Ms. LEE of California, Mr. MORAN of Virginia, Mr. HINCHEY, and Mr. McDERMOTT.
 H.R. 4864: Mr. KILDEE and Mr. COURTNEY.
 H.R. 4926: Mr. LEWIS of Georgia.
 H.R. 4940: Mr. CARSON of Indiana and Ms. KILROY.
 H.R. 4947: Mr. PIERLUISI.
 H.R. 4959: Mr. HALL of New York, Mr. HINCHEY, Mr. MICHAUD, Ms. MCCOLLUM, and Mr. MCGOVERN.
 H.R. 4971: Ms. PINGREE of Maine, Ms. HIRONO, Mr. HINCHEY, Mrs. LOWEY, and Mr. MORAN of Virginia.
 H.R. 4993: Mr. KENNEDY.
 H.R. 5008: Mr. BOCCIERI.
 H.R. 5029: Mr. SULLIVAN and Mr. BISHOP of Utah.
 H.R. 5034: Mrs. BONO MACK.
 H.R. 5037: Mr. STARK and Mr. HOLDEN.
 H.R. 5040: Mr. CUELLAR, Mr. CAPUANO, Mr. CRITZ, and Ms. EDDIE BERNICE JOHNSON of Texas.
 H.R. 5043: Mr. WAXMAN.
 H.R. 5081: Mr. BISHOP of Georgia and Mr. GARAMENDI.
 H.R. 5142: Mr. LEWIS of Georgia.
 H.R. 5157: Mr. BOCCIERI.
 H.R. 5235: Mr. BISHOP of Georgia, Mr. PETERSON, and Mr. OWENS.
 H.R. 5244: Mr. MANZULLO, Mr. NUNES, Mr. ROSS, and Mr. COBLE.
 H.R. 5268: Mr. SCHIFF and Mr. FILNER.
 H.R. 5282: Mr. KANJORSKI, Mr. STUPAK, Mr. DOYLE, Mr. SCOTT of Georgia, Ms. WATSON, Mr. MICHAUD, Mr. BOREN, Mr. CHILDERS, Mr. SPACE, Mr. CHANDLER, Mr. ROSS, Mr. LEVIN, Mr. MARSHALL, Mr. CROWLEY, Mr. TANNER, Mr. MELANCON, Mr. CARDOZA, Mr. COOPER, Mr. DONNELLY of Indiana, Mr. GONZALEZ, Mr. BRALEY of Iowa, Mr. HASTINGS of Florida, Mr. LEWIS of Georgia, Mr. CLEAVER, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. CARNAHAN, Mr. DINGELL, Mr. SKELTON, Mr. ISRAEL, Mr. SHULER, Mr. HILL, Mr. ALTMIRE, Mr. RUSH, Mr. ENGEL, Mr. MINNICK, Mr. PATRICK J. MURPHY of Pennsylvania, Mr. ELLSWORTH, Mr. MURPHY of Connecticut, Mr. MOORE of Kansas, and Mr. LIPINSKI.
 H.R. 5324: Mr. HOLT.
 H.R. 5424: Mr. PAULSEN and Mr. LOBIONDO.
 H.R. 5434: Ms. NORTON and Ms. SCHWARTZ.
 H.R. 5440: Mr. HOLDEN.
 H.R. 5458: Mr. MCMAHON, Mr. OWENS, Ms. PINGREE of Maine, Mr. KISSELL, Ms. KOSMAS, and Mr. GRAYSON.
 H.R. 5473: Mr. LARSEN of Washington.
 H.R. 5475: Mr. YOUNG of Alaska, Mr. ROSS, and Mr. KISSELL.
 H.R. 5479: Mr. SPACE.
 H.R. 5492: Ms. NORTON.
 H.R. 5504: Mr. TIERNEY, Ms. ESHOO, and Mr. GONZALEZ.
 H.R. 5509: Mr. SHUSTER.
 H.R. 5510: Mr. DEFazio and Mr. DINGELL.
 H.R. 5527: Mr. COURTNEY.
 H.R. 5532: Mr. FORTENBERRY, Mr. CONYERS, and Mr. SMITH of Texas.
 H.R. 5533: Mr. COURTNEY, Ms. SHEA-PORTER, and Mr. CHANDLER.
 H.R. 5536: Mr. INGLIS, Mr. CHAFFETZ, and Mr. HOEKSTRA.

H.R. 5537: Mr. CARNEY.
 H.R. 5550: Mr. COURTNEY.
 H.R. 5555: Mr. HOLDEN and Ms. CLARKE.
 H.R. 5561: Mr. KUCINICH and Mr. POLIS.
 H.R. 5566: Mr. LYNCH and Mr. SCHRADER.
 H.R. 5568: Ms. GIFFORDS, Mr. MURPHY of New York, and Mr. SALAZAR.
 H.R. 5572: Ms. CASTOR of Florida.
 H.R. 5594: Mr. HILL, Mr. PATRICK J. MURPHY of Pennsylvania, Mr. DELAHUNT, Mr. PERRIELLO, Mr. CARNEY, Mrs. LOWEY, Mr. ENGEL, Ms. KAPTUR, Mr. COOPER, Mr. DAVIS of Tennessee, Ms. LORETTA SANCHEZ of California, Ms. WASSERMAN SCHULTZ, Mr. SHULER, Mr. CHANDLER, Mr. ROSS, Mr. ELLSWORTH, Mr. ARCURI, Mr. CARDOZA, Mr. COSTA, Ms. DEGETTE, Mr. TONKO, Mr. MCNERNEY, Mr. JOHNSON of Georgia, Ms. SUTTON, Mr. GONZALEZ, Mr. BERRY, Mr. THOMPSON of California, Mr. SCOTT of Georgia, Mr. KUCINICH, and Mr. MAFFEI.
 H.R. 5605: Mrs. DAHLKEMPER, Mr. KANJORSKI, and Mr. PITTS.
 H.R. 5606: Mrs. DAHLKEMPER, Mr. KANJORSKI, and Mr. PITTS.
 H.R. 5617: Mr. VAN HOLLEN.
 H.R. 5631: Ms. NORTON.
 H.R. 5632: Mr. SHIMKUS.
 H.R. 5637: Ms. LINDA T. SANCHEZ of California.
 H.R. 5648: Mr. CARNEY, Mr. SPACE, and Ms. GINNY BROWN-WAITE of Florida.
 H.R. 5654: Mr. PRICE of North Carolina and Mr. MCGOVERN.
 H.R. 5655: Mr. BILIRAKIS, Mr. STEARNS, Mr. YOUNG of Florida, and Mr. DEUTCH.
 H.R. 5671: Ms. BERKLEY, Ms. ROYBAL-ALLARD, and Mr. ORTIZ.
 H.R. 5679: Mr. CARTER.
 H.R. 5693: Ms. EDDIE BERNICE JOHNSON of Texas and Mr. HONDA.
 H.R. 5718: Mrs. MCCARTHY of New York and Mr. MORAN of Virginia.
 H.R. 5736: Mr. MORAN of Virginia.
 H. Con. Res. 226: Mr. HOLDEN and Mr. LINCOLN DIAZ-BALART of Florida.
 H. Con. Res. 259: Mr. RYAN of Ohio.
 H. Con. Res. 266: Mr. GARY G. MILLER of California.
 H. Con. Res. 273: Mr. ROGERS of Kentucky.
 H. Con. Res. 274: Mr. KING of New York, Mr. TIBERI, Mr. UPTON, Mr. BARRETT of South Carolina, Mr. LATHAM, and Mr. REHBERG.
 H. Con. Res. 275: Mr. REICHERT and Ms. ROYBAL-ALLARD.
 H. Con. Res. 287: Mr. BOUSTANY, Mr. BUCHANAN, Mr. BILIRAKIS, Mrs. BONO MACK, and Ms. FALLIN.
 H. Con. Res. 292: Mr. LAMBORN.
 H. Con. Res. 296: Mr. GOHMERT, Mr. WOLF, Mr. YOUNG of Florida, Mr. WITTMAN, Ms. GIFFORDS, Mr. BRADY of Pennsylvania, Mr. HEINRICH, and Mr. KISSELL.
 H. Res. 111: Mr. JACKSON of Illinois, Mr. FRANK of Massachusetts, and Mr. PIERLUISI.
 H. Res. 173: Mr. REYES.
 H. Res. 611: Ms. LINDA T. SANCHEZ of California.
 H. Res. 767: Mrs. MALONEY.
 H. Res. 1052: Mr. AKIN, Mr. BROUN of Georgia, and Mr. POE of Texas.
 H. Res. 1207: Mr. KISSELL.
 H. Res. 1226: Mr. LEWIS of Georgia.
 H. Res. 1251: Mr. ROE of Tennessee and Mr. HEINRICH.
 H. Res. 1264: Mrs. BLACKBURN, Ms. ZOE LOFGREN of California, and Mr. MCINTYRE.
 H. Res. 1370: Mr. WEINER and Ms. MOORE of Wisconsin.
 H. Res. 1394: Mr. SESTAK.
 H. Res. 1396: Mr. FRANK of Massachusetts.
 H. Res. 1402: Mr. PETERSON.
 H. Res. 1430: Mr. BOREN, Mr. MOORE of Kansas, Mr. PIERLUISI, Mr. ORTIZ, Mr. CLAY, and Ms. ROYBAL-ALLARD.

H. Res. 1444: Mrs. BLACKBURN, Mr. PITTS, Ms. SUTTON, Mr. SPACE, Ms. SCHAKOWSKY, Mrs. CHRISTENSEN, Mr. WHITFIELD, Mr. BRALEY of Iowa, Mr. ROGERS of Michigan, Mrs. MALONEY, Mr. WU, Mr. GENE GREEN of Texas, Mr. SABLON, Mr. CAO, and Mr. TERRY.
 H. Res. 1472: Ms. PINGREE of Maine and Mr. PETERSON.
 H. Res. 1486: Mr. CONYERS, Mr. ETHERIDGE, Mr. BISHOP of Georgia, Mr. ORTIZ, Mrs. CHRISTENSEN, and Mr. HASTINGS of Florida.
 H. Res. 1494: Ms. MOORE of Wisconsin, Mr. MAFFEI, Mr. THOMPSON of Pennsylvania, Mr. MEEKS of New York, Mr. McDERMOTT, Mr. MOORE of Kansas, and Mr. RANGEL.
 H. Res. 1498: Mrs. BIGGERT.
 H. Res. 1499: Mrs. CAPPS, Mrs. CAPITO, Ms. DELAUNO, Mr. DRIEHAUS, Ms. JACKSON LEE of Texas, Mr. REICHERT, Ms. CASTOR of Florida, Mr. CROWLEY, and Ms. ESHOO.
 H. Res. 1507: Mr. BOOZMAN, Mr. DUNCAN, Mr. ROONEY, and Mr. THOMPSON of Pennsylvania.
 H. Res. 1511: Mr. GENE GREEN of Texas, Mr. HINOJOSA, and Mr. TEAGUE.
 H. Res. 1513: Mr. ROGERS of Kentucky and Ms. LINDA T. SANCHEZ of California.
 H. Res. 1516: Ms. GIFFORDS, Mr. CLEAVER, Mr. TAYLOR, Mr. WILSON of South Carolina, Mr. JONES, Mr. ANDREWS, Mr. SNYDER, Mr. SMITH of Washington, Ms. MCCOLLUM, Ms. SHEA-PORTER, Mr. GARAMENDI, Mr. ISRAEL, Mr. MOORE of Kansas, Mrs. DAVIS of California, Mr. HOYER, Ms. RICHARDSON, Mr. DOYLE, Mr. LARSON of Connecticut, Mr. DELAHUNT, Mr. BLUNT, Mr. FORBES, Mr. CONAWAY, Mr. MILLER of Florida, Mr. BOOZMAN, Mr. THOMPSON of Mississippi, Mr. TOWNS, Ms. CORRINE BROWN of Florida, Mr. GOHMERT, Mr. SAM JOHNSON of Texas, Mr. BERRY, Mr. McDERMOTT, Mr. HALL of Texas, Mr. NYE, Mr. ORTIZ, Mr. SHUSTER, Mr. COSTELLO, Mr. DICKS, Mr. SPRATT, Mr. KRATOVIL, Mr. ROSS, Mr. MURPHY of New York, Mr. BOREN, Mr. CARDOZA, Mr. CARNAHAN, Mrs. EMERSON, Mr. COOPER, Mr. CLAY, and Mr. BRIGHT.
 H. Res. 1518: Mr. CLAY, Mr. RUSH, Mr. TOWNS, Ms. KILPATRICK of Michigan, Ms. CORRINE BROWN of Florida, Mrs. CHRISTENSEN, Mr. BISHOP of Georgia, Mr. MEEKS of New York, Mr. MCGOVERN, and Ms. CLARKE.

PETITIONS, ETC.

Under clause 3 of rule XII:

161. The SPEAKER presented a petition of Common Council, City of Albany, New York, relative to Resolution Number 62.61.10R expressing support for the passage of the Uniting American Families Act; which was referred to the Committee on the Judiciary.

DISCHARGE PETITIONS— ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petition:

Petition 11, by Mr. KING of Iowa, on H.R. 4972: Timothy V. Johnson, Michael T. McCaul, Thaddeus G. McCotter, Robert J. Wittman, Lamar Smith, Cynthia M. Lummis, Wally Herger, Vern Buchanan, Christopher H. Smith, Geoff Davis, Jack Kingston, Brian P. Bilbray, Zach Wamp, Jerry Lewis, Erik Paulsen, Roy Blunt, Jo Ann Emerson, Frank R. Wolf, George Radanovich, Steve Austria, Greg Walden, Frank D. Lucas, Adrian Smith, and Jeff Fortenberry.

SENATE—Thursday, July 15, 2010

The Senate met at 9:30 a.m. and was called to order by the Honorable KIRSTEN E. GILLIBRAND, a Senator from the State of New York.

PRAYER

The PRESIDING OFFICER. Today's opening prayer will be offered by the Reverend Donna R. Kafer, Chaplain of the Arizona State Legislature.

The guest Chaplain offered the following prayer:

Let us pray.

Dear Holy and Righteous Father, we come before You this day with humble hearts, thoughtful minds, and a profound understanding of Your majesty.

As the Senate body convenes today, I ask, Lord, that You give each and every one of our Senators a unique sense of their role in shaping this great Nation. We understand this mantle of leadership holds a great measure of responsibility, so we petition You, Father, to impart Your wisdom, peace, and comfort to each one of them. Provide them, Lord, with clarity of mind, vision for the future, and a renewed sense of purpose. Fill their hearts with compassion, discernment, focus, and the strength to meet the complex tasks at hand. Father, give them complete health: mentally, physically, emotionally, and spiritually. Embrace them with Your love that they may know Your boundless affection for them and Your indepth concern for their well-being. We thank You, Lord, for hearing our petitions this day.

It is in Your precious Name we pray. Amen.

PLEDGE OF ALLEGIANCE

The Honorable KIRSTEN E. GILLIBRAND led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. INOUE).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 15, 2010.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable KIRSTEN E. GILLI-

BRAND, a Senator from the State of New York, to perform the duties of the Chair.

DANIEL K. INOUE,
President pro tempore.

Mrs. GILLIBRAND thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

RECOGNITION OF THE ACTING MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Arizona.

WELCOMING THE GUEST CHAPLAIN

Mr. KYL. Madam President, it is my honor to help host our guest Chaplain from Arizona, Rev. Donna Kafer. On behalf of Senator MCCAIN and myself, I thank the Senate Chaplain and all others who have been so courteous to Reverend Kafer on her visit to Washington. She, I understand from the Chaplain, is the first legislative chaplain to provide the opening prayer in the Senate and only the second woman to have done so. There are milestones achieved today, and we appreciate her being with us.

She has been the chaplain at the Arizona State Legislature for over 10 years through her nonprofit organization called Leadership Challenge of Arizona. She also serves as the Arizona area coordinator of the Daughters of Destiny Network, which is a women's prison ministry based out of Colorado Springs. She travels throughout the United States sharing her testimony with incarcerated women, encouraging them and sharing the freedom that is offered through the saving grace of Jesus Christ.

Donna is an Arizona native. She and her husband Ross, a firefighter paramedic for almost 20 years, live in the Phoenix metropolitan area and have a daughter, Andrea Elizabeth.

It is our proud opportunity to help to host her today and thank her for opening the Senate with that beautiful prayer.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

Mr. REID. Madam President, every Thursday Senator ENSIGN and I greet

people from Nevada. We had a lot of them today. I was late getting here. I am sorry to have missed the prayer. But I will read the prayer and recognize what Senator KYL said about the guest Chaplain. She is welcomed to the Senate.

SCHEDULE

Mr. REID. Madam President, following leader remarks, the Senate will resume consideration of the conference report to accompany H.R. 4173, which is the Wall Street reform legislation. At about 11 a.m. this morning, the Senate will proceed to a rollcall vote on the motion to invoke cloture on that conference report. If cloture is invoked, we would like to yield back some of the postcloture debate time so we may complete action on the Wall Street reform legislation today. There could be additional rollcall votes this afternoon.

For the benefit of Senators, I have spoken to the two Republican leaders. We still have some hope of being able to set up votes on the small business jobs bill. I hope we can do that; otherwise, we will have to proceed to a cloture vote on that sometime next week.

MEASURE PLACED ON THE CALENDAR—S. 3588

Mr. REID. Madam President, S. 3588 is at the desk and due for a second reading.

The ACTING PRESIDENT pro tempore. The clerk will read the bill for the second time.

The assistant legislative clerk read as follows:

A bill (S. 3588) to limit the moratorium on certain permitting and drilling activities issued by the Secretary of the Interior, and for other purposes.

Mr. REID. I object to any further proceedings with respect to this bill.

The ACTING PRESIDENT pro tempore. Objection is heard. The bill will be placed on the calendar.

WALL STREET REFORM AND CONSUMER PROTECTION ACT—CONFERENCE REPORT

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of the conference report to accompany H.R. 4173, which the clerk will report.

The assistant legislative clerk read as follows:

Conference report to accompany H.R. 4173, to provide for financial regulatory reform, to protect consumers and investors, to enhance Federal understanding of insurance issues, to

regulate the over-the-counter derivatives markets, and for other purposes.

The ACTING PRESIDENT pro tempore. Under the previous order, the time until 11 a.m. shall be equally divided and controlled by the Senator from Connecticut, Mr. DODD, and the Senator from Alabama, Mr. SHELBY, or their designees, with the final 20 minutes divided equally between the two managers and the two leaders.

The Senator from Hawaii.

Mr. AKAKA. Madam President, I strongly support the Dodd-Frank conference report. I commend the chairman for all of his work to address so many issues vitally important to working families. I thank my friend from Connecticut for working closely with me to ensure this legislation will educate, protect, and empower consumers and investors.

An Office of Financial Education within the Consumer Financial Protection Bureau is created by the legislation. The office is tasked with developing and implementing initiatives to educate and empower consumers. A strategy to improve financial literacy among consumers, that includes measurable goals and benchmarks, must be developed. The administrator of the bureau will serve as vice-chairman of the Financial Literacy and Education Commission to ensure meaningful participation in Federal efforts intended to help educate, protect, and empower working families.

The conference report also addresses investor literacy. A financial literacy study must be conducted by the Securities and Exchange Commission, SEC. The SEC will be required to develop an investor financial literacy strategy intended to bring about positive behavioral change among investors.

Essential consumer and investor protections for working families are included in the conference report. A regulatory structure that will have a greater emphasis on investor and consumer protections is established. Regulators failed to protect consumers and that contributed significantly to the financial crisis. Prospective homebuyers were steered into mortgage products that had risks and costs that they could not understand or afford. The Consumer Financial Protection Bureau will be empowered to restrict predatory financial products and unfair business practices in order to prevent unscrupulous financial services providers from taking advantage of consumers.

I take great pride in my contributions to the investor protection portion of the legislation. Section 915 will strengthen the ability of the Securities and Exchange Commission to better represent the interests of retail investors by creating an investor advocate within the SEC. The investor advocate is tasked with assisting retail investors to resolve significant problems with the SEC or the self-regulatory organi-

zation, SROs. The investor advocate's mission includes identifying areas where investors would benefit from changes in Commission or SRO policies and problems that investors have with financial service providers and investment products. The investor advocate will recommend policy changes to the Commission and Congress on behalf of investors.

The investor advocate is precisely the kind of external check, with independent reporting lines and independently determined compensation, that cannot be provided within the current structure of the SEC. It is not that the SEC does not advocate on behalf of investors, it is that it does not have a structure by which any meaningful self-evaluation can be conducted. This would be an entirely new function. The investor advocate would help to ensure that the interests of retail investors are built into rulemaking proposals from the outset and that agency priorities reflect the issues confronting investors. The investor advocate will act as the chief ombudsman for retail investors and increase transparency and accountability at the SEC. The investor advocate will be best equipped to act in response to feedback from investors and potentially avoid situations such as the mishandling of information that could have exposed ponzi schemes much earlier. We also worked with our colleagues in the other Chamber to include an ombudsman that will be appointed by and report to the investor advocate.

I also worked to include in the legislation clarified authority for the SEC to effectively require disclosures prior to the sale of financial products and services. Working families rely on their mutual fund investments and other financial products to pay for their children's education, prepare for retirement, and be better able to attain other financial goals. This provision will ensure that working families have the relevant and useful information they need when they are making decisions that determine their financial future.

Unfortunately, too many investors do not know the difference between a broker and an investment advisor. Even fewer are likely to know that their broker has no obligation to act in their best interest. Investment advisors currently have fiduciary obligations. However, brokers must only meet a suitability standard that fails to sufficiently protect investors.

In a complicated financial marketplace, for investors in which revenue sharing agreements and commissions can vary significantly for similar products, we must ensure that all investment professionals that offer personalized investment advice have a fiduciary duty imposed on them.

In 2005, I first introduced legislation that would have imposed a fiduciary

duty on brokers. I knew then that action was necessary. I am proud that a vital investor protection was also included in the conference report that will ensure that a fiduciary duty is imposed on brokers when giving personalized investment advice. This change is necessary because it will ensure that all financial professionals, whether they are an investment advisor or a broker, have the same duty to act in the best interests of their clients. Investors must be able to trust that their broker is acting in their best interest and we must not allow brokers to push higher commission products that may be inappropriate for a particular client. I appreciate all of the efforts of Chairman FRANK, Senator MENENDEZ, and Senator JOHNSON for all of their efforts on this important new investor protection.

This legislation also includes landmark consumer protections for remittance transactions. Working families often send substantial portions of their earnings to family members living abroad. In Hawaii, many of my constituents remit money to their family members living in the Philippines. Consumers can have serious problems with their remittance transactions, such as being overcharged or not having their money reach the intended recipient. Remittances are not currently regulated under Federal law, and State laws provide inadequate consumer protections.

The conference report modifies the Electronic Fund Transfer Act to establish consumer protections for remittances. It will require simple disclosures about the cost of sending remittances to be provided to the consumer prior to and after the transaction. A complaint and error resolution process for remittance transactions would be established. I appreciate all of the efforts of the chairman, Representative GUTIERREZ, and the Department of the Treasury for working with me on this important piece of the bill for immigrant communities.

This legislation also includes essential economic empowerment opportunities for working families. Title XII, Improving Access to Mainstream Financial Institutions, is the most important economic empowerment provision in the bill. I appreciate the assistance provided by my friend from Wisconsin, Senator KOHL in helping me put this title together. I appreciate the support and contributions made to this title provided Senators SCHUMER, BROWN, MERKLEY, and MENENDEZ.

I grew up in a family that did not have a bank account. My parents kept their money in a box divided into different sections so that money could be separated for various purposes. Church donations were kept in one part. Money for clothes was kept in another and there was a portion of the box reserved for food expenses. When there

was no longer any money in the food section, we did not eat. Obviously, money in the box was not earning interest. It was not secure.

I know personally the challenges that are presented to families unable to save or borrow when they need small loans to pay for unexpected expenses. Unexpected medical expenses or a car repair bill may require small loans to help working families overcome these obstacles.

Mainstream financial institutions are a vital component to economic empowerment. Unbanked or underbanked families need access to credit unions and banks and they need to be able to borrow on affordable terms. Banks and credit unions provide alternatives to high-cost and often predatory fringe financial service providers such as check cashers and payday lenders. Unfortunately, approximately one in four families are unbanked or underbanked.

Many of the unbanked and underbanked are low and moderate-income families that cannot afford to have their earnings diminished by reliance on these high-cost and often predatory financial services. Unbanked families are unable to save securely for education expenses, a down payment on a first home, or other future financial needs. Underbanked consumers rely on nontraditional forms of credit that often have extraordinarily high interest rates. Regular checking accounts may be too expensive for some consumers unable to maintain minimum balances or afford monthly fees. Poor credit histories may also limit their ability to open accounts. Cultural differences or language barriers also present challenges that can hinder the ability of consumers to access financial services. I also want to clarify that in section 1204, small dollar-value loans and financial education and counseling relating to conducting transactions in and managing accounts are only examples of, and not limitations on, eligible activities.

More must be done to promote product development, outreach, and financial education opportunities intended to empower consumers. Title XII authorizes programs intended to assist low and moderate-income individuals establish bank or credit union accounts and encourage greater use of mainstream financial services. It will also encourage the development of small, affordable loans as an alternative to more costly payday loans.

There is a great need for working families to have access to affordable small loans. This legislation would encourage banks and credit unions to develop consumer friendly payday loan alternatives. Consumers who apply for these loans would be provided with financial literacy and educational opportunities.

The National Credit Union Administration has provided assistance to de-

velop these small consumer-friendly loans. Windward Community Credit Union in Hawaii implemented a very successful program for the U.S. Marines and other community members in need of affordable short term credit. More working families need access to affordable small loans. This program will encourage mainstream financial service providers to develop affordable small loan products.

I thank the Banking Committee staff for all of their extraordinary work, including Levon Bagramian, Julie Chon, Brian Filipowich, Amy Friend, Catherine Galicia, Lynsey Graham Rea, Matthew Green, Marc Jarsulic, Mark Jickling, Deborah Katz, Jonathan Miller, Misha Mintz-Roth, Dean Shahinian, Ed Silverman, and Charles Yi.

I also express my appreciation for all of the work done by the legislative assistants of members of the Committee, including Laura Swanson, Kara Stein, Jonah Crane, Ellen Chube, Michael Passante, Lee Drutman, Graham Steele, Alison O'Donnell, Hilary Swab, Harry Stein, Karolina Arias, Nathan Steinwald, Andy Green, Brian Appel, and Matt Pippin.

In conclusion, this bill will improve the lives of working families in our country because it will educate, protect, and empower consumers and investors.

The ACTING PRESIDENT pro tempore. The Senator from Maryland.

Mr. CARDIN. Madam President, I take this time to urge my colleagues to vote for cloture on the Dodd-Frank Wall Street Reform and Consumer Protection Act and to vote for final passage.

First, I congratulate Senator DODD for the leadership he has shown in marshaling this legislation through some very difficult challenges in the Congress, getting it through the Senate floor, working out the differences between the House and Senate, so we now are on the verge of passing the most significant reform of Wall Street in many years.

This bill corrects a regulatory structure that today allows reckless gambling on Wall Street; that creates too big to fail, where government bailouts are necessary to keep companies afloat because there are no other options available to our regulators. It ends reckless gambling on Wall Street. It ends the need for government bailouts of institutions that are too big to fail. It provides for strong consumer protection—protection for many forms of lending but, most importantly, the residential mortgage market.

We saw in this financial crisis that even responsible consumers suffered at the hands of aggressive lenders with dubious intentions. This legislation will create a consumer bureau that will end those types of practices, that will be on the side of the consumer, that is

independent, so the consumer is represented in the financial structure.

I want to highlight some provisions that were included in this legislation I worked on with our colleagues to get included in the bill. I am very grateful to Senator DODD, the leadership of the Banking Committee, and our representatives in conference who were able to include provisions that I think add to the importance of this bill.

The first provision I want to talk about is a provision I worked on with Senator ENZI and Senator BROWNBACK that will make permanent the federally insured deposit limits from \$100,000 to \$250,000. We did that recently in order to encourage more deposits, to help our economy, to provide capital for businesses. This limit included in this bill is now made permanent at \$250,000.

Insured deposits have been the stabilizing force for our Nation's banking system for the past 75 years. They promote public confidence in our banking system and prevent bank runs. They are particularly important to community banks. I know many of us talk about what we can do to help our small businesses, how can we free up more credit to get small businesses the loans they need in order to create the jobs that are needed for our economy. We all know community banks are the most stable source of funds for investments in our communities and small businesses.

Community banks rely more on insured deposits than large banks. Madam President, 85 percent to 90 percent of the funds community banks have are included in insured deposits. So this amendment that will make permanent the \$250,000 limit will help provide a more steady source of funds for our community banks which will allow them to be able to invest in our communities.

Another provision that is included in this conference report is one I worked on with my colleague from Maryland, Senator MIKULSKI, dealing with the enhanced supervision for nonbank financial companies. What we are talking about are mutual funds and their advisers, to make sure they are not inadvertently subjected to unworkable standards. Here we are talking about promoting funds necessary for venture capital and equity investments in our communities, to make sure there is a difference between the type of activities of mutual fund operators who rely primarily on risk investment and those that are primarily involved in insured deposits. I appreciate the conference committee clarifying that provision in the conference report, which Senator MIKULSKI and I encouraged them to do.

Another provision I want to talk about very briefly is one I worked on with Senator GRASSLEY dealing with whistleblower protections at nationally recognized statistical rating organizations, NRSROs as they are known.

But I think most people in our country know them as credit rating agencies. These are companies such as Moody's and Standard & Poor's. There are about 10 in our country that are supposed to do independent credit ratings for securities.

As I am sure many people are now aware, they played a significant role in the unrealistic confidence in securities during our recent economic downturn.

We want to make sure our credit rating agencies, in fact, carry out the responsibilities they are supposed to carry out as independent evaluators. But competition, pressure, and inherent conflicts have made that uncertain. The whistleblower protections that are extended in this legislation will allow employees to come forward with information without fear of retribution by their employer. It is a very important provision, and I am glad it was included in the final legislation.

Lastly, let me talk about the extractive industries transparency initiative, an amendment Senator LUGAR and I worked very hard on, that is included in the final conference report. I have spoken on the Senate floor previously about this provision, and I particularly thank Senator LEAHY for his leadership in the conference on this issue and Senator DODD for his help in getting it included in the final conference report.

Oil, gas, and mining companies registered with the U.S. Securities and Exchange Commission will be required under this legislation to disclose their payments to governments for access to oil, gas, or minerals. Many of these oil companies or gas companies or mineral companies operate in countries that are autocratic, unstable, or both, and they have to make payments to those countries in order to be able to get access to those mineral rights. This legislation—the amendment that is included in this bill—will require public disclosure of those payments.

Why is that so important? And why was it included in the final conference report? First, transparency encourages and provides for more stable governments. We rely on these energy sources or mineral supplies in countries that are of questionable stability.

If this disclosure will help make those countries more stable, it provides security for the United States in their supply source, whether it is an energy or mineral supply source. So this amendment that is included in the conference report will help with U.S. energy security.

Secondly, investors have a right to know. If you are going to invest in an oil company, you have a right to know where they are doing business, where they are making payments. I would think this is information that may affect your decision as to whether you want to take this risk in investing in that company. So this amendment provides greater disclosure for investors to

be able to make intelligent decisions as to whether to invest in an oil or gas or mineral company.

Third, as we know, with the lack of transparency, the payments become a source of corruption for government officials in many of these resource-wealthy countries. It is interesting; it is known as the "resource curse," not the "resource blessing" in many countries around the world. It is interesting that some of our most wealthy mineral countries are the poorest countries as far as their people in the world. The citizens of these countries are entitled to have their mineral wealth be used to elevate their personal status. By giving the citizens the information about how payments are made to their country, they have a much better chance to hold their government officials accountable.

So we not only are protecting investors and helping in energy security, we are helping to alleviate poverty internationally by allowing the people of the countries that have mineral wealth to hold their officials accountable, to use those payments to help the people of that nation.

This proposal has been endorsed by the G8, the International Monetary Fund, and the World Bank. With the passage of the conference report, the United States will be the leader internationally on extractive industries transparency, and I think that is a proud moment not only for the Senate but for our Nation.

This is a good bill for many reasons. It is a well-organized, commonsense regulatory structure to protect our Nation from another financial crisis, with strong investor and consumer protection, placing limits on institutions deemed too big to fail, protecting not only investors and consumers but also taxpayers.

Over the past 30 years, our regulatory framework did not keep pace with financial innovation. It was particularly impotent with regard to oversight of the so-called shadow banking system, which evolved in large part simply to avoid regulation.

Decreased regulation led to irresponsible behavior by financiers, investors, lenders, and consumers. Collectively, we failed to mitigate risk and we ignored established principles of finance—prudence, solvency, and accountability. We can shift risk, but we cannot make it magically disappear. Bubbles do burst eventually.

Everyone played a part in the crisis. Together, we suffer the consequences. No man is an island; we are all connected.

Risky mortgage lending—practices including no-doc or stated income loans—no down payments, and subprime lending led to unprecedented foreclosures.

Consumers securing mortgages beyond their means and horrible predatory lending practices permeated our culture.

Even responsible consumers suffered at the hands of aggressive lenders with dubious intentions.

The mortgage lending system was seriously flawed. America got hit by a tidal wave of foreclosures. Declining home values affect everyone in the community.

And problems in mortgage lending became exacerbated when these bad mortgages were packaged into securities and sliced and diced and sold to investors with AAA credit ratings.

Careful underwriting went out the window because the loan originators sold the notes as fast as they could write them.

The bill the Senate is considering goes a long way to restore the order we need in the financial markets, improve oversight of the mortgage industry, and address the numerous other issues that led to the worst financial crisis since the Great Depression. This bill holds Wall Street more accountable and provides the strongest consumer protections ever for American families and small businesses.

I know there are partisan disagreements on some parts of this legislation and it was a challenge to get to this point, but the chairman and ranking member of the Banking Committee did an outstanding job on this bill and are to be commended for their effort. This is a landmark bill, like Sarbanes-Oxley and the original Securities and Exchange Commission Act. The lesson we had to learn, again, is that business—especially big business—cannot regulate itself adequately. I think H.R. 4173 strikes the right balance in reining in the financial services industry without being unduly burdensome.

I would like to review some of the provisions I worked on that have been included in the bill.

As I have said, Senators ENZI and BROWNBACK joined me in proposing changes to the deposit insurance program. The Independent Community Bankers of America, ICBA, the American Bankers Association, ABA, and the National Credit Union Association, NCUA, all supported our amendment—now found in section 335 of the bill—to make the temporary increase in the federally insured deposit limit from \$100,000 to \$250,000—a permanent increase. An increase in the Federal Deposit Insurance Corporation, FDIC, and National Credit Union Share Insurance Fund, NCUSIF, limit is significant because deposit insurance has been the stabilizing force of our Nation's banking system for 75 years.

By raising the limit permanently, we provide safe and secure depositories for small businesses and individuals alike. FDIC insurance prevents bank runs and has been proven to increase public confidence in the system. FDIC insurance limits are especially significant to community banks, which rely on deposits much more heavily than larger

banks. On average, smaller banks derive 85 percent to 90 percent of their funding from deposits. Ensuring a stable funding source for community banks helps these institutions to continue providing crucially important capital to the small businesses whose growth is at the heart of our economic recovery.

And as I mentioned earlier, during Senate consideration of the bill, I offered an amendment with Senator MIKULSKI to ensure that mutual funds and their advisers are not inadvertently subjected to unworkable standards in the unlikely event the Financial Stability Oversight Council designates them as systemically risky. In section 115 of the bill, the new council is given the flexibility to consider capital structure, riskiness, complexity, financial activities, size, and other factors when determining heightened regulatory standards. This is important for addressing the unique characteristics of companies that are structured differently from banks and bank holding companies.

Further, I am gratified the House and Senate conferees saw fit to retain an amendment, amendment No. 3840, Senator GRASSLEY and I offered to the bill to extend whistleblower protections to employees of nationally recognized statistical rating organizations, NRSROs. The provision is section 922(b) of the bill.

NRSROs are the companies, such as Moody's and Standard & Poor's, which issue credit ratings that the U.S. Securities and Exchange Commission, SEC, permits other financial firms to use for certain regulatory purposes. There are 10 NRSROs at present, including some privately held firms.

The NRSROs played a large role—by overestimating the safety of residential mortgage-backed securities, RMBS, and collateralized debt obligations, CDOs—in creating the housing bubble and making it bigger. Then, by making tardy but massive simultaneous downgrades of these securities, they contributed to the collapse of the subprime secondary market and the “fire sale” of assets, exacerbating the financial crisis.

A Permanent Subcommittee on Investigations, PSI, hearing made it quite clear that competitive pressures and inherent conflicts of interest affected the objectivity of the ratings issued by the NRSROs.

Since NRSRO ratings are used for various regulatory purposes, such as determining net capital requirements and the soundness of insurance company reserves, it makes sense to extend whistleblower protections to employees who might come across malfeasance at a credit rating agency.

There are many reasons for the massive failure of the NRSROs. The Wall Street reform bill contains several provisions to improve SEC and congress-

sional oversight of the NRSROs and how they function. Extending whistleblower status to the employees of these firms enhances the provisions already in the underlying bill.

As I have also said, my distinguished colleague, Senator LUGAR, and I worked particularly hard on the energy security through transparency provision in this bill, which is section 1504—Disclosure of Payments by Resource Extraction Issuers. I am especially grateful to Senator LEAHY, who championed this provision in the conference committee.

The geography and nature of the oil, gas, and mining industry is such that companies often have to operate in countries that are autocratic, unstable, or both. Investors need to know the full extent of a company's exposure when it operates in countries where it is subject to expropriation, political and social turmoil, and reputational risks.

In Nigeria, for example, American companies have had to take oil fields offline because of rebel activity and instability in the Niger Delta. Last year, Nigeria was producing almost a million barrels of oil less than it was able to produce because of conflict and instability. With so much production offline, American oil companies such as Chevron and Exxon have laid off workers and paid higher production costs because of added security.

This bipartisan amendment goes a long way to achieving transparency in this critical sector by requiring all foreign and domestic companies registered with the U.S. Securities and Exchange Commission, SEC, to include in their annual report to the SEC how much they pay each government for access to its oil, gas, and minerals. This amendment is a critical part of the increased transparency and good governance that we are striving to achieve in the financial industry.

Our amendment is vitally important. Transparency helps create more stable governments, which in turn allows U.S. companies to operate more freely—and on a level playing field—in markets that are otherwise too risky or unstable.

Let me point out three key results we expect from this provision:

No. 1, enhancing U.S. energy security. The reliability of oil and gas supplies is undermined by the instability caused when local populations do not receive the benefit of their resource exports. Enhancing openness in revenue flows allows for greater public scrutiny of how revenues are used. Increased transparency can help create more stable, democratic governments, as well as more reliable energy suppliers.

No. 2, strengthening energy markets. The extractive industries are capital-intensive and dependent on long-term stability to generate favorable returns. Leading energy companies recognize

that more transparent investment climates are better for their bottom lines.

No. 3, helping to alleviate poverty. Too many resource-rich countries that should be well off are home to many of the world's poor instead. This is a phenomenon known as the “resource curse.” Oil, gas reserves, and minerals don't automatically confer wealth on the people who live in countries where those resources are located. Many resource-rich countries rank at the bottom of most measures of human development, making them a breeding ground for poverty and instability. Revenue transparency will help the citizens of resource-rich countries hold their governments more accountable and ensure that their country's natural resource wealth is used wisely for the benefit of the entire nation and for future generations.

The wave of the future is transparency, and these principles of transparency have been endorsed by the G8, the International Monetary Fund, the World Bank, and a number of regional development banks. It is clear to the financial leaders of the world that transparency in natural resource development is vital to holding the rulers in these countries accountable for the needs of their citizens and preventing them from simply building up their personal offshore bank accounts. I am proud to stand here today and say that the United States is now the leader in creating a new standard for revenue transparency in the extractive industries.

These are some of the provisions I worked on, but they are a small part of the overall bill, which is very strong.

Forty years ago, conservative economist Milton Friedman wrote a New York Times Magazine article entitled “The Social Responsibility of Business is to Increase its Profits.” In this article, quoting from his earlier book “Capitalism and Freedom,” from 1962, he concluded:

There is one and only one social responsibility of business—to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, which is to say, engages in open and free competition without deception or fraud.

Even this minimalist position suggests that markets need rules. And yet we embarked on a 30-year path to deregulate financial services, to ease the rules, and remove the watchdogs. We have learned a bitter lesson that markets are not self-correcting—at least not without catastrophic consequences. Millions of Americans have lost their jobs, their savings, their homes, and their retirement security. Businesses have been wiped out. We have gone from easy credit to no credit.

Now that the financial hurricane has wreaked its devastation, it is time to rebuild.

H.R. 4173 is part of that process. The bill creates well-organized, common-sense regulatory structures to protect

our Nation from another financial crisis. Chairman DODD and Chairman FRANK have produced a bill that addresses the feasibility of our reliance on credit rating agencies, our appetite for systemic risk, and the need to limit the regulatory burden on our small institutions. They have produced a bill that provides strong investor and consumer protections, encourages whistleblowers, reduces interchange fees for small businesses, and places limits on institutions deemed too big to fail. I know that Maryland banks and investment companies appreciate the attention paid in this bill to their concerns regarding bank and thrift oversight, systemic risk regulation, and the effects of the mortgage crisis.

While Members of Congress may not agree on every aspect of this bill, it is worthy of our support. Indeed, given the stakes, it is imperative that we pass H.R. 4173.

I urge my colleagues to vote for cloture and support passage.

Madam President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Georgia.

Mr. CHAMBLISS. Madam President, I rise today in strong opposition to H.R. 4173. I think it is interesting to note we have had a number of speakers who are proponents of this legislation come forward—just as my good friend from Maryland just did—and say we are going to be the leader, the United States is going to be the leader in the financial world market with these changes.

Well, the fact is, other countries that have strong financial markets have said publicly just the opposite. What I am afraid we are setting ourselves up for, and what I talked about a lot during the course of the debate on the Senate floor relative to this bill, is that what we are going to wind up doing is we are going to be driving jobs and business overseas with this massive piece of legislation that truly does not address the problem.

There is nothing in these 2,300 pages that deals with the primary catalyst of the market instability in our economy—the bailout behemoths, Fannie Mae and Freddie Mac. The bill simply ignores the devastating impact these two entities continue to have not only on our capital markets but also on our Nation's deficit, already demanding over \$145 billion in taxpayer assistance, and with no end in sight as to what it is ultimately going to cost the taxpayers of this country.

The newly created consumer protection bureau is an affirmation that the proponents of the legislation have acknowledged government failures were a significant cause of our economic turmoil. But they still believe bigger government is the solution going forward, and despite failure after failure among various regulatory agencies, a new agency is the answer to these short-

comings, and this time it is going to be different.

Instead of addressing the problems of the consumer protections in place under our current regulatory structure, this new oversight agency is an added layer of bureaucracy with the authority to examine and enforce new regulations for not only all mortgage-related businesses, but also small mom-and-pop businesses on Main Street such as payday lenders, check cashers, and other nonfinancial firms. These types of entities were clearly not the cause of the economic crisis, yet they will now be subject to the same regulations as the large financial institutions on Wall Street. This is simply another example of the majority party's preference for a one-size-fits-all regulatory structure, stifling economic growth.

Having participated in the conference committee, I unfortunately witnessed firsthand the complete disregard for addressing the real issues at hand. As ranking member of the Agriculture Committee, I have spent a great deal of time understanding the over-the-counter derivatives market—its complexities, and its legitimate utility. I have found that both Republicans and Democrats generally agree on the major issues relating to derivatives regulation. We all generally agree there needs to be greater transparency, registration, more clearing, and compliance with a whole host of business conduct and efficient market operation regulations. This is important, because it is a 180-degree shift away from current law where over-the-counter swaps are essentially unregulated today.

Within this general agreement that swaps need to go from unregulated to fully regulated, we have had disagreements about who should be required to clear their transactions and how best to require swaps to be transacted and reported. These disagreements are significant because they involve real burdens and duties which will result in real costs to businesses and consumers. I wish to make sure our new regulations are targeted to serve a useful purpose. Unfortunately, this legislation will enable regulators to impose restrictions on businesses that had absolutely nothing to do with creating the financial crisis. Every industry in the country uses derivatives to manage their business risks and many of them will now be forced to clear their derivative transactions. This seems simple enough, until you realize that clearing does not make risk within the financial system disappear. Risk is simply transferred from the individual counterparties to the clearinghouses, a service provided at considerable expense in the form of margin posted to the clearinghouse. So this bill will not eliminate risk, but it simply transfers risk from one place to another and imposes costs on market participants who had nothing to do with creating the financial

crisis. I truly fear that consumers will ultimately pay the price.

For example, this legislation would force the farm credit system institutions to run their interest rate swaps through a clearinghouse which will result in additional costs in the form of higher interest rates to their customers without doing anything to lessen the systemic risk. Let me be clear as to who this will ultimately affect. It is very clear that our farmers and ranchers, our electric cooperatives, and our ethanol facilities which seek financing from these institutions will bear this burden.

Institutions such as Cobank will be forced to clear their swaps and execute them on a trading facility which will impose significant new costs and result in higher rates for their customer, or, worse, discourage them from managing their risk which will again result in higher costs for their borrowers. And why? Because this legislation broadly applies regulation, treating all financial institutions the same. Cobank and Goldman Sachs are not the same and should not be regulated in the same manner. Cobank should have the option to clear their swaps, not be mandated to do so.

While the conference report provides an exemption for some businesses from this derivative clearing mandate, it also imposes new margin requirements on derivative dealers for these same uncleared transactions. Who will likely pay for these new margin requirements in the form of higher fees? Again, it is pretty clear the public and private companies across the Nation that had nothing to do with the financial crisis and that are simply seeking to minimize risk will bear this burden. The entire point of exempting some of them from the clearing mandate was to ensure that they do not bear the burden of increased margin costs, but this language would indirectly subject these businesses to the expense of margins imposed on their dealer counterparties—counterparties that will be forced to recoup this cost in the form of fees, and businesses will be forced to pass their costs on to consumers.

I encourage all Members of this body to look at yesterday's Wall Street Journal. There is a front-page story on derivatives. When we come to the floor and start debating derivatives, most people's eyes glaze over because it is complex and an issue that is very difficult to understand. But in that article it explains the simplicity that the derivatives world imparts itself in. The article goes through a process of a farmer in Nebraska and his use of derivatives; then his ultimate purchaser of his product—the rancher—and how that rancher uses derivatives to eliminate risk and hopefully guarantee a profit in his business. Then it describes how the slaughterhouse takes the product from the livestock operator, the

market operator, and uses derivatives in their business; and then ultimately the guy who owns the trucking company and how he uses derivatives. It is very clear in this article that these guys' lives are going to change from a business perspective. They are not going to be able to use derivatives in the way they used them before. They had nothing to do with the financial crisis that developed in this country.

Also related to derivatives were considerable improvements made to the so-called "swap desk push out" provision. I commend the chairman for his work on that. Banks would be able to continue to engage in interest rate and foreign currency swaps which is essential to the business of banks. However, I remain concerned that forcing swap dealer banks to spin off their commodity trading will hurt those utilities and airlines wishing to hedge their energy risks in the immediate future. They will be forced to establish new credit ratings and standings with these affiliates rather than take advantage of their longstanding relationship with their current bank. I fail to understand why forcing these entities to spin off any aspect of their swap business is necessary.

I wholeheartedly support efforts to make the swaps market more transparent. It needs to be. I believe this will be accomplished once regulators have access to the data which has to date been completely unavailable to them. The public will benefit from knowing who is participating in these markets, and we will finally have the data we need to make informed policy decisions related to derivatives.

Our economy needs more opportunities for all businesses to grow and prosper. Time and again, it is the small- and medium-sized businesses that create the lion's share of jobs after a major economic recession. We need to foster and incubate these small- and medium-sized businesses right now and not hamper them. We need to ensure they are able to access capital and manage their risk through the use of derivatives. Right now, there are a lot of these small- and medium-sized companies that are ready to expand but cannot get adequate access to capital because lenders are saying it is too risky and regulators won't allow these lenders to help.

So I believe there is a need to respond to what went wrong in our financial system and I support doing so in a responsible way that will continue to allow Main Street businesses to manage their risk appropriately, hold those responsible for this mess accountable, and not create huge new government bureaucracies. Unfortunately, this legislation falls short of these goals.

I am pleased the chairman of the Banking Committee is here, because I do want to say publicly—and I have told him this privately and I will con-

tinue to say it—that he had a very difficult job, and while we disagreed on a lot of major issues, he was always open for discussion. He allowed participation on the floor as well as discussions off the floor, and for that I thank him. He knows that I obviously cannot vote for this bill, but he has proven himself to be a very valued Member of the Senate by the way he has conducted himself throughout this whole process, and for that I thank him.

I yield the floor.

Mr. DODD. Madam President, before my colleague leaves the floor, let me thank him as well. Of course, hope always springs eternal. The vote hasn't occurred yet, so we never know. We might get his vote yet.

I don't serve on the Agriculture Committee with him. Senator CHAMBLISS was a very valued member of this conference. Obviously, a lot of work took place in the Agriculture Committee dealing with areas of the bill that he has spent several minutes talking about. He raises very good points. I would be the last person to suggest as a coauthor of the bill that we have crafted the perfect piece of legislation. As he points out, these are highly complicated areas. One of the reasons we tried not to write a series of regulations far beyond the competency of those of us in this Chamber is because it is complicated. Obviously, we have delegated the ultimate responsibility that we now have, which is to watch, the oversight, to the regulatory community, to make sure they do this right.

I pointed out yesterday, and he has pointed out again today, when we get into a situation such as this crisis, certain words become pejorative, and "derivatives" unfortunately has become that, and it shouldn't. These are very critical components for capital formation, job growth, and wealth in our country. Hedging against risk is absolutely essential. So they are vitally important elements in our economy. I hope people, when they hear the word "derivative" being spoken won't assume this is somehow a bad idea. One almost gets the sense that people feel that way. I don't at all.

I look forward in the coming weeks and months, as regulators begin to work with this bill if, in fact, it passes, that we will do that. A lot of the record has been established in this area, and through no small measure due to the Senator from Georgia, and I thank him for his work as well.

Madam President, I yield the floor.

Madam President, I note the absence of a quorum, and I ask that the time be equally divided on both sides.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SHELBY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SHELBY. Madam President, I rise today to offer some remarks on the Dodd-Frank regulation conference report, which is now before the Senate.

Nearly 2 years ago, the financial crisis exposed massive deficiencies in the structure and culture of our financial regulatory system. Years of technological advances, product development, and the advent of global capital markets rendered the system ill-suited to achieve its mission in the modern economy. Decades of insulation from accountability distracted regulators from focusing on that mission. Instead of acting to preserve safe and sound markets, the regulators primarily became focused on expanding the scope of their bureaucratic reach.

After the crisis, which cost trillions of dollars and millions of jobs, it was clear that significant reform was necessary. Despite broad agreement on the need for reform, the majority decided it would rather move forward with a partisan bill. The result is the 2,300-page legislative monster before us that expands the scope and the power of ineffective bureaucracies. It creates vast new bureaucracies with little accountability and seriously undermines the competitiveness of the American economy.

Unfortunately, the bill does very little to make our financial system safer. Therefore, I will oppose the Dodd-Frank bill and urge my colleagues to do the same.

This was not a preordained outcome; it is the direct result of decisions made by the Obama administration. Had they sincerely wanted to produce a bipartisan bill, I have no doubt we could have crafted a strong bill that would garner 80 or more votes in the Senate. If the American people haven't noticed by now, that is not how things work under the Democratic rule.

Unfortunately, the partisan manner in which this bill was constructed is not its greatest shortcoming. One would have assumed that the scope of the crisis—trillions of dollars lost and millions of jobs eliminated—would have compelled the Banking Committee to spend the time necessary to thoroughly examine the crisis and develop the best possible legislation in response. Unfortunately, such an assumption would be entirely unfounded. The Banking Committee never produced a single report on or conducted an investigation into any aspect of the financial crisis.

In contrast, during the Great Depression, the Banking Committee set up an entire subcommittee to examine what regulatory reforms were needed. The Pecora Commission, as it came to be

known, interviewed, under oath, the big actors on Wall Street and produced a multivolume report.

Unfortunately, this time around, the Democratic-run committee gave Wall Street executives a pass, I believe. There were no investigations, no depositions, and no subpoenas. In fact, Chairman DODD, my friend and colleague, never called on the likes of Robert Rubin and Lloyd Blankfein to testify before the Banking Committee. Not a single individual from AIG's financial products division was questioned by the committee or its staff. Although Congress did establish the Financial Crisis Inquiry Commission to do the work that the majority party, I believe, refused to do, the Commission's work will not be completed until the end of this year.

Most amazingly, the Banking Committee didn't even hold a single hearing on the final bill before its markup. The committee never took the time to receive public testimony or survey experts about the likely outcomes the legislation would produce. We know the majority heard from Wall Street lobbyists, government regulators, and liberal activists, but they clearly decided they did not want the American people to have a chance to understand and comment on the bill before us today before it was enacted. The question is, Why? The majority knows that this bill is a job killer and will saddle Americans with billions of dollars in hidden taxes and fees. Allowing the public to weigh in on this bill would have spelled the end of the Democratic version of reform. I believe we owed more to those who lost their jobs, their homes, and their life savings. I believe this truly was a missed opportunity.

The difference between what we needed to do, what we could have done, and what the majority has chosen to do is considerable. I will speak on this.

Congress could have focused this legislation on financial stability. It could have utilized the findings of the Financial Crisis Inquiry Commission. Instead, the Democratic majority chose to adopt legislative language penned by Federal regulators in search of expanded turf. They chose to legislate for the political favor of community organizing groups and liberal activists seeking expansive new bureaucracies that they could leverage for their own political advantage. The result is an activist bill that has little to do with the recent or any crisis and a lot to do with expanding the government to satisfy special interests.

Congress could have written a bill to address the problem of too big to fail once and for all. In fact, the Shelby-Dodd amendment began to address this problem right here on the floor. Unfortunately, the Democrats once again overreached at the eleventh hour and undermined the seriousness of our effort by emphasizing social activism

over financial stability. Democrats insisted that the overall financial stability mission of the Financial Stability Oversight Council was less important than the political needs of certain preferred constituencies. This dangerous mixing of social activism and financial stability follows the exact same model that led us to the crisis in the first place; that is, private enterprise co-opted through political mandates to achieve social goals. Fannie and Freddie proved this combination can be highly destructive.

Congress could have written legislation to address key issues known to have played a key role in the recent crisis. On the government-sponsored enterprises, Fannie and Freddie, the bill is silent, aside from a mere study. On the triparty repo market, the bill is silent. On runs in money markets, the bill is silent. On the reliance of market participants on short-term commercial paper funding, the bill is silent. On maturity transformations that allowed the shadow banking system to effectively create money out of AAA-rated securities, thereby making the system much more vulnerable, the bill is silent. On the financial system's overall vulnerability to liquidity crises, the bill again is silent. We know with certainty that all of these factors—none of which is addressed in the bill—were integral to the recent financial crisis. While we don't want to write legislation that only deals with the last crisis, we do want to enact a law that addresses what we know were systemic problems. This bill fails to do so.

Congress could have written a bill to streamline regulation and eliminate the gaps that firms exploit in a race to the regulatory bottom. This bill does the opposite by making our financial regulatory system even more complex. We will still have the Fed, FDIC, SEC, CFTC, OCC, and the remainder of the regulatory alphabet soup. In fact, most of the existing regulators that so recently failed us have been given expanded power and scope. This bill will also add new letters to the already-confused soup, such as the CFPB and the OFR. In addition to increased regulatory complexity, there will be new special activist offices within each regulator for almost every imaginable special interest.

Congress could have set up reasonable new research capabilities in its new Stability Oversight Council to complement financial research performed by the Federal Reserve and others. Instead, the Democrats decided to establish the Office of Financial Research with an unconstrained director and a focus on broad information collecting and processing.

I believe this office will not only fail to detect systemic threats in the asset price bubbles in the future, it will threaten civil liberties and the privacy of Americans, waste billions of dollars

of taxpayer resources, and lull markets into the false belief that this new government power will protect the financial system from risky trades.

Congress could have been transparent in identifying the bill's fiscal effects and costs. Instead, the majority wrote a bill that hijacks taxpayer resources but hides that fact from public view. Just as the administration refuses to acknowledge trillions of dollars of contingent taxpayer liabilities residing with Fannie and Freddie, this bill refuses to provide Americans with a transparent view of the costs of the new multibillion-dollar consumer protection bureaucracy.

According to the report on the bill offered by the majority, the consumer bureaucracy's budget is "paid for by the Federal Reserve System." Make no mistake, "paid for by the Fed" means paid for ultimately by the taxpayers.

Taxpayers will be on the hook for billions of dollars of unchecked, unencumbered, and unappropriated spending financed by the inflationary money printing authority of the Federal Reserve which will be hidden from the American people in the arcane Federal budget.

Congress could have also used this legislative opportunity to begin the process of reforming the failed mortgage giants Fannie and Freddie, whose ever growing bailouts have no upper limit. When it became clear that this was not the intention of the Democrats, Republicans sought to address the current and worsening conditions of the GSEs.

We suggested establishing taxpayer protections, such as portfolio caps, on the mortgage giants. We recommended making the cost of Freddie and Fannie bailouts transparent to the public; that is, to the taxpayer. We offered initial steps toward the inevitable unwinding of these failed institutions. Yet at every turn, the Democratic majority blocked Republican efforts to establish at least a foundation for reform.

The Democratic-preferred approach in this bill to reforming the mortgage giants is a study. Let me repeat that notion. In order to address a bailout that has already cost American taxpayers roughly \$150 billion to date, with unlimited future taxpayer exposure, the Democrats propose a study. It does not take a study to determine that \$150 billion in unlimited loss exposure needs to be addressed immediately—now.

Congress could have focused on securities market practices that were known to have contributed to systemic risks in our financial system. Instead, Democrats overreached once again.

For example, the bill gives the Securities and Exchange Commission, which has failed to carry out its existing mandates, a new systemic risk mandate to oversee advisers to hedge funds and private equity funds. Yet no

one contends private funds were a cause of the recent crisis or that the demise of any private fund during the crisis resulted in a systemwide shock.

Congress could have acted to curtail Wall Street's speculative excesses and enhance Main Street's access to credit. But instead, in this bill large financial firms on Wall Street seem to have benefited, judging by the behavior of the stock prices, while the legislation almost surely will increase uncertainties and costs for Main Street and America's job creators.

The actual provisions in the bill will benefit big Wall Street institutions because they substantially increase the amount and cost of financial regulation. Only large financial institutions will have the resources to navigate all of the new laws and regulations that this legislation will generate. As a result, this bill, disproportionately will hurt small and medium-sized banks which had nothing to do with the crisis.

While the largest financial institutions will get special regulation under this bill, the unintended result will be lower funding costs for these firms. That will benefit the big banks and hurt the small banks. Therefore, this bill will result in higher fees, less choice, and fewer opportunities to responsibly obtain credit for blameless consumers.

Moreover, this bill raises taxes which, as we all know, are ultimately borne by consumers. Make no mistake, when Wall Street writes a check to pay its higher taxes, the ones who end up paying those taxes are American consumers and workers.

Congress could have written legislation for consumer protection that respects both American consumers and the need for safety and soundness in our financial system.

Instead, the Dodd-Frank bill was basically constructed by architects in the Treasury Department who have a certain condescension for American consumers and their choices.

The ultimate goal is to substitute the judgment of a benevolent bureaucrat for that of the American consumer, thereby controlling consumer behavior without regard for the safety and soundness of our banking system.

The American people are being told not to worry, however, because it is all being done for their own good.

While a consumer protection agency might sound like a good idea, the way it is constructed in this bill will slow economic growth and kill jobs by imposing massive new regulatory burdens on businesses, large and small. It will stifle innovation in consumer financial products, and it will reduce small business activity. It will lead to reduced consumer credit and higher costs for available credit.

Less credit at higher price will dampen the very small business en-

gines of job creation that our economy desperately needs right now. That is a price I am not willing to pay.

Congress could have implemented reforms to improve derivatives market activities. Instead, the bill's derivatives title seems to be inspired by a desire to be punitive or to provide short-term political support during an election, or both. Instead of imposing a rational and effective regulatory framework on the OTC derivatives market, the bill runs roughshod over the Main Street businesses that use derivatives to protect themselves every day.

The Dodd-Frank bill will increase companies' costs and limit their access to risk-mitigating derivatives without making our financial system safer in the process. As a result, there will be fewer opportunities for businesses to grow, fewer jobs for the unemployed, and higher prices for consumers.

Congress could have written a bill to put an end to overreliance on credit agencies and underreliance on their own due diligence. Instead, the Dodd-Frank bill sets up new regulations and liability provisions to give the impression that ratings are accurate. It then takes a contradictory direction and instructs regulators to replace references to ratings with other standards of creditworthiness.

To make matters even more confusing, the bill also provides for the establishment of a government-sponsored body that will select a credit rating agency to perform an initial rating of a security issue.

I anticipate the net effect of these conflicting provisions will be a reduction of competition among credit rating agencies. Potential competitors either will be deterred by all of the new regulatory requirements or be destroyed by the liability provisions set up in the bill. The lack of competition led to poor quality ratings in the runup to the crisis. This bill perpetuates and, in fact, worsens that problem.

Congress could have eased regulatory burdens on small and medium-sized businesses not integral to the recent crisis or any crisis. Instead, Main Street corporations will be subject to a panoply of new corporate governance and executive compensation requirements.

These new requirements will be costly and potentially harmful to shareholders because they empower special interests and encourage short-term thinking by managers. These features were included solely for the purpose of appeasing unions and other special interest lobbyists, and there is no demonstrated link between these changes and the enhanced stability of our financial system or improved investor protection.

We are getting toward the end. Congress could have held hearings or analyzed a number of changes this bill makes to the securities laws. Instead,

dramatic changes in those laws were written with little discussion and no analysis.

Throughout this process, there has been a lot of talk about the influence of Wall Street over this bill. To be sure, in the early stages of the negotiations, Wall Street and the big banks were very engaged.

I think the American people know, however, that in the end, the real influence peddlers on this bill were not Wall Street lobbyists but rather liberal activists and Washington bureaucrats. Wall Street and the big banks just happen to be the incidental beneficiaries of their success.

When Chairman DODD and I began this process, we agreed that the bureaucratic status quo was unacceptable and that radical change was necessary. With that in mind, we agreed to consolidate all the financial regulators and constrain the Fed to its monetary policy role.

This was not a result the big banks wanted. The last thing a large regulated financial institution wants is a new regulator. After all, they spent years and millions of dollars developing a relationship with our current regulators.

A major regulatory reorganization would seriously upset the status quo and cost them a great deal of money. Neither Chairman DODD nor I were persuaded, however. Change was necessary and change was going to come.

Unfortunately, that vision of reform began to die as the bureaucrats and the liberal left began to exercise their influence over the bill. When it became apparent that I was not willing to embrace the left's expansive consumer bureaucracy, it also became apparent that actual regulatory reform was not what the majority was seeking.

All other serious reform was scuttled by the Democrats in defense of the new consumer bureaucracy. That was the point at which Chairman DODD and I began to seek a new negotiating partner, ultimately to no avail.

As the Fed and the other regulators began to regain their foothold with the Democrats and the administration and the activist left consolidated its support around an expansive new bureaucracy, all the Democrats will succeed in doing, with the help of a few Republicans, is give the failed bureaucracies more power, more money, and a pat on the back with the hope they will do a better job next time.

That is not real reform. That is just more of the same.

We had an opportunity to lead the world by creating a modern, efficient, and competitive regulatory structure that will serve our economy for years to come. Instead, I believe we squandered that opportunity by barely expanding our obsolete, inefficient, and uncompetitive system. To make it even worse, they have added to the bureaucratic morass several more unrestrained and unaccountable agencies.

It became apparent early on to me that the administration and the Democratic majority were not interested in regulatory reform. All they were trying to do is exploit the crisis in order to expand government further and reward special interests.

The Dodd-Frank bill will not enhance systemic stability. It will not prevent future bailouts of politically favored institutions and groups by the government.

The bill serves only to expand the Federal bureaucracy and the government control of the private sector. It will impose large costs on the taxpayers and businesses.

For these reasons, I urge my colleagues to reject this bill.

The ACTING PRESIDENT pro tempore. The Senator from Connecticut.

Mr. DODD. Madam President, I thank my colleague from Alabama. Once again—I say this with the respect—I feel as if I am listening to the first speech back in November when I offered the original proposal of this bill and wonder if we have been in the same Chamber and same city over the last several years.

I am not going to use the time between now and 11 a.m. when we are going to vote on the cloture motion. I will not go through the long list, page after page of amendments that were adopted as part of this bill offered by my good friends on the minority side.

We had 80 hearings held over 2 years, with countless efforts to reach out and bring in people. One can make a lot of accusations about the bill, but this was a very inclusive process. Half the amendments adopted on the floor in this Chamber during consideration of this legislation over 4 weeks were ones offered by the minority and were accepted and bipartisan amendments. There was never an alternative offered. There was never a substitute offered. It was a question of whether people wanted to amend this legislation.

It is not a perfect bill, I will be the first to admit. We do not know ultimately how well the ideas we incorporated will achieve the results we all desire. It will take the next economic crisis—as certainly it will come—to determine whether the provisions of this bill will provide this generation or the next generation of regulators with the tools necessary to minimize the effects of that crisis when it happens. But we believe we have done the best we could under the circumstances to see to it we never have another bailout of another major financial institution at taxpayer expense.

In fact, it was the Shelby-Dodd amendment adopted in this Chamber—it was the second amendment we considered—that actually completed the process of seeing to it there would be bankruptcy or resolution of financial institutions that got themselves into so much trouble that they put the en-

tire system at risk. We set up an oversight council to make sure we could observe what was occurring not only here at home but around the globe—matters such as Greece or Spain that could put our economy at risk. So it isn't just one set of eyes but having those responsible for seeing to it that our economy remains safe and sound have the opportunity to provide the early warning that never occurred.

We didn't need a Pecora Commission to find out what was going wrong. We had mortgages being sold in this country to people who couldn't afford them, marketing them in a way that guaranteed failure, securitizing them so they could be paid and then skipping town in a sense. I didn't need to have hours of hearings to find out what was the cause of it. The question was, How do we try to put a system in place to minimize the future kind of risks our Nation would face. It wasn't just to deal with those who created the problem but, rather, to look ahead—not in a punitive way—and to set up an architecture and structure to allow us to get to that point where we could be confident we were addressing these issues.

Thirdly, of course, we tried to deal with exotic instruments that had caused so much of the difficulty. The derivatives market was a \$90 billion market, and it mushroomed in less than a decade to \$600 trillion, putting our Nation at risk because of a lack of transparency and accountability to determine what was occurring in those markets. To consider it a radical idea that we might want to have accountability and transparency I find remarkable considering what our country has been through.

Also, we provided a consumer protection bureau. What a radical idea that is—the idea that people who buy mortgages or have a student loan, a credit card, a car loan, might have someplace in this city that watches out for them so their jobs, their homes, their retirement accounts are not lost. So while this bureau is in place in this bill, the idea was at least to see to it that people, when they have the problems they have been through or are going through, someone is watching out for them.

We have a Consumer Product Safety Commission to address the purchase of a faulty product, but what happens when someone abuses or takes advantage, as happens in so many cases in financial areas? People should have a chance to have a redress of their grievance or to at least from the outset have an opportunity to address that before it becomes a broader problem.

So, Madam President, again, we have debated this now for 2 years and countless opportunities. We spent 4 weeks on the floor of this Chamber, amendments were offered, and never once—I guess on one occasion we had a supermajority vote. There was only one ta-

bling motion I know of. I did everything I could to make this as inclusive a process as possible.

I understand some people don't like the bill. It saddens me, in a way, that it has once again become sort of a mindless partisan argument rather than talking about what we need to be doing. This is not the end of all of it, obviously. Oversight will be required, consultation in the coming weeks and months and years, to make this work well. But, Madam President, I can't imagine another process that has been as inclusive.

My colleagues will recall that almost 10 months, going on almost a year ago, I invited both Democrats and Republicans on the Banking Committee to assume responsibility for major sections of this bill, which they did do, by the way, and made a significant contribution to the product. So while I respect those who want to vote against the bill, and that is their right to do so, find some arguments based on the merits rather than arguing about whether there was a process that was inclusive or that allowed people the opportunity to be heard.

Again, we have the right to be heard, but we don't have the right necessarily to have our ideas become the law of the land. That is what a body like this is for.

So this is a major undertaking, one that is historic in its proportions, and it is an attempt to set in place a structure that will allow us to minimize problems in the future. I can't legislate integrity. I can't legislate wisdom. I can't legislate passion or competency. What we can do is to create the tools and the architecture that allow good people to do a good job on behalf of the American public. That is what a bill like this is designed to do.

I regret I can't give jobs back, restore foreclosed homes, or put retirement monies back into accounts. What I can do is to see to it that we never, ever again have to go through what this Nation has been through. That is what this effort has been about over the last several years, to try to create that structure, that architecture. It will be incumbent now on the present administration and those who follow to nominate good people to head up these operations, to attract good public servants who will fill the jobs of these various regulatory bodies to see to it that they do the work we all want them to do.

Again, I can't legislate that. I can merely create the opportunity for that kind of protection to occur—to modernize a financial system, to lead the world, if we can, in harmonizing rules so we don't have the kind of sovereign shopping that was going on with regulatory bodies, where major financial institutions would shop around the world as to the nation of least resistance or the regulator of least resistance.

We need to see to it that we have the unanimity or at least the harmonization of rules that will allow us to have a more orderly system in our globe because, as we have all painfully learned, matters that occur thousands of miles away can affect the economy in our own country.

So for all those reasons, Madam President, I thank my colleagues for their efforts over the last 2 years. I thank the leadership for providing the opportunity and time for us to do this in this Chamber. I thank my colleague in the House, BARNEY FRANK, and his colleagues for the work in which they engaged in order to produce a bill there. We spent 2 weeks, some 70 hours of debating the conference report, where more amendments were adopted—again, offered by my colleagues, Republicans and Democrats—to make this as good a bill as we could in all of this.

So with that, Madam President, I will reserve some comments for later, but as we approach this vote in the next few minutes, I urge my colleagues to invoke cloture, to allow us to then have an up-or-down vote on this bill, and to do what we can to restore some trust and confidence and optimism for the American people. In the midst of the worst economic crisis in the lives of most Americans, this institution—the Senate—rose to the occasion and crafted a bill to address the financial service structure of our Nation to once again give us the hope that we can see wealth created, jobs produced, and an economy that will offer opportunities for the next generation of Americans.

I urge my colleagues to support the cloture motion, and I urge them to support the bill when the vote occurs later today.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Republican leader.

Mr. MCCONNELL. Madam President, later today, we will have a decisive vote on the financial regulatory bill that does nothing to reform the government-sponsored enterprises that many people believe to have been at the root of the financial crisis this bill grew out of—a bill that was meant to rein in Wall Street but which is now supported by some of Wall Street's biggest banks and opposed by small community banks in my State; a bill that is meant to help the economy but which is widely expected to stifle growth and kill more jobs in the middle of a deep recession; and a bill that, according to the papers, the vast majority of Americans simply don't think will work.

As it turns out, the American people don't seem to like this government-driven solution to the financial crisis any more than they liked the Democrats government-driven solution to the Nation's health care crisis. They do not think this bill will solve the prob-

lems in the financial sector any more than they think the health care bill will lead to lower costs or better care. One survey this week indicates that 7 in 10 Democrats have little confidence the proposals in this bill will avert or lessen the impact of another financial catastrophe, and nearly 70 percent of them doubt it will make their savings more secure.

It is easy to see why. The Wall Street Journal calls this bill's 2,300 pages "the biggest wave of new Federal financial rulemaking in three generations." The chairman of the Banking Committee has famously said last month we would not know how this bill works until it is in place. But here are some initial indicators about its scope according to a study by the U.S. Chamber of Commerce on the new bureaucratic landscape under this bill: 70 new Federal regulations through the new Bureau of Consumer Financial Protection, 54 new Federal regulations through the U.S. Commodity Futures Trading Commission, 11 new Federal regulations through the Federal Deposit Insurance Corporation, 30 new Federal regulations through the Federal Reserve, and 205 new regulations through the Securities and Exchange Commission.

Those are just some of them. All told, this bill would impose 533 new regulations on individuals and small businesses, regulations that will inevitably lead to the kind of confusion and uncertainty that will make it even harder for struggling businesses to dig themselves out of the recession. It is just this kind of uncertainty that will deter lending and freeze up credit as lenders wait to see how they will be affected by the new regulations. It is just this kind of uncertainty that businesses cite time and time again as one of the greatest challenges to our economic recovery.

So here is a bill that fails to address the root causes of the kind of crisis it is meant to prevent, that creates a vast new unaccountable bureaucracy, that—if past experience is any guide—will lead to countless burdensome, unintended consequences for individuals and small businesses; a bill that constricts credit and stifles growth in the middle of the worst economic period in memory; and perhaps most distressing of all, a bill that punishes farmers, florists, doctors, retailers, and countless others across the country and far away from Wall Street who had absolutely nothing to do with the panic of 2008.

In other words, once again, the administration and its Democratic allies in Congress have taken a crisis and used it rather than solving it. How else can you explain the fact a bill that was meant to address the excesses on Wall Street is expected to hit individuals and industries that had nothing to do with the crisis it was meant to prevent?

Did anybody think when this bill was first proposed that it would end up

hurting storefront check cashers, city governments, small manufacturers, home buyers, credit bureaus, and farmers in places such as Kansas and Kentucky?

This is precisely the kind of thing Americans are tired of—a government simply out of control. Only in Washington would you create a commission aimed at looking into the causes of a crisis, then put together and pass a 2,300-page bill in response to that crisis before the commission even has a chance to report its findings and issue recommendations. The White House will call this a victory. But as credit tightens, regulations multiply, and job creation slows even further as a result of this bill, they will have a hard time convincing the American people this is a victory for them.

Obviously, I will be opposing this bill, and I would encourage my colleagues to oppose it as well.

Madam President, I yield the floor.

Mr. DODD. Madam President, I suggest the absence of a quorum, and I ask unanimous consent the time during the quorum be equally charged to both sides.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REID. Madam President, the Wall Street earthquake that sent shock waves around the world has not hit anywhere as hard as it hit Nevada. You can draw a straight line from unchecked greed on Wall Street to the collapse of the housing market on Main Streets throughout my State and around the country. As soon as the big banks went down, foreclosure signs went up.

How did this happen? Let's put it this way: When you go to any of the great casinos across Nevada and put your chips on the table, you are gambling with your own money. If you win, you win, and if you lose, you lose. But Wall Street rigged the game. They put our money on the table. When they won, they won big. The jackpots they took home were in the billions. And when they lost—and, boy, did they lose—they came crying to the taxpayers for help. The winnings were theirs to enjoy but the losses were all of ours, to share and to shoulder.

That is the way the market worked. It worked for a few fortunate ones in the big firms and worked against everyone else. So when I say that is how the market worked, what I mean is that it didn't work at all. It was badly broken and it nearly bankrupted us. It

cost 8 million workers their jobs, millions of retirees their savings, and millions of families their homes. It shattered our faith in our financial system.

But there is another problem. We have been talking about this rigged system, this raw deal, in the past tense, but it is not a thing of the past. It is very much in the present. The rules that allowed Nevada's economy to collapse are still the same rules of the road today. That means every new day we do not act we run the risk of it happening all over again. That is a gamble I am not willing to take.

The bill before us makes sure we do not have to take that gamble. The first question was, How did this happen? The next question is, What are we going to do about it?

No. 1, we are saying to those who gamed the system that the game is over. We are cracking down on those who gambled away what so many have worked so hard to put away.

No. 2, we are saying to the families and taxpayers, never again will you be asked to bail out a big bank when the bank loses its risky bets.

Let me say that again because it is one of the most important parts of this bill: No more bailouts because no bank is too big to fail. We are going to give consumers and investors the strongest protections they have ever had against abusive banks, mortgage companies, credit card companies, and credit rating agencies. We are going to bring derivative markets that operate in the darkness out into the light. We are going to hold Wall Street accountable because we know we are accountable to the American people. This is about our ability to trust our financial system, it is about giving families the peace of mind they deserve, the peace of mind that comes with the knowledge they will be able to keep their homes and their savings will be safe.

We need a free market to thrive and grow and succeed. We acknowledge that. But there also have to be some rules, not to stifle but to safeguard us; rules so that when these firms fail they don't bring us down with them.

When this earthquake hit there was not nearly enough oversight, transparency, or accountability to shield us from the fallout. This law will change that. It will strengthen all three.

We are at the finish line this morning but getting here has not been easy. Wall Street doesn't like this bill. Of course it doesn't. Why would they want us to change the system they rigged, the system that made them all rich? Their cronies in Washington don't like it either. The top Republican in the House very publicly said the plight of millions was as small and insignificant as an ant, an insect; foreclosures, homes underwater, jobs lost—like an ant. The head of the Republican party asked us to simply trust Wall Street to look after itself.

We all know this crisis is enormous and we all know Wall Street is not going to reform itself. Rather than standing up for the taxpayers, those who are about to vote no are standing with the same bankers who gambled away our jobs and homes and our economic security in the first place. Just like their Wall Street friends, it seems our opponents care more about making short-term gains than they do about what is right for the economy in the long run. I think that is a mistake and I think it is a shame.

This is not about dollars and cents only, it is about fairness. It is about justice. It is about making sure there is not a next time. It is about jobs. It is about rescuing our economy.

I know Wall Street reform is complicated. There are not many people who know all the ins and outs of derivative trading and credit default swaps or mortgage-backed securities. But the principle before us is quite simple. It is not complicated at all. You either believe that we need to strengthen the oversight of Wall Street or you don't. You either believe we need to strengthen protections for consumers or you don't.

Our choice today is between learning from the mistakes of the past or dangerously letting them happen all over again.

CLOTURE MOTION

The ACTING PRESIDENT pro tempore. The cloture motion having been presented under rule XXII, the Chair directs the clerk to report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the conference report to accompany H.R. 4173, the Wall Street Reform and Consumer Protection Act. Harry Reid, Christopher J. Dodd, Charles E. Schumer, Sheldon Whitehouse, Amy Klobuchar, Thomas R. Carper, Benjamin L. Cardin, Jeff Merkley, Kay R. Hagan, John F. Kerry, Tom Harkin, Jack Reed, Frank R. Lautenberg, Mark Begich, Barbara Boxer, Mark R. Warner, Joseph I. Lieberman.

The ACTING PRESIDENT pro tempore. By unanimous consent the mandatory quorum call has been waived. The question is, Is it the sense of the Senate that debate on the conference report to accompany H.R. 4173, Restoring Financial Security Act of 2010, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. KYL. The following Senator is necessarily absent: the Senator from Idaho (Mr. CRAPO).

The ACTING PRESIDENT pro tempore. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 60, nays 38, as follows:

[Rollcall Vote No. 206 Leg.]

YEAS—60

Akaka	Franken	Murray
Baucus	Gillibrand	Nelson (NE)
Bayh	Hagan	Nelson (FL)
Begich	Harkin	Pryor
Bennet (CO)	Inouye	Reed
Bingaman	Johnson	Reid
Boxer	Kaufman	Rockefeller
Brown (MA)	Kerry	Sanders
Brown (OH)	Klobuchar	Schumer
Burris	Kohl	Shaheen
Cantwell	Landrieu	Snowe
Cardin	Lautenberg	Specter
Carper	Leahy	Stabenow
Casey	Levin	Tester
Collins	Lieberman	Udall (CO)
Conrad	Lincoln	Udall (NM)
Dodd	McCaskill	Warner
Dorgan	Menendez	Webb
Durbin	Merkley	Whitehouse
Feinstein	Mikulski	Wyden

NAYS—38

Alexander	Ensign	Lugar
Barrasso	Enzi	McCain
Bennett (UT)	Feingold	McConnell
Bond	Graham	Murkowski
Brownback	Grassley	Risch
Bunning	Gregg	Roberts
Burr	Hatch	Sessions
Chambliss	Hutchison	Shelby
Coburn	Inhofe	Thune
Cochran	Isakson	Vitter
Corker	Johanns	Voinovich
Cornyn	Kyl	Wicker
DeMint	LeMieux	

NOT VOTING—1

Crapo

The ACTING PRESIDENT pro tempore. On this vote, the yeas are 60 and the nays are 38. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

Mr. DODD. Madam President, I am about to propose a unanimous-consent request that has been agreed to by the respective leaders.

I ask unanimous consent that the postcloture time be considered expired at 2 p.m., with the time until then equally divided and controlled between Senators DODD and SHELBY or their designees; that during this period, if and when a budget point of order is raised against the conference report, then an applicable waiver of the point of order be considered made; that at 2 p.m., the Senate proceed to vote on the motion to waive the applicable budget point of order; that if the waiver is successful, without further intervening action or debate, the Senate vote on adoption of the conference report.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DODD. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from New Hampshire.

Mr. GREGG. Madam President, I rise to make a point of order that the Senator from Connecticut alluded to. We have rules around here we have set up to discipline ourselves on spending. Unfortunately, we consistently ignore and waive them. That is one of the reasons we have a \$13 trillion debt. That is one of the reasons we will have a \$1.4 trillion deficit this year alone. This bill

violates those rules. This bill violates one of the sections of those rules which says that in any 10-year period, we shall not have more than a \$5 billion effect on the deficit in a negative way; that we need to otherwise pay for what we are doing. Therefore, this bill does violate the Budget Act.

If we are going to have any fiscal discipline around here—and we hear a lot of people talking about that—we should be living by the rules we have to assert fiscal discipline. Therefore, I make a point of order that the pending bill violates section 311(b) of S. Con. Res. 70 of the 110th Congress.

Mr. DODD. Madam President, pursuant to section 904 of the Congressional Budget Act of 1974 and the waiver provisions of applicable budget resolutions, I move to waive all applicable sections of that act and those budget resolutions for purposes of the pending conference report and ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. GREGG. I understand the vote will occur somewhere around 2 o'clock.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. DODD. Madam President, I see my colleague from Texas is seeking recognition. I wish to publicly thank her. She made a substantial contribution to this bill on several amendments that were adopted during debate on the floor. I thank her for them. They added to the value of the legislation. I am not sure what her comments will be right now, but I thank her for her contributions.

The ACTING PRESIDENT pro tempore. The Senator from Texas is recognized.

Mrs. HUTCHISON. Madam President, I appreciate the comments of the chairman. He accommodated many of the amendments I had, particularly as it concerns community banks. That was a huge concern in the original draft of the bill. I thank the chairman for accommodating those concerns. It did make it a better bill.

I wish to return to the aftermath of the financial crisis, when Congress was tasked with the responsibility of modernizing our financial regulatory structure so that we would have proper oversight of today's banking system and financial markets. We were called to fill in gaps in regulations which allowed American home buyers to simply sign on the dotted line to purchase a house that was in many instances beyond their means, to let companies hide trillions of dollars in assets from regulators, and ultimately led our government to lose hundreds of billions of taxpayer dollars to bail out financial institutions—Fannie Mae, Freddie Mac, GM, Chrysler, and AIG. Thus,

were financial regulatory reform to succeed, we needed to enhance mortgage underwriting standards, bring greater transparency to the derivatives markets, and once and for all end too big to fail. The conference report before us takes steps toward these goals.

The legislation puts in place measures to address too big to fail; however, it falls short in fully addressing the risk of future government bailouts by failing to make changes to the Bankruptcy Code. In this legislation, we have also made strides to strengthen mortgage underwriting standards.

I am concerned that a newly formed Consumer Financial Protection Bureau will take the lead rather than our banking regulators, and this is one of the biggest concerns I have with the bill.

I am pleased that the conference report includes numerous measures for which I fought. I thank Chairman DODD for his willingness to work with me and his constructive approach to making changes to the bill, including a more level playing field for community banks across the country to compete through my amendment to bring parity to FDIC insurance assessments; my amendment, along with Senator KLOBUCHAR, to allow State-chartered banks and small and medium-size bank holding companies to retain Federal Reserve supervision so that our monetary policy truly reflects economic conditions throughout the country, not just on Wall Street; relief for small and medium-size public companies from the burden of rule 404(b) of Sarbanes-Oxley; and assurance that the Volcker rule's proprietary trading restrictions will not extend to the insurance affiliates of insurance companies with depository institutions. These are positive changes for which I give the chairman great credit. However, these positive changes are greatly outweighed by misplaced priorities to create new layers of bureaucracy while failing to address the root causes of the financial crisis—Fannie Mae and Freddie Mac.

Additionally, there are a series of provisions that are troubling to me. No. 1 is this consumer protection bureau. It is using the faults of Wall Street banks and executives to create a cumbersome new bureaucracy which will impose job-killing regulation at the expense of Main Street small businesses and families. The Consumer Financial Protection Bureau, with endless authority over all facets of our economy, is not the answer.

I am particularly concerned about the effect this bureau will have on well-regulated, safe, sound community banks. These banks largely avoided the subprime market, and they didn't engage in the risky speculative trades that contributed to the financial meltdown. However, these community banks are going to have 27 new or expanded types of regulation after this

bill is passed. The consumer bureau could ultimately determine what products community banks can offer, on what terms they can offer these products, and under what settings and circumstances. Overall, the consumer bureau will result in fewer products and services for American families and small businesses.

The Texas Bankers Association tells me consumer bureau rules could result in the end of free checking accounts, higher fees on all consumer services, and less opportunity to negotiate on loans. It is not the big banks on Wall Street voicing concerns and opposition to this bill. The opposition is coming from community bankers in Texas who are worried they will be unduly penalized for faults they did not commit.

Small businesses are also against this new consumer bureau. The U.S. Chamber of Commerce and the National Federation of Independent Business are very concerned about this bureau.

We need community banks to continue extending credit to worthy families looking for a home and to small businesses to invest in and create jobs. I cosponsored an amendment during Senate consideration to ensure that safety and soundness regulators would have a say in the rules and regulations imposed on their institutions. That amendment was rejected, leaving community banks subject to this new bureau's unlimited and unchecked rule-making authority.

I am also concerned with the treatment of derivatives in this legislation. I am concerned that the lack of transparency that needed reform has been exchanged for a regulation I do not think is going to properly regulate derivatives.

However, we must also protect end users such as airlines, utilities, manufacturers, and oil and gas companies. These companies use derivatives as a cost effective strategy to control price and risk. Many structure derivatives contracts are unique to their business, making it difficult to clear and trade on a market. I share concerns from derivatives end users that this mandate to post margins with cash, rather than collateral, will remove capital from investment and job creation.

While Senator DODD and Senator LINCOLN say that this legislation will not impose margin requirements, I worry that there is not a statutory exemption for end users. End users may even choose market volatility instead of risk-controlling derivatives altogether, exposing Americans to higher prices, slower economic growth, and more job losses.

We should seek transparency through greater reporting requirements, but businesses should not be forced to arbitrarily move money to margin accounts.

I am concerned that this legislation will cost more jobs at a particularly

harmful time with national unemployment hovering around 10 percent. The Chamber of Commerce reports that the margin requirement on OTC derivatives could cost 100,000 to 120,000 jobs in S&P 500 companies alone.

This legislation does nothing to rein in Fannie Mae and Freddie Mac. Since the government takeover of these two GSEs, taxpayers have paid \$145 billion to keep them afloat. The CBO reports that the government's cost to bail out Fannie and Freddie will eventually reach \$381 billion.

These costs contributed to a Federal deficit which has topped \$1 trillion for the first 9 months of fiscal year 2010. They have helped push our national debt to \$13 trillion. A couple of weeks ago, the CBO reported that United States debt will reach 62 percent of GDP by the end of this year, the highest since just after World War II. We cannot continue to this dangerous path and mirror the crisis that currently ravages Europe.

We cannot sustain these debts and deficits. We offered solutions to rein in Fannie Mae and Freddie Mac. During Senate consideration of this legislation, I cosponsored amendments—No. 3839 and No. 4020—which would have reimposed the cap of Federal assistance to the GSEs at \$200 billion each. These amendments would have brought Fannie Mae and Freddie Mac onto our budget so that Americans could see their true cost. And they would have brought an end to Fannie and Freddie's government conservatorship in 2 years. Unfortunately, these amendments were rejected. Furthermore, the conference committee would not even permit amendments to be offered on the GSEs. Instead, this legislation calls for a report, punting the plan for Fannie and Freddie that we need to the future. We need reform of Fannie Mae and Freddie Mac now, but this legislation does not even allow for debate of the GSEs.

The American people are frustrated with our government, and this legislation is an example of why. Under the guise of financial regulatory reform, this legislation continues the unprecedented growth in government.

The American people want sensible financial reform. However, this purported financial regulatory reform legislation does not even address the root causes of the crisis: Fannie Mae and Freddie Mac. Instead, it uses the crisis to add layers of Federal bureaucracy, and threatens to slow down our economic recovery, risking job loss and restricting access to credit.

For these reasons, this legislation is not the reform we need, which is why I must oppose the conference report for H.R. 4173.

We need to fully look at some of the concerns in this bill with the hope that when it passes—I cannot support it, but it will pass—these cautions will be looked at going forward to perhaps,

when the problems come to light later, make some changes to the law that will better accommodate the needs of consumers and small businesses and community banks in the country.

There are good parts of this bill. I think the chairman deserves a lot of credit for pushing this financial reform, knowing that we needed to do it. I don't think it fully meets the test of doing what we should be doing, but I do think it is a first step, and the chairman is to be commended for his leadership.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Connecticut.

Mr. DODD. Madam President, my friend and colleague from Texas serves on the Banking Committee. I thank her and Senator KLOBUCHAR. There was a series of amendments in which Senator HUTCHISON was involved. They added value to this bill, and I thank her for it.

I mentioned yesterday, as a relatively junior member of the Banking Committee, there was no Member of this Chamber who added as much to the bill as the Senator from Virginia. There are not words nor time for me to adequately express my gratitude for his involvement. Literally almost on an hourly basis, he was involved, along with Senator CORKER of Tennessee. They spent hours on their own talking with other people about how to fashion two of the most critical titles of this bill. Let me express my gratitude once again to Senator MARK WARNER of Virginia and thank him immensely for his contribution. He did a great job.

The ACTING PRESIDENT pro tempore. The Senator from Virginia.

Mr. WARNER. Madam President, I thank the chairman for those kind remarks. It is a good feeling for all of us who have labored on this legislation—Members and staff—that we are finally coming to a successful conclusion on the Dodd-Frank Wall Street Reform and Consumer Protection Act and it is going to be enacted into law.

As those equally controversial pieces of legislation in the 1930s stood the test of time for decades, I think this bill will stand the test of time for decades as well in terms of creating a new set of rules of the road for not just America's financial sector but, in a sense, the world's financial sector for decades to come.

While not perfect—no piece of legislation is—one of the things that gives me some confidence that the right balance has been struck is that this bill has been criticized by both the left and the right. Some on the left, some on the Democratic side, have said the bill has not gone far enough in putting more requirements and restrictions on our financial institutions. Some of my colleagues on the Republican side, on the right, have said this bill goes too far.

The fact that it is getting perhaps that left-and-right criticism puts us maybe in that right-in-the-middle section, which is the appropriate balance we tried to strike since the chairman started this effort well over 2 years ago.

I think it is important at times we remember why we are here. Two years ago, the markets were in chaos. President Bush and Secretary Paulson had created TARP with a \$700 billion unprecedented bailout to shore up our financial system. President Obama was in crisis mode with our economy still in free-fall from day one. The Dow was at 6,500, and there was a lot of talk of nationalizing banks.

Well, close to a year and a half to 2 years later, we have seen stimulus and stress tests. We have seen a DOW that now has touched 11,000. While the economy is not creating jobs at the rate any of us would like to see, the talk of financial Armageddon or complete collapse has disappeared.

I think we went into this process with three goals: First, the taxpayers must never again hear that a company is too big to fail. Second, we had to fix our regulatory system to make sure the huge gaps that existed that allowed systemic regulatory arbitrage could no longer take place. And, finally, consumers and investors had to have confidence that our markets were fair, transparent, and that there would be an officer on the beat to make sure some of the excesses that took place in 2005, 2006, and 2007—where folks were being put into homes they could never afford to pay for or having financial instruments that were being created under the guise of lowering the cost of risk that were more about simply creating fee income—would never again prey on unwary investors or on homeowners who got themselves into trouble.

I think one of the most interesting critiques that some still make of the bill is that we have not addressed too big to fail. Well, candidly, with the United States moving first on this legislation, and the rest of the world waiting for the United States to move, we hear from our European colleagues that the framework we have set up, actually, they hope to emulate. We have created a new regulatory structure so the regulators can get out of their silos—depository institutions on one side, security institutions on another, derivatives trading on a third—and make sure we have a full systemic risk council so we can measure risk wherever it exists, regardless of the charter of the organization.

While some said we ought to go ahead and limit the asset size of some of our institutions, just on size alone, I think the chairman wisely decided as we went through a year and a half of hearings, what often precipitated the greatest risks to our system was not

size alone—America has only 4 of the 50 largest banks in the world—but it was the interconnectedness, their leverage, their failure to have appropriate risk management plans in place.

This new systemic risk council is specifically charged with making sure our large, more complex institutions have more stringent capital requirements, leverage ratios, liquidity requirements, and risk management tools. We even created two whole new categories, that while not fully tested—both of these categories actually came from colleagues on the other side of the aisle—they could be important new steps to prevent these large institutions from failing.

One is contingent debt that large institutions would have to have that if they get themselves even close to trouble, that debt would convert into equity, consequently diluting existing shareholders and management and keeping pressure on the board to make sure management would not take that risk.

Finally, a tool that, again, if implemented correctly, will be tremendously powerful; that is, to ensure that all these large, complex institutions provide a plan about how they will be able to unwind in an orderly fashion through traditional bankruptcy provisions. Our goal is to always have bankruptcy be the appropriate response. If that liquidation plan or if that debt plan is not blessed by the council of regulators, the council of regulators can dismember, break up, or put other restrictions on these large institutions.

I think Senator DODD made the decision to task my good friend, Senator CORKER of Tennessee, and I with this issue: If those processes still do not work, how do we make sure we have an orderly liquidation process? Our goal was twofold: One, taxpayers should never have to bear the risk; and, two, if an entity goes into liquidation, it will not come out. Liquidation or resolution is not an attempt to stand up an institution. But we wanted to make clear to shareholders, to management, if you go into resolution, you are toast, as my colleague, Senator CORKER, often said.

We think we have reached that goal, and I am particularly proud of titles I and II of this bill. Actually, when Chairman DODD and Senator SHELBY put some amendments to it, it was endorsed by 95 of our colleagues. It is the broadest bipartisan section of this legislation. This bill addresses a number of other vital areas as well. It allows a single depository place to get the appropriate day-to-day information on our financial institutions—that still did not exist until we created the Financial Services Oversight Council—and having the ability to get on a daily basis the level of interconnectiveness of a future AIG.

It puts in place a consumer protection bureau to make sure, for example,

mortgages are regulated in a way that consumers can understand, regardless of the charter of the organization. We often found banks had a fairly good ability to regulate some of their mortgages; whereas, mortgage lenders and others, who were unregulated, had no such restrictions. Now we have an even playing field.

It finally puts in place—there is some debate on this issue—an appropriate process to regulate derivatives and to bring these critical but potentially dangerous instruments out of the shadows, and the vast majority of these instruments will now be traded in a more transparent way on exchanges.

There is more to be done. Domestic and international implementation is vitally important. As I mentioned at the outset, the United States—and this is one of the things that is kind of remarkable, when I hear from some of my colleagues we have moved too quickly or this bill does too much—candidly, the whole rest of the world has been waiting on America to act to set the template for broad-based financial reform. Now that we have acted, I think particularly Europe and Asia will follow our lead. But making sure we do this with appropriate international implementation is terribly important—the Basel circumstances—but also making sure we have the regulatory approach across the world correct so there is not an international ability to arbitrage with these large financial institutions.

I know some of my colleagues on the other side of the aisle have also raised the question that this bill does not fully address the GSEs. They are right. But I think it was the right and conscious decision of the chairman and others that to disrupt an already still fragile housing market at this moment in time in a piece of legislation that has already been accused by some as being too broad and covering too many items was not the appropriate choice.

We will have to come back and deal with GSEs. We have to make sure, as we deal with GSEs, international implementation, we stay vigilant. We have given the regulators the tools. How they use these tools will be up to us in Congress to make sure they are implemented correctly with appropriate oversight.

I am, in certain ways, disappointed this bill is not being passed with broader bipartisan legislation. But we have only gotten here because there is bipartisan support.

I want to close acknowledging again—the chairman was very kind in his remarks—I cannot think, in my short tenure in the Senate, of any other Senator who has worked harder on a piece of legislation, who has been more relentless, who has had more twists and turns, who has had more “we are there; but, oh, my gosh, we may not be there,” who has had prob-

ably more 10 o'clock, 2 o'clock in the morning, 4 o'clock in the morning, I believe at one point, telephone calls and meetings with other Members.

As the Senator from Texas mentioned earlier, even though the Senator from Texas could not support the overall bill, our chairman has worked with all Members regardless of party to try to accommodate their interests. I commend the Senator from Texas for pointing out, for example, the community-based and independent banks come out of this legislation as one of the real winners in terms of their ability to have more fair competition with the larger institutions.

So I commend the chairman, and I commend all of my colleagues on both sides of the aisle, even those who perhaps will not vote for the final product but were a part of building the product, where their ideas were implemented.

When we think about the Glass-Steagalls, and when we think about the bills that created the SEC, when we think about the legislation in the 1930s, in the moment of crisis, that created the financial framework for 20th-century American capitalism, what this bill has done—there will be work done to improve and fully implement it, but what this bill has done has set a framework for 21st-century American capitalism and, in a certain way, a framework for 21st-century capitalism across the world in a way that America can remain the center for financial markets but at the same time making sure both consumers and the investing public are protected in this new and very challenging world.

With that, I yield the floor. I again extend my compliments to the chairman and all who have been involved in this legislation.

The ACTING PRESIDENT pro tempore. The Senator from Arizona.

Mr. KYL. Madam President, I, too, would like to speak to the conference report on financial regulatory reform, which we will presumably vote on in a couple of hours. I think we all agree that the purpose of financial regulatory reform should have been to tackle the problems that led to the financial crisis in the first place. That means serious reform must, at the very least, end too-big-to-fail financial institutions and rein in two government-sponsored enterprises, the GSEs, Fannie Mae and Freddie Mac.

But despite its size and the hype behind it, the bill before us fails in those two key respects. Moreover, even though Main Street did not cause the problem, the bill is so pervasive in its regulatory reach that it creates new burdens for Main Street businesses. I am not sure that is what the bill's supporters want or its authors intend, but that will be the result.

For example, a July 4 Wall Street Journal news article entitled “Finance Overall Casts Long Shadow on the

Plains" explains how new derivatives rules will harm America's livestock farmers.

There are other problems with the bill. The biggest new problem it causes is the harm to the availability of credit, something our colleague, Senator GREGG from New Hampshire, has talked a lot about. It implements one-size-fits-all capital standards and uses flawed funding mechanisms. It also perpetuates bailouts, and burdens small businesses with new regulations, which I will speak about in a moment.

Let me address a few of these problems in more detail: First, the cost and offsets of the bill; second, the failure to address the GSEs, Fannie Mae and Freddie Mac; and, third, the job-killing Consumer Financial Protection Bureau that will reduce available credit for American businesses and thus reduce job creation.

First, the cost and offsets. The Congressional Budget Office has put the 10-year cost of the conference report bill at approximately \$19 billion. That is the cost of this alleged new reform. Democrats initially tried to fund this obligation with a new tax imposed on large financial institutions. When that could not be sustained, they decided on a new funding mechanism that, as National Review recently editorialized, "were a corporation to try it, would get its accountants sent to prison for fraud."

Here is how it works. The bill would now "cancel" the Troubled Asset Relief Program, or TARP, a few months early, thus "saving," theoretically, the government around \$11 billion, even though it is highly unlikely that money would ever have been used to make additional TARP loans. That \$11 billion would then be used to partially offset the cost of the bill.

Remember, that is money that has to be borrowed. So instead of simply borrowing 11 billion fewer dollars, we are going to pretend as though we already have that money and that we can save it by not spending it on TARP, so we will spend it on this legislation. It is a double counting that National Review is right about: It would have put a private business CEO or CFO in jail if he had tried to do an accounting trick such as that.

The TARP law moreover states that any money rescinded from TARP shall not be counted for the purpose of budget enforcement. But to avoid violating the so-called pay-go rule in the House, the conference report nevertheless uses this alleged savings to pay for the financial reform provisions, thereby violating both the letter and the spirit of the TARP law. And, as I said, taking these funds to pay for something else rather than rescinding them simply pushes our Nation deeper into debt.

So with regard to the cost of the bill—\$19 billion—and the offset, much of which is not a true offset but simple

double accounting with money we don't own or have anyway, but have to borrow, is a bad way to do business, to say the least, especially on something that is called a financial reform bill.

Now, I guess, fortunately, we have changed the name to reflect the authors of the bill. It is no longer the financial reform bill; it is now the Dodd-Frank bill. I appreciate the naming of the bill for my good friend, the Senator from Connecticut, but it is supposed to be about financial reform, and it isn't financial reform when you take money you don't have, spend it for something you are not legally able to spend it for, and call that an offset for the cost of the bill.

Nevertheless, problem No. 2: Fannie and Freddie. It is just unconscionable that this bill doesn't attempt to reform in any way the two biggest causes of the problem: Fannie Mae and Freddie Mac. It was their reckless behavior that was a major cause of the financial crisis. It is not for lack of trying on Republicans' part. Our Democratic friends say: Well, we will do that later, maybe next year. I suggest doing that is highly improbable. The way things work around here is, when you do a comprehensive bill such as this, there are a lot of tradeoffs, a lot of different interests involved. If you can't include all of the elements in one bill, it is very difficult to find the political will to tackle the biggest problem of all—Fannie and Freddie—next year without the leverage of the other provisions of the bill to deal with.

The behavior of these two institutions—these GSEs that have come to epitomize too big to fail—has surged through the entire commercial banking sector and our economy as a whole and has turned out to be one of the most expensive aftereffects of the financial crisis. For years, Fannie and Freddie made mortgages available to too many people who could not afford them. Smaller companies were crushed while the two GSEs and their shareholders reaped enormous profits, recklessly taking advantage of the government's implicit guarantee to purchase trillions of dollars worth of bad mortgages, including those made to risky, so-called subprime borrowers. It was a textbook example of moral hazard on a massive scale.

I was reminded of what I am speaking of this morning driving in and hearing an ad on the radio which said that through Fannie Mae, you could get a mortgage for 105 percent of the value of your home. Now that means that immediately you are so-called underwater; that is to say, you owe more than your home is worth.

Why are we immediately making the same mistake with Fannie Mae that got us into the problem in the first place, where the mortgages exceeded the value of the homes? I don't understand it.

The easy credit that was provided before is what helped to fuel the rising home prices that created the inflated housing bubble, especially in the subprime mortgage market. As prices rose, so too did the demand for even larger mortgages, so Fannie and Freddie looked for ways to make even more credit available to borrowers. But, of course, when the market collapsed, the two GSEs were left with billions of dollars of bad debt.

By 2008 they held nearly \$5 trillion in mortgages and mortgage-backed securities. They were overleveraged but, unfortunately, deemed too big to fail.

So what do we have today? Fannie and Freddie hold a combined \$8.1 trillion of outstanding debt. Think of that: \$8.1 trillion. In total, taxpayers have lost already \$145 billion bailing them out. When Secretary of the Treasury Geithner lifted the bailout cap last December, it put the taxpayers on the hook for the remainder of these losses, for unlimited losses at these two institutions.

So let's be clear. Every day that Fannie and Freddie remain in their current form is a day that U.S. taxpayers are subsidizing the failed policies of the past. I think it is very doubtful we are going to get meaningful reform of Fannie and Freddie when it couldn't be done in the bill that is supposed to deal with all of the underlying problems that created the recession we are in now.

The third problem: Harming small business through "consumer protection." It harms far more than small business; it harms everyone who is attempting to get credit. As our friend and colleague, Senator GREGG, has said many times on this floor, perhaps the biggest problem with this legislation is the fact that it is going to make credit much more expensive for everyone. But let's start with small businesses.

In my home State of Arizona and across the country, these are the entities that hire. They are supposed to be the first ones that hire coming out of a recession. The way they do that is to have access to credit. Well, they are obviously very wary of the intrusive new bureaucracy that masquerades as consumer protection in this bill, but which would compound the problem of credit availability.

All of us here support the concept of consumer protection, so let's don't get off on a tangent of being for or against consumer protection. We all support that. The question is, How do you do it? Safeguards can be strengthened without creating a new regulatory bureaucracy with the powers that exist in this bill and all of the untoward ramifications that result. Unfortunately, the conference report maintains, with very little change, the flawed Consumer Financial Protection Bureau from the bill that was passed in the Senate, the so-called CFPB. It is

housed in and funded by the Federal Reserve but theoretically would operate as an independent agency with an enormous budget and with rule-writing ability and enforcement authority that I think will, in fact, create independence from the Fed.

The CFPB could significantly reduce credit access for small businesses and thereby jeopardize America's economic recovery. Without available credit, companies cannot grow and consequently will not hire additional American workers. Obviously, that is not what the bill's authors intended, but it is the inevitable result.

The new bureau will have a say in almost every aspect of American business. In an attempt to ensure—and I am quoting now—“ensure the fair, equitable and nondiscriminatory access to credit for individuals and communities”—the wording in the law—the new bureau will have latitude to impose its will, with few checks and balances, on American credit providers, all of which will result in more expense, more regulation, higher costs for consumers, and less availability of credit.

The CFPB also exposes companies to very costly compliance and extensive enforcement proceedings, including potentially frivolous lawsuits, by eliminating national preemption and other means.

In my view, the potentially serious costs of this bureau do not justify its purported benefits. Consumer protection could have been accomplished in much less intrusive and fairer ways. We all want to shield consumers from abuses and exploitation, but this is obviously not the right way to do it.

So we should ask ourselves one question: Why is it that the CEOs of some of the largest companies on Wall Street, some of the largest financial institutions, actually favor this bill? Well, it is no skin off their backs. They have the money, and they have the resources and the personnel to deal with its complexity and to put the money up front and then charge the consumers on down the line. It would entrench their privileged status, as they have the resources to maneuver around its provisions, as I said, and would certainly institutionalize the idea that certain big financial firms deserve preferential treatment by Federal regulators.

So for all of the reasons I have discussed, as well as others, and despite my strong desire to enact prudent financial reforms, I think this legislation is misguided. I can't support it, and I urge my colleagues to vote against it.

The PRESIDING OFFICER (Mrs. HAGAN). The Senator from Connecticut.

Mr. DODD. Madam President, I recognize my friend and colleague from Delaware.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. KAUFMAN. Madam President, I rise today to speak on the Dodd-Frank bill. I must start by expressing my awe—that old expression from Iraq, “shock and awe”—at what Chairman DODD has been able to do during this session of the Congress. I have been around this place since 1973, and I genuinely cannot think of an example where an individual Senator ever participated in passing three bills in one Congress of the magnitude of the health care bill, the credit card reform bill, and now the Dodd-Frank bill. If there is a legislative hall of fame, there is a spot for CHRIS DODD in that hall of fame.

I am going to speak today about areas where I don't agree with this bill. Anyone who has followed my speeches on the floor would recognize that I have a difference of opinion on a number of issues. However, I wish to make it clear from the beginning—and I will raise it again in my speech—to the extent this bill doesn't reach where I want it to reach, the responsibility lies on my friends—and I truly mean my friends—and colleagues on the other side of the aisle.

Time and again, vote after vote, they voted as a block to block meaningful reform on many issues. We can talk about the Brown-Kaufman amendment to break up the banks or we can talk about the maneuvers that were done on the Brownback bill so we never got a vote, and on Levin-Merkley. So as I give this speech today, the reason we didn't get the things I wanted in this bill is because 41 Republicans, time and time again—when there was a vote up they could have changed the way we do things; they could have instituted the kinds of reforms I wanted in this bill—voted against it.

So Chairman DODD was left with the problem of, How do we get the votes together to pass the bill? It is essential that we pass a bill, and a good bill, and we did, and I am voting for it. But it could have been, in my opinion, a better bill if several votes had gone the other way.

After months of careful consideration, landmark financial reform legislation moves toward final passage. While this bill is a vast improvement over the existing regulatory structure, I believe it should go further with respect to erecting statutory rules that address the fundamental problem of too big to fail.

Anyone who has heard my speeches on the Senate floor starting 4 or 5 months ago will understand my position on that. I made it abundantly clear. I will support the conference report, but I do so with reservations about a missed opportunity to enact meaningful reforms that would prevent another financial crisis. But as I said before, ultimately, given the makeup

of the Senate and the requirement for 60 votes and the intransigence on the other side of the aisle, this was the best bill that could pass.

For those who wish the bill were stronger, let there be no confusion about where the blame lies. It is because almost every Senator on the other side of the aisle did everything they could to stall, delay, and oppose Wall Street reform.

To be sure, the bill that has come out of conference includes some extremely important reforms. It establishes an independent Consumer Financial Protection Bureau with strong and autonomous rulemaking authority and the ability to enforce those rules for large banks and nonbank entities such as payday lenders and mortgage finance companies. In addition, it requires electronic trading and centralized clearing of standardized over-the-counter derivatives contracts, as well as more robust collateral margin requirements. The bill's inclusion of the Kanjorski provision will give regulators the explicit authority to break up megabanks that pose a “grave threat” to financial stability.

I was pleased that the bill includes a provision I helped develop to give regulators enhanced tools and powers to pursue financial fraud. Through the Collins provision, the bill also establishes minimum leverage and risk-based capital requirements for bank holding companies and systemically risky nonbank institutions that are at least as stringent as those that apply to insured depository institutions, an important reform in this bill.

In light of the failures of past international capital accords, this requirement will set a much-needed floor on how low capital can drop in the upcoming Basel III negotiations on capital requirements. It will also ensure that the capital base of megabanks is not adulterated with debt that masquerades as equity capital.

That being said, unfortunately, I believe the bill suffers from two major problems. First, the bill delegates too much authority to the regulators. I have been around the Senate for 37 years. As I said on the Senate floor on February 4 of this year and in several speeches since then, I know that many times laws are not written with hard and clear lines. Laws are a product of legislative compromise, which often means they are vague and ambiguous. We often justify our vagueness by saying the regulators to whom we grant statutory authority are in a better position than we are to write the rules—and then to apply those regulatory rules on a case-by-case basis. But, as I have said, this was not one of those times. This was a time for Congress to draw hard lines that get directly at the structural problems that afflict Wall Street and our largest banks.

Despite repeated urging from me and others to pass laws that would help

regulators to succeed, Congress largely has decided instead to punt decisions to the regulators, saddling them with a mountain of rulemakings and studies. The law firm Davis Polk has estimated that the SEC alone must undertake close to 100 rulemakings and more than a dozen studies. Indeed, Congress has so choked the agencies with rulemakings and studies, the totality of the burden threatens to undermine the very ability of the agencies to accomplish their ongoing everyday mission. I for one urge the agencies carefully to triage these required rulemakings and studies, establish a hierarchy of priorities, and ensure that the agencies do not shift all resources to new rules meant to address old problems to such a degree that they fail to stay on top of current and growing problems. I will have more to say on this subject in a future speech.

Second, the legislation does not go far enough in addressing the fundamental problem of “too big to fail.” Instead of erecting enduring statutory walls as we did in the 1930s, the bill invests the same regulators who failed to prevent the financial crisis with additional discretion and relies upon a resolution regime to successfully unwind complex and interconnected megabanks engaged across the globe. I am also disappointed that key reform provisions like the Volcker Rule and the Lincoln swaps dealers spin-off provision were scaled back in conference.

The bill mainly places its faith and trust in regulatory discretion and on international agreements on bank capital requirements and supervision. After decades of deregulation and industry self-regulation, it is incumbent upon the regulators now to reassert themselves and establish rulemaking and supervisory frameworks that not only correct their glaring mistakes of the past, but also anticipate future problems, particularly risks to financial stability. Unfortunately, the early indications we are seeing out of the G-20 and so-called Basel III discussions are not encouraging, as critical reforms are already being watered down and pushed back in part because some foreign regulators carelessly refuse to heed the risks posed by their megabanks.

The legislation also puts in place a resolution authority to deal with these institutions when they inevitably get into trouble. While such authority is absolutely necessary, it is not sufficient. That is because no matter how well Congress crafts a resolution mechanism, there can never be an orderly wind-down of a \$2-trillion financial institution that has hundreds of billions of dollars of off-balance-sheet assets, relies heavily on wholesale funding, and has more than a toehold in over 100 countries. Of course, since financial crises are macro events that will undoubtedly affect multiple megabanks

simultaneously, resolution of these institutions will be enormously expensive. And until there is international agreement on resolution authority, it is probably unworkable.

Given the history of financial regulatory failures and the enormous burden of rulemakings and studies with which the regulators are being tasked, Congress has a critical oversight responsibility. Congress first must ensure that the regulators have enough staff and resources at their disposal to follow through on their serious obligations. Just as important, Congress must monitor the regulatory phase of this bill’s implementation closely to ensure that the regulators don’t return to “business as usual” when the experience of the most recent financial crisis fades into memory.

How quickly we forget. Time and again, I have heard people speak as if there was no big financial crisis, saying: I have a bank in my hometown that is going to have a problem with this legislation. So we should let all the banks be free to do whatever they want to do. We had a crisis here that practically destroyed the country, the world, and these people are bringing up anecdotal evidence to give these banks more responsibility and not go after the root cause.

For example, in addition to granting great discretion to regulators on how they interpret the ban on proprietary trading at banks, the scaled-back Volcker Rule contains a large loophole that allows megabanks to continue to own, control and manage hedge funds and private equity funds under certain conditions. Most notably, it includes a *de minimis* exception that permits banks to invest up to three percent of Tier 1 capital in hedge funds and private equity funds so long as their investments don’t constitute more than three percent ownership in the individual funds.

The impact of a supposedly small three percent *de minimis* exception for investments in hedge funds and private equity firms has the potential to be massive. For example, a \$2 trillion bank that has \$100 billion in Tier 1 capital would be able to invest \$3 billion into hedge funds. Since that \$3 billion could only constitute three percent ownership, it would need to be invested alongside at least \$97 billion of funds from outside investors. The bank would therefore be able to manage \$100 billion in hedge fund assets, a massive amount equal to the current size of the largest hedge funds in the world combined. What’s more, that \$100 billion in assets can be leveraged several times over through the use of borrowed funds and derivatives into overall exposures that could exceed a trillion dollars. And given the ambiguity of the legislative language, unless clarified by a rulemaking, some commentators have indicated that megabanks could poten-

tially provide prime brokerage loans to hedge funds they partially own and run.

Fortunately, the final bill does place costs on banks’ *de minimis* investments in hedge funds and private equity funds. Specifically, the legislation requires a 100 percent capital charge on these proprietary investments, making them expensive for banks to hold. While this may be a helpful deterrent, I am concerned that it will not be enough of one, particularly when considering how lucrative and risky an activity it is for banks to run hedge funds and private equity funds.

The overarching problem is that banks will continue to be able to offer and run—never mind, partially own—risky investment funds. Even though the scaled-back Volcker Rule includes a “no bailout” provision, I have concerns about the credibility of that edict. Under any circumstance, the failure of a massive hedge fund run by a megabank would pose serious reputational and financial risks to that institution.

Just look at what happened when the structured investment vehicles, or SIVs, of Citigroup and other megabanks began to falter. Because of the reputational consequences of liquidating these funds and allowing them to default on their funding obligations, they were bailed out by the megabanks that spawned them even though the SIVs themselves were generally separate, off-balance-sheet entities with no official backing from the banks.

Finally, the strength of the core part of the Volcker Rule—the ban on proprietary trading—will depend greatly on the interpretation of the regulators. They will ultimately be the arbiter of whether broad statutory exceptions for “market making” or “risk-mitigating hedging” or “purchases” or “sales” of securities on “behalf of customers” are allowed to swallow the putative prohibition. I therefore urge the regulators to construe narrowly those activities that constitute exceptions to proprietary trading to ensure that the Volcker Rule has some teeth in it.

Senator LINCOLN’s original swap dealer spin-off provision would have prohibited banks with swap dealers from receiving emergency assistance from the Federal Reserve or FDIC. By essentially forcing megabanks to spin off their swap dealers into an affiliate or separate company, this section would have helped restore the wall between the government-guaranteed part of the financial system and those financial entities that remain free to take on greater risk. It would also have forced derivatives dealers to be adequately capitalized.

While the final bill includes the Lincoln provision, it limits its application to derivatives that reference assets that are permissible for banks to hold and invest in under the National Bank

Act. Since that exception covers interest rates, foreign exchange and other swaps, it ultimately exempts close to 90 percent of the over-the-counter derivatives market. Regulators must therefore reduce counterparty exposures by requiring the vast majority of derivatives contracts to be cleared and calibrate carefully the amount of capital that bank derivatives dealers must maintain. Only then can we be sure we never again face a meltdown caused by excessively leveraged derivatives exposure that no regulator helps to keep in check.

The financial reform bill places enormous responsibilities and discretion into the hands of the regulators. Its ultimate success or failure will depend on the actions and follow-through of these regulators for many years to come.

One of my main concerns is, if we elected another President who believed we should not have regulators and regulation, they would again have the ability to do what they did to cause a meltdown.

It is estimated that various Federal agencies will be charged with writing over 200 rulemakings and dozens of studies. Many of the same regulators who failed in the run-up to the last crisis will once again be given the solemn task of safeguarding our financial stability. Like many others, I am concerned whether they have the capacity and wherewithal to succeed in this endeavor.

I repeat again, Congress has an important role to play in overseeing the enormous regulatory process that will ensue following the bill's enactment. The American people, for that matter, must stay focused on these issues, if just to help ensure that Congress indeed will fulfill its oversight duty and its duty to intervene if the regulators fail. Likewise, although I will be leaving the Senate in November, I will be watching closely to see how the regulators follow through on the enormous responsibilities they are being handed.

Let us not forget why reform is so necessary and important. After years of Wall Street malfeasance and the systematic dismantling of our regulatory structure, our financial system went into cardiac arrest and our economy nearly fell into the abyss. Wall Street, which had grown out of control on leverage and financial gimmickry, blew up. More than 8 million jobs were wiped out; millions more have lost their homes. We spent trillions of dollars in monetary easing and emergency measures to avert the wholesale failure of many of our megabanks. Not surprisingly, we continue to feel the aftershocks of the worst financial crisis since the Great Depression.

Every single thing you look at, almost without exception, when you read our newspapers, is related to our present economic situation, which was

caused by lack of regulatory action on Wall Street.

The banks are not lending. Fed Chairman Bernanke just days ago urged them to do more for small businesses. Companies and consumers alike remain shaken in their confidence. And despite dramatic stimulus measures, the economic recovery has been slow and tentative. Many of the opponents of Wall Street reform would like to make the dubious claim that the recovery is being held back by uncertainty about future regulations and taxes. Can you believe that? In reality, it is being held back by the financial shock and the fact that we are still in a period of financial instability and undergoing an excruciating process of deleveraging. Even now it is unclear whether a European banking crisis based on their holdings of sovereign debt will continue to impede that recovery.

It is also being caused by the fact that Americans are losing faith in the credibility of our markets. Who wouldn't, after what has happened?

I think it has been an important factor in our present hiccup—hopefully, it was a hiccup and not a double dip.

It is, therefore, imperative that we build a financial system on a firmer foundation. The American economy cannot succeed—cannot succeed—unless we restore and maintain financial stability—not only restore and maintain financial stability but maintain the credibility of our financial system. We simply cannot afford another financial crisis or continued financial instability if the American economy is to succeed in the coming decades. Getting financial regulation right and maintaining it for years to come should be one of this Nation's highest priorities because the price of failure is far too high.

I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Madam President, I thank my colleague from Delaware. He highlighted the difficulty in passing legislation. There are those who think it goes too far and those who think it does not go far enough. We do not write a bill on our own. There are 100 of us in this Chamber and 435 in the other. There are stakeholders, the administration—all sorts of people we deal with on these matters. What we try to do is fashion the best proposal we can that moves us forward and addresses the underlying causes, as we tried to with this bill.

I appreciate the Senator's points that were raised during the debate and discussion. We tried to accommodate them where we could in fashioning legislation. It is always a difficult process. You do not get to write your own bill. You can write your own bill and introduce it, but ultimately, for it to become law requires cooperation. We had

that cooperation. I appreciate his involvement very much.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. KAUFMAN. Madam President, I just laid it out. I taught a course on Congress in law school for 20 years. I say this in all sincerity: Houdini could not have gotten through this process. Really and truly, when one looks at it, Houdini could not have gotten through this process with a bill.

I try very hard to be bipartisan in everything I do, and I try to speak well of my colleagues because I really do like every one of my colleagues on the other side. That is not hyperbole. But when we start out with 41 Senators bound and determined to slow down, delay, stop, and block, it makes the job the Senator from Connecticut has done even more incredible. And then we have to get 60 votes on anything of substance. Then we have to go over to the House side. And God bless our friends on the House side. When I talk with them, they just look over here and cannot believe we ever get anything done.

Getting this bill done, getting it through the Senate, dealing with all the stakeholders, dealing with the administration, dealing with the folks on the House side, and, with all due respect, doing it three times in one Congress, is definitely a Hall of Fame performance.

I thank the Senator again.

Mr. DODD. Madam President, my colleague talked about 41. There are a number of Republicans who played a very critical and supportive role on this bill. I do not want the record to persist in suggesting that was not the case. Even people on the other side who ended up not voting for the bill—at least have not so far—added substantially to the value of this bill. In some cases, they might not want to acknowledge that, but they did.

In the case of our two colleagues from Maine and our colleague from Massachusetts, they have taken an awful lot of abuse in the last number of weeks because they worked with us on the bill and made significant contributions. While they do not agree with every dotted "i" and crossed "t," as I do not with this bill, they decided our country would be better off with the passage of this legislation than not.

I do not want the record to be uncorrected when it comes to the number of people, including those three in particular, who will, I presume, continue to take some abuse from others because they did not toe the party line, nor have they on repeated occasions. They have acted as U.S. Senators, which is our first responsibility. I know what that feels like. I have been there on numerous occasions in my 30 years. Several times, I was the only Democrat to vote with Republicans on substantive matters. It is a lonely moment. I can tell my colleague what

happens. It is painful, and you get those long looks from your colleagues. It is uncomfortable, to put it mildly. I will also tell my colleague that some of the proudest moments a colleague will have when they serve here is when they make those decisions and do so for the right reasons.

While I am deeply grateful to my Democratic colleagues, many of whom had concerns about the bill, as my friend from Delaware did, and have been supportive all the way through, I guess there is a bit of the prodigal son—prodigal daughter in the case of our colleagues from Maine and prodigal son in the case of our colleague from Massachusetts—when they decided to stand up and help us get a bill done despite the criticism they have received. Everyone who has been supportive and helpful deserves credit, but I think those who were willing to take an awful lot of abuse in the process of doing so deserve commendation.

I did not want to let that number stand—41—because it implies somehow there were people on the other side who were not helpful, and they were, including people who did not vote for the bill who were helpful as well.

Mr. KAUFMAN. Madam President, I totally agree with the Senator. It is oversimple. I know the Senator from Connecticut received a lot of support from the Republican side. I know how difficult it is to be the person standing in your caucus when everyone in your caucus wants to vote another way. I appreciate that.

What is amazing to me is what passed was what the three of them would sign on to or others would sign on to. The idea that the Senator came with a bill—every one of my concerns I raised today, if we had gotten some help from the other side might have gone another way. But they were not going to go another way with the group we had.

I could not agree with Senator DODD more. I think it is easy to stand up in our caucus and be for this bill. I think what they did was truly courageous. But I also think that on every major issue, to have to figure out how we get 60 votes is a special, difficult problem. It is not like a swan dive. It is not, like they do in the Olympics, a double summersault. Putting all those things together is a triple summersault in the pike position. That is the point I want to make—the difficulty of getting a bill when we need to get 60 votes on every issue and there is a constant pressure on the other side for all to vote together one way.

Mr. DODD. Madam President, I see our colleague from New Hampshire is here. I will save this for a later debate, but I know there is talk about changing the rules of the Senate because of the frustration Senators feel. I will make, in my waning hours here, as strong a plea as I can to not succumb

to the temptation to change the institution because of the current frustrations people feel. There is a reason this institution exists and has the rules it does. All of us one day are in the minority or majority. The fact that some may abuse the rules, as has happened here without any question, ought not to be a justification for fundamentally changing them. There are ways to deal with the problem without losing the essence of the Senate. He is no longer with us, but my seatmate, Robert C. Byrd, would speak for hours on end about the importance of not letting the vagaries of the moment dictate the long-term interests of the institution.

I will leave that for another day, but I appreciate it.

My colleague from New Hampshire is here.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mrs. SHAHEEN. Madam President, I am pleased to join my colleague from Connecticut, Senator CHRIS DODD, and be here on the floor this afternoon to talk about the financial regulatory reform bill that is pending.

Before I begin my remarks, I wish to recognize Senator DODD for his leadership and hard work in getting this conference report to the floor so that we can hopefully adopt it this afternoon. It is important because of what has happened in this country and what has happened in my State of New Hampshire.

Over the past 2 years, people in New Hampshire and across the country have suffered the consequences of Wall Street's gambles. While we are seeing our economy in New Hampshire begin to rebound, which is thanks in no small part to the job creation that was spurred by the Recovery Act, it is critical that we act to prevent Wall Street's risky, reckless behavior from ever again bringing our economy to its knees.

We need to put in place reforms to stop Wall Street firms from growing so big and so interconnected that they can threaten our entire economy. We need to protect consumers from abusive practices and empower them to make sound financial decisions for their families. We need more transparency and regulation in the now shadowy markets where Wall Street executives and investment banks have made gambles. In those shadowy markets, the Wall Street firms got all the upside and American families got all the downside. We need to do everything we can to ensure that a financial crisis, such as the one we experienced in late 2008, never happens again. We need to ensure that taxpayers will not be asked to bail out Wall Street. In short, we need to pass the strong Wall Street reform bill that is before us today.

It is also important to note that while this bill requires Wall Street banks to be held more accountable, it

does not unfairly burden community banks. Community banks did not cause the financial crisis, and they should not have to pay for Wall Street's reckless behavior. That is particularly important to us in New Hampshire, where community banks make a huge difference for our cities and towns. That is why I joined with Senator SNOWE on her amendment to eliminate the unnecessary, burdensome requirement that community banks and credit unions collect and report on various data about their depositors.

I also sponsored another bipartisan amendment, one to make large, riskier banks pay their fair share of FDIC premiums and lower assessments for community banks. Community bank lending is really the lifeblood of New Hampshire's economy. Every dollar community banks have to pay for Wall Street's mistakes is a dollar that could be going to extend credit to small businesses and to home and consumer loans to families.

I also joined Senator COLLINS on her amendment to require Wall Street banks to follow the same capital and risk standards small depository banks must follow. This amendment will make the risky banks that led us into this financial crisis—banks such as Bear Stearns and Lehman Brothers—follow the same standards that already apply to small depository banks.

This bill requires the big Wall Street banks to have adequate capital to prevent taxpayers from having to bail them out again.

I am very pleased that those bipartisan amendments, which have strengthened the bill by protecting community banks, have been adopted. It speaks to the conversation Senator DODD was having with Senator KAUFMAN earlier that this is a bill that has gotten broad support in this body and a lot of input that has made it better.

I am glad we have been able to work in this bipartisan manner to craft a strong bill that reins in the reckless Wall Street conduct that brought us to the edge of financial disaster. It keeps community banks strong, and it protects consumers and taxpayers.

I look forward to voting "aye" this afternoon when we get to the vote on the conference report.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Madam President, briefly, I thank my colleague from New Hampshire. I see my other colleague from New Hampshire as well. It is a New Hampshire moment. I thank Senator SHAHEEN and our colleague from Maine, Senator SNOWE, for working as they did on the community bank issues.

I was pleased, as I noted yesterday, that the Independent Community Bankers Association, while not endorsing the entire bill but specifically on their issues involving community

banks expressed strong support for this bill and how much stronger these banks are today as a result of our efforts than would be the case if we were to defeat the legislation. Their ability to compete with these larger banks has been enhanced tremendously by what we have done in this bill. If these provisions were not adopted, they would be back in a situation where there would be significant disadvantages for them under the current law.

I am very grateful to Senator SHAHEEN and Senator SNOWE and others who supported their efforts to strengthen the role of our community banks that play such a critical role. As the Senator from New Hampshire pointed out, they were never a source of the problems in the residential mortgage market at all. That deserves to be repeated over and over.

I thank the Senator for her comments.

Mr. JOHNSON. Madam President, Congress is now on the brink of passing a landmark deal on legislation to reform Wall Street and prevent another financial crisis like the one we faced nearly 2 years ago. This legislation is an important and long overdue measure that will help to safeguard the long-term stability of our economy.

In the closing months of the Bush administration, our Nation faced an economic situation so dire that many feared our financial system was on the verge of collapse. Though we were able to avert such a collapse, the impact of the crisis spread across America, leaving few untouched.

Virtually all of us have been impacted by the economic meltdown in some way: businesses shed jobs, workers' hours were cut, some folks had great difficulty making their mortgage payments when their pay was cut, small businesses lost customers and revenue in the downturn. South Dakota homeowners, regardless of whether they had a mortgage or owned their home outright, saw their equity drop, and most folks with investments for retirement or other long-term goals suffered losses either through the stock market plunge, bond market turbulence, or passbook savings interest rates that hovered near zero percent. Lending at our Nation's banks contracted, spending fell, and overall consumer confidence plummeted.

Americans were rightly angry that while they were losing their homes, jobs, and long-term savings, they were also expected to foot the bill for the irresponsible actions of Wall Street CEOs. Their outrage only grew when these same CEOs continued collecting unprecedented bonuses—presumably for their work in recklessly taking our Nation to the brink of collapse. Frankly, I share that anger.

It is clear that our economy has not yet fully recovered, but in the last year and a half, Congress has dedicated

itself to turning our economy around. We are now on the verge of passing historic legislation that creates better accountability and transparency for Wall Street and the financial sector.

As a senior member of the Banking Committee, and a member of the conference committee, I have worked hard to identify the causes of the crisis and find the right solutions to address these causes. I have talked at length with South Dakotans of all backgrounds and political stripes to gain their perspective, and there are some things that get mentioned time and again: there were many causes for the meltdown, but gaps in regulation contributed to the problem; rules that applied to some financial companies but not all opened loopholes that bad actors could exploit; the lack of a system to monitor risks across the banking sector left taxpayers vulnerable; regulators were not very focused on looking out for consumers; and large Wall Street firms operated with little or no accountability to either their shareholders or their customers. In addition, it became clear we needed a system to unwind big financial firms like AIG, Lehman Brothers, and Bear Stearns in an orderly fashion and without taxpayer bailouts. Doing nothing is not an option, and I do not think anyone can say with a straight face that our current system of financial regulation works for America.

While not perfect, the Wall Street reform measure does a great deal to address many of these problems. It creates a mechanism to monitor systemic risk in the financial sector, as well as regulating risky derivatives, credit default swaps and other complicated financial products that were not transparent and had previously gone unregulated. It affords consumers better rules governing the products they use and better information about those products by creating a consumer watchdog agency. Importantly, it also creates a way to unwind large financial firms without having to bail them out.

Specifically, I want to mention two provisions. First, I am pleased that the conference committee accepted the Carper-Bayh-Warner-Johnson amendment, which I strongly supported, regarding the preemption standard for State consumer financial laws. This amendment received strong bipartisan support on the Senate floor and passed by a vote of 80 to 18. One change made by the conference committee was to restate the preemption standard in a slightly different way, but it is clear that this legislation is codifying the preemption standard expressed by the U.S. Supreme Court in *Barnett Bank of Marion County, N.A. v. Nelson*, Florida Insurance Commissioner, 517 U.S. 25 (1996) case. This will provide certainty to consumers and those that offer consumers financial products.

Also, section 913 of the conference report reflects a compromise between the

House and Senate provisions on the standard of care for brokers, dealers, and investment advisers. It includes the original study provisions passed by the Senate, together with additional areas of study requested by the House—a total of 13 separate considerations and a number of subparts, where we expect the SEC to thoroughly, objectively and without bias evaluate legal and regulatory standards, gaps, shortcomings and overlaps. We expect the SEC to conduct the study without prejudging its findings, conclusions, and recommendations and to solicit and consider public comment, as the statute requires. As Chairman FRANK described the compromise when he presented it to the committee, section 913 does not immediately impose any new duties on brokers, dealers and investment advisers nor does it mandate any particular duty or outcome, but it gives the SEC, subsequent to the conclusion of the study, the authority to conduct a rulemaking on the standard of care, including the authority to impose a fiduciary duty. I think this is a strong compromise between the House and Senate positions.

This bill gives financial institutions, regulators and consumers the right tools to make good decisions, and it also provides the right tools to prevent another crisis like the one we recently experienced. Many of the bill's provisions, including those mentioned previously, have bipartisan support; in fact, many of the core ideas incorporated into the bill originated from my Republican colleagues.

Critics of this legislation have said that it tackles the wrong problems, hurts small banks and businesses, and burdens struggling financial institutions. I appreciate those points of view, but feel very confident in saying we have taken specific steps to ensure that small banks and businesses are not negatively affected, to make it more difficult for firms to take dangerous risks, and to strike the right balance between regulation and flexibility. But the bottom line is this: the kind of free-wheeling, self-regulating, anything goes environment that we had before the crisis is simply not an option.

There are certainly provisions in this bill that I would have written differently as any of my colleagues would if we wrote this legislation ourselves. But that is not how the Senate and our legislative system works, and overall I think this conference report is very strong legislation. I look forward to its passage.

There is no doubt that after the President signs this bill into law, there will be an important focus on implementing this legislation correctly, as well as continued oversight by Congress of the agencies and covered financial institutions, and efforts at international coordination with our counterparts in other countries. It is also

likely that there may need to be corrections and adjustments to the bill in the future. That said, passage of this bill is important to our nation's economic recovery, and we must get it to the President's desk.

Mrs. HAGAN. Madam President, I rise today to discuss the conference agreement on financial services regulatory reform and specifically an issue in section 619 of title VI, known as the Volcker rule. The section's limitations on financial organizations that own a depository institution from investing or sponsoring in hedge funds or investments in private equity to 3 percent of an organization's assets, in the aggregate, references "tier 1 capital."

The term "tier 1 capital" is a concept currently applied strictly to banks and bank holding companies and consists of core capital, which includes equity capital and disclosed reserves. However, there are financial organizations subject to the Volcker rule's investment constraints that do not have a principal regulator that utilizes tier 1 capital measurements to determine an entity's financial strength. In order to ensure a level playing field with traditional banks, I would hope the appropriate regulators would determine a suitable equivalent of tier 1 capital to determine the investment limit, while still satisfying the intent of the Volcker rule.

I ask the regulators to make certain that these types of financial organizations will be subject to the Volcker rule in a manner that takes into account their unique structure.

In addition, I am pleased that as part of the conference report that the Volcker language was modified to permit a banking entity to engage in a certain level of traditional asset management business, including the ability to sponsor and offer hedge and private equity funds. With that in mind, I wanted to clarify certain details around this authority.

First, I was pleased to see that the Volcker Rule, as modified, will permit banking entities several years to bring their full range of activities into conformance with the new rule. In particular, section 619(c)(2) ensures that the new investment restrictions under section 619(d)(1)(G)(iii) and section 619(d)(4)—including the numerical limitations under section 619(d)(4)(B)(ii)—will only apply to a banking entity at the end of the period that is 2 years after the section's effective date. This date for the regulators to begin applying the new rules can also be extended into the future for up to three 1-year periods under section 619(c)(2) and can also separately be extended for illiquid funds with contractual commitments as of May 1, 2010, under section 619(c)(3), on a one-time basis for up to 5 years. Only after all of these time periods and extensions have run will any of the limitations under section

619(d)(1)(G) and section 619(d)(4) be applied by regulators.

Second, as an added protection, section 619(f) applies sections 23A and 23B of the Federal Reserve Act to transactions between all of a banking entity's affiliates and hedge or private equity funds where the banking entity organizes, offers, serves as an investment manager, investment adviser, or sponsor of such funds under section 619(d). These restrictions are also applied to transactions between a banking entity's affiliates and other funds that are "controlled" by a hedge or private equity fund permitted for the banking entity under 619(d). Importantly, these 23A and 23B restrictions do not apply to funds not "controlled" by funds permitted for the banking entity under section 619(d), and it should also be clear that under section 619 there are no new restrictions or limitations of any type placed on the portfolio investments of any hedge or private equity fund permitted for a banking entity under section 619.

Third, as a condition of sponsorship, section 619(d)(1)(G)(v) requires that a banking entity does not, directly or indirectly, guarantee or assume or otherwise insure the obligations or performance of any sponsored hedge or private equity fund or of any other hedge or private equity fund in which the sponsored fund invests. While this restricts guarantees by the banking entity as well as the insuring of obligation or performance, it does not limit other normal banking relations with funds merely due to a noncontrol investment by a fund sponsored by the banking entity. As described above, section 619(f) limits transactions under 23A and 23B of the Federal Reserve Act with a fund "controlled" by the banking entity or a fund sponsored by the banking entity. However, 619(f) does not limit in any manner transactions and normal banking relationships with a fund not "controlled" by the banking entity or a fund sponsored by the banking entity.

Finally, section 619(d)(4)(I) permits certain banking entities to operate hedge and private equity funds outside of the United States provided that no ownership interest in any hedge or private equity fund is offered for sale or sold to a U.S. resident. For consistency's sake, I would expect that, apart from the U.S. marketing restrictions, these provisions will be applied by the regulators in conformity with and incorporating the Federal Reserve's current precedents, rulings, positions, and practices under sections 4(c)(9) and 4(c)(13) of the Bank Holding Company Act so as to provide greater certainty and utilize the established legal framework for funds operated by bank holding companies outside of the United States.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Madam President, let me begin by thanking the Senator from Connecticut and congratulating him. He has been pretty effective in his last year in the Senate. He got a lot of stuff moving and a lot of stuff through. And I have not agreed with all of it, by the way. Most importantly, he has done it in a fair and balanced way, always with a sense of humor and an openness and willingness to listen to those with whom he may not agree entirely and allow us to participate at the table in discussions about the problems at the very beginning of the process in a very substantial way. So I thank him for his courtesy and for the way he runs the committee and the way he ran the HELP Committee when he succeeded to that leadership on the unfortunate passing of Senator Kennedy. It has been a pleasure to serve with him on this bill and on some very significant issues as we tried to work through them.

I have reservations about this bill—they are more than reservations. I, obviously, believe the bill doesn't get us to where we need to go. When we started on this effort, our purpose was, in the beginning, twofold: First, we wanted to make sure we could do everything we could to build into the system of regulatory atmosphere and the marketplace the brakes and the ability to avoid another systemic meltdown of the type we had in late 2008, which was a traumatic event.

Nobody should underestimate how significant the events of late 2008 were. If action had not been taken under the TARP proposal, and under the leadership of President Bush, Secretary Paulson, and then President Obama and Secretary Geithner, this country would have gone into a much more severe economic situation—probably a depression. Secretary Paulson once estimated the unemployment rate would have gone to 25 percent. The simple fact is the entire banking system would have probably imploded—most likely imploded—and certainly Main Street America would have been put in dire straits.

But action was taken. It was difficult action. We are still hearing about the ramifications of it, but it was the right action, and it has led to a stabilization of the financial industry. But we never want to have to see that happen again. We never want to have to go through that type of trauma again as a nation, where our entire financial community is teetering. So the purpose of this bill should be to put in place a series of initiatives which will hopefully mute that type of potential for another event of a systemic meltdown.

The second purpose of this bill—and it is an equally important purpose—is that we not do something that harms one of the unique strengths and characteristics of our Nation, where if you are an entrepreneur and have an idea

and are willing to take a risk and try to create jobs, you can get credit and capital reasonably easily compared to the rest of the world. That has been the engine of the economic prosperity of our Nation—the availability of credit and capital, reasonably priced and reasonably available to entrepreneurs in our Nation.

Those should have been our two goals. If we match this bill to those goals, does it meet the test of meeting those goals? Unfortunately, I don't think it does. There are some very positive things in the bill. The resolution authority is a good product in this bill, and it will, in my opinion—though I know there is a lot of discussion about this—pretty much bring an end to the concept of too big to fail.

If an institution gets overleveraged to a point where it is no longer sustainable, and it is a systemic risk institution, it is going to be collapsed. The stockholders will be wiped out, the unsecured bond holders will be wiped out, and the institution will be resolved under this bill.

That is positive because we do not want to send to the markets a signal that the American taxpayer is going to stand behind institutions which are simply large. That perverts capital in the markets, and it perverts flow of economic activity in the markets when people think there is that sort of guarantee standing behind certain institutions in this country. And I think progress is made in this bill on the issue of resolution.

But, unfortunately, in a number of other areas, the opportunity to do something constructive was not accomplished. In fact, in my opinion, there will be results from this bill which will cause us to see a negative effect from this bill. The most negative effects I think will occur from this bill lie in two areas. First, in the area of the formation of credit.

It is very obvious that under this bill there is going to be a very significant contraction of credit in this country as we head into the next year, 2 years, maybe even 3 years. We are in a tough fiscal time right now. It is still very difficult on Main Street America to get credit. The economy is slow. We should not be passing a bill which is going to significantly dampen down credit, but it will. This bill will. It will for three reasons:

First, the derivatives language in this bill is not well thought out. It just isn't. Most people don't understand what derivatives are, but let's describe them as the grease that gets credit going in this country and everywhere. It is basically insurance products that allow people to do business and make sure they can insure over the risks that they have in a business. This bill creates a new regime for how we handle derivatives in this country.

Our goal should have been to make derivatives more transparent and

sounder. That could have been done easily by making sure most derivatives were on over-the-counter exchanges—went through clearinghouses I mean, and had adequate margins behind them, adequate liquidity behind them, and were reported immediately to the credit reporting agencies as to what they were doing. It didn't involve a lot of complications, just changing the rules of the road. Instead of doing that, we have changed the entire process. In changing the entire process, we are basically going to contract significantly the availability of these products to basically fund and to be the engine or the grease or the lubricant for the ability of a lot of American businesses to do business.

End users in this country who use derivatives are going to find it very hard to have an exemption. They are basically going to have to put up capital, put up margin—something they do not do today on commercial derivative products—and that is going to cause them to contract their business. They will have to contract their business or they are going to have to go overseas. Believe me, there is a vibrant market in derivatives overseas. They will go to London, and this business will end up offshore.

Then we have this push to put everything on an exchange. Well, there are a lot of derivatives that obviously should go through clearinghouses but are too customized to go on exchanges, and we are going to end up inevitably with a contraction in the derivatives market as a result.

Then we have the swap desk initiative, which was simply a punitive exercise, in my opinion. It is going to accomplish virtually nothing in the area of making the system sounder or more stable. But what it will do is move a large section of derivative activity—especially the CDS markets—offshore. They will go offshore because they will not be done here any longer. Banks and financial houses which historically have written these instruments are not going to put up the capital to write them because they don't get a return that makes it worth it to them.

I guarantee we are going to see a massive contraction in a number of derivatives markets as a result of this swap desk initiative, which was more a political initiative than a substantive initiative, and which is counterproductive. It is a "cut off your nose to spite your face" initiative, and it will move overseas a lot of the products we do here and make it harder for Americans to be competitive—especially for financial services industries to be competitive—in the United States. So that will cause a contraction and a fairly big one.

The estimates are that the contraction may be as high as \$¾ trillion. That is a lot of credit taken out of the system. On top of that, there is the

issue of the new capital rules in this bill.

It isn't constructive for the Congress to set arbitrary capital rules. That should be left to the regulators. But this bill pretty much does that. As a result, a lot of the regional banks, the middle-sized banks—the larger banks would not be affected too much—will find they are under tremendous pressure as their tier I capital has to be restructured relative to trust preferred stock.

This is not a good idea because, as a practical matter, we will again cause a contraction in the market of capital—of credit. As banks grow their capital, they will have to contract credit. When a bank has to get money back in order to build its capital position up, it doesn't go to its bad loans because the bad loans aren't performing. It goes to its good loans, and it doesn't lend to them. Or it says: We are going to draw down your line of credit, because that is where they can get capital. That is what will happen, and we will see capital contract there.

On top of that, we have the Volcker rule. The concept is a very good idea. We should never have banks using insured deposits to do their proprietary activity. But straightening out what this Volcker rule means will take a while. It may be a year or two before anybody can sort out what it means and before the regulations come down that define it. So there will be a period of uncertainty, and that uncertainty means less credit available.

Of course, this is another situation where the international banks are the winners and the domestic banks are the losers because the international banks will be able to go and do the same business—the proprietary trade—in London, if they are based in London or in Singapore, if they are based in Singapore or Tokyo, if they are based in Tokyo. But the American banks they compete with aren't going to be able to do it. So that makes no sense at all.

But as a practical matter, that is what this bill does. So we will end up again with a tentativeness in the markets as to what they are supposed to be doing and what they can do in the area relative to the Volcker rule, and this will end up creating further credit contractions.

So my guess is, when we add it all together, this bill will lead to a credit contraction of probably \$1 trillion or more in our economy. What does that translate into? It translates into fewer jobs and less economic activity. It didn't have to happen this way. This could have been done in a way that would have been clearer, where the clarity would have been greater, and where we would not have had to take arbitrary action which was more political than substantive to address what problems in the industry did exist and should have been addressed.

Another area of concern, of course, is this consumer agency. Consumer protection is critical. We all agree to that. What we proposed on our side of the aisle was that we link consumer protection and safety and soundness at the same level of responsibility and the same level of authority within the entire bank regulatory system so that the prudential regulator—whether it is the Fed or the Office of the Comptroller—when they go out to regulate a bank and check on it for safety and soundness—or the FDIC—they, at the same time, have the same standard of importance placed on making sure that the consumer is being protected in the way that bank deals with the consumers. That is the way it should be done. The two should be linked because the regulator that regulates the bank for safety and soundness is the logical regulator to regulate the bank to make sure it is complying with consumers' needs.

But this bill sets up this brandnew agency, which it calls consumer protection, but it will not be at all, in my opinion. It will be the agency for political correctness or correcting political justice or issues of political justice that somebody is concerned about. It is totally independent of everybody else. It doesn't answer to anyone except on a very limited and narrow way to the systemic risk council. It is a single person with an \$850 million unoversighted revenue stream with no appropriations. Basically, the person just gets the money and can go off and do whatever they want. There is no relationship between this person and the prudential regulator. So what we will have is an individual who may get on a cause of social justice and say that XYZ group isn't getting enough loans, and they go out to the banks and say: You have to send XYZ group more loans.

We might have the bank regulator over here saying to the local banks, the regional banks: You can't lend to XYZ group because we know they are not going to pay you back or they will not pay you back at a rate that is reasonable. So we are going to have this inherent conflict.

Now, what will be the result of that? The banks will probably have to lend to the XYZ group, which means the people borrowing from that bank who pay their loans back will have to pay more because the bank will have to make up for the loss of revenues. As a result, the cost of credit will go up, especially for individuals who are responsible and paying down their debts and paying for their credit—paying back their loans. We are going to end up with layers and layers of conflicting regulation which will cost the banking community money—a significant amount of unnecessary money.

Who pays for that? Well, the consumer pays for it. Clearly, that gets passed through. This is one of those

Rube Goldberg ideas that can only come out of a government entity. They used to say: You know, the government produces a camel when it is supposed to be producing a horse.

There is just a disconnect between the reality of what we are supposed to be doing in the area of producing effective regulation relative to protecting consumers and what this bill ends up finally doing.

I would not be here to oversee it or participate in it. In fact, nobody gets to oversee it, by the way. This consumer protection agency is not responsible to the Banking Committee of the Senate or the Banking Committee of the House. It is not responsible to the Fed. This person is a true czar.

The term "czar" is thrown around here a lot, but this person is a true czar in the area of consumer activity. I suspect we will see that this agency becomes a very controversial agency, with a very political social justice type agenda, not an agenda which is aimed at primarily protecting consumers.

So that is a big problem with this bill, and there are a lot of other issues with this bill. At the margin, the issue of how we restructure the regulatory regimes is of some concern, the whole question of how stockholders' rights in this bill—and probably not relevant to the banking issue so much—could have been improved on. The bill overall could have been a much better product. But the primary concern I have goes back to this issue of what was the original purpose—to protect systemic risk in the outyears and make sure we continue to have a strong and vibrant credit market for Americans who want to take risks and create jobs.

Two major issues were totally ignored in the bill which would address that question: What drove the event of this meltdown? What caused this financial downturn? It was the real estate market and the way it was being lent into. Two things were the basic engines of that problem, that were government controlled. There were a lot of things which caused it, but the two things which the government controlled were, No. 1, underwriting standards. Basically we divorced underwriting standards from the issue of whether a person got a loan, so loans were being made on assets which could not cover the cost of the loan. It was presumed the asset was going to appreciate, a home was always going to appreciate in these communities and therefore they could loan at 100 percent of the value of the home or 105 percent of the value and still have a safe loan. That was a foolish assumption, to say the least.

Second, we didn't look at whether the person could pay the loans back when these loans were made at zero interest for a year or 2 years. But then they reset, these loans reset at a fairly reasonable or sometimes very unreasonable interest rate and nobody

looked at whether the person could pay them back.

These loans were being made not for the purposes of actually recovering the loans. That was not the reason these loans were being made. These subprime loans were being made because there were fees on the loans and the people making the loans were getting the fees. There was a whole cottage industry of people down in Miami who had just gotten out of prison who figured this out while they were in prison and they developed an entire cottage industry of former prisoners who had been released, legally, and actually went back into the loan business and were making these loans and getting the fees.

Then what aggravated it—first what aggravated it was the underwriting standards, but then it was that these loans got securitized. They got picked up by Freddie Mac and Fannie Mae, with the understanding—it was implicit but it was obvious, as we found out—that Fannie Mae and Freddie Mac would essentially insure these loans. So if you bought one of these securitized loans, Fannie Mae and Freddie Mac would be standing behind it even though the loans were not viable.

This bill ignores both those issues. It has very marginal language on the issue of underwriting. It doesn't get us back to standards which would basically protect us from overly aggressive underwriting.

People say Canada did not have a problem, Australia didn't have a problem. Why didn't they have a problem? They didn't have a problem because they required people who were borrowing to put money down and they required that people who were borrowing actually be able to pay the money back. It seems like a perfectly reasonable thing to require, but this bill ignores it.

Second, this bill does nothing about Fannie or Freddie—nothing. Talk about ignoring the elephant in the room, this is the whole herd of elephants in the room. The American taxpayer today is on the hook for something like \$500 billion to \$1 trillion. The estimates vary. Some people say it is even higher than that—the American taxpayer, for bad loans, securitized by Fannie and Freddie. This bill says nothing. It is as if this problem doesn't exist. It is as if this problem doesn't exist. Not only was it one of the primary drivers of the financial meltdown but it is one of the biggest problems we have going forward. The administration says we will do it next year. Well, if you do a financial reform bill without Fannie and Freddie, you essentially are not doing a financial reform bill at all. I apply the same to the issue of underwriting.

In my opinion, this bill has some pluses. I know this was worked very hard and I admire the efforts of the

Senator from Connecticut and actually the chairman in the House, Congressman FRANK from Massachusetts. But the negatives of this bill unfortunately are too significant to ignore, especially in the area of the short-term credit contraction that is going to occur, the poorly structured derivatives language, the Consumer Protection Agency—which I think is going to end up being counterproductive to consumers—and the failure to take up the Freddie and Fannie issue, and the failure to do stronger underwriting standards.

For that reason, I remain opposed to this bill. I understand it is going to pass. I hope some of my concerns do not come to fruition because, if they do, unfortunately this economy is going to be slowed and our Nation will be less viable economically. But I am afraid they will come to fruition.

I yield the floor.

The PRESIDING OFFICER (Mr. BURRIS). The Senator from Connecticut is recognized.

Mr. DODD. I see my other colleagues here, including Senator SPECTER who wants to be heard, but I want to address my colleague from New Hampshire because we are both going to be walking out of this Chamber in about 5 months. I thank him for his work going back to 20-some-odd months ago when we were involved in the critical weeks and days in September and October. JUDD GREGG was invaluable putting together a moment here while, not terribly popular, I think saved the economy and the country. I will not address all his concerns here. We have a different point of view on the issues he raised. They are not illegitimate issues. We think we addressed them properly. He has a different view, and I respect that. I appreciate his work and that of his staff on this bill. He made a significant contribution to this effort and I thank him for it.

I see my colleague from Pennsylvania here and I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, at the outset I wish to ascertain with precision that I have 20 minutes, as had been arranged with the floor monitors. I had looked for 30 but I ask consent I may speak for up to 20 minutes now.

The PRESIDING OFFICER. Is there objection?

Mr. DODD. Reserving the right to object, I want to be clear so my colleague will understand this. I had a sheet of paper in front of me—I do not have it in front of me now—with the order of those who sought time. I want to be careful, as my colleague from Pennsylvania will understand. We are going to vote at 2 o'clock. I want to be sure I can accommodate my colleagues.

The PRESIDING OFFICER. Twenty-three minutes remains to the majority.

Mr. DODD. I know Senator CONRAD, chairman of the Budget Committee,

has to be heard and it is critical to me he be heard on the budget point of order.

Could you make it a little less than 20?

Mr. SPECTER. I really cannot. I had started at 30 and 20 is tough. How early might I return for my 30 minutes?

Mr. DODD. After 2 o'clock? Any point after—

Mr. SPECTER. I ask unanimous consent I may have 30 minutes when the two votes which are scheduled for 2 o'clock conclude.

Mr. DODD. Certainly I would have no objection to that whatsoever. Take some time at this juncture too, if you wish.

Mr. SPECTER. I will do it all at once. I don't want to truncate it.

I ask unanimous consent that I may have the floor for 30 minutes at the conclusion of the two votes scheduled for 2 o'clock.

The PRESIDING OFFICER. Is there objection?

Mr. DODD. Again, let me reserve the right to object. I see the minority wants to check on such a request. I have no objection myself but obviously that is a matter—in fairness to the minority, we want to let them know of such a request. Here we are eating up time right now. I see my friend from North Dakota here as well. I am deeply grateful to the chairman of the Budget Committee.

Go ahead with that request. I am told it is OK.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. I thank the Chair and my colleague and the unknown persons in the cloakroom.

Mr. DODD. I thank my colleague from Pennsylvania and the unknown persons in the cloakroom. Let the record show they acknowledged the Senator's request.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, I come to the floor to discuss the budget point of order that has been raised against the financial reform conference report. I will be voting to waive this point of order. As Budget Committee chairman, I do not take this step lightly. In fact, the point of order that has been offered is a point of order that I created in the 2008 budget, so it is something I feel strongly about as a general matter. But its applicability here is false in the face of the importance of the legislation we need to consider.

The legislation before us is critical to our economic strength. I think we all understand that financial reform is long overdue. It has been almost 2 years since the financial sector collapse brought our economy to the brink of global financial collapse. I was in the room and Senator DODD was in the room when we were informed by the Chairman of the Federal Reserve

and the Secretary of the Treasury in the previous administration that if we failed to act at that dire moment, we could face a global financial collapse. That is how serious it was.

Now that the economy has stabilized, it is easy to forget the crisis that swept through the financial markets and threw us into the worst downturn since the Great Depression—in fact, which risked a second great depression. But we cannot afford to forget. We need to remember that the problems on Wall Street and in our financial sector have a direct impact on Main Street and the lives of every American. We need to ensure that taxpayers are never again asked to bail out Wall Street.

This financial reform legislation will prevent another financial sector collapse, or at least will help prevent it. I do not think any of us can say this will prevent any future collapse, but it is critically important to helping us prevent another collapse. It will allow the government to shut down firms that threaten to crater our economy and ensure that the financial industry, not taxpayers, is on the hook for any costs. It will rein in risky derivatives and other risky trading practices that undermined some of our largest financial institutions. It will help level the playing field for smaller banks and credit unions by cracking down on the risky practices of Wall Street and nonbank financial institutions that caused the financial crisis.

I am grateful to Senator DODD, the Banking Committee, and members of the conference for working with me to make certain that the final bill recognizes the special circumstances of community banks and credit unions in rural States such as mine. In particular, I appreciate the committee's modification to the lending limit standards. This is very important to farming communities across the country.

The final bill also provides added flexibility for rural lenders in the new mortgage standards as well as provisions to improve interchange reform for smaller financial institutions. Finally, I am pleased the committee included a risk-focused deposit insurance fund assessment formula and modified risk retention requirements for high quality loans.

Especially I thank Senator DODD for his extraordinary leadership. What a final year in the Senate. What a remarkable legacy he is leaving. I think the annals of the Senate will show very few Senators have had a record of accomplishment that matches what Senator DODD will have done in this year.

With respect to the budget point of order that has been raised against the conference report, let me make a couple of general points. First, this budget violation is not significant enough to merit derailing this important legislation. Second, we must bear in mind the

risks of failing to act. If we fail to protect against a future collapse and create an orderly process for dealing with giant insolvent financial institutions, it is inevitable that taxpayers will again at some future point be asked to bail out the financial sector and prevent a catastrophic financial collapse. If one measures on any scale the differences between the technical violation in this budget point of order against what would happen if this legislation fails, they cannot even be compared. I mean, it is a gnat against an elephant. So let's keep things in mind here.

Second, we must bear in mind the risk of failing to act because that would burden taxpayers in a way far beyond anything we see with this budget point of order. None of us wants that. This bill is an insurance policy against an expensive future taxpayer bailout.

The point of order that has been raised is the long-term deficit point of order, a point of order I established in the budget resolution of 2008. This point of order prohibits legislation that worsens the deficit by more than \$5 billion in any of the four 10-year periods following 2019.

CBO has determined that at least in one of those four 10-year periods, the conference report would exceed this threshold. But this is really just a timing issue caused by the new bipartisan resolution authority created by the bill. This is the new authority given to the government to wind down failing financial firms. Under the resolution authority, if a financial firm is about to collapse, the government will use the firm's assets to wind it down and put it out of business. If the firm's assets are insufficient, the government will temporarily borrow funds from the Treasury. The financial industry will then reimburse the government and the taxpayers for 100 percent of the cost. Again, 100 percent of the money will be paid back by the banks. So the net impact on the deficit is zero.

Overall, the bill saves \$3.2 billion over the first 10 years, according to the Congressional Budget Office. So while technically this budget point of order lies, if you pierce the veil and look at what really happens, this bill reduces the deficit, according to the Congressional Budget Office, which is the non-partisan scorekeeper here in the Senate. Because there is a lag time for the government to collect this money from the financial industry, CBO scores the bill as increasing the deficit in some of the later decades. But all of that money will be paid back in ensuing years, and that is what matters most in this case.

So although this bill does technically violate the long-term deficit point of order, it is insignificant. The fact is, this bill reduces the deficit, according to the Congressional Budget Office. So

I urge my colleagues to waive the point of order, to support passage of this financial reform legislation, which is clearly a significant step in the right direction in preventing the kind of risk to our Nation's economy that is so apparent with the current structure.

Again, I thank the chairman for his extraordinary work not only on this bill but throughout the year and, I think all of us know, throughout his career.

I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut

Mr. DODD. Mr. President, before my friend, the chairman of the Budget Committee, leaves, let me thank him immensely for his analysis of this issue. He has it, as we saw as well, exactly right. In fact, it is not only repaying 100 percent but with interest. There is an interest requirement, that if we borrow from the taxpayers in order to wind down substantially risky firms, then not only do you get paid back, but the interest on the cost of that money is also part of the deal. So it is 100 percent-plus coming back to the Treasury.

But his analysis and that of his committee—and there is no one who has been more disciplined or guarded about the budgetary process over the years we have served together, and so I appreciate the Senator's analysis of this particular point on the long-term deficit.

I commend the Senator for including the provisions he has and trying to build some discipline into the process of how we expend taxpayer moneys, collect taxes in the first place to pay for the needed expenditures of our government. So I thank the Senator for that.

I thank him for his comments as well about the bill and his support and also the substantive contributions the Senator from North Dakota has made, because one of the things we tried to be very careful about—JON TESTER of Montana, who sits on the committee with me, has been very careful and been tremendously active in seeing to it that rural America is going to be well served by this legislation. And there are differences. It is not all Wall Street, New York, and major financial centers. The importance of the availability of credit in rural communities is critical, as my colleague from North Dakota has informed me over the years we have served together. That ability of a local farmer to borrow that money in the spring, to be able to pay back in the fall, at harvest time, has been essential, and knowing how difficult it has been throughout the country to have access to credit is essential.

So his contributions to the legislation make sure that what we do here is going to enhance the capability of rural America to not only come out of this crisis we are in but to prosper in

the years ahead with this legislation. So beyond the budgetary considerations and the points of order before us, I thank him for his contributions to the substance of the bill, which has made it a far better bill to begin with.

I see my colleague from Oregon is here. I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. MERKLEY. Mr. President, I thank Chairman DODD for yielding to me and for his leadership on financial reform.

I yield to Senator LEVIN.

Mr. LEVIN. Mr. President, Senator MERKLEY and I, as the principal authors of sections 619, 620, and 621 of the Dodd-Frank Act, thought it might be helpful to explain in some detail those sections, which are based on our bill, S. 3098, called the Protect Our Recovery Through Oversight of Proprietary, PROP, Trading Act of 2010, and the subsequently filed Merkley-Levin Amendment, No. 4101, to the Dodd-Lincoln substitute, which was the basis of the provision adopted by the Conference Committee.

I yield the floor to my colleague, Senator MERKLEY.

Mr. MERKLEY. I thank Senator LEVIN and will be setting forth here our joint explanation of the Merkley-Levin provisions of the Dodd-Frank Act. Sections 619, 620 and 621 do three things: prohibit high-risk proprietary trading at banks, limit the systemic risk of such activities at systemically significant nonbank financial companies, and prohibit material conflicts of interest in asset-backed securitizations.

Sections 619 and 620 amend the Bank Holding Company Act of 1956 to broadly prohibit proprietary trading, while nevertheless permitting certain activities that may technically fall within the definition of proprietary trading but which are, in fact, safer, client-oriented financial services. To account for the additional risk of proprietary trading among systemically critical financial firms that are not banks, bank holding companies, or the like, the sections require nonbank financial companies supervised by the Federal Reserve Board, the "Board", to keep additional capital for their proprietary trading activities and subject them to quantitative limits on those activities. In addition, given the unique control that firms who package and sell asset-backed securities (including synthetic asset-backed securities) have over transactions involving those securities, section 621 protects purchasers by prohibiting those firms from engaging in transactions that involve or result in material conflicts of interest.

First, it is important to remind our colleagues how the financial crisis of the past several years came to pass. Beginning in the 1980's, new financial products and significant amounts of deregulation undermined the Glass-

Steagall Act's separation of commercial banking from securities brokerage or "investment banking" that had kept our banking system relatively safe since 1933.

Over time, commercial and investment banks increasingly relied on precarious short term funding sources, while at the same time significantly increasing their leverage. It was as if our banks and securities firms, in competing against one another, were race car drivers taking the curves ever more tightly and at ever faster speeds. Meanwhile, to match their short-term funding sources, commercial and investment banks drove into increasingly risky, short-term, and sometimes theoretically hedged, proprietary trading. When markets took unexpected turns, such as when Russia defaulted on its debt and when the U.S. mortgage-backed securities market collapsed, liquidity evaporated, and financial firms became insolvent very rapidly. No amount of capital could provide a sufficient buffer in such situations.

In the face of the worst financial crisis in 60 years, the January 2009 report by the Group of 30, an international group of financial experts, placed blame squarely on proprietary trading. This report, largely authored by former Federal Reserve System Chairman Paul Volcker, recommended prohibiting systemically critical banking institutions from trading in securities and other products for their own accounts. In January 2010, President Barack Obama gave his full support to common-sense restrictions on proprietary trading and fund investing, which he coined the "Volcker Rule."

The "Volcker Rule," which Senator LEVIN and I drafted and have championed in the Senate, and which is embodied in section 619, embraces the spirit of the Glass-Steagall Act's separation of "commercial" from "investment" banking by restoring a protective barrier around our critical financial infrastructure. It covers not simply securities, but also derivatives and other financial products. It applies not only to banks, but also to nonbank financial firms whose size and function render them systemically significant.

While the intent of section 619 is to restore the purpose of the Glass-Steagall barrier between commercial and investment banks, we also update that barrier to reflect the modern financial world and permit a broad array of low-risk, client-oriented financial services. As a result, the barrier constructed in section 619 will not restrict most financial firms.

Section 619 is intended to limit proprietary trading by banking entities and systemically significant nonbank financial companies. Properly implemented, section 619's limits will tamp down on the risk to the system arising from firms competing to obtain greater and greater returns by increasing the

size, leverage, and riskiness of their trades. This is a critical part of ending too big to fail financial firms. In addition, section 619 seeks to reorient the U.S. banking system away from leveraged, short-term speculation and instead towards the safe and sound provision of long-term credit to families and business enterprises.

We recognize that regulators are essential partners in the legislative process. Because regulatory interpretation is so critical to the success of the rule, we will now set forth, as the principal authors of Sections 619 to 621, our explanations of how these provisions work.

Section 619's prohibitions and restrictions on proprietary trading are set forth in a new section 13 to the Bank Holding Company Act of 1956, and subsection (a), paragraph (1) establishes the basic principle clearly: a banking entity shall not "engage in proprietary trading" or "acquire or retain . . . ownership interest[s] in or sponsor a hedge fund or private equity fund", unless otherwise provided in the section. Paragraph (2) establishes the principle for nonbank financial companies supervised by the Board by subjecting their proprietary trading activities to quantitative restrictions and additional capital charges. Such quantitative limits and capital charges are to be set by the regulators to address risks similar to those which lead to the flat prohibition for banking entities.

Subsection (h), paragraph (1) defines "banking entity" to be any insured depository institution (as otherwise defined under the Bank Holding Company Act), any entity that controls an insured depository institution, any entity that is treated as a bank holding company under section 8 of the International Banking Act of 1978, and any affiliates or subsidiaries of such entities. We and the Congress specifically rejected proposals to exclude the affiliates and subsidiaries of bank holding companies and insured depository institutions, because it was obvious that restricting a bank, but not its affiliates and subsidiaries, would ultimately be ineffective in restraining the type of high-risk proprietary trading that can undermine an insured depository institution.

The provision recognizes the modern reality that it is difficult to separate the fate of a bank and its bank holding company, and that for the bank holding company to be a source of strength to the bank, its activities, and those of its other subsidiaries and affiliates, cannot be at such great risk as to imperil the bank. We also note that not all banks pose the same risks. Accordingly, the paragraph provides a narrow exception for insured depository institutions that function principally for trust purposes and do not hold public depositor money, make loans, or access Federal Reserve lending or payment

services. These specialized entities that offer very limited trust services are elsewhere carved out of the definition of "bank," so we do not treat them as banks for the purposes of the restriction on proprietary trading. However, such institutions are covered by the restriction if they qualify under the provisions covering systemically important nonbank financial companies.

Subsection (h), paragraph (3) defines nonbank financial companies supervised by the Board to be those financial companies whose size, interconnectedness, or core functions are of sufficiently systemic significance as to warrant additional supervision, as directed by the Financial Stability Oversight Council pursuant to Title I of the Dodd-Frank Act. Given the varied nature of such nonbank financial companies, for some of which proprietary trading is effectively their business, an outright statutory prohibition on such trading was not warranted. Instead, the risks posed by their proprietary trading is addressed through robust capital charges and quantitative limits that increase with the size, interconnectedness, and systemic importance of the business functions of the nonbank financial firm. These restrictions should become stricter as size, leverage, and other factors increase. As with banking entities, these restrictions should also help reduce the size and risk of these financial firms.

Naturally, the definition of "proprietary trading" is critical to the provision. For the purposes of section 13, proprietary trading means "engaging as a principal for the trading account" in transactions to "purchase or sell, or otherwise acquire or dispose of" a wide range of traded financial products, including securities, derivatives, futures, and options. There are essentially three key elements to the definition: (1) the firm must be acting "as a principal," (2) the trading must be in its "trading account" or another similar account, and (3) the restrictions apply to the full range of its financial instruments.

Purchasing or selling "as a principal" refers to when the firm purchases or sells the relevant financial instrument for its own account. The prohibition on proprietary trading does not cover trading engaged with exclusively client funds.

The term "trading account" is intended to cover an account used by a firm to make profits from relatively short-term trading positions, as opposed to long-term, multi-year investments. The administration's proposed Volcker Rule focused on short-term trading, using the phrase "trading book" to capture that concept. That phrase, which is currently used by some bank regulators was rejected, however, and the ultimate conference report language uses the term "trading

account” rather than “trading book” to ensure that all types of accounts used for proprietary trading are covered by the section.

To ensure broad coverage of the prohibition on proprietary trading, paragraph (3) of subsection (h) defines “trading account” as any account used “principally for the purpose of selling in the near term (or otherwise with the intent to resell in order to profit from short-term price movements)” and such other accounts as the regulators determine are properly covered by the provision to fulfill the purposes of the section. In designing this definition, we were aware of bank regulatory capital rules that distinguish between short-term trading and long-term investments, and our overall focus was to restrict high-risk proprietary trading. For banking entity subsidiaries that do not maintain a distinction between a trading account and an investment account, all accounts should be presumed to be trading accounts and covered by the restriction.

Linking the prohibition on proprietary trading to trading accounts permits banking entities to hold debt securities and other financial instruments in long-term investment portfolios. Such investments should be maintained with the appropriate capital charges and held for longer periods.

The definition of proprietary trading in paragraph (4) covers a wide range of financial instruments, including securities, commodities, futures, options, derivatives, and any similar financial instruments. Pursuant to the rule of construction in subsection (g), paragraph (2), the definition should not generally include loans sold in the process of securitizing; however, it could include such loans if such loans become financial instruments traded to capture the change in their market value.

Limiting the definition of proprietary trading to near-term holdings has the advantage of permitting banking entities to continue to deploy credit via long-term capital market debt instruments. However, it has the disadvantage of failing to prevent the problems created by longer-term holdings in riskier financial instruments, for example, highly complex collateralized debt obligations and other opaque instruments that are not readily marketable. To address the risks to the banking system arising from those longer-term instruments and related trading, section 620 directs Federal banking regulators to sift through the assets, trading strategies, and other investments of banking entities to identify assets or activities that pose unacceptable risks to banks, even when held in longer-term accounts. Regulators are expected to apply the lessons of that analysis to tighten the range of investments and activities permissible

for banking entities, whether they are at the insured depository institution or at an affiliate or subsidiary, and whether they are short or long term in nature.

The new Bank Holding Company Act section 13 also restricts investing in or sponsoring hedge funds and private equity funds. Clearly, if a financial firm were able to structure its proprietary positions simply as an investment in a hedge fund or private equity fund, the prohibition on proprietary trading would be easily avoided, and the risks to the firm and its subsidiaries and affiliates would continue. A financial institution that sponsors or manages a hedge fund or private equity fund also incurs significant risk even when it does not invest in the fund it manages or sponsors. Although piercing the corporate veil between a fund and its sponsoring entity may be difficult, recent history demonstrates that a financial firm will often feel compelled by reputational demands and relationship preservation concerns to bail out clients in a failed fund that it managed or sponsored, rather than risk litigation or lost business. Knowledge of such concerns creates a moral hazard among clients, attracting investment into managed or sponsored funds on the assumption that the sponsoring bank or systemically significant firm will rescue them if markets turn south, as was done by a number of firms during the 2008 crisis. That is why setting limits on involvement in hedge funds and private equity funds is critical to protecting against risks arising from asset management services.

Subsection (h), paragraph (2) sets forth a broad definition of hedge fund and private equity fund, not distinguishing between the two. The definition includes any company that would be an investment company under the Investment Company Act of 1940, but is excluded from such coverage by the provisions of sections 3(c)(1) or 3(c)(7). Although market practice in many cases distinguishes between hedge funds, which tend to be trading vehicles, and private equity funds, which tend to own entire companies, both types of funds can engage in high risk activities and it is exceedingly difficult to limit those risks by focusing on only one type of entity.

Despite the broad prohibition on proprietary trading set forth in subsection (a), the legislation recognizes that there are a number of low-risk proprietary activities that do not pose unreasonable risks and explicitly permits those activities to occur. Those low-risk proprietary trading activities are identified in subsection (d), paragraph (1), subject to certain limitations set forth in paragraph (2), and additional capital charges required in paragraph (3).

While paragraph (1) authorizes several permitted activities, it simulta-

neously grants regulators broad authority to set further restrictions on any of those activities and to supplement the additional capital charges provided for by paragraph (3).

Subparagraph (d)(1)(A) authorizes the purchase or sale of government obligations, including government-sponsored enterprise, GSE, obligations, on the grounds that such products are used as low-risk, short-term liquidity positions and as low-risk collateral in a wide range of transactions, and so are appropriately retained in a trading account. Allowing trading in a broad range of GSE obligations is also meant to recognize a market reality that removing the use of these securities as liquidity and collateral positions would have significant market implications, including negative implications for the housing and farm credit markets. By authorizing trading in GSE obligations, the language is not meant to imply a view as to GSE operations or structure over the long-term, and permits regulators to add restrictions on this permitted activity as necessary to prevent high-risk proprietary trading activities under paragraph (2). When GSE reform occurs, we expect these provisions to be adjusted accordingly. Moreover, as is the case with all permitted activities under paragraph (1), regulators are expected to apply additional capital restrictions under paragraph (3) as necessary to account for the risks of the trading activities.

Subparagraph (d)(1)(B) permits underwriting and market-making-related transactions that are technically trading for the account of the firm but, in fact, facilitate the provision of near-term client-oriented financial services. Market-making is a customer service whereby a firm assists its customers by providing two-sided markets for speedy acquisition or disposition of certain financial instruments. Done properly, it is not a speculative enterprise, and revenues for the firm should largely arise from the provision of credit provided, and not from the capital gain earned on the change in the price of instruments held in the firm's accounts. Academic literature sets out the distinctions between making markets for customers and holding speculative positions in assets, but in general, the two types of trading are distinguishable by the volume of trading, the size of the positions, the length of time that positions remains open, and the volatility of profits and losses, among other factors. Regulations implementing this permitted activity should focus on these types of factors to assist regulators in distinguishing between financial firms assisting their clients versus those engaged in proprietary trading. Vigorous and robust regulatory oversight of this issue will be essential to the prevent “market-making” from being used as a loophole in the ban on proprietary trading.

The administration's draft language, the original section 619 contemplated by the Senate Banking Committee, and amendment 4101 each included the term "in facilitation of customer relations" as a permitted activity. The term was removed in the final version of the Dodd-Frank Act out of concern that this phrase was too subjective, ambiguous, and susceptible to abuse. At the same time, we recognize that the term was previously included to permit certain legitimate client-oriented services, such as pre-market-making accumulation of small positions that might not rise to the level of fully "market-making" in a security or financial instrument, but are intended to nonetheless meet expected near-term client liquidity needs. Accordingly, while previous versions of the legislation referenced "market-making", the final version references "market-making-related" to provide the regulators with limited additional flexibility to incorporate those types of transactions to meet client needs, without unduly warping the common understanding of market-making.

We note, however, that "market-making-related" is not a term whose definition is without limits. It does not implicitly cover every time a firm buys an existing financial instrument with the intent to later sell it, nor does it cover situations in which a firm creates or underwrites a new security with the intent to market it to a client. Testimony by Goldman Sachs Chairman Lloyd Blankfein and other Goldman executives during a hearing before the Permanent Subcommittee on Investigations seemed to suggest that any time the firm created a new mortgage related security and began soliciting clients to buy it, the firm was "making a market" for the security. But one-sided marketing or selling securities is not equivalent to providing a two-sided market for clients buying and selling existing securities. The reality was that Goldman Sachs was creating new securities for sale to clients and building large speculative positions in high-risk instruments, including credit default swaps. Such speculative activities are the essence of proprietary trading and cannot be properly considered within the coverage of the terms "market-making" or "market-making-related."

The subparagraph also specifically limits such underwriting and market-making-related activities to "reasonably expected near term demands of clients, customers, and counterparties." Essentially, the subparagraph creates two restrictions, one on the expected holding period and one on the intent of the holding. These two restrictions greatly limit the types of risks and returns for market-makers. Generally, the revenues for market-making by the covered firms should be made from the fees charged for pro-

viding a ready, two-sided market for financial instruments, and not from the changes in prices acquired and sold by the financial institution. The "near term" requirement connects to the provision in the definition of trading account whereby the account is defined as trading assets that are acquired "principally for the purpose of selling in the near term." The intent is to focus firms on genuinely making markets for clients, and not taking speculative positions with the firm's capital. Put simply, a firm will not satisfy this requirement by acquiring a position on the hope that the position will be able to be sold at some unknown future date for a trading profit.

Subparagraph (d)(1)(C) permits a banking entity to engage in "risk-mitigating hedging activities in connection with and related to individual or aggregated positions, contracts, or other holdings of the banking entity that are designed to reduce the specific risks to the banking entity in connection with and related to such positions, contracts, or other holdings." This activity is permitted because its sole purpose is to lower risk.

While this subparagraph is intended to permit banking entities to utilize their trading accounts to hedge, the phrase "in connection with and related to individual or aggregated positions . . ." was added between amendment 4101 and the final version in the conference report in order to ensure that the hedge applied to specific, identifiable assets, whether it be on an individual or aggregate basis. Moreover, hedges must be to reduce "specific risks" to the banking entity arising from these positions. This formulation is meant to focus banking entities on traditional hedges and prevent proprietary speculation under the guise of general "hedging." For example, for a bank with a significant set of loans to a foreign country, a foreign exchange swap may be an appropriate hedging strategy. On the other hand, purchasing commodity futures to "hedge" inflation risks that may generally impact the banking entity may be nothing more than proprietary trading under another name. Distinguishing between true hedges and covert proprietary trades may be one of the more challenging areas for regulators, and will require clear identification by financial firms of the specific assets and risks being hedged, research and analysis of market best practices, and reasonable regulatory judgment calls. Vigorous and robust regulatory oversight of this issue will be essential to the prevent "hedging" from being used as a loophole in the ban on proprietary trading.

Subparagraph (d)(1)(D) permits the acquisition of the securities and other affected financial instruments "on behalf of customers." This permitted activity is intended to allow financial

firms to use firm funds to purchase assets on behalf of their clients, rather than on behalf of themselves. This subparagraph is intended, in particular, to provide reassurance that trading in "street name" for customers or in trust for customers is permitted.

In general, subparagraph (d)(1)(E) provides exceptions to the prohibition on investing in hedge funds or private equity funds, if such investments advance a "public welfare" purpose. It permits investments in small business investment companies, which are a form of regulated venture capital fund in which banks have a long history of successful participation. The subparagraph also permits investments "of the type" permitted under the paragraph of the National Bank Act enabling banks to invest in a range of low-income community development and other projects. The subparagraph also specifically mentions tax credits for historical building rehabilitation administered by the National Park Service, but is flexible enough to permit the regulators to include other similar low-risk investments with a public welfare purpose.

Subparagraph (d)(1)(F) is meant to accommodate the normal business of insurance at regulated insurance companies that are affiliated with banks. The Volcker Rule was never meant to affect the ordinary business of insurance: the collection and investment of premiums, which are then used to satisfy claims of the insured. These activities, while definitionally proprietary trading, are heavily regulated by State insurance regulators, and in most cases do not pose the same level of risk as other proprietary trading.

However, to prevent abuse, firms seeking to rely on this insurance-related exception must meet two essential qualifications. First, only trading for the general account of the insurance firm would qualify. Second, the trading must be subject to adequate State-level insurance regulation. Trading by insurance companies or their affiliates that is not subject to insurance company investment regulations will not qualify for protection here.

Further, where State laws and regulations do not exist or otherwise fail to appropriately connect the insurance company investments to the actual business of insurance or are found to inadequately protect the firm, the subparagraph's conditions will not be met.

Subparagraph (d)(1)(G) permits firms to organize and offer hedge funds or private equity funds as an asset management service to clients. It is important to remember that nothing in section 619 otherwise prohibits a bank from serving as an investment adviser to an independent hedge fund or private equity fund. Yet, to serve in that capacity, a number of criteria must be met.

First, the firm must be doing so pursuant to its provision of bona fide

trust, fiduciary, or investment advisory services to customers. Given the fiduciary obligations that come with such services, these requirements ensure that banking entities are properly engaged in responsible forms of asset management, which should tamp down on the risks taken by the relevant fund.

Second, subparagraph (d)(1)(G) provides strong protections against a firm bailing out its funds. Clause (iv) prohibits banking entities, as provided under paragraph (1) and (2) of subsection (f), from entering into lending or similar transactions with related funds, and clause (v) prohibits banking entities from “directly or indirectly, guarantee[ing], assum[ing], or otherwise insur[ing] the obligations or performance of the hedge fund or private equity fund.” To prevent banking entities from engaging in backdoor bailouts of their invested funds, clause (v) extends to the hedge funds and private equity funds in which such subparagraph (G) hedge funds and private equity funds invest.

Third, to prevent a banking entity from having an incentive to bailout its funds and also to limit conflicts of interest, clause (vii) of subparagraph (G) restricts directors and employees of a banking entity from being invested in hedge funds and private equity funds organized and offered by the banking entity, except for directors or employees “directly engaged” in offering investment advisory or other services to the hedge fund or private equity fund. Fund managers can have “skin in the game” for the hedge fund or private equity fund they run, but to prevent the bank from running its general employee compensation through the hedge fund or private equity fund, other management and employees may not.

Fourth, by stating that a firm may not organize and offer a hedge fund or private equity fund with the firm’s name on it, clause (vi) of subparagraph (G) further restores market discipline and supports the restriction on firms bailing out funds on the grounds of reputational risk. Similarly, clause (viii) ensures that investors recognize that the funds are subject to market discipline by requiring that funds provide prominent disclosure that any losses of a hedge fund or private equity fund are borne by investors and not by the firm, and the firm must also comply with any other restrictions to ensure that investors do not rely on the firm, including any of its affiliates or subsidiaries, for a bailout.

Fifth, the firm or its affiliates cannot make or maintain an investment interest in the fund, except in compliance with the limited fund seeding and alignment of interest provisions provided in paragraph (4) of subsection (d). This paragraph allows a firm, for the limited purpose of maintaining an in-

vestment management business, to seed a new fund or make and maintain a “de minimis” co-investment in a hedge fund or private equity fund to align the interests of the fund managers and the clients, subject to several conditions. As a general rule, firms taking advantage of this provision should maintain only small seed funds, likely to be \$5 to \$10 million or less. Large funds or funds that are not effectively marketed to investors would be evasions of the restrictions of this section. Similarly, co-investments designed to align the firm with its clients must not be excessive, and should not allow for firms to evade the intent of the restrictions of this section.

These “de minimis” investments are to be greatly disfavored, and subject to several significant restrictions. First, a firm may only have, in the aggregate, an immaterial amount of capital in such funds, but in no circumstance may such positions aggregate to more than 3 percent of the firm’s Tier 1 capital. Second, by one year after the date of establishment for any fund, the firm must have not more than a 3 percent ownership interest. Third, investments in hedge funds and private equity funds shall be deducted on, at a minimum, a one-to-one basis from capital. As the leverage of a fund increases, the capital charges shall be increased to reflect the greater risk of loss. This is specifically intended to discourage these high-risk investments, and should be used to limit these investments to the size only necessary to facilitate asset management businesses for clients.

Subparagraphs (H) and (I) recognize rules of international regulatory comity by permitting foreign banks, regulated and backed by foreign taxpayers, in the course of operating outside of the United States to engage in activities permitted under relevant foreign law. However, these subparagraphs are not intended to permit a U.S. banking entity to avoid the restrictions on proprietary trading simply by setting up an offshore subsidiary or reincorporating offshore, and regulators should enforce them accordingly. In addition, the subparagraphs seek to maintain a level playing field by prohibiting a foreign bank from improperly offering its hedge fund and private equity fund services to U.S. persons when such offering could not be made in the United States.

Subparagraph (J) permits the regulators to add additional exceptions as necessary to “promote and protect the safety and soundness of the banking entity and the financial stability of the United States.” This general exception power is intended to ensure that some unforeseen, low-risk activity is not inadvertently swept in by the prohibition on proprietary trading. However, the subparagraph sets an extremely high bar: the activity must be necessary to

promote and protect the safety and soundness of the banking entity and the financial stability of the United States, and not simply pose a competitive disadvantage or a threat to firms’ profitability.

Paragraph (2) of section (d) adds explicit statutory limits to the permitted activities under paragraph (1). Specifically, it prevents an activity from qualifying as a permitted activity if it would “involve or result in a material conflict of interest,” “result directly or indirectly in a material exposure . . . to high-risk assets or high-risk trading strategies” or otherwise pose a threat to the safety and soundness of the firm or the financial stability of the United States. Regulators are directed to define the key terms in the paragraph and implement the restrictions as part of the rulemaking process. Regulators should pay particular attention to the hedge funds and private equity funds organized and offered under subparagraph (G) to ensure that such activities have sufficient distance from other parts of the firm, especially those with windows into the trading flow of other clients. Hedging activities should also be particularly scrutinized to ensure that information about client trading is not improperly utilized.

The limitation on proprietary trading activities that “involve or result in a material conflict of interest” is a companion to the conflicts of interest prohibition in section 621, but applies to all types of activities rather than just asset-backed securitizations.

With respect to the definition of high-risk assets and high-risk trading strategies, regulators should pay close attention to the characteristics of assets and trading strategies that have contributed to substantial financial loss, bank failures, bankruptcies, or the collapse of financial firms or financial markets in the past, including but not limited to the crisis of 2008 and the financial crisis of 1998. In assessing high-risk assets and high-risk trading strategies, particular attention should be paid to the transparency of the markets, the availability of consistent pricing information, the depth of the markets, and the risk characteristics of the assets and strategies themselves, including any embedded leverage. Further, these characteristics should be evaluated in times of extreme market stress, such as those experienced recently. With respect to trading strategies, attention should be paid to the role that certain types of trading strategies play in times of relative market calm, as well as times of extreme market stress. While investment advisors may freely deploy high-risk strategies for their clients, attention should be paid to ensure that firms do not utilize them for their own proprietary activities. Barring high risk strategies may be particularly critical when policing

market-making-related and hedging activities, as well as trading otherwise permitted under subparagraph (d)(1)(A). In this context, however, it is irrelevant whether or not a firm provides market liquidity: high-risk assets and high-risk trading strategies are never permitted.

Subsection (d), paragraph (3) directs the regulators to set appropriate additional capital charges and quantitative limits for permitted activities. These restrictions apply to both banking entities and nonbank financial companies supervised by the Board. It is left to regulators to determine if those restrictions should apply equally to both, or whether there may appropriately be a distinction between banking entities and non-bank financial companies supervised by the Board. The paragraph also mandates diversification requirements where appropriate, for example, to ensure that banking entities do not deploy their entire permitted amount of de minimis investments into a small number of hedge funds or private equity funds, or that they dangerously over-concentrate in specific products or types of financial products.

Subsection (e) provides vigorous anti-evasion authority, including record-keeping requirements. This authority is designed to allow regulators to appropriately assess the trading of firms, and aggressively enforce the text and intent of section 619.

The restrictions on proprietary trading and relationships with private funds seek to break the internal connection between a bank's balance sheet and taking risk in the markets, with a view towards reestablishing market discipline and refocusing the bank on its credit extension function and client services. In the recent financial crisis, when funds advised by banks suffered significant losses, those off-balance sheet funds came back onto the banks' balance sheets. At times, the banks bailed out the funds because the investors in the funds had other important business with the banks. In some cases, the investors were also key personnel at the banks. Regardless of the motivations, in far too many cases, the banks that bailed out their funds ultimately relied on taxpayers to bail them out. It is precisely for this reason that the permitted activities under subparagraph (d)(1)(G) are so narrowly defined.

Indeed, a large part of protecting firms from bailing out their affiliated funds is by limiting the lending, asset purchases and sales, derivatives trading, and other relationships that a banking entity or nonbank financial company supervised by the Board may maintain with the hedge funds and private equity funds it advises. The relationships that a banking entity maintains with and services it furnishes to its advised funds can provide reasons why and the means through which a firm will bail out an advised fund, be it

through a direct loan, an asset acquisition, or through writing a derivative. Further, providing advisory services to a hedge fund or private equity fund creates a conflict of interest and risk because when a banking entity is itself determining the investment strategy of a fund, it no longer can make a fully independent credit evaluation of the hedge fund or private equity fund borrower. These bailout protections will significantly benefit independent hedge funds and private equity funds, and also improve U.S. financial stability.

Accordingly, subsection (f), paragraph (1) sets forth the broad prohibition on a banking entity entering into any "covered transactions" as such term is defined in the Federal Reserve Act's section 23A, as if such banking entity were a member bank and the fund were an affiliate thereof. "Covered transactions" under section 23A includes loans, asset purchases, and, following the Dodd-Frank bill adoption, derivatives between the member bank and the affiliate. In general, section 23A sets limits on the extension of credit between such entities, but paragraph (1) of subsection (f) prohibits all such transactions. It also prohibits transactions with funds that are controlled by the advised or sponsored fund. In short, if a banking entity organizes and offers a hedge fund or private equity fund or serves as investment advisor, manager, or sponsor of a fund, the fund must seek credit, including from asset purchases and derivatives, from an independent third party.

Subsection (f), paragraph (2) applies section 23B of the Federal Reserve Act to a banking entity and its advised or sponsored hedge fund or private equity fund. This provides, *inter alia*, that transactions between a banking entity and its fund be conducted at arms length. The fact that section 23B also includes the provision of covered transactions under section 23A as part of its arms-length requirement should not be interpreted to undermine the strict prohibition on such transactions in paragraph (1).

Subsection (f), paragraph (3) permits the Board to allow a very limited exception to paragraph (1) for the provision of certain limited services under the rubric of "prime brokerage" between the banking entity and a third-party-advised fund in which the fund managed, sponsored, or advised by the banking entity has taken an ownership interest. Essentially, it was argued that a banking entity should not be prohibited, under proper restrictions, from providing limited services to unaffiliated funds, but in which its own advised fund may invest. Accordingly, paragraph (3) is intended to only cover third-party funds, and should not be used as a means of evading the general prohibition provided in paragraph (1). Put simply, a firm may not create tiered structures and rely upon para-

graph (3) to provide these types of services to funds for which it serves as investment advisor.

Further, in recognition of the risks that are created by allowing for these services to unaffiliated funds, several additional criteria must also be met for the banking entity to take advantage of this exception. Most notably, on top of the flat prohibitions on bailouts, the statute requires the chief executive officer of firms taking advantage of this paragraph to also certify that these services are not used directly or indirectly to bail out a fund advised by the firm.

Subsection (f), paragraph (4) requires the regulatory agencies to apply additional capital charges and other restrictions to systemically significant nonbank financial institutions to account for the risks and conflicts of interest that are addressed by the prohibitions for banking entities. Such capital charges and other restrictions should be sufficiently rigorous to account for the significant amount of risks associated with these activities.

To give markets and firms an opportunity to adjust, implementation of section 620 will proceed over a period of several years. First, pursuant to subsection (b), paragraph (1), the Financial Stability Oversight Council will conduct a study to examine the most effective means of implementing the rule. Then, under paragraph (b)(2), the Federal banking agencies, the Securities and Exchange Commission, and the Commodity Futures Trading Commission shall each engage in rulemakings for their regulated entities, with the rulemaking coordinated for consistency through the Financial Stability Oversight Council. In coordinating the rulemaking, the Council should strive to avoid a "lowest common denominator" framework, and instead apply the best, most rigorous practice from each regulatory agency.

Pursuant to subsection (c), paragraph (1), most provisions of section 619 become effective 12 months after the issuance of final rules pursuant to subsection (b), but in no case later than 2 years after the enactment of the Dodd-Frank Act. Paragraph (c)(2) provides a 2-year period following effective date of the provision during which entities must bring their activities into conformity with the law, which may be extended for up to 3 more years. Special illiquid funds may, if necessary, receive one 5-year extension and may also continue to honor certain contractual commitments during the transition period. The purpose of this extended wind-down period is to minimize market disruption while still steadily moving firms away from the risks of the restricted activities.

The definition of "illiquid funds" set forth in subsection (h) paragraph (7) is meant to cover, in general, very illiquid private equity funds that have

deployed capital to illiquid assets such as portfolio companies and real estate with a projected investment holding period of several years. The Board, in consultation with the SEC, should therefore adopt rules to define the contours of an illiquid fund as appropriate to capture the intent of the provision. To facilitate certainty in the market with respect to divestiture, the Board is to conduct a special expedited rule-making regarding these conformance and wind-down periods. The Board is also to set capital rules and any additional restrictions to protect the banking entities and the U.S. financial system during this wind-down period.

We noted above that the purpose of section 620 is to review the long-term investments and other activities of banks. The concerns reflected in this section arise out of losses that have appeared in the long-term investment portfolios in traditional depository institutions.

Over time, various banking regulators have displayed expansive views and conflicting judgments about permissible investments for banking entities. Some of these activities, including particular trading strategies and investment assets, pose significant risks. While section 619 provides numerous restrictions to proprietary trading and relationships to hedge funds and private equity funds, it does not seek to significantly alter the traditional business of banking.

Section 620 is an attempt to reevaluate banking assets and strategies and see what types of restrictions are most appropriate. The Federal banking agencies should closely review the risks contained in the types of assets retained in the investment portfolio of depository institutions, as well as risks in affiliates' activities such as merchant banking. The review should dovetail with the determination of what constitutes "high-risk assets" and "high risk trading strategies" under paragraph (d)(2).

At this point, I yield to Senator LEVIN to discuss an issue that is of particular interest to him involving section 621's conflict of interest provisions.

Mr. LEVIN. I thank my colleague for the detailed explanation he has provided of sections 619 and 620, and fully concur in it. I would like to add our joint explanation of section 621, which addresses the blatant conflicts of interest in the underwriting of asset-backed securities highlighted in a hearing with Goldman Sachs before the Permanent Subcommittee on Investigations, which I chair.

The intent of section 621 is to prohibit underwriters, sponsors, and others who assemble asset-backed securities, from packaging and selling those securities and profiting from the securities' failures. This practice has been likened to selling someone a car with

no brakes and then taking out a life insurance policy on the purchaser. In the asset-backed securities context, the sponsors and underwriters of the asset-backed securities are the parties who select and understand the underlying assets, and who are best positioned to design a security to succeed or fail. They, like the mechanic servicing a car, would know if the vehicle has been designed to fail. And so they must be prevented from securing handsome rewards for designing and selling malfunctioning vehicles that undermine the asset-backed securities markets. It is for that reason that we prohibit those entities from engaging in transactions that would involve or result in material conflicts of interest with the purchasers of their products.

Section 621 is not intended to limit the ability of an underwriter to support the value of a security in the aftermarket by providing liquidity and a ready two-sided market for it. Nor does it restrict a firm from creating a synthetic asset-backed security, which inherently contains both long and short positions with respect to securities it previously created, so long as the firm does not take the short position. But a firm that underwrites an asset-backed security would run afoul of the provision if it also takes the short position in a synthetic asset-backed security that references the same assets it created. In such an instance, even a disclosure to the purchaser of the underlying asset-backed security that the underwriter has or might in the future bet against the security will not cure the material conflict of interest.

We believe that the Securities and Exchange Commission has sufficient authority to define the contours of the rule in such a way as to remove the vast majority of conflicts of interest from these transactions, while also protecting the healthy functioning of our capital markets.

In conclusion, we would like to acknowledge all our supporters, co-sponsors, and advisers who assisted us greatly in bringing this legislation to fruition. From the time President Obama announced his support for the Volcker Rule, a diverse and collaborative effort has emerged, uniting community bankers to old school financiers to reformers. Senator MERKLEY and I further extend special thanks to the original cosponsors of the PROP Trading Act, Senators TED KAUFMAN, SHERROD BROWN, and JEANNE SHAHEEN, who have been with us since the beginning.

Senator JACK REED and his staff did yeoman's work in advancing this cause. We further tip our hat to our tireless and vocal colleague, Senator BYRON DORGAN, who opposed the repeal of Glass-Steagall and has been speaking about the risks from proprietary trading for a number of years. Above

all, we pay tribute to the tremendous labors of Chairman CHRIS DODD and his entire team and staff on the Senate Banking Committee, as well as the support of Chairman BARNEY FRANK and Representative PAUL KANJORSKI. We extend our deep gratitude to our staffs, including the entire team and staff at the Permanent Subcommittee on Investigations, for their outstanding work. And last but not least, we highlight the visionary leadership of Paul Volcker and his staff. Without the support of all of them and many others, the Merkley-Levin language would not have been included in the Conference Report.

We believe this provision will stand the test of time. We hope that our regulators have learned with Congress that tearing down regulatory walls without erecting new ones undermines our financial stability and threatens economic growth. We have legislated to the best of our ability. It is now up to our regulators to fully and faithfully implement these strong provisions.

I yield the floor to Senator MERKLEY.

Mr. MERKLEY. I thank my colleague for his remarks and concur in all respects.

Mr. DODD. Mr. President, I said so yesterday, and I will say it again: I thank Senator MERKLEY. I guess there are four new Members of the Senate serving on the Banking Committee. Senator MERKLEY, Senator WARNER, Senator TESTER, and Senator BENNET are all new Members of the Senate from their respective States of Oregon, Virginia, Montana, and Colorado. To be thrown into what has been the largest undertaking of the Banking Committee, certainly in my three decades here—and many have argued going back almost 100 years—was certainly an awful lot to ask.

I have already pointed out the contribution Senator WARNER has made to this bill. But I must say as well that Senator BENNET of Colorado has been invaluable in his contributions. I just mentioned Senator TESTER a moment ago for his contribution on talking about rural America and the importance of those issues. And Senator MERKLEY, as a member of the committee, on matters we included here dealing particularly with the mortgage reforms, the underwriting standards, the protections people have to go through, and credit cards as well—we passed the credit card bill—again, it was Senator JEFF MERKLEY of Oregon who played a critical role in that whole debate not to mention, of course, working with CARL LEVIN, one of the more senior Members here, having served for many years in the Senate. But the Merkley-Levin, Levin-Merkley provisions in this bill have added substantial contributions to this effort. So I thank him for his contribution.

I see my colleague from North Dakota is here. I suggest the absence of a

quorum and ask unanimous consent that the time be equally divided among both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DODD. I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. Mr. President, we listened to Senator CONRAD, the chairman of the Budget Committee, address the budget point of order. I urge my colleagues to waive the point of order.

We came up with an alternative offset in the conference committee, much at the insistence—and I thanked him for that—of Senator BROWN of Massachusetts, looking for a better offset than the ones which were originally in the conference report. I know my colleague from Maine as well had reservations about what we originally included.

The offset here ends TARP, which I presume most people would welcome with open arms, saving us \$11 billion by terminating it early, as well as provides for additional assessments to meet the obligations of the FDIC and the insurance fund, which the Chairperson of the Federal Deposit Insurance Corporation, Sheila Bair, supported. Both of those items provide the necessary offsets to the cost of this bill.

The long-term deficit point of order is caused by the orderly liquidation authority for systemically significant financial institutions.

Let me note that this critically important aspect of the legislation was developed in very close cooperation with Senator SHELBY in the Shelby-Dodd amendment. It also reflects the bipartisan cooperation of Senators CORKER and WARNER. The Shelby-Dodd amendment passed this body overwhelmingly with over 90 votes.

Even though the liquidation authority is the source of long-term budget costs, it is still 100 percent paid for. The Shelby-Dodd amendment and the Boxer amendment made sure that this would be the case. Let me repeat, the liquidation authority, which is the dominant source of the budget cost in the bill, is 100 percent paid for over time.

The only reason that the liquidation authority scores at all is because of timing. The FDIC may initially have to borrow funds from the Treasury in order to wind down the failed company and put it out of business. Because it will take time to liquidate a large, interconnected financial company, there is a lag between when the funds are borrowed and when they are repaid by the sale of the failed companies' assets, its creditors and assessments on the industry if necessary.

One more important point on budget scoring and the liquidation authority. CBO cannot factor in the costs to our nation of a failure to address the possibility of future bailouts. We have lived through that nightmare and it has cost our country dearly.

Now I would like to discuss the way in which we address the budget consequences of the legislation. In particular, I would like to respond to some comments that have been made about the provisions increasing the long-term minimum target for the FDIC and thereby strengthening the Deposit Insurance Fund, a goal that no one can credibly argue with in light of the recent crisis.

In fact, this provision is supported by FDIC Chairman Sheila Bair, and she has sent us a letter expressing her support. I ask unanimous consent that the letter be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DODD. Some of my colleagues on the other side of the aisle have claimed that the use of the FDIC in this way is unprecedented and questioned how this could count as budget savings or offsets and at the same time preserve the funds for bank failures.

Let us clear up the misinformation. First, no FDIC funds are being spent on, or transferred to, other programs. Premiums paid by banks remain, as they have for over 75 years, in the FDIC fund solely to protect insured deposits.

And counting FDIC premiums as budget savings in legislation absolutely does have precedent. We have to look no further than relatively recent actions of Republican Congresses to find them.

Budget reconciliation legislation enacted in February 2006 and sponsored by my colleague from New Hampshire, who was then the Chairman of the Budget Committee, included FDIC reforms authored by my colleague from Alabama, who was then Chairman of the Banking Committee. Those provisions resulted in higher FDIC premiums, which CBO said yielded almost \$2 billion in budget savings over 10 years.

So, my colleagues from New Hampshire and Alabama in fact relied on reforms to the Deposit Insurance Fund to obtain savings that CBO favorably scored.

And 10 years earlier, Congress attached to an omnibus spending bill enacted in September 1996 a provision calling for a special premium on thrifts to capitalize the FDIC's thrift insurance fund.

The appropriators in that earlier Republican Congress justified higher discretionary spending based partly on the budget savings scored by CBO for the FDIC assessment.

I would also like to respond to some comments that have been made about the treatment of TARP in this legislation.

We end TARP in the conference report. With the comprehensive financial reform put in place under this bill, we think it is the right time to bring TARP to a close, ending it earlier than had been planned. I think that is something everyone should be happy about. And ending TARP saves the government money. That is not just my conclusion. It is the conclusion of the Congressional Budget Office, \$11 billion in savings.

It is true that the original TARP legislation passed as an emergency, its costs were declared an emergency when it passed, so rescinding those funds or ending the program now is ending spending that is considered "emergency" spending.

But the savings are no less real because of that. Interestingly, my Republican colleague who has raised the point of order offered an amendment in conference that would have rescinded stimulus funding to pay for this bill. Why is that relevant? Because the stimulus money was also designated as an emergency, so it would have received the same accounting treatment here in the Senate as TARP. Both were emergencies.

Both ending TARP early and rescinding stimulus funding would reduce the deficit, but the burden of cuts in stimulus funding would fall disproportionately on families and small businesses who have been victims of the economic fallout from the Wall Street crisis. Cutting such spending would be exactly the wrong thing to do as we try to get the economy back on track and people back to work.

The fact is that overall this bill does not do damage to our budgetary outlook.

It does make vital changes to make our financial system stronger and more stable and should be passed as soon as possible.

So I urge my colleagues to support a motion to waive the long-term deficit point of order.

EXHIBIT 1

FEDERAL DEPOSIT
INSURANCE CORPORATION,
Washington, DC, June 29, 2010.

Hon. CHRIS DODD,
Chairman, Committee on Banking, U.S. Senate,
Washington, DC.

Hon. RICHARD SHELBY,
Ranking Minority Member, Committee on Banking, U.S. Senate, Washington, DC.

Hon. BARNEY FRANK,
Chairman, Committee on Financial Services,
House of Representatives, Washington, DC.

Hon. SPENCER BACHUS,
Ranking Minority Member, Committee on Financial Services, House of Representatives,
Washington, DC.

DEAR CHAIRMEN DODD AND FRANK AND RANKING MEMBERS SHELBY AND BACHUS: Thank you for your interest in our views regarding increasing the Deposit Insurance Fund (DIF) ratio to 1.35.

Federal deposit insurance promotes public confidence in our nation's banking system by providing a safe place for consumers' funds. Deposit insurance has provided much needed stability throughout this crisis. Moreover, insured deposits provide banks with a stable and cost-effective source of funds for lending in their communities. Importantly, the DIF is funded by the insured banking industry.

A key measure of the strength of the insurance fund is the reserve ratio, which is the amount in the DIF as a percentage of the industry's estimated insured deposits. Current law requires us to maintain a reserve ratio of at least 1.15 percent. One of the lessons learned from the current crisis is that a minimum reserve ratio of 1.15 is insufficient to avoid the need for pro-cyclical assessments in times of stress. One of my first priorities when I assumed the Chairmanship of the FDIC in June of 2006 was to begin building our reserves. Regrettably, there was insufficient time before the crisis hit. Indeed, we started this crisis with a DIF reserve ratio of 1.22 percent (as of December 31, 2007). Beginning in mid-2008, as bank failures increased and the insurance fund incurred losses, the Fund balance and reserve ratio dropped precipitously. The reserve ratio became negative in the third quarter of 2009 and hit a low of negative 0.39 percent as of December 31, 2009. To date, we have collected more than \$65 billion in assessments, and are projected to collect another \$80 billion by 2016 to restore the fund.

Given this experience, we believe it is clear that as the economy strengthens and the banking system heals, the reserve ratio needs to be increased. In fact, our Board has acted through regulation to target the reserve ratio at 1.25 percent, and a further increase to 1.35 percent is consistent with our view that the Fund should build up in good economic times and be allowed to fall in poor economic times, while maintaining relatively steady premiums throughout the economic cycle, thereby reducing the procyclicality of the assessment system.

Please let me know if you have any questions or would like to discuss further.

Sincerely,

SHEILA C. BAIR.

Mr. DODD. I again urge my colleagues to vote to waive the budget point of order, and, of course, I urge them as well to support the legislation when that vote occurs.

INTENT BEHIND SECTIONS 691-621

Mr. MERKLEY. Mr. President, I rise to engage my colleagues, Senators DODD and LEVIN, in a colloquy regarding some key aspects of our legislative intent behind sections 619 through 621, the Merkley-Levin rule on proprietary trading and conflicts of interest as included in the conference report.

First, I would like to clarify several issues surrounding the "de minimis" investment provisions in subsection (d)(4). These provisions complement subsection (d)(1)(G), which permits firms to offer hedge funds and private equity funds to clients. "De minimis" investments under paragraph (4) are intended to facilitate these offerings principally by allowing a firm to start new funds and to maintain coinvestments in funds, which help the firm align its interests with those of its clients. During the initial start-up period,

during which time firms may maintain 100 percent ownership, the fund should be relatively small, but sufficient to effectively implement the investment strategy. After the start up period, a firm may keep an ongoing "alignment of interest" coinvestment at 3 percent of a fund. Our intent is not to allow for large, revolving "seed" funds to evade the strong restrictions on proprietary trading of this section, and regulators will need to be vigilant against such evasion. The aggregate of all seed and coinvestments should be immaterial to the banking entity, and never exceed 3 percent of a firm's Tier 1 capital.

Second, I would like to clarify the intent of subsection (f)'s provisions to prohibit banking entities from bailing out funds they manage, sponsor, or advise, as well as funds in which those funds invest. The "permitted services" provisions outlined in subsection (f) are intended to permit banks to maintain certain limited "prime brokerage" service relationships with unaffiliated funds in which a fund-of-funds that they manage invests, but are not intended to permit fund-of-fund structures to be used to weaken or undermine the prohibition on bailouts. Given the risk that a banking entity may want to bail out a failing fund directly or its investors, the "permitted services" exception must be implemented in a narrow, well-defined, and arms-length manner and regulators are not empowered to create loopholes allowing high-risk activities like leveraged securities lending or repurchase agreements. While we implement a number of legal restrictions designed to ensure that prime brokerage activities are not used to bail out a fund, we expect the regulators will nevertheless need to be vigilant.

Before I yield the floor to Senator LEVIN to discuss several additional items, let me say a word of thanks to my good friend, Chairman DODD, for taking the time to join me in clarifying these provisions. I also honor him for his extraordinary leadership on the entire financial reform package. As a fellow member of the Banking Committee, it has been a privilege to work with him on the entire bill, and not just these critical provisions. I also would like to recognize Senator LEVIN, whose determined efforts with his Permanent Subcommittee on Investigations helped highlight the causes of the recent crisis, as well as the need for reform. It has been a privilege working with him on this provision.

Mr. LEVIN. I thank the Senator, and I concur with his detailed explanations. His tireless efforts in putting these commonsense restrictions into law will help protect American families from reckless risk-taking that endangers our financial system and our economy.

The conflicts of interest provision under section 621 arises directly from the hearings and findings of our Per-

manent Subcommittee on Investigations, which dramatically showed how some firms were creating financial products, selling those products to their customers, and betting against those same products. This practice has been likened to selling someone a car with no brakes and then taking out a life insurance policy on the purchaser. In the asset-backed securities context, the sponsors and underwriters of the asset-backed securities are the parties who select and understand the underlying assets, and who are best positioned to design a security to succeed or fail. They, like the mechanic servicing a car, would know if the vehicle has been designed to fail. And so they must be prevented from securing handsome rewards for designing and selling malfunctioning vehicles that undermine the asset-backed securities markets. It is for that reason that we prohibit those entities from engaging in transactions that would involve or result in material conflicts of interest with the purchasers of their products.

First, I would like to address certain areas which we exclude from coverage. While a strong prohibition on material conflicts of interest is central to section 621, we recognize that underwriters are often asked to support issuances of asset-backed securities in the aftermarket by providing liquidity to the initial purchasers, which may mean buying and selling the securities for some time. That activity is consistent with the goal of supporting the offering, is not likely to pose a material conflict, and accordingly we are comfortable excluding it from the general prohibition. Similarly, market conditions change over time and may lead an underwriter to wish to sell the securities it holds. That is also not likely to pose a conflict. But regulators must act diligently to ensure that an underwriter is not making bets against the very financial products that it assembled and sold.

Second, I would like to address the role of disclosures in relations to conflicts of interest. In our view, disclosures alone may not cure these types of conflicts in all cases. Indeed, while a meaningful disclosure may alleviate the appearance of a material conflict of interest in some circumstances, in others, such as if the disclosures cannot be made to the appropriate party or because the disclosure is not sufficiently meaningful, disclosures are likely insufficient. Our intent is to provide the regulators with the authority and strong directive to stop the egregious practices, and not to allow for regulators to enable them to continue behind the fig leaf of vague, technically worded, fine print disclosures.

These provisions shall be interpreted strictly, and regulators are directed to use their authority to act decisively to protect our critical financial infrastructure from the risks and conflicts

inherent in allowing banking entities and other large financial firms to engage in high risk proprietary trading and investing in hedge funds and private equity funds.

Mr. President, I would like to thank Chairman DODD for his extraordinary dedication in shepherding this massive financial regulatory reform package through the Senate and the conference committee. This has been a long process, and he and his staff have been very able and supportive partners in this effort.

Mr. DODD. I thank the Senator, and I strongly concur with the intentions and interpretations set forth by the principal authors of these provisions, Senators MERKLEY and LEVIN, as reflecting the legislative intent of the conference committee. I thank Senators MERKLEY and LEVIN for their leadership, which was so essential in achieving the conference report provisions governing proprietary trading and prohibiting conflicts of interest.

ASSESSING INDIVIDUAL ENTITIES

Mr. KOHL. Mr. President, I thank the Chairman for his continued work to ensure that appropriate resources are available to protect the economy from a future failure of a systemically risky financial institution and to help pay back taxpayers for the recent failures we experienced.

With regard to assessments under the orderly liquidation authority of the bill, the bill requires that a risk-based matrix of factors be established by the FDIC, taking into account the recommendations of the Financial Stability Oversight Council, to be used in connection with assessing any individual entity. One of the factors listed in the bill's risk matrix provision would take into account the activities of financial entities and their affiliates. Is it the intent of that language that a consideration of such factors should specifically include the impact of potential assessments on the ability of an institution that is a tax-exempt, not-for-profit organization to carry out their legally required charitable and educational activities?

As the Senator knows, many Members of the Senate—like me—feel strongly that we must ensure that our constituents and communities continue to have access to these vital resources, and any potential assessment on tax-exempt groups which are charitable and/or educational by mission could severely hamper these groups' ability to fulfill their obligations to carry out their legally required activities.

Mr. DODD. Yes, that is correct. The language is not intended to reduce such charitable and educational activities that are legally required for tax-exempt, not-for-profit organizations that are so important to communities across the country. I thank the Senator for his continued help on these efforts.

SECTION 603 TRUST COMPANIES

Ms. COLLINS. Mr. President, I ask the chairman of the Senate Banking Committee, my colleague from Connecticut, Senator DODD, to clarify the types of trust companies that fall within the scope of section 603(a), a provision that prohibits the Federal Deposit Insurance Corporation from approving an application for deposit insurance for certain companies, including certain trust companies, until 3 years after the date of enactment of this act.

Mr. DODD. I would be glad to clarify the nature of trust companies subject to the moratorium under section 603(a). The moratorium applies to an institution that is directly or indirectly owned or controlled by a commercial firm that functions solely in a trust or fiduciary capacity and is exempt from the definition of a bank in the Bank Holding Company Act. It does not apply to a nondepository trust company that does not have FDIC insurance and that does not offer demand deposit accounts or other deposits that may be withdrawn by check or similar means for payment to third parties.

Ms. COLLINS. I thank my colleague for his clarification.

NONBANK FINANCIAL COMPANIES

Ms. COLLINS. Mr. President, as we move to final passage of this historic legislation, I would like to thank Senator DODD again for his leadership and strong support for my amendment to ensure that all insured depository institutions and depository institution holding companies regardless of size, as well as nonbank financial companies supervised by the Federal Reserve, meet statutory minimum capital standards and thus have adequate capital throughout the economic cycle. Those standards required under section 171 serve as the starting point for the development of more stringent standards as required under section 165 of the bill.

I did, however, have questions about the designation of certain nonbank financial companies under section 113 for Federal Reserve supervision and the significance of such a designation in light of the minimum capital standards established by section 171. While I can envision circumstances where a company engaged in the business of insurance could be designated under section 113, I would not ordinarily expect insurance companies engaged in traditional insurance company activities to be designated by the council based on those activities alone. Rather, in considering a designation, I would expect the council to specifically take into account, among other risk factors, how the nature of insurance differs from that of other financial products, including how traditional insurance products differ from various off-balance-sheet and derivative contract exposures and how that different nature is reflected in the structure of tradi-

tional insurance companies. I would also expect the council to consider whether the designation of an insurance company is appropriate given the existence of State-based guaranty funds to pay claims and protect policyholders. Am I correct in that understanding?

Mr. DODD. The Senator is correct. The council must consider a number of factors, including, for example, the extent of leverage, the extent and nature of off-balance-sheet exposures, and the nature, scope, size, scale, concentration, interconnectedness, and mix of the company's activities. Where a company is engaged only in traditional insurance activities, the council should also take into account the matters you raised.

Ms. COLLINS. Would the Senator agree that the council should not base designations simply on the size of the financial companies?

Mr. DODD. Yes. The size of a financial company should not by itself be determinative.

Ms. COLLINS. As the Senator knows, insurance companies are already heavily regulated by State regulators who impose their own, very different regulatory and capital requirements. The fact that those capital requirements are not the same as those imposed by section 171 should not increase the likelihood that the council will designate an insurer. Does the Senator agree?

Mr. DODD. Yes, I do not believe that the council should decide to designate an insurer simply based on whether the insurer would meet bank capital requirements.

PREEMPTION STANDARD

Mr. CARPER. Mr. President, I am very pleased to see that the conference committee on the Dodd-Frank Wall Street Reform and Consumer Protection Act retained my amendment regarding the preemption standard for State consumer financial laws with only minor modifications. I very much appreciate the effort of Chairman DODD in fighting to retain the amendment in conference.

Mr. DODD. I thank the Senator. As the Senator knows, his amendment received strong bipartisan support on the Senate floor and passed by a vote of 80 to 18. It was therefore a Senate priority to retain his provision in our negotiations with the House of Representatives.

Mr. CARPER. One change made by the conference committee was to restate the preemption standard in a slightly different way, but my reading of the language indicates that the conference report still maintains the Barnett standard for determining when a State law is preempted.

Mr. DODD. The Senator is correct. That is why the conference report specifically cites the Barnett Bank of Marion County, N.A. v. Nelson, Florida

Insurance Commissioner, 517 U.S. 25(1996) case. There should be no doubt that the legislation codifies the pre-emption standard stated by the U.S. Supreme Court in that case.

Mr. CARPER. I again thank the Senator. This will provide certainty to everyone—those who offer consumers financial products and to consumer themselves.

NONBANK FINANCIAL COMPANIES

Mr. KERRY. Mr. President, the conference report to accompany H.R. 4173, the Dodd-Frank Wall Street reform bill, creates a mechanism through which the Financial Stability Oversight Council may determine that material financial distress at a U.S. nonbank financial company could pose such a threat to the financial stability of the United States that the company should be supervised by the Board of Governors of the Federal Reserve System and should be subject to heightened prudential standards. It is my understanding that in making such a determination, the Congress intends that the council should focus on risk factors that contributed to the recent financial crisis, such as the use of excessive leverage and major off-balance-sheet exposure. The fact that a company is large or is significantly involved in financial services does not mean that it poses significant risks to the financial stability of the United States. There are large companies providing financial services that are in fact traditionally low-risk businesses, such as mutual funds and mutual fund advisers. We do not envision nonbank financial companies that pose little risk to the stability of the financial system to be supervised by the Federal Reserve. Does the chairman of the Banking Committee share my understanding of this provision?

Mr. DODD. The Senator from Massachusetts is correct. Size and involvement in providing credit or liquidity alone should not be determining factors. The Banking Committee intends that only a limited number of high-risk, nonbank financial companies would join large bank holding companies in being regulated and supervised by the Federal Reserve.

CAPITAL REQUIREMENTS

Ms. COLLINS. Mr. President, I understand that it is the intent of paragraph 7 of section 171(b) of this legislation to require the Federal banking agencies, subject to the recommendations of the council, to develop capital requirements applicable to insured depository institutions, depository institution holding companies, and nonbank financial companies supervised by the Board of Governors that are engaged in activities that are subject to heightened standards under section 120. It is well understood that minimum capital requirements can help to shield various public and private stakeholders from risks posed by material distress that

could arise at these entities from engaging in these activities. It is also understood and recognized that minimum capital requirements may not be an appropriate tool to apply under all circumstances and that by prescribing section 171 capital requirements as the correct tool with respect to companies covered by paragraph 7, it should not be inferred that capital requirements should be required for any other companies not covered by paragraph 7.

Mrs. SHAHEEN. I also understand that the intent of this section is not to create any inference that minimum capital requirements are the appropriate standard or safeguard for the council to recommend to be applied to any nonbank financial company that is not subject to supervision by the Federal Reserve under title I of this legislation, with respect to any activity subject to section 120. Rather, the council should have full discretion not to recommend the application of capital requirements to any such nonbank financial company engaged in any such activity.

Mr. DODD. I concur with Senator COLLINS and Senator SHAHEEN. Section 171 of this legislation came from an amendment that Senator COLLINS offered on the Senate floor, and I truly appreciate the constructive contribution she has made to this legislative process. My understanding also is that the capital requirements under paragraph 7 are intended to apply only to insured depository institutions, depository institution holding companies, and nonbank financial companies supervised by the Board of Governors. I thank my friends from Maine and New Hampshire for this clarification.

INSURANCE COMPANY DEFINITION

Mr. NELSON of Nebraska. Mr. President, first, I would like to commend Chairman DODD for his hard work on the Wall Street reform bill and for maintaining an open and transparent process while developing this legislation. With regard to the orderly liquidation authority under title II of the bill, an "insurance company" is defined in section 201 as any entity that is engaged in the business of insurance, subject to regulation by a State insurance regulator, and covered by a State law that is designed to specifically deal with the rehabilitation, liquidation, or insolvency of an insurance company. Is it the intent of this definition that a mutual insurance holding company organized and operating under State insurance laws should be considered an insurance company for the purpose of this title?

Mr. DODD. Yes, that is correct. It is intended that a mutual insurance holding company organized and operating under State insurance laws should be considered an insurance company for the purpose of title II of this legislation. I thank the Senator from Nebraska for this clarification.

INDEPENDENT REPRESENTATIVES

Mrs. LINCOLN. Mr. President, as chairman of the Agriculture, Nutrition, and Forestry Committee, I became acutely aware that our pension plans, governmental investors, and charitable endowments were falling victim to swap dealers marketing swaps and security-based swaps that they knew or should have known to be inappropriate or unsuitable for their clients. Jefferson County, AL, is probably the most infamous example, but there are many others in Pennsylvania and across the country. That is why I worked with Senator HARKIN and our colleagues in the House to include protections for pension funds, governmental entities, and charitable endowments in the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Those protections—set forth in section 731 and section 764 of the conference report—place certain duties and obligations on swap dealers and security-based swap dealers when they deal with special entities. One of those obligations is that a swap dealer or the security-based swap dealer entering into a swap or security-based swap with a special entity must have a reasonable basis for believing that the special entity has an independent representative evaluating the transaction. Our intention in imposing the independent representative requirement was to ensure that there was always someone independent of the swap dealer or the security-based swap dealer reviewing and approving swap or security-based swap transactions. However, we did not intend to require that the special entity hire an investment manager independent of the special entity. Is that your understanding, Senator HARKIN?

Mr. HARKIN. Yes, that is correct. We certainly understand that many special entities have internal managers that may meet the independent representative requirement. For example, many public electric and gas systems have employees whose job is to handle the day-to-day hedging operations of the system, and we intended to allow them to continue to rely on those in-house managers to evaluate and approve swap and security-based swap transactions, provided that the manager remained independent of the swap dealer or the security-based swap dealer and met the other conditions of the provision. Similarly, the named fiduciary or in-house asset manager—INHAM—for a pension plan may continue to approve swap and security-based swap transactions.

FOREIGN BANKS

Mrs. LINCOLN. Mr. President, I wish to engage my colleague, Senator DODD, in a brief colloquy related to the section 716, the bank swap desk provision.

In the rush to complete the conference, there was a significant oversight made in finalizing section 716 as it relates to the treatment of uninsured U.S. branches and agencies of

foreign banks. Under the U.S. policy of national treatment, which has been part of U.S. law since the International Banking Act of 1978, uninsured U.S. branches and agencies of foreign banks are authorized to engage in the same activities as insured depository institutions. While these U.S. branches and agencies of foreign banks do not have deposits insured by the FDIC, they are registered and regulated by a Federal banking regulator, they have access to the Federal Reserve discount window, and other Federal Reserve credit facilities.

It is my understanding that a number of these U.S. branches and agencies of foreign banks will be swap entities under section 716 and title VII of Dodd-Frank. Due to the fact that the section 716 safe harbor only applies to "insured depository institutions" it means that U.S. branches and agencies of foreign banks will be forced to push out all their swaps activities. This result was not intended. U.S. branches and agencies of foreign banks should be subject to the same swap desk push out requirements as insured depository institutions under section 716. Under section 716, insured depository institutions must push out all swaps and security-based swaps activities except for specifically enumerated activities, such as hedging and other similar risk mitigating activities directly related to the insured depository institution's activities, acting as a swaps entity for swaps or security-based swaps that are permissible for investment, and acting as a swaps entity for cleared credit default swaps. U.S. branches and agencies of foreign banks should, and are willing to, meet the push out requirements of section 716 as if they were insured depository institutions.

This oversight on our part is unfortunate and clearly unintended. Does my colleague agree with me about the need to include uninsured U.S. branches and agencies of foreign banks in the safe harbor of section 716?

Mr. DODD. Mr. President, I agree completely with Senator LINCOLN's analysis and with the need to address this issue to ensure that uninsured U.S. branches and agencies of foreign banks are treated the same as insured depository institutions under the provisions of section 716, including the safe harbor language.

END USERS

Mrs. LINCOLN. Mr. President, I will ask unanimous consent to have printed in the RECORD a letter that Chairman DODD and I wrote to Chairmen FRANK and PETERSON during House consideration of this Conference Report regarding the derivatives title. The letter emphasizes congressional intent regarding commercial end users who enter into swaps contracts.

As we point out, it is clear in this legislation that the regulators only have the authority to set capital and

margin requirements on swap dealers and major swap participants for uncleared swaps, not on end users who qualify for the exemption from mandatory clearing.

As the letter also makes clear, it is our intent that the any margin required by the regulators will be risk-based, keeping with the standards we have put into the bill regarding capital. It is in the interest of the financial system and end user counterparties that swap dealers and major swap participants are sufficiently capitalized. At the same time, Congress did not mandate that regulators set a specific margin level. Instead, we granted a broad authority to the regulators to set margin. Again, margin and capital standards must be risk-based and not be punitive.

It is also important to note that few end users will be major swap participants, as we have excluded "positions held for hedging or mitigating commercial risk" from being considered as a "substantial position" under that definition. I would ask Chairman DODD whether he concurs with my view of the bill.

Mr. DODD. I agree with the Chairman's assessment. There is no authority to set margin on end users, only major swap participants and swap dealers. It is also the intent of this bill to distinguish between commercial end users hedging their risk and larger, riskier market participants. Regulators should distinguish between these types of companies when implementing new regulatory requirements.

Mrs. LINCOLN. Mr. President, I ask unanimous consent to have printed in the RECORD the letter that Chairman DODD and I wrote to Chairmen FRANK and PETERSON to which I referred.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,

Washington, DC, June 30, 2010.

Hon. Chairman BARNEY FRANK,
Financial Services Committee, House of Representatives, Rayburn House Office Building, Washington, DC.

Hon. Chairman COLLIN PETERSON,
Committee on Agriculture, House of Representatives, Longworth House Office Building, Washington, DC.

DEAR CHAIRMEN FRANK AND PETERSON: Whether swaps are used by an airline hedging its fuel costs or a global manufacturing company hedging interest rate risk, derivatives are an important tool businesses use to manage costs and market volatility. This legislation will preserve that tool. Regulators, namely the Commodity Futures Trading Commission (CFTC), the Securities and Exchange Commission (SEC), and the prudential regulators, must not make hedging so costly it becomes prohibitively expensive for end users to manage their risk. This letter seeks to provide some additional background on legislative intent on some, but not all, of the various sections of Title VII of H.R. 4173, the Dodd-Frank Act.

The legislation does not authorize the regulators to impose margin on end users, those

exempt entities that use swaps to hedge or mitigate commercial risk. If regulators raise the costs of end user transactions, they may create more risk. It is imperative that the regulators do not unnecessarily divert working capital from our economy into margin accounts, in a way that would discourage hedging by end users or impair economic growth.

Again, Congress clearly stated in this bill that the margin and capital requirements are not to be imposed on end users, nor can the regulators require clearing for end user trades. Regulators are charged with establishing rules for the capital requirements, as well as the margin requirements for all uncleared trades, but rules may not be set in a way that requires the imposition of margin requirements on the end user side of a lawful transaction. In cases where a Swap Dealer enters into an uncleared swap with an end user, margin on the dealer side of the transaction should reflect the counterparty risk of the transaction. Congress strongly encourages regulators to establish margin requirements for such swaps or security-based swaps in a manner that is consistent with the Congressional intent to protect end users from burdensome costs.

In harmonizing the different approaches taken by the House and Senate in their respective derivatives titles, a number of provisions were deleted by the Conference Committee to avoid redundancy and to streamline the regulatory framework. However, a consistent Congressional directive throughout all drafts of this legislation, and in Congressional debate, has been to protect end users from burdensome costs associated with margin requirements and mandatory clearing. Accordingly, changes made in Conference to the section of the bill regulating capital and margin requirements for Swap Dealers and Major Swap Participants should not be construed as changing this important Congressional interest in protecting end users. In fact, the House offer amending the capital and margin provisions of Sections 731 and 764 expressly stated that the strike to the base text was made "to eliminate redundancy." Capital and margin standards should be set to mitigate risk in our financial system, not punish those who are trying to hedge their own commercial risk.

Congress recognized that the individualized credit arrangements worked out between counterparties in a bilateral transaction can be important components of business risk management. That is why Congress specifically mandates that regulators permit the use of non-cash collateral for counterparty arrangements with Swap Dealers and Major Swap Participants to permit flexibility. Mitigating risk is one of the most important reasons for passing this legislation.

Congress determined that clearing is at the heart of reform—bringing transactions and counterparties into a robust, conservative and transparent risk management framework. Congress also acknowledged that clearing may not be suitable for every transaction or every counterparty. End users who hedge their risks may find it challenging to use a standard derivative contracts to exactly match up their risks with counterparties willing to purchase their specific exposures. Standardized derivative contracts may not be suitable for every transaction. Congress recognized that imposing the clearing and exchange trading requirement on commercial end-users could raise transaction costs where there is a substantial public interest in keeping such costs low (i.e., to provide consumers with stable, low prices, promote investment, and create jobs.)

Congress recognized this concern and created a robust end user clearing exemption for those entities that are using the swaps market to hedge or mitigate commercial risk. These entities could be anything ranging from car companies to airlines or energy companies who produce and distribute power to farm machinery manufacturers. They also include captive finance affiliates, finance arms that are hedging in support of manufacturing or other commercial companies. The end user exemption also may apply to our smaller financial entities—credit unions, community banks, and farm credit institutions. These entities did not get us into this crisis and should not be punished for Wall Street's excesses. They help to finance jobs and provide lending for communities all across this nation. That is why Congress provided regulators the authority to exempt these institutions.

This is also why we narrowed the scope of the Swap Dealer and Major Swap Participant definitions. We should not inadvertently pull in entities that are appropriately managing their risk. In implementing the Swap Dealer and Major Swap Participant provisions, Congress expects the regulators to maintain through rulemaking that the definition of Major Swap Participant does not capture companies simply because they use swaps to hedge risk in their ordinary course of business. Congress does not intend to regulate end-users as Major Swap Participants or Swap Dealers just because they use swaps to hedge or manage the commercial risks associated with their business. For example, the Major Swap Participant and Swap Dealer definitions are not intended to include an electric or gas utility that purchases commodities that are used either as a source of fuel to produce electricity or to supply gas to retail customers and that uses swaps to hedge or manage the commercial risks associated with its business. Congress incorporated a de minimis exception to the Swap Dealer definition to ensure that smaller institutions that are responsibly managing their commercial risk are not inadvertently pulled into additional regulation.

Just as Congress has heard the end user community, regulators must carefully take into consideration the impact of regulation and capital and margin on these entities.

It is also imperative that regulators do not assume that all over-the-counter transactions share the same risk profile. While uncleared swaps should be looked at closely, regulators must carefully analyze the risk associated with cleared and uncleared swaps and apply that analysis when setting capital standards for Swap Dealers and Major Swap Participants. As regulators set capital and margin standards on Swap Dealers or Major Swap Participants, they must set the appropriate standards relative to the risks associated with trading. Regulators must carefully consider the potential burdens that Swap Dealers and Major Swap Participants may impose on end user counterparties—especially if those requirements will discourage the use of swaps by end users or harm economic growth. Regulators should seek to impose margins to the extent they are necessary to ensure the safety and soundness of the Swap Dealers and Major Swap Participants.

Congress determined that end users must be empowered in their counterparty relationships, especially relationships with swap dealers. This is why Congress explicitly gave to end users the option to clear swaps contracts, the option to choose their clearing-house or clearing agency, and the option to

segregate margin with an independent 3rd party custodian.

In implementing the derivatives title, Congress encourages the CFTC to clarify through rulemaking that the exclusion from the definition of swap for “any sale of a non-financial commodity or security for deferred shipment or delivery, so long as the transaction is intended to be physically settled” is intended to be consistent with the forward contract exclusion that is currently in the Commodity Exchange Act and the CFTC's established policy and orders on this subject, including situations where commercial parties agree to “book-out” their physical delivery obligations under a forward contract.

Congress recognized that the capital and margin requirements in this bill could have an impact on swaps contracts currently in existence. For this reason, we provided legal certainty to those contracts currently in existence, providing that no contract could be terminated, renegotiated, modified, amended, or supplemented (unless otherwise specified in the contract) based on the implementation of any requirement in this Act, including requirements on Swap Dealers and Major Swap Participants. It is imperative that we provide certainty to these existing contracts for the sake of our economy and financial system.

Regulators must carefully follow Congressional intent in implementing this bill. While Congress may not have the expertise to set specific standards, we have laid out our criteria and guidelines for implementing reform. It is imperative that these standards are not punitive to the end users, that we encourage the management of commercial risk, and that we build a strong but responsive framework for regulating the derivatives market.

Sincerely,

CHAIRMAN CHRISTOPHER DODD,
Senate Committee on Banking, Housing, and Urban Affairs, U.S. Senate.

CHAIRMAN BLANCHE LINCOLN,
Senate Committee on Agriculture, Nutrition, and Forestry, U.S. Senate.

INVESTMENT ADVISER

Mrs. LINCOLN. Mr. President, I rise to discuss section 409 of the Dodd-Frank bill, which excludes family offices from the definition of investment adviser under the Investment Advisers Act. In section 409, the SEC is directed to define the term family offices and to provide exemptions that recognize the range of organizational, management, and employment structures and arrangement employed by family offices, and I thought it would be worthwhile to provide guidance on this provision.

For many decades, family offices have managed money for members of individual families, and they do not pose systemic risk or any other regulatory issues. The SEC has provided exemptive relief to some family offices in the past, but many family offices have simply relied on the “under 15 clients” exception to the Investment Advisers Act, and when Congress eliminated this exception, it was not our intent to include family offices in the bill.

The bill provides specific direction for the SEC in its rulemaking to recognize that most family offices often have officers, directors, and employees who may not be family members, and who are employed by the family office itself or affiliated entities owned, directly or indirectly, by the family members. Often, such persons co-invest with family members, which enable those persons to share in the profits of investments they oversee and better align the interests of those persons with those of the family members served by the family office. In addition, family offices may have a small number of co-investors such as persons who help identify investment opportunities, provide professional advice, or manage portfolio companies. However, the value of investments by such other persons should not exceed a de minimis percentage of the total value of the assets managed by the family office. Accordingly, section 409 directs the SEC not to exclude a family office from the definition by reason of its providing investment advice to these persons.

Mr. DODD. I thank the Senator. Pursuant to negotiations during the conference committee, it was my desire that the SEC write rules to exempt certain family offices already in operation from the definition of investment adviser, regardless of whether they had previously received an SEC exemptive order. It was my intent that the rule would: exempt family offices, provided that they operated in a manner consistent with the previous exemptive policy of the Commission as reflected in exemptive orders for family offices in effect on the date of enactment of the Dodd-Frank Act; reflect a recognition of the range of organizational, management and employment structures and arrangements employed by family offices; and not exclude any person who was not registered or required to be registered under the Advisers Act from the definition of the term “family office” solely because such person provides investment advice to natural persons who, at the time of their applicable investment, are officers, directors or employees of the family office who have previously invested with the family office and are accredited investors, any company owned exclusively by such officers, directors or employees or their successors-in-interest and controlled by the family office, or any other natural persons who identify investment opportunities to the family office and invest in such transactions on substantially the same terms as the family office invests, but do not invest in other funds advised by the family office, and whose assets to which the family office provides investment advice represent, in the aggregate, not more than 5 percent of the total assets as to which the family office provides investment advice.

Mrs. LINCOLN. I appreciate the Senator's explanation and ask that the

Senator work with me to make this point in a technical corrections bill.

Mr. DODD. I agree that this position should be raised in a corrections bill and I look forward to working with the Senator towards this goal on this point.

Mrs. LINCOLN. I thank the Senator for his leadership and his assistance and cooperation in ensuring the passage of this important bill.

VOLCKER RULE

Mrs. BOXER. Mr. President, I wish to ask my good friend, the Senator from Connecticut and the chairman of the Banking Committee, to engage in a brief discussion relating to the final Volcker rule and the role of venture capital in creating jobs and growing companies.

I strongly support the Dodd-Frank Wall Street Reform and Consumer Protection Act, including a strong and effective Volcker rule, which is found in section 619 of the legislation.

I know the chairman recognizes, as we all do, the crucial and unique role that venture capital plays in spurring innovation, creating jobs and growing companies. I also know the authors of this bill do not intend the Volcker rule to cut off sources of capital for America's technology startups, particularly in this difficult economy. Section 619 explicitly exempts small business investment companies from the rule, and because these companies often provide venture capital investment, I believe the intent of the rule is not to harm venture capital investment.

Is my understanding correct?

Mr. DODD. Mr. President, I thank my friend, the Senator from California, for her support and for all the work we have done together on this important issue. Her understanding is correct.

The purpose of the Volcker rule is to eliminate excessive risk taking activities by banks and their affiliates while at the same time preserving safe, sound investment activities that serve the public interest. It prohibits proprietary trading and limits bank investment in hedge funds and private equity for that reason. But properly conducted venture capital investment will not cause the harms at which the Volcker rule is directed. In the event that properly conducted venture capital investment is excessively restricted by the provisions of section 619, I would expect the appropriate Federal regulators to exempt it using their authority under section 619(J).

CAPTIVE FINANCE

Ms. STABENOW. Mr. President, I would like to discuss the derivatives title of the Wall Street reform legislation with chairman of the Senate Agriculture, Nutrition, and Forestry Committee, Senator LINCOLN.

I would like to first commend the Senator and her staff's hard work on this critically important bill, which brings accountability, transparency,

and oversight to the opaque derivatives market.

For too long the over-the-counter derivatives market has been unregulated, transferring risk between firms and creating a web of fragility in a system where entities became too interconnected to fail.

It is clear that unregulated derivative markets contributed to the financial crisis that crippled middle-class families. Small businesses and our manufacturers couldn't get the credit they needed to keep the lights on, and many had to close their doors permanently. People who had saved money and played by the rules lost \$1.6 trillion from their retirement accounts. More than 6 million families lost their homes to foreclosure. And before the recession was over, more than 7 million Americans had lost their jobs.

The status quo is clearly not an option.

The conference between the Senate and the House produced a strong bill that will make sure these markets are accountable and fair and that the consumers are back in control.

I particularly want to thank the Senator for her efforts to protect manufacturers that use derivatives to manage risks associated with their operations. Whether it is hedging the risks related to fluctuating oil prices or foreign currency revenues, the ability to provide financial certainty to companies' balance sheets is critical to their viability and global competitiveness.

I am glad that the conference recognizes the distinction between entities that are using the derivatives market to engage in speculative trading and our manufacturers and businesses that are not speculating. Instead, they use this market responsibly to hedge legitimate business risk in order to reduce volatility and protect their plans to make investments and create jobs.

Is it the Senator's understanding that manufacturers and companies that are using derivatives to hedge legitimate business risk and do not engage in speculative behavior will not be subjected to the capital or margin requirements in the bill?

Mrs. LINCOLN. I thank the Senator for her efforts to protect manufacturers. I share the Senator's concerns, which is why our language preserves the ability of manufacturers and businesses to use derivatives to hedge legitimate business risk.

Working closely with the Senator, I believe the legislation reflects our intent by providing a clear and narrow end-user exemption from clearing and margin requirements for derivatives held by companies that are not major swap participants and do not engage in speculation but use these products solely as a risk-management tool to hedge or mitigate commercial risks.

Ms. STABENOW. Again, I appreciate the Senator's efforts to work with me

on language that ensures manufacturers are not forced to unnecessarily divert working capital from core business activities, such as investing in new equipment and creating more jobs. As you know, large manufacturers of high-cost products often establish wholly owned captive finance affiliates to support the sales of its products by providing financing to customers and dealers.

Captive finance affiliates of manufacturing companies play an integral role in keeping the parent company's plants running and new products moving. This role is even more important during downturns and in times of limited market liquidity. As an example, Ford's captive finance affiliate, Ford Credit, continued to consistently support over 3,000 of Ford's dealers and Ford Credit's portfolio of more than 3 million retail customers during the recent financial crisis—at a time when banks had almost completely withdrawn from auto lending.

Many finance arms securitize their loans through wholly owned affiliate entities, thereby raising the funds they need to keep lending. Derivatives are integral to the securitization funding process and consequently facilitating the necessary financing for the purchase of the manufacturer's products.

If captive finance affiliates of manufacturing companies are forced to post margin to a clearinghouse it will divert a significant amount of capital out of the U.S. manufacturing sector and could endanger the recovery of credit markets on which manufacturers and their captive finance affiliates depend.

Is it the Senator's understanding that this legislation recognizes the unique role that captive finance companies play in supporting manufacturers by exempting transactions entered into by such companies and their affiliate entities from clearing and margin so long as they are engaged in financing that facilitates the purchase or lease of their commercial end user parents products and these swaps contracts are used for non-speculative hedging?

Mrs. LINCOLN. Yes, this legislation recognizes that captive finance companies support the jobs and investments of their parent company. It would ensure that clearing and margin requirements would not be applied to captive finance or affiliate company transactions that are used for legitimate, non-speculative hedging of commercial risk arising from supporting their parent company's operations. All swap trades, even those which are not cleared, would still be reported to regulators, a swap data repository, and subject to the public reporting requirements under the legislation.

This bill also ensures that these exemptions are tailored and narrow to ensure that financial institutions do not alter behavior to exploit these legitimate exemptions.

Based on the Senator's hard work and interest in captive finance entities of manufacturing companies, I would like to discuss briefly the two captive finance provisions in the legislation and how they work together. The first captive finance provision is found in section 2(h)(7) of the CEA, the "treatment of affiliates" provision in the end-user clearing exemption and is entitled "transition rule for affiliates." This provision is available to captive finance entities which are predominantly engaged in financing the purchase of products made by its parent or an affiliate. The provision permits the captive finance entity to use the clearing exemption for not less than two years after the date of enactment. The exact transition period for this provision will be subject to rulemaking. The second captive finance provision differs in two important ways from the first provision. The second captive finance provision does not expire after 2 years. The second provision is a permanent exclusion from the definition of "financial entity" for those captive finance entities who use derivatives to hedge commercial risks 90 percent or more of which arise from financing that facilitates the purchase or lease of products, 90 percent or more of which are manufactured by the parent company or another subsidiary of the parent company. It is also limited to the captive finance entity's use of interest rate swaps and foreign exchange swaps. The second captive finance provision is also found in Section 2(h)(7) of the CEA at the end of the definition of "financial entity." Together, these 2 provisions provide the captive finance entities of manufacturing companies with significant relief which will assist in job creation and investment by our manufacturing companies.

Ms. STABENOW. I agree that the integrity of these exemptions is critical to the reforms enacted in this bill and to the safety of our financial system. That is why I support the strong anti-abuse provisions included in the bill. Would you please explain the safeguards included in this bill to prevent abuse?

Mrs. LINCOLN. It is also critical to ensure that we only exempt those transactions that are used to hedge by manufacturers, commercial entities and a limited number of financial entities. We were surgical in our approach to a clearing exemption, making it as narrow as possible and excluding speculators.

In addition to a narrow end-user exemption, this bill empowers regulators to take action against manipulation. Also, the Commodity Futures Trading Commission and the Securities Exchange Commission will have a broad authority to write and enforce rules to prevent abuse and to go after anyone that attempts to circumvent regulation.

America's consumers and businesses deserve strong derivatives reform that will ensure that the country's financial oversight system promotes and fosters the most honest, open and reliable financial markets in the world.

Ms. STABENOW. I thank the Chairman for this opportunity to clarify some of the provisions in this bill. I appreciate the Senator's help to ensure that this bill recognizes that manufacturers and commercial entities were victims of this financial crisis, not the cause, and that it does not unfairly penalize them for using these products as part of a risk-mitigation strategy.

It is time we shine a light on derivatives trading and bring transparency and fairness to this market, not just for the families and businesses that were taken advantage of but also for the long-term health of our economy and particularly our manufacturers.

STABLE VALUE FUNDS

Mr. HARKIN. Mr. President, as chairman of the Health, Education, Labor, and Pensions Committee, the pensions community approached me about a possible unintended consequence of the derivatives title of the Dodd-Frank Wall Street Reform and Consumer Protection Act. They were concerned that the provisions regulating swaps might also apply to stable value funds.

Stable value funds are a popular, conservative investment choice for many employee benefit plans because they provide a guaranteed rate of return. As I understand it, there are about \$640 billion invested in stable value funds, and retirees and those approaching retirement often favor those funds to minimize their exposure to market fluctuations. When the derivatives title was put together, I do not think anyone had stable value funds or stable value wrap contracts—some of which could be viewed as swaps—specifically in mind, and I do not think it is clear to any of us what effect this legislation would have on them.

Therefore, I worked with Chairman LINCOLN, Senator LEAHY, and Senator CASEY to develop a proposal to direct the SEC and CFTC to conduct a study—in consultation with DOL, Treasury, and State insurance regulators—to determine whether it is in the public interest to treat stable value funds and wrap contracts like swaps. This provision is intended to apply to all stable value fund and wrap contracts held by employee benefit plans—defined contribution, defined benefit, health, or welfare—subject to any degree of direction provided directly by participants, including benefit payment elections, or by persons who are legally required to act solely in the interest of participants such as trustees.

If the SEC and CFTC determine that it is in the public interest to regulate stable value fund and wrap contracts as swaps, then they would have the power to do so. I think this achieves the pol-

icy goals underlying the derivatives title while still making sure that we don't cause unintended harm to people's pension plans.

Mrs. LINCOLN. Mr. President, I share Chairman HARKIN's concern about possible unintended consequences the Dodd-Frank Wall Street Reform and Consumer Protection Act could have on pension and welfare plans which provide their participant with stable value fund options. These stable value fund options and their contract wrappers could be viewed as being a swap or a security-based swap. As Chairman HARKIN has stated, there is a significant amount of retirement savings in stable value funds, \$640 billion, which represents the retirement funds of millions of hardworking Americans. One of my major goals in this legislation was to protect Main Street. We should try to avoid doing any harm to pension plan beneficiaries. When the stable value fund issue was brought to my attention, I knew it was something we had to address. That is why I worked with Chairman HARKIN and Senators LEAHY and CASEY to craft a provision that would give the CFTC and the SEC time to study the issue of whether the stable value fund options and/or the contract wrappers for these stable value funds are "swaps" or some other type of financial instrument such as an insurance contract. I think subjecting this issue to further study will provide a measure of stability to participants and beneficiaries in employee benefit plans—including those participants in defined benefit pension plans, 401(k) plans, annuity plans, supplemental retirement plans, 457 plans, 403(b) plans, and voluntary employee beneficiary associations—while allowing the CFTC and SEC to make an informed decision about what the stable value fund options and their contract wrappers are and whether they should be regulated as swaps or security-based swaps. It is a commonsense solution, and I am proud we were able to address this important issue which could affect the retirement funds of millions of pension beneficiaries.

VOLCKER RULE

Mr. BAYH. I thank the Chairman. With respect to the Volcker Rule, the conference report states that banking entities are not prohibited from purchasing and disposing of securities and other instruments in connection with underwriting or market making activities, provided that activity does not exceed the reasonably expected near term demands of clients, customers, or counterparties. I want to clarify this language would allow banks to maintain an appropriate dealer inventory and residual risk positions, which are essential parts of the market making function. Without that flexibility, market makers would not be able to provide liquidity to markets.

Mr. DODD. The gentleman is correct in his description of the language.

EVENT CONTRACTS

Mrs. FEINSTEIN. I thank Chairman LINCOLN and Chairman DODD for maintaining section 745 in the conference report accompanying the Dodd-Frank Wall Street Reform and Consumer Protection Act, which gives authority to the Commodity Futures Trading Commission to prevent the trading of futures and swaps contracts that are contrary to the public interest.

Mrs. LINCOLN. Chairman DODD and I maintained this provision in the conference report to assure that the Commission has the power to prevent the creation of futures and swaps markets that would allow citizens to profit from devastating events and also prevent gambling through futures markets. I thank the Senator from California for encouraging Chairman DODD and me to include it. I agree that this provision will strengthen the government's ability to protect the public interest from gaming contracts and other events contracts.

Mrs. FEINSTEIN. It is very important to restore CFTC's authority to prevent trading that is contrary to the public interest. As you know, the Commodity Exchange Act required CFTC to prevent trading in futures contracts that were "contrary to the public interest" from 1974 to 2000. But the Commodity Futures Modernization Act of 2000 stripped the CFTC of this authority, at the urging of industry. Since 2000, derivatives traders have bet billions of dollars on derivatives contracts that served no commercial purpose at all and often threaten the public interest.

I am glad the Senator is restoring this authority to the CFTC. I hope it was the Senator's intent, as the author of this provision, to define "public interest" broadly so that the CFTC may consider the extent to which a proposed derivative contract would be used predominantly by speculators or participants not having a commercial or hedging interest. Will CFTC have the power to determine that a contract is a gaming contract if the predominant use of the contract is speculative as opposed to a hedging or economic use?

Mrs. LINCOLN. That is our intent. The Commission needs the power to, and should, prevent derivatives contracts that are contrary to the public interest because they exist predominantly to enable gambling through supposed "event contracts." It would be quite easy to construct an "event contract" around sporting events such as the Super Bowl, the Kentucky Derby, and Masters Golf Tournament. These types of contracts would not serve any real commercial purpose. Rather, they would be used solely for gambling.

Mrs. FEINSTEIN. And does the Senator agree that this provision will also empower the Commission to prevent

trading in contracts that may serve a limited commercial function but threaten the public good by allowing some to profit from events that threaten our national security?

Mrs. LINCOLN. I do. National security threats, such as a terrorist attack, war, or hijacking pose a real commercial risk to many businesses in America, but a futures contract that allowed people to hedge that risk would also involve betting on the likelihood of events that threaten our national security. That would be contrary to the public interest.

Mrs. FEINSTEIN. I thank the Senator for including this provision. No one should profit by speculating on the likelihood of a terrorist attack. Firms facing financial risk posed by threats to our national security may take out insurance, but they should not buy a derivative. A futures market is for hedging. It is not an insurance market.

COLLATERALIZED INVESTMENTS

Mrs. HAGAN. Mr. President, I would like to engage Senator LINCOLN, chairman of the Agriculture, Nutrition and Forestry Committee, in a colloquy.

Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act, which Chairman LINCOLN was the primary architect of, creates a new regulatory framework for the over-the-counter derivatives market. It will require a significant portion of derivatives trades to be cleared through a centralized clearinghouse and traded on an exchange, and it will also increase reporting and capital and margin requirements on significant players in the market. The new regulatory framework will help improve transparency and disclosure within the derivatives market for the benefit of all investors.

Under the bill, the Commodity Futures Trading Commission, CFTC, and the Securities and Exchange Commission, SEC, are instructed to further define the terms "major swap participant" and "major security-based swap participant." The definitions of major swap participant and major security-based swap participant included in the bill require the CFTC and the SEC to determine whether a person dealing in swaps maintains a "substantial position" in swaps, as well as whether such outstanding swaps create "substantial counterparty exposure" that could have "serious adverse effects on the financial stability of the United States banking system or financial markets." The definition also encompasses "financial entities" that are highly leveraged relative to the amount of capital it holds, are not already subject to capital requirements set by a Federal banking regulator, and maintain a substantial position in outstanding swaps.

I understand when the CFTC and SEC are making the determination as to whether a person dealing in swaps is a major swap participant or major secu-

rity-based swap participant, it is the intent of the conference committee that both the CFTC and the SEC focus on risk factors that contributed to the recent financial crisis, such as excessive leverage, under-collateralization of swap positions, and a lack of information about the aggregate size of positions. Is this correct?

Mrs. LINCOLN. Yes. My good friend from North Carolina is correct. We made some important changes during the conference with respect to the "major swap participant" and "major security-based swap participant" definitions. When determining whether a person has a "substantial position," the CFTC and the SEC should consider the person's relative position in cleared versus the uncleared swaps and may take into account the value and quality of the collateral held against counterparty exposures. The committee wanted to make it clear that the regulators should distinguish between cleared and uncleared swap positions when defining what a "substantial position" would be. Similarly where a person has uncleared swaps, the regulators should consider the value and quality of such collateral when defining "substantial position." Bilateral collateralization and proper segregation substantially reduces the potential for adverse effects on the stability of the market. Entities that are not excessively leveraged and have taken the necessary steps to segregate and fully collateralize swap positions on a bilateral basis with their counterparties should be viewed differently.

In addition, it may be appropriate for the CFTC and the SEC to consider the nature and current regulation of the entity when designating an entity a major swap participant or a major security-based swap participant. For instance, entities such as registered investment companies and employee benefit plans are already subject to extensive regulation relating to their usage of swaps under other titles of the U.S. Code. They typically post collateral, are not overly leveraged, and may not pose the same types of risks as unregulated major swap participants.

Mrs. HAGAN. I thank the Senator. If I may, I have one additional question. When considering whether an entity maintains a substantial position in swaps, should the CFTC and the SEC look at the aggregate positions of funds managed by asset managers or at the individual fund level?

Mrs. LINCOLN. As a general rule, the CFTC and the SEC should look at each entity on an individual basis when determining its status as a major swap participant.

SWAP DEALER PROVISIONS

Ms. COLLINS. Mr. President, I rise today as a supporter of the Wall Street Transparency and Accountability Act, but also as one who has concerns over how the derivatives title of the bill will

be implemented. I applaud the chairman of the Senate Banking Committee for his work on the underlying bill. At the same time, I am concerned that some of the provisions in the derivatives title will harm U.S. businesses unnecessarily.

I would like to engage the chairman of the Senate Banking Committee in a colloquy that addresses an important issue. The Wall Street Transparency and Accountability Act will regulate “swap dealers” for the first time by subjecting them to new clearing, capital and margin requirements. “Swap dealers” are banks and other financial institutions that hold themselves out to the derivatives market and are known as dealers or market makers in swaps. The definition of a swap dealer in the bill includes an entity that “regularly enters into swaps with counterparties as an ordinary course of business for its own account.” It is possible the definition could be read broadly and include end users that execute swaps through an affiliate. I want to make clear that it is not Congress’ intention to capture as swap dealers end users that primarily enter into swaps to manage their business risks, including risks among affiliates.

I would ask the distinguished chairman whether he agrees that end users that execute swaps through an affiliate should not be deemed to be “swap dealers” under the bill just because they hedge their risks through affiliates.

Mr. DODD. I do agree and thank my colleague for raising another important point of clarification. I believe the bill is clear that an end user does not become a swap dealer by virtue of using an affiliate to hedge its own commercial risk. Senator COLLINS has been a champion for end users and it is a pleasure working with her.

Mr. MCCAIN. Mr. President, we are poised to pass what some have termed a “sweeping overhaul” of our Nation’s financial regulatory system. Unfortunately, this legislation does little, if anything—to tackle the tough problems facing the financial sector, nor does it institute real, meaningful and comprehensive reform. This bill is simply an abysmal failure and serves as yet another example of Congress’s inability to make the choices necessary to bring our country back into economic prosperity.

What this bill does represent is a guarantee of future bailouts. In a recent Wall Street Journal op-ed titled “The Dodd-Frank Financial Fiasco,” John Taylor—a professor of economics at Stanford and a senior fellow at the Hoover Institution—wrote:

The sheer complexity of the 2,319-page Dodd-Frank financial reform bill is certainly a threat to future economic growth. But if you sift through the many sections and subsections, you find much more than complexity to worry about.

The main problem with the bill is that it is based on a misdiagnosis of the causes of the

financial crisis, which is not surprising since the bill was rolled out before the congressionally mandated Financial Crisis Inquiry Commission finished its diagnosis.

The biggest misdiagnosis is the presumption that the government did not have enough power to avoid the crisis. But the Federal Reserve had the power to avoid the monetary excesses that accelerated the housing boom that went bust in 2007. The New York Fed had the power to stop Citigroup’s questionable lending and trading decisions and, with hundreds of regulators on the premises of such large banks, should have had the information to do so. The Securities and Exchange Commission (SEC) could have insisted on reasonable liquidity rules to prevent investment banks from relying so much on short-term borrowing through repurchase agreements to fund long-term investments. And the Treasury working with the Fed had the power to intervene with troubled financial firms, and in fact used this power in a highly discretionary way to create an on-again off-again bailout policy that spooked the markets and led to the panic in the fall of 2008.

But instead of trying to make implementation of existing government regulations more effective, the bill vastly increases the power of government in ways that are unrelated to the recent crisis and may even encourage future crises.

Mr. Taylor then goes on to highlight the many “false remedies” contained in this legislation including the “orderly liquidation” authority given to the FDIC—which effectively institutionalizes the bailout process. Other examples are the new Bureau of Consumer Financial Protection, the new Office of Financial Research, and a new regulation for nonfinancial firms that use financial instruments to reduce risks of interest-rate or exchange-rate volatility.

In addition to the “false remedies,” the huge expansion of government, and the outright power-grab by the Federal Government contained in this so-called reform measure—recent press reports note that this bill has also become the vehicle for imposing racial and gender quotas on the financial industry. Section 342 of this bill establishes Offices of Minority and Women Inclusion in at least 20 Federal financial services agencies. These offices will be tasked with implementing “standards and procedures to ensure, to the maximum extent possible, the fair inclusion and utilization of minorities, women, and minority-owned and women-owned businesses in all business and activities of the agency at all levels, including in procurement, insurance, and all types of contracts.”

This “fair inclusion” policy will apply to “financial institutions, investment banking firms, mortgage banking firms, asset management firms, brokers, dealers, financial services entities, underwriters, accountants, investment consultants and providers of legal services.”

The provision goes on to assert that the government will terminate contracts with institutions they deem have “failed to make a good faith ef-

fort to include minorities and women in their workforce.”

Diana Furchtgott-Roth, former chief economist at the U.S. Department of Labor and senior fellow at the Hudson Institute, spotlighted the controversial section in an article on Real Clear Markets on July 8th. She wrote:

This is a radical shift in employment legislation. The law effectively changes the standard by which institutions are evaluated from anti-discrimination regulations to quotas. In order to be in compliance with the law these businesses will have to show that they have a certain percentage of women and a certain percentage of minorities.

This provision was never considered or debated in the Senate. I do not think it is unreasonable to expect that such a major change in government policy—indeed a complete shift from anti-discrimination regulations to a system of quotas for the financial industry—be fully aired and debated by both Chambers before it is enacted.

Finally, let me return to Mr. Taylor’s piece from the Wall Street Journal. Mr. Taylor added:

By far the most significant error of omission in the bill is the failure to reform Fannie Mae and Freddie Mac, the government sponsored enterprises that encouraged the origination of risky mortgages in the first place by purchasing them with the support of many in Congress. Some excuse this omission by saying that it can be handled later. But the purpose of “comprehensive reform” is to balance competing political interests and reach compromise; that will be much harder to do if the Frank-Dodd bill becomes law.

I could not agree more. It is clear to any rational observer that the housing market has been the catalyst of our current economic turmoil. And it is impossible to ignore the significant role played by Fannie Mae and Freddie Mac. The events of the past 2 years have made it clear that never again can we allow the taxpayer to be responsible for poorly managed financial entities who gambled away billions of dollars. Fannie Mae and Freddie Mac are synonymous with mismanagement and waste and have become the face of “too big to fail.”

During the debate on this financial “reform” bill, we heard much about how the U.S. Government will never again allow a financial institution to become “too big to fail.” We heard countless calls for more regulation to ensure that taxpayers are never again placed at such tremendous risk. Sadly, the conference report before us now completely ignores the elephant in the room—because no other entity’s failure would be as disastrous to our economy as Fannie Mae’s and Freddie Mac’s.

As my colleagues know, during Senate consideration of this bill, I offered a good, common-sense amendment designed to end the taxpayer-backed conservatorship of Fannie Mae and Freddie Mac by putting in place an orderly transition period and eventually requiring them to operate—without

government subsidies—on a level playing field with their private sector competitors. Unfortunately that amendment was defeated by a near-party-line vote.

The majority, however, did offer an alternative proposal to my amendment. Was it a good, well thought out, comprehensive plan to end the taxpayer-backed free ride of Fannie and Freddie and require them to operate on a level playing field with their private sector competitors? Nope. It was a study. The majority included language in this bill to study the problem of Fannie and Freddie for 6 months. Wow! Instead of dealing head-on with the two enterprises that brought our entire economy to its knees—the majority wants to study them for 6 more months.

According to a recent article published by the Associated Press, these two entities have already cost taxpayers over \$145 billion in bailouts and—according to CBO—those losses could balloon to \$400 billion. And if housing prices fall further, some experts caution, the cost to the taxpayer could hit as much as \$1 trillion. And all the majority is willing to do is study them for 6 months. It is no wonder the American people view us with such contempt.

The Federal Government has set a dangerous precedent here. We sent the wrong message to the financial industry: when you engage in bad, risky business practices, and you get into trouble, the government will be there to save your hide. It amounts to nothing more than a taxpayer-funded subsidy for risky behavior and this bill does nothing to prevent it from happening all over again.

Again, I regret that I have to vote against this bill. I assure my colleagues, and the American people, that if this were truly a bill that instituted real, serious and effective reforms—I would be the first in line to cast a vote in its favor. But it is not. It serves as evidence of a dereliction of our duty and a missed opportunity to provide the American people with the protections necessary to avert yet another financial disaster. They deserve better from us.

Mr. GRASSLEY. Mr. President, I have long worked for the continued viability of rural low-volume hospitals so that Medicare beneficiaries living in rural areas in Iowa and elsewhere in the country will continue to have needed access to care.

Today, I want to discuss another concern, one regarding low-volume dialysis clinics in rural areas and the kidney dialysis patients they serve.

Congress enacted a new end-stage renal dialysis, ESRD, bundled payment system in the Medicare Improvements for Patients and Providers Act of 2008 that takes effect next year.

I support the establishment of a fully bundled payment system for renal dialysis services.

It is intended to improve payments for ESRD services and to ensure access to critical renal dialysis services, including those in rural areas.

It will also improve the quality of care for dialysis patients by requiring ESRD providers to meet certain standards through a new quality incentive program that is established for ESRD providers.

It establishes a permanent annual update for ESRD providers.

It also provides for payment adjustments in certain circumstances, such as payments for low-volume facilities and for dialysis facilities and providers in rural areas that need additional resources.

Last fall, the Centers for Medicare and Medicaid Services, CMS, issued a proposed rule to implement the new ESRD bundled payment system. That rule will be finalized later this year.

I am concerned that overall some of the proposed adjustments that reduce payments for dialysis treatment may be unduly low.

But today I want to focus on one issue in particular—the adjustment that CMS has proposed for low-volume facilities.

The legislation that established this new bundled payment system specifically requires CMS to adopt a payment adjustment of not less than 10 percent for low-volume facilities to ensure their continued viability with other facilities.

The Secretary was given the discretion to define low-volume facilities.

Unfortunately, CMS has proposed a very restrictive definition and set of criteria to qualify as a low-volume facility so the payment adjustment would only apply to facilities that furnish fewer than 3,000 treatments a year.

According to CMS, “the low-volume adjustment should encourage small ESRD facilities to continue to provide access to care to an ESRD patient population where providing that care would otherwise be problematic.”

CMS also notes that low-volume facilities have substantially higher treatment costs.

Previously, CMS considered an ESRD facility with less than 5,000 treatments a year to be small.

But now CMS is proposing to limit eligible ESRD facilities to those with less than 3,000 treatments a year and requiring this limit to be met for 3 years preceding the payment year, along with certain ownership restrictions.

CMS has not proposed any geographic restriction that would limit the low-volume payment adjustment to dialysis facilities in rural areas.

Medicare reimbursement is already problematic for small dialysis organi-

zations because they operate on very low Medicare margins.

According to the March 2010 report of the Medicare Payment Advisory Commission, MedPAC, large dialysis organizations have Medicare margins of 4.0 percent compared to other dialysis facilities with Medicare margins of only 1.6 percent.

MedPAC also found that rural dialysis providers have Medicare margins that average -0.3 percent compared to urban providers with positive margins of 3.9 percent, and they expressed concern that the gap in rural and urban margins has widened.

They project that Medicare margins will fall from an aggregate 3.2 percent margin in 2008 to an aggregate 2.5 percent in 2010.

If corresponding declines are seen in rural areas, negative margins for rural facilities will increase, and low-volume rural facilities will be hit even harder.

And this projection does not take into account any of the additional reductions that CMS has proposed as part of the new bundled payment system even though these reductions would have a significant adverse impact on small dialysis facilities.

Should the proposed restrictions on low-volume facilities be finalized, the continued viability of these small dialysis facilities will be questionable.

This will be especially true in rural areas, and beneficiary access to these critical dialysis services will be severely jeopardized.

Small rural dialysis clinics provide beneficiaries with end-stage-renal disease access to critically-needed dialysis services in medically underserved areas.

In some rural areas, a single clinic may be the only facility that furnishes this life-sustaining care.

Should the unduly restrictive treatment limit for low-volume facilities be finalized as proposed, small rural facilities with slightly higher treatment volumes will lose these essential low-volume payments.

Since rural dialysis facilities already face negative Medicare margins, many are likely to close, further limiting access to crucial dialysis services that these kidney patients depend upon to survive.

New facilities would not be eligible for low-volume payments until their fourth year of operation under the proposed rule, making it unlikely that other facilities would take the place of those that had closed.

The prospect of Medicare beneficiaries' losing access to these life-sustaining services is simply unacceptable.

I, therefore, urge CMS to modify the proposed restrictions for low-volume adjustments by raising the treatment limit to the existing 5,000 treatment definition for small rural dialysis facilities.

One of my constituents, Laura Beyer, RN, BSN, is the manager of dialysis at Pella Regional Health Center, a critical access hospital in rural Iowa. She has written an editorial about this problem and the financial crises that small outpatient dialysis facilities, such as Pella Regional Health Center, are facing. Her editorial will be appearing in *Nephrology News* in July.

I ask unanimous consent to have printed in the RECORD this editorial.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WILL THE NEW ESRD BUNDLE CAUSE THE DEATH OF RURAL HOSPITAL-BASED DIALYSIS UNITS?

The new End Stage Renal Disease (ESRD) Bundled payment system scheduled to begin in January, 2011 is expected to create a financial loss for dialysis clinics across the United States. According to the CMS Office of Public Affairs (2009) "MIPPA [Medicare Improvements for Patients and Providers Act] specifically requires that the new system trim two percent of the estimated payments that would have been made in 2011 under the previous payment system" (§3). Although this is of concern to all dialysis clinics, it is particularly alarming to non-profit hospital based dialysis units which are already operating at a loss.

These small hospital-owned dialysis clinics are simply trying to provide a service to an underserved rural area. Patients would have no option but to let ESRD claim their lives because the resources are not available for them to drive the extended distances to urban areas where dialysis services are more available. Pella Regional Health Center (PRHC), a Critical Access Hospital (CAH) in rural Iowa, offers outpatient dialysis services. Robert Kroese, CEO of PRHC stated, "We choose to keep this dialysis clinic open despite the financial liability to the hospital for one reason only, people will have no choice but to die without it. Our community needs this service."

Currently hospital-based dialysis units represent 13.6 percent of all dialysis facilities in the United States. Facilities classified as rural only make up 4.4 percent. The current CMS payment system defines a small facility as <5000 treatments annually as well as other control variables to include urban vs. rural and facility ownership. The proposed bundled payment system will decrease reimbursement further for these rural hospital-based units by decreasing the low-volume definition to <3000 treatments per year and eliminating rural facility payment adjustments (Leavitt, 2008). Considering the lack of buying power these small facilities face compared to the large dialysis companies, the hope of continuing this service in these rural areas is diminishing.

At what point is the financial burden going to be too much for these small rural hospitals to carry? The result will be thousands of patients without the healthcare services needed to sustain their lives. Please consider the effects on the unseen heroes in rural America trying to provide the best care possible to all Americans who need it. Help protect the dialysis patients who live in the underserved areas of America by contacting your state representatives regarding the preservation of Hospital-based rural dialysis units.

Mr. FEINGOLD. Mr. President, I will oppose the conference version of the

Dodd-Frank bill. While it includes some positive provisions, it fails its most important mission, namely to ensure that taxpayers, consumers, businesses, and workers won't be victims of another financial crisis like the one which a few years ago triggered the worst recession our Nation has experienced since the Great Depression.

The measure certainly contains many good things, but those positive provisions do not outweigh the bill's serious failings. Of the several significant flaws in the bill, I will focus on two—the failure to reinstate the well-proven protections first established by the Glass-Steagall Act of 1933 that were repealed a decade ago, and the failure to firmly and finally address the essential problem posed by too-big-to-fail financial institutions.

Earlier this year I was pleased to cosponsor a bill introduced by the Senator from Washington, Ms. CANTWELL, to restore the safeguards that were enacted as part of the famous Glass-Steagall Act of 1933. And I was also pleased to cosponsor her amendment to the Financial Regulatory Reform bill, which was based on that legislation. It went to the very core of what the underlying bill we are considering seeks to address.

Unlike some other proposals we considered, that amendment had a track record we can review, because the economic history of this country can be divided into three eras—the time before Glass-Steagall, the Glass-Steagall era, and the most recent post-Glass-Steagall era.

In the first era—the time before the enactment of the Glass-Steagall Act of 1933—financial panics were frequent and devastating. Even before the market crash in 1929, the panics of 1857, 1873, 1893, 1901, and 1907 wrecked our economy, putting thousands of firms out of business, and leaving family breadwinners across the country without jobs.

In the wake of the 1929 crash—the last great panic of that first era—4,000 commercial banks and 1,700 savings and loans failed in this country, triggering the Great Depression that eliminated jobs for a quarter of the workforce.

It was that last financial crisis that spurred enactment of the Glass-Steagall Act of 1933, which marks the beginning of the second of our financial history's three eras.

The Glass-Steagall Act of 1933 put a stop to financial panics. It stabilized our banking system by implementing two key reforms. First, it established an insurance system for deposits, reassuring bank customers that their deposits were safe and thus forestalling bank runs. And second, it erected a firewall between securities underwriting and commercial banking. Financial firms had to choose which business to be in; they couldn't do both.

That wall between Main Street commercial banking and Wall Street investment financing was a crucial part of establishing the deposit insurance safety net because it prevented banks that accepted FDIC-insured deposits from making speculative investment bets with that insured money.

The Glass-Steagall Act was an enormous success. It helped prevent any major financial crisis in this country for most of the 20th century, and that financial market stability helped foster the economic growth we enjoyed for decades.

And that brings us to the last of the three eras—the post-Glass-Steagall era.

All that wonderful financial market stability that we had enjoyed for decades began to unravel when, in the 1980s, Wall Street lobbyists spurred regulators to undermine financial regulations, including the very firewall between Main Street banking and Wall Street investing that Glass-Steagall had established, and that had worked so well. That firewall was completely torn down when Wall Street lobbyists convinced Congress to pass the Gramm-Leach-Bliley Act of 1999.

We have seen the disastrous results of that ill-considered policy. It's a major part of the reason the financial regulatory reform bill was considered by this body.

I voted against the Gramm-Leach-Bliley Act, which eliminated the Glass-Steagall protections. The financial and economic record of that bill has been disastrous. If the financial regulatory reform bill before us did nothing else, it should have fixed the problems created by that ill-advised act.

Just a few weeks ago, at one of the listening sessions I hold in each of Wisconsin's 72 counties every year, a community banker from northwestern Wisconsin urged me to support restoring the Glass-Steagall protections. He rightly pointed out how the lack of those protections led directly to the Great Depression. And he argued that the bill we are currently debating doesn't go far enough in this respect. That community banker was absolutely right.

The bill before us tries to make up for the lack of a Glass-Steagall firewall by establishing some new limitations on the activities of banks, and gives greater power and responsibility to regulators. All of that is well intentioned, but we all know just how creative financial firms can be at eluding these kinds of limits and regulatory oversight when so much profit is at stake. No amount of oversight is an effective substitute for the legal firewall established by Glass-Steagall.

The era in our financial history in which the Glass-Steagall protections were in force was notable for the lack of instability and turmoil that had been a regular feature of our financial markets prior to Glass-Steagall, and

that helped bring our economy to the brink after Glass-Steagall safeguards were repealed. Congress should have restored those time-tested protections, and reestablished the stability that brought our Nation half a century of remarkable economic growth.

We could have achieved that by adopting the Cantwell amendment. But, as we know, the Cantwell amendment was not even permitted a vote, such was the opposition to that commonsense reform by those who were guiding this legislation. So our financial markets will continue to remain adrift in the brief but ruinous post-Glass-Steagall era.

The other flaw I will highlight is the measure's failure to directly address what in many ways is the reason we are here today, namely the problem of too big to fail.

During the Senate's consideration of the measure, several amendments were offered that sought to confront that problem. Two of them, one offered by the Senator from North Dakota, Mr. DORGAN, and one offered by the Senators from Ohio, Mr. BROWN, and Delaware, Mr. KAUFMAN, took the problem on directly. Only one of those amendments even got a vote, and that proposal, from Senators BROWN and KAUFMAN, was strongly opposed, and ultimately defeated, by those who were shepherding the bill through the Senate.

As I noted, the problem of too big to fail is the reason we are considering financial regulatory reform legislation. It was the threat of the failure of the Nation's largest financial institutions that spurred the Wall Street bailout. I opposed that measure as well, in part because it was not tied to fundamental reforms of our financial system that would prevent a future crisis and the need for another bailout. There can be no doubt that we could have had a much tougher reform package if the bailout had been tied to such a measure.

Nor should there be any doubt about the role Congress has played in aggravating the problem of too big to fail. Fifteen years ago, the six largest U.S. banks had assets equal to 17 percent of our GDP. Today, after the enactment of the Riegle-Neal Interstate Banking and Branching bill and the Gramm-Leach-Bliley bill, the six largest U.S. banks have assets equal to more than 60 percent of our GDP.

Years ago, a former Senator from Wisconsin, William Proxmire, noted that as banking assets become more concentrated, the banking system itself becomes less stable, as there is greater potential for system wide failures. Sadly, Senator Proxmire was absolutely right, as recent events have proved. Even beyond the issue of systemic stability, the trend toward further concentration of economic power and economic decisionmaking, espe-

cially in the financial sector, simply is not healthy for the Nation's economy.

Historically, banks have had a very special role in our free market system: They are rationers of capital. While in recent decades we have seen changes in the capital markets that provide the largest corporations with other options to access needed capital, small businesses still remain dependent on the traditional banking system for the capital that is essential to them. So when fewer and fewer banks are making the critical decisions about where capital is allocated, there is an increased risk that many worthy enterprises will not receive the capital needed to grow and flourish.

For years, a strength of the American banking system was the strong community and local nature of that system. Locally made decisions made by locally owned financial institutions—institutions whose economic prospects were tied to the financial health of the communities they served—have long played a critical role in the economic development of our Nation and especially for our smaller communities and rural areas. But we have moved away from that system. Directly as a result of policy changes made by Congress and regulators, banking assets are controlled by fewer and fewer institutions, and the diminishment of that locally owned and controlled capital has not benefited either businesses or consumers.

Beyond the problems to our capital markets created by this development, there is Senator Proxmire's warning about the increased risk of system wide failure. Taxpayers across the country must now realize that Senator Proxmire's warning about the concentration of banking assets proved to be all too prescient when President Bush and Congress decided to bail out those mammoth financial institutions rather than allowing them to fail.

Some may argue that instead of imposing clear limits on the size of these financial behemoths, the bill before us seeks to limit their risk of failing by tightening the rules that should govern their behavior. And, they might add, the measure also permits regulators to address these matters more directly than ever before. But we have seen how Wall Street interests can maneuver around inconvenient regulations. Moreover, the track record of the regulators themselves has been troubling at best, and yet this bill relies on that same system to protect taxpayers and the economy from another financial market meltdown.

Today, the 10 largest banks have more than \$10 trillion in assets. That is the equivalent of more than three-quarters of our Nation's GDP. And no one believes that, if one or more of those financial institutions were to get into trouble, they would be allowed to simply fail. The risk to the financial

markets and the economy is seen as too great. They are literally too big to fail. And that is the problem.

As economist Dean Baker has noted, too big to fail implies two things: First, knowing the government will stand behind the debt-of-too-big-to-fail institutions, creditors will view those institutions as better credit risks and lower the cost of credit to them; and second, too-big-to-fail firms are able to engage in riskier behavior than other firms because creditors know the government will stand behind a too-big-to-fail firm if it gets in trouble, they will keep the money flowing when they otherwise might have closed it off. Baker is exactly right when he says that this is a recipe for many more bailouts.

Too big to fail has been a growing problem for more than a decade. Yet nothing in the Dodd-Frank bill requires that those enormous financial firms be whittled down to a size that would permit them to fail without disastrous consequences for financial markets or the economy. In fact, as Peter Eavis noted in the Wall Street Journal, the bill actually "enshrines the bailout architecture, and thus the 'too-big-to-fail' distortions in the economy." And those distortions are not limited to the kind of massive, systemic collapse of the financial markets, which we just experienced. Too-big-to-fail distortions occur daily. They happen whenever a smaller community bank is competing with an enormous too-big-to-fail bank. Dean Baker calculated that the credit advantage the very biggest banks have over smaller institutions because of too-big-to-fail distortions is worth possibly \$34 billion a year. Those who doubt such a distortion need only talk to a community banker for a few minutes to understand just how real it is.

Some suggest we should pass this bill because, despite the failings I have just described, it contains some positive reforms and that we should enact those improvements and then work to achieve the critically needed reforms that remain. That analysis assumes there will be some second great reform effort which will build on the work begun in this legislation, and that simply isn't going to happen. This is the bill. In the wake of the financial crisis and bailout, Congress essentially gets one shot to correct things and prevent a future crisis and bailout. There will be no financial regulatory reform, part two. Nobody seriously thinks the White House is planning a second reform package to go after too big to fail and to reinstate Glass-Steagall protections. Nor does anyone believe the Senate Banking Committee or the House Banking Committee is drafting a followup bill to deal with those issues. For that matter, I know of no advocacy groups that are seriously planning a followup reform effort to go after too big to fail or to reinstate the Glass-Steagall firewalls between commercial

banking and Wall Street investment firms. It is not happening, because this is the moment and this is bill. To minimize the failings of this bill by suggesting there will be another one coming down the pike is at best misleading and at worst dishonest.

Mr. President, in this case, we have to get it right—completely right, not just make a good start. This bill fails the key test of preventing another crisis, and I will oppose it.

Mr. BROWNBACK. Mr. President, I rise to speak regarding the auto dealer exclusion in section 1029 of H.R. 4173, the Restoring American Financial Stability Act of 2010.

I am pleased that my amendment excluding auto dealers from the jurisdiction of the Bureau of Consumer Financial Protection, CFPB, was included in the conference report to H.R. 4173. This proposal attracted bipartisan support because the auto dealers should not have been regulated in this bill in the first place. They are retailers. They should not be regulated as bankers. They did not cause the Wall Street meltdown. They didn't bring down Lehman Brothers or Bear Stearns.

The purpose of my amendment was to protect third party auto financing. The CFPB could have abolished that kind of financing, but keeping these provisions in the bill will preserve a variety of auto financing choices for consumers, and we know that more choices result in lower prices. And the provisions of my amendment keep auto loans convenient and affordable while retaining existing consumer protection laws and policies.

The end result is a balance between consumer protection and the availability of affordable and accessible credit for consumers to meet their transportation needs. Except for subsection (d), Section 1029 is the result of a lot of debate and discussion in both houses of Congress dating back to last year. During the House Financial Services Committee's markup of this legislation, Representative JOHN CAMPBELL of California offered an amendment to exclude auto dealers from the jurisdiction of the CFPB. The Campbell amendment passed on a bipartisan vote of 47–21. A modified form of the Campbell amendment was included during floor consideration of H.R. 4173, which passed by a vote of 223–202 on December 11, 2009.

I offered an amendment during Senate consideration of H.R. 4173 to serve as a companion to the Campbell amendment. Although my amendment did not receive a direct vote, on May 24, the Senate voted to instruct its conferees to recede to the House on this matter, subject to the modifications of the Brownback amendment. This motion passed on a bipartisan vote of 60–30.

The final conference committee agreement incorporates the Brown-

back-Campbell language with some modifications. I want to discuss those provisions specifically and highlight some significant points.

First, section 1029(a) provides that the CFPB “may not exercise any rule-making, supervisory, enforcement or any other authority, including any authority to order assessments, over a motor vehicle dealer that is predominantly engaged in the sale and servicing of motor vehicle, the leasing and servicing of motor vehicles, or both.” This is a clear, unambiguous exclusion from the authority of the CFPB for motor vehicle dealers.

Three exceptions to the exclusion for dealers are enumerated in section 1029(b). Subsection (b)(1) describes activity related to real estate transactions with consumers. Subsection (b)(2) describes motor vehicle transactions in which the dealer underwrites, funds, and services motor vehicle retail installment sales contracts and lease agreements without the involvement of an unaffiliated third party finance or leasing source so-called “buy-here-pay-here” transactions. Subsection (b)(3) describes the consumer financial products and services offered by motor vehicle dealers and limits the exclusion to those activities or any related or ancillary product or service. The combination of 1029(a) and 1029(b) ensures that motor vehicle dealers providing financial products or services related to the activities described in subsection (b)(3) are completely excluded from the CFPB.

Section 1029(c) preserves the authority of the Federal Reserve Board, the Federal Trade Commission and any other Federal agency having authority to regulate motor vehicle dealers.

Section 1029(d) provides that the Federal Trade Commission, FTC, will have the authority to write rules to address unfair or deceptive acts or practices by motor vehicle dealers pursuant to the procedures set forth in the Administrative Procedures Act instead of the Magnuson-Moss Act. Motor vehicles dealers are set to become the only businesses in America singled out for regulation in this manner. I want to emphasize that this specific provision was neither in the House or Senate bill and was not under consideration in either chamber. It was added by House-Senate conferees. Section 1029(d) was included without any evidence to justify its inclusion, or any debate for that matter. I do not support this provision, as I believe it invites the FTC to again engage in regulatory overreach. I am concerned that the removal of the well-established “Magnuson-Moss” safeguards gives the FTC free rein to conduct fishing expeditions into any area of automotive finance it perceives as “unfair.”

The present leadership of the FTC has promised that if Magnuson-Moss

were repealed, they would use their new power prudently. I hope that this is the case, because we do not want to repeat the kind of excessive FTC regulation that occurred in the 1970s. For that reason, Congress must monitor the FTC very closely to ensure the vast power Congress will now bestow on this agency is not once again abused.

Section 1029(e) requires the Federal Reserve Board and the Federal Trade Commission to coordinate with the Office of Service Member Affairs to ensure that any complaints raised by men and women in the armed services are addressed effectively by the appropriate enforcement agency.

Section 1029(f) defines certain terms in the bill. My amendment expanded the House language to also exclude similarly situated RV and boat dealers.

The concept of excluding auto dealers from the jurisdiction of the CFPB gained bipartisan support, but there was some debate about its effect on members of the U.S. Armed Forces. Because we all share the utmost concern for our service men and women, I think it is appropriate to revisit that argument briefly and to reiterate my strong belief that this exclusion will not hurt members of the military.

On February 26, Under Secretary of Defense Clifford Stanley wrote a widely distributed letter contending that excluding auto dealers from the CFPB would have a harmful effect on servicemembers. On May 14, I sent a letter to Under Secretary Stanley asking him to further clarify and substantiate the claims he made in his letter to ensure that the Senate would not take action that would harm military members.

Under Secretary Stanley's May 18 response to my letter offered a series of anecdotes about finance practices that were already illegal. In addition, Under Secretary Stanley's letter related the results of a survey of military members regarding auto financing. That survey, which was informal and unscientific, unfortunately failed to specify the sources of the problems some servicemembers encountered. It gave no indication that auto dealers were responsible for bad loans made to military members and made, and I think it is unfortunate that auto dealers were blamed for problems they did not cause on the basis of this survey.

In fact, I was surprised that Pentagon officials cited this survey instead of relying on their comprehensive 2006 report on abusive lending practices. This study, entitled “Report on Predatory Lending Practices Directed at Members of the Armed Forces and Their Dependents” did not include dealer-assisted financing among its list of predatory lending practices. In the end, in my view, the best information available indicates that servicemembers will not be harmed by exempting dealers from the jurisdiction of the CFPB. I am glad that argument carried the day.

I am very concerned that the CFPB, which will not be overseen by the Office of Management and Budget and will not depend on Congress for its funding, will at some point in the future engage in regulatory overreach that will hurt our economy. Excluding auto, boat and RV dealers from the CFPB jurisdiction will ensure that these Main Street small businesses are protected from such harmful regulation. For consumers, my amendment guarantees that access to affordable credit is preserved, and all consumer protections laws are maintained. While I am very concerned about the implications of H.R. 4173 overall, I am pleased that at least in this instance we have found a way to limit the threat of regulations that hurt consumers and strangle our economy.

Mr. LEAHY. Mr. President, I strongly support the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

The American people often are cynical, with good reason, about the success that powerful corporate interests have in trumping the interests and rights of everyday Americans, on Wall Street, in Congress and even on our Supreme Court. Backed by multimillions of dollars that ordinary Americans cannot match, the lobbying pressure that was sharply focused on trying to shape this bill at every step, including the conference, was almost without parallel. Yet the bill that emerged from conference truly reflects the Nation's interests in real Wall Street reform. This is a great, unheralded victory for the American people and one that should serve as an example again and again.

The recent financial crisis clearly exposed several flaws in our current regulatory system. Many large Wall Street investment banks and insurance companies hid their shaky finances from stockholders and government regulators. Corporate executives saw their salaries rise to extreme heights, even as their companies were failing and seeking government assistance. Through it all, Federal regulatory agencies failed to provide the necessary oversight to rein in these reckless actions. If this crisis has taught us anything, it is that the look-the-other way, hands-off deregulatory policies that were in vogue in recent times can jeopardize not only private investments but our entire economy.

The conference report we are voting on today goes directly to the heart of the Wall Street excesses that brought our economy to the brink. For far too long Wall Street firms made risky bets in the dark and reaped enormous profits. Then, when their bets went sour, they turned to America's taxpayers to bail them out. This bill is about changing the culture of rampant Wall Street speculation and doing what needs to be done to get our economy back on

track. We need more transparency and oversight of Wall Street. These improvements will increase transparency in and oversight of the financial sector. These historic reforms will set clear standards and real enforcement—including jail time for executives—to finally curb the fraud, manipulation, and riotous speculation that punctured confidence in our markets and derailed our economy.

I commend Chairman BARNEY FRANK and Chairman CHRIS DODD for their excellent leadership of the conference. As a conferee, I know full well the pressure that powerful Wall Street special interests put on all Members to water down the bill, and I appreciate the difficulty the two chairmen have endured corraling the votes needed for final passage. Despite heavy and expensive lobbying from those who support the status quo, the conference committee put together a strong and balanced bill that will clean up Wall Street abuses, build confidence in our economy, and continue our progress toward economic recovery.

This bill makes several significant improvements to our financial services regulations. Specifically, it will create a new systemic regulatory council to watch for broad economic bubbles and red flags; end taxpayer bailouts of Wall Street institutions by establishing a new resolution authority to wind down failing megafirms outside of bankruptcy; create a new Consumer Financial Protection Bureau to oversee financial products on the market and rein in subprime lending; set new capital and leverage limits for financial institutions; give the SEC and CFTC new authorities and resources to protect investors; bring the massive derivatives market under Federal regulation for the first time; require hedge fund and other private investment advisers to register with the SEC; establish reasonable and fair swipe fees for debit and credit cards; and provide new resources for unemployed homeowners who are having trouble making their mortgage payments.

As chairman of the Senate Judiciary Committee, I am particularly pleased that the conference report also includes provisions I authored, working with Senator GRASSLEY, Senator SPECTER, and Senator KAUFMAN, to ensure law enforcement and Federal agencies have the necessary tools to investigate and prosecute financial crimes and to protect whistleblowers who help uncover these crimes. I am pleased that the conference report preserves meaningful antitrust oversight in the financial industry. I also am heartened that the conference agreement includes provisions I put forward to introduce true transparency into the complex operations of large financial institutions and the Federal agencies that regulate them. It has seemed to me that promoting transparency should be a vital

element of Wall Street reform. Transparency is a cleansing agent for healthy markets. Open information helps investors make sound decisions. When information is murky, market decisions must be based on guesses or rumors that corrode trust and that encourage fraud and deception.

Another major step forward is the derivatives section of the conference report, crafted by the Agriculture Committee on which I serve. I applaud our committee chair, Senator BLANCHE LINCOLN, who fought tirelessly for these reforms. These changes will finally bring the \$600 trillion derivatives market out of the dark and into the light of day, ending the days of back-room deals that put our entire economy at risk. The narrow end-user exemption in the bill will allow legitimate commercial interests, such as electric cooperatives and heating oil dealers on Main Street, to continue hedging their business risks, but it will stop Wall Street traders from artificially driving up prices of heating oil, gasoline, diesel fuel, and other commodities through unchecked speculation.

The conference report also includes a provision by Senator DICK DURBIN and Representative Peter Welch that I supported to protect our small businesses from complicated predatory rules that big credit card companies could otherwise impose on Vermont grocers and convenience stores. The Durbin-Welch amendment will ensure that a small business will be able to advertise a discount for paying cash or for using one card instead of another. I do not want Vermonters to pay more for a gallon of milk just because the credit card companies are demanding a high fee on small transactions and are not allowing the grocer to ask for cash instead of credit.

Another amendment I offered that is included in the final agreement is of particular importance to small States such as Vermont. My amendment will guarantee that Vermont and other small States each receive at least \$5 million of the \$1 billion in new Neighborhood Stabilization Program funds in the bill. Originally created in 2008, this program is designed to stabilize communities that have suffered from foreclosures and abandonment. My amendment overrode language proposed by the House that expressly prohibited a small-State-minimum from being used to allocate funds.

The extractive industries transparency disclosure provision that I sponsored is another major step forward for protecting U.S. taxpayers and shareholders and increasing the transparency of major financial transactions. This provision is about good governance and transparency so the American people and investors can know if they are investing in companies that are operating in dangerous or

unstable parts of the world, thereby putting their investments at risk. This provision also will enable citizens of these resource-rich countries to know what their governments and governmental officials are receiving from foreign companies in exchange for mining rights. This will begin to hold governments accountable for how those funds are used and help ensure that the sale of their countries' natural resources are used for the public good.

I am also pleased that the bill includes a provision I cosponsored with Senator BERNIE SANDERS to increase transparency on the bailout transactions made by the Federal Reserve. Under this bill, we will finally have an audit of all of the emergency actions taken by the Federal Reserve since the financial crisis began, to determine whether there were any conflicts of interest surrounding the Federal Reserve's emergency activities. It is time we know more about the closed-door decisions made by the Federal Reserve throughout this financial crisis.

Mr. President, the Senate has before it today a conference report that will rein in Wall Street abuses, end government bailouts, and give everyday Americans the consumer protection they deserve and expect. It will help restore faith in our markets, which are part of the vital foundation of our economic progress. Taking this broom to Wall Street abuses will help build confidence in our economy and continue our progress toward economic recovery.

Mr. REED. Mr. President, on June 29, 2010, the House-Senate conference committee completed its deliberations on the most significant financial regulatory legislation since the 1930s. And, now, this conference report is before the Senate for final enactment. It will fundamentally change how we protect consumers, families, and small business from the reckless and abusive practices of the financial sector, and it will provide a framework for economic growth without the peril of periodic taxpayer bailouts of the financial sector.

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 is a significant achievement. The legislation before the Senate declares that big banks cannot continue to take enormous risk, reaping billions in profits and rewarding their executives with hefty bonuses while counting on taxpayers to bail them out when they get in trouble. Unregulated mortgage lenders will no longer be able to make loans they know will not be repaid; loans that cripple families and communities. And, banks will no longer operate in an unregulated, opaque, and dangerous market for derivatives that helped lead us to the brink of financial catastrophe last year.

However, the events of the last decade and, particularly, the last several

years should caution all of us with respect to the efficacy of any single legislative initiative. This bill must be thoughtfully and vigorously implemented. Indeed, the regulators must be particularly vigilant to ensure that this legislative effort is not undone by powerful interests who will be constrained by its provisions. In the years ahead, regulators must have the resources and the will to enforce these provisions to protect consumers and to protect the economy. The Congress must be prepared to provide rigorous oversight and move quickly to ensure that regulatory supervision will keep pace with a dynamic global marketplace.

More than a decade of excessive risk taking and lax regulation culminated in financial collapse in the autumn of 2008. The ensuing economic chaos has left millions unemployed and underemployed, precipitated a foreclosure crisis that still haunts neighborhoods throughout the country, and shattered the dreams of millions of American families.

With this new legislation, we create for the first time a consumer watchdog—the Consumer Financial Protection Bureau—that will solely focus on protecting consumers from unscrupulous financial activities. The law gives this agency independent rulemaking, examination, and enforcement responsibilities, and clear authority to prohibit unfair, deceptive, and abusive financial activities against middle-class families. And it consolidates the existing responsibilities of many regulators to ensure that there is a less fragmented, more comprehensive, and a fully accountable approach to protecting consumers.

The new Bureau represents a fundamental shift in how we inform Americans about abuses by banks, credit card companies, finance companies, payday lenders, and other financial institutions. It will focus these companies on doing their job of providing responsible and constructive financial products to help families and small businesses succeed, rather than destructive products that cause them to fail by draining their income and savings.

I am also pleased that the Senate voted 98 to 1 to approve the bipartisan amendment I offered with Senator SCOTT BROWN to create an Office of Service Member Affairs within the Consumer Financial Protection Bureau. This office will educate and empower members of the military and their families, help monitor and respond to complaints, and help coordinate consumer protection efforts among Federal and State agencies.

Although I would have preferred for the new Consumer Financial Protection Bureau to have sole authority over consumer protection matters for all banks and nonbank financial companies, the final bill represents a

strong regime for consumer protection, including rulewriting authority over all entities. It also provides the Bureau with authority to examine and enforce regulations for banks and credit unions with assets of over \$10 billion; all mortgage-related businesses, such as lenders, servicers, and mortgage brokers; payday lenders; student lenders; and all large debt collectors and consumer reporting agencies.

One glaring exception is the carve-out for auto lenders. I opposed the Brownback amendment that created a special loophole for auto dealer-lenders, and I also opposed the compromise that is included in the conference report. The original protections in the bill were not meant to vilify auto dealers. The vast majority of dealers in my State of Rhode Island and across the country are hard-working business owners who operate responsibly. Rather, this debate was about ensuring fair and consistent scrutiny of all lending institutions. We cannot ignore the abuses that service members and others have endured because of predatory auto loans. We have learned from the debate that the abuse of service members by some auto dealers is an epidemic. During the debate I received a memo citing 15 recent examples of auto finance abuses just at Camp Lejeune alone. This problem will require close scrutiny after the bill is implemented.

I am also pleased that the legislation includes provisions from the Durbin amendment that will protect small business from unreasonable credit card company fees by requiring the Federal Reserve to issue rules ensuring that fees charged to merchants by credit card companies for debit card transactions are both reasonable and proportional to the cost of processing those transactions. These provisions will allow small businesses to invest more and pass on greater savings to their customers rather than spend their earnings on unreasonable interchange fees.

The Dodd-Frank Act also creates a new Financial Stability Oversight Council, comprised of existing regulators, to identify and respond to emerging risks throughout the financial system. This new council represents another significant improvement to protect families from devastating economic trends by, for the first time, creating one single entity responsible for looking across the financial system to prevent and respond to problems.

This section of the conference report also puts in place a new rigorous system of capital and leverage standards that will discourage banks from getting so large that they put our financial system at risk again. The new Financial Stability Oversight Council will make recommendations to the Federal Reserve to apply strict rules for capital, leverage, liquidity, and risk

management so that firms that grow too big will face stricter rules that will likely deter the bigger is better mentality of too many banks. The council will also make recommendations for nonbank financial companies that have grown so large or complex that their activities pose a threat to the financial stability of the United States. No financial institution, bank or otherwise, will be able to take risks to multiply their gains without holding adequate capital. And, more importantly, such institutions will be on notice that the taxpayers will not bail them out.

The conference report includes a new Office of Financial Research, a proposal that I developed to provide an entity capable of researching, modeling, and analyzing risks throughout the financial system. For too long, those charged with keeping the banking system stable have lacked the data and analytical power to keep up with complex financial activities. This office ends that situation and takes a bold step forward to understand the factors that threaten to rip holes in our financial system, provide early warnings, and allow regulators to act on that information. As we create this new office, I will ensure that it retains its independence and broad data collection, budget, and hiring authority, so we are sure to better identify and mitigate economic challenges in the future. The challenge presented by the task of understanding the financial markets and monitoring systemic risk will require a sustained, integrated research effort that brings together some of the top researchers and practitioners in the country from a diverse range of relevant disciplines. The Office of Financial Research must become a world class institution that can go "toe to toe" with the top Wall Street banks.

In addition, this law creates a safe way to liquidate large financial companies, so that taxpayers will never again have to prop up a failing firm to avoid sending shockwaves through the financial system. Shareholders and unsecured creditors, not taxpayers, will bear losses, and culpable management will be removed. Financial institutions will pay for their failures, not taxpayers. Indeed, the existing rules on emergency lending authority and debt guarantees will be substantially changed to ensure that such tools cannot be used to bail out individual firms. This will send an important message to Wall Street: operate at your own risk since the taxpayers will no longer be in the business of bailing you out.

The Dodd-Frank Act also establishes important new limits on banks engaging in proprietary trading and in owning and investing in hedge funds and private equity funds. These provisions are known as the Volcker rule or the Merkley-Levin amendment. These new rules will help ensure that banks are

not betting with consumer bank deposits on risky activities for the banks' own profit.

Until the last few decades, commercial banking and investment banking were largely conducted by separate institutions. However, in recent years, banks have engaged in a multitude of higher risk activities, such as short-term trading for a bank's own profit, and the sponsoring of hedge funds and private equity funds. The law changes that and prohibits any bank, thrift, holding company, or affiliate from engaging in proprietary trading or sponsoring or investing in a hedge fund or private equity fund. It also prohibits activities that involve material conflicts of interest between banks and their clients, customers, and counterparties.

The conference report also includes two provisions in this area that I authored. One requires the chief executive officer at a banking entity to certify annually that it does not, directly or indirectly, guarantee, assume, or otherwise insure the obligations or performance of the hedge fund or private fund. The other provision requires banking entities to set aside more capital commensurate with the leverage of the hedge fund or private equity fund.

Although the final provisions included in the bill represent a stronger and more targeted approach to reducing risk in our banking system, I believe the change during the conference to allow for a 3 percent de minimus exclusion from the ban on sponsoring or investing in hedge funds or private equity funds was unwise. The original Merkley-Levin proposal did not include such an exclusion. Congress and the regulators will need to monitor bank activities very closely in the coming years to ensure that this exclusion is not abused.

The bill also makes some changes to consolidate our country's fragmented and inefficient system for supervising banks and holding companies. It eliminates the Office of Thrift Supervision, a particularly lax supervisor, and redistributes responsibilities for bank oversight and supervision to bring greater consistency and more effective oversight to all firms. These changes are an important step forward, although additional consolidation and streamlining of our regulatory agencies could have further improved the effectiveness of the system.

The Dodd-Frank bill also closes a significant gap in financial regulation by requiring advisers to hedge funds and private equity funds to register with the Securities and Exchange Commission. Based on legislation that I introduced, we will for the first time bring advisers to those funds within the umbrella of financial regulation. This will allow regulators to obtain the basic information they need to prevent fraud and mitigate systemic risk, while at

the same time providing investors with more information and greater transparency.

Advisers to hedge funds and private equity funds—called "private funds" in the legislation—will have to register with either the SEC or a State, depending on the size of the funds they manage. Fund advisers with assets under management over \$150 million must register with the SEC. Advisers to other types of funds will continue to have similar requirements, but the threshold for SEC registration will be \$100 million. I also successfully included language in the conference report to ensure that State registration is only available to eligible fund advisers if the State has a registration and examination program.

From the beginning of this process I fought against any carve-outs in this title for private equity, venture capital, and family offices. While I successfully convinced the conferees to drop a carve-out for private equity advisers, the bill still contains problematic exemptions for venture capital firms and family offices. Through hearings and other means, I will continue to work to create a regulatory system in which none of the fraud and systemic risks that may lurk within private pools of capital remain out of view and reach of regulators.

On derivatives, the bill closes another huge set of regulatory gaps by overturning a law that prevented regulators from overseeing the shadowy over-the-counter derivatives market and, as a result, bringing accountability and transparency to the market. As we have learned from AIG and Lehman Brothers, derivatives were at a minimum the accelerant that complicated and expanded the financial crisis.

A major problem with derivatives is that they have not been regulated nor well-understood by even those buying and selling them. The legislation changes that and brings transparency and greater efficiency to the marketplace for swaps—derivatives in which two parties exchange certain benefits based on the value of an underlying reference like an interest rate—by requiring the reporting of the terms of these contracts to regulators and market participants. It will move as many swaps as possible from being opaque, bilateral transactions onto clearinghouses, exchanges, and other trading platforms. This should help make the marketplace fairer and more efficient by providing companies and investors with complete information on the market. Firms will also be required to put forward sufficient capital to engage in these transactions, which should help rein in the excessive speculation we saw in the past.

I successfully offered several amendments during the conference to correct potential opportunities for regulatory

arbitrage between the Securities and Exchange Commission and the Commodity Futures Trading Commission. One of my improvements requires the SEC and the CFTC to conduct joint rulemaking in certain key areas rather than create potential gaps by conducting them separately. Other amendments clarify the definitions of mixed swap, security-based swap agreements, and index—which are all important terms that fall at the nexus of the two agencies' oversight—to ensure that the new swaps rules cannot be gamed and manipulated.

In a significant improvement to public transparency of swaps data, I successfully included another amendment that will ensure that regulators can require public reporting of trading and pricing data for uncleared transactions, not just aggregate data on transactions, just as they can for cleared transactions.

Also important are provisions to give the Federal Reserve a role in setting risk management standards for derivatives clearinghouses and other critical payment, clearing, and settlement functions, which has been a priority of mine given their importance to the financial system and their potential vulnerability to both natural and man-made disruptions.

The Dodd-Frank conference report also makes important improvements to the Federal Reserve System to ensure that as a financial regulator, it is accountable to the American public rather than to Wall Street. Among other governance improvements, the bill incorporates my proposal to create a new position of Vice Chairman for Supervision on the Federal Reserve Board of Governors, which should help ensure that supervision does not take a back seat to other priorities. The new Vice Chairman will develop policy recommendations for the board regarding the supervision and regulation of depository institution holding companies and other financial firms supervised by the board. He or she will also oversee the supervision and regulation of such firms.

Although the Senate bill included my proposal to require the head of the Federal Reserve Bank of New York to be Presidentially appointed and Senate confirmed, the provision was stripped out during conference. If the Governors of the Federal Reserve System in Washington are required to be confirmed by the Senate, then the President of the Federal Reserve Bank of New York, who played a pivotal and perhaps more powerful role in obligating taxpayer dollars during the financial crisis, should also be subject to the same public confirmation process. Wall Street should not have the ability to choose who is in such a powerful position. Although the final bill limits class A directors—who represent the stockholding member banks of the

Federal Reserve District—from participating in the process, it still allows the other directors, who could be bankers or represent other powerful interests, to vote for the head of the New York Reserve Bank. I believe that more still needs to be done to make this position truly accountable to the taxpayers.

The Dodd-Frank Act also includes a number of strong investor protection provisions that represent a significant step forward in how we oversee our capital markets and ensure that investors have the best information available for their decisionmaking. This title reflects strong proposals I have put forward as the chairman of the Securities, Insurance, and Investment Subcommittee, including robust accountability provisions for credit rating agencies, and provisions to strengthen the tools and authorities of the Securities and Exchange Commission.

The conference report includes strong new rules I helped write to address problems we saw at credit rating agencies leading up to the financial crisis. It creates an Office of Credit Ratings at the SEC to increase oversight of nationally recognized statistical rating organizations, and contains strong new rules regarding disclosure, conflicts of interest, and analyst qualifications. Perhaps most significantly, it includes a strong new pleading standard I crafted that will make it easier for investors to take legal action if a rating agency knowingly or recklessly fails to review key information in developing a rating.

I also worked with the chairman and my colleagues in conference to incorporate more than a dozen improvements to the securities laws that will protect investors by strengthening the SEC's ability to bring enforcement actions, addressing issues revealed by the Madoff fraud, and modernizing the SEC's ability to obtain critical information. In particular, these provisions would enhance the ability of the SEC to hire outside experts, strengthen oversight of fund custodians, modernize the ability of the SEC to obtain information from the firms it oversees, and clarify and enhance SEC penalties and other authorities. I am particularly pleased that the conference report contains extraterritoriality language that clarifies that in actions brought by the SEC or the Department of Justice, specified provisions in the securities laws apply if the conduct within the United States is significant, or the external U.S. conduct has a foreseeable substantial effect within our country, whether or not the securities are traded on a domestic exchange or the transactions occur in the United States. I also support the establishment of a program to reward whistleblowers when the SEC brings significant enforcement actions based upon original information provided by the

whistleblower, and I look forward to the SEC rules that will detail the framework for this program.

Although I would have preferred the proposal in the Senate bill by Senator SCHUMER to provide the SEC with self-funding, I am pleased that the amendment on SEC funding that I offered with Senator SHELBY during conference was included in the conference report. These provisions would keep the SEC budget within the annual appropriations process, but change how the funding process would work for the Commission. Our proposal includes budget bypass authority, under which the SEC would provide Congress with its assessment of its budget needs at the same time it provides this information to the Office of Management and Budget. In addition, the President, as part of his annual budget request to the Congress, would be required to include the SEC's budget request in unaltered form. The language will also have the SEC deposit up to \$50 million per year of the registration fees into a new reserve fund, which can be used for longer range planning for technology and other agency tools. The SEC will have permanent authority to obligate up to \$100 million in any fiscal year out of the reserve fund.

One important investor protection that was also supported by Senators LEVIN, COBURN, and KAUFMAN but not included in the final bill was language that would have corrected what we and many others, including legal scholars, regard as the mistaken Supreme Court decision in *Gustafson v. Alloyd*. Before the Supreme Court's decision in this case, the rule was simple but clear: be careful not to mislead when selling securities in both public and private offerings. After *Gustafson*, this simple rule was needlessly complicated and limited just to public offerings.

Our amendment, which we will continue to work on a bipartisan basis to add to another legislative vehicle in the future, would have put investors in private offerings on the same level as investors in public offerings, thereby restoring congressional intent and a standard that was in place for 60 years before the Supreme Court decided *Gustafson*.

One of the lessons learned from the Bush era financial collapse is that too often rules were ignored and information was hidden. That is why I am extremely disappointed that the conference report includes an exemption for companies with less than \$75 million in market capitalization from the requirements of Sarbanes-Oxley section 404(b). This change will exempt more than 5,000 public companies from audits, despite the fact that small companies have often been shown to be more prone to both accounting fraud and to accounting errors, including among the highest rates of restatements. Enacting this exemption in the

name of reducing paperwork, when extensive evidence indicates that the costs of compliance are reasonable and dropping, is unnecessary and unwise. I think there will be a price in the future as fraud increases and investors suffer.

I am also disappointed that conferees included a provision that overturns a recent court case regarding equity indexed annuities. Equity indexed annuities are financial products that combine aspects of insurance and securities, but are sold primarily as investments. This language will preclude State and Federal securities regulators from applying strong disclosure, suitability, and sales practice standards to these often risky and harmful products. I believe this is bad policy.

Clearly with the State securities regulators on one side of this issue, and the insurance regulators on the other—this is not a matter which should have been resolved in a conference committee. The regulation of equity indexed annuities deserves more consideration through hearings and the development of a legislative record that informs the Congress of what changes should happen in this area.

I am pleased that the conference report makes it clear that after conducting a study, the SEC has the authority to impose a fiduciary duty on brokers who give investment advice, and that the advice must be in the best interest of their customers. It also includes language that gives shareholders a say on CEO pay with the right to a nonbinding vote on salaries and golden parachutes. This gives shareholders the ability to hold executives accountable, and to disapprove of misguided incentive schemes. I am also happy that after much dispute, the bill makes it clear that the SEC has the authority to grant shareholders proxy access to nominate directors. These requirements can help shift management's focus from short-term profits to long-term stability and productivity.

I am pleased that the conference report includes several provisions to discourage predatory lending and provide much needed foreclosure relief. To reduce risk, this legislation requires those companies that sell products like mortgage backed securities to hold onto at least 5 percent of what they're selling so that these companies have the incentive to sell only those products they would own themselves. In other words, we make sure that there is some "skin in the game".

The conference report also further levels the playing field by enacting some commonsense proposals to protect borrowers. Lenders will now have to ensure that a borrower has the ability to repay a mortgage, and they can no longer steer borrowers into a more expensive mortgage product when the borrower qualifies for a more affordable one. The bill outlaws pre-payment penalties that trapped so many bor-

rowers into unaffordable loans, and those lenders who continue their predatory ways will be held accountable by consumers for as high as 3 years of interest payments and damages plus attorney's fees.

Additionally, the Consumer Financial Protection Bureau will have the authority to investigate and enforce rules against all mortgage lenders, servicers, mortgage brokers, and foreclosure scam operators so that hard-working Americans have a strong financial cop on the beat that has the interests of consumers in mind.

Finally, I am particularly pleased that the conference report includes several provisions, some of which come from legislation I first introduced last Congress and revised this Congress, to provide much needed foreclosure relief to those who have borne the brunt of this crisis. First, it provides \$1 billion for loans to help qualified unemployed homeowners with reasonable prospects for reemployment to help cover mortgage payments. Second, I worked with my colleagues to ensure that the additional funding for HUD's Neighborhood Stabilization Program would reach all States, including Rhode Island. Third, I not only supported the inclusion of legal assistance for foreclosure-related issues, but I also fought to ensure that Rhode Island, which has one of the highest rates of foreclosure and unemployment, would be in a better position to receive priority consideration for this assistance. Lastly, I worked to include a national foreclosure database to give regulators an important tool to monitor and anticipate issues stemming from foreclosures and defaults in our housing markets and better pinpoint assistance to struggling homeowners.

Before I conclude I would like to take a moment to thank Kara Stein of my staff, who also serves as the staff director of the Securities, Insurance, and Investment Subcommittee, which I chair, and Randy Fasnacht, a detailee to the subcommittee from the GAO. They did a remarkable job and worked tirelessly. I also want to recognize the contributions of James Ahn of my staff as well as the foundation that Didem Nisanci, formerly of my staff, helped lay for this process. I also want to acknowledge the contributions of many others, including Chairman DODD and his staff.

I urge my colleagues to support this critical legislation. But the Senate's work does not end with the bill's passage. It will have to monitor and oversee the law's implementation very closely. The Dodd-Frank Wall Street Reform and Consumer Protection Act will make significant improvements to consumer protection that will benefit families and communities in my own State of Rhode Island and across the country. It will help create more transparent, fair, and efficient capital mar-

kets in our country, which will help create jobs and support American businesses. And it will provide a more secure and stable economic footing for the decades ahead.

Mr. AKAKA Mr. President, while I strongly support the Dodd-Frank conference report, I am concerned and disappointed that the legislation includes a particular provision that would exempt indexed annuity products from securities regulation. I ask unanimous consent that the accompanying letters in opposition to this provision from AARP, the North American Securities Administrators Association, the Consumer Federation of America, and the Financial Planning Association be printed in the RECORD immediately following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. AKAKA. Indexed annuities combine aspects of insurance and securities and are sold primarily as investment products. Consumers across the country, including some in Hawaii, have been harmed by the deceptive manner in which these products are being sold. For example, a seller in Hawaii pushed equity indexed annuities to collect unreasonably high commissions at the expense of senior citizens. Those investors were harmed by these financial products. Exempting indexed annuities from securities regulation would establish a dangerous precedent that promotes the development of financial products not subject to regulation and investor protection standards.

Opponents might argue that federal regulation is unnecessary or distracts from state regulation. However, Federal regulation is necessary to help protect investors by providing consistency and uniformity because securities laws can vary across states. Others are concerned that Federal regulation will limit access to indexed annuities. I counter that these products should only be sold when they are subject to the strong disclosure, suitability, and sales practice standards provided within the context of our Nation's securities laws.

I welcome further debate on and examination of this matter, including hearings to learn more about the consequences of this provision.

EXHIBIT 1

AARP,

Washington, DC, May 19, 2010.

Hon. CHRISTOPHER DODD,
U.S. Senate, Committee on Banking, Housing
and Urban Affairs, Dirksen Senate Office
Building, Washington, DC.

DEAR SENATOR DODD: AARP writes to strongly oppose Harkin Amendment #3920, which would deprive investors in equity-indexed annuities of needed protections provided by state and federal securities laws.

These hybrid products combine elements of insurance and securities, but they are sold primarily as investments, not insurance, especially to people who are investing for their

own retirement. Growth in equity-indexed annuity value is tied to one of several securities indexes (e.g. the S&P 500 or the Dow Jones Industrial Average), and comparing and choosing suitable products can be difficult for investors. These products also come with high fees and have long surrender periods, which may make them unsuitable as investments for most seniors.

In the fall of 2008, the Securities and Exchange Commission adopted a rule to regulate equity-indexed annuities as securities (Rule 151A). The rule was later challenged, and the Court of Appeals for the District of Columbia Circuit upheld the legal foundation for the SEC's action.

Because seniors are a target audience for these products, AARP submitted comments to the SEC supporting the rule, stating it was important that Rule 151A supplement, not supplant, state insurance law. In fact, the rule applies specifically to annuities regulated under state insurance law. AARP also submitted a joint amicus brief, along with the North American Securities Administrators Association and MetLife, supporting Rule 151A.

The Harkin amendment would overturn the SEC rule, which is designed to provide disclosure, suitability, and sales practice protections afforded by state and federal securities laws. The amendment would preempt any further ability of the SEC to regulate in this area. This not only deprives investors of needed protections against widespread abusive sales practices associated with these complex financial products, it also sets a dangerous precedent. If this amendment is adopted, the industry will be encouraged to develop hybrid products in the future specifically designed to evade a regulatory regime designed to protect consumers.

Regulating indexed annuities as securities is long overdue and vitally important for our nation's investors saving for a secure retirement.

The SEC's rule on indexed annuities accomplishes this goal in a thoughtful and reasonable fashion, and it should be allowed to take effect. AARP therefore opposes the Harkin amendment.

Sincerely,

DAVID SLOANE,
Senior Vice President,
Government Relations and Advocacy.

NORTH AMERICAN SECURITIES
ADMINISTRATORS ASSOCIATION, INC.,
Washington, DC, June 14, 2010.

Hon. BARNEY FRANK,
Chairman, Committee on Financial Services,
Washington, DC.
Hon. SPENCER BACHUS,
Chairman, Committee on Financial Services,
Washington, DC.
Hon. CHRISTOPHER DODD,
Chairman, Committee on Banking, Housing and
Urban Development, Washington, DC.
Hon. RICHARD SHELBY,
Ranking Member, Committee on Banking, Housing
and Urban Development, Washington,
DC.

OPPOSE ATTEMPT TO NULLIFY SEC RULEMAKING ON EQUITY INDEXED ANNUITIES

DEAR CHAIRMEN AND RANKING MEMBERS: On behalf of state securities regulators, I am writing to oppose an attempt to deprive investors in indexed annuities of the strong protections afforded by our nation's securities laws. A provision to nullify SEC Rule 151A was not included in either the House or the Senate bill. I would argue that it is not germane to the conference, and the provision should not be accepted by the conferees. Fur-

thermore, efforts such as this one that will ultimately deprive investors of important protections should not be allowed to succeed.

Indexed annuities are securities, and they are heavily marketed as such. All too often, deceptive sales practices have been used to promote these complicated investment products. As a result, investors—and senior citizens in particular—can fall prey to sales pitches designed to make these investments seem safe and straightforward when in fact they may be neither. Accordingly, it is vitally important that indexed annuities be regulated as securities and subjected to the strong standards afforded by our nation's securities laws.

To ensure that investors receive these protections, the Securities and Exchange Commission ("SEC") adopted Rule 151A, which would subject indexed annuities to regulation as securities. The United States Court of Appeals for the District of Columbia Circuit upheld the legal foundation for Rule 151A. Although remanding with respect to certain procedural requirements, the court upheld the rule on substantive legal grounds, finding it was reasonable for the SEC to conclude that indexed annuities should be subject to federal securities regulation.

Attempts to disparage the SEC's rule as a federal attack on state regulation are unfounded. Critics who level that charge ignore the fact that the rule will NOT interfere with the authority of state insurance commissioners to continue regulating indexed annuities and the companies that issue them. In fact, in order to be covered by the rule, a contract must be subject to regulation as an annuity under state insurance law.

Nor will the rule impose unreasonable burdens on industry. It will simply require compliance with essentially the same regulatory standards that for 75 years have applied to all companies that issue securities. Moreover, the rule is strictly prospective, applying only to indexed annuities issued after the effective date, and it does not take effect for two years, affording the industry ample time to prepare for compliance. In short, the rule will provide much needed protections for investors without unfairly burdening industry.

Indexed annuities are hybrid products that supposedly offer investors the combined advantages of guaranteed minimum returns along with profits from stock market gains. Although indexed annuities may be legitimate vehicles for some people, they have many features, including high costs, significant risks, and long surrender periods, that make these products unsuitable for many investors. Investors have a difficult time understanding these hazards because indexed annuities are hopelessly complex. Compounding the problem are the generous commissions that agents can earn from the sale of these products.

The problems associated with the marketing of indexed annuities are a matter of record in countless news articles, government warnings, regulatory enforcement actions, and lawsuits filed by innumerable investors seeking damages for the unsuitable and fraudulent sale of indexed annuities. Indeed, these products have become so infamous that they were featured in a prime time Dateline NBC report entitled "Tricks of the Trade."

Without question, the single most effective way to address abuses in the sale of indexed annuities is to regulate them as securities. This is legally appropriate because indexed annuities shift a significant degree of investment risk to purchasers, and therefore pose

the very dangers that the federal securities laws were intended to address. Licensing standards under the securities laws will help ensure that agents have the requisite knowledge and character to sell these complex investment products. Under the securities laws, those agents will also be subject to strong supervision requirements. Mandatory registration of indexed annuities as securities will vastly increase the amount of information available to investors concerning the terms, risks, and costs of these offerings. Perhaps most important, the strong investor protection standards that have been a part of securities regulation for decades will deter abuses in the sale of indexed annuities and provide more effective remedies for those who are victimized.

The goal of financial reform is to strengthen investor confidence in our markets and regulating indexed annuities as securities under federal law is vitally important to meeting this objective. The SEC's Rule 151A on indexed annuities is a step in the right direction and it should be allowed to take effect. Any attempt to reverse this important regulatory initiative should not be adopted.

Sincerely,
DENISE VOIGT CRAWFORD,
Texas Securities Commissioner,
NASAA President.

NORTH AMERICAN SECURITIES
ADMINISTRATORS ASSOCIATION, INC.,
Washington, DC, June 23, 2010.

PROTECT INVESTORS: REJECT SENATE PROPOSALS INCLUDED IN TITLE IX

DEAR CONFEREES: State securities regulators are profoundly disappointed that the Senate conferees approved a Title IX counteroffer that includes two provisions that seriously weaken investor protections in a bill purportedly written to strengthen them. I urge you to reject the Senate fiduciary duty study/rulemaking language and the amendment to exempt certain hybrid annuity products from securities regulation.

Fiduciary Duty. Instead of the strongest possible fiduciary duty for every financial intermediary providing investment advice, the "compromise" study in the Senate offer has been modified to lessen the chances that investors will ever realize the benefits of a fiduciary duty, the single most important investor protection in the reform package. For the following reasons, NASAA must strongly oppose it.

The study is nothing more than a delay tactic and should be rejected outright.

It is wasteful of the SEC's resources in that it requires the agency to review and study issues that have already been repeatedly studied.

If the study remains in place, it should be significantly streamlined so as to avoid needless repetition of prior studies. Further, if there must be a study, it should be required to be conducted on a fully-cooperative basis by both governmental regulators, the SEC and the states, in order to maximize resources and insure its completion within the one-year time frame.

To make matters worse, the rulemaking language proposed by the Senate fails to achieve the original goal of both the Senate Banking Committee and the House Financial Services Committee to impose the Investment Advisers Act fiduciary duty on broker-dealers when providing personalized investment advice to retail customers about securities. Our specific opposition to the Senate rulemaking language includes the following:

The two year rulemaking provision would mean that it could be three years before the

SEC even undertakes an attempt to implement a rule to address the study findings. Further, and as more fully discussed below, the conditions imposed by this amendment on any such rulemaking process are so arduous that it is highly doubtful that a rule of any kind would be promulgated.

The new rulemaking language would not result in a fiduciary duty for broker-dealers providing investment advice. The House language authorizing the SEC to adopt rules imposing the full Investment Advisers Act fiduciary duty on brokers when they give personalized advice about securities to retail investors has been removed. It has been replaced by language authorizing the SEC to adopt rules requiring brokers to act in their customers' "best interests" which is far short of the fiduciary duty.

That weakened authority provided to the SEC is subject to such burdensome conditions and limitations that it is unlikely ever to be exercised. Before the SEC could even adopt a rule it would have to complete the study required above and then, as part of the rulemaking, show that no other approach could address the findings of the study. These draconian conditions would make any rule promulgated by the Commission subject to a legal challenge the agency would be unlikely to win.

The provisions requiring the SEC to harmonize enforcement of the standard, so that it is applied equally to brokers and advisers, have also been deleted.

Equity Indexed Annuities. The Senate conferees also approved an amendment to preempt securities regulation of equity-indexed annuities and future hybrid products that have both securities and insurance features. State securities regulators have actively pursued enforcement cases involving sales practice abuses of agents selling equity indexed annuities. These state enforcement actions are in danger of being preempted by the Harkin amendment and investors, especially seniors, would be left without the protection of vigorous securities enforcement activity.

The problems associated with the marketing of indexed annuities are a matter of record in countless news articles, government warnings, regulatory enforcement actions, and lawsuits filed by innumerable investors seeking damages for the unsuitable and fraudulent sale of indexed annuities. It was these problems that led the SEC to adopt Rule 151A after a fair and open rulemaking process.

The best way to ensure adequate investor protections in the sale of equity indexed annuities is to allow the SEC to exercise its appropriate authority over these products. State securities regulators urge you to reject this amendment as it has no place in a bill intended to strengthen investor protections.

In closing, we are extremely dissatisfied that the provisions in the Investor Protection title continue to be weakened. We urge you to reverse this trend, reject the Senate counteroffer and insist on strong protections for our nation's investors.

Sincerely,

DENISE VOIGT CRAWFORD,
NASAA President,
Texas Securities Commissioner.

NASAA & CFA,
May 14, 2010.

OPPOSITION TO HARKIN/JOHANNES/LEAHY
AMENDMENT NO. 3920

DEAR SENATOR: We are writing to oppose the Harkin/Johannes/Leahy amendment, which deprives investors in indexed annu-

ities of the strong protections afforded by our nation's securities laws. Indexed annuities are securities, and they are heavily marketed as such. All too often, deceptive sales practices have been used to promote these complicated investment products. As a result, investors—and senior citizens in particular—can fall prey to unsuitable sales. Accordingly, it is vitally important that indexed annuities be regulated as securities and subjected to the strong disclosure, suitability, and sales practice standards afforded by our nation's securities laws.

To ensure that investors receive these protections, the Securities and Exchange Commission ("SEC") adopted Rule 151A, which would subject indexed annuities to regulation as securities. The United States Court of Appeals for the District of Columbia Circuit upheld the legal foundation for Rule 151A. Although remanding with respect to certain procedural requirements, the court upheld the rule on substantive legal grounds, finding it was reasonable for the SEC to conclude that indexed annuities should be subject to federal securities regulation.

Attempts to disparage the SEC's rule as a federal attack on state regulation are unfounded. Critics who level that charge ignore the fact that the rule will NOT interfere with the authority of state insurance commissioners to continue regulating indexed annuities and the companies that issue them. In fact, in order to be covered by the rule, a contract must be subject to regulation as an annuity under state insurance law.

Nor will the rule impose unreasonable burdens on industry. It will simply require compliance with essentially the same regulatory standards that for 75 years have applied to all companies that issue securities. Moreover, the rule is strictly prospective, applying only to indexed annuities issued after the effective date, and it does not take effect for two years, affording the industry ample time to prepare for compliance. In short, the rule will provide much needed protections for investors without unfairly burdening industry.

Indexed annuities are hybrid products that supposedly offer investors the combined advantages of guaranteed minimum returns along with profits from stock market gains. Although indexed annuities may be legitimate vehicles for some people, they have many features, including high costs, significant risks, and long surrender periods, that make these products unsuitable for many investors. Investors have a difficult time understanding these hazards because indexed annuities are hopelessly complex. Compounding the problem are the generous commissions that agents can earn from the sale of these products.

The problems associated with the marketing of indexed annuities are a matter of record in countless news articles, government warnings, regulatory enforcement actions, and lawsuits filed by innumerable investors seeking damages for the unsuitable and fraudulent sale of indexed annuities. Indeed, these products have become so infamous that they were featured in a prime time Dateline NBC report entitled "Tricks of the Trade."

Without question, the single most effective way to address abuses in the sale of indexed annuities is to regulate them as securities. This is legally appropriate because indexed annuities shift a significant degree of investment risk to purchasers, and therefore pose the very dangers that the federal securities laws were intended to address. Licensing standards under the securities laws will help

ensure that agents have the requisite knowledge and character to sell these complex investment products. Under the securities laws, those agents will also be subject to strong supervision requirements. Mandatory registration of indexed annuities as securities will vastly increase the amount of information available to investors concerning the terms, risks, and costs of these offerings. Perhaps most important, the strong anti-fraud provisions and suitability standards that have been a part of securities regulation for decades will deter abuses in the sale of indexed annuities and provide more effective remedies for those who are victimized.

Regulating indexed annuities as securities under federal law is long overdue and vitally important for our nation's investors. The SEC's Rule 151A on indexed annuities accomplishes this goal in a thoughtful and reasonable fashion, and it should be allowed to take effect. The Harkin/Johannes/Leahy amendment would reverse this important regulatory initiative and should not be adopted.

Respectfully submitted,

DENISE VOIGT CRAWFORD,
President, NASAA.
BARBARA ROPER,
Director of Investor
Protection, CFA.

CONSUMER FEDERATION OF AMERICA,
FUND DEMOCRACY,
June 12, 2010.

Hon. CHRISTOPHER DODD,
Chairman, Committee on Banking, Housing and
Urban Development, U.S. Senate, Wash-
ington, DC.

Hon. BARNEY FRANK,
Chairman, Financial Services Committee, House
of Representatives, Washington, DC.

Hon. RICHARD SHELBY,
Ranking Member, Committee on Banking, Hous-
ing and Urban Development, U.S. Senate,
Washington, DC.

Hon. SPENCER BACHUS,
Ranking Member, Financial Services Committee,
House of Representatives, Washington, DC.

PROTECT INVESTORS AND THE LEGISLATIVE
PROCESS: REJECT EQUITY-INDEXED ANNU-
ITIES PREEMPTION AMENDMENT

DEAR CHAIRMAN DODD, RANKING MEMBER
SHELBY, CHAIRMAN FRANK, AND RANKING
MEMBER BACHUS: We understand that mem-
bers of the insurance industry continue to
press for inclusion in the conference report
of anti-consumer legislation to exempt equity-
indexed annuities from securities regula-
tion. We are writing to urge you to resist
any such efforts.

Equity-indexed annuities are hybrid products that combine elements of both insurance and securities, but they are sold primarily as investments. Indeed, as documented in a seven-part Dateline NBC hidden camera expose, they are among the most abusively sold products on the market today. Responding to a rising level of complaints, the Securities and Exchange Commission voted in late 2008 to adopt rules regulating equity-indexed annuities as securities, a move that was immediately challenged in court by the insurance industry. In deciding the case, a U.S. Court of Appeals sided with the agency on the basic issue of whether equity-indexed annuities should be regulated as securities while remanding the rule with respect to procedural issues.

Having failed to prevail in court, the insurance industry has turned to Congress to preempt legitimate securities regulation of this product. We urge you to resist these efforts for the following reasons:

Equity-indexed annuities are complex products whose returns fluctuate with performance of the securities markets. Absent regulation under securities laws, they can be sold by salespeople with no more understanding of the markets than the customer.

Although the National Association of Insurance Commissioners has developed a model suitability rule for annuity sales, it has not been adopted in all states. Regulation under securities laws would provide national uniformity, would bring to bear the added regulatory resources of the SEC, state securities regulators, and FINRA, and would provide additional investor protections in the form of improved disclosures and limits on excessive compensation.

Exempting equity-indexed annuities from securities regulation would set a dangerous precedent and encourage the development of additional hybrid products designed specifically to evade a more rigorous form of regulation.

This highly controversial measure—which is opposed by consumer advocates as well as state and federal securities regulators—was not included in either the House or the Senate bill and is not germane to the underlying legislation. To include it in the conference report would be a gross violation of the integrity of the legislative process. We urge you to protect investors and the legislative process by preventing the equity-indexed annuities provision from being added to the conference report.

Respectfully submitted,

BARBARA ROPER,
*Director of Investor
Protection, Con-
sumer Federation of
America.*

MERCER BULLARD,
*Executive Director,
Fund Democracy.*

FINANCIAL PLANNING ASSOCIATION,
Washington, DC, June 15, 2010.

Hon. BARNEY FRANK, *Chairman,*
Hon. SPENCER BACHUS,
Ranking Member, Committee on Financial Serv-
ices, House of Representatives, Washington,
DC.

Hon. CHRISTOPHER J. DODD, *Chairman,*
Hon. RICHARD C. SHELBY,
Ranking Member, Committee on Banking, Hous-
ing and Urban Affairs, U.S. Senate, Wash-
ington, DC.

DEAR CHAIRMAN FRANK, CHAIRMAN DODD, RANKING MEMBER BACHUS, AND RANKING MEMBER SHELBY: I am writing to oppose efforts to strip the Securities and Exchange Commission (SEC) of authority to oversee sales practices in connection with indexed annuities that are marketed as investment products. At a time when Congress is seeking ways to improve consumer protections in the financial services sector, the Financial Planning Association (FPA) believes it would be completely inappropriate to preempt the SEC from exercising its existing authority to protect consumers from well-documented abuses.

Indexed annuities have a minimum guaranteed return, but the actual return will vary based on the performance of a securities index, such as the S&P 500. FPA members are very familiar with indexed annuities, with many financial planners specializing in retirement planning and more than half of our membership licensed to sell insurance and annuity products. They may recommend annuities, including indexed annuities, as an important component of a client's overall financial plan. As with other financial prod-

ucts, however, proper oversight is needed to help protect consumers from the few who would take advantage of them. FPA urges you to reject any efforts to strip the SEC of authority to protect purchasers of indexed annuities in the same way they protect those who purchase variable annuities.

In 2008, the SEC promulgated rules that would have brought indexed annuities under the same sales practice standards as variable annuities and other securities if they are marketed as investment products. Applying a two part test in accordance with Supreme Court precedent, the SEC sought to exercise oversight based on the allocation of investment risk between the insurance company and the customer, and on how the annuity is marketed. Notably, the SEC left regulation of the product itself to state insurance regulators and sought to merely oversee sales practices when the insurer chooses to market indexed annuities as an investment product.

FPA supported the SEC rule, as a measured and appropriate move to address a very real problem (See comment letter at www.fpanet.org/GovernmentRelations/). Opponents challenged the rule in court arguing that the SEC lacked authority, but the rule was vacated on other, technical grounds. Now they are seeking to preempt the SEC from overseeing the sales practices of these products, as it has effectively done so for variable annuities.

But the calculus is simple: if a product is marketed and sold as an investment product, and if the purchaser is bearing a certain investment risk, applying standard investor protections is common sense. Any issues particular to indexed annuities can be addressed through the normal rulemaking and comment process.

Consumer confidence and consumer protection are two of the most important considerations as you deliberate over important changes to our financial regulatory system. I urge you to resist any attempts to handcuff the SEC before it has even had an opportunity to bring its consumer protection resources to bear in this area.

Thank you for your consideration. If you have any questions, or if FPA can provide additional information, please contact me.

Very truly yours,

DANIEL J. BARRY,
Director of Government Relations.

Mrs. LINCOLN. Mr. President, as I have previously discussed, section 737 of H.R. 4173 will grant broad authority to the Commodity Futures Trading Commission to once and for all set aggregate position limits across all markets on non-commercial market participants. During consideration of this bill we all learned many valuable lessons about how the commodities markets operate and the impact that highly leveraged, and heretofore unregulated swaps, have on the price discovery function in the futures markets. I believe the adoption of aggregate position limits, along with greater transparency, will help bring some normalcy back to our markets and reduce some of the volatility we have witnessed over the last few years.

I also recognize that in setting these limits, regulators must balance the needs of market participants, while at the same time ensuring that our markets remain liquid so as to afford end-

users and producers of commodities the ability to hedge their commercial risk. Along these lines I do believe that there is a legitimate role to be played by market participants that are willing to enter into futures positions opposite a commercial end-user or producer. Through this process the markets gain additional liquidity and accurate price discovery can be found for end-users and producers of commodities.

However, I still hold some reservations about these financial market participants and the negative impact of excessive speculation or long only positions on the commodities markets. While I have concerns about the role these participants play in the markets, I do believe that important distinctions in setting position limits on these participants are warranted. In implementing section 737, I would encourage the CFTC to give due consideration to trading activity that is unleveraged or fully collateralized, solely exchange-traded, fully transparent, clearinghouse guaranteed, and poses no systemic risk to the clearing system. This type of trading activity is distinguishable from highly leveraged swaps trading, which not only poses systemic risk absent the proper safeguards that an exchange traded, cleared system provides, but also may distort price discovery. Further, I would encourage the CFTC to consider whether it is appropriate to aggregate the positions of entities advised by the same advisor where such entities have different and systematically determined investment objectives.

I wish to also point out that section 719 of the conference report calls for a study of position limits to be undertaken by the CFTC. In conducting that study, it is my expectation that the CFTC will address the soundness of prudential investing by pension funds, index funds and other institutional investors in unleveraged indices of commodities that may also serve to provide agricultural and other commodity contracts with the necessary liquidity to assist in price discovery and hedging for the commercial users of such contracts.

Mr. President, as the Chairman of the Senate Committee on Agriculture, Nutrition and Forestry, I am proud to say that the bill coming out of our committee was the base text for the derivatives title in the Senate passed bill. The Senate passed bill's derivatives title was the base text used by the conference committee. The conference committee made changes to the derivatives title, adopting several provisions from the House passed bill. The additional materials that I am submitting today are primarily focused on the derivatives title of the conference report. They are intended to provide clarifying legislative history regarding certain provisions of the derivatives title and how they are supposed to work together.

I ask unanimous consent that this material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

The major components of the derivatives title include: 100 percent reporting of swaps and security-based swaps, mandatory trading and clearing of standardized swaps and security-based swaps, and real-time price reporting for all swap transactions—those subject to mandatory trading and clearing as well as those subject to the end user clearing exemption and customized swaps. Swap dealers, security-based swap dealers, major swap participants and major security-based swap participants will all be required to register with either the Commodity Futures Trading Commission, CFTC, or the Securities and Exchange Commission, SEC, and meet additional requirements including capital, margin, reporting, examination, and business conduct requirements. All swaps that are “traded” must be traded on either a designated contract market or a swap execution facility. All security-based swaps must be traded on either a national securities exchange or a security-based swap execution facility. It is a sea change for the \$600 trillion swaps market. Swaps and security-based swaps which are not subject to mandatory exchange trading or clearing will be required to submit transaction data to swap data repositories or security-based swap data repositories. These new “data repositories” will be required to register with the CFTC and SEC and be subject to statutory duties and core principals which will assist the CFTC and SEC in their oversight and market regulation responsibilities.

There are several important definitional and jurisdictional provisions in title VII. For instance, the new definitions of “swap” and “security-based swap” are designed to maintain the existing Shad Johnson jurisdictional lines between the CFTC and the SEC which have been in place since 1982. Under the Shad Johnson accord, the CFTC has jurisdiction over commodity-based instruments as well as futures and options on broad-based security indices (and now swaps), while the SEC has jurisdiction over security-based instruments—both single name and narrow-based security indices—and now security-based swaps. The Shad Johnson jurisdictional lines were reaffirmed in 2000 with the passage of the Commodity Futures Modernization Act, CFMA, as it related to security futures products. Maintaining existing jurisdictional lines between the two agencies was an important goal of the Administration, as reflected in their draft legislation. This priority was reflected in the bills passed out of the Senate and House agricultural committees and through our respective chambers and now reflected in the conference report.

As noted above, the conference report maintains the Shad Johnson jurisdictional accord. We made it clear that the CFTC has jurisdiction under Section 2(a)(1) of the Commodity Exchange Act, “CEA”, over both interest rate swaps and foreign exchange swaps and forwards. The definition of “swap” under the CEA specifically lists interest rate swaps as being a swap. This is CEA Section 1a(47)(A)(iii)(I). This is appropriate as the CFTC has a long history of overseeing interest rate futures. The futures exchanges have listed and traded interest rate contracts for nearly 40 years. The CME has listed for trading quarterly settled interest rate swap future contracts. In the last 24 months, some designated contract markets have listed fu-

tures contracts which mirror interest rate swaps in design, function, maturity date and all other material aspects. In addition, some of the CFTC registered clearing houses have listed and started to clear both these interest rate swap futures contracts as well as interest rate swap contracts. This is on top of the nearly \$200 trillion in interest rate swap contracts which have been cleared at LCH.Clearnet in London.

Also, under this legislation, foreign exchange swaps and forwards come under the CFTC’s jurisdiction under Section 2(a)(1) of the CEA. We listed in the definition of “swap” certain types of common swaps, including “foreign exchange swaps” so it would be clear that they are regulated under the CEA. See CEA Section 1a(47)(A)(iii)(VIII). In addition, the terms “foreign exchange forward” and “foreign exchange swap” are defined in the CEA itself. See CEA Section 1a(24) and (25). One should note that foreign exchange forwards are treated as swaps under the CEA.

The CEA as amended permits the Secretary of the Treasury to make a written determination to exempt either or both foreign exchange swaps and or foreign exchange forwards from the mandatory trading and clearing requirements of the CEA, which applies to swaps generally. Under new Section 1b of the CEA, the Secretary must consider certain factors in determining whether to exempt either foreign exchange swaps or foreign exchange forwards from being treated like all other swaps. These factors include: (1) whether the required trading and clearing of foreign exchange swaps and foreign exchange forwards would create systemic risk, lower transparency, or threaten the financial stability of the United States; (2) whether foreign exchange swaps and foreign exchange forwards are already subject to a regulatory scheme that is materially comparable to that established by this Act for other classes of swaps; (3) the extent to which bank regulators of participants in the foreign exchange market provide adequate supervision, including capital and margin requirements; (4) the extent of adequate payment and settlement systems; and (5) the use of a potential exemption of foreign exchange swaps and foreign exchange forwards to evade otherwise applicable regulatory requirements. In making a written determination to exempt such swaps from regulation, the Secretary must make certain findings. The Secretary’s written determination is not effective until it is filed with the appropriate Congressional Committees and provides the following information: (1) an explanation regarding why foreign exchange swaps and foreign exchange forwards are qualitatively different from other classes of swaps in a way that would make the foreign exchange swaps and foreign exchange forwards ill-suited for regulation as swaps; and (2) an identification of the objective differences of foreign exchange swaps and foreign exchange forwards with respect to standard swaps that warrant an exempted status. These provisions and this process related to exempting foreign exchange swaps and foreign exchange forwards from swaps regulation will be, and should be, difficult for the Secretary of the Treasury to meet. The foreign exchange swaps and foreign exchange forward market is approximately \$65 trillion and the second largest part of the swaps market. It is important that the foreign exchange swaps market be transparent as well as subject to comprehensive and vigorous market oversight so there are no questions about possible manipulation of currencies or exchange rates.

I would also note that we have made it clear that even if foreign exchange swaps and forwards are exempted by the Secretary of the Treasury from the mandatory trading and clearing requirements which are applicable to standardized swaps, that all foreign exchange swaps and forwards transactions must be reported to a swap data repository under the CFTC’s jurisdiction. In addition, we have made it clear that to the extent foreign exchange swaps and forwards are listed for trading on a designated contract market or cleared through a registered derivatives clearing organization that such swap contracts are subject to the CFTC’s jurisdiction under the CEA and that the CFTC retains its jurisdiction over retail foreign exchange transactions.

We have made some progress in this legislation with respect to clarifying CFTC jurisdiction and preserving SEC enforcement jurisdiction over instruments which are “security-based swap agreements.” Security-based swap agreements are actually “swaps” and subject to both the CFTC and the SEC’s jurisdiction. One will notice that we have inserted the definition of “security-based swap agreements” in both the Commodity Exchange Act and the Securities and Exchange Act—section 1a(47)(A)(v) of the CEA (7 U.S.C. 1a(47)(A)(v)) and section 3(a)(78) of the SEA of 1934 (15 U.S.C. 78c(a)(78)). The term “security-based swap agreement” is a hold-over term from the CFMA of 2000. In the CFMA, Congress chose to exclude “swap agreements” from regulation by the CFTC and “security-based swap agreements” from regulation by the SEC. While the CFMA exclusions were broad, the SEC retained limited authority—anti fraud and anti manipulation enforcement authority—with respect to security-based swap agreements. The Agriculture Committee and Congress chose to preserve that existing enforcement jurisdiction of the SEC related to those swaps which qualify as security-based swap agreements. The swaps which will qualify as security-based swap agreements is quite limited. It would appear that non narrow-based security index swaps and credit default swaps may be the only swaps considered to be security-based swap agreements. The rationale for providing the SEC with enforcement authority with respect to security-based swap agreements in the CFMA was premised on the fact that the CFTC didn’t have as extensive an anti-fraud or anti-manipulation authority as the SEC. This lack of CFTC authority was remedied in the title VII so that the CFTC now has the same authority as the SEC. It is good policy to have a second set of enforcement eyes in this area. The SEC can and should be able to back up the CFTC on enforcement issues without interceding in the main market and product regulation. In the new legislation, we repeal the specific exclusions related to swap agreements and security-based swap agreements in both the CEA and the Securities Exchange Act of 1934, “SEA”. One should note that the definition of “security-based swap agreement” in the SEA specifically excludes any “security-based swap”, which means that SBSAs are really swaps. This point is made clear in the definition of “swap” under the CEA. Under Section 1a(47)(A)(v) it states that “any security-based swap agreement which meets the definition of “swap agreement” as defined in Section 206A of the Gramm-Leach-Bliley Act of which a material term is based on the price, yield, value or volatility of any security, or any group or index of securities, or any interest therein.” Regulators should note that Congress chose to refer to security-based swap agreements as swaps at several points in the CEA. Further, the CFTC

and the SEC, after consultation with the Federal Reserve, are to undertake a joint rulemaking related to security-based swap agreements. The regulators should follow Congressional intent in this area and preserve the SEC's anti-fraud and anti-manipulation enforcement authority for that limited group of swaps which are considered to be security-based swap agreements.

We have introduced a new term in this legislation, which is "mixed swap". The term is found in both the CEA and the SEA—CEA Section 1a(47)(D) and SEA Section 3(a)(68)(D). The term is subject to a joint rulemaking between the CFTC and the SEC. The term "mixed swap" refers to those swaps which have attributes of both security-based swaps and regular swaps. A "mixed swap" is somewhat similar to a "hybrid product" under the CEA which has attributes of both securities and futures. CEA Section 2(f). Hybrid products must be predominantly securities to be excluded from regulation as contracts of sale of a commodity for future delivery under the CEA. While there is no "predominance" or "primarily" test in the definition of "mixed swap" the regulators should ensure that when deciding the jurisdictional allocation of such mixed swaps in the joint rulemaking process, that mixed swaps should be allocated to either the CFTC or the SEC based on clear and unambiguous criteria like a primarily test. A de minimis amount of security-based swap attributes should not bring a swap into the SEC's jurisdiction just as a de minimis amount of swap attributes should not bring a security-based swap into the CFTC's jurisdiction. While there will be some difficult decisions to be made on individual swap contracts, it will be fairly clear most of the time whether a particular swap is more security-based swap or swap. We expect the regulators to be reasonable in their joint rulemaking and interpretations.

The mandatory clearing and trading of certain swaps and security-based swaps, along with real-time price reporting, is at the heart of swaps market reform. Under the conference report, swaps and security-based swaps determined to be subject to the mandatory clearing requirement by the regulators would also be required to be traded on a designated contract market, a national securities exchange, or new swap execution facilities or security-based swap execution facilities. To avoid any conflict of interests, the regulators—the CFTC and the SEC—will make a determination as to what swaps must be cleared following certain statutory factors. It is expected that the standardized, plain vanilla, high volume swaps contracts—which according to the Treasury Department are about 90 percent of the \$600 trillion swaps market—will be subject to mandatory clearing. Derivatives clearing organizations and clearing agencies are required to submit all swaps and security-based swaps for review and mandatory clearing determination by regulators. It will also be unlawful for any entity to enter into a swap without submitting it for clearing if that swap has been determined to be required to clear. It is our understanding that approximately 1,200 swaps and security-based swaps contracts are currently listed by CFTC-registered clearing houses and SEC-registered clearing agencies for clearing. Under the conference report, these 1,200 swaps and security-based swaps already listed for clearing are deemed "submitted" to the regulators for review upon the date of enactment. It is my expectation that the regulators, who are already familiar with these 1,200 swap and security-based

swap contracts, will work within the 90 day time frame they are provided to identify which of the current 1,200 swap and security-based swap agreements should be subject to mandatory clearing requirements. The regulators may also identify and review swaps and security-based swaps which are not submitted for clearinghouse or clearing agency listing and determine that they are or should be subject to mandatory clearing requirement. This provision is considered to be an important provision by senior members of the Senate Agriculture Committee, as it removes the ability for the clearinghouse or clearing agency to block a mandatory clearing determination.

The conference report also contains an end user clearing exemption. Under the conference report, end users have the option, but not the obligation, to clear or not clear their swaps and security-based swaps that have been determined to be required to clear, as long as those swaps are being used to hedge or mitigate commercial risk. This option is solely the end users' right. If the end user opts to clear a swap, the end user also has the right to choose the clearing house where the swap will be cleared. Further, the end user has the right, but not the obligation, to force clearing of any swap or security-based swap which is listed for clearing by a clearing house or clearing agency but which is not subject to mandatory clearing requirement. Again the end user has the right to choose the clearing house or clearing agency where the swap or security-based swap will be cleared. The option to clear is meant to empower end users and address the disparity in market power between the end users and the swap dealers. Under the conference report, certain specified financial entities are prohibited from using the end user clearing exemption. While most large financial entities are not eligible to use the end user clearing exemption for standardized swaps entered into with third parties, it would appropriate for regulators to exempt from mandatory clearing and trading inter affiliate swap transactions which are between for wholly-owned affiliates of a financial entity. We would further note that small financial entities, such as banks, credit unions and farm credit institutions below \$10 billion in assets—and possibly larger entities—will be permitted to utilize the end user clearing exemption with approval from the regulators. The conference report also includes an anti-evasion provision which provides the CFTC and SEC with authority to review and take action against entities which abuse the end user clearing exemption.

In addition to the mandatory clearing and trading of swaps discussed above, the conference report retains and expands the Senate Agriculture Committee's real time swap transaction and price reporting requirements. The Agriculture Committee focused on swap market transparency while it was constructing the derivatives title. As stated earlier, the conference report requires 100% of all swaps transactions to be reported. It was universally agreed that regulators should have access to all swaps data in real time. On the other hand, there was some outstanding questions regarding the capacity, utility and benefits from public reporting of swaps transaction and pricing data. I would like to respond to those questions. Market participants—including exchanges, contract markets, brokers, clearing houses and clearing agencies—were consulted and affirmed that the existing communications and data infrastructure for the swaps markets could

accommodate real time swap transaction and price reporting. Speaking to the benefits of such a reporting requirement, the committee could not ignore the experience of the U.S. Securities and Futures markets. These markets have had public disclosure of real time transaction and pricing data for decades. We concluded that real time swap transaction and price reporting will narrow swap bid/ask spreads, make for a more efficient swaps market and benefit consumers/counterparties overall. For these reasons, the Senate Agriculture Committee required "real time" price reporting for: (1) All swap transactions which are subject to mandatory clearing requirement; (2) All swaps under the end user clearing exemption which are not cleared but reported to a swap data repository subject; and, (3) all swaps which aren't subject to the mandatory clearing requirement but which are cleared at a clearing house or clearing agency—under permissive, as opposed to mandatory, clearing. The conference report adopted this Senate approach with one notable addition authored by Senator Reed. The Reed amendment, which the conference adopted, extended real time swap transaction and pricing data reporting to "non-standardized" swaps which are reported to swap data repositories and security-based swap data repositories. Regulators are to ensure that the public reporting of swap transactions and pricing data does not disclose the names or identities of the parties to the transactions.

I would like to specifically note the treatment of "block trades" or "large notional" swap transactions. Block trades, which are transactions involving a very large number of shares or dollar amount of a particular security or commodity and which transactions could move the market price for the security or contract, are very common in the securities and futures markets. Block trades, which are normally arranged privately, off exchange, are subject to certain minimum size requirements and time delayed reporting. Under the conference report, the regulators are given authority to establish what constitutes a "block trade" or "large notional" swap transaction for particular contracts and commodities as well as an appropriate time delay in reporting such transaction to the public. The committee expects the regulators to distinguish between different types of swaps based on the commodity involved, size of the market, term of the contract and liquidity in that contract and related contracts, i.e; for instance the size/dollar amount of what constitutes a block trade in 10-year interest rate swap, 2-year dollar/euro swap, 5-year CDS, 3-year gold swap, or a 1-year unleaded gasoline swap are all going to be different. While we expect the regulators to distinguish between particular contracts and markets, the guiding principal in setting appropriate block-trade levels should be that the vast majority of swap transactions should be exposed to the public market through exchange trading. With respect to delays in public reporting of block trades, we expect the regulators to keep the reporting delays as short as possible.

I firmly believe that taking the Senate bill language improved the final conference report by strengthening the regulators enforcement authority dramatically. The Senate Agriculture Committee looked at existing enforcement authority and tried to give the CFTC the authority which it needs to police both the futures and swaps markets. As I mentioned above, we provided the CFTC with anti-fraud and anti-manipulation authority equal to that of the SEC with respect

to non narrow-based security index futures and swaps so as to equalize the SEC and CFTC enforcement authority in this area. The CFTC requested, and received, enforcement authority with respect to insider trading, restitution authority, and disruptive trading practices. In addition, we added in anti-manipulation authority from my good friend Senator Cantwell. Senator Cantwell and I were concerned with swaps participants knowingly and intentionally avoiding the mandatory clearing requirement. We were able to reach an agreement with the other committees of jurisdiction by providing additional enforcement authority that I believe will address the root problem. Further, I would be remiss in not mentioning that we provided specific enforcement authority under Section 9 for the CFTC to bring actions against persons who purposely evade the mandatory clearing requirement. This provision is supposed to work together with the anti-evasion provision in the clearing section. Another important provision is one related to fraud and an episode earlier this year involving Greece and the use of cross currency swaps. We gave new authority to the CFTC to go after persons who enter into a swap knowing that its counterparty intends to use the swap for purposes of defrauding a third party. This authority, which is meant to expand the CFTC's existing aiding and abetting authority, should permit the CFTC to bring actions against swap dealers and others who assist their counterparties in perpetrating frauds on third parties. All in all, the CFTC's enforcement authority was expanded to meet known problems and fill existing holes. It should give them the tools which are necessary to police this market.

A significant issue which was fixed during conference was clarifying that in most situations community banks aren't swap dealers or major swap participants. The definition of swap dealer was adjusted in a couple of respects so that a community bank which is hedging its interest rate risk on its loan portfolio would not be viewed as a Swap Dealer. In addition, we made it clear that a bank that originates a loan with a customer and offers a swap in connection with that loan shouldn't be viewed as a swap dealer. It was never the intention of the Senate Agriculture Committee to catch community banks in either situation. We worked very hard to make sure that this understanding came through in revised statutory language which was worked out during conference. There were some concerns expressed about banks being caught up as being highly leveraged financial entities under prong (iii) of the major swap participant definition. This concern was addressed by adding language clarifying that if the financial entity had a capital requirement set by a federal banking regulator that it wouldn't be included in the definition under that prong. This particular prong of the major swap participant provision was intended to catch entities like the hedge fund LTCM and AIG's financial products subsidiary, not community banks. We also clarified in Section 716 that banks which are major swap participants are not subject to the federal assistance bans. These changes and clarifications should ensure that community banks, when acting as banks, are not caught by the swap dealer or major swap participant definitions.

Section 716 and the ban on federal assistance to swap entities is an incredibly important provision. It was agreed by the administration, and accepted by the conference, that under the revised Section 716, insured deposi-

tory institutions would be forced to "push out" the riskiest swap activities into a separate affiliate. The swap dealer activities which would have to be pushed out included: swaps on equities, energy, agriculture, metal other than silver and gold, non investment grade debt, uncleared credit default swaps and other swaps that are not bank permissible investments. We were assured by the administration that all of the types of swaps enumerated above are not bank permissible and will be subject to the push out. Further, it is our understanding that no regulatory action, interpretation or guidance will be issued or taken which might turn such swaps into bank permissible investments or activities.

It should also be noted that a mini-Volcker rule was incorporated into Section 716 during the conference. Banks, their affiliates and their bank holding companies would be prohibited from engaging in proprietary trading in derivatives. This provision would prohibit banks and bank holding companies, or any affiliate, from proprietary trading in swaps as well as other derivatives. This was an important expansion and linking of the Lincoln Rule in Section 716 with the Volcker Rule in Section 619 of Dodd-Frank.

Section 716's effective date is 2 years from the effective date of the title, with the possibility of a 1 year extension by the appropriate Federal banking agency. It should be noted that the appropriate federal banking agencies should be looking at the affected banks and evaluating the appropriate length of time which a bank should receive in connection with its "push out." Under the revised Section 716, banks do not have a "right" to 24 month phase-in for the push out of the impermissible swap activities. The appropriate federal banking agencies should be evaluating the particular banks and their circumstances under the statutory factors to determine the appropriate time frame for the push out.

The Senate Agriculture Committee bill revised and updated several of the CEA definitions related to intermediaries such as floor trader, floor broker, introducing broker, futures commission merchant, commodity trading advisor, and commodity pool operator as well as adding a statutory definition of the term commodity pool. We note that the definition of futures commission merchant is amended to include persons that are registered as FCMs. This makes clear that such persons must comply with the regulatory standards, including the capital and customer funds protections that apply to FCMs. The Senate Agriculture Committee wanted to ensure that all the intermediary and other definitions were current and reflected the activities and financial instruments which CFTC registered and regulated entities would be advising on, trading or holding, especially in light of Congress adding swaps to the financial instruments over which the CFTC has jurisdiction. We note that in addition to swaps, we added other financial instruments such as security futures products, leverage contracts, retail foreign exchange contracts and retail commodity transactions which the CFTC has jurisdiction over and which would require registration where appropriate.

With respect to commodity trading advisors, CTAs, commodity pool operators, CPOs, and commodity pools, we wanted to provide clarity regarding the activities and jurisdiction over these entities. Under Section 749 we have provided additional clarity regarding what it means to be "primarily engaged" in the business of being a commodity trading

advisor and being a commodity pool. To the extent an entity is "primarily engaged" in advising on swaps, such as interest rate swaps, foreign exchange swaps or broad-based security index swaps, then it would be required to register as a commodity trading advisor with the CFTC. On the other hand, to the extent an entity is primarily engaged in advising on security-based swaps it would be required register as an investment adviser with the SEC or the states. We would note that under existing law the CEA and the Investment Advisers Act have mirror provisions which exempts from dual registration and regulation SEC registered IAs and CFTC registered CTAs as long as they only provide very limited advice related to futures and securities, respectively. This policy is continued and expanded to the extent it now covers advice related to swaps and security-based swaps.

With respect to commodity pools, the SEC has long recognized that commodity pools are not investment companies which are subject to registration or regulation under the Investment Company Act of 1940. Alpha Delta Fund No Action Letter (pub avail. May 4, 1976); Peavey Commodity Futures Fund I, II and III No action letter (pub avail. June 2, 1983); Managed Futures Association No Action Letter (Pub Avail. July 15, 1996). To be an "investment company" under Section 3(a) of the Investment Company Act an entity has to be primarily engaged in the business of investing, reinvesting, or trading securities. In the matter of the Tonopah Mining Company of Nevada, 26 S.E.C. 426 (July 22, 1947) and SEC v. National Presto Industries, Inc., 486 F.3d 305 (7th Cir. 2007). Commodity pools are primarily engaged in the business of investing, reinvesting or trading in commodity interests, not securities. For this reason, commodity pools are not investment companies and are not utilizing an exemption under the Investment Company Act. A recent and well know example of commodity pools which the SEC has recognized as not being investment companies, and not being required to register under the Investment Company Act, comes in the commodity based exchange traded funds (ETF) world. While recent ETFs based on gold, silver, oil, natural gas and other commodities have registered their securities under the 1933 and 1934 Acts and listed them on national securities exchanges for trading, these funds, which are commodity pools which are operated by CFTC registered commodity pool operators, are not registered as investment companies under the Investment Company Act of 1940. See the Investment Company Institute 2010 Fact Book, Chapter 3. We have clarified that commodity interests include not only contracts of sale of a commodity for future delivery and options on such contracts but would also include swaps, security futures products, leverage contracts, retail foreign exchange contracts, retail commodity transactions, physical commodities and any funds held in a margin account for trading such instruments. I am pleased that the Conference Report includes these new provisions which were in the bill passed out of the Senate Agriculture Committee.

I would also note the importance of Section 769 and Section 770. These sections amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 so that certain terms in the CEA are now incorporated into both of the 1940 Acts, which are administered by the SEC. We believed it was appropriate to incorporate these important definitions from the CEA into the two 1940 Acts as it relates to advice on futures and

swaps, such as interest rate swaps and foreign exchange swaps and forwards, as well as what constitutes being a commodity pool and being primarily engaged in the business of investing in commodity interests as distinguished from being an investment company which is primarily engaged in the business of investing, reinvesting, holding, trading securities. I am pleased that the Conference Report includes these new updated definitions as it should help clarify jurisdictional and registration requirements.

Another extremely important issue which originated in the Senate Agriculture Committee was imposing a fiduciary duty on swap dealers when dealing with special entities, such as municipalities, pension funds, endowments, and retirement plans. The problems in this area, especially with respect to municipalities and Jefferson County, Alabama in particular are very well known. I would like to note that Senators Harkin and Casey have been quite active in this area and worked closely with me on this issue. While Senators Harkin, Casey and I did not get everything which we were looking for, we ended up with a very good product. First, there is a clear fiduciary duty which swap dealers and major swap participants must meet when acting as advisors to special entities. This is a dramatic improvement over the House passed bill and should help protect both tax payers and plan beneficiaries. Further, we have expanded the business conduct standards which swap dealers and major swap participants must follow even when they are not acting as advisors to special entities. I'd make a very important point, nothing in this provision prohibits a swap dealer from entering into transactions with special entities. Indeed, we believe it will be quite common that swap dealers will both provide advice and offer to enter into or enter into a swap with a special entity. However, unlike the status quo, in this case, the swap dealer would be subject to both the acting as advisor and business conduct requirements under subsections (h)(4) and (h)(5). These provisions will place tighter requirements on swap entities that we believe will help to prevent many of the abuses we have seen over the last few years. Importantly, the CFTC and the SEC have the authority to add to the statutory business conduct standards which swap dealers and major swap participants must follow. We expect the regulators to utilize this authority. Among other areas, regulators should consider whether to impose business conduct standards that would require swap dealers to further disclose fees and compensation, ensure that swap dealers maintain the confidentiality of hedging and portfolio information provided by special entities, and prohibit swap dealers from using information received from a special entity to engage in trades that would take advantage of the special entity's positions or strategies. These are very important issues and should be addressed.

Section 713 clarifies the authority and means for the CFTC and SEC to facilitate portfolio margining of futures positions and securities positions together, subject to account-specific programs. The agencies are required to consult with each other to ensure that such transactions and accounts are subject to "comparable requirements to the extent practicable for similar products." The term "comparable" in this provision does not mean "identical." Rather, the term is intended to recognize the legal and operational differences of the regulatory regimes governing futures and securities accounts.

Title VII establishes a new process for the CFTC and SEC to resolve the status of novel

derivative products. In the past, these types of novel and innovative products have gotten caught up in protracted jurisdictional disputes between the agencies, resulting in delays in bringing products to market and placing U.S. firms and exchanges at a competitive disadvantage to their overseas counterparts.

In their Joint Harmonization Report from October 2009, the two agencies recommended legislation to provide legal certainty with respect to novel derivative product listings, either by a legal determination about the nature of a product or through the use of the agencies' respective exemptive authorities. Title VII includes provisions in Sections 717 and 718 to implement these recommendations.

It does so by establishing a process that requires public accountability by ensuring that jurisdictional disputes are resolved at the Commission rather than staff level, and within a firm timeframe. Specifically, either agency can request that the other one: 1) make a legal determination whether a particular product is a security under SEC jurisdiction or a futures contract or commodity option under CFTC jurisdiction; or 2) grant an exemption with respect to the product. An agency receiving such a request from the other agency is to act on it within 120 days. Title VII also provides for an expedited judicial review process for a legal determination where the agency making the request disagrees with the other's determination.

Title VII also includes amendments to existing law to ensure that if either agency grants an exemption, the product will be subject to the other's jurisdiction, so there will be no regulatory gaps. For example, the Commodity Exchange Act is amended to clarify that CFTC has jurisdiction over options on securities and security indexes that are exempted by the SEC. And Section 741 grants the CFTC insider trading enforcement authority over futures, options on futures, and swaps, on a group or index of securities.

We strongly urge the agencies to work together under these new provisions to alleviate the ills that they themselves have identified. The agencies should make liberal use of their exemptive authorities to avoid spending taxpayer resources on legal fights over whether these novel derivative products are securities or futures, and to permit these important new products to trade in either or both a CFTC- or SEC-regulated environment.

Section 721 includes a broad and expansive definition of the term "swap" that is subject to the new regulatory regime established in Title VII. It also provides the CFTC with the authority to further define the term "swap" (and various other new terms in Title VII) in order to include transactions and entities that have been structured to evade these important new legal requirements. The CFTC must not allow market participants to "game the system" by labeling or structuring transactions that are swaps as another type of instrument and then claim the instrument to be outside the scope of the legislation that Congress has enacted.

Section 723 creates a "Trade Execution Requirement" in new section 2(h)(8) of the Commodity Exchange Act (CEA). Section 2(h)(8)(A) requires that swaps that are subject to the mandatory clearing requirement under new CEA Section 2(h)(1) must be executed on either a designated contract market or a swap execution facility. Section 2(h)(8)(B) provides an exception to the Trade Execution Requirement if the swap is subject to the commercial end-user exception to the clearing requirement in CEA Section 2(h)(7),

or if no contract market or swap execution facility "makes the swap available to trade." This provision was included in the bill as reported by the Senate Agriculture Committee and then in the bill that was passed by the Senate.

In interpreting the phrase "makes the swap available to trade," it is intended that the CFTC should take a practical rather than a formal or legalistic approach. Thus, in determining whether a swap execution facility "makes the swap available to trade," the CFTC should evaluate not just whether the swap execution facility permits the swap to be traded on the facility, or identifies the swap as a candidate for trading on the facility, but also whether, as a practical matter, it is in fact possible to trade the swap on the facility. The CFTC could consider, for example, whether there is a minimum amount of liquidity such that the swap can actually be traded on the facility. The mere "listing" of the swap by a swap execution facility, in and of itself, without a minimum amount of liquidity to make trading possible, should not be sufficient to trigger the Trade Execution Requirement.

Both Section 723 and Section 729 establish requirements pertaining to the reporting of pre-enactment and post-enactment swaps to swap data repositories or the CFTC. They do so in new Sections 2(h)(5) and 4(a) of the Commodity Exchange Act, respectively, which provide generally that swaps must be reported pursuant to such rules or regulations as the CFTC prescribes. These provisions should be interpreted as complementary to one another and to assure consistency between them. This is particularly true with respect to issues such as the effective dates of these reporting requirements, the applicability of these provisions to cleared and/or uncleared swaps, and their applicability—or non-applicability—to swaps whose terms have expired at the date of enactment.

Section 724 creates a segregation and bankruptcy regime for cleared swaps that is intended to parallel the regime that currently exists for futures. Section 724 requires any person holding customer positions in cleared swaps at a derivatives clearing organization to be registered as an FCM with the CFTC. Section 724 does not require, and there is no intention to require, swap dealers, major swap participants, or end users to register as FCMs with the CFTC to the extent that such entities hold collateral or margin which has been put up by a counterparty of theirs in connection with a swap transaction. In amending both the Commodity Exchange Act (CEA) and the Bankruptcy Code to clarify that cleared swaps are "commodity contracts," Section 724 makes explicit what had been left implicit under the Commodity Futures Modernization Act of 2000. Specifically, we have clarified that: 1) title 11, Chapter 7, Subchapter IV of the United States Bankruptcy Code applies to cleared swaps to the same extent that it applies to futures; and 2) the CFTC has the same authority under Section 20 of the CEA to interpret such provisions of the Bankruptcy Code with respect to cleared swaps as it has with respect to futures contracts.

Section 731 prohibits a swap dealer or major swap participant from permitting any associated person who is subject to a statutory disqualification under the Commodity Exchange Act (CEA) to effect or be involved in effecting swaps on its behalf, if it knew or reasonably should have known of the statutory disqualification provision, the CFTC may require such associated persons

to register with the CFTC under such terms, and subject to such exceptions, as the CFTC deems appropriate.

The term “associated person of a swap dealer or major swap participant” is defined in Section 721 as a person who, among other things, is involved in the “solicitation” or “acceptance” of swaps. These terms would also include the negotiation of swaps.

Section 731 includes a new Section 4s(g) of the CEA to impose requirements regarding the maintenance of daily trading records on swap dealers and major swap participants. To reflect advances in technology, CEA Section 4s(g) expressly requires that these registrants maintain “recorded communications, including electronic mail, instant messages, and recordings of telephone calls.” Under current law, Section 4g of the CEA governs the maintenance of daily trading records by certain existing classes of CFTC registrants, and is worded more generally and without expressly mentioning the recorded communications enumerated in CEA Section 4s(g). The enactment of this provision should not be interpreted to mean or imply that the specifically-identified types of recorded communications that must be maintained by swap dealers and major swap participants under CEA Section 4s(g) would be beyond the authority of the CFTC to require of other registrants by rule under Section 4g.

Sections 733 and 735 establish a regime of core principles to govern the operations of swap execution facilities and designated contract markets, respectively. Certain of these swap execution facility and designated contract market core principles are identically worded. Given that swap execution facilities will trade swaps exclusively, whereas designated contract markets will be able to trade swaps or futures contracts, we expect that the CFTC may interpret identically-worded core principles differently where they apply to different types of instruments or for different types of trading facilities or platforms.

Section 737 amends Section 4a(a)(1) of the Commodity Exchange Act (CEA) to authorize the CFTC to establish position limits for “swaps that perform or affect a significant price discovery function with respect to registered entities.” Subsequent descriptions of the significant price discovery function concept in Section 737, though, refer to an impact on “regulated markets” or “regulated entities.” The term “registered entity” is specifically defined in the CEA, and clearly includes designated contract markets and swap execution facilities. By contrast, the terms “regulated markets” and “regulated entities” are not defined or used anywhere else in the CEA. This different terminology is not intended to suggest a substantive difference, and it is expected that the CFTC may interpret the terms “regulated markets” and “regulated entities” to mean “registered entities” as defined in the statute for purposes of position limits under Section 737.

Section 737 also amends CEA Section 4a(a)(1) to authorize the CFTC to establish position limits for “swaps traded on or subject to the rules of a designated contract market or a swap execution facility, or swaps not traded on or subject to the rules of a designated contract market or a swap execution facility that performs a significant price discovery function with respect to a registered entity.” Later, Section 737 sets out additional provisions authorizing CFTC position limits to reach swaps, but without utilizing this same wording regarding swaps traded on or off designated contract markets

or swap execution facilities. The absence of this wording is not intended to preclude the CFTC from applying any of the position limit provisions in Section 737 in the same manner with respect to DCM or SEF traded swaps as is explicitly provided for in CEA Section 4a(a)(1).

Finally, Section 737 amends CEA Section 4a(a)(4) to authorize the CFTC to establish position limits on swaps that perform a significant price discovery function with respect to regulated markets, including price linkage situations where a swap relies on the daily or final settlement price of a contract traded on a regulated market based upon the same underlying commodity. Section 737 also amends CEA Section 4a(a)(5) to provide that the CFTC shall establish position limits on swaps that are “economically equivalent” to futures or options traded on designated contract markets. It is intended that this “economically equivalent” provision reaches swaps that link to a settlement price of a contract on a designated contract market, without the CFTC having to first make a determination that the swaps perform a significant price discovery function.

Section 741, among other things, clarifies that the CFTC’s enforcement authority extends to accounts and pooled investment vehicles that are offered for the purpose of trading, or that trade, off-exchange contracts in foreign currency involving retail customers. Thus, the CFTC may bring an enforcement action for fraud in the offer and sale of such managed or pooled foreign currency investments or accounts. These provisions overrule an adverse decision in the CFTC enforcement case of *CFTC v. White Pine Trust Corporation*, 574 F.3d 1219 (9th Cir. 2009), which erected an inappropriate limitation on the broad mandate that Congress has given the CFTC to protect this country’s retail customers from fraud.

Section 742 includes several important provisions to enhance the protections afforded to customers in retail commodity transactions, and I would like to highlight three of them. First, Section 742 clarifies the prohibition on off-exchange retail futures contracts that has been at the heart of the Commodity Exchange Act (CEA) throughout its history. In recent years, there have been instances of fraudsters using what are known as “rolling spot contracts” with retail customers in order to evade the CFTC’s jurisdiction over futures contracts. These contracts function just like futures, but the court of appeals in the *Zelener* case (*CFTC v. Zelener*, 373 F.3d 861 (7th Cir. 2004)), based on the wording of the contract documents, held them to be spot contracts outside of CFTC jurisdiction. The CFTC Reauthorization Act of 2008, which was enacted as part of that year’s Farm Bill, clarified that such transactions in foreign currency are subject to CFTC anti-fraud authority. It left open the possibility, however, that such *Zelener*-type contracts could still escape CFTC jurisdiction if used for other commodities such as energy and metals.

Section 742 corrects this by extending the Farm Bill’s “*Zelener* fraud fix” to retail off-exchange transactions in all commodities. Further, a transaction with a retail customer that meets the leverage and other requirements set forth in Section 742 is subject not only to the anti-fraud provisions of CEA Section 4b (which is the case for foreign currency), but also to the on-exchange trading requirement of CEA Section 4(a), “as if” the transaction was a futures contract. As a result, such transactions are unlawful, and may not be intermediated by any person, un-

less they are conducted on or subject to the rules of a designated contract market subject to the full array of regulatory requirements applicable to on-exchange futures under the CEA. Retail off-exchange transactions in foreign currency will continue to be covered by the “*Zelener* fraud fix” enacted in the Farm Bill; further, cash or spot contracts, forward contracts, securities, and certain banking products are excluded from this provision in Section 742, just as they were excluded in the Farm Bill.

Second, Section 742 addresses the risk of regulatory arbitrage with respect to retail foreign currency transactions. Under the CEA, several types of regulated entities can provide retail foreign currency trading platforms—among them, broker-dealers, banks, futures commission merchants, and the category of “retail foreign exchange dealers” that was recognized by Congress in the Farm Bill in 2008. Section 742 requires that the agencies regulating these entities have comparable regulations in place before their regulated entities are allowed to offer retail foreign currency trading. This will ensure that all domestic retail foreign currency trading is subject to similar protections.

Finally, Section 742 also addresses a situation where domestic retail foreign currency firms were apparently moving their activities offshore in order to avoid regulations required by the National Futures Association. It removes foreign financial institutions as an acceptable counterparty for off-exchange retail foreign currency transactions under section 2(c) of the CEA. Foreign financial institutions seeking to offer them to retail customers within the United States will now have to offer such contracts through one of the other legal mechanisms available under the CEA for accessing U.S. retail customers.

Section 745 provides that in connection with the listing of a swap for clearing by a derivatives clearing organization, the CFTC shall determine, both the initial eligibility and the continuing qualification of the DCO to clear the swap under criteria determined by the CFTC, including the financial integrity of the DCO. Thus, the CFTC has the flexibility to impose terms or conditions that it determines to be appropriate with regard to swaps that a DCO plans to accept for clearing. No DCO may clear a swap absent a determination by the CFTC that the DCO has proper risk management processes in place and that the DCO’s clearing operation is in accordance with the Commodity Exchange Act and the CFTC’s regulations thereunder.

Section 753 adds a new anti-manipulation provision to the Commodity Exchange Act (CEA) addressing fraud-based manipulation, including manipulation by false reporting. Importantly, this new enforcement authority being provided to the CFTC supplements, and does not supplant, its existing anti-manipulation authority for other types of manipulative conduct. Nor does it negate or undermine any of the case law that has developed constraining the CEA’s existing anti-manipulation provisions.

The good faith mistake provision in Section 753 is an affirmative defense. The burden of proof is on the person asserting the good faith mistake defense to show that he or she did not know or act in reckless disregard of the fact that the report was false, misleading, or inaccurate.

Section 753 also re-formats CEA Section 6(c), which is where the new anti-manipulation authority is placed, to make it easier for courts and the public to use and understand. Changes made to existing text as part

of this re-formatting were made to streamline or eliminate redundancies, not to effect substantive changes to these provisions.

Title VIII of the legislation provides enhanced authorities and procedures for those clearing organizations and activities of financial institutions that have been designated as systemically important by a super-majority of the new Financial Stability Oversight Council. Title VIII preserves the authority of the CFTC and SEC as primary regulators of clearinghouses and clearing activities within their jurisdiction. Title VIII further expands the CFTC's and SEC's authorities in prescribing risk management standards and other regulations to govern designated clearing entities, and financial institutions engaged in designated activities. Similarly, Title VIII preserves and expands the CFTC's and SEC's examination and enforcement authorities with respect to designated entities within their respective jurisdictions.

Title VIII sets forth specific standards and procedures that permit the Council, upon a supermajority vote of the Council, and upon a determination that additional risk management standards are necessary to prevent significant risks to the stability of the financial system, to require the CFTC or SEC to impose additional risk management standards regarding designated financial market utilities or financial institutions engaged in designated activities.

Thus, the authorities granted in Title VIII are intended to be both additive and complementary to the authorities granted to the CFTC and SEC in Title VII and to those agencies' already existing legal authorities. The authority provided in Title VIII to the CFTC and SEC with respect to designated clearing entities and financial institutions engaged in designated activities would not and is not intended to displace the CFTC's and SEC's regulatory regime that would apply to these institutions or activities.

Whereas Title VIII is specifically addressed to payment, settlement, and clearing activities, Title I is addressed to consolidated entity supervision of complex financial institutions. Accordingly, to prevent coverage under two separate regulatory schemes, clearing agencies and derivatives clearing organizations are generally excepted from Title I. Also excepted from Title I are national exchanges, designated contract markets, swap execution facilities and other enumerated entities.

Title X of the legislation, which establishes a new Bureau of Consumer Financial Protection, maintains the supervisory, enforcement, rulemaking and other authorities of the CFTC over the persons it regulates. The legislation expressly prohibits the new Bureau from exercising any powers with respect to any persons regulated by the CFTC, to the extent that the actions of those persons are subject to the jurisdiction of the CFTC. It is not intended that Title X would lead to overlapping supervision of such persons by the Bureau. In this respect, the legislation is fully consistent with the Treasury Department's White Paper on Financial Regulatory Reform, which proposed the creation of an agency "dedicated to protecting consumers in the financial products and services markets, except for investment products and services already regulated by the SEC or CFTC." (See Treasury White Paper at 55-56 (June 17, 2009) (emphasis added)).

Mr. DURBIN. Mr. President, I rise to speak about my interchange fee amendment that was incorporated into the Dodd-Frank Wall Street Reform

and Consumer Protection Act. There are some important aspects of the amendment that I want to clarify for the record.

First, it is important to note that while this amendment will bring much-needed reform to the credit card and debit card industries, in no way should enactment of this amendment be construed as preempting other crucial steps that must be taken to bring competition and fairness to those industries. For example, a key component of the Senate-passed version of my amendment was a provision that would prohibit payment card networks from blocking merchants from offering a discount for customers who use a competing card network. This provision was unfortunately left out of the final conference report, but the need for this provision remains undiminished. It is blatantly anticompetitive for one company to prohibit its customers from offering a discounted price for a competitor's product, and I will continue to pursue steps to end this practice.

Additionally, in no way should my amendment be construed as preempting or superseding scrutiny of the credit card and debit card industries under the antitrust laws. Section 6 of the Dodd-Frank act conference report contains an antitrust savings clause which provides that nothing in the act shall be construed to modify, impair, or supersede the operation of any of the antitrust laws. I want to make clear that nothing in my amendment is intended to modify, impair, or supersede the operation of any of the antitrust laws, nor should my amendment be construed as having that effect. Vigorous antitrust scrutiny over the credit and debit card industries will continue to be needed after enactment of the Dodd-Frank act, particularly in light of the highly concentrated nature of those industries.

With respect to the new subsection 920(a) of the Electronic Fund Transfer Act that would be created by my amendment, there are a few issues that should be clarified. The core provisions of subsection (a) are its grant of regulatory authority to the Federal Reserve Board over debit interchange transaction fees, and its requirement that an interchange transaction fee amount charged or received with respect to an electronic debit transaction be reasonable and proportional to the cost incurred by the issuer with respect to the transaction. Paragraph (a)(4) makes clear that the cost to be considered by the Board in conducting its reasonable and proportional analysis is the incremental cost incurred by the issuer for its role in the authorization, clearance, or settlement of a particular electronic debit transaction, as opposed to other costs incurred by an issuer which are not specific to the authorization, clearance, or settlement of a particular electronic debit transaction.

Paragraph (5) of subsection (a) provides that the Federal Reserve Board may allow for an adjustment of an interchange transaction fee amount received by a particular issuer if the adjustment is reasonably necessary to make allowance for the fraud prevention costs incurred by the issuer seeking the adjustment in relation to its electronic debit transactions, provided that the issuer has demonstrated compliance with fraud-related standards established by the Board. The standards established by the Board will ensure that any adjustments to the fee shall be limited to reasonably necessary costs and shall take into account fraud-related reimbursements that the issuer receives from consumers, merchants, or networks. The standards shall also require issuers that want an adjustment to their interchange fees to take effective steps to reduce the occurrence of and costs from fraud in electronic debit transactions, including through the development of cost-effective fraud prevention technology.

It should be noted that any fraud prevention adjustment to the fee amount would occur after the base calculation of the reasonable and proportional interchange fee amount takes place, and fraud prevention costs would not be considered as part of the incremental issuer costs upon which the reasonable and proportional fee amount is based. Further, any fraud prevention cost adjustment would be made on an issuer-specific basis, as each issuer must individually demonstrate that it complies with the standards established by the Board, and as the adjustment would be limited to what is reasonably necessary to make allowance for fraud prevention costs incurred by that particular issuer. The fraud prevention adjustment provision in paragraph (a)(5) is intended to apply to all electronic debit transactions, whether authorization is based on signature, PIN or other means.

Paragraph (6) of subsection (a) exempts debit card issuers with assets of less than \$10 billion from interchange fee regulation. This paragraph makes clear that for purposes of this exemption, the term "issuer" is limited to the person holding the asset account which is debited, and thus does not count the assets of any agents of the issuer. However, the affiliates of an issuer are counted for purposes of the \$10 billion exemption threshold, so if an issuer together with its affiliates has assets of greater than \$10 billion, then the issuer does not fall within the exemption.

It should be noted that the intent of my amendment is not to diminish competition in the debit issuance market. I will be watching closely to ensure that the giant payment card networks Visa and MasterCard do not collude with

one another or with large financial institutions to take steps to purposefully disadvantage small issuers in response to enactment of this amendment.

Paragraph (7) of subsection (a) exempts from interchange fee regulation electronic debit transactions involving debit cards or prepaid cards that are provided to persons as part of a federal, state or local government-administered payment program in which the person uses the card to debit assets provided under the program. The Federal Reserve Board will issue regulations to implement this provision, but it is important to note that this exemption is only intended to apply to cards which can be used to transfer or debit assets that are provided pursuant to the government-administered program. The exemption is not intended to apply to multi-purpose cards that mingle the assets provided pursuant to the government-administered program with other assets, nor is it intended to apply to cards that can be used to debit assets placed into an account by entities that are not participants in the government-administered program.

The amendment would also create subsection 920(b) of the Electronic Fund Transfer Act, which provides several restrictions on payment card networks. Paragraphs (1), (2) and (3) of 920(b) are intended only to serve as restrictions on payment card networks to prohibit them from engaging in certain anticompetitive practices. These provisions are not intended to preclude those who accept cards from engaging in any discounting or other practices, nor should they be construed to preclude contractual arrangements that deal with matters not covered by these provisions. Further, nothing in these provisions should be construed to mean that merchants can only provide a discount that is exactly specified in the amendment. The provisions also should not be read to confer any congressional blessing or approval of any other particular contractual restrictions that payment card networks may place on those who accept cards as payment. All these provisions say is that Federal law now blocks payment card networks from engaging in certain specific enumerated anti-competitive practices, and the provisions describe precisely the boundaries over which payment card networks cannot cross with respect to these specific practices.

Paragraph (b)(1) directs the Federal Reserve Board to prescribe regulations providing that issuers and card networks shall not restrict the number of networks on which an electronic debit transaction may be processed to just one network, or to multiple networks that are all affiliated with each other. It further directs the Board to issue regulations providing that issuers and card networks shall not restrict a person who accepts debit cards from directing the routing of electronic debit

transactions for processing over any network that may process the transactions. This paragraph is intended to enable each and every electronic debit transaction—no matter whether that transaction is authorized by a signature, PIN, or otherwise—to be run over at least two unaffiliated networks, and the Board's regulations should ensure that networks or issuers do not try to evade the intent of this amendment by having cards that may run on only two unaffiliated networks where one of those networks is limited and cannot be used for many types of transactions.

Paragraph (b)(2) provides that a payment card network shall not inhibit the ability of any person to provide a discount or in-kind incentive for payment by the use of a particular form of payment—cash, checks, debit cards or credit cards—provided that discounts for debit cards and credit cards do not differentiate on the basis of the issuer or the card network, and provided that the discount is offered in a way that complies with applicable Federal and State laws. This paragraph is in no way intended to preclude the use by merchants of any other types of discounts. It just makes clear that Federal law prohibits payment card networks from inhibiting the offering of discounts which are for a form of payment—for example, a 1-percent discount for payment by debit card. This paragraph also provides that a network may not penalize a person for the way that the person offers or discloses a discount to customers, which will end the current practice whereby payment card networks have regularly sought to penalize merchants for providing cash, check or debit discounts that are fully in compliance with applicable Federal and State laws.

Paragraph (b)(3) provides that a payment card network shall not inhibit the ability of any person to set a minimum dollar value for acceptance of credit cards, provided that the minimum does not differentiate between issuers or card networks, and provided that the minimum does not exceed \$10. This paragraph authorizes the Board to increase this dollar amount by regulation. The paragraph also provides that card networks shall not inhibit the ability of a Federal agency or an institution of higher education to set a maximum dollar value for acceptance of credit cards, provided that the maximum does not differentiate between issuers or card networks. As with the discounts, this provision is not intended to preclude merchants, agencies or higher education institutions from setting other types of minimums or maximums by card or amount. It simply makes clear that payment card networks must at least allow for the minimums and maximums described in the provision.

Paragraph (b)(4) contains a rule of construction providing that nothing in

this subsection shall be construed to authorize any person to discriminate between debit cards within a card network or to discriminate between credit cards within a card network on the basis of the issuer that issued the card. The intent of this rule of construction is to make clear that nothing in this subsection should be cited by any person as justification for the violation of contractual agreements not to engage in the forms of discrimination cited in this paragraph. This provision does not, however, prohibit such discrimination as a matter of federal law, nor does it make any statement regarding the legality of such discrimination. In addition, this provision makes no statement as to whether a payment card network's contractual rule preventing such discrimination would be legal under the antitrust laws.

Finally, it should be noted that the payment card networks as defined in the amendment are entities such as Visa, MasterCard, Discover, and American Express that directly, or through licensed members, processors or agents, provide the proprietary services, infrastructure and software that route information to conduct credit and debit card transaction authorization, clearance and settlement. The amendment does not intend, for example, to define ATM operators or acquiring banks as payment card networks unless those entities also operate card networks as do Visa, MasterCard, Discover and American Express.

Overall, my amendment contains much needed reforms that will help increase fairness, transparency and competition in the debit card and credit card industries. More work remains to be done along these lines, but this amendment represents an important first step, and I thank my colleagues who have supported this effort.

Mr. KOHL. Mr. President, I rise to speak on the Wall Street Reform and Consumer Protection Act which the Senate will pass today. After 2 years of work, the reckless practices of Wall Street firms that resulted in terrible losses for people in Wisconsin and across the nation will finally be ended.

These events showed us that maintaining the current regulatory system is not an acceptable option. Wall Street needs accountability and transparency to avoid future financial meltdowns. Congress has the duty to ensure that this kind of failure never happens again. The Wall Street Reform and Consumer Protection Act takes vital steps to end "too big to fail," bring unregulated shadow markets into the light, and make our financial system work better for everyone.

This bill has been thoroughly deliberated in both the House and the Senate. The Banking Committee held more than 80 hearings since 2008 on the financial crisis, addressing its causes, grave impacts and potential remedies.

These hearings explored all of the elements of this legislation in detail, and also looked at the specific regulatory failures that contributed to the crisis.

The information gathered at these hearings laid down the foundation for the current bill. The bill was carefully debated and deliberated while on the Senate floor for 3 weeks—almost as long as the debate on health care reform.

After the bill passed in the House and the Senate it was then negotiated by the Conference Committee. I was pleased with the Conference Committee's ability to address Members' concerns in both Chambers. The conference lasted 2 weeks and was televised and open to the public for viewing. This all brought welcome transparency to the legislative process.

Throughout the consideration of financial reform, I met with people, banks and businesses in Wisconsin to better understand their needs so that our businesses and families can be protected from future recklessness. I have worked hard to make sure that this bill protects Main Street and its businesses by focusing on Wall Street—the source of this crisis.

I am proud to say that we now have a bill that will change our regulatory system in a way that will prevent and mitigate future crises. The bill will ensure that a Federal bailout will never again be an option for irresponsible businesses. The bill creates a council of regulators to monitor the economy for systemic threats. It will institute new regulations on hedge funds and over-the-counter derivatives and create a Bureau of Consumer Financial Protection that will oversee mortgage, credit cards and other credit products.

Consumers will now have a single entity to report their concerns about abusive financial practices, allowing regulators to address these issues in a timelier manner—before more consumers are harmed. The bill improves access to credit, increases protections and expands financial education programs enabling consumers to make smart financial decisions and reducing widespread predatory practices.

In addition to providing consumers with adequate protections against fraud and predatory practices, I also believe that consumers need affordable alternatives to predatory lending products like pay day loans. Senator DANIEL AKAKA shares this belief which is why we worked together to draft title XII of this bill.

Title XII will help to improve the lives of the millions of low- and moderate-income households in America that do not have access to mainstream financial institutions by providing grants to community development financial institutions so that they can give small dollar loans at affordable terms to people who are currently limited to riskier choices like payday

loans. This grant making program will dramatically help to increase the number of small dollar loan options to consumers that need quick access to money so that they can pay for emergency medical costs, car repairs and other items they need to maintain their lives. This legislation is modeled in part after the FDIC's Small Dollar Loan Pilot Program.

As chairman of the Judiciary Subcommittee on Antitrust, I am pleased to see that this bill will preserve the ability of the Federal antitrust agencies to protect competition and American consumers in the financial services industries. The legislation includes a broad antitrust savings clause that makes clear that nothing in the act will modify, impair or supersede the operation of any of the antitrust laws. It also includes more specific antitrust savings clauses in key provisions, further ensuring the continued ability of the antitrust agencies to fully enforce the relevant laws in these critical sectors in our economy. In addition to strengthening the oversight of mergers and acquisitions involving financial services firms, the bill specifically maintains the ability of the antitrust agencies to perform a thorough competition review of the transactions between these firms.

This robust merger review authority ensures that the Federal antitrust agencies can continue to play their key role in protecting competition and ensuring consumers have choices for financial services and products at competitive rates and prices. Competition is the cornerstone of our Nation's economy, and the antitrust laws ensure strong competitive markets that make our economy strong and protect consumers. This bill will ensure that the antitrust laws retain their critical role in the financial services industry.

This bill is another step in a long process of financial overhaul. The Wall Street Reform and Consumer Protection Act provides regulators with flexibility to implement a number of new rules. They will have to make decisions on issues ranging from determining fair charges on debit card swipe fees to deciding when a risky firm should be taken over. We need to make sure that our regulators have the tools and resources they need to get the job done right. As a member of the Banking Committee, I am going to keep a watchful eye on the regulators to make sure they are given adequate resources and oversight to do the job that they have been charged with.

Clearly we would not have this bill without the hard work and effort of Senator CHRIS DODD. It has been an honor to work with him and I hope he is as proud of this great accomplishment as I am.

Finally I would like to take a moment to recognize the staff that worked so hard on this bill. I would

like to acknowledge the staff of the Banking Committee for all of their exceptional work: including Levon Bagramian, Julie Chon, Brian Filipowich, Amy Friend, Catherine Galicia, Lynsey Graham Rea, Matthew Green, Marc Jarsulic, Mark Jickling, Deborah Katz, Jonathan Miller, Misha Mintz-Roth, Dean Shahinian, Ed Silberman, and Charles Yi.

I also express my appreciation for all of the work done by the Legislative Assistants of the Banking Committee Members including Laura Swanson, Kara Stein, Jonah Crane, Linda Jeng, Ellen Chube, Michael Passante, Lee Drutman, Graham Steele, Alison O'Donnell, Hilary Swab, Harry Stein, Karolina Arias, Nathan Steinwald, Andy Green, Brian Appel, and Matt Pippin.

Mr. DODD. Mr. President, I would like to clarify the intent behind one of the provisions in the conference report to accompany the financial reform bill, H.R. 4173, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. Section 204(d) contemplates that the FDIC, as receiver, may take a lien on assets of a covered financial company or a covered subsidiary. With respect to assets of a covered subsidiary that is an insurance company or a direct or indirect subsidiary of an insurance company, I believe that the FDIC should exercise such authority cautiously to avoid weakening the insurance company and thereby undermining policyholder protection. Indeed, any lien taken on the assets of a covered subsidiary that is an insurance company or a direct or indirect subsidiary of an insurance company must avoid weakening or undermining policyholder protection. As a result, the FDIC should normally not take a lien on the assets of such a covered subsidiary except where the FDIC sells the covered subsidiary to a third party, provides financing in connection with the sale, and takes a lien on the assets of the covered subsidiary to secure the third party's repayment obligation to the FDIC. I understand that the FDIC intends to promulgate regulations consistent with this view.

Mr. President, I would also like to clarify the intent behind another of the provisions in the conference report to accompany the financial reform bill, H.R. 4173, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. Section 1075 of the bill amends the Electronic Fund Transfer Act to create a new section 920 regarding interchange fees. This is a very complicated subject involving many different stakeholders, including payment networks, issuing banks, acquiring banks, merchants, and, of course, consumers. Section 1075 therefore is also complicated, and I would like to make a clarification with regard to that section.

Since interchange revenues are a major source of paying for the administrative costs of prepaid cards used in connection with health care and employee benefits programs such as FSAs, HSAs, HRAs, and qualified transportation accounts—programs which are widely used by both public and private sector employers and which are more expensive to operate given substantiation and other regulatory requirements—we do not wish to interfere with those arrangements in a way that could lead to higher fees being imposed by administrators to make up for lost revenue. That could directly raise health care costs, which would hurt consumers and which, of course, is not at all what we wish to do. Hence, we intend that prepaid cards associated with these types of programs would be exempted within the language of section 920(a)(7)(A)(ii)(II) as well as from the prohibition on use of exclusive networks under section 920(b)(1)(A).

Mr. President, I want to clarify a provision of the conference report of the Dodd-Frank Wall Street Reform and Consumer Protection Act, H.R. 4173. Section 1012 sets forth the executive and administrative powers of the Consumer Financial Protection Bureau, CFPB, and section 1012(c)(1)—Coordination with the Board of Governors—provides that “Notwithstanding any other provision of law applicable to the supervision or examination of persons with respect to Federal consumer financial laws, the Board of Governors may delegate to the Bureau the authorities to examine persons subject to the jurisdiction of the Board of Governors for compliance with the Federal consumer financial laws.” This provision is not intended to override section 1026, which will continue to define the Bureau’s examination and enforcement authority over insured depository institutions and insured credit unions with assets of less than \$10 billion. The conferees expect that the board will not delegate to the Bureau its authority to examine insured depository institutions with assets of less than \$10 billion.

Throughout the development of and debate on the Consumer Financial Protection Bureau, CFPB, I have insisted that the legislation meet three requirements—*independent rule writing, independent examination and enforcement authority, and independent funding* for the CFPB. The CFPB, as established by the conference report, meets each of those requirements. I want to speak for a moment about section 1017, which establishes the independent funding mechanism for the CFPB.

The conference report requires the Federal Reserve System to automatically fund the CFPB based on the total operating expenses of the system, using 2009 as the baseline. This will ensure that the CFPB has the resources it needs to perform its functions without

subjecting it to annual congressional appropriations. The failure of the Congress to provide the Office of Federal Housing Enterprises Oversight, OFHEO, with a steady stream of independent funding outside the appropriations process led to repeated interference with the operations of that regulator. Even when there was not explicit interference, the threat of congressional interference could very well have served to circumscribe the actions OFHEO was willing to take. We did not want to repeat that mistake in this legislation.

In addition, because many of the employees of the CFPB will come from existing financial regulators, the conferees take the view that it is important that the new entity have the resources to keep these high quality staff and to attract new equally qualified staff, and to provide them with the support that they need to operate effectively. To that end, the conferees adopted the employment cost index for total compensation of State and Federal employees, ECI, as the index by which the funding baseline will be adjusted in the future. This index has generally risen faster than the CPI, which was the index used in the Senate bill. However, the ECI has typically risen at a more gradual rate than the average operating costs of the banking regulators, which was the index proposed by the House conferees.

In the end, the conferees agreed to use the ECI and provide for a contingent authorization of appropriations of \$200 million per year through fiscal year 2014. In order to trigger this authorization, the CFPB Director would have to report to the Appropriations Committees that the CFPB’s formula funding is not sufficient.

Section 1085 of the legislation adds the Consumer Financial Protection Bureau, CFPB, to the list of agencies authorized to enforce the Equal Credit Opportunity Act, ECOA—15 U.S.C. §1691c(a)(9). The legislation also amends section 706(g)—15 U.S.C. §1691e(g)—to require the CFPB to refer a matter to the Attorney General whenever the CFPB has reason to believe that 1 or more creditors has engaged in a “*pattern or practice of discouraging or denying applications for credit*” in violation of section 701, 15 U.S.C. §1691(a). The general grant of civil litigation authority to the CFPB, in section 1054(a), should not be construed to override, in any way, the CFPB’s referral obligations under the ECOA.

The requirement in section 706(g) of the ECOA that the CFPB refer a matter involving a pattern-or-practice violation of section 701, rather than first filing its own pattern-or-practice action, furthers the legislation’s purpose of reducing fragmentation in consumer protection and fair lending enforcement under the ECOA. The Attorney

General, who currently has authority under section 706(g) to file those pattern-or-practice ECOA actions in court on behalf of the government, receives such pattern-or-practice referrals from other agencies with ECOA enforcement responsibilities and will continue to do so under the legislation. By subjecting the CFPB to the same referral requirement, the legislation intends to avoid creating fragmentation in this enforcement system under the ECOA where none currently exists.

Title XIV creates a strong, new set of underwriting requirements for residential mortgage loans. An important part of this new regime is the creation of a safe harbor for certain loans made according to the standards set out in the bill, and which will be detailed further in forthcoming regulations. Loans that meet this standard, called “*qualified mortgages*,” will have the benefit of a presumption that they are affordable to the borrowers.

Section 1411 explains the basis on which the regulator must establish the standards lenders will use to determine the ability of borrowers to repay their mortgages. Section 1412 provides that lenders that make loans according to these standards would enjoy the rebuttable presumption of the safe harbor for qualified mortgages established by this section. These standards include the need to document a borrower’s income, among others. However, certain refinance loans, such as VA-guaranteed mortgages refinanced under the VA Interest Rate Reduction Loan Program or the FHA streamlined refinance program, which are rate-term refinance loans and are not cash-out refinances, may be made without fully reunderwriting the borrower, subject to certain protections laid out in the legislation, while still remaining qualified mortgages.

It is the conferees’ intent that the Federal Reserve Board and the CFPB use their rulemaking authority under the enumerated consumer statutes and this legislation to extend this same benefit for conventional streamlined refinance programs where the party making the new loan already owns the credit risk. This will enable current homeowners to take advantage of current low interest rates to refinance their mortgages.

There are a number of provisions in title XIV for which there is not a specified effective date other than what is provided in section 1400(c). It is the intention of the conferees that provisions in title XIV that do not require regulations become effective no later than 18 months after the designated transfer date for the CFPB, as required by section 1400(c). However, the conferees encourage the Federal Reserve Board and the CFPB to act as expeditiously as possible to promulgate regulations so that the provisions of title XIV are put into effect sooner.

I would like to clarify that the conferees consider any program or initiative that was announced before June 25 to have been initiated for the purposes of section 1302 of the conference report. I also want to make clear that the conferees do not intend for section 1302 to prevent the Treasury Department from adjusting available resources that remain after the adoption of the conference report among such existing programs, based on effectiveness.

Mr. President, I also wish to explain some of the securities-related changes that emerged from the conference committee in the conference report.

The report amends section 408 to eliminate the blanket exemption for private equity funds and replace it with an exemption for private fund advisers with less than \$150 million under management. The amendment also requires the SEC in its rulemaking to impose registration and examination procedures for such funds that reflect the level of systemic risk posed by mid-sized private funds.

Section 913 has been amended to combine the principle of conducting a study on the standard of care to investors in the Senate bill with a grant of additional authority to the SEC to act, such as is contained in the House-passed bill. The section requires the SEC to conduct a study prior to taking action or conducting rulemaking in this area. The study will include a review of the effectiveness of existing legal or regulatory standards of care and whether there are regulatory gaps, shortcomings or overlaps in legal or regulatory standards. Even if there is an overlap or a gap, the Commission should not act unless eliminating the overlap or filling a gap would improve investor protection and is in the public interest. The study would require a review of the effectiveness, frequency, and duration of the regulatory examinations of brokers, dealers, and investment advisers. In this review, the paramount issue is effectiveness. If regulatory examinations are frequent or lengthy but fail to identify significant misconduct—for example, examinations of Bernard L. Madoff Investment Securities, LLC—they waste resources and create an illusion of effective regulatory oversight that misleads the public. The SEC, in studying potential impacts that would result from changes to the regulation or standard of care, should seek to preserve consumer access to products and services, including access for persons in rural locations. In assessing the potential costs and benefits, the SEC should take into account the net costs or the difference between additional costs and additional benefits. For example, it should consider not only higher transaction or advisory charges or fees but also the return on investment if an investor receives better recommendations that result in higher profits through paying higher

fees. After reporting to Congress, the SEC is required to consider the findings, conclusions, and recommendations of its study.

New section 914 requires the SEC to study the need for enhanced examination and enforcement “resources.” The study of resources should not be limited to financial resources but should consider human resources also. Human resources involves whether there is a need for enhanced expertise, competence, and motivation to conduct examinations that satisfactorily identify problems or misconduct in the regulated entity. For example, if examinations fail to identify misconduct due to insufficient staff expertise, competence, or motivation, the study should conclude that there is a need for more effective staff or better management rather than merely more financial resources devoted to hiring additional staff of the same caliber.

New section 919D creates the SEC Ombudsman under the Office of the Investor Advocate. The Ombudsman can act as a liaison between the Commission and any retail investor in resolving problems that retail investors may have with the Commission or with self-regulatory organizations and to review and make recommendations regarding policies and procedures to encourage persons to present questions to the Investor Advocate regarding compliance with the securities laws. This list of duties in subsection (8)(B) is not intended to be an exhaustive list. For example, if the Investor Advocate assigns the Ombudsman duties to act as a liaison with persons who have problems in dealing with the Commission resulting from the regulatory activities of the Commission, this would not be prohibited by this legislation.

Title IX, subtitle B creates many new powers for the SEC. The SEC is expected to use these powers responsibly to better protect investors.

Section 922 has been amended to eliminate the right of a whistleblower to appeal the amount of an award. While the whistleblower cannot appeal the SEC’s monetary award determination, this provision is intended to limit the SEC’s administrative burden and not to encourage making small awards. The Congress intends that the SEC make awards that are sufficiently robust to motivate potential whistleblowers to share their information and to overcome the fear of risk of the loss of their positions. Unless the whistleblowers come forward, the Federal Government will not know about the frauds and misconduct.

In section 939B, the Report eliminated an exception so that credit rating agencies will be subject to regulation FD. Under this change, issuers would be required to disclose financial information to the public when they give it to rating agencies.

In section 939F, the report requires the SEC to study the credit rating

process for structured finance products and the conflicts of interest associated with the issuer-pay and the subscriber-pay models; the feasibility of establishing a system in which a public or private utility or a self-regulatory organization assigns nationally recognized statistical rating organizations to determine the credit ratings of structured finance products. The report directs the SEC to implement the system for assigning credit ratings that was in the base text unless it determines that an alternative system would better serve the public interest and the protection of investors.

The report limits the exemption from risk retention requirements for qualified residential mortgages, by specifying that the definition of “qualified residential mortgage” may be no broader than the definition of “qualified mortgage” contained in section 1412 of the report, which amends section 129C of the Truth in Lending Act. The report contains the following technical errors: the reference to “section 129C(c)(2)” in subsection (e)(4)(C) of the new section 15G of the Securities and Exchange Act, created by section 941 of the report should read “section 129C(b)(2).” In addition, the references to “subsection” in paragraphs (e)(4)(A) and (e)(5) of the newly created section 15G should read “section.” We intend to correct these in future legislation.

The report amended the say on pay provision in section 951 by adding a shareholder vote on how frequently the compare should give shareholders a “say on pay” vote. The shareholders will vote to have it every 1, 2, or 3 years, and the issuer must allow them to have this choice at least every 6 years. Also in section 951, the report required issuers to give shareholders an advisory vote on any agreements, or golden parachutes, that they make with their executive officers regarding compensation the executives would receive upon completion of an acquisition, merger, or sale of the company.

The report required Federal financial regulators to jointly write rules requiring financial institutions such as banks, investment advisers, and broker-dealers to disclose the structures of their incentive-based compensation arrangements, to determine whether such structures provide excessive compensation or could lead to material losses at the financial institution and prohibiting types of incentive-based payment arrangements that encourage inappropriate risks.

In section 952, the report exempted controlled companies, limited partnerships, and certain other entities from requirements for an independent compensation committee.

Section 962 provides for triennial reports on personnel management. One item to be studied involves Commission actions regarding employees who have failed to perform their duties, an

issue that members raised during the Banking Committee's hearing entitled "Oversight of the SEC's Failure to Identify the Bernard L. Madoff Ponzi Scheme and How to Improve SEC Performance," as well as circumstances under which the Commission has issued to employees a notice of termination. The GAO is directed to study how the Commission deals with employees who fail to perform their duties as well as its fairness when they issue a notice of termination. In the latter situation, they should consider specific cases and circumstances, while preserving employee privacy. The SEC is expected to cooperate in making data available to the GAO to perform its studies.

In section 967, the report directs the SEC to hire an independent consultant with expertise in organizational restructuring and the capital markets to examine the SEC's internal operations, structure, funding, relationship with self-regulatory organizations and other entities and make recommendations. During the conference, some conferees expressed concern about objectivity of a study undertaken by the SEC itself. We are confident that the SEC will allow the "independent consultant" to work without censorship or inappropriate influence and the final product will be objective and accurate.

The report also added section 968 which directs the GAO to study the "revolving door" at the SEC. The GAO will review the number of employees who leave the SEC to work for financial institutions and conflicts related to this situation.

The report removed the Senate provision on majority voting in subtitle G which required a nominee for director who does not receive the majority of shareholder votes in uncontested elections to resign unless the remaining directors unanimously voted that it was in the best interest of the company and shareholders not to accept the resignation.

The report added the authority for the SEC to exempt an issuer or class of issuers from proxy access rules written under section 971 after taking into account the burden on small issuers.

In section 975, the report added a requirement that the MSRB rules require municipal advisors to observe a fiduciary duty to the municipal entities they advise.

In section 975, the report changed the requirement that a majority of the board "are not associated with any broker, dealer, municipal securities dealer, or municipal advisor" to a requirement that the majority be "independent of any municipal securities broker, municipal securities dealer, or municipal advisor."

In section 978, the report authorized the SEC to set up a system to fund the Government Accounting Standards Board, the body which establishes standards of State and local govern-

ment accounting and financial reporting.

The report added section 989F, a GAO Study of Person to Person Lending, to recommend how this activity should be regulated.

The report added section 989G to exempt issuers with less than \$75 million market capitalization from section 404(b) of the Sarbanes-Oxley Act of 2002 which regulates companies' internal financial controls. This section also adds an SEC study to determine how the Commission could reduce the burden of complying with section 404(b) of the Sarbanes-Oxley Act of 2002 for companies whose market capitalization is between \$75 million and \$250 million for the relevant reporting period while maintaining investor protections for such companies.

Section 989I adds a follow-up GAO study on the impact of the Sarbanes-Oxley section 404(b) exemption in section 989G of this bill involving the frequency of accounting restatements, cost of capital, investor confidence in the integrity of financial statements and other matters, so we can understand its effect.

The report added section 989J, which provides that fixed-index annuities be regulated as insurance products, not as securities. This provision clarifies a disagreement on the legal status of these products.

In section 991, the report changed the method of funding for the SEC so that it remains under the congressional appropriations process while giving the SEC much more control over the amount of its funding. The report also doubled the SEC authorization between 2010 and 2015, going from \$1.1 billion to \$2.25 billion, which will provide tremendous increase in SEC financial resources. These resources can be used to improve technology and attract needed securities and managerial expertise. However, the inspector general of the SEC and others have reported on situations where SEC financial or human resources have not been used effectively or with appropriate prior cost-benefit analysis. While the SEC is receiving more resources, we expect that it will use resources efficiently.

Mr. President, Senator DORGAN wishes to be heard, which pretty much will end the debate. I will take a minute or so to conclude, and then the votes will occur around 2 o'clock.

I ask unanimous consent that even though time may be expired, at least 10 minutes be reserved for the minority to be heard.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from North Dakota.

Mr. DORGAN. Mr. President, I will vote for the conference report on financial reform. Before I describe why I think it is essential to vote in favor, let me compliment Senator DODD. We have had some differences on some

issues, but that is not unusual. What is unusual is when a piece of legislation this complicated, this consequential, and this large gets to this point so we will have a final vote and it will go to the President for signature. It is going to make a difference. It is not all I would want. I would have written some of it differently. But there are provisions in this legislation that will prevent that which happened that nearly caused this country to have a complete economic collapse. That was the purpose of writing the legislation.

This bill on financial reform establishes a new independent bureau, housed at the Federal Reserve Board but not reporting to it, dedicated to protecting consumers from abusive financial products and practices. It puts in place systems to ensure taxpayer funds will not be used for Wall Street bailouts in the future. It creates an advanced warning system, looking out for troubled institutions to make sure we understand who they are and where they are, those whose failure would threaten financial markets and the economy. It imposes some curbs on proprietary trading and hedge fund ownership by banks. There are a number of things that are salutatory and important.

The vote this afternoon is a starting point, not an ending point. I make the point by showing the headlines that exist in the newspapers these days about the fact that there will be substantial amounts of work done to try to curb activities even in the executive branch with respect to rules and regulations which are now essential.

The PRESIDING OFFICER. The time under the control of the majority has expired.

Mr. DORGAN. I ask the Senator from Connecticut, my understanding is Republicans have 10 minutes. I began the process because the Republican Senator was not here to claim that. I will be happy to cease at this point, if he wishes to take his 10 minutes, and then complete my statement, or I could complete my statement with more time.

Mr. DODD. How much more time would my colleague require?

Mr. DORGAN. Probably 7 more minutes or so.

Mr. DODD. I think it follows more naturally that way.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. I appreciate the courtesy of the Senator from Nebraska.

We all understand why this legislation is trying to prevent this from ever happening again. I have shown this on the floor many times. This was from a credit company called Zoom advertising mortgages. We ran up to a near collapse of the economy with companies advertising this: Credit approval is just seconds away. Get on the fast track at Zoom Credit. At the speed of

light, Zoom Credit will preapprove you for a car loan, a home loan, a credit card, even if your credit is in the tank.

Then it says: Zoom Credit is like money in the bank. We specialize in credit repair and debt consolidation. Bankruptcy, slow credit, no credit? Who cares?

We wonder how this country got in trouble. Today on the Internet this exists. Nothing has changed. Speedy, bad credit loans. If you want to get a loan, you have bad credit, go to the Internet to this site. I am not advertising for them because clearly it is probably a bunch of shylocks running this operation. Bad credit, no credit, bankruptcy, no problem, no downpayment, no delays. Come to us, if you want money. Unbelievable.

This is on the Internet today. It describes why we have to pass this legislation and what we are trying to do to protect the American consumer and why regulations that come from this are so important. Easy loan for you. Instant approval. Regardless of your credit score or history, approval is guaranteed.

This sort of nonsense is not good business. It is not a sensible way to do things. It is what nearly bankrupted this country.

Wall Street Journal, July 14, let me read the first sentence: Shirley Davis, 66 years old, retired phone company administrator, lives in Brooklyn, NY, is more than \$33,000 dollars in debt, earns \$2,400 a month, filed for bankruptcy last month. Shortly before that, she ripped open an envelope from Capital One Financial Corporation which pitched her a credit card, even though it sued her 4 years ago to recover \$4,400 she owed on a different credit card from the same bank.

She is quoting now from the letter from Capital One:

At some point we lost you as a customer, and we would like to get you back.

Mrs. Davis said she was stunned. "Even I wouldn't give me a credit card at this point."

It is still going on. It is why passing this conference report is so essential.

Would I have written it differently? Yes. I would have restored part of Glass-Steagall. Ten years ago that was taken apart. Those protections were put in place after the last Great Depression, and they protected this country for 70 years or so. It should have been put back together.

I would ban the trading of naked credit default swaps. That is betting, not investing. I would have done that.

I would have imposed more aggressive curbs on proprietary trading by banks. If the taxpayer has to underwrite you as a commercial bank, you ought not have a casino atmosphere in your lobby.

Having said that, what was done in this legislation is a very substantial beginning. It is not an ending, No. 1.

No. 2, the regulatory agencies now have to do a lot of work to make this bill work, to make this bill effective, to stop what happened from ever happening again.

Finally, I believe there will be an additional need to legislate in the future to address some of the things I mentioned.

I believe the work done to get to this point in a Chamber in which it is very difficult for us to accomplish anything is a success. I commend my colleague, Senator DODD from Connecticut, and others who worked on this legislation in a thoughtful way to try to decide how we can stop this sort of thing. We all understood it. We heard these things on the radio and television. Massive loans, they would securitize them. They would trade the securities back up in derivatives and credit default swaps. Everybody was making money on all sides, but they were building a house of cards that came down and nearly collapsed this entire country's economy.

A lot of people, as I speak today, are still paying the price. They got up this morning without a job, millions and millions of them. They can't find work. They are the victims of this cesspool of greed we have watched for far too long. This legislation has great merit in advancing solutions to these issues. That is why I will vote yes. Is it perfect? No. Is it an end point? No. It is a starting point in a process that is very important.

I hope in the months ahead those who are charged with creating the regulatory environment to fix this, to implement this legislation, will get it right because they have the opportunity the way this is written to get this right if they are smart and effective and want to protect this country's economy.

Thanks to those who put this together. I intend to cast my vote as yes. I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Briefly, I thank my colleague from North Dakota. He has been an outspoken advocate on behalf of working families in the time we have served together. The concerns he has expressed consistently in this process are ones I appreciate very much. We did have a couple of disagreements over how to proceed, but that is the normal process of doing business. It was done with civility during the debate and consideration of the legislation. But I am deeply grateful to him for his contributions and those of his staff. He made some good suggestions, and I thank my friend.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. JOHANNES. Mr. President, I ask unanimous consent to speak for 10 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. JOHANNES pertaining to the introduction of S. 3593 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. LEVIN. Mr. President, if there is no one on the minority side waiting to speak, I ask unanimous consent that I be allowed to speak for 4 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. Mr. President, for too long, too many firms on Wall Street have had free rein to profit at the expense of their own clients, to engage in the riskiest sorts of speculation, to prosper from their risky bets when they pan out, and to have the taxpayers cover the losses when they do not pan out. For too long, there has been no cop on the beat on Wall Street.

That must end, and we can end it today by passing the Dodd-Frank bill. The legislation before us will rebuild the firewall between the worst high-risk excesses of Wall Street and the jobs and homes and futures of ordinary Americans.

The Permanent Subcommittee on Investigations, which I chair, spent 18 months and held four hearings investigating the causes of the financial crisis. The bill Senator DODD and so many others have crafted will do much to rein in the problems we identified in our four hearings and during our investigation, and I greatly appreciate the recognition of the role of our work on the subcommittee in Senator DODD's remarks last night.

This bill will prevent mortgage lenders such as Washington Mutual, the subject of our first hearing, from making "liar loans" to borrowers who cannot repay, from paying their salespeople more for selling loans with higher interest rates, and from unloading all the risk from their reckless loans on to the rest of the financial system.

This bill will dissolve the Office of Thrift Supervision, which looked the other way despite abundant evidence of Washington Mutual's abuses, as our second hearing showed.

This bill will bring new oversight and accountability to credit rating agencies, which, as our third hearing showed, issued inaccurate ratings that misled investors. Those ratings were paid for by the very same companies that produced the products being rated, which is a clear conflict of interest.

The bill before us will rein in the abusive practices of investment banks such as Goldman Sachs, the subject of our fourth hearing. It will sharply limit their risky proprietary trading. It will stop the egregious conflicts of interest that result when these firms package and sell investment products, often containing junk they want to dispose of, and then make a bundle betting against those very same products.

Those who claim this bill fails to rein in Wall Street cannot explain the massive amounts of effort and money Wall Street has spent to defeat this bill. If Wall Street likes this bill, it sure has a funny way of showing it.

The evidence from our investigation and from so many other sources is clear: We must put an officer back on the beat on Wall Street so the jobs, homes, and futures of Americans are not again destroyed by excessive greed. I commend Senator DODD and his staff and all those who have brought us to this historic moment. More than anything else, it is the power of Senator DODD's arguments and the deep respect for him among the Members of this body that have brought us to the finish line.

I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, let me again say to my great friend, we have served here a long time together, Senator CARL LEVIN of Michigan and I. He does a remarkable job as chairman of the Armed Services Committee and the Governmental Oversight Committee, which he also handles as well.

I am not sure my colleague was here, but I pointed out yesterday that the hearings the Senator held just prior—I am sure people think we orchestrate all these things; we look more organized than we usually are around here, but the fact is, the Senator from Michigan went off and had planned the hearings for months. The amount of work he and his staff did for months in preparation for those hearings threw a tremendous amount of light and great clarity on the subject so that the average citizen in this country could actually see—not just read something but see—a moment occurring during those 2 days when the exposure of what had occurred was so vivid and so clear. Then, frankly, it was a matter of days after that when we were on the floor considering the legislation.

As I said, I would love to tell people that that was a highly organized set of events. It was purely coincidental the way it occurred. Again, those hearings that occurred publicly involved weeks and months of preparation before they were actually conducted.

So I say to my friend from Michigan, I thank him immensely for his work, for his contribution to this bill as well, not for just the set of hearings but then working to include the provisions that are a part of this legislation. The Senator has made a very valuable contribution and has highlighted a very important point.

It was fascinating to me, by the way, as to the number of former chief executive officers from major financial firms in the country who strongly endorsed what the Senator was doing. This was not merely a suggestion coming from consumer groups or labor organizations

or others that one might associate with the Senator's idea. But people who literally had spent their careers in the financial services sector were strongly recommending the contributions the Senator made to the bill.

I do not think that was said often enough, that this was a significant contribution endorsed by those who understood, had worked, had earned livelihoods in this industry, who had watched an industry change dramatically over the years which subjected this country to the exposure that we are suffering from today.

So I thank my friend from Michigan.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I thank my dear friend from Connecticut. He has made such an extraordinary contribution, not just to this bill but to this Senate over the years. I cannot say enough about him, his extraordinary integrity and passion that he brings to these subjects.

Senator MERKLEY, on the proprietary trading language, of course, as the Senator from Connecticut has already recognized, is in the lead there and has been an absolutely great partner and leader on that.

But I want to especially thank the Senator from Connecticut for his passion and for his—and I was very serious about the respect with which the Senator is held in this body. Without it, without that feeling about the Senator, as well as the cause the Senator espouses with others, obviously, we would not be where we are today.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I thank my friend.

We are about to wrap up this long journey, now going back a long ways.

Let me mention a couple things. First of all, yesterday I included the names of the Senate Banking Committee staff who have made such a difference in the bill. I am not going to go back over all their names. They are arrayed in the Chamber. A couple of them are sitting next to me on the floor. Others are in the back. They are led by Eddie Silverman, who worked with me 20 years ago, as I arrived in the Senate. He spent decades with me and then left Senate service and went off and did other things in his life. At my request, he came back for the last year or so to be a part of this effort. So I thank a great personal friend, Eddie Silverman, for the job he did.

I thank Amy Friend, who was also deeply involved in this legislation. If I start down the list, I am going to miss somebody. That is always a danger. But I thank all of the Members for the tremendous work they have contributed to this legislation.

I thank HARRY REID, the majority leader. Again, I know I have talked about him on a couple of occasions.

But if we do not have someone to help bring this all together, it does not happen.

I see my colleague from the State of Washington. I do not know if she cares to be heard. I was sort of filling in time for the next few minutes.

Let me thank the Senator. She has been an advocate with great passion on these issues. She brought a great deal of knowledge. She is someone who has spent a career herself in the area of financial services and understands this issue beyond just the intellectual and theoretical standpoint but has lived it. She saw the successes of it and the failures of it. So she brings a great wealth of information and ability to the issue.

I yield to my colleague.

The PRESIDING OFFICER. The Senator from Washington.

Ms. CANTWELL. Mr. President, I thank the chairman for yielding time.

I thank the Senator for his diligence, particularly in the area of the derivatives market and the fact that this legislation will be the first time—the first time—the over-the-counter derivatives market in this country will be regulated.

The fact that Congress made a mistake and said hands off to derivatives in 2000, and then an \$80 trillion market exploded into what is today a \$600 trillion dark market—the chairman has now made sure that for the first time ever, over-the-counter derivatives will be regulated. That means for the first time over-the-counter derivatives will have to be exchange-traded, which means there will be transparency. It is the first time over-the-counter derivatives will have to be cleared, which means a third party will have to validate whether there is real money behind these transactions.

It is the first time the CFTC will be able to enforce aggregate position limits across all exchanges, which means you cannot hide this dark market derivative money on some exchange that is not properly regulated or try to make the market across all exchanges. It is the first time things like the London Loophole will be closed so we cannot have markets and exchanges that are not regulated. So the American people will know something as dangerous as credit default swaps—which brought down our economy—that now for the first time we will have regulation of these over-the-counter derivatives.

I thank the chairman for his efforts in that area.

A \$600 trillion market, which is greater than 10 times the size of world GDP, is a danger to our economy if it is not regulated. Thank God we are going to be regulating it for the first time. I would encourage all my colleagues on the other side of the aisle, who at one point in time said these are too complicated to understand—understand, they brought down our economy

and understand we are going to, for the first time, regulate over-the-counter derivatives.

I thank the chairman for his leadership.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I thank the Senator from Washington. Again, I thank her for her contribution.

Mr. President, we have arrived at that moment. Let me make a parliamentary inquiry. There are two votes, as I understand it. One is on the waiver of the budget point of order, and the second vote that will occur will be on adoption of the conference report. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. DODD. Mr. President, have the yeas and nays been ordered on the waiver of the budget point of order?

The PRESIDING OFFICER. They have.

Mr. DODD. Have the yeas and nays been ordered on adoption of the conference report?

The PRESIDING OFFICER. They have not.

Mr. DODD. Mr. President, I ask for the yeas and nays on the adoption of the conference report.

The PRESIDING OFFICER? Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DODD. Mr. President, in conclusion, I express my thanks to all. I want to thank the floor staff as well, both on the minority and majority side. We have spent a lot of time together over the last year, and I am deeply grateful to them for the orderly way in which they conduct their business and how fair and disciplined they are about making sure the floor of the Senate runs so well. So I thank them immensely for their work.

I urge my colleagues to waive the point of order and to support this historic landmark piece of legislation that we hope will set our country on a course of financial stability and success in the generations to come.

I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The yeas and nays have been ordered.

The clerk will call the roll.

The bill clerk called the roll.

The yeas and nays resulted—yeas 60, nays 39, as follows:

[Rollcall Vote No. 207 Leg.]

YEAS—60

Akaka	Cardin	Hagan
Baucus	Carper	Harkin
Bayh	Casey	Inouye
Begich	Collins	Johnson
Bennet	Conrad	Kaufman
Bingaman	Dodd	Kerry
Boxer	Dorgan	Klobuchar
Brown (MA)	Durbin	Kohl
Brown (OH)	Feinstein	Landrieu
Burr	Franken	Lautenberg
Cantwell	Gillibrand	Leahy

Levin	Nelson (FL)	Specter
Lieberman	Pryor	Stabenow
Lincoln	Reed	Tester
McCaskill	Reid	Udall (CO)
Menendez	Rockefeller	Udall (NM)
Merkley	Sanders	Warner
Mikulski	Schumer	Webb
Murray	Shaheen	Whitehouse
Nelson (NE)	Snowe	Wyden

NAYS—39

Alexander	DeMint	LeMieux
Barrasso	Ensign	Lugar
Bennett	Enzi	McCain
Bond	Feingold	McConnell
Brownback	Graham	Murkowski
Bunning	Grassley	Risch
Burr	Gregg	Roberts
Chambliss	Hatch	Sessions
Coburn	Hutchison	Shelby
Cochran	Inhofe	Thune
Corker	Isakson	Vitter
Cornyn	Johanns	Voinovich
Crapo	Kyl	Wicker

The PRESIDING OFFICER. On this vote, the yeas are 60, the nays are 39. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

Mr. REID. Mr. President, I have been conferring off and on throughout the day with the Republican leader. There will be no more votes today following final passage. That will be the last vote today.

We are going to swear in the new Senator from West Virginia at 2:15 p.m. on Tuesday. Immediately after that, as soon as that is over, at 2:30, we will vote on extending unemployment benefits.

The Republican leader and I are working on a way to move forward on small business. I think we have a pretty good path figured out on that.

After that, it is my intention to move to the supplemental appropriations bill. It appears that we are going to have to have a cloture vote. I think we can work out the time on that and not spend too much time.

I have conferred with the Republican leader at the beginning of the work period, on Monday. We have a list of things we need to accomplish before we leave here. As everybody knows, we are going to be here either 4 or 5 weeks. The leaders—Democrat and Republican—are betting on 4 rather than 5 weeks. But we need cooperation to get that done.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 60, nays 39, as follows:

[Rollcall Vote No. 208 Leg.]

YEAS—60

Akaka	Boxer	Carper
Baucus	Brown (MA)	Casey
Bayh	Brown (OH)	Collins
Begich	Burr	Conrad
Bennet	Cantwell	Dodd
Bingaman	Cardin	Dorgan

Durbin	Leahy	Rockefeller
Feinstein	Levin	Sanders
Franken	Lieberman	Schumer
Gillibrand	Lincoln	Shaheen
Hagan	McCaskill	Snowe
Harkin	Menendez	Specter
Inouye	Merkley	Stabenow
Johnson	Mikulski	Tester
Kaufman	Murray	Udall (CO)
Kerry	Nelson (NE)	Udall (NM)
Klobuchar	Nelson (FL)	Warner
Kohl	Pryor	Webb
Landrieu	Reed	Whitehouse
Lautenberg	Reid	Wyden

NAYS—39

Alexander	DeMint	LeMieux
Barrasso	Ensign	Lugar
Bennett	Enzi	McCain
Bond	Feingold	McConnell
Brownback	Graham	Murkowski
Bunning	Grassley	Risch
Burr	Gregg	Roberts
Chambliss	Hatch	Sessions
Coburn	Hutchison	Shelby
Cochran	Inhofe	Thune
Corker	Isakson	Vitter
Cornyn	Johanns	Voinovich
Crapo	Kyl	Wicker

The conference report was agreed to.

Mr. DODD. Mr. President, I move to reconsider the vote by which the conference report was agreed to and to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 30 minutes.

NOMINATION OF ELENA KAGAN

Mr. SPECTER. Mr. President, I have sought recognition to state my position on the nomination of Solicitor General Elena Kagan to be Associate Justice of the Supreme Court of the United States and to comment about the appropriate role of the Senate, what is happening to the doctrine of separation of powers, and how institutionally the Senate might assert itself to stop the erosion of powers from this body to the Court and from the Congress to the executive branch.

I am supporting Ms. Kagan because of her intellect, her professional background, her academic background, and because I think she will be an effective balance in the ideological battle which is being waged in the conference room of the Supreme Court—the ideological balance which is so sorely needed at the present time.

The hesitancy I have had, as I have expressed it in the hearings, has been on the failure of Ms. Kagan to respond with substantive answers so that Senators would have a realistic idea as to where she stands philosophically on some of the very important questions of the day—not how she would decide cases but what standards she would apply if confirmed, and I will be very specific about that.

It has been especially troublesome because Ms. Kagan has been outspoken in the past about the importance of having substantive answers in nomination proceedings. She wrote a now-famous article for the University of Chicago Law Review criticizing Supreme

Court proceedings on nominations by saying that they were vacuous and a farce and by name criticized Justice Ruth Bader Ginsburg and Justice Stephen Breyer for not answering questions and, in effect, criticized the Senate and Senators for not asking and pressing questions to find out where nominees stood. There was a similar article written by a young lawyer in Phoenix, AZ, named Bill Rehnquist, back in 1958, for the *Harvard Law Record*, where he criticized the confirmation proceeding of Supreme Court Justice Whittaker, saying that the Senate did not ask questions about the important substantive matters. During the confirmation of Chief Justice Rehnquist, I asked him a series of questions which he declined to answer; I cited his own words, and then he answered a few—not very many, just about enough to be confirmed. Which has been my conclusion, generally, having been a party now to 13 confirmation hearings. Nominees answer just about as many questions as they think they have to.

When Justice Scalia came up for confirmation in 1986, he answered virtually nothing. When the question came up about *Marbury v. Madison*, he said: Well, I can't answer that question. It might come before the Court.

May the RECORD show the look of amazement on the face of the distinguished Senator from Minnesota who is presiding. I was frankly amazed by it myself.

But, with the tenor of the times, following the very contentious nomination proceeding of Chief Justice Rehnquist, and other factors, Justice Scalia was confirmed handily, 98 to nothing.

I have seen him frequently at social events. I saw him at one a couple of weeks ago. I commented to a group standing with him that prisoners of war give their name, rank, and serial number, but in the Scalia nomination proceeding he would only give his name and rank. It just about amounted to that.

Following the hearing on Justice Scalia, Senator DeConcini and I were formulating a resolution which would establish standards that Senators would insist on, or could insist on—some guidance to try to get more forthcoming answers. Then we had the confirmation hearing of Judge Robert Bork, who answered questions. Judge Bork did so in a context of having very extensive legal writings, an article in the *Indiana Law Journal* in 1971 on original intent. In the context of that article, and books, many speeches, law review articles, I think it is realistic to say that Judge Bork had no alternative but to answer questions.

Since the Bork hearings, the pattern has evolved where nominees do not give substantive answers. It is a well-known fact of confirmation life that

there are murder boards. That is what they call them, when the nominee goes down to the White House and they have practice sessions. Since that time it has been pure prepared pabulum. That is what we get in these hearings.

So there had been reason to expect more from Ms. Kagan. We didn't get it. I had expressed at the hearings the concern as to how we could get answers on substantive issues and was there any way to find that out short of voting "no," and rejecting a nominee? I decided it would not be sensible to vote no to issue a protest vote in the context of what has regrettably become the standard. Ms. Kagan was following the accepted practice. Why not, in the face of that strong advice from the White House and the success of all of the nominees who have stonewalled and been confirmed?

I have since discussed with a number of my colleagues the prospect of reverting to what Senator DeConcini and I had thought about in early 1987, to try to establish some standards. Not that Senators would be bound to follow them. We have our stature under the Constitution to ask questions as we choose. We cannot compel answers. Perhaps they would not be followed. But it could obviate one line of excuse that nominees have given: They better not be too specific or they may breach the standard of ethics. If the Senate were to establish standards as to what we were looking for, for confirmation—it is our constitutional role—there might be some benefit.

In looking further, to try to make a determination on the Kagan nomination, there were two of her responses which I found impressive. One was her comments about Justice Thurgood Marshall, for whom she had clerked, who was a role model. There was extensive testimony about her admiration for the way he decided cases. I inferred from that, that looking as best I could to find her philosophy, ideology, where she would stand, that she would be protective of civil rights, protective of constitutional rights, of individual rights, and respectful of rights of the Congress.

The second line of answers which she gave which I thought—and I do think—is very important is her very positive attitude about televising the Supreme Court. I will come to that in a few minutes, because there is an urgent need to find some line to have some influence on the Court as to their following precedent on *stare decisis*, as to their respecting the constitutional role of the Congress in fact finding. They have judicial independence and are the bulwark of the Republic. The rule of law is what makes the United States famous for the stability of our government and that is very highly prized. In the long history of this country, it has been the courts which have protected civil rights. It was the Supreme Court, as we

all know, in *Brown v. Board of Education*, where the Court did what the Congress did not have the political courage to do, nor did the President have the political courage to do, to integrate schools in America—the best example but only one example of where the courts have stood up as a bulwark to do what the elective branches have not had the political courage to do.

Now on to the specifics, as to the concerns on the substantive questions to which Ms. Kagan did not give substantive answers. I pressed her hard on the separation of powers. We all know of the three branches of government. Congress was article I, thought by the Framers to be the most important; the executive, President, No. II; and the Court, No. III. I think if the Constitution were to be rewritten today the numbers would be changed. The Court would be No. I, and the other branches would be a distant second and third, but again the executive would be ahead of the legislative branch because of the way the Court has interpreted the law.

Coming to the first line of legislative responsibility, it is fact finding on which we make a determination of what ought to be enacted by way of public policy. The Supreme Court of the United States has changed the rules of the game. For a long time it was a "rational basis" test, to decide whether the record was sufficient for the legislation which was enacted.

Then, in 1997, in a case captioned *City of Boerne*, the Supreme Court of the United States adopted a new standard: Was the evidence proportionate and congruent; the test of proportionate and congruent. That test, with its fluidity, has been the basis for the Supreme Court legislating, taking over from the Congress. Now it is the Supreme Court which decides the sufficiency of the record on a test which is not discernible with any specificity. Justice Scalia has called the test a "flabby test," which is used for judicial legislation. That was the fact in the case of *United States v. Morrison*, which tested at the time constitutionality of legislation to protect women against violence and there was, in the hearings leading to that important legislation, a mountain of evidence as described by Justice Souter in dissent. Yet the Court overturned that important statute to protect women against violence, citing the Congress's "method of reasoning." It is a little hard to understand what that means. We are not perfect around here. There are a lot of failures in this body, especially now—even some failures across the Rotunda in the House of Representatives. But who can challenge the method of reasoning and what miraculous occurrence is there, when somebody leaves the hearing room of the Judiciary Committee, walks across Constitution Avenue, across the green from this Chamber, and suddenly is in

a position to have some superior reasoning? But that legislation went down, as has so much legislation.

Another illustration is in *Citizens United*, where a 100,000-page report was amassed, detailing the problems with what goes on with money in politics and what the corrupting influence is. As a result, the McCain-Feingold law was passed, and, in *Citizens United*, the critical section was declared unconstitutional. So there you have a tremendous shift in power from the Congress of the United States to the courts, to the Supreme Court. What we legislate on our traditional standards—we have the institutional expertise, and I am going to come to that in some greater detail in a few moments, analyzing the positions which have been taken by Chief Justice Roberts and Justice Alito.

But first an analysis of a decisive shift from the power of the Congress of the United States to the executive branch, to the President. Here again I will be specific. Arguably the most dramatic historic confrontation between Congress and the President is the Foreign Intelligence Surveillance Act, which establishes the exclusive way to invade privacy and get a wiretap contrasted with the Terrorist Surveillance Program, initiated by President Bush, for warrantless wiretapping.

It was a Friday in December of 2005. I chaired the Judiciary Committee. We were in the final day on the reauthorization of the PATRIOT Act, and that morning the New York Times broke the information about this secret program of warrantless wiretapping.

As it was expressed on the floor that day, Senators who had been prepared to vote to reauthorize the PATRIOT Act declined to do so. There was an extended proceeding—which is not relevant to the specific point I am making now. But back to the point, a Federal judge in Detroit declared the Terrorist Surveillance Program unconstitutional. The case went on appeal to the Court of Appeals for the Sixth Circuit, which declined to hear the merits in a 2-to-1 decision on standing grounds.

The petition for cert. to the Supreme Court to take the case was denied, no reason given. The doctrine of standing is a very flexible doctrine, which I think, in a practical sense, although inelegantly stated, accurately stated, it is the way the Court ducks a case if they don't want to hear the case. It avoids a judicial decision. But any fair-minded reading of the dissenting opinion in the Sixth Circuit would say there was plenty of room for a judicial decision, adequate basis for standing in that case.

We currently have before the Judiciary Committee legislation on another issue which illustrates the shift of power from the Congress to the executive branch because of the failure of the Supreme Court to decide a case,

and that involves the litigation brought by survivors of people killed on 9/11 against, among others, the Government of Saudi Arabia, Saudi princes, and Saudi charities, litigation where there is an enormous factual record showing the connection between financing of al-Qaida and the Saudi charities, which are really instrumentalities of the Saudi Government, and showing the financing from Saudi princes and from the government itself.

The Second Circuit denied the claim on what I think is a spurious ground, saying that Saudi Arabia is not on the list of countries declared by the State Department to be terrorist states. Well, there is an alternative under the immunity statute, and that is for tortious conduct, that is wrongful actions. Certainly that would encompass flying a plane into a building. And Senator SCHUMER, Senator LINDSEY GRAHAM, and I have introduced legislation to clarify this issue.

When an application was made for certiorari to the Supreme Court, the administration opposed having the Supreme Court hear the case on the ground that the acts by the Saudis in financing the terrorists occurred outside of the United States. That hardly is a rational basis when you plot in Saudi Arabia and pay money to bring terrorists to the United States, to board airplanes, to hijack the planes to fly into American buildings, to fly and crash in Pennsylvania, fly and crash into the Pentagon. That certainly happened in the United States. It is arguably the most barbaric conduct in the history of mankind, certainly among the terrorists.

Now I mention these cases because when I pressed Ms. Kagan—and others did—what standard would you apply? Going back to the factfinding, the two standards are proportionate and congruent, contrasted with rational basis.

Now, that is not asking a nominee to decide a case; that is asking a nominee to decide a standard—certainly well within the ambit of Ms. Kagan's famous law review article in 1995. But she simply stated she would not answer.

On the cases involving the terrorist surveillance program and on the 9/11 litigation, would she grant to hear the case—not how she would decide the case but would she take the case? Again, a refusal to answer the question.

So in this context, we are really searching for ways to find out more about the nominees, and Ms. Kagan has said just enough to get my vote because of voting my hopes, rather than my fears, that she will be in the mold, as a general sense, of Justice Thurgood Marshall and also because of her position on television, which I think has the potential for being a very ameliorating factor in what goes on in the Supreme Court, and that is the business of publicity.

The famous article “What Publicity Can Do” by lawyer Louis D. Brandeis back in 1913 provides insights as to where we might go in the modern world with television. In that article, Brandeis made the famous statement that, “Sunlight is said to be the best of disinfectants.” Well, that may be a little strong for these circumstances. We are not exactly looking at it as a disinfectant, but neither was Brandeis, and he was really talking about publicity as the way to deal with problems in our society. I believe that if we had publicity and people understood what was going on, there would be a realistic chance to have the Court respect the powers of Congress and have the Court respect the separation of power between the President and the Congress.

I now turn to the confirmation proceedings as to Chief Justice Roberts and Justice Alito, which bear very heavily on this subject. Both of the nominees were questioned at length during the course of the nomination proceeding, and this is what Chief Justice Roberts testified to on the question of factfinding:

The reason that Congressional factfinding and determination is important is because the courts recognize they can't do that. The Supreme Court cannot sit and hear witness after witness in a particular area and develop that kind of a record. Courts can't make the policy judgments about what type of legislation is necessary in light of the findings that are made. The courts don't have it, Congress does. It is constitutional authority. It is not our job.

He goes on to say:

When the courts engage in factfinding, they are really, in effect, legislating.

These are his exact words in the confirmation hearing:

As a judge, you may be beginning to transgress into the area of making a law. That is when you are in a position of reevaluating legislative findings because that doesn't look like a judicial function.

This is what Justice Alito had to say in his confirmation hearing:

The Judiciary is not equipped at all to make findings about what is going on in the real world, not this sort of legislative findings. And Congress, of course, is in the best position to do that. Congress can have hearings and examine complex social issues, receive statistical data, hear testimony from experts, analyze that and synthesize that and reduce that to the findings.

These two Justices were in the five-person majority which disregarded 100,000 pages of congressional findings to make a declaration that McCain-Feingold was unconstitutional.

Then you had the similar issue of *stare decisis*.

The best way to limit judicial activism is by respecting what the Congress has done on factfinding, and when the Court disregards congressional factfinding and substitutes its own judgment on policy, they are making the law. That is conceded by the citations I have read.

Then there was extensive questioning of both Chief Justice Roberts and Justice Alito on the issue of *stare decisis*.

This is what Chief Justice Roberts had to say, in part, about *stare decisis*:

I do think that it is a jolt to the legal system when you overrule a precedent. Precedent plays an important role in promoting stability and evenhandedness. It is not enough that you may think the prior decision was wrongly decided.

Justice Alito said about the same thing, in part:

It is important—

That is, *stare decisis* is important—because it limits the power of the judiciary. It is important because it protects reliance interests.

These are two of a five-person majority which decided in *Citizens United* that McCain-Feingold was unconstitutional.

This is what Seventh Circuit Judge Richard Posner, a distinguished jurist and a commentator on the Court, had to say about the role of Chief Justice Roberts in these decisions, coming from his book “How Judges Think”:

Less than two years after his confirmation, he demonstrated by his judicial votes and opinions that he aspires to remake significant areas of constitutional law. The tension between what he said at his confirmation hearing and what he is doing as a justice is a blow to Roberts's reputation for candor and further debasement of the already debased currency of the testimony of nominees at judicial confirmation hearings.

In going into these issues, as to the contrast between what Chief Justice Roberts and Justice Alito testified to and what they have done once on the Court, I do not challenge their good faith. I understand the difference between what happens in a judicial confirmation hearing and what happens in court when there is a case in controversy to be decided by the Justices of the Supreme Court. But these variations are so stark that had there been an understanding by Senators on these confirmation hearings as to the judicial philosophy and how factfinding would be handled in court and how precedents and *stare decisis* would be handled in court, to take the opinion by Chief Justice Roberts, his concurring opinion in *Citizens United* where they disregarded the Austin case as an “aberration”—there is your license to eliminate *stare decisis*: the case is an aberration, down the drain. So what happened to precedent? Is *Roe v. Wade* safe based on that standard? I questioned Chief Justice Roberts at length about *Roe v. Wade* and the successor case, *Casey*, and how the case stood.

Austin was not reversed when the Supreme Court had an opportunity to do so. Chief Justice Roberts says in his opinion: Well, nobody asked the Supreme Court to reverse the Austin case. Well, the way the Court reached for the Hillary movie in *Citizens United*, the way they reconstructed the issue, you do not have to—it is a thin

veneer to say that the Court is guided and that it is determinant who raises an issue and who asked the Court for a decision.

What can be done to have Justices adhere to standards agreed to at their hearings? I spoke earlier about the sanctity of judicial independence and how the Court is the bulwark of our Republic and the rule of law. The most promising idea that I have found is to demonstrate to the public what the Court does, how powerful the Court is, and how it makes decisions on the cutting edge of all of the judgments in society. It decides who lives and who dies, a woman's right to choose. It decides on late-term abortion. It decides on the death penalty. It decides whether juveniles may be executed for crimes committed below the age of 18. It decides affirmative action, who goes to school, who gets into the best colleges, who gets a job. It decides assisted suicide. It decides cases of international law. It is the ultimate arbiter on all the cutting-edge issues.

America is cited as being the most litigious country on the face of the Earth, but there is not an understanding among the public as to how far the power of the Supreme Court is, how they have taken it from the Congress, how they have let the executive branch take it from the Congress.

In an article published yesterday in the Washington Post, Stuart Taylor, Jr., a noted commentator on the Supreme Court, had some interesting observations on this precise subject. This is what he wrote in part:

The key is for the Justices to prevent judicial review from denigrating into judicial usurpation.

This goes right to the point of separation of powers, to defer far more often to the elected branches. Well, that is the Congress. That is the hue and cry. That is the question asked every time we have a confirmation hearing in the Judiciary Committee: Will you interpret the law rather than make the law? But these are matters where demonstrably they make the law.

Then Taylor goes on to write:

... the justices know that as long as they stop short of infuriating the public, they can continue to enjoy better approval ratings than Congress and the President, even as they usurp those branches' powers.

This is an interesting test, the first time I have seen it articulated this way. It is the “infuriating the public test.” Whatever you may say in a democracy, in our society, the public has the ultimate power, and it is felt in many ways, perhaps even by osmosis. But wherever you go, when the public attitude changes on segregation, the Supreme Court changes the decision. When the public attitude changes on sexual orientation, the Supreme Court's position changes on sodomy cases. When we find so many States

recognize same-sex marriage, it is a change recognized by the courts, as the Massachusetts court recently did in declaring the Defense of Marriage Act unconstitutional. It wouldn't have happened when it was passed 86 to 14 in the Senate of the United States in 1996. So how do we activate the doctrine of “infuriating the public”?

The best way, to my knowledge, is to televise the Court. In that magnificent chamber across the green from where I stand, we have a room which seats about 300 people fighting to get in there for about 3 minutes. That is where the most important business of the country is being conducted. Years ago the Supreme Court decided that when it came to judicial proceedings newspapers had a right to be in the courtroom. That same logic would give television cameras and electronic radio similar rights to inform the public. That was a case in 1940. Today the information is gleaned largely from television and, to a lesser extent, by radio. So if the public knew what was going on in the Supreme Court, if they understood it, there would be a chance that they would be a little more respectful of the constitutional doctrine of separation of powers.

When the case of *Bush v. Gore* was scheduled for argument, then-Senator BIDEN and I wrote to Chief Justice Rehnquist asking that television cameras be permitted inside the courtroom. To get inside the courtroom that day, one practically had to be on the Judiciary Committee. It was packed. Americans should have been able to see it.

Surrounding the building on all sides were mobile television units. I am not sure exactly what they were doing. The most they could have would be stand-ups outside the chamber because they couldn't get inside the chamber. That day the Supreme Court did release an audio of the proceedings, which was a novelty at that time. They have done that occasionally since, but relatively rarely.

Mr. President, in the face of these factors, I have been pressing for more than a decade for legislation to televise the Supreme Court. It has come out of the Judiciary Committee, once 12 to 6, and, most recently this year, 13 to 6, first, a legislative proposal which would call for the Supreme Court to be televised and, second, a sense-of-the-Senate resolution urging the Supreme Court on its own to be televised.

I believe as a legal matter that the Congress has the authority to require the Supreme Court to be televised. I say that because it is an administrative function. Congress has the authority to decide, for example, how many Justices there will be on the Court, illustrated by the famous Roosevelt Court packing plan where the effort was made to raise the number from 9 to 15 new faces to control the decision.

The Congress by law establishes the number of Justices—six—for a quorum. The Congress decides that the Court will begin its session on the first Monday in October. The Congress has set the time limits on habeas corpus matters in the appellate system under the Speedy Trial Act. I think a strong case—in fact, the appropriate conclusion—is that Congress has the authority to act in this field.

There are now cameras in the United Kingdom's Supreme Court. They are now televised in Canada. They are now televised in many State supreme courts. They are now televised in two Federal appellate courts.

A recent poll was conducted and released on the day of the start of hearings on Solicitor General Kagan. That poll, conducted by C-SPAN, showed that 63 percent of the American people think the Court ought to be televised. Among the 37 percent who said no, when they were told that the proceedings are open to the public but people have to come to Washington to see them and can only stay for 3 minutes, most of those folks decided they ought to have television.

So the number went from 63 to 85 percent of the American people who think the Supreme Court ought to be televised. That is a pretty good indication that the Congress ought to act; that if the Supreme Court will not open its doors on a voluntary basis, the Congress ought to respond.

On recent nominations I have asked every nominee: What is your attitude on television? I was pleased. Both in the informal meeting with Ms. Kagan and in her testimony before the Judiciary Committee, she said she was in favor of television; that the more information the public has, the better off our society is. It is a pretty obvious conclusion, but she would press the issue if seated.

Another key factor in my affirmative vote for Ms. Kagan is her sense of humor, her quick wit, which she displayed. She was even almost a match for the distinguished junior Senator from Minnesota, who has had some expert experience in that line. I think that will stand her in good stead in the ideological battle in that small conference room where these big decisions are made.

Chief Justice Roberts said he would be open to the idea. Justice Alito testified he voted for it on the Third Circuit but would want to confer with his colleagues. I believe Justice Breyer said in a hearing on the budget in the House of Representatives a few months ago that television was inevitable. Justice Ginsburg was quoted at one point as saying that if it were gavel to gavel, it would be satisfactory. Justice Scalia has been negative about it most of the time because there would only be snippets, but if some way could be found to have gavel to gavel so that it

was not just a snippet, there may be some flexibility on his part.

It is an item whose time has come because, institutionally, we ought to be doing something about it in the Senate. Institutionally, we have the responsibility to confirm. We aren't doing a very good job of finding out what a reasonable understanding is of where these nominees are heading. While we are fiddling, our institutional power is burning. If we lose much more of it, what we legislate to will not amount to a tinker's dam when the Supreme Court disagrees with our factual findings no matter how voluminous and solid they may be. What power is left is going to gravitate down Pennsylvania Avenue to the White House. So it is time to sit up and take notice.

Ms. Kagan quoted me in her 1995 Law Review article, saying that I said one day the Senate is going to have to stand up on its rear legs and reject a nominee. Well, now is not the right day, in my opinion, for the reasons I have said.

One other point I want to make. I would ask how much time I have remaining, but I think a more appropriate question would be how much time have I gone over?

The PRESIDING OFFICER (Mr. FRANKEN). The Senator has consumed his time.

Mr. SPECTER. What is the answer to my question?

The PRESIDING OFFICER. Seventeen minutes extra.

Mr. SPECTER. Extra?

The PRESIDING OFFICER. Yes.

Mr. SPECTER. Mr. President, I ask unanimous consent for 4 more minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. Only one colleague is present. He is the congenial junior Senator from Florida. I thank my colleague.

I want to make one more point. That is on the issue of the Supreme Court taking more cases. Here again, if there was transparency, America would be outraged at the workload on the Supreme Court, as the Court has moved from one clerk, to two clerks, to three clerks, to four clerks. And I do not begrudge them the time between the session ending in late June and the first Monday in October, where they travel and lecture and write books. But I am much concerned about the circuit splits.

For anyone who may be watching on C-SPAN2—and I know my aunt and sister are watching—these cases are very important because if the Third Circuit, having Pennsylvania, New Jersey, and Delaware, decides a case one way and the Ninth Circuit, governing the Western States, decides it another way, and the case arises in Wichita, KS, nobody knows which precedent to follow because the circuits are autonomous.

There are many important cases which the Supreme Court does not de-

cide when there are circuit splits and they have time to decide them. They have time to decide the conflict between the Foreign Intelligence Surveillance Act and the Terrorist Surveillance Program. They have time to hear the case involving the 9/11 terrorist attacks and sovereign immunity.

But these are the statistics which are very informative: In 1886, the Supreme Court decided 451 cases. In 1987, the Supreme Court wrote 146 opinions. That was cut by less than half in 2006 to 68, in 2007 to 67, in 2008 to 75, 2009 to 73; this in the face of Chief Justice Roberts's testimony at his confirmation hearing that the Supreme Court ought to hear more cases. Ms. Kagan said about the same thing. My recollection is that Justice Sotomayor said about the same thing.

So here, again, it is a matter of the public understanding it. We are very conscious in this body about not missing votes. When I miss votes, it appears in the Philadelphia Inquirer or the Pittsburgh Post-Gazette. The public does not like to see ARLEN SPECTER missing votes. I am paid to vote.

Well, you cannot vote on a case if you do not take a case. But having the discretion not to take the case just leaves this level of workload with circuit splits undecided, and this is something which ought to be handled.

I have legislation pending to compel the Supreme Court to take, for example, the Terrorist Surveillance Program litigation. Most people do not know, but Congress cannot decide cases for the Court. The Congress can mandate what cases they take, as we did the flag burning case, as we did McCain-Feingold, and many other cases.

So it is my hope that when we confirm Ms. Kagan—and it looks like we will confirm her—we will pause on the nomination proceedings and focus on their utility, if not to get substantive answers to see what intellectual dexterity the nominee has, but providing an opportunity to review what the Court is doing. We have to bone up on what happened since the last nomination proceeding. I think the record is open to substantial question. I think those questions could be answered for the reasons I have given, if we move ahead with television.

Mr. President, in conclusion, I ask unanimous consent that a full copy of the text of my prepared statement be printed in the RECORD with these exact words so people will understand what I have said up until now is repeated to some extent in the formal written statement. Mr. President, I refer my colleagues to the two letters which I wrote to Chief Justice Roberts in anticipation of his nominating proceeding, three letters I wrote to Justice Alito, three letters I wrote to Justice Sotomayor, and three letters I wrote to Ms. Kagan. All have previously been printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Mr. President, I have sought recognition to speak on the nomination of Solicitor General Elena Kagan to be an Associate Justice of the Supreme Court of the United States. General Kagan comes before us with an impressive background. She received her bachelor's degree *summa cum laude* from Princeton University, her master's degree through a prestigious fellowship at Oxford University, and her law degree *magna cum laude* from Harvard Law School. She was a clerk for Judge Abner Mikva of the DC Circuit and for Supreme Court Justice Thurgood Marshall. She practiced law at a top private firm, Williams & Connolly, and served as special counsel on the Senate Judiciary Committee. General Kagan was an associate White House counsel to President Bill Clinton and Deputy Assistant to the President for Domestic Policy and Deputy Director of the Domestic Policy Council. General Kagan has taught constitutional and administrative law as a tenured professor at two of the country's best law schools, Harvard and the University of Chicago. A breaker of glass ceilings, General Kagan became the first female Dean of Harvard Law School and the first female Solicitor General of the United States, in which capacity she argued six cases before the Supreme Court. Given these extraordinary credentials, it is little surprise that the American Bar Association's Standing Committee on the Federal Judiciary gave General Kagan a unanimous "well-qualified" rating.

One characteristic of General Kagan which, I think, is a subtle but important trait is her sense of humor. She is a real intellectual beyond any question. And I think that since the Court is an ideological battleground, it is good to have somebody there to go against the ideologues, like Justice Scalia in particular. A sense of humor is, in my opinion, a high level intellectual characteristic. General Kagan is very good at humor. As I said in the hearing, that trait is very much to her credit because it demonstrates that she's fast on her feet and I suspect it will serve her well as she sits with her colleagues at that intimate conference table and casts her votes on cases of monumental import.

In addition to her impressive resume and quick wit, General Kagan brings with her a striking show of support from lawyers representing all points on the ideological spectrum. The outpouring of accolades from conservatives includes the testimony of Professor Jack Goldsmith of Harvard Law School, a respected scholar whose own views are much closer to those of Justice Scalia than to those of General Kagan. Professor Goldsmith, who served in the Bush Department of Justice and Department of Defense, had this to say about Elena Kagan:

Based on my experiences with Kagan, my reading of her scholarly work, and my assessment of her very successful legal career, I believe that she will be a truly outstanding Supreme Court Justice. I urge this Committee to approve her nomination and the entire Senate to confirm her.

Professor Goldsmith also testified to General Kagan's deep knowledge of the areas of law which arise often before the Court. "As an academic," he explained, "Kagan taught and was expert in constitutional law, administrative law, First Amendment law, civil procedure, and labor law. These subjects constitute a large chunk of the Supreme Court's docket . . . Elena Kagan is immensely quali-

fied to serve on the Supreme Court. She should be easily confirmed."

Professor Goldsmith is not alone in his effusive praise for General Kagan; many other conservatives have expressed strong support for her confirmation. Miguel Estrada, a conservative lawyer nominated to the D.C. Circuit by President Bush, wrote in his letter of support that "Elena possesses a formidable intellect, an exemplary temperament and a rare ability to disagree with others without being disagreeable . . . Elena is an impeccably qualified nominee."

Professor Michael McConnell, a constitutional law expert at Stanford and a former Bush-appointed federal appellate court judge, also speaks highly of General Kagan. He writes,

On a significant number of important and controversial matters, Elena Kagan has taken positions associated with the conservative side of the legal academy. This demonstrates an openness to a diversity of ideas, as well as a lack of partisanship, that bodes well for service on the Court . . . Publicly and privately, in her scholarly work and her arguments on behalf of the United States, Elena Kagan has demonstrated a fidelity to legal principle even when it means crossing her political and ideological allies.

This perspective is shared by conservative legal scholar and former Judiciary Committee aide to Senator John Cornyn, Professor Brian Fitzpatrick of Vanderbilt Law School. Professor Fitzpatrick, who was General Kagan's student in administrative law at Harvard, wrote: "The best those of us on my side of the aisle can hope for at this time are Supreme Court nominees who are thoughtful and open minded, with views nearer the center than the poles. There is little doubt that Elena fits this bill. In my experience, her ideas have been more than reasonable, and she has always treated those who may disagree with her with respect and understanding."

General Kagan has also received strong support from legal scholars and practitioners with moderate or progressive views. The depth of her bipartisan support is clear from a letter written by eight former Solicitors General—five Republicans, three Democrats. According to their letter, Elena Kagan "would bring to the Supreme Court a breadth of experience and a history of great accomplishment in the law." Additionally, the former Chief Judge of the D.C. Circuit and Carter appointee Patricia M. Wald wrote of General Kagan,

She is an extraordinarily smart lawyer with a practical bent of mind. Her significant exposure as a law clerk and Solicitor General to the way in which courts of appeal as well as the Supreme Court operate, to the thrust and parry of dueling theories in the academy and finally to the competing demands at the highest level of government policymaking provide a broad spectrum of experience on which she can draw in the important post of Justice.

The praises of Judge Wald, who served on the D.C. Circuit while General Kagan worked there as a law clerk for Judge Abner Mikva, are echoed by Kagan's colleagues from the world of academia. The former Dean of Notre Dame Law School, Professor Patricia A. O'Hara, wrote in her letter of support that General Kagan "possesses a powerful intellect . . . She listens to the views of others, adds her own, exhibits respect for differences of opinion, and cogently makes her case." In addition, the deans of 56 law schools, including the top schools in the nation, expounded on General Kagan's personal attributes, in-

tellectual prowess, and legal experience, arguing for swift confirmation. They wrote,

Elena Kagan excels along all relevant dimensions desired in a Supreme Court Justice. Her knowledge of law and skills in legal analysis are first rate. Her writings in constitutional and administrative law are highly respected and widely cited. She is an incisive and astute analyst of law, with a deep understanding of both doctrine and policy. In terms of intelligence as intellectual ability, she is superbly qualified to sit on the United States Supreme Court . . . She was a superb and successful dean, among other reasons, because of her willingness to listen to diverse viewpoints and give them all serious consideration.

Prominent legal organizations also spoke out in favor of General Kagan's nomination, including the American Bar Association, the National District Attorneys Association, and the National Association of Women Judges. The consensus among these groups is that General Kagan is well-qualified for the position of Supreme Court Justice. It should also be mentioned that noted attorney and past President of the American Bar Association Jerome Shestack wrote in favor of General Kagan, saying that "Our Court and nation will be well served if Elena Kagan becomes a Justice of the Supreme Court."

General Kagan's diversity of experience—in private practice, in academia, in the executive branch, and in Congress as an aide to the Judiciary Committee—has clearly cultivated in General Kagan a deep and penetrating understanding of the impact of law on people's lives. By practicing, teaching, and studying the law from a broad array of perspectives, Elena Kagan has prepared herself well for the work of an Associate Justice of the Supreme Court.

The Fourteenth Amendment (which prohibits states from denying any person within their borders the equal protection of the laws or depriving them of life, liberty, or property with due process of law) and the Fifteenth Amendment (which prohibits both the federal government and the states from denying any citizen the right to vote "on account of race") give Congress strong remedial power to enforce their commands. It is critical that the Court not stand in the way of its exercise. The enforcement of the amendments' substantive provisions depends on whether private citizens can enforce their rights against states in federal and state courts. Whether they can depends, in turn, on whether Congress can abrogate the states' Eleventh Amendment immunity from suits by private parties. The Supreme Court has held that Congress cannot abrogate Eleventh Amendment immunity under its Article I powers (including its Commerce Clause powers). Only through its remedial powers under the Fourteenth and Fifteenth Amendments can Congress do so.

Until 1997, the Court required no more of federal legislation passed under the Fourteenth and Fifteenth Amendments than that it satisfy a "rational basis" test. That is same test that governs legislation enacted under Congress's Article I powers, including its power to regulate interstate commerce, as I noted during the hearing when I cited Justice Harlan's 1968 Commerce-Clause decision in *Maryland v. Wirtz*. As the Supreme Court explained in *South Carolina v. Katzenbach* (1966), Congress could "use any rational means to effectuate the constitutional prohibition[s]" of the Fourteenth and Fifteenth Amendments. A strong presumption of constitutionality attended the rational basis standard. With one anomalous exception, every civil rights statute of the twentieth century tested in the Court under this

rational basis standard was upheld as a permissible exercise of Congress's remedial authority.

That all changed in 1997 with the Court's decision in *City of Boerne v. Flores*. The Court there abandoned the rational-basis test and, citing no precedent, held that "there must be congruence and proportionality between the injury to be prevented or remedied and the means adopted to that end." This worked a sea change in the relationship between Congress and the Court. As Justice Scalia observed in *Tennessee v. Lane* (2004), the "congruence and proportionality standard, like all flabby legal tests, is a standing invitation to judicial arbitrariness and policy-driven decisionmaking. . . . [I]t casts . . . [the Supreme] Court in the role of Congress's taskmaster. Under it, the courts . . . must regularly check Congress's homework to make sure that it has identified sufficient constitutional violations to make its remedy congruent and proportional."

Wielding the congruence-and-proportionality test, the Court has, again in Justice Scalia's words, come into "constant conflict" with Congress. It has, among other things, struck down the provision of the Age Discrimination in Employment Act that prohibits age discrimination in employment by states (*Kimel v. Florida Board of Regents* (2000)), the provision of the Americans with Disabilities Act prohibiting states from discriminating against disabled persons in employment (*Board of Trustees of the University of Alabama v. Garrett* (2001)), and the provisions of the Violence Against Women Act that created a federal civil remedy for the victims of gender-based crimes against private parties (*United States v. Morrison* (2000)). In *Morrison*, the Court refused even to sustain the challenged provisions on the alternative ground that Congress could prohibit gender-based crimes under its Article I authority—long considered to admit of few, if any, justiciable limitations—to regulate interstate commerce. This was just the second time since the New-Deal era that the Court struck down a federal statute on the ground that Congress exceeded its Article I power to regulate commerce.

Of the few federal statutes that survived Constitutional muster under the congruence-and-proportionality test, most survived by only slim margins. Chief among them were the provisions of the Family and Medical Leave Act (FMLA) governing state employment practices challenged in *Nevada Department of Human Resources v. Hibbs* (2003). There was no principled basis to uphold the FMLA in *Hibbs* but not, say, the ADA in *Garrett*. The Court's post-*Boerne* cases illustrate, as Justice Scalia has noted, that the congruence-and-proportionality test often allows the Supreme Court to go any which way and the Justices to indulge their own personal policy preferences.

Most significantly, in applying the congruence and proportionality test (and, in *Morrison*, in evaluating the challenge statute's constitutionality under the Commerce Clause), the Court has cast aside legislative findings justifying remedial legislation as it has never before done. Each of the cases striking down federal civil rights legislation—including *Kimel*, *Garrett*, and *Morrison*—involved extensive Congressional factual findings justifying the legislation. The Court even went out of its way in *Morrison* to disparage the "method of reasoning" that underlay Congress's unassailable finding that gender-based crimes have a substantial effect on interstate commerce. This prompted Justice Souter, in a dissent joined by

three other justices, to decry the Court's long-standing practice of assessing no more than the "rationality of Congressional conclusions." Justice Souter's criticism reflects the once-dominant view that, in Laurence Tribe's words, only "Congress has the institutional competence," including the fact-finding capabilities, to evaluate what practices threaten the Fourteenth Amendment's guarantees.

General Kagan, it seems to me, acknowledged the crazy quilt of decisions in cases where the Court was reviewing statutes enacted through Congress's remedial authority under Section 5 of the Fourteenth Amendment. Though she did not prejudge the congruence-and-proportionality test by affirmatively labeling it "unworkable," she did go pretty far in repeating criticisms of the test and in acknowledging that its application is unfair to Congress.

While General Kagan was not as forthcoming as she ought to have been, or as forthcoming as her law review article stated nominees should be, she did do a better job of answering questions than most nominees have done.

When I criticized Chief Justice Rehnquist's denigration of Congress's "method of reasoning" in *Morrison* and asked "do you think there is some unique endowment when nominees leave this room and walk across the street to have a method of reasoning which is superior to [the] congressional method of reasoning so that a court can disregard voluminous records because of our method of reasoning?" General Kagan replied, "Well, to the contrary . . . I think it's extremely important for judges to realize that there is a kind of reasoning and a kind of development of factual material more particularly that goes on in Congress." She continued, "I think it is very important for the courts to defer to congressional fact finding, understanding that the courts have no ability to do fact finding, are not, would not legitimately, could not legitimately do fact finding." Furthermore, General Kagan said, "I have enormous respect for the legislative process. Part of that respect comes from working in the White House and working with Congress on a great many pieces of legislation."

After contrasting Justice Harlan's test in *Wirtz* with the congruence-and-proportionality test that Justice Scalia criticized in *Lane*, I asked General Kagan, "would you take Harlan's test as opposed to the congruence and proportionality test" and she replied, "Justice Scalia is not the only person who has been critical of the test. A number of people have noted that the test which is of course a test relating to Congress' power to legislate under Section 5 of the Fourteenth Amendment, that the test has led to some apparently inconsistent results in different cases." I followed up stating, "What I want to know from you is whether you think that is an appropriate standard to replace the rational basis test of *Wirtz*?" General Kagan responded, "Now . . . there are times when the Court decides that a precedent is unworkable. It just, it produces a set of chaotic results." When I asked whether the congruence-and-proportionality test was unworkable General Kagan testified, "I think that the question going forward, and it is a question, I'm not stating any conclusion on it, but I think that something that Justice Scalia and others are thinking about is whether the congruent and proportionality test is workable or whether it produces such chaotic results . . ." General Kagan further testified that she knew "that Congress needs

very clear guidance in this area. It is not fair to Congress to keep moving the goal posts. It is not fair to say oh well, you know, if you do this this time it will be okay but if you do that the next time it won't."

While General Kagan refused to say whether, if confirmed, she would apply the congruence-and-proportionality standard to test the constitutionality of remedial legislation enacted under the Fourteenth Amendment, she did at least express serious reservations about that standard. She noted that the standard had been subject to "significant criticism" and, more importantly, that "it's produced some extremely erratic results." She added: "There seems to me real force in the notion that a test in this area dealing with Congress' section 5 powers [under the Fourteenth Amendment] really needs to provide clear guideposts to Congress so that Congress knows what it can do and know what it can't do. And so the goal posts don't keep changing and so . . . Congress can . . . pass legislation confident in the knowledge that legislation will be valid. And I think those concerns are of very significant weight." None of General Kagan's predecessors (Justice Sotomayor, Justice Alito, and Chief Justice Roberts)—all of whom I questioned about Congress's Fourteenth-Amendment powers—was as forthcoming. General Kagan also said that Congressional fact findings are entitled to "great deference."

When I later returned to the question of whether Justice Kagan would apply a rational basis test or a congruence-and-proportionality test when reviewing congressional facts General Kagan replied, "as I understand it, the congruence and proportionality test is currently the law of the [C]ourt, and notwithstanding that, its been subjected to significant criticism and notwithstanding that its produced some extremely erratic results. And I can't . . . sit at this table without briefing, without argument, without discussion with my colleagues and say, well, I just don't approve of that test, I would reverse it."

When I cited Justice Stevens' dissent in *Citizens United* and asked General Kagan "what deference [she] would show to congressional fact finding" she replied, "the answer to that is great deference to congressional fact finding." When I asked General Kagan if there was "any way you could look at *Citizens United* other than it being a tremendous jolt to the system" she replied, "this is one that as an advocate, I have taken a strong view on which is that it was a jolt to the system. There was a great deal of [reliance] interests involved and many states had passed pieces of legislation in reliance upon Austin that Congress had passed legislation after accumulating a voluminous record."

I also asked General Kagan about cases regarding Sovereign Immunity and Federal Court Jurisdiction. One of the two cases involving the jurisdiction of the federal courts was *Weiss v. Assicurazioni Generali, S.P.A.*, 529 F.3d 113 (2d Cir. 2010). It was brought by victims of the Holocaust and their heirs to recover on unpaid World War II-era insurance policies issued by an Italian insurance company. Just a few months ago, the United States Court of Appeals for the Second Circuit affirmed the dismissal of the plaintiffs' claims on the ground that they were preempted by an Executive-branch foreign policy favoring the resolution of such claims through an international commission. The Second Circuit did so in reliance on the Supreme Court's 2003 decision in *American Insurance Association v. Garamendi*. There the

Court held that this policy, though not formalized in an executive agreement (let alone a Senate-ratified treaty), preempted a state law requiring insurers to disclose information about certain Holocaust-era insurance policies. Among the important questions presented by *Generali* is whether the executive branch can shut the courthouse doors on litigants in the absence of Congressional authorization. I asked General Kagan whether, if confirmed, she would vote to grant cert. in the Holocaust case and she replied, "this is difficult for me because, as I understand this, this is a live case and I continue to represent one of the parties in this case. In other words, there may very well be a petition for certiorari in this case, but I continue to be Solicitor General and—would head the office that would have to respond to a petition."

The other case involving the jurisdiction of the federal court was *In re Terrorist Attacks* on September 11, 2001, 538 F.3d 113 (2d Cir. 2009). This litigation was brought by over 6,000 victims of the September 11 terrorist attacks against, among other defendants, the Kingdom of Saudi Arabia and five Saudi princes. The plaintiffs asserted various claims arising from their allegation that Saudi Arabia financed the attacks. The United States Court of Appeals for the Second Circuit ruled that Saudi Arabia was immune from suit under the Foreign Sovereign Immunities Act (FSIA). In a brief filed on behalf of the United States, Solicitor General Kagan urged the Court not to hear the case even though she conceded that the Second Circuit had effectively nullified the key statutory exception to sovereign immunity on which the plaintiffs had relied. I raised the case at Solicitor General Kagan's confirmation hearing because of the key objective underlying the FSIA: to take sovereign immunity determinations away from the executive branch (which until enactment of the FSIA had made discretionary immunity determinations on case-by-case basis) and vest them the courts (which would make immunity determinations according to the FSIA's objective, non-discretionary statutory criteria). I asked General Kagan, "As a justice, would you vote to take that kind of case?" General Kagan responded, "the government did argue, based on very extensive consultations, that the Supreme Court ought not to take that case, and that continues to be the government's position. You know, I don't think it would be right for me to undermine the position that we took in that way by suggesting it was wrong."

Another case I raised with Solicitor General Kagan concerned the constitutionality of the Bush Administration's secretive Terrorist Surveillance Program (TSP). The TSP brought into sharp conflict Congress's authority under Article I to establish the 'exclusive means' for wiretaps under the Foreign Intelligence Surveillance Act with the President's authority under Article II as Commander-in-Chief to order warrantless wiretaps. The TSP operated secretly from shortly after September 11, 2001, until December 2005, when *The New York Times* exposed the existence of the program. In August 2006, the United States District Court for the Eastern District of Michigan found the program to be unconstitutional. In July 2007, the Sixth Circuit reversed on the ground that the plaintiffs lacked standing to sue. One judge on the three-judge panel, Judge Gilman, dissented. Judge Gilman noted that "the attorney-plaintiffs in the present case allege that the government is listening in on private person-to-person com-

munications that are not open to the public. . . . [T]he attorney-plaintiffs have thus identified concrete harms to themselves flowing from their reasonable fear that the TSP will intercept privileged communications between themselves and their clients." The Supreme Court denied certiorari without explanation. I asked her about the Court's reticence to take up the Sixth Circuit's decision in the Terrorist Surveillance Program (TSP) case and General Kagan testified, in part, "In a case where the executive branch is determined or is alleged, excuse me, is alleged to be violating some congressional command, it is I think one of the kinds of cases that the [C]ourt typically should take." She called this a third specie of case, aside from circuit splits and those that strike down statutes on constitutional grounds, where there "is an issue of some vital national importance."

I later asked her "would you vote to take that kind of case?" General Kagan responded, in pertinent part, "Well . . . I do think that this is a case that, as I understand it, generally falls within the third category of case, a case which presents an extremely important Federal issue as to whether the executive has overstepped its appropriate authority and has essentially flouted legislation in the area."

When I referenced the Court's declining docket and the need to resolve more circuit splits of authority, General Kagan responded, "I do generally agree with that. I clerked on the [C]ourt in 1987 which was pretty much at the high point of what the [C]ourt was doing, about 140 cases a year." She went on to testify, "I do agree with you that there do seem to be many circuit conflicts and other matters of vital national significance."

Although General Kagan failed, in many instances, to adhere to her own standard of providing forthcoming and detailed answers during her confirmation hearing, there is much that we can glean from her record prior to her nomination. Since nominees have a vested interest in saying whatever will get them confirmed, and since past nominees have not always decided cases in line with their testimony at nomination hearings, in many ways a nominee's pre-hearing record is more reliable than her confirmation hearing testimony.

While General Kagan refused to say whether, if confirmed, she would apply the congruence-and-proportionality standard to test the constitutionality of remedial legislation enacted under the Fourteenth Amendment her pre-hearing record on the issue, though limited, strongly suggests that she shares my concerns about the denigration of Congressional power. I refer to her notes of two (un-transcribed) speeches she gave in 2003 (one to Princeton alumni) the other to an audience at the University of Minnesota Law School). The notes suggest that, contrary to the position taken by Justices Kennedy, Scalia, and Thomas, as well as former Chief Justice Rehnquist and Justice O'Connor, General Kagan believes that the Court should give Congress substantial deference, especially when legislating under its Fourteenth Amendment authority. In a May 21, 2010, article, *The Wall Street Journal* characterized General Kagan's views as expressed in one of the speeches as follows: "The piece, in short, seems to suggest that in at least one key area, she would be an arbiter of judicial restraint, prone to giving considerable deference to Congress. . . . [S]he says [that] courts should defer to Congress when the framer of the Constitution clearly author-

ized legislators to exercise power. Such a clear authorization, she says, can be found in section 5 of the 14th Amendment. . . . So, Kagan concludes, courts should defer to Congress when it takes actions to effectuate 14th Amendment rights." As I said during my June 7, 2010, floor statement on the confirmation process, the Senate should put considerable weight on such pre-hearing statements reflecting a nominee's legal ideology.

It is also clear that General Kagan is a strong and principled supporter of civil rights. As Harvard Professor Ronald Sullivan pointed out in his testimony before the Committee, a telling story about General Kagan is that she turned down the Royall Professorship of Law, Harvard Law School's first endowed chair, because the fortune that endowed the chair was derived from the slave trade. Instead, then-Dean Kagan decided to become the first Charles Hamilton Houston Professor of Law, a chair named in honor of one of Harvard Law's most accomplished African-American graduates and, as an architect of the civil rights movement's legal strategy, an historic figure in his own right.

Elena Kagan's support for civil rights extends far beyond symbolism, however. In an email from her time at the Clinton White House, General Kagan wrote that she "care[s] about [affirmative action] a lot," which she demonstrated through her work on the issue. For example, in a brief to then-Solicitor General Walter Dellinger strategizing how to "avoid a broad and harmful ruling invalidating non-remedial affirmative action in employment," General Kagan argued in favor of pursuing a narrow judgment which would preserve affirmative action policies. She wrote, "I think this is exactly the right position—as a legal matter, as a policy matter, and as a political matter." This echoes her comments to Justice Thurgood Marshall in a memo urging denial of certiorari on a case involving a school desegregation plan which had been upheld at the circuit court level. In her memo, Kagan described the plan as "amazingly sensible," even though it was not implemented in response to historic state-sponsored school segregation in that particular district. It is clear to me from these memos and from her comments that when it comes to civil rights, General Kagan supports strong protections for racial minorities and believes in expanding opportunities for historically disadvantaged groups. If General Kagan were seated on the Court, cases like *Parents Involved in Community Schools v. Seattle School District No. 1* may have been decided differently.

Additionally, General Kagan's record reveals strong support for ensuring fair and clean elections through campaign finance regulation. Long before she urged the Court in *Citizens United v. FEC* to uphold the federal ban on independent campaign expenditures by corporations, Elena Kagan assisted the development of the McCain-Feingold Act during her time in the White House. In one of her memos from that time, she argued vigorously for President Clinton to support campaign finance reform and criticized the Court for its "mistaken" conclusion "that money is speech and that attempts to limit the influence of money on our political system therefore raise First Amendment problems." She argued not only that the Court should uphold campaign finance regulation on the basis of the compelling government interest in preventing corruption or the appearance of corruption, she also argued that the Court should reexamine the basis for its rejection of expenditure regulations beginning with *Buckley v. Valeo* in 1976. Although

she may have made some of these arguments in her capacity as a policy advisor and advocate for the President's agenda, these memos provide insight into General Kagan's views of campaign finance reform—views which appear to be positive in terms of both personal preference and legal analysis.

General Kagan's time as a senior aide to President Clinton also shows that she has respect for Congress, respect born of personal experience and legal reasoning. Although some from my party have expressed concern that General Kagan has too broad a view of executive power, her writings indicate otherwise. She has clearly and unequivocally rejected the Unitary Executive theory, which posits the President possesses plenary authority over all federal agencies involved in administering federal law and that Congress had been granted too much power relative to the executive. In her famous 2001 Harvard Law Review article, *Presidential Administration*, she wrote, "I do not espouse the Unitarian position . . . the constitutional values sometimes offered in defense of this claim are too diffuse, too diverse, and for these reasons, too easily manipulable" to support exclusive presidential control over the administration of federal law through agencies. Additionally, then-Dean Kagan criticized the expansive views of executive authority in the so-called torture memos of the Bush administration, which she described in a 2007 commencement address as "expedient and unsupported." General Kagan also criticized expanding executive power to the detriment of Congressional prerogative when she wrote in a 1996 White House memo on a pending decision on whether or not the Solicitor General would defend two particular statutes. She wrote:

What difference does it really make whether Congress explicitly directs the executive branch to take action against private persons (via separation) or implicitly directs the executive branch to take such action (via prosecution)? In either case, refusal to comply with the directive violates congressional will.

In light of these writings, it seems not only General Kagan's personal opinion but also her legal opinion that Congress has a powerful role to play vis-à-vis the executive and the courts. Finally, General Kagan's experience working with Congress and on the Senate Judiciary Committee also increases my confidence in her understanding and respect for this institution as the first branch of American government.

General Kagan has been clear and straightforward on the issue of making the Supreme Court more accessible and more accountable by televising its proceedings for the public. In her 2009 speech before the Ninth Circuit Judicial Conference, she expressed support for televising the Court. When I met with General Kagan in my office, she continued to be forthcoming about her support for broadcasting the Court's proceedings, which I appreciated. I asked General Kagan "Wouldn't televising the [C]ourt and information as to what the [C]ourt does have an impact on the values which are reflected in the American people?" and she replied, "I do think . . . it would be a good thing from many perspectives and I would hope to if I am fortunate enough to be confirmed to engage with the other Supreme Court Justices about that question. I think it is always a good thing when people understand more about government rather than less and certainly the Supreme Court is an important institution and one that the American citizenry has every right to know about and understand. I also

think that it would be a good thing for the [C]ourt itself that that greater understanding of the [C]ourt I think would go down to its own advantage. So I think from all perspectives, televising would be a good idea."

I have introduced both a resolution expressing the sense of the Senate that Supreme Court proceedings should be televised, as well as a bill to require the Court to allow the television broadcast of its open proceedings, except in some special circumstances. The Judiciary Committee passed both the resolution and the bill on April 29, 2010, by an overwhelming vote of 13 to 6. With the retirement, last year, of Justice Souter, the strongest opponent of televising the Court's proceedings, and the potential addition of General Kagan, there is a good chance that the Court will finally be accessible to all Americans, as it should be. If the Court does not allow cameras in of its own volition, I will continue to press for passage of my legislation before the end of the year.

Regardless of personal political persuasion, there is near consensus among Senators that a nominee should be able to unmoor herself from political and policy views when deciding a case in our nation's highest court. In her 25 years of experience in the law, General Kagan has consistently demonstrated fairness, humility, moderation, and adherence to duty—the exact attributes we all seek in a Justice of the Supreme Court of the United States.

In my first autobiography, *Passion for Truth*, I wrote:

Chief Justice William Rehnquist, at his 1986 confirmation hearing, would not answer basic constitutional questions. Rehnquist, an associate justice since 1971, didn't believe he should have to go before the Senate a second time for promotion to chief, according to Tom Korologos, a premier Washington lobbyist. . . . Rehnquist cited Korologos the case of former Senator Sherman Minton, whom President Truman nominated to the Supreme Court and who refused to go before the Senate for a hearing. Minton argued that the legislative branch had no right to question a nominee. The Senate confirmed Minton without a hearing. "What do you think of that?" Rehnquist asked Korologos. "Why do I have to testify?" he demanded. Rehnquist's record was there; his opinions were public. He would not expand on them or defend them. Rehnquist insisted Korologos try to get him through without a hearing. "I said, 'Fine, Bill,' and dismissed it out of hand," Korologos recalled. . . . "What am I going to do, tell the leadership we're not going to have a hearing on Rehnquist? Anyway, it died before it got off the ground." [Korologos continued]. Rehnquist relented and agreed to go before the Senate.

I further observed that "Chief Justice Rehnquist answered barely enough questions to get my vote. In all, sixty-five senators supported him, but thirty-three others voted against his nomination." Turning to Judge Robert Bork's nomination in July 1987, I noted that Democrats controlled the Senate and Senator Kennedy was a strong opponent of the nomination. "Considering the context and controversy, Bork concluded—correctly, I think—that he would have to answer questions on judicial philosophy to have a chance at confirmation." Perhaps General Kagan concluded—again correctly—that with a Democratic Senate and little controversial published work of her own, she would be confirmed without betraying many of her substantive views. I regret that she chose that

course but it is a course many before her have chosen and it is a course that the Senate has permitted.

When I was questioning Rehnquist he refused to answer my question about stripping the federal courts' jurisdiction. He deflected my question, stating "I feel I cannot go to any further than that, for fear that that sort of issue will come before the Court." When I pressed him, Rehnquist insisted, "I honestly feel I must adhere to my view that it would be improper for a sitting justice to try to advance an answer to that question."

I describe in my book that during an overnight recess, when the hearing continued, a staffer brought me an article from the Harvard Law Record that Rehnquist had written in 1959, when he was a practicing lawyer. The article criticized Charles Whittaker's nomination to the Supreme Court because Whittaker had essentially told the Senate only that he was the son of two states, that he had been born in Missouri and practiced law in Kansas. Much like General Kagan in her 1995 law review article, Rehnquist, in his Harvard article, expressed outrage that the Senate had endorsed Whittaker without asking him any substantive questions, writing that "Until the Senate restores its practice of thoroughly informing itself on the judicial philosophy of a Supreme Court nominee before voting to confirm him, it will have a hard time convincing doubters that it could make effective use of any additional part in the selection process." The next day I confronted Justice Rehnquist with his article and his own words twenty-seven years later. Rehnquist responded "I don't think I appreciated, at the time I wrote that, the difficult position the nominee is in."

Following that admission, I pressed Rehnquist on jurisdiction and he finally answered that Congress cannot take away jurisdiction from the Supreme Court on the First Amendment. He refused, however, to answer questions regarding the Fourth Amendment (search and seizure), the Fifth Amendment (privilege against self-incrimination), the Sixth Amendment, the Eighth Amendment (cruel and unusual punishment), or even his reasoning for answering a question regarding the first amendment but not the others.

While I do not condone General Kagan's change of view on how much a nominee should answer, she is not the first nominee to criticize the Senate for not insisting on substantive answers and then later change her mind when she is a Supreme Court nominee. We confirmed Chief Justice Rehnquist after he disclaimed his statements in the Harvard article, so there is no reason, at this point, not to do the same for General Kagan.

I have never asked that a nominee satisfy an ideological litmus test—whether liberal or conservative—much less that a nominee commit to reaching a particular certain outcome in any given case. What I have asked is that a nominee, first, affirm his or her commitment to the doctrine of *stare decisis*; and, second, to honor the legislative powers the Constitution assigns to the Congress, especially its remedial powers to enforce the Fourteenth and Fifteenth Amendments.

Nominees committed to *stare decisis* and respectful of Congress's lawmaking powers are much less likely to indulge their ideological preferences—whether left or right—in interpreting the open-ended provisions of the Constitution and federal statutes to which very different meanings could be ascribed. They are, in short, less likely to become activists. Noted Court commentator Jeffrey Rosen made just that point soon before the

Roberts confirmation hearing. He said that the “best way” to find out whether Chief Justice Roberts was a conservative activist (in the mold of Justice Scalia and Thomas) or a moderate, cautious, and restrained conservative (in the mold of Justice O’Connor) would be “to explore Judge Roberts’s view of precedents, which the lawyers call *stare decisis*, or ‘let the decision stand.’” (“In Search of John Roberts,” *The New York Times*, July 21, 2005.)

That is why when I questioned Roberts and Alito in 2005 and 2006, respectively, I focused heavily on the issue of *stare decisis*. Several other Senators did as well. Both Chief Justice Roberts and Justice Alito provided extensive testimony on the subject. Their testimony warrants extensive quotation.

Chief Justice Roberts testified:

“Judges are like umpires. Umpires don’t make the rules, they apply them. The role of an umpire and a judge is critical. They make sure everybody plays by the rules, but it is a limited role. Nobody ever went to a ball game to see the umpire. Judges have to have the humility to recognize that they operate within a system of precedent shaped by other judges equally striving to live up to the judicial oath”

“[T]he importance of settled expectations in the application of *stare decisis* is a very important consideration.”

“I do think that it is a jolt to the legal system when you overrule a precedent. Precedent plays an important role in promoting stability and evenhandedness. It is not enough—and the Court has emphasized this on several occasions. It is not enough that you may think the prior decision was wrongly decided.”

“Well, I think people’s personal views on this issue derive from a number of sources, and there’s nothing in my personal views based on faith or other sources that would prevent me from applying the precedents of the Court faithfully under principles of *stare decisis*.”

“I think one way to look at it is that the *Casey* decision [*Casey v. Planned Parenthood of Southeastern Pennsylvania* (1992)] itself, which applied the principles of *stare decisis* to *Roe v. Wade* [1973], is itself a precedent of the Court, entitled to respect under principles of *stare decisis*. And that would be the body of law that any judge confronting an issue in his care would begin with, not simply the decision in *Roe v. Wade* but its reaffirmation in the *Casey* decision. That is itself a precedent. It’s a precedent on whether or not to revisit the *Roe v. Wade* precedent. And under principles of *stare decisis*, that would be where any judge considering the issue in this area would begin.”

Testifying a year later, Justice Alito was no less emphatic. He testified:

“I think the doctrine of *stare decisis* is a very important doctrine. It’s a fundamental part of our legal system, and it’s the principle that courts in general should follow their past precedents, and it’s important for a variety of reasons. It’s important because it limits the power of the judiciary. It’s important because it protects reliance interests, and it’s important because it reflects the view of the courts should respect the judgments and the wisdom that are embodied in prior judicial decisions. It’s not an inexorable command, but it’s a general presumption that courts are going to follow prior precedents.”

“I agree that in every case in which there is a prior precedent, the first issue is the issue of *stare decisis*, and the presumption is that the Court will follow its prior prece-

dents. There needs to be a special justification for overruling a prior precedent.”

“I don’t want to leave the impression that *stare decisis* is an inexorable command because the Supreme Court has said that it is not, but it is a judgment that has to be based, taking into account all of the factors that are relevant and that are set out in the Supreme Court’s cases.”

Again, without challenging their good faith, I note the contrast between the testimony cited at length above, from both Chief Justice Roberts and Justice Alito, with their concurring opinion in *Citizens United*. That concurrence, authored by Roberts and joined by Alito, says, “The Court’s unwillingness to overturn *Austin* in [subsequent] cases cannot be understood as a reaffirmation of that decision.” (emphasis in original). It seems to me that Chief Justice Roberts’s concurrence flies in the face of what he said about *Casey* reaffirming the central holding in *Roe*. Contrary to his testimony that “It is not enough that you may think the prior decision was wrongly decided[.]” Roberts went on to write in *Citizens United*, “[w]hen considering whether to reexamine a prior erroneous holding, we must balance the importance of having constitutional questions decided against the importance of having them decided right.” (emphasis in original). That is an about face.

In announcing my “aye” vote for General Kagan’s nomination to the Supreme Court, I have attempted to sound a cautionary note. The point is to remind Senators, in the first instance, of the need to jealously guard against incursions from the other branches. It is also, I submit, to remind the nominee and the sitting Justices of the Supreme Court that Congress is a coequal branch of Government deserving of a modicum of respect. It takes at least fifty-one votes in the Senate (some would say sixty) and at least two-hundred and eighteen votes in the House to present legislation to the President for his signature. Getting from the introduction of any legislative measure to enacting a new law is a Herculean task. When that task is augmented by a lengthy congressional record supported by hearings and reasoned testimony it should not be cast aside. So it has been important for this Senator to underscore a healthy respect for Congress in the course of Supreme Court confirmation proceedings.

Of the 13 nominees to have come before the Judiciary Committee for a hearing during my tenure in the Senate, none was less forthcoming than Justice Scalia. He answered no substantive questions at all. He would not even say whether *Marbury v. Madison*, which established the principle of judicial review, was correctly decided.

In my first autobiography, *Passion for Truth*, I wrote that “From my experience participating in Supreme Court nomination hearings, I have found that the better the nominee thinks his chances are, the less he will say at the hearing to minimize his risk.” In short, Justice Scalia was confident he would be confirmed and, therefore, less forthcoming on substantive inquiries. Justice Scalia’s testimony prompted Senator DeConcini to remark: “It is apparent to me that nominees are advised by the administration to be as evasive and passive as they can be.”

Since General Kagan has only followed the precedent set by previous nominees and by the Senate, I believe that she should be confirmed based on her record. In evaluating Ms. Kagan’s overall record and performance before the committee, I have concluded that

her intellect, academic accomplishments, professional qualifications and earlier statements expressing great respect for Congress outweigh her failure to give substantive answers. But it is worth preserving for the record my views as to what she failed to testify to during the course of the hearing. Several Senators tried in vain to elicit meaningful answers from General Kagan. Senator Kohl asked straightforward questions. When Senator Kohl asked her about her passions, she demurred, discussing “the rule of law” instead. He asked again, “What are your passions?” but General Kagan did not answer. Senator Kohl asked how she would impact the everyday lives of Americans. Again, General Kagan did not answer. She referred back to her previous three responses, where she discussed just taking “one case at a time,” and nothing more. Senator Kohl tried asking “Which cases will motivate you?” and again General Kagan refused to answer, and instead simply recited facts we already knew about the certiorari process. When asked by Senator Kohl about her views on the *Bush v. Gore* case, a case that the Court specifically said was unique and would not hold precedential value, General Kagan refused to answer, stating that she could not answer because the “question of when the court should get involved in election contests . . . might well come before the court again.”

Similarly, when asked by Senator Coburn if a law requiring Americans to eat three vegetables and three fruits every day would be unconstitutional, certainly not a case likely to come before the Court, she refused to answer even that question in a substantive manner.

After pressing General Kagan on her views of the Second Amendment several times without making any progress, Senator Grassley resigned himself to the fact that, in his words, she “[didn’t] want to tell us what [her] own personal belief is.”

Senator Coburn criticized General Kagan for “dancing” around instead of answering questions and suggested that “Maybe [she] should be on ‘Dancing with the Stars.’”

When General Kagan refused to discuss internal Justice Department deliberations with White House staff regarding upcoming cases, Senator Kyl pointed out that “simply noting whether or not there were such contacts would not be an inappropriate thing for you to provide the Committee.”

General Kagan consistently declined to answer questions on whether she would vote to take two critical cases as Justice.

Toward the conclusion of my second round of questions, I told General Kagan:

I think the commentaries in the media are accurate. We started off with the standard you articulated at the University of Chicago Law School about substantive discussions. And they say we haven’t had them here, and I’m inclined to agree with them . . . It would be my hope that we could find some place between voting “no” and having some sort of substantive answers. . . . I think we are searching for a way how senators can succeed in getting substantive answers, as you advocated in the *Chicago Law Review*, short of voting “no.”

In her 1995 article, General Kagan criticized Justice Ginsburg’s handling of her nomination hearing, stating that “Justice Ginsburg’s favored technique took the form of a pincer movement. When asked a specific question on a constitutional issue, Ginsburg replied . . . that an answer might forecast a vote and thus contravene the norm of judicial impartiality. Said Ginsburg: ‘I think when you ask me about specific cases, I have

to say that I am not going to give an advisory opinion on any specific scenario, because . . . that scenario might come before me.' But when asked a more general question, Ginsburg replied that a judge could deal in specifics only; abstractions, even hypotheticals, took the good judge beyond her calling. Again said Ginsburg: 'I prefer not to . . . talk in grand terms about principles that have to be applied in concrete cases. I like to reason from the specific case.'

However, General Kagan failed to take her own advice. She frequently refused to answer questions without having a concrete case or briefs to read. In my attempt to find her views on the "congruence and proportionality" standard, she repeatedly avoided answering, saying "I've not delved into the question the way I would want to as a judge," citing the fact that she hadn't read any briefs as she would in a case in controversy.

The Ginsburg-Kagan pincer movement creates a Catch-22 for Senators, who must avoid asking about a concrete case that could come before the Court, but then cannot receive any answer from a nominee on a more abstract question because the nominee simply shrugs and says, "I haven't read the briefs."

In her article, General Kagan went so far as to say she understood why nominees refused to answer questions, calling it a "game" in which the "safest and surest route to the prize" involves avoiding substantive answers. She wrote "Neither do I mean to deride Justices Ginsburg and Breyer for the approach each took to testifying. I am sure each believed . . . that disclosing his or her views on legal issues threatened the independence of the judiciary. (It is a view, I suspect, which for obvious reasons is highly correlated with membership in the third branch of government.) More, I am sure both judges knew that they were playing the game in full accordance with a set of rules that others had established before them. If most prior nominees have avoided disclosing their views on legal issues, it is hard to fault Justice Ginsburg or Justice Breyer for declining to proffer this information. And finally, I suspect that both appreciated that, for them (as for most), the safest and surest route to the prize lay in alternating platitudinous statement and judicious silence. Who would have done anything different, in the absence of pressure from members of Congress?"

General Kagan certainly did the same. . . . Even with pressure from members of Congress, such as Senators Kohl, Grassley, Coburn, and myself, she still refused to answer to questions.

In her article, General Kagan took issue with the Senators for not insisting that nominees answer questions. She stated that "Senators today do not insist that any nominee reveal what kind of Justice she would make, by disclosing her views on important legal issues. Senators have not done so since the hearings on the nomination of Judge Bork. They instead engage in a peculiar ritual dance, in which they propound their own views on constitutional law, but neither hope nor expect the nominee to respond in like manner."

Again, I asked General Kagan several specific questions that she refused to answer. When I asked a direct question as to whether she would apply to the congruence-and-proportionality test in evaluating the constitutionality of laws passed under Congress's Fourteenth Amendment remedial authority,

she refused to answer. When Senator Kyl asked her if detainees had habeas rights, she refused to answer. Senator Grassley asked her if Heller was correctly decided and she refused to answer. So I would hope that General Kagan will not claim that all Senators participating in her confirmation hearing did not hope for, or expect, substantive answers. We tried our best to get her to answer questions, but it was General Kagan who insisted on avoiding substantive answers.

Mr. SPECTER. Finally, Mr. President, I ask unanimous consent that a copy of an op-ed which I wrote which appeared in USA Today be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From USA Today, July 15, 2010]

SPECTER: "KAGAN DID JUST ENOUGH TO WIN MY VOTE"

(By Arlen Specter)

Supreme Court nominee Elena Kagan did little to undo the impression that nominating hearings are little more than a charade in which cautious non-answers take the place of substantive exchanges.

In this, she was following the practice of high court nominees since Judge Robert Bork. But her non-answers were all the more frustrating, given her past writings that the hearings were vacuous and lacked substance. She accused Justice Ruth Bader Ginsburg and Stephen Breyer of stonewalling, but then she did the same, leaving senators to search for clues on her judicial philosophy.

Her hearings showed an impressive legal mind, a ready humor and a collegial temperament suitable to the court. But they shed no light on how she feels about the court's contemptuous dismissal of Congress' "fact-finding" role, its overturning of precedent in allowing corporate political advertising, and the expansion of executive authority at the expense of congressional power.

She offered no meaningful observations on U.S. vs. Morrison, in which the court overturned the Violence Against Women Act, blaming Congress' "method of reasoning," notwithstanding a "mountain of data assembled by Congress" demonstrating "the effects of violence against women on interstate commerce" noted in Justice David Souter's dissent.

She offered no substantive comment on Citizens United, in which the court reversed a century-old precedent by allowing corporations to engage in political advertising. Justice John Paul Stevens said in dissent that the court showed disrespect by "pulling out the rug beneath Congress," which had structured the campaign-finance reform bill, McCain-Feingold, on a 100,000-page factual record based on standards cited in a recent Supreme Court decision.

Likewise, she avoided taking sides in the court's expansion of executive authority, declining comment on the historic clash posed by the Foreign Intelligence Surveillance Act and the president's warrantless wiretapping authorized under the Terrorist Surveillance Program.

Despite repeated questioning, Kagan refused to comment on the court's refusal to resolve a contentious dispute involving the Sovereign Immunity Act and the Obama administration's foreign policy. Survivors of 9/11 victims sued Saudi Arabia, Saudi princes and a Saudi-controlled charity with substantial evidence that they had financed the 9/11

terrorists. The Obama administration persuaded the court not to hear the case, arguing that the Saudi Arabian conduct occurred outside the U.S.

On one controversial issue—the question of whether to televise open Supreme Court proceedings—Kagan was candid, stating that she welcomed TV in the court and, if confirmed, would seek to convince her colleagues on the bench. "It's always a good thing," she said, "when people understand more about government, rather than less. And certainly, the Supreme Court is an important institution and one that the American citizenry has every right to know about and understand."

Her testimony recognized that the court is a public institution that should be available to all Americans, not just the select few who can travel to Washington. A recent C-SPAN poll found that 63% of Americans support televising the Supreme Court's oral arguments.

Given the fact that the court decides all of the cutting-edge questions—a woman's right to choose, death penalty cases for juveniles, affirmative action, freedom of speech and religion—public demand for greater transparency should come as no surprise. When 85% of those polled think the Citizens United case expanding corporate spending in politics was a bad decision, one can conclude they want to know why the court decided as it did.

On balance, Kagan did little to move the nomination hearings from the stylized "farce" (her own word) they have become into a discussion of substantive issues that reveal something of the nominee's judicial philosophy and predilections.

It may be understandable that she said little after White House coaching and the continuing success of stonewalling nominees. But it is regrettable. Some indication of her judicial philosophy may be gleaned by her self-classification as a "progressive" and her acknowledged admiration for Justice Thurgood Marshall. That suggests she would uphold congressional fact-finding resulting in remedial legislation and protect individual rights in the congressional-executive battles.

The best protection of those values may come from the public's understanding through television of the court's tremendous power in deciding the nation's critical questions. In addition to her intellect, academic and professional qualifications, Kagan did just enough to win my vote by her answers that television would be good for the country and the court, and by identifying Justice Marshall as her role model.

Mr. SPECTER. I thank the Presiding Officer, and I thank my distinguished colleague from Florida.

The PRESIDING OFFICER. The Senator from Florida.

Mr. LEMIEUX. Mr. President, it is always good to follow my distinguished colleague from Pennsylvania and to hear his comments.

FINANCIAL REGULATORY REFORM

Mr. LEMIEUX. Mr. President, I am here today to talk about the bill the Senate just voted on and passed, the financial regulation overhaul bill. It is, in my mind, a missed opportunity. We had the opportunity to truly address the causes of the financial meltdown and put into place measures that would

stop the meltdown from happening the next time. But, unfortunately—as I have seen in about the year's time I have had the privilege to serve in the Senate—it seems it is the predilection of this Congress to take a crisis and then come forward not with a narrowly focused and tailored solution but, instead, a large-ranging, comprehensive bill that creates more government, that creates more bureaucracy, that puts more debt on our system of government, and still fails to address the very problem we should be trying to focus upon.

We were supposed to rein in the wild and risky speculative tools and empower our regulators to prevent another crisis. But we did not. I heard Senator DODD, who I have enormous respect for—and I think he put a tremendous amount of time into this bill, but I heard him on the floor the other day, in giving his sort of summation as to why this bill should be passed, saying this will not stop any future recessions. He is right. He is right because we did not do what we needed to do in order to truly fix the problems that happened back in the 2007–2008 era when we had this tremendous financial meltdown—this meltdown which has depleted trillions of dollars of the net worth of Americans; this meltdown that has led to one of the greatest, if not the greatest, recession since the Great Depression.

In my home State of Florida, people are suffering mightily. We have nearly 12 percent unemployment. We are either No. 1 or No. 2—depending upon the month—in mortgage foreclosures, and our people are behind on their mortgage payments more than any other State in the Union.

We are a State that has been based, perhaps too much, on growth. So when folks are not coming to build a new home, the contractor does not have a job. When folks are not coming to visit our beaches or our tourist attractions, the restaurateur, the hotelier—they lose their work. So things are very difficult in Florida.

This financial crisis stemmed in part from some of the problems we saw in lending, in real estate, and there was no place that was any worse than what happened in Florida. What this bill fails to address: the underwriting standards that should have been in place to stop these so-called ninja loans—“no income, no job.” They called them ninja loans. Anybody could get one, and people were put into homes they could not afford.

Why was that able to happen? It was because there were no underwriting standards. There was no skin in the game for those getting the mortgage. There was no skin in the game for the mortgage broker, who was able to sell off this mortgage to Wall Street, where there was this vast and great demand to bundle these products into mort-

gage-backed securities, and, for the first time ever, tie our real estate market, our homes—our most important investments—with the financial markets.

As soon as that was done, the speculation and the speculators ran wild. This bill does not do enough to prevent that in the future, to provide the real skin in the game that should be needed to trade those mortgage-backed securities. We failed to address those two factors. Perhaps even worse, we failed to address Fannie and Freddie, the government-sponsored entities that stood as silent guarantors to all these mortgages, that let the market have faith and confidence that the government was the backstop to these mortgages that should have never been let. This bill fails to address that. Two of the leading causes of the financial debacle we failed to address.

Finally, a point we needed to address, and we did: My colleague and friend, who presides over the Senate this afternoon, was the person who was the leading proponent on trying to do something about the rating agencies, and we did do something. I was pleased to work with Senator CANTWELL, and I was appreciative of the efforts of Senator FRANKEN, to try to do something about these rating agencies. And we did.

That is one good thing about this bill. They are written out of law. These rating agencies compounded the problem because when these mortgages, packed together—mortgages that were not any good, that were not going to get paid, that then got turned into a trading vehicle—when they went up to Wall Street, these rating agencies that are paid for by the investment banks stamped them with AAA ratings, gave them the “good housing seal of approval” and let the world believe they were sound investments. They failed. And lo and behold, we find that the government has given a sanction in law to these rating agencies to be the determiners of creditworthiness—a monopoly, if you will.

Well, one good thing this bill does is to strip that out. No longer will they be given that state-sponsored monopoly. Now the marketplace will have to work. Now we will not be so relying upon people who are paid by the investment banks that did not do their homework and in part caused this crisis.

If we would have tackled the GSEs, Fannie and Freddie, and if we would have tackled underwriting standards, I would be here giving a speech today talking about why I voted for the bill. But we only did one of the four things and, unfortunately, now, we have a bill that Wall Street loves. Citigroup loves it. Goldman Sachs loves it. But Main Street is very concerned about it. We are going to make sure that orthodontists are regulated because they, every once in a while, extend credit to

their patients. But the folks on Wall Street, who caused these problems, and the underlying cause of the debacle, the mortgage problem, the underwriting problem, and the Fannie and Freddie problem do not get addressed.

According to the study by the U.S. Chamber of Commerce, this bill will create a huge new governmental bureaucracy: 70 new Federal regulations through the Bureau of Consumer Financial Protection, 54 new Federal regulations through the U.S. Commodity Futures Trading Commission, 11 new Federal regulations through the Federal Deposit Insurance Corporation, 30 through the Federal Reserve, 205 through the SEC.

You may say: Well, that sounds good. We need more regulations, right? There was a problem. But if the regulation does not go after the problem that caused the debacle, what do the regulations do? We are in a situation right now where business in this country is frozen. It is frozen solid because of the actions of the Congress and this administration who are doing so much to this economy that big business and small business alike do not believe they can hire new workers.

There is so much uncertainty in the marketplace. I hear this from small businesspeople in Florida where we have 1.9 million small businesses, to workforce centers which are trying to get people back to work, to incubators which are trying to grow new jobs, to presidents of chambers of commerce, and other folks I talk to regularly. They tell me business is frozen. Washington is doing so much to the economy they do not know where to turn next. Because they do not know what the future looks like, and because this government is pulling these huge levers on the economy, they believe they cannot make any moves.

Because of the health care bill, businesses in Florida, small businesses are telling me they are not going to hire new people because they cannot afford the new regulation. In fact, some of these businesses are not only going to not hire new people, they are going to let people go.

This financial regulatory reform bill—a business in Florida has told me its trading desk is going to the Bahamas. Those folks are now going to move and no longer add to our tax base and the wealth and diversity of our community because this regulation is going to put them in a situation where business says it is more beneficial to move them out of the State, out of the country. There are always unintended consequences. When we pull these huge levers on the economy, we create tremendous uncertainty, and business does what business needs to do to keep its people working and to make profits. That is what business is focused on. Those are the jobs that allow all of us to work, to provide for our families.

Right now, those jobs are under siege. In a State such as mine where we have nearly 12 percent unemployment, where times are especially difficult, the last thing in the world we need is for the Federal Government to be monkeying with the economy to the extent that businesses can't feel as though they can hire new workers.

This financial regulatory reform bill does more of what the health care bill did, and it seems to be the penchant of this Congress. We should be focused on jobs. We should be here day and night trying to find ways to make sure business has the incentives it needs to create new jobs and retain jobs, because we need to get people back to work.

This financial regulatory reform bill was a bill we should have had 80 or 90 votes on. It should have been narrowly focused and tailored on the problems that caused the financial debacle of 2008 that we still suffer through. This Chamber needs to get in the business of focusing on what should be done to address the problem and not using every crisis as an excuse to grow government. This new consumer agency we created will cost billions of dollars and will empower a new Federal Government executive, who reports to no board, to be able to make broad and wide-ranging policy decisions across this country and in the boardrooms of the businesses of America's companies. That is how Washington solves a problem these days. We don't fix the SEC which is the agency that is supposed to be doing the job. We don't go in and fire all the people at the Securities and Exchange Commission who should have been on top of this. We create a whole new governmental level of bureaucracy. We layer governmental agency on top of governmental agency, create more power, create bigger government, spend more of your money, and run this country into further debt.

We need a change. We need to do things differently. I wish I could have voted for this. I wish it would have focused on the issues it needed to, but, unfortunately, I can't because it does more harm than good. I am appreciative of my colleagues for supporting the amendment I did with Senator CANTWELL on the rating agencies, but only in that regard and in a few other regards did we do something that actually helped. Most of what we did didn't fix the problem and it caused more harm than good.

With that, I yield the floor.

The PRESIDING OFFICER (Mrs. SHAHEEN). The Senator from Kentucky.

MR. BUNNING. Madam President, I have come to the floor to speak about the conference report on the financial regulation bill the Senate has just passed. I think it was a huge mistake. I voted against the bill, and now I wish to take some time to explain why.

The short explanation is the bill does not address the causes of the financial

crisis and instead it sows the seed of the next financial crisis while adding unnecessary strains on our already struggling economy. I am going to spend the next little while giving the longer explanation.

As I have said many times in the Banking Committee and on the floor of the Senate, I want to pass a strong financial reform bill that reins in the excesses of our large financial companies and the Federal Reserve. No one has been a stronger voice against the financial industry enablers at the Fed than I have. I have fought every bailout brought to the Congress as well as the bailouts that the Federal Reserve and both the Bush and Obama administration put in place without the approval of Congress. I very much wanted to pass a bill that ends bailouts and reins in the reckless activities of our financial system. Unfortunately, like the bill passed by the Senate earlier this year, the conference report before the Senate today did not end bailouts. In fact, it does the opposite and makes them permanent.

This bill will also lead to future financial disasters because it ignores the root causes of the crisis. It fails to put the necessary handcuffs on the key parts of the financial system and will result in even greater concentration of the financial system in a very few large firms.

The largest single contributing factor in the current financial crisis and most other financial crises in the past is flawed Federal Reserve monetary policy. Starting in the late 1990s, former Fed Chairman Alan Greenspan used easy money to prop up the financial firms, manipulate the stock market, and micromanage the economy. That easy money inflated the tech stocks and the dot.com bubble. After that bubble burst, as well as following the September 11 terrorist attacks, he again loosened monetary policy which began to inflate the largest asset bubble in history. While the bubble was the most visible in housing, it was a debt bubble that spread across all households, corporate, and government borrowing.

In about 2004, the housing bubble started to become unstable, but lending standards were relaxed and the rise of subprime and other nontraditional mortgages enabled the bubble to keep growing for another couple of years. Eventually, the housing bubble became unsustainable and popped. The corporate debt bubble largely did the same, and we are now seeing government debt become unsustainable around the world, including here in the United States of America.

Despite the Fed's history of causing financial crises and its clear role in the current crisis, this bill does nothing to rein in the Fed. Chairman DODD's original draft bill presented to the Banking Committee last year took some posi-

tive steps to get the Fed back on track by removing the Fed as a regulator. But unfortunately, that did not make it into the final bill. Nothing in this bill will stop the next bubble or collapse if the Fed continues with its easy money policies. Cheap money will always distort prices and lead to dangerous behavior. No amount of regulation can contain it.

In addition to its flawed monetary policy, the Federal Reserve failed as a regulator leading up to the crisis. The Fed was responsible for regulating most of the large financial holding companies, but instead of regulating them, it was a cheerleader for them. The Fed, along with other regulators, allowed those firms to grow even larger and take unwise risks. And in what may be the Fed's greatest regulatory failure, Chairman Greenspan refused to do the job Congress gave him and the Fed in 1994—1994—the job to regulate mortgages. Instead of taking action that could have prevented at least part of the housing bubble inflated by subprime and nontraditional mortgages, Chairman Greenspan encouraged homebuyers to get those kinds of mortgages. He and Chairman Bernanke, along with many others at the Fed, sang the praises of those mortgages as financial innovation that reduced risk.

How well did the Fed approach to regulation work, I ask my colleagues? Well, in 2008, most, if not all, of the largest firms regulated by the Fed would have failed had they not been bailed out through TARP or by the Fed on its own. That seems like a pretty open-and-shut case for me for removing all regulatory responsibility from the Fed and giving it to someone who will use it. But that is not what this bill does. Instead of real regulatory reform, the bill concentrates regulation of the largest financial firms at the Federal Reserve, despite the Fed's long history of failed regulation.

As I mentioned earlier, the original draft of this bill removed bank and consumer protection regulations from the Fed and all the other regulators and created a single new banking regulator. That is a better approach. But it was dropped before the bill ever got out of the Banking Committee, and now the Fed gets more power for both jobs. Except for possibly Chairman DODD, no one has criticized the Fed more than me for its failure to use its consumer protection powers to regulate mortgages. Chairman Greenspan did nothing for 12 years after Congress gave him the power. Chairman Bernanke took another 2 years to act after he replaced Chairman Greenspan. Clearly, the Fed did not take consumer protection seriously and it deserves to lose that job.

I support strengthening consumer protection in the financial system, but I cannot understand keeping that job inside the same Fed that ignored it for

decades. Next to reining in the Fed, the most important goal of this bill should be to end bailouts and the idea of too big to fail. Instead, the bill makes too big to fail a permanent feature of our financial system and will increase the size of the largest financial firms. As I said earlier, the bill concentrates regulation of the largest financial institutions at the Federal Reserve. The Fed failed as a regulator leading up to the crisis and should not be the regulator of any banks. But now Fed regulation will be a sign that a firm is too big to fail.

On top of the new Fed's seal of approval for the largest banks, this bill creates a new stability council that will designate other nonbank firms for Federal regulation and, thus, too big to fail. Fed regulation of the largest banks is not the only way this bill makes too big to fail and bailouts permanent. The largest bank holding companies and other financial firms will now be subject to a new resolution process. Any resolution process is by definition a bailout because the whole point is to allow some creditors to get paid more than they would in a bankruptcy court. The regulator will have the power to pick winners and losers by paying some creditors off on better terms than other creditors.

Even if the financial company is closed down at the end of the process, the fact that the creditors are protected against the losses they would normally take will undermine market discipline and encourage more risky behavior. That will lead to more Bear Stearns, Lehmans, and AIGs, not less.

The resolution process is not the only way this bill keeps bailouts alive. The bill does not shut off the Federal Reserve's bailout powers. While some limits are placed on the Fed, the bill still lets it create bailout programs to buy up assets and pump money into struggling firms through "broad-based" programs. That will put taxpayers directly at risk and make Fed bailouts a permanent part of the financial system.

Instead of putting all these bailout powers into law, we should be putting failing companies into bankruptcy. Bankruptcy provides certainty and fairness, and protects taxpayers. Under bankruptcy, similar creditors are treated the same, which prevents the government from picking winners and losers in bailouts. Shareholders and creditors also know up front what losses they are facing and will exercise caution when dealing with financial companies. Some of us tried to replace the bailout provisions with a revised bankruptcy section for financial companies, but, unfortunately, we were not successful.

Since the bill does not take away government protection for financial companies and send those that fail through bankruptcy, it should at least

make them small enough to fail. Decades of combination have allowed a handful of banks to dominate the financial landscape. The four largest financial companies have assets totaling over 50 percent of our annual gross domestic product, and the six largest have assets of more than 60 percent. The four largest banks control approximately one-third of all deposits in the country. This concentration has come about because creditors would rather deal with firms seen as too big to fail, knowing that the government will protect them from losses. I would rather take away the taxpayer protection for creditors of large firms and let the market determine their size. But if that is not going to happen we should place hard limits on the size of financial companies and limit the activities of banks with insured deposits. Any financial companies that are over those size limits must be forced to shrink. This will lead to a more competitive banking sector, reduce the influence of the largest firms, and prevent a handful of them from holding our economy and government hostage ever again. Like most of the other real reform ideas that were proposed while previous versions of this bill were in the Banking Committee or on the Senate floor, meaningful limits on the size of banks were left out.

Along with not solving too big to fail, this bill does not address the housing finance problems that were at the center of the crisis—and still with us today. First, there is nothing in this bill that will stop unsafe mortgage underwriting practices such as zero down-payment and interest-only mortgages. There is a lot of talk of making financial companies have skin in the game, but when it comes to mortgages, the skin in the game that matters is the borrower's. Second, the bill ignores the role of government housing policy and Fannie Mae and Freddie Mac, which have received more bailout money than anyone else. The bill does not put an end to the government-sponsored enterprises' taxpayer guarantees and subsidies or stop the taxpayers from having to foot the bill for their irresponsible actions over the past decade. Over 96 percent of all mortgages written in the first quarter were backed by some type of government guarantee. Until we resolve the future of these entities, the private mortgage market will not return and the risk to the taxpayers will continue to increase.

As I mentioned at the beginning of my statement, this bill is going to have real consequences for the economy at a time when the recovery is looking more like a second dip of the recession. Combined with the tax increases that will take effect at the end of this year, I am afraid we may not see real recovery until 2012 or later. One way this bill is going to affect the economy is by the increased consumer protection reg-

ulation that will reduce the availability of credit from banks and other firms that had nothing to do with the financial crisis.

Another way was highlighted in a front-page article in the Wall Street Journal yesterday on the impact of the derivatives regulation in the bill on farmers. I have been as critical as anyone of the lack of regulation of derivatives—which was again largely thanks to Alan Greenspan—and I think we need more transparency and oversight in that market, especially for credit default swaps and related products. But the bill goes too far in its impact on ordinary end users who are using derivatives to hedge commodity costs or interest rate and currency risks. The Wall Street casino needs to be shut down, but the bill should not prevent legitimate derivative customers from buying responsible protection.

I have many other concerns about this bill that I have discussed in the past on the floor and in the Banking Committee. The bill returned by the conference committee will not solve the problems in our financial system. It is regulation without reform. I had hoped we could work together in a bipartisan way to craft a bill that ends too big to fail forever, but this is a highly partisan bill that will accomplish little. And one of the chief authors of the bill, Chairman DODD, admits that even he does not know how the bill will work and won't until after it is in place.

In the end, the bill gives so much discretion to the Fed that the best description of the new regulations is they are whatever the Fed says they are. Or to borrow the title of David Wessel's recent book, it can be described as "in Fed we trust". We saw how well that worked out the last time. I cannot understand why anyone expects it will work out better this time.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Mr. CHAMBLISS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAMBLISS. Madam President, I ask unanimous consent that Senator ISAKSON and I be allowed to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

HONORING OUR ARMED FORCES

LIEUTENANT ROBERT WILSON COLLINS

Mr. CHAMBLISS. Madam President, I rise today to urge my colleagues to join me and my colleague, Senator ISAKSON, in honoring the life and commitment of 1LT Robert Collins of Tyrone, GA.

Lieutenant Collins grew up in the small town of Tyrone in Fayette County, where he attended Sandy Creek High School, played football on Friday nights, where he became a standout student that would take him to the halls of West Point, and where he attended Hopewell United Methodist Church with his family every Sunday morning.

On the 7th of April 2010, Lieutenant Collins made the ultimate sacrifice when an improvised explosive device detonated near his vehicle on the streets of Mosul, Iraq. He was 24 years old.

To me, it is a particularly difficult situation because Lieutenant Collins was one of my appointees to West Point. He graduated from West Point in 2008 and became an officer in B Company, 1st Battalion, 64th Regiment of the Armor Unit, 3rd Infantry Division, based at Fort Stewart, GA. He deployed to Iraq in the autumn of 2009.

Lieutenant Collins served as his platoon's commander. While in Iraq, his unit was charged with improving security and the quality of life for the Iraqi people. He and his men also provided security for the recent successful Iraqi elections. They were dedicated to the goal of a democratic Iraq and sought to help its people lead normal, safe lives.

Robert's friends have described him as a man of great compassion. He was a natural leader who truly found a calling in the honor and patriotism of service in the U.S. Army. He has been described by his superiors as a young man who performed his duties courageously, without hesitation, and without reservations because, after all, he was a soldier in the U.S. Army.

As a small token of gratitude and remembrance for the ultimate sacrifice paid by Lieutenant Collins, I am pleased to join Senator ISAKSON in urging our colleagues to rename the post office in Tyrone, GA, as the "1st Lt. Robert Wilson Collins Post Office Building" in Lieutenant Collins' honor. Nothing we can do can ever repay the debt and the ultimate sacrifice this young man has made, but this will ensure his name lives on, not just in his friends' and families' hearts but in the heart of his hometown.

I yield the floor.

Mr. ISAKSON. Madam President, I am pleased to join the senior Senator from Georgia, my friend SAXBY CHAMBLISS, to pay tribute today to Robert Collins.

This naming of a post office is most appropriate in Tyrone, GA, and it is most appropriate because of the great sacrifice of this young man, whose story, as Senator CHAMBLISS says, is compelling.

One interesting point I wish to make is that he was the son of two lieutenant colonels retired from the U.S. military. His mother, LTC Sharon L.G. Collins, and his father, LTC Burkitt "Deacon"

Collins, spent more than 20 years in the U.S. military.

His mother said: We never asked him to follow us into the family business—being the military—but he did follow us into the family business in large measure because of what happened on 9/11/2001.

Following that tragic day in American history when he watched the terrorist attacks on the Twin Towers, he expressed to his parents a desire to join the U.S. military. His mother responded, along with his father, by making an appointment for him to visit West Point. They dressed him up in his very best outfit and took him to West Point.

Upon leaving Tyrone, one of his friends stopped him before he got in the car to go to West Point and said: Why are you dressed up so well?

He said: Because my mom and dad are colonels.

That is the kind of young man he was—respect for his parents, the U.S. military, and the greatness of our country.

He applied to West Point. Senator CHAMBLISS appointed him to West Point, and he was there with distinction. And later in 2009, he went off to serve the U.S. military. Unfortunately, on April 7, he made the ultimate sacrifice for the people of this country.

It is only appropriate in every way possible that we pay tribute to the young men and young women who sacrifice for us so all of us can enjoy the freedom of our country.

I am pleased, I am honored, and I am proud to join Senator CHAMBLISS in naming this post office in Tyrone, GA, after First Lieutenant Collins, who was a member of B Company, 1st Battalion, 64th Armor Regiment, 3rd Infantry Division, Fort Stewart, GA.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Ms. MURKOWSKI. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMEMBERING MAURICE "MO" BAILEY

Ms. MURKOWSKI. Madam President, as I mentioned, this has been a very difficult week for our military and our veterans communities in the State of Alaska. On Tuesday of this week we came together in Sitka, at Sitka Air Station, the Coast Guard air station there, to honor the memory of three members of the U.S. Coast Guard who gave their lives in a very tragic accident, the crash of an H-60 Jayhawk helicopter. This was off the coast of Washington on July 7. It was a real tragedy

for the Coast Guard families as a whole. The community of Sitka is one that truly embraces the men and the women of the Coast Guard. In addition to being the ones who pluck the fishermen out of the sea when they are in jeopardy or at risk, these are the men and women who are helping in the local churches, helping with Boy and Girl Scouts, coaching the kids. They are truly members of our community. The loss of these three men is very painful for us all.

I attended that ceremony on Tuesday in the hangar in Sitka. After I left, I took the flight back to Washington, DC. I took the redeye. When I arrived on Wednesday morning I was informed of the passing of a very dear friend of mine, a gentleman who made a profound contribution to the lives of so many of Alaska's veterans. I am speaking today of an individual by the name of Maurice Bailey. We called him Mo. Mo was from Wasilla, AK, and he was a disabled Vietnam era veteran who fought the VA bureaucracy to obtain his earned benefits.

He fought for himself and he was successful in that, but he went beyond that. He devoted the rest of his life to ensuring that the challenges of Alaska's veterans were not forgotten. He focused his efforts on those veterans who live in more than 200 rural communities that are not connected by road to the rest of Alaska or certainly to the continental United States. These are the communities of bush Alaska.

In 2003, Mo founded Veterans Aviation Outreach. This is an organization of volunteer pilots who travel to rural Alaska, to the communities that are hundreds and hundreds of miles from the nearest VA facility. He and his other volunteers did what the VA simply was not doing. They sought out those forgotten veterans and helped them in every way they possibly could.

When you listen to the stories about what Mo did and what the Veterans Aviation Outreach group did, it was a little bit of everything. They helped the veterans fill out applications for their benefits. Oftentimes it meant volunteering to fly a veteran to Anchorage for a medical appointment or perhaps raising the money for an airplane ticket. In so many of our very rural, very remote communities, there is no road. You don't get in your car and drive. So for the veteran to go for care, they may be traveling hundreds of miles. They don't have the money to do so. So Mo would bring his guys together or he would get in his plane and he would fly out there and pick them up.

Sometimes the help meant delivering moose meat, clearly a very desired food staple in rural Alaska. Sometimes it meant building a wheelchair ramp in a veteran's home. This was an all-volunteer operation. It functioned on raffles

and bake sales. All too often the money came straight from the pockets of its own volunteers.

We are a State that reveres all of our veterans. In Alaska we are home to more veterans per capita than any other State in the Union. We are also known as a very strong State for voluntarism. Support for veterans is clearly the rule. In many of the communities it is difficult to provide for that level of support, but we figure out a way to do it anyway.

It is universally acknowledged that there was something exceptional about Mo Bailey. His was a life of selfless service, sacrifice, and humility. He was truly a cut above the rest, and that is a pretty strong statement when you consider the many veterans who call Alaska home. But Mo never sought recognition for himself. He was so humble. But this did not stop his friends from ensuring that he received the recognition he had so honorably earned. In 2007, Mo was awarded with the prestigious Alaska Governor's Veterans Advocacy Award. I do not believe I am overstating when I say today that we mourn the loss of one of our State's most significant veteran leaders.

Mo Bailey was born in 1939 and grew up in Memphis, TN, during the Jim Crow era. The story goes he was looking up at the B-17s flying overhead and he told himself: Someday I am going to be flying those. Mo recounted, in a 2009 interview published in the *Frontiersman* newspaper:

Black people there said they didn't think this would ever happen. But at 7 years old I knew this is the United States of America and you can do anything you want to do. That was my heart's desire.

Those were Mo's words.

Mo enlisted in the Army at the age of 17. I say to the pages down here, he joined the Army at 17. He forged his father's signature on the consent form. Then he served 20 years. He pulled two tours in Vietnam and one in Alaska. He was a helicopter crew chief and a gunner.

Then, upon retirement from the Army, he decided to stay in Alaska and get involved in our community. He became a private pilot and a flight instructor. He was a trained Veterans Service Officer and he served as president of the Vietnam Veterans of America Chapter 903 in the Matanuska-Susitna Valley.

It was not too long ago that Mo discovered he had leukemia, but he said it was not going to slow him down. In an interview in the *Frontiersman* newspaper Mo said:

I feel as though I'm probably on somebody else's time. But that's OK. There is no quit. No way, no how. I'm never going to prepare myself to die. Never.

Mo really did live his life and live it large.

I got a call in early January. I was traveling and I got a call from my staff

person out in the Mat-Su Valley and he said: Mo has leukemia. He is not doing well. He is in the hospital and this may be it.

I called the hospital. A man answered. I asked to speak to Mo. The guy on the other end said, "Well, this is Mo."

I said: Mo, you sound pretty healthy. He said: Yes, they tell me I am not going to make it. They tell me I am done. I am in the hospital. But I just don't feel like dying. I don't feel like I am ready.

I said: Mo, you don't sound like you are going anywhere. You sound like you have got a lot of fight left in you.

Mo said: You know, there are some things I want to do. I have been working on this veterans gathering. It is a big gathering in the valley with so many of our Alaskan veterans. I have got a lot of things to do. I have got some things I want to give you. You know, I am focusing on that.

I said: Mo, I will see you in May at the gathering.

This was January and he had been told this was pretty much the end. But in May Mo hosted the gathering in Palmer, his annual day-long event that provides Alaska vets across the generations an opportunity to spend time with one another. They listen to music. They donate something to the Veterans Aviation Outreach, and they have a lot of fun.

There are some speeches, too. You can't go to any veterans gathering without a speech or so. But at that May gathering, Mo honored me with a Veterans Aviation Outreach jacket. It has my name on it and I am an honorary member of the Veterans Aviation Outreach.

Mo stood with me there and we both talked about the fact that, back in January, May looked like it was a long way away. But Mo is a fighter. Mo was not one who was going to go out easy.

At those many speeches I told those at the gathering that as much as I can do, as much as I want to do for our veterans, I am here in the Senate to help Alaska's and all veterans. I said: Mo, I will never hold a candle to you, but I sure promise to try. And I promised to try to do more, and today I renew that commitment in Mo's loving memory.

Many of us who were gathered there thought that event was going to be Mo's "last hurrah," and indeed that is the way it turned out. But Mo continued to fight right up until the very end on Tuesday evening.

I could go on for a while about Mo's work in service to the Alaska veterans community, but I would suggest it is probably a more powerful statement, a more powerful story, if it is done in Mo's own words. I ask unanimous consent that two articles, one from the *Vietnam Veterans of America* magazine and the other from the *Anchorage Daily News*, be printed in the *RECORD* at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered. (See exhibit 1.)

Ms. MURKOWSKI. I place these articles in the *RECORD* not only because Mo's legacy needs to be preserved in history, not only to do justice to the tremendous contribution of Mo Bailey, I am really hoping these articles will catch the attention of some of the senior officials within the VA. Reading about the gaps in service Mo Bailey sought to fill might challenge the VA to think a little bit harder about how it can improve its service to other rural veterans. At the very least, it might cause the VA to acknowledge the debt it owes to people like Mo Bailey and so many others in our veterans service organizations who are giving of their own time, their own energy, their own money, to fill these gaps. So maybe, just maybe, Mo's story, which has been an inspiration to so many of us in Alaska, will also inspire the VA to do more and to do better.

On behalf of all of my Senate colleagues, I express my deepest condolences to Mo's wife Ann and all of those who have been touched by Mo Bailey's generosity and kindness.

EXHIBIT 1

REACHING THE UNREACHED IN ALASKA VETERANS AVIATION OUTREACH (By Jim Belshaw)

In the course of his 20-year Army career, Maurice Bailey, president of VVA Chapter 903 in Mat-Su, Alaska, pulled two tours in Vietnam and one in Alaska. He thought Alaska was a "cool place" and went back there to live. It was different from anything he'd known, and he liked things that were different. Since 1980, the mechanic-turned-pilot has flown small fixed wing aircraft around the state. With a handful of other veteran-pilots, he's hoping to turn those long years of experience in the air into something that will help Alaska's aging veteran population.

As Bailey himself got a little older, he said he decided to put in for "some VA disability stuff Agent Orange-related and PTSD. Just a whole gamut of stuff." He said the VA experience "wasn't a cakewalk," but when it was done the VA found him to be 90 percent disabled. That got him to thinking about other veterans. 74,000 of whom live in Alaska, some in remote villages far from any kind of service, Alaska being a good place to be alone if that's your desire. There are 234 villages in Alaska. They range in population from 50 to 500. A big town might have as many as 2000.

"A lot of people are hiding," Bailey said. "They just wanted to run away. They just don't want to be bothered."

He'd spent many year flying to such places. While he noticed the large number of veterans, he didn't give it much thought until he went through his own VA experience. He wondered how many of Alaska's veterans might be so far removed that they didn't know they had benefits coming, let alone how to get them.

He became a veterans service officer. It seemed the natural for him. He met men he hadn't expected to meet.

"I met World War II guys," he said. "One guy in particular, a tough old guy 84 years old. He was gut shot twice, medically discharged, and given a 30 percent disability. He

quietly disappeared into the wilds of Alaska. When I met him, he was still flying airplanes. The oldest guy I saw was 90 years old.

He says he doesn't mean to criticize the VA when he says it needs to do outreach. He thinks that if the VA did a credible job of outreach, it would be overwhelmed by the needs of veterans. He thought perhaps a smaller number of people working on a modest scale might be a good place to begin.

Maurice Bailey got together with other veteran pilots—Tom Baird and Joe Stanistreet (no longer with VAO) and Chuck Moore—to talk about the possibility of doing outreach themselves. Bailey had been doing it on his own for a year and asked his friends if they'd like to join him. A fourth later joined the group—Jim Kendall, a photographer and navigator.

From these conversations grew Veterans Aviation Outreach, Inc., three veteran pilots flying their own airplanes to reach people who live "off the road" in a place not known to have many roads. Many of those veterans live in what is described as "survival mode", barely existing, often finding comfort in alcohol, only to have the alcohol lead to unemployment.

From the beginning, Bailey said, trust was the critical factor in the success they've had. Because of his long experience flying around Alaska, he came to know many of the distant veterans. It made a difference when he broached the subject of benefits. By way of illustration, he tells of another veteran who went to a small village where no one came out to greet him. But when Aviation Outreach went to the same place, they signed up 29 people in two days for health care and benefits.

"These guys have seen me around these villages and they trust me," Bailey said. "I know most of them. I know their kids."

Bailey said Moore, with whom he served in Vietnam 38 years ago, is a key player in the effort and the pilot with the most experience.

"He was a young pilot (19) and I was an old man (25)," Bailey said. "He flew gunships. He left the Army and went into the Navy to fly jets. He flies 90 percent of the missions for VAO. At this time he also flies for the State of Alaska. We have three pilots and four airplanes. Chuck owns two airplanes and the other two are owned by Tom Baird and myself."

Tom Baird underscores the importance of trust with the veteran's community.

When I travel in the bush, most contacts are developed by these kinds of relationships," he said. "Once you establish a relationship with an individual as a friend, you end up being steadfast friends. Individual homes are open to one another. Most of the people in this state will stop and give a hand if you need it. We want to reach the unreached who are out of sight and out of mind. These individuals are extremely independent. They like to do things for themselves whether they can or not."

Bailey says the four members of Veterans Aviation Outreach have no grand illusions. They try to do "small stuff." They sign people for VA benefits; they recruit new VVA members. Believing there is strength in numbers, they do what they can to build the veterans community.

They built a wheelchair ramp for a veteran to get in and out of his house. He's 50, Bailey said, and he'd "given up on life." So they do small things that will enhance that life.

They put in a claim for a veteran suffering from diabetes. It took eight months to settle, but the veteran received \$4,000 in back

pay and now gets \$200 a month for the rest of his life.

"He's real happy because now he can buy fuel oil," Bailey said.

Bailey is direct when dealing with veterans, "I try to explain to them, 'Look guys, you're old and you're sick now,'" he said.

Tom Baird said decisions between quantity and quality is always difficult.

"We've run into difficulty making decisions about reaching as many people as we can or making sure those we have contacted are taken care of before we move on," he said. "Because of the difficulties of processing and getting things done, it's looking like we're going to go for quality first. These guys already had been promised the world and gotten nothing, so it makes no sense to go out there if we're not going to be able to do it right."

Maurice Bailey counts his blessings and speaks of a duty to share them.

"Life has been pretty good to me," he said. "I live pretty good. But we're here for more than to just live pretty good. We're here to help people when they need it."

[From the Anchorage Daily News, Nov. 18, 2008]

PILOTS BRING HOPE, HELP TO VETERANS IN ALASKA—VAO: OUTREACH BY 7 VETS INCLUDES FOOD, CLAIMS HELP AND FLIGHTS TO THE DOCTOR

(By Zaz Hollander)

WASILLA—A national veteran's group report released last month highlighted health-care struggles facing Alaska Army National Guard members returning from deployments to rural villages. But news of under-served Bush veterans came as no surprise to Maurice "Mo" Bailey, a Wasilla flight instructor who served as a helicopter flight engineer with the U.S. Army during the Vietnam War.

Several years ago, Bailey and six other veterans—also pilots—took to the skies in their own planes to help veterans living in Western Alaska. All had flown the area for fun, and saw veterans in need of help. In 2003, Bailey created a nonprofit, Veteran's Aviation Outreach, which serves "isolated veterans" in rural or remote parts of western Alaska and elsewhere.

The men mostly help people file for Veterans Administration benefits. But they've also flown out veterans in need of medical care, made sure deceased veterans got flags for their graves, and shared literally tons of moose meat scored from helpful guides.

In 2005, they filed benefit claims on behalf of six Naknek veterans. The next year, they flew a rural resident to Anchorage for emergency medical care, a visit that also resulted in diagnoses—and later treatment—of diabetes and post-traumatic stress disorder.

Now 69, Bailey last year received the Governor's Veterans Advocacy Award for his "outstanding volunteer service."

He talked about the flying outreach group during a recent conversation.

Q. Why did you start?

A. Seeing the conditions that many veterans are in. Me and the rest of the pilots used to fly to western Alaska. We saw that people would have medical problems and some people in some cases died, leaving huge debts. Had they known they had benefits, the VA would have taken care of that. It's mostly information: these people are clueless. Once you're released from the military, you are not tracked, updated.

Q. Why western Alaska?

A. We were retired, just kind of goofing around (and flying the area). They're all combat pilots—the rest of the guys are. I'm

not. We were all in Vietnam together. All of us are retired from the military, looking at our brothers and sisters and saying, "Well, what can we do?" We didn't set out to do this, trust me. We were enjoying our retirement, our grandchildren.

Q. Can you give me some specifics of the kind of outreach you do?

A. We've been to all villages up and down the Kvichak River and Lake Iliamna. We found out veterans had been buried without flags. We decided that was totally unacceptable.

Q. Where was that?

A. It was in Newhalen on Lake Iliamna. We came back and went around to organizations such as the VFW. We got flags at the Wasilla Vet Center. We took flags out to make sure that people who had died recently, they received flags they hadn't gotten before and we left flags there so they could have them to take to six surrounding villages. That was last year.

Q. What about more recently?

A. We help veterans, no matter where. Last month, a guy was on dialysis. He had to come into Wasilla three times a week. He lived in Sutton. His house was not sanitized, broken pipes. We took a couple ladies out, cleaned the house, took a plumber out to fix pipes for water, built a handicapped ramp. Now he's able to do his dialysis at home.

Q. Where does the money come from?

A. Most of it comes out of our pockets. Sometimes people give fundraisers, spaghetti dinners, garage sales, cookie bakes or whatever. We do lots of stuff. I tell you what, I'm not just bragging, I'm really proud. We've had a heckuva impact doing things for people, little things that (otherwise) people, they got to paperwork it to death.

We just gave away 2,100 pounds of moose meat. We do it every year, have a deal with guides in Healy. They bring Lower 48'ers on hunts. They want horns. We want meat. We caravan a couple of trucks, pick up the meat and have it processed. The neediest people get it first. Valley veterans. Actually, we sent meat to the Bush—400 pounds last year to Naknek. Last week we also bought two freezers for needy veterans and filled both up with meat.

Q. How many veterans do you serve?

A. I just started tracking that. We see and help maybe two veterans a week. On a large scale, like the meat giveaway, it's to 50 to 60 people. Out in the Bush, we file claims for people with disabilities, illnesses. We do a little bit of everything.

Q. Where's the next trip?

A. Dillingham. Hopefully (early November). We'd like to have a gathering there. We had 600 people last spring at a Wasilla Airport gathering, with a barbecue and a band . . . We had World War II, Korea, Vietnam, Iraq and Afghanistan vets.

What made it so amazing was that these young guys that just returned from Iraq and Afghanistan were able to communicate and talk to guys that was in World War II. A lot of those guys won't be around here next year.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

MORNING BUSINESS

Mr. MENENDEZ. Madam President, I ask unanimous consent that the Senate proceed to a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

CUBA TRAVEL BAN

Mr. MENENDEZ. I have come to the floor many times to speak out about the Castro regime's abuses of the Cuban people. Today, I come to the floor once again, this time in strong opposition to any attempt in this Chamber to pass any bill that in any way lifts or lessens the travel ban on Cuba. I wish to make it absolutely clear that I will oppose and filibuster, if I need to, any effort to ease regulations that stand to enrich a regime that denies its own people basic human rights. I do not want to obstruct the business of this Chamber, but I know my colleagues on both sides of the aisle are well aware of how deeply I feel about freeing the people of Cuba from the repressive regime under which they have suffered for too long.

The fact is, the big corporate interests behind this misguided attempt to weaken the travel ban could not care less whether the Cuban people are free. They care only about opening a new market and increasing their bottom line. This is about the color of money, not the desire for freedom.

The very fact that a travel bill has moved through the House Agriculture Committee makes one wonder why American agricultural interests would even care about tourist travel to Cuba. One can only assume it is about generating increased tourism dollars for the Castro regime to buy more agricultural products. That would only serve to enrich the regime and do absolutely nothing to bring democracy to the island.

Let's be clear. Those who believe that increasing travel will magically breed democracy in Cuba are simply dead wrong. For years, the world has been traveling to Cuba and nothing has changed. Millions of tourists from democratic nations have visited Havana, and the Castro regime has not loosened its iron grip on its people. It has not ended its repressive policies. It has not stopped imprisoning and brutally abusing prodemocracy forces.

Now, sometimes I wonder; those who lament our dependence on foreign oil because it enriches regimes and terrorist states such as Iran should not have a double standard when it comes to enriching a brutal dictatorship such as Cuba right here in our own backyard.

How coincidental that suddenly, now that the Congress is considering lifting a travel ban, the Castro regime is hoping the world will believe it will release 52 prisoners of conscience. Well, let's set the record straight. Many people are wrongly under the impression—wrongly, reading and watching media reports—that 52 political prisoners have already been released and are free in Cuba. The fact is, only about seven

have been released, and forcibly—forcibly—deported from their country—another human rights violation—instead of allowing them to stay and peacefully advocate for change within their own country.

So even when the regime releases people whose simple crime was trying to peacefully create change in their country and who get imprisoned for years for that peaceful act, then when they are released, they are released only with the understanding that they will be deported out of their country so they can no longer be advocates, peaceful advocates, for civil society and democratic change. Imagine if those of us who are Americans could be arrested simply because we disagreed with the government, sought to peacefully change it, and then ultimately, after being arrested for years, were deported to some other country in the world.

The remaining 47 prisoners are set to be released but not now, not tomorrow, not next week, not even next month, but sometime during the next 3 to 4 months, we are told—or so the regime says.

According to reports in the Miami Herald, nine of those prisoners have said they will refuse to leave for Spain if released, and many who were released and forcibly deported to Madrid have vowed to continue their activism in exile. They have told reporters they feel the shock of being forced to leave their country. Omar Rodriguez Saludes told a reporter he feels “like I was still in prison. I left behind part of my family. I still feel like I have the cuffs on my hands.”

The released men said conditions in the prison were horrendous. They shared their cells with rats. Diseases infested the prison. And they told of inmates trying to kill themselves or do themselves bodily harm because of the squalid prison conditions they were forced to endure. Remember, these are political prisoners, not people who committed common crimes.

Julion Cesar Galvez, one of the dissidents, told reporters:

The hygiene and health conditions in prisons in Cuba are not terrible—they're worse than terrible. We had to live with rats and cockroaches and excrement. It's not a lie.

Galvez, a 66-year-old journalist who was sentenced to 15 years simply because of what he sought to write, 15 years of his life in these horrible prisons, said:

There were outbreaks of dengue fever and tuberculosis.

He said there were more than 1,500 prisoners in the prison in Villa Clars—40 prisoners to a cell measuring 32 square feet.

Another prisoner, Norman Hernandez, said:

The prisoners are tired of demanding their rights . . . They lose all hope. They lose their desire to live, and they try to hurt themselves so they will get attended to.

These men were lucky to be released, but they will not give up. They will continue to tell their stories, and they will continue to fight for freedom for all Cubans.

It took the regime one night in March to arrest these 52 people—one night. That scooped up 52 people who were peacefully advocating for change in their own country. So we might ask ourselves: If it took you one night to arrest 52 political prisoners, why will it take 4 months to release all of them?

It is not a coincidence that during the next 3 or 4 months, there will be Members of the Congress who will be looking to provide the Castro regime with billions of dollars of added tourism revenue. It is not a coincidence that in September, the European Union will once again deliberate the wisdom of its remaining sanctions. The nagging question that lingers in my mind is, Will the 47 ever see the light of day or will they be forcibly deported from their country and another 52 arrested overnight to take their place?

It is possible the regime will never release them because they do not want the world to see them because of the torture to which they have been subjected. Here is one of those prisoners. Last month, a man named Ariel Sigler was released from a Cuban prison on the verge of death. He was a 250-pound amateur boxer. You see him there in great health. This is the picture of his release—a 100-pound paraplegic. A 100-pound paraplegic. He did nothing to deserve that set of consequences.

Last month, the regime once again refused to let the United Nations Special Rapporteur on Torture visit the island, which, in my own view, speaks volumes about the conditions of the thousands of Cubans who have been imprisoned.

When you oppose the Castro regime, you are called dangerous, and there is a charge of dangerousness. Thousands of Cubans have been sent to Castro's prisons because of dangerousness. That is dangerousness: simply opposing the regime and seeking change in your home country—and for other trumped-up political charges.

If that is what is happening to the 200 internationally recognized and known political prisoners, then how much worse must it be for the thousands of anonymous political prisoners who have not been reported because they fall under the charge of dangerousness?

According to the State Department:

The total number of detainees is unknown because the government does not disclose such information and keeps its prisons off limits to human rights organizations and international human rights monitors.

Again according to the State Department:

One human rights organization lists more than 200 political prisoners currently detained in Cuba in addition to as many as 5,000 people sentenced for dangerousness.

Yet, in the face of this repression, some Members want to provide the Castro regime with its No. 1 source of income: tourism. This is not about travel; this is about rewarding a repressive regime. We already have hundreds of thousands of Americans who travel to Cuba for family, education, or humanitarian reasons under our existing law. But tourism to Cuba is a natural resource, akin to providing refined petroleum products to a country such as Iran. It is reported that 2.5 million tourists visit Cuba each year—1.5 million from North America, 1 million Canadians; more than 170,000 from England; more than 400,000 from Spain, Italy, Germany, and France combined; all bringing in nearly \$2 billion in revenue to the Castro regime.

Yet nothing has changed in Cuba except the amount of tourism dollars the regime has at its disposal. What does it do with nearly \$2 billion of resources from tourism? Does it put more food on the plates of Cuban families? Does it create a better quality of life for the Cuban people? No. Even with all of that money coming in, the Castro regime still rations people's food. They have to stand in line with a coupon to get access to a simple meal, waiting in long lines for a subsistence meal. Of course, when the regime rations people and they are in line just trying to get a meal for the day, there is no time for promoting democracy or human rights. The people are just trying to exist, trying to keep their family fed. There is no time but to stand in line, despite several billions of dollars to the Castro regime from tourism.

To me, that is an irreversible concession to a regime that this week arrested a Cuban American for providing laser printers and ink cartridges to a rural woman's opposition movement in Santiago. He was interrogated, the head of the movement's home raided by a dozen state security agents, the printer and cartridges confiscated. What a threat, a bunch of printers and ink cartridges. What a threat. He was subsequently released and put on a plane back. Meanwhile, an American remains in prison for helping the island's Jewish community connect to the Internet. After 6 months in jail, this individual still faces no trial and no charges, a U.S. citizen, jailed simply because he was trying to help the Jewish community in Havana to access the Internet. What a crime. What a crime. Yet for the most part we are relatively silent.

They were looking to help the Cuban people. But the regime doesn't want anyone engaging with the Cuban people. They want tourists to provide only one thing—hard currency, dollars, money.

Visiting the beaches of Varadero and sipping a Cuba libre, which is an oxymoron, provides money to continue repression, but it will not let the

Cuban people sip the sweetness of freedom. It will not change the plight of the Women in White. These are women who are the mothers, daughters, sisters, and wives of those many political prisoners in Castro's jails who each week, normally on Sunday, march dressed in white in peaceful protest with a gladiola and, in doing so, are ultimately trying to say: Free my relative.

This photograph shows the consequence of what they face. State security, dressed up as civilians, ultimately, as we can see, assaulting them, hurting them, arresting them. It will not change the fate of the Women in White, and it will not change the fate of their family member who remains jailed.

It will not change the fate of being imprisoned by the regime and then being released, as they have done so many times when there is some international spotlight on an individual, only to be rearrested over and over and over.

It will not change the tragic fate of Orlando Zapata Tamayo, who was deemed a prisoner of conscience by Amnesty International, who died in February after being on a hunger strike in a Cuban prison for 85 days protesting horrific prison conditions. It will not end the desire for freedom or change conditions in Cuba for men like Guillermo Farinas who began his hunger strike after the death of Zapata, ending it after he heard of the prisoner release, but vowing that he and other courageous Cubans would join in yet another hunger strike, if the 52 other political prisoners are not released and put back in their homes by November 7.

This photograph shows what he has been emaciated to in his hunger strike.

Lifting the travel ban, allowing tourist dollars to flow to the regime will not end any of it. It will not free the people of Cuba. It will not change the fate of the Women in White or the desire for freedom of Guillermo Farinas and the other political prisoners. It will only enrich the regime.

Reports this week have pointed out the economic impact opening travel to Cuba will cause to the Gulf States, Puerto Rico, the Virgin Islands, and other democratic neighbors in the Caribbean. The dollars that will be transferred from those tourism economies should be for the benefit of a democratic government in a free Cuba not to bail out a brutal regime. The Castros don't deserve it, and the U.S. Gulf States and our Caribbean friends cannot afford it.

According to the Jamaica Daily Gleaner:

The results of various studies of the likely impact on the Caribbean of lifting of the U.S. travel ban suggests that Cuba's tourism arrival would surge to full capacity at the expense of other Caribbean destinations . . .

. . . Apart from Puerto Rico and the U.S. Virgin Islands, the most heavily dependent Caribbean destinations on the U.S. and the most vulnerable, should the legislation to lift the travel ban pass, ultimately include [many of the islands in the Caribbean that would have an enormous economic damage to them].

It seems to me we should be promoting tourism to the beaches along the gulf coast, not to the apartheid beaches of Castro's Cuba.

You are not even allowed, as a Cuban citizen, to go to the beaches, many of the beaches of your own homeland, because they are reserved for tourists. You can't enter some of the hotels unless a tourist in your own country brings you in. That is why we call it apartheid. You cannot have access in your own homeland.

Imagine in my home State of New Jersey, where we love the New Jersey shore, imagine me not being able to go to any of the beaches in New Jersey because the government wants to restrict me from interacting with tourists and that those beaches would be reserved only for foreign tourists in my own home State in my own home country. That is what goes on.

Allowing the regime to benefit from increased tourism will not change a thing in Cuba. It will not bring democracy to Cuba. It will not make conditions for the Cuban people any better or change the history of the brutality of the Castro regime, a brutality that continues to this day. Sometimes I think some of my colleagues just don't have a sense. This is not using the word "brutality" for the sake of it. The pictures speak a thousand words.

I would like my friends in the Senate and others beyond, who may not have fully engaged in understanding what this brutality is all about, to recall the words of Armando Valladeres who wrote the prize-winning book "Against All Hope." He was imprisoned in the infamous Isla de Pinos in 1960 for his opposition to communism. He lived through the hell of Castro's jail, suffering violence, forced labor, and solitary confinement. His writings were smuggled out of Cuba, read throughout the world. He was finally released after intense international pressure, 22 years after he was taken prisoner. They had to rehabilitate him because they didn't want him released and shown to the world in the circumstances that some of these prisoners are.

Here are some of his memories of activity at the hands of the Castro brothers while in captivity:

I recalled the two sergeants, Porfirio and Matanzas, plunging their bayonets into Ernesto Diaz Madruga's body. . . . Boitel, denied water, after more than fifty days on a hunger strike, because Castro wanted him dead; Clara, Boitel's poor mother, beaten by Lieutenant Abad in a Political Police station just because she wanted to find out where her son was buried. . . . Officers . . . threatened family members if they cried at a funeral.

I remember Estebita and Piri dying in blackout cells, the victims of biological experimentation. . . . So many others murdered in the forced-labor fields, quarries and camps. A legion of specters, naked, crippled, hobbling and crawling through my mind, and the hundreds of men mutilated in the horrifying searches.

Eduardo Capote's fingers chopped off by a machete. Concentration camps, tortures, women beaten. . . .

And in the midst of that apocalyptic vision of the most dreadful and horrifying moments in my life, in the midst of the gray, ashy dust and the orgy of beatings and blood, prisoners beaten to the ground, a man emerged. . . .

. . . the skeletal figure of a man wasted by hunger with white hair, blazing blue eyes, and a heart overflowing with love, raising his arms to the invisible heaven and pleading for mercy for his executioners.

"Forgive them, Father, for they know not what they do." And a burst of machine-gun fire ripping open his chest.

I hope my colleagues remember these memories of Armando Valladeres and the realities of Castro's prisons before we think about rewarding the Castro regime in any way. Their sins are too great, and this is not a thing of the past. Their brutality and repression have been going on since the inception and still go on today. It has never stopped. It has never gotten better. It has never changed. It never will for so long as the regime is in power.

When I hear my colleagues come to the floor and talk about lifting the travel ban, I am compelled to ask, Why is there such an obvious double standard when it comes to Cuba? Why are the gulags of Cuba so different than the gulags of other places in the world? Why are we willing to tighten sanctions against some but loosen them when it comes to an equally repressive regime in Cuba, in effect rewarding them? Why are we so willing to throw up our hands and say: It is time to forget?

I don't believe it is time to forget. We can never forget those who have suffered and died at the hands of dictators anywhere, and certainly not in Cuba. It is clear the repression in Cuba continues unabated, notwithstanding the embargo, notwithstanding calls by those who want us to ease travel restrictions, ease sanctions, notwithstanding the fact that we have millions of visitors from other places in the world bringing billions of dollars, and still the repression goes on. In good conscience, I cannot do that. I will not step back.

I have come to the floor in the past to oppose any attempt to do that, to pass any bill that in essence lifts the travel ban on Cuba. I will continue to do so. I will continue to do so until we have the opportunity to make sure the Cuban people are ultimately free, make sure they have the basic fundamental rights that you and I enjoy in this great country, and to ensure the voices of all who languish in Castro's jails—for which the world seems to be deaf to

their cries, does not seem to care, does not speak about, does not do anything about—will continue to raise their voices in this Chamber and beyond.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. UDALL of Colorado). Without objection, it is so ordered.

TRAVEL TO CUBA

Mr. DORGAN. Mr. President, sometimes on the floor of the Senate, good friends disagree—perhaps not as often as some would think, but on occasion that is the case, and it is the case today, when I observed and listened to a presentation by my colleague from New Jersey on the subject of Cuba. I am sure we do not disagree about some parts of this subject; that is, I do not like the Cuban Government. I want freedom for the Cuban people. We, I assume, both believe that and believe the imprisonment of political prisoners in Cuba—who languish in Cuban jails for exercising their right of free speech and who are doing that in dark cells—is wholly unfair and we should as a country do everything we can to try to bring the vestige of freedom to the Cuban people. I understand all that. I support that strongly.

I have been to Cuba. I have spoken to Cuban Government leaders. I have spoken to dissidents. I have spoken to people on the streets of Cuba. And I want Cuba, an island 90 miles off the shore of our country, to be a free country.

Let me describe how long Cuba has had Communist rule and, by the way, how many Presidents we have had during that Communist rule and, therefore, the embargo that has been leveled against Cuba all these years. Let me describe how many Presidencies that embargo has existed through. The Presidencies begin with John F. Kennedy and go through this administration. That is 10 Presidencies.

We slapped an embargo on the country of Cuba and punished the American people in the process by saying: We are going to limit your right to travel to Cuba. And we were going to shut off all commerce to Cuba, including, by the way, most of these years, a restriction on sending food and medicine to Cuba.

The embargo has not seemed to work very well. It is now 50 years old, and it still exists. Well, what has happened as a result of the embargo? We have now a debate about what should happen with respect to our relationship with Cuba at this point. My colleagues say: Well, don't do anything that would reward the Cuban Government. Far from

it. I have no interest in rewarding a government that I substantially disagree with, a government that I believe throws innocent people in jail. I have no interest, nor do the people who support the bill Senator ENZI and I have now offered in the Senate, with 40 Senators cosponsoring it—we have no interest in rewarding the Cuban Government. That is not the issue. But we do believe the restriction on the American people's rights—the decision by a government that says: We are going to tell the American people where they can and cannot travel—we believe that is inappropriate. We do believe that ought to change.

So what I would like to do is talk about a couple things, including, No. 1, lifting the travel ban to Cuba and making it easier to sell food to Cuba.

I was the person who changed the law 10 years ago that allowed for the first time just a crack in this embargo that allows us to sell food into Cuba if it is paid for with cash. I think it is immoral for a country to use food as a foreign policy weapon. I do not think food ought to be part of any embargo. I think that is immoral.

By the way, using food as a part of an embargo just hurts poor, sick, and hungry people. Do you think the Castro brothers have missed breakfast or lunch or dinner because we had an embargo on food shipments to Cuba? Hardly. So 10 years ago, I got the law changed. In fact, it was the Dorgan-Ashcroft amendment. I got the law changed. That allowed us to begin selling food into the country of Cuba. That was the first opportunity to make any changes at all in this embargo.

Now the question is travel to Cuba by the American people. Should we continue to say to the American people: You have no right to travel to Cuba. We do not like the Cuban Government, so what we are going to do is restrict the rights of the American people? We have been doing that for 50 years, and it is time—long past the time—for it to change.

Let me describe a letter that came recently to the House of Representatives.

By the way, the reason this issue has now come to the forefront is the Agriculture Committee of the House of Representatives just passed a bill that lifts the travel restrictions on the American people to travel to Cuba. It also makes some changes in the conditions under which agricultural goods can be sold to Cuba, which is very important to do as well because even though 10 years ago I got the provision enacted into law that allows the sale of farm products for cash into Cuba, in 2003, as a runup to the 2004 election, President Bush tightened all of those provisions and actually changed a rule so that in order for Cuba to purchase goods from our country; that is, agricultural commodities, they had to pay

in cash before the commodities were even shipped. Well, that never happens in a transaction. You pay cash when you get the goods. But President Bush was attempting to restrict the sale of agricultural products to Cuba. So we need to fix that as well.

But the House of Representatives Agriculture Committee has now passed a bill lifting the travel ban. That means this issue is going to be front and center here in the Senate. Senator ENZI and I have the bill—it is bipartisan—that would lift the travel ban to Cuba, and we have 40 Senators who are cosponsors.

Let me read to you a letter that was sent to the U.S. House of Representatives by 74 Cuban human rights leaders, dated May 30, 2010, just a month and a half ago. They said:

The supportive presence of American citizens, their direct help, and the many opportunities for exchange, used effectively and in the desired direction, would not be an abandonment of Cuban civil society but rather a force to strengthen it. Similarly, to further facilitate the sale of agricultural products would help alleviate the food shortages we now suffer.

The current Cuban government has always violated this right [to travel] and in recent years has justified its actions with the fact that the government of the United States also restricts its citizens' freedom to travel. The passage of this bill would remove this spurious justification.

This is not from me or the cosponsors of my bill; this is from 74 Cuban human rights leaders.

As to the issue of lifting the travel ban—the one we have slapped on the American people in order to punish somebody else; we have punished the American citizens because we are upset with somebody else—here are people who support lifting the travel ban: a political prisoner, Marcelo Rodriguez from Cuba; Guillermo Farinas, a hunger striker in Cuba; Yoani Sanchez, one of the leading political bloggers in Cuba; Oscar Chepe, a former political prisoner; and Miriam Leiva, founder of the Ladies in White.

One of my colleagues recently had a poster I saw about the Ladies in White. The founder of the Ladies in White supports lifting this travel ban. They are not soft on Castro or soft on a Communist government. They just believe this travel ban should be lifted because it will be beneficial to their interests as leaders in human rights in the country of Cuba.

The sacrifices of those whom I have shown here in photographs, the sacrifices they have made in Cuba—sitting in dark prison cells, hunger strikes, and more—I think give them great credibility when they speak out on what is the best way to promote democracy in Cuba.

I indicated that I got a law passed that allowed us to sell some food into Cuba for cash. Since that time, U.S. farmers have sold \$3.2 billion worth of

food to Cuba. I mentioned that in 2003 the Bush administration decided to dramatically change that to try to restrict the sale of agricultural products to Cuba, and they succeeded in some respects. We need to change that as well. It makes no sense to do what they did in 2003.

But let me try to describe what was done in 2003 so that everybody understands what happened. The President, trying to get tough in 2003, eliminated the people-to-people visits program with Cuba; eliminated secondary school education travel with Cuba; restricted family travel to Cuba by Cuban Americans; restricted amateur athletic travel; prohibited gift parcels with clothing, personal hygiene items, soap-making equipment, and so on; restricted religious travel; and then also imposed the cash-before-shipment rule in order to restrict the sale of agricultural commodities to Cuba. So that is where we have been with respect to what happened in the previous administration.

President Obama has taken some unilateral actions since taking office. He has removed the restrictions on Cuban Americans who want to visit Cuba for family visits, and he has authorized U.S. telecommunications companies to sell their services in Cuba. I think he should go further immediately, and I think he has the capability to do that by restoring people-to-people visits to Cuba, permanently restoring the original definition of the term "payment of cash in advance" so that farmers can continue to sell agricultural products to Cuba. And especially, we need here in the Congress to pass S. 428, which is the Freedom to Travel to Cuba Act.

The American people have the right to travel almost anywhere they wish. They could travel to Russia in the middle of the Cold War. In fact, we sent our philharmonic orchestra, in 1959, right at the height of the Cold War, to play music in Communist Russia. They were not restricted. There is no travel restriction with respect to Russia.

The New York Philharmonic, in 2008, went to North Korea. And if you want to get a lump in your throat and feel really proud, go get the recording, the DVD, watching the New York Philharmonic play a concert in North Korea. It is extraordinary. But they were not prohibited from traveling to North Korea because you can travel to North Korea.

You can travel to the country of Iran. This picture is from the Office of Foreign Assets Control, which is the office down in the bowels of the Treasury Department that determines how they are going to enforce the travel ban to Cuba. They say:

All transactions ordinarily incident to travel to or from Iran . . . are permitted.

So let's review. You could travel to Russia in the middle of the Cold War.

You can travel to Iran right now. You can travel to North Korea right now. North Korea is a Communist country. You can travel to China right now. China is a Communist country. You can travel to Vietnam right now. Vietnam is a Communist country. By the way, with respect to China, I am co-chair of the Congressional Executive Commission on China. We have the world's most complete database of political prisoners held in China. There are very serious problems in China with respect to imprisonment of innocent people who are now sitting in the dark corners of cells in the farthest reaches of China, political prisoners, and we don't decide because of that we are not going to allow travel or trade with China or Vietnam. We have decided that engagement through travel and trade is the most productive way to move those countries toward greater human rights. It is only with Cuba that our country has decided it is not a strategy that works at all. What works is punishing the American people.

So what we have done is decided we are going to punish the American people who wish to travel to Cuba by tracking them down—by diverting somewhere around 25 percent of the resources in the Office of Foreign Assets Control, which is a little office in the Treasury Department that is supposed to be working on tracking financing by terrorists. Instead, about a quarter of their time, I am told, is used to try to track American tourists who are being suspected of vacationing in Cuba. When they track them down, they get after them. They want to levy a big fine.

I have described previously, and I will again, because my colleague who presented used a lot of posters to show what the circumstances are, but here is what the Office of Foreign Assets Control says with respect to travel to Cuba by an American citizen:

Unless otherwise authorized, any person subject to U.S. jurisdiction who engages in any travel-related transaction in Cuba violates the regulations.

So what does that mean? What are the consequences? Well, it means we are punishing the American people saying: We restrict your right to travel. So Carlos Lazo, a man whom I have met and who went to Iraq to fight for his country and who won a Bronze Star because he was brave and was a great soldier, came back to this country after having served his country in uniform, was awarded with great fanfare a Bronze Medal for bravery, and then was told, when he was informed—he had two sons living in Cuba and his older son was sick—you have no right to travel to Cuba to see your sick child. Unbelievable. In fact, I even forced a vote in the Senate on this question.

Sergeant Lazo, back from Iraq, with a sick son in Cuba was told: You have no right to travel. Unbelievable. Yet that was the case.

I have shown this photograph many times, but it is useful to describe how unbelievably foolish these policies are. This is Joan Scott. The Presiding Officer knows Joan Scott as well. She went to Havana to distribute free Bibles on the streets of Havana. For that, her government tracked her down and tried to fine her \$10,000. For going to Cuba to distribute free Bibles, this government is going to track its citizens down to try to fine them \$10,000.

I have met Joan Slote as well. She was riding bicycles in Cuba. She joined a Canadian bicycle tour and took a bicycle trip to Cuba. This government of ours tracked her down and tried to fine her \$10,000. By the way, this woman, I think, made \$1,100 a month in Social Security, and her government decided to try to attach her Social Security payments. What was her transgression? What was her crime? She took a bicycle trip to Cuba as an American citizen.

I don't think there needs to be said very much more about this. This is the most unbelievable policy with respect to Cuba. I have been to Vietnam, I have been to China—both Communist countries. We decided engagement through trade and travel is constructive. It works. It is why I assume the legislation Senator ENZI and I have offered is cosponsored by Senator LUGAR, the ranking member of the Senate Foreign Relations Committee; Senator DODD, the chairman of the Banking Committee and chairman of the Subcommittee on Western Hemisphere Affairs. They are part of the 40 Senators who have cosponsored legislation saying to our government: Would you stop punishing the American people because you are upset with somebody else, and would you stop being so unbelievably inconsistent?

Don't tell us that trade and travel is a constructive way to deal with Communist countries and then tell us that dealing with Cuba 90 miles off our shore requires us to punish the American people by restricting their right to travel.

I say again: What right does this government have to tell an American citizen where they can travel? They can go to North Korea, Iran, China, Vietnam, but not travel to Cuba. That is obscene. It makes no sense to me. Aside from we ought to stop doing stupid things, aside from just that notion, we surely ought to decide that it is not in the interests of this country to have its government telling people how, when, and where they can travel.

I wish to finish by just saying this again. I don't deny there are substantial human rights abuses in Cuba. I have been there. I have talked to the dissidents. I have talked to the Cuban people who have come to this country who know of, who have seen, who have watched the unbelievable lack of human rights that exist in that coun-

try. So that is not the point. The point isn't to deny the charts that people show on the floor of the Senate showing abuse. I could bring to the floor of the Senate, as chairman of the commission that deals with China, dozens of photographs of Chinese prisoners held in the darkest cells in the farthest reaches of China who have done nothing but are suffering. But we have not decided as a country that we will restrict the American people's right to go to China because that exists in China. We have set quite the opposite policy. We believe the best way to promote a march toward greater human rights in China and Vietnam and elsewhere is through trade and travel. That is the construction that this country has taken for a long while, except with respect to Cuba. In that circumstance, we say, no, we must, we must, we must prevent Americans from traveling to Cuba.

I say, again, 74 leading Cuban human rights leaders have signed a letter sent to us from Havana, Cuba—74 of them—and have said: Lift this travel ban. This travel ban makes no sense. You want to help Cuba? You want to help the people of Cuba? Lift this travel ban.

I also would say again, if I can find the chart that I had, the very brave citizens in Cuba who have spoken out and who are widely recognized, who have suffered: Marcelo Rodriguez, Yoani Sanchez, Guillermo Farinas, Oscar Chepe, and Miriam Leiva, all of them have suffered in Cuba. All of them believe this travel ban ought to be lifted.

I hope this Senate pays some attention to that and finally sees we can't do two things at the same time: No. 1, stop punishing the American people because we disagree with another country's government and, No. 2, do smart things that allow us to find ways to push and move that government toward greater human rights for its citizens.

Lifting the travel ban will accomplish both because there are 40 of us in the Senate who have sponsored and cosponsored legislation to lift that travel ban. When we have the opportunity for that vote in the Senate, I believe we will prevail at last—at long last—and we will prevail, and it will be constructive public policy for this country to have done so. Certainly, it will have lifted the yolk of oppression by a government that restricts the rights of its own citizens—I am talking about our government—that will lift the yolk of oppression that has existed for some 50 years by a government that tells its citizens where it can and cannot travel.

I don't want to hear any more about a government that tracks down a guy from the State of Washington whose father was a minister in a small church in Cuba, who immigrated to this country, and his father died and his father's

last wish was that his ashes would be strewn on the church property in Cuba where he was a minister. So his son carried out his father's wish. He went to Cuba and took his father's ashes to the church where he once served and deposited them on the lawn by that church. For that his government tracked him down and attempted to levy a very substantial fine on that young man from the State of Washington.

I am tired of those stories. Those stories are an embarrassment about public policy gone wrong, and we need to fix it.

Mr. President, I yield the floor.

CROSS-BORDER THREAT OF ASSAULT WEAPONS

Mr. LEVIN. Mr. President, last month, Mexican President Felipe Calderón addressed a joint session of Congress, highlighting the dangerous role that American-made firearms play in the violence currently plaguing both sides of the U.S.-Mexico border. President Calderón drew a link between the 2004 expiration of the U.S. federal assault weapons ban and a subsequent surge in violence in Mexico. In his speech, President Calderón urged Congress to reinstate a federal ban on assault weapons, a call I have long supported. By exploiting weak U.S. gun laws and corrupt gun sellers in the United States, Mexican drug gangs have amassed arsenals of military-style assault weapons. These guns have been used to kill thousands in Mexico and pose a grave and growing security threat to Americans north of the border.

Mexican law enforcement officials increasingly are being out-gunned by drug gangs bearing military-style assault weapons, .50 caliber sniper rifles and other high-powered weapons that originate in the United States. Using trace data from the Bureau of Alcohol, Tobacco, Firearms and Explosives, ATF, the U.S. Government Accountability Office, GAO, determined that from fiscal year 2004 to fiscal year 2008, over 20,000, or 87 percent, of firearms seized by Mexican authorities originated in the United States. Additionally, the GAO reported that the number of assault weapons within this total continues to grow. In fact, approximately 25 percent of the firearms seized by Mexican authorities in fiscal year 2008 were high-powered assault weapons, such as AR-15 and AK-type semi-automatic rifles.

However, the threat posed by assault weapons is not faced exclusively by law enforcement personnel in Mexico. Drug trafficking across the border into the United States has been increasingly accompanied by violence in the American Southwest, forcing police departments to combat criminals with military-style arsenals. Former Houston Police

Chief Harold Hurtt acknowledged the AK-47 assault rifle has become the “weapon of choice” for major drug dealers, warring gangs and immigrant smugglers. “The reality on the street is that many of these weapons are readily available,” according to Hurtt, forcing the Houston Police Department to consistently upgrade its weaponry to match the firepower of criminals armed with assault weapons. Just last week, Jeffrey Kirkham, the Chief of Police in Nogales, Arizona, reported that Mexican drug cartels have made death threats against his department in response to a successful drug bust. Criminals armed with assault weapons are a direct threat to American law enforcement officials and the communities they protect.

Reauthorizing a Federal ban on assault weapons would help to reduce violence in Mexico and the United States. When the first federal assault weapons ban expired in 2004, 19 of the highest powered and most lethal firearms became legal to purchase, including semiautomatic weapons that incorporated bayonet mounts or grenade launchers. In the absence of a ban, these lethal weapons continue to stream across the Mexican border, arming criminals and placing border communities in grave danger. The reauthorization of a Federal assault weapons ban has the overwhelming support of the law enforcement community, and I look forward to working with my colleagues in the Senate toward that goal.

REMEMBERING SENATOR ROBERT C. BYRD

Mr. BARRASSO. Mr. President, West Virginia, the U.S. Senate, and our Nation have experienced an incredible loss. Over the last few weeks, this Chamber witnessed poignant eulogies and remembrances of the legendary Senator Robert Byrd. Much has been said and written since Senator Byrd's death on June 28, 2010.

Those who have so eloquently written and spoken knew the Senator much better than I—Presidents, Senators, world leaders, dignitaries, as well as members of his family and friends in West Virginia.

He will be remembered as an intelligent, compassionate and illustrious figure. A giant.

Many people have recalled his historic milestones, distinguished career and legendary speeches. I first met Senator Byrd when I arrived in the Senate in 2007. I introduced myself and told him about a friend and patient of mine from Wyoming who had told me that Robert Byrd was his favorite senator. Like Senator Byrd, my friend uses a wheelchair. Senator Byrd asked me why my friend liked him so much. I told him it was because of their mutual commitment to the Constitution.

I went on to say that he thought Senator Byrd was “the best thing since

sliced bread.” Senator Byrd's eyes brightened and widened with the reference to sliced bread. He then gave me a complete history of sliced bread in America and the date when the first mechanical bread slicer was used in the United States. As a true man of the people, Senator Byrd also sent a note and a copy of the Constitution to my friend in Wyoming.

When former Wyoming Senator Cliff Hansen died late last year, I shared the news with Senator Byrd. Senator Byrd said, “I liked Cliff Hansen. Cliff Hansen was a friend of mine. Cliff Hansen knew what he stood for.” The same can be said for Senator Byrd.

As a public servant, he had few equals. As a parliamentary expert, he had none. Every day, Senator Byrd showed his enduring dedication to his family, the people of West Virginia, the United States Constitution, and our Nation.

Senator Byrd leaves us with a memory of the man—the memory of his kindness, grace, and passion. He had a depth of institutional understanding and knowledge of the traditions of the U.S. Senate that will never be replaced. While many of us are students of history, Senator Byrd truly lived this Nation's history. His strength, determination, and unyielding pursuit of knowledge serve as a model for all of us.

To his daughters Mona Byrd Fatemi and Marjorie Byrd Moore, his grandchildren, and family, I extend my family's sympathy and hope the coming days are filled with love, enduring strength, and God's grace.

Bobbi and I wish the Byrd family our best and our prayers are with you.

KYRGYZSTAN

Mr. KAUFMAN. Mr. President, in the last few weeks, great turmoil has unfolded in Kyrgyzstan. According to media reports, ethnic riots in the southern cities of Osh and Jalalabad have left up to 2,000 dead—309 confirmed by the Kyrgyz Government—thousands have been injured, and approximately 400,000 Uzbeks have been displaced.

I am deeply concerned about ethnic clashes and ongoing tension between the Kyrgyz and Uzbeks, especially given reports that international observers have noted they are reminiscent of the tragedies in Bosnia and Rwanda in the 1990s. Today, the situation appears to have stabilized, but we cannot discount the potential for renewed conflict after an apparent lull, which happened in both Bosnia and Rwanda.

We must also not forget that what happens in Kyrgyzstan has implications for U.S. interests throughout central Asia. As the Senate noted in Resolution 566, which passed unanimously on June 25, the events of the past month could spark unrest across the

Ferghana Valley, which borders Kyrgyzstan, Uzbekistan, and Tajikistan. Kyrgyzstan also plays host to a U.S. air base at Manas International Airport that serves as a critical supply line for NATO and U.S.-led operations in Afghanistan.

For these reasons, I rise today to urge the provisional government and all citizens of Kyrgyzstan to move ahead with the process of reconciliation. I would also like to commend the Obama administration and others in the international community—particularly the United Nations and Russia—who have rendered fiscal and humanitarian aid to the Government of Kyrgyzstan during this difficult time. The international community must call on all parties to refrain from violence, cease persecution of minorities, and explore peaceful routes to conflict resolution.

There is other news out of Kyrgyzstan worth noting—namely, the referendum held on June 27 in support of a constitution that will establish central Asia's first parliamentary democracy. This referendum was peaceful and inclusive, and I commend the provisional government for organizing this process. The referendum marked a historic opportunity to usher in a new period of democracy and stability in Kyrgyzstan, and the stakes are high. This is why I would like to highlight three areas where I hope there can be additional progress can be made.

Perhaps most importantly, there must be a credible investigation into the recent violence. One of the most important actions to take is to establish an investigative team that is viewed as credible by all sides. This investigation must ensure the perpetrators of violence are held accountable for their actions and initiate a process whereby all citizens, including ethnic Uzbeks, see themselves as sufficiently represented in the country's national institutions.

The interim government must also ensure a smooth transition to the new Constitution. This means that the Kyrgyz authorities should redouble efforts to prevent the escalation of violence, and observers must monitor the elections. The first transition of power is critical to the success of this democratic transition because it will set the baseline for all future elections. The people of Kyrgyzstan have shown overwhelmingly that they want democracy, and now the provisional government should do everything in its power to make those aspirations a reality.

Finally, the government must promote freedom of the press. According to Freedom House, in 2010, Kyrgyzstan was ranked 159th of 192 countries. At this critical juncture, the interim government may feel tempted to muzzle criticism to avoid giving fodder to dissidents. But to do so would undermine its credibility far more than any words

published in a free press. There is an undeniable connection between a population's confidence in their political system and the capacity of that system to ensure the free flow of information through an independent media. If the interim government and its successor want to identify the failures of previous governments in Kyrgyzstan, they need look no further than its abysmal record in the area of press freedom. To make the new constitution in Kyrgyzstan a success, the nation needs a truly independent media.

Mr. President, we are at an important turning point in Kyrgyzstan, where there is a glimmer of hope about democracy taking root in the future. At the same time, the potential for renewed unrest, rampant corruption, and curtailed freedoms could easily jeopardize recent progress. It is incumbent on all sides to act responsibly and to ensure there is not a resurgence of violence, so that the new Government of Kyrgyzstan can set an example of successful democracy for the region.

SMALL BUSINESS LENDING

Ms. SNOWE. Mr. President, I rise to speak of an amendment, cosponsored by Senators GRASSLEY, ENZI, ISAKSON, and COLLINS, which has proven small business job creating power.

It should come as no surprise to anyone that it remains difficult for small businesses to access credit. We have all heard the justifiable frustration and outrage expressed by entrepreneurs nationwide in response to the albatross of tight credit which has a chokehold on our economy. And frankly, who could blame them, when just this past April, the Federal Reserve's Senior Loan Officer Opinion Survey found the percentage of banks easing credit terms for small businesses was just a meager 1.9 percent—after it was an astonishing zero percent in both the past January and October surveys! Is this any way to jumpstart an anemic economy?

As ranking member of the Senate Small Business Committee I, along with Chair LANDRIEU, have vigorously championed measures to ease credit and increase small business lending. Together, we fought to include in the Recovery Act key provisions to increase the maximum government guarantee on Small Business Administration, SBA, loans to 90 percent and to appropriate \$375 million to reduce fees for SBA 7(a) and 504 borrowers. This program proved to be so popular and viable that its funds were expended first in November 2009, then in February 2010, and again in March 2010, following short term extensions.

But regrettably, these provisions have lapsed, and a program that paid tangible dividends, having been credited with increasing loan volumes by a remarkable 90 percent nationwide and 236 percent in Maine, has to my dismay

come to a close. At a time when unemployment hovers at near ten percent and consumer confidence hangs in abeyance, nothing could be more counter-intuitive than to allow this to happen. And the numbers speak for themselves. In June alone, the SBA approved only \$647 million in SBA 7(a) guaranteed loans, a 65.9 percent decrease from the \$1.9 billion in 7(a) loans it approved in May.

No wonder in a July 11 New York Times article, SBA Administrator Karen Mills urged Congress to continue these programs, stating that "we've been able to put \$30 billion in the hands of small businesses and now is not the time to pull back . . ." Talk about the proverbial snatching defeat from the jaws of victory!

Our amendment would resuscitate this highly effective program, providing \$485 million to reinstate SBA fee reductions and the elevated guarantee on SBA 7(a) loans through the end of 2010. And we pay for it by using unobligated Recovery Act funds. In fact, according to the Recovery Accountability and Transparency Board, there are approximately \$50 billion in unobligated stimulus funds, and our amendment, which would cost less than 1 percent—.97 percent to be exact—of the overall amount, is paid for by rescinding, on a pro rated basis, from these funds. While we all must make difficult spending decisions, it should be clear that reinstating these vital provisions represents a commonsense approach to providing capital to small businesses across our Nation.

These are actions we can take right here and right now that complement this bill's SBA related provisions which increase the maximum limits for SBA 7(a) and 504 loans from \$2 million to \$5 million, raise the maximum microloan limit from \$35,000 to \$50,000, and allow for the refinancing of conventional small business loans through the SBA 504 program.

They will begin providing capital immediately to small businesses, and they have strong industry support from the National Association of Development Companies, which represents 504 lenders and the National Association of Government Guaranteed Lenders, which represents 7(a) lenders.

In conclusion, this initiative ought to be a simple way to swiftly provide assistance to those economic engines that are the lifeblood of our economy—our Nation's small businesses. It is my hope that this body can accept this amendment quickly, by unanimous consent, so that we can provide our economic catalysts with at least a modicum of capital security, financial stability, and economic certainty.

BOMBINGS IN UGANDA

Mr. FEINGOLD. Mr. President, I join President Obama, Secretary Clinton,

and people around the world in condemning the horrific bombings in Uganda last Sunday. These attacks killed scores of innocent people and wounded many others who had peacefully gathered to watch the World Cup final.

I was particularly saddened to learn that Nate Henn, an American who worked as a volunteer with Invisible Children to help children affected by war in Uganda's northern region, was among those murdered in this cowardly act. I have worked closely with members of the Invisible Children team to bring attention to the atrocities committed by the Lord's Resistance Army, and I know their passion and dedication. I offer my deepest condolences to the Henn family and the whole Invisible Children family, as well as to all the other victims and their families.

The United States has close ties and a strong working partnership with the people and Government of Uganda, and we stand with them in this difficult moment. I strongly support efforts by the U.S. Government to assist Ugandan authorities to investigate these attacks and bring the perpetrators to justice. And given the news of another attempted attack on Tuesday, we should also help the government take enhanced security measures.

At the same time though, we should encourage the government to avoid any actions that could be seen as broadly targeting Somalis or the Muslim community more generally in Uganda. These communities in Uganda have not been known for violent or extremist activity in the past, and it would be counterproductive to alienate them. They should be allies in seeking to identify and apprehend those individuals behind these heinous attacks.

Al Shebaab, the Somali terrorist group whose leaders have links to al-Qaida, has claimed responsibility for this attack. Al Shebaab has been threatening for months to carry out attacks in Kenya, Uganda, and Burundi, and if their claim is true, this would be the first time that they have carried out a major attack outside Somalia's borders. It would underscore the threat that this terrorist group poses not only to neighboring countries but throughout Africa and potentially even to the United States.

For years, I have drawn attention to the continuing conflict in Somalia and its direct ramifications for our national security. As I mentioned, al Shebaab's leadership has links to al-Qaida and has indicated a desire to work with al-Qaida affiliates worldwide, particularly al-Qaida in the Arab Peninsula in Yemen. In addition and perhaps even more disconcerting, al Shebaab has recruited a number of Americans to travel to the region and fight. In October 2008, a Somali-American blew himself up in Somalia as part of a coordinated attack by al Shebaab.

The Justice Department has since brought terrorist charges against more than a dozen people for recruiting and raising funds for Americans to fight with al Shebaab.

These developments have not gone unnoticed by our national security leaders, and the Obama administration has rightly put greater focus on Somalia. But our policy toward the country still lacks a strategic, long-term vision, and sufficient resources. The Obama administration is providing some support to the Transitional Federal Government and to the AU peace-keeping force in Mogadishu, but this support has done little to change the fundamental dynamics of the situation. We need to go back to the drawing board and develop a strategy that directly targets the conflicts and conditions that are bolstering al Shebaab and, by extension, al-Qaida. That strategy may entail greater support for the TFG and AMISOM, but we may also need to explore alternative options.

To carry out such a strategy, we need a diplomatic effort equal to the challenges we face in Somalia. We need an increased, strengthened team with the necessary resources, access, and mandate to engage with actors in Somalia and across the wider region. I have called on the President and Secretary of State to appoint a senior envoy to help oversee such a diplomatic effort toward Somalia. Such an envoy could also advance much needed public diplomacy efforts to address the high level of suspicion and resentment with which many Somalis continue to view the United States. And finally, this person could help ensure that we are connecting the dots among all the other countries affected by the Somalia crisis and al Shebaab.

Mr. President, there are no easy or quick solutions to Somalia's troubles, and attempts by external actors to impose solutions have failed. But as the tragic events in Uganda this week should make clear, the current situation in Somalia is intolerable—for the region and the international community, not to mention the Somali people who continue to suffer one of the world's worst humanitarian crises. We cannot afford to just continue with our current halfhearted efforts and hope for the best. Working with our regional partners and others in the international community, we need to get serious about a new push for peace and stability in Somalia.

OSCE PARLIMENTARY ASSEMBLY SESSION IN OSLO

Mr. CARDIN. Mr. President, I want to report on the activities of a bicameral, bipartisan congressional delegation I had the privilege to lead last week as chairman of the Helsinki Commission. The purpose of the trip was to represent the United States at the 19th

Annual Session of the Parliamentary Assembly of the Organization for Security and Cooperation in Europe, otherwise known as the OSCE PA. The annual session this year was held in Oslo, Norway, and the U.S. delegation participated fully in the assembly's standing committee, the plenary sessions, the three general committees and numerous side events that included discussion of integration in multiethnic societies and addressing gender imbalances in society.

Although some last-minute developments at home compelled him to remain behind, our colleague from the other Chamber, Mr. ALCEE HASTINGS of Florida, was present in spirit as the deputy head of the delegation. Mr. HASTINGS, who cochairs the Helsinki Commission, was very active in the preparations for the trip, and his legacy of leadership in the OSCE PA—for over a decade—is tangible in the respect and goodwill afforded the United States during the proceedings.

Our assistant majority leader, Mr. DURBIN of Illinois, joined me on the trip, as he did last year. Our colleague from New Mexico who serves as a fellow Helsinki Commissioner, Mr. UDALL, also participated. Helsinki Commissioners from the other Chamber who were on the delegation include Mr. CHRISTOPHER SMITH of New Jersey, serving as the ranking member of the delegation, as well as Mrs. LOUISE MCINTOSH SLAUGHTER of New York, and Mr. ROBERT ADERHOLT of Alabama. Although not a member of the Helsinki Commission, Mr. LLOYD DOGGETT of Texas has a longstanding interest in OSCE-related issues and also participated on the delegation.

As many of you know, the OSCE Parliamentary Assembly was created within the framework of the OSCE as an independent, consultative body consisting of over 300 Parliamentarians from virtually every country in Europe, including the Caucasus, as well as from Central Asia, and the United States, and Canada. The annual sessions are held in late June/early July as the chief venue for debating issues of the day and issuing a declaration addressing human rights, democratic development and the rule of law; economic cooperation and environmental protection; and confidence building and security among the participating states and globally.

This active congressional participation helps ensure that matters of interest to the United States are raised and discussed. Robust U.S. engagement has been the hallmark of the Parliamentary Assembly since its inception nearly 20 years ago.

The theme for this year's annual session was "Rule of Law: Combating Transnational Crime and Corruption." In addition to resolutions for each of the three general committees, delegations introduced a total of 35 addi-

tional resolutions for consideration, a record number, including 4 by the United States dealing with:

Nuclear security, which followed up directly on the Nuclear Summit here in Washington in April;

The protection of investigative journalists, a critical human rights issue as those who seek to expose corruption are targeted for harassment or worse;

Mediterranean cooperation, building on the OSCE partnerships to engage important countries in North Africa and the Middle East; and

Combating the demand for human trafficking and electronic forms of exploitation, a longstanding Helsinki Commission issue requiring persistence and targeted action.

U.S. drafts on these relevant, important topics received widespread support and were adopted with few if any amendments.

Beyond these resolutions, the United States delegation also undertook initiatives in the form of packages of amendments to other resolutions. These initiatives addressed:

the needs of the people of Afghanistan in light of the smuggling and other criminal activity which takes place there;

the struggle for recovery stability and human rights in Kyrgyzstan, which is an OSCE state in the midst of crisis; and

manifestations of racism and xenophobia that have become particularly prevalent in contemporary Europe.

A critical U.S. amendment allowed us generally to support a French resolution that usefully addressed issues relating to the closure of the detention facility in Guantanamo Bay. Still other amendments coming from specific members of the U.S. Delegation covered a wide range of political, environmental and social issues relevant to policymakers. My colleagues and I were also active in the successful countering of amendments that would have steered resolutions on the Middle East and on the future of the OSCE multilateral diplomatic process in directions contrary to U.S. policy.

Beyond the consideration of the resolutions which now comprise the Oslo Declaration, the annual session also handled some important affairs for the OSCE PA itself. These, too, had relevance for U.S. policy interests:

the American serving as OSCE PA Secretary General, Spencer Oliver, was reappointed to a new 5-year term;

a modest—and for the third fiscal year in a row—frozen OSCE PA budget of about \$3½ million was approved that requires continued and unparalleled efficiency in organizing additional conferences, election observation missions, and various other activities that keep the Parliamentary Assembly prominently engaged in European and Central Asian affairs;

in addition to my continued tenure as a vice president in the Parliamentary Assembly, Mr. ADERHOLT of Alabama was reelected as the vice chair of the general committee dealing with democracy, human rights, and humanitarian questions which ensures strong U.S. representation in OSCE PA decisionmaking; and

a Greek parliamentary leader defeated a prominent Canadian senator in the election of a new OSCE PA president, following a vigorous but friendly campaign that encouraged the assembly to take a fresh look at itself and establish a clearer vision for its future.

While the congressional delegation's work focused heavily on representing the United States at the OSCE PA, we tried to use our presence in Europe to advance U.S. interests and express U.S. concerns more broadly. The meeting took place in Norway, a very close friend and strong, long-time ally of the United States of America. In discussions with Norwegian officials, we expressed our sorrow over the recent deaths of Norwegian soldiers in Afghanistan. We also shared our concerns about climate change and particularly the impact global warming has on polar regions.

Indeed, on our return we made a well received stop on the archipelago of Svalbard, well north of the Arctic Circle, to learn more about the impact firsthand, from changing commercial shipping lanes to relocated fisheries to ecological imbalance that make far northern flora and fauna increasingly vulnerable. The delegation also visited the Svalbard Global Seed Vault, a facility that preserves more than 525,000 types of seeds from all over the world as a safeguard for future crop diversity, and took the opportunity to donate additional U.S. seeds to the collection.

Norway is located close to a newer, but also very strong, ally with close ties to the United States, Estonia. Since last year's delegation to the OSCE PA Annual Session went to Lithuania and included Latvia as a side trip, I believed it was important to utilize the opportunity of returning to northern Europe to visit this Baltic state as well.

While some remained in Oslo to represent the United States, others traveled to Tallinn, where we had meetings with the President, Prime Minister, and other senior government officials, visited the NATO Cooperative Cyber-Defense Center of Excellence and were briefed on electronic networking systems that make parliament and government more transparent, efficient and accessible to the citizen. Estonia has come a long way since it reestablished its independence from the Soviet Union almost 20 years ago, making the visit quite rewarding for those of us on the Helsinki Commission who tried to keep a spotlight on the Baltic States during the dark days of the Cold War.

During the course of the meeting, the U.S. delegation also had bilateral meetings with the delegation of the Russian Federation and a visiting delegation from Kyrgyzstan to discuss issues of mutual concern and interest.

U.S. engagement in the OSCE Parliamentary Assembly sends a clear message to those who are our friends and to those who are not that we will defend U.S. interests and advance the causes of peace and prosperity around the world.

REMEMBERING NATALIA ESTEMIROVA

Mr. KERRY. Mr. President, on July 15, 2009, Natalia Estemirova, head of the Memorial Human Rights Center in Grozny, Chechnya, was abducted from her home and murdered. Estemirova belonged to a tradition of Russian heroism, persevering for truth and justice in spite of great danger, but she deserves recognition from all nations.

Today, as we commemorate the 1-year anniversary of her tragic passing, it is fitting to recall the words of the Memorial's founder, Andrei Sakharov:

You always have to be aware of [your ideals], even if there is no direct path to their realization. Were there no ideals, there would be no hope whatsoever. Then everything would be hopelessness, darkness—a blind alley.

In her life and in her work, Estemirova radiated hope in the face of adversity, and was steadfast in her ideals even when pursuing them entailed great risk and personal sacrifice.

Natalia Estemirova was born in 1958 to a Russian mother and a Chechen father, embodying in her parentage what was to become her life's calling: reconciling both peoples through her keen sense of justice and singular commitment to the truth. A widow and a mother, a teacher and an advocate, Estemirova found her purest voice in Chechnya. Her reporting on the second Chechen war and its aftermath exposed countless abuses committed by both sides, and provided an invaluable source of information to the outside world.

Estemirova was no stranger to controversy. On more than one occasion, her work raised the ire of the local authorities, and twice she was forced to flee her homeland. But Estemirova was not one to surrender to fear. It is said that above all she was motivated by the love of her daughter, Lana, and the desire to help the victims of Chechnya's tragic wars.

And help other people she did. From the wrongly accused in need of legal assistance to the families in search of their loved ones, Estemirova provided solace and service to generations of Russians. She pursued hidden graves, requested investigations from the authorities, and gave voice to Chechens by bringing their cases to the European Court of Human Rights.

Estemirova knew better than anyone about the tenuous stability that reigns in Chechnya. She knew that corruption there could spread to neighboring provinces and corrode the institutions of the Russian state. She knew that violence and instability are seldom contained within internationally recognized borders. And she believed that justice for victims must be at the center of any effort to rebuild societies devastated by war.

On this day, we are called to remember Estemirova's generosity of spirit and dedication of purpose in spite of the many blind alleys that confronted her in life. Her voice may be silenced, but her message of hope and reconciliation endure.

ADDITIONAL STATEMENTS

TRIBUTE TO BLANQUITA CULLUM

• Mr. COBURN. Mr. President, as Blanka Cullum's service as Governor on the Broadcasting Board of Governors comes to an end, I wish to make note of her untiring efforts to maintain United States international broadcasting during times of enormous pressures.

Throughout her tenure, Blanka Cullum has been a champion for the mission of American international broadcasting, but also for the audiences who rely upon our international broadcasts for credible, authoritative, accurate and factual news and information.

Chief among her concerns has been for the continuation of U.S. international radio broadcasts, the form of communication which to this day remains the most readily accessible and cost-effective means of communication for billions of oppressed people living in poverty.

In our technologically driven consumer society, it escapes our attention that almost two billion people make less than \$2 a day. Blanka Cullum has insisted, often in the face of resistance, that these populations not be abandoned and their fate left to chance.

In addition, she has argued strongly that cuts not be made to critical strategic regions of the world where regions are often one incident away from open conflict. She was among those calling for the resumption of United States international broadcasts to Russia. This call to action was given added impetus during the armed conflict between Russia and the Republic of Georgia, days after U.S. international broadcasts to Russia were ended. Even though the other members of the Board inexplicably refused to restore Russian broadcasts, Blanka Cullum's forceful arguments helped avert their planned termination of U.S. broadcasts to the Republic of Georgia and the Ukraine.

Blanquita Cullum has global vision. International terrorism and other threats to the United States are globalized. We ignore this fact at our own risk. For example, she has argued strongly for a more robust presence of U.S. international broadcasting to Latin America, including targeted broadcasts to Cuba, Venezuela, and other audiences whose airwaves are saturated with antidemocracy sentiments and propaganda.

Further, she has strongly argued for increased oversight and accountability with regard to U.S. international broadcasting, recognizing the importance of our broadcasts being above reproach. In the course of my own investigations, I discovered VOA broadcasts to Iran that undermined U.S. policy and gave a platform for the propaganda of our enemies. U.S. broadcasts in Arabic have also given uninterrupted and unchallenged platforms to terrorists and other enemies of the U.S. and our allies. Blanquita Cullum was the only Governor to support my and my colleagues' calls for greater transparency and accountability in our broadcasts—an ongoing need that has yet to be adequately rectified.

In the Asian sphere, she resisted efforts by the BBG bureaucracy to reduce the agency's Tibetan broadcasts and made certain that broadcasts to Burma during its violent crackdown on pro-democracy advocates were not interrupted.

Long before it became a topic of urgency, Blanquita Cullum recognized the importance of cybersecurity and argued for increased vigilance on the part of the agency's technical component to take measures necessary to ensure that BBG broadcasts and Internet assets were protected against such threats.

Finally, it is a secret to no one that Blanquita Cullum has been a strong believer in the human component of the agency's operations. She has enjoyed an engaged relationship with the agency's employees and bristled over the agency's poor showing in the annual Human Capital Survey. An organization that cannot command the confidence of its staff is not likely to be fully engaged with the audiences it portends to serve.

One needs to look no further than Governor Blanquita Cullum as the model of unselfish public service in the National and Public Interest. She will be sorely missed by those at the BBG and in Congress who still believe in the original purpose of U.S. international broadcasting. The new Board of Governors will have a challenge ahead of them as they attempt to fill her shoes and continue her efforts to reform U.S. International Broadcasting.●

TRIBUTE TO LEANNE MEDEMA

● Mr. CRAPO. Mr. President, today I join my colleague, Mr. RISCH, to honor

an outstanding woman as she retires from everyday working life. Leanne Medema has spent close to 20 years working on behalf of Idaho's nuclear research industry, and she has been a terrific asset to local contractors as well as to the Idaho congressional delegation over the years.

Leanne came to Idaho from Illinois in the early 1990s and helped manage a complex and very public transition with one of the Idaho National Laboratory's facilities, INL, the Idaho Chemical Processing Plant. She has spent 30 years working to improve the working environment of the companies who have employed her. And she has succeeded admirably. She has a personable manner that makes everyone feel comfortable, and she has an unerring sense of how best to resolve conflicts and address other challenges.

Most recently, Leanne worked as the protocol officer at the INL, which was a terrific fit. She always handled herself well and dealt with tough situations without ever losing her poise.

INL's reputation has increased nationally and internationally, and Leanne's efforts have been essential to the process. She always goes above and beyond to make sure each visitor to INL feels like they are a special guest.

We have particularly appreciated Leanne's relationship with our own Senate offices. Her professionalism was always top notch, her knowledge of the INL is superb and her ability to communicate and work easily with others is among the finest we have seen. When schedules are tight and people were stressed, Leanne had the ability to rise above it all and navigate the pitfalls with style, grace and ease.

We would be remiss if we didn't mention Leanne and her family and their involvement in the local community. She was an active volunteer with the Idaho Falls Chamber of Commerce serving as co-chair on the Legislative Committee and always did an outstanding job in each of her assignments.

As she nears retirement, we join many others in thanking her for her service to her community and the state of Idaho. She has done an outstanding job at the INL, one that will be hard for others to fill. We wish her the best in her retirement, knowing that she isn't one to stay still for long. Thank you, Leanne, and enjoy your future endeavors.●

TRIBUTE TO PASTOR WILLIAM L. ROBINSON

● Mrs. LINCOLN. Mr. President, today I congratulate William L. Robinson as he celebrates 28 years as pastor of First Baptist Church in North Little Rock. First Baptist is the oldest Black church in North Little Rock, and under Pastor Robinson's leadership, the con-

gregation has thrived for nearly 30 years.

From a young age, Pastor Robinson knew his calling. At the age of 12, he was licensed by Dr. T. M. Chambers, then Pastor of Gaines Street Baptist Church in Little Rock. In 1977, at the age of 17, Pastor Robinson became an ordained minister.

An Arkansas native, Pastor Robinson graduated from historic Little Rock Central High School and earned a bachelor of arts degree in social sciences from Arkansas Baptist College in Little Rock. He is a graduate of Jackson Theological Seminary of Shorter College in North Little Rock.

Recognized as a pillar of the North Little Rock community, Pastor Robinson has been asked to serve in a variety of statewide commissions and leadership roles, including the Martin Luther King Jr. Commission, the Board of Trustees of the William F. Laman Library Commission, and the Executive Board of the Union Rescue Mission and Salvation Army. Pastor Robinson is an Honorary Deputy Sheriff of Pulaski County and a Chaplain of the North Little Rock Police and Sheriff's Office.

Pastor Robinson has also been invited to take part in numerous inaugurations and official events in Arkansas and Washington, DC. He is the visionary of the recently reestablished "4" Church Fellowship and serves currently as president. This fellowship consists of local churches coming together to uplift our Savior and the community through quarterly worship services. Most recently, Pastor Robinson served as cochairman of the First Interfaith Christian Conference, "The Arkansas Gathering," featuring nationally known pastors and more than 100 local pastors and their churches for a 4-day retreat.

Pastor Robinson is also a local radio personality in his own right. For more than 26 years, he has promoted First Baptist's "Sunday Morning at The First," a 1 hour broadcast that airs Sunday evening at 5 p.m., reaching all four corners of Arkansas.

I salute Pastor Robinson and the work he does for North Little Rock and the entire state of Arkansas. Along with all Arkansans, I congratulate him for his years of service, and wish him all the best for the years to come.●

TRIBUTE TO DR. FRED BOURLAND

● Mrs. LINCOLN. Mr. President, today I congratulate Arkansan Dr. Fred Bourland, who was recently named the International Cotton Researcher of the Year by the International Cotton Advisory Committee. Dr. Bourland is a cotton breeder and director of the University of Arkansas Division of Agriculture's Northeast Research and Extension Center in Keiser. Dr. Bourland won the award for his innovative cotton breeding achievements.

The Cotton Researcher of the Year award was started in 2009 to help raise awareness of the importance of research to the improvement of the cotton industry and to provide international recognition of exceptional achievements. Dr. Bourland will receive a trophy and \$1,000 prize.

I commend Dr. Bourland for his research, which benefits Arkansas's entire cotton farming community. Through his efforts, he represents the best of our Arkansas values: hard work, dedication, and perseverance. He also inspires the next generation of Arkansas leaders as a member of the UA team.

As an Arkansas farmer's daughter, and as chairman of the Senate Agriculture Committee, I understand firsthand and appreciate the hard work and contributions of our Arkansas agriculture community. Agriculture is the backbone of Arkansas's economy, creating more than 270,000 jobs in the state and providing \$9.1 billion in wages and salaries. In total, agriculture contributes roughly \$15.9 billion to the Arkansas economy each year.

I salute Dr. Bourland and the entire Arkansas agriculture community for their hard work and dedication.●

ROGERS-LOWELL AREA CHAMBER OF COMMERCE

● Mrs. LINCOLN. Mr. President, today I congratulate the Rogers-Lowell Area Chamber of Commerce for receiving a five star re-accreditation from the U.S. Chamber of Commerce, the highest accreditation a chamber can receive.

Of the 6,936 chambers in the United States, only 249 of are accredited. Of these, only 66 are accredited with five stars, roughly equal to 1 percent of chambers nationwide. Rogers-Lowell is the only five-star chamber in the State of Arkansas.

The Rogers-Lowell Area Chamber of Commerce was founded in 1922 and is one of the largest chambers in Arkansas. Under the leadership of President and CEO Raymond Burns, members are committed to growing business and building community. I commend Chairman Tom Spillyards, Accreditation Chair Greg Spragg, the Board of Directors, and the entire Chamber membership for their outstanding efforts to better their community.

Located in the center of the booming Northwest Arkansas region and the beautiful Arkansas Ozarks, the Rogers-Lowell area offers quality, growth and opportunity to residents and visitors alike. As one of the most dynamic communities in the region, Rogers and Lowell offer upscale, urban amenities, along with a slower pace, beautiful scenery, and endless outdoor recreational opportunities.

I salute the Rogers-Lowell Area Chamber of Commerce and the entire

Rogers community for their efforts to build and grow their community. As my fellow Arkansans know, our state is a beautiful one, and I am proud to see the Rogers-Lowell Chamber of Commerce receive this prestigious accreditation.●

RECOGNIZING THE ROGERS COMMUNITY

● Mrs. LINCOLN. Mr. President, today I congratulate the residents of Rogers for being named in the "Top 10" list of U.S. small cities, as ranked by Money Magazine.

The community received this recognition for being one of the Nation's best small cities in which to raise a family. The rankings were determined through criteria examining education, crime rate, housing affordability, jobs, diversity, health care, and arts and leisure.

I also commend Rogers' community leaders, including Raymond Burns, president and chief executive of the Rogers-Lowell Area Chamber of Commerce. The tireless efforts by these leaders to build and maintain a safe, desirable community helped make this top ranking a reality. They represent the best of our state, and I am proud of their accomplishments for their community.

I salute the entire Rogers community for their efforts to maintain the heritage, beauty, and history of their community. I join all Arkansans to express my pride in this jewel of Arkansas.●

TRIBUTE TO DAVID DANIEL

● Mr. VITTER. Mr. President, today I congratulate Mr. J. David Daniel, a resident of my home State, as he nears the end of his term as the 105th chairman of the Nation's largest insurance association, the Independent Insurance Agents & Brokers of America, IIABA. Mr. Daniel was elected to the IIABA's executive committee in 2004 and was installed as the association's chairman last September.

Founded in 1896, IIABA, or the Big "I" as it is better known, is the Nation's oldest and largest association of independent insurance agents and brokers, representing a network of more than 300,000 agents, brokers, and their employees. During his term as chairman of the Big "I," David Daniel has been a leader on a number of issues for the association including health care overhaul legislation and financial services regulatory reform. In a time of tectonic shifts in the financial services industry landscape, Mr. Daniel has proven to be a strong leader and a steady hand for the association and the insurance industry as a whole.

David Daniel is president of Daniel and Eustis Insurance in Baton Rouge, LA. Prior to his election to the IIABA Executive Committee in 2004, he served

on the board of directors of the Independent Insurance Agents & Brokers of Louisiana, IIABL, for eight years before becoming president in 1997. Daniel served as Louisiana's national board director beginning in 1998 and has acted as the State association's representative to the Louisiana Insurance Rating Commission. Mr. Daniel is also the recipient of IIABL's Lifetime Achievement Award and the Outstanding Committee Chairman Award. On the national level, Mr. Daniel has served on IIABA's Technical Affairs Committee and was chairman of the Governance and Communication Task Force.

David Daniel has long been praised for his work in Baton Rouge as well as the insurance industry. For 28 years he has been a member of the Capital City Kiwanis and was once awarded the George R. Hixson award for community service. As a pioneering member of the Christmas on the River Committee, Daniel worked to revitalize the riverfront area in Baton Rouge. He has been a volunteer youth basketball coach for the YMCA and is a founding member of the Vision 21 Foundation, an organization that collects and distributes grant money to nonprofit groups in the Baton Rouge area.

I would like to sincerely thank David Daniel for his commitment to his profession, his community, and the state of Louisiana. His efforts are greatly appreciated, and I wish Mr. Daniel, his wife Janet, and their family all the best in their future endeavors.●

TRIBUTE TO JIM FUNK

● Mr. VITTER. Mr. President, today I wish to recognize Mr. Jim Funk for his leadership and dedication to the Louisiana Restaurant Association. Mr. Funk has served as the president and chief executive officer of the Louisiana Restaurant Association for almost 30 years, and announced his retirement earlier this year. I would like to take some time to remark on his work and his contribution to the State of Louisiana.

First founded in 1946, the Louisiana Restaurant Association promotes, protects, and serves the interests of Louisiana's food service and hospitality industry. Now one of the premiere associations in the Nation, the Louisiana Restaurant Association has grown in membership and status with Jim Funk at the helm during the past three decades. Through recessions, hurricanes and the most recent oil spill, Mr. Funk has led the industry through a business climate that has challenged Louisiana's restaurants on many levels.

Mr. Funk has also been recognized nationally for his success in association management, for his clout in Louisiana's politics, and for his dedication to culinary education. In 2007, he received the industry's highest honor—

induction into the National Restaurant Association Educational Foundation College of Diplomats. Mr. Funk was also an impressive advocate for the employees of the hospitality industry. As the head of the Louisiana Restaurant Association, he created the LRA's Self Insurer's Fund for Worker's Compensation, which provides important and necessary insurance to Louisiana restaurants and their workers. The fund now ensures more than 2,300 restaurants and hotels in Louisiana.

Mr. Funk also fought to protect the integrity and reputation of Louisiana restaurants and food products. At the National Restaurant Association Show on May 22 of this year, he stressed the need to protect the wetlands and Louisiana's prominent fishing and seafood industry. Having guided the LRA through the devastating destruction of Hurricane Katrina and the current oil-spill threatening our shores, Mr. Funk has shown laudable leadership.

The profile of Louisiana's restaurants industry and culinary traditions has been significantly enhanced during Mr. Funk's tenure as president of the Louisiana Restaurant Association. Thus, today, I am proud to honor Jim Funk and thank him for his dedication to the Louisiana Restaurant Association and to the State of Louisiana.●

TRIBUTE TO COLONEL ALVIN B. LEE

● Mr. VITTER. Mr. President, I wish to acknowledge the service of COL Alvin B. Lee as he relinquishes command of the New Orleans District, U.S. Army Corps of Engineers. Colonel Lee, the New Orleans District's 60th commander and district engineer, took command on July 20, 2007, and has served in that position for the past 3 years.

The New Orleans District is the largest district within the Corps of Engineers. The complexity and magnitude of the issues dealt with in this command are staggering. In addition to the normal operating budget of \$550 million, this district includes the \$14 billion hurricane and storm damage risk reduction system, HSDRRS, program for the Greater New Orleans Metropolitan area. No other colonel in the Corps of Engineers is given responsibility even remotely close to this.

Previous to his service as commander, New Orleans District, Colonel Lee served in other key command and staff positions which include: Company Commander, 317th Engineer Battalion, 3rd Brigade, 24th Infantry Division, Mechanized; Commander, Alaska Projects Office, Cold Regions Research Laboratory; Battalion Executive Officer of the 10th Engineer Battalion, and the Engineer Brigade Operations Officer, Third Infantry Division, Mechanized. Colonel Lee also served in Afghanistan during Operation Enduring

Freedom as the Deputy Commander for the Afghanistan Engineer District. This resume serves as a testament to the character of Colonel Lee.

While it is no secret that I do not see eye-to-eye with the Army Corps of Engineers as an organization, I can say that I greatly appreciate the efforts of Colonel Lee individually. Colonel Lee earned the respect of many within the local Louisiana communities over the past three years through his strong leadership and hard work. He is a fine officer who has given much in service to the Nation. I wish him well in future endeavors.●

TIMBER LAKE, SOUTH DAKOTA

● Mr. THUNE. Mr. President, today I recognize Timber Lake, SD. Founded in 1910, the town of Timber will celebrate its 100th anniversary this year.

Located in Dewey County, Timber Lake possesses the strong sense of community that makes South Dakota an outstanding place to live and work. Throughout its rich history, Timber Lake has continued to be a strong reflection of South Dakota's greatest values and traditions. The community of Timber Lake has much to be proud of and I am confident that Timber Lake's success will continue well into the future.

The town of Timber Lake will commemorate the 100th anniversary of its founding with a celebration held from July 19 through July 25, featuring events such as a community play, rodeo, demolition derby, parade, and a fireworks display. I would like to offer my congratulations to the citizens of Timber Lake on this milestone anniversary and send my best wishes to them in the years to come.●

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 10:24 a.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 5502. An act to amend the effective date of the gift card provisions of the Credit Card Accountability Responsibility and Disclosure Act of 2009.

The enrolled bill was subsequently signed by the President pro tempore (Mr. INOUE).

At 11:10 a.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1722. An act to require the head of each executive agency to establish and implement a policy under which employees shall be authorized to telework, and for other purposes.

H.R. 2864. An act to amend the Hydrographic Services Improvement Act of 1998 to

authorize funds to acquire hydrographic data and provide hydrographic services specific to the Arctic for safe navigation, delineating the United States extended continental shelf, and the monitoring and description of coastal changes.

H.R. 5390. An act to designate the facility of the United States Postal Service located at 13301 Smith Road in Cleveland, Ohio, as the "David John Donafee Post Office Building".

H.R. 5450. An act to designate the facility of the United States Postal Service located at 3894 Crenshaw Boulevard in Los Angeles, California, as the "Tom Bradley Post Office Building".

H.R. 5712. An act to provide for certain clarifications and extensions under Medicare, Medicaid, and the Children's Health Insurance Program.

At 2:38 p.m., a message from the House of Representatives, delivered by one of its reading clerks, Mrs. Cole, announced that the House has passed the following bill, without amendment:

S. 1508. An act to amend the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) in order to prevent the loss of billions in taxpayer dollars.

ENROLLED BILLS SIGNED

At 2:48 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

H.R. 689. An act to interchange the administrative jurisdiction of certain Federal lands between the Forest Service and the Bureau of Land Management, and for other purposes.

H.R. 3360. An act to amend title 46, United States Code, to establish requirements to ensure the security and safety of passengers and crew on cruise vessels, and for other purposes.

H.R. 4840. An act to designate the facility of the United States Postal Service located at 1981 Cleveland Avenue in Columbus, Ohio, as the "Clarence D. Lumpkin Post Office".

The enrolled bills were subsequently signed by the President pro tempore (Mr. INOUE).

ENROLLED BILL SIGNED

At 5:52 p.m., a message from the House of Representatives, delivered by Mr. Novotny, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 4173. An act to promote the financial stability of the United States by improving accountability and transparency in the financial system, to end "too big to fail", to protect the American taxpayer by ending bailouts, to protect consumers from abusive financial services practices, and for other purposes.

The enrolled bill was subsequently signed by the President pro tempore (Mr. INOUE).

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 1722. An act to require the head of each executive agency to establish and implement a policy under which employees

shall be authorized to telework, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

H.R. 2864. An act to amend the Hydrographic Services Improvement Act of 1998 to authorize funds to acquire hydrographic data and provide hydrographic services specific to the Arctic for safe navigation, delineating the United States extended continental shelf, and the monitoring and description of coastal changes; to the Committee on Commerce, Science, and Transportation.

H.R. 5390. An act to designate the facility of the United States Postal Service located at 13301 Smith Road in Cleveland, Ohio, as the "David John Donafée Post Office Building"; to the Committee on Homeland Security and Governmental Affairs.

H.R. 5450. An act to designate the facility of the United States Postal Service located at 3894 Crenshaw Boulevard in Los Angeles, California, as the "Tom Bradley Post Office Building"; to the Committee on Homeland Security and Governmental Affairs.

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

S. 3588. A bill to limit the moratorium on certain permitting and drilling activities issued by the Secretary of the Interior, and for other purposes.

MEASURES READ THE FIRST TIME

The following bill was read the first time:

H.R. 5712. An act to provide for certain clarifications and extensions under Medicare, Medicaid, and the Children's Health Insurance Program.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC-6633. A communication from the Executive Analyst, Office of the Secretary, Department of Health and Human Services, transmitting, pursuant to law, a report on the discontinuation of service in acting role and action on the nomination for the position of Assistant Secretary for Planning and Evaluation; to the Committee on Health, Education, Labor, and Pensions.

EC-6634. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report entitled "Fiscal Year 2009 Medical Device User Fee and Modernization Act (MDUFMA) Financial Report"; to the Committee on Health, Education, Labor, and Pensions.

EC-6635. A communication from the Program Manager, Office of the National Coordinator for Health Information Technology, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Health Information Technology: Initial Set of Standards, Implementation Specifications, and Certification Criteria for Electronic Health Record Technology" (RIN0991-AB58) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Health, Education, Labor, and Pensions.

EC-6636. A communication from the Acting Deputy Associate Administrator for Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of a rule entitled "Federal Acquisition Regulation; FAR Circular 2005-44, Introduction" (FAC 2005-44) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC-6637. A communication from the Acting Deputy Associate Administrator for Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of a rule entitled "Federal Acquisition Regulation; FAR Circular 2008-039, Reporting Executive Compensation and First-Tier Subcontract Awards" (FAC 2005-44) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC-6638. A communication from the Acting Deputy Associate Administrator for Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of a rule entitled "Federal Acquisition Regulation; FAR Circular 2005-44, Small Entity Compliance Guide" (FAC 2005-44) received in the Office of the President of the Senate on July 12, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC-6639. A communication from the Associate General Counsel, Department of Homeland Security, transmitting, pursuant to law, a report relative to a vacancy in the Federal Emergency Management Agency in the position of Administrator, U.S. Fire Administration; to the Committee on Homeland Security and Governmental Affairs.

EC-6640. A communication from the Director, Office of Personnel Management, transmitting, pursuant to law, the Office's annual report on Federal agencies' use of the physicians comparability allowance (PCA) program; to the Committee on Homeland Security and Governmental Affairs.

EC-6641. A communication from the Director, Office of Personnel Management, transmitting a legislative proposal entitled "Federal Civilian Employees in Zones of Armed Conflict Benefits Act of 2010"; to the Committee on Homeland Security and Governmental Affairs.

EC-6642. A communication from the General Counsel of the Department of Defense, transmitting a legislative proposal entitled "Federal Civilian Employees in Zones of Armed Conflict Benefits Act of 2010"; to the Committee on Homeland Security and Governmental Affairs.

EC-6643. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Viruses, Serums, Toxins, and Analogous Products and Patent Term Restoration; Nonsubstantive Amendments" (Docket No. APHIS-2009-0069) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-6644. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Tier I Issue: IRC § 118 Abuse Directive No. 9" (LMSB-4-0710-020) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Finance.

EC-6645. A communication from the Deputy Associate Director for Management and Administration and Designated Reporting

Official, Office of National Drug Control Policy, Executive Office of the President, transmitting, pursuant to law, (2) reports relative to vacancies in the Office of National Drug Control Policy in the positions of Deputy Director for Demand Reduction and Deputy Director for State, Local and Tribal Affairs; to the Committee on the Judiciary.

EC-6646. A communication from the Secretary, Federal Trade Commission, transmitting, pursuant to law, a report entitled "College Scholarship Fraud Prevention Act of 2000 Annual Report to Congress: July 2010"; to the Committee on the Judiciary.

EC-6647. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Fourth of July Fireworks Event, Pagan River, Smithfield, VA" ((RIN1625-AA00)(Docket No. USCG-2010-0454)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6648. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Stockton Ports Baseball Club/City of Stockton, 4th of July Fireworks Display, Stockton, CA" ((RIN1625-AA00)(Docket No. USCG-2010-0369)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6649. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Jameson Beach 4th of July Fireworks Display" ((RIN1625-AA00)(Docket No. USCG-2010-0378)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6650. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Marine Events within the Captain of the Port Sector Northern New England Area of Responsibility, July through September" ((RIN1625-AA00)(Docket No. USCG-2010-0315)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6651. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Ship Repair in Penobscot Bay, ME" ((RIN1625-AA00)(Docket No. USCG-2010-0519)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6652. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; AVI May Fireworks Display, Laughlin, Nevada, NV" ((RIN1625-AA00)(Docket No. USCG-2009-1132)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6653. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; America's Discount Tire 50th Anniversary, Fireworks Display, South Lake

Tahoe, CA" ((RIN1625-AA00)(Docket No. USCG-2010-0151)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6654. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Tacoma Freedom Fair Air Show, Commencement Bay, Tacoma, Washington" ((RIN1625-AA00)(Docket No. USCG-2010-0495)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6655. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Delta Independence Day Foundation Celebration, Mandeville Island, CA" ((RIN1625-AA00)(Docket No. USCG-2010-0364)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6656. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; City of Pittsburgh Independence Day Celebration, Pittsburgh, CA" ((RIN1625-AA00)(Docket No. USCG-2010-0366)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6657. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Fourth of July Fireworks Event, Cape Charles City Harbor, Cape Charles, VA" ((RIN1625-AA00)(Docket No. USCG-2010-0477)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6658. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; July Firework Display in Captain of the Port, Puget Sound AOR" ((RIN1625-AA00)(Docket No. USCG-2010-0476)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6659. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Neptune Deep Water Port, Atlantic Ocean, Boston, MA" ((RIN1625-AA00)(Docket No. USCG-2010-0542)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6660. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; City of Martinez 4th of July Fireworks, Martinez, CA" ((RIN1625-AA00)(Docket No. USCG-2010-0371)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6661. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled

"Safety Zone; Grand Marais Splash-In, West Bay, Lake Superior, Grand Marais, MI" ((RIN1625-AA00)(Docket No. USCG-2010-0470)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6662. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; DEEPWATER HORIZON at Mississippi Canyon 252 Outer Continental Shelf MODU in the Gulf of Mexico" ((RIN1625-AA00)(Docket No. USCG-2010-0448)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6663. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Shore Thing and Independence Day Fireworks, Chesapeake Bay, Norfolk, VA" ((RIN1625-AA00)(Docket No. USCG-2010-0294)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6664. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Mackinac Island 4th of July Fireworks, Lake Huron, Mackinac Island, MI" ((RIN1625-AA00)(Docket No. USCG-2010-0497)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6665. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Festivals and Fireworks Celebration, East Moran Bay, Lake Huron, St. Ignace, MI" ((RIN1625-AA00)(Docket No. USCG-2010-0452)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6666. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Reedville July 4th Celebration, Cockrell's Creek, Reedville, VA" ((RIN1625-AA00)(Docket No. USCG-2010-0293)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6667. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Sault Sainte Marie 4th of July Fireworks, St. Mary's River, Sault Sainte Marie, MI" ((RIN1625-AA00)(Docket No. USCG-2010-0543)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6668. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Michigan City Super Boat Grand Prix, Lake Michigan, Michigan City, IN" ((RIN1625-AA00)(Docket No. USCG-2010-0235)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6669. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Chicago Tall Ships Fireworks, Lake Michigan, Chicago, IL" ((RIN1625-AA00)(Docket No. USCG-2010-0250)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6670. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Wicomico Community Fireworks, Great Wicomico River, Mila, VA" ((RIN1625-AA00)(Docket No. USCG-2010-0023)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6671. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Red Bull Air Race, Detroit River, Detroit, MI" ((RIN1625-AA00)(Docket No. USCG-2010-0174)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6672. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Private Fireworks, Wilson Creek, Gloucester, VA" ((RIN1625-AA00)(Docket No. USCG-2010-0257)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6673. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zones; City of Chicago's July 4th Celebration Fireworks, Lake Michigan, Chicago, IL" ((RIN1625-AA00)(Docket No. USCG-2010-0249)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6674. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zones; Annual Firework Displays within the Captain of the Port, Puget Sound Area of Responsibility" ((RIN1625-AA00)(Docket No. USCG-2010-0063)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6675. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Michigan Orthopaedic Society 50th Anniversary Fireworks, Lake Huron, Mackinac Island, MI" ((RIN1625-AA00)(Docket No. USCG-2010-0496)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6676. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; McNary-John Day Transmission Line Project, Columbia River, Hermiston, OR" ((RIN1625-AA00)(Docket No. USCG-2010-0504)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6677. A communication from the Attorney, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Milwaukee Air and Water Show, Lake Michigan, Milwaukee, WI" ((RIN1625-AA00) (Docket No. USCG-2010-0225)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6678. A communication from the Attorney, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zones; 2010 Muskegon Summer Celebration Air Show, Muskegon Lake, Muskegon, MI" ((RIN1625-AA00) (Docket No. USCG-2010-0506)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6679. A communication from the Attorney, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Parade of Ships, Seattle SeaFair Fleet Week, Pier 66, Elliot Bay, WA" ((RIN1625-AA00) (Docket No. USCG-2010-0525)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6680. A communication from the Attorney, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Marquette 4th of July Fireworks, Marquette Harbor, Lake Superior, Marquette, MI" ((RIN1625-AA00) (Docket No. USCG-2010-0512)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6681. A communication from the Attorney, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Fireworks for the Virginia Lake Festival, Buggs Island Lake, Clarksville, VA" ((RIN1625-AA00) (Docket No. USCG-2010-0478)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6682. A communication from the Attorney, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; North Jetty, Named the Barview Jetty, Tillamook Bay, OR" ((RIN1625-AA00) (Docket No. USCG-2010-0214)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6683. A communication from the Attorney, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Fireworks Display in Stevenson, WA" ((RIN1625-AA00) (Docket No. USCG-2010-0332)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6684. A communication from the Attorney, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Pierce County, Washington, Department of Emergency Management, Regional Water Exercise" ((RIN1625-AA00) (Docket No. USCG-2010-0475)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6685. A communication from the Attorney, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Alligator River, NC" ((RIN1625-AA00) (Docket No. USCG-2010-0091)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6686. A communication from the Attorney, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety Zone; Wilson Bay, Jacksonville, NC" ((RIN1625-AA00) (Docket No. USCG-2010-0158)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-128. A resolution adopted by the House of Representatives of the State of Illinois urging Congress to pass legislation that would provide financial assistance to those states with budget deficits in order that the length and depth of the recession will not be worsened due to the limited resources and difficult alternatives presently confronting many states; to the Committee on Appropriations.

HOUSE RESOLUTION NO. 551

Whereas, at this time, the United States is continuing to experience one of the worst economic downturns in its history; and

Whereas, the Department of Labor recently reported that the unemployment rate in June rose to a level of 9.5%; and

Whereas, approximately 3.5 million jobs have been lost in the United States since the beginning of the year; and

Whereas, state governments furnish assistance to the unemployed and also provide direct and indirect services to the neediest people in our communities, including the elderly, the disabled, and the very young; and

Whereas, although the American Recovery and Reinvestment Act of 2009 is providing funds to state governments as part of the economic stimulus package designed to spur our nation's economic recovery, the budget deficits of many states have grown significantly, even with the original infusion of federal funds, as shown by the current budget gaps of \$26.3 billion in California and approximately \$9.2 billion in Illinois; and

Whereas, each state with a revenue shortfall faces difficult decisions involving raising taxes and fees on its citizens and businesses that are already adversely affected by the recession and unemployment; reducing financial assistance and grants to educational institutions, local governments, and social service agencies; and laying off significant numbers of employees from the state workforce; and

Whereas, the effect of a state, like Illinois, taking one or more of those difficult alternatives may be to worsen the effects of the recession in that state because of higher unemployment, increased state costs of health care for the uninsured, increased numbers of foreclosures, increased state expenditures for unemployment insurance, and lower state tax revenues due to reduced economic activity; and

Whereas, the federal government has the resources and the ability to assist states

with budget deficits during this difficult time so that the rate of unemployment can be reduced, or at least not increased, and so that educational and social service programs can be continued at current levels; and

Whereas, the state budget deficits could be eliminated if Congress passed new legislation, with reasonable repayment requirements, to provide financial assistance to the states with budget deficits; therefore, be it

Resolved, by the House of Representatives of the Ninety-sixth General Assembly of the State of Illinois, That we urge Congress to pass legislation that would provide financial assistance to those states with budget deficits in order that the length and depth of the recession will not be worsened due to the limited resources and difficult alternatives presently confronting many states; and be it further

Resolved, That suitable copies of this resolution be presented to President Barack Obama, the Speaker of the United States House of Representatives, the President pro tempore of the United States Senate, and each member of the Illinois congressional delegation.

POM-129. A resolution adopted by the Senate of the State of Louisiana urging the President of the United States, Congress, and the Federal Communications Commission to refrain from regulating Internet broadband services as common carrier services under Title II of the Communications Act of 1934; to the Committee on Commerce, Science, and Transportation.

SENATE RESOLUTION NO. 117

To memorialize the president of the United States, the United States Congress, and the Federal Communications Commission to refrain from regulating Internet broadband services as common carrier services under Title II of the Communications Act of 1934.

Whereas, due in large part to the unregulated efforts of private enterprise over the past twenty-five years, the development of the Internet has dramatically transformed the way Louisiana citizens work, live, and learn; and

Whereas, the deployment of efficient, fast, and reliable broadband networks throughout the state has created thousands of jobs and many benefits for local economies; and

Whereas, in order to encourage the growth and development of the Internet, the Federal Communications Commission (FCC) historically has refrained from regulating broadband Internet services as common carrier services under Title II of the Communications Act of 1934; and

Whereas, as a result, the United States has been at the forefront of technological, business, and social innovation on the Internet; and

Whereas, on May 6, 2010, the chairman of the FCC announced a policy to reclassify broadband Internet services as common carrier services so that they can be more tightly regulated, with a proposal to forebear from imposing certain common carrier obligations on broadband Internet providers; and

Whereas, using antiquated provisions of Title II of the Communications Act of 1934 to regulate the Internet will slow investment in Louisiana's Internet broadband infrastructure and jeopardize future job growth. Therefore, be it

Resolved, That the Senate of the Legislature of Louisiana memorializes the president of the United States, the United States Congress, and the Federal Communications Commission to refrain from regulating Internet broadband services as common carrier services under Title II of the Communications Act of 1934. Be it further

Resolved, That a copy of this Resolution be transmitted to the president of the United States, to the presiding officers of the Senate and the House of Representatives of the United States Congress, to each member of the Louisiana congressional delegation, and to the chairman of the Federal Communications Commission.

POM-130. A concurrent resolution adopted by the Legislature of the State of Louisiana urging Congress to support expansion and use of domestic natural gas reserves and alternative energies to reduce our reliance on imported oil by supporting H.R. 1835 and S. 1408; to the Committee on Energy and Natural Resources.

SENATE CONCURRENT RESOLUTION NO. 8

To memorialize the United States Congress to support expansion and use of domestic natural gas and alternative energies, and to urge agencies to operate vehicles using compressed natural gas.

Whereas, the United States imports more than sixty-five percent of its petroleum, two-thirds of which is used in the form of gasoline and diesel fuel to power vehicles; and

Whereas, a large percentage of worldwide petroleum reserves are located in politically volatile countries, making the United States vulnerable to supply disruptions; and

Whereas, the United States has an abundance of natural gas; and

Whereas, compressed natural gas provides safe, clean, reliable, efficient, and secure energy, and is the alternative fuel most used today for transportation in the United States, with more than two hundred thousand buses, taxis, delivery vehicles, and other fleet vehicles across the nation using compressed natural gas daily; and

Whereas, the United States Department of Energy indicates that compressed natural gas can be used as a replacement for gasoline in light-duty vehicles and as a replacement for diesel in heavy-duty vehicles; and

Whereas, vehicles powered by compressed natural gas discharge far fewer harmful emissions than vehicles powered by gasoline or diesel fuel; and

Whereas, studies indicate that maintenance costs for vehicles powered by compressed natural gas are lower than for vehicles powered by gasoline or diesel fuel; and

Whereas, the federal government currently provides, and is expected to increase, incentives for use of alternative fuels and, at the current price of various fuels, any additional costs to purchase vehicles to run on compressed natural gas would be quickly recouped; and

Whereas, in 2009, the United States imported four billion, three hundred and fifty million barrels of oil, spending roughly two hundred and sixty-five million dollars; and

Whereas, eighty-five million barrels of oil were produced daily around the world; and

Whereas, twenty-one million barrels of oil are used daily in the United States; and

Whereas, world oil production has been declining since 2005; and

Whereas, roughly twenty percent of every barrel of oil imported into the United States is used to fuel the transport of goods around the country by road. Therefore, be it

Resolved, That the Legislature of Louisiana memorializes the United States Congress to support expansion and use of domestic natural gas reserves and alternative energies to reduce our reliance on imported oil by supporting H.R. 1835 and S. 1408, which are under consideration by the United States Congress. Be it further

Resolved, That the Legislature of Louisiana urges state and federal agencies to purchase,

when possible, vehicles that can be converted to run on compressed natural gas, when it is available. Be it further

Resolved, That a copy of this Resolution be transmitted to the secretary of the United States Senate and the clerk of the United States House of Representatives, and to each member of the Louisiana delegation to the United States Congress.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KOHL, from the Committee on Appropriations, without amendment:

S. 3606. A bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2011, and for other purposes (Rept. No. 111-221).

EXECUTIVE REPORT OF COMMITTEE

The following executive report of a nomination was submitted:

By Mr. ROCKEFELLER for the Committee on Commerce, Science, and Transportation.

*Coast Guard nominations of Rear Adm. (lh) Sandra L. Stosz, to be Rear Admiral Lower Half.

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. CHAMBLISS (for himself and Mr. ISAKSON):

S. 3592. A bill to designate the facility of the United States Postal Service located at 100 Commerce Drive in Tyrone, Georgia, as the "First Lieutenant Robert Wilson Collins Post Office Building"; to the Committee on Homeland Security and Governmental Affairs.

By Mr. JOHANNES:

S. 3593. A bill to require the Federal Government to pay the costs incurred by a State or local government in defending a State or local immigration law that survives a constitutional challenge by the Federal Government in Federal court; to the Committee on the Judiciary.

By Mr. NELSON of Florida:

S. 3594. A bill to amend the Magnuson-Stevens Fishery Conservation and Management Act to mitigate the economic impact of the transition to sustainable fisheries on fishing communities, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. BROWN of Ohio (for himself and Mr. SANDERS):

S. 3595. A bill to strengthen student achievement and graduation rates and prepare young people for college, careers, and citizenship through innovative partnerships that meet the comprehensive needs of children and youth; to the Committee on Health, Education, Labor, and Pensions.

By Mrs. HAGAN:

S. 3596. A bill to establish the Culture of Safety Hospital Accountability Study and Demonstration Program; to the Committee on Finance.

By Mr. ROCKEFELLER:

S. 3597. A bill to improve the ability of the National Oceanic and Atmospheric Administration, the Coast Guard, and coastal States to sustain healthy ocean and coastal ecosystems by maintaining and sustaining their capabilities relating to oil spill preparedness, prevention, response, restoration, and research, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. LAUTENBERG (for himself and Mrs. GILLIBRAND):

S. 3598. A bill to amend the Safe Drinking Water Act and the Federal Water Pollution Control Act to authorize the Administrator of the Environmental Protection Agency to reduce or eliminate the risk of releases of hazardous chemicals from public water systems and wastewater treatment works, and for other purposes; to the Committee on Environment and Public Works.

By Mr. LAUTENBERG (for himself and Mrs. GILLIBRAND):

S. 3599. A bill to enhance the security of chemical facilities and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

By Mr. ROCKEFELLER:

S. 3600. A bill to amend the Jones Act and related statutes with respect to the liability of vessel owners and operators for damages; to the Committee on Commerce, Science, and Transportation.

By Mr. MERKLEY (for himself, Mr. CARPER, Mr. UDALL of New Mexico, and Mr. BENNET):

S. 3601. A bill to promote the oil independence of the United States, and for other purposes; to the Committee on Finance.

By Mr. CARDIN:

S. 3602. A bill to amend title 23, United States Code, to direct the Secretary to establish a comprehensive program to control and treat polluted stormwater runoff from federally funded highways and roads, and for other purposes; to the Committee on Environment and Public Works.

By Ms. CANTWELL:

S. 3603. A bill to amend the Oil Pollution Act of 1990 to establish the Federal Oil Spill Research Committee and to amend the Federal Water Pollution Control Act to include in a response plan certain planned and demonstrated investments in research relating to discharges of oil and to modify the dates by which a response plan is required to be updated; to the Committee on Commerce, Science, and Transportation.

By Ms. SNOWE (for herself, Mr. GRASSLEY, Mr. ENZI, Mr. ISAKSON, and Ms. COLLINS):

S. 3604. A bill to extend the small business loan enhancements; to the Committee on Small Business and Entrepreneurship.

By Mr. ROCKEFELLER:

S. 3605. A bill to invest in innovation through research and development, to improve the competitiveness of the United States, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. KOHL:

S. 3606. A bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2011, and for other purposes; from the Committee on Appropriations; placed on the calendar.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. ENSIGN:

S. Res. 583. A resolution expressing support for designation of 2011 as "World Veterinary Year" to bring attention to and show appreciation for the veterinary profession on its 250th anniversary; to the Committee on the Judiciary.

By Mr. JOHANNES:

S. Res. 584. A resolution commemorating the 2010 Special Olympics USA National Games; to the Committee on Commerce, Science, and Transportation.

ADDITIONAL COSPONSORS

S. 28

At the request of Mr. SCHUMER, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 28, a bill to ensure that the courts of the United States may provide an impartial forum for claims brought by United States citizens and others against any railroad organized as a separate legal entity, arising from the deportation of United States citizens and others to Nazi concentration camps on trains owned or operated by such railroad, and by the heirs and survivors of such persons.

S. 311

At the request of Mrs. BOXER, the name of the Senator from Montana (Mr. TESTER) was added as a cosponsor of S. 311, a bill to prohibit the application of certain restrictive eligibility requirements to foreign nongovernmental organizations with respect to the provision of assistance under part I of the Foreign Assistance Act of 1961.

S. 653

At the request of Mr. CARDIN, the names of the Senator from New York (Mrs. GILLIBRAND), the Senator from South Carolina (Mr. GRAHAM) and the Senator from South Dakota (Mr. THUNE) were added as cosponsors of S. 653, a bill to require the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the writing of the Star-Spangled Banner, and for other purposes.

S. 749

At the request of Mr. COCHRAN, the name of the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 749, a bill to improve and expand geographic literacy among kindergarten through grade 12 students in the United States by improving professional development programs for kindergarten through grade 12 teachers offered through institutions of higher education.

S. 831

At the request of Mr. KERRY, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 831, a bill to amend title 10, United States Code, to include service

after September 11, 2001, as service qualifying for the determination of a reduced eligibility age for receipt of non-regular service retired pay.

S. 850

At the request of Mr. KERRY, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 850, a bill to amend the High Seas Driftnet Fishing Moratorium Protection Act and the Magnuson-Stevens Fishery Conservation and Management Act to improve the conservation of sharks.

S. 887

At the request of Mr. DURBIN, the name of the Senator from Vermont (Mr. SANDERS) was added as a cosponsor of S. 887, a bill to amend the Immigration and Nationality Act to reform and reduce fraud and abuse in certain visa programs for aliens working temporarily in the United States and for other purposes.

S. 1553

At the request of Mr. GRASSLEY, the name of the Senator from Montana (Mr. TESTER) was added as a cosponsor of S. 1553, a bill to require the Secretary of the Treasury to mint coins in commemoration of the National Future Farmers of America Organization and the 85th anniversary of the founding of the National Future Farmers of America Organization.

S. 1567

At the request of Mr. INHOFE, his name was added as a cosponsor of S. 1567, a bill to provide for the issuance of a Multinational Species Conservation Funds Semipostal Stamp.

S. 1674

At the request of Mr. WYDEN, the name of the Senator from North Carolina (Mr. BURR) was added as a cosponsor of S. 1674, a bill to provide for an exclusion under the Supplemental Security Income program and the Medicaid program for compensation provided to individuals who participate in clinical trials for rare diseases or conditions.

S. 2747

At the request of Mr. BINGAMAN, the name of the Senator from North Carolina (Mr. BURR) was added as a cosponsor of S. 2747, a bill to amend the Land and Water Conservation Fund Act of 1965 to provide consistent and reliable authority for, and for the funding of, the land and water conservation fund to maximize the effectiveness of the fund for future generations, and for other purposes.

S. 2982

At the request of Mr. KERRY, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 2982, a bill to combat international violence against women and girls.

S. 2989

At the request of Ms. LANDRIEU, the name of the Senator from Maryland

(Mr. CARDIN) was added as a cosponsor of S. 2989, a bill to improve the Small Business Act, and for other purposes.

S. 2998

At the request of Mrs. GILLIBRAND, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 2998, a bill to temporarily expand the V nonimmigrant visa category to include Haitians whose petition for a family-sponsored immigrant visa was approved on or before January 12, 2010.

S. 3151

At the request of Mr. KERRY, the name of the Senator from Oregon (Mr. MERKLEY) was added as a cosponsor of S. 3151, a bill to establish the Office for Global Women's Issues and the Women's Development Advisor to facilitate interagency coordination and the integration of gender considerations into the strategies, programming, and associated outcomes of the Department of State and the United States Agency for International Development, and for other purposes.

S. 3199

At the request of Ms. SNOWE, the names of the Senator from New Jersey (Mr. MENENDEZ) and the Senator from South Dakota (Mr. JOHNSON) were added as cosponsors of S. 3199, a bill to amend the Public Health Service Act regarding early detection, diagnosis, and treatment of hearing loss.

S. 3235

At the request of Mr. DORGAN, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 3235, a bill to amend the Act titled "An Act to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, residential, business, and other purposes requiring the grant of long-term leases", approved August 9, 1955, to provide for Indian tribes to enter into certain leases without prior express approval from the Secretary of the Interior.

S. 3406

At the request of Mrs. HAGAN, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 3406, a bill to amend title 10, United States Code, to eliminate the per-fiscal year calculation of days of certain active duty or active service used to reduce the minimum age at which a member of a reserve component of the uniformed services may retire for non-regular service.

S. 3414

At the request of Mr. HARKIN, the name of the Senator from Tennessee (Mr. CORKER) was added as a cosponsor of S. 3414, a bill to ensure that the Dietary Supplement Health and Education Act of 1994 and other requirements for dietary supplements under the jurisdiction of the Food and Drug Administration are fully implemented and enforced, and for other purposes.

S. 3419

At the request of Mr. MERKLEY, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 3419, a bill to exclude from consumer credit reports medical debt that has been in collection and has been fully paid or settled, and for other purposes.

S. 3424

At the request of Mr. DURBIN, the names of the Senator from Connecticut (Mr. LIEBERMAN), the Senator from Rhode Island (Mr. WHITEHOUSE) and the Senator from New Jersey (Mr. LAUTENBERG) were added as cosponsors of S. 3424, a bill to amend the Animal Welfare Act to provide further protection for puppies.

S. 3430

At the request of Ms. SNOWE, the name of the Senator from Maryland (Mr. CARDIN) was added as a cosponsor of S. 3430, a bill to amend the Internal Revenue Code of 1986 to expand the tip tax credit to employers of cosmetologists and to promote tax compliance in the cosmetology sector.

S. 3508

At the request of Mr. UDALL of New Mexico, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 3508, a bill to strengthen the capacity of the United States to lead the international community in reversing renewable natural resource degradation trends around the world that threaten to undermine global prosperity and security and eliminate the diversity of life on Earth, and for other purposes.

S. 3510

At the request of Mr. CONRAD, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 3510, a bill to amend the Internal Revenue Code of 1986 to permanently extend the 15-year recovery period for qualified leasehold improvement property, qualified restaurant property, and qualified retail improvement property.

S. 3513

At the request of Mr. JOHANNIS, his name was added as a cosponsor of S. 3513, a bill to amend the Internal Revenue Code of 1986 to extend for one year the special depreciation allowances for certain property.

S. 3519

At the request of Ms. SNOWE, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 3519, a bill to stabilize the matching requirement for participants in the Hollings Manufacturing Partnership Program.

S. 3521

At the request of Ms. MURKOWSKI, the names of the Senator from Wyoming (Mr. BARRASSO), the Senator from Louisiana (Mr. VITTER), the Senator from Wyoming (Mr. ENZI) and the Senator from Idaho (Mr. RISCH) were added as

cosponsors of S. 3521, a bill to provide for the reestablishment of a domestic rare earths materials production and supply industry in the United States, and for other purposes.

S. 3561

At the request of Mr. UDALL of New Mexico, the name of the Senator from Maryland (Mr. CARDIN) was added as a cosponsor of S. 3561, a bill to establish centers of excellence for green infrastructure, and for other purposes.

S. 3566

At the request of Mr. LAUTENBERG, the names of the Senator from South Dakota (Mr. THUNE) and the Senator from Texas (Mrs. HUTCHISON) were added as cosponsors of S. 3566, a bill to authorize certain maritime programs of the Department of Transportation, and for other purposes.

S. 3572

At the request of Mrs. LINCOLN, the names of the Senator from New Hampshire (Mrs. SHAHEEN), the Senator from Maryland (Mr. CARDIN), the Senator from Ohio (Mr. BROWN) and the Senator from New Jersey (Mr. MENENDEZ) were added as cosponsors of S. 3572, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 225th anniversary of the establishment of the Nation's first law enforcement agency, the United States Marshals Service.

S. 3578

At the request of Mr. JOHANNIS, the name of the Senator from North Carolina (Mr. BURR) was added as a cosponsor of S. 3578, a bill to repeal the expansion of information reporting requirements for payments of \$600 or more to corporations, and for other purposes.

S. CON. RES. 63

At the request of Mr. JOHNSON, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. Con. Res. 63, a concurrent resolution expressing the sense of Congress that Taiwan should be accorded observer status in the International Civil Aviation Organization (ICAO).

S. RES. 519

At the request of Mr. DEMINT, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S. Res. 519, a resolution expressing the sense of the Senate that the primary safeguard for the well-being and protection of children is the family, and that the primary safeguards for the legal rights of children in the United States are the Constitutions of the United States and the several States, and that, because the use of international treaties to govern policy in the United States on families and children is contrary to principles of self-government and federalism, and that, because the United Nations Convention on the Rights of the Child undermines traditional principles of law in the United States regarding parents and children, the President should not

transmit the Convention to the Senate for its advice and consent.

AMENDMENT NO. 4453

At the request of Mr. THUNE, the names of the Senator from Wyoming (Mr. ENZI) and the Senator from Utah (Mr. HATCH) were added as cosponsors of amendment No. 4453 intended to be proposed to H.R. 5297, an act to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

AMENDMENT NO. 4464

At the request of Mr. DEMINT, the name of the Senator from Idaho (Mr. RISCH) was added as a cosponsor of amendment No. 4464 intended to be proposed to H.R. 5297, an act to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JOHANNIS:

S. 3593. A bill to require the Federal Government to pay the costs incurred by a State or local government in defending a State or local immigration law that survives a constitutional challenge by the Federal Government in Federal court; to the Committee on the Judiciary.

Mr. JOHANNIS. Mr. President, I rise to discuss a bill I have introduced because I see a very unfair battle unfolding right in front of us. The battle I foresee is this: In one corner we have the enormous resources of the Federal Government; in the other corner, cities and States with very limited resources, especially in these economic times, but with a good-faith desire to protect their communities.

What I am speaking of today and what my legislation goes to is the Federal Government's use of litigation to insert itself into State and potentially local immigration laws.

I rise with a great deal of knowledge about this. As a former mayor and county commissioner, city council member and Governor, I know what it is like when the Federal Government swoops in and brings its power to bear on an issue. I have seen it from both sides, having also served as a member of the President's Cabinet. I know that when the resources of the Federal Government are used to weigh in with litigation, it is crushing. The administration can send in a team of lawyers and

overwhelm the resources of a community or a State. Litigation brings with it a huge financial burden for cities and States. In fact, litigation can and does have a chilling effect on the local decisionmaking process, even if local leaders believe their action in good faith is appropriate and necessary.

I believe that is the exact reaction this administration is hoping to cause among communities and States across the Nation that are considering action on immigration issues.

In this case, I believe litigation is being used to send a warning to other communities, other States that might be considering taking action in this arena.

The administration's claim that the Federal Government has sole authority to enforce immigration laws because of the supremacy clause of the Constitution is, in fact, inconsistent with the President's own internal policies. Just last year, President Obama authored a memo, sent it out to all Federal departments and agencies, requiring serious and careful consideration when using Federal preemption of State laws.

In this memo, dated May 20, 2009, with the subject "Preemption," the President stated:

The purpose of this memorandum is to state the general policy of my Administration that preemption of State law by executive departments and agencies should be taken only with full consideration of legitimate prerogatives of the States and with sufficient legal basis for preemption.

That seems clear. But the memo went on further to say:

Executive departments and agencies should be mindful that in our Federal system, the citizens of the several States have distinctive circumstances and values, and that in many instances it is appropriate for them to apply to themselves rules and principles that reflect those circumstances and values.

Then, finally, the President goes on to say:

It is one of the happy incidents of the federal system that a single courageous state may, if its citizens choose, serve as a laboratory; and try novel social experimental experiments without risk to the rest of the country.

Mr. President, I ask unanimous consent that a copy of this memo be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
OFFICE OF THE PRESS SECRETARY,
MAY 20, 2009.

MEMORANDUM FOR THE HEADS OF EXECUTIVE
DEPARTMENTS AND AGENCIES

Subject: Preemption

From our Nation's founding, the American constitutional order has been a Federal system, ensuring a strong role for both the national Government and the States. The Federal Government's role in promoting the general welfare and guarding individual liberties is critical, but State law and national

law often operate concurrently to provide independent safeguards for the public. Throughout our history, State and local governments have frequently protected health, safety, and the environment more aggressively than has the national Government.

An understanding of the important role of State governments in our Federal system is reflected in longstanding practices by executive departments and agencies, which have shown respect for the traditional prerogatives of the States. In recent years, however, notwithstanding Executive Order 13132 of August 4, 1999 (Federalism), executive departments and agencies have sometimes announced that their regulations preempt State law, including State common law, without explicit preemption by the Congress or an otherwise sufficient basis under applicable legal principles.

The purpose of this memorandum is to state the general policy of my Administration that preemption of State law by executive departments and agencies should be undertaken only with full consideration of the legitimate prerogatives of the States and with a sufficient legal basis for preemption. Executive departments and agencies should be mindful that in our Federal system, the citizens of the several States have distinctive circumstances and values, and that in many instances it is appropriate for them to apply to themselves rules and principles that reflect these circumstances and values. As Justice Brandeis explained more than 70 years ago, "[i]t is one of the happy incidents of the federal system that a single courageous state may, if its citizens choose, serve as a laboratory; and try novel social and economic experiments without risk to the rest of the country."

To ensure that executive departments and agencies include statements of preemption in regulations only when such statements have a sufficient legal basis:

(1) Heads of departments and agencies should not include in regulatory preambles statements that the department or agency intends to preempt State law through the regulation except where preemption provisions are also included in the codified regulation.

(2) Heads of departments and agencies should not include preemption provisions in codified regulations except where such provisions would be justified under legal principles governing preemption, including the principles outlined in Executive Order 13132.

(3) Heads of departments and agencies should review regulations issued within the past 10 years that contain statements in regulatory preambles or codified provisions intended by the department or agency to preempt State law, in order to decide whether such statements or provisions are justified under applicable legal principles governing preemption. Where the head of a department or agency determines that a regulatory statement of preemption or codified regulatory provision cannot be so justified, the head of that department or agency should initiate appropriate action, which may include amendment of the relevant regulation.

Executive departments and agencies shall carry out the provisions of this memorandum to the extent permitted by law and consistent with their statutory authorities. Heads of departments and agencies should consult as necessary with the Attorney General and the Office of Management and Budget's Office of Information and Regulatory Affairs to determine how the requirements of this memorandum apply to particular situations.

This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

The Director of the Office of Management and Budget is authorized and directed to publish this memorandum in the Federal Register.

BARACK OBAMA.

Mr. JOHANNES. So if the use of Federal power to preempt a State requires such an extremely high threshold, how can one reconcile that with the administration's decision to file a lawsuit?

My bill sends a message to the administration that it cannot use the crushing force and threat and reality of litigation to intimidate local officials or to scare them into inaction.

It would allow a State or a municipal government the ability, the right, to recover attorney's fees and other court costs associated with defending a Federal challenge of their immigration laws. In other words, this straightforward legislation just simply levels the playing field between the huge power of the Federal Government in one corner, as I said, and the right of local communities in States to pass laws to protect their citizens.

It carries this simple message to any administration: If you file a lawsuit and lose, cities and States will not face depleted resources as a result.

My bill ensures that when the Federal Government takes on communities in court, the reasons are pure and based in law or else the impact on our communities will be neutralized.

The administration should focus time and resources on what is the crux of this issue; that is, securing our borders and doing the job and enforcing existing immigration laws and not using litigation as a tool to send a message.

I encourage my colleagues to sign on and cosponsor this commonsense measure and level the playing field for communities when they are forced to defend themselves against the enormous, nearly unlimited power of the Federal Government.

By Mr. NELSON of Florida:

S. 3594. A bill to amend the Magnuson-Stevens Fishery Conservation and Management Act to mitigate the economic impact of the transition to sustainable fisheries on fishing communities, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. NELSON of Florida. Mr. President, I would like to speak about fishing, a very important special pastime and industry for the Nation. Fishing in Florida is a way of life for many. The small bait and tackle shops, the hotels, the restaurants, the charter boat captains, and the parents who want to see their children marvel when they pull a fish out of the ocean for the first time

rely on being able to access the water. In fact, just last week, a Washington Post article traced the path of fish caught in the Florida Keys and off of Florida's East Coast to a Whole Foods market here in the DC area. And sadly, the Deepwater Horizon has shown us how much healthy, high-quality seafood comes out of the Gulf of Mexico every year.

In 2007, the Congress reauthorized the Magnuson-Stevens Fishery Conservation and Management Act. The Magnuson Act has certainly done some good things to ensure the long-term viability of our Nation's fishery resources. But some of the provisions of the law have had major unintended consequences in Florida.

I have spoken before about the need for robust science on the status of our oceans and our fishery stocks. In fact, most recently, I worked with Gulf Coast Senators to get funding in the Supplemental Appropriations bill for fisheries science in the Gulf of Mexico. But despite the potential influx of dollars, fisheries data for the Southeast in particular, is still sparse. This lack of data has led to a crisis in confidence amongst many in the fishing community. Here is why.

The 2007 Magnuson-Stevens Reauthorization contained a 2010 deadline to end overfishing. But the justification for that deadline rested on two assumptions. First, that there would be recent and accurate stock assessments. Second, that there would be improved catch data. I think the National Oceanic and Atmospheric Administration is doing the best they can with available resources to gather this data. However, for years good data from recreational anglers has been a challenge but because of the changes to Magnuson-Stevens, regulations are coming out faster than the data used to support them.

Having that hard and fast 2010 deadline created a situation where the resource managers are left without options. This has led to closures of large geographic areas to all fishing with no end on the horizon. These closures have devastated small businesses that rely on fishing and left many frustrated that they cannot access the same waters that they always could.

Being a native Floridian, I know that many people develop a love for the ocean and a desire to protect it after they truly experience it by swimming, fishing off their boat, or listening to the waves. This access is a necessary component of conservation because the public gains a sense of ownership and this leads to a sense of responsibility.

That is why I am filing the Fishery Conservation Transition Act today. The bill will enable individuals, businesses, and communities to make a smooth transition while the science catches up by creating a phase-in period for Federal fishing regulations and

requiring enhanced data collection in the interim. It also allows for economic assistance for those who are negatively impacted by management measures.

Others have proposed different solutions to this problem, but I believe that my bill is a targeted solution that gives resource managers options to allow access to the water in a way that will also achieve conservation goals.

There are provisions in the bill that require fishery managers to use the transition time wisely and research creative solutions to complex management issues, like how to manage multispecies fisheries in a way that protects the vulnerable stocks but still allows for access. This bill is also about jobs. Small businesses that rely on the fishing industry can ride out these difficult economic times without sacrificing the resource their businesses rely on.

I hope that my colleagues in the Senate will support this effort to provide a smooth transition to sustainable fisheries, healthy economic prospects for small businesses, access to the oceans and natural resources, and robust science.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3594

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Fishery Conservation Transition Act".

SEC. 2. TRANSITION TO SUSTAINABLE FISHERIES.

(a) IN GENERAL.—Within 180 days after the close of fishing year 2010 (within the meaning given that term in the Magnuson-Stevens Fishery conservation and Management Act (16 U.S.C. 1802 et seq.), the Secretary of Commerce shall determine, with respect to each fishery for which a fishery management plan that meets the requirements of section 303(a)(15) of that Act (16 U.S.C. 1853(a)(15)) is in effect that contains a complete prohibition on the retention of stocks subject to overfishing within the fishery for the entire fishing season, whether the prohibition is sufficient to prevent or end overfishing for the stocks, or stocks undergoing overfishing, to which it applies.

(b) REMEDIAL ACTION.—If the Secretary determines that the prohibition contained in such a fishery management plan is not sufficient to prevent or end overfishing for the stocks to which it applies, the Secretary may authorize retention of fish that are not undergoing overfishing within that fishery, notwithstanding that discard mortality of stocks for which retention is prohibited may be inconsistent with provisions on ending or preventing overfishing, if, within 90 days after a determination by the Secretary under subsection (a), the Regional Fishery Management Council with jurisdiction over the fishery implements—

(1) measures to minimize bycatch and bycatch mortality to the extent practicable;

(2) an enhanced data collection requirement, such as an electronic logbook data col-

lection system, for recreational, for hire, and commercial fishers; and

(3) a program of on-board observers for charter, for-hire, and commercial fishers that will monitor and collect data on bycatch and bycatch mortality in multispecies fisheries with prohibitions on retention on one or more species in the fisheries; and

(4) in coordination with the Secretary, other measures to ensure accountability of the fishery, including those that will substantially contribute to addressing data gaps in stock assessments.

(c) ADDITIONAL REQUIREMENTS.—The Secretary shall take such action as may be necessary to ensure that, with respect to any stock subject to overfishing in a fishery to which a determination under subsection (b) applies—

(1) a monitoring and research program to monitor the recovery of the affected stocks of fish is implemented for the fishery within 1 year after the date of enactment of this Act;

(2) a stock assessment for the overfished species within the affected stocks of fish is initiated, taking into account relevant life history of the stock, within 6 months after the date on which the Secretary makes such a determination; and

(3) the Regional Fishery Management Council with jurisdiction over the affected fishery submits a report to Congress and the Secretary detailing a long-term plan for reducing discard mortality of the affected stocks of fish to which a determination under subsection (a) applies within 2 years after the date of enactment of this Act.

(d) FURTHER ACTION REQUIRED.—If the Secretary determines that—

(1) the Regional Fishery Management Council with jurisdiction over a fishery has complied with the requirements of paragraphs (b) and (c), and

(2) the fishery management plan's prohibition on the retention of stocks subject to overfishing continues to be insufficient to prevent or end over-fishing for those stocks, the Secretary shall take such action as may be necessary to end overfishing for the stocks to which the prohibition applies before the end of fishery year 2015.

SEC. 3. ECONOMIC ASSISTANCE PROGRAM.

(a) IN GENERAL.—Section 208 of the Magnuson-Stevens Fishery Conservation and Management Reauthorization Act of 2006 (16 U.S.C. 1891b) is amended—

(1) by striking "and" after the semicolon in subsection (b)(6);

(2) by striking "materia." in subsection (b)(7) and inserting "materia; and";

(3) by adding at the end of subsection (b) the following:

"(8) the economic assistance program under subsection (f).";

(4) by striking "and" after the semicolon in subsection (c)(2)(A);

(5) by striking "section." in subsection (c)(2)(B) and inserting "section; and";

(6) by adding at the end of subsection (c)(2) the following:

"(C) fees collected under permit programs for a fishery significantly affected by a prohibition on the retention of stocks to end or prevent overfishing."; and

(7) by adding at the end thereof the following:

"(f) ECONOMIC ASSISTANCE PROGRAM.—

"(1) IN GENERAL.—The Secretary shall establish an economic assistance program to assist recreational and commercial fishery participants, fishing industries, and fishing communities significantly affected by a prohibition on the retention of stocks to end or

prevent overfishing or rebuild overfished stocks and use amounts in the Fund to provide such assistance.

“(2) **CRITERIA FOR ASSISTANCE.**—In the administration of the program, the Secretary shall develop criteria for prioritizing economic assistance requests, including consideration of the conservation and management history of the fishery, the sustainability of conservation and management approaches, the magnitude of the economic impact of the retention prohibition, and community and social impacts.

“(3) **APPLICATION PROCESS.**—The Secretary shall develop an application process to determine eligibility for economic assistance under the program and shall consult with States whose recreational and commercial fishery participants, fishing industries, or fishing communities have been affected by the prohibition. Any person or community seeking assistance under the program shall submit an application at such time, in such manner, and containing such information and assurances as the Secretary may require.

“(4) **STATE MATCHING FUNDS.**—The Federal share of assistance provided under the program to recreational and commercial fishery participants, fishing industries, or fishing communities may not exceed 75 percent. Before granting assistance under the program, the Secretary shall consult with the State in which the recipient is located and request that the State provide matching funds. The Secretary may waive, in whole or in part, the matching requirement under this paragraph.”.

SEC. 4. AUTHORITY TO ACT.

(a) **CLARIFICATION OF EMERGENCY AUTHORITY.**—Section 305(c) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1855(c)) is amended by adding at the end the following:

“(4) For purposes of this section, an emergency is a situation that results from recent, unforeseen, or recently discovered circumstances that present serious conservation or management problems in the fishery, including ecological, economic, social, or public health interests. An emergency may include increasing or decreasing a catch limit, or modifying a time or area closure or retention prohibition in response to new science or stock assessment information, but only if such action is needed to address serious conservation or management problems in the fishery.”.

SEC. 5. FISHERY STUDIES AND REPORTS.

(a) **STATUS OF FISHERY REPORT.**—Section 304(e) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1854(e)) is amended—

(1) by inserting “(A)” before “The Secretary”;

(2) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii); and

(3) by adding at the end the following:

“(B) In the review, the Secretary shall consider—

“(i) a stock assessment conducted pursuant to subsection (c);

“(ii) an analysis of the local, regional, and national social and economic impacts on fishing communities and industries directly and indirectly related to the fishery; and

“(iii) fishery management measures to enhance the sustainability of stocks of fish that are overfished, and an evaluation of alternative management approaches that may be implemented to enhance such sustainability.

“(C) Stock assessment updates for each stock of fish that is overfished or undergoing

overfishing shall be conducted at 2 year intervals, and a full stock assessment pursuant to subsection (c) shall be conducted no less frequently than once every 5 years.

“(D) The Secretary shall include a summary of reviews conducted under subparagraph (A) in the report required by paragraph (1) of this subsection. To the extent possible, the Secretary shall include in the report recommendations for actions that could be taken to encourage the sustainable management of stocks of fish listed in the Fish Stocks Sustainability Index.”.

(b) **ASSESSMENT OF CURRENT MANAGEMENT MEASURES.**—

(1) **IN GENERAL.**—The Secretary of Commerce shall conduct a study, in cooperation with the National Academy of Sciences, to determine if current fishery management measures for stocks in a multi-species fishery yield the most productive use of marine resources while effectively conserving sustainable populations and a healthy marine ecosystem. The study shall include—

(A) the identification of the statutory and regulatory impediments to achieving the maximum sustainable yield from the entire fishery;

(B) the identification of fishery independent environmental stressors on the fishery;

(C) the economic value derived from the yield in the fishery; and

(D) alternative fishery management measures and technologies which would result in increased economic and harvest yields consistent with sound conservation.

(2) **REPORT.**—Within 180 days after the date of enactment of this Act, the Secretary shall transmit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Natural Resources containing the Secretary's findings, conclusions, and recommendations.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary of Commerce such sums as may be necessary to carry out the provisions of this Act and the amendments made by this Act.

By Mrs. HAGAN:

S. 3596. A bill to establish the Culture of Safety Hospital Accountability Study and Demonstration Program; to the Committee on Finance.

Mrs. HAGAN. Mr. President, today I am proud to introduce the Culture of Safety Hospital Accountability Act. This bill will test alternatives to the current, inflexible system to ensure that hospitals are meeting the highest health and safety standards for their patients.

Under the current system, the Centers for Medicare and Medicaid, or CMS, requires hospitals participating in Medicare and Medicaid to comply with Conditions of Participation—health and safety standards established by CMS for the protection of Medicare and Medicaid beneficiaries. CMS contracts with State agencies to perform inspections of hospitals, nursing homes, and other health care facilities to ensure compliance.

However, there are significant deficiencies in the current system. A major concern among hospitals is CMS' assignment of Immediate Jeopardy,

which puts hospitals on a 23-day fast-track to losing their Medicare and Medicaid funding. Right now, the only remedy that CMS has when a hospital receives a citation is termination. There is no flexibility to consider the incident on a case-by-case basis—or even to consider whether the hospital self-reported and immediately corrected the incident. Moreover, current procedures fail to consider the substantial resources and efforts that hospitals are already investing in quality improvement and patient safety.

Take, for example, a hospital in my State, which last year got a 23-day termination notice after they self-reported that one of their nurses had H1N1. The hospital immediately sent the nurse home and, as I mentioned, immediately reported the incident to CMS. Nevertheless, the hospital was required to undergo an inspection and submit the requisite plan of correction to CMS. The agency was not able to process the paperwork until day 22 of the 23-day notice, causing undue stress for the community as they wondered whether the hospital was going to be forced to close its doors.

In addition to the uncertainty for the hospital, the human resources required and costs incurred to implement this inflexible system are enormous. Once a hospital is cited as out of compliance with their Condition of Participation, the State CMS inspectors are required to survey the entire hospital and any other hospitals under the same CMS provider number. In the case of the hospital I just mentioned, it took State inspectors an entire week with 17 staff to survey their hospital system.

To address this inflexibility in the current system, I am introducing the Culture of Safety Hospital Accountability Act. This bill would do three things:

First, it would require the Secretary of Health and Human Services to study existing quality assurance and patient safety activities within hospitals and identify best practices that should be replicated.

Second, it would create a demonstration program among hospitals, State health care agencies, and HHS to promote and implement best practices for improving patient safety and quality of care. HHS would identify up to 6 States and not more than 24 hospitals to participate in a 3-year demonstration program.

Finally, the bill would authorize the Secretary of HHS to promulgate regulations modifying termination agreements regarding health and safety requirements with hospitals and critical access hospitals to better ensure compliance, prevent recurrence of violations, and improve internal structures and processes that address patient quality and safety.

Patient safety must be first and foremost, and it is not the intent of the

demonstration project to keep CMS or State inspectors out of hospitals, nor to impair the remedies CMS needs to address quality issues. Instead, the bill will help to explore how CMS, State regulatory authorities, and hospitals can work collaboratively to address quality and safety issues in ways that will ensure the best quality of care for patients.

By Mr. CARDIN:

S. 3602. A bill to amend title 23, United States Code, to direct the Secretary to establish a comprehensive program to control and treat polluted stormwater runoff from federally funded highways and roads, and for other purposes; to the Committee on Environment and Public Works.

Mr. CARDIN. Mr. President, today I am proud to introduce legislation that will help prevent millions of gallons of pollution from entering our Nation's precious water resources. The season we are in makes my legislation particularly timely. Spring is one of the wettest times of year, and with every Spring shower polluted stormwater runoff washes a myriad of chemicals pollutants, sediment, debris, oil and grease, and other contaminants from our Nation's roads and highways into our lakes, rivers, streams, bays, and coastal waters.

Stormwater is the nation's largest source of water pollution. While rain itself contains air pollution particulates that are deposited in every drop, most stormwater pollution is picked up on the surface and carried off as runoff. Stormwater washes contaminants like oil, grease, heavy metals, nutrients, asbestos, sediments, road salts and other de-icing agents, brake dust, and road debris from the millions of miles of America's roads and into storm drains that discharge into nearby waters. Almost all of this polluted stormwater is discharged without any treatment.

When rain falls on these hard, impervious surfaces it often has no where to go but down the channels created by curbs and retaining walls, into storm drains and into the nearest natural water body. According to research compiled by the National Oceanic & Atmospheric Administration's, NOAA, National Geophysical Data Center, the U.S. is covered by more than 112,600 square kilometers of impervious surfaces. That is a space larger than the State of Ohio. With 985,139 miles of federal aid highways stretching from every corner of the country, polluted highway runoff is no small problem facing our nation's waters.

The effects of polluted stormwater runoff are real. For example, the Anacostia River—Washington's "other" and often forgotten river—can be seen from the Capitol Dome as it flows out of Prince George's County, Maryland, and into the District and on to its confluence with the Potomac. Runoff from

within the 176 square mile watershed of the Anacostia, most of which is in Maryland, but also includes the east side of DC and the entire Capitol complex, all makes its way into the Anacostia. The stormwater that enters the Anacostia is extremely polluted from the thousands of acres of road surfaces that cover the watershed, which exacerbates the incidence of combined sewer overflows and has impaired the Anacostia for many years. It is no coincidence that the U.S. Fish & Wildlife Service has found the Anacostia's bottom-feeder catfish to have the highest incidence of liver tumors than any other population of catfish in the country. The cause of the tumors are the high levels of polycyclic aromatic hydrocarbons, a by-product of fuel combustion, that come from vehicle tailpipe emissions and are deposited on the road and in the air and then washed into the river with every shower or thunderstorm.

This is not a problem unique to Maryland or the Chesapeake Bay region, nor is it a problem unique to urban environments as opposed to rural environments. Polluted runoff is a problem that affects any watershed where impervious paved road and highway surfaces have altered the natural hydrology of a watershed. Over time, Federal highway policy has come to recognize the drastic impacts highways and surface transportation can have on the environment and on water quality. Title 23 of the U.S. Code states: "transportation should play a significant role in promoting economic growth, improving the environment, and sustaining the quality of life" through the use of "context sensitive solutions." The Intermodal Surface Transportation Efficiency Act, ISTEA, authorized using transportation enhancement funds for "environmental mitigation to address water pollution due to highway runoff." It's important to note, however, that this is just one of 12 types of eligible enhancement projects and only 1.1 percent of enhancement project funds have gone toward environmental mitigation projects since 1992.

In 2008, at the request of the House Transportation & Infrastructure Committee, the Government Accountability Office issued a report examining key issues and challenges that need to be addressed in the next reauthorization of the transportation bill. That report highlighted the clear link between transportation policy and the environment. Taking a policy approach to require that the planning, design, and construction of highways are done in an environmentally responsible manner, with an eye toward mitigating the water quality impacts highways have on our Nation's water resources, will help address this issue and better meet our Nation's transportation goals. This legislation also helps advance the October 5, 2009, Executive

Order affirming that Federal policy and Federal agencies shall "conserve and protect water resources through efficiency, reuse, and stormwater management; eliminate waste, recycle, and prevent pollution; and leverage agency acquisitions to foster markets for sustainable technologies and environmentally preferable materials, products and services."

The approach my legislation takes to mitigate polluted highway runoff is through the implementation of a minimum design standard, developed by the United States Department of Transportation, that requires the maintenance or restoration of the predevelopment hydrology of a Federal-aid highway project site. This same approach was made law by the Energy Independence & Security Act of 2007 for the development of new Federal buildings and facilities.

My bill would require that all significant Federal highway projects must be planned and designed "to maintain or restore, to the maximum extent technically feasible, the predevelopment hydrology of the project site with regard to the temperature, rate, chemical composition, volume and duration of flow" of stormwater. This would be achieved by approaches that avoid and minimize alteration of natural features and hydrology and maximize the use of onsite pollution control measures using existing terrain and natural features.

My bill also recognizes that geography and other physical characteristics of the land may not always allow on-site treatment of polluted highway runoff. When conditions are impracticable my legislation would allow for an "appropriate off-site runoff pollution mitigation program" within the watershed of a Federal-aid highway project site that can protect against the water quality impacts of the project.

The Clean Water Act requires that we protect the waters of the United States. As with most pollution abatement strategies, preventing stormwater pollution is cheaper, more effective, and easier to implement than trying to clean up and remediate the problem after the contamination has occurred.

Not addressing stormwater pollution at its source just kicks the proverbial can down the road for someone else's attention. When water resources are contaminated by polluted highway runoff, mitigating the pollution, which is a preventable discharge in the first place, should not be the responsibility of local governments, wastewater treatment facilities, or drinking water utilities.

Water pollution has many sources and our Nation's highways produce a tremendous volume of contaminated stormwater. Time and time again, experience has taught us that addressing pollution at its source is the most effective means of abating pollution. It

is time we applied this principle to our Nation's Federal-aid highways. I urge my colleagues to support my legislation and help move our country closer to meeting the goals of the Clean Water Act and the goals of our national transportation policy.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3602

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Safe Treatment of Polluted Stormwater Runoff Act" or the "STOPS Runoff Act".

SEC. 2. FEDERAL-AID HIGHWAY RUNOFF POLLUTION MANAGEMENT PROGRAM.

(a) IN GENERAL.—Chapter 3 of title 23, United States Code, is amended by adding at the end the following:

"§ 330. Federal-aid highway runoff pollution management program

"(a) ESTABLISHMENT.—The Secretary shall establish a Federal-aid highway runoff pollution management program to ensure that covered projects are constructed in accordance with minimum standards designed to protect surface and ground water quality.

"(b) PROJECT APPROVAL.—The Secretary may approve a covered project of a State under section 106 only if the State provides assurances satisfactory to the Secretary that the State will construct the project in accordance with the minimum standards described in subsection (c).

"(c) MINIMUM STANDARDS.—The following minimum standards shall apply to the construction of covered projects to maintain or restore, to the maximum extent technically feasible, the predevelopment hydrology of the project site with regard to the temperature, rate, chemical composition, volume and duration of flow:

"(1) Avoid and minimize alteration of natural features and hydrology and maximize use of pollution source control measures that utilize existing terrain and natural features and reduce chemical introduction to reduce creation of pollution on the project site.

"(2) Maximize capture of highway runoff pollution on the project site through pretreatment and treatment, including environmental site design techniques and other control measures that promote evapotranspiration and infiltration.

"(3) Prevent any remaining highway runoff pollution not addressed under paragraphs (1) and (2) to the maximum extent practicable by implementing one or more of the following control measures selected through a watershed-based environmental management or equivalent approach:

"(A) Pretreatment and treatment of runoff with appropriate control measures on the project site.

"(B) Discharge of highway runoff pollution directly to an off-site control measure under the control of the State with documented capacity to provide functionally and quantitatively equivalent management of runoff pollution to that required to achieve the minimum standards of this subsection for the design life of the project.

"(C) If the control measures in subparagraphs (A) and (B) are found impracticable

based on site conditions or other appropriate factors, and an appropriate off-site runoff pollution mitigation program is in place, contribution to a mitigation program that will produce functionally and quantitatively equivalent management of runoff pollution to that required to achieve the minimum standards. Under this subparagraph, priority shall be given to off-site control measures that address the impacts of runoff pollution to waterways that are listed as impaired in the same or adjacent 8-digit Hydrologic Unit Code as the project site.

"(d) GUIDANCE.—

"(1) IN GENERAL.—Not later than 180 days after the date of enactment of this section, the Secretary, with the concurrence of the Administrator of the Environmental Protection Agency, shall publish guidance to assist States in complying with the requirements of this section.

"(2) CONTENTS OF GUIDANCE.—The guidance shall include guidelines for the establishment of State processes and programs that will be used to assist in managing highway runoff pollution from covered projects in accordance with the minimum standards described in subsection (c), including—

"(A) guidance to help States integrate the planning, selection, design, and long-term operation and maintenance of control measures consistent with the minimum standards in the overall project planning process;

"(B) creation of a watershed-based environmental management approach to assist projects in achieving consistency with the minimum standards;

"(C) guidelines for the development and utilization of off-site runoff pollution mitigation programs to achieve compliance with the minimum standards; and

"(D) provisions for State inspection, monitoring, and reporting to document State compliance and project consistency with this section.

"(e) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this section shall be construed to affect the applicability of any provision of Federal, State, or local law that is more stringent than the requirements of this section.

"(f) REPORTING.—The Secretary shall require each State to report annually to the Secretary on the highway runoff pollution reductions achieved for covered projects carried out by the State after the date of enactment of this section.

"(g) DEFINITIONS.—In this section, the following definitions apply:

"(1) CONTROL MEASURE.—The term 'control measure' means a program, structural or nonstructural management practice, operational procedure, or policy on or off the project site that is intended to control, reduce, or prevent highway runoff pollution.

"(2) COVERED PROJECT.—The term 'covered project' means a project carried out under this title for—

"(A) construction of a new highway or associated facility;

"(B) construction of a Federal-aid highway runoff control measure retrofit; or

"(C) construction of a significant Federal-aid highway improvement.

"(3) FEDERAL-AID HIGHWAY RUNOFF CONTROL MEASURE RETROFIT.—The term 'Federal-aid highway runoff control measure retrofit' means the installation or modification of a control measure for highway runoff pollution serving a Federal-aid highway or associated facility originally constructed before the date of enactment of this section.

"(4) HIGHWAY RUNOFF POLLUTION.—The term 'highway runoff pollution' means in re-

lation to a Federal-aid highway, associated facility, or control measure retrofit projects one or more of the following—

"(A) a discharge of sediment, metals, bacteria, chemicals, nutrients, or oil and grease in runoff; or

"(B) a discharge of peak flow rate, water temperature, and volume of runoff that exceeds predevelopment amounts generated from a Federal-aid highway, associated facility, or control measure retrofit project that violates the water quality standards of the receiving water set by the Federal Water Pollution Control Act (33 U.S.C. 125 et seq.) and related State programs.

"(5) SIGNIFICANT FEDERAL-AID HIGHWAY IMPROVEMENT.—The term 'significant Federal-aid highway improvement' means the rehabilitation, reconstruction, reconfiguration, renovation, or major resurfacing of an existing Federal-aid highway or associated facility that disturbs 5 or more acres of land.

"(6) WATERSHED-BASED ENVIRONMENTAL MANAGEMENT APPROACH.—The term 'watershed-based environmental management approach' means an approach under which—

"(A) the selection of solutions that prevent or minimize the environmental impact of an individual project is made within the broader context of the environmental protection and restoration goals of any watershed that drains the project site, rather than selecting solutions solely based on site level considerations; and

"(B) priority consideration is given to—

"(i) protection of drinking water supplies;

"(ii) protection and restoration of waterways listed by a State as impaired in accordance with section 303(d) of the Federal Water Pollution Control Act (33 U.S.C. 1313(d));

"(iii) preservation of aquatic ecosystems and fisheries; and

"(iv) cost-effective expenditure of Federal funds."

(b) EFFECTIVE DATE.—The provisions of this legislation will be effective and applicable to construction of Federal-Aid Highway projects as defined in subsection (g)(2) 1 year after enactment.

(c) CLERICAL AMENDMENT.—The analysis for chapter 3 is amended by adding at the end the following:

"330. Federal-aid highway runoff pollution management program."

By Ms. CANTWELL:

S. 3603. A bill to amend the Oil Pollution Act of 1990 to establish the Federal Oil Spill Research Committee and to amend the Federal Water Pollution Control Act to include in a response plan certain planned and demonstrated investments in research relating to discharges of oil and to modify the dates by which a response plan is required to be updated; to the Committee on Commerce, Science, and Transportation.

Mr. President, over 21 years ago the tanker *Exxon Valdez*, en route from Valdez, Alaska, to Los Angeles, failed to turn back into the shipping lane after detouring to avoid ice. At 12:04 a.m., it ran aground on Bligh Reef in Prince William Sound.

Within six hours, the *Exxon Valdez* spilled 11 million gallons of crude oil into the Sound's pristine waters and wrote itself into the history books as—at that time—the worst oil spill ever in U.S. waters. Eventually, oil covered 11,000 square miles of ocean.

The environmental and economic damage is impossible to both fathom and assess; countless seabirds, marine mammals, and fish were killed. As a result, companies like the Chugach Alaska Corporation went bankrupt. There were huge losses to recreational sports, fisheries, and tourism. And 21 years later there is still oil in the area.

Today, we are re-living a similar nightmare—only this time on an even larger scale. The BP oil spill in the Gulf of Mexico, triggered by the explosion of the Deepwater Horizon oil rig and the failure of its safety systems, has shattered all previous records as the single largest marine oil spill in our Nation's history. Even today, oil continues to gush from the uncapped well, furthering the devastation to the Gulf of Mexico's environment and economy.

The *Exxon Valdez* showed us just how unprepared we were in 1989, and the BP oil spill is showing us today how unprepared we are in 2010. While the Oil Pollution Act of 1990 has been successful in achieving many of its policy goals, the BP oil spill is proving to us that oil spill response technology remains largely stagnant, and that our response infrastructure remains inadequate.

This is why I rise today to introduce the Oil Spill Technology and Research Act.

This legislation is designed to address the massive gap in oil spill research and development that has contributed to our inability to respond to the BP oil spill. It will: put mechanisms in place that will foster continuous research and development on oil spill response methods and technologies; provide an incentive structure for translating new technologies from ideas into reality; and continuously add new layers to our oil spill safety net.

This is an important step in the right direction to improve our Nation's ability to contain and clean up oil spills in the future.

It is a proclamation that we are not going to allow complacency back at the wheel, nor are we going to allow politics to get in the way of doing what is right.

Twenty-one years ago we saw the devastating costs of complacency, and we are living that nightmare again today. It is up to us to ensure that this country's environment, economy, and people are protected with the greatest rigor that we can muster. Our oceans, coasts, and citizens deserve nothing less.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3603

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Oil Spill Technology and Research Act of 2010".

SEC. 2. FEDERAL OIL SPILL RESEARCH COMMITTEE.

(a) IN GENERAL.—Section 7001 of the Oil Pollution Act of 1990 (33 U.S.C. 2761) is amended to read as follows:

"SEC. 7001. FEDERAL OIL SPILL RESEARCH COMMITTEE.

"(a) ESTABLISHMENT.—There is established a committee, to be known as the 'Federal Oil Spill Research Committee' (referred to in this section as the 'Committee').

"(b) MEMBERSHIP.—

"(1) COMPOSITION.—The Committee shall be composed of—

"(A) at least 1 representative of the National Oceanic and Atmospheric Administration;

"(B) at least 1 representative of the Coast Guard;

"(C) at least 1 representative of the Environmental Protection Agency; and

"(D) at least 1 representative of each of such other Federal agencies as the President considers to be appropriate.

"(2) CHAIRPERSON.—The Under Secretary of Commerce for Oceans and Atmosphere (referred to in this section as the 'Under Secretary') shall designate a Chairperson from among members of the Committee who represent the National Oceanic and Atmospheric Administration.

"(3) MEETINGS.—At a minimum, the members of the Committee shall meet once each quarter.

"(c) DUTIES OF THE COMMITTEE.—

"(1) RESEARCH.—The Committee shall—

"(A) coordinate a comprehensive program of oil pollution research, technology development, and demonstration among the Federal agencies, in cooperation and coordination with industry, institutions of higher education, research institutions, State governments, tribal governments, and other countries, as the Committee considers to be appropriate; and

"(B) foster cost-effective research mechanisms, including the joint funding of research.

"(2) REPORTS ON CURRENT STATE OF OIL DISCHARGE PREVENTION AND RESPONSE CAPABILITIES.—

"(A) IN GENERAL.—Not later than 180 days after the date of enactment of the Oil Spill Technology and Research Act of 2010, the Committee shall submit to Congress a report on the state of oil discharge prevention and response capabilities that—

"(i) identifies current research programs conducted by governments, universities, and corporate entities;

"(ii) assesses the current status of knowledge on oil pollution prevention, response, and mitigation technologies;

"(iii) establishes national research priorities and goals for oil pollution technology development relating to prevention, response, mitigation, and environmental effects;

"(iv) identifies regional oil pollution research needs and priorities for a coordinated program of research at the regional level developed in consultation with the State and local governments and Indian tribes;

"(v) assesses the current state of discharge response equipment, and determines areas in need of improvement, including with respect to the quantity, age, quality, and effectiveness of equipment, or necessary technological improvements;

"(vi) assesses—

"(I) the current state of real-time data available to mariners, including data on

water level, currents, and weather (including predictions); and

"(II) whether a lack of timely information increases the risk of oil discharges; and

"(vii) includes such other information or recommendations as the Committee determines to be appropriate.

"(B) 5-YEAR UPDATES.—Not later than 5 years after the date of enactment of the Oil Spill Technology and Research Act of 2010, and every 5 years thereafter, the Committee shall submit to Congress a report updating the information contained in the previous report submitted under subparagraph (A).

"(d) RESEARCH AND DEVELOPMENT PROGRAM.—

"(1) IN GENERAL.—In carrying out the duties of the Committee under subsection (c)(1), the Committee shall establish a program to conduct oil pollution research and development.

"(2) PROGRAM ELEMENTS.—The program established under paragraph (1) shall provide for research, development, and demonstration of new or improved technologies and methods that are effective in preventing, detecting, or responding to, mitigating, and restoring damage from oil discharges and that protect the environment, including each of the following:

"(A) High priority research areas described in the reports under subsection (c)(2).

"(B) Environmental effects of acute and chronic oil discharges on coastal and marine resources, including impacts on protected areas and protected species.

"(C) Long-term effects of major discharges and the long-term cumulative effects of smaller endemic discharges.

"(D) New technologies to detect accidental or intentional overboard discharges.

"(E) Response, containment, and removal capabilities, such as improved booms, oil skimmers, and storage capacity.

"(F) Oil discharge risk assessment methods, including the identification of areas of high risk and potential risk reductions for the prevention of discharges.

"(G) Capabilities for predicting the environmental fate, transport, and effects of oil discharges, including prediction of the effectiveness of discharge response systems to contain and remove oil discharges.

"(H) Methods to restore and rehabilitate natural resources and ecosystem functions damaged by oil discharges.

"(I) Research and training, in consultation with the National Response Team, to improve the ability of industry and the Federal Government to remove an oil discharge quickly and effectively.

"(J) Oil pollution technology evaluation.

"(K) Any other priorities identified by the Committee.

"(3) IMPLEMENTATION PLAN.—

"(A) IN GENERAL.—Not later than 180 days after the date of submission of the report under subsection (c)(2)(A), the Committee shall submit to Congress a plan for the implementation of the program required by paragraph (1).

"(B) ASSESSMENT BY NATIONAL ACADEMY OF SCIENCES.—The Chairperson of the Committee, acting through the Administrator of the National Oceanic and Atmospheric Administration, shall enter into an arrangement with the National Academy of Sciences under which the National Academy of Sciences shall—

"(i) provide advice and guidance in the preparation and development of the plan required by subparagraph (A); and

"(ii) assess the adequacy of the plan as submitted, and submit a report to Congress on the conclusions of the assessment.

“(e) GRANT PROGRAM IN SUPPORT OF RESEARCH AND DEVELOPMENT PROGRAM.—

“(1) IN GENERAL.—The Under Secretary of Commerce shall manage a program of competitive grants to universities or other research institutions, or groups of universities or research institutions, for the purposes of conducting the program established under subsection (d).

“(2) APPLICATIONS AND CONDITIONS.—In conducting the program, the Under Secretary—

“(A) shall establish a notification and application procedure;

“(B) may establish such conditions and require such assurances as are appropriate to ensure the efficiency and integrity of the grant program; and

“(C) may provide grants under the program on a matching or nonmatching basis.

“(f) ADVICE AND GUIDANCE.—

“(1) IN GENERAL.—The Committee shall accept comments and input from State and local governments, Indian tribes, industry representatives, and other stakeholders in carrying out the duties of the Committee under subsection (c).

“(2) ADVISORY COUNCIL.—The Committee may establish an Advisory Council consisting of nongovernment experts and stakeholders for the purpose of providing guidance to the Committee on matters under this section.

“(g) FACILITATION.—The Committee may develop joint partnerships or enter into memoranda of agreement or memoranda of understanding with institutions of higher education, States, and other entities to facilitate the research program required by subsection (d).

“(h) ANNUAL REPORTS.—Not later than 1 year after the date of enactment of the Oil Spill Technology and Research Act of 2010, and annually thereafter, the Chairperson of the Committee shall submit to Congress a report that describes—

“(1) the activities carried out under this section during the preceding fiscal year; and

“(2) the activities that are proposed to be carried out under this section for the fiscal year during which the report is submitted.

“(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Commerce to carry out this section—

“(1) \$200,000 for fiscal year 2010, to remain available until expended, for use in entering into arrangements with the National Academy of Sciences and for paying other expenses incurred in developing the reports and research program under this section; and

“(2) \$2,000,000 for each of fiscal years 2010 through 2012, to remain available until expended.”.

(b) TERMINATION OF AUTHORITY OF INTERAGENCY COMMITTEE.—

(1) IN GENERAL.—The Interagency Coordinating Committee on Oil Pollution Research established under section 7001 of the Oil Pollution Act of 1990 (33 U.S.C. 2761) (as in effect on the day before the date of enactment of this Act), and all authority of that Committee, terminate on the date of enactment of this Act.

(2) FUNDING.—Any funds made available for the Interagency Coordinating Committee on Oil Pollution Research described in paragraph (1) and remaining available as of the date of enactment of this Act shall be transferred to and available for use by the Federal Oil Spill Research Committee (as established by the amendment made by subsection (a)), without further appropriation or fiscal year limitation.

SEC. 3. RESPONSE PLAN UPDATE REQUIREMENT.

Section 311(j)(5) of the Federal Water Pollution Control Act (33 U.S.C. 1321(j)(5)) is amended—

(1) in subparagraph (D)—

(A) by striking clause (v) and inserting the following:

“(v)(I) be updated at least every 5 years;

“(II) require the use of the best available technology and methods to contain and remove, to the maximum extent practicable, a worst-case discharge (including a discharge resulting from fire or explosion), and to mitigate or prevent a substantial threat of such a discharge; and

“(III) be resubmitted for approval upon each update (which shall be considered to be a significant change to the response plan) under this clause;”;

(B) in clause (vi), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(vii) include planned and demonstrated investments in research relating to oil discharges, risk assessment, and development of technologies for oil discharge response and prevention.”.

(2) by adding at the end the following:

“(J) TECHNOLOGY STANDARDS.—The Coast Guard may establish requirements and issue guidance for the use of best available technology and methods under subparagraph (D)(v), which technology and methods shall be based on performance metrics and standards, to the maximum extent practicable.”.

SEC. 4. OIL DISCHARGE TECHNOLOGY INVESTMENT.

(a) IN GENERAL.—The Secretary of the Department in which the Coast Guard is operating (referred to in this section as the “Secretary”) shall establish a program for the formal evaluation and validation of oil pollution containment and removal methods and technologies.

(b) APPROVAL.—

(1) IN GENERAL.—The program shall establish a process for new methods and technologies to be submitted, evaluated, and gain validation for use in responses to discharges of oil and inclusion in response plans.

(2) CONSIDERATION OF CAPABILITY.—Following each validation of a method or technology described in paragraph (1), the Secretary shall consider whether the method or technology meets a performance capability warranting designation of a new standard for best available technology or methods.

(3) LACK OF VALIDATION.—The lack of validation of a method or technology under this section shall not preclude—

(A) the use of the method or technology in response to a discharge of oil; or

(B) the inclusion of the method or technology in a response plan.

(c) TECHNOLOGY CLEARINGHOUSE.—Each technology and method validated under this section shall be included in the comprehensive list of discharge removal resources maintained through the National Response Unit of the Coast Guard.

(d) CONSULTATION.—In carrying out this section, the Secretary shall consult with—

(1) the Secretary of the Interior;

(2) the Administrator of the National Oceanic and Atmospheric Administration;

(3) the Administrator of the Environmental Protection Agency; and

(4) the Secretary of Transportation.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 583—EXPRESSING SUPPORT FOR DESIGNATION OF 2011 AS “WORLD VETERINARY YEAR” TO BRING ATTENTION TO AND SHOW APPRECIATION FOR THE VETERINARY PROFESSION ON ITS 250TH ANNIVERSARY

Mr. ENSIGN submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 583

Whereas the first veterinary school in the world was founded in Lyon, France, in 1761; Whereas 2011 will mark the 250th anniversary of veterinary education and the founding of the veterinary medical profession;

Whereas 2011 will mark the beginnings of comparative biopathology, a basic tenet of the “one health” concept;

Whereas veterinarians have played an integral role in discovering the causes of numerous diseases that affect the people of the United States, such as salmonellosis, West Nile Virus, yellow fever, and malaria;

Whereas veterinarians provide valuable public health service through preventive medicine, control of zoonotic diseases, and scientific research;

Whereas veterinarians have advanced human and animal health by inventing and refining techniques and instrumentations such as artificial hips, bone plates, splints, and arthroscopy;

Whereas veterinarians play an integral role in protecting the quality and security of the herd and food supply of the Nation;

Whereas military veterinarians provide crucial assistance to the agricultural independence of developing nations around the world;

Whereas disaster relief veterinarians provide public health service and veterinary medical support to animals and humans displaced and ravaged by disasters;

Whereas veterinarians are dedicated to preserving the human-animal bond and promoting the highest standards of science-based, ethical animal welfare;

Whereas 2011 would be an appropriate year to designate as “World Veterinary Year” to bring attention to and show appreciation for the veterinary profession on its 250th anniversary; and

Whereas colleagues in the United States will join veterinarians from around the world to celebrate this momentous occasion: Now, therefore, be it

Resolved, That the Senate—

(1) supports the designation of 2011 as “World Veterinary Year”;;

(2) supports the goals and ideals of World Veterinary Year of bringing attention to and expressing appreciation for the contributions that the veterinary profession has made and continues to make to animal health, public health, animal welfare, and food safety; and

(3) requests that the President issue a proclamation calling upon the people of the United States to observe 2011 as World Veterinary Year with appropriate programs, ceremonies, and activities.

SENATE RESOLUTION 584—COMMEMORATING THE 2010 SPECIAL OLYMPICS USA NATIONAL GAMES

Mr. JOHANNIS submitted the following resolution; which was referred to the Committee on Commerce, Science, and Transportation:

S. RES. 584

Whereas the 2010 Special Olympics USA National Games will be held in Lincoln, Nebraska, from July 18 to July 23, 2010;

Whereas nearly 4,000 athletes and coaches from 49 State delegations will participate in the Games;

Whereas approximately 30,000 people, including families and friends of the athletes, and enthusiastic supporters, are expected to visit or attend the Games;

Whereas more than 8,500 volunteers will contribute time and talent to make the Games a success;

Whereas, for decades, the Special Olympics has provided athletes with a unique opportunity to participate in athletic competition while developing confidence, skill, and determination;

Whereas the 2010 Special Olympics USA National Games continues the great tradition begun by Eunice Shriver in 1968, and proves the belief of Ms. Shriver that through sports, people with intellectual disabilities "can realize their potential for growth";

Whereas 70 Nebraska communities are participating in the Law Enforcement Torch Run, in which law enforcement officials from the State of Nebraska and across the United States carry the "Flame of Hope" through Nebraska; and

Whereas the State of Nebraska, the city of Lincoln, and more than 100 State and local businesses and organizations have made major contributions and opened their doors so that people from across the United States can participate in and enjoy the 2010 Special Olympics USA National Games: Now, therefore, be it

Resolved, That the Senate—

(1) applauds the participants and coaches of the 2010 Special Olympics USA National Games, as well as the volunteers and law enforcement officers who support the Games; and

(2) thanks all the people who contributed to the Games for their generous efforts and gifts to make the Games a reality.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4477. Mr. ROBERTS submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table.

SA 4478. Mr. BENNET submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4479. Mr. CARPER (for himself, Mr. SCHUMER, Mr. CARDIN, Mr. LIEBERMAN, and

Mr. WYDEN) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4480. Mr. UDALL of New Mexico submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4481. Mr. UDALL of New Mexico submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4482. Mr. UDALL of New Mexico submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4483. Ms. SNOWE (for herself, Mr. GRASSLEY, Mr. ENZI, Mr. ISAKSON, and Ms. COLLINS) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 4477. Mr. ROBERTS submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE V—MISCELLANEOUS

SEC. ____ . SENSE OF THE SENATE REGARDING THE RECESS APPOINTMENT OF DR. DONALD BERWICK.

(a) FINDINGS.—The Senate makes the following findings:

(1) On April 19, 2010, the President nominated Dr. Donald Berwick to serve as the Administrator of the Centers for Medicare & Medicaid Services (in this section referred to as "CMS") in the Department of Health and Human Services. As of that date, the position was vacant for the first 16 months of the Obama Administration.

(2) Since that date, Dr. Berwick has been undergoing the bipartisan nomination investigation review process of the Committee on Finance of the Senate (in this section referred to as the "Senate Finance Committee") and there has been ongoing activity as the Senate Finance Committee continues to gather and review information from Dr. Berwick.

(3) The Senate Finance Committee review process for the Berwick nomination was proceeding normally. A hearing on the nomination of Dr. Berwick had been requested and no objections had been raised to having the hearing.

(4) On July 7, 2010, less than 3 months after the nomination and without a Senate Finance Committee hearing taking place, the President recess-appointed Dr. Berwick to serve as the Administrator of CMS. Dr. Berwick was sworn in on July 12, 2010.

(5) The appointment of the Administrator of CMS is subject to Senate confirmation under article II, section 2, clause 2 of the Constitution. Dr. Berwick's nomination was referred to the Senate Finance Committee which has jurisdiction over health programs under the Social Security Act and the responsibility to examine Presidential nominees related to these programs.

(6) It is especially true that Dr. Berwick's nomination should have undergone the Senate Finance Committee nomination review process in light of the significant responsibilities of the Administrator of CMS.

(7) CMS is responsible for the health care of more than 100,000,000 Americans, and is one of the largest agencies in the Federal Government.

(8) The recently enacted Patient Protection and Affordable Care Act (commonly referred to as the "health care reform law") significantly increases the responsibilities of CMS, including half a trillion dollars in Medicare provider cuts and the largest expansion of the Medicaid program since its inception.

(9) The manner in which an individual nominated to serve as the Administrator of CMS intends to carry out these responsibilities is a serious matter and warrants a thorough review. A thorough review is especially needed for Dr. Berwick's appointment in light of statements he has made in the past about health care rationing as well as the role of government in health care.

(10) By recess-appointing Dr. Berwick, the President has attempted to short circuit the requirement of article II, section 2, clause 2 of the Constitution that he appoint officers of the United States "by and with the Advice and Consent of the Senate".

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the recess appointment of Dr. Donald Berwick, while consideration of his nomination to serve as Administrator of CMS was proceeding normally through the Senate Finance Committee nomination review process, constitutes an abuse of power by the President; and

(2) notwithstanding his recess appointment to that position, Dr. Donald Berwick should appear before the Senate Finance Committee and respond to questions by members about his qualifications to serve as Administrator of CMS.

SA 4478. Mr. BENNET submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title II, add the following:

PART V—OTHER PROVISIONS**SEC. ____ CREDIT FOR EMPLOYER-PROVIDED CLEAN ENERGY JOB TRAINING PROGRAMS.**

(a) **PURPOSES.**—The purposes of this section are—

(1) to meet the growing need for a workforce that is trained and prepared to fill jobs in clean energy industries;

(2) to assist employers to transition their workforce towards the clean energy economy; and

(3) to provide incentives for employers to play a role in the training, preparation, and development of their workforce for the clean energy economy.

(b) **CREDIT.**—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

“SEC. 45S. EMPLOYER-PROVIDED CLEAN ENERGY JOB TRAINING PROGRAMS.

“(a) **IN GENERAL.**—For the purposes of section 38, in the case of an eligible employer, the employer-provided clean energy job training credit determined under this section for the taxable year is an amount equal to 25 percent of qualified education program expenses paid by the eligible employer for such taxable year.

“(b) **LIMITATION.**—The credit allowed under subsection (a) for any taxable year shall not exceed \$500 with respect to any full-time employee of the eligible employer that participates in a qualified education program during such taxable year.

“(c) **DEFINITIONS.**—For purposes of this section—

“(1) **QUALIFIED EDUCATION PROGRAM EXPENSES.**—The term ‘qualified education program expenses’ means expenses paid or incurred by an eligible employer for participation of full-time employees in a qualified education program.

“(2) **QUALIFIED EDUCATION PROGRAM.**—The term ‘qualified education program’ means adult education (within the meaning of section 203 of the Adult Education and Family Literacy Act) and job training that is—

“(A) provided—

“(i) by a provider that is identified as an eligible provider in accordance with section 122 of the Workforce Investment Act of 1998, or

“(ii) in a curriculum approved by the Assistant Secretary of Labor for Employment Training,

“(B) certified by the Assistant Secretary of Labor for Employment Training for purposes of this section, and

“(C) provided to full-time employees of the eligible employer who will be employed in clean energy jobs (as defined in subsection (d)) and will require such education and training in order to fulfill their employment responsibilities in such jobs.

“(3) **ELIGIBLE EMPLOYER.**—

“(A) **IN GENERAL.**—The term ‘eligible employer’ means, with respect to any taxable year, any employer which employed an average of at least 1 but not more than 500 full-time employees on business days during the preceding taxable year.

“(B) **EMPLOYERS NOT IN EXISTENCE DURING PRECEDING YEAR.**—If an employer was not in existence throughout the preceding year, the determination under subparagraph (A) shall be based on the average number of full-time employees that it is reasonably expected such employer will employ on business days in the current year.

“(C) **PREDECESSORS.**—Any reference in this paragraph to an employer shall include a reference to any predecessor of such employer.

“(D) **AGGREGATION RULE.**—All persons treated as a single employer under subsection (a) or (b) or section 52, or subsection (m) or (o) of section 414, shall be treated as one person.

“(4) **FULL-TIME EMPLOYMENT.**—An employee shall be considered full-time if such employee is employed at least 30 hours per week for 25 or more calendar weeks in the taxable year.

“(d) **CLEAN ENERGY JOB.**—

“(1) **IN GENERAL.**—The term ‘clean energy job’ means a job directly connected with producing electric energy generated by a renewable energy resource.

“(2) **RENEWABLE ENERGY RESOURCE.**—The term ‘renewable energy resource’ means solar, wind, ocean, tidal, geothermal energy, landfill gas, incremental hydropower, or hydrokinetic energy.

“(3) **INCREMENTAL HYDROPOWER.**—The term ‘incremental hydropower’ means additional generation that is achieved from increased efficiency or additions of capacity made on or after—

“(A) the date of enactment of this section; or

“(B) the effective date of an existing applicable State renewable portfolio standard program at a hydroelectric facility that was placed in service before that date.

“(e) **DENIAL OF DOUBLE BENEFIT.**—No deduction or credit shall be allowed under any other provision of this chapter for any amount taken into account in determining the credit under this section.

“(f) **ELECTION TO HAVE CREDIT NOT APPLY.**—A taxpayer may elect (at such time and in such manner as the Secretary may by regulations prescribe) to have this section not apply for any taxable year.

“(g) **TERMINATION.**—This section shall not apply to any expenses incurred after December 31, 2014.”

(c) **CREDIT TO BE PART OF GENERAL BUSINESS CREDIT.**—Subsection (b) of section 38 of the Internal Revenue Code of 1986 is amended—

(1) by striking “plus” at the end of paragraph (35);

(2) by striking the period at the end of paragraph (36) and inserting “, plus”; and

(3) by adding at the end the following new paragraph:

“(37) the employer-provided clean energy job training credit determined under section 45S(a).”

(d) **CONFORMING AMENDMENT.**—Section 6501(m) of the Internal Revenue Code of 1986 is amended by inserting “‘45S(f),” after “‘45H(g),”

(e) **CLERICAL AMENDMENT.**—The table of sections for subpart D of part IV of subchapter A of chapter 1 of such Code is amended by adding at the end the following new item:

“Sec. 45S. Employer-provided clean energy job training programs.”

(f) **REGULATIONS.**—Not later than 180 days after the date of the enactment of this Act, the Secretary of the Treasury shall promulgate regulations implementing the provisions of this section.

(g) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2010.

SA 4479. Mr. CARPER (for himself, Mr. SCHUMER, Mr. CARDIN, Mr. LIEBERMAN, and Mr. WYDEN) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms.

LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title II, insert the following:

Subtitle C—Other Relief**SEC. —. INCREASED EXCLUSION AMOUNT FOR COMMUTER TRANSIT BENEFITS AND TRANSIT PASSES.**

Paragraph (2) of section 132(f) of the Internal Revenue Code of 1986 is amended by striking “January 1, 2011” and inserting “January 1, 2012”.

SA 4480. Mr. UDALL of New Mexico submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 177, line 16, insert “and planned outreach efforts to women-owned businesses, veteran-owned businesses, and minority-owned businesses” before “, where appropriate”.

SA 4481. Mr. UDALL of New Mexico submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 193, line 8, before the period insert “including, to the extent possible based on the available reporting data, details on lending to women-owned businesses, veteran-owned businesses, and minority-owned businesses”.

SA 4482. Mr. UDALL of New Mexico submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the

availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 199, line 6, strike “The Secretary” and insert “Not later than 1 year after the date of enactment of this Act, and every year thereafter for 5 years, the Secretary”.

On page 199, line 10, insert “and every year thereafter for 5 years,” before “the Secretary shall submit”.

On page 199, between lines 19 and 20, insert the following:

(d) APPROPRIATE ACTION.—If the Secretary determines that the Program has not effectively served women-owned businesses, veteran-owned businesses, or minority-owned businesses, the Secretary may formulate a plan to redress the needs of the affected businesses.

SA 4483. Ms. SNOWE (for herself, Mr. GRASSLEY, Mr. ENZI, Mr. ISAKSON, and Ms. COLLINS) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 128, between lines 19 and 20, insert the following:

SEC. 1704. SMALL BUSINESS LOAN GUARANTEE ENHANCEMENT EXTENSIONS.

(a) APPROPRIATION.—There is appropriated, out of any funds in the Treasury not otherwise appropriated, for an additional amount for “Small Business Administration—Business Loans Program Account”, \$480,000,000, to remain available through December 31, 2010, for the cost of—

(1) fee reductions and eliminations under section 501 of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 151), as amended by this section; and

(2) loan guarantees under section 502 of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 152), as amended by this section. Such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.

(b) EXTENSION OF PROGRAMS.—

(1) FEES.—Section 501 of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 151) is amended by striking “September 30, 2010” each place it appears and inserting “December 31, 2010”.

(2) LOAN GUARANTEES.—Section 502(f) of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 153) is amended by striking “May 31, 2010” and inserting “December 31, 2010”.

(c) APPROPRIATION.—There is appropriated for an additional amount, out of any funds in the Treasury not otherwise appropriated, for administrative expenses to carry out sections 501 and 502 of division A of the Amer-

ican Recovery and Reinvestment Act of 2009 (Public Law 111-5), \$5,000,000, to remain available until expended, which may be transferred and merged with the appropriation for “Small Business Administration—Salaries and Expenses”.

(d) USE OF STIMULUS FUNDS TO OFFSET SPENDING.—Notwithstanding section 5 of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 116), \$485,000,000 is rescinded on a pro rata basis, by account, from unobligated amounts appropriated or made available under division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 116) (other than under title X of division A of such Act) in order to offset the increase in spending resulting from subsections (a) and (c) of this section. The Director of the Office of Management and Budget shall report to each congressional committee the amounts rescinded under this subsection within the jurisdiction of such committee.

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a business meeting scheduled before the Committee on Energy and Natural Resources, previously announced for July 15th, has been rescheduled and will not be held on Wednesday, July 21, 2010, at 9:30 a.m., in room SD-366 of the Dirksen Senate Office Building.

The purpose of the business meeting is to consider pending legislation.

For further information, please contact Sam Fowler or Amanda Kelly.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. KAUFMAN. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on July 15, 2010, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. KAUFMAN. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on July 15, 2010, at 9:00 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. KAUFMAN. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on July 15, 2010, at 10:00 a.m. in Room 253 of the Russell Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. KAUFMAN. Mr. President, I ask unanimous consent that the Com-

mittee on Finance be authorized to meet during the session of the Senate on July 15, 2010, at 10 a.m., in room 215 of the Dirksen Senate Office Building, to conduct a hearing entitled “Choosing to Work During Retirement and the Impact on Social Security.”

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. KAUFMAN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on July 15, 2010, at 2:30 p.m. to hold a hearing entitled “The New START Treaty: Maintaining a Safe, Secure and Effective Nuclear Arsenal.”

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. KAUFMAN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on July 15, 2010, at 4 p.m., in room SD-226 of the Dirksen Senate Office Building, to conduct a hearing entitled “Nominations.”

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CONSUMER PROTECTION, PRODUCT SAFETY, AND INSURANCE

Mr. KAUFMAN. Mr. President, I ask unanimous consent that the Subcommittee on Consumer Protection, Product Safety, and Insurance of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on July 15, 2010, at 2 p.m., in room 253 of the Russell Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT, GOVERNMENT INFORMATION, FEDERAL SERVICES, AND INTERNATIONAL SECURITY

Mr. KAUFMAN. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs' Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security be authorized to meet during the session of the Senate on July 15, 2010, at 10 a.m., to conduct a hearing entitled, “Preventing and Recovering Government Payment Errors.”

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, THE FEDERAL WORKFORCE, AND THE DISTRICT OF COLUMBIA

Mr. KAUFMAN. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs' Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia be authorized to meet during the session of the Senate on July 15, 2010, at 2:30 p.m., to conduct

a hearing entitled "The Federal Government's Role in Empowering Americans to Make Informed Financial Decisions."

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. SPECTER. Mr. President, I ask unanimous consent that floor privileges be given to Linda Hoffa, a detailee in my office, for the remainder of this Congress.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOTICE: REGISTRATION OF MASS MAILINGS

The filing date for 2010 second quarter Mass Mailings is Monday, July 26, 2010. If your office did no mass mailings during this period, please submit a form that states "none."

Mass mailing registrations, or negative reports, should be submitted to the Senate Office of Public Records, 232 Hart Building, Washington, D.C. 20510-7116.

The Public Records office will be open from 9:00 a.m. to 6:00 p.m. on the filing date to accept these filings. For further information, please contact the Public Records office.

UNANIMOUS-CONSENT AGREEMENT—H.R. 4213

Mr. DORGAN. Mr. President, I ask unanimous consent that at 2:30 p.m. on Tuesday, July 20, the Senate resume consideration of the House message to company H.R. 4213; that the motion to reconsider be agreed to and the Senate then proceed to vote on the motion to invoke cloture on the motion to concur in the House amendment to the Senate amendment to H.R. 4213, with amendment No. 4425.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

TAX CONVENTION WITH MALTA

PROTOCOL AMENDING TAX CONVENTION WITH NEW ZEALAND

Mr. DORGAN. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider Calendar Nos. 3 and 4, treaty documents 111-1 and 111-3; that the treaties be considered as having advanced through the various parliamentary stages up to and including the presentation of the resolution of ratification; that any committee reservations and declarations be agreed to as applicable; that any statements be printed in the RECORD; further, that when the votes on the resolutions of ratification are

taken, the motions to reconsider be considered made and laid upon the table en bloc; that the President be immediately notified of the Senate's action, and the Senate then resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, I ask for a division vote on each of the resolutions of ratification.

The PRESIDING OFFICER. A division vote has been requested. On treaty document 111-1, all those in favor stand and be counted.

All those opposed stand and be counted.

On a division, two-thirds of the Senators present having voted in the affirmative, the resolution of ratification on treaty document 111-1 is agreed to.

The question is now on treaty document 111-3. All those in favor stand and be counted.

All those opposed stand and be counted.

Two-thirds of the Senators present having voted in the affirmative, the resolution of ratification is agreed to.

Under the previous order, the motions to reconsider are considered made and laid upon the table en bloc.

The resolutions of ratification are as follows:

The Senate approved the following treaties on the Executive Calendar:

Tax Convention with Malta (Treaty Doc. 111-1)

TEXT OF RESOLUTION OF ADVICE AND CONSENT TO RATIFICATION:

Resolved (two-thirds of the Senators present concurring therein),

SECTION 1. SENATE ADVICE AND CONSENT SUBJECT TO A DECLARATION

The Senate advises and consents to the ratification of the Convention Between the Government of the United States of America and the Government of Malta for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, signed on August 8, 2008, at Valletta (the "Convention") (Treaty Doc. 111-1), subject to the declaration of section 2.

SECTION 2. DECLARATION

The advice and consent of the Senate under section 1 is subject to the following declaration:

The Convention is self-executing.

Protocol Amending Tax Convention with New Zealand (Treaty Doc. 111-3)

TEXT OF RESOLUTION OF ADVICE AND CONSENT TO RATIFICATION

SECTION 1. SENATE ADVICE AND CONSENT SUBJECT TO A DECLARATION

The Senate advises and consents to the ratification of the Protocol Amending the Convention between the United States of America and New Zealand for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, signed on December 1, 2008, at Washington (the "Protocol") (Treaty Doc. 111-3), subject to the declaration of section 2.

SECTION 2. DECLARATION

The advice and consent of the Senate under section 1 is subject to the following declaration:

The Protocol is self-executing.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now return to legislative session.

MEASURE READ FIRST TIME—H.R. 5712

Mr. DORGAN. Mr. President, I understand that H.R. 5712 has been received from the House and is at the desk.

The PRESIDING OFFICER. The Senator is correct.

The clerk will read the title of the bill for the first time.

The assistant legislative clerk read as follows:

A bill (H.R. 5712) to provide for certain clarifications and extensions under Medicare, Medicaid, and the Children's Health Insurance Program.

Mr. DORGAN. Mr. President, I ask for its second reading and object to my own request.

The PRESIDING OFFICER. Objection is heard.

The bill will be read for the second time on the next legislative day.

Mr. DORGAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DURBIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR MONDAY, JULY 19, 2010

Mr. DURBIN. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 2 p.m. on Monday, July 19; that following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and, following any leader remarks, the Senate then proceed to a period for the transaction of morning business until 3 p.m., with Senators permitted to speak therein for up to 10 minutes each; that following morning business, the Senate resume consideration of H.R. 5297, the small business jobs bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DURBIN. Mr. President, there will be no rollcall votes during Monday's session of the Senate. Senators should expect the next vote to occur at approximately 2:30 p.m. on Tuesday, July 20. That vote will be on the motion to invoke cloture with respect to H.R. 4213, which extends unemployment benefits through November.

ADJOURNMENT UNTIL MONDAY, the Senate, I ask unanimous consent There being no objection, the Senate,
JULY 19, 2010, AT 2 P.M. that it adjourn under the previous at 6:33 p.m., adjourned until Monday,
Mr. DURBIN. Mr. President, if there order. July 19, 2010, at 2 p.m.
is no further business to come before

EXTENSIONS OF REMARKS

STATEMENT IN SUPPORT OF RIALTO RENEWABLE ENERGY CENTER

HON. JOE BACA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. BACA. Madam Speaker, I rise today to bring to the attention of my colleagues and the Administration an innovative clean-energy project currently under development in my District in California.

The Rentech Rialto Renewable Energy Center will be a first-of-its-kind facility, where biomass from grass clippings and tree trimmings from surrounding communities is converted into diesel fuel and electric power.

The electric power from this project, so greatly needed in our region, will contribute to utility efforts to meet obligations under the California Renewables Portfolio Standard, displacing current, conventional fossil energy-based power generation.

Because the fuel produced is biodegradable, cutting pollution significantly compared to conventional fuels, eight airlines (Alaska Airlines, American Airlines, Continental Airlines, Delta Air Lines, Southwest Airlines, United Airlines, UPS Airlines and US Airways) have already signed a contract to buy this fuel for their ground equipment at Los Angeles International Airport.

I consider this to be a model project that other cities in California and around our country can adopt to not only help cut our dependence on foreign oil, but also to reduce emissions of green house gasses and pollutants.

I have urged the Department of Energy to give the Rialto Renewable Energy Center all due consideration as it considers Rentech's application for a Title 17 loan guarantee under the American Recovery and Reinvestment Act.

This project exemplifies what Congress had in mind when it created a new category in this program for "renewable energy systems" and "leading edge biofuels projects" that "substantially reduce life-cycle greenhouse gas emissions compared to other transportation fuels."

This project will bring energy security, as well as environmental and economic benefits to our community. Two-hundred and fifty jobs will be created during construction, and once operational, there will be about 70 permanent jobs on the site.

Additional jobs will be created or sustained both upstream in the collection and transportation of the green waste or downstream in the distribution of the fuel. Rialto and San Bernardino have been especially hard hit by the recession, and these jobs are desperately needed in my District.

Today I again call upon the Department of Energy to support this project for the many benefits that it will not only bring to San Bernardino County and the rest of Southern

California and the Inland Empire, but also for the benefits that our nation will reap from future versions of this project located in other areas.

HONORING BILL FRIDAY

HON. DAVID E. PRICE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. PRICE of North Carolina. Madam Speaker, I rise to honor William C. "Bill" Friday, the man whose name was synonymous with higher education in North Carolina for much of the 20th century. This week, he celebrated his 90th birthday.

Few North Carolinians are as well known or as widely respected as Bill Friday. Although he has never run for elected office, the former president of the University of North Carolina (UNC) system has been prominent in public affairs for decades and ranks as one of the most important American university presidents of the post-World War II era. As the longest-serving President of North Carolina's public university system, Bill Friday has been a friend to anyone and everyone educated in that system, anyone employed by that system, and anyone living in the vibrant towns and cities that surround our state's public universities.

Bill Friday was born in Raphine, Virginia, but he grew up in Dallas, North Carolina, a small community in Gaston County. He graduated from Dallas High School, where he played baseball and basketball, and went on to earn a bachelor's degree from North Carolina State University and a law degree from UNC Chapel Hill. He also served in the United States Naval Reserve during World War II.

Friday's entire professional life was spent in higher education. Before becoming president of the UNC system in 1957, he served as assistant dean of students at the University of North Carolina at Chapel Hill (1948-1951), assistant to the President of the Consolidated University of North Carolina (1951-1955), and Secretary of the University of North Carolina system. After a brief period as Acting President of the system, he was chosen to take the position permanently. It was a job at which he thrived.

Friday's tenure as UNC president spanned the greatest period of growth for higher education in American history, and he played a crucial role in shaping our sixteen-campus university during that time. Early on, the Council of Advancement and Support of Education identified Friday as the most effective public university president in the nation.

Bill Friday was a consistent supporter of academic freedom and integrity. During the civil rights movement, he often served as mediator between student activists and the conservative state legislature. He led a five-year

effort to repeal the 1963 Speaker Ban Law, which prohibited campuses from hosting appearances by government critics. And he fought to keep tuition affordable so that limited means would not be a barrier to higher education.

Friday was also a visionary leader, and he pursued that vision in many areas. His involvement in the Carnegie Commission on the Future of Higher Education led to gains in North Carolina and the nation in federal funding for student aid in Pell Grants and the establishment of the Area Health Education Centers. He served as founding co-chair of the Knight Commission on Intercollegiate Athletics, which has worked persistently to reform college athletics. Friday helped to develop the National Humanities Center; he supported the establishment of North Carolina public radio through UNC; and he was instrumental in the creation and growth of the Research Triangle Park.

As Charlotte Observer associate editor Jack Betts noted about Bill Friday: "He often seemed to be everywhere, but he was always no further away than a telephone, willing to talk about state history, fully cognizant of the state's many needs and always enthusiastic about the progress the state could make through its various educational enterprises, especially the university. He was a university president, but at heart he has always been a teacher." I can certainly attest to this personally as the recipient of many Bill Friday notes and calls and as one who has benefitted enormously from his generous and wise counsel.

Friday has mentored university leaders, governors and presidents in the course of his public life and he has received a multitude of accolades—including just about every honor North Carolina has to bestow. These honors include the American Council on Education's National Distinguished Service Award for Lifetime Achievement, the National Humanities Medal, the American Academy for Liberal Education's Jacques Barzun Award, and the John Hope Franklin Award. In 2004, the N.C. General Assembly held a special joint session to honor Friday's life and work. The legislature and then-Gov. Mike Easley presented William and Ida Friday with the Order of the Long Leaf Pine award for service to North Carolina.

Now retired from the university, Friday heads the William R. Kenan, Jr., Fund and the Kenan Charitable Trust. Friday also currently hosts a public television talk show, North Carolina People, which he began while still president of the UNC system. The show brings Tar Heel state residents insights from leaders in education, politics, business, and the arts, adding richly to our public discourse.

Even in retirement, Friday keeps an office at UNC Chapel Hill and serves as a formal and informal sounding board and dispenser of wisdom for students, administrators and others. The University of North Carolina System has given its state so much: public servants, educators and other professionals, small and

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

large business leaders, innovative researchers, informed citizens: these make up the fabric that weaves together our communities. At 90, Bill remains fiercely dedicated to the idea that education is uniquely powerful, giving young people the tools they need to shape their lives, live out their dreams, and better society.

As Bill himself would insist, he has not achieved these great things on his own. He had the good fortune and good sense in 1942 to marry his wife Ida, who has been a lifetime partner in his service and civic endeavors. Their names grace a continuing education center in Chapel Hill and an education innovation center in Raleigh, both of which host hundreds of gatherings each year, promoting collaboration and furthering the causes to which the Fridays' lives have been dedicated.

Fortunately, nothing Bill Friday has done in the last few years suggests his life will begin to slow down as he turns 90. I am honored to know Bill and to call attention to his service to our state and her citizens. The Tarheel State owes much to him.

HONORING THE LIFE OF MR. RAY
HELMS, SR.

HON. JEFF MILLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. MILLER of Florida. Madam Speaker, I rise today to recognize Mr. Ray Helms, Sr., a Northwest Florida leader who passed away on July 11, 2010. Mr. Helms spent his life serving his community and his country. I am proud to honor his lifetime of dedication and service.

Throughout his 84 years, Mr. Helms lived as a rare example of a man always ready to give selflessly of himself. To his family, friends and countless others, Mr. Helms will be remembered as a man who emptied himself to fill the others around him. His life that spanned eight decades will serve as a shining example for all of us to gaze upon and see the full measure of a man.

Mr. Ray Helms served as an important leader in the Northwest Florida community. He was an educator at the former Harold School. He also served as Santa Rosa County Clerk of Court and later became the First Circuit Court Administrator. Whether it was in the classroom or the courtroom, Mr. Helms always sought to bring out the best in those around him.

On behalf of the United States Congress, Madam Speaker, I am honored to recognize the life and deeds of Mr. Ray Helms, Sr. A committed community leader and loving family man—he will be missed by many, but his legacy will remain. My wife Vicki and I extend our thoughts and prayers to the entire Helms family.

A TRIBUTE TO FAY E. MALCOLM-
ALLEN

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. TOWNS. Madam Speaker, I rise today in recognition of Fay E. Malcolm-Allen for her dedication to education and contributions to the nursing profession.

Fay E. Malcolm-Allen is a 1963 nursing graduate of the University of the West Indies. She worked at Linstead Public Hospital in St. Catherine, Jamaica before migrating to the United States in 1966.

Fay E. Malcolm-Allen pursued her advanced education in New York City by achieving a Bachelor of Science in Nursing, graduating Cum Laude from Lehman College; Masters of Art, Nursing Administration from Colombia University; Certified Nursing Administration Advanced degree from the American Nurses Association; an Administrative Fellowship from Wharton Business School, University of Pennsylvania, and completed an Executive Development Program at New York University.

Her career in the United States began as Registered Nurse at Maimonides Hospital in Brooklyn, NY. She then spent 12 years employed at Montefiore Hospital as a Registered Nurse, Head Nurse, and Assistant Director of Nursing.

Fay was recruited to Bronx Municipal Hospital where her outstanding skills were acknowledged. She was quickly promoted from Assistant Director of Nursing to Associate Director of Nursing and then to Deputy Director of Nursing. She then moved to the position of Director of Nursing at North Central Bronx Hospital.

During her 14 year tenure at North Bronx Hospital she was promoted to Deputy Executive Director for Nursing and Clinical Services and then became Chief Operating Officer of the Hospital.

Fay E. Malcolm-Allen had 32 years of health care experience before retiring on July 31, 1998 as the Chief Operating Officer of North Central Bronx Hospital.

She has received numerous awards and recognition for her outstanding leadership ability, staff development, patient satisfaction, and advocacy. In her professional role she was described as a dynamic, committed and effective administrator who provided outstanding leadership for the department of Nursing and the Hospital. She promoted collaborative practice and offered and supported innovative and alternative strategies that enhanced personnel and patient satisfaction.

Fay has mentored graduate, high school and elementary school students and was instrumental in helping to define issues related to nursing education and practice in her role as Adjunct Professor at Lehman College.

Since retiring she has pursued her artistic interests which include painting, jewelry making, card making, scrapbooking, sewing and gardening. She remains active and enjoys walking and Zumba dancing.

Fay is married to Percy Allen II. They now reside in Virginia Beach, VA.

Madam Speaker, I urge my colleagues to join me in recognizing the achievements of Fay E. Malcolm-Allen.

A TRIBUTE IN MEMORY OF
KATHERINE JOANNE HUGHES

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Ms. ESHOO. Madam Speaker, I rise today to honor the extraordinary life of a distinguished woman, Katherine Joanne Hughes, known to all as Jody, who died peacefully surrounded by her children on June 13, 2010, at the age of 81.

Jody Hughes was born in Washington D.C. to William A. Smith, Jr. and Lillian V. Lamb. She attended Immaculata High School and graduated from the College of Notre Dame of Maryland. Until his death in 2005, she was the wife of Paul E. 'Ed' Hughes for 54 years and they were the proud parents of five children: Mary Hughes and her husband, Senator S. Joseph Simitian, Jr. of California, Paul, K.C. (John), John (Kelly), and Mark (Judy), and grandchildren Ian, Tucker, and Lily Halpern and K.C., Dean, Madeline, and Ted Hughes.

Jody Hughes was an extraordinary and inspirational mother, and was devoted to her community and always available for those in need. She was a speech therapist and an advocate for children and Chaired the Governor's Advisory Commission on the Needs of Exceptional Children. She worked with the Little Sisters of the Poor to provide outdoor experiences for underprivileged children and served as a Eucharistic Minister at St. Joseph's on the Brandywine Catholic Parish in Wilmington, Delaware.

Jody Hughes retired to Sunset Beach, North Carolina, where she joined the Board of Hope Harbor Home, a shelter for women. She established several resale shops to support the shelter, and founded a library that bears her name. She served on the Board of the Ingram Planetarium and was a North Carolina Governor's Award Nominee for Outstanding Volunteer Service in 1999. Jody enjoyed needlework and she loved the theater. She directed several youth casts for One Act play contests, often volunteered as a makeup artist, and served as Mistress of Ceremonies for charity fashion shows.

Madam Speaker, I ask my colleagues to join me in extending our deepest sympathies to the family of Jody Hughes for a life lived so well as a loving wife, an exceptional mother, and as a caring human being who served so many. She was a great and good woman whom I had the privilege to meet, and we honor her for making her community better and our country stronger.

IN HONOR OF GERRY NELSON

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. KUCINICH. Madam Speaker, I am pleased to inform the United States House of Representatives that Gerry Nelson has been awarded the honor of Democrat of the Year in Lakewood, Ohio. An unreconstructed, New

Deal Democrat, Gerry Nelson has long stood for the values of dignity for workers, jobs for all, health care for all, and peace.

Gerry Nelson has demonstrated a lifetime of service to her community. She has long been active with railroad retirees, where she has taken lessons from a long career of work into a sphere where she continues to protect the rights of working men and women to a secure retirement. Gerry Nelson is also a stalwart supporter of the activities of the Northcoast AFL-CIO.

In addition to her commitment to the rights of workers, Gerry Nelson has become a champion of senior citizens, especially in Lakewood, Ohio. She has been their advocate, their voice, a person who will carry seniors' concerns to every level of government to ensure their health and safety.

Gerry Nelson performed outstanding service as a member of the 10th District Congressional staff, doing case work and field work with equal excellence. She became a popular figure in the community because she always seems to be at the right place at the right time whenever people need help.

That Gerry Nelson should be recognized as the Lakewood Democrat of the Year is a culmination of a life of service to the Democratic Party and to the Lakewood community.

Madam Speaker and colleagues, please join me in congratulating Gerry Nelson not only for her work in Lakewood, Ohio, but because she represents a lifetime of dedication to others which makes her a great American.

MEMORIALIZING BOB BACKUS

HON. TOM MCCLINTOCK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. MCCLINTOCK. Madam Speaker, I rise today to remember Bob Backus, a friend and devoted patriot.

Bob and his wife of fifty-seven years, Nancy, lived in Lincoln, California. Bob and Nancy raised their children: Robert, Tami and Tina, who watched and learned from their father's commitment to serving his community and others. Bob served as the Chaplain for Vine Life Ministries, ready to respond to calls night or day, going wherever people needed help. He gave freely of his time to renovate and decorate old wagons for which he became famous, painting them red, white and blue and displaying them in local fairs and parades.

Bob spent many years as an advocate for the founding principles of our nation, volunteering and serving as an elected member of local political groups. Thomas Jefferson once said that "timid men prefer the calm of despotism to the tempestuous sea of liberty;" it is safe to say that Bob Backus not only chose to chance the waters himself, but through his ardent devotion to his beloved country assured a brighter future for his posterity.

Bob will be sorely missed by his friends, family and the countless individuals whose lives he touched.

CIGNA WINS "WELLNESS BY DESIGN" AWARD

HON. ERIK PAULSEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. PAULSEN. Madam Speaker, I rise today to congratulate the Eden Prairie, Minnesota-based CIGNA company for winning the 2010 "Wellness by Design Award" from Hennepin County for the third consecutive year. CIGNA, a national health service company, earned the Platinum award—the highest level of award possible.

Cigna, which employs nearly 1,200 hundred people, provides health coaching programs for tobacco cessation, weight loss and stress, and a nationally-recognized employee assistance program.

Hennepin County—which comprises most of the Third Congressional District—honors business and schools with Wellness by Design awards for fostering safe and healthy work and learning environments.

CIGNA's selection as a Wellness by Design award winner is a tremendous example of a company that has taken the initiative in providing employees and customers alike with a safe and healthful place to work because it results in better outcomes for everyone involved.

I congratulate CIGNA on winning this award and look forward to honoring them again in 2011.

TRIBUTE TO DAVID ECHOLS, A LEADER IN ALABAMA INDUSTRIAL RECRUITMENT

HON. JO BONNER

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. BONNER. Madam Speaker, I rise today to mark the passing of a giant personality in my home state's industrial recruitment efforts and an individual who was one of the most influential for transforming Alabama into the auto manufacturing hub of the South.

David Echols passed away on June 20, 2010. For most Alabamians, David Echols might not be a household name, but his legacy—both inside and outside our state—is monumental.

Back in the early 1990s, David Echols, a project manager with the Alabama Development Office, was tasked, nearly single-handedly, by state officials to go after a major unknown manufacturer. He had no idea at the time that Mercedes Benz was on the other end of his recruiter's fishing line, but he confidently cast his lure and after expert angling, reeled in what many believe to be Alabama's biggest-ever industrial recruitment prize.

Mercedes not only located in Vance, Alabama, but also expanded its operations, and with it, enabled Alabama to capture the eye of many other manufacturers.

For many, this would have been a success to crown one's career, but for David, it was just another day at the office. He continued to earn his reputation as a tireless advocate for

Alabama, pressing ahead to help land Toyota's truck engine manufacturing plant in Huntsville, Honda's SUV auto manufacturing facility in Lincoln, and Hyundai's North American manufacturing base in Montgomery, Alabama.

Those who worked with David have observed that he possessed the skills and energy of a team of individuals and it will require more than one person to fill his enormous shoes. They also note that he relished in getting the job done, rather than standing in the spotlight—a role he left to others.

Echols' passage at the young age of 53 is a loss for his family and our entire state. I regret that his remarkable efforts on behalf of Alabama workers were not better known during his lifetime. He deserves to be remembered for contributions which certainly equal those of any of our elected officials.

To David's wife, Cynthia Nicholson Echols, and his daughters, Elizabeth Smith Melancon and Mary Katherine Echols, I extend my condolences and prayers in this time of loss. The entire state of Alabama has been made better by the unselfish service of your husband and father. May he rest in peace.

HONORING EUNICE BOROVIK

HON. MIKE QUIGLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. QUIGLEY. Madam Speaker, I rise today to honor the memory of a great and respected Chicagoan, Eunice Borovik, who recently passed away at the age of 88. Eunice Borovik was a woman who lived life to the fullest, and the friends and family she had are a testament to the quality of her character and the type of woman she was.

Eunice's top priority was always her family and the love and support they provided her was most important in her life. She married her husband, Jerry, and together the couple raised two sons, George and his wife Jolanta, and Andrew and his wife Catherine. Her family also includes her two grandsons, Jed and Caleb.

Following her 1979 election, Eunice continued her voluntary tenure as Portage Park Chamber of Commerce President for 21 years. As Alderman Levar stated in a City Council resolution, "Eunice Z. Borovik has created, planned and helped carry out projects beneficial to all those good citizens who have lived, worked, and prospered in Portage Park . . . , heralding an era of uncommon growth and achievement." She improved the long overdue streetscape in the early 1980s and worked with what is now known as the Chicago Alternative Policing Strategy (CAPS) in the Chicago Police Department to reduce crime.

Eunice and her late husband were owners and managers of the local Bee Drug Store in the Cragin neighborhood and the family business, Borovik Drug Company in Portage Park, for nearly 35 years. Following her retirement as president of the Portage Park Chamber of Commerce in 2000, the City Council of Chicago gave a portion of West Irving Park Road the honorary name "Eunice Borovik Way."

Madam Speaker, Eunice Borovik was an inspiration to all who knew her. I ask my colleagues to join me in commemorating her incredible life and her extraordinary contributions to the Portage Park and Irving Park communities.

HONORING 100 YEARS OF
COMMUNITY SERVICE

HON. RODNEY P. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. FRELINGHUYSEN. Madam Speaker, I rise today to honor the Pontifical Institute of the Religious Teachers Filippini in Morristown, New Jersey, which is celebrating its 100th anniversary this year.

In August of 1910, five teachers, under the orders of Pope Pius X arrived in Trenton, New Jersey, from Italy and established their first center of worship. Then in 1930, they settled on Tower Hill in Morristown, New Jersey, now known as Villa Walsh in honor of Archbishop Thomas Joseph Walsh, where the Provincial Motherhouse and Villa Walsh Academy are located.

Mother Ninetta Ionata, one of the five original teachers sent to the United States, holds the title of "Foundress of the American Province of Saint Lucy Filippini." Even though she was the youngest of the five original teachers, she was appointed to be the Superior of Saint Joachim Convent on October 20, 1914. She dedicated her life to the service of God, her convent, and her religion. This woman of vision and great faith died in 1976, but is recalled with fondness by all those fortunate to know her.

The Pontifical Institute of the Religious Teachers Filippini has been dedicated to both the service of God and to their community for the past 100 years. They have built schools and convents and have operated missions throughout the United States and the world. In the 100 years since the arrival of the Religious Teachers Filippini, this small group has flourished and their good works have spread around the world.

Madam Speaker, I ask you and my colleagues to join me in congratulating the Pontifical Institute of the Religious Teachers Filippini as they celebrate 100 dedicated years of service to our community.

PERSONAL EXPLANATION

HON. DENNY REHBERG

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. REHBERG. Madam Speaker, had I been present I would have voted "yea" on rollcall No. 434, "nay" on rollcall No. 435 and "yea" on rollcall No. 436.

HONORING THE LIFE AND PUBLIC
SERVICE ACHIEVEMENTS OF
NEDRA GROVES

HON. BARON P. HILL

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. HILL. Madam Speaker, on July 12, 2010, the Mayor of Rockport, Indiana, Nedra A. Groves passed away at the age of 72. In a telling sign of her passion for public service, Groves decided to run for mayor of her small town during her retirement in 2007. She worked passionately for the people of Rockport.

Nedra A. Groves was born in Cannelton, Indiana, on June 14, 1938 to Archie and Melvina Gaynor. Groves served as the Spencer County Clerk and was the former Republican County Chairman. Groves' time as mayor came after four years of retired life with her husband Scot. She had previously worked as a city clerk, at the town's license branch, and for nearly 20 years was part of the local zoning office. She was always very active in local politics and government and was also a member of the Holy Cross Lutheran Church.

In offering his condolence, Indiana Governor Mitch Daniels said of Mayor Groves, "No mayor loved her city and its people more than she did. We continue to work very hard on new job opportunities for the Rockport area, and I'm just so sorry she won't be here to see them happen." The people of Rockport will miss Groves' passion and love she had for the city and its residents. My thoughts and prayers go out to the Groves family and all those affected by Nedra's passing.

HONORING MARK PHELPS

HON. DENNIS A. CARDOZA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. CARDOZA. Madam Speaker, I rise today to honor the life of Mark Phelps who passed away on June 22, 2010. Mark was a resident of Stockton, CA where he served as the Executive Director of the Children's Home of Stockton since 1985. The Children's Home, established in 1882, is a nonprofit, private facility providing educational services and residential treatment to emotionally disturbed children and their families.

Mark was born August 13, 1947 in San Francisco, CA. After serving with the Volunteers in Service to America program, he attended Ft. Lewis College in Durango, Colorado, where he obtained his Bachelor of Arts in Psychology and a Master of Arts in Psychology from the University of Northern Colorado. Prior to serving as CEO of the Children's Home, Mark served as a Mental Health Staff Psychologist, worked as a Probation Administrator in Colorado for ten years, and was appointed by Kansas Governor John Carlin to the Superintendency of the Kansas State Juvenile Correctional Facility. He also served as an adjunct faculty member at several State and private colleges and universities, and sat

on numerous State and local boards for various private and public human service organizations.

Among his many honors, Mark was named "Kansas Public Administrator of the Year" by the American Society of Public Administration in 1985, "Administrator of the Year" by the California State Council for Exceptional Children in 1986, and was Executive Director of the Children's Home of Stockton when it was honored in 2004 by the U.S. House of Representatives and the U.S. Senate with its national award for exemplary children's services, the "Angels in Adoption and Foster Care" award.

Mark is survived by his wife, Susan, and their two children. He will also be greatly missed by the countless children, families, and friends whose lives were blessed by his benevolent work. His life was filled with compassion and service to others and his work will leave a lasting and positive impact. It is with greatest pleasure that I honor his life, his work, and his commitment to changing lives here today.

HONORING THE LIFE OF WALTER
LEE HOVELL, SR.

HON. JO BONNER

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. BONNER. Madam Speaker, I rise today to offer my deepest condolences to the family of the late Walter Lee Hovell, Sr., a respected philanthropist, businessman and community leader from Mobile, Alabama.

After serving in the United States Marines, Mr. Hovell attended Spring Hill College on the G.I. Bill. Upon graduation, he began his career at Mobile Gas Company in 1961, where he worked as an accountant and rose to the deserving position of president and CEO.

Mr. Hovell held this position until his retirement in 1995. As a citizen of Mobile, Mr. Hovell was always working tirelessly to serve the community he loved.

Walter Hovell was devoted to improving health and education services for all Alabamians. He served on the Board of Directors for the United Way, The Salvation Army, the United Cerebral Palsy Council of Mobile and the Alabama School of Math and Science.

Mr. Hovell was also a founding member of the Southwest Alabama Medical Education Consortium. In 1973 he received a lifetime membership to the Home of Grace board for his help incorporating the organization, which helps women addicted to drugs and alcohol.

Madam Speaker, as a result of his selfless service and dedication to improving the quality of life for all Mobilians, Walter Hovell was named Mobilian of the Year in 1993 by the Civitan Club of Mobile. He was also the honored recipient of a "Certificate of Merit" in 1991 from President George H.W. Bush.

In his private life, Walter was a proud man of God. He was an ordained deacon and taught Sunday school classes throughout his life. He was also a devoted father to his three children and grandfather to his nine grandchildren.

To his wife, Barbara, and daughters Cynthia, Heidi and son, Walter, and their entire family, I express my deepest sympathies. Walter Hovell was truly an extraordinary citizen and friend to all. His generous spirit and unsurpassed vision will be truly missed.

PERSONAL EXPLANATION

HON. TODD TIAHRT

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. TIAHRT. Madam Speaker, on July 14th, I missed three rollcall votes numbered 437, 438, 439, 440, and 441 because I was unavoidably detained in Kansas.

Rollcall No. 437 was a vote on the previous question, providing for consideration of the bill (H.R. 1722) to improve teleworking in executive agencies by developing a telework program that allows employees to telework at least 20 percent of the hours worked in every 2 administrative workweeks, and for other purposes. Had I been present I would have voted "no."

Rollcall No. 438 was a vote on H. Res. 1509, providing for consideration of the bill (H.R. 1722) to improve teleworking in executive agencies by developing a telework program that allows employees to telework at least 20 percent of the hours worked in every 2 administrative workweeks, and for other purposes. Had I been present I would have voted "no."

Rollcall No. 439 was a vote on H.R. 2864, to amend the Hydrographic Services Improvement Act of 1998 to authorize funds to acquire hydrographic data and provide hydrographic services specific to the Arctic for safe navigation, delineating the United States extended continental shelf, and the monitoring and description of coastal changes. Had I been present, I would have voted "aye."

Rollcall No. 440 was a vote on the motion to recommit with instructions H.R. 1722, the Telework Improvements Act. Had I been present, I would have voted "aye."

Rollcall No. 441 was a vote on H.R. 1722, the Telework Improvement Act. Had I been present, I would have voted "no."

REMEMBERING THE LIFE AND LEGACY OF KEITH BLACKLEDGE

HON. ADRIAN SMITH

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. SMITH of Nebraska. Madam Speaker, I rise today to honor a respected Nebraska journalist, Keith Blackledge, who recently passed away at the age of 82.

Keith was a reporter at the North Platte Telegraph from 1952 to 1959. After a series of other assignments, he returned to North Platte in 1967 when he was named the executive editor of the Telegraph, and later named vice-president and director of public affairs for the paper. Keith was named to the Nebraska Newspaper Hall of Fame in 2005.

He retired from the paper in 1992 but, never one to let the grass grow under his feet, Keith continued to write a weekly column for the paper until his death.

During his time in North Platte, Keith authored four books—A Short History of North Platte, The Election of 1951, Letter to Home, and This Town Fights About Everything.

As president of the North Platte Chamber of Commerce during the late 1970s, Keith initiated the creation of the Mid-Nebraska Community Foundation and the Clean City Committee, which later became Keep North Platte Beautiful.

He also played a major role in the successful campaign to consolidate two small hospitals and establish the Great Plains Regional Medical Center in the early 1970s. He initiated the Habitat for Humanity affiliate in North Platte in 1998 and served as its first president.

Just two months ago, Lincoln County Commissioners proclaimed May 10th of this year Keith Blackledge Day.

Keith dedicated his life to improving North Platte and surrounding communities while always remaining a dedicated journalist.

PERSONAL EXPLANATION

HON. STEVE COHEN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. COHEN. Madam Speaker, I was detained from voting on Tuesday, July 13 due to flight delays. If present, I would have voted "yea" on the following rollcall votes:

Rollcall 434; rollcall 435; and rollcall 436.

PERSONAL EXPLANATION

HON. J. GRESHAM BARRETT

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. BARRETT of South Carolina. Madam Speaker, unfortunately, I missed the following recorded votes on the House floor the legislative week of Tuesday, July 13, 2010.

For Tuesday, July 13, 2010, had I been present, I would have voted "aye" on rollcall vote No. 434 (on motion to suspend the rules and agree H.R. 4514); "no" on rollcall vote No. 435 (on motion to suspend the rules and agree to H. R. 4438; and "aye" on rollcall vote No. 436 (on motion to suspend the rules and agree to H.R. 4773).

TRIBUTE TO MR. EMILE JOSEPH ZOGHBY

HON. JO BONNER

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. BONNER. Madam Speaker, I rise to offer tribute to a remarkable South Alabama businessman, Mr. Emile Joseph Zoghby, who passed away on July 3, 2010 at the age of 91.

Described by his son, Edmund, as an "old-school Southern gentleman," Mr. Zoghby was a longtime merchant in downtown Mobile with a well known reputation for quality who contributed significantly to Mobile's economy.

A graduate of McGill-Toolen High School and Springhill College, both in Mobile, Mr. Zoghby served in the United States Army from 1941–1945. Upon completion of his service to America, he returned to Mobile to help run his family clothing business, as the eldest of five sons.

His care for customers and determination to succeed made him and his clothing store, Zoghby's, invaluable to the city of Mobile. But even more than his impeccable taste was his well loved personality. He was the consummate salesman and his customers were among his best friends.

Mr. Zoghby was also a devoted family man, showcased by his 66 year marriage, and always committed to his seven children.

Madam Speaker, Emile Zoghby lived a full, rich life complete with a wonderful family, treasured friends and a legacy of helping others that will be hard to replicate. My condolences and prayers go out to his lovely wife, Josephine, and their children, Mary Jo, Edmund, Melanie, Alex, Linda, and Diane, as well as 15 grandchildren and nine great-grandchildren. We mourn with you over your loss, just as we celebrate Mr. Zoghby's remarkable life and all those he touched. May he rest in peace.

A TRIBUTE IN MEMORY OF REVEREND PAUL LOCATELLI, S.J.

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Ms. ESHOO. Madam Speaker, I rise today to honor the extraordinary life of a learned and distinguished priest, Father Paul Locatelli, S.J., who died at the age of 71 on the morning of July 12, 2010.

Father Locatelli was respected by all who knew him. An alumnus of Santa Clara University, he served the University he loved as its 27th President for 20 years. After the Presidency, he was named Chancellor. He then was appointed Secretary for Jesuit Higher Education for the Society of Jesus in Rome, a position he held until his death.

Father Locatelli was raised in Boulder Creek, California, and served in the U.S. Army after graduation from Santa Clara in 1960. Later, he joined the Society of Jesus and was ordained in 1974. He earned a doctorate in Business Administration at the University of Southern California and a Master of Divinity degree from the Jesuit School of Theology at Berkeley, where his work focused on ethics and values in contemporary society. Before becoming President of Santa Clara, he was its Academic Vice President and Associate Dean of Business, and was a member of the faculty in the Accounting Department.

The day Father Locatelli died, the Washington Post had a feature article about how today's college presidents were trying to find new ways to bond more with their students.

The reporters didn't know Father Locatelli, but if they did, they would have found someone who was ahead of his time—an extraordinary university president who for years had developed relationships with students at Santa Clara University. He was eminently approachable, possessed a big heart, and had a genuine interest in every student's well-being.

His deep love for Santa Clara shone through in all he did, and his wisdom and erudition were widely known. The University flourished under his leadership, becoming one of the best Jesuit universities in America. Under his leadership the Alameda de las Pulgas was rerouted, more than 19 buildings and sports centers were built or renovated, and the endowment grew from \$77 million to more than \$700 million.

Father Locatelli was a remarkable Jesuit priest who had the rare ability to reach both the older members and the younger members of his order, the Society of Jesus—and was respected and admired by both. One Jesuit rector in Rome called him “a man of vision with a welcoming spirit.” He was also a priest of deep and abiding faith. His faith included an adamant belief that “Catholics should feel free to vote as they deem in the best interest of the nation and world.” He lamented those bishops who speak for the unborn but “turn Catholicism and morality into a single political or moral issue and some threaten to withhold communion from politicians.”

He had empathy for those who questioned God's compassion but counseled them that faith and compassion were needed most when times were difficult. In his widely quoted and poignant words of September 11, 2001, he said that “For persons of faith, and to be sure, we are all people of weak and troubled faith today, there is a great need to trust that the God of life is more powerful than all the forces of death. There is also need for forbearance and forgiveness. If we do not trust in God and do not imitate God's mercy then evil will not be overcome by good. Just the opposite will happen, evil will have spread to us, generating despair and vengeance. And that will mean that evil will have overcome good.”

Father Locatelli—who was a great cook and an avid runner—was busy making plans for his 60th Santa Clara Reunion when he was diagnosed with an aggressive form of pancreatic cancer. His reunion will go on, and his classmates, including CIA Director Leon Panetta will attend and speak, but there most certainly will be a deep hole in their midst.

Madam Speaker, I ask all my colleagues to join me in extending our deepest sympathies to Father Locatelli's family and to the entire Jesuit community. We honor his memory and the life he lived so well in extraordinary service to others. He made a difference in the lives of thousands of students and was a beloved counselor to me and many others. Father Locatelli will always be remembered as one who deepened our faith, who was a shining star amongst Jesuits as a superb educator and leader, who strengthened our entire community with his wisdom and leadership, and a man who loved his country and served it exceedingly well with his compassionate patriotism. God has prepared a high place in heaven for this extraordinary, holy and humble man.

THANKING SUSAN (SMITH) RODRIGUEZ FOR HER SERVICE DURING WORLD WAR II

HON. TODD RUSSELL PLATTS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. PLATTS. Madam Speaker, I rise today to recognize the achievements of Susan (Smith) Rodriguez of Bethesda, Maryland, who in 1944 answered her Nation's call to service in a time of great need. Mrs. Rodriguez joins a special sisterhood of women who share a unique place in American history.

Mrs. Rodriguez was born in York, Pennsylvania, in my congressional district, where she later worked as a French teacher at the former York Collegiate Institute (now known as York College of Pennsylvania). To help in the war effort, she received her commercial pilot's rating and gave flight instruction to U.S. Army pilots throughout the spring of 1944.

Mrs. Rodriguez was later assigned to the Office of Strategic Services, America's first intelligence agency, where she was posted to Tangier, North Africa and served until the end of the war. Similar to the Women Airforce Service Pilots, whom earlier this year were rightfully awarded the Congressional Gold Medal for their service during World War II, Mrs. Rodriguez helped blaze a trail for women who seek to serve their country. The achievements of Mrs. Rodriguez and other female pioneers continue to inspire generations of young women to achieve the impossible.

On behalf of the United States House of Representatives, I thank Mrs. Rodriguez for her service to the United States of America. I know that her family and friends join me in paying tribute to her.

FUNERAL OF JUDGE GERALD HEANEY

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. OBERSTAR. Madam Speaker, Patriot. Jurist. Egalitarian. Self-effacing Humanitarian.

Each of us has a distinct, indelible memory of where and how we met Gerry Heaney. Mine starts in the Hotel Duluth in 1964—summoned to a meeting of attorney Gerry Heaney and Duluth labor leaders to be told that my boss, John Blatnik, must support the DFL-endorsed candidate for state Senate, Willard Munger, warning that if Frenchy La Brosse won, the DFL would be plunged into a divisive, fractious future. “We'll keep his feet to the fire,” said Gerry.

My last memory was a phone call two days before he succumbed to tell him of our committee works on the Oil Spill Accountability Act. His message—unchanged—“keep their feet to the fire. Make them pay every penny.”

A towering figure of the law, Judge Heaney wrote the St. Louis, Missouri, school desegregation decision, and then—for 20 years—held the school system's collective feet “to the fire” to assure compliance. The longest and most

successful school desegregation case in our jurisprudence.

It was my privilege to video tape interview the judge for the Library of Congress project on WWII veterans.

He recounted the 6:30 a.m. landing at Omaha Beach. Their landing craft stopped short of the beach, because ships were blowing up right and left. The gate dropped in deep water. The captain shouted “All ashore” and was cut down by gunfire. The First Lt. stepped up and ordered “All ashore.” He was cut down. That left me, 2nd Lt. Heaney, in charge. I said, “We're not going through that door, everyone over the side.” And he saved countless lives.

“It took nine hours to climb 160 feet in three tenths of a mile and take out Nazi machine-gun nests. Then we turned back to the beach for supplies, and that's when we saw the carnage.” He stopped, choked, and cried. The Army doesn't give away the Silver Star. It's awarded for extraordinary heroism in combat against an enemy of the United States. Gerry Heaney earned it. From Normandy across Europe to the Czech border, and his remarkable American flag, Gerry Heaney personified exemplary courage under fire.

While still a sitting judge of the 8th Circuit, Gerry planned to participate in the 50th anniversary of D-Day. Without his knowledge, I called the top command of the Pentagon and White House liaison to have him seated on the dais, with presidents, prime ministers, and generals.

When I proudly called with the approvals, he said, “That's very nice, thank you. But I'd rather sit with my buddies. We fought shoulder-to-shoulder across Europe.” Grace and humanity, wrapped in self-effacing, unpretentious humility—caring about others more than himself.

In that same egalitarian spirit, the Judge never missed a Duluth Labor Day picnic since 1948. This year, we'll save a chair for him, observe a moment of silence, and hold him excused.

Master strategist, with a rare gift for no-nonsense analysis, his razor-sharp mind guided Duluth and the Northland through successive economic shocks with clarity of vision for pragmatic investment strategies to fashion a better life for others through education, economic opportunity, and equal justice under law.

Greatness is memorably expressed in modest gestures. Gerry retired from Senior Judge status so that he would be free to participate in the Obama presidential campaign—pounding lawn signs, setting an example for the newcomers every day at the combined campaign H.Q.

In his zest for intellectual challenge and for integrity in public service, he made us confront our frailties and failings; he rallied us to rise above ourselves for the greater good of all.

His own words say it best: “Excellent public schools are essential in a democracy. Public schools have an obligation to educate all children—rich and poor, black, brown and white, gifted or special. Segregated housing, a long history of discrimination in education and employment, and the historic lack of opportunity for African-Americans to participate fully and equally in all aspects of life make the task ahead a challenging one (for St. Louis). We can fulfill our obligation to provide all children

with the quality, free public education they need and deserve." He elevated us in life; we are diminished in his death; but we are challenged to honor his life-affirming legacy.

From Tom Radaich:

Today, we are gathered to do what people of faith do when someone whom they love, and someone who loved them dies—we come together to remember, to pray, celebrate and to give thanks. A long life of service is ended and we come now struggling to find some appropriate, albeit inadequate way, to mark our appreciation and gratitude to God for the lavish gift given us in the judge's life.

All of you in this cathedral this morning have unique memories of the man who lies in death with us here today, and many of those memories and tributes will be shared informally and formally today both here and at UMD following the funeral liturgy, as they have been shared in practically every American news media over the past week. It was my great privilege to know Judge Heaney as his pastor at St. Michael's, but only since my assignment there only five years ago. In one of my conversations with Carol last week, she said, "Well, you know he was Irish, a Catholic, and a Democrat!" And even from my brief association with him, I knew exactly what she meant. You see, I was reared in a small town on the Iron Range where I was raised Catholic, had an Irish pastor for most of my formative years, and took for granted that politics and the DFL were coextensive terms. And so, last night, instead of memories of the judge, I had a vision. I dreamed that as Judge Heaney entered into glory multitudes of Irish came to welcome their compatriot singing Gaelic hymns of praise, followed by throngs of Catholics singing their welcoming song, and then, the entire host of heaven shouted joyfully as one, "Finally, another Democrat!"

With hopeful minds and hearts fixed on the joy of eternal life, we participate in this liturgy this morning. "Liturgy" is the "work" of the church. The work of the church is give praise and glory to God. Liturgy involves the whole human response to the goodness of God, and, hence involves remembering, acting and imagining. Our memories of this great man remind us that God has pitched his tent among us and the word of God has not only been recorded on tablets, scrolls, parchments and paper, but has become flesh. Our God chooses to be revealed as one for whom justice and righteousness are synonymous and the Psalmist tells us that "Love and truth will meet; justice and peace will kiss. This truth and this justice are embedded in those who have accepted the call to authentic leadership at the local, state, national and global level. Our gospel reading tells us that the ruling of the ultimate just judge is that when the needs of those who might have seemed most insignificant have been defended and met, only then shall we shall be to right with our God. That when we make sure that public education is available to everyone, when racial discrimination has been reversed, when women are given equal opportunities in their endeavors, when union contracts provide for funded health and welfare packages, when publicly funded institutions of higher learning are given the opportunity to serve students better each year, then, in the image of Jesus the judge and Judge Gerald Heaney, we shall know that we have come close to the kingdom of God.

So the liturgy that began two thousand years ago and the liturgy that began 92 years ago continues. The "work" of the church continues and we come to give thanks that we have been so gifted in the life and person

of Judge Gerald Heaney. May this thanksgiving liturgy truly express our gratitude to God for this wonderful life and be the stimulus for continuing in the path he taught and urged us to walk.

The Prophet Isaiah says: Here is my servant whom I uphold, my chosen one with whom I am pleased. Upon whom I have put my spirit: he shall bring forth justice to the nations. I, the Lord, have called you for the victory of justice, I have grasped you by the hand; I formed you and set you as a covenant of the people, a light for the nations.

To open the eyes of the blind, to bring our prisoners from confinement, and from the dungeon, those who live in darkness. To the life of this man we now only add, Alleluia. Thanks be to God.

From Dr. Kathryn A. Martin, Chancellor University of Minnesota, Duluth:

Vice President Mondale, Bishop Sirba, Fr. Tom, Congressman Oberstar, Mayor Ness members of the judiciary, clerks, legislators and all of you here today to celebrate the life of Judge Gerald Heaney, I am deeply honored and humbled to have been asked by Eleanor to speak about the person Judge Heaney.

For me these four lines from the Book of Micah (6:8) describe "the Judge:"

"God has shown you what is good.

And what does the Lord require of you?

But to do justice and to love mercy,

And to walk humbly with God."

What better description is there of Judge Heaney . . . a man who lived his life so that all people could live in a just society, be treated with mercy, regardless of their status in life; and Judge Heaney was a truly humble man.

As I am sure most of you know, to those of us in Northeastern Minnesota . . . and most of Minnesota and I suspect elsewhere, when you say "the Judge" you mean Judge Heaney. And the majority of the time when you say "the Judge," you mean "the Judge" and Eleanor. "Behind every great man is an even greater woman." And Judge Heaney had Eleanor, the love of his life!

Judge Heaney lived a life of love and compassion: love of Eleanor and his family, son Bill and daughter Carol; his children and grandchildren, great grandchildren, nieces and nephews and his country.

The Judge's love of country was only challenged when divisiveness in the political arena stalled the process of progress, a phenomenon we all recognize, and one that was very troubling to the Judge in his latter years. Public officials were to serve the public—the only life he knew. Deliberate inaction had no place in the political process.

The Judge loved education and had been a member of the Board of Regents of the University of Minnesota. We have Heaney Hall at UMD. I am honored to say that the Judge served on the search committee that brought me to UMD.

He asked me during my first interview, "Are you a fighter? UMD needs a fighter." He would never let me stop! We seldom gave Honorary Doctorates at UMD and I thought Vice President and Mrs. Mondale should be jointly honored. The Judge wrote a letter and I was to do a follow-up. The Mondale's accepted and I then found out I should have asked the Twin Cities campus for permission. In a conversation with the Judge it was obvious, forgiveness superseded permission!

Shortly after I began as chancellor at UMD in 1995, Judge Heaney arranged a luncheon with Sen. Sam Solon and Erwin Goldfine, also a former Regent, to review "my agenda for the school." In the last couple of years,

always when I visited with the Judge and Eleanor, the Judge would ask, "How's the school? How's the enrollment? Any problems with the Twin Cities campus?" And during the budget cycle, "Are you getting your fair share?" Judge Heaney determined the "fair share" was around 10%, but more was always better. But the Judge was particularly concerned about the rapid increases in tuition—who did it stop from coming to college? And with law school tuition and the loans necessary to complete law school, the Judge believed took a toll on the "pro bono" work of the profession. And he believed this result impacted "the marginalized" of society.

The Heaney Federal Building has a nursery school and I would like to read to you a letter from the director, Barb Kennedy, about the Judge and the children at Nursery School—Downtown. These comments show not only the Judge and Eleanor's deep love of children, but also their belief in the importance of the educational process.

"Judge Gerald Heaney was a dear friend to the staff and children of University Nursery School—D

Judge Heaney knew all the children by name and we have over 50 children! The children often called Judge Heaney, Gerald. Judge Heaney always stopped to talk to the children inside and outside, on the playground, in the halls, and in the school, everywhere.

Every Christmas Judge Heaney sponsored a low-income family from our school giving gifts to the entire family. The parents received clothes, and a very generous grocery store gift certificate. The children all received outfits, mittens, hats, and several toys. He never wanted the family to know who their secret Santa was. Thank you notes were passed on through the Nursery School.

Every year even after he retired, Judge Heaney and Eleanor donated a great deal of money to our summer field trips for low-income children. Their generosity helped these wonderful children have a busy, happy, productive, and fun summer. Through watching the children we have often seen self-concepts improve, attitudes change, aggression end, and community pride develop. Children that are happy, busy, and feel good about themselves and their community have a greater chance of becoming productive adults and a benefit to society. Thanks to Judge Heaney and Eleanor.

I cried as I typed this. What a wonderful gentleman!" Barb Kennedy

For Judge Heaney, life was lived in a framework of love, dedication, sharing and a keen sense of gratitude for democracy. I would like to conclude with a quote from Father Alfred Delp: "When through one man a little more love and goodness, a little more light and truth comes into the world. Then that man's life has had meaning." Your Honor, we thank you for a life well lived! Godspeed you, and give us each the courage to live our lives for the benefit of others!

From Jane C. Freeman:

I have known Judge and Eleanor Heaney for seventy years since I was 19 and we met at the University of Minnesota. My husband, Orville, and Gerry became fast friends in law school in the early 1940s.

Orv introduced all of us to Hubert Humphrey at one of Muriel and Hubert Humphrey's Saturday evening gatherings where the greatest political discussions I have ever heard took place in the kitchen. Justice for all; truly participating democracy; opportunities and responsibilities of citizens; the common good vs. individual greed—these were the discussion topics.

We came together again after four years of World War II. During the war Gerry was a leader in the Army Rangers in Europe and went up Normandy Beach. Orv was wounded in the Pacific on Marine Corps patrol. We then started to fight home side battles to bring the skeletons of the Democratic and Farmer Labor parties together to form the DFL party. We all felt we could change things to make a better and more peaceful world.

From then until his death, Heaney was a great advisor, planner and mentor to all in the DFL party and labor movement. He kept us on the straight path to justice for all. Others will tell you about his leadership on the Federal Bench, but I want to share a couple of personal memories:

Heaney believed in miracles and divine intervention. Late in the campaign in 1954 when Orv was involved in a tight race for Governor, the phone in our bedroom went off at 6:15 a.m. Orv had just gotten home from a three-day campaign trip at 3:00 a.m. so I took the call. I answered with some disgust in my voice. "Yes, Gerald, what do you want at 6 in the morning?" Gerry said, "how did you know it was me?" "No one else calls at this time in the morning," I responded. "Jane," Gerry continued, "we are going to lose this election. We need a miracle." "What is that?" I replied. "Well this is the first week of October and we need you to get pregnant and give birth before election day November 3." And then he giggled in that low tone of his. Well, we did not have that miracle, but Orv did, with great help from Heaney, win that election by only 20,000 votes.

The summer Heaney was being considered for appointment to the Court of Appeals he and Orv and friends were up at International Falls preparing to board the pontoon plane for a fishing trip. The pilot's office phone rang with an urgent call from the White House for Secretary Freeman. LBJ's assistant said "Freeman about your friend Heaney for the Court—the President wants to know if he's ready to go and his wife says he's off fishing!! Freeman to Heaney—"You wanta be a Federal Judge?" Heaney—"Yeah, sure. I'll look as good in those black robes as any other farm boy from Goodhue (Minnesota)."

Heaney was the most self effacing politician I have ever known! Forceful but modest always. He was also a wonderful father and grandfather to his own children as well as many others. He was a second father and grandfather to the Freeman family. Heaney was a devoted husband—often saying, "the smartest thing I ever did was find Eleanor Schmitt, my lovely, solid, smart and devoted wife."

And bless Eleanor; she survived 65 years with that high strung Irishman. She attended hundreds of political meetings and labor union affairs: monitored his ulcer diet; operated his dialysis machine, and was by his side through thick and thin to the end.

For the Freeman family and many of you here—we will miss his voice and twinkling eyes—but we'll be quoting his bits of wisdom 'til the day we die!

From Judge Myron H. Bright:

Oliver Wendell Holmes, that great United States Supreme Court Justice of yesteryear, wrote "the life of the law has not been logic, it has been experience."

Although much has been written about Jerry's background, let me review some matters briefly because his life experience obviously and clearly played a role in his wonderful judicial philosophy.

Jerry grew up in southern Minnesota in Goodhue County. His father was a butcher and parttime farmer. Jerry was one of seven children in the family. His was a frugal, hardworking family that had difficult times, particularly in the Great Depression, but made it through.

Following high school graduation and college, Jerry, determined that he would become a lawyer, struggled financially, yet he compiled a very good academic record, graduating from the University of Minnesota School of Law in 1941. His legal career was stalled for a few years because World War II came around, and Jerry volunteered for military service.

After the war, Jerry made a very smart and excellent choice by marrying Eleanor. They came to Duluth to make a home and for Jerry to practice law. Here he served as a distinguished lawyer, a good citizen, a strong contributor to the welfare of his community and an important figure in Minnesota politics. He always tried to support those candidates who would represent the people ably, honestly, and fearlessly. Of course, some of those he supported are well-known names in Minnesota's political history, including, among others, Vice President Hubert H. Humphrey, Vice President Walter Mondale (before he became Vice President), former governor Orville Freeman, who, also with me, was a classmate at the University of Minnesota School of Law, and Congressman John Blatnik, who paved the way for Jim Oberstar who is here and will be a Congressman forever and ever.

As I have said, Jerry's career was a significant one filled with experiences he brought to the bench when President Johnson appointed him to the United States Court of Appeals for the Eighth Circuit in 1966. Looking over his record, one could say Jerry was one of the best of what has been called "the Greatest Generation."

Well, let me tell you a bit about serving on the federal bench with Jerry. What kind of an experience was it to have Jerry as a colleague in deciding cases that came before our panel? I will tell you this. He always came well prepared. He listened intently and carefully to the arguments of counsel. Many times he digested and read all of the record, some very voluminous, in the cases. He welcomed the exchange of viewpoints about the case, particularly with his law clerks.

Following oral argument and during the conference, when the judges would make a preliminary decision about the results, Jerry always considered the views of his colleagues. When he spoke, he articulated briefly, logically, and, I must say, most persuasively his viewpoint and his thoughts about the resolution of the case. The opinions he authored were always clear, concise and well written. In other words, Jerry was just an excellent federal judge.

Let me relate a brief story of my relationship with Jerry when I came to the court. We had dinner on a September evening in 1968 just before my first session with the United States Court of Appeals. We talked about the work of the court, and Jerry said,

Myron, I do not believe that this country can exist in domestic peace as a segregated society as we now are. All men and women, regardless of race, color, or creed must and should be entitled to the equal protection of the laws.

To that goal, Jerry devoted his judicial life.

Let me add a final comment. Gerald Heaney's legacy lives on in the people whose lives he has touched with his own work and

with his own life. The wisdom of his legal opinions remain in federal reporters. Gerald W. Heaney was a man of modesty. Whatever credit was due him for his accomplishments as a judge, he would want to share that credit with the colleagues who served with him during his 40 years on the federal bench. Many of them are here today.

Finally, as one of Jerry Heaney's closest colleagues and one of his best friends, I say, "Jerry, you have always been my judicial hero. In the words of an old soldier, just as you were, Jerry, I salute you."

From George Sundstrom:

In 1947, the Am. Fed. Of Labor (AF of L) put out a call for an attorney to represent labor in Duluth and N.E. Minnesota. Gerald Heaney had just married the love of his life, Eleanor, and together they moved to Duluth. AND represent labor he did—far beyond, I expect, the expectations of those needing legal assistance in those days.

Representing the Duluth Federation of Teachers, Heaney negotiated the first contract in Minnesota in which women teachers received the same pay as their male counterparts: *He established the Duluth Teachers retirement fund, again the first such teachers retirement fund in Minnesota.

Representing the Int'l Brotherhood of Electrical Workers, Local 31, Heaney set up the first self-funded health and welfare insurance plan in the state—a model for most other Building Trades plans in the state to follow. *He set up the Electrical Workers' Credit Union, later to become the Duluth Building & Const. Trades Credit Union. *He set up the Local 31 Defined Benefit pension plan.

In 2007, the Int'l Brotherhood of Electrical Workers made Judge Heaney a life member of the IBEW, I was told the only such membership in the country.

On the Judges' retirement, the AFL-CIO community in Duluth recognizing his lifelong service to Labor, issued him a life membership, (the only such membership ever offered) and remodeled a room in the Labor Center and named it Gerald W. Heaney's Chambers.

In his 9th symphony, Beethoven put these words to music "Whoever has enjoyed the great blessing of being a friend to a friend, whoever has won a dear wife, let him mingle his joy with ours." He won a dear wife for over 65 years. He was our friend and we his. His life was a great blessing.

IN HONOR OF THE 100TH ANNIVERSARY OF THE CALIFORNIA RODEO SALINAS

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. FARR. Madam Speaker, I rise today to honor the California Rodeo Salinas on the occasion of its centennial anniversary. For 100 years, the California Rodeo Salinas has both preserved the legacy of California's early Spanish *ranchero* culture and supported countless charitable and community endeavors in the Salinas Valley.

The Salinas Rodeo is the largest rodeo in the state of California with more than 50,000 visitors each year. Locals take great pride in the event and insist on its Spanish pronunciation as the "row-day-oh."

In 1911, civic boosters organized the first rodeo as a Wild West Show and attracted a trainload of visitors from San Francisco. Crowds steadily grew in the following years and it became one of the largest rodeo competitions in the world. Following the attack on Pearl Harbor, the Rodeo organizers canceled the event for the duration of the war. It wasn't until 1947 that the organizers were able to restart the show.

The Salinas Rodeo is held every July and includes a range of rodeo competitions, including professional bull riding, bareback riding, bull fighting, barrel racing, saddle bronc riding, steer wrestling and team roping. Nearly 1,000 contestants compete every year from all over the United States and Mexico for prize money totaling \$300,000.

The event also includes other events including the Kiddie Kapers Western themed kids costume parade, the Colmo del Rodeo lighted night parade, the downtown horse parade and the Miss California Rodeo Salinas pageant. In 2008, the Rodeo was honored with their induction into the Pro Rodeo Hall of Fame.

The Rodeo has also been an active partner in the community. Through the Rodeo, local schools and charities are given the opportunity to earn money every year by selling goods during the event. The Rodeo also gives out scholarships annually to several high school seniors. Over the years, these community contributions have totaled over \$250,000. And the Salinas Valley community has embraced the Rodeo, making the event its own and providing more than 1,200 volunteers each year.

Madam Speaker, in closing, I want to hold up the California Rodeo Salinas as a cultural event that brings joy and prosperity to its community every year. May its continued success inspire many more generations to celebrate our nation's cultural heritage and participate in its future.

HONORING MR. NORMAN WEISS

HON. ALLYSON Y. SCHWARTZ

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Ms. SCHWARTZ. Madam Speaker, I rise today to honor and congratulate Mr. Norman Weiss, a constituent of my congressional district who has dedicated his life to serving his community, his nation, and the spirit of volunteerism. Mr. Weiss admirably served his country for 22 years in the United States Navy until his retirement in 1967. He has contributed both at home as a boxing coach at the Willow Grove Naval Air Station and abroad as a volunteer for more than a decade at a South Korean orphanage.

The loss of his brother, Mel, during the Korean War inspired Mr. Weiss to travel to Korea to see the country and meet the people his brother had fought to defend. While visiting, Norm began a friendship with a Korean orphanage that would bring him back to South Korea each year during his leave from the Navy. His time in South Korea was spent not relaxing on a much deserved vacation, but devoting his energy and knowledge to the orphanage.

A few years after Mr. Weiss retired as a Chief Petty Officer he moved to Korea to continue his work with orphans. Under his supervision, a new pool was constructed at the orphanage. With the help of nearby American service members other improvements were made to the orphanage such as the renovation of the kitchen and dining area. Mr. Weiss's assistance was so valued by the orphanage that he was made honorary Vice-Superintendent. In 1980 Norm was officially recognized for the work that had made an undoubtedly positive impact on the lives of many children; he was given a Civil Merit Medal by the Mayor of Pusan on behalf of the President of South Korea.

After 12 years in South Korea, Mr. Weiss returned to Pennsylvania. He continued his dedication to strengthening the friendship between Americans and Koreans by teaching English as a second language to Koreans in his community. He also began to volunteer his time to the Willow Grove Naval Air Station as a boxing coach at the base's gym. In the years he has spent providing guidance and expertise to the base, Mr. Weiss has also given considerable financial support to the base's Morale, Welfare, and Recreation department. Despite recent health concerns Mr. Weiss continues to spend time in the base's gym, teaching young boxers the techniques and perseverance needed to achieve their goals.

I am honored to represent Mr. Weiss in Congress and to know that Mr. Weiss has spent his life proudly representing our country abroad. I congratulate him on a lifetime of service to community, country, and international cooperation and friendship.

HONORING AND CONGRATULATING
STAFF SERGEANT ZACKARY T.
FILIP FOR WINNING THE ARMY
TIMES 2010 SOLDIER OF THE
YEAR AWARD

HON. MICHAEL C. BURGESS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. BURGESS. Madam Speaker, it is with great honor that I rise today and congratulate Staff Sergeant Zackary T. Filip, of Denton, Texas, for winning the 2010 Army Times Soldier of the Year award.

The United States has the strongest and best military in the world, and it is because of the service and dedication of members of our armed services like SSGT Filip that this is true. Each year, Military Times honors five "Everyday Heroes"—service members who demonstrate pride, dedication and courage beyond what is expected. The awards are given to service members who exhibit exemplary achievement beyond the call of duty, a high level of professionalism, concern for fellow service members, and commitment to community service. SSGT Filip has embodied each of these qualities during his service in the U.S. Army.

On November 5, 2009, while stationed at Fort Hood, Texas, SSGT Filip found himself in the middle of the worst-ever mass killing on a

U.S. military post. He came upon Sgt. Kimberly Munley, who had just shot-down the alleged gunman. SSGT Filip had no medical supplies with him, so he used his belt to create a tourniquet to stop the bleeding from a gunshot wound in Sgt. Munley's leg. SSGT Filip's actions are credited with saving Sgt. Munley's life. But SSGT Filip's assistance did not end there—he continued working with others to treat 55 other victims shot that day.

This award is not SSGT Filip's first honor, though. During a tour in Afghanistan in 2008, on Christmas Eve, SSGT Filip was on a joint patrol with Afghan army soldiers. The group came under gunfire, and Filip and a fellow medic, during the course of the battle, spent three hours running from position to position, under heavy fire, to treat four wounded Afghans. Their heroic and selfless actions that day earned SSGT Filip a Bronze Star and an Army Commendation for Valor.

SSGT Filip is currently the Platoon Sergeant for the U.S. Army's 4th Squadron, 9th Cavalry Regiment's medical platoon at Ft. Hood, TX. He currently lives in Copperas Cove, TX, with his wife, Briana, and three young sons, Grayson, Gabriel and Gavin.

Madam Speaker, I rise today with the highest esteem to honor and congratulate Staff Sergeant Zackary Filip for his well-deserved award, the 2010 Army Times Soldier of the Year award. May God bless SSGT Filip and all of the brave men and women fighting in harm's way to protect Americans and our liberties and freedoms, and may God bless America.

HONORING JAMAICAN AMBASSADOR
TO THE UNITED STATES,
HER EXCELLENCY AUDREY
PATRICE MARKS

HON. YVETTE D. CLARKE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Ms. CLARKE. Madam Speaker, I rise today to recognize the first female Jamaican Ambassador to the United States, Her Excellency Audrey Patrice Marks. Ambassador Marks is serving as Jamaica's tenth Ambassador to the United States and Permanent Representative to the Organization of American States (OAS). She assumed office May 17, 2010. Ambassador Marks holds both a Bachelor and Master degrees in Business Administration from the University of the West Indies, Mona, Jamaica, and Nova University, Florida, USA, respectively. Prior to her appointment as Ambassador, Ms. Marks served on several private and public sectors Boards, including being Deputy Chairman of the Urban Development Corporation (UDC), Chairman of the Central Wastewater Treatment Company Limited (CWTC), Chair of the Tourism Product Development Company (TPDCo), Director of the Board of RBTT Securities Jamaica Limited, Jamaica Trade and Invest (JTI), National Health Fund (NHF), the University of the West Indies (Mona School of Business). She holds the distinction of being the first female President of the American Chamber of Commerce of Jamaica (AMCHAM), an organization which

promotes investment and trade between the United States and Jamaica.

"As a Jamaican American woman, and the Representative of one of the largest districts of first and second generation Jamaican immigrants, it is truly my honor to recognize and commend Ambassador Marks for her accomplishments. She has indeed made history through her appointment. Ambassador Marks is well equipped to serve the country of Jamaica. With her talent and expertise, I am positive that she will help bring Jamaica and its people into a new era of prosperity and strengthen U.S.-Jamaican relations to create a more secure and stable hemisphere.

HONORING THE LIFE AND LEGACY
OF THE LATE PAUL LEO
LOCATELLI, S.J.

HON. MICHAEL M. HONDA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. HONDA. Madam Speaker, I rise today to honor the life and legacy of the late Paul Leo Locatelli, S.J., former President of Santa Clara University, who dedicated his life to a vision of social respect and compassion.

Born to Italian immigrant parents, Paul grew up in Boulder Creek, California, picking walnuts and crushing grapes for the family garden and wine. Paul's experience as a child of immigrants resonates with all of us. Paul's work ethic, focus on family and community, and deep faith are emblematic of immigrant families all across this country.

The first in his family to attend college, Paul matriculated at Santa Clara University, where he went on to serve for over 35 years. Paul earned his bachelor's degree in accounting from SCU, a Doctorate in Business Administration from the University of Southern California, and a Master of Divinity from the Jesuit School of Theology in Berkeley in 1974. That same year, Paul was ordained as a priest and began teaching accounting at Santa Clara University. He was a beloved teacher and was voted Outstanding Teacher of the Year. Paul's most prominent role was as President of Santa Clara University, a position he held for 20 years, the longest serving president in the school's history. After leaving the presidency to become Secretary of Higher Education for the Society of Jesus at the Vatican, Paul was named Chancellor of the University in 2009. As a teacher, I can personally attest that there is no greater compliment than being asked to replicate one's work on such a large scale.

As President of Santa Clara University, Paul's persona profoundly affected the curricula of his students, promoting a diverse student body and encouraging his students to understand the world through different perspectives and life experiences. Paul was committed to having graduates of Santa Clara leave the university having excelled in the three C's: competence, conscience, and compassion. Paul's devotion to his students led to the most successful campaign year of Santa Clara University's history, raising the University's endowment by over \$600 million during his tenure. Kicking off the campaign, Paul told

his students and faculty, "Ten years from now, because of our high aspirations and this campaign, Santa Clara University will be known around the world for educating moral, responsible, global citizens—leaders who will change the world by finding better ways to overcome ignorance and prejudice, to alleviate poverty and hunger, and to end divisions that are caused by religion, national origins, or languages."

The success of the campaign propelled Santa Clara University into the top tier of our Nation's universities. Paul began several initiatives with the new endowment to create the world leaders that he envisioned. First, he focused on students' scholarships, advocating that all students deserve the right to a higher education. Second, he expanded the University's facilities and resources. And third, Paul saw several new programs to fruition.

Paul focused not only on Santa Clara University as an institution, but also on individual students and projects, solidifying a personal feeling of community within the University. In 2007, Paul supported a group of students in an international solar-house competition that was seemingly too massive a project for the small University. The team placed third in the competition, garnering worldwide recognition and introducing a new legacy of solar and renewable projects on campus. After the competition, Paul did not stop in his commitment to the team of students. When they graduated, Paul served on the board of directors for their start-up company Valence Energy, providing mentorship and guidance to the students long after their college days. Paul served on numerous boards, spreading his visionary leadership widely into the community. Among these, he worked with the Association of Jesuit Colleges and Universities, Catholic Relief Services, the Silicon Valley Leadership Group, and the Bill Hannon Foundation.

Paul's love and gift of teaching was perhaps only exceeded by the example he set as a humble priest. Throughout his life he remained true to the Jesuit's core principles of faith and not only understood, but lived the movement known as Liberation Theology. At his core, Paul was a Christian. With every inch of his being, he lived the great commandment to "Love your neighbor as yourself." He was selflessly devoted to the mission he vowed to undertake, and died in service to others. Father Paul Locatelli was, simply put, the most Christ-like person that I have come to know.

Paul was one of our Valley's most respected leaders of heart and compassion, and a devoted student of history. On the evening of the September 11th, 2001 terrorist attacks, Paul showed courage and wisdom when speaking about the need to guard ourselves against the temptation to turn against those who may look like the terrorists. Drawing on the internment of Japanese Americans after the bombing of Pearl Harbor, Paul cautioned, "Whatever the race or ideology or professed religion of the terrorists who committed these awful actions today, we are called not to yield to stereotyping and scapegoating people who by accident of birth or history may seem to be like the guilty."

Father Paul Locatelli will be deeply missed by the Santa Clara University family as well as the larger Silicon Valley community. His com-

mitment to competence, conscience, and compassion has made a permanent impact on us all, and his efforts have afforded many students of Santa Clara University opportunities that would have been otherwise unavailable to them. Paul once said, "... we must understand ourselves as citizens of a global community whose decisions shape the world for better or worse." There is no doubt that as a direct result of Paul's life, our world has been shaped for the better. My condolences are with the Locatelli family, and he is in my thoughts and prayers. I will miss you, Paul, and I will try to live according to your example.

WISHING THE BYRON NELSON
HIGH SCHOOL SOLAR CAR TEAM
"GOOD LUCK" IN THE 2010 HUNT-
WINSTON SCHOOL SOLAR CAR
CHALLENGE

HON. MICHAEL C. BURGESS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. BURGESS. Madam Speaker, I rise today to recognize the Solar Car Team from Byron Nelson High School in Trophy Club, Texas. The seven-member Bobcats Solar Racing Team will be participating in the 2010 Hunt-Winston School Solar Car Challenge. The eight-day cross-country event tests the teams' abilities to build a vehicle powered exclusively by solar energy and drive it from Texas Motor Speedway in my district to Boulder, Colorado.

The Winston Solar Car Team was launched over 15 years ago as an education program designed to teach high school students how to build and safely race roadworthy solar cars. The final product of each two-year education cycle is the Winston Solar Challenge. The Bobcats Team is one of 22 teams in the nation competing in this extraordinary event. The team will embark upon the 900 mile cross-country race at 8 a.m., Sunday, July 18, 2010.

Madam Speaker, I submit the names of the Byron Nelson High School Solar Team's advisors, captains, and members who were instrumental in the support and building of this remarkable vehicle:

Linda Parker—School Principal and Team Advisor

Darren Klauser—Team Advisor

Matt Klauser—Team Captain

Cliff Campbell—Team Captain

Peter Van Houten—Team Captain

Taylor Douglas—Team Member

Zach Randolph—Team Member

Chad Loving—Team Member

Austin Flickinger—Team Member

Madam Speaker, I proudly rise today to commend the hard-working and visionary students comprising the Byron Nelson High School Solar Team, competitor in the 2010 Hunt-Winston School Solar Car Challenge. It is an honor to represent Northwest ISD, Byron Nelson High School and its Solar Car Team in the U.S. House of Representatives.

OUR UNCONSCIONABLE NATIONAL DEBT

HON. MIKE COFFMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. COFFMAN of Colorado. Madam Speaker, today our national debt is \$13,189,505,566,215.83.

On January 6th, 2009, the start of the 111th Congress, the national debt was \$10,638,425,746,293.80.

This means the national debt has increased by \$2,551,079,819,922.00 so far this Congress.

This debt and its interest payments we are passing to our children and all future Americans.

STORY OF ARMENIAN GENOCIDE SURVIVOR: HAGOP BOGHOSSIAN (BORN ASHARJIAN)

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. SCHIFF. Madam Speaker, I rise today to memorialize and record a courageous story of survival of the Armenian Genocide. The Armenian Genocide, perpetrated by the Ottoman Empire from 1915 to 1923, resulted in the death of 1.5 million Armenian men, women, and children. As the U.S. Ambassador to the Ottoman Empire Henry Morgenthau documented at the time, it was a campaign of "race extermination."

The campaign to annihilate the Armenian people failed, as illustrated by the proud Armenian nation and prosperous diaspora. It is difficult if not impossible to find an Armenian family not touched by the genocide, and while there are some survivors still with us, it is imperative that we record their stories. Through the Armenian Genocide Congressional Record Project, I hope to document the harrowing stories of the survivors in an effort to preserve their accounts and to help educate the Members of Congress now and in the future of the necessity of recognizing the Armenian Genocide.

Below is one of those stories:

SUBMITTED BY HARRY BOGHOSSIAN, AN ARMENIAN GENOCIDE SURVIVOR DESCENDANT WHO RESIDES IN SAN DIEGO, CALIFORNIA

"It is an honor to have this opportunity to express my deepest appreciation to you for documenting my families' genocide story.

"My father, Hagop Boghossian (born Hagop Asharjian), was a remarkable man. He was born on May 20, 1910, in the city of Dikranagerd, present day Diyarbakir, Turkey. His parents, Boghos, and Ani, had three sons and three daughters: Yeznig, Hagop, Antranig, Dickranouhi, Mena, and Vartouhi.

"My father always reminded me what happened to his family in the days following April 24, 1915. He said to me: 'During the massacre, the Turkish government took away my innocent, beloved father and my older brother, and they never returned home. They were murdered by the Turkish government. My younger brother, Antranig, died of

cold and hunger, and there was no one around to bury him. My second oldest sister, Mena, was married to a Turkish man by force, and she died of hunger and cold, as well. All our luxury belongings: home, money, jewelry, clothing and our historic homeland were taken away by the Turks.'

"The surviving members of his family ended up in a refugee camp and his mother worked hard for several years just so they could stay alive. My father's mother was a beautiful woman, and had offers to marry several Turkish and Armenian men, but she refused to remarry.

"In 1922, my father's uncle, Anto, on his mother's side, fortunately came from Israel, managed to find them, and helped them to obtain their passports to immigrate to Israel. On May 7, 1945, my parents, Hagop and Mary, got married. They had three sons and one daughter: Paul, Peter, Harry and Ani. In 1949 my father's mother Ani, passed away.

"In May 1966, my family moved to Los Angeles, California.

"My father's two older sisters passed away. Dikranouhi, in 1968 and Vartouhi, in 1985. He sometimes cries when he remembers his lost family. I watched him cry and realized my Dad's heart was hurting inside, and that he had experienced a great deal of sadness, tragedy, depression, and loneliness.

"My father passed away on May 9, 1996. He always loved his family and this country with all his heart. He was married over 50 years and had six grandchildren.

"My maternal grandparents were also survivors of the Armenian Genocide. During the massacre the Turks were going to take away my grandfather, Toros Sivalzlian, to a death march in the desert. Fortunately he was hidden behind the door and the Turks did not see him, so they left. God saved him and he escaped. He was 20 years old at that time and lost his family. My grandmother Santoukht's brother was included with all people that were marching, during the deportation by the Turks. She started running after him while he was being marched away. She didn't catch up to him. And never saw him again. At the age of 10, she lost her parents/family and was an orphan, and did not know or have any contact information if her family were dead or alive. My grandparents met and were married in Greece, had seven children, 24 grandchildren and five great-grandchildren. They were married over 63 years and lived over 90 years.

"On April 29, 2009, I met with Senator Wyland and his staff at the state capitol to testify in front of the chair members in favor of the Genocide Awareness Act SB234. My testimony was as follows:

"One of the greatest atrocities during the First World War was the Armenian Genocide. The 1.5 million Armenians that vanished from this planet that were annihilated by the genocide deserve to be recognized throughout history along with all Genocides. My father was an eyewitness to the massacre. He was exposed to a terrible tragedy. It changed his entire life. He saw bodies buried below the ground except their head exposed to the sun. He saw men, women, and children lying on the ground dead. Our former U.S. Ambassador, Henry Morgenthau, documented the Armenian Genocide. He put into print the experience he witnessed of the Turkish government's immoral tactics to wipe out the Armenian people, and rob the people of their land and dignity. Mr. Ambassador had the willingness to record the atrocities as a credible, U.S. government document, readily available in the U.S. ar-

chives. This document serves as a legitimate itemization of the Genocide. In so doing, he kept the remembrance of the Armenian Genocide alive in the face of today's Turkish government plot to cover up the truth and deny that the Genocide ever existed. We must never live in the denial of the truth. I urge the Senate Education Committee to support and vote for the Genocide Awareness Act SB 234 so the genocide is never repeated."

"I would like to thank you Congressman Adam Schiff, for your generous support for supporting the Armenian Genocide."

REMEMBERING THE USS "LIBERTY"

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. ORTIZ. Madam Speaker, I rise today to honor the sacrifice made by those brave sailors and Marines aboard the USS *Liberty* on June 8, 1967. Those sailors were put in the worst possible situation by virtue of their clandestine mission, undergoing an unprovoked, brutal attack from an ally. I am certain the incident will never be closed in the hearts and minds of those who survived this attack.

The USS *Liberty*, a United States Navy technical research ship, was attacked by Israeli Air Force jet fighter aircraft and motor torpedo boats, during the Six-Day War. Out of a crew of 294, 34 were killed, and 174 were wounded during this tragic incident. As a result of the brave actions of the crewmen that day, the ship received the Presidential Unit Citation, and the ship's commander received the Medal of Honor.

My thoughts and prayers are with the survivors and families of the USS *Liberty*, as well as those 34 crewmen who gave their lives that day.

Our nation has a great deal of work to do today with our continued engagement in two separate wars and the largest influx of veterans coming home since World War II. We need to ensure that all of our brave young men and women are taken care of, and receive the benefits they have earned and so rightly deserve.

REMARKS IN HONOR OF BLUEFIELD WEST VIRGINIA'S 200TH LEMONADE DAYS

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. RAHALL. Madam Speaker, last week, a great tradition in my native West Virginia, Lemonade Days, marked a sweet milestone—its 200th serving of free lemonade—and I am proud to offer this salute to it.

The historic Lemonade Days was born in Bluefield, West Virginia in 1939, when the late Edward H. Steel dreamed up the idea of serving free lemonade to the town residents whenever the temperature reached above the 90-degree mark. It wasn't until three years later,

in 1941, when the first free cup of lemonade was served, as the temperature didn't hit the required 90-degrees until then.

According to a recent editorial in the local newspaper, the Bluefield Daily Telegraph, it took a historic 71 years for the city to serve 200 servings of free lemonade, and there have been at least 35 summers on record, in which the temperature never reached 90-degrees. Bluefield, West Virginia, has since received the moniker "Nature's Air-Conditioned City," as the temperature in this beautiful town rarely reaches this old faithful temperature.

The free lemonade tradition in Bluefield is tried and true. It has endured challenges from cooler than normal summer months with no free lemonade servings, a lemon and sugar shortage during World War II, a strike by the lemonade lassies and several friendly controversies over the temperature reading and whether or not the town thermometer is or isn't accurate. Yet the tradition—200 cups later—is still flourishing—whenever the temperature hits of course.

And what better place than Bluefield, West Virginia, to carry on a celebrated tradition that's as sweet as the people who live there? Nestled deep in the Appalachian Mountains, the Bluefield area of southern West Virginia is home to a magnificent coal story. Most of the towns in Mercer County were built due to the thriving coal operations when Bluefield emerged as the corporate center of these coalfields. Many shops, businesses and activities flourished around the activity of the busy rail yard. The striking architecture of the city was built in the 1920's and reflects the optimism and confidence of that area.

Eight of the areas downtown buildings are listed on the National Register of Historic places and locals and tourists bask in the hunt for old treasures in the town's antique and specialty shops.

Mercer County is home to several cultural art centers, theatres and galleries and boasts of a Natural Gravity Switching Rail yard; the Eastern Regional Coal Archives; Chicory Square, which houses 25 uniquely painted trains; a Railroad Museum, home to over 100 railroad lanterns, exhibits, and railroad artifacts, photographs and artwork; the last remaining structure from the Civil War, the McNutt House; Mercer County War Museum; Historic Bramwell, home to coal barons' old mansions, a train depot and many unique shops; two minor league baseball teams, the Bluefield Orioles (farm team for the Baltimore Orioles) and the Princeton Rays (the farm team of Tampa Bay); and the Coal Heritage Trail Interpretive Center in Bramwell, which houses relics and exhibits of West Virginia's truly inspiring coal story.

Locals and visitors may also enjoy three of southern West Virginia's most beautiful state parks—Camp Creek, Pinnacle Rock and Pipestem—as well some of the country's best ATV trails, hiking and biking trails, fishing and boating. There truly is something for everyone in Bluefield and in Mercer County West Virginia.

On behalf of all the residents of Bluefield in my native Mountain State who enjoy this wonderful tradition, Lemonade Days, I salute this historic sweet milestone and encourage anyone who hasn't visited this community to plan their next summer vacation in our "Nature's Air-Conditioned City."

STORY OF ARMENIAN GENOCIDE SURVIVOR: VERGINE DJIHANIAN KALEBDJIAN

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. SCHIFF. Madam Speaker, I rise today to memorialize and record a courageous story of survival of the Armenian Genocide. The Armenian Genocide, perpetrated by the Ottoman Empire from 1915 to 1923, resulted in the death of 1.5 million Armenian men, women, and children. As the U.S. Ambassador to the Ottoman Empire Henry Morgenthau documented at the time, it was a campaign of "race extermination."

The campaign to annihilate the Armenian people failed, as illustrated by the proud Armenian nation and prosperous diaspora. It is difficult if not impossible to find an Armenian family not touched by the genocide, and while there are some survivors still with us, it is imperative that we record their stories. Through the Armenian Genocide Congressional Record Project, I hope to document the harrowing stories of the survivors in an effort to preserve their accounts and to help educate the Members of Congress now and in the future of the necessity of recognizing the Armenian Genocide.

Below is one of those stories:

Nora Hovsepien, the granddaughter of Vergine Djihanian, a Genocide survivor, expressed a story on her grandmother's behalf: "Vergine Djihanian was an Armenian girl who lived with her parents and eight brothers and sisters in the city of Erzinga, Turkey.

"In the summer of 1915, Vergine witnessed her father and uncle being beaten and axed to death in front of her eyes by Turkish gendarmes. Her mother and aunt frantically gathered up all of their children, took them to the nearby banks of the Euphrates River, said their prayers, and holding hands together at the river's edge, threw themselves into the raging waters, choosing to die by their own hands rather than falling victim to the barbarity of the Turkish soldiers surrounding them.

"All of them drowned, except 9-year-old Vergine, who clung to the branch of a weeping willow tree overhanging the river, instinctively wanting to survive. Vergine was too young to understand why her family was dying around her. She was too young to understand the fear of being raped or enslaved by Turkish soldiers, but she was old enough to know that if she could just hold on a little longer to the hanging branch, then maybe she could be saved. She hung on for what seemed an eternity. However, she felt hopeful again when a compassionate Kurdish family came to the river's edge, saw her desperation, and rescued her. She was the only one who survived the ordeal, saving her from an agonizing death.

"She worked as a maid in the house of her rescuers for a few years. Then American missionaries had come to the region trying to find lost souls. Vergine was taken to an American orphanage, and at the age of 14, she was reunited with her two older brothers who had been in America for several years and who were frantically trying to find any surviving members of their large family.

"Vergine came to New York on a ship through Ellis Island in 1921 and built her life

there. She met and married Missak Kalebldjian, another survivor of the Armenian massacres, in Adana in 1909, and she never told her only son or anyone else about the unspeakable horrors she had witnessed.

"Vergine Djihanian Kalebldjian was my grandmother. She told me her story when I was 10 years old, sitting me down with a serious and sad look, preparing me for what I was about to hear. As I listened, I could not even fathom what she had gone through at the same age, and until now, and for the rest of my life, I will never forget her story.

"Nearly 60 years after her nightmare, the memory remained fresh within my grandmother's mind. She wept uncontrollably as she told me the story of her family's fate. I tried to comfort her, telling her I did not want her to cry, but she wanted to get it out, as it had been festering inside her for all those years. She could not bring herself to tell my father, her only son, about her childhood as he was growing up, because she wanted to spare him the pain she had endured. She wanted to give him a better life and happy memories.

"My grandmother said that she had to pass down the legacy of what happened to her and her family to my generation, so that we could tell the world and seek justice for the unspeakable crime against our people.

"I will forever cherish her words and her memory."

RESPONSIBLE ESTATE TAX ACT

HON. LINDA T. SÁNCHEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Ms. LINDA T. SÁNCHEZ of California. Madam Speaker, I rise today to introduce the "Responsible Estate Tax Act." This bill would provide a progressive rate structure for the Estate Tax rising from a rate of 45 percent for individual estates worth \$3.5 million or more to a rate of 65 percent for estates over \$500 million.

This year for the first time since 1916, the heirs to multi-million and billion dollar fortunes are able to receive their entire inheritance free of federal taxes, costing at least \$14.8 billion, that's billion with a "B," in lost revenue in 2010 alone. If we do not act before the end of the year, the Estate Tax will return next year at a rate of 55 percent for individual estates worth more than \$1 million. Most members of this body agree that neither of those structures is ideal and this legislation is an effort to find common ground on an issue that has been a source of much controversy in recent decades.

The Estate Tax was originally instituted to ensure that the very wealthiest families, those who have benefited from the greatness of the American economy, contribute back to that system so that others have a chance to succeed as well. The Responsible Estate Tax Act fits this mission by exempting over 99.7 percent of Americans from paying any estate tax whatsoever, while ensuring that the wealthiest Americans in our country pay their fair share.

At a time when unemployment benefits, Medicaid assistance and small business incentives are being delayed in this body because of their cost, it is unconscionable to let \$15 billion go tax free to the wealthiest handful

of Americans. In this nation, we agree that everyone should earn his or her wealth, status, and privilege. We don't believe in an aristocracy which hoards wealth and leaves the rest of us to fight over crumbs. This proposal maintains our consensus and ensures America remains the land of opportunity.

This bill is a companion to Senate legislation authored by Senators SANDERS, HARKIN, and WHITEHOUSE and I want to commend them for their hard work and leadership on this issue.

I urge my colleagues to join me in supporting this important legislation.

INTRODUCTION OF THE DISTRICT OF COLUMBIA NATIONAL DISASTER INSURANCE PROTECTION ACT

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Ms. NORTON. Madam Speaker, I rise today to introduce the District of Columbia National Disaster Insurance Protection Act. This bill amends federal law to exempt from federal income taxation catastrophic insurance reserves and the investment income derived from such reserves if held by insurance companies in the District of Columbia. Under current federal law, these funds are subject to federal income taxation, which has led property and casualty insurers to hold billions of dollars in reserves, either directly or indirectly through reinsurance, in foreign jurisdictions, such as the Cayman Islands and Bermuda, where they are not subject to U.S. income taxation.

This bill serves important national purposes. This bill will help protect individuals and businesses with property and casualty insurance across the country, as well as U.S. taxpayers. Today, if a catastrophe occurred in the U.S. but foreign insurance companies did not pay the claims, U.S. taxpayers likely would be on the hook for the claims. In fact, after the September 11, 2001 terrorist attacks, the U.S. Government had to establish a federal backstop for losses related to terrorist attacks, the Terrorism Risk Insurance Act, which is still in place today. As the recent financial crisis showed, the U.S. Government has a strong interest in preventing systemic financial risks. Transparency, for example, is a major feature of the pending Wall Street reform bill, but there is little transparency in the catastrophic insurance market, posing a risk to the U.S. economy and taxpayers. Instead, individuals and businesses must rely on small foreign jurisdictions to preserve and protect catastrophic insurance reserves.

I chair the subcommittee that has primary jurisdiction over disasters. Since 9/11, we have plugged all of the most obvious holes in U.S. security. There is no reason to leave the funds necessary to recover from disasters offshore. By locating these funds in the nation's capital, the most protected and secure city in the U.S., Congress would be shoring up an existing but overlooked security vulnerability.

STORY OF ARMENIAN GENOCIDE SURVIVOR: FLORA MUNUSHIAN MOURADIAN

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. SCHIFF. Madam Speaker, I rise today to memorialize and record a courageous story of survival of the Armenian Genocide. The Armenian Genocide, perpetrated by the Ottoman Empire from 1915 to 1923, resulted in the death of 1.5 million Armenian men, women, and children. As the U.S. Ambassador to the Ottoman Empire, Henry Morgenthau, documented at the time, it was a campaign of "race extermination."

The campaign to annihilate the Armenian people failed, as illustrated by the proud Armenian nation and prosperous diaspora. It is difficult if not impossible to find an Armenian family not touched by the genocide, and while there are some survivors still with us, it is imperative that we record their stories. Through the Armenian Genocide Congressional Record Project, I hope to document the harrowing stories of the survivors in an effort to preserve their accounts and to help educate the Members of Congress now and in the future of the necessity of recognizing the Armenian Genocide.

Below is one of those stories:

(Submitted by Kay Mouradian, EdD, Professor Emerita Education, Los Angeles Community Colleges, daughter of Flora Munushian Mouradian)

"As a child growing up in Boston, my mother, Flora, would tell me stories of her childhood in Turkey. 'Hunger is a pain that never sleeps,' she said recalling the trauma she experienced in 1915, when at age 14 she and her immediate family of nine were forced to leave their home in Hadjin, Turkey. She told me of the hardships during the forced march . . . no food or water, the terrifying fear as Turkish soldiers tried to abduct her and her 16-year-old sister, helplessly watching soldiers take away her 18-year-old brother, no sanitation at the outdoor camps, the smell of disease and death in those camps, one of which cramped 150,000 emaciated Armenians before they were allowed to continue on, witnessing the already dead lining the roads, painfully watching her father bury her 70-year-old grandmother, becoming hopelessly traumatized as her father leaves her and her sister in Aleppo, Syria. Can you imagine the painstaking decision made by loving parents to leave vulnerable teenage daughters behind in a strange, huge Arabic city hoping their chance for survival would be greater?

"No longer having the protection of her father and not knowing a word of Arabic, Flora's fear of becoming an orphan explodes and is compounded when working as a 'slave' in a Syrian home, Flora is sold to a wealthy Turk. When her sister learns Flora is in the harem, she stealthily sneaks into the harem and steals Flora to safety. Both girls were the only ones from the family to survive.

"In 1984, at the age of 83, my mother, Flora, having outlived her husband and two of her four children, was hospitalized. She was diagnosed as terminally ill with congestive heart failure and could not feed herself because she suffered from severe hand tremors. Confused, she did not recognize people

she once knew. The day I took her to emergency she did not know who I was.

"Let her spend her last few days at home," her doctor said.

"With a heavy heart, I brought her home. Her final moments were near. I did not expect her to survive the night. But I was wrong. As time passed, not only did my mother rebound but she literally recovered! Her hands quieted and no longer trembled and more amazingly, her mind was again clear and alert as if her brain cells had been renewed. I watched as she developed new relationships with friends that only recently she hadn't recognized. The most miraculous and wonderful part of all of this was that my mother had become more loving.

"Until her heart attack, her life had been colored by the Armenian tragedy. She was filled with anger and self-pity, and dwelt on the horrors of the past. She often talked about her family who had perished at the hands of the Turks. Now, incredibly, that dark shadow was gone. It was as though something happened inside Flora's heart, something beyond my ability to understand.

"My mother had three more episodes in the next five years. Each time I was told she would not survive without the help of a respirator and each time we, the family, refused, feeling she needed to move on if it was her time. But my mother's fourth encounter with death really stunned me. In 1988, I went to Aleppo, Syria, to search for the family that gave my mother refuge and found the one remaining descendant. The next day I received a call from home. Mom had another attack, her fourth. I prepared myself for the worst and flew home.

"When I saw Mom in the hospital, she tried to smile but was too weak. 'I don't know why I didn't die,' she said, her voice barely audible.

"I leaned close and gently asked, 'Mom, do you think you will die now?'

"It doesn't look like it,' she said, her voice cracking and her face reflecting her own disbelief. Somehow, she knew. Two days later, when I entered cardiac care I was astonished to see my mother sitting up in bed, unattended. A day earlier she couldn't even turn her head without help. When she saw me she shouted something in Turkish, a language she hadn't spoken in more than 50 years!

"I was startled. She was filled with energy and animated. What was she shouting in Turkish? 'Mom, I don't understand you,' I said, trying to calm her. 'Speak to me in English. Repeat everything I say.'

"I went through the entire English alphabet. She repeated each letter dutifully, as if she were in school following a teacher's instructions. We counted numbers and she repeated those in English. But then she started to shout in Turkish again. An occasional English or Armenian word was in the mix. 'They took my education! They took my family! Do you know what it was like? I went crazy!' She looked straight into my eyes and said loud and clear in English, 'The bastards!'—a word not in my old-fashioned mother's vocabulary. I couldn't hold back a laugh.

"Throughout this wild scenario, even when she was shouting in Turkish, she was joyful. 'Mom, are you happy?' I asked trying to understand this phenomenon.

"Yes! she said emphatically.

"Why? I questioned.

"Because I'm awake!' she said with authority.

"Had she been given an opportunity to release her own intense hatred of the Turks?

Was that hatred released with the strong expulsion of her anger when she shouted, 'The bastards!' I'll never know for sure, but I can state for a fact that my mother was so filled with love after this fourth brush with death she couldn't harbor hatred, even toward the Turks. Love poured out of her heart, like a flower releasing its perfume. Everyone around her felt it.

"Escaping death time and time again, Flora became more alert and loving each time. Her amazing transformation during those last five years of her life taught me a lifetime of understanding. The greatest of these is the fact that when negative matrixes like hatred and anger no longer rule the heart, streams of fragrant love pour out of every cell in the body. She shined like a thousand suns.

UNITED STATES POSTAL SERVICE'S CSRS OBLIGATION MODIFICATION ACT OF 2010

HON. STEPHEN F. LYNCH

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. LYNCH. Madam Speaker, the United States Postal Service's CSRS Obligation Modification Act of 2010, is intended to remedy a unfair and inequitable methodology for allocating the Postal Service's share of Civil Service Retirement System, CSRS, retirement benefit liabilities for employees that provided service to this country under both the Post Office Department and the independent United States Postal Service.

According to a January 2010 report by the United States Postal Service's Office of Inspector General, USPS-OIG, the Postal Service paid more into the Civil Service Retirement and Disability Trust Fund that it would have paid if a more equitable methodology were used to allocate CSRS retirement benefit liabilities between the Federal government and the United States Postal Service.

As a result of the USPS-OIG report's findings, the Postmaster General of the United States Postal Service submitted a request, in accordance with section 802(c) of the Postal Accountability and Enhancement Act, to the Postal Regulatory Commission, PRC, calling for an independent and objective review of the methods used to allocate benefit liabilities between the Postal Service and the Federal government under generally accepted actuarial practices and principles.

The independent actuarial firm hired by the PRC, The Segal Company, determined that the current methodology used by the Office of Personnel Management, OPM, for allocating such retirement benefits between the United States Postal Service and the Federal government follows an antiquated methodology that fails to incorporate current actuarial best practices and accounting standards as recognized and codified by the Financial Accounting Standard Board.

Accordingly, to remedy this unjust treatment, this legislation I am introducing today directs OPM to update and modernize the actuarial methodology to be used in allocating CSRS retirement benefit liabilities between the United States Postal Service and the Federal govern-

ment in accordance with The Segal Company's recommendation. Under this approach, the Federal government's portion of an individual's CSRS annuity will be based on the CSRS benefit accrual formula and the conventional individual's "high-3" average salary. By utilizing this methodology, this legislation will ensure that OPM is using modern actuarial practices and accounting standards to apportion the benefit liabilities that are codified by the independent Financial Accounting Standard Board under FASB ASC 715.

INTRODUCTION OF END RACIAL PROFILING ACT OF 2010

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. CONYERS. Madam Speaker, I am pleased to introduce the End Racial Profiling Act of 2010, along with additional cosponsors. As a product of years of extensive consultation with both the law enforcement and civil rights communities, this legislation represents the most comprehensive federal commitment to healing the rift caused by racial profiling and restoring public confidence in the criminal justice system at-large. The introduction of this legislation is a critical step in what should be a nationwide, bipartisan effort to end this divisive practice.

The debate over racial profiling has become a central element in a much larger history of adversarial relationships between the police and communities of color. Over the past two decades, the tensions between police and minority communities have grown as allegations of racial profiling by law enforcement agents, sometimes supported by data collection efforts, have increased in number and frequency. The terrorist attacks of September 11, 2001, and the ongoing immigration enforcement debate have only complicated the profiling issues that were traditionally centered on state and local law enforcement.

The arrest of Harvard Professor Henry Louis Gates and the passage of Arizona S.B. 1070 have crystalized the terms of the profiling debate and demonstrate that the combination of race and law enforcement represents a volatile mix across all strata of the minority community. Despite the fact that the majority of law enforcement officers perform their duties professionally and without bias—and we value their service highly—the specter of racial profiling has contaminated the relationship between the police and minority communities to such a degree that Federal action is justified to begin addressing the issue.

When I first introduced the Traffic Stops Statistics Study Act of 1997, the racial profiling issue was relatively straightforward in political terms. Profiling was represented by the classic pretext traffic stop, where an African-American driver was pulled over for a minor traffic violation and then asked for consent to search their vehicle. Today, traffic and pedestrian stops have given way to airport passenger profiles and immigrant sweeps. For that reason, racial profiling legislation has evolved from a simple data collection bill to comprehensive multi-

tiered legislation—including a private right of action and best practice grants—that is designed to address a more complex law enforcement landscape.

As we move forward, I believe it is important to remind Members of just how far we in Congress have come in developing a bipartisan consensus on the racial profiling issue. By September 11, 2001, there was significant empirical evidence and wide agreement among Americans, including President Bush and Attorney General Ashcroft, that racial profiling was a tragic fact of life in the minority community and that the Federal government should take action to end the practice.

Data collected from Ohio, Michigan, Florida, Louisiana, New York, Maryland, Maine, Rhode Island, California, West Virginia, and Oklahoma demonstrated beyond a shadow of a doubt that African-Americans and Hispanics were being stopped for routine traffic violations far in excess of their share of the population or even the rate at which such populations are accused of criminal conduct. Similarly, Justice Department reports found that although African-Americans and Hispanics were more likely to be stopped and searched by law enforcement, they were much less likely to be found in possession of contraband.

Law enforcement officials have similarly evolved in their views. While some still take issue, many in the law enforcement community acknowledge that singling out people for heightened scrutiny based on their race, ethnicity, religion, or national origin has eroded the trust in law enforcement necessary to appropriately serve and protect our communities. Rather than seeking to deny the concerns of minority community advocates, law enforcement officials have joined the effort to create solutions and build trust with their communities. As a result, more than 20 states have passed bipartisan legislation prohibiting racial profiling and/or mandating data collection on stops and searches, in addition to hundreds of individual jurisdictions which have voluntarily commenced to collect data programs.

Congress itself was actually poised to pass racial profiling legislation in the fall of 2001, with the express support of President Bush, before the terrorist attacks changed the legislative paradigm. In the wake of the attacks, however, the Department of Justice promulgated a series of guidelines in 2003 which were designed to end the practice of racial profiling by federal law enforcement agencies. These measures do not reach the vast majority of racial profiling complaints arising from the routine activities of state and local law enforcement agencies. Further, the guidelines provide no enforcement mechanism or methods for identifying law enforcement agencies not in compliance. Consequently, they fail to resolve the racial profiling problem nationwide. In this instance, there is no substitute for comprehensive federal anti-profiling legislation.

The End Racial Profiling Act is designed to enforce the constitutional right to equal protection of the laws by eliminating racial profiling through changes to the policies and procedures underlying the practice. First, the bill provides a prohibition on racial profiling, enforceable by declaratory or injunctive relief. Second, the bill mandates training on racial profiling issues and the collection of data on

both routine and spontaneous investigatory activities, as a condition of receiving Federal law enforcement funding.

Third, the Justice Department is authorized to provide grants for the development and implementation of best policing practices, such as early warning systems, technology integration, and other management protocols that discourage profiling. Finally, the Attorney General is required to provide periodic reports to assess the nature of any ongoing discriminatory profiling practices.

Decades ago, this country made clear through the passage of sweeping civil rights legislation that race should not affect the treatment of individual Americans under the law. When law-abiding citizens are treated differently by those who enforce the law simply because of their race, ethnicity, religion, or national origin, they are denied the basic respect and equal treatment that is the right of every American. With the cooperation of the administration, we have the opportunity to develop a comprehensive approach to eliminating the practice of racial profiling. I hope that we do not miss this historic opportunity to heal the rift caused by racial profiling and restore much of the community's confidence in law enforcement.

HONORING JAMES "JIM" H.
GRIFFIN

HON. JOHN M. SPRATT, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. SPRATT. Madam Speaker, James "Jim" H. Griffin will retire on July 31, 2010, from the South Carolina Farm Bureau Federation after 24 years of dedicated service to the agribusiness community of South Carolina.

Born December 6, 1952, Jim is the youngest of four children. His dad is 91 and still lives at home in Six Mile, South Carolina. His mother, "Sal", passed away last year.

Jim met his wife, Jeanne, on a blind date 37 years ago while she was attending Winthrop University in Rock Hill, South Carolina. Jim convinced Jeanne to transfer to Clemson, where he was studying, and they were married while still in college on June 30, 1973. Their first home was a prefab (tin house) used to house military in World War II. They have two children, Jesse (Charlyn) Griffin of Roanoke, Virginia and Johanna (Rich) Pressley of Indianapolis, Indiana. Jim and Jeanne currently reside at their home in Lexington County, South Carolina.

Jim began his career after college as a teacher, but soon discovered teaching was not his true passion. He then worked in manufacturing and as an association manager until he landed himself at the Farm Bureau in 1983. He did leave the Farm Bureau for a couple of years to work with Habitat for Humanity, which has long been an important cause to him. But the farmers of South Carolina needed him and his love of the agricultural community drew him back to the Farm Bureau.

Jim is now retiring from the position of National Legislative Coordinator—a position that required frequent trips to Washington. He has

worn out many pairs of shoes walking—very rapidly—through the streets of D. C. and halls of Congress leading Farm Bureau members and staff on these visits. I know I speak on behalf of the entire South Carolina Delegation and all those that have had the pleasure of working with him that his warmth, enthusiasm, knowledge and passion for agriculture will be missed both in Washington and in South Carolina.

During Jim's retirement he will enjoy spending more time with his wife and visiting with his children who both live outside of the Carolinas. Jim has long practiced blacksmithing, which he plans to continue, and he will likely pitch in with the backyard chickens his wife Jeanne raises. Jim also has a passion for cooking and hopes that more free time might allow him to cook more often and try new recipes. A man with many hobbies, Jim looks forward to listening to and performing music, particularly bluegrass and old timey tunes. Since the age of 12, Jim has played the harmonica, learning from and being inspired by his blind grandfather who played.

Jim deserves thanks for all the hard work he has done for farming and rural South Carolina. The Farm Bureau will have big shoes to fill. On behalf of the entire delegation, we wish Jim Griffin well in his retirement.

STORY OF ARMENIAN GENOCIDE
SURVIVOR: VARSENİK DEMIRJIAN

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. SCHIFF. Madam Speaker, I rise today to memorialize and record a courageous story of survival of the Armenian Genocide. The Armenian Genocide, perpetrated by the Ottoman Empire from 1915 to 1923, resulted in the death of 1.5 million Armenian men, women, and children. As the U.S. Ambassador to the Ottoman Empire Henry Morgenthau documented at the time, it was a campaign of "race extermination."

The campaign to annihilate the Armenian people failed, as illustrated by the proud Armenian nation and prosperous diaspora. It is difficult if not impossible to find an Armenian family not touched by the genocide, and while there are some survivors still with us, it is imperative that we record their stories. Through the Armenian Genocide Congressional Record Project, I hope to document the harrowing stories of the survivors in an effort to preserve their accounts and to help educate the Members of Congress now and in the future of the necessity of recognizing the Armenian Genocide.

Below are a few of those stories:

Varsenik Demirjian, a Genocide survivor, eventually made her way to Yerevan, Armenia, where she lived in a comfortable, two-story home with her two sons, their wives and six grandchildren.

According to her family, she did not discuss what transpired during the genocide for most of her life. However, in her final years, she found the strength and will to tell her children and grandchildren what happened. Edward Djrbashian, her great grandson,

translated her experiences that took place in Adabazar, Turkey, in 1915:

"I had no idea what the future had in store for me. Yet, my father and mother had heard of what happened to the Armenians in neighboring villages, so they asked our Arabic neighbors to take care of me, just in case something happened. On April 24 of 1915, when I was only five years old, the blood-thirsty Turks invaded our village. Just as my parents predicted, my mother quickly told me to run to the closet and to stay there.

"Panic-stricken, I curled up in the dark closet and in a blink of an eye I heard loud screaming and a loud bang! Out of fear, I dropped the bag of gold coins my mother had given me. The clinking sound alerted the soldier because I heard the clicking of his boots on the hardwood floor coming closer and closer. Thankfully, as he was approaching the closet, one of his superiors called him down and he left the house without finding me. As my eyes closed, I slowly fell asleep.

"After a very long time it seemed, I heard a voice calling, 'Varsenik, Varsenik!'

"The familiar voice comforted me and gave me courage to rush out of the closet.

"My heart sunk when I saw the tears in Hassan's and his wife's eyes.

"I am sorry to be the one to tell you this, but your parents have been murdered," Hassan told me.

"Since that day, my life had never been the same. I lived with Hassan and his wife for a few months. They gave me my own room and fed me well. I didn't mind living with them, but the thought of my parents being dead hurt me greatly. One morning as my eyes just opened, Hassan came running to my room and told me to wear my clothes and quickly hide in the closet. As I did what he said, I heard a knock on the door. It was an American's voice. As I closed the closet door, flashbacks of my mother screaming went through my head. It seemed like only a few moments had passed by, and before I knew it, the closet door swung open. There were two men. One seemed to be an American, and the other was an Armenian. I couldn't resist not answering the questions the Armenian man asked me, and eventually he nicely asked me to pack my belongings because he was going to take me to a Red Cross orphanage in Jerusalem. That was the last time I saw Hassan.

"In the orphanage, I learned to read and write English and Armenian, cook and knit. I made a couple of friends, but none were ever close to me.

"After living in the orphanage for twelve years, my teacher gave me a reason to smile again. She called me up and said, 'You are nearing the age of 18 and I have very good news for you, Varsenik. Your uncle from Greece has somehow contacted our Orphanage and we have agreed to let you decide if you want to leave.'

"Of course, I was grateful for receiving news that would spark a ray of hope in my melancholic life.

"The remaining weeks at the Red Cross orphanage were very delightful, because I knew that in a week or so I would be in a beautiful country, Greece, with people I can call family. As the time approached for me to leave, I thanked everyone in the orphanage house and the teachers for all they had done for me.

"What I found in Athens was my future husband, Hakop, whom I married a few years later. We had three children and our family survived during the harsh times of the WWII era, when the Nazis occupied Greece. Finally

after the war, we decided that it is time to return to our real homeland, Armenia. In 1947, we boarded another ship which took us to Yerevan.

"I knew that this was my very last destination."

HONORING THE LIFE OF FATHER
PAUL LOCATELLI

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Ms. ZOE LOFGREN of California. Madam Speaker, I rise today in memory of Father Paul Locatelli, my friend and one of Silicon Valley's most distinguished and respected figures.

Paul, a member of the Santa Clara community for over half a century, was the President of Santa Clara University for twenty years and, most recently, the school's sitting Chancellor. Paul also served the International Society of Jesus, headquartered in Rome, as Secretary of Higher Education.

Growing up as the middle son on a ranch in the Santa Cruz Mountains town of Boulder Creek, Paul learned the lesson of a service at an early age. He graduated from SCU in 1960 and earned a doctorate in business administration from the University of Southern California in 1971. In 1974 he joined SCU as an accounting professor and that same year he became an ordained priest and earned his master of divinity from the Jesuit School of Theology at Berkeley.

During his Presidency at SCU, he was particularly concerned with concentrating SCU's efforts around themes such as connecting students with the world, increasing student diversity and education for all, and utilizing of Silicon Valley's vast resources. His dedication to the success of SCU clearly led the university to become one of the Nation's preeminent Jesuit Catholic universities.

Fr. Locatelli was a man who brought about positive change with a continued and committed focus on educating students about poverty and injustice. One of his significant accomplishments was creating a program to help students understand poverty by working in urban schools and women's centers in El Salvador.

His unrelenting commitment to ethics and social justice and his desire to help create young leaders with the qualities of competence, conscience and compassion is what I admire him most for. He dedicated his life to creating a more just and understanding world.

Many will remember his tenure at SCU for the buildings he helped build and the thousands of students he loved and helped mentor, but most of all, Paul should be remembered for his commitment to service and making other's lives better. There is no question that his life has touched many and his good works will continue to flourish even in his absence.

Madam Speaker, I ask my colleagues to join me in sending our condolences to Fr. Paul Locatelli's family, his Jesuit brothers and the entire SCU community and in remembering a remarkable public servant, educator and friend.

CONGRATULATING THE PARTICIPANTS OF THE HOUSE FELLOWS PROGRAM

HON. JOHN B. LARSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. LARSON of Connecticut. Madam Speaker, I rise today to congratulate the participants of the House Fellows Program. The House Fellows Program, run by the Office of the House Historian, is a unique opportunity for a select group of secondary education American history and government teachers to experience firsthand the inner-workings of Congress. These educators have demonstrated excellence in the classroom, are dedicated to educating our nation's youth and are truly deserving of our recognition.

One of the goals of the House Fellows Program is to develop curriculum on the history and practice of the House for use in schools. During the program, fellows prepare a brief lesson plan on a Congressional topic of their choosing, which is then shared with the other fellows. These plans will become part of a larger teaching resource database on the House. During the school year following their participation in the House Fellows Program, each Fellow is responsible for presenting his or her experience and lesson plans to at least one in-service institute for teachers of history and government.

The House Fellows Program began in 2006, and since then 75 teachers from across the country have participated in this innovative program.

An additional 45 teachers will be taking part in this summer's program. With plans to select a teacher from every Congressional district over the next several years, the House Fellows Program will impact thousands of high school teachers and their students and will energize thousands of students to become informed and active citizens.

As a former U.S. history teacher, I believe strongly in the importance of civic education. We must continue our efforts to get our youth involved in the political process in districts across the country. Educating teachers about the "People's House" is one of the best ways to do that. I congratulate the following educators who are participating in the 2nd session of this summer's 2010 House Fellows Program:

Ms. Amy Allaire (Olver, MA-01), Ms. Elizabeth Kocharian (Roybal-Allard, CA-34), Mr. Christopher Gill (Maloney, NY-14), Ms. Jacqueline Hilgen (DeGette, CO-01), Mr. Jacob Blum (Fortenberry, NE-01), Ms. Nicole Kaplan (Israel, NY-02), Mr. Curtis Roddy (Hodes, NH-02), Ms. Margaret Lane (Eshoo, CA-14), Mr. Leon Stall (Smith, NE-03), Ms. Cindy Martinez (Eshoo, CA-14), Ms. Shirley Riefenhauser (Hinchey, NY-22), Mr. Darrick Hayman (Larsen, WA-02), Mr. Nick Santana (Filner, CA-51), Ms. Stacie Banks (Franks, AZ-02), Ms. Eleesha Tucker (Holmes Norton, DC-At-Large), and Mr. Ben Snedeker (Tiberi, OH-12).

Madam Speaker, I urge all of my colleagues to join me in thanking the Office of the Historian for sponsoring this program. Thanks to

Dr. Robert Remini and Dr. Fred Beuttler for their outstanding leadership, and Dr. Thomas Rushford, Mr. Anthony Wallis and Mr. Benjamin Hayes for providing the crucial staff support.

Thank you also to the Office of the Historian interns: Ms. Jacqueline Burns, Mr. Michael Karlik, Ms. Madeleine Rosenberg and Ms. Debbie Kobrin.

HONORING THE 15TH ANNIVERSARY OF THE RINGLING BROS. AND BARNUM AND BAILEY CENTER FOR ELEPHANT CONSERVATION

HON. ADAM H. PUTNAM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. PUTNAM. Madam Speaker, I rise to honor the 15th Anniversary of the Ringling Bros. and Barnum and Bailey Center for Elephant Conservation (CEC). This state of the art facility is located on 200 acres in Polk County, Florida—within the 12th Congressional District, which I have the honor of representing.

The Ringling Bros. CEC is a facility dedicated to the research, reproduction, and retirement of Asian elephants. Since this facility opened in 1995, it has tirelessly worked to fulfill its mission to "preserve and sustain the endangered Asian elephant."

In addition to the important care and research performed at the Ringling Bros. CEC, it is also home to the most successful Asian elephant breeding program in the Western Hemisphere. In fact, their most recent calf was just born on April 3, 2010, and is appropriately named April. This calf represents the 23rd Asian elephant birth at the CEC. The U.S. Fish and Wildlife Service granted the Ringling Bros. CEC with F2 status in 2007, which essentially designates the elephants as a self sustaining herd as a result of successful reproduction.

While the ivory trade remains a threat to the Asian elephants, a loss of habitat continues to plague elephant populations throughout south and southeast Asia. Estimates indicate that only about 30,000 Asian elephants live in the wild today. Conservation programs to protect this species are vital and must be supported throughout the world and Ringling Bros. has been among the leaders in advocating and supporting conservation of the Asian Elephant.

I have had the honor of visiting the Ringling Bros. CEC and seeing—first hand—the important work completed and the care provided to these elephants. The success of the Ringling Bros. CEC and the commitment Ringling Bros. maintains to saving Asian elephants has contributed greatly to conservation efforts throughout the world.

I applaud the efforts of the Ringling Bros. CEC and their staff of trained professionals on the remarkable success of this important facility over the last 15 years. The progress they have made in growing the Asian elephant population is remarkable and I am proud that such amazing work is being done within the 12th Congressional District.

I ask my colleagues in the House of Representatives to join me in honoring the Ringling Bros. CEC on their 15th anniversary and the contributions they have made to the conservation of the Asian elephant.

IN RECOGNITION OF THE DAY OF
PRAYER TO BENEFIT THE PEOPLE OF THE GULF COAST

HON. JO BONNER

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. BONNER. Madam Speaker, I rise today to lend my voice in support and recognition of the Day of Prayer to benefit the people of the Gulf Coast, which is scheduled to take place this Sunday, July 18, 2010, in Alabama.

As every Member of the House knows, the April 20th explosion of the BP Deepwater Horizon Oil Rig caused the loss of life of 11 rig workers and is the cause of the largest oil spill in our nation's history. The aftermath and impacts of this disaster will be felt for many years to come. The destruction of the coast and the industries that depend on the coastal fishing and seafood industries as well as the tourism industry, has displaced and caused the loss of jobs and income for hundreds of thousands of families along the Gulf Coast.

Those who are struggling to make ends meet and to provide for their families deserve our thoughtful consideration at this difficult time.

The collective prayers and support of faith based ministries, institutions and congregations, can make a direct difference in the lives of those devastated by the oil spill, by connecting directly with families affected by the disaster.

In this spirit, I urge the people of the United States to pray for a solution to the gulf oil spill, each according to his or her own faith, and to join many in South Alabama who will mark July 18, 2010 as a day of prayer for those suffering in the aftermath of the Deepwater Horizon disaster.

STORY OF ARMENIAN GENOCIDE
SURVIVORS: MARY HASESIAN
AND HER HUSBAND ARTIN
(HAROUTYOUN) SAMANLIAN

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. SCHIFF. Madam Speaker, I rise today to memorialize and record a courageous story of survival of the Armenian Genocide. The Armenian Genocide, perpetrated by the Ottoman Empire from 1915 to 1923, resulted in the death of 1.5 million Armenian men, women, and children. As the U.S. Ambassador to the Ottoman Empire Henry Morgenthau documented at the time, it was a campaign of "race extermination."

The campaign to annihilate the Armenian people failed, as illustrated by the proud Armenian nation and prosperous diaspora. It is

difficult if not impossible to find an Armenian family not touched by the genocide, and while there are some survivors still with us, it is imperative that we record their stories. Through the Armenian Genocide Congressional Record Project, I hope to document the harrowing stories of the survivors in an effort to preserve their accounts and to help educate the Members of Congress now and in the future of the necessity of recognizing the Armenian Genocide.

Below is one of those stories:

Mary Samanlian Poladian's grandmother, Mary Hasesian, married Artin (Haroutyoun) Samanlian when she was 16 years old—it was Artin's second marriage and Mary's first marriage. They were from the city of Marash. From Mary Samanlian Poladian on behalf of her grandmother, grandfather and ancestors:

"My grandfather's first wife had died and left behind an 8-year-old daughter named Siranoush, and a 7-year-old son named Panos. After a year of marriage, my grandmother was already expecting a child.

"One evening, when the French army left the city, the Turkish army armed with knives and axes attacked the city before sunrise. The Armenian people were still asleep. My grandfather and grandmother were awakened by the noises and realized that they should run to safety. They immediately took the children and got out their home to go to the nearby church. On their way, the Turkish soldiers fired at them from far away. Panos cried in pain when one of the bullets struck his leg. His father carried him, and they all continued walking towards the church. Not long after, my grandmother began to feel pain, and she knew she was ready to deliver her baby.

"When they reached the church, my grandmother gave birth to a baby girl who she named Zarouhi. The church was full of people, and sadly my grandmother and grandfather lost each other. During this time, she also found out that Lutfia and Gulen, two of the nine sisters, had been burned alive in the furnace with their husbands and children. With no sign of her husband, she carried her baby and asked her husband's son and daughter to hold her skirt as they walked out of the church with the rest of the people.

"Now, they had to walk from Marash to Aleppo (Syria). The weather was cold and it began to snow. They ate snow when they felt hungry. It was a long way and they were exhausted. Panos's pain was not subsiding as well. Eventually, they all made it to Aleppo, where they joined other Armenian refugees. An Armenian priest sent them, as well as three other Armenian women and their children, to Damascus by train. In Damascus, they lived together in an old house.

"One day, some Armenians and Americans came and took the children to the orphanage. My grandmother was devastated. As time passed by, good news sparked a ray of hope in her life. Three years later, there was a knock on her door, and guess who it was? My grandmother fell on the ground unconscious when she saw her husband standing in front of the home. After she absorbed what had happen, he told her that he had been looking for them for a long time, and was told by some relatives that they had heard of them coming to Aleppo. He immediately brought back his children from the orphanage, and they went to Beirut where my father Georgie was born. Years later, they were also blessed with two daughters.

"They named their two daughters Lutfia and Gulen in memory of my grandmother's

sisters who lost their lives during the Armenian Genocide."

HONORING JAMES L. MARTIN,
PRESIDENT "THE 60 PLUS ASSOCIATION"

HON. TODD TIAHRT

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. TIAHRT. Madam Speaker, I rise to honor a man who has fought for the honor of millions of Americans.

Jim Martin has a distinguished track record of public service that began as an United States Marine from 1953–1958. He then went on to have a successful career in politics and journalism. In 1992, Jim founded "the 60 Plus Association" an organization that has become an influential voice for seniors all across the nation. Jim has been a fierce advocate for all issues facing seniors, especially the solvency of Social Security, energy independence and the "Death Tax."

Jim has been the voice of our nation's seniors in Washington, reminding Congress of the importance of taking action to ensure Social Security is able to meet the needs of seniors who depend on the program, while at the same time ensuring our children and grandchildren have the same opportunity for a retirement safety net. Grandparents are just as concerned with their grandchildren's future as with their own welfare.

Over the past year, Americans have been feeling additional strains on their budgets with the increased energy prices—this is especially true for seniors. The increase in energy prices has a burdening effect upon those with fixed incomes who struggle to pay bills and are too often forced to make difficult choices between food, medicine and transportation costs. Jim knows and understands their concerns and has been a leading proponent for energy security.

Jim has also led the charge against one of the most egregious taxes in our tax system, the estate tax. Jim is credited for reframing the debate over the estate tax by renaming the tax to the more appropriate term, the "Death Tax." As a result of this tax, a business that has been in a family for generations can be lost overnight because of the enormous burden of the death tax. When a business leaves its family roots, there is a loss of pride in the fundamental traditions that helped make the business successful. This is not the legacy parents want to leave their children and grandchildren.

On behalf of all Americans, I want to thank Jim Martin for his service to our country. On behalf of our nation's seniors, I want to thank Jim and the 60 Plus Association for their efforts to ensure the solvency of our Social Security system, protecting seniors against rising energy costs, and permanently eliminating the "Death Tax."

TRIBUTE TO WILLIAM "BILL"
GWATNEY

HON. MARION BERRY

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. BERRY. Madam Speaker, I rise today to pay tribute to the life and work of Bill Gwatney, a public servant, faithful husband and father, and a true Arkansan, who worked tirelessly as the State Chair of the Arkansas Democratic Party, and previously as a State Senator for 10 years. He was a man dedicated to public office, and is sorely missed by many. It is my humble request that we stand and recognize the life and work of Mr. William Gwatney.

Over the past two decades, Bill Gwatney served the public good of Arkansas in one position or another. From 1993 to 2002, Bill served as an Arkansas State Senator, and also served as the financial chair for Mike Beebe's run for Governor in 2006. In 2008, he also received the honor of being selected as a superdelegate for the 2008 Democratic National Convention. When he was not directly involved in Arkansas politics Mr. Gwatney owned and managed three successful car dealerships.

Bill was also honored by the University of Arkansas at Little Rock Athletic Department, who posthumously inducted him into their Hall of Fame.

Bill was respected and loved by many as a man who appreciated integrity and honesty in his business, as well as in his personal life. Throughout his rise as a politician and successful businessman, Bill maintained a sense of humor, humility, passion, and respect for others that was magnetic to those around him.

I wish Bill's family the deepest condolences for their loss, and hope they can find some comfort in the thought of what a powerful and positive impact Bill's personality had on those he met, and those that carry his memory on. He has left an indelible mark on the state of Arkansas, and I ask today of my fellow colleagues that we stand and honor the legacy of Mr. William Gwatney.

REMEMBERING JOHN J. HORGAN

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. KILDEE. Madam Speaker, it is with great sadness that I rise today and pay tribute to a good friend, John "J.J." Horgan. J.J. passed away on Monday, July 12th in Saginaw, Michigan, at the age of 72.

Born in New York, J.J. served in the U.S. Navy and the U.S. Air Force. He moved to Bridgeport Township and was active in the community. He served as Chair of the Bridgeport Festival Committee, the Bridgeport United Community Task Force, and as Director of the Bridgeport Area Chamber of Commerce. He was a longtime volunteer, member and past Chairman of the Saginaw County Democratic Party. J.J. was an active member of St. Chris-

topher Catholic Church. He functioned as the President, past Treasurer and member of the Administration Commission and he served as the President of the Men's Club.

He ran for a seat on the Bridgeport Board of Trustees and he was a candidate for the 95th Michigan House of Representatives when he was diagnosed with cancer. After having won two battles against cancer in 2001 and 2007, J.J. was upbeat until he succumbed to the disease. He leaves behind to treasure his memory his wife, Geri, his daughter, Frances, sister, Maureen, brother, William, a large extended family and numerous friends. J.J. touched many lives and everyone has fond memories of his kindness, his intelligence and his decency.

Madam Speaker, I ask the House of Representatives to rise with me and take a moment to remember John "J.J." Horgan. He was a thoughtful, kindhearted, forthright man, full of enthusiasm for life, his family, his church, his community and his country. I valued his friendship and wisdom, and I will miss his cheerfulness, his integrity and his optimistic spirit.

TRIBUTE TO WOODY LAUGHAN

HON. JIM COSTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. COSTA. Madam Speaker, I rise today to honor the life and outstanding career of Mr. Woody Laughnan.

For over 20 years, Woody contributed his wit, intelligence, and passion to the Fresno Bee and our community. His work was widely read by the people of our Valley, and his regular column reflected his own personal biography while informing so many of our daily lives.

Born in 1924, Woody was a Montana native who served in World War II. He dedicated his career to the printed word, and his work in the newspaper industry took him from the Martinez News-Gazette to the Paso Robles Press. Along the way, Woody worked as a reporter, an editor, an advertising salesman, and a publisher.

The Fresno Bee and its readers were lucky enough to land Woody in 1967. His Around Here column became a mainstay of its pages, and the stories and wisdom he passed along touched so many in our Valley. While Woody's column ended in 1989, I can still remember opening the Bee and turning to the latest edition of Around Here.

Outside of work, Woody was dedicated to his family and helping those in need. His charity over the years was remarkable and he will be remembered by his generosity and compassion.

Madam Speaker, my thoughts and prayers are with Woody's family and friends as we honor the life of an individual who contributed so much to our Valley.

RESOLUTION SUPPORTING THE
ENERGY AND CLIMATE PART-
NERSHIP OF THE AMERICAS

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. ENGEL. Madam Speaker, I rise to introduce a resolution to support the Energy and Climate Partnership of the Americas. This resolution focuses on an initiative launched by President Obama in Port of Spain, Trinidad during the Summit of the Americas in April 2009. The President called on all governments to join him in an Energy and Climate Partnership of the Americas (ECPA) to address the common challenge of securing reliable or affordable access to energy.

Many countries like Brazil, Mexico, Chile, Colombia, and El Salvador responded to the President's invitation and are working in a variety of efforts to promote energy efficiency, fight climate change and increase energy access. What makes ECPA stand out is that it's not a U.S.-led or wholly U.S.-financed initiative but a collaborative and flexible process for moving the hemisphere forward on issues of energy security. As Secretary of State Hillary Clinton has called it, ECPA is like "Facebook," any country "can start an initiative and invite others to join and countries can be part of as many initiatives as they choose." ECPA helps strengthen energy security by encouraging energy alternatives and by letting governments share best practices and expertise about what policies and technologies can help them meet their national objectives.

This resolution highlights the valuable work that ECPA does to strengthen energy security in the Western Hemisphere. Under ECPA, some of the more than 2,000 Peace Corps volunteers serving in this Hemisphere will be trained in renewable energy and energy efficiency efforts to educate their host communities and implement small-scale renewable energy projects. Another ECPA initiative in Central America addresses the issue of the regional power grid. Six Central American countries have been working for many years to interconnect their power grids in order to reduce power blackouts. With U.S. assistance under ECPA, these countries can address some of the last regulatory hurdles to trade power in a regional market once their grids are interconnected.

The resolution also notes the important role played by other countries under ECPA. Brazil is leading an effort to encourage sustainable and energy efficient low-income housing, and promote urban development and planning. Mexico will lead an energy efficiency working group, while Costa Rica and Peru have created energy efficiency centers. Trinidad and Tobago and Chile are developing renewable energy centers to promote sustainable energy practices in the region.

Once again, Madam Speaker, I am pleased to introduce this resolution supporting the Energy and Climate Partnership of the Americas. The Energy and Climate Partnership of the Americas bolsters energy security, reduces energy poverty and encourages low carbon growth in the Western Hemisphere. This resolution also encourages the efforts of the

United States government to expand collaboration to other countries in Western Hemisphere as well as promoting active participation by the private sector and civil society. I urge my colleagues to strongly support this resolution.

HONORING THE HONORABLE
DOLPH BRISCOE, JR.

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Ms. EDDIE BERNICE JOHNSON of Texas. Madam Speaker, I rise today to express condolences and celebrate the life of a true Texas hero and my friend, The Honorable Dolph Briscoe, Jr. His legacy is one that is admired by people from all political backgrounds and influences across the state of Texas.

With family roots running back to an original signatory of the Texas Declaration of Independence, former Governor of Texas Dolph Briscoe, Jr. had in his blood to serve the citizens of this great state. Also the son of a cattle rancher, he never lost his humility though he amassed fortune, land and political fame known to few. As a freshman member of the House of Representatives in 1972 when Governor Briscoe took helm of the state, I came to admire the quiet dignity and authority by which he led the way for laws that would protect and enhance the rural Texas farm and agricultural way of life.

A man of few words, his actions reflected his dedication to the State and the preservation of its history and its history makers. He was a great supporter of the University of Texas at Austin, and in 2008 was aptly honored as the namesake of the UT Center for American History. He has been quoted as saying, "I firmly believe that we cannot really understand the present without knowledge of the past." Mr. Briscoe was not only a dedicated public servant but also a caring family man. I was fond of his wife Janey, who passed in 2000, and respected their devotion to their family.

It would be difficult to describe Texas without including the great impression made by Governor Briscoe. He will be missed. A man of cowboy hats and boots, Mr. Briscoe was a true native son. I urge my colleagues to join me in mourning the loss and celebrating the life of Mr. Dolph Briscoe, Jr.

THE FAMILY OF SIMON SAKO
SIMONIAN: SURVIVORS OF THE
ARMENIAN GENOCIDE

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. SCHIFF. Madam Speaker, I rise today to memorialize and record a courageous story of survival of the Armenian Genocide. The Armenian Genocide, perpetrated by the Ottoman Empire from 1915 to 1923, resulted in the death of 1.5 million Armenian men, women,

and children. As the U.S. Ambassador to the Ottoman Empire Henry Morgenthau documented at the time, it was a campaign of "race extermination."

The campaign to annihilate the Armenian people failed, as illustrated by the proud Armenian nation and prosperous diaspora. It is difficult if not impossible to find an Armenian family not touched by the genocide, and while there are some survivors still with us, it is imperative that we record their stories. Through the Armenian Genocide Congressional Record Project, I hope to document the harrowing stories of the survivors in an effort to preserve their accounts and to help educate the Members of Congress now and in the future of the necessity of recognizing the Armenian Genocide.

Below is one of those stories:

FROM SIMON SAKO SIMONIAN, AN ARMENIAN MAN, ON BEHALF OF HIS FATHER, NERSES, AND GRANDPARENTS, JOHNNY AND GOLANBAR

"My Grandfather, Johnny, and my Grandmother, Golanbar, lived in Orumieh, a city in Iran close to the Turkish border. They had been blessed with four children (one of them named Nerses, my Father). My Grandfather was a well-educated and knowledgeable person. He was fluent in more than 12 languages, as well as one of the few people at that time who was able to properly and accurately translate and describe the Bible. He was a respected man—a religious man devoted to God. He was so highly respected that whenever the Consul of the U.S. would go there, he would always request to meet with my Grandfather.

"During the Armenian Genocide, the Shah (King) of Iran was a very weak person; therefore the Turks were able to enter Iran and do the mass killing and elimination of Armenians and Christians in that area.

"One day, during the dark years of the Armenian Genocide, a group of Turkish soldiers knocked on my Grandfather's door. One of the Turkish soldiers told my Grandfather that they were going to kill him and that he should speak now or never if he had any requests. My Grandfather said that his only wish is for them to let him pray just one more time. He was allowed to step forward to the courtyard for his prayer. As soon as he raised his hands towards the sky to God to start his prayer, he was shot and killed from behind.

"He was shot and killed from behind, without a single word of prayer being spoken from his lips. They also killed my Grandmother.

"The four children, one of them being Nerses, were hiding. When this occurred, they fled out and joined the crowd in the street running away as fast as they could. All four children ranged anywhere from 10 to 16 years old. During this time, my father, Nerses, caught a severe cold since he was out in the cold for 20 to 25 days. Orumieh is cold, especially during the time of this occurrence. However, my father was soon taken in and cared for by the Presbyterian Church in Iran, where he was cared for a few years.

"Sadly, he was still not feeling well, and soon developed a kidney malfunction. In 1929, regardless of his fragile state, he married Sophia, the love of his life in Masjed Suleiman, which is a city located in the southwest region of Iran.

"My father passed away at the young age of 38, when I was only two years old. He left behind his written testimony—his terrifying and heartbreaking memories of the Armenian Genocide. This is why I can share all this with you today."

STORIES OF ARMENIAN GENOCIDE

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. SCHIFF. Madam Speaker, I rise today to memorialize and record a courageous story of survival of the Armenian Genocide. The Armenian Genocide, perpetrated by the Ottoman Empire from 1915 to 1923, resulted in the death of 1.5 million Armenian men, women, and children. As the U.S. Ambassador to the Ottoman Empire, Henry Morgenthau documented at the time, it was a campaign of "race extermination."

The campaign to annihilate the Armenian people failed, as illustrated by the proud Armenian nation and prosperous diaspora. It is difficult if not impossible to find an Armenian family not touched by the genocide, and while there are some survivors still with us, it is imperative that we record their stories. Through the Armenian Genocide Congressional Record Project, I hope to document the harrowing stories of the survivors in an effort to preserve their accounts and to help educate the Members of Congress now and in the future of the necessity of recognizing the Armenian Genocide.

Below is one of those stories:

SUBMITTED BY KATIA KUSERIAN, WHOSE MOTHER IS 95 YEARS OLD AND ALSO CONTRIBUTED BY PROVIDING DETAILS INCLUDED IN THE FOLLOWING STORIES

"Here are some of the many stories I have heard from my parents.

"My first story: In 1915, my father's parents were killed, and my father, Hovannes, became an orphan. My father was from Tigranakert. A Turkish woman adopted him and he lived in that family. He had to go to the fields every morning to work. His stepmother's older son rode a horse and my father always had to run to keep up with the horse. And every morning the young Turkish boy repeated to my father asking: 'What are you going to do geavour, if I kill you.' My father did not answer. Eventually my father's stepmother told my father that one day her son will kill him for sure. She finds a way to send my father to Syria.

"This is how my father stayed alive. When we talk about kind Turks, I think we should not forget that the main purpose was to assimilate the orphans, so it was half kindness.

"My second story and my third story are about my grandmother—mother's mother—Armaveni. She was born in Ichmee (a village) and got married to Serovbe Beylerian and moved to Ortagyoukh. Both villages are in Keyvee, which was a small county near Adabazar near Istanbul. The county of Keyvee had five villages—Ichmee, Ortagyoukh, Knjelar, Kurdpelenk and Partizak.

"My second story: During the deportation from their village, Ichmee, near the city of Adabazar, the Turks forced my grandmother's father, Voskan, to do his natural needs—of course there was no toilet—in front of his children and daughters-in-law to humiliate him, and before he finished, they pushed and kicked him in his back. Later on they were killed and only some of the children, including my grandmother, escaped.

"My third story: Gayanee, the survivor in this story, was from Ortagyoukh. My grandmother Armaveni and Gayanee met in Romania after the Genocide. A group of Armenians were tied up with ropes and shot.

Among them, one young girl named Gayanee survived. After the shooting, at night, long-bearded men with curved swords—yataghans—came to check if anyone from that group was still alive. They were slashing the bodies with their swords to ensure no one would stay alive. Gayanee managed to crawl under the dead bodies and covered herself with them. Fortunately, they did not notice her. After the Turks left, she crawled out and ran. She had no food or water. Even though Gayanee escaped and remained alive, she was spiritually handicapped and later died at a young age after developing TB.

“I never had grandparents from my father’s side. They were all killed by Turks. I hope their souls will rest in peace.”

PERSONAL EXPLANATION

HON. TODD TIAHRT

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 2010

Mr. TIAHRT. Madam Speaker, on July 13th, I missed three rollcall votes numbered 434,

435, and 436 because I was unavoidably detained in Kansas.

Rollcall No. 434 was a vote on H.R. 4514, the Colonel Charles Young Home Study Act. Had I been present I would have voted “no.”

Rollcall No. 435 was a vote on H.R. 4438, the San Antonio Missions National Historical Park Leasing and Boundary Expansion Act of 2010. Had I been present I would have voted “no.”

Rollcall No. 436 was a vote on H.R. 4773, the Fort Pulaski National Monument Lease Authorization Act. Had I been present I would have voted “aye.”

SENATE—Monday, July 19, 2010

The Senate met at 2 p.m. and was called to order by the Honorable MARK R. WARNER, a Senator from the Commonwealth of Virginia.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Eternal Father, who withholds no good gift from those who walk uprightly, help our Senators this day to do Your will. Give them the grace to speak prudently when they must speak and to learn by listening and study. Inspire them to be unafraid of the difficult decisions, determined to act according to Your will, as they leave the consequences to Your providence.

Lord, awaken them to their accountability to You, for our lives and for the leadership of this Nation. Reward their faithfulness with peace of mind and joyfulness of spirit.

We pray in Your merciful Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable MARK R. WARNER led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. INOUE).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 19, 2010.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable MARK R. WARNER, a Senator from the Commonwealth of Virginia, to perform the duties of the Chair.

DANIEL K. INOUE,
President pro tempore.

Mr. WARNER thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. REID. Mr. President, following any leader remarks, there will be a pe-

riod of morning business until 3 p.m., with Senators permitted to speak for up to 10 minutes each. Following morning business, the Senate will resume consideration of the small business jobs bill. There will be no rollcall votes during today's session of the Senate.

At 2:30 p.m. tomorrow, there will be a cloture vote with respect to H.R. 4213, which is legislation extending unemployment insurance benefits.

As a reminder, at 2:15 p.m. tomorrow, Carte Goodwin will be sworn in as Senator from West Virginia. I had an opportunity to meet with him an hour ago, and a wonderful young man he is. He has a beautiful wife with the unusual name of Rocky, but she is 8 months pregnant—a beautiful woman. They have a child, and they are looking forward to the new baby coming in the middle of August.

This week I wish to complete action on several legislative items that I have spoken to the Republican leader about, including unemployment insurance extension, small business jobs, and the emergency supplemental appropriations bill.

MEASURE PLACED ON THE CALENDAR—H.R. 5712

Mr. REID. Mr. President, I am of the belief that H.R. 5712 is due for a second reading.

The ACTING PRESIDENT pro tempore. The clerk will read the title of the bill for the second time.

The legislative clerk read as follows:

A bill (H.R. 5712) to provide for certain clarifications and extensions under Medicare, Medicaid, and the Children's Health Insurance Program.

Mr. REID. Mr. President, I object to any further proceedings on this legislation at this time.

The ACTING PRESIDENT pro tempore. Objection is heard.

The bill will be placed on the calendar.

EMERGENCY UNEMPLOYMENT INSURANCE

Mr. REID. Mr. President, when millions of Americans lost their jobs, they did not just lose a place to go to work in the morning; they lost their incomes, their savings, and their retirement security. They lost their tuition payments. Many lost their homes. They lost their gas money, their grocery money, and many other things—all of this through no fault of their own.

I am not talking about a handful of people in isolated corners of this coun-

try. I am talking about millions of Americans from every one of our States. To so many of them, unemployment is not just a temporary inconvenience. For far too many, it is an unending emergency.

As the front page of today's New York Times reports—and it is the same in newspapers all over the nation—40 percent of the unemployed in this country have been out of work for 6 months or longer. They are trying to understand why at this pressing moment—when jobs are harder to come by than at any other time in recent history—Congress cannot get its act together to extend emergency insurance, as we have always done with bipartisan backing for decades.

Well, part of the reason is that many on the other side do not see this as an emergency. They look at a crisis for families' budgets and see an opportunity for their political fortunes. They think when unemployment goes up, so do their poll numbers.

Some even think that the unemployed enjoy being out of work. That is why one of the top Republicans in the Senate called unemployment assistance a "disincentive for them to seek new work" and voted three times in recent weeks against extending it.

Another senior Republican Senator said these Americans—people who want nothing more than to find a new job—"don't want to go look for work." And then he, too, voted "no" three times.

A third senior Republican Senator, who, like his colleagues, has time and again stood in the way of addressing this emergency, justified it by saying—listen to this quote—"We should not be giving cash to people who basically are just going to blow it on drugs." That is a direct quote.

My constituents take offense at these absurd allegations, and they have let me know about it time and time again. They have written or called, sent me e-mails. They have pulled me aside when I have been home to talk to me about this.

One of these e-mails came to me last week from Las Vegas, where unemployment is now 14.5 percent. Statewide it is 14.2 percent. This man's name is Scott Headrick. He wrote me, and you can hear in the e-mail his anger. It is sad. He is one of 2.5 million Americans who, because of Republicans' objections, is no longer getting the unemployment help he needs. This is what Scott Headrick wrote to me:

I've been unemployed since July 2008 and have not been able to obtain a position at a supermarket packing groceries. I've been religiously seeking, searching and applying for

work without any luck. I have since left my family in Las Vegas, a wife and five children, to look for work in other states and again, without any luck.

Scott mentioned the Senators making these outrageous claims and demanded that they, in his words:

apologize to those Americans truthfully looking for work to support their families. . . . I and my family have already lost everything but each other.

Scott is right. The twisted logic we have seen in the unemployment debate is not just appalling or heartless, though it is certainly both of those things. It is also factually wrong.

First, there is only one open job in America for every five Americans desperate to fill it. So no one should be so crass as to accuse anyone of being unemployed by choice—especially not those same lawmakers whose irresponsible policies over the past decade created the very crisis that collapsed the job market in the first place.

Second, unemployment insurance works. It helps our economy recover. Mark Zandi, who was JOHN MCCAIN's economic adviser when he ran for President, calculated that every time \$1 goes out in unemployment benefits, \$1.61 comes back into the economy. The Congressional Budget Office has estimated that number could actually be as high as \$2, meaning we double our investment in helping the unemployed.

If you think about it, it makes sense. Nobody is getting rich off the \$300 unemployment check they get each week. And nobody keeps those checks under his mattress. These Americans turn around and spend the money. They immediately pay their bills, go to the store, keep up with their mortgage payments, which stimulates the economy. They spend it on the basics and bare necessities while they look for work. The money goes right back into the economy, which strengthens it, fuels growth, and ultimately lets businesses create the very jobs the unemployed have been looking for, for so long.

The people we are trying to help want to find work. They are trying to find work, and they would much rather get a paycheck than an unemployment check.

Nevadans such as Scott Headrick, who lost his job 2 years ago this month, and who has tried tirelessly to find a new one, is just one of millions who needs our help. Democrats are not going to turn our backs on him. He sends out resumes and goes to job interviews, but for months and months he has heard nothing but "no." What a shame it is that he is hearing the same from the Republicans in the Senate on this issue.

Mr. President, will the Chair announce the business for the day.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to a period of morning business until 3 p.m., with Senators permitted to speak therein for up to 10 minutes each.

Mr. LEAHY. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SECURING THE PROTECTION OF OUR ENDURING AND ESTABLISHED CONSTITUTIONAL HERITAGE ACT

Mr. LEAHY. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 460, H.R. 2765.

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 2765) to amend title 28, United States Code, to prohibit recognition and enforcement of foreign defamation judgments and certain foreign judgments against the providers of interactive computer services.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Securing the Protection of our Enduring and Established Constitutional Heritage Act" or the "SPEECH Act".

SEC. 2. FINDINGS.

Congress finds the following:

(1) The freedom of speech and the press is enshrined in the first amendment to the Constitution, and is necessary to promote the vigorous dialogue necessary to shape public policy in a representative democracy.

(2) Some persons are obstructing the free expression rights of United States authors and publishers, and in turn chilling the first amendment to the Constitution of the United States interest of the citizenry in receiving information on matters of importance, by seeking out foreign jurisdictions that do not provide the full extent of free-speech protections to authors and publishers that are available in the United States, and suing a United States author or publisher in that foreign jurisdiction.

(3) These foreign defamation lawsuits not only suppress the free speech rights of the defendants to the suit, but inhibit other written speech that might otherwise have been written or published but for the fear of a foreign lawsuit.

(4) The threat of the libel laws of some foreign countries is so dramatic that the United Nations Human Rights Committee examined the issue and indicated that in some instances the law of libel has served to discourage critical media reporting on matters of serious public interest, adversely affecting the ability of scholars and journalists to publish their work. The advent of the internet and the international distribution of foreign media also create the danger that one country's unduly restrictive libel law will affect freedom of expression worldwide on matters of valid public interest.

(5) Governments and courts of foreign countries scattered around the world have failed to curtail this practice of permitting libel lawsuits against United States persons within their courts, and foreign libel judgments inconsistent with United States first amendment protections are increasingly common.

SEC. 3. RECOGNITION OF FOREIGN DEFAMATION JUDGMENTS.

(a) *IN GENERAL.*—Part VI of title 28, United States Code, is amended by adding at the end the following:

"CHAPTER 181—FOREIGN JUDGMENTS

"Sec.

"4101. Definitions.

"4102. Recognition of foreign defamation judgments.

"4103. Removal.

"4104. Declaratory judgments.

"4105. Attorney's fees.

"§4101. Definitions

"In this chapter:

"(1) *DEFAMATION.*—The term 'defamation' means any action or other proceeding for defamation, libel, slander, or similar claim alleging that forms of speech are false, have caused damage to reputation or emotional distress, have presented any person in a false light, or have resulted in criticism, dishonor, or condemnation of any person.

"(2) *DOMESTIC COURT.*—The term 'domestic court' means a Federal court or a court of any State.

"(3) *FOREIGN COURT.*—The term 'foreign court' means a court, administrative body, or other tribunal of a foreign country.

"(4) *FOREIGN JUDGMENT.*—The term 'foreign judgment' means a final judgment rendered by a foreign court.

"(5) *STATE.*—The term 'State' means each of the several States, the District of Columbia, and any commonwealth, territory, or possession of the United States.

"(6) *UNITED STATES PERSON.*—The term 'United States person' means—

"(A) a United States citizen;

"(B) an alien lawfully admitted for permanent residence to the United States;

"(C) an alien lawfully residing in the United States at the time that the speech that is the subject of the foreign defamation action was researched, prepared, or disseminated; or

"(D) a business entity incorporated in, or with its primary location or place of operation in, the United States.

"§4102. Recognition of foreign defamation judgments

"(a) *FIRST AMENDMENT CONSIDERATIONS.*—

"(1) *IN GENERAL.*—Notwithstanding any other provision of Federal or State law, a domestic court shall not recognize or enforce a foreign judgment for defamation unless the domestic court determines that—

"(A) the defamation law applied in the foreign court's adjudication provided at least as much protection for freedom of speech and press in that case as would be provided by the first amendment to the Constitution of the United States and by the constitution and law of the State in which the domestic court is located; or

“(B) even if the defamation law applied in the foreign court’s adjudication did not provide as much protection for freedom of speech and press as the first amendment to the Constitution of the United States and the constitution and law of the State, the party opposing recognition or enforcement of that foreign judgment would have been found liable for defamation by a domestic court applying the first amendment to the Constitution of the United States and the constitution and law of the State in which the domestic court is located.

“(2) **BURDEN OF ESTABLISHING APPLICATION OF DEFAMATION LAWS.**—The party seeking recognition or enforcement of the foreign judgment shall bear the burden of making the showings required under subparagraph (A) or (B).

“(b) **JURISDICTIONAL CONSIDERATIONS.**—

“(1) **IN GENERAL.**—Notwithstanding any other provision of Federal or State law, a domestic court shall not recognize or enforce a foreign judgment for defamation unless the domestic court determines that the exercise of personal jurisdiction by the foreign court comported with the due process requirements that are imposed on domestic courts by the Constitution of the United States.

“(2) **BURDEN OF ESTABLISHING EXERCISE OF JURISDICTION.**—The party seeking recognition or enforcement of the foreign judgment shall bear the burden of making the showing that the foreign court’s exercise of personal jurisdiction comported with the due process requirements that are imposed on domestic courts by the Constitution of the United States.

“(c) **JUDGMENT AGAINST PROVIDER OF INTERACTIVE COMPUTER SERVICE.**—

“(1) **IN GENERAL.**—Notwithstanding any other provision of Federal or State law, a domestic court shall not recognize or enforce a foreign judgment for defamation against the provider of an interactive computer service, as defined in section 230 of the Communications Act of 1934 (47 U.S.C. 230) unless the domestic court determines that the judgment would be consistent with section 230 if the information that is the subject of such judgment had been provided in the United States.

“(2) **BURDEN OF ESTABLISHING CONSISTENCY OF JUDGMENT.**—The party seeking recognition or enforcement of the foreign judgment shall bear the burden of establishing that the judgment is consistent with section 230.

“(d) **APPEARANCES NOT A BAR.**—An appearance by a party in a foreign court rendering a foreign judgment to which this section applies shall not deprive such party of the right to oppose the recognition or enforcement of the judgment under this section, or represent a waiver of any jurisdictional claims.

“(e) **RULE OF CONSTRUCTION.**—Nothing in this section shall be construed to—

“(1) affect the enforceability of any foreign judgment other than a foreign judgment for defamation; or

“(2) limit the applicability of section 230 of the Communications Act of 1934 (47 U.S.C. 230) to causes of action for defamation.

“§4103. Removal

“In addition to removal allowed under section 1441, any action brought in a State domestic court to enforce a foreign judgment for defamation in which—

“(1) any plaintiff is a citizen of a State different from any defendant;

“(2) any plaintiff is a foreign state or a citizen or subject of a foreign state and any defendant is a citizen of a State; or

“(3) any plaintiff is a citizen of a State and any defendant is a foreign state or citizen or subject of a foreign state, may be removed by any defendant to the district court of the United States for the district and division embracing the place where such action

is pending without regard to the amount in controversy between the parties.

“§4104. Declaratory judgments

“(a) **CAUSE OF ACTION.**—

“(1) **IN GENERAL.**—Any United States person against whom a foreign judgment is entered on the basis of the content of any writing, utterance, or other speech by that person that has been published, may bring an action in district court, under section 2201(a), for a declaration that the foreign judgment is repugnant to the Constitution or laws of the United States. For the purposes of this paragraph, a judgment is repugnant to the Constitution or laws of the United States if it would not be enforceable under section 4102 (a), (b), or (c).

“(2) **BURDEN OF ESTABLISHING UNENFORCEABILITY OF JUDGMENT.**—The party bringing an action under paragraph (1) shall bear the burden of establishing that the foreign judgment would not be enforceable under section 4102 (a), (b), or (c).

“(b) **NATIONWIDE SERVICE OF PROCESS.**—Where an action under this section is brought in a district court of the United States, process may be served in the judicial district where the case is brought or any other judicial district of the United States where the defendant may be found, resides, has an agent, or transacts business.

“§4105. Attorneys’ fees

“In any action brought in a domestic court to enforce a foreign judgment for defamation, including any such action removed from State court to Federal court, the domestic court shall, absent exceptional circumstances, allow the party opposing recognition or enforcement of the judgment a reasonable attorney’s fee if such party prevails in the action on a ground specified in section 4102 (a), (b), or (c).”

(b) **SENSE OF CONGRESS.**—It is the Sense of the Congress that for the purpose of pleading a cause of action for a declaratory judgment, a foreign judgment for defamation or any similar offense as described under chapter 181 of title 28, United States Code, (as added by this Act) shall constitute a case of actual controversy under section 2201(a) of title 28, United States Code.

(c) **TECHNICAL AND CONFORMING AMENDMENT.**—The table of chapters for part VI of title 28, United States Code, is amended by adding at the end the following:

“181. Foreign judgments 4101.”

Mr. LEAHY. Mr. President, I ask unanimous consent that the committee-reported substitute amendment be agreed to, the bill, as amended, be read a third time and passed, the motions to reconsider be laid upon the table, with no intervening action or debate, and any statements related to the bill be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The committee amendment in the nature of a substitute was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The bill (H.R. 2765), as amended, was passed.

Mr. LEAHY. Mr. President, today the Senate has passed important bipartisan legislation to reduce the chilling effect that foreign libel lawsuits are having on Americans’ first amendment rights.

I am the son of printers and I consider this a matter of great impor-

tance. My parents told me from the time I was a child: Believe in and uphold the first amendment. It is the basis of our democracy. It guarantees us the right to practice any religion we want or none if we want. And it protects the right of free speech. Those protections guarantee diversity. If you have a constitution that guarantees diversity, you guarantee a democracy.

That is what this does. I wish to thank Senator SESSIONS, the ranking member of the Senate Judiciary Committee, for working with me on this bill.

Let me speak a little bit about what the bill does. The Securing the Protection of our Enduring and Established Constitutional Heritage Act or, as we call it, the SPEECH Act, will ensure that American courts will not enforce foreign libel judgments from countries where free speech protections are lower than what our Constitution affords against American journalists, authors, and publishers.

Too frequently, foreign plaintiffs bring libel suits against American writers and publishers in countries where the plaintiff or the publication lacks any significant connection to the foreign forum. The lawsuit is brought there because of that foreign country’s weaker plaintiff-friendly libel laws. This is known colloquially as libel tourism.

In other words, if somebody in the United States writes a book, probably very accurate, about some despot or some leader of a country who has done criminal acts, has stolen the property of that country or any one of a number of things—it could be very accurate and, in our country, truth is a defense—what they will do is maybe order online a couple copies of the books and deliver them to another country with weak libel laws and then seek judgments against the author, against the publisher, against newspapers that may have published excerpts of it; everything to chill any criticism of those who have either breached human rights or stolen from their own country and on and on.

On a broad scale, libel tourism results in a race to the bottom. It causes America to defer to a country with the most chilling and restrictive free speech standard determining what they can write or publish. This undermines our first amendment. The first amendment, as I said earlier, guarantees the diversity of thought and opinion in this country which actually allows and determines and guarantees that democracy.

The freedoms of speech and the press are cornerstones of our democracy. They enable vigorous debate, and an exchange of ideas that shapes our political process. Reporters, authors and publishers are among the primary sources of these ideas, and their ability to disseminate them through their

writings is critical to our democracy. The broad dissemination of materials through the Internet, as well as the increased number of worldwide newspapers and periodicals, has compounded the threat of libel tourism.

This problem is well documented. Two years ago, the United Nations' Human Rights Committee observed that one country's libel laws "discourage[d] critical media reporting on matters of serious public interest, adversely affect[ed] the ability of scholars and journalists to publish their work," and "affect[ed] freedom of expression worldwide on matters of valid public interest."

Several States, to their credit, have enacted legislation to combat this problem, but we need a national response. While we can't legislate changes to foreign laws that are chilling protected speech in our country, what we can do to uphold the right of free speech in our own country is assure that our courts do not become a tool to uphold foreign libel judgments that undermine American first amendment or due process rights. The SPEECH Act is an important step toward reducing this chilling of American free speech.

The SPEECH Act is an important step toward reducing this chilling of American free speech. Americans have a great gift in their right of free speech. Every single Senator, Republican and Democratic, should join, as we have in this case, to protect America's rights.

The SPEECH Act is the product of hard work and extensive negotiations on both sides of the aisle, and the process is certainly mindful about principles of international comity. Many supporters would not have written this bill in this exact way, but all recognize that a bipartisan compromise is an important step in confronting the libel tourism issue. Without it, we could not pass this bill.

Among the supporters are the Vermont Library Association, former Attorney General Michael Mukasey, the former Director of the Central Intelligence Agency, James Woolsey, the American Library Association, the Association of American Publishers, the Reporters Committee for Freedom of the Press, the American Civil Liberties Union, Net Coalition, and renowned first amendment lawyer, Floyd Abrams.

I would also like to recognize Dr. Rachel Ehrenfeld, Director of the American Center for Democracy, who herself has been the victim of a libel suit in the United Kingdom, and has been a tremendous advocate for Congressional action in this area.

I wish to thank Senators SPECTER, SCHUMER, and LIEBERMAN for their work in raising this important issue in the Senate and Representative COHEN for his hard work on libel tourism leg-

islation in the other body. I am pleased the Senate has adopted this bipartisan legislation. I look forward to its prompt consideration and adoption by the House and to the President signing it into law.

Mr. President, I do not see anybody else seeking recognition, so I will suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

SMALL BUSINESS LENDING FUND ACT OF 2010

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of H.R. 5297, which the clerk will report by title.

The assistant legislative clerk read as follows:

A bill (H.R. 5297) to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

Pending:

Reid (for Baucus/Landrieu) amendment No. 4402, in the nature of a substitute.

Reid amendment No. 4403 (to amendment No. 4402), of a perfecting nature.

Reid amendment No. 4404 (to amendment No. 4403), of a perfecting nature.

Reid amendment No. 4405 (to the language proposed to be stricken by amendment No. 4402), to change the enactment date.

Reid amendment No. 4406 (to amendment No. 4405), of a perfecting nature.

Reid motion to commit the bill to the Committee on Finance with instructions, Reid amendment No. 4407 (to the instructions on the motion to commit), in the nature of a substitute.

Reid amendment No. 4408 (to the instructions (amendment No. 4407) of the motion to commit), to change the enactment date.

Reid amendment No. 4409 (to amendment No. 4408), of a perfecting nature.

Mr. SESSIONS. Mr. President, I ask unanimous consent that I be allowed to speak as in morning business.

The PRESIDING OFFICER (Mr. KAUFMAN.) Without objection, it is so ordered.

KAGAN NOMINATION

Mr. SESSIONS. Mr. President, I wish to speak on a very serious issue relating to the confirmation of Solicitor

General Elena Kagan for the Supreme Court of the United States. As I was preparing for her hearings, I noted what struck me as a disturbing decision she had made as Solicitor General shortly after taking that position, in a case called *Witt v. Department of the Air Force*. In that case, a former member of an Air Force Reserve unit in Washington State sued the government to challenge the "don't ask, don't tell" law, which essentially says openly homosexual persons may not serve in the U.S. military. The case was dismissed by the district court, and the military was allowed to proceed with its policy. But when it was appealed to the Ninth Circuit, that very liberal court of appeals overturned the district court and said the case should go to trial and announced an unworkable legal test that the lower court must apply and that the government would have to meet for the "don't ask, don't tell" statute to survive constitutional challenge.

After that unprecedented ruling, the Solicitor General's Office, then manned by the Bush administration personnel, immediately authorized an appeal to the full Ninth Circuit, en banc, and the government asked the full court to take a look at it and overturn the three-judge panel. The full court of appeals declined to do so, over strong objections from several judges on the Ninth Circuit who thought their colleagues had clearly gotten the case wrong. In fact, the First Circuit in the Northeast had already reached a different conclusion in a very similar case, and had upheld the statute.

At that point, the government could have appealed the Ninth Circuit decision to the Supreme Court, as I think the Solicitor General's Office clearly was on track to do. First, they sought en banc review, and then they would seek interlocutory appeal to the Supreme Court. But as it happened, by the time the case was ripe for appeal, the Obama administration had come into office and Ms. Kagan had become Solicitor General. She was now head of the office that makes this decision on whether to take cases to the courts of appeals or, if necessary, to the Supreme Court; the office that is charged with the great responsibility of defending before the Supreme Court the statutes passed by the United States Congress. Of course, don't ask, don't tell is a congressional statute, not a policy of the military. So it fell to her to decide whether to take the case to the Supreme Court. She refused.

I practiced law for 20 years—15 as part of the Department of Justice, as a U.S. attorney for 12 years—and I think I can make some commonsense evaluation of the judgments the lawyers made in this litigation. Ms. Kagan, at the time she made this decision, had only been Solicitor General—had only served in the Department of Justice—for 6 weeks or so.

As I analyzed what I think happened, I asked some serious questions about why this Solicitor General failed to follow through on what appeared to be the direction of her predecessor. And I was struck by the distinct possibility that Ms. Kagan did not fulfill this fundamental responsibility of her office, which is to defend the statutes of the United States regardless of her personal policy views. So at the time of her confirmation hearing, just a couple of weeks ago, I asked her about this case and the facts that led up to it. I asked her to explain the decision, and I deliberately intended to give her time to explain it. Well, she took time, using notes for about the only time I saw in the hearing, and talked uninterrupted for about 10 minutes to explain how it was that she made the decision.

At the end of it, I thanked her for her answer and noted that I was going to have to review this because what she had done did not make good sense to me. I have to make a judgment. I am a Senator. I have to know whether the person who is being considered to sit on the highest Court of the land with a lifetime appointment—could serve 30, maybe 40 years on the Court—whether they understand that officeholders have duties and responsibilities that they cannot just fail to discharge, that they must do?

So I have conducted an examination, and I must say I am very troubled by what I have found about this case. I think the record shows that Ms. Kagan did not, in fact, fulfill her responsibilities in a good way and in a faithful way as Solicitor General and that she, in effect, violated a specific promise she made to the Judiciary Committee when she testified under oath during the hearing on her nomination a year or so ago to be Solicitor General. She had to be confirmed then and came before the committee.

Before I go further, I wish to provide some background. It is widely known by many that Ms. Kagan is personally opposed to don't ask, don't tell. She has been opposed to it for some time. While she was dean at Harvard, she blocked the military recruiters from the campus career services office because of her opposition to don't ask, don't tell. She called don't ask, don't tell "a moral injustice of the first order." She spoke at a protest of students who protested while a military recruiter was in the next building, and she changed the Harvard policy from admitting recruiters to the career services office to denying them admittance, without legal authority, contrary to the law Congress passed and on which I worked, to force universities to treat our military men and women who come to recruit on their campus with the same dignity and respect as they would treat anyone else from some law firm who makes millions of dollars. At the recent hearing

she openly admitted to me that her views remain the same about this statute.

When she came before the committee for the position of Solicitor General, she was specifically asked about this in written questions, in light of her strong opposition to this law. Congress passed three or four versions of the Solomon Amendment to finally require that colleges and universities treat our military on an equal basis, and some were forced to do so or lose Federal funding. She was specifically asked, in light of her strong opposition to this law, whether she would be able to defend it as the job of Solicitor General would require. This was not a mystery. We knew this matter was coming up through the courts of appeals and would be coming before the Solicitor General.

She was flatly asked: If you are going to take this job, as you have been opposed to this statute, will you defend it as you are lawfully required to do? Only the Solicitor General can represent the U.S. in the Supreme Court. If the Solicitor General does not defend an act of Congress, who will? There is no one else. So it was a good question.

She promised the committee under oath that she would, and she said that her "role as Solicitor General would be to advance not my own views but the interests of the United States." Correctly stated.

She went on to say that she was fully convinced that she could "represent all these interests with vigor, even when they conflict with my own opinions." She said her general approach to suits challenging a Federal law would be to make any "reasonable arguments that could be made in its defense," and this would include "challenges to the statute involving the don't ask, don't tell policy."

A pretty specific promise. It was an important promise. I am sure had she not made that promise, even more people would not have voted for her confirmation.

She went on to say that she would "apply the usual strong presumption of constitutionality to that law as reinforced by the doctrine of judicial deference to legislation involving military matters."

As I mentioned earlier, it just so happened that immediately after she was confirmed it fell her lot to defend this very statute that she personally strongly opposed but that she had promised she would vigorously defend. She was given the opportunity to appeal to the Supreme Court from that terrible decision out of the Ninth Circuit, which refused to uphold don't ask, don't tell, and which ordered the military to go to trial in the middle of a war to justify the law under a newly-invented legal standard.

Faced with that choice, Ms. Kagan refused to appeal, decided to let the

Ninth Circuit decision stand, and allowed this case to be sent back down to go through a trial. Clearly, to me, the military's interest was to have the issue decided as a matter of law—that this is a lawful policy and that they were empowered to carry it out in a lawful manner.

When I asked Ms. Kagan at her Supreme Court hearings recently why she blocked the Supreme Court review of the Witt case, she gave three reasons in her long answer. Some may have thought she gave a brilliant dissertation. She had notes, and she went through a long discussion.

First, she said she concluded, after conferring with her colleagues, that it would be better to wait to appeal to the Supreme Court until after the trial, because a trial would build a better factual record of the case. She said once the facts were better developed, the government might be in a better position before the Supreme Court.

Second, she said that allowing the case to go back to the district court would help the government in a future appeal because it would be able to show the Supreme Court just how invasive and "strange" were the demands of the Ninth Circuit that were being placed on the government in defense of the law.

I will say one thing: The Ninth Circuit demands were, indeed, strange and were utterly unworkable, as I will show.

Third, she said an appeal in the Witt case would have been "interlocutory," that is, an appeal before the case had come to an end and before a final judgment had been rendered in the case. The Supreme Court prefers not to hear these kinds of appeals.

None of these explanations are credible. It is true that appellate courts, including the Supreme Court, prefer to hear appeals at the end of the case rather than in the middle, but that is a decision the Court can make for itself. It is not something the Solicitor General has to decide on the Court's behalf. And that consideration was clearly outweighed in this case.

I will note parenthetically that when the Third Circuit ruled on the Solomon Amendment, which required Harvard and other law schools to allow the military equal access to recruit on campus, they took that as an interlocutory appeal and reversed the Third Circuit. That is exactly what should have been done here. The government had asked for an interlocutory appeal to the Supreme Court from the Third Circuit ruling that affected Harvard, and the Supreme Court agreed. It was a legal question, ripe for decision, and they decided the case. That is what should have happened.

Here we already had a split among the courts of appeals on this question. The First Circuit had already ruled as a matter of law for the government.

The Ninth Circuit ruling squarely conflicted with the First Circuit, and it was also at odds with decisions from four other circuits on similar principles. Here we also had an opinion from the Ninth Circuit that presented clean questions of law—an opinion that had dramatically altered the legal landscape in 40 percent of the United States, because the Ninth Circuit encompasses 40 percent of the United States, and that was proposing to subject the military to an invasive trial process, while fighting a war, to defend the application of a nationwide military policy to an individual person.

Ms. Kagan's second explanation—that letting the case go to trial would allow the government to show just how painful a trial would be—cannot be given serious consideration. The Ninth Circuit opinion was very clear about what the government would have to show in order for the don't ask, don't tell law to survive this lawsuit. In other words, one didn't have to go through all these steps at the lower court and show how dramatically disruptive it would be. The Court had set forth explicitly what would happen. It is easy to show the Supreme Court why this is not a workable approach.

The Ninth Circuit made it very clear in their opinion that the government was going to have to justify the application of don't ask, don't tell to this specific plaintiff—not justify the law in general but to justify its application to this specific plaintiff—to prove that this specific plaintiff was going to harm the military if she were allowed to remain in the Air Force. It was also clear that such a trial was going to be disruptive to the military and that it would harm the unit cohesion Congress had set out to protect when it passed the don't ask, don't tell law in 1994.

I am not alone in reaching this conclusion. Her predecessors in the Department of Justice and in the Solicitor General's Office, the office she took over, also knew the court orders did not make sense. That is why they immediately asked the full Ninth Circuit to reconsider en banc the three-judge panel's ruling when it first came down in 2008.

They said in their brief that the Ninth Circuit decision “creates an inter-circuit split.” That means the First Circuit had held differently. The Ninth Circuit held a different way. We had a split of circuits which is something the Supreme Court considers when they decide to take a case.

They went on to say it created “a conflict with Supreme Court precedent, and an unworkable rule that cannot be implemented without disrupting the military.”

The Ninth Circuit's decision, they went on to say, made the constitutionality of a Federal law setting military policy for the entire Nation “depend on case-by-case surveys, taken by

lawyers, of the troops in a particular plaintiff's unit.” They went on to say that immediate review was “needed now to prevent this unprecedented and disruptive process.” That is exactly correct. The lawyers who made that argument were clearly correct.

Most importantly, Ms. Kagan's decision to send this case back for trial and not appeal doesn't make any sense because she knew a trial was going to be massively disruptive to the military. I have studied the record of the case on remand to the district court, and I have seen what has been going on since it was sent back to be tried on an individual plaintiff basis. The lawyers for the government are struggling to defend the law under these difficult circumstances. From the very first hearing before the district court, these lawyers, career lawyers, professionals in the Department of Justice, are asking the court not to allow discovery, not to allow the plaintiff to depose the soldiers and plow through all these issues in the military unit.

Here is what the career attorney for the Department of Justice said at the first hearing before the district judge after the case went back down for this trial:

If we commence with discovery into the specific facts of this case by looking at what unit members think, we are threatening—we are jeopardizing the unit morale and cohesion . . . that the Ninth Circuit said the government—the military—has an important government interest in.

So the military is in a bit of a catch-22. By proceeding to discovery, we may well have to sacrifice our important government interest.

Remember, Ms. Kagan told the Judiciary Committee—she told us just a few weeks ago—that “building a factual record” would be good for the government's case. Remember? I just went through that. That is what she said—it would be good. We would have a better prospect on appeal somehow. Here, the career lawyers trying to defend the military are saying that building a factual record is bad for the government because the discovery process will threaten the military's interest in unit cohesion.

As a matter of fact, I will say as an aside that I think it is quite clear that if the Ninth Circuit theory of law were to be upheld, the “don't ask, don't tell” policy would be put in the situation where it would be difficult, if not impossible, to enforce because everybody dismissed under that policy would then be able to have a big trial. It could go on, as this one has, for months, and they would be able to call all the unit members to ask their opinion about what they thought about this, that, and the other, even about their personal sexual activities, perhaps. This is not a practical solution. It is bad for the government. How Ms. Kagan could now say it would be good for the case, I do not know.

So clearly the career lawyer is right. The plaintiff in this case, who is rep-

resented by lawyers from the ACLU, has asked for and received access to the personnel records of the plaintiff's military unit. So now the ACLU has the personnel records of the entire unit, it appears. They have demanded depositions with other soldiers who served with the plaintiff before she was separated from the military. They have demanded the right to interview soldiers about their private lives, their personal views of their former colleague, and their private thoughts about sexuality.

The district court has wrongly, I believe—well, I will just say it this way: The district court has allowed it at every turn because the district court says this is the only way to answer the questions the Ninth Circuit ordered them to answer before a person could be dismissed under this provision of law.

But this is not just a case of bad—astonishingly bad—legal judgment. I do not think Ms. Kagan accidentally sent her client, the U.S. Air Force, into a litigator's lion's den. I do not think it was an accident. I believe she understood this was going to happen and, for some reason, she wanted it to happen.

In the very first hearing the district judge held after Ms. Kagan refused to appeal to the Supreme Court and the case was sent back for trial, the plaintiff's lawyers argued they needed to get all this discovery in the case, and they made a very interesting statement to the district judge. They said this:

[T]he government just doesn't want any discovery. I have heard that message from the government clearly—loud and clear. [We] were asked to meet with the Solicitor General of the United States in April, and we heard that message loud and clear that discovery is a big problem; but we never heard any specifics as to why, and it boils down to they don't like the Ninth Circuit's decision.

So apparently back in April 2009, Ms. Kagan acknowledged what I think is indisputable: that discovery of this kind, where soldiers are deposed and asked about their personal views and activities, would be disruptive to the military and bad for her client, the Air Force. That is just undisputable. She was the Solicitor General then and acknowledged that.

Her decision to block an appeal to the Supreme Court was finalized in May of 2009. So before she made that decision, it does appear Ms. Kagan met with the opposing counsel in the case—the ACLU lawyers—and told them that “discovery is a big problem.” In other words, she told these ACLU lawyers for the other side, who were trying to attack the military policy, that developing a factual record in this case would be bad for the government. But she told us at the committee that she thought it was going to be good for the government.

She knew in April of 2009 that a trial would be harmful to the interests of her client, but she made sure the case

went back for a trial anyway. She knew that discovery would be harmful to the government's interests, but she told the Judiciary Committee, just 2 weeks ago, under oath, that she decided not to allow an appeal to the Supreme Court because she thought "it would be better to go to the Supreme Court with a fuller record" that would be developed at trial.

I do not know how to reconcile her testimony with the record in the case. I do not think it can be reconciled.

During this nomination process, I have expressed my concern about Ms. Kagan's record as a political lawyer—someone who has advanced a specific agenda as an adviser in the White House and someone who says she was "channeling" the Justice she clerked for on the Supreme Court when she encouraged him not to hear certain cases because she did not think a majority of the Court would rule the way she and her boss would like. But I do think this big decision she made as Solicitor General is, in many ways, more concrete proof—and from just a few months ago—of the reason for our concerns that this nominee will have difficulties, and maybe find it impossible, to set aside her political views and decide cases objectively and fairly.

Faced with the hard task and the solemn responsibility of defending the laws of the United States—after having promised the Judiciary Committee under oath that she would be able to uphold that responsibility, even as to this specific law she personally opposes—I am forced to conclude that Ms. Kagan did not live up to that promise and did not fulfill a solemn duty of the Solicitor General of the United States.

This is not a statute, in my view, that is likely to be overturned by the Supreme Court. In fact, we know the law's opponents, in another case, did not want to see their case be appealed to the Supreme Court. Why? They felt they would lose, in my opinion.

Let me talk about duty. Maybe that is a bit old-fashioned today. But Ms. Kagan should not have had to make a promise before the committee that she would defend this law. It is a duty of every Solicitor General to defend the laws of the United States, whether they like them or not, whether they think it is a good idea or not. Who cares what they think? They have a responsibility. They are confirmed to a position high in the Department of Justice—the position that empowers her to appear before the Supreme Court and state the position of the United States. Indeed, the Solicitor General's job has often been called the greatest lawyer job in the world. Why? Because the Solicitor General has the honor to stand before those Justices and say: I represent the United States of America. What greater honor can someone have than that, to represent this great Nation before the Nation's highest Court? Much is expected of them.

So I say she did not have to make a promise to defend this statute. It was her duty, whether she liked it or not. And it does appear—I do not see how we can draw any other conclusion—that she did not like this law and that her strategy in the case was to not get a definitive Supreme Court ruling on the constitutionality of the statute and to allow these proceedings to be dragged out in lower court and to maybe influence Congress as to whether it repeals this act. I do not know. Certainly, she despised this law. She opposed it. She wrote briefs at Harvard attacking the Solomon amendment that said that Harvard Law School had to give the military equal treatment on campus and that access could not be denied simply because she did not agree with don't ask, don't tell, which is what she was doing at Harvard.

The result of her decision showed she was willing to allow the ACLU to prowl through the our airmen and soldiers in units throughout the Ninth Circuit—covering over 40 percent of America—turning those units upside down, harming the discipline and order of those units and damaging to the military. I do not see how it can be considered otherwise.

I think it was an abdication of her duty. We are Senators here. We are elected. We have one vote. And I know our nominee was articulate and had good humor and many thought she did very well with her testimony. I was not so impressed. But I do believe you have to fulfill your duty and your responsibility, particularly after you have explicitly promised to do so with regard to this specific case, and defend the law even when it runs contrary to one's own personal views.

What if the person is now confirmed to the bench for 30, 35 years? If she were to serve as long as the judge she is replacing, I think she would serve 38 years on the Supreme Court. We have to know before they are launched forth on the Court that the nominee has the ability and the character and the integrity to defend the legal system in a proper and effective way.

This nomination is further complicated by the fact that our nominee has no experience in the real practice of law. Our nominee has never tried a case, never stood before a jury, to my knowledge, never cross-examined a witness in a trial. She never had to deal with a judge who is not feeling good, maybe irritable one day, or dealing with lawyers on the other side who are clever and tough. That is something you learn. She has never been a judge. Well, they say, that is not necessary; some great judges haven't been judges. Of course, that is true, but she has never been a judge or a real lawyer. That bothers me. Then when I see the kinds of things I am seeing here, it makes me pause, frankly. I hope all of my colleagues will look at this and take it seriously.

There are other examples of positions taken by this nominee as Solicitor General and at Harvard that are very troubling. I think the evidence shows a lack of a clear understanding of the importance of the rule of law in our country. President Obama has said he wants judges with empathy. I don't know what he means by empathy. That is not a legal standard. It is something other than law. It is more akin to politics or bias than law. He has said he wants a nominee who will demonstrate that they, in the course of their duties, will have a broader vision for what America should be. Does that mean a judge gets to manipulate the meanings of words in statutes and in our Constitution to promote this vision that they have? Were they elected to promote any vision? I don't think so. I think a judge should be a neutral umpire who puts on that robe to evidence a commitment to impartiality and call the facts of the case as they see them, faithfully following the law and faithfully finding the facts of the case. That is what a judge is all about.

I am very concerned that our nominee, whose background has been more political. Her testimony to me was too much akin to White House spin than to a clear and intellectually honest explanation of what the law and facts are in complicated situations. I didn't feel good about it. Maybe others did, but I did not.

So those are concerns I have. I hope my colleagues will specifically look at the don't ask, don't tell matter. I think it raises questions about whether the nominee should be confirmed.

I yield the floor and note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REED. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNEMPLOYMENT INSURANCE BENEFITS

Mr. REED. Mr. President, we are seeing over the last 12 months a slow recovery in our job market. In the last 6 months, we have seen that accelerate but not sufficiently to reduce unemployment to anything comparable to a full employment economy. This year, so far, however, we have generated 600,000 jobs in the private sector. That is in sharp contrast to January of 2009 when President Obama took office and when we were losing 700,000 jobs a month. But despite this improvement in the job market, we have a long way to go.

It is particularly troubling to be, once again, anticipating the vote tomorrow on the extension of unemployment benefits. These benefits lapsed weeks ago. Meanwhile, millions of Americans are without access to unemployment funds—the insurance funds

they paid each week out of their daily wages for the time they hoped would never come but has come—that they could rely upon for some support as they look for work.

In Rhode Island, the unemployment rate is 12 percent—absolutely horrendous. We are seeing more and more of this unemployment being long term, not a temporary situation. Nearly half—45.5 percent—of those unemployed have been out of work for more than 6 months, and in those 6 months, the excess savings one might have, the ability to cut a few corners to make it week by week, are less and less effective in simply keeping the lights on and keeping the family together. Then when you take away the unemployment compensation, people are, frankly, becoming desperate.

Yet many on the other side are completely indifferent to this. They say it is not their problem. Well, it is their problem. It is our problem. If we cannot do this, then we are failing in a basic function which is to provide support for Americans in crisis, and that is what we must do. People are looking for work. The average individual has been looking for work for 35 weeks. That is almost a year, or a big part of a year. Yet, in the midst of this economic downturn—with 14.6 million unemployed Americans—my colleagues on the other side have forced us to go through procedural hoops to get a vote on an unemployment compensation extension.

The Senate has failed on three occasions to pass this extension. It is not because there is not a majority of Senators who want to, but because procedurally, we need 60 votes to end debate and vote on the measure. We have let this program lapse for short periods and now it has been lapsed since June 2, and that is unacceptable. There is no other word for it other than obstruction—stopping something that has been done routinely on a bipartisan basis in every major job recession in this country in our lifetime. This should be a simple bipartisan endeavor.

George W. Bush had a period of time where we had a recession in the job market and we, on a bipartisan basis, extended unemployment insurance. There were no repeated delays, stretching it out, only 2-month extensions or 3-month extensions to be considered. It was done because we had to help Americans who needed the help and who had contributed to the fund through their unemployment compensation insurance. We have never failed to extend unemployment compensation while the unemployment rate was at least 7.4 percent. Today, if your State has 7.4 percent, you are in recovery. You are in great shape. We have 12 percent in Rhode Island. If I go around the country, there are too many States such as Rhode Island, with 10, 11, 12 percent unemployment. The national unemploy-

ment rate is 9.5 percent. So this is an historical anomaly. We have routinely, on a bipartisan basis, extended unemployment compensation as long as the unemployment rate has been at least 7.4 percent. But now, in the midst of a much worse national economic crisis, most of my colleagues are simply indifferent to it. I am hopeful tomorrow we will rally at least two who recognize the need to respond to the needs of their constituents.

We have extended it for much longer periods of time than the current period. In the 1970s, under Presidents Ford and Carter—again, through two Presidents, one Republican, one Democrat—3 years and 1 month of extended unemployment benefits. In the 1980s under President Reagan, yes, we extended unemployment compensation benefits without paying for it under Ronald Reagan on a bipartisan basis to help Americans for 2 years and 10 months. In the 1990s, under President Bush, George Herbert Walker Bush and President Clinton, 2 years and 6 months. So we are hardly at the point where these benefits have gone on so long that they are intolerable.

Again, routinely we have done this on a bipartisan basis, Republican Presidents, Democratic Presidents, Republican Congresses, Democratic Congresses. What I would argue has changed is our colleagues on the other side. Now we are going through another procedural vote and at the end of the day, on the final merits, this could pass by 75, 80, 90 votes, because no one wants to be accused of not extending unemployment benefits. But this whole procedural strategy of delay after delay after delay effectively has denied millions of people not just the dollars, which are important, but the small sense of security that they can rely on these funds, that there is someplace they can get help. In Rhode Island, the average weekly benefit is \$360. They can get roughly \$360 a week to feed their family, to provide for the essentials in life. When that is stripped away, they lose more than just \$360; they lose the sense that there is anything out there that is going to help.

Beyond this procedural delay, some of my colleagues are arguing: Well, the reason we don't want to give unemployment compensation is it is a disincentive to work. I say \$360 a week is not a disincentive for people to work who have worked all of their lives, making much more than that, who are desperate to work. The reality is that for every worker unemployed today who is out there looking around, there are not the jobs. In fact, there are five unemployed workers for every available job. This is not a situation where they are sort of sifting through and saying, Well, I don't like that work; that is too far for me to go. Talk to your neighbors, as we all do. They will take almost anything to get back in

the workforce, and just to make more than, in Rhode Island, \$360 a week. So that argument is disingenuous, but it has been raised here as if it is the gospel. It is not.

We are in a deep economic crisis. Most of it is the result of policies that my colleagues enthusiastically supported: deep tax cuts to benefit, because of the nature of the income tax, the wealthiest Americans; more than low-income Americans. Two wars unfunded. In fact, I think this is probably the first time in the history of this country where we cut taxes in a time of war rather than trying to pay for these wars. The largest expansion of an entitlement program—Medicare Part D—in the history of the country since the 1960s, unpaid for. I could go on and on and on. That has led to a myriad of other policies—lax regulation; inattention to the lack of innovation in our country; the looking on as other countries such as China and others have taken bold steps in terms of infrastructure construction; the development of new technologies, including alternate energy and high-speed electric rail transportation—the Bush administration sort of casually tended to ignore it.

I don't think anything indicates clearly the priorities of that side and this side. We have been struggling for months to try to pass an extension of unemployment compensation, but being told we have to pay for it. In the same breath, our colleagues say, But we have to extend the Bush tax cuts, including the estate tax cuts, without paying for them. We can't help people struggling to find work with \$360 a week, but we can help multibillionaires with their estate taxes. I would argue that if you want to invest in productivity in America, help working people get jobs and work, and they will pay their taxes, they will work hard, they will contribute to the community.

Now we have to deal with the deficit, but the notion that the \$34 billion we are talking about today in unemployment compensation is going to rank with the \$3.28 trillion that these Bush tax extensions will cost the country it is not even apples and oranges. Literally and ideologically we can't pay for tax cuts, yet the deficit is the most important problem we face. It doesn't make sense, and it particularly doesn't make sense to Americans who are out there desperately looking for work.

Again, when you look at where this deficit came from, I remember in the 1990s when we stood up as Democrats without any Republican help and passed an economic program that resulted in not only deficit reduction but a \$236 billion surplus. It resulted in not only economic growth but strong employment growth through the nineties.

When President George W. Bush took office, he was looking at a significant projected surplus. He was looking at

solid employment numbers and a growing, expanding economy. In the 8 years he was in office, he took that surplus and not only turned it into a deficit, but he increased the national debt more in 8 years than had been done in the previous history of the country. Then, again, to have my colleagues on the other side suddenly discover that deficits are important—it wasn't important enough for them in the nineties to stand with us and vote to reduce the deficit, balance the budget, and raise the surplus. It wasn't important enough for them in the Bush administration, which adopted programs and policies to undercut that fiscal stability and put us into a precipitous economic collapse—and now it is important.

It is important, but when we talk about this issue of unemployment compensation, it is central to this debate. Robert Bixby, president of the Concord Coalition, which has been, throughout the years, one of the most consistent in terms of fiscal responsibility, put it well when he said:

As a deficit hawk, I wouldn't worry about extending unemployment benefits. It is not going to add to the long-term structural deficit, and it does address a serious need. I just feel like unemployment benefits wandered onto the wrong street corner at the wrong time, and now they are getting mugged.

That is what is going on. They are mugging a program the American people need. It is close at hand. It can invoke this notion of responsible deficit reduction. Where was all this responsible deficit reduction talk when they were proposing Medicare Part D, which is a huge benefit to the pharmaceutical industry—without any payments, a lot of expensive entitlement, which adds to the structural deficit, because year in and year out, when you get to be 65 years old, you qualify for Part D.

Unemployment benefits are countercyclical—people pay into it, it builds up the trust funds in the States, and then when you meet a point at which you need it, it should be there. It should be there now.

The other point that is important to make is, for every dollar of unemployment benefits there is \$1.90 of economic activity. This is a stimulus measure too. At a time when we are seeing a fragile recovery, we need to put more muscle behind the recovery. Not only are we giving people a chance to make ends meet, when they take their unemployment compensation and other resources and go into the marketplace, it provides an increase in economic activity.

In fact, if we don't have increased economic activity, there is a danger this recovery will be very slow—painfully slow—and that would be unfortunate, because what we measure in terms of economic recovery is measured in American families by the opportunities to send their children to

school, the opportunities to provide more for their families. If that is inhibited over months and months, then those who suffer are the American families.

There are other aspects of this. For example, the Joint Economic Committee estimated that by the end of 2010—this year—290,000 unemployed disabled workers—these are people who work but have a disability—will exhaust their benefits. If these individuals choose to drop out of the labor market and go onto the Social Security disability rolls, go through the process of being qualified and approved for disability, over the lifetime, this could result in \$24.2 billion in costs, contrasted to the \$721 million this year that this group would receive in extended benefits.

It is a simple sort of issue. Do we want to keep people in the workforce—at least keep them looking for work with unemployment benefits—or do we want them to say: I will give up and declare that I can't work again, and I will go see if my disability can be covered by Social Security disability insurance and, for the rest of my life, I will collect my Social Security disability, even though I would really like to work. That is another aspect of this problem.

We have a challenge tomorrow, when we greet our new colleague from West Virginia, to stand and extend unemployment benefits. Once again, if we look at history, this should have been done weeks ago on a strong, bipartisan basis, putting aside the relative politics of the moment and concentrating on what we should do for the American people. Tomorrow we will have a chance to do that, and I hope we do.

With that, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Ms. LANDRIEU. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Louisiana.

Ms. LANDRIEU. Mr. President, I wish to speak for about 5 or 10 minutes—not very long—about an important matter before the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. LANDRIEU. Mr. President, I am joined by my colleague from Oregon, Mr. MERKLEY, who has been a wonderful supporter of the small business package and as a member of the Banking Committee has been very instrumental in the shaping of the jobs bill 3, the small business package, that we will be debating and hopefully voting on this week.

I wish to say first that I appreciate all the work the members of the Small

Business Committee have done, both Ranking Member SNOWE and all the members of the committee, as well as the members of the Finance Committee who worked very hard to put a package together and the work that has come from the White House and Treasury to build a package that is paid for, fiscally responsible, and meaningful for small business in America.

There are many important pieces of the package, but one of the most significant in this very tough time for small businesses, Mr. President, which you know because I am sure you hear from your small businesses in Delaware, is that they would like some tax relief, if possible. They understand we are in a deficit. They understand it is difficult to provide tax relief, it is also difficult to cut spending, but they would like to see us respond with some targeted tax cuts to small business.

This package, I am happy to say, that Leader REID will be presenting in the next 24 to 48 hours has \$12 billion in targeted, specific tax cuts for small businesses in America, from accelerated depreciation to zero capital gains for investments made in small businesses in the next year, incentives to invest, not in the big businesses, not in the businesses on Wall Street but in the businesses that are on Main Street in all our States and all our towns, whether they be large cities or smaller cities or tiny villages throughout, whether it is Delaware or Louisiana, Texas or New York I am pleased a centerpiece of this legislation is targeted, substantial tax cuts for business.

The other very interesting piece of this bill is a whole series of things on which the small business community has worked together in a very bipartisan fashion for strengthening programs within the SBA, the Small Business Administration; it is not a very big agency, it is a small agency, but it can be muscular. If it is provided the right tools and with the right shaping of those muscles, it can be actually very effective in lifting small businesses to a better place.

With Senator SNOWE's help and support, we have managed to come out with several provisions, one of which is the doubling of the loan limits for the 504 and 7(a) programs, which together have the potential to leverage about \$30 billion in lending. We have reduced the fees—eliminated the fees, actually, for banks. We have increased the guarantee from 75 percent to 90 percent. We have expanded the amount of loans, the limit, people can ask for to provide greater access to capital. It is widely popular with the small business associations, and we have their broad support.

Again, small businesses in America have seen their credit lines shrinking or evaporated. They have seen their credit card companies charging higher

interest rates and demanding full payment on outstanding balances.

It is important for us to recognize that this recession is not going to end without some businesses hiring again. They do not hire on wishes and prayers. They hire on bottom-line finances and the hope that things will get better. Both are important—bottom line finances, access to capital, and the hope that things will be better. That is what this bill brings—bottom line support and hope that things can be better.

That is a big portion of our bill. Included in that is a very important component of increasing exports. When people say in the surveys: We need to increase demand, I agree. One way we can increase demand is to open exporting opportunities for our small businesses.

I do not have it with me, but I have used it many times, a chart that shows only a small sliver that represents small businesses that export. Most of our products are exported and services sold by big companies. When people say to me: Senator, what can the Federal Government do to help open markets or to give us more customers, one thing we can do is to strengthen programs at the Federal level and the State level that give technical assistance and support for our small businesses to export. It is very important to Senator SNOWE. It is very important to Senator LEMIEUX from Florida. It is very important to Senator KLOBUCHAR from Minnesota, who has been a great advocate for this provision for exports, and others as well. That is in the bill.

The final piece I am going to speak about—and then I will turn it over to the Senator from Oregon, who has worked so hard on this particular proposal—is, in addition to the \$12 billion in tax cuts targeted for small businesses in America, in addition to the strengthening of the SBA direct lending programs that are so important to so many colleagues on both sides of the aisle, there is a \$30 billion lending program to small businesses. It is not a government program but a private sector-based lending program, using the great and powerful network of our community bankers. Not our big banks, not the Wall Street banks, not the hedge fund managers about whom we have heard so much—usually bad—but our own very familiar partners at the local level, our community banks.

This program would take \$30 billion and basically pass it through to small businesses that are looking for capital. I have people come into my office, representing hundreds of small businesses, saying: Senator, we don't have the capital we need to expand, and we have been in business X number of years. If I could just get a loan for \$5 million or \$10 million or get a capital line for \$20 million, I could expand my business.

If we do not find a way to get more money into the hands of small busi-

nesses—this is not a banking program. It is not like the old bailout program we did for banks. This is about a liftup, a helping hand to small businesses in America.

With that program, amazingly, it encourages more lending to small businesses, it is voluntary, and it actually makes money for the Federal Treasury. Again, it is voluntary. It is available to all small banks in good standing to encourage them to use this capital to lend to small businesses.

I am going to turn it over to the Senator from Oregon. Before I do, I would like to call attention to the many strong endorsements we have gotten, starting with the Conference of State Bank Supervisors:

The proposals—the Small Business Lending Fund and the State Small Business Credit Initiative—will provide much-needed access to capital support small business lending, the lifeblood of our national economy.

That is Neil Milner, president and CEO of that organization.

I will read another one from John Arensmeyer, founder and CEO of Small Business Majority:

The Small Business Lending Fund will create a program that will provide up to \$30 billion in capital to smaller banks to spur lending to small businesses and help create new jobs. There's no "silver bullet" that will put small business owners out of the financial hole . . . but these initiatives are an important piece of the overall plan to help revive our struggling economy. . . .

Finally, from Michael Grant, president of the National Bankers Association:

The Obama Administration—continuing its efforts to lift the country out of a two-year recession—has hit a home run with its proposed \$30 billion Small Business Lending Fund. This is not a bailout to small business and medium-sized banks; it is, instead, a true investment in a brighter future for America's working class.

Again, I turn it over to the Senator from Oregon. I thank him very much for his help in shaping this proposal, expanding it, and promoting it. It promotes itself based on its merits. We are always happy to have his voice enter this debate.

I yield the floor for my colleague.

THE PRESIDING OFFICER. The Senator from Oregon.

Mr. MERKLEY. Mr. President, I am delighted to partner with my colleague from Louisiana. Senator LANDRIEU has been a passionate and effective advocate for small business across this country. She has worked incredibly hard to drive through this small business jobs legislation, recognizing that the success of our economy is going to rise or fall on the success of our small businesses.

That is what brings us together tonight. We have come to talk about the small business lending fund, which is an essential component of assisting our small businesses.

Small businesses employ one-half of our Nation's workforce. However, less

than one-third of small businesses today are reporting their credit needs are being met. Indeed, 59 percent now rely on credit cards to finance their daily operations. That is an increase of about 15 percent from where we were at the end of 2009.

I can tell my colleagues that at every townhall meeting I hold, folks stand to talk about how their credit lines have been cut or they have a business opportunity for which they normally could easily get a loan from a longstanding banking partner, but they are not able to get that loan. Often, the reason the banks cannot make the loan is because they are at their leverage limit. There are legal limits for every dollar they hold, how many can they lend out. If they are at that limit, they cannot make a new loan no matter how good the opportunity.

This is a losing situation because our community banks are right on Main Street. They see and know the opportunities. They understand the capabilities of individual entrepreneurs and managers, so putting that expertise to work is going to fuel job growth in this Nation. But we can't put it to work if the banks are unable to lend or are at their leverage limit.

The Small Business Lending Fund will proceed to inject liquidity into our economy, and that is like oil into an engine—a job-creating engine—to the tune of as much as \$300 billion in additional lending to small businesses on Main Street, and this will occur under the Small Business Lending Fund without any dollar of subsidy from the U.S. taxpayer.

Indeed, the Congressional Budget Office has studied this proposal and has recognized and reported that it will save \$1 billion to taxpayers over the next 10 years, and that is just from the earnings of the payments that the banks will make back to the funds that are injected as additional capital into our community banks.

But think about this: Every small business that is able to see an opportunity because it can gain access to credit is also going to make money on that proposition. When they make money, they pay additional taxes. CBO doesn't score the additional taxes, but recognize that in addition to the \$1 billion of savings on interest payments, there will be all the benefits that will flow from additional jobs—additional taxes paid on the income from those jobs, additional profits to small business, additional revenue from those profits. So the real return is even greater to the taxpayer.

But most importantly we are creating jobs, and that is a return that is hard to measure. When a family has a job, they can diminish their reliance on every other program. The most important foundation of a family is a good job, and that is what the Small Business Lending Fund is all about. It does

indeed have prominent endorsements, as my colleague mentioned: the Independent Community Bankers of America, representing 5,000 community banks on Main Street which are having to bypass the opportunities they are seeing because they are at their leverage limit. Recognize that they can make loans, which is good for them, good for small businesses, good for their communities and certainly great for the families who get the additional jobs. Also, the National Bankers Association, the National Small Business Association, the National Association for the Self-Employed, the Small Business Majority, and so on and so forth.

Let me give one example from Oregon. John and his business partner have owned a small retail store in Portland, OR, for over 25 years. It is a store I have visited often. Because of lackluster consumer spending, John has made a lot of sacrifices to keep that business afloat during this recession. He has had to reduce his staff, cut the hours the shop is open, and he and others have had to take pay cuts. But to add insult to injury, his bank threatened to drop his line of credit.

John has never missed a payment, never had a late payment, but in this process of reducing exposure or reducing the required leverage limits, banks are cutting lines of credit, and John's line was being cut. Finally, after negotiation, they agreed to renew his line of credit every 90 days but every 90 days charge a fee, and on many occasions to raise the interest rate.

He has been looking for a new lender who will work with him and not against him, but that is hard to find in this economy, where lender after lender is affected by the same constraints. This story is repeated, different versions, hundreds of times throughout Oregon, and thousands of times throughout this Nation.

How would a Small Business Lending Fund work? Essentially, it capitalizes the community banks, so with that additional capital they can make more loans. If they get more loans out the door, then the repayment rate—the dividends they would pay back to the taxpayers—is reduced to as low as 1 percent. If they do not get loans out the door, the payments go up to as high as 7 percent. So there is a significant incentive to take these funds, after a bank is recapitalized, and get them out the door.

That addresses several of the challenges folks have raised. There has been concern about banks that might hoard cash and say: Well, we will prepare in case some assets are devalued in the future or that banks might say: We will wait until a better time, when everything is surging forward. Well, things won't surge forward unless we get lending out to small businesses. That is why this structure of incentives is critical.

The banks that will qualify are banks that have CAMELS ratings, which means capital adequacy, asset quality, management, earnings, liquidity, and sensitivity—or exposure to market risk. So a bank that is in deep trouble isn't going to be in a position to take advantage of this. But banks that are sound and healthy will, and therefore this makes it a good investment, an investment that has significant return to the taxpayer but, more importantly, a big return to our communities.

I would also note that this will go hand in hand with the program to make additional grants to State-based small business programs. My colleagues, Senators LEVIN and WARNER, have been very involved in helping to forge that program. These things go together. Community banks on Main Street will see opportunities and State-based small business programs will see opportunities. They probably will see the same opportunities. These will work together to take us out of this recession.

I wish to read a note that I received:

Dear Senator Merkley: Overall, I believe the majority of financial support under TARP went to the large investment banks, insurers, FNMA, FHLMC and other giant institutions on Wall Street. It is now very important to revive the economy that the government assist Main Street, which includes community banks, if we are to have job creation. Jobs are created by small business that bank at community banks.

And the writer goes on:

As a community banker in Oregon, I urge you to retain the \$30 billion small business lending fund. . . . Community banks are well-positioned to leverage the SBLF and have established relationships with small businesses in their communities to get credit flowing quickly. Leveraging the \$30 billion funds with community banks would potentially support many times that amount in loan volume to small businesses—as much as \$300 billion in additional lending.

The writer concludes:

Banks that increase their small business lending by certain threshold percentages will pay reduced dividend costs, ensuring that their incentive to lend matches their great capacity to do so.

Thank you very much, Sincerely Tom.

That was a letter from Tom of M Street Bank.

I thank the many colleagues who have put themselves behind this idea and supported it. An earlier rendition of this idea was called "Banking on our Communities" and had support from Senators CARPER, HAGAN, KERRY, LEVIN, PRYOR, STABENOW, and MARK UDALL, and I wanted to mention that they have been sponsors of that legislation.

I urge my colleagues to stand for small businesses, stand to provide a solution to the problem of liquidity and access to loans that is plaguing our small businesses, stand to help not just your community banks but your community businesses and your families who will benefit from the jobs that it will create.

I thank my colleague for her passionate and effective leadership on this particular issue and for her leadership on our Small Business Committee.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. Mr. President, I thank my colleague, and let me add a few words to that wonderful explanation. Again, what we are on the floor talking about here—the jobs 3 bill, the small business bill—is a lending program for small business. This is not a bank bailout. It is not a big bank bailout. It is not a medium-sized bank bailout. It is not a small-sized bank bailout. It is not for banks. It is for small businesses.

We are using healthy banks, not troubled banks, as a conduit to reach small businesses so they do not have to rely on high rates through a credit card company that is impersonal and not interested in their business but just the bottom line. They do not have the home equity that they used to have, as you know, either in Delaware or Louisiana or Oregon or Texas.

I think in America we want to encourage healthy relationships between our small businesses and our local banks. Only small healthy banks can participate in this voluntary program on behalf of small businesses in their communities. Ninety percent of community banks are less than \$1 billion, and you can only participate in the Small Business Lending Program if you are below \$10 billion. So none of the big banks can even qualify for this.

As the Senator from Oregon said, there is not going to be an end to this recession any time soon if we don't, in this Chamber, figure out a way to get low-cost capital into the hands of small business. We don't have many choices. We could issue some more credit cards to them and let them pay 15, 16, 17, 24 percent. We can ask them to go back and get equity out of their homes, which has all but dried up, and not through any fault of their own, or we could give direct lending through the Small Business Administration.

Some people have trouble with the Federal Government acting as a direct lender, and I can understand that. It is not what we do. We are not a bank. But there are banks out there—there are 8,000 community banks—many of which are healthy, and with a little bit more capital and a partnership with the Federal Government, they could turn around and lend money to businesses that desperately need it.

Mr. President, I ask unanimous consent to have printed in the RECORD a list of small business organizations I received from the Small Business Access to Credit Coalition.

The PRESIDING OFFICER. Without objection, it is so ordered.
(See exhibit 1.)

Ms. LANDRIEU. Mr. President, I am going to read a few of these organizations into the RECORD at this time.

This is a very market-based, private-sector approach to solving this problem, and that is why the American Apparel & Footwear Association, the American Hotel & Lodging Association, the American International Automobile Dealers Association, the Associated Builders & Contractors, Heating, Airconditioning & Refrigeration Distributors International, and we said the Independent Community Banks of America, but how about the Independent Electrical Contractors, the International Council of Shopping Centers, the Main Street Alliance, the National Association of Women Business Owners—Los Angeles, and I could go on and on and on.

There are hundreds of organizations that support this \$300 billion Small Business Lending Fund. Again, it leverages up to \$300 billion of potential loans to small businesses right here in America to create the jobs we need to move us out and past this recession to higher ground and happier times. We can't wait to get there, but we are not going to get there by peddling in place. We have to move forward.

This is a bold proposal, but it is very much based on common sense. It is easy to understand, with clear parameters for understanding it. It is using the great asset of community banks to get low-cost capital into the hands of small businesses—shoe stores, retailers, cleaners, grocery stores—that can then start the hiring of one or two or three extra people. All of that is going to add up to more consumer demand. As people have paychecks, they can go spend them, increasing demand.

This is economics 101. It is very simple. It is bold, it is simple, and I believe it will work. It is voluntary. It is for healthy banks only—for community banks only. It has nothing to do with Wall Street, hedge funds or bailouts. It has everything to do with job creation on Main Street in America, and more than 100 small business organizations are supporting this initiative.

I thank the Members of the Senate, both Democrats and Republicans, who have been very supportive. We are grateful for the wonderful testimony and endorsements we have received from these very powerful organizations and we look forward, after we have the vote on unemployment sometime tomorrow, to getting back to the business of ending this recession. We have all had about as much of it as we can take.

We want to move to stronger times, to happier times. We are only going to do that by giving small business substantial and targeted tax cuts and a lending program that they can work for them and the businesses they want to serve and service every day on Main Streets throughout America.

EXHIBIT 1

SMALL BUSINESS ACCESS TO CREDIT COALITION
(February 17, 2010)

DEAR SENATOR: Access to credit is a critical issue facing small businesses today. The undersigned organizations, representing millions of small business owners in every industry sector, were very disappointed to learn that only one provision related to expanding small business access to credit was included in the draft legislation offered by Senators Baucus and Grassley, the "Hiring Incentives to Restore Employment Act." Furthermore, none of the provisions aimed at improving the Small Business Administration (SBA) lending programs are currently being considered in Majority Leader Reid's latest proposal. We are concerned that if the Senate fails to listen to the needs of small businesses and address the credit crisis, a tremendous opportunity to help create new, sustainable jobs in 2010 and beyond will be lost.

We urge your support for appropriations to extend the SBA loan provisions of the American Recovery and Reinvestment Act (ARRA) through the end of December 2010. The depletion of funds last fall is proof that the SBA programs were, and continue to be, critically important for our nation's credit-worthy entrepreneurs. An additional \$354 million in appropriations is needed to fund the extension of the higher guaranty percentages and waiver of borrower fees for the balance of the fiscal year.

Additionally, we urge your support for an increase in the maximum loan size and the maximum guaranteed portion of SBA loans. Senators Landrieu and Snowe have introduced legislation that would increase the maximum size of SBA 7(a) and 504 loans from \$2 million to \$5 million. This legislation would also provide a commensurate increase in the statutory maximum guaranteed portion of SBA 7(a) loans. Moreover, the CBO has determined that their legislation, S. 2869, will have no impact on spending or revenue. These levels are recommended by the Administration, have bi-partisan support and we urge your support as well.

By including these provisions in upcoming legislation aimed at spurring new job creation, there is the potential to leverage an additional \$16 billion in SBA lending in 2010. According to Federal Highway Administration data, federal spending on highway programs can generate about 34,100 jobs for every \$1 billion spent. Small businesses can generate the same rate of job creation, except that small businesses have the ability to create new, sustainable jobs in every local community. Therefore, by acting on these recommendations, the Senate will help increase small business lending that will result in over 545,000 sustainable new jobs in the next year.

We urge you to act quickly so that we can continue to realize the SBA lending momentum we saw in 2009. Small businesses cannot be the engine of our economy if they continue to face unrelentingly tight credit markets. The Senate must include these important provisions in the job creation bills currently pending in order to restart the flow of credit to America's small businesses or else these entrepreneurs will be left to sit on the sidelines.

Respectfully,
American Apparel & Footwear Association; American Bankers Association; American Foundry Society—California Chapter; American Hotel & Lodging Association; American International Automobile Dealers Association; Asso-

ciated Builders & Contractors; California Association for Micro Enterprise Opportunity; California Association of Competitive Telecommunications Companies; California Cast Metals Association; California Chapter of the American Fence Contractors Association; California Employers Association; California Fence Contractors Association; California Hispanic Chamber of Commerce; California Metals Coalition; California Public Arts Association, Inc.; Council of Smaller Enterprises (Ohio); Engineering Contractors Association; Entrepreneurs Organization Los Angeles; Fashion Accessories Shippers Association; Flasher/Barriade Association; Golden Gate Restaurant Association; Greater Providence (RI) Chamber of Commerce; Heating, Air Conditioning & Refrigeration Distributors International; Independent Community Bankers of America; Independent Electrical Contractors; Independent Waste Oil Collectors and Transporters; International Council of Shopping Centers; International Franchise Association; Main Street Alliance; Marin Builders' Association; Marine Retailers Association of America; Monterey County Business Council; Napa Chamber of Commerce; National Association for the Self-Employed; National Association of Development Companies; National Association of Government Guaranteed Lenders; National Association of Manufacturers; National Association of Women Business Owners—Inland Empire; National Association of Women Business Owners—Los Angeles; National Automobile Dealers Association; National Cooperative Business Association; National Council of Chain Restaurants; National Council of Textile Organizations; National Federation of Filipino American Associations; National Gay & Lesbian Chamber of Commerce; National Marine Manufacturers Association; National Ready Mixed Concrete Association; National Restaurant Association; National Small Business Association; North American Die Casting Association—California Chapter; North Carolina Bankers Association; Northern Rhode Island Chamber of Commerce; NPES—The Association for Suppliers of Printing, Publishing and Converting Technologies Oakland Metropolitan Chamber of Commerce; Oregon Small Business for Responsible Leadership; Peninsula Builders Exchange of California; Plumbing-Heating-Cooling Contractors of California; Recreation Vehicle Industry Association; Recreational Vehicle Dealers Association; Rhode Island Small Business Summit Committee; Sacramento Asian Chamber of Commerce; San Francisco Builders Exchange; San Francisco Chamber of Commerce; San Francisco Small Business Advocates; San Francisco Small Business Network; Small Business Association of Michigan (SBAM); Small Business Association of New England (SBANE); Small Business California; Small Business Majority; Small Manufacturers Association of California; South Carolina Small Business Chamber; Spa and Pool Industry Education Council of California; SPI; The Plastics Industry Trade Association; The Financial Services Roundtable; The Hosiery Association; Travel

Goods Association; Tree Care Industry Association; Urban Solutions—San Francisco; U.S. Chamber of Commerce; U.S. Hispanic Chamber of Commerce.

Mr. MERKLEY. Mr. President, I again thank my colleague for her leadership. We together as a Senate need to stand with our small businesses so we can revive our communities, restore our economy and create jobs for our families. I thank the Senator again for the terrific job she is doing.

MORNING BUSINESS

Mr. MERKLEY. Mr. President, I ask unanimous consent the Senate proceed to a period of morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

IMPEACHMENT TRIAL COMMITTEE RULES

Mrs. MCCASKILL. Mr. President, on April 13, 2010, the Impeachment Trial Committee on the Articles of Impeachment Against Judge G. Thomas Porteous, Jr., adopted two rules to govern aspects of its pretrial proceedings. On July 14, 2010, the committee adopted two additional rules.

The first rule, adopted pursuant to rule 26.7(a)(1) of the Standing Rules of the Senate, establishes seven members as the committee quorum. In the interest of fairness and continuity, and consistent with prior impeachment trials, the committee adopted this rule and established a "natural" quorum of at least seven of its members to receive evidence and conduct the business of the committee.

The second rule delegates the authority of the committee to the chairman and vice chairman to conduct the daily operations of the committee. This includes, but is not limited to, hiring staff, issuing administrative orders, ensuring compliance with those orders, communicating with counsel for the parties, determining a course of proceeding, and for any other purposes necessary for the committee to discharge its responsibilities and address any other administrative or procedural matters.

The third rule delegates to the chairman, in consultation with the vice chairman, the committee's authority to issue subpoenas for witnesses called to testify or produce documents during all committee proceedings. Senate impeachment rule XI grants to the Impeachment Trial Committee the power granted by Senate impeachment rule VI to the Senate "to compel the attendance of witnesses."

The fourth rule, adopted pursuant to rule 26.7(a)(2) of the Standing Rules of the Senate, reduces to one member the committee quorum for taking sworn pretrial testimony. Judge Porteous has

asked to examine certain witnesses in advance of the committee's evidentiary hearings, which will begin on September 13, 2010. Although the pretrial examination of witnesses in a Senate impeachment trial remains rare, the committee has concluded that it should, in the circumstances of the present impeachment, permit a limited number of them. The rule implements the committee's determination that pretrial examinations may proceed before a quorum of one member. As with prior impeachment proceedings, and pursuant to the rules of this committee, the evidentiary hearings will take place in the presence of a natural quorum of at least 7 of its 12 members.

I ask unanimous consent to have those rules printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RULE 1—DELEGATION OF AUTHORITY

The Chairman and Vice Chairman are delegated the authority to communicate as necessary with House counsel and counsel to Judge Porteous, for the purpose of determining a course of proceeding, pretrial and trial scheduling, and for any other purposes necessary for the Committee to discharge its responsibilities. The Chairman and Vice Chairman are further delegated the authority to address any other administrative or procedural matters necessary for the Committee to discharge its responsibilities.

RULE 2—QUORUM FOR RECEIVING EVIDENCE

A natural number of seven members shall constitute a quorum for the purpose of receiving evidence.

RULE 3—SUBPOENAS

The Chairman and Vice Chairman are delegated the authority to issue subpoenas on behalf of the Committee.

RULE 4—QUORUM FOR THE TAKING OF PRETRIAL TESTIMONY

One member shall constitute a quorum for the purpose of a pretrial examination of a witness at which sworn testimony is heard and evidence taken.

HONORING OUR ARMED FORCES

CAPTAIN DAVID A. WISNIEWSKI

Mr. GRASSLEY. Mr. President, I rise to pay tribute to a brave and patriotic son of Iowa who gave his life for his country, CPT David Anthony Wisniewski. He graduated from Woodbury Central High School in Merville, IA, before attending the Air Force Academy. It had been his dream to be an Air Force pilot since visiting Offutt Air Force Base as a young child and he died doing what he loved. By all accounts, David Wisniewski was a remarkable man and his numerous accomplishments include the saving of many lives during his several tours of duty in support of the global war on terrorism. In reference to the reason for his service, I understand that he would end letters to his parents with the reminder that, "I do this so you can sleep safe at night." That is an excellent reminder for all of us to never

take for granted the tremendous cost of our freedom. I find that words fail me in trying to describe the debt of gratitude we owe to the courageous and selfless Americans like Captain Wisniewski. We can never begin to repay the debt, but we can honor it by honoring David's memory and by fully appreciating our way of life and the sacrifices made to preserve it. Of course, his loss will be felt very deeply by his parents, Chet and Beverly Wisniewski, and all his family and friends. My prayers go out to them in this difficult time. They are no doubt very proud of their son, and all Iowans can be proud to call him one of our own.

ADDITIONAL STATEMENTS

TRIBUTE TO LENA ARCHULETA

• Mr. BENNET. Mr. President, I would like to recognize a treasured Coloradoan, Mrs. Lena Archuleta, a champion of Hispanic rights who is celebrating her 90th birthday this year. Lena represents the true spirit of commitment to the greater good. Her dedication to education and public service demonstrates the change that we can inspire through hard work, sympathy, and kindness.

Lena was born in Raton, NM, in 1920. She was awarded a scholarship at the University of Denver where she studied Spanish and education and later received a master's in library science. In 1951, she joined the Denver Public Schools' Department of Library Services where she maintained her belief that a high-quality education should be accessible to all students regardless of gender, race, or nationality. This belief led Lena to work with the Denver Public Schools' Federal Project to promote and jumpstart programs for bilingual education. In 1974, she used her vast experience in the education field to become the principal at Fairview Elementary and the first Hispanic principal in Denver public schools' history. In addition to this honor, she later became the first Hispanic woman appointed to a central administrative position. Mrs. Archuleta dedicated and accumulated 17 years to New Mexico and Colorado classrooms, as well as 14 years as a school administrator.

While I am pleased to have the honor of recognizing Mrs. Archuleta and her great accomplishments, this is not the first time her dedication and commitment to serving others has been recognized and I doubt that it will be the last. In 1963 the Latin American Educational Foundation appointed her to be the first woman to serve as president of its board of directors. In 1986, she was inducted into the Colorado Women's Hall of Fame as the first Hispanic inductee. In addition to these and other honors, both regional and national, Denver's Lena Lovato

Archuleta Elementary School was named after her in 2002. This was perhaps, the most fitting of all of her honors as this elementary school nurtures the same environment of discovery and lifelong learning that Mrs. Archuleta herself created and passed along to fellow educators, students, and community members. Truly representative of her spirit and life's work, Mrs. Archuleta didn't merely accept the honor, she went on to raise \$20,000 for the school's library.

Mrs. Lena Archuleta continues to recognize and nurture the skills of her students and those around her. Through continued volunteer work with organizations such as the AARP in Colorado, she inspires others to achieve their goals using entrepreneurship, dedication, and compassion. Working in schools, Lena has inspired many of us through her example. She has shown Coloradans that with humility, devotion, and empathy we can improve the lives of others. For these reasons, today, we recognize Mrs. Lena Archuleta.●

TRIBUTE TO THE REVEREND HARRY BLAKE

● Ms. LANDRIEU. Mr. President, I wish to recognize the career of Reverend Harry Blake, pastor of Mount Canaan Baptist Church of Shreveport, LA. After 15 years as the president of the Louisiana Missionary Baptist State Convention, Reverend Blake is retiring. He has been a friend and outstanding leader for many years.

Pastor of Mount Canaan Baptist Church for almost 44 years, Reverend Blake has also served in various capacities for a number of local and national organizations. Most recently, he was appointed vice president for the Southwest Region of the National Baptist Convention, USA, Inc., having previously served as general secretary. He has also held prominent roles in the Thirteenth District Baptist Association, and within the Louisiana Baptist State Convention, he has served on the Congress of Christian Education and the Evangelical Board.

Locally, he is involved with the Louisiana Recovery Authority Board and numerous community development initiatives, such as Grace Project Incorporated, Project UpLift, Mount Canaan Day Care Center, and Shreveport-Bossier Community Renewal. Additionally, he has served as president of the Board of Directors for both Canaan Village Apartments and Canaan Towers, dedicating himself to serving low-income, elderly, and handicapped housing needs.

In addition to these myriad roles in the local, State, and national communities, Reverend Blake has graciously played the role of educator, having lectured at Morehouse School of Divinity, Arkansas Baptist College, Leland Col-

lege, Wiley College, Bishop College, L.K. Williams Ministers Institute, American Baptist College, Birmingham Bible College, United Theological Seminary, and Union Theological Seminary. Many have been inspired by his counsel and leadership for many years.

Reverend Blake's innovations within his own church should also be commended. By including various ministries as well as tutoring programs at Mount Canaan Baptist Church, Reverend Blake has developed a model prayer service which has been emulated throughout the country.

Finally, and perhaps most importantly, Reverend Blake has played the role of dedicated husband, father, and grandfather, raising his four children, Elizabeth, Harry II, Rodney, and Monica, with his wife Norma Jean and taking an active role in the lives of his 15 grandchildren.

I ask my colleagues to join me in congratulating Reverend Harry Blake on his distinguished 15 years of service to the Louisiana Missionary Baptist State Convention and in wishing him the best for years to come.●

REMEMBERING NICK BACON

● Mrs. LINCOLN. Mr. President, today I honor a true Arkansas and American hero, 1SG Nick Bacon, who passed away this weekend. First Sergeant Bacon, 64, was a Medal of Honor recipient and former director of the Arkansas Department of Veterans Affairs. He served in the U.S. Army from 1963 to 1984 and was awarded the Medal of Honor for his actions during a 1968 battle in Vietnam, along with countless awards and decorations including two Distinguished Service Crosses, the Legion of Merit, the Combat Infantry Badge, the Vietnam Cross of Gallantry, the Bronze Star and the Purple Heart.

With his passing, Arkansas has lost one of its finest citizens, and his death is a tremendous loss to our State. First Sergeant Bacon served our State and Nation honorably, fighting valiantly in Vietnam. He took command of two platoons after the leaders of each were wounded during a battle near Tam Ky, Vietnam, on Aug. 26, 1968. Using grenades, he destroyed an enemy bunker before singlehandedly killing an enemy gun crew and disabling an antitank weapon. He then helped rescue several wounded and trapped soldiers.

After 20 years of military service, he returned to Arkansas to serve his fellow veterans as the director of Veterans Affairs for the State from 1993 through 2005. It was an honor to be able to work with him serving the State of Arkansas. As director of the Arkansas Department of Veterans Affairs, he helped establish the Arkansas State Veterans Cemetery and the Arkansas Veterans Coalition. He was also active in establishing a Veterans Cemetery Beautification Program. In addition,

First Sergeant Bacon served as Commander, American Legion Post 1, Little Rock, after retiring as the director of the Arkansas Department of Veterans Affairs.

First Sergeant Bacon was a true "Arkansas son," born Nov. 25, 1945, in Caraway in northeast Arkansas. He moved with his family as a child to Arizona, where he joined the Army, but he returned to Arkansas in 1990 and most recently lived in Rose Bud. First Sergeant Bacon's legacy will live on through projects such as the Nick Bacon VFW Special Veterans Scholarship for selected children and grandchildren of veterans who have a 60-percent or more service-connected disability.

Along with all Arkansans, I am grateful for First Sergeant Bacon's service and for the service and sacrifice of all of our military servicemembers and their families. These men and women have shown tremendous courage and perseverance through the most difficult of times. As neighbors, as Arkansans, and as Americans, it is incumbent upon us to do everything we can to honor their service and to provide for them and their families, not only when they are in harm's way but also when they return home. It is the least we can do for those whom we owe so much.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Pate, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT RELATIVE TO THE FORMER LIBERIAN REGIME OF CHARLES TAYLOR AND ON THE CONTINUATION OF THE NATIONAL EMERGENCY BLOCKING PROPERTY OF CERTAIN PERSONS AND PROHIBITING THE IMPORTATION OF CERTAIN GOODS FROM LIBERIA THAT WAS ESTABLISHED IN EXECUTIVE ORDER 13348 ON JULY 22, 2004—PM 64

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice to the *Federal Register* for publication stating that the national emergency and related measures dealing with the former Liberian regime of Charles Taylor are to continue in effect beyond July 22, 2010.

The actions and policies of former Liberian President Charles Taylor and other persons, in particular their unlawful depletion of Liberian resources and their removal from Liberia and sequestration of Liberian funds and property, continue to undermine Liberia's transition to democracy and the orderly development of its political, administrative, and economic institutions and resources. These actions and policies continue to pose an unusual and extraordinary threat to the foreign policy of the United States. For this reason, I have determined that it is necessary to continue the national emergency with respect to the former Liberian regime of Charles Taylor.

BARACK OBAMA,
THE WHITE HOUSE, July 19, 2010.

MESSAGE FROM THE HOUSE

At 2:30 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 5114. An act to extend the authorization for the national flood insurance program, to identify priorities essential to reform and ongoing stable functioning of the program, and for other purposes.

MEASURES REFERRED

The following bill was read the first and the second times by unanimous consent, and referred as indicated:

H.R. 5114. An act to extend the authorization for the national flood insurance program, to identify priorities essential to reform and ongoing stable functioning of the program, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

H.R. 5712. An act to provide for certain clarifications and extensions under Medicare, Medicaid, and the Children's Health Insurance Program.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC-6687. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment of Class C Airspace; Flint, MI" ((RIN2120-AA66) (Docket No. FAA-2010-0599)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6688. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment of Class D and E Airspace; Yuma, AZ" ((RIN2120-AA66) (Docket No. FAA-2009-1141)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6689. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of Class E Airspace; Kemmerer, WY" ((RIN2120-AA66) (Docket No. FAA-2009-1190)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6690. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of Class E Airspace; Bryce Canyon, UT" ((RIN2120-AA66) (Docket No. FAA-2009-1011)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6691. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of Class E Airspace; Lucin, UT" ((RIN2120-AA66) (Docket No. FAA-2009-1134)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6692. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of Class E Airspace; Hamilton, TX" ((RIN2120-AA66) (Docket No. FAA-2009-0190)) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6693. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment of Class E Airspace; Osceola, AR" ((RIN2120-AA66) (Docket No. FAA-2009-1183)) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6694. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment of Class E Airspace; Cherokee, IA" ((RIN2120-AA66) (Docket No. FAA-2010-0085)) received in the Office

of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6695. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Modification of Class E Airspace; Kelso, WA" ((RIN2120-AA66) (Docket No. FAA-2009-1135)) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6696. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Bombardier, Inc. Model DHC-8-400 Series Airplanes" ((RIN2120-AA64) (Docket No. FAA-2009-1223)) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6697. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Bombardier, Inc. Model CL-600-1A11 (CL-600), CL-600-2A12 (CL-601), CL-600-2B16 (CL-601-3A, CL-601-3R, and CL-604 Variants (Including CL-605 Marketing Variant)) Airplanes" ((RIN2120-AA64) (Docket No. FAA-2010-0039)) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6698. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; The Boeing Company Model 737-200, -300, -400, and -500 Series Airplanes" ((RIN2120-AA64) (Docket No. FAA-2009-1224)) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6699. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; The Boeing Company Model 737-200, -300, -400, -500, -600, -700, -800, and -900 Series Airplanes; Model 747-400 Series Airplanes; Model 757-200 and 757-300 Series Airplanes; Model 767-200, 767-300, and 767-400ER Series Airplanes; and Model 777-200 Series Airplanes" ((RIN2120-AA64) (Docket No. FAA-2009-1223)) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6700. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; The Boeing Company Model 747-100, 747-100B, 747-100B SUD, 747-200B, 747-200C, 747-200F, 747-300, 747-400, 747-400F, 747SR and 747SP Series Airplanes" ((RIN2120-AA64) (Docket No. FAA-2010-0275)) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6701. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; McDonnell Douglas Corporation Model DC-9-10 Series Airplanes, DC-9-30 Series Airplanes, DC-9-81 (MD-81) Airplanes, DC-9-82

(MD-82) Airplanes, DC-9-83 (MD-83) Airplanes, DC-9-87 (MD-87) Airplanes, MD-88 Airplanes, and MD-90-30 Airplanes" ((RIN2120-AA64) (Docket No. FAA-2010-0637)) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6702. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; The Boeing Company Model 747-100, 747-100B, 747-100B SUD, 747-200B, 747-200C, 747-200F, 747-300, 747-400, 747-400D, 747-400F, 747SR, and 747SP Series Airplanes" ((RIN2120-AA64) (Docket No. FAA-2009-0906)) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6703. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Air Tractor, Inc. Models AT-802 and AT-802A Airplanes" ((RIN2120-AA64) (Docket No. FAA-2009-0707)) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6704. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; CFM International, S.A. CFM56-5, -5B, and -7B Series Turbofan Engines" ((RIN2120-AA64) (Docket No. FAA-2010-0026)) received in the Office of the President of the Senate on July 15, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6705. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Bombardier, Inc. Model CL-600-2B16 (CL-604 Variant) Airplanes" ((RIN2120-AA64) (Docket No. FAA-2009-1227)) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6706. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Airbus Model A330-243, -341, -342, and -343 Airplanes; and Model A340-541 and -642 Airplanes; Equipped with Rolls-Royce Trent 500 and Trent 700 Series Engines" ((RIN2120-AA64) (Docket No. FAA-2010-0177)) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6707. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; The Boeing Company Model 747-100, -200B, and -200F Series Airplanes" ((RIN2120-AA64) (Docket No. FAA-2010-0132)) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6708. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; The Boeing Company Model 747-400, 747-400D, and 747-400F Series Airplanes" ((RIN2120-

AA64) (Docket No. FAA-2009-0454)) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6709. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; The Boeing Company Model 747-100B, 747-200B, 747-200F, 747-300, 747-400, 747-400F, and 747SP Series Airplanes Equipped with Rolls-Royce RB211-524 Series Engines" ((RIN2120-AA64) (Docket No. FAA-2010-0641)) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6710. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Bombardier, Inc. Model CL-600-2B19 (Regional Jet Series 100 and 440) Airplanes" ((RIN2120-AA64) (Docket No. FAA-2009-1029)) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6711. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures (90); Amdt. No. 3380" ((RIN2120-AA65) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6712. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures (27); Amdt. No. 3381" ((RIN2120-AA65) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6713. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Use of One Additional Portable Oxygen Concentrator Device on Board Aircraft" ((RIN2120-AJ77) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6714. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of Low Altitude Area Navigation Route (T-284); Houston, TX" ((RIN2120-AA66) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6715. A communication from the Attorney, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Special Local Regulation for Marine Event; 2010 International Cup Regatta, Pasquotank River, Elizabeth City, NC" ((RIN1625-AA08) (Docket No. USCG-2010-0363)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6716. A communication from the Attorney, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Safety and Security Zones; Tall Ships Challenge 2010,

Great Lakes, Cleveland, OH, Bay City, MI, Duluth, MN, Green Bay, WI, Sturgeon Bay, WI, Chicago, IL, Erie, PA" ((RIN1625-AA87) (Docket No. USCG-2010-0073)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6717. A communication from the Attorney, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Special Local Regulation; Maggie Fischer Memorial Great South Bay Cross Bay Swim, Great South Bay, NY" ((RIN1625-AA08) (Docket No. USCG-2009-0302)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6718. A communication from the Attorney, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Navigation and Navigable Waters; Technical, Organizational, and Conforming Amendments" ((RIN1625-ZA25) (Docket No. USCG-2010-0351)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6719. A communication from the Attorney, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Special Local Regulation for Marine Event; Maryland Swim for Life, Chester River, Chestertown, MD" ((RIN1625-AA08) (Docket No. USCG-2010-0113)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6720. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Regulated Navigation Area; Gulf Intracoastal Waterway, Inner Harbor Navigation Canal, Harvey Canal, Algiers Canal, New Orleans, LA" ((RIN1625-AA11) (Docket No. USCG-2009-0139)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6721. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Temporary Suspension of Certain Oil Spill Response Time Requirements to Support Deepwater Horizon Oil Spill of National Significance (SONS) Response" ((RIN1625-AB49) (Docket No. USCG-2010-0592)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6722. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Revision of LNG and LHG Waterfront Facility General Requirements" ((RIN1625-AB13) (Docket No. USCG-2007-27022)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6723. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Amended Safety Zone and Regulated Navigation Area, Chicago Sanitary and Ship Canal, Romeoville, IL" ((RIN1625-AA00 and RIN1625-AA11) (Docket No. USCG-2009-1080)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6724. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Special Local Regulation; Swim Across the Sound, Long Island Sound, Port Jefferson, NY to Captain's Cove Seaport, Bridgeport, CT" ((RIN1625-AA08)(Docket No. USCG-2009-0395)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6725. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Special Local Regulation for Marine Events; Temporary Change of Dates for Recurring Marine Events in the Fifth Coast Guard District" ((RIN1625-AA08)(Docket No. USCG-2010-0307)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6726. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Security Zone; Escorted U.S. Navy Submarines in Sector Seattle Captain of the Port Zone" ((RIN1625-AA87)(Docket No. USCG-2009-1057)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6727. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Special Local Regulation; Hydroplane Exhibition, Detroit River, Detroit, MI" ((RIN1625-AA08)(Docket No. USCG-2010-0435)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6728. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Special Local Regulation for Marine Events; Temporary Change of Dates for Recurring Marine Events in the Fifth Coast Guard District" ((RIN1625-AA08)(Docket No. USCG-2010-0180)) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6729. A communication from the Assistant General Counsel for Regulatory Affairs, Consumer Product Safety Commission, transmitting, pursuant to law, the report of a rule entitled "Safety Standard for Infant Bath Seats: Final Rule" (16 CFR Part 1215) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6730. A communication from the Assistant General Counsel for Regulatory Affairs, Consumer Product Safety Commission, transmitting, pursuant to law, the report of a rule entitled "Revocation of Regulations Banning Certain Baby-Walkers" (16 CFR Part 1500) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6731. A communication from the Assistant General Counsel for Regulatory Affairs, Consumer Product Safety Commission, transmitting, pursuant to law, the report of a rule entitled "Safety Standards for Infant Walkers: Final Rule" (16 CFR Part 1216) received in the Office of the President of the Senate on July 14, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6732. A communication from the Assistant Secretary for Export Administration, Bureau of Industry and Security, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Revisions to the Commerce Control List to Update and Clarify Crime Control License Requirements" (RIN0694-AE42) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6733. A communication from the Trial Attorney, Federal Railroad Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Bridge Safety Standards" (RIN2130-AC04) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6734. A communication from the Regulatory Ombudsman, Federal Motor Carrier Safety Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Minimum Levels of Financial Responsibility for Motor Carriers" (RIN2126-AB05) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6735. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of VOR Federal Airway V-625; Arizona" ((RIN2120-AA66)(Docket No. FAA-2009-0248)) received in the Office of the President of the Senate on July 13, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6736. A communication from the Deputy Chief Financial Officer, Department of Homeland Security, transmitting, pursuant to law, a report relative to the transfer of funds from the Oil Spill Liability Trust Fund to the Emergency Fund, which is administered by the United States Coast Guard; to the Committee on Commerce, Science, and Transportation.

EC-6737. A communication from the Associate General Counsel for General Law, Office of the General Counsel, Department of Homeland Security, transmitting, pursuant to law, a report relative to a vacancy in the Department of Homeland Security in the position of Assistant Secretary/Administrator of the Transportation Security Administration, received during adjournment of the Senate in the Office of the President of the Senate on July 8, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6738. A communication from the Under Secretary for Industry and Security, Department of Commerce, transmitting a report relative to the creation of a new entry on the Commerce Control List for specified human execution equipment; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LAUTENBERG, from the Committee on Appropriations, without amendment:

S. 3607. An original bill making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2011, and for other purposes (Rept. No. 111-222).

By Mrs. FEINSTEIN, from the Select Committee on Intelligence, without amendment:

S. 3611. An original bill to authorize appropriations for fiscal year 2010 for intelligence

and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes (Rept. No. 111-223).

By Mr. LEAHY, from the Committee on the Judiciary:

Report to accompany H.R. 2765, a bill to amend title 28, United States Code, to prohibit recognition and enforcement of foreign defamation judgments and certain foreign judgments against the providers of interactive computer services (Rept. No. 111-224).

By Mr. KERRY, from the Committee on Foreign Relations, with amendments and an amendment to the title:

S. 3317. A bill to authorize appropriations for fiscal years 2010 through 2014 to promote long-term, sustainable rebuilding and development in Haiti, and for other purposes (Rept. No. 111-225).

By Mr. JOHNSON, from the Committee on Appropriations, without amendment:

S. 3615. An original bill making appropriations for military construction, the Department of Veterans Affairs, and related agencies for the fiscal year ending September 30, 2011, and for other purposes (Rept. No. 111-226).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. LAUTENBERG:

S. 3607. An original bill making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2011, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. SCHUMER (for himself and Mr. GRASSLEY):

S. 3608. A bill to amend the Internal Revenue Code of 1986 to modify the credit for qualified fuel cell motor vehicles by maintaining the level of credit for vehicles placed in service after 2009 and by allowing the credit for certain off-highway vehicles; to the Committee on Finance.

By Mr. AKAKA:

S. 3609. A bill to extend the temporary authority for performance of medical disability examinations by contract physicians for the Department of Veterans Affairs; to the Committee on Veterans' Affairs.

By Ms. SNOWE (for herself and Mr. KERRY):

S. 3610. A bill to require a study on spectrum occupancy and use; to the Committee on Commerce, Science, and Transportation.

By Mrs. FEINSTEIN:

S. 3611. An original bill to authorize appropriations for fiscal year 2010 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes; from the Select Committee on Intelligence; placed on the calendar.

By Mr. SANDERS (for himself and Mr. LEAHY):

S. 3612. A bill to amend the Marsh-Billings-Rockefeller National Historical Park Establishment Act to expand the boundary of the Marsh-Billings-Rockefeller National Historical Park in the State of Vermont, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. GRASSLEY (for himself and Mr. HARKIN):

S. 3613. A bill to direct the Secretary of Agriculture to convey certain Federally owned land located in Story County, Iowa; to the Committee on Agriculture, Nutrition, and Forestry.

By Mrs. HUTCHISON (for herself and Mr. LEMIEUX):

S. 3614. A bill to authorize the establishment of a Maritime Center of Expertise for Maritime Oil Spill and Hazardous Substance Release Response, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. JOHNSON:

S. 3615. An original bill making appropriations for military construction, the Department of Veterans Affairs, and related agencies for the fiscal year ending September 30, 2011, and for other purposes; from the Committee on Appropriations; placed on the calendar.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. INOUE:

S. Res. 585. A resolution designating the week of August 2 through August 8, 2010, as "National Convenient Care Clinic Week", and supporting the goals and ideals of raising awareness of the need for accessible and cost-effective health care options to complement the traditional health care model; to the Committee on the Judiciary.

ADDITIONAL COSPONSORS

S. 46

At the request of Mr. ENSIGN, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 46, a bill to amend title XVIII of the Social Security Act to repeal the Medicare outpatient rehabilitation therapy caps.

S. 1156

At the request of Mr. HARKIN, the name of the Senator from New Mexico (Mr. UDALL) was added as a cosponsor of S. 1156, a bill to amend the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users to reauthorize and improve the safe routes to school program.

S. 1311

At the request of Mr. WICKER, the name of the Senator from Florida (Mr. NELSON) was added as a cosponsor of S. 1311, a bill to amend the Federal Water Pollution Control Act to expand and strengthen cooperative efforts to monitor, restore, and protect the resource productivity, water quality, and marine ecosystems of the Gulf of Mexico.

S. 1320

At the request of Mr. TESTER, the name of the Senator from Ohio (Mr. BROWN) was added as a cosponsor of S. 1320, a bill to provide assistance to owners of manufactured homes constructed before January 1, 1976, to purchase Energy Star-qualified manufactured homes.

S. 1553

At the request of Mr. GRASSLEY, the names of the Senator from Colorado (Mr. BENNET) and the Senator from New York (Mrs. GILLIBRAND) were added as cosponsors of S. 1553, a bill to require the Secretary of the Treasury to mint coins in commemoration of the National Future Farmers of America Organization and the 85th anniversary of the founding of the National Future Farmers of America Organization.

S. 1603

At the request of Mr. BROWN of Ohio, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 1603, a bill to amend section 484B of the Higher Education Act of 1965 to provide for tuition reimbursement and loan forgiveness to students who withdraw from an institution of higher education to serve in the uniformed services, and for other purposes.

S. 3034

At the request of Mr. SCHUMER, the names of the Senator from Oregon (Mr. WYDEN), the Senator from Pennsylvania (Mr. CASEY), the Senator from Montana (Mr. TESTER), the Senator from New York (Mrs. GILLIBRAND), the Senator from Arkansas (Mr. PRYOR) and the Senator from Tennessee (Mr. CORKER) were added as cosponsors of S. 3034, a bill to require the Secretary of the Treasury to strike medals in commemoration of the 10th anniversary of the September 11, 2001, terrorist attacks on the United States and the establishment of the National September 11 Memorial & Museum at the World Trade Center.

S. 3079

At the request of Mr. MERKLEY, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. 3079, a bill to assist in the creation of new jobs by providing financial incentives for owners of commercial buildings and multifamily residential buildings to retrofit their buildings with energy efficient building equipment and materials and for other purposes.

S. 3150

At the request of Mr. BEGICH, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 3150, a bill to increase the mileage reimbursement rate for members of the armed services during permanent change of station and to authorize the transportation of additional motor vehicles of members on change of permanent station to or from nonforeign areas outside the continental United States.

S. 3317

At the request of Mr. KERRY, the names of the Senator from Louisiana (Ms. LANDRIEU) and the Senator from Michigan (Ms. STABENOW) were added as cosponsors of S. 3317, a bill to authorize appropriations for fiscal years

2010 through 2014 to promote long-term, sustainable rebuilding and development in Haiti, and for other purposes.

S. 3339

At the request of Mr. KERRY, the name of the Senator from Pennsylvania (Mr. CASEY) was added as a cosponsor of S. 3339, a bill to amend the Internal Revenue Code of 1986 to provide a reduced rate of excise tax on beer produced domestically by certain small producers.

S. 3371

At the request of Mrs. MCCASKILL, the names of the Senator from North Carolina (Mrs. HAGAN) and the Senator from Vermont (Mr. LEAHY) were added as cosponsors of S. 3371, a bill to amend title 10, United States Code, to improve access to mental health care counselors under the TRICARE program, and for other purposes.

S. 3409

At the request of Ms. LANDRIEU, the names of the Senator from Mississippi (Mr. COCHRAN) and the Senator from Mississippi (Mr. WICKER) were added as cosponsors of S. 3409, a bill to make certain adjustments to the price analysis of propane prepared by the Secretary of Commerce.

S. 3500

At the request of Mr. BROWN of Ohio, the name of the Senator from New York (Mrs. GILLIBRAND) was added as a cosponsor of S. 3500, a bill to provide funds to States, units of general local government, and community-based organizations to save and create local jobs through the retention, restoration, or expansion of services needed by local communities, and for other purposes.

S. 3521

At the request of Ms. MURKOWSKI, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 3521, a bill to provide for the reestablishment of a domestic rare earths materials production and supply industry in the United States, and for other purposes.

AMENDMENT NO. 4443

At the request of Mr. UDALL of Colorado, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of amendment No. 4443 intended to be proposed to H.R. 5297, an act to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

AMENDMENT NO. 4449

At the request of Mr. WEBB, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of amendment No. 4449 intended to be proposed to H.R. 5297, an act to create the

Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

AMENDMENT NO. 4464

At the request of Mr. DEMINT, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of amendment No. 4464 intended to be proposed to H.R. 5297, an act to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

AMENDMENT NO. 4471

At the request of Mr. CORNYN, the names of the Senator from Texas (Mrs. HUTCHISON) and the Senator from Louisiana (Ms. LANDRIEU) were added as cosponsors of amendment No. 4471 intended to be proposed to H.R. 5297, an act to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

STATEMENTS ON INTRODUCED
BILLS AND JOINT RESOLUTIONS

By Mr. AKAKA:

S. 3609. A bill to extend the temporary authority for performance of medical disability examinations by contract physicians for the Department of Veterans Affairs; to the Committee on Veterans' Affairs.

Mr. AKAKA. Mr. President, I am pleased to introduce legislation that would extend the Department of Veterans Affairs' authority to use contract physicians to perform medical disability examinations.

The VA continues to struggle to compensate disabled veterans quickly and accurately. While the Administration and Congress work to produce long-term, systemic solutions to this challenge, the reality is that we also need short-term solutions to most effectively leverage available resources. One such tool, which has helped VA better serve veterans, is the use of contract physicians for medical disability examinations.

In order to determine the type and severity of disabilities of veterans filing for VA compensation or pension benefits, VA often requires thorough

medical disability examinations. Because these examinations form the basis of disability ratings, their accurate and timely completion is essential. In recent years, the demand for medical disability examinations has increased beyond the number of requests that VA's in-house system was designed to accommodate. This rise in demand is due to an increase in the complexity of disability claims, a rise in the number of disabilities claimed by veterans, and changes in eligibility requirements for disability benefits.

In 1996, in Public Law 104-275, the Veterans' Benefits Improvements Act of 1996, VA was authorized to carry out a pilot program of contract disability examinations through ten VA regional offices using amounts available for payment of compensation and pensions. During the initial pilot program, one contractor performed all contract examinations at the ten selected regional offices. The pilot was deemed a success, with general satisfaction reported from all stakeholders.

Subsequently, in 2003, in Public Law 108-183, the Veterans Benefits Act of 2003, VA was given additional, time-limited authority to contract for disability examinations using other appropriated funds. That initial authority was extended until December 31, 2010, by Public Law 110-389, the Veterans' Benefits Improvement Act of 2008. VA continues to report high demand for compensation and pension examinations, and satisfaction with the contracted exams.

I urge my colleagues to support this legislation that will allow the extension of VA's authority to utilize qualified non-VA doctors for two additional years, until December 31, 2012.

Should we not authorize a temporary extension of VA's authority to use contract physicians, it will further contribute to the Department's pending claims inventory, which is not a result any of us would want for ill and injured veterans.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3609

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF AUTHORITY FOR PERFORMANCE OF MEDICAL DISABILITY EXAMINATIONS BY CONTRACT PHYSICIANS.

Section 704(c) of the Veterans Benefits Act of 2003 (Public Law 108-183; 38 U.S.C. 5101 note) is amended by striking "December 31, 2010" and inserting "December 31, 2012".

By Ms. SNOWE (for herself and Mr. KERRY):

S. 3610. A bill to require a study on spectrum occupancy and use; to the Committee on Commerce, Science, and Transportation.

Ms. SNOWE. Mr. President, I rise today, along with Senator KERRY, to introduce comprehensive spectrum reform legislation to modernize our Nation's radio spectrum planning, management, and coordination activities. Taking this corrective action will allow us to meet the future telecommunications needs of all spectrum users. For consumers, these fixes will lead to additional choices, greater innovation, lower prices, and more reliable services.

Over the past year, there has been growing concern about a looming radio spectrum crisis. It is not without reason—there has been an explosion of growth and innovation with spectrum-based services over the past decade. In particular, the cellular industry has been a prominent driver of this expansion. Currently, there are more than 276 million wireless subscribers in the U.S., and American consumers use more than 6.4 billion minutes of air time per day.

While the foundation for wireless services has been voice communication, more subscribers are utilizing it for broadband. According to the Pew Research Center, 56 percent of adult Americans have accessed the Internet via a wireless device. ABI Research forecasts there will be 150 million mobile broadband subscribers by 2014—a 2,900 percent increase from 2007. Spectrum is so important the Federal Communications Commission, FCC, has made it a major focal point of its National Broadband Plan in order to meet the growing broadband demands of consumers and businesses alike.

There are constraints however—spectrum is a finite resource—and we cannot manufacture new spectrum. Making matters worse, the government's current spectrum management framework is inefficient and has not kept up with technological advancements. As evidence, the Government Accountability Office, in a series of reports, concluded "the current structure and management of spectrum use in the U.S. does not encourage the development and use of some spectrum efficient technologies."

The legislation we introduce today fixes the fundamental deficiencies that exist in our policy and spectrum management and promotes efforts to improve spectrum efficiency. Specifically, the Spectrum Measurement and Policy Reform Act tasks the FCC and the National Telecommunications and Information Administration, NTIA, to perform much needed spectrum measurements to determine actual usage and occupancy rates. This data will assist policymakers and the public in making informed decisions about future spectrum uses. Also required is a cost-benefit analysis of spectrum relocation opportunities to move certain incumbent users and services to more efficient spectrum bands. Many legacy wireless

services could employ newer technologies to provide more efficient use of spectrum.

In addition, my bill requires greater collaboration between the FCC and NTIA on spectrum policy and management related issues, implementation of spectrum sharing and reuse programs, as well as more market-based incentives to promote efficient spectrum use. It also sets a deadline for the creation of the National Strategic Spectrum Plan, which will provide a long-term vision for domestic spectrum use and strategies to meet those needs. While the National Broadband Plan touches on several of these areas, this legislation will provide greater assistance in developing a 21st Century comprehensive spectrum policy necessary to meet the future spectrum needs of all users.

It should be noted that the Spectrum Measurement and Policy Reform Act is intended to complement the National Broadband Plan and the recently announced Presidential Memorandum in promoting more efficient use of spectrum and ensuring that the proper framework is in place to meet America's future telecommunications needs. But it also encourages greater focus on other areas outside the Plan or Memorandum by promoting technological innovation and more robust spectrum management. For example, a technology known as femtocell, that can increase capacity by offloading wireless traffic onto broadband wireline networks, wasn't mentioned once in the National Broadband Plan even though Cisco's Virtual Network Index indicated that at least 23 percent of smartphone traffic could be offloaded onto fixed wireline networks by 2014 through femtocells and dual-mode phones. These technologies and spectrum management practices such as spectrum sharing and reuse need to be fully explored and this legislation will assist in doing that.

Senator KERRY and I envision this legislation as a starting point to initiate an ongoing discussion about how to make the best use of this national asset and, in turn, encourage innovation and unleash opportunity. We look forward to continuing to work with all stakeholders as this bill advances.

Our Nation's competitiveness, economy, and national security demand that we allocate the necessary attention to this policy shortcoming—it is the only way we will be able to avert a looming spectrum crisis and continue to realize the boundless benefits of spectrum-based services. That is why I sincerely hope that my colleagues will join Senator KERRY and me in supporting this critical legislation.

By Mr. SANDERS (for himself and Mr. LEAHY):

S. 3612. A bill to amend the Marsh-Billings-Rockefeller National Histor-

ical Park Establishment Act to expand the boundary of the Marsh-Billings-Rockefeller National Historical Park in the State of Vermont, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. LEAHY. Mr. President, today I am pleased to join my colleague and good friend Senator SANDERS to introduce the boundary expansion of the Marsh-Billings-Rockefeller National Historical Park in the State of Vermont. This amendment will add 159 acres and several historic farmstead structures to the 555-acre National Park.

This park is an extraordinary place in Vermont where a unique and enduring connection has been forged between the land and its inhabitants. The picturesque and historic landscape of the Marsh-Billings-Rockefeller National Historical Park is nestled in the rolling hills near Woodstock, in Vermont's Windsor County. It is a small park with the powerful mission of recognizing and continuing the legacy of three generations of stewardship thought, and stewardship in action. The successive owners of this estate, for whom the park is named, were each in their own right giants of conservation ideas and practice. This legislation will expand the park's land area to help our generation and future generations to better fulfill and carry forward its mission.

The boyhood home of George Perkins Marsh, one of America's first conservationists, and later the home of Frederick Billings, the property was given to the American people by its most recent owners, Laurance S. and Mary F. Rockefeller. The park was created by an Act of Congress and signed into law by President George Bush on August 26, 1992. It is a living symbol of America's conservation ethic. The Marsh-Billings-Rockefeller National Historic Park tells a story of conservation history and the evolving nature of land stewardship in America.

The park puts the idea of conservation stewardship into a modern context, interpreting the idea of place and the ways in which people can balance natural resource conservation with the requirements of our 21st Century world. It is also a repository for the histories of these three American families. Visitors can tour the mansion and gardens and learn more about conservation by hiking in the sustainably managed forest, and they can visit the land stewardship exhibit at the Carriage Barn Visitor Center. The park operates in partnership with The Woodstock Foundation and the adjacent Billings Farm and Museum—a working dairy farm and a museum of agricultural and rural life that offers visitors the opportunity to experience both farm and forest landscapes, in side-by-side settings.

This new legislation would expand the boundaries of the park to incor-

porate the neighboring King Farm. The land and structures of this historic Woodstock farm will allow the National Park Service to expand the scope and delivery of its telling of the conservation story. The farm will provide a setting for programs in sustainable agriculture and a venue for community groups and others to undertake related projects and educational opportunities activities that have been limited in the past by the sensitivity of the historic structures constituting the Rockefeller estate. Model forestry activities and the trail network will also be enhanced through this boundary expansion.

This legislation also formally establishes the Conservation Studies Institute within the Marsh-Billings-Rockefeller National Historical Park. The Institute has evolved within the National Park Service over the past decade to enhance leadership in conservation throughout the National Park Service and to facilitate stewardship partnerships in local communities. It is through these partnerships that the Institute inspires collaborative conservation to engage communities and help them build their vision for the future. The park, the Institute and their Vermont setting are a great fit and a valuable setting in which to offer prototypes for conservation and sustainable practices on so many fronts.

A Vermont author and professor, John Elder, said this at the park's dedication on June 5th 1998:

There is a mandate to invent an entirely new kind of park. It must be one where the human stories and the natural history are intertwined; where the relatively small acreage serves as an educational resource for the entire National Park Service and a seedbed for American environmental thought; and where the legacy of American conservation and its future enter into dialogue, generating a new environmental paradigm for our day.

This is a unique opportunity to enhance the mission of the Marsh-Billings-Rockefeller National Historical Park and its service to the American people.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 585—DESIGNATING THE WEEK OF AUGUST 2 THROUGH AUGUST 8, 2010, AS "NATIONAL CONVENIENT CARE CLINIC WEEK," AND SUPPORTING THE GOALS AND IDEALS OF RAISING AWARENESS OF THE NEED FOR ACCESSIBLE AND COST-EFFECTIVE HEALTH CARE OPTIONS TO COMPLEMENT THE TRADITIONAL HEALTH CARE MODEL

Mr. INOUE submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 585

Whereas convenient care clinics are health care facilities located in high-traffic retail outlets that provide affordable and accessible care to patients who might otherwise be delayed or unable to schedule an appointment with a traditional primary care provider;

Whereas millions of people in the United States do not have a primary care provider, and there is a worsening primary care shortage that will prevent many people from obtaining 1 in the future;

Whereas convenient care clinics have provided an accessible alternative for more than 15,000,000 people in the United States since the first clinic opened in 2000, continue to expand rapidly, and as of June 2010 consist of approximately 1,100 clinics in 35 States;

Whereas convenient care clinics follow rigid industry-wide quality of care and safety standards;

Whereas convenient care clinics are staffed by highly qualified health care providers, including advanced practice nurses, physician assistants, and physicians;

Whereas convenient care clinicians all have advanced education in providing quality health care for common episodic ailments including cold and flu, skin irritation, and muscle strains or sprains, and can also provide immunizations, physicals, and preventive health screening;

Whereas convenient care clinics are proven to be a cost-effective alternative to similar treatment obtained in physician offices, urgent care, or emergency departments; and

Whereas convenient care clinics complement traditional medical service providers by providing extended weekday and weekend hours without the need for an appointment, short wait times, and visits that generally last only 15 to 20 minutes: Now, therefore, be it

Resolved, That the Senate—

(1) designates the week of August 2 through August 8, 2010 as “National Convenient Care Clinic Week”;

(2) supports the goals and ideals of National Convenient Care Clinic Week to raise awareness of the need for accessible and cost-effective health care options to complement the traditional health care model;

(3) recognizes the obstacles many people in the United States face in accessing the traditional medical home model of health care;

(4) encourages the use of convenient care clinics as a complimentary alternative to the medical home model of health care; and

(5) calls on the States to support the establishment of convenient care clinics so that more people in the United States will have access to the cost-effective and necessary emergent and preventive services provided in the clinics.

Mr. INOUE. Mr. President, today I rise to recognize all of the providers who work in retail-based Convenient Care Clinics in a Resolution to designate August 2 through August 8, 2010, as National Convenient Care Clinic Week. National Convenient Care Clinic Week will provide a national platform from which to promote the pivotal services offered by the more than 1,100 retail-based convenient care clinics in the United States.

Today, thousands of nurse practitioners, physician assistants, and physicians provide care in convenient care clinics. At a time when Americans are more and more challenged by the inac-

cessibility and high costs of health care, convenient care offers a vital high-quality primary care alternative.

This resolution will help pave the way for this effort. I ask my colleagues to join me in supporting this tribute to Convenient Care Clinics.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4484. Mr. KOHL submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table.

SA 4485. Mr. PRYOR submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4486. Mr. PRYOR submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4487. Mr. PRYOR submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 4484. Mr. KOHL submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of part I of subtitle A of title II, insert the following:

SEC. —. QUALIFYING THERAPEUTIC DISCOVERY PROJECT GRANTS TO PARTNERSHIPS WITH TAX EXEMPT PARTNERS WITH LESS THAN 10 PERCENT INTEREST.

(a) IN GENERAL.—Subparagraph (D) of section 9023(e)(6) of the Patient Protection and Affordable Care Act is amended by inserting before the period the following: “, other than a partnership or entity in which the aggregate equity and profits interests held by all such partners and other holders so described, at any time during a taxable year beginning in 2009 or 2010, does not exceed 10 percent of all of the total equity or profits interests in the partnership”.

(b) REGULATIONS.—Subsection (e) of section 9023 of the Patient Protection and Affordable Care Act is amended by adding at the end the following new paragraph:

“(13) REGULATIONS.—The Secretary shall prescribe such regulations as may be appropriate to carry out this subsection, including regulations to prevent the abuse of, or results inconsistent with the intent of, this subsection.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 9023 of the Patient Protection and Affordable Care Act.

SA 4485. Mr. PRYOR submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 102, after line 21, add the following:

SEC. 1336. PATRIOT EXPRESS LOAN PROGRAM.

(a) PROGRAM.—

(1) IN GENERAL.—Section 7(a)(31) of the Small Business Act (15 U.S.C. 636(a)(31)) is amended by adding at the end the following:

“(G) PATRIOT EXPRESS LOAN PROGRAM.—

“(i) DEFINITION.—In this subparagraph, the term ‘eligible member of the military community’—

“(I) means—

“(aa) a veteran, including a service-disabled veteran;

“(bb) a member of the Armed Forces on active duty who is eligible to participate in the Transition Assistance Program;

“(cc) a member of a reserve component of the Armed Forces;

“(dd) the spouse of an individual described in item (aa), (bb), or (cc) who is alive;

“(ee) the widowed spouse of a deceased veteran, member of the Armed Forces, or member of a reserve component of the Armed Forces who died because of a service-connected (as defined in section 101(16) of title 38, United States Code) disability; and

“(ff) the widowed spouse of a deceased member of the Armed Forces or member of a reserve component of the Armed Forces relating to whom the Department of Defense may provide for the recovery, care, and disposition of the remains of the individual under paragraph (1) or (2) of section 1481(a) of title 10, United States Code; and

“(II) does not include an individual who was discharged or released from the active military, naval, or air service under dishonorable conditions.

“(ii) LOAN GUARANTEES.—The Administrator shall establish a Patriot Express Loan Program, under which the Administrator may guarantee loans under this paragraph made by express lenders to eligible members of the military community.

“(iii) LOAN TERMS.—

“(I) IN GENERAL.—Except as provided in this clause, a loan under this subparagraph shall be made on the same terms as other loans under the Express Loan Program.

“(II) USE OF FUNDS.—A loan guaranteed under this subparagraph may be used for any

business purpose, including start-up or expansion costs, purchasing equipment, working capital, purchasing inventory, or purchasing business-occupied real-estate.

“(III) MAXIMUM AMOUNT.—The Administrator may guarantee a loan under this subparagraph of not more than \$1,000,000.

“(IV) GUARANTEE RATE.—The guarantee rate for a loan under this subparagraph shall be the greater of—

“(aa) the rate otherwise applicable under paragraph (2)(A);

“(bb) 85 percent for a loan of not more than \$500,000; and

“(cc) 80 percent for a loan of more than \$500,000.”.

(2) GAO REPORT.—

(A) DEFINITION.—In this paragraph, the term “programs” means—

(i) the Patriot Express Loan Program under section 7(a)(31)(G) of the Small Business Act, as added by paragraph (1); and

(ii) the increased veteran participation pilot program under section 7(a)(32) of the Small Business Act, as added by section 208 of the Military Reservist and Veteran Small Business Reauthorization and Opportunity Act of 2008 (Public Law 110-186; 122 Stat. 631), as in effect on the day before the date of enactment of this Act.

(B) REPORT REQUIREMENT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report on the programs.

(C) CONTENTS.—The report submitted under subparagraph (B) shall include—

(i) the number of loans made under the programs;

(ii) a description of the impact of the programs on members of the military community eligible to participate in the programs;

(iii) an evaluation of the efficacy of the programs;

(iv) an evaluation of the actual or potential fraud and abuse under the programs; and

(v) recommendations for improving the Patriot Express Loan Program under section 7(a)(31)(G) of the Small Business Act, as added by paragraph (1).

(b) FEE REDUCTION.—

(1) IN GENERAL.—Section 7(a)(18) of the Small Business Act (15 U.S.C. 636(a)(18)) is amended—

(A) in subparagraph (A), in the matter preceding clause (i), by striking “With respect to” and inserting “Except as provided in subparagraph (C), with respect to”; and

(B) by adding at the end the following:

“(C) MILITARY COMMUNITY.—For an eligible member of the military community (as defined in paragraph (31)(G)(i)), the fee for a loan guaranteed under this subsection, except for a loan guaranteed under subparagraph (G) of paragraph (31), shall be equal to 75 percent of the fee otherwise applicable to the loan under subparagraph (A).”.

(2) CONFORMING AMENDMENT TO TEMPORARY FEE REDUCTION.—Section 501(a)(2) of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 151) is amended by striking “section 7(a)(18)(A) of the Small Business Act (15 U.S.C. 636(a)(18)(A))” and inserting “subparagraph (A) or (C) of section 7(a)(18) of the Small Business Act (15 U.S.C. 636(a)(18))”.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) IN GENERAL.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(A) by striking paragraph (33), as redesignated by section 1133 of this Act;

(B) by redesignating paragraph (34), as added by section 1133 of this Act, as paragraph (33); and

(C) by redesignating paragraph (35), as added by section 1206 of this Act, as paragraph (34).

(2) SUNSET.—Notwithstanding section 1133(b) of this Act, effective September 30, 2013, section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(A) by striking paragraph (33), as so redesignated by paragraph (1)(B) of this subsection; and

(B) by redesignating paragraph (34), as so redesignated by paragraph (1)(C) of this subsection, as paragraph (33).

SA 4486. Mr. PRYOR submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle B of title II, add the following:

PART V—EARNED INCOME CREDIT – FRAUD REDUCTION

SEC. 2141. FILERS OF SCHEDULE C (PROFIT OR LOSS FROM BUSINESS).

(a) IN GENERAL.—Section 32 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(n) INFORMATION REGARDING SCHEDULE C FILERS.—

“(1) TAXPAYER INFORMATION.—For any taxable year beginning after December 31, 2009, any taxpayer who is required to file a Federal schedule C and also claims the credit under this section with respect to 1 or more qualifying children shall include on the return of tax for such taxable year a sales tax identification number, professional license number, or its equivalent (if any) issued by any State which relates to income reported on such schedule.

“(2) STATE INFORMATION.—For any taxable year beginning after December 31, 2009, each State shall forward to the Secretary, in a format to be determined by the Secretary, a sales tax identification number, professional license number, or its equivalent (if any) for each taxpayer issued such a number, along with the taxpayer’s name and address, not later than a date in the following calendar year determined by the Secretary.

“(3) COMPARISON OF INFORMATION.—The Secretary shall compare the information obtained under paragraphs (1) and (2) for each taxable year and shall request that any taxpayer who provided information on Federal schedule C that did not correspond with the information provided by a State, did not submit a number, or did not attach 1 or more Federal forms 1099 relating to the income reported on the Federal schedule C to the return of tax for such taxable year—

“(A) submit the correct number,

“(B) provide the Secretary 1 or more Federal forms 1099 relating to such income, or

“(C) document the existence of the business relating to such income.

Notwithstanding section 6103(d)(1), the Secretary shall, without a preceding request, share the results of the comparison and the documentation of the business with the corresponding State.

“(4) DENIAL OF CREDIT.—No credit shall be allowed under this section for any taxable year to any taxpayer who fails to meet the requirements of paragraphs (1) or (3) for such taxable year.

“(5) DOCUMENTATION REQUIREMENTS.—For purposes of paragraph (3)(C), a taxpayer may document the existence of a business relating to the income reported on a Federal schedule C for any taxable year by providing the Secretary—

“(A) 1 or more Federal forms 1099 relating to such income,

“(B) a document which reflects the registration of such business with a local or State government,

“(C) 1 or more business contracts relating to such income,

“(D) 1 or more sales invoices relating to such income, or

“(E) any other document the Secretary deems appropriate.

“(6) EXCEPTIONS.—This subsection shall not apply to—

“(A) any taxpayer’s return of tax with a Federal schedule C prepared under the auspices of the Volunteer Income Tax Assistance Program or the Tax Counseling for the Elderly Program, or

“(B) any taxable year if at any time during such taxable year the taxpayer or the taxpayer’s spouse is performing qualified official extended duty service (as defined in section 36(f)(4)(E)(ii)) outside the United States.”.

(b) MATHEMATICAL OR CLERICAL ERROR.—Section 6213(g)(2) of the Internal Revenue Code of 1986 is amended by striking “and” at the end of subparagraph (O), by striking the period at the end of subparagraph (P) and inserting “, and”, and by inserting after subparagraph (P) the following new subparagraph:

“(Q) An omission of a State sales tax identification number, professional license number, or its equivalent as required under section 32(n) to be included on a return of tax.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 2142. PUNISHMENT FOR AGGRAVATED IDENTITY THEFT INVOLVING THE EARNED INCOME CREDIT.

(a) IN GENERAL.—Section 1028A(a) of title 18, United States Code, is amended by adding at the end the following new paragraph:

“(3) IDENTITY THEFT INVOLVING THE EARNED INCOME CREDIT.—Whoever, during and in relation to any felony violation under section 7201 or 7206 of the Internal Revenue Code of 1986, in relation to the attempt to meet any requirement under section 32 of such Code, knowingly transfers, possesses, or uses, without lawful authority, a means of identification of another person, a corporation, an organization, or a business entity, or a false identification document shall, in addition to the punishment provided for such a felony under section 1028, be sentenced to a term of imprisonment of not more than 5 years.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to any transfer, possession, or use after the date of the enactment of this Act.

SEC. 2143. REQUIRING THE SECRETARY OF HEALTH AND HUMAN SERVICES TO PROHIBIT THE DISPLAY OF SOCIAL SECURITY ACCOUNT NUMBERS ON MEDICARE IDENTIFICATION CARDS.

(a) IN GENERAL.—Not later than 3 years after the date of the enactment of this Act,

the Secretary of Health and Human Services shall establish and begin to implement procedures to eliminate the unnecessary collection, use, and display of Social Security account numbers of Medicare beneficiaries.

(b) **MEDICARE CARDS.**—

(1) **NEW CARDS.**—Not later than 3 years after the date of the enactment of this Act, the Secretary of Health and Human Services shall ensure that each newly issued Medicare identification card meets the requirements described in paragraph (3).

(2) **REPLACEMENT OF EXISTING CARDS.**—Not later than 5 years after the date of the enactment of this Act, the Secretary of Health and Human Services shall ensure that all Medicare beneficiaries have been issued a Medicare identification card that meets the requirements of paragraph (3).

(3) **REQUIREMENTS.**—The requirements described in this paragraph are, with respect to a Medicare identification card, that the card does not display or electronically store (in an unencrypted format) a Medicare beneficiary's Social Security account number.

(c) **MEDICARE BENEFICIARY DEFINED.**—In this section, the term "Medicare beneficiary" means an individual who is entitled to, or enrolled for, benefits under part A of title XVIII of the Social Security Act or enrolled under part B of such title.

(d) **CONFORMING REFERENCE IN THE SOCIAL SECURITY ACT.**—Section 205(c)(2)(C) of the Social Security Act (42 U.S.C. 405(c)(2)(C)) is amended by adding at the end the following new clause:

"(x) For provisions relating to requiring the Secretary of Health and Human Services to prohibit the display of Social Security account numbers on Medicare identification cards, see section 2143 of the Small Business Jobs Act of 2010."

(e) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SA 4487. Mr. PRYOR submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS for himself, Ms. LANDRIEU, and Mr. REID) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of part II of subtitle A of title II, add the following:

SEC. 2023. ESTABLISHMENT OF SMALL BUSINESS STARTUP SAVINGS ACCOUNTS.

(a) **IN GENERAL.**—Subpart A of part I of subchapter D of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 408A the following new section:

"SEC. 408B. SMALL BUSINESS STARTUP SAVINGS ACCOUNTS.

"(a) **GENERAL RULE.**—Except as provided in this section, a Small Business Startup Savings Account shall be treated for purposes of this title in the same manner as an individual retirement plan.

"(b) **SMALL BUSINESS STARTUP SAVINGS ACCOUNT.**—For purposes of this title, the term 'Small Business Startup Savings Account' means a tax preferred savings plan which is

designated at the time of establishment of the plan as a Small Business Startup Savings Account. Such designation shall be made in such manner as the Secretary may prescribe.

"(c) **TREATMENT OF CONTRIBUTIONS.**—

"(1) **NO DEDUCTION ALLOWED.**—No deduction shall be allowed under section 219 for a contribution to a Small Business Startup Savings Account.

"(2) **CONTRIBUTION LIMIT.**—

"(A) **IN GENERAL.**—The aggregate amount of contributions for any taxable year to all Small Business Startup Savings Accounts maintained for the benefit of an individual shall not exceed \$10,000.

"(B) **AGGREGATE LIMITATION.**—The aggregate of the amounts which may be taken into account under subparagraph (A) for all taxable years with respect to all Small Business Startup Savings Accounts maintained for the benefit of an individual shall not exceed \$150,000.

"(C) **COST OF LIVING ADJUSTMENT.**—The Secretary shall adjust annually the \$10,000 amount in subparagraph (A) for increases in the cost-of-living at the same time and in the same manner as adjustments under section 415(d); except that the base period shall be the calendar quarter beginning July 1, 2010, and any increase which is not a multiple of \$500 shall be rounded to the next lowest multiple of \$500.

"(3) **CONTRIBUTIONS PERMITTED AFTER AGE 70½.**—Contributions to a Small Business Startup Savings Account may be made even after the individual for whom the account is maintained has attained age 70½.

"(4) **ROLLOVERS FROM RETIREMENT PLANS NOT ALLOWED.**—A taxpayer shall not be allowed to make a qualified rollover contribution to a Small Business Startup Savings Account from any qualified retirement plan (as defined in section 4974(c)).

"(d) **DISTRIBUTION RULES.**—For purposes of this title—

"(1) **GENERAL RULES.**—

"(A) **LIMITATIONS ON DISTRIBUTIONS.**—All qualified distributions from a Small Business Startup Savings Account—

"(i) shall be limited to a single business, and

"(ii) must be disbursed not later than the last day of the 5th taxable year beginning after the initial disbursement.

"(B) **EXCLUSIONS FROM GROSS INCOME.**—Any qualified distribution from a Small Business Startup Savings Account shall not be includible in gross income.

"(2) **QUALIFIED DISTRIBUTION.**—For purposes of this subsection, the term 'qualified distribution' means any payment or distribution made for operating capital, the purchase of equipment or facilities, marketing, training, incorporation, and accounting fees.

"(3) **NONQUALIFIED DISTRIBUTIONS.**—

"(A) **IN GENERAL.**—In applying section 72 to any distribution from a Small Business Startup Savings Account which is not a qualified distribution, such distribution shall be treated as made from contributions to the Small Business Startup Savings Account to the extent that such distribution, when added to all previous distributions from the Small Business Startup Savings Account, does not exceed the aggregate amount of contributions to the Small Business Startup Savings Account.

"(B) **TREATMENT OF AMOUNTS REMAINING IN ACCOUNT.**—Any remaining amount in a Small Business Startup Savings Account following the date described in paragraph (1)(A)(ii) shall be treated as distributed during the taxable year following such date and such

distribution shall not be treated as a qualified distribution.

"(4) **ROLLOVERS TO A ROTH IRA.**—Subject to the application of the treatment of contributions in section 408A(c), distributions from a Small Business Startup Savings Account may be rolled over into a Roth IRA."

(b) **EXCESS CONTRIBUTIONS.**—Section 4973 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

"(h) **EXCESS CONTRIBUTIONS TO SMALL BUSINESS STARTUP SAVINGS ACCOUNTS.**—For purposes of this section, in the case of contributions to all Small Business Startup Savings Accounts (within the meaning of section 408B(b)) maintained for the benefit of an individual, the term 'excess contributions' means the sum of—

"(1) the excess (if any) of—

"(A) the amount contributed to such accounts for the taxable year, over

"(B) the amount allowable as a contribution under section 408B(c)(2) for such taxable year, and

"(2) the amount determined under this subsection for the preceding taxable year, reduced by the sum of—

"(A) the distributions out of the accounts for the taxable year, and

"(B) the excess (if any) of—

"(i) the maximum amount allowable as a contribution under section 408B(c)(2) for such taxable year, over

"(ii) the amount contributed to such accounts for such taxable year."

(c) **CONFORMING AMENDMENT.**—The table of sections for subpart A of part I of subchapter D of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 408A the following new item:

"Sec. 408B. Small Business Startup Savings Accounts."

(d) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

NOTICE OF HEARING

COMMITTEE ON RULES AND ADMINISTRATION

Mr. SCHUMER. Mr. President, I wish to announce that the Committee on Rules and Administration will meet on Tuesday, July 20, 2010, at 2 p.m., to conduct an executive business meeting to consider the nomination of William J. Boorman, of Maryland, to be the Public Printer.

For further information regarding this hearing, please contact Lynden Armstrong at the Rules and Administration Committee, (202) 224-6352.

PRIVILEGES OF THE FLOOR

Ms. LANDRIEU. Mr. President, I ask unanimous consent that Samantha Seiter be granted the privilege of the floor for the debate on the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENTS

The PRESIDING OFFICER. The Chair, on behalf of the Democratic leader, pursuant to Public Law 111-5, reappoints the following individual to

the Health Information Technology Policy Committee: Dr. Frank Nemec of Nevada.

The Chair, on behalf of the majority leader, after consultation with the Republican leader, pursuant to Public Law 93-415, as amended by Public Law 102-586, announces the appointment of the following individuals to the Coordinating Council on Juvenile Justice and Delinquency Prevention: Richard Vincent of Nevada (2 year term), vice Larry Brendtro and Deborah Schumacher of Nevada (3 year term), vice William L. Gibbons.

ORDERS FOR TUESDAY, JULY 20, 2010

Mr. MERKLEY. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 10 a.m. on Tuesday, July 20; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day; that following any leader remarks the Senate proceed to a period of morning business, with Senators permitted to speak therein for up to 10 minutes each, with the time until 12:30 p.m. equally divided and controlled between the two leaders or their designees, with the majority controlling the first 30

minutes and the Republicans controlling the next 30 minutes; that the Senate recess from 12:30 until 2:15 p.m. to allow for the weekly caucus meetings; further, that when the Senate reconvenes it be in order to swear in Carte Goodwin to be Senator; that following the swearing in, the Senate resume consideration of the House message on H.R. 4213, the unemployment insurance extension, with the time equally divided and controlled between the two leaders or their designees, and at 2:30 p.m. the Senate proceed to vote on the motion to invoke cloture with respect to H.R. 4213, as provided under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MERKLEY. Mr. President, at 2:30 p.m. tomorrow the Senate will proceed to a rollcall vote on the motion to invoke cloture on the motion to concur, with an amendment in the House amendment to the Senate amendment to H.R. 4213, a bill to extend unemployment benefits through November, 2010.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. MERKLEY. If there is no further business to come before the Senate, I

ask unanimous consent the Senate adjourn under the previous order.

There being no objection, the Senate, at 5:18 p.m., adjourned until Tuesday, July 20, 2010, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate:

EXECUTIVE OFFICE OF THE PRESIDENT

PHILIP E. COYLE III, OF CALIFORNIA, TO BE AN ASSOCIATE DIRECTOR OF THE OFFICE OF SCIENCE AND TECHNOLOGY POLICY, VICE ROSINA M. BIERBAUM, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

DONALD M. BERWICK, OF MASSACHUSETTS, TO BE ADMINISTRATOR OF THE CENTERS FOR MEDICARE AND MEDICAID SERVICES, VICE MARK B. MCCLELLAN, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

DEPARTMENT OF STATE

KRISTIE ANNE KENNEY, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE KINGDOM OF THAILAND.

JO ELLEN POWELL, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER—COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE ISLAMIC REPUBLIC OF MAURITANIA.

PENSION BENEFIT GUARANTY CORPORATION

JOSHUA GOTBAUM, OF THE DISTRICT OF COLUMBIA, TO BE DIRECTOR OF THE PENSION BENEFIT GUARANTY CORPORATION, VICE CHARLES E.F. MILLARD, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

HOUSE OF REPRESENTATIVES—Monday, July 19, 2010

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore (Ms. EDWARDS of Maryland).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
July 19, 2010.

I hereby appoint the Honorable DONNA F. EDWARDS to act as Speaker pro tempore on this day.

NANCY PELOSI,
Speaker of the House of Representatives.

MORNING-HOUR DEBATE

The SPEAKER pro tempore. Pursuant to the order of the House of January 6, 2009, the Chair would now recognize Members from lists submitted by the majority and minority leaders for morning-hour debate.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until 2 p.m. today.

Accordingly (at 12 o'clock and 31 minutes p.m.), the House stood in recess until 2 p.m.

□ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Ms. EDWARDS of Maryland) at 2 p.m.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer: Well-ordered time is cosmic set.

The sun seems to rise from the Earth. Yet in truth, it is the Earth that moves. Each morning gives rise to this mistaken perception.

Lord God, during the rest of this day, let us not be deceived by half-truths, which reshape simple desires into felt needs.

Do not allow our past experiences so crowd the mind there is no openness for surprises.

Rather, Lord, give us the strength to meet the truth with all its demands to change and accept.

Once again, by Your power, the truth will set us free to act as Your children both now and forever.

Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House her approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Iowa (Mr. LOEBSACK) come forward and lead the House in the Pledge of Allegiance.

Mr. LOEBSACK led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

HEALTH CARE REFORM COMES CLEAN ON TAXES

(Ms. FOXX asked and was given permission to address the House for 1 minute.)

Ms. FOXX. Madam Speaker, there is an interesting new development on the ObamaCare front.

Remember the penalties on families that do not purchase health insurance, the ones that will top \$2,000 for many families? Remember what President Obama said about this individual mandate penalty? He said it was "absolutely not a tax increase."

Well, I guess times have changed.

Now the Obama administration's Justice Department is defending this penalty in court as part of the government's "power to lay and collect taxes."

At least the truth about this \$4 billion a year tax is now out. Too bad Washington Democrats didn't come clean until months after ObamaCare became law.

Madam Speaker, the American people deserve better.

STIMULUS MISINFORMATION

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Madam Speaker, this weekend, the administration bizarrely claimed that there is "overwhelming consensus" that we are not losing jobs and are, instead, creating them. If this is the

case, I encourage the administration to release the data to back up this "overwhelming consensus" to constituents who want to know "Where are the jobs?"

The Web site created to monitor the stimulus money is even a failure. At one time Recovery.gov was nothing more than a Web site filled with misinformation, fake job numbers and fake congressional districts.

When unemployment numbers hover around 10 percent and when stimulus dollars are not reported accurately, it is no wonder that, in the opinion of most Americans, stimulus spending is not working. This sentiment is highlighted by a recent CBS poll, showing that 74 percent of Americans believe that the stimulus had no impact or has made things worse.

It is time for an audit of this failed policy, and it is clearly time to stop spending time and taxpayer money promoting a failed program and to, instead, focus on implementing policies that will actually create long-term, private-sector jobs.

In conclusion, God bless our troops, and we will never forget September the 11th in the global war on terrorism.

COMMEMORATING THE 20TH ANNIVERSARY OF THE NORTHWEST ARKANSAS COUNCIL

(Mr. BOOZMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOOZMAN. Madam Speaker, I rise today to congratulate the Northwest Arkansas Council for its vision and leadership in addressing regional challenges and providing solutions, making Northwest Arkansas enticing for families to live and businesses to thrive.

For 20 years, the Northwest Arkansas Council has met the growing demands of a quickly developing area. With its support, the Northwest Arkansas Regional Airport was designed and built, creating a universal hub for a rapidly growing area. Additional regional projects, like Interstate 540, the establishment of a water and utilities commission and the creation of the Northwest Arkansas Regional Mobility Authority helped provide infrastructure upgrades crucial to meeting the needs of the region.

I commend the leaders of the Northwest Arkansas Council as well as business and community leaders for their actions and insight to helping shape

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

the region. Twenty years of service is a great accomplishment, and I look forward to its continued efforts and support of Northwest Arkansas.

SANCTUARY POLICIES ENDANGER AMERICAN LIVES

(Mr. SMITH of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Texas. Madam Speaker, the Obama administration is suing Arizona for wanting to enforce our Nation's immigration laws, but they won't sue cities that violate our immigration laws by enacting sanctuary policies.

So-called "sanctuary cities" prohibit their law enforcement officers from cooperating with the Department of Homeland Security to support illegal immigration. Will the administration also ignore individuals who fail to pay their income taxes, for example? Of course not.

The administration's policies endanger American lives.

In San Francisco, an illegal immigrant with past violent crime convictions savagely murdered the Bologna family—a father and two sons. In Los Angeles, an illegal immigrant murdered 17-year-old Jamiel Shaw, Jr., and an illegal immigrant gang member shot three students in Newark, New Jersey, execution style.

All of these murders took place in sanctuary cities where they might have been prevented. The Obama administration needs to enforce immigration laws, not ignore them.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote incurs objection under clause 6 of rule XX.

Record votes on postponed questions will be taken after 6 p.m. today.

□ 1410

SUPPORTING DESIGNATION OF NATIONAL ADULT EDUCATION AND FAMILY LITERACY WEEK

Mr. LOEBSACK. Madam Speaker, I move to suspend the rules and agree to the resolution (H. Res. 1472) expressing support for designation of the week of September 13, 2010, as National Adult Education and Family Literacy Week.

The Clerk read the title of the resolution.

The text of the resolution is as follows:

H. RES. 1472

Whereas the literacy of its citizens is essential for the economic well-being of the

United States, our society, and the individuals who can benefit from full participation therein;

Whereas literacy and education skills are a prerequisite to individuals reaping the full benefit of opportunities in the United States;

Whereas the economy and our position in the world marketplace depend on having a literate, skilled population;

Whereas the Nation's unemployment rates are highest among those without a high school diploma or General Equivalency Diploma (GED), indicating that education is key to economic recovery;

Whereas our Nation reaps the economic benefits of those who raise their literacy, numeracy, and English language skills;

Whereas the Nation needs older adults to reenter the education pipeline and transition to college if we are to meet the President's goal of the highest proportion of college graduates by 2020 and if we are to be internationally competitive by 2025;

Whereas the education skills of parents and reading to children have a direct impact on the educational success of their children;

Whereas, parental involvement is a key predictor of a child's success, the level of parental involvement increases as the education level of the parent increases;

Whereas parents in family literacy programs become more involved in their children's education and gain the tools necessary to obtain a job or find better employment;

Whereas, as a result, children's lives become more stable, and success in the classroom, and in all future endeavors, becomes more likely;

Whereas studies show that two important factors that influence student achievement are the mother's education level and poverty in the home, it is clear that if adults are not part of the learning equation, then there is no long-term solution to our Nation's education challenges;

Whereas many older people in the United States lack the reading, math, or English skills to read a prescription and follow medical instructions, endangering their lives and the lives of their loved ones;

Whereas many individuals who are unemployed, underemployed, or receive public assistance lack the literacy skills to obtain and keep a job with a family-sustaining income, continue their education, or participate in job training programs;

Whereas many high school dropouts do not have the literacy skills to complete their education, transition to postsecondary education or vocational training, or become employed;

Whereas a large portion of those in prison have low educational skills, and prisoners without skills are more likely to return to prison once released;

Whereas many of our Nation's immigrants do not have the literacy skills to succeed in their new home country;

Whereas the National Assessment of Adult Literacy reports that 90,000,000 adults lack the literacy, numeracy, or English language skills to succeed at home, in the workplace, and in society;

Whereas National Adult Education and Family Literacy week highlights the need for our government to support efforts to ensure each and every citizen has the necessary literacy skills to succeed at home, at work, and in society; and

Whereas the week of September 13, 2010, would be an appropriate date to designate as National Adult Education and Family Literacy Week: Now, therefore, be it

Resolved, That the House of Representatives—

(1) supports the designation of National Adult Education and Family Literacy Week, including raising public awareness about the importance of adult education and family literacy;

(2) encourages people across the United States to support programs to assist those in need of adult education and family literacy programs; and

(3) requests that the President issue a proclamation recognizing the importance of adult education and family literacy programs, calling upon the Federal Government, States, localities, schools, libraries, nonprofit organizations, community-based organizations, consumer advocates, institutions of higher education, labor unions, and businesses to support increased access to adult education and family literacy programs to ensure a literate society.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Iowa (Mr. LOEBSACK) and the gentleman from Kentucky (Mr. GUTHRIE) each will control 20 minutes.

The Chair recognizes the gentleman from Iowa.

GENERAL LEAVE

Mr. LOEBSACK. Madam Speaker, I request 5 legislative days during which Members may revise and extend and insert extraneous material on House Resolution 1472 into the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. LOEBSACK. Madam Speaker, I yield myself such time as I may consume.

I rise today in support of House Resolution 1472, which supports the designation of the week of September 13 as Adult Education and Family Literacy Week. This week recognizes the importance of adult education and family literacy programs to the success and well-being of those who strive to improve their and their children's education.

Adult education and literacy programs provide millions of Americans with the skills needed to lead productive and self-sufficient lives, boost their academic achievements, and engage in our 21st century workforce. These programs emphasize basic skills such as reading, writing, and math, prepare adult learners to take GED tests, and assist nonnative speakers in gaining English proficiency.

According to the 2003 National Assessment of Adult Literacy, the literacy skills of 90 million adults in the U.S. are currently considered "basic" or "below basic." Adult literacy programs address this national need for improved literacy. These programs also help participants obtain the skills they need to reenter the education pipeline and transition to college, a critical part of creating an internationally competitive workforce and meeting the President's goal of a nation with the highest proportion of college graduates by 2020.

Family literacy programs work with entire families to offer education opportunities to improve life skills and improve literacy. These programs help break cycles of poverty and illiteracy that affect some of our Nation's most vulnerable families. Most importantly, family literacy programs provide parents with the knowledge and skills they need to be full participants in their child's education and development. For children, family literacy programs help ensure that children start school ready to learn and on an equal footing with their peers.

Adult Education and Family Literacy Week is an opportunity for educators, advocates, and participants in these important programs to elevate adult education and family literacy nationwide with policymakers, the media, and the community. It is important for States, localities, schools, libraries, nonprofit organizations, community-based organizations, consumer advocates, institutions of higher education, labor unions, and businesses to all work together to support increased access to these adult education and family literacy programs. The outreach which occurs during this week is critical to reaching many of those who would benefit from these programs.

Madam Speaker, I want to thank Representative POLIS for introducing this resolution and once again express my support for the designation of the week of September 13 as Adult Education and Family Literacy Week. I urge my colleagues to support this resolution.

I reserve the balance of my time.

Mr. GUTHRIE, Madam Speaker, I yield myself such time as I may consume.

I rise today in support of House Resolution 1472, expressing support for designation of the week of September 13, 2010, as National Adult Education and Family Literacy Week.

Illiteracy is a nationwide problem. According to a recent report, nearly one out of two adults is illiterate, without the minimum skills required in today's society. Unfortunately, many adults in this country cannot read a newspaper or fill out a job application.

The U.S. Department of Education estimates that 93 million U.S. adults have "basic" and "below basic" literacy skills. Department of Education studies have also found that adults living in poverty were more likely to have lower than average literacy scores than adults with higher incomes. Half of the adults who did not have a high school diploma performed in the "below basic" levels. Seniors and the elderly over age 65 had the lowest average literacy scores of any range, with 64 percent performing in the "basic" and "below basic" levels. And the more than 1 million incarcerated adults in the Nation had lower average literacy

scores than adults in households on nearly every comparable scale.

Literacy skills impact every aspect of adult life. Adults who are more literate are more likely to read to their children and discuss school topics, be employed full time and receive a higher income, use the Internet and email and vote, volunteer, and access information about local and national events.

Unfortunately, only a fraction of low literate adults seek literacy services from community providers. Many people with low literacy do not perceive their skills as a problem until a crisis, such as the loss of a job or a child's need for school, helps make them aware of their literacy needs.

National Adult Education and Family Literacy Week highlights the importance of efforts to ensure each and every citizen has the necessary literacy skills to succeed at home, at work, and in society. It encourages people across the United States to support programs to assist those in need of adult education and family literacy programs.

I support this resolution and ask my colleagues to do the same.

Mr. CONYERS, Madam Speaker, today I rise in support of H. Res. 1472, "Expressing support for designation of the week of September 13, 2010, as National Adult Education and Family Literacy Week." The future of this country depends upon the level of education we provide our citizens, and the foundation of a good education is the ability to read and write well. In order to remain competitive in this global economy, we must emphasize the importance of raising our nation's literacy and English language skills.

Madam Speaker, National Adult Education and Family Literacy Week brings public attention to the importance of adult education and family literacy. Adult education and family literacy are both significant factors in determining the country's future. For example, reading to children from a young age and the mother's level of education both impact a child's academic success. Statistics show those who are often unemployed, underemployed, receive public assistance, or incarcerated are those with low educational skills. By improving such skills we take a momentous step to correcting a large number of problems that our country now faces.

With this resolution, the Congress states it is never too late to improve one's literacy or educational skills. With this designation, we improve our nation's future prospects and the lives of its citizens. I urge my colleagues to support this resolution.

Mr. GUTHRIE, I yield back the balance of my time.

Mr. LOEBSACK, I again express my support for the designation of the week of September 13 as Adult Education and Family Literacy Week. I urge my colleagues to support this resolution.

I yield back the balance of my time. The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa (Mr. LOEBSACK) that the House suspend the

rules and agree to the resolution, H. Res. 1472.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. LOEBSACK, Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

SUPPORTING TITLE VI INTERNATIONAL EDUCATION PROGRAMS

Mr. LOEBSACK, Madam Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 126) recognizing the 50th anniversary of Title VI international education programs within the Department of Education, as amended.

The Clerk read the title of the concurrent resolution.

The text of the concurrent resolution is as follows:

H. CON. RES. 126

Whereas the International Education Programs Services (IEPS) located in the U.S. Department of Education's Office of Post Secondary Education, manages 14 international education programs;

Whereas the International Education and Foreign Language Studies domestic programs are designed to strengthen the capability and performance of American education in foreign languages and in area and international studies;

Whereas overseas programs are intended to improve secondary and postsecondary teaching and research concerning other cultures and languages, training of specialists, and the American public's general understanding of people of other countries;

Whereas 10 of the programs are authorized under Title VI of the Higher Education Act of 1965, as amended, and 4 are authorized under the Mutual Educational and Cultural Exchange Act (Fulbright-Hays Act) of 1961;

Whereas Title VI was originally authorized as Title VI of the National Defense Education Act of 1958 as a response to launch of the Sputnik and the United States Government's recognition that a stronger and broader capacity in foreign language and area studies was needed;

Whereas Title VI was later incorporated in the Higher Education Act of 1965;

Whereas three programs that were included in the original 1958 legislation continue today as the National Resource Centers (NRC) program, the Foreign Language and Area Studies Fellowship (FLAS) program, and the International Research and Studies (IRS) program;

Whereas over time, additional programs have been added to Title VI to address the Nation's growing interest in international education; and

Whereas Title VI programs now address business needs for international expertise, strengthening undergraduate education, international as well as area studies, advancement of technology use, overall improvement of foreign language training and assessment, and helps to prepare students for

public service careers, including within the defense and intelligence agencies, and the foreign service: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That Congress—

(1) supports the goals and ideals of Title VI international education programs; and

(2) recognizes the need to continue development and promotion of international educational programs.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Iowa (Mr. LOEBSACK) and the gentleman from Kentucky (Mr. GUTHRIE) each will control 20 minutes.

The Chair recognizes the gentleman from Iowa.

GENERAL LEAVE

Mr. LOEBSACK. Madam Speaker, I request 5 legislative days during which Members may revise and extend and insert extraneous materials on House Concurrent Resolution 126 into the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. LOEBSACK. Madam Speaker, I yield myself such time as I may consume.

I rise today in support of House Concurrent Resolution 126, which recognizes the 50th anniversary of the Title VI international education programs within the Department of Education. Under the Office of Postsecondary Education, the International Education Programs Service, IEPS, manages a total of 14 such programs. These programs provide grants to individuals, institutions of higher education, and nonprofit organizations to build and strengthen international cooperation and enrich our students' cultural experiences.

International education has long been an important part of strengthening the capability and performance of American educational programs in foreign languages and in area and international study. International education programs also help our Nation's students, teachers, and researchers interact with other cultures and languages, train our specialists, and inform general understanding of peoples of other countries. On the 50th anniversary of the Title VI programs, we honor the contributions and benefits of international education programs to science, culture, government, and business.

International education programs were originally authorized as Title VI of the National Defense Education Act of 1958, in part as a response to the launch of Sputnik and with the recognition that a stronger and broader engagement with foreign language and area studies would strengthen American national security.

□ 1420

Title VI was later incorporated into the Higher Education Act of 1965 and

has continued to evolve to meet the needs of today's students. A well-rounded international education is also critically important to a globally competitive workforce. Title VI program grants help address business needs for international expertise, strengthen undergraduate education and research at National Research Centers, and improve foreign language training and assessment at Language Resource Centers.

In the academic setting, institutions have used title VI grants to establish or operate overseas research centers, support more than 800 graduate fellowships in foreign languages and area studies, and improve business curriculums, especially as it concerns U.S. trade and global competitiveness.

Madam Speaker, I want to thank Representative WATSON for introducing this resolution, and once again express support for House Concurrent Resolution 126, which recognizes the 50th anniversary of title VI international education programs within the Department of Education.

I urge my colleagues to support this resolution.

I reserve the balance of my time.

Mr. GUTHRIE. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of H. Con. Res. 126, recognizing the 50th anniversary of title VI international education programs within the Department of Education.

Title VI was originally authorized as title VI of the National Defense Act in 1958 in response to the launch of Sputnik and the U.S. Government's recognition that a stronger and broader capacity in foreign language and area studies was needed to create a body of experts competent in foreign languages and cultures who could serve the government, especially our defense and intelligence agencies and the Foreign Service.

Three programs that were included in the original 1958 legislation continue today as the National Resource Centers program, the Foreign Language and Area Studies Fellowship program, and the International Research and Studies program. These programs support language area centers for expansion of postsecondary instruction in languages that are less commonly taught, as well as foreign language fellowships, research supporting language learning methodology, and language institutes to provide advanced language and training.

Over time, additional programs have been added to title VI in order to address the Nation's growing interest in international education. Title VI programs also help to address business needs for international expertise, strengthening undergraduate education, international as well as area studies, advancement of technology

use, and overall improvement of foreign language training and assessment.

Today, as intended by the program's creators, title VI programs help to provide for our national defense by ensuring a Federal investment in ensuring a supply of citizens with international expertise. Title VI programs help to support American experts in, and citizens' knowledge about, world regions, foreign languages, and international affairs, as well as those with a strong research base in these areas.

Madam Speaker, I urge my colleagues to support this resolution.

Mr. CONYERS. Madam Speaker, I rise in support of H. Con. Res. 126, recognizing the 50th anniversary of Title VI international education programs within the Department of Education.

Since the terror attacks of 9/11 it is indispensable that we continue to strive to develop leaders, educators, foreign policy experts and individuals in matters of world affairs through research and specialty training in international affairs. Moreover, it is imperative that we continue to expand educational programs that will create opportunities for greater diversity in our knowledge of other nations. Such advancements will further equip citizens and experts within the United States with the necessary tools to contribute to national security and world development.

Every day our world changes and Title VI has played an important role in helping the United States respond to these changing events in a culturally sensitive manner. Therefore, I encourage my colleagues to support this resolution and support the goals and ideals of Title VI international education programs and recognize the need to continue development and promotion of these programs.

Mr. GUTHRIE. I yield back the balance of my time.

Mr. LOEBSACK. Madam Speaker, I again express support for House Concurrent Resolution 126, which recognizes the 50th anniversary of title VI international education programs within the Department of Education. And I appreciate the support from the other side of the aisle on this resolution as well. I urge my colleagues to support this resolution.

I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa (Mr. LOEBSACK) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 126, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. LOEBSACK. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

**SUPPORTING DESIGNATION OF
SEPTEMBER AS NATIONAL
CHILD AWARENESS MONTH**

Mr. LOEBSACK. Madam Speaker, I move to suspend the rules and agree to the resolution (H. Res. 1219) expressing support for designation of September as National Child Awareness Month.

The Clerk read the title of the resolution.

The text of the resolution is as follows:

H. RES. 1219

Whereas millions of American children and youth represent the hopes and future of the United States;

Whereas numerous individuals, children's organizations, and youth-serving organizations that work with children and youth collaborate to provide invaluable services to enrich and better the lives of the young;

Whereas heightening awareness of, and increasing support for, organizations that provide access to healthcare, social services, education, the arts, sports, and other services will assist in the development of character and the future success of youth in the United States;

Whereas September is a time when parents, families, teachers, school administrators, and communities in general increase their focus on children and youth nationwide as the school year begins;

Whereas September is a time for the people of the United States as a whole to highlight and be mindful of the needs of children and youth;

Whereas the House of Representatives unanimously passed H. Res. 1296 in 2008 and H. Res. 438 in 2009 to support the designation of September as "National Child Awareness Month";

Whereas private corporations and businesses have joined with hundreds of national and local charitable organizations throughout the United States in support of a month-long focus on children and youth; and

Whereas designating September as National Child Awareness Month would recognize that a long-term commitment to children and youth is in the public interest, and will encourage widespread support for the charities and organizations that seek to provide a better future for the children and youth of the United States: Now, therefore, be it

Resolved, That the House of Representatives—

(1) supports the designation of a National Child Awareness Month to promote awareness of children's charities and youth-serving organizations across the United States;

(2) recognizes the efforts of children's charities and youth-serving organizations on behalf of children and youth as a critical contribution to the future of the United States; and

(3) encourages the President to issue a proclamation to emphasize the importance of National Child Awareness Month.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Iowa (Mr. LOEBSACK) and the gentleman from Kentucky (Mr. GUTHRIE) each will control 20 minutes.

The Chair recognizes the gentleman from Iowa.

GENERAL LEAVE

Mr. LOEBSACK. Madam Speaker, I request 5 legislative days during which

Members may revise and extend and insert extraneous material on House Resolution 1219 into the record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. LOEBSACK. Madam Speaker, I yield myself such time as I may consume.

I rise today in support of House Resolution 1219, which supports the designation of the month of September as Child Awareness Month and encourages us to focus on children and youth nationwide as the school year begins.

There are more than 75 million children in the United States today, and they represent the hopes and future of our country. Throughout America, thousands of individuals, organizations, and schools are working to enrich the lives of our children and youth, and they deserve our thanks. Child Awareness Month raises awareness of these organizations and charities that provide access to health care, social services, education, the arts, sports, and other services for our kids.

We know today how a child's early years are truly critical to their development as adults, and how important it is to ensure that our children have access to quality health care, positive educational experiences, opportunities to participate in sports and healthy activities, and safe and nurturing home environments. Our Nation's child- and youth-serving organizations link children to the arts, encourage them to set new fitness goals, engage in school activities, and teach them to care for their communities.

During Child Awareness Month, corporations and businesses will join with national and local nonprofit groups to focus on children and youth returning to school. Some will provide free back-to-school supplies, while others will support fall athletics programs. While this nationwide focus is just 1 month long, it reminds us of our year-round commitment to build a better future for our children.

Madam Speaker, once again I express my support for Child Awareness Month, and I thank Representative CALVERT for bringing this bill forward.

I urge my colleagues to join in support of this resolution.

I reserve the balance of my time.

Mr. GUTHRIE. Madam Speaker, I yield myself such time as I may consume.

I rise today in support of House Resolution 1219, expressing support for the designation of September as National Child Awareness Month.

National Child Awareness Month is an opportunity to recognize the individuals and charitable organizations who work so diligently to improve the lives of children every day. Most young Americans are raised in healthy families, and they grow up to be responsible

and productive citizens. However, there are children who do not have a healthy environment in which they can thrive, and whose daily realities make their dreams seem forever out of reach. Charitable children's organizations and youth organizations play a significant role in helping to make up for those daily deficits for millions of disadvantaged youth.

Charitable organizations that serve our Nation's children provide invaluable services that enrich the lives of children and their families and our Nation as a whole. The work they do every day in communities across the country, including after-school tutoring, counseling services for at-risk youth, camps and the like, should be acknowledged and praised, particularly in these tough economic times.

I am pleased to recognize the organizations that work tirelessly every day in the interests of our children. I ask my colleagues to support this resolution.

Ms. LORETTA SANCHEZ of California. Madam Speaker, as the lead Democrat sponsor of H. Res. 1219 I rise in support of this bipartisan resolution expressing support for recognizing the month of September as National Child Awareness Month.

My colleague from California, Congressman KEN CALVERT and I were pleased to introduce H. Res. 438 because it will raise awareness of children's charities and youth-serving organizations across the United States. This resolution recognizes that these organizations' efforts on behalf of children and youth are critical contributions to the future of our nation.

As we know, September is traditionally back-to-school month, a time when families focus on preparing children for the coming school year. In addition to academic preparation, it is also a time when the American public should be focused on the physical, social and economic well-being of our nation's children.

It is my hope that H. Res. 1219 will encourage more individuals to volunteer for or contribute to causes that help our children.

An enhanced awareness of children's charities and youth-serving organizations, made possible by this resolution, will assist these organizations' efforts to encourage volunteers to become involved in the lives of the most disadvantaged children in our communities across the country.

I am confident that National Child Awareness Month will serve as a banner that will unite charitable organizations of diverse missions, size, geography and scope to focus on a common goal—improving the lives of our nation's youth.

Many non-profit youth-serving organizations and charities across the country have expressed their strong support for the recognition of September as National Child Awareness Month.

I am hopeful that President Obama will share my enthusiasm and issue a Presidential Proclamation to designate September as National Child Awareness Month. With his support, both public and private programs across the nation will be acknowledged for their contributions to ensuring our children's well-being.

In the meantime, I would like to thank my colleagues for their unanimous support for the adoption of H. Res. 1219—expressing support for designation of September as National Child Awareness Month as it will serve to bring the nation's focus back to the one resource that guarantees our future success—our children.

Mr. ROHRBACHER. Madam Speaker, I rise in support of H. Res. 1219, expressing support for the designation of September as National Child Awareness Month. As schools across America reopen their doors this autumn, we pay special recognition to the charities and support groups who have made immeasurable contributions to America's children in the areas of education, health, social services, sports, arts and character development.

As a father of triplets, I know firsthand the challenges associated with childhood development and the importance of having a strong support system to help guide our children into the 21st century. This September, National Child Awareness Month will serve as a reminder that all individuals, regardless of their status as an educator or parent, can play an important role in the development of our youth.

The growth of our children does not stop at the school house gates. In my district, the Festival of Children Foundation has been a leading advocate for improving the lives of children through social development. Through the efforts of organizations like the Festival of Children Foundation, an increasing number of our youth are reaching their potential, and achieving the possible dream. Sandy Segerstrom Daniels, a leading business professional and children's advocate founded the Festival of Children in 2002 as a center for charities to come together and collaborate. The Segerstrom family is a well-respected family in Orange County.

The story of the Segerstrom family is the quintessential American Dream. The family emigrated from Sweden near the turn of the last century and began a lima bean farm in Costa Mesa. Their success was no mistake—their hard work and dedication eventually led to a successful business that allowed them to give back to the same community that made their success possible. And they did so with incredible generosity. Among the Segerstroms' many contributions to Orange County are the Orange County Performing Arts Center, South Coast Plaza, and Segerstrom High School. The Festival of Children Foundation exemplifies the best of not only the Segerstrom family, but of Orange County—a county they helped build.

Orange County, California is identified by many as a conservative county. As such, Orange County is a family-based community where individuals believe in helping one another—where people reach into their own pockets to invest in the wellbeing of its youth and others who are at-need. For these selfless acts, we all owe a debt of gratitude for the immeasurable achievements made by the Festival of Children Foundation, Nancy Segerstrom Daniels, and all charitable organizations that positively impact the lives of America's youth.

I am hopeful the goals and ideals National Child Awareness Month will not only be recognized this September, but every month of the year, as the fate of our nation relies on each succeeding generation.

Mr. CALVERT. Madam Speaker, I stand in strong support of House Resolution 1219, a bipartisan resolution which expresses the sense of the U.S. House of Representatives that National Child Awareness Month should be established in the month of September.

September is traditionally "back-to-school" month, a time when families focus on preparing children for the coming school year. Recognizing September as National Child Awareness Month will heighten the American public's attentiveness to the importance of our children's health, education, safety and character development through the ongoing efforts of the numerous organizations and individuals who help to protect and nurture them. With this resolution we express our support for a month-long effort to recognize the importance of children in our society as they grow into responsible citizens.

It is widely recognized that a strong, supportive family unit is the most important factor in the well-being of a child. Unfortunately there is no guarantee that every child will have a support system to depend on. Thankfully there are many organizations that provide for the most disadvantaged children in communities across the country. Even children with solid support systems benefit from youth-serving organizations which enrich their lives through activities such as sports, the arts, philanthropy and further education outside of the classroom.

I would like to extend my sincerest appreciation to the 40 bipartisan cosponsors and to the gentlelady from Orange County, California, the Democratic lead sponsor, LORETTA SANCHEZ and her staff, for their efforts on behalf of this resolution. In addition I would like to extend a special thanks to the Education and Labor Committee for moving the bill quickly. It is my hope that Senators FEINSTEIN and BURR will quickly pass a companion resolution in the Senate chamber and that President Obama will by Presidential Proclamation designate September as National Child Awareness Month so that the many child-focused programs of the federal government might also be highlighted.

Most importantly, I commend the many local and national youth-serving organizations and charities dedicated to the well-being of children across the Nation and the world.

Mr. GUTHRIE. I yield back the balance of my time.

Mr. LOEBSACK. Madam Speaker, I again express my support for Child Awareness Month. I urge my colleagues to join me in support of this resolution.

I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa (Mr. LOEBSACK) that the House suspend the rules and agree to the resolution, H. Res. 1219.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. LOEBSACK. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the

Chair's prior announcement, further proceedings on this motion will be postponed.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Brian Pate, one of his secretaries.

CONGRATULATING UNIVERSITY OF SOUTH CAROLINA GAMECOCKS ON WINNING 2010 COLLEGE WORLD SERIES

Mr. LOEBSACK. Madam Speaker, I move to suspend the rules and agree to the resolution (H. Res. 1491) congratulating the University of South Carolina Gamecocks on winning the 2010 NCAA Division I College World Series.

The Clerk read the title of the resolution.

The text of the resolution is as follows:

H. RES. 1491

Whereas, on June 29, 2010, the University of South Carolina Gamecocks won the 2010 NCAA Division I College World Series in Rosenblatt Stadium in Omaha, Nebraska;

Whereas a base hit to right field drove in the final run for the University of South Carolina Gamecocks to win 2-1 against the UCLA Bruins in the bottom of the 11th inning;

Whereas the University of South Carolina Gamecocks showed great skill, patience, and will by withstanding a first-round loss and then winning 6 consecutive games for the national title;

Whereas the University of South Carolina Gamecocks won their first NCAA baseball title; and

Whereas head coach Ray Tanner and the University of South Carolina Gamecocks bring great pride and honor to the fans and residents of South Carolina with this victory: Now, therefore, be it

Resolved, That the House of Representatives congratulates the University of South Carolina Gamecocks on the outstanding accomplishment of winning the 2010 NCAA Division I College World Series.

□ 1430

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Iowa (Mr. LOEBSACK) and the gentleman from Kentucky (Mr. GUTHRIE) each will control 20 minutes.

The Chair recognizes the gentleman from Iowa.

GENERAL LEAVE

Mr. LOEBSACK. Madam Speaker, I request 5 legislative days during which Members may revise and extend and insert extraneous material on House Resolution 1491 into the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. LOEBSACK. Madam Speaker, I yield myself such time as I may consume.

I rise today in support of House Resolution 1491, which congratulates the

University of South Carolina's Gamecocks for winning the 2010 NCAA Division I College World Series—their very first such title.

On June 29, 2010, the Gamecocks played a tough game against the UCLA Bruins at the historic Rosenblatt Stadium in Omaha, Nebraska. Tied at the top of the 9th, the Gamecocks hit their final run at the bottom of the 11th inning and secured their win. Although the team had sustained a first-round loss in the College World Series, they went on to win six consecutive games and secure their first national title.

For head coach Ray Tanner, it was his 14th season with the University of South Carolina and his fourth at the College World Series. During this season, Coach Tanner recorded his 1,000th win of his career and became the 44th Division I coach to reach this milestone. He was named 2010 National Coach of the Year by Collegiate Baseball, and we congratulate Coach Tanner on his impressive record.

The entire Gamecocks lineup demonstrated excellence this season. I would like to especially recognize junior outfielder Whit Merrifield, who drove the final run home with a sharp single to right field that scored teammate Scott Wingo from third base and lifted USC to their victory. Over 40,000 fans greeted the Gamecocks at their victory parade in Columbia, South Carolina; and we join them in their celebration.

Madam Speaker, I express my support for House Resolution 1491 and congratulate the University of South Carolina Gamecocks on their 2010 NCAA Division I College World Series victory. I urge my colleagues to support this resolution.

I reserve the balance of my time.

Mr. GUTHRIE. Madam Speaker, I yield myself such time as I may consume.

I rise today in support of House Resolution 1491, congratulating the University of South Carolina Gamecocks on winning the 2010 NCAA Division I College World Series.

The University of South Carolina, located in Columbia, South Carolina, was founded as South Carolina College in 1801. The university offers more than 350 programs of study from 14 colleges and schools and has an enrollment of over 28,000 students. The USC Gamecocks have 19 varsity athletic programs and have won seven national championships including the 2010 College World Series.

Since 1970, South Carolina Gamecocks baseball has been considered an elite program in college baseball, appearing in 26 NCAA tournaments and nine college world series. The team played their first intercollegiate game in 1895. South Carolina owns a 23–17 all-time record in the College World Series and is 103–56 in NCAA tournament play. The 2010 South Carolina Gamecocks

baseball team was led to national victory by head coach Ray Tanner. In 14 seasons at South Carolina, Coach Tanner has a 634–282 record with four College World Series appearances.

This year in 2010, Coach Tanner and the Gamecocks won the NCAA championship at the College World Series in Omaha, becoming the first team to win six straight games in a world series and the third team to win the College World Series after losing its first game of the series. South Carolina won the College World Series in the final game against UCLA on June 30, 2010.

I'm honored to stand before the House today to congratulate and recognize the significant achievements of the players, coaches, and students whose dedication and hard work have led to the success of the University of South Carolina baseball program as the 2010 NCAA Division I College World Series national champions.

I ask my colleagues to support this resolution.

Madam Speaker, I yield such time as he may consume to the gentleman from South Carolina (Mr. WILSON).

Mr. WILSON of South Carolina. Madam Speaker, it's with great gratitude that I rise today in support of House Resolution 1491 to formally congratulate the University of South Carolina's baseball team for its impressive success at the College World Series. Today's resolution, endorsed by all six Members of the South Carolina delegation to congratulate the University of South Carolina Gamecocks on winning the 2010 NCAA Division I College World Series, is particularly special to me as I am able to honor my alma mater and that of my mother and father and that of many of the Second Congressional District staff.

The journey to this point hasn't been the easiest for the Gamecocks and history has not been on our side, as this is the first time in the school's history that the baseball team earned this great achievement despite going to the College World Series nine times.

During the NCAA tournament, the team faced an opening loss to Oklahoma and as a result had to do the unthinkable: win four consecutive games that included back-to-back wins against in-state arch rival Clemson University. The last stop on the journey was UCLA, a highly respected and talented team in the championship series. The Gamecocks had impressive consecutive victories over the Bruins to finish the season with a 54–16 overall record and earn the title of College World Series National Champions.

I'm extremely proud of the way these student athletes represented our university and our great State. None of this would have been possible without the USC Coach, Ray Tanner, whose leadership and determination has led to over 600 victories, 11 consecutive post-season appearances, and now a na-

tional title for the Gamecocks. Tanner's coaching success is complemented by associate head coach Chad Holbrook and assistant coach Mark Calvi.

The team is led by Whit Merrifield, the first cousin of Second Congressional District staff member Melissa Hite of Irma, South Carolina, who withstood a hard collision in South Carolina's victory over Clemson but stayed in the game and drove in the winning run at the bottom of the 11th inning the next night to claim the national title for the Gamecocks.

Defying all odds and refusing to give in, Jackie Bradley, Jr., delivered a clutch hit which scored the tying run in the bottom of the 12th inning against Oklahoma in the June 24 elimination game. Without Bradley's hit, the Gamecocks run at winning the national title would have come to a sudden halt.

Second District resident Blake Cooper, of Neeses, was the most valuable player of the first game of the championship series with an outstanding pitching performance against the UCLA Bruins. Freshman pitcher Matt Price, of Sumter, held the Bruins scoreless for the last three innings of the College World Series and earned Freshman All American honors from Baseball America.

I want to offer a big congratulations to Austin Ashmore of Greer, South Carolina; Parker Bangs of Laurinburg, North Carolina; Robert Beary of Apopka, Florida; Nolan Belcher of Augusta, Georgia; Jackie Bradley, Jr., of Prince George, Virginia; Jay Brown of Brunswick, Georgia; Alex Burrell of Landrum, South Carolina; Ethan Carter of Newport News, Virginia; Brison Celek of Charleston, South Carolina; Blake Cooper of Neeses, South Carolina; Sam Dyson of Tampa, Florida; Nick Ebert of Ocala, Florida; Kyle Enders of Greer, South Carolina; Bobby Haney of Smithtown, New York; Greg Harrison of Hilton Head Island, South Carolina; Colby Holmes of Conway, South Carolina; Anthony Iacomini of Cross River, New York; Jeffery Jones of Ft. Worth, Texas; Evan Marzilli of Cranston, Rhode Island; Jose Mata of Miami Lakes, Florida; Adam Matthews of Lexington, South Carolina; Whit Merrifield of Advance, North Carolina, a constituent of Congresswoman VIRGINIA FOXX; Adrian Morales of Hialeah, Florida; Logan Munson of Columbia, South Carolina; Steven Neff of Lancaster, South Carolina; Matt Price of Sumter, South Carolina; Jordan Propst of Gaffney, South Carolina; Jimmy Revan of Chesnee, South Carolina; Michael Roth of Greer, South Carolina; Richard Royal of Fayetteville, North Carolina; Patrick Sullivan of Columbia, South Carolina; John Taylor of

Florence, South Carolina; Brady Thomas of Anderson, South Carolina; Christian Walker of Limerick, Pennsylvania; Tyler Webb of Nassawadox, Virginia; Adam Westmoreland of Cayce, South Carolina; Jake Williams of Greer, South Carolina; and Scott Wingo of Greenville, South Carolina.

In conclusion, I urge my colleagues to join in supporting House Resolution 1491. Go Gamecocks.

Mr. LOEBSACK. Madam Speaker, at this time I yield such time as he may consume to my colleague, the gentleman from South Carolina (Mr. SPRATT).

□ 1440

Mr. SPRATT. Madam Speaker, I join other members of the South Carolina delegation in cheering the University of South Carolina baseball team and Coach Ray Tanner for winning the 2010 College World Series.

I extend special congratulations to Coach Tanner for being named College Coach of the Year by Baseball America. Coach Tanner is completing his 14th season at the University of South Carolina.

I also take particular pride in the accomplishments of the players from my district, the Fifth Congressional District, including Matt Price, the pitcher who earned the win with his relief effort against UCLA in the Gamecocks' championship-clinching victory.

The College World Series is a tribute to the impact of baseball on our State. Five public universities from South Carolina made the field of 64, and during the semifinal, a great in-State rivalry was played out on the national stage as the Carolina Gamecocks defeated the Clemson Tigers to advance to the finals.

This win was the university's first championship in any men's sport, and its impact upon the city of Columbia and the State was immediate and profound. It is hard to believe that the Gamecocks prevailed even when they were one strike away from elimination in the quarter-final game.

In addition to their athletic abilities, these young athletes serve as examples of the power of hard work, perseverance, and commitment. They have our gratitude and admiration, and I commend them for their sterling achievement.

Mr. GUTHRIE. Madam Speaker, I yield back the balance of my time.

Mr. LOEBSACK. Madam Speaker, I once again show my support for House Resolution 1491, in particular, my support and congratulations to our two South Carolina colleagues who are here today as well. I know it is a very happy day for them.

I want to congratulate the University of South Carolina Gamecocks on their 2010 NCAA Division I College World Series victory, and I urge my colleagues to support this resolution.

I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa (Mr. LOEBSACK) that the House suspend the rules and agree to the resolution, H. Res. 1491.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. WILSON of South Carolina. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

STRENGTHENING EMPLOYMENT CLUSTERS TO ORGANIZE REGIONAL SUCCESS ACT OF 2010

Mr. LOEBSACK. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 1855) to promote industry growth and competitiveness and to improve worker training, retention, and advancement, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1855

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Strengthening Employment Clusters to Organize Regional Success Act of 2010" or the "SECTORS Act of 2010".

SEC. 2. INDUSTRY OR SECTOR PARTNERSHIP GRANT.

(a) AMENDMENT.—Subtitle D of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2911 et seq.) is amended by inserting after section 171 the following:

"SEC. 171A. INDUSTRY OR SECTOR PARTNERSHIP GRANT PROGRAM.

"(a) PURPOSE.—It is the purpose of this section to promote industry or sector partnerships that lead collaborative planning, resource alignment, and training efforts across multiple firms for a range of workers employed or potentially employed by a targeted industry cluster, in order to encourage industry growth and competitiveness and to improve worker training, retention, and advancement in targeted industry clusters, including by developing—

"(1) immediate strategies for regions and communities to fulfill pressing skilled workforce needs;

"(2) long-term plans to grow targeted industry clusters with better training and a more productive workforce;

"(3) core competencies and competitive advantages for regions and communities undergoing structural economic redevelopment; and

"(4) cross-firm skill standards, career ladders, job redefinitions, employer practices, and shared training and support capacities that facilitate the advancement of workers at all skill levels.

"(b) DEFINITIONS.—In this section:

"(1) CAREER LADDER.—The term 'career ladder' means an identified series of posi-

tions, work experiences, and educational benchmarks or credentials that offer occupational and financial advancement within a specified career field or related fields over time.

"(2) ECONOMIC SELF-SUFFICIENCY.—The term 'economic self-sufficiency' means, with respect to a worker, earning a wage sufficient to support a family adequately over time, based on factors such as—

"(A) family size;

"(B) the number and ages of children in the family;

"(C) the cost of living in the worker's community; and

"(D) other factors that may vary by region.

"(3) ELIGIBLE ENTITY.—The term 'eligible entity' means—

"(A) an industry or sector partnership; or

"(B) an eligible State agency.

"(4) ELIGIBLE STATE AGENCY.—The term 'eligible State agency' means a State agency designated by the Governor of the State in which the State agency is located for the purposes of the grant program under this section.

"(5) HIGH-PRIORITY OCCUPATION.—The term 'high-priority occupation' means an occupation that—

"(A) has a significant presence in an industry cluster;

"(B) is in demand by employers;

"(C) pays family-sustaining wages that enable workers to achieve economic self-sufficiency, or can reasonably be expected to lead to such wages;

"(D) has or is in the process of developing a documented career ladder; and

"(E) has a significant impact on a region's economic development strategy.

"(6) INDUSTRY CLUSTER.—The term 'industry cluster' means a concentration of interconnected businesses, suppliers, research and development, service providers, and associated institutions in a particular field that are linked by common workforce needs.

"(7) INDUSTRY OR SECTOR PARTNERSHIP.—The term 'industry or sector partnership' means a workforce collaborative that is described as follows:

"(A) REQUIRED MEMBERS.—

"(i) IN GENERAL.—A workforce collaborative that organizes key stakeholders in a targeted industry cluster into a working group that focuses on the workforce needs of the targeted industry cluster and that includes, at the appropriate stage of development of the partnership—

"(I) representatives of multiple firms or employers in the targeted industry cluster, including small- and medium-sized employers when practicable;

"(II) 1 or more representatives of State labor organizations, central labor coalitions, or other labor organizations, except instances where no labor representation exists;

"(III) 1 or more representatives of local boards;

"(IV) 1 or more representatives of postsecondary educational institutions or other training providers; and

"(V) 1 or more representatives of State workforce agencies or other entities providing employment services.

"(ii) DIVERSE AND DISTINCT REPRESENTATION.—No individual may serve as a member in an industry or sector partnership for more than 1 of the required categories described in subclauses (I) through (V) of clause (i).

"(B) AUTHORIZED MEMBERS.—An industry or sector partnership may include representatives of—

"(i) State or local government;

“(ii) State or local economic development agencies;

“(iii) other State or local agencies;

“(iv) chambers of commerce;

“(v) nonprofit organizations;

“(vi) philanthropic organizations;

“(vii) economic development organizations;

“(viii) industry associations; and

“(ix) other organizations, as determined necessary by the members comprising the industry or sector partnership.

“(8) TARGETED INDUSTRY CLUSTER.—The term ‘targeted industry cluster’ means an industry cluster that has—

“(A) economic impact in a local or regional area, such as advanced manufacturing, clean energy technology, and health care;

“(B) immediate workforce development needs, such as advanced manufacturing, clean energy, technology, and health care; and

“(C) documented career opportunities.

“(C) GRANTS AUTHORIZED.—

“(1) IN GENERAL.—From amounts appropriated to carry out this section, the Secretary shall award, on a competitive basis, grants described in paragraph (3) to eligible entities to enable the eligible entities to plan and implement, respectively, the eligible entities’ strategic objectives in accordance with subsection (d)(2)(D).

“(2) MAXIMUM AMOUNT.—

“(A) IMPLEMENTATION GRANTS.—An implementation grant awarded under paragraph (3)(A) may not exceed a total of \$2,500,000 for a 3-year period.

“(B) RENEWAL GRANTS.—A renewal grant awarded under paragraph (3)(C) may not exceed a total of \$1,500,000 for a 3-year period.

“(3) IMPLEMENTATION AND RENEWAL GRANTS.—

“(A) IN GENERAL.—The Secretary may award an implementation grant under this section to an eligible entity that has established, or is in the process of establishing, an industry or sector partnership.

“(B) DURATION.—An implementation grant shall be for a duration of not more than 3 years, and may be renewed in accordance with subparagraph (C).

“(C) RENEWAL.—The Secretary may renew an implementation grant for not more than 3 years. A renewal of such grant shall be subject to the requirements of this section, except that the Secretary shall—

“(i) prioritize renewals to eligible entities that can demonstrate the long-term sustainability of an industry or sector partnership funded under this section; and

“(ii) require assurances that the eligible entity will leverage, in accordance with subparagraph (D)(ii), each year of the grant period, additional funding sources for the non-Federal share of the grant which shall—

“(I) be in an amount greater than—

“(aa) the non-Federal share requirement described in subparagraph (D)(i)(III); and

“(bb) for the second and third year of the grant period, the non-Federal share amount the eligible entity provided for the preceding year of the grant; and

“(II) include at least a 50 percent cash match from the State, the industry cluster, or some combination thereof, of the eligible entity.

“(D) FEDERAL AND NON-FEDERAL SHARE.—

“(i) FEDERAL SHARE.—Except as provided in subparagraph (C)(ii) and clause (iii) of this subparagraph, the Federal share of a grant under this section shall be—

“(I) 90 percent of the costs of the activities described in subsection (f), in the first year of the grant;

“(II) 80 percent of such costs in the second year of the grant; and

“(III) 70 percent of such costs in the third year of the grant.

“(ii) NON-FEDERAL.—The non-Federal share of a grant under this section may be in cash or in-kind, and may come from State, local, philanthropic, private, or other sources.

“(iii) EXCEPTION.—The Secretary may require the Federal share of a grant under this section to be 100 percent if an eligible entity receiving such grant is located in a State or local area that is receiving a national emergency grant under section 173.

“(4) FISCAL AGENT.—Each eligible entity receiving a grant under this section that is an industry or sector partnership shall designate an entity in the partnership as the fiscal agent for purposes of this grant.

“(5) USE OF GRANT FUNDS DURING GRANT PERIODS.—An eligible entity receiving grant funds under a grant under this section shall expend grant funds or obligate grant funds to be expended by the last day of the grant period.

“(d) APPLICATION PROCESS.—

“(1) IDENTIFICATION OF A TARGETED INDUSTRY CLUSTER.—In order to qualify for a grant under this section, an eligible entity shall identify a targeted industry cluster that could benefit from such grant by—

“(A) working with businesses, industry associations and organizations, labor organizations, State boards, local boards, economic development agencies, and other organizations that the eligible entity determines necessary, to identify an appropriate targeted industry cluster based on criteria that include, at a minimum—

“(i) data showing the competitiveness of the industry cluster;

“(ii) the importance of the industry cluster to the economic development of the area served by the eligible entity, including estimation of jobs created or preserved;

“(iii) the identification of supply and distribution chains within the industry cluster; and

“(iv) research studies on industry clusters; and

“(B) working with appropriate employment agencies, workforce investment boards, economic development agencies, community organizations, and other organizations that the eligible entity determines necessary to ensure that the targeted industry cluster identified under subparagraph (A) should be targeted for investment, based primarily on the following criteria:

“(i) Demonstrated demand for job growth potential.

“(ii) Employment base.

“(iii) Wages and benefits.

“(iv) Demonstrated importance of the targeted industry cluster to the area’s economy.

“(v) Workforce development needs.

“(2) APPLICATION.—An eligible entity desiring to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. An application submitted under this paragraph shall contain, at a minimum, the following:

“(A) A description of the eligible entity, evidence of the eligible entity’s capacity to carry out activities in support of the strategic objectives identified in the application under subparagraph (D), and a description of the expected participation and responsibilities of each of the mandatory partners described in subsection (b)(7)(A).

“(B) A description of the targeted industry cluster for which the eligible entity intends

to carry out activities through a grant under this section, and a description of how such targeted industry cluster was identified in accordance with paragraph (1).

“(C) A description of the workers that will be targeted or recruited by the partnership, including an analysis of the existing labor market, a description of potential barriers to employment for targeted workers, and a description of strategies that will be employed to help workers overcome such barriers.

“(D) A description of the strategic objectives that the eligible entity intends to carry out for the targeted industry cluster, which objectives shall include—

“(i) recruiting key stakeholders in the targeted industry cluster, such as multiple businesses and employers, labor organizations, local boards, and education and training providers, and regularly convening the stakeholders in a collaborative structure that supports the sharing of information, ideas, and challenges common to the targeted industry cluster;

“(ii) identifying the training needs of multiple businesses, especially skill gaps critical to competitiveness and innovation to the targeted industry cluster;

“(iii) facilitating economies of scale by aggregating training and education needs of multiple employers;

“(iv) helping postsecondary educational institutions, training institutions, apprenticeship programs, and all other training programs authorized under this Act, align curricula entrance requirements and programs to industry demand, particularly for higher skill, high-priority occupations validated by the industry;

“(v) ensuring that the State agency, including services provided by State merit staff authorized under the Wagner-Peyser Act program, shall inform recipients of unemployment insurance of the job and training opportunities that may result from the implementation of this grant;

“(vi) informing and collaborating with organizations such as youth councils, business-education partnerships, apprenticeship programs, secondary schools, and postsecondary educational institutions, and with parents and career counselors, for the purpose of addressing the challenges of connecting disadvantaged adults as defined in section 132(b)(1)(B)(v) and disadvantaged youth as defined in section 127(b) to careers;

“(vii) helping companies identify, and work together to address, common organizational and human resource challenges, such as—

“(I) recruiting new workers;

“(II) implementing effective workplace practices;

“(III) retraining dislocated and incumbent workers;

“(IV) implementing a high-performance work organization;

“(V) recruiting and retaining women in nontraditional occupations;

“(VI) adopting new technologies; and

“(VII) fostering experiential and contextualized on-the-job learning;

“(viii) developing and strengthening career ladders within and across companies, in order to enable dislocated, incumbent and entry-level workers to improve skills and advance to higher-wage jobs;

“(ix) improving job quality through improving wages, benefits, and working conditions;

“(x) helping partner companies in industry or sector partnerships to attract potential

employees from a diverse job seeker base, including individuals with barriers to employment (such as job seekers who are low income, youth, older workers, and individuals who have completed a term of imprisonment), by identifying such barriers through analysis of the existing labor market and implementing strategies to help such workers overcome such barriers; and

“(xi) strengthening connections among businesses in the targeted industry cluster, leading to cooperation beyond workforce issues that will improve competitiveness and job quality, such as joint purchasing, market research, or centers for technology and innovation.

“(E) A description of the manner in which the eligible entity intends to make sustainable progress toward the strategic objectives described in subparagraph (D).

“(F) Performance measures for measuring progress toward the strategic objectives. Such performance measures—

“(i) may consider the benefits provided by the grant activities funded under this section for workers employed in the targeted industry cluster, disaggregated by gender and race, such as—

“(I) the number of workers receiving portable industry-recognized credentials;

“(II) the number of workers with increased wages, the percentage of workers with increased wages, and the average wage increase; and

“(III) for dislocated or nonincumbent workers, the number of workers placed in sector-related jobs; and

“(ii) may consider the benefits provided by the grant activities funded under this section for firms and industries in the targeted industry cluster, such as—

“(I) the creation or updating of an industry plan to meet current and future workforce demand;

“(II) the creation or updating of published industry-wide skill standards or career pathways;

“(III) the creation or updating of portable, industry-recognized credentials, including national credentials or where there is not such a credential, the creation or updating of a training curriculum that can lead to the development of such a credential;

“(IV) the number of firms, and the percentage of the local industry, participating in the industry or sector partnership; and

“(V) the number of firms, and the percentage of the local industry, receiving workers or services through the grant funded under this section.

“(G) A timeline for achieving progress toward the strategic objectives.

“(H) In the case of an eligible entity desiring an implementation grant under this section, an assurance that the eligible entity will leverage other funding sources, in addition to the amount required for the non-Federal share under subsection (c)(3)(D), to provide training or supportive services to workers under the grant program. Such additional funding sources may include—

“(i) funding under this title used for such training and supportive services;

“(ii) funding under the Adult Education and Family Literacy Act of 1998 (20 U.S.C. 9201 et seq.);

“(iii) economic development funding;

“(iv) employer contributions to training initiatives; or

“(v) providing employees with employee release time for such training or supportive services.

“(e) AWARD BASIS.—

“(1) GEOGRAPHIC DISTRIBUTION.—The Secretary shall award grants under this section in a manner to ensure geographic diversity.

“(2) PRIORITIES.—In awarding grants under this section, the Secretary shall give priority to eligible entities that—

“(A) work with employers within a targeted industry cluster to retain and expand employment in high wage, high growth areas;

“(B) focus on helping workers move toward economic self-sufficiency and ensuring the workers have access to adequate supportive services;

“(C) address the needs of firms with limited human resources or in-house training capacity, including small- and medium-sized firms; and

“(D) coordinate with entities carrying out State and local workforce investment, economic development, and education activities.

“(f) ACTIVITIES.—

“(1) IN GENERAL.—An eligible entity receiving a grant under this section shall carry out the activities necessary to meet the strategic objectives, including planning activities if applicable, described in the entity's application in a manner that—

“(A) integrates services and funding sources in a way that enhances the effectiveness of the activities; and

“(B) uses grant funds awarded under this section efficiently.

“(2) PLANNING ACTIVITIES.—Planning activities may only be carried out by an eligible entity receiving an implementation grant under this section during the first year of the grant period with not more than \$250,000 or 10 percent, whichever is greater of the grant funds.

“(3) ADMINISTRATIVE COSTS.—An eligible entity may retain a portion of a grant awarded under this section for a fiscal year to carry out the administration of this section in an amount not to exceed 5 percent of the grant amount.

“(g) EVALUATION AND PROGRESS REPORTS.—

“(1) ANNUAL ACTIVITY REPORT AND EVALUATION.—Not later than 1 year after receiving a grant under this section, and annually thereafter, an eligible entity shall—

“(A) report to the Secretary, and to the Governor of the State that the eligible entity serves, on the activities funded pursuant to a grant under this section; and

“(B) evaluate the progress the eligible entity has made toward the strategic objectives identified in the application under subsection (d)(2)(D), and measure the progress using the performance measures identified in the application under subsection (d)(2)(F).

“(2) REPORT TO THE SECRETARY.—An eligible entity receiving a grant under this section shall submit to the Secretary a report containing the results of the evaluation described in subparagraph (B) at such time and in such manner as the Secretary may require.

“(h) ADMINISTRATION BY THE SECRETARY.—

“(1) ADMINISTRATIVE COSTS.—The Secretary may retain not more than 2 percent of the funds appropriated to carry out this section for each fiscal year to administer this section.

“(2) TECHNICAL ASSISTANCE AND OVERSIGHT.—The Secretary shall provide technical assistance and oversight to assist the eligible entities in applying for and administering grants awarded under this section. The Secretary shall also provide technical assistance to eligible entities in the form of conferences and through the collection and dissemination of information on best prac-

tices. The Secretary may award a grant or contract to 1 or more national or State organizations to provide technical assistance to foster the planning, formation, and implementation of industry cluster partnerships.

“(3) GEOGRAPHIC EQUALITY.—The Secretary shall ensure that, to the extent practicable, grants are awarded on a geographically equal basis.

“(4) PERFORMANCE MEASURES.—The Secretary shall issue a range of performance measures, with quantifiable benchmarks, and methodologies that eligible entities may use to evaluate the effectiveness of each type of activity in making progress toward the strategic objectives described in subsection (d)(2)(D). Such measures shall consider the benefits of the industry or sector partnership and its activities for workers, firms, industries, and communities.

“(5) DISSEMINATION OF INFORMATION.—The Secretary shall—

“(A) coordinate the annual review of each eligible entity receiving a grant under this section and produce an overview report that, at a minimum, includes—

“(i) the critical learning of each industry or sector partnership, such as—

“(I) the training that was most effective;

“(II) the human resource challenges that were most common;

“(III) how technology is changing the targeted industry cluster; and

“(IV) the changes that may impact the targeted industry cluster over the next 5 years; and

“(ii) a description of what eligible entities serving similar targeted industry clusters consider exemplary practices, such as—

“(I) how to work effectively with postsecondary educational institutions;

“(II) the use of internships;

“(III) coordinating with apprenticeships and cooperative education programs;

“(IV) how to work effectively with schools providing vocational education;

“(V) how to work effectively with adult populations, including—

“(aa) dislocated workers;

“(bb) women in nontraditional occupations; and

“(cc) individuals with barriers to employment, such as job seekers who—

“(AA) are economically disadvantaged;

“(BB) have limited English proficiency;

“(CC) require remedial education;

“(DD) are older workers;

“(EE) are individuals who have completed a sentence for a criminal offense; and

“(FF) have other barriers to employment;

“(VI) employer practices that are most effective;

“(VII) the types of training that are most effective; and

“(VIII) other areas where industry or sector partnerships can assist each other;

“(B) make resource materials, including all reports published and all data collected under this section, available on the Internet; and

“(C) conduct conferences and seminars to—

“(i) disseminate information on best practices developed by eligible entities receiving a grant under this section; and

“(ii) provide information to the communities of eligible entities.

“(6) REPORT.—Not later than 18 months after the date of enactment of this Act and on an annual basis, the Secretary shall transmit a report to Congress on the industry or sector partnership grant program established by this section. The report shall include a description of—

“(A) the eligible entities receiving funding;

“(B) the activities carried out by the eligible entities;

“(C) how the eligible entities were selected to receive funding under this section; and

“(D) an assessment of the results achieved by the grant program including findings from the annual reviews described in paragraph (4)(A).

“(i) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to permit—

“(1) the reporting or sharing of personally identifiable information collected or made available under this section; and

“(2) the Secretary to share with, or report to, any person, any personally identifiable information collected or made available under this section.”

(b) CONFORMING AMENDMENT.—The table of contents in section 1(b) of the Workforce Investment Act of 1998 (20 U.S.C. 9201 note) is amended by inserting after the item relating to section 171 the following:

“171A. Industry or sector partnership grant program.”

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Iowa (Mr. LOEBSACK) and the gentleman from Kentucky (Mr. GUTHRIE) each will control 20 minutes.

The Chair recognizes the gentleman from Iowa.

GENERAL LEAVE

Mr. LOEBSACK. Madam Speaker, I request 5 legislative days during which Members may revise and extend and insert extraneous material on H.R. 1855 into the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. LOEBSACK. Madam Speaker, I yield myself such time as I may consume.

I rise today in strong support of H.R. 1855, the Strengthening Employment Clusters to Organize Regional Success Act, or the SECTORS Act, legislation that I introduced in the House along with my colleague from the other side of the aisle, Congressman TODD PLATTS.

I want to thank Congressman PLATTS for his work on this legislation and for recognizing the worthiness of this effort. The SECTORS Act was introduced as bipartisan legislation, and I am pleased that we have gained additional bipartisan cosponsors as well.

I also want to thank Chairman MILLER and Ranking Member KLINE of the Education and Labor Committee, as well as the committee staff, for working with me to move this legislation to the floor of the House.

No matter what party you are from, I think we can all agree that we should be supportive of innovative and collaborative strategies that increase the success of American business and improve the employment outlook of our workforce. As our country continues to recover from the economic downturn, we should work toward long-term improvements in our workforce training and resource systems and look at how we can better utilize the infrastructure

that is already in place. Given our current economic situation and the fact that we have seen a steep decrease in Federal investment in employment and training over the past 20 years, this effort is all the more needed.

Recently, The New York Times ran a story detailing a significant mismatch between the skilled workers needed for many industries and the skill sets of many of the currently unemployed. The story also referenced a survey done last year of 779 industrial companies by the National Association of Manufacturers, the Manufacturing Institute, and Deloitte which found that 32 percent of companies reported “moderate to serious” skills shortages. Sixty-three percent of life science companies and 45 percent of energy firms cited such shortages.

Through the SECTORS Act, we are taking serious action to help address these issues and ensure that we build things in America again. In fact, just yesterday, The New York Times had another story entitled “After Training, Still Scrambling for Employment” that detailed the struggles our workforce is having finding training to pursue careers in existing and growing fields. It also highlighted some successful existing efforts with sector partnership-based approaches.

Some of our industries that are poised for continued growth and expansion and would be strong contributors to economic recovery, such as advanced manufacturing, clean energy technology, and health care and information technology, are struggling. By the nature of the problem, this means our Nation’s workforce is continuing to have trouble finding work in these fields because of the mismatch of skill sets.

The SECTORS Act addresses these issues by facilitating, nationwide, one of the key elements of successful State and local workforce development efforts: sector or industry partnerships. Sector partnerships organize stakeholders connected to a crucial industry, like manufacturing, for example, and will include multiple firms and businesses, employees, unions, education and training providers, and local workforce and education systems, among others, to develop and implement plans for growing, or saving, that industry.

There is a particular focus on building new workforce pipelines where skilled worker shortages exist and improving the ways existing workers are utilized, retrained, and paid.

The SECTORS Act will put in place partnerships that lead to alignment of educational institutions, training institutions, apprenticeship programs, and all other training programs to meet industry demand, particularly for higher skill, high-priority occupations. Regularly convening industry players on an ongoing basis to plan and imple-

ment strategies to save or expand their industry will help to strengthen connections and aggregate training and education needs of multiple employers.

Sector partnerships will also help businesses recruit new workers, retrain dislocated workers, develop and strengthen career ladders across companies, and improve overall job quality. These types of strategies have been highly successful regionally, including in my State of Iowa.

The National Skills Coalition, which has been a strong advocate for these strategies for some time, has organized a broad-based, nationwide coalition of workforce and vocational organizations, manufacturing associations, colleges and universities, chambers of commerce, and training and human services organizations that support this legislation and these partnerships.

The SECTORS Act is about helping industries access the trained employees they need to expand and thrive, helping employees access the education and training they require to be competitive in the 21st century economy and find quality jobs, and helping workforce development and education providers train employees in the demand of today’s industries. In so doing, this bill will help to ensure that our Nation and the American workforce continue to stand at the forefront of the 21st century economy.

I would also like to thank Representative MILLER, chairman of the Education and Labor Committee, for his support of and work on this bill.

I urge support for this bipartisan legislation, Madam Speaker, which also has bipartisan support in the Senate.

I reserve the balance of my time.

Mr. GUTHRIE. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise today in support of H.R. 1855, the Strengthening Employment Clusters to Organize Regional Success, or the SECTORS, Act, and I appreciate Mr. LOEBSACK and the bipartisan way in which this is going to move forward.

H.R. 1855 creates new grants within the Workforce Investment Act to help create or increase targeted industry capacity and partnerships within specific regions. This is an idea that is already being done in some places across the country with success. For example, Philadelphia has created a regional program to train nurses for their hospitals and health care industry needs.

I believe Federal policies should also encourage regional business development and improve worker training, retention, and advancement opportunities. That is why I strongly support not only this bill but strongly support the reauthorization of the Workforce Investment Act.

□ 1450

Madam Speaker, the Workforce Investment Act is 8 years overdue in its

reauthorization, and I am disappointed that we are not engaging in a larger discussion of Workforce Investment Act reauthorization.

The American people are facing a tremendous economic challenge and there has never been a more critical time to make sure our workforce has the opportunity to find new jobs or receive additional training. We need better systems of training and skills development to help move into new industries.

I come from a small business manufacturing background, and I have seen firsthand that unemployed workers who receive additional training for new skills can obtain a higher-paying job which can radically transform their way of life. We cannot afford to approach the workforce and job needs of our country in a piecemeal way. The American people deserve a real, comprehensive job training bill.

I, along with eight of my colleagues, introduced H.R. 4271, the Workforce Investment Improvement Act of 2009, to begin the process of reauthorization of WIA. But, unfortunately, my bill has not been taken up by the Education and Labor Committee.

I do support this bill before us today, but I do believe it's a disservice to the American people not to have an updated, comprehensive workforce development bill, and I urge this Congress to take action on full authorization of WIA as soon as possible. I do urge my colleagues to support the bill before us, however.

I yield back the balance of my time.

Mr. LOEBSACK. Madam Speaker, in closing, I do want to thank the gentleman from Kentucky for his support and the Members from the other side of the aisle for supporting this bill. It has been a true bipartisan effort, and I really do appreciate that.

I do want to say that according to a multiyear study conducted by public-private ventures, participants in SECTORS-based training programs earned an average of 18.3 percent, or about \$4,500, more than a control group over a 24-month period of study. In addition, participants in SECTORS programs were more likely to work in jobs with benefits, including health insurance and paid time off, and were more likely to find consistent work, about 1.3 additional months of employment, over the 2-year period than the control group average.

This legislation will put in place additional SECTORS partnerships, as I said before, between business, employees, and education and training providers that lead to collaborative planning, resource alignment, and training efforts for current and potential workers to improve our Nation's business manufacturing and industry outlook.

It is supported by a broad-based nationwide coalition of workforce and vocational organizations, manufacturing

associations, colleges and universities, chambers of commerce, and training and human services organizations nationwide, and it does have the dual benefits of helping businesses and employees, and it has strong bipartisan support in the House of Representatives.

I urge support for this legislation.

Mr. GEORGE MILLER of California. Madam Speaker, I rise today in support of H.R. 1855, the Strengthening Employment Clusters to Organize Regional Success or SECTORS Act, which promotes strategic approaches to addressing skills shortages.

Sector strategies is an approach that brings employers in a certain industry together with education, labor, workforce, and other groups to identify and provide training that is tailored to meet the sector needs of that region's economy. The SECTORS Act would support existing industry partnerships or help leverage funding from employers, educators, labor, and the workforce system to adopt a sectors-based working partnership that comes together to identify economic trends and shared workforce issues and develop the tools required to meet the growing demand in that targeted industry.

As some industries maintain signs of recovery, you would expect that employers would have an easy time filling their openings. In manufacturing, the June 2010 ISM Report on Business showed that economic activity in the sector grew for the 11th consecutive month. The manufacturing industry has added 136,000 jobs since December 2009. Yet many American companies, including manufacturers believe they cannot find workers with the qualifications needed for these jobs.

A recent New York Times article highlighted a contract drug company in Ohio that needed to hire 100 workers. Despite reviewing 3,600 job applications, the company has only offered jobs to 47 people so far. In a July 2009 survey of employers, the Business Roundtable's Springboard Project found that more than 60 percent of those surveyed indicated that they were having difficulty finding qualified applicants to fill current vacancies, and almost half indicated that there was a gap between the skills of their current workforce and company requirements. In a survey of manufacturing organizations conducted by Deloitte, The Manufacturing Institute, and Oracle found that skill shortages persist, especially for the most profitable companies. Almost one-third of responding companies reported some level of shortages today, and over one-half reported shortages for skilled production workers. With the economy improving, companies are retooling the way they operate in order to remain competitive against their global rivals and in assessing its short and long-term talent needs, businesses are calling for higher-skilled workers.

In the current economy, workers need a wide range of services and support to reenter and succeed in the labor market. Job training is one important part of that solution, particularly for workers who have experienced extended unemployment and need to rebuild their skills; dislocated workers who are moving into new industries as local and regional economies are revamped; or even incumbent

workers who need to upgrade their skills as industries adopt new technologies, including green technology. It is critical that we ensure that workers have the right skills for today's labor market and that those skills help them move into jobs and careers. One of the best ways to do this is to ensure that federally funded training is developed in partnership with local and regional employers.

The SECTORS Act will help businesses in growing industries plan for their talents needs while ensuring education and workforce provide the learning for workers to match the skills required by employers. By promoting sector strategies, employers can take control of the design and work in coordination with education and job training providers from the public and private sectors to develop strategies that will quickly train workers for waiting jobs, and develop long-term solutions to grow that industry as part of a community's economic recovery. Specifically, the SECTORS Act would establish a new Sector Partnership Grant program administered by DOL to provide designated funding and distinct performance measures for industry partnerships.

SECTORS help both workers and local firms in the same industry, to help ensure that workers are getting the skills that employers need and the employers can find and hire the skilled workforce they need to compete and lead the world in the global economy. Federal investment that encourages best practices in the workforce development field, supports efforts already going on in communities around the country, and ensures that federal investments improve the skill of our nation's workforce, will efficiently and effectively support our nation's economic recovery.

In addition, sector partnerships can have a positive impact on workers, especially those that are low-income. Public/Private Ventures found in their study of sector-based training those participants in the program earned an average of about \$4,500 more than those not engaged in training sponsored by a sector partnership. More than 200 sector partnerships are active, comprising 23 industry sectors in 41 states. For example, Pennsylvania has nearly eighty partnerships serving more than six thousand firms across the Commonwealth, and more than 70,000 workers have received training as part of the program. The SECTORS Act will drive strategic alliances that advance a region's economic vitality and make sure workers have the skills in place to move forward industries that are pivotal to keeping our economy growing.

Madam Speaker, I want to thank Congressman LOEBSACK and Congressman PLATTS for introducing this legislation that is so important to our regional and national economy. I urge support of H.R. 1855, which helps to strategically position our growing industries with a highly-skilled workforce ready to innovate and complete in the 21st Century global marketplace.

Mr. CONYERS. Madam Speaker, I rise in strong support of H.R. 1855, the "Strengthening Employment Clusters to Organize Regional Success, SECTORS Act". It is an important piece of legislation, and I would like to thank Representative DAVID LOEBSACK for bringing it to the floor. This bill, when passed, will help to encourage job advancement along with job growth.

By requiring the Secretary of Labor to award competitive grants that may reach totals of over \$2 million that will spur job growth and in-house training, the SECTORS bill will help workers who have been hard hit by this recession. This federal-industrial partnership and the coordination with state and local institutions to improve economic and educational investment will ensure a better way forward for the American worker.

In the current job climate, it is not only the unemployed who feel the wrath of recession. There are many workers, in my district included, who continue to be outpaced by changing work environments. Many industries that employ thousands of workers do not have the money or the structure necessary to promote in-house training. These industries are homes to jobs that often have no hope of advancement, jobs that steer workers away from their families and into dead-end career paths.

This bill will help workers become acclimated to the changing environment. By promoting job training and job retention through federal grants, the SECTORS Act brings hope to the thousands of workers who may not know at the moment what their future will look like. It fosters the hope that has been so barren these last months and brings opportunity to the men and women who need it most.

Again, I encourage my colleagues to support the bill.

Mr. LOEBSACK. I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa (Mr. LOEBSACK) that the House suspend the rules and pass the bill, H.R. 1855, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

CONTINUATION OF THE NATIONAL EMERGENCY WITH RESPECT TO THE FORMER LIBERIAN REGIME OF CHARLES TAYLOR—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 111-134)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice

to the Federal Register for publication stating that the national emergency and related measures dealing with the former Liberian regime of Charles Taylor to continue in effect beyond the July 22, 2010.

The actions and policies of former Liberian President Charles Taylor and other persons, in particular their unlawful depletion of Liberian resources and their removal from Liberia and sequestering of Liberian funds and property, continue to undermine Liberia's transiting to democracy and the orderly development of its political, administrative, and economic institutions and resources. These actions and policies continue to pose an unusual and extraordinary threat to the foreign policy of the United States. For this reason, I have determined that it is necessary to continue the national emergency with respect to the former Liberian regime of Charles Taylor.

BARACK OBAMA.
THE WHITE HOUSE, July 19, 2010.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until approximately 6 p.m. today.

Accordingly (at 2 o'clock and 54 minutes p.m.), the House stood in recess until approximately 6 p.m.

□ 1800

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mrs. HALVORSON) at 6 p.m.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on motions to suspend the rules previously postponed.

Votes will be taken in the following order: H. Res. 1472; H. Con. Res. 126; and H. Res. 1219, in each case by the yeas and nays.

Proceedings on House Resolution 1491 will resume later in the week.

The first electronic vote will be conducted as a 15-minute vote. Remaining electronic votes will be conducted as 5-minute votes.

SUPPORTING DESIGNATION OF NATIONAL ADULT EDUCATION AND FAMILY LITERACY WEEK

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and agree to the resolution (H. Res. 1472) expressing support for designation of the week of September 13, 2010, as National Adult Education and Family Literacy Week, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa (Mr. LOEBSACK) that the House suspend the rules and agree to the resolution.

The vote was taken by electronic device, and there were—yeas 369, nays 0, not voting 63, as follows:

[Roll No. 448]

YEAS—369

Ackerman	Cummings	Inglis
Aderholt	Dahlkemper	Inslee
Adler (NJ)	Davis (CA)	Israel
Alexander	Davis (IL)	Issa
Altmire	Davis (KY)	Jackson (IL)
Andrews	Davis (TN)	Jackson Lee
Arcuri	DeFazio	(TX)
Austria	DeGette	Jenkins
Baca	DeLauro	Johnson, E. B.
Bachmann	Dent	Johnson, Sam
Bachus	Deutch	Jones
Baird	Diaz-Balart, L.	Kagen
Baldwin	Diaz-Balart, M.	Kanjorski
Bartlett	Dicks	Kaptur
Barton (TX)	Dingell	Kennedy
Bean	Djou	Kildee
Becerra	Doggett	Kilroy
Berkley	Donnelly (IN)	Kind
Berman	Doyle	King (IA)
Biggert	Dreier	Kissell
Bilbray	Driehaus	Klein (FL)
Billirakis	Duncan	Kline (MN)
Bishop (GA)	Edwards (MD)	Kosmas
Bishop (NY)	Edwards (TX)	Kratovil
Blackburn	Ehlers	Kucinich
Blumenauer	Ellison	Lamborn
Blunt	Eshoo	Lance
Bonner	Etheridge	Langevin
Bono Mack	Farr	Larsen (WA)
Boozman	Fattah	Larson (CT)
Boren	Filner	Latham
Boswell	Fleming	LaTourette
Boucher	Forbes	Latta
Boustany	Fortenberry	Lee (NY)
Boyd	Foster	Levin
Brady (TX)	Fox	Lewis (CA)
Braley (IA)	Frank (MA)	Lewis (GA)
Bright	Franks (AZ)	Linder
Brown (GA)	Frelinghuysen	Lipinski
Brown (SC)	Fudge	LoBiondo
Brown, Corrine	Gallely	Loebsack
Burgess	Garamendi	Loftgren, Zoe
Burton (IN)	Garrett (NJ)	Lowe
Butterfield	Gerlach	Lucas
Calvert	Giffords	Luetkemeyer
Camp	Gohmert	Lujan
Cantor	Gonzalez	Lummis
Cao	Goodlatte	Lungren, Daniel
Capps	Gordon (TN)	E.
Cardoza	Granger	Lynch
Carnahan	Graves (GA)	Mack
Carney	Graves (MO)	Maffei
Carson (IN)	Grayson	Manzullo
Carter	Green, Al	Marchant
Cassidy	Green, Gene	Markey (CO)
Castle	Griffith	Markey (MA)
Castor (FL)	Guthrie	Marshall
Chaffetz	Hall (NY)	Matheson
Chandler	Hall (TX)	Matsui
Childers	Halvorson	McCarthy (CA)
Chu	Hare	McCarthy (NY)
Clarke	Harman	McCauley
Clay	Harper	McClintock
Cleaver	Hastings (FL)	McCollum
Clyburn	Heinrich	McCotter
Coble	Heller	McDermott
Coffman (CO)	Hensarling	McGovern
Cohen	Herger	McHenry
Cole	Herseth Sandlin	McIntyre
Conaway	Higgins	McMahon
Connolly (VA)	Hill	McMorris
Cooper	Himes	Rodgers
Costa	Hinchey	McNerney
Costello	Hirono	Melancon
Crenshaw	Holden	Mica
Critz	Holt	Michaud
Crowley	Honda	Miller (MI)
Cuellar	Hoyer	Miller (NC)
Culberson	Hunter	Miller, Gary

Miller, George
Minnick
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Myrick
Nadler (NY)
Napolitano
Neugebauer
Nunes
Nye
Oberstar
Obey
Olson
Olver
Ortiz
Owens
Pallone
Pascarell
Pastor (AZ)
Paul
Paulsen
Payne
Pence
Perlmutter
Perrillo
Peters
Peterson
Petri
Pingree (ME)
Pitts
Poe (TX)
Polis (CO)
Pomeroy
Posey
Price (GA)
Price (NC)
Quigley
Radanovich
Rahall
Rangel

Rehberg
Reichert
Richardson
Rodriguez
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rooney
Ros-Lehtinen
Roskam
Ross
Rothman (NJ)
Roybal-Allard
Royce
Ruppersberger
Ryan (OH)
Ryan (WI)
Salazar
Sánchez, Linda
T.
Sarbanes
Scalise
Schakowsky
Schauer
Schiff
Schmidt
Schock
Schwartz
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sestak
Shadegg
Shea-Porter
Sherman
Shimkus
Shuler
Sires
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)

Snyder
Space
Speier
Spratt
Stark
Stearns
Stupak
Sullivan
Sutton
Tanner
Taylor
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Tiberi
Tierney
Titus
Tonko
Tsongas
Turner
Upton
Van Hollen
Velázquez
Visclosky
Walden
Walz
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Westmoreland
Whitfield
Wilson (OH)
Wilson (SC)
Wittman
Wolf
Woolsey
Wu
Yarmuth
Young (AK)

NOT VOTING—63

Akin
Barrett (SC)
Barrow
Berry
Bishop (UT)
Bocieri
Boehner
Brady (PA)
Brown-Waite,
Ginny
Buchanan
Buyer
Campbell
Capito
Capuano
Conyers
Courtney
Davis (AL)
Delahunt
Ellsworth
Emerson
Engel

Fallin
Flake
Gingrey (GA)
Grijalva
Gutierrez
Hastings (WA)
Hinojosa
Hodes
Hoekstra
Johnson (GA)
Johnson (IL)
Jordan (OH)
Kilpatrick (MI)
King (NY)
Kingston
Kirk
Kirkpatrick (AZ)
Lee (CA)
Maloney
McKeon
Meek (FL)
Meeks (NY)

Miller (FL)
Moran (KS)
Murphy, Tim
Neal (MA)
Platts
Putnam
Reyes
Rohrabacher
Rush
Sanchez, Loretta
Schrader
Sessions
Shuster
Simpson
Teague
Thompson (PA)
Tiahrt
Towns
Wamp
Young (FL)

□ 1834

So (two-thirds being in the affirmative) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. MILLER of Florida. Madam Speaker, on rollcall No. 448, had I been present, I would have voted “aye.”

SUPPORTING TITLE VI INTERNATIONAL EDUCATION PROGRAMS

The SPEAKER pro tempore. The unfinished business is the vote on the mo-

tion to suspend the rules and agree to the concurrent resolution (H. Con. Res. 126) recognizing the 50th anniversary of Title VI international education programs within the Department of Education, as amended, on which the yeas and nays were ordered.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa (Mr. LOEBSACK) that the House suspend the rules and agree to the concurrent resolution, as amended.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 355, nays 16, not voting 61, as follows:

[Roll No. 449]

YEAS—355

Ackerman
Aderholt
Adler (NJ)
Alexander
Altmire
Andrews
Arcuri
Austria
Baca
Bachus
Baird
Baldwin
Barton (TX)
Bean
Becerra
Berkley
Berman
Biggett
Bilirakis
Bishop (GA)
Bishop (NY)
Blackburn
Blumenauer
Blunt
Bonner
Bono Mack
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Brady (TX)
Braley (IA)
Bright
Brown (SC)
Brown, Corrine
Burgess
Butterfield
Calvert
Camp
Cantor
Capito
Capps
Cardoza
Carnahan
Carney
Carson (IN)
Carter
Cassidy
Castle
Castor (FL)
Chandler
Childers
Chu
Clarke
Clay
Cleaver
Clyburn
Coble
Coffman (CO)
Cohen
Cole
Conaway
Connolly (VA)
Cooper
Costello
Courtney

Crenshaw
Critz
Crowley
Cuellar
Culberson
Cummings
Dahlkemper
Davis (CA)
Davis (IL)
Davis (KY)
Davis (TN)
DeFazio
DeGette
DeLauro
Dent
Deutch
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Djou
Doggett
Donnelly (IN)
Doyle
Dreier
Driehaus
Edwards (MD)
Edwards (TX)
Ehlers
Ellison
Eshoo
Etheridge
Farr
Fattah
Filner
Fleming
Forbes
Fortenberry
Foster
Frank (MA)
Frelinghuysen
Fudge
Gallegly
Garamendi
Garrett (NJ)
Gerlach
Giffords
Gonzalez
Goodlatte
Gordon (TN)
Granger
Graves (MO)
Grayson
Green, Al
Green, Gene
Griffith
Guthrie
Hall (NY)
Hall (TX)
Halvorson
Hare
Harman
Harper
Hastings (FL)
Heinrich
Heller
Hensarling
Herger

Herseth Sandlin
Higgins
Hill
Himes
Hinchey
Hirono
Holden
Holt
Honda
Hoyer
Hunter
Inglis
Inslee
Israel
Issa
Jackson (IL)
Jackson Lee
(TX)
Jenkins
Johnson, E. B.
Johnson, Sam
Jones
Kagen
Kaptur
Kennedy
Kildee
Kilroy
Kind
King (IA)
Kissell
Klein (FL)
Kline (MN)
Kosmas
Kratovil
Kucinich
Lance
Langevin
Larsen (WA)
Larsen (CT)
Latham
LaTourette
Latta
Lee (NY)
Levin
Lewis (CA)
Lewis (GA)
Linder
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lucas
Luetkemeyer
Luján
Lummis
Lungren, Daniel
E.
Mack
Maffei
Manzullo
Marchant
Markey (CO)
Markey (MA)
Marshall
Matheson
Matsui
McCarthy (CA)

McCarthy (NY)
McCaul
McClintock
McCollum
McCotter
McDermott
McGovern
McHenry
McIntyre
McMahon
McNerney
Melancon
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Minnick
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Myrick
Nadler (NY)
Napolitano
Neal (MA)
Neugebauer
Nunes
Nye
Oberstar
Obey
Olson
Olver
Ortiz
Owens
Pallone
Pascarell
Pastor (AZ)
Paulsen
Payne
Pence
Perlmutter
Perrillo
Peters
Peterson
Petri

Pingree (ME)
Pitts
Platts
Polis (CO)
Pomeroy
Posey
Price (GA)
Price (NC)
Quigley
Rahall
Rangel
Rehberg
Reichert
Richardson
Rodriguez
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rooney
Ros-Lehtinen
Roskam
Ross
Rothman (NJ)
Roybal-Allard
Royce
Ruppersberger
Ryan (OH)
Ryan (WI)
Salazar
Sánchez, Linda
T.
Sarbanes
Scalise
Schakowsky
Schauer
Schiff
Schmidt
Schock
Schwartz
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Sestak
Shea-Porter
Sherman
Shimkus
Shuler
Sires
Skelton

Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Space
Speier
Spratt
Stark
Stearns
Stupak
Sullivan
Sutton
Tanner
Taylor
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Tiberi
Tierney
Titus
Tonko
Tsongas
Turner
Upton
Van Hollen
Velázquez
Visclosky
Walden
Walz
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Westmoreland
Whitfield
Wilson (OH)
Wilson (SC)
Wittman
Wolf
Woolsey
Wu
Yarmuth
Young (AK)

NAYS—16

Bachmann
Bartlett
Bilbray
Broun (GA)
Burton (IN)
Campbell

Chaffetz
Duncan
Foxy
Franks (AZ)
Graves (GA)
Lamborn

NOT VOTING—61

Akin
Barrett (SC)
Barrow
Berry
Bishop (UT)
Bocieri
Boehner
Brady (PA)
Brown-Waite,
Ginny
Buchanan
Buyer
Cao
Capuano
Conyers
Costa
Davis (AL)
Delahunt
Ellsworth
Emerson
Engel

Fallin
Flake
Gingrey (GA)
Gohmert
Grijalva
Gutierrez
Hastings (WA)
Hinojosa
Hodes
Hoekstra
Johnson (GA)
Johnson (IL)
Jordan (OH)
Kanjorski
Kilpatrick (MI)
King (NY)
Kingston
Kirk
Kirkpatrick (AZ)
Lee (CA)
Lynch

Maloney
McKeon
McMorris
Rodgers
Meek (FL)
Meeks (NY)
Moran (KS)
Murphy, Tim
Putnam
Reyes
Rohrabacher
Rush
Sanchez, Loretta
Schrader
Shuster
Simpson
Teague
Tiahrt
Towns
Wamp
Young (FL)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining in this vote.

□ 1841

Mrs. BACHMANN changed her vote from “yea” to “nay.”

So (two-thirds being in the affirmative) the rules were suspended and the

concurrent resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. TIM MURPHY of Pennsylvania. Madam Speaker, on rollcall Nos. 448 and 449, I was unavoidably detained. Had I been present, I would have voted “yes.”

SUPPORTING DESIGNATION OF SEPTEMBER AS NATIONAL CHILD AWARENESS MONTH

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and agree to the resolution (H. Res. 1219) expressing support for designation of September as National Child Awareness Month, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa (Mr. LOEBSACK) that the House suspend the rules and agree to the resolution.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 373, nays 0, not voting 59, as follows:

[Roll No. 450]

YEAS—373

Ackerman	Campbell	Deutch
Aderholt	Cantor	Diaz-Balart, L.
Adler (NJ)	Cao	Diaz-Balart, M.
Alexander	Capito	Dicks
Altmire	Capps	Dingell
Andrews	Cardoza	Djou
Arcuri	Carnahan	Doggett
Austria	Carney	Donnelly (IN)
Baca	Carson (IN)	Doyle
Bachmann	Carter	Dreier
Baird	Cassidy	Driehaus
Baldwin	Castle	Duncan
Bartlett	Castor (FL)	Edwards (MD)
Barton (TX)	Chaffetz	Edwards (TX)
Bean	Chandler	Ehlers
Becerra	Childers	Ellison
Berkley	Chu	Eshoo
Berman	Clarke	Etheridge
Biggart	Clay	Farr
Bilbray	Cleaver	Fattah
Bilirakis	Clyburn	Filner
Bishop (GA)	Coble	Fleming
Bishop (NY)	Coffman (CO)	Forbes
Blackburn	Cohen	Fortenberry
Blumenauer	Cole	Foster
Blunt	Conaway	Fox
Bonner	Connolly (VA)	Frank (MA)
Bono Mack	Cooper	Franks (AZ)
Boozman	Costa	Frelinghuysen
Boren	Costello	Fudge
Boswell	Courtney	Galleghy
Boucher	Crenshaw	Garamendi
Boustany	Critz	Garrett (NJ)
Boyd	Crowley	Gerlach
Brady (TX)	Cuellar	Giffords
Braley (IA)	Culberson	Gohmert
Bright	Cummings	Gonzalez
Broun (GA)	Dahlkemper	Goodlatte
Brown (SC)	Davis (CA)	Gordon (TN)
Brown, Corrine	Davis (IL)	Granger
Burgess	Davis (KY)	Graves (GA)
Burton (IN)	Davis (TN)	Graves (MO)
Butterfield	DeFazio	Grayson
Calvert	DeLauro	Green, Al
Camp	Dent	Green, Gene

Griffith	Matsui	Ross
Guthrie	McCarthy (CA)	Rothman (NJ)
Hall (NY)	McCarthy (NY)	Roybal-Allard
Hall (TX)	McCaul	Royce
Halvorson	McClintock	Ruppersberger
Hare	McCollum	Ryan (OH)
Harman	McCotter	Ryan (WI)
Harper	McDermott	Salazar
Hastings (FL)	McGovern	Sánchez, Linda T.
Heinrich	McHenry	Sarbanes
Heller	McIntyre	Scalise
Hensarling	McMahon	Schakowsky
Herger	McMorris	Schauer
Herseeth Sandlin	Rodgers	Schiff
Higgins	McNerney	Schmidt
Hill	Melancon	Schock
Himes	Mica	Schwartz
Hinchee	Michaud	Scott (GA)
Hirono	Miller (FL)	Scott (VA)
Holden	Miller (MI)	Sensenbrenner
Holt	Miller (NC)	Serrano
Honda	Miller, Gary	Sessions
Hoyer	Miller, George	Sestak
Hunter	Minnick	Shadegg
Inglis	Mitchell	Shea-Porter
Inslee	Mollohan	Sherman
Israel	Moore (KS)	Shimkus
Issa	Moore (WI)	Shuler
Jackson (IL)	Moran (VA)	Shuster
Jackson Lee	Murphy (CT)	Sires
(TX)	Murphy (NY)	Skelton
Jenkins	Murphy, Patrick	Smith (NE)
Johnson, E. B.	Murphy, Tim	Smith (NJ)
Johnson, Sam	Myrick	Smith (TX)
Jones	Nadler (NY)	Snyder
Kagen	Napolitano	Space
Kanjorski	Neal (MA)	Speier
Kaptur	Neugebauer	Spratt
Kennedy	Nunes	Stark
Kildee	Nye	Stearns
Kilroy	Obey	Stupak
Kind	Olson	Sullivan
King (IA)	Olver	Sutton
Klein (FL)	Ortiz	Tanner
Kline (MN)	Owens	Taylor
Kosmas	Pallone	Terry
Kratovil	Pascarella	Thompson (CA)
Kucinich	Pastor (AZ)	Thompson (MS)
Lamborn	Paul	Thompson (PA)
Lance	Paulsen	Thornberry
Langevin	Payne	Tiberi
Larsen (WA)	Pence	Tierney
Larson (CT)	Perlmutter	Titus
Latham	Perriello	Tonko
LaTourette	Peters	Tsongas
Latta	Peterson	Turner
Lee (NY)	Petri	Upton
Levin	Pingree (ME)	Van Hollen
Lewis (CA)	Pitts	Velázquez
Lewis (GA)	Platts	Visclosky
Linder	Poe (TX)	Walden
Lipinski	Polis (CO)	Walz
LoBiondo	Pomeroy	Wasserman
Loeb sack	Posey	Schultz
Lofgren, Zoe	Price (GA)	Waters
Lowe y	Price (NC)	Watson
Lucas	Quigley	Watt
Luetkemeyer	Radanovich	Waxman
Lujan	Rahall	Weiner
Lummis	Rangel	Welch
Lungren, Daniel E.	Rehberg	Westmoreland
Lynch	Reichert	Whitfield
Mack	Richardson	Wilson (OH)
Maffei	Rodriguez	Wilson (SC)
Manzullo	Roe (TN)	Wittman
Marchant	Rogers (AL)	Wolf
Markey (CO)	Rogers (KY)	Woolsey
Markey (MA)	Rogers (MI)	Wu
Marshall	Rooney	Yarmuth
Matheson	Ros-Lehtinen	Young (AK)
	Roskam	

NOT VOTING—59

Akin	Buyer	Grijalva
Bachus	Capuano	Gutierrez
Barrett (SC)	Conyers	Hastings (WA)
Barrow	Davis (AL)	Hinojosa
Berry	DeGette	Hodes
Bishop (UT)	Delahunt	Hoekstra
Boccheri	Ellsworth	Johnson (GA)
Boehner	Emerson	Johnson (IL)
Brady (PA)	Engel	Jordan (OH)
Brown-Waite,	Fallin	Kilpatrick (MI)
Ginny	Flake	King (NY)
Buchanan	Gingrey (GA)	Kingston

Kirk	Moran (KS)	Simpson
Kirkpatrick (AZ)	Oberstar	Slaughter
Kissell	Putnam	Smith (WA)
Lee (CA)	Reyes	Teague
Maloney	Rohrabacher	Tiahrt
McKeon	Rush	Towns
Meek (FL)	Sanchez, Loretta	Wamp
Meeks (NY)	Schrader	Young (FL)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining in this vote.

□ 1847

So (two-thirds being in the affirmative) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. JOHNSON of Georgia. Madam Speaker, I rise to express my sincere apologies for missing votes on July 19, 2010. I am proud of my excellent attendance record during my time in Congress and regret that I must personally attend to matters in my district. Although I will not be able to cast votes on July 19, 2010, I would have voted as follows had I been present today: on H. Res. 1472—Expressing support for designation of the week of September 13, 2010, as National Adult Education and Family Literacy Week—I would have voted, “aye”; on H. Con. Res. 126—Recognizing the 50th anniversary of Title VI international education programs within the Department of Education—I would have voted, “aye”; on H. Res. 1219—Expressing support for designation of September as National Child Awareness Month, in addition—I would have voted, “aye”.

PERSONAL EXPLANATION

Mr. CONYERS. Madam Speaker, on July 19, 2010, I regret that I was not present to vote on H. Res. 1472, H. Con. Res. 126, and H. Res. 1219.

Had I been present, I would have voted “yea” on all bills.

PERSONAL EXPLANATION

Ms. KILPATRICK of Michigan. I was unable to attend to several votes today. Had I been present, I would have voted “aye” on final passage of H. Res. 1472; “aye” on final passage of H. Con. Res. 126; and “aye” on final passage of H. Res. 1219.

PERSONAL EXPLANATION

Mr. GUTIERREZ. Madam Speaker, I was unavoidably absent in the House chamber today. Had I been present, I would have voted “yea” on rollcall votes 448, 449, and 450.

PERSONAL EXPLANATION

Mr. AKIN. Madam Speaker, on rollcall Nos. 448—“yes;” 449—“no;” and 450—“yes.”

COMMUNICATION FROM THE
CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, July 19, 2010.

Hon. NANCY PELOSI,
The Speaker, House of Representatives,
Washington, DC.

DEAR MADAM SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on July 19, 2010 at 3:30 p.m.:

That the Senate passed with an amendment H.R. 2765.

With best I am,

Sincerely,

LORRAINE C. MILLER.

PRIVILEGED REPORT ON RESOLUTION
OF INQUIRY TO THE PRESIDENT

Mr. WAXMAN, from the Committee on Energy and Commerce, submitted a privileged report (Rept. No. 111-550) on the resolution (H. Res. 1466) of inquiry requesting the President and directing the Secretary of Energy to provide certain documents to the House of Representatives relating to the Department of Energy's application to foreclose use of Yucca Mountain as a high-level nuclear waste repository, which was referred to the House Calendar and ordered to be printed.

COMMUNICATION FROM THE
CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, July 22, 2010.

Hon. NANCY PELOSI,
Office of the Speaker,
Washington, DC.

DEAR MADAM SPEAKER: Pursuant to section 1(k)(2) of H. Res. 895, One Hundred Tenth Congress, and section 4(d) of H. Res. 5, One Hundred Eleventh Congress, I transmit to you notification that Laura Cole has signed an agreement to not be a candidate for the office of Senator or Representative in, or Delegate or Resident Commissioner to, the Congress for purposes of the Federal Election Campaign Act of 1971 until at least 3 years after she is no longer a member of the board or staff of the Office of Congressional Ethics.

A copy of the signed agreement shall be retained by the Office of the Clerk as part of the records of the House. Should you have any questions regarding this matter, please contact Ronald Dale Thomas.

Sincerely,

LORRAINE C. MILLER.

□ 1850

RESTORE THE UNEMPLOYMENT
INSURANCE PROGRAM

(Mr. McDERMOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McDERMOTT. Madam Speaker, I rise today to once again beg my Republican colleagues in the other body to restore the unemployment insurance program.

Yesterday, I read a story in the Washington Post that noted that Montgomery County, Maryland, one of the five richest counties in the United States, is now serving 15,000 free meals a day to children who would otherwise go hungry. This is an increase of nearly 15 percent from previous summers, and I'm sure that most of these children come from families who have lost their unemployment and have no other way to buy food for their families.

Nationwide, an estimated 16 million children will go hungry this summer. I'm not sure what it will take for the Republicans to wake up and recognize that they're literally starving American families. We cannot wait one second longer.

George Bush said he was a compassionate conservative. They've simply thrown away, Madam Speaker, the word "compassionate." They are just conservative. They will not take care of working people in this country.

CAMP ASHRAF

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Madam Speaker, the United States must stand by our commitment to humanitarian protection for the residents of Camp Ashraf in Iraq.

When we transferred responsibility for the security of Ashraf to the Iraqi Government, we sought and we were provided with Iraqi assurances that the residents would, in fact, be treated humanely and would be safe from any actions against their lives and well-being. However, Madam Speaker, repeated conduct by the Iraqi security forces has called these guarantees into question.

Camp Ashraf residents are in jeopardy. We must ensure that the Iraqi Government adheres to its obligations.

I call on the majority here in the House to bring House Resolution 704 to the floor for immediate consideration.

Further, the United Nations High Commissioner for Refugees must take all necessary and appropriate steps to extend Camp Ashraf's residents the humanitarian protections to which they are entitled. There is no time to waste, Madam Speaker.

HONORING THE LIFE OF ARMY
SPECIALIST RUSSELL E. MADDEN

(Mr. DAVIS of Kentucky asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAVIS of Kentucky. Madam Speaker, today I rise to pay tribute to Army Specialist Russell Madden from Bellevue, Kentucky, who lost his life on June 23, 2010, in a rocket-propelled grenade attack on an Army convoy in the Charkh district of Afghanistan.

He was assigned to the 1st Squadron, 91st Cavalry Regiment, 173rd Airborne Brigade Combat Team, Conn Barracks, Germany.

Specialist Madden joined the Army in 2008 and is a 2000 graduate of Bellevue High School.

In addition to being an outstanding father to his two sons, Parker and Jared, Russell was a model citizen. Not only did he serve our country abroad, he was also committed to his community as a local youth peewee football coach. He was also a dedicated husband to his wife, Michelle.

According to his troop commander, Captain Matt Booth, the officers and fellow soldiers could always rely on his courageous attitude to make things happen when times were tough and was known as someone who would never leave his buddies in a bad situation.

Today, as we celebrate the life and accomplishments of this exceptional Kentuckian, my thoughts and prayers are with Russell Madden's family and friends. We're deeply indebted to Specialist Madden and his family for their service and his sacrifice.

NO HOME ON THE RANGE

(Mr. POE of Texas asked and was given permission to address the House for 1 minute.)

Mr. POE of Texas. Madam Speaker, the Sonoran Pronghorn antelope is in danger of extinction, so government "envirocrats" have prohibited Border Patrol from entering some wildlife areas on the range where the antelope play in Arizona.

The antelope protectors have stopped construction of seven Border Patrol observation towers they feel are too intrusive for the antelope. Never mind the Border Patrol can protect the antelope and secure the border as well.

And the "envirocrats" haven't gotten the word out to the illegals. Drug cartels and human traffickers and thousands of illegals trample through the home on the range running roughshod over the wildlife refuge every day. These trespassers leave trash and vehicles on the preserve. The drug cartels are even erecting cell phone tower stations.

The Buenos Aires refuge, also in Arizona, is closed, being too dangerous for Americans to enter because it, too, has become a sanctuary for drug cartels and traffickers.

Prohibiting the Border Patrol from entering these areas is not helping the wildlife but endangering these areas more. You see, the illegals don't care about the antelope and its home on the range.

And that's just the way it is.

IRAN REFINED PETROLEUM SANCTIONS ACT IMPLEMENTATION

(Mrs. MILLER of Michigan asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MILLER of Michigan. Madam Speaker, I rise today to ask that the Iran Refined Petroleum Sanctions Act, which was signed into law on July 1 by President Obama, be implemented in an expedited as well as a rigorous fashion.

This law, Madam Speaker, requires the President to impose sanctions on any entity that provides Iran with refined petroleum resources or engages in activities that will contribute to Iran's ability to import such resources.

The Government of Iran must verifiably suspend and dismantle its nuclear weapons program, stop all uranium enrichment activities, and comply with their commitments under the Nuclear Non-Proliferation Treaty.

There can be no doubt that Iran poses a significant threat to the United States and our allies in the Middle East and elsewhere, and it is proceeding with an aggressive nuclear weapons program, despite its claim that the Iranian program was designed for peaceful uses.

Madam Speaker, this law provides a powerful stick to force the Iranians to take decisive and concrete action to end their illicit nuclear weapons program. The time for Iranian delay, denial, and deception is over.

Mr. President, I urge you to begin the implementation of these sanctions without delay.

KOREA TRADE AGREEMENT

(Mr. PAULSEN asked and was given permission to address the House for 1 minute.)

Mr. PAULSEN. Madam Speaker, I rise today to applaud President Obama for recently making an important commitment to completing a free trade agreement with South Korea.

Korea is the United States' seventh-largest trading partner in terms of two-way trade and the sixth-largest market for U.S. agricultural goods. A free trade agreement with Korea will grow business and create jobs here in the United States.

And, Madam Speaker, the time for action is now. The European Union has recently completed a trade agreement with South Korea, and Canada is working on one as well, while the United States has continued to sit on the side-

lines. We cannot continue to let America fall behind by withholding approval for crucial trade agreements while other countries move quickly to finish their trade deals.

Exports mean jobs. A trade agreement with Korea is the right policy to boost our economy and boost exports. I stand ready to work with my colleagues and the President to pass a free trade agreement with Korea.

□ 1900

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

COMMEMORATING THE ANNIVERSARY OF THE AMIA JEWISH COMMUNITY CENTER ATTACK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Ms. ROS-LEHTINEN) is recognized for 5 minutes.

Ms. ROS-LEHTINEN. Madam Speaker, this past Sunday thousands gathered around the world to commemorate the grim anniversary of the deadly attack on the AMIA Jewish Community Center of Buenos Aires, Argentina. I was particularly honored to participate in a special ceremony in Miami, organized by the American Jewish Committee and Aventura Chabad, to share in this solemn occasion and recommit ourselves to holding the Iranian regime accountable for such death and destruction.

Sixteen years ago on Sunday the world saw firsthand the ruthless cruelty of the Iranian regime and the extent to which it would export its violent extremist views and activities worldwide. The Government of Argentina found that this heinous attack was organized by some of the highest past and present leaders of the Iranian regime. The state prosecutor of Argentina found that these Iranian leaders had turned to Hezbollah to carry out the regime's murderous adventures.

At a ceremony in Buenos Aires this weekend, a relative of one of the victims told the crowd, and I quote, "We accuse Iran of being behind the death of my brother, of your friends, of your neighbors; a country that denies the Holocaust, and even threatens to erase another country of the world with nuclear weapons, with the consent of Russia and Brazil; a country which shakes hands with Venezuela."

Madam Speaker, we must remain mindful that the same murderous ideology, and even some of the same perpetrators that spawned the AMIA attack then remain part of the Iranian regime today. Iran's current defense minister was issued an international

arrest warrant by Interpol in 2007 based on his involvement in the AMIA attack. The Government of Argentina also found several former Iranian embassy officials to be responsible for the AMIA attack, showing us that Iran is more than willing to use its embassies abroad as tools of its extremist goals.

The ongoing "diplomatic" infiltration of Iran into the Western Hemisphere presents a direct threat to U.S. national security interests. The Argentine prosecutor reportedly concluded that the primary reason that Argentina was the chosen target of the AMIA attack was the Argentine Government's, quote, "unilateral decision to terminate the nuclear materials and technology supply agreements that had been concluded some years previously between Argentina and Iran."

Sixteen years later, we face an Iranian regime on the verge of obtaining nuclear weapons capabilities and seeking support for its nefarious agenda. This rogue state is stepping up its military, political, and economic cooperation with countries around the world, particularly in Latin America. A Defense Department report this April stated that the elite core of Iran's Revolutionary Guard is, quote, "well established in the Middle East and north Africa, and recent years have witnessed an increased presence in Latin America, particularly Venezuela."

Similarly, there have been press reports in Nicaragua that Iranian operatives have allegedly been moving in and out of the country using diplomatic cover. And the relationship between the Cuban and Iranian regimes is longstanding. The United States must work together with our democratic allies to address all facets of the Iranian threat, which goes well beyond the nuclear program and extends well past the Middle East.

With this in mind, I was proud to recently introduce, along with many of my House colleagues in a bipartisan way, House Concurrent Resolution 295, to both condemn the heinous AMIA attack in Buenos Aires and to serve as a reminder of the danger that Iran and its proxies pose to all freedom-loving people.

The members of the global jihadist network sponsored by Tehran have demonstrated time and time again, in word and in action, that they will stop at nothing to target and destroy the State of Israel, its interests overseas, and the Jewish people wherever they may be. It is more important than ever for our government and our Nation to stand unequivocally with Israel and against the growing threats to Israel's security and her very existence.

DON'T TRAVEL IN AMERICA—IT'S TOO DANGEROUS

□ 1910

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. POE) is recognized for 5 minutes.

Mr. POE of Texas. Madam Speaker, it's summertime, and families are having their summer vacations. They're taking their kids throughout the fruited plain in the United States to visit our historical Nation. But I bring you sad news. Our Federal Government has warned Americans that there are parts of America that they should not travel to. It is too dangerous to travel in parts of America because it's just not safe.

Here is an example. This sign is erected on Interstate 8 in Arizona. Interstate 8 is an east to west Interstate, highly traveled. It's anywhere from 30 to 100 miles north of the Mexican border, and about 30 or 60 miles south of Phoenix. In a section of 60 miles there are 12 of these signs posted. And here is what they say: "Danger—Public Warning—Travel Not Recommended."

What does that mean? It means the Federal Government is telling Americans you can't travel America, it's just too dangerous. We, the Federal Government, we can't protect you. Don't travel around here. And here are some of the comments on this sign. The first one says, "Active drug and human smuggling area." What does that mean? That means the drug cartels and the coyotes, those human smugglers, are sneaking their way across the border because it's porous in Arizona, as well as my home State of Texas, and they're bringing in drugs and they're bringing in people, and it's not safe because they don't do that in a very kind and gentle way, the smuggling operation.

It goes further. Number two: "Visitors may encounter armed criminals and smuggling vehicles traveling at high rates of speed." Oh, that sounds serious. You mean we can't take the kids down Interstate 8 because they've got the drug cartels and their fast vehicles bringing drugs? Yeah, the Federal Government, the big Federal Government says we can't protect you. Don't come here.

Number three on this sign, put up by the Bureau of Land Management: "Stay away from trash, clothing, backpacks, and abandoned vehicles." You see, when the coyotes bring the people in and the cartels bring in their drugs, they abandon much of their stuff that they bring in. They just throw it down, you know, on our interstates. They also throw it in some of our refuges. And it's just stay away from that because we don't know what's in all that property.

The next one on here, No. 4, if you see suspicious activity, don't confront. Call 9/11.

I can tell you one thing: you pick up that phone and you call 9/11, you're not going to get the Federal Government to answer that phone because, you see, when you call 9/11, it's always some local, like the sheriffs of Arizona will call. What are they supposed to do, because the Federal Government doesn't want them enforcing immigration and smuggling laws. Are they going to call ICE to come out there? The Federal Government's already said they can't protect you. So why call 9/11? That's a useless call.

And the last one it says: the BLM, the Bureau of Land Management, encourages visitors to use public lands north of Interstate 8 because, see, we can't protect you as the Federal Government in the land south of Interstate 8 that goes all the way to Mexico. Has the Federal Government ceded that land to Mexico, the drug dealers, and the human coyotes? Kind of sounds like it to me.

And now what is the Federal Government's response besides putting up a bunch of these signs saying, Don't travel America; don't take your kids across this country because it's not safe. We can't protect you. The Federal Government has decided to send its lawyers to the courthouse and sue the State of Arizona so they won't enforce and protect their own law.

The Federal Government ought to spend less time sending lawyers to the courthouse and spend a little more time sending the National Guard down to the border to keep people from coming into this country without permission. After all, it is the Federal Government's responsibility to protect us and let us travel all of our interstate highways, even Interstate 8 in Arizona.

And that's just the way it is.

AFGHANISTAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

Mr. JONES. Madam Speaker, tonight I would like to bring up the issue of Afghanistan. This weekend in the Raleigh News and Observer, they published 20 names of our men and women who have given their lives for this country. As most of you know, I have written over 9,000 letters to immediate and extended families of the fallen. Lately, the numbers have dramatically increased. More and more of our sons and daughters in uniform are paying the ultimate price.

I would like to reference this poster beside me. The picture's of a flag-draped coffin being carried off a plane. This is war. This is the reality of war.

In a recent debate on the floor of the House regarding Afghanistan, I made

reference to conservative George Will and liberal Thomas Friedman. Both have stated in written editorials that there is nothing we can accomplish in Afghanistan. In an article published in Newsweek yesterday, Richard Haass shares this opinion. His article is entitled, "We're not winning. It's not worth it."

In my remaining time I would like to share some thoughts of a former general who's my personal adviser on Afghanistan. These are his words, not mine: "The basic 'mission' of defeating al Qaeda in Afghanistan is a sham. Our own intelligence tells us that there are only about 50 al Qaeda members in the mountains of Afghanistan and Pakistan . . . certainly nothing worth sending thousands upon thousands of our best young men and women to fight. Al Qaeda is not a geographic entity . . . it cannot be pinpointed to a single area. Attacking them in Afghanistan or Pakistan just pushes them to other locations . . . Yemen is the perfect example. It is like playing the child's game 'Whack a Mole.' Stop al Qaeda in one area and they will just pop up in another. Bottom Line: the war against terror is not to be found in the mountains of Afghanistan or Pakistan . . . as we have vividly seen in Uganda and the U.S. recently."

Madam Speaker, I mention that, and I have this poster that shows, again, as I have been repetitive for just one moment, the number of young men and women coming back from Afghanistan and Iraq in a flag-draped coffin.

It's our policy, responsibility on the House floor and in the Senate to debate policy. These young men and women are doing exactly what they joined the Army, Marine Corps, Navy, and Air Force and have sworn they will do for this country. They will go when their leaders call upon them to go. It is our responsibility on the floor of the House to debate the policy, and the policy on Afghanistan has been proven from Alexander the Great to the English, to the Russians, to all the countries: you are taking a country with over 1,400 tribes and trying to make it a nation. It just is not going to happen.

And it's not fair to our men and women in uniform to continue to send them back 4, 5, 6, 7, 8 deployments. We had a marine recently down at Camp Lejeune, which is in my district, a sergeant who committed suicide right there on the streets of Camp Lejeune.

We are wearing out our military. It's time to have another debate on the floor of the House, and it's time to bring these troops home and rebuild our military and rebuild the equipment and make America's military strong again.

Madam Speaker, I will close with this: God, please bless our men and women in uniform. Please bless the families of our men and women in uniform. And, God, in Your loving arms

hold the families who've given a child dying for freedom in Afghanistan and Iraq. And, God, give the strength to the House and the Senate that we will do what is right in the eyes of God and give strength to Mr. Obama to do what is right in the eyes of God.

And, God, three times I will ask from the bottom of my heart, God, please, God, please, God, please continue to bless America.

36TH ANNIVERSARY OF INVASION OF CYPRUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. BILIRAKIS) is recognized for 5 minutes.

Mr. BILIRAKIS. Madam Speaker, for nearly 36 years, the people of Cyprus have endured an illegal occupation and massive violations of human rights and fundamental freedoms by Turkey after it invaded a sovereign nation 36 years ago tomorrow. It breaks my heart to hear the stories of how the occupied north has been devastated, how the Turkish occupiers have converted chapels in Kyrenia into bars and tourist information centers; how once beautiful churches have been converted into mosques; how the U.N. peacekeepers on the island have watched for 36 years as the Turkish Army has laid land mines and can only sit and note what's being done—a peacekeeping force operating with no mandate to stop the lawlessness.

It breaks my heart that families forcibly removed from their homes had all of their personal and real property stolen from them. More heartbreaking than anything else are the persons missing since 1974. Madam Speaker, whose families still grieve knowing they will never be at peace until their sons, brothers, husbands, and fathers are accounted for and whose bones must be laid to rest.

Yet the Turkish Government still refuses to cooperate. To us, their actions aren't acceptable. That is why we will continue to fight and persist in our efforts to reunify Cyprus and make the island whole again and heal the wounds. A solution to the Cyprus problem has come from the Cypriots themselves and must serve first and foremost the interests of the Cypriots.

The key to a successful outcome of the negotiating process and reunification of the island remains in Ankara, since a solution to the Cyprus problem cannot be reached without Turkey's full and constructive cooperation. Turkey must give the new Turkish Cypriot leader the freedom to negotiate a solution. Turkey must start with the removal of its occupation troops and illegal settlers from Cyprus.

The role of the U.N. and the international community is to provide assistance and support the process. The process should not be subjected to false

time frames. The United States has publicly supported a solution of the Cyprus problem and specifically a bicomunal, bizonal federation. As a close ally of Turkey, the U.S. should use its influence to push Turkey to actively support the process and the reunification of the island as a bicomunal and bizonal federation. And the U.S. must also push Turkey to withdraw its occupational forces.

The Government of Cyprus continues to work for the genuine reunification of Cyprus and integration of its people and economy in the context of a functional and viable settlement, a solution which will bring peace, prosperity, and a better future for all of the citizens of a united Cyprus within the EU. A solution of the Cyprus problem that reunifies the island, its people, the economy, its institutions in a bizonal, bicomunal federation is in the best interest of all Cypriots.

□ 1920

Madam Speaker, I urge this body to pressure Turkey to remove its troops from Cyprus, remove its settlers, and come to the negotiating table in good faith to find a solution that is just for the Cypriot people. Let's hope we are not recognizing the 37th anniversary of the invasion this time next year.

EXTENSION OF UNEMPLOYMENT BENEFITS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentlewoman from Ohio (Ms. FUDGE) is recognized for 60 minutes as the designee of the majority leader.

GENERAL LEAVE

Ms. FUDGE. Madam Speaker, I ask unanimous consent that all Members be given 5 legislative days to enter and extend remarks into the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Ms. FUDGE. The Congressional Black Caucus is incensed that some would choose to politicize the proposed extension of unemployment benefits. As the conscience of the Congress, the CBC will spend this Special Order hour reminding them of the Americans they seem to have forgotten. I will also be joined by a diverse cross section of Members from a variety of caucuses, all urging the Senate to act now.

Madam Speaker, I would yield to my friend and colleague from the State of Ohio (Ms. KAPTUR).

Ms. KAPTUR. I want to thank Congresswoman FUDGE for taking leadership on this very, very important Special Order this evening on the subject of unemployment and the extension of unemployment benefits during this critical moment for our country.

I just got back to Washington after spending the weekend in my district,

and I'm telling you that is the issue. People come up to you, whether you are in a parking lot, just leaving a food store, whether you're in a religious institution on Sunday, people are asking what's wrong with Congress. It isn't the House. It's the other body that hasn't passed the extension of unemployment benefits.

I want to commend the Congressional Black Caucus for bringing this forward this evening.

By the end of this week, nearly 2.5 million Americans will have lost their unemployment benefits because our colleagues over on the other side of the Capitol chose to politicize with unemployed workers, trying to make some kind of political statement over there, rather than extending benefits for people who earn them.

You would think that work, as a value, would be undergirded by those that serve us at this level in our country, and I think they really undermine the value of work itself by not allowing people who have earned those benefits as a result of going to work every day to then, when times get hard, reap some of the benefits that they, in fact, have earned.

Just in Ohio, Congresswoman FUDGE and I know that 112,000 Ohioans will lose their unemployment benefits as we wait for the Senate to act. On July 12, the Toledo Blade ran the following letter to the editor, which I will summarize. It says, "Cutting off jobless was act of cruelty," and this writer, Darlene, from Perrysburg, Ohio, states: "I do not want to add to the Federal deficit. However, not to extend unemployment benefits to workers who have lost their jobs, most through no fault of their own, is cruel." She's right.

"These former workers may lose their homes," she says, "adding to the foreclosure dilemma." She's right.

"They paid taxes into the system for years." She's right.

"Now the government says they have used up their benefits. I wonder when the government will tell third-and fourth-generation welfare recipients that they have used up their benefits." And she was rather strident in her comments there, but she's asking what about people who have been employed.

Worse, a week before that, the Toledo Blade ran an article titled, "Toledoans battle to survive as aid for unemployed vanishes: Area agencies get more requests for help." I know I met with the head of Job and Family Services in Lucas County, and they said that immediately they expect an influx of 3,000 individuals that represented 3,000 families. You know how many people—that's over 10,000 people just for the first influx of those who had fallen off their benefits.

The article talked about Anita Fitch, a 42-year-old single mother who had gotten two extensions on her unemployment benefits but now she's on her

own. Anita stated, "The unemployment money was not paying the bills, and I went to get food stamps because I have two kids in the house and everything is backing up—the food bill, the electric—and now I am trying to find a job," but "there just aren't any jobs out there."

So Anita's problem is like that of many Americans. We need to stop being partisan over there in the Senate and work together to support those who have lost their jobs while joining together to create jobs and stabilize our housing market.

I wanted to say to Congresswoman FUDGE that I have other examples I could give, but I don't want to not allow other Members who have come this evening to also state their piece. We know that we need to make things in America again, and Ms. Fitch was among those in our district who had a well-paying factory job, polishing automotive parts, a solid job that provided for her family, the kind of jobs that we need here in our country. We need less outsourcing. We need fewer bank bailouts—in fact, no bank bailouts—while we work to create jobs and to sustain our unemployed citizens.

So I have voted to continue to extend unemployment benefits, and I think the important voices that we will add to the record tonight include those individuals from our district who have been contacting us, pleading with Congress to give them the benefits that they have earned, and if we had enough jobs in our country, people wouldn't be asking. This is a time when we need a little extra cushion inside this economy to help people transition as we begin producing more and more jobs per month, and we had to dig ourselves out of the huge hole that the last President left this President.

I think that we helped to turn the corner now, but we have millions of Americans who simply have not been able to find their footing in this economy.

One gentleman that wrote has sent out 400 resumes and applied for over 400 jobs in 10 States and has only gotten three interviews in 9 months and zero job offers, and he says it's aggravating that the people who caused this mess are still making several-figure incomes, and the average Joe is suffering. Who knows what is going to happen after August when this gentleman's unemployment benefits run out.

So, Congresswoman FUDGE, I want to thank you very much for holding this Special Order tonight to encourage our Senate colleagues to put partisanship and politics aside and to act to help those who need these unemployment benefits to put food on the table for their families. They're really not asking for very much.

"Sincerely,"
"Jennifer"

Jennifer is not alone. Debra also emailed me and she writes, "Dear Representative KAPTUR,"

"Our family is in dire need of an extension of unemployment benefits. My partner has been unemployed since July 15, 2008. Her unemployment expired June 25, 2010 without notice."

"She is over 60 years of age. We have 3 children, 2 elementary age and one high school age. I am self employed and my business is so slow that my adjusted gross income last year was \$15,500 and it looks like my AGI will be similar for 2010. We've applied for food stamps but we're not sure how long it will take to get them. We need help."

"What can you do for us?"

"Debra"

Dennis emailed to share his situation and his frustration. He writes, "Just wanted to let you know what it's like in the real world. In September '09, I was laid-off. I went from \$32/hr to \$9/hr unemployment benefit. My u/b extension is due to run out in August '10. I have sold items at a loss to get rid of debt. My life is on hold."

"I have applied to almost 400 jobs in over 10 states and have only gotten 3 interviews in 9 months with zero job offers. It's aggravating that the people who caused this mess are still making 6/7 figure incomes and the average Joe is suffering. Who knows what is going to happen after August."

Tonight we gather to encourage our Senate colleagues to put partisanship and politics aside and act to help those who need these unemployment benefits to put food on the table for their families.

Sometimes it is too easy to get caught up in politics, and we need to remember that we are here for the people. Too many of the people in this country are suffering. They need our support to survive while we work to create jobs in our country for them.

Ms. FUDGE. Thank you, my friend. I just want to say that the gentlelady from Ohio (Ms. KAPTUR) has always been a voice for not just Ohioans but for all people in need, and I thank you very much for your work.

Madam Speaker, I would now like to yield to the majority leader, the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. I thank the gentlelady from Ohio for yielding, thank her for taking this Special Order, and rise in strong support, as the House has already done, saying that we remember those who are unemployed through no fault of their own.

Nearly 2.5 million out-of-work Americans are without unemployment insurance today. That means they don't have dollars to buy food, they won't have dollars to pay their mortgage, they won't have dollars to buy gas to even look for a job because of one reason: Republicans are blocking those benefits in the United States Senate, period. It's the only reason. We've passed it.

Several Republican Members of Congress and candidates have suggested that unemployment insurance makes Americans too lazy or uninterested in

looking for work. This is at a time, frankly, when five unemployed Americans are looking for work for every one job that is available.

One Republican Member of the House even asked, "Is the government now creating hobos?" Is the government creating hobos for those, who through no fault of their own, are unemployed. Why? Because the economy was put into a deep spin in the latter part of the Bush administration. If you believe, as I do, that the unemployed are suffering from an economic crisis they did nothing to create, then we owe them a strong policy on job creation. We owe them something better than the failed Bush policies Republicans want to return to, the same policies that resulted in the worst jobs record since Herbert Hoover.

□ 1930

We owe the unemployed a hand, not just because it's the right thing to do, but because economists agree that there are few more effective ways to stimulate local economies than extending unemployment insurance. Why is that? Because when somebody is unemployed and has no dollars and they get dollars, they spend them. They buy food. They buy prescription drugs, they buy other items for them and their families, they buy gasoline for their cars. As they do, they help the economy grow. Failing to give them the resources to support their families also undermines our economic situation.

My Republican friends claim that they are for extending unemployment insurance, but simply believe it needs to be paid for. However, frankly, such a claim rings hollow. Because, after decades of treating unemployment insurance as emergency spending, when they were in charge, when no Democrat could determine what came to the floor, they passed unemployment insurance when Bush's failing economy had large numbers of unemployed, and they didn't pay for it.

Both parties, dating back to President Reagan, have passed unemployment insurance unpaid for. Why? Because it's an emergency. It's an emergency not to have a job. It's an emergency not to be able to support yourself and feed your family. It's an emergency when through no fault of your own all of a sudden the boss says, I'm sorry, I can't keep you on the payroll because I can't afford to. That is an emergency.

But at the very same time they claim we can't afford \$34 billion for the unemployed, which will go right into the economy to stimulate and try to grow our economy and create jobs, they are pushing for a deficit-busting \$676 billion in extended tax cuts for the wealthiest in America. Think of that.

We cannot have \$34 billion for those who are unemployed and struggling in our society, but guess what? For those

of us who are not struggling in our society, you get \$676 billion and, guess what, we don't have to pay for that. How does anybody think that makes sense? How does anybody think that's a moral judgment to make in our society.

Republican leaders are even claiming that tax cuts should never be paid for, and in the face of all evidence to the contrary, that tax cuts don't add to the deficit. Alan Greenspan, of course, put the lie to that. He probably shouldn't have testified that the tax cuts would save money. In fact, he has urged us not to cut taxes. My own view is that for middle-income Americans who are working now and struggling and trying to keep their families afloat, we need to continue those tax cuts.

Why? So we could continue to grow our economy and not put them deeper in a hole. This is a political party, on the other side, that wants to reiterate and return to the Bush-era fiscal thinking that wiped out a record surplus of \$5.6 trillion and replaced it with deep debt, large annual deficits, lost jobs and the worst economy since the Depression.

Republicans have made their priorities crystal clear: Billions for the well off, but no help for the longtime unemployed.

Sixty-two percent of the American people reject that reasoning and the neglect of families in need through no fault of their own. As we have in the past, let's help those families and our economy at the same time. Let's extend the unemployment benefits.

Again, I want to thank the gentlewoman from Ohio for taking this time to focus on this issue. Hopefully, hopefully, the other body and the Republican Members of the other body will see their way clear to making sure that Americans who have worked hard, played by the rules, and through no fault of their own are unemployed, will get the help they deserve and need, and that will help our economy as well as help those families.

Ms. FUDGE. Thank you so very much. It is always a privilege to have the leader come and share some time with us. Thank you very much, Mr. Leader. I am as well pleased and proud that Congressman JIM McDERMOTT, the chairman of the Subcommittee on Income Security and Family Support, will bring his expertise on the topic.

I yield to the gentleman from Washington (Mr. McDERMOTT).

Mr. McDERMOTT. Thank you, Congresswoman FUDGE.

I was approached by one of the Members on the floor, actually, MARCY KAPTUR. She said, why don't we go out and tell the story of people? Why are we being quiet about this? So I was pleased when we presented this idea to you that you said, hey, come, I have got an hour, let's talk about it, because over the past 6 weeks we have fought to try to get these benefits extended.

We cite the statistic of 2.5 million people who have lost their benefits since early June, but we haven't heard much about these jobless workers themselves. I am really grateful for an opportunity to come out here and talk about what we are all going through in our districts, on the telephone, in the newspaper, and in the grocery store.

I picked up The New York Times on Sunday and there on page 13 was the story of a woman named Terri Sadler. Terri lost her job in an automotive parts plant in October of 2008. She used to make \$14.65 an hour and was able to make ends meet, but since she has been laid off she has had no luck in finding a job. She is like millions of people who have this same story who can't get anybody to pay attention in the United States Senate.

Now, there are five unemployed Americans competing for every job, and she told the newspaper, when they asked her, that she had three interviews, that's all she had in 18 months was three interviews for a job, and she spends as much as 12 hours a day looking on the Internet.

When Republicans in the other body blocked passage of the unemployment insurance, she lost her only lifeline on June 5. She has had no money since June 5, and she has been able to cobble together some help from her friends and the community in order to get by.

A county ministerial association paid her water bill. I mean, imagine not having water in your house because they shut it off because you didn't pay the bill. A local nonprofit pulled enough money together for her last two electric bills. Imagine sitting in the dark in a house with no water and no electricity through no fault of your own except the United States Senate won't pay attention to your problems.

Now, Americans who have worked hard and played by the rules and lost their jobs through no fault of their own are going through this all over this country. She is rattled by the daily fear of losing her home, of not being able to afford food, and she told the Times that she had contemplated suicide.

Republicans have forced Terri to live in purgatory for the last 2 months as they talk about the deficit. They now worry about the deficit. They spent like there was no end of money when it was for people at the top of the pile, but now we are talking about Terri Sadler and her problems.

The New York Times actually wrote in an editorial, "Deficits matter, but not more than economic recovery, and not more urgently than the economic survival of millions of Americans." Now, the question you have to ask is, what will it take to make the Republicans finally understand that? You would think an election might have something to draw their mind.

Today, we read a story in The Washington Post that Montgomery County,

Maryland, one of the five richest counties in the United States, is now serving 15,000 free lunches a day for children who would otherwise not have food. That's an increase of nearly 15 percent over previous summers, and many of these families are unemployed families.

Our failure to get this bill passed has had very real and immediate consequences. Tonight, thousands of people in every corner of this country will suffer because Republicans in the other body have stonewalled against acting. I refuse to believe that we are going to tell Terri Sadler and the millions of Americans like her that we are going to let them fall through the cracks.

I wore this pin tonight because I believe that anybody who has lived in a home where somebody was out of a job, or has been out of a job, knows what it's really all about. I fail to believe there is anybody in the Senate who has ever been without a job.

This is a cab medallion. When I was 21-years-old, my father lost his job for the second time, and there was no money to pay the rent. We were going to lose the house. There was no money for the food, for anything else, and I went to work driving a cab.

□ 1940

That's what happens in families, people do anything.

Terri said to the newspaper, she's sitting at home now. One of her interviews was for a company that will pay her \$7.65 an hour. Now remember, she was making \$14 before. They're paying less than half that, and she's sitting there waiting to hear if she gets a job. She knows that the money she gets from that lesser job won't even meet her bills, won't make it possible for her to pay her house payment and pay her utilities and pay gas and pay the Internet so she can stay on the computer and keep looking for a job.

That's the dilemma that Americans are sitting at home tonight living with, middle class people. It isn't people who haven't tried; it isn't people who haven't made an effort; it isn't people who have somehow tried to get by on the easy. They have been out there slogging along, and they suddenly can't do it, and the Senate says, well, we have to worry about the deficit. You know, we want to keep those tax cuts going for the wealthy in this country, that \$700 billion, but we haven't got \$30 billion for the unemployed.

There's something really wrong. It's really important that you brought this Special Order together today so that people can talk about it and talk about what they're hearing on the phone when they go home on the weekend.

It's no fun to go to the grocery store because people come up and tell you—and I don't live in a bad neighborhood, but people are telling me in my neighborhood what's going on. Thank you very much, and I yield back.

Ms. FUDGE. I thank you. You have painted a picture so clear that every single person in the Senate should understand that it's not just about deficits, it's not just about what they think is right or wrong. Government has a job, and it is to take care of its people. And if we don't do that, we have not done our work. I thank you for telling Terri's story, and I'm sure she does as well.

Madam Speaker, I would now like to recognize my friend and classmate, the gentlelady from Nevada, Ms. TITUS.

Ms. TITUS. Thank you very much for recognizing me. And thank you, Congresswoman FUDGE, for bringing this issue to the attention of the country. We certainly need to be talking about it, and I appreciate bringing the Nevada perspective to the discussion. Extending these unemployment benefits is critical to the constituents in southern Nevada.

I represent the most populous district in the country. There are 1 million people in the district compared to about 650,000 in most districts. We also have the highest unemployment rate in the country and the highest foreclosure rate, so it's a lot of people with a lot of problems. And we just heard today some rather dismal news that that rate is continuing to climb. Now the unemployment rate in southern Nevada is over 14 percent—it's probably higher than that, that's the official figure, and if you look at construction unemployment, I'm sure it's at least double that.

Our recovery lags behind the rest of the country because you have to have a job with money in your pocket in Iowa and Georgia and Vermont in order to be able to come to Las Vegas for a holiday.

The two economic main drivers in my State are tourism and construction, and they have been the hardest hit sectors during this recession. The fact is, many of these jobs are not going to come back right away. We know that already 38,000 people in Nevada have lost their benefits because of this Republican obstructionism that we've been talking about.

When I see Republicans stand in the way of this final extension of unemployment benefits and I hear them make statements that people are spoiled by unemployment benefits, or they aren't willing to take certain jobs, it just makes me angry. It makes me angry because nothing could be further from the truth, and it is an insult to the American people who are the hardest working people on this planet. These are the same people who build America, they keep it running, and they serve its citizens and its visitors every day.

We're talking about family members, friends, and neighbors who are worried and scared that their benefits will run out. They've got homes they can't af-

ford to pay for, doctors they can't afford to see, children they can't afford to send to college now, and time they just cannot afford to waste.

Every weekend I'm in the district talking to people. We have housing workshops, Congress on the Corner. I'm just out in the district, and I repeatedly hear these same tragic stories from people who have lost their jobs through no fault of their own, and they seem kind of at a loss of what to do. They can't really understand what's happening, and they cannot believe that the Republicans could be so cruel and insensitive to their needs. They have worked all their lives, they have paid their taxes, they have contributed to unemployment, they have followed the rules, and they just need a little bit of help right now, a little bridge until the economy turns around so they can get themselves back together. All they're asking for is just a little bit of help to kind of keep body and soul together until this economy turns around.

Just this weekend, I heard from one family, a young couple, Matt and his wife from Henderson, with their young children. They had worked very hard to get out of kind of a rough neighborhood, to move to a better area away from some gangs so their children could grow up in a safer environment, lost his job. We're trying to help him with a loan modification. If he can't get these unemployment benefits, he's not going to qualify for that loan modification, he's going to lose his house. He is worried to death that he may have to move into his car with his two small children. He is relying on these unemployment benefits just to help him scrape by just for a short time so he can make those payments and stay in that house so that his family will be safe.

Those are the kinds of stories that we hear, and that's why the opposition's obstructionism is just so insulting and so hard to believe and understand. We've got to stand up and fight for these people who are at the risk of losing these important benefits.

It's bad enough that the Republican economic policies from the last administration, policies of lax regulation of Wall Street bankers, policies that incentivize companies to take jobs overseas, policies that gave tax breaks to the wealthy, the very wealthiest, but now won't help working people, it's a shame that those policies—and it's bad enough that they got us into the situation we're in now, but when those same people turn their back on the American folks who need a little help at this point, it's just unbelievable, it is disgraceful. I say to them, have you no shame? Have you no shame?

Thank you for letting me join you tonight.

Ms. FUDGE. Thank you, and thank you for staying in the fight. This really is a battle, and we are going to win it.

Mr. Speaker, I would like to yield now to my friend, my colleague, the person in this Congress who really, indeed, is the conscience of the Congress, the gentlelady from Maryland (Ms. EDWARDS).

Ms. EDWARDS of Maryland. I thank my colleague from Ohio for keeping our focus on working people and on the struggles of working people, particularly this environment, this recession, coming out of this recession, people who have lost their jobs, people who need unemployment.

Last week, Madam Speaker, I had the privilege of meeting Louise Strong. She's one of these women who represents workers all across this country. She's a constituent in my congressional district in Maryland. She is unjustly suffering from the loss of her unemployment benefits. Louise told me that after 28 years she lost her full-time job with the Marriott Corporation in October 2008. She was then offered a temporary position, but it only lasted 4 months. For the first time in almost 30 years—I think since she was a teenager—Louise was unemployed and began receiving unemployment insurance. Since then, Louise has fought tirelessly to get a job, sending out hundreds of resumes, filling out countless job applications, and over a year later she's still without work. And since June, she is no longer receiving her unemployment benefits, benefits that she is entitled to as a working person.

Mr. Speaker, as of six o'clock this evening, I looked at the counter, like Americans can do across this country, just go online, 2,645,088 Americans as of 6 o'clock this evening, including more than 12,000 from my home State of Maryland, joined Louise in losing their unemployment benefits.

□ 1950

Right now, 16 million Americans are out of work, and almost 50 percent have been out of work for 6 months. These are Americans who have spent their entire lives working. They are Americans who want to work, who are out every single day, looking for opportunities to work. They are not lazy. They are not shiftless, and they won't become lazy by receiving unemployment benefits. The misperception about unemployment is great, but unemployment is insurance.

Take Louise. Louise paid into the Unemployment Insurance Compensation Fund for 28 years, and now she wants to draw on the insurance that she has paid into. Americans understand that. It is an insurance fund. People draw on it.

Do you know what they're doing with that unemployment, Mr. Speaker?

They are buying eggs and bread and cereal. They are paying their rents and their mortgages. They are taking care of their children. They are paying their utility bills. It is money that is going directly back into the economy.

Now, Republicans in both Chambers, I mean especially these days in the United States Senate, are keeping busy by arguing that we neither have the resources nor sufficient reason to extend unemployment benefits to these hard-working Americans like Louise Strong. The fiscal resources, they argue, would contribute to the deficit, and that is something they ideologically cannot allow.

Well, I'll tell you. When you have to put food on the table, it is not about ideology. It is about being able to go to the grocery store. They'd know this if they went into the grocery store. Like Mr. McDERMOTT, our colleague from Washington, mentioned, when you go into the grocery store, people are stopping us, and they're asking, "Why can't you just extend unemployment benefits? I worked for this."

Yet, if you believe the quotes from Members of the Republican Party, they're willing to support tax cuts for the wealthiest of Americans regardless of their budget impact. They argue, "Congress has the authority, and if we decide we want to cut taxes," we don't have to "offset those costs" for extending tax cuts to the wealthiest Americans. They won't offset \$680 million in tax cuts for people with incomes over \$1.5 million a year.

This is really shameless that they can't find the heart or the will to extend unemployment benefits for the 2,644,088 Americans who are seeking unemployment benefits. Shame on them. Shame on them for not extending unemployment benefits. Americans are smart enough to realize the duplicity in these kinds of tactics. They understand the difference between providing meaningful economic solutions and playing off of fears about a rising deficit.

The budget impacts of extending tax cuts far outweigh the costs of extending unemployment benefits. Unemployment benefits go right back into the economy. Senate Republicans aren't concerned at all about the deficit. That is just their shameless politics, and it needs to stop because it is being done off the backs of hardworking Americans.

So there is a fundamental difference that we are fighting for, and it is one that is worth fighting for. We are fighting for working Americans, and Democrats in Congress know that, for every dollar invested in unemployment benefits, the economy gets \$1.50 back. That's a 150 percent return on our investment for extending unemployment benefits. This is smart, especially at this time when so many Americans are out of work.

So, Mr. Speaker, it is time to stop holding hostage workers who have been laid off in this recession and the political tactics. We must do what is right for the middle class and not the wealthiest of Americans. It is time to

stop blocking emergency relief for those who are out of work, and it is time to extend unemployment benefits so that Americans who have worked all of their lives, like Louise Strong, can get the benefit of the doubt, the benefit of the bargain of what they put into the Unemployment Compensation Fund. People want to work. Unemployment insurance is the bridge that gets them there while our country gets strong, and it is time to extend that bridge to help Americans get back to work.

Thank you, Mr. Speaker, and I thank the gentlewoman from Ohio for making sure that we keep our eyes on the prize for working Americans.

With that, I yield.

Ms. FUDGE. Thank you very much.

I just want to say to my colleague that the point you made is so very important. These are people who have been tax-paying, law-abiding citizens of this country. I just wonder:

How do people sleep at night? If they want to pull the safety net, the rug, out from under people who have always been a part of this Nation's wealth, why do they now say that they are hobos or that they are lazy when they have worked for and have earned everything they have ever received? I just don't understand how we can now say to these same people whom we applauded when they had jobs every day that "we no longer care about you anymore."

I just thank you for making clear that these are people who have paid into this fund. It is not a gift. It is something they have earned, and I thank you so much for that.

Mr. Speaker, I would now like to yield to my colleague, to someone who joins me almost every Monday night and who brings a wealth of information to this body—the honorable SHEILA JACKSON LEE from the State of Texas, the gentlewoman from Texas.

Ms. JACKSON LEE of Texas. Mr. Speaker, it is a pleasure to be with you this evening, and I thank you for your leadership as we discuss with our colleagues a very important crisis that is now approaching to which, I hope, our message tonight really provides the stopgap, the finger in the dike, if you will, that is about to overrun itself, which is the numbers of Americans who are crying out to this Congress to do the right thing.

I thank the gentlelady from Ohio for her persistent leadership and for her timeliness, because this is a very, very important need that needs action, and it needs action now.

I guess I would like to add to this definition of what "unemployment benefits" are and what it means to extend them and the numbers of Americans who are now waiting, between 2 and 15 million Americans who are now waiting for those benefits to be extended, and the extension is simply adding to

the 26 weeks that are now expiring. You mentioned that it was not a gift, and I'd like to suggest something even more.

I wonder if we have read recently the story of the good samaritan. That story has traveled with me throughout my public life. In fact, I believe that we on this floor and we in this body are really public servants. We work for the people, and we are to do the right thing—their bidding—as relates to the enhancement of the quality of life that they have been promised under our Constitution. In fact, the Declaration of Independence really says that we are created with the inalienable rights of life, liberty and the pursuit of happiness. That pursuit of happiness has a lot to do with prosperity and with the ability to provide for one's family. So, in this instance, the good samaritan is the Federal Government, but it is not in a position of handing out something. As the story goes, the good samaritan helps those who have been violated by others, and they could not help themselves. It's not that they purposely were laying alongside the road. They had been violated by others.

In this instance, the individuals who are on unemployment now and who are looking for an unemployment benefit extension did not create the atmosphere in which they were not working. The very fact that they have ownership to unemployment benefits is the fact that they worked and that they created a trust with the Federal Government. They put their money in a trust while they were working. In addition, they made a contract. "I will work, and under the present laws, you will help me when I am out of work" when there is evidence, of course, that there is no work for these individuals to secure at this time.

We have made great strides. Under the Bush administration, we were losing 750,000 jobs a month. We have gained jobs because of the stimulus package that the Democratic leadership and Members had voted for, and I am grateful that we took the risk under much accusations and criticism. In that process, we have elevated some to work, but, even with that effort, we find ourselves struggling because there are more people out of work than there are jobs at this time.

So what we are asking the obstructionists to not do is to not block the bridge that these unemployed Americans need. Do not dissolve the trust. Do not breach the contract that we have made with Americans who have invested in their trust funds or in unemployment benefits by their taxes so that, if they were unemployed through no fault of their own, they could secure resources for what all the many stories of Americans will tell you.

These are not resources for vacations. These are not resources for recreation. These are not resources

just to stay home and to have an easy day. These people are taking these dollars to keep roofs over their heads, to pay their next mortgage payments, their health care bills, and their utility bills in the heat of the summer. We're having one of the hottest summers that you could ever imagine—high utility bills. For some families who have children with asthma or respiratory illnesses, they need air conditioning. Their bills are high. Certainly, they simply need to provide food on the table for children, who are innocent, for seniors who may be living with families, who are innocent, for single parent heads of households, who are innocent, who literally have worked.

□ 2000

A story I heard today at a hearing in Memphis on foreclosure about a woman with a number of children who worked as hard as she could, but the industry that she was in, furniture sales, obviously, home sales are down, furniture sales are down, she finds herself upon hard times. She needs unemployment insurance to make sure that she doesn't lose the small condominium that she has.

These are painful stories. Sixty-two percent of Americans agree that we should extend the unemployment benefits. The Congressional Budget Office policies that could be implemented relatively quickly are targeted toward people whose consumption tends to be restricted by their income, such as reducing payroll taxes for firms that increase payroll or increasing aid to the unemployed, would have the largest effects on output and employment per dollar of budgetary cost; meaning that extending unemployment benefits is one of the most cost-effective ways of churning the economy but preventing people from collapsing under the weight and the burden of having nothing.

It also speaks to the mental state of people who are struggling. They need to know that there is an out; there's a way that they can be provided for. And so, we, the Democrats, would provide for up to 99 weekly unemployment checks, averaging about \$300, to people whose 26 weeks of State-paid benefits have run out. The benefits would be extended toward the end of November.

What can I say? It's a simple request.

I ask the Senate Republicans to stop now from blocking hardworking Americans from being able to provide for their families. I ask you to accept the Democratic proposal of extending these benefits for 99 weeks, up to 99 weeks, and to do what we did in this House.

I'm appreciative of the gentlelady's leadership and grateful that our leadership came to the floor tonight. Majority Leader STENY HOYER wanted our colleagues to know that the leadership stands firmly behind doing the right thing.

As I close, I want to remind our colleagues of some stories that we heard early on. We were discussing another issue. Some may not be aware that some of our young soldiers have had to be on food stamps in the past. Democrats, of course, have corrected some of that by increasing their wages.

But never let it be said that we are here making tomfoolery out of the budget of this Nation. We're here standing for people who are truly in need. And tomorrow will be the SOS day, the emergency day, the call day for action. And I hope that colleagues will remember the story of the Good Samaritan and provide and reinforce the trust and the contract made with the American people, that if you work, you invest, that when you need the rainy day umbrella of unemployment benefits extended, we will be there for you.

I yield back to the gentlelady.

Ms. FUDGE. Thank you so very much. It's always enlightening to hear how you approach a subject. I thank you so much for always sharing Monday evenings with me.

I would now like to yield to my friend, the gentlewoman from California (Ms. CHU).

Ms. CHU. Thank you so much. And I truly appreciate the gentlelady from Ohio for her leadership in putting this Special Order together on such a critical topic.

I rise today to call attention to the plight of millions of American families. Across the country, men, women, and children are caught in the crosshairs of Republican political calculations. Instead of providing emergency relief to Americans laid off during this latest recession, a partisan Senate minority is blocking this vital aid.

My colleagues on the other side of the aisle should be ashamed. Time and time again, when asked to solve our Nation's problems, they've instead shown why they've been known as the party of "no," and it couldn't come at a worse time. Throughout our country, we face the worst financial crisis since the Great Depression. It's the legacy of 8 years of the Bush administration.

My hometown of Los Angeles lost over 84,000 jobs this past year. That's the greatest decrease for any metropolitan area in America.

Congressional Democrats want to confront this problem head on. That's why a majority of Senators have tried not once, not twice, but three times to temporarily extend unemployment benefits, because any economist will tell you that, in addition to helping individual families, the program stimulates the entire economy.

But the obstructionists just don't care. They don't care about the 368,000 Californians who've lost benefits since their filibuster began a month ago. They don't care about the 2.1 million Americans in other States who've also

been cut off. They don't care about people like Marcelo and Maria Gonzalez.

For 34 years, Marcelo worked for the same credit card manufacturing company. The job provided a paycheck and peace of mind. But 16 months ago, his facility cut back production and Marcelo lost his job. Fortunately, unemployment benefits kept food on the table for the Gonzalez's and their two children, that is, until Republicans cut off the program and its aid to families like Marcelo's.

Now, this obstruction doesn't just keep food off American tables. It keeps American people out of work. People like Annette Tornberg. Last summer, Annette lost her job at a Sacramento book bindery, and last month, she lost her weekly \$270 in unemployment benefits. This means that Annette can no longer buy the gas she needs to drive to job interviews. You see, Annette, like the vast majority of those on unemployment, use these funds as a bridge to their next job, not a replacement for it. The notion that emergency relief somehow discourages people from looking for work is not only misguided, it reflects a lack of faith in hardworking Americans like Annette.

This Republican opposition, however, goes beyond a lack of faith. It is a deliberate means of allowing millions to suffer, worrying about whether they can put food on the table, and we cannot let this happen.

It's time for this stonewalling to end. Senate Republicans need to get out of the way so Annette Tornberg can get that new job, so Marcelo Gonzalez can start putting food on the table again, and so that millions of Americans who are out of work, through no fault of their own, can once again get the emergency relief and peace of mind they need to make it through these tough times.

So, tonight, I'm calling on Republicans to stop hurting American families, stop playing politics with this problem, and start letting the Senate and millions of Americans get back to work.

And again, I thank the gentlelady from Ohio for this very, very important Special Order and allowing us to say what we need to on this very important issue.

Ms. FUDGE. Thank you so much.

Mr. Speaker, I would now yield to my friend and classmate, the gentleman from Florida (Mr. GRAYSON).

Mr. GRAYSON. My grandfather, in the 1930s, spent several years of his life, every single day, going to the dump looking for things there that he could sell, looking for things that he could take to the market and sell, because there was no other way for him to survive the 1930s and the Great Depression.

There was no unemployment insurance back then. There was no State

benefits back then. There was no help for the people who had no jobs. All they could do, like my grandfather, in desperate straits, supporting a family of seven, was to go to the dump and desperately try to find something he could sell.

□ 2010

That, my friends, is the America that the Republicans are trying to revive. The America of desperate straits, and for them cheap labor. The America where people have nothing, hope for nothing, and are desperate to live to the next day. That is what the Republicans are trying to resurrect by blocking unemployment insurance day after day, week after week, and now month after month.

I've got news for my Republican friends. Every single person who's going to receive unemployment insurance under this bill is unemployed. Every single one of them doesn't have a job. And that's why they need this money.

Now, I know what the Republicans are thinking. They're thinking why don't they just sell some stock. If they're in really dire straits, maybe they could take some of their art collection and send it off to the auctioneer. And if they're in deep, deep trouble maybe these unemployed can sell one of their yachts. That's what the Republicans are thinking right now. But that's not the life of ordinary people, the 99 percent of America that actually has to work for a living, that doesn't just clip coupons and live off of interest and dividends like my Republican friends do.

That's why we need this bill to pass, because of the 99 percent of America that deals with reality every day, the people who will lose their homes if this bill doesn't pass, the people who will be living in their cars if this bill doesn't pass. That's why we need this to pass.

And I will say this to the Republicans who have blocked this bill now for months and kept food out of the mouths of children, I will say to them now, may God have mercy on your souls.

Ms. FUDGE. Mr. Speaker, we've heard but a few stories of the millions of Americans who stand in need in this country today. The wealthiest Nation in the world has people who are hungry, has people who are homeless.

Mr. Speaker, I asked the question earlier to those who would fight and try to block this legislation. How do you sleep at night? Now I want to say to those same people who would oppose this bill, I hope you don't sleep. I hope you don't get a wink of sleep until you decide that it is important to do what is right for the people of this country. I hope you can't sleep until you understand that our former coworkers, our neighbors, our friends, our family are hurting. And if you can't figure it out

as you lay awake, get up and walk to the drugstore, to the grocery store, to the barber shop, any place where people are gathered, and you will find someone who needs your help.

So I would just hope that you stay awake all night tonight so that when the vote comes down tomorrow you will do the right thing.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise today to offer my strong support for the passage of an extension for Emergency Unemployment Compensation benefits. Emergency Unemployment Compensation benefits have expired as of June 1st, leaving millions of Americans without the financial lifeline they rely upon. Each week that Congress fails to pass this extension, another 200,000 Americans lose their benefits.

These are not people freeloading off the government. They had jobs, and the years that they worked are reflected in the weeks of benefits they receive. They are also required to look for work in order to receive benefits. With a 9.9% unemployment rate, job prospects remain dismal for the unemployed. With hundreds of applicants for each opening, some hiring managers have even gone so far to exclude the unemployed from applying with-in their job advertisements.

Without this extension hundreds of thousands of Americans will fall into poverty. Many more will have to make the excruciating choice between basic needs for their family; choices such as going without food or medicine in order to pay the rent or mortgage.

Economists have pointed to the economic value of unemployment insurance benefits. These are dollars that are going back into the market, raising consumption and creating jobs. If we allow millions of Americans to slip into economic peril, it will only serve to hurt the economy and stall the recovery.

This is economically important and ethically important, and I fully support the immediate passage of the restoration of Emergency Unemployment Compensation benefits.

TOPICS OF THE DAY

The SPEAKER pro tempore (Mr. CRITZ). Under the Speaker's announced policy of January 6, 2009, the gentleman from Iowa (Mr. KING) is recognized for 60 minutes as the designee of the minority leader.

Mr. KING of Iowa. Mr. Speaker, as always, I'm privileged and honored to address you here on the floor of the House of Representatives, this great deliberative body. And having come here and sat down and listened to the presentation of my colleagues on the other side of the aisle in the previous hour, most of what you have heard here tonight has been the regular fare that is delivered from the DCCC. Not a lot of it's been original thinking.

And Mr. Speaker, I call upon the American people to use that great gift of reason and think this through. First I just go backwards. The gentleman from Florida alleges, Mr. Speaker, that Republicans have blocked the unemployment extension. Republicans have

blocked the unemployment extension. The gentleman from Florida, if he knows anything, knows very well the Republicans don't have the votes to block an unemployment extension. We don't have the votes to block a declaration of war. We don't have the votes to block anything in this Congress. Anything that didn't get done that he laments should have been done lays at the feet of the Speaker of the House and the majority leader in the United States Senate and the Democrats, not Republicans.

I wish we had the authority and the votes to kill some of these crazy ideas that are coming out of the progressives on the left. We don't have those votes. We can't kill crazy ideas. And now I have to sit here and listen to a crazy allegation that Republicans are to blame for blocking unemployment benefit extensions. It's an outrageous thing to say. And then to follow it up with, May God have mercy on your souls, as if the gentleman had a deep core of faith and he really was worried about the souls of Republicans.

I am awfully glad he's not been appointed to be St. Peter. If he could make that call at the pearly gates, I am pretty convinced that every single Republican would be condemned to the fires of hell by his judgment. No, we've been fed a line of baloney here. Republicans do not have the votes to block an unemployment extension. If it didn't happen in the House of Representatives, it didn't happen by the will of the Speaker and the majority in this Congress, the Democrats. That is a fact, Mr. Speaker. It's not arguable. It's not even nuanced. It's clean as it can be. I wish it were not the case, but it is.

Speaker PELOSI could have forced an unemployment extension off of this floor had she chosen to do so. And if she chose to send it to the floor on suspension, where it takes two-thirds to pass an unemployment extension, then clearly it's a cynical attempt to try to tell the American people the same thing that we've heard from the gentleman from Florida, blame it on the Republicans. But if Democrats cared about extending unemployment benefits, they would have brought the legislation through.

This House doesn't have the votes to kill it. Remember, 34 Democrats voted "no" on ObamaCare. Every single Republican voted "no" on ObamaCare and still it's the law of the land. However temporarily, it's the law of the land. ObamaCare passed the House of Representatives with every single Republican standing in uniform saying no. And 34 Democrats joined with every single Republican and said no to ObamaCare. And still, and still their hearts were hardened, and still ObamaCare went to the White House and to the President's desk, where today it's the law of the land.

So for the gentleman from Florida to stand over at that microphone and try to convince you, Mr. Speaker, who probably should have gavelled him for the audacity of that statement, and let me say the lack of accuracy, but try to convince you and the American people that it's Republicans that are blocking an extension of unemployment benefits, I don't think there is a sixth-grader out there with a rational thought in their head that would believe that if they knew the facts.

Now, the gentleman from Florida, some of the members of the Democrat party, some of the people who are the spokesmen and -women for Speaker PELOSI might then deploy out and say, well, STEVE KING is wrong, we're really referring to the Republicans blocking unemployment benefits in the Senate. I mean I have established this, Mr. Speaker, there is no question, and if anyone challenges the veracity of my statement, stand up. I will recognize you. I will yield my time to hear, if you think you have a rebuttal to my statement. Of course you won't. You will sit there and sit on your hands because you know I am right. Your silence is a confession that what I have said is 100 percent true.

Democrats haven't moved an extension of unemployment benefits because they don't have the votes to get that done. It's not the Republican resistance that stood in the way. That's a fact. It's unrebuted, which makes it a fact. It's in this CONGRESSIONAL RECORD today and tonight, Mr. Speaker.

And so the deal with the House is all wrapped up. My argument stands. No one can rebut my argument. The House didn't have the votes to kill unemployment benefit extensions, and so the arguments on the part of the gentleman from Florida are specious and unfounded and false.

But down the other end of this Rotunda there might be an argument, Mr. Speaker. And so perhaps we should examine that argument about whether the Republicans in the Senate have the votes to kill the extension of unemployment benefits. And let's remember this is \$33 billion or \$34 billion with a B, billion dollars, to extend unemployment benefits for 99 weeks. For practical purposes let's just give that in round numbers. You only have to round that up about 3 weeks to get to 2 years. Two years of unemployment extended by the United States Congress, the tab picked up by the taxpayers of America, money coming from where? Well, let's just say the Chinese, for want of a better source. As long as they keep loaning us money, we'll borrow it, and we'll borrow money to pay people not to work to the tune of 99 weeks of unemployment.

□ 2020

Now, that's a separate argument, Mr. Speaker. But the argument made by

the gentleman from Florida, the Republicans are blocking the extension of unemployment benefits and should God have mercy on our soul for doing that, it's not the Republicans. The Republicans don't have the power in the Senate either. We've established we don't have the power in the House. Republicans don't have the power in the Senate to block an extension of unemployment benefits. These Democrats know, by the way, it's coming. It's going to get done. It's going to pass the Senate. It's going to come to the House, unemployment benefits.

But should every Republican in the United States Senate stand against the extension of unemployment benefits—without a paid-for, by the way; without any fiscal responsibility, 100 percent borrowed money, 100 percent racking up the national debt—the national debt that this year rings in to 1.5, or excuse me, the deficit for this year rings in to \$1.5 trillion. The national debt runs to 13.18. The GDP, gross domestic product, is \$13.20 trillion. So if you round that to the nearest tenth of a trillion, our national debt is equal to our gross domestic product. I don't know that that's ever happened in the history of America.

But to explore the question in the United States Senate if HARRY REID, the majority leader, decides to bring an extension of unemployment benefits that cost the taxpayers \$33 billion or \$34 billion to the floor of the United States Senate and Republicans decide they want to block it—now, according to the filibuster rules, it might require those 60 votes, that 60-40 majority in the Senate, to break the filibuster. And they are a vote short of that. And they swore in a new Senator, I think it was today. So now they come closer and if a Republican will switch over and vote to break the filibuster, then they're ready to close the deal on \$34 billion in unemployment benefits, unpaid for, fiscally irresponsible without trying to cut some government spending somewhere. Okay, we'll give you all of that, Mr. Speaker, under the filibuster rules.

But let's keep in mind, let's keep in mind that we had ObamaCare come before the House and before the Senate. And is our memory so short, is Mr. GRAYSON's memory so short that he doesn't remember the reconciliation package that came back from the Senate here to the floor of the House? Does the gentleman from Florida and the other people who put these specious allegations out, do they forget that ObamaCare didn't pass with a 60-40 vote to break the filibuster in the United States Senate? It passed with a reconciliation package that required a simple majority in the United States Senate.

So, if HARRY REID is sincere and he really thinks he wants to give unemployment benefits to the people in this country, he can wrap this up in a rec-

onciliation package, pass it off the floor of the United States Senate with a simple majority and send it over here to the House where the Speaker almost certainly would bring unemployment benefits to the floor of the House. And the gentleman from Florida, everybody in America knows, the votes are here in the House right now to pass those extensions.

But they can't do that right away. They've got to spend a day or two or three or more beating up on Republicans making false allegations to try to convince the American people that these demons that are knocking at the pearly gates—may God have mercy on your souls, according to Mr. GRAYSON—are somehow trying to keep those resources out of the hands of hard-working Americans.

And they wonder why America is cynical, and they wonder why their credibility has gone down the drain. They wonder why the popularity of Congress is at the lowest point ever, and the popularity of the Speaker may be, at least in modern record keeping, at the lowest point ever; and the lack of confidence in government officials is just as great as it's ever been. The greatest lack of confidence we've ever had in the United States Congress. Why? Because people come here to the floor, Mr. Speaker, and make outrageous statements like that, and the American people don't always hear such a cogent rebuttal as they're hearing right now.

But they have a brain, and they have the ability to think and reason, and they have a memory that let's them roll back and think well what happened here now. We weren't going to have ObamaCare unless we had 60 votes in the Senate to pass it. Remember this? Remember how because of ObamaCare, I think it was a big reason Massachusetts delivered to the United States Senate SCOTT BROWN who said, I'm opposed to ObamaCare. I will oppose it. I will vote against it. I'll kill it if I can. And he came here to the United States Senate, was sworn in, was sworn to vote against and kill ObamaCare. That's what the people in Massachusetts wanted. That's what the people in America wanted.

But, no. President Obama and HARRY REID and NANCY PELOSI and a small cabal of people who were meeting in back rooms decided we are going to force feed this on the American people because it matched their ideology, not because it was good policy, not because the budget would be better off. It's worse off. Not because it provides better care. It's less care. Not because it would be less costly. No, it's more costly. Not because people would have more choices, as President Obama said. No, they have less choices. Not because people would get to keep their health insurance policy if they liked it. No, they don't get to keep that policy. We know that now.

We know that anybody in America that has a policy today that they think they get to keep, sorry. There isn't one, not one policy, not one American out of 306 million Americans that has a health insurance policy that the White House, President Obama, Robert Gibbs, Rahm Emanuel, name your spokesman for the White House, not one of them, including the President, can point to one single policy and say, Rest easy. It's yours. I guaranteed you you'd get to keep your policy, and no one can take it away, and no one can dramatically change the premium, and nobody can dramatically change the benefit package that you have.

That's not true. It never was true. They knew it couldn't be true. But they never could have cooked up ObamaCare in the first place. But they said it. They sold the American people a bill of goods. And now I'm hearing a bill of goods delivered from this podium over here.

But the bottom line is if it's unemployment benefit extensions that you seek, it can be delivered by the Democrat majority, and they should take the blame if it's not now. Not lay it off the Republicans. Republicans don't have the votes. HARRY REID can do a reconciliation package and deliver unemployment benefits just as surely as he sent us ObamaCare in a reconciliation package.

Remember how that was? Well, we'll pass the bill, ObamaCare, here in the House even though the majority of the House doesn't support ObamaCare. There is a deal that there will be a reconciliation package that will come down the line through the middle of the Capitol right down that hallway, and it will arrive here, a reconciliation package, and enough people on the Democrat side of the aisle, one of the components of that, in such a way that they said, I'll vote for ObamaCare on the promise that reconciliation comes and then we'll vote for that, and then we'll send them to the White House to the President's desk, and he can sign them in just the right sequential order.

So a simple majority in the House, a simple majority in the Senate can pass ObamaCare, a simple majority in the House and a simple majority in the Senate can pass reconciliation. And in the right timing and the right sequence signed in the right order by the President of the United States can impose ObamaCare on every single American even though on the day that ObamaCare passed the House, that bill standing alone did not enjoy the majority support of the Members here. No, Mr. Speaker, it enjoyed a bare majority on the promise that there would be a reconciliation package come here to the House floor.

And on it were some things that didn't have anything to do with health care, including the government take-over of the student loan program in the

entire United States of America. So there was a deal made, and the American people know it was a back-room deal. And it was a promise, and some didn't trust the promise.

And here we stand today listening to drivel about the Republicans obstructing extension of employment benefits when every American that paid attention to the force feeding on all of us on ObamaCare understands that a simple majority in the House will pass and dominate any piece of policy if the Speaker decides it's going to go forward, if the majority leader doesn't stand in the way. The Speaker will determine what passes in the House, and the only check on the Speaker is the 218 votes over here. Well, they had 218 votes over here for ObamaCare plus a couple. And 34 votes to spare.

This is the problem, Mr. Speaker. When you have massive majorities in the House and in the Senate that align themselves with the President of the United States, then you have a situation where the President wants a policy—let's just call it ObamaCare—could be extension of unemployment benefits to the tune of \$34 billion. So the President says, I want this. Give me ObamaCare. By the way, I had a radio announcer talk to me today about how I had used the term ObamaCare and maybe we should call it something else. I pointed out that ObamaCare was used by the President of the United States, February 25 of this year. At Blair House he called it ObamaCare. If the President calls it ObamaCare, I think it's pretty easy shorthand for the rest of us to call it ObamaCare. And it's not pejorative unless you happen to think about what it's doing to America's liberty. In which case it is mightily pejorative.

So the President can decide he wants ObamaCare, and he delivers it to the House of Representatives and says, Give me ObamaCare. So the Speaker, majority leader, the whip, and the rest of the leadership, they look around and they think, he's our leader.

□ 2030

We better give our leader what he wants. So they will set about reconciling any tiny little differences in the back rooms of the United States Congress, and they will come out with something that complements the President's request, and now you've got the sycophantic approach that comes from the House matching up with that of the President of the United States, and then they send it over to the Senate where HARRY REID sits over there and decides: Well, let's see, I don't want to cross the President; I don't want to cross the Speaker of the House; and I don't want to cross the Democrat majority in the United States Congress, so I want to complement all the things that they do and add the bells and whistles on that his people want.

So they stack that on, and now here we go. It's an upward spiral.

Thinking of this in terms of policy, a liberty stealing policy, which is ObamaCare, that's easy for me to see today because I've talked about this for some time. But when we get into the spending side of this, this massive \$1.5 trillion deficit that we have created here by this President, this Congress, this House and the Senate, it also is an upward spiral of spending, because even though the President—the President did present a budget. The House didn't do a budget. This House didn't do a budget.

I don't know how many years it has been since the House hasn't had a budget. I think 1974 is the last time we had a rule that required a budget. We have had a House budget every year since 1974, and I may stand to be corrected on that, but I believe I'm exactly right on my year and on the functionality. The House has been required by a rule to produce a budget since 1974, and here we are, 2010, first time the House didn't produce a budget.

So the President kicks one out. The House doesn't produce one. If the House doesn't produce a budget, that means Republicans don't have the opportunity to offer one. So we don't get to put a budget into the record and have a debate on both these budgets up or down, in which case I will vote for the balanced one.

We produced a balanced budget within the Republican Study Committee, Mr. Speaker, and it's something that I have been engaged in, involved in, and very supportive of for a number of years. With Chairman TOM PRICE of the study committee and the budget chair, JIM JORDAN, we produced a balanced budget, and I've, in the past, voted for a balanced budget. It took a while to get here, but this year we don't have the chance to do that because the Pelosi Congress doesn't produce a budget, even though the President does, so they don't get to plus up or plus down the spending by the White House.

But when that does happen, the House here stands to plus it up because they don't want to say "no" to the President of the United States. So they add on; they don't subtract. They don't have a sense of fiscal responsibility. No, they have a sense of pandering to constituencies who are tax eaters on their part. Mine are taxpayers and producers, the people that I represent, and you can tell by my thought process and my tone. They wouldn't elect me if they weren't producers.

So the House would normally plus up the President's budget if the House is run by Democrats, if the White House is run by Democrats, and then send that budget over there to the Senate where HARRY REID and company would plus up the budget again. They don't

want to say “no” to the President or to the House. They just want to make sure they get their spending priorities. So they plus that up and spend that up, and we’ve got an upward spiral of the budgeting process going on.

The President makes a request. He sends it to the House. The House says, well, we don’t want to say “no” to your things, but we’ve got our things that we want, and you can watch the spirals going upwards, and the House passes or promotes a spending increase and the circle goes on. Now to the Senate and HARRY REID and company, spending, spending, spending right on to the top, out through the roof.

The spending in the United States Congress goes and the deficit sails out into the stratosphere and we see numbers like this. We see a \$1.5 trillion deficit. We see a national debt of \$13.18 trillion compared to a gross domestic product of \$13.2 trillion, Mr. Speaker. And if you hadn’t done the calculation yourself, and I’m sure you’re sitting there with your calculator taking a look at this, Mr. Speaker, our national debt is 99 percent of our gross domestic product, 99 percent. So all the money that gets produced, all the production in America in a year, we owe 99 percent of an equivalent amount.

2010 debt held by the public as a percentage of GDP, the debt, just the debt, not the deficit, is 63.2 percent. By 2020, given how this budget is, well, you have to project this because we don’t really have a budget. Debt held by the public as a percentage of GDP will be 90 percent by 2020. By 2027, it will be 125 percent. That is the debt level at 2027. That surpasses Greece’s current debt level.

And when we look at the President’s effort, the total cost of job saving and job creating stimulus—have to think about that one. I had a good challenge on that the other day, and I said to an economist in a national radio dialogue, made a little fun of the idea we’re going to create—this is what the President said—we’re going to save or create 3.6 million jobs. Save or create, Mr. Speaker. What does that mean?

You save if you can point to creating a job, you can point to creating a job. You might be able to point to those jobs and say, listen, we invested this money in national defense and decided to build these tanks or these drones or these bulletproof vests or M-4s or whatever it might be, so because we’ve invested in this new equipment and hardware, this factory has lit up and hired people for the exclusive purpose of making tanks or drones or bulletproof vests or M-4s. So all those jobs you might point to and say these jobs are created by government spending.

I won’t argue so much with that accounting; although, I want to see them in the private sector. That is government spending, however, and that’s a qualifier. 3.6 million jobs saved or cre-

ated. But when you get to the saved jobs category, Mr. Speaker, from the instance that came out of the mouth of the President, saved or created, I asked the question: How do you ever determine that 3.6 million jobs have been saved? What jobs haven’t been saved, Mr. Speaker? What jobs?

We sit here today with a workforce of around 153 million people in this country, 153 million, and I’m going to guess on the employment level. I am going to expect that it’s lower than that, but the actual working workforce—actually, Mr. Speaker, I will not guess at that. I will say it is over 100 million and probably in the area of perhaps 20 million less than that. So somewhere around 132 or -3 million, but I qualify that because that’s not a number that’s come from the Department of Labor.

So let’s just say that employment in America has probably not dropped below 125 million in a long time, and if you’re going to dump \$1.2 trillion into saving or creating jobs—and the lowest employed that we had in America is perhaps 125 million over the last generation or so—then as long as you had 3.6 million jobs left, you could always point to that and say, I saved those 3.6 million. The very last 3.6 million jobs in America, I saved them with my \$1.2 trillion economic stimulus plan.

□ 2040

So I asked the economist, is that a number that you use, when you are really looking at economics, do you evaluate a category called jobs saved versus jobs created? He said, yeah, we do, we talk about this in economics.

Now I didn’t get it sorted out on this as to whether he commingles jobs saved with jobs created. I don’t think so, doesn’t make sense with me. I mean, how do you save jobs? Well, if you have a stable tax base, if you have a stable economy, if you have a competitive situation where employers can hire and fire and produce and produce and sell to a marketplace, then under those circumstances, if those circumstances are static, then chances are the jobs also are static. About the same number of jobs would be there from one day to the next to the next. So the jobs saved, jobs created, would be the jobs that are added to that number because of, as you say, a tax cut policy, a regulatory improvement policy, or, the President would argue, government spending.

We have had a lot of government spending all right, and there have been jobs that have been saved because of it, government jobs, mostly, not all of them. But we should understand that when the President of the United States steps up and says, I am going to spend 1.2 trillion of your dollars, your grandchildren are going to have to pay the interest and the principal.

In the meantime we are going to borrow the money from the Chinese and

the Saudis, and what we are going to do is, we are going to save or create 3.6 million jobs. We should say wait a minute, Mr. President. Tell us the difference, how many jobs will be created versus how many jobs will be saved.

How will you define saved jobs? How will you define created jobs? What’s the difference in your calculation between private-sector jobs and public-sector jobs? How many are government jobs, how many are private-sector jobs? And when we look at the jobs growth and the job loss, it makes a difference what percentage of them, what part of them are private sector versus what part are public.

So, we know that the President and Democrats, Mr. Speaker, promised that if the stimulus passed, unemployment wouldn’t rise above 8 percent. But we know we saw unemployment bump up against 10 percent, and it bumped there for quite a while and then it drifted down just a scosche, Mr. Speaker, it dropped to 9.5 percent.

Now we hear, well, 10 percent unemployment is the new norm. Really, that’s not what these Democrats were saying in the House when we had 4.6 percent unemployment. They said that unemployment is too high. That’s a failure of the Bush administration, 4.6 percent unemployment.

Now we are at 9.5. Well it’s a lower rate than the new norm of roughly 10. That’s what’s going on, the redefinition of the benchmarks and the metrics to evaluate our economy.

But here are the facts, Mr. Speaker. There have been 3.42 million gross jobs lost since the stimulus plan was passed—that’s that \$787 billion rolled around, by the time you add in the loose change, of \$1.2 trillion—3.42 million gross jobs lost, and 2.53 million net jobs lost. So some jobs have been created, some jobs have been lost, but there has been a net loss of 2.53 million jobs, jobs lost, and the gross domestic product growth has averaged 1.4 percent since the stimulus was passed, 1.4.

Hmm, how good is that? I mean, I listen to the talking heads that constantly are yammering about how bad it was and how many jobs were divested during the Bush administration. One would think that the Bush administration, Mr. Speaker, would be a distant memory. But it’s not, because we are reminded of it every day, including today, by the President, President Obama, when he came forward to demand that the Republicans get out of the way and extend unemployment benefits.

Even the President, apparently, doesn’t understand how he passed ObamaCare. He passed ObamaCare without any Republican votes anywhere, not in the House, not in the Senate. Republicans don’t have the votes to block any of these ideas.

So if the President had enough temerity to try to figure out how to pass

ObamaCare, how can he, with a straight face, have the temerity to say to the American people Republicans are blocking the extension of unemployment benefits? We don't have the votes to do that.

All it takes is NANCY PELOSI, HARRY REID, Barack Obama, the ruling troika, to decide they want to pass unemployment benefits and they can do that, Mr. Speaker. There is no doubt about it. They have proven it.

They proved it in March of this year when they passed ObamaCare, so who could be befuddled by this? Who could be mesmerized by the false allegations that are made by people who want to demagog against Republicans when the facts are before us.

So, here is what we have, 1.4 percent growth, that's the growth that we have since the stimulus plan was passed. Now, we might be in an unusual situation. This is an unusual situation where we are in a economic situation that we could clearly call a recession, and it may or may not be more serious than the recession that we had when Ronald Reagan was launched into the White House because of the abysmal economic policies of Jimmy Carter.

But what we saw then, 1982, for example, Mr. Speaker, 9.3 percent growth for multiple quarters from 1982 on in the Reagan recovery. The Obama recovery is 1.4 percent growth, 9.3 percent is the Reagan recovery. So which policy worked the best? The tax cuts that Reagan brought forward?

Even though he was faced with Democrat majorities, he went to the American people and said, get the load off of the private sector in America. Let them produce, let them earn their keep. Let them keep what they earn, more of what they earn, 90 percent tax rates, can't have that. Otherwise, who would go to work if the House is going to take 90 percent out of every pot?

Well, that's what was going on back in 1980 when Reagan was elected President. So here is what happened. Today we have 1.4 percent growth, tiny little growth, it is growth. I grant the President that, it is growth.

The Reagan recovery was 9.3 percent growth. So I just did this tricky little math thing. I took 9.3 percent Reagan growth, divided it by 1.4 percent, Obama growth, and I came up with this number, 6.64. The Reagan recovery was 6.64 times greater than what we have seen so far in the Obama recovery.

So what would be the cause of that? Ronald Reagan believed the private sector was the growth engine. President Obama believes that government is the growth engine.

And so, Mr. Speaker, what's going on here is this: The President is a Keynesian economist on steroids. Whenever the economy doesn't grow the plan stimulus frequency, he believes we didn't borrow enough money. He believes we didn't spend enough money.

He believes we didn't put our grandchildren far enough into debt, apparently.

We didn't borrow enough from the Chinese, not enough from the Saudis, not enough from the world market. Think of it. We funded our way through the Great Depression and through World War II almost exclusively with American money, and here we are financing our way through this economic situation with Saudi Arabian and Chinese money, Mr. Speaker.

So as I listen to the President, as he delivered his analysis of his economic theory, before the Republicans in the House conference on February 10, 2009, what he said was that Franklin Delano Roosevelt, during the Great Depression, in the era of the New Deal, lost his nerve, that he got worried about spending too much money. He got worried about running America too deeply into debt.

And because he was worried about spending too much money, FDR pulled back. And as he pulled back, he didn't spend enough money, according to the President, in the second half of the 1930s, which brought about a recession within a depression.

Unemployment numbers went back up again, the growth in GDP went down again and along came World War II, which was the greatest stimulus plan ever. That's the composite of the presentation made by the President, February 10, 2009.

Well, Mr. Speaker, we have elected a President who looks back at the Keynesian economic theories of the 1930s and draws an entirely different lesson than I draw. He draws the lesson that government can borrow money, spend money, stimulate the economy, and somehow all of this rolls over and lifts us all up, and a rising tide floats all boats, but you can raise the tide with Federal spending on borrowed money.

□ 2050

I don't know if he has read into detail the history of what actually took place in the thirties, nor has he perhaps read the statements made by John Maynard Keynes himself who said, Mr. Speaker, I can solve for you the problem of all of the unemployment in America, I can solve all the unemployment in America by doing this: give me an abandoned coal mine, and I'll go in there and drill holes all over that abandoned coal mine, and I will fill those holes up with American cash. And then I will backfill the holes and fill that coal mine up with garbage. And now here will be all of this American currency buried in these holes in this abandoned coal mine, a coal mine filled up with garbage.

And then he says, I'll turn the entrepreneurs loose to dig up the money. If that happens, look what happens: that means that people go to work, they

start digging through the garbage, they find the money, they dig the money out. And it takes all kinds of support mechanisms out there to keep them going just like it might if you find a gold mine. Somebody's going to have to move the garbage out of the way. They'll get paid to do that even though they don't get at the cash. Somebody's going to have to be a doctor there to take care of the people who get cut, injured, wounded, or sick. There's another profession that goes on.

Somebody's got to be the barber, somebody's got to run the saloon, somebody's got to run the restaurant, somebody's got to be the lawyer's office, and pretty soon you've got this stimulated economy that rolls out of the money that's dug out of the ground just as if they were mining gold. In fact, Keynes said—John Maynard Keynes, the Keynesian economist, the original one, said—well, he believed, I should say, rather than I try to quote him precisely—that when government spends money, the more foolish the spending, the better because if it's foolish enough, it doesn't compete with the private sector.

So if government spends money and spends it foolishly, it stimulates the economy because it circulates it back into the economy. And if you spend it really dumb, it doesn't compete with the private sector. What kind of thinking is this? This is John Maynard Keynes, who lost his faith in that economic approach during FDR, but we have a President who missed that part of the lesson. We have a President who didn't read the "bury the cash in the abandoned coal mine and fill the coal mine up with garbage" scenario; or if he did, he took a different lesson from it than I did.

And we have a President who does not see the economic continuum from production through the expenditures that builds the way Adam Smith saw it. But here's this—and Adam Smith had a beautiful approach to this—I trust the President, if he read "Wealth of Nations," he surely didn't adhere to it, but Adam Smith's book from 1776—what a glorious time that was in our history of Western Civilization. One of the foundational principles of free enterprise was articulated in such a clear way by Adam Smith in "Wealth of Nations."

But our economy is not based upon consumption because consumption eventually, if you have a consumption economy, it's just one, huge, big chain letter. And you know what happens if you get in a room and there are 10 of you in the room, the first one that sells the chain letter—if you can't go outside of the room—is going to be the one that makes the money. The last one to buy the chain letter doesn't have anybody to sell it to. So you can go on up the line—it was, I believe, Sam

Clemens that said a nation can't get rich doing each other's laundry, neither can we get rich if we are this giant chain letter, where we simply charge each other for doing things and echo that money up and down the economy.

What's the foundation and benefit of an economy, Mr. Speaker? It is this: any economy has to be rooted in the productivity of its people. And productivity comes in varying degrees. If it's a service economy, then it has to be a necessary service economy. If it's recreation, that's recreation that's spending for the disposal income. But here's what an economy has to have—what a people have to have—those components of our survival as a species. And so we need food, we need clothing, we need shelter, we need water, at a minimum, something to drink. What produces that? I'll submit, Mr. Speaker, that it comes from the land. All new wealth comes from the land—new wealth—and we value add to that new wealth again and again and again.

Now, it's true that you can go out into the ocean and seine some fish, and that's kind of outside the land. So new wealth plus what you can seine out of the ocean represents all new wealth. And you can go cut some timber. You can mine it out of the Earth. It can be gold, it can be minerals, it can be coal, it can be limestone, it can be gravel. It can be a lot of different minerals that come out of the Earth. All new wealth comes from the land out of the Earth. But primarily it's that crop that grows every year that provides the food, clothing and shelter; and the water comes from the sky. That's necessary for the survival of humanity. They're the most precious commodities we have.

When the economy comes down into a crunch and we have to make our decisions on what our priorities are, first we want something to drink, then we want something to eat, then we want some shelter, a place to get out of the cold or out of the heat, and then we want to put some clothes on because that protects us from the cold, not necessarily from the heat.

Those are the things that are necessary. And where do they come from? Out of the soil every year. And it can be corn; it can be wheat. That's food. You feed it to livestock, and it comes back to you in a highly concentrated protein, value-added ag product that we see, concentrated and recycled and enhanced vegetables in the form of meat.

Clothing, cotton, for example, all kinds of fiber, flax, those things that we use to make—and of course the wool that comes from sheep that are grazing off of the grass that comes out of the soil. So there's your food and there's your clothing.

And we build shelter out of the same thing, wood to build a home with, for

example, mine some rocks out and line them all up and put them together with some water and build a building. So that's all new wealth. The things we need for survival come out of the Earth itself, and most of them are regenerated every year out of the soil.

And as this economy moves forward, then we value add to those products. A bushel of corn becomes all kinds of things, becomes ethanol—300 and some other products—and it gets woven into—well, let's just say corn sweetener that goes into our soda pop, all the way to the plastic forks that we use in the cafeteria. That comes out of corn.

So we keep adding value and adding value as it multiplies up through the economy. And the funds that come from that pay for the doctor, the lawyer, the teacher, the nurse, the accountant, the mayor and the city council, the State legislatures. The list goes on and on and on, but it's value-added back down to the root of our economy.

And the foundation of this is free enterprise capitalism and the invisible hand that makes the decision. If you want to sell a loaf of bread, you have to figure out how to make a better loaf of bread for the price that's on the shelf today, or sell an equal loaf of bread—or maybe not quite so high a quality—for a lesser price. And as those decisions are made, you change your mix in your bread and you put it on the shelf, you might change the wrapper, you might change the quality, you might lower the price to compete against your competition, and that invisible hand will go in there and take that loaf of bread off the shelf. Well, here I've got one for \$1.25, I'm going to take that one because this one that's for \$1.40 I don't like it as good.

Decisions get made, supply and demand. The baker who is meeting that supply, the one who has the high quality for the best price, judging by the—if you trust the judgment of the consumer—will be the one that's baking more and more loaves of bread until somebody figures out how to do it better. It's an automatic adjustment of supply and demand, Mr. Speaker, not understood, I don't think, by the President of the United States, by the people that surround him in the White House.

I think they are pretty much befuddled at how this all works. They think this economy is a giant chain letter. They think that there is always another sucker out there that you can sell the idea that you can grow government. And if you grow government and increase borrowing and increase spending, somehow magically this economy will sprout and grow and there will be a wizard result of a President who is a Keynesian economist on steroids. Not to be, Mr. Speaker, because you cannot defeat the law of economic gravity, which is, if you give people an oppor-

tunity to produce and succeed, that's what they will do. If you take that opportunity away and you decide you're going to call all the shots at the government level, then people are going to do what they have to do that's ordered by the government.

□ 2100

How many economies and how many societies have we seen collapse because they believed that central command could run the show with a bunch of intellectual elitists better than the invisible hand of the housewife, the househusband who goes in to buy that loaf of bread that I spoke about earlier?

Now, there's a magic here. There's a magic in America. There's a magic that comes from our freedom, from our liberty, from having the freedom to make these decisions ourselves. And some of us have walked through the grocery store and looked and thought, I can bake that bread better than anybody there, and went home and started up a bakery, and they've competed.

And some of us have gone to the gas station and decided, I don't like the service here, and I don't like the price and I think I can do a better job, and gone back and opened up a gas station.

And some of us have bought a product like, let's say, a disk or a golf cart and decided, I can make this a lot better. I think I'll start making them and selling them. And pretty soon, there's somebody selling golf carts out there that weren't on the market before.

This is free enterprise. This is the beauty of this system that Adam Smith so clearly articulated in *Wealth of Nations* that every American should understand deeply. It should be in our soul, Mr. Speaker. It should be in our soul.

It's so deeply a part of the American culture and experience, that if one would go to the USCIS, the United States Citizenship and Immigration Services, and look at the flashcards that they offer, there, in those flashcards, they show that you can study to become an American citizen for a naturalization test.

And these flashcards, well, they're nice glossy things, about like that, and you can look at one side and it'll say, Who's the father of our country? Snap it over to the other side, George Washington. Another one, Who emancipated the slaves? Abraham Lincoln.

Number 11, question number 11 is, What is the economic system of America? Snap that flash card over, it says, Free enterprise capitalism.

Hah. How about that? The United States Citizenship Immigration Services understands this. I don't know that you can become a citizen of the United States, naturalized, and not know free enterprise capitalism is our basic economic system. We're not socialism. We're not communism. We're

not Marxism. We're not managed economies. We're not the Federal Government takes over the private sector. We're not the President of the United States swallows up eight Fortune 500 companies and threatens to swallow up BP on top of it. We're not a country that swallows up—well, we are, we did, but we shouldn't—these student loans, all the students loans in America.

By the way, we had a vote last week about the Federal flood insurance program. Back in the early sixties, the only flood insurance available in America was flood insurance that was offered by the private sector. The Federal Government decided to get involved, and so they offered a competing model of flood insurance. Early sixties, '63, I think. In a few short years, there were no private sector flood companies providing flood insurance anymore. If you didn't want to do business with the Federal Government buying flood insurance, if you didn't like their premiums or their coverage, you were out of luck. And if you borrowed money from a national bank, you were compelled to buy flood insurance if that bank said you have to because that was the Federal standard.

And so the Federal Government took over, in the name of providing another piece of competition, another place to market, flood insurance. The Federal Government took over 100 percent of the flood insurance in America. And now they're \$19.2 billion in the red, and we have to legislate here in the House of Representatives and impose flood insurance on more people and get more people to pay the premium so that flood insurance could eventually get back into the black, which there's nothing in the bill last week that gets us there.

And if that pattern wasn't good enough, Mr. Speaker, about what happens when the Federal Government gets involved in the insurance business, then I'd direct your attention to the student loan program.

Now, just not that many years ago, all the student loans were private, set up separate from government, and operating through the lending institutions. And we had a pretty good program, especially the Iowa student loan program, very, very good program. Their losses were minimal. They worked hard with people to make sure they got those payments coming in. They helped people get the funding to go on and get an education. They performed a service, and they minimized the losses, the student loan program, Iowa, and many other States for that matter.

But GEORGE MILLER of California and a number of others decided we really can't trust the private sector to provide student loans, so we'll take it over. Well, a couple, 3 years ago they took a bite out of that apple and took ahold of part of the student loan pro-

gram in America and passed it here in the House and in the Senate. And then, the coup de grace came in the reconciliation package that came from the Senate. It was the one that came that had to do with the last component of ObamaCare that I spoke about about 40 minutes ago, Mr. Speaker. The reconciliation plan has in it, had in it, has in it the elimination of private sector student loans. All of them now go through the United States Department of Education. The Federal Government has taken over all of the student loans in America.

Now, I don't know if anybody can give me an example of when the Federal Government got involved in a business to provide more competition and didn't end up swallowing it all up, but I can tell you two definitive answers here that I've seen in my lifetime.

Flood insurance, when I entered high school, zero percent of the flood insurance in America was government; 100 percent was private. Well, about the time I got out of high school or some years after that, 100 percent of the flood insurance in America is government. There is no private sector in it at all, zero. They've wiped out the private sector competition in flood insurance.

And then we see it happen with the student loan program. Again, under the same rules to provide some competition, we don't think there's a legitimate marketplace. We'll get some competition so that the government can compete against the private sector. We'll get the private sector honest. Well, no, they got the private sector to be gone. They legislated the private sector out of existence and gave over the entire student loan program to the Department of Education.

And here we are with ObamaCare. ObamaCare. The President of the United States said he just wants to provide one more competitor for insurance, for health insurance for the people in America. I don't know that he would have answered the question, but the White House press corps failed us time and time again.

A number of questions I would like to ask him are, Mr. President, how many insurance companies exist in the United States of America when you make the statement that we need more competition?

If he knew the answer and gave an honest one, it would have been 1,300, 1,300 health insurance companies in America providing health insurance for a large percentage of Americans. Eighty-five or more percent of us are satisfied with what we had. And of those 1,300 companies, they produce, in the aggregate, 100,000 policy varieties that the health insurance consumer could evaluate in order to buy the policy of their choice. And the President wanted more competition. 1,300 compa-

nies is not enough. 1,300 companies is not enough. 100,000 policies are not enough. Let's have 1,301 companies and 100,010 or 100,012 policies available. That would keep the rest of them honest; right?

Don't we know this? Haven't we seen enough of this? Haven't we seen the flood insurance program taken over by the Federal Government? Haven't we seen the Federal Government swallow up and nationalize three large investment banks, AIG, the insurance company, to the tune of \$180 billion? \$180 billion. Taking over the balance of Fannie Mae and Freddie Mac and making you, the taxpayer—and you are a taxpayer, Mr. Speaker—liable for a contingent liability of \$5.5 trillion. Three large investment banks: AIG, Fannie Mae, Freddie Mac.

Now we're at General Motors and Chrysler, another couple of Fortune 500 companies swallowed up by the Federal Government. Shares ripped out of the hands of the secured creditors and handed over on a silver platter to the trade unions who had no investment, who had no risk, who made no concessions; 17½ percent of General Motors owned now by the unions. The secured creditors aced out.

And the White House dictated the terms into the bankruptcy court, at least for Chrysler, and very likely General Motors, but we have sworn testimony on Chrysler that the terms going in were dictated by the Federal Government. The terms going out were exactly the terms dictated by the Federal Government. Yes, there were hearings. There were witnesses in the bankruptcy court, but not one component of the bankruptcy of Chrysler, not one piece of it, was changed as a result of the sworn testimony before the bankruptcy hearing.

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The Federal Government going in evaluated and assessed the asset value of Chrysler. They were the only ones that were evaluating the asset value of Chrysler going in. They took the secured creditors and ripped their assets out of their hands, handed them over to the unions. And at the tail end of the bankruptcy who's the only buyer? The Federal Government.

The Federal Government appraises it going in, sets the terms of the bankruptcy, no amount of testimony changes anything, the bankruptcy court accepted the dictates of the President or his people, and on the other end the only buyer is the Federal Government, who in their magnanimity hands over shares again to the United Auto Workers.

This is free enterprise capitalism? This qualifies for the flash card of what drives the economy in America? I don't think so, Mr. Speaker. And I'm not done. Three large investment banks, AIG, the insurance company, Fannie

Mae, Freddie Mac, General Motors, Chrysler, the student loan program. That comes to more than a third of the private-sector activity according to Professor Boyes at Arizona State University. And along comes ObamaCare.

ObamaCare. The nationalization of all of these entities, all Fortune 500 companies, and now it comes to the nationalization, Mr. Speaker, of your skin. Your skin and everything inside it taken over by the Federal Government. And the very taxation of the outside started the first of July. If you walk into a tanning salon in America, 10 percent of that goes to Uncle Sam to help pay for ObamaCare, which is going to be some kind of revenue saving operation.

We need to, Mr. Speaker, repeal this ObamaCare. We need to pull it out by the roots. I have, in conjunction with MICHELE BACHMANN, worked intensively to repeal ObamaCare. She introduced a repeal on the first day. I introduced a repeal on the first week. We have a discharge petition at the well. It's discharge petition number 11. We have at least 136 signatures on it. I wouldn't be surprised if that went over 140. We are on our way to 218 signatures to repeal ObamaCare.

A discharge petition can circumvent a block by the Speaker. If 218 signatures appear on discharge petition number 11, that means ObamaCare comes to the floor of the House, where it would certainly be repealed in the House, however difficult it is to get it through the Senate. We need it gone. We need to put an end to ObamaCare in America. We have to pull it out by the roots, lock, stock, and barrel, not one vestige, not one particle of DNA of ObamaCare left behind. ObamaCare has become a malignant tumor, and it threatens to metastasize on this free people, this formerly free people.

And if we are to have the vitality that comes from American liberty, we can't be living with the dependency that's created by ObamaCare. And Mr. Speaker, I pledge my strongest effort to repeal ObamaCare completely and entirely, to rip it out by the roots, to quote the last few words of the repeal bill that is the discharge petition, "as if it had never been enacted."

So Mr. Speaker, the American people demand the repeal of ObamaCare, I demand the repeal of ObamaCare. I ask my colleagues to join in the repeal of ObamaCare and to sign onto discharge petition number 11 so we can get there, give the American people back their liberty, let us become the vital people with the vitality that we have had in the past to take us to the next level of our economic destiny.

Mr. Speaker, that is our charge. That's our responsibility. And that will be the call and the cry of the American people come November.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. BORDALLO (at the request of Mr. HOYER) for today and the balance of the week on account of official business in district.

Mr. CAPUANO (at the request of Mr. HOYER) for today and the balance of the week on account of the death of his mother.

Ms. KILPATRICK of Michigan (at the request of Mr. HOYER) for today.

Mr. MORAN of Kansas (at the request of Mr. BOEHNER) for today through July 21 on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. CHU) to revise and extend their remarks and include extraneous material:)

Ms. WOOLSEY, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. DEFazio, for 5 minutes, today.

(The following Members (at the request of Mr. POE of Texas) to revise and extend their remarks and include extraneous material:)

Mr. MORAN of Kansas, for 5 minutes, July 23 and 26.

Mr. POE of Texas, for 5 minutes, July 26.

Mr. BURTON of Indiana, for 5 minutes, July 23.

Mr. JONES, for 5 minutes, July 26.

Mr. FLAKE, for 5 minutes, July 20 and 21.

Mr. BILIRAKIS, for 5 minutes, today.

Ms. ROS-LEHTINEN, for 5 minutes, July 21 and 22.

ENROLLED BILLS SIGNED

Lorraine C. Miller, Clerk of the House, reported and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 4861. An act to designate the facility of the United States Postal Service located at 1343 West Irving Park Road in Chicago, Illinois, as the "Steve Goodman Post Office Building".

H.R. 5051. An act to designate the facility of the United States Postal Service located at 23 Genesee Street in Hornell, New York, as the "Zachary Smith Post Office Building".

H.R. 5099. An act to designate the facility of the United States Postal Service located at 15 South Main Street in Sharon, Massachusetts, as the "Michael C. Rothberg Post Office".

SENATE ENROLLED BILL SIGNED

The Speaker announced her signature to an enrolled bill of the Senate of the following title:

S. 1508. An act to amend the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) in order to prevent the loss of billions in taxpayer dollars.

BILLS PRESENTED TO THE PRESIDENT

Lorraine C. Miller, Clerk of the House reports that on July 15, 2010 she presented to the President of the United States, for his approval, the following bills.

H.R. 4173. To provide for financial regulatory reform, to protect consumers and investors, to enhance Federal understanding of insurance issues, to regulate the over-the-counter derivatives markets, and for other purposes.

H.R. 5502. To amend the effective date of the gift card provisions of the Credit Card Accountability Responsibility and Disclosure Act of 2009.

Lorraine C. Miller, Clerk of the House further reports that on July 19, 2010 she presented to the President of the United States, for his approval, the following bills.

H.R. 689. To interchange the administrative jurisdiction of certain Federal lands between the Forest Service and the Bureau of Land Management, and for other purposes.

H.R. 4840. To designate the facility of the United States Postal Service located at 1981 Cleveland Avenue in Columbus, Ohio, as the "Clarence D. Lumpkin Post Office".

H.R. 3360. To amend title 46, United States Code, to establish requirements to ensure the security and safety of passengers and crew on cruise vessels, and for other purposes.

ADJOURNMENT

Mr. KING of Iowa. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 11 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, July 20, 2010, at 10:30 a.m., for morning-hour debate.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XIV, executive communications were taken from the Speaker's table and referred as follows:

8377. A letter from the Under Secretary, Department of Defense, transmitting the annual report on operations of the National Defense Stockpile (NDS) in accordance with section 11(a) of the Strategic and Critical Materials Stock Piling Act as amended (50 U.S.C. 98 et seq.) detailing NDS operations during the Period of October 2008 through September 2009, pursuant to 50 U.S.C. 98 et seq.; to the Committee on Armed Services.

8378. A letter from the Chairman, Federal Reserve System, transmitting the System's annual report to the Congress on the Presidential \$1 Coin Program, pursuant to (119 Stat. 2670); to the Committee on Financial Services.

8379. A letter from the Assistant General Counsel for Regulatory Services, Department of Education, transmitting the Department's final rule — National Institute on

Disability and Rehabilitation Research (NIDRR)—Disability and Rehabilitation Research Projects and Centers Program—Rehabilitation Research and Training Centers (RRTCs)—Employment Outcomes for Individuals who are Blind or Visually Impaired Catalog of Federal Domestic Assistance (CFDA) Number: 84.133B-6 received June 23, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and Labor.

8380. A letter from the Assistant General Counsel for Regulatory Services, Department of Education, transmitting the Department's final rule — Centers for Independent Living Program—Training and Technical Assistance Catalog of Federal Domestic Assistance (CFDA) Number: 84.400B received June 23, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and Labor.

8381. A letter from the Program Manager, Department of Health and Human Services, transmitting the Department's "Major" final rule — Interim Final Rules for Group Health Plans and Health Insurance Issuers Relating to Coverage of Preventive Services under the Patient Protection and Affordable Care Act (RIN: 0938-AQ07) received July 15, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8382. A letter from the Surgeon General, Department of Health and Human Services, transmitting first annual Status Report from the National Prevention, Health Promotion and Public Health Council; to the Committee on Energy and Commerce.

8383. A letter from the Secretary, Department of the Treasury, transmitting as required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), a six-month periodic report on the national emergency with respect to Lebanon that was declared in Executive Order 13441 of August 1, 2007; to the Committee on Foreign Affairs.

8384. A letter from the Chairman, Council of the District of Columbia, transmitting Transmittal of D.C. ACT 18-469 "Health Services Planning Program Re-establishment Temporary Amendment Act of 2010"; to the Committee on Oversight and Government Reform.

8385. A letter from the Secretary, Department of Education, transmitting the forty-second Semiannual Report to Congress on Audit Follow-Up, covering the six month period ending March 31, 2010 in compliance with the Inspector General Act Amendments of 1988; to the Committee on Oversight and Government Reform.

8386. A letter from the Chairman, Farm Credit System Insurance Corporation, transmitting the System's updated Strategic Plan for Fiscal Years 2010-2015; to the Committee on Oversight and Government Reform.

8387. A letter from the Senior Vice President and Chief Accounting Officer, Federal Home Loan Bank of Dallas, transmitting the 2009 management report of the Federal Home Loan Bank of Dallas, pursuant to 31 U.S.C. 9106; to the Committee on Oversight and Government Reform.

8388. A letter from the President and Chief Executive Officer, Federal Home Loan Bank of Indianapolis, transmitting the 2007 Statements on System of Internal Controls of the Federal Home Loan Bank of Indianapolis, pursuant to 31 U.S.C. 9106; to the Committee on Oversight and Government Reform.

8389. A letter from the President and Chief Executive Officer, Federal Home Loan Bank of Topeka, transmitting the 2009 Statements on System of Internal Controls of the Federal Home Loan Bank of Topeka, pursuant to

31 U.S.C. 9106; to the Committee on Oversight and Government Reform.

8390. A letter from the Chair, Judicial Conference of the United States, transmitting a letter expressing concerns over of H.R. 5503; to the Committee on the Judiciary.

8391. A letter from the Deputy Chief Financial Officer, Department of Homeland Security, transmitting notification that a second transfer of \$100 million from the Oil Spill Liability Trust Fund to the Emergency Fund has occurred; to the Committee on Transportation and Infrastructure.

8392. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Establishment of Class E Airspace; Mount Pleasant, SC [Docket No.: FAA-2010-0069; Airspace Docket No. 10-ASO-15] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8393. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Revision of Class E Airspace; Kaltag, AK [Docket No.: FAA-2010-0082; Airspace Docket No. 10-AAL-4] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8394. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Revision of Class E Airspace; Nenana, AK [Docket No.: FAA-2010-0081; Airspace Docket No. 10-AAL-3] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8395. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Revision of Class E Airspace; Wainwright, AK [Docket No.: FAA-2010-0080; Airspace Docket No. 10-AAL-2] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8396. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Revocation and Establishment of Class E Airspace; Nuiqsut, AK [Docket No.: FAA-2010-0502; Airspace Docket No. 10-AAL-15] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8397. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Amendment of Class E Airspace; Austin, TX [Docket No.: FAA-2009-1152; Airspace Docket No. 09-ASW-31] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8398. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Amendment of Class E Airspace; Corpus Christi, TX [Docket No.: FAA-2010-0089; Airspace Docket No. 10-ASW-1] received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8399. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Bell Helicopter Textron Canada Model 222, 222B, 222U, 230, and 430 Helicopters [Docket No.: FAA-2008-0071; Directorate Identifier 2006-SW-27-AD; Amendment 39-16291; AD 2010-10-12] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8400. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness

Directives; Learjet Inc. Model 60 Airplanes [Docket No.: FAA-2009-0495; Directorate Identifier 2009-NM-049-AD; Amendment 39-16316; AD 2010-11-11] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8401. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Bombardier, Inc. Model DHC-8-400 Series Airplanes [Docket No.: FAA-2009-1223; Directorate Identifier 2009-NM-114-AD; Amendment 39-16327; AD 2010-12-06] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8402. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; PILATUS Aircraft Ltd. Model PC-7 Airplanes [Docket No.: FAA-2010-0250; Directorate Identifier 2010-CE-011-AD; Amendment 39-16325; AD 2010-12-04] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8403. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; CFM International, S.A. Models CFM56-3 and -3B Turbofan Engines [Docket No.: FAA-2009-0606; Directorate Identifier 2009-NE-11-AD; Amendment 39-16324; AD 2010-12-03] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8404. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Airbus Model A300 Series Airplanes; Airbus Model A300 B4-600, B4-600R, and F4-600R series airplanes, and Model C4-605R Variant F airplanes (Collectively Called A300-600 Series airplanes); and Model A310 Series Airplanes [Docket No.: FAA-2010-0171; Directorate Identifier 2009-NM-185-AD; Amendment 39-16329; AD 2010-12-08] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8405. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Microturbo Saphir 20 Model 095 Auxiliary Power Units (APUs) [Docket No.: FAA-2010-0512; Directorate Identifier 2010-NE-21-AD; Amendment 39-16332; AD 2010-13-01] (RIN: 2120-AA64) received June 21, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8406. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Section 1274.—Determination of Issue Price in the Case of Certain Debt Instruments Issued for Property (Rev. Rul. 2010-18) received June 18, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8407. A letter from the Chief, Border Security Regulations Branch, Department of Homeland Security, transmitting the Department's final rule — Administrative Process for Seizures and Forfeitures Under the Immigration and Nationally Act and Other Authorities [USCBP-2006-0122] (RIN: 1651-AA58) received June 23, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8408. A letter from the General Counsel, Department of Defense, transmitting a legislative proposal to be part of the National Defense Authorization Act for Fiscal Year 2011;

jointly to the Committees on Armed Services and Foreign Affairs.

8409. A letter from the Chairman, Railroad Retirement Board, transmitting the Board's 2010 annual report on the financial status of the railroad unemployment insurance system, pursuant to 45 U.S.C. 369 Public Law 100-647, section 7105; jointly to the Committees on Transportation and Infrastructure and Ways and Means.

8410. A letter from the Program Manager, Department of Health and Human Services, transmitting the Department's "Major" final rule — Medicare and Medicaid Programs; Electronic Health Record Incentive Program [CMS-0033-F] (RIN: 0938-AP78) received July 13, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Ways and Means and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. OBERSTAR: Committee on Transportation and Infrastructure. H.R. 5266. A bill to extend the final report deadline and otherwise reauthorize the National Commission on Children and Disasters (Rept. 111-548). Referred to the Committee of the Whole House on the State of the Union.

Mr. CONYERS: Committee on the Judiciary. H.R. 5566. A bill to amend title 18, United States Code, to prohibit interstate commerce in animal crush videos, and for other purposes (Rept. 111-549). Referred to the Committee of the Whole House on the State of the Union.

Mr. WAXMAN: Committee on Energy and Commerce. House Resolution 1466. Resolution of inquiry requesting the President and directing the Secretary of Energy to provide certain documents to the House of Representatives relating to the Department of Energy's application to foreclose use of Yucca Mountain as a high level nuclear waste repository (Rept. 111-550). Referred to the House Calendar.

Mr. FRANK: Committee on Financial Services. H.R. 1264. A bill to amend the National Flood Insurance Act of 1968 to provide for the national flood insurance program to make available multiperil coverage for damage resulting from windstorms or floods, and for other purposes (Rept. 111-551). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. MITCHELL (for himself and Mr. BILBRAY):

H.R. 5769. A bill to amend the Immigration and Nationality Act to provide for the seizure and forfeiture of real property used or intended to be used in alien smuggling; to the Committee on the Judiciary.

By Mr. YOUNG of Alaska (for himself and Mr. LARSEN of Washington):

H.R. 5770. A bill to ensure safe, secure, and reliable marine shipping in the Arctic including the availability of aids to navigation, vessel escorts, spill response capability, and maritime search and rescue in the Arctic, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. PASCRELL:

H.R. 5771. A bill to amend the Internal Revenue Code of 1986 to extend the 30 percent investment tax credit for offshore wind facilities; to the Committee on Ways and Means.

By Mr. OLSON:

H.R. 5772. A bill to limit the moratorium on certain permitting and drilling activities issued by the Secretary of the Interior, and for other purposes; to the Committee on Natural Resources.

By Mr. CUMMINGS:

H.R. 5773. A bill to designate the Federal building located at 6401 Security Boulevard in Baltimore, Maryland, as the "Robert M. Ball Federal Building"; to the Committee on Transportation and Infrastructure.

By Mr. MORAN of Kansas:

H.R. 5774. A bill to require the Federal Government to pay the costs incurred by a State or local government in defending a State or local immigration law that survives a constitutional challenge by the Federal Government in Federal court; to the Committee on the Judiciary.

By Mr. SESTAK:

H.R. 5775. A bill to require the establishment of a commission on earmark reform, to consolidate and streamline the grants management structure of the Federal Government, and for other purposes; to the Committee on Oversight and Government Reform, and in addition to the Committees on the Budget, and Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. WELCH:

H.R. 5776. A bill to amend the Marsh-Billings-Rockefeller National Historical Park Establishment Act to expand the boundary of the Marsh-Billings-Rockefeller National Historical Park in the State of Vermont, and for other purposes; to the Committee on Natural Resources.

By Mr. RUSH:

H.R. 5777. A bill to foster transparency about the commercial use of personal information, provide consumers with meaningful choice about the collection, use, and disclosure of such information, and for other purposes; to the Committee on Energy and Commerce.

By Mr. BARROW (for himself, Mr. BROUN of Georgia, Mr. BISHOP of Georgia, Mr. KINGSTON, Mr. BARRETT of South Carolina, Mr. MARSHALL, Mr. SCOTT of Georgia, Mr. JOHNSON of Georgia, Mr. GINGREY of Georgia, Mr. WESTMORELAND, and Mr. PRICE of Georgia):

H. Res. 1533. A resolution congratulating the Augusta State University Jaguars men's golf team for winning the 2010 NCAA Division I Golf Championship; to the Committee on Education and Labor.

By Mr. LEE of New York (for himself, Mr. KING of New York, Mr. DREIER, Mr. BURTON of Indiana, Mr. HUNTER, Mr. ROONEY, Mr. ROGERS of Michigan, Mr. LANCE, Mr. RYAN of Ohio, Mr. CAMP, Mr. WOLF, Mr. GERLACH, Mr. MORAN of Virginia, Mr. SHUSTER, Mr. CHAFFETZ, Mr. FRANK of Massachusetts, Mr. MILLER of Florida, Mr. BOOZMAN, and Mr. GRAVES of Missouri):

H. Res. 1534. A resolution honoring Special Agent William G. Clark of the Bureau of Alcohol, Tobacco, Firearms and Explosives for his heroic actions while protecting the life of a woman in danger; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

339. The SPEAKER presented a memorial of the House of Representatives of the State of Colorado, relative to House Joint Resolution 10-1007 to designate January 23 of each year as "U.S.S. Pueblo Day" as a day to remember and honor the brave crew of the U.S.S. Pueblo; to the Committee on Armed Services.

340. Also, a memorial of the House of Representatives of the State of Colorado, relative to House Joint Resolution 10-1019 requesting a current accounting of the amount of moneys in the Anvil Points Fund; to the Committee on Armed Services.

341. Also, a memorial of the Senate of the State of California, relative to Senate Joint Resolution Number 26 designating April 24, 2010 as the "California Day of Remembrance for the Armenian Genocide of 1915-1923"; to the Committee on Foreign Affairs.

342. Also, a memorial of the House of Representatives of the State of Colorado, relative to House Joint Resolution 10-1022 urging the Congress to amend the Hatch Act; to the Committee on Oversight and Government Reform.

343. Also, a memorial of the Senate of the Commonwealth of Puerto Rico, relative to Senate Resolution 1227 expressing support to the approval of H.R. 2499; to the Committee on Natural Resources.

344. Also, a memorial of the House of Representatives of the State of Colorado, relative to House Joint Resolution 10-1028 urging the Congress to pass comprehensive legislation that promotes clean energy jobs and addresses the effects of climate change; jointly to the Committees on Energy and Commerce and Science and Technology.

345. Also, a memorial of the House of Representatives of the State of Colorado, relative to House Joint Resolution 10-1015 supporting southwestern Colorado residents who wish to join the Denver broadcast area; jointly to the Committees on the Judiciary and Energy and Commerce.

346. Also, a memorial of the House of Representatives of the State of Colorado, relative to House Joint Resolution 10-1013 urging the Congress to support policies that promote American interests by requiring full reciprocity, fairness, and transparency in all U.S. trade agreements; jointly to the Committees on Ways and Means, Energy and Commerce, Science and Technology, and Natural Resources.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 208: Ms. TSONGAS.
H.R. 571: Mr. BARTLETT.
H.R. 855: Mr. ALTMIRE.
H.R. 949: Mr. STARK.
H.R. 1230: Mr. FALCOMA.
H.R. 1240: Mr. HINCHAY and Mr. NADLER of New York.
H.R. 1469: Mr. FRANK of Massachusetts.
H.R. 1941: Mr. ROHRBACHER.
H.R. 2000: Mr. RODRIGUEZ, Mr. CUELLAR, Ms. NORTON, and Mr. FRELINGHUYSEN.
H.R. 2049: Ms. TITUS.
H.R. 2067: Mr. SCHIFF.
H.R. 2365: Mr. CRITZ.
H.R. 2378: Ms. BALDWIN, Mr. COURTNEY, and Mr. MCGOVERN.

- H.R. 2408: Mr. CUMMINGS.
H.R. 2443: Mr. PATRICK J. MURPHY of Pennsylvania.
H.R. 2523: Ms. BALDWIN.
H.R. 2598: Mr. FALEOMAVAEGA.
H.R. 2648: Mrs. BLACKBURN.
H.R. 2697: Ms. KILROY, Mr. LATHAM, and Mr. COHEN.
H.R. 2719: Mr. LARSON of Connecticut.
H.R. 2821: Mr. CHANDLER.
H.R. 2853: Mr. LIPINSKI, Mr. RYAN of Ohio, and Ms. SHEA-PORTER.
H.R. 2866: Mr. HARE and Mr. LARSON of Connecticut.
H.R. 2941: Mr. PRICE of North Carolina and Mr. FARR.
H.R. 3025: Mr. POLIS.
H.R. 3240: Mr. GARY G. MILLER of California.
H.R. 3251: Mr. BARTON of Texas.
H.R. 3306: Mrs. MCCARTHY of New York.
H.R. 3308: Mr. MICA and Mr. STEARNS.
H.R. 3380: Ms. MARKEY of Colorado.
H.R. 3464: Mr. BOREN, Ms. BALDWIN, Mr. SPACE, Ms. HERSETH SANDLIN, Mr. MATHESON, and Mr. KRATOVIL.
H.R. 3560: Mr. HONDA and Mrs. CAPPS.
H.R. 3578: Mrs. MALONEY.
H.R. 3652: Mr. BOCCIERI, Mr. BOUCHER, and Mr. WITTMAN.
H.R. 3697: Mr. ALEXANDER.
H.R. 3716: Mr. MATHESON.
H.R. 3765: Mr. CHAFFETZ, Mrs. LUMMIS, Mr. COFFMAN of Colorado, Mr. FRANKS of Arizona, and Mr. SHUSTER.
H.R. 3974: Mr. SABLAN.
H.R. 4116: Mr. TIERNEY and Mr. MELANCON.
H.R. 4278: Mr. DOYLE.
H.R. 4296: Ms. VELÁZQUEZ.
H.R. 4377: Ms. WATSON.
H.R. 4403: Mr. BISHOP of Georgia and Mr. PUTNAM.
H.R. 4427: Mr. PIERLUISI.
H.R. 4544: Mr. HINCHEY.
H.R. 4638: Mr. YOUNG of Alaska.
H.R. 4690: Mr. PASTOR of Arizona.
H.R. 4692: Ms. TSONGAS and Mr. HILL.
H.R. 4693: Ms. BALDWIN.
H.R. 4700: Mr. COSTA, Mr. GARAMENDI, Mr. ELLISON, and Mr. LYNCH.
H.R. 4722: Ms. HIRONO.
H.R. 4787: Mr. CUMMINGS.
H.R. 4881: Mr. NYE.
H.R. 4913: Mrs. MYRICK.
H.R. 4914: Mr. INSLEE, Mr. HIMES, Ms. CASTOR of Florida, and Ms. BALDWIN.
H.R. 4918: Mr. POLIS.
H.R. 4923: Ms. LORETTA SANCHEZ of California.
H.R. 4925: Ms. EDDIE BERNICE JOHNSON of Texas and Ms. WOOLSEY.
H.R. 4926: Ms. WASSERMAN SCHULTZ.
H.R. 4972: Mr. SHUSTER.
H.R. 4986: Mr. SHERMAN, Mrs. BLACKBURN, and Mr. WOLF.
H.R. 4993: Mr. WALDEN.
H.R. 5012: Mr. STUPAK.
H.R. 5032: Ms. SHEA-PORTER.
H.R. 5040: Mr. DAVIS of Tennessee and Mr. McDERMOTT.
H.R. 5058: Mr. SMITH of Texas.
H.R. 5081: Mr. WOLF, Ms. PINGREE of Maine, and Mr. PAULSEN.
H.R. 5090: Mr. ROTHMAN of New Jersey.
H.R. 5137: Mr. MELANCON, Mrs. NAPOLITANO, and Ms. ROYBAL-ALLARD.
H.R. 5141: Mr. LATHAM, Mr. PETRI, Mr. ROSKAM, and Mr. PLATTS.
H.R. 5143: Mr. FRANK of Massachusetts.
H.R. 5162: Mr. CULBERSON, Mr. KING of Iowa, Mr. POSEY, Mr. MARCHANT, Mr. AKIN, Mr. BARTLETT, Ms. FALLIN, Mr. PITTS, Mr. CAMPBELL, Mr. GOHMERT, Mr. BILBRAY, Mr. AUSTRIA, Mr. LATTA, Mrs. BLACKBURN, Mrs. BACHMANN, Mr. BARTON of Texas, Mr. FRANKS of Arizona, Mr. HARPER, Mr. CHAFFETZ, and Mrs. MILLER of Michigan.
H.R. 5234: Ms. CHU.
H.R. 5235: Ms. BALDWIN.
H.R. 5258: Mr. BILBRAY.
H.R. 5276: Mr. SMITH of Nebraska, Mr. LATHAM, and Mr. BUCHANAN.
H.R. 5282: Ms. RICHARDSON, Mr. BISHOP of New York, and Ms. GIFFORDS.
H.R. 5291: Mr. SCOTT of Georgia, Ms. MOORE of Wisconsin, and Mr. MELANCON.
H.R. 5312: Mr. SCOTT of Georgia.
H.R. 5323: Mr. ROGERS of Kentucky and Mr. BOOZMAN.
H.R. 5324: Ms. BALDWIN.
H.R. 5358: Mr. BUCHANAN and Ms. CORRINE BROWN of Florida.
H.R. 5434: Mr. LANGEVIN and Mr. KLEIN of Florida.
H.R. 5460: Ms. NORTON.
H.R. 5462: Mr. CUELLAR.
H.R. 5471: Ms. TITUS, Mr. MICHAUD, Mr. ENGEL, Mr. LOEBSACK, and Mr. FILNER.
H.R. 5478: Mr. JACKSON of Illinois.
H.R. 5504: Ms. MOORE of Wisconsin, Mr. ROTHMAN of New Jersey, and Mr. CROWLEY.
H.R. 5510: Mr. BLUMENAUER and Ms. LEE of California.
H.R. 5513: Ms. HIRONO and Mr. QUIGLEY.
H.R. 5527: Ms. BALDWIN.
H.R. 5537: Ms. BALDWIN and Mr. PATRICK J. MURPHY of Pennsylvania.
H.R. 5566: Mr. BOEHNER, Mr. ISSA, Mr. SMITH of Washington, Mr. OLVER, Mr. STARK, Mr. MURPHY of New York, Mr. SARBANES, Mr. MCGOVERN, and Mr. WALDEN.
H.R. 5567: Ms. RICHARDSON.
H.R. 5577: Mr. HINCHEY and Mrs. LOWEY.
H.R. 5578: Mr. HINCHEY and Mrs. LOWEY.
H.R. 5579: Mr. HINCHEY.
H.R. 5588: Ms. BALDWIN, Mr. LEWIS of Georgia, and Mr. DOGGETT.
H.R. 5597: Mr. MOORE of Kansas and Mr. EHLERS.
H.R. 5605: Mr. FATTAH and Mr. PLATTS.
H.R. 5606: Mr. FATTAH and Mr. PLATTS.
H.R. 5612: Mr. SABLAN.
H.R. 5629: Ms. JACKSON LEE of Texas.
H.R. 5631: Mrs. CHRISTENSEN and Mr. RANGEL.
H.R. 5634: Ms. HIRONO.
H.R. 5643: Mr. MOORE of Kansas and Mr. BLUMENAUER.
H.R. 5656: Mr. MCGOVERN.
H.R. 5663: Mr. BACA, Mr. SCHIFF, Ms. SLAUGHTER, and Mr. MICHAUD.
H.R. 5679: Mr. CHAFFETZ.
H.R. 5680: Mr. GRAVES of Missouri.
H.R. 5686: Mr. HOLT.
H.R. 5718: Mr. FARR and Mr. STARK.
H.R. 5720: Ms. HIRONO.
H.R. 5725: Mr. MANZULLO.
H.R. 5747: Mr. COHEN and Ms. BALDWIN.
H.R. 5753: Mr. SABLAN.
H.R. 5759: Mr. POLIS and Mrs. NAPOLITANO.
H.R. 5764: Mr. FILNER.
H.R. 5766: Mr. HONDA, Ms. LEE of California, Mrs. CAPPS, Mr. FILNER, Mr. GRIJALVA, and Mr. BISHOP of New York.
H. Con. Res. 259: Mr. PERRIELLO, Mr. LARSON of Connecticut, and Mr. MARKEY of Massachusetts.
H. Con. Res. 266: Mr. BACHUS and Mr. TURNER.
H. Con. Res. 292: Mrs. BLACKBURN, Ms. HARMAN, and Ms. SUTTON.
H. Res. 111: Ms. TSONGAS.
H. Res. 536: Mr. MCCOTTER.
H. Res. 611: Mr. SULLIVAN, Mr. SARBANES, Mr. LYNCH, Ms. CHU, Mr. COBLE, and Mr. BARROW.
H. Res. 767: Mr. ROTHMAN of New Jersey.
H. Res. 1056: Mr. HIMES.
H. Res. 1158: Mr. MCCOTTER.
H. Res. 1207: Mr. MCINTYRE.
H. Res. 1267: Ms. ROS-LEHTINEN.
H. Res. 1342: Mr. FILNER, Ms. NORTON, Mr. KAGEN, and Mr. CRITZ.
H. Res. 1365: Mr. FORBES, Mr. ROGERS of Alabama, Mr. HOLDEN, Mr. MACK, Mr. BOWWELL, Mr. FRANKS of Arizona, Mr. KLINE of Minnesota, and Mr. MILLER of Florida.
H. Res. 1402: Mr. TIM MURPHY of Pennsylvania, Mr. WU, and Mr. SHADEGG.
H. Res. 1420: Mr. SESTAK.
H. Res. 1431: Mr. COHEN, Mr. GARAMENDI, Mr. RYAN of Ohio, Mr. ORTIZ, Mr. GENE GREEN of Texas, Mr. YOUNG of Alaska, Mr. BUTTERFIELD, Mr. BOOZMAN, Mr. CARTER, and Mr. BARTLETT.
H. Res. 1442: Mrs. BLACKBURN.
H. Res. 1449: Mr. QUIGLEY, Mr. REICHERT, Mr. SHUSTER, Mr. SCHIFF, Mr. AUSTRIA, Mr. BROWN of South Carolina, Mr. LEWIS of Georgia, Mr. SIRES, Mr. GINGREY of Georgia, Mrs. BLACKBURN, Mr. WAMP, Mr. SNYDER, Mr. WESTMORELAND, Mr. CARTER, Mr. INGLIS, Mr. McDERMOTT, Mr. MCCAUL, Mr. LARSON of Connecticut, Mr. LYNCH, Mr. LINCOLN DIAZ-BALART of Florida, Mr. KIRK, and Mrs. LOWEY.
H. Res. 1456: Mr. REICHERT, Mr. CAO, and Ms. ROS-LEHTINEN.
H. Res. 1472: Mr. LEWIS of Georgia, Mr. MCINTYRE, Ms. CHU, and Mr. WAMP.
H. Res. 1473: Mr. PETERSON.
H. Res. 1476: Mr. FILNER.
H. Res. 1479: Mr. FRANK of Massachusetts, Ms. MARKEY of Colorado, and Mrs. BACHMANN.
H. Res. 1491: Mr. CLYBURN.
H. Res. 1494: Mr. MANZULLO, Mr. AUSTRIA, Ms. JACKSON LEE of Texas, Mr. HOLDEN, and Mr. GORDON of Tennessee.
H. Res. 1497: Mrs. MYRICK.
H. Res. 1501: Mr. MCCAUL, Mrs. EMERSON, Mr. WESTMORELAND, Mr. BISHOP of Georgia, Mr. FORTENBERRY, Mr. BACHUS, Mr. RODRIGUEZ, Mrs. McMORRIS RODGERS, Mr. MILLER of Florida, Mr. LAMBORN, Mr. GARY G. MILLER of California, Ms. JENKINS, Mr. MURPHY of New York, Mr. LINDER, Ms. KILPATRICK of Michigan, Mr. DUNCAN, and Mr. KINGSTON.
H. Res. 1504: Mr. COHEN, Mr. GALLEGLY, Mr. FARR, Mr. MATHESON, Mr. SERRANO, Mr. BERMAN, Ms. MCCOLLUM, Mr. MARKEY of Massachusetts, Mr. HOLT, Mr. SABLAN, Mrs. LOWEY, Mr. KANJORSKI, Mr. BRALEY of Iowa, Mr. POLIS, and Ms. SUTTON.
H. Res. 1513: Mr. BISHOP of New Jersey.
H. Res. 1527: Mr. SMITH of Texas, Mr. CARTER, Mr. MCINTYRE, Mr. HALL of Texas, Mr. POE of Texas, Mr. DANIEL E. LUNGREN of California, and Mr. CULBERSON.

CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, OR LIMITED TARIFF BENEFITS

Under clause 9 of rule XXI, lists or statements on congressional earmarks, limited tax benefits, or limited tariff benefits were submitted as follows:

H.R. 4380, The Manufacturing Enhancement Act of 2010, with an Amendment, contains limited tariff benefits as defined in clause 9 of Rule XXI, as set forth below. This bill does not contain any limited tax benefits or earmarks, as defined in clause 9 of Rule XXI.

LIST OF LIMITED TARIFF BENEFITS AS DEFINED IN CLAUSE 9, RULE XXI

Section in H.R. 4380, as amended	Description of LTB	Name of member requesting
1 1004	To suspend temporarily the duty on certain reusable grocery bags	Howard Berman (D-CA)
2 1009	A bill to suspend temporarily the duty on Epilink 701	Allyson Schwartz (D-PA)
3 1011	To suspend temporarily the duty on certain synthetic staple fibers that are not carded, combed, or otherwise processed for spinning	Howard Coble (R-NC)
4 1012	To suspend temporarily the duty on certain synthetic staple fibers that are not carded, combed, or otherwise processed for spinning	Howard Coble (R-NC)
5 1013	To suspend temporarily the duty on certain synthetic staple fibers that are not carded, combed, or otherwise processed for spinning	Howard Coble (R-NC)
6 1014	To suspend temporarily the duty on certain synthetic staple fibers that are not carded, combed, or otherwise processed for spinning	Howard Coble (R-NC)
7 1015	To suspend temporarily the duty on certain synthetic staple fibers that are not carded, combed, or otherwise processed for spinning	Howard Coble (R-NC)
8 1016	To suspend temporarily the duty on certain synthetic staple fibers that are not carded, combed, or otherwise processed for spinning	Howard Coble (R-NC)
9 1017	To suspend temporarily the duty on certain synthetic staple fibers that are not carded, combed, or otherwise processed for spinning	Howard Coble (R-NC)
10 1020	To suspend temporarily the duty on certain synthetic staple fibers that are not carded, combed, or otherwise processed for spinning	Howard Coble (R-NC)
11 1021	To suspend temporarily the duty on certain synthetic staple fibers that are not carded, combed, or otherwise processed for spinning	Howard Coble (R-NC)
12 1022	To suspend temporarily the duty on acrylic or modacrylic synthetic filament tow	Howard Coble (R-NC)
13 1023	To suspend temporarily the duty on acrylic or modacrylic synthetic filament tow	Howard Coble (R-NC)
14 1024	To suspend temporarily the duty on acrylic or modacrylic synthetic filament tow	Howard Coble (R-NC)
15 1025	To suspend temporarily the duty on certain synthetic staple fibers that are not carded, combed, or otherwise processed for spinning	Howard Coble (R-NC)
16 1026	To suspend temporarily the duty on certain synthetic staple fibers that are not carded, combed, or otherwise processed for spinning	Howard Coble (R-NC)
17 1027	To suspend temporarily the duty on certain synthetic staple fibers that are not carded, combed, or otherwise processed for spinning	Howard Coble (R-NC)
18 1028	To suspend temporarily the duty on MDA50	Tim Holden (D-PA)
19 1029	To suspend temporarily the duty on Nourybond 276 Modifier	Tim Holden (D-PA)
20 1030	To suspend temporarily the duty on Polycaprolactone Diol #1	Brett Guthrie (R-KY)
21 1032	To reduce temporarily the duty on certain acrylic synthetic staple fiber	Sanford Bishop (D-GA)
22 1033	To suspend temporarily the duty on certain acrylic synthetic staple fiber	Sanford Bishop (D-GA)
23 1034	To suspend temporarily the duty on certain acrylic synthetic staple fiber	Sanford Bishop (D-GA)
24 1035	To suspend temporarily the duty on certain acrylic synthetic staple fiber	Sanford Bishop (D-GA)
25 1037	To suspend temporarily the duty on Polycaprolactone Triol	Brett Guthrie (R-KY)
26 1038	To suspend temporarily the duty on Polycaprolactone Diol #2	Brett Guthrie (R-KY)
27 1041	To suspend temporarily the duty on Catalox	Rush D. Holt (D-NY)
28 1049	To suspend temporarily the duty on Propanoic acid, 3-hydroxy-2-(hydroxymethyl)-2-methyl-, polymers with 5-isocyanato-1-(isocyanatomethyl)-1,3,3-trimethylcyclohexane and reduced methyl esters of reduced polymerized, oxidized tetrafluoroethylene, compounds with trimethylamine.	Robert Andrews (D-NY)
29 1052	To suspend temporarily the duty on Ortho-Nitro-Phenol	Bill Cassidy (R-LA)
30 1053	To suspend temporarily the duty on certain acrylic synthetic staple fiber	Sanford Bishop (D-GA)
31 1054	To suspend temporarily the duty on certain acrylic synthetic staple fiber	Sanford Bishop (D-GA)
32 1062	To suspend temporarily the duty on 2-Chloro-6-(methylthio)toluene	Sam Graves (R-MO)
33 1065	To suspend temporarily the duty on 1,3-Dimethyl-1H-pyrazol-5-ol and 1,3-Dimethylpyrazol-5-one	Sam Graves (R-MO)
34 1067	To suspend temporarily the duty on Neodymium oxide	Gene Green (D-TX)
35 1068	To suspend temporarily the duty on DMDPA	Peter Hoekstra (R-MI)
36 1070	To suspend temporarily the duty on certain air pressure distillation columns	Paul Kanjorski (D-PA)
37 1071	To suspend temporarily the duty on nPBAL	John Spratt (D-SC)
38 1072	To suspend temporarily the duty on Primid XL-552	John Spratt (D-SC)
39 1074	To suspend temporarily the duty on certain imaging colorants	Michael Castle (R-DE)
40 1075	To suspend temporarily the duty on certain imaging colorants	Michael Castle (R-DE)
41 1076	To suspend temporarily the duty on copper oxychloride and copper hydroxide	David Price (D-NC)
42 1079	To suspend temporarily the duty on DCONBT Benzene, 2,4-dichloro-1,3-dinitro-5-(trifluoromethyl)-	Howard Coble (R-NC)
43 1080	To suspend temporarily the duty on mixtures containing n-butyl-1,2-benzisothiazolin-3-one (Butyl benzisothiazoline) and application adjuvants	Christopher John Lee (R-NY)
44 1081	To suspend temporarily the duty on mixtures containing n-butyl-1,2-benzisothiazolin-3-one (Butyl benzisothiazoline technical), 1-hydroxypyridine-2-thione, zinc salt (Zinc pyrrhione) and application adjuvants.	Christopher John Lee (R-NY)
45 1089	To suspend temporarily the duty on Bis(4-t-butylcyclohexyl) Peroxydicarbonate	Pete Olson (D-TX)
46 1091	To suspend temporarily the duty on Didecanoyl Peroxide	Pete Olson (D-TX)
47 1093	A bill to suspend temporarily the duty on glycerol ester of dimerized gum	David P. Roe (R-TN)
48 1097	A bill to suspend temporarily the duty on mixtures containing (R)-2-[4-(6-chloro-1,3-benzoxazol-2-yl)phenoxy]propionate (Fenoxaprop Ethyl), (CAS No. 71283-80-2), 5-hydroxy-1,3-dimethylpyrazol-4-yl 2-mesyl-4-(trifluoromethyl)phenyl ketone (Pyralfotole) (CAS No. 365400-11-9), 2,6-dibromo-4-cyanophenyl octanoate (Bromoxynil octanoate) (CAS No. 1689-99-2), and 2,6-dibromo-4-cyanophenyl heptanoate (Bromoxynil heptanoate) (CAS No. 56634-95-8).	Randy Neugebauer (R-TX)
49 1110	A bill to suspend temporarily the duty on dry adhesive copolyamide pellets	John Peterson (R-PA)
50 1113	A bill to reduce temporarily the duty on Corvus herbicide	Shelley Moore-Capito (R-WV)
51 1114	A bill to reduce temporarily the duty on Evergol	Shelley Moore-Capito (R-WV)
52 1115	A bill to suspend temporarily the duty on Liberty, Rely, and Ignite herbicides	Shelley Moore-Capito (R-WV)
53 1126	To suspend temporarily the duty on Cyclopropylaminocotinic acid	Christopher Murphy (D-CT)
54 1127	To suspend temporarily the duty on Gribond IL 6-50°F	John Spratt (D-SC)
55 1128	To suspend temporarily the duty on Primid QM-1260	John Spratt (D-SC)
56 1136	To suspend temporarily the duty on 2-Chloro-6-Fluorobenzyl Chloride: Benzene, 2, 4-dichloro-1,3-dinitro-5-(trifluoromethyl)-	Howard Coble (R-NC)
57 1142	A bill to suspend temporarily the duty on dimerized gum	David P. Roe (R-TN)
58 1149	A bill to suspend temporarily the duty on Pyrasulfotole	Blaine Luitemeyer (R-MO)
59 1151	A bill to suspend temporarily the duty on 2-methyl-3-(3,4-methylenedioxyphenyl) propanal	Carolyn Maloney (D-NY)
60 1160	A bill to suspend temporarily the duty on over-the-range microwaves	John Sullivan (R-OK)
61 1162	A bill to suspend temporarily the duty on certain porous hollow fibers	Keith Ellison (D-MN)
62 1163	A bill to suspend temporarily the duty on certain cellular plastic sheets for use in filters	Keith Ellison (D-MN)
63 1164	A bill to suspend temporarily the duty on certain plastic mesh for use in filters	Keith Ellison (D-MN)
64 1165	A bill to suspend temporarily the duty on certain plastic fittings	Keith Ellison (D-MN)
65 1167	To suspend temporarily the duty on 2-Hydroxypropylmethylcellulose	Carolyn McCarthy (D-NY)
66 1170	To suspend temporarily the duty on Propane-phosphonic acid anhydride	Roy Blunt (R-MO)
67 1174	To reduce temporarily the duty on N-phenyl-p-phenylenediamine	Richard Neal (D-MA)
68 1176	To suspend temporarily the duty on Lauryl Peroxide	Pete Olson (D-TX)
69 1181	To suspend temporarily the duty on 4-Chloro-3,5-Dinitrobenzotrifluoride: Benzene, 2-chloro-1,3-dinitro-5-(trifluoromethyl)-	Howard Coble (R-NC)
70 1187	To suspend temporarily the duty on AE 0172747 Ether	Emanuel Cleaver (D-MO)
71 1191	To suspend temporarily the duty on yarn of carded cashmere yarn coarser than 19.35 metric	Joe Courtney (D-CT)
72 1192	To suspend temporarily the duty on yarn of carded camel hair yarn	Joe Courtney (D-CT)
73 1200	A bill to suspend temporarily the duty on certain laundry work surfaces	Jim Jordan (R-OH)
74 1203	A bill to suspend temporarily the duty on certain perfluorocarbons	Erik Paulsen (R-MN)
75 1204	A bill to suspend temporarily the duty on certain perfluorocarbon morpholines	Erik Paulsen (R-MN)
76 1205	A bill to suspend temporarily the duty on certain perfluoroamines	Erik Paulsen (R-MN)
77 1206	A bill to suspend temporarily the duty on certain perfluoroalkanes	Erik Paulsen (R-MN)
78 1207	A bill to suspend temporarily the duty on perfluorobutane sulfonyl fluoride	Erik Paulsen (R-MN)
79 1209	To suspend temporarily the duty on Gilamid TR 90	John Spratt (D-SC)
80 1210	A bill to suspend temporarily the duty on stainless steel single piece exhaust gas manifolds	Glenn Thompson (R-PA)
81 2001 (a) 1	To suspend temporarily the duty on a mixture of 1,3,5-Triazine-2,4,6-triamine,N,N'''-y1,2-ETHANE-DIYL-BIS y y4,5-BIS-yButyl	Marion Berry (D-AR)
82 2001 (a) 2	To suspend temporarily the duty on ortho nitro aniline	Marion Berry (D-AR)
83 2001 (a) 3	To suspend temporarily the duty on lutetium oxide	Ron Paul (R-TX)
84 2001 (a) 4	To suspend temporarily the duty on phosphoric acid, lanthanum salt, cerium terbium-doped	Ron Paul (R-TX)
85 2001 (a) 6	To extend the temporary suspension of duty on yttrium oxides having a purity of at least 99.9 percent	Vernon Ehlers (R-MI)
86 2001 (a) 9	To extend the temporary suspension of duty on parts for use in the manufacture of certain high-performance loudspeakers	John Duncan (R-TN)
87 2001 (a) 10	To extend the suspension of duty on the mixture of 5,5-Bis(g,v-perfluoro(C4-20)alkylthio)methyl-2-hydroxy-2-o-o-1,3,2-dioxaphosphorinane, ammonium salt (CAS No. 148240-85-1) and 2,2-bisY(g,v-perfluoro(C4-20)alkylthio)methyl-3-hydroxyproyl phosphate, diammonium salt (CAS No. 148240-87-3) and di-Y2-2-bisY(g,v-perfluoro(C4-20)alkylthio)methyl-3-hydroxyproyl phosphate, ammonium salt (CAS No. 148240-89-5) and 2,2-bisY(g,v-perfluoro(C4-20)alkylthio)methyl-1,3-di-(dihydrogenphosphate)propane, tetraammonium salt.	Randy Forbes (R-VA)
88 2001 (a) 11	To extend the suspension of duty on Glycine, N,N-BisY2-hydroxy-3-(2-propenyl)propyl-, monosodium salt, reaction products with ammonium hydroxide and pentafluoriodoethane-tetrafluoroethylene telomer.	Randy Forbes (R-VA)
89 2001 (a) 12	To extend the suspension of duty on 3-Cyclohexene-1-carboxylic acid, 6-Y(di-2-propenylamino)carbonyl-, (1R,6R)-rel-, reaction products with pentafluoriodoethane-tetrafluoroethylene telomer, ammonium salt.	Randy Forbes (R-VA)
90 2001 (a) 13	To extend the suspension of duty on Bis (2,2,6,6-tetramethyl-4-piperidyl) sebacate	Randy Forbes (R-VA)
91 2001 (a) 14	To extend the suspension of duty on Bayowet FT-248	Tim Murphy (R-PA)
92 2001 (a) 15	To extend the suspension of duty on Thionyl chloride	Tim Murphy (R-PA)
93 2001 (a) 16	To extend the suspension of duty on Bayowet C4	Tim Murphy (R-PA)
94 2001 (a) 17	To extend the temporary suspension of duty on Disflamol TOF	Tim Murphy (R-PA)

LIST OF LIMITED TARIFF BENEFITS AS DEFINED IN CLAUSE 9, RULE XXI—Continued

Section in H.R. 4380, as amended	Description of LTB	Name of member requesting
95 2001 (a) 18	To extend the temporary suspension of duty on Disflamoll DPK	Tim Murphy (R-PA)
96 2001 (a) 19	To extend the temporary suspension of duty on 1,4-Benzenedicarboxylic acid, polymer with N,N'-bis(2-aminoethyl)-1,2-ethanediamine, cyclized, methosulfate	Joe Wilson (R-SC)
97 2001 (a) 21	To extend the temporary suspension of duty on Sulfur Black 1	Joe Wilson (R-SC)
98 2001 (a) 22	To extend the temporary suspension of duty on Cyanuric chloride	Joe Wilson (R-SC)
99 2001 (a) 23	To extend the temporary suspension of duty on certain magnesium peroxide	Brian Baird (D-WA)
100 2001 (a) 24	To extend the suspension of duty on DEMBB	Bill Cassidy (R-LA)
101 2001 (a) 25	To extend the temporary suspension of duty on diphenyl sulfide	Dan Burton (R-IN)
102 2001 (a) 26	To extend the temporary suspension of duty on 4,4-Dimethoxy-2-butanone	Dan Burton (R-IN)
103 2001 (a) 27	To extend the temporary suspension of duty on 3-Amino-5-mercapto-1,2,4-triazole	Dan Burton (R-IN)
104 2001 (a) 28	To extend the temporary suspension of duty on 2-Phenylphenol sodium salt	Dan Burton (R-IN)
105 2001 (a) 29	To extend the suspension of duty on Styrene, ar-ethyl-, polymer with divinylbenzene and styrene beads with low ash	Dan Burton (R-IN)
106 2001 (a) 30	To extend the temporary suspension of duty on 1,3-Dimethyl-2-imidazolidinone	Dan Burton (R-IN)
107 2001 (a) 31	To extend the temporary suspension of duty on DCBTF	Dan Burton (R-IN)
108 2001 (a) 32	To extend the temporary suspension of duty on mixtures of fungicide	Dan Burton (R-IN)
109 2001 (a) 33	To extend the temporary suspension of duty on Halofenozide	Dan Burton (R-IN)
110 2001 (a) 34	To extend the temporary suspension of duty on isoxaben	Dan Burton (R-IN)
111 2001 (a) 35	To extend the temporary suspension of duty on Fenbuconazole	Dan Burton (R-IN)
112 2001 (a) 36	To extend the temporary suspension of duty on Ethalfuralin	Dan Burton (R-IN)
113 2001 (a) 37	To extend the temporary suspension of duty on Tebufenozide	Dan Burton (R-IN)
114 2001 (a) 38	To extend the temporary suspension of duty on Quintec	Dan Burton (R-IN)
115 2001 (a) 39	To extend the temporary suspension of duty on Quinoline	Dan Burton (R-IN)
116 2001 (a) 40	To extend the temporary suspension of duty on mixed isomers of 1,3-dichloropropene	Dan Burton (R-IN)
117 2001 (a) 41	To extend the temporary suspension of duty on 1,2-Benzisothiazol-3(2H)-one (9CI)	Dan Burton (R-IN)
118 2001 (a) 42	To extend the temporary suspension of duty on -Bromo- nitrostyrene	Dan Burton (R-IN)
119 2001 (a) 43	To extend the temporary suspension of duty on mixtures of insecticide	Dan Burton (R-IN)
120 2001 (a) 44	To extend the temporary suspension of duty on diiodomethyl-p-tolylsulfone	Dan Burton (R-IN)
121 2001 (a) 4	To extend the temporary suspension of duty on methyl hydroxyethyl cellulose	Dan Burton (R-IN)
122 2001 (a) 4	To extend the temporary suspension of duty on methyl hydroxyethyl cellulose products	Dan Burton (R-IN)
123 2001 (a) 4	To extend the temporary suspension of duty on 1,2-Benzenedicarboxaldehyde	Dan Burton (R-IN)
124 2001 (a) 4	To extend the temporary suspension of duty on 2-Phenylphenol	Dan Burton (R-IN)
125 2001 (a) 4	To extend the temporary suspension of duty on 3,4-Dichlorobenzonitrile	Dan Burton (R-IN)
126 2001 (a) 5	To extend the temporary suspension of duty on 2,6-Dichloroaniline	Dan Burton (R-IN)
127 2001 (a) 5	To suspend temporarily the duty on hydraulic control units	Dave Camp (R-MI)
128 2001 (a) 5	To extend the suspension of duty on 1-(3H)-Isobenzofuranone, 3,3-bis(2-methyl-1-octyl-1H-indol-3-yl)-	Howard Coble (R-NC)
129 2001 (a) 5	To extend the suspension of duty on 2-methyl-4,6-bis(octylthio)methylphenol	Howard Coble (R-NC)
130 2001 (a) 5	To extend the suspension of duty on 2-Methyl-1-Y4-(methylthio)phenyl-2-(4-morpholinyl)-1- propanone	Howard Coble (R-NC)
131 2001 (a) 5	To extend the suspension of duty on 2,2-(2,5-Thiophenediyl)bis(5-(1,1-dimethylethyl) benzoxazole)	Howard Coble (R-NC)
132 2001 (a) 5	To extend the suspension of duty on Reactive Black 5	Howard Coble (R-NC)
133 2001 (a) 5	To extend the suspension of duty on a certain chemical	Howard Coble (R-NC)
134 2001 (a) 5	To extend the temporary suspension of duty on diuron	Sanford Bishop (D-GA)
135 2001 (a) 6	To extend the temporary suspension of duty on linuron	Sanford Bishop (D-GA)
136 2001 (a) 6	To extend the temporary suspension of duty on Dimethyl malonate	Rush D. Holt (D-NJ)
137 2001 (a) 6	To extend the temporary suspension of duty on certain 6-volt batteries	Steve Israel (D-NY)
138 2001 (a) 6	To extend temporarily the duty on Dimethyl Carbonate, CAS Number 616-38-6	Jo Bonner (R-AL)
139 2001 (a) 6	To extend temporarily the duty on Ethyl Pyruvate, CAS Number 617-35-6	Jo Bonner (R-AL)
140 2001 (a) 6	To extend temporarily the duty on Phenylmethyl hydrazinecarboxylate, CAS Number 5331-43-1	Jo Bonner (R-AL)
141 2001 (a) 6	To extend temporarily the duty on 5-methyl-5-(4-phenoxyphenyl)-3-(phenylamino)-2,4-oxazolidine dione?(a.k.a. famoxadone) and 2-cyano-N-Y(ethylamino)carbonyl-2-(methoxyimino)acetamide and its related application adjuvants, CAS Numbers 131807-57-3 and 57966-95-7	Jo Bonner (R-AL)
142 2001 (a) 7	To extend temporarily the duty on Methyl-4-trifluoromethoxyphenyl-N-(chlorocarbonyl) carbamate, CAS Number 173903-15-6	Jo Bonner (R-AL)
143 2001 (a) 7	To extend the temporary suspension of duty on Acetoacetyl-2,5-dimethoxy-4-chloroanilide	Barney Frank (D-MA)
144 2001 (a) 7	To extend the temporary suspension of duty on 3-Amino-4-methylbenzamide	Barney Frank (D-MA)
145 2001 (a) 7	To extend the temporary suspension of duty on Basic Blue 7	Barney Frank (D-MA)
146 2001 (a) 7	To extend the temporary suspension of duty on Basic Violet 1	Barney Frank (D-MA)
147 2001 (a) 7	To extend the temporary suspension of duty on 5-Chloro-3-hydroxy-2-methyl-2-naphthanilide	Barney Frank (D-MA)
148 2001 (a) 7	To extend the temporary suspension of duty on 5-Chloro-3-hydroxy-2-methoxy-2-naphthanilide	Barney Frank (D-MA)
149 2001 (a) 7	To extend the suspension of duty on O-Chlorotoluene	Jason Altmire (D-PA)
150 2001 (a) 7	To extend the suspension of duty on Bayderm Bottom DLV-N	Jason Altmire (D-PA)
151 2001 (a) 8	To extend the suspension of duty on certain ethylene-vinyl acetate copolymers	Jason Altmire (D-PA)
152 2001 (a) 8	To extend the temporary suspension of duty on 3,6,9-Trioxaundecanedioic acid	Roy Blunt (R-MO)
153 2001 (a) 8	To extend the temporary suspension of duty on 3-(trifluoromethyl) benzoate	Roy Blunt (R-MO)
154 2001 (a) 8	To extend the temporary suspension of duty on 5-MPDC	Roy Blunt (R-MO)
155 2001 (a) 8	To extend the temporary suspension of duty on 4-methylbenzonitrile	Roy Blunt (R-MO)
156 2001 (a) 8	To extend the temporary suspension of duty on 4-(trifluoromethoxy) phenyl isocyanate	Roy Blunt (R-MO)
157 2001 (a) 8	To extend the temporary suspension of duty on Trichloroacetaldehyde	Roy Blunt (R-MO)
158 2001 (a) 8	To extend the temporary suspension of duty on 4-Chlorobenzaldehyde	Emanuel Cleaver (D-MO)
159 2001 (a) 8	To extend the temporary suspension of duty on 2-Acetylbutyrolactone	Emanuel Cleaver (D-MO)
160 2001 (a) 8	To extend the temporary suspension of duty on Ethoprop	Emanuel Cleaver (D-MO)
161 2001 (a) 9	To extend the temporary suspension of duty on product mixtures containing Foramsulfuron and Iodosulfuronmethyl-sodium	Emanuel Cleaver (D-MO)
162 2001 (a) 9	To extend the temporary suspension of duty on Methanol, sodium salt	Kathy Dahlkemper (D-PA)
163 2001 (a) 9	To extend the temporary suspension of duty on 2-Ethylhexyl 4-methoxycinnamate	Kathy Dahlkemper (D-PA)
164 2001 (a) 9	To extend the temporary suspension of duty on a certain chemical	Jim Gerlach (R-PA)
165 2001 (a) 9	To extend the temporary suspension of duty on 10,10'-Oxybisphenoxarsine	Jim Gerlach (R-PA)
166 2001 (a) 9	To extend the temporary suspension of duty on a certain ion exchange resin	Jim Gerlach (R-PA)
167 2001 (a) 9	To extend the temporary suspension of duty on a certain chemical	Jim Gerlach (R-PA)
168 2001 (a) 9	To extend the temporary suspension of duty on a certain ion exchange resin	Jim Gerlach (R-PA)
169 2001 (a) 9	To extend the temporary suspension of duty on Trichlorobenzene	Kathy Dahlkemper (D-PA)
170 2001 (a) 99	To extend the suspension of duty on (IPN) Isophthalonitrile	Gene Green (D-TX)
171 2001 (a) 10	To extend the suspension of duty on Chloroacetone	Gene Green (D-TX)
172 2001 (a) 101	To extend the temporary suspension of duty on Brodifacoum	Gene Green (D-TX)
173 2001 (a) 102	To extend the temporary suspension of duty on mixtures or coprecipitates of yttrium oxide and europium oxide	Gene Green (D-TX)
174 2001 (a) 103	To extend the temporary suspension of duty on mixtures or coprecipitates of yttrium phosphate and cerium phosphate	Gene Green (D-TX)
175 2001 (a) 104	To extend the temporary suspension of duty on DPA	Peter Hoekstra (R-MI)
176 2001 (a) 105	To extend the temporary suspension of duty on Pigment Brown 25	James R. Langevin (D-RI)
177 2001 (a) 110	A bill to extend the temporary suspension of duty on Permethrin	Jerry McInerney (D-CA)
178 2001 (a) 111	A bill to extend the temporary suspension of duty on Cypermethrin	Joe Sestak (D-PA)
179 2001 (a) 112	To extend the temporary reduction of duty on Bromacil	Michael Castle (R-DE)
180 2001 (a) 113	To extend the temporary reduction of duty on Pyriithobac-sodium	Michael Castle (R-DE)
181 2001 (a) 114	To extend the temporary suspension of duty on mixtures of methyl 2-YYYYY4-(dimethylamino)-6-(2,2,2-trifluoroethoxy)-1,3,5-tri zin-2-yl-2-amino?carbonyl?amino?sulfonyl?-3-methylbenzoate and application adjuvants.	Michael Castle (R-DE)
182 2001 (a) 115	To extend the temporary suspension of duty on trifloxysulfuron-sodium technical	Michael Castle (R-DE)
183 2001 (a) 116	To extend the temporary suspension of duty on 1,3-Benzenedicarboxamide, N, N'-bis-(2,2,6,6-tetramethyl-4-piperidyl)-	Larry Kissell (D-NC)
184 2001 (a) 117	To extend the temporary suspension of duty on reaction products of phosphorous trichloride with 1,1'-biphenyl and 2,4-bis (1,1-dimethylethyl) phenol	Larry Kissell (D-NC)
185 2001 (a) 118	To extend the temporary suspension of duty on preparations based on ethanediamide, N- (2-ethoxyphenyl)-N'- (4-isodecylphenyl)-	Larry Kissell (D-NC)
186 2001 (a) 119	To extend the temporary suspension of duty on 3-Dodecyl-1- (2,2,6,6-tetramethyl-4-piperidyl)-2,5-pyrrolidinedione	Larry Kissell (D-NC)
187 2001 (a) 120	To extend the temporary suspension of duty on 1-Acetyl-4- (3-dodecyl-2, 5-dioxo-1-pyrrolidyl)-2,2,6,6-tetramethylpiperidine	Larry Kissell (D-NC)
188 2001 (a) 121	To extend the temporary suspension of duty on certain manufacturing equipment	Bob Inglis (R-SC)
189 2001 (a) 122	To extend the temporary suspension of duty on self contained, carafe-less automatic drip coffeemaker with electronic clock	Bobby Scott (D-VA)
190 2001 (a) 123	To extend the temporary suspension of duty on under the counter mounting electric can openers	Bobby Scott (D-VA)
191 2001 (a) 124	To extend the temporary suspension of duty on self contained, carafe-less automatic drip coffeemaker	Bobby Scott (D-VA)
192 2001 (a) 125	To extend the temporary suspension of duty on open top, electric indoor grills	Bobby Scott (D-VA)
193 2001 (a) 126	To extend the temporary suspension of duty on electric juice extractors	Bobby Scott (D-VA)
194 2001 (a) 127	To extend the temporary suspension of duty on electric juice extractors	Bobby Scott (D-VA)
195 2001 (a) 128	To extend the temporary suspension of duty on sandwich toaster grills	Bobby Scott (D-VA)
196 2001 (a) 129	To extend the temporary suspension of duty on ice shavers	Bobby Scott (D-VA)
197 2001 (a) 130	To extend the temporary suspension of duty on combination single slot toaster and toaster ovens	Bobby Scott (D-VA)
198 2001 (a) 131	To extend the temporary suspension of duty on electric knives	Bobby Scott (D-VA)

LIST OF LIMITED TARIFF BENEFITS AS DEFINED IN CLAUSE 9, RULE XXI—Continued

Section in H.R. 4380, as amended	Description of LTB	Name of member requesting
199 2001 (a) 132	To extend the temporary suspension of duty on handheld electric can openers	Bobby Scott (D-VA)
200 2001 (a) 136	To extend the suspension of duty on cyprodinil	Howard Coble (R-NC)
201 2001 (a) 137	To extend the suspension of duty on difenoconazole	Howard Coble (R-NC)
202 2001 (a) 138	To extend the suspension of duty on mixtures of difenoconazole and mefenoxam	Howard Coble (R-NC)
203 2001 (a) 139	To extend the suspension of duty on formulations of Thiamethoxam, Difenoconazole, Fludioxonil, and Mefenoxam	Howard Coble (R-NC)
204 2001 (a) 140	To extend the suspension of duty on mixtures of cyhalothrin and application adjuvants	Howard Coble (R-NC)
205 2001 (a) 141	To extend the suspension of duty on mucochloric acid	Howard Coble (R-NC)
206 2001 (a) 142	To extend the suspension of duty on mixtures of mefenoxam, fludioxonil, and cymoxanil with application adjuvants	Howard Coble (R-NC)
207 2001 (a) 143	To extend the temporary suspension of duty on EPDC	Blaine Luetkemeyer (R-MO)
208 2001 (a) 144	To extend the temporary suspension of duty on mixtures of 2-amino-2,3-dimethylbutanenitrile and toluene	Blaine Luetkemeyer (R-MO)
209 2001 (a) 145	To extend the suspension of duty on 2,3-quinoline dicarboxylic acid	Blaine Luetkemeyer (R-MO)
210 2001 (a) 147	To extend the temporary suspension of duty on 3,5-Difluororiline	Blaine Luetkemeyer (R-MO)
211 2001 (a) 148	To extend the temporary suspension of duty on Quinolinic acid	Blaine Luetkemeyer (R-MO)
212 2001 (a) 150	To extend the temporary suspension of duty on 2-Methyl-4-methoxy-6-methylamino-1,3,5-triazine	Aaron Schock (R-IL)
213 2001 (a) 151	To extend the temporary suspension of duty on 2-amino-4-methoxy-6-methyl-1,3,5-triazine	Aaron Schock (R-IL)
214 2001 (a) 152	To extend the temporary suspension of duty on 3-(Ethylsulfonyl)-2-pyridinesulfonamide	Aaron Schock (R-IL)
215 2001 (a) 153	To extend the temporary suspension of duty on carbamic acid	Aaron Schock (R-IL)
216 2001 (a) 154	To extend the temporary suspension of duty on Direct Yellow 119	Wm. Lacy Clay (D-MO)
217 2001 (a) 155	To extend the temporary suspension of duty on 2-Amino-6-nitrophenol-4-sulfonic acid	Wm. Lacy Clay (D-MO)
218 2001 (a) 156	To extend the temporary suspension of duty on 2-Amino-5-sulfobenzoic acid	Wm. Lacy Clay (D-MO)
219 2001 (a) 157	To extend the temporary suspension of duty on 2,4-Disulfobenzaldehyde	Wm. Lacy Clay (D-MO)
220 2001 (a) 158	To extend the temporary suspension of duty on p-Cresidinesulfonic acid (4-amino-5-methoxy-2-methylbenzenesulfonic acid)	Wm. Lacy Clay (D-MO)
221 2001 (a) 159	To extend the temporary suspension of duty on Synthetic indigo powder, (3H-indol-3-one, 2-(1,3-dihydro-3-oxo-2H-indol-2-ylidene)-1,2-dihydro-)	Wm. Lacy Clay (D-MO)
222 2001 (a) 160	To extend the temporary suspension of duty on 2,5-Bis(1,3-dioxobutyl)amino?benzenesulfonic acid	Wm. Lacy Clay (D-MO)
223 2001 (a) 161	To extend the temporary suspension of duty on Basic Yellow 40 chloride based	Wm. Lacy Clay (D-MO)
224 2001 (a) 162	To extend the temporary suspension of duty on metal halide lamps designed for use in video projectors	Bob Filner (D-CA)
225 2001 (a) 163	To extend the temporary suspension of duty on 3,3',4,4'-Biphenyltetracarboxylic dianhydride	Pete Olsen (D-TX)
226 2001 (a) 164	To extend the temporary suspension of duty on Pyromellitic dianhydride	Pete Olsen (D-TX)
227 2001 (a) 165	To extend the temporary suspension of duty on Lewatit	John Adler (D-NJ)
228 2001 (a) 166	To extend the temporary suspension of duty on 2,6-Dichlorotoluene	John Spratt (D-SC)
229 2001 (a) 167	To extend the temporary suspension of duty on Crotonic Acid	John Spratt (D-SC)
230 2001 (a) 168	To extend the temporary suspension of duty on Fluorobenzene	John Spratt (D-SC)
231 2001 (a) 169	A bill to extend the temporary suspension of duty on unicycles	Earl Blumenauer (D-OR)
232 2001 (a) 170	A bill to extend the temporary suspension of duty on bicycle wheel rims	Earl Blumenauer (D-OR)
233 2001 (a) 171	A bill to extend the duty suspension on o-Anisidine	David P. Roe (R-TN)
234 2001 (a) 172	A bill to extend the duty suspension on Phenyl salicylate (benzoic acid, 2-hydroxy-, phenyl ester)	David P. Roe (R-TN)
235 2001 (a) 173	A bill to extend the duty suspension on Titanium Mononitride	David P. Roe (R-TN)
236 2001 (a) 174	A bill to extend the duty suspension on 1-Fluoro-2-nitrobenzene	David P. Roe (R-TN)
237 2001 (a) 175	A bill to extend the duty suspension on 2,4-Xyldine	David P. Roe (R-TN)
238 2001 (a) 176	A bill to extend the temporary suspension of duty on Vat Black 25	Sue Myrick (R-NC)
239 2001 (a) 177	A bill to extend the temporary suspension of duty on Chloroacetic acid, sodium salt	Sue Myrick (R-NC)
240 2001 (a) 178	A bill to extend the temporary suspension of duty on esters and sodium esters of parahydroxybenzoic acid	Sue Myrick (R-NC)
241 2001 (a) 179	A bill to extend the temporary suspension of duty on Glyoxylic acid	Sue Myrick (R-NC)
242 2001 (a) 180	A bill to extend the temporary suspension of duty on Isobutyl 4-hydroxybenzoate and its sodium salt	Sue Myrick (R-NC)
243 2001 (a) 181	A bill to extend the temporary suspension of duty on sodium petroleum sulfonic acids, sodium salts	Sue Myrick (R-NC)
244 2001 (a) 182	A bill to extend the temporary suspension of duty on Tetraacetylenediamine	Sue Myrick (R-NC)
245 2001 (a) 183	A bill to extend the temporary suspension of duty on certain cathode-ray tubes	Erik Paulsen (R-MN)
246 2001 (a) 184	A bill to extend the temporary suspension of duty on a certain specialty monomer	Erik Paulsen (R-MN)
247 2001 (a) 185	A bill to extend the temporary suspension of duty on THV	Erik Paulsen (R-MN)
248 2001 (a) 186	A bill to extend the temporary suspension of duty on certain refracting and reflecting telescopes	Loretta Sanchez (D-CA)
249 2001 (a) 187	A bill to extend the temporary suspension of duty on Penta Amino Aceto Nitrate Cobalt III	Jean Schmidt (R-OH)
250 2001 (a) 188	A bill to extend the temporary suspension of duty on mixtures of methyl 4-iodo-2-[3-(4-methoxy-6-methyl-1,3,5-triazin-2-yl)ureidosulfonyl] benzoate, sodium salt (iodosulfuron methyl, sodium salt) and application adjuvants	Randy Neugebauer (R-TX)
251 2001 (a) 189	A bill to extend the temporary suspension of duty on Mesosulfuronmethyl	Randy Neugebauer (R-TX)
252 2001 (a) 190	A bill to extend the temporary suspension of duty on Tetramethrin	Jerry McNeerney (D-CA)
253 2001 (a) 191	A bill to extend the temporary suspension of duty on Flumioxasin	Jerry McNeerney (D-CA)
254 2001 (a) 192	A bill to extend the temporary suspension of duty on Resmethrin	Bob Etheridge (D-NC)
255 2001 (a) 194	A bill to extend the temporary suspension of duty on oysters (other than smoked), prepared or preserved	Jerry McNeerney (D-CA)
256 2001 (a) 195	A bill to extend the suspension of duty on Fenpropathrin	Jerry McNeerney (D-CA)
257 2001 (a) 196	A bill to extend the temporary suspension of duty on Tralermethrin	Jerry McNeerney (D-CA)
258 2001 (a) 197	A bill to extend the temporary suspension of duty on Bispyribac-sodium	Jerry McNeerney (D-CA)
259 2001 (a) 198	A bill to extend the temporary suspension of duty on Dinotefuran	Jerry McNeerney (D-CA)
260 2001 (a) 199	A bill to extend the temporary suspension of duty on Etoxazole	Jerry McNeerney (D-CA)
261 2001 (a) 200	A bill to extend the temporary suspension of duty on Pyriproxyfen	Jerry McNeerney (D-CA)
262 2001 (a) 201	A bill to extend the temporary suspension of duty on Uniconazole	Jerry McNeerney (D-CA)
263 2001 (a) 202	A bill to extend the temporary suspension of duty on Previcur	Jim Costa (D-CA)
264 2001 (a) 203	A bill to extend the temporary suspension of duty on Ziram	Joe Sestak (D-PA)
265 2001 (a) 204	A bill to extend the temporary suspension of duty on mixtures of thiophanate methyl and application adjuvants	Joe Sestak (D-PA)
266 2001 (a) 205	A bill to extend the temporary suspension of duty on thiophanate methyl	Joe Sestak (D-PA)
267 2001 (a) 206	A bill to extend the temporary suspension of duty on asulam sodium salt	Joe Sestak (D-PA)
268 2001 (a) 207	A bill to extend the suspension of duty on Crelan VP LS 2147	Tim Murphy (R-PA)
269 2001 (a) 208	A bill to extend the suspension of duty on Desmodur R-E	Tim Murphy (R-PA)
270 2001 (a) 209	A bill to extend the suspension of duty on Trimethylpropane tris(3-aziridinylpropanoate)	Tim Murphy (R-PA)
271 2001 (a) 210	A bill to extend the suspension of duty on Desmodur VP LS 2253	Tim Murphy (R-PA)
272 2001 (a) 211	A bill to extend the suspension of duty on Desmodur E 14	Tim Murphy (R-PA)
273 2001 (a) 212	A bill to extend the temporary suspension of duty on acrylic or modacrylic stable fibers, carded, combed, or otherwise processed for spinning	Howard Coble (R-NC)
274 2001 (a) 213	A bill to extend the temporary suspension of duty on filament tow of rayon	Howard Coble (R-NC)
275 2001 (a) 214	A bill to extend the temporary suspension of duty on certain staple fibers of viscose rayon, not carded, combed, or otherwise processed for spinning	Howard Coble (R-NC)
276 2001 (a) 215	A bill to extend the temporary suspension of duty on certain staple fibers of viscose rayon, carded, combed, or otherwise processed for spinning	Howard Coble (R-NC)
277 2001 (a) 216	A bill to extend the temporary suspension of duty on certain transaxles designed for use in hybrid vehicles	Blaine Luetkemeyer (R-MO)
278 2001 (a) 217	A bill to extend the temporary suspension of duty on certain static converters designed for use in hybrid vehicles	Blaine Luetkemeyer (R-MO)
279 2001 (a) 218	A bill to extend the temporary suspension of duty on certain controllers for electric power assisted braking systems	Blaine Luetkemeyer (R-MO)
280 2001 (a) 219	A bill to extend the temporary suspension of duty on 2,4-Dichloroaniline	Blaine Luetkemeyer (R-MO)
281 2001 (a) 220	A bill to extend the temporary suspension of duty on Fenamidone	Blaine Luetkemeyer (R-MO)
282 2001 (a) 221	A bill to extend the temporary suspension of duty on Pyrimethanil	Blaine Luetkemeyer (R-MO)
283 2001 (a) 222	A bill to extend the temporary suspension of duty on cis-3-Hexen-1-ol	Carolyn Maloney (D-NY)
284 2001 (a) 223	A bill to extend the temporary suspension of duty on polytetramethylene ether glycol	Carolyn Maloney (D-NY)
285 2001 (a) 224	A bill to extend the temporary suspension of duty on C12-18 alkenes	Carolyn Maloney (D-NY)
286 2001 (a) 225	A bill to suspend temporarily the duty on acid black 132	Melvin Watt (D-NC)
287 2001 (a) 226	A bill to extend the temporary suspension of duty on Acid black 172	Melvin Watt (D-NC)
288 2001 (a) 227	A bill to suspend temporarily the duty on acid blue 113	Melvin Watt (D-NC)
289 2001 (a) 228	A bill to suspend temporarily the duty on acid orange 116	Melvin Watt (D-NC)
290 2001 (a) 229	A bill to suspend temporarily the duty on disperse blue 56	Melvin Watt (D-NC)
291 2001 (a) 230	A bill to extend the temporary suspension of duty on Reactive Blue 250	Melvin Watt (D-NC)
292 2001 (a) 231	A bill to extend the suspension of duty on Lycopene 10%	Leonard Lance (R-NJ)
293 2001 (a) 232	A bill to extend the suspension of duty on Quinocloraz	Leonard Lance (R-NJ)
294 2001 (a) 233	A bill to extend the suspension of duty on Vinclozolin	Leonard Lance (R-NJ)
295 2001 (a) 234	A bill to extend the temporary suspension of duty on Bis(4-fluorophenyl)methanone	Leonard Lance (R-NJ)
296 2001 (a) 235	A bill to extend the temporary suspension of duty on certain light absorbing photo dyes	Leonard Lance (R-NJ)
297 2001 (a) 236	A bill to extend the temporary suspension of duty on certain cores used in remanufacture	Ray LaHood (R-IL)
298 2001 (a) 237	A bill to extend the temporary suspension of duty on certain cores used in remanufacture	Ray LaHood (R-IL)
299 2001 (a) 238	A bill to extend the temporary suspension of duty on certain cores used in remanufacture	Ray LaHood (R-IL)
300 2001 (a) 239	A bill to extend the temporary suspension of duty on D-Mannose	Bill Pascrell (D-NJ)
301 2001 (a) 240	A bill to suspend temporarily the duty on Sedran Technical	Bill Pascrell (D-NJ)
302 2001 (a) 241	A bill to extend the temporary suspension of duty on Desmedipham in bulk or mixtures	David Price (D-NC)
303 2001 (a) 242	A bill to extend the temporary suspension of duty on triphenyltin hydroxide	Judy Biggett (R-IL)

Section in H.R. 4380, as amended	Description of LTB	Name of member requesting
304 2001 (a) 243	A bill to extend the temporary suspension of duty on MCPB Acid and MCPB Sodium Salt	Judy Biggett (R-IL)
305 2001 (a) 244	A bill to extend the temporary suspension of duty on aluminum lamp-holder housings containing sockets	Gary Ackerman (D-NY)
306 2001 (a) 245	A bill to extend the temporary suspension of duty on brass lamp-holder housings containing sockets	Gary Ackerman (D-NY)
307 2001 (a) 246	A bill to extend the temporary suspension of duty on plastic lamp-holder housings containing sockets	Gary Ackerman (D-NY)
308 2001 (a) 247	A bill to extend the temporary suspension of duty on porcelain lamp-holder housings containing sockets	Gary Ackerman (D-NY)
309 2001 (a) 248	A bill to extend the temporary suspension of duty on Thymol	Henry E. Brown Jr. (R-SC)
310 2001 (a) 249	A bill to extend the temporary suspension of duty on Menthyl anthranilate	Henry E. Brown Jr. (R-SC)
311 2001 (a) 250	A bill to extend the temporary suspension of duty on 2-Phenylbenzimidazole-5-sulfonic acid	Henry E. Brown Jr. (R-SC)
312 2001 (a) 251	A bill to extend the temporary suspension of duty on Methyl Salicylate	Henry E. Brown Jr. (R-SC)
313 2001 (a) 252	A bill to extend the temporary suspension of duty on p-Methylacetophenone	Henry E. Brown Jr. (R-SC)
314 2001 (a) 253	A bill to extend the temporary suspension of duty on 2,2-Dimethyl-3-(3-methylphenyl)propanol	Henry E. Brown Jr. (R-SC)
315 2001 (a) 254	A bill to extend the temporary suspension of duty on Mixtures of N-phenyl-N-(trichloromethyl)thio)-benzenesulfonamide, calcium carbonate, and mineral oil	Henry E. Brown Jr. (R-SC)
316 2001 (a) 255	A bill to suspend temporarily the duty on Cobalt Boron	Henry E. Brown Jr. (R-SC)
317 2001 (a) 256	A bill to extend the temporary suspension of duty on 4-(trifluoromethyl)-benzaldehyde	Sanford Bishop (D-GA)
318 2001 (a) 257	A bill to extend the temporary suspension of duty on 3-oxido-5-oxo-4-propionylcyclohex-3-enecarboxylic acid calcium salt	Sanford Bishop (D-GA)
319 2001 (a) 258	A bill to extend the temporary suspension of duty on Methyl (E)-methoxyimino-2-(2-o-tolylmethyl) phenyl acetate (kresoxim methyl)	Sanford Bishop (D-GA)
320 2001 (a) 259	A bill to suspend temporarily the duty on Phosphorus Trichloride	Bob Etheridge (D-NC)
321 2001 (a) 260	A bill to extend the temporary suspension of duty on 2-Chloro benzyl chloride	Bob Etheridge (D-NC)
322 2001 (a) 261	A bill to extend the temporary suspension of duty on N-3[3-(1-methylethoxy)phenyl]-2-(trifluoromethyl)benzamide	Bob Etheridge (D-NC)
323 2001 (a) 262	A bill to extend the temporary suspension of duty on mixtures containing methyl 2-(4,5-dihydro-4-methyl-5-oxo-3-propoxy-1H-1,2,4-triazol-1-yl)carboxamidosulfonylbenzoate, sodium 4-(5-dihydro-4-methyl-5-oxo-3-propoxy-1H-1,2,4-triazol-1-yl) carbonyl(2-methoxycarbonylphenylsulfonyl)azide & methyl 4-iodo-2-[3-(4-methoxy-6-methyl	Bob Etheridge (D-NC)
324 2001 (a) 264	To extend the temporary suspension of duty on ethofumesate in bulk or mixtures.	Brad Miller (D-NC)
325 2001 (a) 265	To suspend temporarily the duty on Y(+/-)-2-(2,4-dichlorophenyl)-3-(1H-1,2,4-triazole-1-yl) propyl, 1,1,2,2-tetrafluoroethyl ether?	David Price (D-NC)
326 2001 (a) 266	A bill to suspend temporarily the duty on sodium hypophosphite	Henry E. Brown Jr. (R-SC)
327 2001 (a) 267	To extend the duty suspension on Allyl isosulfocyanate	Henry E. Brown Jr. (R-SC)
328 2001 (a) 268	A bill to extend the duty suspension on Crotonaldehyde (2-butenaldehyde)	David P. Roe (R-TN)
329 2001 (a) 269	A bill to suspend temporarily the duty on lightweight digital camera lenses	Steve Israel (D-NY)
330 2001 (a) 270	A bill to suspend temporarily the duty on digital zoom camera lenses	Steve Israel (D-NY)
331 2001 (a) 271	To extend the temporary suspension of duty on certain color video monitors	Joseph Crowley (D-NY)
332 2001 (a) 272	To extend the temporary suspension of duty on certain color video monitors	Joseph Crowley (D-NY)
333 2001 (a) 273	To extend the temporary suspension of duty on certain black and white monitors	Joseph Crowley (D-NY)
334 2001 (a) 274	To extend the temporary suspension of duty on certain color video monitors	Joseph Crowley (D-NY)
335 2001 (a) 275	To extend the temporary suspension of duty on yarn of combed cashmere or yarn of camel hair	Joe Courtney (D-CT)
336 2001 (a) 276	To extend the temporary suspension of duty on camel hair, processed beyond the degreased or carbonized condition	Joe Courtney (D-CT)
337 2001 (a) 277	To extend the temporary suspension of duty on waste of camel hair	Joe Courtney (D-CT)
338 2001 (a) 278	To extend the temporary suspension of duty on camel hair, carded or combed	Joe Courtney (D-CT)
339 2001 (a) 279	To extend the temporary suspension of duty on woven fabrics containing 85 percent or more by weight of vicuna hair	Joe Courtney (D-CT)
340 2001 (a) 280	To extend the temporary suspension of duty on camel hair, not processed in any manner beyond the degreased or carbonized condition	Joe Courtney (D-CT)
341 2001 (a) 281	To extend the temporary suspension of duty on nails of camel hair	Joe Courtney (D-CT)
342 2001 (a) 282	To extend the temporary suspension of duty on certain DVD readers and writers	Bob Filner (D-CA)
343 2001 (a) 283	To extend the temporary suspension of duty on certain DVD readers and writers	Bob Filner (D-CA)
344 2001 (a) 284	A bill to suspend temporarily the duty on Ferro Boron	Henry E. Brown Jr. (R-SC)
345 2001 (a) 285	To suspend temporarily the duty on shield asy-steering gear	Dave Camp (R-MI)
346 2001 (a) 286	To extend the temporary suspension of duty on Ethene, tetrafluoro, oxidized, polymerized, reduced, decarboxylated	Robert Andrews (D-NJ)
347 2001 (a) 288	To extend the temporary suspension of duty on methoxyacetic acid	Blaine Luetkemeyer (R-MO)
348 2001 (a) 289	To extend the temporary suspension of duty on Zeta-cypermethrin	Christopher John Lee (R-NY)
349 2001 (a) 290	A bill to suspend temporarily the duty on 1,2 Pentanediol	Henry E. Brown Jr. (R-SC)
350 2001 (a) 291	To extend the temporary suspension of duty on certain electrical transformers	Steve Israel (D-NY)
351 2001 (b) 1	To suspend temporarily the duty on 4-chloro-benzonitrile	Marion Berry (D-AR)
352 2001 (b) 2	To suspend temporarily the duty on cyclopentanone	Bill Cassidy (R-LA)
353 2001 (b) 3	To extend the temporary suspension of duty on Orgasol	Glenn Thompson (R-PA)
354 2001 (b) 4	To extend the temporary suspension of duty on 9, 10-Anthracenedione, 2 pentyl	Brian Baird (D-WA)
355 2001 (b) 5	To extend the suspension of duty on Mesotriene	Bill Cassidy (R-LA)
356 2001 (b) 6	To extend and modify the temporary suspension of duty on ADTP	Dan Burton (R-IN)
357 2001 (b) 7	To extend and modify the temporary suspension of duty on Cyhalofop	Dan Burton (R-IN)
358 2001 (b) 8	To extend and modify the temporary suspension of duty on 2-Cyanopyridine	Dan Burton (R-IN)
359 2001 (b) 9	To extend the temporary suspension of duty on Benfluralin	Dan Burton (R-IN)
360 2001 (b) 10	To extend the temporary suspension of duty on DMDS	Dan Burton (R-IN)
361 2001 (b) 11	To extend the temporary suspension of duty on MCPA ester	Dan Burton (R-IN)
362 2001 (b) 12	To extend the temporary suspension of duty on MCPA acid	Dan Burton (R-IN)
363 2001 (b) 13	To extend the temporary suspension of duty on Propiconazole	Dan Burton (R-IN)
364 2001 (b) 14	To extend and modify the temporary suspension of duty on Myclobutanil	Dan Burton (R-IN)
365 2001 (b) 15	To extend and modify the temporary suspension of duty on Mthoxyfenozide	Dan Burton (R-IN)
366 2001 (b) 16	To extend and modify the temporary suspension of duty on Triflurian	Dan Burton (R-IN)
367 2001 (b) 17	To extend the temporary suspension of duty on 2-Propenoic acid, polymer	Dan Burton (R-IN)
368 2001 (b) 18	To extend the temporary suspension of duty on DEPCT	Dan Burton (R-IN)
369 2001 (b) 19	A bill to extend the temporary suspension of duty on bicycle speedometers	Earl Blumenauer (D-OR)
370 2001 (b)		

LIST OF LIMITED TARIFF BENEFITS AS DEFINED IN CLAUSE 9, RULE XXI—Continued

Section in H.R. 4380, as amended	Description of LTB	Name of member requesting
408 2001 (b) 60	To extend the temporary suspension of duty on 2-Methyl-5-nitrobenzenesulfonic acid	Wm. Lacy Clay (D-MO)
409 2001 (b) 61	To extend the duty suspension on S-(5-Methoxy-2-oxo-1,3,4-thiadiazol-3(2H)-yl)methyl-2,0-dimethyl phosphorodithioate	Howard Coble (R-NC)
410 2001 (b) 62	To extend the duty suspension on 4-(Cyclopropyl-1-hydroxymethylene)-3,5-dioxocyclohexanecarboxylic acid, ethyl ester	Howard Coble (R-NC)
411 2001 (b) 63	To extend the temporary suspension of duty on N-YY(4,6-dimethoxypyrimidin-2-yl)amino?carbonyl?-3-(ethylsul onyl)-2-pyridinesulfonamide and application adjuvants.	Aaron Schock (R-IL)
412 2001 (b) 64	To extend the temporary suspension of duty on certain ion-exchange resins	John Adler (D-NJ)
413 2001 (b) 67	A bill to extend the temporary suspension of duty on 7,7	Sue Myrick (R-NC)
414 2001 (b) 68	A bill to extend and modify the temporary suspension of duty on certain catalytic converter mats of ceramic fibers	Erik Paulsen (R-MN)
415 2001 (b) 69	A bill to extend the temporary suspension of duty on flumiclorac pentyl ester	Jerry McNeerney (D-CA)
416 2001 (b) 70	A bill to extend the temporary suspension of duty on Acephate	Jerry McNeerney (D-CA)
417 2001 (b) 71	A bill to extend the temporary suspension of duty on Phenmedipham	Jim Costa (D-CA)
418 2001 (b) 72	A bill to suspend temporarily the duty on Oryzalin	Joe Sestak (D-PA)
419 2001 (b) 73	A bill to extend the suspension of duty on Poly(toluene diisocyanate	Tim Murphy (R-PA)
420 2001 (b) 74	A bill to extend the temporary suspension of duty on Aluminum tris (O-ethylphosphonate);	Blaine Luetkemeyer (R-MO)
421 2001 (b) 75	A bill to extend the temporary reduction of duty on cyclopropane-1,1-dicarboxylic acid, dimethyl ester	Blaine Luetkemeyer (R-MO)
422 2001 (b) 76	A bill to extend the temporary suspension of duty on Clethodim	Ellen Tauscher (D-CA)
423 2001 (b) 77	A bill to suspend temporarily the duty on acid black 107	Melvin Watt (D-NC)
424 2001 (b) 78	A bill to extend the temporary suspension of duty on 1/ 3-Phenyl-7-(4-propoxyphenyl)benzo[1,2-b:4,5-b']difuran- 2,6-dione	Melvin Watt (D-NC)
425 2001 (b) 79	A bill to reduce temporarily the duty on Imidacloprid Pesticides	Shelley Moore-Capito (R-WV)
426 2001 (b) 80	A bill to extend the temporary suspension of duty on Imidacloprid Technical	Shelley Moore-Capito (R-WV)
427 2001 (b) 81	A bill to extend the temporary suspension of duty on Option and Revolver herbicides	Shelley Moore-Capito (R-WV)
428 2001 (b) 82	A bill to extend the temporary suspension of duty on certain light absorbing photo dyes	Leonard Lance (R-NJ)
429 2001 (b) 83	A bill to extend the temporary suspension of duty on o-Acetylsalicylic acid	Bill Pascrell (D-NJ)
430 2001 (b) 84	A bill to extend the temporary suspension of duty on 4-(2,4-dichlorophenoxy) butyric acid and 4-(2,4-dichlorophenoxy) butyric acid, dimethylamine salt	Judy Biggett (R-IL)
431 2001 (b) 85	A bill to extend the temporary suspension of duty on Bromoxynil Octanoate	Judy Biggett (R-IL)
432 2001 (b) 86	A bill to extend the temporary suspension of duty on dichlorprop-p dimethylamine salt, and dichlorprop-p 2-ethylhexyl ester	Judy Biggett (R-IL)
433 2001 (b) 87	A bill to extend the temporary suspension of duty on 2-Methyl-4-chlorophenoxy-acetic acid, dimethylamine salt	Judy Biggett (R-IL)
434 2001 (b) 88	A bill to extend the temporary suspension of duty on 5-Methyl-2-(methylthyl)cyclohexyl-2-hydroxypropanoate	Henry E. Brown Jr. (R-SC)
435 2001 (b) 89	A bill to extend the temporary suspension of duty on Anisic Aldehyde	Henry E. Brown Jr. (R-SC)
436 2001 (b) 90	To suspend temporarily the duty on mixtures of indoxacarb (CAS#173584-44-6) chemical name=(S)-methyl 7-chloro-2,5-dihydro-2-YY(methoxy-carbonyl)-Y4(trifluorometh oxy)phenyl?amino?carbonyl?indenoY1,2-e?Y1,3,4?oxadiazine-4A- (H)-carboxylate and inert ingredients..	Jo Bonner (R-AL)
437 2001 (b) 91	To suspend temporarily the duty on Paclobutrazol Technical	Gene Green (D-TX)
438 2001 (b) 92	To suspend temporarily the duty on Paclobutrazol 2CS	Gene Green (D-TX)
439 2001 (b) 93	To extend the temporary suspension of duty on cerium sulfide pigments.	Gene Green (D-TX)
440 2001 (b) 94	To extend the temporary suspension of duty on mixtures or coprecipitates of lanthanum phosphate, cerium phosphate, and terbium phosphate	Gene Green (D-TX)
441 2001 (b) 95	To extend the temporary suspension of duty on certain manufacturing equipment	Bob Inglis (R-SC)
442 2001 (b) 96	To extend the temporary suspension of duty on certain manufacturing equipment	Bob Inglis (R-SC)
443 2001 (b) 97	To extend and modify the temporary reduction of duty on Sulfentrazone	Aaron Schock (R-IL)
444 2001 (b) 98	To extend the temporary suspension of duty on N-Ethyl-N-(3-sulfobenzyl)aniline (benzenesulfonic acid, 3-Y(ethylphenylamino)methyl?-)	Wm. Lacy Clay (D-MO)
445 2001 (b) 99	A bill to extend the temporary suspension of duty on an ultraviolet dye	Erik Paulsen (R-MN)
446 2001 (b) 100	A bill to extend the temporary suspension of duty on Deltamethrin	Jerry McNeerney (D-CA)
447 2001 (b) 101	A bill to extend the temporary suspension of duty on Bioallethrin	Jerry McNeerney (D-CA)
448 2001 (b) 102	A bill to extend the temporary suspension of duty on S-Bioallethrin	Jerry McNeerney (D-CA)
449 2001 (b) 103	A bill to extend the suspension of duty on Polyfunctional aziridine	Tim Murphy (R-PA)
450 2001 (b) 104	A bill to extend the suspension of duty on Desmodur RF-E	Tim Murphy (R-PA)
451 2001 (b) 105	A bill to extend the suspension of duty on Desmodur HL BA	Tim Murphy (R-PA)
452 2001 (b) 106	To extend the temporary suspension of duty on certain semi-manufactured forms of gold	Michael Simpson (R-ID)
453 2001 (b) 107	A bill to suspend temporarily the duty on 2,2-Dimethylbutanoic acid 3-(2,4-dichlorophenyl)-2-oxo-1-oxaspiro(4.5)dec-3-en-4-yl ester	Blaine Luetkemeyer (R-MO)
454 2001 (b) 108	A bill to extend the temporary suspension of duty on 4-Anilino-3-nitro-N-phenylbenzenesulphonamide	Kevin Brady (R-TX)
455 2001 (b) 109	A bill to extend the temporary suspension of duty on magnesium zinc aluminum hydroxide carbonate hydrate	Carolyn Maloney (D-NY)
456 2001 (b) 110	A bill to extend the temporary suspension of duty on Magnesium aluminum hydroxide carbonate hydrate	Carolyn Maloney (D-NY)
457 2001 (b) 111	A bill to extend the temporary suspension of duty on Direct Black 22	Melvin Watt (D-NC)
458 2001 (b) 112	A bill to suspend temporarily the duty on disperse blue 60	Melvin Watt (D-NC)
459 2001 (b) 113	A bill to suspend temporarily the duty on disperse blue 79:1	Melvin Watt (D-NC)
460 2001 (b) 114	A bill to suspend temporarily the duty on disperse orange 30	Melvin Watt (D-NC)
461 2001 (b) 115	A bill to suspend temporarily the duty on disperse red 60	Melvin Watt (D-NC)
462 2001 (b) 116	A bill to suspend temporarily the duty on disperse red 73	Melvin Watt (D-NC)
463 2001 (b) 117	A bill to suspend temporarily the duty on disperse red 167:1	Melvin Watt (D-NC)
464 2001 (b) 118	A bill to suspend temporarily the duty on disperse yellow 64	Melvin Watt (D-NC)
465 2001 (b) 119	A bill to extend the temporary suspension of duty on 2-(Isocyanatosulfonyl) benzoic acid, methyl ester	Shelley Moore-Capito (R-WV)
466 2001 (b) 120	A bill to suspend temporarily the duty on certain capers preserved by vinegar or acetic acid	Bill Pascrell (D-NJ)
467 2001 (b) 121	A bill to suspend temporarily the duty on certain capers preserved by vinegar or acetic acid	Bill Pascrell (D-NJ)
468 2001 (b) 122	A bill to suspend temporarily the duty on Frescolat MGA	Henry E. Brown Jr. (R-SC)
469 2001 (b) 123	A bill to extend the temporary suspension of duty on Paraquat dichloride (1,1'-dimethyl-4,4'-bipyridinium dichloride)	Sanford Bishop (D-GA)
470 2001 (b) 124	To extend the temporary suspension of duty on 4-Y(4-Aminophenyl)azo?benzenesulfonic acid	Wm. Lacy Clay (D-MO)
471 2001 (b) 125	A bill to extend the suspension of duty on TSME	Tim Murphy (R-PA)
472 2001 (b) 126	A bill to extend the temporary suspension of duty on 4-[[3-(Acetylaminophenyl)amino]-1-amino-9,10-dihydro- 9,10-dioxo-2-anthracenesulfonic acid, monosodium salt.	Melvin Watt (D-NC)
473 2001 (b) 127	A bill to extend the temporary suspension of duty on iron chloro-5,6-diamino-1,3-naphthalenedisulfonate complexes	Leonard Lance (R-NJ)
474 2001 (b) 128	A bill to extend the temporary suspension of duty on 2,6-dibromo-4-cyanophenyl octanoate/heptanoate	David Price (D-NC)
475 2001 (b) 129	A bill to extend the temporary suspension of duty on Trimethyl cyclo hexanol	Henry E. Brown Jr. (R-SC)
476 2001 (b) 130	A bill to extend the temporary suspension of duty on Methyl cinnamate	Henry E. Brown Jr. (R-SC)
477 2001 (b) 131	A bill to extend the temporary suspension of duty on o-tert-Butylcyclohexanol	Henry E. Brown Jr. (R-SC)
478 2001 (b) 132	To extend the temporary suspension of duty on yarn of carded cashmere of 19.35 metric yarn count or finer.	Joe Courtney (D-CT)
479 2001 (b) 133	To extend the temporary suspension of duty on Tetraethylthiuram Disulfide	Richard Neal (D-MA)
480 2001 (b) 134	To extend the temporary suspension of duty on Tetramethylthiuram Disulfide	Richard Neal (D-MA)
481 2001 (b) 135	To extend the temporary suspension of duty on fine animal hair of Kashmir (cashmere) goats	Joe Courtney (D-CT)
482 2001 (b) 136	To extend the temporary suspension of duty on Fipronil	Blaine Luetkemeyer (R-MO)
483 2001 (b) 137	To extend the suspension of duty on NOA 446510 Technical	Gene Green (D-TX)
484 2001 (b) 138	To extend the temporary suspension of duty on hydroxylamine	Kathy Dahlkemeyer (D-PA)
485 2001 (b) 139	To reduce temporarily the duty on PHBA	Patrick McHenry (R-NC)
486 2001 (b) 140	To extend the temporary suspension of duty on Thiamethoxam Technical	Michael Castle (R-DE)
487 2001 (b) 142	A bill to extend the temporary suspension of duty on Triadimefon	Emanuel Cleaver (D-MO)
488 2001 (b) 143	To extend the temporary suspension of duty on certain 12-volt batteries	Steve Israel (D-NY)
489 2001 (b) 144	A bill to reduce temporarily the duty on sorbic acid	Pete Sessions (R-TX)
490 2001 (b) 145	To extend the temporary suspension of duty on 3-Pentanone (Diethyl Ketone)	Blaine Luetkemeyer (R-MO)
491 2001 (b) 146	To extend the temporary suspension of duty on Ethoxyquin	Blaine Luetkemeyer (R-MO)
492 2001 (b) 147	To suspend temporarily the duty on Flumetralin Technical-2-chloro-N-Y2,6-dinitro-4-(tri-fluoromethyl)phenyl?-N-ethyl- -fluorobenzenemethanamine	Howard Coble (R-NC)
493 2001 (b) 149	To suspend temporarily the duty on a certain chemical	Jim Gerlach (R-PA)
494 2001 (b) 150	To extend and amend the temporary duty suspension on certain thin fiberglass sheets	Glenn "GT" Thompson (R-PA)
495 2001 (b) 151	To suspend temporarily the duty on Clomazone	Christopher John Lee (R-NY)
496 2001 (b) 152	To suspend temporarily the duty on Cyazofamid	Christopher John Lee (R-NY)
497 2001 (b) 153	To suspend temporarily the duty on Flonicamid	Christopher John Lee (R-NY)
498 2001 (b) 154	A bill to extend the suspension of duty on Desmodur BL XP 2468	Tim Murphy (R-PA)
499 2001 (b) 155	To extend the temporary suspension of duty on N,N-dimethylpiperidinium chloride	Sanford Bishop (D-GA)
500 3001 (a) 1	To extend the temporary suspension of duty on bitolylene diisocyanate (TODI).	Senate Proposal
501 3001 (a) 2	To extend the temporary suspension of duty on certain ski boots, cross country ski footwear, and snowboard boots	Senate Proposal
502 3001 (a) 3	To extend the temporary suspension of duty on hexythiazox technical	Senate Proposal
503 3001 (a) 4	To extend the temporary suspension of duty on lug bottom boots for use in fishing waders.	Senate Proposal
504 3001 (a) 5	To extend the suspension of duty on Avermectin B	Senate Proposal
505 3001 (a) 6	To renew the temporary suspension of duty on primsulfuron	Senate Proposal
506 3001 (a) 7	To extend the suspension of duty on mefenoxam technical	Senate Proposal
507 3001 (a) 8	To extend the suspension of duty on pymetrozine technical	Senate Proposal
508 3001 (a) 9	To extend the temporary suspension of duty on Terrazole	Senate Proposal
509 3001 (a) 10	To extend the temporary suspension of duty on 2-Mercaptoethanol	Senate Proposal
510 3001 (a) 11	To extend the temporary suspension of duty on Bifenazate	Senate Proposal

LIST OF LIMITED TARIFF BENEFITS AS DEFINED IN CLAUSE 9, RULE XXI—Continued

Section in H.R. 4380, as amended	Description of LTB	Name of member requesting
511 3001 (a) 12	To extend the temporary suspension of duty on phenyl isocyanate	Senate Proposal
512 3001 (a) 13	To extend the temporary suspension of duty on 2,3-Dichloronitrobenzene	Senate Proposal
513 3001 (a) 14	To extend the temporary suspension of duty on mixture used in ceramic arc tubes	Senate Proposal
514 3001 (a) 15	To extend the temporary suspension of duty on Solvent Red 227	Senate Proposal
515 3001 (a) 16	To extend the temporary suspension of duty on 2-Aminothiophenol	Senate Proposal
516 3001 (a) 17	A bill to extend the temporary suspension of duty on 3,4-Dimethoxybenzaldehyde	Senate Proposal
517 3001 (a) 18	A bill to extend the temporary suspension of duty on Propargite	Senate Proposal
518 3001 (a) 19	A bill to extend temporarily the suspension of duty on certain high tenacity rayon filament yarn	Senate Proposal
519 3001 (a) 20	A bill to extend temporarily the suspension of duty on certain high tenacity rayon filament yarn	Senate Proposal
520 3001 (a) 21	A bill to extend temporarily the suspension of duty on 4,N-Oxydiphthalic anhydride	Senate Proposal
521 3001 (a) 22	A bill to extend the temporary suspension of duty on triacetaminine	Senate Proposal
522 3001 (a) 23	A bill to extend the temporary suspension of duty on certain organic pigments and dyes	Senate Proposal
523 3001 (a) 24	A bill to extend the temporary suspension of duty on 4-Hexylresorcinol	Senate Proposal
524 3001 (a) 25	To extend the temporary suspension of duty on certain sensitizing dyes	Senate Proposal
525 3001 (a) 26	A bill to extend the temporary suspension of duty on mixtures of poly[[6-[(1,1,3,3-tetramethylbutyl)amino]-1,3,5-triazine-2,4-diyl] [2,2,6,6-tetramethyl-4-piperidinyl]imino]-1,6-hexanediyl[[2,2,6,6-tetramethyl-4-piperidinyl]imino]] and bis[2,2,6,6-tetramethyl-4-piperidinyl] sebacate.	Senate Proposal
526 3001 (a) 27	A bill to extend the temporary suspension of duty on diisopropyl succinate	Senate Proposal
527 3001 (a) 28	A bill to extend the temporary suspension of duty on p-chloroaniline	Senate Proposal
528 3001 (a) 29	A bill to extend the temporary suspension of duty on phenyl (4,6-dimethoxy-pyrimidin-2-yl) carbamate	Senate Proposal
529 3001 (a) 30	A bill to extend the temporary suspension of duty on (S)-cyano(3-phenoxyphenyl methyl (S)-4-chloro-a-(1-Methylethyl) Benzeneacetate	Senate Proposal
530 3001 (a) 31	A bill to extend the temporary suspension of duty on N,N-hexane-1,6-diylbis(3-(3,5-di-tert-butyl-4-hydroxy-phenyl)propionamide)	Senate Proposal
531 3001 (a) 32	A bill to extend the temporary suspension of duty on pentaerythritol tetrakis[3-(dodecylthio)propionate]	Senate Proposal
532 3001 (a) 33	A bill to extend the temporary suspension of duty on certain AC electric motors of an output exceeding 37.5 W but not exceeding 72 W	Senate Proposal
533 3001 (a) 34	A bill to renew the temporary suspension of duty on macroporous ion-exchange resin comprising a copolymer of styrene crosslinked with divinylbenzene, thiol functionalized.	Senate Proposal
534 3001 (a) 35	A bill to extend the temporary suspension of duty on Ipconazole	Senate Proposal
535 3001 (a) 36	A bill to suspend temporarily the duty on certain parts and accessories of measuring or checking instruments	Senate Proposal
536 3001 (a) 37	A bill to extend the temporary suspension of duty on certain children's products	Senate Proposal
537 3001 (a) 38	A bill to suspend temporarily the duty on certain subassemblies for measuring equipment for telecommunication	Senate Proposal
538 3001 (a) 39	A bill to extend temporarily the suspension of duty on BEPD70L	Senate Proposal
539 3001 (a) 40	A bill to extend temporarily the suspension of duty on Allyl Pentaerythritol	Senate Proposal
540 3001 (a) 41	A bill to extend temporarily the suspension of duty on Butyl Ethyl Propanediol	Senate Proposal
541 3001 (a) 42	A bill to extend temporarily the suspension of duty on DiTMP	Senate Proposal
542 3001 (a) 43	A bill to extend temporarily the suspension of duty on Polyol R6405	Senate Proposal
543 3001 (a) 44	A bill to extend temporarily the suspension of duty on TMP Diallyl Ether	Senate Proposal
544 3001 (a) 45	A bill to extend temporarily the suspension of duty on TMP Monoallyl Ether	Senate Proposal
545 3001 (a) 46	A bill to extend temporarily the suspension of duty on Cyclic TMP Formal	Senate Proposal
546 3001 (a) 47	A bill to extend temporarily the suspension of duty on 1,8 Naphthalimide	Senate Proposal
547 3001 (a) 48	A bill to extend temporarily the suspension of duty on Acetoacet-p-Anisidine	Senate Proposal
548 3001 (a) 49	A bill to extend temporarily the suspension of duty on Pigment Green 7 Crude	Senate Proposal
549 3001 (a) 50	A bill to extend temporarily the suspension of duty on p-Amino Benzamide	Senate Proposal
550 3001 (a) 51	A bill to extend temporarily the suspension of duty on Basic Red 1:1	Senate Proposal
551 3001 (a) 52	A bill to extend temporarily the suspension of duty on p-Chloro-o-Nitro Aniline	Senate Proposal
552 3001 (a) 53	A bill to extend temporarily the suspension of duty on Boltom H2003, H2004, H2100, H3100, H311	Senate Proposal
553 3001 (a) 54	A bill to extend temporarily the suspension of duty on Boltom H20, H30, H40, H2085	Senate Proposal
554 3001 (a) 55	A bill to extend temporarily the suspension of duty on p-Toluene Sulfonyl Chloride	Senate Proposal
555 3001 (a) 56	A bill to extend temporarily the suspension of duty on Trimethylolpropane Oxetane	Senate Proposal
556 3001 (a) 57	A bill to extend the temporary suspension of duty on 1,3-bis(4-Aminophenoxy)benzene	Senate Proposal
557 3001 (a) 58	A bill to extend temporarily the suspension of duty on alpha Oxy Naphthoic Acid	Senate Proposal
558 3001 (a) 59	A bill to extend temporarily the suspension of duty on Acetoacet-o-Chloro Anilide	Senate Proposal
559 3001 (a) 60	A bill to extend temporarily the suspension of duty on 3 Chloro 4 Methyl Aniline	Senate Proposal
560 3001 (a) 61	A bill to extend the temporary suspension of duty on aqueous catalytic preparations based on iron (III) toluenesulfonate	Senate Proposal
561 3001 (a) 62	A bill to extend the temporary suspension of duty on 3,4-Ethylenedioxythiophene	Senate Proposal
562 3001 (a) 63	A bill to extend the temporary suspension of duty on aqueous dispersions of poly(3,4-ethylenedioxythiophene) poly(styrenesulfonate) (cationic), whether or not containing binder resin and organic solvent.	Senate Proposal
563 3001 (a) 64	A bill to extend the temporary suspension of duty on certain synthetic filament yarns	Senate Proposal
564 3001 (a) 65	To extend the temporary suspension of duty on certain untwisted filament yarns	Senate Proposal
565 3001 (a) 66	To extend the temporary suspension of duty on volleyballs	Senate Proposal
566 3001 (a) 67	To extend the temporary suspension of duty on leather basketballs	Senate Proposal
567 3001 (a) 68	To extend temporarily the suspension of duty on Rheno-gran TP-50	Senate Proposal
568 3001 (a) 69	To extend temporarily the suspension of duty on Rheno-gran Geni-plex-70	Senate Proposal
569 3001 (a) 70	To extend temporarily the suspension of duty on Rheno-gran Diuron-80	Senate Proposal
570 3001 (a) 71	To extend the temporary suspension of duty on Rheno-gran CLD-80	Senate Proposal
571 3001 (a) 72	To extend temporarily the suspension of duty on RC Retarder 1092	Senate Proposal
572 3001 (a) 73	To extend temporarily the suspension of duty on Thermostatizer KL3-2049	Senate Proposal
573 3001 (a) 74	To extend the temporary suspension of duty on 2-Naphthalenesulfonic acid, 7-[(5-chloro-2,6-difluoro-4-pyrimidinyl)amino]-4-hydroxy-3-[(4-methoxy-2-sulfonyl)azo]-, sodium salt.	Senate Proposal
574 3001 (a) 75	To extend the temporary suspension of duty on 3-Pyridinecarbonitrile, 5-[(2-cyano-4-nitrophenyl)azo]-2-[(2-hydroxyethoxy)ethyl] amino]-4-methyl-6-(phenylamino)-.	Senate Proposal
575 3001 (a) 76	To extend the temporary suspension of duty on Acetic acid, cyano[3-[(6-methoxy-2-benzothiazolyl)amino]-1H-indol-1-yl idene]-, pentyl ester	Senate Proposal
576 3001 (a) 77	To extend the temporary suspension of duty on Benzenesulfonic acid, [(9,10-dihydro-9,10-dioxo-1,4-anthracenediyl) bis[imino(3-(2-methylpropyl)-3,1-propanediyl)]bis-, disodium salt.	Senate Proposal
577 3001 (a) 78	To extend the temporary suspension of duty on Acetic acid, [4-(2,6-dihydro-2,6-dioxo-7-phenylbenzo[1,2-b:4,5-b'] difuran -3-yl)phenoxy]-, 2-ethoxyethyl ester	Senate Proposal
578 3001 (a) 79	To extend the temporary suspension of duty on 9,10-Anthracenedione, 1,8-dihydroxy-4-nitro-5-(phenylamino)-	Senate Proposal
579 3001 (a) 80	To extend the temporary suspension of duty on Chromate(2-), [2,4-dihydro-4-[(2-hydroxy-kO)-4-nitrophenyl] azo-kN1]-5-methyl-3H-pyrazol-3-onato(2-)-kO3[3-[[4,5-dihydro-3- methyl-1-(4-methylphenyl)-5-(oxo-kO)-1H-pyrazol-4-yl]azo-kN1]-4-(hydroxy-kO)-5-nitrobenzenesulfonate(3-)]-, disodium.	Senate Proposal
580 3001 (a) 81	To extend the temporary suspension of duty on 9,10-Anthracenedione, 1,8-bis(phenylthio)-	Senate Proposal
581 3001 (a) 82	To extend the temporary suspension of duty on 2,7-Naphthalenedisulfonic acid, 4-amino-3,6-bis[[5-[4-chloro-6-[methyl(2-(methylamino)-2-oxoethyl)amino]-1,3,5-triazin-2-yl]amino]-2-sulfonyl]azo]-5-hydroxy-, lithium potassium sodium salt.	Senate Proposal
582 3001 (a) 83	To extend the temporary suspension of duty on certain footwear	Senate Proposal
583 3001 (a) 84	To extend the temporary suspension of duty on certain footwear	Senate Proposal
584 3001 (a) 85	To modify and extend the temporary suspension of duty on certain emergency illumination lights designed for use in aircraft	Senate Proposal
585 3001 (a) 86	To modify and extend the temporary suspension of duty on certain seals designed for use in aircraft	Senate Proposal
586 3001 (a) 87	To extend the temporary suspension of duty on marine sextants of metal designed for use in navigating by celestial bodies	Senate Proposal
587 3001 (a) 88	To extend and modify the temporary suspension of duty on certain women's footwear, valued over \$23/pair, covering the ankle, whose height from the bottom of the outer sole to the top of the upper does not exceed 8 inches, with a coated or laminated textile fabric.	Senate Proposal
588 3001 (a) 89	To extend and modify the temporary suspension of duty on certain women's footwear, valued over \$23/pair, not covering the ankle, with a coated or laminated textile fabric.	Senate Proposal
589 3001 (a) 90	To extend the temporary suspension of duty on 1,3,6-Naphthalenetrisulfonic acid, 7-[[2-[(aminocarbonyl)amino]-4-[[4-[4-[2-[[4-[[3-[(aminocarbonyl)amino]-4-[(3,6,8-trisulfo-2-naphthalenyl)azo]phenyl]amino]-6-chloro-1,3,5-triazin-2-yl]amino]ethyl]-1-piperazinyl]-chloro-1,3,5-triazin-2-yl]amino]phenyl]azo]-, lithium potassium sodium salt)-.	Senate Proposal
590 3001 (a) 91	To extend the temporary suspension of duty on 2,7-Naphthalenedisulfonic acid, 5-[[4-chloro-6-[(3-sulfonyl)amino]-1,3,5-triazin-2-yl]amino]-4-hydroxy-3-[[4-[[2-(sulfonyl)ethyl]sulfonyl]phenyl]azo]-, sodium salt.	Senate Proposal
591 3001 (a) 92	To extend the temporary suspension of duty on Ethanesulfonic acid, 2-[[[2,5-dichloro-4-[(2-methyl-1H-indol-3-yl)azo]phenyl]sulfonyl]amino]-, monosodium salt	Senate Proposal
592 3001 (a) 93	To extend the temporary suspension of duty on certain decorative plates, sculptures, and plaques	Senate Proposal
593 3001 (a) 94	To extend the temporary suspension of duty on 1,10-diaminodecane	Senate Proposal
594 3001 (a) 95	To extend the temporary suspension of duty on methy methoxyacetate	Senate Proposal
595 3001 (a) 96	To extend temporarily the reduction of duty on certain pesticide chemical	Senate Proposal
596 3001 (a) 97	To extend temporarily the suspension of duty on 2,2-(6-(4-methoxypheno)-1,3,5-triazine-2,4-diyl)bis(5-((2-ethylhexyl)oxy)phenol)	Senate Proposal
597 3001 (a) 98	To extend temporarily the suspension of duty on 2,2-Methylenebis[6-(2Hbenzotriazolyl-2-yl)-4-(1,1,3,3-tetramethylbutylphenol)phenol]	Senate Proposal
598 3001 (a) 99	To extend temporarily the suspension of duty on Butralin.	Senate Proposal
599 3001 (a) 100	To extend the temporary suspension of duty on diphenyl (2,4,6-trimethylbenzoyl) phosphine oxide	Senate Proposal
600 3001 (a) 102	To modify and extend the temporary suspension of duty on certain vacuum relief valves designed for use in aircraft	Senate Proposal
601 3001 (b) 1	A bill to extend the temporary reduction of the duty on certain textured rolled glass sheets	Senate Proposal
602 3001 (b) 2	A bill to extend the temporary suspension of duty on pyridaben technical.	Senate Proposal
603 3001 (b) 3	A bill to extend the suspension of duty on cloquintocet-mexyl.	Senate Proposal

LIST OF LIMITED TARIFF BENEFITS AS DEFINED IN CLAUSE 9, RULE XXI—Continued

Section in H.R. 4380, as amended		Description of LTB	Name of member requesting
604	3001 (b) 4	A bill to modify and extend the suspension of duty on clodinafop-propargyl	Senate Proposal
605	3001 (b) 5	A bill to modify and extend the suspension of duty on fludioxinil technical	Senate Proposal
606	3001 (b) 6	A bill to modify and extend the suspension of duty on pinoxaden	Senate Proposal
607	3001 (b) 7	A bill to modify and extend the suspension of duty on azoxystrobin	Senate Proposal
608	3001 (b) 8	A bill to extend the suspension of duty on cyproconazole technical	Senate Proposal
609	3001 (b) 9	A bill to extend temporarily the suspension of duty on mixed xyliidines	Senate Proposal
610	3001 (b) 10	A bill to extend the temporary suspension of duty on glass bulbs, designed for sprinkler systems and other release devices	Senate Proposal
611	3001 (b) 11	A bill to extend and modify the temporary suspension of duty on golf bag bodies made of woven fabrics of nylon or polyester sewn together with pockets, and dividers or graphite protectors, accompanied with rainhoods	Senate Proposal
612	3001 (b) 12	A bill to reduce temporarily the rate of duty on Methyl N-(2-[[1-(4-chlorophenyl)-1H-pyrazol-3-yl]-oxymethyl] phenyl)-N-methoxycarbanose	Senate Proposal
613	3001 (b) 13	A bill to extend the temporary duty suspension on certain pepperoncini prepared or preserved otherwise than by vinegar	Senate Proposal
614	3001 (b) 14	A bill to extend the temporary duty reduction on certain pepperoncini prepared or preserved by vinegar	Senate Proposal
615	3001 (b) 15	A bill to extend the temporary suspension of duty on 2-(isocyanatosulfonyl)benzoic acid, ethyl ester	Senate Proposal
616	3001 (b) 16	A bill to extend the temporary suspension of duty on certain rayon staple fibers	Senate Proposal
617	3001 (b) 17	A bill to extend the reduction of duty on Azoxystrobin	Senate Proposal
618	3001 (b) 18	A bill to suspend temporarily the duty on certain educational toys or devices	Senate Proposal
619	3001 (b) 19	A bill to extend the temporary suspension of duty on certain bags for toys	Senate Proposal
620	3001 (b) 20	A bill to extend and modify the temporary reduction of duty on artichokes, prepared or preserved by vinegar or acetic acid	Senate Proposal
621	3001 (b) 21	A bill to extend the temporary reduction of duty on artichokes, prepared or preserved otherwise than by vinegar or acetic acid, not frozen	Senate Proposal
622	3001 (b) 22	A bill to modify and extend the temporary suspension of duty on certain cases or containers to be used for electronic drawing toys, electronic games, or educational toys	Senate Proposal
623	3001 (b) 23	To extend the temporary reduction of duty on basketballs other than leather or rubber	Senate Proposal
624	3001 (b) 24	To extend and modify temporarily the suspension of duty on Methylionone	Senate Proposal
625	3001 (b) 25	To extend the temporary suspension of duty on certain children's footwear	Senate Proposal
626	3001 (b) 26	To extend the temporary suspension of duty on certain men's footwear	Senate Proposal
627	3001 (b) 27	To extend the temporary suspension of duty on certain children's footwear	Senate Proposal
628	3001 (b) 29	To extend the temporary reduction of duty on rubber basketballs	Senate Proposal
629	3001 (b) 30	To extend and modify the temporary suspension of duty on certain women's footwear, valued over \$23/pair, with a coated or laminated textile fabric	Senate Proposal
630	3001 (b) 31	To extend and modify the temporary suspension of duty on certain men's footwear, valued over \$23/pair, with a coated or laminated textile fabric	Senate Proposal
631	3001 (b) 32	To extend and modify the temporary suspension of duty on certain men's footwear, valued over \$23/pair, whose height from the bottom of the outer sole to the top of the upper does not exceed 8 inches, with a coated or laminated textile fabric	Senate Proposal
632	3001 (b) 33	To extend and modify the temporary suspension of duty on certain women's footwear, valued over \$23/pair, covering the ankle, with a coated or laminated textile fabric	Senate Proposal
633	3001 (b) 34	To extend the temporary suspension of duty on certain music boxes	Senate Proposal
634	3001 (b) 35	To extend temporarily the reduction of duty on certain acetamidrid, whether or not combined with application adjuvants	Senate Proposal
635	3001 (b) 36	To extend temporarily the suspension of duty on erasers of vulcanized rubber other than hard rubber or cellular rubber	Senate Proposal
636	3001 (b) 37	To extend temporarily the suspension of duty on electrically operated pencil sharpeners	Senate Proposal
637	3001 (b) 38	A bill to extend the temporary suspension of duty on certain AC electric motors of an output exceeding 74.6 W but not exceeding 85 W	Senate Proposal

EXTENSIONS OF REMARKS

HONORING MAGNOLIA MOUND
PLANTATION

HON. BILL CASSIDY

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. CASSIDY. Madam Speaker, I rise today in honor of the Magnolia Mound Plantation located in the City of Baton Rouge in Louisiana's Sixth Congressional District. It gives me great pleasure to announce that as of May 10th, 2010 the Plantation has achieved national accreditation by the American Association of Museums, joining an impressive and elite group of only 778 institutions around the country to achieve this distinguished accreditation.

Magnolia Mound Plantation has successfully demonstrated that it meets the high standards established by the accreditation program and the museum field. It has done this through its completion of a rigorous process of self study and reviews by a visiting committee of its peers and the Accreditation Commission. The accreditation process certifies a museum's commitment to excellence and professional standards of operation.

Located in Baton Rouge, the capital of Louisiana, Magnolia Mound Plantation is a rare survivor of architecture influenced by early settlers from France and the West Indies. This landmark is unique in southern Louisiana not simply because of its age, quality of restoration, or outstanding collections, but because it is still a vital part of the community. Through educational programs, workshops, lectures, festivals, and other special events, Magnolia Mound's mission is to illustrate and interpret the lifestyle of the French Creoles who formed the fascinating culture which still influences and pervades life in southern Louisiana today. With this accreditation, I can only hope that Magnolia Mound Plantation will continue to be an asset to our community.

A GENOCIDE SURVIVOR STORY:
HAROUTIOUN ANDONIAN

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. SCHIFF. Madam Speaker, I rise today to memorialize and record a courageous story of survival of the Armenian Genocide. The Armenian Genocide, perpetrated by the Ottoman Empire from 1915 to 1923, resulted in the death of 1.5 million Armenian men, women, and children. As the U.S. Ambassador to the Ottoman Empire Henry Morgenthau documented at the time, it was a campaign of "race extermination."

The campaign to annihilate the Armenian people failed, as illustrated by the proud Ar-

menian nation and prosperous diaspora. It is difficult if not impossible to find an Armenian family not touched by the genocide, and while there are some survivors still with us, it is imperative that we record their stories. Through the Armenian Genocide Congressional Record Project, I hope to document the harrowing stories of the survivors in an effort to preserve their accounts and to help educate the Members of Congress now and in the future of the necessity of recognizing the Armenian Genocide.

This is one of those stories:

(Submitted by Nareg Krumian, the grandson of Haroutioun Andonian)

"Haroutioun Andonian was born in Gurun, Turkey in 1909 and grew up with his father, mother, grandmother and younger sister. At the age of 6, his father and mother were separated from him, his sister and his grandmother. His father was arrested by Turkish soldiers and his mother was taken away. He still remembers a line of people bound to each other at their wrists and being marched away from his village. Among them was Haroutioun's father, whom he never saw afterwards. He never saw his mother again either. He was rounded up with his sister, grandmother and other neighbors by another group of soldiers and taken away to various cities and villages. By the time they reached Aintab (presently called Gaziantep), his sister and grandmother were too weak from hunger and the forced marches that they lost their lives as well.

"In Aintab, various Armenian, American and European aid workers tried to contain the situation of children left without family. The orphans were disbursed to various Armenian and Turkish homes throughout the villages of Aintab. Haroutioun remembers the name of Balaban Khoja, a teacher, who was instrumental in placing the orphans with families who wanted children. After going through several homes, Haroutioun lived with a lady who would later become his mother-in-law.

"Around the time he was 10 years old, American and Danish missionaries began taking the children to orphanages in Lebanon and the U.S. Haroutioun was sent to Jbeil, a city in northern Lebanon, where he stayed until around 1925 when he was sent to France through the aid of the American charity Near East Relief. For a few years, he worked on a farm and later went to Paris to work at the Renault factory where he was responsible for chroming metal components.

"In the early 1930s, Haroutioun found out that the lady who had cared for him last as a child in Aintab had herself been forced to evacuate her village with her family and was living in Aleppo, Syria. He went to Syria, began working in various fields such as trading in cloth and yarn, and managing Turkish baths that were still prevalent during that period. He also married his host mother's daughter, Marie, with whom he had one daughter, Alice.

"Haroutioun and Marie left Syria for the last time in 1987 and came to Los Angeles to join their daughter and her family. In 2002, he became a U.S. citizen and shared a letter

with the judge presiding over the procedure that he had kept for over 70 years. The letter was from the Near East Relief thanking Haroutioun for paying back funds he had borrowed during his journey to France. Though not obligated to do so, Haroutioun had felt that re-paying into the fund would allow other unfortunate people with the opportunity to rebuild their lives. To this day, he maintains that the government of Turkey and its soldiers took away his ability to know what it was to have a family but that today, living in the United States at the age of 101 amid his two grandchildren and six great grandchildren, he has become a king who has everything."

TRIBUTE TO VIOLA AND SYLVAN
MEILING

HON. TOM LATHAM

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. LATHAM. Madam Speaker, I rise today to honor and congratulate Viola and Sylvan Meiling of Forest City who will be receiving the USDA Rural Development's Housing Manager of the Year Award. The couple was recently chosen by the USDA to receive this award for their five outstanding years of performance as managers of Forest City's Community Plaza Apartments.

Community Plaza was built in 1986 as a 24 unit family property. The building was financed through the USDA's Rural Rental Housing Section 515 Direct Loan Program, which provides affordable housing to moderate, low and very low income households. Shortly after its construction, the complex was experiencing high vacancy rates and was in generally poor, rapidly deteriorating physical condition. Viola and Sylvan Meiling were hired under the current owner in 2003. The semi-retired couple, with no previous property management experience, immediately went to work to improve the lives of the property's occupants. The Meilings have earned the respect of residents through their commitment to provide the community with a clean, safe and well maintained environment for families in need of affordable housing.

Madam Speaker, individuals such as Viola and Sylvan Meiling must be recognized and applauded for their sincere dedication to improving and maintaining a healthy community and for their positive impact on the lives of others. I am proud to represent them in the United States Congress.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

TRIBUTE TO KIDNEY DISEASE
AWARENESS WEEK

HON. WILLIAM L. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. OWENS. Madam Speaker, I rise today to honor the American Nephrology Nurses Association as well as all those involved in the annual Kidney Disease Awareness Week, which will take place this year from August 9th through August 13th.

There are over 400,000 Americans who have irreversible kidney failure, and the only treatment for this disease is dialysis or kidney transplantation. However, transplants are limited due to the shortage of donors, and the majority of patients who suffer from this forgotten ailment must undergo regular dialysis treatments.

The leading causes of end-stage kidney disease (ESRD), a disease that 24,000 New Yorkers suffer from, are hypertension and diabetes. An additional 15,000 people in my State suffer from these two ailments and are at risk of ESRD. Despite these staggering numbers, debilitating kidney diseases are typically forgotten.

Our area nephrology nurses play a fundamental role in providing our sick with dialysis and related treatments in my community and across the entire country. I applaud them for their efforts to contribute to the overall health of our nation.

Madam Speaker, I thank the American Nephrology Nurses Association for their work to treat these diseases and urge every American to observe Kidney Disease Awareness Week this August.

HONORING THE OPERATION LOBSTER DINNER AND OUR MILITARY PERSONNEL

HON. JOE COURTNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. COURTNEY. Madam Speaker, I rise today to honor an extraordinary event and the many people and organizations that have helped make it happen. This year in Groton, Connecticut, Grossman's Seafood will host its second annual "Operation Lobster Dinner" on July 18, 2010, for military personnel and their families.

This event provides local military families with 600 lobster dinners free of charge. These families will enjoy not only the dinner, but entertainment and a variety of activities for the children in attendance. The event is also a fundraiser for Work Vessels for Veterans, an effective organization that seeks to help returning servicemen and women start or restart their careers after fulfilling their military duties by donating boats and other vehicles to be used for those purposes.

"Operation Lobster Dinner" is a sterling example of the true sense of community in the Groton area for the military families who are based in our state. These brave Americans

spend countless weeks and months away from their loved ones and put their lives on the line in defense of our freedom. We can never do enough to thank these true patriots, but "Operation Lobster Dinner" provides a unique opportunity for these folks to sit back and enjoy a delicious meal.

I also want to highlight the role of Captain Marc Denno and the Sub Base New London in contributing to this special dinner. I look forward to attending this event and joining with the sponsors and countless volunteers who help make it possible. I ask my colleagues to join me in honoring Grossman's Seafood for their generosity.

EXPRESSING SUPPORT FOR THE
PEOPLE OF GUATEMALA, HONDURAS
AND EL SALVADOR

HON. BRIAN P. BILBRAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. BILBRAY. Madam Speaker, as Chairman of the Central America Caucus, I would like to extend my sincerest condolences to the people of Guatemala, Honduras and El Salvador for their suffering as a result of the devastating effects of Tropical Storm Agatha. Beginning on May 29, 2010, Tropical Storm Agatha left a wake of death and destruction in its path through Central America, leaving more than 200 people dead and almost 100,000 people displaced into shelters by this devastation.

As a San Diegan, I am no stranger to how devastating natural disasters can be. In October 2007, 400,000 acres burned across our county while more than 1 million individuals were evacuated from their homes and more than 115 firefighters were injured while fighting to contain the fires. Any natural disaster tests the resolve of a community so our thoughts and prayers go out to all those affected by Tropical Storm Agatha.

In addition to affecting the long term functionality and prosperity of Guatemala, Honduras and El Salvador, Tropical Storm Agatha has also severely affected the countries' critical and physical infrastructures, damaging buildings as well as water and sanitation systems, and agricultural stock.

It is a testament to the generosity of the American people as well as the innate goodness of human nature that so much aid from both American and international organizations have contributed to the relief efforts of Tropical Storm Agatha. I am proud to report that the United States has participated in providing relief supplies while governments and humanitarian organizations globally have contributed millions of dollars in relief funds.

I would like to reiterate the profound sympathy we have for those affected by Tropical Storm Agatha, as well as laud their perseverance and progress in recovery. I urge the United States to continue to assist their recovery efforts, both in the short as a well as the long term. Our thoughts and prayers are with those affected, and for these reasons I ask my colleagues to support the underlying resolution.

HONORING THE CONTRIBUTIONS
OF FOOD BANKS AND FOOD PANTRIES

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. WOLF. Madam Speaker, I rise today to recognize the important work of food banks and food pantries in the 10th District of Virginia and their hard work and dedication to serving their communities.

Serving Fairfax County are Food for Others, SHARE of McLean, and Reston Interfaith. In Loudoun County are Loudoun Interfaith Relief, LINK, Seven Loaves, Tree of Life, and Guilford Food Pantry. In Prince William County is SERVE Inc. In Fauquier County is Fauquier Food Bank. In the Shenandoah Valley is Lord Fairfax Food Bank. Without the devoted workers who generously volunteer their time and efforts to feeding the community, countless individuals would go hungry each day.

I commend all of the volunteers and staff for their tireless commitment and service to those who are unable to make ends meet and put food on the table. I also commend the partnership that has developed between local grocery stores and food banks and food pantries to make available leftover and unused food, and I also thank those in the community who donate food to fill food pantry shelves.

TRIBUTE TO GOLDIE MICHALEK
HOLDEN

HON. TOM LATHAM

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. LATHAM. Madam Speaker, I rise today to congratulate Goldie Michalek Holden of Mason City, Iowa, on the celebration of her 100th birthday on November 18, 2010.

Goldie has made a resounding difference in her community. For over forty years, Goldie was a first grade teacher in Mason City where she worked with many disadvantaged children. Goldie also taught Head Start, a program set up for students who learned English as a second language. When she retired, she left as principal at McKinley School.

She was married for the first time at the age of 71 to Arthur Holden. Although Goldie does not have any children of her own, she is surrounded by many loved ones: five step children, 14 step grandchildren, and 2 step great-grandchildren, four nieces and nephews and eight great-nieces and nephews.

There have been many changes that have occurred during the past one hundred years. Since Goldie's birth we have revolutionized air travel and walked on the moon. We have invented the television and the Internet. We have fought in wars overseas, seen the rise and fall of Soviet communism and the birth of new democracies. Goldie has lived through eighteen United States Presidents and twenty-two Governors of Iowa. In her lifetime, the population of the United States has more than tripled.

I congratulate Goldie Michalek Holden for reaching this milestone of a birthday. I am extremely honored to represent Goldie in Congress, and I wish her happiness, health and many more dances in her future years.

CELEBRATING THE 60TH WEDDING
ANNIVERSARY OF ARMANDO
AND BETTY RODRIGUEZ

HON. JIM COSTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. COSTA. Madam Speaker, I rise today to pay tribute to Armando and Betty Rodriguez of Fresno, California, as they celebrate their 60th Wedding Anniversary.

Over the course of their journey of the past 60 years, Armando and Betty have demonstrated a loving devotion and enduring partnership that continues to make their marriage a true inspiration for others.

Armando and Betty Rodriguez were both born and raised in Fresno, California, and were traditional high school sweethearts, having eyes only for each other. They attended Edison High School and graduated in 1947. Three short years later, they were married and in 1952, Armando joined the United States Air Force, serving our Great Country for four years, including a tour of duty in Korea, where he served as a Morse Code operator.

After being discharged, Armando and Betty resided in Fresno, while he completed his studies at Fresno State. Always true partners, when Armando decided to pursue his Juris Doctorate degree, Betty supported both of them by working in a number of part-time jobs. Armando became an attorney and, in 1972, went on to become the first Hispanic elected to the Fresno County Board of Supervisors. With Betty's unwavering support, Armando helped open the judicial doors for many other Latinos when he was appointed by then Governor Jerry Brown as a Fresno County Superior Court Judge in 1975. Armando would go on to serve in his judicial capacity for twenty years.

Armando Rodriguez is known to be proud of the many "firsts" in his life—his first marriage in its 60th year; first lawyer to work for the California Rural Legal Assistance; first in his family to graduate from college; and one of the first to be elected as an adviser with el Instituto de los Mexicanos en el Exterior during Mexico President Vicente Fox's administration.

Betty Rodriguez has been equally active in their beloved Fresno community by helping to found the League of Mexican American Women, and participating in the Ladies Aid to Retarded Citizens, the League of Women Voters, the Mexican-American Political Association, Friends of the Library, and countless other organizations. Despite her seemingly endless commitments to the community, Betty has also been and remains, a devoted caretaker of the Rodriguez home throughout their 60 years of marriage.

Armando and Betty have become known as local Latino icons and continue to have a tremendous impact on their families, friends and

fellow community members. Furthermore, each has been a recipient of La Medalla Ohtli, the highest recognition that the Mexican government bestows on non-Mexican citizens and both were honored for their work with the Mexican Consulate, with Fresno's Sister City Torreon and with youth from Mexico.

Madam Speaker, I ask my colleagues to join me today in congratulating Armando and Betty Rodriguez on celebrating their 60th year of marriage, and expressing our hope that they are blessed with many more joyous years together.

RECOGNITION OF AUGUSTA L.
BEVERLY

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. PALLONE. Madam Speaker, I rise today in recognition of Augusta L. Beverly, a citizen of Neptune Township, New Jersey, who on July 25, 2010 will celebrate her 100th birthday. As her Representative, I would like to honor her remarkable life and her upcoming birthday.

"Gussie Louise," as Mrs. Beverly is affectionately known, has been an influential member of Neptune Township since 1982. She is an active member of the Neptune Senior Center where she participates in the Forever Young Club, the Neptune Seniors Club, ceramics classes, and many special events. Mrs. Beverly is one of the original members of the center and helped create many of the center's activities and groups.

Mrs. Beverly was born in 1910 in Jersey City, New Jersey to Otto and Katy Ludwig. She was taken from her parents in 1915 and separated from her two sisters, Ann and Barbara. An orphan by the age of six, Augusta had a difficult early life. She worked on a farm in Locktown and then served as a maid in Matawan and had little opportunity for education. After six challenging years, young Augusta was taken in by the Bennett family where she served as a companion for the elderly Mrs. Bennett. The family allowed young Augusta to go to school and travel with them. Augusta stayed with the Bennett family for 10 years.

In 1932, Mrs. Beverly met her future husband, Joseph Beverly, on the bridge next to the Old Grist Mill in Tinton Falls. After their marriage, the couple eventually settled in Eatontown where they had three children—Joseph, Norman, and Virginia. Mr. and Mrs. Beverly were happily married for 12 years until 1945 when Mr. Beverly lost his life fighting at the Battle of the Bulge. During the war, Mrs. Beverly epitomized "Rosie the Riveter" and worked at the Steiner's Factory in Long Branch and then worked the night shift for the Bendix Corporation. She remains very proud of this part of her life. After residing in Florida and then Pennsylvania, Mrs. Beverly moved back to New Jersey in 1981 where she could be near her children and grandchildren. She has made a lasting impression on all of their lives and now has nine great-grandchildren who love her very much. She is an adored family member and is an inspiration to her

community. It is wonderful that Mrs. Beverly will be celebrating her 100th birthday at the place that means the most to her, the Neptune Senior Center.

Madam Speaker, please join me in leading this body in acknowledging the extraordinary longevity of Augusta Beverly. She is a highly valued citizen of the state of New Jersey, and I am honored to commemorate her life today.

HONORING THE LODI ELECTRIC
UTILITY FOR 100 YEARS OF
SERVICE TO THE COMMUNITY

HON. JERRY MCNERNEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. MCNERNEY. Madam Speaker, I ask my colleagues to join me in celebrating the 100th anniversary of Lodi Electric Utility.

On July 1, 1910, Lodi Electric Utility began providing power to the residents of Lodi, California. Over the last century, their operations have expanded over thirty-fold. The department now provides power to 68,000 residents located in a fourteen square-mile area, an area which I am proud to represent.

What began in 1893 as the Bay City Gas, Water and Electric Works has become Lodi Electric Utility and has flourished under the auspices of the Lodi City Council to become one of the City's most significant departments and a member of the Northern California Power Agency. Lodi Electric Utility has grown over the last century and is a valued local service, with over 200 miles of distribution lines, 28,500 electric meters, and four electrical substations to serve the energy needs of the community.

I ask my colleagues to join me in congratulating Lodi Electric Utility for providing service to the Lodi community for the last 100 years.

RECOGNIZING IOWA CENTRAL
FUEL LABORATORY

HON. TOM LATHAM

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. LATHAM. Madam Speaker, I rise today to recognize Iowa Central Fuel Laboratory for being designated the first BQ-9000 testing laboratory for biodiesel fuel in the nation.

The goals of BQ-9000 include promoting commercial success and public acceptance of biodiesel and to help ensure that biodiesel fuel is produced to and maintained at the industry standard level. BQ-9000 also helps companies improve their fuel testing and helps reduce any chance of producing inadequate fuel.

I commend the Iowa Central Fuel Laboratory for achieving this honor. The work Iowa Central Fuel Laboratory does ensuring adequate, industry standard fuel is distributed is invaluable to the people of Iowa and to this nation. I am proud to have the Iowa Central Fuel Laboratory located within my district and wish them well as they continue their work.

SALUTING STANLEY GOLD

HON. KENDRICK B. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. MEEK of Florida. Madam Speaker, today I rise to salute Mr. Stanley Gold for his outstanding achievements within the United States Postal Service. Mr. Gold is currently a member of Miami Branch 146 and has served within the American Legion for decades. He is the highest Department of Florida legislative officer. Mr. Gold has also served in multiple legislative functions within the postal community.

In August 1966, as a member of the United Federation of Postal Clerks, Mr. Gold took the stand in front of the Civil Service and Post Office Committee. He laid out his support for H.R. 11434, which would provide for the immediate release of postal workers without loss of pay or leave should the Weather Bureau declare a hurricane warning. In addition, the bill required the Weather Bureau to provide appropriate notice when such a warning was lifted.

Alongside Pat Nilan, the then federation's national legislative director, Mr. Gold outlined how this legislation would protect not only postal workers in hurricane-ravaged Florida, but workers all across the nation. "We have to eliminate any kind of confusion within the postal work force," said Mr. Gold. "We must cut down on the unfair practices by some of our postmasters who do not take conditions in mind when leaving with the work force." Although the "Hurricane Bill" did not pass in the Senate, Mr. Gold continued to work continuously for the next 36 years to insure that there was some kind of movement with this critical issue. The victory Mr. Gold and others had long sought came in the form of a report inserted into the FY-02 postal appropriations bill. The report required the Postal Service to not have its carriers out in any kind of extreme weather. In addition, the workers would still be paid as normal, even though they would not necessarily be out on their routes. On January 2, 2002 President George W. Bush signed the bill into law. Mr. Gold's nearly 40 years of commitment and perseverance paid off in the long run.

Mr. Stanley Gold is an outstanding American worthy of our collective honor and appreciation. It is with deep respect and admiration that I commend Mr. Gold for his many years of service with the United States Postal Service and the American Legion.

HONORING LIEUTENANT COLONEL
MATTHEW SCHWIND**HON. STEPHEN F. LYNCH**

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. LYNCH. Madam Speaker, today I recognize and pay tribute to Lieutenant Colonel Matthew Schwind, United States Army, on the occasion of his transfer to the 101st Airborne Division, Air Assault, at Ft. Campbell, Ken-

tucky. I, and many other members of this chamber, have had the pleasure of working with him over the past three years that he has served as a part of the U.S. Army Office of Legislative Affairs and as a Liaison Officer in the Army Liaison Office in the U.S. House of Representatives.

Lieutenant Colonel Schwind enlisted in the United States Army in 1989, attended Basic Training, Advanced Individual Training, and served three years as an Aero-Scout Observer with the 101st Airborne Division, AASLT. In that time, he deployed with his unit to Operation Desert Shield/Desert Storm in 1991. After redeploying in 1991, he attended Officer Candidate School at Fort Benning, Georgia and was commissioned a Field Artillery Lieutenant on January 30, 1992.

The next day he married the former Darlene Hendrix of Columbia, Tennessee. They have been married over 18 years and have a daughter, Jennifer, and son, Dylan.

Through the years, LTC Schwind's assignments have taken him to Kentucky, Oklahoma, Hawaii, Virginia, Texas, Kansas, New York, and Washington, DC.

Lieutenant Colonel Schwind's deployments include Operation Desert Shield/Storm; Restore Hope, Haiti, IFOR, Bosnia; and Enduring Freedom, Afghanistan.

Matt is a graduate of the Aero-Scout Observer Course, the Air Assault School, the Field Artillery Officer Basic Course, Combined Logistics Captain's Career Course, Combined Arms and Staff Services School, and the Command and General Staff College. He has a Masters Degree in Logistics Management from the Florida Institute of Technology.

During his assignment to the Army House Liaison Office, Lieutenant Colonel Schwind developed outstanding rapport with senior Members of Congress and their staffs—both personal and committee. He was often a by-name request from committee chairmen to plan, coordinate, and escort their fact-finding and oversight delegations. He served as the Army representative on 20 congressional and staff delegations to locations within the continental United States, Iraq, Afghanistan, and other overseas locations.

Lieutenant Colonel Schwind leaves OCLL for Fort Campbell, Kentucky, this July. He will work on the staff of the 101st Sustainment Brigade, and then take command of the 426th Brigade Support Battalion in the summer of 2011.

Madam Speaker, I ask that my colleagues please join me in recognizing the outstanding accomplishments of Lieutenant Colonel Matthew Schwind in serving the United States Army and the Nation.

HONORING FRANK KAPPELER

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Ms. WOOLSEY. Madam Speaker, I rise today along with my colleague, Representative MIKE THOMPSON, to honor and pay tribute to Frank Kappeler, one of eight surviving members of "Doolittle's Raiders" who passed away

Wednesday, June 23, 2010 in Santa Rosa, California at the age of 96.

Lieutenant Colonel Kappeler was one of 79 U.S. Army Corps aviators who volunteered to fly the daring bombing mission over Japan for months after the surprise attack by the Japanese on Pearl Harbor.

Sixteen B-25 bombers and the men aboard launched from an aircraft carrier in the Pacific on April 18, 1942 and headed for Japan, knowing that they did not have enough fuel to return and even if they could get back, the large bombers were not able to land on the American carriers.

Lt. Col. Kappeler was the navigator on the No. 11 plane and was forced to bail out over China when the plane's engines stopped at 11,000 feet. Chinese partisans helped Lt. Col. Kappeler and his crew mates escape capture by Japanese forces.

He eventually escaped from China and spent the rest of WWII in the European theater, where he flew 53 combat missions.

He retired from the Air Force in 1966 as a Lieutenant Colonel.

The Doolittle Raid was a significant episode in the war in the Pacific because it demonstrated to both the American and Japanese people that Japan was not invincible and that American forces could and would strike the Japanese homeland.

All of the planes participating in the raid were lost and 11 crewmen were killed or captured.

Lt. Col. Kappeler is survived by his wife of 53 years, Betty Kappeler, his daughter, Francia Kappeler, and three grandchildren, all of Santa Rosa, California.

Madam Speaker, Lt. Col. Frank Kappeler is a true American hero who served his country with great distinction. It is therefore appropriate that we honor him today and send our condolences to his family.

IN HONOR OF FALLEN COAST
GUARD CREWMEMBERS**HON. BENNIE G. THOMPSON**

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. THOMPSON of Mississippi. Madam Speaker, it is with deep sadness that I rise today to express my condolences to the families and loved ones of the three Coast Guard crew members who died on July 7 after their helicopter crashed off the Pacific Northwest coast. Lt. Sean D. Krueger, Petty Officers Adam C. Hoke, and Brett M. Banks fully embraced the Coast Guard's mission as America's maritime guardian and they served our nation with high honor and distinction.

These three men were deeply respected by their colleagues and were the recipients of numerous Coast Guard awards and commendations. Their deaths serve as a reminder of the many risks that confront the men and women of the Coast Guard each day and why we owe them our sincere gratitude for their bravery, service, and sacrifice.

My thoughts and prayers are with the families of these heroic men as well as Lt. Lance D. Leone, the sole survivor of the crash.

During this difficult time, it is my hope that the families will find some comfort in knowing that their loved ones served their country with distinction and that they will be remembered in the hearts of the American people.

RECOGNIZING FAIRFAX COUNTY
PUBLIC SCHOOLS' NUTRITION
PROGRAM

HON. GERALD E. CONNOLLY

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. CONNOLLY of Virginia. Madam Speaker, I rise today to congratulate Fairfax County Public Schools on its nutrition program, which recently was named best in the country by the School Nutrition Association.

FCPS's Food and Nutrition Services Department is the largest child nutrition program in Virginia, serving approximately 140,000 customers each day at 238 schools and centers, 8 day cares and private schools, 15 senior citizen programs, 18 Meals-on-Wheels sites, 133 School-Age Child Care (SACC) programs, and 52 Family and Early Childhood Education Programs (Head Start).

The School Nutrition Association recognized FCPS's ability to handle this demanding task, noting its commitment to excellence in creating nutritious and appealing meals, implementing innovative nutrition education initiatives, developing a strong professional development program, and exercising superior financial management.

Under Fairfax's nutrition program, students participate in surveys to assist in the planning of meals and attend various tasting parties to help establish customer preferences. The popular "Give Me 5! Colors That Jive" program introduces students to new and unfamiliar fruits and vegetables each month, such as jicama, butternut squash and sweet potato wedges. The district also provides easily accessible nutrition statistics with every prepared meal.

Partnering with teachers, the Food and Nutrition Services staff hosts hundreds of nutrition education sessions each year in our local schools. They also reach into the community, hosting monthly nutrition classes for parents and seniors. Further, the district offers cooking classes for students and their families to emphasize the point that healthy eating starts at home.

In addition to the award, the School Nutrition Association presented FCPS with \$25,000 to expand its innovative nutrition programs.

Madam Speaker, I ask my colleagues to join me in congratulating Fairfax County Public Schools on this tremendous honor. As my colleagues know, providing our young people with nutritious meals and educating them about healthy eating habits provides them with the proper fuel for academic and lifelong success.

REMARKS ON THE ONE-YEAR AN-
NIVERSARY OF THE PASSING OF
MS. EVELYN COKE, A CHAMPION
FOR FAIR LABOR STANDARDS

HON. LINDA T. SÁNCHEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Ms. LINDA T. SÁNCHEZ of California. Madam Speaker, "I worked for 20 years taking care of people—making sure they had a warm bath or a hot meal—so they could have a decent life at home. Isn't that work important? By the wages, you wouldn't think we do an important job, but home care workers help people stay at home, close to their families. In some cases, we are their family."

So said Evelyn Coke, an American heroine who passed away one year ago, on July 9, 2009.

The fact that she died a champion for humanity is not surprising; those who knew Ms. Coke witnessed her strength and compassion for the men and women she cared for. As a home care worker, Ms. Coke struggled for more than 20 years to make ends meet, often working 70 hours a week for a mere seven dollars an hour. Despite her dedication, she was denied full compensation, including time-and-a-half for overtime.

Ms. Coke was among the more than two million workers, including many new Americans like her, who assist elders and people living with disabilities with activities of daily living such as getting in and out of bed, dressing and undressing, cooking and eating, toileting and bathing. Without people like Ms. Coke, many of our family members and friends would be unable to enjoy the autonomy and quality of life that we all hold dear.

Sadly, this essential workforce is excluded from the basic protections of the Fair Labor Standards Act. These poor working conditions hinder recruitment and retention which, in turn, negatively affect the quality of care that millions of Americans receive. Ms. Coke saw that in order to protect her family and the people she cared for, she had to stand up for change.

Driven by her belief that home care workers deserve the basic labor protections enjoyed by most American workers, Ms. Coke sued her employer for back wages. Unfortunately, in 2007, the Supreme Court denied her any compensation when it overturned the lower court's ruling. The Supreme Court held the Department of Labor's interpretation of "companionship" was reasonable and affirmed the exclusion of home care workers from minimum wage and overtime protections.

The Supreme Court also ruled that the Secretary of Labor had broad policy-making authority over the scope of "companionship" and could change its interpretation at any time. Given the anniversary that recently passed, I want to take this opportunity to stand up for workers and say: It is long past time to make that change.

There are several reasons why we must extend wage and overtime protections to home care workers: to help rebuild our vanishing middle class; to protect home care workers from exploitation; and, most importantly, to ensure that elders and individuals living with disabilities receive the highest quality of care.

Home care is one of the fastest growing workforces in our country, and we cannot afford to ignore the injustice facing these workers any longer. Last year, I led an effort, together with thirty-six of my congressional colleagues, to send a letter to U.S. Secretary of Labor Hilda Solis, urging her to make this issue a top priority for the Department.

In honor of the anniversary of Ms. Coke's passing, I make that request again.

Though Ms. Coke is no longer with us, we can still make things right for the millions of other workers like her. Please join me in this effort to make fair labor standards a reality for all Americans, including home care workers. It's the only way that we truly honor the legacy of Evelyn Coke.

CONGRATULATING AND HONORING
COACH TIM CAHILL FOR BEING
NAMED NATIONAL COACH OF
THE YEAR

HON. BEN CHANDLER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. CHANDLER. Madam Speaker, I stand before you today to honor the contributions of a Central Kentucky educator, Coach Tim Cahill. By promoting a positive attitude in his students, Coach Cahill has mentored countless high school students to excel in athletics, in education, and in life.

Coach Cahill started as a swimmer for Saint Xavier High School in Cincinnati. He received a degree in Special Education from the University of Cincinnati, and received a Masters in Education from Xavier University before choosing to be a swimming coach. He has pursued that passion for over thirty years.

Coach Cahill's record speaks for itself. He has coached 40 state champions, one National Champion, one U.S. World Team Member, seven Olympic Trial Qualifiers, and one Paralympic Champion. In 2005, he received the Balfour Coach of the Year award for all Kentucky High School Athletic Association Sports. He has been nominated for National Coach of the Year four times: 2005, 2006, 2007 and 2010. This year, he finally received that honor, becoming National Coach of the Year 2010.

In addition to coaching at an outstanding level, Mr. Cahill teaches in the College of Health Sciences at Eastern Kentucky University. He has also volunteered numerous hours with Special Olympics of Kentucky. He and his wife Judy have three children who all went on to swim at the collegiate level.

Coach Cahill was diagnosed with pancreatic and liver cancer in April of this year. True to his character, he is fighting the disease and working with the American Cancer Society to make a difference for others suffering from the disease. Thus far, Team Cahill has raised over \$13,500 dollars for the American Cancer Society.

Coach Cahill's passion for swimming extends beyond teaching his students to excel—he challenges all of us to make a positive difference in everything we do. Madam Speaker, please join me in recognizing the great

achievements, the generosity, and the resilient spirit of Coach Tim Cahill, truly an outstanding Kentuckian.

CONGRESS SHOULD SUPPORT
ETHANOL PRODUCTION

HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. DAVIS of Illinois. Madam Speaker, Members of Congress are working to remedy the current economic imbalance, immense unemployment, job creation and both domestic and international energy-based issues. As we look to the future; we must confront the many dimensions of these complex needs responsibly, to create solutions that will have a lasting positive benefit for America. I believe investing in renewable energy sources, including ethanol is an efficient and effective stimulus. Ethanol serves as an aid to meet energy policy goals by promoting domestic production of renewable energy, reducing greenhouse gas emissions and providing financial support for the agriculture sector.

Nationwide, ethanol has increased tax revenues for both State and local governments by over \$5 billion. Ethanol production and use today reduces greenhouse gas emissions compared to gasoline by 59 percent. According to the Congressional Budget Office report as of this July, the Argonne National Lab concluded corn-based ethanol produced 20 percent less greenhouse gas emissions in its life cycle compared to gasoline and petroleum diesel. Ethanol production contributed \$53.3 billion to the nation's Gross Domestic Product and created over 200,000 jobs in all sectors of the economy. The State of Illinois produces over 1.5 billion gallons of ethanol annually and is ranked third in ethanol production with 14 facilities. Just as ethanol has been a valuable tool for the State of Illinois, I strongly believe support for this renewable energy source can be a great benefit for the Nation.

Our current state of our economy is not sustainable. It is imperative we structure our energy infrastructure in a sustainable manner while simultaneously reducing our greenhouse gas emissions. Investing in ethanol and other renewable energy sources are an important piece of our Nation's economic and energy future.

OUR UNCONSCIONABLE NATIONAL
DEBT

HON. MIKE COFFMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. COFFMAN of Colorado. Madam Speaker, today our national debt is \$13,239,903,754,450.73.

On January 6, 2009, the start of the 111th Congress, the national debt was \$10,638,425,746,293.80.

This means the national debt has increased by \$2,601,478,007.93 so far this Congress.

This debt and its interest payments we are passing to our children and all future Americans.

HONORING BISHOP PAUL A.G.
STEWART, SR.

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. KILDEE. Madam Speaker, today I am honoring Bishop Paul A.G. Stewart, Sr. Bishop Stewart is the Presiding Prelate of the Michigan-Indiana Region, Third Episcopal District of the Christian Methodist Episcopal Church. The 52nd Session of the Michigan-Indiana Regional Annual Conference and Leadership School of the Mighty Thriving Third Episcopal District Christian Methodist Episcopal Church is being held in my hometown of Flint, Michigan this week. St. Peter Christian Methodist Episcopal Church under the leadership of Reverend William H. Bell, Jr. is hosting the event.

Bishop Paul A.G. Stewart, Sr. was elected the 50th Bishop of the Christian Methodist Episcopal Church in 1998. Upon his election and consecration he was assigned to the Fifth Episcopal District covering the states of Alabama and Florida.

In 2002, Bishop Stewart was assigned to the Third Episcopal District, presiding over the Southeast Missouri, Illinois and Wisconsin Region, the Michigan-Indiana Region and the Kansas-Missouri Region covering 10 Midwestern States. He has provided the leadership to erect six new churches, purchase six parsonages, renovate numerous churches, enable eight ministers to obtain their Masters of Divinity Degrees, enable three ministers to obtain their Doctor of Divinity Degrees, employ a part-time Director of Evangelism and increase the growth and development of Church Ministries. Bishop Stewart is the Chaplaincy Endorsing Agent of the CME Church; the Chair of the Phillips School of Theology Board of Trustees; Chair of the CME Pastors' Conference; Chair of the CME Annual Convocation; Chair of the Board of Personnel Services; Vice Chair of the Conference of National Black Churches and active with many religious and civic organizations. Married to M. Earline Stewart, they are parents to three children and have three grandchildren.

Madam Speaker, the conference theme this year is, "From Good to Great: The Jesus Challenge to Make Christian Discipleship a Top Priority." I welcome the Presiding Elders, clergy, staff, congregants, family and friends of the Michigan-Indiana Region to Flint and I pray that under the leadership of Bishop Stewart, the Christian Methodist Episcopal Church will continue to thrive and grow in the blessings of Our Lord and Savior, Jesus Christ.

RECOGNIZING CENTREVILLE, VA,
FOR BEING NAMED ONE OF
MONEY MAGAZINE'S "BEST
PLACES TO LIVE 2010"

HON. GERALD E. CONNOLLY

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. CONNOLLY of Virginia. Madam Speaker, I rise today, along with my colleague Rep. FRANK WOLF, to recognize the community of Centreville, VA, for recently being named one of Money Magazine's "Best Places to Live 2010." Centreville ranked number 30 among 100 small communities named best for families.

Money compiled its list of "Best Places to Live 2010" after reviewing hundreds of small communities across the United States with populations between 50,000 and 300,000 for family-friendly qualities. Economic strength, the quality of the schools, availability of affordable housing, overall safety, and community spirit were among the factors used to evaluate each city's quality of life. As one of the top 30 cities on the list, Centreville passed four rounds of appraisal, including one in which appraisers visited the community to form personal impressions and to interview its residents.

Centreville ranked highest amongst the four Virginia communities named to the list. The others were Alexandria, VA, at number 47, Chesapeake, VA, at number 85, and Suffolk, VA, at number 91. Location figured prominently in Centreville's ranking, as its 54,000 residents are in close proximity to our nation's capital and local attractions such as the National Air and Space Museum at Dulles International Airport, Manassas National Battlefield Park and the Bull Run and Shenandoah Mountains.

Madam Speaker, we ask that our colleagues join us in congratulating Centreville on receiving this designation and in encouraging its residents to continue upholding the high standards that earned them this honor. We also invite our colleagues to visit Centreville to see firsthand what makes this community special.

TRIBUTE TO IRIS DAVIS-WALKER

HON. KENDRICK B. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. MEEK of Florida. Madam Speaker, today I rise to pay tribute to the life and legacy of the late Ms. Iris Davis-Walker, a constituent in the Congressional district I represent. It is with both profound sadness, but also an enduring sense of gratitude that I recognize her for the tremendous inspiration she provided to the South Florida community.

Born in Howells Content, York Town, Clarendon, Ms. Davis-Walker was the only child from the union of William S. Davis and Clara Gayle. She was the youngest of four siblings. She received her early formal education in Clarendon, Jamaica W.I. where she

excelled as a seamstress and hairdresser. Before coming to the United States, Ms. Davis-Walker was an active political force in her native country of Jamaica. She often organized rallies and gathered support for various candidates.

Ms. Davis-Walker migrated to Brooklyn, New York, in the late 1960s. She began her professional career in the medical field and worked in several institutions such as the American Nursing Home and Cliffside Nursing Home. While in New York, Ms. Davis-Walker was a faithful member of the Church of God of Prophecy at Barby Street. She was in the inaugural graduating class of the Bible Training Institute, which was a three-year commitment. One of her proudest moments was becoming a licensed minister.

While in South Florida, Ms. Davis-Walker was a poll worker since 2000 and took immense pleasure in being on the ground floor of many Democratic victories in Broward County. She was especially proud when she witnessed the triumph of President Barack H. Obama, who she often called "My President."

Ms. Davis-Walker was blessed with a loving family who took pleasure in every aspect of her life and her interests. I offer my heartfelt condolences to her three children, Juleen Grant-Castillo (James), Bridgette Felix (Denfield), Raymond "Rayzor" Davis and a host of family members and friends.

Madam Speaker, I ask you and all the Members of this esteemed legislative body to join me in recognizing the extraordinary life and accomplishments of Ms. Iris Davis-Walker. She will be missed by all who knew her, and I appreciate this opportunity to pay tribute to her before the United States House of Representatives. While she will indeed be missed, her legacy, as well as the outstanding contributions she made to her church and the South Florida community will live on.

HONORING WILLIAM W. BACKUS
HOSPITAL AND DAY KIMBALL
HOSPITAL

HON. JOE COURTNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. COURTNEY. Madam Speaker, I rise today to recognize the exceptional patient care and service exemplified by two eastern Connecticut hospitals, William W. Backus Hospital and Day Kimball Hospital.

Located in Norwich and Putnam, these two hospitals have been providing quality health care to the residents of New London and Windham Counties for over 100 years. Founded in 1893, Backus Hospital operates the only trauma center in eastern Connecticut, and has the only facility with a hangar for LIFE STAR to transfer patients by air. This capability is extremely beneficial for the critically injured, and expedites transfers to trauma centers across the state.

Serving northeast Connecticut, Day Kimball Hospital maintains a unique partnership with UMass Memorial Medical Center in Worcester, MA, which allows it to stabilize and transport heart attack patients hours faster than the na-

tional average. This partnership in concert with the level of excellence in cardiac care at Day Kimball Hospital are extremely advantageous for Connecticut residents. With such resources and capabilities, these two hospitals make achieving outstanding patient satisfaction a top priority.

Recent data published by the Department of Health and Human Services illustrates the hospitals' strong commitment to patient care, with data showing that both hospitals are performing better than the national average in a number of areas. In these hospitals, patients with chest pains or potential heart attacks receive electrocardiograms over thirty minutes faster than the national average, and over 98 percent of cardiac patients are given aspirin within 24 hours of arrival.

Both William W. Backus Hospital and Day Kimball Hospital strive to further improve their already excellent level of patient care and satisfaction. I ask my colleagues to join me in acknowledging the benefit these two hospitals provide to the residents of Connecticut, and the example they set for other hospitals across the country.

CELEBRATING THE TRANSFER OF MAJOR CA-ASIA SHIELDS

HON. ELIJAH E. CUMMINGS

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. CUMMINGS. Madam Speaker, today, I recognize and pay tribute to Major Ca-Asia Shields, United States Army, on the occasion of her transfer to the Secretary of the Army's Strategy and Initiatives Group. I have had the great pleasure of working with her over the past three years that she has served with the Congress: first as my Defense Fellow and then as a Liaison Officer in the Army Liaison Office in the U.S. House of Representatives.

Major Shields has had a varied and distinguished Army career. She enlisted in the United States Army in February 1987 and served as an Administrative Specialist for 8 years in both active duty and reserve units. In May 1997, she was commissioned as a Second Lieutenant in the Military Police Corps, a branch of the Army of which she has always been proud to be a member.

Some of her major duty assignments include Platoon Leader and Company Executive Officer in the 58th Military Police Company, Schofield Barracks, Hawaii; S-3 Operations Officer, Headquarters Command Battalion, Fort Myer, Virginia; Adjutant, 759th Military Police Battalion, Fort Carson, Colorado; Company Commander, 984th Military Police Company; and Military Police Captains' Assignment Officer, Human Resources Command, Alexandria, VA.

Her combat experience included Operation Iraqi Freedom II, where she served as Company Commander of the 984th Military Police Company.

In 2008, she served as a Department of Defense Congressional Fellow in my office, primarily handling national security and veterans issues; but she took the lead in calling attention to Post Traumatic Stress Disorder among

returning troops; pushed for more contracting opportunities with the Department of Defense for service disabled owned businesses; and worked to form the Military Leadership Diversity Commission to promote the recruitment and development of minority officers in the Armed Forces. I was very impressed with Ca-Asia's intelligence and work ethic, qualities that were only exceeded by her dedication to our Country's service members and their families.

During her assignment to the Army House Liaison Office, Major Shields developed outstanding rapport with both members and staff in a variety of venues. She planned and escorted 11 congressional and staff delegations to locations within the continental United States and overseas. Her missions ranged from a two-day trip to Fort Lewis, Washington, with 40 staffers to a complicated two-week CODEL to China. She managed the Army-escorted trips for House members and staff to Walter Reed, personally escorting 25 delegations to visit Wounded Warriors. And, in coordination with the Congressional Black Caucus, she developed and conducted the first two Army-sponsored Black History Month events on Capitol Hill. Throughout all of these engagements, she has served as an outstanding representative for Soldiers and for Army values, and enhanced the Army's reputation with the United States Congress.

Major Shields is a graduate of Armstrong Atlantic State University with a BA in History and holds a Master's Degree in History Education from Old Dominion University.

I ask that my colleagues please join me in recognizing the outstanding accomplishments of Major Ca-Asia Shields in serving the United States Army and the Nation.

REMEMBERING REGINALD SMART

HON. TOM McCLINTOCK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. McCLINTOCK. Madam Speaker, I rise today in memory of Reginald Smart from Truckee, California.

Reg was born in Winnipeg, Canada in 1916. After immigrating to the United States and earning his U.S. citizenship, Reg enlisted in the U.S. Army and served his country during WWII working for Pan American Airlines facilitating the movement of U.S. troops and officials. He moved to Truckee in 1947 with his wife, and opened his own business, the Good Fellows Grotto. Over the next 63 years, Reg was a prominent member of the Truckee community: opening a second business, serving on the school board and in numerous community organizations, including being the oldest living Mason in Truckee Lodge No. 200.

Reg Smart's life was a true American story of an immigrant who loved and served his adopted country and was devoted to his family and community. Through his hard work and tireless dedication, he achieved a better life for himself, and undoubtedly improved the lives of everyone fortunate enough to know him.

PERSONAL EXPLANATION

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Ms. WOOLSEY. Madam Speaker, on June 23, 2010, I was unavoidably detained and was unable to record my vote for rollcall No. 384. Had I been present I would have voted: rollcall No. 384; "yes," Supporting the goals and ideals of National Hurricane Preparedness Week.

TRIBUTE TO DWIGHT D. THOMAS

HON. ROBERT B. ADERHOLT

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. ADERHOLT. Madam Speaker, I would like to recognize Dwight D. Thomas, who retired from the Alabama Department of Veterans Affairs on June 30, 2010. A gentleman from my home County of Winston who truly embodies the American principles of hard work, patriotism, dedication to one's family and service to one's community.

For the past twenty-two years and nine months, the veterans in Winston County, Alabama have had no better friend than Dwight Thomas. During that time he unselfishly served Winston County and the State of Alabama with great dedication and distinction. He worked tirelessly to ensure our veterans and their families received the benefits they had earned. His one driving goal was simply to help people.

Dwight was born in my hometown of Haleyville, Alabama in 1944. He is the son of the late C. D. and Vera Thomas. He is married to the former Trudy Gravitt and has two sons, Craig and Chad. He and his wife are active members of the Haleyville First United Methodist Church.

Dwight graduated from Haleyville High School in 1962 and continued his education at Walker College, receiving his Associate of Science degree in 1965. After school, he entered the United States Army and served from 1966 to 1968, serving in Vietnam from January 1967 to July 1968. He was honorably discharged in 1968 having reached the rank of Sergeant. While in the Army, he received the Army Commendation Medal, Good Conduct Medal, Meritorious Unit Citation, Vietnam Campaign Medal with "V" device, National Defense Service Medal and the Vietnam Service Medal.

Dwight has also been active with the local Boy Scout Troop 97, serving as Scoutmaster from 1969 to 1981 and is currently the institutional representative. He has served on the Haleyville City Council for two terms from 1980 to 1988. During that period he served as liaison to the Parks and Recreation Department and the Haleyville Fire Department and was instrumental in the construction of a new fire station. Currently, Dwight is the Commander of VFW Post 4543 and has held every office in the VFW at the local and district level.

Madam Speaker, it is a great privilege for me to honor Dwight D. Thomas for his many

years of dedicated service to our nation's veterans. He has had an enduring impact on his country, community, friends and family. He is a man of great dignity and character who takes pride in the accomplishments of those he has helped over the years. It is clear that he has been a friend and advocate to the veterans of Winston County. Madam Speaker, no doubt Dwight will be greatly missed in his position with the Department of Veterans Affairs. Dwight is an inspiring role model for all of us and I join his friends, family and colleagues in wishing him God's richest blessings in his retirement.

IN RECOGNITION OF THE ROBINSON WESTBROOKS FAMILY'S 100TH REUNION

HON. MIKE ROGERS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. ROGERS of Alabama. Madam Speaker, I would like to request the House's attention today to pay recognition to the Robinson Westbrooks family who will be celebrating their 100th family reunion on August 12–15, 2010.

The Robinson Westbrook family is the oldest ongoing registered family reunion in the United States. It all started with Mr. John Bolin Robinson, Mrs. Dora Anne Westbrooks Robinson and their youngest child, Leonard Wilbert Robinson, who all share a birthday of August 16. The coinciding birthdays led to a tradition of getting the family together every third Sunday in August. The first official Robinson Westbrooks Family Reunion was held in August 1910, making this year the 100th celebration.

The Robinson Westbrooks family makes the most out of their annual family gatherings. They are registered at the United States Library of Congress and are a non-profit foundation that raises money for the Robinson Westbrooks' Educational Scholarship Funds.

All of us east Alabamans are deeply proud of the family's legacy and hope the tradition continues for another 100 years and beyond.

INTRODUCTION OF H.R. 5729, THE STOP THE DROP HOUSES ACT OF 2010

HON. HARRY E. MITCHELL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. MITCHELL. Madam Speaker, I rise in support of bipartisan legislation I introduced earlier today with my colleague Rep. BRIAN BILBRAY of California: the Stop the Drop Houses Act.

Border States continue to pay a heavy price for the Federal Government's failure to secure the border and fix our broken immigration system. Arizona has been especially hard hit. More than half the illegal crossings across the U.S.-Mexico border happen in our State.

But this isn't just a crisis for communities along the border. This is a crisis in the inte-

rior—in places like Phoenix, where smugglers and Mexican cartels have set up vast networks of drop houses, which operate as way stations for criminal smuggling enterprises.

It has been estimated that there may be as many as 1,000 such drop houses in the Phoenix metropolitan area alone.

The crime associated with these drop houses is brutal and alarming. Phoenix now experiences upwards of 300 kidnappings a year.

I had the opportunity to visit a drop house in Phoenix yesterday, and I saw where smugglers had kept victims behind barred doors and windows while they extorted money for their release. I also visited another home in the same neighborhood, the site of a drug-cartel kidnapping, where smugglers had begun digging a grave for one of their captives, right there inside the house.

These violent thugs put innocent, law-abiding citizens at risk as well, when fights between rival cartels over smuggled cargo devolve into gunfire.

And these drop houses are everywhere. Living in an upscale neighborhood doesn't immunize you from their threat.

If there is anything more disturbing than these drop houses, it is the fact that we still have a loophole in Federal law that stops Federal authorities from using civil forfeiture to seize homes that are used as drop houses.

Under current law, civil forfeiture can be used to seize all kinds of other property used to facilitate smuggling crimes, such as vehicles or even airplanes. However, civil forfeiture cannot be used against the actual drop house, itself.

This just doesn't make sense.

That is why Rep. BILBRAY and I have introduced bipartisan legislation to fix this. Our bill would close this loophole, and allow Federal prosecutors to use civil forfeiture to seize homes used as drop houses.

This is, of course, no substitute for the kind of comprehensive fix we need for border security and our broken immigration system. But this is one obvious, and vitally important step that Congress can take, right now, to make our communities safer.

I urge my colleagues on both sides of the aisle to pass the Stop the Drop Houses Act.

STAND WITH THE CYPRIOTS ON THE COMMEMORATION OF THE CYPRUS INVASION ANNIVERSARY

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Mr. FILNER. Madam Speaker and colleagues. I rise today to commemorate the 36th anniversary of the invasion of Cyprus by Turkey. On July 20, 1974, Turkey invaded Cyprus in flagrant violation of international law.

The continuing presence of the occupied areas of Cyprus and the human rights violation of the Cypriot people is unacceptable! A solution cannot be achieved without the removal of all Turkish troops and settlers, and the return of all Cypriot citizens to their ancestral homes. Despite numerous U.N. resolutions

calling for the return of the refugees to their home and properties and for the withdrawal of Turkish troops from Cyprus, Turkey continues to illegally occupy the northern part of Cyprus.

We should honor the Cypriots who continue in their fight for justice! Cyprus and the U.S. share a deep and abiding commitment to upholding the ideals of freedom, democracy, justice, human rights, and the international rule of law. The international community has a moral and ethical obligation to stand with the Cypriots to reunify their island and end the military occupation.

I ask my colleagues to stand with me and Cypriots to mark this important anniversary and take a stand for human rights and freedom.

PERSONAL EXPLANATION

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 2010

Ms. WOOLSEY. Madam Speaker, on June 22, 2010, I was unavoidably detained and was unable to record my vote for Rollcall Nos. 376–378. Had I been present I would have voted:

Rollcall No. 376: “yes”—Supporting National Men’s Health Week.

Rollcall No. 377: “yes”—Recognizing the historical significance of Juneteenth Independence Day, and expressing the sense of the House of Representatives that history should be regarded as a means for understanding the past and more effectively facing the challenges of the future.

Rollcall No. 378: “yes”—Supporting the goals and ideals of High-Performance Building Week.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, July 20, 2010 may be found in the Daily Digest of today’s RECORD.

MEETINGS SCHEDULED

JULY 21

9 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings to examine empowering rural communities, the status and future of the Farm Bill’s energy and rural development programs.
SR-328A

9:30 a.m.
Energy and Natural Resources
Business meeting to consider pending calendar business.
SD-366

Veterans’ Affairs
To hold hearings to examine improvements to the post-9/11 Government Issue (GI) Bill.
SR-418

10 a.m.
Finance
To hold hearings to examine an update on the Troubled Asset Relief Program (TARP).
SD-215

Health, Education, Labor, and Pensions
To hold hearings to examine treating rare and neglected pediatric diseases, focusing on promoting the development of new treatments and cures.
SD-430

Homeland Security and Governmental Affairs
To hold hearings to examine the Homeland Security Department’s Quadrennial Homeland Security Review and Bottom Up Review.
SD-342

Commerce, Science, and Transportation
Oceans, Atmosphere, Fisheries, and Coast Guard Subcommittee
To hold hearings to examine ensuring effective clean up and restoration in the Gulf.
SR-253

Commission on Security and Cooperation in Europe
To receive a briefing on Chechnya and violence in the North Caucasus.
340, Cannon Building

2 p.m.
Banking, Housing, and Urban Affairs
To hold hearings to examine the semi-annual monetary policy report to the Congress.
SD-G50

Aging
To hold hearings to examine continuing care retirement communities (CCRCs), focusing on if CCRCs are a secure retirement or a risky investment.
SD-106

2:30 p.m.
Commerce, Science, and Transportation
To hold hearings to examine Security and Accountability For Every (SAFE) Port Act reauthorization, focusing on our nations infrastructure.
SR-253

Foreign Relations
To hold hearings to examine the nominations of Scot Alan Marciel, of California, to be Ambassador to the Republic of Indonesia, Judith R. Fergin, of Washington, to be Ambassador to the Democratic Republic of Timor-Leste, and Helen Patricia Reed-Rowe, of Maryland, to be Ambassador to the Republic of Palau, and Paul W. Jones, of New York, to be Ambassador to Malaysia, all of the Department of State, Robert M. Orr, of Florida, to be United States Director of the Asian Develop-

ment Bank, with the rank of Ambassador, and Nisha Desai Biswal, of the District of Columbia, to be an Assistant Administrator of the United States Agency for International Development.
SD-419

Judiciary
To hold hearings to examine the Second Chance Act, focusing on strengthening safe and effective community reentry.
SD-226

JULY 22

9:30 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings to examine lessons from the 2010 Tennessee flood.
SD-192

10 a.m.
Homeland Security and Governmental Affairs
State, Local, and Private Sector Preparedness and Integration Subcommittee
To hold hearings to examine disaster medical preparedness, focusing on improving coordination and collaboration in the delivery of medical assistance during disasters.
SD-342

Environment and Public Works
Clean Air and Nuclear Safety Subcommittee
To hold an oversight hearing to examine the Environmental Protection Agency’s proposal for Federal implementation plans to reduce interstate transport of fine particulate matter and ozone.
SD-406

Health, Education, Labor, and Pensions
Employment and Workplace Safety Subcommittee
To hold hearings to examine workplace safety and worker protections at BP.
SD-430

Foreign Relations
To hold hearings to examine the nominations of Patrick S. Moon, of Virginia, to be Ambassador to Bosnia and Herzegovina, Luis E. Arreaga-Rodas, of Virginia, to be Ambassador to the Republic of Iceland, Daniel Bennett Smith, of Virginia, to be Ambassador to Greece, and Matthew J. Bryza, of Illinois, to be Ambassador to the Republic of Azerbaijan, all of the Department of State.
SD-419

10:30 a.m.
Indian Affairs
To hold hearings to examine S. 2956, to authorize the Pechanga Band of Luiseno Mission Indians Water Rights Settlement, and S. 3290, to modify the purposes and operation of certain facilities of the Bureau of Reclamation to implement the water rights compact among the State of Montana, the Blackfeet Tribe of the Blackfeet Indian Reservation of Montana, and the United States.
SD-628

2:30 p.m.
Commerce, Science, and Transportation
Business meeting to consider pending calendar business.
SR-253

Homeland Security and Governmental Affairs	2:30 p.m.		AUGUST 5
Federal Financial Management, Government Information, Federal Services, and International Security Subcommittee	Homeland Security and Governmental Affairs	9:30 a.m.	
To resume hearings to examine the Gulf of Mexico oil spill, focusing on ensuring a financially responsible recovery.	Oversight of Government Management, the Federal Workforce, and the District of Columbia Subcommittee	Veterans' Affairs	
SD-342	To hold hearings to examine progress improving Department of Defense supply chain management.	Business meeting to consider pending calendar business.	SR-418
Commission on Security and Cooperation in Europe		SEPTEMBER 22	
To hold hearings to examine the plight of hundreds of thousands of Iraqi refugees and Iraqi allies.	10 a.m.	9:30 a.m.	
SR-385	Judiciary	Veterans' Affairs	
	To hold an oversight hearing to examine the Federal Bureau of Investigation.	To hold hearings to examine a legislative presentation focusing on the American Legion.	345, Cannon Building
JULY 27	SD-226	SEPTEMBER 23	
	JULY 29	9:30 a.m.	
9 a.m.		Veterans' Affairs	
Homeland Security and Governmental Affairs	2:30 p.m.	To hold an oversight hearing to examine Veterans' Affairs disability compensation, focusing on presumptive disability decision-making.	SR-418
Investigations Subcommittee	Homeland Security and Governmental Affairs	POSTPONEMENTS	
To hold hearings to examine social security disability fraud, focusing on case studies in Federal employees and commercial drivers licenses.	Oversight of Government Management, the Federal Workforce, and the District of Columbia Subcommittee	JULY 21	
SD-342	To hold hearings to examine closing the language gap, focusing on improving the Federal government's foreign language capabilities.	10 a.m.	
	SD-342	Homeland Security and Governmental Affairs	
		To resume hearings to examine nuclear terrorism, focusing on strengthening our domestic defenses.	SD-342